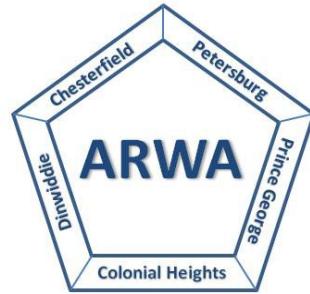


Appomattox  
River  
Water  
Authority



21300 Chesdin Rd. - S. Chesterfield, VA 23803 - Phone (804) 590-1145 - Fax (804) 590-9285

**APPOMATTOX RIVER WATER AUTHORITY**

**Board of Directors Meeting**

DATE: January 22, 2026

TIME: 2:00 pm

LOCATION: Appomattox River Water **Authority**  
Board Room, Administration Building  
21300 Chesdin Road  
South Chesterfield, VA 23803

**AGENDA**

1. Call to Order/Roll Call
2. Approval of Minutes: Minutes of the Board Meeting held on November 20, 2025  
(Exhibit A, pages 2 to 10)
3. Public Comment (Exhibit B, page 11)
4. Executive Director's Report:
  - Proposed FY2026/2027 Budget Presentation (Exhibit C, pages 12 to 39)
  - VWP Withdrawal Permit Update (Exhibit D, pages 40 to 42)
  - Status Report (Exhibit E, pages 43 to 46)
  - Financials (Exhibit F, pages 47 to 51)
5. Items from Counsel
6. Closed Meeting
7. Other items from Board Members/Staff Not on Agenda
8. Adjourn

## EXHIBIT A

### **BOARD OF DIRECTORS MEETING**

**Appomattox River Water Authority**

**November 20, 2025, at 2:00 p.m.**

**Location: Appomattox River Water Authority  
21300 Chesdin Rd. South Chesterfield, VA 23803**

#### **MEMBERS PRESENT:**

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

#### **ALTERNATES PRESENT:**

Frank Haltom, Secretary/Treasurer (Alternate, Prince George)  
George Hayes, (Alternate, Chesterfield)  
Eddie Pearson, (Alternate, Dinwiddie)  
Matt Rembold, (Alternate, Chesterfield)  
Andrew Barnes, (Alternate, Colonial Heights)

#### **ABSENT:**

March Altman, (Petersburg)

#### **STAFF PRESENT:**

Robert B. Wilson, Executive Director (ARWA & SCWWA)  
James C. Gordon, Asst. Executive Director (ARWA & SCWWA)  
Kelley Kemp, (Sands Anderson PC)  
Melissa Wilkins, Business Manager/FOIA (ARWA & SCWWA)  
Tiffanee Rondini, Administrative Assistant (ARWA & SCWWA)

#### **OTHERS PRESENT:**

Zach Hipes (Robinson, Farmer, Cox Associates)

The ARWA meeting was called to order by Mr. Smith, Chairman, at 2:03 p.m.

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

**The roll was called:**

**Participating members at the table were:**

<b>Doug Smith</b>	<b>Present</b>
<b>Kevin Massengill</b>	<b>Present</b>
<b>Joseph Casey</b>	<b>Present</b>
<b>Frank Haltom</b>	<b>Present</b>

Mr. Smith opened the meeting with special recognition for Mr. George Hayes on his impending retirement. Mr. Smith presented and read a Resolution to Mr. Hayes.

Upon a motion made by Mr. Haltom and seconded by Dr. Casey, the Board approved the Resolution:

**RESOLVED, that the Resolution honoring Mr. George Hayes is hereby approved and adopted:**

**For: 4      Against: 0      Abstain: 0**

Everyone congratulated Mr. Hayes on his retirement. Mr. Hayes responded, thank you so much; it has been a pleasure. Water and wastewater are regional issues, and many challenges stem from them. That is one of the reasons he has always enjoyed these meetings and collaborating on various projects. He appreciates our professional relationships, as well as the friendships that have developed over the years. Board Members offered comments of appreciation and commendation to Mr. Hayes, and Mr. Hayes provided additional comments expressing appreciation to the board members and staff.

Mr. Smith stated he wanted to recognize Mr. Andrew Barnes. He announced him as the new Public Works Director and City Engineer for the City of Colonial Heights, and we welcome him back to the area. We appreciate having him here today, and he will also serve as my Alternate on both Boards.

#### **2. Approval of Minutes: Minutes of the Regular Meeting of the Board on September 18, 2025**

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

**RESOLVED, that the Minutes of the Regular Meeting of the Board on September 18, 2025, are hereby approved:**

**For: 4      Against: 0      Abstain: 0**

**3. Public Comment**

There were no public comments.

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

**• FY24/25 Annual Audit Presentation**

Mr. Hipes of Robinson, Farmer, Cox Associates presented the annual audit findings. Mr. Hipes stated there were no deficiencies, issues, or material weaknesses for FY24/25. Mr. Massengill thanked Ms. Wilkins for the good work and Mr. Hipes for everything he did to review and present the findings, and further stated, "Good job all the way around." Mr. Smith concurred with Mr. Massengill and thanked Mr. Hipes and Ms. Wilkins for their diligence and hard work throughout the year leading up to the audit period. Ms. Wilkins responded Thank you and that she has a great team. Mr. Wilson stated the Authority exceeded its projections and collected a surplus of \$1,816,419.29. Mr. Wilson stated that there are future plant projects totaling \$1,362,224.59. The staff requests that part of the surplus funds be used for these projects, with the remaining \$454,194.70 true-up distributed back to the members. Dr. Casey suggested allocating the true-up funds to future ARWA planning, including water storage, by acquiring a 2.5-million-gallon elevated storage tank. Mr. Wilson stated that we have attempted for several years to establish a rate stabilization fund to offset future costs. Mr. Wilson stated that if the Board would like to place the true-up funds in that fund, we would request that it be designated as Board-restricted so that, if anything needs to be changed or added to the LGIP, it will be Board-directed. Mr. Hayes commented on the proposed 2.5 MG elevated tank project currently under design and stated the tank should be built sooner rather than later. He stated the tank would be a benefit to the Authority if there were an issue at the plant. Mr. Hayes acknowledged the estimated \$19 million project cost and the requirement to borrow money to fund this project. Mr. Hayes indicated he had discussed the tank scheduling with the executive director and was in favor of earmarking surplus funds from FY2025/2026 to the tank project. Mr. Massengill stated that he did not disagree with the concept, and thinks it is probably prudent and appropriate. Mr. Smith stated what if we considered taking those funds, reserving them like we said but reserving them generally for future capital projects as directed by the Board, which the tank could be one but if there is something more urgent that came up during the interim it could be re-directed that way. Mr. Wilson stated that can be done and Ms. Wilkins can add it to the financials as a separate line item so that it is always present. Mr. Smith stated if there were no other questions or comments, he would entertain a motion to accept the findings of the FY24/25 audit as presented by Robinson, Farmer, Cox Associates.

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

**RESOLVED, that the Board accepts the findings of the FY24/25 audit as presented by Robinson, Farmer, Cox Associates:**

**For: 4      Against: 0      Abstain: 0**

**Roll Call Vote:**

**Participating members at the table were:**

<b>Doug Smith</b>	<b>Aye</b>
<b>Kevin Massengill</b>	<b>Aye</b>
<b>Joseph Casey</b>	<b>Aye</b>
<b>Frank Haltom</b>	<b>Aye</b>

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

**RESOLVED, that the Board approves the Staff's requested use of surplus funds, with the \$454,194.70 remaining amount to be held for future capital projects as directed by the Board:**

**For: 4      Against: 0      Abstain: 0**

**Roll Call Vote:**

**Participating members at the table were:**

<b>Doug Smith</b>	<b>Aye</b>
<b>Kevin Massengill</b>	<b>Aye</b>
<b>Joseph Casey</b>	<b>Aye</b>
<b>Frank Haltom</b>	<b>Aye</b>

Mr. Smith thanked Dr. Casey and Mr. Hayes for bringing this concept forward.

**• Proposed 2026 Meeting Schedule**

Mr. Wilson presented the proposed meeting schedule for the 2026 calendar year and asked the Board whether they had availability to change the originally proposed meeting date of January 15<sup>th</sup> to January 22<sup>nd</sup>. There were no objections from the Board.

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

**RESOLVED, that the Board approves the amended meeting schedule for regular scheduled meetings for the calendar year 2026:**

**For: 4      Against: 0      Abstain: 0**

**• Status Report**

Mr. Wilson reviewed the status report included in the Board Package.

**• Financials**

Ms. Wilkins reported on the financials.

**5. Items from Counsel**

Ms. Kemp presented a resolution to the Board for approval establishing a remote participation and all-virtual meeting policy for the Appomattox River Water Authority.

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

**RESOLVED, that the Board approves the remote participation and all-virtual meeting policy:**

**For: 4      Against: 0      Abstain: 0**

**Roll Call Vote:**

**Participating members at the table were:**

<b>Doug Smith</b>	<b>Aye</b>
<b>Kevin Massengill</b>	<b>Aye</b>
<b>Joseph Casey</b>	<b>Aye</b>
<b>Frank Haltom</b>	<b>Aye</b>

**6. Closed Session**

There were no closed sessions.

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

There were no other items.

8. **Adjourn**

Mr. Smith stated that if there is no other business, he would entertain a motion to adjourn.

Upon a motion by Mr. Massengill and seconded by Mr. Haltom, the meeting was adjourned at 3:00 p.m.

MINUTES APPROVED BY:

Frank Haltom/Secretary/Treasurer

# **RESOLUTION**

**WHEREAS**, in December 2025, Mr. George B. Hayes retired from his position as the Alternate member of the Appomattox River Water Authority and of the South Central Wastewater Authority Board of Directors, and;

**WHEREAS** Mr. Hayes served on the Board of the Appomattox River Water Authority and of the South Central Wastewater Authority for over 10 years, including holding the office of Secretary/Treasurer for South Central Wastewater Authority for 4 years and the Appomattox River Water Authority for 2 years, and;

**WHEREAS**, Mr. Hayes frequently offered thought-provoking comments and suggestions, and;

**WHEREAS** Mr. Hayes' belief in our mission, taking a risk and offering invaluable leadership and support on matters of importance won him the respect of the Board and staff, and;

**WHEREAS** the Board of Directors wishes to recognize Mr. Hayes for his years of service and his dedication.

**THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Appomattox River Water Authority and of the South Central Wastewater Authority, by unanimous vote this 20<sup>th</sup> day of November 2025, hereby recognizes and commends Mr. Hayes on his service and wishes him well in his retirement and future endeavors.

**BE IT FURTHER RESOLVED** that a copy of this RESOLUTION be incorporated into the Minutes of the Board of the Appomattox River Water Authority and the South Central Wastewater Authority, and a copy be presented to him.

**Mr. Doug Smith  
Mr. Kevin Massengill  
Dr. Joseph Casey  
Mr. March Altman  
Mr. Jeff Stoke  
Mr. Frank Haltom**

**RESOLUTION**

**OF THE APPOMATTOX RIVER WATER AUTHORITY**  
**ESTABLISHING A REMOTE PARTICIPATION**  
**AND ALL-VIRTUAL MEETING POLICY**

**NOVEMBER 20, 2025**

**WHEREAS**, on January 26, 2023, the Board of the Appomattox River Water Authority (the "Authority Board") adopted a policy to permit individual Board members to participate in meetings using electronic communication means ("remote participation") pursuant to the Virginia Freedom of Information Act (Va. Code § 2.2-3700 et. seq.); and

**WHEREAS**, the Authority Board has determined to readopt the 2023 remote participation policy (with certain changes) and to add provisions for all-virtual public meetings.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

**A.** A member of the Authority Board may use remote participation instead of attending a public meeting in person only as follows and subject to the requirements of section B, if, on or before the day of a meeting, the member notifies the Chairman of the Authority Board in writing or by telephone or e-mail that such member is unable to attend the meeting in person because:

1. The member has a temporary or permanent disability or other medical condition that prevents the member's physical attendance;
2. A medical condition of a member of the member's family requires the member to provide care that prevents the member's physical attendance;
3. The member's principal residence is more than 60 miles from the meeting location identified in the required notice for such meeting; or
4. The member is unable to attend the meeting due to a personal matter, the nature of which personal matter is identified with specificity.

**B.** Remote participation by a Board member as authorized under section A shall be only under the following conditions:

1. A member may not use remote participation due to personal matters as described in section A.4. above more than two meetings per calendar year or 25 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater;
2. If remote participation by a member is authorized pursuant to this Resolution, such member shall state and the Authority Board shall record in its minutes the

remote location from which the member participated; however, the remote location need not be open to the public and may be identified in the minutes by a general description;

3. If remote participation is authorized pursuant to section A.1 or A.2, the Authority Board shall also include in its minutes the fact that the member remotely participated due to a (i) temporary or permanent disability or other medical condition that prevented the member's physical attendance or (ii) family member's medical condition that required the member to provide care for such family member, thereby preventing the member's physical attendance;

4. If remote participation is authorized pursuant to section A.3, the Authority Board shall also include in its minutes the fact that the member remotely participated due to the distance between the member's principal residence and the meeting location;

5. If remote participation is authorized pursuant to section A.4, the Authority Board shall also include in its minutes the specific nature of the personal matter cited by the member;

6. A quorum of the Authority Board must be physically assembled at the primary or central meeting location; provided that, for purposes of determining whether a quorum is physically assembled, an individual member will count toward the quorum if the member is (i) a person with a disability as defined in § 51.5-40.1 and uses remote participation or (ii) a caregiver for a person with a disability and uses remote participation;

7. The Chairman is authorized to determine whether a member's remote participation is authorized pursuant to section A.1, A.2 and A.3, but a majority of the quorum must approve a member's remote participation pursuant to section A.4 ;

8. In the event a Board member's remote participation is disapproved by the Chairman or the Board, such disapproval and the reason therefor shall be recorded in the minutes with specificity; and

9. The Authority Board will arrange for the voice of the remote participant to be heard by all persons at the primary or central meeting location.

C. A public meeting of the Board may be all virtual (i) whenever the Chairman deems an all-virtual meeting to be necessary or convenient for the Board and (ii) subject to the following requirements and limitations:

1. An indication of whether the meeting will be in-person or all-virtual shall be included in the required meeting notice along with a statement notifying the public that the method by which the Board chooses to meet shall not be changed unless the Board provides a new meeting notice in accordance with the provisions of § 2.2-3707;

2. Public access to the all-virtual public meeting shall be provided via electronic communication means;

3. The electronic communication means used shall allow the public to hear all members of the Board participating in the all-virtual public meeting and, when audio-visual technology is available, to see the members of the Board as well;

4. When audio-visual technology is available, a member of the Board shall, for purposes of a quorum, be considered absent from any portion of the meeting during which visual communication with the member is voluntarily disconnected or otherwise fails or during which audio communication involuntarily fails;

5. The public shall be afforded the opportunity to comment through electronic means, including by way of written comments, at those public meetings when public comment is customarily received;

6. Persons must activate their camera, with their face fully visible, before they will be given the opportunity to participate in public comment;

7. A phone number or other live contact information shall be provided to alert the Board if the audio or video transmission of the meeting provided by the Board fails, the Board monitors such designated means of communication during the meeting, and the Board takes a recess until public access is restored if the transmission fails for the public;

8. A copy of the proposed agenda and all agenda packets and, unless exempt, all materials furnished to members of the Board for a meeting shall be made available to the public in electronic format on the Authority's website at the same time that such materials are provided to members of the Board;

9. Votes taken during the electronic meeting shall be recorded by name in roll-call fashion and included in the minutes of the meeting;

10. No more than two members of the Board shall be together in any one remote location unless that remote location is open to the public to physically access it;

11. If a closed session is held during an all-virtual public meeting, transmission of the meeting to the public shall resume before the Board votes to certify the closed meeting as required by subdivision D of § 2.2-3712;

12. The Board shall not convene an all-virtual public meeting (i) more than two times per calendar year or 50 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater, or (ii) consecutively with another all-virtual public meeting; and

13. Minutes of all-virtual public meetings held by electronic communication means shall be taken as required by § 2.2-3707 and include the fact that the meeting was held by electronic communication means and the type of electronic communication means by which the meeting was held. If a member's participation from a remote location is

disapproved because such participation would violate the policy set forth in this Resolution, such disapproval shall be recorded in the minutes with specificity.

**D.** As required by subdivision D of §2.2-3708.3, the policy set forth herein shall be applied strictly and uniformly, without exception, to the entire membership of the Board and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

**E.** Counsel has advised that for the Board to continue to use remote participation and all-virtual meetings the Board is required to adopt at least once annually, by recorded vote at a public meeting, a policy meeting the requirements of §2.2-3708.3.

**F.** This Resolution shall take effect on December 1, 2025.

Vote:

<u>Smith</u>	<u>Aye</u>
<u>Massingill</u>	<u>Aye</u>
<u>Casey</u>	<u>Aye</u>
<u>Haltom</u>	<u>Aye</u>

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APPOMATTOX RIVER WATER AUTHORITY  
21300 Chesdin Road  
Petersburg, VA 23803



SOUTH CENTRAL WASTEWATER AUTHORITY  
900 Magazine Road  
Petersburg, VA 23803

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

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

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

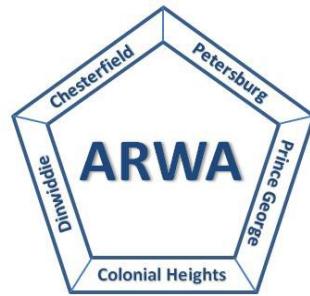
When two or more individuals are present from the same group, it is recommended that the group designate a spokesperson to present its comments to the Board and the designated speaker can ask other members of the group to be recognized by raising their hand or standing. Each spokesperson for a group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

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

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

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

Appomattox  
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21300 Chesdin Rd. - S. Chesterfield, VA 23803 - Phone (804) 590-1145 - Fax (804) 590-9285

**EXHIBIT C**

TO: Appomattox River Water Authority Board of Directors

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

DATE: January 22, 2026

SUBJECT: Proposed FY2026/2027 Budget

On December 15, 2025, staff distributed, via email, the proposed FY2026/2027 budget narrative to the primary members, utility directors and financial representatives. On December 18, 2025, staff presented the proposed budget to the utility directors in a meeting held at ARWA in the conference room.

The original budget narrative (black text) presented, the proposed FY2026/2027 budget, and the comments captured from the member utility directors' meeting (blue text) are included as Attachment C-1.

At the meeting with the directors, Chesterfield County requested the Authority build the elevated tank sooner than later. With that in mind, we have included an alternate to the proposed budget that incorporates the estimated debt service for the construction of the elevated tank. The proposed revenues from each member with the debt service to build one elevated water tank and supporting data is shown as Attachment C-2.

Staff will present the highlights from the compiled Budget Narrative at the meeting and address any questions.

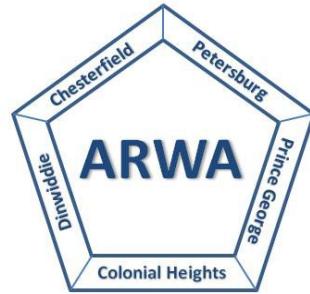
If there are no questions or major revisions required, staff requests the Board proceed with advertising the budget as presented in Attachment C-1 and setting the public hearing date for March 19, 2026, at 2:00 p.m. at the Appomattox River Water Authority.

The proposed public hearing resolution is included as Attachment C-3.

**Board Action Requested:**

Staff requests the Board review the proposed budget and set a public hearing date for March 19, 2026, at 2:00 pm at the Appomattox River Water Authority for the proposed FY2026/2027 budget.

Appomattox  
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**ATTACHMENT C-1**

TO: Appomattox River Water Authority Board Utility Directors

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

DATE: December 18, 2025

SUBJECT: Proposed FY26/27 Budget Narrative  
Revision 001 – Comments from December 18<sup>th</sup> meeting with member directors

The following members and staff were present at the meeting:

Matt Rembold	Chesterfield County
Eddie Pearson	Dinwiddie County Water Authority
Andrew Barnes	City of Colonial Heights
Pete Eggers	City of Petersburg
Robert Wilson	ARWA/SCWWA
Jamie Gordon	ARWA/SCWWA
Melissa Wilkins	ARWA/SCWWA

The executive director reviewed the budget narrative with attendees.

The budget, Exhibit A, is divided into operating and maintenance costs, operating capital outlay, and debt service. Each participating jurisdiction is responsible for a pro rata share of the operating and maintenance costs and operating capital outlay costs. The current approved method for calculating the pro rata share for O&M costs and operating capital outlay costs is the previous five-year running average for each participating jurisdiction.

The pro rata shares used to develop the O&M costs and operating capital outlay costs for FY26/27 are:

Member	5-year	5-year	Percent
	Average	Average	
	FY26/27	FY25/26	
Calculated	Budgeted	Difference	
Chesterfield County	<b>73.797%</b>	74.038%	-0.326%
City of Colonial Heights	<b>5.094%</b>	5.159%	-1.260%
Dinwiddie County	<b>3.649%</b>	3.689%	-1.084%
City of Petersburg	<b>14.794%</b>	14.585%	1.433%
Prince George County	<b>2.665%</b>	2.530%	5.336%

The five-year data used for each member is included as Exhibit B.

The debt service for each participating jurisdiction is calculated as follows:

- 2012 Issuance – Each participating jurisdiction's pro rata share is calculated by the previous five-year running average for water purchased from the plant. The last payment for the 2012 Issuance will be made 10/01/2027. For FY26/27 the debt service is \$280,000.00 and the interest is \$22,475.00.
- 2017 Issuance – Each participating jurisdiction's pro rata share is calculated by the previous five-year running average for water purchased from the plant. The last payment for the 2017 Issuance will be made 10/01/2032. For FY26/27 the debt service is \$895,000.00 and the interest is \$185,743.70.
- 2019 Issuance – This issuance refinanced the 2010 Issuance. The 2019 Issuance debt service was broken down the same as the 2010 Issuance it replaced, 45.62% for expansion and 54.38% for operating. The expansion part of the annual debt service, 45.62%, is distributed between the participating jurisdictions as follows:
  - Chesterfield County – 7.87%. The reason that Chesterfield pays such a small percentage towards the expansion portion of this issuance is that they paid most of their portion in cash.
  - City of Colonial Heights – 5.76%.
  - Dinwiddie County – 57.58%. The reason for Dinwiddie's high percentage is that they borrowed 100% of their portion of the expansion piece of the bond.
  - City of Petersburg – 0%. The city did not participate in the expansion piece of the bond.
  - Prince George County – 28.79%. Similarly, to Dinwiddie, Prince George financed their entire portion of the expansion piece.

The remaining portion of the 2019 issuance, 54.38%, is divided between the participating jurisdictions on a pro rata share based on their previous five-year running average. The last payment for the 2019 Issuance is 10/01/2031. For FY26/27 the debt service is \$595,000.00 and the interest is \$111,887.68.

Both the 2012 Bond and the 2017 Bond financed solely capital maintenance projects to enhance the plant's reliability—not to expand the plant's capacity. In the authorizing resolutions for both the 2012 Bond and the 2017 Bond, the Board determined that the financed projects were for "improvement costs" within the meaning of the existing Water Service Agreements between the Authority and each of the participating jurisdictions (the "Existing Agreements"). Hence, under the Existing Agreements the debt service on both the 2012 Bond and the 2017 Bond is to be covered by the Authority's annual budgeted "Base Rate." The Base Rate is a uniform rate applied equally to all water purchases by each participating jurisdiction, which rate is based annually upon the five year running average water usage for all participating jurisdictions for a given fiscal year such that funds generated from charging the Base Rate will be sufficient to pay for all of the costs associated with (a) the operation and maintenance of the Authority's water system, and (b) all improvement costs incurred by the Authority (including, for example, the debt service on the 2012 Bond and the 2017 Bond and any other bonds issued to finance improvement costs).

The 2019 issuance refinanced the 2010 issuance which refinanced 2002 (plant operations and maintenance). The 2002 issuance refinanced the 1982 issuance (plant operations and maintenance) and the 1983 issuance (expansion - \$20 million). The breakdown of 45.62% for expansion and 54.38% for operations and maintenance was established with the 2002 issuance. This was verified in the Appomattox River Water Authority Billing Special Report dated April 23, 2019, by Chesterfield County Internal Audit. At that time, the 2010 issuance breakdown was audited.

The main factor that has a direct influence on the five-year running average is rain. The higher the amount of rain, the lower the irrigation demand and the lower the consumption, water purchased. Conversely, the lower the amount of rain, the higher the irrigation demand and the higher the consumption. The next leading factors would be growth and economic development

For the proposed FY26/27 Budget the operating and maintenance costs and operating capital outlay costs are developed by meeting with staff, setting priorities, and using up-to-date estimates. The proposed budget includes a 4.0% salary adjustment, which is a COLA as detailed in the Compensation and Classification Study. The selection of a 4.0% salary adjustment is based on the Employment Cost Index Summary for the second quarter of 2025, Exhibit C. We are also recommending increasing the top end of each salary ranges by 2.5%.

**Mr. Rembold stated that Chesterfield County has not determined their COLA or salary adjustment for next year. He has talked with financial staff, and he thinks they will be less than 4%. Mr. Wilson stated that the methodology for the FY27 budget is consistent with what was presented and approved for FY26 and the Compensation and Classification Study.**

Specific highlights for the proposed FY26/27 operating budget:

- 41000 -Salary. Salaries increased as a result of being fully staffed and operators continually pursuing higher licensure.
- 42000 – Employee Benefits. Employee benefits have increased with the increase in health care insurance. We are budgeting for an 8% increase, and we will not know the actual increase until April or May of 2026. This increase will be proportionally split between the Authority and employees.
- 43000 – Contractual Services
  - 43121 Audit Services. Increased line item to reflect actual costs being billed by contracted vendor.
  - 43124 Part Time Summer Interns. Removed this line item. We are fully staffed and have not had success recruiting summer interns.
  - 43160 Trustee Services. Line item was increased to reflect actual annual trustee services.
  - 43180 Potable Water Contract. The majority of the increase in Contractual Services is the Potable Water Contract. This line item is scheduled change out of carbon in the finished water filters. The PER for the filters identified loss of the sand layer through backwashing over time. The increase in this line item is the addition of 6" of sand per filter during the carbon change out process and the increase in the carbon contract for FY26/27.
  - 43200 Lake Patrol. With Chesterfield County purchasing a new police boat and the Marine Patrol section of the police department concentrating their effort on Lake Chesdin, the annual contribution by the Authority increased.
- 45000 – Other Charges
  - 45110 – Electricity - Pumping (raw water pumping dam) – The raw water pumps at the lake run continuously to supply raw water to the plant for treatment. This is increase is a direct result of increased Dominion power costs.
  - 45111 – Electricity – Purification (water treatment plant) – This is a direct result of increased Dominion power costs. These operating costs will approach the raw water pumping costs when the elevated tanks are added. At that time, all finished water leaving the plant will be pumped. Currently operators take advantage of reduced consumption and flow by gravity out of the plant during reduced consumption by members.

Mr. Rembold asked if the increase in power costs included the forecasted increases for Dominion next year. Ms. Wilkins advised those increased costs are included in the proposed budget.

- 45308 General Liability Insurance. Increased line item to reflect the increase in the Authority's general liability policy (increasing assets – improvements).
- 45330 Meals and Lodging. Increased this line item to provide training for new maintenance and operations staff. Most training is offsite. Also making sure costs are split correctly between Meals and Lodging and Education and Training.

- 45540 Education and Training. Reduced line to reflect actual class cost. Moved travel costs to Meals and Lodging.
- 46000 – Materials and Supplies
  - 46007 – Repair and Maintenance Supplies – Shop. This is a direct reflection of the economy and the increased cost of materials and assistance from outside contractors.
  - 46008 Vehicle and Equipment Fuels. To try to offset the higher costs of power, the Authority is running the onsite generators during called “A” days by Dominion Power. With the Authorities current rate schedule, the cost of power on an “A” day is significantly higher per kilowatt hour.
  - 46014 Materials and Supplies – IT. This is the materials budget for the SIIT (Systems Integration/Information Technology) group.
  - 46016 Operations Supplies and Maintenance. Similar to the maintenance department, operations’ costs increased for the instruments that operators are responsible for calibrating and maintaining.

The Operating Capital Outlay (58000 series) included the following changes for FY26/27:

- 58010 – Machinery and Motors – Process
  - Raw water pump station was constructed in 2006. The variable frequency drives (VFD) and soft starts are reaching the end of their useful lives – 20 years. These lines include scheduled replacement of the VFD’s and soft starts based on the frequency the Process Control Section is working on the drives.
    - \$150,000 to replace the 4160-volt soft start on P20 (raw water pump #20). P20 is a constant speed pump to deliver raw water to the plant.
    - \$160,000 to replace the 480-volt VFD’s on P21 and P24. The reason that VFD’s are on P21 and P24 is that they are adjusted to maintain flow to the plant (trim).
  - Pipe Gallery 9-16 valve and actuator rehab. This \$50,000 is used to purchase actuators and valves for equipment failing in the pipe gallery. Maintenance staff perform the installation. All of the valves on the outlet side of the filters have actuators and are automated.
  - Pipe Gallery 1-8 valve and actuator rehab. \$50,000. The explanation is the same as above for filters 1-8.
  - Air Burst Air Compressor replacement. \$40,000. This compressor is used to provide the air to backwash the underwater cylindrical screens for raw water pump station #2. This system was installed in 2006 and is reaching the end of its useful life.
- 58020 - Instrumentation
  - Replace flowmeter transmitters on FOT 17-32. \$11,000. This is a scheduled project over five years to replace the flowmeter transmitters on filters 17-32. This is the cost to purchase the necessary equipment. Installation is by the Process Control staff.

- Power meter removal. \$22,000. To remove the old power meter and blank off openings in the switch gear. The power monitoring equipment has been upgraded and these are no longer in use.
- \$50,000 to purchase electric actuators for Filters 9-16 to install on the valves in the pipe gallery on the outlet side of the filters. The installation will be accomplished by maintenance and IT staff. This is a multi-year project.
- 58030 – SCADA
  - \$50,000 – Process WMWare 2 Hosts – scheduled for replacement every five years.
  - \$65,000 – OT Sans – This is required cybersecurity hardware on the operations network. This includes third party assistance and setup.
- 58040 – Computer Equipment
  - \$5,800 – IT LAN Switch Replacement - scheduled local area network (LAN) replacement – black box annually.
  - \$55,000 – Sans – this is replacement on the IT side (business side of the network). This includes hardware and third-party support.
  - \$30,000 – IT Firewall. This the scheduled replacement of the IT firewall – every five years.
- 58050 – Furniture and Fixtures
  - \$40,000 – This is improvements to the operations control room.
- 58090 – Construction
  - \$110,000 – replace four brick air release vaults with 72" precast manholes on the transmission line. This is year three of a five-year replacement project.
  - \$750,000. Boat Storage/Meeting Room. This is to construct a pre-engineered metal building adjacent to the warehouse for boat storage and assembly meeting. The Board authorized design funding as part of the FY24/25 true-up.

Under the “Construction Fund” Section we identify the proposed debt service payments and proposed large capital projects that will require debt service borrowings. The large capital projects are highlighted in red. There are three placeholder projects in the Construction Fund Section:

1. Rebuild Filters 2-8 – In the Spring of 2025 staff had the Authority’s engineering consultant evaluate the filters. This evaluation included draining and inspecting one set of filters from each plant expansion – (1) Original - Filters 1-8 – Roberts Filters with Monolithic Wheeler Bottoms with porcelain ball drains; (2) 1983 Expansion – Filters 9-16 - Clay Tile Underdrains by Leopold; (3) 2002 Expansion – Filters 17-32 – Infinity Continuous Lateral underdrain system with Porous Plates by Roberts Filter Group.

A set of each of the filters was taken offline, excavated down to the bottom and inspected. In each case, each type of filter was found to be in good working order not requiring any type of immediate maintenance or repair. Currently, the filters with the most issues are the newest filters, Filters 17-32. The issue appears to be the anchoring system for the continuous

underdrain system. Two filter have “floated” up and required complete rebuild and re-anchoring. This happened in the last ten years.

The report recommended setting aside \$600K in the operating budget to replace a filter in the event it fails. Furthermore, the report identified sand being lost between the carbon and gravel layers through backwashing over time. We increased operating line item 43180 – Potable Water Contract which is the carbon change out cost to include adding 6” of sand to each filter during the scheduled carbon change out process. Since the Authority currently maintains an Operating Reserve with a balance over \$6.4 million (6 months operating expenses required which is \$5.3 million), we removed the filter line item from the Capital Operating Outlay section of the budget. We do not see the need to add an additional reserve of \$600K. This suggested reserve would be covered by the Operating Reserve.

2. Lagoon Liners – The Authority’s consultant, WSP, is currently developing the Site Characterization Plan and Remediation Plan for the lagoons. From the last discussion between WSP representatives and DEQ representatives it is thought the Authority will be allowed to constantly monitor the wells around the lagoons instead of being required to line the lagoons at this time. This means the need to construct the third lagoon will be delayed until construction of the third lagoon is necessary to replace one of the two existing lagoons (full of sediment). The current estimate is that both lagoons have ten years remaining. At that time, the third lagoon will need to be constructed or maintenance will be required on the lagoons such as dewatering and removing the sediment. At first glance the construction of the third lagoon appears to be the more economical solution. The construction of the third lagoon is shown in the out years of the budget.
3. Elevated Tank Storage – As part of the FY24/25 True-up process the Board authorized staff to place surplus funds not allocated for Board approved projects in a fund called “ARWA – LGIP BOD Projects” (BOD-Board of Directors). This fund is used for future capital projects approved by the Board. The amount put in this fund from FY24/25 was \$454K.

Staff continues to follow through with the design for the Elevated Tank project. The Authority has received the Certificate to Construct (CTC) from VDH. The Authority’s consultant continues to address the Site Plan comments from Chesterfield County. The current estimated cost is \$16 million for one 2.5 MG elevated tank.

Mr. Rembold stated that Chesterfield County would like the Authority to go to construction after all approvals are received. Mr. Rembold advised that the \$16 million price tag was in line with elevated tanks that had been recently constructed in the county. Mr. Wilson advised that the debt service for the elevated tank is currently not shown in the current budget.

The remaining four projects showing appropriations, without detail in the CIP, are to replace and/or parallel four sections of the transmission system. From a planning perspective, these

projects fall outside the five- and ten-year planning window. However, we wanted to keep them on the horizon and illustrate the magnitude of the proposed costs so that the participating jurisdictions can discuss funding for these projects in the future. The construction of the parallel line may be delayed with the construction of the new Chesterfield County Water Treatment Plant.

At the bottom of the budget, we have added a “Total Replacement and Construction Budget” section. This section totals the amount of operating capital outlay projects and debt service. The reason we added this section was to show this total for both operating capital outlay projects and debt service and highlight how we are trying to minimize increases.

To assist participating jurisdictions with determining the Authority’s impact on budgets and looking at their future rates we included a section on estimated rates for the next five years. For these future estimates, we increased the operating expenses annually by 3%, did not inflate the operating capital outlay costs, and used debt service values from the respective payment schedules. For the five-year projections, the most significant increase is slated for FY26/27. That is if we still include the capital borrowing for the three projects identified above.

There are minor increases shown for the debt service for each issuance. This is consistent with the debt service schedules.

The cost per 1,000 gallons for past five years plus proposed FY27 is as follows:

			Colonial		Prince
Fiscal Year	Chesterfield	Petersburg	Heights	Dinwiddie	George
FY22	\$ 0.9857	\$ 0.9833	\$ 1.0140	\$ 1.4240	\$ 1.3345
FY23	\$ 0.9905	\$ 0.9874	\$ 1.0179	\$ 1.4198	\$ 1.3300
FY24	\$ 1.0616	\$ 1.0586	\$ 1.0889	\$ 1.4851	\$ 1.3898
FY25	\$ 1.1008	\$ 1.0979	\$ 1.1282	\$ 1.5271	\$ 1.4220
FY26	\$ 1.1028	\$ 1.1000	\$ 1.1300	\$ 1.5190	\$ 1.4056
<b>FY27</b>	<b>\$ 1.1560</b>	<b>\$ 1.1532</b>	<b>\$ 1.1831</b>	<b>\$ 1.5702</b>	<b>\$ 1.4386</b>

The change in cost per 1,000 gallons for the same time period is as follows:

			Colonial		Prince
Fiscal Year	Chesterfield	Petersburg	Heights	Dinwiddie	George
FY22	-1.23%	-1.14%	-1.11%	-1.50%	-1.42%
FY23	0.49%	0.42%	0.38%	-0.29%	-0.34%
FY24	7.18%	7.21%	6.98%	4.60%	4.50%
FY25	3.69%	3.71%	3.61%	2.83%	2.32%
FY26	0.18%	0.19%	0.16%	-0.53%	-1.15%
<b>FY27</b>	<b>4.82%</b>	<b>4.84%</b>	<b>4.70%</b>	<b>3.37%</b>	<b>2.35%</b>

The capacity of the plant is governed by DEQ through the VWP permit and VDH through our operating Permit:

- VWP Permit #01-1719 (raw water)
  - A maximum daily withdrawal of 86.24 mgd.
  - A maximum monthly withdrawal of 2.289 BG.
  - A maximum annual withdrawal of 17.934 BG.
- VDH PWSID: 4041035 (finished water)
  - Six month rolling average for production cannot exceed 56 mgd.

Staff is currently proceeding with Phase II of the Alternative Analysis Update. This update should be complete by August of 2026. This analysis will assist with negotiating the renewal for the VWP permit that expires October 31, 2028.

The maximum daily withdrawal to date is 62.91 mgd (June 19,2024); maximum monthly withdrawal to date is 1.566 BG (June 2024); and the maximum annual withdrawal to date is 14.789 BG (2024). The maximum six-month rolling average for production to date is 39.40 mgd (April – September 2024).

The debt service reserve and the ERRF are held by the trustee. Both accounts are invested in U.S. Treasury notes per the requirements provided by the Board.

## EXHIBIT A

APPOMATTOX RIVER WATER AUTHORITY

Proposed: January 15, 2026

Approved:

Revised:

Revision Approved:

**PROPOSED OPERATION & MAINTENANCE BUDGET 2026/2027**

	<b>2020/2021</b> Actuals	<b>FY2021/2022</b> Actual	<b>FY2022/2023</b> Actual	<b>FY2023/2024</b> Actual	<b>FY2024/2025</b> Actual	<b>FY2025/2026</b> Budget	<b>FY2026/2027</b> Budget	<b>FY25/26 to FY26/27</b> \$ Change	<b>FY25/26 to FY26/27</b> % Change
<b>O&amp;M EXPENSES</b>									
41000 · Salary	\$1,620,365	\$1,626,746	\$1,999,457	\$2,118,748	\$2,203,566	\$2,180,163	\$2,244,603	\$64,440	2.96%
42000 · Employee Benefits	\$530,066	\$261,169	\$262,608	\$265,124	\$302,258	\$934,541	\$983,960	\$49,420	5.29%
42100 · Employer FICA	\$123,147	\$132,991	\$158,499	\$154,180	\$117,166	\$166,782	\$171,712	\$4,930	2.96%
42200 · Virginia Retirement System	\$54,351	\$57,633	\$30,573	\$32,332	\$37,792	\$50,798	\$52,299	\$1,501	2.96%
42210 · Deferred Comp 457	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
42300 · Hospitalization Insurance	\$423,875	\$416,457	\$463,447	\$494,622	\$505,976	\$673,646	\$715,771	\$42,125	6.25%
42400 · VRS Group Life Insurance	\$19,359	\$20,286	\$24,665	\$26,246	\$23,462	\$29,214	\$30,078	\$863	2.96%
42500 · Group Term Life	\$1,526	\$1,442	\$1,631	\$1,755	\$1,685	\$2,100	\$2,100	\$0	0.00%
42600 · Unemployment Insurance		\$0	\$0	\$0	\$0	\$0	\$0	\$0	#DIV/0!
42800 · Employee Promotions	\$2,326	\$4,087	\$2,597	\$3,409	\$6,406	\$10,000	\$10,000	\$0	0.00%
42900 · Other Fringe Benefits - EAP	\$1,734	\$1,788	\$1,618	\$1,727	\$1,888	\$2,000	\$2,000	\$0	0.00%
42950 · OPEB Health Insurance Adj	-\$2,907	-\$5,376	-\$27,246	-\$2,069	-\$12,067	\$0	\$0	\$0	#DIV/0!
42952 · Net Pension Adjustment	-\$93,344	-\$368,139	-\$393,175	-\$439,671	-\$372,359				
42953 · GLI OPEB Expense				-\$7,407	-\$7,690				
43000 · Contractual Services	\$902,470	\$1,024,086	\$891,980	\$958,429	\$978,253	\$1,279,700	\$1,352,400	\$72,700	5.68%
43121 · Auditing Services	\$8,100	\$8,400	\$11,000	\$12,500	\$13,400	\$14,000	\$16,000	\$2,000	14.29%
43122 · Accounting Services	\$12,232	\$62,234	\$12,691	\$15,475	\$17,573	\$17,000	\$18,000	\$1,000	5.88%
43124 · Part-Time Summer Interns		\$0	\$0	\$1,350	\$0	\$5,000	\$0	-\$5,000	-100.00%
43130 · Legal/Engineering and Reservoir Studies	\$5,836	\$0	\$0	\$26,165	\$16,952	\$50,000	\$50,000	\$0	0.00%
43140 · Consulting Engineers	\$81,575	\$30,979	\$41,005	\$57,650	\$95,645	\$75,000	\$75,000	\$0	0.00%
43150 · Legal Services	\$65,497	\$60,028	\$45,356	\$44,839	\$37,693	\$85,000	\$85,000	\$0	0.00%
43152 · Medical - Testing	\$4,881	\$6,705	\$1,860	\$2,080	\$1,695	\$5,000	\$5,000	\$0	0.00%
43155 · Other Consulting Services	\$0	\$10,500		\$0		\$0	\$0	\$0	#DIV/0!
43156 · Admin Svc-SCWWA	\$15,671	\$18,265	\$24,981	\$485	-\$35,984	\$0	\$0	\$0	#DIV/0!
43160 · Trustee Services	\$8,204	\$8,800	\$9,000	\$9,000	\$9,400	\$12,000	\$14,000	\$2,000	16.67%
43162 · Bank Service Charges	\$2,075	\$1,838	\$833	\$1,744	\$1,279	\$2,100	\$2,100	\$0	0.00%
43170 · Research	\$15,107	\$15,560	\$16,338	\$0	\$17,155	\$17,500	\$17,500	\$0	0.00%
43180 · Potable Water Contract	\$415,743	\$468,609	\$524,514	\$539,310	\$581,430	\$625,000	\$688,800	\$63,800	10.21%
43190 · Samples and Tests	\$30,062	\$44,527	\$34,484	\$32,841	\$38,999	\$50,000	\$50,000	\$0	0.00%
43200 · Lake Patrol	\$3,000	\$3,000	\$3,000	\$3,910	\$10,000	\$4,000	\$10,000	\$6,000	150.00%
43201 · Reservoir Management - Invasive Control Program	\$65,646	\$17,034	\$0	\$2,450	\$3,485	\$25,000	\$25,000	\$0	0.00%
43210 · Software Support	\$32,931	\$67,975	\$58,054	\$13,208	\$32,127	\$70,000	\$70,000	\$0	0.00%
43220 · VPDES Permit Fee	\$10,245	\$16,573	\$14,482	\$11,179	\$12,215	\$15,000	\$15,000	\$0	0.00%
43310 · Repair Services	\$29,089	\$35,811	-\$7,683	\$18,146	\$0	\$25,000	\$25,000	\$0	0.00%
43320 · Service Contracts	\$70,081	\$106,047	\$53,105	\$111,325	\$77,129	\$125,000	\$125,000	\$0	0.00%
43500 · Printing and Binding	\$502	\$164	\$377	\$221	\$278	\$1,000	\$1,000	\$0	0.00%
43600 · Grounds Maintenance	\$25,993	\$41,038	\$48,583	\$54,551	\$47,783	\$57,100	\$60,000	\$2,900	5.08%

<b>45000 · Other Charges</b>	<b>\$1,033,868</b>	<b>\$1,098,562</b>	<b>\$1,314,916</b>	<b>\$1,384,039</b>	<b>\$1,521,399</b>	<b>\$1,415,100</b>	<b>\$1,587,500</b>	<b>\$172,400</b>	<b>12.18%</b>
45110 · Electricity - Pumping	\$526,132	\$560,000	\$655,414	\$679,932	\$743,378	\$675,000	\$750,000	\$75,000	11.11%
45111 · Electricity - Purification	\$264,537	\$271,467	\$377,067	\$384,261	\$458,984	\$380,000	\$470,000	\$90,000	23.68%
45120 · Heating Fuel	\$55,851	\$80,187	\$54,417	\$49,988	\$60,162	\$65,000	\$65,000	\$0	0.00%
45130 · Trash Pickup	\$4,772	\$7,730	\$7,408	\$9,121	\$8,266	\$8,100	\$8,500	\$400	4.94%
45210 · Postal Services	\$2,286	\$859	\$750	\$1,648	\$1,524	\$2,000	\$2,000	\$0	0.00%
45220 · Freight	\$13,552	\$7,693	\$14,241	\$22,589	\$20,234	\$25,000	\$25,000	\$0	0.00%
45230 · Telecommunications	\$29,725	\$30,420	\$31,811	\$32,171	\$32,142	\$35,000	\$35,000	\$0	0.00%
45308 · General Liability Insurance	\$99,140	\$98,837	\$124,847	\$142,594	\$130,867	\$140,000	\$150,000	\$10,000	7.14%
45410 · Lease/Rent of Equipment	\$13,062	\$16,383	\$12,641	\$11,999	\$14,521	\$20,000	\$20,000	\$0	0.00%
45510 · Mileage Allowance	\$121							\$0	#DIV/0!
45530 · Meals and Lodging	\$705	\$2,137	\$3,507	\$9,854	\$13,180	\$10,000	\$12,000	\$2,000	20.00%
45540 · Education and Training	\$3,903	\$5,136	\$17,260	\$20,142	\$15,840	\$30,000	\$25,000	-\$5,000	-16.67%
45550 · Safety Supplies	\$20,083	\$17,713	\$15,553	\$19,741	\$22,300	\$25,000	\$25,000	\$0	0.00%
<b>46000 · Materials and Supplies</b>	<b>\$2,409,528</b>	<b>\$2,631,878</b>	<b>\$3,999,489</b>	<b>\$4,571,020</b>	<b>\$3,697,927</b>	<b>\$4,547,000</b>	<b>\$4,641,000</b>	<b>\$94,000</b>	<b>2.07%</b>
46001 · Office Supplies	\$8,896	\$9,127	\$8,262	\$12,665	\$10,729	\$15,000	\$15,000	\$0	0.00%
46004 · Laboratory Supplies	\$61,669	\$74,273	\$92,963	\$85,491	\$93,726	\$101,000	\$106,000	\$5,000	4.95%
46005 · Purification Chemicals	\$2,117,536	\$2,128,742	\$3,414,524	\$3,990,524	\$3,085,741	\$4,000,000	\$4,000,000	\$0	0.00%
46006 · Purification Process and Janitorial Supplies	\$8,064	\$8,267	\$8,605	\$7,338	\$5,519	\$10,000	\$10,000	\$0	0.00%
46007 · Repair & Maint Supplies-Shop	\$2,146	\$167,884	\$272,511	\$321,982	\$278,595	\$180,000	\$225,000	\$45,000	25.00%
46008 · Vehicle and Equipment Fuels	\$45,272	\$39,114	\$47,798	\$22,379	\$57,041	\$48,000	\$60,000	\$12,000	25.00%
46009 · Vehicle and Equipment Supplies	\$17,647	\$11,697	\$16,713	\$15,376	\$4,140	\$15,000	\$15,000	\$0	0.00%
46010 · Equipment Parts and Small Equipment Purchases	\$35,116	\$23,260	\$1,898	\$13,050	\$20,885	\$25,000	\$25,000	\$0	0.00%
46011 · Uniforms	\$14,321	\$11,719	\$10,167	\$12,139	\$10,858	\$15,000	\$15,000	\$0	0.00%
46012 · Dues and Subscriptions	\$20,708	\$34,218	\$36,612	\$34,625	\$33,907	\$38,000	\$38,000	\$0	0.00%
46014 · Repair & Maint Supplies-IT	\$53,887	\$70,001	\$25,348	\$18,051	\$20,025	\$25,000	\$47,000	\$22,000	88.00%
46015 · Small Equipment Purchases	\$0	\$4,062			\$4,800	\$0	\$0	\$0	#DIV/0!
46016 · Operations Supplies and Maintenance	\$24,264	\$49,515	\$64,087	\$37,400	\$34,888	\$25,000	\$35,000	\$10,000	40.00%
46017 · Process Control	\$0	\$0	\$0	\$0	\$37,073	\$50,000	\$50,000	\$0	0.00%
<b>Total Operating Expenses</b>	<b>\$6,496,298</b>	<b>\$6,642,441</b>	<b>\$8,468,450</b>	<b>\$9,297,361</b>	<b>\$8,703,404</b>	<b>\$10,356,503</b>	<b>\$10,809,463</b>	<b>\$452,960</b>	<b>4.37%</b>
<b>58000 · Operating Capital Outlay</b>						<b>\$1,117,250</b>	<b>\$1,631,800</b>	<b>\$514,550</b>	<b>46.06%</b>
Debt - 2027 Issue	\$451,220	\$0	\$0	\$0		\$0	\$0	\$0	#DIV/0!
Debt - 2012 Issue	\$301,636	\$302,103	\$302,322	\$302,293	\$302,016	\$302,475	\$301,671	-\$804	-0.27%
Debt - 2017 Issue	\$1,080,517	\$1,080,414	\$1,080,795	\$1,080,648	\$1,079,973	\$1,080,744	\$1,080,936	\$192	0.02%
Debt - 2019 Issue (2010 Refunded)	\$257,283	\$705,940	\$704,760	\$703,011	\$705,495	\$706,888	\$712,224	\$5,336	0.75%
<b>Total Debt</b>	<b>\$2,090,656</b>	<b>\$2,088,457</b>	<b>\$2,087,876</b>	<b>\$2,085,952</b>	<b>\$2,087,483</b>	<b>\$2,090,106</b>	<b>\$2,094,831</b>	<b>\$4,725</b>	<b>0.23%</b>
<b>Reserve Policy</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>#DIV/0!</b>
<b>Total Expenses</b>	<b>\$8,586,954</b>	<b>\$8,730,898</b>	<b>\$10,556,326</b>	<b>\$11,383,312</b>	<b>\$10,790,887</b>	<b>\$13,563,860</b>	<b>\$14,536,094</b>	<b>\$972,234</b>	<b>7.17%</b>

FY Budget Year	2026/2027	Revenues					
		Proposed	Jan. 15, 2026	Adopted	Revised Revision Adopted		
		Colonial Heights	Dinwiddie	Petersburg	Prince George	Total	
<b>1) Operations and Maintenance Base Rate</b>							
<b>O&amp;M Rate</b>							
	<b>\$/1000 gallons</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>
Estimated (\$/quarter)	\$ 2,616,334	\$ 180,604.19	\$ 129,352	\$ 524,506	\$ 94,498	\$ 3,545,294.44	
Total annual budget cost	\$ 10,465,337	\$ 722,417	\$ 517,406	\$ 2,098,024	\$ 377,994	\$ 14,181,178	
% of flows	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%	
Estimated (mgd)	24.863	1.716	1.229	4.984	0.898	33.691	
Calc. annual usage (bg)	9,075	0.626	0.449	1.819	0.328	12.297	
O&M =	\$ 10,809,463	Op. Cap. Outlay	\$ 1,631,800	54.38% 2019 Debt (maintenance)	\$ 387,307		
Int./Misc. Income	\$ 30,000	100% 2012 Debt	\$ 301,671	100% 2017 Debt	\$ 1,080,936	Reserve Policy	\$ 0
<b>BASE RATE</b>	<b>\$/1000gals</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>	<b>1.1532</b>	
<b>2) Expansion Rate</b>							
<b>Bonds</b>	% Financed						
	Rate (cents/1000 gals)	\$ 0.0028	\$ 0.0299	\$ 0.4170	\$ -	\$ 0.2854	
	2019 expansion (\$/year)	\$ 25,571	\$ 18,715	\$ 187,087	\$ -	\$ 93,543	\$ 324,917
<b>FY24/25 Bond Payments</b>	% allocation	45.62%	7.87%	5.76%	57.58%	0.00%	100.00%
	2019 refunding =	\$ 712,224					
<b>TOTAL DEBT SERVICE RATE</b>	<b>\$/1000 gals</b>	<b>0.0028</b>	<b>0.0299</b>	<b>0.4170</b>	<b>-</b>	<b>0.2854</b>	
	<b>\$/year</b>	<b>\$ 25,571</b>	<b>\$ 18,715</b>	<b>\$ 187,087</b>	<b>\$ -</b>	<b>\$ 93,543</b>	<b>\$ 324,917</b>
<b>3) Total Rate</b>							
<b>TOTAL RATE (BASE + EXPANSION)</b>	<b>\$/1000gals</b>	<b>1.1560</b>	<b>1.1831</b>	<b>1.5702</b>	<b>1.1532</b>	<b>1.4386</b>	<b>1.3002</b>
Estimated annual charges	\$/year	\$ 10,490,908	\$ 741,132	\$ 704,493	\$ 2,098,024	\$ 471,537	\$ 14,506,094
<b>4) Budget Comparison</b>							
FY26/27 Total Rate	\$/1000 gals	\$ 1.1560	\$ 1.1831	\$ 1.5702	\$ 1.1532	\$ 1.4386	\$ 1.3002
FY25/26 Total Rate	\$/1000 gals	\$ 1.1028	\$ 1.1300	\$ 1.5190	\$ 1.1000	\$ 1.4056	\$ 1.2515
<b>Total Rate Difference</b>	<b>\$/1000 gals</b>	<b>0.0532</b>	<b>0.0531</b>	<b>0.0512</b>	<b>0.0532</b>	<b>0.0330</b>	<b>0.0488</b>
<b>Total Rate Difference</b>	<b>%</b>	<b>4.82%</b>	<b>4.70%</b>	<b>3.37%</b>	<b>4.84%</b>	<b>2.35%</b>	<b>3.90%</b>
FY26/27 Revenues	\$/year	\$ 10,490,908	\$ 741,132	\$ 704,493	\$ 2,098,024	\$ 471,537	\$ 14,506,094
FY25/26 Revenues	\$/year	\$ 9,806,793	\$ 700,094	\$ 673,100	\$ 1,926,847	\$ 427,027	\$ 13,533,860
<b>Annual Cash Difference</b>	<b>\$/year</b>	<b>684,115</b>	<b>41,038</b>	<b>31,394</b>	<b>171,177</b>	<b>44,510</b>	<b>972,234</b>
<b>FY26/27 Expenses</b>		<b>\$ 14,536,094</b>	<b>FY 26/27 Income Revenue</b>		<b>\$ 14,536,094</b>		

**NOTES:**

**Reserve Policy:** *Appomattox River Water Authority FY25/26*

Reserve Policy Calculation

ARWA O&M Budget	Reserves as of 6/30/2026	Revenue for FY2025/2026	Total expected reserves on 6/30/2026	Recommended 50% O&M Reserves	Annual Charge to achieve 50% Reserves
\$10,809,463	\$6,311,395	\$0	\$6,311,395	\$5,404,732	\$0

**APPOMATTOX RIVER WATER AUTHORITY**  
**Operating Capital Outlay - 58000**  
**FY26/27**

Acct#	Proposed FY ITEM	Current Budget 25/26	Proposed Budget 26/27	INFORMATIONAL & PLANNING									Totals
				27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	
58010 - Machinery and Motors-Process	RW2/P-20 VFD/Soft Starter	\$ 25,000	\$ 150,000										\$ 175,000
	Replace RW2 VFDs (P21 and P24)		\$ 160,000	\$ 180,000									\$ 340,000
	Replace FW2 VFDs (P16 and P17)				\$ 190,000	\$ 200,000							\$ 390,000
	Replace filter waste valves and actuators	\$ 30,000											\$ 30,000
	Rebuild P21 Pump & Motor	\$ 25,000											\$ 25,000
	Pipe Gallery Filter 9-16 valve and actuator rehab	\$ 50,000	\$ 50,000	\$ 50,000									\$ 150,000
	Pipe Gallery Filter 1-8 valve and actuator rehab	\$ 50,000	\$ 50,000	\$ 50,000									\$ 150,000
	Airburst Air Compressor replacement		\$ 40,000										\$ 40,000
	Raw Pump Station 2 Vacuum System Replacement			\$ 50,000									
	Replace RW1 VFD (P5)											\$ 180,000	\$ 180,000
58020 - Instrumentation	Replace RW switch gear breakers						\$ 500,000						\$ 500,000
	Replace Sedimentation Basin sludge PLCs	\$ 30,000											\$ 30,000
	RTU Replacement	\$ 30,000											\$ 30,000
	IFC 300 transmitters (Five RTU Locations)	\$ 21,000											\$ 21,000
	Switchgear Motor Protection Relays	\$ 85,000											\$ 85,000
	Replace Flowmeter Transmitters on FOT 17-32 (5/yr)		\$ 11,000	\$ 12,000	\$ 13,000								\$ 36,000
	Replace turbidity meters in pipe gallery		\$ 35,000	\$ 35,000	\$ 35,000								\$ 105,000
	Replacement AA				\$ 35,000		\$ 35,000						\$ 70,000
	Switchgear Breaker Testing				\$ 10,000			\$ 11,500		\$ 13,500			\$ 35,000
	Switchgear Protective Relay Testing				\$ 10,000			\$ 11,500		\$ 13,500			\$ 35,000
	Replacement TOC Analyzer				\$ 35,000								\$ 35,000
	Process VMware 2 Hosts (replace every 5 yrs)	\$ 15,750	\$ 50,000					\$ 64,000					\$ 129,750
	OT Sans		\$ 65,000						\$ 82,000				\$ 147,000

	OT Firewall (replace every 5 yrs)		\$ 33,075		\$ 42,500		\$ 75,575					
	OT Domain Controllers 1&2 VM Replacement			\$ 20,000			\$ 20,000					
	Upgrade/Replace SCADA Software			\$ 150,000		\$ 150,000	\$ 300,000					
	OT Server Room Enterprise Switch (replace every 7 yrs)			\$ 30,000			\$ 30,000					
	SCADA 1&2 VM Replacement			\$ 20,000			\$ 20,000					
	SCADA Terminal Server VM Replacement			\$ 39,000			\$ 39,000					
	Historian Server VM Replacement			\$ 15,000			\$ 15,000					
	IT LAN Switch Replacement (1/yr)	\$ 5,500	\$ 5,800	\$ 6,000	\$ 6,400	\$ 6,720	\$ 7,000	\$ 7,300	\$ 7,800	\$ 8,200	\$ 8,610	\$ 69,330
	IT Domain Controllers 1&2 VM Replacement			\$ 15,000						\$ 20,000		\$ 35,000
	IT RDS Server VM Replacement			\$ 35,000					\$ 45,000			\$ 80,000
	IT VMWare 2 Hosts (replace every 5 yrs)				\$ 63,000					\$ 80,000	\$ 143,000	
	SANs (replace every 7 yrs)	\$ 55,000						\$ 77,500				\$ 132,500
	IT Server Room Enterprise Switch (replace every 7 yrs)			\$ 25,500								\$ 25,500
	IT Firewall (replace every 5 yrs)	\$ 30,000			\$ 38,500							\$ 68,500
	Rollup door for Phosphate room	\$ -	\$ 30,000									\$ 30,000
	Laboratory cabinets and countertops	\$ 130,000										\$ 130,000
	Lab Foyer, Bathroom, and Stairwell Improvements????											
	Operations Office Improvements	\$ 40,000										\$ 40,000
58060 - Motor Vehicles	Vehicles		\$ 55,000	\$ 40,000	\$ 50,000	\$ 40,000	\$ 55,000	\$ 45,000				\$ 285,000
58065 - Maintenance Equipment	Equipment	\$ 25,000		\$ 15,000	\$ 70,000							\$ 110,000
	Clearwell roof/membrane Replacement		\$ 300,000									\$ 300,000
	Air Release vault (4 per year)	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000							\$ 440,000
	Basin 10-12 Influent Actuator right angle conversion	\$ 135,000										\$ 135,000
	Rebuild Cone Valve	\$ 50,000										\$ 50,000
	Rehab Swift Creek Meter Vault	\$ 300,000										\$ 300,000
	Boat Storage/Meeting Room	\$ 750,000										\$ 750,000

58090 - Construction	Pipe Gallery #2 acces to valves and actuators		\$ 250,000	\$ 250,000
	Install Aluminum Handrails on 1 and 2 Sedimentation Basins and Flocculators		\$ 75,000	\$ 75,000
	Replace Flocculator 1&2 Influent 24" mud valves and stands		\$ 84,000	\$ 84,000
	Install new Sodium Hypochlorite Building and horizontal Tank Storage		\$ 1,000,000	\$ 1,000,000
	Rebuild Traveling Screen		\$ 150,000	\$ 150,000
	Replace valves at Picket Ave and Mahone		\$ 1,000,000	\$ 1,000,000
	Sluice Gate Valve redundancy at dam		\$ 500,000	\$ 500,000
	Replace Clearwell #1 roof		\$ 450,000	\$ 450,000
	Renovate Prechem building and add office space		\$ 750,000	\$ 750,000
	Replace submersible pumps in Clearwell #2 (house water)		\$ 500,000	\$ 500,000
	Replace surge relief for RW1		\$ 150,000	\$ 150,000
	Replace flocculators 1 and 2		\$ 1,500,000	\$ 1,500,000
	Concrete rehab. for filters 1-8		\$ 1,400,000	\$ 1,400,000
	Replace transmission line valves		\$ 1,500,000	\$ 1,500,000
	<b>TOTALS:</b>	<b>\$ 1,117,250</b>	<b>\$ 1,631,800</b>	<b>\$ 1,327,000</b>
			<b>\$ 1,512,475</b>	<b>\$ 1,802,220</b>
			<b>\$ 1,748,000</b>	<b>\$ 1,313,800</b>
			<b>\$ 1,547,800</b>	<b>\$ 1,737,200</b>
			<b>\$ 1,737,200</b>	<b>\$ 1,573,610</b>
			<b>\$ 1,910,000</b>	<b>\$ 17,171,155</b>

NOTE: FY26/27 OPERATING CAPITAL OUTLAY BUDGET TO BE APPROVED WITH BUDGET

**Construction Fund (Capital Projects)**  
FY26/27

ITEM	Project Cost Estimate	Budget	Proposed Budget	INFORMATIONAL & PLANNING										>10 years	
				25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	34/35	
2012 Bond	\$ 302,475	\$ 301,671	\$ 301,604												
2017 Bond	\$ 1,080,744	\$ 1,080,936	\$ 1,080,550	\$ 1,080,572	\$ 1,079,991	\$ 1,080,781	\$ 1,079,929	\$ 1,080,423							
2019 Bond (2010 Rebonding)	\$ 706,888	\$ 712,224	\$ 701,702	\$ 705,204	\$ 702,762	\$ 699,439	\$ 700,021								
Elevated Tank Storage	\$ 16,000,000		\$ -	\$ -	\$ -	\$ -	\$ 1,177,115	\$ 1,177,115	\$ 1,177,115	\$ 1,177,115	\$ 1,177,115	\$ 1,177,115	\$ 1,177,115		
Lagoon #3	\$ 10,000,000														
Offsite Storage Facility	\$ 175,000,000														\$ 175,000,000
Transmission Main - Chesdin Rd. to Pickett Rd															\$ 10,369,000
Transmission Main - Pickett Ave. to Matoaca Tank															\$ 10,369,000
Transmission Main - Matoaca Tank to Branders Bridge															\$ 11,946,000
Transmission Main - Branders Bridge to Lakeview															\$ 3,526,000
<b>Totals</b>	<b>\$ 2,090,106</b>	<b>\$ 2,094,831</b>	<b>\$ 2,083,855</b>	<b>\$ 1,785,777</b>	<b>\$ 1,782,753</b>	<b>\$ 2,957,335</b>	<b>\$ 2,957,066</b>	<b>\$ 2,257,538</b>	<b>\$ 1,177,115</b>						

NOTE:

1) The above items for information only. Approval required from BOD at time of project award.

2) Bond Funding will be required for these Proposed Capital Projects. Debt Service was estimated at 3% for 20 years

<b>Total Operating Capital Outlay and Construction Budget</b>											
<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	
\$ 3,207,356	\$ 3,726,631	\$ 3,410,855	\$ 3,298,252	\$ 3,584,973	\$ 4,705,335	\$ 4,270,866	\$ 3,805,338	\$ 2,914,315	\$ 2,750,725	\$ 3,087,115	

**ARWA Budget comparisons**

Year	O&M Expenses	Operating Capital Outlay	Debt Service issue	Debt Service	Reserve Policy	Total	Difference	% change	Comments				
				2012 issue	2017 issue	2019 issue	2030 issue						
FY 25/26	\$ 10,326,503	\$ 987,250		\$ 302,475	\$ 1,080,744	\$ 706,888		\$ -	\$ 13,403,860				
FY 26/27	\$ 10,779,463	\$ 1,631,800		\$ 301,671	\$ 1,080,936	\$ 712,224	\$ -	\$ -	\$ 14,506,094	\$ 1,102,234	8%	Reserve Fund is 50% of O&M	
FY 27/28	\$ 11,102,847	\$ 1,327,000		\$ 301,604	\$ 1,080,550	\$ 701,702	\$ -	\$ -	\$ 14,513,702	\$ 7,608	0%		
FY 28/29	\$ 11,435,933	\$ 1,512,475		\$ -	\$ 1,080,572	\$ 705,204	\$ -	\$ -	\$ 14,734,184	\$ 220,482	2%		
FY 29/30	\$ 11,779,011	\$ 1,802,220		\$ -	\$ 1,079,991	\$ 702,762	\$ -	\$ -	\$ 15,363,984	\$ 629,800	4%		
FY 30/31	\$ 12,132,381	\$ 1,748,000		\$ -	\$ 1,080,781	\$ 699,439	\$ 1,177,115	\$ -	\$ 16,837,716	\$ 1,473,732	10%		

Notes:

(1) The 2010 issue was refinanced with the 2019 issue.

(2) The debt service service shown in 2030 represents:

Elevated Storage \$ 1,177,115 construction of elevated storage tanks, line in and out of tanks, connections to the Chesdin 42 and 72 water mains at ARWA - \$16,000,000

**ARWA Projected Annual Cost**

**5 year projections - O&M, Operating Capital Outlay, Reserve Policy, 54.38% 2019 Series, 2012 Series, 2017**

**Series, and estimated 2026 Series**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	total
	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%
FY 25/26	\$ 9,653,713	\$ 666,391	\$ 477,279	\$ 1,935,315	\$ 348,679	\$ 13,081,378
FY 26/27	\$ 10,465,337	\$ 722,417	\$ 517,406	\$ 2,098,024	\$ 377,994	\$ 14,181,178
FY 27/28	\$ 10,474,494	\$ 723,049	\$ 517,859	\$ 2,099,860	\$ 378,324	\$ 14,193,586
FY 28/29	\$ 10,636,024	\$ 734,199	\$ 525,845	\$ 2,132,243	\$ 384,159	\$ 14,412,470
FY 29/30	\$ 11,101,622	\$ 766,339	\$ 548,864	\$ 2,225,583	\$ 400,975	\$ 15,043,384
FY 30/31	\$ 12,190,317	\$ 841,491	\$ 602,689	\$ 2,443,837	\$ 440,298	\$ 16,518,632

Note: Budget % based on five year average flow consumption (FY19/20 to FY23/24)

Need to include miscellaneous revenue in O&M Expenses to match up rates from revenue page

**5 year projections -2019 Series Debt Service (45.62%)**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	total
Capacity	7.870%	5.760%	57.580%	0.000%	28.790%	100.000%
FY 25/26	\$ 25,379	\$ 18,575	\$ 185,685	\$ -	\$ 92,843	\$ 322,482
FY 26/27	\$ 25,571	\$ 18,715	\$ 187,087	\$ -	\$ 93,543	\$ 324,917
FY 27/28	\$ 25,193	\$ 18,439	\$ 184,323	\$ -	\$ 92,161	\$ 320,116
FY 28/29	\$ 25,319	\$ 18,531	\$ 185,243	\$ -	\$ 92,622	\$ 321,714
FY 29/30	\$ 25,231	\$ 18,467	\$ 184,602	\$ -	\$ 92,301	\$ 320,600
FY 30/31	\$ 25,112	\$ 18,379	\$ 183,729	\$ -	\$ 91,864	\$ 319,084

**5 year projections - \$/year**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	TOTAL
FY 25/26	\$ 9,679,093	\$ 684,966	\$ 662,965	\$ 1,935,315	\$ 441,522	\$ 13,403,860
FY 26/27	\$ 10,490,908	\$ 741,132	\$ 704,493	\$ 2,098,024	\$ 471,537	\$ 14,506,094
FY 27/28	\$ 10,499,687	\$ 741,488	\$ 702,182	\$ 2,099,860	\$ 470,486	\$ 14,513,702
FY 28/29	\$ 10,661,343	\$ 752,730	\$ 711,088	\$ 2,132,243	\$ 476,780	\$ 14,734,184
FY 29/30	\$ 11,126,853	\$ 784,806	\$ 733,466	\$ 2,225,583	\$ 493,276	\$ 15,363,984
FY 30/31	\$ 12,215,428	\$ 859,870	\$ 786,418	\$ 2,443,837	\$ 532,162	\$ 16,837,716

**5 year projections - \$/1000 gallons**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	Average
Annual consumptions (1000 gallons)				12,297,056		
Five year average flows (FY20/21 to FY24/25)	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%
FY 25/26	\$ 1.0666	\$ 1.0934	\$ 1.4776	\$ 1.0638	\$ 1.3470	\$ 1.2097
FY 26/27	\$ 1.1560	\$ 1.1831	\$ 1.5702	\$ 1.1532	\$ 1.4386	\$ 1.3002
FY 27/28	\$ 1.1570	\$ 1.1837	\$ 1.5651	\$ 1.1542	\$ 1.4354	\$ 1.2991
FY 28/29	\$ 1.1748	\$ 1.2016	\$ 1.5849	\$ 1.1720	\$ 1.4546	\$ 1.3176
FY 29/30	\$ 1.2261	\$ 1.2528	\$ 1.6348	\$ 1.2233	\$ 1.5049	\$ 1.3684
FY 30/31	\$ 1.3461	\$ 1.3726	\$ 1.7528	\$ 1.3433	\$ 1.6236	\$ 1.4877

See Note (1) below

Notes:

(1) The FY30/31 figures include the proposed debt service for a 2030 issuance. The projects for the issuance are still under consideration and the funding distribution has not been approved. These figures are subject to change.

EXHIBIT B

Jurisdiction flows - Billed						
	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	Total
FY2021	9,424,198,330	631,720,000	432,028,000	1,653,480,000	284,972,000	12,426,398,330
FY2022	8,529,007,820	619,896,000	437,124,000	1,758,063,000	303,197,000	11,647,287,820
FY2023	9,095,289,410	618,846,000	438,347,000	1,746,837,035	305,758,000	12,205,077,445
FY2024	9,406,554,893	621,447,740	459,409,000	1,995,389,000	350,333,000	12,833,133,633
FY2025	8,919,472,500	640,270,000	476,408,000	1,942,627,273	394,606,000	12,373,383,773

Jurisdiction averages (annual usage)						
	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	Total
FY21 - 5yr avg	8,046,371,126	607,177,200	428,158,722	1,702,291,600	270,158,800	11,054,157,448
FY22 - 5yr avg	8,302,467,090	609,116,400	433,016,400	1,710,147,800	278,791,400	11,333,539,090
FY23 - 5 yr avg	8,600,963,372	611,133,600	431,777,000	1,700,120,607	285,857,200	11,629,851,779
FY24 - 5 yr avg	8,892,342,723	619,572,748	443,111,400	1,751,708,407	303,809,200	12,010,544,478
FY25 - 5 yr avg	9,074,904,591	626,435,948	448,663,200	1,819,279,262	327,773,200	12,297,056,200

Jurisdiction percentages based of averages						
	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	Total
FY22 - 5 yr avg	73.256%	5.374%	3.821%	15.089%	2.460%	100.000%
FY23 - 5 yr avg	73.956%	5.255%	3.713%	14.619%	2.458%	100.000%
FY24 - 5 yr avg	74.038%	5.159%	3.689%	14.585%	2.530%	100.000%
FY25 - 5 yr avg	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%

Jurisdiction averages (mgd)						
	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	Total
FY21 - 5 yr avg	22.045	1.663	1.173	4.664	0.740	30.285
FY22 - 5 yr avg	22.746	1.669	1.186	4.685	0.764	31.051
FY23 - 5 yr avg	23.56	1.67	1.18	4.66	0.78	31.863
FY24 - 5 yr avg	24.36	1.70	1.21	4.80	0.83	32.906
FY25 - 5 yr avg	24.86	1.72	1.23	4.98	0.90	33.691



## Economic News Release

### Employment Cost Index Summary

Transmission of material in this release is embargoed until 8:30 a.m. (ET) Thursday, July 31, 2025

USDL-25-1201

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#### EMPLOYMENT COST INDEX - JUNE 2025

Compensation costs for civilian workers increased 0.9 percent, seasonally adjusted, for the 3-month period ending in June 2025, the U.S. Bureau of Labor Statistics reported today. Wages and salaries increased 1.0 percent and benefit costs increased 0.7 percent from March 2025. (See tables A, 1, 2, and 3.)

Compensation costs for civilian workers increased 3.6 percent for the 12-month period ending in June 2025. Wages and salaries increased 3.6 percent for the 12-month period ending in June 2025. Benefit costs increased 3.5 percent for the 12-month period ending in June 2025. (See tables A, 4, 8, and 12.)

Compensation costs for private industry workers increased 3.5 percent over the year. Wages and salaries increased 3.5 percent for the 12-month period ending in June. The cost of benefits increased 3.4 percent for the 12-month period ending in June 2025. Inflation-adjusted (constant dollar) wages and salaries increased 0.8 percent for the 12 months ending June 2025. (See tables A, 5, 9, and 12.)

Within private industry by bargaining status, compensation costs increased 4.3 percent for union workers and 3.4 percent for non-union workers for the 12-month period ending in June 2025. Wages and salaries increased 4.6 percent for union workers and 3.5 percent for non-union workers for the 12-month period ending in June 2025. Benefit costs increased 3.8 percent for union workers and 3.4 percent for non-union workers for the period ending in June 2025. (See tables 6, 10, and 12.)

Compensation costs for state and local government workers increased 4.0 percent for the 12-month period ending in June 2025 and increased 4.9 percent in June 2024. Wages and salaries increased 3.9 percent for the 12-month period ending in June 2025 and 5.1 percent in June 2024. Benefit costs increased 4.1 percent for the 12-month period ending in June 2025. The prior year's increase was 4.8 percent. (See tables A, 7, 11, and 12.)

#### Rounding and Area Definition Changes to Employment Cost Index (ECI) Estimates

Effective with this release of June 2025 ECI data, BLS will publish index levels to three decimal places. Percent changes based on these more precise indexes will continue to be published to one decimal place. For more information, see [www.bls.gov/eci/notices/2024/changes-to-index-rounding.htm](http://www.bls.gov/eci/notices/2024/changes-to-index-rounding.htm).

Area definitions have been updated with this release based on Office of Management and Budget Bulletin No. 23-01, dated July 21, 2023. For more information, see [www.bls.gov/eci/factsheets/eci-area-classification.htm](http://www.bls.gov/eci/factsheets/eci-area-classification.htm).

**Table A. Major series of the Employment Cost Index**  
[Percent change]

Category	3-month, seasonally adjusted		12-month, not seasonally adjusted, current dollar			12-month, not seasonally adjusted, constant dollar									
	Mar. 2025	Jun. 2025	Jun. 2024	Mar. 2025	Jun. 2025	Jun. 2024	Mar. 2025	Jun. 2025							
<b>Civilian workers(1)</b>															
Compensation(2)	0.9	0.9	4.1	3.6	3.6	1.1	1.2	0.9							
Wages and salaries	0.8	1.0	4.2	3.5	3.6	1.2	1.1	0.9							
Benefits	1.2	0.7	3.8	3.8	3.5	0.8	1.4	0.9							
<b>Private industry</b>															
Compensation(2)	0.8	1.0	3.9	3.4	3.5	0.9	1.1	0.8							
Wages and salaries	0.8	1.0	4.1	3.4	3.5	1.1	1.0	0.8							
Benefits	1.2	0.7	3.5	3.5	3.4	0.5	1.1	0.8							
Health benefits	-	-	3.6	5.4	5.8	-	-	-							
<b>State and local government</b>															
<b>Footnotes</b>															
(1) Includes private industry and state and local government.															
(2) Includes wages and salaries and benefits.															
Note: All estimates in the table can be found in the public database <a href="http://www.bls.gov">ARWW.BD</a> Page 1 of 15. Dashes indicate data not available.															

Category	3-month, seasonally adjusted		12-month, not seasonally adjusted, current dollar			12-month, not seasonally adjusted, constant dollar		
	Mar. 2025	Jun. 2025	Jun. 2024	Mar. 2025	Jun. 2025	Jun. 2024	Mar. 2025	Jun. 2025
Compensation <sup>(2)</sup>	0.9	0.8	4.9	4.3	4.0	1.9	1.9	1.3
Wages and salaries	0.8	0.9	5.1	4.1	3.9	2.0	1.6	1.2
Benefits	1.1	0.8	4.8	4.8	4.1	1.8	2.4	1.4

**Footnotes**

(1) Includes private industry and state and local government.

(2) Includes wages and salaries and benefits.

Note: All estimates in the table can be found in the public database at [www.bls.gov/eci/data.htm](http://www.bls.gov/eci/data.htm). Dashes indicate data not available.

- [Employment Cost Index Technical Note](#)
- [Table 1. Seasonally adjusted: Employment Cost Index for total compensation, by ownership, occupational group, and industry](#)
- [Table 2. Seasonally adjusted: Employment Cost Index for wages and salaries, by ownership, occupational group, and industry](#)
- [Table 3. Seasonally adjusted: Employment Cost Index for benefits, by ownership, occupational group, and industry](#)
- [Table 4. Compensation \(not seasonally adjusted\): Employment Cost Index for total compensation, for civilian workers, by occupational group and industry](#)
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- [Table 6. Compensation \(not seasonally adjusted\): Employment Cost Index for total compensation, for private industry workers, by bargaining status and Census region and division](#)
- [Table 7. Compensation \(not seasonally adjusted\): Employment Cost Index for total compensation, for state and local government workers, by occupational group and industry](#)
- [Table 8. Wages and salaries \(not seasonally adjusted\): Employment Cost Index for wages and salaries, for civilian workers, by occupational group and industry](#)
- [Table 9. Wages and salaries \(not seasonally adjusted\): Employment Cost Index for wages and salaries, for private industry workers, by occupational group and industry](#)
- [Table 10. Wages and salaries \(not seasonally adjusted\): Employment Cost Index for wages and salaries, for private industry workers, by bargaining status and Census region and division](#)
- [Table 11. Wages and salaries \(not seasonally adjusted\): Employment Cost Index for wages and salaries, for state and local government workers, by occupational group and industry](#)
- [Table 12. Benefits \(not seasonally adjusted\): Employment Cost Index for benefits, by ownership, occupational group, industry, and bargaining status](#)
- [Table 13. Compensation and wages and salaries \(not seasonally adjusted\): Employment Cost Index for total compensation, and wages and salaries, for private industry workers, by area](#)
- [HTML version of the entire news release](#)

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U.S. BUREAU OF LABOR STATISTICS Employment Cost Index Office of Compensation and Working Conditions Suitland Federal Center Floor 5 4600 Silver Hill Road Washington, DC 20212-0002

Telephone: 202-691-6199 [www.bls.gov/ECI](http://www.bls.gov/ECI) [Contact ECI](#)

**ATTACHMENT C-2**  
**FY2026/2027 Budget including Debt Service for one Elevated Storage Tank**

FY Budget Year	2026/2027	Revenues					
		Proposed	Jan. 22, 2026	Adopted	Revised		
		Colonial Heights	Dinwiddie	Petersburg	Prince George	Total	
<b>1) Operations and Maintenance Base Rate</b>							
<b>O&amp;M Rate</b>							
	<b>\$/1000 gallons</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>
Estimated (\$/quarter)	\$ 2,868,648	\$ 198,021.29	\$ 141,826	\$ 575,088	\$ 103,612	\$ 3,887,195.42	
Total annual budget cost	\$ 11,474,593	\$ 792,085	\$ 567,304	\$ 2,300,353	\$ 414,447	\$ 15,548,782	
% of flows	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%	
Estimated (mgd)	24.863	1.716	1.229	4.984	0.898	33.691	
Calc. annual usage (bg)	9,075	0.626	0.449	1.819	0.328	12.297	
O&M =	\$ 10,809,463	Op. Cap. Outlay	\$ 1,631,800	54.38% 2019 Debt (maintenance)	\$ 387,307		
Int./Misc. Income	\$ 30,000	100% 2012 Debt	\$ 301,671	100% 2017 Debt	\$ 1,080,936	Reserve Policy	\$ 0
		100% 2026 Debt	\$ 1,367,604				
<b>BASE RATE</b>	<b>\$/1000gals</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	<b>\$ 1.2644</b>	
<b>2) Expansion Rate</b>							
<b>Bonds</b>	% Financed						
Rate (cents/1000 gals)	\$ 0.0028	\$ 0.0299	\$ 0.4170	\$ -	\$ 0.2854		
2019 expansion (\$/year)	\$ 25,571	\$ 18,715	\$ 187,087	\$ -	\$ 93,543	\$ 324,917	
% allocation	45.62%	7.87%	5.76%	57.58%	0.00%	28.79%	100.00%
FY24/25 Bond Payments	2019 refunding = \$ 712,224						
<b>TOTAL DEBT SERVICE RATE</b>	<b>\$/1000 gals</b>	<b>\$ 0.0028</b>	<b>\$ 0.0299</b>	<b>\$ 0.4170</b>	<b>\$ -</b>	<b>\$ 0.2854</b>	
	<b>\$/year</b>	<b>\$ 25,571</b>	<b>\$ 18,715</b>	<b>\$ 187,087</b>	<b>\$ -</b>	<b>\$ 93,543</b>	<b>\$ 324,917</b>
<b>3) Total Rate</b>							
<b>TOTAL RATE (BASE + EXPANSION)</b>	<b>\$/1000gals</b>	<b>\$ 1.2672</b>	<b>\$ 1.2943</b>	<b>\$ 1.6814</b>	<b>\$ 1.2644</b>	<b>\$ 1.5498</b>	<b>\$ 1.4114</b>
Estimated annual charges	\$/year	\$ 11,500,164	\$ 810,800	\$ 754,391	\$ 2,300,353	\$ 507,990	\$ 15,873,698
<b>4) Budget Comparison</b>							
FY26/27 Total Rate	\$/1000 gals	\$ 1.2672	\$ 1.2943	\$ 1.6814	\$ 1.2644	\$ 1.5498	\$ 1.4114
FY25/26 Total Rate	\$/1000 gals	\$ 1.1028	\$ 1.1300	\$ 1.5190	\$ 1.1000	\$ 1.4056	\$ 1.2515
<b>Total Rate Difference</b>	<b>\$/1000 gals</b>	<b>\$ 0.1644</b>	<b>\$ 0.1643</b>	<b>\$ 0.1624</b>	<b>\$ 0.1644</b>	<b>\$ 0.1442</b>	<b>\$ 0.1600</b>
<b>Total Rate Difference</b>	<b>%</b>	<b>14.91%</b>	<b>14.54%</b>	<b>10.69%</b>	<b>14.95%</b>	<b>10.26%</b>	<b>12.78%</b>
FY26/27 Revenues	\$/year	\$ 11,500,164	\$ 810,800	\$ 754,391	\$ 2,300,353	\$ 507,990	\$ 15,873,698
FY25/26 Revenues	\$/year	\$ 9,806,793	\$ 700,094	\$ 673,100	\$ 1,926,847	\$ 427,027	\$ 13,533,860
<b>Annual Cash Difference</b>	<b>\$/year</b>	<b>\$ 1,693,371</b>	<b>\$ 110,707</b>	<b>\$ 81,291</b>	<b>\$ 373,507</b>	<b>\$ 80,963</b>	<b>\$ 2,339,838</b>
<b>FY26/27 Expenses</b>		<b>\$ 15,903,698</b>	<b>FY 26/27 Income Revenue</b>		<b>\$ 15,903,698</b>		

**NOTES:**

**Reserve Policy:** *Appomattox River Water Authority FY25/26*

Reserve Policy Calculation

ARWA O&M Budget	Reserves as of 6/30/2026	Revenue for FY2025/2026	Total expected reserves on 6/30/2026	Recommended 50% O&M Reserves	Annual Charge to achieve 50% Reserves
\$10,809,463	\$6,311,395	\$0	\$6,311,395	\$5,404,732	\$0

**APPOMATTOX RIVER WATER AUTHORITY**  
**Operating Capital Outlay - 58000**  
**FY26/27**

Acct#	Proposed FY ITEM	Current Budget 25/26	Proposed Budget 26/27	INFORMATIONAL & PLANNING									Totals
				27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	
58010 - Machinery and Motors-Process	RW2/P-20 VFD/Soft Starter	\$ 25,000	\$ 150,000										\$ 175,000
	Replace RW2 VFDs (P21 and P24)		\$ 160,000	\$ 180,000									\$ 340,000
	Replace FW2 VFDs (P16 and P17)				\$ 190,000	\$ 200,000							\$ 390,000
	Replace filter waste valves and actuators	\$ 30,000											\$ 30,000
	Rebuild P21 Pump & Motor	\$ 25,000											\$ 25,000
	Pipe Gallery Filter 9-16 valve and actuator rehab	\$ 50,000	\$ 50,000	\$ 50,000									\$ 150,000
	Pipe Gallery Filter 1-8 valve and actuator rehab	\$ 50,000	\$ 50,000	\$ 50,000									\$ 150,000
	Airburst Air Compressor replacement		\$ 40,000										\$ 40,000
	Raw Pump Station 2 Vacuum System Replacement			\$ 50,000									
	Replace RW1 VFD (P5)											\$ 180,000	\$ 180,000
58020 - Instrumentation	Replace RW switch gear breakers						\$ 500,000						\$ 500,000
	Replace Sedimentation Basin sludge PLCs	\$ 30,000											\$ 30,000
	RTU Replacement	\$ 30,000											\$ 30,000
	IFC 300 transmitters (Five RTU Locations)	\$ 21,000											\$ 21,000
	Switchgear Motor Protection Relays	\$ 85,000											\$ 85,000
	Replace Flowmeter Transmitters on FOT 17-32 (5/yr)		\$ 11,000	\$ 12,000	\$ 13,000								\$ 36,000
	Replace turbidity meters in pipe gallery		\$ 35,000	\$ 35,000	\$ 35,000								\$ 105,000
	Replacement AA				\$ 35,000		\$ 35,000						\$ 70,000
	Switchgear Breaker Testing				\$ 10,000			\$ 11,500					\$ 35,000
	Switchgear Protective Relay Testing				\$ 10,000			\$ 11,500					\$ 35,000
	Replacement TOC Analyzer				\$ 35,000								\$ 35,000
	Process VMWare 2 Hosts (replace every 5 yrs)	\$ 15,750	\$ 50,000				\$ 64,000						\$ 129,750
	OT Sans		\$ 65,000										\$ 147,000

	OT Firewall (replace every 5 yrs)		\$ 33,075		\$ 42,500		\$ 75,575
	OT Domain Controllers 1&2 VM Replacement			\$ 20,000			\$ 20,000
58030 - SCADA	Upgrade/Replace SCADA Software			\$ 150,000		\$ 150,000	\$ 300,000
	OT Server Room Enterprise Switch (replace every 7 yrs)			\$ 30,000			\$ 30,000
	SCADA 1&2 VM Replacement			\$ 20,000			\$ 20,000
	SCADA Terminal Server VM Replacement			\$ 39,000			\$ 39,000
	Historian Server VM Replacement			\$ 15,000			\$ 15,000
	IT LAN Switch Replacement (1/yr)	\$ 5,500	\$ 5,800	\$ 6,000 \$ 6,400 \$ 6,720 \$ 7,000 \$ 7,300 \$ 7,800 \$ 8,200 \$ 8,610			\$ 69,330
58040 - Computer Equipment	IT Domain Controllers 1&2 VM Replacement		\$ 15,000			\$ 20,000	\$ 35,000
	IT RDS Server VM Replacement		\$ 35,000		\$ 45,000		\$ 80,000
	IT VMWare 2 Hosts (replace every 5 yrs)			\$ 63,000		\$ 80,000	\$ 143,000
	SANs (replace every 7 yrs)	\$ 55,000			\$ 77,500		\$ 132,500
	IT Server Room Enterprise Switch (replace every 7 yrs)		\$ 25,500				\$ 25,500
	IT Firewall (replace every 5 yrs)	\$ 30,000		\$ 38,500			\$ 68,500
58050 - Furniture and Fixtures	Rollup door for Phosphate room	\$ -	\$ 30,000				\$ 30,000
	Laboratory cabinets and countertops	\$ 130,000					\$ 130,000
	Lab Foyer, Bathroom, and Stairwell Improvements????						
	Operations Office Improvements	\$ 40,000					\$ 40,000
58060 - Motor Vehicles	Vehicles		\$ 55,000 \$ 40,000	\$ 50,000	\$ 40,000 \$ 55,000 \$ 45,000		\$ 285,000
58065 - Maintenance Equipment	Equipment	\$ 25,000		\$ 15,000 \$ 70,000			\$ 110,000
	Clearwell roof/membrane Replacement		\$ 300,000				\$ 300,000
	Air Release vault (4 per year)	\$ 110,000	\$ 110,000	\$ 110,000 \$ 110,000			\$ 440,000
	Basin 10-12 Influent Actuator right angle conversion	\$ 135,000					\$ 135,000
	Rebuild Cone Valve	\$ 50,000					\$ 50,000
	Rehab Swift Creek Meter Vault	\$ 300,000					\$ 300,000
	Boat Storage/Meeting Room	\$ 750,000					\$ 750,000

58090 - Construction	Pipe Gallery #2 acces to valves and actuators		\$ 250,000	\$ 250,000
	Install Aluminum Handrails on 1 and 2 Sedimentation Basins and Flocculators		\$ 75,000	\$ 75,000
	Replace Flocculator 1&2 Influent 24" mud valves and stands		\$ 84,000	\$ 84,000
	Install new Sodium Hypochlorite Building and horizontal Tank Storage		\$ 1,000,000	\$ 1,000,000
	Rebuild Traveling Screen		\$ 150,000	\$ 150,000
	Replace valves at Picket Ave and Mahone		\$ 1,000,000	\$ 1,000,000
	Sluice Gate Valve redundancy at dam		\$ 500,000	\$ 500,000
	Replace Clearwell #1 roof		\$ 450,000	\$ 450,000
	Renovate Prechem building and add office space		\$ 750,000	\$ 750,000
	Replace submersible pumps in Clearwell #2 (house water)		\$ 500,000	\$ 500,000
	Replace surge relief for RW1		\$ 150,000	\$ 150,000
	Replace flocculators 1 and 2		\$ 1,500,000	\$ 1,500,000
	Concrete rehab. for filters 1-8		\$ 1,400,000	\$ 1,400,000
	Replace transmission line valves		\$ 1,500,000	\$ 1,500,000
	<b>TOTALS:</b>	\$ 1,117,250	\$ 1,631,800	\$ 1,327,000
		\$ 1,512,475	\$ 1,802,220	\$ 1,748,000
		\$ 1,313,800	\$ 1,547,800	\$ 1,737,200
		\$ 1,573,610	\$ 1,910,000	\$ 17,171,155

NOTE: FY26/27 OPERATING CAPITAL OUTLAY BUDGET TO BE APPROVED WITH BUDGET

**Construction Fund (Capital Projects)**  
FY26/27

ITEM	Project Cost Estimate	Budget	Proposed Budget	INFORMATIONAL & PLANNING											>10 years
				25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	34/35	
2012 Bond	\$ 302,475	\$ 301,671	\$ 301,604												
2017 Bond	\$ 1,080,744	\$ 1,080,936	\$ 1,080,550	\$ 1,080,572	\$ 1,079,991	\$ 1,080,781	\$ 1,079,929	\$ 1,080,423							
2019 Bond (2010 Rebonding)	\$ 706,888	\$ 712,224	\$ 701,702	\$ 705,204	\$ 702,762	\$ 699,439	\$ 700,021								
Elevated Tank Storage	\$ 16,000,000		\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	\$ 1,367,604	
Lagoon #3	\$ 10,000,000														
Offsite Storage Facility	\$ 175,000,000														\$ 175,000,000
Transmission Main - Chesdin Rd. to Pickett Rd															\$ 10,369,000
Transmission Main - Pickett Ave. to Matoaca Tank															\$ 10,369,000
Transmission Main - Matoaca Tank to Branders Bridge															\$ 11,946,000
Transmission Main - Branders Bridge to Lakeview															\$ 3,526,000
<b>Totals</b>	<b>\$ 2,090,106</b>	<b>\$ 3,462,435</b>	<b>\$ 3,451,459</b>	<b>\$ 3,153,381</b>	<b>\$ 3,150,357</b>	<b>\$ 3,147,824</b>	<b>\$ 3,147,554</b>	<b>\$ 2,448,027</b>	<b>\$ 1,367,604</b>						

NOTE:

1) The above items for information only. Approval required from BOD at time of project award.

2) Bond Funding will be required for these Proposed Capital Projects. Debt Service was estimated at 4.7% for 20 years

<b>Total Operating Capital Outlay and Construction Budget</b>											
<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	
\$ 3,207,356	\$ 5,094,235	\$ 4,778,459	\$ 4,665,856	\$ 4,952,577	\$ 4,895,824	\$ 4,461,354	\$ 3,995,827	\$ 3,104,804	\$ 2,941,214	\$ 3,277,604	

**ARWA Budget comparisons**

Year	O&M Expenses	Operating Capital Outlay	Debt Service issue	Debt Service	Debt Service	Debt Service	Debt Service	Reserve Policy	Total	Difference	% change	Comments
				2012 issue	2017 issue	2019 issue	2026 issue					
FY 25/26	\$ 10,326,503	\$ 987,250		\$ 302,475	\$ 1,080,744	\$ 706,888	\$ -	\$ -	\$ 13,403,860			
FY 26/27	\$ 10,779,463	\$ 1,631,800		\$ 301,671	\$ 1,080,936	\$ 712,224	\$ 1,367,604	\$ -	\$ 15,873,698	\$ 2,469,838	18%	Reserve Fund is 50% of O&M
FY 27/28	\$ 11,102,847	\$ 1,327,000		\$ 301,604	\$ 1,080,550	\$ 701,702	\$ 1,367,604	\$ -	\$ 15,881,306	\$ 7,608	0%	
FY 28/29	\$ 11,435,933	\$ 1,512,475		\$ -	\$ 1,080,572	\$ 705,204	\$ 1,367,604	\$ -	\$ 16,101,788	\$ 220,482	1%	
FY 29/30	\$ 11,779,011	\$ 1,802,220		\$ -	\$ 1,079,991	\$ 702,762	\$ 1,367,604	\$ -	\$ 16,731,588	\$ 629,800	4%	
FY 30/31	\$ 12,132,381	\$ 1,748,000		\$ -	\$ 1,080,781	\$ 699,439	\$ 1,367,604	\$ -	\$ 17,028,204	\$ 296,617	2%	

Notes:

(1) The 2010 issue was refinanced with the 2019 issue.

(2) The debt service service shown in 2030 represents:

Elevated Storage \$ 1,367,604 construction of elevated storage tanks, line in and out of tanks, connections to the Chesdin 42 and 72 water mains at ARWA - \$16,000,000

**ARWA Projected Annual Cost**

**5 year projections - O&M, Operating Capital Outlay, Reserve Policy, 54.38% 2019 Series, 2012 Series, 2017 Series, and estimated 2026 Series**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	total
	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%
FY 25/26	\$ 9,653,713	\$ 666,391	\$ 477,279	\$ 1,935,315	\$ 348,679	\$ 13,081,378
FY 26/27	\$ 11,474,593	\$ 792,085	\$ 567,304	\$ 2,300,353	\$ 414,447	\$ 15,548,782
FY 27/28	\$ 11,483,750	\$ 792,717	\$ 567,756	\$ 2,302,189	\$ 414,777	\$ 15,561,190
FY 28/29	\$ 11,645,280	\$ 803,868	\$ 575,743	\$ 2,334,572	\$ 420,612	\$ 15,780,074
FY 29/30	\$ 12,110,878	\$ 836,008	\$ 598,762	\$ 2,427,912	\$ 437,428	\$ 16,410,988
FY 30/31	\$ 12,330,892	\$ 851,195	\$ 609,639	\$ 2,472,019	\$ 445,375	\$ 16,709,120

Note: Budget % based on five year average flow consumption (FY19/20 to FY23/24)

Need to include miscellaneous revenue in O&M Expenses to match up rates from revenue page

**5 year projections -2019 Series Debt Service (45.62%)**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	total
Capacity	7.870%	5.760%	57.580%	0.000%	28.790%	100.000%
FY 25/26	\$ 25,379	\$ 18,575	\$ 185,685	\$ -	\$ 92,843	\$ 322,482
FY 26/27	\$ 25,571	\$ 18,715	\$ 187,087	\$ -	\$ 93,543	\$ 324,917
FY 27/28	\$ 25,193	\$ 18,439	\$ 184,323	\$ -	\$ 92,161	\$ 320,116
FY 28/29	\$ 25,319	\$ 18,531	\$ 185,243	\$ -	\$ 92,622	\$ 321,714
FY 29/30	\$ 25,231	\$ 18,467	\$ 184,602	\$ -	\$ 92,301	\$ 320,600
FY 30/31	\$ 25,112	\$ 18,379	\$ 183,729	\$ -	\$ 91,864	\$ 319,084

**5 year projections - \$/year**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	TOTAL
FY 25/26	\$ 9,679,093	\$ 684,966	\$ 662,965	\$ 1,935,315	\$ 441,522	\$ 13,403,860
FY 26/27	\$ 11,500,164	\$ 810,800	\$ 754,391	\$ 2,300,353	\$ 507,990	\$ 15,873,698
FY 27/28	\$ 11,508,943	\$ 811,156	\$ 752,079	\$ 2,302,189	\$ 506,939	\$ 15,881,306
FY 28/29	\$ 11,670,599	\$ 822,398	\$ 760,986	\$ 2,334,572	\$ 513,233	\$ 16,101,788
FY 29/30	\$ 12,136,109	\$ 854,474	\$ 783,363	\$ 2,427,912	\$ 529,729	\$ 16,731,588
FY 30/31	\$ 12,356,004	\$ 869,574	\$ 793,368	\$ 2,472,019	\$ 537,239	\$ 17,028,204

**5 year projections - \$/1000 gallons**

	Chesterfield	Colonial Heights	Dinwiddie	Petersburg	Prince George	Average
Annual consumptions (1000 gallons)				12,297,056		
Five year average flows (FY20/21 to FY24/25)	73.797%	5.094%	3.649%	14.794%	2.665%	100.000%
FY 25/26	\$ 1.0666	\$ 1.0934	\$ 1.4776	\$ 1.0638	\$ 1.3470	\$ 1.2097
FY 26/27	\$ 1.2672	\$ 1.2943	\$ 1.6814	\$ 1.2644	\$ 1.5498	\$ 1.4114
FY 27/28	\$ 1.2682	\$ 1.2949	\$ 1.6763	\$ 1.2654	\$ 1.5466	\$ 1.4103
FY 28/29	\$ 1.2860	\$ 1.3128	\$ 1.6961	\$ 1.2832	\$ 1.5658	\$ 1.4288
FY 29/30	\$ 1.3373	\$ 1.3640	\$ 1.7460	\$ 1.3345	\$ 1.6161	\$ 1.4796
FY 30/31	\$ 1.3616	\$ 1.3881	\$ 1.7683	\$ 1.3588	\$ 1.6391	\$ 1.5032

See Note (1) below

Notes:

(1) The FY26/27 figures include the proposed debt service for a 2026 issuance. The projects for the issuance are still under consideration and the funding distribution has not been approved. These figures are subject to change.

**ATTACHMENT C-3**

**RESOLUTION**

**OF THE APPOMATTOX RIVER WATER AUTHORITY  
PROVIDING PRELIMINARY APPROVAL OF THE  
BUDGET FOR FISCAL YEAR 2026/2027 AND  
THE RELATED WHOLESALE WATER RATES**

**WHEREAS**, in the fall and winter of 2025 and 2026 the staff of the Appomattox River Water Authority (the "Authority") developed the Authority's proposed budget and wholesale water rates for Fiscal Year 2026/2027 and has presented the proposed budget and wholesale water rates to the Authority Board at this meeting held on January 22, 2026; and

**WHEREAS**, Virginia Code Section 15.2-5136(G) requires an authority to hold a public hearing on the fixing of any rates, fees and charges following the preliminary approval of such rates, fees and charges.

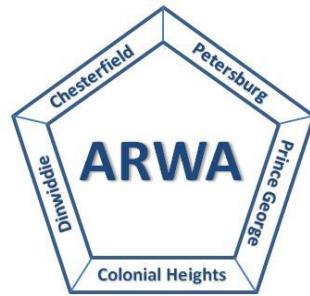
**NOW, THEREFORE, BE IT RESOLVED** that the Board of the Appomattox River Water Authority hereby (a) provides preliminary approval of (i) the proposed Fiscal Year 2026/2027 budget submitted as an attachment to this resolution and (ii) the proposed wholesale water rates for Fiscal Year 2026/2027 as set forth below, (b) schedules a public hearing on the proposed Fiscal Year 2026/2027 budget and wholesale water rates at the Authority's next scheduled Board meeting on March 19, 2026, and (c) directs Authority staff to provide for the publication of the notices of such public hearing in accordance with Virginia Code Section 15.2-5136(G):

**WHOLESALE WATER RATES  
(\$/1,000 gallons)**

	FY2026/2027
Chesterfield County	1.1560
City of Colonial Heights	1.1831
Dinwiddie County	1.5702
City of Petersburg	1.1532
Prince George County	1.4386

**BE IT FURTHER RESOLVED** that the Authority Board acknowledges that the above-stated wholesale water rates will be subject to change in accordance with the Authority's water service agreement in effect between the Authority and each of its five member jurisdictions, based on, among other things, the amount of water actually purchased by each member jurisdiction and the amounts of revenues received and expenses incurred by the Authority during Fiscal Year 2026/2027.

# Appomattox River Water Authority



21300 Chesdin Rd. - S. Chesterfield, VA 23803 - Phone (804) 590-1145 - Fax (804) 590-9285

## EXHIBIT D

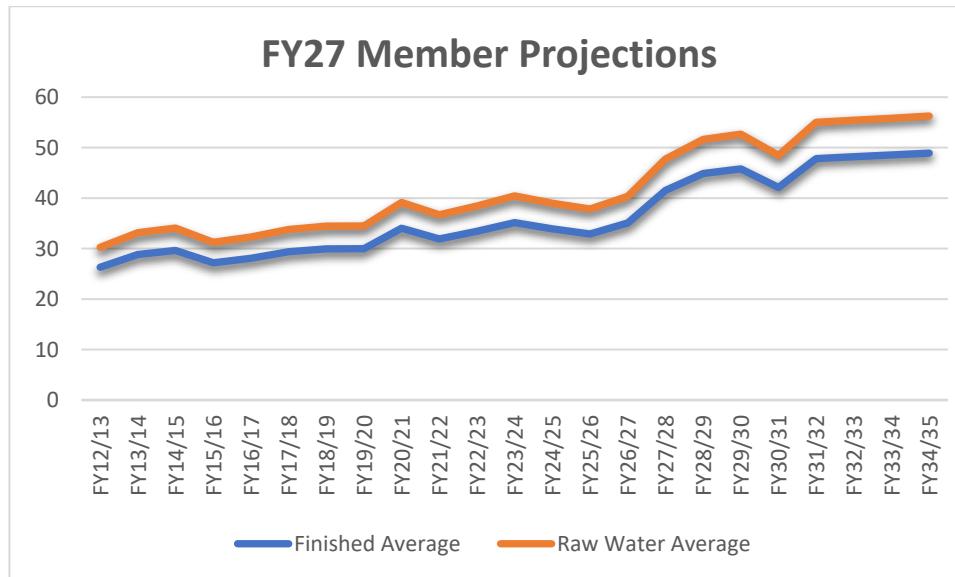
TO: Appomattox River Water Authority Board of Directors

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

DATE: January 22, 2026

SUBJECT: VWP Withdrawal Permit Update

As part of the budget process, staff requests each member provide their forecasted finished water demands for the Authority for the next ten years. The total member projections for FY2026/2027 are provided below:



The blue line is the total finished water demands provided by members and the orange line is the estimated raw water withdrawal to meet those demands. The difference between finished water and raw water is 10% to 15% depending on reservoir quality. The reason more water is withdrawn than sent to the members is raw water consumed in the plant by the Clarvacs cleaning the sedimentation basins, manually washing of basins with fire hoses, finished water to backwash filters, raw and finished water through

multiple sample taps that continuously run, house water to the large septic field, etc. The water from these operations (except the septic field) flows by gravity to the settling lagoons and is returned to the Appomattox River below the dam via a VPDES discharge permit.

Monthly, staff perform a reconciliation between the water withdrawn from the reservoir and the finished water to sent to members. The unaccountable water is less than 0.5%.

The current Virginia Water Protection (VWP) permit has the following constraints for raw water withdrawn from the reservoir:

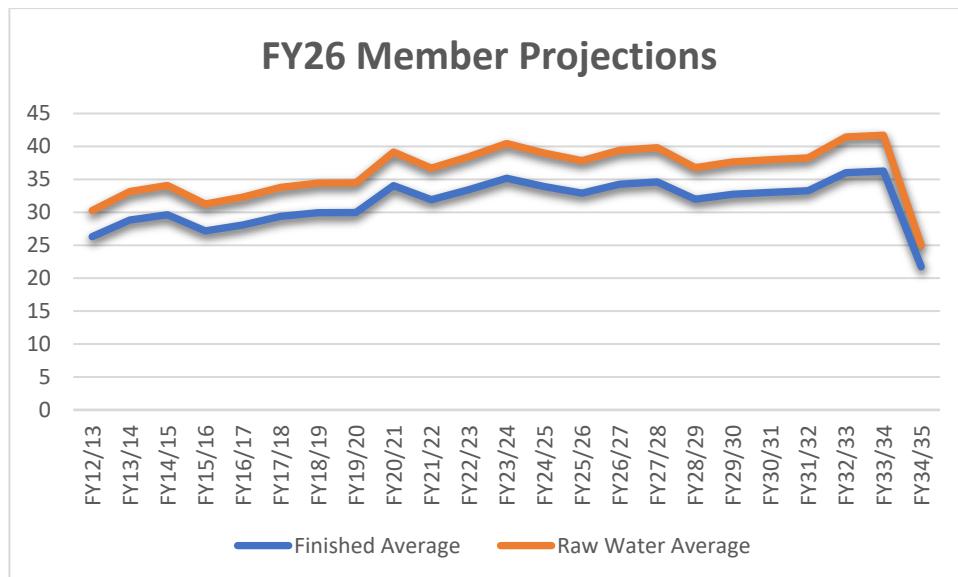
- Maximum day withdrawal of 86.24 mgd
- Maximum monthly withdrawal of 2.289 BG (76.3 mgd)
- Maximum annual withdrawal of 17.934 BG (49.1 mgd)

The peak withdrawals to date are:

- Maximum day withdrawal of 62.91 mgd (June 19, 2024)
- Maximum monthly withdrawal of 1.566 BG (June 2024)
- Maximum annual withdrawal of 14.789 BG (calendar year 2024)

On the finished water side of the plant, the six-month running average for finished water cannot exceed 56 mgd. The maximum six-month running average for finished water to date is 39.40 mgd which was April to September 2024.

The current most stringent limiting factor is the annual withdrawal requirement at 49.1 mgd. The current “projections” presented by members for the FY2026/2027 budget illustrate the Authority surpassing this requirement sometime in calendar year 2028. This is a significant change from the projections provided for the FY2025/2026 budget.



To be proactive, staff met with the Authority's largest customer to see if they could leverage water from their other two sources and discuss the timeframe for their fourth source to determine if the Authority could delay the need to advance the off-river storage reservoir (OSR) until it is actually required. The construction of their fourth water source could reduce the flow from the Authority and delay (probably fifteen years) the need for the OSR.

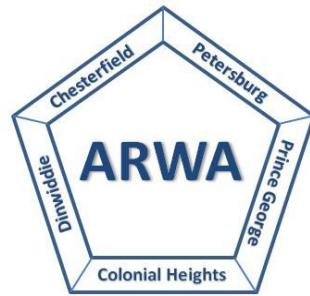
The VWP permit expires October 31, 2028. The fact sheet, which is part of the current permit, states the reservoir can support an annual withdrawal of 21.9 BG which equates to 60 mgd average day raw water withdrawal.

Since the Authority is in the process of performing studies for the VWP permit renewal, Phase II of the Alternative Analysis, and the permit expires in two years, we recommend not reopening the permit and continuing with the renewal process. Therefore, we plan to meet with DEQ, share the forecasted demands, reinforce the stated raw water capacity of the lake, expand on the improvements being made in the region and determine, in principle, if these forecasts come to fruition, that there may be a short timeframe the parameters may be exceeded until other improvements are completed. We understand there will be a point that the OSR has to be constructed. However, we also want to make sure we do not advance the OSR if there will be other improvements already in process that will significantly delay the need for the OSR.

**Board Action Requested:**

No Board Action requested.

# Appomattox River Water Authority



21300 Chesdin Rd. - S. Chesterfield, VA 23803 - Phone (804) 590-1145 - Fax (804) 590-9285

## EXHIBIT E

TO: Appomattox River Water Authority Board of Directors

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

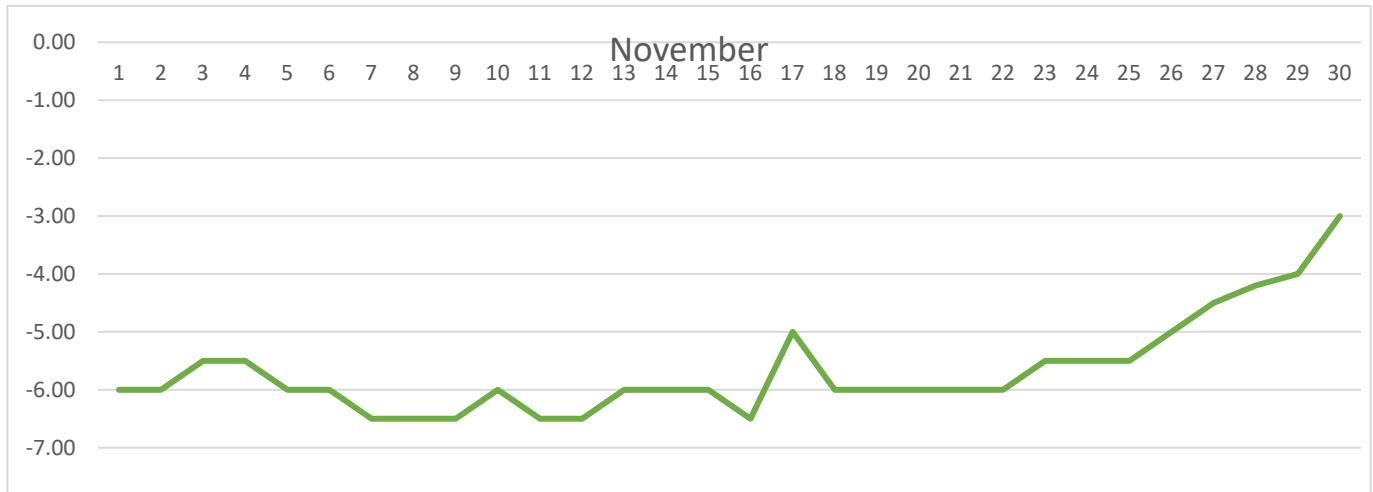
DATE: January 22, 2026

SUBJECT: Status Report

### ➤ General

- The next meeting is scheduled for March 19<sup>th</sup> at 2:00 p.m. at the Appomattox River Water Authority.
- Experiencing bass boats fishing inside the exclusionary zone. Staff has been documenting through the Authority's surveillance cameras and forwarding information to DWR for further investigation.
- Staff ordered additional warning buoys for exclusionary zone.
- Chemical bids were opened on January 13<sup>th</sup>.

### ➤ Lake Level Update





The average daily usage for November was 31.51 mgd and total raw water withdrawn from the lake was 1.09 BG. The average daily usage for December was 30.75 mgd and the total withdrawn from the lake was 1.09 BG.

➤ Operations/Process Control(waiting for information from Mike)

- Corey Grant passed his Class 1 licensure.
- Assisted maintenance with setting limits on new actuator for Petersburg meter vault.
- Beginning work on sodium hypochlorite pump upgrade.
- Ordering flowmeter transmitters to upgrade transmitters at Central State, Gerdau, Ferndale, Temple and Lakeview meters.
- Cleaned and flushed all polymer lines to sedimentation basins 1-10.
- Took carbon core samples for filters 4, 12, 20, and 28 and sent to vendor for analysis.
- Operators completed DOC (Demonstration of Capability) for lab certification.

➤ Maintenance

- Wintertime preventative maintenance work orders.
- Assisted operations with cleaning flume for filters 1-16. Installed stop logs and isolated half of plant.
- Installed water line and fiber for camera feed for boathouse.
- Tested backflow devices.
- Assisted divers with dam inspection.
- Replaced one actuator for air burst on raw water pump station #2.
- Changed gear box on Limitorque actuator for Petersburg meter vault. This is on the value used to modulate flow.
- Assisted lab staff with packing up lab for cabinet renovation.

➤ SIIT – Systems Integration/Instrumentation Technology support group (technical support)

- Added, configured and tested new network switch in the warehouse. This adds the warehouse

to the fiber network ring.

- Added, configured and tested new network switch in new OT server building. This adds the new OT server building to the network ring.
- Added secure Wifi access to the OT server building for remote diagnostics.
- Added MXView to OT server in Administration Building OT Management Server.

➤ Laboratory

- Monthly eDMR submitted to DEQ for November and December – no exceedances or issues.
- Monthly CMDP (Compliance Monitoring Data Portal) (bacti and chemistry) submitted to VDH.
- Monthly Water Quality Reports distributed.
- Monthly State Health Department submitted.
- Daily support to operations for QA/QC and compliance sampling.
- Whole Effluent Toxicity (WET) results showed no toxicity after UV disinfection.
- Groundwater monitoring completed for Q4.
- Continuing work with WSP on Site Characterization Report for lagoons.
- All Q4 required lab calibrations completed.
- Began relocating equipment to temporary lab area for cabinet and counter replacement project.

➤ FERC License Surrender

- Teams meeting with HDR to determine required information to supplement surrender application.
- Gathering local regulatory contacts to develop correspondence to notify of the pending surrender.
- Reviewing Deed to Easement to determine the agreed upon removal of assets.
- Discussed maintaining the fish ladder and how to address in the surrender application.

➤ Liquid Lime System

- Still experiencing issues with mixer #2. Contractor and vendor have been on site evaluating problem. The latest thought is for the vendor to replace the a/c motor on mixer #2.
- With the time of year and low turbidity there has not been the need to add liquid lime. The Authority still has the ability to feed dry lime if necessary.

➤ Hydrilla

- Nothing to report.

➤ 60" sluice gate isolation

- Asked trust engineer to provide a proposal for a PER to determine a path forward.

- VPDES renewal for waste lagoons
  - Consultant continues to work on Site Characterization Plan with laboratory staff.
  - Collecting and analyzing well data around the lagoons from wells installed by the Authority.
- Regional State Water Plan
  - Members should still be gathering information and providing as requested.
  - Plan RVA is point for the Middle James 3 RPU for data gathering.
- Elevated Tank Design
  - Engineer is addressing Chesterfield County Planning comments.
- Replace membrane roof on Clearwell #2
  - Project complete.
- VWP – Phase II
  - Update meeting scheduled for January 5<sup>th</sup>.
- Boathouse Addition
  - Permit received 1/5/2026.
  - Scheduling a meeting with contractor to get an update.
- Chlorine Dioxide Tank Farm Addition
  - Purchase order cut for design.
- Dry Boat Storage Facility
  - Purchase order cut for design.

**EXHIBIT F**

**Appomattox River Water Authority-Balance Sheet**  
**For Month Ending December 31, 2025**

**Assets**

**Current Assets**

Petty Cash	\$ 400
SunTrust Operating Fund	\$ 2,161,860
SunTrust Replacement Fund	\$ -
	<b><i>Total Unrestricted Cash</i></b>
	<b><u>\$ 2,162,260</u></b>
Water Revenue	\$ 2,870,612
LGIP-O&M Reserve	\$ 6,447,296
LGIP-Revenue Surplus	\$ 2,882,993
LGIP-BOD Projects	\$ 456,009
ERRF (Equipment Repair/Replacement)	\$ 2,500,000
Debt Service Reserve	\$ 2,094,641
Bond Principal/Interest	\$ 602,654
	<b><i>Total Restricted Cash</i></b>
	<b><u>\$ 17,854,206</u></b>
<b>Total Checking/Savings</b>	<b>\$ 20,016,466</b>
Accounts Receivable	\$ 3,439,282
Other Current Assets	\$ 84,949
Inventory	\$ 1,128,009
<b>Total Current Assets</b>	<b>\$ 24,668,706</b>
<b>Fixed Assets</b>	
Right to Use Lease Assets	\$ 14,630
Accum amort-right of use lease	\$ (2,134)
Land and Land Rights	\$ 1,044,167
Water System	\$ 100,620,240
Equipment	\$ 1,804,208
Hydro	\$ 34,873
Furniture & Equipment	\$ 32,910
Building Improvements	\$ 572,581
Software	\$ 22,250
Construction in Progress	\$ 3,138,028
Accumulated Amortization	\$ (34,873)
Accumulated Depreciation	\$ (61,563,161)
<b>Total Fixed Assets</b>	<b>\$ 45,683,720</b>

**Other Assets**

Def Outflow-OPEB GLI	\$ 30,776
Def Out Res-Post ER Pension Costs	\$ -
Deferred Outflow-OPEB GLI	\$ -
Def Out Res-Net Dif Pension Inv	\$ -
Def Out Res-OPEB Experience	\$ 10,794
Def Out Res-OPEB Assumptions	\$ 2,068
Def Out Res-OPEB Subsequent	\$ -
Def Outfi-diff b/w exp & act e	\$ 77,192
<b>Total Other Assets</b>	<b>\$ 120,830</b>

## Appomattox River Water Authority-Balance Sheet

For Month Ending December 31, 2025

<b>Total Assets</b>	<b>\$ 70,473,256</b>
<b>Liabilities &amp; Equity</b>	
Current Liabilities	
Accounts Payable	\$ 65,769
Retainage Payable	\$ 118,792
Accrued Interest Payable	\$ 85,707
Accrued Interest-GASB 87	\$ 57
Lease Liability-current portion	\$ 3,572
<b>Total Current Liabilities</b>	<b>\$ 273,897</b>
Long Term Liabilities	
Def Inf Res-Net Dif Pension Inv	\$ 67,085
Def Inf Res-Pen Chg Assumptions	\$ -
Def Inf Res-Pens Dif Proj/Act E	\$ 214,265
Net Pension Liability	\$ (2,134,004)
Def Infl-OPEB Chg of Assumptions	\$ 497
Deferred Inflow-OPEB GLI	\$ 19,508
Deferred Inflow-Expect & Actual	\$ 388
Bonds Payable-2010	\$ -
Bonds Payable-2012	\$ 585,000
Bonds Payable-2017	\$ 6,935,000
Bonds Payable-2019 Refunding Bond Payment	\$ 3,890,000
Bonds Payable-2019 Def Amt on Refunding	\$ (58,302)
Lease Liability-non-current	\$ 8,984
Accrued Leave Payable	\$ 336,392
Post Employment Benefit	\$ 63,815
OPEB Liability-GLI	\$ 85,143
<b>Total Long-Term Liabilities</b>	<b>\$ 10,013,772</b>
<b>Total Liabilities</b>	<b>\$ 10,287,669</b>
<b>Equity</b>	
Retained Earnings	\$ 5,365,384
Reserve for Water Revenue	\$ 16,498,969
Reserve for Operations	\$ -
Reserve for Surplus	\$ -
Reserve for Replacements	\$ 2,500,000
Reserve for Bond Interest	\$ 106,942
Reserve for Debt Service	\$ 2,094,831
Reserve for Bond Principal	\$ -
Reserve for Reserve	\$ -
Fixed Assets, Net of Debt	\$ 31,970,278
Net Income	\$ 1,649,183
<b>Total Equity</b>	<b>\$ 60,185,587</b>
<b>Total Liabilities &amp; Equity</b>	<b>\$ 70,473,256</b>

Appomattox River Water Authority  
YTD Income Statement for the period ending December 31, 2025

Water Rate Center	Budget	Budget	Actual	YTD Budget	Variance
	FY 25/26	Year-to-Date	Year-to-Date	vs. Actual	Percentage

Revenues and Expenses Summary

**Operating Budget vs. Actual**

**Revenues**

Board Approved True-Up-Prior FY	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Water Sales	\$ 13,533,860	\$ 6,766,930	\$ 7,364,231	\$ 597,301	8.83%
Rent/Misc. Income	\$ 30,000	\$ 15,000	\$ 46,015	\$ 31,015	206.77%
<b>Total Operating Revenues</b>	<b>\$ 13,563,860</b>	<b>\$ 6,781,930</b>	<b>\$ 7,410,247</b>	<b>\$ 628,317</b>	<b>9.26%</b>

**Expenses**

Personnel Cost	\$ 3,114,703	\$ 1,557,352	\$ 1,497,068	\$ (60,284)	-3.87%
Contractual/Professional Services	\$ 1,279,700	\$ 642,350	\$ 594,016	\$ (48,334)	-7.52%
Utilities	\$ 1,128,100	\$ 564,050	\$ 460,242	\$ (103,808)	-18.40%
Communication/Postal/Freight	\$ 62,000	\$ 31,000	\$ 21,447	\$ (9,553)	-30.82%
Office/Lab/Janitorial Supplies	\$ 126,000	\$ 63,000	\$ 75,178	\$ 12,178	19.33%
Insurance	\$ 140,000	\$ 70,000	\$ 142,363	\$ 72,363	103.38%
Lease/Rental Equipment	\$ 20,000	\$ 10,000	\$ 4,459	\$ (5,541)	-55.41%
Travel/Training/Dues	\$ 78,000	\$ 39,000	\$ 32,850	\$ (6,150)	-15.77%
Safety/Uniforms	\$ 40,000	\$ 20,000	\$ 9,130	\$ (10,870)	-54.35%
Chemicals	\$ 4,000,000	\$ 2,000,000	\$ 1,615,958	\$ (384,042)	-19.20%
Repair/Maintenance Parts & Supplies	\$ 368,000	\$ 184,000	\$ 249,909	\$ 65,908	35.82%
<b>Total Operating Expenses</b>	<b>\$ 10,356,503</b>	<b>\$ 5,180,752</b>	<b>\$ 4,702,620</b>	<b>\$ (478,132)</b>	<b>-9.23%</b>
<b>Operating Results Surplus/(Deficit)</b>	<b>\$ 3,207,356</b>	<b>\$ 1,601,178</b>	<b>\$ 2,707,627</b>	<b>\$ 1,106,449</b>	<b>69.10%</b>

**Replacement Outlay Budget vs. Actual**

Machinery & Motors-Process	\$ 180,000	\$ 90,000	\$ 107,319	\$ 17,319	19.24%
Instrumentation	\$ 166,000	\$ 83,000	\$ 43,866	\$ (39,134)	-47.15%
SCADA	\$ 15,750	\$ 7,875	\$ -	\$ (7,875)	-100.00%
Computer Equipment	\$ 5,500	\$ 2,750	\$ 2,155	\$ (595)	-21.64%
Furniture/Fixtures	\$ 130,000	\$ 65,000	\$ -	\$ (65,000)	-100.00%
Motor Vehicles	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Maintenance Equipment	\$ 25,000	\$ 12,500	\$ -	\$ (12,500)	-100.00%
Elevated Tank-Engineering Report	\$ -	\$ -	\$ 36,000	\$ 36,000	#DIV/0!
Clearwell Roof	\$ -	\$ -	\$ 866,100	\$ 866,100	#DIV/0!
Air Release Vault	\$ 110,000	\$ 55,000	\$ -	\$ (55,000)	-100.00%
Basin 10-12 Influent Actuator	\$ 135,000	\$ 67,500	\$ -	\$ (67,500)	-100.00%
Cone Valve	\$ 50,000	\$ 25,000	\$ -	\$ (25,000)	-100.00%
Swift Creek Meter Vault	\$ 300,000	\$ 150,000	\$ -	\$ (150,000)	-100.00%
<b>Total Capital Outlay</b>	<b>\$ 1,117,250</b>	<b>\$ 558,625</b>	<b>\$ 1,055,440</b>	<b>\$ 496,815</b>	<b>88.94%</b>

**BOD Designated Surplus Fund**

Liquid Lime System	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Raw Water Supply-Alt Analysis	\$ -	\$ -	\$ 37,107	\$ -	#DIV/0!
Risk & Resilience Analysis	\$ -	\$ -	\$ 18,275	\$ -	#DIV/0!
New Server Building	\$ -	\$ -	\$ 4,800	\$ -	#DIV/0!
Filter Inspections	\$ -	\$ -	\$ 45,000	\$ -	#DIV/0!
Boat House-Chesterfield	\$ 150,000	\$ -	\$ 46,697	\$ -	#DIV/0!
Chlorine Dioxide Tank Farm	\$ -	\$ -	\$ 4,250	\$ -	#DIV/0!
Sodium Hypo Pumps	\$ -	\$ -	\$ 7,387	\$ -	#DIV/0!
2024 Chevy Colorado-Warehouse	\$ -	\$ -	\$ 34,310	\$ -	#DIV/0!
<b>Total BOD Designated Surplus Funds</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ 197,827</b>	<b>\$ -</b>	<b>#DIV/0!</b>

**Debt Service Budget vs. Actual**

Interest Income	\$ -	\$ -	\$ 366,238	\$ 366,238	#DIV/0!
Other (Income)	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Sell of Asset	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Interest Expense	\$ 320,106	\$ 320,106	\$ 171,415	\$ (148,692)	-46.45%
Int on Purchase of US Treas	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Bond Issuance Cost	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Principal Payments	\$ 1,770,000	\$ 1,770,000	\$ -	\$ (1,770,000)	-100.00%

**Other Expenses Deprec/Amort**

Depreciation Expense	\$ -	\$ -	\$ -	\$ -	#DIV/0!
Amortizatin Expense-ROU Asset	\$ -	\$ -	\$ -	\$ -	#DIV/0!
check	\$ (0)	\$ (1,047,553)	\$ 1,649,183	\$ 2,894,564	
	0	\$ (1,047,553)	\$ 1,649,183		
	\$ (0.00)	\$ 0.00	\$ -		

**Appomattox River Water Authority**  
**Executive Review**  
**Cash And Debt Highlights**  
**As of December 31, 2025**

<b>Highlights: ARWA Cash Positions</b>	<b>30-Jun-25</b>	<b>31-Dec-25</b>	<b>Change</b>	<b>Explanation</b>
<b>Unrestricted Cash &amp; Investments:</b>				
Petty Cash	\$ 400.00	\$ 400.00	\$ -	see explanation (a) below
SunTrust Operating Account	\$ 2,347,329.37	\$ 2,161,859.96	\$ (185,469.41)	see explanation (b) below
<b>Restricted Cash and Investments:</b>				
Water Revenue	\$ 3,686,977.56	\$ 2,870,612.35	\$ (816,365.21)	see explanation (d) below
LGIP-O&M Reserve	\$ 6,311,395.04	\$ 6,447,296.44	\$ 135,901.40	see explanation (e) below
LGIP-Revenue Surplus	\$ 1,654,716.83	\$ 2,882,992.87	\$ 1,228,276.04	see explanation (f) below
LGIP-BOD Projects	\$ -	\$ 456,009.43	\$ 456,009.43	see explanation (g) below
ERRF (Equipment Repair/Replacement)	\$ 2,543,579.90	\$ 2,500,000.00	\$ (43,579.90)	see explanation (h) below
Debt Service Reserve	\$ 2,098,816.01	\$ 2,094,641.09	\$ (4,174.92)	see explanation (i) below
2012 Bond	Principal/Interest \$ 300,449.48	\$ 89,059.18	\$ (211,390.30)	
2017 Bond	Principal/Interest \$ 1,017,506.90	\$ 342,537.37	\$ (674,969.53)	
2019 Bond	Principal/Interest \$ 661,635.76	\$ 171,057.43	\$ (490,578.33)	
<b>Total Cash and Investments</b>	<b>\$ 20,622,806.85</b>	<b>\$ 20,016,466.12</b>	<b>\$ (606,340.73)</b>	
<b>Highlights: ARWA Outstanding Bonds</b>				
	<b>30-Jun-25</b>	<b>31-Dec-25</b>	<b>Change</b>	
2012 Bond	\$ 865,000.00	\$ 585,000.00	\$ (280,000.00)	
2017 Bond	\$ 7,830,000.00	\$ 6,935,000.00	\$ (895,000.00)	
2019 Bond	\$ 4,485,000.00	\$ 3,890,000.00	\$ (595,000.00)	
2019 Bond-Def Amt on Refund	\$ (58,301.79)	\$ (58,301.79)	\$ -	
<b>Total Bonds Outstanding</b>	<b>\$ 13,121,698.21</b>	<b>\$ 11,351,698.21</b>	<b>\$ (1,770,000.00)</b>	

**Explanation of Unrestricted and Restricted Cash positions:**

- a. On-Hand Petty Cash for incidental expenses
- b. Financial Policy: Based on next four months of O&M expense
- c. Financial Policy: Held by Trustee for all operating water revenues
- d. Financial Policy: 50% of current FY O&M Budget
- e. Board Approval: Surplus Revenue approved for specific projects.
- f. BOD Designated: Projects
- g. Financial Policy: Must maintain a minimum of \$2.5M
- h. Financial Policy: Held by Trustee, funded at such amount as may be necessary.

2012	Principal	Interest	Total	2017	Principal	Interest	Total	2019	Principal	Interest	Total	
Year Ended June 30				Year Ended June 30				Year Ended June 30				
2013 \$ - \$ 93,906.15	\$ 93,906.15			2018 \$ 94,350.00	\$ 94,350.00			2020 \$ - \$ 75,205.83	\$ 75,205.83			
2014 \$ 193,000.00	\$ 109,321.50	\$ 302,321.50		2019 \$ 750,000.00	\$ 330,225.00	\$ 1,080,225.00		2021 \$ 90,000.00	\$ 167,283.25	\$ 257,283.25		
2015 \$ 199,000.00	\$ 103,245.50	\$ 302,245.50		2020 \$ 769,000.00	\$ 311,115.98	\$ 1,080,115.98		2022 \$ 545,000.00	\$ 160,940.03	\$ 705,940.03		
2016 \$ 205,000.00	\$ 96,983.50	\$ 301,983.50		2021 \$ 789,000.00	\$ 291,516.34	\$ 1,080,516.34		2023 \$ 555,000.00	\$ 149,759.83	\$ 704,759.83		
2017 \$ 211,000.00	\$ 90,535.50	\$ 301,535.50		2022 \$ 809,000.00	\$ 271,413.50	\$ 1,080,413.50						
2018 \$ 218,000.00	\$ 83,886.00	\$ 301,886.00		2023 \$ 830,000.00	\$ 250,794.88	\$ 1,080,794.88						
2019 \$ 225,000.00	\$ 77,019.50	\$ 302,019.50		2024 \$ 851,000.00	\$ 229,647.90	\$ 1,080,647.90		2024 \$ 565,000.00	\$ 138,011.18	\$ 703,011.18		
2020 \$ 232,000.00	\$ 69,936.00	\$ 301,936.00		2025 \$ 872,000.00	\$ 207,972.56	\$ 1,079,972.56		2025 \$ 580,000.00	\$ 125,495.06	\$ 705,495.06		
2021 \$ 239,000.00	\$ 62,635.50	\$ 301,635.50		2026 \$ 895,000.00	\$ 185,743.70	\$ 1,080,743.70		2026 \$ 595,000.00	\$ 111,887.68	\$ 706,887.68		
2022 \$ 247,000.00	\$ 55,102.50	\$ 302,102.50		2027 \$ 918,000.00	\$ 162,936.16	\$ 1,080,936.16		2027 \$ 615,000.00	\$ 97,223.93	\$ 712,223.93		
2023 \$ 255,000.00	\$ 47,321.50	\$ 302,321.50		2028 \$ 941,000.00	\$ 139,549.94	\$ 1,080,549.94		2028 \$ 620,000.00	\$ 81,701.76	\$ 701,701.76		
2024 \$ 263,000.00	\$ 39,292.50	\$ 302,292.50		2029 \$ 965,000.00	\$ 115,572.46	\$ 1,080,572.46		2029 \$ 640,000.00	\$ 65,204.26	\$ 705,204.26		
2025 \$ 271,000.00	\$ 31,015.50	\$ 302,015.50		2030 \$ 989,000.00	\$ 90,991.14	\$ 1,079,991.14		2030 \$ 655,000.00	\$ 47,762.13	\$ 702,762.13		
2026 \$ 280,000.00	\$ 22,475.00	\$ 302,475.00		2031 \$ 1,015,000.00	\$ 65,780.82	\$ 1,080,780.82		2031 \$ 670,000.00	\$ 29,438.75	\$ 699,438.75		
2027 \$ 288,000.00	\$ 13,671.00	\$ 301,671.00		2032 \$ 1,040,000.00	\$ 39,928.92	\$ 1,079,928.92		2032 \$ 690,000.00	\$ 10,021.25	\$ 700,021.25		
2028 \$ 297,000.00	\$ 4,603.50	\$ 301,603.50		2033 \$ 1,067,000.00	\$ 13,422.86	\$ 1,080,422.86						
	<b>\$ 3,623,000.00</b>	<b>\$ 1,000,950.65</b>	<b>\$ 4,623,950.65</b>		<b>\$ 13,500,000.00</b>	<b>\$ 2,800,962.16</b>	<b>\$ 16,300,962.16</b>		<b>\$ 6,820,000.00</b>	<b>\$ 1,259,934.94</b>	<b>\$ 8,079,934.94</b>	
*** Maintenance Projects****												
***charged to members based on Allocations***												
***Maintenance Projects****												
***charged to members based on Allocations***												
***This was both an expansion and maintenance project***												
***Charged as follows: (45.62%-expansion, 54.38%-allocation***												

2022 \$ 1,601,000.00	\$ 487,456.03	\$ 2,088,456.03
2023 \$ 1,640,000.00	\$ 447,876.21	\$ 2,087,876.21
2024 \$ 1,679,000.00	\$ 406,951.58	\$ 2,085,951.58
2025 \$ 1,723,000.00	\$ 364,483.12	\$ 2,087,483.12
2026 \$ 1,770,000.00	\$ 320,106.38	\$ 2,090,106.38
2027 \$ 1,821,000.00	\$ 273,831.09	\$ 2,094,831.09
2028 \$ 1,858,000.00	\$ 225,855.20	\$ 2,083,855.20
2029 \$ 1,605,000.00	\$ 180,776.72	\$ 1,785,776.72
2030 \$ 1,644,000.00	\$ 138,753.27	\$ 1,782,753.27
2031 \$ 1,685,000.00	\$ 95,219.57	\$ 1,780,219.57
2032 \$ 1,730,000.00	\$ 49,950.17	\$ 1,779,950.17
2033 \$ 1,067,000.00	\$ 13,422.86	\$ 1,080,422.86