



**AMHERST COUNTY SERVICE AUTHORITY BOARD
MEETING MINUTES**

AGENDA

December 1, 2020

Administration Building - 153 Washington Street - Public Meeting Room
Amherst, Virginia 24521
1:30 p.m.

- I. Call to Order**
- II. Citizen Comment**
- III. Approval of Agenda**
- IV. Approval of Minutes**
 - A. Minutes – October 6, 2020
- V. Monthly Financial Report**
 - A. October 2020 Financial Report
- VI. Old Business**
 - A. Staff Report
- VII. New Business**
 - A. Appropriation
 - B. ACSA Board Budget Line Transfer
 - C. Prices Store Water Tank Cell Tower Lease
Proposed 2nd Amendment
 - D. 2020 Bad Debt Setoff Report
 - E. 2021 ACSA Calendar Year Budget
- VIII. Citizen Comment**
- IX. Matters from the Members of the Service Authority Board**
- X. Adjournment**

MINUTES

At a regular meeting of the Amherst County Service Authority Board, held at the Amherst County Administration Building on Tuesday, the 1st day of December, 2020, at 1:30 p.m., the following members were present:

SERVICE AUTHORITY (ACSA) BOARD:

PRESENT: Jennifer Moore, Chair
David W. Pugh, Jr., Vice Chair
Tom Martin, Board Member (attended by phone, with Board approval)
Wesley Woods, Board member
Turner Perrow, Board member (arrived slightly late)

ABSENT: None

By motion of Board Chair Moore, and with the following vote, the ACSA Board approved Board member Martin attending the meeting remotely, by phone, due to COVID-19 exposure quarantine.

AYE: Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods
NAY: None
ABSENT Mr. Perrow (arrived slightly late for the meeting)
ABSTAIN: None

STAFF: Robert A. Hopkins, PE, Executive Director/Board Secretary
Richard Hall, Assistant Director
Michael W. S. Lockaby, Amherst County Attorney
Regina M. Rice, Executive Assistant/Clerk to Boards

I. Call to Order

Board Chair Moore called the meeting to order at 1:30 p.m.

II. Citizen Comment

No one spoke.

III. Approval of Agenda

By motion of Board member Woods, and with the following vote, the ACSA Board approved the agenda for December 1, 2020.

AYE: Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods
NAY: None
ABSENT Mr. Perrow (arrived slightly late for the meeting)
ABSTAIN: None

IV. Approval of Minutes

By motion of Board member Pugh, and with the following vote, the Board voted to approve the minutes of the November 4, 2020 ACSA Board meeting:

AYE: Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods
NAY: None
ABSENT Mr. Perrow (arrived slightly late for the meeting)
ABSTAIN: None

VI. Monthly Financial Report: October 2020

Hopkins provided new Board members a brief orientation of understanding the monthly report. He sent Board members an email earlier about it and it will also be a discussion topic at the early 2021 Board planning retreat. He noted he has wanted to make changes to the report since joining ACSA, but was reluctant to change a long-time Board report format when no Board members expressed issues with it.

The first 3 lines of Sections I.A and I.B on Pg. 1 are water and wastewater sales. He said "Water Service" and "Wastewater Service" are misnomers; they should both be "Cash and Checks", since they represent utility bill payments ACSA receives in that way. "Electronic Deposits" are larger bills paid by businesses; Central VA Training Center used to pay its bills this way; with CVTC closing, this line item is very small in bill payments, though VDOT has been reimbursing ACSA for its large expenditures for the Woodys Lake Road water and sewer relocations using electronic deposits.

Hopkins then provided a fuller explanation of the previously briefly explained VDOT reimbursements. VDOT in 2021 will construct improvements to Woodys Lake Road. ACSA has existing old water and sewer lines under the existing road pavement which would also be under the new pavement. He talked VDOT into waiving its policy of not paying for utility relocations for VDOT projects; VDOT is reimbursing ACSA for all engineering services and construction costs to relocate ACSA utility lines within the VDOT project limits. VDOT reimburses ACSA using electronic deposits, which go into that line of ACSA's accounts receivable system, even though the reimbursements are not sales. To get a proper "picture" of how ACSA is doing in water sales, those reimbursements must not be counted. Referring to the October financial report, the 2020 year to date figure for water sales electronic deposits is \$486,732, but the total VDOT reimbursements to date is \$461,804, so the electronic deposits for water sales total only \$24,928, a big difference when reviewing 2020 ACSA water sales.

Hopkins also noted in Section I.B the \$282,090 reimbursement under a CDBG grant for the Old Town Madison Heights sanitary sewer rehabilitation project. Board member Pugh requested and received more detail.

Board Chair Moore asked about the ACSA system requiring VDOT reimbursements go into electronic deposits of the financial report; Hopkins noted that Water Office staff prepare the financial report and historically such revenue has always gone in that report line. Board member Woods suggested adding a Miscellaneous line item for such revenue. Hopkins agreed and noted that "Miscellaneous Water Sold" should be a fourth line under Water Sales and he plans to move it there, replacing it at the bottom of Section I.A with a "Miscellaneous" revenue line item.

Woods then suggested combining all the water sales lines into a single line, and all the wastewater sales lines into a single line, deleting the current lines for service, electronic deposits, and credit cards. Hopkins noted that previous Boards and ACSA Directors wanted to track those separate lines, especially credit cards, since that is a relatively recent addition to the ways ACSA takes bill payments. He said he can add "Water Sales" and "Wastewater Sales" lines, totaling the individual lines, but keeping the individual lines below these new lines.

Hopkins reminded the Board that he suggested to the Supervisors that their budgeted 2020 contribution of \$175,740 for sanitary sewer extensions be cancelled, to help the County deal with financial ramifications of COVID-19. Since the 2019 contribution of \$171,687 was made by the Supervisors, the cancellation of the 2020 payment causes a major difference between 2019 and 2020 total revenues in Section I.B.

Hopkins then went into the October monthly financial report, comparing the current state of ACSA finances thru October 2020 with October 2019:

1. Water

- a. Revenues: Sales (top 3 lines Section I.A) + \$503,390 (+19.82%)
Last month - \$301,232 (+13.33%)
Less VDOT \$461,804 reimbursement for Woodys Lake Rd project, since that is not water sales:
+ \$41,586 (+1.64%)
Last month - \$11,951 (-0.05%)

Total revenues + \$567,656 (+20.39%)
Less VDOT reimbursement: + \$105,852 (+3.80%)
- b. Connections: + \$ 85,139 (+81.50%)
So far in 2020, 35 new water service connections:
106.1% of 2019 total (33)
156.3% of 5 year annual average (22.4)
53.9% of pre-recession annual average (65)

2. Wastewater

- a. Revenues: Sales (top 3 lines Section I.B) - \$ 30,877 (-4.55%)
Last month - \$ 35,606 (-5.65%)

Total revenues + \$ 85,376 (+9.28%)
Less DHCD \$282,090 reimbursement for sanitary sewer rehabilitation project in Old Town Madison Heights:
- \$196,714 (-21.38%)

Add cancelled 2020 County sewer extensions contribution - \$ 20,964 (-2.30%)
- b. Connections: + \$ 8,797 (+14.5%)
So far in 2020, 16 new service connections:
106.7% of 2019 total (15)
186.1% of 5 year annual average (8.6)
106.7% of pre-recession annual average (15)

3. Water and Wastewater

- a. Sales: + \$472,513 (+14.68%)
Less VDOT reimbursements) + \$ 10,709 (+0.33%)
Last month - \$ 47,557 (-1.65%)

Revenues: + \$653,032 (+17.63%)
Less VDOT & DHCD reimbursements) - \$90,862 (-2.45%)
Plus cancelled County sewer extension money + \$84,878 (2.29%)

4. Summary:

- Water: Sales and revenues positive; less VDOT reimbursements, still positive, improved from prior month.
- Wastewater: Sales down, but improved; revenues positive due to DHCD reimbursement; less reimbursement, revenue down from last month, but positive if County \$175,740 2020 contribution to extend sewers, cancelled due to COVID, had been made.

Hopkins then turned to the pandemic tracking chart. He noted that the sales and revenues are trending upward. Even deleting the VDOT reimbursements, water sales are positive (1.6%) for the first time in 2020; with 2 months to go, he expects the December report at the February Board meeting to show water sales to be 4% - 5%. Hopkins elaborated for Woods that the 1.6% is not actual sales compared to the budget projections, but actual sales thru October compared to the same period in 2019, which historically is how the finances have been reported to the Board. Hopkins noted that all water sales and revenues figures are now positive.

For wastewater, he noted that sales are still down, but improving. Total revenues, including the DHCD reimbursement, are positive; not counting the reimbursement puts revenues over 21% in the red, but that would reduce to -2.28% if the sewer extension contribution for 2020 had been made by the County Supervisors.

In total, ACSA appears to be recovering from the 2020 pandemic. Hopkins said he expects all water and wastewater revenue figures for 2020 to be positive, or close to it, in the December financial report.

Board member Perrow asked Hopkins to send him the Excel spread sheet form for the financial report.

Board member Martin asked about anticipated impacts of the new moratorium on service cutoffs by the Governor. Hopkins said that will be discussed later in today's meeting.

That ended discussion of the monthly financial report.

VII. Old Business:

Hopkins reported the following, verbally and/or by report in the agenda packet:

1. James River Bank Stabilization Project

Hopkins reported that three recent large storms, two in the last week, increased bank erosion. He is waiting for the river to go back down to do an assessment, but expects to see an immediate need for temporary repairs to protect the sewer and access road; it appears that the erosion is within 20' of the sewer and right at the road. He and Hurt & Proffitt are working on a Corps of Engineers permit so ACSA can do repairs inhouse, but does not expect it until spring 2021 and ACSA may not be able to wait. Hopkins is discussing the work with Operations Manager Micklem and will contact the Board if work must start.

Board Chair Moore asked about the repercussions with the Corps if ACSA proceeds without the permit; Hopkins replied that they would be much less than if ACSA loses the sewer. Board member Perrow also noted the environmental hazard of losing the sewer; Hopkins agreed, noting the raw sewage that would go into the river and to Chesapeake Bay before the sewer could be plugged. He said it would be better to explain and apologize than to wait; Board member Pugh agreed, as did Perrow.

County Attorney Lockaby reported working on a Virginia Supreme Court case where the City of Suffolk was sued for doing similar work without a permit. He compared the difference between liability for not having a permit vs. liability for polluting State waters. He said that Suffolk was absolved by the regulators, but was sued by residents living along the river. He agreed with Hopkins of the need to proceed with ACSA bank stabilization work, even without a permit, if necessary, and talk to the regulators afterward.

2. Water and Sewer Rehabilitations/Extensions/Replacements

- Woodvue Dr. Water Main Replacement

- * Nothing new to report since last Board meeting.
- * Phase 3 easements acquisitions tabled for now due to the pandemic.

- Sanitary sewer extension, American Legion Hall area

- * Nothing new to report since last Board meeting.
- * Waiting for VDH response to stimulus grant funding application.
- * Working on required sewer easements.

- Old Madison Sewage Pump Station upgrade

- * Nothing new to report since last Board meeting.
- * Site improvements remain tabled for now.

- Reservoir primary spillway upgrades

Hopkins reported the project complete; the sluice gate and intake valves are now repaired and operational. The contractor pay request is being processed. The work was finished just before Hurricane Zeta hit the area; it was not needed for the hurricane, but could have been used to lower the lake water level to protect the dam if it had been necessary. He noted the contractor project summary report in the meeting packet. A 13 minute project video was to be played, but requires so much memory that he could not even get it on a jump drive to bring to the meeting.

- VDOT Woodys Lake Road Improvements Water and Sewer Relocations

Hopkins reported the new replacement water main installation complete from WalMart to the east end of the project. All existing services are now on the new water main. ACSA requested VDOT reimbursement of almost \$285,000 by VDOT on 11/6; that is not yet received, but should be very soon. An appropriation request is in New Business, for Board action today or postponing until next month, after the money is received from VDOT.

The contractor is now extending the water main to connect to ACSA's main under Route 29. That will also be discussed in New Business.

- Water Line Replacements

* Phelps Road School

Hopkins said the fire vault issue is no further along than last Board meeting. He requested today updates from the developer and the contractor.

* VC Mobile Home Park

Hopkins reported sending Board members a draft letter to be sent to State Senators Steve Newman and Mark Peake and Delegates Wendell Walker and Ronnie Campbell to ask for help with funding request to the State to maintain water services to the trailer park and to the Lower Rapidan area of CVTC. He asked for suggested changes to the letters and authorization to send them. He recalled Moore's question at the last Board meeting about timing, with CVTC scheduled to close by year end, and does not want to wait.

Board member Perrow agreed that the letters should be sent, but suggested that a 3 page letter is too long to expect good results. He said a 1 page letter should be sent; Board member Pugh agreed. Hopkins suggested a 1 page "executive summary", with the 3 page letter being sent if they request more information. Perrow agreed and said he would be willing to contact the recipients to let them know the letter was coming. Hopkins asked if the Board members wanted to see the 1 page letter before mailing; the consensus was no; draft it and mail it.

* RiverEdge Park:

- Nothing new to report since last Board meeting.
- Hopkins is looking into ways to maintain water service to the park and a few ACSA customers that connected to the City water supply line to CVTC, which is expected to be closed when CVTC closes or shortly afterward.

- Graham Creek Reservoir Dam improvements:

Hopkins reported a successful bonds closing on 11/18; final documents are in the Board meeting packet.

- Berkshire Place Sanitary Sewer Extension

- * Hopkins mailed letters to area homeowners to describe the project, request their opinions, and ask if they would provide easements to ACSA for the project, so the sewer is in place for them to connect to when existing septic drainfield wastewater treatment systems fail.
- * He will update the Board as more information becomes available.

- West Vail Court Sanitary Sewer Extension

Hopkins reported requesting an engineering services proposal from Hurt & Proffitt for survey, design, bidding, and construction administration.

3. Business Friendliness Initiative

- Priority 1a Complete evaluation of water and sewer availability fees

Hopkins reported that Ordinance 2020-0015 for ACSA rates and fees for 2021 was approved by the Board again after the public hearing at the 11/17 Supervisors meeting, and was then adopted by the Supervisors, so the new rates and fees are in place.

- Priority 1b Publicize methods of calculating availability fees

- * Hopkins reported no progress since last Board meeting.

- Priority 1c Policy for Paying High Availability Fees Over Time

- * Hopkins reported no progress since last Board meeting.

- Priority 1d Availability fee reductions for line extensions all or partially funded with local, state, or federal grants.

- * Hopkins reported no progress since the last Board meeting.

- Priority 2 Major upgrade to communications efforts

- * Hopkins reported no progress since the last Board meeting.

- Priority 3 Policy for ACSA construction of water and sewer lines
 - * Hopkins reported no progress since the last Board meeting.
- Priority 6 Update ACSA Water Office building
 - * Hopkins reported no progress since last Board meeting.

4. ACSA Board 2021 Planning Retreat

Hopkins sent Board members an email to schedule an early 2021 Board planning retreat; no responses yet. He asked for dates, times, and places that work for Board members. After discussion, all day (9 am – 3 pm) on 1/26 in the Administration Building Public Meeting Room was decided.

5. New ACSA Board Member Orientations

Hopkins noted that he will schedule orientation tours for Board members Perrow and Woods. He wants a warmer day and will contact them.

6. COVID-19 Update

- * Hopkins reported receiving notification of CARES Act funding availability to assist utility customers financially affected by the pandemic pay unpaid account balances. The notification came only 2 days before the application deadline, but he submitted a request for \$31,070. He arrived at that figure by comparing the total account balances at the end of October 2020 with the same figure for October 2019, figuring the difference is a good estimate of pandemic impact. He said this amount is much less than 1% of ACSA's budgeted revenue, so he expects the Municipal Utility Relief Program to respond with no funds and a note that other Virginia utilities are much more affected and need the limited money more than ACSA.

County Attorney Lockaby said he believes this is a State Corporation Commission program for non-public utilities, for which ACSA is not eligible. Hopkins replied that VAMWA, AWWA, VVWWA, VRWA, and other agencies all contacted him as soon as they heard and told him that public utilities are eligible, but he will confirm. Lockaby said he heard that another program is being included in the State budget, so Hopkins might be correct. Lockaby noted that ACSA has followed the Governor's service cutoff moratorium; Hopkins agreed, noting that ACSA resumed cutoffs, with Board approval, on 10/1. Lockaby said he would also look into the new program.

Hopkins was hoping the new moratorium would be delayed, noting ACSA has had a fair response from customers with unpaid account balances getting on installment payment plans and a few more months might have eliminated a lot of the revenue shortfall; the new moratorium could affect that.

Hopkins responded to Board member Martin's query early in the meeting about new moratorium impacts on ACSA revenues. He said 2020 impacts were not excessive, and he expects 2021 to not be significantly worse, but he has no way of knowing and must wait to find out.

Hopkins reminded the Board of his past report of hearing about a new heavy workload of pandemic documentation to be required of public utilities. He has heard nothing since and plans not to act on it until hearing more details.

Other than the discussions described above, no Board member had any other comments regarding Old Business.

VIII. New Business

A. Appropriation

Hopkins again described the agreement with VDOT for reimbursement of ACSA for work to relocate water and sewer infrastructure within the limits of VDOT's Woodys Lake Rd. improvements project. He requested appropriation of VDOT's \$284,756.57 fourth reimbursement from ACSA reserves into the ACSA budget.

By motion of Board member Pugh and with the following vote, the ACSA Board the requested appropriation:

AYE:	Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods, Mr. Perrow
NAY:	None
ABSENT:	None
ABSTAIN:	None

After Hopkins' report, but before the vote, County Attorney Lockaby confirmed that Hopkins is correct about the Municipal Utility Relief Program, that it is different from the SCC program Lockaby cited, and that ACSA is eligible for it. He noted a requirement of the MURP that all customers with water and sewer account arrearages be informed of the new moratorium and the MURP help opportunity.

B. ACSA Board Budget Transfer

Hopkins described the two parts of ACSA's Woodys Lake Rd water and sewer relocations to accommodate the VDOT road improvements project. The first is the work within the VDOT project limits, for which VDOT agreed to reimburse all ACSA engineering services and construction costs to replace the existing 6" and 8" water mains and 8" sewer. The second is ACSA materials costs to enlarge the 6" lines within the VDOT project limits to 8" to eliminate the 6" bottlenecks and to extend the new water main from the VDOT project west limit to a connection to ACSA's water main in Rte. 29. Refer to the map in the Board meeting packet.

The total project construction contract is for \$1.3M, of which more than \$1M will be at VDOT's expense. ACSA will spend approximately \$250K to get \$1.3M of work done that will have to be done anyway within the next 20 years, at ACSA cost. He informed the Board of the near loss of a home in the area in February because, as County Public Safety Director Sam Bryant told him, the 6" water mains so restricted fire flows that the burning home almost burned down; 8" (min.) mains are needed, prompting the ACSA expenditure. The existing water main was installed with an anticipated number of future connections, which has been exceeded by all the new residential development east of Woodys Lake Rd. The existing pipe is galvanized iron, which is almost certainly deteriorated inside after 60 years, to the point that it is likely no longer really 6" and 8" size pipe. He wants to extend the new 8" water main from the VDOT project to connect to the Rte 29 water main to eliminate water services and fire protection problems.

He reminded the Board of the \$343,575 in the 2020 budget for the Lakeview Phase 1 sewer extension, which project is on hold waiting for the results of a stimulus funding application; it will not be spent in 2020 and will go into ACSA reserves. Hopkins asked that, instead, \$325,000 of that money be moved to another budget line to use for ACSA's portion of the Woodys Lake Rd utility relocations. He reminded the Board that the Executive Director has a limit of \$15,000 on budget transfers and asked the Board to transfer the money in accordance with the transfer form in the Board meeting packet.

Board Chair Moore asked for confirmation, provided by Hopkins, that the work to extend the water main to connect at Rte 29 is outside the VDOT project limits.

Board member Perrow commented that ACSA needs to replace old, tuberculated, undersized water mains as quickly as possible. He agreed with the project and the transfer.

By motion of Board member Perrow, and with the following vote, the ACSA Board approved the transfer requested in the attached form:

AYE:	Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods, Mr. Perrow
NAY:	None
ABSENT:	None
ABSTAIN:	None

C. Prices Store Water Storage Tank Cell Tower Lease
Proposed 2nd Amendment

Hopkins described the 20 year old lease, originally with AT&T, now with New Cingular Wireless, PCS, LLC. TPG Wireless, a consultant for New Cingular, contacted Hopkins months ago about a 2nd amendment to the lease to allow TPG to upgrade the cell tower and replace equipment. TPG provided construction drawings and a structural analysis. Hopkins reviewed both and also engaged a third party structural engineer, at TPG cost, to review them, all to maintain tank structural security. Hopkins drafted the 2nd amendment and sent it to TPG and Lockaby for review. Several iterations of this resulted in a 2nd amendment with which all parties are satisfied. Hopkins requested that the Board approve the 2nd amendment and direct Hopkins to schedule the TPG cell tower work.

Hopkins confirmed for Board member Woods that there is no proposed change to the existing lease by the 2nd Amendment, only authorization to upgrade the cell tower and replaced existing equipment.

By motion of Board member Woods, and with the following vote, the ACSA Board approved the 2nd amendment in the Board meeting packet:

AYE:	Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods, Mr. Perrow
NAY:	None
ABSENT:	None
ABSTAIN:	None

Responding to Woods' question about lease changes involving rent, term, etc., Hopkins reported that he has been working with AT&T since March 2017 on a proposed amendment to the Prices Store Tank cell tower lease to alter the rent, extend the term, and other changes. He has been working on this for almost 4 years, Lockaby has been involved for the last year or so, and Hopkins hopes to get this to the Board for approval early in 2021.

Hopkins reported talking to Verizon about a possible 2nd ACSA cell tower lease, on ACSA Graham Creek Reservoir property east of Elon. Verizon attempted to get a site in Elon, near the public school, for a cell tower, but was rebuffed after the public hearing. The ACSA site is remote and expected to not be a problem for area residents, and provide additional ACSA miscellaneous revenue. Verizon is discussing the possibility inhouse and will contact Hopkins later.

This ended the discussion of this agenda item.

D. 2020 ACSA Bad Debt Setoff Report

Hopkins reported that ACSA holds onto bad debt – customers skipping out on bills owed by moving away and similar events – for 3 years, trying to recoup the money. After 3 years, ACSA writes off the debt and submits it to the Virginia Setoff Debt Program, which monitors tax returns and other income sources and, if it finds such income for people owing debts reported to the Program, deducts a portion of the income and gives it to the creditors. He referred the Board to Pg. 5 of the October financial report, which shows that the Program sent \$31.50 to ACSA. For 2020, ACSA will write off \$34,468.48 from the Budget Year 2017, which is 0.70% of the 2020 adopted budget.

Hopkins reported his attempts to minimize these annual write-offs, which are increasing annually. He implemented ACSA policies for mandatory service cut offs if balances exceed certain limits or if more than 2 consecutive bills are not paid. He is researching possible assistance in verifying information about new customers. He is working on a Customer Assistance Program to help low- and fixed-income customers with utility bills and inflated bills due to water leaks. He is also, as part of the proposed CAP, researching programs that provide water service line warranties. He hopes that this work, begun in late 2017, will start to see results in 2021, since that debt set-off will be for Budget Year 2018.

There was no Board member comment.

E. 2021 Calendar Year Budget

Hopkins reported sending the “working budget” to Board members on 11/3 and there were no comments returned. At the Board’s direction, he sent it to the County Finance Director for review; weeks later, he received 3 minor comments which he had already addressed in developing the “working budget” into the “draft budget”. He sent the “draft budget” to Board members and the Finance Director on 11/19, receiving in response a comment from Woods last Sunday. Pending questions and comments brought to this meeting by Board members, Hopkins believes the “draft budget” is ready to be adopted by the Board.

Board Chair Moore referred to the CY 2016 thru CY 2020 Accounts Receivable columns on Pg. 1 and asked if those numbers were the final, end of year numbers. Hopkins replied that they are not; he maintains an amended budget during the year, updating it as changes are made, but presentation of the amended budget has never been requested by the Board, during his tenure, and the previous ACSA Director never informed Hopkins that this was the practice during his tenure. He noted that Board members Woods and Perrow previously commented on this and Hopkins can get the Board the amended budget upon request. This is a proposed budget change to be discussed for 2021 at the 2021 Board planning session. He requested, pending issues with “draft budget” numbers, that a change to the budget format to include end of year budget numbers not be included in the proposed 2021 budget, since the change will be discussed in detail at the Board planning session and because of the need to adopt the 2021 budget as soon as possible, for implementation on 1/1/2021.

Woods asked about the need to establish in the budget a reserve for possible loss of revenues from continuance of the pandemic. Hopkins replied that he did not think it necessary; 2020 saw a cutoffs moratorium for 6 – 7 months, with no major revenue problems from customers not being able to pay utility bills – an estimated \$31,070 in unpaid bills – and sees no reason for 2021 to be different.

He noted that the \$31,070 is less than the debt setoff for the 2017 budget year just discussed, and that ACSA has millions of dollars in reserves that can be accessed if ACSA finances are threatened by pandemic impacts on customer bill payments. He offered to make that change if the Board directed, but did not think it necessary at this time.

Board member Martin asked if the rate increases are offsetting the loss of revenue caused by the closing of Central Virginia Training Center. Hopkins replied yes, to an extent, though not completely. He noted that the revenue (accounts receivable) figures on Pg. 1 of the budget are from the Proforma Cash Flow Update prepared by the financial consultants and adopted by the Board last September; he uses those numbers because they are the experts and he has no way of estimating revenues for the upcoming calendar year. The financial consultants arrive at those numbers using multiple documents provided by ACSA, including the previous year's budget and audit, current year budget and financials, etc. The consultants use that information to project the next year's revenues, including reduction of water and sewer revenue from CVTC.

By motion of Board member Pugh, and with the following vote, the ACSA Board adopted the draft 2021 budget in the Board meeting packet and directed the ACSA Executive Director to see to its implementation as of 1/1/2021:

AYE:	Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods, Mr. Perrow
NAY:	None
ABSENT:	None
ABSTAIN:	None

IX. Citizen Comment

There were no citizen comments.

X. Matters from the Members of the Service Authority Board

Board member Woods had nothing to discuss.

Board member Perrow had nothing to discuss.

Board member Martin asked Hopkins if the Virginia Foam Insulators, Inc. site plan for Amelon Commerce Center was approved. Hopkins replied that ACSA approved it. Community Development Director Bryant would know about other agency approvals.

Vice Chair Pugh had nothing to discuss.

Chair Moore had nothing to discuss.


XI. Adjournment

By motion of Board member Pugh and with the following vote, the Board adjourned the meeting at 2:55 p.m.

AYE:	Ms. Moore, Mr. Pugh, Mr. Martin, Mr. Woods, Mr. Perrow
NAY:	None
ABSENT:	None
ABSTAIN:	None



Jennifer R. Moore, Board Chair



Robert A. Hopkins, PE, Board Secretary