

Municipal Services Commission Monthly Meeting  
June 15, 2023, 8:00 a.m.  
216 Chestnut Street New Castle, Delaware

**DUE TO TURNOVER IN COMMISSIONERS AND INABILITY TO ATTEND, THE JUNE 15, 2023, MINUTES  
ARE BEING FILED AS UNAPPROVED BUT OFFICIAL.**

The meeting was called to order at 8:00 a.m. with Dr. Roy Sippel, President, presiding.

Present: Dr. Roy J. Sippel, Commissioner, President  
Sheila A. Shannon, Commissioner  
Scott L. Blomquist, Secretary

Staff in Attendance: Kendrick Natale, Comptroller  
Jay Guyer, Manager, Water Utility  
Artie Granger, Manager, Electric Utility

Dr. Sippel convened the meeting at 8:00 a.m. Roll call followed and a quorum to conduct business was declared.

**Minutes**

**A motion was made by Commissioner Shannon to approve the minutes of the May 18, 2023, regular session as amended. The motion was seconded by Commissioner Sippel and unanimously passed.**

Comptroller/Treasurer Report – Mr. Natale reporting  
(See attached report)

Mr. Natale reported that the Auditors anticipate presenting to the Board at the July meeting.

- Total cash on hand: \$2.7M
- Investment Portfolio: \$1.171M, which was down approximately \$4,400 from prior month.
- M&T Sweep Account: \$15,978. Mr. Natale noted funds were transferred out of the investment account of May 25<sup>th</sup> to avoid liquidity issues if the debt ceiling was not raised and on June 2<sup>nd</sup> \$1.5M was transferred back into the investment account after the debt ceiling was suspended.
- Unrestricted cash on hand: 93 days at April 30, 2023, which was a seven day improvement from prior month.
- Check Register Disbursements: Mr. Natale pointed out some particular payments that were fairly large:
  - \$20,930 – First State Fleet Service for motor replacement in one of the electric trucks.
  - \$11,428 – ToyotaLift Northeast LLC for a pallet lift for the water plant.
  - \$7,275 – Utility Engineers PC for relays at the Dobbinsville and Wilmington Road substations. Mr. Blomquist briefly explained the project.

Customer Service/Billing

- There were 33 service cuts in April.
- Six customers received an average of \$263 from other agencies for assistance with utility bills.

Electric Department

- User charges are favorable YTD by \$32,000.

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- kWh sales decreased by approximately 1% from the same period last year
- Consumption was down in large commercial and residential but up in medium commercial; and is approximately 3.4% lower than the 5-year average.
- The power purchase adjustment generated approximately \$89,000 in additional fees fiscal YTD.
- Operating expenses had a favorable variance of \$53,000. \$40,000 is decreased power purchase due to lower than anticipated consumption, and the rest is timing differences.

Water Department

- User charges have a favorable variance of \$12,000 through May.
- Consumption was down 138,000 (01.11%) gallons compared with the same period last fiscal year.
- Consumption is down in large commercial but up in residential and smaller commercial meters. Mr. Guyer gave an opinion as to why large commercial is down.
- Expenses are favorable YTD \$36,000 related to timing differences.

Mr. Natale noted that there was a favorable variance through March and June's variance will likely increase. MSC sold 4,000,000 gallons to a neighboring utility over a 3-week period, resulting in approximately \$13,000 in added revenues

The pallet lift came in \$900 over budget.

Electric Department Report – Mr. Granger reporting

*(See attached report)*

Developer Projects:

- Riverbend – The contractor connected one of the last services; however Gemcraft has not created an account yet for the customer. Mr. Blomquist noted that Riverbend has not completed their portion in a timely manner, and Rail Pros closed the application. Riverbend is attempting to get the existing application reopened, but they may be required to start over.

Capital Projects:

- Substation Relay Replacement – MSC is working with Utility Engineers to complete the design. A draft copy was received for both substations. Some changes on Wilmington Road are necessary.
- Van Dyke Village – Work continues in Van Dyke Village.

Capital Purchases:

- Replacement T-12 Bucket Truck – Mr. Granger continues to work on quotes for the replacement bucket truck. Replacement cost is approximately \$330,000-\$360,000. Two manufacturers have estimated a 1-2 year lead time. Mr. Granger opined that if one of the three bucket trucks fails operations would continue under normal weather conditions; however, under storm conditions, it would be uncomfortable to have only two bucket trucks. Mr. Granger noted the T-12 truck is scheduled to be replaced in the next fiscal year and he does not anticipate costs going down.
- AMI – MSC is waiting for software issues are resolved. Messrs. Blomquist and Natale explained issues that need to be resolved. MSC recently got access to the software and staff has been

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identifying issues that are being fixed. Mr. Granger explained the mesh network and how it works.

Water Department Report – Mr. Guyer reporting

*(See attached report)*

Developer Projects

- Riverbend Subdivision – Plans for the proposed water main adjustment on North Heron have been reviewed and approved. Services are being inspected as they are done.
- Sheriffs House Renovation – The water service is complete. Mr. Guyer is working on final billing.
- Colonial School District – Mr. Guyer is working with the Site Studios Engineer and is in the process of reviewing plans. As soon as final review of the plans is completed they will be submitted to the Office of Drinking Water, Office of Engineering for an Approval to Construct.
- DelDOT School Lane Trail – Rt. 273 to Rt. 13 – Consulting engineer Whitman Requardt submitted plans to complete the trail from Rt. 273 up to the treatment facility. There are some issues with access. Mr. Guyer does not agree with opening the gate down by Home Depot and will push back on that. Mr. Guyer advised the Trustees that the work was going on. There is a question as to who actually owns the land. The Trustees will look into it. Mr. Guyer explained his research on the property and noted that he forwarded his data to the Trustees.
- 106 Brylgon Avenue – Water service exists and it will be extended from the curb stop to the house.

MSC Projects

- Advanced Metering Infrastructure – American Municipal Power (AMP) – The revised First Articles were received and Mr. Guyer, with AMP's assistance, reviewed and approved them. They are waiting for a shipping date for the 500 water modules.
- Water System Asset Management Program – Mr. Guyer is working on developing costs.
- Cross Connection Control Program – Hydro Corp's Proposal – Messrs. Guyer and Jaeger met with Hydro Corp. First notices will be sent out to customers again. A final notice will be hand delivered to all non-compliant customers giving them 30 days to get devices tested or water service will be shut off. The goal is to bring everyone into compliance and educate them on the program.
- Hewlett, Janvier, and Meggison Avenue Water Main Replacement – Everything is going well. The RFP was advertised. Questions were received and addressed and two addendums have been issued. Bids are due on June 21<sup>st</sup> by 1:00 p.m.

Operations

- Outages – There was one planned and one unplanned outage in May. There was a 2" cast iron service crack on Shaw Alley and in the process of repairing it, a 2" valve broke. 55 customers were affected for approximately one hour during the outage to replace the broken valve.
- Calgon Carbon Corporation (CCC) Pilot Study Test – The study is ongoing. The latest STRIDE sampling was received yesterday. PFAS and PFOA are still below the minimum reporting limits.
- Unregulated Contaminant Monitoring Rule 5 – Results are still pending. Mr. Guyer will follow-up.

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- Penn Farm – MSC participated in Penn Farm Day. One hundred 6<sup>th</sup> graders were there. The students were toured through the facility.
- Wilmington Manor Elementary School – MSC took a bucket truck, the pump truck trailer and excavator to Career Day at Wilmington Manor Elementary School and talked to different groups about the equipment and jobs in the water and electric industry. Mr. Guyer expressed his appreciation that MSC was invited to participate.
- 4,584,400 gallons of water were sold to a neighboring utility at the current rate.
- The 2023 Consumer Confidence Report was completed and should be sent out this Friday. After it has been delivered Mr. Guyer will complete the Certifications of Delivery to the Office of Drinking Water and the Public Advocate. The water quality report is online.

#### System Repairs and Maintenance

- Riverbend Subdivision – Riverbend was flushed on May 24<sup>th</sup> and June 7<sup>th</sup> to maintain chlorine residual.
- Meter Readings – Monthly meter reads were completed on June 12<sup>th</sup>. Operators followed up on check/missed reads as needed.
- Carbon Filtration System – Mr. Guyer is still waiting on test results from Vessel 1 and Vessel 2. Samples were collected and shipped to Eurofins. Mr. Guyer updated MSC's DWSRF Representative on the issue and forwarded a revised Calgon quote for the exchange including disposal so the MOU can be updated. Mr. Guyer will continue to monitor. Mr. Guyer is working with Pennoni to get a better understanding of the situation. An in-depth discussion on radioactivity ensued.
- Shaw Alley Water Main Break – The 2" water main was repaired and the 2" gate valve replaced with a 2" curb stop.
- School Lane – The garage at School Lane was cleaned out, new shelving installed, and water parts and supplies organized on palletized and stored.
- Fire Hydrant Flushing – Flushing is scheduled to start on June 19<sup>th</sup> and will take approximately 10 days. This may be postponed due to the interconnection providing water to the neighboring utility being in operation. Information is posted on The Weekly website and the MSC and City websites.
- Van Dyke Village – Water operators work with the Electric Crew in Van Dyke Village as needed.

#### Grants and State Revolving Funds

- Water Infrastructure Advisory Council Grants – MSC is looking to move forward with Item #5 – PFAS Treatment System Improvements. Mr. Guyer is working with Pennoni to move forward with the full DWSRF application.
- School Lane Water Treatment Facility Natural Gas Generator – The grant was submitted on April 21<sup>st</sup>. FEMA is currently reviewing it. In response to a question from Ms. Shannon, Messrs. Guyer and Blomquist explained the plan is for a permanent solution.

#### Equipment

- New tires were installed on the Back Hoe by Diamond State at a cost of \$2,779.00.

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Safety

- Tailgate Talks – Morning Tailgate Talks are conducted daily to discuss jobs/tasks.
- Safety Committee – The Safety Committee is meeting monthly and the Manual is being reviewed.

Local, State and Federal Agencies

- Water Supply Coordinating Council – The Council has sunset, but the water supplies in northern New Castle County continue to meet. They met on May 25<sup>th</sup> and talked about the extremely dry conditions. The next meeting is scheduled for June 19<sup>th</sup>. Stephanie Baxter from the Delaware Geological Survey Group is putting out updates weekly on stream flows and changing conditions. A neighboring utility has already turned on their ASR Well to supplement their water supply, which is highly unusual.
- Water Supply Coordination Council – DNREC has received a final draft of the re-authorization documents and will start the legislative process. They want it to become a permanent group serving the water needs in the State.

Secretary's Report – Mr. Blomquist reporting

DEMEC Meeting

- Messrs. Blomquist and Natale attended the monthly DEMEC meeting.
- Demand decreased January through March about 4.5% over the previous year.
- Total cash decreased 32.8% due to the decrease in the rate stabilization reserve.
- There was a presentation by Beneficial Electrification League. DEMEC, on behalf of the municipalities, will work with them on finding available grants. MSC worked with Baker Tilley; however, results were not as expected and the decision was made not to continue with Baker Tilley.
- Mr. Blomquist attended the DEMEC Legislative Luncheon and had conversation with various Senators about current energy Bills, cautioning them to move forward in an appropriate manner.
- SemaConnect was purchased by Blink. Mr. Blomquist does not anticipate any impact to current SemaConnect customers.
- The Newsletter went out.
- The next DEMEC meeting is Thursday, July 13<sup>th</sup>.

Next Regular Meeting

The Commissioners set the next monthly Board meeting to be Thursday, July 27, 2023, at 8:00 a.m.

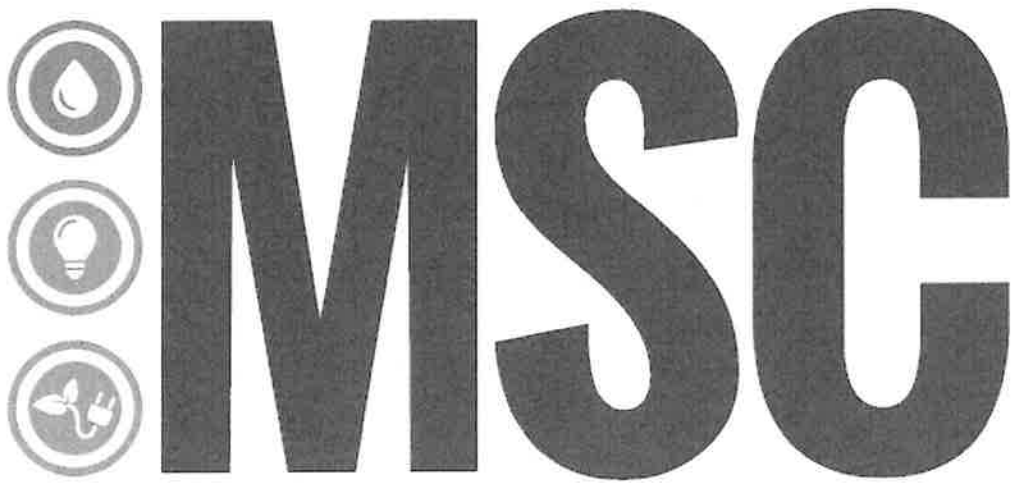
**A motion to adjourn was made by Commissioner Shannon and seconded by Commissioner Sippel. The motion received unanimous approval and the meeting was adjourned at 8:57 a.m.**

*Kathleen R. Weirich*

Kathleen R. Weirich, Stenographer

Approved: *Scott Blomquist*  
(Minutes transcribed from notes.)

# Comptroller/Treasurer's Report



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**Municipal Services Commission  
of the City of New Castle**

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**June 15, 2023 Commission Meeting**  
Prepared By: Ken Natale on June 6, 2023

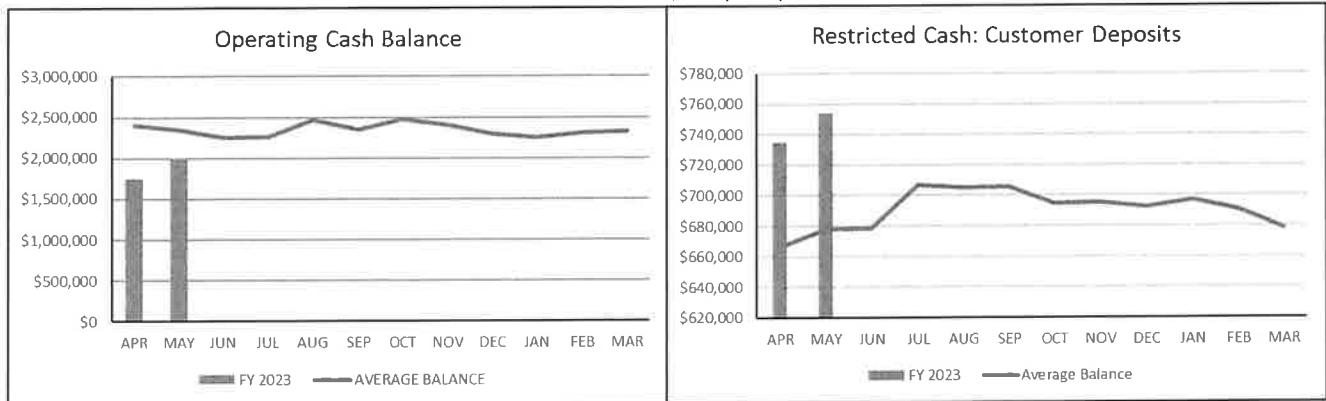
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## Cash & Investments

As of May 31, 2023 the cash balances were:

|                            |                     |
|----------------------------|---------------------|
| M&T Bank Checking:         | \$ 1,964,278        |
| M&T Investment Sweep:      | 15,978              |
| M&T Bank MMA:              | 754,208             |
| Petty Cash/Change Fund:    | 898                 |
| <b>Total Cash on Hand:</b> | <b>\$ 2,735,362</b> |



A condensed cash flow summary for May is provided below for the operating accounts:

|   |                            |
|---|----------------------------|
| <b>Beginning Balance</b>                    | <b>\$ 1,753,422</b>        |
| Cash from customers                         | 1,083,281                  |
| Interest Income                             | 5,806                      |
| Bond Proceeds                               | -                          |
| Refunds to customers - deposits             | ( 2,688)                   |
| Payments to suppliers for goods & services* | ( 760,547)                 |
| Bank service fees                           | ( 581)                     |
| Payments to employees for services          | ( 98,437)                  |
| Net Cash Provided(Used)                     | <u>226,834</u>             |
| <b>Ending Cash Balance</b>                  | <b><u>\$ 1,980,256</u></b> |

\*A detailed check register for the month is available on page 3 of this report.

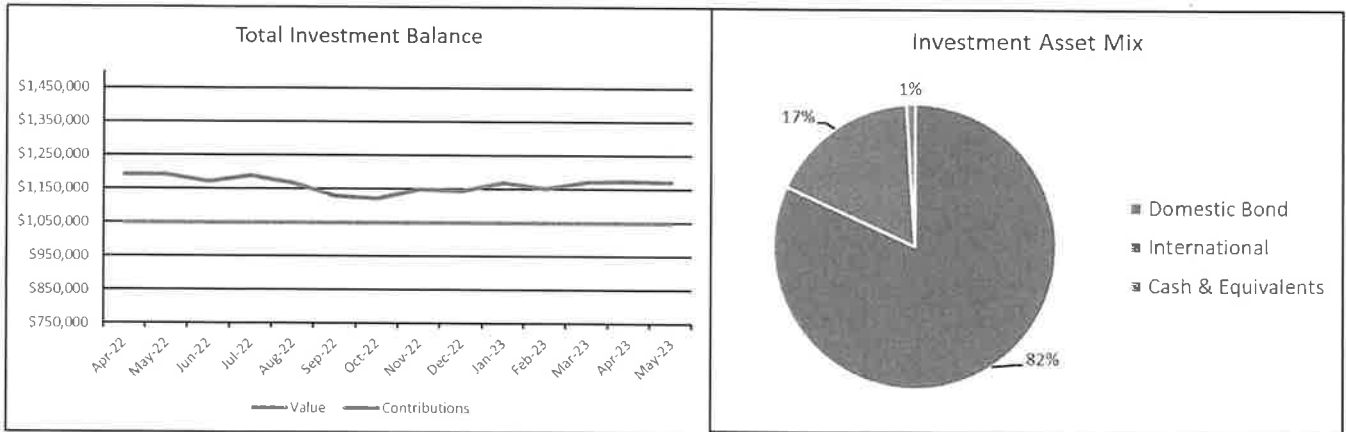
As of May 31, 2023 the value of the Commission's investment portfolio totaled \$1,171,026 which is a net loss of \$4,182 (3.6%) from the prior month.

The M&T Investment Sweep account is where cash that is not immediately needed for operations is placed to earn interest on the funds. Currently, those funds are invested in a Goldman Sachs Government Money Market Mutual Fund (FGTXX) which currently pays **5.13% interest** and has a stable net asset value of \$1.00. As most of these funds are invested in US Government Debt, most funds were transferred out of the fund on May 25<sup>th</sup> to avoid liquidity issues if Congress did not raise the debt ceiling. On June 2<sup>nd</sup>, \$1.5 million were reinvested in the fund after congress suspended the debt ceiling.

There was 93 days unrestricted cash on hand at April 30 (+7 days from prior month) when including the value of the Commission's investment portfolio which is held in liquid assets (mutual and exchange traded funds).



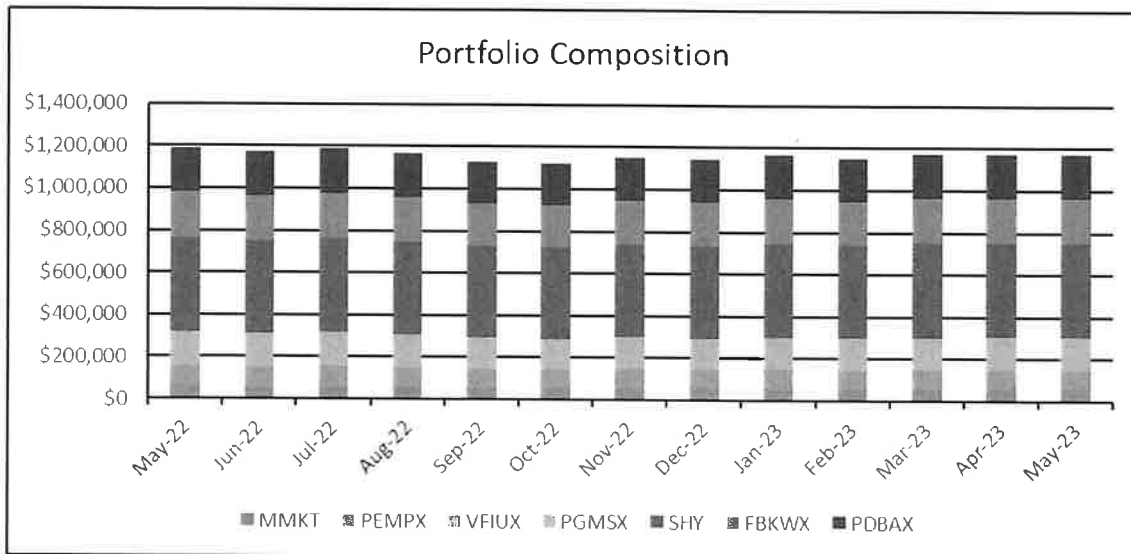
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The “domestic bond” category in the *Investment Asset Mix* chart above, includes US Government instruments and corporate bonds of US based organizations. The “international” category includes debt instruments of foreign governments as well as corporate bonds issued by foreign corporations.

The Commission’s investment portfolio was invested in the following securities:

| Holdings                                 | Symbol | Market Value       | Est. Yield |
|--|--------|--------------------|------------|
| <b>Money Markets</b>                     |        |                    |            |
| Insured Cash Accounts                    |        | \$ 13,168          | 0.60%      |
| <b>Mutual Funds</b>                      |        |                    |            |
| Fidelity Advisor Total Bond CL Z         | FBKWX  | 213,487            | 3.84%      |
| PGIM Total Return Bond CL A              | PDBAX  | 206,691            | 5.17%      |
| PIMCO Emerging Markets Bond I2           | PEMPX  | 48,925             | 7.83%      |
| T Rowe Price Global Multi Sector Bond I  | PGMSX  | 154,266            | 3.78%      |
| Vanguard Intermediate Term Treasury      | VFIUX  | 88,937             | 3.59%      |
| <b>Exchange Traded Funds</b>             |        |                    |            |
| iShares Trust 1-3 Year Treasury Bond EFT | SHY    | 445,552            | 1.79%      |
| <b>Total</b>                             |        | <b>\$1,171,026</b> |            |



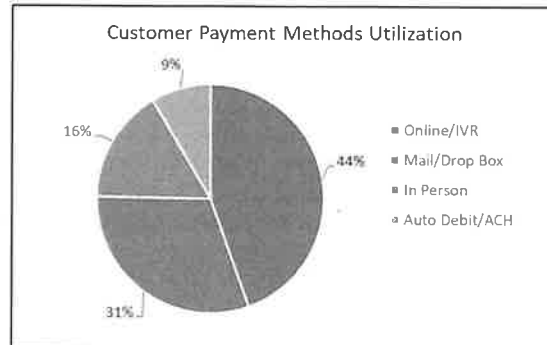
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| <b>MAY 2023 CHECK REGISTER</b> |             |  |                      |
|--------------------------------|-------------|--|----------------------|
| <b>Number</b>                  | <b>Date</b> | <b>Vendor Name</b>                               | <b>Amount</b>        |
| 200917                         | 05/08/2023  | AUI Inc  | \$ 216.26            |
| 200918                         | 05/08/2023  | Baker Tilly US LLP                               | 956.25               |
| 200919                         | 05/08/2023  | Consult Dynamics Inc DCA Net                     | 20.00                |
| 200920                         | 05/08/2023  | Delaware Solid Waste Authority                   | 172.55               |
| 200921                         | 05/08/2023  | Delmarva Power                                   | 196.45               |
| 200922                         | 05/08/2023  | DEMEC Inc  | 985.87               |
| 200923                         | 05/08/2023  | Kathleen R Weirich                               | 195.00               |
| 200924                         | 05/08/2023  | Kendall Electric INC                             | 9,062.41             |
| 200925                         | 05/08/2023  | Security Instrument Corp.                        | 296.85               |
| 200926                         | 05/08/2023  | Tyler Technologies Inc.                          | 253.75               |
| 200927                         | 05/08/2023  | Utility Engineers PC                             | 7,275.75             |
| 200928                         | 05/19/2023  | Anixter  | 824.40               |
| 200929                         | 05/19/2023  | Antonio's Lawn Service                           | 1,695.00             |
| 200930                         | 05/19/2023  | Dover Plumbing Supply Co.                        | 789.90               |
| 200931                         | 05/19/2023  | First State Fleet Service                        | 20,930.47            |
| 200932                         | 05/19/2023  | Hire Right Solutions Inc                         | 305.70               |
| 200933                         | 05/19/2023  | ltron Inc.                                       | 1,773.24             |
| 200934                         | 05/19/2023  | Johnson Controls Security Solutions              | 2,880.00             |
| 200935                         | 05/19/2023  | Miguel Ronquillo                                 | 169.95               |
| 200936                         | 05/19/2023  | Pennoni Associates Inc.                          | 2,062.50             |
| 200937                         | 05/19/2023  | Pitney Bowes Purchase Power                      | 2,000.00             |
| 200938                         | 05/19/2023  | POWERPLAN  | 456.26               |
| 200939                         | 05/19/2023  | Premium Power Services, LLC                      | 789.00               |
| 200940                         | 05/19/2023  | Terex Utilities Inc                              | 3,852.87             |
| 200941                         | 05/19/2023  | Trans Union LLC                                  | 320.34               |
| 200942                         | 05/19/2023  | Tyler Technologies Inc.                          | 217.50               |
| 200943                         | 05/31/2023  | Artesian Water Co Inc                            | 1,872.33             |
| 200944                         | 05/31/2023  | COLONIAL LIFE                                    | 781.34               |
| 200945                         | 05/31/2023  | Consult Dynamics Inc DCA Net                     | 20.00                |
| 200946                         | 05/31/2023  | Council 81                                       | 415.50               |
| 200947                         | 05/31/2023  | Delta Dental of Delaware Inc                     | 1,854.82             |
| 200948                         | 05/31/2023  | DEMEC Inc  | 937.29               |
| 200949                         | 05/31/2023  | Department of Human Resources Financial Services | 34,673.12            |
| 200950                         | 05/31/2023  | Jack Henry & Associates Inc./Profit Stars        | 1,928.87             |
| 200951                         | 05/31/2023  | Jaeger, Ryan                                     | 245.37               |
| 200952                         | 05/31/2023  | Kathleen R Weirich                               | 187.50               |
| 200953                         | 05/31/2023  | Miguel Ronquillo                                 | 224.95               |
| 200954                         | 05/31/2023  | ToyotaLift Northeast LLC                         | 11,428.00            |
| 200955                         | 05/31/2023  | US Postal Service                                | 290.00               |
| 200956                         | 05/31/2023  | Principal Financial Group                        | 2,490.05             |
| DFT0001960                     | 05/01/2023  | Delaware Div. of Revenue                         | 15,907.00            |
| DFT0001961                     | 05/02/2023  | Nationwide Life Ins. Co. of America              | 360.00               |
| DFT0001964                     | 05/16/2023  | BRINKS CAPITAL                                   | 589.00               |
| DFT0001965                     | 05/12/2023  | Maryland Child Support Account                   | 184.62               |
| DFT0001966                     | 05/12/2023  | Nationwide Retirement Sol                        | 4,490.44             |
| DFT0001969                     | 05/12/2023  | United States Treasury                           | 18,100.08            |
| DFT0001975                     | 05/09/2023  | Pitney Bowes Purchase Power                      | 2,015.00             |
| DFT0001976                     | 05/02/2023  | OpenEdge   | 1,583.50             |
| DFT0001977                     | 05/10/2023  | Nationwide Life Ins. Co. of America              | 22,897.42            |
| DFT0001978                     | 05/19/2023  | DEMEC Inc  | 475,721.97           |
| DFT0001979                     | 05/12/2023  | M&T ONE CARD                                     | 10,730.02            |
| DFT0001984                     | 05/12/2023  | M&T ONE CARD                                     | 12,618.69            |
| DFT0001985                     | 05/26/2023  | Maryland Child Support Account                   | 184.62               |
| DFT0001986                     | 05/26/2023  | Nationwide Retirement Sol                        | 4,477.41             |
| DFT0001989                     | 05/26/2023  | United States Treasury                           | 18,490.14            |
| DFT0001990                     | 05/31/2023  | COMPTROLLER OF MARYLAND                          | 1,020.17             |
| DFT0001991                     | 05/31/2023  | Delaware Div. of Revenue                         | 15,686.00            |
| DFT0001992                     | 05/26/2023  | M&T ONE CARD                                     | 35,770.39            |
| DFT0001995                     | 05/26/2023  | M&T ONE CARD                                     | 3,673.45             |
| <b>Total Payments</b>          |             |  | <b>\$ 760,547.33</b> |

### Customer Service/Billing

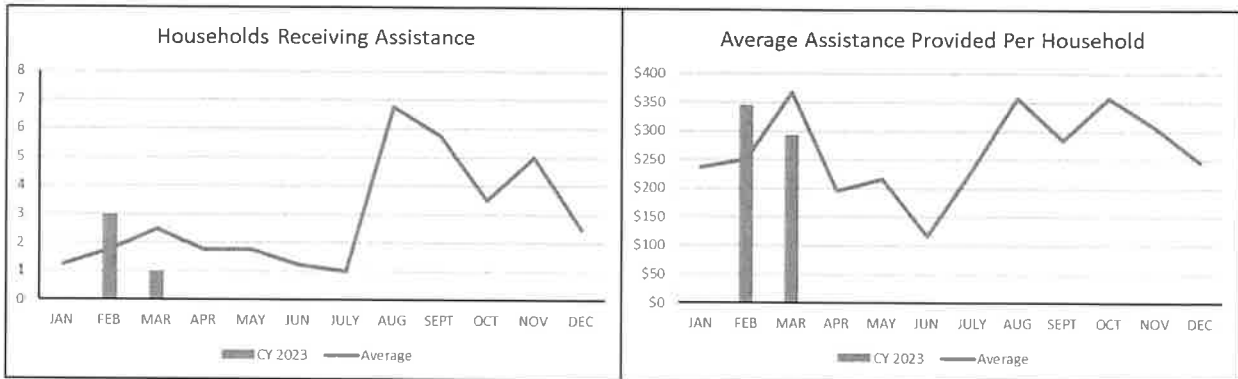
Since the previous meeting, the Customer Service Department processed:

|                               |        |
|-------------------------------|--------|
| Bills sent                    | 3,220  |
| Delinquent & past due notices | 360    |
| Automated phone notifications | 281    |
| Payment arrangements          | 65     |
| Contracts                     | 0      |
| Service cuts – April          | 33     |
| Accounts sent to collections  | 5      |
| Electric bad debt write-offs  | \$0.00 |
| Applications for service      | 35     |



### New Castle Cares

The Salvation Army oversees the New Castle Cares Fund which is funded by the Commission to assist households having trouble making their utility payments. During the month of May, the fund assisted zero customers. The maximum allowed by the program is \$400. The current balance in the fund is \$5,542.



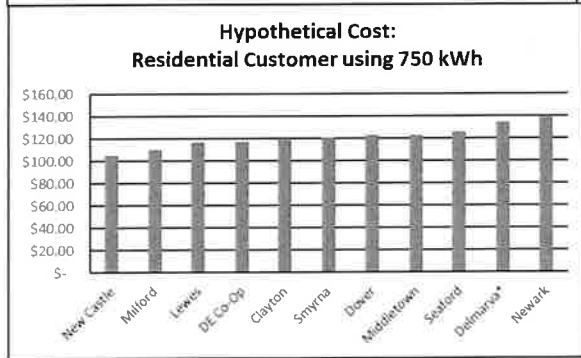
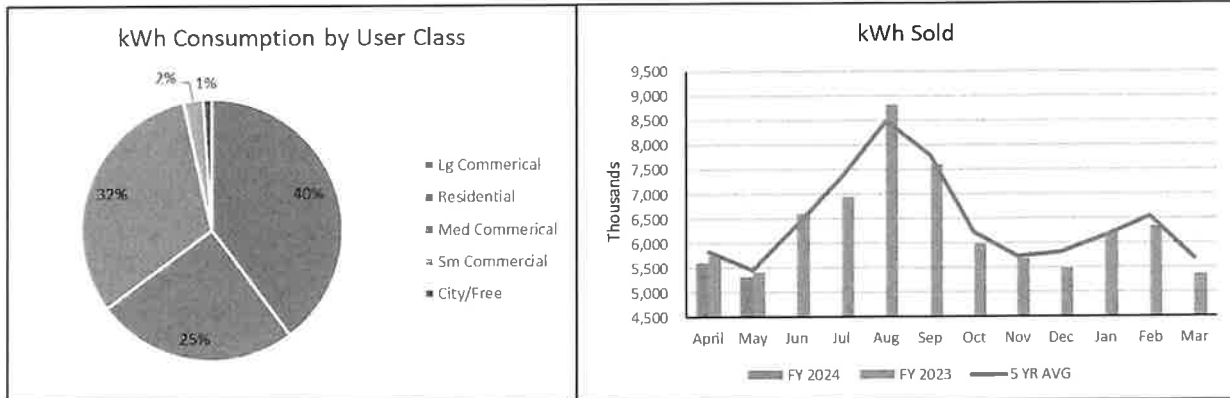
In addition to assistance provided through the New Castle Cares fund, six customers received an average of \$263 from other agencies or nonprofits that provide assistance for utility bills.

Below is a condensed aging report for active customers as of June 6, 2023

| Total     | Current   | 30 Days  | 60 Days | 90 Days | 120 Days |
|-----------|-----------|----------|---------|---------|----------|
| \$394,169 | \$366,436 | \$27,754 | \$2,111 | \$30-   | \$2,102- |

## Electric Revenues

User charges have a favorable year to date variance of \$32,000. May kWh sales decreased by approximately 1.02% (88,000 kWh) from the same period last year. Consumption was down in large commercial and residential, but up in medium commercial. Consumption is approximately 3.4% lower than the 5-year average. The power purchase adjustment, enacted in January of 2023 (\$0.0082 per kWh) generated \$89,000 in user fees in fiscal year to date.

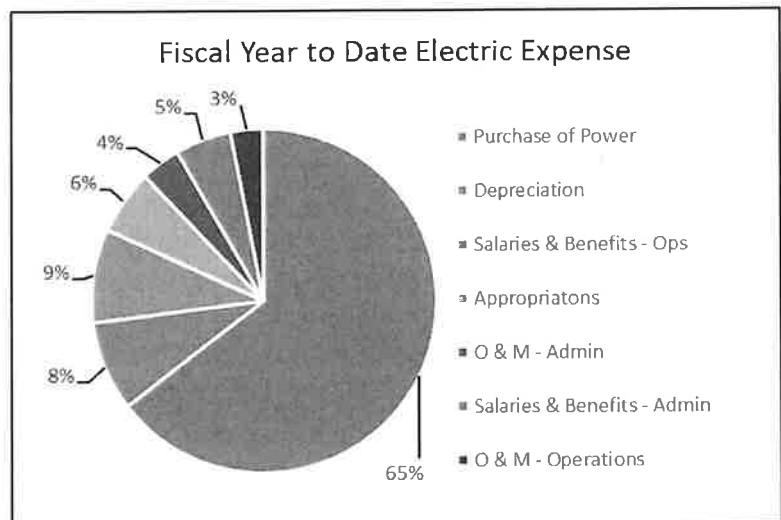


Each month, DEMEC provides a comparison of the cost of residential electric service. The analysis assumes a residential customer who uses 750 kWh per month. MSC's rate is 28% lower than Delmarva\* and 11% lower than the co-op.

\*Approximate. DP&L's transmission capacity charge is based on each individual's Peak Load Contribution (PLC) to the overall transmission load. Each customer has a unique PLC that changes every January.

## Electric Expenses

Electric operating expenses have a year-to-date favorable variance (\$53,000). \$40,000 is related to decreased power purchase costs due to lower than anticipated consumption. Other variances are the result of timing differences and are expected to decrease in future months. After accounting for non-operating revenues and expenses, there is a decrease in net position of \$76,000. The Electric Department needed to replace the motor in one of their trucks, this expense was approved by the Commissioners in the prior fiscal year, however, due to supply chain disruptions, the repair was no able to be completed until May of 2023, meaning the expense will fall in the current budget year. This will result in the repairs and maintenance expense line being over budget in future months (approximately \$20,000).



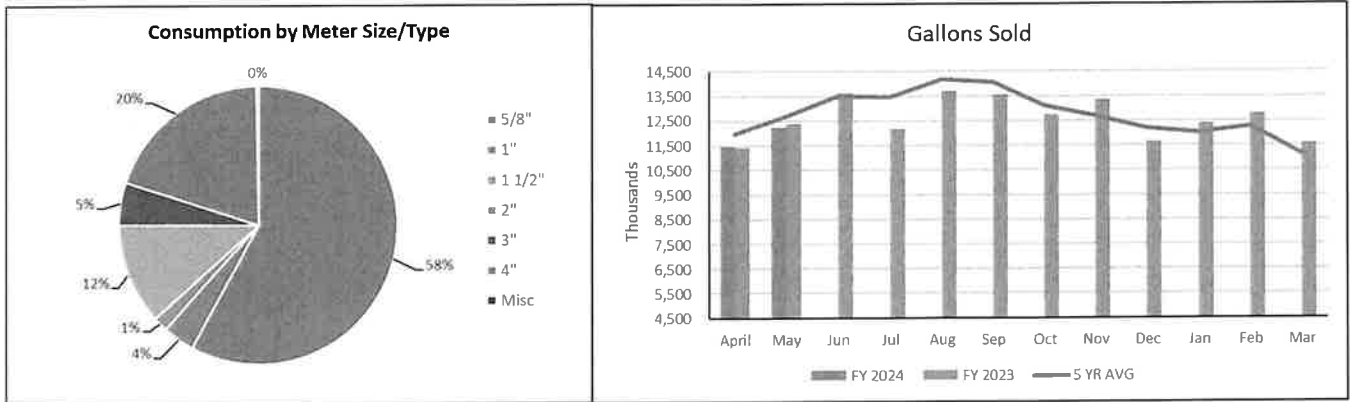
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**Municipal Services Commission  
Budget to Actual Comparison – Electric  
As of May 31, 2023**

|  | YTD<br>Budget    | YTD<br>Activity  | Variance        | Total<br>Budget  |
|--|------------------|------------------|-----------------|------------------|
| <b>Operating Revenues</b>                  |                  |                  |                 |                  |
| User charges                               | 1,344,104        | 1,375,464        | 31,360          | 9,624,301        |
| City service charges                       | 8,496            | 8,242            | (254)           | 52,000           |
| MSC service charges                        | 6,809            | 7,636            | 827             | 41,000           |
| Miscellaneous income                       | 6,392            | 10,276           | 3,884           | 61,210           |
| <i>Total Operating Revenues</i>            | <u>1,365,801</u> | <u>1,401,618</u> | <u>35,817</u>   | <u>9,778,511</u> |
| Less: Free Service                         | 1,490            | 1,028            | 462             | 8,000            |
| <i>Net Operating Revenues</i>              | <u>1,364,311</u> | <u>1,400,590</u> | <u>36,279</u>   | <u>9,770,511</u> |
| <b>Operating Expenses</b>                  |                  |                  |                 |                  |
| Purchase of Power                          | 1,002,000        | 961,855          | 40,145          | 6,751,000        |
| <i>Operations</i>                          |                  |                  |                 |                  |
| Salaries and benefits                      | 122,482          | 131,331          | (8,849)         | 872,468          |
| Insurance                                  | 28,780           | 28,016           | 764             | 51,186           |
| Utilities                                  | 1,622            | 1,911            | (289)           | 11,700           |
| Repairs and maintenance                    | (22,327)         | (5,221)          | (17,106)        | (82,900)         |
| Supplies and materials                     | 6,891            | 6,551            | 340             | 73,600           |
| Professional fees                          | 11,157           | 14,142           | (2,985)         | 112,250          |
| Depreciation                               | 118,703          | 124,270          | (5,567)         | 712,500          |
| <i>Operations total</i>                    | <u>267,308</u>   | <u>301,000</u>   | <u>(33,692)</u> | <u>1,750,804</u> |
| <i>General &amp; administrative</i>        |                  |                  |                 |                  |
| Salaries and benefits                      | 81,861           | 78,340           | 3,521           | 518,853          |
| Insurance                                  | 13,283           | 10,584           | 2,699           | 22,770           |
| Utilities                                  | 1,835            | 1,105            | 730             | 11,731           |
| Repairs and maintenance                    | 698              | 2,003            | (1,305)         | 7,860            |
| Supplies and materials                     | 3,534            | 3,279            | 255             | 29,500           |
| Professional fees                          | 59,918           | 29,115           | 30,803          | 141,340          |
| Misc                                       | 17,027           | 9,514            | 7,513           | 95,328           |
| Depreciation                               | 4,665            | 1,496            | 3,169           | 28,000           |
| <i>Total general &amp; administrative</i>  | <u>182,821</u>   | <u>135,436</u>   | <u>47,385</u>   | <u>855,382</u>   |
| <i>Total operating expenses</i>            | <u>1,452,129</u> | <u>1,398,291</u> | <u>53,838</u>   | <u>9,357,186</u> |
| <b>Operating income</b>                    | (87,818)         | 2,299            | 90,117          | 413,325          |
| <b>Nonoperating revenue(expense)</b>       |                  |                  |                 |                  |
| Investment income                          | 12,178           | 13,695           | 1,517           | 80,000           |
| Investment expense                         | (590)            | (576)            | 14              | (2,500)          |
| Unrealized gain(loss) on investment        | -                | (836)            | (836)           | -                |
| Realized gain(loss) on sale of asset       | -                | -                | -               | -                |
| Grant income                               | -                | -                | -               | -                |
| Grant expense                              | -                | -                | -               | -                |
| Other Expense                              | -                | 386              | 386             | -                |
| Appropriations                             |                  |                  |                 |                  |
| Mayor and Council                          | (93,296)         | (91,109)         | 2,187           | (560,000)        |
| City Services                              | -                | -                | -               | -                |
| Special                                    | -                | -                | -               | -                |
| Contributed Capital                        | -                | -                | -               | -                |
| <i>Total nonoperating revenue(expense)</i> | <u>(81,708)</u>  | <u>(78,440)</u>  | <u>3,268</u>    | <u>(482,500)</u> |
| <b>Change in Net Position</b>              | <b>(169,526)</b> | <b>(76,141)</b>  | <b>93,385</b>   | <b>(69,175)</b>  |

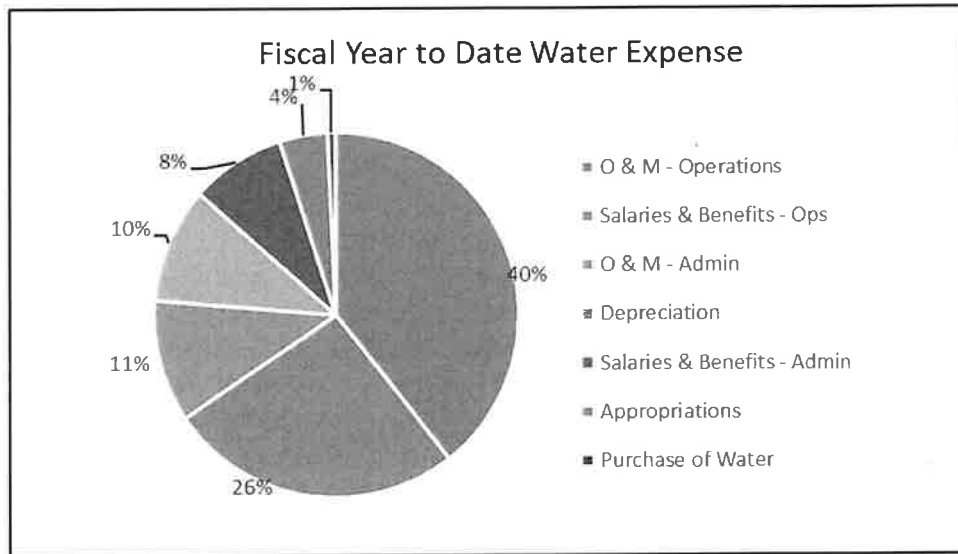
**Water Revenues**

User charges have a favorable variance of \$12,000 fiscal year to date. Water consumption for the month was down 138,000 gallons (01.11%) when compared with the same period last fiscal year. Consumption was down 375,000 in large commercial meters but up in residential and smaller commercial meters (5/8" to 1.5" meters) Fiscal year to date, water consumption is 1.9% lower than the five-year average and 0.41% lower than the prior year.



**Water Expenses**

Water operating expenses have a favorable year to date variance (\$36,000). These variances are the result of timing differences and are expected to decrease as the year progresses. When considering nonoperating revenues and expenses, there is a increase in net position of \$47,000, which is \$69,000 better than anticipated at this point in the year.



Comptroller/Treasurer's Report – June 15, 2023

**Municipal Services Commission  
Budget to Actual Comparison – Water  
As of May 31, 2023**

|  | YTD<br>Budget   | YTD<br>Activity | Variance        | Total<br>Budget  |
|--|-----------------|-----------------|-----------------|------------------|
| <b>Operating Revenues</b>                  |                 |                 |                 |                  |
| User Charges                               | 376,127         | 390,039         | 13,912          | 2,456,543        |
| City Service Charges                       | 6,010           | 4,762           | (1,248)         | 37,000           |
| MSC Service Charges                        | 904             | -               | (904)           | 3,500            |
| Miscellaneous Income                       | 3,291           | 3,374           | 83              | 28,790           |
| <i>Total Operating Revenues</i>            | <u>386,332</u>  | <u>398,175</u>  | <u>11,843</u>   | <u>2,525,833</u> |
| Less: Free Service                         | 685             | 605             | 80              | 4,000            |
| <i>Net Operating Revenues</i>              | <u>385,647</u>  | <u>397,570</u>  | <u>11,923</u>   | <u>2,521,833</u> |
| <b>Operating Expenses</b>                  |                 |                 |                 |                  |
| Purchase of water                          | 4,467           | 3,695           | 772             | 26,000           |
| <i>Operations Dept</i>                     |                 |                 |                 |                  |
| Salaries and benefits                      | 140,259         | 139,426         | 833             | 920,789          |
| Insurance                                  | 30,997          | 22,922          | 8,075           | 56,968           |
| Utilities                                  | 4,487           | 4,823           | (336)           | 28,770           |
| Repairs and maintenance                    | 52,540          | 85,697          | (33,157)        | 172,112          |
| Supplies and materials                     | 16,726          | 3,163           | 13,563          | 131,435          |
| Professional fees                          | 7,791           | 2,742           | 5,049           | 86,502           |
| Depreciation                               | 51,046          | 54,148          | (3,102)         | 306,400          |
| <i>Total operations</i>                    | <u>303,846</u>  | <u>312,921</u>  | <u>(9,075)</u>  | <u>1,702,976</u> |
| <i>General &amp; administrative</i>        |                 |                 |                 |                  |
| Salaries and benefits                      | 48,684          | 45,932          | 2,752           | 305,605          |
| Insurance                                  | 10,868          | 8,660           | 2,208           | 18,630           |
| Utilities                                  | 1,547           | 905             | 642             | 9,961            |
| Repairs and maintenance                    | 1,649           | 1,637           | 12              | 11,610           |
| Supplies and materials                     | 2,196           | 2,422           | (226)           | 20,400           |
| Professional fees                          | 13,440          | 8,319           | 5,121           | 35,884           |
| Miscellaneous                              | 51,910          | 20,510          | 31,400          | 137,094          |
| Depreciation                               | 3,165           | 722             | 2,443           | 19,000           |
| <i>Total general &amp; administrative</i>  | <u>133,459</u>  | <u>89,107</u>   | <u>44,352</u>   | <u>558,184</u>   |
| <i>Total operating expenses</i>            | <u>441,772</u>  | <u>405,723</u>  | <u>36,049</u>   | <u>2,287,160</u> |
| <b>Operating Income</b>                    | <u>(56,125)</u> | <u>(8,153)</u>  | <u>(47,972)</u> | <u>234,673</u>   |
| <b>Nonoperating revenue(expense)</b>       |                 |                 |                 |                  |
| Investment income                          | 2,252           | 2,375           | 123             | 15,000           |
| Investment expense                         | (118)           | (102)           | 16              | (500)            |
| Unrealized gain(loss) on investment        | -               | (1,624)         | (1,624)         | -                |
| Realized gain(loss) on sale of asset       | -               | -               | -               | -                |
| Grant income                               | -               | -               | -               | -                |
| Grant expense                              | -               | -               | -               | -                |
| Other Expense                              | -               | (642)           | (642)           | -                |
| Appropriations                             |                 |                 |                 |                  |
| Mayor and Council                          | (23,324)        | (22,777)        | 547             | (140,000)        |
| City Services                              | (6,492)         | (6,074)         | 418             | (40,000)         |
| Special                                    | -               | -               | -               | -                |
| Contributed Capital                        | -               | -               | -               | -                |
| <i>Total nonoperating revenue(expense)</i> | <u>(27,682)</u> | <u>(28,844)</u> | <u>(1,162)</u>  | <u>(165,500)</u> |
| <b>Change in Net Position</b>              | <b>(83,807)</b> | <b>(36,997)</b> | <b>46,810</b>   | <b>69,173</b>    |

Comptroller/Treasurer's Report – June 15, 2023

**Municipal Services Commission  
Statement of Net Position  
As of May 31, 2023 and 2022**

|   | <u>2024</u>          | <u>2023</u>          |
|---|----------------------|----------------------|
| <b>ASSETS:</b>                                  |                      |                      |
| Current assets:                                 |                      |                      |
| Cash and equivalents                            | \$ 1,981,154         | \$ 2,519,098         |
| Investments                                     | 1,171,026            | 1,192,271            |
| Accounts receivable, net                        | 571,642              | 663,733              |
| Inventories                                     | 843,054              | 783,621              |
| Prepays   | 71,367               | 146,715              |
| Restricted cash                                 | 754,208              | 691,984              |
| Total current assets                            | <u>5,392,451</u>     | <u>5,997,422</u>     |
| Noncurrent assets:                              |                      |                      |
| Capital assets not being depreciated:           |                      |                      |
| Land  | 43,796               | 45,386               |
| Construction in progress                        | 1,043,338            | 203,349              |
| Capital assets net of accumulated depreciation: |                      |                      |
| Buildings                                       | 704,260              | 270,610              |
| Equipment                                       | 774,457              | 767,576              |
| Infrastructure                                  | 14,298,562           | 10,930,004           |
| Total noncurrent assets                         | <u>16,864,413</u>    | <u>12,216,925</u>    |
| Total assets                                    | <u>22,256,864</u>    | <u>18,214,347</u>    |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                      |                      |
| Pension   | 574,627              | 319,164              |
| Regulatory accounting - substation              | -                    | 3,436,566            |
| Total deferred outflows                         | <u>574,627</u>       | <u>3,755,730</u>     |
| <b>LIABILITIES</b>                              |                      |                      |
| Current liabilities:                            |                      |                      |
| Accounts payable                                | 630,067              | 737,011              |
| Accrued liabilities                             | 30,494               | 31,125               |
| Customer Deposits                               | 765,108              | 729,150              |
| Total current liabilities                       | <u>1,425,669</u>     | <u>1,497,286</u>     |
| Noncurrent liabilities:                         |                      |                      |
| Due within one year                             | 96,050               | 84,922               |
| Due in more than one year                       | 2,358,709            | 1,054,688            |
| Total noncurrent liabilities                    | <u>2,454,759</u>     | <u>1,139,610</u>     |
| Total liabilities                               | <u>3,880,428</u>     | <u>2,636,896</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>            |                      |                      |
| Pension   | 250,334              | 472,843              |
| Total deferred inflows                          | <u>250,334</u>       | <u>472,843</u>       |
| <b>NET POSITION</b>                             |                      |                      |
| Net investment in capital assets                | 15,880,889           | 12,216,925           |
| Unrestricted                                    | 2,819,840            | 6,643,413            |
| Total net position                              | <u>\$ 18,700,729</u> | <u>\$ 18,860,338</u> |



Comptroller/Treasurer's Report – June 15, 2023

**Municipal Services Commission**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**As of May 31, 2023 and 2022**

|   | <u>2024</u>          | <u>2023</u>          |
|---|----------------------|----------------------|
| Operating Revenues:                             |                      |                      |
| Water sales                                     | \$ 394,801           | \$ 404,170           |
| Power sales                                     | 1,391,342            | 1,282,208            |
| Miscellaneous                                   | <u>13,650</u>        | <u>8,629</u>         |
| Total operating revenues                        | 1,799,793            | 1,695,007            |
| Less: free service                              | <u>(1,633)</u>       | <u>(1,219)</u>       |
| Net operating revenues                          | 1,798,160            | 1,693,788            |
| <br>  |                      |                      |
| Purchase of water and power                     | 965,550              | 1,019,866            |
| <br>  |                      |                      |
| Operating Expenses                              |                      |                      |
| Salaries and benefits                           | 395,029              | 395,857              |
| Repairs and maintenance                         | 116,068              | 112,075              |
| Supplies  | 2,633                | 37,859               |
| Utilities                                       | 8,744                | 8,863                |
| Insurance                                       | 70,182               | 22,285               |
| Professional fees                               | 33,207               | 32,149               |
| Administrative                                  | 31,965               | 23,659               |
| Depreciation                                    | <u>180,636</u>       | <u>116,356</u>       |
| Total operating expenses                        | <u>838,464</u>       | <u>749,103</u>       |
| Operating income (loss)                         | <u>(5,854)</u>       | <u>(75,181)</u>      |
| <br>  |                      |                      |
| Nonoperating revenues (expenses):               |                      |                      |
| Net investment income                           | 15,392               | 3,968                |
| Realized gain (loss) on investments             | -                    | -                    |
| Unrealized gain(loss) on investments            | (2,460)              | (32,954)             |
| Gain (loss) on disposal of assets               | -                    | (4,826)              |
| Grant income                                    | -                    | -                    |
| Grant Expense                                   | -                    | -                    |
| Miscellaneous                                   | (257)                | (2,720)              |
| Appropriations to Mayor & Council of New Castle |                      |                      |
| Ordinary  | (113,886)            | (110,973)            |
| City Services                                   | (6,074)              | (5,928)              |
| Special   | <u>-</u>             | <u>(5,265)</u>       |
| Total nonoperating revenues (expenses)          | <u>(107,285)</u>     | <u>(158,698)</u>     |
| Income before capital contributions             | (113,139)            | (233,879)            |
| <br>  |                      |                      |
| Capital Contributions                           | <u>-</u>             | <u>-</u>             |
| <br>  |                      |                      |
| Change in net position                          | (113,139)            | (233,879)            |
| <br>  |                      |                      |
| Net position - beginning                        | <u>18,813,868</u>    | <u>19,094,216</u>    |
| <br>  |                      |                      |
| Net position - ending                           | <u>\$ 18,700,729</u> | <u>\$ 18,860,337</u> |

**Municipal Services Commission  
Combining Balance Sheet by Department  
As of May 31, 2023 and 2022**

|   | Water     |           | Electric   |            | Total      |            |
|---|-----------|-----------|------------|------------|------------|------------|
|   | 2024      | 2023      | 2024       | 2023       | 2024       | 2023       |
| <b>ASSETS:</b>                                  |           |           |            |            |            |            |
| Current assets:                                 |           |           |            |            |            |            |
| Cash and equivalents                            | -         | -         | 1,981,154  | 2,519,098  | 1,981,154  | 2,519,098  |
| Investments                                     | 175,654   | 178,841   | 995,372    | 1,013,430  | 1,171,026  | 1,192,271  |
| Accounts receivable, net                        | 141,826   | 181,603   | 429,816    | 482,130    | 571,642    | 663,733    |
| Inventories                                     | 194,572   | 107,063   | 648,482    | 676,558    | 843,054    | 783,621    |
| Prepays   | 17,458    | 49,845    | 53,909     | 96,870     | 71,367     | 146,715    |
| Restricted cash                                 | -         | -         | 754,208    | 691,984    | 754,208    | 691,984    |
| Total current assets                            | 529,510   | 517,352   | 4,862,941  | 5,480,070  | 5,392,451  | 5,997,422  |
| Noncurrent assets:                              |           |           |            |            |            |            |
| Capital assets not being depreciated:           |           |           |            |            |            |            |
| Land  | 43,796    | 45,386    | -          | -          | 43,796     | 45,386     |
| Construction in progress                        | 471,380   | 69,401    | 571,958    | 133,948    | 1,043,338  | 203,349    |
| Capital assets net of accumulated depreciation: |           |           |            |            |            |            |
| Buildings                                       | 320,455   | 125,461   | 383,805    | 145,149    | 704,260    | 270,610    |
| Equipment                                       | 255,117   | 294,214   | 519,340    | 473,362    | 774,457    | 767,576    |
| Infrastructure                                  | 6,914,941 | 7,040,045 | 7,383,621  | 3,889,959  | 14,298,562 | 10,930,004 |
| Total noncurrent assets                         | 8,005,689 | 7,574,507 | 8,858,724  | 4,642,418  | 16,864,413 | 12,216,925 |
| Total assets                                    | 8,535,199 | 8,091,859 | 13,721,665 | 10,122,488 | 22,256,864 | 18,214,347 |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |           |           |            |            |            |            |
| Pension   | 258,583   | 143,624   | 316,044    | 175,540    | 574,627    | 319,164    |
| Regulatory accounting - substation              | -         | -         | -          | 3,436,566  | -          | 3,436,566  |
| Total deferred outflows                         | 258,583   | 143,624   | 316,044    | 3,612,106  | 574,627    | 3,755,730  |

(Continued)

**Municipal Services Commission  
Combining Balance Sheet by Department  
As of May 31, 2023 and 2022**

|                                      | Water     |             | Electric   |            | Total      |            |
|--------------------------------------|-----------|-------------|------------|------------|------------|------------|
|                                      | 2024      | 2023        | 2024       | 2023       | 2024       | 2023       |
| <b>LIABILITIES</b>                   |           |             |            |            |            |            |
| Current liabilities                  |           |             |            |            |            |            |
| Accounts payable                     | 31,616    | 67,194      | 598,451    | 669,817    | 630,067    | 737,011    |
| Accrued liabilities                  | 15,370    | 14,006      | 15,124     | 17,119     | 30,494     | 31,125     |
| Customer Deposits                    | (3,133)   | 1,812       | 768,241    | 727,338    | 765,108    | 729,150    |
| Due to other funds                   | 821,733   | 835,298     | (821,733)  | (835,298)  | -          | -          |
| Total current liabilities            |           |             |            |            |            |            |
| Noncurrent liabilities:              |           |             |            |            |            |            |
| Due within one year                  | 15,592    | -           | 80,458     | -          | 96,050     | -          |
| Due in more than one year.           | 1,114,456 | 555,332     | 1,244,253  | 584,278    | 2,358,709  | 1,139,610  |
| Total noncurrent liabilities         | 1,130,048 | 555,332     | 1,324,711  | 584,278    | 2,454,759  | 1,139,610  |
| Total liabilities                    | 1,995,634 | 1,473,642   | 1,884,793  | 1,163,254  | 3,880,428  | 2,636,896  |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |           |             |            |            |            |            |
| Pension                              | 112,650   | 212,779     | 137,684    | 260,064    | 250,334    | 472,843    |
| Total deferred inflows               | 112,650   | 212,779     | 137,684    | 260,064    | 250,334    | 472,843    |
| <b>NET POSITION</b>                  |           |             |            |            |            |            |
| Net investment in capital assets     | 7,663,717 | 7,574,507   | 8,217,172  | 4,642,418  | 15,880,889 | 12,216,925 |
| Unrestricted                         | (978,219) | (1,025,445) | 3,798,060  | 7,668,857  | 2,819,840  | 6,643,413  |
| Total net position                   | 6,685,498 | 6,549,062   | 12,015,232 | 12,311,275 | 18,700,729 | 18,860,338 |

**Municipal Services Commission  
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department  
For the twelve months ending May 31, 2023 and 2022**

|                             | Water      |            | Electric     |              | Total        |
|-----------------------------|------------|------------|--------------|--------------|--------------|
|                             | 2024       | 2023       | 2024         | 2023         |              |
| Operating Revenues:         |            |            |              |              |              |
| Charges for services        | \$ 394,801 | \$ 404,170 | \$ 1,391,342 | \$ 1,282,208 | \$ 1,786,143 |
| Miscellaneous               | 3,374      | 2,566      | 10,276       | 6,063        | 13,650       |
| Total operating revenues    | 398,175    | 406,736    | 1,401,618    | 1,288,271    | 1,799,793    |
| Less: free service          | (605)      | (555)      | (1,028)      | (664)        | (1,633)      |
| Net operating revenues      | 397,570    | 406,181    | 1,400,590    | 1,287,607    | 1,798,160    |
| Purchase of water and power | 3,695      | 3,606      | 961,855      | 1,016,260    | 965,550      |
| Operating Expenses          |            |            |              |              |              |
| Salaries and benefits       | 185,358    | 191,129    | 209,671      | 204,728      | 395,029      |
| Repairs and maintenance     | 87,335     | 92,272     | 28,733       | 19,803       | 116,068      |
| Supplies                    | 5,584      | 12,766     | (2,951)      | 25,093       | 2,633        |
| Utilities                   | 5,728      | 5,300      | 3,016        | 3,563        | 8,744        |
| Insurance                   | 31,582     | 10,028     | 38,600       | 12,257       | 70,182       |
| Professional fees           | 10,129     | 21,949     | 23,078       | 10,200       | 33,207       |
| Administrative              | 21,442     | 11,337     | 10,523       | 12,322       | 31,965       |
| Depreciation                | 54,870     | 53,982     | 125,766      | 62,374       | 180,636      |
| Total operating expenses    | 402,028    | 398,763    | 436,436      | 350,340      | 838,464      |
| Operating income (loss)     | (8,153)    | 3,812      | 2,299        | (78,993)     | (5,854)      |

(Continued)

**Municipal Services Commission  
Combining Schedules of Revenues, Expenses, and Changes in Net Position by Department  
For the twelve months ending May 31, 2023 and 2022**

|   | Water               |                     | Electric            |                     | Total               |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|   | 2024                | 2023                | 2024                | 2023                |                     |
| Nonoperating revenues (expenses):               |                     |                     |                     |                     |                     |
| Net investment income                           | 2,273               | 634                 | 13,119              | 3,334               | 15,392              |
| Realized gain (loss) on investments             | -                   | -                   | -                   | -                   | -                   |
| Unrealized gain(loss) on investments            | (1,624)             | (4,943)             | (836)               | (28,011)            | (2,460)             |
| Gain (loss) on disposal of assets               | -                   | (2,172)             | -                   | (2,654)             | -                   |
| Grant income                                    | -                   | -                   | -                   | -                   | -                   |
| Grant Expense                                   | -                   | -                   | -                   | -                   | -                   |
| Miscellaneous                                   | (642)               | (2,720)             | 386                 | -                   | (257)               |
| Appropriations to Mayor & Council of New Castle |                     |                     |                     |                     |                     |
| Ordinary  | (22,777)            | (22,158)            | (91,109)            | (88,815)            | (113,886)           |
| City Services                                   | (6,074)             | (5,928)             | -                   | -                   | (6,074)             |
| Special   | -                   | (3,731)             | -                   | (1,534)             | -                   |
| Total nonoperating revenues (expenses)          | <u>(28,844)</u>     | <u>(41,018)</u>     | <u>(78,440)</u>     | <u>(117,680)</u>    | <u>(107,285)</u>    |
| Income before capital contributions             | (36,997)            | (37,206)            | (76,141)            | (196,673)           | (113,139)           |
| Capital Contributions                           | -                   | -                   | -                   | -                   | -                   |
| Change in net position                          | (36,997)            | (37,206)            | (76,141)            | (196,673)           | (113,139)           |
| Net position - beginning                        | 6,722,495           | 6,586,268           | 12,091,373          | 12,507,948          | 18,813,868          |
| Net position - ending                           | <u>\$ 6,685,498</u> | <u>\$ 6,549,062</u> | <u>\$12,015,232</u> | <u>\$12,311,275</u> | <u>\$18,700,729</u> |
|   |                     |                     |                     |                     | <u>\$18,860,337</u> |

Comptroller/Treasurer's Report – June 15, 2023

**Municipal Services Commission  
Capital & Projects Budget to Actual  
As of May 31, 2023**

| Project   | Total<br>Approved<br>Budget | Materials as of<br>3/31/2024 | Remaining<br>Budget as of<br>3/31/2024 | Total<br>Capitalized<br>To Date (1) | Status      |
|---|-----------------------------|------------------------------|--|-------------------------------------|-------------|
| Vandyke Village Undergrounding  | \$ 886,000.00               | \$ 639,632.00                | \$ 246,368.00                          | \$ 1,391,935                        | In Progress |
| AMI System - Electric   | 665,000                     | 467,662                      | 197,338                                | -                                   | In Progress |
| Dobbinville Relay Replacement   | 85,000                      | 37,127                       | 47,873                                 | -                                   | In Progress |
| Stake Body Truck  | 90,000                      | -                            | 90,000                                 | -                                   | PO Issued   |
| WIAC AMP Grant - MSC Asset Management<br>\$100,000 RK&K Engineering (approved 07-01-19) | 100,000                     | 90,928                       | 9,072                                  | -                                   | In Progress |
| AMI System - Water  | 1,281,000                   | 357,571                      | 923,429                                | -                                   | In Progress |
| Toyota Pallet Lift  | 10,500                      | 11,428                       | (928)                                  | 11,428                              | Complete    |
| T-8 Replacement   | 150,000                     | -                            | 150,000                                | -                                   | In Progress |
|   | \$ 3,267,500.00             | \$ 1,604,348.40              | \$ 1,663,151.60                        |                                     |             |

(1) Includes capitalized labor and equipment costs.

# MUNICIPAL SERVICES COMMISSION

CITY OF NEW CASTLE, DELAWARE 19720-0208

P.O. BOX 208

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Office: 302-323-2330 Utility Building: 302-323-2333 Fax: 302-323-2337

## Water Department Commission Meeting Report

June 15, 2023

Prepared by: Jay Guyer on June 8, 2023

### 1. Developer Projects

#### A. Riverbend Subdivision

1. MSC received revised plans for the proposed water main adjustment on North Heron Circle for compliance with the revised FEMA flood plain requirements. WUM Guyer reviewed / approved the plans and returned to Civil Engineering Associates. WUS Jaeger forwarded Freedom Development MSC's requirements for performing water main installation and is developing and amount to be escrowed for the installation. MSC will inspect the installation to ensure it complies with our Technical Water Specifications. Freedom Development received e-mail notification from Rail Pros that the railroad permits / agreements have been completed and closed. New documents will need to be filed for the water and electric railroad crossings for the loops. Water Operators are performing field inspections as needed (curb stop to house) to ensure compliance with MSC standards and installing water meters.

#### B. Sheriffs House Renovation – Market Street

1. MSC worked Riley Construction to ensure the fire system double check valve was installed in the correct location, tested, and certified. Final Billing and reconciliation will be completed for the project and submitted to Riley Construction for reimbursement.

#### C. Colonial School District – Wallace Wallin School Water Service Replacement

1. WUM Guyer was contacted by Colonial's Engineer Site Studios, Inc. about the water main replacement project for Wallace Wallin School and reviewed MSC requirements. The Engineer forwarded completed design plans on June 6<sup>th</sup> which will be reviewed for compliance with MSC Standards and approved or returned with comments. Once approved, the plans will be submitted to the Office of Drinking Water, Office of Engineering for an Approval to Construct.

#### D. Del DOT School Lane Trail – RT273 to RT13

1. WUM Guyer was contacted by Del DOT's consulting engineer Whitman Requardt & Associates, LLP about the School Lane Trail from Frenchtown Road to DuPont Highway. The engineer forwarded completed design plans for the proposed improvements which includes correcting grading and drainage along the Lane and paving from Frenchtown Road to our School Lane Water Treatment Facility. WUM

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Guyer updated the Trustees President on the project and will review the plans as MSC owns/maintains a 12" water main located in the center of the lane.

### E. 106 Brylgon Avenue – New Home Construction

1. WUM Guyer was contacted by the Builder constructing a new home at 106 Brylgon Avenue. WUS Jaeger met with the builder on site and reviewed where the existing water service was disconnected and the requirements for connecting the new house. The Contractor will have his plumber coordinate the service installation with MSC.

### 2. MSC Projects

#### A. Advanced Metering Infrastructure – American Municipal Power (AMP)

1. MSC, DEMEC, AMP, and Pro Meters have weekly meetings to discuss planning and implementation of the AMI metering system. WUM Guyer received the revised First Articles for testing. Working with AMP the revised First Articles were approved on June 5<sup>th</sup>. AMP will work with Itron to get commitments on shipping dates for the 500W Water Modules so the installer can be scheduled. WUM Guyer and WUS Jaeger have been set up to access the IP Keys MDM Portal to start reviewing MSC meter data.

#### B. Water System Asset Management Program

1. RK&K Prepared and forwarded a draft Asset Management Plan. WUM Guyer and WUS Jaeger have started reviewing the draft adding comments where needed and developing estimated costs for future projects associated with the plan goals.

#### C. Cross Connection Control Program – Hydro Corp

1. Cross Connection Control Program - WUM Guyer and WUS Jaeger met with Hydro Corp representatives and discussed sending out 1<sup>st</sup> notice reminders for the new-year to all customers. Non-complaint customers will also be receiving the 1<sup>st</sup> notices. WUM Guyer or WUM Jaeger will hand deliver notices to non-complaint customers to review our cross connection control program with them, ensure we have correct contact information, and advise them that non-compliance will result in termination of water service until the service is returned to compliance with annual certification.



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### D. Hewlett, Janvier, and Megginson Avenue Water Main Replacement

1. WUM Guyer and WUS Jaeger met with Pennoni to discuss the Request for Proposal (RFP). The advertisement and bid process time line were revised. The RFP was advertised 4 times starting on May 15<sup>th</sup>, a pre-bid meeting held on June 1<sup>st</sup> with 4 contractors attending, questions on the project are due by June 12<sup>th</sup>, and BID's due June 21<sup>st</sup> by 1:00pm. The first addendum was issued by Pennoni on June 7<sup>th</sup> to the 4 contractors who attended the mandatory pre-bid meeting. The Bid's will be publically opened and read immediately following the 1:00pm deadline.

### 3. Operations

#### A. Outages

1. There was 1 - planned and 1 - unplanned water outage for the month of May 2023. Water outage report is attached.

#### B. Reporting

1. Calgon Carbon Corporation (CCC) Pilot Study – The Study is ongoing collecting and transmitting daily data to CCC. MSC collects bi-weekly PFAS samples delivering them to the STRIDE Lab for testing, evaluation, and comparison.
2. On March 14<sup>th</sup>, the US EPA proposed the first national primary drinking water standards for six (6) PFAS compounds as part of their PFAS Strategic Roadmap. The proposed regulation was posted in the Federal Register and is open for a 60 day comment period that ends on June 12, 2023. WUM Guyer is following the comments.
3. MSC completed our first round of Unregulated Contaminant Monitoring Rule 5 (UCMR 5) sampling on March 8<sup>th</sup>. Lab results are still pending. The second round of sampling is schedule for September 2023.
4. Penn Farm Day – Toby Hagerott, Penn Farm Manager, contacted WUM Guyer requesting to have MSC Participate in the annual event scheduled for May 18<sup>th</sup>. WUS Jaeger and a Water Operator handled the multiple tours of our School Lane Treatment Facility for over 100 – 6<sup>th</sup> graders from local schools attending.
5. MSC was contacted by Wilmington Manor Elementary School about participating in annual Career on Wheels Day. MSC took a bucket truck and dump truck with trailer

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June 15, 2023

Prepared by: Jay Guyer on June 8, 2023

and excavator on it to the event and showed the kids the different types of equipment used to maintain our water and electric systems.

6. WUM Guyer was contacted by Artesian Water Company about opening the interconnection to supply their operation with water. On June 2<sup>nd</sup>, MSC met with their operator on site and opened the interconnection supplying them with 300gpm. Operations will be monitored by SCADA and an operator will visit the facility daily including weekends while the interconnection is in operation.
7. WUM Guyer and WUS Jaeger updated information for the 2023 Consumer Confidence Report. The report was updated in the June Newsletter and forwarded to the printer and will be delivered to all customers by the July 1<sup>st</sup> deadline. Copies will be placed at public locations including the City Library, City Admin Building, Billing Office, and Utility Building.

### C. System Repairs and Maintenance

1. Riverbend Subdivision – Flushed on May 24<sup>th</sup> and June 7<sup>th</sup> to maintain Chlorine Residual.
2. Monthly Meter Reading – Monthly meter reads will be completed on June 12<sup>th</sup>. Operators will follow up on check / missed reads as needed.
3. Carbon Filtration System – WUM Guyer continues working on scheduling an exchange for Vessel 1 with Virgin F400 Carbon. CCC has agreed to expedite the scheduling once the sample results are received from the lab. WUM Jaeger contacted Eurofins Laboratory in reference to having carbon samples from Vessel 1 and 2 tested for Gamma emitting radionuclides, Mercury, VOC's, and Semi Volatiles. Samples were collected and shipped to Eurofins on May 30<sup>th</sup> with results pending. WUM Guyer updated our DWSRF Representative on the issue and forwarded a revised CCC quote for the exchange including disposal so the Bond Bill MOU can be updated. WUM Guyer and WUS Jaeger discussed the issue with our engineer from Pennoni who is going to research the radioactive issue
4. On May 4<sup>th</sup>, Water samples were collected from MSC's 3 water supply wells and a sample from our Distribution Entry Point (DEP) then sent to Suburban Laboratory for Radiological testing including Radium 226, Radium 228, and Uranium 200.8. Sample results are pending.

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5. Shaw Alley Water Main Break – On May 11<sup>th</sup>, Water Operators mobilized and repaired the 2” Cast Iron Water main on Shaw Alley. The circumferential crack was repaired using a 2” stainless steel clamp. 4 customers were affected by the unplanned outage. The 2” valve broken during the first shutdown was replaced on May 19<sup>th</sup> during a planned outage that affected 55 residents on 5<sup>th</sup> Street. MSC Operators completed paving of both excavated areas on May 24<sup>th</sup>.
6. Operators cleared out the garage at School Lane Water Treatment Facility, cleaned up the area, set up the new heavy duty shelving system, and organized the parts, materials, and chemicals.
7. Fire Hydrant Flushing – Annual Fire Hydrant flushing is scheduled to start on June 19<sup>th</sup> taking approximately 10 Days to complete. Notices are posted at the main office and on our web site. This may be postponed due to the Interconnection being utilized to provide water to Artesian Water Company.
8. Water Operators rotate working with the Electric Crew on the Van Dyke Village Electric Undergrounding Project as needed assisting with equipment operations, excavation, conduit installation, and restoration.

### D. Grants and State Revolving Funds

1. The DWSRF 2023 Project Priority List (PPL) has been posted on their web site with our projects ranked as follows:
  - # 5 - PFAS Treatment System Improvements - School Lane Treatment Facility
  - # 11 - Lead Service Line Inventory – Physical Survey for Inventory Preparation
  - # 16 - SCADA System Improvements – Update Software and FunctionalityWUM Guyer and WUS Jaeger reviewed and discussed moving forward with #5 – PFAS Treatment System Improvements and started a conversation with our engineer from Pennoni Associates.
2. School Lane Water Treatment Facility Natural Gas Generator - The grant was completed and submitted by the April 21<sup>st</sup> deadline. WUM Guyer followed up with Delaware Emergency Management Agency (DEMA) who advised FEMA has the application and it is still in the review process.

### E. Equipment

1. The John Deere Back Hoe had 4 new tires installed by Diamond State Tire - Cost was \$2,779.00.

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2. No other equipment issues to report for the month of May.

### F. Personnel and Training

1. No personnel issues to report at this time.

### G. Safety

1. MSC Water Operators hold daily morning Tailgate Talks discussing jobs / tasks to be performed each day with potential hazards and control measures.
2. The MSC Safety Committee is now meeting monthly to review comments on the updated MSC Safety Manual. Water Operations is reviewing the final draft of the updated Safety Manual and will forward comments to the Safety Committee.

### 3. Local, State, and Federal Agencies

#### A. WSCC - Water Supply Coordinating Council

1. The May 25<sup>th</sup> Northern New Castle County Water Providers virtual Check-In Meeting went well. Presentations were made by the Delaware Geological Survey group in reference to Water Conditions compared to the Drought Operating Guidelines and the State of Delaware Climatologist submitted a written report on weather conditions and predicted forecast for precipitation, and University of Delaware Water Resource agency reported on their activities related to water projections for supply and consumption. The Individual Water Utilities reported on Conditions and Activities for their organizations. Overall conditions throughout the State are dry due to deficit precipitation over the last 6 / 12 month periods. DNREC reported that the reauthorization legislation is nearing completion and will be submitted to the legislature for consideration. The group agreed to monitoring conditions and scheduling the next meeting in early June if the area does not receive substantial precipitation in the next two to three weeks.
2. The next Northern New Castle County Water Providers Check-In Meeting will be scheduled for July depending upon weather conditions.
3. DNREC is developing the new Water Supply Coordinating Council re-authorization documents to start the legislation process.

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## Water Department Commission Meeting Report

June 15, 2023

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### B. WRA – Water Resource Agency

1. WUM Guyer started sending weekly pump data to the University of Delaware WRA Staff.

### C. DEWARN – Delaware Water/Wastewater Agency Response Network

1. The next DEWARN meeting is tentatively scheduled for July.

### D. Water Operator Advisory Council

1. The next Advisory Council meeting is scheduled for July 13<sup>th</sup>.

### E. WIAC - Water Infrastructure Advisory Council

1. The next WIAC meeting is scheduled for June 21, 2023.

### End of Report

**Attachments:** May 2023 Water Works Report  
May 2023 Water Outage Tracking Sheet

**MUNICIPAL SERVICES COMMISSION**  
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**Monthly Water Works Report**

May 1 - 31, 2023

Prepared By: Jay Guyer on June 8, 2023

| Water Production      |      | FT 300            |                                 | Gallons                   |            |
|-----------------------|------|-------------------|---------------------------------|---------------------------|------------|
| Month                 | Year | Raw Total Gallons | Adjusted Finished Total Gallons | Raw Finished              | Difference |
| May                   | 2022 | 12,936,600        | 12,789,642                      | 14,064,100                | 13,922,949 |
| May                   | 2023 | 14,064,100        | 13,922,949                      |                           |            |
| Difference            |      | 1,127,500         | 1,133,307                       |                           | -141,151   |
| Percentage Difference |      | 8.0               | 8.1                             | Percentage Difference 1.0 |            |

| Well(s) in Operation | Basin Road Reserve Status | Frenchtown Road | School Lane | Cross Roads |
|----------------------|---------------------------|-----------------|-------------|-------------|
| Days Pumped          | XXX                       | XXX             | XXX         | XXX         |
|                      | 29                        | 1               | 3           |             |

| Water Quality             | MSC Average | Goal / Target Level | Range                       |
|---------------------------|-------------|---------------------|-----------------------------|
| Average Chlorine Residual | 1.42 ppm    | 1.40 ppm            | 1.0 - 4.0 ppm               |
| Average pH                | 7.3         | 7.5                 | 6.5 - 8.5 on a 0 - 14 Scale |
| Average Fluoride Residual | 0.85 ppm    | 0.80 ppm            | 0.60 - 1.00 ppm             |

**General Water System Report**

Routine Bacteria Sampling  
 (Office of Drinking Water)

| # Collected | Results   |
|-------------|-----------|
| 10          | 10 Absent |
|             | 0 Present |

Miss Utility Locate Requests  
 (Water and Electric Locates)

| # Received | # Completed | # of Damages |
|------------|-------------|--------------|
| 51         | 51          | 0            |

Building Permit Review  
 (Water Related Conflicts)

| # Reviewed | # Approved | # Not Approved |
|------------|------------|----------------|
| 34         | 34         | 0              |

**Monthly Water Outages / Interruptions Report**

May 1 - 31, 2023

Prepared By: Jay Guyer on June 8, 2023

**Planned Outage / Interruptions**

Approximate  
Duration

Date Hours / Minutes

5/19/2023 1 Hour

No. of  
Customers

55

Location

5th Street at Shaw Alley - 2" Cast Iron

Comments

Outage to replace broken 2" gate valve with a 2" curb valve. Bonnet bolts corroded on the gate valve.

**Unplanned Outage / Interruptions**

Approximate  
Duration

Date Hours / Minutes

5/11/2023 1 Hour

No. of  
Customers

4

Location

Shaw Alley - 2" Cast Iron

Comments

Circumferential Crack - 2 x 12" Repair Clamp. 2 Gate valve broke while operating.

**ELECTRIC DEPARTMENT COMMISSION REPORT**

**June 15, 2023**

**Prepared by Artie Granger on June 8, 2023**

**1. Developer Projects:**

**A. Riverbend Subdivision:**

- I. MSC has discussed the installation of the feed from Centerpoint Industrial Park. MSC is waiting for the contractor to provide pricing so we can get monies escrowed.
- II. Gemcraft Homes is looking to get electric to the last house that is under construction at this time.
- III. MSC has asked Freedom Development to provide us with a copy of their easements for this work.

**2. Capital Projects:**

**a. Substation Relay Replacement**

- I. MSC has been working with Utility Engineering to complete a design for the relay replacements for both substations.
  1. MSC has received a draft copy for both substations.

**b. Van Dyke Village:**

- I. MSC has continued to install conduit and boxes on Casimir Drive. MSC has completed conduits for the first transformer and are working on the second.

**3. Capital Purchases:**

- I. Replacement T-12 Bucket truck
  1. MSC has continued to work getting proposals for the replacement bucket truck.
  2. MSC is getting pricing from three different bucket truck manufactures.
- II. AMI
  1. There is no update to report.



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**ELECTRIC DEPARTMENT COMMISSION REPORT**

**June 15, 2023**

**Prepared by Artie Granger on June 8, 2023**

**4. Operations:**

**5. Outages :**

I. There was no outages in the last month.

| <b>SAIDI<br/>(minutes)</b> | <b>SAIFI (number of<br/>interruptions)</b> | <b>CAIDI<br/>(minutes)</b> | <b>ASAI<br/>(percent)</b> |
|----------------------------|--|----------------------------|---------------------------|
| 41.425                     | 1.0275                                     | 40.316                     | 99.9921%                  |
|                            |  |                            |                           |

II. 05/1/22 – 05/1/23

SAIDI - is the average outage duration for each customer served.

SAIFI - is the average number of interruptions that a customer would experience.

CAIDI - gives the average outage duration that any given customer would experience.

ASAI - is the Average Service Availability Index.

**6. Repairs and Maintenance:**

**A. Wilmington Road Substation:**

I. The electric department has performed the monthly inspections at this location.

**B. Dobbinsville Substation:**

I. The electric department has performed the monthly inspections at this location.