

Water and Sewer Authority
Watertown, CT
Regular Meeting Agenda

Date: Wednesday, June 17, 2026

Time: 7:00 PM

Place: Watertown Town Hall
61 Echo Lake Rd.
Watertown, CT 06795
Planning and Zoning Conference Room

1. Call Meeting to Order
2. Roll Call
3. Minutes - None
4. Superintendent's Report – May 2026
 - a. The Town of Watertown has been awarded a State Grant-in-Aid in the amount of **\$750,000** to support Lead Service Line Compliance efforts. This funding will assist the Town in meeting state and federal requirements while continuing to protect public health and improve water infrastructure. Thank you to Town staff for their hard work in preparing and supporting this grant application, and a special thank you to Representative Joe Polletta for his advocacy and assistance in securing this important funding for our community.
 - b. Additional Updates
5. Public Participation – (Read Statement)
6. Correspondence/ Information
 - a. Letter from the Town Manager: Town Council Action on BAN/Bond Conversion and Updated Rate Study Request, Old Business Item a. Dated June 10, 2026
 - b. Letter from the Town Manager: FY 2025-2026 Financial Projection Summary, Old Business Item c. Dated June 10, 2026
 - c. Follow Us Scan The QR Code: Old Business Item d.
 - d. Letter from Lauren Dayton, Administrative Assistant, Town Manager's Office: New Town of Watertown Website Now Live
7. Old Business
 - a. **Discussion and Possible Action** regarding an Updated Town of Watertown Water and Sewer Rate Study Draft Report, prepared by NewGen Strategies & Solutions, including review of proposed water and sewer rate structures, financial projections, operational

impacts, debt service considerations, and related recommendations for the Watertown Water & Sewer Authority.

- b. **BAN/Bond Conversion 2026 – Risk Register (Standing Item)**
Discussion and possible action regarding the 2026 BAN-to-bond conversion, including review and maintenance of the associated risk register as a standing agenda item to support ongoing monitoring, mitigation, and decision-making.
- c. **Monthly Review of Operational Budgets (Standing Item) – Fund 015 (Sewer) and Fund 017 (Water)**
Review of monthly operating budget performance for the Sewer (Fund 015) and Water (Fund 017) enterprise funds to monitor compliance with the operational budget freeze implemented in January 2026, identify variances, and confirm adherence to spending controls.
- d. **Update on Ratepayer Communication and Messaging**
Discussion and update on messaging strategies to keep ratepayers informed regarding potential future rate adjustments, including timing, scope, and coordination of internal and external communications.
- e. **Rate-Setting Discussion for 2026 (Standing Item)**
Ongoing discussion regarding the establishment of 2026 rates. This item will remain on the agenda as standing old business while the Authority continues to develop, review, and refine the information necessary to evaluate and, if appropriate, implement a rate increase.
- f. **Discussion and possible action on the review of the Water & Sewer Authority Policy Manual and the establishment of a process for its periodic review and update. (Standing Item)**

8. New Business

- a. **Executive Session** – Discussion of strategy regarding pending claims in the dispute involving the City of Waterbury/Watertown Fire District. Members of the Water and Sewer Authority, the Superintendent of Public Works and the Town Attorney will be invited to participate in the discussion.
- b. **Discussion and possible action** regarding funding strategies related to potential litigation involving the City of Waterbury/Watertown Fire District.

9. Adjournment



TOWN OF WATERTOWN
WATER AND SEWER AUTHORITY
747 French Street
Oakville, Connecticut 06779-1099
(860) 945-5299 Fax (860) 945-5298

TO: Water and Sewer Authority Members
FROM: WSA Staff
DATE: June 17, 2026
RE: Minutes

Attached is a copy of the Minutes Status sheet. This list shows the status of the minutes of each Water and Sewer Authority meeting. Reading from the left as follows:

1. First column is the date of the meeting.
2. Second column is the type of meeting.
 - R = Regular
 - RESCH = Rescheduled
 - S = Special
 - PH = Public Hearing
 - PIM = Public Informational
3. Third column is the date the minutes went to the Authority for review and approval or, in some cases, that the meeting was cancelled.
4. Fourth column indicates whether the minutes have been filed with the Town Clerk. An "X" in this column indicates they have been filed. A blank space indicates they have not been filed because they have not been approved by the Authority.

JM
Attachment

Meeting Date Type

Minutes to WSA

Minutes to Town Clerk

2026

1/21/2026 R

2/18/2026 R

3/18/2026 R

5/20/2026 R

2/18/2026

3/18/2026

5/20/2026



**TOWN OF WATERTOWN
WATER AND SEWER AUTHORITY**
747 French Street
Oakville, Connecticut 06779-1099
Main Office (860) 945-5299

Date: June 17, 2026

To: Mark A. Raimo, Town Manager
Re: **Superintendent's Report – May 2026**

I. Operations Water and Sewer: May 2026

Call Before You Dig – 108	Non-Payments – Shut-Off – 0	Non-Payments – Turned On – 0
Backflow Device Inspections – 0	Fats, Oil, & Grease – 0	Water Leak Investigation – 5
Water Service Leaks – 1	Water Service Repairs – 1	Water Service Inspections – 5
Water Main Leaks – 1	Water Main Repairs – 3	Water Main Inspections – 4
Fire Hydrants Flushed – 281	Fire Hydrants Installations – 2	Fire Hydrants Repaired – 2
Water Service Taps – 0	Water Service Installations – 3	Water Main Installations – 0
Sewer Lateral Inspections – 4	Sewer Main Inspections – 1	Sewer CCTV Inspections – 0
Sewer Lateral Blockage – 1	Sewer Lateral Repairs – 1	Sewer Lateral Installations – 3
Sewer Main Blockages – 0	Sewer Main Repairs – 1	Sewer Main Installations – 0
Sewer Manhole Inspections – 0	Sewer Manhole Repairs – 0	I&I Inspections – 0

Flushing started March 30th and will continue until June.

A May 20, 2026, water main break on Thomaston Avenue in Waterbury caused a water hammer event that split the 2-inch brass meter at The Carby Corporation. The meter was replaced at an unplanned cost to WSA.

II. Business Administration:

Total Customer Transactions from May 1- May 31

- Broken down as: Cash - 5% Checks – 70% Electronic - 25% Total – \$643,499.45

Non-Payment / Collections Shut Offs:

- Notices Mailed: Outstanding Amount: Monies Collected:
- Residential : 185** **\$155,077.32** **\$108,609.85** = 70%
- Commercial: 68** **\$80,057.21** **\$57,213.63** = 71%

WSA received a preliminary quote of \$2,500 for the materials of a new payment drop box inside the office. The new depository unit will enhance safety for customers and staff while providing better protection of deposits from weather-related damage.



TOWN OF WATERTOWN
WATER AND SEWER AUTHORITY
747 French Street
Oakville, Connecticut 06779-1099
(860) 945-5299 Fax (860) 945-5298

Public Comment Statement

"At this time, the Authority will accept public comment. Public comment is an opportunity for residents to provide testimony and input for the Authority's consideration as part of its decision-making process. Members of the Authority may consider this testimony during discussion and deliberation; however, the Authority will not respond to questions or engage in dialogue during public comment. The meeting and agenda are intended for the Authority to conduct its official business.

Public comment shall be limited to matters within the Authority's jurisdiction. There shall be no direct public comment regarding individual staff members. Comments related to staff concerns should be directed through appropriate administrative channels outside of this meeting."



TOWN OF WATERTOWN CONNECTICUT
OFFICE OF THE TOWN MANAGER

Watertown Town Hall • 61 Echo Lake Road • Watertown, CT 06795
Tel: 860.945.5255 • Fax: 860.945.4974 • www.watertownct.org

To: Members, Watertown Water & Sewer Authority

From: Mark A. Raimo, Town Manager 

Date: June 10, 2026

Subject: Town Council Action on BAN/Bond Conversion and Updated Rate Study Request

At its June 1, 2026, meeting, the Watertown Town Council voted to proceed with **Option #1** for the BAN-to-Bond conversion associated with financing the sewer judgment obligation.

Option #1 was presented in the June 1, 2026, report entitled "**Debt Options for Sewer Judgement**" prepared by **Barry Bernabe, Managing Director, Phoenix Advisors**. Under this option, the Town would issue approximately **\$30,600,000 in bonds**, utilizing an estimated interest rate of **4.25%** and a **Level Principal repayment structure**.

In conjunction with the Town Council's decision, NewGen Strategies & Solutions has been requested to update the Water & Sewer Authority Rate Study to incorporate:

- The cash flow analysis previously provided by the Town's Finance Department;
- The financing assumptions approved by the Town Council under Option #1;
- The anticipated debt service schedule associated with the permanent financing; and
- Any related impacts associated with the transition from temporary financing (BANs) to permanent bonding.

The purpose of this update is to provide the Authority with a comprehensive understanding of the projected financial impacts on the utility system, including anticipated revenue requirements, debt service obligations, rate impacts, and the proposed rate structure necessary to support ongoing operations and future capital needs.

Additionally, NewGen is requested to identify any remaining assumptions, variables, financial inputs, policy decisions, or operational considerations that must be finalized in order to complete the analysis and provide a comprehensive recommendation to the Authority. This information will assist the Authority in evaluating future rate adjustments and establishing a sustainable long-term financial plan for the water and sewer systems.

The Authority looks forward to receiving the updated rate study and any recommendations necessary to facilitate informed decision-making regarding future utility rates and financial planning.



TOWN OF WATERTOWN CONNECTICUT
OFFICE OF THE TOWN MANAGER

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Tel: 860.945.5255 • Fax: 860.945.4974 • www.watertownct.org

MEMORANDUM

To: Watertown Water & Sewer Authority

cc: Watertown Town Council

From: Mark A. Raimo, Town Manager

Date: June 10, 2026

Re: Water & Sewer Authority FY 2025-2026 Financial Projection Summary

Water & Sewer Authority

FY 2025-2026 Financial Projection Summary

As of May 28, 2026

This financial projection provides an estimate of the Water & Sewer Authority's fiscal year-end financial position based on actual activity through May 28, 2026, together with projected revenues and expenses through June 30, 2026.

Revenue Overview

Total operating revenue through May 28, 2026, was approximately \$5.76 million. Based on a seven-year average of historical water and sewer consumption, June revenue is projected at approximately \$488,805, consisting of:

- Water Revenue: \$220,831
- Sewer Revenue: \$267,974

Projected Fiscal Year 2025-2026 operating revenue is estimated at approximately \$6.25 million, consisting of:

- Water Fund Revenue: \$2.32 million
- Sewer Fund Revenue: \$3.93 million

Revenue projections include both consumption-based charges and flat-rate customer billings and represent a reasonable estimate of year-end collections.

Expense Overview

Projected remaining expenditures through fiscal year-end are estimated at approximately \$784,474 and include operational, administrative, legal, engineering, and infrastructure-related costs.

Significant projected expenditures include:

- 015 Waterbury Mattoon Meter Pit Project: \$500,000
- 017 Fern Hill & Straits : \$145,000
- Eversource Utilities: \$48,889
- Integrated Control Systems (ICS): \$20,800

These expenditures reflect the Authority's continued investment in system reliability, regulatory compliance, and infrastructure improvements.

Cash Position

As of May 28, 2026, the Authority reports approximately \$4.0 million in cash availability across all operating, extension, and capital funds.

The negative balance reflected in Water Operations Fund 017 is the result of an unaudited bookkeeping entry established to track the initial payment made to the City of Waterbury. This accounting treatment was implemented for tracking purposes and does not reflect the actual financial condition of the Water Fund. Upon completion of the Fiscal Year 2025-2026 audit, appropriate fund reallocations and adjustments will be made, and the balance will be properly reflected within the applicable funds.

The Authority's updated rate study acknowledges approximately \$4.0 million in available cash reserves. It is important to note, however, that approximately \$1.0 million of these funds will be utilized to offset fiscal year-end expenditures, obligations, and operational requirements. As a result, while the Authority maintains a positive cash position, a portion of the reported cash balance has been committed to supporting current operations, infrastructure needs, and year-end financial obligations.

Financial Performance

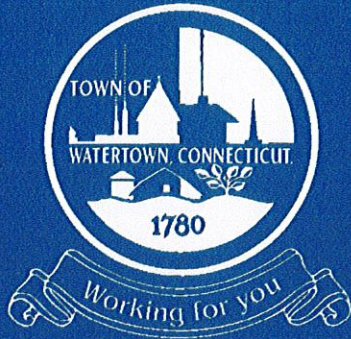
The revenue figures presented include proceeds received through a Bond Anticipation Note (BAN) issuance that provided funding for authorized capital and infrastructure projects. Accordingly, certain revenue totals reflect both operating revenues and financing proceeds received during the fiscal year.

The financial information presented is preliminary and unaudited and remains subject to year-end adjustments and audit review. Management anticipates that the completion of the FY 2025-2026 audit will provide a more accurate representation of the Authority's financial position through the appropriate allocation of funds and accounting adjustments.

Conclusion

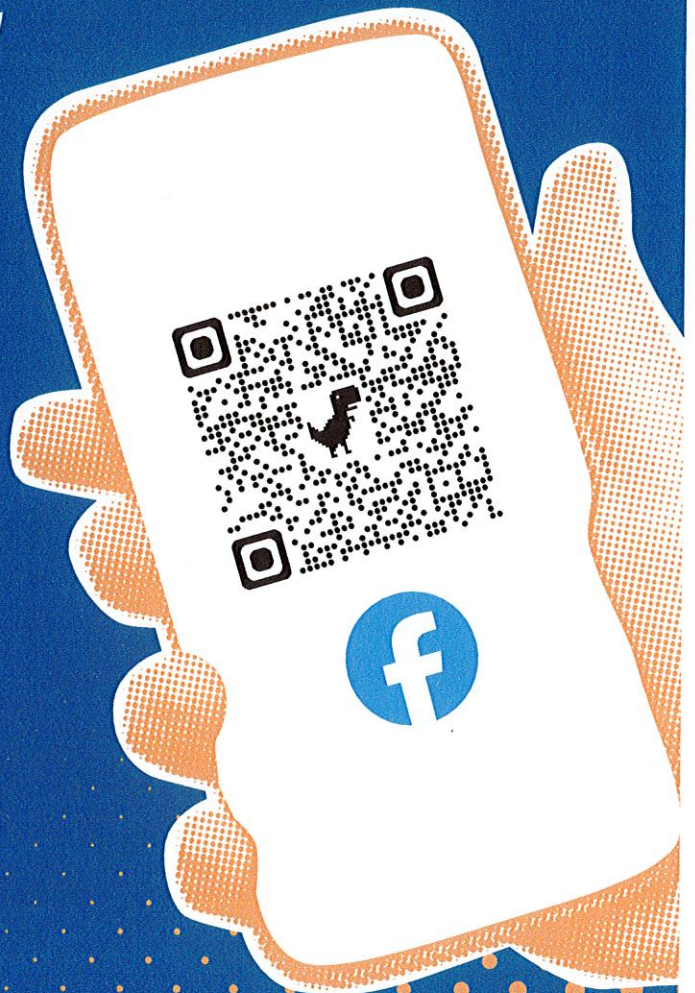
Based on current operating results, projected revenues, and anticipated expenditures, the Water & Sewer Authority is expected to conclude Fiscal Year 2025-2026 in a stable financial position. The Authority continues to maintain adequate cash reserves while meeting operational needs, supporting critical infrastructure investments, and addressing regulatory requirements. Final results will be subject to June activity, year-end entries, and completion of the annual audit.

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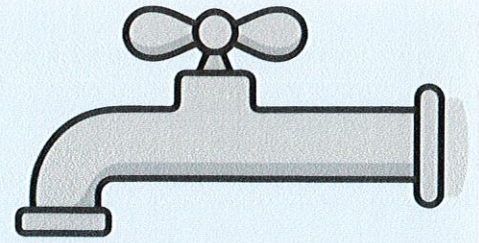


SCAN THE QR CODE!

Scan the QR Code to view
the Town of Watertown
facebook page – the best
way to stay informed!



WHERE TO FIND WATER & SEWER AUTHORITY UPDATES



01

WEBSITE



www.watertownct.org >
departments > water & sewer

- Water & Sewer Rate Study Public Information Series
- Rate & Financial Planning Updates

02

FACEBOOK



@Town of Watertown_Oakville

- Water & Sewer Rate Study Public Information Series
 - Posted in real time
 - Full series will be housed in a photo album

03

INSTAGRAM

@Town of Watertown_Oakville

- Water & Sewer Rate Study Public Information Series
 - Posted in real time





Town of Watertown-Oakville

4.5K followers • 188 following

Incorporated in 1780, Watertown is approximately 29.8 square miles.

Public & Government Service

Professional dashboard

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Water & Sewer Rate Study Public Information Series

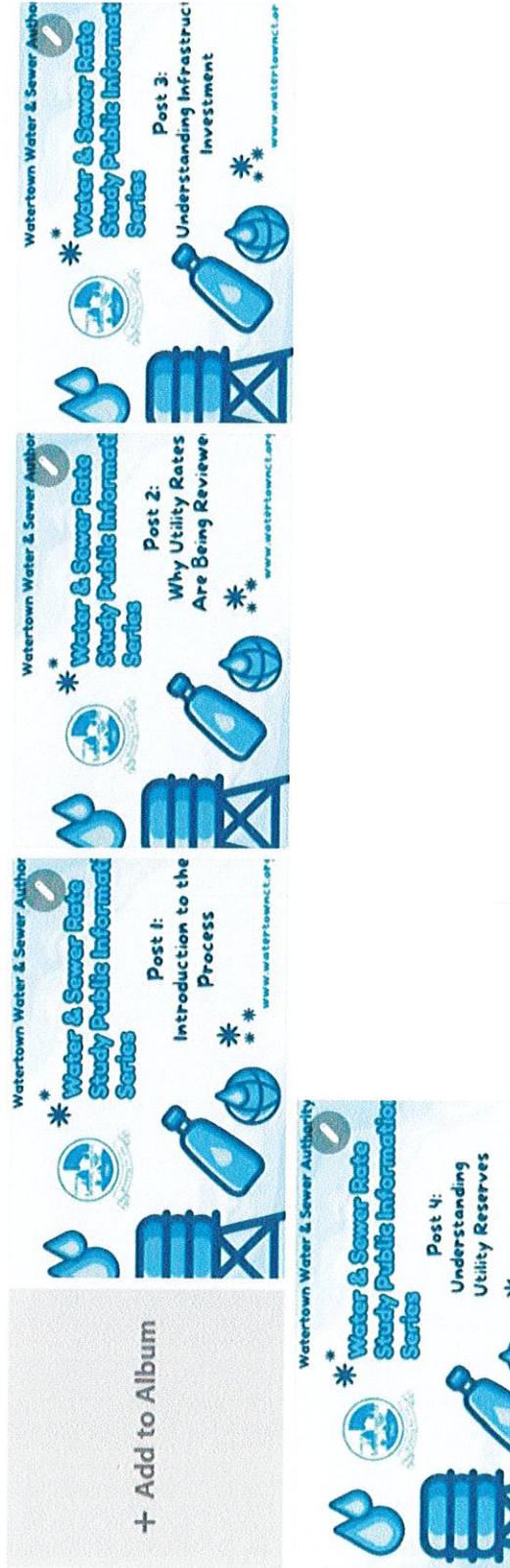
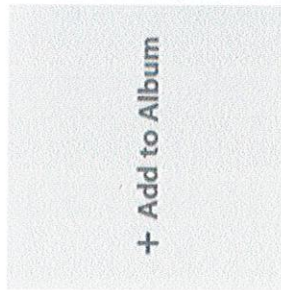
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Grid view Feed View



FACEBOOK/INSTAGRAM: Each post has information in the caption

Rate Study Public Information Series

Home • Departments • Water and Sewer • Rate Study Public Information Series

Related Pages

- Billing
- City of Waterbury v Town of Waterbury Water & Sewer Rate Case Documentation and Updates
- Permits & Forms
- Rate & Financial Planning Updates
- Rate Study Public Information Series
- Water and Sewer Shut Off Prevention
- Water & Sewer Announcements
- Water Quality Reports
- Water Service Area Map
- Water Service Line Inventory and Lead Information

Watertown Water & Sewer Authority Water & Sewer Rate Study Public Information Series

click on each image for a description



WEBSITE: Each photo can be clicked on to view information

To: Watertown Boards & Commissions

From: Lauren L. Dayton, Administrative Assistant, Town Manager's Office

Re: New Town of Watertown Website Now Live

I am excited to announce that the new Town of Watertown website is now live!

As part of our contract, a website refresh is completed every 3–4 years to ensure our site remains modern, accessible, and user-friendly. Working alongside the website company to tailor this site to the Town's needs, this project began in September 2025 and officially launched on June 10, 2026.

While you'll notice a fresh, updated look, the website's navigation remains intuitive and easy to use. Some of the new features include:

- More visible and expanded Quick Links on the homepage
- The ability to add additional "How To" buttons for easy access to information
- Easier to navigate and cleaner mobile view
- More interactive features for users
- Enhanced Meetings and Events functionality, including the option to hide event end times
- More flexible page layouts and modules to better organize department pages
- Search functionality within Agendas and Minutes pages
- Improved back-end tools that make website editing and maintenance more user-friendly

Important Information About E-Notify

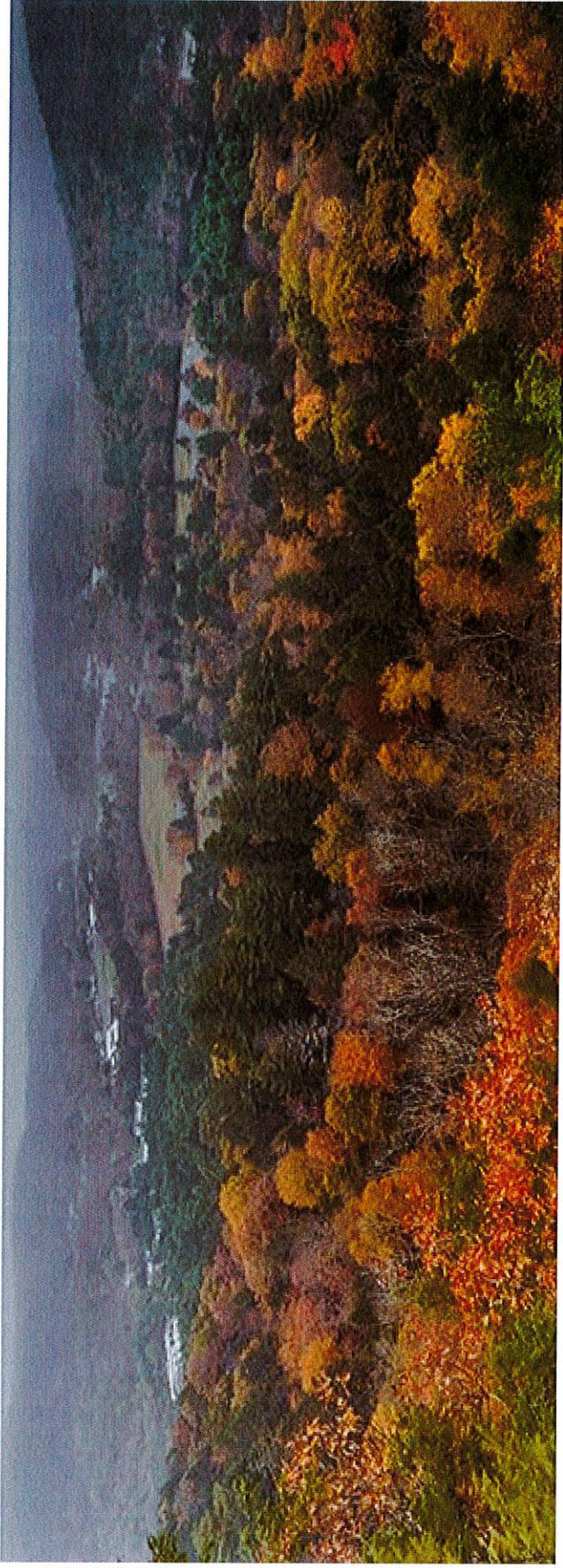
Because this is a completely new website, the website provider is unable to transfer existing E-Notify subscribers. If you previously subscribed to receive agenda, minutes or announcement notifications, you must subscribe again.

After subscribing, be sure to confirm your subscription through the confirmation email you receive. Your subscription will not be activated until this step is completed.

To ensure you receive notifications, please add noreply@revize.com to your address book or safe sender list so emails are not filtered into your spam or junk folder.

If you need assistance signing up for E-Notify, please contact me at **860-945-5255** or dayton@watertownct.org.

Happy browsing!



June 17, 2026 | Town of Watertown | Water and Sewer Rate Study | Presentation to the Water & Sewer Authority

Study Findings and Recommendations



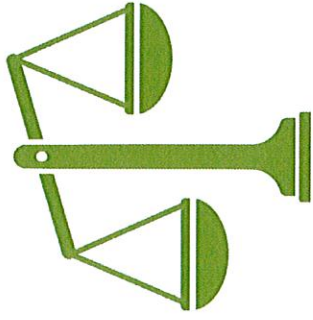
Nick Short, Manager
Connor Drucis, Senior Consultant



Presentation Agenda

- Business Fundamentals
- Revenue Requirement
- Financial Projections
- Bill Impacts and Comparisons
- Recommendations

Business Fundamentals



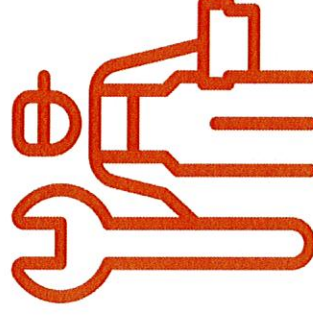
Revenue Sufficiency

Revenues should match or exceed expenses



Reserves

Prepare for a rainy day



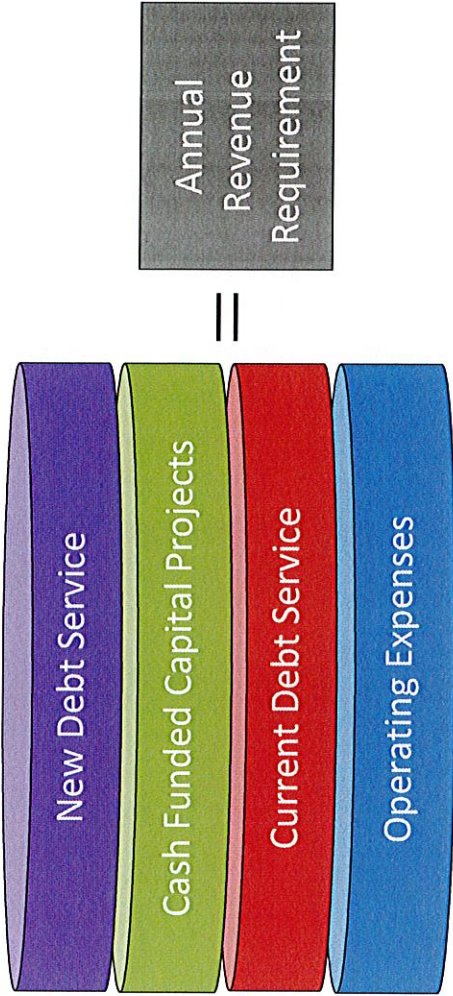
Reinvestment

Repair, replace, and reinvest in infrastructure

Factors Affecting Watertown's Charges and Rates

- **Operating and maintenance expense increases**
 - Wholesale water purchases were increased by 49% in FY 2027 and escalated 4.2% for the rest of the 5-year period
 - Wholesale sewer purchases were increased by 170% in FY 2027 and escalated 2.2% for the rest of the 5-year period
 - Majority of expenses were escalated by 3% (based on CPI over the past 20 years)
- **Debt service**
 - Current and new debt
 - New bond issuance of \$30 million to pay for judgment owed to Waterbury
- **Capital improvement plan**
 - investment in the distribution and collection systems
 - Focus on immediate needs, regulatory compliance, and system monitoring and security
- **Customer changes**
 - No future growth anticipated
- **Water usage and sewage generation changes**
 - No future growth anticipated
- **Miscellaneous revenue changes**
 - No increase in ancillary fees or services
- **Reserve target**
 - Achieve and maintain minimum operating reserve balance target of operating expenses at 90 days (25%)

Revenue Requirement



Waterbury Judgment

\$30.0M Bond / Level Principal

Assumptions

- \$30.0M par borrowing at 4.25% (rates as of May 2026)
- Level principal; keep \$1.5M premium as cash
- Dated October 2026; first interest payment April 2027, first principal payment October 2027

Annual Debt Service (FY 2027–2031)

- FY 2027: \$1.95M | FY 2028: \$2.80M | FY 2029: \$2.73M | FY 2030: \$2.67M | FY 2031: \$2.60M
- \$1,530,000 level principal annually through FY 2047, with declining interest each year

Lifetime Cost

- Total principal \$30.6M | total interest \$15.0M | total debt service \$45.6M

Rate Increases: 90-Day Cash on Hand vs. Keep Cash Level

The Two Scenarios

- **90-Day Cash on Hand** — increases sized just to meet the minimum 90-day cash-on-hand requirement by FY 2031; leaner increases, less cash retained
- **Keep Cash Level** — increases sized to hold the current cash balance level by FY 2031; higher early increases, more cash retained

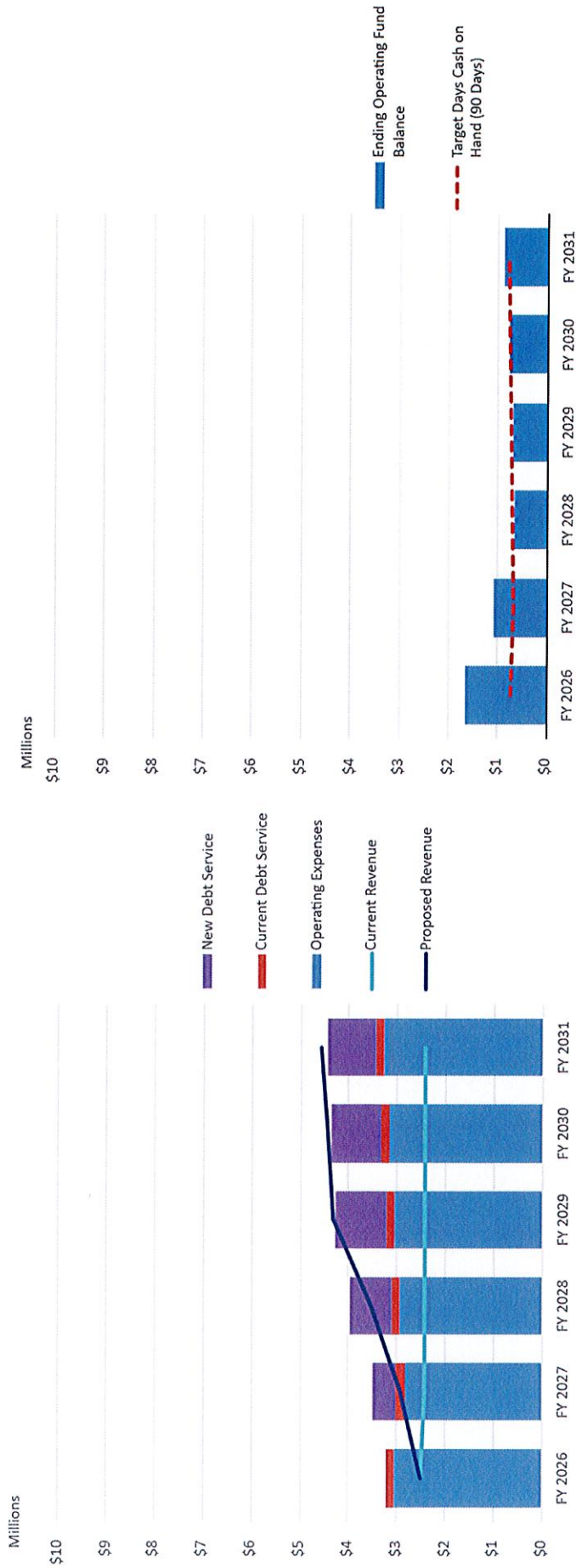
Water Rate Increases (FY 2027–2031)

- 90-Day: 23.5% per year in FY 2027, FY 2028, FY 2029, then 3.0% in FY 2030, FY 2031
- Keep Cash Level: 25.5% per year in FY 2027, FY 2028, FY 2029, then 3.0% in FY 2030, FY 2031

Sewer Rate Increases (FY 2027–2031)

- 90-Day: 30% per year in FY 2027, FY 2028, FY 2029, then 3.0% in FY 2030, FY 2031
- Keep Cash Level: 31% per year in FY 2027, FY 2028, FY 2029, then 3.0% in FY 2030, FY 2031

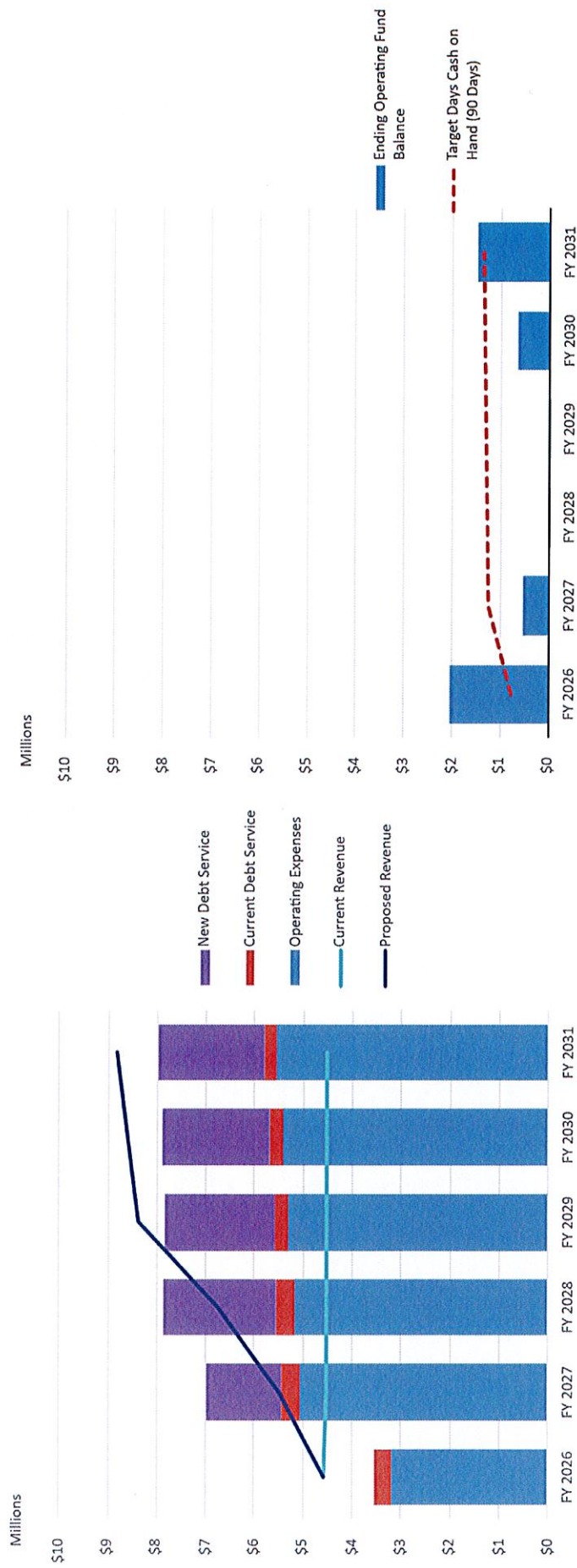
Expenses/Revenues & Cash Balance- Water (90-Day)



Proposed Revenue reflects a 23.5% increase in water revenue in FY 2027, FY 2028, and FY 2029 and 3% in FY 2030 and FY 2031

The red line represents target equal to operating fund balance of 90 days (25%) of operating expenses

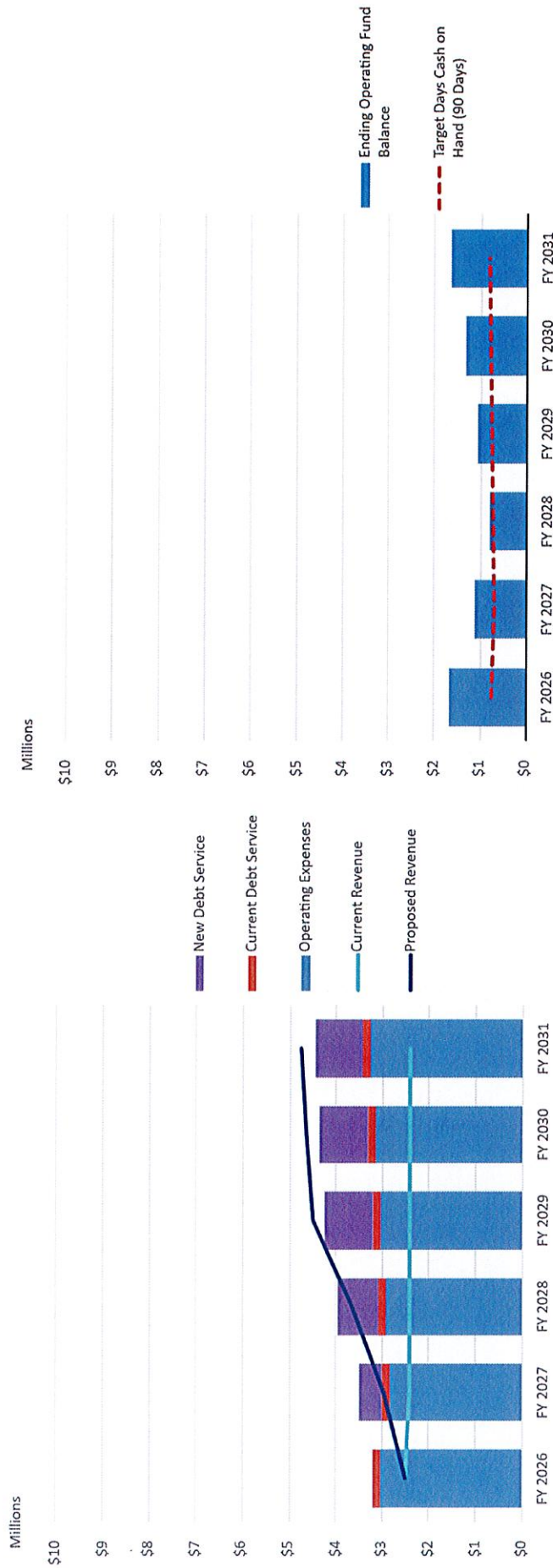
Expenses/Revenues & Cash Balance- Sewer (90-Day)



Proposed Revenue reflects a 30% increase in sewer revenue in FY 2027, FY 2028, and FY 2029 and 3% in FY 2030 and FY 2031

The red line represents target equal to operating fund balance of 90 days (25%) of operating expenses

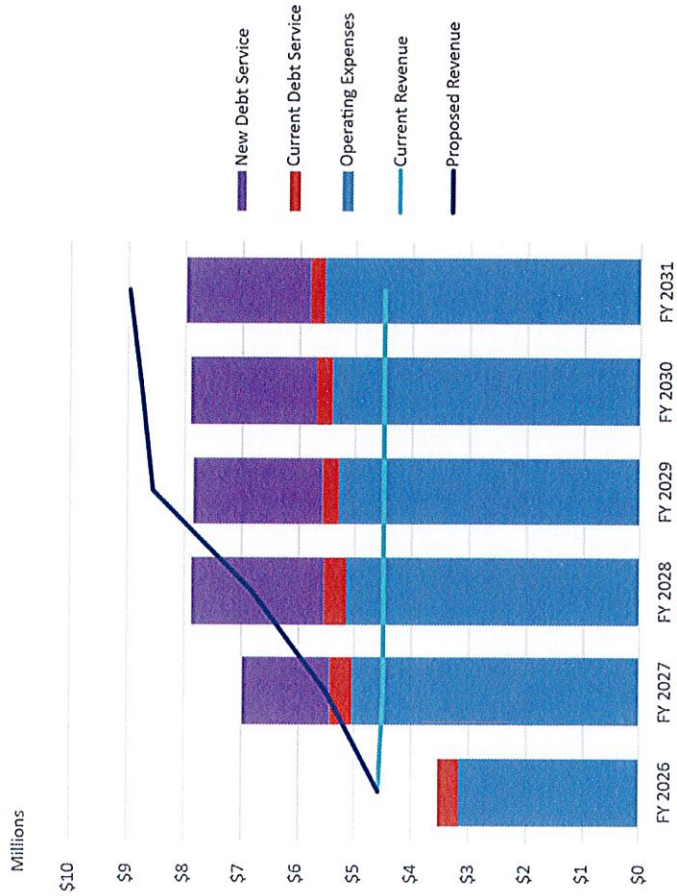
Expenses/Revenues & Cash Balance- Water (Level Cash)



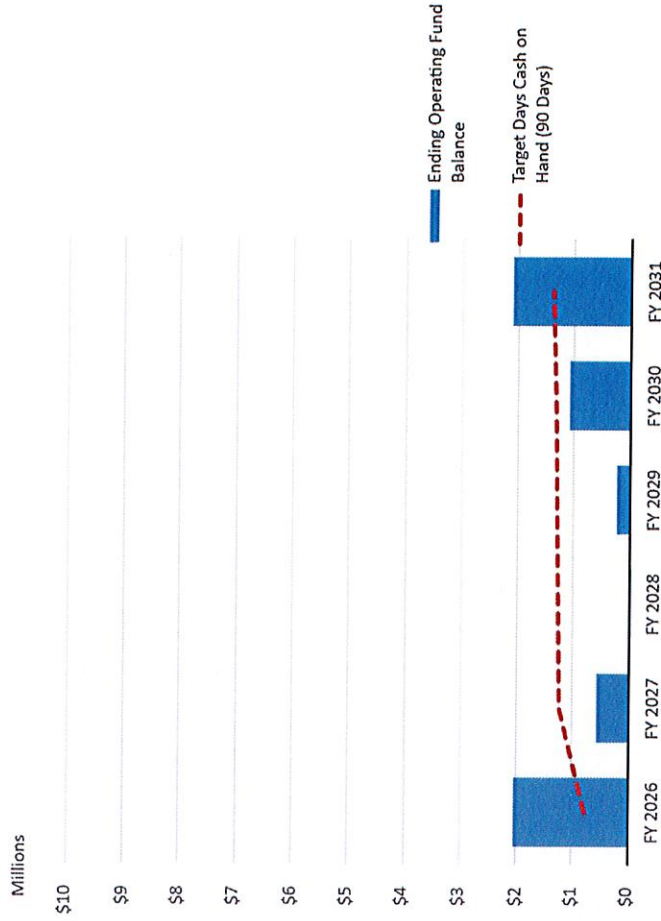
Proposed Revenue reflects a 25.5% increase in water revenue in FY 2027, FY 2028, and FY 2029 and 3% in FY 2030 and FY 2031

The red line represents target equal to operating fund balance of 90 days (25%) of operating expenses

Expenses/Revenues & Cash Balance- Sewer (Level Cash)



Proposed Revenue reflects a 31% increase in sewer revenue in FY 2027, FY 2028, and FY 2029 and 3% in FY 2030 and FY 2031



The red line represents target equal to operating fund balance of 90 days (25%) of operating expenses

Current Water Rates

Quarterly Customer Charges Under
12,000 Gallons

Quarterly Service Charge (by meter size)	FY 2026
5/8"	\$35.38
3/4"	\$58.67
1"	\$97.85
1 1/2"	\$195.69
2"	\$313.05
3"	\$587.07
4"	\$978.45
Quantity Rates (per 1,000 gallons)	
All Usage	\$4.59

Watertown Housing rates are at a 27% discount

Westgate customers pay \$9.84 per 1,000 gallons for the quantity rate

Quarterly Customer Charges Over
12,000 Gallons

Quarterly Service Charge (by meter size)	FY 2026
5/8"	\$54.48
3/4"	\$90.43
1"	\$150.67
1 1/2"	\$301.35
2"	\$482.21
3"	\$904.17
4"	\$1,506.99
Quantity Rates (per 1,000 gallons)	
All Usage	\$4.59

Current Watertown Sewer Rates

Quarterly Customer Charges Under
12,000 Gallons

FY 2026	
Quarterly Service Charge (by meter size)	
All	\$71.19
Quantity Rates (per 1,000 gallons)	
All Usage	\$6.09

Quarterly Customer Charges Over
12,000 Gallons

FY 2026	
Quarterly Service Charge (by meter size)	
All	\$109.52
Quantity Rates (per 1,000 gallons)	
All Usage	\$6.09

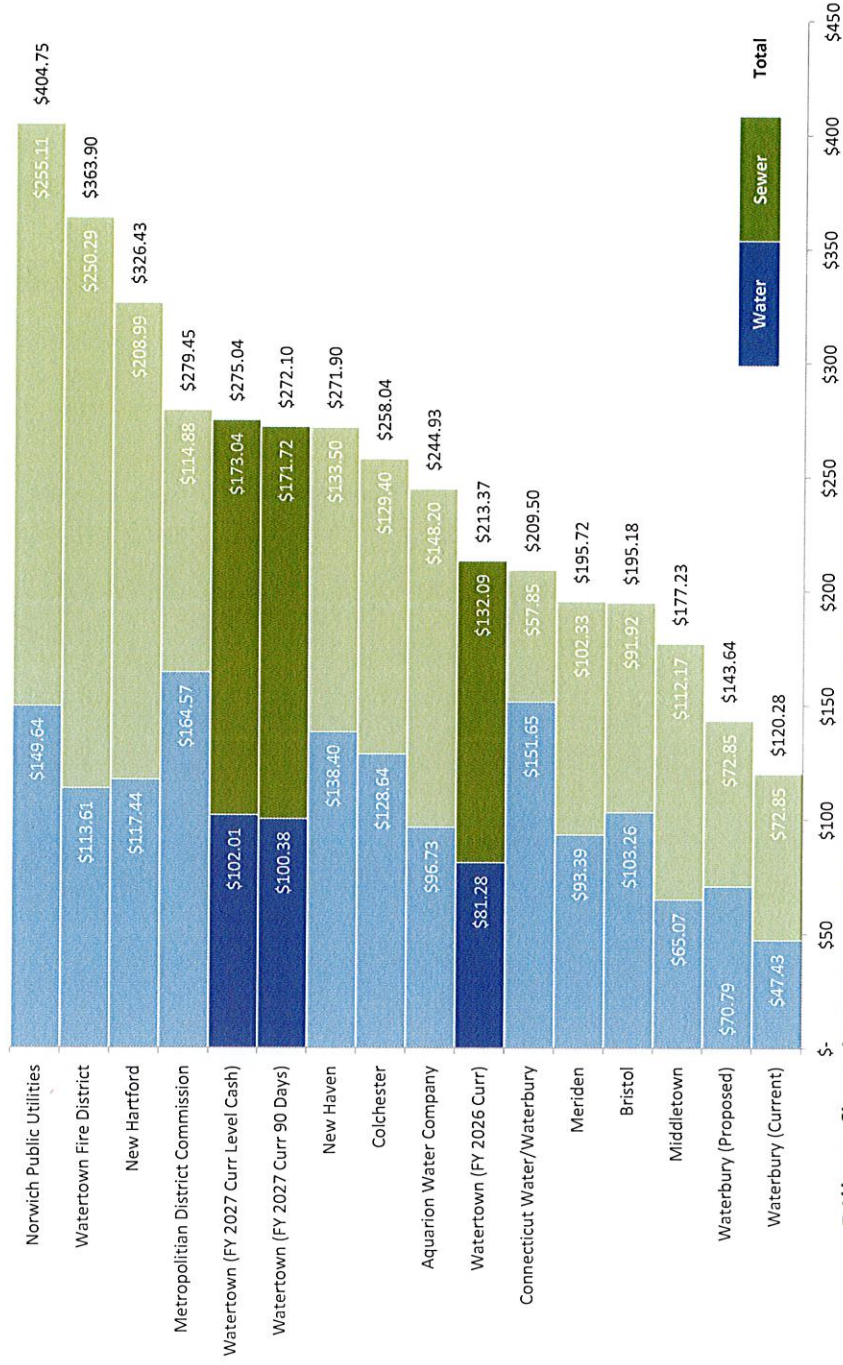
FY 2027 Quarterly Bill Impact

5/8" meter size

User (Percentile)	Quarterly Usage (gallons)	Current Bill	FY 2027 (90-Day) Bill	FY 2027 (90-Day) Bill \$ Inc.	FY 2027 (90-Day) Bill % Inc.	FY 2027 (Level Cash) Bill	FY 2027 (Level Cash) Bill \$ Inc.	FY 2027 (Level Cash) Bill % Inc.
Small Residential User (25th)								
Water Bill	5,000	\$58.33	\$72.04	\$13.71	24%	\$73.20	\$14.87	26%
Sewer Bill		\$101.64	\$132.13	\$30.49	30%	\$133.15	\$31.51	31%
Combined Bill		\$159.97	\$204.17	\$44.20	~28%	\$206.35	\$46.38	~29%
Median Residential User (50th)								
Water Bill	10,000	\$81.28	\$100.38	\$19.10	24%	\$102.01	\$20.73	26%
Sewer Bill		\$132.09	\$171.72	\$39.63	30%	\$173.04	\$40.95	31%
Combined Bill		\$213.37	\$272.10	\$58.73	~28%	\$275.04	\$61.67	~29%
Large Residential User (75th)								
Water Bill	16,000	\$127.92	\$157.98	\$30.06	24%	\$160.54	\$32.62	26%
Sewer Bill		\$206.96	\$269.05	\$62.09	30%	\$271.12	\$64.16	31%
Combined Bill		\$334.88	\$427.03	\$92.15	~28%	\$431.66	\$96.78	~29%
Excess Residential User (90th)								
Water Bill	26,000	\$173.82	\$214.67	\$40.85	24%	\$218.14	\$44.32	26%
Sewer Bill		\$267.86	\$348.22	\$80.36	30%	\$350.90	\$83.04	31%
Combined Bill		\$441.68	\$562.89	\$121.21	~28%	\$569.04	\$127.36	~29%

Combined Quarterly Bill Comparison

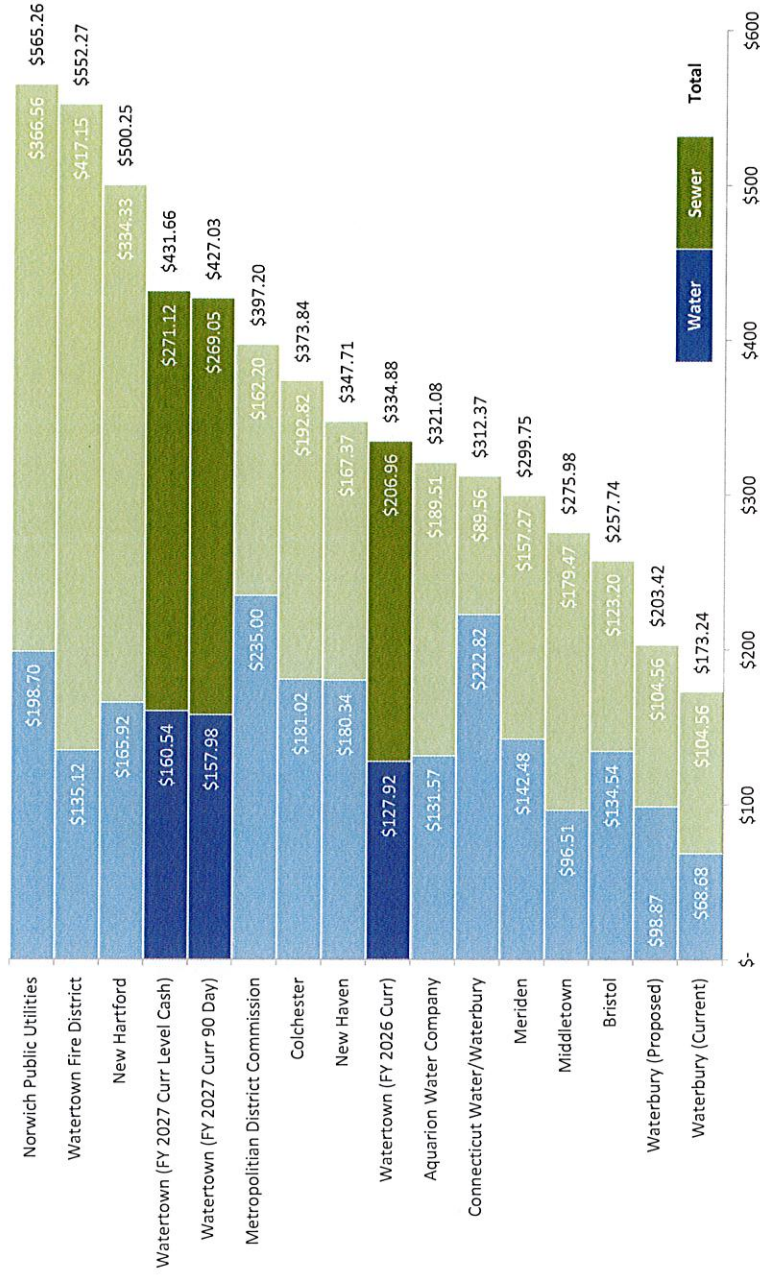
smallest meter size, 10,000 gallons



Bills reflect latest available rates published on websites

Combined Quarterly Bill Comparison

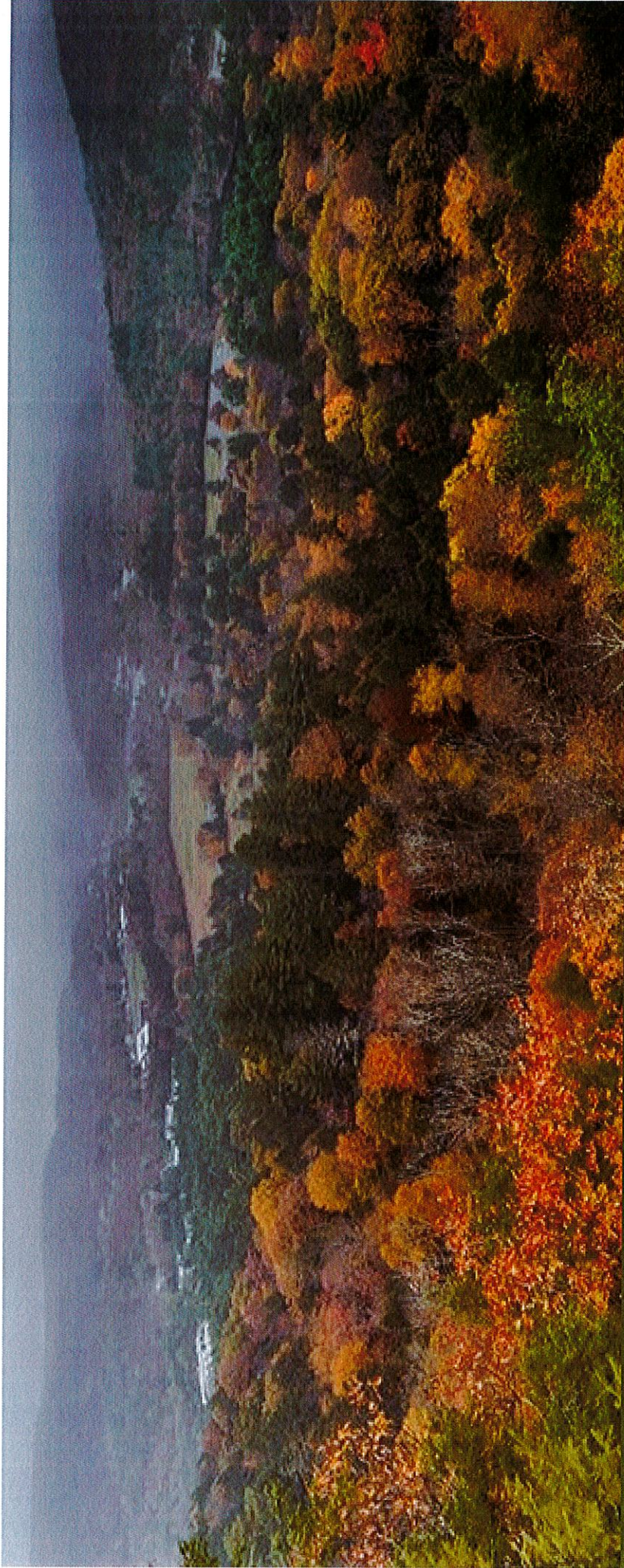
smallest inch meter size, 16,000 gallons



Bills reflect latest available rates published on websites

Recommendations

- Adopt the Level Cash Rate Increases
 - Set increases to keep cash level: water 25.5% and sewer 31% in FY 2027–2029 (vs 23.5% / 30% under 90-Day), leveling to 3.0% thereafter
 - Keeps days cash on hand level by FY2031 (vs meeting 90-day target), staying above the 90-day target every year and adding flexibility for capital or cost shocks
- Continue Reinvestment in the System
 - Fund the CIP to address aging infrastructure and regulatory requirements
 - Protects long-term system reliability and defers costlier emergency repairs
- Review Rates Annually
 - Update the financial model each year for actual O&M, capital, and debt-service costs and adjust rates as needed
 - Confirm reserves stay above the 90-day target and revise the multi-year plan as conditions change



QUESTIONS?

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Watertown Water and Sewer Authority

Risk Register

FY 2026/2027 – BAN Interest and Bond Conversion

Purpose: Internal risk tracking and mitigation management
 Status: Working document – to be updated regularly
 Reporting Frequency: Quarterly (minimum), monthly during Q2–Q4 FY 26/27

Risk Register

Risk ID	Risk Description	Risk Category	Likelihood	Impact	Risk Rating	Mitigation Actions	Responsible Owner	Monitoring / Notes
R-01	BAN interest payment due October 2026 exceeds available cash flow	Financial / Debt	Medium	High	High	<ul style="list-style-type: none"> Confirm final interest calculation early Identify multiple funding sources (budget, reserves, surplus) Avoid reliance on single offset 	Finance Director / WSA Treasurer	Interest identified as fixed
R-02	Bond conversion occurs at higher-than-anticipated interest rates	Financial / Market	Medium	Medium	Medium	<ul style="list-style-type: none"> Monitor bond market conditions Reduce principal prior to issuance where possible Maintain flexibility on timing 	Finance Director	Market review prior to issuance
R-03	Insufficient surplus or unused operating funds available for debt reduction	Financial / Budget	Medium	Medium	Medium	<ul style="list-style-type: none"> Implement temporary budget restraint Track discretionary 	IM-Superintendent / WSA Chair	Monthly budget variance review

Risk ID	Risk Description	Risk Category	Likelihood	Impact	Risk Rating	Mitigation Actions	Responsible Owner	Monitoring / Notes
R-04	Overuse of reserves reduces liquidity below prudent levels	Financial / Liquidity	Low-Medium	High	Medium	<ul style="list-style-type: none"> spending monthly Require approval for nonessential expenses Establish minimum reserve threshold Limit reserve use to one-time obligations Require Board approval for reserve drawdowns Exclude anticipated payments from base budget Track receivable status formally Apply funds only upon receipt 	Finance Director	Reserve balance reported quarterly
R-05	Delay or non-payment of amounts owed by Watertown Fire District	Intergovernmental	Medium-High	Medium	Medium-High	<ul style="list-style-type: none"> Do not assume recovery in planning Treat recovery as one-time offset if received Model rate impacts early Discuss incremental adjustments Clearly separate debt-related costs Adopt debt transition year designation Document funding strategy and controls 	Superintendent / Legal Counsel	Status update each quarter
R-06	Litigation recovery does not materialize or is delayed beyond bond issuance	Legal / Financial	Medium	Medium	Medium	<ul style="list-style-type: none"> Do not assume recovery in planning Treat recovery as one-time offset if received Model rate impacts early Discuss incremental adjustments Clearly separate debt-related costs Adopt debt transition year designation Document funding strategy and controls 	Legal Counsel / Finance Director	Legal status briefings as needed
R-07	Rate adjustments required but delayed	Revenue / Policy	Medium	Medium	Medium	<ul style="list-style-type: none"> Do not assume recovery in planning Treat recovery as one-time offset if received Model rate impacts early Discuss incremental adjustments Clearly separate debt-related costs Adopt debt transition year designation Document funding strategy and controls 	Superintendent / WSA Authority	Rate review schedule
R-08	Lack of formal policy direction during debt transition year	Governance	Low-Medium	Medium	Medium	<ul style="list-style-type: none"> Do not assume recovery in planning Treat recovery as one-time offset if received Model rate impacts early Discuss incremental adjustments Clearly separate debt-related costs Adopt debt transition year designation Document funding strategy and controls 	WSA Authority	Policy adoption tracked

Risk ID	Risk Description	Risk Category	Likelihood	Impact	Risk Rating	Mitigation Actions	Responsible Owner	Monitoring / Notes
R-09	Inadequate documentation of debt-related decisions	Governance / Compliance	Low	Medium	Low-Medium	<ul style="list-style-type: none"> Maintain written resolutions and memos Centralize documentation for audit/FOIA 	Superintendent	Annual documentation review
R-10	Communication gaps lead to stakeholder confusion or mistrust	Reputational	Low-Medium	Medium	Medium	<ul style="list-style-type: none"> Develop clear internal and external messaging Separate technical and public communications 	Superintendent / WSA	As-needed updates

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
DRAFT 06-11-2026 Profit/Loss Overview																	
Income																	
1	Cash	\$ 21,020.18	\$ 15,143.55	\$ 22,171.18	\$ 31,695.53	\$ 18,481.12	\$ 16,600.35	\$ 22,438.00	\$ 26,798.48	\$ 22,114.11	\$ 38,238.94	\$ 32,985.48	\$ 451,688.90				
2	Check	\$ 301,442.41	\$ 229,993.93	\$ 319,229.49	\$ 342,925.69	\$ 319,138.43	\$ 306,792.42	\$ 462,977.79	\$ 534,988.42	\$ 471,529.13	\$ 384,942.43	\$ 471,529.13	\$ 451,688.90				
3	Electronic	\$ 101,734.56	\$ 86,695.74	\$ 125,235.66	\$ 98,083.87	\$ 105,781.85	\$ 209,405.22	\$ 129,482.28	\$ 137,767.26	\$ 147,597.86	\$ 159,508.35	\$ 159,508.35					
4	Interest/Dividend	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
5	Net Income	\$ 424,197.15	\$ 334,833.22	\$ 475,462.07	\$ 499,856.88	\$ 435,713.42	\$ 429,185.62	\$ 692,371.56	\$ 690,726.39	\$ 538,256.80	\$ 687,009.69	\$ 643,489.45	\$ 643,489.45				
Revenue Breakout																	
13	Water (Fund-017)	\$ 165,186.69	\$ 115,262.12	\$ 160,956.01	\$ 184,692.34	\$ 143,410.11	\$ 147,789.78	\$ 482,765.63	\$ 214,055.28	\$ 174,130.46	\$ 245,175.44	\$ 187,450.75	\$ 187,450.75				
14	Sewer (Fund-015)	\$ 258,010.26	\$ 219,571.10	\$ 315,105.06	\$ 315,164.54	\$ 292,303.31	\$ 281,445.84	\$ 209,605.93	\$ 476,671.11	\$ 364,066.34	\$ 411,834.25	\$ 476,068.70	\$ 476,068.70				
15	Total	\$ 424,197.15	\$ 334,833.22	\$ 475,462.07	\$ 499,856.88	\$ 435,713.42	\$ 429,185.62	\$ 692,371.56	\$ 690,726.39	\$ 538,256.80	\$ 687,009.69	\$ 643,489.45	\$ 643,489.45				
Expenses																	
22	15 Sewer	\$ 28,540.74	\$ 35,143.40	\$ 279,367.50	\$ 271,148.96	\$ 55,617.90	\$ 274,392.06	\$ 257,872.49	\$ 312,183.80	\$ 431,513.94	\$ 315,462.18	\$ 943,616.29	\$ 3,219,069.26				
23	16 Sewer	\$ 19,413.30	\$ -	\$ 2,665.20	\$ 2,854.38	\$ 2,965.33	\$ 25,669.48	\$ 3,129.29	\$ 2,003.10	\$ 4,894.21	\$ 2,517.22	\$ 6,008.87	\$ 72,331.38				
24	17 Water	\$ 30,839.72	\$ 47,243.93	\$ 273,445.87	\$ 295,576.15	\$ 91,972.21	\$ 193,895.08	\$ 179,936.16	\$ 175,634.51	\$ 206,588.57	\$ 175,809.68	\$ 288,600.66	\$ 1,919,762.74				
25	18 Water	\$ 19,413.30	\$ 2,567.06	\$ 146.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
26	Total Expenses	\$ 97,707.06	\$ 88,954.39	\$ 555,625.77	\$ 579,455.89	\$ 161,554.37	\$ 530,074.63	\$ 453,767.24	\$ 492,019.48	\$ 687,241.77	\$ 488,052.10	\$ 1,248,322.51	\$ 5,392,776.18				
Monthly Net Positions																	
33	Water Net Position (Funds 178, 18)	\$ 116,433.87	\$ 65,451.13	\$ 113,236.00	\$ 120,680.18	\$ 40,638.97	\$ 82,273.31	\$ 20,001.47	\$ 36,222.70	\$ 102,744.10	\$ 102,744.10	\$ 102,744.10	\$ 102,744.10				
34	Sewer Net Position (Funds 15 & 16)	\$ 210,056.22	\$ 180,427.70	\$ 233,072.36	\$ 233,520.08	\$ 18,602.85	\$ 18,602.85	\$ 18,602.85	\$ 18,602.85	\$ 18,602.85	\$ 18,602.85	\$ 18,602.85	\$ 18,602.85				
35	TOTAL Net Position Each Month	\$ 326,490.09	\$ 245,878.83	\$ 346,308.36	\$ 354,200.26	\$ 59,241.82	\$ 100,896.16	\$ 38,604.32	\$ 54,825.55	\$ 121,348.25	\$ 121,348.25	\$ 121,348.25	\$ 121,348.25				
36	Net Totals	\$ 442,580.16	\$ 491,729.96	\$ 692,544.36	\$ 587,720.34	\$ 147,883.64	\$ 203,792.47	\$ 77,208.64	\$ 111,048.25	\$ 224,092.35	\$ 224,092.35	\$ 224,092.35	\$ 224,092.35				
Monthly Cash Balances																	
40	13 Water	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28	\$ 701,339.28				
41	14 Sewer	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55	\$ 1,168,495.55				
42	15 Sewer	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67	\$ 6,519,969.67				
43	16 Sewer	\$ 266,481.43	\$ 247,068.13	\$ 244,401.93	\$ 241,467.55	\$ 238,502.22	\$ 212,832.74	\$ 209,703.45	\$ 207,700.25	\$ 202,806.14	\$ 200,289.92	\$ 194,250.05	\$ 188,250.05				
44	17 Water	\$ 1,251,029.05	\$ 1,387,676.22	\$ 1,465,684.41	\$ 1,342,604.53	\$ 1,270,720.74	\$ 1,206,003.34	\$ 1,499,134.11	\$ 1,537,554.88	\$ 1,451,609.27	\$ 1,270,974.83	\$ 1,149,784.92	\$ 1,149,784.92				
45	18 Water	\$ 552,827.68	\$ 559,414.38	\$ 550,847.92	\$ 481,904.75	\$ 471,105.92	\$ 454,987.81	\$ 451,868.51	\$ 429,680.44	\$ 365,415.39	\$ 361,152.37	\$ 371,103.86	\$ 371,103.86				
46	TOTAL CASH	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36	\$ 12,707,164.36				
47	Transfer Cash to Ops	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
48	015 - Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
49	017 - Water	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
50	Notes:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
51	Sewer Rev includes WFD Unico	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
52	Revenue # out of CUSI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
53	Expense # out of Yr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
54		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
55	Notes:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
56		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
57	Sewer Rev includes WFD Unico	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
58	Revenue # out of CUSI	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
59	Expense # out of Yr	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
60		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
61	P&L Disclosure Note:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
62	The financial figures presented in this Profit and Loss statement reflect timing balances based on transactions recorded as of the date and time of preparation . These amounts are subject to change as additional revenues, expenditures, adjustments, or reconciliations are identified. Users should be prepared to provide information that may affect the final results.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
63	and not as final or audited results.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				