

# **BEDFORD COUNTY PUBLIC SERVICE AUTHORITY**

## **2010 Annual Report**



**Celebrating 40 Years!**

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This report was approved by Board of Directors on February 15, 2011.

## Letter from the Executive Director

February 4, 2011.

June 2010 marked the **fortieth** year since the humble beginnings of the Bedford County Public Service Authority; as we look back while we celebrate this anniversary, we must also look forward to the future and make long range plans for the service needs of our community.

This is the first year in which the Authority has created an annual report. The goal and focus of this report is to provide a brief summary of what the Public Service Authority is about, to summarize our recent accomplishments, as well as providing a glimpse into the future of the organization. We intend to prepare this report at the beginning of each calendar year, to give the leaders and the community a snapshot look at the previous year and an idea of what to expect of the Authority in the up and coming year.



The adoption of the 2010-2011 fiscal year budget on April 20, 2010 was a momentous occasion for the Authority, because it was the first time in the Authority's history that the operating revenues were shown to cover all of the operating expenses. For the past 30 years the Authority has relied on the capital Facility Fees (formerly referred to as "Availability Fees") to help offset the regular operating expenses. This practice of relying on growth to pay for routine operating costs prevented the Authority from setting aside any funds for future needs like capital improvement projects or depreciation and replacement costs. In order to make this possible, the Authority had to implement a number of cost savings measures. Every employee was asked to contribute some ideas on how to cut costs, and the combination of many of their ideas helped the Authority to reduce the expenditures by \$527,196 (nearly 7% of the total budget). The measures that were implemented included items like eliminating the outsourcing of mowing services and cleaning services (doing the work ourselves), emailing employees their earning statements (instead of printing them and putting them in envelopes), and adjusting the temperature in the buildings (to save power and fuel). Because of the challenging economy, we have reduced our staff from 40 employees at the beginning of 2009 to only 32 employees at the close of 2010. While this 20% reduction in staff added substantially to the work load of the remaining employees, we strived to ensure that the reductions had minimal impact on the services that we provide our customers. To alleviate some of the overload, we implemented many new automated processes, which made it possible for us to accomplish the same outcome with fewer labor hours spent to do so.

At the same time as these reductions were being made, operating revenue increased by 6%. This increase was due, in part, to the aggressive approach to add customers to the existing infrastructure. A new approach taken by the Authority was to offer discounts to encourage new connections; because of the discounts, 21 new connections were made to our systems in February that otherwise would probably not have occurred.

As we drafted the budget in the spring of 2010, we were once again reminded that over 29% of the operating expense budget is allocated to water purchases; therefore, the Authority began to look at ways to reduce, or at least control, this major expense. In the summer of 2010, we commissioned a Preliminary Engineering Report ("PER") to study the options for transferring water between the Lakes and the Forest systems; the draft results from that report indicate that there are substantial long term savings to be realized by interconnecting these systems. We are continuing to finalize the PER, and hope to make it available to the public in the next few months. If the decision is made to proceed with this design and construction, it would be the first project in the history of the Authority that would have a price tag of well over \$11million. Even more substantial is the fact that this would be the first large project that could be self sufficient, with the annual savings realized potentially being more than the debt service for the project. As has been requested by the Board of Supervisors, we have endeavored to



provide water and sewer service at reasonable rates, while not putting a burden on the taxpayers of Bedford County with new capital improvement project funding requests from the County.

In also looking long term at the needs for the community, we have begun to prepare the permit application to increase our water withdrawal from the Lake. Thanks, in part, to our partnership with the Western Virginia Water Authority (“WVWA”), the demand for water at Smith Mountain Lake continues to rise. To ensure that we can meet that demand, and to provide for future growth in our systems, we are planning to submit the application in the spring of 2011. As we began the permitting application process, we also reviewed the bulk water sales contract to supply water to WVWA for the Franklin County Lakes area. The contract required that both parties notify each other by October 2011 of their intent to renew; rather than waiting, both parties agreed to go ahead and renew the contract in December 2010 (effective January 1, 2011). In addition, our contract to purchase water in Stewartsville from the WVWA was set to expire in 2014; while we were drafting the new contact for the Lakes area, we decided to combine the two contracts together into one. Through this combination, we have made the rate for which we sell and purchase water with WVWA the same, ensuring both equality in the rate and allowing for the future transfer of water between our two authorities without having to renegotiate the contracts. This was a ‘win-win’ situation for both entities, and effectively reduced the price of bulk water that we purchase for the Stewartsville Area.

Another area where the Authority has made great strides is with the operations department taking a more proactive approach at controlling the Fats, Oils, and Grease (“FOG”) that is being introduced to our sewer systems; when not properly controlled, FOG can cause the sewer systems to get clogged, causing service disruption and potential overflows. To avoid these problems, we recently created a new Compliance Specialist position that has a primary responsibility to maintain and enforce our FOG program. We are working to educate the community, and assist them with keeping the FOG out of our systems; by doing so, we hope to minimize our operation costs associated with cleaning and treating these contaminants, while ensuring uninterrupted service to the community.

We have also been working to improve upon and add to the billing services that we provide our customers; following the results of a survey that we sent to every one of our customers, we implemented a number of new payment options in 2010. We now offer direct bank payments, whereby a customer can choose to have their checking or savings account automatically debited every billing period; this affords the opportunity for the customers that choose this service to no longer need to keep up with their statements and mail in their payments. We also added another third party credit card receiver, saving customers \$1.50 off of the convenience fee that was charged for every credit card transaction that was charged by our previous provider. In addition, we obtained an indicia permit from the Postal Service which allows us to directly print the less expensive postage on our pressure seal forms; this saves us both time and money when mailing out large quantities of items to our customers or the community.

In conclusion, I hope that you will find that this annual report is beneficial in documenting a few of the ways that we are constantly looking out for the best interests of our customers and the community. The Authority strives to continually live up to our mission statement, in providing high quality and reliable service wherever possible and at a reasonable price.

Sincerely,



Brian M. Key, PE  
Executive Director

## Background Information

The Bedford County Public Service Authority was established in June 1970 by the Bedford County Board of Supervisors, pursuant to the Virginia Water and Sewer Authorities Act, Chapter 51 Title 15.2 of the Code of Virginia 1950 as amended. The Authority is authorized to acquire, finance, contract, operate, and maintain water systems, sewer systems, sewage disposal and treatment systems, and other facilities or combinations thereof; furthermore, it is able to borrow money and to issue its revenue bonds to pay all or any part of the cost of such systems and facilities and related financing costs.

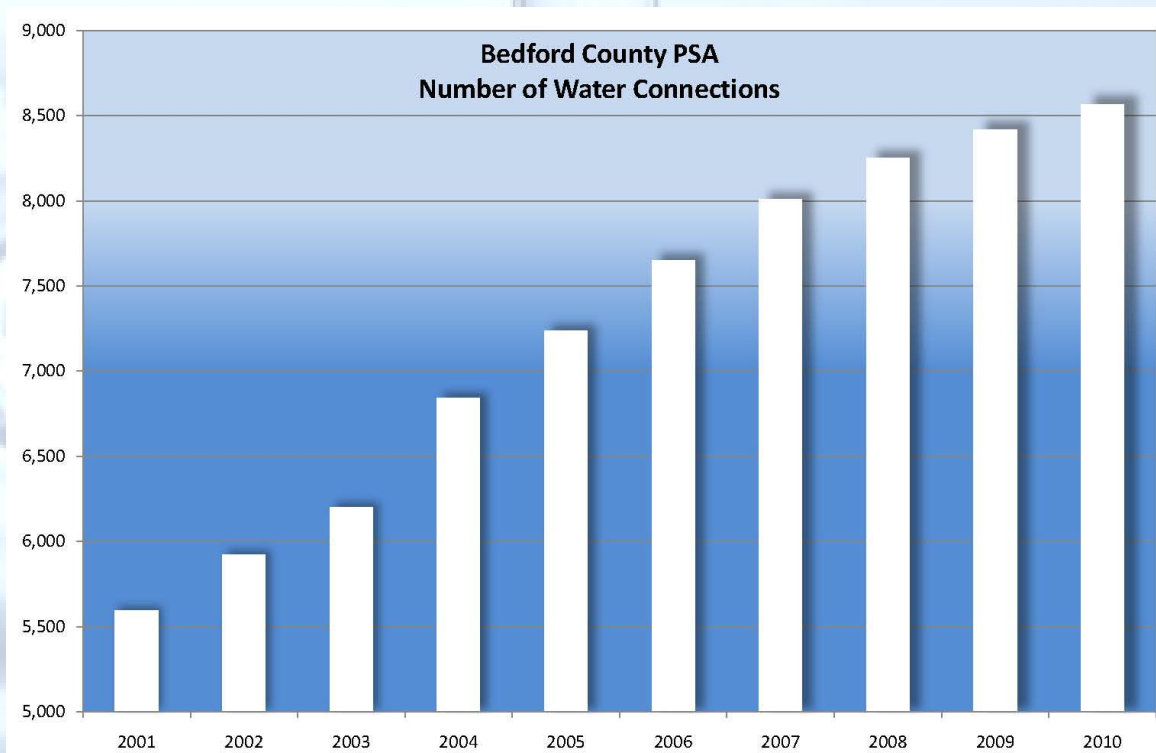
The Authority has no taxing power; the revenues of the Authority are primarily derived from water sales and sewage disposal charges based on metered and unmetered water consumption of the Authority's users of the system.

In addition to the services that are provided to the residents and businesses inside of Bedford County, the Authority also provides wholesale water service to the Western Virginia Water Authority for their Smith Mountain Lake service area in Franklin County, as well as providing operational assistance to the Bedford County Public Schools for many of their wastewater treatment plants.

### **Geography and Demographics:**

Bedford County has a land area of 764 square miles consisting primarily of rolling hills and mountainous terrain; it is located in west-central Virginia, just east of the Roanoke metropolitan area and just west of the Lynchburg metropolitan area. The County is considered to be one of the fastest growing areas in the Commonwealth of Virginia. Bedford is an area of great scenic diversity with the Blue Ridge Mountains to the west, the James River to the north-east and Smith Mountain Lake to the south.

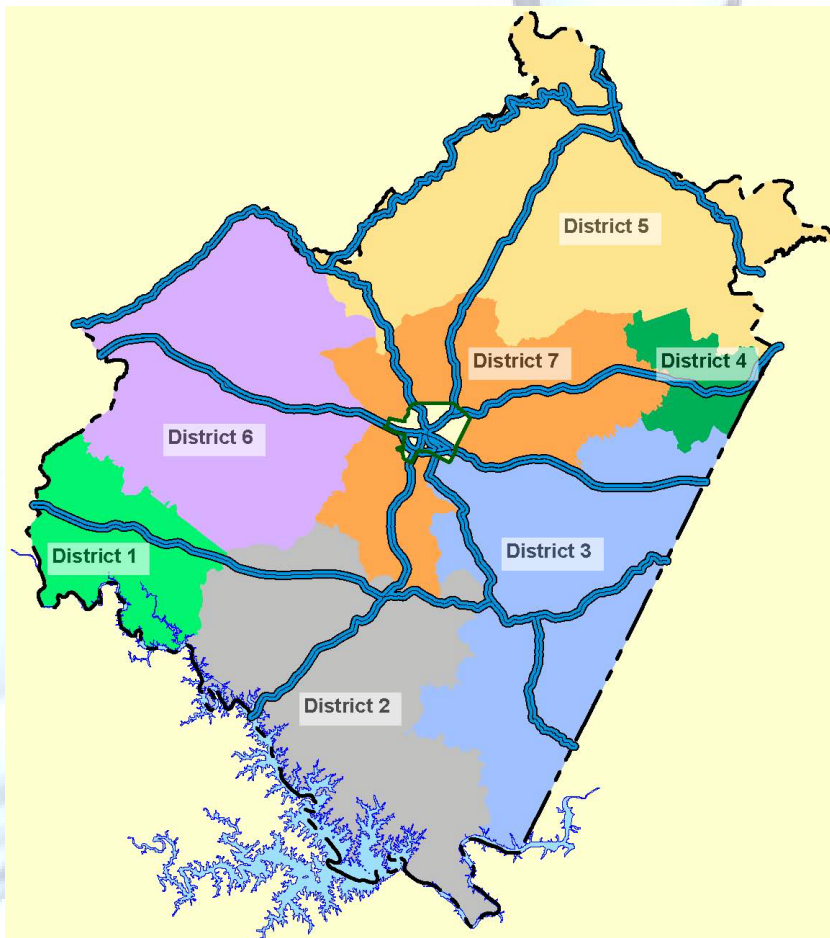
The most recent population figure for the County, as of 2009, is 67,154 (source: Virginia Workforce Connection). During the past ten years water connections have increased from 5,596 to 8,472 connections and sewer connections have increased from 657 to 1,492 connections; these figures are based on the end of the fiscal year. Below is a chart representing the most recent ten years of this growth.



## Board of Directors

There are seven members of the Bedford County Public Service Authority Board of Directors; each member is appointed by the Bedford County Board of Supervisors, who are elected by the citizens of Bedford County. Each board member represents a voting district of the County; they are appointed to serve for a four year term, and they may be reappointed for an unlimited number of additional terms. There are three standing committees comprised of two board members each; they include the Water and Sewer committee, the Finance committee, and the Personnel committee.

Regular meetings of the Authority Board of Directors are held the third Tuesday of every month at the Authority’s office, with special meetings scheduled as needed.



**Board Members:**

- District 1  
Gerald Foutz  
Term: 2007-2011
- District 2  
Bob Flynn  
Term: 2008-2012
- District 3  
Carl Wells  
Term: 2010-2014
- District 4  
Roger Hessenius  
Term: 2009-2013
- District 5  
Jerry Falwell, Jr.  
Term: 2008-2012
- District 6  
Roy Dooley  
Term: 2010-2014
- District 7  
Tom Segroves  
Term: 2008-2012



Jerry Falwell, Jr.   Tom Segroves   Bob Flynn   Roy Dooley   Carl Wells   Roger Hessenius  
Not pictured: Gerald Foutz



## Service

### **Authority Mission Statement:**

"As an independent Authority, the Bedford County Public Service Authority exists to anticipate the needs of the County for clean, high quality, water and wastewater services. We shall strive to provide these services to the people of Bedford County, when and where economically possible, at rates that are reasonable and just."

### **Office Information:**

The main office is located at 1723 Falling Creek Road, Bedford Virginia, just outside the City of Bedford Limits; the regular office hours are 8:30am to 5:00pm. The staff of the Authority can be reached by phone at 540-586-7679, via email at [psa@bcpsa.com](mailto:psa@bcpsa.com), or on the web at [www.bcpsa.com](http://www.bcpsa.com).

### **Service Areas:**

Bedford County had an estimated population of 67,154 in 2009; assuming each of the Authority's connections serve at least 2 people, the Authority provided service to approximately one quarter (  $\frac{1}{4}$  ) of this population in Bedford County in 2010. More information on the service areas is as follows:

Water Service is provided to over 8,472 customers as follows:

- Forest / Boonsboro / New London — The water for this area is purchased from the City of Lynchburg; the contract is effective for fifteen years from July 1, 2007 through June 30, 2022. At the end of year thirteen (June 30, 2020), each party will notify the other of its intention to terminate the contract at the end of year fifteen or renew the contract in ten year increments. If one or both parties wishes to terminate the contract they must do so in writing two years prior to the ten year renewal period.
- Stewartsville — The water for Stewartsville is purchased from the Western Virginia Water Authority; the contract was originally executed on February 2, 1999, and was recently renewed on December 1, 2010 with an expiration date of June 30, 2020.
- Smith Mountain Lake — The Authority produces most of the water at the High Point Water Treatment Plant, which uses the lake as the source. In addition, the Authority operates two well systems in subdivisions located near the Smith Mountain Lake dam.
- Central — The Authority operates a well system for the Hillcrest subdivision that is just outside the Bedford City limits, near the center of the County.

Sewer service is provided to over 1,492 customers as follows:

- Forest / Boonsboro / New London — Sewage is collected by the Authority and then transmitted to the City of Lynchburg's Regional Wastewater Treatment Plant (WWTP). The Regional Sewage Agreement was executed on June 6, 1974, and it is in effect in perpetuity. The regional plant is rated at 22 million gallons per day (MGD), and the Authority has purchased 1.0mgd capacity in the WWTP and sufficient capacity in the City's interceptor lines allow for one million gallons per day of sewage to flow to and be treated by the regional plant.
- Montvale — The Authority owns and operates a 50,000 gallon per day wastewater treatment plant, which is located adjacent to the Montvale Elementary School and the Montvale Recreational Park. The collection system in Montvale includes a 20,000 gallon per day pump station.
- Moneta — Near Smith Mountain Lake, the Authority owns and operates a WWTP and a collection system, which includes four pump stations and several miles of gravity and force main sewer pipe. The Moneta WWTP has a current capacity of 500,000 gallons per day and can readily be expanded to treat 1,500,000 gallons per day.

## Organization Structure

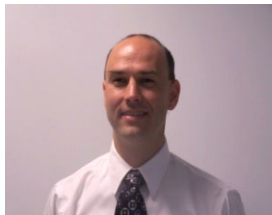
The Bedford County Public Service Authority Board of Directors hires the Executive Director to serve as the Chief Executive Officer of the Public Service Authority. The Executive Director is responsible for overseeing and managing the daily operations and activities of the Authority, as well as planning for the future of the organization.

### Departments:

As of December 31, 2010, the Authority employed 32 personnel; 31 of these employees are full time and 1 employee is part time. The Authority has eight departments; the Executive Director heads up the executive department, with a manager for each of the other departments that report to the Executive Director. The departments are comprised of the following personnel, with the manager of the department being pictured:



- Executive:



Brian Key

The executive department includes 2 employees; they include:

- ◆ Executive Director
- 1 Administrative Assistant

- Engineering:



Rhonda English

The engineering team is comprised of 6 team members, including the following:

- ◆ Engineering Manager
- 1 Civil Engineer
- 1 Inspector
- 1 Geographical Information Systems (GIS) Analyst
- 1 Lead Utility Locator
- 1 Engineering Assistant

- Maintenance:



Mike Witt

There are 7 team members in the maintenance department, including the following:

- ◆ Maintenance Manager
- 5 Maintenance Technicians
- 1 Administrative Support Technician



- Operations:



Elmer Handy

The 8 employees on the operations team have their office space located at the Moneta Wastewater Plant. The team includes:

- ◆ Operations Manager
- 1 Lead Operator
- 4 Operators
- 2 Compliance Specialists

- Customer Service:



Anthony Browning

There are 5 employees that make up the Customer Service team:

- ◆ Customer Service Manager
- 1 Full time Customer Service Representative
- 1 Part time Customer Service Associate
- 2 Field Representatives (Meter Reader and Field Services)

- Financial:



Jill Underwood

The Financial Manager is the sole member of this department

- Information Systems:



Gary Underwood

The IS team is comprised of 2 team members:

- ◆ Information Systems Manager
- 1 Network Operations Technician

- Human Resources:



Bethany Shamblin

The Human Resource Manager is the only member of this department

An organizational chart can be found in appendix A of this report.

## Engineering

The Engineering Department is responsible for planning, developing, and managing construction projects from design to completion. They accomplish these assignments by reviewing, inspecting,



approving, and providing contract administration on water and wastewater projects. These projects include not only those paid for by the Authority, but third party developer projects as well. The department is also responsible for utility line location services, where they mark the underground utilities based on tickets provided by the Virginia Underground Protection Service. The Geographical Information System (GIS) is maintained by the engineering department, building water and sewer data layers to coincide with the background data that is provided by Bedford County.

### **Department Mission Statement:**

To ensure that facilities are designed and built to standards that ensure the least amount of maintenance and greatest ease of operation while providing superior service to the community; minimizing disruptions and maintenance through accurate location of underground facilities.

### **2010 Accomplishments:**

1. Found & resolved a sewer easement issue at Venture Ridge where the original developer never recorded the easement
2. Initiated the FOG program with developers, contractors, engineers, and other local agencies, as well as created details for PSA preferences.
3. Initiated Engineering Small Grinder Pump (SGP) inspections as part of SGP Maintenance Agreement
4. Created a new Engineering Fee structure to ensure personnel costs for developer projects can be covered, while giving developers flexibility for submitting a design that they are not ready to construct or pay inspection fees for.
5. Initiated the use of Omni locating markers on new utility installations for additional assistance and backup for locating utilities, bends, and utility crossings, with the costs built into the Developer Inspection Fees.
6. Simplified the Certificate to Construct and Certificate of Completion process with a tracking spreadsheet and use of color coding in GIS.
7. Implemented GIS to other departments for their use and input, and utilized field information to provide updates to facility data in the GIS to make it more accurate and useful for personnel.
8. Worked with legal counsel to dispose of surplus well lots; prepared for additional upcoming sales.
9. Started the process of notifications to developers, landscapers, or property owners about landscaping or other items in conflict with our utilities.
10. Began the internal review and update of the Authority's Master Specifications.

## Maintenance



The Maintenance Department performs repairs and preventive maintenance of the water distribution and wastewater collection systems. They are responsible for the efficient and effective predictive, preventive, and corrective tasks needed to maintain the water and wastewater treatment plants. The Department is responsible

for the upkeep of the various administrative buildings, pump stations, lift stations, plants, and other facilities that are owned or operated by the Authority. They also maintain the vehicle fleet and equipment, to ensure that all rolling stock is properly cared for and operational at all times.

### **Department Mission Statement:**

To maintain the facilities and infrastructures of the PSA, and to support the other teams within the PSA, to assure the reliable operation of its water and wastewater facilities.

### **2010 Accomplishments:**

1. Constructed the 6-inch Neighborhood Line Extension for Airport Road.
2. Repaired numerous damages from electrical storm, with minimal use of contractors.
3. Replaced raw water pumps, buoys, and chains at the HighPoint Water Treatment Plant raw water intake pump station.
4. Eliminated the mowing and weed control 3<sup>rd</sup> party contract, taking on the additional responsibility for all facility maintenance, including the grounds keeping.
5. Learned how to use the new Work Order system, and provided continuous feedback to better improve the system.
6. Performed most of the generator repairs and maintenance, instead of contracting this work.
7. Performed and/or completed approximately:
  - a. 370 tasks requests (most of which were from Operations)
  - b. 130 work orders from Customer Service
  - c. 250 after hours calls
  - d. 158 water repairs
  - e. 22 sewer repairs
  - f. 39 water service installs
  - g. 70 Small Grinder Pump repairs
  - h. 23 Small Grinder Pump installations
8. Performed nearly all PLC and electrical repairs, rather than contracting them out.
9. Replaced the mechanical seals on the lift pumps Lake Vista PS.
10. Designed and solicited bids for wiring receptacles and lights in both of the Pole Sheds.
11. Built a new aluminum cantilevered sliding gate for the rear entrance of the office buildings.



## Operations

The operations team is responsible for the daily operations and monitoring of the water and wastewater facilities. This team operates out of the Moneta Wastewater Treatment Plant (“WWTP”), near Smith Mountain Lake. They have two operators that are primarily responsible for running the WWTP, one operator that is primarily responsible for running several water treatment plants, one operator that operates the outlying wastewater lift stations and water pump stations, and one lead operator to supervise the other operators and take responsibility for the majority of the regulatory paper work and requirements.

The team also has two compliance specialists; one is primarily responsible for gathering and submitting samples, while the other is mainly responsible for the Fats, Oils, and Grease (“FOG”) program and the backflow prevention program.

The operations department continuously monitors the Supervisory Control And Data Acquisition (“SCADA”) system to ensure that all sites are functioning properly.

### **Department Mission Statement:**

To protect human health and the environment by efficiently and properly operating and monitoring both water and wastewater systems in Bedford County. The team strives to do this in association with other departments of the BCPSA and in accordance with State and Federal Regulations.



### **2010 Accomplishments:**

1. In the past two years the operations team has reduced their staff by nearly 20% while continuing to keep the facilities operating efficiently and in regulatory compliance.
2. In addition to their regular duties, the operations team maintained the landscaping and mowing at the lake facilities.
3. The Operators have continued to obtain higher licenses; the Authority now employs our first ever class one wastewater operator.
4. Collected over 2058 samples.
5. The Authority participated in an internship program with the Virginia Western Community College, with three operator interns volunteering for the Authority.
6. Began taking a more proactive approach at preventing and eliminating FOG from the public sewer systems through the creation of a new Compliance Specialist position.
7. Achieved a substantial cost saving with the use of roll-back dumpsters for sludge and septage waste disposal.
8. Updated forms at WWTP to have more usable calculations.
9. Worked with Administration to make the Cross Connection Survey forms available to customers online.
10. Began performing a Zinc study, in anticipation of future regulatory requirements by the Department of Environmental Quality (DEQ).
11. Designed piping changes to make wastewater flow diversions simpler at the WWTP.

## Customer Service



The Customer Service Department strives to provide the highest level of service possible to the Authority's customers.

### **Department Mission Statement:**

Provide to the current or potential public water and sewer customers of Bedford County a vehicle through which business may be conducted, including establishing new service, billing and processing payment for existing services, and accurately collecting and maintaining account

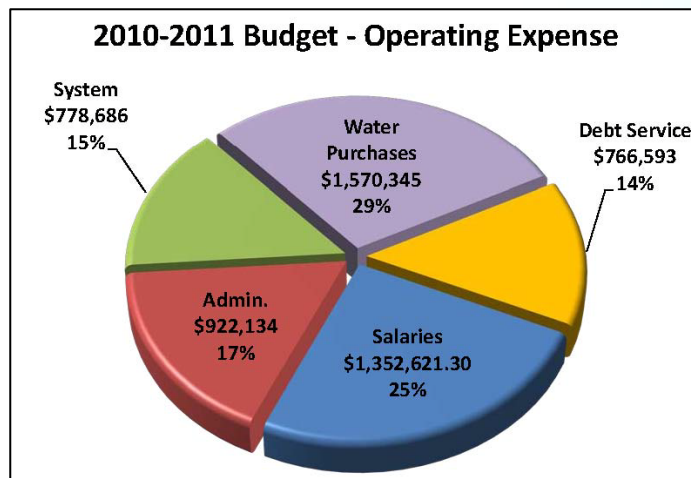
information.

### **2010 Accomplishments:**

1. Conducted a very successful Customer Questionnaire – over 24% response.
2. Started offering auto debit payments as an additional service offered to Authority Customers.
3. Began offering sub-meter billing for Landlords; this reduces billing processing for the landlords and increased operating revenue by collecting minimum base fees per service per tenant.
4. Started using pressure seal forms to reduce efforts on past due notices; this cut a minimum of nine work hours from each time and the additional costs of stationary and envelopes. This also gives the Authority the capability of sending out correspondences such as NOV's and letters of scheduled disruptions in house.
5. Acquired bulk mail permit; this reduced past due mailing efforts by 30 minutes per billing cycle and will allow for postage discounts for mailings of 200 items or more.
6. Maintained a high level of service to the customers with one third the staff at the front desk.
7. Continued meter change-out to reduce time and efforts of reading meters while reducing inputting errors.
8. Acquired new reading equipment that provides the ability to receive logged information on newest meters for up to 96 days.
9. Started using Paymentus as a third party vendor for accepting credit cards. This is less expensive for the customers, because Paymentus charges a smaller "convenience fee" than our previous vendor does.
10. Began a relationship with a collections agency, and began to collect some outstanding debts.



## Financial



The Authority is not legally required to adopt a budget; however, as part of its bond covenants, the Authority’s Board of Directors must adopt an annual budget before the first day of each fiscal year. The budget is prepared by the Finance and Executive departments, and serves as a framework for the Authority’s financial planning for the year. The Executive Director has authorization to move funds within the line item operating budget without further Board action, provided that a report of revenues and expenditures is presented at the monthly Board meeting. The Executive

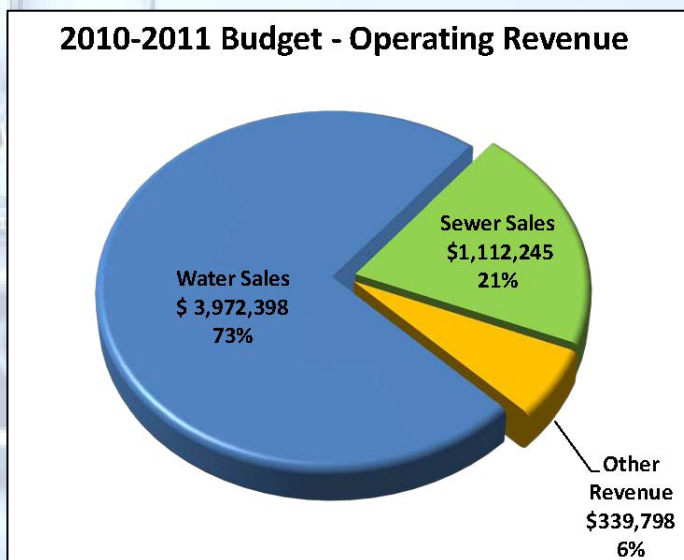
Director can also reprioritize any of the items on the capital budget, provided the total spent does not exceed the approved budget. The 2010-2011 budget summary can be found in Appendix B.

**Department Mission Statement:**

The mission of the Finance department is to manage and maintain the Authority's accounts and ensure accurate and timely information that is in conformity with generally accepted accounting principles and in compliance with state and federal laws.

**2010 Accomplishments:**

1. Completed the annual audit earlier than any other previous year of record and earned the Government Finance Officers Association (“GFOA”) award for the 2009 audit; this is the fourteenth consecutive year for achieving this award.
2. Began working with Davenport and Company to assist in long-term financial planning for the Authority.
3. Completed Banking Services Request for Proposals and transitioned the PSA's banking accounts to SunTrust Banks, Inc.
4. Provided cross training to several other employees to enable them to serve as a fully redundant back-up to Finance, in case of the Financial Managers absence.
5. Served on the Virginia GFOA (Southwest Virginia section) regional committee and assisted with planning training events for the organization.
6. Implemented electronic methods of payment whenever possible instead of issuing paper checks to vendors.
7. Completed the 2005 Virginia Resource Authority project accounting and closed out the account with State Non Arbitrage Program (“SNAP”).
8. Implemented a Flexible Spending Account(“FSA”) as an added benefit for employees.



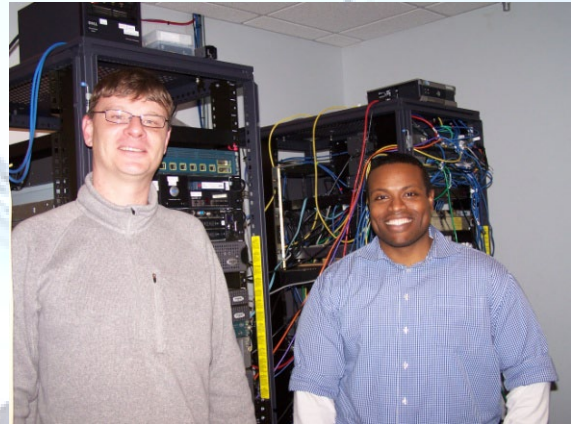


## Information Systems

The Information Systems Department supports the hardware and software for the Authority, including desktop computers, notebook computers, servers, routers, switches, printers, plotters, copiers, scanners, the phone system, and other electronic devices and equipment that are necessary for the Authority to function efficiently.

### **Department Mission Statement:**

To provide solutions for the various technological needs of the employees of the Authority. In so doing, every effort is made to ensure a secure, reliable, and user-friendly environment for information exchange.



### **2010 Accomplishments:**

1. Upgraded software to Office 2007 on most of the Authority's computers.
2. Setup voice mail system so that Administrative Assistant can produce all of the outgoing greetings for the company.
3. Upgraded the internet bandwidth monitoring and blocking solution.
4. Migrated Exchange 2003 to a new server due to significant hardware failure.
5. Custom programmed the Phase 1 TimeSheet program which runs as a web browser solution.
6. Wrote the custom browser based program for the WorkOrder System, which allows for any employee to document a request for service or repair work to be performed.
7. Created an Active Directory integration structure to facilitate a secure single sign-on for Reporting Services, Timesheets and WorkOrders.
8. Initiated an email archiving solution for Virginia Utility Protection Service ("VUPS") tickets, the afterhours callout system, and the Supervisory Control and Data Acquisition ("SCADA") Alarms.
9. Rebuilt network monitoring system due to hardware failure.
10. Intranet application was migrated to a new server for better reliability.
11. Windows 7 internal testing completed to ensure compatibility prior to company-wide installation ("rollout").
12. New copiers installed and operational in administration and annex buildings at the Authority's main office.
13. Multiple new laptops and workstations were ordered, installed, and configured for users.
14. Completed the testing of Microsoft Server 2008 Release2 (including Internet Information Services (IIS) version 7.5) for migration of domain and websites to new platform.
15. Provided backend support for SCADA system communications and data gathering from 16 remote sites. 12 of these sites are part of a wide area network, which also supports data and voice services.

## Human Resources

The Human Resource Department supports the employees and is responsible for the administration of the day-to-day operations of the human resources functions and duties. The individual in this position carries out responsibilities in the following functional areas: departmental development, employee relations, training and development, benefit administration, compensation, organization development, executive administration, safety and risk management, and employment.

### Department Mission Statement:

To provide a professional resource for Authority employees to enable them to better serve our external customers. This is done by providing support and guidance to all employees in employee relations, benefits and compensation programs, recruitment, training, and safety.

### 2010 Accomplishments:

1. Researched, trained employees, and implemented a flexible spending account through TASC, Inc.
2. Researched and implemented drug screening and background checks through an account with a third party vendor named First Point.
3. Completed an internal salary survey involving six local entities, to allow the PSA to see how it's compensation of employees compared to market value.
4. Started an internship program with Virginia Western Community College (VWCC).
5. Implemented monthly management training.
6. Made revisions to all Authority job descriptions to make them more accurate and Americans with Disabilities Act (ADA) compliant.
7. Started and maintained a separate safety budget to allow for one main point of access for safety items (this was identified as something needed in the QualServe process).
8. Set up an internal cross-training program.
9. Took a Professional in Human Resources (PHR) preparatory class at the Central Virginia Community College (CVCC) and took the test to obtain the PHR certification.
10. Learned Accounts Payable to be able to assist the Finance Department as needed.
11. Administered Consolidated Omnibus Budget Reconciliation Act (COBRA) to 2 prior employees, assisted with the hiring of 2 employees, assisted with the termination of 5 employees (voluntary and/or involuntary), and administered Family Medical Leave Act (FMLA) to 4 employees.
12. Wrote 2 new policies and revised 13 policies and 20 forms.
13. Aided with research and response to the Equal Employment Opportunity Commission (EEOC), Virginia Employment Commission (VEC), and Occupational Safety and Health Administration (OSHA).
14. Saved the Authority \$2,640 on Trenching / Shoring / Confined Space training, \$1,500 on Excel training, and \$400 on First Aid CPR by price shopping and using creative solutions.
15. Set up more than 50 free trainings and seminars.



8. Set up an internal cross-training program.  
9. Took a Professional in Human Resources (PHR) preparatory class at the Central Virginia Community College (CVCC) and took the test to obtain the PHR certification.

## Goals for 2011

In a continued effort to provide the best possible service to the customers of the Bedford County Public Service Authority, below are some of the goals that have been established for calendar year 2011.

### 1) Long Range Planning

- a. Prepare a Capital Improvement Plan (CIP). This plan will prioritize all of the Authority's capital water and sewer projects, and approximate the timeframe in which the Authority would like to complete the projects.
- b. Prepare a business plan, to show the financial strategies of the Authority and what is being planned for future year budgets.
- c. Establish a vision statement for the PSA, giving the community an idea of what to expect from the Authority for years to come.
- d. Prepare a strategic plan, to wrap together the CIP, Business Plan, mission statement, and vision statement.

### 2) Capital Project Planning

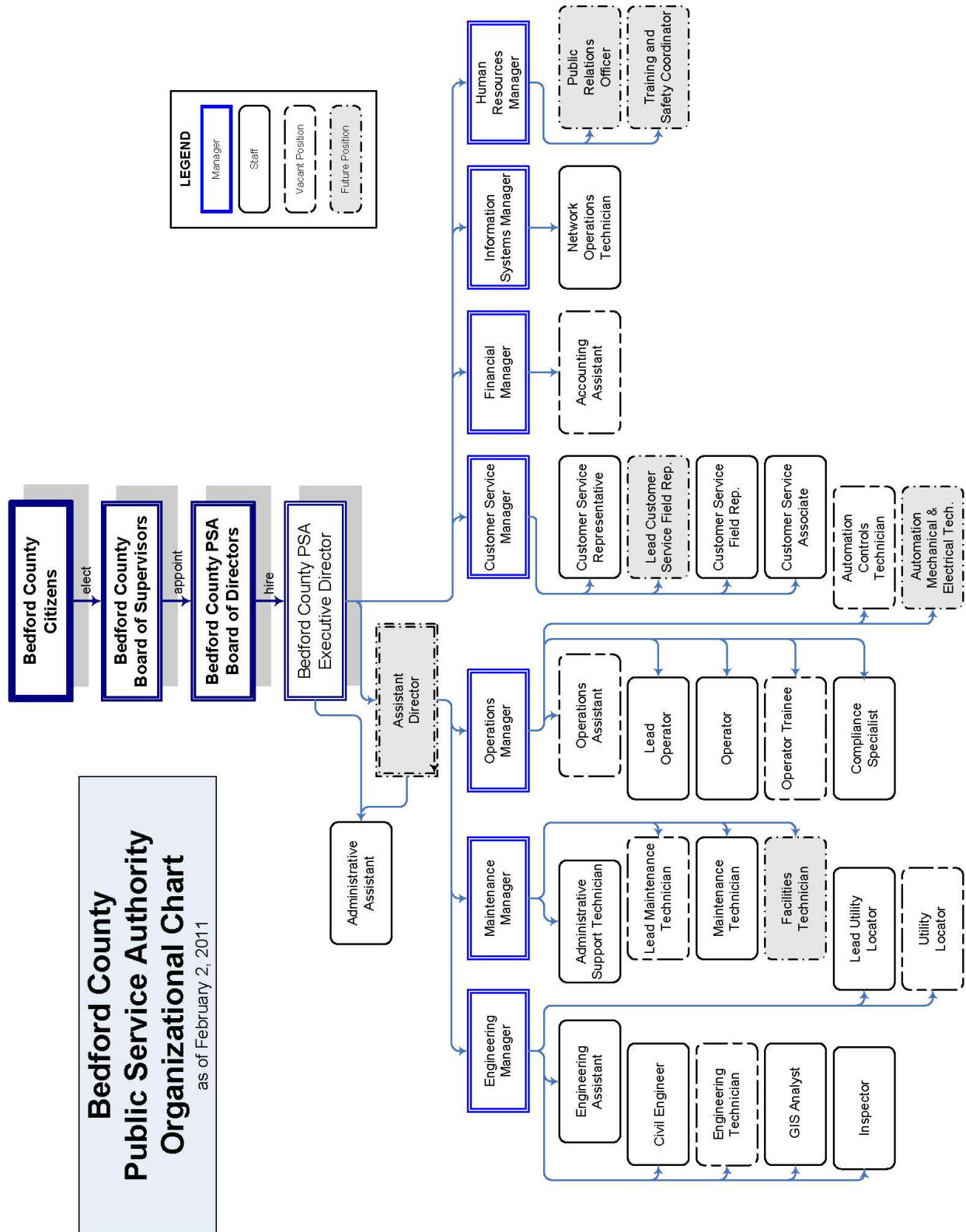
- a. Finalize the Preliminary Engineering Report ("PER") on the waterline interconnection between the Lakes and Forest, and distribute to all interested parties.
- b. Hire a financial consultant to evaluate the financial strength of the authority, and determine the amount of additional debt that the Authority can support.
- c. Complete the Water Withdrawal Application from Smith Mountain Lake, and strive to get all the necessary regulatory approvals needed to increase the withdrawal amounts.
- d. Secure any property needed for the proposed water withdrawal intake site and the proposed water treatment plant site.
- e. Prepare a PER to analyze the development of a new water treatment plant, including an evaluation of the treatment process.

### 3) Projects

- a. Contact all property owners in subdivisions adjacent to (or nearby) the Authority's systems, to encourage participation in the Neighborhood Line Extension program.
- b. Complete the inspection of all Food Service Establishments ("FSE") connected to the Authority's system to ensure compliance with the Fats, Oils, and Grease program.
- c. Contact all owners of multi-family residential and commercially leased properties that are connected to the Authority's water system, and encourage participation in the sub-metering program.
- d. Implement a credit cards procedure to allow customers to make automatic payments as requested from the system wide customer survey.



## Appendix A Organizational Chart



## Appendix B

### 2010-2011 Operating Budget Summary

<b>Revenues</b>		
Revenue Sources	% of Operations	Amount
Water Sales	53.56%	\$ 3,972,398
Sewer Sales	15.13%	\$ 1,122,246
Penalties	0.55%	\$ 40,750
Facility Fees	0.00%	\$ -
Administrative Fees	0.72%	\$ 53,400
Interest	0.08%	\$ 6,000
Rental & Service Charges	1.65%	\$ 122,258
Contract Operations	1.28%	\$ 95,000
Misc	0.05%	\$ 4,000
Bedford County CIP Contribution For Debt	26.97%	\$ 2,000,000
Revenue from Operations	100.00%	\$ 7,416,052
Other Non Operating Sources	% of Other Sources	
Line Dedications	100.00%	\$ 500,000
Other Revenue & Support	100.00%	\$ 500,000
<b>Total Revenue:</b>		<b>\$ 7,916,052</b>
<b>Expenditures</b>		
Operating Categories	% of Operations	Amount
Personnel Costs	25.09%	\$ 1,854,755
Administration	3.31%	\$ 244,658
Customer Service and Billing Costs	0.96%	\$ 70,668
Design & Facilities Services	0.23%	\$ 16,942
Vehicle & Equipment Services	1.20%	\$ 88,633
Water Operations	25.64%	\$ 1,894,932
Sewer Operations	5.48%	\$ 405,100
Contract Operations	0.66%	\$ 49,000
Direct Operating Expenses	62.57%	\$ 4,624,688
Debt Service	% of Operations	Amount
Interest & Fees	14.16%	\$ 1,046,684
Principal	23.27%	\$ 1,719,909
Debt Expenditures	37.43%	\$ 2,766,593
Total Cash Expenditures (from above)	100.00%	\$ 7,391,281
Depreciation		\$ 2,205,159
Total Expenditures		\$ 9,596,441
<b>Cash Summary</b>		
Operating Revenue		\$ 7,416,052
Cash Operating Expenditures		\$ 7,391,281
Cash Surplus		\$ 24,770