



Annual Report 2020

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1. Introduction

The Livingston County Water & Sewer Authority (the Authority) is a public benefit corporation that was established in 1995 by an act of the State Legislature. As outlined in its enabling legislation, the Authority was created *“for the benefit of the people of the county and the state, for the improvement of their health, welfare and prosperity, and that such purposes are public purposes, and that the authority is and will be performing an essential governmental function in the exercise of the powers conferred upon it”*.

The Authority’s primary responsibilities are to construct, improve, maintain, develop, expand and rehabilitate water and sewerage facilities. The Authority currently operates and maintains: two wastewater treatment plants, approximately 50 miles of sanitary sewer collection and conveyance piping, and 45 sewage pump stations; approximately 75 miles of water distribution and transmission piping, 12 water storage tanks, 7 booster pump stations, and 5 re-chlorination stations.

The Authority is providing water services to approximately 3597 water accounts. The Authority’s water customers are located within the Village of Livonia and portions of the Towns of Avon, Caledonia, Conesus, Geneseo, Groveland, Livonia, Mount Morris, and Sparta.

The Authority is providing sewer services to approximately 3526 sewer accounts. The Authority’s sewer customers are located within the Village of Livonia and portions of the Towns of Livonia, Conesus, Avon, Groveland, Leicester, and Sparta.

The Authority is also responsible for the operation and maintenance of the flood gates in Conesus Creek at the outlet of Conesus Lake. This is accomplished through an agreement between the Authority and the Conesus Lake Compact (Towns of Conesus, Geneseo, Groveland, and Livonia).

2. Mission Statement

Our mission is to provide high quality, environmentally sound, efficient, reliable, and affordable water and sewer services to the people who live, work, and visit Livingston County.

(Date Adopted: July 23, 2003)

3. Authority Board

The Authority is governed by a Board consisting of seven members, who are residents of Livingston County and are appointed by resolution of the Board of Supervisors. These members are civic-minded individuals, with diverse backgrounds, who volunteer their time to the organization. Members are appointed to three-year terms.

In accordance with Public Authorities Law, the Authority has established the required Governance, Audit, and Finance Committees. As in previous years, the Board has elected to meet as a committee of the whole to discuss governance, audit, or finance related items.

A list of Authority Board Members with appointment terms, and a list of Committees and Committee Members, is provided in the attached organizational chart.

4. Organizational Chart

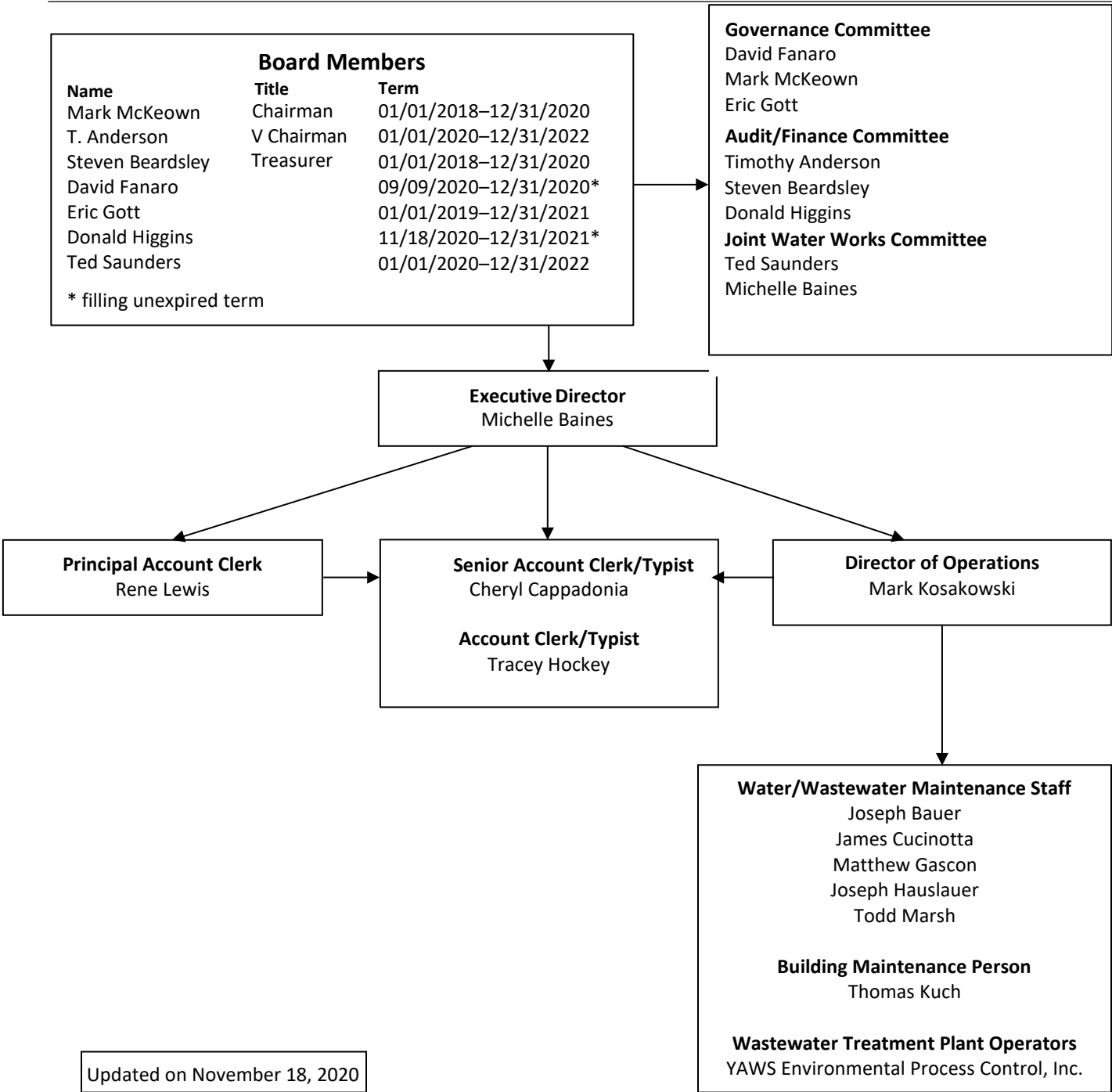
The Authority has an overall staff of 11 full-time employees, which includes: One (1) Executive Director (who is the Chief Executive Officer and Chief Fiscal Officer of the Authority), One (1) Director of Operations, One (1) Principal Account Clerk, One (1) Senior Account Clerk/Typist, One (1) Account Clerk/Typist, Five (5) Water/Wastewater Maintenance Persons, and One (1) Building Maintenance Person. Professional services are used to supplement the staff as needed.

The Authority currently contracts with Yaws Environmental Process Control, Inc., to provide management, operation and maintenance of the Authority's two wastewater treatment plants (Lakeville Wastewater Treatment Plant SPDES NY 0032328, and Groveland Station Sewage Treatment Plant SPDES NY 0247227).

The Authority's overall organizational structure, including a list of personnel and corresponding job titles, is presented in the attached organizational chart.

Livingston County Water & Sewer Authority Organizational Chart and Board Committees 2020

Board Members, Staff and Titles:



Updated on November 18, 2020

5. Activities & Accomplishments

Sections 5.1 through 5.3 provide a description of the Authority's operations, completed and active projects, as well as any material changes in Authority operations and programs, in 2020.

5.1 Operations

Water & Sewer

- Customer work orders – Staff serviced 1098 customer work orders in 2020.
- Utility Stakeouts – Staff responded to 1209 utility stakeout requests in 2020.
- Water and Sewer Main and Service Repairs – Repairs for 2020 included: five (5) sewer laterals, seven (7) water services, and five (5) water mainbreaks.
- Water and Sewer services – In 2020, the LCWSA processed 3 cap-off permits that resulted in a decrease in units. The cap-off permit is issued to customers who are demolishing or removing a served house or business. The LCWSA completed 11 new water taps. The LCWSA also activated 29 new accounts this year. These are accounts that either had a new water and/or sewer connection to the LCWSA system.
- Regulatory Inspections – NYS Department of Health/Livingston County Department of Health completed its annual inspection of LCWSA water facilities, which were found to be in satisfactory condition. NYS Department of Environmental Conservation completed its annual inspections of both the Lakeville Wastewater Treatment Plant and the Groveland Station Sewage Treatment plant and found these facilities to be in satisfactory condition.

Water

- Hydrant and Valve maintenance and repair – Completion of hydrant and valve maintenance as part of the 2020 work program, and the replacement of one (1) hydrant and repaired four (4) hydrants.
- Curb box rehab – Twenty-seven (27) Curb boxes and rods were replaced this year.
- Meter replacements – Approximately 309 water meters were replaced in 2020, as part of the Authority normal maintenance activities to address non-working meters, frozen meters, etc. Meters that were replaced as part of the Authority's comprehensive water meter replacement program are identified on page 8.

Water Station Maintenance – Staff replaced the chlorinator lines at Sliker Hill Rd and Niver Rd., Scottsburg Tank and the chlorination equipment at pumping station 5E.

Sewer

- Generator Maintenance – The Generator Maintenance is a Biannual program which will be bid out in 2021.
- Boiler Maintenance – Annual maintenance on the boilers was completed.

- Calibration of flowmeters – All flow meters were calibrated in 2020.
- Wet well and Manhole maintenance – A Sewer Vac Truck was rented and all wet wells at each pump station were cleaned.
- Sewer Cleaning and televising – Staff completed sewer cleaning and televising in the following areas: Pennemite Rd, East Lake Rd, and several miscellaneous sewer mains in all districts.
- Gauging stations and shimming pumps – Staff completed the gauging program for 2020.
- Manhole Work – Staff fixed and raised several manholes in all districts.
 - Pump Station rehabilitation – New roofs were installed at stations 1E, 2E, and 3E in 2019. The remainder of the 26 pump stations around Conesus Lake were completed in 2020. Also, the roofs on the 2 sewer stations in Mt Morris were replaced along with the ARS Water pump Station Roof. Staff rebuilt the check valves at Adams Rd. Staff replaced the rotating element on pump #1 at the Livonia Center station. Staff replaced the level transducer at the Groveland Wastewater plant along with the Effluent meter and did the general maintenance on the 2 pumps at the plant also. Staff replaced the belts at 6e. Staff replaced 1 of the 2 air pumps at each station around Conesus Lake.
 - Capital Projects

The Authority recognizes the importance of multi-year capital planning to ensure the effective management of capital assets. The Authority has adopted a 10-year capital plan, which identifies several projects that have been prioritized based on various criteria (e.g., projects that are regulatory driven, projects that will result in operational savings, etc.). Concurrent with the budget process, the Authority Board also adopts an annual capital plan. The Authority routinely reviews both its annual capital plan and 10-year capital plan and makes adjustments as necessary to respond to new or changing needs. A summary of active and completed projects in 2020 is presented below: *(LCWSA project ID numbers included in parentheses)*

- **Department of Corrections & Community Supervision (DOCCS) Water Supply Project (31085)**
By the end of 2018, the major components of the project including but not limited to approximately 60,000 linear feet of new water main, new pumping station, new water storage tank, and miscellaneous upgrades to the Authority's existing facilities were complete and ready to be put in service. In January 2019, the Authority received approval from the Livingston County Department of Health and placed the new water system in cooperation.

Per the contract between the Authority and the Department of Corrections and Community Supervision (DOCCS), the Authority's infrastructure shall be capable of delivering a minimum average daily flow of 500,000 gpd, and a maximum daily flow of 700,000 gpd to the DOCCS facilities, which comprise both the Groveland Correctional Facility and the Livingston Correctional Facility. The FY2020 Enacted New York State Budget authorized the closure of up to three correctional facilities operated by DOCCS, and it was announced in May 2019 that Livingston Correctional Facility was selected as one of the two facilities scheduled to close. In

September 2019, the Livingston Correctional Facility was closed, and no public plans have been identified yet regarding the re-purposing of the facility.

Following completion of a separate project by DOCCS involving modifications to its existing water treatment plant, the Groveland Correctional Facility began taking water in November 2019 from the Authority's public water supply system to meet 40% of its water demands. It is anticipated that the water treatment plant will be fully decommissioned by May 2021, and the Groveland Correctional Facility will be 100% transitioned over to Authority's public water supply at that time. Averaging between 105, 000 to 125,000 gpd.

The contract between the Authority and DOCCS also allows the Authority to utilize pipe capacity of up to 70,000 gallons per day (gpd) for connections by residential/non-industrial users, without further authorization from DOCCS. There are approximately 130 properties, primarily residential, located along the corridor and it is anticipated that many of these properties will connect to the water system in the next few years. As of March 2021, 69 of the 130 potential customers have hooked up.

During construction of the above project, certain water facilities were "upsized" at a cost of \$318,000 to provide additional system capacity to two (2) farms, Dairy Knoll Farms LLC and Sparta Farms LP, both located in the Town of Groveland. The initial capital contribution was provided by the Authority, and both farms have entered in capital re-payment agreements with the Authority, with each farm required to pay its proportionate payment obligation of \$159,000 over a maximum 20-year period.

▪ **Lakeville Wastewater Treatment Plant Upgrades Project (31120)**

Phase 1 of the \$5.7M project was completed in September 2019, which involved biological enhancements to the treatment plant through the construction of a new biotower, new final clarifier, and other on-site modifications to existing facilities. These upgrades were necessary to meet the Authority's modified SPDES permit (see page 9 for further detail). The remainder of the project will be completed as a second phase and will consist of other significant upgrades to the treatment plant, which was originally constructed in the early 1970s. Bids for phase 2 were taken in March 2021 with a projected start time of May 1, 2021.

▪ **2017 Mobile Home Park Water Improvement Project (31104 &31105)**

This project involves the installation of approximately 700 linear feet of water main at the Lake Forest Mobile Home Park and 1,500 linear feet of water main in Pine Tree Mobile Home Park. The Authority is proceeding with the necessary acquisition of both temporary and permanent easements at both sites, prior to performing any improvements.

▪ **Adams Rd Sewage Pump Station Rehabilitation (31112)**

Proposed improvements to the existing pump station include piping replacement, installation of a new enclosure, and pump replacement. This project is in the design phase, with construction anticipated in the fall 2021.

- **Conesus Outlet Water Main Re-Connection (31118)**

This project involves the installation of a new water main under the Conesus Lake Outlet, which will replace the crossing along NYS Route 15 (at the gate structure) that is no longer operational. This project is in the design phase, with construction projected to be completed by early winter 2021.
- **Comprehensive Water Meter Replacement Program (31145)**

This multi-phase/multi-year program began in 2018, with the primary driver of increasing operational efficiencies by significantly reducing the length of time being expended to complete quarterly meter readings within the Authority's service areas. Additional benefits will include: (1) reduction in non-revenue water (through increased meter and billing accuracy), (2) ability to schedule and complete meter reads that better represent a true 90-day consumption period; and (3) elimination of meter read estimates in winter months (when direct read or touch read equipment may be inaccessible). Phase 1 involves upgrading to an Automatic Meter Reading (AMR) System, including the purchase of the necessary AMR equipment and 300-400 new water meters. In 2020, the Authority replaced approximately 275 meters in its Consolidated Water District.
- **Technology Upgrades (Employee Transition) (31125)**

With information technology (IT) support no longer being provided by the Livingston County IT Department, effective January 1, 2019, the Authority proceeded with various technology upgrades in the second half of 2018, including installation of new IT equipment (computers, server, etc.) and email and data migration. In 2019, the Authority completed an upgrade to the existing phone system and implemented a new computerized work order system. Work remaining under this project includes the development of a new website for the Authority, which is anticipated to be complete by the end of 2021.
- **Roof Replacement for Sewage Pumping Stations (31143)**

This project involved replacement of the existing flat roofs at three (3) sewage pumping stations located around Conesus Lake, with new "pitched" roofs comprising wood trusses and metal roofing panels. 1E, 2E, 3E were completed in 2019 and the remainder were completed in 2020. Along with 2 Sewer pump stations in Mt Morris and the ARS water pump station.
- **Comprehensive SCADA System Evaluation (31138)**

This will be a multiphase project. The first phase was to hire a SCADA Consultant to evaluate the SCADA System and controls and to give recommendations on upgrading the system. Phase 1 was completed and it was recommended that the main computer and software along with fifteen (15) stations be updated under this phase. The work will take place in 2021.
- **South Livonia Service Saddle Replacement (31144)**

This project is to replace the remainder of the failing water service saddles in the South Livonia Water District. A bid for the service saddle replacement was sent out at the end of April. Three (3) bids were received. Blue Heron Construction was low bidder. Thirty-seven (37) service saddles were replaced. Also, under this contract three (3) automatic flushers were installed in the South Avon Water District to replace the existing automatic flushers.

- **Pennemite Road Sanitary Manhole Installation (31141)**
This project is to install four (4) manholes on a 6' line on Pennemite Road. The project was completed by Arold Construction in early November with final restoration in the Spring of 2021.
- **Heating and Ventilation Upgrades (31146)**
This project is to update heating and ventilation at certain pump stations and tank sites for more efficiency. The 1st Phase was to have Clark Patterson Lee do a site visit along with recommendations. After receiving the recommendations, LCWSA purchased new heaters and thermostats. The installation of these unites will be done in 2021.

5.2 Miscellaneous

Employee Transfer

Pursuant to Section 1199-dddd of the LCWSA enabling legislation, NYS Public Authorities Law, Article 5, Title 8G, the Authority has the power to appoint such officers and employees as are required for the performance of its duties. In 2018, the Authority Board began to take the necessary steps to hire and employ its staff directly, which included recognizing CSEA as the exclusive bargaining representative, and recognizing a new CSEA unit of Authority employees that consists of the same job titles currently recognized in the Livingston County/CSEA collective bargaining agreement.

In accordance with Livingston County Civil Service Rules, all 10 leased employees were either appointed and/or transferred to the Authority on January 1, 2019.

In October of 2020 a new CSEA full-time employee collective bargaining agreement was negotiated, approved and ratified between Livingston County Water and Sewer Authority and CSEA, Local 1000, AFSCME, AFL-CIO, Livingston County Employees Local 826, Livingston County Water and Sewer Authority Unit #7301. The term of the new agreement is January 1, 2021 to December 31, 2024. This agreement covers (9) of the eleven (11) full-time employees. (Note: The Executive Director and Director of Operations are non-union , full-time, salaried positions).

Lakeville Wastewater Treatment Plant – SPDES Permit Modifications

In 2017, the New York State Department of Environmental Conservation (NYSDEC) issued the following two (2) modifications to the discharge permit for the above referenced treatment plant:

- Seasonal reduction in final effluent limit for Ammonia (from 45 lbs./day to 16 lbs/day, May through October). Compliance deadline is April 1, 2019.
- Addition of seasonal disinfection of sewage treatment plant effluent. Compliance deadline is May 1, 2022.

In order to meet the April 1, 2019 compliance deadline, the Authority completed the first phase of an approximate \$5,700,000 upgrade project. The project is being funded by a NYS Water Infrastructure Improvement Act (WIIA) grant (maximum \$1,412,500) and a 0% interest loan secured through the New York State Environmental Facilities Corporation (EFC).

The budget was amended in 2020 to a total project cost of \$9,877,366 to finance additional improvements at the WWTP. The project is financed with \$7,707,606 of debt (0% long term

interest rate) along with a WIIA grant in the amount of \$1,412,500 and a WQIP grant in the amount of \$767,250. It is anticipated that the project will close by the end of 2022.

A separate future project will be undertaken to meet the disinfection requirement and will need to be complete and operational by May 1, 2022. In 2018, the Authority applied for and was subsequently awarded a grant through the NYSDEC Water Quality Improvement Project (WQIP) program for the installation of a UV disinfection system at the wastewater treatment plant.

Lakeville Wastewater Treatment Plant – NYSDEC Consent Order (R8-20180803-83)

In 2017 and 2018, the Authority experienced high levels of flow during heavy rainfall and snowmelt events which resulted in multiple flow exceedances at the wastewater treatment plant. The NYSDEC issued a draft Consent Order in August 2018, which was finalized and fully executed by both parties in February 2019. The Consent Order identifies several compliance directives to address infiltration and inflow (I/I) issues. The Authority has met all compliance directives to date, including submitting 6-month progress reports to NYSDEC summarizing I/I reduction activities that have been completed.

In 2019, the Authority performed significant flow monitoring within its sanitary sewer system and completed approximately 60 commercial property inspections in an effort to identify and remove cross connections (roof drains, sump pumps, and other sources of stormwater) from the sanitary sewer system. In 2019, the Authority was awarded a \$100,000 grant from NYSDEC/NYSEFC through the Wastewater Infrastructure Engineering Planning Grant program to complete an I/I Evaluation. These funds will be used to complete additional sewer cleaning and televising, and smoke testing of the sanitary sewer system, which will help to identify "priority areas". Upon completion of this work, the Authority will then be able to better estimate its future capital expenditures to address the above I/I issue.

As part of the Consent Order negotiations with the NYSDEC, the Authority agreed to submit a permit modification request to increase the current permitted design flow of 0.98 million gallons per day (MGD) to the original plant design flow of 1.27 MGD. The draft permit was received in late 2020 and included provisions for phosphorus removal at the facility.

Livingston County Comprehensive Water Supply Study Update Project

In 2017, Livingston County agreed to act as lead applicant on behalf of the Authority and other interested municipalities, in seeking funding through the Consolidated Funding Application (CFA) process. Livingston County was subsequently awarded a \$270,000 Department of State (DOS) Grant through the Local Government Efficiency (LGE) Program. The intent of the project is to identify opportunities to collaborate and work together on needed water infrastructure improvements that help maximize system and operational efficiencies, minimize costs and best serve the residents of Livingston County. In Fall 2018, a consultant was selected for the project and a kick-off meeting with municipal officials was held in January 2019. Throughout 2019, the project steering committee, which includes representatives from various departments of the County (County Administrator's Office, Planning, Economic Development, Environmental Health), the Association of Villages, and the Authority, met with the consultant to provide guidance and input as the consultant finalizes a report that will:

- Highlight the successes of the 1991 Comprehensive Water Study.
- Review and analyze the current state of the water and sewer systems within the County, including operations, management, and budgets.

- Analyze demographic, socio-economic, and development trends as well as future land use goals and plans at the community and County level to identify targeted areas where water and/or sewer expansion is likely or needed.
- Identify critical needs and improvements within the individual communities as well as the Authority to address current regulations and laws associated with water and wastewater quality.
- Identify opportunities for increasing efficiencies and collaboration among the County and municipal systems, including interconnections within the County and to outside entities, shared services and equipment, training, staff, and software; and
- Provide recommendations and an implementation strategy which identifies partnerships, key roles/responsibilities, funding sources, priorities, and follow-up actions.

Groveland Station Wastewater Treatment Plant – Modification to Existing SPDES Permit

In March 2019, the Authority was notified by NYSDEC of an anticipated modification to the discharge permit for the above referenced treatment plant, which would require the addition of disinfection treatment of the plant effluent. In July 2019, the Authority applied for a grant through the NYSDEC WQIP program, to cover a portion of the anticipated \$343,000 project cost to install a UV disinfection system at the wastewater treatment plant. The Authority was notified in December 2019 that it was unsuccessful in obtaining a grant award and intends to re-apply through the same program in 2021. The NYSDEC has identified the following compliance schedule to implement disinfection treatment of the plant effluent:

- May 1, 2022 – Submittal of Plans & Specs to NYSDEC
- May 1, 2023 – Commencement of Construction
- May 1, 2024 – Equipment put into Operation.

LCWSA Consolidated Water District (PWS NY2501019) – EPA Administrative Order SDWA-02-2019-8032

In June 2019, the US Environmental Protection Agency issued an Administrative Order (AO), due to repeated exceedances of the maximum contaminant level (MCL) for disinfection by-products (THMs) in the Groveland Station area of the Authority's LCWSA Consolidated Water District (CWD). The AO required the submittal of a corrective action plan in addition to performing monitoring activities. The Authority submitted a corrective action plan identifying both interim and long-term measures to achieve compliance with the MCL for THMs. Interim measures that have been implemented include adjustments to chlorination and flushing operations. Long-term measures that are planned include a proposed water main interconnection in the Groveland Station area with the recently completed DOCCS water supply infrastructure, and the addition of THM removal systems in various tanks within the CWD. This work will be completed as part of the "Countywide Water System Improvements Project" that was recently funded by NYSEFC (see below for more detail).

Countywide Water System Improvements Project – DWSRF Project No. 18746

In July 2019, the Authority applied for and was successful in obtaining a \$3,000,000 grant through the NYS Water Infrastructure Improvement Act (WIIA) program, which is being administered by NYSEFC. This grant will be utilized to complete a \$7,000,000 water system project that will include the following major components:

- ARS interconnection: Installation of approximately 17,000 to 22,000 linear feet of water main to connect the existing CWD in the Town of Groveland to the existing American Rock Saltwater system and water storage tank.
- Groveland Station interconnection: Installation of approximately 2,000 linear feet of water main connecting the existing Groveland Station water main and the existing water main in the Town of Groveland.
- Additional storage at Shelly Road: Replacement of the existing Shelly Road water storage tank with a new, higher capacity water storage tank.
- Countywide miscellaneous improvements: SCADA Controls systems upgrades and improvements, installation of THM removal systems at several water storage tanks throughout the CWD, and installation of new water meters for LCWSA customers throughout the CWD.

The Authority has not yet entered into a finance agreement with NYSEFC, but the funding agency has indicated the project will be presented to the various internal committees for review in early 2021, with the funding secured before the summer of 2021. The project phasing plan is identified below:

- Anticipated Phase 1 Schedule: (Estimated Phase 1 Construction Cost: \$1,800,000)
 - Project Advertisement: April 2021
 - Bid Opening: Early May 2021
 - Award: May 19, 2021 (LCWSA Board Meeting)
 - Construction Start: June 2021
 - Construction End: December 2021(or sooner)
- Phase 2A Disinfection System Upgrades – Approval of Engineering Services at January 20, 2021 LCWSA Board Meeting. Goal is to have all equipment operational by August 1,2021.
- Phase 2B TTHM Tank Removal Systems – Design: Late 2021; Construction: Spring/Summer 2022
- Phase 2C SCADA System Improvements – Design: Late 2021; Installation: Early to Mid-2022
- Phase 3 Water Meter Replacement – Installation: Spring/Summer/Fall 2022
- Phase 4 New Shelly Rd Water Storage Tank – Design: Late 2022; Construction: 2023

Agreements

New agreements or modifications to existing agreements in 2020 are summarized below:

- **Intermunicipal Service Agreement, between Livingston County Water and Sewer Authority and Town of Leicester**

The Authority and Town entered in this shared services agreement in November 2020, which covers billing, collection and meter reading services for Town of Leicester Water District Route 36 (approximately 53 customers), and direct purchase of residential water meters.

- **Intermunicipal Cooperation Agreement, between Livingston County Water and Sewer Authority and Village of Livonia**

The Authority and Town entered in this shared cooperation agreement in July 2020, to develop a capital infrastructure project to address water pressure deficiency on Shelly Road and

Meadow Drive. The improvements will consist of installation of approximately 1,800 linear feet of 16 inch water transmission main.

▪ **Intermunicipal Services Agreement, between Livingston County Water & Sewer Authority and the Town of Geneseo**

The Authority and the Town renewed in this shared services agreement in November 2020, which covers billing and collection services for Town of Geneseo Water Districts 1, 2, 3, 4, 5 and the new District 6 and Sewer District 1 (approx. 820 customers),. Charge a one-time fee to set up approximately 150 customers in District 6.

▪ **Intermunicipal Services Agreement, between Livingston County Water & Sewer Authority and the Town of Lima**

The Authority and the Town modified in this shared services agreement in November 2020, which covers billing and collection services for Town of Lima Water Districts 1, 2 and 3 (approx. 120 customers), use of the Authority's automatic meter reading equipment, and direct purchase of residential water meters to support the Town's water meter replacement program to include reading all Town of Lima water districts using Authority Automatic Meter Reading Equipment.

Awards & Recognition

The COVID 19 pandemic impacted the State and Federal governments financially, resulting in limited potential grant opportunities in 2020. As a result, the Authority does not have any grant awards to report in 2020.

6. Financial Reporting

The revenues and expenses, and assets and liabilities, as of and for the years ended December 31, 2020 and 2019, are set forth in the audited financial statements prepared for the Authority by Bonadio & Co., LLP. The statement of net position and the statement of revenue, expenses, and change in net position provide information about the Authority as a whole and about its activities and are presented on the following pages.

Financial highlights are as follows:

- Net position decreased from 2019 by \$922,278 resulting in total 2020 net position of \$30,228,846.
- 2020 Operating Revenues decreased over 2019 by \$71,882, or 2.0%.
- 2020 Operating Expenses increased over 2019 by \$721,051, or 19.0%.

A schedule of the Authority's outstanding debt, as of December 31, 2020, has been included as Appendix A.

LIVINGSTON COUNTY WATER AND SEWER AUTHORITY
(A Discretely Presented Component Unit of the County of Livingston, New York)

Statements of Net Position
December 31, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|---|----------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 2,880,721 | \$ 2,630,794 |
| Restricted cash | - | 189,645 |
| Accounts receivable | 795,503 | 831,768 |
| Due from New York State | - | 1,053,440 |
| Current portion of capital contributions receivable | 54,073 | 51,834 |
| Inventory | 53,977 | 49,400 |
| Prepaid expenses | 107,101 | 89,378 |
| Funds held for others | <u>34,770</u> | <u>32,768</u> |
| Total current assets | <u>3,926,145</u> | <u>4,929,027</u> |
| NONCURRENT ASSETS: | | |
| Restricted cash | 11,202 | 11,150 |
| Funds held by trustee | 105,705 | 104,060 |
| Capital contributions receivable, net of current portion | 529,014 | 581,634 |
| Capital assets, net | <u>34,909,004</u> | <u>34,770,814</u> |
| Total noncurrent assets | <u>35,554,925</u> | <u>35,467,658</u> |
| Total assets | <u>39,481,070</u> | <u>40,396,685</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| Pension related | 233,176 | 35,055 |
| Total other postemployment benefits related | <u>365,817</u> | <u>-</u> |
| Total deferred outflows of resources | <u>598,993</u> | <u>35,055</u> |
| LIABILITIES | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | 292,153 | 183,313 |
| Current portion of bonds and bond anticipation note payable | 228,225 | 151,725 |
| Other current liabilities | 45,016 | 87,126 |
| Funds held for others | <u>34,770</u> | <u>32,768</u> |
| Total current liabilities | <u>600,164</u> | <u>454,932</u> |
| NONCURRENT LIABILITIES: | | |
| Bond anticipation note payable | 3,495,236 | 3,633,736 |
| Bonds payable, net of current portion | 3,577,775 | 3,734,500 |
| Compensated absences | 37,709 | 29,371 |
| Net pension liability | 209,871 | 13,264 |
| Total other postemployment benefits liability | <u>1,923,480</u> | <u>1,408,511</u> |
| Total noncurrent liabilities | <u>9,244,071</u> | <u>8,819,382</u> |
| Total liabilities | <u>9,844,235</u> | <u>9,274,314</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Pension related | <u>6,982</u> | <u>6,302</u> |
| Total deferred inflows of resources | <u>6,982</u> | <u>6,302</u> |
| NET POSITION | | |
| Net investment in capital assets | 27,607,768 | 27,250,853 |
| Restricted | 116,907 | 115,210 |
| Unrestricted | <u>2,504,171</u> | <u>3,785,061</u> |
| Total net position | <u>\$ 30,228,846</u> | <u>\$ 31,151,124</u> |

The accompanying notes are an integral part of these statements.

LIVINGSTON COUNTY WATER AND SEWER AUTHORITY
(A Discretely Presented Component Unit of the County of Livingston, New York)

Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2020 and 2019

| | <u>2020</u> | <u>2019</u> |
|---|----------------------|------------------------|
| OPERATING REVENUE: | | |
| Service fees | \$ 3,253,127 | \$ 3,218,623 |
| Operation and maintenance service fees | 172,104 | 185,294 |
| Permit fees | 97,412 | 172,981 |
| Other income | <u>41,472</u> | <u>59,099</u> |
| Total operating revenue | <u>3,564,115</u> | <u>3,635,997</u> |
| OPERATING EXPENSES: | | |
| Administrative | 685,416 | 555,901 |
| Treatment | 1,061,949 | 1,065,221 |
| Transmission/collection | 1,501,619 | 1,189,536 |
| Depreciation | <u>1,262,702</u> | <u>979,977</u> |
| Total operating expenses | <u>4,511,686</u> | <u>3,790,635</u> |
| Total operating income (loss) | <u>(947,571)</u> | <u>(154,638)</u> |
| NON-OPERATING REVENUE (EXPENSE): | | |
| Interest revenue | 42,612 | 44,734 |
| Interest expense | (66,197) | (71,906) |
| Gain on sale of capital assets | <u>29,700</u> | <u>2,340</u> |
| Total non-operating revenue (expense) | <u>6,115</u> | <u>(24,832)</u> |
| GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND SPECIAL ITEM | <u>(941,456)</u> | <u>(179,470)</u> |
| CAPITAL CONTRIBUTIONS: | | |
| Developers and customers | 19,178 | 318,000 |
| Contract with New York State | <u>-</u> | <u>91,112</u> |
| Total capital contributions | <u>19,178</u> | <u>409,112</u> |
| SPECIAL ITEM: | | |
| Transfer of liabilities from the County (Note 16) | <u>-</u> | <u>(1,433,515)</u> |
| Total special items | <u>-</u> | <u>(1,433,515)</u> |
| CHANGE IN NET POSITION | (922,278) | (1,203,873) |
| NET POSITION - beginning of year | <u>31,151,124</u> | <u>32,354,997</u> |
| NET POSITION - end of year | <u>\$ 30,228,846</u> | <u>\$ 31,151,124</u> |

The accompanying notes are an integral part of these statements.

7. Management's Assessment of Internal Controls

The Authority has developed policies and procedures to provide reasonable assurance that assets are safeguarded from unauthorized acquisitions, use of, or disposition of assets that could have a material effect on the Authority's operations, financial statements and reports, and that the records of the Authority reflect only authorized transactions.

The Authority's system of internal controls is evaluated regularly by Authority management and administrative staff. Independent external auditors also review the internal control system of the Authority in order to determine compliance with generally accepted accounting principles and safeguards for the purpose of expressing an opinion on the financial statements.

Public Authorities Law requires all public authorities to complete an annual assessment of the effectiveness of their internal control structure and procedures. *This statement certifies that the Livingston County Water & Sewer Authority followed a process that assessed and documented the adequacy of its internal control structure and policies for the year ending December 31, 2020. To the extent that deficiencies were identified, the Authority has developed corrective action plans to reduce any corresponding risk.*

8. Personal & Real Property Transactions

In 2020, the Authority disposed of the following personal property (equipment, vehicles, and materials) with an estimated fair market value in excess of \$5,000.

- 2002 Sterling Model M75 6-Wheel Dump Truck; Serial No/VIN 2FZABYCS52AK10727
- 1998 Ford Model 55E Backhoe; Serial No/VIN 2FZABYCS52AK10727
- 2016 Dodge Ram 2500; Serial No/VIN 3C6TR5HT2GG379448
- 2017 Ford F 250 w/Plow; Serial No/VIN 1FT7X2B63HED80389

In 2020, the Authority did not acquire or dispose of real property with a fair market value in excess of \$15,000.

A report of all real property owned by the Authority, as of December 31, 2020, is included as Appendix B.

APPENDIX A
Schedule of Debt
Livingston County Water & Sewer Authority

The Authority had the following debt outstanding as of December 31, 2020:

| | <u>Balance January 1</u> | <u>Increases</u> | <u>Decreases</u> | <u>Due Within One year</u> | <u>Due After One Year</u> |
|---|------------------------------|------------------|---------------------|--------------------------------|-------------------------------|
| On August 27, 2009, the Authority issued a \$2,921,000 Sewer Installment Bond with the NYS Environmental Facilities Corporation to fund the cost of various sewer projects. The bond has an interest rate of 4.27% and will mature on August 1, 2039. | 2,145,000 | - | (85,000) | (90,000) | 1,970,000 |
| On February 7, 2011 the Authority issued a \$951,750 Drinking Water Installment Bond with the NYS Environmental Facilities Corporation to fund the cost of the Groveland Station water project. The note has an interest rate of 0% and will mature on August 31, 2040. | 666,225 | - | (31,725) | (31,725) | 602,775 |
| On May 1, 2012, the Authority issued a \$1,322,692 clean water installment bond with the NYS Environmental Facilities Corporation to fund the cost of various sewer projects. The bond has an interest rate of 3.74% and will mature on May 1, 2042. | <u>1,075,000</u> | <u>-</u> | <u>(35,000)</u> | <u>(35,000)</u> | <u>1,005,000</u> |
| | <u>\$ 3,886,225</u> | <u>\$ -</u> | <u>\$ (151,725)</u> | <u>\$ (156,725)</u> | <u>\$ 3,577,775</u> |

The Authority had the following debt outstanding as of December 31, 2019:

| | <u>Balance January 1</u> | <u>Increases</u> | <u>Decreases</u> | <u>Due Within One year</u> | <u>Due After One Year</u> |
|---|------------------------------|------------------|---------------------|--------------------------------|-------------------------------|
| On August 27, 2009, the Authority issued a \$2,921,000 Sewer Installment Bond with the NYS Environmental Facilities Corporation to fund the cost of various sewer projects. The bond has an interest rate of 4.27% and will mature on August 1, 2039. | 2,230,000 | - | (85,000) | (85,000) | 2,060,000 |
| On February 7, 2011 the Authority issued a \$951,750 Drinking Water Installment Bond with the NYS Environmental Facilities Corporation to fund the cost of the Groveland Station water project. The note has an interest rate of 0% and will mature on August 31, 2040. | 697,950 | - | (31,725) | (31,725) | 634,500 |
| On May 1, 2012, the Authority issued a \$1,322,692 clean water installment bond with the NYS Environmental Facilities Corporation to fund the cost of various sewer projects. The bond has an interest rate of 3.74% and will mature on May 1, 2042. | <u>1,110,000</u> | <u>-</u> | <u>(35,000)</u> | <u>(35,000)</u> | <u>1,040,000</u> |
| | <u>\$ 4,037,950</u> | <u>\$ -</u> | <u>\$ (151,725)</u> | <u>\$ (151,725)</u> | <u>\$ 3,734,500</u> |

APPENDIX B
Real Property Schedule
2019 Annual Report
Livingston County Water & Sewer Authority

| LCWSA Facility | Location (Municipality) | Property Classification | Address | Tax Map Number | Total Acreage/Size |
|-----------------------|--------------------------------|--------------------------------|-----------------------------------|-----------------------|---------------------------|
| Sewer Plant | Livonia | ----- | 1997 D'Angelo Dr | 65.-1-84.1 | 18.56 acres |
| Sewer Plant | Groveland | 853 | 7458 Groveland Station Rd | 135.-1-25.2 | 57 x 259 |
| Water Tank | Mt Morris | 822 | 3746 East Groveland | 98.-1-12.2 | 180 x 200 |
| Water Tank | Groveland | 822 | 7305 Groveland Hill Rd | 136.-1-3 | 75 x 75 |
| Water Tank | Groveland | 822 | 7161 Groveland Hill Rd | 127.-1-20 | 75 x 75 |
| Water Tank | Conesus | 827 | 6022 Sliker Hill | 119.-1-20.12 | 280 x 170 |
| Water Tank | Groveland | 105 | 5168 Dennison Rd | 118.-1-10.2 | 1.80 acres |
| Water Pump Station | Groveland | 311 | 5500 Maple Beach Rd | 109.-1-38.12 | .26 acre |
| Sewer Pump Station | Livonia | 853 | 2851 Lakeville Rd (Pease) | 65.-1-6.113 | 30 x 60 |
| Sewer Pump Station | Groveland | 312 | 5650 S Cove Ln (1W) | 110.69-1-9 | 30x40 |
| Sewer Pump Station | Groveland | 853 | 6019 W Lake Rd (2W) | 109.60-1-7 | 30 x 60 |
| Sewer Pump Station | Groveland | 853 | 5945 Calvin Lane (3W) | 109.52-1-7 | 50 x 16 |
| Sewer Pump Station | Groveland | 853 | 5883 W Lake Rd (4W) | 109.44-1-13.2 | 25 x 50 |
| Sewer Pump Station | Groveland | 853 | 4257 Sutton Point North (5W) | 100.83-1-32 | 30 x 80 |
| Sewer Pump Station | Groveland | 853 | 5556 Cottonwood Dr (6W) | 100.59-1-11.2 | 66 x 33 |
| Sewer Pump Station | Groveland | 853 | 5341 West Lake Rd (7W) | 100.35-1-13 | 55 x 30 |
| Sewer Pump Station | Geneseo | 853 | 5113 West Lake Rd (8W) | 91.68-1-17 | 39 x 33 |
| Sewer Pump Station | Geneseo | 853 | 5346 N Point Dr (9W) | 91.36-1-20 | 33 x 33 |
| Sewer Pump Station | Geneseo | 853 | 4637 Westwood Dr (10W) | 82.76-1-9 | 47 x 44 |
| Sewer Pump Station | Geneseo | 853 | 4257 West Lake Rd (12W) | 83.37-1-16.2 | 35 x 63 |
| Sewer Pump Station | Livonia | 853 | 4007 Graywood Ctr (13W) | 74.69-1-3 | 31 x 30 |
| Sewer Pump Station | Conesus | 311 | 5756 Mariners Dr (1E) | 110.55-1-60 | 35 x 42 |
| Sewer Pump Station | Conesus | 311 | 5926 E Lake Rd (2E) | 110.39-1-12.1 | 30 x 27 |
| Sewer Pump Station | Conesus | 311 | 5650 E Lake Rd (3E) | 101.-1-96.3 | 30 x 25 |
| Sewer Pump Station | Conesus | 311 | 5506 E Lake Rd (4E) | 101.46-1-8 | 7 x 31 |
| Sewer Pump Station | Conesus | 853 | 5289 E Lake Rd (5E) | 92.78-1-17 | 35 x 35 |
| Sewer Pump Station | Livonia | 853 | 5158 E Lake Rd (6E) | 92.62-2-2 | 50 x 24 |
| Sewer Pump Station | Livonia | 311 | 5765 McPherson's Pt (7E) | 92.38-2-13 | 41 x 42 |
| Sewer Pump Station | Livonia | 853 | 4820 E Lake Rd (8E) | 83.79-2-1.2 | 33 x 25 |
| Sewer Pump Station | Livonia | 853 | 5719 Old Orchard Pt (9E) | 83.54-2-28 | 25 x 45 |
| Sewer Pump Station | Livonia | 853 | 4440 E Lake Rd (10E) | 83.31-2-13 | 48 x 12 |
| Sewer Pump Station | Livonia | 853 | 4088 E Lake Rd (11E) | 74.48-1-7.2 | 33 x 32 |
| Sewer Pump Station | Lakeville | 853 | 3562 Camp Run (12E) | 65.81-1-36 | 10 x 50 |
| Sewer Pump Station | Mt Morris | 330 | 3098 Mt Morris - Geneseo Rd | 106.-1-16.2 | 73 x 150 |
| Sewer Pump Station | Mt Morris | 822 | 3229 Mt Morris - Geneseo Rd | 98.-2-1.12 | 329 x 138 |
| Sewer Pump Station | Groveland | 312 | 7546 Groveland Station Rd (South) | 136.17-1-11.2 | 40 x 60 |
| Sewer Pump Station | Conesus | 311 | 6170 East Lake Rd | 110.-1-20.117 | 40 x 40 |

| | | | | | |
|--------------------|---------|-----|-------------------|---------------|---------|
| Sewer Pump Station | Conesus | 652 | 6265 Mill Street | 110.-1-16.123 | 32 x 59 |
| Sewer Pump Station | Conesus | 600 | 6295 North Street | 111.17-1-11.2 | 50 x 50 |

APPENDIX B
Real Property Schedule
2019 Annual Report
Livingston County Water & Sewer Authority

| LCWSA Facility | Location (Municipality) | Property Classification | Address | Tax Map Number | Total Acreage/Size |
|--|----------------------------|----------------------------|---------------|-------------------|-----------------------|
| Driveway Access to Lakeville Water Tank | Livonia | 853 | Longview Blvd | 74.-1-5.215 | 50 x 680 |

Property Classification Codes:

| | |
|-----|--|
| 105 | Agricultural Vacant Land |
| 311 | Residential Vacant Land |
| 312 | Residential Land incl Small Improvement |
| 330 | Vacant Land located in Commercial Areas |
| 600 | Community Services |
| 652 | Office building |
| 822 | Water Supply |
| 827 | Water Transmission - Outside Plant |
| 853 | Sewage Treatment and Water Pollution Control |