

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
MAY 21, 2014**

1. Call to Order and Roll Call:

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, May 21, 2014. Chairman VeHaun presided with the following members present: Ashley, Belcher, Bryson, Frost, Kelly, Manheimer, Pelly, Root, Russell, and Watts. Mr. Stanley was absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, P.E., Patty Beaver with CIBO, and MSD staff, Ed Bradford, Scott Powell, Peter Weed, Ken Stines, Mike Stamey, Matthew Walter, Jim Hemphill and Sondra Honeycutt.

2. Inquiry as to Conflict of Interest:

Mr. VeHaun asked if there were any conflicts with the agenda items. No conflicts were reported.

3. Approval of Minutes of the April 16, 2014 Board Meeting:

Mr. VeHaun asked if there were any changes to the Minutes of the April 16, 2014 Board Meeting. With no changes, Ms. Frost moved for approval of the minutes as presented. Mr. Russell seconded the motion. Voice vote was unanimous in favor of the motion.

4. Discussion and Adjustment of Agenda:

None

5. Informal Discussion and Public Comment:

Mr. VeHaun welcomed Ms. Beaver with CIBO. There was no public comment.

6. Report of General Manager:

Mr. Hartye reported the Preliminary Budget for Fiscal Year 2015 will be presented at today's meeting. The Final Budget will be presented to the Board and a Public Hearing will be held on June 11th. With regard to the Budget, the Personnel, CIP and Finance Committees met prior to this meeting and will make individual recommendations to the Board. He further reported that under New Business the Board will go into closed session to discuss a legal right of way acquisition matter.

Mr. Hartye expressed his appreciation to Lisa Tolley and Kay Farlow for hosting an MSD booth at the 5th annual Home & Garden Expo at the WNC Ag Center on April 26 & 27. This event was sponsored by the Asheville Home Builders Association. He stated this was a great opportunity for public education with lots of positive comments. Everyone loved the new pot scrapers and thought that was a wonderful idea.

Mr. Hartye expressed his appreciation to Sandra Moore for heading up the annual MSD cleanup of the river banks along the French Broad River in conjunction with Riverlink, which yielded 18 contractor bags full of trash and cans.

Mr. Hartye reported that Merie Love of 195 Governors View Road called to say everyone that came out to her home regarding her sewer stoppage was wonderful. She said everyone was so nice and polite and did a wonderful job and couldn't believe the problem was fixed that quick, and wanted MSD to know they have some great guys working for them. He expressed his appreciation to Grady Brooks, Shaun Buckner, Ray Lunsford, Alan Knighten, Pete Cole, Roy Lytle, Billy Cantrell, Robert Denny, Mitch Metcalf and Johnny Mull. He further reported a call was received on April 17th from Don

Nicholson of 126 South Main St. in Weaverville who expressed appreciation for the work and customer service provided by Roy Lytle and Crew (Tommy Brooks, Robert Denny, and Johnny Mull).

Mr. Hartye reported the May Right of Way Committee Meeting has been cancelled. The next meeting will be held at 9 a.m. on June 25th. The next regular Board Meeting and Public Hearing will be held on June 11th at 2 p.m.

7. Report of Committees:

Personnel Committee:

In the absence of Mr. Stanley, Mr. Hartye reported the Personnel Committee met April 29, 2014. Ms. Thomas reviewed several areas of activity within the Human Resource Department and Mr. Hemphill presented staff recommendations regarding the Self Insured Health Plan and Pay Adjustment. The Committee moved the Board approve a 2.5% pay adjustment for all employees and no increase or changes to the medical insurance contributions. With no questions or comments, Mr. VeHaun called for a motion to approve the Personnel Committee recommendation. Ms. Manheimer moved. Mr. Pelly seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

CIP Committee:

Mr. Watts reported the CIP Committee met May 1, 2014. Mr. Bradford gave a power point presentation on the highlights of the current and proposed Capital Improvement Program (CIP) as well as the CIP priorities and review of the Ten-Year CIP document. The Committee recommends endorsement of the CIP Budget for FY 14-15 in the total amount of \$22,760,555. With no questions or comments, Mr. VeHaun called for a motion to approve the CIP Committee recommendation. Ms. Frost moved. Mr. Watts seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

Finance Committee:

Mr. Kelly reported the Finance Committee met May 14, 2014 to consider the Preliminary Budget for FY 2014-2015 and Schedule of Sewer Rates and Fees. Mr. Powell reported the Committee proposed a 2.5% domestic rate increase; continuation of the Industrial Rate Parity Plan, which is in year 15 of 20 and has an average impact on industrial users of 4%. He further reported the Budget in total is \$49,173,451 and includes \$22.8 million CIP Budget, a \$15.3 million O&M Budget with recommendations from the Personnel Committee, a Capital Equipment Replacement Budget of \$0.6 million, and Debt Service payments of \$10.4 million. The Committee recommends approval of the Resolution adopting the Preliminary Budget for FY 2014-2015 as well as the Proposed Schedule of Fees and Charges – FY2015. With no questions or comments, Mr. VeHaun called for a motion to approve the Finance Committee recommendations. Mr. Root moved. Mr. Watts seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

8. Consolidated Motion Agenda:

a. Consideration of Developer Constructed Sewer Systems: Bradley Street; Bradley Street Phase II and Oteora Oaks:

Mr. Hartye reported the Bradley Street Project is located inside the District boundary at the intersection of State Street and Bradley Street in the City of Asheville. The project included extending approximately 169 linear feet of 8-inch public gravity sewer to serve a three (3) unit residential development.

Mr. Hartye reported the Bradley Street Phase II Sewer Extension Project is

located inside the District boundary along Bradley Street in the City of Asheville. The project included extending approximately 225 linear feet of 8-inch public gravity sewer to serve the eight (8) unit residential development.

Mr. Hartye reported the Onteora Oaks Sewer Extension Project is located inside the District boundary off Onteora Boulevard in the City of Asheville. The project included extending approximately 1,226 linear feet of 8-inch public gravity sewer to serve the twenty-eight (28) unit residential development.

Mr. Hartye reported that staff recommends acceptance of the developer constructed sewer systems. All MSD requirements have been met.

b. Cash Commitment/Investment Report – Month Ended March 31, 2014:

Mr. Powell reported Page 25 presents the makeup of the District's Investment Portfolio. There has been no change in the makeup of the portfolio from the prior month and all items meet statutory regulations and well as the District's investment policy. Page 26 is the MSD Investment Manager report as of the month of March. The weighted average maturity of the investment portfolio is 209 days. The yield to maturity is 0.55% and exceeds MSD's bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 27 is the MSD Analysis of Cash Receipts. Monthly and YTD Domestic and Industrial sewer revenue are considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD Facility and Tap fees are above historical trends due to the timing of 7 cash receipts from developers as well as fees being budgeted conservatively. Page 28 is the MSD Analysis of Expenditures. The District's Monthly and YTD O&M expenditures are considered reasonable based on historical trends. Due to the nature of the variable rate bond market, Monthly and YTD expenditures can vary year to year. Based on current variable interest rates, debt service expenditures are considered reasonable. Due to nature and timing of capital projects, YTD expenditures can vary from month to month. Based on the current outstanding capital projects, YTD capital project expenditures are considered reasonable. Page 29 is the MSD Variable Debt Service report. The 2008A Series Revenue Refunding Bonds are performing better than budgeted expectations. As of the end of April, both issues have saved District rate payers \$3.3 million dollars in debt service since April, 2008.

Mr. Kelly moved the Board approve the Consolidated Motion Agenda as presented. Mr. Russell seconded the motion. With no discussion, Mr. VeHaun called for the question. Roll call vote was as follows: 11 Ayes; 0 Nays.

9. Consideration of Resolution Adopting the Preliminary Budget for FY 2014-2015 and Schedule of Sewer Rates & Fees:

Mr. Powell reported on Page 30 are the Finance Committee recommendations for approval of the proposed FY2014-2015 Budget and Resolution as well as the proposed Schedule of Fees and Charges for FY2015. Page 31 is a graphical representation of the budget resolution (Flow of Funds Chart). Page 32 is the Resolution adopting the Preliminary Budget & Sewer Use Charges for FY2014-2015, and Page 36 is the proposed Schedule of Rates & Fees – FY2015. Mr. Belcher asked Mr. Powell to go over the Flow of Funds Chart. Mr. Powell went over the details of the Chart and called for further questions. With regard to the Industrial Parity Plan, Mr. Pelly asked what the term "inside/outside" means. Mr. Powell stated MSD has individuals it serves that are outside the District boundary. Mr. Clarke stated the District's boundaries were established when the District was first created. The District's boundary is extended automatically when a city within the District extends its boundaries. Otherwise, extending the District's boundaries is difficult. As a result, the District treats wastewater from a number of locations outside the District. These customers are charged a slight differential rate. Mr. Powell added the difference is only one-cent per CCF which is de minimis.

Mr. Powell reported behind the Introduction tab (Page 44) is the District's Budget message. Included in the message is:

Current Year Highlights – domestic and industrial revenue are expected to meet budgeted projections.

Operating Budget - outlining the proposed \$15.4 million operations and maintenance budget and proposed changes for the upcoming year.

Capital Improvement Program - outlining the proposed \$22.8 million construction budgets as well as the outstanding debt and debt service.

Sewer Rate Increase - outlining the past five years domestic rate increases and the proposed FY15 domestic rate increase of 2.5%.

Mr. Powell reported Page 53 begins the Budget Policies & Process section. This section is a description of the budget process including the Statutory and Bond Order requirements, budget administration, and if need budget amendments. Page 56 briefly describes the forecasting methodology and includes the current business plan which outlines the current year proposed budget as well as estimates of needs for the next nine years.

Mr. Powell reported Page 58 is the proposed \$49,173,451 FY15 budget which incorporates the following:

- ▶ 2.5% domestic rate increase
 - .68 cent increase in the average single family monthly bill
 - Monthly bill will go from \$27.81 to \$28.49
- ▶ Continuation of the Industrial Rate Parity Plan
 - MSD in year 15 of 20
 - 4% average increase for the industrial section
- ▶ Facility and Tap Fee remain at 2012 levels.
- ▶ 1.0% Rate of Return on investments
- ▶ .99% increase in Salaries and Benefits which has an impact of \$117,000. Includes Personnel Committee recommendations as to Salary Adjustments, Self-insurance Funding and GASB 45 OPEB Funding as well as State required Retirement contribution and unemployment funding.
- ▶ 4.2% increase in Material Supplies and Services which has an impact of \$253,679.

Mr. Powell reported page 66 starts the Operation & Maintenance section. This is a detailed accounting of the proposed budget by department as well as current year projected and prior year actuals. Page 79 starts the Insurance Fund section. This is a concise overview of the various insurance funds along with their respective proposed budgets and FY 13 actuals and current year projected actuals. Page 84 starts the Replacement Fund section. This is an overview of the various insurance funds along with their respective proposed budgets and FY13 actuals and current year projected actuals. Page 89 starts the CIP Program section. This is an overview of the CIP program ran by the engineering department along with their proposed current year budget and projection of needs for the upcoming nine years. Page 102 starts the Debt Financing section. This is an overview of debt management as well as a brief description of capital projects funding. A detailed listing of current outstanding debt as well as an aggregate debt service for each outstanding issue is available and includes the most recent debt issuance.

Page 111 starts the appendix section. This includes the proposed FY15 budget resolution with the schedule of rates and fees. Also included is a flow of funds which is a graphical representation of the budget resolution. Mr. Watts asked Mr. Powell to summarize how the District can tolerate a 20% budget increase and a 2.5% increase in rates. Mr. Powell stated the Bond Issue that MSD just issued in the amount of \$28 million was for projects that were done over the last three (3) years. Those monies go back into reserves. The Business Plan allows MSD to take out of reserves money to pay for on-going Capital Improvement Program (CIP) needs over a ten-year period. Depending on the needs of the CIP, monies will come out of reserves until the MSD issues debt, and in that year, contributions will be made to unrestricted reserves to meet any unforeseen needs. Debt is a vital component of the District's CIP Program. Mr. Hartye stated the CIP for this year has spiked compared to the remaining years in the current CIP. A study is being done for the Plant that will bring out some projects that will need to be added on to the CIP in the next 10 years and the Engineers have been encouraged to phase-in improvements over time. He further stated a lot of the components at the plant have reached their useful life and some have been replaced. In addition, MSD needs to plan for new regulations. Mr. Powell noted that MSD's 2.5% increase is less than the national average of 5.1%. With no further discussion, Mr. VeHaun called for a motion to approve the Resolution adopting the Preliminary Budget for FY2014-2015. Mr. Watts moved. Mr. Russell seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

10. Old Business:

None

11. New Business:

Mr. Clarke called for a motion to go into closed session to discuss a condemnation matter of MSD vs. Roberts on the Lower Smith Mill Creek line. Ms. Manheimer asked to be excused from deliberation and vote on this item.

At 2:42 p.m., Mr. Watts moved the Board go into closed session. Mr. Ashley seconded the motion. Voice vote was unanimous in favor of the motion.

At 2:49 p.m., the Board went back into open session. Mr. Kelly moved the Board approve a settlement of \$165,000 in MSD vs. Roberts. Ms. Frost seconded the motion. Voice vote was unanimous in favor of the motion.

In unrelated business, Mr. Clarke stated the MSD Board as an organization and Finance staff deserve great credit for the recent bond purchase in the amount of \$28 million dollars. He further stated a refinance was done two years ago that came in at a total all-in interest cost of 4.13% which the Underwriters said was a record, but the most recent bond purchase came in at a rate of 3.59% which is even less.

With regard to the lawsuit involving the City of Asheville the State of NC & MSD, Mr. Clarke stated that arguments will be heard in Raleigh on Friday, but does not expect a decision to be made at that time. He will keep the Board posted on any developments.

12. Adjournment:

With no further business, Mr. Kelly moved for adjournment at 2:59 p.m. Mr. Pelly seconded the motion. Voice vote was unanimous in favor of the motion.

Jackie W. Bryson, Secretary/Treasurer

MSD

Regular Board Meeting

Metropolitan Sewerage District
of Buncombe County, NC

AGENDA FOR 5/21/14

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	VeHaun	2:00	
	01. Inquiry as to Conflict of Interest	VeHaun	2:05	
	02. Approval of Minutes of the April 16, 2014 Board Meeting.	VeHaun	2:10	
	03. Discussion and Adjustment of Agenda	VeHaun	2:15	
	04. Informal Discussion and Public Comment.	VeHaun	2:20	
	05. Report of General Manager	Hartye	2:30	
	06. Report of Committees: a. Personnel Committee April 29, 2014 – Bill Stanley b. CIP Committee May 1, 2014 – Bob Watts c. Finance Committee May 14, 2014 – Glenn Kelly	VeHaun	2:45	
	07. Consolidated Motion Agenda		3:00	
	a. Consideration of Developer Constructed Sewer Systems: Bradley Street, Bradley Street Phase 11 and Oteora Oaks.	Hartye		
	b. Cash Commitment/Investment Report – Month Ended March 31, 2014.	Powell		
	08. Consideration of Resolution Adopting the Preliminary Budget for FY 2014-2015 and Schedule of Sewer Rates & Fees.	VeHaun	3:15	
	09. Old Business:	VeHaun	3:30	
	10. New Business	VeHaun	3:35	
	11. Adjournment (Next Meeting & Public Hearing) 6/11/14	VeHaun	3:40	
	STATUS REPORTS			

BOARD OF THE METROPOLITAN SEWERAGE DISTRICT
APRIL 16, 2014

1. Call to Order and Roll Call:

The regular monthly meeting of the Metropolitan Sewerage District Board was held in the Boardroom of MSD's Administration Building at 2:00 p.m., Wednesday, April 16, 2014. Chairman VeHaun presided with the following members present: Ashley, Belcher, Bryson, Kelly, Pelly, Root, Stanley and Watts. Ms. Frost, Ms. Manheimer and Mr. Russell were absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Gary McGill with McGill Associates, P.E., and MSD staff, Ed Bradford, Scott Powell, Ken Stines, Matthew Walter, Jim Hemphill, and Sondra Honeycutt.

2. Inquiry as to Conflict of Interest:

Mr. VeHaun asked if there were any conflicts with the agenda items. No conflicts were reported.

3. Approval of Minutes of the March 19, 2014 Board Meeting:

Mr. VeHaun asked if there were any changes to the Minutes of the March 19, 2014 Board Meeting. With no changes, Mr. Belcher moved for approval of the minutes as presented. Mr. Stanley seconded the motion. Voice vote was unanimous in favor of the motion.

4. Discussion and Adjustment of Agenda:

None

5. Informal Discussion and Public Comment:

None

6. Report of the General Manager:

Mr. Hartye congratulated Chairman VeHaun who was recently awarded the Francine M. Delany Award by UNC-A for his exemplary Service to the Community.

Mr. Hartye reported that he, Scott Powell and Mr. Clarke met with the rating agencies on April 1, 2014. That same day, the N.C. Local Government Commission (LGC) approved MSD's application to issue bonds not to exceed \$30 million. He presented a description of highlighted projects (sewer inceptors and collection lines) as well as the final microscreen replacement project at a cost of \$10 million and electrical improvements at the wastewater treatment plant at a cost of \$2.5 million that MSD will be seeking reimbursement for. In addition, he presented a spreadsheet that includes all of the projects and where they stand. He stated that once the Bonds are sold and MSD reimburses itself for these projects, which are near completion, these funds will be used to finance the Capital Improvement Plan (CIP) going forward. MSD is currently updating its 10-year CIP as part of the budget process.

Mr. Hartye reported that over the next month, the Personnel, CIP and Finance Committees will meet to consider the FY15 Budget recommendations to the Board.

Mr. Hartye reported the Facilities Plan, initiated a couple of months ago, will bring about a lot of recommendations near the end of the year with regard to the treatment plant to meet future regulations and to replace aging components, which will have a large impact on the CIP.

Mr. Hartye reported an e-mail from Marianne Strang was received on March 4, 2014 regarding the work being done at 15 Argyle Lane. She stated "I just wanted to take a minute to thank you and your crew at MSD. I was out there for a while watching the men work and was very impressed by them, their team work, their spirits – considering the bad weather, their efficiency and overall pleasant attitude. Thanks again Mimi." Mr. Hartye expressed his thanks to Roy Lytle, Billy Cantrell, Robert Denny Mitch Metcalf, Johnny Mull and Eric Dawson. Also, a call was received on March 19th from Rena Camp of 152 Richmond Hill Drive to say thank you for a job well done by Mitch Hawes and Wayne Rice, on a service call to her address. She said they were very professional, knowledgeable and helpful. A call from Max Snyder of 59 W. Fox Chase Road was received to express that he was pleased with the service provided by Wayne Rice; especially how well he cleaned up the area after work was done.

Mr. Hartye reported the Personnel Committee will meet April 29th at 9:00a.m. The CIP Committee will meet May 1st at 8:30 a.m. The Finance Committee will meet May 7th at 9:00 a.m. The next regular Board Meeting will be May 21st at 2:00 p.m. The April Right of Way Committee Meeting has been cancelled. The next meeting will be held May 28th at 9:00 a.m.

7. Consolidated Motion Agenda:

a. Consideration of Series Resolution 2014 Authorizing the Issuance of New Money Bonds:

Mr. Powell reported on February 19th, the Board approved filing an application to the Local Government Commission (LGC) to issue revenue refunding bonds, which is in relation to the District's Business Plan as well as the Budget for FY14. He stated that based on market conditions as of March 14th, the new money issue ALL-IN total interest cost is favorable as compared to the 4.5% amount reflected in the Business Plan. Per discussion with the District's underwriter (Wells Fargo NA) the market is still showing that favorable trend. He further reported the Series Resolution authorizes the issuance of revenue bonds in an amount not to exceed \$30 million; approval of the draft Official Statement, and approval of the Bond Purchase Agreement with Wells Fargo NA. Staff recommends approval of the Series Resolution.

b. Cash Commitment/Investment Report – Month Ended February 28, 2014:

Mr. Powell reported that Page 143 presents the makeup of the District's Investment Portfolio. There has been no change in the makeup of the portfolio from the prior month. Additionally, the makeup of the District's Investment Portfolio is in accordance to the District's investment policy. Page 144 is the MSD Investment Manager report as of the month of February. The weighted average maturity of the investment portfolio is 227 days. The yield to maturity is 0.55% and exceeds MSD's bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 145 is the MSD Analysis of Cash Receipts for the month of February. Monthly and YTD Domestic and Industrial revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD Facility and Tap fees are higher than budgeted expectations due to unanticipated receipts from five (5) developments as well as staffs' conservative budgeting of impact fees. Page 146 is the MSD Analysis of Expenditures. The District's O&M expenditures are considered reasonable based on historical trends and current year budgeted needs. Debt service expenditures are below budgeted expectations due to lower than expected interest rates on the District's variable rate debt. Due to the nature and timing of capital projects, YTD expenditures can vary from year to year. Based on the current outstanding capital projects, YTD capital project expenditures are considered reasonable. Page 147 is the MSD Variable Debt Service report. The 2008 A Series Revenue Refunding Bonds are performing better than budgeted expectations. As of the end of March

both issues have saved District customers \$3.3 million dollars in debt service since April, 2008.

Mr. Stanley moved the Board approve the Consolidated Motion Agenda as presented. Mr. Watts seconded the motion. With no discussion, Mr. VeHaun called for the question. Roll call vote was as follows: 9 Ayes; 0 Nays.

8. Old Business:

None

9. New Business:

Mr. Clarke reported the hearing on the litigation the District is currently involved in with the City of Asheville and the State is scheduled for May 23rd in Raleigh or Durham, depending on where Judge Manning is at the time. The current Case Management Order allows the Judge 30 days to make a decision, therefore, a decision could come on June 22nd or 23rd.

Mr. Stanley expressed his appreciation to MSD crews who are working below his home on Valle Vista Drive. Mr. Watts expressed his appreciation to Ken Stines for his professionalism and his willingness to come out to Black Mountain on several occasions to deal with residents who are having sewer issues.

10. Adjournment:

With no further business, Mr. Belcher moved for adjournment at 2:16 p.m. Mr. Stanley seconded the motion. Voice vote in favor of the motion was unanimous.

Jackie W. Bryson, Secretary/Treasurer



MEMORANDUM

TO: MSD Board
FROM: Thomas E. Hartye, P.E., General Manager
DATE: May 15, 2014
SUBJECT: Report from the General Manager

- Fiscal Year 2015 Budget

On the agenda today is the recommended preliminary budget for Fiscal Year 2015. This budget includes recommendations to the Board from the CIP Committee, the Personnel Committee, and the Finance Committee, which will be brought forth under Committee Reports. The Final Budget will be presented to the Board and a Public Hearing will be held on June 11th.

- Kudos

- Thanks to Lisa Tolley and Kay Farlow for hosting an MSD booth at the 5th annual Home & Garden Expo at the WNC Ag Center on April 26 & 27. This event was sponsored by the Asheville Home Builders Association. There were a total of 2,200 people in attendance and approximately 75-80% of those were Buncombe County residents. This was a great opportunity for public education with lots of positive comments. Everyone loved the new pot scrapers and thought that was a wonderful idea. MSD hosted a booth at the Home and Garden Expo at the WNC Ag. Center on April 26 and 27th.
- Thanks to Sandra Moore for heading up the annual MSD cleanup of the river banks along the French Broad River in conjunction with Riverlink which yielded 18 contractor bags full of trash and debris.
- Merle Love @ 195 Governors View Rd called to say everyone that came out there (4/29/2014) regarding her sewer stoppage was wonderful. Everyone was so nice and polite and did a wonderful job. She couldn't believe that the problem was fixed that quick. She just wanted to report this to someone so MSD would know they have some great guys working for them. Thanks to Grady Brooks, Shaun Buckner, Ray Lunsford, Alan Knighten, Pete Cole, Roy Lytle. Billy Cantrell, Robert Denny, Mitch Metcalf, and Johnny Mull.
- Call from Don Nicholson of 126 South Main St. Weaverville on April 17th to express appreciation for the work and customer service provided by Roy Lytle and Crew (Tommy Brooks, Robert Denny, and Johnny Mull).

- Board/Committee Meetings/Events

The May Right of Way Committee Meeting has been cancelled. The next Right of Way Committee meeting will be held at 9 am on June 25th. The next Regular Board Meeting will be held on June 11th at 2 pm.

PERSONNEL COMMITTEE MEETING

April 29, 2014

9:00 a.m.

1. Call to Order

Bill Stanley called the meeting to order at 9:00 a.m. in the W.H. Mull Building of the Metropolitan Sewerage District. In attendance were the following members: Jackie Bryson, Allan Root, Bob Watts, and Bill Russell. Also present were Jerry VeHaun, Billy Clarke, Tom Hartye, Jim Hemphill, Scott Powell, Mike Stamey, Matthew Walter, and Pam Thomas.

2. Inquiry as to Conflict of Interest

Mr. Stanley stated there was none at this time.

3. Human Resource Activities

Ms. Thomas reviewed several areas of activity within the Human Resource Department: organizational chart with a total of 147 full time employees, a chart on personnel reductions from FY 2000-01 with 168 employees to FY 2014-15 at 147 employees. She also presented demographic information showing the average employee is 47 years old and has worked at MSD for 12 years, the turnover rate for last year was 7%.

Ms. Thomas also presented information about our Company Picnic, Halloween event, retirement parties (7 employees retired in the past year), and our Wellness programs: a) newsletter b) Nutritionist from Mission presenting topics on healthy eating c) softball team d) 5K color run e) quarterly topics on Stress, Diabetes, Breast Cancer, and Heart Health Awareness. She also reviewed our on-going Succession Planning program, which will include interviewing new employees and performing a follow up on current employees.

Mr. Watt asked that if the turnover rate went from 4 to 11, and if that was primarily due to retirements or if that trend will continue in the coming years. Mr. Hemphill responded that last year we had a big number of retirements and in the coming years fewer are expected. Mr. Root asked if we had employees put off retirement when the economy's growth was at zero. Mr. Hartye stated yes, and it also was driven by health care for spouses as well as spouses being close to retirement. Mr. Root asked if the two vacancies will be filled or put on hold for awhile. Mr. Hemphill stated one replacement and one on hold.

4. Consideration of Self Insured Health Plan & Pay Adjustment

Mr. Hemphill presented staff recommendations of a 2.5% pay adjustment for all employees, medical insurance contributions to remain at the same level as FY14 with no premium increases, and no changes to the benefits currently offered.

Mr. Hemphill presented some background information which included:

- The District will conduct a wage & salary comparison for the coming year.
- The staffing level is at 147 from 168 due to reengineering, reorganizing and reassignment of duties leading to reduced personnel costs.

- Under our Health Insurance, this fiscal year, MSD has had several medical events that adversely affected group medical costs. Given these major events, our current re-insurer will not provide a firm quote until after May 1. The initial projected increase is 9.5% over last year expenditures.
- We negotiated a contract with Asheville Open MRI that allows the employee to get a MRI, CAT scan or x-ray at no cost to them. The cost to the medical plan remains the same.
- Continue to offer several Health & Wellness programs: “House Calls”, training classes from Mission Hospital, “Asheville Project”, and requiring all CDL drivers to get a medical examination.
- Salary & Benefits: presented the Consumer Price Index for the South Region Urban Wage Earners and Clerical Workers, private sector information, and compared that to our local government agencies.

Mr. Root asked if the medical cost per participant will increase as a trend and if that is something we will expect to see happen more. Mr. Hemphill stated it was due to higher claims this past year and is unsure what the future holds. Mr. Hartye stated that being self-insured along with being a small company, just a few high claims can cause an increase. Mr. Powell stated that two claims are on-going and we are working on mitigating those to get the cost down. Mr. Russell commented on the insurance claims chart showing changes every year. Mr. Powell stated that for a couple of years the trend had not changed until these two current claims and we have been able to build our reserves for good and bad years. Mr. Root asked if the Water System would have an impact on the coming year budget. Mr. Clarke stated between all court dates and appeals the process could not happen for this Fiscal Year.

The Fiscal Impact:

The proposed salary and benefit adjustment costs are .99% (\$117,000) higher than last years’ budget.

5. Recommendation:

Mr. Watt’s moved and Mr. Root seconded the recommendation that the Board approve a 2.5% Pay Adjustment for all employees and no increase or changes to the medical insurance contributions.

Mr. Stanley called for the vote. It was unanimous in favor of the motion.

6. Other

Mr. Stanley stated there was no other business at this time.

7. Adjourn

With no further business, Mr. Stanley adjourned the meeting at 9:27 AM. No future meeting has been scheduled.

CAPITAL IMPROVEMENT PROGRAM COMMITTEE

Minutes

May 1, 2014

8:30 a.m.

The Capital Improvement Program Committee of the Metropolitan Sewerage District met on May 1, 2014 at 8:30 a.m. in the Mull Administration Building on Riverside Drive in Woodfin with the following persons present: Robert Watts - Committee Chairman; Jerry Vehaun – Board Chairman; Matt Ashley, Joe Belcher, Marcus Jones, Joseph Martin, Chris Pelly, Nelson Smith, Jason Young, Greg Wiggins (CCW&SD) and Jerry Yates (COA) - CIP Committee members; Jackie Bryson, Bill Russell, and Bill Stanley – MSD Board members; Tom Hartye – MSD General Manager; Billy Clarke – Roberts & Stevens; Gary McGill – McGill Associates; Richard Tsang – CDM Smith; Ed Bradford, Mike Stamey, Scott Powell, Angel Banks, Peter Weed, Hunter Carson, Ken Stines, and Sharon Walk - MSD.

The following items were considered:

1. Call to Order

Mr. Watts called the meeting to order at 8:31 a.m. He welcomed and thanked everyone for coming to the committee meeting. He then turned the meeting over to Mr. Hartye who also thanked everyone for coming and stated that we had notebooks and CD's of the CIP, along with it also being posted on the MSD website. He stated that we looked forward to any input and suggestions from the members. He then turned the meeting over to Ed Bradford, Engineering Director, who had a PowerPoint presentation to review the projects so the member agencies would know about the current and proposed projects for the ten year CIP.

2. Highlights of the Current and Proposed Capital Improvement Program

Mr. Bradford proceeded to give a power point presentation beginning with a summary of the proposed CIP Budget for the coming fiscal year and following years. The subtotal budget of all the projects for the coming fiscal year is \$21,560,555 with a proposed contingency of \$1,000,000 as in prior years. Additionally, the standard budget for reimbursement projects is recommended in the amount of \$200,000. The total recommended CIP budget for the coming fiscal year is therefore \$22,760,555. Mr. Bradford explained that we have a 10 year program, and we inflate future years 2 through 10 by an inflationary rate based on the ENR index which is 3.62% for this budget cycle. He also stated that a copy of the budget is posted on MSD's website www.msdbc.org including budget data sheets and budget maps of all the projects, along with a timeline for each project.

Mr. Bradford explained that MSD maintains over 990 miles of line – extending a distance further than Austin, Texas, or Key West, Florida (as the crow flies). He explained that the reduction of SSO's is a key objective and over the past 13 years we have achieved this by utilizing a three-pronged approach: an effective management, operations and maintenance program (preventative maintenance) – not only to reduce line blockages, but to get to the site of a blockage quickly; an aggressive CIP program – to improve the structural condition of problems as we find them; and lastly; by providing sufficient capacity by sizing lines for current as well as future use. An important part of that is also actively searching for and eliminating sources of inflow and infiltration. We have an active flow monitoring program with 11 permanent live flow monitors scattered in key locations throughout the system. We also have temporary monitors that we can put out for any hot spots. We maintain an aggressive, proactive rehabilitation program. This past year, we updated our pipe rating program to include all these aspects. We initially included structural condition in our original pipe rating program, but this year we included some other significant aspects: SSO and overflow history; customer service requests; structural condition, and monitoring schedules. Every year projects will be prioritized by their Pipe Rating, to determine what lines are causing the most problems. Projects are generated and prioritized based solely on regional system needs – regardless of political subdivisions or location. He also presented and reviewed a sheet listing all the projects and their respective pipe rating.

Mr. Bradford then reviewed several of the larger projects that had been done or were in the process of being completed this current fiscal year. One of these - Merrimon Ave. at Stratford - is a medium sized project, has approximately 2,500 feet of 8-inch and 30-inch pipe and is located near the west end of Beaver Lake in north Asheville. He then briefly reviewed the techniques - boring, encasement pipe, etc. used in conjunction with this particular project. He stated that we were having problems with construction of this project because of rock – blue granite – which is extremely hard and has caused problems with the equipment heads used to bore. He presented a short video of the process in action.

He then presented slides and reviewed an in-house project – Allied Health at AB Tech which is located just south of downtown Asheville near the AB Tech campus. This project was coordinated closely with Buncombe County who has some other plans in the area for future roads and buildings. This project was completed in late January.

Mr. Bradford then reviewed the Private Sewer Rehabilitation. This program is for rehabilitation of private, failing, unclaimed systems that were not built to any public standard, nor were they accepted by any entity for ownership and maintenance. These are usually of poor quality, with no manholes, etc. MSD will accept these for maintenance and rehabilitation if they are a demonstrated health threat and/or cited for SSO's by NCDENR. Additionally, each homeowner connected to the system has to sign an agreement to donate all easements at no cost to MSD; it is a voluntary program. Once all the homeowners have signed, MSD will put the system on a list to maintain, until such time that the project needs to be included in the formal CIP budget for full replacement. No new PSR projects were added to the CIP during this budget cycle. Mr. Hartye explained that all the homeowners have to sign agreements before MSD will take these over, and unfortunately, sometimes the residents are unable to agree and MSD is unable to take them over.

Mr. Bradford then briefly reviewed several upcoming projects in the collection system. Included in these is Elk Park Drive in Woodfin with 2,200 feet of pipe. Mount Vernon Place Ph. 2 is located in north Asheville with about 2,500 feet. MSD is partnering with COA Water Resources who is doing significant work on water lines in this area enabling both to save costs on paving, etc., along with minimal disruption to the neighborhood. Horizon Hill Road is also in north Asheville and is comprised of 712 feet. Laurel Road is located in South Asheville in the Royal Pines area and has 686 feet. Phase 1 of this project was also coordinated with COA water resources and constructed with in-house crews. Broadview Avenue is in Oakley, and is the largest line project in the coming year with over 4,500 feet. Crockett Road is across from Haw Creek and is 2,500 feet. Two projects in Black Mountain include Dilling Avenue which is a small project near Highway 9 with approximately 700 feet. East State Street at West Street is a medium sized project that goes right through downtown, and which we are also coordinating closely with NCDOT who is doing some paving on this street in the summer and is trying to work around the school schedule. We originally had this project planned for FY 16-17, but found out about the NCDOT work and therefore decided to accelerate this work to coincide with the NCDOT work. Mr. Bradford then requested that if any of the municipalities or their constituents become aware of any projects, please let us know as soon as possible so we can try to coordinate the work with them. He stated he would like to have three years notice if possible, and would be glad to work with anyone to coordinate work. He explained that we were lucky with this particular project as we did not have to acquire any rights of way as it was all in the road, and the project had already been surveyed.

Other projects include Old US 70 at Pine Circle, which is east in the County with 2,800 feet; Sunset Drive at Bee Tree Road near Warren Wilson with 1,000 feet; Fairfax Avenue in West Asheville between Brevard Road and I-240 with just over 2,000 feet; Old Haywood Road at Starnes Cove Road which actually crosses both the County and City of Asheville limits with about 1,500 feet; Robinwood Ave. in West Asheville with 1,800 feet; Shadowlawn Drive Ph. 1 in West Asheville – which is the highest pipe rated project that we have in the CIP with 4,100 feet. This project has been very troublesome for System Services and has difficult engineering aspects as well. Additionally, 23 easements had to be acquired on this project. Mr. Martin asked about a small section shown on the map, but not included in the proposed project, and Mr. Bradford explained that portions of this project had previously been repaired by in-house crews. He explained that other projects would also have gaps where sections had previously been repaired or replaced. Wendover Road, located in the City of Asheville was the last project reviewed, with approximately 3,000 feet of pipe. Mr. Hartye explained that if a project had a failure in a pipe section that resulted in an SSO, etc. staff would immediately repair that section of pipe. Then, CCTV would be performed on other lines in the area to determine if there were more problems within that area, and if so, a CIP project would be developed encompassing the larger system, not just where we had the initial failure.

Mr. Bradford continued by presenting a snapshot from our GIS system showing CIP projects, in all phases, and also showing in-house projects being done by System Services. He also presented a slide showing the Master Plan which was prepared under the guidance of the member agencies, using their land use policies and zoning regulations. It was adopted by the MSD Board in November 2008, and is used as a basis to ensure that extensions are done in an orderly, predictable fashion. It ensures that developers don't just install a small pump station and take the quickest way out, but that lines are installed up a valley or drainage basin so the line can be used to serve future customers as well. Two larger projects completed under this plan include the Reems Creek Interceptor which was constructed several years ago, and the West French Broad Master Plan Interceptor, which is currently under construction but is almost complete. Mr. Bradford also pointed out that the construction for these lines is funded completely by the developer – with the W. French Broad coming in at about \$2.5 million. The line is sized in accordance with the master plan, and MSD pays for the size differential. An 8-inch line will handle most developments, but in both these projects, 16-inch lines were installed with MSD paying the cost for

the difference in size. The lines are also installed with the pipe below the elevation of the creek or river so future customers will not have to pump up to drain into the line. The Reems Creek Interceptor included about 5,500 feet, and the West French Broad Interceptor is almost complete with about 5,800 feet of pipe installed. MSD will pay for the size differential, and that is budgeted and will be brought to the Board for approval before the project begins.

Mr. Bradford stated that MSD treats approximately 20 million gallons of sewage per day – which would fill up a football field about 56 feet deep. He pointed out that if the sewage were put into one-gallon milk jugs, they would stretch – end to end – 3,078 miles – basically from Asheville at the Buncombe County courthouse to Alaska, and would run 24/7. He then presented slides and reviewed several projects going on at the Treatment Plant, including the Electrical System Upgrades. The external power supply was upgraded to two power supplies coming into the plant – Broadway and Craggy. The internal system has been upgraded, with multiple feeds, which has been used on the current project to keep some systems going while others are out of service. Two additional megawatts have been added for a total of four megawatts. This project was \$2.5 million over three fiscal years. This project is in the last stages of construction.

Another project included hydro repairs to Turbine #2, along with upgrades to the control panels. This particular turbine is used in dry weather scenarios. The hydro is a significant source of revenue, and offsets about \$350,000 a year in electrical costs. MSD also receives about \$100,000 per year in renewal energy credits. (The hydro reduces the amount of energy needed from Progress Energy to run the plant.) The Slide Gate project includes replacement of the slide gates on basin #2 and helps to keep the RBC's operating properly by controlling the water flowing through them, and assists in better managing the life of the RBC's. The incinerator System Upgrade is a very significant project and is currently in the design stage. This requires controls for troublesome pollutants – the one that affects MSD the most is mercury. This is essentially an unfunded mandate, with the estimated construction cost estimated at \$10.3 million. We are preparing to start pilot testing a new technology, and if effective, it could reduce this cost by about \$3 million. That equipment is now being fabricated, and testing should be starting in about three weeks. Mr. Bradford then introduced Mr. Richard Tsang with CDM Smith for review of this project.

Mr. Tsang explained that we are doing this project to rehabilitate the incinerator and also to bring the system into regulatory compliance. This rehabilitation work involves replacing the heat exchanger and ductwork, and fixing corrosion issues on the flue gas systems. When the sludge is combusted, hot flue gas comes out of the furnace at high temperature, and as it cools in the system, it condenses and the moisture causes corrosion. Staff has been repairing and patching the system, but this rehabilitation will include insulation which will prevent so much cooling and condensation, and will prevent corrosion. He presented slides showing how this new design would work. On the regulatory side, some testing results on emissions revealed that we are not meeting new regulatory limits for mercury and sulphur dioxide. In the air pollution control system, the current venturi scrubber will be replaced with a new scrubber. We have not been informed what kind of technology will be applicable on the mercury removal. Carbon absorption was the only one identified on the market, and that technology was what we were initially going with. A caustic ingestion system would be added to control sulphur dioxide much better. A new multi-venturi pack was shown to be very effective, and is slightly different from the existing one now used. As part of our research, we were made aware of a new technology which employs a type of membrane removal system with an impregnated polymer, used to remove mercury. A pilot study using this technology was done at Edmonds, Washington and was shown to be very successful, with the total cost difference between this and the carbon system being about \$3 million. A pilot study will be started with the polymer system in a few weeks to determine if it is feasible. Mr. Martin asked how long would it take to exhaust, and is it hazardous material. Mr. Tsang stated that both were hazardous. The pilot study would determine how long to exhaust, but he estimated two to three years.

Mr. Bradford then reviewed another plant project – the Facilities Plan Update - which is an update of the 2007 Facilities Plan. The high priority projects from that plan have all been completed. This new plan will be a comprehensive planning document for upcoming capital work at the plant. The study will be centered on significant longer-term projects, and will mainly be focused on headworks, barscreens, grit removal, influent pumping station, primary clarification, and biological treatment alternatives. The RBC's are the current biological treatment, but we need to determine if they will work in the future regulatory climate. There are newer technologies out there now, and given what may be coming regarding new regulations, we want to evaluate this issue. This study will be very significant as regarding future projects at the plant. Six national firms submitted qualifications, and the selection team interviewed the top three. Ultimately, the Board awarded the study to HDR Engineering in March of this year. The study is currently in the early phase, and completion expected about one year from now. The results of that study will be brought to this committee and the Board of MSD and will be incorporated in the future planning of the Capital Improvement Program. He reiterated that this will be very significant work upcoming at the plant, and we want to be very methodical going through this study.

Mr. Bradford then reviewed several major upcoming projects for the next fiscal year which include the Influent Pump Station with three influent pumps. The first of these pumps was replaced in January of this year; the second one will be replaced in January of the coming year, and the third will be replaced about two years further out. The VFD's are what power the motors that power the pumps. The equipment is becoming obsolete – they still work, but new boards cannot be purchased and the existing boards have to be hand-repaired. The boards have also experienced corrosion problems. The new controls will be replaced and will be installed in a more protective environment. Another project - the Clayton Road Pump Station - is located on Clayton Road between Long Shoals Road and Brevard Road and is near the new West French Broad Interceptor. This area serves residential, industrial and commercial customers, and due the growth in this area, the pumps and controls need to be upsized.

Mr. Bradford then presented information regarding the Capital Improvement Program and financial issues, stating that staff tries to save money wherever possible – coordinating projects with member agencies, particularly sidewalks, waterlines, storm drains, and paving repair, etc. with City of Asheville, Black Mountain, Woodfin, etc. He reiterated the need for notification of projects from the municipalities, and asked for notifications of any projects as soon as possible – either to him or Tom Hartye. He then explained that lining and trenchless technology is utilized whenever possible. In-house lining footages are utilized as well with about 20,000 feet done per year by System Services crews. Prescriptive easements are also utilized, saving the most when easements are through commercial corridors.

Mr. Bradford stated that the budgeted revenue for the current fiscal year is \$40.8 million; and since we operate with a balanced budget, expenditures are also estimated at \$40.8 million, with about two-thirds of the budget being project-related through debt service and construction projects. An inflationary component is added for years 2 through 10, which is 3.62% for this budget cycle, and has typically averaged 3.4 to 3.7 percent in previous fiscal years. Estimates for all projects are taken from current bid pricing – we take bids from last calendar year to formulate new project estimates. He then presented a snapshot of the next ten years with total expenditures estimated at approximately \$185.9 million. The bulk of these expenses, over 75%, are for the rehabilitation of smaller lines within the collection system. He also pointed out that from consolidation through the end of FY 13; MSD has reinvested almost \$310 million back into the system.

He went on to review the State Collection System permit, which is a significant driver of our rehab program, and which requires MSD to rehabilitate 250,000 L.F over five years. Over the past six years, 57.9 miles of pipe has been rehabilitated. He also explained that this permit has been temporarily extended by S.B. 831 to 8 years and 400,000 L.F. MSD's current 8-year target is 405,797 L.F. We have to be at 400,000, and have added a little extra for insurance.

Mr. Bradford then briefly covered Reimbursement Projects and explained there are no NCDOT betterments scheduled for the coming year. He also explained that special Districts such as MSD do not have to pay for non-betterment costs associated with NCDOT projects. All annexation agreement projects since consolidation have been completed with the exception of Craigmont Road in Black Mountain. There are no new reimbursement projects for FY 14-15.

He then presented a chart showing the reduction in SSO's ever the last 13 years, with a high of 288 back in 2000, and a low of 23 in 2009. In the last fiscal year, we received a huge amount of rainfall, and have seen a slight up-tick to 37 this past fiscal year due to this additional rainfall. This low number of SSO's is mostly due to the reinvestment into the system and also due to the aggressive maintenance performed by System Services.

He then presented information regarding MSD's website and stated that a copy of the proposed CIP budget has been posted on the website for public viewing and comment. He pointed out that we have an excellent GIS system that can be utilized for looking up not only information on sewer lines, but property ownership, etc. He also thanked staff for their work on the CIP budget, and asked for any questions or comments.

Mr. Martin asked what plans, if any, MSD had for the West Buncombe area. Mr. Bradford stated that the master plan had the most information regarding that area. Development drives and pays for extension, so as development comes, they will tie onto the system in accordance with the master plan.

Mr. Hartye also explained that right now, these have to be pumped into the system. The master plan states the stages and how the area should be built out, so it is quite onerous as new lines have to tie back into the main system back across the river further up. There was then no further discussion of this item.

3. Capital Improvement Priorities & Review of the Ten-Year CIP Document

Mr. Bradford then presented the Ten Year CIP Summary document. Mr. Bradford reviewed each category of projects and proposed budget for each one. He stated that the subtotal for the proposed budget for FY 14-15 is \$21,560,555. A flat contingency of \$1,000,000 is proposed, along with reimbursement funding of an additional \$200,000. He explained that 15% contingency for each project used to be utilized, but since projects typically track well, this amount was reduced to this flat rate and has been used for about ten years now. This brings the total proposed CIP Budget for FY15 to \$22,760,555, and is the amount for which staff is seeking the committee's recommendation for approval by the Board.

Mr. Martin asked if there was any way to tell which projects might be done by in-house staff. Mr. Bradford referred to the line item of SSD Rehabilitation and Replacement near the end of the General Sewer Rehabilitation category. This line includes funding for in-house projects, including paving, etc. Mr. Hartye explained that Mike Stamey produces a monthly status report to the MSD Board showing these ongoing projects, where they are located, status, etc. System Services crews not only do these projects, but also do emergency, and some regular CIP projects. Each year, a review is made of the regular existing CIP projects, and System Services with go through and pull out projects that they feel they can construct with in-house crews. Ms. Walk also explained that on several of the projects listed in the CIP, the title has (SS) listed and staff already knows that these projects will be constructed by in-house crews. Mr. Bradford also explained that right of way had to be obtained for these particular projects.

Mr. Watts encouraged everyone to look at the summary and project schedule contained in the CIP notebook, and asked each municipality to coordinate projects with MSD staff whenever possible.

Following no further discussion, Mr. Watts asked for a motion recommending endorsement of the CIP Budget for FY 14-15 in the total amount of \$22,760,555. Mr. Martin so moved. Mr. Pelly made a second to the motion. Following no further discussion, voice vote was unanimous in favor of the motion. The motion passed.

4. Adjourn

There was no further business or discussion. The meeting was adjourned at 9:26 a.m.

Finance Committee Meeting Minutes

May 14, 2014

Call to Order:

The Finance Committee of the Metropolitan Sewerage District met in the Boardroom of the Administration Building at 9:00 p.m., Wednesday, May 14, 2014. Chairman Kelly presided with the following members present: Jackie Bryson, Ellen Frost, Esther Manheimer, and Bill Russell.

Others present were: Thomas Hartye, General Manager, Scott Powell, Director of Finance, William Clarke, General Counsel, and the following board members: Jerry VeHaun, Robert C. Watts and MSD staff.

Third Quarter Budget to Actual Review:

Mr. Powell began his PowerPoint presentation with a review of the Third Quarter Budget to Actual by stating that domestic and industrial user fees are meeting budgeted expectations. Facility fees are budgeted conservatively and can be significantly higher than budget. Facility and Tap fees are significantly higher than budgeted expectation due to receiving unanticipated revenue from seven commercial/residential developers. The use of available funds is showing a positive number because the Board approved bond issue has not closed. The bonds were priced last week and are scheduled to close next Tuesday. The remaining revenues are on track for the year. Operation and maintenance expenditures are at 71%. This is a direct result of the District deferring utility cost with the Hydroelectric Facility. Bond principal and interest expenditures are in line with expectations. Amounts budgeted for capital equipment and projects are rarely expended proportionately throughout the year. These expenditures are expected to be fully spent prior to the end of the year.

FY 2015 Proposed Budget:

Mr. Powell continued his PowerPoint presentation with highlights of the FY 2015 Proposed Budget. He stated the Operation and Maintenance budget is \$15.4 million, Capital Improvement Plan budget is \$22.89 million, Capital Equipment Replacement budget is \$.06 million, and Debt Service is \$10.4 million.

The proposed Operation and Maintenance budget includes the Personnel Committee recommendations of a 2.5% salary adjustment and self-insurance funding at a 0% increase this year. GASB 45 OPEB funding increased \$15,000. Unemployment compensation funding and North Carolina Retirement funding have not increased from prior year.

Materials, Supplies, and Services are expected to increase 4.2%. This increase is due, in part, to a significant near-term plan project at the Incinerator. This project is required as a result of new EPA emissions regulations, which will go into effect March 2016. The District will be conducting a compensation study which will cost around \$15,000. The District has also implemented a work order database system, which has subscription fees of \$125,000 to \$140,000. This implementation will save in future labor costs.

Finance Committee Meeting Minutes

May 14, 2014

Mr. Powell, continued his presentation, which included information on Personnel Growth, Trends in Health Care Costs, Operation actual to budget efficiency, CIP committee endorsed capital project needs, proposed Capital Equipment Replacement, and the District's June 30, 2015 Debt Composition and FY2015 debt service requirements.

A Division Director retired, reducing funded positions from 148 to 147. Whenever possible, the District tries to flatten management. Health care costs were favorable in FY13. In FY14, there were two claims, which were costly. One of these claims will have an ongoing impact for the next two years. The budget will be adjusted when the renewal estimate is received next week.

The District has achieved operational objectives, during the past six years, while averaging an actual/budget ratio of 94.5%.

Mr. Powell, continued by discussing major CIP projects for the upcoming fiscal year, which include; Treatment Plant Incinerator Upgrades (\$3,100,000), Broadview Avenue (\$1,300,000), Shadowlawn Drive Phase 1 (\$955,000). The total CIP Budget is \$22.8 million.

Capital Equipment Replacement for FY2015 are Operations & Maintenance \$135,300, Fleet Replacement \$269,500, and Wastewater Treatment Plant \$200,000.

The District's debt composition as of June 30, 2014 is \$106 million in total, with 70% in traditional fixed income and 30% in synthetic fixed debt. Debt Service is projected to be \$6.11 million in principal and \$4.28 million interest.

Budgeted revenue highlights include .75% growth in residential users, .75% growth in domestic consumption. Facility and Tap fees are conservatively budgeted at \$1.3 million. The return on investments is expected to be 1%. Proposed budgeted revenues are \$40.9 million comprised mainly of domestic user fees (59%), Industrial User Fees (4%), Facility and Tap fees (3%), Interest Income and Miscellaneous Income (2%), and Other Sources (32%).

MSD Business Plan:

Next Mr. Powell covered the District's Business Plan. The Business Plan is a the long-term plan (ten years) for projected Sewer Rates and Revenues, Operating Expenses, CIP needs, and Debt Coverage Ratio. Mr. Powell explained staff uses its master plan objectives, regulatory requirements, debt service requirements, and the consumer price and construction indexes to determine level incremental sewer rate increases. He pointed out that this year's proposed rate increase of 2.5%, while maintaining healthy debt coverage ratios. The District is anticipating three debt issues all at \$24 million with interest rates at 5% in FY17, 5.5% in FY19, and 5.5% in FY23.

Mr. Hartye added that CIP grew significantly from last year. The District's CIP was at approximately \$160 million for the period of FY14 to FY22 last year. This year's business plan 10-year CIP has grown to \$185.9 million. He further stated we could potentially see the 10-year CIP grow to \$200

Finance Committee Meeting Minutes

May 14, 2014

million depending on the results of the updated Treatment Facilities Plan. FY15 may be the last year the budget will balance with a rate increase of 2.5%. The District's engineers will be challenged to phase in plant improvements so costs can be spread out over time.

Mr. Powell stated last year's Business plan included two proposed debt issues. This year's Business plan includes three due to the CIP program growing approximately \$26 million from the previous year. The District's target is to keep a 50/50 ratio of debt and pay-as-you-go funding. The District is projected to meet projected liquidity and debt coverage requirements. The Ten Year Capital Improvements Plan incorporates \$186 million in future projects, with the funding being a mixture of 61% pay-as-you-go and 39% in future debt issuance.

Rate Information:

Mr. Powell discussed State and National Trends for sewer rates. National average residential sewer bills are typically 20% greater than water bills. The District's average residential sewer bill will be 8.1% greater than the comparable water bill. Sewer service charges are anticipated to increase nationally at an average rate of 5.1% for the next four years. The District's rates are project to increase 2.5% for the same time period. Based on the 2011 NAWCA Survey for EPA Region IV – Southeast, the District was in the bottom one-third percent.

Staff recommends Tap and Facility Fees remain at 2013 levels and a 2.5% increase in the Domestic Rate, which would be a \$0.68 cent increase in the average single-family monthly bill bringing the average bill from \$27.81 to \$28.49. Staff also recommends continuing the Industrial rate parity plan, which includes a 4% average increase for the industrial section and incorporates the 2.5% Domestic rate increase. Milkco, the District's biggest industrial user, will be impacted 1.8%.

Mr. Hartye stated the District meets with the industries and gives them a pro forma of what they can expect based on their flow, BOD & TSS from the previous year.

The proposed increase is to provide funding for CIP, maintain a favorable debt service ratio to minimize future interest expense and keep rate increases small and uniform per industry standards and previous District Board directions.

Bond Issuance Update:

The bonds were priced on May 7, 2014 the all in true cost was 3.59% for the life of the transaction (i.e. 25 years). The estimated rate was 4.5% in last year's Business Plan, the annual savings in debt service as compared to prior year business plan is \$174,000 annually. The bonds will be closing on May 20, 2014.

Mr. Powell gave special thanks to Division Heads, his finance team, and Teresa Gilbert, Budget Analyst. He also asked for questions.

Finance Committee Meeting Minutes

May 14, 2014

Questions:

Mr. Watts asked who the top five industrial users were. Mr. Powell responded Milkco, Mission, Ridgcrest Conference Center, Mission Laundry, and Givens Estates are currently the highest industrial users.

Mrs. Manheimer asked if Buncombe County Schools were included in the list of high users. Mr. Powell responded they are customers of the District but are not high industrial users.

Mr. Watts asked if the new brewery was going to be one of the high industrial users, the response was no.

Motion to accept staff recommendation:

Mr. Powell concluded with staff recommendations as to the proposed FY15 Budget Resolution (tab 6) and the proposed Schedule of Rates and Fees (tab 7). Mrs. Manheimer asked if there had to be two separate motions. Mr. Clarke stated it could be done either way. If it were going to be done as separate motions, then the rate schedule should be done first. Mr. Kelley responded, since the finance committee's vote was purely recommendatory, then let's do one vote.

Recommendation:

Mrs. Manheimer moved to approve the proposed FY15 Budget Resolution and the proposed Schedule of Rates and Fees. Mrs. Frost seconded the motion. By a show of hands, the motion was carried unanimously.

Adjournment:

With no further discussion, Mr. Kelly called for adjournment at 9:30 am.

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: May 21, 2014

SUBMITTED BY: Thomas Hartye, P.E., General Manager

PREPARED BY: Kevin Johnson

REVIEWED BY: Ed Bradford, P.E., Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Bradley Street Sewer Extension Project.

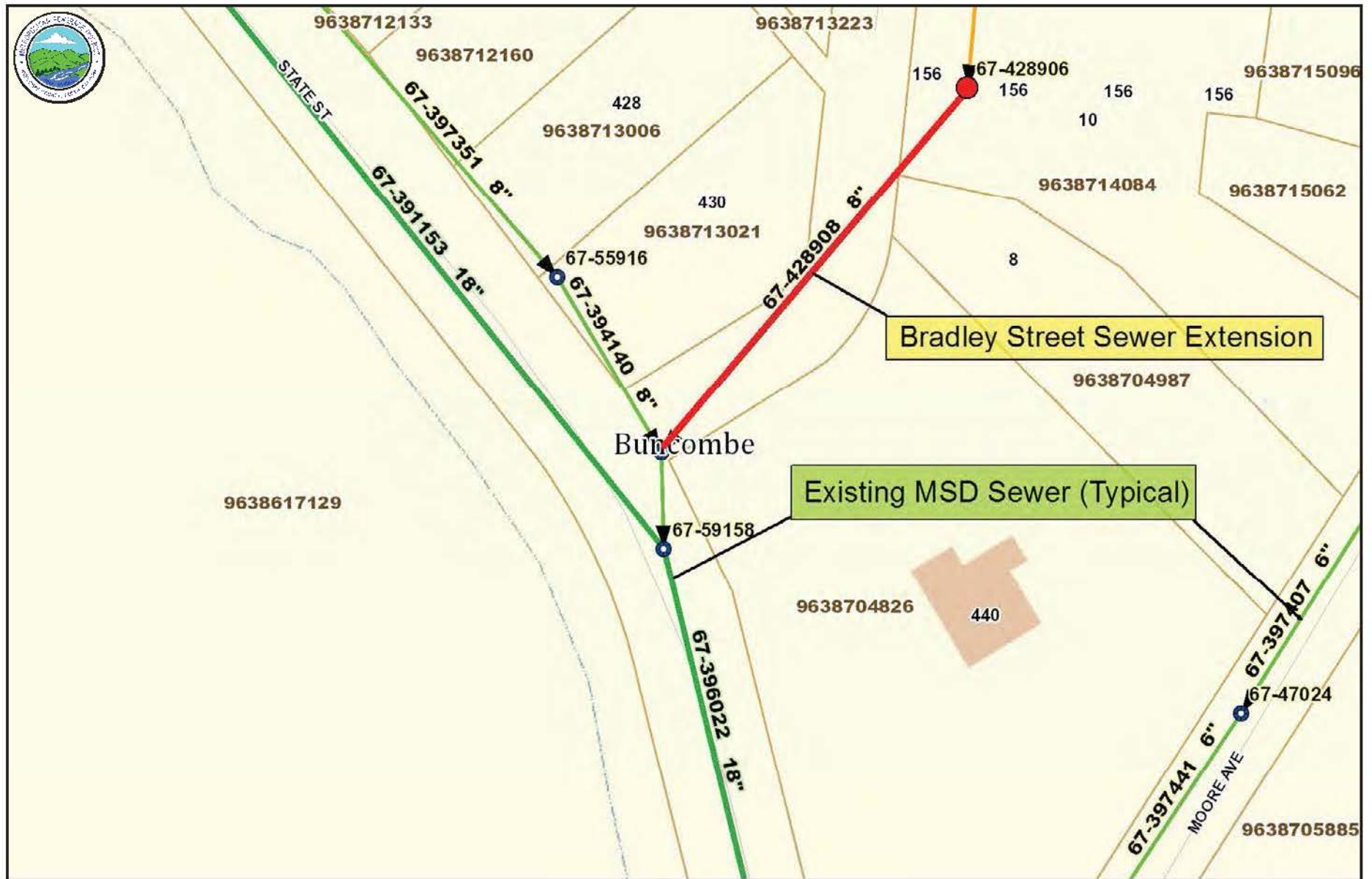
BACKGROUND: This project is located inside the District boundary at the intersection of State Street and Bradley Street in the City of Asheville. The developer of the project is Jay Fiano of Fiano Properties, Inc.

The project included extending approximately 169 linear feet of 8-inch public gravity sewer to serve the three (3) unit residential development.

A wastewater allocation was issued in the amount of 600 GPD for the project. The estimated cost of the sewer construction is \$17,000.00.

All MSD requirements have been met.

STAFF RECOMMENDATION: Staff recommends acceptance of this developer constructed sewer system.



Bradley Street (MSD Project #2012003)

Author: KJ

1 in = 50 ft

Date: 5/13/2014

The Metropolitan Sewerage District of Buncombe County, NC has prepared these maps based on best available information for use in assisting District maintenance work, service area analysis, and planning. The District does not warrant the accuracy of any of the information shown. Field verification is advised for all information shown on the maps or included with manhole data. No guarantee is given as to the accuracy or currency of any of the data. Therefore, in no event shall the District be liable for any special, indirect, or consequential damages or any damages whatsoever resulting from loss of use, data, or profits, whether in an action of contract, negligence, or other action, arising out of or in connection with the use of the information herein provided. Grid shown is North Carolina State Plane Coordinate System NAD 1983 (North American Datum 1983).

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: May 21, 2014

SUBMITTED BY: Thomas Hartye, P.E., General Manager

PREPARED BY: Kevin Johnson

REVIEWED BY: Ed Bradford, P.E., Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Bradley Street – Phase II Sewer Extension Project.

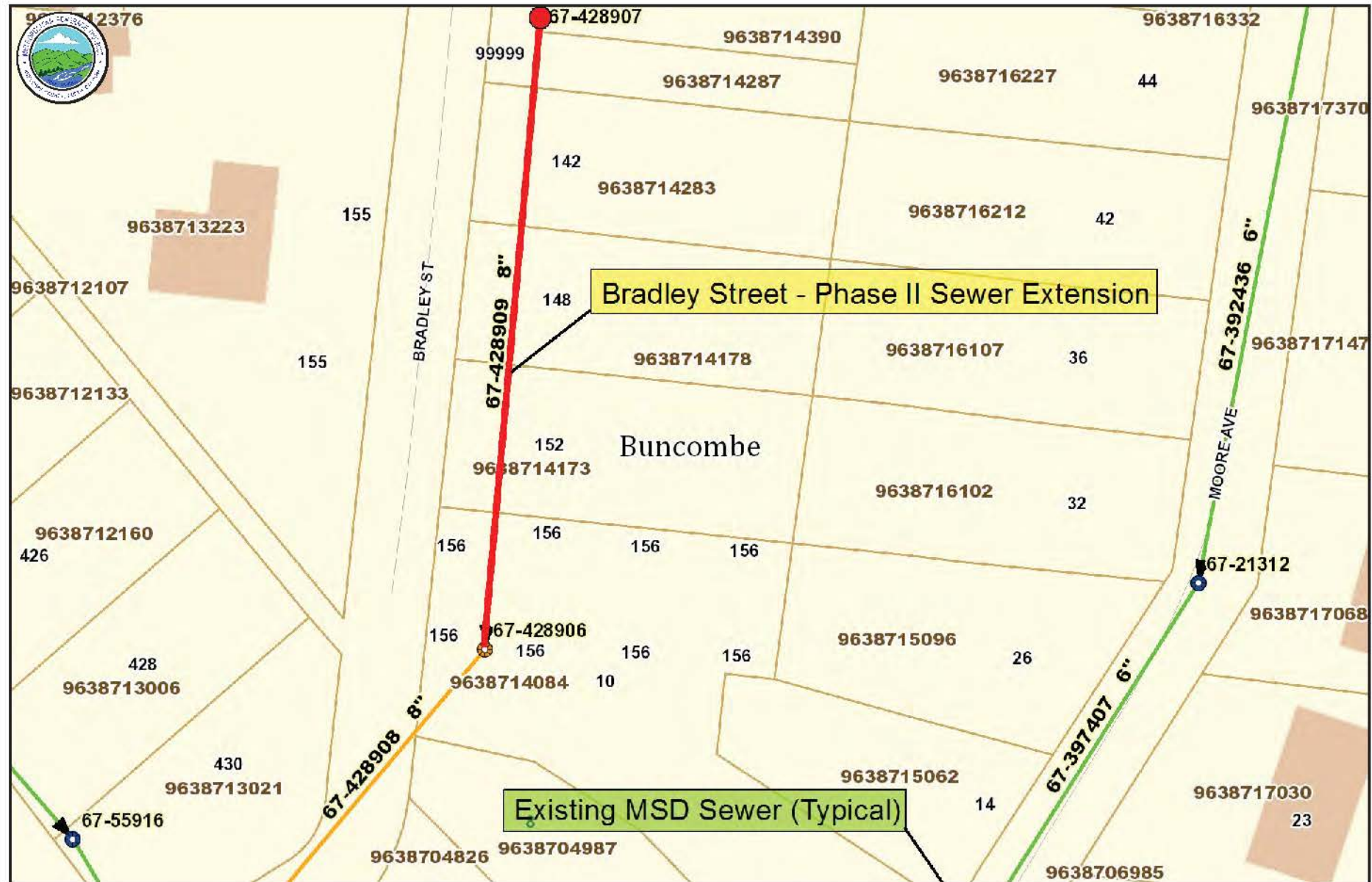
BACKGROUND: This project is located inside the District boundary along Bradley Street in the City of Asheville. The developer of the project is Jay Fiano of Fiano Properties, Inc.

The project included extending approximately 225 linear feet of 8-inch public gravity sewer to serve the eight (8) unit residential development.

A wastewater allocation was issued in the amount of 2,100 GPD for the project. The estimated cost of the sewer construction is \$25,000.00.

All MSD requirements have been met.

STAFF RECOMMENDATION: Staff recommends acceptance of this developer constructed sewer system.



Bradley Street - Phase II (MSD Project #2013031)

Author: KJ

1 in = 50 ft

Date: 5/13/2014

The Metropolitan Sewerage District of Buncombe County, NC has prepared these maps based on best available information for use in assisting District maintenance work, service area analysis, and planning. The District does not warrant the accuracy of any of the information shown. Field verification is advised for all information shown on the maps or included with manhole data. No guarantee is given as to the accuracy or currency of any of the data. Therefore, in no event shall the District be liable for any special, indirect, or consequential damages or any damages whatsoever resulting from loss of use, data, or profits, whether in an action of contract, negligence, or other action, arising out of or in connection with the use of the information herein provided. Grid shown is North Carolina State Plane Coordinate System NAD 1983 (North American Datum 1983).

Metropolitan Sewerage District of Buncombe County

Board Action Item

BOARD MEETING DATE: May 21, 2014

SUBMITTED BY: Thomas Hartye, P.E., General Manager

PREPARED BY: Kevin Johnson

REVIEWED BY: Ed Bradford, P.E., Engineering Director

SUBJECT: Acceptance of Developer Constructed Sewer System for the Onteora Oaks Sewer Extension Project.

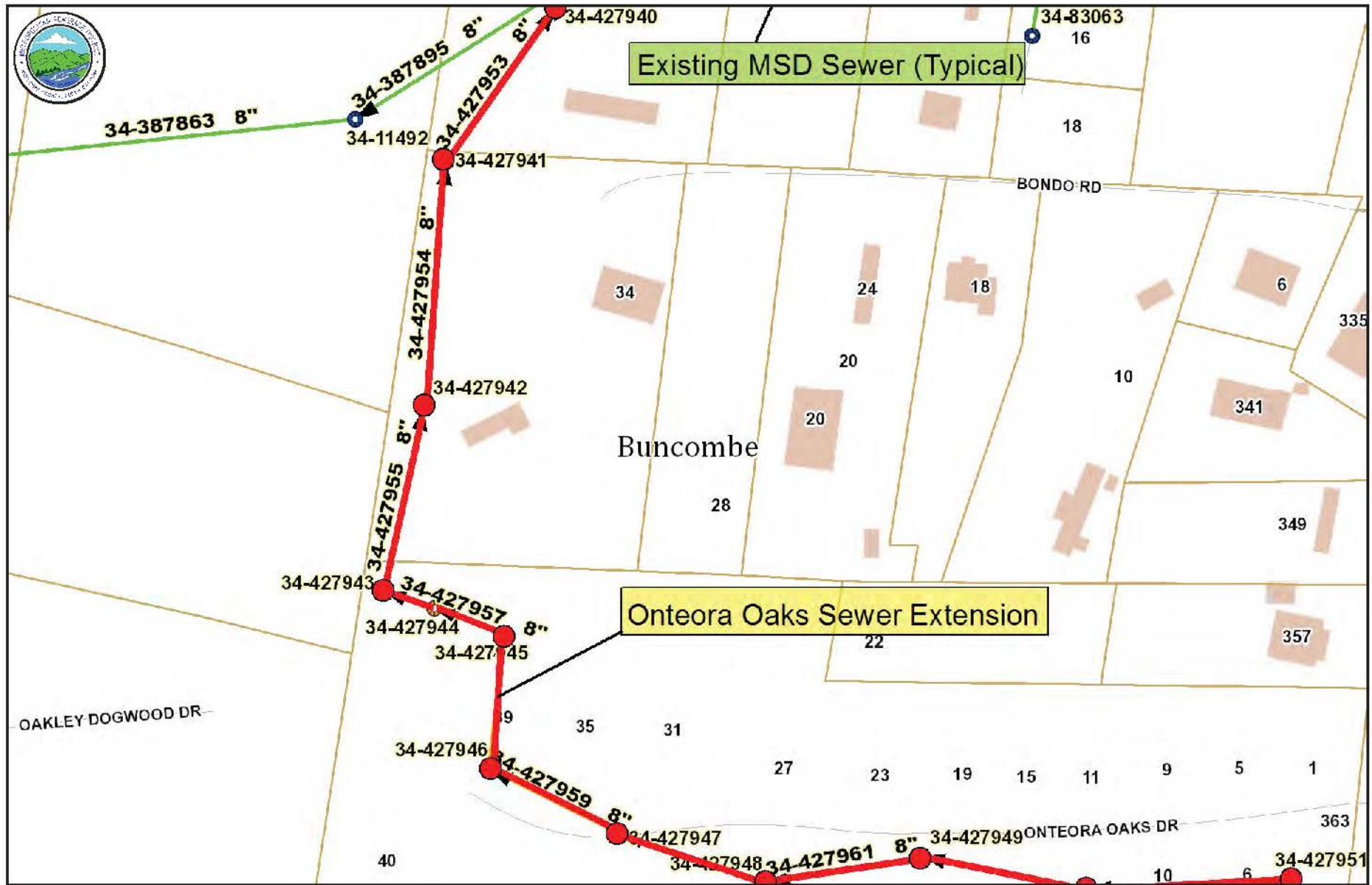
BACKGROUND: This project is located inside the District boundary off Onteora Boulevard in the City of Asheville. The developer of the project is Drew Norwood of the Windsor Aughtry Company.

The project included extending approximately 1,226 linear feet of 8-inch public gravity sewer to serve the twenty-eight (28) unit residential development.

A wastewater allocation was issued in the amount of 8,400 GPD for the project. The estimated cost of the sewer construction is \$65,200.00.

All MSD requirements have been met.

STAFF RECOMMENDATION: Staff recommends acceptance of this developer constructed sewer system.



Onteora Oaks (MSD Project # 2012026)

Author: KJ

1 in = 100 ft

Date: 5/13/2014

The Metropolitan Sewerage District of Buncombe County, NC has prepared these maps based on best available information for use in assisting District maintenance work, service area analysis, and planning. The District does not warrant the accuracy of any of the information shown. Field verification is advised for all information shown on the maps or included with manhole data. No guarantee is given as to the accuracy or currency of any of the data. Therefore, in no event shall the District be liable for any special, indirect, or consequential damages or any damages whatsoever resulting from loss of use, data, or profits, whether in an action of contract, negligence, or other action, arising out of or in connection with the use of the information herein provided. Grid shown is North Carolina State Plane Coordinate System NAD 1983 (North American Datum 1983).

Metropolitan Sewerage District of Buncombe County

BOARD INFORMATIONAL ITEM

Meeting Date: May 21, 2014

Submitted By: Thomas E. Hartye, PE., General Manager

Prepared By: W. Scott Powell, CLGFO, Director of Finance
Cheryl Rice, Accounting Manager

Subject: Cash Commitment/Investment Report-Month Ended March 31, 2014

Background

Each month, staff presents to the Board an investment report for all monies in bank accounts and specific investment instruments. The total investments as of March 31, 2014 were \$27,689,432. The detailed listing of accounts is available upon request. The average rate of return for all investments is 0.568%. These investments comply with North Carolina General Statutes, Board written investment policies, and the District's Bond Order.

The attached investment report represents cash and cash equivalents as of March 31, 2014 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of March 31, 2014 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$2,156,689.

Total Cash & Investments as of 03/31/2014		27,689,432
Less:		
Budgeted Commitments (Required to pay remaining FY14 budgeted expenditures from unrestricted cash)		
Construction Funds	(9,232,019)	
Operations & Maintenance Fund	<u>(4,745,183)</u>	
		(13,977,202)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(2,952)	
Remaining Principal & Interest Due	<u>(6,644,548)</u>	
		(6,647,500)
District Reserve Funds		
Fleet Replacement	(268,620)	
WWTP Replacement	(488,284)	
Maintenance Reserve	<u>(913,147)</u>	
		(1,670,051)
District Insurance Funds		
General Liability	(359,357)	
Worker's Compensation	(343,227)	
Post-Retirement Benefit	(1,226,761)	
Self-Funded Employee Medical	<u>(1,308,645)</u>	
		(3,237,990)
Designated for Capital Outlay		<u><u>2,156,689</u></u>

Staff Recommendation

None. Information Only.

Action Taken

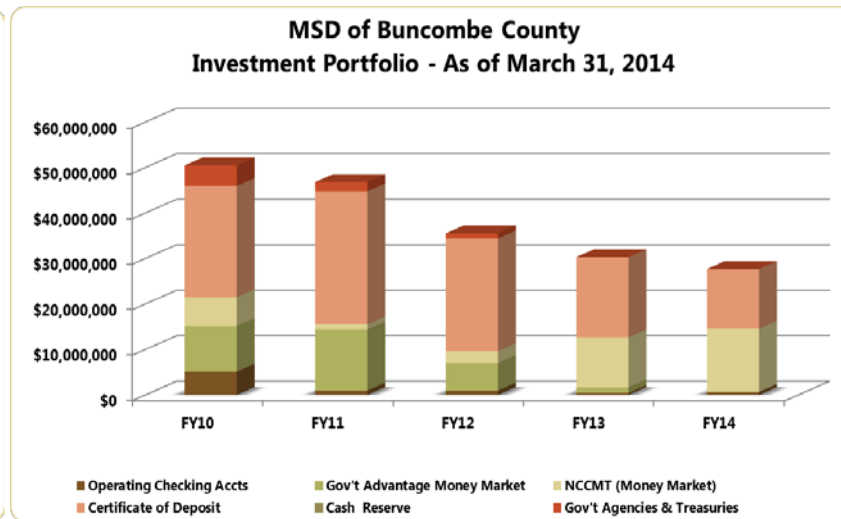
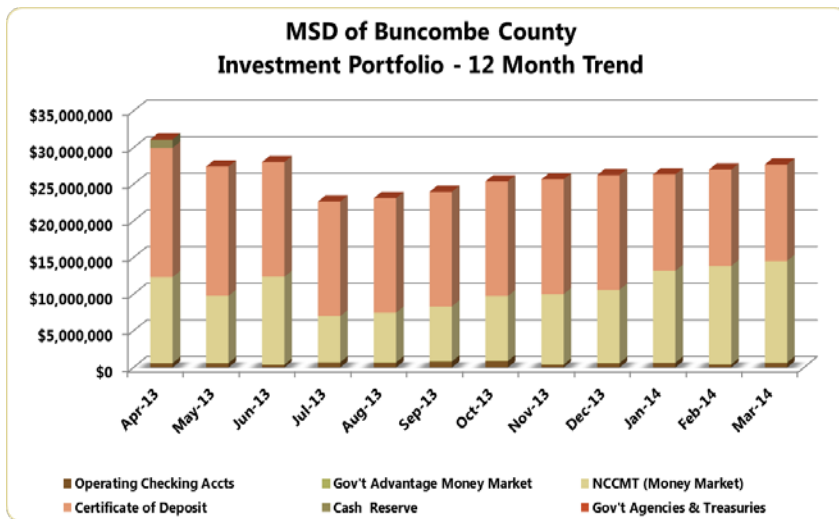
Motion by:	to	Approve	Disapprove
Second by:		Table	Send to Committee
Other:			
Follow-up required:			
Person responsible:			Deadline:

Metropolitan Sewerage District of Buncombe County Investment Portfolio

Board Meeting: May 21, 2014
Subject: Cash Commitment/Investment Report-Month Ended March 31, 2014
 Page -2-

	Operating Checking Accounts	Gov't Advantage Money Market	NCCMT (Money Market)	Certificate of Deposit	Cash Reserve	Gov't Agencies & Treasuries	Total
Held with Bond Trustee	\$ -	\$ -	\$ 2,952	\$ -	\$ -	\$ -	\$ 2,952
Held by MSD	646,171	46,658	13,836,560	13,157,091	-	-	27,686,480
	\$ 646,171	\$ 46,658	\$ 13,839,512	\$ 13,157,091	\$ -	\$ -	\$ 27,689,432

<u>Investment Policy Asset Allocation</u>	<u>Maximum Percent</u>	<u>Actual Percent</u>	
U.S. Government Treasuries, Agencies and Instrumentalities	100%	0.00%	No significant changes in the investment portfolio as to makeup or total amount.
Bankers' Acceptances	20%	0.00%	
Certificates of Deposit	100%	47.52%	The District 's YTM of .55% is exceeding the YTM benchmarks of the 6 month T-Bill and NCCMT Cash Portfolio.
North Carolina Capital Management Trust	100%	49.98%	
Checking Accounts:	100%		All funds invested in CD's, operating checking accounts, Gov't Advantage money market are fully collateralized with the State Treasurer.
Operating Checking Accounts		2.33%	
Gov't Advantage Money Market		0.17%	



**METROPOLITAN SEWERAGE DISTRICT
INVESTMENT MANAGERS' REPORT
At March 31, 2014**

Summary of Asset Transactions

	Original Cost	Market	Interest Receivable
Beginning Balance	\$ 24,993,317	\$ 24,993,317	\$ 373,289
Capital Contributed (Withdrawn)	535,934	535,934	
Realized Income	959	959	
Unrealized/Accrued Income		-	11,554
Ending Balance	<u>\$ 25,530,210</u>	<u>\$ 25,530,210</u>	<u>\$ 384,843</u>

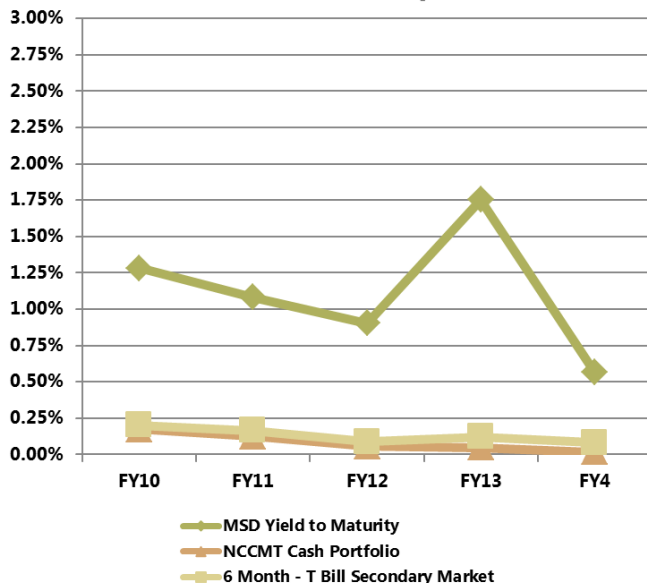
Value and Income by Maturity

	Original Cost	Income
Cash Equivalents <91 Days	\$ 12,373,119	\$ 6,065
Securities/CD's 91 to 365 Days	13,157,091	\$ 6,449
Securities/CD's > 1 Year	-	-
	<u>\$ 25,530,210</u>	<u>\$ 12,513</u>

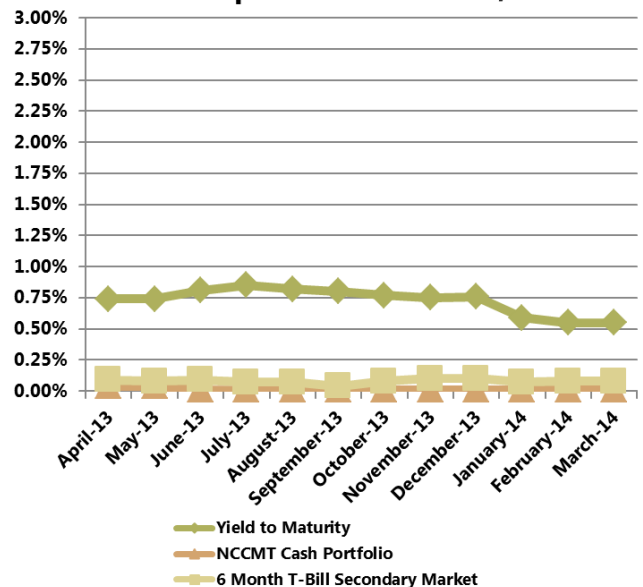
Month End Portfolio Information

Weighted Average Maturity	209
Yield to Maturity	0.55%
6 Month T-Bill Secondary Market	0.08%
NCCMT Cash Portfolio	0.01%

**Metropolitan Sewerage District
Annual Yield Comparison**



**Metropolitan Sewerage District
Yield Comparison - March 31, 2014**



Board Meeting:

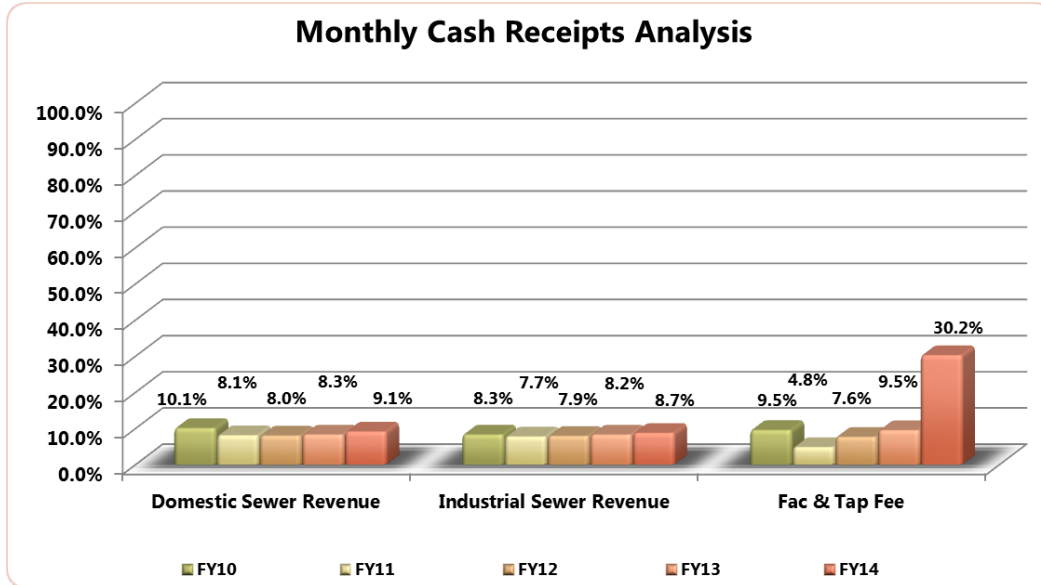
May 21, 2014

Subject:

Cash Commitment/Investment Report-Month Ended March 31, 2014

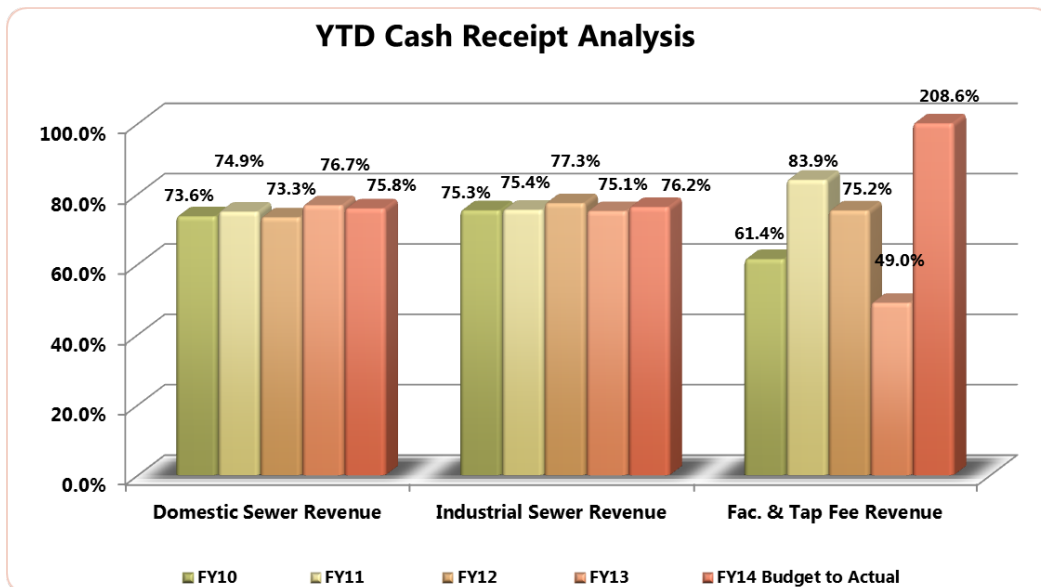
Page -4-

**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF CASH RECEIPTS
As of March 31, 2014**



Monthly Cash Receipts Analysis:

- Monthly domestic sewer revenue is considered reasonable based on timing of cash receipts in their respective fiscal periods.
- Monthly industrial sewer revenue is trending below budgeted expectations.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.



YTD Actual Revenue Analysis:

- YTD domestic sewer revenue is considered reasonable based on historical trends.
- YTD industrial sewer revenue is trending below budgeted expectations.
- Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

Board Meeting:

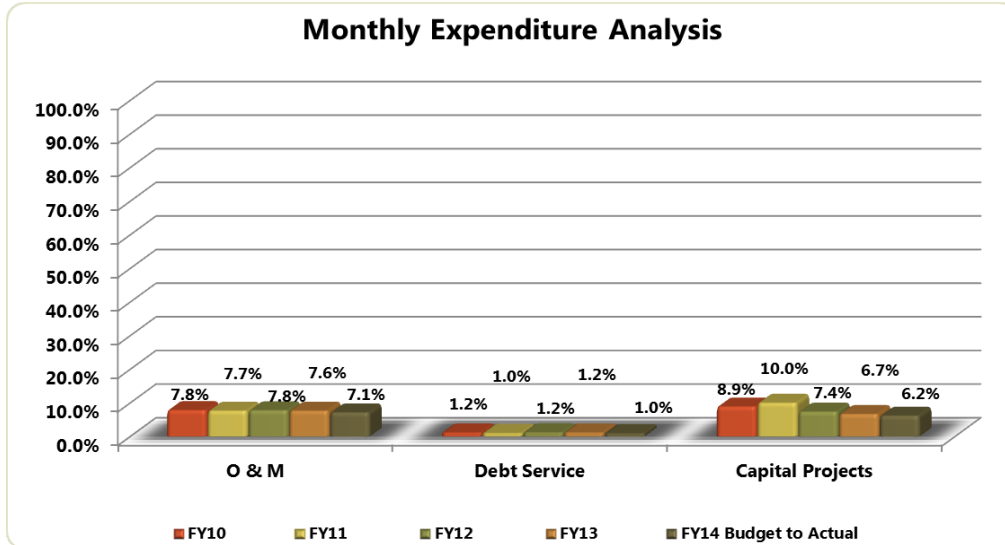
May 21, 2014

Subject:

Cash Commitment/Investment Report-Month Ended March 31, 2014

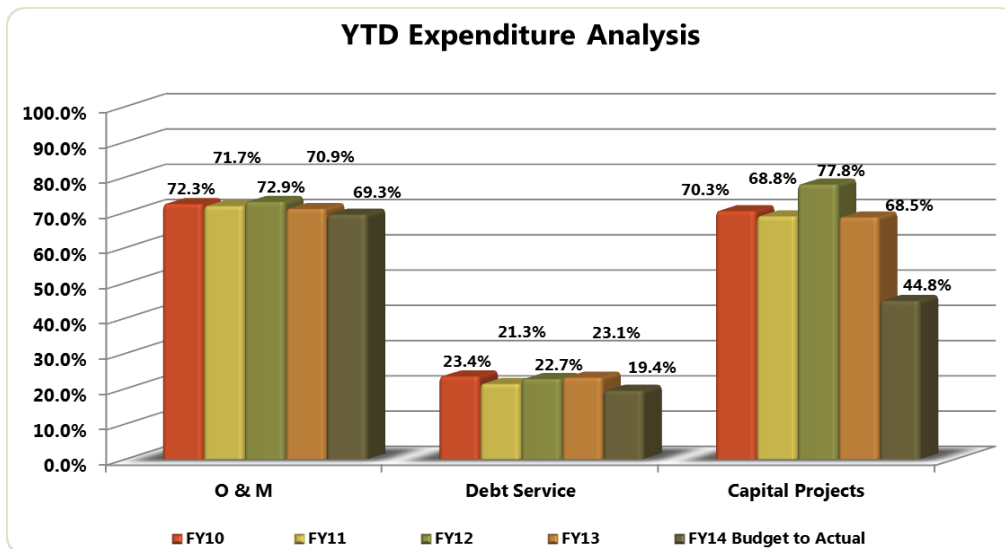
Page -5-

**METROPOLITAN SEWERAGE DISTRICT
ANALYSIS OF EXPENDITURES
As of March 31, 2014**



Monthly Expenditure Analysis:

- ◆ Monthly O&M expenditures are considered reasonable based on historical trends and timing of expenditures in the current year.
- ◆ Due to the nature of the variable rate bond market, monthly expenditures can vary year to year. Based on current variable interest rates, monthly debt service expenditures are considered reasonable.
- ◆ Due to nature and timing of capital projects, monthly expenditures can vary from year to year. Based on the current outstanding capital projects, monthly capital project expenditures are considered reasonable.



YTD Expenditure Analysis:

- ◆ YTD O&M expenditures are considered reasonable based on historical trends.
- ◆ Due to the nature of the variable rate bond market, YTD expenditures can vary year to year. Based on current variable interest rates, YTD debt service expenditures are considered reasonable.
- ◆ Due to nature and timing of capital projects, YTD expenditures can vary from year to year. Based on the current outstanding capital projects, YTD capital project expenditures are considered reasonable.

Board Meeting:

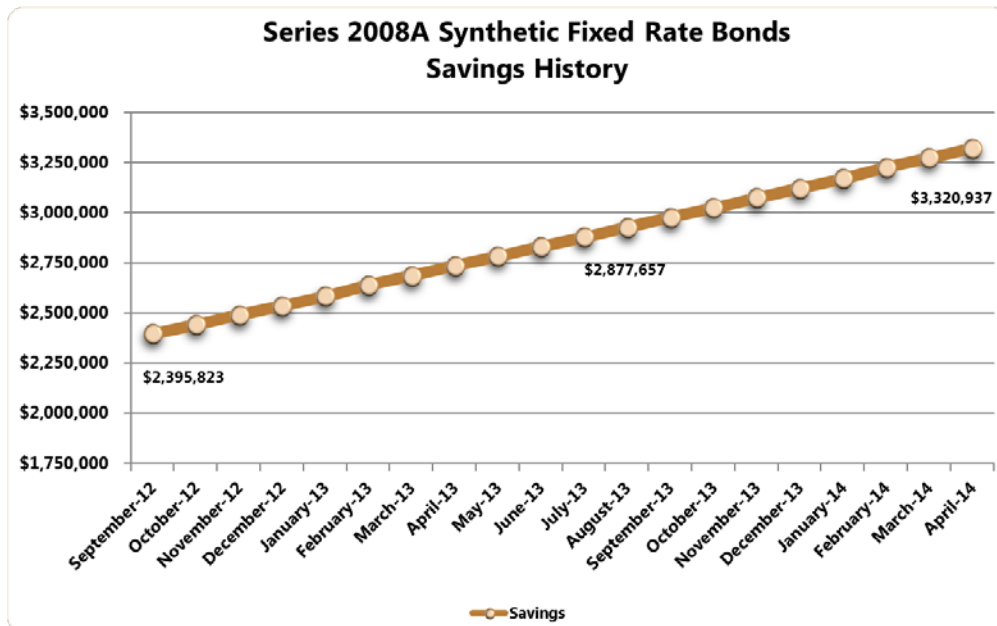
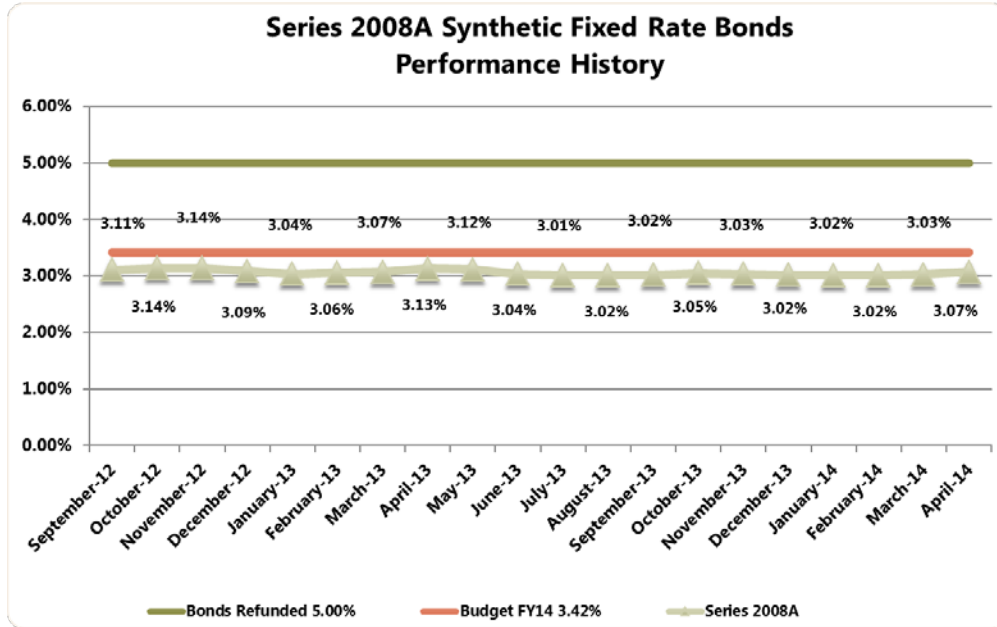
May 21, 2014

Subject:

Cash Commitment/Investment Report-Month Ended March 31, 2014

Page -6-

**METROPOLITAN SEWERAGE DISTRICT
VARIABLE DEBT SERVICE REPORT
As of April 30, 2014**



Series 2008A:

- ✱ Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$3,320,937 as compared to 4/1 fixed rate of 4.85%.
- ✱ Assuming that the rate on the Series 2008A Bonds continues at the current all-in rate of 4.0475%, MSD will achieve cash savings of \$4,730,000 over the life of the bonds.
- ✱ MSD would pay \$4,147,000 to terminate the existing Bank of America Swap Agreement.

Metropolitan Sewerage District of Buncombe County BOARD ACTION ITEM

Meeting Date: May 21, 2014

Submitted By: Thomas E. Hartye, PE., General Manager

Prepared By: W. Scott Powell, CLGFO, Director of Finance

Subject: Consideration of Resolution adopting the Preliminary Budget for FY 2014-2015 and Schedule of Sewer Rates & Fees

Background

The District Budget process must comply with North Carolina General Statutes and the MSD Revenue Bond Order. The Bond order requires that the District adopt its final budget on or before June 15 of each year. The North Carolina General Statutes required that an annual balanced budget ordinance, based upon expected revenues, along with a budget message, to be presented to the governing board no later than June 1 of each year.

Staff/Finance Committee Recommendations

BUDGET:

The Finance Committee unanimously approved staff's recommendation to forward to the Board for approval of the attached Proposed FY 2014-2015 Budget along with the Resolution.

SEWER RATES & FEES:

The Finance Committee unanimously approved staff's recommendation to forward to the Board for approval of the attached Proposed Schedule of Fees and Charges – FY2015.

Action Taken

Motion by:

to

Approve

Disapprove

Second by:

Table

Send to Committee

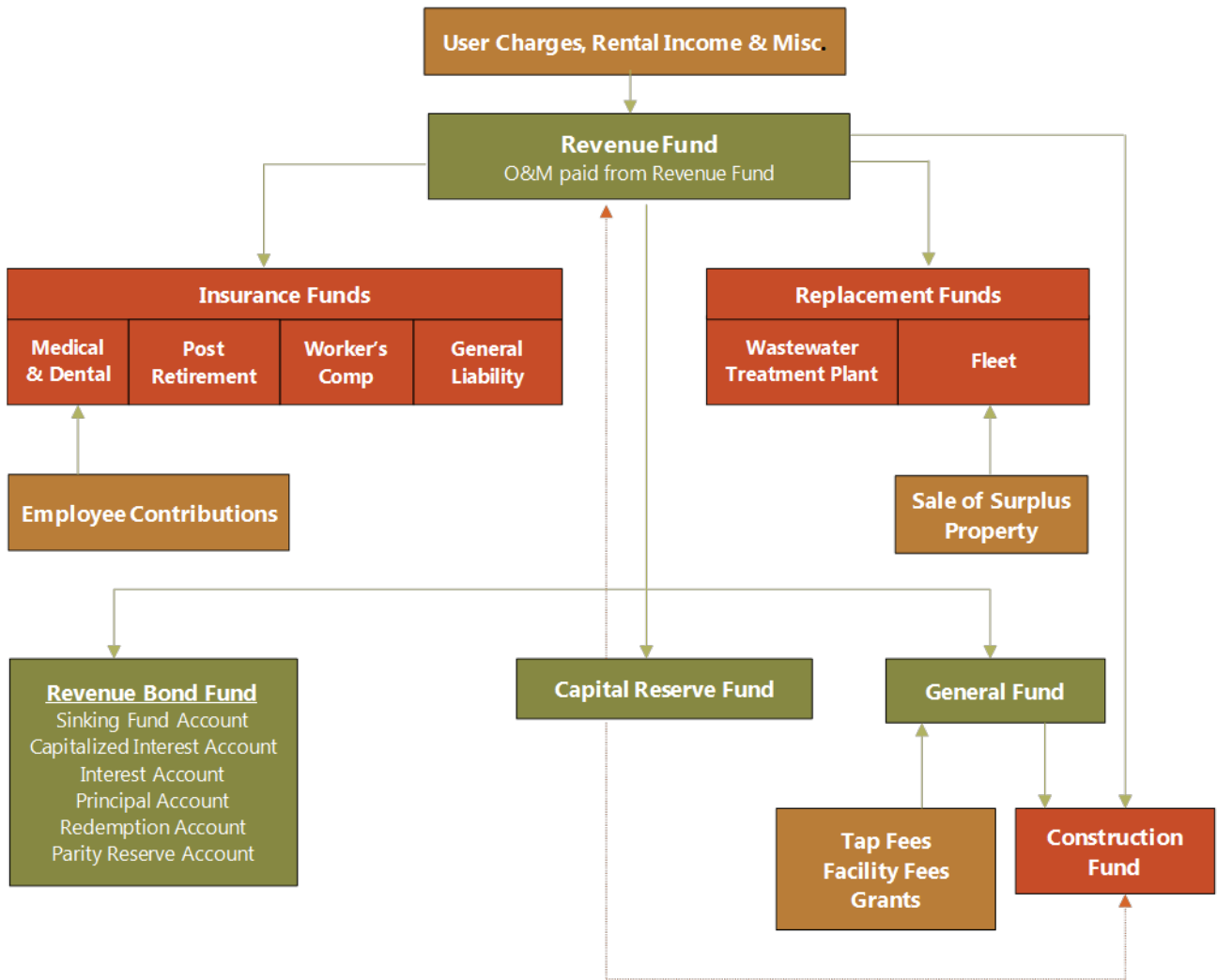
Other:

Follow-up required:

Person responsible:

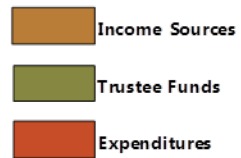
Deadline:

Flow of Funds Chart



Priority of expenditures per Bond Order

1. Current Expenditures
2. Debt Service
3. Capital Reserve
4. Any Lawful Purpose



————— Flow of Funding

..... Flow of Funding if required for emergency repairs or maintenance

Resolution – Preliminary Budget & Sewer Use Charges

**RESOLUTION ADOPTING FINAL BUDGET AND SEWER USE CHARGES
FOR THE
METROPOLITAN SEWERAGE DISTRICT
OF BUNCOMBE COUNTY, NORTH CAROLINA
FOR THE FISCAL YEAR July 1, 2014 THRU June 30, 2015**

WHEREAS, the Board of Directors has reviewed the Operations and Maintenance, Bond, Reserves, and Construction Expenditures of the District and the sources of revenue and allocations (uses) of expenditures for the 2014-2015 fiscal year; and

NOW, THEREFORE, BE IT RESOLVED:

1. The following amounts are hereby appropriated in the Revenue Fund for the Operations and Maintenance of the District and for transfers to the debt service and general funds for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Operating and Maintenance Expenses	\$	12,063,220
Transfer to Insurance Accounts	\$	2,821,562
Transfer to Fleet Replacement Reserve	\$	400,000
Transfer to Wastewater Treatment Plant Reserve	\$	<u>100,000</u>
Subtotal O&M	\$	15,384,782
Transfer to Debt Service Fund	\$	10,389,488
Transfer to General Fund	\$	<u>9,265,885</u>
	\$	<u><u>35,040,155</u></u>

It is estimated that the following revenues will be available in the Revenue Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Domestic User Fees	\$	28,445,115
Industrial User Fees	\$	1,835,438
Billing and Collection Fees	\$	725,702
Investment Interest	\$	336,745
Reimbursement for Debt Service from COA	\$	37,000
Rental Income	\$	68,742
Appropriated Net Position	\$	<u>3,591,413</u>
	\$	<u><u>35,040,155</u></u>

Resolution – Preliminary Budget & Sewer Use Charges

2. The following amounts are hereby appropriated in the General Fund for the transfers to the construction fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer into Construction	\$ <u>12,046,060</u>
----------------------------	----------------------

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Facility and Tap Fees	\$ 1,355,000
Investment Income	\$ 5,000
Transfer from Revenue Fund	\$ 9,265,885
Appropriated Net Position	\$ <u>1,420,175</u>
	\$ <u>12,046,060</u>

3. The following amounts are hereby appropriated in the Construction Fund for Capital Improvement Plan expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

Capital Improvements Projects	\$ <u>22,760,555</u>
-------------------------------	----------------------

It is estimated that the following revenues will be available to the Construction Fund for the Fiscal year beginning July 1, 2014 and ending June 30, 2015.

Investment Income	\$ 75,000
Transfer from General Fund	\$ 12,046,060
Appropriated Net Position	\$ <u>10,639,495</u>
	\$ <u>22,760,555</u>

4. The following amounts are presented as the financial plan for the Internal Service Funds used to provide insurance services. Estimated operating expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are:

Operating Expenditures	\$ <u>3,463,138</u>
------------------------	---------------------

Resolution – Preliminary Budget & Sewer Use Charges

It is estimated that the following revenues will be available in the Insurance Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	2,821,562
Investment Income	\$	15,500
Employee/Retirees Medical Contributions	\$	417,800
Appropriated Net Position	\$	<u>208,276</u>
	\$	<u><u>3,463,138</u></u>

5. The following amounts are presented as the Financial Plan in the Fleet Replacement Fund for the Internal Service Fund serving as capital equipment expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are estimated as follows:

Capital Equipment	\$	<u>269,550</u>
-------------------	----	----------------

It is estimated that the following revenues will be available in the Fleet Replacement Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	400,000
Sale of Surplus Property	\$	35,803
Investment Income	\$	4,511
Contributions to Net Position	\$	<u>(170,764)</u>
	\$	<u><u>269,550</u></u>

6. The following amounts are presented as the Financial Plan in the Wastewater Treatment Plant Replacement Fund for the internal service fund designated as expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are estimated as follows:

Capital Equipment	\$	<u>227,500</u>
-------------------	----	----------------

It is estimated that the following revenues will be available in the Wastewater Treatment Plant Replacement Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	100,000
Investment Income	\$	4,409
Appropriated Net Position	\$	<u>123,091</u>
	\$	<u><u>227,500</u></u>

Resolution – Preliminary Budget & Sewer Use Charges

7. The following amounts are hereby appropriated in the Debt Service Fund for principal and interest payments for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Debt Service	\$	<u>10,389,488</u>
--------------	----	-------------------

It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	10,389,488
Investment Income	\$	50
Contributions to Net Position	\$	<u>(50)</u>
	\$	<u>10,389,488</u>

8. That the Board of the Metropolitan Sewerage District does hereby approve an increase in the Budgets to the amount necessary to reflect any contributions to the Debt Service Reserve Fund or Capital Reserve Fund as determined by the Bond Trustee to be necessary to comply with covenants in the Bond Order.
9. The General Manager is hereby authorized to transfer appropriations as contained herein under the following conditions:
- a. He may transfer amounts without limitation between departments in a fund.
 - b. He may transfer any amounts within debt service and reserve funds designated as excess by the Trustee into another fund.
10. That the attached schedule of fees and charges be adopted as effective July 1, 2014.
11. That this resolution shall be entered in the minutes of the District and within five (5) days after its adoption, copies thereof are ordered to be filed with the Finance and Budget Officer and Secretary of the Board as required by G.S. 159-13 (d).

Adopted this 21st day of May 2014

M. Jerry VeHaun, Chairman
Metropolitan Sewerage District of
Buncombe County, North Carolina

Attest:

Jackie Bryson
Secretary/Treasurer

Schedule of Rates & Fees – FY2015

	ADOPTED FY14 RATE	PROPOSED FY15 RATE
Collection Treatment Charge		
Residential & Commercial Volume Charges (per CCF) Inside	\$ 4.08	\$ 4.18
Industrial Volume Charges (per CCF) Inside	\$ 3.195	\$ 3.439
Industrial Surcharge for BOD (per lb., BOD >220 mg/l) Inside	\$ 0.341	\$ 0.334
Industrial Surcharge for TSS (per lb., TSS >220 mg/l) Inside	\$ 0.267	\$ 0.264
Residential & Commercial Volume Charges (per CCF) Outside	\$ 4.09	\$ 4.19
Industrial Volume Charges (per CCF) Outside	\$ 3.205	\$ 3.449
Industrial Surcharge for BOD (per lb., BOD >220 mg/l) Outside	\$ 0.341	\$ 0.334
Industrial Surcharge for TSS (per lb., TSS >220 mg/l) Outside	\$ 0.267	\$ 0.264
Base Meter/Maintenance Charge & Billing Fee		
5/8"	\$ 6.28	\$ 6.44
3/4"	\$ 9.15	\$ 9.38
1"	\$ 16.22	\$ 16.63
1 1/2"	\$ 37.15	\$ 38.08
2"	\$ 65.71	\$ 67.35
3"	\$ 145.73	\$ 149.37
4"	\$ 260.04	\$ 266.54
6"	\$ 585.79	\$ 600.43
8"	\$ 1,040.15	\$ 1,066.15
10"	\$ 1,628.80	\$ 1,669.52
Billing Fee (per bill)	\$ 2.25	\$ 2.29
Sewer Facility Fees		
Residential		
Per Unit (non-mobile home)	\$ 2,500	\$ 2,500.00
Mobile Home	\$ 1,740	\$ 1,740.00
Affordable Housing	\$ 670	\$ 670.00
Nonresidential (modifiable per economic development waiver)		
5/8"	\$ 2,500	\$ 2,500.00
3/4"	\$ 2,830	\$ 2,830.00
1"	\$ 5,560	\$ 5,560.00
1 1/2"	\$ 11,350	\$ 11,350.00
2"	\$ 20,000	\$ 20,000.00
3"	\$ 45,000	\$ 45,000.00
4"	\$ 87,500	\$ 87,500.00
6"	\$ 225,400	\$ 225,400.00
8"	\$ 237,500	\$ 237,500.00
Additions < 1,400 GPD	\$ 870	\$ 870.00
Additions over 1,400 GPD	Based on flow rate & meter size	Based on flow rate & meter size

Schedule of Rates & Fees - FY2015

	ADOPTED FY14 RATE	PROPOSED FY15 RATE
Sewer Tap Fees		
Tap installed by MSD	\$ 650	\$ 650.00
Additional Charge for Pavement Disturbance	\$ 2,200	\$ 2,200.00
Additional Charge for Boring	N/A	N/A
Refund if Boring avoids pavement disturbance	\$ (1,300)	\$ (1,300.00)
Inspection Fee for Developer-Installed Tap	\$ 140	\$ 140.00
Manhole Installation/Replacement		
Cost per foot	\$ 250	\$ 250.00
Pavement replacement (if required)	\$ 1,800	\$ 1,800.00
Other Fees		
Allocation Fee	\$ 170	\$ 170.00
Non-Discharge Permit	\$ 200	\$ 200.00
Plan Review Fee	\$ 450	\$ 450.00
Plan re-review Fee	\$ 350	\$ 350.00
Final Inspection	\$ 350	\$ 350.00
Pump Station Acceptance Fee	Note 1	Note 1
Note 1 --See policy for details of computation of O&M and equipment replacement costs for upcoming 20 years; 50% discount for affordable housing		
Bulk Charges		
Volume Charge for Septic Haulers (per 1000 Gal.)	\$ 45.00	\$ 45.00
Biochemical Oxygen Demand >220 mg/l (per lb.)	\$ 0.341	\$ 0.334
Total Suspended Solids >220 mg/l (per lb.)	\$ 0.267	\$ 0.264
Returned Check Charge		
Returned Check (per event)	\$ 25.00	\$ 25.00
Dishonored Draft (per event)	\$ 25.00	\$ 25.00
Copy/Printing Fees/Miscellaneous (each)		
8x11 first print of standard GIS inquiry	\$ 1.00	\$ 1.00
8x14 first print of standard GIS inquiry	\$ 1.00	\$ 1.00
11x17 first print of standard GIS inquiry	\$ 2.00	\$ 2.00
24x36 first print of standard GIS inquiry	\$ 7.00	\$ 7.00
34x44 first print of standard GIS inquiry	\$ 12.00	\$ 12.00
36x48 first print of standard GIS inquiry	\$ 14.00	\$ 14.00
8x11 or 8x14 copies after first print	\$ 0.11	\$ 0.11
11x17 copies after first print	\$ 0.20	\$ 0.20
24x36 copies after first print	\$ 0.94	\$ 0.94
34x44 copies after first print	\$ 1.76	\$ 1.76
36x48 copies after first print	\$ 2.03	\$ 2.03
Foam Core mounting per sq. foot	\$ 3.00	\$ 3.00
Data CD	\$ 30.00	\$ 30.00
Shipping for CD	\$ 5.00	\$ 5.00
Permit Decals for Septic Haulers	\$ 50.00	\$ 50.00



2015

Metropolitan Sewerage District of Buncombe County, NC

Preliminary Budget

*FY 2014-2015 Preliminary Budget
for
Metropolitan Sewerage District
of
Buncombe County, North Carolina*

Asheville, North Carolina



2028 Riverside Drive
W H Mull Building
Asheville, North Carolina 28804
Phone: (828) 254-9646
Fax: (828) 232-5530

Thomas E. Hartye, P.E., General Manager
W. Scott Powell, CLGFO, Director of Finance

Website: www.msdbc.org

Principal Officials

Board Member	Representative of
M. Jerry VeHaun, Chairman	Town of Woodfin
Jackie W. Bryson, Secretary/Treasurer	Woodfin Sanitary Water & Sewer
Matt Ashley, Jr.	Town of Montreat
Joe Belcher	County of Buncombe
Ellen Frost	County of Buncombe
E. Glenn Kelly	Town of Biltmore Forest
Esther Manheimer	City of Asheville
Chris Pelly	City of Asheville
Al P. Root	Town of Weaverville
Bill Russell	City of Asheville
Bill Stanley	County of Buncombe
Robert C. Watts	Town of Black Mountain

Legal Counsel	Auditing Firm	Engineer of Record
Roberts & Stevens, P.A.	Cherry, Bekaert & Holland, L.L.P.	McGill & Associates

General Manager	Director of Finance
Thomas E. Hartye, PE	W. Scott Powell, CLGFO

Table of Contents

Section Title	Subdocuments	Page No.
<i>Introduction</i>		
	Budget Message	1-7
<i>Policies & Budget Process</i>		
	Budget Process	9-10
	Budget Calendar	11
	Rate Projections & Budgetary Forecast	12
	Budgetary Forecast Based on Current Business Plan	13
	Budget Summary	14
	Component Fund Chart	15-16
	Revenue	17-20
<i>Operation & Maintenance Fund</i>		
	Operation & Maintenance Fund	21-31
<i>Insurance Funds</i>		
	Self-Funded Employee Medical Program Budget	34
	Post-Employment Insurance Budget	35
	Worker's Compensation Financial Plan	35
	General Liability Financial Plan	36
<i>Replacement Funds</i>		
	Fleet Equipment Replacement Fund	38
	Wastewater Treatment Plant Replacement	39
	Capital Reserve Fund	40
<i>CIP Program</i>		
	Capital Improvement Program	41-46
	Program Summary	47-51
<i>Debt Financing</i>		
	Debt Financing	53-56
	Aggregate Debt Service	57-59
<i>Appendix</i>		
	Flow of Funds – Bond Order	61
	Resolution Adopting Preliminary Budget & Sewer Use Charges	62-65
	Schedule of Rates & Fees – FY 2015	66-67

This page intentionally left blank.



Introduction



Metropolitan Sewerage District

OF BUNCOMBE COUNTY, NORTH CAROLINA

May 21, 2014

Members of the Board
Metropolitan Sewerage District of Buncombe County, North Carolina
W. H. Mull Building
2028 Riverside Drive
Asheville, North Carolina 28804

Subject: FY14-15 Budgets and Proposed Sewer Rates

Dear Members of the Board,

We respectfully present the FY15 Budget for the Metropolitan Sewerage District of Buncombe County, North Carolina. The budget incorporates staff recommendations presented to and accepted by the Personnel Committee, which met on April 29, 2014, the Capital Improvement Program Committee, which met on May 1, 2014, and the Finance Committee, which met on May 14, 2014.

We have developed the FY15 Budget to advance the organization's mission "*to provide wastewater collection and treatment to its users which promotes the health and safety of affected citizens in the most effective and efficient manner possible today and in the future*". The following Operational and Capital budget is designed to provide services meeting or exceeding all state regulations and Bond Order covenants with which the District must comply, with any rate changes to be at the lowest responsible level.

Current Year Highlights

In FY14, the District's domestic and industrial revenue is expected to meet budgeted projections. While some light and medium commercial consumers are still feeling the effects of the recession, the District continues to achieve growth in the number of residential customers.

By effectively controlling the increase in operating expenditures and strategically planning the timing of CIP projects, the District has been able to limit the proposed rate increase to 2.5% for the upcoming year. Additionally, the District's long-range business plan incorporates these changes and projects that future rate increases will approximate 2.5% for the remaining nine (9) years.

This budget continues several recent initiatives to maintain the District's overall strategy of keeping collection lines and the plant functioning effectively while rehabilitating significant portions of aging infrastructure. The most important goal remains meeting all regulatory permit requirements including the reduction of sanitary sewer overflows (SSOs).

TO: Members of the Board
SUBJECT: FY14-15 Budgets and Proposed Sewer Rates
May 21, 2014

The Systems Services Department continues to expand its participation in sewerline rehabilitation and replacement efforts to minimize SSOs. Goals for FY15 include utilizing Infrastructure Rehabilitation System (IRS) lining, pipe bursting, and dig-and-replacement construction to rehabilitate and replace at least 20,000 linear feet, while providing preventative maintenance for approximately 500,000 linear feet of the system by employing in-house jet wash cleaning and both chemical and mechanical root control. In addition, the Systems Services Department will manage the District's Right-of-Way maintenance program whereby easements will be periodically cleared or mowed.

The Wastewater Treatment Plant is continuing systematic improvements as part of the District's detailed Facilities Management Plan. In FY15, the District will initiate an update of the District's facilities plan in addition to prepare for future increased regulations.

Operating Budget

The proposed \$15.4 million Operating Budget represents routine expenditures and capital equipment acquisitions needed for the day-to-day operations of the District. Highlights of significant components and changes include:

- Compensation and Benefits—The staff and employees considered salary and health insurance increases together as part of a comprehensive compensation package.
 - ◆ A 2.5% salary adjustment—CPI increased 1.5% for the last twelve-month period; Division Directors in conjunction with Employee Advisory Committee have requested a cost of living increase to keep pace with industry salary increases as well as to encourage retention of valued employees. The Personnel Committee has recommended a wage increase, which has an \$117,000 net impact on current year expenditures.
 - ◆ A 0% increase in funding for Self-Insured Medical Plan—During FY12/FY13, staff worked with the Employee Advisory Committee and initiated a top to bottom review of our existing broker and medical insurance providers. The effort has resulted in substantial savings in brokerage fees, drug cost, reinsurance savings, and the opportunity to further reduce medical insurance service costs to employees. The two groups continue to work on a long-term strategic plan to address controllable medical issues. Staff has been able to hold employer contributions to FY13 levels to cover estimated medical expenses of the plan while maintaining prudent reserves for future claims. This has a \$0 impact on current year expenditures.
 - ◆ Funding for Post-Employment Health Benefit—Starting in FY09, GASB 45 required recognition of cost for Post-Employment Health Benefits. An actuarial study was done in the current year, which stated that FY15 funding should be \$265,700. Current funding has

TO: Members of the Board
SUBJECT: FY14-15 Budgets and Proposed Sewer Rates
May 21, 2014

been implemented into the proposed FY15 budget and the current business plan and represents 1.7% of total operations.

- Materials, Supplies, and Service expenditures increased 4.2% over prior year—The District has made a concerted effort to hold materials, supplies, and services cost close to the prior year's level, taking into account inflationary cost increases. The District has increased specific line items to address regulatory and operational needs. Discretionary expenditures have been limited where practicable. This has a \$253,000 impact on current year expenditures.

Capital Improvement Program

The District prepares a ten-year Capital Improvement Program as required by its State Collection System Permit and the Consolidation Agreements. The estimated construction expenditure for FY15 is \$22.8 million, which is comprised of an estimated \$21.6 million in construction, \$200,000 of reimbursement and \$1 million in contingency. A detailed list of individual projects and planned expenditures by year was presented at the May 1, 2014 CIP meeting.

The Board has consistently financed its Capital Improvement Program through revenue bonds and pay-as-you-go moneys. As of June 30, 2014, the District will have \$106.9 million in outstanding revenue bond debt, with total debt service of \$10.4 million due before the end of the fiscal year. Unlike counties and cities, the District does not have a legally mandated debt limit. However, the District does have a rate covenant. The covenant requires the District to set rates and charges so that income available for debt service will not be less than 120% of fiscal year debt service requirement.

➤ Collection System Capital Improvements

MSD has initiated a major program to rehabilitate its Wastewater Collection System. This program will conform to the North Carolina Department of Environmental and Natural Resources (NCDENR) Collection System Permit requirements, and will improve the operational performance and extend the life of the collection system. The estimated cost over a 10-year period is approximately \$185.9 million. This Permit ushers in a change in focus of the District's Capital Improvement Plan. In the previous decade, efforts had been directed to expediting completion of certain projects identified by the member agencies and assumed by the District during the consolidation process. For example, construction of the 23.8-mile North Swannanoa Interceptor begun in 1993 was completed during FY2004 at a cost in excess of \$44 million. Now that most of these "consolidation" projects have been completed, our focus has been redirected to rehabilitation of the State-mandated 250,000 feet of sewerline every five (5) years and other projects identified in the Master Plan.

This rehabilitation has been made more cost-effective by the development of the Pipe Rating Program. Pipe Rating is a proactive planning tool, which utilizes Closed Circuit Television (CCTV) information, a GIS database, and actual maintenance history to view, rate, and computer-score pipe segments based on a number of factors.

TO: Members of the Board
SUBJECT: FY14-15 Budgets and Proposed Sewer Rates
May 21, 2014

These factors, for any given manhole-to-manhole segment, include maintenance work order history, number, and severity of defects, and record of overflows on that segment, and are combined to yield a rating useful for prioritizing rehabilitation efforts.

Pipe Rating minimizes costs by helping the District focus rehabilitation dollars where they are needed most, rather than the previous replacement of collector lines throughout an entire basin. In recognition of this innovative program, the Association of Metropolitan Sewerage Agencies (AMSA) awarded the District one of only two 2003 National Environmental Achievement Awards.

Major projects for FY15 include the \$1.3 million Broadview Avenue with over 4,524 linear feet, \$634,400 Crockett Road with over 2,562 linear feet, \$816,000 Mount Vernon Place Phase 2 with over 2,476 linear feet, \$759,900 Old US-70 at Pine Circle with over 2,779 linear feet, and \$955,000 Shadowlawn Drive Phase 1, with over 4,122 linear feet. In FY15 Treatment Plant incinerator upgrades are scheduled to cost \$3.1 million. These are in addition to numerous smaller projects completed throughout the collection system. Further details are available in the CIP section of the budget document.

The District's Collection System Master Plan addresses the orderly extension of the District's collection system into future service areas. The plan has been prepared in close cooperation with the District's member agencies and regional stakeholders. The land use policies and zoning regulations of each agency were used for land usage, growth projections/densities, and line locations. For areas outside of corporate or jurisdictional limits, Buncombe County's proposed Zoning Ordinance has played an integral role in defining future service areas.

The plan will serve as a basis to ensure that the sewer system will be extended in an orderly fashion, and is done so in accordance with the planning policies of the various local governments within the District's service area.

➤ **Wastewater Treatment Plant Capital Improvements**

During FY07, a Treatment Facilities Plan was completed for the Water Reclamation Facility. Although there has been no major increase in flow, some equipment at the Facility was reaching the end of their useful life. Consulting engineers met with staff to evaluate current operations and equipment and to prepare recommendations for maintenance and improvements.

TO: Members of the Board
SUBJECT: FY14-15 Budgets and Proposed Sewer Rates
May 21, 2014

Four (4) of the major projects recommended are completed:

- Grit and Grease Removal—Grit and grease facilities were not working effectively and were causing problems with downstream processes. This process was rehabilitated during FY08 by both WRF maintenance staff and contractors at a cost of \$554,000. This represents approximately 10% of the cost to completely replace the equipment.
- Intermediate Pumps—These aging pumps are hydraulically driven which is highly inefficient, and there is concern of contaminating the effluent with hydraulic fluid should the system leak. The FY07 Facilities Plan called for installing new variable-speed electric pumps. The cost of replacing the aging pumps will be approximately \$2.5 million. The project was completed in FY11.
- Secondary Microscreens—Rusty and no longer performing satisfactorily, this equipment has become an operational and maintenance headache. Being the critical barrier between the WRF and the river, the secondary microscreens have been scheduled for replacement. Total cost of the project is estimated to be \$10.4 million. The project was completed in FY13.
- Plant Electrical System Upgrade—The upgrade including adding an additional transmission feed as well as transformers at the Progress Energy substation, increasing the back-up generation at the Plant from 2MW to 4MW, and constructing back-up electrical feeds to unit processes throughout the Plant. The cost of the project is estimated at \$2.2 million. The project will be completed at the end of FY13.

In addition, many other improvements have been made throughout the Plant and Hydroelectric Facility. The District is currently updating the Treatment Plant Facilities Plan with results being available by the end of the fiscal year.

Impact of CIP on Operations

For most municipal and county governments, capital improvements often result in higher operating costs. For example, larger buildings increase utility expenses, and new facilities such as libraries or swimming pools involve hiring additional staff. The opposite holds true for the District.

Through major rehabilitation projects to the sewer collection system, the District is expected to realize a modest cost reduction in wastewater treatment operations by reducing infiltration of groundwater and inflow of surface water into the sewer system. Mud and grit, which accompany infiltration/inflow will also be reduced, thereby increasing the life of pumps and other treatment equipment adversely effected by abrasion.

TO: Members of the Board

SUBJECT: FY14-15 Budgets and Proposed Sewer Rates

May 21, 2014

Other savings are realized from capital expenditures as new or rehabilitated sewer lines also require less maintenance and are not as susceptible to frequent blockages and overflows as older and smaller lines.

The District's major environmental responsibility is reduction of Sewer System Overflows (SSOs). Staff has estimated the average cost of responding to an SSO to be approximately \$2,175. During FY 2000, the District experienced more than 289 SSOs, which have been reduced to less than 30 in recent years. Thus, the District has been able to focus approximately \$500,000 additional dollars annually on preventative maintenance as opposed to responding to spill events.

Moreover, the North Carolina Department of Environment and Natural Resources has the discretion to levy fines up to \$25,000 per day per SSO if the District does not follow through on renovations and rehabilitations planned for areas identified as requiring capital improvements. Therefore, the CIP has a positive impact on operations by reducing repair and replacement while avoiding environmental penalties.

Sewer Rate Increase

Staff recommends a 2.5% increase in domestic sewer rates and meter fees for FY15, including a previously approved plan to achieve flow rate parity between industrial and domestic users. This amount is in line with past increases. We believe this rate increase is prudent under the current economic situation and is necessary to provide for the following District responsibilities and objectives:

- Meet current and future regulations at the Water Reclamation Facility and for the Collection System
- Replace and rehabilitate approximately 50,000 linear feet of sewer mains a year
- Debt coverage ratio attractive to investors and rating agencies
- Support of the pay-as-you-go element of the CIP in addition to bonds
- Continue with goal of periodic smaller rate increases in lieu of large increase in future years
- Adequate current funding and maintenance of prudent reserves for Self-Insured Medical and Dental Plan

In the past, the MSD Board has endeavored to keep rate increases to a minimum. The District's Bond Order requires sewer rates be set to ensure that the excess of revenues over current expenditures is at least 120% of debt service. Additionally, the Board balances the bond order requirements while maintaining all regulatory and fiduciary responsibilities.

TO: Members of the Board
SUBJECT: FY14-15 Budgets and Proposed Sewer Rates
May 21, 2014

Domestic sewer rates for the past five years as well as FY15 are shown below:

	FY10	FY11	FY12	FY13	FY14	FY15
Rate Increase %	3.75%	3.5%	3.0%	2.5%	2.5%	2.5%
Meter, Maintenance & Billing Fees	\$6.64	\$6.87	\$7.05	\$8.34	\$8.53	\$8.73
Flow Rate (per ccf)	\$3.64	\$3.77	\$3.88	\$3.98	\$4.08	\$4.18
Avg. Monthly Bill (5ccf)	\$24.84	\$25.72	\$26.45	\$27.14	\$27.81	\$28.49

Distinguished Budget Award

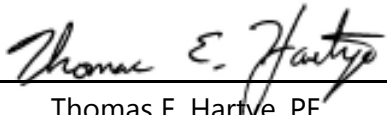
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Metropolitan Sewerage District of Buncombe County, North Carolina for its annual budget for the fiscal year beginning July 1, 2013. This is the seventeenth consecutive year that the MSD has received this award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our FY15 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

In Closing

The Budget represents the combined efforts and guidance of the Board, its Committees and staff. A special thanks to Teresa Gilbert for assembling the budget documents, Ed Bradford, CIP Director, and Sharon Walk for assembling the CIP Section of the Budget, and to Peter Weed for updating the sewer rate projections. We look forward to working with you, staff, and our ratepayers as we implement this financial plan and policy document.

Respectfully submitted,



Thomas E. Hartve, PE
General Manager



W. Scott Powell, CLGFO
Director of Finance

This page intentionally left blank.



*Policies & Budget
Process*

Budget Process

Budgetary Adoption

The District budget process must comply with North Carolina General Statutes and the MSD Revenue Bond Order as amended to date. The Bond Order requires that the District adopt its final budget on or before June 15 of each year. North Carolina General Statutes mandate an annual balanced budget ordinance based upon expected revenues, along with a budget message, to be presented to the governing board no later than June 1 and mandates a public hearing be held. The Bond Order calls for a preliminary budget hearing 30 days prior to adoption if requested by a certain percentage of bondholders. The budget calendar is designed to provide for input by all stakeholders into a systematic and deliberate process.

For the Operations and Maintenance Budget, the process begins with the mission statement as approved by the Board. Each Division or section of the District develops a specific mission statement setting forth its role in supporting the overall mission of the District. Next, key responsibilities are defined for each unit, with associated goals and objectives. To evaluate progress, performance measures are identified and tracked for the previous three years. Once the District staff develops the operational activities required to implement the mission-directed strategies, necessary resources can be quantified and presented in a budgetary format.

Because payroll and benefits represent such a large proportion of expenditures, and because an experienced and appropriately compensated, well-trained staff is necessary to accomplish the District's mission, extra effort is made to ensure salaries and benefits are competitive without being excessive. To this end, a human resources consultant prepares a salary survey every three to five years that compares District pay scales with other utilities and governmental entities in the area. During those years a consultant is not retained, the Human Resources Director and other staff take surveys among regional governments and wastewater utilities of intended increases and types/levels of benefits considered. After reviewing comparative data, the Finance and Personnel Committees take an active role in ratifying increases of cost of living and merit pay, as well as contributions to health insurance and other employee benefit programs. Before approval of any new positions, the Board must be convinced of the cost-benefit, efficiency, and programmatic benefit.

The Capital Budget incorporates short-term improvements mandated by the State-issued Collection System Permit with long-term needs identified and prioritized by the 20-year Wastewater System Master Plan to handle wet-weather flow conditions, to improve the performance at the wastewater treatment plant, and to prepare the system to handle expected future wastewater flows. Engineering staff prepare annual estimates of expenditures over the life of projects in a proposed timetable for construction in a 10-year Capital Improvement Plan (CIP).

Meanwhile, Administrative staff prepares an update of the District's ten-year financial forecast based on estimated revenues, expenditures, and debt issuance, which is integrated with the 10-year CIP, along with projections for fleet and wastewater plant replacement funds.

Budget Process (continued)

The effect of current expenditures on cash flows and debt coverage ratios are verified for adequacy, and any indicated adjustments to expenditures are made to sustain services within the desired user rate levels, which are set annually in connection with budget adoption.

Budget Administration

The Budget Resolution is adopted at the fund level and allows for the carry forward of encumbered contracts and purchase orders from the previous fiscal year. This budget book illustrates the initial allocations among departments and between line items for authorized expenditures not including carryover amounts. Authority for modifying these allocations varies.

The General Manager has the authority to transfer amounts between departments within a fund without limitation. Division Directors may transfer amounts between line items and sections within their departments without limitation.

The entire allocation is available at the beginning of the year, and the unexpended balance will remain available during the year, unless otherwise limited by the General Manager and Director of Finance due to cash flow considerations.

Several strategies are used to monitor expenditures throughout the year. The General Manager and Division Directors receive monthly expenditure reports, which compare actual to budgeted amounts for the period and for the year to date. In addition, the procurement software is designed to require approval from the General Manager or Director of Finance if the line item has insufficient funds to cover the requisition or if the expenditure is over a certain amount. Purchasing staff make periodic reviews of outstanding inventory levels, requisitions, and purchase orders to update available line item balances.

Budget Amendment

Budget Amendments require approval by the Board of Directors and as such are submitted through the agenda process for consideration at a regularly scheduled Board meeting.

Budget Calendar

APRIL							DATE	TIME	SUBJECT
S	M	T	W	T	F	S			
		1	2	3	4	5	April 29	9:00 a.m.	Personnel Committee Meeting
6	7	8	9	10	11	12			• Cost of Living & Merit Pay
13	14	15	16	17	18	19			
20	21	22	23	24	25	26			• Benefit Allocations
27	28	29	30						
							May 1	8:30 a.m.	CIP Committee Meeting
									• Update of Ten-Year Capital Improvement Program
				1	2	3			• Update Construction Program Financing
4	5	6	7	8	9	10			• 2014-2015 Construction Fund Budget
11	12	13	14	15	16	17			
18	19	20	21	22	23	24	May 14	9:00 a.m.	Finance Committee Meeting
25	26	27	28	29	30	31			• Nine Month Revenue/Expenditure Report
									• Self-Funded Medical & Dental Program
									• Proposed FY15 Construction Fund Budget
									• Proposed FY15 Operating Budget & Sewer Rates
							May 21	2:00 p.m.	Board Meeting
1	2	3	4	5	6	7			• Preliminary FY15 Budgets & Sewer Rates
8	9	10	11	12	13	14			
15	16	17	18	19	20	21			
22	23	24	25	26	27	28			
29	30								
							June 11	2:00 p.m.	Board Meeting
									• Public Hearing
		1	2	3	4	5			• Adoption of FY15 Budgets & Sewer Rates
6	7	8	9	10	11	12			
13	14	15	16	17	18	19			
20	21	22	23	24	25	26			
27	28	29	30	31			July 1		Start of Fiscal Year 2014-2015

Rate Projections & Budgetary Forecast

The District is required by its Bond Order to set rates at such a level that the excess of revenues over current expenditures equals at least 120% of debt service. The Board established a revenue policy that the goal for debt coverage ratio be 150% or 1.5, and sufficient to meet all operating and capital needs with modest level increases.

The Board has also established a budget policy that calls for a ten-year projected operating budget and capital improvement program for long-term planning purposes. Revenue and expenditure projections are integrated with anticipated capital expenditures to anticipate rate increases and timing of debt issuance based on cash flow levels and debt coverage ratios.

Consumer revenue projections are based on consumption rates, growth in number of taps during the previous year, and projected rate increase. Industrial revenue is developed from anticipated fees of actual individual companies, since there are relatively few industrial customers and the charges are determined by effluent strength, as well as volume, which may vary greatly depending on the particular entity. As there are a limited number of large customers, any major change to a particular facility such as announced layoffs or closings, may be immediately factored into the industrial revenue computation.

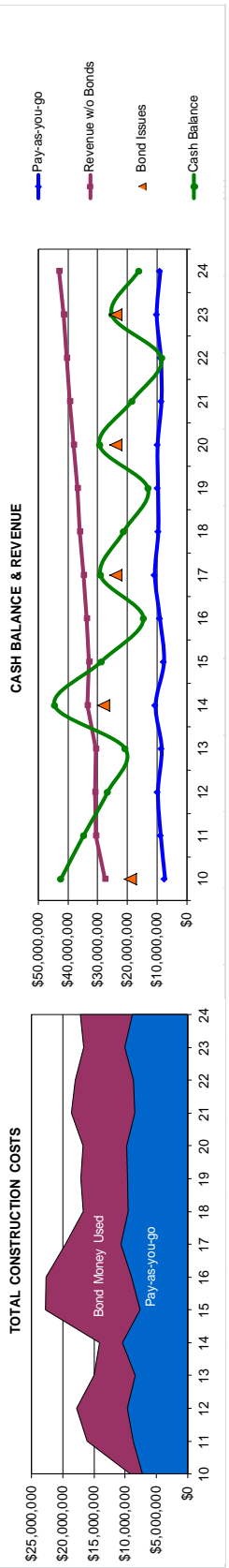
Operating expenditures are anticipated to increase at the regional cost of living rate, and capital expenditures at the general inflation rate. Future debt service is projected to be issued at slightly above prevailing rates. As this forecast is updated at least semiannually, management is able to adjust timing of capital projects and discuss in advance with Board members proposed timing and levels of rate increases.

Using consumption data projected from the recent historical population growth statistics within the Asheville-Buncombe County area, the District anticipates annual rate increases of 2.5% for the next ten years. Construction costs are fairly level reflecting the District's Master Plan to consistently rehabilitate approximately 50,000 linear feet of pipe per year. The CIP expenditure forecast for FY13 reflects a continuation of a major rehabilitation project at the Wastewater Treatment Plant.

This long-range budgetary projection also shows how the District plans to finance these projects with a combination of bond proceeds and pay-as-you-go funding from sewer revenues. Overall, the ten-year projection indicates the District's continuing ability to provide wastewater collection and treatment for customers, infrastructure maintenance in accordance with state regulations, and debt service in compliance with Bond Order, all with minimal, uniform rate increases.

Budgetary Forecast Based on Current Business Plan

Business Plan FY15 Budget	Sewer Rate Increase														
	3.75%	3.5%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%					
July 1 - Available for Construction	\$24.84	\$25.72	\$26.45	\$27.14	\$27.81	\$28.49	\$29.20	\$29.93	\$30.68	\$31.45	\$32.23	\$33.04	\$33.87	\$34.71	\$35.58
REVENUE:															
Domestic Users	23,242,077	24,686,228	25,586,768	25,989,919	27,367,468	28,445,115	29,337,277	30,301,029	31,280,667	32,076,476	33,146,859	34,234,872	35,340,831	36,465,057	37,667,753
Industrial Users (No growth)	1,498,529	1,565,402	1,589,819	1,577,916	1,762,109	1,835,438	1,948,310	2,096,917	2,185,090	2,278,266	2,375,503	2,434,891	2,495,763	2,558,157	2,622,111
Billing and Collections (User Fee)	629,212	643,264	662,589	701,015	712,870	725,702	747,473	769,897	792,994	816,784	841,287	866,526	892,522	919,297	946,876
Tap Fees	278,100	211,165	236,850	313,040	308,250	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000	105,000
Facility Fees	1,375,910	2,027,006	2,084,624	2,253,595	2,670,175	1,250,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Interest & Non-operating Revenues	457,815	383,248	212,648	160,909	269,692	366,745	326,376	326,664	502,252	342,550	424,339	479,144	270,431	37,000	414,233
City of Asheville (annex-Enka)	37,003	37,000	37,290	37,023	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000	37,000
Rental Income	16,560	20,507	70,356	70,356	68,597	68,742	71,399	71,641	71,641	71,641	71,641	71,641	71,641	71,641	71,641
Transfer from Reserves (to / from)	0	0	0	(768,978)	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	10,851	963,786	449,426	219,456	130,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total Revenues	27,545,857	30,537,606	30,940,370	30,554,251	33,326,151	32,883,742	33,615,386	34,757,906	36,024,644	36,777,717	38,051,629	39,279,074	40,263,188	41,543,594	42,914,614
State and Federal (EPA) Grants															
Revenue Bonds/Stimulus	19,070,686				28,000,000										
Total Funds Available	46,616,543	30,940,370	30,940,370	30,554,251	61,326,151	32,883,742	33,615,386	34,757,906	36,024,644	36,777,717	38,051,629	39,279,074	40,263,188	41,543,594	42,914,614
EXPENSES:															
Operations & Maintenance	12,454,727	13,272,468	13,632,269	12,889,006	14,393,280	14,884,782	15,456,475	16,054,455	16,774,028	17,441,488	18,142,935	18,880,737	19,657,142	20,478,242	21,343,483
Replacement Funds (WRF & Fleet)	300,000	250,000	350,000	500,000	500,000	500,000	625,000	625,000	625,000	675,000	675,000	700,000	700,000	700,000	700,000
Debt Service	7,855,989	8,565,201	7,274,680	8,114,665	8,502,191	10,389,488	9,181,121	8,028,852	9,733,272	9,719,327	10,159,679	11,946,244	11,938,655	11,009,924	12,738,447
Capital Improvement Program	9,173,231	16,082,478	17,775,591	14,988,922	14,100,000	22,760,555	22,667,215	19,563,381	16,708,569	17,095,819	16,741,213	18,604,886	17,986,400	16,635,378	17,173,594
Total Expenses	29,793,937	38,170,148	39,032,540	36,491,693	37,495,471	49,524,825	44,271,728	43,840,869	44,931,534	45,719,827	45,131,267	50,292,197	49,923,544	51,355,524	51,955,524
Pay-as-you-go (Current Revenue only)	7,235,141	8,699,937	9,650,613	8,377,987	10,430,681	7,609,471	8,977,790	10,674,559	9,517,344	9,616,902	9,749,015	8,452,093	8,667,391	10,055,428	8,832,683
Debt Coverage (User Fees only)	1.7	1.6	2.0	1.9	1.8	1.6	1.8	2.2	1.8	1.8	1.8	1.6	1.6	1.8	1.6
Debt Coverage with Total Revenue	1.9	2.0	2.4	2.2	2.2	1.7	2.0	2.3	2.0	2.0	2.0	1.7	1.7	1.9	1.7
April 28, 2014															
Active Plan CP															
Interceptor/Wet Weather Rehabilitation	1,391,413	3,496,305	2,039,068	15,698	634,790	65,000	729,967	963,698	1,624,934	1,723,056	1,185,031	6,251,297	1,748,111	0	0
General Sewer Rehabilitation	4,162,068	5,916,825	5,056,420	7,947,823	40,701,910	14,072,223	10,016,842	10,947,068	11,944,924	11,483,968	12,470,597	9,188,361	13,035,224	13,363,559	13,831,069
Private Sewer Rehabilitation	12,171	134,473	282,765	17,920	34,000	760,778	5,369	5,663	5,764	5,973	6,189	6,413	6,645	6,886	6,886
Treatment Plant / Pump Stations	983,867	3,486,305	7,737,401	4,567,989	1,579,600	5,028,300	6,536,216	5,357,600	6,536,216	5,357,600	6,536,216	5,357,600	6,536,216	5,357,600	6,536,216
Engineering / Force Account	2,547,454	2,635,451	2,659,737	2,439,492	2,437,000	2,361,032	2,424,412	2,489,646	2,649,454	2,715,786	2,784,045	2,845,896	2,909,432	2,974,797	3,041,990
Reimbursements	66,258	403,120	0	0	0	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Contingency	0	0	0	0	0	1,000,000	0	0	0	0	0	0	0	0	0
Capital Improvement Program Totals	9,173,231	16,082,478	17,775,591	14,988,922	14,100,000	22,760,555	22,667,215	19,563,381	16,708,569	17,095,819	16,741,213	18,604,886	17,986,400	16,635,378	17,173,594



Budget Summary

The District utilizes a fund structure developed to accommodate mandates of the District's Bond Order with generally accepted accounting principles for proprietary governments. Appropriated funds, which are those funds that must have a board-approved budget, include ❶ the Revenue Fund from which operational and maintenance expenditures are made, ❷ the General Fund that transfers pay-as-you-go funding authorized for construction, ❸ the Construction Fund that incorporates CIP expenditures, ❹ the Replacement Funds providing funding for Fleet and WRF equipment, and ❺ Debt Service Funds.

Financial plans are approved for those other funds whose expenditures are determined by external parties or contractual agreements such as the insurance, debt reserve, and capital reserve funds.

The budget summary chart below shows total activity for all funds and consolidates the effect of transfers between funds.

	FY 2013 Actual Total	FY 2014 Budget	FY 2015 Proposed Budget	Increase (Decrease)	% Change
REVENUES & FINANCING SOURCES					
Domestic User Fees	\$ 26,158,293	\$ 27,367,458	\$ 28,445,115	\$ 1,077,657	3.9%
Industrial User Fees	1,577,916	1,710,390	1,835,438	125,048	7.3%
Billing and Collection	701,015	689,062	725,702	36,640	5.3%
Facility and Tap Fees	2,566,635	1,355,000	1,355,000	-	0.0%
Interest and Misc. Income	661,746	430,396	486,618	56,222	13.1%
Rental Income	70,356	68,597	68,742	145	0.2%
City of Asheville (Enka Bonds)	37,023	37,000	37,000	-	0.0%
Employee Contributions to Health Fund	401,522	389,000	417,800	28,800	7.4%
Proceeds from Revenue Bonds	-	28,000,000	-	(28,000,000)	N/A
Use of (Contributions to) Available Funds	4,084,630	(19,199,450)	15,802,036	35,001,486	-182.3%
Total Revenues & Financing Sources	\$ 36,259,136	\$ 40,847,453	\$ 49,173,451	\$ 8,325,998	20.4%
EXPENDITURES					
Operations and Maintenance	\$ 13,388,006	\$ 14,674,435	\$ 15,391,058	\$ 716,623	4.9%
Construction	14,988,922	16,737,527	22,760,555	6,023,028	36.0%
Capital Equipment	609,874	933,300	632,350	(300,950)	-32.2%
Bond Principal and Interest	7,272,334	8,502,191	10,389,488	1,887,297	22.2%
Total Expenditures	\$ 36,259,136	\$ 40,847,453	\$ 49,173,451	\$ 8,325,998	20.4%

NOTE: Both Operation and Maintenance and Capital Equipment expenditures represent actual amounts to be spent in the respective reserve funds. These amounts do not include current year reserve funds funding request.

Component Fund Chart

The following chart shows revenues, expenditures, and transfers by individual fund and provides the detail supporting the summary amounts.

	Operating and Construction			Equipment Replacement		Debt Services	Appropriated Funds
	Revenue/O&M	General	Construction	Fleet Repl Reserve	WWTP Reserve	Bond Service	
Projected Net Position at 6/30/14	32,440,107	1,420,175	10,639,745	300,726	440,910	6,378,947	51,620,610
Revenues and Other Financing Sources:							
Domestic User Charges	28,445,115	-	-	-	-	-	28,445,115
Industrial User Charges	1,835,438	-	-	-	-	-	1,835,438
Billing and Collection Fees	725,702	-	-	-	-	-	725,702
Facility and tap fees	-	1,355,000	-	-	-	-	1,355,000
Proceeds from Revenue Bonds	-	-	-	-	-	-	-
Sale of Surplus Property	-	-	-	35,803	-	-	35,803
Non-governmental Grants	-	-	-	-	-	-	-
Investment interest & misc.	336,745	5,000	75,000	4,511	4,409	50	425,715
City of Asheville for Enka Bond	37,000	-	-	-	-	-	37,000
Rental Income	68,742	-	-	-	-	-	68,742
Employee/Retirees Medical Contributions	-	-	-	-	-	-	-
Total Revenues and Fin. Sources	31,448,742	1,360,000	75,000	40,314	4,409	50	32,928,515
Expenditures and Other Financing Uses							
Operating Expenses	(11,927,920)	-	-	-	-	-	(11,927,920)
Debt--Principal	-	-	-	-	-	(6,107,824)	(6,107,824)
Debt--Interest	-	-	-	-	-	(4,281,664)	(4,281,664)
Construction	-	-	(22,760,555)	-	-	-	(22,760,555)
Capitalized Equipment Expenditures	(135,300.00)	-	-	(269,550)	(227,500)	-	(632,350)
Total Expenditures and Other Financing Uses	(12,063,220)	-	(22,760,555)	(269,550)	(227,500)	(10,389,488)	(45,710,313)
Interfund/account transfers	(22,976,935)	(2,780,175)	12,046,060	400,000	100,000	10,389,488	(2,821,562)
Excess (Deficit) of Revenues over Expenditures	(3,591,413)	(1,420,175)	(10,639,495)	170,764	(123,091)	50	(15,603,360)
Projected Net Position at 06/30/15	28,848,694	-	250	471,490	317,819	6,378,997	36,017,250

Funding comes primarily from the Revenue Fund, from which Operations and Maintenance expenditures are paid. Revenues are transferred to other funds, including construction, insurance internal funds, debt service and replacement reserve funds. Infrastructure over \$15,000 is capitalized and budgeted through the Construction Fund. Capitalized equipment such as trucks and rolling stock are budgeted through the Fleet Replacement Fund and capitalized equipment such as pumps and plant machinery are budgeted through the Water Reclamation Facility Replacement Fund. While the O&M budget contains line items entitled "Capital Equipment," while such expenditures are below the capitalization threshold, they are in excess of \$1,000 and budgeted and tracked internally for managerial purposes.

Component Fund Chart (continued)

The net assets of non-appropriated funds are decreasing because, as debt principal is repaid, amounts held in the debt service reserve, which are based on a percentage of outstanding debt, correspondingly are reduced, and may be transferred to the general fund.

	Designated for Insurance				Bond Covenant Requirement	Non-Appropriated	Budget Summary
	Insurance Medical	Insurance Post Employment	Insurance Prop & Liab	Insurance Work Comp	Capital Reserve		District Totals
Projected Net Position at 6/30/14	1,157,199	83,800	474,870	396,841	936,797	3,049,507	54,670,117
Revenues and Other Financing Sources:							
Domestic User Charges	-	-	-	-	-	-	28,445,115
Industrial User Charges	-	-	-	-	-	-	1,835,438
Billing and Collection Fees	-	-	-	-	-	-	725,702
Facility and tap fees	-	-	-	-	-	-	1,355,000
Proceeds from Revenue Bonds	-	-	-	-	-	-	-
Sale of Surplus Property	-	-	-	-	-	-	35,803
Non-governmental Grants	-	-	-	-	-	-	-
Investment interest & misc.	5,000	7,500	1,000	2,000	9,600	25,100	450,815
City of Asheville for Enka Bond	-	-	-	-	-	-	37,000
Rental Income	-	-	-	-	-	-	68,742
Employee/Retirees Medical Contributions	389,000	28,800	-	-	-	417,800	417,800
Total Revenues and Fin. Sources	394,000	36,300	1,000	2,000	9,600	442,900	33,371,415
Expenditures and Other Financing Uses							
Operating Expenses	(2,322,505)	(265,700)	(622,542)	(252,391)	-	(3,463,138)	(15,391,058)
Debt--Principal	-	-	-	-	-	-	(6,107,824)
Debt--Interest	-	-	-	-	-	-	(4,281,664)
Construction	-	-	-	-	-	-	(22,760,555)
Capitalized Equipment Expenditures	-	-	-	-	-	-	(632,350)
Total Expenditures and Other Financing Uses	(2,322,505)	(265,700)	(622,542)	(252,391)	-	(3,463,138)	(49,173,451)
Interfund/account transfers	1,735,116	265,700	605,434	215,312	-	2,821,562	-
Excess (Deficit) of Revenues over Expenditures	(193,389)	36,300	(16,108)	(35,079)	9,600	(198,676)	(15,802,036)
Projected Net Position at 06/30/15	963,810	120,100	458,762	361,762	946,397	2,850,831	38,868,081

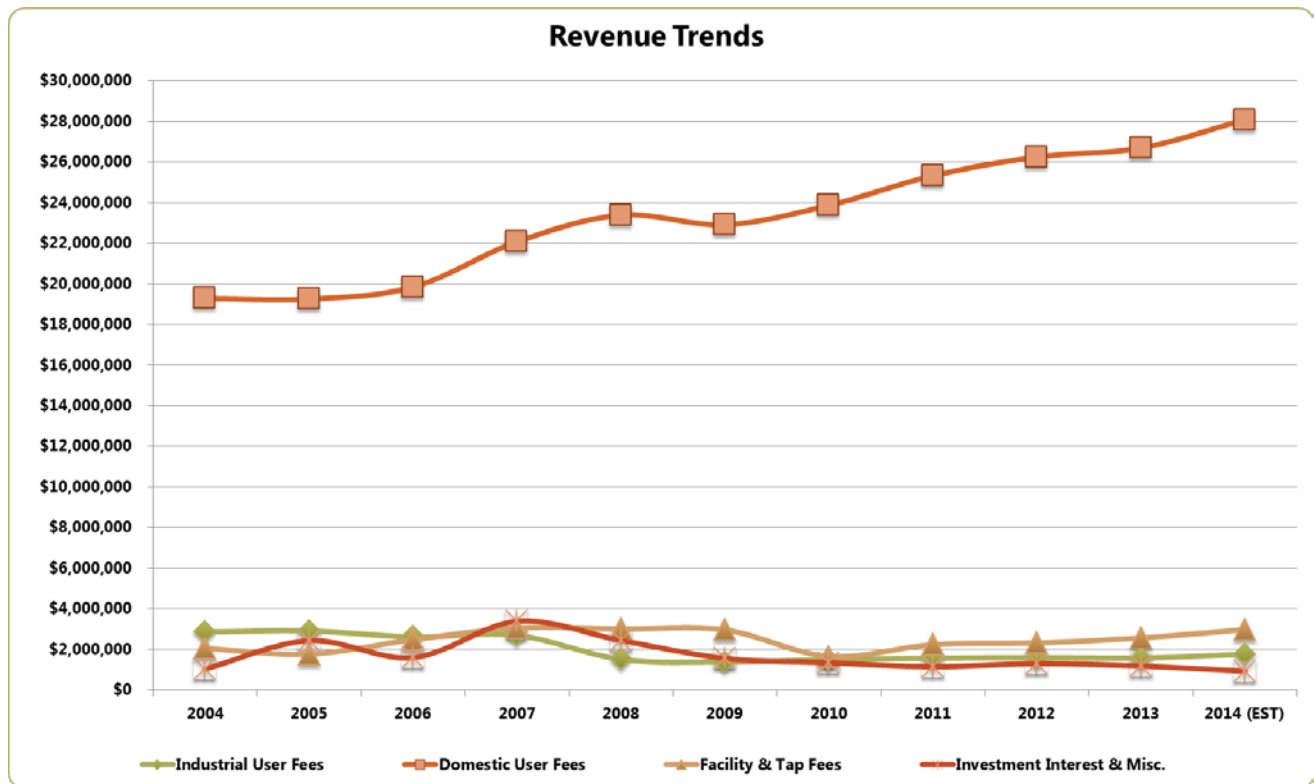
Now that the Districts' financial overview has been presented, we will examine revenues and various expenditures in greater detail.

Revenue

Overview

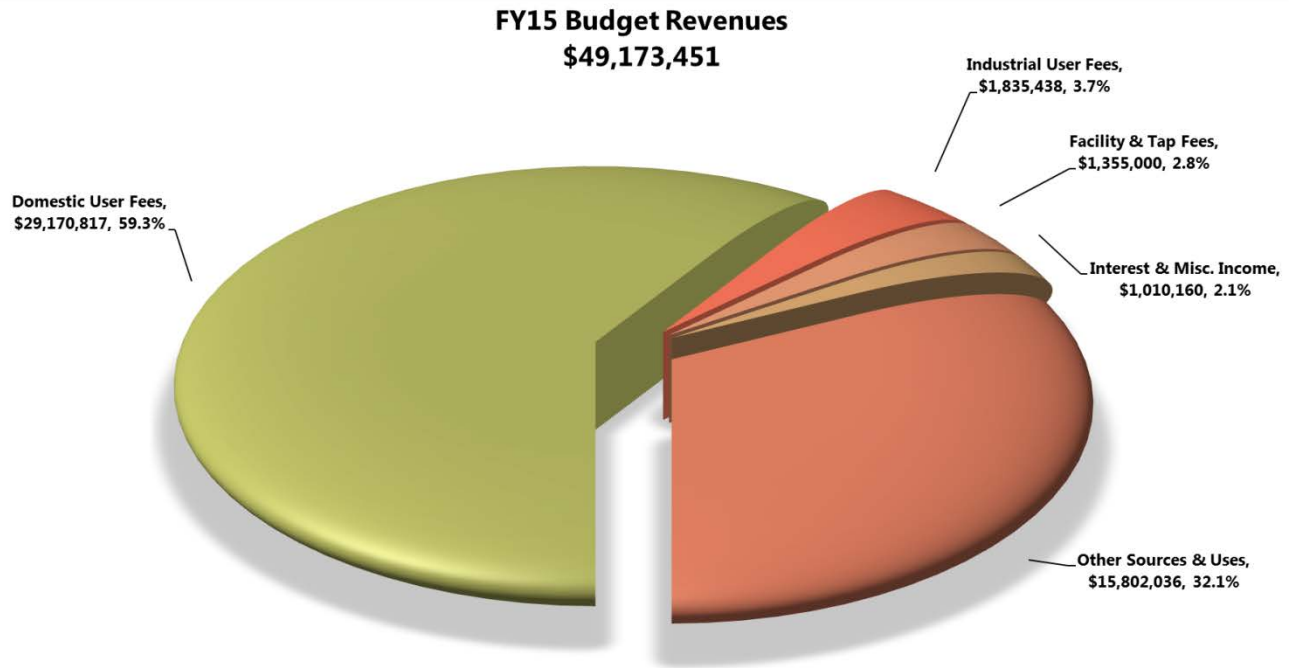
The District has the authority to establish rates and charges for service to be approved by a budget resolution of the District Board of Directors. The District has established separate rates for domestic and industrial customers, adopted a schedule of facility and tap fees applying to new customers, and receives minor amounts of income from rental of real property and investment of surplus cash. The various types of revenues and other financing sources are described in greater detail on the following page.

A graph of historical revenues by type reveals the overwhelming percentage of the District’s income derives from domestic (residential & commercial) customers and has increased for the past ten consecutive years. Industrial user fees clearly show the effect of the shrinking textile industry in Buncombe County and are diminishing as larger industries wind down and are replaced with smaller new enterprises. Facility and tap fees testify to the growth fueled by population in-migration and expansion of non-industrial type businesses. The decline of investment income in FY13 will continue in FY14. Overall, income for FY14 is estimated to be slightly higher than in FY13.



Revenue (continued)

Revenue Summary



When projecting FY15 revenues, a 2.5% domestic customer rate increase was considered in conjunction with a projected .75% increase in domestic consumption. In addition, the budget reflects no growth in industrial users. Conservative assumptions based on recent income trends underlie other budgeted income amounts as explained below.

Domestic User Charges

The primary source of District revenues are domestic charges. The District has approximately 50,000 accounts. The District direct bills approximately 350 of these domestic users all of which are on private well systems but are connected to MSD’s sewer collector system. Billing and collection of the remainder of District domestic customers is performed by the member agencies providing water, who charge a fee for this service, which is added to the monthly bill and paid by MSD customers.

Domestic sewer rate increases for the past five years are shown below:

<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>
3.75%	3.5%	3.0%	2.5%	2.5%	2.5%

Revenue (continued)

Industrial User Charges

Prior to FY 2001, industrial users were charged decreasing tiered rates based on total volume so that actual rates charged were considerably below those paid by residential consumers. In FY 2001, the Board approved a plan to achieve rate parity between industrial and residential customers over the upcoming twenty years. The annual increases from this parity plan are incorporated in adopted rates. Industrial revenue has been declining over several years as local industrial facilities contracted operations or closed. The FY15 estimated industrial revenue is expected to increase marginally compared to FY14.

Fortunately, the number of new residential customers continues to increase which is anticipated to mitigate the impact from the decline of industrial revenue.

Investment Interest

This revenue source reflects interest earned on public funds held by the District and the Revenue Bond Trustee. Investment income is determined by interest rates and cash balances available for investment. Interest rates decreased rapidly during the current year due to adverse economic conditions. The projected yield for the current fiscal year will be 1.0%.

All MSD investments conform to its Bond Order and the North Carolina General Statutes governing investments, and due to the minimum acceptable level of risk, produce fairly conservative rates of return.

Facility Fees

This revenue source represents the buying of equity in completed wastewater facilities paid by consumers who are added to the sewer collection system. In June 2006, the actual cost was determined to be significantly greater than the fee charged. To moderate the impact on customers, the board determined to implement 20% of this increase over each of the subsequent five years.

In FY10, the District instituted a one-year moratorium on the five-year sewer facility fee parity plan due to the recession. As of the end of FY12, the District has completed the aforementioned plan. Effective in FY14, sewer facility fees ranged from \$670 to \$2,500 for residential users based on size of structure, and from \$2,500 to \$237,500 for nonresidential customers based on meter size.

Tap Fees

This revenue source represents the cost of physically installing new connections to the sewer system. Tap charges were last changed in June of 2011. The cost for installing a tap is \$650, with additional charges up to \$2,200 if pavement disturbance is involved.

Revenue (continued)

Billings & Collections

The District will pay the municipalities \$2.29 per customer bill for meter reading, billing, and collection services.

Rental Income

Buncombe County Partnership for Children has entered into a lease to utilize the District's former Administration Building. The lease is for the period of five years starting October 1, 2010. The District also leases land to a private company for a cell tower.

City of Asheville (Enka Bonds Annexation)

In the Consolidation Agreements, MSD agreed to assume debt service on the \$1,500,000 sanitary sewer bond issued by the Enka-Candler Water and Sewer District. This debt was used to pay a part of constructing the sewer system in Enka-Candler, which at that time was located in an unincorporated area of western Buncombe County. After the consolidation, the City of Asheville annexed a portion of the Enka-Candler Sewer District, so the City of Asheville reimburses the District for its proportionate amount (41%) of the annual principal and interest payment.



*Operation &
Maintenance Fund*

Operation & Maintenance Fund

Overview

The Operation & Maintenance Fund budget finances the program and administrative activities for the wastewater treatment plant, pump stations, and collection system. The FY15 Operation & Maintenance Fund budget totals \$15,384,782. This represents a 2.93% increase over the previous year. The District budgets to the Departmental level and are as follows:

Office of the General Manager	\$ 1,532,656
Human Resources	\$ 715,036
Information Technology	\$ 1,250,407
Financial Services	\$ 799,353
Wastewater Treatment Plant	\$ 7,429,473
SS Maintenance	\$ 2,681,136
SS Construction	\$ 2,405,917
Engineering	\$ 2,264,780
Total Expenditures	\$19,078,758
Less: Capitalized in Construction Funds	(3,693,976)
Net Operation & Maintenance Fund	\$15,384,782

	ACTUAL 2012-2013	APPROVED 2013-2014 BUDGET	ESTIMATED 2013-2014 ACTUAL	PROPOSED 2014-2015 BUDGET	INC(DEC) OVER PRIOR YR BUDGET
SALARIES & WAGES	\$ 7,830,097	\$ 8,051,022	\$ 8,024,412	\$ 8,135,509	1.05%
BENEFITS	\$ 3,569,028	3,822,025	3,819,527	3,838,123	0.42%
MATERIALS, SUPPLIES & SERVICES	\$ 5,302,731	5,995,825	5,963,298	6,264,915	4.49%
REPLACEMENT FUNDS & TRANSFERS	\$ 838,507	793,066	793,066	704,911	-11.12%
CAPITAL EQUIPMENT	\$ 292,310	130,300	130,300	135,300	3.84%
SUB-TOTAL O&M FUND	\$ 17,832,673	\$ 18,792,238	\$ 18,730,604	\$ 19,078,758	1.52%
LESS:					
Capitalized Construction Expenses	\$ (3,733,585)	\$ (3,845,272)	\$ (3,837,323)	\$ (3,693,976)	-3.93%
NET OPERATION & MAINTENANCE FUND	\$ 14,099,088	\$ 14,946,966	\$ 14,893,280	\$ 15,384,782	2.93%

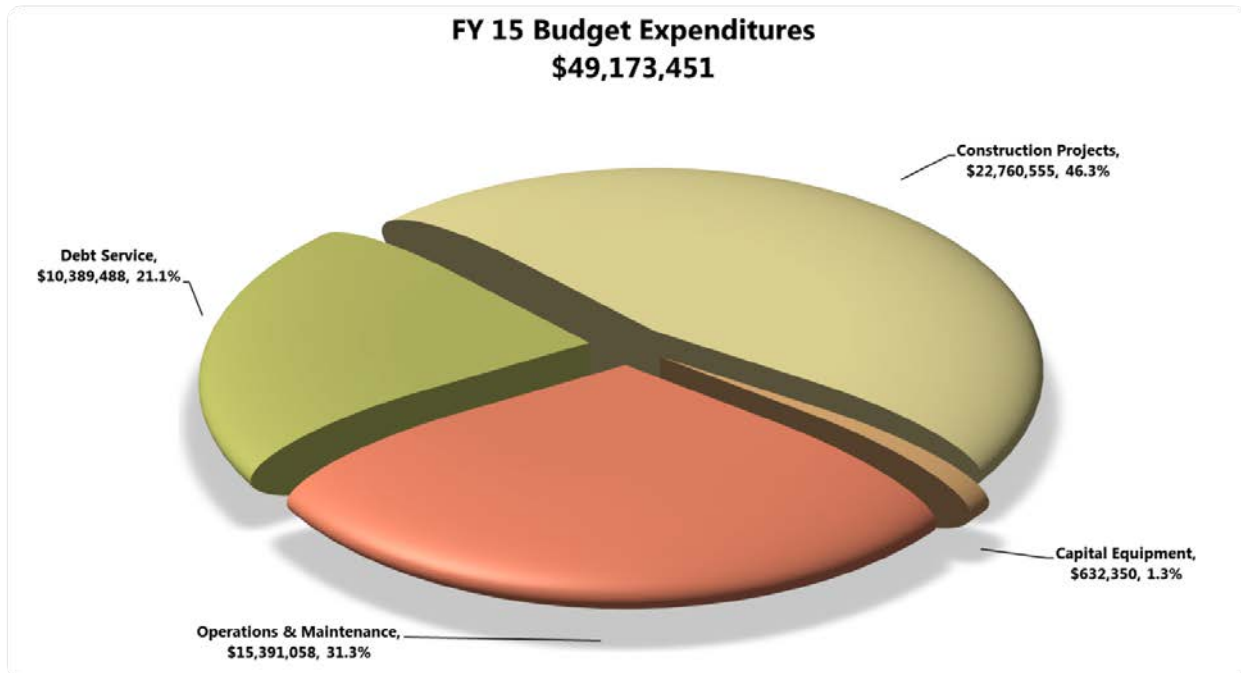
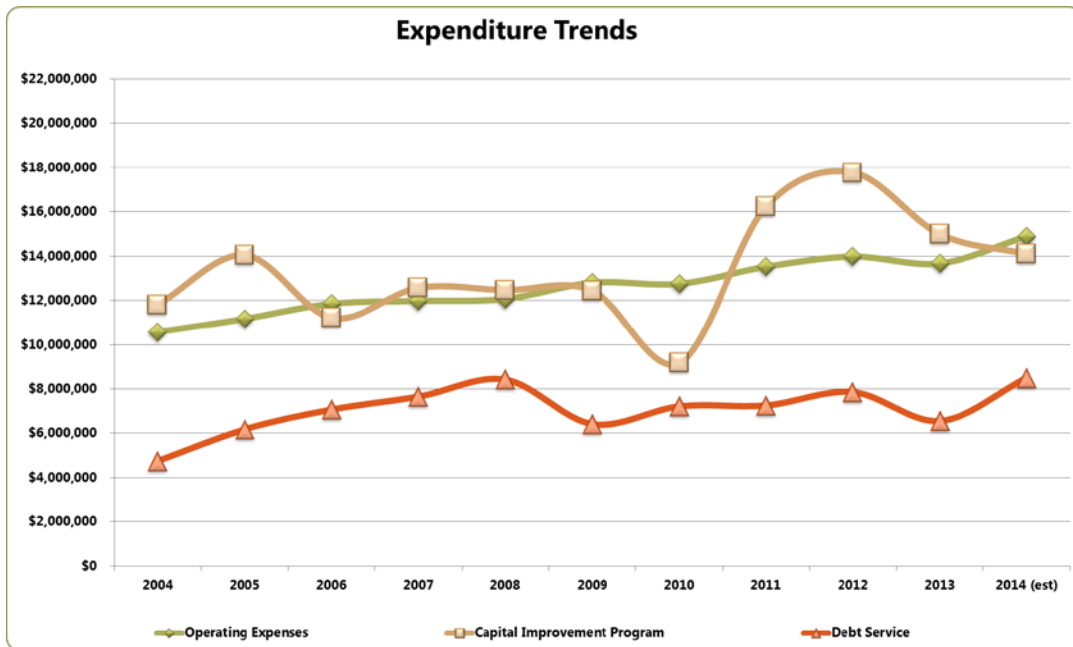
The major factors that impact our operating and maintenance budget include:

- Repairs and Maintenance**—A majority of the Districts' approximately 1,000 miles of collection lines are between thirty and one hundred years old. While many capital projects are planned and in process, these aging facilities often require frequent repairs and maintenance costs prior to commencement of a major rehabilitation funded in the CIP. The Asset Management Plan calls for periodic maintenance and repairs.

The District has budgeted significant amounts for maintenance of equipment, buildings, and grounds as well as for in-house sewer line repair and maintenance.

Operation & Maintenance Fund (continued)

2. **Salaries and Benefits**—A 2.5% salary adjustment as well as a 0.0% increase for the Self-Funded Health Insurance Plan. Personnel costs represent over 59% of the Operating and Maintenance budget.
3. **Post-Employment Health Benefit**—Starting in FY09, GASB45 requires the recognition of cost for Post-Employment Health Benefits. Current funding represents 1.7% of total operations.



FY15 Budget – All Departments Summary

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 7,292,462.77	\$ 7,517,590.51	\$ 7,558,876.73	\$ 7,733,512.00	\$ 7,733,512.00	100.0%	\$ 7,842,009.00	1.40%
51150	Overtime	\$ 245,616.93	\$ 211,731.44	\$ 271,219.95	\$ 300,481.45	\$ 290,900.45	96.8%	\$ 293,500.00	-2.32%
Total Salaries & Wages		\$ 7,538,079.70	\$ 7,729,321.95	\$ 7,830,096.68	\$ 8,033,993.45	\$ 8,024,412.45	99.9%	\$ 8,135,509.00	1.26%
Benefits									
51200	North Carolina Retirement	\$ 501,064.51	\$ 529,253.87	\$ 524,754.70	\$ 568,811.00	\$ 567,324.00	99.7%	\$ 575,179.00	1.12%
51250	Payroll Taxes	\$ 549,447.06	\$ 558,564.87	\$ 565,237.14	\$ 615,498.00	\$ 613,869.00	99.7%	\$ 622,366.00	1.12%
51300	Medical, Dental & Life	\$ 1,687,079.00	\$ 1,775,175.92	\$ 1,782,116.00	\$ 1,735,116.00	\$ 1,735,116.00	100.0%	\$ 1,735,116.00	0.00%
51325	Post Retirement Insurance	\$ 182,000.00	\$ 196,000.00	\$ 175,900.00	\$ 254,800.00	\$ 254,800.00	100.0%	\$ 265,700.00	4.28%
51350	Worker's Compensation	\$ 181,738.00	\$ 176,674.88	\$ 215,312.00	\$ 215,312.00	\$ 215,312.00	100.0%	\$ 215,312.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 46,352.00	\$ 46,352.00	100.0%	\$ 32,340.00	-30.23%
51450	Automobile Allowance	\$ 6,553.68	\$ 3,078.85	\$ 1,848.08	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 309,016.20	\$ 295,376.42	\$ 303,860.03	\$ 386,754.00	\$ 386,754.00	100.0%	\$ 392,110.00	1.38%
Total Benefits		\$ 3,416,898.45	\$ 3,534,124.81	\$ 3,569,027.95	\$ 3,822,643.00	\$ 3,819,527.00	99.9%	\$ 3,838,123.00	0.40%
Total Salaries, Wages & Benefits		\$ 10,954,978.15	\$ 11,263,446.76	\$ 11,399,124.63	\$ 11,856,636.45	\$ 11,843,939.45	99.9%	\$ 11,973,632.00	0.99%
Materials, Supplies & Services									
52010	Advertising	\$ 28,237.69	\$ 24,813.15	\$ 31,010.30	\$ 32,599.55	\$ 32,399.00	99.4%	\$ 34,000.00	4.30%
52050	Dues & Subscriptions	\$ 40,743.28	\$ 47,341.76	\$ 47,654.78	\$ 52,408.04	\$ 50,713.04	96.8%	\$ 50,815.00	-3.04%
52100	Postage	\$ 11,321.92	\$ 9,412.65	\$ 7,252.03	\$ 10,000.00	\$ 10,000.00	100.0%	\$ 10,000.00	0.00%
52150	Travel, Mtgs & Training	\$ 99,098.27	\$ 111,662.43	\$ 105,335.73	\$ 156,401.00	\$ 142,971.00	91.4%	\$ 157,224.00	0.53%
52160	Tuition Assistance	\$ 2,269.50	\$ 1,467.60	\$ 468.50	\$ 2,000.00	\$ 2,000.00	100.0%	\$ 2,500.00	25.00%
52170	Directors Fees & Expenses	\$ 26,385.88	\$ 30,885.65	\$ 42,108.87	\$ 35,000.00	\$ 30,000.00	85.7%	\$ 35,000.00	0.00%
52180	Liability Insurance	\$ 574,439.00	\$ 576,762.20	\$ 605,434.00	\$ 605,434.00	\$ 605,434.00	100.0%	\$ 605,434.00	0.00%
52200	Telephone/Telefax	\$ 34,345.00	\$ 37,912.73	\$ 36,119.13	\$ 40,050.00	\$ 32,600.00	81.4%	\$ 33,050.00	-17.48%
52210	Communications	\$ 66,389.14	\$ 70,089.33	\$ 79,331.49	\$ 105,474.00	\$ 102,874.00	97.5%	\$ 109,020.00	3.36%
52240	Uniforms	\$ 57,477.70	\$ 76,553.37	\$ 62,558.89	\$ 72,081.00	\$ 70,470.00	97.8%	\$ 76,450.00	6.06%
52250	Office Supplies	\$ 28,385.89	\$ 24,340.80	\$ 28,039.19	\$ 31,550.00	\$ 30,050.00	95.2%	\$ 31,550.00	0.00%
52260	Special Dept Supplies	\$ 356,853.31	\$ 381,688.41	\$ 391,430.23	\$ 391,039.92	\$ 389,179.30	99.5%	\$ 413,950.00	5.86%
52270	Safety Equip/Supplies	\$ 43,180.02	\$ 43,433.11	\$ 53,934.71	\$ 53,433.72	\$ 53,408.00	100.0%	\$ 54,750.00	2.46%
52280	Maint Supp/Small Tools	\$ 103,530.25	\$ 113,303.45	\$ 120,497.91	\$ 118,194.66	\$ 118,150.00	100.0%	\$ 120,250.00	1.74%
52290	Chemical Supplies	\$ 355,485.23	\$ 447,987.35	\$ 406,339.32	\$ 503,996.00	\$ 503,000.00	99.8%	\$ 542,750.00	7.69%
52300	Line Cleaning Supplies	\$ 61,085.51	\$ 66,497.55	\$ 61,508.17	\$ 62,000.00	\$ 62,000.00	100.0%	\$ 62,000.00	0.00%
52330	Legal Fees	\$ 33,359.55	\$ 39,912.59	\$ 40,270.87	\$ 46,227.00	\$ 45,200.00	97.8%	\$ 47,500.00	2.75%
52350	Prof/Contractual Svcs	\$ 557,274.99	\$ 565,869.10	\$ 439,167.56	\$ 530,012.00	\$ 520,335.00	98.2%	\$ 575,660.00	8.61%
52410	Maint-Buildings & Grounds	\$ 129,775.10	\$ 127,948.80	\$ 138,346.20	\$ 138,953.00	\$ 135,953.00	97.8%	\$ 140,000.00	0.75%
52420	Maintenance-Equipment	\$ 384,572.64	\$ 453,047.29	\$ 463,133.22	\$ 452,278.66	\$ 451,088.13	99.7%	\$ 475,600.00	5.16%
52430	Landscape Restoration	\$ 10,338.67	\$ 11,381.06	\$ 13,728.61	\$ 17,000.00	\$ 17,000.00	100.0%	\$ 17,000.00	0.00%
52440	Pump Maintenance	\$ 35,538.14	\$ 43,408.08	\$ 23,104.28	\$ 35,000.00	\$ 35,000.00	100.0%	\$ 37,500.00	7.14%
52450	Equipment Rental	\$ 25,680.73	\$ 11,201.20	\$ 5,658.74	\$ 23,000.00	\$ 13,500.00	58.7%	\$ 25,000.00	8.70%
52460	Motor Fuel & Lubricants	\$ 232,031.50	\$ 232,268.76	\$ 239,881.43	\$ 310,000.00	\$ 310,000.00	100.0%	\$ 300,000.00	-3.23%
52470	Outside Vehicle Maint	\$ 6,187.90	\$ 2,917.10	\$ 3,746.03	\$ 9,000.00	\$ 9,000.00	100.0%	\$ 12,000.00	33.33%
52500	Rents/Leases	\$ 23,921.76	\$ 28,880.75	\$ 29,318.53	\$ 33,000.00	\$ 32,500.00	98.5%	\$ 37,000.00	12.12%
52510	Permits/Fees/Software Licenses	\$ 133,287.82	\$ 88,249.18	\$ 119,522.17	\$ 122,748.00	\$ 113,310.60	92.3%	\$ 199,140.00	62.23%
52650	Utilities	\$ 1,139,830.55	\$ 1,003,170.83	\$ 903,570.19	\$ 1,220,000.00	\$ 1,218,000.00	99.8%	\$ 1,220,000.00	0.00%
52690	Freight	\$ 4,256.58	\$ 4,639.09	\$ 4,976.68	\$ 4,900.00	\$ 4,900.00	100.0%	\$ 4,900.00	0.00%
52715	Safety Incentive Program	\$ 1,705.11	\$ 1,839.58	\$ 1,069.45	\$ 2,000.00	\$ 2,000.00	100.0%	\$ 2,500.00	25.00%
52720	Health Fair	\$ 1,652.53	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ 6,035.99	\$ 5,629.58	\$ 4,128.82	\$ 10,000.00	\$ 10,000.00	100.0%	\$ 10,000.00	0.00%
52730	Employee Asst Program	\$ 4,255.00	\$ 4,363.24	\$ 4,255.00	\$ 4,255.00	\$ 4,255.00	100.0%	\$ 4,500.00	5.76%
52900	Other Operating Expenses	\$ 1,583.12	\$ 5,132.14	\$ 1,240.91	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52910	Non-Capital Equipment	\$ 64,654.16	\$ 74,301.53	\$ 87,573.72	\$ 83,138.00	\$ 83,138.00	100.0%	\$ 82,170.00	-1.16%
52915	Copiers Printers & Faxes	\$ -	\$ 364.19	\$ -	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52920	Billing & Collections	\$ 643,263.66	\$ 662,589.22	\$ 701,014.95	\$ 689,062.00	\$ 712,870.12	103.5%	\$ 725,702.00	5.32%
Total Materials, Supplies & Services		\$ 5,328,433.09	\$ 5,431,264.85	\$ 5,302,730.61	\$ 6,012,235.55	\$ 5,963,298.19	99.2%	\$ 6,264,915.00	4.20%
Interfund Transfers									
52340	Debt Administration Expenses	\$ 433,432.47	\$ 415,958.52	\$ 338,507.16	\$ 293,066.00	\$ 293,066.00	100.0%	\$ 204,911.00	-30.08%
53040	Fleet Replacement Charges	\$ 200,000.00	\$ 300,000.00	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	100.0%	\$ 400,000.00	0.00%
53050	Wwtp Replacement Charges	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	100.0%	\$ 100,000.00	0.00%
Total Interfund Transfers		\$ 683,432.47	\$ 765,958.52	\$ 838,507.16	\$ 793,066.00	\$ 793,066.00	100.0%	\$ 704,911.00	-11.12%
Capital Outlay									
54010	Capital Equipment - New	\$ 130,686.38	\$ 8,413.42	\$ 192,750.73	\$ 18,700.00	\$ 18,700.00	100.0%	\$ 20,500.00	9.63%
54020	Capital Equip-Software	\$ 50,845.00	\$ 8,775.00	\$ 18,555.81	\$ 39,000.00	\$ 39,000.00	100.0%	\$ 22,500.00	-42.31%
54030	Capital Equip - Replacement	\$ 45,100.49	\$ 51,654.12	\$ 81,003.95	\$ 72,600.00	\$ 72,600.00	100.0%	\$ 92,300.00	27.13%
Total Capital Outlay		\$ 226,631.87	\$ 68,842.54	\$ 292,310.49	\$ 130,300.00	\$ 130,300.00	100.0%	\$ 135,300.00	3.84%
Sub-Total O&M Fund		\$ 17,193,475.58	\$ 17,529,512.67	\$ 17,832,672.89	\$ 18,792,238.00	\$ 18,730,603.64	99.7%	\$ 19,078,758.00	1.52%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ (2,635,451.13)	\$ (2,659,737.32)	\$ (2,439,492.20)	\$ (2,566,219.00)	\$ (2,558,270.47)	99.7%	\$ (2,383,993.00)	-7.10%
	Chargebacks to General Fund for SSD	\$ (1,209,710.45)	\$ (1,302,758.35)	\$ (1,294,092.88)	\$ (1,279,053.00)	\$ (1,279,053.00)	100.0%	\$ (1,309,983.00)	2.42%
Net Operation & Maintenance Fund		\$ 13,348,314.00	\$ 13,567,017.00	\$ 14,099,087.81	\$ 14,946,966.00	\$ 14,893,280.17	99.6%	\$ 15,384,782.00	2.93%

FY15 Budget – Office of the General Manager

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 196,572.36	\$ 211,396.97	\$ 218,679.16	\$ 212,373.00	\$ 212,373.00	100.0%	\$ 217,682.00	2.50%
51150	Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Salaries & Wages	\$ 196,572.36	\$ 211,396.97	\$ 218,679.16	\$ 212,373.00	\$ 212,373.00	100.0%	\$ 217,682.00	2.50%
Benefits									
51200	North Carolina Retirement	\$ 13,166.31	\$ 14,649.83	\$ 14,746.57	\$ 15,015.00	\$ 15,015.00	100.0%	\$ 15,390.00	2.50%
51250	Payroll Taxes	\$ 13,949.85	\$ 13,207.83	\$ 14,892.81	\$ 16,247.00	\$ 16,247.00	100.0%	\$ 16,653.00	2.50%
51300	Medical, Dental & Life	\$ 26,958.06	\$ 27,718.43	\$ 23,920.87	\$ 23,290.00	\$ 23,290.00	100.0%	\$ 23,607.00	1.36%
51325	Post Retirement Insurance	\$ 2,426.41	\$ 2,613.00	\$ 2,361.13	\$ 3,420.00	\$ 3,420.00	100.0%	\$ 3,615.00	5.70%
51350	Worker's Compensation	\$ 2,422.39	\$ 2,354.67	\$ 2,890.00	\$ 2,890.00	\$ 2,890.00	100.0%	\$ 2,929.00	1.35%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 440.00	\$ 440.00	100.0%	\$ 440.00	0.00%
51450	Automobile Allowance	\$ 4,534.70	\$ 692.32	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 7,414.29	\$ 7,513.62	\$ 7,783.89	\$ 10,619.00	\$ 10,619.00	100.0%	\$ 10,885.00	2.50%
	Total Benefits	\$ 70,872.01	\$ 68,749.70	\$ 66,595.27	\$ 71,921.00	\$ 71,921.00	100.0%	\$ 73,519.00	2.22%
	Total Salaries, Wages & Benefits	\$ 267,444.37	\$ 280,146.67	\$ 285,274.43	\$ 284,294.00	\$ 284,294.00	100.0%	\$ 291,201.00	2.43%
Materials, Supplies & Services									
52010	Advertising	\$ 8,865.98	\$ 11,360.33	\$ 10,832.62	\$ 11,000.00	\$ 10,800.00	98.2%	\$ 11,000.00	0.00%
52050	Dues & Subscriptions	\$ 9,122.67	\$ 9,439.37	\$ 10,447.57	\$ 12,000.00	\$ 11,500.00	95.8%	\$ 12,000.00	0.00%
52100	Postage	\$ 11,321.92	\$ 9,412.65	\$ 7,252.03	\$ 10,000.00	\$ 10,000.00	100.0%	\$ 10,000.00	0.00%
52150	Travel, Mtgs & Training	\$ 3,089.81	\$ 2,928.82	\$ 4,411.87	\$ 6,000.00	\$ 6,000.00	100.0%	\$ 6,800.00	13.33%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ 26,385.88	\$ 30,885.65	\$ 42,108.87	\$ 35,000.00	\$ 30,000.00	85.7%	\$ 35,000.00	0.00%
52180	Liability Insurance	\$ 110,220.14	\$ 110,665.90	\$ 116,167.00	\$ 116,167.00	\$ 116,167.00	100.0%	\$ 116,167.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 2,051.01	\$ 1,678.53	\$ 1,805.93	\$ 2,500.00	\$ 2,250.00	90.0%	\$ 2,400.00	-4.00%
52240	Uniforms	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52250	Office Supplies	\$ 337.85	\$ 603.91	\$ 646.65	\$ 800.00	\$ 750.00	93.8%	\$ 800.00	0.00%
52260	Special Dept Supplies	\$ 1,771.85	\$ 614.53	\$ 219.63	\$ 600.00	\$ 600.00	100.0%	\$ 600.00	0.00%
52270	Safety Equip/Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ 33,281.65	\$ 39,533.34	\$ 40,090.37	\$ 38,000.00	\$ 38,000.00	100.0%	\$ 40,000.00	5.26%
52350	Prof/Contractual Svcs	\$ 14,917.12	\$ 92,760.42	\$ 18,765.88	\$ 20,000.00	\$ 18,000.00	90.0%	\$ 20,000.00	0.00%
52410	Maint-Buildings & Grounds	\$ 121,059.62	\$ 112,580.28	\$ 111,772.55	\$ 118,000.00	\$ 118,000.00	100.0%	\$ 118,000.00	0.00%
52420	Maintenance-Equipment	\$ 35.64	\$ 392.28	\$ 215.70	\$ 480.00	\$ 300.00	62.5%	\$ 400.00	-16.67%
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ 3,783.23	\$ 4,113.04	\$ 3,803.32	\$ 5,000.00	\$ 4,500.00	90.0%	\$ 5,000.00	0.00%
52510	Permits/Fees/Software Licenses	\$ -	\$ -	\$ 140.00	\$ 140.00	\$ 140.00	100.0%	\$ 140.00	0.00%
52650	Utilities	\$ 120,180.78	\$ 101,773.20	\$ 107,236.64	\$ 120,000.00	\$ 118,000.00	98.3%	\$ 120,000.00	0.00%
52690	Freight	\$ 4,256.58	\$ 4,639.09	\$ 4,976.68	\$ 4,900.00	\$ 4,900.00	100.0%	\$ 4,900.00	0.00%
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ (3,014.16)	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ 1,583.12	\$ 5,132.14	\$ 1,240.91	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52910	Non-Capital Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ 643,263.66	\$ 662,589.22	\$ 701,014.95	\$ 689,062.00	\$ 712,870.12	103.5%	\$ 725,702.00	5.32%
	Total Materials, Supplies & Services	\$ 1,112,514.35	\$ 1,201,102.70	\$ 1,183,149.17	\$ 1,194,649.00	\$ 1,207,777.12	101.1%	\$ 1,233,909.00	3.29%
Interfund Transfers									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ 6,383.00	\$ 9,574.00	\$ 6,937.00	\$ 7,546.00	\$ 7,546.00	100.0%	\$ 7,546.00	0.00%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Interfund Transfers	\$ 6,383.00	\$ 9,574.00	\$ 6,937.00	\$ 7,546.00	\$ 7,546.00	100.0%	\$ 7,546.00	0.00%
Capital Outlay									
54010	Capital Equipment - New	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Sub-Total O&M Fund	\$ 1,386,341.72	\$ 1,490,823.37	\$ 1,475,360.60	\$ 1,486,489.00	\$ 1,499,617.12	100.9%	\$ 1,532,656.00	3.11%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Net Operation & Maintenance Fund	\$ 1,386,341.72	\$ 1,490,823.37	\$ 1,475,360.60	\$ 1,486,489.00	\$ 1,499,617.12	100.9%	\$ 1,532,656.00	3.11%

FY15 Budget – Human Resources

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 297,604.36	\$ 313,627.17	\$ 338,062.87	\$ 379,220.00	\$ 379,220.00	100.0%	\$ 387,877.00	2.28%
51150	Overtime	\$ 599.49	\$ 390.50	\$ 280.01	\$ 150.45	\$ 150.45	100.0%	\$ -	-100.00%
Total Salaries & Wages		\$ 298,203.85	\$ 314,017.67	\$ 338,342.88	\$ 379,370.45	\$ 379,370.45	100.0%	\$ 387,877.00	2.24%
Benefits									
51200	North Carolina Retirement	\$ 19,727.45	\$ 21,799.60	\$ 22,525.34	\$ 26,810.00	\$ 26,821.00	100.0%	\$ 27,423.00	2.29%
51250	Payroll Taxes	\$ 21,641.37	\$ 24,142.41	\$ 24,323.75	\$ 29,011.00	\$ 29,022.00	100.0%	\$ 29,673.00	2.28%
51300	Medical, Dental & Life	\$ 66,560.56	\$ 70,171.13	\$ 71,762.61	\$ 69,870.00	\$ 69,870.00	100.0%	\$ 70,821.00	1.36%
51325	Post Retirement Insurance	\$ 7,280.79	\$ 7,840.00	\$ 7,083.39	\$ 10,260.00	\$ 10,260.00	100.0%	\$ 10,845.00	5.70%
51350	Worker's Compensation	\$ 7,269.97	\$ 7,067.00	\$ 8,670.00	\$ 8,670.00	\$ 8,670.00	100.0%	\$ 8,788.00	1.36%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 1,320.00	\$ 1,320.00	100.0%	\$ 1,320.00	0.00%
51450	Automobile Allowance	\$ 2,018.98	\$ 2,086.53	\$ 1,848.08	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 14,726.61	\$ 14,105.38	\$ 16,497.85	\$ 18,962.00	\$ 18,962.00	100.0%	\$ 19,394.00	2.28%
Total Benefits		\$ 139,225.73	\$ 147,212.05	\$ 152,711.02	\$ 164,903.00	\$ 164,925.00	100.0%	\$ 168,264.00	2.04%
Total Salaries, Wages & Benefits		\$ 437,429.58	\$ 461,229.72	\$ 491,053.90	\$ 544,273.45	\$ 544,295.45	100.0%	\$ 556,141.00	2.18%
Materials, Supplies & Services									
52010	Advertising	\$ 7,318.45	\$ 2,842.95	\$ 5,445.18	\$ 4,099.55	\$ 4,099.00	100.0%	\$ 5,000.00	21.96%
52050	Dues & Subscriptions	\$ 4,026.45	\$ 9,116.18	\$ 7,566.06	\$ 6,963.04	\$ 6,963.04	100.0%	\$ 5,950.00	-14.55%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 17,469.86	\$ 20,589.34	\$ 15,249.40	\$ 24,500.00	\$ 24,225.00	98.9%	\$ 25,570.00	4.37%
52160	Tuition Assistance	\$ 2,269.50	\$ 1,467.60	\$ 468.50	\$ 2,000.00	\$ 2,000.00	100.0%	\$ 2,500.00	25.00%
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 1,776.68	\$ 1,783.87	\$ 1,873.00	\$ 1,873.00	\$ 1,873.00	100.0%	\$ 1,873.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 958.94	\$ 1,707.79	\$ 2,345.88	\$ 2,450.00	\$ 2,450.00	100.0%	\$ 2,500.00	2.04%
52240	Uniforms	\$ 319.01	\$ 308.57	\$ 886.88	\$ 1,300.00	\$ 1,175.00	90.4%	\$ 1,300.00	0.00%
52250	Office Supplies	\$ 2,824.33	\$ 3,097.94	\$ 3,647.52	\$ 3,400.00	\$ 3,200.00	94.1%	\$ 3,400.00	0.00%
52260	Special Dept Supplies	\$ 2,784.14	\$ 979.11	\$ 2,642.90	\$ 1,425.96	\$ 925.96	64.9%	\$ 1,500.00	5.19%
52270	Safety Equip/Supplies	\$ 43,180.02	\$ 43,433.11	\$ 5,133.99	\$ 5,953.00	\$ 5,953.00	100.0%	\$ 6,000.00	0.79%
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ 37.90	\$ 360.00	\$ -	\$ 4,000.00	\$ 4,000.00	100.0%	\$ 4,000.00	0.00%
52350	Prof/Contractual Svcs	\$ 27,013.11	\$ 47,103.59	\$ 41,486.46	\$ 49,752.00	\$ 45,500.00	91.5%	\$ 61,700.00	24.02%
52410	Maint-Buildings & Grounds	\$ -	\$ 5,205.02	\$ 7,797.67	\$ 9,500.00	\$ 6,500.00	68.4%	\$ 1,000.00	-89.47%
52420	Maintenance-Equipment	\$ 889.46	\$ 872.50	\$ 3,129.22	\$ 1,000.00	\$ -	0.0%	\$ -	-100.00%
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses	\$ -	\$ -	\$ 2,660.88	\$ 2,650.00	\$ 2,650.00	100.0%	\$ 2,650.00	0.00%
52650	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ 1,705.11	\$ 1,839.58	\$ 1,069.45	\$ 2,000.00	\$ 2,000.00	100.0%	\$ 2,500.00	25.00%
52720	Health Fair	\$ 1,652.53	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ 9,050.15	\$ 5,629.58	\$ 4,128.82	\$ 10,000.00	\$ 10,000.00	100.0%	\$ 10,000.00	0.00%
52730	Employee Asst Program	\$ 4,255.00	\$ 4,363.24	\$ 4,255.00	\$ 4,255.00	\$ 4,255.00	100.0%	\$ 4,500.00	5.76%
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 9,268.64	\$ 12,048.54	\$ 16,688.37	\$ 9,500.00	\$ 9,500.00	100.0%	\$ 15,000.00	57.89%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Materials, Supplies & Services		\$ 136,799.28	\$ 162,748.51	\$ 126,475.18	\$ 146,621.55	\$ 137,269.00	93.6%	\$ 156,943.00	7.04%
Interfund Transfers									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ -	\$ -	\$ 1,952.00	\$ 1,952.00	100.0%	\$ 1,952.00	0.00%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Interfund Transfers		\$ -	\$ -	\$ -	\$ 1,952.00	\$ 1,952.00	100.0%	\$ 1,952.00	0.00%
Capital Outlay									
54010	Capital Equipment - New	\$ -	\$ -	\$ 24,246.76	\$ 3,000.00	\$ 3,000.00	100.0%	\$ -	-100.00%
54020	Capital Equip-Software	\$ 9,245.00	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Capital Outlay		\$ 9,245.00	\$ -	\$ 24,246.76	\$ 3,000.00	\$ 3,000.00	100.0%	\$ -	-100.00%
Sub-Total O&M Fund		\$ 583,473.86	\$ 623,978.23	\$ 641,775.84	\$ 695,847.00	\$ 686,516.45	98.7%	\$ 715,036.00	2.76%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Net Operation & Maintenance Fund		\$ 583,473.86	\$ 623,978.23	\$ 641,775.84	\$ 695,847.00	\$ 686,516.45	98.7%	\$ 715,036.00	2.76%

FY15 Budget – Information Technology

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 505,441.15	\$ 530,931.40	\$ 560,089.31	\$ 593,686.00	\$ 593,686.00	100.0%	\$ 605,319.00	1.96%
51150	Overtime	\$ -	\$ -	\$ -	\$ 3,000.00	\$ -	0.0%	\$ 3,500.00	16.67%
Total Salaries & Wages		\$ 505,441.15	\$ 530,931.40	\$ 560,089.31	\$ 596,686.00	\$ 593,686.00	99.5%	\$ 608,819.00	2.03%
Benefits									
51200	North Carolina Retirement	\$ 33,075.63	\$ 35,301.24	\$ 37,214.43	\$ 43,146.00	\$ 41,973.00	97.3%	\$ 43,043.00	-0.24%
51250	Payroll Taxes	\$ 36,885.70	\$ 37,415.67	\$ 40,068.67	\$ 46,685.00	\$ 45,417.00	97.3%	\$ 46,575.00	-0.24%
51300	Medical, Dental & Life	\$ 100,206.88	\$ 105,588.57	\$ 119,604.35	\$ 116,450.00	\$ 116,450.00	100.0%	\$ 118,035.00	1.36%
51325	Post Retirement Insurance	\$ 10,920.00	\$ 11,760.00	\$ 11,804.65	\$ 17,100.00	\$ 17,100.00	100.0%	\$ 18,075.00	5.70%
51350	Worker's Compensation	\$ 10,904.95	\$ 10,600.50	\$ 14,450.00	\$ 14,450.00	\$ 14,450.00	100.0%	\$ 14,647.00	1.36%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 15,772.00	\$ 15,772.00	100.0%	\$ 2,200.00	-86.05%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 12,331.61	\$ 12,602.92	\$ 14,688.43	\$ 30,365.00	\$ 30,365.00	100.0%	\$ 30,268.00	-0.32%
Total Benefits		\$ 204,324.77	\$ 213,268.90	\$ 237,830.53	\$ 283,968.00	\$ 281,527.00	99.1%	\$ 272,843.00	-3.92%
Total Salaries, Wages & Benefits		\$ 709,765.92	\$ 744,200.30	\$ 797,919.84	\$ 880,654.00	\$ 875,213.00	99.4%	\$ 881,662.00	0.11%
Materials, Supplies & Services									
52010	Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52050	Dues & Subscriptions	\$ 708.00	\$ 343.00	\$ 50.00	\$ 1,610.00	\$ 850.00	52.8%	\$ 715.00	-55.59%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 4,787.27	\$ 10,724.41	\$ 2,417.92	\$ 16,405.00	\$ 4,750.00	29.0%	\$ 3,950.00	-75.92%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 11,071.17	\$ 11,115.93	\$ 11,670.00	\$ 11,670.00	\$ 11,670.00	100.0%	\$ 11,670.00	0.00%
52200	Telephone/Telefax	\$ 32,443.42	\$ 35,952.57	\$ 33,597.07	\$ 37,450.00	\$ 30,000.00	80.1%	\$ 30,150.00	-19.49%
52210	Communications	\$ 6,375.26	\$ 2,661.25	\$ 4,714.59	\$ 4,000.00	\$ 3,500.00	87.5%	\$ 3,500.00	-12.50%
52240	Uniforms	\$ 175.96	\$ -	\$ 159.53	\$ 600.00	\$ 600.00	100.0%	\$ 600.00	0.00%
52250	Office Supplies	\$ 532.65	\$ 381.45	\$ 400.41	\$ 1,000.00	\$ 650.00	65.0%	\$ 650.00	-35.00%
52260	Special Dept Supplies	\$ 243.28	\$ 612.30	\$ 390.41	\$ 500.00	\$ 500.00	100.0%	\$ 500.00	0.00%
52270	Safety Equip/Supplies	\$ -	\$ -	\$ 78.52	\$ 50.00	\$ 75.00	150.0%	\$ 100.00	100.00%
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 30,375.00	\$ 36,051.35	\$ 3,357.81	\$ 12,500.00	\$ 12,500.00	100.0%	\$ 10,000.00	-20.00%
52410	Maint-Buildings & Grounds	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52420	Maintenance-Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ 20,138.53	\$ 24,767.71	\$ 25,515.21	\$ 28,000.00	\$ 28,000.00	100.0%	\$ 32,000.00	14.29%
52510	Permits/Fees/Software Licenses	\$ 57,807.89	\$ 60,126.10	\$ 63,988.14	\$ 65,450.00	\$ 65,450.00	100.0%	\$ 141,150.00	115.66%
52650	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 43,041.78	\$ 48,912.97	\$ 49,422.27	\$ 51,150.00	\$ 51,150.00	100.0%	\$ 55,060.00	7.64%
52915	Copiers Printers & Faxes	\$ -	\$ 364.19	\$ -	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Materials, Supplies & Services		\$ 207,700.21	\$ 232,013.23	\$ 195,761.88	\$ 235,385.00	\$ 214,695.00	91.2%	\$ 295,045.00	25.35%
Interfund Transfers									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Interfund Transfers		\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Capital Outlay									
54010	Capital Equipment - New	\$ 33,753.17	\$ -	\$ 86,521.91	\$ -	\$ -	-	\$ 6,700.00	-
54020	Capital Equip-Software	\$ 41,600.00	\$ 8,775.00	\$ 13,598.61	\$ 39,000.00	\$ 39,000.00	100.0%	\$ 22,500.00	-42.31%
54030	Capital Equip - Replacement	\$ 7,845.97	\$ 34,113.05	\$ 17,977.12	\$ 41,300.00	\$ 41,300.00	100.0%	\$ 44,500.00	7.75%
Total Capital Outlay		\$ 83,199.14	\$ 42,888.05	\$ 118,097.64	\$ 80,300.00	\$ 80,300.00	100.0%	\$ 73,700.00	-8.22%
Sub-Total O&M Fund		\$ 1,000,665.27	\$ 1,019,101.58	\$ 1,111,779.36	\$ 1,196,339.00	\$ 1,170,208.00	97.8%	\$ 1,250,407.00	4.52%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ (292,702.96)	\$ (303,466.75)	\$ (255,974.39)	\$ (301,000.00)	\$ (301,000.00)	100.0%	\$ (281,968.00)	-6.32%
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Net Operation & Maintenance Fund		\$ 707,962.31	\$ 715,634.83	\$ 855,804.97	\$ 895,339.00	\$ 869,208.00	97.1%	\$ 968,439.00	8.16%

FY15 Budget – Financial Services

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 396,115.66	\$ 422,370.70	\$ 464,619.84	\$ 472,038.00	\$ 472,038.00	100.0%	\$ 488,459.00	3.48%
51150	Overtime	\$ -	\$ -	\$ -	\$ 500.00	\$ -	0.0%	\$ 500.00	0.00%
Total Salaries & Wages		\$ 396,115.66	\$ 422,370.70	\$ 464,619.84	\$ 472,538.00	\$ 472,038.00	99.9%	\$ 488,959.00	3.48%
Benefits									
51200	North Carolina Retirement	\$ 26,652.82	\$ 28,851.68	\$ 31,834.97	\$ 33,408.00	\$ 33,373.00	99.9%	\$ 34,569.00	3.48%
51250	Payroll Taxes	\$ 29,124.92	\$ 30,391.13	\$ 34,077.87	\$ 36,149.00	\$ 36,111.00	99.9%	\$ 37,405.00	3.47%
51300	Medical, Dental & Life	\$ 88,644.23	\$ 93,466.34	\$ 107,644.94	\$ 104,810.00	\$ 104,810.00	100.0%	\$ 106,232.00	1.36%
51325	Post Retirement Insurance	\$ 9,706.41	\$ 10,453.00	\$ 10,625.06	\$ 15,391.00	\$ 15,391.00	100.0%	\$ 16,267.00	5.69%
51350	Worker's Compensation	\$ 9,692.36	\$ 9,422.66	\$ 13,008.00	\$ 13,008.00	\$ 13,008.00	100.0%	\$ 13,183.00	1.35%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 1,980.00	\$ 1,980.00	100.0%	\$ 1,980.00	0.00%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 18,153.00	\$ 18,492.28	\$ 21,518.32	\$ 23,602.00	\$ 23,602.00	100.0%	\$ 24,423.00	3.48%
Total Benefits		\$ 181,973.74	\$ 191,077.09	\$ 218,709.16	\$ 228,348.00	\$ 228,275.00	100.0%	\$ 234,059.00	2.50%
Total Salaries, Wages & Benefits		\$ 578,089.40	\$ 613,447.79	\$ 683,329.00	\$ 700,886.00	\$ 700,313.00	99.9%	\$ 723,018.00	3.16%
Materials, Supplies & Services									
52010	Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52050	Dues & Subscriptions	\$ 1,460.00	\$ 1,747.95	\$ 1,575.00	\$ 1,800.00	\$ 1,800.00	100.0%	\$ 1,800.00	0.00%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 11,749.29	\$ 7,066.25	\$ 6,236.40	\$ 12,966.00	\$ 12,966.00	100.0%	\$ 13,430.00	3.58%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 1,129.92	\$ 1,115.01	\$ 1,316.88	\$ 1,400.00	\$ 1,400.00	100.0%	\$ 2,595.00	85.36%
52240	Uniforms	\$ 515.73	\$ 498.94	\$ 869.24	\$ 1,250.00	\$ 1,250.00	100.0%	\$ 1,250.00	0.00%
52250	Office Supplies	\$ 3,733.14	\$ 3,485.04	\$ 3,086.60	\$ 3,000.00	\$ 3,000.00	100.0%	\$ 3,000.00	0.00%
52260	Special Dept Supplies	\$ 1,315.78	\$ 1,176.46	\$ 597.02	\$ 1,200.00	\$ 1,200.00	100.0%	\$ 1,200.00	0.00%
52270	Safety Equip/Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 55,652.56	\$ 47,248.82	\$ 56,121.44	\$ 49,960.00	\$ 49,960.00	100.0%	\$ 51,960.00	4.00%
52410	Maint-Buildings & Grounds	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52420	Maintenance-Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52650	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 1,075.84	\$ -	\$ 942.86	\$ 1,547.00	\$ 1,547.00	100.0%	\$ 1,100.00	-28.89%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Materials, Supplies & Services		\$ 76,632.26	\$ 62,338.47	\$ 70,745.44	\$ 73,123.00	\$ 73,123.00	100.0%	\$ 76,335.00	4.39%
Interfund Transfers									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Interfund Transfers		\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Capital Outlay									
54010	Capital Equipment - New	\$ -	\$ 1,889.21	\$ -	\$ -	\$ -	-	\$ -	-
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Capital Outlay		\$ -	\$ 1,889.21	\$ -	\$ -	\$ -	-	\$ -	-
Sub-Total O&M Fund		\$ 654,721.66	\$ 677,675.47	\$ 754,074.44	\$ 774,009.00	\$ 773,436.00	99.9%	\$ 799,353.00	3.27%
59200	LESS:								
	Chargebacks to General Fund for CIF	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Net Operation & Maintenance Fund		\$ 654,721.66	\$ 677,675.47	\$ 754,074.44	\$ 774,009.00	\$ 773,436.00	99.9%	\$ 799,353.00	3.27%

FY15 Budget – Water Reclamation Facility

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 2,180,382.05	\$ 2,227,428.12	\$ 2,257,970.03	\$ 2,310,670.00	\$ 2,310,670.00	100.0%	\$ 2,384,531.00	3.20%
51150	Overtime	\$ 85,567.34	\$ 81,530.64	\$ 99,472.40	\$ 120,331.00	\$ 118,500.00	98.5%	\$ 115,000.00	-4.43%
	Total Salaries & Wages	\$ 2,265,949.39	\$ 2,308,958.76	\$ 2,357,442.43	\$ 2,431,001.00	\$ 2,429,170.00	99.9%	\$ 2,499,531.00	2.82%
Benefits									
51200	North Carolina Retirement	\$ 154,437.13	\$ 159,572.64	\$ 158,338.91	\$ 171,731.00	\$ 171,741.00	100.0%	\$ 176,716.00	2.90%
51250	Payroll Taxes	\$ 164,932.94	\$ 166,873.07	\$ 170,288.59	\$ 185,841.00	\$ 185,831.00	100.0%	\$ 191,214.00	2.89%
51300	Medical, Dental & Life	\$ 498,204.33	\$ 523,735.39	\$ 514,301.75	\$ 489,092.00	\$ 489,092.00	100.0%	\$ 495,748.00	1.36%
51325	Post Retirement Insurance	\$ 53,387.17	\$ 57,494.00	\$ 50,763.25	\$ 71,823.00	\$ 71,823.00	100.0%	\$ 75,913.00	5.69%
51350	Worker's Compensation	\$ 53,310.30	\$ 51,826.62	\$ 62,137.00	\$ 60,691.00	\$ 60,691.00	100.0%	\$ 61,518.00	1.36%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 9,240.00	\$ 9,240.00	100.0%	\$ 9,240.00	0.00%
51450	Automobile Allowance	\$ -	\$ 300.00	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 98,921.32	\$ 90,742.09	\$ 91,031.91	\$ 114,075.00	\$ 114,075.00	100.0%	\$ 119,228.00	4.52%
	Total Benefits	\$ 1,023,193.19	\$ 1,050,543.81	\$ 1,046,861.41	\$ 1,102,493.00	\$ 1,102,493.00	100.0%	\$ 1,129,577.00	2.46%
	Total Salaries, Wages & Benefits	\$ 3,289,142.58	\$ 3,359,502.57	\$ 3,404,303.84	\$ 3,533,494.00	\$ 3,531,663.00	99.9%	\$ 3,629,108.00	2.71%
Materials, Supplies & Services									
52010	Advertising	\$ 11,885.26	\$ 10,052.34	\$ 13,841.44	\$ 15,000.00	\$ 15,000.00	100.0%	\$ 13,500.00	-10.00%
52050	Dues & Subscriptions	\$ 15,551.87	\$ 15,504.17	\$ 16,107.20	\$ 16,100.00	\$ 16,100.00	100.0%	\$ 16,150.00	0.31%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 16,112.48	\$ 19,951.71	\$ 16,987.24	\$ 16,750.00	\$ 16,750.00	100.0%	\$ 22,600.00	34.93%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 244,982.20	\$ 245,972.99	\$ 258,200.00	\$ 258,200.00	\$ 258,200.00	100.0%	\$ 258,200.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 25,305.54	\$ 27,506.54	\$ 31,991.70	\$ 44,434.00	\$ 44,434.00	100.0%	\$ 48,850.00	9.94%
52240	Uniforms	\$ 20,284.19	\$ 29,222.27	\$ 23,112.09	\$ 24,911.00	\$ 23,500.00	94.3%	\$ 25,400.00	1.96%
52250	Office Supplies	\$ 4,413.90	\$ 4,403.89	\$ 5,160.24	\$ 5,550.00	\$ 5,550.00	100.0%	\$ 5,550.00	0.00%
52260	Special Dept Supplies	\$ 347,666.63	\$ 373,922.58	\$ 384,297.97	\$ 378,452.62	\$ 378,452.00	100.0%	\$ 399,500.00	5.56%
52270	Safety Equip/Supplies	\$ -	\$ -	\$ 11,527.35	\$ 10,322.72	\$ 10,322.00	100.0%	\$ 11,400.00	10.44%
52280	Maint Supp/Small Tools	\$ 23,100.70	\$ 27,970.92	\$ 30,504.65	\$ 38,194.66	\$ 38,150.00	99.9%	\$ 40,000.00	4.73%
52290	Chemical Supplies	\$ 355,485.23	\$ 447,987.32	\$ 406,339.32	\$ 503,996.00	\$ 503,000.00	99.8%	\$ 542,750.00	7.69%
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 352,375.36	\$ 279,752.90	\$ 242,145.68	\$ 306,300.00	\$ 304,000.00	99.2%	\$ 342,000.00	11.66%
52410	Maint-Buildings & Grounds	\$ 8,715.48	\$ 10,163.50	\$ 16,700.84	\$ 10,000.00	\$ 10,000.00	100.0%	\$ 20,000.00	100.00%
52420	Maintenance-Equipment	\$ 360,681.02	\$ 409,729.21	\$ 408,056.34	\$ 395,500.00	\$ 395,500.00	100.0%	\$ 420,000.00	6.19%
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ 35,538.14	\$ 43,408.08	\$ 23,104.28	\$ 35,000.00	\$ 35,000.00	100.0%	\$ 37,500.00	7.14%
52450	Equipment Rental	\$ 2,786.10	\$ 3,792.00	\$ 3,337.94	\$ 500.00	\$ 500.00	100.0%	\$ 2,500.00	400.00%
52460	Motor Fuel & Lubricants	\$ 232,031.50	\$ 232,268.76	\$ 239,881.43	\$ 310,000.00	\$ 310,000.00	100.0%	\$ 300,000.00	-3.23%
52470	Outside Vehicle Maint	\$ 6,187.90	\$ 2,917.10	\$ 3,746.03	\$ 9,000.00	\$ 9,000.00	100.0%	\$ 12,000.00	33.33%
52500	Rents/Leases	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses	\$ 7,969.00	\$ 8,266.00	\$ 14,242.60	\$ 11,850.00	\$ 11,850.00	100.0%	\$ 15,650.00	32.07%
52650	Utilities	\$ 1,019,649.77	\$ 901,397.63	\$ 796,333.55	\$ 1,100,000.00	\$ 1,100,000.00	100.0%	\$ 1,100,000.00	0.00%
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 777.27	\$ 2,739.67	\$ 11,876.23	\$ 3,900.00	\$ 3,900.00	100.0%	\$ -	-100.00%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Materials, Supplies & Services	\$ 3,091,499.54	\$ 3,096,929.61	\$ 2,957,494.12	\$ 3,493,961.00	\$ 3,489,208.00	99.9%	\$ 3,633,550.00	4.00%
Interfund Transfers									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ 51,064.00	\$ 76,594.00	\$ 49,329.00	\$ 60,815.00	\$ 60,815.00	100.0%	\$ 60,815.00	0.00%
53050	Wwtp Replacement Charges	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	100.0%	\$ 100,000.00	0.00%
	Total Interfund Transfers	\$ 101,064.00	\$ 126,594.00	\$ 149,329.00	\$ 160,815.00	\$ 160,815.00	100.0%	\$ 160,815.00	0.00%
Capital Outlay									
54010	Capital Equipment - New	\$ 2,728.80	\$ -	\$ 19,935.24	\$ 8,500.00	\$ 8,500.00	100.0%	\$ 6,000.00	-29.41%
54020	Capital Equip-Software	\$ -	\$ -	\$ 4,957.20	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ 15,785.28	\$ 5,298.94	\$ 40,453.09	\$ 4,000.00	\$ 4,000.00	100.0%	\$ -	-100.00%
	Total Capital Outlay	\$ 18,514.08	\$ 5,298.94	\$ 65,345.53	\$ 12,500.00	\$ 12,500.00	100.0%	\$ 6,000.00	-52.00%
	Sub-Total O&M Fund	\$ 6,500,220.20	\$ 6,588,325.12	\$ 6,576,472.49	\$ 7,200,770.00	\$ 7,194,186.00	99.9%	\$ 7,429,473.00	3.18%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Net Operation & Maintenance Fund	\$ 6,500,220.20	\$ 6,588,325.12	\$ 6,576,472.49	\$ 7,200,770.00	\$ 7,194,186.00	99.9%	\$ 7,429,473.00	3.18%

FY15 Budget – SS Maintenance

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 2,347,728.04	\$ 2,396,777.32	\$ 1,225,608.46	\$ 1,232,065.00	\$ 1,232,065.00	100.0%	\$ 1,265,645.00	2.73%
51150	Overtime	\$ 154,269.01	\$ 129,037.06	\$ 110,610.38	\$ 110,000.00	\$ 110,000.00	100.0%	\$ 110,000.00	0.00%
Total Salaries & Wages		\$ 2,501,997.05	\$ 2,525,814.38	\$ 1,336,218.84	\$ 1,342,065.00	\$ 1,342,065.00	100.0%	\$ 1,375,645.00	2.50%
Benefits									
51200	North Carolina Retirement	\$ 165,171.08	\$ 173,109.58	\$ 88,099.50	\$ 94,884.00	\$ 94,884.00	100.0%	\$ 97,258.00	2.50%
51250	Payroll Taxes	\$ 181,616.07	\$ 181,808.04	\$ 94,260.68	\$ 102,668.00	\$ 102,668.00	100.0%	\$ 105,237.00	2.50%
51300	Medical, Dental & Life	\$ 638,479.54	\$ 672,197.89	\$ 334,894.21	\$ 326,062.00	\$ 326,062.00	100.0%	\$ 330,498.00	1.36%
51325	Post Retirement Insurance	\$ 69,160.00	\$ 74,481.00	\$ 33,054.79	\$ 47,882.00	\$ 47,882.00	100.0%	\$ 50,610.00	5.70%
51350	Worker's Compensation	\$ 69,060.03	\$ 67,135.45	\$ 40,461.00	\$ 40,461.00	\$ 40,461.00	100.0%	\$ 41,012.00	1.36%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 6,160.00	\$ 6,160.00	100.0%	\$ 6,160.00	0.00%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 96,590.49	\$ 92,654.35	\$ 48,849.33	\$ 61,980.00	\$ 61,980.00	100.0%	\$ 63,283.00	2.10%
Total Benefits		\$ 1,220,077.21	\$ 1,261,386.31	\$ 639,619.51	\$ 680,097.00	\$ 680,097.00	100.0%	\$ 694,058.00	2.05%
Total Salaries, Wages & Benefits		\$ 3,722,074.26	\$ 3,787,200.69	\$ 1,975,838.35	\$ 2,022,162.00	\$ 2,022,162.00	100.0%	\$ 2,069,703.00	2.35%
Materials, Supplies & Services									
52010	Advertising	\$ 168.00	\$ 557.53	\$ 477.56	\$ 2,000.00	\$ 2,000.00	100.0%	\$ 4,000.00	100.00%
52050	Dues & Subscriptions	\$ 5,231.02	\$ 6,267.93	\$ 4,523.51	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 22,509.73	\$ 34,575.11	\$ 23,005.22	\$ 28,410.00	\$ 28,410.00	100.0%	\$ 27,910.00	-1.76%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 158,305.43	\$ 158,945.66	\$ 81,849.00	\$ 81,849.00	\$ 81,849.00	100.0%	\$ 81,849.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 25,941.55	\$ 30,591.42	\$ 20,141.80	\$ 26,400.00	\$ 26,400.00	100.0%	\$ 26,400.00	0.00%
52240	Uniforms	\$ 32,978.79	\$ 42,566.87	\$ 15,845.25	\$ 20,000.00	\$ 20,000.00	100.0%	\$ 22,000.00	10.00%
52250	Office Supplies	\$ 7,015.04	\$ 5,958.70	\$ 6,980.62	\$ 6,500.00	\$ 6,500.00	100.0%	\$ 6,500.00	0.00%
52260	Special Dept Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52270	Safety Equip/Supplies	\$ -	\$ -	\$ 14,763.35	\$ 13,750.00	\$ 13,750.00	100.0%	\$ 13,750.00	0.00%
52280	Maint Supp/Small Tools	\$ 80,429.55	\$ 85,332.53	\$ 36,994.92	\$ 35,000.00	\$ 35,000.00	100.0%	\$ 35,000.00	0.00%
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ 61,085.51	\$ 66,497.55	\$ 61,054.79	\$ 61,000.00	\$ 61,000.00	100.0%	\$ 61,000.00	0.00%
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 42,229.36	\$ 36,142.49	\$ 28,046.72	\$ 45,000.00	\$ 45,000.00	100.0%	\$ 43,000.00	-4.44%
52410	Maint-Buildings & Grounds	\$ -	\$ -	\$ 69.99	\$ 1,000.00	\$ 1,000.00	100.0%	\$ 1,000.00	0.00%
52420	Maintenance-Equipment	\$ 22,966.52	\$ 42,053.30	\$ 50,142.91	\$ 49,000.00	\$ 49,000.00	100.0%	\$ 49,000.00	0.00%
52430	Landscape Restoration	\$ 10,338.67	\$ 11,381.06	\$ 3,854.73	\$ 5,300.00	\$ 5,300.00	100.0%	\$ 5,300.00	0.00%
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ 22,894.63	\$ 7,409.20	\$ -	\$ 2,500.00	\$ 2,500.00	100.0%	\$ 2,500.00	0.00%
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses	\$ 67,510.93	\$ 19,753.08	\$ 23,830.90	\$ 20,800.00	\$ 13,000.00	62.5%	\$ 20,800.00	0.00%
52650	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 10,490.63	\$ 10,600.35	\$ 4,090.11	\$ 6,199.00	\$ 6,199.00	100.0%	\$ 4,560.00	-26.44%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Materials, Supplies & Services		\$ 570,095.36	\$ 558,632.78	\$ 375,671.38	\$ 409,708.00	\$ 401,908.00	98.1%	\$ 409,569.00	-0.03%
Interfund Transfers									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ 134,043.00	\$ 201,067.00	\$ 176,348.00	\$ 167,064.00	\$ 167,064.00	100.0%	\$ 167,064.00	0.00%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Interfund Transfers		\$ 134,043.00	\$ 201,067.00	\$ 176,348.00	\$ 167,064.00	\$ 167,064.00	100.0%	\$ 167,064.00	0.00%
Capital Outlay									
54010	Capital Equipment - New	\$ 74,450.41	\$ 6,524.21	\$ 43,334.88	\$ 4,200.00	\$ 4,200.00	100.0%	\$ 7,800.00	85.71%
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ 21,469.24	\$ 12,242.13	\$ -	\$ 10,800.00	\$ 10,800.00	100.0%	\$ 27,000.00	150.00%
Total Capital Outlay		\$ 95,919.65	\$ 18,766.34	\$ 43,334.88	\$ 15,000.00	\$ 15,000.00	100.0%	\$ 34,800.00	132.00%
Sub-Total O&M Fund		\$ 4,522,132.27	\$ 4,565,666.81	\$ 2,571,192.61	\$ 2,613,934.00	\$ 2,606,134.00	99.7%	\$ 2,681,136.00	2.57%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ (1,209,710.45)	\$ (1,302,758.35)	\$ -	\$ -	\$ -	-	\$ -	-
Net Operation & Maintenance Fund		\$ 3,312,421.82	\$ 3,262,908.46	\$ 2,571,192.61	\$ 2,613,934.00	\$ 2,606,134.00	99.7%	\$ 2,681,136.00	2.57%

FY15 Budget – SS Construction

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages		\$ 1,193,491.65	\$ 1,178,079.44	\$ 1,163,152.00	\$ 1,163,152.00	100.0%	\$ 1,196,820.00	2.89%
51150	Overtime		\$ 68,075.78	\$ 56,769.70	\$ 57,000.00	\$ 57,000.00	100.0%	\$ 57,000.00	0.00%
Total Salaries & Wages			\$ 1,261,567.43	\$ 1,234,849.14	\$ 1,220,152.00	\$ 1,220,152.00	100.0%	\$ 1,253,820.00	2.76%
Benefits									
51200	North Carolina Retirement		\$ 87,689.44	\$ 84,852.69	\$ 86,265.00	\$ 86,265.00	100.0%	\$ 88,645.00	2.76%
51250	Payroll Taxes		\$ 90,119.50	\$ 90,534.95	\$ 93,342.00	\$ 93,342.00	100.0%	\$ 95,917.00	2.76%
51300	Medical, Dental & Life		\$ 328,251.57	\$ 346,855.67	\$ 337,706.00	\$ 337,706.00	100.0%	\$ 342,301.00	1.36%
51325	Post Retirement Insurance		\$ 36,587.00	\$ 34,235.33	\$ 49,592.00	\$ 49,592.00	100.0%	\$ 52,417.00	5.70%
51350	Worker's Compensation		\$ 34,297.81	\$ 41,906.00	\$ 41,906.00	\$ 41,906.00	100.0%	\$ 42,476.00	1.36%
51360	State Unemployment Benefits		\$ -	\$ -	\$ 6,380.00	\$ 6,380.00	100.0%	\$ 6,380.00	0.00%
51450	Automobile Allowance		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan		\$ 44,025.68	\$ 43,032.49	\$ 58,633.00	\$ 58,633.00	100.0%	\$ 59,842.00	2.06%
Total Benefits			\$ 620,971.00	\$ 641,417.13	\$ 673,824.00	\$ 673,824.00	100.0%	\$ 687,978.00	2.10%
Total Salaries, Wages & Benefits			\$ 1,882,538.43	\$ 1,876,266.27	\$ 1,893,976.00	\$ 1,893,976.00	100.0%	\$ 1,941,798.00	2.52%
Materials, Supplies & Services									
52010	Advertising		\$ 16.97	\$ 413.50	\$ 500.00	\$ 500.00	100.0%	\$ 500.00	0.00%
52050	Dues & Subscriptions		\$ 1,993.23	\$ 2,087.00	\$ 3,000.00	\$ 3,000.00	100.0%	\$ 3,000.00	0.00%
52100	Postage		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training		\$ 21,480.54	\$ 20,855.59	\$ 29,920.00	\$ 29,920.00	100.0%	\$ 27,420.00	-8.36%
52160	Tuition Assistance		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance		\$ -	\$ 84,997.00	\$ 84,997.00	\$ 84,997.00	100.0%	\$ 84,997.00	0.00%
52200	Telephone/Telefax		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications		\$ 11,245.57	\$ 12,672.72	\$ 17,600.00	\$ 17,600.00	100.0%	\$ 17,600.00	0.00%
52240	Uniforms		\$ 21,614.57	\$ 19,677.38	\$ 20,000.00	\$ 20,000.00	100.0%	\$ 22,200.00	11.00%
52250	Office Supplies		\$ 2,483.29	\$ 2,287.64	\$ 3,400.00	\$ 3,400.00	100.0%	\$ 3,400.00	0.00%
52260	Special Dept Supplies		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52270	Safety Equip/Supplies		\$ -	\$ 21,979.83	\$ 22,908.00	\$ 22,908.00	100.0%	\$ 23,000.00	0.40%
52280	Maint Supp/Small Tools		\$ 54,728.07	\$ 52,998.34	\$ 45,000.00	\$ 45,000.00	100.0%	\$ 45,000.00	0.00%
52290	Chemical Supplies		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies		\$ 774.22	\$ 453.38	\$ 1,000.00	\$ 1,000.00	100.0%	\$ 1,000.00	0.00%
52330	Legal Fees		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs		\$ 5,261.00	\$ 5,181.07	\$ 4,000.00	\$ 4,000.00	100.0%	\$ 5,500.00	37.50%
52410	Maint-Buildings & Grounds		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52420	Maintenance-Equipment		\$ 68.80	\$ 1,589.05	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52430	Landscape Restoration		\$ 10,001.97	\$ 9,873.88	\$ 11,700.00	\$ 11,700.00	100.0%	\$ 11,700.00	0.00%
52440	Pump Maintenance		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental		\$ 7,409.20	\$ 2,320.80	\$ 20,000.00	\$ 10,500.00	52.5%	\$ 20,000.00	0.00%
52460	Motor Fuel & Lubricants		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses		\$ 9,550.00	\$ 13,968.95	\$ 19,500.00	\$ 19,500.00	100.0%	\$ 18,000.00	-7.69%
52650	Utilities		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment		\$ 4,778.98	\$ 4,553.88	\$ 10,842.00	\$ 10,842.00	100.0%	\$ 6,450.00	-40.51%
52915	Copiers Printers & Faxes		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Materials, Supplies & Services			\$ 151,406.41	\$ 255,910.01	\$ 299,367.00	\$ 289,867.00	96.8%	\$ 294,767.00	-1.54%
Interfund Transfers									
52340	Debt Administration Expenses		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges		\$ -	\$ 153,481.00	\$ 148,552.00	\$ 148,552.00	100.0%	\$ 148,552.00	0.00%
53050	Wwtp Replacement Charges		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
Total Interfund Transfers			\$ -	\$ 153,481.00	\$ 148,552.00	\$ 148,552.00	100.0%	\$ 148,552.00	0.00%
Capital Outlay									
54010	Capital Equipment - New		\$ 2,037.00	\$ 18,711.94	\$ 3,000.00	\$ 3,000.00	100.0%	\$ -	-100.00%
54020	Capital Equip-Software		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement		\$ 5,232.80	\$ 22,573.74	\$ 16,500.00	\$ 16,500.00	100.0%	\$ 20,800.00	26.06%
Total Capital Outlay			\$ 7,269.80	\$ 41,285.68	\$ 19,500.00	\$ 19,500.00	100.0%	\$ 20,800.00	6.67%
Sub-Total O&M Fund			\$ 2,041,214.64	\$ 2,326,942.96	\$ 2,361,395.00	\$ 2,351,895.00	99.6%	\$ 2,405,917.00	1.89%
59200	LESS:								
	Chargebacks to General Fund for CIP		\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD		\$ (84,719.41)	\$ (1,294,092.88)	\$ (1,279,053.00)	\$ (1,279,053.00)	100.0%	\$ (1,309,983.00)	2.42%
Net Operation & Maintenance Fund			\$ 1,956,495.23	\$ 1,032,850.08	\$ 1,082,342.00	\$ 1,072,842.00	99.1%	\$ 1,095,934.00	1.26%

FY15 Budget – Engineering

No.	Name	Actual 2010-2011	Actual 2011-2012	Actual 2012-2013	Approved 2013-2014 Budget	Estimated Actual 6/30/2014	Percent Expended To Total Budget	Proposed 2014-2015 Budget	Inc (Dec) Over Prior Year Budget
Salaries & Wages									
51100	Salaries & Wages	\$ 1,368,619.15	\$ 1,415,058.83	\$ 1,315,767.62	\$ 1,370,308.00	\$ 1,370,308.00	100.0%	\$ 1,295,676.00	-5.45%
51150	Overtime	\$ 5,181.09	\$ 773.24	\$ 4,087.46	\$ 9,500.00	\$ 5,250.00	55.3%	\$ 7,500.00	-21.05%
	Total Salaries & Wages	\$ 1,373,800.24	\$ 1,415,832.07	\$ 1,319,855.08	\$ 1,379,808.00	\$ 1,375,558.00	99.7%	\$ 1,303,176.00	-5.55%
Benefits									
51200	North Carolina Retirement	\$ 88,834.09	\$ 95,969.30	\$ 87,142.29	\$ 97,552.00	\$ 97,252.00	99.7%	\$ 92,135.00	-5.55%
51250	Payroll Taxes	\$ 101,296.21	\$ 104,726.72	\$ 96,789.82	\$ 105,555.00	\$ 105,231.00	99.7%	\$ 99,692.00	-5.55%
51300	Medical, Dental & Life	\$ 268,025.40	\$ 282,298.17	\$ 263,131.60	\$ 267,836.00	\$ 267,836.00	100.0%	\$ 247,874.00	-7.45%
51325	Post Retirement Insurance	\$ 29,119.22	\$ 31,359.00	\$ 25,972.40	\$ 39,332.00	\$ 39,332.00	100.0%	\$ 37,958.00	-3.49%
51350	Worker's Compensation	\$ 29,078.00	\$ 28,267.98	\$ 31,790.00	\$ 33,236.00	\$ 33,236.00	100.0%	\$ 30,759.00	-7.45%
51360	State Unemployment Benefits	\$ -	\$ -	\$ -	\$ 5,060.00	\$ 5,060.00	100.0%	\$ 4,620.00	-8.70%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 60,878.88	\$ 59,265.78	\$ 60,457.81	\$ 68,518.00	\$ 68,518.00	100.0%	\$ 64,787.00	-5.45%
	Total Benefits	\$ 577,231.80	\$ 601,886.95	\$ 565,283.92	\$ 617,089.00	\$ 616,465.00	99.9%	\$ 577,825.00	-6.36%
	Total Salaries, Wages & Benefits	\$ 1,951,032.04	\$ 2,017,719.02	\$ 1,885,139.00	\$ 1,996,897.00	\$ 1,992,023.00	99.8%	\$ 1,881,001.00	-5.80%
Materials, Supplies & Services									
52010	Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52050	Dues & Subscriptions	\$ 4,643.27	\$ 4,923.16	\$ 5,298.44	\$ 5,935.00	\$ 5,500.00	92.7%	\$ 6,200.00	4.47%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 23,379.83	\$ 15,826.79	\$ 16,172.09	\$ 21,450.00	\$ 19,950.00	93.0%	\$ 29,544.00	37.73%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 48,083.38	\$ 48,277.85	\$ 50,678.00	\$ 50,678.00	\$ 50,678.00	100.0%	\$ 50,678.00	0.00%
52200	Telephone/Telefax	\$ 1,901.58	\$ 1,960.16	\$ 2,522.06	\$ 2,600.00	\$ 2,600.00	100.0%	\$ 2,900.00	11.54%
52210	Communications	\$ 4,626.92	\$ 4,828.79	\$ 4,341.99	\$ 6,690.00	\$ 4,840.00	72.3%	\$ 5,175.00	-22.65%
52240	Uniforms	\$ 3,204.02	\$ 3,956.72	\$ 2,008.52	\$ 4,020.00	\$ 3,945.00	98.1%	\$ 3,700.00	-7.96%
52250	Office Supplies	\$ 9,528.98	\$ 6,409.87	\$ 5,829.51	\$ 7,900.00	\$ 7,000.00	88.6%	\$ 8,250.00	4.43%
52260	Special Dept Supplies	\$ 3,071.63	\$ 4,383.43	\$ 3,282.30	\$ 8,861.34	\$ 7,501.34	84.7%	\$ 10,650.00	20.18%
52270	Safety Equip/Supplies	\$ -	\$ -	\$ 451.67	\$ 450.00	\$ 400.00	88.9%	\$ 500.00	11.11%
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ 250.00	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ 40.00	\$ 19.25	\$ 180.50	\$ 4,227.00	\$ 3,200.00	75.7%	\$ 3,500.00	-17.20%
52350	Prof/Contractual Svcs	\$ 34,712.48	\$ 26,809.53	\$ 44,062.50	\$ 42,500.00	\$ 41,375.00	97.4%	\$ 41,500.00	-2.35%
52410	Maint-Buildings & Grounds	\$ -	\$ -	\$ 2,005.15	\$ 453.00	\$ 453.00	100.0%	\$ -	-100.00%
52420	Maintenance-Equipment	\$ -	\$ -	\$ -	\$ 1,298.66	\$ 1,288.13	99.2%	\$ 1,200.00	-7.60%
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses	\$ -	\$ 104.00	\$ 690.70	\$ 2,358.00	\$ 720.60	30.6%	\$ 750.00	-68.19%
52650	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Materials, Supplies & Services	\$ 133,192.09	\$ 117,499.55	\$ 137,523.43	\$ 159,421.00	\$ 149,451.07	93.7%	\$ 164,797.00	3.37%
Interfund Transfers									
52340	Debt Administration Expenses	\$ 433,432.47	\$ 415,958.52	\$ 338,507.16	\$ 293,066.00	\$ 293,066.00	100.0%	\$ 204,911.00	-30.08%
53040	Fleet Replacement Charges	\$ 8,510.00	\$ 12,765.00	\$ 13,905.00	\$ 14,071.00	\$ 14,071.00	100.0%	\$ 14,071.00	0.00%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Interfund Transfers	\$ 441,942.47	\$ 428,723.52	\$ 352,412.16	\$ 307,137.00	\$ 307,137.00	100.0%	\$ 218,982.00	-28.70%
Capital Outlay									
54010	Capital Equipment - New	\$ 19,754.00	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Total Capital Outlay	\$ 19,754.00	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Sub-Total O&M Fund	\$ 2,545,920.60	\$ 2,563,942.09	\$ 2,375,074.59	\$ 2,463,455.00	\$ 2,448,611.07	99.4%	\$ 2,264,780.00	-8.06%
59200	LESS:								
	Chargebacks to General Fund for CIP	\$(2,342,748.17)	\$(2,356,270.57)	\$(2,183,517.81)	\$(2,265,219.00)	\$(2,257,270.47)	99.6%	\$(2,102,025.00)	-7.20%
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Net Operation & Maintenance Fund	\$ 203,172.43	\$ 207,671.52	\$ 191,556.78	\$ 198,236.00	\$ 191,340.60	96.5%	\$ 162,755.00	-17.90%

This page intentionally left blank.



Insurance Funds

Insurance Funds

Overview

The insurance funds are funded through annual appropriations from the Operations and Maintenance Fund Budget. The District has established four (4) insurance funds as part of its sewer rate stabilization strategy. Background information and current year budget highlights of the insurance funds are discussed below and on the following pages.

☀ Self-funded Employee Medical Program

The District offers medical, dental, and life insurance to all employees. Employees may purchase optional dependent coverage through payroll deduction. These benefits are funded by a combination of District contributions as well as commercial insurance premiums.

The District has established a self-insured group health and dental insurance program, with premiums paid to commercial carriers for stop-loss and aggregate coverage to limit the amount of risk the District will assume. A third party administrator processes all claims, and a commercial healthcare provider network is retained to negotiate fees and authorize payments. Prescription benefits are administered through a private contractor.

Employees pay a nominal amount for individual medical and dental coverage and pay approximately 30% to 36% of the cost for dependent coverage. After employee payment of specified deductibles and co-payments for medical and dental services, the Plan covers the remaining authorized charges in total. Employer contributions for FY15 are to remain at the same level as FY14 (0% increase).

☀ Post-Employment Insurance

The District has established a post-employment insurance fund to accumulate funds now, which will reduce future operational expenditures when retirees begin taking advantage of this benefit. The District will annually fund the equivalent of the annual required contribution less expenses as determined by an actuarial study as required by GASB 45. The accumulated funds will only be used for post-employment insurance. However, the District's Board does reserve the right to use the reserve funds for unforeseen emergencies. FY15 funding of \$265,700 represents 1.7% of total operations. As of May 2014, the District has thirteen (13) eligible participants in the post-employment insurance plan.

☀ Worker's Compensation

The District established a separate insurance fund for worker's compensation, which will facilitate allocation of costs to respective department, division, and section budgets. The Safety Officer acts as liaison with the insurance carrier to administer claims and to minimize future claims by providing training and equipment designed to prevent injuries. District contributions for FY15 are to remain at the same level as FY14 (0% increase).

Insurance Funds (continued)**General Liability**

The District's general liability insurance fund was established to: ① allocate insurance costs to all departments, divisions and sectional budgets, ② provide funds for payment of no-fault sewer back-ups and ③ establish reserves to offset future unanticipated increases in sewer back-up liabilities in excess of budgeted amounts. District contributions for FY15 are to remain at the same level as FY14 (0% increase).

FY13 SELF-FUNDED EMPLOYEE MEDICAL PROGRAM BUDGET

	Actual 2012-2013	Estimated Actual 2013-2014	Budget 2014-2015
Beginning Balance	\$ 909,289	\$ 1,150,083	\$ 1,157,199
Income:			
District Contributions	1,735,116	1,735,116	1,735,116
Employee Contributions	401,522	389,000	389,000
Transfer from Other Insurance Funds	47,000	-	-
Interest	6,132	5,000	5,000
Total Income	2,189,770	2,129,116	2,129,116
Total Funds Available	3,099,059	3,279,199	3,286,315
Expenses:			
Expected Claim Liability	1,582,293	1,739,000	1,875,934
Fixed Costs (see note below)	366,683	383,000	446,571
Total Expenses	1,948,976	2,122,000	2,322,505
Ending Balance	\$ 1,150,083	\$ 1,157,199	\$ 963,810

Insurance Funds (continued)**FY13 POST EMPLOYMENT INSURANCE BUDGET**

	Actual 2012-2013	Estimated Actual 2013-2014	Budget 2014-2015
Beginning Balance	\$ 26,450	\$ 44,058	\$ 83,800
Income			
District Contributions	175,900	254,800	265,700
Employee Contributions	6,822	21,942	28,800
Interest Income	10,786	8,000	7,500
Total Income	193,508	284,742	302,000
Total Funds Available	219,958	328,800	385,800
Expenses			
Expenses	175,900	245,000	265,700
Transfer to Other Insurance Funds	-	-	-
Total Expenses	175,900	245,000	265,700
Ending Balance	\$ 44,058	\$ 83,800	\$ 120,100

FY13 WORKER'S COMPENSATION FINANCIAL PLAN

	Actual 2012-2013	Estimated Actual 2013-2014	Budget 2014-2015
Beginning Balance	\$ 281,076	\$ 364,912	\$ 396,841
Income			
District Contributions	215,312	215,312	215,312
Interest Income	2,049	1,917	2,000
Total Income	178,193	217,229	217,312
Total Funds Available	498,436	582,141	614,153
Expenses			
Interfund Transfer	-	-	-
Deductibles for Individual Claims	15,053	11,643	17,000
Premiums to commercial carrier	118,472	173,657	235,391
Total Expenses	133,525	185,300	252,391
Ending Balance	\$ 364,912	\$ 396,841	\$ 361,762

Insurance Funds (continued)**FY13 GENERAL LIABILITY FINANCIAL PLAN**

	Actual 2012-2013	Estimated Actual 2013-2014	Budget 2014-2015
Beginning Balance	\$ 396,784	\$ 442,949	\$ 474,870
Income			
District Contributions	605,434	605,434	605,434
Interest Income	<u>1,849</u>	<u>1,300</u>	<u>1,000</u>
Total Income	607,283	606,734	606,434
Total Funds Available	1,004,067	1,049,683	1,081,304
Expenses			
Premiums to commercial carrier	419,475	444,721	480,442
No Fault Sewer Back-Up Claims	44,164	47,000	51,400
Claim Deductibles	89,952	75,000	82,000
Flood Insurance	<u>7,526</u>	<u>8,092</u>	<u>8,700</u>
Total Expenses	561,117	574,813	622,542
Ending Balance	\$ <u>442,949</u>	\$ <u>474,870</u>	\$ <u>458,762</u>



Replacement Funds

Replacement Funds

Overview

The replacement funds are funded through annual appropriations from the Operations and Maintenance Fund Budget. The District has established two replacement funds as part of its sewer rate stabilization strategy, with third reserve fund required under the Bond Order. Background information and current year budget highlights of the replacement funds are discussed below and on the following pages.

◀ Fleet Equipment Replacement

The District has projected replacement dates and estimated prices for all vehicles and construction-type equipment over \$10,000. This information has been used to develop a funding plan whereby relatively constant amounts are to be transferred in from the annual Operations and Maintenance budget, with annual expenditures to be made in varying amounts to secure new vehicles and equipment as indicated in the plan's timetable. The projected balance in the fund at the end of FY14 is anticipated to approximate \$300,726. The FY15 contribution is \$400,000, with anticipated expenditures of \$269,550, including (1) 1-ton Pickup, (2) ¾ Ton Pickups, Backhoe, and Trench Roller.

◀ Wastewater Treatment Plant Replacement

The replacement fund for the wastewater treatment plant and pump stations was set up to develop a reserve to address general equipment replacement cost at these facilities. A similar strategy of periodic, uniform contributions from the Operations and Maintenance Fund and withdrawals for planned equipment rehabilitation or replacement are employed. The FY15 contribution is \$100,000 with anticipated expenditures of \$227,500 including Southside Barscreens Rehab, Traveling Bridges Rehab @ Grit & Grease, RBC Bearing Replacements, Clarifiers – SE & SW Track Rehab, Thickener–Seepex Pump, Pump Stations Rehab, and General Rehab.

◀ Capital Reserve Fund

This fund is mandated by the Bond Order to contain six percent (6%) or such greater percentage, as may be determined from time to time by the Board, of the amount shown by the Annual Budget to be necessary for current expenses for the current Fiscal Year. As this fund is to be tapped only for unusual and unforeseen expenditures, none are budgeted. There will be no contributions to this fund this year as the balance is in excess of that required.

Replacement Funds (continued)**FY15 FLEET EQUIPMENT REPLACEMENT FUND BUDGET**

	Actual 2012-2013	Projected 2013-2014	Budget 2014-2015
Beginning Balance:	\$ 402,079	\$ 441,646	\$ 300,726
Revenue:			
District Contributions	400,000	400,000	400,000
Sale of Surplus Property	71,420	59,838	35,803
Interest Income	3,821	4,242	4,511
Total Revenue	475,241	464,080	440,314
Expenditures:			
Various	435,674	605,000	
(1) 1-Ton Pickup			57,550
(2) ¾ Ton Pickups			67,000
Backhoe			105,000
Trench Roller	-	-	40,000
Total Expenditure Replacements	435,674	605,000	269,550
Ending Balance:	\$ 441,646	\$ 300,726	\$ 471,490

Replacement Funds (continued)

FY15 WASTEWATER TREATMENT PLANT REPLACEMENT FUND BUDGET

	Actual 2012-2013	Projected 2013-2014	Budget 2014-2015
Beginning Balance:	\$ 627,978	\$ 535,520	\$ 440,910
Revenue:			
District Contributions	100,000	100,000	100,000
Interest Income	4,450	5,390	4,409
Total Revenue	104,450	105,390	104,409
Expenditures:			
Various	196,958	200,000	
Southside Barscreens Rehab			3,000
Grit & Grease – Traveling Bridges Rehab			10,000
RBC’s Bearings Replacement			75,000
Clarifiers – SE & SW Track Rehab			20,000
Thickener – Seepex Pump			12,000
General Rehab			15,000
Pump Stations Rehab	-	-	92,500
Total Expenditure Replacements	196,958	200,000	227,500
Ending Balance:	\$ 535,520	\$ 440,910	\$ 317,819

Replacement Funds (continued)

FY15 CAPITAL RESERVE FUND

	Actual 2012-2013	Projected 2013-2014	Budget 2014-2015
Beginning Balance:	\$ 916,696	\$ 927,195	\$ 936,797
Revenue:			
Interfund Transfer	-	-	-
Interest Income	10,501	9,600	9,600
Total Revenue	10,502	9,600	9,600
Ending Balance:	\$ 927,197	\$ 936,797	\$ 946,397

NOTE: Ending balance must be at least 6% of the annual O&M current expenses. FY2014-2015 O&M Budget (\$15,384,782 - \$500,000 transfer to reserves - \$135,300 capital equipment) x 6% = \$884,969



*Capital Improvement
Program*

Capital Improvement Program

Overview

The District's Capital Improvement Program commands the largest portion of budgeted expenditures, and as such, is planned strategically and in great detail for all infrastructure projects in excess of the \$15,000 infrastructure capitalization threshold. The District updates its ten-year capital improvement program (CIP) annually to comply with state regulatory and bond order requirements. Objectives of constructing these capital projects include replacing and rehabbing structurally defective sewer lines, handling wet-weather flow conditions, improving the performance at the wastewater treatment plant, and preparing the system to handle expected future wastewater flows over the upcoming decade.

The process begins with engineering staff developing projects, which often originate from problem areas identified by field crews during emergency and preventative maintenance procedures, and includes consideration of those projects outlined in the 20-year Wastewater System Master Plan. MSD is mandated through its Collection System Permit to rehabilitate a minimum of 250,000 linear feet of collection system lines over a five-year period. Engineers evaluate and prioritize each proposed project based upon the District's short-term requirements and long-term mission. Engineering staff then prepare cost estimates for identified projects and a proposed timetable for construction.

Once the CIP is drafted, the CIP committee, consisting of representatives from the member agencies, meet to review the costs, locations, and necessity of proposed projects and make a recommendation to the District's Board. A copy of the CIP summary sheets follow in the succeeding pages of this budget document. A separate document compiling individual pages for each project with detailed costs and location map as presented to the CIP Committee and may be obtained upon request to W. Scott Powell, Director of Finance at (828)225-8211 or spowell@msdbc.org.

In accordance with the State Collection System Permit, the District maintains a Ten Year CIP and rehabilitates a minimum of 50,000 Linear Feet (LF) of the collection system every year. Significant plant projects include renovation of the slide gate as well as updating the District's facility plan.

The ten-year CIP prioritizes projects identified by the Board as fulfilling the District's mission but does not obligate District resources for their construction past the end of the current budget year. The District has a capital projects ordinance, which is periodically updated as necessary, to make available funds for all projects scheduled for construction in the upcoming budget year and certain other projects to be begun in the current year but completed in a subsequent year.

Current Year Highlights

The proposed capital budget for FY14-15 is \$22,760,555, which includes a contingency of \$1,000,000. The \$1,000,000 contingency line item is used for the entire program, rather than having a separate contingency for each project. This is more efficient and continues to provide sufficient reserves for the District's capital program.

Capital Improvement Program (continued)

Approximately 96 infrastructure projects are included in the CIP for FY 15, ranging in length from 400 linear feet to over 22,000 linear feet. In-house forces as well as outside contractors will be used to rehabilitate the regulated amounts as prescribed by the District's Collection System Permit. The CIP has adapted to the recent loss of industrial revenue by rebalancing the proportion of relining and dig-and-replace projects to maintain the required footage within tighter cost constraints.

Collection System—Significant collection system projects scheduled for the upcoming year include: ❶ \$1.3M Broadview Avenue with over 4,524 linear feet, ❷ \$634,400 Crockett Road with over 2,562 linear feet, ❸ \$816,000 Mount Vernon Place Phase 2 with over 2,476 linear feet, ❹ \$759,900 Old US-70 at Pine Circle with over 2,779 linear feet, and ❺ \$955,000 Shadowlawn Drive Phase 1, with over 4,122 linear feet.

Water Reclamation Facility—During FY07, a Treatment Facilities Plan was completed for the Water Reclamation Facility. Although there has been no major increase in flow, some equipment at the Facility was reaching the end of their useful life. Consulting engineers met with staff to evaluate current operations and equipment and to prepare recommendations for maintenance and improvements.

Four (4) of the major projects recommended are completed:

- ◆ Grit and Grease Removal—Grit and grease facilities were not working effectively and were causing problems with downstream processes. This process was rehabilitated during FY08 by both WRF maintenance staff and contractors at a cost of \$554,000. This represents approximately 10% of the cost to completely replace the equipment.
- ◆ Intermediate Pumps—These aging pumps are hydraulically driven which is highly inefficient, and there is concern of contaminating the effluent with hydraulic fluid should the system leak. The FY07 Facilities Plan called for installing new variable-speed electric pumps. The cost of replacing the aging pumps will be approximately \$2.5 million. The project was completed in FY11.
- ◆ Secondary Microscreens—Rusty and no longer performing satisfactorily, this equipment has become an operational and maintenance headache. Being the critical barrier between the WRF and the river, the secondary microscreens have been scheduled for replacement. Total cost of the project is estimated to be \$10.4 million. The project was completed in FY13.
- ◆ Plant Electrical System Upgrade—The upgrade including adding an additional transmission feed as well as transformers at the Progress Energy substation, increasing the back-up generation at the Plant from 2MW to 4MW, and constructing back-up electrical feeds to unit processes throughout the Plant. The cost of the project is estimated at \$2.2 million. The project will be completed at the end of FY13.

Capital Improvement Program (continued)

In addition, many other improvements have been made throughout the Plant and Hydroelectric Facility. The District is currently updating the Treatment Plant Facilities Plan with results being available by the end of the fiscal year.

Background

The Capital Improvement Program is essential to the efficient functioning of the District, as evidenced by the requirement from both the bond order and state collection system permit. A well-planned CIP provides customers with the assurance of having reliable and affordable wastewater collection and treatment both now and in the future.

Throughout the history of the District, staff has continued to seek increasingly effective ways of identifying and prioritizing individual projects, to ensure a more comprehensive and balanced CIP. In 1990, as part of the political process of forming the District, certain construction and rehabilitation projects were identified by the various member municipalities and sanitary districts.

Once these designated projects were completed, the District then focused on rehabilitating aging, undersized collection lines to minimize unregulated discharges of raw sewage (sanitary sewer overflows or SSOs) and inflow/infiltration (I/I). Inflow and infiltration are the intrusion of groundwater and storm water runoff into the collection system, which can deplete capacity in sewer mains and at wastewater treatment plants.

As part of this comprehensive evaluative process, the District developed and implemented a program to monitor wastewater flows from the various parts of the sewerage system. The flow monitoring data was used to develop a computer hydraulic model of the flows of the sewerage system to help identify and remediate the worst areas of inflow and infiltration. In 1999, MSD began an aggressive line cleaning and television inspection program wherein the District contracted with outside companies to clean the pipes with water under high pressure and then to send a video camera (also known as closed circuit television or CCTV camera) through the line. The videotapes have enabled the District to more accurately determine the condition of the lines and to prioritize necessary repairs. Each year 10% of the pipes will be cleaned and then inspected by CCTV cameras to maintain the efficient operation of the collection system.

The District developed a proactive cost-effective rehabilitation strategy with the development of the Pipe Rating Program. Pipe rating is a proactive planning tool, which utilizes Closed Circuit Television (CCTV) information, GIS database, and actual maintenance history to view, rate, and computer-score pipe segments based on a number of factors. These factors, manhole-to-manhole, include work order history, number and severity of defects, and record overflows on that segment, which are combined to yield a numerical rating used to prioritize efforts. Staff recently updated the District's Pipe Rating Program to include additional parameters over previous versions. Each line project now has an objective numerical rating based upon overflow history, structural issues, customer service requests, and impacts to surface waters. This rating is then used to prioritize the District's collection system projects.

Capital Improvement Program (continued)

Pipe Rating minimizes costs by helping the District focus rehabilitation dollars where they are needed most, rather than the usual full-scale replacement of entire collector lines. In recognition of this innovative program, the Association of Metropolitan Sewerage Agencies (AMSA) awarded the District one of only two 2003 National Environmental Achievement Awards.

Wastewater System Master Planning

- **Comprehensive Master Plan**—This plan was prepared in 2001 by Camp, Dresser & McKee (CDM). It is a comprehensive sewer system management program, which was prepared to identify system improvements needed to handle wet-weather flow conditions, to improve performance at the wastewater treatment plant, and to prepare the system to handle future system wastewater flows. The report contains recommendations for improvements to the collection system as well as the treatment plant. A CIP was developed which included specific projects and their associated costs.

Reduction of Sanitary Sewer Overflows (SSO's) was, and still remains, a key objective of this plan. Over the past twelve years, this has been accomplished using a "three-prong" approach, which combines: 1) An effective Management, Operations and Maintenance (MOM) program to reduce line blockages and optimize response time when blockages do occur; 2) An ongoing rehabilitation program to improve the structural condition of the system; and 3) Providing capacity to handle flows during wet-weather and future projected dry-weather flows.

This plan helped to establish the basis for the District's on-going, aggressive Preventative Maintenance and Capital Improvement Programs. These two programs have resulted in substantially reducing SSO's over the past twelve years, in addition to greatly improved system integrity.

- **Facilities Plan**—This plan was prepared in 2007 by Camp, Dresser & McKee (CDM). It is a focused, specific study of the Water Reclamation Facility (WRF). The plan is the result of a process evaluation of the WRF, including a detailed capacity evaluation of the Rotating Biological Contactors (RBC's). The report also includes a physical facilities evaluation for the major process equipment at the WRF. Recommendations to improve the performance of each process were included in the report.

Several projects have been successfully completed as a direct result of this plan as noted herein above. In 2014, the District is having HDR Engineering update the Facilities Plan and make recommendations on improvements necessary for the plant to meet future regulations and performance goals.

Capital Improvement Program (continued)

- ◉ **Collection System Master Plan**—In 2008, McGill Associates completed a Collection System Master Plan (the “2008 Collection System Plan”). The 2008 Collection System Plan focuses on the District’s comprehensive growth issues by incorporating all of the recent planning and zoning changes from the District’s member agencies. This plan also describes where and how areas will be served and provides for orderly growth of the sewer system to meet the needs of the region as a whole for the future. The 2001 Master Plan, the 2007 Facilities Plan, and the 2008 Collection System Plan are sometimes collectively referred to as the “Master Plans”.

Types of Projects

The projects in the CIP are classified into several types, based on the objective of the project. The projects are determined and scheduled based on the Master Plan, the pipe-rating score, and other factors impacting the overall well-being of the District.

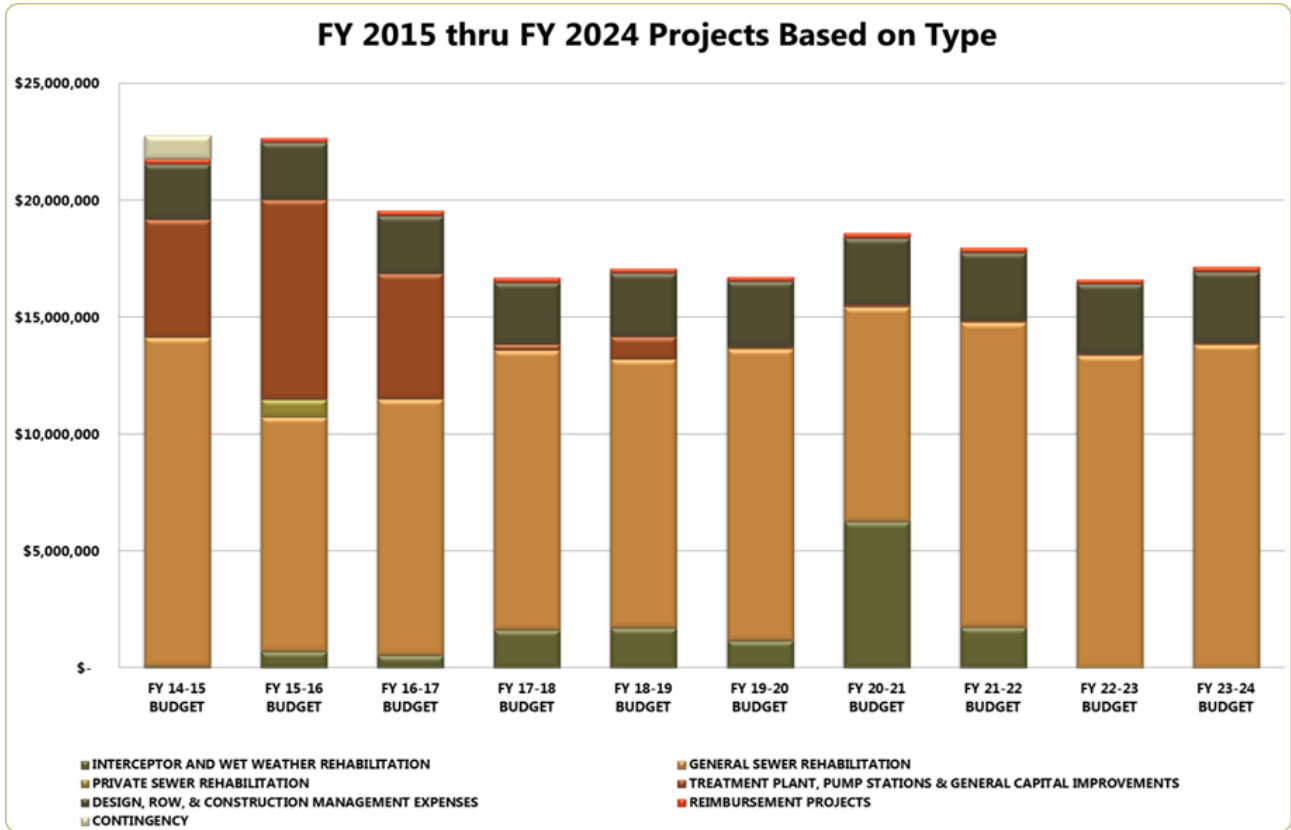
The District’s Capital Improvement Program is divided into the following six areas, generally based upon type of project or expense category:

- ◊ Interceptor & Wet Weather Rehabilitation
- ◊ General Sewer Rehabilitation
- ◊ Private Sewer Rehabilitation
- ◊ Treatment Plant, Pump Stations, and General Capital Improvements
- ◊ Design, ROW, and Const. Management Expenses
- ◊ Reimbursement Projects

The Interceptor and Wet Weather Rehabilitation projects address the third prong of the Master Plan by providing increased system conveyance. The General Sewer Rehabilitation projects combine the first and second prongs by surveying all lines to plan maintenance activities and to improve the structural condition of the system. The Private Sewer Rehabilitation projects have the same objectives as the General but are separately presented to address environmental concerns resulting from sewers that were not publicly maintained at the time the District was formed. A limited amount of funding is budgeted annually to address the problem locations on a “worst first” basis as identified.

The District’s Water Reclamation Facility (WRF) has a permitted capacity to treat up to 40 million gallons of wastewater a day, and uses roughly half of this capacity. In accordance with the Master Plan’s twenty year planning period, there are no plans to replace or expand the plant in the near future. However, Water Reclamation Facility & pump station improvements are included in the CIP to maintain these facilities at their optimum level and to replace equipment that has exceeded its maintenance level.

Capital Improvement Program (continued)



Program Summary

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	FY 14-15 BUDGET					FY 16-17 BUDGET					FY 18-19 BUDGET		FY 19-20 thru FY 23-24 BUDGET	
				BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
INTERCEPTOR AND WET WEATHER REHABILITATION																	
Christian Creek Int.	Buncombe Co.	1,3045	\$ 3,150,600	\$ 4,000	\$ 116,500	\$ 36,000	\$ 1,469,500	\$ 1,494,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dingle Creek Interceptor	Asheville	7,871	\$ 2,473,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,404,100
Lower Swannanoa Int.	Asheville	6,475	\$ 5,471,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
South French Broad Int. - Grouting	Biltmore Estate	22,000	\$ 1,076,000	\$ -	\$ 587,000	\$ 489,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
West French Broad M.P. Int.	Avery Creek	0	\$ 479,100	\$ 61,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Beaverdam Creek WW (CDM #10)	Buncombe Co.	5,500	\$ 992,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 992,000
Biltmore WW (CDM #3)	Biltmore	2,200	\$ 462,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 462,000
Four Mile Creek WW (CDM #1)	Biltmore Forest	3,400	\$ 629,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 629,000
Haw Creek WW (CDM #6)	Asheville	3,800	\$ 703,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 703,000
South Swannanoa WW (CDM #4)	Asheville	8,040	\$ 2,215,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,215,000
SUBTOTAL		72,331	\$ 17,651,510	\$ 65,000	\$ 703,500	\$ 525,000	\$ 1,469,500	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 1,494,600	\$ 2,404,100
Inflation per ENR Const. Cost Index			1.0000	1.0000	1.0362	1.0737	1.1126	1.1529	1.1529	1.1529	1.1529	1.1529	1.1529	1.1529	1.1529	1.1529	1.240286
SUBTOTAL with inflation		72,331	\$ 17,651,510	\$ 65,000	\$ 728,967	\$ 563,698	\$ 1,634,934	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 1,723,056	\$ 9,184,439
GENERAL SEWER REHABILITATION																	
Adams Street	Asheville	1,250	\$ 353,500	\$ 7,000	\$ 11,000	\$ 83,000	\$ -	\$ 252,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Arco Road	E. Asheville	1,913	\$ 505,200	\$ -	\$ 496,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Atkins Street	Arden	1,581	\$ 455,250	\$ 9,000	\$ -	\$ 2,250	\$ 43,000	\$ 401,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Beale Road at Copney Lane	Asheville	4,027	\$ 1,041,200	\$ 16,200	\$ 90,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 919,000
Bear Creek Rd. at School Rd. (SS)	W. Asheville	0	\$ 123,300	\$ 10,400	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Braddock Way - PRP 20002	Asheville	4,907	\$ 1,012,500	\$ -	\$ -	\$ -	\$ 4,500	\$ 19,837	\$ 969,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Broadview Avenue	Asheville (Oakley)	4,524	\$ 1,408,500	\$ 1,320,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Broadway St. at Bordeaux Place	Asheville	475	\$ 206,050	\$ 25,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,200
Buchanan Ave.	Asheville	1,400	\$ 367,500	\$ -	\$ 12,000	\$ 29,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 326,500
Cherokee Road	Asheville	2,330	\$ 732,000	\$ 66,500	\$ 11,000	\$ -	\$ 639,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Chestnut Lodge Rd.	Black Mtn.	4,150	\$ 930,300	\$ 26,000	\$ 84,000	\$ -	\$ 820,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commerce Street	Asheville	530	\$ 159,800	\$ 500	\$ -	\$ -	\$ 156,300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Crockett Road - PRP 36002	Asheville	2,562	\$ 680,451	\$ 634,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumberland Ave.	Asheville	5,228	\$ 1,347,500	\$ 26,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,321,500
Dellwood Avenue	Asheville	547	\$ 184,750	\$ 22,850	\$ 159,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dilling Avenue	Black Mtn.	692	\$ 207,300	\$ 201,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
East State Street @ West St.	Black Mountain	1,610	\$ 535,800	\$ 526,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Elk Mountain Place	Woodfin	4,101	\$ 880,000	\$ 24,800	\$ 116,000	\$ -	\$ 721,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Program Summary (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	FY 14-15 BUDGET	FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 thru FY 23-24 BUDGET
GENERAL SEWER REHABILITATION (continued)									
Elk Park Drive - PRP 35001	Woodfin	2,242	\$ 580,020	\$ 529,000	\$ -	\$ -	\$ -	\$ -	\$ -
Elkwood Ave.	Woodfin	5,105	\$ 1,442,950	\$ -	\$ -	\$ 18,750	\$ 125,000	\$ 1,288,200	\$ -
Elkwood @ Norman Austin Dr.	Woodfin	600	\$ 178,100	\$ -	\$ -	\$ -	\$ 2,800	\$ 1,500	\$ 173,800
Fairfax Avenue - PRP 65001	W. Asheville	2,042	\$ 682,000	\$ 679,000	\$ -	\$ -	\$ -	\$ -	\$ -
Fair Oaks Rd @ Green Rd. (SS)	Arden	0	\$ 78,550	\$ 14,750	\$ 46,000	\$ -	\$ -	\$ -	\$ -
Forestdale Drive	S. Asheville	2,600	\$ 833,500	\$ -	\$ -	\$ 17,000	\$ 20,500	\$ 84,000	\$ 712,000
Forest Hill Dr. @ Warwick Rd.	Asheville	3,400	\$ 970,150	\$ -	\$ 17,000	\$ 500	\$ -	\$ -	\$ 952,650
Four Inch Main - College Street	Asheville	1,000	\$ 433,100	\$ -	\$ 4,000	\$ 1,600	\$ 202,000	\$ -	\$ 225,500
Four Inch Main - Dry Ridge Rd.	Asheville	775	\$ 237,900	\$ -	\$ 5,800	\$ 30,000	\$ 197,000	\$ -	\$ -
Four Inch Main - Oakland Dr. @ Pine St.	Black Mountain	697	\$ 226,600	\$ 35,300	\$ 187,000	\$ -	\$ -	\$ -	\$ -
Hazel Mill Rd @ Richland St.	Asheville	3,300	\$ 905,200	\$ -	\$ 17,000	\$ 61,000	\$ -	\$ -	\$ 827,200
Hendersonville Rd. at Mills Gap Rd.	Asheville	2,470	\$ 1,302,000	\$ 264,200	\$ 995,200	\$ 8,000	\$ -	\$ -	\$ -
Hendersonville Rd. @ Peachtree Rd.	S. Asheville	1,025	\$ 531,900	\$ -	\$ 1,100	\$ 2,500	\$ 521,100	\$ -	\$ -
Hendersonville Rd. @ Rosscraggon Ph. 2	Arden	3,670	\$ 1,357,800	\$ 58,500	\$ 102,000	\$ 1,171,800	\$ -	\$ -	\$ -
Hilliard Ave. @ Aston Park	Asheville	2,375	\$ 644,750	\$ 62,000	\$ -	\$ 528,000	\$ 30,000	\$ -	\$ -
Horizon Hill Rd. (Hy-Vu Drive)	Asheville	712	\$ 233,900	\$ 216,000	\$ -	\$ -	\$ -	\$ -	\$ -
Howland Rd. @ Sunset Trail	Asheville	1,033	\$ 299,900	\$ -	\$ -	\$ 4,300	\$ 49,000	\$ 239,100	\$ -
Johnston Blvd. @ Providence Rd.	W. Asheville	779	\$ 215,200	\$ 4,700	\$ -	\$ 8,500	\$ 24,000	\$ 178,000	\$ -
Kanawha Drive	Montreat	495	\$ 134,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,800
Kenilworth @ Springdale Rd.	Asheville	2,135	\$ 603,650	\$ 13,000	\$ -	\$ 8,250	\$ 41,000	\$ 541,400	\$ -
Lakeview @ Glen Falls Rd.	N. Asheville	4,200	\$ 1,213,000	\$ -	\$ -	\$ -	\$ 21,000	\$ 16,000	\$ 1,176,000
Laurel Road	Arden	686	\$ 207,150	\$ 185,750	\$ -	\$ -	\$ -	\$ -	\$ -
Lincoln Ave.	Asheville	1,415	\$ 361,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 358,500
Long Shoals Rd. @ Allen Ave.	Arden	2,263	\$ 401,600	\$ 2,000	\$ 6,000	\$ 38,000	\$ 344,500	\$ -	\$ -
Louisiana Ave. @ Brucemont Circle	Asheville	402	\$ 102,900	\$ -	\$ 5,500	\$ 93,200	\$ -	\$ -	\$ -
Lower Glendale Ave.	E. Asheville	2,716	\$ 733,200	\$ 2,000	\$ -	\$ 6,000	\$ 28,000	\$ -	\$ 690,500
Lower Melody Lane	E. Asheville	1,180	\$ 342,900	\$ -	\$ -	\$ -	\$ 8,000	\$ 55,000	\$ 273,000
Manetta Rd. @ Johnson Dr.	N. Asheville	6,500	\$ 1,701,250	\$ -	\$ 32,500	\$ 5,500	\$ 160,000	\$ -	\$ 1,503,250
Meadowbrook Drive (SS)	Black Mountain	0	\$ 46,600	\$ 42,300	\$ -	\$ -	\$ -	\$ -	\$ -
Melody Circle	Swannanoa	4,523	\$ 1,336,500	\$ 98,000	\$ 1,209,300	\$ -	\$ -	\$ -	\$ -
Merrimon Ave. at Clearview Terrace	Asheville	505	\$ 316,550	\$ -	\$ 5,200	\$ -	\$ 750	\$ -	\$ 304,500
Merrimon Ave. @ Coleman Ave.	N. Asheville	2,800	\$ 723,600	\$ -	\$ -	\$ -	\$ 12,600	\$ -	\$ 711,000
Middle Beaverdam Crk. @ US 19-23	Woodfin	2,503	\$ 1,337,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,329,750
Mountainbrook Rd. @ Chums Cove Rd.	Asheville	1,992	\$ 693,100	\$ -	\$ 12,500	\$ 668,400	\$ -	\$ -	\$ -

Program Summary (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	FY 19-20 thru FY 23-24 BUDGET						
				FY 14-15 BUDGET	FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 thru FY 23-24 BUDGET	
GENERAL SEWER REHABILITATION (continued)										
Mountainview Road	E. Asheville	1,948	\$ 553,500	\$ 17,600	\$ 43,000	\$ 492,900	\$ -	\$ -	\$ -	
Mout Vernon Place Ph. 2	Asheville	2,476	\$ 822,700	\$ 816,200	\$ -	\$ -	\$ -	\$ -	\$ -	
New Haw Creek Rd. @ Dogwood Gr.	E. Asheville	1,400	\$ 355,600	\$ 7,000	\$ 5,000	\$ 35,000	\$ 308,600	\$ -	\$ -	
New Haw Creek Rd. @ Trinity Chapel Rd.	E. Asheville	748	\$ 204,100	\$ 6,800	\$ 192,800	\$ -	\$ -	\$ -	\$ -	
New Salem Road	Swannanoa	3,000	\$ 918,600	\$ 30,900	\$ 875,000	\$ -	\$ -	\$ -	\$ -	
North Market Street	Asheville	1,050	\$ 324,150	\$ 5,300	\$ 1,500	\$ 66,000	\$ -	\$ -	\$ 251,350	
Old Haw Creek Rd. @ Greenbriar Rd.	E. Asheville	3,755	\$ 946,500	\$ 6,450	\$ -	\$ 10,500	\$ 63,000	\$ 855,000	\$ -	
Old Haywood Road @ Stames Cove	Asheville	1,491	\$ 452,470	\$ 424,750	\$ -	\$ -	\$ -	\$ -	\$ -	
Old US 70 at Pine Circle	Swannanoa	2,779	\$ 792,300	\$ 759,900	\$ -	\$ -	\$ -	\$ -	\$ -	
Old West Chapel Rd.	Asheville	5,600	\$ 1,767,000	\$ 34,000	\$ 16,000	\$ 97,000	\$ 1,620,000	\$ -	\$ -	
Panola Street Rehab. (SS)	Asheville	0	\$ 45,500	\$ 42,600	\$ -	\$ -	\$ -	\$ -	\$ -	
Riverside Dr. @ Silverline Plastic	Woodfin	400	\$ 108,300	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ 101,300	
Riverview Drive	Asheville	2,302	\$ 591,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 583,800	
Robinhood Road	Asheville	800	\$ 182,000	\$ 2,200	\$ 33,000	\$ -	\$ 142,800	\$ -	\$ -	
Robinwood Avenue	Asheville	1,835	\$ 514,500	\$ 503,600	\$ -	\$ -	\$ -	\$ -	\$ -	
Royal Pines Drive - PRP 47009	Arden	2,888	\$ 795,500	\$ 2,500	\$ 10,000	\$ -	\$ -	\$ -	\$ 767,400	
Sandhill @ Russell/Davenport	W. Asheville	2,400	\$ 722,900	\$ 89,500	\$ -	\$ 604,000	\$ -	\$ -	\$ -	
Shadowlawn Drive Ph. 1	Asheville	4,122	\$ 1,078,263	\$ 955,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Shadowlawn Drive Ph. 2	Asheville	1,778	\$ 441,850	\$ 53,350	\$ 382,500	\$ 5,000	\$ -	\$ -	\$ -	
Short Coxie at Southside	Asheville	3,625	\$ 1,533,000	\$ 98,423	\$ -	\$ -	\$ -	\$ -	\$ -	
Springside Rd. @ Overlook Rd.	S. Asheville	4,070	\$ 913,200	\$ 21,000	\$ 9,200	\$ 78,000	\$ -	\$ 805,000	\$ -	
Stratford Rd. @ Oxford Court	Asheville	547	\$ 149,850	\$ 3,950	\$ 14,000	\$ 127,700	\$ -	\$ -	\$ -	
Sulphur Springs Rd. @ Covington St.	W. Asheville	700	\$ 208,300	\$ -	\$ 3,000	\$ 7,500	\$ 38,000	\$ 159,800	\$ -	
Sunset Drive at Bee Tree Rd.	Swannanoa	1,054	\$ 249,000	\$ 228,000	\$ -	\$ -	\$ -	\$ -	\$ -	
Sutton Avenue	Black Mtn.	3,100	\$ 806,000	\$ -	\$ 15,000	\$ -	\$ 5,000	\$ 786,000	\$ -	
Sweeten Creek @ Buck Shoals	S. Asheville	1,330	\$ 348,200	\$ 6,700	\$ -	\$ 4,000	\$ 337,500	\$ -	\$ -	
Sweeten Creek Rd. @ Busbee View	Asheville	1,000	\$ 260,500	\$ 4,800	\$ 18,000	\$ 230,500	\$ -	\$ -	\$ -	
Upper Grassy Branch Rd. @ Maxwell Rd.	E. Asheville	975	\$ 261,250	\$ 2,000	\$ 18,000	\$ -	\$ 4,000	\$ 232,000	\$ -	
Walnut Street @ Rankin Ave.	Asheville	2,273	\$ 698,200	\$ 1,500	\$ 500	\$ 684,700	\$ -	\$ -	\$ -	
Weaver Blvd. @ US 19-23	Weaverville	3,602	\$ 1,187,700	\$ 7,250	\$ 256,000	\$ 919,200	\$ -	\$ -	\$ -	
Wendover Road	Asheville	2,974	\$ 836,650	\$ 774,500	\$ -	\$ -	\$ -	\$ -	\$ -	
West Crabapple Lane	W. Asheville	550	\$ 184,000	\$ -	\$ -	\$ -	\$ 2,500	\$ 4,000	\$ 177,500	
SSD Rehab. & Replacement	Various	200,000	\$ 39,930,000	\$ 3,993,000	\$ 3,993,000	\$ 3,993,000	\$ 3,993,000	\$ 3,993,000	\$ 19,965,000	

Program Summary (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	FY 14-15 BUDGET	FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 thru FY 23-24 BUDGET
GENERAL SEWER REHABILITATION (continued)									
Surveys for Design	Various	N/A	\$ 500,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Future Projects - General Rehab.	Various	65,000	\$ 13,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,000,000
SUBTOTAL		441,539	\$ 105,223,104	\$ 14,072,223	\$ 9,666,900	\$ 10,195,550	\$ 10,736,250	\$ 9,961,337	\$ 48,122,800
<i>Inflation per ENR Const. Cost Index</i>	3.62%		1.00	1.00	1.0362	1.0737	1.1126	1.1529	1.286060
SUBTOTAL with inflation		441,539	\$ 105,223,104	\$ 14,072,223	\$ 10,016,842	\$ 10,947,068	\$ 11,944,924	\$ 11,483,968	\$ 61,888,810
PRIVATE SEWER REHABILITATION									
Douglas Place PSR (SS)	Asheville	0	\$ 14,500	\$ 9,500	\$ -	\$ -	\$ -	\$ -	\$ -
Freno Drive PSR (Lower)	Asheville	2,879	\$ 757,400	\$ 19,500	\$ 729,200	\$ -	\$ -	\$ -	\$ -
Transfer of Private Sewers to MSD	Various	N/A	\$ 50,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
SUBTOTAL		2,879	\$ 821,900	\$ 34,000	\$ 734,200	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
<i>Inflation per ENR Const. Cost Index</i>	3.62%		1.0000	1.0000	1.0362	1.0737	1.1126	1.1529	1.284260
SUBTOTAL with inflation		2,879	\$ 821,900	\$ 34,000	\$ 760,778	\$ 5,369	\$ 5,563	\$ 5,764	\$ 32,107
TREATMENT PLANT, PUMP STATIONS & GENERAL CAPITAL IMPROVEMENTS									
Building and Facility Rehabilitation	MSD-Treatment Plant	0	\$ 888,000	\$ 147,000	\$ 100,000	\$ 87,000	\$ 90,000	\$ 89,000	\$ 375,000
Bypass Pump Staging Areas	MSD-Treatment Plant	0	\$ 70,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -
Carnier Bridge P.S. Bypass & Improv.	MSD-Treatment Plant	0	\$ 1,345,800	\$ 5,300	\$ 8,000	\$ 1,172,800	\$ 156,000	\$ -	\$ -
Clayton Road Pump Station Rehab.	Skyland	0	\$ 180,000	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Plan Update	MSD-Treatment Plant	0	\$ 475,000	\$ 375,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -
Flow Monitoring	MSD-Treatment Plant	0	\$ 265,305	\$ 30,000	\$ 30,000	\$ -	\$ -	\$ -	\$ -
Incinerator Bldg. MCC Replacement	MSD-Treatment Plant	0	\$ 220,000	\$ 20,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Incinerator System Emissions Upgrades	MSD-Treatment Plant	0	\$ 11,230,000	\$ 3,001,000	\$ 7,415,000	\$ 525,000	\$ -	\$ -	\$ -
Influent Pump Station Rehabilitation	MSD-Treatment Plant	0	\$ 1,262,500	\$ 920,000	\$ -	\$ 160,000	\$ -	\$ -	\$ -
Plant Electrical Arc-Flash Study	MSD-Treatment Plant	0	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -
RBC Replacement	MSD-Treatment Plant	0	\$ 925,000	\$ 175,000	\$ -	\$ -	\$ -	\$ 750,000	\$ -
Weaverline Pump System Rehab.	Buncombe Co.	0	\$ 3,505,000	\$ -	\$ 460,000	\$ 3,045,000	\$ -	\$ -	\$ -
SUBTOTAL		0	\$ 20,491,605	\$ 5,028,300	\$ 8,238,000	\$ 4,989,800	\$ 246,000	\$ 839,000	\$ 375,000
<i>Inflation per ENR Const. Cost Index</i>	3.62%		1.0000	1.0000	1.0362	1.0737	1.1126	1.1529	1.2785460
SUBTOTAL with inflation		0	\$ 20,491,605	\$ 5,028,300	\$ 8,536,216	\$ 5,357,600	\$ 273,694	\$ 967,245	\$ 479,455

Program Summary (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	FY 14-15 BUDGET	FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 thru FY 23-24 BUDGET
DESIGN, ROW, & CONSTRUCTION MANAGEMENT EXPENSES									
Design, ROW, & Const. Mgmt. Exp.	MSD/ENG	N/A	\$ 27,196,488	\$ 2,361,032	\$ 2,424,412	\$ 2,489,646	\$ 2,649,454	\$ 2,715,786	\$ 14,556,160
SUBTOTAL		0	\$ 27,196,488	\$ 2,361,032	\$ 2,424,412	\$ 2,489,646	\$ 2,649,454	\$ 2,715,786	\$ 14,556,160
BUDGET SUMMARY									
SUBTOTAL with Inflation		516,749	\$ 171,384,607	\$ 21,560,555	\$ 22,467,214	\$ 19,363,381	\$ 16,508,569	\$ 16,895,819	\$ 86,140,971
CONTINGENCY			\$ 1,000,000						\$ -
REIMBURSEMENT PROJECTS	Various	0	\$ 2,000,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000
TOTAL		516,749	\$ 173,384,607	\$ 22,760,555	\$ 22,667,214	\$ 19,563,381	\$ 16,708,569	\$ 17,095,819	\$ 87,140,971

This page intentionally left blank.



Debt Financing

Debt Financing

Debt Management

Prior to the 1990s, the District's policy was to fund capital improvements from user fees. Having inherited aging collector lines, some in excess of 100 years old, this policy forced the District to increase rates dramatically yet never provided enough funding to keep up with the magnitude of desperately needed repairs. Coming to realize the benefit of integrating capital-planning and debt-financing activities, the District Board developed a long-range plan to utilize bonds and pay-as-you-go in a coordinated capital improvement plan.

This combined strategy allows for more equity between long-term and new ratepayers while providing the necessary funding for an adequately functioning system. Issuing debt provides the capital to rehabilitate crumbling infrastructure while allowing present and future ratepayers who will enjoy the benefit to share the cost through annual principal and interest payments. This contrasts with a strategy that uses only pay-as-you-go whereby a resident will pay higher rates for many years to accumulate the funds needed for rehabilitation before enjoying any benefit, yet new users joining after completion of a project will have immediate use of the new facilities without sharing in any of the cost. Another advantage of combining borrowed funds with current funding is the ability to structure debt repayment schedules to avoid dramatic rate increases otherwise needed to provide adequate amounts for multi-million dollar projects.

The District's bonds are rated by national rating agencies as follows:

Moody's Investors Service

Aa2

Standard & Poor's

AA+

Fitch Ratings

AA+

In March 2013, the District received a ratings upgrade from AA to AA+ from Standard & Poor's. Standard & Poor's Rating Services recognized the District's consistently strong financial profile facilitated by managements' demonstrated willingness to adjust rates on a regular recurring basis coupled with conservative and proactive management practices and policies. These high ratings enable the District to pay a lower rate of interest than many other utilities, which has a positive effect on the current and future budgets.

Unlike North Carolina's cities and counties, MSD does not have a debt limit. However, provisions in the District's Bond Order require minimum debt coverage of 120% of net revenues to bonded debt service. The Board established a revenue policy, which sets a goal for debt coverage ratio to be approximately 150% for forecasting and planning purposes, realizing the impact of the increased debt coverage ratio on bond ratings.

The District maintains a ten year forecast to budget capital improvements financed by a combination of debt and current fees. Based on projections using modest, consistent rate increases and capital improvement projects as outlined in the District's 10-year Capital Improvement Plan, an additional \$24 million in debt is anticipated to be issued in FY2017 without affecting the planned rate of user charge increases.

Debt Financing (continued)

Capital Projects Funding

Funding for capital projects comes from a combination of revenue bonds and pay-as-you-go financing. Details may be found in the Policies & Budget Process tab of this budget document where Debt Policy is presented and in the schedule, "Budget/Rate Forecast" which illustrates the timing of debt issues and accumulation of revenues over expenditures anticipated to be available for capital financing. Generally speaking, half of the funds for capital improvements come from debt financing, with the other half funded by the excess of revenues over expenditures (pay-as-you-go).

During FY14, the District issued \$26.2 million fixed rate revenue bonds. The District anticipates expending the entire amount of proceeds within the next six months. During this time, the District will also accumulate funding from operations to finance a portion of the capital budget until the next debt issuance, anticipated to be in FY17.

As of June 30, 2014, the District will have \$106.8 million par value of outstanding revenue bond debt. During FY15, over \$5.4 million in principal will be repaid. The District anticipates issuing an additional \$24 million in revenue bonds in FY17. Debt service from this future bond issue has been included in the District's long-term business plan and sewer rate increases. A summary of outstanding debt at June 30, 2014 and anticipated principal repayment during FY15 are on the following two (2) pages.

Debt Financing (continued)**Outstanding Debt as of June 30, 2014**

	Original Issue Amount	Balance 6/30/2014	Additions	Retirements	Balance 6/30/2015
Enka-Candler Water and Sewer District Bonds liability assumed by Metropolitan Sewerage District of Buncombe County, North Carolina on July 2, 1990 as stated in the sewer consolidated agreement:					
5.00% serial bonds assumed July 2, 1990 with maturities on each June 1 through 2024 varying from \$19,000 to \$64,000, interest payable annually.	\$ 1,500,000	\$ 593,000	\$ -	\$ 61,000	\$ 532,000
Total Bonds, Enka Candler Series	\$ 1,500,000	\$ 593,000	\$ -	\$ 61,000	\$ 532,000
Revenue Bonds, Series 2008A issued to refund Series 2005 Revenue Bonds					
Interest at variable rates in the weekly mode, payable monthly, due serially until 2031.	\$ 33,635,000	\$ 32,185,000	\$ -	\$ 765,000	\$ 31,420,000
Total Bond, Series 2008A	\$ 33,635,000	\$ 32,185,000	\$ -	\$ 765,000	\$ 31,420,000
Revenue Bonds, Series 2009A issued to construct certain sewerage projects					
2.0% to 5.00% serial bonds issued October 7, 2009, with maturities on each July 1, 2010 through 2024 varying from \$400,000 to \$700,000; interest payable semi-annually	\$ 7,920,000	\$ 6,230,000	\$ -	\$ 460,000	\$ 5,770,000
5.00% term bonds issued October 7, 2009, at 109.001%, due July 1, 2029; interest payable semi-annually.	\$ 4,065,000	\$ 4,065,000	\$ -	\$ -	\$ 4,065,000
5.00% term bonds issued October 7, 2009, at 107.240%, due July 1, 2034; interest payable semi-annually.	\$ 5,220,000	\$ 5,220,000	\$ -	\$ -	\$ 5,220,000
Total Bond, Series 2009A	\$ 17,205,000	\$ 15,515,000	\$ -	\$ 460,000	\$ 15,055,000

Debt Financing (continued)**Outstanding Debt as of June 30, 2014**

	Original Issue Amount	Balance 6/30/2014	Additions	Retirements	Balance 6/30/2015
Revenue Bonds, Series 2009B used to refund portions of Series 1999					
2.0% to 5.00% serial bonds issued October 7, 2009, with maturities on each July 1, 2010 through 2019 varying from \$595,000 to \$3,100,000; interest payable semi-annually	\$ 13,360,000	\$ 1,845,000	\$ -	\$ -	\$ 1,845,000
Total Bond, Series 2009B	\$ 13,360,000	\$ 1,845,000	\$ -	\$ -	\$ 1,845,000
Revenue Bonds, Series 2013 used to refund Series 2003 and Series 2008B					
2.0% to 5.00% serial bonds issued May 1, 2013, with maturities on each July 1, 2014 through 2029 varying from \$1,065,000 to \$4,255,000; interest payable semi-annually	\$ 30,230,000	\$ 30,230,000	\$ -	\$ 4,080,000	\$ 26,150,000
Total Bond, Series 2013	\$ 30,230,000	\$ 30,230,000	\$ -	\$ 4,080,000	\$ 26,150,000
Revenue Bonds, Series 2014 issued to construct certain sewerage projects					
2.0% to 5.00% serial bonds issued May 21, 2014 with maturities on each July 1, 2015 through 2039 varying from \$510,000 to \$1,710,000; interest payable semi-annually	\$ 26,230,000	\$ 26,195,000	\$ -	\$ -	\$ 26,195,000
Total Bond, Series 2014	\$ 26,230,000	\$ 26,195,000	\$ -	\$ -	\$ 26,195,000
2009 North Carolina Water Pollution Control Revolving Fund used to construct certain sewerage projects					
\$707,346 revolving loan issued August 18, 2009 unpaid principal sum is reduced by one-half as "Principal Forgiveness", interest accrues at 0%, 20 annual installments May 1, 2011 to 2030	\$ 336,490	\$ 269,190	\$ -	\$ 16,825	\$ 252,365
Total State Revolving Fund	\$ 336,490	\$ 269,190	\$ -	\$ 16,825	\$ 252,365
Total Bonds--All Series	\$ 96,266,490	\$ 106,832,190	\$ -	\$ 5,382,825	\$ 101,449,365

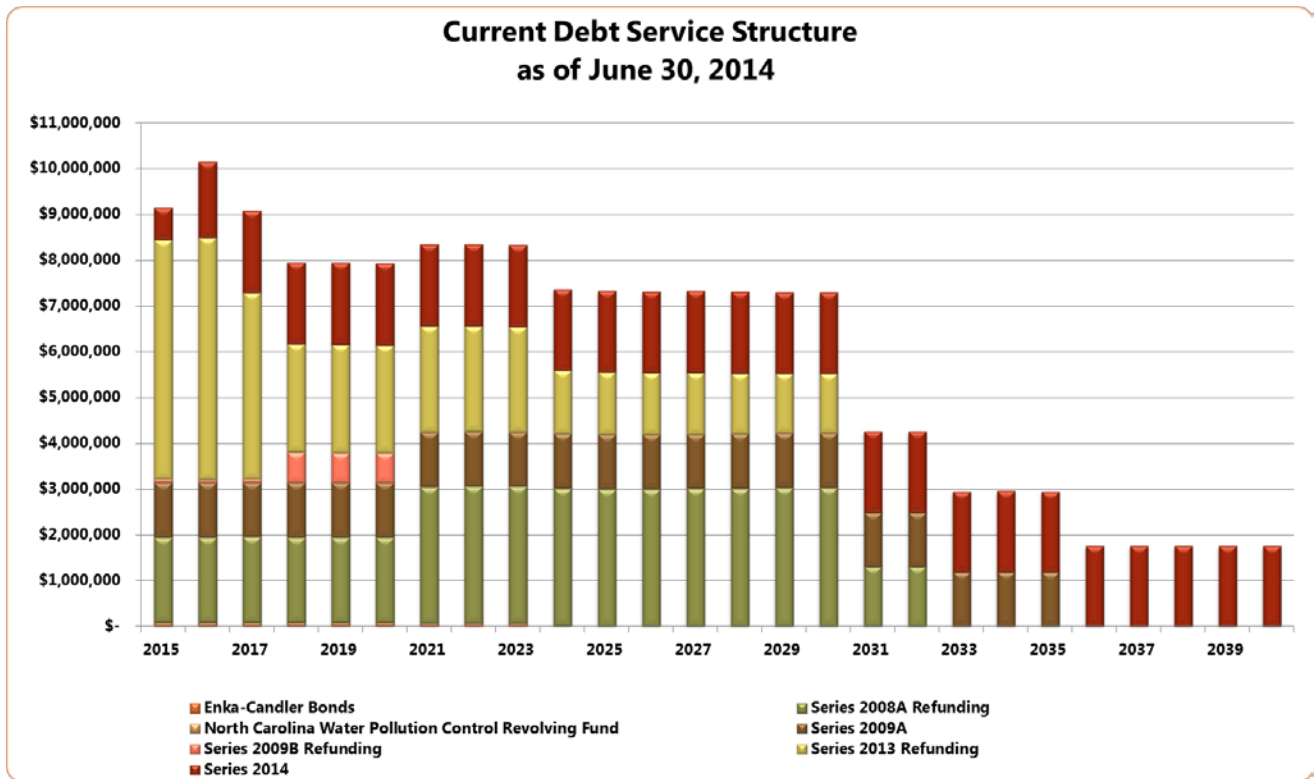
Aggregate Debt Service

Year Ending June 30	Enka-Candler Bonds	Series 2008A Refunding	Series 2009A	Series 2009B Refunding
2015	90,650	1,851,743	1,182,850	73,800
2016	90,600	1,850,168	1,180,300	73,800
2017	87,400	1,857,849	1,180,900	73,800
2018	84,200	1,858,620	1,180,700	656,900
2019	81,000	1,859,120	1,179,700	652,700
2020	77,800	1,863,272	1,182,800	647,700
2021	74,600	2,967,245	1,180,000	-
2022	71,400	2,979,356	1,183,150	-
2023	68,200	2,979,445	1,180,200	-
2024	21,000	2,986,599	1,180,875	-
2025	-	2,986,194	1,181,750	-
2026	-	2,987,324	1,180,875	-
2027	-	3,000,803	1,178,250	-
2028	-	3,010,738	1,178,750	-
2029	-	3,017,451	1,182,125	-
2030	-	3,025,226	1,178,375	-
2031	-	1,304,929	1,182,375	-
2032	-	1,306,777	1,179,000	-
2033	-	-	1,178,250	-
2034	-	-	1,179,875	-
2035	-	-	1,178,750	-
2036	-	-	-	-
2037	-	-	-	-
2038	-	-	-	-
2039	-	-	-	-
2040	-	-	-	-
	745,500	43,692,859	24,789,850	2,178,700

Aggregate Debt Service (continued)

Year Ending June 30	North Carolina Water Pollution Control Revolving Fund	Series 2013 Refunding	Series 2014	Aggregate Debt Service
2015	16,825	5,224,394	707,323	9,147,584
2016	16,825	5,273,494	1,662,338	10,147,524
2017	16,825	4,079,194	1,782,563	9,078,530
2018	16,825	2,368,094	1,779,588	7,944,925
2019	16,825	2,363,094	1,782,388	7,934,825
2020	16,825	2,350,794	1,779,088	7,918,277
2021	16,825	2,322,594	1,775,938	8,337,201
2022	16,825	2,302,844	1,784,338	8,337,912
2023	16,825	2,298,219	1,776,363	8,319,251
2024	16,825	1,377,719	1,775,113	7,358,130
2025	16,825	1,363,469	1,780,713	7,328,949
2026	16,825	1,352,944	1,769,688	7,307,655
2027	16,825	1,341,444	1,782,538	7,319,859
2028	16,825	1,323,644	1,768,513	7,298,469
2029	16,825	1,304,644	1,777,069	7,298,113
2030	16,825	1,294,922	1,768,500	7,283,847
2031	-	-	1,768,625	4,255,929
2032	-	-	1,766,000	4,251,777
2033	-	-	1,765,500	2,943,750
2034	-	-	1,768,500	2,948,375
2035	-	-	1,765,500	2,944,250
2036	-	-	1,758,375	1,758,375
2037	-	-	1,756,375	1,756,375
2038	-	-	1,755,750	1,755,750
2039	-	-	1,756,250	1,756,250
2040	-	-	1,752,750	1,752,750
	269,192	37,941,503	44,865,679	154,484,633

Aggregate Debt Service (continued)

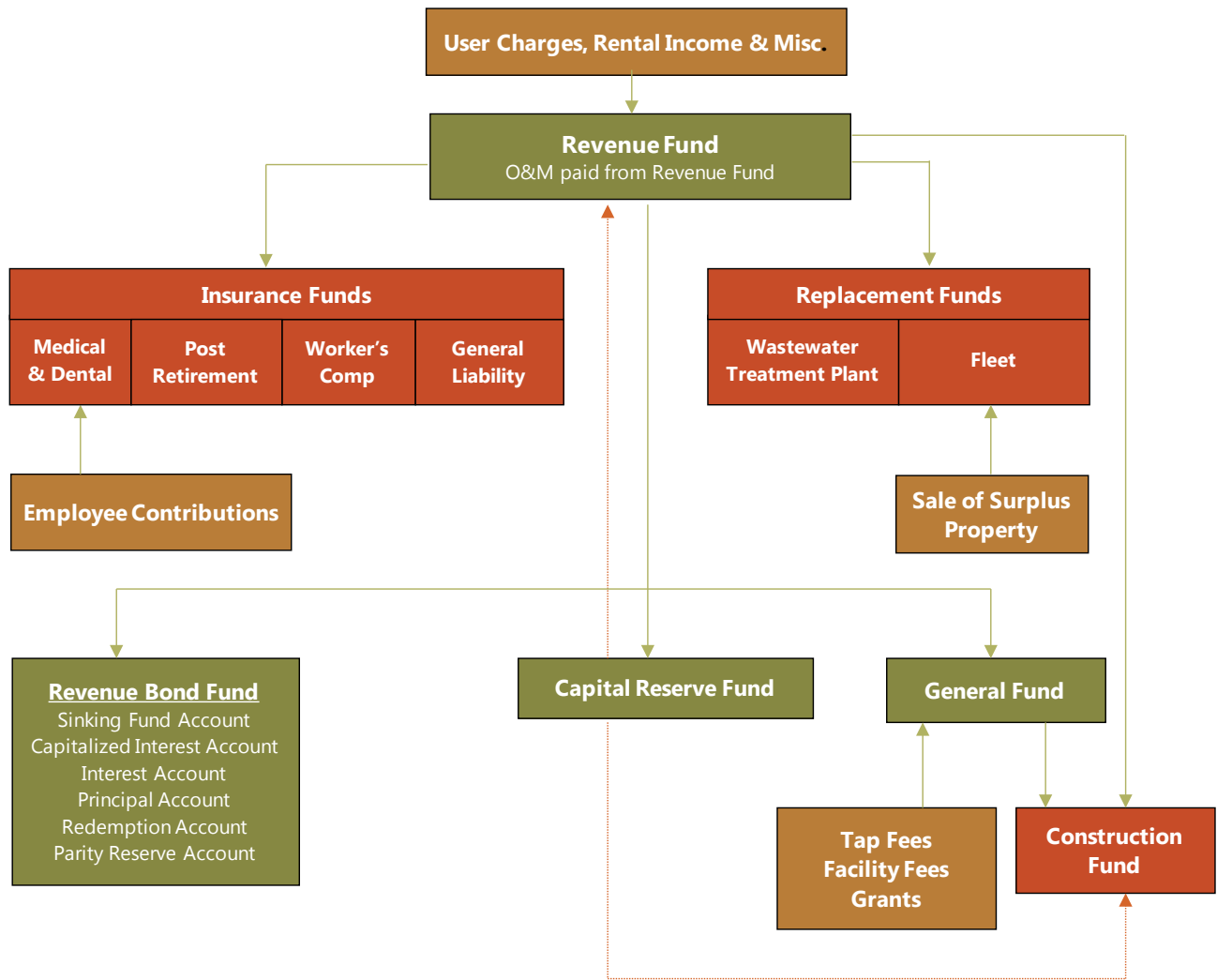


This page intentionally left blank.



Appendix

Flow of Funds Chart



Priority of expenditures per Bond Order

1. Current Expenditures
2. Debt Service
3. Capital Reserve
4. Any Lawful Purpose

	Income Sources
	Trustee Funds
	Expenditures

————— Flow of Funding

..... Flow of Funding if required for emergency repairs or maintenance

Resolution – Preliminary Budget & Sewer Use Charges

**RESOLUTION ADOPTING FINAL BUDGET AND SEWER USE CHARGES
FOR THE
METROPOLITAN SEWERAGE DISTRICT
OF BUNCOMBE COUNTY, NORTH CAROLINA
FOR THE FISCAL YEAR July 1, 2014 THRU June 30, 2015**

WHEREAS, the Board of Directors has reviewed the Operations and Maintenance, Bond, Reserves, and Construction Expenditures of the District and the sources of revenue and allocations (uses) of expenditures for the 2014-2015 fiscal year; and

NOW, THEREFORE, BE IT RESOLVED:

1. The following amounts are hereby appropriated in the Revenue Fund for the Operations and Maintenance of the District and for transfers to the debt service and general funds for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Operating and Maintenance Expenses	\$	12,063,220
Transfer to Insurance Accounts	\$	2,821,562
Transfer to Fleet Replacement Reserve	\$	400,000
Transfer to Wastewater Treatment Plant Reserve	\$	100,000
Subtotal O&M	\$	15,384,782
Transfer to Debt Service Fund	\$	10,389,488
Transfer to General Fund	\$	9,265,885
	\$	35,040,155

It is estimated that the following revenues will be available in the Revenue Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Domestic User Fees	\$	28,445,115
Industrial User Fees	\$	1,835,438
Billing and Collection Fees	\$	725,702
Investment Interest	\$	336,745
Reimbursement for Debt Service from COA	\$	37,000
Rental Income	\$	68,742
Appropriated Net Position	\$	3,591,413
	\$	35,040,155

Resolution – Preliminary Budget & Sewer Use Charges

2. The following amounts are hereby appropriated in the General Fund for the transfers to the construction fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer into Construction	\$ <u>12,046,060</u>
----------------------------	----------------------

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Facility and Tap Fees	\$ 1,355,000
Investment Income	\$ 5,000
Transfer from Revenue Fund	\$ 9,265,885
Appropriated Net Position	\$ <u>1,420,175</u>
	\$ <u>12,046,060</u>

3. The following amounts are hereby appropriated in the Construction Fund for Capital Improvement Plan expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015.

Capital Improvements Projects	\$ <u>22,760,555</u>
-------------------------------	----------------------

It is estimated that the following revenues will be available to the Construction Fund for the Fiscal year beginning July 1, 2014 and ending June 30, 2015.

Investment Income	\$ 75,000
Transfer from General Fund	\$ 12,046,060
Appropriated Net Position	\$ <u>10,639,495</u>
	\$ <u>22,760,555</u>

4. The following amounts are presented as the financial plan for the Internal Service Funds used to provide insurance services. Estimated operating expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are:

Operating Expenditures	\$ <u>3,463,138</u>
------------------------	---------------------

Resolution – Preliminary Budget & Sewer Use Charges

It is estimated that the following revenues will be available in the Insurance Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	2,821,562
Investment Income	\$	15,500
Employee/Retirees Medical Contributions	\$	417,800
Appropriated Net Position	\$	<u>208,276</u>
	\$	<u><u>3,463,138</u></u>

5. The following amounts are presented as the Financial Plan in the Fleet Replacement Fund for the Internal Service Fund serving as capital equipment expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are estimated as follows:

Capital Equipment	\$	<u><u>269,550</u></u>
-------------------	----	-----------------------

It is estimated that the following revenues will be available in the Fleet Replacement Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	400,000
Sale of Surplus Property	\$	35,803
Investment Income	\$	4,511
Contributions to Net Position	\$	<u>(170,764)</u>
	\$	<u><u>269,550</u></u>

6. The following amounts are presented as the Financial Plan in the Wastewater Treatment Plant Replacement Fund for the internal service fund designated as expenditures for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are estimated as follows:

Capital Equipment	\$	<u><u>227,500</u></u>
-------------------	----	-----------------------

It is estimated that the following revenues will be available in the Wastewater Treatment Plant Replacement Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	100,000
Investment Income	\$	4,409
Appropriated Net Position	\$	<u>123,091</u>
	\$	<u><u>227,500</u></u>

Resolution – Preliminary Budget & Sewer Use Charges

7. The following amounts are hereby appropriated in the Debt Service Fund for principal and interest payments for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Debt Service	\$	<u>10,389,488</u>
--------------	----	-------------------

It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

Transfer in from the Revenue Fund	\$	10,389,488
Investment Income	\$	50
Contributions to Net Position	\$	<u>(50)</u>
	\$	<u>10,389,488</u>

8. That the Board of the Metropolitan Sewerage District does hereby approve an increase in the Budgets to the amount necessary to reflect any contributions to the Debt Service Reserve Fund or Capital Reserve Fund as determined by the Bond Trustee to be necessary to comply with covenants in the Bond Order.
9. The General Manager is hereby authorized to transfer appropriations as contained herein under the following conditions:
- a. He may transfer amounts without limitation between departments in a fund.
 - b. He may transfer any amounts within debt service and reserve funds designated as excess by the Trustee into another fund.
10. That the attached schedule of fees and charges be adopted as effective July 1, 2014.
11. That this resolution shall be entered in the minutes of the District and within five (5) days after its adoption, copies thereof are ordered to be filed with the Finance and Budget Officer and Secretary of the Board as required by G.S. 159-13 (d).

Adopted this 21st day of May 2014

M. Jerry VeHaun, Chairman
Metropolitan Sewerage District of
Buncombe County, North Carolina

Attest:

Jackie Bryson
Secretary/Treasurer

Schedule of Rates & Fees – FY2015

	ADOPTED FY14 RATE	PROPOSED FY15 RATE
Collection Treatment Charge		
Residential & Commercial Volume Charges (per CCF) Inside	\$ 4.08	\$ 4.18
Industrial Volume Charges (per CCF) Inside	\$ 3.195	\$ 3.439
Industrial Surcharge for BOD (per lb., BOD >220 mg/l) Inside	\$ 0.341	\$ 0.334
Industrial Surcharge for TSS (per lb., TSS >220 mg/l) Inside	\$ 0.267	\$ 0.264
Residential & Commercial Volume Charges (per CCF) Outside	\$ 4.09	\$ 4.19
Industrial Volume Charges (per CCF) Outside	\$ 3.205	\$ 3.449
Industrial Surcharge for BOD (per lb., BOD >220 mg/l) Outside	\$ 0.341	\$ 0.334
Industrial Surcharge for TSS (per lb., TSS >220 mg/l) Outside	\$ 0.267	\$ 0.264
Base Meter/Maintenance Charge & Billing Fee		
5/8"	\$ 6.28	\$ 6.44
3/4"	\$ 9.15	\$ 9.38
1"	\$ 16.22	\$ 16.63
1 1/2"	\$ 37.15	\$ 38.08
2"	\$ 65.71	\$ 67.35
3"	\$ 145.73	\$ 149.37
4"	\$ 260.04	\$ 266.54
6"	\$ 585.79	\$ 600.43
8"	\$ 1,040.15	\$ 1,066.15
10"	\$ 1,628.80	\$ 1,669.52
Billing Fee (per bill)	\$ 2.25	\$ 2.29
Sewer Facility Fees		
Residential		
Per Unit (non-mobile home)	\$ 2,500	\$ 2,500.00
Mobile Home	\$ 1,740	\$ 1,740.00
Affordable Housing	\$ 670	\$ 670.00
Nonresidential (modifiable per economic development waiver)		
5/8"	\$ 2,500	\$ 2,500.00
3/4"	\$ 2,830	\$ 2,830.00
1"	\$ 5,560	\$ 5,560.00
1 1/2"	\$ 11,350	\$ 11,350.00
2"	\$ 20,000	\$ 20,000.00
3"	\$ 45,000	\$ 45,000.00
4"	\$ 87,500	\$ 87,500.00
6"	\$ 225,400	\$ 225,400.00
8"	\$ 237,500	\$ 237,500.00
Additions < 1,400 GPD	\$ 870	\$ 870.00
Additions over 1,400 GPD	Based on flow rate & meter size	Based on flow rate & meter size

Schedule of Rates & Fees - FY2015

	ADOPTED FY14 RATE	PROPOSED FY15 RATE
Sewer Tap Fees		
Tap installed by MSD	\$ 650	\$ 650.00
Additional Charge for Pavement Disturbance	\$ 2,200	\$ 2,200.00
Additional Charge for Boring	N/A	N/A
Refund if Boring avoids pavement disturbance	\$ (1,300)	\$ (1,300.00)
Inspection Fee for Developer-Installed Tap	\$ 140	\$ 140.00
Manhole Installation/Replacement		
Cost per foot	\$ 250	\$ 250.00
Pavement replacement (if required)	\$ 1,800	\$ 1,800.00
Other Fees		
Allocation Fee	\$ 170	\$ 170.00
Non-Discharge Permit	\$ 200	\$ 200.00
Plan Review Fee	\$ 450	\$ 450.00
Plan re-review Fee	\$ 350	\$ 350.00
Final Inspection	\$ 350	\$ 350.00
Pump Station Acceptance Fee	Note 1	Note 1
Note 1 --See policy for details of computation of O&M and equipment replacement costs for upcoming 20 years; 50% discount for affordable housing		
Bulk Charges		
Volume Charge for Septic Haulers (per 1000 Gal.)	\$ 45.00	\$ 45.00
Biochemical Oxygen Demand >220 mg/l (per lb.)	\$ 0.341	\$ 0.334
Total Suspended Solids >220 mg/l (per lb.)	\$ 0.267	\$ 0.264
Returned Check Charge		
Returned Check (per event)	\$ 25.00	\$ 25.00
Dishonored Draft (per event)	\$ 25.00	\$ 25.00
Copy/Printing Fees/Miscellaneous (each)		
8x11 first print of standard GIS inquiry	\$ 1.00	\$ 1.00
8x14 first print of standard GIS inquiry	\$ 1.00	\$ 1.00
11x17 first print of standard GIS inquiry	\$ 2.00	\$ 2.00
24x36 first print of standard GIS inquiry	\$ 7.00	\$ 7.00
34x44 first print of standard GIS inquiry	\$ 12.00	\$ 12.00
36x48 first print of standard GIS inquiry	\$ 14.00	\$ 14.00
8x11 or 8x14 copies after first print	\$ 0.11	\$ 0.11
11x17 copies after first print	\$ 0.20	\$ 0.20
24x36 copies after first print	\$ 0.94	\$ 0.94
34x44 copies after first print	\$ 1.76	\$ 1.76
36x48 copies after first print	\$ 2.03	\$ 2.03
Foam Core mounting per sq. foot	\$ 3.00	\$ 3.00
Data CD	\$ 30.00	\$ 30.00
Shipping for CD	\$ 5.00	\$ 5.00
Permit Decals for Septic Haulers	\$ 50.00	\$ 50.00

This page intentionally left blank.

STATUS REPORTS

**MSD System Services In-House Construction
FY 13-14 Projects**

PROJECT NAME	ESTIMATED FOOTAGE	ESTIMATED PROJECT DATES	WO#	CREW	COMPLETION DATE	ACTUAL FOOTAGE	Notes
Craven Street Improvements (P/N 2013071)	300	7/1/13-8/30/13	434914	667	8/14/2013	306	complete
90 Asheland Ave - Pipe Ream/Burst	118	8/29/2013	456371	631	8/29/2013	118	complete
Melody Lane	220	8/15/13 - 9/13/13	433549	667	8/30/2013	560	complete
Melody Lane Addition	25	9/10/2013	450458	667	9/10/2013	28	complete
41 Walnut Lane (Woodfin)	1260	5/27/13 - 8/30/13	441589	631	9/27/2013	1189	complete
View Street at Montreat Road (P/N 2013051)	461	10/8/13-10/31/13	400926	667	10/7/2013	463	complete
Elk Mtn Scenic Hwy @ Edgedale*(P/N 2010101)	785	10/7/13-11/7/13	456298/450460	667	10/23/2013	638	complete
Roberts Street at Haywood Rd* (P/N 20100980)	200	10/16/13 - 11/16/13	470501	631	10/22/2013	210	complete
Gay Street (P/N 2013077)	327	10/7/13 - 11/4/13	433544	631	11/6/2013	335	complete
Memorial Park Drive	963	10/24/13 - 12/1/13	433530	667	11/22/2013	1004	complete
Daniel Road Phase II (14)	568	11/4/13 - 12/1/13	456760	631	12/3/2013	574	complete
Memorial Park Drive Phase 2	480	11/25/13 - 12/5/13	456768	667	12/20/2013	453	complete
Central Avenue SanitarySewer Replacement*	675	12/3/13 - 1/1/14	448995	631	1/2/2014	692	complete
Sweeten Creek Industrial Park Replacement	45	1/14/14 - 1/15/14	470611/457019	632	1/15/2014	50	complete
Buckner Road	600	12/23/13 - 2/3/14	400919	667	1/31/2013	990	complete
Livinston - AB Tech	529	1/2/14 - 2/3/14	456309	631	1/28/2014	561	complete
Dew Waite Dr	500	2/4/14 - 2/28/14	470610	667	2/28/2014	620	complete
Rash Road* (P/N 2010095)	550	2/4/14 - 2/28/14	456302	631	3/19/2014	566	complete
1245 Tunnel Road	75	3/21/14 - 3/25/14	212631	632	3/25/2014	70	complete
Broadview Drive	265	3/17/14 - 3/25/14	456312	631	3/26/2014	276	complete
101 E. Skyview Circle	260	3/27/2014 - 3/31/14	456310	631	3/31/2014	268	complete
Ridgeway Dr. (MSD P/N 2012136)	595	3/10/14 - 4/8/14	456296	667	3/31/2014	645	complete
382 Lakeshore Drive	240	4/1/2014 - 4/2/14	456311	631	4/3/2014	248	complete
Lower Grovestone Quarry	1700	4/3/14 - 5/3/14	213445	631	4/16/2014	1467	complete
Middle Grovestone Quarry (842 Old US 70 Hwy)	348	4/17/14 - 5/1/14	456316	631	4/22/2014	754	complete
Upper Grovestone Quarry	1000	4/23/14 - 5/2/14	213459	631	5/2/2014	955	complete
Valle Vista Drive	1700	4/9/14 - 6/5/14	470605	667			Construction is 50% complete
Lake Eden Road @ Tennoca Drive (At Quarry)	1750	5/5/14 - 6/5/14	214388	631			Construction is 5% Complete
Westwood Place	480	6/6/14 - 7/10/14	433546	667			ready for construction
Shiloh Road	350	6/6/14 - 6/20/14	456294	631			ready for construction
995 West Chapel Rd	100	6/23/14 - 6/25/14	211782	631			ready for construction
18 Crestland Road	270	6/26/14 - 6/30/14	448974	TBA			ready for construction
Emory Road* (P/N 2009137)	300	TBA	456301	TBA			ready for construction



CONSTRUCTION TOTALS BY DATE COMPLETED - Monthly

From 7/1/2013 to 3/31/2014

	Dig Ups	Emergency Dig Ups	Dig Up ML Ftg	Dig Up SL Ftg	Manhole Repairs	Taps Installed	ROW Ftg	IRS Rehab Ftg *	Const Rehab Ftg *	D-R Rehab Ftg *	Manhole Installs	Bursting Rehab Ftg *	Total Rehab Ftg *
July 2013	36	16	108	628	40	23	2,264	0	0	0	0	0	0
August 2013	49	7	207	659	38	24	0	0	259	882	10	118	1259
September 2013	32	16	356	468	22	8	7,426	197	116	1217	11	0	1530
October 2013	28	22	406	921	42	35	17,950	288	375	1053	10	258	1974
November 2013	32	7	84	569	26	4	0	0	0	1192	12	147	1339
December 2013	40	5	131	676	32	17	500	0	0	1035	8	0	1035
January 2014	33	6	81	512	19	15	750	0	150	1801	18	492	2443
February 2014	42	11	104	783	41	7	1,161	0	92	620	5	0	712
March 2014	33	18	257	680	27	12	300	0	0	1281	15	544	1825
Grand Totals	325	108	1,733	5,895	287	145	30,351	485	992	9081	89	1,559	12117

* Used to calculate Total Rehab Footage



PIPELINE MAINTENANCE TOTALS BY DATE COMPLETED - Monthly

July 01, 2013 to March 31, 2014

	Main Line Wash Footage	Service Line Wash Footage	Rod Line Footage	Cleaned Footage	CCTV Footage	Smoke Footage	SL-RAT Footage
2013							
July	81,515	2,058	5,143	86,658	33,272	2,080	12,186
August	60,003	1,509	5,763	65,741	37,017	35,663	12,680
September	56,833	1,230	6,596	63,354	32,358	18,324	20,686
October	58,691	3,187	4,418	63,104	33,888	22,886	26,287
November	28,280	1,891	6,184	34,464	26,252	500	6,992
December	45,483	3,133	4,389	49,837	30,203	4,286	10,919
2014							
January	53,575	2,602	4,387	57,892	23,412	250	2,885
February	46,572	3,445	5,587	52,109	23,445	650	6,255
March	73,305	2,747	8,416	81,530	25,922	65	11,032
Grand Total:	504,257	21,802	50,883	554,689	265,768	84,704	109,922
Avg Per Month:	56,029	2,422	5,654	61,632	29,530	9,412	12,214



CUSTOMER SERVICE REQUESTS

Monthly - All Crews

CREW	MONTH	JOBS	AVERAGE RESPONSE TIME	AVERAGE TIME SPENT
DAY 1ST RESPONDER				
	July, 2013	156	39	40
	August, 2013	111	30	39
	September, 2013	79	28	37
	October, 2013	113	29	39
	November, 2013	72	27	40
	December, 2013	88	28	50
	January, 2014	110	30	38
	February, 2014	101	31	45
	March, 2014	117	26	40
		947	30	41
NIGHT 1ST RESPONDER				
	July, 2013	46	38	33
	August, 2013	34	35	31
	September, 2013	18	26	24
	October, 2013	33	26	33
	November, 2013	31	27	34
	December, 2013	23	33	38
	January, 2014	36	26	20
	February, 2014	19	23	35
	March, 2014	37	30	25
		277	30	30
ON-CALL CREW *				
	July, 2013	79	52	35
	August, 2013	42	62	48
	September, 2013	30	49	43
	October, 2013	35	48	53
	November, 2013	35	36	47
	December, 2013	71	36	56
	January, 2014	67	62	41
	February, 2014	65	54	44

* On-Call Crew Hours: 10:30pm-7:30am Monday-Friday, Weekends, and Holidays



CUSTOMER SERVICE REQUESTS Monthly - All Crews

CREW	MONTH	JOBS	AVERAGE RESPONSE TIME	AVERAGE TIME SPENT
ON-CALL CREW *				
	March, 2014	51	50	38
		475	50	44
Grand Totals:		1,699	36	40

* On-Call Crew Hours: 10:30pm-7:30am Monday-Friday, Weekends, and Holidays

CAPITAL IMPROVEMENT PROGRAM

STATUS REPORT SUMMARY

May 14, 2014

PROJECT	CONTRACTOR	AWARD DATE	NOTICE TO PROCEED	ESTIMATED COMPLETION DATE	*CONTRACT AMOUNT	*COMPLETION STATUS (WORK)	COMMENTS
BRADLEY BRANCH ROAD PHASE II	Terry Brothers	8/21/2013	10/28/2013	4/1/2014	\$314,860.00	100%	Project complete and in close out.
BROOKCLIFF DRIVE (PRP 59001)	Buckeye Construction	10/16/2013	11/4/2013	5/16/2014	\$360,132.50	98%	Milling and paving are done. Crews working on punchlist items.
EAST STATE STREET @ WEST STREET	TBD	TBD	TBD	TBD	TBD	0%	Project is scheduled to bid on May 22.
FOREST RIDGE ROAD	Dillard Excavating Company	2/19/2014	3/10/2014	6/8/2014	\$588,115.00	48%	Mainline has been installed to MH #9.
INDIANA AVENUE	Moorhead Construction	3/19/2014	4/1/2014	7/30/2014	\$413,313.20	35%	Mainline has been installed beyond MH #6.
MACON AVENUE @ SUNSET PARKWAY	Terry Brothers	1/15/2014	3/1/2014	6/29/2014	\$757,688.00	10%	Mainline construction has progressed to Edwin Place.
MERRIMON AVENUE @ STRATFORD ROAD	Terry Brothers	9/18/2013	12/16/2013	6/15/2014	\$885,849.00	20%	Contractor is working on 12-inch line near Beaver Lake and near completion on that segment. Rock bore at Elkwood is progressing very slowly because of extremely hard rock formations.
MOUNT VERNON PLACE, PHASE 2	TBD	TBD	TBD	TBD	TBD	0%	Project is scheduled to bid on May 22.
OLD US 70 @ GROVEMONT AVENUE	Buckeye Construction	10/16/2013	11/18/2013	6/15/2014	\$729,740.90	80%	The 12-inch line has been installed to MH #14.
SOUTH FRENCH BROAD INTERCEPTOR - BILTMORE ACCESS STRUCTURES	James E. Harris Construction	1/28/2014	2/3/2014	4/1/2014	\$228,880.00	100%	Project is complete and in close out.
SYCAMORE TERRACE (PRP 34012)	Terry Brothers	1/15/2014	2/20/2014	6/20/2014	\$638,350.00	75%	Mainline has been installed to MH #4, waiting to cross under the RR bridge.
WRF - ELECTRICAL IMPROVEMENTS	Haynes Electric	8/15/2012	9/10/2012	3/28/2014	\$1,061,900.00	99%	Final commissioning underway. Completion expected June 2014.
WRF - SLIDE GATE REPLACEMENT	NHM Constructors	9/18/2013	10/7/2013	6/4/2014	\$288,924.00	25%	Project progressing slowly due to difficult conditions in the existing channels.

***Updated to reflect approved Change Orders and Time Extensions**

Planning & Development Project Status Report

May 21, 2014

Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
N. Bear Creek Road Subdivision	2005137	Asheville	20	127	7/11/2006	Complete - Waiting on final documents
Willowcreek Village Ph.3	2003110	Asheville	26	597	4/21/2006	Complete - Waiting on final documents
Rock Hill Road Subdivision	2005153	Asheville	2	277	8/7/2006	Complete - Waiting on final documents
Black Mtn Annex: Avena Rd.	1999026	Black Mtn.	24	4,300	8/19/2010	Complete - Waiting on final documents
Black Mtn Annex: McCoy Cove	1992174	Black Mtn.	24	2,067	8/19/2010	Complete - Waiting on final documents
Black Mtn Annex: Blue Ridge Rd.	1992171	Black Mtn.	24	2,560	8/19/2010	Complete-Waiting on final documents
Haywood Village	2007172	Asheville	55	749	7/15/2008	New owner developer - will resume soon
Camp Dorothy Walls - Ph. 1	2007294	Black Mtn.	Comm.	593	6/16/2009	Complete - Waiting on final documents
Momentum Health Adventure	2008097	Asheville	Comm.	184	8/19/2009	New ownership - project currently inactive
North Point Baptist Church	2008105	Weaverville	Comm.	723	5/20/2009	Complete - Waiting on final documents
AVL Technologies	2010018	Woodfin	Comm.	133	5/21/2010	Complete-Waiting on final documents
UNC-A New Residence Hall	2011047	Asheville	304	404	8/29/2011	Complete-Waiting on final documents
Cottonwood Townhomes	2009110	Black Mtn.	8	580	10/20/2009	Complete-Waiting on final documents
Goldmont St	2012087	Black Mtn.	6	91	1/11/2013	Complete-Waiting on final documents
Ramble at Parkway	2013100	Biltmore Forest	TBD	335	7/26/2013	Complete-Waiting on final documents
Eargle Sewer Extension	2011077	Asheville	2	45	9/4/2013	Complete-Waiting on final documents
Carolina Truck and Body (Cooper)	2012075	Asheville	Comm.	298	10/30/2012	Complete-Waiting on final documents
Biltmore Lake Block "J"	2013013	Enka	32	3,918	4/16/2013	Complete-Waiting on final documents
Sardis Road (COA) Annexation	2009037	Asheville	N/A	6,981	4/2/2012	Complete-Waiting on revised ROW items
Ardmion Park	2011107	Asheville	5	208	4/16/2013	Complete-Waiting on final documents
Central Ave	2012065	Asheville	6	305	9/26/2013	Complete - Waiting on final documents
Asheville Market (Relocation)	2012139	Asheville	Comm.	280	9/18/2013	Complete - Waiting on final documents
Westover Relocation	2013132	Asheville	1	87	11/20/2013	Complete - Waiting on final documents
Brookgreen Phase 1D-Kenai Dr.	2013076	Woodfin	3	370	3/14/2014	Complete - Waiting on final documents
Hamburg Mountain Phase 3	2004086	Weaverville	13	844	11/10/2005	Complete - Waiting on final documents
Pinebrook Farms Relocation	2013148	Weaverville	N/A	178	12/19/2013	Complete - Waiting on final documents
Village at Bradley Branch - Ph. III	2008076	Asheville	44	783	8/8/2008	Complete - Waiting on final documents
Waynesville Ave (Pittman)	2013046	Asheville	15	332	5/23/2013	Complete-Waiting on final documents
Ridgefield Business Park	2004188	Asheville	18	758	2/16/2005	Complete-Waiting on final documents

Planning & Development Project Status Report

May 21, 2014

Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
The Settings (6 Acre Outparcel)	2004192	Black Mountain	21	623	3/15/2006	Ready for final inspection
Waightstill Mountain PH-8	2006277	Arden	66	3,387	7/26/2007	testing / in foreclosure
Scenic View	2006194	Asheville	48	534	11/15/2006	Ready for final inspection
Ingles	2007214	Black Mtn.	Comm.	594	3/4/2008	Ready for final inspection
Bartram's Walk	2007065	Asheville	100	10,077	7/28/2008	Punchlist pending - in bankruptcy
Morgan Property	2008007	Candler	10	1,721	8/11/2008	Pre-con held, ready for construction
Canoe Landing	2007137	Woodfin	4	303	5/12/2008	Ready for construction
Central Valley	2006166	Black Mtn	12	472	8/8/2007	Punchlist pending
CVS-Acton Circle	2005163	Asheville	4	557	5/3/2006	Ready for final inspection
Bostic Place Sewer Relocation	2005102	Asheville	3	88	8/25/2005	Ready for final inspection
Kyfields	2003100	Weaverville	35	1,118	5/10/2004	Ready for final inspection
Reems Creek Cottages	2013066	Weaverville	17	483	11/15/2013	Under Construction
Camp Dorothy Walls - Ph. 2	2007294	Black Mtn.	Comm.	593	6/16/2009	Pre-con held, ready for construction
Burk Street Cottages	2012115	Asheville	27	631	10/24/2013	Ready for final inspection
Thoms Estate 3B & 4	2013052	Asheville	35	4,690	7/26/2013	Installing/Testing (75% Complete)
Carmel Ridge Apartments	2013018	Leicester	80	1,162	10/11/2013	Under Construction
Palisades Apartments	2013024	Asheville	224	1,423	9/4/2013	Ready for testing
Crest Mountain Phase 3B	2013041	Woodfin	69	1,329	10/15/2013	Under Construction
Ingles - Smokey Park Highway	2013135	Asheville	Comm.	1,289	4/11/2014	Under Construction
The Aventine	2011015	Biltmore Forest	300	3,238	10/14/2013	Under constr./some air testing complete
Echo Hills Cottages	2013121	Asheville	11	532	4/30/2014	Pre-con held, ready for construction
Eagle's Landing	2010015	Asheville	25	472	10/22/2013	Under Construction
Hunt Hill Apartments	2013111	Asheville	180	1,729	3/5/2014	Pre-con held, ready for construction
Hyde Park	2013058	Arden	65	3,062	12/3/2013	Pre-con held, ready for construction
Ramble Block "D"	2013074	Biltmore Forest	36	4,783	12/11/2013	Under Construction
Upper Kentucky Improvements	2013085	Montreat	N/A	284	12/3/2013	Under Construction
Isaac Dickson School Relocation	2013033	Asheville	School	504	1/13/2014	Under Construction
A.B. Tech Fernihurst Relocation	2014061	Asheville	School	697	4/8/2014	Under Construction
Locust Springs	2012107	Black Mountain	18	621	3/14/2014	Pre-con held, ready for construction
Telco - Weaverville		Weaverville	Comm.	110	5/12/2014	Pre-con held, ready for construction
Cottages at Glen Oak	2013142	Avery Creek	45	1,569	4/9/2014	Pre-con held, ready for construction
Biltmore Lake Block "J2"	2013128	Biltmore Forest	14	1,541	2/4/2014	Pre-con held, ready for construction
Gorilla Carwash - Weaverville	2013109	Weaverville	Comm.	236	11/15/2013	Ready for final inspection
TOTAL			2,081	79,559		