



BOARD OF DIRECTORS

November 15th, 2022

BEDFORD REGIONAL WATER AUTHORITY

Providing quality service to everyone.



1723 Falling Creek Road, Bedford, VA 24523-3137



540.586.7679



540.586.5805



www.brwa.com

MEETING NOTES

To: BRWA Board of Directors
From: Brian M. Key, PE; Executive Director
Date: November 11, 2022
Re: Notes for the November 15, 2022 Board of Directors Meeting

There is a fair amount of information to review to prepare for this board meeting.

5. The FY 2021-2022 audit will be presented at this meeting. The audit begins on page 33 of the board packets, and continues through page 176. In order to make it easier to navigate, bookmarks are included in the packet and the auditor will walk you through the report using the board packet page numbers.
7. Rhonda and Tom are both on leave next Tuesday, thus I will present the project and task reports.
- 7.c. **Resolution 2022-11.01** is included in the packet for your consideration. This resolution is related to the sewer capacity issue in the Town of Bedford, and the related County and Town actions are included with the resolution.
- 7.d. **Resolution 2022-11.02** is included in the packet for your consideration. This resolution is related to the prepayment agreement renewal for Westyn Village. It is anticipated that the agreement with the developer to allow some limited connections to the existing sewer lift station will be presented at the December board meeting.

If you have any questions about any of the information contained in your board packets, or if you are not going to be able to attend the meeting, please contact me prior to the board meeting.

AGENDA

NOTICE AND AGENDA

To: Board of Directors
From: Brian Key – Executive Director
Date: November 11, 2022
Re: Notice of Board Meeting and Agenda

A regular meeting of the Board of Directors of the Bedford Regional Water Authority (“Authority”) will be held on **Tuesday, November 15, 2022 at 7:00 p.m.** in the **Board Meeting Room** of the Authority located in the **Annex** building at **1723 Falling Creek Road in Bedford County**. In addition to in-person, the public can provide input and/or join the meeting in the following ways:

- Join the Zoom meeting with **audio/video** by electronic device (computer, phone, tablet):
<https://us02web.zoom.us/j/82023790044?pwd=Qlc2UUhlb3o1SUNBTHU1UU5WQ2lpZz09>
 - Meeting ID: 820 2379 0044
 - Password: X5qU0k
- Join the Zoom meeting with **audio only** by phone:
646 558 8656 US (New York)
651 372 8299 US (Minnesota)
786 635 1003 US (Miami)
267 831 0333 US (Philadelphia)
301 715 8592 US (Washington DC)
 - Meeting ID: 820 2379 0044
 - Passcode: 613111
- Click on the link to the online meeting on our Facebook page or website
 - www.brwa.com (the meeting link is on one of the banner posts on the front page)
 - <https://www.facebook.com/bedfordwater>

The following Agenda is proposed for discussion:

1. Call to Order
 - a. Pledge of Allegiance
 - b. Moment of Silence
2. Review of Agenda
3. Public Comments
4. Approval of Minutes: October 18, 2022 – Regular Board Meeting
5. Financial Report: Presented by Jill Underwood
 - a. Financial Statements through month end October 2022
 - b. FY 2021-2022 Audit Presentation
6. Administration Report: Presented by Megan Pittman

To: Board of Directors
From: Brian Key – Executive Director
Date: November 11, 2022
Re: Notice of Board Meeting and Agenda

7. Executive Report: Presented by Brian Key
 - a. Tasks Summary
 - b. Project Summaries
 - c. Resolution 2022-11.01: Sewer Capacity
 - d. Resolution 2022-11.02: Prepayment Agreement
8. Other business not covered on the above agenda
9. Motion to Adjourn

MINUTES



Bedford Regional Water Authority – Board of Directors Regular Board Meeting – Minutes October 18, 2022

A regular meeting of the Board of Directors of the Bedford Regional Water Authority ("Bedford Water") was held on Tuesday, October 18, 2022, in the Board Meeting Room in Bedford Water's Annex building located at 1723 Falling Creek Road in Bedford County.

Members Present:..... Bob Flynn, Chair
Michael Moldenhauer, Vice Chair
Jay Gray
Kevin Mele
Thomas Segroves
Walter Siehien

Members Absent:..... Rusty Mansel
Walter Siehien

Staff & Counsel Present: Brian Key – Executive Director
Rhonda English – Deputy Director (Virtually)
Jill Underwood – Director of Finance
Thomas Cherro – Director of Operations
Megan Pittman – Director of Administration (Virtually)

1. Call to Order

The meeting was called to order by the Chair at approximately 7:00 p.m. The Pledge of Allegiance and a moment of silence were conducted.

2. Review of Agenda

The agenda was reviewed by the board. Mr. Mele requested a closed session to discuss personnel matters about information received from a former employee; an additional closed session was added for this matter.

The agenda, as modified, is shown below; the revisions are shown in ***bold italics***.

1. Call to Order
 - a. Pledge of Allegiance
 - b. Moment of Silence
2. Review of Agenda
3. Public Comments
4. Executive Report: Presented by Brian Key
 - a. Policies and Projects Committee Meeting Summary 2022-10-12
 - i. Source4
 - ii. Resolution 2022-10.01 - Policy Revisions
5. Approval of Minutes: September 20, 2022 – Regular Board Meeting
6. Financial Report: Presented by Jill Underwood
 - a. Financial Statements through month end August 2022
 - b. Financial Statements through month end September 2022

7. Operations Report: Presented by Thomas Cherro
 - a. Tasks Summary
8. Administration Report: Presented by Megan Pittman
9. Engineering Report: Presented by Rhonda English
 - a. Project Summary
 - b. CIP Summary
- 10. Closed Session pursuant to Section 2.2-3711 A. 1. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss personnel issues.**
11. Closed Session pursuant to Section 2.2-3711 A. 5. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss a business as to which no previous public announcement has been made.
12. Other business not covered on the above agenda
13. Motion to Adjourn

3. Public Comments

There were no public comments.

4. Executive Report: Presented by Brian Key

a. Policies and Projects Committee Meeting Summary 2022-10-12

i. Source4

The property and business owners were present at the October 12th committee meeting. They are looking into if they can replace the meter with a smaller meter which would reduce their costs; they have not gotten back to the Authority about this. The committee also reviewed the rate information policy and clarified the methodology that is used for determining the rates for fire assemblies. Mr. Gray added that if they change the meter they may receive credit back but they will still have to pay for the labor and configuration of the change. He suggested deferring that cost, utilizing the Economic Development Funds, once it has been determined. The board agreed to allow staff to pursue this idea once the costs are received.

ii. Resolution 2022-10.01 - Policy Revisions

Mr. Mele pointed out that the resolution did not include Policy 2.01. Mr. Key said that was an oversight and that it should be added to the resolution.

Mr. Mele suggested there be a detailed review of the policies, and that many policies may need to include a definition section; he said that some of the policies were hard to comprehend and may need to be modified to make them easier to read and understand. Mr. Gray suggested adding addendums to allow the policy to stay the same with the extra information included with addendums. The board agreed to approve the policies as presented and Mr. Key will look into revising policies in the future to make them easier to understand.

At a regular meeting of the Bedford Regional Water Authority ("Authority") Board of Directors, held in the Board Meeting Room at the Authority's Administrative Annex Building on the 18th day of October 2022, beginning at 7:00 p.m.:

WHEREAS, the Bedford Regional Water Authority (the "Authority") is a public service authority formed and existing in accordance with the provisions of Chapter 51 of Title 15.2 of the Code of Virginia, 1950, as amended, the Virginia Water and Waste Authorities Act §§ 15.2-5100-15.2-5159 (the "Act"); and,

WHEREAS, the Authority desires to have a comprehensive set of policies governing the manner in which the Authority conducts its regular business, and the Authority directs that these policies be grouped together into an operating policy manual; and, **WHEREAS**, revisions to the policies listed below were recommended by staff to the Policies and Projects Committee ("Committee");

2.01 Rate Information	6.30 Industrial Wastes and Pretreatment
2.11 Billing and Payments	10.00 Financial Management Policy
2.40 Adjustments	10.10 Purchasing
4.51 Easement Value Calculations	10.12 Purchasing Cards
5.00 Overview of Water System	10.21 Disposal of Surplus Property
6.00 Overview of Wastewater System	20.11 Leave.

and, **WHEREAS**, at a meeting that was held on October 12, 2022 the Committee reviewed the policy noted above and has recommended the revisions to the policies to be presented to and approved by the Board of Directors of the Authority; now, **THEREFORE, BE IT RESOLVED** by the Board of Directors of the Bedford Regional Water Authority that the above noted policy revisions be hereby adopted by the Authority.

On behalf of the Committee, Member Gray made a motion to approve the resolution as amended to include Policy 2.01.

Being a motion from a committee, no second motion was needed.

- Board member votes: 5 Aye; 0 Nay; 0 Abstain. The motion carried.

5. Approval of Minutes: September 20, 2022 Regular Board Meeting

The regular Board Meeting Minutes from September 20, 2022, were reviewed.

Member Moldenhauer made a motion to approve the minutes.

Member Mele seconded the motion.

- Board member votes: 5 Aye; 0 Nay; 0 Abstain. The motion carried.

6. Financial Report: Presented by Jill Underwood

a. Financial Statements through month end August 2022

b. Financial Statements through month end September 2022

Staff received notification of a new federal program, Federal Low-Income Household Water Assistance Program, which assists low-income households with water and sewer bills, with an emphasis on assisting households that pay a high proportion of household income to drinking water and sewer service. The Authority has expressed interest in the program and is waiting for additional details.

The budget goal was 25% for September with operating revenues at 26% and operating expenses at 19%. Capital Recovery fees received this FY are 47% of the total budgeted amount, with water at 52% and sewer at 37%.

All revenue is recorded; however, some is in the incorrect GL account. There is additional training scheduled with the representatives from the billing system company and will review the structure and make modifications as necessary. Ms. Underwood explained how this process works with the billing and accounting software.

Most of the annual debt assistance from the County has been received to pay the October debt service payments on the 2002 and 2005 VRA issuances. In October, both principal and interest are paid. In April, only interest is paid.

Ms. Underwood has been researching consulting agencies to find additional help for accounting related functions.

7. Operations Report: Presented by Thomas Cherro

a. Tasks Summary

Mr. Cherro stated that three dump trucks were ordered to help the productivity of the Maintenance Department. The CIP Crew is moving along fairly quickly on their projects; however, material availability has been slowing down the projects at times. He also stated that the work at Paradise Point is completed and will be closed after a few final items are finished for VDOT. The ESCO project is continuing as well. Mr. Flynn said that he has been pleased with the improvements done at the Central Wastewater Treatment Plant. Last week the Helm Street Tank levels dropped quickly, and Mr. Cherro will be working on identifying and isolating points that have potentially caused this tank's issue.

8. Administration Report: Presented by Megan Pittman

Ms. Pittman showed the board some improvements in our external communications including a sneak peek at the new website and offering QR codes on our bills to allow easier payments.

The Authority had an employee event at the end of September at Layman Farms, where 66 staff attended. This time together is used for team building, building inter-department comradery, and a chance to make announcements to the whole organization and recognize retiring staff. The Safety Committee also has a Safety Day set for Friday to bring a higher understanding of the importance of safety while also making it fun. Activities include fire extinguisher training, a hazard identification game, and our award-winning rapid tapping team doing a demonstration.

9. Engineering Report: Presented by Rhonda English

a. Project Reports

Ms. English said that the Ivy Creek project has received review comments from the City of Lynchburg and CHA is finalizing the flow meter design. The Developer of Westyn Village Phase II met with the Authority and County to discuss options for partial service through a legal agreement and partial Capital Recovery fee payment prior to completion of Forest Middle School Pump Station upgrades. Ms. English asked if the board would like a committee to review the agreement in regards to the capital recovery fees partial payment possibility. Mr. Key said that it could be reviewed via email with the committee and then discussed at the next board meeting. There has been correspondence with a potential customer at the old Teva building who would be a large water and sewer user .

b. CIP Summary

The CIP list shows all the capital projects, including carryover items from last fiscal year, current fiscal year projects, and debt service projects.

The 460 pump station is still waiting on receipt of the pumps, and anticipates completion in November.

10. Closed Session pursuant to Section 2.2-3711 A. 1. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss personnel issues.

Member Gray moved that the Board of Directors go into Closed Meeting pursuant to Section 2.2-3711 A.5 of the Code of Virginia (1950), as amended. Member Mele seconded the motion.

- Board Member Votes: 5 Aye; 0 Nay; 0 Abstain. The motion carried.

- The board entered into closed session at approximately 8:22 pm.

At approximately 8:51 pm Member Gray moved that the board exit closed session and return to open session. Member Segroves seconded the motion.

- Board Member Votes: 5 Aye; 0 Nay; 0 Abstain. The motion carried.

- The Board of Directors took a roll call vote certifying that to the best of the member's knowledge only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the meeting by the public body.

- Board member votes:

- Aye: Bob Flynn, Jay Gray, Kevin Mele, Michael Moldenhauer, Thomas Segroves
- Nay: None

11. Closed Session pursuant to Section 2.2-3711 A. 5. of the Code of Virginia, 1950, as amended; this closed meeting is to discuss a business as to which no previous public announcement has been made.

Member Mele moved that the Board of Directors go into Closed Meeting pursuant to Section 2.2-3711 A.5 of the Code of Virginia (1950), as amended. Member Moldenhauer seconded the motion.

- Board Member Votes: 5 Aye; 0 Nay; 0 Abstain. The motion carried.

- The board entered into closed session at approximately 8:55pm.

At approximately 9:30pm Member Mele moved that the board exit closed session and return to open session. Member Moldenhauer seconded the motion.

- Board Member Votes: 5 Aye; 0 Nay; 0 Abstain. The motion carried.

- The Board of Directors took a roll call vote certifying that to the best of the member's knowledge only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the meeting by the public body.

- Board member votes:

- Aye: Bob Flynn, Jay Gray, Kevin Mele, Michael Moldenhauer, Thomas Segroves
- Nay: None

12. Other Business

None

13. Motion to Adjourn:

There being no further business to discuss, Member Segroves made a motion to adjourn and Member Gray seconded the motion.

Board Member Votes: 5 Aye, 0 Nay, 0 Abstain. The motion carried.

The meeting adjourned at approximately 9:32pm.

Prepared by Megan Pittman – Director of Administration

Approved: _____ 2022

FINANCIAL REPORT

MEMORANDUM

To: BRWA Board of Directors
From: Jill W. Underwood, Director of Finance
Date: November 10, 2022
Re: Financial Highlights for October 2022

Customer Service Statistical Report:

The report for October is included.

We have submitted required information for the Federal Low-Income Household Water Assistance Program. We are waiting to see if any customers apply for funding. We have door hangers with program information that we are using on disconnect day.

Summary of Revenues & Expenses:

- 1) Budget goal is 32% for October, operating revenues are at 33% and operating expenses at 27%.
- 2) All revenue is recorded; however, there is some that is in the incorrect GL account. We have additional training with the representatives from the billing system company this week and will review the structure and make modifications as necessary.
- 3) Capital Recovery fees received this FY are 51% of the total budgeted amount, with water at 57% and sewer at 38%.

Cash Flow Summary

The summary is included in your packets.

Audit

We are posting the adjusting entries from the audit and will have final budget information from FY22 at the meeting on Tuesday.

Tracking Data for Customer Service Department

Description		November '21	December '21	January '22	February '22	March '22	April '22	May '22	June '22	July '22	August '22	September '22	October '22	Running 12 Month Totals
1	Statements Mailed	15,134	15,172	15,012	14,933	14,852	14,424	14,230	14,244	14,270	14,654	14,365	14,345	175,635
2	Statements Sent Electronically	3,568	3,700	3,030	6,551	6,667	6,634	6,860	6,811	3,368	6,903	7,225	7,287	68,604
3	Total of Payments Received	13,174	13,270	11,430	13,485	13,406	12,376	13,994	13,357	12,687	13,912	12,917	13,530	157,538
4		\$1,239,099.34	\$1,424,343.42	\$1,064,643.02	\$1,242,116.93	\$1,288,604.40	\$1,391,603.64	\$1,415,203.32	\$1,460,223.31	\$1,342,647.62	\$1,592,202.60	\$1,540,233.12	\$1,431,571.66	\$16,432,492.38
5	Bill Payer Payments	2,626	2,615	2,321	2,896	2,751	2,350	2,445	2,569	2,378	2,537	2,320	2,300	30,108
6		\$178,239.08	\$184,708.03	\$148,689.27	\$177,673.19	\$173,675.37	\$144,585.18	\$155,905.05	\$170,438.41	\$172,093.33	\$173,776.76	\$155,563.79	\$164,648.88	\$1,999,996.34
7		19.9%	19.7%	20.3%	21.5%	20.5%	19.0%	17.5%	19.2%	18.7%	18.2%	18.0%	17.0%	19.1%
8	Paymentus Payments	218	224	201	156	136	102	64	59	44	25	8	3	1,240
9		\$17,584.95	\$18,084.11	\$15,598.26	\$12,923.16	\$9,974.20	\$8,258.02	\$5,198.32	\$4,240.28	\$4,641.75	\$1,922.88	\$660.93	\$120.46	\$99,207.32
10		1.7%	1.7%	1.8%	1.2%	1.0%	0.8%	0.5%	0.4%	0.3%	0.2%	0.1%	0.0%	0.8%
11	Invoice Cloud Payments	2,702	2,882	3,086	2,759	3,046	3,124	3,326	3,247	3,566	3,496	3,709	3,792	38,735
12		\$252,736.83	\$281,461.51	\$94,511.07	\$252,211.74	\$306,516.07	\$294,384.09	\$310,665.87	\$286,808.76	\$348,035.16	\$333,377.44	\$337,901.23	\$385,501.84	\$3,484,111.61
13		20.5%	21.7%	27.0%	20.5%	22.7%	25.2%	23.8%	24.3%	28.1%	25.1%	28.7%	28.0%	24.6%
14	Automatic Draft Payments (ACH)	1,897	1,895	1,865	1,829	1,842	1,823	1,824	1,829	1,836	1,850	1,856	1,884	22,230
15		\$128,672.21	\$123,294.01	\$117,943.62	\$112,790.85	\$114,841.24	\$111,435.01	\$122,188.16	\$119,696.26	\$135,730.58	\$144,092.76	\$129,325.05	\$141,887.31	\$1,501,897.06
16		14.4%	14.3%	16.3%	13.6%	13.7%	14.7%	13.0%	13.7%	14.5%	13.3%	14.4%	13.9%	14.1%
17	Account Transfers	137	133	97	57	75	99	135	380	173	154	185	121	1,746
18	New Customers - Forest	6	18	11	16	13	22	10	18	5	104	28	4	255
19	New Customers - SML	1	2	6	1	-	5	4	4	2	8	2	3	38
20	Residential Disconnected Customers	96	151	45	-	-	117	109	92	85	94	99	100	988
21		\$18,121.12	\$20,820.29	\$16,049.38	\$0.00	\$0.00	\$36,206.87	\$28,864.20	\$15,073.35	\$11,866.26	\$15,084.57	\$15,711.69	\$39,944.49	\$217,742
22	Meters Read - Normal and Transfer Readings	14,641	14,652	14,711	14,754	14,773	14,801	14,809	14,733	14,754	14,790	14,685	14,585	176,688
23	Radio Read Meters	14,215	14,245	14,383	14,423	14,479	14,537	14,587	14,531	14,575	14,611	14,425	14,416	173,427
24	Manually Read Meters	426	407	328	331	294	247	222	202	179	179	179	169	3,163
25	Tower Read Meters	2,963	2,675	2,862	3,073	3,060	3,329	3,387	2,757	3,349	2,160	2,722	2,641	34,978
26	New Meter Installs	27	14	19	3	21	17	25	22	21	36	15	8	228
27	Broken Meters Replaced	-	-	-	9	9	-	-	-	-	35	29	19	101
28	Meters Changed - Program	20	19	99	37	132	130	25	24	23	-	-	14	523
29	Connections paid for but not installed	309	302	301	318	310	313	327	349	356	147	177	93	N/A
30	Remaining Developer's Credits	\$374,484.01	\$357,684.01	\$357,684.01	\$357,684.01	\$341,484.01	\$341,484.01	\$341,484.01	\$341,484.01	\$341,484.01	\$341,484.01	\$341,484.01	\$341,484.01	N/A
31	Bulk Water Sales - New London (Gallons)	17,855	4,660	-	16,713	12,975	10,800	46,730	47,285	22,782	18,255	6,942	26,515	231,512
32	Bulk Water Sales - Moneta (Gallons)	5,800	1,945	-	-	3,175	5,201	21,821	55,600	14,960	29,930	8,720	22,570	169,722
33	Bulk Water Sales - Central Distr (Gallons)	5,800	-	-	-	8,200	17,300	138,300	96,700	83,200	12,825	16,265	52,520	431,110
34	Total Bulk Water Sales	\$353.46	\$79.26	\$0.00	\$200.56	\$292.20	\$399.61	\$2,482.21	\$2,395.02	\$1,451.30	\$732.12	\$383.12	\$1,219.26	\$9,988.13

Bedford Regional Water Auth.
Balance Sheet
For the Four Months Ending Monday, October 31, 2022

		<u>7/1/2022</u> <u>Beginning</u>	<u>Oct 2022</u> <u>Actual</u>
	ASSETS		
1000:1000	Cash	\$4,899,990.01	\$5,697,032.28
1001	Restricted Investments	11,093,640.95	9,093,045.02
1002:1002	Prepaid Expenses	954,355.59	890,096.92
1101:1101	Accounts Receivable	2,037,218.39	1,799,010.72
1102	Accounts Receivable Other	312,979.48	55,827.51
1200	Inventory	904,685.23	1,375,705.59
1202	Loan Related Assets	3,934.66	3,934.66
1250	Construction In Progress	7,560,947.50	8,053,960.05
1301	Tangible Assets- Office	5,333,848.08	5,333,848.08
1302	Tangible Assets - Vehicles	3,623,581.18	3,623,581.18
1400:1500	Tangible Assets - Water	102,663,697.11	102,663,697.11
1700	Tangible Assets - Sewer	65,138,016.44	65,138,016.44
1800	Intangible Assets	743,601.00	743,601.00
1801	Fixed Asset Clearing Account		190,200.22
1900	Depreciation	(73,817,992.44)	(73,817,992.44)
	Total assets	<u>131,452,503.18</u>	<u>130,843,564.34</u>
	LIABILITIES		
2000	Accounts Payable	(1,510,085.37)	(82,727.06)
2001	Customer Liabilities	(483,257.87)	(494,556.55)
2100	Employee Liabilities	(1,679,587.41)	(1,518,469.99)
2200	Notes Payable	(40,391,696.03)	(37,560,038.53)
2300	Developer Credits	(379,474.01)	(379,474.01)
2999	Retained Earnings	(87,008,402.49)	(87,008,402.49)
	Total liabilities	<u>(131,452,503.18)</u>	<u>(127,043,668.63)</u>
	Operating Surplus/ (Loss)		3,799,895.71

Bedford Regional Water Auth.
Balance Sheet
For the Four Months Ending Monday, October 31, 2022

		<u>7/1/2022</u> <u>Beginning</u>	<u>Oct 2022</u> <u>Actual</u>
ASSETS			
Cash:			
1000-0000	Change Box for CS	350.00	350.00
1000-0001	Petty Cash	16.57	16.57
1000-0002	Truist Checking Account	1,026,445.26	1,804,179.35
1000-0004	Cash Drawer	225.00	225.00
1000-0011	LGIP Operating Reserves Fund	323,682.44	325,764.65
1000-1000	VA Investment Pool-Capital Projects Reserve	2,508,883.89	2,522,361.80
1000-2000	VA Investment Pool- Operating Reserves	1,040,386.85	1,045,975.91
1000-0005	Cash Suspense Account (for F.A.)		(1,841.00)
	Total Cash	4,899,990.01	5,697,032.28
Restricted Investments:			
1001-0001	Deposit Refund Program Fund	359,661.65	359,661.65
1001-0010	Debt Service Accumulation Fund	2,462,452.47	869,240.89
1001-0020	Reserve for future capital projects	663,502.47	663,614.32
1001-0021	County Funds for New Projects	101,931.35	113,896.25
1001-0022	SML WTF Depreciation Fund WVWA	471,329.02	473,861.02
1001-0023	BRWA Cell Tower Funds	327,966.19	345,913.55
1001-0024	SML WTF Depreciation Fund- BRWA portion	471,329.01	473,861.01
1001-0025	Vehicle and Equipment Replacement Fund	682,438.43	682,438.43
1001-0030	Information Systems Replacement Fund	228,845.33	228,845.33
1001-0035	Meter Replacement Fund	503,735.46	503,735.46
1001-0040	Sewerline Replacement Fund	825,862.76	825,862.76
1001-0045	Waterline Replacement Fund	364,757.70	364,757.70
1001-0050	Tank Rehab	322,995.76	322,995.76
1001-1010	VA Investment Pool- Reserve Fund	435,736.87	429,308.74
1001-1020	LGIP Repairs & Maintenance Reserve	24,085.63	24,085.63
1001-1025	VRA Debt Service Reserve Fund	1,771,632.63	1,753,792.76
1001-1100	Escrow Account	38,491.72	38,491.72
1001-1215	VRA 2020 Construction Fund	1,028,596.52	610,392.06
1001-1216	VRA 2020 Construction Account- Interest	8,289.98	8,289.98
	Total Restricted Investments	11,093,640.95	9,093,045.02
Prepaid Expenses:			
1002-1000	Prepaid Insurance	104,265.53	76,825.92
1002-1001	Prepaid Dues/Service Contracts	36,819.06	
1002-1002	Deferred Outflows of Resources (Pensions)	716,684.00	716,684.00
1002-1003	VRS OPEB Deferred Outflow	98,259.00	98,259.00
1002-1004	VRS OPEB Deferred Outflow	(8,586.00)	(8,586.00)
1002-1005	Local OPEB Deferred Outflows	22,750.00	22,750.00
1002-1006	Local OPEB Deferred Inflows	(15,836.00)	(15,836.00)
	Total Prepaid Expenses	954,355.59	890,096.92
Accounts Receivable:			
1101-1000	Billings Receivable Water	2,085,716.21	1,250,663.56
1101-2000	Budget Billing Accounts Rec.	6.52	6.52
1101-2001	Monthly Statement A/R	(20.00)	(20.00)
1101-2002	Monthly Deferred A/R- holding account	553.47	553.47
1101-2003	AR Credits	(50.00)	(50.00)
1101-3000	Billings Receivable Sewer	716,801.63	661,156.49
1101-3210	Credit Card Convenience Fee AR	735.34	735.34
1101-4000	Allowance for Doubtful Accounts	(605,103.89)	(605,103.89)
1101-4001	Water Penalties- A/R	(375,168.57)	(362,027.28)
1101-4002	Payment Arrangement AR- Water	(154.96)	(154.96)
1101-4003	Sewer Penalties A/R	11,664.05	18,724.45
1101-4004	Payment Arrangement AR- Sewer	268.43	268.43
1101-4005	Payment Arrangement AR- Sewer Penalties	94.60	94.60
1101-4006	Payment Arrangement AR- Water Penalties	174.14	174.14

Bedford Regional Water Auth.
Balance Sheet
For the Four Months Ending Monday, October 31, 2022

		<u>7/1/2022</u> <u>Beginning</u>	<u>Oct 2022</u> <u>Actual</u>
1101-5001	Water Capital Recovery Fees A/R	57,779.00	517,279.00
1101-5002	Returned Check A/R	858.63	858.63
1101-5003	Sewer Capital Recovery Fees A/R	40,563.73	193,363.73
1101-5005	Reconnect Fee A/R	16,293.26	16,293.26
1101-6000	Water Account Charge A/R	12,593.53	8,915.20
1101-6003	Sewer Account Charges A/R	4,657.59	4,657.59
1101-7001	Water Deposits A/R	(45,211.60)	(47,767.77)
1101-7003	Sewer Deposits A/R	20,948.25	20,948.25
1101-7500	Meter Base Installation Fee A/R	71,163.43	122,963.43
1101-7502	A/R- Sewer Clean-Out Installation Fee	16,700.00	30,600.00
1101-7504	Sewer Pump Maintenance A/R	3,829.77	3,829.77
1101-7505	Service Repairs & Rents A/R	(709.88)	(709.88)
1101-7506	A/R- Septage Dumping Fees	8,335.00	8,335.00
1101-7507	Meter Fee A/R	44,994.63	64,744.63
1101-7508	A/R- Industrial Pretreatment	(749.99)	(5,916.62)
1101-7510	SGP Review and Inspections A/R	(130.06)	(1,494.64)
1101-8000	Misc. Charges Receivable	(1.00)	(1.00)
1101-8002	NSF holding/clearing account	50.51	14,953.48
1101-8003	Consolidation holding account	(3,761.63)	(3,761.63)
1101-8006	Unauthorized Service A/R	4,000.00	4,000.00
1101-8009	Pending Electronic Payments	(50,501.75)	(118,100.58)
	Total Accounts Receivable	2,037,218.39	1,799,010.72
Accounts Receivable Other:			
1102-0001	Miscellaneous Accounts Receivable	312,979.48	55,827.51
	Total Accounts Receivable Other	312,979.48	55,827.51
Inventory:			
1200-0001	Maintenance Inventory	335,636.11	414,280.37
1200-0002	Meter Inventory	569,049.12	961,425.22
	Total Inventory	904,685.23	1,375,705.59
Loan Related Assets:			
1202-0009	VRA 2014 Cash Account (per docs)	3,934.66	3,934.66
	Total Loan Related Assets	3,934.66	3,934.66
Construction In Progress:			
1250-0317	CIP- Website Development Project	22,000.00	48,950.00
1250-0318	Town & Country WATER Replacement	11,200.00	18,800.00
1250-0320	CIP- Paradise Point Waterline	101,098.86	104,334.55
1250-0322	CIP- Key System	32,890.00	32,890.00
1250-0323	Central Water control valves	112,742.82	123,742.82
1250-0326	Town & Country Sewer Replacement Project	68,745.00	78,875.48
1250-0328	Bridgewater Bay PRV	16,815.71	70,401.81
1250-0330	CIP- Stoney Creek Telemetry	338.64	323.63
1250-0336	Belltown Rd Waterline (ARPA)	34,025.00	34,365.80
1250-0346	CIP- Moneta Park WL Ext.	230,985.18	422,307.33
1250-0365	CIP- Mountain View Shores	13,588.48	18,975.75
1250-0378	Helm Street Tank Project (ARPA)	27,063.19	42,077.38
1250-0383	CIP- Ivy Creek Sewer	1,259,112.09	1,259,112.09
1250-0390	CIP- 460 Booster Station	1,409,353.60	1,516,053.40
1250-0391	CIP- Turkey Mtn Booster Station	42,490.00	42,490.00
1250-0395	ESCO Project	4,178,498.93	4,178,776.18
1250-0321	CIP- Billing System Upgrade		19,637.56
1250-0331	CIP- Laurel Street Waterline		667.28
1250-0363	BRWA Parking Lot Expansion		5,000.00
1250-0399	CIP- Galax St. WATER		36,178.99
	Total Construction In Progress	7,560,947.50	8,053,960.05

Bedford Regional Water Auth.
Balance Sheet
For the Four Months Ending Monday, October 31, 2022

		<u>7/1/2022</u> <u>Beginning</u>	<u>Oct 2022</u> <u>Actual</u>
Tangible Assets- Office:			
1301-0001	Office Facilities	3,510,228.41	3,510,228.41
1301-0002	Information Systems	1,823,619.67	1,823,619.67
	Total Tangible Assets- Office	<u>5,333,848.08</u>	<u>5,333,848.08</u>
Tangible Assets - Vehicles:			
1302-0001	Vehicles and Equipment	3,623,581.18	3,623,581.18
	Total Tangible Assets - Vehicles	<u>3,623,581.18</u>	<u>3,623,581.18</u>
Tangible Assets - Water:			
1400-1000	SML Water Treatment Facility	16,694,001.18	16,694,001.18
1400-2000	Smith Mountain Lake Central	22,056,027.84	22,056,027.84
1400-3000	Stewartsville Water	2,735,076.84	2,735,076.84
1500-1000	Forest Water	37,453,958.35	37,453,958.35
1500-2000	Lakes Water	1,625,458.78	1,625,458.78
1500-3000	Central Water	22,099,174.12	22,099,174.12
	Total Tangible Assets - Water	<u>102,663,697.11</u>	<u>102,663,697.11</u>
Tangible Assets - Sewer:			
1700-0014	Central Sewer	22,895,431.45	22,895,431.45
1700-0015	Moneta Sewer	12,701,962.43	12,701,962.43
1700-0016	Forest Sewer	20,492,925.92	20,492,925.92
1700-0020	Mariners Landing Sewer	1,448,700.18	1,448,700.18
1700-1016	BRWA Share Lynchburg Sewer Upgrade	5,529,117.24	5,529,117.24
1700-8000	Montvale Sewer	2,069,879.22	2,069,879.22
	Total Tangible Assets - Sewer	<u>65,138,016.44</u>	<u>65,138,016.44</u>
Intangible Assets:			
1800-0000	Studies & Permits (Feasibility, master studies)	687,190.55	687,190.55
1800-0090	Capitalized Interest (Various projects)	56,410.45	56,410.45
	Total Intangible Assets	<u>743,601.00</u>	<u>743,601.00</u>
Fixed Asset Clearing Account:			
1801-0000	Fixed Asset Clearing Account		190,200.22
	Total Fixed Asset Clearing Account		<u>190,200.22</u>
Depreciation:			
1900-0000	Accumulated Depreciation	(73,817,992.44)	(73,817,992.44)
	Total Depreciation	<u>(73,817,992.44)</u>	<u>(73,817,992.44)</u>
	Total assets	131,452,503.18	130,843,564.34
LIABILITIES			
Accounts Payable:			
2000-1000	Accounts Payable	(1,436,523.93)	(5,400.18)
2000-1005	Retainage Payable	(73,561.44)	(77,326.88)
	Total Accounts Payable	<u>(1,510,085.37)</u>	<u>(82,727.06)</u>
Customer Liabilities:			
2001-0000	Customer Credit- Budget Billing accounts	3,009.22	3,009.22
2001-0001	Customer Credits	(356,158.10)	(356,158.10)
2001-0002	Misc. Misposting	713.57	713.57
2001-0003	Customer Refunds Payable	57,157.44	61,061.33

Bedford Regional Water Auth.
Balance Sheet
For the Four Months Ending Monday, October 31, 2022

		<u>7/1/2022</u> <u>Beginning</u>	<u>Oct 2022</u> <u>Actual</u>
2001-0004	Liability for Sureties Held	(5,250.00)	(5,250.00)
2001-0005	Liability for Easement Condemnations	(4,394.72)	(4,394.72)
2001-1000	Water Deposits	(96,965.87)	(112,168.44)
2001-1555	Fireline Assembly Deposits	(16,308.86)	(16,308.86)
2001-2000	Interest on Deposits (Town accounts)	1,256.93	1,256.93
2001-3000	Sewer Deposits	(66,317.48)	(66,317.48)
	Total Customer Liabilities	(483,257.87)	(494,556.55)
Employee Liabilities:			
2100-0050	Compensated Absences Liability	(169,071.65)	(169,071.65)
2100-0060	Accrued Payroll	(178,057.64)	(0.01)
2100-0250	VRS Employee Contribution Payable	343.89	442.11
2100-0400	Net Pension Liability	(784,977.00)	(784,977.00)
2100-0500	VRS OPEB Liability	(287,541.00)	(287,541.00)
2100-0510	Local OPEB Liability	(258,380.00)	(258,380.00)
2100-0550	Health Insurance Payable- Employee Share	(4,125.49)	(3,621.99)
2100-0600	VRS Mandatory Cash Match- Hybrid	1.25	1.25
2100-0750	Optional Life Insurance Payable	600.39	521.26
2100-0800	AFLAC Withholding Payable	1,669.67	1,696.55
2100-0900	Outstanding Payables Checks	(49.83)	(49.83)
2100-0200	State Withholding Payable		(16,200.50)
2100-0450	Flexible Spending Account Payable		(939.18)
2100-1000	Garnishments Payable		(350.00)
	Total Employee Liabilities	(1,679,587.41)	(1,518,469.99)
Notes Payable:			
2200-0115	Current Maturities Long-Term Debt	0.40	2,831,657.90
2200-2001	Accrued Interest Payable	(368,798.41)	(368,798.41)
2200-2020	VRA 2015 Loan	(28,045,000.00)	(28,045,000.00)
2200-2021	VRA 2015 Premium	(253,203.04)	(253,203.04)
2200-2026	VRA Series 2005 Premium	(1,264.20)	(1,264.20)
2200-2029	VRA 2009 Series Deferred amount of Refunding	76,333.52	76,333.52
2200-2230	Series 2012 Loan (2005 Refunding)	(1,620,000.00)	(1,620,000.00)
2200-2231	Series 2012 Premium (2005 Refunding)	(133,621.72)	(133,621.72)
2200-2232	VRA 2012 Deferred Amount on refunding	130,234.64	130,234.64
2200-2233	VRA Series 2014 Loan (2005 refunding)	(1,745,000.00)	(1,745,000.00)
2200-2234	VRA Series 2014 Premium (2005)	(92,648.12)	(92,648.12)
2200-2235	VRA 2014 Deferred Amt on Refunding	40,542.47	40,542.47
2200-2236	VRA 2019 Refunding Premium	(23,664.33)	(23,664.33)
2200-2237	VRA Series 2019 Refunding	(955,000.00)	(955,000.00)
2200-2238	VRA Series 2019 Deferred Amt on Refunding	(49,867.99)	(49,867.99)
2200-2240	VRA 2020 Loan (ESCO)	(3,555,000.00)	(3,555,000.00)
2200-2241	VRA 2020 Premium	(508,741.56)	(508,741.56)
2200-2500	Assumed Debt from Town	(2,289,012.55)	(2,289,012.55)
2200-3000	Lynchburg Sewer System Loan Payable	(997,985.14)	(997,985.14)
	Total Notes Payable	(40,391,696.03)	(37,560,038.53)
Developer Credits:			
2300-0000	Deferred Revenue Liability	(357,684.01)	(357,684.01)
2300-1000	Deferred Inflows of Resources	(21,790.00)	(21,790.00)
	Total Developer Credits	(379,474.01)	(379,474.01)
Retained Earnings:			
2999-0000	Retained Earnings	(87,008,402.49)	(87,008,402.49)
	Total Retained Earnings	(87,008,402.49)	(87,008,402.49)
	Total liabilities	(131,452,503.18)	(127,043,668.63)

Bedford Regional Water Auth.
Balance Sheet
For the Four Months Ending Monday, October 31, 2022

	<u><i>7/1/2022</i></u> <u><i>Beginning</i></u>	<u><i>Oct 2022</i></u> <u><i>Actual</i></u>
Operating Surplus/ (Loss)		3,799,895.71

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
OPERATING REVENUE						
3000-3000	Water Sales	(\$617,691.91)	(\$2,296,805.43)	(\$9,937,316.00)	(\$7,640,510.57)	23%
3100-	Sewer Sales	(413,365.97)	(2,517,950.56)	(4,748,954.00)	(2,231,003.44)	53%
3902	Penalties	(14,526.24)	(29,524.76)	(70,000.00)	(40,475.24)	42%
3903-	Account Charges	(2,850.00)	(13,275.00)	(60,000.00)	(46,725.00)	22%
3903-	Review Fees	(6,325.00)	(35,277.33)	(55,500.00)	(20,222.67)	64%
3900-	Interest Earned		(14,893.21)	(2,000.00)	12,893.21	745%
3903-	Sewer Clean Outs	(1,500.00)	(13,900.00)	(7,000.00)	6,900.00	199%
3903-3250	Meter Installation Revenues	(10,225.00)	(71,550.00)	(95,000.00)	(23,450.00)	75%
3903-3255	Industrial Pretreatment Revenue	(1,437.49)	(5,624.96)	(18,000.00)	(12,375.04)	31%
3903-3261	Rent/Meter Charges		(1,030.47)	(5,000.00)	(3,969.53)	21%
3903-	Misc	(13,654.91)	(37,776.76)	(7,280.00)	30,496.76	519%
3903-	Fixed Asset Disposals	(2,350.00)	(3,325.00)		3,325.00	0%
3901-	Account Default Fees		(1,000.00)	(28,000.00)	(27,000.00)	4%
3201-3275	Contract Reimbursements	(8,991.24)	(35,390.16)	(219,000.00)	(183,609.84)	16%
	Revenue from BRWA Operations	(1,092,917.76)	(5,077,323.64)	(15,253,050.00)	(10,175,726.36)	33%
3000-3220	Capital Recovery Fees	(45,900.00)	(612,300.00)	(1,200,000.00)	(587,700.00)	51%
3903-3265	Cellular Antenna Site Rental-County portion	(5,459.31)	(19,250.72)	(53,416.00)	(34,165.28)	36%
3904-3310	BOS Capital Contributions		(1,849,625.01)	(2,000,000.00)	(150,374.99)	92%
3904-3340	Projects Funded by Bedford Co.	(28,417.86)	(201,243.91)		201,243.91	0%
3904-3312	BOS Contributions for New Development			(500,000.00)	(500,000.00)	0%
3904-3315	Developer Line Contributions			(200,000.00)	(200,000.00)	0%
3903-3330	SML WTF Revenue		(5,064.00)	(400.00)	4,664.00	1,266%
3904-3317	Developer Prepayments Redemption Revenue			(20,000.00)	(20,000.00)	0%
	Revenue from Other Sources	(79,777.17)	(2,687,483.64)	(3,973,816.00)	(1,286,332.36)	68%
	Total Revenue	(1,172,694.93)	(7,764,807.28)	(19,226,866.00)	(11,462,058.72)	40%
OPERATING EXPENSES						
4000 + 4002	Salaries	378,286.93	1,420,527.66	5,042,390.42	3,621,862.76	28%
4010	General Office Expenses	13,840.86	80,809.80	254,464.00	173,654.20	32%
4100	Employee Benefit & Related Expenses	139,564.58	610,304.16	2,155,392.00	1,545,087.84	28%
4110	Billing Expenses	9,963.97	93,117.97	237,949.00	144,831.03	39%
4120	Information Systems Expenses	2,250.77	54,437.87	192,404.00	137,966.13	28%
4130	Administration Supplies		600.33	1,746.00	1,145.67	34%
4140	Customer Service Supplies	50.00	200.00	5,301.00	5,101.00	4%
4210	Engineering Expenses	2,379.06	7,537.73	143,621.00	136,083.27	5%
4220 + 4223	Operations Expenses		882.23	1,600.00	717.77	55%
4221	Compliance Program Supplies			6,350.00	6,350.00	0%
4222	Pretreatment Expenses	2,953.53	6,150.49	29,600.00	23,449.51	21%
4225-0100	Lab Supplies	426.00	4,661.70	22,000.00	17,338.30	21%
4230	Maintenance Expenses	8,242.49	15,400.28	69,228.00	53,827.72	22%
4240	Vehicles & Equipment Expenses	28,957.30	86,303.70	267,727.00	181,423.30	32%
4250	Forest Water Expenses	6,994.10	164,571.49	874,145.00	709,573.51	19%
4260	Well Systems Expenses	7,596.34	23,486.48	36,876.00	13,389.52	64%
4265	SML Central Distribution Water System Expenses	1,828.92	14,142.03	52,008.00	37,865.97	27%
4270	Highpoint Facility Expenses	3,391.66	7,548.73	32,560.00	25,011.27	23%
4330	SMLWTF Water Treatment Expenses	32,836.53	139,160.32	542,104.00	402,943.68	26%
4275	Central Water Distribution Expenses	4,781.23	37,269.21	204,091.00	166,821.79	18%
4276	Central Water Treatment Expenses	30,592.40	60,712.42	160,788.00	100,075.58	38%
4280	Stewartsville Water Expenses	677.34	16,097.38	53,143.00	37,045.62	30%
4290	Forest Sewer Expenses	22,493.52	97,672.65	582,501.00	484,828.35	17%
4291	Central Sewer Collection System Expenses	5,023.80	58,379.00	295,250.00	236,871.00	20%
4293	Central Sewer Treatment Expenses	32,784.20	132,590.27	561,640.00	429,049.73	24%
4292	Moneta Sewer Collection System Expenses	2,523.95	19,865.02	35,000.00	15,134.98	57%
4294	Moneta Sewer Treatment Expenses	8,588.40	29,040.61	132,237.00	103,196.39	22%
4295	Montvale Sewer Expenses	1,637.98	6,334.71	26,260.00	19,925.29	24%
4296	Montvale Sewer Collection System Expenses			6,500.00	6,500.00	0%
4340	Mariners Landing Sewer Expenses	3,201.13	38,594.65	102,567.00	63,972.35	38%
4350	Cedar Rock Sewer Expenses	1,171.25	8,990.30	36,200.00	27,209.70	25%
4360	Paradise Point Water Expenses	66.16	506.75	18,024.00	17,517.25	3%
4300 + 4310	Schools Sewer Expenses	2,424.54	4,801.42	30,500.00	25,698.58	16%
4315	Mariners Landing Water Expenses	84.29	775.38		(775.38)	0%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
4320	Franklin County Operations	3,390.65	7,804.62	36,000.00	28,195.38	22%
	Total Operating Expenditures	759,003.88	3,249,277.36	12,248,166.42	8,998,889.06	27%
4400	Depreciation			4,587,600.00	4,587,600.00	0%
4500-0640	Lynchburg Debt Service Paid			1,754.00	1,754.00	0%
4500-0645	2012 VRA Interest		41,512.50	62,781.00	21,268.50	66%
4500-0660	2014 VRA Interest		38,640.63	77,281.00	38,640.37	50%
4500-0665	2015 VRA Interest		508,846.88	996,425.00	487,578.12	51%
4500-0650	Assumed Debt from City	169.31	32,737.31	65,475.00	32,737.69	50%
4500-0670	VRA 2019 Interest		24,471.88	24,472.00	0.12	100%
4500-0675	VRA 2020 Interest (ESCO project)		69,425.01	134,109.00	64,683.99	52%
	Total Interest and Debt Service	169.31	715,634.21	1,362,297.00	646,662.79	53%
	Total Exp., Depr. and Debt Service	759,173.19	3,964,911.57	18,198,063.42	14,233,151.85	22%
	Total Revenues Less Oper Expense	(413,521.74)	(3,799,895.71)	(1,028,802.58)	2,771,093.13	369%
	Gross Cash Before Capital Exp	(413,521.74)	(3,799,895.71)	(1,028,802.58)	2,771,093.13	369%
	Less non-debt Capital Contributions		(5,064.00)	(220,400.00)	(215,336.00)	2%
	Earnings/(loss) before BRWA Capital Outlays	(413,521.74)	(3,794,831.71)	(808,402.58)	2,986,429.13	469%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
OPERATING REVENUE						
Water Sales:						
3000-3000	Water Sales	(594,274.58)	(2,199,150.58)	(9,793,780.00)	(7,594,629.42)	22%
3000-3050	Contract Water Sales	(14,368.72)	(63,655.52)	(130,000.00)	(66,344.48)	49%
3000-3100	Paradise Point Water	(9,048.61)	(33,999.33)	(13,536.00)	20,463.33	251%
	Total Water Sales	(617,691.91)	(2,296,805.43)	(9,937,316.00)	(7,640,510.57)	23%
Sewer Sales:						
3100-3000	Sewer Sales	(410,519.02)	(2,506,209.60)	(4,715,854.00)	(2,209,644.40)	53%
3100-3050	Cedar Rock Revenue	(2,846.95)	(11,740.96)	(33,100.00)	(21,359.04)	35%
	Total Sewer Sales	(413,365.97)	(2,517,950.56)	(4,748,954.00)	(2,231,003.44)	53%
Penalties:						
3902-3211	Water Penalty Revenue	(9,311.45)	(19,281.36)	(45,000.00)	(25,718.64)	43%
3902-3213	Sewer Penalty Revenue	(5,214.79)	(10,243.40)	(25,000.00)	(14,756.60)	41%
	Total Penalties	(14,526.24)	(29,524.76)	(70,000.00)	(40,475.24)	42%
Account Charges:						
3903-3231	Water Account Charge Revenue	(2,850.00)	(13,275.00)	(40,000.00)	(26,725.00)	33%
3903-3233	Sewer Account Charge Revenue			(20,000.00)	(20,000.00)	0%
	Total Account Charges	(2,850.00)	(13,275.00)	(60,000.00)	(46,725.00)	22%
Review Fees:						
3903-3240	Engineering Review Fees	(200.00)	(10,722.33)	(50,000.00)	(39,277.67)	21%
3903-3242	Engineering Fire Flow Testing		(225.00)	(1,500.00)	(1,275.00)	15%
3903-3243	SGP Review and Inspections	(6,125.00)	(24,330.00)	(4,000.00)	20,330.00	608%
	Total Review Fees	(6,325.00)	(35,277.33)	(55,500.00)	(20,222.67)	64%
Interest Earned:						
3900-3250	Bank Interest Earned		(14,893.21)		14,893.21	0%
3900-3251	VRA Interest Earned			(2,000.00)	(2,000.00)	0%
	Total Interest Earned		(14,893.21)	(2,000.00)	12,893.21	745%
Sewer Clean Outs:						
3903-3245	Sewer Clean-Out Installation Fee	(1,500.00)	(13,900.00)	(7,000.00)	6,900.00	199%
	Total Sewer Clean Outs	(1,500.00)	(13,900.00)	(7,000.00)	6,900.00	199%
Meter Installation Revenues:						
3903-3250	Meter Fee Revenue	(2,725.00)	(19,750.00)	(35,000.00)	(15,250.00)	56%
3903-3260	Meter Base Installation Revenue	(7,500.00)	(51,800.00)	(60,000.00)	(8,200.00)	86%
	Total Meter Installation Revenues	(10,225.00)	(71,550.00)	(95,000.00)	(23,450.00)	75%
Industrial Pretreatment Revenue:						
3903-3255	Industrial Pretreatment Revenue	(1,437.49)	(5,624.96)	(18,000.00)	(12,375.04)	31%
	Total Industrial Pretreatment Revenue	(1,437.49)	(5,624.96)	(18,000.00)	(12,375.04)	31%
Rent/Meter Charges:						
3903-3261	Service Repairs & Equipment Rentals		(1,030.47)	(5,000.00)	(3,969.53)	21%
	Total Rent/Meter Charges		(1,030.47)	(5,000.00)	(3,969.53)	21%
Misc:						
3903-3262	Cellular Antenna Rental- BRWA portion	(8,188.97)	(28,126.10)	71,124.00	99,250.10	(40%)
3903-3270	Miscellaneous Revenue	(4,581.60)	(6,165.32)	(5,000.00)	1,165.32	123%
3903-3275	Revenue from Communication Towers	(884.34)	(3,485.34)	(10,404.00)	(6,918.66)	34%
3903-3264	Sewer Pump Maintenance Revenue			(63,000.00)	(63,000.00)	0%
	Total Misc	(13,654.91)	(37,776.76)	(7,280.00)	30,496.76	519%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

	<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
Fixed Asset Disposals:					
3903-3280 Sales and Disposals	(2,350.00)	(3,325.00)		3,325.00	0%
Total Fixed Asset Disposals	(2,350.00)	(3,325.00)		3,325.00	0%
Account Default Fees:					
3901-3213 Unauthorized Service Revenue		(1,000.00)	(1,000.00)		100%
3901-3211 Reconnect Fee Revenue			(25,000.00)	(25,000.00)	0%
3901-3212 Return Check Revenue			(2,000.00)	(2,000.00)	0%
Total Account Default Fees		(1,000.00)	(28,000.00)	(27,000.00)	4%
Contract Reimbursements:					
3201-3275 School System Operations	(8,991.24)	(9,062.64)	(51,000.00)	(41,937.36)	18%
3904-3318 Franklin County Contract Operations		(26,327.52)	(168,000.00)	(141,672.48)	16%
Total Contract Reimbursements	(8,991.24)	(35,390.16)	(219,000.00)	(183,609.84)	16%
Revenue from BRWA Operations	(1,092,917.76)	(5,077,323.64)	(15,253,050.00)	(10,175,726.36)	33%
Capital Recovery Fees:					
3000-3220 Water Capital Recovery Fees	(40,000.00)	(459,500.00)	(800,000.00)	(340,500.00)	57%
3100-3220 Sewer Capital Recovery Fees	(5,900.00)	(152,800.00)	(400,000.00)	(247,200.00)	38%
Total Capital Recovery Fees	(45,900.00)	(612,300.00)	(1,200,000.00)	(587,700.00)	51%
Cellular Antenna Site Rental-County portion:					
3903-3265 Cellular Antenna Revenue- Co. portion	(5,459.31)	(18,750.72)	(47,416.00)	(28,665.28)	40%
3903-3285 Bedford County Broadband Revenue		(500.00)	(6,000.00)	(5,500.00)	8%
Total Cellular Antenna Site Rental-County portion	(5,459.31)	(19,250.72)	(53,416.00)	(34,165.28)	36%
BOS Capital Contributions:					
3904-3310 Bedford County Debt Support		(1,849,625.01)	(2,000,000.00)	(150,374.99)	92%
Total BOS Capital Contributions		(1,849,625.01)	(2,000,000.00)	(150,374.99)	92%
Projects Funded by Bedford Co.:					
3904-3340 Bedford County Projects	(28,417.86)	(201,243.91)		201,243.91	0%
Total Projects Funded by Bedford Co.	(28,417.86)	(201,243.91)		201,243.91	0%
BOS Contributions for New Development:					
3904-3305 Bedford County Support-Forest Sewer			(500,000.00)	(500,000.00)	0%
Total BOS Contributions for New Development			(500,000.00)	(500,000.00)	0%
Developer Line Contributions:					
3904-3315 Developer Contributions			(200,000.00)	(200,000.00)	0%
Total Developer Line Contributions			(200,000.00)	(200,000.00)	0%
SML WTF Revenue:					
3903-3330 SML WTF Revenue		(5,064.00)	(400.00)	4,664.00	1,266%
Total SML WTF Revenue		(5,064.00)	(400.00)	4,664.00	1,266%
Developer Prepayments Redemption Revenue:					
3904-3317 Developer Capital Recovery Fee Redemption Revenue			(20,000.00)	(20,000.00)	0%
Total Developer Prepayments Redemption Revenue			(20,000.00)	(20,000.00)	0%
Revenue from Other Sources	(79,777.17)	(2,687,483.64)	(3,973,816.00)	(1,286,332.36)	68%
Total Revenue	(1,172,694.93)	(7,764,807.28)	(19,226,866.00)	(11,462,058.72)	40%

OPERATING EXPENSES

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
Salaries:						
4000-0010	Administration Salaries	52,576.42	225,490.86	932,277.96	706,787.10	24%
4000-0019	IT Oncall Stipend	600.00	2,314.29	7,800.00	5,485.71	30%
4000-0020	Administration Overtime	68.82	4.48	2,309.73	2,305.25	0%
4002-0010	Customer Service Salaries	30,960.30	124,326.77	405,307.40	280,980.63	31%
4002-0020	Customer Service Overtime	336.22	1,786.07	19,615.92	17,829.85	9%
4003-0010	Engineering Department Salaries	74,066.05	262,738.10	722,756.20	460,018.10	36%
4003-0019	Engineering OnCall Stipend	600.00	2,614.29	7,800.00	5,185.71	34%
4003-0020	Engineering Department Overtime	3,657.34	11,666.65	34,938.46	23,271.81	33%
4004-0010	Maintenance Department Salaries	85,272.43	326,406.97	1,212,304.00	885,897.03	27%
4004-0019	Maintenance Oncall Stipend Expense	900.00	3,814.29	34,400.00	30,585.71	11%
4004-0020	Maintenance Department Overtime	10,303.37	28,699.67	167,976.59	139,276.92	17%
4005-0010	Operations Department Salaries	113,107.80	408,262.30	1,382,518.40	974,256.10	30%
4005-0020	Operations Department Overtime	5,838.18	22,402.92	112,385.76	89,982.84	20%
Total Salaries		378,286.93	1,420,527.66	5,042,390.42	3,621,862.76	28%
General Office Expenses:						
4010-0075	Board & Committee Meetings		78.98	1,000.00	921.02	8%
4010-0100	Office Supplies	(5.24)	1,659.87	8,000.00	6,340.13	21%
4010-0103	Public Outreach Expenses		745.99	15,875.00	15,129.01	5%
4010-0110	Building Maintenance Expense	4,466.27	18,981.63	24,000.00	5,018.37	79%
4010-0130	Postage and Shipping Expense	1,187.05	2,369.73	8,000.00	5,630.27	30%
4010-0140	Commercial Phone Charges	1,125.83	3,381.44	12,120.00	8,738.56	28%
4010-0142	Cellular Phone Service	1,654.75	4,880.76	20,480.00	15,599.24	24%
4010-0150	Building Power and Utilities	1,605.24	5,249.29	16,767.00	11,517.71	31%
4010-0170	Advertising	259.69	3,643.49	18,000.00	14,356.51	20%
4010-0175	Bank Service charges	1,181.79	5,483.64	16,800.00	11,316.36	33%
4010-0200	Accounting Services		22,560.00	45,000.00	22,440.00	50%
4010-0220	Legal Expenses	586.10	4,745.60	18,000.00	13,254.40	26%
4010-0400	Board of Directors Fees	1,750.00	7,000.00	21,000.00	14,000.00	33%
4010-0401	Board Mileage Reimbursements	29.38	29.38	3,360.00	3,330.62	1%
4010-0085	Long Range Planning			15,000.00	15,000.00	0%
4010-0155	Building Fuel Costs			8,000.00	8,000.00	0%
4010-0160	Employee Bond			562.00	562.00	0%
4010-0161	Building Insurance			2,500.00	2,500.00	0%
Total General Office Expenses		13,840.86	80,809.80	254,464.00	173,654.20	32%
Employee Benefit & Related Expenses:						
4100-0030	Payroll Taxes	27,817.68	117,023.82	384,656.00	267,632.18	30%
4100-0040	VRS Retirement and Group Life	30,639.56	131,054.79	470,086.00	339,031.21	28%
4100-0041	VRS Hybrid Disability Program		2,226.80	12,668.00	10,441.20	18%
4100-0050	Health Insurance	66,918.37	319,155.52	868,514.00	549,358.48	37%
4100-0055	Flexible Spending Account		974.40	2,500.00	1,525.60	39%
4100-0060	Worker's Compensation		1,941.00	66,018.00	64,077.00	3%
4100-0065	Employee Testing		556.30	5,556.00	4,999.70	10%
4100-0075	Meetings	191.94	781.08	6,165.00	5,383.92	13%
4100-0080	Professional Dues	170.00	1,247.17	20,137.00	18,889.83	6%
4100-0085	Training and Education	8,517.34	14,656.17	144,845.00	130,188.83	10%
4100-0086	Continuing Education		3,939.00	13,501.00	9,562.00	29%
4100-0101	Clothing and Uniforms	1,505.65	4,259.73	46,981.00	42,721.27	9%
4100-0102	Employee & Incentive Fund	931.29	1,106.29	32,500.00	31,393.71	3%
4100-0103	Safety	2,872.75	11,382.09	73,595.00	62,212.91	15%
4100-0045	Unemployment Payments			6,000.00	6,000.00	0%
4100-0070	Mileage Reimbursements			1,170.00	1,170.00	0%
4100-0090	Whistle Blower Hotline			500.00	500.00	0%
Total Employee Benefit & Related Expenses		139,564.58	610,304.16	2,155,392.00	1,545,087.84	28%
Billing Expenses:						
4110-0097	Collection Agency Expense		74.38	3,000.00	2,925.62	2%
4110-0110	Bill Processing Services	6,135.20	45,310.17	100,099.00	54,788.83	45%
4110-0120	Customer Service Software Maintenance		36,498.22	58,050.00	21,551.78	63%
4110-0125	Credit Card Processing Fees	3,341.91	9,765.63	26,250.00	16,484.37	37%
4110-0175	Courier Service	486.86	1,469.57	5,550.00	4,080.43	26%
4110-0091	Bad Debt Expense Water			20,000.00	20,000.00	0%
4110-0093	Bad Debt Expense Sewer			15,000.00	15,000.00	0%
4110-0094	Bad Debt Expense Penalties/Misc.			5,000.00	5,000.00	0%

Bedford Regional Water Auth.
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		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
4110-0112	Customer Notification Expenses			5,000.00	5,000.00	0%
	Total Billing Expenses	9,963.97	93,117.97	237,949.00	144,831.03	39%
Information Systems Expenses:						
4120-0100	Information Systems Supplies	174.32	610.22	8,500.00	7,889.78	7%
4120-0110	Contracted Services (Network)		7,251.65	30,160.00	22,908.35	24%
4120-0115	Continuing Support (Software)	2,076.45	44,695.84	140,894.00	96,198.16	32%
4120-0145	Internet and WAN Communications		1,880.16	12,850.00	10,969.84	15%
	Total Information Systems Expenses	2,250.77	54,437.87	192,404.00	137,966.13	28%
Administration Supplies:						
4130-0100	Administration Supplies		600.33	1,746.00	1,145.67	34%
	Total Administration Supplies		600.33	1,746.00	1,145.67	34%
Customer Service Supplies:						
4140-0100	Customer Service Supplies	50.00	200.00	5,301.00	5,101.00	4%
	Total Customer Service Supplies	50.00	200.00	5,301.00	5,101.00	4%
Engineering Expenses:						
4210-0100	Engineering Supplies		2,757.27	23,491.00	20,733.73	12%
4210-0110	Engineering Reviews	1,274.36	1,274.36	104,500.00	103,225.64	1%
4210-0141	Locating Notification Tickets	749.70	2,592.10	10,270.00	7,677.90	25%
4210-0240	Construction testing	355.00	914.00	5,360.00	4,446.00	17%
	Total Engineering Expenses	2,379.06	7,537.73	143,621.00	136,083.27	5%
Operations Expenses:						
4220-0100	Wastewater Operations Supplies		882.23	1,600.00	717.77	55%
	Total Operations Expenses		882.23	1,600.00	717.77	55%
Compliance Program Supplies:						
4221-0100	FROG Program Supplies			6,350.00	6,350.00	0%
	Total Compliance Program Supplies			6,350.00	6,350.00	0%
Pretreatment Expenses:						
4222-0100	Pretreatment Supplies/Expenses	2,953.53	6,150.49	19,600.00	13,449.51	31%
4222-0200	Backflow Supplies			10,000.00	10,000.00	0%
	Total Pretreatment Expenses	2,953.53	6,150.49	29,600.00	23,449.51	21%
Lab Supplies:						
4225-0100	Lab Supplies	426.00	4,661.70	22,000.00	17,338.30	21%
	Total Lab Supplies	426.00	4,661.70	22,000.00	17,338.30	21%
Maintenance Expenses:						
4230-0100	Maintenance Supplies	8,242.49	15,400.28	69,228.00	53,827.72	22%
	Total Maintenance Expenses	8,242.49	15,400.28	69,228.00	53,827.72	22%
Vehicles & Equipment Expenses:						
4240-0100	Vehicles and Equipment Supplies	2,130.77	5,679.26	43,350.00	37,670.74	13%
4240-0110	Vehicles and Equipment Contracted Services	14,530.75	41,636.66	85,000.00	43,363.34	49%
4240-0155	Vehicles & Equipment Fuel Costs	12,295.78	38,987.78	105,000.00	66,012.22	37%
4240-0162	Vehicles and Equipment Insurance			34,377.00	34,377.00	0%
	Total Vehicles & Equipment Expenses	28,957.30	86,303.70	267,727.00	181,423.30	32%
Forest Water Expenses:						
4250-0100	Forest Water Supplies	875.70	5,854.75	35,000.00	29,145.25	17%
4250-0110	Forest Water Contracted Services	5,122.00	8,362.00	30,000.00	21,638.00	28%
4250-0140	Forest Water Communications	61.93	185.79	400.00	214.21	46%
4250-0150	Forest Water Power	394.33	1,114.88	6,000.00	4,885.12	19%

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		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
4250-0240	Forest Water Sampling and Testing	540.14	2,369.70	7,000.00	4,630.30	34%
4250-0300	Forest Water Purchased		120,425.37	690,250.00	569,824.63	17%
4250-0410	Forest Water VDH Fees		26,259.00	27,232.00	973.00	96%
4250-0101	Forest Water Meter Installations			56,000.00	56,000.00	0%
4250-0105	Forest Water Chemicals			500.00	500.00	0%
4250-0115	Forest Water System Repairs & Improvements			3,500.00	3,500.00	0%
4250-0161	Forest Water Insurance			18,263.00	18,263.00	0%
	Total Forest Water Expenses	6,994.10	164,571.49	874,145.00	709,573.51	19%
Well Systems Expenses:						
4260-0100	Well Systems Supplies	2,518.94	6,477.09	10,400.00	3,922.91	62%
4260-0105	Well Systems Chemicals	3,390.50	3,532.95	5,000.00	1,467.05	71%
4260-0110	Well Systems Contracted Services	1,080.00	10,722.16	9,000.00	(1,722.16)	119%
4260-0150	Well Systems Power	498.30	1,339.20	6,000.00	4,660.80	22%
4260-0240	Well Systems Sampling and Testing	108.60	713.08	3,000.00	2,286.92	24%
4260-0410	Well Systems VDH Fees		702.00	690.00	(12.00)	102%
4260-0101	Well Systems Meter Installations			500.00	500.00	0%
4260-0115	Well Systems Repairs & Improvements			1,500.00	1,500.00	0%
4260-0161	Well Systems Insurance			786.00	786.00	0%
	Total Well Systems Expenses	7,596.34	23,486.48	36,876.00	13,389.52	64%
SML Central Distribution Water System Expenses:						
4265-0100	SML Central Water Distribution Supplies	1,406.03	8,416.67	20,000.00	11,583.33	42%
4265-0110	SML Central Water Distribution Contracted Services	312.00	312.00	15,000.00	14,688.00	2%
4265-0240	SML Central Water Distribution Sampling & Testing	110.89	772.36	5,000.00	4,227.64	15%
4265-0410	SML Central Water Distribution VDH Fees		4,641.00	4,508.00	(133.00)	103%
4265-0101	SML Central Water Distribution Meter Installations			6,500.00	6,500.00	0%
4265-0115	SML Central Water Distrib. Repairs & Improvements			1,000.00	1,000.00	0%
	Total SML Central Distribution Water System Expenses	1,828.92	14,142.03	52,008.00	37,865.97	27%
Highpoint Facility Expenses:						
4270-0110	Highpoint Facility Contracted Services	2,370.00	3,160.00	7,000.00	3,840.00	45%
4270-0150	Highpoint Facility Power	1,021.66	4,388.73	14,000.00	9,611.27	31%
4270-0100	Highpoint Facility Supplies			1,500.00	1,500.00	0%
4270-0105	Highpoint Facility Chemicals			1,000.00	1,000.00	0%
4270-0155	Highpoint Facility Fuel Costs			2,000.00	2,000.00	0%
4270-0161	Highpoint Facility Insurance			5,740.00	5,740.00	0%
4270-0371	Highpoint Facility Road Maintenance Fees			1,320.00	1,320.00	0%
	Total Highpoint Facility Expenses	3,391.66	7,548.73	32,560.00	25,011.27	23%
SMLWTF Water Treatment Expenses:						
4330-0100	SMLWTF Water Treatment Supplies	6,200.43	15,886.27	33,000.00	17,113.73	48%
4330-0105	SMLWTF Water Treatment Chemicals	5,425.92	26,952.08	55,000.00	28,047.92	49%
4330-0110	SMLWTF Water Treatment Contracted Services	1,500.00	4,171.19	208,750.00	204,578.81	2%
4330-0140	SMLWTF Water Treatment Communications	675.43	778.48	780.00	1.52	100%
4330-0150	SMLWTF Water Treatment Power	19,034.75	82,680.97	210,000.00	127,319.03	39%
4330-0240	SMLWTF Water Treatment Sampling & Testing		1,191.33	8,750.00	7,558.67	14%
4330-0300	SML Water Quality Monitoring		7,500.00	7,500.00		100%
4330-0155	SMLWTF Water Treatment Fuel Costs			1,000.00	1,000.00	0%
4330-0161	SMLWTF Water Treatment Property Insurance			8,524.00	8,524.00	0%
4330-0370	SMLWTF Water Treatment Raw Water Fee			8,800.00	8,800.00	0%
	Total SMLWTF Water Treatment Expenses	32,836.53	139,160.32	542,104.00	402,943.68	26%
Central Water Distribution Expenses:						
4275-0100	Central Water Supplies	1,285.91	9,462.42	45,000.00	35,537.58	21%
4275-0110	Central Water Contracted Services	2,210.00	13,745.53	90,000.00	76,254.47	15%
4275-0240	Central Water Sampling & Testing	1,285.32	2,754.26	12,750.00	9,995.74	22%
4275-0410	Central Water VDH Fees		11,307.00	12,091.00	784.00	94%
4275-0101	Central Water Meter Installations			3,750.00	3,750.00	0%
4275-0115	Central Water Repairs & Improvements			40,000.00	40,000.00	0%
4275-0155	Central Water Fuel Purchases			500.00	500.00	0%
	Total Central Water Distribution Expenses	4,781.23	37,269.21	204,091.00	166,821.79	18%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

	<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
Central Water Treatment Expenses:					
4276-0100 Central Water Treatment Supplies	18,541.25	26,297.21	40,000.00	13,702.79	66%
4276-0105 Central Water Treatment Chemicals	8,065.51	19,108.40	50,000.00	30,891.60	38%
4276-0110 Central Water Treatment Contracted Services	1,133.01	5,572.77	15,000.00	9,427.23	37%
4276-0140 Central Water Treatment Communications	60.06	180.18	1,020.00	839.82	18%
4276-0150 Central Water Treatment Power	2,299.15	9,060.44	32,000.00	22,939.56	28%
4276-0155 Central Water Treatment Fuel	493.42	493.42	1,800.00	1,306.58	27%
4276-0161 Central Water Treatment Property Insurance			19,468.00	19,468.00	0%
4276-0240 Central Water Treatment Sampling & Testing			1,500.00	1,500.00	0%
Total Central Water Treatment Expenses	30,592.40	60,712.42	160,788.00	100,075.58	38%
Stewartsville Water Expenses:					
4280-0100 Stewartsville Water Supplies	81.65	8,019.69	3,500.00	(4,519.69)	229%
4280-0110 Stewartsville Water Contracted Services	540.00	720.00	4,000.00	3,280.00	18%
4280-0140 Stewartsville Water Communications	19.88	163.44	600.00	436.56	27%
4280-0150 Stewartsville Water Power	14.09	42.04	400.00	357.96	11%
4280-0240 Stewartsville Water Sampling and Testing	21.72	269.33	2,000.00	1,730.67	13%
4280-0300 Stewartsville Water Purchased		6,453.88	38,500.00	32,046.12	17%
4280-0410 Stewartsville Water VDH Fees		429.00	422.00	(7.00)	102%
4280-0101 Stewartsville Meter Installations			500.00	500.00	0%
4280-0115 Stewartsville Water Repairs & Improvements			2,500.00	2,500.00	0%
4280-0161 Stewartsville Water Insurance			721.00	721.00	0%
Total Stewartsville Water Expenses	677.34	16,097.38	53,143.00	37,045.62	30%
Forest Sewer Expenses:					
4290-0100 Forest Sewer Supplies	775.47	1,971.07	66,000.00	64,028.93	3%
4290-0105 Forest Sewer Chemicals	1,722.00	11,794.02	72,000.00	60,205.98	16%
4290-0110 Forest Sewer Contracted Services	11,780.00	18,304.67	60,000.00	41,695.33	31%
4290-0140 Forest Sewer Communications	143.01	429.18	3,600.00	3,170.82	12%
4290-0150 Forest Sewer Power	8,073.04	15,173.71	37,200.00	22,026.29	41%
4290-0350 Forest Sewer Treatment Costs		50,000.00	300,000.00	250,000.00	17%
4290-0115 Forest Sewer Repairs & Improvements			35,000.00	35,000.00	0%
4290-0155 Forest Sewer Fuel Expense			3,000.00	3,000.00	0%
4290-0161 Forest Sewer Insurance			5,201.00	5,201.00	0%
4290-0240 Forest Sewer Testing			500.00	500.00	0%
Total Forest Sewer Expenses	22,493.52	97,672.65	582,501.00	484,828.35	17%
Central Sewer Collection System Expenses:					
4291-0100 Central Sewer Supplies	1,444.80	12,981.94	70,000.00	57,018.06	19%
4291-0110 Central Sewer Coll System Contracted Services	3,010.00	18,464.27	63,000.00	44,535.73	29%
4291-0115 Central Sewer Repairs & Improvements		25,134.00	109,000.00	83,866.00	23%
4291-0150 Central Sewer Power	569.00	1,798.79	50,000.00	48,201.21	4%
4291-0155 Central Sewer Fuel Costs			3,000.00	3,000.00	0%
4291-0240 Central Sewer Sampling & Testing			250.00	250.00	0%
Total Central Sewer Collection System Expenses	5,023.80	58,379.00	295,250.00	236,871.00	20%
Central Sewer Treatment Expenses:					
4293-0100 Center Sewer Treatment Supplies	3,566.57	19,764.86	73,000.00	53,235.14	27%
4293-0105 Center Sewer Treatment Chemicals	9,094.80	29,768.25	110,000.00	80,231.75	27%
4293-0110 Center Sewer Treatment Contracted Services	2,644.93	18,817.51	60,000.00	41,182.49	31%
4293-0115 Center Sewer Sludge Tipping Fees		4,308.00	45,000.00	40,692.00	10%
4293-0140 Center Sewer Treatment Communications	685.15	2,399.71	9,162.00	6,762.29	26%
4293-0150 Center Sewer Treatment Power	13,927.52	42,612.90	212,000.00	169,387.10	20%
4293-0155 Central Sewer Fuel	798.22	798.22	1,500.00	701.78	53%
4293-0240 Center Sewer Treatment Sampling & Testing	2,067.01	4,463.82	25,000.00	20,536.18	18%
4293-0411 Center Sewer DEQ Charges		9,657.00	9,529.00	(128.00)	101%
4293-0161 Center Sewer Treatment Property Insurance			16,449.00	16,449.00	0%
Total Central Sewer Treatment Expenses	32,784.20	132,590.27	561,640.00	429,049.73	24%
Moneta Sewer Collection System Expenses:					
4292-0100 Moneta Sewer Supplies	580.97	9,650.34	7,000.00	(2,650.34)	138%
4292-0110 Moneta Sewer Contracted Services	540.00	5,485.00	8,000.00	2,515.00	69%
4292-0140 Moneta Communications		118.80	400.00	281.20	30%
4292-0150 Moneta Sewer Power	1,402.98	4,610.88	15,000.00	10,389.12	31%
4292-0105 Moneta Sewer Chemicals			2,000.00	2,000.00	0%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

		<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
4292-0155	Moneta Sewer Fuel Costs			2,000.00	2,000.00	0%
4292-0240	Moneta Sewer Sampling & Testing			600.00	600.00	0%
	Total Moneta Sewer Collection System Expenses	2,523.95	19,865.02	35,000.00	15,134.98	57%
Moneta Sewer Treatment Expenses:						
4294-0100	Moneta Sewer Treatment Supplies		618.59	20,000.00	19,381.41	3%
4294-0105	Moneta Sewer Treatment Chemicals	3,611.47	5,207.79	12,000.00	6,792.21	43%
4294-0110	Moneta Sewer Contracted Services		5,010.00	28,000.00	22,990.00	18%
4294-0115	Moneta Sewer Sludge Tipping Fees		1,426.00	10,000.00	8,574.00	14%
4294-0140	Moneta Sewer Treatment Communications	136.60	409.80	3,500.00	3,090.20	12%
4294-0150	Moneta Sewer Treatment Power	3,749.99	10,937.72	39,000.00	28,062.28	28%
4294-0240	Moneta Sewer Treatment Sampling & Testing	1,090.34	2,445.71	10,000.00	7,554.29	24%
4294-0411	Moneta Sewer DEQ Charges		2,985.00	2,940.00	(45.00)	102%
4294-0155	Moneta Sewer Fuel			350.00	350.00	0%
4294-0161	Moneta Sewer Treatment Property Insurance			6,447.00	6,447.00	0%
	Total Moneta Sewer Treatment Expenses	8,588.40	29,040.61	132,237.00	103,196.39	22%
Montvale Sewer Expenses:						
4295-0100	Montvale Sewer Supplies		1,818.87	10,000.00	8,181.13	18%
4295-0105	Montvale Sewer Chemicals	338.45	338.45	1,000.00	661.55	34%
4295-0110	Montvale Sewer Contracted Services	990.00	1,320.00	7,000.00	5,680.00	19%
4295-0140	Montvale Communications	10.54	31.57	300.00	268.43	11%
4295-0150	Montvale Sewer Power	31.84	92.49	400.00	307.51	23%
4295-0240	Montvale Sewer Sampling & Testing	267.15	345.33	4,000.00	3,654.67	9%
4295-0411	Montvale Sewer DEQ charges		2,388.00	2,400.00	12.00	100%
4295-0155	Montvale Sewer Fuel Costs			250.00	250.00	0%
4295-0161	Montvale Sewer Insurance			910.00	910.00	0%
	Total Montvale Sewer Expenses	1,637.98	6,334.71	26,260.00	19,925.29	24%
Montvale Sewer Collection System Expenses:						
4296-0100	Montvale Sewer Collection Supplies			4,000.00	4,000.00	0%
4296-0110	Montvale Sewer Collection Contracted Services			2,500.00	2,500.00	0%
	Total Montvale Sewer Collection System Expenses			6,500.00	6,500.00	0%
Mariners Landing Sewer Expenses:						
4340-0100	Mariners Landing Sewer Supplies	654.10	18,649.07	37,000.00	18,350.93	50%
4340-0110	Mariners Landing Sewer Contracted Services		14,642.00	30,000.00	15,358.00	49%
4340-0140	Mariners Landing Sewer Communication		157.12	840.00	682.88	19%
4340-0150	Mariners Landing Sewer Power	2,547.03	5,146.46	28,000.00	22,853.54	18%
4340-0105	Mariners Landing Sewer Chemicals			1,500.00	1,500.00	0%
4340-0155	Mariners Landing Sewer Fuel Costs			2,000.00	2,000.00	0%
4340-0161	Mariners Landing Sewer Property Insurance			1,727.00	1,727.00	0%
4340-0240	Mariners Landing Sewer Sampling & Testing			1,500.00	1,500.00	0%
	Total Mariners Landing Sewer Expenses	3,201.13	38,594.65	102,567.00	63,972.35	38%
Cedar Rock Sewer Expenses:						
4350-0100	Cedar Rock Sewer Supplies	47.80	832.50	10,000.00	9,167.50	8%
4350-0105	Cedar Rock Sewer Chemicals	338.45	338.45	700.00	361.55	48%
4350-0110	Cedar Rock Sewer Contracted Services		2,965.00	12,000.00	9,035.00	25%
4350-0140	Cedar Rock Sewer Communication	35.29	209.67	800.00	590.33	26%
4350-0150	Cedar Rock Sewer Power	749.71	2,217.58	9,000.00	6,782.42	25%
4350-0240	Cedar Rock Sewer Sampling & Testing		39.10	700.00	660.90	6%
4350-0411	Cedar Rock Sewer DEQ Permit Fees		2,388.00	2,400.00	12.00	100%
4350-0155	Cedar Rock Sewer Fuel Costs			500.00	500.00	0%
4350-0161	Cedar Rock Sewer Property Insurance			100.00	100.00	0%
	Total Cedar Rock Sewer Expenses	1,171.25	8,990.30	36,200.00	27,209.70	25%
Paradise Point Water Expenses:						
4360-0110	Paradise Point Contracted Services		20.00	5,000.00	4,980.00	0%
4360-0150	Paradise Point electric	44.44	211.67	5,000.00	4,788.33	4%
4360-0240	Paradise Point Sampling and Testing	21.72	203.08	550.00	346.92	37%
4360-0410	Paradise Point VDH Fees		72.00	74.00	2.00	97%
4360-0100	Paradise Point Supplies			2,000.00	2,000.00	0%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

	<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
4360-0105 Paradise Point Chemicals			5,000.00	5,000.00	0%
4360-0140 Paradise Point Communications			300.00	300.00	0%
4360-0155 Paradise Point Fuel Costs			100.00	100.00	0%
Total Paradise Point Water Expenses	66.16	506.75	18,024.00	17,517.25	3%
Schools Sewer Expenses:					
4300-0100 Schools Operations Supplies		14.79	5,000.00	4,985.21	0%
4300-0105 Schools Chemicals	338.45	566.45	3,500.00	2,933.55	16%
4300-0240 Schools Sampling and Testing	2,086.09	4,220.18	7,000.00	2,779.82	60%
4300-0110 Schools Contracted Services			15,000.00	15,000.00	0%
Total Schools Sewer Expenses	2,424.54	4,801.42	30,500.00	25,698.58	16%
Mariners Landing Water Expenses:					
4315-0140 Mariners Landing Water Communications	10.51	135.33		(135.33)	0%
4315-0150 Mariners Landing Water Power	73.78	157.87		(157.87)	0%
4315-0240 Mariners Landing Sampling Expenses		482.18		(482.18)	0%
Total Mariners Landing Water Expenses	84.29	775.38		(775.38)	0%
Franklin County Operations:					
4320-0100 Franklin County Supplies	1,125.10	3,565.27	12,000.00	8,434.73	30%
4320-0105 Franklin County Chemicals	2,265.55	4,239.35	12,000.00	7,760.65	35%
4320-0240 Franklin County Sampling & Testing			12,000.00	12,000.00	0%
Total Franklin County Operations	3,390.65	7,804.62	36,000.00	28,195.38	22%
Total Operating Expenditures	759,003.88	3,249,277.36	12,248,166.42	8,998,889.06	27%
Depreciation:					
4400-0810 Office Depreciation			13,000.00	13,000.00	0%
4400-0811 Information Systems Depreciation			51,000.00	51,000.00	0%
4400-0812 Vehicles and Equipment Depreciation			300,000.00	300,000.00	0%
4400-0813 Forest Water Depreciation			760,000.00	760,000.00	0%
4400-0814 Lakes Water Depreciation			35,000.00	35,000.00	0%
4400-0815 SML Central Depreciation			410,000.00	410,000.00	0%
4400-0816 Stewartville Water Depreciation			50,000.00	50,000.00	0%
4400-0817 Forest Sewer Depreciation			575,000.00	575,000.00	0%
4400-0818 Montvale Sewer Depreciation			83,000.00	83,000.00	0%
4400-0819 Amortization Expense			600.00	600.00	0%
4400-0820 Studies Depreciation Expense			27,000.00	27,000.00	0%
4400-0821 Moneta Sewer Depreciation			451,000.00	451,000.00	0%
4400-0822 Central Sewer Depreciation			510,000.00	510,000.00	0%
4400-0823 Center Water Depreciation			440,000.00	440,000.00	0%
4400-0824 SML Water Treatment Facility Depreciation			820,000.00	820,000.00	0%
4400-0825 Mariners Landing Sewer Depreciation			62,000.00	62,000.00	0%
Total Depreciation			4,587,600.00	4,587,600.00	0%
Lynchburg Debt Service Paid:					
4500-0640 Lynchburg Sewer Interest			1,754.00	1,754.00	0%
Total Lynchburg Debt Service Paid			1,754.00	1,754.00	0%
2012 VRA Interest:					
4500-0645 VRA 2012 Interest (2005 refunding)		41,512.50	62,781.00	21,268.50	66%
Total 2012 VRA Interest		41,512.50	62,781.00	21,268.50	66%
2014 VRA Interest:					
4500-0660 VRA 2014 Interest (2005 Refunding)		38,640.63	77,281.00	38,640.37	50%
Total 2014 VRA Interest		38,640.63	77,281.00	38,640.37	50%
2015 VRA Interest:					
4500-0665 VRA 2015 Interest		508,846.88	996,425.00	487,578.12	51%

Bedford Regional Water Auth.
Summary of Revenue & Expenditures
For the Four Months Ending Monday, October 31, 2022

	<u>Month</u>	<u>FY 22-23 YTD</u>	<u>FY 22-23 Budget</u>	<u>Remaining On Budget</u>	<u>Goal: 32 %</u>
Total 2015 VRA Interest		508,846.88	996,425.00	487,578.12	51%
Assumed Debt from City:					
4500-0650 Assumed Debt from Town- Interest	169.31	32,737.31	65,475.00	32,737.69	50%
Total Assumed Debt from City	169.31	32,737.31	65,475.00	32,737.69	50%
VRA 2019 Interest:					
4500-0670 VRA 2019 Refunding Interest		24,471.88	24,472.00	0.12	100%
Total VRA 2019 Interest		24,471.88	24,472.00	0.12	100%
VRA 2020 Interest (ESCO project):					
4500-0675 VRA 2020 Interest (ESCO)		69,425.01	134,109.00	64,683.99	52%
Total VRA 2020 Interest (ESCO project)		69,425.01	134,109.00	64,683.99	52%
Total Interest and Debt Service	169.31	715,634.21	1,362,297.00	646,662.79	53%
Total Exp., Depr. and Debt Service	759,173.19	3,964,911.57	18,198,063.42	14,233,151.85	22%
Total Revenues Less Oper Expense	(413,521.74)	(3,799,895.71)	(1,028,802.58)	2,771,093.13	369%
Gross Cash Before Capital Exp	(413,521.74)	(3,799,895.71)	(1,028,802.58)	2,771,093.13	369%
Less non-debt Capital Contributions		(5,064.00)	(220,400.00)	(215,336.00)	2%
Earnings/(loss) before BRWA Capital Outlays	(413,521.74)	(3,794,831.71)	(808,402.58)	2,986,429.13	469%

BRWA Cash Flow Analysis- Truist Checking Account

Description	July-22	August-22	September-22	October-22	November-22	December-22	January-23	February-23	March-23	April-23	May-23	June-23	YTD Total
Starting Balance	\$ 1,026,445.26	\$ 724,091.58	\$ 1,403,825.22	\$ 1,608,227.82									
DEBITS													
Debits from Operations													
Capital Contributions/Asset Sales and Dispos	\$ 221,063.42	\$ 172,826.05	\$ 975.00	\$ 4,191.00									\$ 399,055.47
Cash From Operations	\$1,356,590.80	\$ 1,715,187.09	\$1,553,133.62	\$1,385,847.49									\$ 6,010,759.00
Total Cash from Operations:	\$ 1,577,654.22	\$ 1,888,013.14	\$ 1,554,108.62	\$ 1,390,038.49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,409,814.47
Debits from Non-Operating Sources													
County CIP & Debt Service	\$ -	\$ 1,849,625.01	\$ -										\$ 1,849,625.01
Transfers from Reserve Accounts	\$ -	\$ -	\$ 17,839.87										\$ 17,839.87
Transfers from SNAP Project Fund	\$ 418,204.46	\$ -	\$ -	\$ -									\$ 418,204.46
Transfers from Escrow Account	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers from Capital & Replacement Fund	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers in Deposit Refund Program Fund	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers from Economic Dev. Fund	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers In Debt Service Fund	\$ -	\$ 1,593,271.89	\$ -										\$ 1,593,271.89
Total Cash from Non Operating:	\$ 418,204.46	\$ -	\$ 3,442,896.90	\$ 17,839.87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,878,941.23
Total Debits (Oper. and Non-Oper.)	\$ 1,995,858.68	\$ 1,888,013.14	\$ 4,997,005.52	\$ 1,407,878.36	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,288,755.70
CREDITS													
Credits for Operating Expenditures	\$ 1,225,795.84	\$ 1,007,349.72	\$ 1,239,026.42	\$816,601.70									\$ 4,288,773.68
Credits for Non-Operating Expenditures													
Payments on Capital Projects	\$ 1,062,538.24	\$ 119,394.00	\$ 100,523.90	\$395,155.82									\$ 1,677,611.96
Payments on Debt Service	\$ -	\$ 71,657.50	\$ 3,442,896.90	\$169.31									\$ 3,514,723.71
Transfers to Debt Service Account	\$ -	\$ -	\$ -	\$0.00									\$ -
Transfers to Capital Account	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers to Replacement Fund	\$ -	\$ -	\$ -	\$0.00									\$ -
Transfers to Deposit Refund Program	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers to Investment Account	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers to Escrow Account	\$ -	\$ -	\$ -	\$ -									\$ -
Transfers to SML WTF Depreciation Fund	\$ -	\$ -	\$ -	\$ -									\$ -
Payments/Transfers to Economic Development Fund	\$ 9,878.28	\$ 9,878.28	\$ 10,155.70	\$0.00									\$ 29,912.26
Total Non-Operating Expenditures:	\$ 1,072,416.52	\$ 200,929.78	\$ 3,553,576.50	\$ 395,325.13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,222,247.93
Total Credits (Oper. and Non-Oper.)	\$ 2,298,212.36	\$ 1,208,279.50	\$ 4,792,602.92	\$ 1,211,926.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,511,021.61
Ending Cash Balance	\$ 724,091.58	\$ 1,403,825.22	\$ 1,608,227.82	\$ 1,804,179.35	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FYE: JUNE 30, 2022

BEDFORD REGIONAL WATER AUTHORITY

Providing quality service to everyone.



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**BEDFORD REGIONAL
WATER AUTHORITY**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2022

BEDFORD REGIONAL WATER AUTHORITY

BEDFORD, VIRGINIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

*For the Fiscal Year Ended
June 30, 2022*

PREPARED BY THE FINANCE DEPARTMENT

BEDFORD REGIONAL WATER AUTHORITY

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BEDFORD REGIONAL WATER AUTHORITY

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INTRODUCTORY SECTION

November 3, 2022

Board of Directors
Bedford Regional Water Authority
Bedford, Virginia

The Annual Comprehensive Financial Report for the Bedford Regional Water Authority (Authority) is hereby submitted for the fiscal year ended June 30, 2022. The report was prepared by the Authority in conformity with U.S. Generally Accepted Accounting Principles (GAAP) and with emphasis on disclosure of the financial activities of the Authority. Responsibility for both the completeness and reliability of the information, including all disclosures, rest with the Authority, and is based upon a framework of internal control that has been established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed financial data is accurate in all material respects and fairly presents the financial position, results of operations and cash flows of the Authority.

The basic financial statements have been audited by our independent auditors, Brown, Edwards & Company, LLP, who have issued an unmodified (“clean”) opinion of the financial statements of the Authority as of and for the year ended June 30, 2022. The audit was conducted in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and *Specifications for Audits of Authorities, Boards and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read with it.



Organization and Function

The Authority was chartered December 18, 2012 under the Virginia Water and Waste Authorities Act and Sewer Authorities Act, Chapter 51 Title 15.2 of the Code of Virginia 1950 as amended, by concurrent resolutions adopted by the Bedford County Board of Supervisors and the City Council of the City of Bedford, Virginia (now the Town of Bedford). The Authority is authorized to acquire, finance, contract, operate, and maintain water systems, sewer systems, sewerage disposal and treatment systems, and other facilities or combinations thereof; furthermore, it is able to borrow money and to issue its revenue bonds to pay all or any part of the cost of such systems and facilities and related financing costs.

The revenues of the Authority are based on fixed and usage charges from the system users. The Authority does not have taxing power.



The Authority operates on a Board-administrator form of government. The Board consists of a Chair and six other Board members. Members are appointed by the Bedford County Board of Supervisors and the Town Council, based upon the proportionate representation of the localities according to the total number of equivalent residential connections (ERCs), for both water and sewer in each jurisdiction based on an equivalent rate calculation of two

hundred gallons per day per connection. In no event shall either the Town of Bedford or Bedford County appoint and have fewer than two (2) members of the Board of Directors of the Authority. There are three standing committees comprised of two board members each; they include the Policies and Projects Committee, the Finance Committee, and the Personnel Committee. Regular meetings of the Authority Board of Directors are held the third Tuesday of every month at the Authority's office, with special meetings scheduled as needed.

At the end of the fiscal year, water connections totaled 14,448. Water service is provided as follows:

- **Forest Central:** water is provided to the Forest, New London, and Boonsboro areas of the County with water produced at the Smith Mountain Lake Water Treatment Facility as well as by water purchased from the City of Lynchburg and distributed by the Authority; On June 20, 2015, the Authority entered into a new water purchase contract with the City of Lynchburg. This contract supersedes the July 1, 2007 contract and had an effective starting date of October 1, 2016 and ending date of June 30, 2036. The contract is automatically renewed in ten -year increments, The Authority must purchase at least an average of 1.0 million gallons of water per day measured on an annual basis until the termination of the contract.
- **Stewartsville:** water is provided to the Stewartsville area with water purchased from the Western Virginia Water Authority and then distributed by the Authority. This agreement is in effect until June 30, 2030, unless renewed or terminated.
- **Bedford Central:** water is provided to the area inside and around the Town of Bedford through the Central Water Treatment Plant (WTP) located on Mountain Water Drive just outside of Town. The plant uses a surface water reservoir located at the foothills of the Peaks of Otter. The WTP is rated at 3.0 MGD. Water is also provided to this service area from the Smith Mountain Lake Water Treatment Facility.

- **Mountain View Shores:** water in this subdivision is provided from a groundwater source accessed by three wells. Water from the three wells is filtered using greensand pressure filters and treated with chlorine, soda ash, permanganate, and a blended phosphate product before entering the distribution system.
- **Paradise Point:** The Authority acquired this system in May of 2021. Water in this subdivision is provided from a groundwater source accessed by a well. Water from the well is treated with chlorine, soda ash, orthophosphate before entering the distribution system.
- **Smith Mountain Lake Central Water System:** The source for the Lakes service area is Smith Mountain Lake, a reservoir maintained by American Electric Power for generation of hydroelectric power. This facility is one of the few membrane filtration plants in the state designed to treat surface water in accordance with the Safe Drinking Water Act and all other Virginia Department of Health guidelines. The filtration process requires no chemical addition and instead uses water being pressurized through filtration membranes, with chlorine being added after filtration for disinfection in the distribution system to meet requirements set by the regulatory agencies. This system also provides water to customers in the Town of Bedford and Forest Central. The Smith Mountain Lake Water Treatment Facility ("SMLWTF") is jointly owned with the Western Virginia Water Authority and is rated at 4.0 million gallons per day, with expansion capability of 6.0 MGD (without expanding the building).



At the end of the fiscal year, sewer connections totaled 5,554. Sewer service is provided as follows:

- **Forest Central:** sewer service is provided to the Forest and New London areas of the County by collecting the wastewater and transmitting it to the Lynchburg Regional Wastewater Treatment Plant ("WWTP") for treatment. The Regional Sewage Treatment Plant Agreement was executed on June 6, 1974, and it is in effect in perpetuity. The regional plant is rated at 22 million gallons per day (MGD), and the Authority has purchased 1.0 MGD capacity in the WWTP and sufficient capacity in the City's interceptor lines allow for 1.0 MGD of sewage to flow to the regional plant.
- **Lakes Central:** sewer service is provided in Moneta by the Moneta WWTP to the Lakes community and along the Route 122 corridor. The Moneta WWTP has a current capacity of 0.5 MGD and can readily be expanded to treat 1.5 MGD.
- **Montvale:** sewer service is provided in the Montvale area by the Montvale WWTP, located behind the Montvale Elementary School. The Montvale WWTP is rated at 0.05 MGD and provides service to Montvale Elementary School, Montvale Library, Montvale Center for Business, and central Montvale community.

- **Bedford Central:** sewer service is provided inside and around the Town of Bedford using a WWTP located on Orange Street in Bedford. The Central WWTP is rated at 2.0 million gallons per day (MGD).
- **Cedar Rock:** sewer service is provided using a WWTP that serves the development.
- **Mariners Sewer:** sewer service is provided using a WWTP that serves the development, along with 10 sewer pump stations.

The Authority is not legally required to adopt a budget; however, it is a requirement of the bond covenants that the Authority's Board of Directors adopt an annual budget before the first day of each fiscal year. The Finance department prepares the budget, in coordination with department managers, and serves as a framework for the Authority's financial planning for the year. Authorization is given to the Executive Director to move funds within the line item operating budget without further Board action, provided that a financial report is presented at the monthly Board meeting. The Executive Director can also reprioritize any of the items on the capital budget, provided the total spent did not exceed the approved budget.

As with other industries, the Authority has experienced delays and product shortages, resulting in projects and purchases spanning into additional fiscal years. There has also been turnover due to attrition, as well as staffing shortages due to the current labor market environment.

Local Economic Condition and Outlook



Bedford County is one of the fastest growing areas in the Commonwealth of Virginia. It encompasses 764 square miles in the Western Central portion of Virginia, known as the Piedmont Plateau, and is bordered by the Blue Ridge Mountains to the west, the James River to its northeast and Smith Mountain Lake to the south.

The most recent population figure for Bedford County, including the Town is 78,997 (*source: US Census 2019 Population Estimate*). The 2022 Bedford Community Profile reports an unemployment rate, as of June 2022, of 3.4% for the County; compared to the same time period where Virginia was at 3.9 % and the Country was at 5.3 %.

Relevant Financial Policies

The Authority's financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The Authority operates as an independent entity as allowed by the Virginia Water and Waste Authorities Act.

Under this act and the Authority's charter, sufficient rates and fees are established so that the Authority can pay its operating expenses, principal and interest payments, and provide a margin of revenue that is sufficient to cover any contingencies that may arise. As part of the annual budget process, rates are examined to insure that they are adequate for the Authority's obligations.

The Authority has adopted the following financial policies: Financial Management, Purchasing Cards, Purchasing, Employee Awards, Capital Assets, Investments, Debt Management, Post Issuance Compliance, Alternate Delivery, PPEA, Reserve Accounts and Disposal of Surplus Property. The Authority believes that these procedures provide reasonable assurance that assets are properly recorded and protected; and that financial data is used confidently in the preparation of reports and projections.

Major Initiatives and Accomplishments

The following are a few of the major initiatives that the Authority accomplished during the fiscal year:

- During FY 2022 Developer Dedications included 7,113 linear feet of waterline totaling \$825,004 and 6,767 linear feet of sewer line totaling \$905,004.
- Purchases funded through the Capital Improvement Program (CIP) included vehicles and various equipment, replacement information technology equipment, wastewater pump station improvements and several waterline replacement projects completed by our maintenance department .
- The Town of Bedford entered into an agreement with the Authority to fund specific water and sewer projects using \$4.5 million in funding provided through the American Rescue Plan Act of 2021 (ARPA). Projects include: the BellTown Water line, Helm Street Tank Replacement and Town and Country sewerline Replacement and Rehabilitation project.



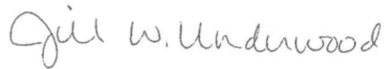
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Bedford Regional Water Authority for its annual financial report for the fiscal year ended June 30, 2021. This was the eighth year that the Authority has received this prestigious award; its predecessor, the Bedford County Public Service Authority, received this award for eighteen consecutive years. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that the current annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the hard work and dedication of the Authority's Financial and Administrative departments. The Authority also wishes to express our appreciation to all of the departments who contributed information used to prepare this report. Appreciation is also given to the Board of Directors for their interest in, and support of, the Authority's pursuit of financial reporting excellence.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jill W. Underwood".

Jill W. Underwood
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Bedford Regional Water Authority
Virginia**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

BEDFORD REGIONAL WATER AUTHORITY

DIRTORY OF PRINCIPAL OFFICIALS
June 30, 2022

BOARD OF DIRECTORS

Robert Flynn, Chairman

Michael C. Moldenhauer, Vice Chairman

Anthony Gray

Henry Mansel

Walter Siehien

Thomas D. Segroves

Kevin Mele

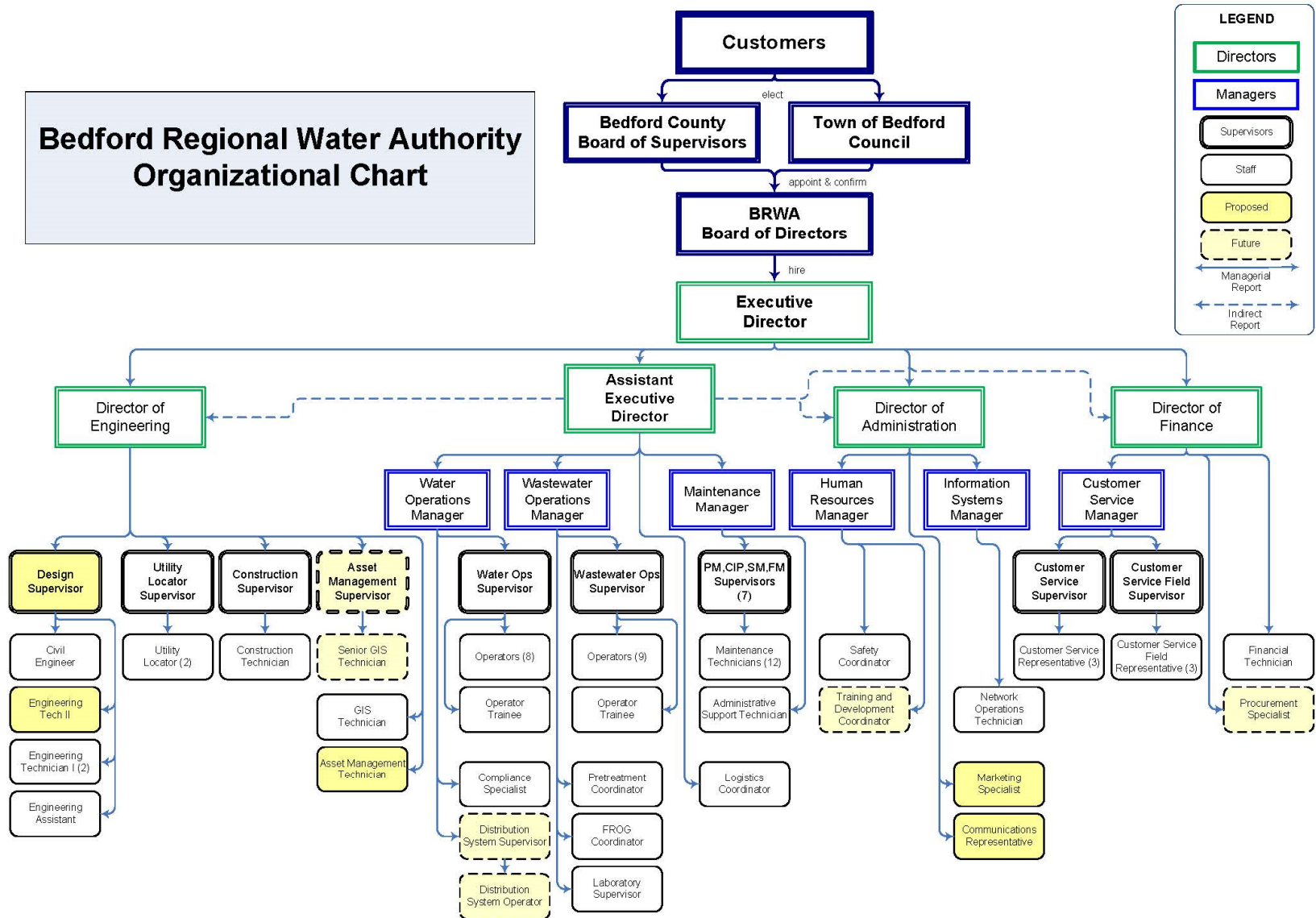
EXECUTIVE DIRECTOR

Brian M. Key, PE, Secretary/Treasurer

INDEPENDENT AUDITORS

Brown, Edwards & Company, L.L.P.

Bedford Regional Water Authority Organizational Chart



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FINANCIAL SECTION

**Financial Section contains the
Basic Financial Statements.**

INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the Board of Directors
Bedford Regional Water Authority
Bedford, Virginia

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Bedford Regional Water Authority (the "Authority") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Bedford Regional Water Authority, as of June 30, 2022, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Authorities, Boards and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Bedford Regional Water Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change In Accounting Principle

As described in Note 13 to the financial statements, the Authority adopted new accounting guidance, *GASB Statement No. 87, Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Report on the Audit of the Financial Statements (Continued)

Responsibilities of Management for the Financial Statements (Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the Authority's 2021 financial statements, and in our report dated November 4, 2021, expressed an unmodified opinion on those financial statements. The 2021 financial information is provided for comparative purposes only. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived. For the year ended June 30, 2022, beginning net position has been restated to reflect the impacts of adopting GASB No. 87, as described in Note 13.

Report on the Financial Statements (Continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required pension and OPEB schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management, and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that comprise the Bedford Regional Water Authority's basic financial statements. The accompanying Schedule of Departmental Operating Income is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Departmental Operating Income is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 3, 2022

Management's Discussion and Analysis

The Bedford Regional Water Authority ("BRWA" or "Authority") has prepared this Management's Discussion and Analysis (MD&A) as a supplement to the financial statements, to provide a narrative overview and analysis of the financial activities of the Authority for the fiscal year ended June 30, 2022. It is encouraged that the information presented herein to be considered in conjunction with additional details that have been furnished in the letter of transmittal, which can be found on pages i-vi of this financial report.

In October of 2012 the Bedford County Public Service Authority entered into a consolidation agreement with the City of Bedford and County of Bedford. As part of the City of Bedford's reversion to a Town, the Authority and the City of Bedford water and sewer departments merged into the Bedford Regional Water Authority; the complete merger was effective on July 1, 2013.

Financial Highlights

- The assets and deferred outflows of the Authority exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$86,671,342 (*net position*). Of this amount \$11,715,080 (*unrestricted net position*) may be used to meet the BRWA's ongoing obligations to customers and creditors.
- The Authority's total net position increased during the fiscal year by \$3,737,612. The primary cause for this increase is due to an increase in capital assets.
- The Authority implemented GASB No. 87, *Leases* resulting in the restatement of net position as of June 30, 2021.

Overview of the Financial Statements

This discussion and analysis is intended as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: 1) enterprise fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Enterprise fund financial statements. Since the Authority engaged only in business-type activities, the *enterprise fund financial statements* and *notes* were prepared in a manner similar to private-sector businesses.

The ***statement of net position*** presents information on the Authority's assets and liabilities as of June 30, 2022 and June 30, 2021, with the difference between the two reported as net position. Increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority had improved or deteriorated.

The ***statement of revenues, expenses, and changes in net position*** presents information showing how the Authority's net position changed between fiscal years 2022 and 2021. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, some of the revenues and expenses that are reported in this statement will only affect cash flows in future fiscal periods (e.g. earned but unused vacation leave).

The ***statement of cash flows*** supplements the above two statements by presenting the changes in cash position as a result of the Authority's activities over the last two fiscal years.

These statements can be found on pages 13 through 15 of this report.

Overview of the Financial Statements (Continued)

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 16 through 47 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Authority's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 49 through 55 of this report.

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets and deferred outflows exceeded liabilities and deferred inflows by \$86,671,342 at the close of the most recent fiscal year. At the close of the previous fiscal year, liabilities and deferred inflows exceeded assets and deferred outflows by \$82,933,730.

By far the largest portion of the Authority's net assets (83%) reflects its investment in capital assets. The Authority uses these capital assets to provide services to customers; consequently, these assets were *not* available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Financial Analysis (Continued)

Condensed Statement of Net Position

	2022	2021 (as restated)
Current assets	\$ 15,319,188	\$ 17,367,950
Cash and cash equivalent, restricted	1,964,680	4,598,496
Investments, restricted	1,771,633	1,931,141
Capital assets, net	111,245,699	105,864,195
Net Pension Asset	96,066	-
Lease Receivable	2,193,383	2,318,761
Total Assets	132,590,649	132,080,543
Deferred loss on refunding	110,791	247,111
Deferred outflows related to pensions	655,832	716,684
Deferred outflows related to other postemployment benefits	108,246	121,009
Total Deferred Outflows of Resources	874,869	1,084,804
Current Liabilities	5,570,360	5,755,445
Long-Term liabilities	38,158,894	42,085,207
Total Liabilities	43,729,254	47,840,652
Deferred gain on refunding	12,467	49,868
Deferred inflows related to pensions	776,796	21,790
Deferred Inflows related to leases	2,147,968	2,294,885
Deferred inflows related to other postemployment benefits	127,691	24,422
Total Deferred Inflows of Resources	3,064,922	2,390,965
Net investment in capital assets	72,160,769	66,445,010
Restricted for:		
Pensions	96,066	-
Capital improvements	927,794	859,253
Debt collateral	1,771,633	1,940,154
Unrestricted	11,715,080	13,689,313
Total Net Position	\$ 86,671,342	\$ 82,933,730

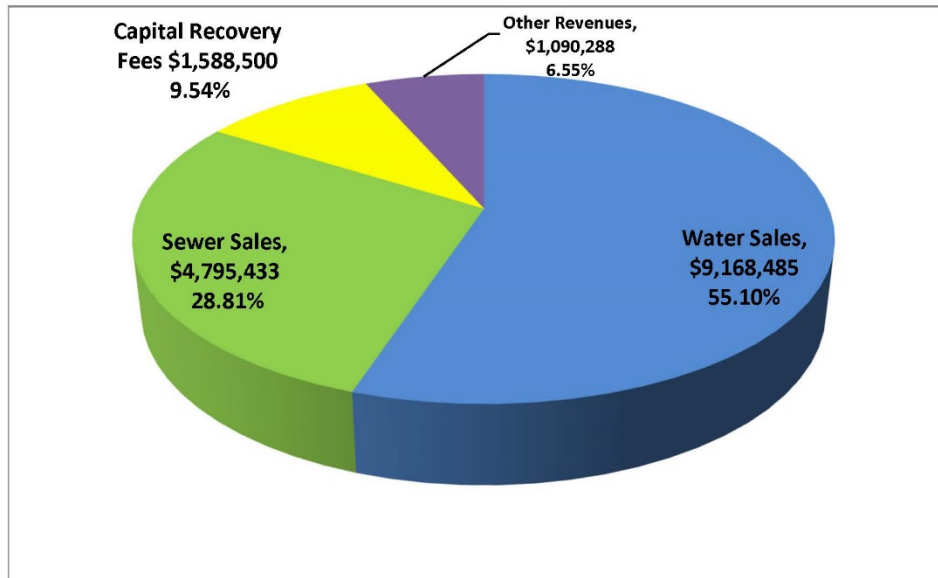
Financial Analysis (Continued)

Condensed Statement of Revenues, Expenses and Changes in Fund Net Position

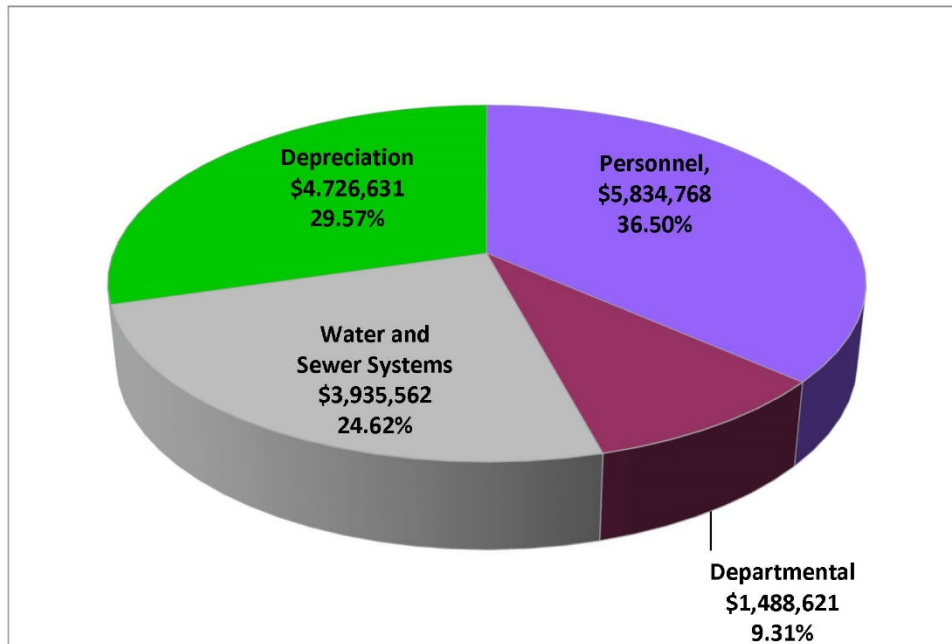
	2021	
	2022	(as restated)
Revenues:		
Operating Revenues		
Water Sales	\$ 9,168,485	\$ 8,825,490
Capital Recovery Fees	1,588,500	1,719,200
Sewer Service	4,795,433	4,587,556
Wastewater treatment plant operation fees	352,938	196,546
Other revenues from customers	737,350	655,509
Total Revenues	16,642,706	15,984,301
Expenses:		
Operating Expenses:		
Water Systems	2,465,518	2,287,239
Sewer systems	1,470,044	1,503,359
Salaries and employee benefits	5,834,768	5,505,750
Management and general	785,004	474,344
Customer service and information systems	259,023	291,439
Vehicles	295,123	249,090
Engineering, operations and operations	149,471	123,731
Depreciation and amortization	4,726,631	4,452,324
Total Expenses	15,985,582	14,887,276
Nonoperating Revenues (Expenses):		
Gain in disposal of capital assets	88,517	5,128
Investment income	21,406	186,839
Interest expense	(1,439,443)	(1,550,179)
Total Nonoperating Revenues (Expenses)	(1,329,520)	(1,358,212)
Loss before capital contributions	(672,396)	(261,187)
Capital Contributions	4,410,008	3,606,977
Changes in net position	3,737,612	3,345,790
Net position- July 1, as restated	82,933,730	79,587,940
Net position- June 30	<u>\$ 86,671,342</u>	<u>\$ 82,933,730</u>

Financial Analysis (Continued)

FY 2021-2022 Revenues



FY 2021-2022 Expenses



Financial Analysis (Continued)

At the end of the current fiscal year, the Authority was able to report positive balances in total net position. The same held true for the prior fiscal year. At the end of the current fiscal year, the Authority had positive balances in unrestricted net position.

During the current fiscal year, the Authority's net position increased by \$3,737,612.

Operating revenues increased by \$658,405 or 4.12% and operating expenses increased by \$1,098,306 or 7.38%.

Key elements of these changes are as follows:

- Water and sewer sales increased due to increased customers, usage and the rate equalization program .
- A large portion of the increase in expenses is related to the increased operation costs of the water system. Challenges with the supply chain have caused increased prices and delays in receiving materials.
- Sewer treatment costs were increased in the Forest area; however, for the sewer system as a whole, expenses were lower for the year.
- Salaries and employee benefits increased as result of hiring new employees and increases in insurance premiums and other benefits. The Authority has experienced attrition during the year. As a result of a third-party salary study, salary adjustments were made during the year.

Capital Asset and Debt Administration

Capital assets. The Authority's investment in capital assets as of June 30, 2022 amounted to \$111,245,699 (net of accumulated depreciation). This investment in capital assets includes land and land rights, buildings, water and sewer systems, vehicles, equipment, and furniture and fixtures. Additional information related to capital assets is located in Note 4 of the *Notes to Financial Statements*.

	Capital Assets	
	2022	2021
Land and land rights	\$1,015,523	\$1,010,476
Construction in progress	7,560,948	2,343,655
Water and sewer systems	167,529,892	163,978,981
Vehicles	3,623,581	3,439,070
Office Facilities	3,510,228	2,729,555
Information Systems Equipment	1,823,619	1,706,967
Total cost	185,063,791	175,208,704
Less- accumulated depreciation	(73,817,992)	(69,344,509)
Total- net of accumulated depreciation	<u>\$111,245,699</u>	<u>\$105,864,195</u>

Capital Asset and Debt Administration (Continued)

Major capital asset events during the fiscal year included the following:

- Developer dedications of water and sewer lines throughout Bedford County totaled \$1,729,956 .
- A total of \$3,561,239 was spent on water and sewer infrastructure.
- A total of \$157,769 was spent on Information Technology.
- A total of \$393,586 was spent on vehicles and equipment.

Below are some of the projects that were placed into service during the fiscal year:

Poplar Street Waterline Replacement	\$38,360
Windsor Drive Waterline Replacement	\$54,713
Laurel Street Waterline Replacement	\$101,154
Route 122/Ratliff Road Waterline Relocation	\$484,007
Mariners Sewer Projects (multiple)	\$219,565

Long-term debt. At the end of the fiscal year, the Authority had \$40,220,141 in bonds and notes outstanding, versus \$43,346,658 last year, a decrease of 7.21% as shown below. Outstanding obligations decreased as a result of principal payments being made. There was an increase in the Lynchburg Sewer System Bonds, due to improvements made to the system.

The Authority's Virginia Resource Authority Bonds are rated "AAA" from Standard and Poor's. Other obligations include accrued paid time off (PTO). More detailed information on the Authority's long-term liabilities is located in Note 5 of the *Notes to Financial Statements*.

Long Term Debt

	2022	2021
Lynchburg Sewer System Bonds	\$997,986	\$756,512
Assumed Debt from Town of Bedford	2,289,010	2,771,353
2015 VRA Bonds	28,045,000	28,840,000
2012 Pooled Bonds	1,620,000	2,365,000
2014 Pooled Bonds	1,745,000	1,745,000
2019 VRA Bonds	955,000	1,860,000
2020 VRA Bonds (ESCO project)	3,555,000	3,730,000
Unamortized premium on bonds	1,013,145	1,278,793
	<hr/>	<hr/>
	\$40,220,141	\$43,346,658

Requests for information

This financial report is designed to provide a general overview of the Authority's finances. For additional financial information contact the BRWA's Finance Department in person or by mail at 1723 Falling Creek Road, Bedford, VA 24523, by email at finance@brwa.com or by telephone at (540)586-7679.

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FINANCIAL STATEMENTS

BEDFORD REGIONAL WATER AUTHORITY
STATEMENT OF NET POSITION
June 30, 2022

	2022	(For Comparative Purposes Only) 2021 (As restated, see Note 13)
ASSETS		
Current assets		
Cash and cash equivalents (Note 2)	\$ 12,261,252	\$ 14,325,348
Accounts receivable (Note 3)	2,405,591	2,147,543
Inventory	511,260	718,893
Prepays	141,085	176,166
Total current assets	15,319,188	17,367,950
Noncurrent assets		
Cash and cash equivalents, restricted (Note 2)	1,964,680	4,598,496
Investments, restricted (Note 2)	1,771,633	1,931,141
Net pension asset, restricted (Note 7)	96,066	-
Lease receivable (Note 9)	2,193,383	2,318,761
Capital assets (Note 4)		
Nondepreciable	8,576,471	3,354,131
Depreciable, net	102,669,228	102,510,064
Total noncurrent assets	117,271,461	114,712,593
Total assets	132,590,649	132,080,543
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	110,791	247,111
Deferred outflows related to pensions (Note 7)	655,832	716,684
Deferred outflows related to other postemployment benefits (Note 8)	108,246	121,009
Total deferred outflows of resources	874,869	1,084,804
LIABILITIES		
Current liabilities		
Accounts payable	1,452,740	1,770,141
Accrued liabilities	178,058	129,578
Interest payable	368,798	403,412
Current maturities of other long-term liabilities (Note 5)	3,570,764	3,452,314
Total current liabilities	5,570,360	5,755,445
Long-term liabilities		
Customer security deposits	546,325	340,198
Unearned revenue	350,389	362,484
Other long-term liabilities – due in more than one year (Note 5)	36,818,449	40,051,627
Net pension liability (Note 7)	-	784,977
Net other postemployment benefit liabilities (Note 8)	443,731	545,921
Total long-term liabilities	38,158,894	42,085,207
Total liabilities	43,729,254	47,840,652
DEFERRED INFLOWS OF RESOURCES		
Deferred gain on refunding	12,467	49,868
Deferred inflows related to leases (Note 9)	2,147,968	2,294,885
Deferred inflows related to pensions (Note 7)	776,796	21,790
Deferred inflows related to other postemployment benefits (Note 8)	127,691	24,422
Total deferred outflows of resources	3,064,922	2,390,965
NET POSITION		
Net investment in capital assets	72,160,769	66,445,010
Restricted for: (Note 2)		
Pensions	96,066	-
Capital improvements	927,794	859,253
Debt collateral	1,771,633	1,940,154
Unrestricted	11,715,080	13,689,313
Total net position	\$ 86,671,342	\$ 82,933,730

The Notes to Financial Statements are an integral part of this statement.

BEDFORD REGIONAL WATER AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
Year Ended June 30, 2022

		(For Comparative Purposes Only) 2021 (As restated, see Note 13)
	<u>2022</u>	
OPERATING REVENUES		
Water sales	\$ 9,168,485	\$ 8,825,490
Capital recovery fees	1,588,500	1,719,200
Sewer service	4,795,433	4,587,556
Wastewater treatment plant operation fees	352,938	196,546
Review fees	62,839	70,581
Meter base installation fees	106,860	144,370
Account changes	51,310	63,595
Other	482,946	314,361
Penalties	33,395	62,602
	<u>16,642,706</u>	<u>15,984,301</u>
Total operating revenues		
OPERATING EXPENSES		
Water systems	2,465,518	2,287,239
Sewer systems	1,470,044	1,503,359
Depreciation and amortization	4,726,631	4,452,324
Salaries and employee benefits	5,834,768	5,505,750
Management and general	785,004	474,344
Customer service and information systems	259,023	291,439
Vehicles	295,123	249,090
Engineering, operations, and maintenance	149,471	123,731
	<u>15,985,582</u>	<u>14,887,276</u>
Total operating expenses		
Operating income	<u>657,124</u>	<u>1,097,025</u>
NONOPERATING REVENUES (EXPENSES)		
Gain on disposal of capital assets	88,517	5,128
Interest revenue	21,406	186,839
Interest expense	(1,439,443)	(1,550,179)
	<u>(1,329,520)</u>	<u>(1,358,212)</u>
Total nonoperating revenues (expenses)		
Loss before capital contributions	(672,396)	(261,187)
CAPITAL CONTRIBUTIONS (Note 6)	<u>4,410,008</u>	<u>3,606,977</u>
Change in net position	3,737,612	3,345,790
Net position – beginning at July 1, as restated (see Note 13)	<u>82,933,730</u>	<u>79,587,940</u>
Net position – ending at June 30	<u>\$ 86,671,342</u>	<u>\$ 82,933,730</u>

The Notes to Financial Statements are an integral part of this statement.

BEDFORD REGIONAL WATER AUTHORITY
STATEMENT OF CASH FLOWS
Year Ended June 30, 2022

		(For Comparative Purposes Only)
	2022	2021
OPERATING ACTIVITIES		
Cash received from customers	\$ 16,557,151	\$ 15,830,306
Cash paid for goods and services	(4,745,959)	(5,067,469)
Cash paid to employees	(5,825,842)	(5,353,073)
Net cash provided by operating activities	5,985,350	5,409,764
CAPITAL AND RELATED FINANCING ACTIVITIES		
County of Bedford – capital asset and debt assistance	2,500,000	2,500,000
Acquisition and construction of capital assets	(8,656,957)	(1,290,257)
Proceeds from revenue bond	-	4,317,010
Principal paid on long-term borrowings	(3,162,422)	(2,864,219)
Interest paid on long-term borrowings	(1,640,786)	(1,540,198)
Proceeds from sale of capital assets	95,989	5,128
Net cash provided by (used in) capital and related financing activities	(10,864,176)	1,127,464
INVESTING ACTIVITIES		
Sale (purchase) of restricted investments	159,508	(159,571)
Interest received	21,406	170,171
Net cash provided by investing activities	180,914	10,600
Net increase (decrease) in cash and cash equivalents	(4,697,912)	6,547,828
CASH AND CASH EQUIVALENTS		
Beginning at July 1	18,923,844	12,376,016
Ending at June 30	<u>\$ 14,225,932</u>	<u>\$ 18,923,844</u>
RECONCILIATION TO STATEMENT OF NET POSITION		
Cash and cash equivalents	\$ 12,261,252	\$ 14,325,348
Cash and cash equivalents, restricted	1,964,680	4,598,496
	<u>\$ 14,225,932</u>	<u>\$ 18,923,844</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 657,124	\$ 1,097,025
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	4,726,631	4,452,324
Pension expense net of employer contributions	(65,185)	99,727
Other postemployment benefit expense net of employer contributions	13,842	22,369
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(132,670)	43,230
Inventory	207,633	(230,341)
Prepays	35,081	(137)
Increase (decrease) in:		
Accounts payable	435,510	92,211
Unearned revenue	(159,012)	(6,000)
Customer security deposits	206,127	(191,225)
Compensated absences and accrued liabilities	60,269	30,581
Net cash provided by operating activities	<u>\$ 5,985,350</u>	<u>\$ 5,409,764</u>
SCHEDULE OF NONCASH ACTIVITIES		
Contributions of capital assets	<u>\$ 1,910,008</u>	<u>\$ 1,106,977</u>
Increase in Lynchburg Sewer System rights	<u>\$ 301,553</u>	<u>\$ 194,190</u>
Capital asset purchases included in accounts payable	<u>\$ 500,232</u>	<u>\$ 1,253,143</u>

The Notes to Financial Statements are an integral part of this statement.

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies

Reporting entity

The Bedford Regional Water Authority (the “Authority”) was chartered December 18, 2012 under the Water and Wastewater Authorities Act, §15.2-5100, et seq. of the *Code of Virginia*, 1950, as amended, by concurrent resolutions adopted by the Bedford County Board of Supervisors and the City Council of the City of Bedford, Virginia (now the Town of Bedford, Virginia) (the “Town”). The Authority primarily serves water and sewer needs of the Smith Mountain Lake, Forest, Montvale, Stewartsville, New London, Town of Bedford, and Boonsboro areas of Bedford County, Virginia (the “County”). The Authority operates on a Board-administrator form of government. The Board consists of a Chair and six other Board members. Members are appointed by the Bedford County Board of Supervisors and the Town Council, based upon the proportionate representation of the localities according to the total number of equivalent residential connections (ERCs), for both water and sewer in each jurisdiction based on an equivalent rate calculation of two hundred gallons per day per connection. In no event shall either the Town of Bedford or Bedford County appoint and have fewer than two (2) members of the Board of Directors of the Authority.

Measurement focus and basis of accounting

The Authority’s financial statements are reported using the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The Authority distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority’s principal ongoing operations. The principal operating revenues of the Authority are charges to customers for sales and services. The Authority also recognizes as operating revenue the portion of capital recovery fees intended to recover the cost of connecting new customers to the system. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Authority’s policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and cash equivalents

The Authority’s cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities three months or less from the date of acquisition.

Investments

The Authority’s investments consist of municipal bonds with original maturities greater than one year from the date of acquisition.

Accounts receivable

Accounts receivable are stated net of an allowance for doubtful accounts. The Authority calculates its allowance for doubtful accounts using historical collection data and specific account analysis.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies (Continued)

Unbilled accounts receivable

Unbilled accounts receivable consist of amounts earned as of year-end, but not yet billed because billing dates do not coincide with year-end.

Inventory

Inventory consists of grinder pumps, parts, and meters reported at cost. Inventory is generally used for construction and for operation and maintenance work and is not held for resale. Costs of inventory are charged to construction or operations when used.

Capital assets

Capital assets are stated at cost, except for donated assets, which are recorded at fair market value at the date of acquisition. Donated capital assets are reported at acquisition value. The threshold for recording capital assets is \$1,000. Depreciation of property and equipment is computed using the straight-line method over useful lives as follows:

System, lines, and source of supply structures	50-66 years
Leasehold improvements	5-40 years
Vehicles and equipment	5-10 years
Information systems equipment	3-10 years

Leasehold improvements include administrative and other facilities constructed and additions affixed to those facilities on land previously leased from Bedford County. These leasehold improvements are depreciated over the shorter of the useful life of the asset or the remaining term of the lease.

Compensated absences

The paid-time-off (PTO) policy of the Authority provides for up to 312 hours per year of earned vacation leave, depending on years of service. Employees that are Plan 1 or Plan 2 Virginia Retirement System (VRS) participants may carry over 640 hours to the succeeding year. Employees that are Hybrid Plan VRS participants may carry over 352 hours to the succeeding year. Upon termination, one half of the accumulated PTO balance is payable at 100% of the employee's current pay rate. Compensated absences are accrued when incurred.

Pensions and Other Postemployment Benefits (OPEB)

For purposes of measuring all financial statement elements related to pensions and OPEB, information about the fiduciary net position of the Authority's Plans and the additions to/deductions from the Authority's Plans' net fiduciary position have been determined on the same basis as they were reported by the VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred outflows/inflows of resources

In addition to assets, the statement that presents net position reports a separate section for deferred outflows of resources. These items represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement that presents financial position reports a separate section for deferred inflows or resources. These items represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Lease-related amounts are recognized at the inception of leases in which the Authority is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

Unearned revenue

Unearned revenue consists of monies or tangible assets given to the Authority under prescribed conditions by developers in exchange for credit vouchers to be used to pay capital recovery fees (both water and sewer) in order to connect to the Authority's system. The Authority recognizes the revenue when the credit voucher is redeemed.

Fair value measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

Debt and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Commercial paper and corporate bonds are classified in Level 2 of the fair value hierarchy and are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Net position

Net position is the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets represents capital assets, less accumulated depreciation, less any outstanding debt and related deferred inflows or outflows of resources related to the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 1. Summary of Significant Accounting Policies (Continued)

Estimates

Management uses estimates and assumptions in preparing its financial statements. Actual results could differ from those estimates.

Note 2. Deposits and Investments

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the *Code of Virginia*. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize the Authority to invest in obligations of the United States or agencies thereof; obligations of the Commonwealth of Virginia or political subdivisions thereof; obligations of the International Bank, the Asian Development Bank, the African Development Bank, “prime quality” commercial paper and certain corporate notes, banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP and VIP).

The fair value of the positions in the external investment pools (Local Government Investment Pool and Virginia Investment Pool) are the same as the value of the pool shares. As these pools are not SEC registered, regulatory oversight of the pools rests with the Virginia State Treasury. The pools maintain a policy to operate in a manner consistent with SEC Rule 2a-7. Due to the nature of LGIP and VIP, they are considered a cash and cash equivalents on the statement of net position.

Interest rate risk

Interest rate risk is the risk that the fair value of securities in the portfolio will fall due to changes in market interest rates. The Authority’s investment policy limits certain investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates; however, it follows the *Code of Virginia* for investment compliance matters.

Credit risk

The Authority has no policy regarding credit risk. The investments in LGIP and VIP funds are rated AAAM by S&P Global Ratings.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 2. Deposit and Investments (Continued)

Deposit and investment restrictions

Cash and cash equivalents, investments, restricted, and net position, restricted consist of the following:

	Cash and Cash Equivalents, Restricted	Investments, Restricted	Net Position, Restricted
New Projects Reserve Fund	\$ 101,931	\$ -	\$ 101,931
Sewerline Replacement Fund	825,863	-	825,863
Pension	96,066	-	96,066
VRA Debt Service Fund	-	1,771,633	1,771,633
VRS 2020 Bond Proceeds	1,036,886	-	-
	<u>\$ 2,060,746</u>	<u>\$ 1,771,633</u>	<u>\$ 2,795,493</u>

New Projects Reserve Fund. The County of Bedford and the Authority entered into an agreement to set aside 40% of the County's portion of funds received from the lease of two water tanks to wireless service providers. The funds in this reserve account are to be held for future capital projects for the benefit of the County, as the County deems appropriate.

Sewerline Replacement Fund. The Authority established a sewerline replacement fund as required by the DEQ consent order inherited from the Town as part of the consolidation agreement.

VRA Debt Service Fund. The Authority established a debt service fund with PNC Capital Markets by purchasing municipal bonds and cash equivalents to ensure its debt coverage requirements would be met. This fund is required by the 2015 debt issuance, and represents the highest debt service payment due during the life of the debt issue. Compliance with the debt coverage requirement is contingent upon this fund, therefore this amount is shown as restricted cash and net position. Those bonds mature on November 15, 2026 and are measured using a Level 2 input as it relates to fair value measurement. The debt service fund with PNC Capital Markets amounted to \$1,771,633 at June 30, 2022.

VRA 2020 Bond Proceeds. The Authority issued Water and Sewer System Revenue Bonds in 2020 to fund the costs of improving the operability of the central wastewater treatment plant.

Note 3. Accounts Receivable

Accounts receivable, net consists of the following:

	Billed	Unbilled	Total
Water	\$ 936,794	\$ 550,624	\$ 1,487,418
Sewer	474,095	267,046	741,141
Other	429,500	-	429,500
	1,840,389	817,670	2,658,059
Less:			
Allowance for doubtful accounts	(252,468)	-	(252,468)
	<u>\$ 1,587,921</u>	<u>\$ 817,670</u>	<u>\$ 2,405,591</u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 4. Capital Assets

Capital asset activity for the year was as follows:

	Beginning July 1	Increases	Decreases	Ending June 30
Capital assets, not being				
Depreciated				
Land and land rights	\$ 1,010,476	\$ 5,047	\$ -	\$ 1,015,523
Construction in progress	2,343,655	7,827,582	(2,610,289)	7,560,948
	<u>3,354,131</u>	<u>7,832,629</u>	<u>(2,610,289)</u>	<u>8,576,471</u>
Total capital assets, not being depreciated				
Capital assets, being depreciated				
System, lines, and source of supply structures	163,978,981	3,561,239	(10,428)	167,529,892
Vehicles and equipment	3,439,070	393,586	(209,075)	3,623,581
Leasehold improvements	2,729,555	780,673	-	3,510,228
Information systems equipment	1,706,967	157,769	(41,117)	1,823,619
	<u>171,854,573</u>	<u>4,893,267</u>	<u>(260,620)</u>	<u>176,487,220</u>
Total capital assets, being depreciated				
Less accumulated depreciation for:				
System, lines, and source of supply structures	(63,317,370)	(4,222,041)	3,340	(67,536,071)
Vehicles and equipment	(2,393,578)	(304,235)	208,691	(2,489,122)
Leasehold improvements	(2,034,972)	(138,898)	-	(2,173,870)
Information systems equipment	(1,598,589)	(61,457)	41,117	(1,618,929)
	<u>(69,344,509)</u>	<u>(4,726,631)</u>	<u>253,148</u>	<u>(73,817,992)</u>
Total accumulated depreciation				
Total capital assets being depreciated, net	<u>102,510,064</u>	<u>166,636</u>	<u>(7,472)</u>	<u>102,669,228</u>
Total capital assets, net	<u>\$ 105,864,195</u>	<u>\$ 7,998,265</u>	<u>\$ (2,617,761)</u>	<u>\$ 111,245,699</u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 4. Capital Assets (Continued)

Construction commitments

The Authority's active construction projects as of June 30 are as follows:

Project	Total Remaining Commitment
Bedford Central Wastewater Treatment Plant	\$ 1,146,894
Route 460 Pump Station - Construction	914,659
Rucker Road Waterline Extension	202,844
Ivy Creek Division Interceptors – Preliminary	634,642
BRWA Administration Parking Lot Fencing	5,000
Bell Town Road Waterline Extension - Design	10,440
BRWA Administration Parking Lot	5,000
Bedford Central WWTP-Design	3,300
Turkey Mountain Booster Station -Design	23,620
Town & Country Subdivision-CCTV	37,250
Town & Country Subdivision-Design & Survey	45,855
Moneta Park Waterline Extension-Design	8,350
WRA Sewer Modeling Governors Hill	1,186
Helm Street Tank Replacement - Design	191,140
Central Sewer Pump Station Rehabs (4, 7, & 8) - Design	1,050
Town & County Waterline Replacement	35,300
	<u>\$ 3,266,530</u>

Note 5. Long-Term Liabilities

The following is a summary of the Authority's long-term liabilities transactions for the year:

	Beginning July 1	Additions	Reductions	Ending June 30	Due Within One Year
Revenue bonds	\$ 38,540,000	\$ -	\$ (2,620,000)	\$ 35,920,000	\$ 2,760,000
Lynchburg Sewer System bonds	756,512	301,553	(60,079)	997,986	60,167
Due to Town of Bedford	2,771,353	-	(482,343)	2,289,010	490,012
Bond premiums	1,278,793	-	(265,648)	1,013,145	218,317
Compensated absences	157,283	51,110	(39,321)	169,072	42,268
	<u>\$ 43,503,941</u>	<u>\$ 352,663</u>	<u>\$ (3,467,391)</u>	<u>\$ 40,389,213</u>	<u>\$ 3,570,764</u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 5. Long-Term Liabilities (Continued)

The Authority does not have any debt that is a direct borrowing or direct placement.

	Interest Rates	Date Issued	Final Maturity Date	Amount of Original Issue	Outstanding
<u>Revenue Bonds:</u>					
Virginia Resources Authority					
Water and Sewer Bonds	2.13-5.13%	10/07/15	04/01/46	\$ 31,225,000	\$ 28,045,000
Water and Sewer Bonds	5.13	07/24/19	10/01/22	2,725,000	955,000
Water and Sewer Bonds	2.29-5.13	10/01/12	10/01/23	5,020,000	1,620,000
Water and Sewer Bonds	3.82-4.43	07/29/14	10/01/25	2,320,000	1,745,000
Water and Sewer Bonds	2.04-5.13	09/25/20	10/01/35	3,730,000	3,555,000
					<u>35,920,000</u>
			Plus unamortized bond premium		<u>1,013,145</u>
					<u>\$ 36,933,145</u>
<u>Due To Other Governmental</u>					
<u>Units:</u>					
Lynchburg Sewer System Bonds	1.75-5.00%	Various	06/01/44	\$ 3,430,364	\$ 997,986
Due to Town of Bedford	Various	Various	02/21/26	7,501,599	2,289,010
					<u>\$ 3,286,996</u>

Lynchburg Sewer System Bonds

The Authority, along with Amherst County, the Campbell County Utilities, and Service Authority, have a sewage treatment agreement with the City of Lynchburg. As part of this agreement, each member of the Regional Sewage Treatment Plant is responsible for its proportionate share of improvements to joint-use facilities. As the City of Lynchburg performs additions to the system, the Authority shows its proportionate share of improvements as additions to debt and capital assets.

Revenue Bonds

The Authority issues revenue bonds to fund new water and sewer infrastructure. Examples of debt funded projects include water and wastewater treatment facilities, water distribution lines, sewer treatment lines, pump stations, and related infrastructure.

Due to Town of Bedford

As a result of the 2013 consolidation of the previous Bedford County Public Service Authority and the previous City of Bedford's water and sewer department, all water and sewer debt issued by the City of Bedford was transferred to the Authority.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 5. Long-Term Liabilities (Continued)

The annual requirements to amortize long-term debt and related interest are as follows:

Fiscal Year	Lynchburg Sewer System Bonds		Revenue Bonds		Due to Town of Bedford	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 60,167	\$ 1,754	\$ 2,760,000	\$ 1,295,069	\$ 490,012	\$ 65,475
2024	60,256	1,664	1,785,000	1,182,403	582,000	53,071
2025	60,345	1,574	1,860,000	1,103,775	600,000	35,902
2026	60,436	1,482	1,945,000	1,020,347	616,998	18,201
2027	60,527	1,390	1,095,000	954,247	-	-
2028-2032	304,038	5,536	6,095,000	4,151,216	-	-
2033-2037	221,368	3,092	6,940,000	3,077,084	-	-
2038-2042	157,720	633	6,885,000	1,899,094	-	-
2043-2046	13,129	-	6,555,000	508,556	-	-
	<u>\$ 997,986</u>	<u>\$ 17,125</u>	<u>\$ 35,920,000</u>	<u>\$ 15,191,791</u>	<u>\$ 2,289,010</u>	<u>\$ 172,649</u>

Note 6. Capital Contributions

Capital contributions by source are summarized as follows:

Developers and customers	\$ 1,730,008
WVWA	180,000
County of Bedford – capital asset and debt assistance	<u>2,500,000</u>
	<u>\$ 4,410,008</u>

The County of Bedford contributes funding annually to assist in the payment of debt service for water and sewer lines and plant expansion.

In October 2020, the County of Bedford and the Authority entered into a memorandum of understanding where the County would contribute an additional \$500,000 annually to the Authority for fiscal years 2021-2023 to help with the Forest sewer system project.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan

Plan Description

All full-time, salaried permanent employees of the Bedford Regional Water Authority, (the “Political Subdivision”) are automatically covered by the VRS Retirement Plan upon employment. This multi-employer cost-sharing is administered by the Virginia Retirement System (the “System”) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees – Plan 1, Plan 2, and Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are available at:

- <https://www.varetire.org/members/benefits/defined-benefit/plan1.asp>,
- <https://www.varetire.org/members/benefits/defined-benefit/plan2.asp>,
- <https://www.varetirement.org/hybrid.html>.

Employees Covered by Benefit Terms

As of the June 30, 2020 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	<u>Number</u>
Inactive members or their beneficiaries currently receiving benefits	<u>16</u>
Inactive members:	
Vested inactive members	13
Non-vested inactive members	29
Inactive members active elsewhere in VRS	<u>8</u>
Total inactive members	50
Active members	<u>75</u>
Total covered employees	<u><u>141</u></u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan (Continued)

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement.

The political subdivision's contractually required contribution rate for the year ended June 30, 2022 was 5.89% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2019.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the political subdivision were \$238,628 and \$217,093 for the years ended June 30, 2022 and June 30, 2021, respectively.

Net Pension Liability

The net pension liability is calculated separately for each employer and represents that particular employer's total pension liability determined in accordance with GASB Statement No. 68, less that employer's fiduciary net position. For political subdivisions, the net pension liability was measured as of June 30, 2021. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2020 rolled forward to the measurement date of June 30, 2021.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan (Continued)

Actuarial Assumptions

The total pension liability for General Employees in the Political Subdivision's Retirement Plan was based on an actuarial valuation as of June 30, 2020, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021.

Inflation	2.50%
General Employees – Salary increases, including inflation	3.50 – 5.35%
Investment rate of return	6.75%, net of pension plan investment expense, including inflation

Mortality rates: General employees – 15 to 20% of deaths are assumed to be service related. Public Safety Employees – 45% to 70% of deaths are assumed to be service related. Mortality is projected using the applicable Pub-2010 Mortality Table with various set backs or set forwards for both males and females.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from July 1, 2012 through June 30, 2016, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study are as follows:

General Employees – Largest 10 – Non-Hazardous Duty and All Others (Non 10 Largest): Updated mortality table; adjusted retirement rates; adjusted withdrawal rates to better fit experience at each year age and service through 9 years of service; no change to disability rates; no change to salary scale; no change to line of duty disability; and no change to discount rate.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
Public Equity	34.00 %	5.00 %	1.70 %
Fixed Income	15.00	0.57	0.09
Credit Strategies	14.00	4.49	0.63
Real Assets	14.00	4.76	0.67
Private Equity	14.00	9.94	1.39
MAPS – Multi-Asset Public Strategies	6.00	3.29	0.20
PIP – Private Investment Partnership	3.00	6.84	0.21
Total	100.00 %		<u>4.89 %</u>
	Inflation		<u>2.50 %</u>
	*Expected arithmetic nominal return		<u>7.39 %</u>

- * The above allocation provides for a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11%, including expected inflation of 2.50%.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Consistent with the phased-in funding provided by the General Assembly for state and teacher employer contributions, political subdivisions were also provided with an opportunity to use an alternate employer contribution rate. For the year ended June 30, 2021, the alternate rate was the employer contribution rate used in the FY 2012 or 100% of the actuarially determined employer contribution rate from the June 30, 2017 actuarial valuations, whichever is greater. From July 1, 2021 on, participating employers are assumed to continue to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) – (b)
Balances at June 30, 2020	\$ 6,206,208	\$ 5,421,231	\$ 784,977
Changes for the year:			
Service cost	329,772	-	329,772
Interest	412,286	-	412,286
Differences between expected and actual experience	53,814	-	53,814
Assumption changes	233,985	-	233,985
Contributions – employer	-	216,734	(216,734)
Contributions – employee	-	170,489	(170,489)
Net investment income	-	1,527,043	(1,527,043)
Benefit payments, including refunds of employee contributions	(196,534)	(196,534)	-
Administrative expenses	-	(3,512)	3,512
Other changes	-	146	(146)
Net changes	833,323	1,714,366	(881,043)
Balances at June 30, 2021	\$ 7,039,531	\$ 7,135,597	\$ (96,066)

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan (Continued)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the political subdivision using the discount rate of 6.75%, as well as what the political subdivision's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
Political subdivision's net pension liability (asset)	\$ 1,094,798	\$ (96,066)	\$ (1,045,541)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the political subdivision recognized pension expense of \$173,084. At June 30, 2022, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 162,794	\$ -
Change in assumptions	254,410	4,766
Net difference between projected and actual earnings on pension plan investments	-	772,030
Employer contributions subsequent to the measurement date	238,628	-
Total	\$ 655,832	\$ 776,796

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 7. Defined Benefit Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

The \$238,628 reported as deferred outflows of resources related to pensions resulting from the political subdivision's contributions subsequent to the measurement date will be recognized as a reduction to the Net Pension Liability (Asset) in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	Reduction to Pension Expense
2023	\$ (9,787)
2024	(17,724)
2025	(101,125)
2026	(230,956)
2027	-
Thereafter	-

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plans is also available in the separately issued VRS 2021 *Annual Comprehensive Financial Report* (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities

Local Plan

Plan Description and Benefits Provided

Employees who are eligible to retire from VRS pension plan are allowed access to the Authority's single-employer health insurance plan until they reach age 65. Retirees pay the blended (employees and retirees) published rate, however as they are older than the typical employee (and thus more expensive) there is a cost to this right to purchase insurance at the blended rate.

VRS retirement eligibility is age 50 with 10 years of service or age 55 with 5 years of service for employees hired prior to July 1, 2010 who were vested in the plan prior to July 1, 2013. VRS retirement eligibility is the earlier of age 60 with 5 years of service or 90 combined age and service points for other employees. These vesting terms also apply to the Authority's local postemployment benefit plan.

Employees Covered by Benefit Terms

As of the June 30, 2021 actuarial valuation, the following employees were covered by the benefit terms of the plan:

	<u>Number</u>
Inactive employees or beneficiaries:	
Currently receiving benefits	<u>2</u>
Total inactive employees	2
Active plan members	<u>79</u>
	<u><u>81</u></u>

Total OPEB Liability

The Bedford Regional Water Authority's total OPEB liability of \$237,887 was measured as of June 30, 2022 and was determined based on an actuarial valuation performed as of June 30, 2021.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Local Plan (Continued)

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions, applied to all periods included in the measurement, unless otherwise specified:

Healthcare cost trend rates	4.00%
Discount Rate	3.69%, 20 year tax exempt obligation municipal bond rate
Actuarial cost method	Entry Age Normal Funding Method
Retirees' share of benefit-related costs	\$680 – \$1,199 per month

Mortality rates were the same rates from the VRS valuation. (See Note 7)

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period from July 1, 2021 through June 30, 2022.

Changes in assumptions and other inputs reflect an increase in the discount rate due to changes in the 20-year bond index.

Changes in the Total OPEB Liability

Balance at June 30, 2021	<u>\$ 258,380</u>
Changes for the year:	
Service cost	20,759
Interest	4,878
Differences between expected and actual experience	(4,718)
Assumption or other input changes	(37,470)
Benefit payments	<u>(3,942)</u>
Net changes	<u>(20,493)</u>
Balance at June 30, 2022	<u><u>\$ 237,887</u></u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Local Plan (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.69%) or one percentage point higher (4.69%) than the current discount rate:

	1.00% Decrease (2.69%)	Current Discount Rate (3.69%)	1.00% Increase (4.69%)
Total OPEB liability	\$ 258,514	\$ 237,887	\$ 218,805

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (3.00%) or one percentage point higher (5.00%) than the current healthcare cost trend rates:

	1.00% Decrease (3.00%)	Current Healthcare Cost Trend Rates (4.00%)	1.00% Increase (5.00%)
Total OPEB liability	\$ 207,646	\$ 237,887	\$ 273,965

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Local Plan (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the Authority recognized OPEB expense of \$21,331. At June 30, 2022, the political subdivision reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 557	\$ 4,554
Change in assumptions	<u>17,304</u>	<u>44,275</u>
Total	<u><u>\$ 17,861</u></u>	<u><u>\$ 48,829</u></u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Reduction to OPEB Expense
2023	\$ (4,306)
2024	(4,306)
2025	(4,304)
2026	(7,595)
2027	(4,431)
Thereafter	(6,026)

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Virginia Retirement System Plans

In addition to their participation in the pension plans offered through the Virginia Retirement System (VRS), the Authority also participates in various cost-sharing and agent multi-employer other postemployment benefit plans, described as follows.

Plan Descriptions

Group Life Insurance Program

All full-time teachers and employees of political subdivisions are automatically covered by the VRS Group Life Insurance (GLI) Program upon employment.

In addition to the Basic Group Life Insurance Benefit, members are also eligible to elect additional coverage for themselves as well as a spouse or dependent children through the Optional Group Life Insurance Program. For members who elect the optional group life insurance coverage, the insurer bills employers directly for the premiums. Employers deduct these premiums from members' paychecks and pay the premiums to the insurer. Since this is a separate and fully insured program, it is not included as part of the GLI Program OPEB.

Specific information for the GLI is available at <https://www.varetire.org/members/benefits/life-insurance/basic-group-life-insurance.asp>

The GLI is administered by the VRS along with pensions and other OPEB plans, for public employer groups in the Commonwealth of Virginia. The plan is considered a multiple employer, cost sharing plan.

Contributions

Contributions to the VRS OPEB programs were based on actuarially determined rates from actuarial valuations as of June 30, 2020 (General Employee HIC Program) and June 30, 2019. The actuarially determined rates were expected to finance the cost of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability. Specific details related to the contributions for the VRS OPEB programs are as follows:

Group Life Insurance Program

Governed by:	<i>Code of Virginia 51.1-506 and 51.1-508 and may be impacted as a result of funding provided to school divisions and governmental agencies by the Virginia General Assembly.</i>
Total rate:	1.34% of covered employee compensation. Rate allocated 60/40; 0.80% employee and 0.54% employer. Employers may elect to pay all or part of the employee contribution.
June 30, 2022 Contribution	\$21,886
June 30, 2021 Contribution	\$19,714

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Virginia Retirement System Plans (Continued)

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

The net OPEB liabilities were measured as of June 30, 2021 and the total OPEB liabilities used to calculate the net OPEB liabilities was determined by an actuarial valuation performed as of June 30, 2020 and rolled forward to the measurement date of June 30, 2021. The covered employer's proportion of the net OPEB liabilities, except for LODA, were based on the covered employer's actuarially determined employer contributions for the year ended June 30, 2021 relative to the total of the actuarially determined employer contributions for all participating employers.

Group Life Insurance Program

June 30, 2022 proportionate share of liability	\$205,844
June 30, 2021 proportion	0.0177%
June 30, 2020 proportion	0.0172%
June 30, 2022 expense	\$18,391

Since there was a change in proportionate share between measurement dates, a portion of the OPEB expense above was related to deferred amount from changes in proportion.

At June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources.

Group Life Insurance Program

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 23,477	\$ 1,568
Change in assumptions	11,348	28,164
Net difference between projected and actual earnings on OPEB plan investments	-	49,130
Changes in proportion	33,674	-
Employer contributions subsequent to the measurement date	<u>21,886</u>	<u>-</u>
Total	<u><u>\$ 90,385</u></u>	<u><u>\$ 78,862</u></u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Virginia Retirement System Plans (Continued)

OPEB Liabilities, OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB (Continued)

The deferred outflows of resources related to OPEB resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability in the fiscal year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in future reporting periods as follows:

Group Life Insurance Program

Year Ended June 30,	Increase (Reduction) to OPEB Expense
2023	\$ (183)
2024	1,111
2025	(517)
2026	(9,824)
2027	(950)
Thereafter	-

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following assumptions based on an actuarial valuation date of June 30, 2020, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Inflation	2.50%
Salary increases, including inflation:	
• Locality – general employees	3.50 – 5.35%
Healthcare cost trend rates:	
• Under age 65	7.00 – 4.75%
• Ages 65 and older	5.375 – 4.75%
Investment rate of return, net of expenses, including inflation*	GLI: 6.75%

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Virginia Retirement System Plans (Continued)

Actuarial Assumptions and Other Inputs (Continued)

Mortality rates used for the various VRS OPEB plans are the same as those used for the actuarial valuations of the VRS pension plans. The mortality rates are discussed in detail at Note 7.

Net OPEB Liabilities

The net OPEB liabilities represent each program's total OPEB liability determined in accordance with GASB Statement No. 74, less the associated fiduciary net position. As of the measurement date of June 30, 2021, net OPEB liability amounts for the various VRS OPEB programs are as follows (amounts expressed in thousands):

	Group Life Insurance Program
Total OPEB liability	\$ 3,577,346
Plan fiduciary net position	2,413,074
Employers' net OPEB liability	\$ 1,164,272
Plan fiduciary net position as a percentage of total OPEB liability	67.45%

The total liability is calculated by the VRS actuary and each plan's fiduciary net position is reported in the VRS financial statements. The net OPEB liability is disclosed in accordance with the requirements of GASB Statement No. 74 in the VRS notes to the financial statements and required supplementary information.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Virginia Retirement System Plans (Continued)

Long-Term Expected Rate of Return

Group Life Insurance

The long-term expected rate of return on VRS investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-Term Expected Rate of Return</u>	<u>Weighted Average Long-Term Expected Rate of Return</u>
Public Equity	34.00 %	5.00 %	1.70 %
Fixed Income	15.00	0.57	0.09
Credit Strategies	14.00	4.49	0.63
Real Assets	14.00	4.76	0.67
Private Equity	14.00	9.94	1.39
MAPS – Multi-Asset Public Strategies	6.00	3.29	0.20
PIP – Private Investment Partnership	3.00	6.84	0.21
Total	100.00 %		4.89 %
		Inflation	2.50 %
			7.39 %

*Expected arithmetic nominal return

- * The above allocation provides for a one-year return of 7.39%. However, one-year returns do not take into account the volatility present in each of the asset classes. In setting the long-term expected rate of return for the system, stochastic projections are employed to model future returns under various economic conditions. The results provide a range of returns over various time periods that ultimately provide a median return of 6.94%, including expected inflation of 2.50%. On October 10, 2019, the VRS Board elected a long-term rate of 6.75% which is roughly at the 40th percentile of expected long-term results of the VRS fund asset allocation at that time, providing a median return of 7.11, including inflation of 2.50%.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

Virginia Retirement System Plans (Continued)

Discount Rate

The discount rate used to measure the GLI OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Guidance and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2020, the rate contributed by the employer for the OPEB liabilities will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2020 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the OPEB plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Authority, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current discount rate:

	1.00% Decrease (5.75%)	Current Discount Rate (6.75%)	1.00% Increase (7.75%)
GLI Net OPEB liability	\$ 300,745	\$ 205,844	\$ 129,207

OPEB Plan Fiduciary Net Position

Information about the various VRS OPEB plan fiduciary net position is available in the separately issued VRS 2021 Annual Comprehensive Financial Report (Annual Report). A copy of the 2021 VRS Annual Report may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2021-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 8. Other Postemployment Benefits Liabilities (Continued)

A summary of the other postemployment benefits related financial statement elements are as follows:

	<u>2022</u>
Net other postemployment benefit liabilities	
Local Sponsored Health Insurance	\$ (237,887)
VRS – Group Life Insurance	(205,844)
Total net other postemployment benefit liabilities	<u>\$ (443,731)</u>
Deferred outflows of resources	
Difference between expected and actual experience	
Local Sponsored Health Insurance	\$ 557
VRS – Group Life Insurance	23,477
Change in actuarial assumptions	
Local Sponsored Health Insurance	17,304
VRS – Group Life Insurance	11,348
Change in proportion	
VRS – Group Life Insurance	33,674
Contributions subsequent to measurement date	
VRS – Group Life Insurance	21,886
Total deferred outflows of resources	<u>\$ 108,246</u>
Deferred inflows of resources	
Difference between expected and actual experience	
Local Sponsored Health Insurance	\$ (4,554)
VRS – Group Life Insurance	(1,568)
Change in actuarial assumptions	
Local Sponsored Health Insurance	(44,275)
VRS – Group Life Insurance	(28,164)
Net difference between projected and actual investment earnings	
VRS – Group Life Insurance	(49,130)
Total deferred outflows of resources	<u>\$ (127,691)</u>
Other postemployment benefit expense	
Local Sponsored Health Insurance	\$ 21,331
VRS – Group Life Insurance	18,391
Total other postemployment benefit expense	<u>\$ 39,722</u>

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 9. Leases

The Authority, as a lessor, has entered into several lease agreements involving land and infrastructure, several of which are with global telecommunication providers. The Authority has a lease receivable of \$2,193,383 and a deferred inflow of resources of \$2,147,968 as of June 30, 2022. See Note 13 for prior period adjustment related to the implementation of the GASB No. 87 Lease standard. The total amount of inflows of resources, including lease revenue, interest revenue, and other lease-related inflows, recognized during the fiscal year was \$103,815.

The Smith Mountain Lake Water Treatment Facility (SML WTF Ground) is an agreement the Authority entered into with the Western Virginia Water Authority (WVWA) in May 2014 whereby both parties desired to share in the construction cost, ownership, operation, and liabilities of the Smith Mountain Lake Water Treatment Facility (the "Facility"). This project was completed in June 2018. The total cost of this project was \$14 million, which was split between the Authority and WVWA. The Authority is funding their portion of the project with the October 2015 debt issuance. As part of the agreement, the Authority will lease certain real estate to the Facility. This ground lease shall continue in effect until June 30, 2030, unless renewed or terminated. Base rent for the real estate is \$20,000 per year.

Lease*	Contract Date	Maturity Date
County Broadband – Land*	06/22/2020	06/21/2040
HighPoint – Infrastructure*	11/15/2019	11/14/2044
NL Tank – Land*	02/10/2006	04/30/2035
SML Tank – Infrastructure*	10/19/2005	10/18/2030
SML Tank – Land*	03/04/2013	03/31/2033
SML WTF Ground*	05/07/2014	06/30/2030

* Contract includes option years that are reflected in maturity date.

Note 10. Service Contracts

City of Lynchburg

The Authority, as well as Amherst County and the Campbell County Utilities and Service Authority, have a sewage treatment agreement with the City of Lynchburg (the "City"). This perpetual agreement shall continue in full force and in effect until terminated by mutual agreement. As part of this agreement, each member of the Regional Sewage Treatment Plant is responsible for their proportionate share of improvements to Joint-Use Facilities. As the City performs additions to specified portions of the system, the Authority shows its proportionate share of improvements as additions to debt and capital assets. Sewage treatment under this agreement for 2022 was \$294,569. There was a \$301,553 addition to debt under this agreement for 2022.

Effective July 1, 2007, the Authority renewed its water purchase contract with the City of Lynchburg. The new contract is effective through June 30, 2022. The contract is renewable in ten-year increments, if mutually agreed. Water purchases under this contract for 2022 were \$820,226.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 10. Service Contracts (Continued)

On June 30, 2015, the Authority entered into a new water purchase contract with the City of Lynchburg. This new contract supersedes the July 1, 2007 contract and had an effective starting date of October 1, 2016 and ending date of June 30, 2036. The contract is automatically renewed in ten-year increments, upon the conclusion of the initial twenty year period. The Authority constructed a water treatment facility and additional transmission mains in Bedford County, some of which serve the Forest area of Bedford County. The Authority must purchase at least an average of 1.25 million gallons of water per day from the City measured on an annual basis for the period beginning July 1, 2016 and ending June 30, 2017 and at least an average of 1.0 million gallons of water per day measured on an annual basis thereafter until the termination of the contract. The contract had a provision that if the Authority did not complete construction on the Route 460 waterline connecting the Smith Mountain Lake and Town of Bedford Central Water System to the Forest Water System by July 1, 2018, the 2015 agreement would terminate and the contract with the City dated July 1, 2007 would be reinstated for the remainder of the contract term. Since the construction was completed prior to July 1, 2018, the 2015 contract remains in effect.

Under the agreements to purchase services from the City of Lynchburg, the Authority is charged provisional rates for sewer services which are then adjusted in subsequent fiscal years for the actual cost of providing those services to the Authority. These adjustments, resulting in credits or (expenses) towards current year purchases, totaled \$30,431 for sewer in 2022. The adjustments are not estimable and are therefore accounted for in the year they are charged to the Authority. For water purchases, effective annually on July 1, the rate for City water delivered to the BRWA shall be increased or decreased by the same percentage that the City Composite Rate for a City water customer with 7 HCF of monthly use increases or decreased from July 1 of the previous year to the current year.

Western Virginia Water Authority (WVWA)

The Authority has an agreement through June 30, 2030 to purchase surplus water from the WVWA at a bulk rate, which is determined by a mutually agreed-upon formula. The agreement also establishes minimum annual average daily quantities to be purchased. The water purchased serves the Stewartsville area of Bedford County. Water purchases under this agreement were \$38,324 for 2022.

In addition, as part of this agreement, the Authority has agreed to provide water to residents and businesses near Smith Mountain Lake. Certain terms exist as part of this agreement that include a capital requirement for both parties to fund their proportionate share of any expansion to the related facilities should existing capacity no longer be sufficient.

Each party has the ability to transfer any portion of their ownership of capacity in the Smith Mountain Lake Water Treatment Plant to the other party, at terms that are mutually agreed to at the time of the transfer. Either party may, on or after July 1, 2024, and following one year's written notice period, require the other party to purchase its interest in the Smith Mountain Water Facility at its then depreciated book value.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 11. Risk Management

The Risk Management Programs of the Authority are as follows:

Worker's compensation

Worker's compensation insurance is provided through the Virginia Risk Sharing Association ("VRSA"). During fiscal year 2022, total premiums paid were \$35,652. Benefits are those afforded through the Commonwealth of Virginia as outlined in the *Code of Virginia* Section 65.2-100; premiums are based upon payroll, job rates, and claims experience.

General liability and other

The Authority provides general liability and other insurance through policies with the Virginia Risk Sharing Association (VRSA), which is sponsored by the Virginia Municipal League Pool (VML). General liability, business, and automobile have a \$1,000,000 limit. Boiler and machinery coverage maintains an additional \$2,000,000 umbrella policy over all forms of liability insurance. The Virginia Municipal League Pool was organized to formulate, develop, and administer on behalf of the member localities, a program of insurance, lower costs for that coverage, and a comprehensive loss control program. Pool members are not subject to a supplemental assessment in the event of deficiencies. The Pool maintains a re-insurance policy, which prevents members' responsibility for the Pool's liabilities if the assets of the Pool were exhausted. The Pool limits membership from small to medium-sized Virginia localities and currently has approximately 500 members.

There were no significant reductions in insurance coverage from the prior year and no settlements that exceeded the amount of insurance coverage during the last three fiscal years.

Unemployment benefits

The Authority does not pay state unemployment taxes for employees to draw upon should they be terminated and qualify for unemployment. Instead, should an employee be terminated and qualify for unemployment benefits, the state will pay the employee and charge the Authority for reimbursement.

Note 12. Commitments and Contingencies

Arbitrage

At times, the Authority has certain debt instruments subject to arbitrage regulations. At June 30, 2022, no amounts of rebate liabilities were associated with any debt issuances.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 13. Adoption of New Standard

The Authority implemented GASB No. 87, *Leases* in fiscal year 2022 to record lease receivables and corresponding deferred inflow of resources for leases using the effective interest rate method. The following table outlines the prior period adjustment necessary to implement the new standard. Comparative prior year information, to the extent presented, has been restated in the financial statements.

Net position, as previously stated	\$ 82,909,854
Adjustments:	
Lease receivable	2,318,761
Deferred inflow of resources - leases	<u>(2,294,885)</u>
Net change in beginning net position	<u>23,876</u>
Net position, June 30, 2021	<u><u>\$ 82,933,730</u></u>

Note 14. Subsequent Events

In August 2022, the Authority entered into a loan agreement with the Virginia Resources Authority through the Virginia Water Facilities Revolving Loan Fund for a \$13,338,457 principal repayment loan and a \$632,636 principal forgiveness loan for the Ivy Creek construction project. Payments for the principal repayment loan will begin six months after project completion for up to a 25-year term.

Note 15. New Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following Statements which are not yet effective. The effective dates below are updated based on **Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*** due to the COVID-19 pandemic.

In May 2019, the GASB issued **Statement No. 91, *Conduit Debt Obligations***. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

In March 2020, the GASB issued **Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements***. This Statement improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

(Continued)

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO FINANCIAL STATEMENTS

June 30, 2022

Note 15. New Accounting Standards (Continued)

In May 2020, the GASB issued **Statement No. 96**, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

In April 2022, the GASB issued **Statement No. 99**, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022, the GASB issued **Statement No. 100**, *Accounting Changes and Error Corrections*. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

In June 2022, the GASB issued **Statement No. 101**, *Compensated Absences*. This statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

Management has not determined the effects these new GASB Statements may have on prospective financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

BEDFORD REGIONAL WATER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION (ASSET) LIABILITY AND RELATED RATIOS
June 30, 2022

	Actuarially Determined Contribution							
	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 329,772	\$ 278,316	\$ 263,853	\$ 269,942	\$ 273,841	\$ 253,398	\$ 259,350	\$ 129,078
Interest on total pension liability	412,286	373,266	333,704	304,772	274,839	251,090	215,254	199,921
Difference between expected and actual experience	53,814	108,853	131,158	16,269	127,083	6,745	196,404	-
Changes in assumptions	233,985	-	208,200	-	(89,886)	-	-	-
Benefit payments, including refunds of employee contributions	(196,534)	(168,198)	(180,290)	(175,051)	(141,460)	(202,463)	(115,683)	(104,210)
Net change in total pension liability	833,323	592,237	756,625	415,932	444,417	308,770	555,325	224,789
Total pension liability – beginning	6,206,208	5,613,971	4,857,346	4,441,414	3,996,997	3,688,227	3,132,902	2,908,113
Total pension liability – ending	7,039,531	6,206,208	5,613,971	4,857,346	4,441,414	3,996,997	3,688,227	3,132,902
Plan Fiduciary Net Position								
Contributions – employer	216,734	215,365	193,711	206,624	194,197	192,962	182,137	178,165
Contributions – employee	170,489	165,933	146,766	136,688	130,927	123,748	113,206	111,120
Net investment income	1,527,043	99,324	321,040	313,758	445,970	62,939	145,164	398,747
Benefit payments, including refunds of employee contributions	(196,534)	(168,198)	(180,290)	(175,051)	(141,460)	(202,463)	(115,683)	(104,210)
Administrative expenses	(3,512)	(3,131)	(2,905)	(2,522)	(2,349)	(2,010)	(1,782)	(1,975)
Other	146	(122)	(204)	(520)	(406)	(26)	(30)	21
Net change in plan fiduciary net position	1,714,366	309,171	478,118	478,977	626,879	175,150	323,012	581,868
Plan fiduciary net position - beginning	5,421,231	5,112,060	4,633,942	4,154,965	3,528,086	3,352,936	3,029,924	2,448,056
Plan fiduciary net position - ending	7,135,597	5,421,231	5,112,060	4,633,942	4,154,965	3,528,086	3,352,936	3,029,924
Net pension (asset) liability - ending	\$ (96,066)	\$ 784,977	\$ 501,911	\$ 223,404	\$ 286,449	\$ 468,911	\$ 335,291	\$ 102,978
Plan fiduciary net position as a percentage of total pension (asset) liability	101%	87%	91%	95%	94%	88%	91%	97%
Covered payroll	\$3,650,324	\$3,534,457	\$3,106,905	\$2,839,461	\$2,638,936	\$2,444,270	\$2,289,281	\$2,160,777
Net pension (asset) liability as a percentage of covered payroll	-3%	22%	16%	8%	11%	19%	15%	5%

The plan years above are reported in the entity's financial statements in the fiscal year following the plan year – i.e., plan year 2021 information was presented in the entity's fiscal year 2022 financial report.

This schedule is intended to show information for 10 years. Since fiscal year 2015 (plan year 2014) was the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

The Notes to Required Supplementary Information are an integral part of this statement.

BEDFORD REGIONAL WATER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS

June 30, 2022

Entity Fiscal Year Ended June 30	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Primary Government					
2022	\$ 238,628	\$ 238,628	\$ -	\$ 4,052,942	5.89%
2021	\$ 217,093	\$ 217,093	\$ -	\$ 3,650,324	5.95%
2020	\$ 215,365	\$ 215,365	\$ -	\$ 3,534,457	6.09%
2019	\$ 193,963	\$ 193,963	\$ -	\$ 3,106,905	6.24%
2018	\$ 214,380	\$ 214,380	\$ -	\$ 2,839,461	7.55%
2017	\$ 194,197	\$ 194,197	\$ -	\$ 2,638,936	7.36%
2016	\$ 192,962	\$ 192,962	\$ -	\$ 2,444,270	7.89%
2015	\$ 183,600	\$ 183,600	\$ -	\$ 2,289,281	8.02%

This schedule is intended to show information for 10 years. Since 2015 was the first year for this presentation, only eight years of data is available. However, additional years will be included as they become available.

The covered payroll amounts above are for the Authority's fiscal year - i.e., the covered payroll on which required contributions were based for the same year.

BEDFORD REGIONAL WATER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET OPEB LIABILITY
AND RELATED RATIOS – LOCAL PLAN
June 30, 2022

	Fiscal Year			
	2022	2021	2020	2019
	Local Plan	Local Plan	Local Plan	Local Plan
Total OPEB Liability				
Service cost	\$ 20,759	\$ 18,802	\$ 17,876	\$ 15,831
Interest on total OPEB liability	4,878	5,442	6,631	6,702
Difference between expected and actual experience	(4,718)	781	(894)	-
Changes in assumptions	(37,470)	10,391	(21,278)	23,053
Benefit payments	(3,942)	(4,002)	(4,176)	(3,828)
Net change in total OPEB liability	(20,493)	31,414	(1,841)	41,758
Total OPEB liability - beginning	258,380	226,966	228,807	187,049
Total OPEB liability - ending	237,887	258,380	226,966	228,807
Plan Fiduciary Net Position				
Contributions - employer	3,942	4,002	4,176	3,828
Benefit payments	(3,942)	(4,002)	(4,176)	(3,828)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending	-	-	-	-
Net OPEB liability - ending	\$ 237,887	\$ 258,380	\$ 226,966	\$ 228,807
Plan fiduciary net position as a percentage of total OPEB liability	0%	0%	0%	0%
Covered employee payroll	N/A	N/A	N/A	N/A
Net OPEB liability as a percentage of covered employee payroll	N/A	N/A	N/A	N/A

N/A - Because this OPEB plan does not depend on salary, salary information is not available from the actuary.

This schedule is intended to show information for 10 years. Since fiscal year 2019 is the first year for this presentation, no earlier data is available. Additional years will be included as they become available.

A restatement was recorded in 2019 to record the impacts of this local plan under GASB 75 for fiscal year 2018. As a result, actuarial information, including rollforward information of the total OPEB liability is unavailable for fiscal year 2018.

BEDFORD REGIONAL WATER AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS – LOCAL PLAN
June 30, 2022

Entity Fiscal Year Ended June 30	Actuarially Determined Employer Contribution	Actual Employer Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
Local Plan					
2022	N/A	\$ 3,942	\$ (3,942)	N/A	N/A
2021	N/A	\$ 4,002	\$ (4,002)	N/A	N/A
2020	N/A	\$ 4,176	\$ (4,176)	N/A	N/A
2019	N/A	\$ 3,828	\$ (3,828)	N/A	N/A

N/A - Because this OPEB plan does not depend on salary, salary information is not available from the actuary.

This schedule is intended to show information for 10 years. Since 2019 was the first year for this presentation, only four years of data is available. Additional years will be included as they become available.

The covered employee payroll amounts above are for the entity's fiscal year - i.e., the covered employee payroll on which required contributions were based for the same year.

BEDFORD REGIONAL WATER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S SHARE OF NET OPEB LIABILITY – VRS GLI
June 30, 2022

Entity Fiscal Year Ended June 30	Employer's Proportion of the Net OPEB Liability	Employer's Proportionate Share of the Net OPEB Liability	Covered Payroll	Employer's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
Virginia Retirement System - Group Life Insurance - General Employees					
2022	0.0177%	\$ 205,844	\$ 3,650,324	5.64%	67.45%
2021	0.0172%	\$ 287,541	\$ 3,534,457	8.14%	52.64%
2020	0.0158%	\$ 257,271	\$ 3,106,905	8.28%	52.00%
2019	0.0149%	\$ 227,000	\$ 2,839,461	7.99%	51.22%
2018	0.0143%	\$ 215,000	\$ 2,638,936	8.15%	48.86%

This schedule is intended to show information for 10 years. Since 2018 was the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

The covered payroll amounts above are for the measurement period, which is the twelve months prior to the entity's fiscal year.

BEDFORD REGIONAL WATER AUTHORITY

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS – VRS GLI
 June 30, 2022

Entity Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
Virginia Retirement System - Group Life Insurance - General Employees					
2022	\$ 21,886	\$ 21,886	\$ -	\$ 4,052,942	0.54%
2021	\$ 19,714	\$ 19,714	\$ -	\$ 3,650,324	0.54%
2020	\$ 18,380	\$ 18,380	\$ -	\$ 3,534,457	0.52%
2019	\$ 16,120	\$ 16,120	\$ -	\$ 3,106,905	0.52%
2018	\$ 14,765	\$ 14,765	\$ -	\$ 2,839,461	0.52%

This schedule is intended to show information for 10 years. Since 2018 is the first year for this presentation, no earlier data is available. However, additional years will be included as they become available.

The covered payroll amounts above are for the entity's fiscal year - i.e., the covered payroll on which required contributions were based for the same year.

BEDFORD REGIONAL WATER AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION June 30, 2022

Note 1. Changes of Benefit Terms

Other Postemployment Benefits (OPEB)

There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation.

Note 2. Changes of Assumptions

The actuarial assumptions used in the June 30, 2020, valuation were based on the results of an actuarial experience study for the period from July 1, 2016, through June 30, 2020, except the change in the discount rate, which was based on VRS Board action effective as of July 1, 2019. Changes to the actuarial assumptions as a result of the experience study and VRS Board action are as follows:

Largest 10 – Non-Hazardous Duty:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Improvement Scale MP-2020.
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better fit experience at each year and service through 9 years of service.
- No change to disability rates.
- No change to salary scale.
- No change to line of duty rates.
- No change to discount rate.

All Others (Non 10 Largest) – Non-Hazardous Duty:

- Update mortality table to PUB2010 public sector mortality tables. For future mortality improvements, replace load with a modified Mortality Scale MP-2020.
- Adjusted retirement rates to better fit experience for Plan 1; set separate rates based on experience for Plan2/Hybrid; changed final retirement age from 75 to 80 for all.
- Adjusted withdrawal rates to better fit experience at each year and service through 9 years of service.
- No change to disability rates.
- No changes to salary scale.
- No change to line of duty rates.
- No change to discount rate.

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SUPPORTING SCHEDULE

BEDFORD REGIONAL WATER AUTHORITY
SCHEDULE OF DEPARTMENTAL OPERATING INCOME
Year Ended June 30, 2022

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
OPERATING REVENUES			
Water sales	\$ 9,168,485	\$ -	\$ 9,168,485
Capital recovery fees	1,157,100	431,400	1,588,500
Sewer service	-	4,795,433	4,795,433
Wastewater treatment plant operation fees	302,199	50,739	352,938
Review fees	38,332	24,507	62,839
Meter base installation fees	106,860	-	106,860
Account charges	40,735	10,575	51,310
Other	451,492	31,454	482,946
Penalties	22,220	11,175	33,395
	<u>11,287,423</u>	<u>5,355,283</u>	<u>16,642,706</u>
Total operating revenues			
OPERATING EXPENSES			
Water systems	2,465,518	-	2,465,518
Sewer systems	-	1,470,044	1,470,044
Depreciation and amortization	2,883,245	1,843,386	4,726,631
Salaries and employee benefits	3,559,208	2,275,560	5,834,768
Management and general	478,852	306,152	785,004
Customer service and information services	158,004	101,019	259,023
Vehicles	180,025	115,098	295,123
Engineering, operations, and maintenance	91,177	58,294	149,471
	<u>9,816,029</u>	<u>6,169,553</u>	<u>15,985,582</u>
Total operating expenses			
Operating income (loss)	<u>\$ 1,471,394</u>	<u>\$ (814,270)</u>	<u>\$ 657,124</u>

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STATISTICAL SECTION

This part of the Bedford Regional Water Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's financial health.

Contents

Financial Trends

Tables 1-4

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity

Tables 5-13

These schedules contain information to help the reader assess the Authority's most significant revenue source, water, and sewer charges.

Debt Capacity

Table 14-16

These schedules present information to help the reader access the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Demographic and Economic Information

Tables 17-19

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place.

Operating Information

Tables 20-21

These schedules contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Notes:

On July 1, 2013 the Bedford County Public Service Authority and City of Bedford Water and Sewer department consolidated to form the Bedford Regional Water Authority, therefore only nine years of statistical data are being presented. The ultimate goal is to present ten years of data.

The Authority implemented GASB Statement 68 and restated beginning net position for 2015. The restatement is not included in the prior year data.

The Authority implemented GASB Statement 75 and restated beginning net position for 2018. An additional restatement for a local OPEB plan was recorded in 2019. The restatements are not included in the prior year data.

The authority implemented GASB Statement 87 and restated net position for 2021. The restatement is not included in the prior year data.

Table 1

BEDFORD REGIONAL WATER AUTHORITY

NET POSITION BY COMPONENT
LAST NINE FISCAL YEARS

	Fiscal Year								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Primary Government									
Net investment in									
capital assets	\$ 72,160,769	\$ 66,445,010	\$ 64,970,658	\$ 63,427,831	\$ 64,413,555	\$ 62,754,656	\$ 61,962,141	\$ 61,289,580	\$ 59,491,970
Restricted	2,795,493	2,799,407	2,603,137	2,386,880	2,294,317	2,270,755	1,998,401	238,334	533,452
Unrestricted	11,715,080	13,689,313	12,006,937	9,605,961	6,183,496	4,390,746	1,812,059	3,315,325	1,647,890
Total primary government net position	<u>\$ 86,671,342</u>	<u>\$ 82,933,730</u>	<u>\$ 79,580,732</u>	<u>\$ 75,420,672</u>	<u>\$ 72,891,368</u>	<u>\$ 69,416,157</u>	<u>\$ 65,772,601</u>	<u>\$ 64,843,239</u>	<u>\$ 61,673,312</u>

Note: The Authority implemented GASB Statement 75 and restated beginning net position for 2018. An additional restatement for a local OPEB plan was recorded in 2019. The restatements are not included in the prior year data. The authority implemented GASB Statement 87 and restated net position for 2021. The restatement is not included in the prior year data.

Table 2

BEDFORD REGIONAL WATER AUTHORITY

CHANGES IN NET POSITION
LAST NINE FISCAL YEARS

Fiscal Year	Operating Revenues	Operating Expenses	Operating Income (Loss)	Total Nonoperating Revenues (Expenses)	Income (Loss) before Capital Contributions	Capital Contributions	Transfer of Operations	Change in Net Position
2022	\$ 16,642,706	\$ 15,985,582	\$ 657,124	\$ (1,329,520)	\$ (672,396)	\$ 4,410,008	\$ -	\$ 3,737,612
2021	15,984,301	14,887,276	1,097,025	(1,374,880)	(277,855)	3,606,977	-	3,329,122
2020	15,179,062	13,912,294	1,266,768	(1,428,317)	(161,549)	4,321,609	-	4,160,060
2019	14,658,464	13,591,700	1,066,764	(1,479,597)	(412,833)	3,129,186	-	2,716,353
2018	13,183,498	11,516,468	1,667,030	(669,425)	997,605	2,701,869	-	3,699,474
2017	12,984,845	11,339,910	1,644,935	(1,042,911)	602,024	3,041,532	-	3,643,556
2016	11,781,125	11,771,099	10,026	(1,369,354)	(1,359,328)	2,288,690	-	929,362
2015	10,699,859	10,403,587	296,272	(793,906)	(497,634)	3,949,363	-	3,451,729
2014	9,437,450	10,157,922	(720,472)	(936,482)	(1,656,954)	2,679,469	60,652,044	61,674,559

Table 3

BEDFORD REGIONAL WATER AUTHORITY

OPERATING EXPENSES
LAST NINE FISCAL YEARS

Fiscal Year	Water Systems	Sewer Systems	Employment Costs	General Office and Departmental Expenses	Subtotal, Expenses before Depreciation and Amortization	Depreciation and Amortization	Total
2022	\$ 2,465,518	\$ 1,470,044	\$ 5,834,768	\$ 1,488,621	\$ 11,258,951	\$ 4,726,631	\$ 15,985,582
2021	2,287,239	1,503,359	5,505,750	1,138,604	10,434,952	4,452,324	14,887,276
2020	1,809,069	1,548,189	5,291,180	854,544	9,502,982	4,409,312	13,912,294
2019	1,789,809	1,624,180	4,732,359	1,092,500	9,238,848	4,352,852	13,591,700
2018	1,783,950	1,339,282	4,188,962	755,521	8,067,715	3,448,753	11,516,468
2017	1,960,333	1,456,985	4,023,075	674,327	8,114,720	3,225,190	11,339,910
2016	2,209,621	1,274,345	3,723,314	1,409,285	8,616,565	3,154,534	11,771,099
2015	2,193,011	1,227,407	3,210,176	643,715	7,274,309	3,129,278	10,403,587
2014	2,040,075	1,165,537	3,264,722	613,096	7,083,430	3,074,492	10,157,922

Table 4

BEDFORD REGIONAL WATER AUTHORITY
NONOPERATING REVENUES AND EXPENSES
LAST NINE FISCAL YEARS

Fiscal Year	Gain (Loss) on Disposal of Capital Assets	Interest Expense ^a	Investment Income	Total Nonoperating Revenues (Expenses)
2022	\$ 88,517	\$ (1,439,443)	\$ 21,406	\$ (1,329,520)
2021	5,128	(1,550,179)	170,171	(1,374,880)
2020	(65,497)	(1,556,017)	193,197	(1,428,317)
2019	25,498	(1,673,218)	168,123	(1,479,597)
2018	35,463	(764,195)	59,307	(669,425)
2017	10,044	(1,125,038)	72,083	(1,042,911)
2016	(8,292)	(1,438,201)	77,139	(1,369,354)
2015	1,759	(795,665)	-	(793,906)
2014	-	(936,482)	-	(936,482)

^a Net of capitalized amounts in years 2015-2018. GASB 89 was implemented in 2019.

Table 5

BEDFORD REGIONAL WATER AUTHORITY

OPERATING REVENUES BY SOURCE
LAST NINE FISCAL YEARS

Fiscal Year	Water Revenue	Sewer Revenue	Water Facility Revenue	Sewer Facility Revenue	Penalties and Fees ^a	Miscellaneous ^b	Total
2022	\$ 9,470,684	\$ 4,846,172	\$ 1,157,100	\$ 431,400	\$ 254,404	\$ 482,946	\$ 16,642,706
2021	8,943,355	4,666,237	1,002,500	716,700	341,148	314,361	15,984,301
2020	8,753,627	4,538,020	756,450	575,500	315,531	239,934	15,179,062
2019	8,249,328	4,407,638	804,425	650,000	301,177	245,896	14,658,464
2018	7,662,156	3,849,032	664,000	436,900	328,835	242,575	13,183,498
2017	7,519,344	3,790,135	638,200	470,600	343,783	222,783	12,984,845
2016	6,756,704	3,699,411	529,700	277,400	310,556	207,354	11,781,125
2015	6,070,708	3,335,288	546,157	243,343	330,539	173,824	10,699,859
2014	5,413,660	3,050,474	408,500	159,400	231,009	174,407	9,437,450

^a Penalties and Fees include review fees, account charges, penalties, and meter installation fees.

^b Miscellaneous includes reconnect fees, cellular antennae rental on water tanks, and other miscellaneous revenue.

Table 6

BEDFORD REGIONAL WATER AUTHORITY
WATER PRODUCED AND CONSUMED AND WASTEWATER TREATED
LAST NINE FISCAL YEARS

Fiscal Year	Water				Sewer			
	Gallons Produced (000's)	Gallons Billed (000's)	Other Unbilled Uses (000's)	Water Accountability	Gallons Treated (000's)	Gallons Billed (000's)	Other Unbilled Uses	Sewer Accountability
2022	1,327,512	936,977	25,337	72.49%	621,652	362,410	-	58.30%
2021	1,277,232	951,048	23,627	76.31	635,033	356,962	-	56.21
2020	1,226,182	929,666	59,825	80.70	586,371	356,658	-	60.82
2019	1,132,893	894,789	96,640	87.51	708,788	369,144	-	52.08
2018	1,207,069	917,950	31,194	78.63	538,400	330,082	558	61.41
2017	1,086,440	858,199	10,015	79.91	470,931	324,911	-	68.99
2016	1,080,997	836,616	27,808	79.97	500,777	334,434	-	65.04
2015	1,086,774	832,842	17,761	78.27	453,312	331,637	7,989	74.92
2014	1,053,128	788,118	43,444	78.96	485,695	293,591	8,668	62.23

Note: Other unbilled uses include water that is used for flushing and new construction.

Table 7

BEDFORD REGIONAL WATER AUTHORITY
ANNUAL CONNECTIONS
LAST NINE FISCAL YEARS

Fiscal Year	Water Connections	Sewer Connections	Total New Connections
2022	133	137	270
2021	241	134	375
2020	191	113	304
2019	342	177	519
2018	456	232	688
2017	206	107	313
2016	399	147	546
2015	153	45	198
2014	159	41	200

Note: Connections are the total connections sold within a fiscal year. Customers may pay connection charges and wait to connect to the system. Connections sold do not necessarily represent new customers that are active and paying monthly rates.

Table 8

BEDFORD REGIONAL WATER AUTHORITY
NUMBER OF WATER CUSTOMERS BY TYPE
LAST NINE FISCAL YEARS

Fiscal Year	Residential	Commercial	Industrial	Institutional	Irrigation	Total
2022	13,219	986	2	176	65	14,448
2021	13,215	846	27	113	73	14,274
2020	13,012	836	27	112	71	14,058
2019	12,480	823	27	107	71	13,508
2018	12,894	807	25	73	13	13,812
2017	12,800	787	24	68	57	13,736
2016	11,956	764	23	68	50	12,861
2015	11,737	768	23	67	15	12,610
2014	11,381	756	23	70	43	12,273

Note: Institutional includes governmental and educational user types.

Table 9

BEDFORD REGIONAL WATER AUTHORITY
NUMBER OF SEWER CUSTOMERS BY TYPE
LAST NINE FISCAL YEARS

Fiscal Year	Residential	Commercial	Industrial	Institutional¹	nm²	Total
2022	4,736	695	2	121	-	5,554
2021	4,727	601	9	69	-	5,406
2020	4,564	532	9	64	-	5,169
2019	4,199	535	9	66	-	4,809
2018	4,123	564	9	46	-	4,742
2017	4,071	575	9	43	-	4,698
2016	3,969	556	8	43	-	4,576
2015	3,918	562	8	43	-	4,531
2014	3,784	547	8	45	1	4,385

¹ Institutional includes governmental and educational user types.

² nm denotes no meter and sanitary sewer service only.

Table 10

BEDFORD REGIONAL WATER AUTHORITY

TEN LARGEST WATER CUSTOMERS
CURRENT YEAR

Customer	2022	
	Revenue	Percentage
Western Virginia Water Authority	\$ 153,714	1.68%
Gables of Jefferson Commons	46,600	0.51
Gables of Spring Creek	38,446	0.42
Cottontown Investments LLC	38,435	0.42
Lyondellbasell Advan, Inc.	32,916	0.36
Lightning McClean	31,894	0.35
Noble Senior Living	28,054	0.31
Cintas	24,960	0.27
Jefferson Forest Manor	24,512	0.27
Raintree Village	23,306	0.25
Subtotal (10 largest)	442,837	4.84
Balance from other customers	8,725,648	95.16
Grand totals	<u>\$ 9,168,485</u>	<u>100.00%</u>

Note: Information for the period nine years prior to the current period will begin in 2023.

Table 11

BEDFORD REGIONAL WATER AUTHORITY

TEN LARGEST SEWER CUSTOMERS
CURRENT YEAR

Customer	2022	
	Revenue	Percentage
Gables of Jefferson Commons	\$ 60,028	1.26%
Gables of Spring Creek	49,387	1.04
Cottontown Investments LLC	47,248	0.99
Lyondellbasell Advan, Inc	46,427	0.98
Noble Senior Living	45,427	0.96
Cintas	38,269	0.81
Raintree Village	32,963	0.69
Lightning McClean	32,713	0.69
Jefferson Forest Manor	30,642	0.65
HH Holdings Co. Inc.	24,218	0.51
Subtotal (10 largest)	407,322	8.58
Balance from other customers	4,388,111	91.42
Grand totals	<u>\$ 4,795,433</u>	<u>100.00%</u>

Note: Information for the period nine years prior to the current period will begin in 2023.

Table 12

BEDFORD REGIONAL WATER AUTHORITY
SCHEDULE OF WATER AND SEWER RATES
CURRENT YEAR

Base and Minimum Charges (billed on a bi-monthly basis)

Meter Size	Forest, Lakes, Stewartville, and Montvale Service Areas			Center Service Area					
				Inside Town of Bedford			Adjacent to Town		
	Water	Sewer	Total	Water	Sewer	Total	Water	Sewer	Total
Monthly Base Charges - Residential									
5/8"	\$24.00	\$24.00	\$48.00	\$24.00	\$28.00	\$52.00	\$25.00	\$29.00	\$54.00
3/4"	34.00	31.00	65.00	34.00	35.00	69.00	37.00	37.00	74.00
1"	53.00	48.00	101.00	53.00	55.00	108.00	56.00	57.00	113.00
1-1/2"	90.00	82.00	172.00	90.00	89.00	179.00	97.00	90.00	187.00
Mariners 5/8"	24.00	33.00	57.00	N/A	N/A	N/A	N/A	N/A	N/A
Mariners 1"	53.00	76.00	129.00	N/A	N/A	N/A	N/A	N/A	N/A
Cedar Rock 5/8"	24.00	70.00	94.00	N/A	N/A	N/A	N/A	N/A	N/A
Paradise Point 5/8"	37.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Monthly Base Charges – Commercial and Industrial									
5/8"	\$24.00	\$24.00	\$48.00	\$24.00	\$27.00	\$51.00	\$28.00	\$27.00	\$55.00
3/4"	34.00	31.00	65.00	34.00	37.00	71.00	40.00	38.00	78.00
1"	53.00	48.00	101.00	53.00	55.00	108.00	56.00	58.00	114.00
1-1/2"	90.00	82.00	172.00	89.00	89.00	178.00	103.00	92.00	195.00
2"	130.00	130.00	260.00	150.00	148.00	298.00	162.00	140.00	302.00
3"	240.00	230.00	470.00	300.00	247.00	547.00	335.00	252.00	587.00
4"	390.00	380.00	770.00	500.00	412.00	912.00	553.00	415.00	968.00
6"	780.00	760.00	1,540.00	1,070.00	810.00	1,880.00	1,086.00	814.00	1,900.00
8"	1,240.00	1,210.00	2,450.00	N/A	N/A	N/A	N/A	N/A	N/A
10"	2,070.00	2,010.00	4,080.00	N/A	N/A	N/A	N/A	N/A	N/A

Table 12
(Continued)

BEDFORD REGIONAL WATER AUTHORITY
SCHEDULE OF WATER AND SEWER RATES
CURRENT YEAR

Commodity Charges Per 1,000 Gallons

Monthly Usage	Forest, Lakes, Stewartsville, and Montvale Service Areas			Center Service Area					
				Inside Town of Bedford			Adjacent to Town		
	Water	Sewer	Total	Water	Sewer	Total	Water	Sewer	Total
Volume Charges per 1000 gallons - Residential									
First 3,000	\$5.80	\$7.70	\$13.50	\$4.80	\$5.90	\$10.70	\$4.80	\$6.10	\$10.90
Over 3,000	5.80	7.70	13.50	4.80	7.20	12.00	4.80	7.90	12.70
Volume Charges per 1000 gallons – Commercial									
First 3,000	5.80	7.70	13.50	4.80	6.00	10.80	5.20	7.40	12.60
Over 3,000	5.80	7.70	13.50	4.80	7.80	12.60	5.20	8.30	13.50
Volume Charges per 1000 gallons – Industrial (400,000 gallon per month minimum)									
First 600,000	5.30	7.20	12.50	4.70	6.80	11.50	5.30	7.20	12.50
Over 600,000	5.30	7.20	12.50	4.70	6.50	11.20	5.30	7.20	12.50

Table 13

BEDFORD REGIONAL WATER AUTHORITY

SCHEDULE OF WATER AND SEWER CAPITAL RECOVERY FEES

Capital Recovery Fees (based on meter size)	2021-2022¹	
	Water	Sewer
Residential 5/8"	\$ 4,000	\$ 5,000
3/4"	6,000	7,000
1"	10,000	12,000
1-1/2"	16,000	20,000
2"	26,000	32,000

¹ The minimum capital recovery fee is \$4,000 for water and \$5,000 for sewer.

Table 14

BEDFORD REGIONAL WATER AUTHORITY

SCHEDULE OF DEBT COVERAGE
LAST NINE FISCAL YEARS

Fiscal Year Ended June 30	Debt Coverage Reserve¹	Operating Revenues	Direct Operating Expenses²	Bedford County Support³	Net Available for Debt Service	Principal	Interest	Total	Debt Coverage
2022	\$ 2,207,370	\$ 16,642,706	\$ 11,258,951	\$ 2,000,000	\$ 9,591,125	\$ 3,310,177	\$ 1,362,298	\$ 4,672,475	205%
2021	2,390,992	15,984,301	10,437,852	2,000,000	9,937,441	3,147,345	1,503,679	4,651,024	214
2020	2,265,187	15,179,062	9,502,982	2,000,000	9,941,267	2,855,386	1,473,066	4,328,452	230
2019	2,249,660	14,658,464	9,238,848	2,000,000	9,669,276	2,784,268	1,587,202	4,371,470	221
2018	2,205,250	13,183,498	8,067,715	2,000,000	9,321,033	2,668,592	1,698,931	4,367,523	213
2017	2,251,667	12,984,845	8,114,720	2,000,000	9,121,792	2,502,565	1,792,102	4,294,667	212
2016	2,246,623	11,781,125	8,616,565	2,000,000	7,411,183	2,428,098	1,876,094	4,304,192	172
2015	411,071	10,699,859	7,274,309	2,000,000	5,836,621	2,129,114	860,779	2,989,893	195
2014	410,612	9,437,450	7,083,430	2,000,000	4,764,632	2,504,102	921,679	3,425,781	139

¹ Balance includes a cash reserve fund that can be included in debt coverage reserve but does not have to be restricted cash or net position unless it is needed to meet a debt coverage ratio of 115%

² Excluding depreciation, interest, and amortization

³ Excludes \$500,000 received starting in 2021 for capital projects

Table 15

BEDFORD REGIONAL WATER AUTHORITY
OUTSTANDING DEBT BY CATEGORY
LAST NINE FISCAL YEARS

Fiscal Year Ended June 30	Lynchburg Sewer System Bonds	Pooled Loan Bonds	Due to Town of Bedford	Revenue Bond Anticipation Note	Unamortized Premium	Total
2022	\$ 997,986	\$ 35,920,000	\$ 2,289,010	\$ -	\$ 1,013,145	\$ 40,220,141
2021	756,512	38,540,000	2,771,353	-	1,278,793	43,346,658
2020	616,513	37,145,000	3,246,381	-	957,431	41,965,325
2019	725,170	39,480,000	3,716,993	-	1,186,763	45,108,926
2018	857,748	41,365,000	4,368,007	-	1,415,964	48,006,719
2017	1,042,670	43,040,000	5,010,650	-	1,645,167	50,738,487
2016	1,241,288	44,635,000	5,645,130	-	1,874,368	53,395,786
2015	1,438,882	14,715,000	6,271,650	3,200,000	1,774,133	27,399,665
2014	1,443,884	16,535,000	6,890,409	1,200,000	1,725,738	27,795,031

Table 16

BEDFORD REGIONAL WATER AUTHORITY

RATIOS OF OUTSTANDING DEBT
LAST NINE FISCAL YEARS

Fiscal Year Ended June 30	Outstanding Debt	Number of ¹ Connections	Debt per Connection (3)= (1) / (2)	Estimated ² Population Served (4)= (2) * 2.5	Debt per Capita (5)=(1) / (4)	Income ³ per Capita	Debt per Capita as a % Income per Capita (7)=(5) / (6)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
2022	\$ 40,220,141	20,002	\$ 2,011	50,005	\$ 804	\$ *	*
2021	43,346,658	19,680	2,203	49,200	881	*	*
2020	41,965,325	19,227	2,183	48,068	873	46,707	1.73%
2019	45,108,926	18,317	2,463	45,793	985	*	*
2018	48,006,719	18,554	2,587	46,385	1,035	42,082	2.46%
2017	50,738,486	18,434	2,752	46,085	1,101	41,307	2.67%
2016	53,395,785	17,437	3,062	43,593	1,225	41,066	2.98%
2015	27,399,665	17,141	1,598	42,853	639	41,066	1.56%
2014	27,795,031	16,658	1,669	41,645	667	41,066	1.63%

¹ Connections from Tables 8 and 9.

² The Virginia Department of Health estimates 2.5 residents per connection; this number is used in lieu of the population data in Table 18 which is representative of the entire county and town.

³ Per capita income from Table 18 (Source: Virginia Workforce Connection and Bureau of Economic Analysis). 2015 and 2016 information not available, therefore 2014 information was used.

* Unavailable

Table 17

BEDFORD REGIONAL WATER AUTHORITY
TEN LARGEST EMPLOYERS (BEDFORD TOWN AND COUNTY)
CURRENT YEAR

Employer	2022	
	Employees	Rank
Bedford County School Board	1,000+	1
County of Bedford	500-999	2
Elmwood Staffing Services, Inc.	500-999	3
Centra Health	500-999	4
Wal-Mart	250-499	5
GP Big Island LLC	250-499	6
Food Lion	250-499	7
Sentry Equipment Erectors	100-249	8
Manpower International	100-249	9
Sam Moore Furniture, LLC	100-249	10

Source: Virginia Employment Commission, Quarterly Census of Employment and Wages (QCEW).

Note: Information for the period nine years prior to the current period will begin in 2023.

Table 18

BEDFORD REGIONAL WATER AUTHORITY
OTHER DEMOGRAPHIC DATA (BEDFORD TOWN AND COUNTY)
LAST NINE FISCAL YEARS

Year	Population ¹	Personal Income ² (thousands of dollars)	Per Capita Personal Income	Unemployment Rate ¹
2022	80,131	\$ *	\$ 34,565	3.4%
2021	78,997	*	46,707	4.1
2020	78,997	*	46,707	7.6
2019	78,747	*	*	2.9
2018	77,724	3,280,745	42,082	3.9
2017	74,898	*	41,307	4.1
2016	74,898	*	*	4.4
2015	75,554	*	*	*
2014	74,898	3,075,785	41,066	5.81

¹ Virginia Workforce Connection, includes Bedford Town and County.

² Bureau of Economic Analysis, includes Bedford Town and County.

* Unavailable.

Table 19

BEDFORD REGIONAL WATER AUTHORITY

NUMBER OF EMPLOYEES BY IDENTIFIABLE ACTIVITY
LAST NINE FISCAL YEARS

	Full-time Equivalent Employees as of June 30,								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
Administration	5.5	5.5	5.5	5.5	5.5	5.0	5.0	5.0	4.0
Customer	9.0	9.0	9.0	9.0	9.0	8.0	6.0	4.0	6.0
IT	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Finance	2.0	2.0	2.0	2.0	1.5	1.5	1.5	1.5	1.5
Engineering	14.0	13.0	13.0	12.0	8.0	8.0	9.5	7.0	7.0
Plant operations	26.0	28.0	28.0	27.0	23.0	23.0	24.0	22.0	23.0
Maintenance	23.0	23.0	19.0	21.0	19.0	19.0	16.0	13.0	12.0
	81.5	82.5	78.5	78.5	68.0	66.5	64.0	54.5	55.5

Table 20

BEDFORD REGIONAL WATER AUTHORITY

OPERATING INDICATORS
LAST NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Water meters read ¹	176,489	173,397	170,017	164,492	122,864	84,139	82,263	80,043	79,117
Meter installations and change outs	904	1,056	1,353	1,187	795	1,510	3,125	2,470	263
Payments transacted	178,677	150,884	149,222	214,524	106,787	77,530	75,193	73,617	77,676

¹ Number of meters read for billing purposes.

Table 21

BEDFORD REGIONAL WATER AUTHORITY

CAPITAL ASSET STATISTICS
LAST NINE FISCAL YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Miles of water line	400	399	399	388	385	362	352	352	352
Miles of sewer line	160	157	156	144	145	141	141	141	144
Water pump stations	2	2	2	2	2	2	2	2	2
Sewer pump stations	32	32	32	22	22	22	22	22	22
Water storage tanks	15	15	14	12	12	12	12	12	12
Wastewater treatment plants	5	5	5	3	3	3	3	3	3
Water treatment plants	5	5	4	4	7	7	6	6	6

COMPLIANCE SECTION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Honorable Members of the Board of Directors
Bedford Regional Water Authority
Bedford, Virginia

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and *Specifications for Audits of Authorities, Boards, and Commissions* issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the Bedford Regional Water Authority (the "Authority"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 3, 2022.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. **However as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal controls, described as items 2022-001 and 2022-002 that we consider to be a material weaknesses.**

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. **The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.**

Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The Authority's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 3, 2022

BEDFORD REGIONAL WATER AUTHORITY

SCHEDULE OF FINDINGS AND RESPONSES

Year Ended June 30, 2022

A. FINDING – FINANCIAL STATEMENT AUDIT

2022-001: Segregation of Duties (Material Weakness)

Condition:

A fundamental concept of internal controls is the separation of duties. No one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. A proper segregation of duties has not been established in functions related to cash receipts, accounts receivable, cash disbursements, and accounts payable.

Recommendation:

Steps should be taken to eliminate performance of conflicting duties where possible or to implement effective compensating controls. Segregating incompatible functions reduces the risk of exposure to errors and fraud.

Management's Response:

Management understands this concern; however, the current staff size limits the separation of duties in regards to these functions.

2022-002: Timeliness of Reconciliation Review (Material Weakness)

Condition:

In our review of two out of twelve bank reconciliations, we noted that one was not reviewed timely. Upon further review, we noted that subsequent bank reconciliations from November 2021 through June 2022 had also not been reviewed.

Recommendation:

We recommend that a schedule of completing reconciliation reviews on a set time frame is implemented and adhered to. Timely reviews are one of the most important internal controls to promptly detect and recognize potential errors or other problems. This could mitigate the risk of errors or problems progressing and provide more accurate reports for management decisions. Also, it is generally easier and less time consuming to review accounts while transactions are fresh in mind.

Management's Response:

Management recognizes the importance of timely reviews and will develop a procedure to correct this in the current fiscal year.

BEDFORD REGIONAL WATER AUTHORITY

SUMMARY OF PRIOR AUDIT FINDING
Year Ended June 30, 2022

A. FINDING – FINANCIAL STATEMENT AUDIT

2021-001: Segregation of Duties (Material Weakness)

Condition:

A fundamental concept of internal controls is the separation of duties. No one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. A proper segregation of duties has not been established in functions related to cash receipts, accounts receivable, cash disbursements, and accounts payable.

Current Status:

Condition still present.

BEDFORD REGIONAL WATER AUTHORITY
SUMMARY OF COMPLIANCE MATTERS
June 30, 2022

As more fully described in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, we performed tests of the Authority's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia:

Cash and Investment Laws
Conflict of Interests Act
Local Retirement Systems
Procurement Laws
Uniform Disposition of Unclaimed Property Act

**REQUIRED COMMUNICATION WITH THOSE
CHARGED WITH GOVERNANCE**

To the Board of Directors
Bedford Regional Water Authority
Bedford, Virginia

We have audited the financial statements of the Bedford Regional Water Authority (the “Authority”), for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 16, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. As described in Note 13 to the financial statements, the Authority changed accounting policies related to lease accounting by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 87, *Leases*, in 2022. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Net Position for leases in which the Authority is lessor. The Authority did not record leases in which it was the lessee because they were deemed, in the aggregate, to be immaterial. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are described below.

- Management’s estimate of the useful lives of capital assets and the allowance for uncollectible accounts receivable which are based on management’s knowledge and judgment, which is based on historical review of capital asset usage and the collectability of aged accounts receivable, respectively.
- Management’s estimate of the local plan net OPEB liability is based on third-party actuarial calculations and assumptions that utilize census data provided by management.

Significant Audit Matters (Continued)

Qualitative Aspects of Accounting Practices (Continued)

- The net pension liability and the net OPEB liability for state administered plans are based on actuarial studies provided by actuaries engaged by the Virginia Retirement System.
- The lease receivable and deferred inflow for leases are based on the effective interest rate method.

We evaluated the key factors and assumptions used to develop these estimates in determining that the estimates are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Capital assets, long-term liabilities, other postemployment benefits, defined benefit pension plan, and commitments and contingencies.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Please see the attached corrected misstatements detected as a result of audit procedures and deemed immaterial to the financial statements as a whole.

There were no uncorrected misstatements.

In addition, as part of our engagement with the Authority, we assisted with year-end entries related to pension, other post-employment benefits, and leases. Please see attached the year-end entries.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 3, 2022, a copy of which is attached.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Authority's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant Audit Matters (Continued)

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Authority's auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, schedules of changes in net pension and net OPEB liability and related ratios, pension and OPEB contributions, and employer's share of net OPEB liability, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of departmental income, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of the Bedford Regional Water Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 3, 2022

Attachments



November 3, 2022

Brown, Edwards & Company, L.L.P.
Certified Public Accountants
3906 Electric Road
Roanoke, Virginia 24018

This representation letter is provided in connection with your audit of the financial statements of the Bedford Regional Water Authority (the "Authority"), which comprise the financial position of the Authority as of June 30, 2022, and the changes in financial position, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of November 3, 2022, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated June 16, 2022 including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

Financial Statements (Continued)

- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of finding and response.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.
- 10) We have provided the planning communication letters to all members of those charged with governance as requested.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources, if applicable.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Authority and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control,
 - c) Service organizations used by the entity, or
 - d) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.

Information Provided (Continued)

- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which we are aware.

Government – Specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that you have reported to us, if applicable.
- 21) We have a process to track the status of audit findings and recommendations, if applicable.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 23) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report, if applicable.
- 24) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 25) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- 26) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 27) We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 28) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 29) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

Government – Specific (Continued)

- 30) As part of your audit, you assisted with preparation of the financial statements and related notes, as well as certain nonaudit journal entries. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services; and ensured that the entity's data and records are complete and received sufficient information to oversee the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 31) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 32) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 33) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 34) The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 36) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 39) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 40) Special and extraordinary items are appropriately classified and reported, if applicable.
- 41) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 42) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 43) Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility.
- 44) We have not completed the process of evaluating the impact that will result from adopting new Governmental Accounting Standards Board (GASBS) Statements that are not yet effective, as discussed in the notes to financial statements. The Authority is therefore unable to disclose the impact that adopting these Statements will have on their financial position and the results of their operations when the Statements are adopted.

Government – Specific (Continued)

- 45) We agree with the findings of specialists in evaluating the net pension and net OPEB liabilities and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
- 46) We believe that the actuarial assumptions and methods used to measure pension and net OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 47) We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 48) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 49) With respect to the supplementary information on which an in-relation-to opinion is issued.
- a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
- b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 50) Expenditures of federal awards were below the \$750,000 threshold in the audit period, and we were not required to have an audit in accordance with the Uniform Guidance.
- 51) We reaffirm the representations made to you in our letter dated November 4, 2021 regarding your audit for the fiscal year ended June 30, 2021.



Brian Key
2022.11.03 13:58:31 -04'00'

Brian M. Key
Executive Director



Digitally signed by Jill W.
Underwood
DN: cn=Jill W. Underwood, o=ou,
email=junderwood@brwa.com,
c=US
Date: 2022.11.03 13:53:51 -04'00'

Jill W. Underwood
Director of Finance

Client: **0603248.0 - Bedford Regional Water Authority**
Engagement: **22 AUD - Bedford Regional Water Authority**
Period Ending: **6/30/2022**
Trial Balance: **TB**

Workpaper:

Account	Description	W/P Ref	Debit	Credit
Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		5703		
To update current year GASB 68 balances				
2100-0400	Net Pension Liability		881,043.00	
1002-1002	Deferred Outflows of Resources (Pensions)			60,852.00
2300-1000	Deferred Inflows of Resources			755,006.00
4100-0040	VRS Retirement and Group Life			65,185.00
Total			881,043.00	881,043.00
Adjusting Journal Entries JE # 2		4202		
To reverse original PBC entry that is incorrect				
3000-3000	Water Sales		19,596.63	
3100-3000	Sewer Sales		21,743.38	
1101-1000	Billings Receivable Water			19,596.63
1101-3000	Billings Receivable Sewer			21,743.38
Total			41,340.01	41,340.01
Adjusting Journal Entries JE # 3		5801		
to update CY GASB 75 balances				
2100-0510	Local OPEB Liability		20,493.00	
4100-0040	VRS Retirement and Group Life		17,389.00	
1002-1005	Local OPEB Deferred Outflows			4,889.00
1002-1006	Local OPEB Deferred Inflows			32,993.00
Total			37,882.00	37,882.00
Adjusting Journal Entries JE # 5		5307		
To record current year amortization expense for deferred gain				
2200-2238	VRA Series 2019 Deferred Amt on Refunding		37,400.88	
4400-0819	Amortization Expense			37,400.88
Total			37,400.88	37,400.88
Adjusting Journal Entries JE # 7		4502		
To record amortization for deferred amount on refunding.				
4400-0819	Amortization Expense		136,319.75	
2200-2029	VRA 2009 Series Deferred amount of Refunding			61,066.77
2200-2232	VRA 2012 Deferred Amount on refunding			65,117.34
2200-2235	VRA 2014 Deferred Amt on Refunding			10,135.64
Total			136,319.75	136,319.75
Adjusting Journal Entries JE # 8		5801		
To adjust VRS GLI OPEB liability deferred inflows and outflows				
2100-0500	VRS OPEB Liability		81,697.00	
4100-0040	VRS Retirement and Group Life		18,339.00	
1002-1003	VRS OPEB Deferred Outflow			29,760.00
1002-1004	VRS OPEB Deferred Outflow			70,276.00
Total			100,036.00	100,036.00

Adjusting Journal Entries JE # 9

To record interest earned on investments.

PBC

1001-1025	VRA Debt Service Reserve Fund- PNC Bank	34,259.29	
3900-3250	Bank Interest Earned		34,259.29
Total		34,259.29	34,259.29

Adjusting Journal Entries JE # 10

To record change in US Bank investments FMV.

PBC

3900-3250	Bank Interest Earned	168,673.94	
1001-1025	VRA Debt Service Reserve Fund- PNC Bank		168,673.94
Total		168,673.94	168,673.94

Adjusting Journal Entries JE # 11

Reclass negative SNAP balance to other SNAP account.

PBC

1001-1030	VRA 2015 Debt Service Reserve Fund-SNAP	25,093.47	
1001-1025	VRA Debt Service Reserve Fund- PNC Bank		25,093.47
Total		25,093.47	25,093.47

Adjusting Journal Entries JE # 12

to reverse payroll accrual for FY21 that was erroneously recorded as the accrued payroll for FY22

PBC

2100-0060	Accrued Payroll	129,577.94	
4000-0010	Administration Salaries		24,172.16
4000-0019	IT Oncall Stipend		150.00
4000-0020	Administration Overtime		319.71
4002-0010	Customer Service Salaries		11,773.01
4002-0020	Customer Service Overtime		293.85
4003-0010	Engineering Department Salaries		24,976.27
4003-0019	Engineering OnCall Stipend		150.00
4003-0020	Engineering Department Overtime		580.32
4004-0010	Maintenance Department Salaries		25,497.75
4004-0019	Maintenance Oncall Stipend Expense		300.00
4004-0020	Maintenance Department Overtime		1,541.51
4005-0010	Operations Department Salaries		39,260.76
4005-0020	Operations Department Overtime		562.60
Total		129,577.94	129,577.94

Adjusting Journal Entries JE # 13

to record correct journal entry for payroll accrual

PBC

4000-0010	Administration Salaries	30,060.20	
4000-0019	IT Oncall Stipend	85.71	
4000-0020	Administration Overtime	386.53	
4002-0010	Customer Service Salaries	14,994.59	
4002-0020	Customer Service Overtime	219.27	
4003-0010	Engineering Department Salaries	30,334.93	
4003-0019	Engineering OnCall Stipend	85.71	
4003-0020	Engineering Department Overtime	948.48	
4004-0010	Maintenance Department Salaries	38,923.19	
4004-0019	Maintenance Oncall Stipend Expense	85.71	
4004-0020	Maintenance Department Overtime	1,996.36	
4005-0010	Operations Department Salaries	54,922.89	
4005-0020	Operations Department Overtime	5,014.06	
2100-0060	Accrued Payroll		178,057.63
Total		178,057.63	178,057.63

Adjusting Journal Entries JE # 14**4203**

To record correct A/R adjustment

1101-1000	Billings Receivable Water	80,635.42	
1101-3000	Billings Receivable Sewer	49,249.33	
3000-3000	Water Sales		80,635.42
3100-3000	Sewer Sales		49,249.33
Total		129,884.75	129,884.75

Adjusting Journal Entries JE # 15**4202**

JE to bring TB AR to BE calculation

1101-1000	Billings Receivable Water	405,426.64	
1101-3000	Billings Receivable Sewer	196,626.80	
3000-3000	Water Sales		405,426.64
3100-3000	Sewer Sales		196,626.80
Total		602,053.44	602,053.44

Adjusting Journal Entries JE # 18**5953**

To implement GASB 87 for LessOR accounting.

1101-8008	Cellular Rental A/R	1,268,762.85	
2300-1001	Deferred Inflow of Resources - Leases		1,252,095.28
2999-0000	Retained Earnings		16,667.57
Total		1,268,762.85	1,268,762.85

Adjusting Journal Entries JE # 19**5953**

To record current year lease revenue and reduction of receivable for LessOR accounting.

2300-1001	Deferred Inflow of Resources - Leases	103,162.93	
3903-3262	Cellular Antenna Rental- BRWA portion	103,815.08	
1101-8008	Cellular Rental A/R		89,013.49
3903-3262	Cellular Antenna Rental- BRWA portion		12.30
3903-3262	Cellular Antenna Rental- BRWA portion		103,162.93
3905-0000	Interest Income		14,789.29
Total		206,978.01	206,978.01

Adjusting Journal Entries JE # 20**4501**

To adjust maintenance inventory balances.

1200-0001	Maintenance Inventory	9,062.41	
4250-0100	Forest Water Supplies		3,020.80
4265-0100	SML Central Water Distribution Supplies		3,020.81
4275-0100	Central Water Supplies		3,020.80
Total		9,062.41	9,062.41

Adjusting Journal Entries JE # 21**4501**

To adjustment meter inventory balances.

4250-0101	Forest Water Meter Installations	134,162.41	
4265-0101	SML Central Water Distribution Meter Installations	134,162.41	
4275-0101	Central Water Meter Installations	134,162.41	
1200-0002	Meter Inventory		402,487.23
Total		402,487.23	402,487.23

Adjusting Journal Entries JE # 22**4202**

To adjust the allowance to equal the 120+ day bucket

1101-4000	Allowance for Doubtful Accounts	352,635.55	
3000-3000	Water Sales		352,635.55
Total		352,635.55	352,635.55

Client: **0603248.0 - Bedford Regional Water Authority**
Engagement: **22 AUD - Bedford Regional Water Authority**
Period Ending: **6/30/2022**
Trial Balance: **TB**
Workpaper:

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries JE # 6		5601		
Reclass prepayments to deferred revenue.				
2300-0000	Deferred Revenue Liability		12,000.00	
2300-0002	Prepayments Transfer Clearing account			12,000.00
Total			<u>12,000.00</u>	<u>12,000.00</u>
Reclassifying Journal Entries JE # 23		PBC		
JE correct capital recovery fee AR - was not credited from correct accts				
March - June #1				
1101-1000	Billings Receivable Water		258,600.00	
1101-5001	Water Capital Recovery Fees A/R			211,400.00
1101-5003	Sewer Capital Recovery Fees A/R			47,200.00
Total			<u>258,600.00</u>	<u>258,600.00</u>
Reclassifying Journal Entries JE # 24		PBC		
JE correct capital recovery fee AR - was not credited from correct accts				
March - June #2				
1101-1000	Billings Receivable Water		55,700.00	
1101-5001	Water Capital Recovery Fees A/R			55,700.00
Total			<u>55,700.00</u>	<u>55,700.00</u>
Reclassifying Journal Entries JE # 25		PBC		
JE correct capital recovery fee AR - was not credited from correct accts				
March - June #3				
1101-1000	Billings Receivable Water		119,700.00	
1101-5001	Water Capital Recovery Fees A/R			87,100.00
1101-5003	Sewer Capital Recovery Fees A/R			32,600.00
Total			<u>119,700.00</u>	<u>119,700.00</u>
Reclassifying Journal Entries JE # 26		PBC		
JE - correct capital recovery fee AR- was not credited from correct accts				
1101-1000	Billings Receivable Water		222,200.00	
1101-5001	Water Capital Recovery Fees A/R			151,400.00
1101-5003	Sewer Capital Recovery Fees A/R			70,800.00
Total			<u>222,200.00</u>	<u>222,200.00</u>
Reclassifying Journal Entries JE # 27		PBC		
JE 93872 - record Franklin CO water sales - coded to wrong GL				
3000-3000	Water Sales		11,255.27	
3000-3050	Contract Water Sales			11,255.27
Total			<u>11,255.27</u>	<u>11,255.27</u>

Reclassifying Journal Entries JE # 28**PBC**

JE 94191 - correct water revenue - all revenue was coded to sewer due to TEVA misread and correction

3100-3000	Sewer Sales	539,787.04	
3000-3000	Water Sales		539,787.04
Total		539,787.04	539,787.04

Reclassifying Journal Entries JE # 29**PBC**

JE - correct capital recovery fee AR - was not credited from correct avvts march - june

1101-1000	Billings Receivable Water	290,300.00	
1101-5001	Water Capital Recovery Fees A/R		284,400.00
1101-5003	Sewer Capital Recovery Fees A/R		5,900.00
Total		290,300.00	290,300.00

**BEDFORD REGIONAL
WATER AUTHORITY**

**COMMENTS ON INTERNAL CONTROL
AND OTHER SUGGESTIONS
FOR YOUR CONSIDERATION**

June 30, 2022

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INDEPENDENT AUDITOR'S REPORT ON COMMENTS AND OTHER SUGGESTIONS

To the Board of Directors
Bedford Regional Water Authority
Bedford, Virginia

In planning and performing our audit of the financial statements of the Bedford Regional Water Authority (the "Authority") as of and for the year ended June 30, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements and to comply with *Government Auditing Standards*, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. In addition, because of the inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as presented in this letter, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. The material weakness identified is labeled as such in the attached report.

If material weaknesses or significant deficiencies were identified during our procedures they are appropriately designated as such in this report. Additional information on material weaknesses or significant deficiencies and compliance and other matters is included in the ***Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*** which should be read in conjunction with this report.

Additionally, during our audit, we may have become aware of certain other matters that provide opportunities for improving your financial reporting system and/or operating efficiency. Such comments and suggestions regarding these matters, if any, are also included in the attached report, but are not designated as a material weakness or significant deficiency. Since our audit is not designed to include a detail review of all systems and procedures, these comments should not be considered as being all-inclusive of areas where improvements might be achieved. We also have included information on accounting and other matters that we believe is important enough to merit consideration by management and those charged with governance. It is our hope that our suggestions will be taken in the constructive light in which they are offered.

The Authority's responses to our recommendations are included in this report. The responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

This communication is intended solely for the information and use of the Board, management, and the appropriate state and federal regulatory agencies and is not intended to be, and should not be, used by anyone other than these specified parties.

Brown, Edwards & Company, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
November 3, 2022

COMMENTS ON INTERNAL CONTROL AND OTHER SUGGESTIONS FOR YOUR CONSIDERATION

VPPA COMPLIANCE

VPPA requires that the bid proposal for contracts of \$200,000 or more for construction of water, sewer lines, and pumping stations, must include the option for the contractor to use an escrow account procedure for retainage. We noted during examination of one contract that it did not meet these requirements. We recommend future bid proposals and construction contracts include the option for the contractor to use an escrow account procedure for retainage.

Management's Response: *Management is working on adding this language to future contracts.*

TIMELINESS OF RECONCILIATION REVIEW (MATERIAL WEAKNESS)

In our review of two out of twelve bank reconciliations, we noted that one was not reviewed timely. Upon further review, we noted that all other subsequent bank reconciliations had also not been reviewed. Timely reviews are one of the most important internal controls to promptly detect and recognize potential errors or other problems. This could mitigate the risk of errors or problems progressing and provide more accurate reports for management decisions. Also, it is generally easier and less time-consuming to review accounts while transactions are fresh in mind. As limited staffing can contribute to delays of performing reconciliations, we recommend that a schedule of completing reconciliation reviews on a set time frame is implemented and adhered to.

Management's Response: *Management recognizes the importance of timely reviews and will develop a procedure to correct this in the current fiscal year.*

SUMMARY OF THE STATUS OF PRIOR YEAR COMMENTS AND SUGGESTIONS

RETROSPECTIVE REVIEW OF ACCOUNTS RECEIVABLE ADJUSTMENTS

We noted that there is no retrospective review of accounts receivable adjustments posted by customer service representatives. While total adjustments noted for the year are not significant and such adjustments are not frequent, we recommend that a process be put in place so that all adjustments posted are reviewed at the end of the month by someone who does not have access to post adjustments. This person should date and initial their review as well.

Current Year Status: *Condition still present.*

Management's Response: *Monthly reviews of adjustments are done by the Director of Finance, who does not have access to the billing system.*

SEGREGATION OF DUTIES (Material Weakness)

A properly designed and implemented system of internal control assists in preventing and detecting errors in financial reporting and fraud. A fundamental concept of internal control is the separation of duties. The basic premise of this concept is that no one employee should have access to both physical assets and the related accounting records, or to all phases of a transaction, including authorization. Such access may allow errors or irregularities to occur and either not be detected or be concealed. Due to the limited size of the Authority's accounting staff, a proper separation of duties has not been established and maintained. While we realize that any internal control system must be cost effective, steps should be taken to eliminate performance of conflicting duties where possible, such as the following:

- Payroll processing is currently performed by the same person that has the ability to add or modify personnel information in the payroll system. We also noted the reviewer of the payroll registers was the backup preparer for payroll. We recommend someone other than the person responsible for preparing payroll update personnel information in the payroll system. We also recommend that someone other than the person who reviews the final payroll register perform backup duties of payroll.
- Bank reconciliations are performed by the same person in charge of the disbursement general ledger functions. We recommend someone who does not have access to the receipts and disbursements general ledger functions perform the bank reconciliation.
- Due to staff size, only three individuals are entering information into the Great Plains accounting system. This reduces the effectiveness of system controls with Great Plains as rights within the software are not able to maintain segregation of duties.
- Due to the limited size of the Authority's IT staff, a proper separation of duties has not been established and maintained. Currently only two staff are performing the Authority's IT functions.
- The Executive Director has the ability to approve purchase orders/vendor invoices, edit the master file, prepare checks for expenditures, and has check signing authority.

**SUMMARY OF THE STATUS OF
PRIOR YEAR COMMENTS AND SUGGESTIONS
(Continued)**

SEGREGATION OF DUTIES (Material Weakness) (Continued)

- Journal entries are not reviewed. We recommend that all journal entries be reviewed by someone other than the preparer prior to entry in the general ledger. While review of the periodic financials may detect erroneous entries, reviewing entries prior to entry would reduce the reliance on detection controls and reduce the inherent risk that offsetting erroneous or fraudulent entries are not apparent when aggregated in the monthly financials.

Current Year Status: *Condition still present.*

Management's Response: *Management understands this concern, however, the current staff size limits the separation of duties in regards to these functions. Management has separated these functions as much as possible given the current staff size limits. Some actions taken by management to reduce the Authority's exposure to risk are as follows. The Customer Service Supervisor reconciles the daily bank deposits to the subsidiary ledger and then it is reviewed by the Customer Service Manager. This helps to identify any problems during the month instead of waiting until the end of the month when the bank statement is received. The Executive Director reviews the entries from the subsidiary ledger and creates the journal entry for Great Plains. This entry is entered by the Director of Finance, who then prepares the bank reconciliation.*

The Authority hired a full-time Accounting Technician to handle invoice processing and other financial tasks. This position processes all invoices and prepares the checks for mailing. The Director of Finance reviews all invoices and prints the checks for the assistant to mail. The Executive Director is an authorized check signer and reviews the invoices and supporting documentation prior to returning the checks to the Accounting Technician to mail. If there are any questions regarding payments being made they are addressed at this time, but the other duties are performed by the Finance department.

PURCHASING POLICIES AND PROCEDURES

We recommend the Authority consider using purchase order software, preferably one integrated with its current accounts payable software. Purchase orders communicate the terms and conditions of purchases which may reduce the likelihood of vendor disputes. Additionally, purchase orders provide a means for controlling and authorizing purchases within the organization and help provide a formal means for complying with purchasing policies. We also suggest the Authority update its purchasing policies and procedures to include the use of purchase orders.

Current Year Status: *Condition still present.*

Management's Response: *Due to staffing constraints, purchase orders have not been implemented.*

CAPITAL ASSETS

Capital assets are not tagged or labeled with unique identification. Assets are typically tagged or labeled in order to accurately account for those capital assets and also help to ensure the completeness of the capital asset registers. We recommend policies and procedures be written about the tagging or labeling of capital assets with unique identification tags and its proper recording in the capital asset ledgers.

Current Year Status: *Condition still present.*

Management's Response: *Due to staffing constraints, asset tags have not been affixed to individual assets.*

**SUMMARY OF THE STATUS OF
PRIOR YEAR COMMENTS AND SUGGESTIONS
(Continued)**

CAPITAL ASSET DISPOSITION

It was noted that many of the departments located on the fixed asset listing have a substantial amount of immaterial fully depreciated capital assets. We recommend each department review the fixed asset listing at the end of every quarter and remove any fixed assets that have been disposed of. This review, if combined with a periodic physical observation, will help refine the asset listing to ensure it is accurate and, on an ongoing basis, detect assets that have been disposed or possibly misappropriated.

Current Year Status: *Condition still present.*

Management's Response: *The Authority has started this internal review. The Authority uses Gov Deals to sell old assets that are no longer used.*

RISK ASSESSMENT PROCEDURE PLAN

We noted the Authority does not have a written risk assessment procedure plan with regards to IT. We recommend a formal risk assessment procedure plan be written and distributed to all appropriate personnel. We recommend copies of these plans be kept offsite, normally at the backup site to help reduce the amount of time and resources necessary for recovery. We also recommend that the risk assessment procedure plan be reviewed and updated periodically based on new IT risks that are constantly evolving.

Current Year Status: *Condition still present. Comment was reduced to a best practices recommendation in fiscal year 2022.*

INFORMATION SECURITY POLICY

We noted the Authority does not have a formal written information security policy. We recommend a formal information security policy be written and distributed to all appropriate personnel. With constantly changing IT security risks, these policies should be revisited and updated, at a minimum, annually.

Current Year Status: *Condition still present. Comment was reduced to a best practices recommendation in fiscal year 2022.*

DISASTER RECOVERY PLAN

We noted the Authority does not have an updated disaster recovery plan. We recommend a formal disaster recovery plan be updated and distributed to all appropriate personnel. We also recommend the plan be appropriately tested to assist in ensuring its viability. We recommend copies of these plans be kept offsite, normally at the backup site to help reduce the amount of time and resources necessary for recovery.

Current Year Status: *Condition is no longer present.*

**SUMMARY OF THE STATUS OF
PRIOR YEAR COMMENTS AND SUGGESTIONS
(Continued)**

ACCOUNTS RECEIVABLE YEAR-END RECONCILIATION

We noted the Authority did not reconcile year-end water and sewer accounts receivable balances reported in the general ledger to the underlying year-end subledgers and accrued accounts receivable. Historically, an audit adjustment is needed to adjust the general ledger to agree with the underlying supporting documentation and subledgers. We recommend the Authority perform a reconciliation at year-end to ensure accounts receivable balances are properly stated at year-end.

Current Year Status: *Condition still present.*

Management's Response: *A plan is in the process of being developed.*

INVENTORY

We noted the Authority was not able to reconcile year-end inventory reported in the general ledger. This is due in part to implementing a new inventory software system and falling behind in reconciling physical inventory on hand to balances reported in the general ledger. We recommend the Authority come up with processes and procedures to properly track and maintain accurate inventory balances throughout the year.

Current Year Status: *Condition still present.*

Management's Response: *A plan is in the process of being developed.*

ACCOUNTING AND OTHER MATTERS

NEW GASB PRONOUNCEMENTS

In this section, we would like to make you aware of certain confirmed and potential changes that are on the horizon that may affect your financial reporting and audit. The effective dates below are updated based on **Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*** due to the COVID-19 pandemic.

The GASB issued **Statement No. 91, *Conduit Debt Obligations*** in May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: (1) an issuer, (2) a third-party obligor, and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

Statement No. 91, *Conduit Debt Obligations* (Continued)

This Statement also addresses arrangements – often characterized as leases – that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement are effective for periods beginning after December 15, 2021.

The GASB issued **Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*** in March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (Continued)

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

This Statement requires that PPPs that meet the definition of a lease apply the guidance in Statement No. 87, *Leases*, as amended, if existing assets of the transferor that are not required to be improved by the operator as part of the PPP arrangement are the only underlying PPP assets and the PPP does not meet the definition of an SCA. This Statement provides accounting and financial reporting requirements for all other PPPs: those that either (1) meet the definition of an SCA or (2) are not within the scope of Statement 87, as amended (as clarified by this Statement). The PPP term is defined as the period during which an operator has a noncancellable right to use an underlying PPP asset, plus, if applicable, certain periods if it is reasonably certain, based on all relevant factors, that the transferor or the operator either will exercise an option to extend the PPP or will not exercise an option to terminate the PPP.

A transferor generally should recognize an underlying PPP asset as an asset in financial statements prepared using the economic resources measurement focus. However, in the case of an underlying PPP asset that is not owned by the transferor or is not the underlying asset of an SCA, a transferor should recognize a receivable measured based on the operator's estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. In addition, a transferor should recognize a receivable for installment payments, if any, to be received from the operator in relation to the PPP. Measurement of a receivable for installment payments should be at the present value of the payments expected to be received during the PPP term. A transferor also should recognize a deferred inflow of resources for the consideration received or to be received by the transferor as part of the PPP. Revenue should be recognized by a transferor in a systematic and rational manner over the PPP term. This Statement requires a transferor to recognize a receivable for installment payments and a deferred inflow of resources to account for a PPP in financial statements prepared using the current financial resources measurement focus. Governmental fund revenue would be recognized in a systematic and rational manner over the PPP term.

This Statement also provides specific guidance in financial statements prepared using the economic resources measurement focus for a government that is an operator in a PPP that either (1) meets the definition of an SCA or (2) is not within the scope of Statement 87, as amended (as clarified in this Statement). An operator should report an intangible right-to-use asset related to an underlying PPP asset that either is owned by the transferor or is the underlying asset of an SCA. Measurement of the right-to-use asset should be the amount of consideration to be provided to the transferor, plus any payments made to the transferor at or before the commencement of the PPP term, and certain direct costs. For an underlying PPP asset that is not owned by the transferor and is not the underlying asset of an SCA, an operator should recognize a liability measured based on the estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. In addition, an operator should recognize a liability for installment payments, if any, to be made to the transferor in relation to the PPP. Measurement of a liability for installment payments should be at the present value of the payments expected to be made during the PPP term. An operator also should recognize a deferred outflow of resources for the consideration provided or to be provided to the transferor as part of the PPP. Expense should be recognized by an operator in a systematic and rational manner over the PPP term.

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (Continued)

This Statement also requires a government to account for PPP and non-PPP components of a PPP as separate contracts. If a PPP involves multiple underlying assets, a transferor and an operator in certain cases should account for each underlying PPP asset as a separate PPP. To allocate the contract price to different components, a transferor and an operator should use contract prices for individual components as long as they do not appear to be unreasonable based on professional judgment or use professional judgment to determine their best estimate if there are no stated prices or if stated prices appear to be unreasonable. If determining the best estimate is not practicable, multiple components in a PPP should be accounted for as a single PPP.

This Statement also requires an amendment to a PPP to be considered a PPP modification, unless the operator's right to use the underlying PPP asset decreases, in which case it should be considered a partial or full PPP termination. A PPP termination should be accounted for by a transferor by reducing, as applicable, any receivable for installment payments or any receivable related to the transfer of ownership of the underlying PPP asset and by reducing the related deferred inflow of resources. An operator should account for a termination by reducing the carrying value of the right-to-use asset and, as applicable, any liability for installment payments or liability to transfer ownership of the underlying PPP asset. A PPP modification that does not qualify as a separate PPP should be accounted for by remeasuring PPP assets and liabilities.

An APA that is related to designing, constructing, and financing a nonfinancial asset in which ownership of the asset transfers by the end of the contract should be accounted for by a government as a financed purchase of the underlying nonfinancial asset. This Statement requires a government that engaged in an APA that contains multiple components to recognize each component as a separate arrangement. An APA that is related to operating or maintaining a nonfinancial asset should be reported by a government as an outflow of resources in the period to which payments relate.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

The GASB issued **Statement No. 96, *Subscription-Based Information Technology Arrangements*** in May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will *not* exercise that option).

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

Statement No. 96, *Subscription-Based Information Technology Arrangements* (Continued)

Under this Statement, a government generally should recognize a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, – which is when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government’s incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term.

Activities associated with a SBITA, other than making subscription payments, should be grouped into the following three stages, and their costs should be accounted for accordingly:

- Preliminary Project Stage, including activities such as evaluating alternatives, determining needed technology, and selecting a SBITA vendor. Outlays in this stage should be expensed as incurred.
- Initial Implementation Stage, including all ancillary charges necessary to place the subscription asset into service. Outlays in this stage generally should be capitalized as an addition to the subscription asset.
- Operation and Additional Implementation Stage, including activities such as subsequent implementation activities, maintenance, and other activities for a government’s ongoing operations related to a SBITA. Outlays in this stage should be expensed as incurred unless they meet specific capitalization criteria.

In classifying certain outlays into the appropriate stage, the nature of the activity should be the determining factor. Training costs should be expensed as incurred, regardless of the stage in which they are incurred.

If a SBITA contract contains multiple components, a government should account for each component as a separate SBITA or nonsubscription component and allocate the contract price to the different components. If it is not practicable to determine a best estimate for price allocation for some or all components in the contract, a government should account for those components as a single SBITA.

This Statement provides an exception for short-term SBITAs. Short-term SBITAs have a maximum possible term under the SBITA contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term SBITAs should be recognized as outflows of resources.

This Statement requires a government to disclose descriptive information about its SBITAs other than short-term SBITAs, such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability, and other essential information.

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

The GASB issued ***Statement, No. 99, Omnibus 2022*** in April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP)
- Disclosures related to nonmonetary transactions
- Pledges of future revenues when resources are not received by the pledging government
- Clarification of provisions in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, as amended, related to the focus of the government-wide financial statements
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*
- Terminology used in Statement 53 to refer to resource flows statements.

The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

The GASB issued **Statement No. 100, *Accounting Changes and Error Corrections*** in June 2022. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting – understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

ACCOUNTING AND OTHER MATTERS (Continued)

NEW GASB PRONOUNCEMENTS (Continued)

The GASB issued **Statement No. 101, *Compensated Absences*** in June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

ACCOUNTING AND OTHER MATTERS (Continued)

CURRENT GASB PROJECTS

GASB currently has a variety of projects in process. Some of these projects discussed below.

Conceptual Framework – Recognition. The project’s objective is to develop recognition criteria for *whether* information should be reported in state and local governmental financial statements and *when* that information should be reported. This project ultimately will lead to a Concepts Statement on recognition of elements of financial statements. This project is currently in exposure draft re-deliberations period.

Financial Reporting Model. The objective of this project is to make improvements to the financial reporting model, including Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, and other reporting model-related pronouncements (Statements No. 35, *Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities*, No. 37, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus*, No. 41, *Budgetary Comparison Schedules – Perspective Differences*, and No. 46, *Net Assets Restricted by Enabling Legislation, and Interpretation No. 6, Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*). The objective of these improvements would be to enhance the effectiveness of the model in providing information that is essential for decision-making and enhance the ability to assess a government’s accounting and address certain application issues, based upon the results of the pre-agenda research on the financial reporting model. This project is currently in exposure draft re-deliberations period.

Revenue and Expense Recognition. The objective of this project is to develop a comprehensive application model for the classification, recognition, and measurement of revenues and expenses. The purpose for developing a comprehensive model is (1) to improve the information regarding revenues and expenses that users need to make decisions and assess accountability, (2) to provide guidance regarding exchange and exchange-like transactions that have not been specifically addressed, (3) to evaluate revenue and expense recognition in the context of the conceptual framework, and (4) to address application issues identified in practice, based upon the results of the pre-agenda research on revenue for exchange and exchange-like transactions. This project is currently in the preliminary views re-deliberations period.

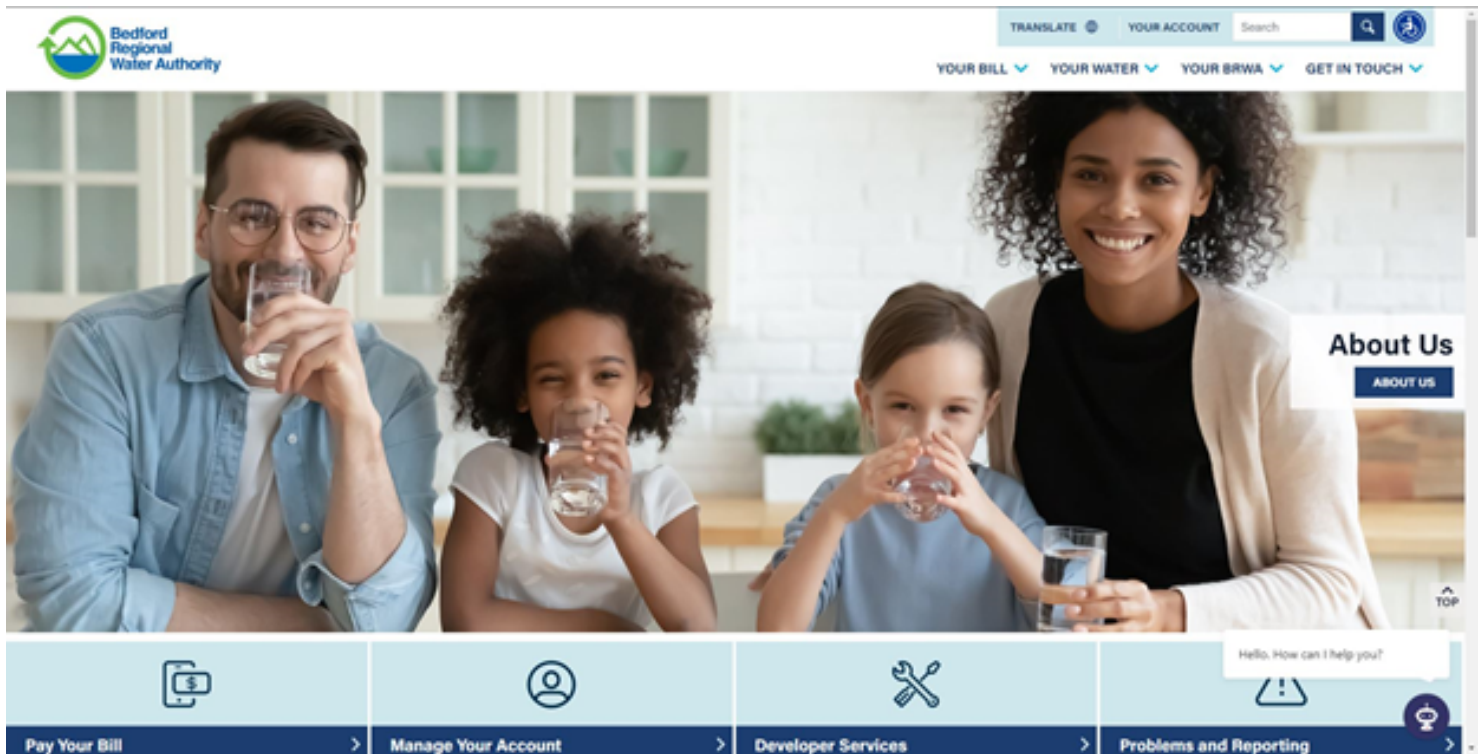
Going Concern Uncertainties and Severe Financial Stress. The objective of this project is to address issues related to disclosures regarding going concern uncertainties and severe financial stress. The project will consider (1) improvements to existing guidance for going concern considerations to address diversity in practice and clarify the circumstances under which disclosure is appropriate, (2) developing a definition of severe financial stress and criteria for identifying when governments should disclose their exposure to severe financial stress, and (3) what information about a government’s exposure to severe financial stress is necessary to disclose. This project is currently in the initial deliberations period.

ADMINISTRATION REPORT

Bedford Regional Water Authority launches new website

by Kaylee Shipley

Thursday, November 3rd 2022



BEDFORD COUNTY, Va. (WSET) – The Bedford Regional Water Authority (BRWA) announced the launch of a completely new website.

The site will allow them to better communicate with Bedford residents and also serve as their new front door to people not yet familiar with their organization, the Bedford County Regional Water Authority said.

Utility websites may now be the single most important tool for citizens to find information, quickly and accurately, Bedford County Regional Water Authority also said.

"We've updated the site with a sharp new look and feel, but we hope to add much more to the online experience than just aesthetics. We've also revamped our navigation to make it more intuitive. We want to make it as simple as possible for residents to get what they want from our website within a few clicks. It should be easier than ever to find whatever information you're looking for, whether it be about problems in your area, a service we provide, whose pipe is it, or even what the BRWA is doing in the community. An investment in the look, feel, and experience of the BRWA," the Bedford County Regional Water Authority said.

“Our new website represents an investment in the look, feel, and experience of the BRWA. We are improving our technologies, communications, web connectivity, and other critical infrastructure to make the BRWA easier to navigate and highlight the true innovation of the BRWA. Our new website and interactive features are key examples.” – Megan Pittman, Director of Administration said.

You can visit the website [here](#).

EXECUTIVE DIRECTOR'S REPORT

MEMORANDUM

To: BRWA Board of Directors
From: Anthony Browning, Asset Management Specialist
CC: Brian Key, Executive Director, Rhonda English, Deputy Director,
Thomas Cherro, Director of Operations
Date: November 10, 2022
Re: October 2022 Cartegraph Tasks Report

Completed Tasks Summary

Below is a map showing the distribution of the Cartegraph Tasks marked complete across our Service Areas in the month of October.

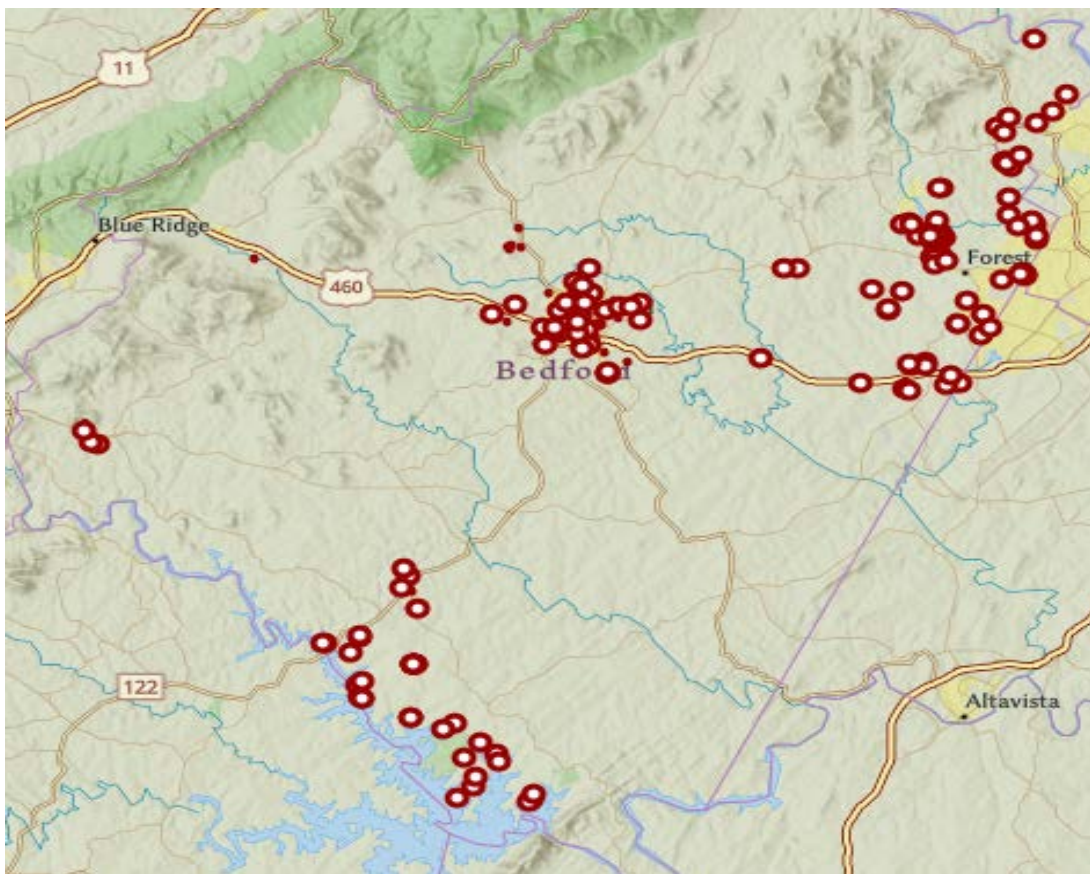


Figure 1: Map Showing Distribution of October Tasks Completed

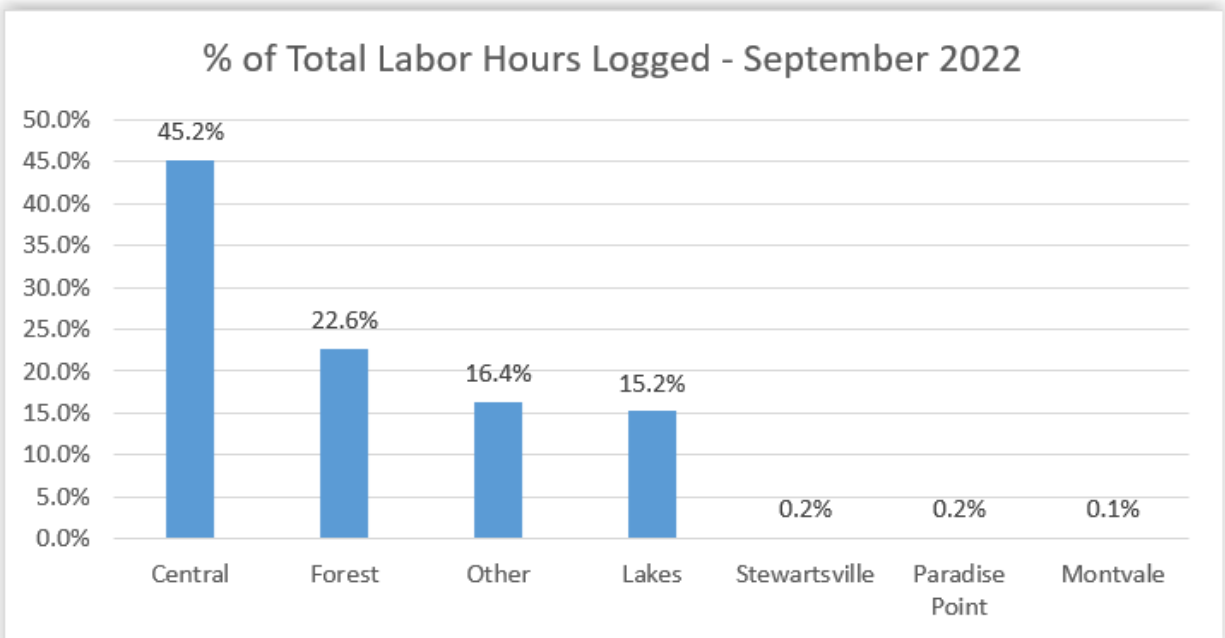
Labor Hours Invested by General Service Area

Below is a chart containing the percentage of labor hours logged by General Service Area. The “General Service Area” groupings of the actual Service Areas are described below.

The Central area led the way in October due to Pipe Repairs, Repairs, and Sewer Backups / Overflows and Capital Improvement work.

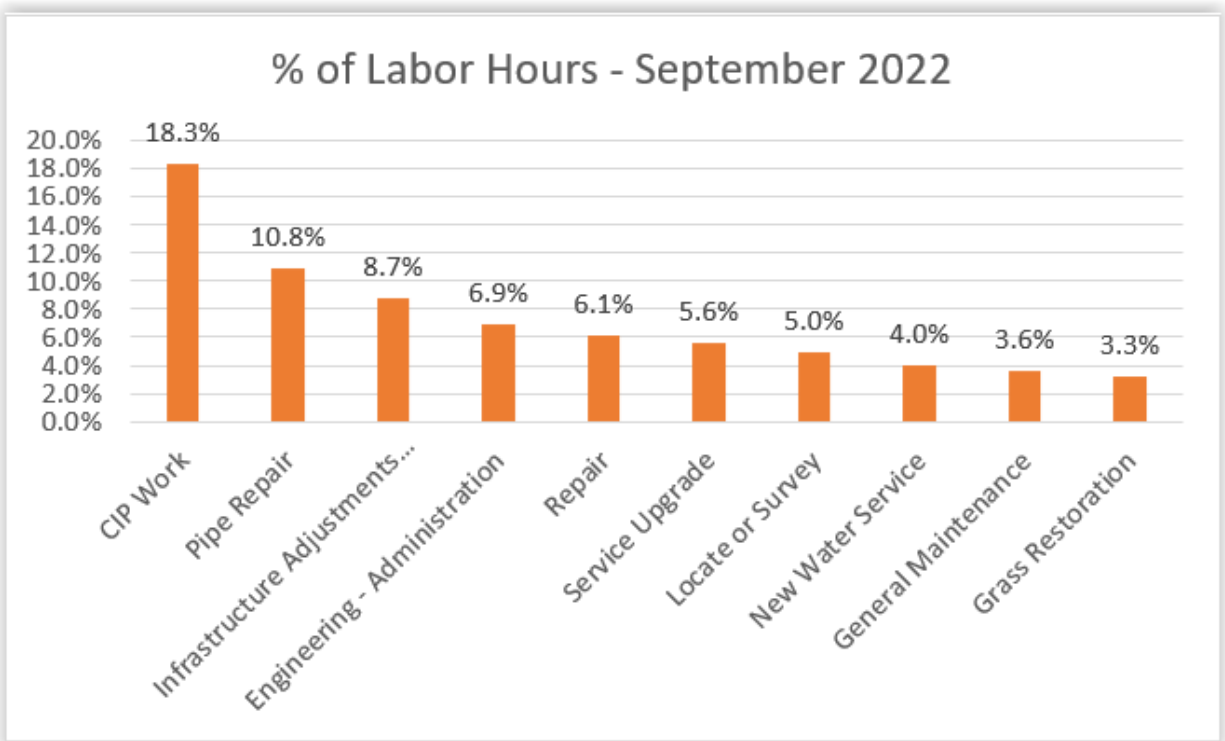
General Service Areas:

- **Central:** Central Water and Sewer, including Treatment, Distribution, and Collection systems
- **Forest:** Forest Water, Forest Sewer, Cedar Rock Sewer
- **Lakes:** Well Systems, SML Treatment and Water Distribution, SMLWTF, Moneta Sewer Treatment and Collection, Mariner's Landing Water and Sewer
- **Montvale:** Montvale Sewer Treatment and Collection
- **Paradise Point:** Paradise Point Water Treatment Facility
- **Other:** Labor not assigned to a particular service area such as meetings, Engineering Development, vehicle maintenance and BRWA Offices
- **Stewartsville:** Stewartsville Water



Labor Hours by Task Type

Just over 72% of the total labor hours logged in October are represented in the chart below of the top ten types of tasks performed.



Current Engineering Projects

Bedford Regional Water Authority

Job #: 2012001	Job Type: Water & Sewer	Service Area: Central County/Bedford City	Last updated on: 9/22/2022
Job Name: Harmony in Bedford Site 1 - Design			Department Contact: S Foster
Description: 49.47 AC in County & 9.61 AC in City. Concept for proposed subdivision for 58 single family lots, 181 TH's & 5 commercial lots (EXCLUDING the US Army Corps of Eng Site).			
Status: TRC 1/12/12. Design Plan 01 & \$350 Review Fee rec'd 8/30/12. Courtesy comments issued 10/12/12. 2nd submittal rec'd 12/11/12 - not to PSA stds. Courtesy comments 02 issued 12/12/12. SWF/RBE met w/ Norm Walton 12/13/12. As-built 01 rec'd 11/13/13. 7/5/17 - Steve called George Aznavorian for 'annual' check on status. George was of the opinion all is done and he is willing to sign BOSQC & to contact Tom Hall with questions; stated that Tom Hall or P&O could provide as-builts if still outstanding. George also disclosed plans for a hotel coming in Fall 2017 (60-65 units). 7/17/17 - Shannell & Steve walked Phase 1 & went through project files to determine outstanding items & will compile comprehensive list w/in next three weeks as requested by RBE. "Annual" letter to be sent to Developer with comprehensive list of outstanding items in early August 2017. As-Built 02 rec'd 11/9/17. Esmnt Exhibit 01 Comments issued 12/6/17. As-Built 03 rec'd 1/17/18. 9/24/18 reached out to developer via email with outstanding project close out items. Annual project close out requirements letter mailed 9/3/20. Annual project close out requirements letter emailed 9/7/21. Closeout Status Summary e-mailed 8/18/22. Meeting scheduled for 8/19/22 w/ Developer, Engineer & Contractor (Landon Bays) to discuss outstanding closeout items. Developer Agreement & Fees sent again to Developer 8/19/22. As-Built 03 rec'd 8/19/22 and comments sent out 8/22/22. ESMT #220009470 recorded 8/23/22. Developer Agmt & Inspection Fees rec'd 9/22/22.			
Job #: 2013086.2	Job Type: Other	Service Area: Central - Bedford	Last updated on: 7/10/2020
Job Name: Route 43 - Stoney Creek Bridge VDOT Improvement			Department Contact: S Dade
Description: VDOT improvements to bridge over Stoney Creek. VDOT project 0043-009-738. VDOT Structure 1010. Near Pump Station 6 and Big Otter River Intake. Affects wells for Central system. See 2013086.1 for Big Otter crossing at Pump Station 6			
Status: Plans received 3/10/17. Relocation of sewer lines as part of the project. Easement documents executed and returned 7/31/17. Plan revision 2 returned for comments on 8/29/17. Final Easement drawing rec'd 10/2/17. Final plans received for review 1/3/18. Executed Agmts mailed to VDOT 2/26/18. Project advertised Spring 2018. Sewer line relocation began 10/18/2018. Construction halted due to stream crossing permit requirements (fish study results). Construction planned to resume June 2019. Construction and testing complete. Working to gather close-out documents			
Job #: 2019069	Job Type: Site Plan w/ Existing Utilities	Service Area: Forest	Last updated on: 8/31/2022
Job Name: Impact Church Rezoning - Site Plan			Department Contact: J Dean
Description: Rezoning Applization #RZ190003 for Impact Church site layout master plan. Proposed church, sports fields and recreational facilities.			
Status: TRC 6/25/19. Concept 01 rec'd 6/19/19. Site Plan 01 rec'd 2/17/22. Comments sent to planning on 3/10/22. Signed Developer Agreement, Review & Inspection Fees rec'd 4/19/22. Site Plan 02 rec'd 5/31/22. Comments issued 6/21. Site Plan 03 rec'd 8/17/22. Comments sent 8/31/2022. Developer Items remaining for C2C.			
Job #: 2019114	Job Type: Fire Flow Meter	Service Area: Central	Last updated on: 5/31/2022
Job Name: Cardinal Senior Living - FFMV			Department Contact: J Dean
Description: Proposed Senior Living Center			
Status: Site Plan 01 rec'd 12/06/19. Conference Call with Enginner 12/11/19. FF test check rec'd 12/23/2019. Site plan 02 rec'd 5/21/20. Developer Agreement sent on 6/29/2020. Site Plan 03 rec'd 8/27/20. Review fees and signed Developer Agmt needed in order to release comments. Site Plan 04 rec'd 4/21/22. Review & Inspection fee rec'd 4/26/22. Review comments sent to Engineer 4/27/2022. Signed Developer Agmt rev'd & ESMT #220006202 recorded 5/31/22.			

Job #: 2019117	Job Type: Water & Sewer	Service Area: Forest	Last updated on: 10/10/2022
Job Name: Westyn Village Condotel Phase 2 - Site/Design			Department Contact: T Hale
Description:	Proposed 1 24 Unit Condotel & 6 36 unit Condotel with a clubhouse. (Plan Name Changed to Westyn Village Ph II). - Changed to Apartments following successful re-zoning. One property - Public Waterline Extension and FFMV.		
Status:	Site/Design 01 rec'd 12/06/19. Comments & Dev Pkg issued 1/31/20. Site/Design 02 rec'd 4/13/20. Site Plan 02 comments, Esmnt Exhibits 01 comments & Revised Developer Agreement issued 6/1/20. Easement Exhibit submittal 02 rec'd 6/11/20. Exhibit review comments e-mailed to Engineer 8/25/20. Project 'on-hold' pending sewer capacity issues being resolved. Signed Developer Agreement, Review & Inspection Fees rec'd 5/20/21. Site/Design 03 rec'd 6/2/21. Original Site/Dsgn 03 replaced with new revised submittal from planning. Site/Dsgn 03 rec'd 6/8/21. Appv'd by BRWA 6/11/21 for SITE PLAN purposes only & comments issued thru Planning. Still working through outstandign items needed to reach C2C status. 6/14/21 - Completed review of Esmnt Exhibits & E-Mailed Esmnt Agmnts to Developer for signature and return. Water & Sewer Calcs 01 Review comments issued 6/15/21. Esmt #210009164 & 210009165 recorded 6/22/21. Per 7/1/21 E-Mail from Planning - Planning has not yet issued Site Plan approval, Natural Resouces has recinded approval due to E&SC changes. Site/Dsgn 04 rec'd 7/7/21 (need re-review fee 7/7/21). Review completed 7/13/21. Plan is approvable by BRWA for Site Plan purposes only. Awaiting rec'pt of re-review fees before releasing comments. Re-review fees rec'd & Comments released 7/19/21. LOC# 5018577548 rec'd 7/22/21. Shop Drawings 01 rec'd 7/26/21 & approved. Water & Sewer Calcs 02 rec'd 8/4/21 - "No futher comments" issued 8/11/21. A re-zoning application has been submitted to the County proposing re-zoning the property from PCD to R-4. Site/Dsgn 05 rec'd 10/29/21 Re-review fee rec'd 11/4/21. Site/Dsgn 05 comments issued to Planning 11/4/21 - comments can be addressed at pre-con and/or As-Built. Need 3 full size hard copies upon Planning approval. Planning appv'd Site Plan & requisite hard copies rec'd 12/10/21. C2C Issued 12/16/21. A meeting was held with the County, T Bell, and P&O on 9/27/22 as the Developer is requesting service prior to completion of the receiving FMS PS upgrades. Vault Installed 1/13/22. Air vacuum and Manhole vacuum test completed 3/3/22. Waterline pressure test completed 4/7/22. Plug installed in existing manhole on 10/4/22.		
Job #: 2020066.2	Job Type: Sewer	Service Area: Forest	Last updated on: 7/8/2022
Job Name: FMS Pump Station Upgrades- Prepayment Request			Department Contact: R English
Description:	Prepayment request to complete upgrades to Forest Middle School pump station to allow for current and future growth. Current growth related to Westin Village development.		
Status:	Discussions held on 9/23/20 with R Orrison and D Cyrus of process and developer's responsibility for design. Prepayment request approved at October Board Meeting for \$100k less than total construction cost. Surety received; awaiting final contractor and cost information for Prepayment Agreement. Requested schedule update and information from Developer on 9/2/21 to finalize prepayment agreement; prepayment approval expires 10/20/2021. Developer rec'd zoning approvals for Westyn Ph 2 & 3 approvals; prepayment for pump station upgrades re-approved at 11/2021 Board meeting. Awaiting developer to enter construction contract prior to completion of Prepayment Agreement. Contacted D Cyrus on 3/17/22 for an update, no response rec'd. BRES indicated on 5/12/22 that developer is obtaining updated pricing for station. D Cyrus contacted BRWA on 7/6/22; still no contractor selected. Prepayment will need re-approval upon expiration in 11/2022.		
Job #: 2020066.3	Job Type: Sewer	Service Area: Forest	Last updated on: 8/26/2022
Job Name: Westyn Village Forest Middle School Pump Station Upgrades - Design			Department Contact: W Quarles / S Dade
Description:	Upgrades to Forest Middle School pump station to allow for current and future growth. Current growth related to Westin Village development.		
Status:	Meeting held on 12/3/20 with P&O to discuss station design. P&O working with Chris Fewster on pump station design. Revised basis of design report given to P&O on 3/1/21 based on increase in proposed development. Design 01 rec'd 3/5/21, comments ret'd 3/29. Surety #5018510461 rec'd 5/17/21. Site/Dsgn 02 rec'd 5/17/21. Deve Agmnt Rec'd 5/20/21; Site/Dsgn 02 Comments issued 5/24/21. CTC application for DEQ received 6/4/21 and submitted to DEQ. Site/Dsgn 03 rec'd 6/8/21. Site/Dsgn 03 comments issued to Planning 6/23/21. Working with BCPS on Easement Agreement. Site plan approved by planning 7/29/21. Hard copies of approved plans rec'd 8/3/21. ESMT #210012251 & Deed of Release #210012252 recorded 8/24/21. BRES working with Falwell and suppliers for equipment quotes; BRES assisting Developer with submittal review. Contacted D Cyrus on 3/17/22 for an update as Phase 2 buildings well underay, no response rec'd. BRES indicated on 5/12/22 that they are obtaining updated pricing for station. Developer indicated on 7/6/22 that large equipment submittals are expected in 2-4 weeks. Shop Dwg 01 rec'd 8/23/22. Shop Dwg CP&P 01 rec'd 8/26/22.		
Job #: 2020073	Job Type: Water	Service Area: Forest	Last updated on: 10/31/2022
Job Name: West Crossing Section 4 - Design			Department Contact: S Foster
Description:	Road plan, waterline design and profile for section 4. 19 lots approximately 2900 LF Waterline.		
Status:	Dsgn 01 rec'd via e-mail (pdf) 6/29/20. Hard copy rec'd 7/8/20. Comments issued 8/6/20. Dev Pkg issued 8/6/20. Need Base Fee. Need Review Fees. Need Dev Agmnt. Dsgn 02 rec'd 10/22/20. Review 02 complete 11/4/20. Base Review Fee, Review Rees & Re-review Fee for forthcoming 3rd submittal rec'd 11/17/20. Signed Developer Agmt rec'd 11/17/20. Review 02 comments issued 11/17/20. Fire Flow Test fee rec'd 1/26/21. Dsgn 03 rec'd 6/23/21. "DRAFT" comments e-mailed to Engineer 7/2/21 with option to address as slip sheets to current submittal. Water Calcs 01 comments issued 7/19/21. Water Calcs 02 Rec'd 9/25/21 & comments issued 10/5/21. Calc 03 Rec'd 10/10/21. Calc 03 Comments issued 10/18/21. Calc 04 comments issued 10/25/21 - approvable pending matching final Dsgn Plans and Plat. Water model cert rec'd from from Engineer 11/14/21. Plat was appv'd by BRWA 7/22/21; Cost Est rec'd 11/15/21 & hard copy Surety forthcoming. Bond #107540706 rec'd 12/6/21. 12/20/21 - Rec'd E-mail from Engineer w/ full set of revised Plans w/ 3 subsequent Rev dates. E-mailed Engineer to officially submit thru Planning (Dsgn Submittal 04) and BRWA Re-Review Fee rq'd. Dsgn 04 rec'd 12/18/21. Review completed 1/11/22 - holding comments until receipt of re-review fees. Re-review fee rec'd 3/28/22. Dsgn 04 comment released. Need 3 hard copies of plans, Insp Fees, Shop Dwgs & Plat recordation. 3 hard copies rec'd. Shop Dwg 01 rec'd 10/31/22.		

Job #: 2020107	Job Type: Water & Sewer	Service Area: Forest	Last updated on: 6/29/2022
Job Name: Boonsboro Meadows Section 5 Roadway & Water - Design			
Description: Proposed Section 5 (Proposed 16 Lots). Consisting of Water and LPFM. Wild Doe Drive			Department Contact: S Foster
Status: Design 01 rec'd 9/28/20. Comments & Dev Pkg issued 10/26/20. Need \$400 Base Fee, Review Fees and Agmt w/ 2nd submittal. Base Review fee rec'd 11/5/20. Design 02 rec'd 10/6/21. Review fee & Signed Developer Agmt rec'd 10/7/21. Dsgn 02 and Water Calcs 02 Review Comments issued 10/15/21. Sewer FM Calcs 01 Comments issued 10/20/21. Re-review fee rec'd 11/22/21 (forthcoming 3rd submittal). Dsgn 03 rec'd 12/15/21. Plan review comments issued to Planning and Engineer notified 12/30/21. Water Calcs Submittal 03 Reviewed and comments issued 1/3/22. Sewer FM Calcs Submittal 02 review complete & comments issued. Dsgn 04 (need \$200.00 re-review fee & Water Calcs 04 rec'd 5/24/22. Re-review Fee rec'd 6/29/22.)			
Job #: 2021022	Job Type: Site Plan w/Proposed Utilities	Service Area: Smith Mountain Lake	Last updated on: 8/17/2022
Job Name: Lot 4 Moneta Business Center Hardee's - Site Plan			
Description: Proposed Hardee's restaurant.			Department Contact: C Slusser
Status: TRC 3/9/21. Concept 01 rec'd 3/4/21. Comments 01 emailed to Planning & Surveyor 3/8/21. Site Plan 01 rec'd 4/14/21. Comments 01 emailed to Planning 4/22/21. Site Plan 02 rec'd 7/14/21. Comments 02 emailed to Planning & Dev Pkg emailed to Engineer 8/2/21. Revised Dev Agmt emailed to Engineer 8/12/21. Site Plan 03 forthcoming as of 11/3/21. Site Plan 03 rec'd 11/18/21. Site Plan approvable as of 11/30/21; awaiting Executed Developer Agreement & Review & Inspection Fees before emailing approval to Planning; additional Developer documents will be needed prior to issuing C2C. Per Engineer on 12/14/21, Developer will bid out again & select Contractor in mid to late January. Project still on hold per Engineer due to construction costs - 2/9/22, 3/10/22, 4/18/22 & 8/17/22.			
Job #: 2021024	Job Type: Internal	Service Area: Central	Last updated on: 3/11/2021
Job Name: Big Otter Well Abandonments			
Description: Abandonment of wells formerly used as part of the Central water system, located behind sewer pump station 6 and within the property boundaries of 4920 Peaks Road.			Department Contact:
Status: Bob met with property owner of 4920 Peaks Rd, Rita Ragland, who requested consideration be made to abandon or maintain the well sites within her property. Information gathered on existing easements for the wells and raw waterlines.			
Job #: 2021026	Job Type: Site Plan w/ Existing Utilities	Service Area: Forest	Last updated on: 5/4/2021
Job Name: PLS LLC Warehouse Additon - Site Plan			
Description: Proposed 1,750 Square Foot Warehouse Addition.			Department Contact: J Dean
Status: TRC 3/23/21. Concept 01 rec'd 3/18/21. Site Plan 01 rec'd 4/27/22. Comments sent to Planning 5/4/2022.			
Job #: 2021028	Job Type: Site Plan w/Proposed Utilities	Service Area: Lynchburg	Last updated on: 7/11/2022
Job Name: Rock Pike Baptist Church Addition Phase 1 - Site/Design			
Description: Proposed land use for religious assembly and waterline extension.			Department Contact: J Dean
Status: Submitted after TRC, planning request review and written comments. Concept 01 rec'd 3/22/21. Site/dsgn rec'd 7/26/21. Need \$400.00 base review fee. Comments sent to Planning & Consultant was notified on 8/25/2021. Site/dsgn 02 rec'd 9/30/21. Signed developer agreement & partial review fees rec'd (\$600.00 remaining) 10/25/21. Outstanding Review fee of \$600.00 rec'd 11/3/21. Approval Comments sent to Planning & Consultant notified on 11/3/2021. Waiting on Developer items to issue C2C. Esmt #220001298 recorded 2/1/22. New revised signed Developer Agmt rec'd 7/11/22.			

Job #: 2021035	Job Type: Water & Sewer	Service Area: Town	Last updated on: 11/4/2022
Job Name: 620 Railroad Ave Apartments - Site/Design			Department Contact: T Hale
Description: Proposed Multi Family (58 units) & Retail Space (2,929 SF). Water & Sewer Adjustments & FFMV.			
Status: FFT fee rec'd 2/17/21. FFT results emailed 3/4/21. TRC (town) 5/5/21. Concept 01 rec'd 4/30/21. Met w/ Town & Engineer 5/5/21. Issued WO for SS Assessment & Survey 5/7/21. Initial assessment & cleaning completed. CCTV, final assessment & survey forthcoming. Site Plan 01 rec'd 9/10/21. Site/Dsgn 01 Comments & Dev. Pkg. issued 9/28/21. Site/Dsgn 02 rec'd 12/8/21. Signed Dev Agmt, Review & Inspection fees rec'd 12/22/21. Site/Dsgn 02 Comments issued 12/22/21. Developer will need to submit a Qualification Statement for the listed Contractor for BRWA review or select a BRWA approved Contractor. Site/Dsgn 03 rec'd 1/12/22 & review completed 1/20/22 - re-review fee needed prior to releasing comments. Esmnt Exhibits 02 appv'd; Esmnt Agmnts prepared & sent to Owner for execution; Signed Esmnt Agmnts rec'd 2/1/22. Plumbing and More with JB, LLC approved as Contractor for project. Requested Cost Est from Developer. Esmnt's #220001300 & 2200001301 recorded 2/1/22. Re-review fee rec'd 3/1/22. Site Plan 03 Comments & Project Status issued 3/1/22. Hard copy Plans rec'd 3/3/22. Followed up with Developer on status and outstanding items 3/24/22 and 3/29/22. Shop Dwg 01 rec'd 4/26/22. Cost Est received, reviewed, and comments issued 5/2/22. Revised Cost Est (\$55K) rec'd 5/13/22; Surety amount requirement sent 5/16/22. Surety LOC #FF1029 rec'd 6/2/22. Hard copy Shop Dwgs appv'd 6/8/22. Plans 'approved for construction' 6/9/22 and C2C prepared and ready to issue 6/9/22. Revised Plan received from Engineer 6/9/22. Reached out to Developer for direction. C2C issued 6/10/22 - Developer will work with Inspector for any proposed field changes during construction. R English met with Town EDA and Developer on 7/5/22 to discuss funding request under Econ Devt policy. Bore completed on existing manhole on 9/15/22. Fire flow meter vault complete. Due to limited space, fire hydrant is being relocated onto the main 40 feet west of the vault. Testing and flushing of the main 11/4/2022; samples will be gathered 11/7/2022. BOSQC rec'd 11/4/22.			
Job #: 2021042	Job Type: Fire Flow Meter	Service Area: Forest	Last updated on: 8/17/2022
Job Name: Vista Drive Warehouse Addition - FFMV			Department Contact: T Hale
Description: Proposed 43,390 Square Foot Warehouse Addition.			
Status: TRC 4/27/21. Concept 01 rec'd 4/22/21. Site Plan 01 rec'd 6/3/21. Comments sent to Planning on 6/11/2021. Dev Agmt mailed 6/14/2021. FFT fee rec'd 6/22/21. Site Plan 02 rec'd 7/8/21. Review & Inspection fees rec'd 7/12/21. signed developer agreement & easement agreement 7/20/21. 2nd Submittal Comments sent to Planning on 7/20/2021. Surety - #B3267365 rec'd 7/26/21. Esmnt #210011227 recorded 8/2/21. Site Plan 03 rec'd 8/6/21. Site Plan Approved 8/13/2021. Waiting on Approved Shop Drawings to issue C2C. Hard copies of site plan rec'd 8/16/21. Shop Drawings 01 rec'd 8/19/21. Shop Drawings approved 8/23/21. C2C issued 8/27/21. Vault line tied in on 4/27, water sample collected on 4/28. As-Built 01 rec'd 8/17/22.			
Job #: 2021043	Job Type: Water & Sewer	Service Area: Forest	Last updated on: 10/19/2022
Job Name: Jefferson Village Drive Townhomes - Site/Design			Department Contact: J Dean
Description: Proposed 9 townhouse buildings creating 56 lots.			
Status: TRC 4/27/21. Concept 01 rec'd 4/22/21. Site/Dsgn rec'd 11/22/21. Comments sent to planning 12/22/21. FFT fee rec'd 4/14/22. Sewer Calculations rec'd 5/3/22. Site Plan 02 rec'd 5/4/22. Comments sent to planning 6/24/22. Site/Dsgn 03 rec'd 9/22/22; Comments sent to Planning 10/19/2022.			
Job #: 2021058	Job Type: Site Plan w/ Existing Utilities	Service Area: Forest	Last updated on: 11/17/2021
Job Name: Westyn Village Phase 3 - Site Plan			Department Contact: S Foster
Description: Proposed (5) 36 unit extended stay hotels.			
Status: Site Plan 01 rec'd 6/7/21. Comments issued to Planning & Engineer/Developer notified 6/17/21. A re-zoning application has been submitted to the County proposing re-zoning the property from PCD to R-4. Site Plan 02 rec'd 11/10/21. Comments issued to Planning & Engineer/Developer notified 11/17/21.			
Job #: 2021065	Job Type: Sewer	Service Area: Bedford Central	Last updated on: 8/1/2022
Job Name: Central Sewer Modeling			Department Contact: W Quarles
Description: Development of sewer model for Central sewer service area, with focus on drainage area for Pump Station 1. (Associated with JN 2021049 Governors Hill)			
Status: Met with WRA 6/30/21 to review needs for model; gathering information requested. BRWA files provided to WRA on 8/3. PS #1 Summary received on 10/13/2021. Field survey completed by developer. WRA to perform model run and provide capacity report by end of July. Technical Memo was received from WRA and guidance requested from DEQ. Per correspondence from DEQ, connections within the Town of Bedford have been limited until further notice.			

Job #: 2021083	Job Type: Fire Flow Meter	Service Area: Forest	Last updated on: 11/3/2022
Job Name: World Help Building Addition - Site Plan			Department Contact: Shannell Dade
Description: Proposed warehouse addition.			
Status: TRC 8/10/21. Concept 01 rec'd 8/5/21. Comments 01 emailed to Planning & Engineer 8/9/21. Site Plan 01 rec'd 9/15/21. Comments 01 emailed to Planning 9/28/21. Site Plan 02 rec'd 1/5/22. Comments 02 emailed to Planning 1/25/22; Developer Package issued 1/25/22. Shop Dwh approved 2/11/22. Site Plan 03 rec'd 2/18/22. Re-review fee rec'd 3/7/22. Comments 03 emailed to Engineer 3/10/22. Site Plan 04 rec'd 3/10/22. Site Plan 04A rec'd 3/11/22. Re-review fee rec'd 3/15/22. Site Plan 04A approval emailed to Planning 3/15/22; 3 full size, hard copies requested for FFMV Developer Project purposes; awaiting Surety & Easement before issuing C2C. Developer Agmt signed 3/28/22. Surety LOC #7403000579 rec'd 3/31/22. Esmt #220003780 recorded 3/31/22. C2C issued 4/5/22. Pre-Con and wet tap were completed on 9/12/2022. Warranty Letter 11/2/22. BOSQC rec'd 11/3/22.			
Job #: 2021090	Job Type: Site Plan w/Proposed Utilities	Service Area: Forest	Last updated on: 8/25/2022
Job Name: Victor & Anita Weatherholt Office Building - Site Plan			Department Contact: C Slusser
Description: Proposed two 1-story office buildings (5,376 SF each).			
Status: TRC 8/24/21. Concept 01 rec'd 8/19/21. Comments issued 8/23/21 for TRC Webex Mtg on 8/24/21. Site Plan 01 rec'd 8/18/22. Comments 01 emailed to Planning 8/25/22.			
Job #: 2021099	Job Type: Fire Flow Meter	Service Area: Central	Last updated on: 10/26/2022
Job Name: Bedford Readiness Center - FFMV			Department Contact: T Hale / S Dade
Description: Bedford Readiness Center fire service improvements. New FFMV.			
Status: Corresponding and working with the Timmons Group on FFMV requirements to meter a currently unmetered fire line. 2/4/22 - received e-mail from Timmons stating Plan was out for bids and a contractor had an RFI regarding the FFMV; Responded to Timmons with answer & reminder of outstanding items including a Site Plan for review/approval, Developer Agmt, Esmt, etc.. Site/Dsgn 01 rec'd 2/4/22; Comments and Dev Pkg issued 2/10/22. Site/ Dsgn Plan 02 rec'd 2/14/22. Comments issued 2/25/22. Revised Plans & Esmt Exhibits rec'd 3/4/22. Site/Dsgn 03 rec'd 3/7/22. Developer Agreement rec'd 3/14/22. Site/Dsgn 03 and Esmt Exhibits 02 Comments issued 3/14/22. Site/Dsgn 04 & Esmt Exhibits 03 rec'd 3/16/22. Site/Dsgn 05 rec'd 3/23/22. Site/Dsgn 05 approvable. Esmt Exhibits approved. Site/Dsgn 05 hard copies rec'd 3/31/22. BRWA Esmt Agmt format not acceptable to Virginia Department of General Services (DGS); Requested Engineer prepare Esmt in DGS acceptable format and submit to BRWA for review. E-mailed Engineer 5/3/22 to check on status of outstanding easement, Contractor, Cost Estimate & Shop Drawings. Offsite Esmt from Town for existing sewerline rec'd and recorded ESMT #220005974 5/24/22. Shop Dwg 01 rec'd 6/13/22. Requested signature authority documentation sent to Virginia Department of General Services (DSG) 7/1/22. Shop Dwg 02 rec'd 8/1/22. Draft Easement Agreement rec'd and in review. Shop DWG 03 rec'd 8/19/22. Shop DWG 04 rec'd 8/25/22. Deed of Esmt executed by BRWA and mailed to DGS via USPS 8/31/22. FFT Fee rec'd 9/9/22. Shop DWG approved 9/16/22. ESMT #220011364 recorded 10/14/22. C2C issued 10/26/22.			
Job #: 2021102	Job Type: Sewer	Service Area: Bedford Central	Last updated on: 10/6/2021
Job Name: Winoa Sewer System Transfer			Department Contact: R English
Description: Transfer of privately owned sewer lines and pump station serving former Winoa / Wheelabrator facilities and Bison Printing. (Also see 2021032 and 2015016)			
Status: Contract Operations agreement executed 9/14/21 to offer operational and maintenance assistance until transfer is completed.			
Job #: 2021114	Job Type: Internal	Service Area: Countywide	Last updated on:
Job Name: Program for Low Water Pressure Customers			Department Contact: R English
Description: Establishing program or policy for addressing customers with pressures at the water meter that are regularly or intermittently less than 20 psi.			
Status:			
Job #: 2022020	Job Type: Site Plan w/Proposed Utilities	Service Area: Forest	Last updated on: 8/2/2022
Job Name: Farmington Section 20 Storage Area - Site Plan			Department Contact: S Foster
Description: Proposed boat & RV storage Lot with no proposed water or sewer connection.. PS access road to become 'joint-use' access.. Gate to be relocated to just past Storage Area. O&M of road and PS water service line easement to be clarified & formalized.			
Status: TRC 2/22/22. Concept 01 rec'd 2/17/22. Site Plan 01 rec'd 7/20/22. Comments issued 8/2/22.			

Job #: 2022021	Job Type: Sewer	Service Area: Moneta	Last updated on: 11/4/2022
Job Name: Key Largo Sewer Forcemain Extension - Design			Department Contact: C Slusser
Description: Proposed sewer forcemain extension along Key Largo to serve 221-A-47.			
Status: Concept 01 rec'd 2/18/22; Design forthcoming. Emailed Engineer 2/22/22. Dsgn 01 & Base Fee rec'd 3/17/22. Comments 01 emailed to Engineer 4/12/22. FM Calculations 01 comments issued 4/12/22; FM Calculations 02 rec'd 4/12/22; Dsgn 02 rec'd 4/15/22. Dev Pkg issued & Comments 02 emailed to Engineer 5/11/22. Dsgn 03 rec'd 5/16/22. Signed Developer Agmt & Review Fees rec'd 5/18/22. Comments 03 emailed to Engineer 6/3/22. Dsgn 04 rec'd 6/7/22 (\$200.00 re-review fee needed). Re-review Fee rec'd 7/5/22. Comments 04 emailed to Engineer 7/11/22. Dsgn 05 & re-review fee rec'd 7/12/22. Dsgn 05 approvable 7/27/22 - awaiting Inspect Fee & remaining Dev Docs. Hard Copies of Shops Dwg rec'd 11/03/22. Inspection Fees rec'd 11/3/22. Shop Dwg Approved 11/4/22.			
Job #: 2022026	Job Type: Other	Service Area: Forest	Last updated on: 11/7/2022
Job Name: TEVA Facility Inquiries (2150 Perrowville Road)			Department Contact: R English
Description: Bedford County Economic Development Authority (EDA) working with groups for promoting sale or lease of former TEVA / Barr Labs facility at 2150 Perrowville Road. Capacity data and inquiries stored in this file.			
Status: Meetings attended on 3/8 and 4/5/22 with potential tenants (REC Americas), with information provided to them on existing water and sewer caacity, and potential increased sewer capacity upon upgrade of a ~100 section downstream. REC selected a different site for their development. Responded to property agent's inquiries on 5/21/22 from another potential tenant. BRWA attended meeting with interested tenant on 9/6/22 and responded to water and sewer inquiries. Projected usage information rec'd 10/10/22 projecting 37k to 360k gpd water usage and 37k to 342k gpd sewer flow from the initial to final development phases. Working with WRA to determine ways to increase water capacity at location. Will also schedule flow testing with various valve scenarios to determine if system has a closed valve.			
Job #: 2022027	Job Type: Water & Sewer	Service Area: Moneta	Last updated on: 11/4/2022
Job Name: The Village at Smith Mountain Lake - Design			Department Contact: W Quarles
Description: Proposed 8 residential lots and 2 commercial lots.			
Status: TRC 3/22/22. Concept 01 rec'd 3/9/22. FFT fee rec'd 3/16/22. Dsgn 01 rec'd 5/11/22. Water Calcs 01 rec'd 5/11/22. Sewer Calcs 01 rec'd 5/18/22. Base Review Fee rec'd 6/10/22. Dsgn 01, Water Calcs 01, FMM Calcs 01 & Plat 01 Reivew comments all issued 6/10/22. Dsgn 02 rec'd 7/7/22. Design 02 comments, water calcs 02 comments, Plat 02 comments and Developer Package issued 8/1/2022. Developer Agmt, Review Fees and Re-Review Fee (fees VOID) rec'd 8/2/22. Re-review, Review & Inspection Fees rec'd 8/11/22. Dsgn 03 & Water Calcs 03 rec'd 8/24/22. Dsgn 03 approvable pending FM Calcs and confirmation of VDOT approval. Water Calcs 03 approved. Comments e-mailed to Planning, Engineer & Developer 9/16/22 with outstanding items list.. Rec'd Cost Estimate. Issued Surety Requirement Amount. Surety #4 rec'd 9/22/22. Shop Dwg 01 rec'd 9/27/22. Dsgn 04 (pump station added) & Sewer Calculations 02 rec'd (Need Extended Re-review Fee) 10/12/22. Extended Re-review Fee rec'd 10/17/22. Dsgn 05 (slip sheet) rec'd 10/24/22. Shop Dwg approved 11/4/22.			
Job #: 2022033	Job Type: Fire Flow Meter	Service Area: Forest	Last updated on: 10/31/2022
Job Name: Goodwill Industries Forest - FFMV			Department Contact: J Dean
Description: Proposed 27,130 sf. Goodwill building			
Status: TRC 4/12/22. Concept 01 rec'd 4/7/22. Sewer Capacity purchase for existing sewerline was paid for by Riverbend for 2015-081 project. Contacted Riverbend. Site Plan 01 rec'd 7/21/22. Comments sent to Planning 8/11/22. FFT Fees rec'd 9/26/22. Site Plan 02 rec'd 10/5/22. Comments sent to Planning 10/31/2022.			
Job #: 2022041	Job Type: Other	Service Area:	Last updated on: 5/24/2022
Job Name: VDOT Sidewalks Graves Mill & Gristmill - Site Plan			Department Contact: J Dean
Description: Proposed sidewalks at Perrowville and on 221 connecting to the current Graves Mill / Grist Mill job.			
Status: Site Plan rec'd 4/26/22. Comments sent to VDOT 5/24/22.			
Job #: 2022047	Job Type: Preliminary Plan	Service Area: Forest	Last updated on: 10/28/2022
Job Name: Jefferson Village Drive Townhomes - Preliminary Plan			Department Contact: J Dean
Description: Proposed 56 lots.			
Status: Prelim Plan 01 rec'd 5/5/22. Comments sent to planning 6/14/22. Prelim Plan 02 rec'd 10/28/22.			
Job #: 2022053	Job Type: Fire Flow Meter	Service Area: Forest	Last updated on: 10/13/2022
Job Name: Blue Ridge Professional Park - Site Plan			Department Contact: C Ward
Description: Proposed 4 new buildings & parking.			
Status: TRC 6/14/22. Concept 01 rec'd 6/7/22. Site Plan 01 rec'd 10/13/22.			

Job #: 2022058	Job Type: Preliminary Plan	Service Area: Forest	Last updated on: 10/4/2022
Job Name: The Towns at New London Townhomes - Preliminary Plan			
Description: Proposed 47 town house buildings creating 217 lots.			Department Contact: S Foster
Status: Prelim Plan rec'd 6/27/22 to be on 7/26/22 TRC agenda. Comments to be addressed at TRC 7/26/22. Water and Sewer Capacity Letter issued to Planning. Preliminary Plan 01 review comments e-mailed to Planning 7/12/22. Prelim Plan 02 rec'd 9/20/22. Comments issued to Planning 10/4/22.			
Job #: 2022061	Job Type: Preliminary Plan	Service Area: Forest	Last updated on: 10/3/2022
Job Name: Perrowville Road Townhomes - Preliminary Plan			
Description: Proposed 12 town houses buildings creating 53 lots.			Department Contact: C Slusser
Status: Prelim Plan rec'd 7/1/22. Comments to be addressed at TRC 7/26/22. Comments 01 emailed to Planning 7/22/22. Prelim Plan 02 rec'd 9/20/22. Comments 02 emailed to Planning 10/3/22.			
Job #: 2022068	Job Type: Internal	Service Area: Central Bedford	Last updated on: 8/5/2022
Job Name: DEQ Central Consent Order Update			
Description: Annual update for work completed, underway, and planned for reduction of inflow and infiltration in the Central sewer sytem.			Department Contact: R English
Status: Cartegraph information has been sorted for relevant work. Draft report is underway.			
Job #: 2022078	Job Type: Site Plan w/Proposed Utilities	Service Area: Moneta	Last updated on: 8/23/2022
Job Name: Smith Mountain Lake Airport, LLC - Site Plan			
Description: Proposed airport hanger building and additonal site improvements.			Department Contact: S Foster
Status: Site Plan 01 rec'd 8/18/22, Comments issued 8/23/22.			
Job #: 2022083	Job Type: Concept	Service Area: Town	Last updated on: 10/25/2022
Job Name: Liberty Ridge Elks Home - Concept			
Description: Mixed Residential Development (308 total dwelling units).			Department Contact: C Slusser
Status: Town Concept no Town TRC date scheduled. Concept 01 rec'd 9/26/22. Comments 01 emailed to Town & Surveyor 10/25/22.			
Job #: 2022087	Job Type: Site Plan w/Proposed Utilities	Service Area: Town of Bedford	Last updated on: 10/7/2022
Job Name: Royal Farms - Site Plan			
Description: Proposed automobile service station.			Department Contact: J Dean
Status: Site plan 01 rec'd 10/7/22			
Job #: 2022088	Job Type: Site Plan w/ Existing Utilities	Service Area: Forest	Last updated on: 10/6/2022
Job Name: 18145 Forest Road Addition - Site Plan			
Description: Proposed addition to existing automotive buidling.			Department Contact: C Slusser
Status: Site Plan 01 rec'd 10/6/22.			
Job #: 2022090	Job Type: Site Plan w/ Existing Utilities	Service Area: Moneta	Last updated on: 10/19/2022
Job Name: Breez Ice cream Parlor - Site Plan			
Description: Proposed icecream parlor.			Department Contact: C Ward
Status: Site Plan 01 rec'd 10/19/22.			

Job #: 2022095	Job Type: Concept	Service Area: Forset	Last updated on:
Job Name: Corporate Park Drive Townhomes - Concept			11/2/2022
Description: Proposed townhome development.			Department Contact:
			C Ward
Status: TRC 11/9/22. Concept 01 rec'd 11/2/22.			

Current Capital and Internal Projects Report

Bedford Regional Water Authority

Job #: 2017050	Job Type: Internal	Service Area: Bedford Central	Last Updated: 9/12/2022
Job Name: Bell Town Road Waterline Extension (ARPA)		Funding/Budget: \$500,000.00	
		Funding Source: ARPA - Town	Department Contact: W Quarles & J Dean
Engineer: Engineering Concepts		Design Contract Amt: \$44,465.00	
Contractor:		Construction Contract Amt:	
Description: The City extended the waterline in 2004 (JN 2004-121) and again in 2007 (JN 2007-159) to take care of wells that were impacted by leachate. The next group of homes east of Draper Road would like the service extended to them.			
Status: The Town has asked for assistance from the BRWA. Design proposal received on 10/18/2021 to be accepted once BRWA receives executed MOU from the Town. Design proposal accepted from Engineering Concepts, Inc. on 12/2/2021. Dsgn 01 rec'd 3/29/22. Dsgn 02 rec'd 5/26/22. Comments submitted 7/7/22. Dsgn 03 rec'd 9/12/22.			
Job #: 2019061	Job Type: Internal	Service Area: Central, Lakes	Last Updated: 11/6/2022
Job Name: Energy Performance Study and Improvements		Funding/Budget: \$5,316,745.00	
		Funding Source: VRA / CIP	Department Contact: R English / M Ramsey
Engineer: Schneider Electric; BRES (3rd Party)		Design Contract Amt: \$12,600 (BRES)	
Contractor: Schneider Electric		Construction Contract Amt: \$5,316,745	
Description: Evaluation of existing facilities and upgrades that can be made that reduce energy costs to create savings greater than or equal to the cost of upgrade.			
Status: A meeting was held 5/13/19 with Scheider Electric to discuss their basic review of improvements to the Central WWTP that could be made. DMME presented the public process on 5/14/19 and provided template documents for the initial process. Schneider will review the proposed project with the Finance Committee on 9/12/19. Project included in financial study. Board resolution passed in Jan to execute IGA upon verification of procurement processes. Virtual walk-through of Central WWTP on 4/15. Design Intent Document (DID) was reviewed with proposed Energy Control Measures (ECMs). VRA funding application submitted. Final DID prepared. Bond paperwork signed 11/5. Board approved contract at 11/2020 Board meeting. Utilities marked by locators for project survey. 90% plans reviewed; 100% drawings and material submittals expected by end of April, with deliveries scheduled to begin in September. BRES (Chris Fewster) assisting with 3rd party review of plans and submittals. Delivery of blowers is delayed. As of 9/29, all equipment ordered; pumps, office & equipment trailers on site. Due to volume of existing underground utilities, much of electrical and communications lines being routed on sides of basins. Electrical work to begin 11/9/21. Conduit installation and belt filter press demolition began late November 2021. New belt filter press and conveyor has been delivered. Conduit installation is nearly complete. The belt filter press is installed and operating well. Training on the new press has been delayed due to COVID. Blowers are the limiting factor in the supply chain, and the Contract Completion date has been extended to 8/31/2022. Blowers have been received and installed. The blowers received to-date did not come with rain hoods as specified; rain hoods were shipped separately and have been installed for all but last received blowers. Dissolved oxygen probes have been installed and calibrated. Final completion anticipated in November due to delay in receiving zone 4 blowers. Aeration Zone 4 blowers have been installed. Aeration zones 1-3 were pumped down for diffuser replacement. Contractors assiste with cleaning out east anoxic zones 1-3 and operators cleaned out east aeration zone 4. East aeration zones will be back on line the week of 11/7.			
Job #: 2019081.1	Job Type: Water	Service Area: Lakes	Last Updated: 8/8/2022
Job Name: Paradise Point Waterline Replacement		Funding/Budget:	
		Funding Source: Setasides - Water	Department Contact: W Quarles
Engineer: BRWA		Design Contract Amt: N/A	
Contractor: TBD		Construction Contract Amt: TBD	
Description: Replacement of existing galvanized waterlines as discussed during system transfer.			
Status: .Design being prepared by BRWA. Esmt #210007627 recorded 5/24/21. Esmt #210008066 recorded 6/1/21. Await two more easements. Requested AJ Conner to provide construction cost proposal. Cost proposal received for directional drilling 3-inch main along Hales Ford Road and is being reviewed for approval. VDOT Land Use Permit #21-28841 rec'd 11/10/21. Notice to Proceed issued to AJ Conner for construction to begin as soon as 12/6/2021. Esmt #220001654 2/10/22. Annual contractor to begin construction in March 2022. Annual Contractor completed installation of 3-inch main along Hales Ford Road. CIP crew began installing waterlines along Daniels Court and Contentment Lane. All waterlines have been installed per the plans and are being tested and flushed as of 8/1/2022. Service connections will be transferred to the new main line once flushing is complete. Flushing complete and samples (6 total) came back good 8/4/2022. CIP crew are due to begin switching customers to the new mains the week of 8/8/2022.			

Job #: 2020043.2	Job Type: Sewer	Service Area: Forest	Last Updated: 11/7/2022
Job Name: Ivy Creek Divisions 5 & 6 Interceptors - Funding		Funding/Budget:	
		Funding Source: CIP	Department Contact: R English
Engineer: Wiley Wilson (app. only)		Design Contract Amt: \$5160	
Contractor: N/A		Construction Contract Amt: N/A	
Description: Funding to complete the Ivy Creek sewer line to take the Lake Vista Pump Station offline.			
Status: PER modification completed for CWRLF funding application; application submitted on 7/8/20. Conditional approval rec'd, final approval upon SWCB meeting in December. Meeting held with DEQ and DB team on 10/7 to discuss funding process. DEQ approved funding in 12/2020. Anticipated closing on loan in Spring 2021. Request of EA exemption for 460 pump station submitted 2/12/21, approval rec'd 3/31/21. AIS exemption approved for 460 PS in May '21. EA process for Ivy Creek required to be complete prior to loan closing. Archaeological survey completed. Final EA draft submitted to DEQ on 12/3/21 for review. Public hearing advertised for 3/14/22 at Forest Library to review EA. Due to material price increases, CHA assisting with efforts to apply for DEQ grant/ARPA funds towards project. Updated info provided to VRA related to credit verification. Public notice for DEQ's final environmental review was advertised on 5/6/22, with 30 day comment period before approval can be finalized. Request sent to DEQ on 5/17 for additional CWRLF funding, further clarified on 6/8. A list of contract information required by DEQ for closing was received 6/8 and sent back ; some information may require the DB construction amendment to be in place. Approval of increased funding was rec'd by email on 7/5/22. Commitment letter received from DEQ; bond resolution approved at August Board meeting. 11/7: DEQ verifying plans and spec requirements are met prior to scheduling closing; DEQ rep out of office and passing to Mike Crocker with DEQ to finalize.			
Job #: 2020043.3	Job Type: Sewer	Service Area: Forest	Last Updated: 11/7/2022
Job Name: Ivy Creek Divisions 5 & 6 Interceptors		Funding/Budget: \$15,471,092.30	
		Funding Source: DEQ - VCWRLF	Department Contact: R English \ S Foster
Engineer: CHA / E.C. Pace		Design Contract Amt: \$1,277,900	
Contractor: E.C. Pace		Construction Contract Amt: \$13,686,954	
Description: Design and construction of Ivy Creek sewer extension from Lake Vista to Lynchburg; includes temporary capacity measures at Lake Vista Pump Station until project completion.			
Status: Meeting held 1/11/21 at LVPS to review station for temporary capacity measures needed. SRP application submitted in May for 6/15/21 Planning Commission meeting. 30% drawings expected mid-May for sewer line. DB Team working on plans for temporary capacity increase at LVPS. Comments returned on 30% drawings on 5/24 and reviewed with DB on 5/27. Reviewing temporary LVPS solutions with DB on 8/11/21. Esmts #210012980 & 210012981 recorded 9/8/21. 10/5: Pipe materials difficult to find, significant cost increase. Esmts #210015229, #210015230, #210015231 & #210015232 recorded 10/26/21. 60% drawings rec'd 11/4/21 - Review completed by SWF 11/16/21, with final review by RBE and comments returned on 12/2/21. Esmt #210016351 recorded 11/17/21. Esmt #210016549, #210016550 & 210016569 recorded 11/22/21. Esmt #210018045 recorded 12/22/21. Public hearing to be scheduled to review Environmental Assessment per DEQ. ESMT's #220000674 & 220000675 recorded 1/14/22. #220000834 & #220000835 recorded 1/20/22. Working with Lynchburg on special requirements needed for easements providing benefit to Lynchburg; Lynchburg requiring deed with title search and plats. Continued discussions with 2 property owners for sewer line easements. VMRC permit advertised. Dsgn 03 rec'd 2/10/22. Reviewed to Sheet C-316. Stopped review & issued comments thus far on 2/24/22. Outstanding sewer line easements presented to the Board in March; sewer meter access easements to be addressed at a later date if needed. ESMT's #220002973 & 220002974 recorded 3/14/22. ESMT's #220003144 & 220003145 recorded 3/17/22. ESMT #220003779 recorded 3/31/22. All linework easements obtained; access easements pending. 2 line easements to be corrected with Lynchburg as Grantee. Updated construction cost estimate received 5/3/22 reflecting significant price escalations; Dsgn 04 rec'd 6/10/22. Draft construction contract amendment rec'd 7/6/22 and reviewed by legal counsel; will present for approval at August Board meeting. Design plans being finalized. Access easements being obtained, as well as updated and/or widened easements where applicable. Construction Amendment signed 8/19/22. Dsgn 05 rec'd 8/23/22. Dsgn 05 review completed 9/8/22. Awaiting review comments from Lynchburg for final plan updates. 10/20: approximately 4000 LF of pipe is on site; due to environmental restrictions for endangered bat species, tree removal not permitted until 11/15. Clearing and stream crossings to begin 11/15.			
Job #: 2020043.4	Job Type: Water	Service Area: Bedford Central	Last Updated: 11/3/2022
Job Name: Route 460 Water Pump Station		Funding/Budget: \$2,300,000.00	
		Funding Source: CIP	Department Contact: R English \ S Dade
Engineer: CHA / E.C. Pace		Design Contract Amt: \$89,000	
Contractor: E.C. Pace		Construction Contract Amt: \$2,123,813	
Description: Value engineering design and construction of booster station at the end of East Crest Drive.			
Status: Preliminary Stage contract for PPEA project executed 12/18/20. Construction Stage contract for this portion of the project anticipated early spring 2021. Working with contractor to obtain permanent electric service installed for use with temporary pump measures. In 2/2021, Bedford Electric indicated 9 month delay to obtain 3-phase transformer for site; updated delivery expected 6/1/21. Electric agreement executed 5/27. DB removed trees for electric service. VE plans rec'd and submitted to VDH on 8/2; met with DB on 8/11/21 to review. VDH verbally approved 10/5. Contract amendment #1 for construction approved at October Board meeting, along with increased budget from \$2M to \$2.3M. Contract amendment executed 10/25/21. Contractor mobilized to site 12/6/21. Construction has begun. 85% of site pipe work is complete. Foundation floor and foundation lower wall has been installed as of 3/3/2022. Ph 1 (design) paid in full in 1/2022; Ph 2 (construction) pay apps #1-#6 approved total of \$1,040,898.37, plus \$40,400 paid for electric service. Pumps are further delayed until September. Draft Change Order received for time extension until November to allow for pump installation and startup. Pumps are delayed again until late October. SCADA startup meeting held on 9/27 with DR Controls. Electrical and HVAC nearly complete. Pumps arrived and have been installed 11/3/2022.			

Job #: 2021004	Job Type: Internal	Service Area: Central Sewer	Last Updated: 11/1/2022
Job Name: Town & County Sewer Replacement		Funding/Budget:	
		Funding Source: ARPA	Department Contact: W Quarles
Engineer: Hurt & Proffitt, Inc.		Design Contract Amt: \$114,600	
Contractor: Aaron J. Conner General Contractor, Inc.		Construction Contract Amt: \$1,999,351	
Description: Replacement of approximately 9,000 LF of existing 8-inch sewer line.			
Status: Esmt's #220003307 & #220003308 recorded 3/22/22. Esmt # 220003778 recorded 3/31/22. Esmt #220004617 recorded 4/21/22. Esmt #220005778 recorded 5/18/22. Esmt #220006243 recorded 5/31/22. Esmt #220007354 recorded 6/29/22. Project was advertised for bid on 7/22/2022. Bid opening will be held on 8/24/2022. Bid awarded to Aaron J. Conner. NTP issued 10/24/2022. VDOT LUP obtained. Pay App #1 received 11/01/2022.			
Job #: 2021064	Job Type: Water	Service Area: Lakes	Last Updated: 8/8/2022
Job Name: Moneta Park Waterline Extension		Funding/Budget:	
		Funding Source: County	Department Contact: W Quarles; Jared Dean
Engineer: Hurt & Proffitt		Design Contract Amt: \$39,800	
Contractor: Wells Construction		Construction Contract Amt: \$391,357.25	
Description: Proposed waterline extension down Rucker Road to Moneta Park.			
Status: Requested design proposal from H&P on 6/28/2021 and received 6/30/21 under review. Requested modeling from WR&A for 6-inch vs 8-inch. NTP issued to H&P for design of 8-inch watermain on 7/29. Preliminary alignment of waterline approved on 9/7/2021. SRP approved on 10/19/2021. Water Calculations 01 rec'd 10/28/21. Dsgn 01 rec'd 11/8/21. Dsgn 02 & Water Calculations rec'd 1/6/22. Design 02 Reviewed - approvable and no further comments (1/13/22); Minor comments for Calculations 02 issued 1/13/22. Bids for construction were received on 2/24/2022. Notice of Award will be issued upon County acceptance of low bid. Shop Dwg 01 rec'd 4/11/22. Construction Contract Agreement executed and NTP issued on 4/26/2022. Waterline installation along Park entrance has begun. VDOT Land Use Permit #216-29044 rec'd 6/15/22. 4-inch waterline has been installed and approximately 2400 LF of 3,300 LF of 8-inch has been installed as of 6/30/2022. Installation is complete and line has been charged and tested. Sampling and flushing to be performed and water main to be put into service by the end of August. Main flushed and bac-t samples (8 total) all came back good 8/5/2022. Tracewire boxes still need to be changed to what was approved for construction.			
Job #: 2021093	Job Type: Sewer	Service Area: Forest Central	Last Updated: 2/7/2022
Job Name: Lake Vista Sewer Line Rehabilitation Study		Funding/Budget:	
		Funding Source: Operating	Department Contact: P Alexander
Engineer: BRWA Preventative Maintenance		Design Contract Amt:	
Contractor:		Construction Contract Amt:	
Description: Analysis of 24" and 18" sewer line flowing into LVPS to identify any large sources of I&I and plan for rehabilitation as appropriate to limit peak flows into LVPS.			
Status: PM Crew to perform condition assessment, CCTV survey, and easement clearing. All manholes and cleanouts have been located. Working on clearing the easements.			
Job #: 2021103	Job Type:	Service Area: Central Sewer	Last Updated: 8/1/2022
Job Name: Central Sewer Pump Station Rehabs (4, 7, & 8)		Funding/Budget: \$186,000.00	
		Funding Source: CIP	Department Contact: W Blankenship
Engineer: Blue Ridge Engineering & Construction Services		Design Contract Amt: \$5,000	
Contractor: Annual Contractor		Construction Contract Amt: TBT	
Description:			
Status: PS #7 to be rehabbed in FY22; PS #7 will be replaced with Smith & Loveless pumps.. PS #4 I&I Evaluation and PS #8 Rehab slated for FY23. PS #4 Rehab slated for FY24. Materials for replacement were ordered from Smith & Loveless and Fairwinds on 6/1. Shop drawings were reviewed and delivery is scheduled for 11/2022.			

Job #: 2021105	Job Type: Other	Service Area: Bedford Central	Last Updated: 6/6/2022
Job Name: Stoney Creek Reservoir Telemetry		Funding/Budget: \$10,000.00	
		Funding Source: CIP	Department Contact: T Bethel
Engineer:		Design Contract Amt:	
Contractor: Fairwinds Automation		Construction Contract Amt: \$2,500	
Description: Initial telemetry installation at Stoney Creek Reservoir			
Status: Equipment installation is nearly complete. InfoSys is working to obtain Internet access from BRISCNET. InfoSys has established Internet access. Land-side wifi bridge installation is tentatively scheduled for the week of 2/08/2022. Water-side equipment installation and startup will follow as the weather conditions allow. All equipment except for the security camera is installed. Initial SCADA screen is in place and will be revised once field measurements are taken. Information Systems and Brian Key are working with the County to have the Internet connection at the Wheats Valley Tower restored. A temporary cellular modem is in place for the instrumentation only (no camera).			
Job #: 2021111	Job Type: Water	Service Area: Bedford Central	Last Updated: 11/7/2022
Job Name: Helm Street Tank Replacement		Funding/Budget: \$2,162,916.00	
		Funding Source: ARPA-Town, Escrow	Department Contact: R English
Engineer: Whitman, Requardt & Associates (WRA)		Design Contract Amt: \$218,203	
Contractor:		Construction Contract Amt:	
Description: Replacement of existing deteriorated round tank at Helm Street with a new tank to serve the system.			
Status: Scoping meeting held with WRA and BRWA on 11/9 to review design options prior to design proposal. On-site meeting held 12/9 with WRA to review field conditions prior to preparing proposal. Proposal received 12/20 and under review to reduce scope where feasible. Scope revisions requested to reduce level of analysis. Revised proposal received 2/14/22 and executed 3/2/2022. Preliminary budget estimate from WRA indicates total project cost of approx. \$3.5M. Kickoff meeting held 4/12. Survey began 5/4; and is complete; soil borings completed 5/9. Meeting held 6/22 to review waterline functions and connectivity on site. Preliminary Design Report and geotech report rec'd 7/26, 2 weeks behind schedule. Comments returned 8/17; revisions rec'd 9/20. Preliminary engineering conference held with VDH on 11/1.			
Job #: 2021135	Job Type: Water	Service Area:	Last Updated: 10/11/2022
Job Name: Galax Street Waterline Replacement		Funding/Budget:	
		Funding Source:	Department Contact: C Ward
Engineer:		Design Contract Amt:	
Contractor: BRWA CIP		Construction Contract Amt:	
Description:			
Status: Construction began 10/11/22.			
Job #: 2022008	Job Type: Internal	Service Area: Town of Bedford	Last Updated: 10/3/2022
Job Name: Town & Country Waterline Replacement		Funding/Budget:	
		Funding Source: Setasides - Water	Department Contact: C Ward
Engineer: Hurt & Proffitt, Inc.		Design Contract Amt: \$57,700	
Contractor:		Construction Contract Amt:	
Description: Sewer line replacement project.			
Status: Dsgn 01 rec'd 10/3/22.			
Job #: 2022018	Job Type: Internal	Service Area: Countywide	Last Updated: 10/10/2022
Job Name: Lead Compliance Planning & Implementation		Funding/Budget: \$50,000.00	
		Funding Source: CIP	Department Contact: R English
Engineer:		Design Contract Amt:	
Contractor:		Construction Contract Amt:	
Description: Lead Compliance Regulations (LCR) requires Lead Service Line (LSL) inventory, replacement, and other details for a compliance plan.			
Status: Requested information from consultants on scope of assistance they could provide along with anticipated budget. Preliminary information and budgets received from various consultants ranging from \$50k to \$265k for consultant assistance. \$50k proposed in FY22-23 CIP. CHA assisting with grant funding application through DWSRF, LEAP funding application was submitted to VDH on 5/5 for \$60k assistance towards Town LSL Inventory. BRWA listed as a grant recipient; DEQ finalizing grant offer letters.			

Job #: 2022034	Job Type: Internal	Service Area: Countywide	Last Updated:
Job Name: Capital Improvement Program FY 2023-2024		Funding/Budget:	
Engineer:		Funding Source:	Department Contact:
Contractor:		Design Contract Amt:	R English
Description: Planning for proposed projects and purchases for the 2023-2024 fiscal year.		Construction Contract Amt:	
Status:			
Job #: 2022040	Job Type: Internal	Service Area: Central Sewer	Last Updated:
Job Name: Central Pump Station #10 Streambank Restoration		Funding/Budget:	7/26/2022
Engineer: BRWA		Funding Source: Setasides - Sewer	Department Contact:
Contractor:		Design Contract Amt:	P Alexander
Description:		Construction Contract Amt:	
Status: Stabilize streambank along gravity sewer main and force main to CPS 10. ESMT #220008453 recorded 7/26/22.			
Job #: 2022049	Job Type: Internal	Service Area: Lakes	Last Updated:
Job Name: Mountain View Shores Filter Replacement and Drainfield Repair		Funding/Budget: \$150,000.00	10/3/2022
Engineer: Blue Ridge Engineering & Construction Services		Funding Source: CIP	Department Contact:
Contractor: CIP Crew		Design Contract Amt: \$7,500	W Quarles
Description:		Construction Contract Amt:	
Status: 90% of the materials for Phase 1 of the drainfield repair are on site. The distribution box, header pipes, and all four 150' drain lines will be replaced by the CIP crew. Drainfield replacement was completed by the CIP crew. Total cost of drainfield replacement as of 11/2/2022 \$19,208.68. The filter replacement is forthcoming.			
Job #: 2022056	Job Type: Internal	Service Area:	Last Updated:
Job Name: Peakview Street Waterline Replacement		Funding/Budget:	10/3/2022
Engineer:		Funding Source:	Department Contact:
Contractor:		Design Contract Amt:	C Ward
Description:		Construction Contract Amt:	
Status: Under design.			
Job #: 2022079	Job Type:	Service Area: Central Sewer	Last Updated:
Job Name: Central Pump Station #1 Flow Monitoring		Funding/Budget:	10/3/2022
Engineer: Hurt & Proffitt, Inc		Funding Source: Setasides - Sewer	Department Contact:
Contractor:		Design Contract Amt: \$22,800	W Quarels
Description:		Construction Contract Amt:	
Status: CPS #1 flow monitors were installed. A total of 4 flow montiors have been installed.Flow monitoring data was received for Sept and Oct.			

Job #: 2022080	Job Type: Sewer	Service Area:	Last Updated:
Job Name: DEQ ARPA SCS Program		Funding/Budget:	10/3/2022
Engineer: Hurt & Proffitt, Inc.		Funding Source: Operating	Department Contact:
Contractor:		Design Contract Amt: 32,500, 49,900, 62,	W Quarles
Description: Route 43 - \$49,900 Town and Country - \$32,500 Western Hills - \$62,700		Construction Contract Amt:	
Status: SCS Program - Proposals were accepted with H&P to complete the DEQ applications for Town & Country Sewer Replacement, Route 43 Sewer Replacement, and Western Hills Sewer Replacement. A kickoff meeting has been scheduled for 10/4/2022.			
Job #: 2022081.1	Job Type: Feasibility Study	Service Area: Bedford Central	Last Updated:
Job Name: Stoney Creek Dam Ph 1 - Low Level Drain PER / Design		Funding/Budget: \$100,000.00	11/7/2022
Engineer: Wiley Wilson / Schnabel Engineering		Funding Source: CIP	Department Contact:
Contractor:		Design Contract Amt: \$45,840	R English / W Quarles
Description: Engineering study and design for the most feasible options for repair of the low level drain outlet, and an alternate valving system that may be accessed outside of the dam area. Budget reflects Phase 1 only.		Construction Contract Amt:	
Status: Poposal received from Wiley Wilson on 9/6/22 using Schnabel for a preliminary engineering report. Preliminary visit with consultants at dam on 10/13 to review project; boil found at drain basin and investigated by PM crew on 10/17 to be an additional PVC drain pipe under the dam.			
Job #: 2022085	Job Type:	Service Area: Countywide	Last Updated:
Job Name: SCADA System Reliability Improvements		Funding/Budget: \$78,000.00	11/7/2022
Engineer:		Funding Source: CIP	Department Contact:
Contractor: Fairwinds Automation		Design Contract Amt: \$78,000	R English
Description: Creation of distributed SCADA network to ensure operation of plants when communications to central server are lost, upgrade Ignition to current version, and set up full function redundancy at each plant.		Construction Contract Amt:	
Status: Preliminary meeting held 10/26/22 to review project; will schedule initial work upon completion of CWWTP Energy Project (2019061) and in coordination with DR Controls work at 460 Pump Station (2020043.4).			

Developer Dedications Fiscal Year 2022-2023

Project	Project Type	Developer	Water		Sewer		Date Put Into Service
			Project Cost Ledger Acct 1500-1000	PipeLength	Project Cost Ledger Acct 1700-0016	Pipe Length	
2022038 BRAAC Elkton Farm Road - FFMV	Fire Flow Meter	St. Vincents Home	\$67,000.00	0 lf	\$0.00	0 lf	8/12/2022
2020095 Boonsboro Meadows Sections 3 & 4 - Design	Water & Sewer	Abbey Glen, LLC P.O. Box 382 Appomattox, VA 24522	\$151,700.00	2119 lf	\$132,240.00	1919 lf	10/21/2022
			Total Value Waterline Dedications:		\$218,700.00		
			Total Length Water Pipe:		2119 lf		
			Total ValueSewer Line Dedications:		\$132,240.00		
			Total Length Sewer Pipe:		1919 lf		
			Total Value of Dedications:		\$350,940.00		

CAPITAL IMPROVEMENT PROGRAM

Projects Listing

Line ID	Service Area	Water or Sewer	Project	Funding Source / FYE CIP	Project Costs (Budget)	Project Costs (Contracted)	Spent to Date	Remaining to Spend	Department Requesting	Responsible Manager	Current Status	Last Update	Status Notes
1	Central	Sewer	Energy Saving Project - Central WWTP	Debt Service / Other	\$5,281,599	\$5,296,745	\$ 4,728,240	\$ 553,359	Wastewater	Mike	In Progress		
2	Forest	Sewer	Ivy Creek 5 & 6 Design, Construction & Capacity	Debt Service / Other	\$15,471,092	\$15,471,092	\$ 1,210,326	\$ 14,260,766	Engineering	Rhonda	In Progress	11/7/22	Delay in DEQ project review. Approx. 4000 LF of pipe on site; clearing and stream crossings begin 11/15.
3	Central	Water	Forest to Lakes Permanent Booster Station	Debt Service / Other	\$2,300,000	\$2,164,213	\$ 1,857,739	\$ 442,261	Engineering	Rhonda	In Progress	11/7/22	Pumps delivered and installed; control work and testing remaining.
4	Central	Water	Helm Street Tank Replacement	ARPA / Escrow	\$2,162,916	\$218,203	\$ 79,773	\$ 2,083,143	Engineering	Rhonda	In Progress	11/7/22	Preliminary Engineering Conference held with VDH; preliminary design report under VDH review.
5	Central	Water	Bell Town Road Waterline Extension	ARPA	\$500,000	\$44,465	\$ 34,366	\$ 465,634	Engineering	Whitney	In Progress		In design
6	Central	Sewer	Town & Country Subdivision Sewer Replacements	ARPA	\$2,000,000	\$1,999,351	\$ 78,875	\$ 1,921,125	Engineering	Whitney	In Progress	11/2/22	Notice to Proceed issued 10/24/2022; VDOT permit obtained; Pay App #1 received.
7	Forest	Water	Fox Runn Booster Station - Structure	2023	\$25,000			\$ 25,000	Maintenance	Phil	Not Started		
8	Various	Water	Lead Service Line (LSL) Inventory	2023	\$50,000			\$ 50,000	Engineering	Rhonda	Not Started	11/7/22	VDH still finalizing award notices for LEAP grants. Separate proposals being prepared by CHA for Town and County inventories.
9	Various	Water	SCADA Hatch Intrusion Switches for Water Tanks	2023	\$25,000			\$ 25,000	Water	Dalton	Not Started	10/26/22	Need to obtain quotes
10	Central	Water	Central WTP - Install Security Alarm and Fire Alarm Systems	2023	\$20,000			\$ 20,000	Water	Dalton	Not Started	10/26/22	Need to obtain quotes
11	Central	Water	Central WTP Replacement Turbidimeters (4)	2023	\$20,000			\$ 20,000	Water	Dalton	In progress	11/7/22	All the turbidimeters have been installed; waiting for final invoices.
12	Central	Water	Central WTP Flocculators	2023	\$65,000			\$ 65,000	Water	Dalton	Not Started	11/7/22	One quote was obtained for one (1) complete unit. The quote was for \$26,700.00. Need to obtain cost for all three units. Will also look at just replacing the paddles.
13	Central	Water	Central WTP Filter Control SCADA Interface (2)	2023	\$35,000			\$ 35,000	Water	Dalton	Not Started	10/26/22	Contacted Fairwinds to get the status of the project. Bob started discussions; however, no history can be found.
14	Central	Water	Central WTP Motor Control Center Replacement	2023	\$100,000			\$ 100,000	Water	Dalton	In Progress	11/7/22	Contacted Jamison Electric to resubmit quote and will add protection to the high service pumps.
15	Central	Water	Central WTP Streaming Current Monitor	2023	\$15,000			\$ 15,000	Water	Dalton	In Progress	11/7/22	Streaming current monitor installed and running; currently fine tuning.
16	Central	Water	Stoney Creek Reservoir - Ph 1 (Repairs & PER)	2023	\$100,000			\$ 100,000	Engineering	Rhonda / Whitney	In Progress	11/2/22	Met with W W & Schnabel Engineering on site on 10/13; boil was found at drain basin and investigated by PM crew on 10/17 to be an additional PVC drain pipe under the dam.
17	Central	Water	Stoney Creek Reservoir - Ph 2 (Repairs / Design)	2023	\$100,000			\$ 100,000	Engineering	Rhonda / Whitney	Not Started		
18	SML (w/ WVWA)	Water	Sewer Pump Station 4 Upgrades Ph 1 (EQ)	2023	\$20,000			\$ 20,000	Water	Dalton	Not Started	10/7/22	Need to obtain quotes
19	SML (w/ WVWA)	Water	SMLWTP - Add Security System to Fire Alarm System	2023	\$10,000			\$ 10,000	Water	Dalton	Not Started	10/7/22	Need to obtain quotes
20	SML (w/ WVWA)	Water	SMLWTF GAC Pump and associated parts	2023	\$25,000			\$ 25,000	Water	Dalton	In Progress	10/7/22	Check existing quote to see if it is current; obtain new/multiple quotes if necessary prior to purchase and installation.
21	SML (w/ WVWA)	Water	Raw Water Intake Standby Generator	2023	\$50,000			\$ 50,000	Water	Dalton	Not Started	10/7/22	Need to obtain quotes
22	Lakes	Sewer	New chains on Train 1 BLOWHEELS	2023	\$20,000			\$ 20,000	Wastewater	Mike			
23	Lakes	Sewer	Blower system at Moneta pump station 1	2023	\$15,000			\$ 15,000	Wastewater	Mike			
24	Central	Sewer	New RAS Pump #1	2023	\$55,000			\$ 55,000	Wastewater	Mike			
25	Central	Sewer	Replace railings and chains on primary basin #1	2023	\$20,000			\$ 20,000	Wastewater	Mike	In Progress	10/11/22	Getting quotes; cost may be more than budgeted.
26	Central	Sewer	Carport to cover sludge dumpster	2023	\$8,000			\$ 8,000	Wastewater	Mike			
27	Central	Sewer	Pump Station 3 Bank Restoration and armoring	2023	\$40,000			\$ 40,000	Wastewater	Mike			
28	Central	Sewer	Pump Station 7 SCADA	2023	\$20,000			\$ 20,000	Wastewater	Mike			
29	Mariners	Sewer	New control panels for both Trains	2023	\$25,000			\$ 25,000	Wastewater	Mike			
30	Mariners	Sewer	Install bracing on influent basin on Train 1 and 2	2023	\$20,000			\$ 20,000	Wastewater	Mike			
31	Mariners	Sewer	Pump Stations pump replacement	2023	\$20,000			\$ 20,000	Wastewater	Mike			
32	Mariners	Sewer	Pump Station 5 SCADA	2023	\$10,000			\$ 10,000	Wastewater	Mike			
33	Mariners	Sewer	Pump Station 9 SCADA	2023	\$10,000			\$ 10,000	Wastewater	Mike			

CAPITAL IMPROVEMENT PROGRAM

Projects Listing

Line ID	Service Area	Water or Sewer	Project	Funding Source / FYE CIP	Project Costs (Budget)	Project Costs (Contracted)	Spent to Date	Remaining to Spend	Department Requesting	Responsible Manager	Current Status	Last Update	Status Notes
34	Office / Admin	Other	Key System - Phase 2A (Various sites)	2023	\$20,000			\$ 20,000	InfoSys	Therron			Kickoff meeting held 10/26; coordinating work with other active SCADA projects.
35	Various	Other	SCADA Server Architecture Reliability Enhancements	2023	\$78,000	\$78,000		\$ 78,000	Operations	Rhonda	In progress	11/7/22	
36	Forest	Water	New London Tank Standby Generator	2023	\$6,000			\$ 6,000	Water	Dalton	Not Started	10/7/22	
37	Office / Admin	Other	Fireproof Safe	2023	\$5,500		\$ 4,007	\$ 1,493	Engineering	Whitney	Complete	10/3/22	Delivered in October 2022; complete.
38	Office / Admin	Other	John Deere Skid Steer	2023	\$90,000			\$ 90,000	Maintenance	Phil	In progress	10/3/22	Equipment purchased; awaiting delivery in early 2023
39	Office / Admin	Other	DODGE RAM 5500 with dump bed	2023	\$90,000		\$ 88,549	\$ 1,451	Maintenance	Phil	In progress	10/26/22	Equipment purchased; delivery projected first week of November
40	MVS	Water	Mountain View Shores Filter Replacement	2022	\$150,000			\$ 150,000	Water	Dalton	Not Started	10/7/22	Drainfield issues were addressed first.
41	Lakes	Water	Bridgewater Bay Pressure Reducing Valve (PRV)	2022	\$65,000		\$ 70,279	\$ (5,279)	Engineering	Whitney	Complete	11/2/22	Vault installed and online as of 8/2/22; final costs updated.
42	Central	Water	Central WTP - Upgrade Chemical Feeders (PaCl)	2022	\$10,000			\$ 10,000	Water	Dalton	Not Started	10/7/22	Using loaner pump and feeding PaCL, need to contact company to have official, engineered feed system installed, and then conact VDH once that is completed
43	Paradise Pt	Water	Paradise Point SCADA	2022	\$10,000			\$ 10,000	Water	Dalton	Not Started	10/7/22	Awaiting electrical upgrade first; agreement signed with Fairwinds.
44	Central	Sewer	Central WWTP - Concrete repairs on pre-air tanks	2022	\$20,000	\$20,000	\$ -	\$ 20,000	Wastewater	Mike	In progress	10/11/22	Working with Schneider to include in Energy project; \$10,000 will be used on the Energy project to fill in old basin in front of aeration zones 4 blowers
45	Central	Sewer	Pump Stations 1, 2, 3 - Security Cameras	2022	\$5,000			\$ 5,000	Wastewater	Mike			On hold
46	Central	Sewer	Pump Station 1 - Soft starts and new control panel	2022	\$50,000			\$ 50,000	Wastewater	Mike			Will do in conjunction with pump replacement
47	Central	Sewer	Pump Station 1 - Replacement Pump #1	2022	\$45,000			\$ 45,000	Wastewater	Mike			Working with consultant on pump needs for flow rates
48	Central	Sewer	Pump Station 2 - Replacement Pump #1	2022	\$45,000			\$ 45,000	Wastewater	Mike			May be switched with PS #1 to replace all at once
49	Central	Sewer	Pump Station 3 - Replacement Pump #1	2022	\$45,000			\$ 45,000	Wastewater	Mike			May be switched with PS #1 to replace all at once
50	Central	Sewer	Pump Station 7 Replacement	2022	\$186,000			\$ 186,000	Wastewater	Mike			Equipment ordered; trees cleared from site
51	Office / Admin	Other	Administration Offices - New Gate	2022	\$28,000		\$ 37,700	\$ (9,700)	Maintenance	Tom	Complete	10/26/22	Increased cost due to getting a hydraulic operator, which is better suited for the high usage.
52	Office / Admin	Other	Key System - Phase 1A & 1B (Office Complex)	2022	\$63,000			\$ 63,000	InfoSys	Therron			Admin/Annex exterior doors complete; using towards gate and interior doors
53	Office / Admin	Other	Website Design	2022	\$25,400		\$ 48,950	\$ (23,550)	Admin	Megan	In Progress	11/7/22	New website is live; updates ongoing, with work continuing on intranet page.
54	Office / Admin	Other	Leak Detection Equipment	2022	\$30,000			\$ 30,000	Water	Dalton	Complete	10/26/22	This equipment is not needed. However, funds will be used to purchase third flocculator motor. Dalton to get new quotes.
55	Office / Admin	Other	Skid Steer Attachment - Sewer Easement	2022	\$20,000	\$36,000		\$ 20,000	Maintenance	Phil	In Progress	10/26/22	Obtained four quotes; preparing paperwork to send for approval.
56	Office / Admin	Other	Dump Truck (single Axle)	2022	\$120,000		\$ 86,449	\$ 33,551	Maintenance	Phil	Completed	10/27/22	Truck delivered October 27, 2022
57	Office / Admin	Other	New FM Employee-Dodge RAM 2500	2022	\$52,000			\$ 52,000	Maintenance	Phil	Not Started		
58	Office / Admin	Other	New FM Employee - Tools for new vehicle	2022	\$15,000	\$7,500		\$ 15,000	Maintenance	Phil	In Progress	10/26/22	Half spent on tools. Need to purchase truck and get this task completed.
					\$29,912,507	\$ 25,335,569	\$ 8,325,253	\$ 21,587,254					



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RESOLUTION MEMORANDUM

To: BRWA Board of Directors
From: Brian Key, Executive Director
Date: November 11, 2022
Re: Resolution 2022-11.01 - Sewer Capacity in the Town of Bedford

Enclosed for your consideration is the above referenced resolution.

This resolution would commit the Authority to sufficiently increasing the sewer capacity in the drainage area served by the Nichols Road and Whitfield Drive sewer lift stations such that a development could be served if it were located on Burks Hill Road near the Bedford Welcome Center.

Enclosed are the related resolutions as adopted by the Town and the County.



At a regular meeting of the Board of Supervisors of the County of Bedford, Virginia held at the Bedford County Administration Building on November 7, 2022, beginning at 7:00 pm:

<u>MEMBERS:</u>	<u>VOTE:</u>
John Sharp, Chairman	Yes
Edgar Tuck, Vice Chairman	Yes
Mickey Johnson	Yes
Charla Bansley	Yes
Tommy Scott	Absent
Bob Davis	Yes
Tammy Parker	Yes

On motion of Supervisor Bansley, seconded by Vice Chairman Tuck, which carried by a vote of 6-0, the following was adopted:

**A RESOLUTION
IN SUPPORT OF CERTAIN MAINTENANCE AND UPGRADES
TO SANITARY SEWER FACILITIES IN THE TOWN OF BEDFORD**

WHEREAS, the County desires to support economic development in the Town and County to enable growth that increases the tax base, improves the quality of life, and enhances economic opportunity for its residents; and

WHEREAS, the Bedford Regional Water Authority (the "Authority") is a public service authority formed by the Town and Bedford County under the Virginia Water and Waste Authorities Act to provide potable water and sanitary sewer service in the Town and in the County; and

WHEREAS, the Town Economic Development Authority has requested that the Authority undertake certain maintenance and reasonably foreseeable upgrades to its infrastructure in the western end of the Town to serve the Burks Hill Road Area, and the Authority provided an estimate of \$660,000 for such work to maintain and upgrade existing lift stations in order to provide necessary or appropriate capacity; and

WHEREAS, the Authority will realize all revenue from improvements to sanitary sewer infrastructure for this project; and

WHEREAS, although the Authority has the sole moral, legal, and financial responsibility for carrying out this maintenance and upgrades, as a gesture of assistance from the County and as a

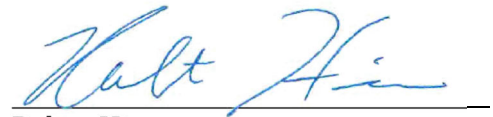
conditional gift, the County wishes to make up to \$220,000 available to the Authority, if necessary, in order to assist it in carrying out the required maintenance and upgrades in a timely manner; and

WHEREAS, the County requires written assurance that grant funds available through the Virginia Department of Environmental Quality (DEQ) cannot be applied for / used for the project that is the subject of the one-third share contemplated in this resolution.

NOW, THEREFORE, BE IT RESOLVED, by the Bedford County Board of Supervisors, that the Board hereby appropriates \$220,000 from the undesignated reserve to make available to the Authority specifically for lift station upgrades that will allow for written assurance by the Authority that a facility that has not been announced on Burks Hill Road will be able to connect to the Authority's public sanitary sewer system at fair and reasonable connection and capital recovery fees not later than December 31, 2024;

BE IT RESOLVED, the County Administrator and the County Attorney are hereby authorized to take such administrative actions, and prepare, execute, and deliver such contracts and other grant documents, as may be necessary to effectuate this Resolution.

A Copy-Teste:



Robert Hiss
County Administrator

**A RESOLUTION OF THE TOWN COUNCIL OF THE
TOWN OF BEDFORD, VIRGINIA, IN SUPPORT OF
CERTAIN MAINTENANCE AND UPGRADES TO
SANITARY SEWER FACILITIES IN THE TOWN**

WHEREAS, the Town Council of the Town of Bedford, Virginia desires to support economic development in the Town to enable growth that increases the tax base, improves the quality of life, and enhances economic opportunity for its residents and those of Bedford County; and

WHEREAS, Town Council recognizes the need for improvement to sewer infrastructure in the western portion of the town, particularly infrastructure that would serve Town-owned property on Burks Hill Road; and

WHEREAS, the Bedford Regional Water Authority (the "Authority") is a public service authority formed by the Town and Bedford County under the Virginia Water and Waste Authorities Act to provide potable water and sanitary sewer service in and near the Town, among other places in the County; and

WHEREAS, the Authority has the moral, legal, and financial responsibility to provide necessary or appropriate maintenance or improvements to sanitary sewer infrastructure to serve development for existing and future development in accordance with the Town Comprehensive Plan; and

WHEREAS, the Authority will realize all revenue from improvements to sanitary sewer infrastructure in the Town; and

WHEREAS, development in the western portion of the town, particularly on Burks Hill Road, is in conformance with the Town Comprehensive Plan and the Strategic Plan of the Town Economic Development Authority, and the present need for such capacity was reasonably foreseeable based upon such Plans; and

WHEREAS, the Town Economic Development Authority has requested that the Authority undertake certain maintenance and reasonably foreseeable upgrades to its infrastructure in the western end of the Town in order to serve the Burks Hill Road Area, and the Authority provided an estimate of \$660,000 for such work to maintain and upgrade existing lift stations in order to provide necessary or appropriate capacity; and

WHEREAS, although the Authority has the sole moral, legal, and financial responsibility for carrying out this maintenance and upgrades, as a gesture of assistance from the Town and as a conditional gift, the Town wishes to make up to \$220,000 available to the Authority, if necessary, in order to assist it in carrying out the required maintenance and upgrades, provided Bedford County provides a match to the Town contribution provided in this Resolution, and the Authority carries out the maintenance and upgrades in a timely manner; and

WHEREAS, the Town requires written assurance that grant funds available through the Virginia Department of Environmental Quality (DEQ) cannot be applied for / used for the project that is the subject of the one-third share contemplated in this resolution.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Town Council of the Town of Bedford, Virginia, that:

1. the Council hereby appropriates \$220,000 from the undesignated reserve to make available to the Authority specifically for lift station upgrades that will allow for written assurance by the Authority that a facility that has not been announced at Tax Map number 233-A-19T on Burks Hill Road will be able to connect to the Authority's public sanitary sewer system at fair and reasonable connection and capital recovery fees not later than December 31, 2024; and
2. the Council agrees to discuss with the Authority and Bedford County an option to make available a reasonable amount over \$220,000 after connection and capacity is available as previously stated; and
3. the Town Community/Economic Developer and the Town Attorney are hereby authorized to take such administrative actions, and prepare, execute, and deliver such contracts and other grant documents, as may be necessary to effectuate this Resolution; and
4. this Resolution is effective upon adoption.

I hereby certify that the foregoing is a true and exact copy of a Resolution adopted at a regular meeting of the Council of the Town of Bedford, Virginia, held on November 7, 2022, at which said meeting a quorum was present and voted.


Clerk of the Council



RESOLUTION

2022-11.01

Sewer Capacity in the Town of Bedford

At a regular meeting of the Bedford Regional Water Authority ("Authority") Board of Directors, held in the Board Meeting Room at the Authority's Administrative Annex Building on the 15th day of November 2022, beginning at 7:00pm:

WHEREAS, the Bedford Regional Water Authority (the "Authority") is a public service authority formed and existing in accordance with the provisions of Chapter 51 of Title 15.2 of the Code of Virginia, 1950, as amended, the Virginia Water and Waste Authorities Act §§ 15.2-5100-15.2-5159 (the "Act"); and,

WHEREAS, the Authority owns and operates the sewer system that serves many of the land parcels located in the Town of Bedford "Town" which is located inside of the County of Bedford "County"; and,

WHEREAS, the sewer system in the western end of Town has limited capacity in lift station #1 on Nichols Road and in lift station #2 on Whitfield Drive which would restrict the ability to allow additional sewer connections which would generate significant wastewater flows in the western drainage area; and,

WHEREAS, the County Board of Supervisors adopted resolution R110722-21 on November 7, 2022 to provide up to \$220,000 of support to upgrade the sewer system in the western end of the Town to serve the Burks Hill Road Area; and,

WHEREAS, the Town Council adopted a resolution dated November 7, 2022 to provide up to \$220,000 of support to upgrade the sewer system in the western end of the Town to serve the Burks Hill Road Area; and,

WHEREAS, the Authority will collect the standard fees, including the capital recovery fees, as properly adopted per the Act and as documented in the Authority's rate policy 2.00; now,

THEREFORE, BE IT RESOLVED, that the Board of Directors of the Authority hereby appropriates up to \$220,000 to provide a one-third (1/3) match to the County and Town contributions for the project as stated herein, and that the Board of Directors authorize the Executive Director to take such actions as necessary to make this resolution take effect; and,

BE IT FURTHER RESOLVED, that upon receipt of the above stated payments from the County and the Town for the sewer lift station improvements, and that upon receipt of the standard connection fees including the water and sewer capital recovery fees, the Authority will allow the sewer connection for the proposed facility that has not been announced on Burks Hill Road.

Member _____ made a motion to approve this Resolution.

Member _____ made a Second to approve.

Board Member Votes: ____ Aye ____ Nay ____ Abstain

CERTIFICATION

The undersigned secretary of the Bedford Regional Water Authority does hereby certify that the foregoing is a true, complete, and correct Resolution adopted by a vote of a majority of the Directors of the Bedford Regional Water Authority, present at a regular meeting of the Board of Directors of the Bedford Regional Water Authority duly called and held November 15, 2022 at which a quorum was present and acting throughout, and that the same has not been amended or rescinded and is in full force and effect as of the date of the above mentioned meeting.

(SEAL)

Brian M. Key, Secretary,
Bedford Regional Water Authority



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RESOLUTION MEMORANDUM

To: BRWA Board of Directors
From: Rhonda English, Deputy Director
Date: November 4, 2022
Re: Resolution 2022-11.02 – Prepayment Renewal for Forest Middle School Lift Station

The issuance of prepayment credits for Westyn Village LLC to perform upgrades to the Forest Middle School Lift Station was previously approved by the Board on October 20, 2020, and renewed on November 16, 2021. Since approvals are only valid for a one-year period per the Prepayment Policy, the attached resolution is provided for your review and consideration to offer an extension of the deadline for prepayment credits being issued.

As Capital Recovery Fees have increased since the original request, and Westyn Village Phase 3 is now proposed to be within the same parcel as Phase 2 and thus behind the same master meter, the chart below reflects the updated fees anticipated from full buildout of the subdivision.

Subdivision Section	Average Flow (GPD)	ERCs	Sewer Capital Recovery Fees	Water Capital Recovery Fees	Total
Westyn Village Phase 1	24,250	97	\$ 572,300	\$ 485,000	\$ 1,057,300
Westyn Village Phase 2	60,000	240	\$ 118,000	\$ 86,700	\$ 204,700
Westyn Village Phase 3	51,000	204	\$ -	\$ -	\$ -
	135,250	541	\$ 690,300	\$ 571,700	\$ 1,262,000

In Westyn Village Phase 1, approximately 56 lots have paid Capital Recovery fees, with 41 remaining. The following reflects the total remaining Capital Recovery fees anticipated for the subdivision:

Subdivision Section	Average Flow (GPD)	ERCs	Sewer Capital Recovery Fees	Water Capital Recovery Fees	Total
Westyn Village Phase 1	10,250	41	\$ 241,900	\$ 205,000	\$ 446,900
Westyn Village Phase 2	60,000	240	\$ 118,000	\$ 86,700	\$ 204,700
Westyn Village Phase 3	51,000	204	\$ -	\$ -	\$ -
	121,250	485	\$ 359,900	\$ 291,700	\$ 651,600



RESOLUTION

2022-11.02

Prepayment for Forest Middle School Lift Station

At a regular meeting of the Bedford Regional Water Authority ("Authority") Board of Directors, held in the Board Meeting Room at the Authority's Administrative Annex Building on the 15th of November 2022, beginning at 7:00pm

WHEREAS, the Authority received a request from Westyn Village LLC ("Developer") for prepayment credits in the amount of \$602,820 per the Prepayment Policy 4.40 ("Policy") for the reimbursement of construction expenses for upgrades to the Authority's Forest Middle School Lift Station ("Station") in Forest, Virginia ("Project"); and,

WHEREAS, remaining capacity of the Station is unable to support Westyn Village Phase 2 and Phase 3 ("Development") as proposed by the Developer, or support further development in the drainage area of the Forest Middle School Lift Station; and,

WHEREAS, the Developer agrees to upgrade the Station to provide a minimum additional capacity of 25,000 gallons per day average and 44 gallons per minute peak flow above and beyond the additional capacity needed to serve their development; and,

WHEREAS, the Authority desires to bring the Station up to its current standards which contributes to increased costs for the Project as provided by the Developer; and,

WHEREAS, the Authority will require surety for the Project and anticipates partial issuance of Prepayment credits in up to four phases based upon progress of construction and verified construction payments, with the final credits to be issued upon construction completion and verification of costs; and,

WHEREAS, the Policy states that "Each project proposed for reimbursement shall be evaluated by the Board of Directors on a case by case basis", and the Policies and Projects Committee ("Committee") has reviewed the request at a Committee meeting that took place on October 13, 2020; and,

WHEREAS, the Committee recommended partial approval of the prepayment credit issuance requested by the Developer with the requirement that the Developer hold some financial responsibility towards the Project cost; and,

WHEREAS, the Prepayment Policy states that "After the Board of Directors gives approval for a project to have prepayment credits issued, the credits must be issued within one (1) year or the agreement will be void"; that the Board of Directors authorized the issuance of prepayment credits for the Project on October 20, 2020 in Resolution 2020-10.01 and further extended approval on November 16, 2021 in Resolution 2021-11.01 that becomes void on November 16, 2022; and,

WHEREAS, the Developer has provided final contracted cost of the Project as \$793,692; now,



THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby authorize the Deputy Director to execute an agreement with the Developer for the issuance of prepayment credits as a reimbursement of the Project in an amount up to \$693,692 and not to exceed \$100,000 less than the verifiable costs of construction for the Project.

Member _____ made a motion to approve this Resolution.

Member _____ made a Second to approve.

Board Member Votes: ____ Aye ____ Nay ____ Abstain

CERTIFICATION

The undersigned secretary of the Bedford Regional Water Authority does hereby certify that the foregoing is a true, complete, and correct Resolution adopted by a vote of a majority of the Directors of the Bedford Regional Water Authority, present at a regular meeting of the Board of Directors of the Bedford Regional Water Authority duly called and held November 15, 2022 at which a quorum was present and acting throughout, and that the same has not been amended or rescinded and is in full force and effect as of the date of the above mentioned meeting.

(SEAL)

Brian M. Key, Secretary,
Bedford Regional Water Authority