

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT  
MAY 20, 2015**

**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 p.m., Wednesday, May 20, 2015. Mr. VeHaun presided with the following members present: Belcher, Bryson, Creighton, Frost, Kelly, Manheimer, Pelly, Root, Watts and Wisler. Mr. Ashley was absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Dr. Joseph Martin with Woodfin Sanitary Water & Sewer District, and MSD Staff, Ed Bradford, Scott Powell, Peter Weed, Ken Stines, Mike Stamey, Jim Hemphill, Angel Banks, and Sondra Honeycutt.

**2. Inquiry as to Conflict of Interest:**

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

**3. Approval of the Minutes of the April 15, 2015 Board Meeting:**

Mr. VeHaun asked if there were any changes to the Minutes of the April 15, 2015 Board Meeting. With no changes, Ms. Frost moved for approval of minutes as presented. Mr. Watts seconded the motion. Voice vote in favor of the motion was unanimous.

**4. Discussion and Adjustment of Agenda:**

None

**5. Informal Discussion and Public Comment:**

Mr. VeHaun welcomed Dr. Martin, and new Board Member, Jon Creighton representing Buncombe County. He called on Mr. Creighton for comment. Mr. Creighton said he was glad to be back. Mr. Hartye presented Mr. Creighton with the traditional manhole puller. There was no public comment.

**6. Report of General Manager:**

Mr. Hartye reported the Preliminary Budget for Fiscal Year 2016 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 10<sup>th</sup>. With regard to the Budget, the Personnel, CIP and Finance Committees met prior to this meeting and will make individual recommendations to the Board.

Mr. Hartye reported The Government Finance Officers Association has recognized MSD with a Certificate of Achievement for the Fiscal Year 2014 Comprehensive Annual Financial Report (CAFR). He expressed his thanks to Scott Powell and Teresa Gilbert.

Mr. Hartye presented a letter from Thomas and Sylvia Young of 56 Arden Road regarding their appreciation for Wayne Rice. In addition, he presented a letter from Victoria Smith of Hill View Circle expressing appreciation of the service provided by Linda Phillips, Wayne Rice, McKinley Hensley, Travis Courtney, Robert Denny, and Nicholas Hercules.

Mr. Hartye reported the May Right of Way Committee meeting has been cancelled and the next meeting is scheduled for June 24<sup>th</sup> at 9 am. The next regular Board Meeting and Public Hearing will be held on June 10<sup>th</sup> at 2 p.m.

An appreciation lunch for Bill Stanley and Bill Russell will be held prior to the June 10<sup>th</sup> Board meeting at 1:15 pm.

**7. Report of Committees:**

**Right of Way Committee:**

Mr. Kelly reported the Right of Way Committee met on April 22<sup>nd</sup> to consider a Compensation Budget for Shadowlawn Drive Phase 2 GSR, and Condemnations – Hendersonville Road & Mills Gap Road GSR Project, which are a part of the Consolidated Motion Agenda.

**Personnel Committee:**

Mr. Hemphill reported the Personnel Committee met April 28, 2015, and accepted Staff's recommendation to provide a 1.5% Cost of Living adjustment as well as a 1.5% Merit Pay adjustment, and no increase or changes to the medical insurance contributions, with a financial impact of \$242,000. Additionally the Committee reviewed the Salary Study and the Executive Summary from Springsted Consulting. The search involved twenty (20) similarly sized agencies including the City of Asheville and Buncombe County; Thirty-five (35) benchmark positions were identified, and the Consultant recommended a 3.0% pay adjustment. There were only five (5) positions under the survey market by more than 6.0%. Mr. Hemphill further reported the Committee reviewed the Employee Handbook. The last version was in 2001 and was recently updated and reviewed by legal staff. A copy will be available to the Board prior to the June 10<sup>th</sup> Meeting. Ms. Manheimer asked who reviewed the Handbook. Mr. Hartye stated Jackie Grant with Roberts & Stevens.

**CIP Committee:**

Mr. Watts reported the CIP Committee met April 30, 2015. He expressed thanks to staff for their hard work in putting together a comprehensive PowerPoint presentation. The Committee recommends endorsement of the CIP Budget for FY 15-16 in the amount of \$21,849,858. Mr. Kelly stated the presentation given by Ed Bradford was well done.

**Finance Committee:**

Mr. Kelly reported the Finance Committee met May 7, 2015. He called on Mr. Powell for a report. Mr. Powell reported this year's budget includes both Personnel and CIP Committee recommendations. The total budget is \$47.5 million dollars which includes the following: Operating Budget of \$15.8 million; a 2.5% domestic rate increase (.66 cents in the average single family monthly bill); Continuation of the Industrial Rate Parity Plan – in year 16 of 20 with a 4% average increase for the industrial section; Facility and Tap Fee rates remain at 2015 levels, a 1.0% Rate of Return on investments; a 2.0% increase in Salaries and Benefits, and a 2.3% increase in Materials, Supplies and Services. The Committee recommends approval of the Proposed FY 2015-2016 Preliminary Budget as well as approval of the Schedule of Rates & Fees for FY2016.

**8. Consolidated Motion Agenda:**

**a. Consideration of Compensation Budget – Shadowlawn Drive Phase 2 GSR Project:**

Mr. Hartye reported that Phase 1 of this project was obtained in FY 2013-2014 and is currently under construction. Phase 2 is located just above Shadowlawn Drive off of Appalachian Way and consists of about 3,045 linear feet of 8" DIP to replace 8" and 4" VCP, PVC and some Orangeburg pipe still in the ground. The ROW Committee recommends approval of the Compensation Budget.

**b. Consideration of Condemnations – Hendersonville Road @ Mills Gap Road GSR Project:**

Mr. Hartye reported the ROW Committee voted to accept Staff's recommendation to obtain appraisals and proceed with condemnations.

**c. Consideration of Developer Constructed Sewer System for the Locust Springs Sewer Extension, Laurel Lane Sewer Relocation, and Hyde Park Phase 1:**

Mr. Hartye reported the Locust Springs Sewer Extension is located inside the District Boundary on Locust Street in the Town of Black Mountain. The project included extending approximately 570 linear feet of 8-inch public gravity sewer to serve the eighteen (18) unit residential development.

Mr. Hartye reported the Laurel Lane Sewer Relocation is located inside the District boundary in the Town of Black Mountain. The project included relocating approximately 110 linear feet of 8-inch public gravity sewer to serve the three (3) unit residential development.

Mr. Hartye reported the Hyde Park Phase 1 project is located inside the District boundary off Baldwin Road in Buncombe County. The project included extending approximately 1,725 linear feet of 8-inch public gravity sewer to serve the thirty-seven (37) unit residential development.

Staff recommends acceptance of the aforementioned developer constructed sewer systems. All MSD requirements have been met.

**d. Consideration of Proposed Amendment to the Sewer Extension Policy Section V1. G. – Economic Development Fee Waiver:**

Mr. Hartye reported the District had been asked by a member agency to consider expanding the current incentive for large new employers or expanding existing employers. Current District Policy waives the Facility Fee for a new or expanding industry that will create 200 new or addition jobs or provide one million gallons of wastewater flow per month to MSD. Since the current policy was adopted in 2004, three industries have taken advantage of the waiver, Jacob Holm Industries, Sierra Nevada and New Belgium. The amendment would help new or expanding industry mitigate some expense during the initial two years of operation.

Mr. Hartye presented an attachment with the following recommended additional language in Section V1. G. 2 of the Sewer Extension Policy. "Should the new or expanded entity provide actual revenues in excess of the applicable Facility Fee in the first 24 months of operation, MSD will share 50% of revenues in excess of the Facility Fee for the two year period with the entity." Mr. Hartye noted that there would be no cost to MSD (unlike the situation were MSD participates with a developer or member agency in a sewer line extension). The additional incentive would be limited to 24 months, and is subject to MSD's ability to accept and treat the wastewater. Ms. Manheimer asked how the subjectivity is injected into the provision as quoted. Mr. Hartye stated that any industry of this size would have to obtain a Permit to Discharge Industrial Waste from MSD. Volume and strength of the waste would be addressed during that process. Ms. Manheimer asked if there would a cap on the revenues that could be shared. Mr. Hartye responded that incentive would only be for those revenues in excess of the applicable facility fee and would be limited to the first two years of operation.

Ms. Frost said she appreciated staff bringing this recommendation to the Board in the way that they did. Mr. Clarke pointed out that the District needs to be careful in discriminating in rates among users. MSD has some existing rate discrimination

including a reduced Facility Fee for Affordable Housing and a Facility Fee waiver for large new or expanding industries. Both the reduced Facility Fee for Affordable Housing and the Facility Fee waiver were adopted in response to requests from member agencies. Mr. Clarke stated that MSD's function is to operate the sewer system so as to preserve and promote the public health and welfare within the District. Rate discrimination among users is reasonable as long as the District has a basis for such discrimination. In this case, Staff has provided such bases, which include increased revenues for the District and additional jobs for the community.

Mr. Pelly said if a new industry does not have enough usage to get this incentive, is MSD setting itself up for discrimination versus an industry that can benefit from the incentive? Mr. Clarke said no, since the policy is clear. There are two components, jobs and flow. Mr. Pelly asked where this might be applicable. Mr. Hartye stated this could be applicable to any large new or expanding industry flow and jobs such as a brewery, or industry like Milkco with high flow and BOD. Mr. Manheimer asked if there is general authorizing legislation for economic incentives for utilities. Mr. Clarke stated utilities do not have specific authority for economic incentives (other than the authority to set rates), but a response to a request from member agencies would fall within the public health and welfare of the District. Mr. Creighton said one of the keys to bringing in new industry is up-front cost, and he appreciates staff bringing this recommendation to the Board. Ms. Wisler asked if there were any wage level on the 200 new jobs. Mr. Clarke said no. It has been the District's position that such a request should come from the member agencies. Mr. Hartye added that the District adopted the reduced Facility for affordable housing, the definition of "affordable" (\$150,000) was provided by member agencies

**e. Cash Commitment/Investment Report – Month Ended March 31, 2015:**

Mr. Powell reported Page 41 presents the makeup of the District's Investment Portfolio. There has been no change in the makeup of the portfolio from the prior month. Page 42 is the MSD Investment Manager report as of the month of March. The weighted average maturity of the investment portfolio is 376 days. The yield to maturity is .56%; exceeding bench marks of the 6 month T-Bill and NCCMT cash portfolio. Page 43 is an Analysis of the District's Cash Receipts. Monthly and YTD domestic & industrial sewer revenue are considered reasonable based on timing of cash receipts in their respective fiscal periods. YTD Facility & Tap fees are above historical trends due to the timing of three (3) cash receipts from developers as well as these fees being budgeted conservatively. Page 44 is an analysis of the District's Expenditures. 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 the timing of capital projects, YTD expenditures can vary year to year. Based on the current outstanding capital projects, YTD capital project expenditures are considered reasonable. Page 45 is the MSD Variable Debt Service report. The 2008A Series refunding bonds are performing better than budgeted expectations. As of the end of April, the issue has save District rate payers \$3.9 million dollars in debt service since April 2008.

With no discussion, Ms. Frost moved for approval of the Consolidated Motion Agenda as presented. Mr. Watts seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

**9. Consideration of Resolution Adopting the Preliminary Budget for FY2015-2016 and Schedule of Sewer Rates & Fees:**

Mr. Hartye presented the Resolution adopting the Preliminary Budget and Sewer Use Charges for FY 2015-2016. He called on Mr. Powell for a presentation. Mr. Powell

reported that Page 61 is the District's Budget message which includes the Current Year Highlights. He stated that domestic and industrial revenue are expected to meet budgeted projections. Page 62 is the Operating Budget section which outlines the proposed \$15.8 million O&M budget and proposed changes for the upcoming year. Page 63 is the Capital Improvement Program section which outlines the proposed \$21.8 million construction budget as well as the outstanding debt and debt service. Page 65-66 is the Sewer Rate Increase section which outlines the past five-year domestic rate increases and the proposed FY16 domestic rate increase of 2.5%. Page 68 is 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 needed, budget amendments. Page 71 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. Page 73 is the proposed \$47,484,577 FY 16 budget which incorporates the following: A 2.5% domestic rate increase (.66 cent increase in the average single family monthly bill); Continuation of the Industrial Rate Parity Plan (in year 16 of 20, and 4% average increase for the industrial section); Facility and Tap fees remain at 2015 levels; a 1% rate of return on investments; 2.0% increase in Salaries and Benefits, which has an impact of \$242,000. This 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, and a 2.3% increase in Materials Supplies and Services, which has an impact of \$144,000, due to increase regulations pertaining to EPA Title 5 permitting for the incinerator. Page 81 is 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 94 is the Insurance Fund Section. This is a concise overview of the various insurance funds along with their respective proposed budgets for FY 16 and includes FY 14 actuals and current year projected actuals. Page 99 is the Replacement Fund section. This is an overview of the various replacement funds along with their respective proposed budgets and FY14 actuals and current year projected actuals. Page 104 is 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. The total budget for this year is \$21.8 million dollars. Page 117 is the Debt Financing section. This is an overview of debt management as well as a brief description of capital projects funding. Available is a detailed listing of current outstanding debt as well as an aggregate debt service for each outstanding issue. Page 126 is the Appendix section. This includes the proposed FY16 budget resolution with the schedule of rates and fees, and includes a flow of funds graphical representation of the budget resolution.

With no discussion, Mr. Belcher moved for approval of the Resolution Adopting the Preliminary Budget for FY 2015-2016. Ms. Bryson seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

Mr. VeHaun called for a motion to approve the Schedule of Sewer Rates & Fees for FY 2015-2016. Mr. Root moved for approval. Mr. Watts seconded the motion. Roll call vote was as follows: 11 Ayes; 0 Nays.

**10. Old Business:**

Mr. Clarke reported the briefing is complete in the water lawsuit. In addition to the brief filed by the City of Asheville, the League of Municipalities filed a brief in support of the City's position as did the City of Wilson. Oral arguments will take place in the Court of Appeals on June 3<sup>rd</sup>.

**11. New Business:**

Mr. VeHaun announced that Jackie Bryson agreed to accept the Chairmanship of the Personnel Committee, replacing Mr. Stanley.

**12. Adjournment:**

With no further business, Mr. VeHaun called for adjournment at 2:46 p.m.

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Jackie W. Bryson, Secretary/Treasurer

# MSD

## Regular Board Meeting

Metropolitan Sewerage District  
of Buncombe County, NC

### AGENDA FOR 5/20/15

✓	Agenda Item	Presenter	Time	
	Call to Order and Roll Call	VeHaun	2:00	
	01. Inquiry as to Conflict of Interest	VeHaun	2:05	
	02. <a href="#">Approval of Minutes of the April 15, 2015 Board Meeting.</a>	VeHaun	2:10	
	03. Discussion and Adjustment of Agenda	VeHaun	2:15	
	04. Informal Discussion and Public Comment.	VeHaun	2:20	
	05. <a href="#">Report of General Manager</a>	Hartye	2:30	
	06. Report of Committees:	VeHaun	2:45	
	<ul style="list-style-type: none"> <li>a. <a href="#">Right of Way Committee – 4/22/15 – Kelly</a></li> <li>b. <a href="#">Personnel Committee – 4/28/15 – Stanley</a></li> <li>c. <a href="#">CIP Committee – 4/30/15 – Watts</a></li> <li>d. <a href="#">Finance Committee – 5/7/15 - Kelly</a></li> </ul>			
	07. Consolidated Motion Agenda		3:00	
	<ul style="list-style-type: none"> <li>a. <a href="#">Consideration of Compensation Budget –Shadowlawn Drive Phase 2 GSR.</a></li> <li>b. <a href="#">Consideration of Condemnation – Hendersonville Road @ Mills Gap Road GSR.</a></li> <li>c. <a href="#">Consideration of Developer Constructed Sewer Systems: Locust Springs; Laurel Lane, and Hyde Park Phase 1.</a></li> <li>d. <a href="#">Consideration of Amendment to Sewer Extension Policy – Economic Development Fee Waiver</a></li> <li>e. <a href="#">Cash Commitment/Investment Report – Month Ended March 31, 2015.</a></li> </ul>	Hartye		
	08. Consideration of <a href="#">Resolution Adopting the Preliminary Budget for FY 2015-2016 and Schedule of Sewer Rates &amp; Fees. FY2016 Preliminary Budget.</a>	VeHaun	3:20	
	09. Old Business:	VeHaun	3:35	
	10. New Business	VeHaun	3:40	
	11. Adjournment (Next Meeting & Public Hearing) 6/10/15	VeHaun	3:50	
	<a href="#">STATUS REPORTS</a>			

**BOARD OF THE METROPOLITAN SEWERAGE DISTRICT  
APRIL 15, 2015**

**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 15, 2015.

Chairman VeHaun presided with the following members present: Ashley, Belcher, Bryson, Kelly, Manheimer, Pelly, Stanley, Watts, and Wisler. Ms. Frost and Mr. Root were absent.

Others present were: Thomas E. Hartye, General Manager, William Clarke, General Counsel, Forrest Westall with McGill Associates PA, Mary Knosby and Brian Thorsvold with HDR Consulting, and MSD Staff, Ed Bradford, Scott Powell, Peter Weed, Ken Stines, Mike Stamey, Jim Hemphill, Sam Sirls, Hunter Carson, and Sondra Honeycutt.

**2. Inquiry as to Conflict of Interest:**

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

**3. Approval of Minutes of the March 18, 2015 Board Meeting:**

Mr. VeHaun asked if there were any changes to the Minutes of the March 18, 2015 Board Meeting. With no changes, Mr. Stanley moved for approval of the Minutes as presented. Mr. Watts seconded the motion. Voice vote in favor of the motion was unanimous.

**4. Discussion and Adjustment of Agenda:**

None

**5. Informal Discussion and Public Comment:**

Mr. VeHaun welcomed Ms. Knosby and Mr. Thorsvold. There was no public comment.

**6. Report of General Manager:**

Mr. Hartye reported that over the next month, the budget will hit the Committee stage with the Personnel Committee, the CIP Committee, and the Finance Committee meetings to consider the FY16 Budget recommendations to the Board. The Preliminary Budget will come before the MSD Board at the May 20<sup>th</sup> regular meeting, with the Final Budget brought before the Board on June 10<sup>th</sup> when a Public Hearing will be held.

The next ROW Committee meeting is scheduled for April 22<sup>nd</sup> at 9 am. The Personnel Committee will meet April 28<sup>th</sup> at 9 am. The CIP Committee will meet April 30<sup>th</sup> at 8:30 am. The Finance Committee will meet May 7<sup>th</sup> at 9 am. The next regular Board Meeting will be held on May 20<sup>th</sup> at 2 pm.

**7. Consolidated Motion Agenda:**

**a. Consideration of Developer Constructed Sewer Systems: Myra Place Sewer Extension, and Aventine Sewer Extension:**

Mr. Hartye reported the Myra Place Sewer Extension project is located inside the District boundary off East Starnes Cove Road in the City of Asheville. The project included extending approximately 85 linear feet of 8-inch public gravity sewer to



serve the twelve (12) unit residential development. Staff recommends acceptance of the developer constructed sewer system. All MSD requirements have been met.

Mr. Hartye reported the Aventine Sewer Extension project is located inside the District boundary near the intersection of Long Shoals Road and Clayton Road in Buncombe County. The project included extending approximately 2,540 linear feet of 8-inch public gravity sewer to serve the 312 unit apartment complex. This extension ties into the West French Board Master Plan Interceptor completed in 2014, which was a partnership with the Developer to bring an interceptor down to one of MSD's nearby pump stations to the aforementioned intersection. Staff recommends acceptance of the developer constructed sewer system. All MSD requirements have been met.

**b. Cash Commitment/Investment Report Month Ended February 28, 2015:**

Mr. Powell reported Page 13 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 Portfolio is in accordance to the District's investment policy. Page 14 is the MSD Investment Manager report as of the month of February. The weighted average maturity of the investment portfolio is 277 days. The yield to maturity is 0.46% and exceeds MSD bench marks of the 6-month T-Bill and NCCMT cash portfolio. Page 15 is the MSD Analysis of Cash Receipts. 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 three (3) developments as well as staff's conservative budgeting of impact fees. Page 16 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 and budgeted funds are expected to be spent at year end. Page 17 is the MSD Variable Debt Service report for the month of March. The 2008A Series Refunding bonds are performing better than budgeted expectations. As of the end of March, both issues have saved District customers \$3.9 million dollars in debt service since April of 2008. With regard to the Month End Portfolio Information, Mr. Kelly asked if the Yield to Maturity figure is continuing to go down. Mr. Powell stated because of the need for cash for the CIP Plan, MSD has to keep the investment horizon very short. Mr. Kelly asked if the NCCMT is only getting one tenth of one percent. Mr. Powell said yes. Mr. Kelly further asked if it's true that some money market funds are charging twenty basis points for investing the funds, and if this is the direction MSD is going. Mr. Powell stated this is the reason you only see one basis point, because this is what investment companies are charging for investment services to the NCCMT.

With no further discussion, Mr. Watts moved for approval of the Consolidated Motion Agenda. Mr. Ashley seconded the motion. Roll call vote was as follows: 10 Ayes; 0 Nays.

**8. Facilities Plan Update:**

Mr. Hartye reported in 2007 CDM Smith prepared a comprehensive Facilities Plan which provided near, mid-term and long-term recommendations. Many of the near and mid-term improvements are complete. The Facilities Plan needed to be updated because of the changing regulatory environment over the next twenty years; issues with processes meeting the end of their use life, and looking at replacements and examining new technologies going forward. In March, 2014, HDR Consulting was hired to update

the plan. Mr. Hartye called on Ms. Knosby and Mr. Thorsbold for an update.

Ms. Knosby reported the first few months of the project were spent gathering background information from staff to get a better understanding of the plant. They did a Facility Assessment because of issues with various processes such as the screens and the grit as well as some things they would consider re-using in the future. There were a lot of different disciplines; electrical, structural and mechanical issues on site, as well as doing a regulatory assessment. The next step was establishing planning criteria for the future facility, both near-term, mid-term as well as long-term improvements. They looked at the loads coming into the plant, even though the industrial contingent is much less than it previously was, and continue to work with MSD staff to determine what needs to be planned for. They looked at the Preliminary & Primary Treatment, (near-term and mid-term) processes which include Screening, Grit Removal, EQ/Surge Tanks; Primary Treatment and Hydraulic Profile as well as improvements to the property itself. Biological treatment includes short-term, phased, and long-term regulatory considerations, and Interim RBC retrofit plan. Other considerations include Hydraulics, Constructability, Cost; Primary Treatment Pilot Testing (Actiflo and CoMag); Regulatory Strategy, and Ammonia Reduction Evaluation.

Ms. Knosby reported the Parallel Planning Approach identifies the best-fit phased facility plan that implements the right solution at the right time; key considerations and facility planning options. At the Project Initiation Workshop held March 27, 2014, they established, as a team, the goals and objectives of the plan with an emphasis on a complete and phased Facility Plan Update. The biggest concerns were grit removal, screening, future of RBC's and future regulatory requirements. Because MSD wants to stay up-to-date from a maintenance perspective, including newer technologies, it was important to consider future flexibility; how large the plant needs to be 20-40 years from now. On an historical perspective, Mr. Hartye stated a lot of the plant design back in the 80's was centered on the fact that the plant had a small footprint because of a high rock cliff. Therefore, typical activated sludge, which is what most entities used down East, would not fit for the 40mgd plant. Along with that, EPA limited their grant contributions to new technology. One of the new technologies at the plant was the Primary Microscreens, which did not quite pan out. Ms. Knosby reported that other goals and objectives include identifying project phasing; maximizing gravity flow through the plant and minimize/eliminate re-pumping at the intermediate pumping station; peak flow management, and prepare an ammonia reduction evaluation for permit renewal.

Ms. Knosby reported on the following MSD initiated improvements: Gate Replacement to isolate RBC's; RBC Replacement for improved performance/efficiency; RBC Tank Clean-out to remove grit/solids build-up; RBC improved maintenance planning, and Influent Pump Replacement plan for future hydraulics. Ms. Knosby presented slides showing the installation of new RBC's shipped to MSD from West Virginia. She further reported on the Overall Evaluation Recommendations which include System upgrades performed in process order to facilitate operations and allow elevation of hydraulic profile; Phased improvements approach; Influent pumping, Fine screening, Grit removal, and Primary treatment improvements to be implemented in the near term prior to biological process upgrade, and Surge/equalization system, which limits peak flow to 65mgd, while treating 80mgd through the screening and grit facility. She presented slides showing an aerial of the French Broad River WRF, and recommended site layout. Ms. Knosby turned the presentation over to Brian Thorsvold.

Mr. Thorsvold stated the concept behind the layout is to build everything while the plant is operating. Once everything is built and operable, we will tie into the existing piping and bring it on-line; minimizing any downtime. He presented slides showing the existing screens; basket cleaner; grit removal process, and new fine screening (1/4 inch perforated plates) which enhances all downstream processes; helps the RBC's to be more efficient; reduces maintenance, and is required for future biological upgrades.

He presented slides showing all the grit and screenings that by-passed the grit removal process and settled in the RBC basin, and the RBC after removal of several feet of grit accumulation. Two (2) new grit removal processes were evaluated (Forced vs. Free Vortex technologies) and it was found that although the Eutek Headcell™ has a higher efficiency with fine grit, the Smith and Loveless PISTA® grit 360 with V-force™ is a better value and fits on the site. Mr. Pelly asked if this will extend the useful life of the RBC's. Mr. Hartye stated some of the RBC's have reached their useful life and have been replaced. To date 20 RBC's have been replaced and another 5-10 will be replaced which will get MSD through the planning period, so "the useful life" of the RBC's will not be an issue for the next 10-15 years. Mr. Thorsvold presented a slide showing the re-purposed Anaerobic Digesters for wet weather which hold 2.1mg of storage each. Mr. Hartye reported during a big microburst in Woodfin some years back, the plant had a hard time keeping ahead of the flow and had to open up a construction area that was taking place at the time to deal with that. The digesters were decommissioned several years back. Plant personnel will be rehabbing the outside of the digester buildings during the spring and summer. In addition to looking at overall evaluation recommendations, Mr. Thorsvold stated they looked at primary treatment improvements, and based on the size of the site and constraints, chemically enhanced high rate primary treatment is recommended. In December, 2014, they pilot tested new technology (Actiflo and CoMag) which are high rate chemical treatment processes, and explained how each process works.

Ms. Knosby reported overall evaluation recommendations include restoration of the RBC process; transitional upgrade strategy (end of useful life vs. regulatory requirement). Of the 152 RBC's, 40 were out of service, and to date, 20 have been replaced. Other recommendations include Long-term biological alternatives based on achieving ammonia reduction scenarios; Starting point – "Universe of Alternatives"; narrowed to three, (Activated sludge, MBBR, IFAS) all preceded by high rate primary treatment. Implementing the Facility Plan Update include Additional RBC replacements; On-going maintenance plan; Preliminary treatment improvements project – Fine screening, Grit removal, Surge Tank/Flow EQ; High-rate primary treatment improvements project, and Biological improvements – based on regulatory requirements and/or end of useful life.

Ms. Knosby reported the Overall Cost Summary includes Fine screening, Grit removal and Surge tank/flow equalization for a total cost of \$6.3 million; Primary treatment (high rate) \$9-10 million; Total near and mid-term improvements (0-10 years) \$15.6-\$16.6 million, and Biological-Activated Sludge/MBBR/IFAS (10-20 years) \$40-\$55 million. Mr. Hartye stated MSD needs to get a clearer vision of what the regulatory landscape is before long-term improvements begin. Mr. Watts asked where MSD stands on the issue of grease. Mr. Hartye stated MSD's Pretreatment staff handles all of the restaurants; requiring them to have interceptors under the sink or out in the parking lot. In addition, MSD has the "Can the Grease" education program to try to reduce grease coming to the plant. Mr. Watts asked if the existing grit removal system separates the grease. Mr. Weed said it does, but does not remove as much as it needs to; one cubic foot per day. He explained the high-rate primary clarifier system MSD is looking at will also attack the grease in a different way. Ms. Wisler asked how the long-term costs compare with previous long-term CIP plans. Mr. Hartye stated MSD's current CIP averages about \$20 million a year. The 10-year CIP is about \$200 million, which includes the \$17 million near and mid-term improvements which is 8.5% of the total CIP.

Mr. Hartye expressed his appreciation to Mary Knosby and Brian Thorsvold with HDR for their outstanding effort on this project.

## 9. Old Business

None

**10. New Business:**

Mr. Kelly asked what percentage of water treated is from infiltration/inflow as opposed to being piped. Mr. Hartye said the last time it was calculated it was about 40%. Mr. Kelly asked what is being done about this problem. Mr. Hartye stated some is reduced through rehabilitation as well as stormwater connections to MSD mains that must be disconnected. Mr. Kelly asked if this is discovered by accident during rehab. Mr. Hartye stated MSD uses flow monitoring first, then they go into a particular area and do smoke and dye testing to find the problem. In addition, many of the MSD mains are so old they have structural damage, which leads to leakage.

**11. Adjournment:**

With no further business, Mr. VeHaun called for adjournment at 2:55 p.m.

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Jackie W. Bryson, Secretary/Treasurer



## MEMORANDUM

TO: MSD Board  
FROM: Thomas E. Hartye, P.E., General Manager  
DATE: May 14, 2015  
SUBJECT: Report from the General Manager

- Fiscal Year 2016 Budget

The Preliminary Budget will come before the MSD Board at the May 20<sup>th</sup> Regular Meeting along with the recommendations of the CIP, Personnel and Finance Committees. The Final Budget will be brought before the Board on June 10<sup>th</sup> when a Public Hearing will be held.

- GFOA Certificate of Achievement for FY 2014 CAFR

The Government Finance Officers Association has recognized MSD with a Certificate of Achievement for the Fiscal Year 2014 Comprehensive Annual Financial Report (CAFR). Many thanks to Scott Powell and Teresa Gilbert.

- Kudos

- Attached letter from Thomas and Sylvia Young of 56 Arden Rd. regarding their appreciation for Wayne Rice.
- Attached letter from Victoria Smith of Hill View Circle expressing appreciation for the service provided by Linda Phillips, Wayne Rice, McKinley Hensley, Travis Courtney, Robert Denny, and Nicholas Hercules.

- Board/Committee Meetings/Events

The May ROW Committee Meeting has been cancelled and the next meeting is scheduled for June 24<sup>th</sup> at 9am. The Next Regular Board Meeting will be held June 10<sup>th</sup> at 2 pm.

We will have an appreciation lunch for Bill Stanley and Bill Russell just prior to the June 10<sup>th</sup> Board meeting at 1:15pm.

Thomas & Sylvia Young  
56 Arden Road  
Asheville, NC 28803  
828-250-0458

April 8, 2015

MSD

Attn: Lisa Tolley  
2028 Riverside Drive  
Asheville, NC 28804

Exceptional Employees!

This morning my husband and I got to call the MSD due to a sewer backup. We were of course not happy to be making such a call, but Linda, the dispatcher, was so pleasant and professional and helpful that she put us at right at ease.

Wayne Rice arrived on the scene within what seemed like minutes. He expertly assessed the problem and called the appropriate equipment to our address. The team worked quickly and together had us "unstuck" in short order.

Mr. Rice stayed on the scene the entire time, explained the procedures and steps and answered all my questions. He also helped me understand the advantage of considering having a clean-out installed, in case of future problems.

Wayne Rice and the rest of your staff made our entire experience easier. You can be proud to have such capable, friendly and competent staff!

Sincerely,

*Sylvia Young*  
Sylvia Young

*Linda Phillips*  
*Wayne Rice*

WO: 223347

April 14, 2015

To Whom It May Concern:

A sincere thank you to the men who repaired our sewer drain on Hillview Circle on 4-14-15. My husband and I woke up to an unpleasant site of an overflow from the clean out in our front yard on 4-13-15. We just had a new drain and clean outs put in last summer and didn't understand why we would be having an issue with overflow. We called the plumber who installed the drain and was told that we would need to call Metropolitan Sewage District. The young lady I spoke with at MSD was very pleasant and accomadating. She gathered our information and told us that she would send someone out as soon as possible. Shortly after speaking with the young lady on the phone, someone from MDS did arrive and his name was Mr. Wayne Rice. He was extremely kind and knew immediately what the problem was with our drain. He could also tell that I was overwhelmed and didn't know what to do, he reassured me that the problem would be resolved and that it would be okay for me to go on to work, he would take care of everything. He took my phone number and told me he would call with the details for the repair. Mr. Rice called me shortly after I arrived at work (very quickly) and informed me that someone would be arriving at our residence first thing the next day to take care of the problem. He even gave me his personal number in case I had questions. Just as he promised a crew began work early the very next day and the work was completed before I returned home from work. Mr. Rice called me after the work was completed and explained what had been done and that he had personally gone by our residence to check and make sure everything was okay. When I arrived home I was VERY PLEASED with the work and the care that was taken with our yard. It gave me the feeling that the people that had done the work really cared, which means a lot to me and my husband. I want to thank everyone at MSD who were so helpful to us, from the young lady who took my call, to the men who did the work and took care of the problem and our yard and a very special thanks to Mr. Wayne Rice who was so kind and caring and put me at ease with this entire process.

Linda Phillips  
Wayne Rice  
McKinley Hensley  
Travis Courtney

Nicholas Horcula  
Robert Denny

Many Thanks,  
*Victoria Smith*  
Victoria Smith

WO: 223460<sub>1</sub>, 223461

**RIGHT OF WAY  
COMMITTEE RECOMMENDATIONS  
AND MINUTES  
April 22, 2015**

**I. Call To Order**

The regular monthly meeting of the Right of Way Committee was held in the Boardroom of the William H. Mull Building and called to order at 9:01 a.m. on Wednesday, April 22, 2015. The following Right of Way Committee members were present: Glenn Kelly, Matt Ashley Jr., Jackie Bryson, Ellen Frost, Esther Manheimer and Chris Pelly.

Others present were: Billy Clarke, MSD Counsel; Jerry VeHaun, Chairman of the Board; Joe Belcher and Al Root, Board Members; Tom Hartye, Ed Bradford, Angel Banks, Darin Prosser, Wesley Banner and Pam Nolan, M.S.D.

**II. Inquiry as to Conflict of Interest**

Mr. Kelly inquired if anyone had a conflict of interest with Agenda items. There were none.

**III. Consideration of Compensation Budget – Shadowlawn Drive Phase 2 GSR,  
Project No. 2013005**

The attached Compensation Budget is based on current ad valorem tax values and follows the MSD approved formula.

**STAFF RECOMMENDATION: Approval of Compensation Budget.**

Ms. Banks explained that Phase 1 of this project was obtained in FY 2013-2014 and is currently under construction. This phase is located just above Shadowlawn Drive off of Appalachian Way consists of about 3045 linear feet of 8” DIP to replace 8” and 4” VCP, PVC and some orangeburg pipe still in the ground. There was no discussion. Ellen Frost made the motion to accept Staff’s recommendation. Glenn Kelly seconded the motion. Voice vote was unanimous.

**COMMITTEE RECOMMENDATION: Approval of Compensation Budget.**

**IV. Consideration of Condemnations – Hendersonville Road @ Mills Gap Road  
GSR, Project No. 2008185**

**Ingles Markets Inc., Pin Numbers 9655-15-4800, 9655-15-3560 & 9655-15-8440**

The subject parcel is commercially zoned and improved with a grocery store and multiple retail tenants. The proposed sewer crosses the width of the parking area and is in the same location as the existing sewer, except for 165 lineal feet that was relocated to provide the owner more buildable area. The owner’s main concern is impact to their business due to loss of a large parking area during construction. They therefore requested a design revision. The owner also stated the compensation of \$177,294 was insufficient.

MSD’s engineer explored changing from an open dig construction to use of pipe bursting technology. This trenchless technology was possible with the exception of the 165 linear foot section relocated away from the existing trench. MSD made this design change and offered night work to greatly reduce the project’s impact. Another result of the design change was a reduction in easement area (easements are not acquired with trenchless construction). Accordingly, the compensation was reduced to \$42,069.



Despite many conversations, and MSD's efforts to significantly minimize impact, the owner has been unwilling to move forward.

Total Contacts: 9

**Arnold Kalogerakis, Pin Number 9655-25-2178**

The subject parcel is commercially zoned and improved with a bank. The proposed sewer crosses the extreme southwest corner of the property and is in approximately the same location as the existing sewer, except for 65 linear feet that was relocated because of a retaining wall over the existing sewer. The bank has requested after hours work, landscaping provisions and paving restoration, all for which MSD has made provisions.

In addition to the building lease there is a 50-year ground lease. For an effective easement grant, both leaseholders must be parties to the agreement. Neither leaseholder is willing to sign as both believe they are entitled to the compensation (\$20,185). The owners believe they are entitled to the compensation, and are not willing to give the compensation to the leaseholders. MSD's policy is to compensate the owner. That policy is waived only if 1) a written lease exists that stipulates disposition of such compensation to leaseholders or 2) the owner directs MSD in writing to compensate the leaseholders.

Despite several conference calls and emails with leaseholders, their attorneys and MSD attorneys, negotiations have reached an impasse.

Total Contacts: 15

**STAFF RECOMMENDATION: Authority to obtain appraisals and proceed with condemnations.**

Ms. Banks explained the above condemnations. Regarding the Ingles condemnation, Ms. Manheimer asked if the owners were represented by Counsel. Ms. Banks stated that they did have their own Counsel. Mr. Clarke said his name was Dan Hicks. Regarding the Kalogerakis parcel, Ms. Frost asked if this situation was common, Ms. Banks stated that it didn't happen a lot but was not uncommon. Mr. Clarke stated that if you file a condemnation you deposit the money into the court and name everyone with an interest in the property and the court decides who gets the money. There was some discussion regarding the number of people who would have an interest in this situation. Ms. Banks stated that MSD has tried to get those involved to sort this out among themselves with no results. Ms. Banks stated that at the time of this meeting, the leaseholders had contacted MSD and stated that they were willing to give up the compensation. There was no further discussion. Ms. Frost made the motion to accept Staff's recommendation. Mr. Kelly seconded the motion. Voice vote was unanimous.

**COMMITTEE RECOMMENDATION: Authority to obtain appraisals and proceed with condemnations.**

**V. SUBJECT: Quarterly Report – Third Quarter**

Attached you will find a Project Status Summary for all active acquisition projects. This report provides information on percentage of easements complete, percentage of compensation expended and comments on condemnations. This information is provided for your review.

**STAFF RECOMMENDATION: For information only. No action required.**

**VI. Other business:**

There being no further business the meeting adjourned at 9:12 am.

# PERSONNEL COMMITTEE MEETING

April 28, 2015

9:00 a.m.

## 1. Call to Order

Bill Stanley called the meeting to order at 9:02 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 Ellen Frost. Also present were Jerry VeHaun, Billy Clarke, Tom Hartye, Jim Hemphill, Scott Powell, Mike Stamey, and Pam Thomas.

## 2. Inquiry as to Conflict of Interest

Mr. Stanley stated there was none at this time.

## 3. Employee Handbook Review

Mr. Hemphill reviewed the Employee Handbook. The last version was in 2001 and we operated according to legal requirements. The handbook has been reviewed by Mr. Hartye, the Division Directors, and is currently with legal counsel. The main topics are; information about the District, Core Values, and day to day operational functions. Mr. Clarke stated that his partner Mrs. Grant is reviewing and that she felt the handbook was put together very well. He also stated that Mrs. Grant and he will meet with Mr. Hemphill to go over any changes. Mr. Root asked why does the District have a requirement for a valid North Carolina Driver's License, along with what happens in losing their license, and do we need to have that requirement. Mr. Hemphill stated that the District has a requirement that all employees have a valid driver's license because at one point or another everyone could drive a company vehicle. Mr. Stanley asked do the employees need a special driver's license? Mr. Hemphill replied that in some cases employees are required to have a commercial driver's license. If an employee loses their license, we will evaluate and make a judgment about what we can do until the license's has been renewed. Mrs. Frost asked during the employment process if one of the requirements is to have a valid driver's license? Mr. Hemphill stated yes and it is currently in our job descriptions. Mr. Root asked if a final paper check is still a practice during the termination process. Mr. Hemphill stated yes and at the time of termination, paper check is used to be sure property and keys are returned.

## 4. 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 2003 with 158 employees to FY 2015-16 at 147 employees. She also presented demographic information showing the average employee is 48 years old and has worked at MSD for 13 years; the turnover rate for last year was 1.3%. Mrs. Frost asked if we have any recruitment process that would change the demographic make-up of our employees. Ms. Thomas stated that we post all our openings at the minority locations. Mr. Hemphill stated that we get a large Caucasian applicant pool and that we are not required to have an Affirmative Action Plan. Mr. Root asked if we have downsized all that we can since we have reduced positions since 2003? Mr. Hartye stated, since 2000 we have come down from 168 to 147 positions due to re-engineering of jobs. If we continue to expand with new industry coming in the area, we could be in the range of 150 positions.

Ms. Thomas also presented information about our Employee Events: Company Picnic, United Way Day of Caring projects, training opportunities, Operations Challenge, and our Wellness programs: a) newsletter b) MAHEC study on cholesterol and blood pressure screenings c) Weight watchers, total amount of weight loss is 150.4 lbs. d) 5K color run e) Licensed Acupuncturist presenting information to employees about benefits d) Woodfin Water Representative participating in Wellness Committee e) healthy snacks in vending machine. She also reviewed our on-going Succession Planning program, working with Division Directors to continually identify potential leaders.

## **5. Consideration of Self Insured Health Plan & Pay Adjustment/Compensation Study**

Mr. Hemphill presented staff recommendations of a 1.5% Cost of Living adjustment for all employees, and a 1.5% Merit fund for outstanding employees, medical insurance contributions to remain at the same level as FY15 with no premium increases, and no changes to the benefits currently offered.

Mr. Hemphill presented some background information which included:

- The District considers cost of living and merit pay to keep our compensation program competitive and retain skilled, high-performing employees.
- Performed a compensation survey and the consultants recommended that we increase our pay ranges by 3.0% to stay competitive.
- Under our Health Insurance, this fiscal year, MSD has had several medical events that adversely affected group medical costs. The initial projected increase is 7.5% over last year expenditures the final agreement is less.
- 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. Pursuing other similar opportunities.
- Continue to offer several Health & Wellness programs: “House Calls”, MAHEC testing for a calculated risk factor for receiving cholesterol and blood pressure disease, “Asheville Project”, and additional on-site programs.
- 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. Watts asked what percentage of employees will get the merit increase. Mr. Stanley asked what the criteria are for an “outstanding employee”. Mr. Hartye stated that the criteria are up to the Division Director and they are allotted a 1.5% merit pool of money. The amount of money given varies. Mr. Powell stated that the last time we had a merit every employee received some type of merit money.

Mr. Root asked at what level does the health insurance cost become a red flag. Mr. Powell stated we can’t plan for the two major issues that happened, but still were able to meet budget by using reserves. We are also looking at new PBM’s (Prescription Benefits Managers) which could save an additional \$100,000. Using the balance of the reserve fund helped to temper the funds needed.

Mr. Hemphill presented the compensation study from Springsted Consulting Firm. They wanted to commend the Board for allowing the rate structure and pay levels to be annually adjusted to meet market comparison.

- The search involved 20 (twenty) similar agencies (utilities, counties, and cities)
- Thirty-five (35) benchmark positions were identified.
- MSD’s labor grades increase the range to 3.0%.
- Recommended a 3.0% pay adjustment.
- Only 5 positions under the survey market by more than 6.0%.

Mrs. Frost asked if the employees who make below \$40,000 are they able to find housing in Buncombe County. Mr. Hemphill stated without research we can’t answer the question. Majority of our blue collar workers are between the salary range of \$32,000 and \$48,000, so their standard of living goes up quickly. Mr. Hartye stated that most of the line employees (lower paid) are from this area.

**The Fiscal Impact:**

The proposed salary and benefit adjustment costs are 2.01% (\$242,000) higher than last years’ budget.

**6. Recommendation:**

Mr. Watt’s moved and Mrs. Bryson seconded the recommendation that the Board approve a 1.5% Cost of Living and a 1.5% Merit 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.

**7. Other**

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

**8. Adjourn**

With no further business, Mr. Stanley adjourned the meeting at 9:56 AM. No future meeting has been scheduled.

# CAPITAL IMPROVEMENT PROGRAM COMMITTEE

## Minutes

April 30, 2015

8:30 a.m.

The Capital Improvement Program Committee of the Metropolitan Sewerage District met on April 30, 2015 at 8:30 a.m. in the Mull Administration Building on Riverside Drive in Woodfin with the following persons present: Robert Watts - Committee Chairman; Matt Ashley, Jon Creighton, Marcus Jones, Jonathan Kanipe, Joseph Martin, Chris Pelly, Michael Morgan, Jason Young, Greg Shuler - CIP Committee members; Jerry Vehaun – Board Chairman; Jackie Bryson, Glen Kelly, Al Root, and Bill Stanley – MSD Board members; Tom Hartye – MSD General Manager; Forrest Westall – McGill Associates; Ed Bradford, Mike Stamey, Scott Powell, Angel Banks, Peter Weed, Hunter Carson, Ken Stines, Wesley Banner, Pam Nolan, Darin Prosser, Denise Moore, 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 CIP committee meeting. He then turned the meeting over to Mr. Hartye who also thanked everyone for coming and explained that this committee was developed as part of consolidation in the 1990's when the collection systems were donated to MSD. At that time, there were master plan and annexation projects, etc. identified by each municipality that MSD took responsibility for. The Capital Improvement Program Committee is made up of the town managers or representatives, and MSD meets with these members each year to make sure that the projects that are proposed are meeting the needs of the municipality. He stated that it is an open meeting and any discussion related to sewer is welcome and to feel free to ask any questions. He explained that Ed Bradford, CIP Director, gives a presentation on what we've done this year, as well as what we will be doing going forward. He also stated that, in general terms, the biggest thing going on now is a Facilities Plan document performed for the plant for the next 20 years. This added an additional \$18 million worth of projects to what we already had planned. We are now up to around \$200 million over the next 10 years, which is very aggressive. He then introduced Ed Bradford, CIP Director, who had a Power Point presentation to review the current and upcoming projects.

### 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. He asked if anyone had any questions or comments to please stop him – as he would be glad to talk about anything. He proceeded with an overview of the CIP Program projects and budgets for the next year by category. These include the Interceptor and Wet Weather projects with just over \$600,000 in the coming year; General Sewer Rehabilitation projects which are the bulk of the projects being done at about \$9.5 million; Private Sewer Rehabilitation with no construction proposed next year; Treatment Plant, Pump Station, and General Capital Improvement projects with about \$8.2 million; and Design, ROW & Construction Management expenses expected at about \$2.4 million. This gives a subtotal of projects at \$20.7 million. Additionally, \$1 million is proposed as a flat contingency for all projects, and \$100,000 is budgeted for Reimbursement projects. This gives a total proposed budget for the coming fiscal year of \$21,849,858. Mr. Bradford also 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 3.26% for this budget cycle. He also stated that a copy of the budget is posted on MSD's website [www.msdbc.org](http://www.msdbc.org) including budget data sheets and budget maps of all the projects, along with a timeline for each project. A new format is being utilized this year which should make it easier to view the document.

Mr. Bradford explained that MSD maintains over 1000 miles of line – extending a distance, as a reference - almost to Yarmouth, Nova Scotia; to Bermuda; past Havana, Cuba; and almost to Amarillo, Texas. He explained that the reduction of SSO's is a key objective and over the past 14 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 optimize response time when blockages do occur (30 minute response time to any point on our system); an aggressive CIP program – to improve the structural condition of the system; and lastly, by providing sufficient capacity by sizing lines for current as well as future flows. 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. The primary approach for collection system rehabilitation is

minimizing SSO's utilizing our pipe rating program. Projects are prioritized and scheduled based on their pipe rating – regardless of political subdivision or location. We include five significant aspects: SSO and overflow history; customer service requests; proximity to streams and waterways; structural condition, and monitoring schedules. He then presented a snapshot of the current CIP sorted by pipe rating, and explained that the CIP books were arranged alphabetically so projects would be easier to find, but the pipe rating was listed on each project for reference.

Mr. Bradford then reviewed several of the projects that were completed or are currently underway in this current fiscal year. He explained that MSD does 20,000 L.F. per year of in-house projects, and approximately 30,000 L.F. per year of contractor projects. One of these – Macon Avenue @ Sunset Parkway – is in N. Asheville near the Grove Park Inn and had 2800 L.F. of 8-inch and 10-inch DIP and HDPE. He reviewed photos of construction in the area and various problems relating to the location of the existing line, i.e. it was under a garage, a driveway, etc. and was very expensive to replace where it was. Mr. Hartye explained that in general terms, problems like this were why rehabilitation projects cost so much more than new projects where sewer lines were just installed in a new development, etc. Mr. Bradford then reviewed the pipe bursting portion of the project in Charlotte Street, explaining that there were many improvements already on Charlotte Street with new traffic calming structures, and along with traffic issues associated with Grove Park Inn, pipe bursting was a viable option. He then reviewed the equipment used on this process, and then presented two short videos showing some of the pipe bursting being done on the project. Mr. Martin asked where the sewage went during the project. Mr. Bradford stated that it was by-pass pumped around the project, then back into our system, explaining that crews will usually try to find a storm drain, and route the by-pass lines through it in order to maintain gravity and to get it under the road and then back into our system. He then reviewed more photos showing old trolley lines, old brick used in the streets, etc. of the area. He stated that Asheville had the first trolley system in North Carolina.

He then reviewed one project that System Services constructed which was Grovemont. This was a significant project in terms of I & I reduction. This project replaced over 5,000 feet of 8-inch line through the quarry. He then briefly reviewed photos of the construction and post construction. We were getting a very large amount of I&I in the system – pre-construction was at 43 GPM and post-construction was reduced to just over 15 GPM. The line was running over half full of clear water. This project eliminated over 40,000 gallons each day of I & I.

Mr. Bradford then reviewed the Private Sewer Rehabilitation. This program is for the rehabilitation of private, failing, unclaimed systems that were not built to any public standard, nor were they accepted by any entity– either public or private – before we took over ownership of the system. These are usually of poor quality, with no manholes, etc. and when MSD rehabilitates these, they typically have to re-engineer the entire system. 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 property owner 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. He presented a list of systems where the homeowners have agreed to work with MSD, and System Services crews now maintain the lines in those systems. Two of these systems are now scheduled to be rehabilitated – Douglass Place and Freno Drive. Freno Drive is coming up year after next. He presented another list of PSR's that have already been taken over by MSD, rehabilitated and built to public standards.

Mr. Bradford then briefly reviewed several upcoming projects in the coming fiscal year. The South French Broad grouting project is the largest project lengthwise with 22,000 feet of pipe. 12,000 feet of line will be done this coming year, and 10,000 will be completed in the following year. He explained that the pipe through the Biltmore Estate is in good structural condition, but the joints are problematic and in certain areas there are actually sink holes over the joints, allowing water and sediment into the system. The area where the line lays is along the French Broad river and is very sandy and in the flood plain. This type of soil is well suited for this type of rehabilitation. The line is first cleaned, the sewage is by-passed, and each joint is tested with a device called a "packer", which has seals with inflatable bladders on each end. Each joint is then pressure tested, and if it fails, grout is injected into the joint. The grout is pressurized and reacts with water in the soil and seals the pipe joint. MSD has been working closely with Biltmore Estate who wants to perform the work during their off-season. We propose to do this during January. We've already installed eight manholes for access on this project – these were installed last fiscal year.

Other upcoming projects include: Four-Inch Main on Oakland Drive in Black Mountain and has 1600 L.F.; Hendersonville Road @ Mills Gap in south Asheville near Ingles has 2900 L.F.; Hilliard Avenue @ Aston Park near downtown Asheville will eliminate one of our pump stations and is approximately 2700 L.F. long; Melody Circle, has 4600 L.F. and is the largest dig and replace projects; New Salem Road is near the Melody Circle project and is 3200 L.F.; and Shadowlawn Drive Ph. 2 has 3,000 L.F. and has the highest pipe rating of all the projects. It is located in West Asheville has caused many problems over the years for System Services crews.

Mr. Bradford continued by presenting a snapshot from our GIS system showing all CIP projects, 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 to take the shortest route, and then MSD has a pump station forever. It is to ensure that the system grows in an orderly fashion. One project that has been guided under this plan was Reems Creek Interceptor and is complete. Another phase of this project is coming up with the same developer and will be brought to the Board within the next two months for approval. The West French Broad Interceptor is the most recently completed Master Plan project. Mr. Bradford pointed out that construction is funded by the developer on these projects – the line is sized in accordance with the master plan, and is sized for future growth, and MSD pays for the size differential. Most of the time, an 8-inch line will handle most developments, as an 8-inch line will carry hundreds of homes. Also, this is the minimum size also required by state standards for a public line, but on these master plan lines, a 12 or 16-inch line may be required to serve the greater basin upstream.

He then reviewed the Reems Creek Master Plan Interceptor, showing where the original project was located – completed about 5 years ago - and included about 5,500 L.F. The next phase is being done by the same developer, who has purchased an additional property above the original development. Another project was the West French Broad Master Plan project near Long Shoals Road and Biltmore Park and was completed this past year with 5,800 L.F.

Mr. Bradford then reviewed projects at the treatment plant. He explained that MSD treats approximately 20 million gallons of sewage per day – which would fill up a large soccer field about 35 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 to Alaska.

He then presented slides and reviewed several projects going on at the Treatment Plant. Some of the RBC units were replaced, as 38 of these units were out of service for various reasons. Peter Weed, Director of the WWTP, found over 20 units that matched our air driven units and were in very good used condition. They arrived safely, were installed and are performing well. We proposed to replace 10 more of these units this coming fiscal year. These used units have been decommissioned at other plants. Finding these units has saved significant money, as these are air-driven units and are no longer available new. New units would be either hydraulic or electric driven units and would need all new controls run to them to operate, so finding these units buys a lot of time and provides functionality within that biological process. Mr. Martin asked about the life-span of these units. Mr. Bradford stated that it depended on the weight – anywhere from 30 to 50 years. Mr. Martin also asked why the plants had decommissioned the units. Mr. Bradford stated that changes in processes, permit changes, etc. could have driven the RBC decommissions. Permit changes could also govern our RBC's in the future. Mr. Hartye explained that MSD had been meeting with DENR and has a process going on to replace various sections of the plant. If we had kept losing more RBC's, that would govern the timing of replacing the RBC's. Now that we have obtained these replacement units, we have extended the useful life of the RBC's as a whole, and can now do the other processes first and then replace the RBC's later on in about 10 or 15 years. Mr. Bradford explained that a placeholder for replacing the RBC's had been in the CIP for the last several years, at a cost of over \$100,000 each for new ones. Mr. Bradford then presented several slides of the installation of the RBC's at the plant. The company that installed the new used units then recycled the plastic and metal from the old units.

Mr. Bradford then reviewed the Slide Gate replacement project, explaining that the existing gates had become problematic over the years. These gates shut the water off from the RBC units, thereby controlling the weight of the RBC and extending the life of the RBC units, shafts, etc.

He then reviewed and presented slides of the Influent Pump replacement. He explained that we were in the 2<sup>nd</sup> year of a scheduled replacement of these three pumps. Each of these pumps will pump about 35 mgd per day. The first new pump was installed last year; the 2<sup>nd</sup> pump is scheduled for installation next month. He then briefly reviewed the specifications on these pumps. He then explained that these pumps were driven by electric motors, and variable frequency drives power the electric motors. On large pumps like this, you vary the amount of the speed that the pump turns in response to the flow – it is much more efficient to do it like this. On smaller pump stations, it is either on or off. These are very old VFD's and are scheduled for replacement. The boards in these old units have to be hand-built now. We have experienced problems because of age and the corrosive environment, so the new controls will be in a separate, protected environment. The equipment is currently in fabrication and the installation contractor will be coming in July.



A very significant project ongoing at the plant right now is the Incinerator System Emissions Upgrade Project. It is located at the incinerator, and was required as a result of new EPA regulations which go into effect this coming March. It requires controls for various pollutants – the one that affects MSD the most is mercury. This is essentially an unfunded mandate, with the estimated construction cost originally being at \$10.3 million. Originally, traditional activated carbon was proposed – it works and is tried and true – but it is expensive and messy with a lot of capital costs associated with it. When interviewing consultants to do this project, staff learned of a new technology. It was pilot tested last summer and had excellent results with mercury removal rates exceeding 90%.

Permission was obtained from the permitting agency to go forward with this system and we are proceeding with it. Construction cost has been reduced by over \$5 million and it will be easier to operate and maintain over time. We are on a fast track on this project, and because of that, an accelerated design timeframe has been managed with CDM Smith. The Board pre-approved a Venturi manufacturer in November of last year, and also approved a pre-purchase of a heat exchanger in December. We are doing this to mesh equipment manufacturing, scheduling, lead times, etc. as we are on such a tight timeframe. The construction contract was awarded in February and is well underway and on schedule. The total construction cost is now estimated at \$5.8 million, and we expect it to be operational in January, 2016. This allows us several months to get it burning and tested, well before the March deadline. Mr. Bradford then presented several slides of the project, and explained the equipment and process by which it operates.

He then briefly reviewed the Facilities Plan Update. This is a comprehensive update of our 2007 Facilities Plan and covers a 20 year planning horizon. It centers on significant plant projects, with the focus being on headworks, primary clarification, biological treatment alternatives and the future regulatory climate. The regulatory climate will greatly drive what we do on biological treatment alternatives. Six national firms submitted qualifications, and a selection team interviewed the top three. The Board awarded the study to HDR in March of last year, and the study is now complete. It was presented to the Board two weeks ago. Short and mid-term improvements are included in the proposed CIP. Two projects are the Plant Headworks Project and the High Rate Primary Clarification Project. Both of these allow flexibility for replacing the RBC's with various technologies. He then briefly presented several slides showing these projects and where they are located at the plant, and how each process basically works. Mr. Bradford explained that we will add bar screens with smaller openings, and also add effective grit removal as a primary part of this first project. Our current grit removal system works, but it does not work well enough and grit causes significant problems within the plant. He then went on to explain as part of the Headworks project, the anaerobic digesters would be used for added storage during peak flow conditions. Design on these is proposed to begin in July this year, with construction proposed to begin July next year. Mr. Pelly asked how often the peak flow tanks would be needed. Mr. Bradford explained that they would be needed during heavy storm events. However, now because all the rehab work done to the system, it has changed the nature of the peak flows. We used to get peaks that would last for days, but now, peaks go up and down very quickly. Wastewater will be pumped to these abandoned tanks during the peak, will be held until the peak goes down, then allowed to go through the plant normally and treated properly. Mr. Hartye stated that we wanted to keep the peak to 65 mgd which is the peak value that is permitted. The handful of times in a wet year that this could occur, the storage would shave that peak to keep it to the permitted value.

Mr. Bradford then reviewed the High Rate Primary Clarification project. He explained that right now we don't have any primary treatment. Because of site constraints, CEPT (Chemically Enhanced Primary Treatment) is the best process for our plant. This will help the RBC's perform better and also helps the plant better treat the peak flows as well. We can ramp this process up and down, add or decrease chemicals as needed. Design is proposed to begin in July 2016, with construction proposed to begin in July 2017. The cost of this project is estimated at \$9.6 million. He explained that as we refine these projects, we will bring this information back to the Committee next year and the following year. He also presented slides showing the location of the project at the plant.

Mr. Bradford then reviewed the RBC's - the long-term biological process at the plant. This is on a 15 to 20 year timeframe and will be governed and directed by the future regulatory climate. As he stated previously, the short mid-term projects allow flexibility for the various options when replacing the RBC's. Mr. Hartye stated that we would likely do this; it would probably be between \$40 and \$50 million, but the replacement of some of the RBC's would allow us to phase this over time.

Mr. Bradford then reviewed the financial aspects of the Capital Improvement Program. He stated that the budgeted revenue for the current fiscal year is \$49.2 million; and since we operate with a balanced budget, expenditures are also estimated at \$49.2 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 3.26% for this budget cycle. Projects costs are updated each year and are taken from last year's bid pricing to

formulate new project estimates. He then presented a snapshot of the next ten years with total expenditures estimated at approximately \$200.2 million. The bulk of these expenses, 74%, are for the rehabilitation of smaller lines within the collection system. He also pointed out that from consolidation through the end of FY 14; MSD has reinvested \$322.6 million back into the system.

Mr. Bradford then reviewed the program WARN – the NC Water/Wastewater Agency Response Network – and explained that this is a network of utilities that have an agreement that if there is an emergency, agencies can borrow equipment from each other at fixed rates. It is completely voluntary and MSD, the City of Asheville, and others participate. He stated that if any of the other municipalities were interested in joining the network to please let us know.

He went on to review the State Collection System permit, which is a significant driver of our collection system rehabilitation program, and which requires MSD to rehabilitate 250,000 L.F over five years. He also explained that this permit has been temporarily extended by S.B. 831 to 8 years and 400,000 L.F. We have rehabilitated 389,207 L.F. through March of this year, and we are getting close to the end of the fiscal year. Over the past 7 years, 73.7 miles of pipe has been rehabilitated. Our current 8-year target is right at 405,000 L.F.

Mr. Bradford then briefly covered Reimbursement Projects and explained there are no NCDOT betterments scheduled for the coming year. 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 15-16.

He then presented a chart and several slides showing the reduction in SSO's ever the last 14 years, with a high of 288 back in 2000, and 36 in FY2014. This low number of SSO's is due to the reinvestment into the system and 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. Mr. Hartye also stated that a quarterly CIP status report was also on the web site for viewing. 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. Several comments followed regarding the GIS system and its usefulness. Mr. Pelly stated he was in real estate and the mapping was very useful to him. Mr. Bradford stated that it was a great mapping system, and that we were tied in with the County and City and could access their information as well. Mr. Watts stated that it had a measuring tool that was very helpful if you needed that information. Mr. Bradford then thanked staff for their work on the CIP budget, and asked for any questions or comments.

Mr. Kelly asked what the term "RBC" stood for. Mr. Bradford replied that it was an abbreviation for Rotating Biological Contactor. Mr. Kelly also asked how long it would take for one gallon of wastewater to go through the treatment plant - fully treated, solids separated and clean water released to the river. Mr. Weed stated that it would probably take a couple of hours on average, depending on the type of wastewater and how much solids were in the water.

Mr. Martin asked about the best way member agencies could partner with MSD on capital projects. He stated that Woodfin had partnered with MSD on a couple of projects. He asked if there was a way to do joint bidding, etc. Mr. Bradford stated yes, that we really liked to coordinate work – it saves everyone money and headaches to the neighborhoods, etc. He stated that as soon as the municipality knows of a project, let MSD know and we will try to coordinate construction. Mr. Hartye interjected that projects where paving had to be done were especially good to coordinate. He noted that each project in the CIP was also identified by municipality i.e. Woodfin, Black Mountain, etc., so if you saw a CIP project coming up in your town and you wanted to coordinate something along with that project, please let us know – this is really what the CIP is for. Mr. Bradford stated yes, the sooner the better – but that we could also accelerate projects if necessary, and move them up on the schedule in order to coordinate with the municipalities. One such project was move up last year in Black Mountain. Mr. Martin asked if MSD had done any joint bidding with any municipalities. Mr. Bradford stated yes, it was certainly a possibility. Many times projects will be bid separately, but we will have an agreement with the municipality to do cost share, especially on paving, i.e. the municipality installs a water line, MSD installs sewer, and both share in the cost of the paving. There were many ways to do it, and MSD is willing to look at all options. Ms. Banks stated that another project was recently accelerated in order to dovetail with the City of Asheville's Hilliard Greenway project – MSD would get the sewer done and be out before work started on the greenway. There were no further comments. Mr. Bradford thanked everyone for their time and attention.

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

Mr. Hartye stated that Mr. Bradford would review the ten year CIP document. Notebooks were presented to the committee, and CD's had previously been mailed to Committee and Board members. He stated if anyone wanted additional copies of either to please let us know. He then turned the meeting back over to Mr. Bradford for review of the CIP document.

Mr. Bradford presented the Ten Year CIP Summary document, reviewing each category of projects and proposed budget for each one, and stated that there were 128 projects this year. There were 10 Interceptor and Wet Weather projects with an estimated budget of \$618,050. There are 101 General Sewer Rehabilitation projects totaling \$9,455,200. There are only two projects in the Private Sewer Rehabilitation but no construction is scheduled for the coming year, so only \$2,000 is projected. There are 12 projects under Treatment Plant, Pump Stations and General Capital Improvements, totaling \$8,227,000. The total amount projected for Design, Right of Way and Construction Management Expenses for next year is \$2,447,608. He stated that the subtotal for the proposed budget for FY 15-16 is \$20,749,858. A flat contingency of \$1,000,000 is proposed, which has worked well and provides sufficient reserve. Finally, reimbursement funding of an additional \$100,000 is recommended. This brings the total proposed CIP Budget for FY15 to \$21,849,858, and is the amount for which staff is seeking the committee's endorsement for approval by the Board.

Mr. Watts asked for any questions or comments. Following no further discussion, Mr. Watts asked for a motion recommending endorsement of the CIP Budget for FY 15-16 in the total amount of \$21,849,858. Mr. Pelly so moved. Mr. Young made a second to the motion. Following no further discussion, voice vote was unanimous in favor of the motion. The motion passed.

Mr. Watts asked if we were under or over budget last fiscal year on projects. Mr. Bradford stated that we were right at 90% last year. He explained that we were typically under on most projects, but some projects may go over, and some come in under – from the bid and what we actually pay, it's usually under. We're usually around 90% to 95% of the estimated budget on all projects. Mr. Hartye explained that this year we would be substantially under budget because of the cost savings realized from the alternate technology on the Incinerator project. Mr. Watts noted that typically during the last two or three years, bid prices have come in under the projected budget. Mr. Hartye stated that we were usually in the middle – not high and not low – and like to be in the sweet spot. This is because the engineers always use the last 12 months of bids and go through great detail to estimate or re-evaluate the budget for each line item on each project, each year. As mentioned before, a contingency of about 15% for each project was utilized before, but it just did not make much sense, and we were always coming in way under on bids on each project. All this extra padding was taken out, and replaced with the flat \$1 million contingency (which relates to about 5% per project) and now, if one project comes in under budget those additional funds from that project are used on another project that may come in over budget.

Mr. Watts stated that this discussion reinforces the excellent job staff does in preparing the budget and having a good handle on what things will cost, and it is nice to have numbers that they can have a lot of confidence. Mr. Bradford stated that it was attributable to the staff and the good job they do.

### 4. Adjourn

There was no further business or discussion. The meeting was adjourned at 9:30 a.m.

# Finance Committee Meeting Minutes

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May 7, 2015

## **Call to Order:**

The Finance Committee of the Metropolitan Sewerage District met in the Boardroom of the Administration Building at 9:00 a.m., Thursday, May 07, 2015. Chairman Kelly presided with the following members present: Jackie Bryson, Ellen Frost, Ester Manheimer, and Gwen Wisler.

Others present were: Thomas Hartye, General Manager, Scott Powell, Director of Finance, Board Chairman, Jerry Vehaun, Board Counsel Billy Clarke and MSD staff.

## **1. 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 and tap fees are above expectations due to receiving unanticipated revenue of \$ 774,000, from three (3) commercial/residential developers as well as a general residential development exceeding budgeted expectations. Interest and miscellaneous income are below expectations. This is a direct result of interest rates still being impacted by Federal Reserve monetary policy. Operation and Maintenance expenditures are below 75%, this is a direct result of the District deferring utility costs with the Hydroelectric Facility. 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.

## **2. FY 2016 Proposed Budget:**

Mr. Powell continued his PowerPoint presentation with highlights of the FY 2016 Proposed Budget. He stated the Operations and Maintenance budget is \$15.7 million, CIP \$21.9 million, Capital Equipment Replacement \$.8 million, and Debt Service \$9.1 million for a total of \$47.5 million.

Operations & Maintenance Highlights include a 2.0% increase in Salaries and Benefits with a total impact of \$242,000. Materials, Supplies and Services include a 2.3% increase with a total impact of \$144,000. This is due to additional regulatory permitting pertaining to Title V and additional costs for software to implement a work order system in our Planning and Development Department and Water Reclamation Facility.

Mr. Powell continued his presentation, which included information on Personnel Growth, and Trends in Health Care Cost. Personnel Growth has trended downward since 2001. Health Care Costs are projected to increase 7.5% which is below the average trend. Staff is currently looking at additional PBM's due to a substantial increase in prescription drug costs. The preliminary numbers have shown the potential of \$100,000 in savings. This cost savings is not included in next year's projection because the savings may not be realized the first year.

Operation and Maintenance expenses have increased an average of 2.6% over the past 8 years. The FY2016 proposed Capital Improvement Program budget is \$21.8 million. The majority of the money will be spent in collection rehabilitation, as required by our permit. Additionally, \$8 million will be spent at the Water Reclamation Facility in the rehabilitation of the incinerator to meet current EPA standards.

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Gwen Wisler asked how these numbers compared to FY2015. Mr. Powell responded, the total budgeted amount last year was approximately \$1 million more than the proposed FY2016 budget. Mr. Hartye added The Capital Improvement Program Budget will fluctuate based on projects scheduled. Maintenance costs are more stable.

Mr. Powell discussed major Capital Improvement Project for the upcoming fiscal year. They include: \$5.3 million for Incinerator upgrades at the Water Reclamation Facility, and approximately 20,000 linear feet of interceptor and collection system projects.

Capital Equipment Replacement includes: Operations & Maintenance \$144,850, Fleet Replacement \$425,000, Water Reclamation Facility \$ 210,000.

Mr. Powell reported MSD's debt composition as of June 30, 2015 is \$101.4 million in total, with 69% in traditional fixed income, and 31% in synthetic fixed debt. He stated FY2015 debt service is approximately \$9.1 million, which consists of \$5.28 million in principal and \$3.0 million for interest.

Mr. Powell reported proposed budgeted expenditures for FY2016 are \$47.5 million which represents approximately: \$.8 million for Capital Equipment, \$15.7 for O&M, \$21.9 million for Construction Projects and 9.1 million for Debt Service.

Budgeted revenue highlights include .75% growth in residential users, .75% growth in domestic consumption and Facility and Tap fees are conservatively budgeted, and a 1% rate of return on investments.

Proposed budgeted revenues are \$47.5 million comprised mainly of \$ 29.7 million (63%) in domestic user fees, \$3.2 million (6.7%) in industrial user fees, \$1.6 million (3.4%) facility and tap fees, and \$1 million (2.1%) interest & miscellaneous income. In order to balance the budget the District use available funds of \$12 million. Mr. Powell explained, Industrial User Fees include short-term revenue from Ash Project at the Asheville Airport of approximately \$1.2 million. This revenue will be tapering off in FY2018.

### **3. MSD Business Plan:**

The next section of Mr. Powell's presentation covered the MSD Business Plan. This section covers the long-term (ten year) plan 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 CPI and other indexes to determine level incremental sewer rate increases.

Mr. Powell stated over the next ten years the District will be investing \$200.2 million into our infrastructure, the break down being as follows: Interceptors \$16.6 million, Collection Rehabilitation \$147.8 million, Water Reclamation Facility \$34.8 million, and Reimbursements \$1 million. Funding will be a mixture of 56% pay as you go and 44% in future debt issuance.

Mr. Hartye discussed decreased spending on interceptor and wet weather rehabilitation and increased spending in collection (smaller line) rehabilitation. Spending has also increased at the

# Finance Committee Meeting Minutes

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Water Reclamation Facility due to upgrades to the facility. Spending will continue to increase due to upgrades as prescribed by the updated facilities plan over the next 10 to 20 years.

Cost reduction measures included value engineering from staff which saved \$5 million on the Incinerator Project and \$3 million on the Weaverville pump station. Mr. Weed, Director of The Water Reclamation Facility, was able to locate and purchase used RBC's which will extend the life of the RBC function and allow a phased and logical improvement plan. Operation and Maintenance expenditures have averaged 2.6% increase over the last ten years.

Mr. Hartye discussed Revenues which include slow steady growth in user charges, conservatively projected impact fees, and non-recurring fees. An example of non-recurring revenue is The Asheville Airport fees which are temporary.

Mr. Hartye, provided history about The Industrial Rate Parity Plan which began in 2000. Industrial users were charged a much lower flow rate than domestic users, with an expensive surcharge for BOD's and TSS's. Since 2000 industrial flow rates have increased and surcharges on BOD's and TSS's have decreased. These changes are bringing rates closer to industry standards.

Mr. Powell continued his discussion about the MSD Business Plan. Highlights were discussed, including the inflation factors for Operations and Maintenance and CIP expenditures; projected need for debt; and associated need for rate increases to meet the needs or state and federal regulatory requirements. Mr. Powell further discussed that in the future municipal units will be required to recognize total liabilities for employee retirement benefits. MSD would have a total liability of \$3 million and already has \$1.3 set aside for this. This will not have a drastic impact on the rate payer. Revenues are projected to increase by 2.5% for FY2016.

Mr. Hartye discussed the importance of capital assets net of associated depreciation. For MSD, accumulated depreciation is approximately \$8 million per year. Capital Assets should be increasing or at least staying the same. As seen in the graph, The District's Capital Assets have been increasing each year. This graph is particularly important for Board level review as it gives insight into how much a utility is preparing for the future. This also sets a context for rates.

## 4. Rate Information:

Mr. Powell discussed how The Metropolitan Sewerage District compares to other sewer service providers. The District uses NACWA as an information source because they provide average monthly bill, including both flow and maintenance costs. Based on data for EPA Region IV – Southeast, the District's average monthly residential bill compares favorably.

Mr. Hartye added most utility companies have combined both a volumetric rate and flat rate as a part of their monthly bill.

Mrs. Manheimer asked if The District was trying to motivate the customer to "do something differently" with the combination billing practice. Mr. Hartye answered her question, by stating most utilities have both charges because it protects the utility from drastic fluctuations during drought periods. The flat rate component of the bill helps mitigate that fluctuation.

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Mrs. Wisler asked if The District was considering moving toward a higher flat rate in the future. Mr. Hartye stated the plan is to increase both rates by proportionally (2.5%). He further explained the District has not had problems projecting revenue and therefore does not anticipate making significant changes to current billing practices. Mr. Hartye stated consumers in Asheville use less water than the average consumer. Mr. Clarke stated the District has a certain amount of fixed costs. Mr. Powell stated 95% of the District's operation costs are fixed. Mr. Hartye made the point, going to an all fixed rate would not be fair to customers with low water usage and would be somewhat regressive. This would adversely affect those on fixed incomes. The combination is the fairest way to charge the customer.

Mr. Powell continued his discussion on rates. MSD rates compare well to other North Carolina AA and AAA Sewer Providers. MSD average monthly bill for 2015 was 8.9% more than water providers in Buncombe County. State and National averages are at 20%. The main reason for this difference is that it costs more to clean sewerage than to provide clean water to the customers.

Staff recommends Tap and Facility Fees remain at 2015 levels; a 2.5% increase in the Domestic Rate; this would be a .66 cent increase in average single family monthly bill bringing the average bill from \$28.49 to \$29.15. 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.

MSD is proposing an increase to provide funding for CIP, maintain favorable debt service ratio to minimize future interest expense and keep rate increases small and uniform per industry standards and previous District Board directions. The District's ultimate goal is to prevent sanitary sewer overflows.

Mr. Powell gave special thanks to Division Heads, his finance team and Teresa Gilbert, Budget Analyst.

Chairman Kelly asked if MSD expected to always have approximately \$100 million in outstanding bonds. Mr. Powell explained \$100 million is not the cap but the actual amount of bonds will fluctuate depending on future needs. Chairman Kelly asked how that compared to other utilities. Mr. Powell stated some utilities are fully leveraged (i.e. debt exceeds capital assets). It would depend on how much a utility has to spend to meet EPA mandates. Chairman Kelly asked about the coal ash project at the Asheville Airport, and how much money MSD is entitled to from this project. Mr. Hartye explained the nature of this project. Mr. Powell stated the projected revenue from this project will be \$1.2 million in FY2016.

Mr. Clarke responded to Chairman Kelly's bond question and stated MSD has been using similar debt/pay as go ratios since 1999. MSD's debt ratio has earned a rating of AA or better. The AA rating means MSD bonds can be purchased by institutional investors.

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## 5. Motion to accept staff recommendation:

### **Proposed FY16 Budget:**

Following Scott Powell's presentation, Chairman Kelly called for any questions or comments. With there being none, Chairman Kelly inquired if anyone would like to make a recommendation on the Proposed FY2016 budget as presented under Tab 6.

### **Recommendation:**

Mrs. Bryson moved to approve the Proposed FY2015-FY2016 Budget and Mrs. Frost seconded the motion. By a show of hands the motion was carried unanimously.

Mrs. Wisler asked why MDS's return check policy does not allow for recovering the entire cost of a returned check. Mr. Powell responded, stating state statutes limit the amount of money that can be charged to the customer. Also, since we have other agencies doing our billing our liability is limited. Mr. Powell stated typically MSD had 1-2 returned checks per year. This policy would be evaluated in the future.

### **Schedule of Rates & Fees for FY2016:**

Chairman Kelly called for any questions or comments concerning the item under Tab 7. With there being none, Chairman Kelly called for a recommendation to approve the Schedule of Rates & Fees for FY2016.

### **Recommendation:**

Chairman Kelly moved to approve the Schedule of Rates & Fees for FY2016. Mrs. Frost seconded the motion. By a show of hands the motion was carried unanimously.

## 6. Adjournment:

With no further discussion, Mr. Kelly called for adjournment at 9:47am.



# Metropolitan Sewerage District of Buncombe County

## Board Action Item - Right-of-Way Committee

COMMITTEE MEETING DATE: 4/22/2015

BOARD MEETING DATE: 5/20/2015

SUBMITTED BY: Tom Hartye, PE, General Manager  
 PREPARED BY: Angel Banks, Right of Way Manager  
 REVIEWED BY: Ed Bradford, PE, Director of CIP

SUBJECT: **Consideration of Compensation Budget –**

Shadowlawn Drive Phase 2 GSR, Project No. 2013005

The attached Compensation Budget is based on current ad valorem tax values and follows the MSD approved formula.

**STAFF RECOMMENDATION: Approval of Compensation Budget.**

Ms. Banks explained that Phase 1 of this project was obtained in FY 2013-2014 and is currently under construction. This phase is located just above Shadowlawn Drive off of Appalachian Way consists of about 3045 linear feet of 8” DIP to replace 8” and 4” VCP, PVC and some orangeburg pipe still in the ground. There was no discussion. Ellen Frost made the motion to accept Staff’s recommendation. Glenn Kelly seconded the motion. Voice vote was unanimous.

**COMMITTEE RECOMMENDATION: Approval of Compensation Budget.**

<b>COMMITTEE ACTION TAKEN</b>	
Motion by: Ellen Frost	To: XX Approve <input type="checkbox"/> Disapprove
Second by: Glenn Kelly	<input type="checkbox"/> Table <input type="checkbox"/> Send back to Staff
	<input type="checkbox"/> Other
<b>BOARD ACTION TAKEN</b>	
Motion by:	To: <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to Staff

# Shadowlawn Drive Ph. 2

Project Number: 2013005

## Compensation Budget

16-Apr-15

Pin Number and Name		Acres	Parcel SF	Land Value	LV/SF	PE Assd.		50% PE		TCE SF	TCE Assd.	10% Annl Return	Proj Time	TCE Rent Value	Total Comp. (Rounded)	
27 Pin	83 Pin					PE	Value	Assd. Value	Value							
	9628169246	Bagamary	Jana	0.52	22,651.20	\$27,900.00	\$1.23	3.99	\$4.91	\$2.45	512.18	\$629.98	\$63.00	4	\$21.00	\$23
	9628250808	Duval	Paul	5.27	229,561.20	\$88,500.00	\$0.39	16,620.61	\$6,482.04	\$3,241.02	23,489.63	\$9,160.96	\$916.10	4	\$305.37	\$3,546
	9628252594	Duval Enterprises LLC		0.80	34,848.00	\$28,700.00	\$0.82	0.00	\$0.00	\$0.00	4,761.80	\$3,904.68	\$390.47	4	\$130.16	\$130
	9628253179	Fahey	Daniel	0.24	10,454.40	\$24,300.00	\$2.32	0.00	\$0.00	\$0.00	2,680.48	\$6,218.71	\$621.87	4	\$207.29	\$207
	9628262376	Four Seasons Investment Pr		0.14	6,098.40	\$23,300.00	\$3.82	3,658.65	\$13,976.04	\$6,988.02	3,326.67	\$12,707.88	\$1,270.79	4	\$423.60	\$7,412
	9628263378	GFFAC Holdings LLC		0.48	20,908.80	\$47,600.00	\$2.28	749.83	\$1,709.61	\$854.81	2,724.70	\$6,212.32	\$621.23	4	\$207.08	\$1,062
	9628253151	Griffin	Mike	0.14	6,098.40	\$22,600.00	\$3.71	0.00	\$0.00	\$0.00	1,677.77	\$6,224.53	\$622.45	4	\$207.48	\$207
	9628254151	Griffin	Mike	0.20	8,712.00	\$23,700.00	\$2.72	0.00	\$0.00	\$0.00	871.12	\$2,369.45	\$236.94	4	\$78.98	\$79
	9628253086	Griffin	Mike	0.13	5,662.80	\$22,300.00	\$3.94	0.00	\$0.00	\$0.00	1,441.78	\$5,680.61	\$568.06	4	\$189.35	\$189
	9628254002	Griffin	Mike	0.15	6,534.00	\$22,800.00	\$3.49	0.00	\$0.00	\$0.00	894.66	\$3,122.36	\$312.24	4	\$104.08	\$104
	9628260365	Gurney	Lisa	0.30	13,068.00	\$25,900.00	\$1.98	227.39	\$450.23	\$225.12	99.26	\$196.53	\$19.65	4	\$6.55	\$232
	9628252839	Houlditch	George	0.60	26,136.00	\$28,500.00	\$1.09	256.57	\$279.66	\$139.83	4,776.06	\$5,205.91	\$520.59	4	\$173.53	\$313
	9628253354	Klimovich	Vasiliy	0.22	9,583.20	\$24,000.00	\$2.50	0.00	\$0.00	\$0.00	1,583.65	\$3,959.13	\$395.91	4	\$131.97	\$132
	9628252949	Lane	Judy	0.20	8,712.00	\$24,500.00	\$2.81	707.26	\$1,987.40	\$993.70	844.38	\$2,372.71	\$237.27	4	\$79.09	\$1,073
	9628253268	MacElwain	Dinorah	0.19	8,276.40	\$23,500.00	\$2.84	0.00	\$0.00	\$0.00	1,601.79	\$4,549.08	\$454.91	4	\$151.64	\$152
	9628262286	Pike	William	0.23	10,018.80	\$25,000.00	\$2.50	3,266.97	\$8,167.43	\$4,083.71	4,103.34	\$10,258.35	\$1,025.84	4	\$341.95	\$4,426
	9628253450	Raynor	Michael	0.26	11,325.60	\$24,600.00	\$2.17	2,725.47	\$5,914.27	\$2,957.13	1,088.76	\$2,362.61	\$236.26	4	\$78.75	\$3,036
	9628252724	Varlamov	Aleksandr	0.68	29,620.80	\$29,000.00	\$0.98	1,925.01	\$1,886.51	\$943.25	8,663.33	\$8,490.06	\$849.01	4	\$283.00	\$1,226

<b>TOTALS:</b>	\$23,550
<b>Staff Contingency:</b>	\$10,000
<b>GM's Contingency</b>	\$10,000
<b>Amendment</b>	
<b>Total Budget:</b>	\$43,550

# Metropolitan Sewerage District of Buncombe County

## Board Action Item - Right-of-Way Committee

COMMITTEE MEETING DATE: 4/22/2015

BOARD MEETING DATE: 5/20/2015

SUBMITTED BY: Tom Hartye, PE, General Manager  
PREPARED BY: Angel Banks, Right of Way Manager  
REVIEWED BY: Ed Bradford, PE, Director of CIP

SUBJECT: **Consideration of Condemnations – Hendersonville Road @ Mills Gap Road  
GSR, Project No. 2008185**

### **Ingles Markets Inc., Pin Numbers 9655-15-4800, 9655-15-3560 & 9655-15-8440**

The subject parcel is commercially zoned and improved with a grocery store and multiple retail tenants. The proposed sewer crosses the width of the parking area and is in the same location as the existing sewer, except for 165 lineal feet that was relocated to provide the owner more buildable area. The owner's main concern is impact to their business due to loss of a large parking area during construction. They therefore requested a design revision. The owner also stated the compensation of \$177,294 was insufficient.

MSD's engineer explored changing from an open dig construction to use of pipe bursting technology. This trenchless technology was possible with the exception of the 165 linear foot section relocated away from the existing trench. MSD made this design change and offered night work to greatly reduce the project's impact. Another result of the design change was a reduction in easement area (easements are not acquired with trenchless construction). Accordingly, the compensation was reduced to \$42,069.

Despite many conversations, and MSD's efforts to significantly minimize impact, the owner has been unwilling to move forward.

Total Contacts: 9

### **Arnold Kalogerakis, Pin Number 9655-25-2178**

The subject parcel is commercially zoned and improved with a bank. The proposed sewer crosses the extreme southwest corner of the property and is in approximately the same location as the existing sewer, except for 65 linear feet that was relocated because of a retaining wall over the existing sewer. The bank has requested after hours work, landscaping provisions and paving restoration, all for which MSD has made provisions.

In addition to the building lease there is a 50-year ground lease. For an effective easement grant, both leaseholders must be parties to the agreement. Neither leaseholder is willing to sign as both believe they are entitled to the compensation (\$20,185). The owners believe they are entitled to the compensation, and are not willing to give the compensation to the leaseholders. MSD's policy is to compensate the owner. That policy is waived only if 1) a written lease exists that stipulates disposition of such compensation to leaseholders or 2) the owner directs MSD in writing to compensate the leaseholders.

Despite several conference calls and emails with leaseholders, their attorneys and MSD attorneys, negotiations have reached an impasse.

Total Contacts: 15

**STAFF RECOMMENDATION: Authority to obtain appraisals and proceed with condemnations.**

Ms. Banks explained the above condemnations. Regarding the Ingles condemnation, Ms. Manheimer asked if the owners were represented by Counsel. Ms. Banks stated that they did have their own Counsel. Mr. Clarke said his name was Dan Hicks. Regarding the Kalogerakis parcel, Ms. Frost asked if this situation was common, Ms. Banks stated that it didn't happen a lot but was not uncommon. Mr. Clarke stated that if you file a condemnation you deposit the money into the court and name everyone with an interest in the property and the court decides who gets the money. There was some discussion regarding the number of people who would have an interest in this situation. Ms. Banks stated that MSD has tried to get those involved to sort this out among themselves with no results. Ms. Banks stated that at the time of this meeting, the leaseholders had contacted MSD and stated that they were willing to give up the compensation. There was no further discussion. Ms. Frost made the motion to accept Staff's recommendation. Mr. Kelly seconded the motion. Voice vote was unanimous.

**COMMITTEE RECOMMENDATION: Authority to obtain appraisals and proceed with condemnations.**

<b>COMMITTEE ACTION TAKEN</b>	
Motion by: Ellen Frost	To: <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by: Glenn Kelly	<input type="checkbox"/> Table <input type="checkbox"/> Send back to Staff
	<input type="checkbox"/> Other
<b>BOARD ACTION TAKEN</b>	
Motion by:	To: <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to Staff

# Metropolitan Sewerage District of Buncombe County

## Board Action Item

**BOARD MEETING DATE:** May 20, 2015

**SUBMITTED BY:** Tom 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 Locust Springs Sewer Extension, MSD Project No. 2012107.

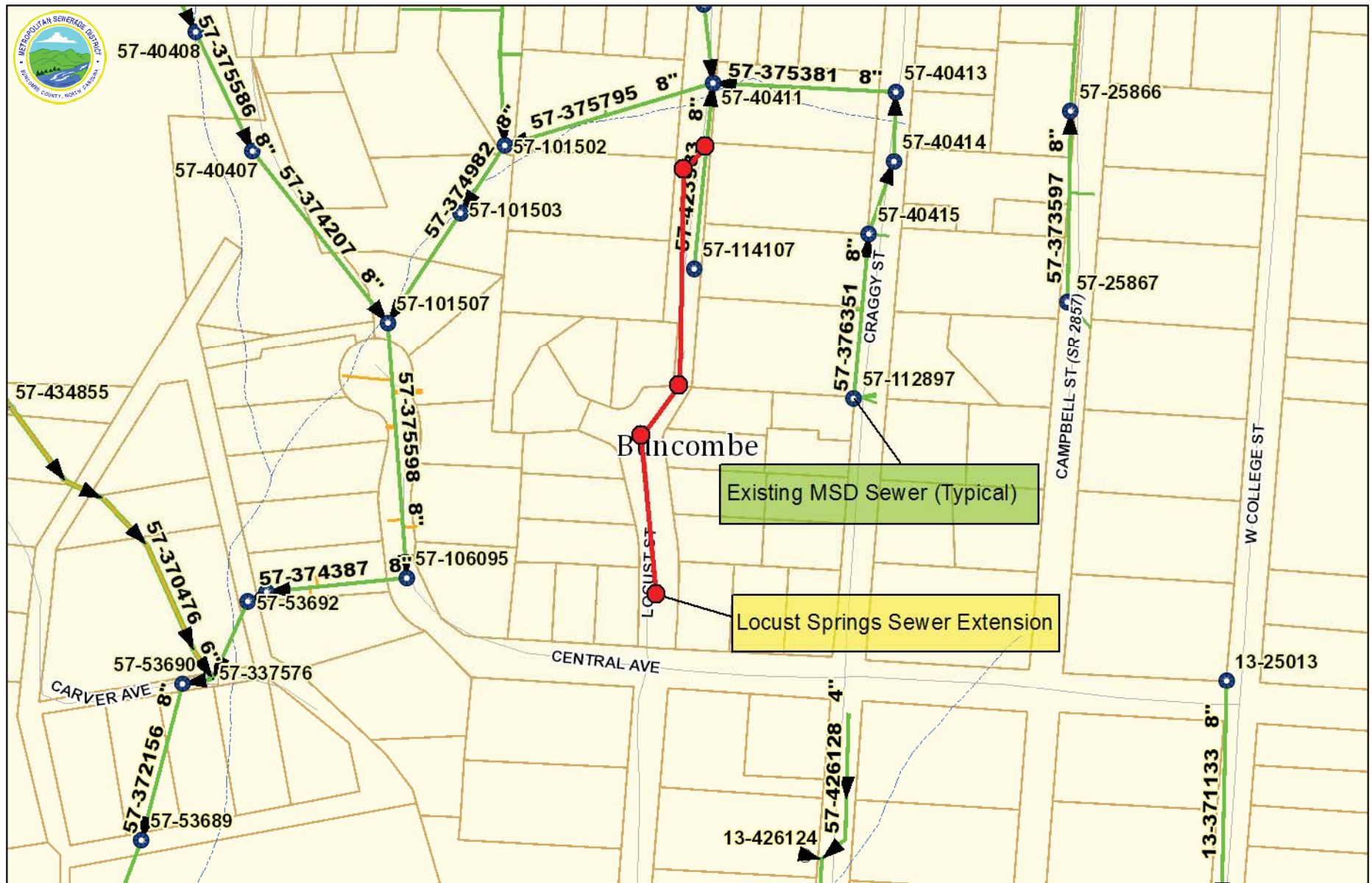
**BACKGROUND:** This project is located inside the District boundary on Locust Street in the Town of Black Mountain. The developer of the project is Dana Bobilya of Mountain Life Developments, LLC.

The project included extending approximately 570 linear feet of 8-inch public gravity sewer to serve the eighteen (18) unit residential development.

A wastewater allocation was issued in the amount of 3,600 GPD for the project. The estimated cost of the sewer construction is \$35,000.00.

All MSD requirements have been met.

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



## Locust Springs MSD Project #2012107

Author: KJ

1 in = 173 ft

Date: 5/13/2015

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 20, 2015

**SUBMITTED BY:** Tom 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 Laurel Lane Sewer Relocation, MSD Project No. 2012121.

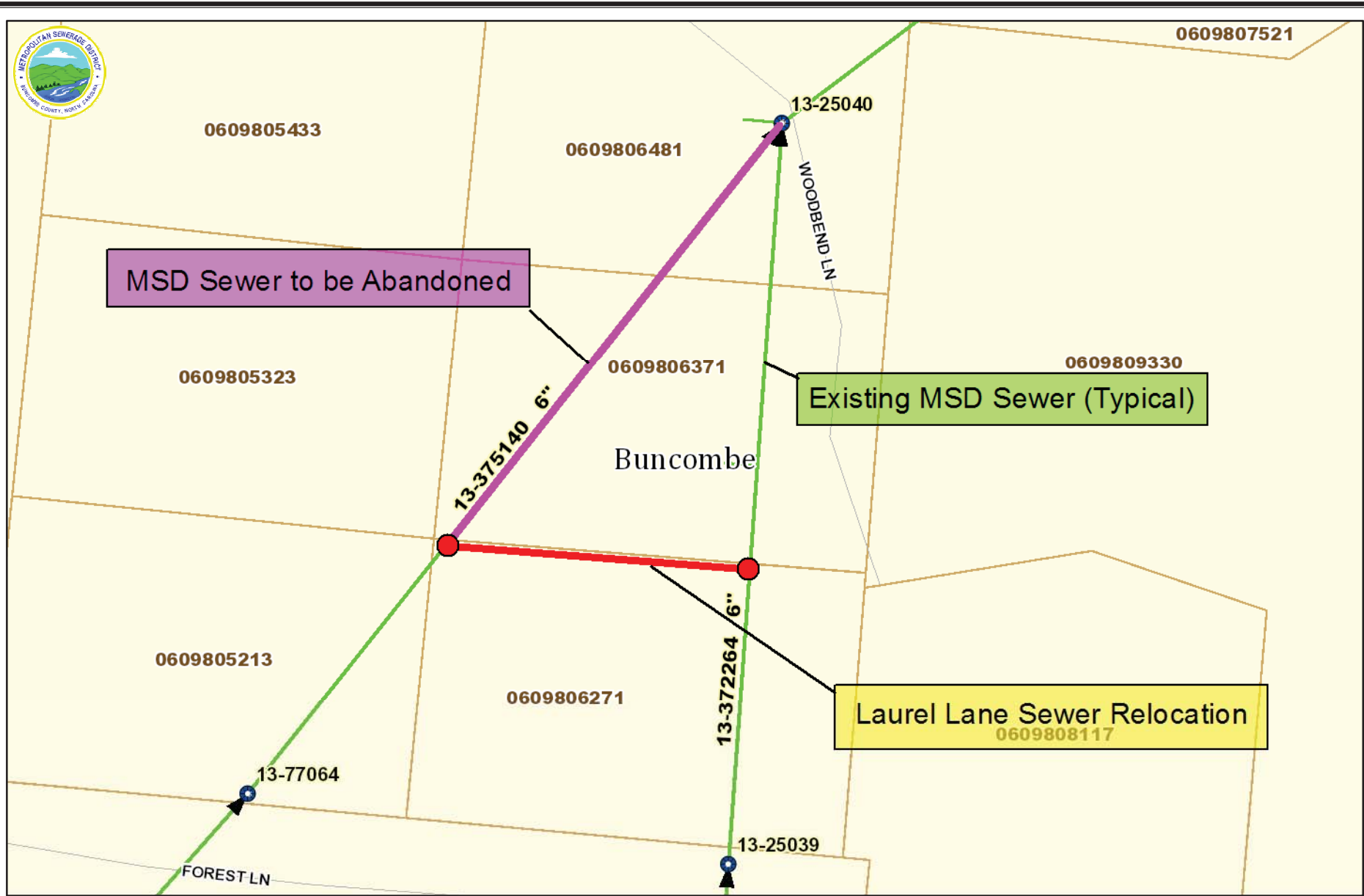
**BACKGROUND:** This project is located inside the District boundary off Laurel Lane in the Town of Black Mountain. The developer of the project is Jim McConnaughy of Ewing & McConnaughy, Inc.

The project included relocating approximately 110 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 900 GPD for the project. The estimated cost of the sewer construction is \$23,700.00.

All MSD requirements have been met.

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



### Laurel Lane Sewer Relocation MSD Project #2012121

1 in = 50 ft

Date: 5/11/2015

Author: KJ

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 20, 2015

**SUBMITTED BY:** Tom 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 Hyde Park Phase I, MSD Project No. 2013058.

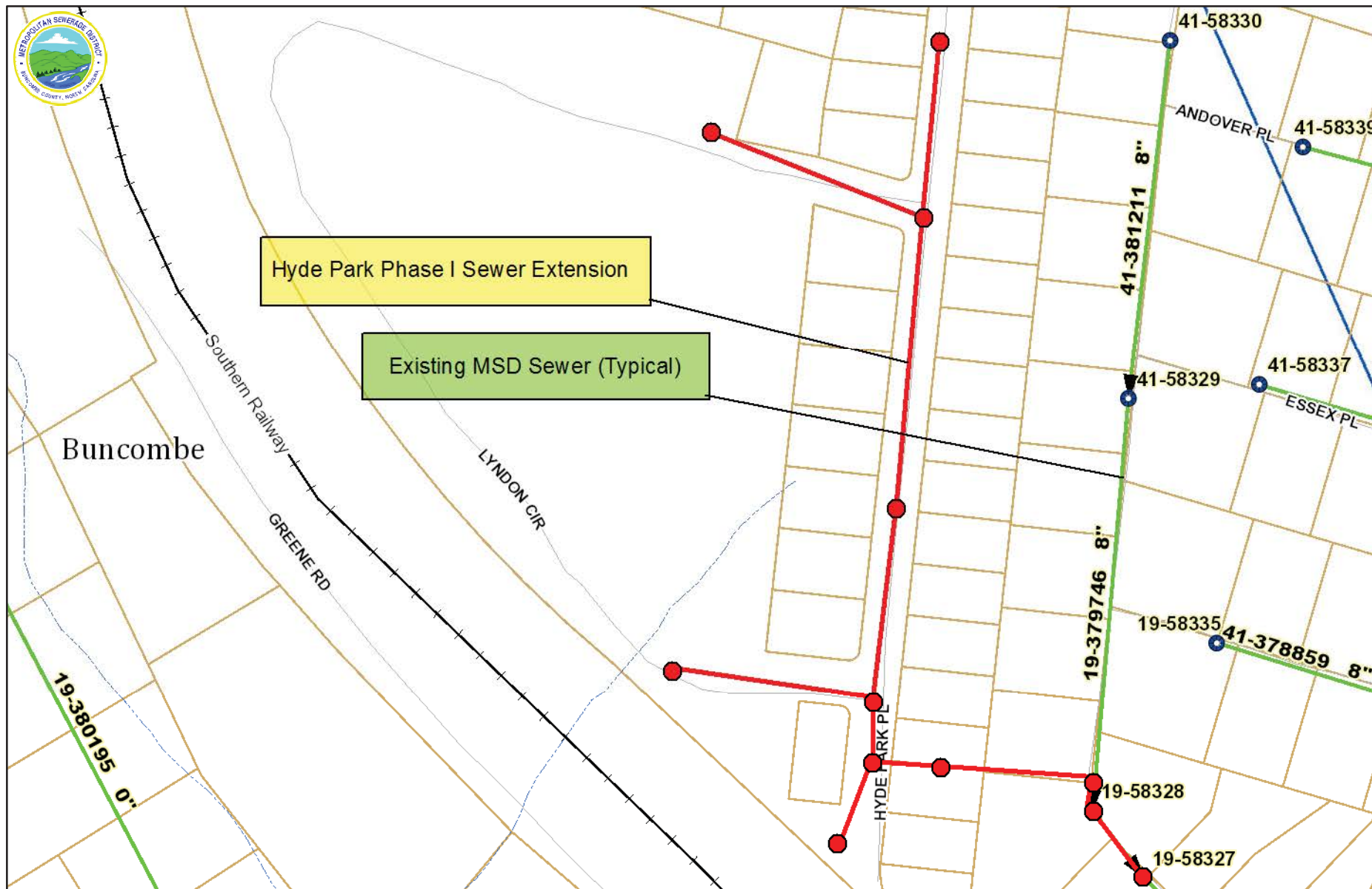
**BACKGROUND:** This project is located inside the District boundary off Baldwin Road in Buncombe County. The developer of the project is Matthew King of King Land Development, LLC.

The project included extending approximately 1,725 linear feet of 8-inch public gravity sewer to serve the thirty-seven (37) unit residential development.

A wastewater allocation was issued in the amount of 11,100 GPD for the project. The estimated cost of the sewer construction is \$172,637.80.

All MSD requirements have been met.

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



## Hyde Park Phase I MSD Project #2013058

Author: KJ

1 in = 138 ft

Date: 5/12/2015

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 12, 2015

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

**SUBJECT:** Proposed Amendment to the Sewer Extension Policy Section VI G. – Economic Development Fee Waiver

**BACKGROUND:**

The District was recently approached regarding community efforts to attract major employers to the Asheville- Buncombe area. The District was asked to expand its current incentive that is designed to help mitigate the initial costs for any large company bringing at least 200 jobs to the area or 1 MG of flow per month to MSD.

The existing Economic Development Fee Waiver was adopted in 2004. Attached is proposed additional wording (in red) to amend that waiver to recognize businesses with relatively large flow or high strength waste and the revenues that they bring. For companies needing to eventually build their own pretreatment systems, this gives them the time on the front end and while also providing otherwise lost revenues to MSD.

It should be noted that there is no cost to MSD for this incentive (unlike sharing in a sewer line extension). The additional incentive is limited to 24 months.

Eligibility is dependent on available MSD plant capacity (flow and strength). MSD typically issues industries a permit to discharge with very specific conditions concerning monitoring, reporting and pretreatment prior to discharge. The conditions stipulated in the waiver can and should be included in that permit.

**FISCAL IMPACT:** None

**STAFF RECOMMENDATION:** Approve the attached amendment to Section VI G of the MSD Policy and Procedures for the Extension of Sewer Service.

BOARD ACTION TAKEN	
Motion by: To:	<input type="checkbox"/> Approve <input type="checkbox"/> Disapprove
Second by:	<input type="checkbox"/> Table <input type="checkbox"/> Send back to staff
<input type="checkbox"/> Other:	

must be paid for each connection to a Public or Private Sewer System ultimately discharging to the District Sewerage System, regardless of who may have paid for the installation of the line to which the connection is made. The facility fee is as set forth in the current Schedule of Rates, Fees and Charges adopted by the District Board.

E. Building Sewer Tap Fee

1. Purpose

The purpose of this fee is to recover a portion of the costs of making the tap into the Sewer Line or lines and providing a connection point for Building Sewers.

2. Applicability

This fee applies to all taps made by the District. Where properties have been provided a Service Line with cleanout at the property line or edge of right-of-way no tap fee will apply. The tap fee shall be as set forth as in the current Schedule of Rates, Fees and Charges adopted by the District Board.

F. Pumping Station Maintenance Fee

1. Purpose

The purpose of this fee is to recover the difference in costs of constructing, operating and maintaining a Pumping Station and force main as opposed to a Gravity Sewer system.

2. Applicability

This fee is a one time lump sum charge representing the present value of the differential costs as determined by the District in accordance with Appendix E.

G. Economic Development Fee Waiver

The District Board of the Metropolitan Sewerage District, believing the addition of new commercial users or the expansion of existing users resulting in the addition of significant numbers of new jobs within the District, will preserve and promote the public health and welfare within the District, hereby adopts the following policy:

Commercial entities meeting the following criteria, as a result of locating in the District or expanding an existing business in the District, shall not be required to pay a facility fee to connect to and discharge into or to continue discharging into the District Sewerage System:

1. The entity must employ or propose to employ more than 200 people or discharge more than one million (1,000,000) gallons of wastewater per month. The expansion of an existing entity must propose to employ more than 200 additional persons or propose to discharge an additional one million gallons (1,000,000) wastewater per month.

2. Projected sewer service fees charges and maintenance fees for the entity or from the expansion of the existing entity from the first five (5) years of operation must exceed the facility fee the entity would have paid based on the size of the water meter for new location or the expansion. **Should the new or expanded entity provide actual revenues in excess of the applicable Facility Fee in the first 24 months of operation, MSD will share 50% of those revenues for that period.**

3. Should the entity employ less than 200 people (or less than 200 additional people in the case of an expansion, or use less than one million gallons (1,000,000) per month (or an additional one million gallons per month in the case of an expansion), the District reserves the right to recover the applicable facility fee.

## **VII. EXTENSIONS TO PUBLIC OR PRIVATE SEWAGE COLLECTION SYSTEMS OUTSIDE THE DISTRICT**

### **A. Standards to Apply Outside District**

The District acknowledges that it presently treats wastewater from sewer systems outside the boundaries of the District. Some of these sewer systems are operated by private entities or individuals, and some are operated by political subdivisions outside the boundaries of the District. The District intends that these Procedures will apply to Extensions to sewer systems outside the District except as these Procedures may be qualified by a preexisting written agreement between the District and the operator of the sewer system. The District reserves the right to limit or prohibit discharges from sewer systems that lie outside the District Boundary.

### **B. Contract Required**

Any proposed extension to Public or Private Sewer Systems that lie outside the District boundaries, and whose wastewater will be treated by the District, must first enter into a Sewage Disposal Agreement with the District unless the extension is covered by an existing written Agreement between the District and a political subdivision or a written agreement between the District and the owner of a private system. The District reserves the right to limit or prohibit discharges from sewer systems that lie outside the District Boundary.

## **VIII. ADMINISTRATION AND ENFORCEMENT**

The General Manager is hereby authorized and delegated the responsibility to administer the Policy and Procedures set forth herein.

## **IX. APPEALS**

A decision of the General Manager, or his designee, made under these Procedures adopted pursuant to this policy, may be appealed to the District Board. The appeal must be in writing and must be served upon the General Manager with thirty (30) days of the date of the decision. The appeal should state clearly and specifically the reasons for the appeal and the relief sought. Failure to state clearly and specifically

# Metropolitan Sewerage District of Buncombe County

## BOARD INFORMATIONAL ITEM

**Meeting Date:** May 20, 2015

**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, 2015

### **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, 2015 were \$53,345,816. The detailed listing of accounts is available upon request. The average rate of return for all investments is 0.391%. 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, 2015 do not reflect contractual commitments or encumbrances against said funds. Shown below are the total investments as of March 31, 2015 reduced by contractual commitments, bond funds, and District reserve funds. The balance available for future capital outlay is \$24,434,298.

<b>Total Cash &amp; Investments as of 03/31/2015</b>		53,345,816
<b>Less:</b>		
Budgeted Commitments (Required to pay remaining FY14 budgeted expenditures from unrestricted cash)		
Construction Funds	(10,816,576)	
Operations & Maintenance Fund	(5,081,708)	
		(15,898,284)
Bond Restricted Funds		
Bond Service (Funds held by trustee):		
Funds in Principal & Interest Accounts	(4,094)	
Remaining Principal & Interest Due	(7,872,543)	
		(7,876,637)
District Reserve Funds		
Fleet Replacement	(473,021)	
WWTP Replacement	(477,914)	
Maintenance Reserve	(913,260)	
		(1,864,195)
District Insurance Funds		
General Liability	(467,033)	
Worker's Compensation	(320,233)	
Post-Retirement Benefit	(1,425,601)	
Self-Funded Employee Medical	(1,059,535)	
		(3,272,402)
<b>Designated for Capital Outlay</b>		<b>24,434,298</b>

### **Staff Recommendation**

None. Information Only.

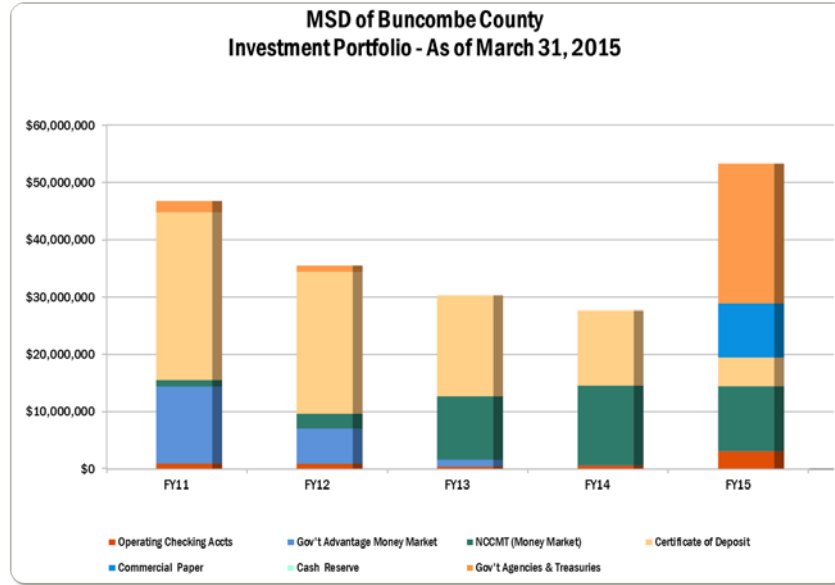
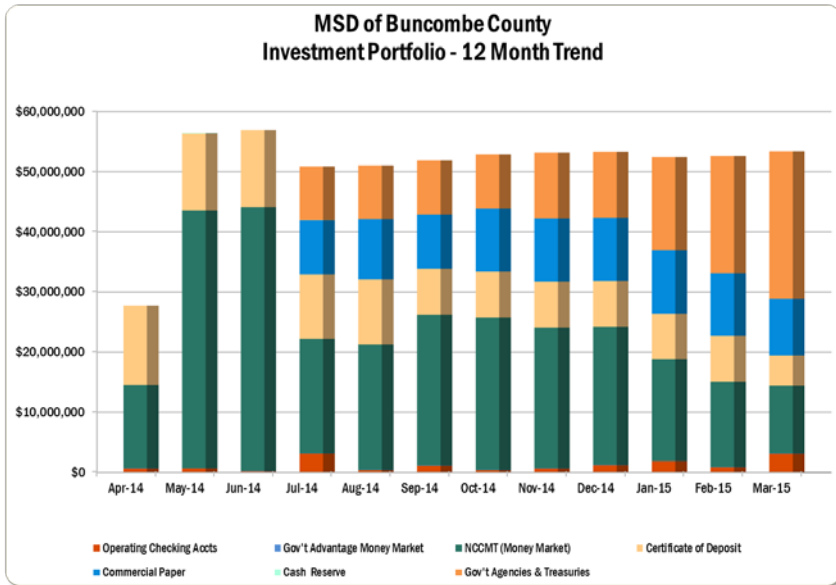
#### **Action Taken**

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

**Metropolitan Sewerage District of Buncombe County  
 Investment Portfolio**

	Operating Checking Accounts	Gov't Advantage Money Market	NCCMT (Money Market)	Certificate of Deposit	Commercial Paper	Cash Reserve	Gov't Agencies & Treasuries	Total
<b>Held with Bond Trustee</b>	\$ -	\$ -	\$ 4,094	\$ -	\$ -	\$ -	\$ -	\$ 4,094
<b>Held by MSD</b>	3,074,267	46,663	11,288,964	5,026,796	9,412,895	-	24,492,137	53,341,722
	\$ 3,074,267	\$ 46,663	\$ 11,293,058	\$ 5,026,796	\$ 9,412,895	\$ -	\$ 24,492,137	\$ 53,345,816

<b>Investment Policy Asset Allocation</b>	<b>Maximum Percent</b>	<b>Actual Percent</b>	
U.S. Government Treasuries, Agencies and Instrumentalities	100%	45.91%	No significant changes in the investment portfolio as to makeup or total amount.
Bankers' Acceptances	20%	0.00%	
Certificates of Deposit	100%	9.42%	The District's YTM of .56% is exceeding the YTM benchmarks of the 6 month T-Bill and NCCMT Cash Portfolio.
Commercial Paper	20%	17.65%	
North Carolina Capital Management Trust	100%	21.17%	All funds invested in CD's, operating checking accounts, Gov't Advantage money market are fully collateralized with the State Treasurer.
Checking Accounts:	100%		
Operating Checking Accounts		5.76%	
Gov't Advantage Money Market		0.09%	



**Board Meeting:**

May 20, 2015

**Subject:**

Cash Commitment/Investment Report-Month Ended March 31, 2015

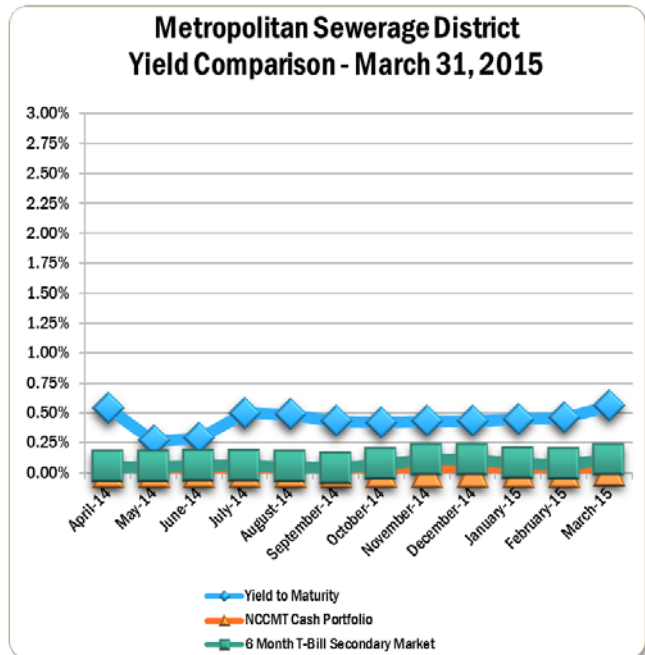
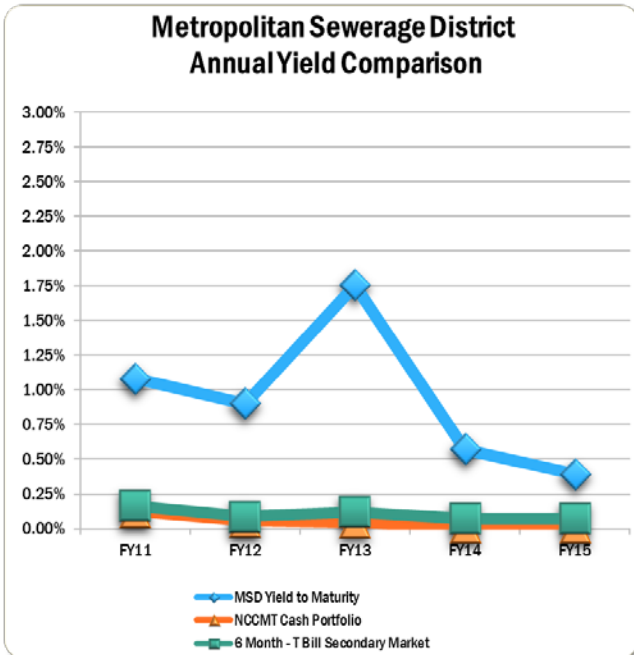
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**METROPOLITAN SEWERAGE DISTRICT  
INVESTMENT MANAGERS' REPORT  
At March 31, 2015**

	Original		Interest Receivable
	Cost	Market	
Beginning Balance	\$ 49,388,585	\$ 49,388,585	\$ 383,475
Capital Contributed (Withdrawn)	(1,068,420)	(1,068,420)	
Realized Income	9,577	9,577	(8,846)
Unrealized/Accrued Income		-	24,409
Ending Balance	\$ 48,329,742	\$ 48,329,742	\$ 399,037

	Original Cost	Income
Cash Equivalents <91 Days	\$ 18,311,538	\$ 9,525
Securities/CD's 91 to 365 Days	15,019,504	7,812
Securities/CD's > 1 Year	14,998,700	7,802
	\$ 48,329,742	\$ 25,139

<b>Month End Portfolio Information</b>	
Weighted Average Maturity	376
Yield to Maturity	0.56%
6 Month T-Bill Secondary Market	0.11%
NCCMT Cash Portfolio	0.02%





**Board Meeting:**

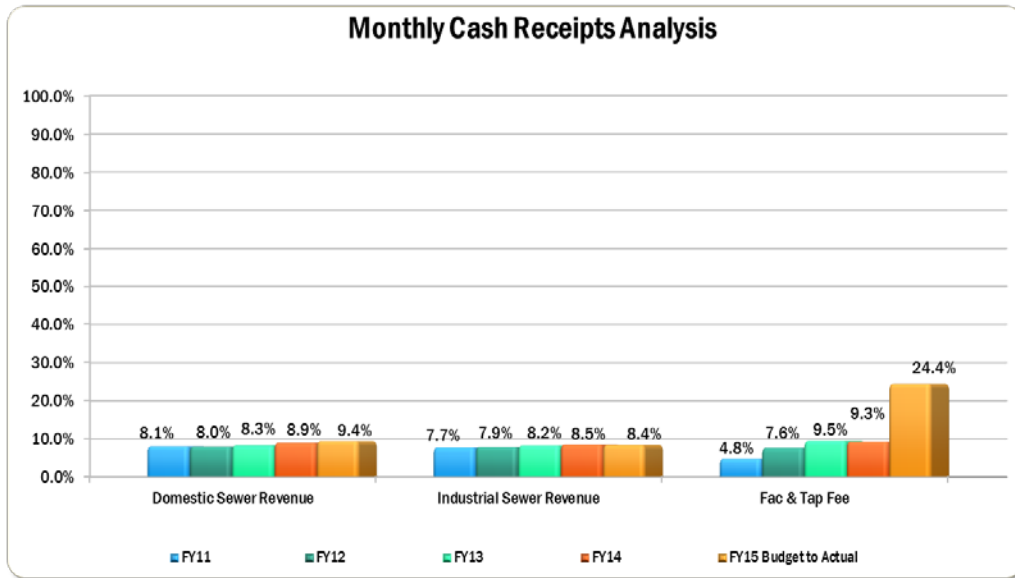
May 20, 2015

**Subject:**

Cash Commitment/Investment Report-Month Ended March 31, 2015

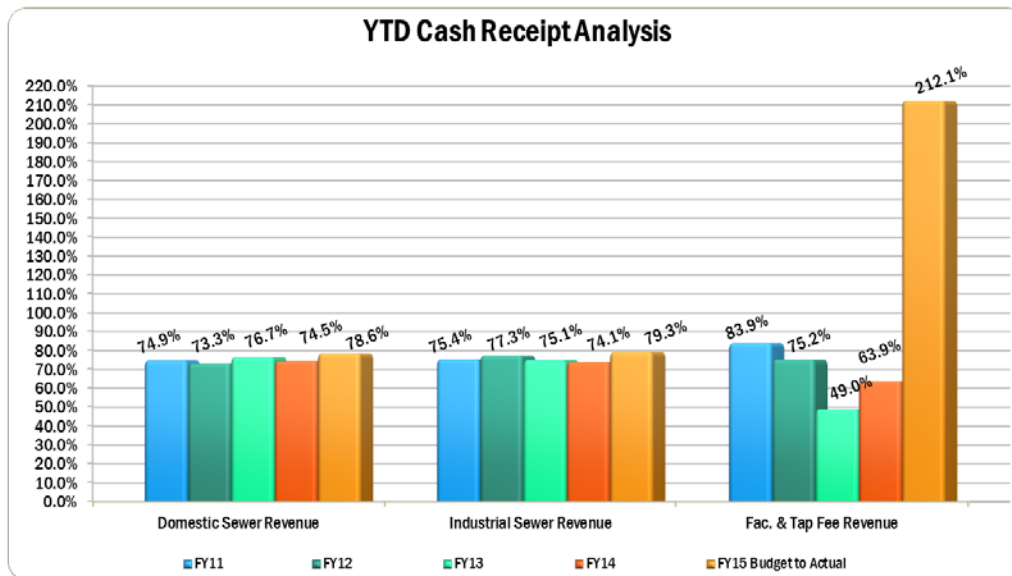
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**METROPOLITAN SEWERAGE DISTRICT  
ANALYSIS OF CASH RECEIPTS  
As of March 31, 2015**



**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 reasonable based on historical trends.
- ▶ 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 reasonable based on historical trends.
- ▶ Due to the unpredictable nature of facility and tap fee revenue, staff considers facility and tap fee revenue reasonable.

**Board Meeting:**

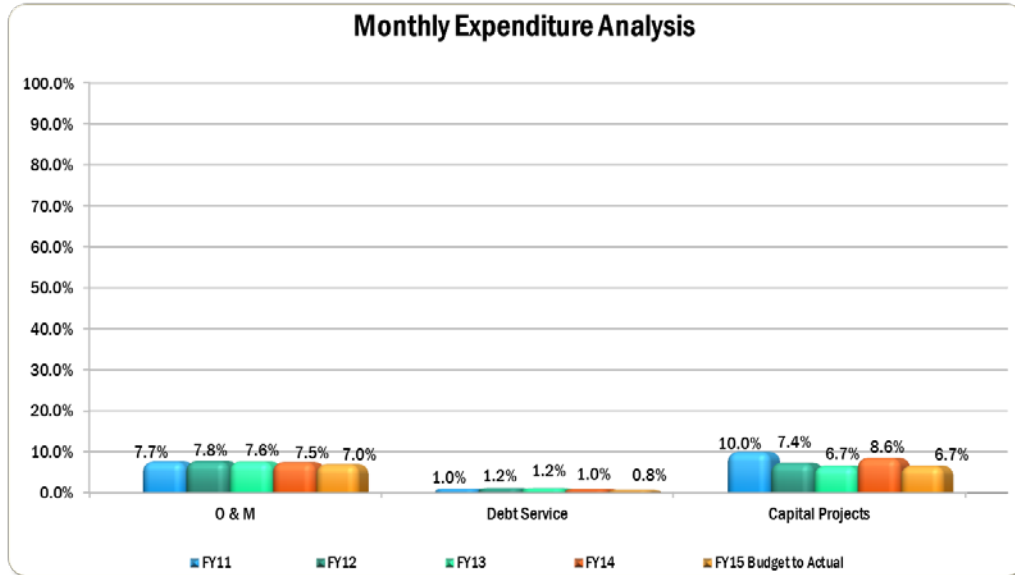
May 20, 2015

**Subject:**

Cash Commitment/Investment Report-Month Ended March 31, 2015

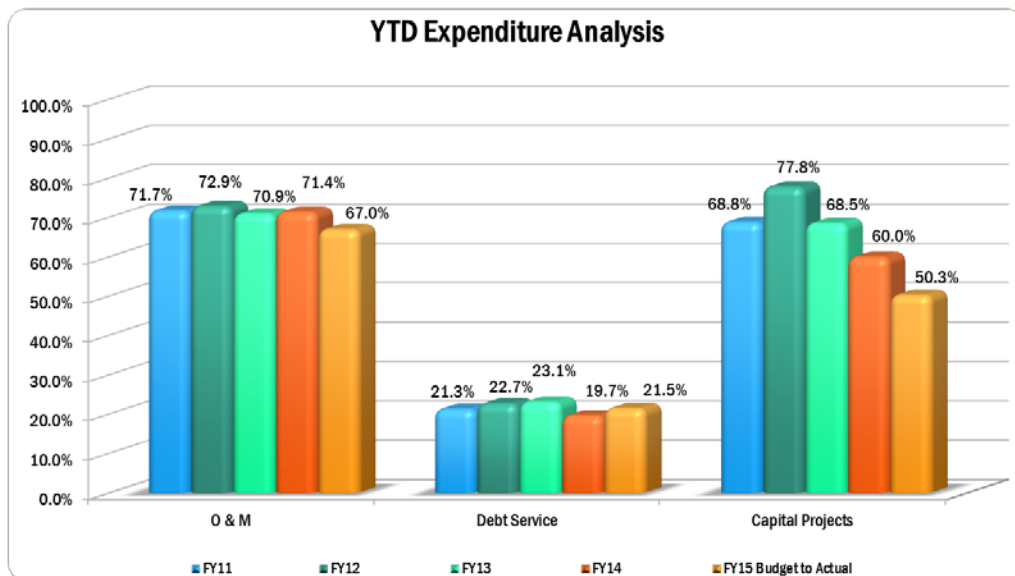
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**METROPOLITAN SEWERAGE DISTRICT  
ANALYSIS OF EXPENDITURES  
As of March 31, 2015**



**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:**

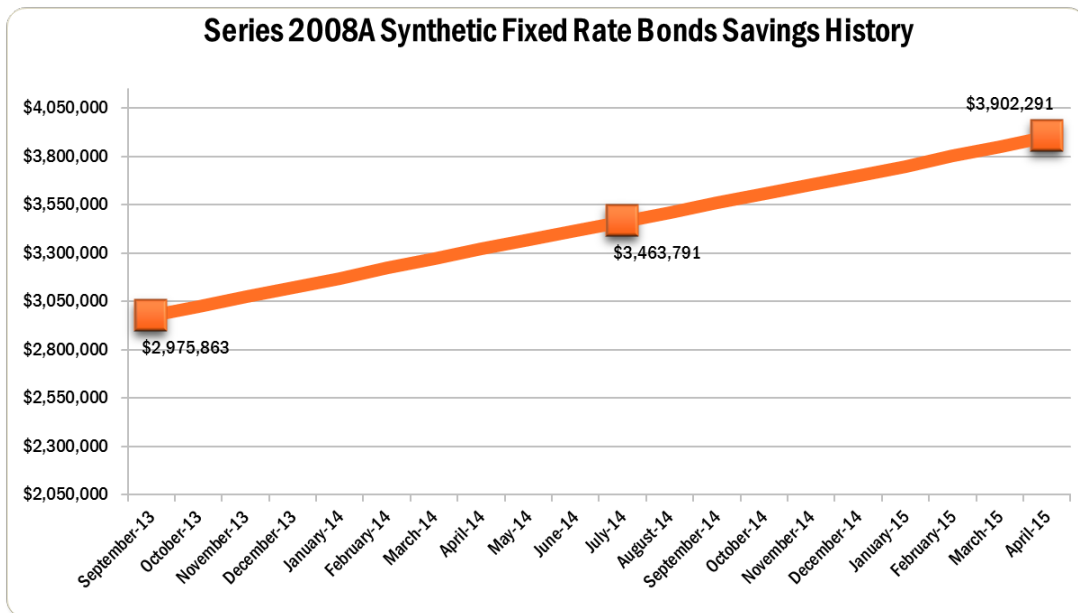
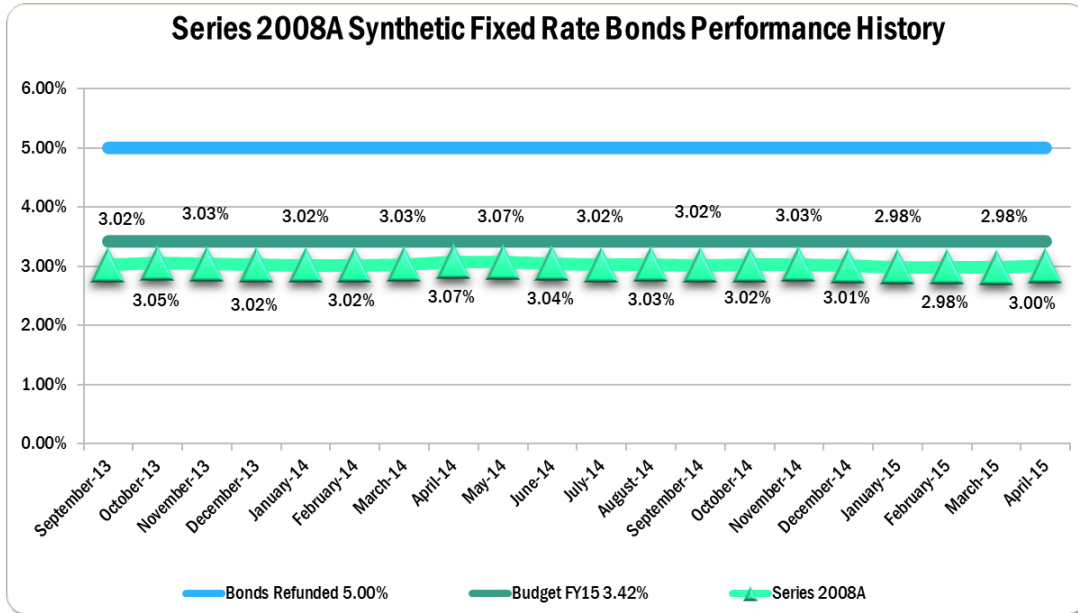
May 20, 2015

**Subject:**

Cash Commitment/Investment Report-Month Ended March 31, 2015

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**METROPOLITAN SEWERAGE DISTRICT  
VARIABLE DEBT SERVICE REPORT  
As of April 30, 2015**



**Series 2008A:**

- ✦ Savings to date on the Series 2008A Synthetic Fixed Rate Bonds is \$3,902,291 as compared to 4/1/2008 fixed rate of 4.85%.
- ✦ Assuming that the rate on the Series 2008A Bonds continues at the current all-in rate of 3.9475%, MSD will achieve cash savings of \$4,670,000 over the life of the bonds.
- ✦ MSD would pay \$5,404,902 to terminate the existing Bank of America Swap Agreement.

# Metropolitan Sewerage District of Buncombe County BOARD ACTION ITEM

**Meeting Date:** May 20, 2015

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

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

**Subject:** Consideration of the Resolution Adopting the Preliminary Budget for FY 2015-2016 and the 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:**

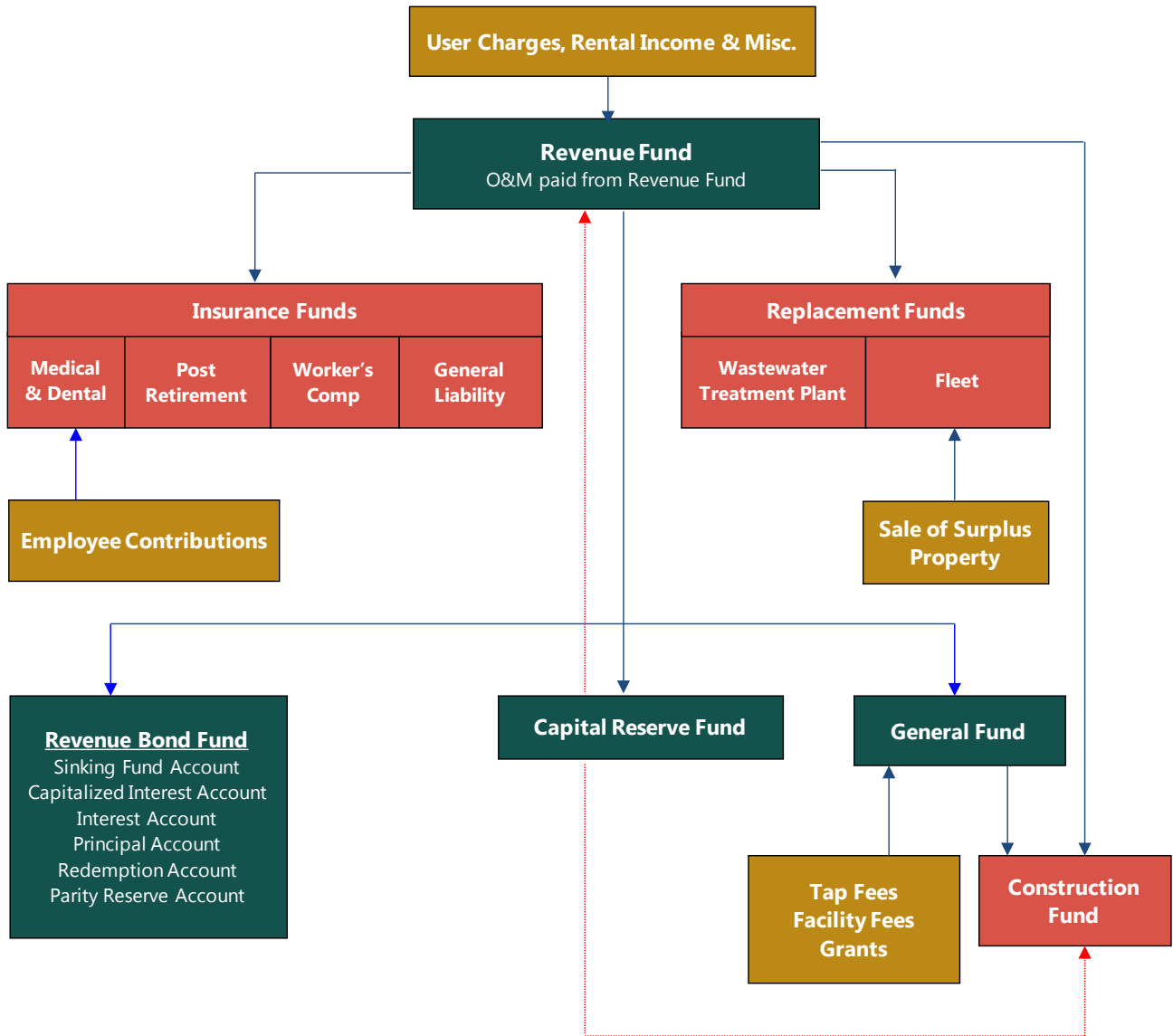
The Finance Committee unanimously approved staff's recommendation to forward to the Board for approval of the attached Proposed FY 2015-2016 Budget along with the Resolution.

### **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 – FY2016.

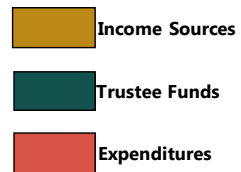
<b>Action Taken</b>			
Motion by:	to	Approve	Disapprove
Second by:		Table	Send to Committee
Other:			
Follow-up required:			
Person responsible:		Deadline:	

# 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 PRELIMINARY BUDGET AND SEWER USE CHARGES  
FOR THE  
METROPOLITAN SEWERAGE DISTRICT  
OF BUNCOMBE COUNTY, NORTH CAROLINA  
FOR THE FISCAL YEAR July 1, 2015 THRU June 30, 2016**

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 2015-2016 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, 2015 and ending June 30, 2016:

Operating and Maintenance Expenses	\$	12,350,764
Transfer to Insurance Accounts	\$	2,817,362
Transfer to Fleet Replacement Reserve	\$	425,000
Transfer to Wastewater Treatment Plant Reserve	\$	<u>200,000</u>
Subtotal O&M	\$	15,793,126
Transfer to Debt Service Fund	\$	9,109,708
Transfer to General Fund	\$	<u>7,485,360</u>
	\$	<u><u>32,388,194</u></u>

It is estimated that the following revenues will be available in the Revenue Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Domestic User Fees	\$	28,962,278
Industrial User Fees	\$	3,155,799
Billing and Collection Fees	\$	734,708
Investment Interest	\$	388,967
Reimbursement for Debt Service from COA	\$	37,000
Rental Income	\$	69,950
Appropriated Net Position	\$	<u>(960,508)</u>
	\$	<u><u>32,388,194</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, 2015 and ending June 30, 2016:

Transfer into Construction	<u>\$ 16,145,360</u>
----------------------------	----------------------

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Facility and Tap Fees	\$ 1,605,000
Investment Income	\$ 5,000
Transfer from Revenue Fund	\$ 7,485,360
Appropriated Net Position	<u>\$ 7,050,000</u>
	<u>\$ 16,145,360</u>

3. The following amounts are hereby appropriated in the Construction Fund for Capital Improvement Plan expenditures for the fiscal year beginning July 1, 2015 and ending June 30, 2016.

Capital Improvements Projects	<u>\$ 21,849,858</u>
-------------------------------	----------------------

It is estimated that the following revenues will be available to the Construction Fund for the Fiscal year beginning July 1, 2015 and ending June 30, 2016.

Investment Income	\$ 5,000
Transfer from General Fund	\$ 16,145,360
Appropriated Net Position	<u>\$ 5,699,498</u>
	<u>\$ 21,849,858</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, 2015 and ending June 30, 2016 are:

Operating Expenditures	<u>\$ 3,539,247</u>
------------------------	---------------------

It is estimated that the following revenues will be available in the Insurance Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$ 2,817,362
Investment Income	\$ 12,600
Employee/Retirees Medical Contributions	\$ 413,000
Appropriated Net Position	<u>\$ 296,285</u>
	<u>\$ 3,539,247</u>

## *Resolution – Preliminary Budget & Sewer Use Charges*

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, 2015 and ending June 30, 2016 are estimated as follows:

Capital Equipment	\$	<u>425,000</u>
-------------------	----	----------------

It is estimated that the following revenues will be available in the Fleet Replacement Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$	425,000
Sale of Surplus Property	\$	51,000
Investment Income	\$	7,581
Contributions to Net Position	\$	<u>(58,581)</u>
	\$	<u>425,000</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, 2015 and ending June 30, 2016 are estimated as follows:

Capital Equipment	\$	<u>210,000</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, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$	200,000
Investment Income	\$	5,096
Appropriated Net Position	\$	<u>4,904</u>
	\$	<u>210,000</u>

7. The following amounts are hereby appropriated in the Debt Service Fund for principal and interest payments for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Debt Service	\$	<u>9,109,708</u>
--------------	----	------------------

It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$	9,109,708
Investment Income	\$	50
Contributions to Net Position	\$	<u>(50)</u>
	\$	<u>9,109,708</u>



## *Resolution – Preliminary Budget & Sewer Use Charges*

- 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, 2015.
- 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 20th day of May 2015

---

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

Attest:

---

Jackie W. Bryson  
Secretary/Treasurer

## Schedule of Rates & Fees – FY2016

	<b>CURRENT FY15 RATE</b>	<b>PROPOSED FY16 RATE</b>
<b>Rate increase</b>	<b>2.50%</b>	<b>2.50%</b>
<b>Collection Treatment Charge</b>		
Residential & Commercial Volume Charges (per CCF) Inside	\$ 4.18	\$ <b>4.28</b>
Industrial Volume Charges (per CCF) Inside	\$ 3.439	\$ 3.692
Industrial Surcharge for BOD (per lb., BOD >230 mg/l) Inside	\$ 0.334	\$ 0.327
Industrial Surcharge for TSS (per lb., TSS >230 mg/l) Inside	\$ 0.264	\$ 0.262
Residential & Commercial Volume Charges (per CCF) Outside	\$ 4.19	\$ <b>4.29</b>
Industrial Volume Charges (per CCF) Outside	\$ 3.449	\$ 3.702
Industrial Surcharge for BOD (per lb., BOD >230 mg/l) Outside	\$ 0.334	\$ 0.327
Industrial Surcharge for TSS (per lb., TSS >230 mg/l) Outside	\$ 0.264	\$ 0.262
<b>Base Meter/Maintenance Charge &amp; Billing Fee</b>		
5/8"	\$ 6.44	\$ <b>6.60</b>
3/4"	\$ 9.38	\$ <b>9.61</b>
1"	\$ 16.63	\$ <b>17.05</b>
1 1/2"	\$ 38.08	\$ <b>39.03</b>
2"	\$ 67.35	\$ <b>69.03</b>
3"	\$ 149.37	\$ <b>153.10</b>
4"	\$ 266.54	\$ <b>273.20</b>
6"	\$ 600.43	\$ <b>615.44</b>
8"	\$ 1,066.15	\$ <b>1,092.80</b>
10"	\$ 1,669.52	\$ <b>1,711.26</b>
Billing Fee (per bill)	\$ 2.29	\$ <b>2.30</b>
<b>Sewer Facility Fees</b>		
<i>This impact fee is for allotted capacity in the treatment and transmission system. A differential fee will be charged for increases to an existing meter size.</i>		
Residential		
Per Unit (non-mobile home)	\$ 2,500.00	\$ <b>2,500.00</b>
Mobile Home	\$ 1,740.00	\$ <b>1,740.00</b>
Affordable Housing	\$ 670.00	\$ <b>670.00</b>
Nonresidential (modifiable per economic development waiver)		
5/8"	\$ 2,500.00	\$ <b>2,500.00</b>
3/4"	\$ 2,830.00	\$ <b>2,830.00</b>
1"	\$ 5,560.00	\$ <b>5,560.00</b>
1 1/2"	\$ 11,350.00	\$ <b>11,350.00</b>
2"	\$ 20,000.00	\$ <b>20,000.00</b>
3"	\$ 45,000.00	\$ <b>45,000.00</b>
4"	\$ 87,500.00	\$ <b>87,500.00</b>
6"	\$ 225,400.00	\$ <b>225,400.00</b>

## Schedule of Rates & Fees – FY2016

	CURRENT FY15 RATE	PROPOSED FY16 RATE
8"	\$ 237,500.00	\$ 237,500.00
Additions < 1,400 GPD	\$ 870.00	\$ 870.00
Additions over 1,400 GPD	Based on flow rate & meter size	Based on flow rate & meter size
<b>Sewer Connection Fees</b>		
<i>This fee is to provide new or re-establish existing service connections to the MSD system.</i>		
Sewer Connection by MSD	\$ 650.00	\$ 650.00
Pavement Disturbance Fee	\$ 2,200.00	\$ 2,200.00
Additional Charge for Boring	N/A	N/A
Refund if Boring avoids pavement disturbance	\$ (1,300.00)	\$ (1,300.00)
Inspection Fee for Developer (or Utility Contractor) Installed Sewer Connection	\$ 140.00	\$ 140.00
<i>The Sewer Connection Fee will apply to new home construction, as well as existing homes which have been demolished or remodeled and sewer service is reinstated under new property ownership. MSD reserves the right to require that a licensed utility contractor install any sewer connection, and such connections will be subject to MSD inspection. Sewer connections in excess of 75 feet will be evaluated on a case by case basis. If constructed by MSD, they will be billed at cost. Property owners may choose to utilize a licensed utility contractor, which will be subject to MSD inspection.</i>		
<b>Manhole Installation/Replacement</b>		
Cost per foot	\$ 250.00	\$ 250.00
Pavement replacement (if required)	\$ 1,800.00	\$ 1,800.00
<b>Other Fees</b>		
Allocation Fee	\$ 170.00	\$ 170.00
Non-Discharge Permit	\$ 200.00	\$ 200.00
Plan Review Fee	\$ 450.00	\$ 450.00
Plan re-review Fee	\$ 350.00	\$ 350.00
Final Inspection	\$ 350.00	\$ 350.00
Pump Station Acceptance Fee	Note 1	Note 1
<i>Note 1 --See policy for details of computation of O&amp;M and equipment replacement costs for upcoming 20 years; 50% discount for affordable housing</i>		
<b>Bulk Charges</b>		
Volume Charge for Septic Haulers (per 1000 Gal.)	\$ 45.00	\$ 45.00
Biochemical Oxygen Demand >230 mg/l (per lb.)	\$ 0.334	\$ 0.327
Total Suspended Solids >230 mg/l (per lb.)	\$ 0.264	\$ 0.262

## *Schedule of Rates & Fees – FY2016*

	<b>CURRENT FY15 RATE</b>	<b>PROPOSED FY16 RATE</b>
<b>Returned Check Charge</b>		
Returned Check (per event)	\$ 25.00	\$ <b>25.00</b>
Dishonored Draft (per event)	\$ 25.00	\$ <b>25.00</b>
<b>Copy/Printing Fees/Miscellaneous (each)</b>		
8x11 first print of standard GIS inquiry	\$ 1.00	\$ <b>1.00</b>
8x14 first print of standard GIS inquiry	\$ 1.00	\$ <b>1.00</b>
11x17 first print of standard GIS inquiry	\$ 2.00	\$ <b>2.00</b>
24x36 first print of standard GIS inquiry	\$ 7.00	\$ <b>7.00</b>
34x44 first print of standard GIS inquiry	\$ 12.00	\$ <b>12.00</b>
36x48 first print of standard GIS inquiry	\$ 14.00	\$ <b>14.00</b>
8x11 or 8x14 copies after first print	\$ 0.11	\$ <b>0.11</b>
11x17 copies after first print	\$ 0.20	\$ <b>0.20</b>
24x36 copies after first print	\$ 0.94	\$ <b>0.94</b>
34x44 copies after first print	\$ 1.76	\$ <b>1.76</b>
36x48 copies after first print	\$ 2.03	\$ <b>2.03</b>
Foam Core mounting per sq. foot	\$ 3.00	\$ <b>3.00</b>
Data CD	\$ 30.00	\$ <b>30.00</b>
Shipping for CD	\$ 5.00	\$ <b>5.00</b>
Permit Decals for Septic Haulers	\$ 50.00	\$ <b>50.00</b>

**METROPOLITAN SEWERAGE DISTRICT OF  
BUNCOMBE COUNTY, NORTH CAROLINA**



**FY2016**  
**Preliminary Budget**

# 2015-2016 Preliminary Budget

## *PRINCIPAL OFFICIALS*

### *Board Member*

M. Jerry VeHaun, Chairman  
Jackie W. Bryson,  
Secretary/Treasurer  
Matt Ashley, Jr,  
Joe Belcher  
Ellen Frost  
E. Glenn Kelly  
Esther Manheimer  
Chris Pelly  
Al P. Root  
Bill Stanley  
Robert C. Watts  
Gwen Wisler

### *Representative of*

Town of Woodfin  
Woodfin Sanitary  
Water & Sewer  
Town of Montreat  
County of Buncombe  
County of Buncombe  
Town of Biltmore Forest  
City of Asheville  
City of Asheville  
Town of Weaverville  
County of Buncombe  
Town of Black Mountain  
City of Asheville

Roberts & Stevens, P.A.  
Cherry Bekaert, LLP  
McGill & Associates

### *Legal Counsel*

### *Auditing Firm*

### *Engineer of Record*

Thomas E. Hartye, P.E.  
W. Scott Powell, CLGFO

### *General Manager*

### *Director of Finance*



Phone: (828) 254-9646 Fax: (828) 232-5530

Website: [www.msdbc.org](http://www.msdbc.org)

## *Certificate of Achievement*

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 (MSD) for its annual budget for the fiscal year beginning July 1, 2014. This is the eighteenth 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 on one year only. We believe our FY2016 budget continues to conform to the program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

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FY  
2016

# *Introduction*





# Metropolitan Sewerage District

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## OF BUNCOMBE COUNTY, NORTH CAROLINA

May 20, 2015

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

**Subject:** FY15-16 Budgets and Proposed Sewer Rates

Dear Members of the Board,

We respectfully present the FY16 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 28, 2015, the Capital Improvement Program Committee, which met on April 30, 2015, and the Finance Committee, which met on May 7, 2015.

We have developed the FY16 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 FY15, the District's domestic and industrial revenue is expected to meet budgeted projections. 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).

The Systems Services Department continues to expand its participation in sewerline rehabilitation and replacement efforts to minimize SSOs. Goals for FY16 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

**TO:** Members of the Board  
**SUBJECT:** FY15-16 Budgets and Proposed Sewer Rates  
May 20, 2015

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 Plan. In FY16, the District will initiate an update of the District's facilities plan in addition to prepare for future increased regulations.

### **Operating Budget**

The proposed \$15.8 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 3.0% salary adjustment—CPI increased 1.6% 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 a \$232,000 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 FY16 funding should be \$261,500. Current funding has been implemented into the proposed FY16 budget and the current business plan and represents 1.7% of total operations.
- ◀ **Materials, Supplies, and Service expenditures increased 2.6% 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 (i.e. Title V Air Permit). Discretionary expenditures have been limited where practicable. This has a \$144,000 impact on current year expenditures.

**TO:** Members of the Board  
**SUBJECT:** FY15-16 Budgets and Proposed Sewer Rates  
May 20, 2015

### **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 FY16 is \$21.8 million, which is comprised of an estimated \$20.7 million in construction, \$100,000 of reimbursement and \$1 million in contingency. A detailed list of individual projects and planned expenditures by year was presented at the April 30, 2015 CIP meeting.

The Board has consistently financed its Capital Improvement Program through revenue bonds and pay-as-you-go moneys. As of June 30, 2015, the District will have \$101.4 million in outstanding revenue bond debt, with total debt service of \$9.1 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 initiated and maintains 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 \$200.2 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.

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 FY16 include the \$572,000 South French Broad Interceptor Grouting Project with approximately 12,000 linear feet, \$650,000 Hendersonville Rd. @ Mills Gap Rd. with over 2,855 linear feet, \$696,000 Hilliard Ave. @ Aston Park with over 2,670 linear feet and elimination of a pump station, \$1,125,000 Melody Circle with over 4,577 linear feet, and \$388,000 New Salem Road, with over 3,200

**TO:** Members of the Board  
**SUBJECT:** FY15-16 Budgets and Proposed Sewer Rates  
May 20, 2015

linear feet and trenchless lining. In FY15 Treatment Plant, incinerator upgrades are scheduled to cost \$5.3 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 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. This plan provided short, medium, and long-term recommendations for each specific process and facility, many of which have been completed since that time. In March 2014, MSD began the process of updating this important plan. The Facilities Plan Update is now complete and was presented to the MSD Board in April 2015.

This update primarily expanded on several of the original plan's longer term recommendations. It focused specifically on improvements to the WRF Headwork's (i.e. bar screens, influent pumping station, and the problematic grit & grease removal system), including storage for short-term peak flows. It also investigated in detail the installation of a primary clarification process; and has evaluated alternatives for the biological treatment process.

Another key aspect of the Facility Plan Update was to gain a solid understanding of regulatory issues that may impact future treatment requirements, and identify long-term biological treatment alternatives to comply with anticipated future regulation changes.

Near-term and mid-term project recommendations from the plan include:

- **Plant Headworks Project:** This \$6.51 Million project consists of a new grit removal system to replace the existing problematic system, a fine screening facility which will supplement the WRF's existing bar screens, and storage at the plant using existing decommissioned tanks to provide more effective treatment during peak flow events. In addition, by removing more grit than the current process, it will help to better protect downstream processes within the plant. Design is planned for FY16 and construction is scheduled to begin in FY17.
- **High Rate Primary Treatment Project:** This \$9.61 Million project will provide primary clarification by removing solids before the biological treatment stage. This will provide a more effective treatment, and will also help the Rotating Biological Contactors (RBC's) to better perform. During high flow (storm) events, this treatment can be ramped-up in order to match the higher flows. Design is planned for FY17 and construction is scheduled to begin in FY18.

**TO:** Members of the Board  
**SUBJECT:** FY15-16 Budgets and Proposed Sewer Rates  
May 20, 2015

Long-term alternatives focused on the biological treatment aspect (currently RBC's). Specific alternatives will be evaluated if and when future regulatory requirements change over time. The two projects noted above allow for flexibility among the viable options for biological treatment.

### **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.

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 FY16, 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

**TO:** Members of the Board  
**SUBJECT:** FY15-16 Budgets and Proposed Sewer Rates  
May 20, 2015

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.

Domestic sewer rates for the past five years as well as FY16 are shown below:

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>
Rate Increase %	3.5%	3.0%	2.5%	2.5%	2.5%	2.5%
Meter, Maintenance & Billing Fees	\$6.87	\$7.05	\$8.34	\$8.53	\$8.73	\$8.90
Flow Rate (per ccf)	\$3.77	\$3.88	\$3.98	\$4.08	\$4.18	\$4.28
Avg. Monthly Bill (5ccf)	\$25.72	\$26.45	\$27.14	\$27.81	\$28.49	\$29.15

### **Distinguished Budget Award**

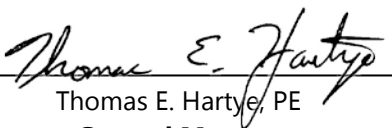
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Metropolitan Sewerage District of Buncombe County, North Carolina for its annual budget for the fiscal year beginning July 1, 2014. This is the eighteenth consecutive 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.

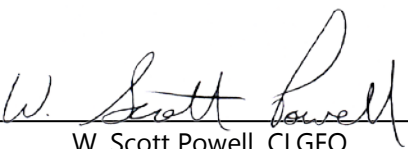
This award is valid for a period of one year only. We believe our FY16 budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

### **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. Hartye, PE  
**General Manager**

  
W. Scott Powell, CLGFO  
**Director of Finance**



FY  
2016

# *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.

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 Process*** (continued)

### **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						
S	M	T	W	T	F	S
			1	2	3	4
5	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		

May						
S	M	T	W	T	F	S
					1	2
3	4	5	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						

June						
S	M	T	W	T	F	S
	1	2	3	4	5	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				

July						
S	M	T	W	T	F	S
			1	2	3	4
5	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	

DATE	TIME	SUBJECT
<b>April 28</b>	<b>9:00 a.m.</b>	<b>Personnel Committee Meeting</b> <ul style="list-style-type: none"> <li>Cost of Living &amp; Merit Pay</li> <li>Benefit Allocations</li> </ul>
<b>April 30</b>	<b>8:30 a.m.</b>	<b>CIP Committee Meeting</b> <ul style="list-style-type: none"> <li>Update of Ten-Year Capital Improvement Program</li> <li>Update Construction Program Financing</li> <li>2015-2016 Construction Fund Budget</li> </ul>
<b>May 7</b>	<b>9:00 a.m.</b>	<b>Finance Committee Meeting</b> <ul style="list-style-type: none"> <li>Nine Month Revenue/Expenditure Report</li> <li>Self-Funded Medical &amp; Dental Program</li> <li>Proposed FY16 Construction Fund Budget</li> <li>Proposed FY16 Operating Budget &amp; Sewer Rates</li> </ul>
<b>May 20</b>	<b>2:00 p.m.</b>	<b>Board Meeting</b> <ul style="list-style-type: none"> <li>Preliminary FY16 Budgets &amp; Sewer Rates</li> </ul>
<b>June 10</b>	<b>2:00 p.m.</b>	<b>Board Meeting</b> <ul style="list-style-type: none"> <li>Public Hearing</li> <li>Adoption of FY16 Budgets &amp; Sewer Rates</li> </ul>
<b>July 1</b>		<b>Start of Fiscal Year 2015-2016</b>

## *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.

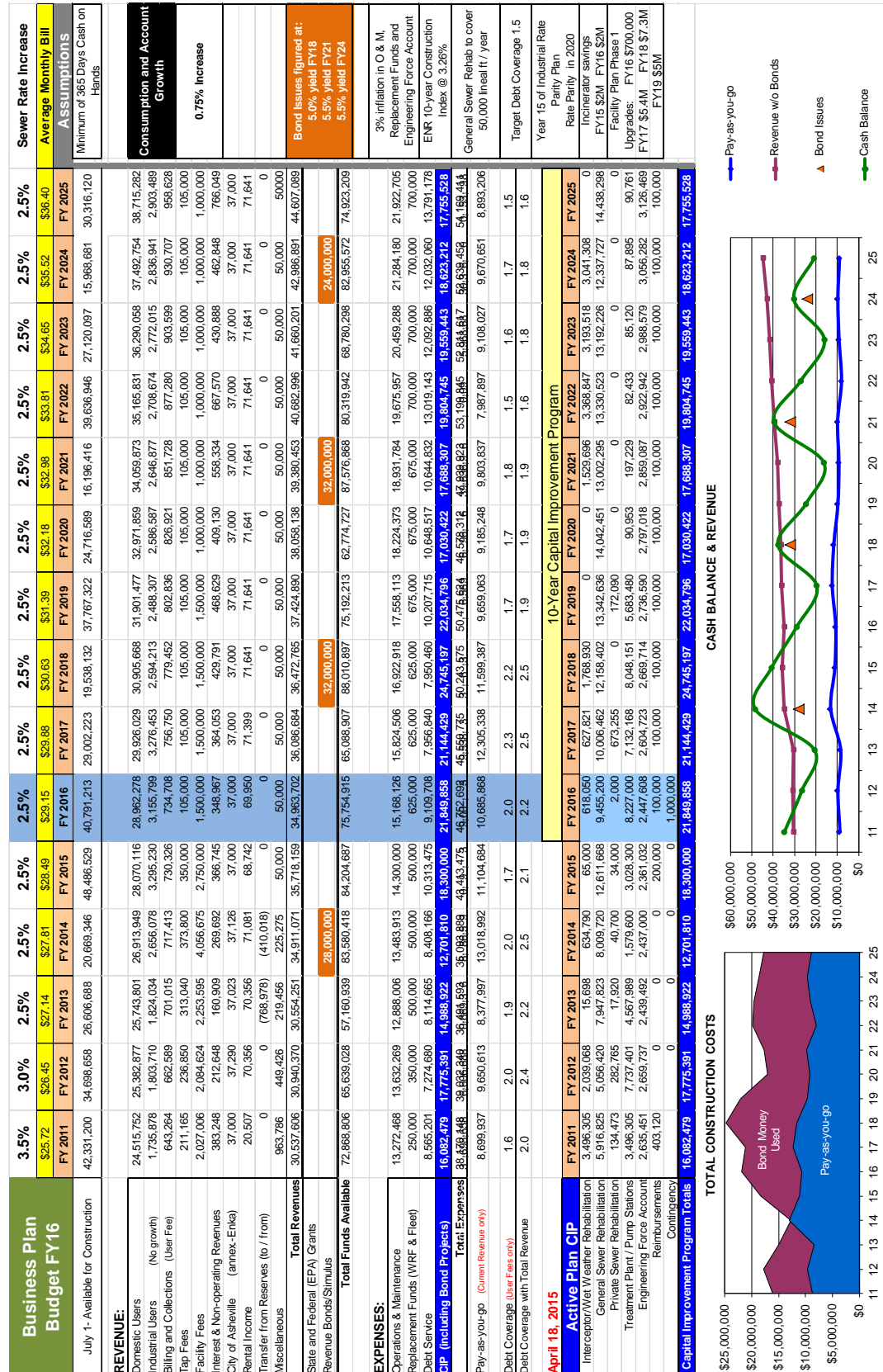
Consumer revenue projections are based on consumption rates, growth in number of taps during the previous year, and projected rate increase. Industrial revenue is developed from anticipated fees of actual individual companies, since there are relatively few industrial customers and the charges are determined 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 FY16 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

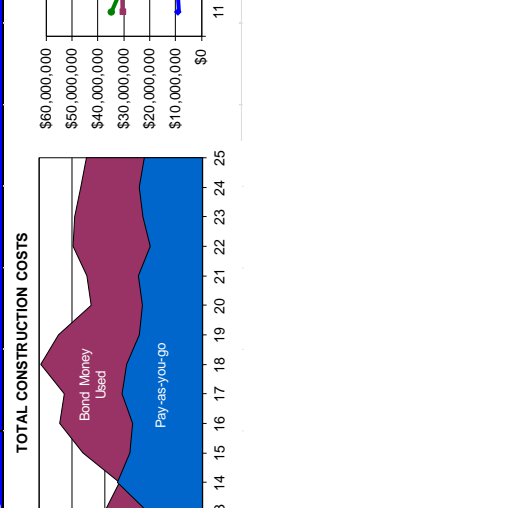


**Sewer Rate Increase**  
Average Monthly Bill  
Assumptions  
Minimum of 365 Days Cash on Hands

**Consumption and Account Growth**  
0.75% increase

Bond Issues figured at:  
5.0% yield FY18  
5.5% yield FY21  
5.5% yield FY24

3% inflation in O & M,  
Replacement Funds and Engineering Force Account  
ENR 10-year Construction Index @ 3.26%  
General Sewer Rehab to cover 50,000 lineal ft / year  
Target Debt Coverage 1.5  
Year 15 of Industrial Rate Parity Plan  
Rate Parity in 2020  
Incentivar savings FY15 \$2M FY16 \$2M  
Facility Plan Phase 1  
Upgrades: FY16 \$700,000  
FY17 \$5.4M FY18 \$7.3M  
FY19 \$5M



## 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 2014 Actual Total	FY 2015 Budget	FY 2016 Proposed Budget	Increase (Decrease)	% Change
<b>REVENUES &amp; FINANCING SOURCES</b>					
Domestic User Fees	\$ 27,926,689	\$ 28,070,115	\$ 28,962,278	\$ 892,163	3.2%
Industrial User Fees	1,758,818	2,210,438	3,155,799	945,361	42.8%
Billing and Collection	717,413	725,702	734,708	9,006	1.2%
Facility and Tap Fees	4,430,475	1,355,000	1,605,000	250,000	18.5%
Interest and Misc. Income	369,102	486,618	485,094	(1,524)	-0.3%
Rental Income	71,081	68,742	69,950	1,208	1.8%
City of Asheville (Enka Bonds)	37,126	37,000	37,000	-	0.0%
Employee Contributions to Health Fund	427,425	417,800	413,000	(4,800)	-1.1%
Proceeds from Revenue Bonds	28,000,000	-	-	-	N/A
Use of (Contributions to) Available Funds	(28,362,951)	15,802,036	12,021,748	(3,780,288)	-23.9%
<b>Total Revenues &amp; Financing Sources</b>	<b>\$ 35,375,178</b>	<b>\$ 49,173,451</b>	<b>\$ 47,484,577</b>	<b>\$ (1,688,874)</b>	<b>-3.4%</b>
<b>EXPENDITURES</b>					
Operations and Maintenance	\$ 13,983,913	\$ 15,391,058	\$ 15,745,161	\$ 354,103	2.3%
Construction	12,701,810	22,760,555	21,849,858	(910,697)	-4.0%
Capital Equipment	635,543	632,350	779,850	147,500	23.3%
Bond Principal and Interest	8,053,912	10,389,488	9,109,708	(1,279,780)	-12.3%
<b>Total Expenditures</b>	<b>\$ 35,375,178</b>	<b>\$ 49,173,451</b>	<b>\$ 47,484,577</b>	<b>\$ (1,688,874)</b>	<b>-3.4%</b>

**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	
<b>Projected Net Position at 6/30/15</b>	<b>28,041,465</b>	<b>7,050,000</b>	<b>5,699,748</b>	<b>505,348</b>	<b>339,712</b>	<b>7,534,361</b>	<b>49,170,634</b>
Revenues and Other Financing Sources:							
Domestic User Charges	28,962,278	-	-	-	-	-	28,962,278
Industrial User Charges	3,155,799	-	-	-	-	-	3,155,799
Billing and Collection Fees	734,708	-	-	-	-	-	734,708
Facility and tap fees	-	1,605,000	-	-	-	-	1,605,000
Proceeds from Revenue Bonds	-	-	-	-	-	-	-
Stimulus Loan/Grant	-	-	-	-	-	-	-
Sale of Surplus Property	-	-	-	51,000	-	-	51,000
Non-governmental Grants	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-
Investment interest & misc.	388,967	5,000	5,000	7,581	5,096	50	411,694
City of Asheville for Enka Bond	37,000	-	-	-	-	-	37,000
Rental Income	69,950	-	-	-	-	-	69,950
Employee/Retirees Medical Contributions	-	-	-	-	-	-	-
<b>Total Revenues and Fin. Sources</b>	<b>33,348,702</b>	<b>1,610,000</b>	<b>5,000</b>	<b>58,581</b>	<b>5,096</b>	<b>50</b>	<b>35,027,429</b>
Expenditures and Other Financing Uses							
Operating Expenses	(12,205,914)	-	-	-	-	-	(12,205,914)
Debt--Principal	-	-	-	-	-	(5,275,824)	(5,275,824)
Debt--Interest	-	-	-	-	-	(3,833,884)	(3,833,884)
Construction	-	-	(21,849,858)	-	-	-	(21,849,858)
Capitalized Equipment Expenditures	(144,850.00)	-	-	(425,000)	(210,000)	-	(779,850)
<b>Total Expenditures and Other Financing Uses</b>	<b>(12,350,764)</b>	<b>-</b>	<b>(21,849,858)</b>	<b>(425,000)</b>	<b>(210,000)</b>	<b>(9,109,708)</b>	<b>(43,945,330)</b>
<b>Interfund/account transfers</b>	<b>(20,037,430)</b>	<b>(8,660,000)</b>	<b>16,145,360</b>	<b>425,000</b>	<b>200,000</b>	<b>9,109,708</b>	<b>(2,817,362)</b>
<b>Excess (Deficit) of Revenues over Expenditures</b>	<b>960,508</b>	<b>(7,050,000)</b>	<b>(5,699,498)</b>	<b>58,581</b>	<b>(4,904)</b>	<b>50</b>	<b>(11,735,263)</b>
<b>Projected Net Position at 06/30/16</b>	<b>29,001,973</b>	<b>-</b>	<b>250</b>	<b>563,929</b>	<b>334,808</b>	<b>7,534,411</b>	<b>37,435,371</b>

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

	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
<b>Projected Net Position at 6/30/15</b>	<b>1,234,440</b>	<b>135,961</b>	<b>583,545</b>	<b>377,504</b>	<b>948,580</b>	<b>3,280,030</b>	<b>52,450,664</b>
Revenues and Other Financing Sources:							
Domestic User Charges	-	-	-	-	-	-	28,962,278
Industrial User Charges	-	-	-	-	-	-	3,155,799
Billing and Collection Fees	-	-	-	-	-	-	734,708
Facility and tap fees	-	-	-	-	-	-	1,605,000
Proceeds from Revenue Bonds	-	-	-	-	-	-	-
Stimulus Loan/Grant	-	-	-	-	-	-	-
Sale of Surplus Property	-	-	-	-	-	-	51,000
Non-governmental Grants	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-
Investment interest & misc.	5,000	5,000	1,100	1,500	9,800	22,400	434,094
City of Asheville for Enka Bond	-	-	-	-	-	-	37,000
Rental Income	-	-	-	-	-	-	69,950
Employee/Retirees Medical Contributions	395,000	18,000	-	-	-	413,000	413,000
<b>Total Revenues and Fin. Sources</b>	<b>400,000</b>	<b>23,000</b>	<b>1,100</b>	<b>1,500</b>	<b>9,800</b>	<b>435,400</b>	<b>35,462,829</b>
Expenditures and Other Financing Uses							
Operating Expenses	(2,497,398)	(188,700)	(558,149)	(295,000)	-	(3,539,247)	(15,745,161)
Debt--Principal	-	-	-	-	-	-	(5,275,824)
Debt--Interest	-	-	-	-	-	-	(3,833,884)
Construction	-	-	-	-	-	-	(21,849,858)
Capitalized Equipment Expenditures	-	-	-	-	-	-	(779,850)
<b>Total Expenditures and Other Financing Uses</b>	<b>(2,497,398)</b>	<b>(188,700)</b>	<b>(558,149)</b>	<b>(295,000)</b>	<b>-</b>	<b>(3,539,247)</b>	<b>(47,484,577)</b>
<b>Interfund/account transfers</b>	<b>1,807,916</b>	<b>188,700</b>	<b>605,434</b>	<b>215,312</b>	<b>-</b>	<b>2,817,362</b>	<b>-</b>
<b>Excess (Deficit) of Revenues over Expenditures</b>	<b>(289,482)</b>	<b>23,000</b>	<b>48,385</b>	<b>(78,188)</b>	<b>9,800</b>	<b>(286,485)</b>	<b>(12,021,748)</b>
<b>Projected Net Position at 06/30/16</b>	<b>944,958</b>	<b>158,961</b>	<b>631,930</b>	<b>299,316</b>	<b>958,380</b>	<b>2,993,545</b>	<b>40,428,916</b>

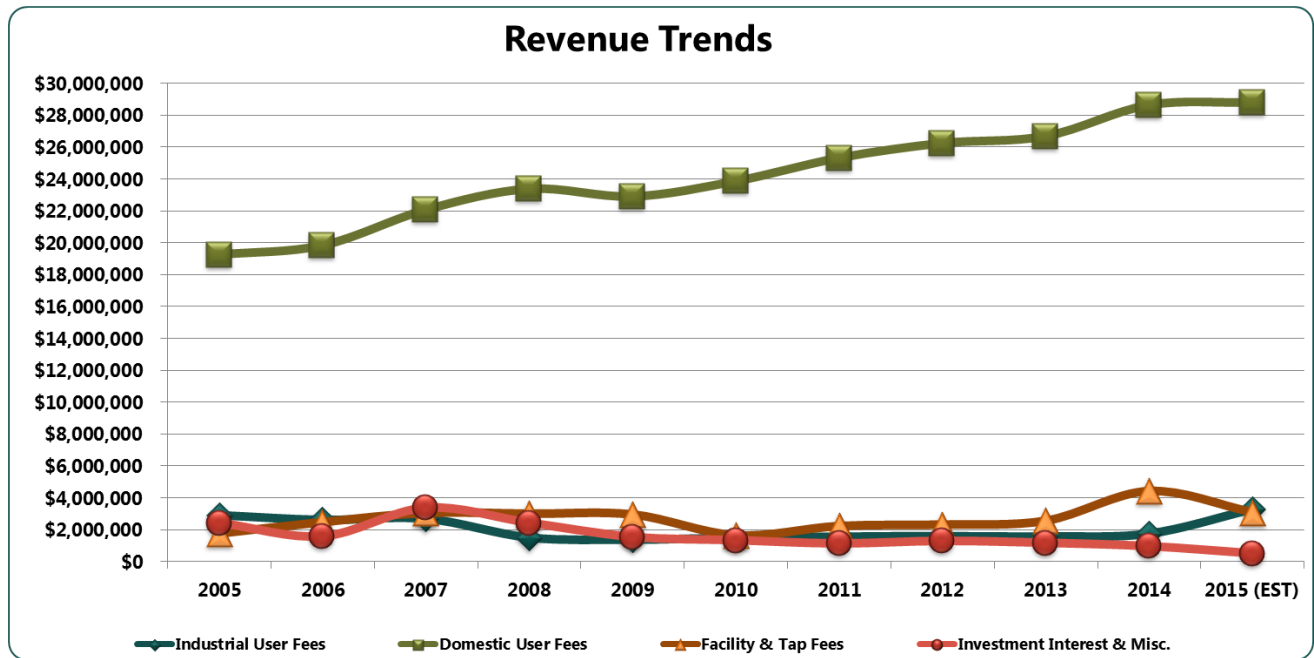
Now that the Districts' financial overview has been presented, we will examine revenues and various expenditures in detail.

# Revenue

## Overview

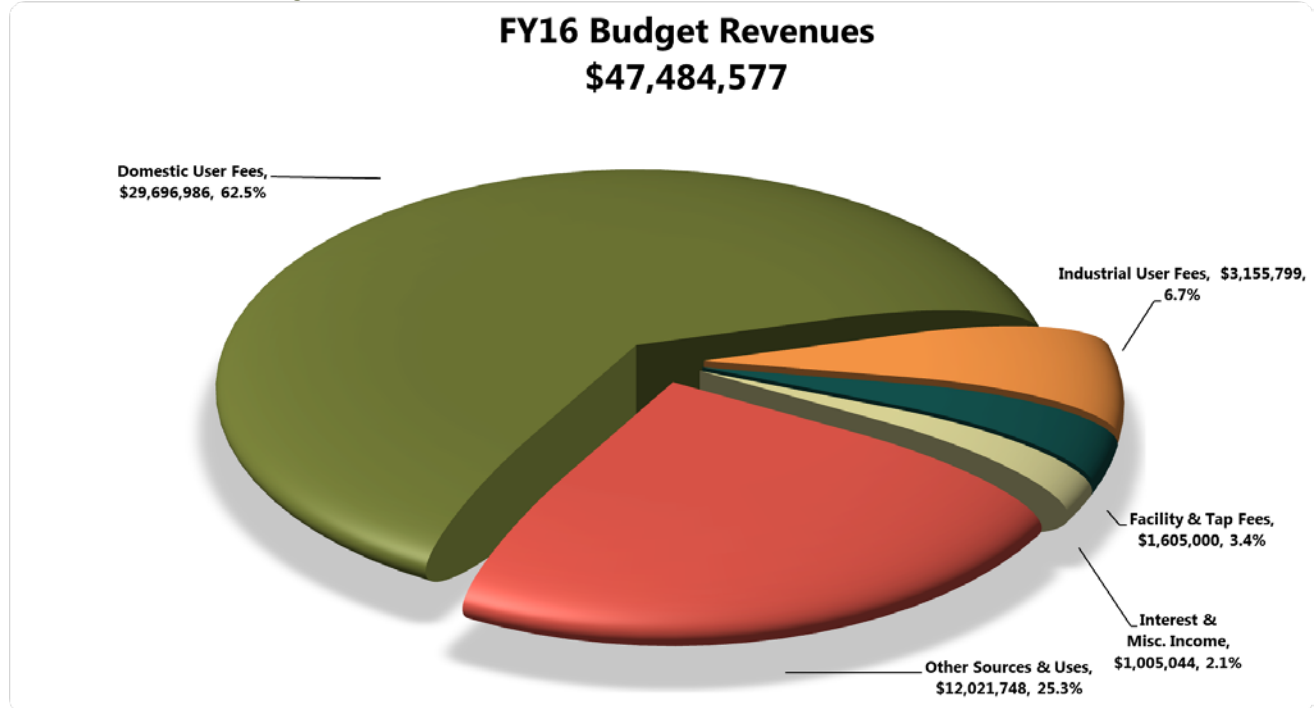
The District has the authority to establish rates and charges for service to be approved by a budget resolution of the District Board of Directors. The District has established separate rates for domestic and industrial customers, adopted a schedule of facility and sewer connection fees applying to new 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 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 FY15 will continue in FY16. Overall, income for FY15 is estimated to be slightly higher than in FY14.



**Revenue** (continued)

**Revenue Summary**



When projecting FY16 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>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>
3.5%	3.0%	2.5%	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 FY16 estimated industrial revenue is expected to increase over FY14 due to the acceptance of a temporary agreement of treatment services. This agreement is set to expire in FY18.

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.

### **Sewer 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 FY16, 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.

### **Sewer Connection Fees**

This revenue source represents the cost of physically installing new connections to the sewer system. Sewer Connection Fees 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.

The Sewer Connection Fee will apply to new home construction, as well as existing homes, which have been demolished or remodeled, and sewer service is reinstated under new property ownership. MSD reserves the right to require that a licensed utility contractor install any sewer connection, and such connections will be subject to MSD inspection. Sewer connections in excess of 75 feet will be evaluated on a case-by-case basis. If constructed by MSD, they will be billed at cost. Property owners may choose to utilize a licensed utility contractor, which will be subject to MSD inspection.

## *Revenue* (continued)

### **Billings & Collections**

The District will pay the municipalities \$2.30 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.

FY  
2016

*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 FY16 Operation & Maintenance Fund budget totals \$15,793,126. This represents a 2.65% increase over the previous year. The District budgets to the Departmental level and are as follows:

Office of the General Manager	\$ 1,559,779
Human Resources	\$ 756,069
Information Technology	\$ 1,291,024
Financial Services	\$ 829,723
Wastewater Treatment Plant	\$ 7,632,579
SS Maintenance	\$ 2,714,056
SS Construction	\$ 2,465,316
Engineering	\$ 2,318,258
Total Expenditures	\$19,566,804
Less: Capitalized in Construction Funds	(3,773,678)
Net Operation & Maintenance Fund	\$15,793,126

	ACTUAL 2013-2014	APPROVED 2014-2015 BUDGET	ESTIMATED 2014-2015 ACTUAL	PROPOSED 2015-2016 BUDGET	INC(DEC) OVER PRIOR YR BUDGET
<b>SALARIES &amp; WAGES</b>	\$ 7,867,267	\$ 8,164,131	\$ 8,153,456	\$ 8,396,372	2.84%
<b>BENEFITS</b>	\$ 3,691,076	3,842,338	3,840,767	3,851,994	0.25%
<b>MATERIALS, SUPPLIES &amp; SERVICES</b>	\$ 5,291,315	6,200,793	5,929,062	6,344,980	2.33%
<b>REPLACEMENT FUNDS &amp; TRANSFERS</b>	\$ 720,783	704,911	704,911	828,608	17.55%
<b>CAPITAL EQUIPMENT</b>	\$ 293,638	166,585	149,493	144,850	-13.05%
<b>SUB-TOTAL O&amp;M FUND</b>	<b>\$ 17,864,077</b>	<b>\$ 19,078,758</b>	<b>\$ 18,777,689</b>	<b>\$ 19,566,804</b>	<b>2.56%</b>
<b>LESS:</b>					
<b>Capitalized Construction Expenses</b>	\$ (3,571,110)	\$ (3,693,976)	\$ (3,682,422)	\$ (3,773,678)	2.16%
<b>NET OPERATION &amp; MAINTENANCE FUND</b>	<b>\$ 14,292,967</b>	<b>\$ 15,384,782</b>	<b>\$ 15,095,268</b>	<b>\$ 15,793,126</b>	<b>2.65%</b>

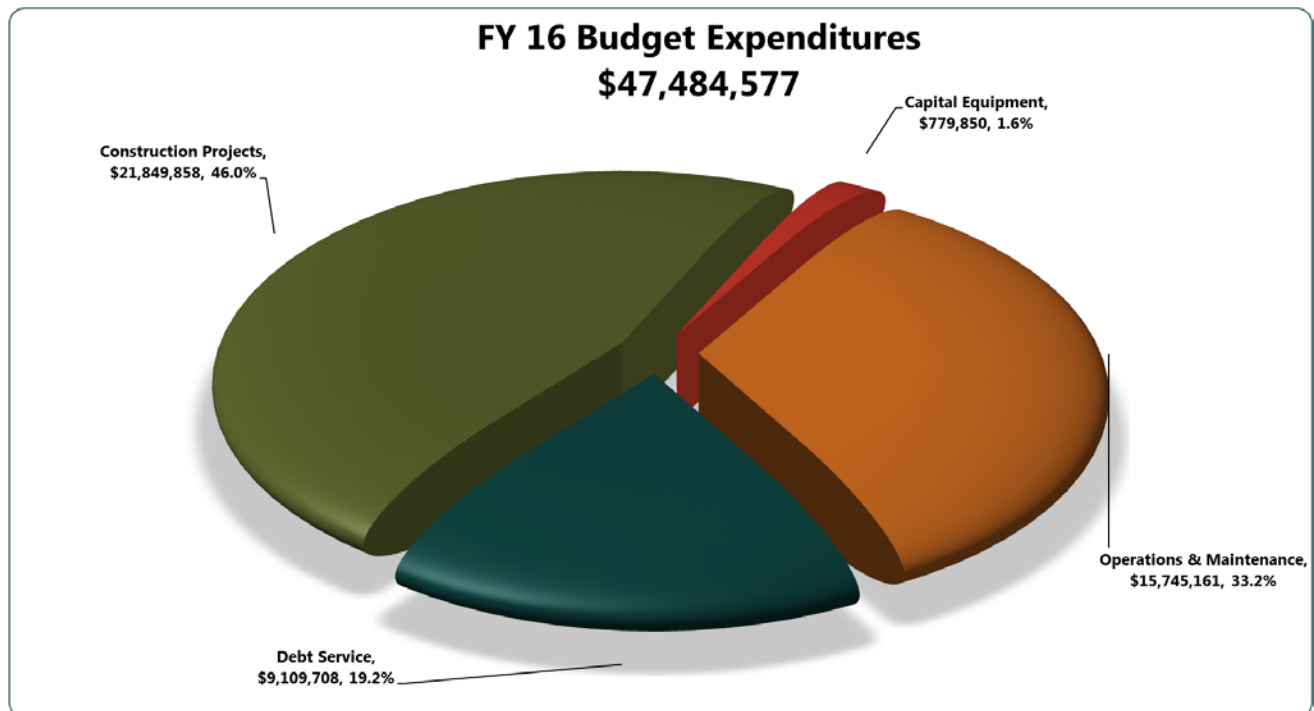
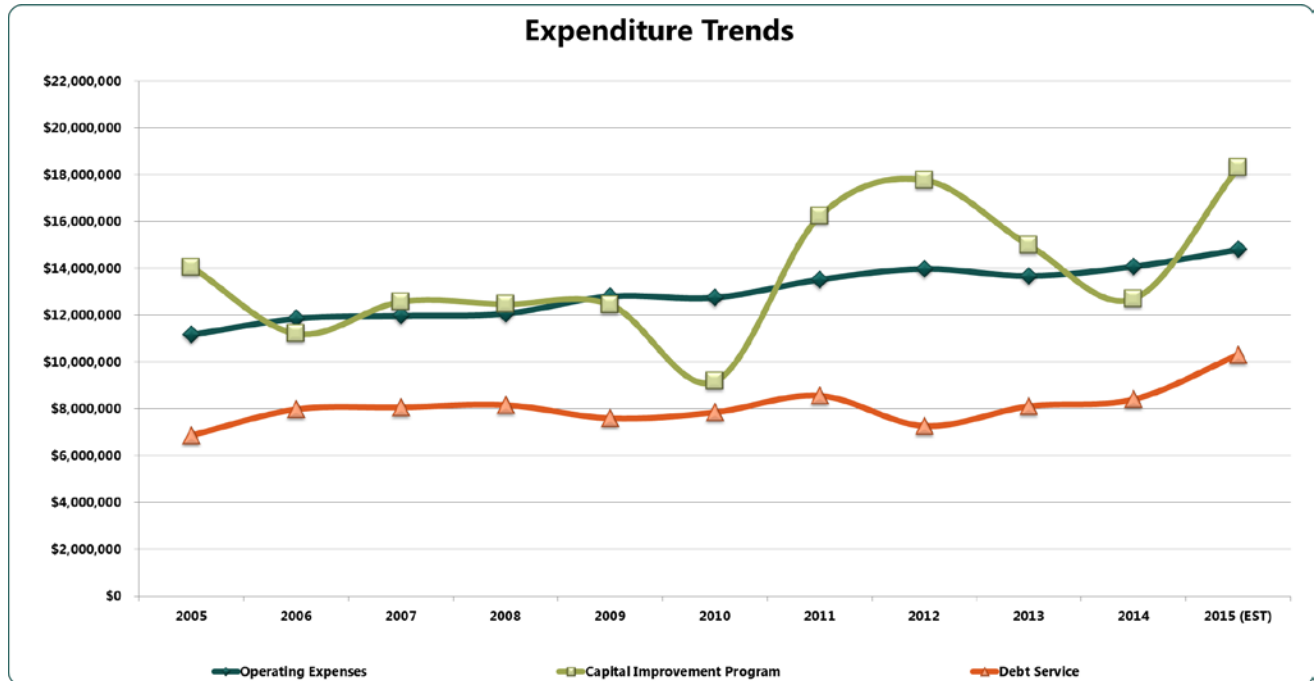
The major factors that impact our operating and maintenance budget include:

- 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 55% 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.





## FY16 Budget – All Departments Summary

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 7,517,590.51	\$ 7,558,876.73	\$ 7,511,808.72	\$ 7,868,131.43	\$ 7,868,131.43	100.0%	\$ 8,107,122.00	3.04%
51150	Overtime	\$ 211,731.44	\$ 271,219.95	\$ 355,457.78	\$ 296,000.00	\$ 285,325.00	96.4%	\$ 289,250.00	-2.28%
	<b>Total Salaries &amp; Wages</b>	<b>\$ 7,729,321.95</b>	<b>\$ 7,830,096.68</b>	<b>\$ 7,867,266.50</b>	<b>\$ 8,164,131.43</b>	<b>\$ 8,153,456.43</b>	<b>99.9%</b>	<b>\$ 8,396,372.00</b>	<b>2.84%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 529,253.87	\$ 524,754.70	\$ 558,541.37	\$ 575,179.00	\$ 573,726.00	99.7%	\$ 560,039.00	-2.63%
51250	Payroll Taxes	\$ 558,564.87	\$ 565,237.14	\$ 569,105.17	\$ 622,366.00	\$ 620,795.00	99.7%	\$ 642,322.00	3.21%
51300	Medical, Dental & Life	\$ 1,775,175.92	\$ 1,782,116.00	\$ 1,833,116.00	\$ 1,735,116.00	\$ 1,735,116.00	100.0%	\$ 1,735,116.00	0.00%
51325	Post Retirement Insurance	\$ 196,000.00	\$ 175,900.00	\$ 156,800.00	\$ 265,700.00	\$ 265,700.00	100.0%	\$ 261,500.00	-1.58%
51350	Worker's Compensation	\$ 176,674.88	\$ 215,312.00	\$ 215,312.00	\$ 215,312.00	\$ 215,312.00	100.0%	\$ 215,312.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 48,039.49	\$ 32,340.00	\$ 32,340.00	100.0%	\$ 32,340.00	0.00%
51450	Automobile Allowance	\$ 3,078.85	\$ 1,848.08	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 295,376.42	\$ 303,860.03	\$ 310,161.48	\$ 392,110.00	\$ 392,110.00	100.0%	\$ 405,365.00	3.38%
	<b>Total Benefits</b>	<b>\$ 3,534,124.81</b>	<b>\$ 3,569,027.95</b>	<b>\$ 3,691,075.51</b>	<b>\$ 3,838,123.00</b>	<b>\$ 3,835,099.00</b>	<b>99.9%</b>	<b>\$ 3,851,994.00</b>	<b>0.36%</b>
	<b>Total Salaries, Wages &amp; Benefits</b>	<b>\$ 11,263,446.76</b>	<b>\$ 11,399,124.63</b>	<b>\$ 11,558,342.01</b>	<b>\$ 12,002,254.43</b>	<b>\$ 11,988,555.43</b>	<b>99.9%</b>	<b>\$ 12,248,366.00</b>	<b>2.05%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ 24,813.15	\$ 31,010.30	\$ 21,019.18	\$ 28,135.04	\$ 28,040.00	99.7%	\$ 32,500.00	15.51%
52050	Dues & Subscriptions	\$ 47,341.76	\$ 47,654.78	\$ 35,067.94	\$ 50,634.00	\$ 48,919.00	96.6%	\$ 51,200.00	1.12%
52100	Postage	\$ 9,412.65	\$ 7,252.03	\$ 11,315.86	\$ 11,000.00	\$ 11,000.00	100.0%	\$ 11,000.00	0.00%
52150	Travel, Mtgs & Training	\$ 111,662.43	\$ 105,335.73	\$ 114,203.86	\$ 151,551.21	\$ 142,540.00	94.1%	\$ 153,696.00	1.42%
52160	Tuition Assistance	\$ 1,467.60	\$ 468.50	\$ 1,822.38	\$ 3,307.57	\$ 3,307.57	100.0%	\$ 6,000.00	81.40%
52170	Directors Fees & Expenses	\$ 30,885.65	\$ 42,108.87	\$ 22,620.01	\$ 33,427.00	\$ 30,000.00	89.7%	\$ 35,000.00	4.71%
52180	Liability Insurance	\$ 576,762.20	\$ 605,434.00	\$ 605,434.00	\$ 605,434.00	\$ 605,434.00	100.0%	\$ 605,434.00	0.00%
52200	Telephone/Telefax	\$ 37,912.73	\$ 36,119.13	\$ 32,231.84	\$ 33,050.00	\$ 32,350.00	97.9%	\$ 32,200.00	-2.57%
52210	Communications	\$ 70,089.33	\$ 79,331.49	\$ 88,324.54	\$ 112,744.79	\$ 112,544.79	99.8%	\$ 116,405.00	3.25%
52240	Uniforms	\$ 76,553.37	\$ 62,558.89	\$ 66,970.68	\$ 75,858.00	\$ 74,625.00	98.4%	\$ 76,550.00	0.91%
52250	Office Supplies	\$ 24,340.80	\$ 28,039.19	\$ 25,015.75	\$ 29,050.00	\$ 27,539.00	94.8%	\$ 29,800.00	2.58%
52260	Special Dept Supplies	\$ 381,688.41	\$ 391,430.23	\$ 399,078.28	\$ 412,955.75	\$ 411,725.00	99.7%	\$ 417,450.00	1.09%
52270	Safety Equip/Supplies	\$ 43,433.11	\$ 53,934.71	\$ 58,798.98	\$ 57,000.00	\$ 56,910.00	99.8%	\$ 62,000.00	8.77%
52280	Maint Supp/Small Tools	\$ 113,303.45	\$ 120,497.91	\$ 119,168.81	\$ 121,049.20	\$ 120,350.00	99.4%	\$ 122,750.00	1.41%
52290	Chemical Supplies	\$ 447,987.35	\$ 406,339.32	\$ 421,393.22	\$ 537,750.00	\$ 537,750.00	100.0%	\$ 538,750.00	0.19%
52300	Line Cleaning Supplies	\$ 66,497.55	\$ 61,508.17	\$ 43,272.40	\$ 58,750.00	\$ 54,000.00	91.9%	\$ 54,000.00	-8.09%
52330	Legal Fees	\$ 39,912.59	\$ 40,270.87	\$ 49,270.37	\$ 43,908.70	\$ 37,100.00	84.5%	\$ 47,500.00	8.18%
52350	Prof/Contractual Svcs	\$ 565,869.10	\$ 439,167.56	\$ 406,209.52	\$ 561,070.52	\$ 536,070.39	95.5%	\$ 615,200.00	9.65%
52410	Maint-Buildings & Grounds	\$ 127,948.80	\$ 138,346.20	\$ 125,264.57	\$ 137,500.00	\$ 136,500.00	99.3%	\$ 139,000.00	1.09%
52420	Maintenance-Equipment	\$ 453,047.29	\$ 463,133.22	\$ 435,632.63	\$ 477,100.00	\$ 476,900.00	100.0%	\$ 488,100.00	2.31%
52430	Landscape Restoration	\$ 11,381.06	\$ 13,728.61	\$ 14,858.44	\$ 17,000.00	\$ 17,000.00	100.0%	\$ 17,000.00	0.00%
52440	Pump Maintenance	\$ 43,408.08	\$ 23,104.28	\$ 42,718.44	\$ 37,500.00	\$ 37,500.00	100.0%	\$ 37,500.00	0.00%
52450	Equipment Rental	\$ 11,201.20	\$ 5,658.74	\$ 4,500.76	\$ 25,000.00	\$ 25,000.00	100.0%	\$ 25,000.00	0.00%
52460	Motor Fuel & Lubricants	\$ 232,268.76	\$ 239,881.43	\$ 234,550.21	\$ 300,000.00	\$ 275,000.00	91.7%	\$ 275,000.00	-8.33%
52470	Outside Vehicle Maint	\$ 2,917.10	\$ 3,746.03	\$ 6,206.94	\$ 12,000.00	\$ 12,000.00	100.0%	\$ 12,000.00	0.00%
52500	Rents/Leases	\$ 28,880.75	\$ 29,318.53	\$ 34,432.92	\$ 38,200.00	\$ 38,200.00	100.0%	\$ 47,500.00	24.35%
52510	Permits/Fees/Software Licenses	\$ 88,249.18	\$ 119,522.17	\$ 99,302.80	\$ 195,905.45	\$ 191,463.85	97.7%	\$ 226,762.00	15.75%
52650	Utilities	\$ 1,003,170.83	\$ 903,570.19	\$ 946,729.40	\$ 1,193,877.57	\$ 1,010,000.00	84.6%	\$ 1,220,000.00	2.19%
52690	Freight	\$ 4,639.09	\$ 4,976.68	\$ 4,756.12	\$ 5,900.00	\$ 4,900.00	83.1%	\$ 5,000.00	-15.25%
52715	Safety Incentive Program	\$ 1,839.58	\$ 1,069.45	\$ 1,228.64	\$ 2,500.00	\$ 1,800.00	72.0%	\$ 2,500.00	0.00%
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ 5,629.58	\$ 4,128.82	\$ 8,010.44	\$ 8,000.00	\$ 8,000.00	100.0%	\$ 8,000.00	0.00%
52730	Employee Asst Program	\$ 4,363.24	\$ 4,255.00	\$ 4,255.00	\$ 4,255.00	\$ 4,255.00	100.0%	\$ 4,500.00	5.76%
52900	Other Operating Expenses	\$ 5,132.14	\$ 1,240.91	\$ 1,299.08	\$ 4,000.00	\$ 4,000.00	100.0%	\$ 4,000.00	0.00%
52910	Non-Capital Equipment	\$ 74,301.53	\$ 87,573.72	\$ 88,938.23	\$ 88,891.97	\$ 88,838.30	99.9%	\$ 85,975.00	-3.28%
52915	Copiers Printers & Faxes	\$ 364.19	\$ -	\$ -	\$ 5,000.00	\$ 2,500.00	50.0%	\$ 5,000.00	0.00%
52920	Billing & Collections	\$ 662,589.22	\$ 701,014.95	\$ 717,412.77	\$ 725,702.00	\$ 725,000.00	99.9%	\$ 734,708.00	1.24%
	<b>Total Materials, Supplies &amp; Services</b>	<b>\$ 5,431,264.85</b>	<b>\$ 5,302,730.61</b>	<b>\$ 5,291,315.01</b>	<b>\$ 6,205,007.77</b>	<b>\$ 5,929,061.90</b>	<b>95.6%</b>	<b>\$ 6,344,980.00</b>	<b>2.26%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ 415,958.52	\$ 338,507.16	\$ 220,782.82	\$ 204,911.00	\$ 204,911.00	100.0%	\$ 203,608.00	-0.64%
53040	Fleet Replacement Charges	\$ 300,000.00	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	\$ 400,000.00	100.0%	\$ 425,000.00	6.25%
53050	Wwtp Replacement Charges	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	100.0%	\$ 200,000.00	100.00%
	<b>Total Interfund Transfers</b>	<b>\$ 765,958.52</b>	<b>\$ 838,507.16</b>	<b>\$ 720,782.82</b>	<b>\$ 704,911.00</b>	<b>\$ 704,911.00</b>	<b>100.0%</b>	<b>\$ 828,608.00</b>	<b>17.55%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ 8,413.42	\$ 192,750.73	\$ 36,871.65	\$ 58,843.00	\$ 55,943.00	95.1%	\$ 46,550.00	-20.89%
54020	Capital Equip-Software	\$ 8,775.00	\$ 18,555.81	\$ 23,404.39	\$ 24,841.80	\$ 11,250.00	45.3%	\$ 12,900.00	-48.07%
54030	Capital Equip - Replacement	\$ 51,654.12	\$ 81,003.95	\$ 233,361.46	\$ 82,900.00	\$ 82,300.00	99.3%	\$ 85,400.00	3.02%
	<b>Total Capital Outlay</b>	<b>\$ 68,842.54</b>	<b>\$ 292,310.49</b>	<b>\$ 293,637.50</b>	<b>\$ 166,584.80</b>	<b>\$ 149,493.00</b>	<b>89.7%</b>	<b>\$ 144,850.00</b>	<b>-13.05%</b>
	<b>Sub-Total O&amp;M Fund</b>	<b>\$ 17,529,512.67</b>	<b>\$ 17,832,672.89</b>	<b>\$ 17,864,077.34</b>	<b>\$ 19,078,758.00</b>	<b>\$ 18,772,021.33</b>	<b>98.4%</b>	<b>\$ 19,566,804.00</b>	<b>2.56%</b>
59200	LESS:								
	Chargebacks to General Fund for CIP	\$ (2,659,737.32)	\$ (2,439,492.20)	\$ (2,292,057.23)	\$ (2,383,993.00)	\$ (2,372,438.79)	99.5%	\$ (2,447,046.00)	2.64%
	Chargebacks to General Fund for SSD	\$ (1,302,758.35)	\$ (1,294,092.88)	\$ (1,279,053.00)	\$ (1,309,983.00)	\$ (1,309,983.00)	100.0%	\$ (1,326,632.00)	1.27%
	<b>Net Operation &amp; Maintenance Fund</b>	<b>\$ 13,567,017.00</b>	<b>\$ 14,099,087.81</b>	<b>\$ 14,292,967.11</b>	<b>\$ 15,384,782.00</b>	<b>\$ 15,089,599.54</b>	<b>98.1%</b>	<b>\$ 15,793,126.00</b>	<b>2.65%</b>

# FY16 Budget – Office of the General Manager

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 211,396.97	\$ 218,679.16	\$ 221,127.17	\$ 217,682.00	\$ 217,682.00	100.0%	\$ 231,630.00	6.41%
51150	Overtime	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Salaries &amp; Wages</b>		<b>\$ 211,396.97</b>	<b>\$ 218,679.16</b>	<b>\$ 221,127.17</b>	<b>\$ 217,682.00</b>	<b>\$ 217,682.00</b>	<b>100.0%</b>	<b>\$ 231,630.00</b>	<b>6.41%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 14,649.83	\$ 14,746.57	\$ 15,663.24	\$ 15,390.00	\$ 15,390.00	100.0%	\$ 15,450.00	0.39%
51250	Payroll Taxes	\$ 13,207.83	\$ 14,892.81	\$ 13,000.36	\$ 16,653.00	\$ 16,653.00	100.0%	\$ 17,720.00	6.41%
51300	Medical, Dental & Life	\$ 27,718.43	\$ 23,920.87	\$ 24,605.00	\$ 23,607.00	\$ 23,607.00	100.0%	\$ 23,607.00	0.00%
51325	Post Retirement Insurance	\$ 2,613.00	\$ 2,361.13	\$ 2,105.00	\$ 3,615.00	\$ 3,615.00	100.0%	\$ 3,558.00	-1.58%
51350	Worker's Compensation	\$ 2,354.67	\$ 2,890.00	\$ 2,890.00	\$ 2,929.00	\$ 2,929.00	100.0%	\$ 2,929.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 428.00	\$ 440.00	\$ 440.00	100.0%	\$ 440.00	0.00%
51450	Automobile Allowance	\$ 692.32	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 7,513.62	\$ 7,783.89	\$ 7,975.13	\$ 10,885.00	\$ 10,885.00	100.0%	\$ 11,582.00	6.40%
<b>Total Benefits</b>		<b>\$ 68,749.70</b>	<b>\$ 66,595.27</b>	<b>\$ 66,666.73</b>	<b>\$ 73,519.00</b>	<b>\$ 73,519.00</b>	<b>100.0%</b>	<b>\$ 75,286.00</b>	<b>2.40%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>\$ 280,146.67</b>	<b>\$ 285,274.43</b>	<b>\$ 287,793.90</b>	<b>\$ 291,201.00</b>	<b>\$ 291,201.00</b>	<b>100.0%</b>	<b>\$ 306,916.00</b>	<b>5.40%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ 11,360.33	\$ 10,832.62	\$ 11,816.63	\$ 11,000.00	\$ 11,000.00	100.0%	\$ 11,500.00	4.55%
52050	Dues & Subscriptions	\$ 9,439.37	\$ 10,447.57	\$ 10,791.90	\$ 12,000.00	\$ 11,000.00	91.7%	\$ 12,000.00	0.00%
52100	Postage	\$ 9,412.65	\$ 7,252.03	\$ 11,315.86	\$ 11,000.00	\$ 11,000.00	100.0%	\$ 11,000.00	0.00%
52150	Travel, Mtgs & Training	\$ 2,928.82	\$ 4,411.87	\$ 4,828.47	\$ 6,800.00	\$ 6,800.00	100.0%	\$ 7,000.00	2.94%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ 30,885.65	\$ 42,108.87	\$ 22,620.01	\$ 33,427.00	\$ 30,000.00	89.7%	\$ 35,000.00	4.71%
52180	Liability Insurance	\$ 110,665.90	\$ 116,167.00	\$ 116,167.00	\$ 116,167.00	\$ 116,167.00	100.0%	\$ 116,167.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 1,678.53	\$ 1,805.93	\$ 1,854.26	\$ 3,000.00	\$ 3,000.00	100.0%	\$ 3,000.00	0.00%
52240	Uniforms	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52250	Office Supplies	\$ 603.91	\$ 646.65	\$ 568.70	\$ 800.00	\$ 600.00	75.0%	\$ 700.00	-12.50%
52260	Special Dept Supplies	\$ 614.53	\$ 219.63	\$ 921.50	\$ 600.00	\$ 600.00	100.0%	\$ 700.00	16.67%
52270	Safety Equip/Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ 39,533.34	\$ 40,090.37	\$ 45,918.92	\$ 39,663.25	\$ 35,000.00	88.2%	\$ 40,000.00	0.85%
52350	Prof/Contractual Svcs	\$ 92,760.42	\$ 18,765.88	\$ 17,379.91	\$ 20,000.00	\$ 20,000.00	100.0%	\$ 20,000.00	0.00%
52410	Maint-Buildings & Grounds	\$ 112,580.28	\$ 111,772.55	\$ 113,538.60	\$ 116,000.00	\$ 116,000.00	100.0%	\$ 118,000.00	1.72%
52420	Maintenance-Equipment	\$ 392.28	\$ 215.70	\$ 290.81	\$ 400.00	\$ 400.00	100.0%	\$ 400.00	0.00%
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52460	Motor Fuel & Lubricants	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52470	Outside Vehicle Maint	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52500	Rents/Leases	\$ 4,113.04	\$ 3,803.32	\$ 4,391.48	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,500.00	10.00%
52510	Permits/Fees/Software Licenses	\$ -	\$ 140.00	\$ 140.00	\$ 168.00	\$ 168.00	100.0%	\$ 170.00	1.19%
52650	Utilities	\$ 101,773.20	\$ 107,236.64	\$ 101,862.29	\$ 120,000.00	\$ 110,000.00	91.7%	\$ 120,000.00	0.00%
52690	Freight	\$ 4,639.09	\$ 4,976.68	\$ 4,756.12	\$ 5,900.00	\$ 4,900.00	83.1%	\$ 5,000.00	-15.25%
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ 5,132.14	\$ 1,240.91	\$ 1,299.08	\$ 4,000.00	\$ 4,000.00	100.0%	\$ 4,000.00	0.00%
52910	Non-Capital Equipment	\$ -	\$ -	\$ -	\$ 738.75	\$ 738.75	100.0%	\$ -	-100.00%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ 662,589.22	\$ 701,014.95	\$ 717,412.77	\$ 725,702.00	\$ 725,000.00	99.9%	\$ 734,708.00	1.24%
<b>Total Materials, Supplies &amp; Services</b>		<b>\$ 1,201,102.70</b>	<b>\$ 1,183,149.17</b>	<b>\$ 1,187,874.31</b>	<b>\$ 1,232,366.00</b>	<b>\$ 1,211,373.75</b>	<b>98.3%</b>	<b>\$ 1,244,845.00</b>	<b>1.01%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ 9,574.00	\$ 6,937.00	\$ 7,546.00	\$ 7,546.00	\$ 7,546.00	100.0%	\$ 8,018.00	6.25%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Interfund Transfers</b>		<b>\$ 9,574.00</b>	<b>\$ 6,937.00</b>	<b>\$ 7,546.00</b>	<b>\$ 7,546.00</b>	<b>\$ 7,546.00</b>	<b>100.0%</b>	<b>\$ 8,018.00</b>	<b>6.25%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ -	\$ -	\$ -	\$ 1,543.00	\$ 1,543.00	100.0%	\$ -	-100.00%
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Capital Outlay</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,543.00</b>	<b>\$ 1,543.00</b>	<b>100.0%</b>	<b>\$ -</b>	<b>-100.00%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 1,490,823.37</b>	<b>\$ 1,475,360.60</b>	<b>\$ 1,483,214.21</b>	<b>\$ 1,532,656.00</b>	<b>\$ 1,511,663.75</b>	<b>98.6%</b>	<b>\$ 1,559,779.00</b>	<b>1.77%</b>
59200	<b>LESS:</b>								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 1,490,823.37</b>	<b>\$ 1,475,360.60</b>	<b>\$ 1,483,214.21</b>	<b>\$ 1,532,656.00</b>	<b>\$ 1,511,663.75</b>	<b>98.6%</b>	<b>\$ 1,559,779.00</b>	<b>1.77%</b>

# FY16 Budget – Human Resources

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 313,627.17	\$ 338,062.87	\$ 352,525.71	\$ 396,075.46	\$ 396,075.46	100.0%	\$ 411,471.00	3.89%
51150	Overtime	\$ 390.50	\$ 280.01	\$ 310.93	\$ -	\$ -	-	\$ 250.00	-
	<b>Total Salaries &amp; Wages</b>	<b>\$ 314,017.67</b>	<b>\$ 338,342.88</b>	<b>\$ 352,836.64</b>	<b>\$ 396,075.46</b>	<b>\$ 396,075.46</b>	<b>100.0%</b>	<b>\$ 411,721.00</b>	<b>3.95%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 21,799.60	\$ 22,525.34	\$ 25,016.54	\$ 27,423.00	\$ 27,423.00	100.0%	\$ 27,462.00	0.14%
51250	Payroll Taxes	\$ 24,142.41	\$ 24,323.75	\$ 27,326.22	\$ 29,673.00	\$ 29,673.00	100.0%	\$ 31,497.00	6.15%
51300	Medical, Dental & Life	\$ 70,171.13	\$ 71,762.61	\$ 73,816.00	\$ 70,821.00	\$ 70,821.00	100.0%	\$ 70,821.00	0.00%
51325	Post Retirement Insurance	\$ 7,840.00	\$ 7,083.39	\$ 6,314.00	\$ 10,845.00	\$ 10,845.00	100.0%	\$ 10,674.00	-1.58%
51350	Worker's Compensation	\$ 7,067.00	\$ 8,670.00	\$ 8,670.00	\$ 8,788.00	\$ 8,788.00	100.0%	\$ 8,788.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 1,281.96	\$ 1,320.00	\$ 1,320.00	100.0%	\$ 1,320.00	0.00%
51450	Automobile Allowance	\$ 2,086.53	\$ 1,848.08	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 14,105.38	\$ 16,497.85	\$ 17,306.22	\$ 19,394.00	\$ 19,394.00	100.0%	\$ 20,574.00	6.08%
	<b>Total Benefits</b>	<b>\$ 147,212.05</b>	<b>\$ 152,711.02</b>	<b>\$ 159,730.94</b>	<b>\$ 168,264.00</b>	<b>\$ 168,264.00</b>	<b>100.0%</b>	<b>\$ 171,136.00</b>	<b>1.71%</b>
	<b>Total Salaries, Wages &amp; Benefits</b>	<b>\$ 461,229.72</b>	<b>\$ 491,053.90</b>	<b>\$ 512,567.58</b>	<b>\$ 564,339.46</b>	<b>\$ 564,339.46</b>	<b>100.0%</b>	<b>\$ 582,857.00</b>	<b>3.28%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ 2,842.95	\$ 5,445.18	\$ 3,700.54	\$ 1,692.43	\$ 1,600.00	94.5%	\$ 4,000.00	136.35%
52050	Dues & Subscriptions	\$ 9,116.18	\$ 7,566.06	\$ 6,644.39	\$ 5,450.00	\$ 5,400.00	99.1%	\$ 6,100.00	11.93%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 20,589.34	\$ 15,249.40	\$ 18,305.76	\$ 25,570.00	\$ 24,250.00	94.8%	\$ 25,805.00	0.92%
52160	Tuition Assistance	\$ 1,467.60	\$ 468.50	\$ 1,822.38	\$ 3,307.57	\$ 3,307.57	100.0%	\$ 6,000.00	81.40%
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 1,783.87	\$ 1,873.00	\$ 1,873.00	\$ 1,873.00	\$ 1,873.00	100.0%	\$ 1,873.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 1,707.79	\$ 2,345.88	\$ 2,189.29	\$ 2,500.00	\$ 2,500.00	100.0%	\$ 5,310.00	112.40%
52240	Uniforms	\$ 308.57	\$ 886.88	\$ 900.70	\$ 1,100.00	\$ 1,100.00	100.0%	\$ 1,300.00	18.18%
52250	Office Supplies	\$ 3,097.94	\$ 3,647.52	\$ 3,402.57	\$ 3,300.00	\$ 3,000.00	90.9%	\$ 3,400.00	3.03%
52260	Special Dept Supplies	\$ 979.11	\$ 2,642.90	\$ 606.19	\$ 1,450.00	\$ 1,450.00	100.0%	\$ 1,500.00	3.45%
52270	Safety Equip/Supplies	\$ 43,433.11	\$ 5,133.99	\$ 6,300.86	\$ 6,000.00	\$ 6,000.00	100.0%	\$ 6,000.00	0.00%
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ 360.00	\$ -	\$ 3,103.45	\$ 1,745.45	\$ 600.00	34.4%	\$ 4,000.00	129.17%
52350	Prof/Contractual Svcs	\$ 47,103.59	\$ 41,486.46	\$ 36,890.97	\$ 69,620.00	\$ 67,620.00	97.1%	\$ 70,000.00	0.55%
52410	Maint-Buildings & Grounds	\$ 5,205.02	\$ 7,797.67	\$ 4,687.99	\$ 500.00	\$ 500.00	100.0%	\$ 1,000.00	100.00%
52420	Maintenance-Equipment	\$ 872.50	\$ 3,129.22	\$ -	\$ -	\$ -	-	\$ 2,000.00	-
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	\$ 2,542.27	\$ 2,650.00	\$ 2,650.00	100.0%	\$ 2,850.00	7.55%
52650	Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ 1,839.58	\$ 1,069.45	\$ 1,228.64	\$ 2,500.00	\$ 1,800.00	72.0%	\$ 2,500.00	0.00%
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ 5,629.58	\$ 4,128.82	\$ 8,010.44	\$ 8,000.00	\$ 8,000.00	100.0%	\$ 8,000.00	0.00%
52730	Employee Asst Program	\$ 4,363.24	\$ 4,255.00	\$ 4,255.00	\$ 4,255.00	\$ 4,255.00	100.0%	\$ 4,500.00	5.76%
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 12,048.54	\$ 16,688.37	\$ 10,046.08	\$ 15,429.55	\$ 15,429.55	100.0%	\$ 15,000.00	-2.78%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Materials, Supplies &amp; Services</b>	<b>\$ 162,748.51</b>	<b>\$ 126,475.18</b>	<b>\$ 116,510.52</b>	<b>\$ 156,943.00</b>	<b>\$ 151,335.12</b>	<b>96.4%</b>	<b>\$ 171,138.00</b>	<b>9.04%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ -	\$ 1,952.00	\$ 1,952.00	\$ 1,952.00	100.0%	\$ 2,074.00	6.25%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Interfund Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,952.00</b>	<b>\$ 1,952.00</b>	<b>\$ 1,952.00</b>	<b>100.0%</b>	<b>\$ 2,074.00</b>	<b>6.25%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ -	\$ 24,246.76	\$ 2,047.42	\$ -	\$ -	-	\$ -	-
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Capital Outlay</b>	<b>\$ -</b>	<b>\$ 24,246.76</b>	<b>\$ 2,047.42</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
	<b>Sub-Total O&amp;M Fund</b>	<b>\$ 623,978.23</b>	<b>\$ 641,775.84</b>	<b>\$ 633,077.52</b>	<b>\$ 723,234.46</b>	<b>\$ 717,626.58</b>	<b>99.2%</b>	<b>\$ 756,069.00</b>	<b>4.54%</b>
59200	<b>LESS:</b>								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Net Operation &amp; Maintenance Fund</b>	<b>\$ 623,978.23</b>	<b>\$ 641,775.84</b>	<b>\$ 633,077.52</b>	<b>\$ 723,234.46</b>	<b>\$ 717,626.58</b>	<b>99.2%</b>	<b>\$ 756,069.00</b>	<b>4.54%</b>

# FY16 Budget – Information Technology

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 530,931.40	\$ 560,089.31	\$ 547,024.17	\$ 612,179.41	\$ 612,179.41	100.0%	\$ 635,761.00	3.85%
51150	Overtime	\$ -	\$ -	\$ 188.50	\$ 3,500.00	\$ 375.00	10.7%	\$ 500.00	-85.71%
	<b>Total Salaries &amp; Wages</b>	<b>\$ 530,931.40</b>	<b>\$ 560,089.31</b>	<b>\$ 547,212.67</b>	<b>\$ 615,679.41</b>	<b>\$ 612,554.41</b>	<b>99.5%</b>	<b>\$ 636,261.00</b>	<b>3.34%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 35,301.24	\$ 37,214.43	\$ 38,806.61	\$ 43,043.00	\$ 42,831.00	99.5%	\$ 42,439.00	-1.40%
51250	Payroll Taxes	\$ 37,415.67	\$ 40,068.67	\$ 39,498.51	\$ 46,575.00	\$ 46,345.00	99.5%	\$ 48,674.00	4.51%
51300	Medical, Dental & Life	\$ 105,588.57	\$ 119,604.35	\$ 123,027.00	\$ 118,035.00	\$ 118,035.00	100.0%	\$ 118,035.00	0.00%
51325	Post Retirement Insurance	\$ 11,760.00	\$ 11,804.65	\$ 10,523.00	\$ 18,075.00	\$ 18,075.00	100.0%	\$ 17,790.00	-1.58%
51350	Worker's Compensation	\$ 10,600.50	\$ 14,450.00	\$ 14,450.00	\$ 14,647.00	\$ 14,647.00	100.0%	\$ 14,647.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 15,770.67	\$ 2,200.00	\$ 2,200.00	100.0%	\$ 2,200.00	0.00%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 12,602.92	\$ 14,688.43	\$ 16,886.60	\$ 30,268.00	\$ 30,268.00	100.0%	\$ 31,789.00	5.03%
	<b>Total Benefits</b>	<b>\$ 213,268.90</b>	<b>\$ 237,830.53</b>	<b>\$ 258,962.39</b>	<b>\$ 272,843.00</b>	<b>\$ 272,401.00</b>	<b>99.8%</b>	<b>\$ 275,574.00</b>	<b>1.00%</b>
	<b>Total Salaries, Wages &amp; Benefits</b>	<b>\$ 744,200.30</b>	<b>\$ 797,919.84</b>	<b>\$ 806,175.06</b>	<b>\$ 888,522.41</b>	<b>\$ 884,955.41</b>	<b>99.6%</b>	<b>\$ 911,835.00</b>	<b>2.62%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52050	Dues & Subscriptions	\$ 343.00	\$ 50.00	\$ 129.00	\$ 852.00	\$ 737.00	86.5%	\$ 500.00	-41.31%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 10,724.41	\$ 2,417.92	\$ 1,023.35	\$ 3,950.00	\$ 2,750.00	69.6%	\$ 3,069.00	-22.30%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 11,115.93	\$ 11,670.00	\$ 11,670.00	\$ 11,670.00	\$ 11,670.00	100.0%	\$ 11,670.00	0.00%
52200	Telephone/Telefax	\$ 35,952.57	\$ 33,597.07	\$ 29,506.09	\$ 30,150.00	\$ 30,150.00	100.0%	\$ 31,200.00	3.48%
52210	Communications	\$ 2,661.25	\$ 4,714.59	\$ 2,740.63	\$ 3,500.00	\$ 3,500.00	100.0%	\$ 3,500.00	0.00%
52240	Uniforms	\$ -	\$ 159.53	\$ 208.33	\$ 600.00	\$ 400.00	66.7%	\$ 800.00	33.33%
52250	Office Supplies	\$ 381.45	\$ 400.41	\$ 256.49	\$ 650.00	\$ 350.00	53.8%	\$ 650.00	0.00%
52260	Special Dept Supplies	\$ 612.30	\$ 390.41	\$ 57.23	\$ 500.00	\$ 100.00	20.0%	\$ 500.00	0.00%
52270	Safety Equip/Supplies	\$ -	\$ 78.52	\$ 59.59	\$ 100.00	\$ 100.00	100.0%	\$ 100.00	0.00%
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 36,051.35	\$ 3,357.81	\$ 6,522.33	\$ 9,863.00	\$ 9,800.00	99.4%	\$ 12,500.00	26.74%
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	\$ 24,767.71	\$ 25,515.21	\$ 30,041.44	\$ 33,200.00	\$ 33,200.00	100.0%	\$ 42,000.00	26.51%
52510	Permits/Fees/Software Licenses	\$ 60,126.10	\$ 63,988.14	\$ 56,454.00	\$ 141,150.00	\$ 137,250.00	97.2%	\$ 172,550.00	22.25%
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	\$ 48,912.97	\$ 49,422.27	\$ 54,225.16	\$ 55,060.00	\$ 55,060.00	100.0%	\$ 55,000.00	-0.11%
52915	Copiers Printers & Faxes	\$ 364.19	\$ -	\$ -	\$ 5,000.00	\$ 2,500.00	50.0%	\$ 5,000.00	0.00%
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Materials, Supplies &amp; Services</b>	<b>\$ 232,013.23</b>	<b>\$ 195,761.88</b>	<b>\$ 192,893.64</b>	<b>\$ 296,245.00</b>	<b>\$ 287,567.00</b>	<b>97.1%</b>	<b>\$ 339,039.00</b>	<b>14.45%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Interfund Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ -	\$ 86,521.91	\$ -	\$ 6,700.00	\$ 5,000.00	74.6%	\$ 5,250.00	-21.64%
54020	Capital Equip-Software	\$ 8,775.00	\$ 13,598.61	\$ 23,404.39	\$ 24,841.80	\$ 11,250.00	45.3%	\$ 12,900.00	-48.07%
54030	Capital Equip - Replacement	\$ 34,113.05	\$ 17,977.12	\$ 66,688.27	\$ 44,500.00	\$ 44,500.00	100.0%	\$ 22,000.00	-50.56%
	<b>Total Capital Outlay</b>	<b>\$ 42,888.05</b>	<b>\$ 118,097.64</b>	<b>\$ 90,092.66</b>	<b>\$ 76,041.80</b>	<b>\$ 60,750.00</b>	<b>79.9%</b>	<b>\$ 40,150.00</b>	<b>-47.20%</b>
	<b>Sub-Total O&amp;M Fund</b>	<b>\$ 1,019,101.58</b>	<b>\$ 1,111,779.36</b>	<b>\$ 1,089,161.36</b>	<b>\$ 1,260,809.21</b>	<b>\$ 1,233,272.41</b>	<b>97.8%</b>	<b>\$ 1,291,024.00</b>	<b>2.40%</b>
59200	<b>LESS:</b>								
	Chargebacks to General Fund for CIP	\$ (303,466.75)	\$ (255,974.39)	\$ (239,081.92)	\$ (281,968.00)	\$ (281,968.00)	100.0%	\$ (288,225.00)	2.22%
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Net Operation &amp; Maintenance Fund</b>	<b>\$ 715,634.83</b>	<b>\$ 855,804.97</b>	<b>\$ 850,079.44</b>	<b>\$ 978,841.21</b>	<b>\$ 951,304.41</b>	<b>97.2%</b>	<b>\$ 1,002,799.00</b>	<b>2.45%</b>

# FY16 Budget – Financial Services

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 422,370.70	\$ 464,619.84	\$ 472,515.70	\$ 499,522.56	\$ 499,522.56	100.0%	\$ 514,431.00	2.98%
51150	Overtime	\$ -	\$ -	\$ 100.62	\$ 500.00	\$ 500.00	100.0%	\$ 500.00	0.00%
<b>Total Salaries &amp; Wages</b>		<b>\$ 422,370.70</b>	<b>\$ 464,619.84</b>	<b>\$ 472,616.32</b>	<b>\$ 500,022.56</b>	<b>\$ 500,022.56</b>	<b>100.0%</b>	<b>\$ 514,931.00</b>	<b>2.98%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 28,851.68	\$ 31,834.97	\$ 33,569.24	\$ 34,569.00	\$ 34,569.00	100.0%	\$ 34,346.00	-0.65%
51250	Payroll Taxes	\$ 30,391.13	\$ 34,077.87	\$ 33,759.69	\$ 37,405.00	\$ 37,405.00	100.0%	\$ 39,392.00	5.31%
51300	Medical, Dental & Life	\$ 93,466.34	\$ 107,644.94	\$ 110,730.00	\$ 106,232.00	\$ 106,232.00	100.0%	\$ 106,232.00	0.00%
51325	Post Retirement Insurance	\$ 10,453.00	\$ 10,625.06	\$ 9,471.00	\$ 16,267.00	\$ 16,267.00	100.0%	\$ 16,010.00	-1.58%
51350	Worker's Compensation	\$ 9,422.66	\$ 13,008.00	\$ 13,008.00	\$ 13,183.00	\$ 13,183.00	100.0%	\$ 13,183.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 1,883.89	\$ 1,980.00	\$ 1,980.00	100.0%	\$ 1,980.00	0.00%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 18,492.28	\$ 21,518.32	\$ 21,643.47	\$ 24,423.00	\$ 24,423.00	100.0%	\$ 25,722.00	5.32%
<b>Total Benefits</b>		<b>\$ 191,077.09</b>	<b>\$ 218,709.16</b>	<b>\$ 224,065.29</b>	<b>\$ 234,059.00</b>	<b>\$ 234,059.00</b>	<b>100.0%</b>	<b>\$ 236,865.00</b>	<b>1.20%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>\$ 613,447.79</b>	<b>\$ 683,329.00</b>	<b>\$ 696,681.61</b>	<b>\$ 734,081.56</b>	<b>\$ 734,081.56</b>	<b>100.0%</b>	<b>\$ 751,796.00</b>	<b>2.41%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52050	Dues & Subscriptions	\$ 1,747.95	\$ 1,575.00	\$ 1,863.95	\$ 1,800.00	\$ 1,800.00	100.0%	\$ 1,800.00	0.00%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 7,066.25	\$ 6,236.40	\$ 6,129.72	\$ 11,239.61	\$ 10,750.00	95.6%	\$ 12,082.00	7.49%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 1,115.01	\$ 1,316.88	\$ 1,158.25	\$ 2,595.00	\$ 2,595.00	100.0%	\$ 2,595.00	0.00%
52240	Uniforms	\$ 498.94	\$ 869.24	\$ 674.08	\$ 1,250.00	\$ 1,125.00	90.0%	\$ 1,450.00	16.00%
52250	Office Supplies	\$ 3,485.04	\$ 3,086.60	\$ 2,780.02	\$ 3,000.00	\$ 2,989.00	99.6%	\$ 3,000.00	0.00%
52260	Special Dept Supplies	\$ 1,176.46	\$ 597.02	\$ 1,422.49	\$ 1,200.00	\$ 1,175.00	97.9%	\$ 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	\$ 47,248.82	\$ 56,121.44	\$ 49,408.31	\$ 54,150.39	\$ 54,150.39	100.0%	\$ 52,000.00	-3.97%
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	\$ -	\$ 942.86	\$ 1,481.13	\$ 1,100.00	\$ 1,100.00	100.0%	\$ 3,800.00	245.45%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Materials, Supplies &amp; Services</b>		<b>\$ 62,338.47</b>	<b>\$ 70,745.44</b>	<b>\$ 64,917.95</b>	<b>\$ 76,335.00</b>	<b>\$ 75,684.39</b>	<b>99.1%</b>	<b>\$ 77,927.00</b>	<b>2.09%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Interfund Transfers</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ 1,889.21	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Capital Outlay</b>		<b>\$ 1,889.21</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 677,675.47</b>	<b>\$ 754,074.44</b>	<b>\$ 761,599.56</b>	<b>\$ 810,416.56</b>	<b>\$ 809,765.95</b>	<b>99.9%</b>	<b>\$ 829,723.00</b>	<b>2.38%</b>
59200	<b>LESS:</b>								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSI	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 677,675.47</b>	<b>\$ 754,074.44</b>	<b>\$ 761,599.56</b>	<b>\$ 810,416.56</b>	<b>\$ 809,765.95</b>	<b>99.9%</b>	<b>\$ 829,723.00</b>	<b>2.38%</b>

# FY16 Budget – Water Reclamation Facility

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 2,227,428.12	\$ 2,257,970.03	\$ 2,309,119.91	\$ 2,384,531.00	\$ 2,384,531.00	100.0%	\$ 2,449,197.00	2.71%
51150	Overtime	\$ 81,530.64	\$ 99,472.40	\$ 144,696.33	\$ 117,500.00	\$ 114,500.00	97.4%	\$ 115,000.00	-2.13%
	<b>Total Salaries &amp; Wages</b>	<b>\$ 2,308,958.76</b>	<b>\$ 2,357,442.43</b>	<b>\$ 2,453,816.24</b>	<b>\$ 2,502,031.00</b>	<b>\$ 2,499,031.00</b>	<b>99.9%</b>	<b>\$ 2,564,197.00</b>	<b>2.48%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 159,572.64	\$ 158,338.91	\$ 174,212.36	\$ 176,716.00	\$ 175,797.00	99.5%	\$ 171,032.00	-3.22%
51250	Payroll Taxes	\$ 166,873.07	\$ 170,288.59	\$ 178,235.58	\$ 191,214.00	\$ 190,220.00	99.5%	\$ 196,160.00	2.59%
51300	Medical, Dental & Life	\$ 523,735.39	\$ 514,301.75	\$ 516,716.00	\$ 495,748.00	\$ 495,748.00	100.0%	\$ 495,748.00	0.00%
51325	Post Retirement Insurance	\$ 57,494.00	\$ 50,763.25	\$ 44,199.00	\$ 75,913.00	\$ 75,913.00	100.0%	\$ 74,713.00	-1.58%
51350	Worker's Compensation	\$ 51,826.62	\$ 62,137.00	\$ 60,691.00	\$ 61,518.00	\$ 61,518.00	100.0%	\$ 61,518.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 9,285.27	\$ 9,240.00	\$ 9,240.00	100.0%	\$ 9,240.00	0.00%
51450	Automobile Allowance	\$ 300.00	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 90,742.09	\$ 91,031.91	\$ 97,031.68	\$ 119,228.00	\$ 119,228.00	100.0%	\$ 122,463.00	2.71%
	<b>Total Benefits</b>	<b>\$ 1,050,543.81</b>	<b>\$ 1,046,861.41</b>	<b>\$ 1,080,370.89</b>	<b>\$ 1,129,577.00</b>	<b>\$ 1,127,664.00</b>	<b>99.8%</b>	<b>\$ 1,130,874.00</b>	<b>0.11%</b>
	<b>Total Salaries, Wages &amp; Benefits</b>	<b>\$ 3,359,502.57</b>	<b>\$ 3,404,303.84</b>	<b>\$ 3,534,187.13</b>	<b>\$ 3,631,608.00</b>	<b>\$ 3,626,695.00</b>	<b>99.9%</b>	<b>\$ 3,695,071.00</b>	<b>1.75%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ 10,052.34	\$ 13,841.44	\$ 2,474.93	\$ 10,942.61	\$ 10,940.00	100.0%	\$ 12,500.00	14.23%
52050	Dues & Subscriptions	\$ 15,504.17	\$ 16,107.20	\$ 5,054.44	\$ 16,150.00	\$ 16,150.00	100.0%	\$ 16,150.00	0.00%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 19,951.71	\$ 16,987.24	\$ 15,544.27	\$ 19,982.39	\$ 18,885.00	94.5%	\$ 21,500.00	7.59%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 245,972.99	\$ 258,200.00	\$ 258,200.00	\$ 258,200.00	\$ 258,200.00	100.0%	\$ 258,200.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 27,506.54	\$ 31,991.70	\$ 42,408.21	\$ 51,500.00	\$ 51,500.00	100.0%	\$ 51,550.00	0.10%
52240	Uniforms	\$ 29,222.27	\$ 23,112.09	\$ 23,569.19	\$ 25,500.00	\$ 25,400.00	99.6%	\$ 25,400.00	-0.39%
52250	Office Supplies	\$ 4,403.89	\$ 5,160.24	\$ 5,309.78	\$ 5,550.00	\$ 5,550.00	100.0%	\$ 5,550.00	0.00%
52260	Special Dept Supplies	\$ 373,922.58	\$ 384,297.97	\$ 387,586.89	\$ 399,555.75	\$ 399,100.00	99.9%	\$ 408,000.00	2.11%
52270	Safety Equip/Supplies	\$ -	\$ 11,527.35	\$ 11,939.78	\$ 10,400.00	\$ 10,400.00	100.0%	\$ 11,400.00	9.62%
52280	Maint Supp/Small Tools	\$ 27,970.92	\$ 30,504.65	\$ 33,782.93	\$ 36,899.20	\$ 36,375.00	98.6%	\$ 37,500.00	1.63%
52290	Chemical Supplies	\$ 447,987.35	\$ 406,339.32	\$ 421,393.22	\$ 537,750.00	\$ 537,750.00	100.0%	\$ 538,750.00	0.19%
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 279,752.90	\$ 242,145.68	\$ 245,670.45	\$ 311,937.13	\$ 290,000.00	93.0%	\$ 345,000.00	10.60%
52410	Maint-Buildings & Grounds	\$ 10,163.50	\$ 16,700.84	\$ 6,584.98	\$ 20,000.00	\$ 20,000.00	100.0%	\$ 20,000.00	0.00%
52420	Maintenance-Equipment	\$ 409,729.21	\$ 408,056.34	\$ 387,656.57	\$ 425,000.00	\$ 425,000.00	100.0%	\$ 430,000.00	1.18%
52430	Landscape Restoration	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52440	Pump Maintenance	\$ 43,408.08	\$ 23,104.28	\$ 42,718.44	\$ 37,500.00	\$ 37,500.00	100.0%	\$ 37,500.00	0.00%
52450	Equipment Rental	\$ 3,792.00	\$ 3,337.94	\$ 220.00	\$ 2,500.00	\$ 2,500.00	100.0%	\$ 2,500.00	0.00%
52460	Motor Fuel & Lubricants	\$ 232,268.76	\$ 239,881.43	\$ 234,550.21	\$ 300,000.00	\$ 275,000.00	91.7%	\$ 275,000.00	-8.33%
52470	Outside Vehicle Maint	\$ 2,917.10	\$ 3,746.03	\$ 6,206.94	\$ 12,000.00	\$ 12,000.00	100.0%	\$ 12,000.00	0.00%
52500	Rents/Leases	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52510	Permits/Fees/Software Licenses	\$ 8,266.00	\$ 14,242.60	\$ 14,972.00	\$ 14,387.45	\$ 14,195.85	98.7%	\$ 13,892.00	-3.44%
52650	Utilities	\$ 901,397.63	\$ 796,333.55	\$ 844,867.11	\$ 1,073,877.57	\$ 900,000.00	83.8%	\$ 1,100,000.00	2.43%
52690	Freight	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52715	Safety Incentive Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52720	Health Fair	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52725	Wellness Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52730	Employee Asst Program	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52900	Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52910	Non-Capital Equipment	\$ 2,739.67	\$ 11,876.23	\$ 3,803.89	\$ 4,353.67	\$ 4,300.00	98.8%	\$ 3,000.00	-31.09%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Materials, Supplies &amp; Services</b>	<b>\$ 3,096,929.61</b>	<b>\$ 2,957,494.12</b>	<b>\$ 2,994,514.23</b>	<b>\$ 3,573,985.77</b>	<b>\$ 3,350,745.85</b>	<b>93.8%</b>	<b>\$ 3,625,392.00</b>	<b>1.44%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ 76,594.00	\$ 49,329.00	\$ 60,815.00	\$ 60,815.00	\$ 60,815.00	100.0%	\$ 64,616.00	6.25%
53050	Wwtp Replacement Charges	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	100.0%	\$ 200,000.00	100.00%
	<b>Total Interfund Transfers</b>	<b>\$ 126,594.00</b>	<b>\$ 149,329.00</b>	<b>\$ 160,815.00</b>	<b>\$ 160,815.00</b>	<b>\$ 160,815.00</b>	<b>100.0%</b>	<b>\$ 264,616.00</b>	<b>64.55%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ -	\$ 19,935.24	\$ 8,191.12	\$ 33,400.00	\$ 32,500.00	97.3%	\$ 25,000.00	-25.15%
54020	Capital Equip-Software	\$ -	\$ 4,957.20	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ 5,298.94	\$ 40,453.09	\$ 137,979.52	\$ -	\$ -	-	\$ 22,500.00	-
	<b>Total Capital Outlay</b>	<b>\$ 5,298.94</b>	<b>\$ 65,345.53</b>	<b>\$ 146,170.64</b>	<b>\$ 33,400.00</b>	<b>\$ 32,500.00</b>	<b>97.3%</b>	<b>\$ 47,500.00</b>	<b>42.22%</b>
	<b>Sub-Total O&amp;M Fund</b>	<b>\$ 6,588,325.12</b>	<b>\$ 6,576,472.49</b>	<b>\$ 6,835,687.00</b>	<b>\$ 7,399,808.77</b>	<b>\$ 7,170,755.85</b>	<b>96.9%</b>	<b>\$ 7,632,579.00</b>	<b>3.15%</b>
59200	<b>LESS:</b>								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Net Operation &amp; Maintenance Fund</b>	<b>\$ 6,588,325.12</b>	<b>\$ 6,576,472.49</b>	<b>\$ 6,835,687.00</b>	<b>\$ 7,399,808.77</b>	<b>\$ 7,170,755.85</b>	<b>96.9%</b>	<b>\$ 7,632,579.00</b>	<b>3.15%</b>

# FY16 Budget – SS Maintenance

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 2,396,777.32	\$ 1,225,608.46	\$ 1,227,513.09	\$ 1,265,645.00	\$ 1,265,645.00	100.0%	\$ 1,280,836.00	1.20%
51150	Overtime	\$ 129,037.06	\$ 110,610.38	\$ 119,144.39	\$ 110,000.00	\$ 110,000.00	100.0%	\$ 110,000.00	0.00%
<b>Total Salaries &amp; Wages</b>		<b>\$ 2,525,814.38</b>	<b>\$ 1,336,218.84</b>	<b>\$ 1,346,657.48</b>	<b>\$ 1,375,645.00</b>	<b>\$ 1,375,645.00</b>	<b>100.0%</b>	<b>\$ 1,390,836.00</b>	<b>1.10%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 173,109.58	\$ 88,099.50	\$ 93,848.70	\$ 97,258.00	\$ 97,258.00	100.0%	\$ 92,769.00	-4.62%
51250	Payroll Taxes	\$ 181,808.04	\$ 94,260.68	\$ 94,917.30	\$ 105,237.00	\$ 105,237.00	100.0%	\$ 106,399.00	1.10%
51300	Medical, Dental & Life	\$ 672,197.89	\$ 334,894.21	\$ 344,478.00	\$ 330,498.00	\$ 330,498.00	100.0%	\$ 330,498.00	0.00%
51325	Post Retirement Insurance	\$ 74,481.00	\$ 33,054.79	\$ 29,466.00	\$ 50,610.00	\$ 50,610.00	100.0%	\$ 49,810.00	-1.58%
51350	Worker's Compensation	\$ 67,135.45	\$ 40,461.00	\$ 40,461.00	\$ 41,012.00	\$ 41,012.00	100.0%	\$ 41,012.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 8,675.48	\$ 6,160.00	\$ 6,160.00	100.0%	\$ 6,160.00	0.00%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 92,654.35	\$ 48,849.33	\$ 50,994.16	\$ 63,283.00	\$ 63,283.00	100.0%	\$ 64,043.00	1.20%
<b>Total Benefits</b>		<b>\$ 1,261,386.31</b>	<b>\$ 639,619.51</b>	<b>\$ 662,840.64</b>	<b>\$ 694,058.00</b>	<b>\$ 694,058.00</b>	<b>100.0%</b>	<b>\$ 690,691.00</b>	<b>-0.49%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>\$ 3,787,200.69</b>	<b>\$ 1,975,838.35</b>	<b>\$ 2,009,498.12</b>	<b>\$ 2,069,703.00</b>	<b>\$ 2,069,703.00</b>	<b>100.0%</b>	<b>\$ 2,081,527.00</b>	<b>0.57%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ 557.53	\$ 477.56	\$ 2,527.08	\$ 4,000.00	\$ 4,000.00	100.0%	\$ 4,000.00	0.00%
52050	Dues & Subscriptions	\$ 6,267.93	\$ 4,523.51	\$ 3,315.70	\$ 5,000.00	\$ 5,000.00	100.0%	\$ 5,000.00	0.00%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 34,575.11	\$ 23,005.22	\$ 20,162.97	\$ 27,910.00	\$ 27,910.00	100.0%	\$ 26,100.00	-6.49%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 158,945.66	\$ 81,849.00	\$ 81,849.00	\$ 81,849.00	\$ 81,849.00	100.0%	\$ 81,849.00	0.00%
52200	Telephone/Telefax	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52210	Communications	\$ 30,591.42	\$ 20,141.80	\$ 20,838.04	\$ 26,400.00	\$ 26,400.00	100.0%	\$ 27,400.00	3.79%
52240	Uniforms	\$ 42,566.87	\$ 15,845.25	\$ 18,228.80	\$ 22,000.00	\$ 22,000.00	100.0%	\$ 22,000.00	0.00%
52250	Office Supplies	\$ 5,958.70	\$ 6,980.62	\$ 6,635.86	\$ 6,500.00	\$ 6,500.00	100.0%	\$ 6,500.00	0.00%
52260	Special Dept Supplies	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	100.0%	\$ 500.00	0.00%
52270	Safety Equip/Supplies	\$ -	\$ 14,763.35	\$ 19,690.16	\$ 17,000.00	\$ 17,000.00	100.0%	\$ 21,000.00	23.53%
52280	Maint Supp/Small Tools	\$ 85,332.53	\$ 36,994.92	\$ 33,726.81	\$ 35,000.00	\$ 35,000.00	100.0%	\$ 35,000.00	0.00%
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ 66,497.55	\$ 61,054.79	\$ 42,744.05	\$ 57,750.00	\$ 53,000.00	91.8%	\$ 53,000.00	-8.23%
52330	Legal Fees	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52350	Prof/Contractual Svcs	\$ 36,142.49	\$ 28,046.72	\$ 24,782.42	\$ 43,000.00	\$ 43,000.00	100.0%	\$ 51,700.00	20.23%
52410	Maint-Buildings & Grounds	\$ -	\$ 69.99	\$ -	\$ 1,000.00	\$ -	0.0%	\$ -	-100.00%
52420	Maintenance-Equipment	\$ 42,053.30	\$ 50,142.91	\$ 46,387.14	\$ 49,000.00	\$ 49,000.00	100.0%	\$ 53,000.00	8.16%
52430	Landscape Restoration	\$ 11,381.06	\$ 3,854.73	\$ 2,301.32	\$ 5,300.00	\$ 5,300.00	100.0%	\$ 5,300.00	0.00%
52440	Pump Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52450	Equipment Rental	\$ 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	\$ 19,753.08	\$ 23,830.90	\$ 13,630.93	\$ 20,300.00	\$ 20,300.00	100.0%	\$ 20,300.00	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	\$ 10,600.35	\$ 4,090.11	\$ 6,676.70	\$ 4,560.00	\$ 4,560.00	100.0%	\$ 4,075.00	-10.64%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Materials, Supplies &amp; Services</b>		<b>\$ 558,632.78</b>	<b>\$ 375,671.38</b>	<b>\$ 343,496.98</b>	<b>\$ 409,569.00</b>	<b>\$ 403,819.00</b>	<b>98.6%</b>	<b>\$ 419,224.00</b>	<b>2.36%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ 201,067.00	\$ 176,348.00	\$ 167,064.00	\$ 167,064.00	\$ 167,064.00	100.0%	\$ 177,505.00	6.25%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Interfund Transfers</b>		<b>\$ 201,067.00</b>	<b>\$ 176,348.00</b>	<b>\$ 167,064.00</b>	<b>\$ 167,064.00</b>	<b>\$ 167,064.00</b>	<b>100.0%</b>	<b>\$ 177,505.00</b>	<b>6.25%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ 6,524.21	\$ 43,334.88	\$ 19,271.11	\$ 13,300.00	\$ 13,000.00	97.7%	\$ 3,300.00	-75.19%
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ 12,242.13	\$ -	\$ 13,703.66	\$ 21,500.00	\$ 21,000.00	97.7%	\$ 32,500.00	51.16%
<b>Total Capital Outlay</b>		<b>\$ 18,766.34</b>	<b>\$ 43,334.88</b>	<b>\$ 32,974.77</b>	<b>\$ 34,800.00</b>	<b>\$ 34,000.00</b>	<b>97.7%</b>	<b>\$ 35,800.00</b>	<b>2.87%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 4,565,666.81</b>	<b>\$ 2,571,192.61</b>	<b>\$ 2,553,033.87</b>	<b>\$ 2,681,136.00</b>	<b>\$ 2,674,586.00</b>	<b>99.8%</b>	<b>\$ 2,714,056.00</b>	<b>1.23%</b>
59200	<b>LESS:</b>								
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ (1,302,758.35)	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 3,262,908.46</b>	<b>\$ 2,571,192.61</b>	<b>\$ 2,553,033.87</b>	<b>\$ 2,681,136.00</b>	<b>\$ 2,674,586.00</b>	<b>99.8%</b>	<b>\$ 2,714,056.00</b>	<b>1.23%</b>

# FY16 Budget – SS Construction

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 1,193,491.65	\$ 1,178,079.44	\$ 1,140,380.46	\$ 1,196,820.00	\$ 1,196,820.00	100.0%	\$ 1,235,991.00	3.27%
51150	Overtime	\$ 68,075.78	\$ 56,769.70	\$ 86,195.16	\$ 57,000.00	\$ 57,000.00	100.0%	\$ 57,000.00	0.00%
<b>Total Salaries &amp; Wages</b>		<b>\$ 1,261,567.43</b>	<b>\$ 1,234,849.14</b>	<b>\$ 1,226,575.62</b>	<b>\$ 1,253,820.00</b>	<b>\$ 1,253,820.00</b>	<b>100.0%</b>	<b>\$ 1,292,991.00</b>	<b>3.12%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 87,689.44	\$ 84,852.69	\$ 88,970.74	\$ 88,645.00	\$ 88,645.00	100.0%	\$ 86,242.00	-2.71%
51250	Payroll Taxes	\$ 90,119.50	\$ 90,534.95	\$ 90,188.63	\$ 95,917.00	\$ 95,917.00	100.0%	\$ 98,914.00	3.12%
51300	Medical, Dental & Life	\$ 328,251.57	\$ 346,855.67	\$ 356,780.00	\$ 342,301.00	\$ 342,301.00	100.0%	\$ 342,301.00	0.00%
51325	Post Retirement Insurance	\$ 36,587.00	\$ 34,235.33	\$ 30,518.00	\$ 52,417.00	\$ 52,417.00	100.0%	\$ 51,588.00	-1.58%
51350	Worker's Compensation	\$ 34,297.81	\$ 41,906.00	\$ 41,906.00	\$ 42,476.00	\$ 42,476.00	100.0%	\$ 42,476.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 6,040.51	\$ 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	\$ 40,185.33	\$ 59,842.00	\$ 59,842.00	100.0%	\$ 61,800.00	3.27%
<b>Total Benefits</b>		<b>\$ 620,971.00</b>	<b>\$ 641,417.13</b>	<b>\$ 654,589.21</b>	<b>\$ 687,978.00</b>	<b>\$ 687,978.00</b>	<b>100.0%</b>	<b>\$ 689,701.00</b>	<b>0.25%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>\$ 1,882,538.43</b>	<b>\$ 1,876,266.27</b>	<b>\$ 1,881,164.83</b>	<b>\$ 1,941,798.00</b>	<b>\$ 1,941,798.00</b>	<b>100.0%</b>	<b>\$ 1,982,692.00</b>	<b>2.11%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ 16.97	\$ 413.50	\$ 500.00	\$ 500.00	\$ 500.00	100.0%	\$ 500.00	0.00%
52050	Dues & Subscriptions	\$ 1,993.23	\$ 2,087.00	\$ 2,568.25	\$ 3,500.00	\$ 3,500.00	100.0%	\$ 3,500.00	0.00%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 21,480.54	\$ 20,855.59	\$ 30,066.87	\$ 27,420.00	\$ 27,420.00	100.0%	\$ 36,290.00	32.35%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ -	\$ 84,997.00	\$ 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	\$ 12,548.76	\$ 17,600.00	\$ 17,600.00	100.0%	\$ 17,600.00	0.00%
52240	Uniforms	\$ 21,614.57	\$ 19,677.38	\$ 21,173.60	\$ 22,200.00	\$ 22,200.00	100.0%	\$ 22,200.00	0.00%
52250	Office Supplies	\$ 2,483.29	\$ 2,287.64	\$ 1,097.97	\$ 3,000.00	\$ 3,000.00	100.0%	\$ 3,000.00	0.00%
52260	Special Dept Supplies	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	100.0%	\$ 500.00	0.00%
52270	Safety Equip/Supplies	\$ -	\$ 21,979.83	\$ 20,455.09	\$ 23,000.00	\$ 23,000.00	100.0%	\$ 23,000.00	0.00%
52280	Maint Supp/Small Tools	\$ 54,728.07	\$ 52,998.34	\$ 51,659.07	\$ 48,900.00	\$ 48,900.00	100.0%	\$ 50,000.00	2.25%
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ 774.22	\$ 453.38	\$ 528.35	\$ 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	\$ 2,297.00	\$ 6,000.00	\$ 6,000.00	100.0%	\$ 6,000.00	0.00%
52410	Maint-Buildings & Grounds	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52420	Maintenance-Equipment	\$ 68.80	\$ 1,589.05	\$ 9.98	\$ 1,500.00	\$ 1,500.00	100.0%	\$ 1,500.00	0.00%
52430	Landscape Restoration	\$ 10,001.97	\$ 9,873.88	\$ 12,557.12	\$ 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	\$ 4,280.76	\$ 20,000.00	\$ 20,000.00	100.0%	\$ 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	\$ 10,872.90	\$ 16,500.00	\$ 16,500.00	100.0%	\$ 16,500.00	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	\$ 4,778.98	\$ 4,553.88	\$ 10,272.84	\$ 6,450.00	\$ 6,450.00	100.0%	\$ 5,100.00	-20.93%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Materials, Supplies &amp; Services</b>		<b>\$ 151,406.41</b>	<b>\$ 255,910.01</b>	<b>\$ 265,885.56</b>	<b>\$ 294,767.00</b>	<b>\$ 294,767.00</b>	<b>100.0%</b>	<b>\$ 303,387.00</b>	<b>2.92%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
53040	Fleet Replacement Charges	\$ -	\$ 153,481.00	\$ 148,552.00	\$ 148,552.00	\$ 148,552.00	100.0%	\$ 157,837.00	6.25%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
<b>Total Interfund Transfers</b>		<b>\$ -</b>	<b>\$ 153,481.00</b>	<b>\$ 148,552.00</b>	<b>\$ 148,552.00</b>	<b>\$ 148,552.00</b>	<b>100.0%</b>	<b>\$ 157,837.00</b>	<b>6.25%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ 2,037.00	\$ 18,711.94	\$ 7,362.00	\$ 3,900.00	\$ 3,900.00	100.0%	\$ 13,000.00	233.33%
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ 5,232.80	\$ 22,573.74	\$ 14,990.01	\$ 16,900.00	\$ 16,800.00	99.4%	\$ 8,400.00	-50.30%
<b>Total Capital Outlay</b>		<b>\$ 7,269.80</b>	<b>\$ 41,285.68</b>	<b>\$ 22,352.01</b>	<b>\$ 20,800.00</b>	<b>\$ 20,700.00</b>	<b>99.5%</b>	<b>\$ 21,400.00</b>	<b>2.88%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 2,041,214.64</b>	<b>\$ 2,326,942.96</b>	<b>\$ 2,317,954.40</b>	<b>\$ 2,405,917.00</b>	<b>\$ 2,405,817.00</b>	<b>100.0%</b>	<b>\$ 2,465,316.00</b>	<b>2.47%</b>
<b>59200 LESS:</b>									
	Chargebacks to General Fund for CIP	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	Chargebacks to General Fund for SSD	\$ (84,719.41)	\$ (1,294,092.88)	\$ (1,279,053.00)	\$ (1,309,983.00)	\$ (1,309,983.00)	100.0%	\$ (1,326,632.00)	1.27%
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 1,956,495.23</b>	<b>\$ 1,032,850.08</b>	<b>\$ 1,038,901.40</b>	<b>\$ 1,095,934.00</b>	<b>\$ 1,095,834.00</b>	<b>100.0%</b>	<b>\$ 1,138,684.00</b>	<b>3.90%</b>



# FY16 Budget – Engineering

No.	Name	Actual 2011-2012	Actual 2012-2013	Actual 2013-2014	Approved 2014-2015 Budget	Estimated Actual 6/30/2015	Percent Expended To Total Budget	Proposed 2015-2016 Budget	Inc (Dec) Over Prior Year Budget
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 1,415,058.83	\$ 1,315,767.62	\$ 1,241,602.51	\$ 1,295,676.00	\$ 1,295,676.00	100.0%	\$ 1,347,805.00	4.02%
51150	Overtime	\$ 773.24	\$ 4,087.46	\$ 4,821.85	\$ 7,500.00	\$ 2,950.00	39.3%	\$ 6,000.00	-20.00%
	<b>Total Salaries &amp; Wages</b>	<b>\$ 1,415,832.07</b>	<b>\$ 1,319,855.08</b>	<b>\$ 1,246,424.36</b>	<b>\$ 1,303,176.00</b>	<b>\$ 1,298,626.00</b>	<b>99.7%</b>	<b>\$ 1,353,805.00</b>	<b>3.89%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	\$ 95,969.30	\$ 87,142.29	\$ 88,453.94	\$ 92,135.00	\$ 91,813.00	99.7%	\$ 90,299.00	-1.99%
51250	Payroll Taxes	\$ 104,726.72	\$ 96,789.82	\$ 92,178.88	\$ 99,692.00	\$ 99,345.00	99.7%	\$ 103,566.00	3.89%
51300	Medical, Dental & Life	\$ 282,298.17	\$ 263,131.60	\$ 282,964.00	\$ 247,874.00	\$ 247,874.00	100.0%	\$ 247,874.00	0.00%
51325	Post Retirement Insurance	\$ 31,359.00	\$ 25,972.40	\$ 24,204.00	\$ 37,958.00	\$ 37,958.00	100.0%	\$ 37,357.00	-1.58%
51350	Worker's Compensation	\$ 28,267.98	\$ 31,790.00	\$ 33,236.00	\$ 30,759.00	\$ 30,759.00	100.0%	\$ 30,759.00	0.00%
51360	State Unemployment Benefits	\$ -	\$ -	\$ 4,673.71	\$ 4,620.00	\$ 4,620.00	100.0%	\$ 4,620.00	0.00%
51450	Automobile Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
51500	401-K/457 Plan	\$ 59,265.78	\$ 60,457.81	\$ 58,138.89	\$ 64,787.00	\$ 64,787.00	100.0%	\$ 67,392.00	4.02%
	<b>Total Benefits</b>	<b>\$ 601,886.95</b>	<b>\$ 565,283.92</b>	<b>\$ 583,849.42</b>	<b>\$ 577,825.00</b>	<b>\$ 577,156.00</b>	<b>99.9%</b>	<b>\$ 581,867.00</b>	<b>0.70%</b>
	<b>Total Salaries, Wages &amp; Benefits</b>	<b>\$ 2,017,719.02</b>	<b>\$ 1,885,139.00</b>	<b>\$ 1,830,273.78</b>	<b>\$ 1,881,001.00</b>	<b>\$ 1,875,782.00</b>	<b>99.7%</b>	<b>\$ 1,935,672.00</b>	<b>2.91%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52050	Dues & Subscriptions	\$ 4,923.16	\$ 5,298.44	\$ 4,700.31	\$ 5,882.00	\$ 5,332.00	90.6%	\$ 6,150.00	4.56%
52100	Postage	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52150	Travel, Mtgs & Training	\$ 15,826.79	\$ 16,172.09	\$ 18,142.45	\$ 28,679.21	\$ 23,775.00	82.9%	\$ 21,850.00	-23.81%
52160	Tuition Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52170	Directors Fees & Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52180	Liability Insurance	\$ 48,277.85	\$ 50,678.00	\$ 50,678.00	\$ 50,678.00	\$ 50,678.00	100.0%	\$ 50,678.00	0.00%
52200	Telephone/Telefax	\$ 1,960.16	\$ 2,522.06	\$ 2,725.75	\$ 2,900.00	\$ 2,200.00	75.9%	\$ 1,000.00	-65.52%
52210	Communications	\$ 4,828.79	\$ 4,341.99	\$ 4,587.10	\$ 5,649.79	\$ 5,449.79	96.5%	\$ 5,450.00	-3.54%
52240	Uniforms	\$ 3,956.72	\$ 2,008.52	\$ 2,215.98	\$ 3,208.00	\$ 2,400.00	74.8%	\$ 3,400.00	5.99%
52250	Office Supplies	\$ 6,409.87	\$ 5,829.51	\$ 4,964.36	\$ 6,250.00	\$ 5,550.00	88.8%	\$ 7,000.00	12.00%
52260	Special Dept Supplies	\$ 4,383.43	\$ 3,282.30	\$ 8,483.98	\$ 8,650.00	\$ 8,300.00	96.0%	\$ 4,550.00	-47.40%
52270	Safety Equip/Supplies	\$ -	\$ 451.67	\$ 353.50	\$ 500.00	\$ 410.00	82.0%	\$ 500.00	0.00%
52280	Maint Supp/Small Tools	\$ -	\$ -	\$ -	\$ 250.00	\$ 75.00	30.0%	\$ 250.00	0.00%
52290	Chemical Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52300	Line Cleaning Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52330	Legal Fees	\$ 19.25	\$ 180.50	\$ 248.00	\$ 2,500.00	\$ 1,500.00	60.0%	\$ 3,500.00	40.00%
52350	Prof/Contractual Svcs	\$ 26,809.53	\$ 44,062.50	\$ 23,258.13	\$ 46,500.00	\$ 45,500.00	97.8%	\$ 58,000.00	24.73%
52410	Maint-Buildings & Grounds	\$ -	\$ 2,005.15	\$ 453.00	\$ -	\$ -	-	\$ -	-
52420	Maintenance-Equipment	\$ -	\$ -	\$ 1,288.13	\$ 1,200.00	\$ 1,000.00	83.3%	\$ 1,200.00	0.00%
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	\$ 104.00	\$ 690.70	\$ 690.70	\$ 750.00	\$ 400.00	53.3%	\$ 500.00	-33.33%
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	\$ -	\$ -	\$ 2,432.43	\$ 1,200.00	\$ 1,200.00	100.0%	\$ -	-100.00%
52915	Copiers Printers & Faxes	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
52920	Billing & Collections	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Materials, Supplies &amp; Services</b>	<b>\$ 117,499.55</b>	<b>\$ 137,523.43</b>	<b>\$ 125,221.82</b>	<b>\$ 164,797.00</b>	<b>\$ 153,769.79</b>	<b>93.3%</b>	<b>\$ 164,028.00</b>	<b>-0.47%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	\$ 415,958.52	\$ 338,507.16	\$ 220,782.82	\$ 204,911.00	\$ 204,911.00	100.0%	\$ 203,608.00	-0.64%
53040	Fleet Replacement Charges	\$ 12,765.00	\$ 13,905.00	\$ 14,071.00	\$ 14,071.00	\$ 14,071.00	100.0%	\$ 14,950.00	6.25%
53050	Wwtp Replacement Charges	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Interfund Transfers</b>	<b>\$ 428,723.52</b>	<b>\$ 352,412.16</b>	<b>\$ 234,853.82</b>	<b>\$ 218,982.00</b>	<b>\$ 218,982.00</b>	<b>100.0%</b>	<b>\$ 218,558.00</b>	<b>-0.19%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54020	Capital Equip-Software	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
54030	Capital Equip - Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Total Capital Outlay</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>-</b>
	<b>Sub-Total O&amp;M Fund</b>	<b>\$ 2,563,942.09</b>	<b>\$ 2,375,074.59</b>	<b>\$ 2,190,349.42</b>	<b>\$ 2,264,780.00</b>	<b>\$ 2,248,533.79</b>	<b>99.3%</b>	<b>\$ 2,318,258.00</b>	<b>2.36%</b>
59200	LESS:								
	Chargebacks to General Fund for CIP	\$(2,356,270.57)	\$(2,183,517.81)	\$(2,052,975.31)	\$(2,102,025.00)	\$(2,090,470.79)	99.5%	\$(2,158,821.00)	2.70%
	Chargebacks to General Fund for SSD	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	-
	<b>Net Operation &amp; Maintenance Fund</b>	<b>\$ 207,671.52</b>	<b>\$ 191,556.78</b>	<b>\$ 137,374.11</b>	<b>\$ 162,755.00</b>	<b>\$ 158,063.00</b>	<b>97.1%</b>	<b>\$ 159,437.00</b>	<b>-2.04%</b>

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# *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 FY16 are to remain at the same level as FY15 (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. FY16 funding of \$261,500 represents a 1.7% decrease of total operations. As of May 2015, the District has fourteen (14) 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 FY16 are to remain at the same level as FY15 (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 FY16 are to remain at the same level as FY15 (0% increase).

**FY16 SELF-FUNDED EMPLOYEE MEDICAL PROGRAM BUDGET**

	Actual 2013-2014	Estimated Actual 2014-2015	Budget 2015-2016
<b>Beginning Balance</b>	\$ 909,289	\$ 1,150,083	\$ 1,234,440
<b>Income:</b>			
District Contributions	1,735,116	1,735,116	1,735,116
Employee Contributions	401,522	395,387	395,000
Transfer from Other Insurance Funds	47,000	77,100	72,800
Interest	6,132	5,000	5,000
<b>Total Income</b>	<b>2,189,770</b>	<b>2,212,603</b>	<b>2,207,916</b>
<b>Total Funds Available</b>	<b>3,099,059</b>	<b>3,556,945</b>	<b>3,442,356</b>
<b>Expenses:</b>			
Expected Claim Liability	1,582,293	1,950,377	2,097,952
Fixed Costs (see note below)	366,683	372,128	399,446
<b>Total Expenses</b>	<b>1,948,976</b>	<b>2,322,505</b>	<b>2,497,398</b>
<b>Ending Balance</b>	<b>\$ 1,150,083</b>	<b>\$ 1,234,440</b>	<b>\$ 944,958</b>

**Insurance Funds** (continued)**FY16 POST EMPLOYMENT INSURANCE BUDGET**

	Actual 2013-2014	Estimated Actual 2014-2015	Budget 2015-2016
<b>Beginning Balance</b>	\$ 59,558	\$ 95,089	\$ 135,961
<b>Income</b>			
District Contributions	254,800	265,700	261,500
Employee Contributions	25,286	29,872	18,000
Interest Income	10,245	11,000	5,000
<b>Total Income</b>	<b>290,331</b>	<b>306,572</b>	<b>284,500</b>
<b>Total Funds Available</b>	<b>349,889</b>	<b>401,661</b>	<b>420,461</b>
<b>Expenses</b>			
Expenses	156,800	188,600	188,700
Transfer to Other Insurance Funds	98,000	77,100	72,800
<b>Total Expenses</b>	<b>254,800</b>	<b>265,700</b>	<b>261,500</b>
<b>Ending Balance</b>	<b>\$ 95,089</b>	<b>\$ 135,961</b>	<b>\$ 158,961</b>

**FY16 WORKER'S COMPENSATION FINANCIAL PLAN**

	Actual 2013-2014	Estimated Actual 2014-2015	Budget 2015-2016
<b>Beginning Balance</b>	\$ 364,912	\$ 398,131	\$ 377,504
<b>Income</b>			
District Contributions	215,312	215,312	215,312
Interest Income	1,759	750	1,500
<b>Total Income</b>	<b>217,071</b>	<b>216,062</b>	<b>216,812</b>
<b>Total Funds Available</b>	<b>581,983</b>	<b>614,193</b>	<b>594,316</b>
<b>Expenses</b>			
Interfund Transfer	-	-	-
Deductibles for Individual Claims	10,195	1,000	10,000
Premiums to commercial carrier	173,657	235,689	285,000
<b>Total Expenses</b>	<b>183,852</b>	<b>236,689</b>	<b>295,000</b>
<b>Ending Balance</b>	<b>\$ 398,131</b>	<b>\$ 377,504</b>	<b>\$ 299,316</b>

**Insurance Funds** (continued)**FY16 GENERAL LIABILITY FINANCIAL PLAN**

	Actual 2013-2014	Estimated Actual 2014-2015	Budget 2015-2016
<b>Beginning Balance</b>	\$ 442,949	\$ 478,893	\$ 583,545
<b>Income</b>			
District Contributions	605,434	605,434	605,434
Interest Income	<u>1,391</u>	<u>750</u>	<u>1,100</u>
<b>Total Income</b>	<b>606,825</b>	<b>606,434</b>	<b>606,534</b>
<b>Total Funds Available</b>	<b>1,049,775</b>	<b>1,085,077</b>	<b>1,190,079</b>
<b>Expenses</b>			
Premiums to commercial carrier	444,321	394,783	416,656
No Fault Sewer Back-Up Claims	33,411	23,500	50,000
Claim Deductibles	85,057	74,500	82,000
Flood Insurance	<u>8,092</u>	<u>8,749</u>	<u>9,493</u>
<b>Total Expenses</b>	<b>570,882</b>	<b>501,532</b>	<b>558,149</b>
<b>Ending Balance</b>	<b>\$ <u>478,893</u></b>	<b>\$ <u>583,545</u></b>	<b>\$ <u>631,930</u></b>

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# *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 FY15 is anticipated to approximate \$505,348. The FY16 contribution is \$425,000, with anticipated expenditures of \$425,000, including (1) ½ Ton Pickup, (1) ¾ Ton Pickup, (2) SUV's, Dump Truck, Mini-Excavator, Forklift, and Air Compressor.

#### **◀ 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 FY16 contribution is \$200,000 with anticipated expenditures of \$210,000 including General Rehab - Constant Pressure Pumps, RBC Bearing Replacements, Schwing Pumps/Belt Filter Press Overhauls, Chlorination Pumps, Hydro Rehab - Triton Seals, and Pump Stations 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)**FY16 FLEET EQUIPMENT REPLACEMENT FUND BUDGET**

	Actual 2013-2014	Projected 2014-2015	Budget 2015-2016
<b>Beginning Balance:</b>	<b>\$ 441,646</b>	<b>\$ 334,534</b>	<b>\$ 505,348</b>
Revenue:			
District Contributions	400,000	400,000	425,000
Sale of Surplus Property	82,227	35,803	51,000
Interest Income	<u>3,211</u>	<u>4,511</u>	<u>7,581</u>
<b>Total Revenue</b>	<b>485,438</b>	<b>440,314</b>	<b>483,581</b>
<b>Expenditures:</b>			
Various	592,550	269,500	
(1) ½ Ton Pickup	-	-	29,000
(1) ¾ Ton Pickup	-	-	39,000
(2) SUV's	-	-	72,000
Dump Truck	-	-	140,000
Mini-Excavator	-	-	85,000
Forklift	-	-	30,000
Air Compressor	<u>-</u>	<u>-</u>	<u>30,000</u>
<b>Total Expenditure Replacements</b>	<b>592,550</b>	<b>269,500</b>	<b>425,000</b>
<b>Ending Balance:</b>	<b><u>\$ 334,534</u></b>	<b><u>\$ 505,348</u></b>	<b><u>\$ 563,929</u></b>

**Replacement Funds** (continued)

**FY16 WASTEWATER TREATMENT PLANT REPLACEMENT FUND BUDGET**

	Actual 2013-2014	Projected 2014-2015	Budget 2015-2016
<b>Beginning Balance:</b>	\$ 535,520	\$ 455,412	\$ 339,712
<b>Revenue:</b>			
District Contributions	100,000	100,000	200,000
Interest Income	3,238	1,800	5,096
<b>Total Revenue</b>	<b>103,238</b>	<b>101,800</b>	<b>205,096</b>
<b>Expenditures:</b>			
Various	183,346	217,500	
General Rehab - Constant Pressure Pumps			30,000
RBC System Bearing Rehab			50,000
Schwing Pumps/Belt Filter Press Overhauls			25,000
Chlorination Pumps			20,000
Hydro Rehab - Triton Seals			35,000
Pump Stations Rehab	-	-	60,000
<b>Total Expenditure Replacements</b>	<b>183,346</b>	<b>217,500</b>	<b>210,000</b>
<b>Ending Balance:</b>	<b>\$ 455,412</b>	<b>\$ 339,712</b>	<b>\$ 334,808</b>

**Replacement Funds** (continued)

**FY16 CAPITAL RESERVE FUND**

	Actual 2013-2014	Projected 2014-2015	Budget 2015-2016
<b>Beginning Balance:</b>	\$ 927,197	\$ 937,730	\$ 948,580
<b>Revenue:</b>			
Interfund Transfer	-	-	-
Interest Income	10,533	10,850	9,800
<b>Total Revenue</b>	<b>10,533</b>	<b>10,850</b>	<b>9,800</b>
<b>Ending Balance:</b>	<b>\$ 937,730</b>	<b>\$ 948,580</b>	<b>\$ 958,380</b>

**NOTE:** Ending balance must be at least 6% of the annual O&M current expenses. FY2015-2016 O&M Budget (\$15,793,126 - \$625,000 transfer to reserves - \$144,850 capital equipment) x 6% = \$901,397

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# *CIP 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](mailto: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 FY15-16 is \$21,849,858, 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.

A budget for Reimbursement Projects totaling \$100,000 is proposed. There is one remaining annexation project - Craigmont Road in Black Mountain. This project will be formally budgeted by the District when the Town decides to design/construct it.

## *Capital Improvement Program* (continued)

Total project costs over the ten-year window are estimated at \$200.2 million. Costs are updated each year during budget preparation in order to accurately reflect current bid pricing and market conditions. Included in future years' is an inflation factor of 3.26%, which utilizes the ENR Construction Cost Index as a basis. This factor is also updated each year.

Approximately 110 infrastructure projects are included in the CIP for FY16, ranging in length from 115 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.

### ■ **Collection System Capital Improvements:**

MSD initiated and maintains 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. 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.

Major projects for FY16 include the \$572,000 South French Broad Interceptor Grouting Project with approximately 12,000 linear feet, \$650,000 Hendersonville Rd. @ Mills Gap Rd. with over 2,855 linear feet, \$696,000 Hilliard Ave. @ Aston Park with over 2,670 linear feet and elimination of a pump station, \$1,125,000 Melody Circle with over 4,577 linear feet, and \$388,000 New Salem Road, with over 3,200 linear feet and trenchless lining.

### ■ **Wastewater Treatment Plant Capital Improvements:**

There are multiple projects underway at the plant. These include the EPA mandated Incinerator System Emissions Project; the planned replacement of a second influent pump; and relocation of the adjustable frequency drives for the influent pumps and the MCC's at the incinerator.

Two new plant projects have been added to the Ten Year CIP, based upon recommendations from the Facility Plan Update. These two projects - Plant Headworks and Plant High Rate Primary Treatment - total \$18 million over the next four fiscal years.

Near-term and mid-term project recommendations from the plan include:

- **Plant Headworks Project:** This \$6.51 Million project consists of a new grit removal system to replace the existing problematic system, a fine screening facility which will supplement the WRF's existing bar screens, and storage at the plant using existing decommissioned tanks to provide more effective treatment during peak flow events. In addition, by removing more grit than the current process, it will help to better protect downstream processes within the plant. Design is planned for FY16 and construction is scheduled to begin in FY17.
- **High Rate Primary Treatment Project:** This \$9.61 Million project will provide primary clarification by removing solids before the biological treatment stage. This will provide a more effective treatment,

## *Capital Improvement Program* (continued)

and will also help the Rotating Biological Contactors (RBC's) to better perform. During high flow (storm) events, this treatment can be ramped-up in order to match the higher flows. Design is planned for FY17 and construction is scheduled to begin in FY18.

Long-term alternatives focused on the biological treatment aspect (currently RBC's). Specific alternatives will be evaluated if and when future regulatory requirements change over time. The two projects noted above allow for flexibility among the viable options for biological treatment.

### **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.

The Board has consistently financed its Capital Improvement Program through revenue bonds and pay-as-you-go moneys. As of June 30, 2015, the District will have \$101.4 million in outstanding revenue bond debt, with total debt service of \$9.1 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.

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



## *Capital Improvement Program* (continued)

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.

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: ❶ An effective Management, Operations and Maintenance (MOM) program to reduce line blockages and optimize response time when blockages do occur; ❷ An ongoing rehabilitation program to improve the structural condition of the system; and ❸ 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.

In March 2014, MSD began the process of updating this important plan. The Facilities Plan Update is now complete. This significant, comprehensive study examined the various unit processes within the plant, with a focus on headworks, biological treatment alternatives, and the future regulatory climate. After extensive research of various options, the plan recommends adding new grit removal, a fine screening system, storage for peak flows (using existing decommissioned digesters), and chemically-enhanced primary clarification.

The plan was presented to the District Board on April 15, 2015, and will serve as a guidance document for planning future capital projects at the plant. These near-term and mid-term

## ***Capital Improvement Program*** (continued)

improvements (approx. \$18 million) have been incorporated into the District's proposed Ten Year CIP.

- **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 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 Zoning Ordinance has played an integral role in defining future service areas.

### **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

In accordance with the State Collection System Permit, the District maintains a Ten-Year CIP and rehabilitates a minimum of 250,000 Linear Feet (LF) of the collection system every five years. The current permit cycle has been temporarily extended three years by SB831, *An Act to Extend Certain Government Approvals*. This has the effect of requiring 400,000 LF of rehabilitation over eight years. Planned rehabilitation footage for FY08 through FY15 (the eight-year permit period) currently targets 404,598 LF.

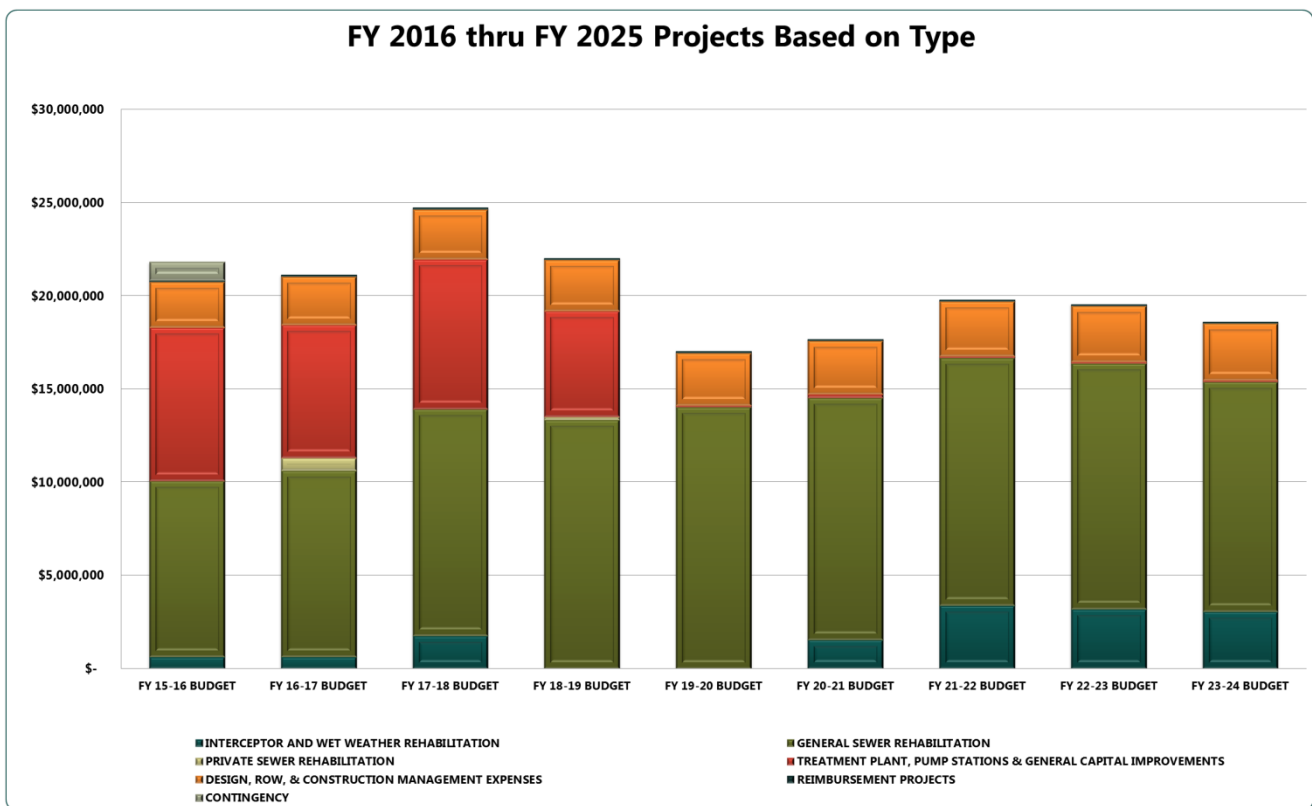
The Interceptor and Wet Weather Rehabilitation projects address the third prong of the Master Plan by providing increased system conveyance. The General Sewer Rehabilitation projects combine the first and second prongs by surveying all lines to plan maintenance activities and to improve the structural 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

## Capital Improvement Program (continued)

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.

Reimbursement projects include one Annexation Project from Consolidation, Developer Reimbursements, and NCDOT Reimbursements.



# Program Summary

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	BUDGET					FY 20-21 thru 24-25 BUDGET
				FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	
<b>INTERCEPTOR AND WET WEATHER REHABILITATION</b>									
Christian Creek Interceptor	Buncombe County	5,860	\$ 1,840,500	\$ 19,500	\$ 132,000	\$ 1,659,000	\$ -	\$ -	\$ -
Dingle Creek Interceptor	Asheville	7,871	\$ 2,651,110	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,582,100
Lower Swannanoa Interceptor	Asheville	6,475	\$ 5,470,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reems Creek MP Interceptor Ph. 2	Weaverly	0	\$ 26,550	\$ 26,550	\$ -	\$ -	\$ -	\$ -	\$ -
South French Broad Interceptor - Grouting	Biltmore Estate	22,000	\$ 1,251,550	\$ 572,000	\$ 476,000	\$ -	\$ -	\$ -	\$ -
Beaverdam Creek WW (CDM #10)	Buncombe County	5,500	\$ 1,303,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,303,000
Biltmore WW (CDM #3)	Biltmore	2,200	\$ 994,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 994,000
Four Mile Creek WW (CDM #1)	Biltmore Forest	3,400	\$ 816,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 816,000
Haw Creek WW (CDM #6)	Asheville	3,800	\$ 912,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 912,000
South Swannanoa WW (CDM #4)	Asheville	8,040	\$ 2,779,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,779,000
<b>SUBTOTAL</b>		<b>65,146</b>	<b>\$ 17,644,610</b>	<b>\$ 618,050</b>	<b>\$ 608,000</b>	<b>\$ 1,659,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,986,100</b>
Inflation per ENR Const. Cost Index	3.26%		1,0000	1,0000	1,0326	1,0663	1,1010	1,1369	1,2389545
<b>SUBTOTAL with inflation</b>		<b>65,146</b>	<b>\$ 17,644,610</b>	<b>\$ 618,050</b>	<b>\$ 627,821</b>	<b>\$ 1,768,930</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,133,369</b>
<b>GENERAL SEWER REHABILITATION</b>									
Adams Street	Asheville	1,250	\$ 373,500	\$ 11,000	\$ 83,000	\$ -	\$ 272,500	\$ -	\$ -
Arco Road	East Asheville	2,022	\$ 592,000	\$ -	\$ 583,500	\$ -	\$ -	\$ -	\$ -
Arlington Street	Asheville	2,600	\$ 747,000	\$ -	\$ -	\$ -	\$ -	\$ 8,000	\$ 759,000
Asheville Country Club (SS)	Asheville	0	\$ 99,200	\$ 85,500	\$ -	\$ 2,500	\$ -	\$ -	\$ -
Atkins Street	Arden	1,833	\$ 533,450	\$ 5,500	\$ -	\$ 2,250	\$ 43,000	\$ 482,700	\$ -
Beale Road at Copney Lane	Asheville	4,027	\$ 1,041,200	\$ -	\$ 16,200	\$ 90,200	\$ 919,000	\$ -	\$ -
Bear Creek Road at School Road	West Asheville	2,062	\$ 491,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 484,000
Braddock Way - PRP 20002	Asheville	3,848	\$ 926,000	\$ -	\$ -	\$ -	\$ -	\$ 4,500	\$ 903,100
Broadway Street at Bordeaux Place	Asheville	475	\$ 209,050	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,700
Buchanan Avenue	Asheville	1,400	\$ 393,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 393,500
Caledonia Road	Asheville	2,491	\$ 776,800	\$ -	\$ 8,800	\$ -	\$ 4,000	\$ 108,000	\$ 656,000
Central Avenue @ I-240	Asheville	1,440	\$ 505,400	\$ 7,200	\$ 2,000	\$ 102,000	\$ 402,400	\$ -	\$ -
Chatham Road	Asheville	600	\$ 210,400	\$ -	\$ 3,000	\$ 500	\$ -	\$ 206,900	\$ -
Cherokee Road	Asheville	2,330	\$ 736,000	\$ -	\$ 3,700	\$ 72,500	\$ 639,300	\$ -	\$ -
Chestnut Lodge Road	Black Mtn.	4,150	\$ 1,013,800	\$ 10,000	\$ 95,500	\$ 892,300	\$ -	\$ -	\$ -
Commerce Street	Asheville	530	\$ 184,800	\$ 500	\$ -	\$ -	\$ -	\$ 181,300	\$ -
Cumberland Avenue	Asheville	4,587	\$ 1,316,450	\$ -	\$ 18,250	\$ -	\$ -	\$ -	\$ 1,298,200

**Program Summary** (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	GENERAL SEWER REHABILITATION (continued)					FY 20-21 thru 24-25 BUDGET
				FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 BUDGET	
Dellwood Avenue	Asheville	815	\$ 295,950	\$ 7,500	\$ 198,100	\$ -	\$ -	\$ -	\$ -
Elk Mountain Place	Woodfin	4,101	\$ 965,200	\$ -	\$ 15,000	\$ 110,000	\$ 822,200	\$ -	\$ -
Elk Park Drive - PRP 35001	Woodfin	2,242	\$ 992,020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 541,000
Elkwood Avenue	Woodfin	4,577	\$ 1,311,700	\$ -	\$ 1,500	\$ 8,000	\$ 1,291,200	\$ -	\$ -
Elkwood @ Norman Austin Drive	Woodfin	600	\$ 178,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,100
Fairmont Road	North Asheville	3,600	\$ 1,073,000	\$ -	\$ 15,000	\$ -	\$ 5,500	\$ 39,500	\$ 1,013,000
Fair Oaks Road @ Green Road (SS)	Arden	0	\$ 85,325	\$ 20,500	\$ -	\$ -	\$ -	\$ -	\$ -
Forestdale Drive	South Asheville	2,600	\$ 833,500	\$ -	\$ -	\$ 17,000	\$ 20,500	\$ 84,000	\$ 712,000
Forest Hill Drive @ Warwick Road	Asheville	3,400	\$ 970,150	\$ -	\$ -	\$ -	\$ 17,000	\$ 500	\$ 924,650
Four Inch Main - College Street	Asheville	1,000	\$ 446,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 446,600
Four Inch Main - Dry Ridge Road	Asheville	775	\$ 297,600	\$ 5,000	\$ 30,000	\$ 197,500	\$ -	\$ -	\$ -
Four Inch Main - Oakland Drive @ Pine Street	Black Mountain	1,615	\$ 474,300	\$ 437,500	\$ -	\$ -	\$ -	\$ -	\$ -
Hazel Mill Road @ Richland Street	Asheville	3,300	\$ 953,200	\$ -	\$ -	\$ 16,500	\$ 7,500	\$ 54,000	\$ 875,200
Hendersonville Road at Millis Gap Road	Asheville	2,855	\$ 1,025,000	\$ 774,200	\$ -	\$ -	\$ -	\$ -	\$ -
Hendersonville Road @ Peachtree Road	South Asheville	1,025	\$ 366,900	\$ 1,100	\$ 3,500	\$ 365,100	\$ -	\$ -	\$ -
Hendersonville Road @ Rosscraiggon Ph. 2	Arden	4,163	\$ 1,284,800	\$ 109,500	\$ 1,066,800	\$ -	\$ -	\$ -	\$ -
Herron Avenue	West Asheville	2,060	\$ 609,900	\$ -	\$ -	\$ -	\$ -	\$ 10,500	\$ 599,400
Hilliard Avenue @ Aston Park	Asheville	2,670	\$ 809,850	\$ 720,500	\$ -	\$ -	\$ -	\$ -	\$ -
Hill Street	Asheville	1,650	\$ 421,600	\$ -	\$ -	\$ 9,000	\$ -	\$ 412,600	\$ -
Horizon Hill Road (Hy-Vu Drive)	Asheville	712	\$ 258,700	\$ -	\$ -	\$ -	\$ 241,000	\$ -	\$ -
Howland Road @ Sunset Trail	Asheville	1,033	\$ 374,700	\$ -	\$ -	\$ 4,100	\$ 49,000	\$ 314,100	\$ -
Johnston Boulevard @ Providence Road	West Asheville	2,360	\$ 618,700	\$ -	\$ 4,000	\$ 9,000	\$ 48,000	\$ 553,000	\$ -
Jonestown Road	Woodfin	3,114	\$ 807,600	\$ 20,400	\$ 76,000	\$ 765,000	\$ -	\$ -	\$ -
Kentworth @ Springdale Road	Asheville	2,135	\$ 615,600	\$ 6,800	\$ -	\$ 5,500	\$ 41,000	\$ 562,300	\$ -
Lakeshore Drive @ Merrimon Avenue	North Asheville	838	\$ 338,200	\$ -	\$ -	\$ 3,000	\$ -	\$ 4,500	\$ 251,700
Lakeview @ Glen Falls Road	North Asheville	4,200	\$ 1,363,000	\$ -	\$ -	\$ -	\$ -	\$ 21,000	\$ 1,342,000
Lakewood Drive @ Dudley	Asheville	280	\$ 100,000	\$ -	\$ -	\$ -	\$ 1,000	\$ -	\$ 99,000
Laurel Road - Ph. 2	Arden	1,496	\$ 207,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 185,750
Lincoln Avenue	Asheville	1,415	\$ 404,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 402,000
Lionel Place	Leicester	308	\$ 85,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,700
Long Shoals Road @ Allen Avenue	Arden	2,263	\$ 530,600	\$ 6,000	\$ 38,000	\$ 473,500	\$ -	\$ -	\$ -
Louisiana Avenue @ Brucemont Circle	Asheville	2,196	\$ 626,685	\$ 120,000	\$ 500	\$ 487,500	\$ -	\$ -	\$ -

**Program Summary** (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	GENERAL SEWER REHABILITATION (continued)					FY 20-21 thru 24-25 BUDGET
				FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 BUDGET	
Lower Glendale Ave.	E. Asheville	2,716	\$ 799,200	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,500
Lower Melody Lane	East Asheville	1,180	\$ 342,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 396,000
Lynn Cove Road	Beaverdam	5,589	\$ 1,520,000	\$ -	\$ 25,000	\$ -	\$ 15,000	\$ 61,000	\$ 1,419,000
Manetta Road @ Johnson Drive	North Asheville	6,500	\$ 1,743,500	\$ -	\$ -	\$ -	\$ 32,500	\$ 5,500	\$ 1,705,500
Meadowbrook Drive (SS)	Black Mountain	0	\$ 46,850	\$ 42,300	\$ -	\$ -	\$ -	\$ -	\$ -
Melody Circle	Swannanoa	4,577	\$ 1,275,700	\$ 1,153,500	\$ -	\$ -	\$ -	\$ -	\$ -
Merrim Avenue at Clearview Terrace	Asheville	500	\$ 285,550	\$ -	\$ -	\$ -	\$ -	\$ 2,500	\$ 276,950
Merrim Avenue @ Coleman Avenue	North Asheville	2,800	\$ 823,600	\$ -	\$ -	\$ -	\$ -	\$ 12,600	\$ 811,000
Middle Beaverdam Creek @ US 19-23	Woodfin	2,531	\$ 1,386,250	\$ -	\$ -	\$ 7,070	\$ 29,000	\$ 3,250	\$ 1,399,500
Mitchell Avenue	West Asheville	2,760	\$ 799,300	\$ -	\$ -	\$ -	\$ -	\$ 1,400	\$ 797,900
Mountainbrook Road @ Chunn's Cove Road	Asheville	2,400	\$ 760,900	\$ 44,000	\$ -	\$ 706,400	\$ -	\$ -	\$ -
Mountainview Road	East Asheville	2,037	\$ 639,400	\$ 6,000	\$ 68,000	\$ 557,200	\$ -	\$ -	\$ -
Mount Vemon Place Ph. 2	Asheville	2,476	\$ 640,200	\$ 89,000	\$ -	\$ -	\$ -	\$ -	\$ -
New Haw Creek Road @ Dogwood Gr.	East Asheville	1,900	\$ 516,700	\$ 9,500	\$ 6,000	\$ 36,000	\$ 465,200	\$ -	\$ -
New Haw Creek Road @ Trinity Chapel Road	East Asheville	838	\$ 239,925	\$ 13,000	\$ 213,800	\$ -	\$ -	\$ -	\$ -
New Salem Road	Swannanoa	3,254	\$ 419,350	\$ 398,000	\$ -	\$ -	\$ -	\$ -	\$ -
New Stock Road	Woodfin	9,020	\$ 2,354,500	\$ -	\$ 36,000	\$ 6,500	\$ 28,000	\$ 2,284,000	\$ -
North Lexington @ I-240	Asheville	450	\$ 166,200	\$ -	\$ 2,300	\$ 500	\$ -	\$ 163,400	\$ -
North Market Street	Asheville	1,050	\$ 350,000	\$ 5,300	\$ 1,500	\$ 66,000	\$ -	\$ 277,200	\$ -
Oakwood Street	West Asheville	976	\$ 300,000	\$ -	\$ -	\$ -	\$ 3,500	\$ -	\$ 296,500
Old Haw Creek Road @ Greenbriar Road	East Asheville	3,755	\$ 1,038,500	\$ -	\$ 7,000	\$ 63,000	\$ 950,500	\$ -	\$ -
Old West Chapel Road	Asheville	5,600	\$ 1,767,000	\$ 16,000	\$ 97,000	\$ 1,620,000	\$ -	\$ -	\$ -
Panola Street Rehabilitation (SS)	Asheville	0	\$ 2,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Riverside Drive @ Silverline Plastic	Woodfin	400	\$ 118,300	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 114,000
Riverview Drive	Asheville	2,302	\$ 661,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 653,600
Royal Pines Drive - PRP 47009	Arden	2,888	\$ 863,500	\$ -	\$ -	\$ -	\$ 2,500	\$ 10,000	\$ 855,400
Sand Hill Road @ Russell/Davenport	West Asheville	2,310	\$ 686,300	\$ 90,500	\$ 540,300	\$ -	\$ -	\$ -	\$ -
School Road @ Cranford Road	West Asheville	251	\$ 75,200	\$ 1,000	\$ 3,000	\$ 70,000	\$ -	\$ -	\$ -
Shadowlawn Drive Ph. 2	Asheville	3,085	\$ 786,950	\$ 739,700	\$ -	\$ -	\$ -	\$ -	\$ -
Sheppard Drive	West Asheville	187	\$ 54,000	\$ 1,500	\$ 4,000	\$ 48,500	\$ -	\$ -	\$ -
Smoleky Park Highway @ I-40	Enka	115	\$ 72,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,750
Springside Road @ Overlook Road	South Asheville	4,070	\$ 989,200	\$ 21,000	\$ 9,200	\$ 78,000	\$ 881,000	\$ -	\$ -
Stames Avenue	Asheville	2,871	\$ 838,700	\$ -	\$ -	\$ -	\$ 10,100	\$ 2,000	\$ 846,600

**Program Summary** (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	GENERAL SEWER REHABILITATION (continued)					FY 20-21 thru 24-25 BUDGET
				FY 15-16 BUDGET	FY 16-17 BUDGET	FY 17-18 BUDGET	FY 18-19 BUDGET	FY 19-20 BUDGET	
Stratford Road	North Asheville	1,770	\$ 464,500	\$ -	\$ -	\$ -	\$ 8,000	\$ -	\$ 456,500
Stratford Rd. @ Oxford Court	Asheville	1,960	\$ 497,500	\$ 51,000	\$ 432,000	\$ -	\$ -	\$ -	\$ -
Sulphur Springs Road @ Covington Street	West Asheville	1,350	\$ 311,000	\$ -	\$ 5,500	\$ 8,000	\$ 43,000	\$ 254,500	\$ -
Sutton Avenue	Black Mountain	3,100	\$ 931,000	\$ 15,000	\$ -	\$ 5,000	\$ -	\$ 911,000	\$ -
Sweeten Creek @ Buck Shoals	South Asheville	1,330	\$ 412,700	\$ 4,700	\$ 1,000	\$ 56,000	\$ 351,000	\$ -	\$ -
Sweeten Creek Road @ Busbee View	Asheville	1,060	\$ 349,200	\$ 31,000	\$ 5,000	\$ 295,200	\$ -	\$ -	\$ -
Sweeten Creek @ Mills Gap	Asheville	2,325	\$ 613,300	\$ -	\$ 12,000	\$ 3,000	\$ 80,000	\$ 518,300	\$ -
Sweeten Creek Road @ Weston Road	South Asheville	1,775	\$ 430,200	\$ -	\$ -	\$ 9,000	\$ 1,500	\$ 2,000	\$ 417,700
Upper Grassy Branch Road @ Maxwell Road	East Asheville	975	\$ 273,750	\$ -	\$ -	\$ -	\$ 2,000	\$ 18,000	\$ 248,500
US 70 @ Jordan Road	Swannanoa	4,550	\$ 1,451,000	\$ -	\$ -	\$ 28,000	\$ -	\$ 20,000	\$ 1,403,000
Walnut Street @ Rankin Avenue	Asheville	2,350	\$ 759,400	\$ 12,000	\$ 735,900	\$ -	\$ -	\$ -	\$ -
Waynesville Avenue @ Brownwood Avenue	West Asheville	3,050	\$ 882,300	\$ 15,500	\$ -	\$ 24,000	\$ 164,000	\$ 678,800	\$ -
Weaver Boulevard @ US 19-23	Weaver	3,602	\$ 1,440,700	\$ 277,000	\$ 1,151,200	\$ -	\$ -	\$ -	\$ -
Wentworth Avenue	Asheville	1,500	\$ 450,700	\$ -	\$ -	\$ -	\$ 7,500	\$ 500	\$ 442,700
West Crabapple Lane	West Asheville	550	\$ 183,000	\$ 2,500	\$ 3,000	\$ 25,000	\$ 152,500	\$ -	\$ -
Wood Avenue @ Parker Road	Asheville	1,050	\$ 357,100	\$ -	\$ -	\$ -	\$ -	\$ 5,500	\$ 351,600
SSD Rehabilitation & Replacement	Various	200,000	\$ 40,175,000	\$ 4,017,500	\$ 4,017,500	\$ 4,017,500	\$ 4,017,500	\$ 4,017,500	\$ 20,087,500
Surveys for Design	Various	N/A	\$ 500,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
Future Projects - General Rehabilitation	Various	30,000	\$ 6,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,750,000
<b>SUBTOTAL</b>		<b>444,688</b>	<b>\$ 109,933,955</b>	<b>\$ 9,455,200</b>	<b>\$ 9,690,550</b>	<b>\$ 11,402,820</b>	<b>\$ 12,118,400</b>	<b>\$ 12,351,350</b>	<b>\$ 52,973,300</b>
Inflation per ENR Const. Cost Index	3.26%		1,000	1,000	1,0326	1,0663	1,1010	1,1369	1,25159409
<b>SUBTOTAL with inflation</b>		<b>444,688</b>	<b>\$ 109,933,955</b>	<b>\$ 9,455,200</b>	<b>\$ 10,006,462</b>	<b>\$ 12,158,402</b>	<b>\$ 13,342,636</b>	<b>\$ 14,042,451</b>	<b>\$ 66,301,069</b>
<b>PRIVATE SEWER REHABILITATION</b>									
Douglas Place PSR	Asheville	588	\$ 163,300	\$ -	\$ -	\$ -	\$ 156,300	\$ -	\$ -
Frieno Drive PSR (Lower)	Asheville	2,593	\$ 680,200	\$ 2,000	\$ 652,000	\$ -	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>		<b>3,181</b>	<b>\$ 843,500</b>	<b>\$ 2,000</b>	<b>\$ 652,000</b>	<b>\$ -</b>	<b>\$ 156,300</b>	<b>\$ -</b>	<b>\$ -</b>
Inflation per ENR Const. Cost Index	3.26%		1,000	1,000	1,0326	1,0663	1,1010	1,1369	1,25306
<b>SUBTOTAL with inflation</b>		<b>3,181</b>	<b>\$ 843,500</b>	<b>\$ 2,000</b>	<b>\$ 673,255</b>	<b>\$ -</b>	<b>\$ 172,090</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TREATMENT PLANT, PUMP STATIONS &amp; GENERAL CAPITAL IMPROVEMENTS</b>									
Building and Facility Rehabilitation	MSD-Treatment Plant	0	\$ 911,000	\$ 135,000	\$ 87,000	\$ 90,000	\$ 89,000	\$ 80,000	\$ 363,000
Bypass Pump Staging Areas	MSD-Treatment Plant	0	\$ 451,550	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -

**Program Summary** (continued)

PROJECT NAME	LOCATION OF PROJECT	PROJECT FOOTAGE	TOTAL ESTIMATED COST	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21
				BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
<b>TREATMENT PLANT, PUMP STATIONS &amp; GENERAL CAPITAL IMPROVEMENTS (continued)</b>									
Carrier Bridge P.S. Bypass & Improv.	MSD-Treatment Plant	0	\$ 1,557,850	\$ 8,000	\$ 1,249,000	\$ 138,000	\$ 77,000	\$ -	\$ 77,000
Flow Monitoring	MSD-Treatment Plant	0	\$ 282,535	\$ 50,000	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Incinerator Bldg. MCC Replacement	MSD-Treatment Plant	0	\$ 250,500	\$ 230,500	\$ -	\$ -	\$ -	\$ -	\$ -
Incinerator System Emissions Upgrades	MSD-Treatment Plant	0	\$ 6,703,000	\$ 5,460,000	\$ -	\$ -	\$ -	\$ -	\$ -
Influent Pump Station Rehabilitation	MSD-Treatment Plant	0	\$ 1,617,000	\$ 507,000	\$ 125,000	\$ 20,000	\$ -	\$ -	\$ -
Plant Headworks Improvements	MSD-Treatment Plant	0	\$ 7,441,000	\$ 681,000	\$ 4,466,000	\$ 2,294,000	\$ -	\$ -	\$ -
Plant High Rate Primary Treatment	MSD-Treatment Plant	0	\$ 10,961,000	\$ -	\$ 960,000	\$ 5,006,000	\$ 4,996,000	\$ -	\$ -
RBC Replacement	MSD-Treatment Plant	0	\$ 1,206,800	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -
Weaverlyville Pump System Rehabilitation	Buncombe County	0	\$ 360,500	\$ 255,500	\$ -	\$ -	\$ -	\$ -	\$ -
Financial Management Software	MSD	0	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>SUBTOTAL</b>		<b>0</b>	<b>\$ 31,842,735</b>	<b>\$ 8,227,000</b>	<b>\$ 6,907,000</b>	<b>\$ 7,548,000</b>	<b>\$ 5,162,000</b>	<b>\$ 80,000</b>	<b>\$ 440,000</b>
Inflation per ENR Const. Cost Index	3.26%		1.0000	1.0000	1.0326	1.0663	1.1010	1.1369	1.235086
<b>SUBTOTAL with inflation</b>		<b>0</b>	<b>\$ 31,842,735</b>	<b>\$ 8,227,000</b>	<b>\$ 7,132,168</b>	<b>\$ 8,048,151</b>	<b>\$ 5,683,480</b>	<b>\$ 90,953</b>	<b>\$ 543,438</b>
<b>DESIGN, ROW, &amp; CONSTRUCTION MANAGEMENT EXPENSES</b>									
Design, ROW, & Const. Mgmt Exp.	MSD/ENG	N/A	\$ 28,209,012	\$ 2,447,608	\$ 2,604,723	\$ 2,669,714	\$ 2,736,590	\$ 2,797,018	\$ 14,953,359
<b>SUBTOTAL</b>		<b>0</b>	<b>\$ 28,209,012</b>	<b>\$ 2,447,608</b>	<b>\$ 2,604,723</b>	<b>\$ 2,669,714</b>	<b>\$ 2,736,590</b>	<b>\$ 2,797,018</b>	<b>\$ 14,953,359</b>
<b>BUDGET SUMMARY</b>									
SUBTOTAL with Inflation		513.015	\$ 188,473,812	\$ 20,749,858	\$ 21,044,429	\$ 24,645,197	\$ 21,934,797	\$ 16,930,422	\$ 92,931,236
CONTINGENCY			\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
REIMBURSEMENT PROJECTS	Various	0	\$ 1,000,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
<b>TOTAL</b>		<b>513.015</b>	<b>\$ 189,473,812</b>	<b>\$ 21,849,858</b>	<b>\$ 21,144,429</b>	<b>\$ 24,745,197</b>	<b>\$ 22,034,797</b>	<b>\$ 17,030,422</b>	<b>\$ 93,431,236</b>



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# *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 \$32 million in debt is anticipated to be issued in FY2018 without affecting the planned rate of user charge increases.

### **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

## **Debt Financing** (continued)

the excess of revenues over expenditures (pay-as-you-go).

During FY14, the District issued \$26.2 million fixed rate revenue bonds. The District has expended the entire amount of proceeds from the aforementioned debt issuance. The District will accumulate funding from operations to finance a portion of the capital budget until the next debt issuance, anticipated to be in FY18.

As of June 30, 2015, the District will have \$101.4 million par value of outstanding revenue bond debt. During FY16, over \$6.1 million in principal will be repaid. The District anticipates issuing an additional \$32 million in revenue bonds in FY18. 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, 2015 and anticipated principal repayment during FY16 are on the following two (2) pages.

### **Outstanding Debt as of June 30, 2015**

	Original Issue Amount	Balance 6/30/2015	Additions	Retirements	Balance 6/30/2016
<b>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</b>					
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	\$ 532,000	\$ -	\$ 64,000	\$ 468,000
<b>Total Bonds, Enka Candler Series</b>	<b>\$ 1,500,000</b>	<b>\$ 532,000</b>	<b>\$ -</b>	<b>\$ 64,000</b>	<b>\$ 468,000</b>
<b>Revenue Bonds, Series 2008A issued to refund Series 2005 Revenue Bonds</b>					
Interest at variable rates in the weekly mode, payable monthly, due serially until 2031.	\$ 33,635,000	\$ 31,420,000	\$ -	\$ 790,000	\$ 30,630,000
<b>Total Bond, Series 2008A</b>	<b>\$ 33,635,000</b>	<b>\$ 31,420,000</b>	<b>\$ -</b>	<b>\$ 790,000</b>	<b>\$ 30,630,000</b>
<b>2009 North Carolina Water Pollution Control Revolving Fund used to construct certain sewerage projects</b>					
\$672,980 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	\$ 252,365	\$ -	\$ 16,825	\$ 235,540
<b>Total State Revolving Fund</b>	<b>\$ 336,490</b>	<b>\$ 252,365</b>	<b>\$ -</b>	<b>\$ 16,825</b>	<b>\$ 235,540</b>

**Debt Financing** (continued)**Outstanding Debt as of June 30, 2015**

	Original Issue Amount	Balance 6/30/2015	Additions	Retirements	Balance 6/30/2016
<b>Revenue Bonds, Series 2009A issued to construct certain sewerage projects</b>					
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	\$ 5,770,000	\$ -	\$ 475,000	\$ 5,295,000
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
<b>Total Bond, Series 2009A</b>	<b>\$ 17,205,000</b>	<b>\$ 15,055,000</b>	<b>\$ -</b>	<b>\$ 475,000</b>	<b>\$ 14,580,000</b>
<b>Revenue Bonds, Series 2009B used to refund portions of Series 1999</b>					
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
<b>Total Bond, Series 2009B</b>	<b>\$ 13,360,000</b>	<b>\$ 1,845,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,845,000</b>
<b>Revenue Bonds, Series 2013 used to refund Series 2003 and Series 2008B</b>					
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	\$ 26,150,000	\$ -	\$ 4,255,000	\$ 21,895,000
<b>Total Bond, Series 2013</b>	<b>\$ 30,230,000</b>	<b>\$ 26,150,000</b>	<b>\$ -</b>	<b>\$ 4,255,000</b>	<b>\$ 21,895,000</b>

**Debt Financing** (continued)

**Outstanding Debt as of June 30, 2015**

	Original Issue Amount	Balance 6/30/2015	Additions	Retirements	Balance 6/30/2016
<b>Revenue Bonds, Series 2014 issued to construct certain sewerage projects</b>					
2.0% to 5.00% serial bonds issued May 21, 2014 with maturities on each July 1, 2015 through 2039 varying from \$535,000 to \$1,430,000; interest payable semi-annually	\$ 21,510,000	\$ 21,510,000	\$ -	\$ 535,000	\$ 20,975,000
5.00% term bonds issued May 21, 2014, at 112.950%, due July 1, 2039; interest payable semi-annually.	\$ 4,685,000	\$ 4,685,000	\$ -	\$ -	\$ 4,685,000
<b>Total Bond, Series 2014</b>	\$ 26,195,000	\$ 26,195,000	\$ -	\$ 535,000	\$ 25,660,000
<b>Total Bonds--All Series</b>	\$ 96,266,490	\$ 101,449,365	\$ -	\$ 6,135,825	\$ 95,313,540

## *Aggregate Debt Service*

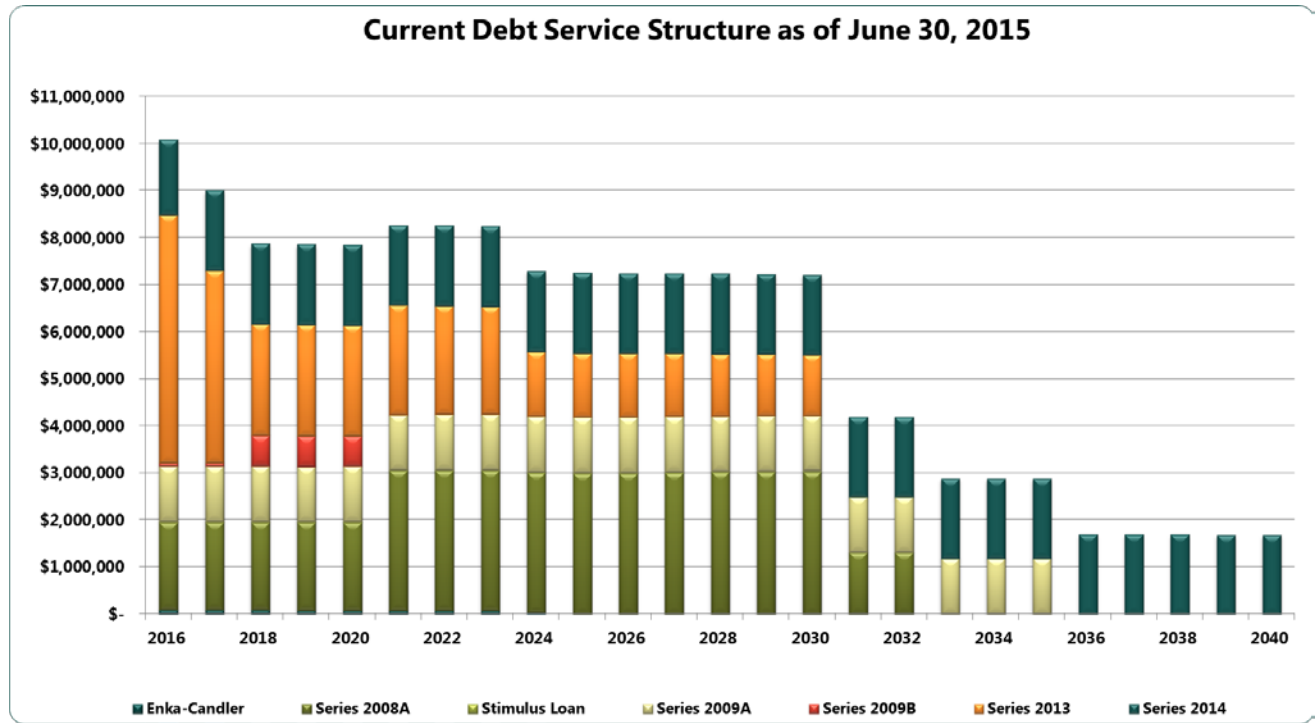
Year Ending June 30	Enka-Candler Bonds	Series 2008A Refunding	Series 2009A	Series 2009B Refunding
2016	90,600	1,850,168	1,180,300	73,800
2017	87,400	1,857,849	1,180,900	73,800
2018	84,200	1,858,620	1,180,700	656,900
2019	81,000	1,859,120	1,179,700	652,700
2020	77,800	1,863,272	1,182,800	647,700
2021	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	-	-	-	-
	<b>656,200</b>	<b>41,841,116</b>	<b>23,607,000</b>	<b>2,104,900</b>

## *Aggregate Debt Service*

Year Ending June 30	North Carolina Water Pollution Control Revolving Fund	Series 2013 Refunding	Series 2014	Aggregate Debt Service
2016	16,825	5,273,494	1,596,175	10,081,362
2017	16,825	4,079,194	1,710,850	9,006,817
2018	16,825	2,368,094	1,707,175	7,872,513
2019	16,825	2,363,094	1,709,175	7,861,613
2020	16,825	2,350,794	1,705,075	7,844,265
2021	16,825	2,322,594	1,701,025	8,262,289
2022	16,825	2,302,844	1,709,625	8,263,199
2023	16,825	2,298,219	1,705,775	8,248,663
2024	16,825	1,377,719	1,706,675	7,289,693
2025	16,825	1,363,469	1,708,025	7,256,262
2026	16,825	1,352,944	1,703,275	7,241,242
2027	16,825	1,341,444	1,695,775	7,233,096
2028	16,825	1,323,644	1,706,625	7,236,581
2029	16,825	1,304,644	1,695,475	7,216,520
2030	16,825	1,294,922	1,697,675	7,213,022
2031	-	-	1,698,175	4,185,479
2032	-	-	1,696,875	4,182,652
2033	-	-	1,698,675	2,876,925
2034	-	-	1,693,575	2,873,450
2035	-	-	1,698,138	2,876,888
2036	-	-	1,697,325	1,697,325
2037	-	-	1,692,850	1,692,850
2038	-	-	1,682,125	1,682,125
2039	-	-	1,681,000	1,681,000
2040	-	-	1,681,000	1,681,000
	<b>252,368</b>	<b>32,717,110</b>	<b>42,378,138</b>	<b>143,556,830</b>



# Aggregate Debt Service



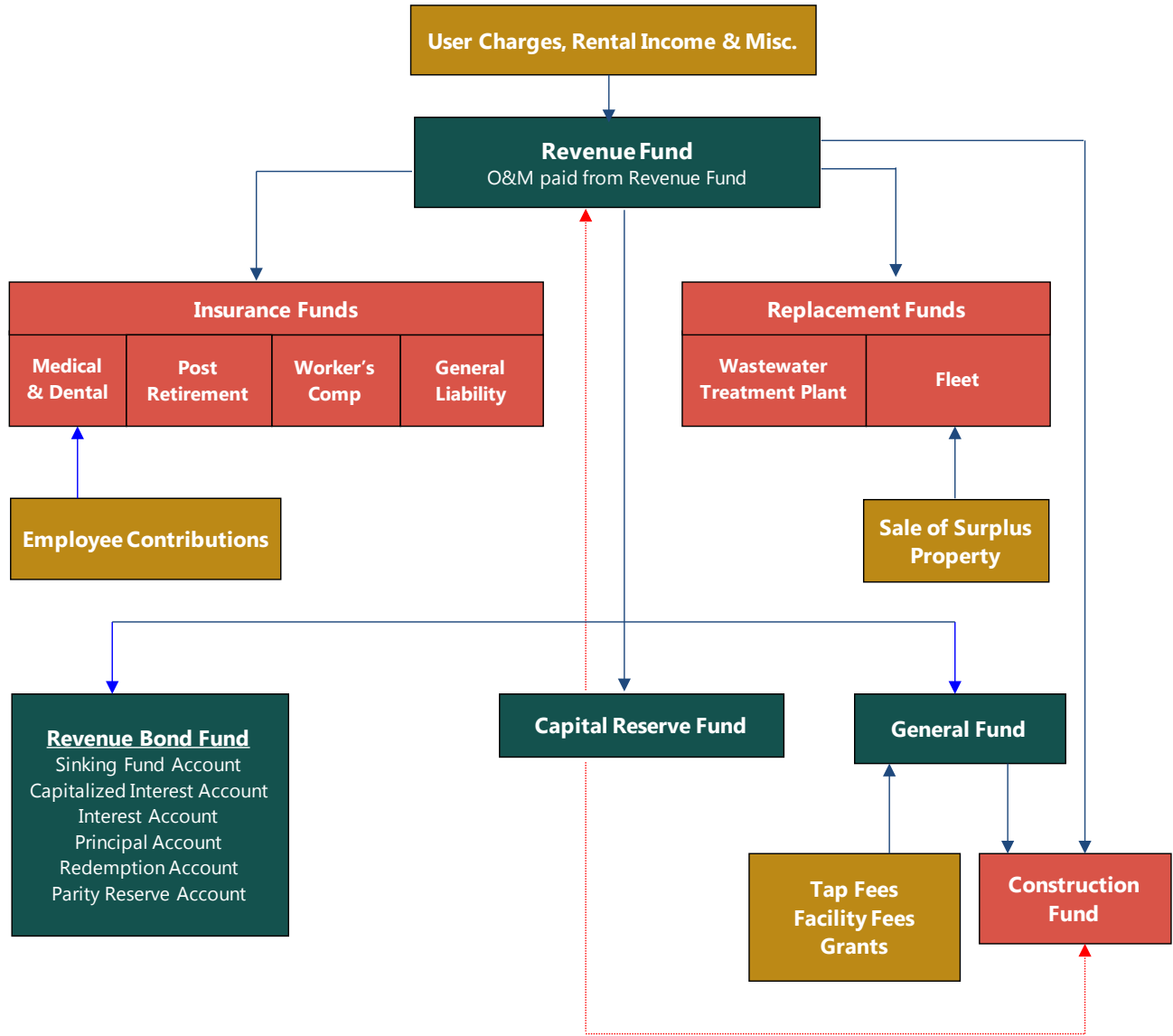
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# *Appendix*



# 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 PRELIMINARY BUDGET AND SEWER USE CHARGES  
FOR THE  
METROPOLITAN SEWERAGE DISTRICT  
OF BUNCOMBE COUNTY, NORTH CAROLINA  
FOR THE FISCAL YEAR July 1, 2015 THRU June 30, 2016**

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 2015-2016 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, 2015 and ending June 30, 2016:

Operating and Maintenance Expenses	\$	12,350,764
Transfer to Insurance Accounts	\$	2,817,362
Transfer to Fleet Replacement Reserve	\$	425,000
Transfer to Wastewater Treatment Plant Reserve	\$	<u>200,000</u>
Subtotal O&M	\$	15,793,126
Transfer to Debt Service Fund	\$	9,109,708
Transfer to General Fund	\$	<u>7,485,360</u>
	\$	<u><u>32,388,194</u></u>

It is estimated that the following revenues will be available in the Revenue Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Domestic User Fees	\$	28,962,278
Industrial User Fees	\$	3,155,799
Billing and Collection Fees	\$	734,708
Investment Interest	\$	388,967
Reimbursement for Debt Service from COA	\$	37,000
Rental Income	\$	69,950
Appropriated Net Position	\$	<u>(960,508)</u>
	\$	<u><u>32,388,194</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, 2015 and ending June 30, 2016:

Transfer into Construction	\$ <u>16,145,360</u>
----------------------------	----------------------

It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Facility and Tap Fees	\$ 1,605,000
Investment Income	\$ 5,000
Transfer from Revenue Fund	\$ 7,485,360
Appropriated Net Position	\$ <u>7,050,000</u>
	\$ <u>16,145,360</u>

3. The following amounts are hereby appropriated in the Construction Fund for Capital Improvement Plan expenditures for the fiscal year beginning July 1, 2015 and ending June 30, 2016.

Capital Improvements Projects	\$ <u>21,849,858</u>
-------------------------------	----------------------

It is estimated that the following revenues will be available to the Construction Fund for the Fiscal year beginning July 1, 2015 and ending June 30, 2016.

Investment Income	\$ 5,000
Transfer from General Fund	\$ 16,145,360
Appropriated Net Position	\$ <u>5,699,498</u>
	\$ <u>21,849,858</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, 2015 and ending June 30, 2016 are:

Operating Expenditures	\$ <u>3,539,247</u>
------------------------	---------------------

It is estimated that the following revenues will be available in the Insurance Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$ 2,817,362
Investment Income	\$ 12,600
Employee/Retirees Medical Contributions	\$ 413,000
Appropriated Net Position	\$ <u>296,285</u>
	\$ <u>3,539,247</u>

## *Resolution – Preliminary Budget & Sewer Use Charges*

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, 2015 and ending June 30, 2016 are estimated as follows:

Capital Equipment	\$ <u>425,000</u>
-------------------	-------------------

It is estimated that the following revenues will be available in the Fleet Replacement Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$ 425,000
Sale of Surplus Property	\$ 51,000
Investment Income	\$ 7,581
Contributions to Net Position	<u>\$ (58,581)</u>
	<u>\$ 425,000</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, 2015 and ending June 30, 2016 are estimated as follows:

Capital Equipment	\$ <u>210,000</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, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$ 200,000
Investment Income	\$ 5,096
Appropriated Net Position	<u>\$ 4,904</u>
	<u>\$ 210,000</u>

7. The following amounts are hereby appropriated in the Debt Service Fund for principal and interest payments for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Debt Service	\$ <u>9,109,708</u>
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It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2015 and ending June 30, 2016:

Transfer in from the Revenue Fund	\$ 9,109,708
Investment Income	\$ 50
Contributions to Net Position	<u>\$ (50)</u>
	<u>\$ 9,109,708</u>

## *Resolution – Preliminary Budget & Sewer Use Charges*

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, 2015.
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 20th day of May 2015

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

Attest:

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Jackie W. Bryson  
Secretary/Treasurer



## Schedule of Rates & Fees – FY2016

Rate increase	CURRENT FY15 RATE	PROPOSED FY16 RATE
	2.50%	2.50%
<b>Collection Treatment Charge</b>		
Residential & Commercial Volume Charges (per CCF) Inside	\$ 4.18	\$ <b>4.28</b>
Industrial Volume Charges (per CCF) Inside	\$ 3.439	\$ 3.692
Industrial Surcharge for BOD (per lb., BOD >230 mg/l) Inside	\$ 0.334	\$ 0.327
Industrial Surcharge for TSS (per lb., TSS >230 mg/l) Inside	\$ 0.264	\$ 0.262
Residential & Commercial Volume Charges (per CCF) Outside	\$ 4.19	\$ <b>4.29</b>
Industrial Volume Charges (per CCF) Outside	\$ 3.449	\$ 3.702
Industrial Surcharge for BOD (per lb., BOD >230 mg/l) Outside	\$ 0.334	\$ 0.327
Industrial Surcharge for TSS (per lb., TSS >230 mg/l) Outside	\$ 0.264	\$ 0.262
<b>Base Meter/Maintenance Charge &amp; Billing Fee</b>		
5/8"	\$ 6.44	\$ <b>6.60</b>
3/4"	\$ 9.38	\$ <b>9.61</b>
1"	\$ 16.63	\$ <b>17.05</b>
1 1/2"	\$ 38.08	\$ <b>39.03</b>
2"	\$ 67.35	\$ <b>69.03</b>
3"	\$ 149.37	\$ <b>153.10</b>
4"	\$ 266.54	\$ <b>273.20</b>
6"	\$ 600.43	\$ <b>615.44</b>
8"	\$ 1,066.15	\$ <b>1,092.80</b>
10"	\$ 1,669.52	\$ <b>1,711.26</b>
Billing Fee (per bill)	\$ 2.29	\$ <b>2.30</b>
<b>Sewer Facility Fees</b>		
<i>This impact fee is for allotted capacity in the treatment and transmission system. A differential fee will be charged for increases to an existing meter size.</i>		
Residential		
Per Unit (non-mobile home)	\$ 2,500.00	\$ <b>2,500.00</b>
Mobile Home	\$ 1,740.00	\$ <b>1,740.00</b>
Affordable Housing	\$ 670.00	\$ <b>670.00</b>
Nonresidential (modifiable per economic development waiver)		
5/8"	\$ 2,500.00	\$ <b>2,500.00</b>
3/4"	\$ 2,830.00	\$ <b>2,830.00</b>
1"	\$ 5,560.00	\$ <b>5,560.00</b>
1 1/2"	\$ 11,350.00	\$ <b>11,350.00</b>
2"	\$ 20,000.00	\$ <b>20,000.00</b>
3"	\$ 45,000.00	\$ <b>45,000.00</b>
4"	\$ 87,500.00	\$ <b>87,500.00</b>
6"	\$ 225,400.00	\$ <b>225,400.00</b>

## Schedule of Rates & Fees – FY2016

	CURRENT FY15 RATE	PROPOSED FY16 RATE
8"	\$ 237,500.00	\$ 237,500.00
Additions < 1,400 GPD	\$ 870.00	\$ 870.00
Additions over 1,400 GPD	Based on flow rate & meter size	Based on flow rate & meter size
<b>Sewer Connection Fees</b>		
<i>This fee is to provide new or re-establish existing service connections to the MSD system.</i>		
Sewer Connection by MSD	\$ 650.00	\$ 650.00
Pavement Disturbance Fee	\$ 2,200.00	\$ 2,200.00
Additional Charge for Boring	N/A	N/A
Refund if Boring avoids pavement disturbance	\$ (1,300.00)	\$ (1,300.00)
Inspection Fee for Developer (or Utility Contractor) Installed Sewer Connection	\$ 140.00	\$ 140.00
<i>The Sewer Connection Fee will apply to new home construction, as well as existing homes which have been demolished or remodeled and sewer service is reinstated under new property ownership. MSD reserves the right to require that a licensed utility contractor install any sewer connection, and such connections will be subject to MSD inspection. Sewer connections in excess of 75 feet will be evaluated on a case by case basis. If constructed by MSD, they will be billed at cost. Property owners may choose to utilize a licensed utility contractor, which will be subject to MSD inspection.</i>		
<b>Manhole Installation/Replacement</b>		
Cost per foot	\$ 250.00	\$ 250.00
Pavement replacement (if required)	\$ 1,800.00	\$ 1,800.00
<b>Other Fees</b>		
Allocation Fee	\$ 170.00	\$ 170.00
Non-Discharge Permit	\$ 200.00	\$ 200.00
Plan Review Fee	\$ 450.00	\$ 450.00
Plan re-review Fee	\$ 350.00	\$ 350.00
Final Inspection	\$ 350.00	\$ 350.00
Pump Station Acceptance Fee	Note 1	Note 1
<i>Note 1 --See policy for details of computation of O&amp;M and equipment replacement costs for upcoming 20 years; 50% discount for affordable housing</i>		
<b>Bulk Charges</b>		
Volume Charge for Septic Haulers (per 1000 Gal.)	\$ 45.00	\$ 45.00
Biochemical Oxygen Demand >230 mg/l (per lb.)	\$ 0.334	\$ 0.327
Total Suspended Solids >230 mg/l (per lb.)	\$ 0.264	\$ 0.262

## *Schedule of Rates & Fees – FY2016*

	<b>CURRENT FY15 RATE</b>	<b>PROPOSED FY16 RATE</b>
<b>Returned Check Charge</b>		
Returned Check (per event)	\$ 25.00	\$ <b>25.00</b>
Dishonored Draft (per event)	\$ 25.00	\$ <b>25.00</b>
<b>Copy/Printing Fees/Miscellaneous (each)</b>		
8x11 first print of standard GIS inquiry	\$ 1.00	\$ <b>1.00</b>
8x14 first print of standard GIS inquiry	\$ 1.00	\$ <b>1.00</b>
11x17 first print of standard GIS inquiry	\$ 2.00	\$ <b>2.00</b>
24x36 first print of standard GIS inquiry	\$ 7.00	\$ <b>7.00</b>
34x44 first print of standard GIS inquiry	\$ 12.00	\$ <b>12.00</b>
36x48 first print of standard GIS inquiry	\$ 14.00	\$ <b>14.00</b>
8x11 or 8x14 copies after first print	\$ 0.11	\$ <b>0.11</b>
11x17 copies after first print	\$ 0.20	\$ <b>0.20</b>
24x36 copies after first print	\$ 0.94	\$ <b>0.94</b>
34x44 copies after first print	\$ 1.76	\$ <b>1.76</b>
36x48 copies after first print	\$ 2.03	\$ <b>2.03</b>
Foam Core mounting per sq. foot	\$ 3.00	\$ <b>3.00</b>
Data CD	\$ 30.00	\$ <b>30.00</b>
Shipping for CD	\$ 5.00	\$ <b>5.00</b>
Permit Decals for Septic Haulers	\$ 50.00	\$ <b>50.00</b>

# **STATUS REPORTS**

**MSD SYSTEM SERVICES IN-HOUSE CONSTRUCTION  
FY 14-15 PIPELINE REHABILITATION PROJECTS**

PROJECT NAME	LOCATION	ESTIMATED FOOTAGE	ESTIMATED PROJECT DATES	WO#	CREW	COMPLETION DATE	ACTUAL FOOTAGE	NOTES
Westwood Road Phase 2	N. asheville	400	6/25/14 - 7/4/14	215883	667	7/3/2014	400	complete
Penelope Street	Black Mountain	400	7/14/14 - 8/15/14	210161	667	7/24/2014	415	complete
Shiloh Road	Asheville	350	7/15/14 - 7/31/14	210233	631	8/1/2014	354	complete
995 West Chapel Rd	Asheville	100	8/1/14 - 8/15/14	211782	631	8/7/2014	60	complete
Emory Road	W. Asheville	300	7/25/14 - 8/15/14	210231	667	8/11/2014	290	complete
Haywood Street P. S. and FM	Asheville	225	8/18/14 - 9/5/14	216297	631	8/22/2014	305	complete
Springside Drive	W. Asheville	522	8/16/14 - 9/10/14	205995	667	9/15/2014	631	complete
Woodbury Rd -91 Carter Cove	N. Asheville	239	9/11/14 - 9/29/14	217394	667	9/29/2014	220	complete
Terre Drive / Dunwood Road	N. Asheville	308	9/30/14 - 10/31/14	218077	667	10/20/2014	405	complete
Hickory Court	Arden/Royal Pines	1633	9/8/14 - 10/17/14	39866	631	10/24/2014	1631	complete
190 Tunnel Rd Sewer Replacement	Asheville	255	11/3/14 - 11/5/14	218034	667	10/27/2014	264	complete
N. Anne St.	Asheville	550	10/23/14 - 11/23/14	44181	631	11/14/2014	598	complete
809 Patton Avenue	Asheville	112	11/24/14 - 11/25/14	219718	647	11/25/2014	112	complete
Biltmore Forest County Club Sewer Replacements Phase 1	Biltmore Forest	1000	11/3/14 - 12/15/14	218277	647	12/10/2014	1080	complete
6 Hilderbrand Street	Asheville	400	12/11/14 - 12/31/14	46649	647	12/31/2014	368	complete
Sunset Drive @ Bee Tree Road	Swannanoa	1055	11/17/14 -1/7/15	219327	631	12/31/2014	1086	complete
E Skyview Circle PSR	Woodfin	400	1/12/15 - 1/21/15	217301	631	1/21/2015	361	complete
Rumbough Place	W. Asheville	710	1/19/14 - 2/16/14	201105	631	2/4/2015	717	complete
Campus Drive (UNCA)	Asheville	335	1/5/15 - 2/5/15	210230	647	2/5/2015	355	complete
1091 Patton Avenue (@ Tastee Freez)	Asheville	80	2/3/15 -2/7/15	221418	631	2/9/2015	88	complete
Dilling Avenue	Black Mountain	692	2/6/15 - 3/9/15	221464	631	3/12/2015	684	complete
224 Beverly Road	Asheville	55	3/20/15 - 3/24/15	217554	614	3/24/2015	55	complete
165 Old County Home Road	Asheville/Leicester	1,100	2/6/15 - 4/1/15	33885	647	3/30/2015	1140	complete
138 Waynesville Ave. Emergency Rehab	W. Asheville	31	4/1/2014	222881	614	4/1/2015	31	complete
Vance Avenue (Dilling Ave Ph. 2)	Black Mountain	960	3/10/15 - 4/17/15	222586	631	4/20/2015	951	complete
Pond Lane Emergency Sanitary Sewer Rehabilitation	N. Asheville (Beaverdam)	400	3/27/15 - 4/15/15	222687	647	4/20/2015	386	complete
Tryon Street Emergency Rehabilitation	W. Asheville	100	4/22/15-4/28/15	222231	647	4/28/2015	132	complete
Wake Robin Sewer Rehabilitation	Haw Creek	120	4/27-15 - 4/29/15	222803	614	4/28/2015	120	complete
Tacoma Circle	Asheville	700	4/20/15 - 5/13/15	221217	631			90% complete
27 Lane Avenue	West Asheville	400	5/8/15 - 5/22/15	221454	647			Construction has begun
Deanwood Circle	Asheville	1292	5/14/15 - 6/30/15	202207	631			ready for construction - Project Number 2012030, CIP Transmittal 204
Rathfarnham Circle	Arden	520	5/25/15 -6/12/15	212218	647			ready for construction
Sareva Place	N. Asheville	957	6/15/15 - 7/15/15	20330	TBA			ready for construction
Biltmore Forest County Club Sewer Replacements Phase 2	Biltmore Forest	300	TBA	TBA	647			ready for construction



## CONSTRUCTION TOTALS BY DATE COMPLETED - Monthly

From 7/1/2014 to 3/31/2015

	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 2014	46	15	193	908	26	18	3,800	0	235	415	7	400	1050
August 2014	44	7	219	536	29	11	200	0	143	674	8	330	1147
September 2014	38	9	154	650	44	23	1,345	0	16	856	8	0	872
October 2014	33	8	219	644	30	23	420	0	204	405	22	2,075	2684
November 2014	19	8	51	606	28	18	0	0	234	598	4	0	832
December 2014	40	6	118	715	41	18	1,383	0	654	1592	21	942	3188
January 2015	31	8	78	833	25	21	595	73	420	201	4	160	854
February 2015	32	3	32	615	26	21	100	112	378	355	9	805	1650
March 2015	33	18	112	681	34	17	155	0	321	1824	15	0	2145
<b>Grand Totals</b>	<b>316</b>	<b>82</b>	<b>1,174</b>	<b>6,189</b>	<b>283</b>	<b>170</b>	<b>7,998</b>	<b>185</b>	<b>2605</b>	<b>6920</b>	<b>98</b>	<b>4,712</b>	<b>14422</b>

\* Used to calculate Total Rehab Footage



## PIPELINE MAINTENANCE TOTALS BY DATE COMPLETED - Monthly

July 01, 2014 to March 31, 2015

	Main Line Wash Footage	Service Line Wash Footage	Rod Line Footage	Cleaned Footage	CCTV Footage	Smoke Footage	SL-RAT Footage
<b>2014</b>							
<b>July</b>	66,005	2,224	3,370	69,315	24,012	650	27,593
<b>August</b>	62,930	1,101	6,357	69,087	32,258	3,150	16,074
<b>September</b>	42,106	2,136	3,299	45,352	24,495	3,650	24,813
<b>October</b>	90,846	1,502	9,854	100,694	35,690	0	3,549
<b>November</b>	61,000	1,210	4,631	65,631	16,007	10	12,239
<b>December</b>	53,482	2,361	7,593	60,910	25,877	400	17,845
<b>2015</b>							
<b>January</b>	71,461	3,848	4,592	76,013	29,481	300	3,732
<b>February</b>	33,353	2,220	2,599	35,952	20,378	300	8,218
<b>March</b>	65,029	3,408	4,569	69,598	32,575	2,700	20,466
<b>Grand Total:</b>	<b>546,212</b>	<b>20,010</b>	<b>46,864</b>	<b>592,552</b>	<b>240,773</b>	<b>11,160</b>	<b>134,529</b>
<b>Avg Per Month:</b>	<b>60,690</b>	<b>2,223</b>	<b>5,207</b>	<b>65,839</b>	<b>26,753</b>	<b>1,240</b>	<b>14,948</b>



## CUSTOMER SERVICE REQUESTS

### Monthly - All Crews

CREW	MONTH	JOBS	AVERAGE RESPONSE TIME	AVERAGE TIME SPENT
<b>DAY 1ST RESPONDER</b>				
	July, 2014	108	33	42
	August, 2014	90	28	34
	September, 2014	98	36	40
	October, 2014	96	31	38
	November, 2014	92	30	39
	December, 2014	103	31	40
	January, 2015	102	36	45
	February, 2015	86	48	50
	March, 2015	132	33	45
		<b>907</b>	<b>34</b>	<b>42</b>
<b>NIGHT 1ST RESPONDER</b>				
	July, 2014	29	20	18
	August, 2014	28	24	24
	September, 2014	37	22	20
	October, 2014	29	22	23
	November, 2014	10	90	15
	December, 2014	25	49	29
	January, 2015	42	40	24
	February, 2015	23	28	33
	March, 2015	50	34	22
		<b>273</b>	<b>33</b>	<b>23</b>
<b>ON-CALL CREW *</b>				
	July, 2014	37	39	48
	August, 2014	33	55	40
	September, 2014	33	47	70
	October, 2014	23	49	49
	November, 2014	47	54	33
	December, 2014	59	55	40
	January, 2015	82	57	50
	February, 2015	48	61	32

\* 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
<b>ON-CALL CREW *</b>				
	March, 2015	40	63	55
		<b>402</b>	<b>54</b>	<b>46</b>
<b>Grand Totals:</b>		<b>1,582</b>	<b>39</b>	<b>39</b>

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

## *Right of Way Section 3rd Quarter Summary Open Projects*

<i>Project</i>	<i>Total ROW Budget</i>	<i>Total Expenditures to Date</i>	<i>Comment</i>
Broadview Avenue GSR	\$54,857	\$54,857	Project 100% complete with 100% of Total Budget expended. One condemnation filed and settled out of court, saving expenses of trial. Project was re-designed during construction in January 2015, adding extensive easement area on three parcels.
Dellwood Avenue GSR	\$19,944		Acquisition begun March 2015; alignment revisions under consideration.
Dingle Creek Interceptor (formerly Ph II)	\$64,657	\$48,004	Access 100% complete with 74% of Total Budget expended to date. One condemnation filed with judgment pending. Construction moved out from 7/09, to 7/14, to 7/18, to 7/20, to 7/22.
Four Inch Main-Oakland Drive @ Pine Street GSR	\$24,859	\$13,272	Project 100% complete with 53% of Total Budget expended and no condemnations.
Freno Drive PSR			Negotiations begun in November. No compensation is paid for PSRs, easements are granted in exchange for MSD taking ownership/maintenance of the previously private lines. There are land title issues in this project over which MSD has no control. It will be up to owners to correct title problems before easements can be granted.
Hendersonville Road @ Mills Gap Road GSR	\$268,384	\$5,500	Access 14% complete with 2% of Total Budget expended to date. These are all commercial properties with multiple owners and lessees, some out of state, that will make for a lengthy acquisition process. Owner of largest tract asked for alignment revision at first meeting.
Hilliard Avenue @ Aston Park GSR	\$35,754	\$25,471	Access 90% complete with 71% of Total Budget expended to date. One condemnation anticipated.
Melody Circle GSR	\$59,459	\$29,423	Access 96% complete with 49% of Total Budget expended to date. One condemnation anticipated.
New Haw Creek Rd. @ Trinity Chapel Rd.	\$11,073	\$1,889	Access 50% complete with 17% of Total Budget expended to date.
Short Coxe @ Southside	\$165,652	\$163,632	Access 100% complete with 99% of Total Budget expended to date. Five condemnations/declaratory judgments filed. Four cases settled out of court, saving trial expenses. Final case is slated for trial the week of June 29, 2015.

<i>Project</i>	<i>Total ROW Budget</i>	<i>Total Expends to Date</i>	<i>Comment</i>
West French Broad Interceptor Extension	\$179,993	\$179,993	Access 100% complete with 100% of Total Amended Budget expended to date. One condemnation filed with judgement pending. This is a developer driven, interceptor extension project; i.e. new encumbrances to the land where no sewer existed previously. An independent appraiser determined market values in the \$40,000 to \$65,000 per acre range could be reasonably expected, depending on any number of factors unique to a given parcel. We began negotiations using a mid-range of \$55,000 per acre. We acquired easements from the developer for \$0; and from three other parcels for \$33,000, \$67,500 and \$67,500 per acre. The fifth parcel, owned by the Asheville Firefighters Association, was appraised at \$54,000 per acre; however, the AFA would not agree to grant an easement and MSD therefore condemned. Trial is scheduled for week of July 20, 2015.

**CAPITAL IMPROVEMENT PROGRAM**

**STATUS REPORT SUMMARY**

**May 13, 2015**

<b>PROJECT</b>	<b>LOCATION OF PROJECT</b>	<b>CONTRACTOR</b>	<b>AWARD DATE</b>	<b>NOTICE TO PROCEED</b>	<b>ESTIMATED COMPLETION DATE</b>	<b>*CONTRACT AMOUNT</b>	<b>*COMPLETION STATUS (WORK)</b>	<b>COMMENTS</b>
BROADVIEW AVENUE	Oakley	Buckeye Bridge	7/16/2014	9/8/2014	5/29/2015	\$1,113,732.90	70%	Approximately 900 feet of mainline remains. Milling operations are at 90%. Curb work on Raleigh and Winston complete.
CLAYTON ROAD PUMP STATION	Skyland	J.S. Haren Company	11/19/2014	2/23/2015	6/23/2015	\$192,500.00	0%	Contractor has mobilized to the site.
CROCKETT AVENUE PRP	Asheville	Terry Brothers	8/20/2014	11/17/2014	6/15/2015	\$676,842.00	90%	Tie in at bottom of job is essentially all that remains after a small water leak is repaired.
FAIRFAX AVENUE PRP	W. Asheville	Terry Brothers	8/20/2014	10/22/2014	5/30/2015	\$558,802.00	87%	Mainline complete. Some service work remains as well as paving.
MERRIMON AVENUE @ STRATFORD ROAD	Asheville	Terry Brothers	9/18/2013	12/16/2013	5/30/2015	\$885,849.00	95%	Crew is working on restoration - waiting for final.
MOUNT VERNON PLACE, PHASE 2	Asheville	Terry Brothers	6/11/2014	7/14/2014	4/15/2015	\$542,675.00	90%	Mainline construction is complete. Paving will be completed after COA Water Project is completed, expected Fall 2015.
OLD HAYWOOD ROAD @ STARNES COVE ROAD	Asheville	Terry Brothers	10/15/2014	2/16/2015	6/15/2015	\$341,342.00	40%	Construction is progressing well.
OLD U.S. 70 @ PINE CIRCLE	Swannanoa	Thomas Construction Company	11/19/2014	1/14/2015	6/30/2015	\$545,153.31	65%	Construction is progressing well.
ROBINWOOD AVENUE	Asheville	Davis Grading, Inc.	9/17/2014	11/3/2014	5/30/2015	\$457,838.60	98%	Paving is complete. Contractor is working on final clean up and manhole grouting.
SHADOWLAWN DRIVE PHASE I	Asheville	Buchanan & Sons	12/17/2014	1/26/2015	6/25/2015	\$923,946.00	55%	Mainline installation at Manhole #14.
WENDOVER ROAD	Asheville	Davis Grading, Inc.	1/21/2015	3/2/2015	5/31/2015	\$576,269.50	35%	All 12-inch line is complete and construction on 8-inch has begun on Wendover Road.
WRF - INCINERATOR SYSTEM REHABILITATION AND EMISSIONS UPGRADES	Woodfin	Haren Construction Company	2/18/2015	3/25/2015	2/23/2016	\$4,624,000.00	1%	Heat exchanger in fabrication. Main project submittal review near complete. Contractor to be on-site in July.

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

# Planning & Development Project Status Report

May 20, 2015

Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
Black Mtn. Annex- Blue Ridge Rd.	1992171	Black Mtn.	24	2,560	8/19/2010	Complete- waiting on conveyance
Black Mtn. Annex- McCoy Cove	1992174	Black Mtn.	24	2,067	8/19/2010	Complete- waiting on conveyance
Black Mtn. Annex- Avena Rd.	1999026	Black Mtn.	24	4,300	8/19/2010	Complete- waiting on conveyance
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
Ramble at Parkway	2013100	Biltmore Forest	TBD	335	7/26/2013	Complete-Waiting on final documents
Carolina Truck and Body (Cooper)	2012075	Asheville	Comm.	298	10/30/2012	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
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
Echo Hills Cottages	2013121	Asheville	11	532	4/30/2014	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
Thoms Estate 3B & 4	2013052	Asheville	35	4,690	7/26/2013	Complete-Waiting on final documents
Publix	2013134	Asheville	Comm.	612	10/5/2014	Complete-Waiting on final documents
Telco - Weaverville	2014046	Weaverville	Comm.	110	5/12/2014	Complete-Waiting on final documents
Bartram's Walk	2007065	Asheville	100	10,077	7/28/2008	Complete-Waiting on final documents
Avalon	2013114	Asheville	192	1,343	6/2/2014	Complete-Waiting on final documents
Bridle Path	2014040	Asheville	6	129	3/4/2015	Complete-Waiting on final documents
New Belgium Distribution Ctr.	2014044	Asheville	Comm.	1,620	11/11/2014	Complete-Waiting on final documents
Boulden Subdivision	2013022	Asheville	3	295	9/16/2014	Complete-Waiting on final documents
Palisades Apartments	2013024	Asheville	224	1,423	9/4/2013	Complete-Waiting on final documents

## Planning & Development Project Status Report

May 20, 2015

Project Name	Project Number	Work Location	Units	LF	Pre-Construction Conference Date	Comments
Ingles - Sand Hill Rd.	2007214	Enka	Comm.	1,255	10/15/2014	Installing
26 Carl Alwin Place	2014091	Buncombe Co.	Comm.	246	5/1/2015	Pre-con held, ready for construction
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	Punch list pending
Mallard Run	2014109	Buncombe Co.	72	2,811	10/31/2014	Pre-con held, ready for construction
Crest Mountain Phase 3B	2013041	Woodfin	69	1,329	10/15/2013	Testing
Ingles - Smokey Park Highway	2013135	Asheville	Comm.	1,289	4/11/2014	Ready for final inspection
New Belgium Relocation	2013143	Asheville	Comm.	380	8/12/2014	Pre-con held, ready for construction
Ansley at Roberts Lake	2013126	Buncombe Co.	296	2,534	6/2/2014	Testing
Hunt Hill Apartments	2013111	Asheville	180	1,729	3/5/2014	Ready for final inspection
Rosebriar	2007005	Black Mountain	180	1,729	3/5/2014	Ready for final inspection
Ventana	2014085	Woodfin	100	5,430	8/12/2014	Installing
Upper Kentucky Improvements	2013085	Montreat	N/A	284	12/3/2013	Awaiting paving prior to final inspection
Upper Kentucky Ph. 1 "Res"	2014101	Montreat	5	265	10/31/2014	Awaiting paving prior to final inspection
Isaac Dickson School Relocation	2013033	Asheville	School	504	1/13/2014	Under Construction - on hold
A.B. Tech Fernihurst Relocation	2014061	Asheville	School	697	4/8/2014	Under Construction - on hold
Cool Creek	2014165	Buncombe Co.	10	1,014	4/2/2015	Pre-con held, ready for construction
Haywood Village	2014064	Asheville	Mixed	276	6/19/2014	Testing
Lakeside Meadows	2013067	Weaverville	25	1,096	1/16/2015	Pre-con held, ready for construction
Biltmore Lake Block "I"	2014128	Buncombe Co.	19	1,676	3/31/2015	Pre-con held, ready for construction
Creekside Cottages	2014095	Buncombe Co.	7	504	3/12/2015	Pre-con held, ready for construction
Crossings at Beaverdam	2014150	Woodfin	Comm.	119	2/18/2015	Pre-con held, ready for construction
Mill Creek Townhomes	2014037	Buncombe Co.	18	85	3/4/2015	Installing
Busbee Mountain	2007181	Asheville	9	580	9/29/2014	Ready for final inspection
Country Inn & Suites - Westgate	2014089	Asheville	Comm.	204	1/22/2015	Installing
Burk Street - Phase III	2014079	Asheville	7	111	11/20/2014	Pre-con held, ready for construction
Dillingham Woods	2014048	Asheville	27	375	3/4/2015	Pre-con held, ready for construction
790 Riceville Road	2014078	Asheville	8	1,620	3/3/2015	Pre-con held, ready for construction
Asheville Middle School	2013125	Asheville	School	214	9/30/2014	Pre-con held, ready for construction
Evolve Mountain View	2013105	Asheville	148	347	10/21/2014	Installing

<b>TOTAL</b>			2,163	63,569		
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