

Members Attending: H. Stewart, T. Anderson, P. Brooks, D. Kriewall, D. LeFeber, S. Beardsley

Excused Absent: F. Miller

Others Attending: J. Campbell, M. Kosakowski, R. Lewis, C. VanHorne

**Financial Report** – R. Lewis reviewed the Financial Report (on file with the Secretary).

*Motion: S. Beardsley moved and P. Brooks seconded to approve the financial report as presented. Carried unanimously.*

**Annual Internal Controls Self-Assessment** – R. Lewis reviewed the findings of the annual internal controls self-assessment (on file with the Secretary) with the Board. The Board made the following resolution.

**RESOLUTION 2016 – 23 APPROVING THE ANNUAL INTERNAL CONTROLS SELF ASSESSMENT**

RESOLVED, that the Board has reviewed and approves the findings of the internal controls self-assessment.

*Motion: T. Anderson moved and P. Brooks seconded to approve resolution 2016-23 Approving the Annual Internal Controls Self-Assessment. Carried unanimously.*

**Operation and Capital Report**

**Tabled Issue – Town of Groveland inventory** – The Board discussed the Town of Groveland request for payment for inventory, seven years after the inventory was picked up from the Town. J. Campbell reaffirmed that the Board had no legal obligation to pay for the inventory; however it may be in the LCWSA's best interest to work out a compromise with the Town of Groveland. The Board requested staff to come up with a plan for a partial compromise payment to the Town, combined with the return of items that are no use to the LCWSA for the Town to scrap, and present the plan to the Town of Groveland.

**Operations report** – M. Kosakowski reviewed the Operations report (on file with the Secretary) with the Board.

**Capital Report** – M. Kosakowski reviewed the Capital report (on file with the Secretary) with the Board. The following items were discussed.

1. DOCCS WSP – The Board reviewed the Purchase contract and suggested the following changes:

- a. That both house and barn utilize the same service and confirm that the installation of a Back Flow preventer is not included, only the equipment included.
  - b. T. Anderson stated he would follow up with Tompkins Insurance in regards to the additional insurance needed for the railroad crossing.
2. Inflow and Infiltration repairs 2016 –

**RESOLUTION NO. 2016 – 24 APPROVING CHANGE ORDER # 1 MORSCH PIPELINE INC.**

WHEREAS, the repair was better suited to be conducted with an internal repair than an external dig as originally specified and, now therefore be it

RESOLVED, that the Livingston County Water & Sewer Authority Board approves Change Order #1 for Morsch Pipeline Inc. as a decrease in an amount of \$ 13,574.70 and authorizes the Executive Director to sign the Change Order.

*Motion: P. Brooks moved and S. Beardsley seconded to approve resolution 2016 – 24 Approving Change Order #1 Morsch Pipeline Inc. Carried unanimously.*

**RESOLUTION NO. 2016 – 25 APPROVING CHANGE ORDER # 2 SKANEX PIPE SERVICES INC.**

WHEREAS, the repair was better suited to be conducted with an internal repair than an external dig as originally specified and, now therefore be it

RESOLVED, that the Livingston County Water & Sewer Authority Board approves Change Order #2 for Skanex Pipe Services Inc. in an amount not to exceed \$ 16,550 and authorizes the Executive Director to sign the Change Order, and be it further

RESOLVED, that the LCWSA Board authorizes a \$3,000 increase in the project budget to cover the change order.

*Motion: D. LeFeber moved and S. Beardsley seconded to approve resolution 2016-25 Approving Change Order #2 Skanex Pipe Inc. Carried unanimously.*

3. Waste/Water Treatment plant upgrades – C. VanHorne discussed the memo with the comments submitted to the NYSDEC in regards to the Lakeville plant permit (on file with the Secretary). E. Wies distributed time schedule and Livonia Gateway project mapping (on file with the Secretary), for reference to the decision making process on the upgrade project. D. LeFeber will contact the Village of Avon and see if a meeting can be set for early January to discuss the LCWSA timing and how it fits with the Village process and discussions regarding consolidation.

## **Other Business**

### **Succession plan –**

1. P. Brooks updated the Board on the Committee work. 20 resumes have been received. Each committee member will review those resumes and put them in categories A, B, or C. A being the best. The committee is meeting on January 3<sup>rd</sup> to come to a consensus on the top resumes. Once that is complete, the interview process will start. During the interview, candidates will sign a release for a background check. A private company will conduct the background checks and provide the information to the Board for the second interviews. The Board will be brought into the final interview process.
2. J. Campbell notified the Board that the Labor Attorney has reached the \$7,500 limit. Consensus of the Board was that the Labor Attorney should provide a cost summary for the remaining work for presentation at the next Board meeting.
3. C. VanHorne notified the Board that N. Mazza would be retiring from his position at Bonadio. Bonadio is willing to continue his work with us at a \$ per hour rate until we have finished the selection process. The consensus of the Board was to continue on with N. Mazza working on the succession plan. Estimated cost at \$160/hour, \$5000 - \$7000.

The Board discussed the need to meet earlier in the month for the annual meeting.

*Motion: T. Anderson moved and D. LeFeber moved to meet on January 4<sup>th</sup> 2017 at 7:30 AM at the Geneseo Town Hall , 4630 Millennium Drive, Geneseo, NY. Carried unanimously.*

### **Business Session**

**Minutes** – regular minutes dated November 30, 2016

*Motion: T. Anderson moved and D. LeFeber seconded to approve minutes dated November 30, 2016. Carried unanimously.*

**Bills:** R. Lewis reviewed the monthly bills.

*Motion: P. Brooks moved and D. Kriewall seconded to approve paying the bills for Operating Expenditures in an amount not to exceed \$103,706.75 and Projects in an amount not to exceed \$140,430.94. Carried unanimously.*

*Motion: D. Kriewall moved and D. LeFeber seconded to approve paying the bills for Utilities in an amount not to exceed \$18,405.37, Commodity in an amount not to exceed \$4,388.52, and for miscellaneous expense in an amount not to exceed \$2,032.77. Carried unanimously.*

**Communications:** none

**Adjourn:** *Motion: S. Beardsley moved and P. Brooks seconded to adjourn the board meeting. Carried unanimously.*

**Board Financial Report**  
**November 2016**

**Balance Sheet**

Assets

**Operating Cash (Operating Checking Account, General Reserve MM)** page 4  
 (Full Year Report Attached)

	Oct-16	Nov-16
	Actual	Actual
Cash on hand 1st of each month	\$ 2,437	\$ 2,319
<b>Cash Received</b>		
Customer Billing	51	390
Miscellaneous	33	
Debt/Project Related		
Grant/Contributions		13
Billing Services/O & M Services		35
Relevy		
DOCCS		
<b>Cash Balance before expenditures</b>	<b>\$ 2,521</b>	<b>\$ 2,757</b>
Utility Vouchers	62	84
Operating Vouchers	124	145
Grant Vouchers		
Project Vouchers	16	207
<b>Cash Balance after expenditures</b>	<b>\$ 2,319</b>	<b>\$ 2,321</b>
Reserve Projects in Progress Budget Bal + Retainage	1305	1040
DOCCS Receivable		
<b>Unallocated Cash Balance</b>	<b>\$ 1,014</b>	<b>\$ 1,281</b>

See Work In Progress

Minimum balance \$445,000 to cover  
 2months budgeted expenses, or  
 emergency expenses

Debt Reserve Bank Balance \$651,528 page 5a

DOCCS Bank Balance \$1,558,577 page 6

*Cash balances remain very healthy, our Operating Cash balance is up about \$119,000 from same time last year, Debt Fund Cash is up over \$45,000 from same time last year and Restricted Cash is up over \$1.5 million due to DOCCS first payment.*

**Work-In-Progress (WIP Report Attached)**

Current Budget \$1,515,986  
Expenditures to Date \$ 476,311

*Closed Project 31108 (Early Warning)  
\$58,165 of budgeted amount not spent*

Balance \$1,039,676 page 7

**Accounts Receivable** Page 5c

	Service Fees	Debt	Relevy	Other	Total
Beginning Balance September	\$ 5,990	\$ 636	\$ 273,832	\$ 7,464	\$ 287,922
November Billing	\$ 664,657	\$ 69,265			\$ 733,921
Collected Billing	\$ 349,216	\$ 36,823		\$ -	\$ 386,038
Ending Balance November	\$ 321,431	\$ 33,078	\$ 273,832	\$ 7,464	\$ 635,805

*Receivables are down \$4,000 from last year.*

**Capital Contributions Receivable (Current + Non-Current) – (No Significant Change)**

As the Village of Geneseo’s Supplemental water project debt decreases, the amount of principal paid is higher resulting in the lower principal balance due. This debt is currently paid quarterly to the Authority for a total collection of \$52,800 (principal & interest). Unless paid off early, this collection will continue until 2027. Each year this activity reduces Net Position by approx \$40,000.

**Property & Equipment (net depreciation) –**

Decrease is the cumulative effect of fully depreciating the Conesus Sewer District Assets. Most of that effect is completed for the 20-year depreciation assets. The next “chunk” will be in another 8 years, then 8 years after that the pipelines & other major infrastructure will also be fully depreciated.

**LIABILITIES** page 5d

*Liabilities are up over \$1.6 million from last year; this is due to how we are handling DOCSS un-earned revenue.*

*Payables are consistent with last year.*

**Statement of Revenues & Expenditures** page 8

**Revenues** (November is a billing month)

*Retail Fees are up \$63,000 from same time last year.* Page 8e

*Wholesale fees are up over \$17,000 from last year-mainly due to Village of Caledonia Usage.* Page 8f

*Permit fees down about \$10,000 from last year-last year was very busy for new installs, we are not seeing that activity so far this year. November has seen activity with the new DOCCS connection.* Page 8g

*O & M fees* up about \$8,000 from last year.

Expenses: **page 8**

Year to date expenses are meeting budgeted amounts-approximately 20% remaining not including December Vouchers.

Other:

Nov-16

	Nov-15	Dec-15	Jan-16	Feb-16	16-Mar	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estim	Estim
Cash on hand 1st of each month	\$ 1,913	\$ 4,079	\$ 4,081	\$ 3,950	\$ 3,961	\$ 3,944	\$ 3,949	\$ 4,207	\$ 4,192	\$ 2,375	\$ 2,628	\$ 2,437	\$ 2,319	\$ 2,321	\$ 2,361
<b>Cash Received</b>															
Customer Billing	353	229	23	322	246	30	382	188	47	436	189	51	390		
Miscellaneous	5	2					17	12			0.5	33			
Debt/Project Related	61		19												
Grant/Contributions			15	13			13		15	13			13		
Billing Services/O & M Services	46			27			44	7			35		35		
Relevy						248									
DOCC'S	1875														
<b>Estimated Cash Receipts</b>															
Cash Receipts															
Debt/Grant/Contrib Receipts									0					250	25
Cash Balance before expenditures	\$ 4,253	\$ 4,310	\$ 4,138	\$ 4,312	\$ 4,207	\$ 4,222	\$ 4,405	\$ 4,414	\$ 4,254	\$ 2,824	\$ 2,853	\$ 2,521	\$ 2,757	\$ 2,571	\$ 2,386
Utility Vouchers	72	54	66	74	81	67	71	60	72	81	51	62	84		
Operating Vouchers	92	134	83	143	125	204	117	112	118	115	62	124	145		
Grant Vouchers				4											
Project Vouchers	10	41	39	130	57	2	10	50	23			16	207		
<b>Estimated Expenditures</b>															
Utilities														75	65
Operating														125	85
Projects														10	10
Cash Balance after expenditures	\$ 4,079	\$ 4,081	\$ 3,950	\$ 3,961	\$ 3,944	\$ 3,949	\$ 4,207	\$ 4,192	\$ 4,041	\$ 2,628	\$ 2,437	\$ 2,319	\$ 2,321	\$ 2,361	\$ 2,226
Reserve Projects in Progress Budget Bal + Equipment to Purchase	9099	9061	9023	8767	8725	8723	8758	8705	8678	1365	321	305	1040	1021	996
DOCCS Receivable	5625	5625	5625	5625	5625	5625	5625	5625	5625	5625					
Unallocated Cash Balance	\$ 605	\$ 645	\$ 552	\$ 819	\$ 844	\$ 851	\$ 1,074	\$ 1,112	\$ 988	\$ 1,263	\$ 1,116	\$ 1,014	\$ 1,281	\$ 1,340	\$ 1,230

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Livingston County WSA

Balance Sheet

As of 11/30/2016

(In Whole Numbers)

	<u>Current Year</u>	<u>Prior Year</u>	<u>Current Year Change</u>	<u>Beginning Year Ba...</u>	<u>YTD Change</u>
<b>CURRENT ASSETS</b>					
Operating Cash	2,321,210	2,203,728	117,481	2,064,785	256,425
Debt Reserve	651,528 <sup>a</sup>	605,886	45,642	593,626	57,903
Accounts Receivable	635,804 <sup>c</sup>	620,464	15,340	818,290	(182,486)
Capital Contributions Receivable	0	0	0	31,135	(31,135)
Inventory	9,110	9,063	46	9,591	(481)
Prepaid Expenses	57,855	52,420	5,435	61,091	(3,236)
Funds held for Others	28,828	27,990	838	30,121	(1,294)
<b>Total CURRENT ASSETS</b>	<b>3,704,334</b>	<b>3,519,552</b>	<b>184,782</b>	<b>3,608,640</b>	<b>95,695</b>
<b>Total Current Assets</b>	<b>3,704,334</b>	<b>3,519,552</b>	<b>184,782</b>	<b>3,608,640</b>	<b>95,695</b>
<b>NON-CURRENT ASSETS</b>					
Restricted Cash	1,736,304	2,071,942	(335,638)	257,725	1,478,579
Capital Contrib Receivable, net current	429,316	461,876	(32,560)	461,876	(32,560)
Property & Equipment, Net Deprec	23,467,446	23,976,451	(509,005)	24,060,346	(592,900)
Work-In-Progress	793,267	334,660	458,607	864,488	(71,220)
<b>Total NON-CURRENT ASSETS</b>	<b>26,426,334</b>	<b>26,844,929</b>	<b>(418,595)</b>	<b>25,644,436</b>	<b>781,898</b>
<b>Total Non-Current Assets</b>	<b>26,426,334</b>	<b>26,844,929</b>	<b>(418,595)</b>	<b>25,644,436</b>	<b>781,898</b>
<b>TOTAL ASSETS</b>	<b>30,130,668</b>	<b>30,364,481</b>	<b>(233,813)</b>	<b>29,253,075</b>	<b>877,593</b>
<b>CURRENT LIABILITIES</b>					
Accounts Payable	43,296	22,129	21,166	162,682	(119,387)
Current Portion Loans Payable	146,725	112,692	34,033	144,417	2,308
Other Current Liabilities	1,575,090	17,634	1,557,457	172,199	1,402,891
Funds held for others	28,700	27,980	720	30,123	(1,423)
<b>Total CURRENT LIABILITIES</b>	<b>1,793,811</b>	<b>180,436</b>	<b>1,613,376</b> <sup>d</sup>	<b>509,422</b>	<b>1,284,390</b>
<b>Total Current Liabilities</b>	<b>(1,793,811)</b>	<b>(180,436)</b>	<b>(1,613,376)</b>	<b>(509,422)</b>	<b>(1,284,390)</b>
<b>NON-CURRENT LIABILITIES</b>					
System Revenue Notes Payable	4,189,675	4,370,433	(180,758)	4,485,433	(295,758)
<b>Total NON-CURRENT LIABILITIES</b>	<b>4,189,675</b>	<b>4,370,433</b>	<b>(180,758)</b>	<b>4,485,433</b>	<b>(295,758)</b>
<b>Retained Earnings &amp; Net Position</b>					
Retained Earnings	(24,258,652)	(24,701,410)	442,758	(24,258,221)	(431)
Net Income	111,470	(1,112,203)	1,223,673	0	111,470
<b>Total Retained Earnings &amp; Net Position</b>	<b>(24,147,182)</b>	<b>(25,813,613)</b>	<b>1,666,431</b>	<b>(24,258,221)</b>	<b>111,039</b>
<b>TOTAL NET POSITION</b>	<b>30,130,668</b>	<b>30,364,481</b>	<b>(233,813)</b>	<b>29,253,075</b>	<b>877,593</b>

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DOCCS Bank Account

Date	Description	Deposit	Transfer to Reserve	Interest	Balance
11/19/2015	deposit Ck #04073239	\$1,875,000.00			\$ 1,875,000.00
11/30/2015	interest			\$ 15.41	\$ 1,875,015.41
12/16/2015	Vouchers Paid Expensed Previousy pd before receiveng DOCCS money-need to		\$ 5,080.00		\$ 1,869,935.41
12/31/2015	transfer to reserve		\$ 36,225.09		\$ 1,833,710.32
12/30/2015	interest			\$ 47.71	\$ 1,833,758.03
1/31/2016	interest			\$ 43.70	\$ 1,833,801.73
2/23/2016	Vouchers Paid				\$ 1,833,801.73
	Clark Paterson		\$ 77,640.00		\$ 1,756,161.73
2/29/2016	bank interest			\$ 46.34	\$ 1,756,208.07
3/23/2016	Vouchers Paid				\$ 1,756,208.07
	Clark Paterson		\$ 26,230.00		\$ 1,729,978.07
	Tom Wamp		\$ 200.00		\$ 1,729,778.07
3/31/2016	bank interest			\$ 44.58	\$ 1,729,822.65
4/24/2016	Vouchers Paid				\$ 1,729,822.65
	Tom Wamp		\$ 200.00		\$ 1,729,622.65
4/30/2016	bank interest			\$ 41.23	\$ 1,729,663.88
5/25/2016	Vouchers Paid	\$ -	\$ -	\$ -	\$ 1,729,663.88
	Gregory De Le Fleur		\$ 100.00		\$ 1,729,563.88
	Kruck & Campbell		\$ 2,240.00		\$ 1,727,323.88
5/31/2016	bank interest			\$ 45.47	\$ 1,727,369.35
6/22/2016	Vouchers Paid				\$ 1,727,369.35
	Clark Paterson		\$ 49,900.00		\$ 1,677,469.35
6/30/2016	bank interest			\$ 42.27	\$ 1,677,511.62
7/14/2015	Voucher Paid				\$ 1,677,511.62
	CNY Pomeroy Appraisers		\$ 3,300.00		\$ 1,674,211.62
7/27/2016	Voucher Paid				\$ 1,674,211.62
	Kruck & Campbell		\$ 1,560.00		\$ 1,672,651.62
7/31/2016	bank interest			\$ 39.94	\$ 1,672,691.56
8/31/2016	bank interest			\$ 45.37	\$ 1,672,736.93
9/28/2016	Vouchers Paid				\$ 1,672,736.93
	CNY Pomeroy Appraisers		\$ 3,300.00		\$ 1,669,436.93
	Genesee Country Express		\$ 99.71		\$ 1,669,337.22
	Johnson Newspaper		\$ 107.11		\$ 1,669,230.11
9/30/2016	Vouchers Paid				\$ 1,669,230.11
	Genesee & Wyoming Railroad		\$ 3,000.00		\$ 1,666,230.11
9/30/2016	bank interest			\$ 41.24	\$ 1,666,271.35
10/26/2016	Vouchers Paid				\$ 1,666,271.35
	Clark Paterson Lee		\$ 105,365.00		\$ 1,560,906.35
	Kruck & Campbell		\$ 1,300.00		\$ 1,559,606.35
10/31/2016	bank interest			\$ 42.01	\$ 1,559,648.36
11/8/2016	Voucher Paid				\$ 1,559,648.36
	Genesee & Wyoming Railroad		\$ 1,000.00		\$ 1,558,648.36
11/30/2016	Vouchers Paid				\$ 1,558,648.36
	NYS DEC		\$ 110.00		\$ 1,558,538.36
11/30/2016	bank interest			\$ 38.44	\$ 1,558,576.80

## Capital Projects In Progress Report

11/30/2016

Project Code	Project Name	Expenditures To Date	Budget	Budget Balance	Service Area	Funding	Financing	Date Began
<b>EBT &amp; REIMBURSABLE PROJECTS</b>								
1085	DOCCS Water Supply Project	316,956.91	7,500,000.00	7,183,043.09	33-WR	Prison Project w/b paying for this!		10/26/2011
<b>Total DOCCS Project</b>		<b>316,956.91</b>	<b>7,500,000.00</b>	<b>7,183,043.09</b>				
<b>GENERAL RESERVE PROJECTS</b>								
1040	Main Pump: motor, electrical, ventilation	107,047.89	389,160.82	282,112.93	32-SLV	Reserve		1/1/2012
043-5	Scada System Upgrade	83,206.30	86,700.00	3,493.70	33-WR	Reserve		1/1/2015
080-3	Collection System-Inflow & Infiltration repairs	257,626.65	292,325.00	34,698.35	33-SL	Reserve		1/1/2014
1103	Alternate Water Supply Project-DOCCS	540.00	405,400.00	404,860.00	33-WR	Reserve		1/1/2014
1104	Lake Forest Water Main	3,039.60	102,000.00	98,960.40	33WR	Reserve		1/1/2014
1105	Slagel Park Water System Upgrade (Pine Tree)	3,033.35	120,400.00	117,366.65	33WR	Reserve		1/1/2014
1111	Technology Upgrades	21,816.71	30,000.00	8,183.29	31WS	Reserve		9/23/2015
1112	Adams/Clay St-PS Upgrades	-	90,000.00	90,000.00	33SL	Reserve		1/1/2016
<b>Total Reserve Projects</b>		<b>476,310.50</b>	<b>1,515,985.82</b>	<b>1,039,675.32</b>				
<b>Equipment(Fixed Assets)</b>								
<b>Total Equipment (Fixed Assets)</b>								
<b>TOTAL OF ALL PROJECTS (a/c #1600) &amp;</b>		<b>476,310.50</b>	<b>1,515,985.82</b>	<b>1,039,675.32</b>				
<b>6 Completed Projects/Purchased Equipment</b>								
1095	Clarifier I-Beam Re-Coat	87,058.36	93,100.00	6,041.64	32SLV	Reserve	16-Aug	1/16/2013
1109	Boiler Replacement-Plant & Admin Bldg	22,172.00	25,000.00	2,828.00	32SLV	REserve	16-Aug	10/28/2015
	2015 Budget-Sewer Camera	71,205.00	80,000.00	8,795.00	33S	Reserve		4/30/2016
1106	Niver Road-Overcoat Tank	43,297.00	58,000.00	14,703.00	33WR	Reserve		1/1/2015
1110	Energy Conservation Program	22,663.14	24,400.00	1,736.86	32SLV	Reserve		9/23/2015
1108	Early Warning System/Pump	71,834.61	130,000.00	58,165.39	33SL	REserve	Nov-16	
	Crossroad Commerce Park Sewer					Cnty Grant	Nov-16	
	2016 Dodge Ram 1500	24,421.51	24,500.00	78.49			pd 9/16	
	2016 Dodge Ram 2500	26,925.12	26,000.00	(925.20)			pd 9/16	

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Livingston County WSA  
Statement of Revenues and Expenditures - Unposted Transactions Included In Report  
From 11/1/2016 Through 11/30/2016  
(In Whole Numbers)

	YTD Actual	YTD Last Year Actual	Current Year Change	Current Year % Change	Total Budget	Total Budget Variance	Percent Total Budget Remaining - Original
<b>OPERATING REVENUE</b>							
Retail Fees	2,096,569	2,033,233	63,336 e	3.12	2,500,453	(403,884)	(16)%
Wholesale Fees	169,247	152,210	17,037 f	11.19	189,500	(20,253)	(11)%
Permit Fees	54,391	64,765	(10,374) g	(16.02)	39,000	15,391	39 %
O&M Services	150,328	139,744	10,584	7.57	150,229	99	0 %
Other Income	57,811	54,782	3,028	5.53	64,193	(6,382)	(10)%
<b>Total OPERATING REVENUE</b>	<b>2,528,345</b>	<b>2,444,734</b>	<b>83,611</b>	<b>3.42</b>	<b>2,943,375</b>	<b>(415,030)</b>	<b>(14)%</b>
<b>OPERATING EXPENSE</b>							
Wages	456,161	450,846	5,315	1.18	586,269	130,108	22 %
Overtime	23,594	21,773	1,821	8.36	28,408	4,814	17 %
Fringes	332,491	315,489	17,002	5.39	407,690	75,199	18 %
Professional Services	258,362	187,935	70,427	37.47	300,690	42,328	14 %
Utilities	226,243	232,566	(6,323)	(2.72)	298,541	72,298	24 %
Vehicle Expense	20,078	23,363	(3,285)	(14.06)	36,200	16,122	45 %
Equipment Expense	22,026	20,642	1,384	6.71	67,441	45,415	67 %
Building Expense	281,630	291,226	(9,597)	(3.30)	346,847	65,217	19 %
Purchased Water/Sewer	446,190	470,066	(23,876)	(5.08)	528,900	82,710	16 %
Customer Installations	21,227	28,317	(7,090)	(25.04)	24,320	3,093	13 %
Permits, Inspections	6,074	11,319	(5,245)	(46.34)	16,755	10,681	64 %
Other Expenses	19,999	27,053	(7,054)	(26.08)	28,333	8,334	29 %
<b>Total OPERATING EXPENSE</b>	<b>2,114,074</b>	<b>2,080,595</b>	<b>33,480</b>	<b>1.61</b>	<b>2,670,394</b>	<b>556,320</b>	<b>21 %</b>
<b>GAIN/LOSS BEF DEPRECIATION</b>	<b>414,271</b>	<b>364,140</b>	<b>50,132</b>	<b>13.77</b>	<b>272,981</b>	<b>141,290</b>	<b>52 %</b>
<b>DEPRECIATION EXPENSE</b>							
	(895,646)	(874,143)	(21,502)	2.46	0	(895,646)	0 %
<b>NON-OPERATING REVENUE/EXPENSE</b>							
Non-Operating Income	264,794	256,374	8,419	3.28	284,440	(19,646)	(7)%
Non-Operating Expense	(24,979)	(54,027)	29,048	(53.77)	(78,455)	53,476	(68)%
Grant Expense	(5,075)	(43,722)	38,647	(88.39)	0	(5,075)	0 %
<b>Total NON-OPERATING REVENUE/EXPEN...</b>	<b>234,740</b>	<b>158,626</b>	<b>76,114</b>	<b>47.98</b>	<b>205,985</b>	<b>28,755</b>	<b>14 %</b>
<b>NET GAIN/LOSS BEF CONTRIB</b>	<b>(246,635)</b>	<b>(351,378)</b>	<b>104,743</b>	<b>(29.81)</b>	<b>478,966</b>	<b>(725,601)</b>	<b>(151)%</b>
<b>CAPITAL CONTRIBUTIONS</b>							
Grant & Donation Revenue	15,000	29,470	(14,470)	(49.10)	0	15,000	0 %
Capital Contributions	382,292	1,877,300	(1,495,008)	(79.64)	0	382,292	0 %
<b>Total CAPITAL CONTRIBUTIONS</b>	<b>397,292</b>	<b>1,906,770</b>	<b>(1,509,478)</b>	<b>(79.16)</b>	<b>0</b>	<b>397,292</b>	<b>0 %</b>
<b>CHANGE IN NET ASSETS</b>	<b>150,657</b>	<b>1,555,392</b>	<b>(1,404,735)</b>	<b>(90.31)</b>	<b>478,966</b>	<b>(328,309)</b>	<b>(69)%</b>



# LCWSA Self-Assessment Review Results

December 2016

## Control Environment

The Control Environment is recognition of the importance & commitment of management to establish, maintain & communicate a strong system of internal control to employees thru actions & words. This is accomplished also thru: clearly defined job responsibilities & relationships; properly training employees; delineation of lines of authority; documentation of policies & procedures; budgetary & reporting practices that provide benchmarks to measure accomplishments; organizational checks & balances to minimize potential for waste, loss or misuse of assets.

**Finding:** The Organization Chart does not reflect accurate workflow, it is to define responsibility and decision making.

**Action Taken:** None, The purpose of the Organization Chart is not to define workflow

**Finding:** Responsibilities are not divided up so that no single employee controls all phases of a transaction. (1)

**Action Taken:** None, In most instances responsibilities are divided up so that no single employee controls the whole transaction.

**Finding:** Management has not established backup plans for sudden/significant changes in personnel. (1)

**Action Taken:** None. Employees are cross-trained as much as possible to help "cover" absent employees due to sickness/turn-over. Also Consultant Services are available for long-term absences.

## Accounts Receivable

To ensure: Appropriate records are maintained for all vendors & customers. That billing of services is performed promptly & in proper amounts with exemptions provided only with approval by authorized personnel. All collections are properly identified, control totals developed, & collections promptly deposited intact & applied to the proper accounts. Billing, adjustments & collections will be properly recorded. Revenues, collections & receivables are properly accumulated, classified & summarized in the accounts.

**Finding:** Billing, collection & application of payments/adjustments to customer accounts are all done by the same person. Investigation of disputed bills is also, most times done by the same person who maintains the accounts receivable records. (2)

**Finding:** Writing off/adjusting to customer accounts and maintenance of the same. (1)

**Finding:** Investigating billing disputes with billing amounts and maintenance of customer accounts. (1)

In response to the previous three findings: To counter the fact that all functions are done by one person: All entries to customer accounts are consolidated onto a "locked" spreadsheet that recalculates accounts receivable activity for the period in a way that double checks billing system totals. The totals from the billing system & the reconciliation spreadsheet control totals have to agree before progressing on to the next step. This process makes manipulation of data difficult.

Approval/review of all adjustments are reviewed & approved by the Principal Account Clerk & the Director.

*These findings brought up discussion within the admin staff; there was some misunderstanding of the questions in this section.*

**Action taken:** Principal Account Clerk and Director regularly review Billing Transmittals.

### **Purchasing/Accounts Payable Cycle**

**Ensures that all requests for goods/services are initiated in a timely fashion & approved by authorized individuals in accordance with budget guidelines & Authority policies. That purchases are properly executed as to price, quantity & vendor. That all materials received agree with the original orders & invoices. Also, that checks are prepared on the basis of adequate & approved documentation compared with supporting data & properly approved.**

**Finding:** The following duties are generally performed by different people: (1)  
b. Custodian of bank accounts & authorizations of purchasing transactions (1)

**Actions Taken:** Custodian of bank account is the Principal Account Clerk, Voucher Payment approval is done by the Director and the Director of Operations. The Director and the Director of Operations & Principal Account Clerk authorizes purchasing transactions. Reconciliation of subsidiary ledgers/general ledger is done by the Principal Account Clerk, Bank Statements are reconciled by Account Clerk Typist.

### **Inventory Cycle**

**LCWSA keeps an inventory of customer meters & related appurtenances. All transactions need to be approved by authorized individuals. Inventory is subject to custodial accountability procedures & physical safeguards. All receipts & withdrawals of inventory need to be properly recorded & summarized to reflect actual quantities on hand.**

**Finding:** Access to inventory locations is not limited.

**Action Taken:** None. There are several measures in place to limit access to inventory areas when closed; buildings are locked, inside doors to areas are locked to restrict access.

**Finding:** employees (s) receiving inventory are not the one's issuing inventory. (1)

**Action Taken:** None, the Building Maintenance or office staff checks and signs all packing slips received and notes any discrepancies, operations staff issue the inventory as needed.

## Fixed Asset Cycle

To make sure that all fixed asset transactions: are initiated by authorized individuals in accordance with Board approved policies; adequate project cost records are maintained along with a good reporting system; accurately recorded, safeguarded & accounted for.

**Findings:** Procedures for performing physical inventory of fixed assets are not clearly communicated. (1)

**Action Taken:** None. Each asset outside the Plant has a physical address.

**Finding:** Assets are never "tagged" when procured with ownership indications nor has there ever been a physical inventory taken. (4)

**Finding:** Is a physical inventory of capitalized assets taken each time there is a change at the Management./Supervisory level that has responsibility for the asset? (3)

There is no custodian of fixed assets & it would almost be impossible to reconcile physical fixed assets with what is listed in the general ledger as fixed assets mainly because of the inability to break down the large projects. (2)

**Action taken:** None

# OPERATIONS REPORT

<b>Water and Sewer Work Program 2016</b>	
Customer work orders	54 customer workorders completed - down 26 from last month.
UFPO	23 stakeouts completed - down 32 from last months.
PM Maintenance	All PM maintenance completed.
Sampling and Testing	All of the sampling and testing completed. TTHM results for the 4th quarter were al below the MC/L level. Staff has setup a surveillance sampling schedule with the City of Rochester to monitor the TTHM levels.
Generator Maintenance	Staff pressure washed the radiator and guards on the Generator at the Hemlock pump station.
Lawn Mowing	Duppengiesser Lawncare has agreed to keep their price for the 2017 Lawn Bid.
Generator antifreeze	Staff completed all the required antifreeze changes for 2016.
<b>Water Work Program</b>	
Curb box location	Staff has completed the curb box location in the South Avon and ARS districts. Staff replaced 1 curb box.
<b>Sewer Work Program</b>	
Wet wells manholes maintenance	Staff completed most of the outstanding manhole evaluations.
Sewer Cleaning and televising	Staff is working on completing the cleaning and televising on the west side of the lake.
Station Maintenance	Staff repaired two ventilation motors on the lake stations.
<b>Personnel</b>	
New Personnel	Internal 10-day circulation of WWMP position is underway. After that, applications will be sought via ads in local papers.

<b>CAPITAL PROJECTS REPORT - December outline</b>	
<b>31085 – DOCCS WSP</b>	
12/21/2016	Contract 1- Construction meeting was held on December 13th. Approximately 2400 ft of 16" water main had been installed in the Town of Livonia. Road Bores for this section will be completed week of the 19th. Some Schedule adjustments were presented by the contractor for the remaining bores being moved into mid January. Blue Heron is planning on working Christmas week with Monday off. First pay request was discussed and should be presented for payment this month. Property purchases - the pump station site is under purchase contract. J. Campbell is working on the necessary documents to bring that parcel to closing. Initial payment was made per purchase contract. Tank site - Please find attached. Railroad permit - The Railroad is requiring us to provide insurance beyond what we are currently covered. Tompkins Insurance has provided us an application for the extra coverage.
<b>31080 Collection System - Inflow and Infiltration repairs</b>	
12/21/2016	Attached is a change order for SKANEX to complete a repair that was not completed by the contractor. The Change order is for increase of \$16,550 and the corresponding decrease is \$13,574.70 Therefore, the project costs will have to be increased to cover the difference. see attached resolution.
<b>Solar Array</b>	
12/21/2016	A New Coordinated Electric System Impact Review(CESIR) from National Grid has been received and the costs have decreased from \$839,150 to \$229,900. We have also received notice that our 180 day milestone deadline extension request has been extended to 5/21/2017. Solar City is reviewing all the new information and will be contacting me with their findings.
<b>Wastewater Treatment Plant upgrades</b>	
12/21/2016	On December 12th comments were submitted to the NYSDEC and a request for a hearing. The letter is attached. A Conference with EFC on the funding for the project to upgrade the plant was held on December 13th. We are prepared to fund the plant improvements with a zero % hardship loan. To secure the loan, the project will have to close on short term funding by September 30, 2017. Consolidation project for sewage treatment with Avon will have to be decided well before the September dead line. E. Wies will have cost impact of new permit and time line for conversion of the hardship funding to the consolidation process.





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Lakeville, NY 14480  
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e-mail: [cvanhorne@co.livingston.ny.us](mailto:cvanhorne@co.livingston.ny.us)  
Fax: (585) 346-0954  
TTY NY: (800) 662-1220

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Catherine VanHorne  
Executive Director

December 12, 2016

Kimberly A. Merchant  
NYSDEC  
6274 E. Avon-Lima Road  
Avon, NY 14414

Re: Notice of Intent to Modify

Dear Ms. Merchant,

Please consider this letter the submission of comments and request for a hearing on the notice of intent to modify the Lakeville waste water treatment plant SPDES permit.

We would like to discuss three items with the NYSDEC before this permit is finalized.

1. Can the Permit Expiration date be five years from the modification date? The Board would like to have several years, after the improvements are made, to be without permit changes.
2. Our lengthy discussions over several years, never discussed any recalculations for the November – April ammonia requirements. If that had been NYSDEC's intent, we would have included these months in the QAAP. We are requesting that the Department not include the change in winter ammonia limits as part of this modification.
3. The same critical flow (10 cfs) is used for both summer and winter limits. We would like the opportunity to review the hydrologic data with NYSDEC to see if a higher critical flow value is appropriate during the November – April period when Conesus Lake is drawn down.

I look forward to our discussions.

Sincerely,

Catherine VanHorne

Cc: LCWSA Board  
E. Wies  
L. Moran

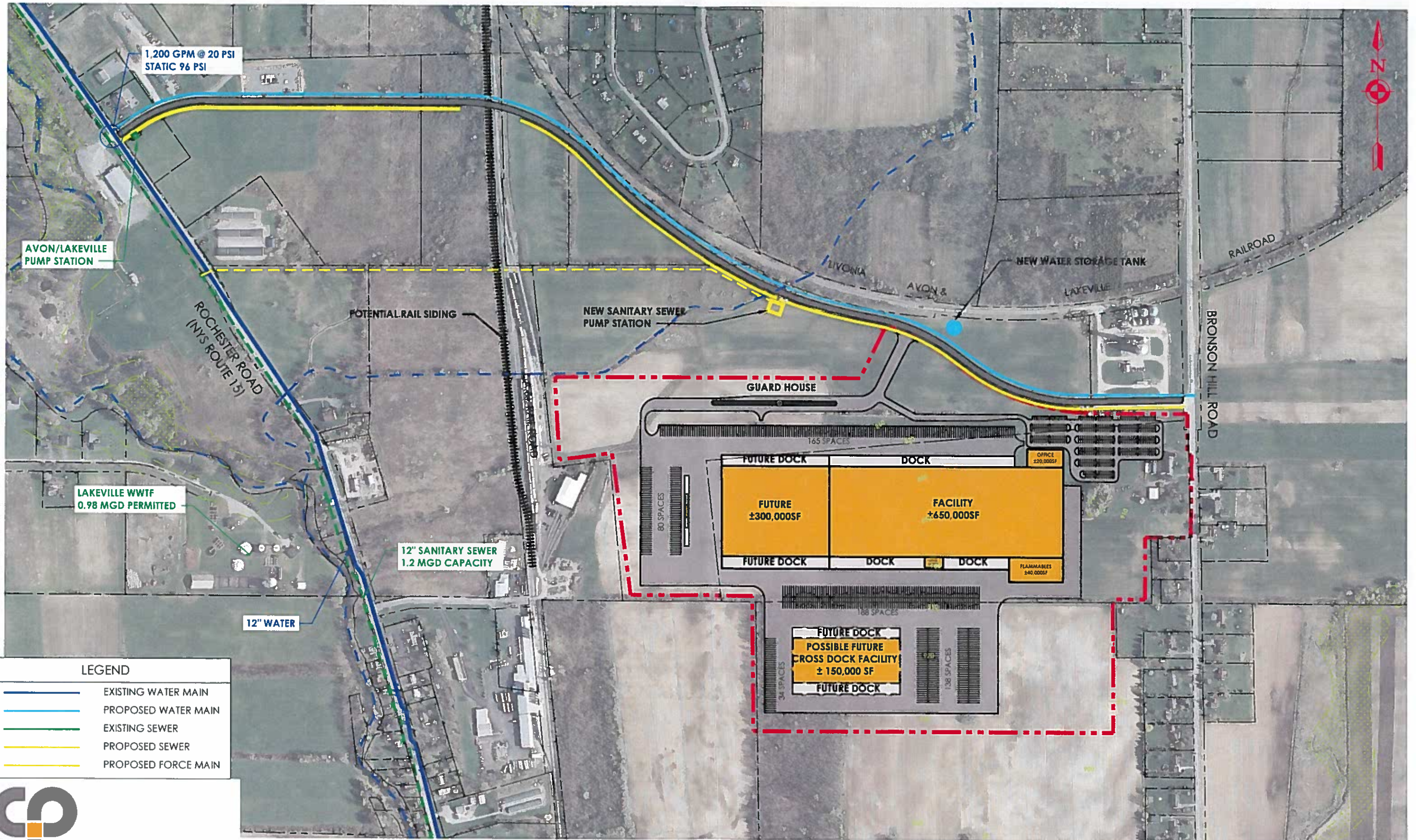
**Livingston County Water & Sewer Authority**  
**Lakeville WWTP Improvements - Project Schedule**  
**CWSRF #C8-6449-05-00**

December 19, 2016

<b>Date</b>	<b>Task</b>	<b>Comment</b>
1/1/2017	Projected Effective Date Permit Modification (EPDM)	
1/25/2017	LCWSA & Village of Avon to Discuss Consolidation	
3/29/2017	LCWSA Board to Make Final Decision	
4/1/2017	Submit Engineering Report to NYSDEC	NYSDEC requested by EPDM + 6 months
9/30/2017	NYSEFC Short-Term Funding Deadline	
10/1/2017	Submit Plans and Specifications to NYSDEC	NYSDEC requested by EPDM + 12 months
1/1/2018	Advertise for Bidding	
3/1/2018	Start Construction	
3/1/2019	Finish Construction	
4/1/2019	Meet New Permit Limits	Date required by the NYSDEC

**Notes:**

1. Schedule above based on continuing to operate the Lakeville WWTP.
2. Unknown how schedule will be affected if the decision to send flow to Avon is made, as funding from the NYSEFC will need to be modified and upgrades will be required to the Avon WWTP.



**LEGEND**

- EXISTING WATER MAIN
- PROPOSED WATER MAIN
- EXISTING SEWER
- PROPOSED SEWER
- PROPOSED FORCE MAIN

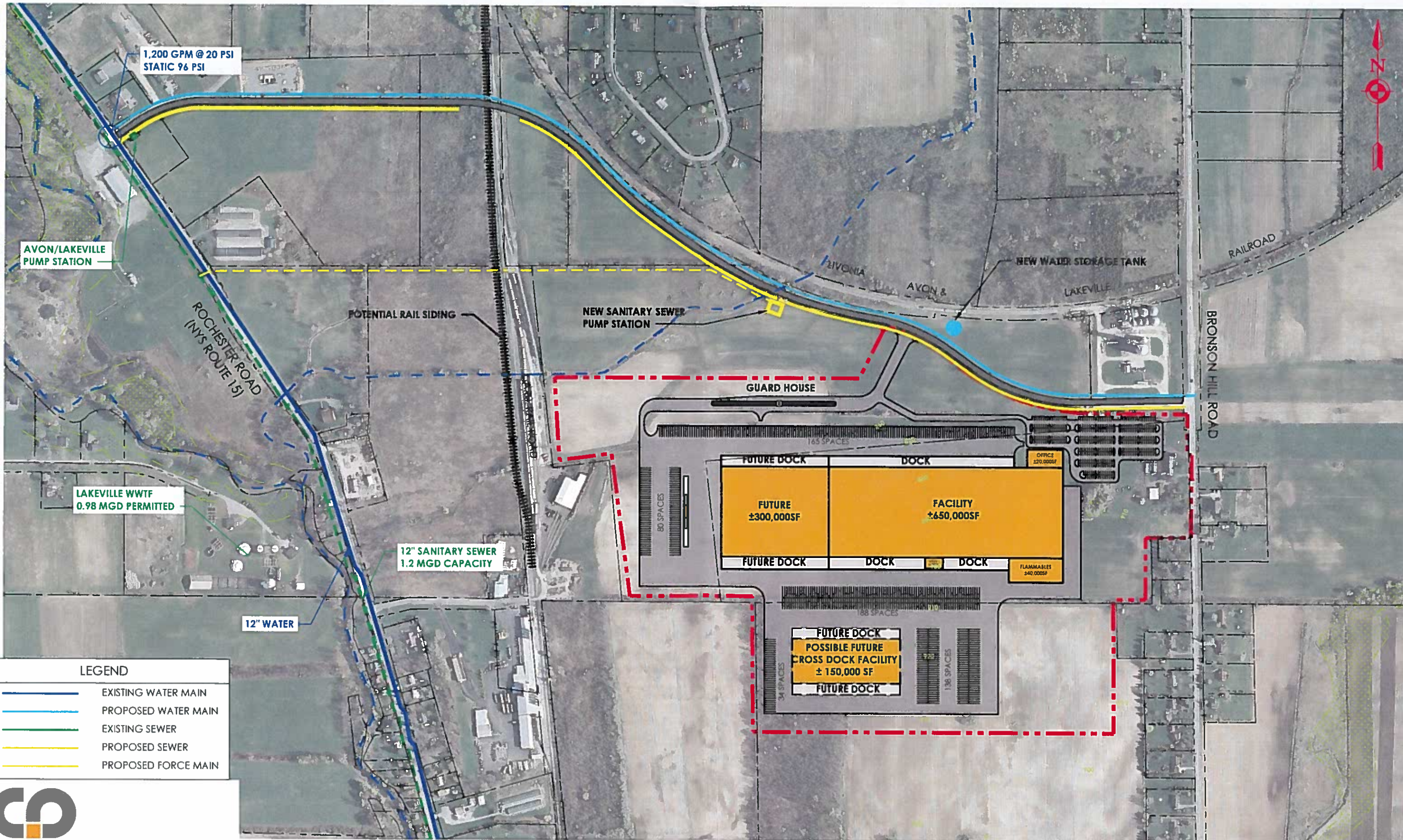


**LIVINGSTON COUNTY IDA - LIVONIA GATEWAY PARK**

**PROJECT BOXER**

October 25, 2016

Scale: 1"=500'



**LEGEND**

- EXISTING WATER MAIN
- PROPOSED WATER MAIN
- EXISTING SEWER
- PROPOSED SEWER
- PROPOSED FORCE MAIN

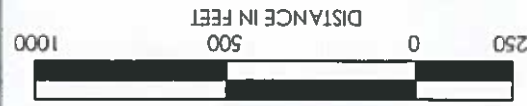


**LIVINGSTON COUNTY IDA - LIVONIA GATEWAY PARK**

October 25, 2016

**PROJECT BOXER**

Scale: 1"=500'



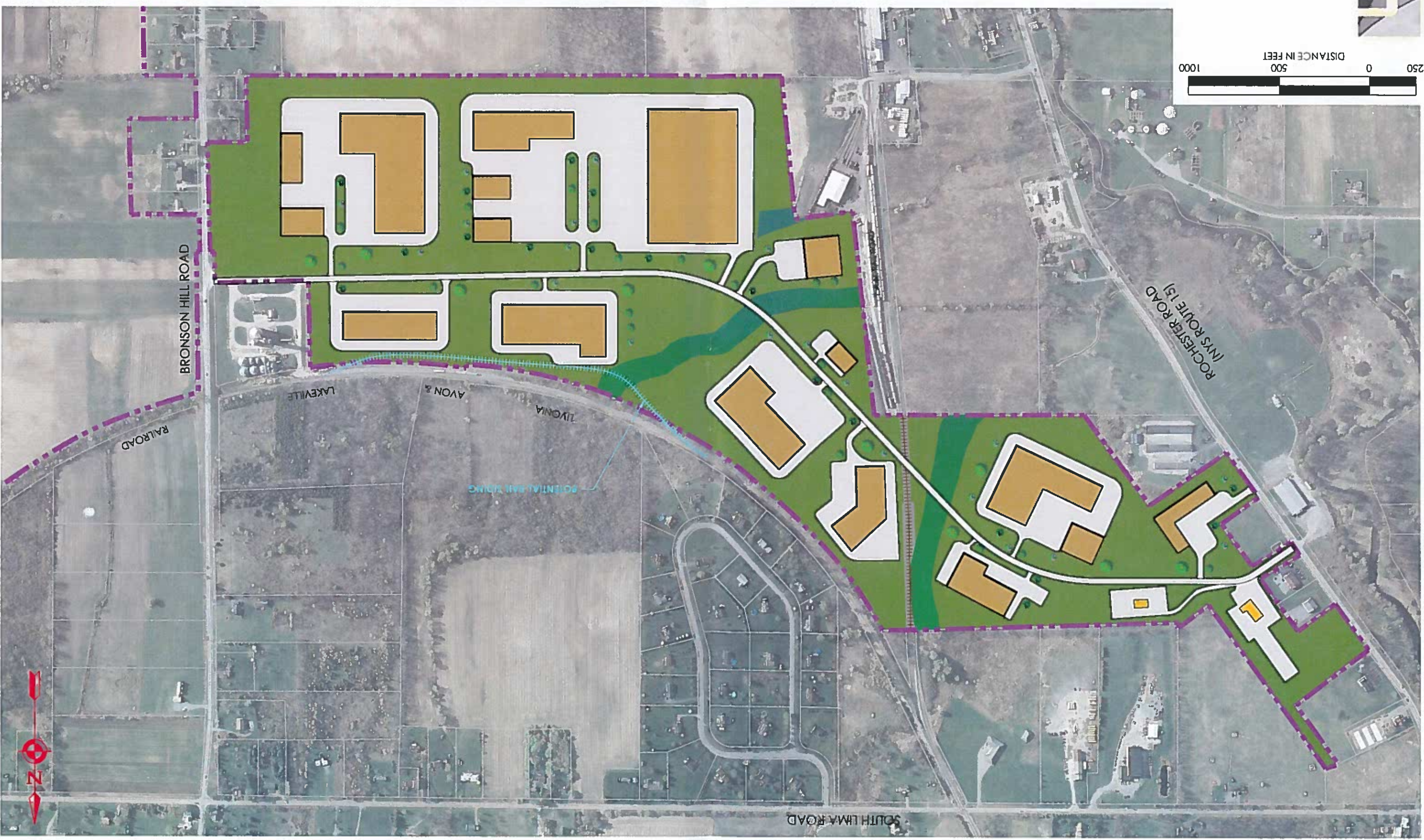
LIVINGSTON COUNTY DEVELOPMENT

November, 2015

Figure 3A: Conceptual Site Plan Option 1



Clark Patterson Lee  
DESIGN PROFESSIONALS



LIVINGSTON COUNTY DEVELOPMENT

November, 2015

Figure 3A: Conceptual Site Plan Option 1