

A large graphic on the left side of the cover shows water being poured from a white pitcher into a clear glass. The water is captured in motion, with many bubbles rising to the surface. The background of the entire cover is a photograph of a water treatment facility with several rectangular tanks and a large circular structure with a white, faceted roof.

2022

ANNUAL REPORT

**LIVINGSTON
COUNTY WATER &
SEWER AUTHORITY**

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 120 miles of water distribution and transmission piping, 11 water storage tanks, 7 booster pump stations, and 5 re-chlorination stations.

The Authority is providing water services to approximately 3,700 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, Lima, and Sparta.

The Authority is providing sewer services to approximately 3,530 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, Mt. Morris, 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).



Our story

Our Mission

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

Our 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 and 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.

Our Team

The Authority has an overall staff of 18 full-time employees, which includes: the Executive and Deputy Director, Director of Operations, five Office Staff, seven Water/Wastewater Maintenance Persons, one Building Maintenance Person, and two Senior Wastewater Treatment Plant Operators.

The Authority's two Wastewater Treatment Plant Operators are responsible for the 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).

2022 ACCOMPLISHMENTS

PROJECTS

DETAILS

Lakeville WWTP Upgrades - Phase 2

A \$5.5M project providing upgrades to the Lakeville WWTP, including the construction of a UV treatment building and covered sludge storage building. Additional items to consider are painting of sludge storage tank and digester cover inspection. Project completion is expected May 2023.

Countywide Water System Improvements

Include Countywide water system improvements: disinfection system upgrades, THM tank removal systems, installation of new water meters, various distribution improvements, Stone Hill service transfers and Conesus Outlet Re-Connection. Total project cost for this work is \$3.25M.

Water and Sewer Rate Study & Analysis

Completed a review of existing rate structure including unit charge definitions and debt charges. The Authority adopted a new unit service policy along with 2023 budget.

Leicester/York Water Supply Expansion

Engineering report completed and \$5M WIIA funding awarded for project. Executed intermunicipal agreements with participating communities. Currently revising distribution approach for agreement with municipal partners.

Water System Agreements

LCWSA entered into a 40-year water lease agreement with the Town of Lima for operation and maintenance of their water system. LCWSA entered into an agreement with the Town of Leicester to provide meter reading, billing and collection services.

Conesus Lake Pump Station Project

The Authority was awarded \$1.25M WIIA funding for the replacement of 26 pump stations and upgrades to the Supervisory Control and Data Acquisition (SCADA) systems around Conesus Lake.

SCADA System Wide Improvements - Phase 1

Standardization and field gap analysis were completed. Detailed design is currently underway. Project is expected to be bid by December 2023. Cost of this first phase is \$1.5M.

531

Sewer
manholes
inspected

824

Water meters
replaced

22M

Gallon of water
distributed to
residents
monthly

\$6.35M

Grant funding
received

Leicester/York Regional Water Supply Project

In 2022 the Authority undertook a major water project intended to bring more water at an affordable cost to communities throughout Livingston County. In February 2022 the Livingston County Board of Supervisors authorized the Authority to develop a water supply project to benefit the communities impacted by the AkzoNobel salt mine collapse. These municipalities are primarily the Towns of Leicester and York and secondarily the Towns of Geneseo, Mt. Morris and Avon. Over the past year the Authority, and its engineering consultants have been working diligently on the planning and development of this regional water supply project.

As a result, the Authority has recently proposed the Leicester/York Regional Water Supply Expansion Project (“Project”) to achieve the County’s interest in providing enhanced public drinking water infrastructure for the Towns of Leicester and York, as well as supporting regional interests of providing greater access to affordable safe drinking water for all participating municipalities.

The Authority has recently issued an Engineering Report providing an overview and recommendation for the regional water project. This report focuses on potable water supply, transmission, distribution, and storage required to provide increased capacity and reliable drinking water to the impacted communities. This initial planning phase examined multiple alternatives while considering several variables including cost, customer gain, water rates, potential development, energy efficiency, as well as the potential for intermunicipal cooperation to provide water to as many residents as possible.

In December 2022 the Authority was awarded \$5M from the NYS WIIA program as well as qualifying for hardship financing to proceed with the Project. 2023 will include finalizing and gaining consensus on the preferred distribution and water supply sources along with municipal partner commitment. Following municipal partner commitment, preliminary and detail design can begin.

2023 Major Projects

1 Leicester/York Regional Water Supply Expansion Project

The project is intended to achieve the County's interest in providing enhanced public drinking water infrastructure for the Towns of Leicester and York, as well as supporting regional interests of providing greater access to affordable safe drinking water for all participating municipalities. The Authority has received \$5M from the WIIA program as well as qualifying for hardship financing. 2023 will include finalizing and gaining consensus on the preferred distribution and water supply sources along with municipal partner commitment. Following municipal partner commitment, preliminary and final design can begin. (October 2023).

2 Countywide Water System Improvements

Countywide improvements include disinfection system upgrades, THM tank removal systems, SCADA systems upgrades and improvements, installation of new water meters for LCWSA customers, various distribution improvements, Conesus Outlet Re-Connection and new water tank. Total project cost for this work is \$8.5M. *Success: Completion of all aspects of this project on-time and within budget. (December 2024).*

3 Infiltration & Inflow Study – Phase 3

Project includes smoke testing and manhole inspections for sewer collection system around Conesus Lake. Will involve resident communications and inspections of properties and possible notice of violations for illegal connections. Final report will involve testing results and recommended capital improvements. Total project cost is \$125,000. *Success: Completion of project on-time and within budget. (September 2023).*

4 Lakeville Wastewater Treatment Plant Phosphorus Removal

The Authority has been awarded \$198,055 through the DEC QWIP (Quality Water Improvement Program) to install year-round phosphorus removal at the Lakeville wastewater treatment facility. This project will reduce the amount of phosphorus entering the Genesee River. Total project estimated \$390,000; local share \$192,000. *Success: Design, bid and build project by the end of 2023. (December 2023).*

5 Groveland Wastewater Treatment Plant Disinfection Project

The Authority has been awarded \$367,576 through the DEC QWIP (Quality Water Improvement Program) to install ultraviolet effluent disinfection at the Groveland Station Wastewater Treatment Facility. This project will improve water quality by reducing pathogens in the treatment plant's discharge. Total project estimated \$680,000; local share \$312,500. *Success: Design, bid and build project. Design (May 2022), Construction starts (May 2023) and Operational (May 2024).*

2023 Major Projects

6 Improve Financial and Capital Planning

Review current budget worksheet and spreadsheet processes and improve budget development and documents. Incorporate more long-term financial planning and rate structure projections along with capital planning and debt management strategy. Asset Management Program should also include Equipment Replacement Program (ERP). *Success: Update budget document, prepare ERP and develop debt management strategy for presentation with 2024 budget. (September 2023).*

7 Policy Review & Update

Review current policies and make recommendations to Authority Board for policy changes consistent with Authority practices and direction. Utilize Governance Committee for review process. *Success: Put internal team together to review policies. Priority will be procurement and design standard policies. (Ongoing).*

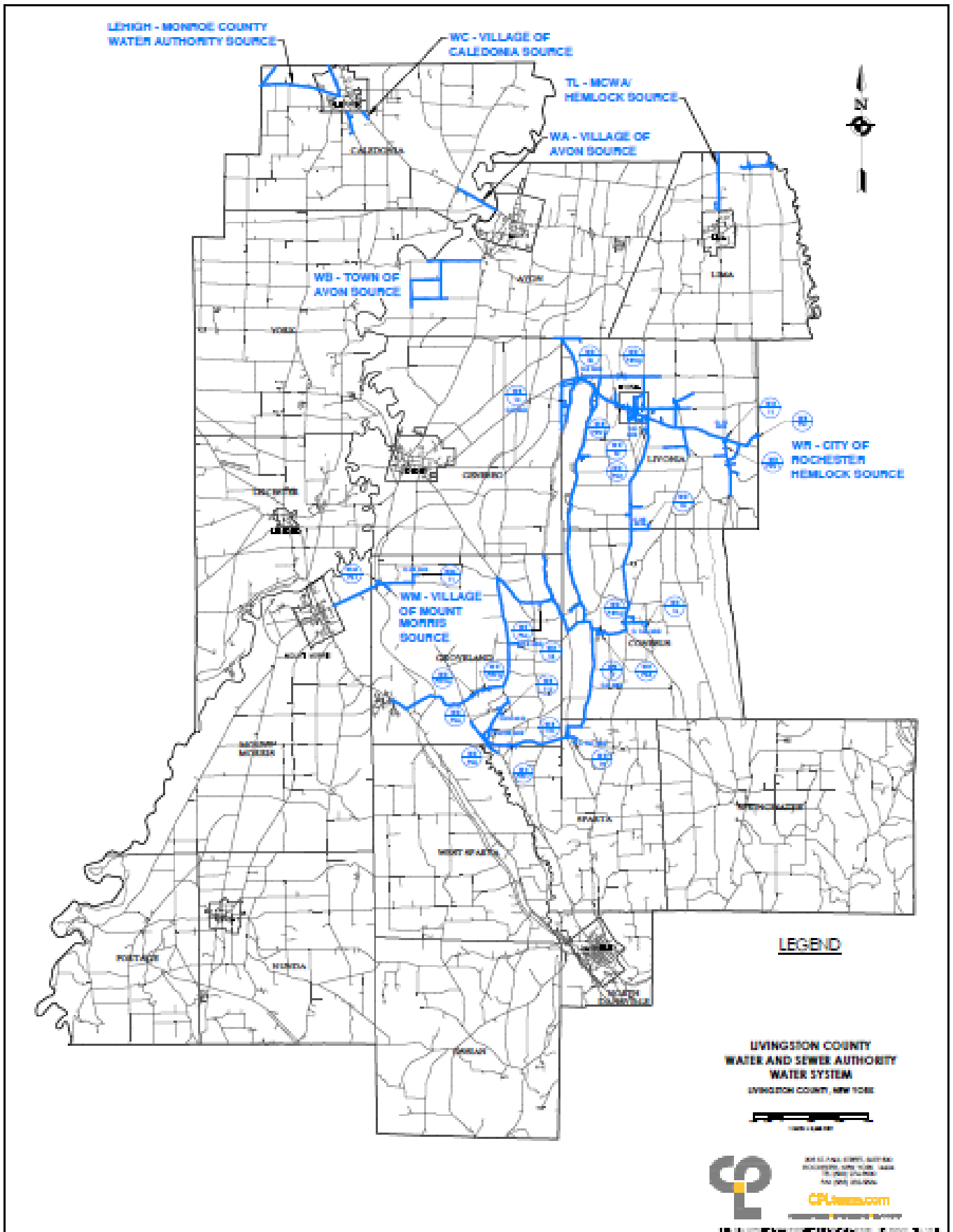
8 Greater Tompkins County Municipal Health Insurance Consortium

The Health Consortium launched in 2009 in Tompkins County includes sixteen contiguous counties in upstate NY with 53 municipal partners. The goal of the Health Consortium is to provide competitive health insurance premiums to its members. The Health Consortium has a NYS Insurance Article 47 certificate and operates with State oversight to ensure financial stability. In 2022 the Municipal Cooperative Agreement was amended to include Madison and Livingston Counties. The New York State Department of Financial Services is currently reviewing the request to amend the Certificate of Coverage. If expanded, the Authority would have the ability to apply for membership. Savings Estimate: \$40,000 annually, based on current Authority health insurance costs. *Success: Acceptance into the Consortium to achieve a reduction in healthcare costs with same coverage for 2024. (December 2024).*

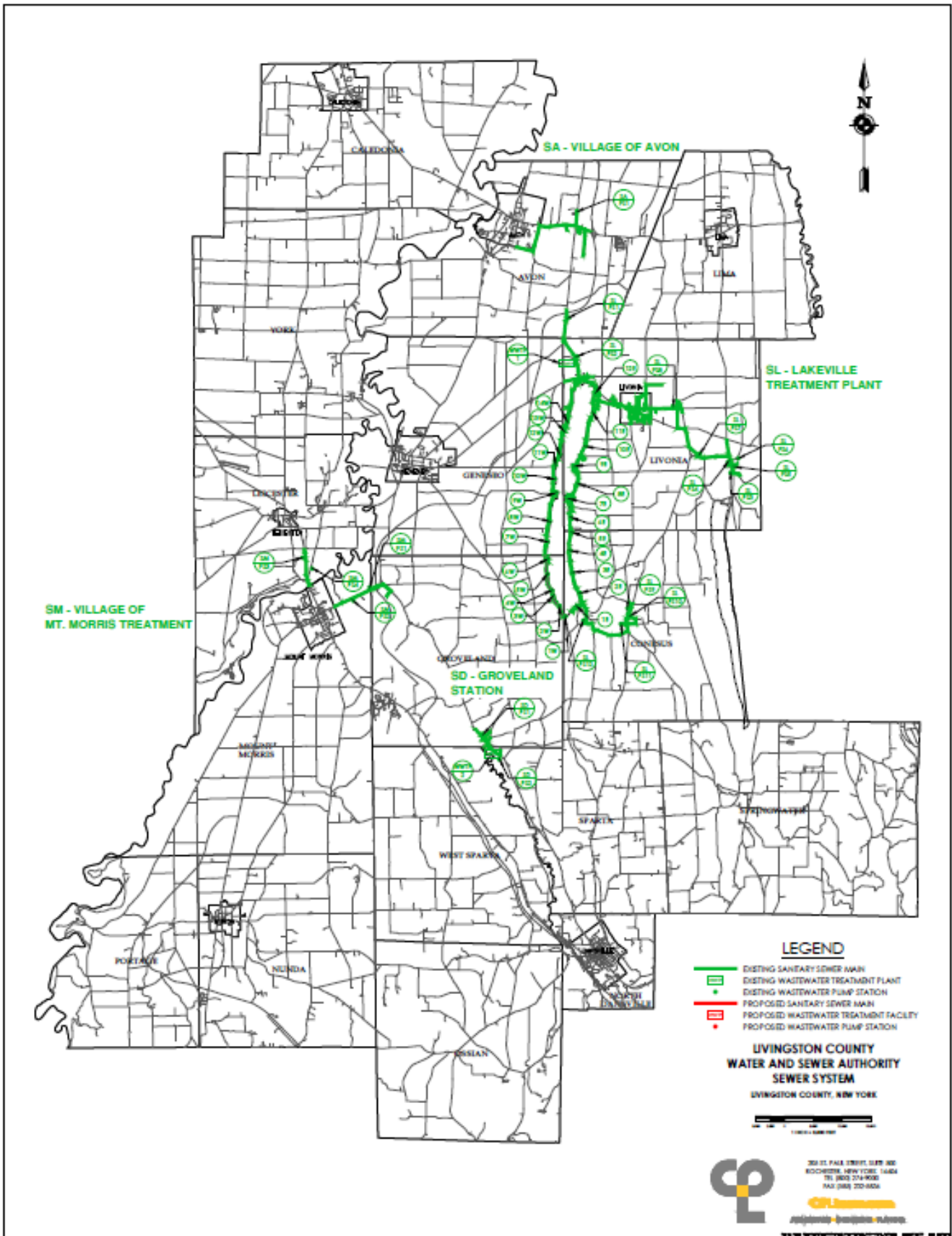
9 Complete Income Survey

Current income data published in the American Community Survey's five-year estimates determining Median Household Income in the Lakeville sewer system is not reflective of the population in the service area. As a result, the Authority Board has approved an income survey of the Lakeville service area with the intent that the results from the survey would be used by EFC for determining hardship financing and additional subsidy eligibility, as well as qualifying for Community Development Block Grant (CDBG) program funding. This would allow survey results to be used not only for future sewer projects but also water projects within that same service area. *Success: Completion of the income survey in time for incorporation to CFA and EFC applications. (May 2023).*

Water Service Area



Sewer Service Area



Financial Statements

YEAR ENDING DECEMBER 31, 2022

LIVINGSTON COUNTY WATER AND SEWER AUTHORITY

(A Discretely Presented Component Unit of the County of Livingston, New York)

Statement of Net Position

December 31, 2022

ASSETS

CURRENT ASSETS:

| | | |
|---|----|-----------|
| Cash and cash equivalents | \$ | 2,035,301 |
| Accounts receivable | | 1,113,036 |
| Current portion of capital contributions receivable | | 57,289 |
| Inventory | | 9,774 |
| Prepaid expenses | | 158,995 |
| Funds held for others | | 42,300 |

Total current assets 3,416,695

NONCURRENT ASSETS:

| | | |
|--|--|------------|
| Restricted cash | | 11,298 |
| Funds held by trustee | | 364,072 |
| Net pension asset | | 175,240 |
| Capital contributions receivable, net of current portion | | 416,817 |
| Capital assets, nondepreciable | | 1,607,698 |
| Capital assets, net | | 40,371,272 |

Total noncurrent assets 42,946,397

Total assets 46,363,092

DEFERRED OUTFLOWS OF RESOURCES

| | | |
|---|--|---------|
| Pension related | | 501,901 |
| Total other postemployment benefits related | | 403,469 |

Total deferred outflows of resources 905,370

LIABILITIES

CURRENT LIABILITIES:

| | | |
|------------------------------------|--|-----------|
| Accounts payable | | 1,112,704 |
| Current portion of bonds payable | | 416,805 |
| Current portion of lease liability | | 35,226 |
| Accrued interest | | 7,972 |
| Other current liabilities | | 54,640 |
| Funds held for others | | 42,300 |
| Bond anticipation note payable | | 1,615,438 |

Total current liabilities 3,285,085

Financial Statements

YEAR ENDING DECEMBER 31, 2022

LIVINGSTON COUNTY WATER AND SEWER AUTHORITY

(A Discretely Presented Component Unit of the County of Livingston, New York)

Statement of Net Position

December 31, 2022

NONCURRENT LIABILITIES:

| | |
|---|-------------------|
| Bonds payable, net of current portion | 9,690,661 |
| Lease liability, net of current portion | 187,771 |
| Compensated absences | 56,622 |
| Total other postemployment benefits liability | <u>2,222,978</u> |
| Total noncurrent liabilities | <u>12,158,032</u> |
| | |
| Total liabilities | <u>15,443,117</u> |

DEFERRED INFLOWS OF RESOURCES

| | |
|---|----------------|
| Pension related | 604,288 |
| Total other postemployment benefits related | <u>90,126</u> |
| | |
| Total deferred inflows of resources | <u>694,414</u> |

NET POSITION

| | |
|----------------------------------|----------------------|
| Net investment in capital assets | 29,046,173 |
| Restricted | 375,370 |
| Unrestricted | <u>1,709,388</u> |
| | |
| Total net position | <u>\$ 31,130,931</u> |

Financial Statements

YEAR ENDING DECEMBER 31, 2022

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

Statement of Revenues, Expenses, and Changes in Net Position
For the Year Ended December 31, 2022

| | |
|--|----------------------|
| OPERATING REVENUE: | |
| Service fees | \$ 3,941,575 |
| Operation and maintenance service fees | 15,000 |
| Permit fees | 122,422 |
| Other income | 145,775 |
| Total operating revenue | <u>4,224,772</u> |
| OPERATING EXPENSES: | |
| Wages, salaries, and benefits | 1,642,075 |
| Professional services | 353,711 |
| Utilities | 364,586 |
| Vehicle expense | 21,830 |
| Purchased water and sewer | 641,743 |
| Equipment maintenance | 74,646 |
| Building maintenance | 631,486 |
| Other | 81,174 |
| Depreciation and amortization | <u>1,309,769</u> |
| Total operating expenses | <u>5,121,020</u> |
| Total operating income (loss) | <u>(896,248)</u> |
| NON-OPERATING REVENUE (EXPENSE): | |
| Interest revenue | 38,839 |
| Interest expense | (52,702) |
| Grant revenue | <u>273,369</u> |
| Total non-operating revenue (expense) | <u>259,506</u> |
| GAIN (LOSS) BEFORE CAPITAL CONTRIBUTIONS | <u>(636,742)</u> |
| CAPITAL CONTRIBUTIONS: | |
| Contributed funds from Livingston County | <u>260,000</u> |
| Total capital contributions | <u>260,000</u> |
| CHANGE IN NET POSITION | <u>(376,742)</u> |
| NET POSITION - beginning of year, as previously reported | 31,600,168 |
| PRIOR PERIOD ADJUSTMENT (See Note 17) | <u>(92,495)</u> |
| NET POSITION- beginning of year, as restated | <u>31,507,673</u> |
| NET POSITION - end of year | <u>\$ 31,130,931</u> |

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.

This statement verifies that management has documented and assessed the internal control structure and procedures of the Livingston County Water & Sewer Authority for the year ending December 31, 2022. This assessment found the Authority's internal controls to be adequate, and to the extent that deficiencies were identified, the Authority has developed corrective action plans to reduce any corresponding risk.

Person & Real Property Transactions

In 2022, the Authority disposed of the following personal property (equipment, vehicles, and materials) with an estimated fair market value in excess of \$5,000:

- 2013 Ford F-150 4x4; Serial No/VIN 1FTFX1EF7DKE35374
- 2016 Dodge Ram 1500 4x4; Serial No/VIN 1C6RR7FG5GS420515

In 2022, the Authority did not acquire or dispose of real property with a fair market value in excess of \$15,000.

Debt Schedule

YEAR ENDING DECEMBER 31, 2022

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

Notes to Basic Financial Statements
 December 31, 2022

10. FINANCING ARRANGEMENTS

The Authority had the following debt outstanding as of December 31, 2022:

| Direct Borrowings | Balance January 1 | Increases | Decreases | Due Within One Year | Due After One Year |
|---|----------------------|-----------|-------------|------------------------|-----------------------|
| 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. | \$ 1,970,000 | \$ - | \$ (90,000) | \$ (95,000) | \$ 1,785,000 |
| 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. | 602,775 | - | (31,725) | (31,725) | 539,325 |
| On May 1, 2012, the Authority was a part of a \$1,322,692 offering of the NYS EFC Revenue Bonds to fund the cost of various sewer projects. The bond has an interest rate of 3.74% and will mature on May 1, 2042. | 1,005,000 | - | (35,000) | (35,000) | 935,000 |

Real Property Schedule

YEAR ENDING DECEMBER 31, 2022

| 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 |
| 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 |



Livingston County Water & Sewer Authority

1997 D'Angelo Drive

P.O. Box 396

Lakeville, NY 14480

Phone: (585) 346-3523

Fax: (585) 346-0954

www.lcwsa.us