Corporation of Shepherdstown

Agenda for Joint Meeting of the Water and Sanitary Boards

Thursday, July 23, 2026

6:30 p.m.

Town Hall 104 N. King Street

Meeting Zoom Link:

https://us06web.zoom.us/j/86067120451?pwd=fWNLscmYpiOmof8PknIig4oZKNXa8i.1

1. Call to Order
2. Visitors
3. Board Members Present
4. Minutes of May 28, 2026 Meeting
5. Flow and Quality Reports
6. Financial Reports and Budgets for 2027.
7. Unfinished Business
    a. Hydrant report
    b. PFAS sampling of bio solids.
    c. Sanitary Board – Plan to consider expansion of sanitary sewer services to more customers. (Discussion)
8. New Business
    a. Plan to consider changes in the Water and Sanitary tariffs.
9. Next Meetings - At 6:30pm on July 23 and August 27.

Corporation of Shepherdstown

Minutes for the Meeting of the Water and Sanitary Boards

June 25, 2026 at 6:30 pm

Town Hall 104 N. King Street

1. Call to Order

2. Visitors- Mr. Auxer, Mr. Welter

3. Board Members Present

Sanitary Board – James Gatz and Harvey Heyser

Water Board – James Gatz, Marcy Bartlett, John Bresland, Dan Shelton, Kathleen Stratton, Sue Kemnitzer

4. Minutes of May 28, 2026 Meeting

Water Board – Approved minutes of May meeting

Sanitary Board – Approved minutes of the May and April meetings

5. Flow and Quality Reports – All standard measures are within acceptable range.

6. Financial Reports and Budget for 2027 – The Water and Sanitary Boards commended the staff on improvements in the quality of the financial reports. They are much more informative.

Vote- The Sanitary Board voted to approve the Budget proposed for 2027.

Vote- The Water Board voted to approve the Budget proposed for 2027.

7. Unfinished Business

a. Hydrant report – no changes

b. PFAS sampling of bio solids – Results show very low to negligible concentrations of PFAS in biosolids from the sanitary plant. The

State of West Virginia does not have a standard measure of acceptable limits. So the staff compared the results to those in place in Maryland and Virginia. All results were well below the standards of those states.

8. New Business

a. Plan to consider changes in the Water and Sanitary tariffs. Mr. Coe presented an overview of what is contained in the Water Rates, Rules and Regulations and those for the Sewerage and Sewage Disposal Service. These have not been updated since February 2021 for water and April 2023 for sewer. All agreed that we must move forward to consider updates. The boards asked the staff to compose a plan for doing so, including a timeline for completing the process, a suggestion of consultants to advise us and suggestions of how to involve customers.

9. Adjournment with reminder that next meetings are at 6:30 pm on July 23 and August 27.

SHEPHERDSTOWN WATER DEPT.

June 2026

Pump time average 14 hours.

Gallons pumped average 655,890.

Chemical usage normal.

All daily samples in acceptable ranges.

All Bacteriological samples passed (Absent of Bacteria)

No violations.

Concerns/ Comments

- hypo bleach system
- Citco account credit ongoing
- OIT job interviews

Lead Service Line (LSL) Replacement Plan

Summary of Shepherdstown Water Dept.

GRR Plan

Background

- **US EPA Lead and Copper Rule Improvements (LCRI) requires:**
  - Inventory all service lines by material type
  - Replacement plan for Lead, GRR, or Unknown service lines
  - Complete all replacements within 10 years (Nov 2027 – Nov 2037)
  - Document all replacements in inventory records
  - Provide pitcher filters and 6-month follow-up sampling post-replacement
  - Public notification and customer engagement throughout

Shepherdstown LSL Inventory - *Completed*

- **Methods used:**
  - Staff interviews and historical record review
  - Customer data, surveys, and GIS analysis
- **Status:**
  - Inventory submitted to WV Dept. of Health on Oct. 8, 2024
  - All required updates, certifications, and notifications complete

Inventory Results

Shepherdstown LSL Inventory as of (5/13/2026)	
Total # of Service Lines	*1847*
Lead	0
Galvanized Requiring Replacement (GRR)	**422**
Unknown	0
Non-Lead	1,425

Based on the inventory, there are 422 service lines that need to be replaced.

Replacement Strategy - Approach

- Replace all 422 GRR service lines, prioritized by risk:
  1. Sensitive populations
  2. Licensed childcare centers
  3. Known lead service lines
  4. Disadvantaged customers
  5. Areas with high lead results
- Submit updated replacement plan to WVDH once plan is finalized
- Scheduling — Efficient sequencing; coordinate with other infrastructure projects
- Construction — Oversee contractors; guide homeowners; clear partner communication
- Post-Replacement — Flushing instructions and pitcher filters to customers until sampling clears; submit documentation to agencies

Community Outreach

- **Affected Customers**
  - Homeowner replacement agreements and process guidance
  - Post-replacement updates: flushing instructions, notifications, sampling results
- **General Public**
  - Public education and outreach campaigns
  - Inventory and replacement records available at office and online

Funding

- **Source: WVDEP Drinking Water Treatment Revolving Fund (DWTRF)**
  - Principal forgiveness (grant): 49% (~$3.59M)
  - Matching funds: 51% (~$3.74M)
  - Loan terms: 3% interest over 20 years
  - Private loan may be required depending on final structure
- **Key Partners**
  - Region 9 Planning & Development Council, WVDEP, WVDH, accountant, and legal
  - Partner coordination will drive timelines and implementation plan

Documentation & Reporting

- **Inventory Updates**
  - Regular updates to WVDH inventory system and Shepherdstown GIS layer
- **Data Management**
  - Accurate, timely documentation to funding and regulatory partners
- **Water Quality Monitoring**
  - Post-replacement verification to meet reporting requirements and ensure safety
- **Accountability and Transparency**
  - Structured reporting tools to communicate progress to leadership and the public

Next Steps

- Approve Ghosh Engineers to proceed with Preliminary Engineering Report (PER)
- Determine customer-side replacement process:
  - Town-provided contractors or utility-certified local plumbers
- Assemble project partners (Region 9, WVDEP, WVDHR, etc.)

ES-59 (rev 5/07)

SUMMARY OF WASTE WATER TREATMENT PLANT OPERATIONS

Month June Year 2026 Plant Shepherdstown W.W.T.P. City Shepherdstown Operator Kenny Shipley

	INFLUENT WASTEWATER							DIGESTERS		ACTIVATED SLUDGE	EFFLUENT TEMP.	PLANT EFFLUENT							
Date	Rainfall (inches)	TSS (mg/l)	BOD_5 (mg/l)	Flow (mgd)	Temp (F°)	pH	Grit and Screening (cf)	Sludge Added (gal)	Removed (gal)	M.L.S.S.	Degrees Celsius	TSS (mg/l)	BOD_5 (mg/l)	Fecal Coli (per 100 ml)	DO (mg/l)	pH	TKN (mg/l)	Total N (mg/l)	Total P (mg/L
1				0.1520				9000	18785	4800									
2				0.1280				9000	11101							7	0.56	1.01	0.059
3				0.1420				9000	45677										
4				0.1350				9000	14295										
5				0.1370			6	9000	9415	4900									
6	0.04			0.1430				9000											
7	0.04			0.1330				9000											
8				0.1490				10000	18985	4800									
9		145	214	0.1440				9000	18958			4	<2	121		7.2	0.6	1.11	0.047
10				0.1510				9000	16647										
11				0.1430			6	9000	11649	4950									
12				0.1460				9000											
13				0.1260				9000											
14	0.01			0.1590				9000											
15				0.1500				9000	18777	5100									
16				0.1420				9000	18885							7.1	0.51	1.09	<0.037
17				0.1430			7	9000	17635										
18	0.45			0.1770				9000	16580										
19				0.1440				9000											
20				0.1330				9000											
21				0.1490				9000											
22	0.13			0.1800				12000	19004										
23	0.17			0.1780			6	12000	15461	5050						7.1	0.66	1.18	0.061
24				0.1650				12000	15462										
25				0.1500				12000											
26				0.1540			6	12000											
27	0.22			0.1150				12000											
28	0.02			0.1140				12000		5000									
29				0.1420				12000											
30				0.1390				12000								7.0	1.4	1.94	0.21
31								12000											
Total	1.08	145	214	4.3630			31	310000	287316	34600		4	<2	121		35.4	3.73	6.33	0.38
Average	0.14	145	214	0.1407			6.2	10000	17957	4943		4	<2	121		7.08	0.75	1.27	0.09
Minimum	0.01	145	214	0.1140			6	9000	9415	4800		4	<2	121		7.0	0.51	1.01	0.05
Maximum	0.45	145	214	0.1800			7	12000	45677	5100		4	<2	121		7.2	1.4	1.94	0.21

MAIL ONE COPY EACH TO:

Office of Environmental Health Services
Certification & Training Program
350 Capitol Street, Room 313
Charleston WV 25301-1798

Division of Environmental Protection
ATTN: Municipal Branch
601- 57th Street
Charleston, WV 25304

June 2026 Monthly Reports

	Avg.		Max		Avg. Allowed	Max Allowed		Avg. Lbs.	Max Lbs.	Avg. Lbs. Allowed	Max Lbs. Allowed	Yearly Lbs.	Yearly Lbs. Allowed
Flow	**0.1407**	Mgd	**0.18**	Mgd	**0.6670**	**Rpt Only**		N/A	N/A	**N/A**	**N/A**		
BOD	**<2**	Mg/l	**<2**	Mg/l	**30**	**60**		**2.4**	**2.4**	**167**	**334**		
TSS	**4**	Mg/l	**4**	Mg/l	**30**	**60**		**4.8**	**4.8**	**167**	**334**		
TKN	**0.75**	Mg/l	**1.40**	Mg/l	**3**	**6**		**0.91**	**1.62**	**17**	**33**		
Fecal	**121**	Cnts/100 Ml	**121**	Cnts/100 Ml	**200**	**400**		N/A	N/A	**N/A**	**N/A**		
Total N	**1.27**	Mg/l	**1.94**	Mg/l	**Rpt Only**	**Rpt Only**		N/A	**46.21**	**N/A**	**507**	**1627.43**	**6091**
Total P	**0.09**	Mg/l	**0.21**	Mg/l	**Rpt Only**	**Rpt Only**		N/A	**3.27**	**N/A**	**50.7**	**44.63**	**609**
Copper		Mg/l		Mg/l	**0.0094**	**0.0094**		N/A	N/A	**N/A**	**N/A**		
Zinc		Mg/l		Mg/l	**Rpt Only**	**Rpt Only**		N/A	N/A	**N/A**	**N/A**		
Lead		Mg/l		Mg/l	**Rpt Only**	**Rpt Only**		N/A	N/A	**N/A**	**N/A**		
Aluminum		Mg/l		Mg/l	**Rpt Only**	**Rpt Only**		N/A	N/A	**N/A**	**N/A**		
Chloride	**95.1**	Mg/l	**95.1**	Mg/l	**Rpt Only**	**Rpt Only**		N/A	N/A	**N/A**	**N/A**		
Total Hardness		Mg/l		Mg/l	**Rpt Only**	**Rpt Only**		N/A	N/A	**N/A**	**N/A**		
					Min Allowed	**Max Allowed**							
PH	**7.0**	S.U.	**7.2**	S.U.	**6.5**	**8.5**		N/A	N/A	**N/A**	**N/A**		

Field Name	Applied This Month		Year to Date Applied		Loads	Percent Solids	2 Hr PH	24 Hr PH
Landfill	**11.833**	**Tons**	**34.195**	**Tons**	**3**	**23.2**		
Olcott Field 2		**Tons**	**4.795**	**Tons**				
Olcott Field 3		**Tons**		**Tons**				
Olcott Field 4		**Tons**		**Tons**				
Olcott Field 6		**Tons**		**Tons**				
Blair-Carter Field 1		**Tons**	**0.852**	**Tons**				
Blair-Carter Field 3		**Tons**		**Tons**				
Blair-Carter Field 4		**Tons**		**Tons**				
Willard Field 1		**Tons**	**6.85**	**Tons**				
Willard Field 3	**3.52**	**Tons**	**8.215**	**Tons**	**3**	**23.5**	**12.19-12.40**	**11.86-11.91**
Willard Field 4		**Tons**		**Tons**				
Colbert Field 3		**Tons**		**Tons**				
Colbert Field 4		**Tons**		**Tons**				
Oakley Field 2		**Tons**		**Tons**				
Putz Field 2		**Tons**		**Tons**				

Shepherdstown Sewer
FY26 Budget vs Actuals
Through May 31, 2026

	REVENUES	FY25 Budget Approved	FY26 Budget Approved	FY26 Budget Thru 5/31/2026	FY 26 Actuals Thru 5/31/2026	Over/(Under) Budget Thru 5/31/2026	Notes and Explanations
419	Sewer Interest Income	$ 90,000	$ 128,000	$ 117,333	$97,089	($20,244)	Interest Income on Sewer bank accounts
522	Metered Sewer Revenue	$ 1,521,983	$ 1,800,000	$ 1,650,000	$1,428,513	($221,487)	
	Total Revenues	**$ 1,611,983**	**$ 1,928,000**	**$ 1,767,333**	**$ 1,525,602**	**($241,731)**	
	Department Expense Line Items	**FY25 Budget Approved**	**FY26 Budget Approved**	**FY26 Budget Thru 5/31/2026**	**FY 26 Actuals Thru 5/31/2026**	**Over/(Under) Budget Thru 5/31/2026**	**Notes and Explanations**
	Expenses	**FY25 Budget Approved**	**FY26 Budget Approved**	**FY26 Budget Thru 5/31/2026**	**FY 26 Actuals Thru 5/31/2026**	**Over/(Under) Budget Thru 5/31/2026**	**Notes and Explanations**
401.1	Sewer Billing Expenses	$ 12,000	$ 17,000	$ 15,583	$8,824	($6,759)	Office Supplies, Public Notices Etc
401.2	Sewer Administration	$ 62,000	$ 82,000	$ 75,167	$ 49,413	($25,753)	Mainly monthly rent paid to the Town from the Water Dept ($1,800 per month)
401.3	Sewer Utility Billing-Water Bill	$ 30,000	$ 25,000	$ 22,917	$ 18,248	($4,669)	Water Usage paid to the Town
401.4	Sewer Plant Maintenance	$ 157,808	$ 170,000	$ 155,833	$ 138,777	($17,057)	Snyder Environmental Services, Inc. invoice for $22,830 - for (2) 16-inch suction line pump valve replacement in Jul.
403	Depreciation Expense	$ 380,000	$ 360,000	$ 330,000	$ 339,084	$9,084	Estimated based on prior years actuals
408	Taxes (Other than Income)	$ 26,775	$ 36,000	$ 33,000	$ 33,816	$816	Employer portion of FICA taxes and Workers Comp
701	Salaries & Wages	$ 396,260	$ 550,000	$ 504,167	$ 444,176	($59,991)	
704	EE Pensions & Benefits	$ 122,240	$ 120,000	$ 110,000	$ 105,395	($4,605)	

711	Sludge Removal	$ 25,000	$ 40,000	$ 36,667	$ 10,926	($25,741)	
715	Purchased Power	$ 152,000	$ 165,000	$ 151,250	$ 140,644	($10,606)	
718	Chemicals	$ 121,000	$ 180,000	$ 165,000	$ 94,062	($70,938)	
731	Contractual Svc-Engineering	$ 5,000	$ 30,000	$ 27,500	$ 23,587	($3,913)	Ghosh Engineers Inv Task Order #10 - Fernbank Pump Station Rehab $5,263
732	Contractual Svc-Accounting	$ 25,000	$ 38,000	$ 34,833	$ 17,533	($17,300)	Dana Fogle CPA Fees and Decker CPA Fees
733	Contractual Svc-Legal	$ 5,000	$ 5,000	$ 4,583	$ 2,596	($1,987)	
735	Contractual Svc-Testing	$ 10,000	$ 25,000	$ 22,917	$ 16,062	($6,855)	
736	Contractual Svc-Other	$ 13,000	$ 15,000	$ 13,750	$ 20,513	$6,763	IT Services
750	Transportation Expense	$ 4,000	$ 4,000	$ 3,667	$ 8,197	$4,530	Gasoline Purchases from Purchasing Card
757	Insurance-General Liability	$ 50,000	$ 65,000	$ 59,583	$ 59,987	$403	Monthly insurance is $5,338 so this will go over budget by year end
760	Advertising	$ 2,500	$ 1,000	$ 917	$ 0	($917)	
775	Sewer Admin Lending Fees	$ 14,400	$ 0	$ 0	$ 10,778	$10,778	(Need to back this out when considering Surplus or Deficit since the payments are also being included under "Bond Expenses" below)
	Total Expenses	**$ 1,613,983**	**$ 1,928,000**	**$ 1,767,333**	**$ 1,542,617**	**($224,716)**	
	Surplus or (Deficit)	**(2,000)**	**0**		**(17,015)**		

Bond Expenses and Transfers				FY 26 Actuals Thru 5/31/2026	Over/(Under) Budget Thru 5/31/2026	Notes and Explanations
Membrane Transfer Reserve				$ 144,100	$144,100	Monthly Transfer of $13,100
10-A Sewer Bond				$ 203,457	$203,457	Monthly Payment of $18,496.08
Working Capital Reserve				$ 131,087	$131,087	Monthly Transfer of $11,917
Total Bond Expenses & Transfers				**$ 478,644**	**$ 478,644**	

Surplus or (Deficit)				**($145,797)**		This is the "True" Deficit after taking the Bond Expenses/Transfers into account and then adding back depreciation and admin lending fees from above.

	Restricted Income	FY25 Budget Approved	FY25 Budget Approved	FY26 Budget Thru 5/31/2026	FY 26 Actuals Thru 5/31/2026	Over/(Under) Budget Thru 5/31/2026	Notes and Explanations
419.5	Capacity Accounts Interest	$ 0	$ 0	$ 0	$351	$351	
536	Other Wastewater Revenues	$ 2,000	$ 2,000	$ 1,833	$201,235	$199,402	Capacity Fees - Sewer capacity fees for Shepherd University's Dining Hall and multiple-purpose building
	Total Restricted Income	**$2,000**	**$2,000**	**$1,833**	**$201,586**	**$199,753**	

Shepherdstown Waterworks
FY26 Budget vs Actuals
Through May 31, 2026

	REVENUES	FY25 Budget Approved	FY26 Budget Approved	FY26 Budget Thru 5/31/2026	FY 26 Actuals Thru 5/31/2026	Over/(Under) Budget Thru 5/31/2026	Notes and Explanations
419	Water Interest Income	$ 80,000	$ 150,000	$ 125,000	$128,204	$3,204	Interest Income on Waterworks bank accounts
461	Water Metered Revenue	$ 1,800,000	$ 2,000,000	$ 1,666,667	$1,689,134	$22,467	
	Total Revenues	**$ 1,880,000**	**$ 2,150,000**	**$ 1,791,667**	**$ 1,817,338**	**$ 25,671**	
	Department Expense Line Items	**FY25 Budget Approved**	**FY26 Budget Approved**	**FY26 Budget Thru 5/31/2026**	**FY 26 Actuals Thru 5/31/2026**	**Over/(Under) Budget Thru 5/31/2026**	**Notes and Explanations**
	Expenses	**FY25 Budget Approved**	**FY26 Budget Approved**	**FY26 Budget Thru 5/31/2026**	**FY 26 Actuals Thru 5/31/2026**	**Over/(Under) Budget Thru 5/31/2026**	**Notes and Explanations**
401.1	Water Billing Expenses	$ 20,000	$ 20,000	$ 16,667	$9,895	($6,772)	
401.2	Water Administration	$ 50,000	$ 45,000	$ 37,500	$48,140	$10,640	Mainly monthly rent paid to the Town from the Water Dept ($1,800 per month) June & July $1,800/ month - Mission communication service package $3,556 (Onetime charge)
401.3	Water Utility Billing	$ 200,000	$ 240,000	$ 200,000	$213,243	$13,243	Water Usage paid to the Town
401.4	Water Plant Expenses	$ 175,000	$ 254,000	$ 211,667	$193,803	($17,864)	Snyder Env. Services -- Fire Hydrant Repair- Snyder Environmental Services invoice for $25,665. ****BowSel, LLC invoice for $4,275 Comp. Acoustic Study of Underground Water Mains--select areas of system
403	Depreciation Expense	$ 175,000	$ 150,000	$ 125,000	$325,895	$200,895	Utility Plant Depreciation (Estimates from prior years) $29,626 per month (Estimates from prior years are being used here that may be causing the large overage)
408	Taxes (Other than Income)	$ 46,397	$ 53,000	$ 44,167	$50,536	$6,369	Employer portion of FICA taxes and Workers Comp
427	Interest Expense	$ 150,000	$ 130,000	$ 108,333	$127,455	$19,122	Bond Interest (Need to back this out when considering Surplus or Deficit since the payments are also being included under "Bond Expenses" below) - Interest paid for SHE-W-1-17-X-JE-12 - ($42k)
521	Employee Screening	$ 300	$ 350	$ 292	$161	($131)	
601	Water Salaries & Wages	$ 497,463	$ 610,000	$ 508,333	$498,601	($9,732)	
604	Employee Pensions & Benefits	$ 169,209	$ 170,000	$ 141,667	$153,189	$11,522	
615	Purchased Power	$ 75,000	$ 68,000	$ 56,667	$54,708	($1,958)	Vendor Credit # 110 082 558 344 Potomac Edison Company - 216 N. Princess Street, Water Works

618	Chemicals	$ 85,000	$ 115,000	$ 95,833	$118,380	$22,546	
631	Contractual Svc-Engineering	$ 70,000	$ 110,000	$ 91,667	$31,882	($59,785)	Lead Line Inventory and Meter Testing
632	Contractual Svc-Accounting	$ 25,000	$ 38,000	$ 31,667	$17,533	($14,133)	Dana Fogle CPA Fees and Decker CPA Fees
633	Contractual Svc-Legal	$ 5,000	$ 2,000	$ 1,667	$6,415	$4,749	
635	Contractual Svc-Testing	$ 35,000	$ 29,000	$ 24,167	$27,371	$3,204	
636	Contractual Svc-Other	$ 25,000	$ 25,000	$ 20,833	$47,793	$26,960	Mainly IT services - Underwater video inspection of two potable water tanks/video c rew/hotel/mobilization and demobilization $4,830 (in Aug), $22,450 clean/inspect water tower
650	Transportation Expense	$ 5,000	$ 2,000	$ 1,667	$3,699	$2,032	Gasoline Purchases from Purchasing Card
657	Insurance-General Liability	$ 65,000	$ 86,000	$ 71,667	$72,110	$443	Monthly insurance is $7,160
659	Insurance-Other	$ 0	$ 0	$ 0	$0	$0	
660	Advertising Expense	$ 1,000	$ 650	$ 542	$0	($542)	
675	Administrative Lending Fees	$ 8,000	$ 2,000	$ 1,667	$2,645	$978	
676	Bond Issuance Expense	$ 0	$ 0	$ 0	$299	$299	
	Total Expenses	**$ 1,882,369**	**$ 2,150,000**	**$ 1,791,667**	**$ 2,003,753**	**$212,086**	
	Surplus or (Deficit)	**(2,369)**	**0**		**(186,415)**		

	Bond Expenses and Working Cap Reserve Transfer				**FY 26 Actuals Thru 5/31/2026**		**Notes and Explanations**
	03-A Water Bond				$ 24,655		Monthly Payment of $2,241.34
	12 Water Bond				$ 115,092		Monthly Payment of $10,462.92
	17 Water Bond				$ 141,015		Monthly Payment of $12,819.55
	21 Water Bond				$ 91,212		Monthly Payment of $8,292.02
	21 Water Reserve				$ 9,103		Monthly Payment of $827.55
	Monthly Transfer to Working Cap Reserve				$ 90,640		Monthly Transfer of $14,600
	Total Bond Expenses & Transfers				**$ 471,717**		

	Bond Overpayments Refund				**0**		Refund of Bond Overpayments

	Surplus or (Deficit)				**(202,137)**		This is the "True" Deficit after taking the Bond Expenses/Transfers into account and then adding back depreciation, interest expense, and admin lending fees from above.

	Restricted Income	FY25 Budget Approved	FY26 Budget Approved	FY26 Budget Thru 5/31/2026	FY 26 Actuals Thru 5/31/2026	Over/(Under) Budget Thru 5/31/2026	Notes and Explanations
419.5	Capacity Accounts Interest	$ 0	$ 0	$ 0	$ 589	$589	This is low because this is just the interest income on the restricted portion of the bank balance
474	Other Water Revenues	$ 10,000	$ 10,000	$ 9,167	$172,638	$163,471	Tap Fees, Capacity Fees, Reconnection Fees, Grant Revenue
	Total Restricted Income	**$ 10,000**	**$ 10,000**	**$ 9,167**	**$ 173,227**	**$ 164,060**	

Water Bonds										
Bond Number	Account Balance as of 4/30/2026	Monthly Deposit from Treasurer	Interest Earned	Principal Portion of Payment	Interest Portion of Payment	Service Fee & Admin Fee	Statement Balance as of 4/30/26	Bond Balance as of 5/31/2026	**Remaining Principal Balance Outstanding, as of 5/31/2026**	
SHE-W-1-03-A-JE-12	$9,548	$2,241	$28	$0	$0	$0	$11,817	$180,678	**$180,678**	
SHE-W-1-12-X-JE-12	$28,780	$10,463	$86	$0	$0	$0	$39,328	$2,889,794	**$2,889,794**	
SHE-W-1-17-X-JE-12	$39,750	$12,749	$118	$0	$0	$0	$52,617	$2,120,000	**$2,120,000**	
SHE-W-1-21-X-JE-12	$9,774	$8,292	$29	$6,471	$1,805	$17	$9,803	$921,599	**$921,599**	
Totals	$87,852	$33,745	$261	$6,471	$1,805	$17	$113,566	$6,112,071	$6,112,071	

Sewer Bonds										
Bond Number	Account Balance as of 4/30/2026	Monthly Deposit from Treasurer	Interest Earned	Principal Portion of Payment	Interest Portion of Payment	Service Fee & Admin Fee	Statement Balance as of 4/30/26	Bond Balance as of 5/31/2026	**Remaining Principal Balance Outstanding, as of 5/31/2026**	Notes
SHE-S-1-10-A-JE-12	$45,760	$18,496	$136	$0	$0	$0	$64,393	$3,366,017	**$3,366,017**	
Totals	$45,760	$18,496	$136	$0	$0	$0	$64,393	$3,366,017	**$3,366,017**	

Water Reserve Funds							
Reserve Number	Reserve Balance as of 4/30/2026	Monthly Deposit / Refund to Issuer	Interest Earned	**Reserve Balance as of 5/31/26**	Maximum Reserve Requirement	Over/(Under) Funded	Notes
SHE-W-2-03-A-JE-12	$23,542	$0	$70	$23,612	$23,316	$296	Surplus received from WV Bond Commission on Jan 2026
SHE-W-2-12-X-JE-12	$126,455	$0	$376	$126,831	$125,304	$1,527	Surplus received from WV Bond Commission on Jan 2026
SHE-W-2-17-X-JE-12	$155,004	$0	$461	$155,465	$153,528	$1,937	Surplus received from WV Bond Commission on Jan 2026
SHE-W-2-21-X-JE-12	$50,229	$828	$149	$51,206	$99,306	($48,100)	
Totals	$355,259	$797	$1,056	$357,113	$401,454	-$44,341	

Sewer Reserve Funds							
Reserve Number	Reserve Balance as of 4/30/2026	Monthly Deposit / Refund to Issuer	Interest Earned	**Reserve Balance as of 5/31/26**	Maximum Reserve Requirement	Over/(Under) Funded	Notes
SHE-S-2-10-A-JE-12	$209,111	$0	$622	$209,732	$207,140	$2,592	Surplus received from WV Bond Commission on Jan 2026
Totals	$209,111	$0	$622	$209,732	$207,140	$2,592	

Water Depreciation Funds							
Depreciation Number	Depreciation Account Balance as of 1/31/2026	Monthly Deposit	Interest Earned	Depreciation Account Balance as of 1/31/26	Notes		
SHE-W-3-03-M-JE-12	$0	$0	$0	$0	$903.74 was refunded back to the Water Department and deposited into operating account ending in 6217 on 4/23/25.		PAID OFF

Shepherdstown Water and Sewer
Bank and Sweep Accounts
Balances as of May 30, 2026

Account	Last 4 of Acccount No.	Entity	Bank Account Balance	Sweep Account Balance	Total Account Balance	UNRESTRICTED FUNDS	RESTRICTED FUNDS	Comments
Water Operating	6217	Water	$10,030.76	**$147,786**	$157,817	$157,817		
Water Capital Capacity	6082	Water	$10,030.76	**$1,610,395**	$1,620,426		$1,620,426	
Water Working Capital Reserve	2736	Water	$10,030.76	**$900,013**	$910,043		$910,043	
Water Depreciation	5234	Water	$10,030.76	**$597,928**	$607,958		$607,958	
Water 2017 WV Municipal Bond	8085	Water	$10,030.76	**$370,226**	$380,256		$380,256	
Total Water Bank Accounts……………………………………………………………………………			**$50,153.80**	**$3,626,346.83**	**$3,676,500.63**	**$157,816.86**	**$3,518,683.77**	

Account	Last 4 of Acccount No.	Entity	Bank Account Balance	Sweep Account Balance	Total Account Balance	UNRESTRICTED FUNDS	RESTRICTED FUNDS	Comments
Sewer Operating	8626	Sewer	$10,030.76	**$196,936**	$206,966	$206,966		
Sewer Capital Capacity	5993	Sewer	$10,030.76	**$742,163**	$752,194		$752,193.80	
Sewer Membrane	7180	Sewer	$10,030.76	**$863,602**	$873,633		$873,633.06	
Sewer Depreciation	1179	Sewer	$10,030.76	**$589,142**	$599,173		$599,173.13	
Sewer Working Capital Reserve	8615	Sewer	$52.17	**$415,845**	$415,897		$415,897.13	
Total Sewer Bank Accounts……………………………………………………………………………			**$40,175.21**	**$2,807,688.35**	**$2,847,863.56**	**$206,966.44**	**$2,640,897.12**	

Shepherdstown Sewer Executive Summary with FY26 actuals vs budget.

Key figures:

Revenue: $241.7K under budget
Expenses: $224.7K under budget
Operating deficit: $17.0K
True deficit: $145.8K

Executive summary

FY26 operating results are under pressure on the revenue side but helped by lower-than-budget spending. Through the latest FY26 view, total revenues are $241.7K under the prorated budget, driven primarily by metered sewer revenue. Expenses are $224.7K below budget, largely offsetting the revenue shortfall, resulting in an operating deficit of $17.0K. After bond expenses and transfers, and after adding back depreciation and admin lending fees as reflected in the workbook, the true deficit is $145.8K. Restricted income is significantly favorable at $199.8K over budget, led by Other Wastewater Revenues/capacity fees.

Key drivers / watch items

- Metered Sewer Revenue is the largest unfavorable item at $221.5K under YTD budget.
- Sewer Interest Income is $20.2K below YTD budget.
- Chemicals, Salaries & Wages, Sludge Removal, and Sewer Administration are materially under budget, helping offset the revenue shortfall.
- Depreciation Expense, Sewer Admin Lending Fees, and several transfer/bond lines affect the "true" deficit presentation.
- Restricted income is materially favorable due to capacity fees in Other Wastewater Revenues.
- Continue monitoring metered revenue collections and any large maintenance/engineering invoices noted in the workbook.

May FY26 summary

Through May 31, 2026, FY26 results show revenue below budget but expenses also below budget, keeping the operating deficit limited to $17.0K. Revenues are $241.7K under budget, mainly from Metered Sewer Revenue, while expenses are $224.7K under budget, with favorable savings in Chemicals, Salaries & Wages, Sludge Removal, and Sewer Administration. After bond expenses/transfers and workbook adjustments, the true deficit is $145.8K. Restricted income is strongly favorable due to capacity fees.

Shepherdstown Water Works executive summary as of May 31, 2026.

As of May 31, 2026, Shepherdstown Waterworks reported actual revenues of approximately $1.82 million against a prorated budget of $1.79 million, resulting in a favorable revenue variance of about $25,671. However, actual expenses were approximately $2.00 million versus a prorated budget of $1.79 million, creating an unfavorable expense variance of about $212,086. This produced an operating deficit of approximately $186,415. After accounting for bond expenses and transfers, and adding back depreciation, interest expense, administrative lending fees, and bond overpayment refunds, the true deficit was approximately $202,137.

Metric	Value	Why it matters
Operating surplus / (deficit)	($186,415)	Current operations are running at a deficit before bond transfers/reserve adjustments.
True surplus / (deficit)	($202,137)	Includes bond expenses/transfers, then adds back depreciation, interest, admin lending fees, and refunds.
Expense over / (under) budget	$212,086	Expense variance is the main driver of the operating deficit.
Revenue over / (under) budget	$25,671	Revenues are slightly ahead of prorated budget but not enough to cover expense overages.
Restricted income over / (under) budget	$164,060	Restricted income is materially above budget, primarily due to other water revenues.

Top 3 insights	Evidence	Takeaway
1) Expenses overwhelm positive revenue variance	Operating deficit = actual revenue minus actual expenses; expense variance is much larger than revenue variance.	Actual revenues are above prorated budget, but expenses are over budget by far more, producing an operating deficit.
2) Depreciation is the single largest unfavorable line-item variance	The depreciation expense variance is the largest driver shown in the chart.	The source note says prior-year estimates may be causing the large overage; validate it because it dominates the expense variance.
3) Restricted income is a major bright spot	Total Restricted Income is substantially over budget, driven mostly by Other Water Revenues.	Tap fees/capacity fees/reconnection fees/grant revenue are substantially above budget and may offset funding pressure if usable for intended purposes.

Through May 31, 2026, Shepherdstown Waterworks is ahead of its prorated revenue budget, but the overall financial position remains unfavorable because expense overages are significantly larger than the revenue gain. Actual revenues exceeded budget by approximately $25,671, while expenses exceeded budget by approximately $212,086, resulting in an operating deficit of approximately $186,415. The largest unfavorable driver is depreciation expense, which appears to be based on prior-year estimates and should be validated because it materially affects the reported result. Other notable pressure points include chemicals, interest expense, and selected contractual service costs. At the same time, restricted income is performing strongly, with a favorable variance of approximately $164,060, largely from other water revenues such as tap fees, capacity fees, reconnection fees, and grant revenue. The key management question is whether these restricted funds can be used to offset current operating or capital needs. Overall, the May 31 results suggest that management should focus on validating major accounting estimates, separating cash impacts from non-cash expenses, and determining which variances are one-time versus recurring.

HYDRANT PROJECT WORK LIST							
LOCATION/HYDRANT NUMBER	**VALVE**		**ISSUE WITH HYDRANT**	**PROPOSED WORK PLAN**	**STATUS**	**REPORT**	**DATE**
	Y/N?	**In Service?**					
HYDRANTS OUT OF SERVICE/NEED REPAIRS							
388 Starkeys Landing / NO #	Yes	No	Hit by vehicle	Remove hydrant install blowoff			
Church and German/ 31	No	No	age and operation	Install New Hydrant/remove?			
Bon Aire Cul-de-sac/198	Yes	No	Valve break	Repair in place			
HYDRANTS TO BE REMOVED AND RETIRED							
Corner King & New Streets	No	No	4" main, inadequate supply	Retire hydrant, covered by other hydrants			
Corner Church & New Street	No	No	4" main, inadequate supply	Retire hydrant, covered by other hydrants			
East High Street (Tommy's Pizza)	No	No	4" main, inadequate supply	Retire hydrant, covered by other hydrants			
HYDRANTS IN SERVICE/NEED REPAIRS							
426 Willowdale Dr/ 201	?	Yes	too low	Needs Riser			
Steamboat Run/ 190	Yes	Yes	Leaking from top	Needs Repair			
Browns Garage/ 96	Yes	Yes	Leaking from everywhere	Needs Repair			
United Bank/ 94	Yes	Yes	Leaking base and wont drain	Needs Repair			
Green Pineapple/ 23	Yes	Yes	gets hit /in loading zone/leaking	Install bollards/repair			
NEW HYDRANTS							
Tack & Jack's Apartments, Duke St.	?	?	Taken out by drunk driver	Install New Hydrant			
HYDRANTS WITH PROPERTY ISSUES							
NONE							
DEDICATED HYDRANTS							
SU Baseball field end of High Street			Open only w/permission of Water Dept.	Special tag, alert firefighters			
SFD Fire Hall			Open only w/permission of Water Dept.	Special tag, alert firefighters			
Mecklenburg Heights			Open only w/permission of Water Dept.	Special tag, alert firefighters			
NOTES							
Minimum clearance for bollards: 36"			36'				
Total gallons flushed			900,000 Gallons				
All hydrants are numbered and colored (ring)							
May 2026 total hydrants 200							