

Key Fund Issues

There are several key issues facing the Water Fund that serve to not only impact FY15, but the next several fiscal years as well. A brief summary of these key issues is provided below:

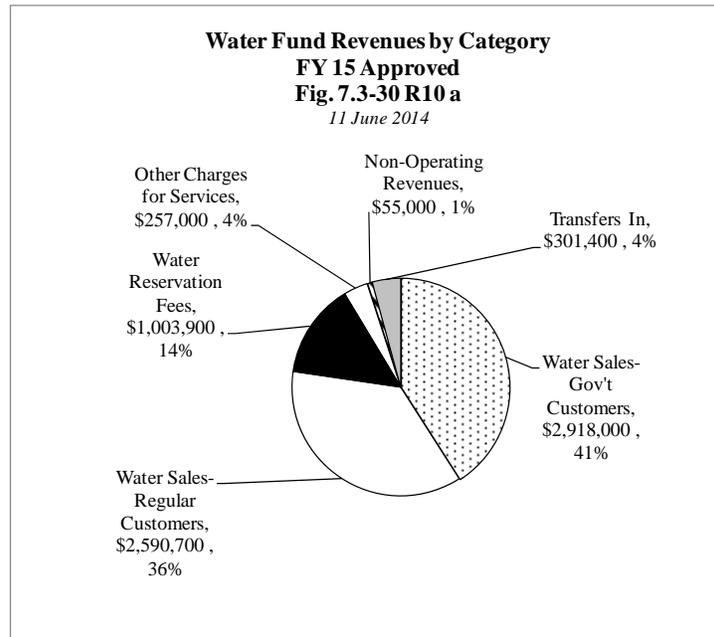
- **2” Line Replacement SRF Loan** in the amount of \$1,726,000 was approved by the State and is actively underway. The loan is zero interest and payments due annually over a 20 year period, beginning in FY14. The annual debt service will be \$86,300
- **Radio Read Water Meter Replacement Loan** in the amount of \$294,000 was approved by the State and is currently underway. The loan is zero interest with annual debt service payments of \$14,700 beginning FY14. Additionally, operating capital is provided in the water distribution budget to augment the purchase of these meters. Over time, the meter reading will be automated and allow for a more efficient staffing level.
- **S. Beckford Drive / US 158 Water Lines’ Extension** State SRF opportunity is in the pipeline. The City was not successful in obtaining funding in the first round; however, it automatically goes in the applicant process in September 2014. If approved, the estimated value of the loan would be \$795,000 with an annual debt service of \$53,437 beginning in FY16.
- **A Serious Staff Capacity Issue** exists with the Public Services Director position being frozen. This leaves a huge gap in leadership and management of the Department. The cost to restore this position is estimated to be \$110,100. \$55,050 would be funded by the Water Fund and the balance by the Sewer Fund.
- **System is Not Growing** so as to keep up with inflationary costs due to the continuing impacts of the Recession, decline in the local housing market and the lack of funds to provide for water line extensions into un-served areas within the City’s water district. This means more pressure on existing customers to provide funding for the system’s needs vs. revenues generated via natural growth.
- **Water Rate Increase of 5%** is recommended to provide for the operational and capital needs of water services. The City opted to “eat the cost” of the Regional increase in FY11; however, that option would be most difficult to repeat in FY15. Rates were not adjusted in FY14. The increase provides revenues to cover the cost of potable water purchased from the Regional Water Plant as well as financing 50% of the costs for unfreezing the Public Services Director position. The monthly impact on residential customers using 5,000 gallons of water per month would be \$0.69 and \$1.71 for inside and outside customers; respectively.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30: WATER FUND SUMMARY**

WATER ENTERPRISE FUND SUMMARY								
Estimated Status as of 1 July 2014								
30	WATER ENTERPRISE FUND	FY12	FY13	FY14		FY15		
		Prior Year Actual	Prior Year Actual	Current Year as amended	Estimated 30 June 14	Dept. Requested	Manager Recommend	Council Approved
Revenues								
<i>Operating Revenues</i>								
<i>Charges for Services</i>								
	30-300-433-420	Account Set Up Fee	\$ 11,343	\$ 10,499	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000
	30-300-433-430	Water Taps	\$ 52,480	\$ 34,044	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000
	30-300-433-410	Water User Revenues	\$ 2,562,180	\$ 2,506,663	\$ 2,542,000	\$ 2,500,000	\$ 2,631,700	\$ 2,590,700
	30-300-433-416	Water Charges-Franklin County	\$ 2,532,102	\$ 2,834,860	\$ 2,829,500	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
	30-300-433-418	Water Reservation Fee-Granville	\$ 951,139	\$ 850,528	\$ 9,125	\$ 951,100	\$ 951,100	\$ 951,100
	30-300-433-421	Water Reservation Fee Vance 1A					\$ 9,100	\$ 9,100
	30-300-433-427	Water Reservatoin Fee Vance 2A/B					\$ 43,700	\$ 43,700
	30-300-433-425	Water Charges-Kittrell WA		\$ 65,752	\$ 60,000	\$ 71,000	\$ 73,000	\$ 73,000
	30-300-433-426	Water Charges-Vance Co 1A		\$ 1,442	\$ 30,000	\$ 40,000	\$ 45,000	\$ 45,000
	30-300-433-427	Water Charges-Vance Co 2A&B					\$ -	\$ -
	30-300-433-450	Sprinkler/Hydrant Fees	\$ 115,877	\$ 116,408	\$ 111,000	\$ 110,000	\$ 100,000	\$ 100,000
	30-300-433-440	Late Fee Charges	\$ 72,745	\$ 74,304	\$ 71,000	\$ 71,000	\$ 71,000	\$ 71,000
	30-300-433-460	Reconnect Service Fee	\$ 23,615	\$ 21,419	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
	30-300-433-407	Returned Check Fee	\$ 3,375	\$ 4,279	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
	30-300-455-010	Miscellaneous	\$ 1,039	\$ 2,420	\$ 2,000	\$ 4,900	\$ 5,000	\$ 5,000
	30-300-455-500	Bad Debt Recovery	\$ 6,226	\$ 7,289	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	30-300-455-501	Bad Debt Rec-Debt Set Off	\$ 1,226	\$ 9,546	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
		Subtotal-Charges for Services	\$ 6,333,347	\$ 6,539,453	\$ 5,735,625	\$ 6,629,000	\$ 6,810,600	\$ 6,769,600
<i>Non-Operating Revenues</i>								
<i>Non-operating Revenues</i>								
	30-300-444-010	Investments	\$ 40,126	\$ 5,014	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
		Interest on Water Reservation Fee		\$ 100,610	\$ -	\$ -	\$ -	\$ -
	30-300-456-000	Insurance Proceeds	\$ -	\$ -	\$ -	\$ 1,600	\$ -	\$ -
	30-300-455-015	Workers Comp Reimbursement	\$ 1,288	\$ -	\$ -	\$ -	\$ -	\$ -
	30-300-436-550	FEMA Reimbursement	\$ 6,362	\$ -	\$ -	\$ -	\$ -	\$ -
	30-300-457-100	Contract Document Fees	\$ 100	\$ 1,225	\$ -	\$ -	\$ -	\$ -
	30-300-433-470	Sale of Materials	\$ 3,291	\$ 6,950	\$ 3,000	\$ 2,000	\$ 2,000	\$ 2,000
	30-300-457-000	Sale of Assets	\$ 2,074	\$ -	\$ -	\$ 4,000	\$ -	\$ -
	30-300-455-025	Sprint PCS Agreement	\$ 25,017	\$ 25,462	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
	30-300-455-030	T-Mobile Agreement	\$ 25,245	\$ 25,750	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
		Subtotal-Non-Operating Revenues	\$ 103,503	\$ 165,011	\$ 56,000	\$ 60,600	\$ 55,000	\$ 55,000
<i>Budgetary Appropriations</i>								
		Lease Proceeds	\$ -	\$ 145,000				
	30-300-461-090	Transfer from 10: General Bonds	\$ -	\$ -				
	30-300-461-091	Transfer from 31: Sewer Bonds	\$ -	\$ -				
	30-300-461031	Transfer from 31: Sewer Fund	\$ 52,321	\$ -				
	30-300-461-088	Transfer from 31: Sewer Fund	\$ -	\$ 585,504				
	30-300-461-064	Transfer from 64: Regional Fund	\$ 16,000	\$ 96,000		\$ 16,000	\$ 16,000	\$ 16,000
	30-300-461-093	Transfer from 64: Regional Fund	\$ -	\$ -				
	30-300-466-401	Transfer from 64: Regional CA	\$ 70,000	\$ 80,000				
	30-300-491-000	Fund Balance Appropriated	\$ 241,429	\$ -				
	30-300-369-044	Transfer from 43: CIP Water	\$ 11,871	\$ -				
	30-980-461-043	Transfer from 43: CIP Water	\$ 39,417	\$ 39,000	\$ -	\$ -	\$ -	\$ -
	30-980-461-044	Transfer from 44: CIP Sewer	\$ 2,227,298	\$ -	\$ -	\$ -	\$ -	\$ -
	30-980-461-012	Transfer from 12: Debt Service	\$ 1,923,253	\$ 1,070,100	\$ -	\$ -	\$ -	\$ -
	30-985-471-031	Transfer from 31: Sewer Cost Alloc	\$ 202,500	\$ -	\$ 144,900	\$ 144,900	\$ 205,400	\$ 205,400
	30-985-471-064	Trans from 64 Regional Cost Alloc	\$ -	\$ -	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
	30-990-490-999	Fund Balance Appropriated	\$ -	\$ -	\$ 1,994,189	\$ 958,965	\$ -	\$ -
		Subtotal-Budgetary Appropriations	\$ 4,581,589	\$ 2,218,104	\$ 2,219,089	\$ 1,183,865	\$ 301,400	\$ 301,400
		Total Revenues	\$11,018,439	\$ 8,922,568	\$ 8,010,714	\$ 7,873,465	\$ 7,167,000	\$ 7,126,000
Expenditures								
	30-660	Non-Departmental	\$ 1,727,887	\$ 1,202,706	\$ 2,508,944	\$ 2,484,034	\$ 1,540,500	\$ 1,575,600
	30-680	Debt Service	\$ -	\$ -	\$ 732,100	\$ 732,100	\$ 602,800	\$ 618,800
	30-715	Public Services Administration	\$ -	\$ 20,928	\$ -	\$ -	\$ 111,900	\$ 110,100
	30-720	Engineering	\$ 194,561	\$ 222,546	\$ 287,540	\$ 267,770	\$ 293,800	\$ 266,800
	30-725	Customer Service	\$ -	\$ 437,610	\$ 498,870	\$ 473,061	\$ 534,867	\$ 524,600
	30-818	Water Distribution Operations	\$ 3,764,200	\$ 3,883,571	\$ 3,983,260	\$ 3,916,500	\$ 4,123,900	\$ 4,030,100
		Subtotal-All Departments	\$ 5,686,648	\$ 5,767,361	\$ 8,010,714	\$ 7,873,465	\$ 7,207,767	\$ 7,126,000
		Total Expenditures	\$ 5,686,648	\$ 5,767,361	\$ 8,010,714	\$ 7,873,465	\$ 7,207,767	\$ 7,126,000
		<i>Variance of Revenues to Expenditures</i>	<i>\$ 5,331,791</i>	<i>\$ 3,155,207</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
Fund Balance Information								
		as 30 June 13		\$ 2,285,495				
		Appropriated forward to FY14		\$ -				
		as of 1 July 13		\$ 2,285,495	\$ 2,285,495			
		Appropriated during FY 14			\$ (999,939)			
		Estimated Growth During FY 14			\$ -			
		Estimated at 30 June 14			\$ 1,285,556			
		Appropriated forward to FY15			\$ -			
		as 1 July 14			\$ 1,285,556		\$ 1,285,556	
		Estimated Growth During FY 15					\$ -	
		Estimated at 30 June 15					\$ 1,285,556	

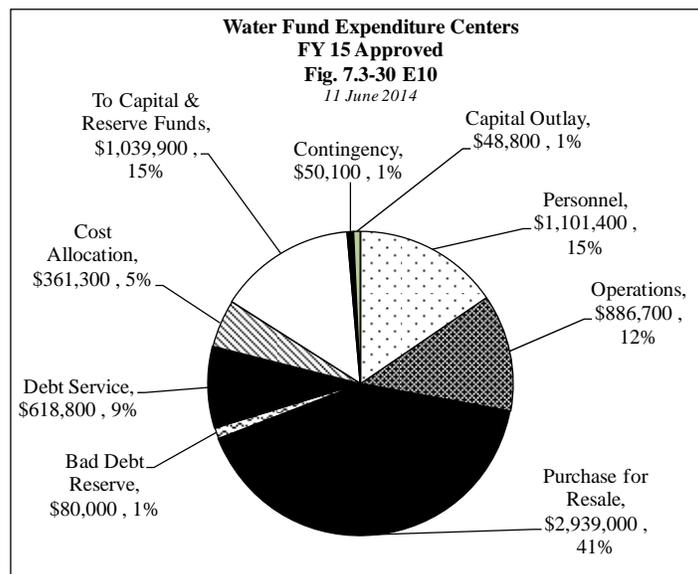
Last Updated: 12 June 2014

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30: WATER FUND SUMMARY**



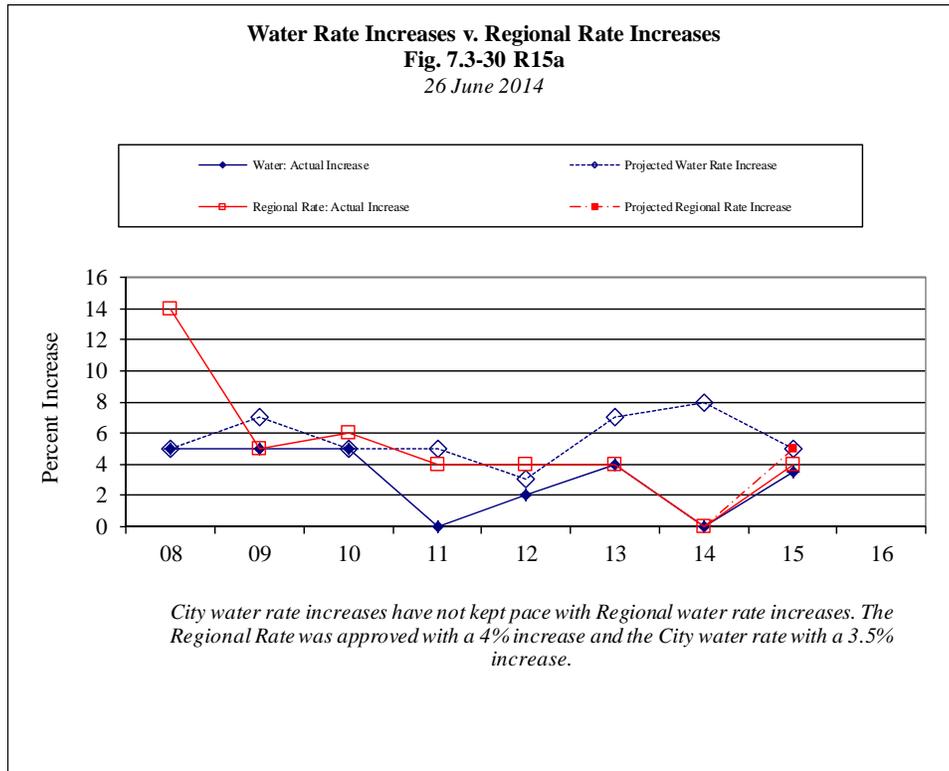
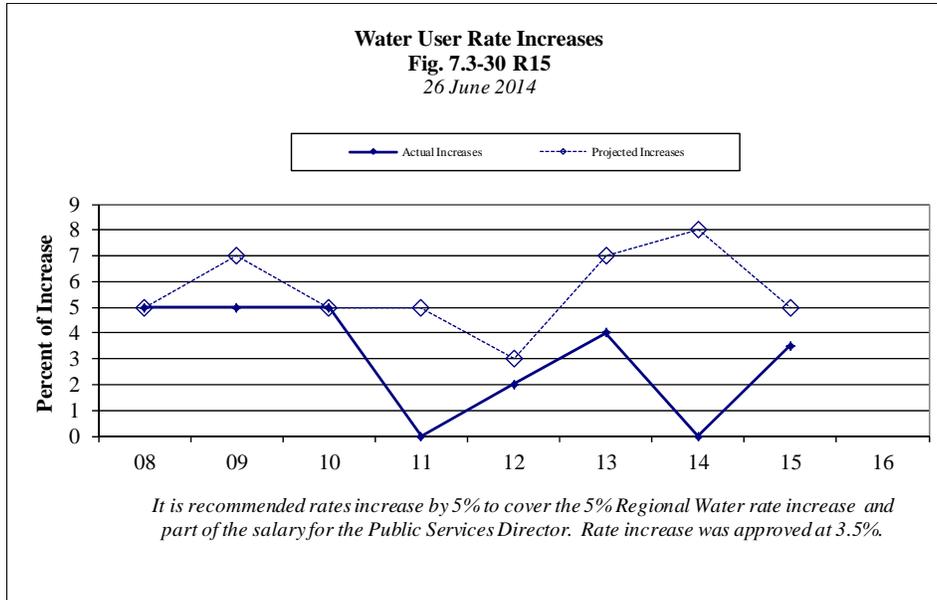
WATER ENTERPRISE FUND EXPENDITURE SUMMARY								
Estimated Status as of 1 July 2014								
30 WATER ENTERPRISE FUND BUDGET BY EXPENDITURE CATEGORY	FY12	FY13	FY14		FY15			
	Prior Year Actual	Prior Year Actual	Current Year as amended	Estimated 30 June 14	Dept. Requested	Manager Recommend	Council Approved	
Personnel	\$ 652,936	\$ 926,889	\$ 1,018,370	\$ 967,745	\$ 1,113,987	\$ 1,101,400	\$ 1,101,400	
Operations	\$ 1,680,668	\$ 1,186,688	\$ 828,420	\$ 788,606	\$ 841,320	\$ 886,700	\$ 886,700	
Purchase for Resale	\$ 2,626,198	\$ 2,603,861	\$ 2,920,000	\$ 2,920,000	\$ 3,066,000	\$ 2,966,000	\$ 2,939,000	
Bad Debt Reserve	\$ -	\$ 1,674	\$ 80,000	\$ 80,000	\$ 90,000	\$ 80,000	\$ 80,000	
Debt Service	\$ 1,347,237	\$ 556,500	\$ 732,100	\$ 732,100	\$ 602,800	\$ 618,800	\$ 618,800	
Transfers Out: Cost Allocation	\$ 385,482	\$ 361,300	\$ 361,300	\$ 361,300	\$ 361,300	\$ 361,300	\$ 361,300	
Transfers Out: Capital & Reserve Funds	\$ 990,139	\$ 62,296	\$ 2,003,624	\$ 44,600	\$ 996,600	\$ 1,053,500	\$ 1,039,900	
Contingency	\$ -	\$ -	\$ 9,400	\$ 15,000	\$ 60,000	\$ 50,500	\$ 50,100	
Capital Outlay	\$ 2,828	\$ 68,153	\$ 57,500	\$ 9,000	\$ 75,760	\$ 48,800	\$ 48,800	
Total Expenditures	\$ 7,685,488	\$ 5,767,361	\$ 8,010,714	\$ 5,918,351	\$ 7,207,767	\$ 7,167,000	\$ 7,126,000	

Last Updated: 12 June 2014

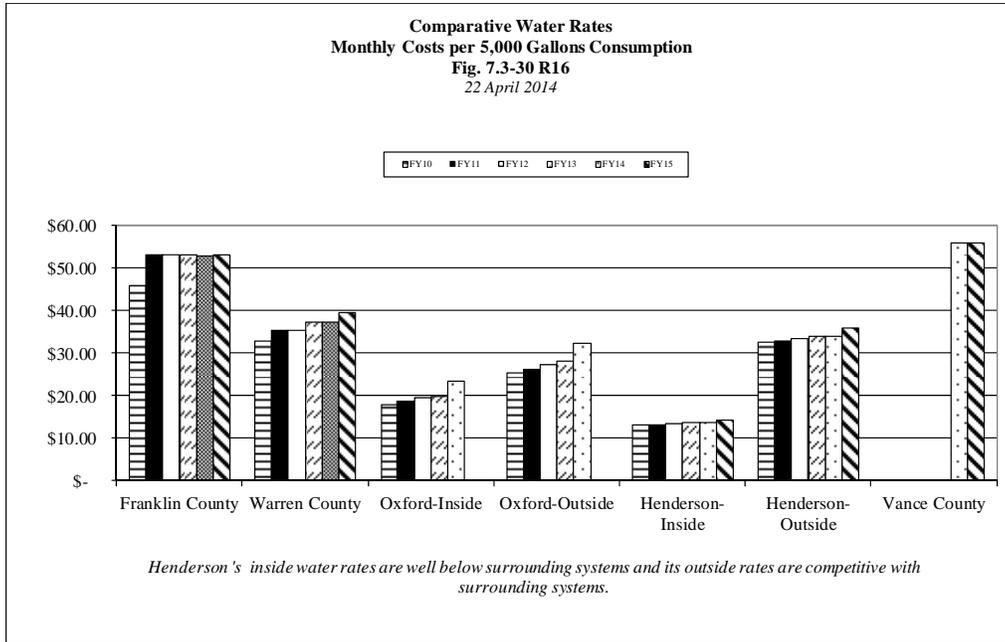


**FY 14-15 BUDGET
 ENTERPRISE FUNDS
 30: WATER FUND SUMMARY**

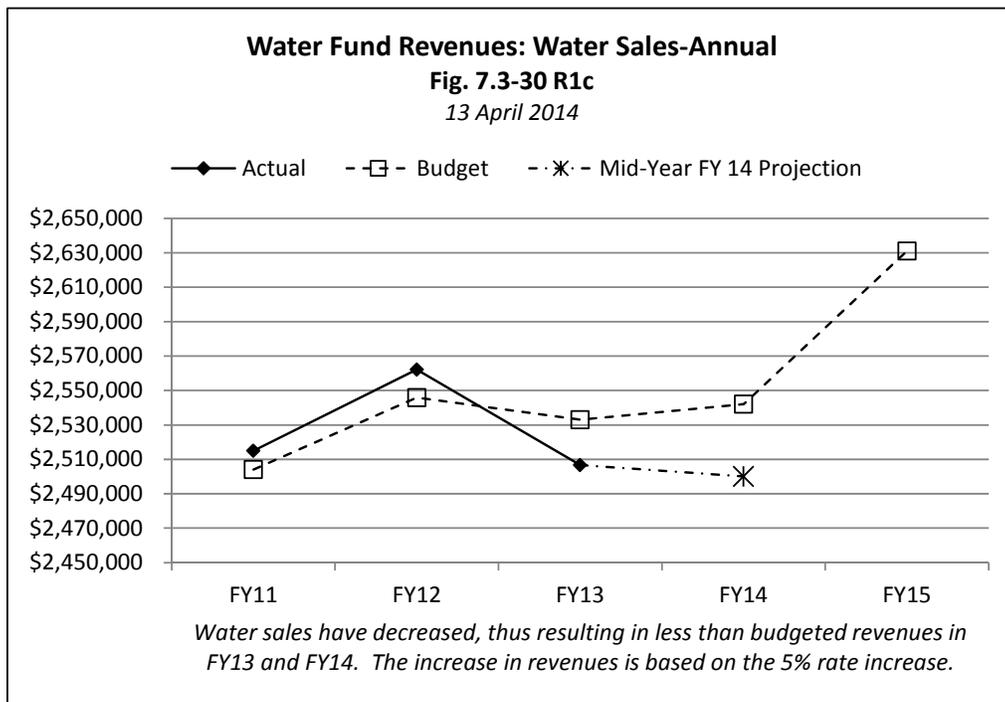
Key Water Fund Financial Metrics
Rates



**Key Water Fund Financial Metrics (continued)
Rates**

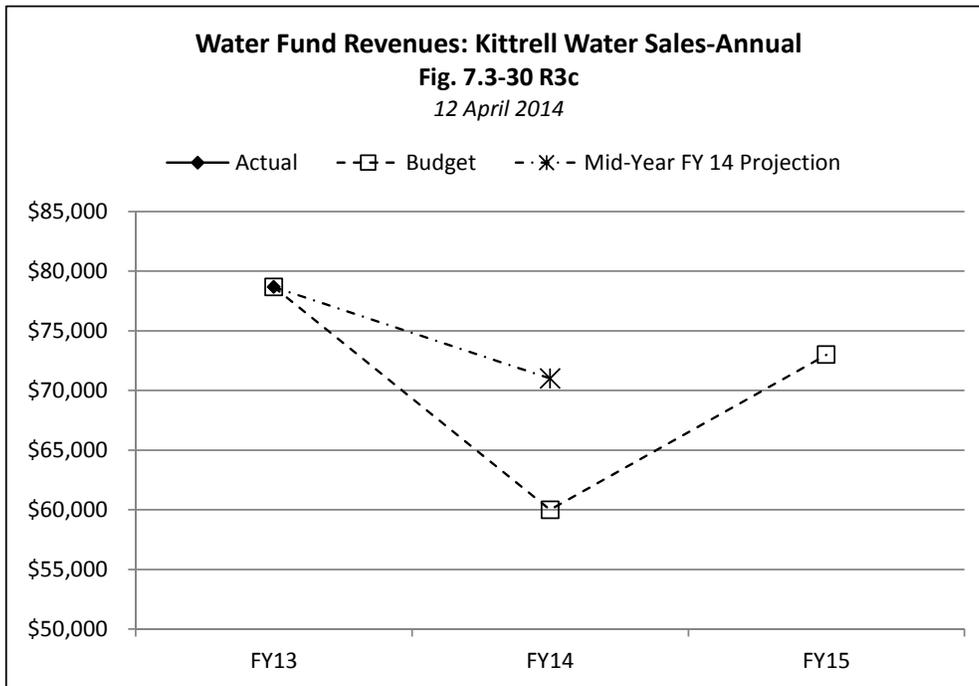
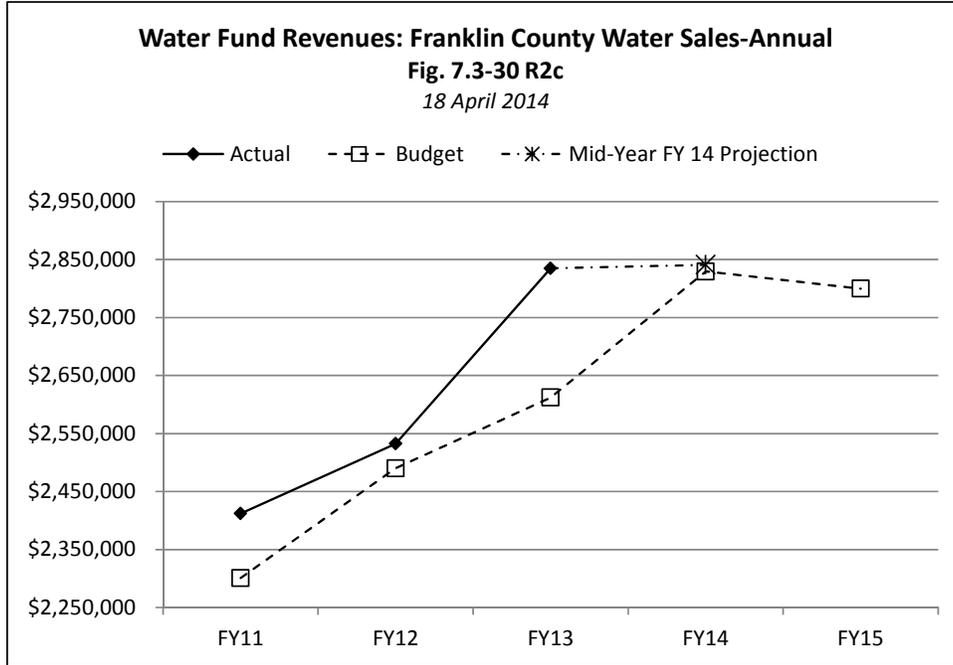


Key Revenue Sources

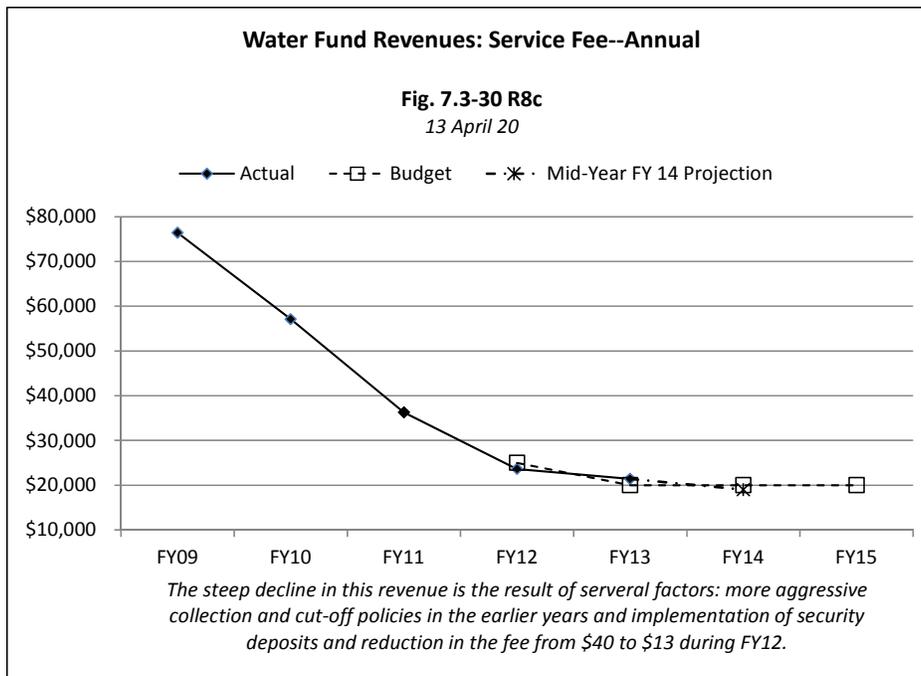
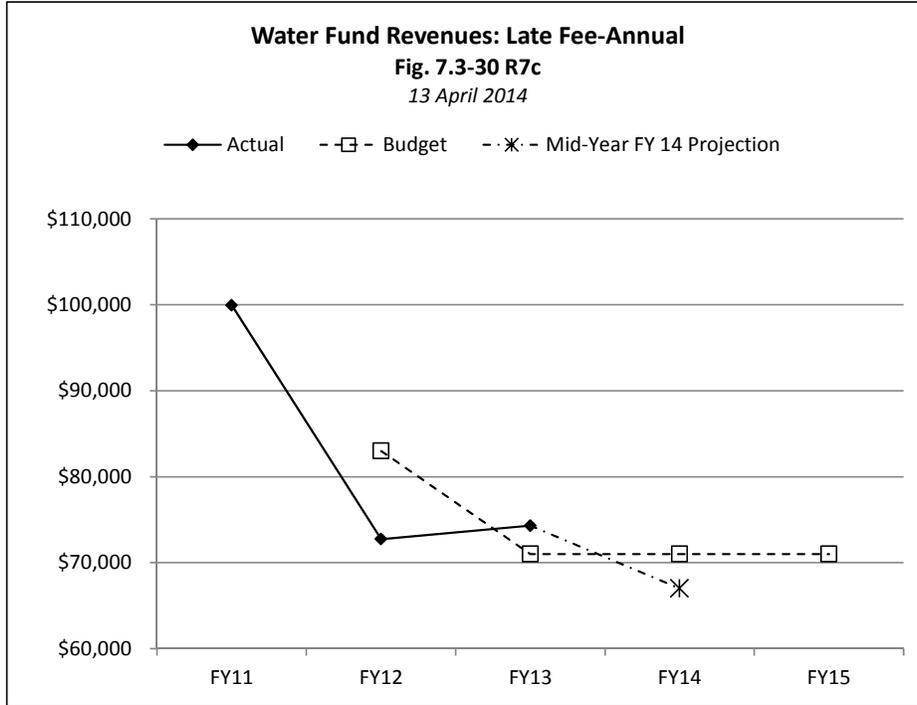


FY 14-15 BUDGET
ENTERPRISE FUNDS
30: WATER FUND SUMMARY

Key Water Fund Financial Metrics (continued)
Key Revenue Sources

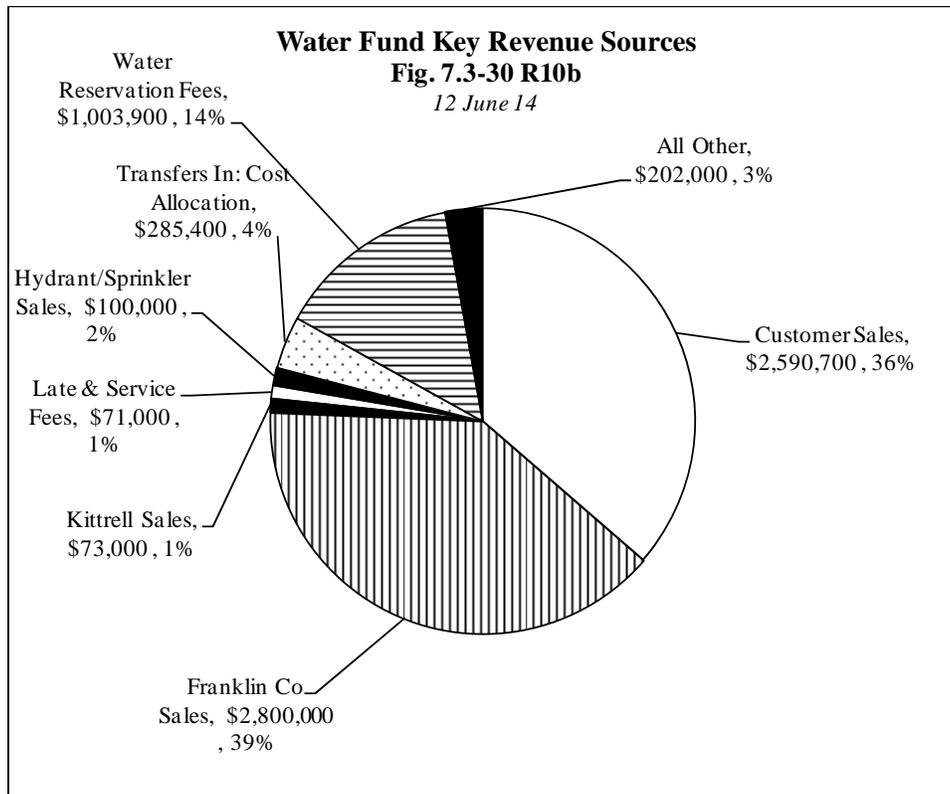
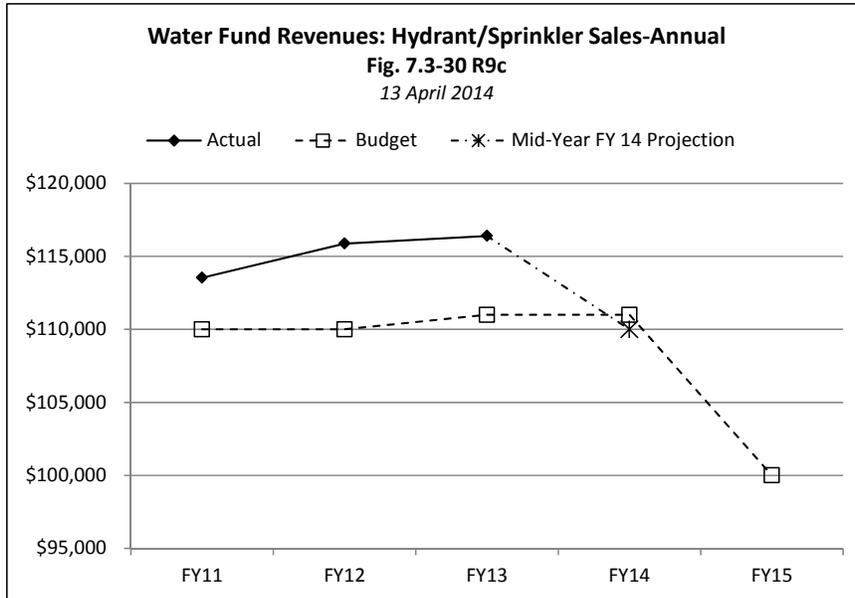


Key Water Fund Financial Metrics (continued)
Key Revenue Sources

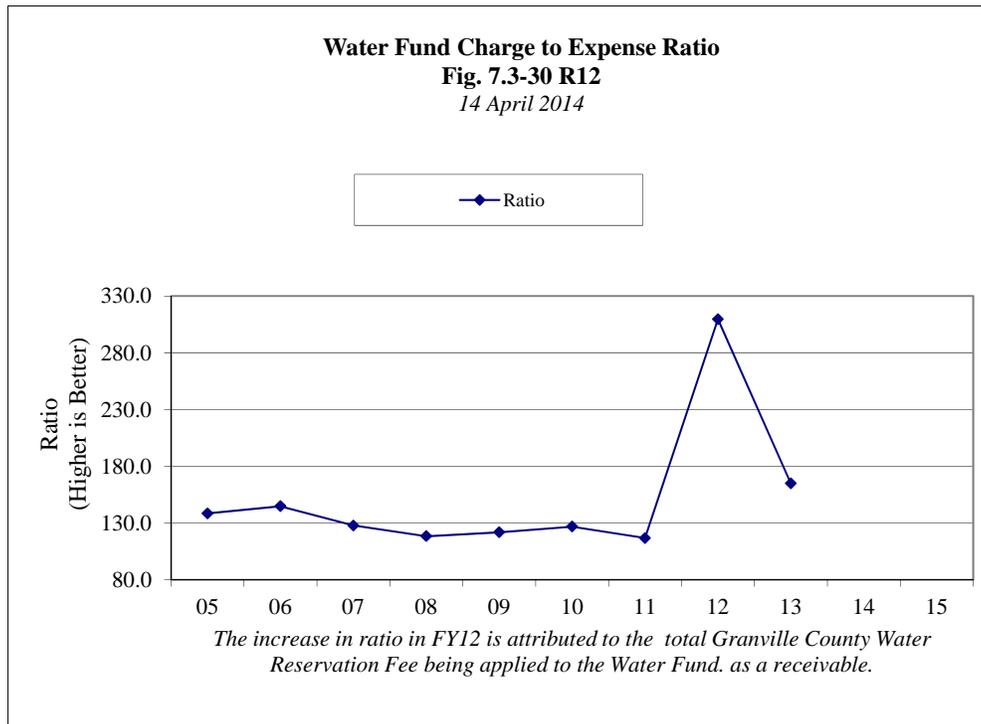
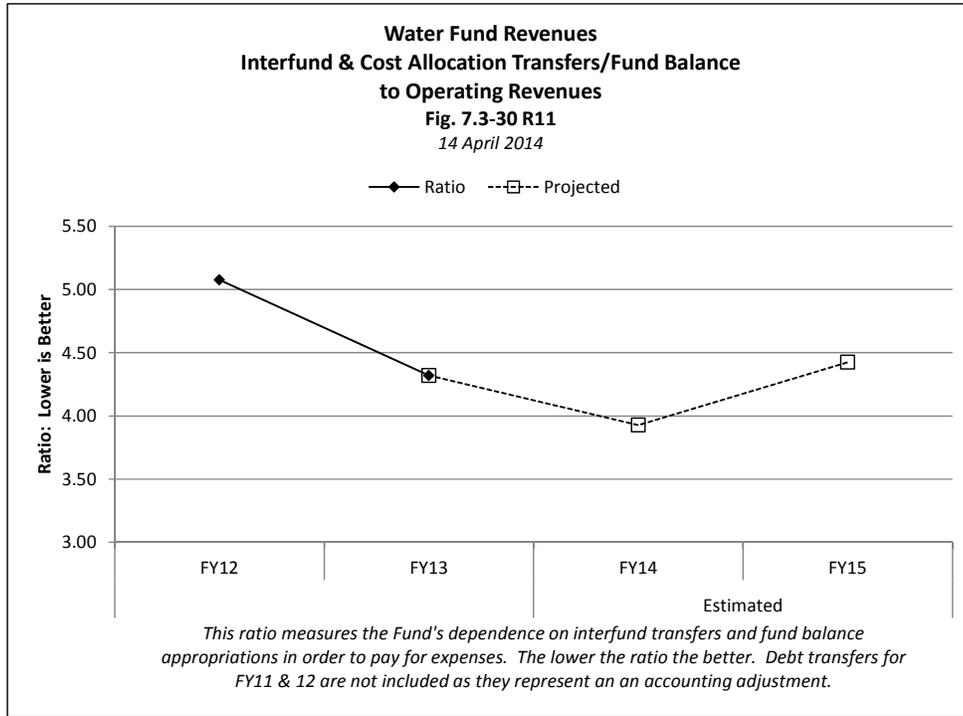


**FY 14-15 BUDGET
 ENTERPRISE FUNDS
 30: WATER FUND SUMMARY**

**Key Water Fund Financial Metrics (continued)
 Key Revenue Sources**

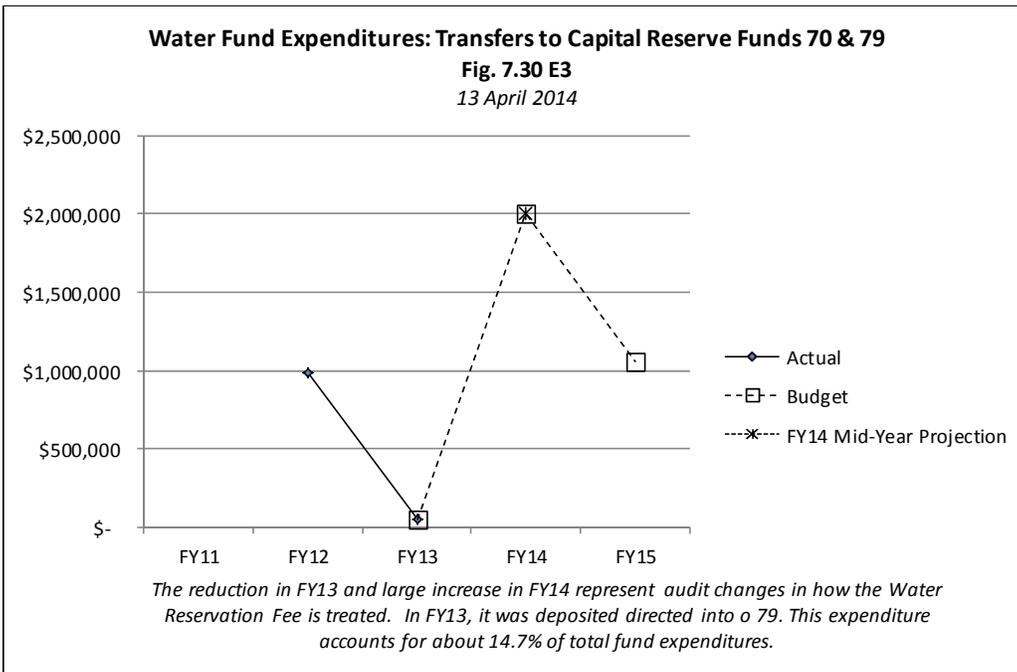
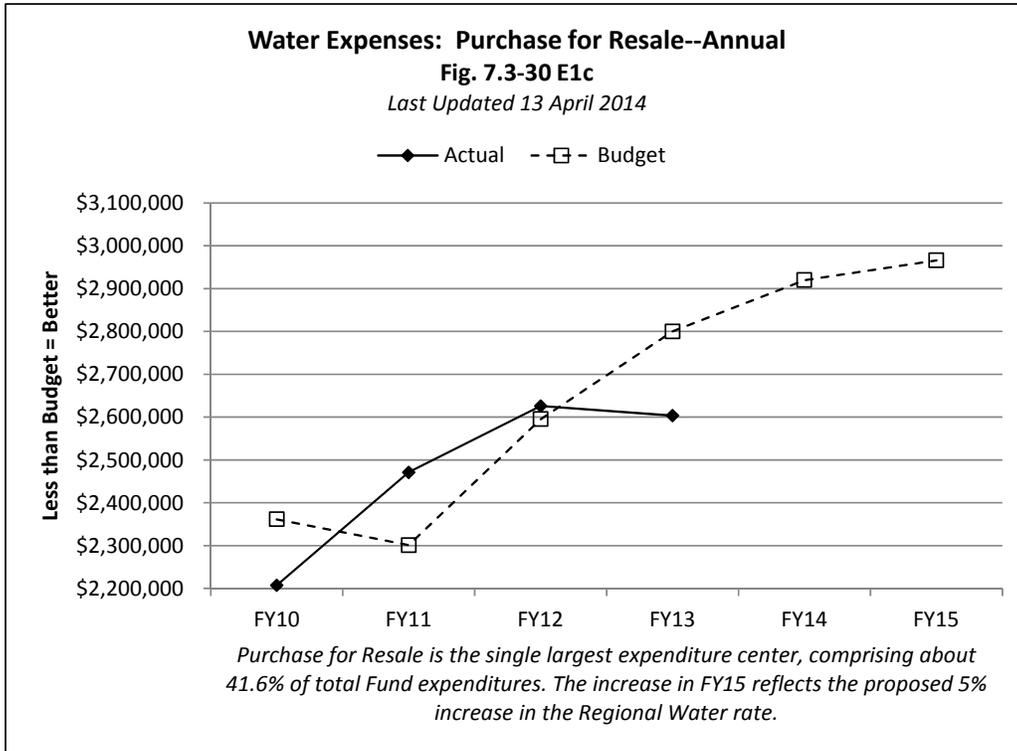


Key Water Fund Financial Metrics (continued)
Key Revenue Ratios

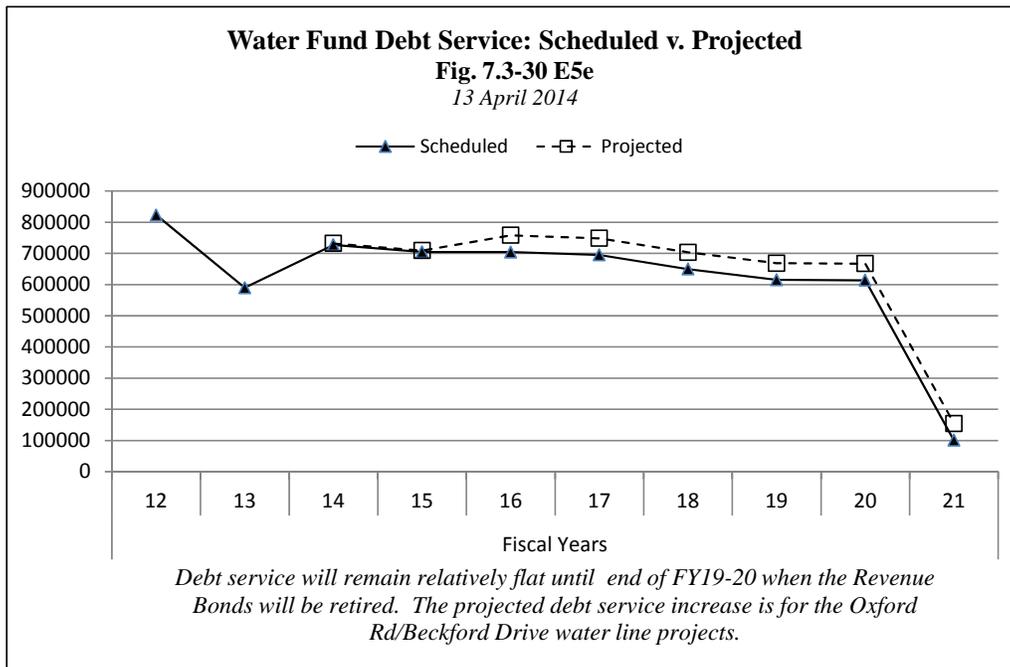
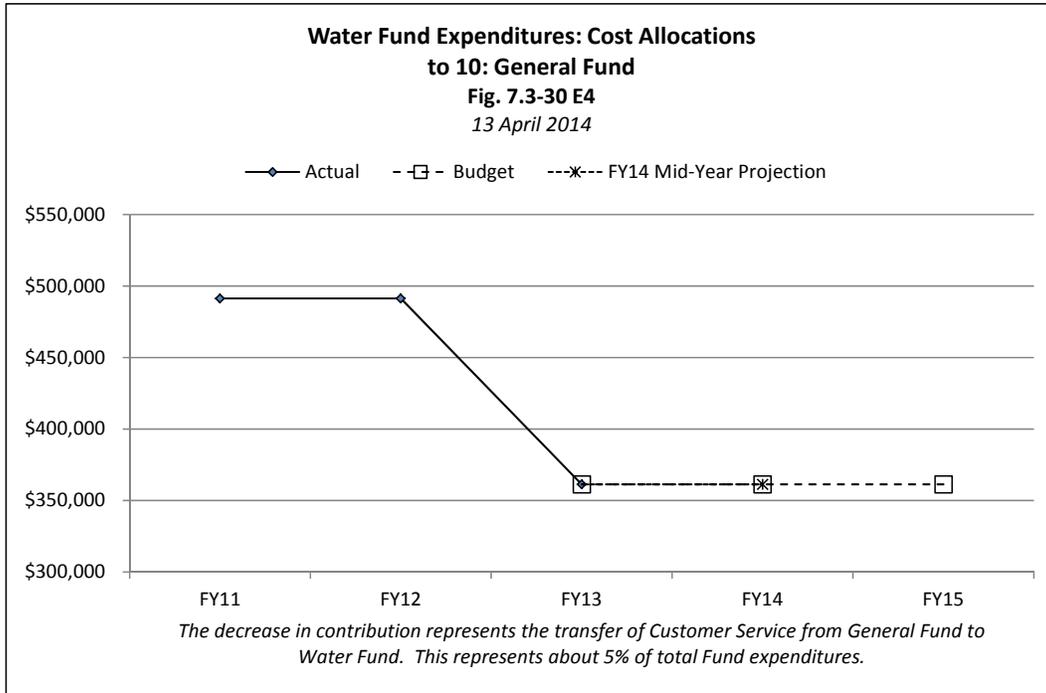


FY 14-15 BUDGET
ENTERPRISE FUNDS
30: WATER FUND SUMMARY

Key Water Fund Financial Metrics (continued)
Key Expenditure Areas

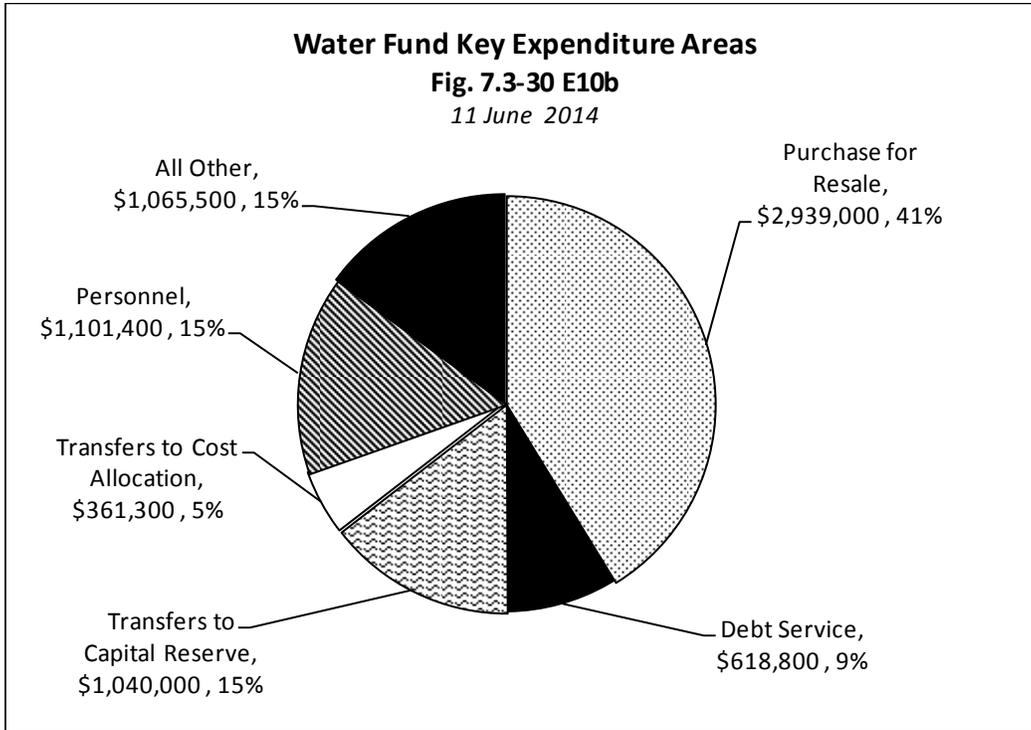


Key Water Fund Financial Metrics (continued)
Key Expenditure Areas

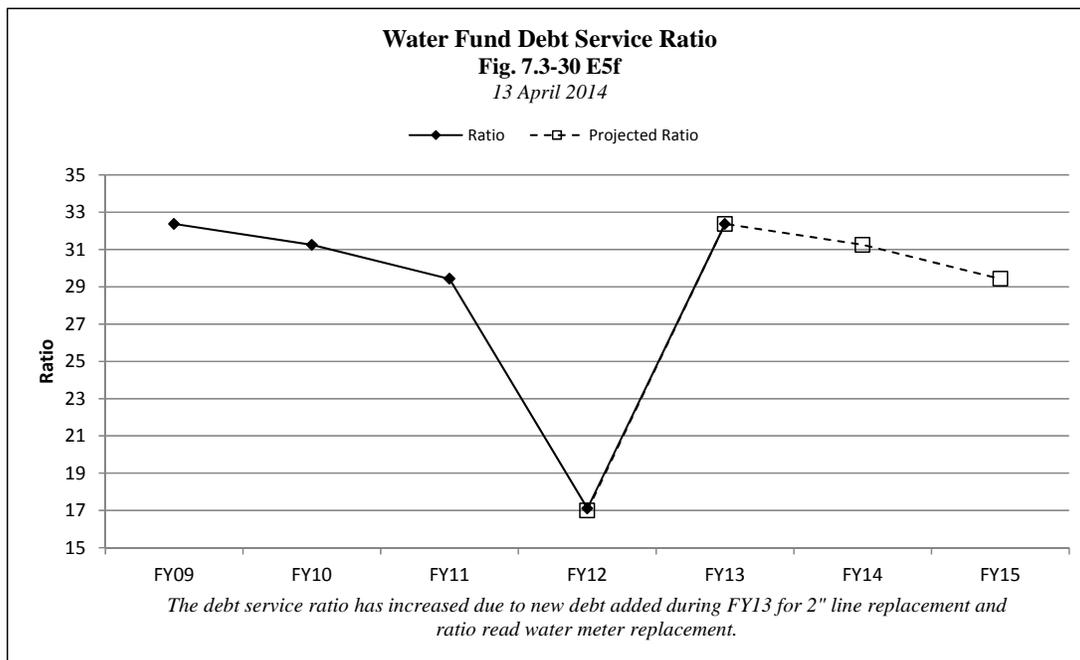


**FY 14-15 BUDGET
ENTERPRISE FUNDS
30: WATER FUND SUMMARY**

**Key Water Fund Financial Metrics (continued)
Key Expenditure Areas**

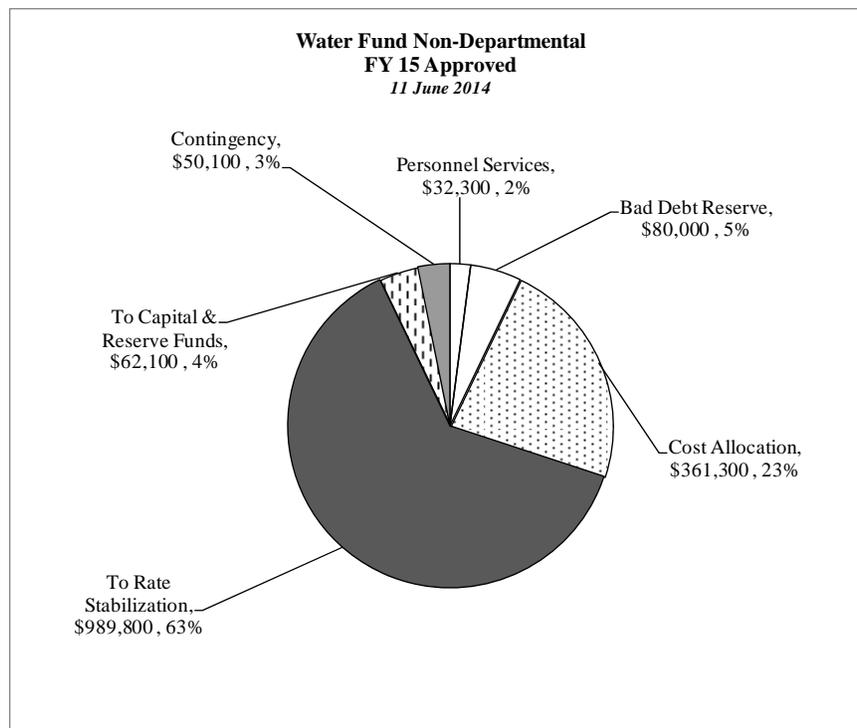


Key Expenditure Ratios



**FY 14-15 BUDGET
ENTERPRISE FUNDS
30-660: WATER FUND NON-DEPARTMENTAL**

30-660: NON-DEPARTMENTAL SUMMARY							
<i>Last Updated: 22 April 2014</i>	Actual	Actual	Budget	Through	Requested	Recommended	Approved
	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Personnel Services	\$ 40,909	\$ 18,077	\$ 54,620	\$ 28,020	\$ 32,600	\$ 32,300	\$ 32,300
Operating	-	202,860					
Bad Debt Reserve	-	1,674	80,000	80,000	90,000	80,000	80,000
Bond Refinancing Costs	348,163						
To Debt Service	348,676	556,500					
To Cost Allocation	-	361,300	361,300	361,300	361,300	361,300	361,300
To Rate Stabilization					952,000	1,003,900	989,800
To Capital & Reserve Funds	990,139	62,296	2,003,624	1,999,714	44,600	62,100	62,100
Contingency	-	-	9,400	15,000	60,000	50,000	50,100
Total Expenditures	\$ 1,727,887	\$ 1,202,707	\$ 2,508,944	\$ 2,484,034	\$ 1,540,500	\$ 1,589,600	\$ 1,575,600



The Non-Departmental Budget group was established for this fund, as well as others, during FY 11-12 in order to better account for inter-fund transfers and other expenditures that should not be located in an operating budget group. No personnel are assigned to the Non-Departmental budget group; however, some personnel related expenditures such as retiree health insurance and reserves for incumbent liabilities for accrued vacation and compensatory time are accounted for in this budget department. Additionally, the Fund's share of the recommended Pay & Classification Study are included in this budget. Debt service is no longer accounted for in this department and may now be found in budget department 680: Debt Service.

The largest expenditure center for the non-departmental budget is the inter-fund transfer. The transfer provides for "sending" money from Sewer Fund to the Capital Reserve and CIP funds as well as to the General and Water funds for cost allocation.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30-680: WATER FUND DEBT SERVICE**

30-680: DEBT SERVICE SUMMARY							
<i>Last Updated: 14 April 14 psp</i>	Actual	Actual	Budget	Estimated	Requested	Recommended	Approved
	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Long-Term Debt Service- P&I			\$ 680,000	\$ 680,000	\$ 568,400	\$ 584,400	\$ 584,400
Lease Purchase Debt Service- P&I			52,100	52,100	34,400	34,400	34,400
Total Expenditures	\$ -	\$ -	\$ 732,100	\$ 732,100	\$ 602,800	\$ 618,800	\$ 618,800

The Debt Service budget was established as part of the FY14 Budget process. The variance between the debt schedule and the presentation number is due to rounding-up. Debt service comprises approximately 12% of the total fund budget. No new lease purchases are recommended for FY14.

30: Water Fund Debt Service Schedule										
<i>Last Updated: 6 March 2014</i>										
30: Water Fund		Actual		Scheduled					Six Year Total	
Revenue Bond: Funds 10, 30 & 31	P / I	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	By P & I	By Total
30: Franklin County Water Line--Outstanding Principal \$2,813,541; 100% Franklin County participation	P	\$ 363,726	\$ 375,487	\$ 381,586	\$ 391,604	\$ 402,930	\$ 411,207	\$ 420,789	\$ 2,383,603	\$ 2,649,657
	I	\$ 76,254	\$ 67,525	\$ 58,513	\$ 49,356	\$ 39,957	\$ 30,286	\$ 20,417	\$ 266,054	
30: Operations and Service Center-- DS Payment - 30% Water Fund (\$464,660); Outstanding Principal \$1,548,868 (total project)	P	\$ 60,070	\$ 62,012	\$ 63,019	\$ 64,674	\$ 66,545	\$ 67,911	\$ 69,494	\$ 393,655	\$ 437,595
	I	\$ 12,594	\$ 11,152	\$ 9,664	\$ 8,151	\$ 6,599	\$ 5,002	\$ 3,372	\$ 43,940	
State Revolving Loan										
Overhead Storage Tank-Water Share: 3.43% interest; issued 4/1/98 (20 year) semi annual interest payments, annual principal ending FY 2016-2017. Outstanding Principal \$210,492	P	\$ 42,098	\$ 42,098	\$ 42,098	\$ 42,098	\$ 42,098	\$ -	\$ -	\$ 168,392	\$ 182,832
	I	\$ 7,220	\$ 5,776	\$ 4,332	\$ 2,888	\$ 1,444	\$ -	\$ -	\$ 14,440	
2" Water Line Replacement: \$1,898,571 Zero % interest, 20 years, beginning FY16 and ending FY35 (Res 12-62 & Ord 12-50); Outstanding Principal \$1,898,571.	P	\$ -	\$ -	\$ -	\$ 94,929	\$ 94,929	\$ 94,929	\$ 94,929	\$ 379,716	\$ 379,716
	I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Radio Read Meters: \$294,000; issued July 2012; 20 years at Zero % interest; Beginning FY15 and ending FY34 (Res 12-63 and Ord 12-51); Outstanding principal \$294,000.	P	\$ -	\$ -	\$ 14,697	\$ 14,697	\$ 14,697	\$ 14,697	\$ 14,697	\$ 73,485	\$ 73,485
	I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Inter-Governmental Agreement										
Warren County District II Water Line: Financed by Warren County annual payments ending FY 2041-2042 (40 years) Outstanding Principal \$154,639	P	\$ 2,312	\$ 2,431	\$ 2,555	\$ 2,686	\$ 2,824	\$ 2,969	\$ 3,121	\$ 16,586	\$ 62,136
	I	\$ 8,044	\$ 7,925	\$ 7,801	\$ 7,670	\$ 7,532	\$ 7,387	\$ 7,235	\$ 45,550	
Lease-Purchase										
Pick-up truck (Water Dist): 12-13 , 1.527% issued FY 2013 (3 years) annual payments ending FY 15-16 . Outstanding Principal & Interest \$30,920.82.		\$ -	\$ 10,307	\$ 10,307	\$ 10,307	\$ -	\$ -	\$ -		\$ 30,921
Backhoe (Water Dist): 12-13 , 1.527% , issued FY 2013 (5 years) annual payments ending FY 17-18 . Outstanding Principal & Interest \$120,321.40.		\$ -	\$ 24,064	\$ 24,064	\$ 24,064	\$ 24,064	\$ 24,064	\$ -		\$ 120,321
Excavator (Water Distribution, Sewer Collections & Sewer Collections I&I): FY 08-09, 3.26% issued 10-29-08 (5 years), annual payments ending FY 13-14 . Outstanding Principal & Interest \$17,696. These payments are allocated among three		\$ 17,696	\$ 17,696	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 17,696
Long Term Principal:		\$ 468,206	\$ 482,028	\$ 503,955	\$ 610,688	\$ 624,023	\$ 591,713	\$ 603,030	\$ 2,812,407	
Long Term Interest:		\$ 104,112	\$ 92,378	\$ 80,310	\$ 68,065	\$ 55,532	\$ 42,675	\$ 31,024	\$ 338,960	\$ 3,151,367
Total Long Term Debt Service:		\$ 572,318	\$ 574,406	\$ 584,265	\$ 678,753	\$ 679,555	\$ 634,388	\$ 634,054	\$ 3,151,367	
Total Lease Purchase (P & I) Debt Service:		\$ 17,696	\$ 52,067	\$ 34,371	\$ 34,371	\$ 24,064	\$ 24,064	\$ -	\$ -	\$ 168,938
Total Fund Debt Service:		\$ 590,014	\$ 626,473	\$ 618,636	\$ 713,124	\$ 703,619	\$ 658,452	\$ 634,054	\$ 3,320,305	\$ 3,320,305

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30-680: WATER FUND DEBT SERVICE**

PURPOSE

The purpose of the debt service budget department is: 1) to provide for the payment of the Fund's long-term and short-term debt interest and principal; and 2) to provide long-term information and understanding as to the Fund's debt service requirements and how that might impact utility rates as well as day-to-day operations.

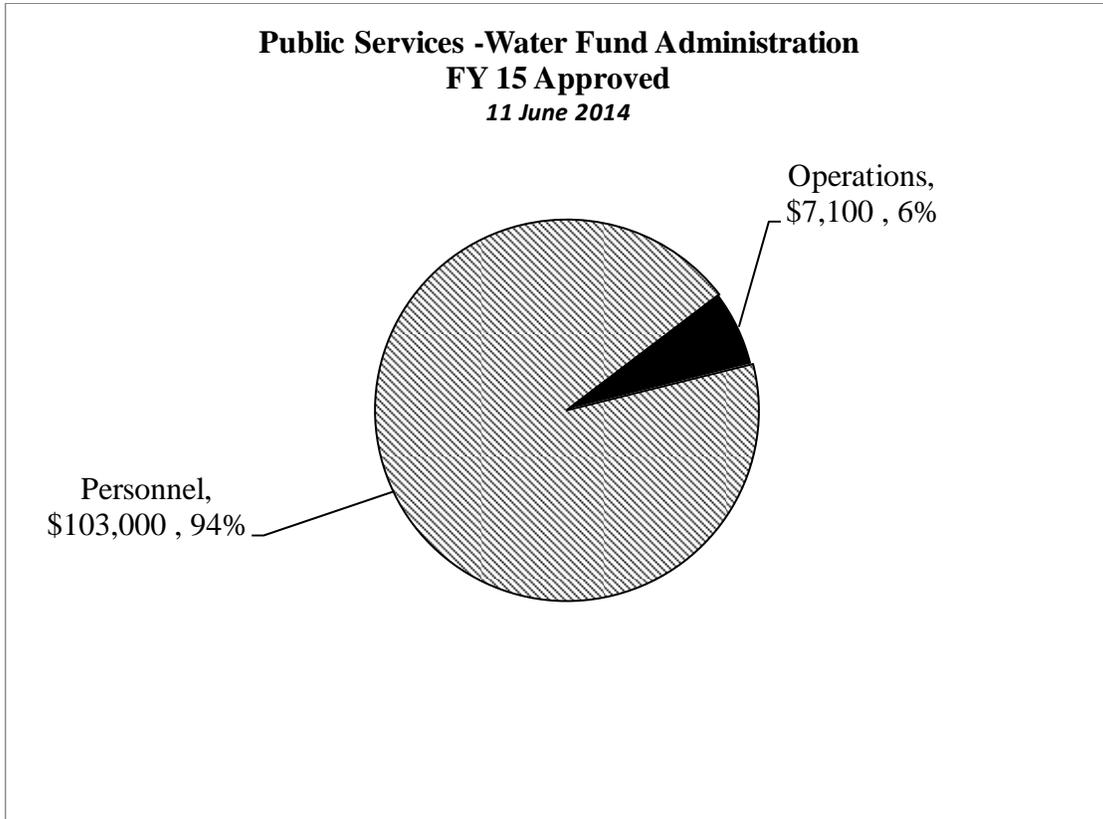
KEY BUDGET ISSUES

- **Scheduled Debt Service is Relatively Flat** until FY21. During FY20, the City will retire the Revenue Bonds, thus 'freeing' approximately \$512,000 for reappropriation. This windfall offers the City a wonderful opportunity to reinvest in the water system infrastructure for replacement of old lines and provide for new extensions within the City's un-served utility service area, such as Industry Drive and in the US 158 West Corridor.
- **State Revolving Loan for Beckford Dr. and US 158** has been initially approved for approximately \$795,000 over a twenty-year period of time. Should this project proceed with the State and ultimately be accepted by City Council, it is anticipated that approximately a 1% rate increase will be necessary to provide for the debt service. Another option to consider for this project would be to use funds from the Rate Stabilization Fund.

30: Water Fund Debt Service Potential New Debt Service											
<i>Last Updated: 6 March 2014</i>											
30: Water Fund				Actual		Scheduled				Six Year Total	
State Revolving Loan	P / I	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	By P & I	By Total	
Beckford Dr/Rt. 158 Business Water Line Extension. Estimated project costs = \$795,000 and assuming 2.5% interest over 20 years.	P	\$ -	\$ -	\$ -	\$ 29,587	\$ 30,474	\$ 31,389	\$ 31,389	\$ 91,450	\$ 160,311	
	I	\$ -	\$ -	\$ -	\$ 23,850	\$ 22,963	\$ 22,048	\$ 22,048	\$ 68,861		
Total Estimated Potential New Debt Service		\$ -	\$ -	\$ -	\$ 53,437	\$ 53,437	\$ 53,437	\$ 53,437	\$ 160,311		
<i>Debt Service Reversion Recaptured from Prior Year</i>			\$ (36,459)	\$ 7,837	\$ (94,488)	\$ 9,505	\$ 45,167	\$ 24,398			
Reversion Applied to FY15-16 for This Project				FY15 = \$ 7,837							
				FY 16 = \$ (94,488)							
Shortfall					\$ 140,088						

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30-715: WATER FUND ADMINISTRATION**

30-715: WATER ADMINISTRATION FUND SUMMARY							
<i>Last updated 14 April 14</i>	Actual 11-12	Actual 12-13	Budget 13-14	Estimated 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ 104,900	\$ 103,000	\$ 103,000
Operating	-	15,501	-	-	7,000	7,100	7,100
Capital Outlay	-	5,427	-	-	-	-	-
Total Expenditures	\$ -	\$ 20,928	\$ -	\$ -	\$ 111,900	\$ 110,100	\$ 110,100



<u>AUTHORIZED POSITIONS</u>							
FY 12-13	FY 13-14	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM		
1	1	Public Services Director	16	\$49,537	\$74,543		
1	1						
<u>HISTORY OF POSITIONS</u>							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended FY 14-15	Approved FY 14-15
Authorized	0	0	0	0	1	1	1
New Requests	0	0	0	0	0	0	0
Total Funded Positions	0	0	0	0	1	1	1

PURPOSE

To provide overall leadership and supervision of the Public Service Department to insure that the City Council's goal of providing reliable and dependable infrastructure is met.

GOALS & OBJECTIVES

Goal 1: Recruit and hire successful candidate for the Public Services Director Position.

Objective 1: To carry out the duties of this position.

FY 14 ACCOMPLISHMENTS

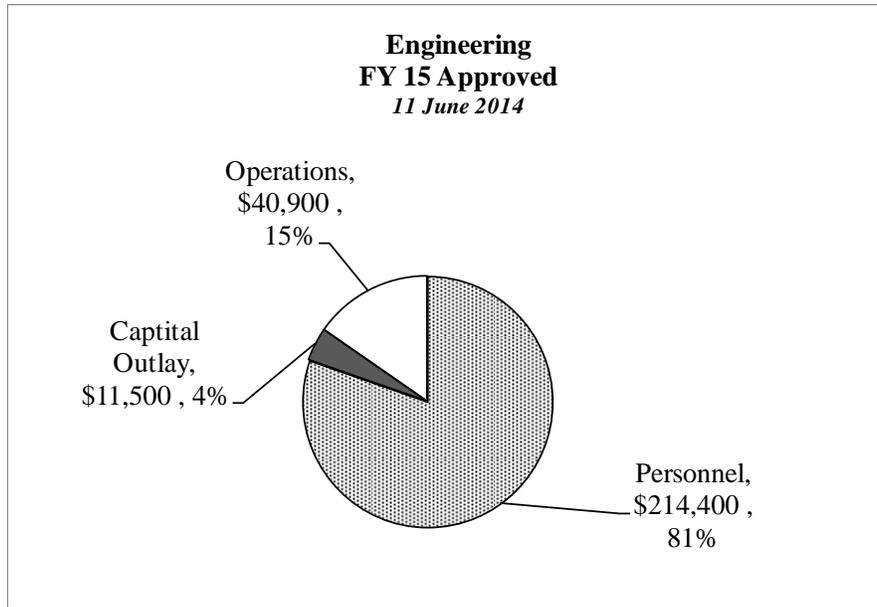
- Position was not funded in FY14, so the Assistant City Manager performed as the full-time, interim Public Services Director.
- First round of Career Development Plan went to Water Distribution and Sewer Collection employees.
- Street Maintenance Coordinator position was filled with internal candidate.
- 2" water main replacement and large scale meter replacement is well under way.
- Purchase for resale and water sales remained constant.

KEY BUDGET ISSUES

- Being able to recruit and hire an experienced, qualified Public Services Director within the established pay range. The position will have to be advertised well above the current levels of the City's archaic pay classification system.
- Without a doubt, the absence of a well-qualified, full-time Public Services Director is a critical deficiency within the Department as well as the City. There is absolutely no depth of leadership and managerial abilities within the Department. This is the most critical need of the Water, Sewer and Public Works functions of the City's service delivery system.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30-720: WATER FUND ENGINEERING**

30-720: ENGINEERING DEPARTMENT SUMMARY							
	Actual 11-12	Actual 12-13	Budget 13-14	Estimated 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel Services	\$ 170,690	\$ 198,425	\$ 219,950	\$ 217,950	\$ 214,400	\$ 214,400	214,400
Operating	23,563	24,121	63,190	40,820	40,900	40,900	40,900
Capital Outlay	308		4,400	9,000	38,500	11,500	11,500
Total Expenditures	\$ 194,561	\$ 222,546	\$ 287,540	\$ 267,770	\$ 293,800	\$ 266,800	\$ 266,800



<u>AUTHORIZED POSITIONS</u>					
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM
1	1	Director of Engineering	16	\$49,537	\$74,543
1	1	Engineer Inspector	8	\$28,514	\$42,772
1	1	CAD Technician	9	\$30,509	\$45,765
1	1	GIS Technician	7	\$26,650	\$39,973
1	1	Administrative Assistant	Frozen		
5	5				

<u>HISTORY OF POSITIONS</u>							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended FY 14-15	Approved FY 14-15
Authorized Positions	5	5	5	5	5	5	5
Frozen Positions	2	2	1	1	2	1	1
New Requests	0	0	1	1	1	0	0
Total Funded Positions	3	3	4	4	4	4	4

PURPOSE

To provide overall engineering and design, as well as planning, project management and inspection services to utility (water distribution, sewer collections, waste water and water treatment) and general governmental operations. In addition, this division provides extensive technical support and assistance to the CDBG project staff, the City Manager's office, and other City departments upon request. The planning and administrative responsibilities for the Public Buildings and Grounds Budget are managed by this department as well.

GOALS & OBJECTIVES

- Goal 1:** Continued implementation of our Geographical Information System (GIS) mapping to include additional storm water lines and other water and sewer details
- Objective 1:** The objective of this is to have the best available mapping to insure that valuable information on existing utilities is recorded on GIS and easily available to staff. It is also desirable to have the technological information immediately available to serve trucks and other field personnel to increase response times and repairs.
- Goal 2:** Completion of various projects in the proposed CIP.
- Objective 2:** Continue to monitor and facilitate the completion of the Beckford Drive Widening project, DWSRF water funded projects to completion and other sewer collection improvement projects.
- Goal 3:** Work on Engineering Design and Construction standards for Water/Sewer Storm water Utility installations.
- Objective 3:** This is to ensure proper and consistent installation methods for utilities.

FY 14 ACCOMPLISHMENTS

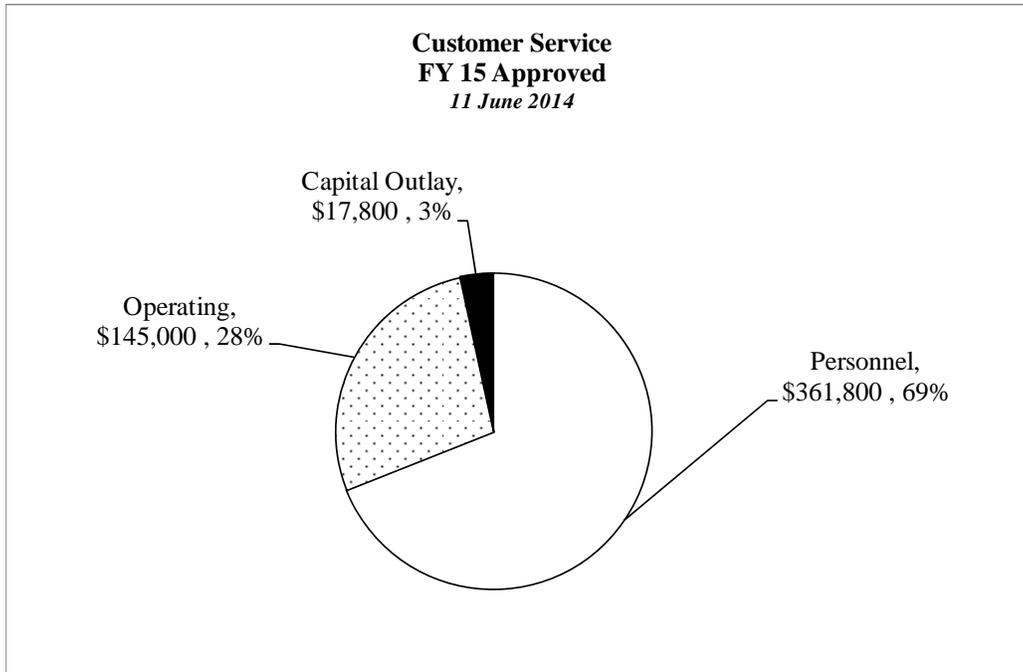
- **Traffic Studies.** Performed a number of traffic studies and other engineering studies in relation to traffic concerns.
- **2-Inch Watermain & Services Replacement Project.** Bid and released the project for construction.
- **Julia Avenue Phase II CDBG Project.** Successfully completed this project.
- **Water Meter Replacement Project.** This project was released, all the meters and materials ordered, and meter replacement started by in house staff.
- **Various Storm Water Projects.** Worked on various storm water designs and projects to correct or improve drainage, including the David Avenue storm sewer replacement project which will be completed within FY14.
- **Warren County Meter Vault.** Helped with design/construction of the new meter vault.
- **Project Reviews.** Provided engineering project reviews on various projects throughout the year for new developments.
- **GIS Technician.** GIS Technician hired and is increasing the accuracy and mapping of utilities and storm drainage.
- **CAD Program** has been brought up to date. Now working on updating the GIS software.

KEY BUDGET ISSUES

- Engineering 1996 Explorer is old and needs to be replaced. The truck has continuous maintenance issues.

**FY 13-14 BUDGET
ENTERPRISE FUNDS
30-725: WATER FUND CUSTOMER SERVICE**

30-725: WATER FUND CUSTOMER SERVICE SUMMARY							
	Actual 11-12	Actual 12-13	Budget 13-14	Estimated 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel Services	\$ -	\$ 332,244	\$ 373,400	\$ 349,175	\$ 372,187	\$ 361,800	\$ 361,800
Operating	-	105,367	125,300	123,886	144,920	145,000	145,000
Contracted Services	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	17,760	17,800	17,800
Total Expenditures	\$ -	\$ 437,610	\$ 498,700	\$ 473,061	\$ 534,867	\$ 524,600	\$ 524,600



<u>AUTHORIZED POSITIONS</u>							
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM		
		<i>Full Time Employees</i>					
1	1	Billing and Collections Supervisor	10	\$32,645	\$48,969		
1	1	Billing Specialist	5	\$23,190	\$34,656		
4	4	Customer Service Representative	4	\$21,592	\$32,388		
4	4	Meter Reader	4	\$21,592	\$32,388		
		<i>Part Time Employees</i>					
1	1	Meter Reader					
10 FT/ 1 PT	10 FT/ 1 PT						
<u>HISTORY OF POSITIONS</u>							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended FY 14-15	Approved FY 14-15
Authorized	10	10	10 FT/ 1 PT	10 FT 1 PT	10 FT/ 1 PT	10 FT/ 1 PT	10 FT/ 1 PT
New Requests	0	1 PT	0	0	0	0	0
Total Funded Positions	10	10 FT/ 1 PT	10 FT/ 1 PT	10 FT 1 PT	10 FT/ 1 PT	10 FT/ 1 PT	10 FT/ 1 PT

PURPOSE

To provide excellent customer service to the City's approximate 8,600 utility customers through the reading of water meters, billing and collections and working with customers when they have special needs.

GOALS & OBJECTIVES

Goal 1: To continue to provide excellent customer service to customers.

Objective 1: Implement on-line bill pay as an added convenience to customers. Many customers have inquired as to when the City was going to add this feature.

Objective 2: Upgrade our privilege license software. The software we are currently using is antiquated and is not able to provide the reporting information that we would like to have in order to better monitor billing and collections of privilege licenses.

Goal 2: Collect unpaid account balances.

Objective 1: Continue to add unpaid account balances to Debt Setoff Program, which will take customers State Tax Refunds and State Lottery winnings to pay off unpaid accounts.

Objective 2: Utilize the services of a collection agency to assist with collection of past due accounts.

Goal 3: Continue with Radio Read Meter replacements.

Objective 1: Replace existing manual read meters with Radio Read meters, which will reduce read time for billing cycles. This goal has already reduced the meter reading positions from 5 full-time to 4 full-time and 1 part-time. This has also reduced fuel costs, uniform costs and vehicle maintenance costs.

FY14 ACCOMPLISHMENTS

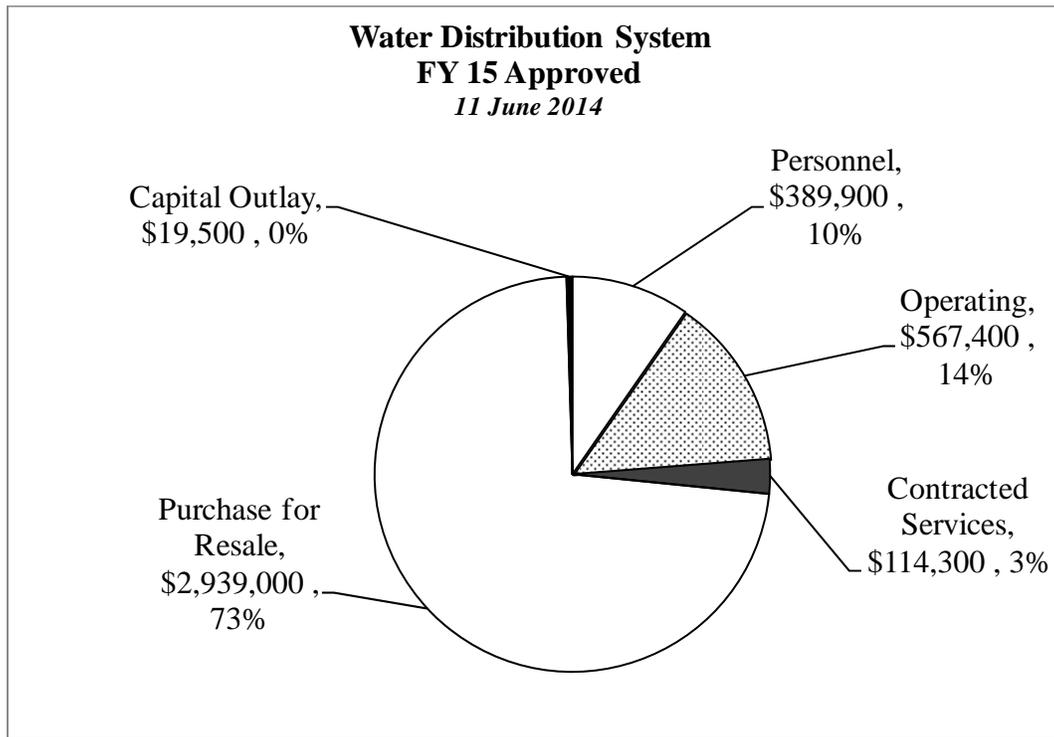
- **Radio Read Meters** are now providing an economy of scale in that the work is being done with 4.5 meter readers rather than five (5). This efficiency will continue to improve as additional water meters are replaced in the future.
- **Security Deposits** are now required for customers who fail to keep their accounts in good standing. This ultimately helps mitigate the City's risk for bad debt. As of 31 January 2014, the City had \$286,064 of security deposits on file, almost double the figure it had nine months ago. The City required no security deposits prior to 1 November 2011. These funds will help mitigate bad debt write-offs in the future.

KEY BUDGET ISSUES

- Funds are being requested for software and services needed for the implementation of on-line bill pay.
- Funds are being requested to upgrade our privilege license software

**FY 14-15 BUDGET
ENTERPRISE FUNDS
30-818: WATER FUND WATER DISTRIBUTION SYSTEM**

30-818: WATER DISTRIBUTION SYSTEM SUMMARY							
	Actual 11-12	Actual 12-13	Budget 13-14	Estimatd 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel Services	\$ 441,337	\$ 379,998	\$ 370,400	\$ 372,600	\$ 389,900	\$ 389,900	389,900
Operating	1,663,247	770,163	535,660	467,900	534,200	567,400	567,400
Contracted Services	64,289	66,823	104,100	104,000	114,300	114,300	114,300
Purchase for Resale	2,626,198	2,603,861	2,920,000	2,920,000	3,066,000	2,966,000	2,939,000
Debt Service	965,449	-					
Capital Outlay	2,520	62,726	53,100	52,000	19,500	19,500	19,500
Total Expenditures	\$ 5,763,040	\$ 3,883,571	\$ 3,983,260	\$ 3,916,500	\$ 4,123,900	\$ 4,057,100	\$ 4,030,100



AUTHORIZED POSITIONS							
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM		
1	1	Administrative Secretary	6	\$24,906	\$37,359		
6	6	Maintenance Worker II	3	\$20,179	\$30,270		
1	1	Maintenance Worker III	4	\$21,592	\$32,388		
1	1	Senior Crew Leader	7	\$26,650	\$39,973		
1	1	Operations Division Manager	12	\$37,309	\$55,959		
10	10						
HISTORY OF POSITIONS							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended F 14-15	Approved FY 14-15
Authorized	15	15	10	10	10	10	10
New Requests	0	0	0	0	0	0	0
Total Funded Positions	13	15	10	10	10	10	10

**FY 14-15 BUDGET
ENTERPRISE FUNDS**

30-818: WATER FUND WATER DISTRIBUTION SYSTEM

PURPOSE

To provide maintenance on water transmission and distribution mains throughout the City's service area (as part of the Regional System); and to install water taps, providing force labor and management for improvements and extensions to the water system. The City owns and maintains over 140 miles of water lines and roughly 600 hydrants.

GOALS & OBJECTIVES

- Goal 1:** Continue to identify and provide improvements to areas with water quality issues (dead-end mains, small lines operating at minimum pressure).
- Objective 1:** Provide better water quality and service to our citizens.
- Goal 2:** Complete change out of older style fire hydrants which do not conform to NCDENR standards.
- Objective 2:** Provide better fire protection and consistence of service as it relates to flushing and fire protection services.
- Goal 3:** Review meter reading routes and study of staffing in conjunction with the installation of radio read meters. Change out of 1000 meters in conjunction with meter change out project.
- Objective 3:** To insure that this work is being done in an efficient manner and potentially reduce cost associated with meter reading functions.
- Goal 4:** Continue mapping improvements of water and sewer locations.
- Objective 4:** Update on a regular basis and as projects are being completed. This includes in house improvements performed and including utilities contractors. This is done on an on a going basis.

FY 14 ACCOMPLISHMENTS

- The Water Distribution Department continued to replace old manual read meters to radio read. Approximately 270 have been replaced since we started in 2009. This should improve accuracy in reading meters and also provide better readings for increased revenues.
- Major distribution mains of the city have been identified and priorities set for the identification and working of valves. This will aid in the response time relative to shutting the main down in the event of rupture to the main and reducing the amount of water loss.
- Crews replaced an existing main on Avis Lane in which there had been numerous leaks.
- Worked with the Engineering Department in providing locates to existing water mains in conjunction with construction of 2" water main replacement service change over project. Project will be complete by midsummer.
- Workplace training and safety continue to improve.
- First round of employees successfully completed Career Development Plan requirements in Water and Sewer departments.

KEY BUDGET ISSUES

- Increased costs for purchase of water for resale from the Kerr Lake Regional Water System.
- Repayment of loans relative to funding received for radio read meters and 2" water main replacement projects.
- Funding of patching/pavement restoration due to leaks.

FY 14-15 BUDGET
ENTERPRISE FUNDS
30-818: WATER FUND WATER DISTRIBUTION SYSTEM

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Key Fund Issues

There are several key issues facing the Sewer Fund that serve to not only impact FY15, but the next several fiscal years as well. A brief summary of these key issues is provided below:

- **Major Treatment Plant Renovation and Modernization** work is well underway. It is anticipated the project will be completed by the end of March, 2015. The State loan was awarded with \$1M in principal forgiveness and the balance with zero interest over twenty years. Annual debt service will be \$805,750 vs. the previously projected \$1.16M. This has resulted in substantial cost avoidance for the City's sewer customers.
- **Sandy Creek Pump Station Improvement's** contract has been awarded by City Council. It is anticipated this much needed project will be completed by year's end. Debt service for this project has already been calculated in the long-term debt management plan.
- **Elmwood Interceptor** project is moving forward. The preliminary engineering report was approved by the State and City Council accepted the loan offer of \$1.8M. The completion of the plans and specifications is underway by McGill Associates and bids will be taken later this year. This project includes replacement and upsizing of a major outfall through the Elmwood Cemetery as well as other properties within a sewer easement to address capacity issues in conjunction with the flows from the Sandy Creek pump station.
- **Major Equipment Purchases** have been significantly trimmed in the recommended budget. Requests for \$210,000 for equipment for the Plant as well as three (3) vehicles were trimmed down to \$140,000 for Plant equipment and one (1) $\frac{3}{4}$ ton truck. The lease purchase cost for these items is budgeted at \$29,400. Water/Sewer Operations Manager Perkinson requested \$15,000 for a portable radio system to improve communications within the operations division.
- **Major Capital Sewer Rehabilitation Projects** are not funded in the budget. Assistant City Manager/Interim Public Utilities Director Frazier requested \$177,000 for 1) Coble Blvd. manhole rehabilitation, \$25,000; 2) Hamilton Street sewer replacement/rehabilitation, \$55,000; and 3) funds for use to repair sections of sewer line as may occur during the year, \$97,000.
- **Capital Reserves' Transfers** are recommended as follows: \$77,800, same as FYs 13 and 14, to 70: Capital Reserve Utilities; and \$436,000 to 79: Rate Stabilization Fund-Sewer Plant. The latter represents an increase over current year of \$169,500 and is in accordance with the Rate/Debt Management Plan approved during FY14 Budget approval process. The increased funding is the result of a reduction in Sewer Fund debt service payments as shown in 31-680: Debt Service.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY**

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**FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY**

- **System is Not Growing.** Funds are currently unavailable for either planning for or extending sanitary sewer lines beyond the current service area, or rehabilitating existing lines on a scheduled basis. Since the customer base is not growing, more pressure is placed upon existing customers to finance the Sewer Fund's needs via rate increases vs. financing resulting from natural growth in the system. The good news is the Rate Stabilization and Debt Service Plan, if accepted, would be able to provide funding for extensions in a significant way beginning FY21.
- **A Rate Stabilization, Debt Service and Utilities Multi-Year Capital Improvements Plan** was developed and approved as part of the FY14 Budget process. Thanks to significant long-term debt being retired over the next several years, the City will be able to fully fund the scheduled debt service, including the sewer plant and Elmwood projects without additional rate increases. Additionally, the Plan, over time, provides for use of 'captured' debt service funding for annual capital improvements such as equipment replacement and sewer line repairs and extensions. These items have been identified in the Utilities Multi-Year Capital Improvements Plan.
- **The Public Services Director** position, re-frozen as part of the FY14 Budget process, is recommended for reinstatement. There is no full-time director to provide leadership for and oversight management of street services, water lines and sewer lines maintenance and services, sanitation services, engineering services and garage services. Public Services is a singularly large and important department touching the lives of our citizens and customers each day and the absence of full-time leadership and management for it places it at-risk. The costs for this is \$130,000, with \$65,000 being absorbed by the Sewer Fund and \$65,000 by the Water Fund.
- **A 3% Rate Increase** is recommended in order to keep fund operations solvent. Each percent increase generates about \$37,000, thus, the proposed increase would generate \$111,000 for the Fund's operations and capital needs.

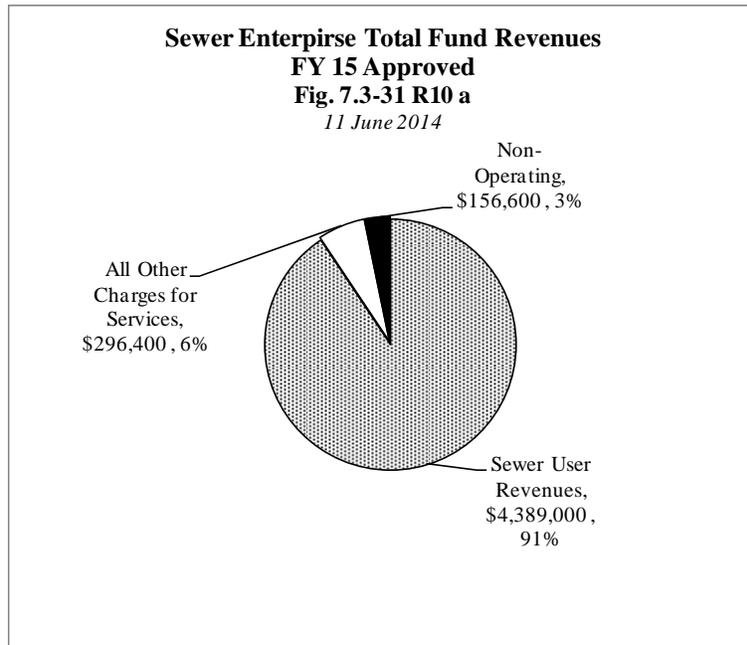
While I understand the desire to reduce and/or eliminate the proposed rate increase, the Fund's operating budgets are extremely tight and the capital budgets are well below where they should be in order to provide for equipment and infrastructure repairs in the collection system. With that said, the only place I can recommend for reduction in order to reduce the rate increase is a one-to-one reduction in the contribution to 79: Capital Reserve Rate Stabilization. Long-term impacts of reducing the contribution may result in higher rate increases in the future to provide for debt service payments once they become when the sewer plant project is completed.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY**

SEWER ENTERPRISE FUND SUMMARY										
Estimated Status as of 1 July 2014										
31	SEWER ENTERPRISE FUND		FY12 Prior Year Actual	FY13 Prior Year Actual	FY14 Current Year as amended		Estimated 30 June 14	Dept. Requested	FY15 Manager Recommend	Council Approved
Revenues										
Operating Revenues										
Charges for Services										
	31-310-433-420	Account Set Up Fee	\$ 26,375	\$ 24,496	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
	31-310-433-435	Sewer Taps	\$ 7,560	\$ 4,188	\$ 4,000	\$ 4,600	\$ 4,600	\$ 5,000	\$ 5,000	\$ 5,000
	31-310-433-485	Sewer User Revenues	\$ 3,923,953	\$ 4,131,867	\$ 4,236,400	\$ 4,262,000	\$ 4,389,000	\$ 4,389,000	\$ 4,389,000	\$ 4,389,000
	31-310-433-480	Sewer Surcharges	\$ 12,425	\$ 17,667	\$ 15,000	\$ 15,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ 16,000
	31-310-433-440	Late Fee Charges	\$ 169,739	\$ 173,376	\$ 176,000	\$ 160,000	\$ 165,000	\$ 165,000	\$ 165,000	\$ 165,000
	31-310-433-460	Reconnect Service Fee	\$ 55,101	\$ 49,977	\$ 50,000	\$ 50,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000
	31-310-433-495	FOG Monitoring Inspection Fee	\$ 7,553	\$ 8,499	\$ 7,500	\$ 7,500	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000
	31-310-433-485	Sewer Code Violations	\$ 9,873	\$ 4,550	\$ 3,800	\$ 10,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
	31-310-455-010	Miscellaneous	\$ 338	\$ 426	\$ 100	\$ 1,560	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
	31-310-455-500	Bad Debt Recovery	\$ 10,637	\$ 12,434	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
	31-310-455-501	Bad Debt Rec-Debt Set Off	\$ 2,400	\$ 19,029	\$ 10,000	\$ 10,000	\$ 10,400	\$ 10,400	\$ 10,400	\$ 10,400
		Subtotal-Charges for Services	\$ 4,225,954	\$ 4,446,509	\$ 4,537,800	\$ 4,555,660	\$ 4,685,400	\$ 4,685,400	\$ 4,685,400	\$ 4,685,400
Non-Operating Revenues										
Non-operating Revenues										
	31-310-444-010	Investments	\$ 3,796	\$ 2,027	\$ 1,000	\$ 1,500	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
	31-310-386-000	Insurance Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-310-456-000	Insurance Proceeds	\$ 10,395	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-310-455-015	Workers Comp Reimbursement	\$ 7,121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-310-457-000	Sale of Assets	\$ 6,663	\$ 2,717	\$ -	\$ 2,520	\$ -	\$ -	\$ -	\$ -
	31-310-461-230	Vance Co DS NVHS Sewer	\$ 77,760	\$ 73,964	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800
	31-310-477-052	Vance Co DS Ruin Ck Sewer	\$ 77,850	\$ 76,091	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800
		Subtotal-Non-Operating Revenues	\$ 183,585	\$ 154,799	\$ 156,600	\$ 159,620	\$ 156,600	\$ 156,600	\$ 156,600	\$ 156,600
Budgetary Appropriations										
	31-310-461-006	Transfer from 10: General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-310-461-230	Transfer from 30: Water Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-980-461-012	Transfer from 12: Debt Service	\$ 384,214	\$ 355,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-980-461-044	Transfer from 44 CIP Sewer	\$ 17,696	\$ 1,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	31-980-461-079	Transfer from 79 Rate Stabilization	\$ -	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -
	31-990-490-999	Fund Balance Appropriated	\$ 243,772	\$ 41,983	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ -
		Subtotal-Budgetary Appropriations	\$ 645,682	\$ 398,947	\$ 325,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -
		Total Revenues	\$ 5,055,221	\$ 5,000,255	\$ 5,019,400	\$ 4,915,280	\$ 4,842,000	\$ 4,842,000	\$ 4,842,000	\$ 4,842,000
Expenditures										
	31-660	Non-Departmental	\$ 1,696,250	\$ 1,774,614	\$ 1,034,670	\$ 834,850	\$ 722,200	\$ 1,298,700	\$ 1,298,700	\$ 1,298,700
	31-680	Debt Service	\$ -	\$ -	\$ 875,000	\$ 875,000	\$ 705,500	\$ 705,500	\$ 705,500	\$ 705,500
	31-822	Water Reclamation Facility	\$ 2,254,633	\$ 2,012,634	\$ 2,326,500	\$ 2,272,570	\$ 2,366,400	\$ 2,212,300	\$ 2,212,300	\$ 2,212,300
	31-828	Sewer Collection Operations	\$ 485,258	\$ 341,435	\$ 489,230	\$ 486,800	\$ 511,300	\$ 431,300	\$ 431,300	\$ 431,300
	31-829	Sewer I & I Operations	\$ 163,308	\$ 394,311	\$ 294,000	\$ 284,100	\$ 296,200	\$ 194,200	\$ 194,200	\$ 194,200
		Subtotal-All Departments	\$ 4,599,449	\$ 4,522,994	\$ 5,019,400	\$ 4,753,320	\$ 4,601,600	\$ 4,842,000	\$ 4,842,000	\$ 4,842,000
		Total Expenditures	\$ 4,599,449	\$ 4,522,994	\$ 5,019,400	\$ 4,753,320	\$ 4,601,600	\$ 4,842,000	\$ 4,842,000	\$ 4,842,000
		Variance of Revenues to Expenditures	\$ 455,772	\$ 477,261	\$ -	\$ 161,960	\$ 240,400	\$ -	\$ -	\$ -
Fund Balance Information										
		as 30 June 13		\$ 1,570,880						
		Appropriated forward to FY14		\$ -						
		as of 1 July 13		\$ 1,570,880	\$ 1,570,880					
		Appropriated during FY14			\$ (125,000)					
		Estimated Growth During FY14			\$ -					
		Estimated at 30 June 14			\$ 1,445,880					
		Appropriated forward to FY15			\$ -					
		as 1 July 14 Estimate			\$ 1,445,880			\$ 1,445,880	\$ -	\$ -
		Estimated Growth During FY15						\$ -	\$ -	\$ -
		Estimated at 30 June 15						\$ 1,445,880	\$ -	\$ -

Last Updated: 12 June 2014, rg

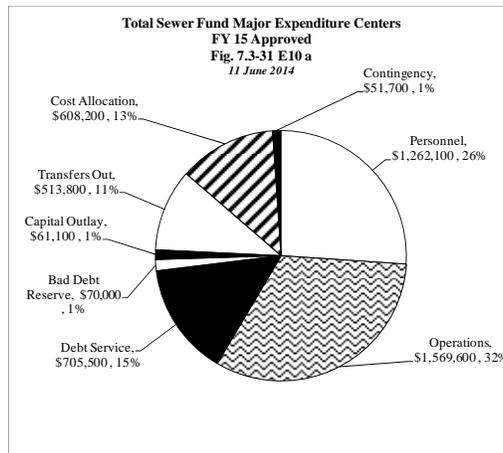
**FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY**



The major revenue source for the Sewer Fund is its sewer user fee. This fee, which is tied to water consumption, is projected to produce \$4,389,000, or 91% of the fund's revenues. A 3% rate increase is recommended, effective 1 July.

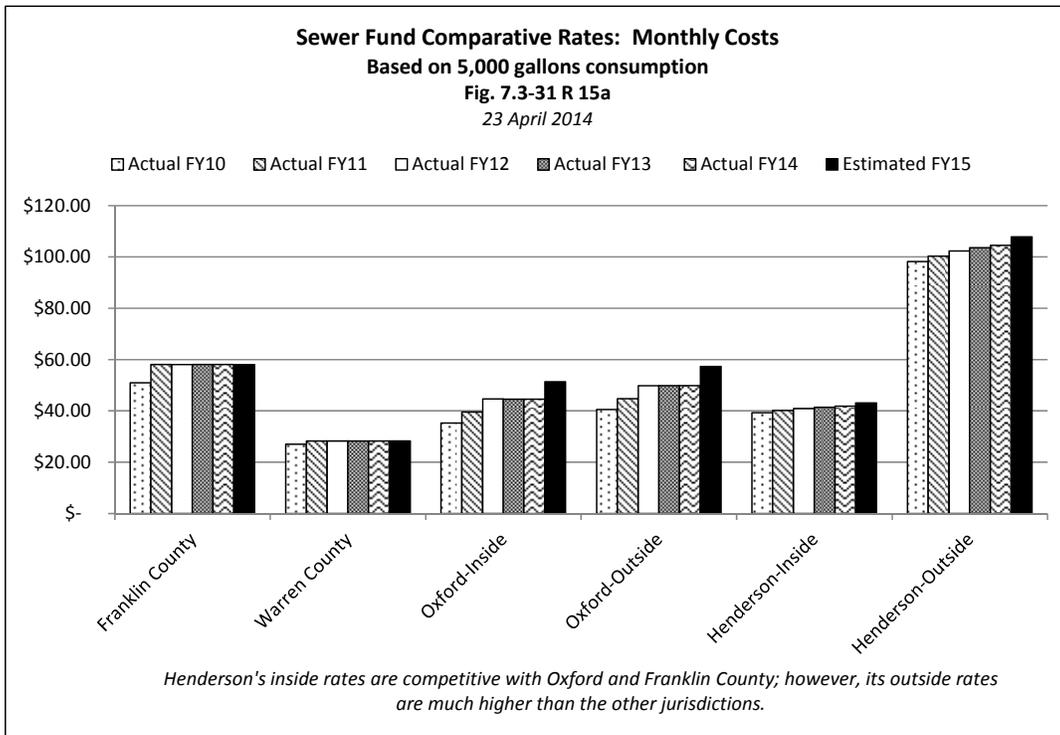
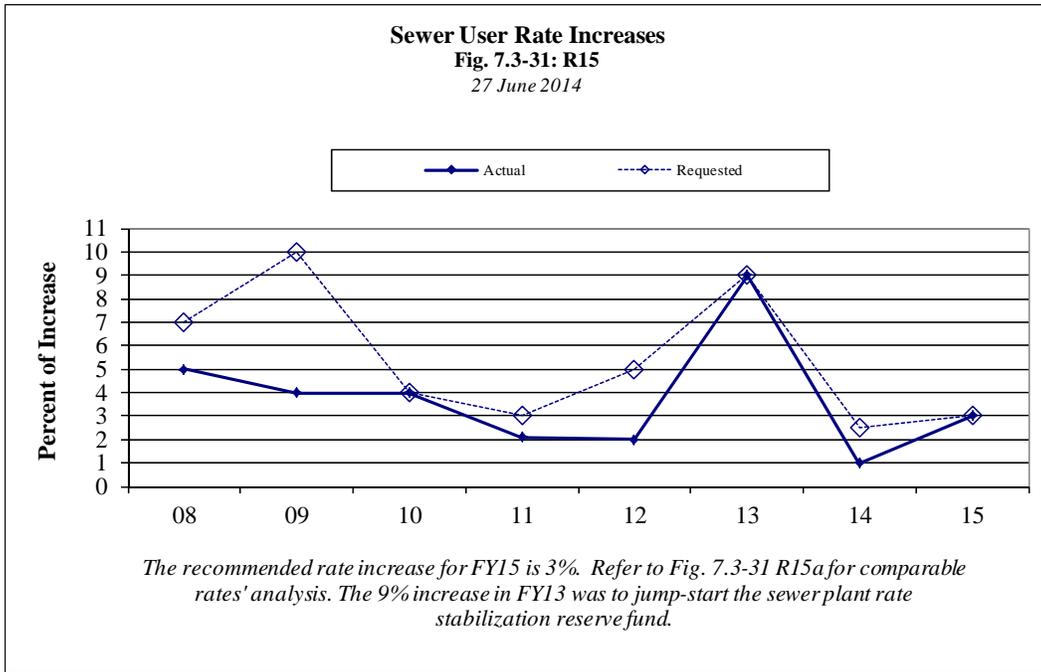
SEWER ENTERPRISE FUND EXPENDITURE SUMMARY								
Estimated Status as of 1 July 2014								
31 SEWER ENTERPRISE FUND	BUDGET BY EXPENDITURE CATEGORY	FY12	FY13	FY14		FY15		
		Prior Year Actual	Prior Year Actual	Current Year as amended	Estimated 30 June 14	Department Requested	Manager Recommend	Council Approved
	Personnel	\$ 1,082,221	\$ 1,121,388	\$ 1,223,000	\$ 1,185,451	\$ 1,248,100	\$ 1,262,100	\$ 1,262,100
	Operations	\$ 1,282,213	\$ 1,597,430	\$ 1,652,600	\$ 1,609,169	\$ 1,714,800	\$ 1,569,600	\$ 1,569,600
	Debt Service	\$ 737,701	\$ 888,716	\$ 875,000	\$ 875,000	\$ 705,500	\$ 705,500	\$ 705,500
	Bad Debt Reserve	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 90,000	\$ 70,000	\$ 70,000
	Capital Outlay	\$ 5,071	\$ 68,160	\$ 284,100	\$ 284,100	\$ 256,700	\$ 61,100	\$ 61,100
	Transfers Out	\$ 958,549	\$ 342,000	\$ 342,000	\$ 342,000	\$ 210,200	\$ 513,800	\$ 513,800
	Cost Allocation	\$ 533,694	\$ 505,300	\$ 547,700	\$ 547,700	\$ 316,300	\$ 608,200	\$ 608,200
	Contingency	\$ -	\$ -	\$ 25,000	\$ -	\$ 60,000	\$ 51,700	\$ 51,700
	Total Expenditures	\$ 4,599,449	\$ 4,522,994	\$ 5,019,400	\$ 4,913,420	\$ 4,601,600	\$ 4,842,000	\$ 4,842,000

Last Updated: 12 June 2014

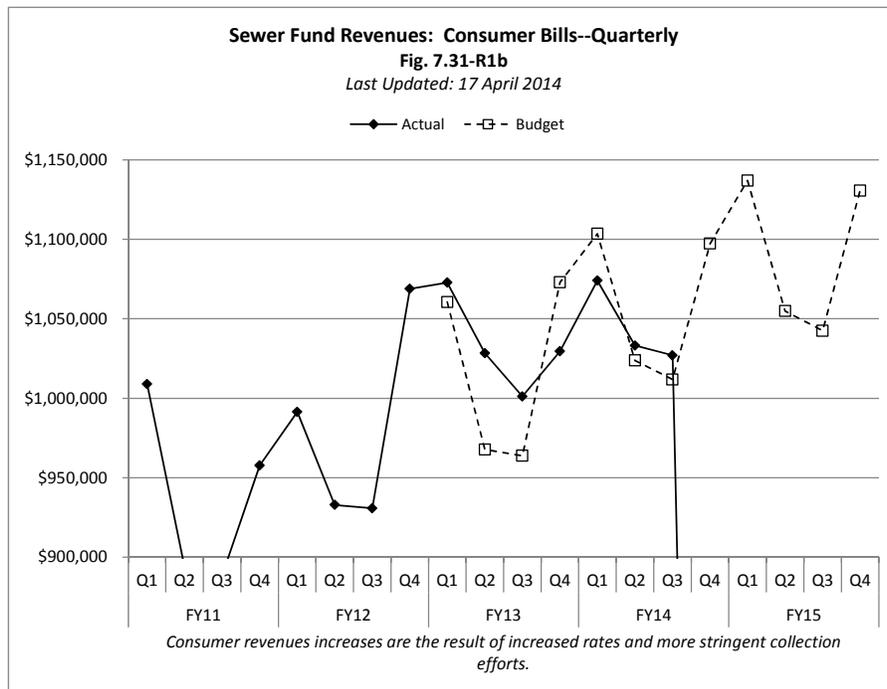
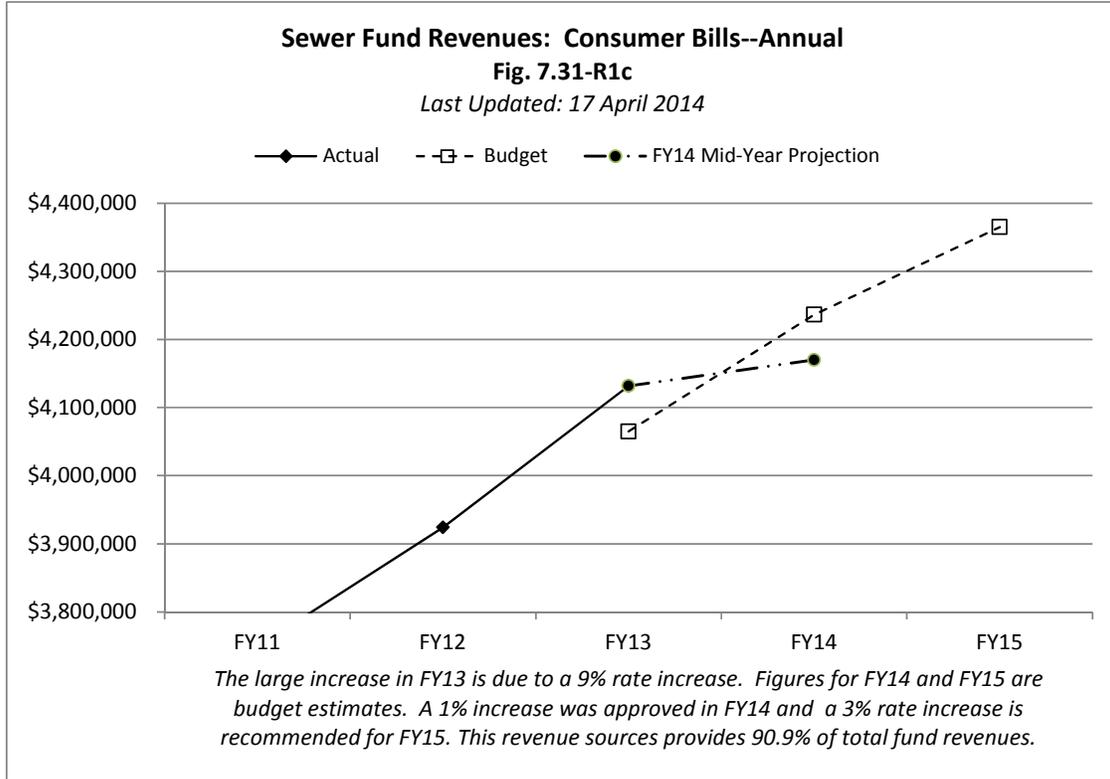


**FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY**

Key Sewer Fund Financial Metrics

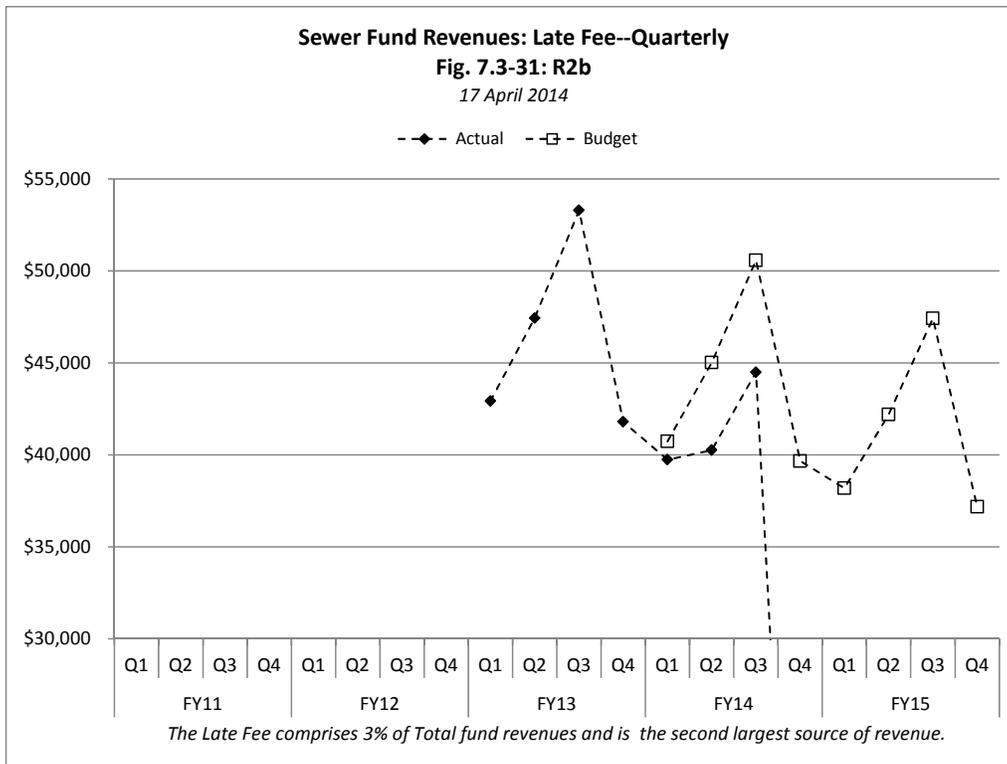
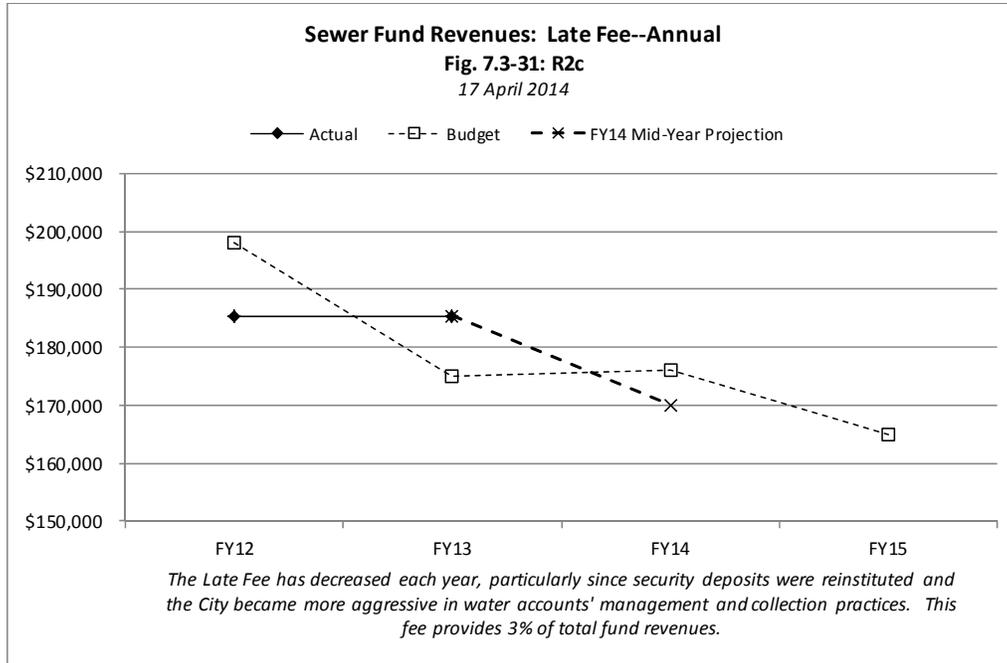


Key Sewer Fund Financial Metrics *(continued)*
Key Revenue Sources

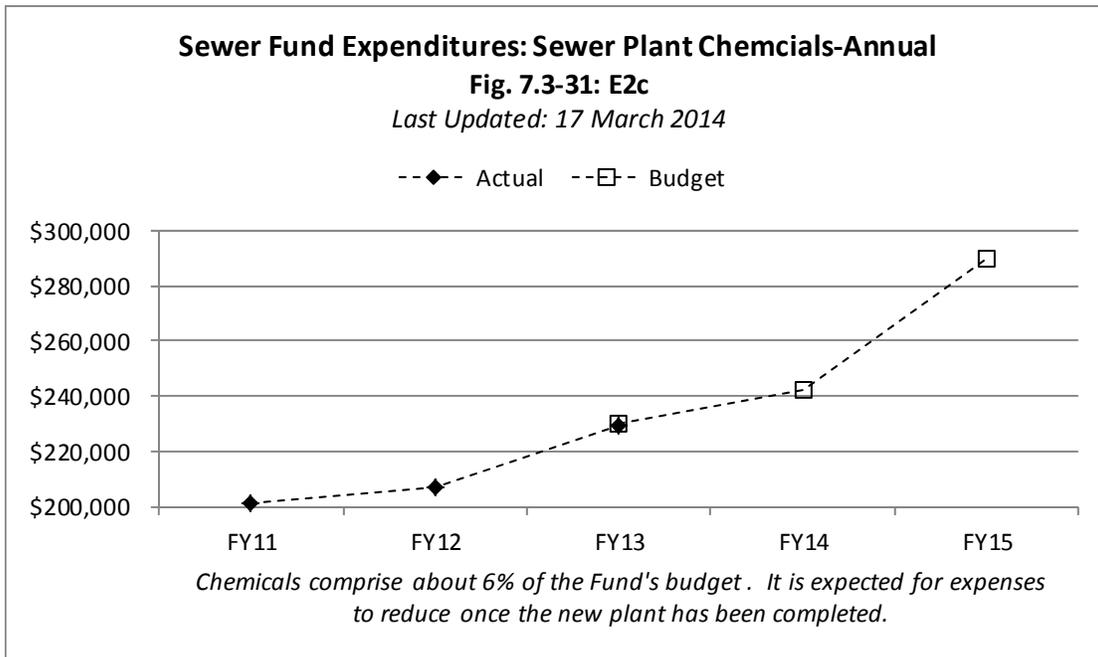
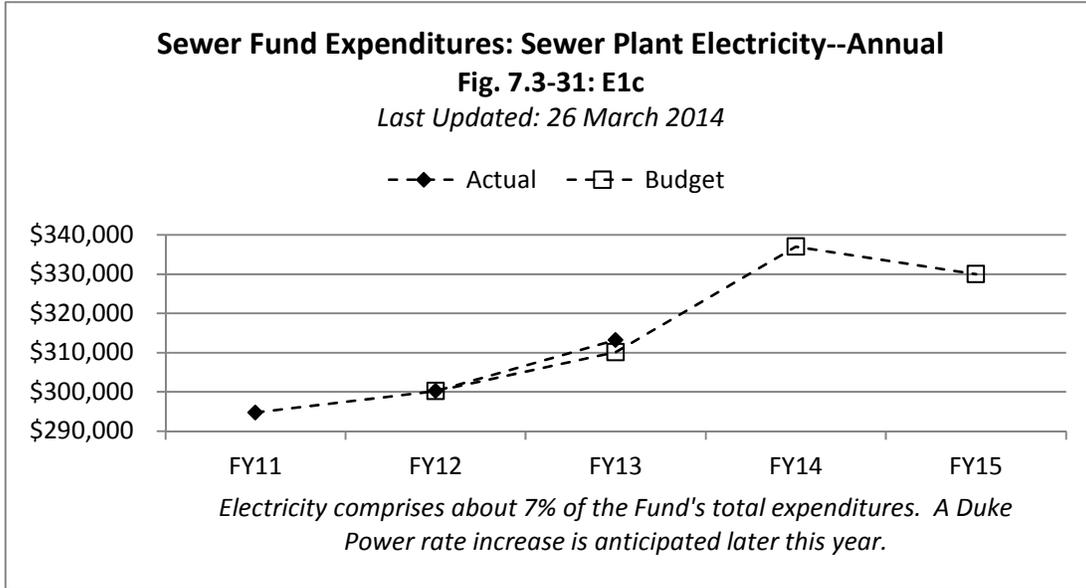


FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY

Key Sewer Fund Financial Metrics *(continued)*
Key Revenue Sources

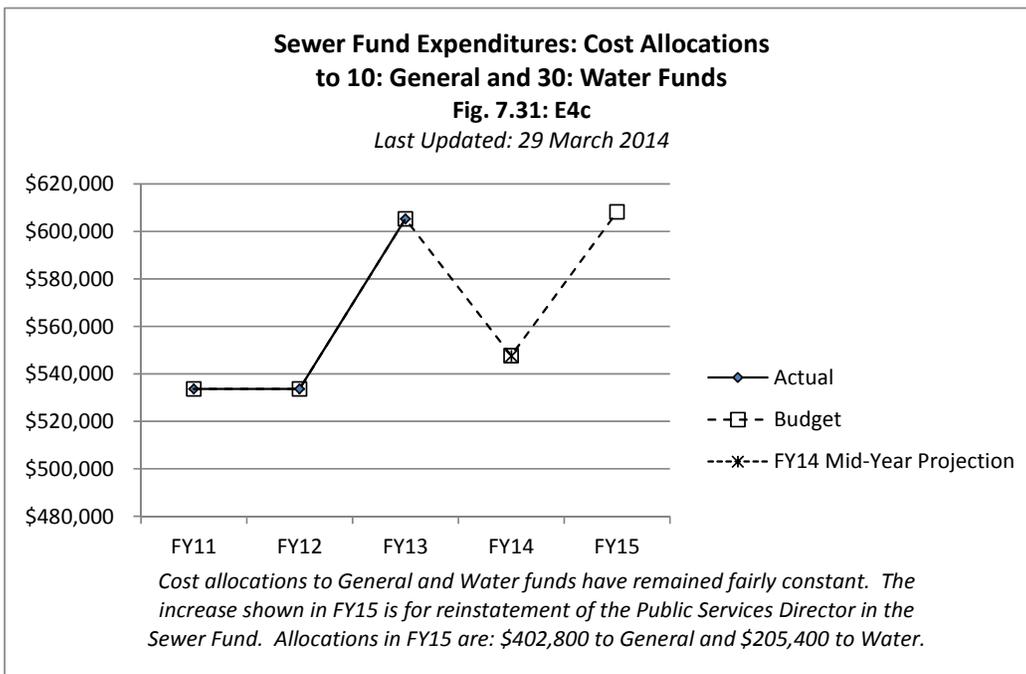
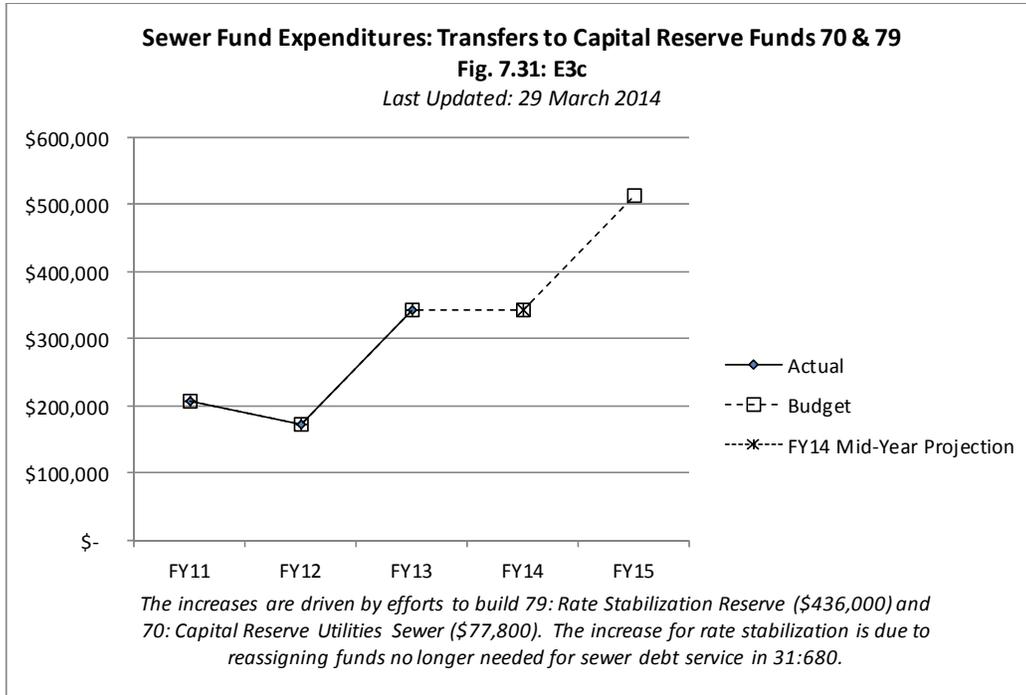


Key Sewer Fund Financial Metrics *(continued)*
Key Expenditure Centers

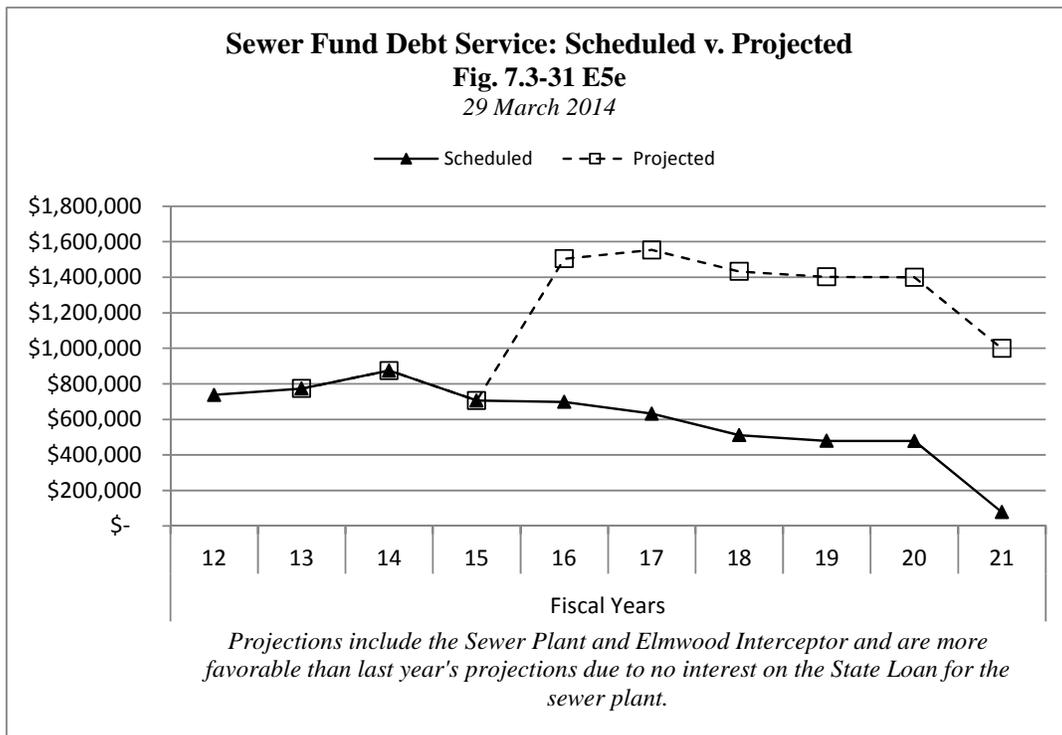
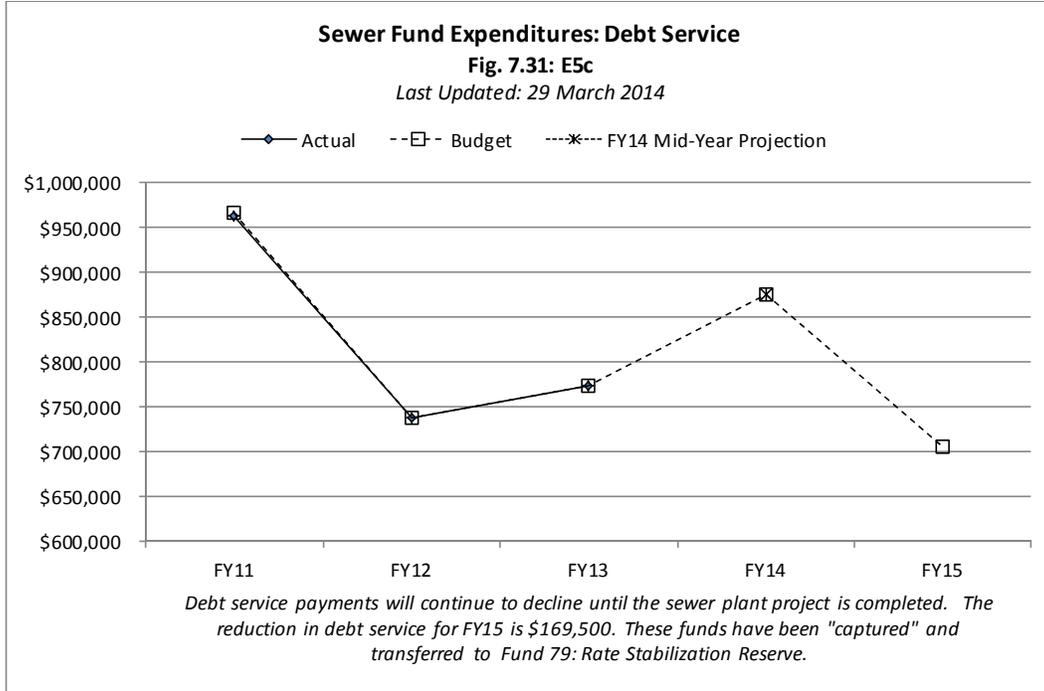


FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY

Key Sewer Fund Financial Metrics *(continued)*
Key Expenditure Centers

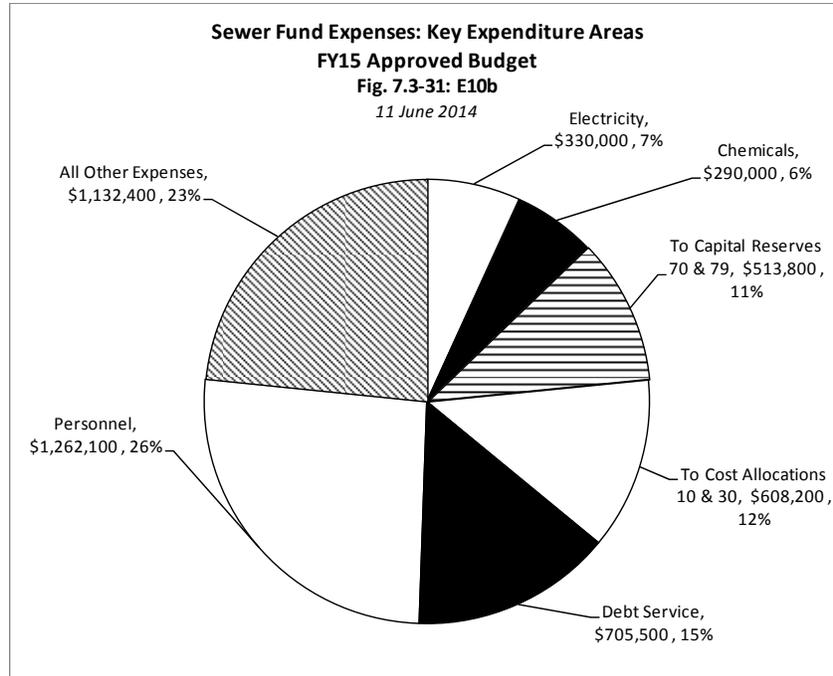


Key Sewer Fund Financial Metrics *(continued)*
Key Expenditure Centers

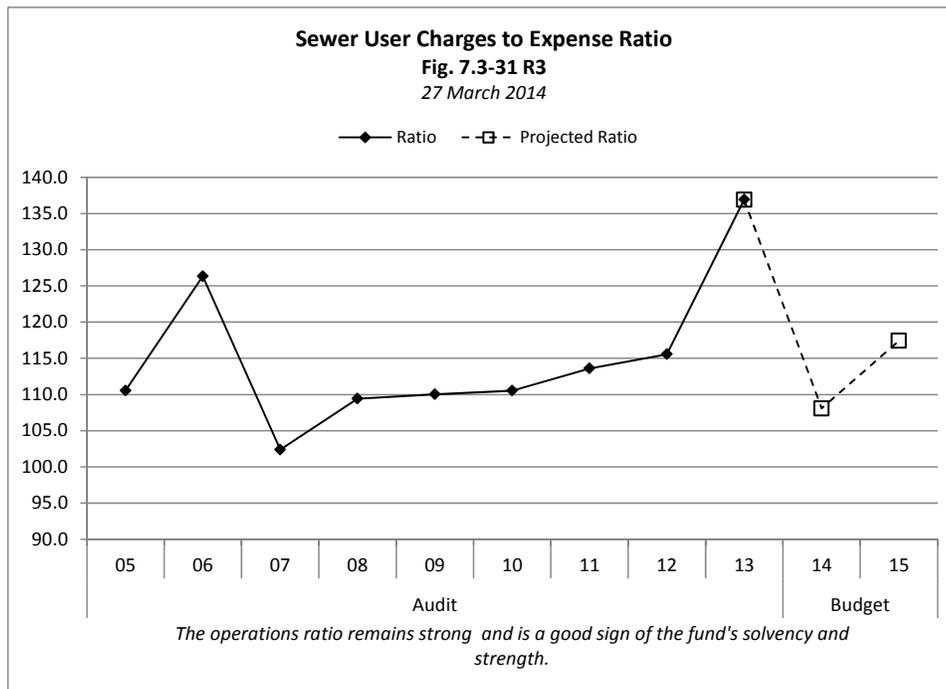


**FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY**

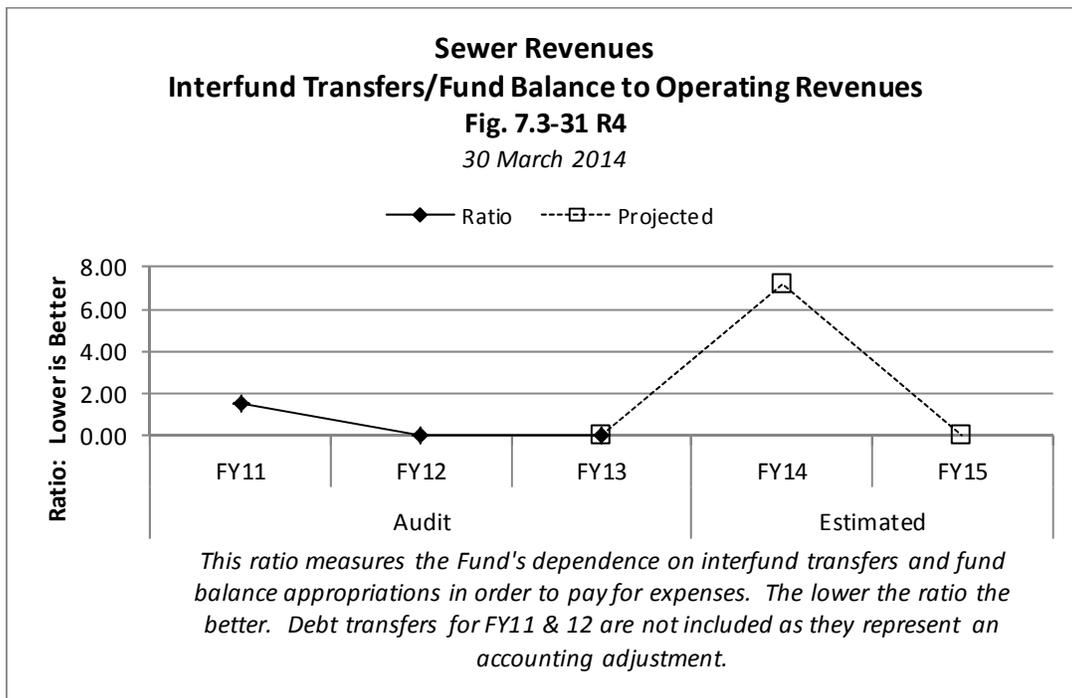
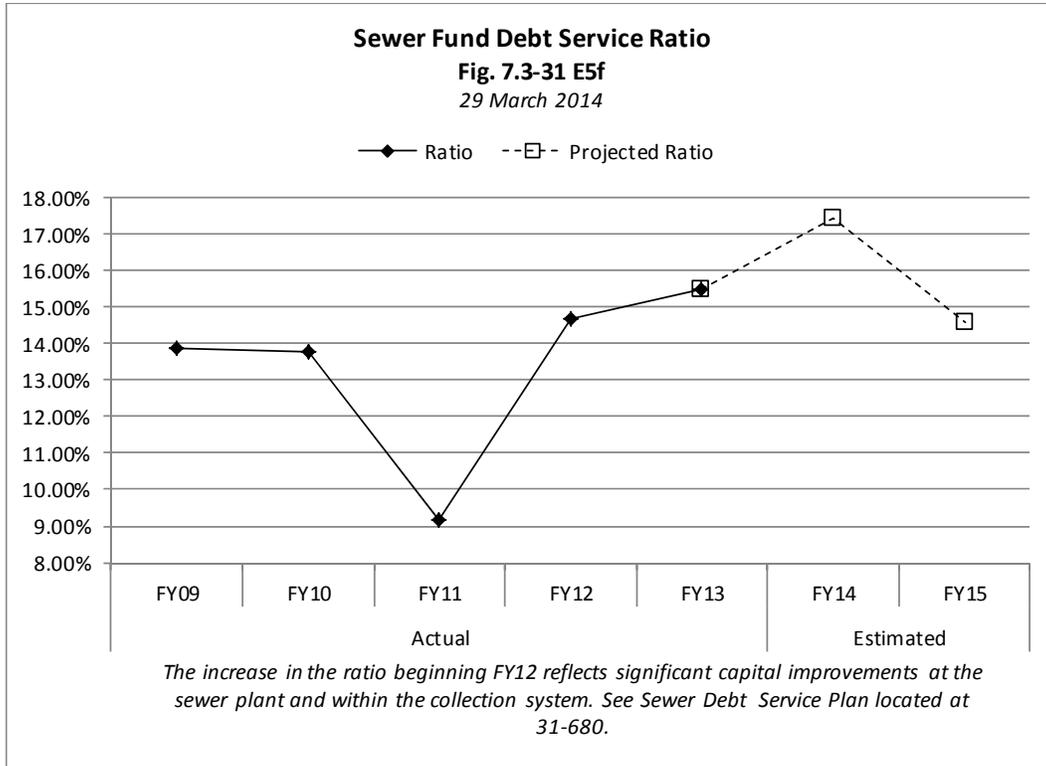
**Key Sewer Fund Financial Metrics (continued)
Key Expenditure Centers**



Key Fund Ratios



Key Sewer Fund Financial Metrics *(continued)*
Key Fund Ratios



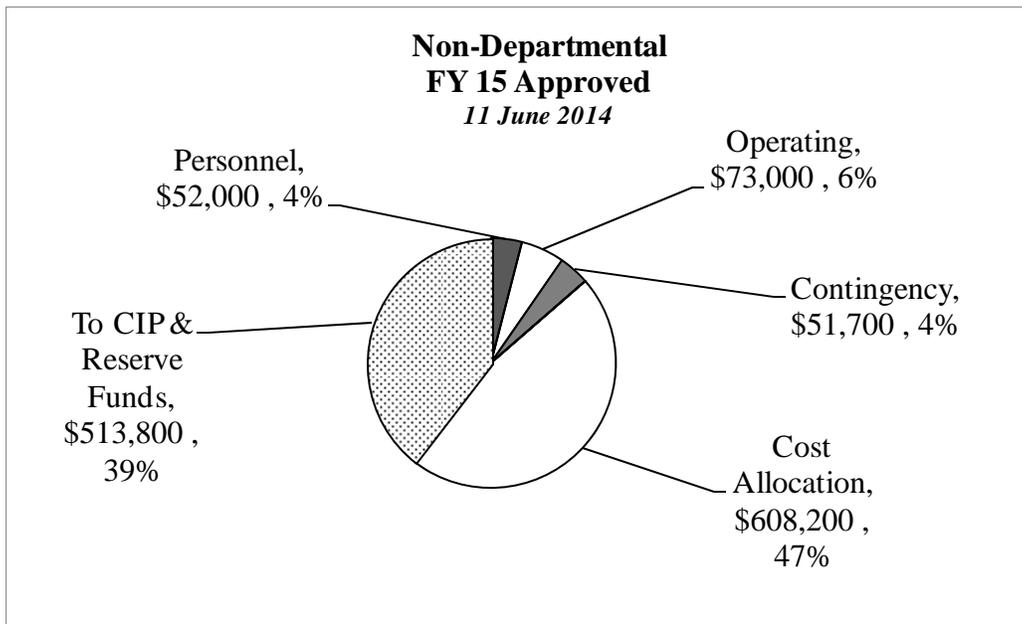
FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND SUMMARY

Key Sewer Fund Financial Metrics *(continued)*
Key Fund Ratios

Unencumbered Fund Balance-Sewer Fund						
as of 1 July						
Fig. 7.3-31 R10						
23 April 2014						
	FY10	FY11	FY12	FY13	FY14	FY15
Percent of Budget					31.30	
Target	40.00	40.00	40.00	40.00	40.00	40.00
Unencumbered Balance at 30 June	\$ -	\$ -	\$ -	\$ 1,570,880	\$ -	\$ -
Budget at 1 July	\$ -	\$ -	\$ -	\$ -	\$ 5,019,400	\$ -
Target = 40% of Budget	\$ -	\$ -	\$ -	\$ -	\$ 2,007,760	\$ -

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-660: SEWER FUND NON-DEPARTMENTAL**

31-660: NON-DEPARTMENTAL SUMMARY							
	Actual Expended		Budget	Estimated	Requested	Recommended	Approved
	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Personnel Services	\$ 74,368	\$ 23,425	\$ 49,150	\$ 27,250	\$ 38,000	\$ 52,000	\$ 52,000
Operating	71,152	-	70,820	80,000	97,700	73,000	73,000
Contingency	-	-	25,000	-	60,000	51,700	51,700
Debt Service	-	795,282	-	-	-	-	-
Cost Allocation	-	605,300	547,700	517,700	316,300	608,200	608,200
Capital Reserve	-	357,173	342,000	209,900	210,200	513,800	513,800
Total Expenditures	\$ 145,520	\$ 1,781,179	\$ 1,034,670	\$ 834,850	\$ 722,200	\$ 1,298,700	\$ 1,298,700



The Non-Departmental Budget group was established for this fund, as well as others, during FY 11-12 in order to better account for inter-fund transfers and other expenditures that should not be located in an operating budget group. No personnel are assigned to the Non-Departmental budget group; however, some personnel related expenditures such as retiree health insurance and reserves for incumbent liabilities for accrued vacation and compensatory time are accounted for in this budget department. Debt service is no longer accounted for in this budget and may be found in budget department 31: 680 Debt Service.

The largest expenditure center for the non-departmental budget is the inter-fund transfer. The transfer provides for “sending” money from Sewer Fund to the Capital Reserve and CIP funds as well as the General and Water funds for cost allocations.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-680: SEWER FUND DEBT SERVICE**

31-680: DEBT SERVICE SUMMARY							
	Actual	Actual	Budget	Estimated	Requested	Recommended	Approved
	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Debt Service Principal	\$ -	\$ -	\$ 726,700	\$ 726,700	\$ 594,900	\$ 594,900	\$ 594,900
Debt Service Interest	-	-	99,900	99,900	79,200	79,200	79,200
Lease Purchase Payments	-	-	48,400	48,400	31,400	31,400	31,400
Total Expenditures	\$ -	\$ -	\$ 875,000	\$ 875,000	\$ 705,500	\$ 705,500	\$ 705,500

The variance between the debt schedule and the presentation number is due to rounding-up. Debt service comprises approximately 15% of the total fund budget. This is down 3% from previous year. Debt service is \$169,500 less than FY14 and said funds have been 'captured' and transferred from 31-660 to the 79: Rate Stabilization Capital Reserve Fund.

31: Sewer Fund Debt Service Schedule										
<i>Last Updated: 27 March 2014</i>										
Type of Debt		Actual	Scheduled						Six Year Total	
Revenue Bond: Funds 10, 30 & 31	P / I	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	By P & I	By Total
31: Operations and Service Center--DS Payment 30% Sewer Fund (\$464,660); Outstanding Principal \$1,548,868 (total project)	P	\$ 60,070	\$ 62,012	\$ 63,019	\$ 64,674	\$ 66,545	\$ 67,911	\$ 69,494	\$ 393,655	\$ 437,595
	I	\$ 12,594	\$ 11,152	\$ 9,664	\$ 8,151	\$ 6,599	\$ 5,002	\$ 3,372	\$ 43,940	
31: Redbud Pump Station Outstanding Principal \$1,726,491	P	\$ 223,196	\$ 230,413	\$ 234,155	\$ 240,303	\$ 247,252	\$ 252,331	\$ 258,212	\$ 1,462,666	\$ 1,625,927
	I	\$ 46,792	\$ 41,436	\$ 35,906	\$ 30,286	\$ 24,519	\$ 18,585	\$ 12,529	\$ 163,261	
31: WWTP Study Outstanding Principal \$35,525	P	\$ 4,592	\$ 4,741	\$ 4,818	\$ 4,945	\$ 5,087	\$ 5,192	\$ 5,313	\$ 30,096	\$ 33,454
	I	\$ 963	\$ 852	\$ 739	\$ 623	\$ 504	\$ 382	\$ 258	\$ 3,358	
31: Oxford Road Sewer Upgrade Outstanding Principal \$334,576	P	\$ 43,253	\$ 44,652	\$ 45,377	\$ 46,568	\$ 47,915	\$ 48,899	\$ 50,039	\$ 283,450	\$ 315,088
	I	\$ 9,068	\$ 8,030	\$ 6,958	\$ 5,869	\$ 4,751	\$ 3,602	\$ 2,428	\$ 31,638	
State Revolving Loans										
HWRP: E-SRF-T-92-OR25: 385% interest; issued 3/25/94 (20 year)semi-annual interest payments, annual principal ending FY 2013-2014; Outstanding Principal \$137,287	P	\$ 137,393	\$ 137,287	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137,287	\$ 141,935
	I	\$ 9,298	\$ 4,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,648	
Ruin Creek Outfall - E-SBF-T-95-0024: 3.43% interest; issued 5/1/97 (20 year)semi annual interest payments, annual principal ending FY 2016-2017 Outstanding Principal \$461,14156% Vance County participation	P	\$ 115,286	\$ 115,286	\$ 115,286	\$ 115,286	\$ 115,286	\$ -	\$ -	\$ 461,144	\$ 500,687
	I	\$ 19,772	\$ 15,817	\$ 11,863	\$ 7,909	\$ 3,954	\$ -	\$ -	\$ 39,543	
NVHS Sewer Line - E-SBF-T-94-0004:5.85% interest; issued 11/1/96 (20 year)semi annual interest payments, annual principal ending FY 2015-2016 Outstanding Principal \$186,680100% Vance County participation	P	\$ 62,227	\$ 62,227	\$ 62,227	\$ 62,227	\$ -	\$ -	\$ -	\$ 186,681	\$ 200,208
	I	\$ 11,737	\$ 8,128	\$ 4,543	\$ 856	\$ -	\$ -	\$ -	\$ 13,527	
Sandy Creek Pump Station Improvements: 0.00% interest; approved FY 2013, (20 years) annual principal payments ending FY 2032-2033; Total Project = \$1.8M; Principal Forgiveness: \$900,000; Outstanding Principal: \$900,000	P	\$ -	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 45,000	\$ 270,000	\$ 270,000
	I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Sewer Rehab Proj--E-SRF-T-12-O3002: 2.0% interest; issued 5/1/2013 (20 years); semi-annual interest payments, annual principal payments ending FY 2032-2033; Total Project \$1M. Principal Forgiveness: \$500,000. Outstanding Principal: \$500,000	P	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 150,000	\$ 202,336
	I	\$ -	\$ 9,836	\$ 9,500	\$ 9,000	\$ 8,500	\$ 8,000	\$ 7,500	\$ 52,336	
HWRP Improvements: 0.00% interest; approved FY 2013 (20 years)annual principal payments ending 5/06/2035. Outstanding Principal: \$16,115,000	P	\$ -	\$ -	\$ -	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 3,223,000	\$ 3,223,000
	I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Potential Project: Elmwood Interceptor. Initial paperwork underway, Estimated Project cost = \$1.8M. Assuming 2.5% interest, Payments initially due in FY16-17.	P	\$ -	\$ -	\$ -	\$ -	\$ 70,465	\$ 72,226	\$ 72,226	\$ 214,917	\$ 346,393
	I	\$ -	\$ -	\$ -	\$ -	\$ 45,000	\$ 43,238	\$ 43,238	\$ 131,476	
Lease Purchase										
Video Inspection Camera (Sewer Coll I&D): 08-09 3.26% issued 10-29-08 (5 years) annual payments ending FY 13-14. Outstanding Principal & Interest \$17,002		\$ 17,002	\$ 17,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,002	\$ 173,943
Dump Truck (Sewer Coll): 12-13; 3.12% issued 10-29-08 (5 years); annual payments ending FY 17-18 . Outstanding Principal & Interest \$99,395.90.		\$ -	\$ 19,879	\$ 19,879	\$ 19,879	\$ 19,879	\$ 19,879	\$ -	\$ 99,396	
Tractor/Bushhog (Sewer Coll): 12-13; 1.527% issued FY 2013 (5 years); annual payments ending FY 17-18 . Outstanding Principal & Interest \$57,545.00.		\$ -	\$ 11,509	\$ 11,509	\$ 11,509	\$ 11,509	\$ 11,509	\$ -	\$ 57,545	
Long Term Principal:		\$ 646,017	\$ 726,618	\$ 594,882	\$ 1,409,753	\$ 1,428,300	\$ 1,322,309	\$ 1,331,034	\$ 6,812,896	\$ 7,296,623
Long Term Interest:		\$ 110,224	\$ 99,899	\$ 79,173	\$ 62,694	\$ 93,827	\$ 78,809	\$ 69,325	\$ 483,727	
Total Long Term Debt Service:		\$ 756,241	\$ 826,517	\$ 674,055	\$ 1,472,447	\$ 1,522,127	\$ 1,401,118	\$ 1,400,359	\$ 7,296,623	
Total Lease Purchase (P & I) Debt Service:		\$ 17,002	\$ 48,390	\$ 31,388	\$ 31,388	\$ 31,388	\$ 31,388	\$ -	\$ 173,943	
Total Fund Debt Service:		\$ 773,243	\$ 874,907	\$ 705,443	\$ 1,503,835	\$ 1,553,515	\$ 1,432,506	\$ 1,400,359	\$ 7,470,565	\$ 7,470,565

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-680: SEWER FUND DEBT SERVICE**

PURPOSE

The purpose of the debt service budget department is: 1) to provide for the payment of the Fund's long-term and short-term debt interest and principal; and 2) to provide long-term information and understanding as to the Fund's debt service requirements and how that might impact utility rates as well as day-to-day operations.

KEY BUDGET ISSUES

- **No Rate Increase to Support Debt Service in FY15** will be needed. Please refer to the Rate Stabilization and Debt Service Plan for more information.
- **Scheduled Debt Service will increase** from FY13 level of \$773,243 to \$1,553,515 in FY17. The debt service will begin to decline to \$999,215 in FY21. It will remain at that level until FY34, assuming no new debt is authorized by Council.
- **State Revolving Loan for Elmwood Interceptor** has been approved by the State and is now included in the annual debt service planning matrices.
- **Rate Stabilization and Debt Service Plan for the Sewer Fund (Debt/Rate Plan)** was developed and approved during FY14. It has been used as a guide in developing the FY15 Budget. A copy of it is provided on the following pages. Given the significant amount of debt being added to the City due to the renovations of the Water Reclamation Facility and other projects, as well as the need to find funding for work to continue rehabilitation of old sewer lines as well as new sewer line extensions, the development and maintenance of a long-term Plan is necessary.

Rates were increased in FY12 and FY13 in order to begin a capital reserve fund for rate stabilization. When one considers planned plant efficiencies and reducing debt service, there is no further need to increase rates to support the fund. Thus, as previously mentioned, there is no need for a rate increase for rate stabilization in FY15. Additionally, in accordance with the Debt/Rate Plan, \$169,500 in funds no longer needed to service the Fund's debt has been reprogrammed to transfer to Fund 79: Sewer Rate Stabilization. This expense is now reflected in 31:660 Nondepartmental.

The City has a wonderful opportunity to 'capture' future debt service payments and reprogram same for future sewer line repairs for the I & I program as well as new extensions. There are many areas within the City's out-of-city water district that do not have sanitary sewer. Extending sewer lines will have the long-term benefit of increasing the customer base, and thus increasing system revenues. In short, this also helps fund part of the annual Sewer Fund's portion of the Utilities Multi-Year Capital Improvements Plan.

FY 14-15 BUDGET
ENTERPRISE FUNDS
31-822: SEWER FUND DEBT SERVICE

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FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND DEBT SERVICE

HWRP Renovation Project and Multi-Year CIP Rate Stabilization Plan																										
Debt Service & Capital Reserves Planning																										
Last Updated: 1 May 2013, rg																										
31: Debt Service Budget	FY12	FY13	FY14	FY15	BY-1 FY16	BY-2 FY17	BY-3 FY18	BY-4 FY19	BY-5 FY20	BY-6 FY 21	BY-7 FY22	BY-8 FY23	BY-9 FY24	BY-10 FY25	BY-11 FY26	BY-12 FY27	BY-13 FY28	BY-14 FY29	BY-15 FY30	BY-16 FY31	BY-17 FY32	BY-18 FY33	BY-19 FY34	BY-20 FY35		
Expenditures	Actual				Projected FY14 - FY35																					
31: Sewer Fund Debt Service Requirement	\$ 737,701	\$ 773,243	\$ 874,907	\$ 705,443	\$ 1,503,835	\$ 1,553,515	\$ 1,432,506	\$ 1,400,861	\$ 1,399,996	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 921,214	\$ 921,214		
Revenues																										
Appropriation from 31: Sewer Fund Base Line	\$ 737,701	\$ 773,243	\$ 874,907	\$ 705,443	\$ 705,443	\$ 705,443	\$ 705,443	\$ 705,443	\$ 705,443	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 421,214	\$ 421,214		
Appropriation from 31: Sewer Formerly for 79: Reserve	\$ -	\$ -	\$ -	\$ -	\$ 75,700	\$ 75,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY15 Debt Service Savings Applied to debt Service					\$ 169,463	\$ 169,463	\$ 106,054	\$ 42,764	\$ 41,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY18 Debt Service Savings Applied to debt Service							\$ 121,009	\$ 121,009	\$ 121,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY19 Debt Service Savings applied to debt service							\$ 31,645	\$ 31,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Savings Due to Plant Efficiencies Applied to Debt Service					\$ 200,000	\$ 400,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000		
Transfer from 79-652 HWRP Reserve	\$ -	\$ -	\$ -	\$ -	\$ 353,229	\$ 202,909	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenues for Debt Service	\$ 737,701	\$ 773,243	\$ 874,907	\$ 705,443	\$ 1,503,836	\$ 1,553,515	\$ 1,432,506	\$ 1,400,861	\$ 1,399,996	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 921,214	\$ 921,214		
Variance	\$ -	\$ -	\$ -	\$ -	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	\$ (0)	
Debt Service Schedule	FY12	FY13	FY14	FY15	BY-1 FY16	BY-2 FY17	BY-3 FY18	BY-4 FY19	BY-5 FY20	BY-6 FY 21	BY-7 FY22	BY-8 FY23	BY-9 FY24	BY-10 FY25	BY-11 FY26	BY-12 FY27	BY-13 FY28	BY-14 FY29	BY-15 FY30	BY-16 FY31	BY-17 FY32	BY-18 FY33	BY-19 FY34	BY-20 FY35		
Scheduled Debt Service	\$ 737,701	\$ 773,243	\$ 874,907	\$ 705,443	\$ 698,085	\$ 632,300	\$ 511,292	\$ 479,645	\$ 478,781	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ -	\$ -	
HWRP Project Debt Service	\$ -	\$ -	\$ -	\$ -	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750	\$ 805,750
Elmwood Interceptor Project Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 115,465	\$ 115,464	\$ 115,466	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,465	\$ 115,464	\$ 115,464	
Total Debt Service	\$ 737,701	\$ 773,243	\$ 874,907	\$ 705,443	\$ 1,503,835	\$ 1,553,515	\$ 1,432,506	\$ 1,400,861	\$ 1,399,996	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 999,215	\$ 921,214	\$ 921,214		
Financing Schedule	FY12	FY13	FY14	FY15	BY-1 FY16	BY-2 FY17	BY-3 FY18	BY-4 FY19	BY-5 FY20	BY-6 FY 21	BY-7 FY22	BY-8 FY23	BY-9 FY24	BY-10 FY25	BY-11 FY26	BY-12 FY27	BY-13 FY28	BY-14 FY29	BY-15 FY30	BY-16 FY31	BY-17 FY32	BY-18 FY33	BY-19 FY34	BY-20 FY35		
Appropriation from 31: Sewer Fund Base Line	\$ 737,701	\$ 773,243	\$ 874,907	\$ 705,443	\$ 705,443	\$ 705,443	\$ 705,443	\$ 705,443	\$ 705,443	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 499,215	\$ 421,214	\$ 421,214		
31: Base Line Debt Service Reduction Applied to Capital Reserve					\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 284,229	\$ 284,229		
Transfer from 31: Sewer Fund to 79-622 Reserve	\$ 112,800	\$ 264,200	\$ 264,200	\$ 264,000	\$ 75,700	\$ 75,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY15 Debt Service Savings Applied to debt Service	\$ -	\$ -	\$ -	\$ 169,463	\$ 169,463	\$ 169,463	\$ 106,054	\$ 42,764	\$ 41,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY15 Debt Service Savings Portion Applied to Capital Reserve					\$ -	\$ -	\$ 63,409	\$ 126,699	\$ 127,564	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463		
FY18 Debt Service Savings applied to debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,009	\$ 121,009	\$ 121,009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY18 Debt Service Savings applied to Capital Reserve					\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009		
FY19 Debt Service Savings applied to debt service					\$ -	\$ -	\$ -	\$ 31,645	\$ 31,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
FY19 Debt Service Savings applied to Capital Reserve					\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645		
FY21 Debt Service Savings applied to Capital Reserve					\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781		
Savings Due to New Plant Efficiencies Applied to Debt Service					\$ 200,000	\$ 400,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000		
FY35 Debt Service Savings applied to debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,806	
Total	\$ 112,800	\$ 264,200	\$ 264,200	\$ 433,463	\$ 445,163	\$ 645,163	\$ 790,472	\$ 822,117	\$ 822,117	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898	\$ 1,222,898		
79: Capital Reserve Development & Utilization	FY12	FY13	FY14	FY15	BY-1 FY16	BY-2 FY17	BY-3 FY18	BY-4 FY19	BY-5 FY20	BY-6 FY 21	BY-7 FY22	BY-8 FY23	BY-9 FY24	BY-10 FY25	BY-11 FY26	BY-12 FY27	BY-13 FY28	BY-14 FY29	BY-15 FY30	BY-16 FY31	BY-17 FY32	BY-18 FY33	BY-19 FY34	BY-20 FY35		
HWRP Reserve: 79-622	\$ -	\$ 112,800	\$ 377,000	\$ 441,200	\$ 674,663	\$ 197,134	\$ 19,925	\$ (16,666)	\$ (39,967)	\$ (12,403)	\$ 16,723	\$ 45,849	\$ 74,975	\$ 54,101	\$ 33,227	\$ 12,353	\$ (8,521)	\$ 20,605	\$ 49,731	\$ 78,857	\$ 57,983	\$ 37,109	\$ 16,235	\$ 73,362		
Contributions to Reserve From Prior Rate Increases	\$ 112,800	\$ 264,200	\$ 264,200	\$ 264,000	\$ 75,700	\$ 75,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Reduction in Base Debt Service Applied to Capital Reserve	\$ -	\$ -	\$ -	\$ -	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 206,228	\$ 284,229	\$ 284,229		
FY15 Debt Service Savings Applied to Reserve	\$ -	\$ -	\$ -	\$ 169,463	\$ -	\$ -	\$ 63,409	\$ 126,699	\$ 127,564	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463	\$ 169,463		
FY18 Debt Service Savings applied to Capital Reserve					\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009	\$ 121,009		
FY19 Debt Service Savings applied to Capital Reserve					\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645	\$ 31,645		
FY21 Debt Service Savings applied to Capital Reserve					\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781	\$ 400,781		
Adjustments (Transfers Out/Other Revenue In)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Less Transfer to Annual Debt Service:31-680	\$ -	\$ -	\$ -	\$ -	\$ (353,229)	\$ (202,909)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Less Transfer to 70: Capital Reserve CIP Implementation			\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (50,000)	\$ (100,000)	\$ (150,000)	\$ (100,000)	\$ (900,000)	\$ (900,000)	\$ (900,000)	\$ (950,000)	\$ (950,000)	\$ (950,000)	\$ (950,000)	\$ (900,000)	\$ (900,000)	\$ (900,000)	\$ (950,000)	\$ (950,000)	\$ (950,000)</				

FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND DEBT SERVICE

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FY 14-15 BUDGET
ENTERPRISE FUNDS
31: SEWER FUND DEBT SERVICE

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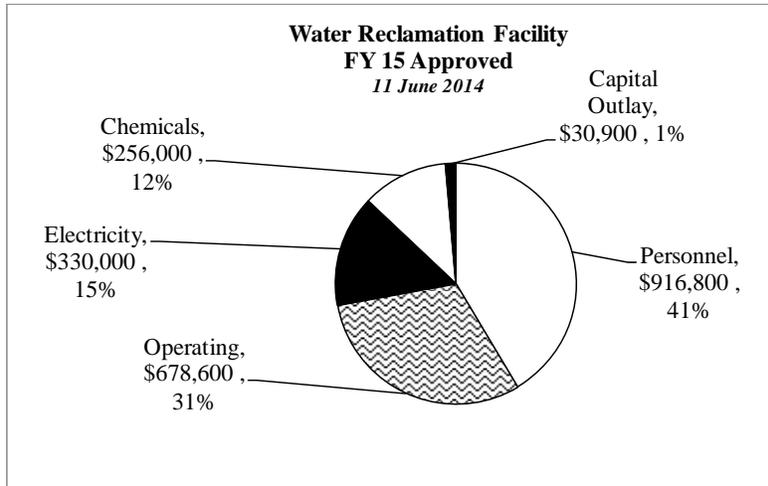
**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-822: SEWER FUND WATER RECLAMATION FACILITY**

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(822: Water Reclamation Facility is on Next Page)

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-822: SEWER FUND WATER RECLAMATION FACILITY**

31-822: WATER RECLAMATION FACILITY SUMMARY							
	Actual 11-12	Actual 12-13	Budget 13-14	Estimated 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel	\$ 802,913	\$ 897,109	\$ 896,400	\$ 872,100	\$ 916,800	\$ 916,800	\$ 916,800
Operating	1,839,377	590,294	741,700	714,470	748,100	678,600	678,600
Electricity	301,525	316,656	286,200	290,000	360,000	330,000	330,000
Chemicals	213,981	226,393	320,100	286,400	290,000	256,000	256,000
Debt Service	708,661	707,498					
Capital Outlay	-	54,391	82,100	109,600	51,500	30,900	30,900
Total Expenditures	\$ 3,866,457	\$ 2,792,340	\$ 2,326,500	\$ 2,272,570	\$ 2,366,400	\$ 2,212,300	\$ 2,212,300



AUTHORIZED POSITIONS					
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM
<i>Special Certified or Sworn Employees (i.e., police officers, firefighters, treatment operators, etc.)</i>					
1	1	Director of HWRF	14	\$42,553	\$63,829
1	1	Chief Plant Operator	12	\$37,309	\$55,959
1	1	Pretreatment Coordinator	10	\$32,645	\$48,969
4	3	Treatment Plant Operator I	5	\$23,190	\$34,656
1	2	Treatment Plant Operator III	7	\$26,650	\$39,973
8	8				
<i>All Other Full Time, both exempt and non-exempt</i>					
1	1	Plant Maintenance Supervisor	10	\$32,645	\$48,969
1	1	Senior Instrumentation Tech	10	\$32,645	\$48,969
1	1	Chemist	9	\$30,509	\$45,765
1	1	Instrumentation Tech	6	\$24,906	\$37,359
4	4	Plant Maintenance Mechanic	6	\$24,906	\$37,359
2	2	Lab Technician	6	\$24,906	\$37,359
1	1	Administrative Secretary	5	\$23,190	\$34,656
1	1	Maintenance Worker III	4	\$21,592	\$32,388
1	1	Maintenance Worker II	3	\$20,179	\$30,270
13	13				

HISTORY OF POSITIONS							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended FY 14-15	Approved FY 14-15
Authorized	23	22	21	21	21	21	21
New Requests	0	0	0	0	0	0	0
Total Funded Positions	21	21	21	21	21	21	21

**FY 14-15 BUDGET
ENTERPRISE FUNDS**

31-822: SEWER FUND WATER RECLAMATION FACILITY

PURPOSE

To provide adequate treatment of wastewater to meet the effluent limits set forth in the City's National Pollutant Discharge Elimination System (NPDES) permit; to provide adequate management and maintenance of the City's pump station facilities (5 major and 8 minor stations) and sludge disposal program; and to make available adequate capacity for continued residential, commercial and industrial growth within Henderson's corporate limits and throughout the service area.

GOALS & OBJECTIVES

- Goal 1:** Operate the HWRF, pump stations, laboratory, SCADA, storm water, odor control and land application of sludge efficiently and maintain compliance with all NPDES, laboratory, land application of sludge and storm water permit limits including the Environmental Protection Agency (EPA)/Division of Water (DWQ) regulations in a cost effective manner.
- Objective 1:** Coordinate with the lab, operations, maintenance and instrumentation staff to make needed adjustments to the plant and other processes to maintain compliance with all regulations. Study the operational parameters of the new plant and train the staff in its operation so the transition from the old to the new plant goes as smooth as possible and the plant stays in compliance with the NPDES limits.
- Goal 2:** Continue to improve and maintain the safety record at the HWRF.
- Objective 2:** Continue plant safety inspections and staff training.
- Goal 3:** Clean and restore the first 500 feet of creek bank at the HWRF.
- Objective 3:** Flood prevention and prevent damage to highway. No longer need to clean the entire creek, just the head-works. New equipment located out of flood plain.
- Goal 4:** Inspect the construction of the new plant daily while keeping the old one in compliance.
- Objective 4:** Coordinate my schedule with McGill's and my staff's schedules. Allocate my time where needed the most.
- Goal 5:** Inspect and assist contractor and McGill Associates in construction of Sandy Creek Pump Station upgrade.
- Objective 5:** Allocate my time to this project while considering the need of the project to upgrade of the plant and my staff's needs.

FY 14 ACCOMPLISHMENTS

- **We had four overflows** at Sandy Creek from I&I rainfall and three NH3-N violations from equipment failure. All were unavoidable circumstance. All other permit and lab parameters were within limits this year.
- **Grants Awarded:** Worked with sewer collection and other departments in completing I & I projects as well as applying for State Revolving Loan Funds for sanitary sewer collection replacement/rehab and at the wastewater treatment plant facility. Able to help obtain SRL and CWMTF grant to upgrade Sandy Creek.
- **Engineering:** Inspected construction at the treatment plant. Recommended change orders, paid bills and filed loans/grants for reimbursements.

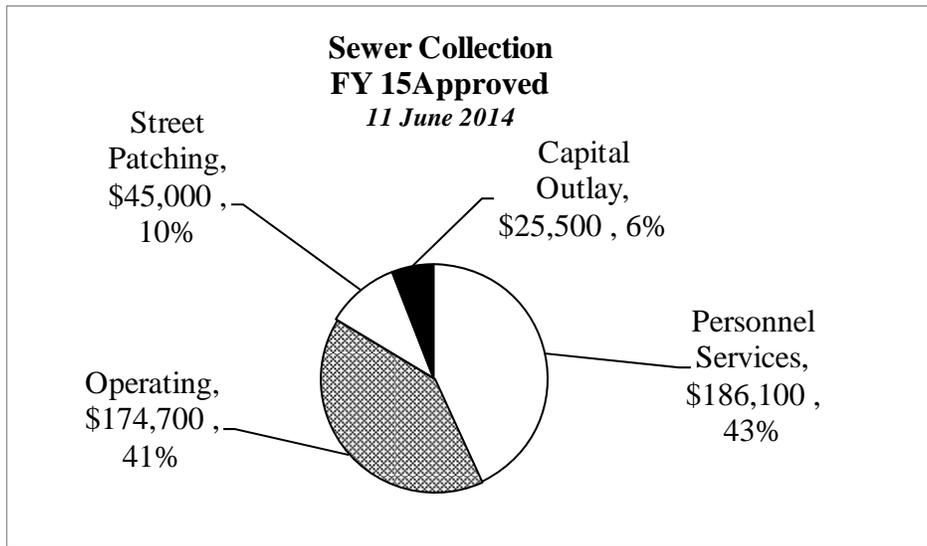
KEY BUDGET ISSUES

- Chemical and electrical costs remain volatile and unpredictable, particularly during this period of reconstruction of the plant.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-828: SEWER FUND COLLECTION**

31-828: SEWER COLLECTION SUMMARY							
	Actual 11-12	Actual 12-13	Budget 13-14	Estimated 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel Services	\$ 137,439	\$ 145,543	\$ 176,900	\$ 179,150	\$ 186,100	\$ 186,100	\$ 186,100
Operating	88,008	105,916	167,930	155,650	176,700	174,700	174,700
Street Patching	23,625	27,755	42,400	50,000	45,000	45,000	45,000
Debt Service	200,360						
Transfers Out	355,761						
Capital Outlay	-	3,000	102,000	102,000	103,500	25,500	25,500
Total Expenditures	\$ 805,193	\$ 282,214	\$ 489,230	\$ 486,800	\$ 511,300	\$ 431,300	\$ 431,300

Note: Prior to FY13, all operations for sewer were paid in water operations and sewer fund share was transferred to water fund, thus making it difficult to track operational expenses. This process was changed to make operational charges directly to the sewer fund.



AUTHORIZED POSITIONS					
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM
2	2	Maintenance Crew Leader	6	\$24,906	\$37,359
1	3	Maintenance Worker III	4	\$21,592	\$32,388
2	0	Maintenance Worker II	3		
5	5				

HISTORY OF POSITIONS							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended FY 14-15	Approved FY 14-15
Authorized Positions	5	5	5	5	5	5	5
New Requests	0	0	0	0	0	0	0
Total Funded Positions	5	5	5	5	5	5	5

PURPOSE

To perform both scheduled and emergency maintenance on more than 150 miles of sanitary sewer lines (both gravity and force mains); to install sewer taps; to provide force account labor for some capital improvement projects to the system; and manage the Sewer Collection and I & I Division.

GOALS & OBJECTIVES

- Goal 1:** Continue to reduce the number of spills/overflows that took place in previous years.
- Objective 1:** To be in compliance with sanitary sewer collections permits and avoid potential fines.
- Goal 2:** Monitor projects performed in Sandy Creek and other basins to reduce I and I.
- Objective 2:** Further reduce infiltration/inflow to maximize capacity within the collection system.

FY 14 ACCOMPLISHMENTS

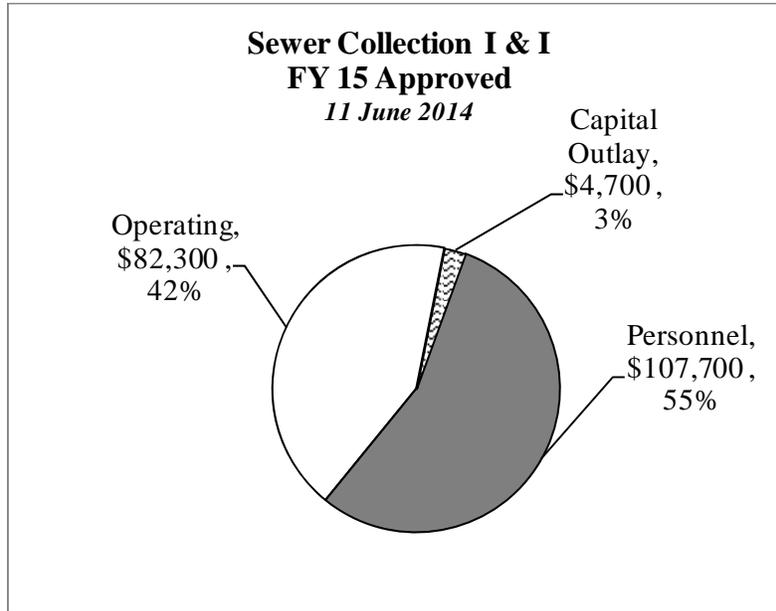
- **Line Rehabilitation.** Successfully completed foam injection to existing sewer mains to eliminate root problems which can cause spills.
- **Right of Way Clearing.** Continued right of way clearing on Sanitary Sewer outfalls.
- **State Report.** Received a good inspection report from the State relative to the operation of the Sanitary Sewer Collection System.
- **Line Cleaning.** Crews have exceeded the 83,000 linear feet that is required by State mandate by cleaning 163,800 linear feet as of January 31, 2014.
- **Sanitary Sewer Rehab Project.** Project was completed and has increased reliability of service in these areas.
- **Elmwood Cemetery Outfall.** Funding for this project was received and the loan was approved by the City Council. Design will begin in the spring with construction next FY.

KEY BUDGET ISSUES

- **Funding Needed** for projects relative to capital improvement projects such as Newton Dairy Road outfall, Hamilton Street sewer rehabilitation, Coble Blvd. manhole rehabilitation, and annual capital equipment and improvements as identified in the Utilities Multi-Year CIP.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
31-829: SEWER FUND I & I OPERATIONS**

31-829: SEWER COLLECTION I & I SUMMARY							
	Actual 11-12	Actual 12-13	Budget 13-14	Estimated 30-Jun-14	Requested 14-15	Recommended 14-15	Approved 14-15
Personnel Services	\$ 108,774	\$ 95,555	\$ 107,700	\$ 108,800	\$ 107,200	\$ 107,200	\$ 107,200
Operating	54,760	44,809	86,300	75,300	87,300	82,300	82,300
Debt Service	1,560	1,057					
Transfers Out	50,000						
Capital Outlay	-	3,100	100,000	100,000	101,700	4,700	4,700
Total Expenditures	\$ 215,094	\$ 144,521	\$ 294,000	\$ 284,100	\$ 296,200	\$ 194,200	\$ 194,200



AUTHORIZED POSITIONS					
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM
1	1	Crew Leader	6	\$24,906	\$37,359
2	2	Maintenance Worker II	3	\$20,179	\$30,270
3	3				

HISTORY OF POSITIONS							
	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Requested FY 14-15	Recommended FY 14-15	Approved FY 14-15
Authorized	3	3	3	3	3	3	3
New Requests	0	0	0	0	0	0	0
Total Funded Positions	3	3	3	3	3	3	3

PURPOSE

To perform scheduled maintenance of sanitary sewer mains relative to the identification and reduction of storm and groundwater inflow/infiltration (I&I) into the sanitary sewer system.

GOALS & OBJECTIVES

Goal 1: Inflow & Infiltration Reduction and Identification.

Objective 1: Continue smoke testing and performing visual inspections of the collection system in order to keep as much rain and storm water flow as possible out of the sanitary sewer system.

Goal 2: Perform repairs identified by smoke testing and visual inspection and other means. Perform day-to-day I&I preventive maintenance as required of this system.

Objective 2: Record and document flow reduction from outside sources. Dedicate 70% of time to use of Jet-Vac, camera truck, sewer rodder, I&I elimination and mapping assistance with engineering. Dedicate 30% of time to manhole inspections and high priority line inspections as required by state law and NCDENR.

FY 14 ACCOMPLISHMENTS

- **I&I Work:** Continued to work toward strengthening the City's efforts in reducing inflow/infiltration (I&I) particularly in the Sandy Creek Basin and therefore minimizing sanitary sewer overflows and bypasses.
- **TV and Visual Monitoring:** Identified various areas with open cleanouts and or discontinued services which contributed to I&I.
- **Fats, Oils & Grease Compliance:** The Sewer Collection I&I Division worked in conjunction with the pretreatment staff of the HWRF in identifying accumulation of grease build-up within the mains and helped to identify potential businesses which may be depositing excessive amounts of fats, oils and grease.
- **Sandy Creek Pump Station:** The upgrade project was awarded by the City Council with construction to start in the Spring of 2014.

KEY BUDGET ISSUES

- **Contract Services:** Includes a minimal amount of funds related to smaller sewer construction repairs that cannot be performed by the city.
- **Funding for key** equipment and additional I&I sewer line work included in the budget.

FY 14-15 BUDGET
ENTERPRISE FUNDS
31-829: SEWER FUND I & I OPERATIONS

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**FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY**

Key Fund Issues

There are several key issues facing the Regional Water Fund that serve to impact not only FY15, but the next several fiscal years as well. A brief summary of these key issues is provided below:

- **Inter-Basin Transfer (IBT) of Water Permit** from the State of North Carolina has proven to be a most protracted and frustrating process. Kerr Lake Regional Water System is the first in the State to go through this process under the new rules promulgated by the State Legislature and its regulatory arm in the Department of Environment and Natural Resources. What was once thought to be an 18-24 month process when the City reinitiated the process in early 2009, continues to be delayed and could now be mid-2016 before the permit is awarded unless other means can be found to expedite the process. \$38,000 is recommended for transfer to 46: CIP Regional Fund for IBT expenses during the new fiscal year.
- **Expansion of Water Plant from 10 MGD to 20 MGD** runs hand-in-hand with the IBT process. Plans were drawn and approved by the State in 2005 and those plans are undergoing periodic review and re-authorizing by the State. Henderson will be responsible for 60% of the debt service for this expansion since it owns 60% of the water plant. Contributions of \$795,000 are recommended for transfer to the Capital Reserve Fund for plant expansion in FY15. This allocation is not as large as planned, \$910,000, but includes \$26,600 recaptured from debt service payments no longer needed in 64: 680 Debt Service.
- **Volatile Operating Costs** continue for basic operating costs for chemicals. The KLRWS Director anticipates an increase of \$29,000 in chemicals. Chemical costs comprise 11% of the Fund's budget.
- **Major Capital Outlay** requests of \$350,000 were pared down to \$74,000. The recommended funds will provide for re-plumbing the hypochlorite bulk tank, \$20,000; triennial clearwell inspections, \$10,000; and \$44,000 for critical concrete repairs and patching. Funding in the amount of \$120,000 for adding another caustic tank and piping has been delayed again. Additionally, the Director had requested \$200,000 for concrete repairs due to wear and chemical leaks throughout the facility and outlying stations.
- **A Water Rate Stabilization and Debt Service Plan** was approved by the Council as part of its FY14 Budget approval process. The Plan must be tweaked this year given the reduced contribution resulting from significantly reduced water sales revenues. The Plan called for \$910,000 to be transferred to 78: 20MGD Reserve in FY15; however, only \$795,000 is recommended for transfer given the reduced water sales revenues. Additionally, in order to accomplish this, there will be no contribution to 78: Regional General Reserve and the contribution to 78: COE Reserve will be reduced from \$9,000 to \$5,000.

FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY

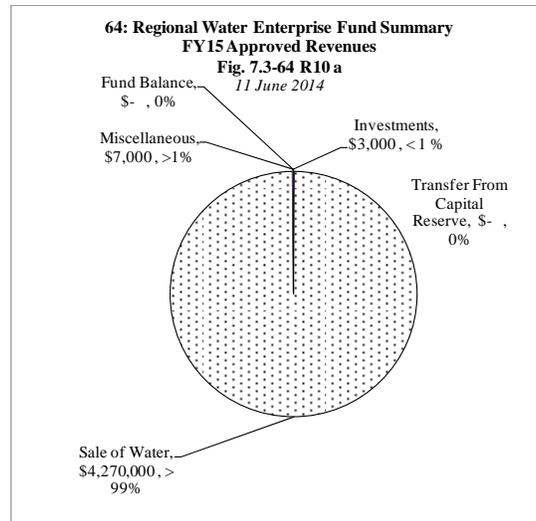
Key Fund Issues (*continued*)

- **Water Sales Are Decreasing** and projections are this trend will continue into FY15. The continuation of an unusually wet spring and summer last year appears to be continuing this year. Additionally, major water customers are installing water conservation devices, thus reducing water usage and thus water sales at Regional. For example, water volume sales, and thus revenues, were down by the following percentage points: FY13, -2.75%; FY14, estimated at -2.67; and FY15 is estimated to be lower by -1.28%. All in all, this amounts to a 6.56% decrease in water volume sales. This translates into reduced revenues for Regional Water operations, capital and capital reserve efforts.
- **Water Sales Revenues Are Decreasing** in relation to the decreased water volume sales mentioned above. This trend was noticed during the last quarter of FY13 and it is continuing into FY14. In FY13, water sales revenues were down by about \$97,000. Based on the trend line, it appears FY14 budgeted revenues will fall short by \$184,000 due to reduced demand for water. The FY15 Budget anticipates a further reduction in sales.
- **A Rate Increase** of 5% is recommended and will generate \$195,000 and will help mitigate the lost revenues from reduced sales. Each 1% generates about \$39,000. Even with the rate increase, total fund revenues will be \$111,000 less than FY14. In all reality, given the capital needs of the system as well as volatile costs for chemicals, the only way to avoid rate increases is to achieve economies of scale by increasing water volume sales.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY**

REGIONAL WATER ENTERPRISE FUND SUMMARY									
Estimated Status as of 1 July 2014									
64 REGIONAL WATER ENTERPRISE FUND			FY12	FY13	FY14		FY15		
			Prior Year	Prior Year	Current Year	Estimated	Dept	Manager	
			Actual	Actual	as amended	30 June 14	Requested	Recommend	
								Council	
								Approved	
Revenues									
Operating	64-640-433-415	Sale of Water	\$ 4,205,273	\$ 4,278,653	\$ 4,395,000	\$ 4,095,000		\$ 4,309,000	\$ 4,270,000
Non-Operating	64-640-444-010	Investment Income	\$ 5,978	\$ 4,138	\$ 3,000	\$ 3,000		\$ 3,000	\$ 3,000
Non-Operating	64-640-436-550	FEMA Reimbursement	\$ 5,250	\$ -	\$ -	\$ -		\$ -	\$ -
Non-Operating	64-640-455-010	Miscellaneous	\$ 9,901	\$ 5,885	\$ 7,000	\$ 9,000		\$ 7,000	\$ 7,000
Non-Operating	64-640-457-000	Sale of Assets	\$ 138	\$ 857	\$ -	\$ -		\$ -	\$ -
Non-Operating	64-640-455-015	Workers Comp Reimbursement	\$ 1,276	\$ -	\$ -	\$ -		\$ -	\$ -
Budgetary Transfers	64-640-461-078	Transfer from: 78 Cap Reserve	\$ 23,078	\$ -	\$ -	\$ -		\$ -	\$ -
Budgetary Transfers	64-980-461-012	Transfer from: 12 Debt Service	\$ 1,150,082	\$ -	\$ -	\$ -		\$ -	\$ -
Budgetary Transfers	64-990-490-999	Fund Balance Appropriation	\$ -	\$ 94,499	\$ 25,000	\$ 125,000		\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Total Revenues			\$ 5,400,976	\$ 4,384,032	\$ 4,430,000	\$ 4,232,000	\$ -	\$ 4,319,000	\$ 4,280,000
Expenditures									
Department	64-660	Non-Departmental	\$ 1,230,405	\$ 2,214,941	\$ 1,247,250	\$ 1,194,570	\$ 1,261,300	\$ 1,233,700	\$ 1,194,700
Department	64-680	Debt Service			\$ 792,100	\$ 792,100	\$ 725,100	\$ 765,500	\$ 765,500
Department	64-900	Regional Water Plant	\$ 4,161,335	\$ 2,169,091	\$ 2,390,650	\$ 2,358,600	\$ 2,595,800	\$ 2,319,800	\$ 2,319,800
			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures			\$ 5,391,740	\$ 4,384,032	\$ 4,430,000	\$ 4,345,270	\$ 4,582,200	\$ 4,319,000	\$ 4,280,000
<i>Variance of Revenues to Expenditures</i>			<i>\$ 9,236</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ (113,270)</i>	<i>\$ (263,200)</i>	<i>\$ -</i>	<i>\$ -</i>
Fund Balance Information									
			as 30 June 13	\$ 1,032,798					
			Appropriated forward to FY14	\$ (25,000)					
			as of 1 July 13	\$ 1,007,798	\$ 1,007,798				
			Appropriated during FY14		\$ -				
			Estimated Growth During FY14		\$ -				
			Estimated at 30 June 14		\$ 1,007,798				
			Appropriated forward to FY15		\$ -				
			as 1 July 14		\$ 1,007,798		\$ 1,007,798		
			Estimated Growth During FY15						
			Estimated at 30 June 15				\$ 1,007,798		

Last Updated: 12 June 2014. rg



The Regional Water Enterprise Fund provides the resourcing for the Kerr Lake Regional Water System. This System was formed in the late 1960s and began water production in the early 1970s. Henderson is the majority owner (60%) and coordinates with its partners, The City of Oxford and County of Warren, (each 20%), to provide potable water to their combined 55,000+ customers.

99% of revenues are derived from the sale of water to the Regional Partners. Detailed information on the expenditure departments of Non-Departmental and Water Plant may be found in the following pages.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY**

REGIONAL WATER ENTERPRISE FUND TOTAL EXPENDITURE SUMMARY						
Estimated Status as of 1 July 2014						
64 REGIONAL WATER ENTERPRISE FUND BUDGET BY EXPENDITURE CATEGORY	FY12	FY13	FY14	FY15		
	Prior Year Actual	Prior Year Actual	Current Year as amended	Dept. Requested	Manager Recommend	Council Approved
Personnel	\$ 539,512	\$ 607,490	\$ 685,900	\$ 688,400	\$ 689,800	\$ 689,800
Operations	711,689	1,051,418	671,000	710,700	732,700	732,700
Utilities	375,954	379,415	421,000	421,000	421,000	421,000
Chemicals	390,123	452,039	440,000	469,000	469,000	469,000
Debt Service	2,363,570	1,157,175	792,100	725,100	781,500	781,500
Transfers to Capital & Reserve Funds	709,580	707,000	863,000	863,000	816,000	777,000
Equipment Capital	6,402	-	10,000	-	-	-
Major Capital	-	50,850	212,000	350,000	74,000	74,000
Cost Allocation	294,910	325,000	305,000	305,000	305,000	305,000
Contingency	-	-	30,000	50,000	30,000	30,000
Total Expenditures	\$ 5,391,740	\$ 4,730,387	\$ 4,430,000	\$ 4,582,200	\$ 4,319,000	\$ 4,280,000

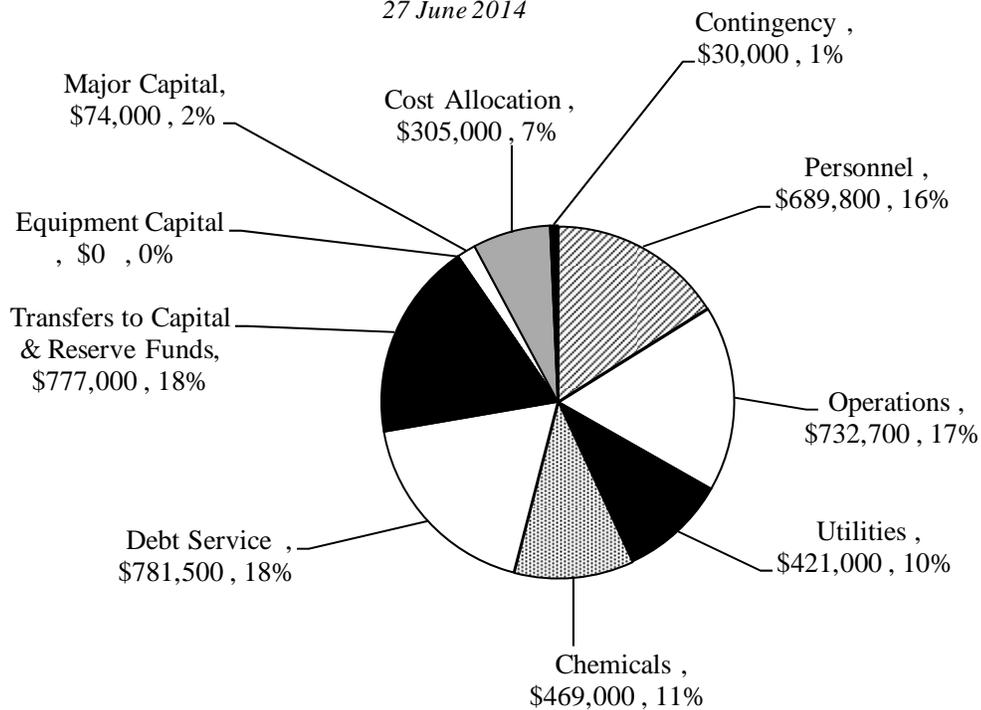
Last Updated: 12 June 2014, rg

Regional Water Fund Major Expenditure Centers

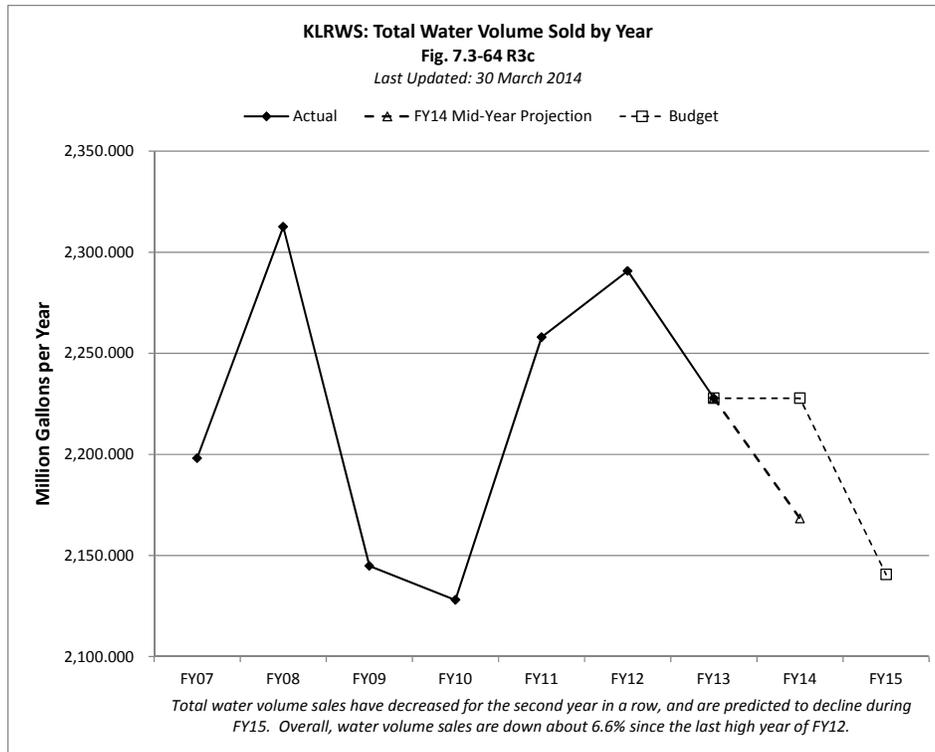
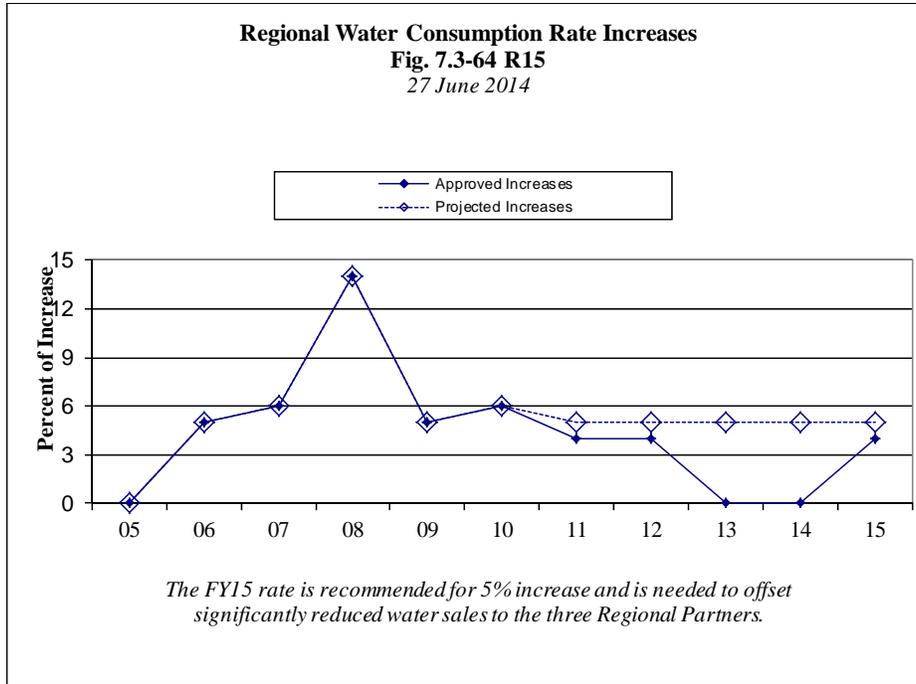
FY15 Approved

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27 June 2014

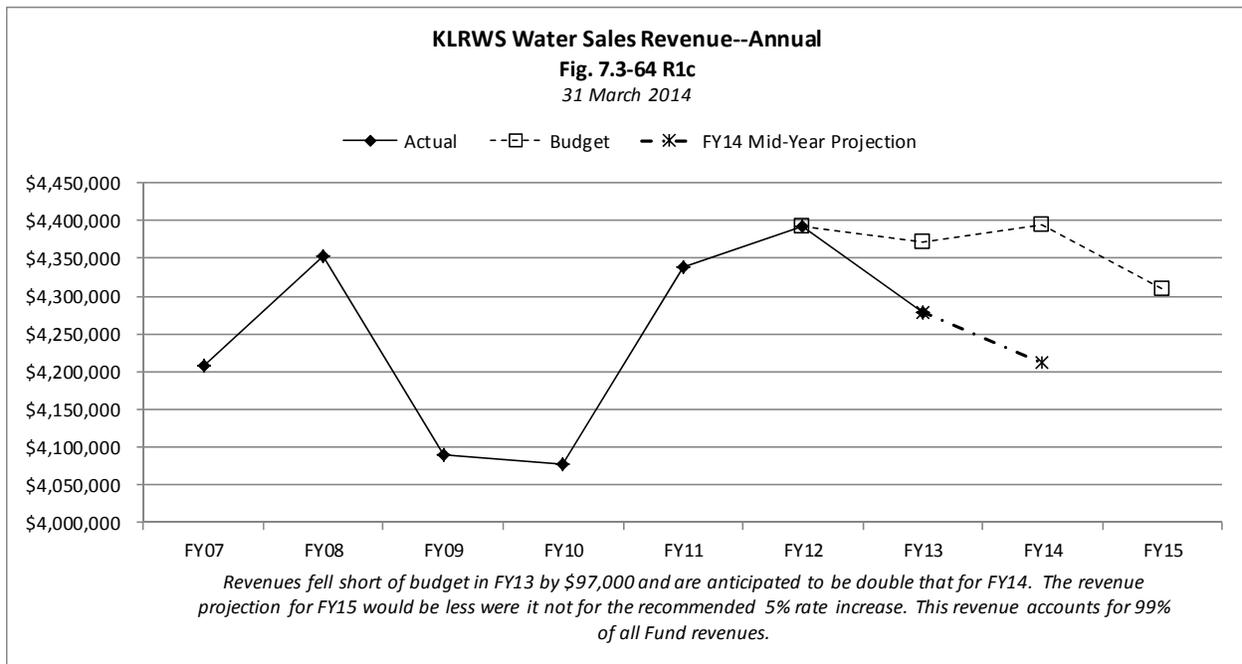
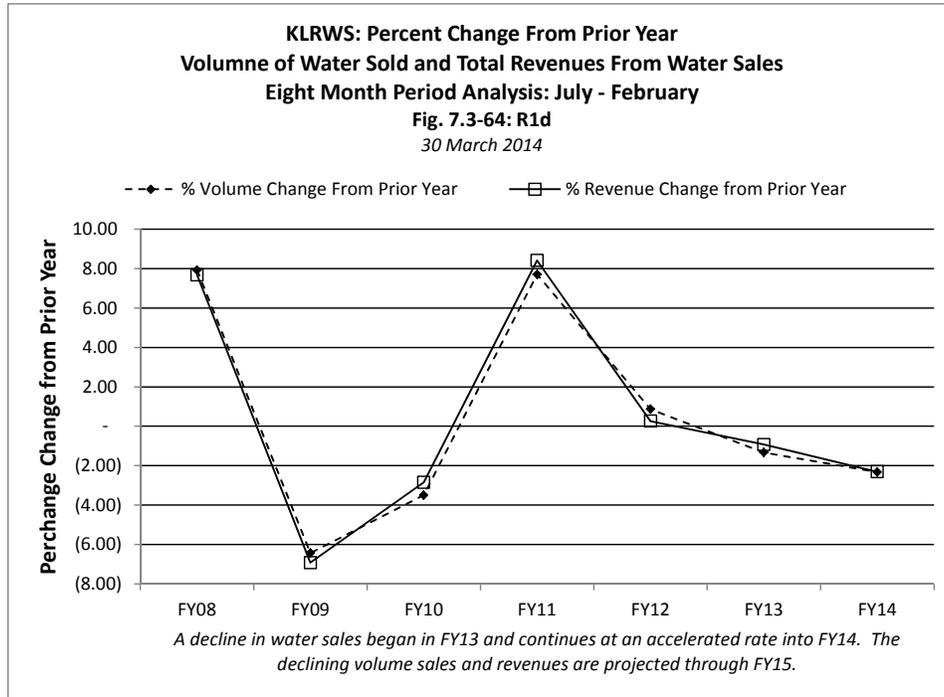


Key Regional Water Fund Financial Metrics
Key Revenue Sources



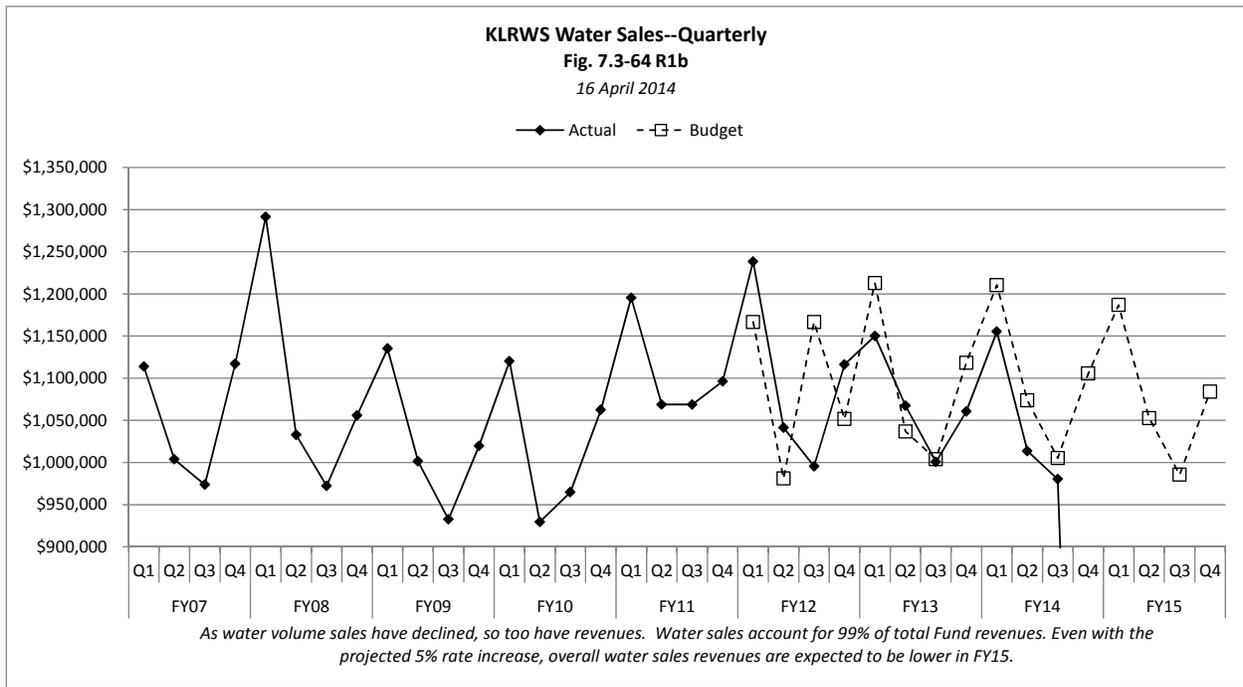
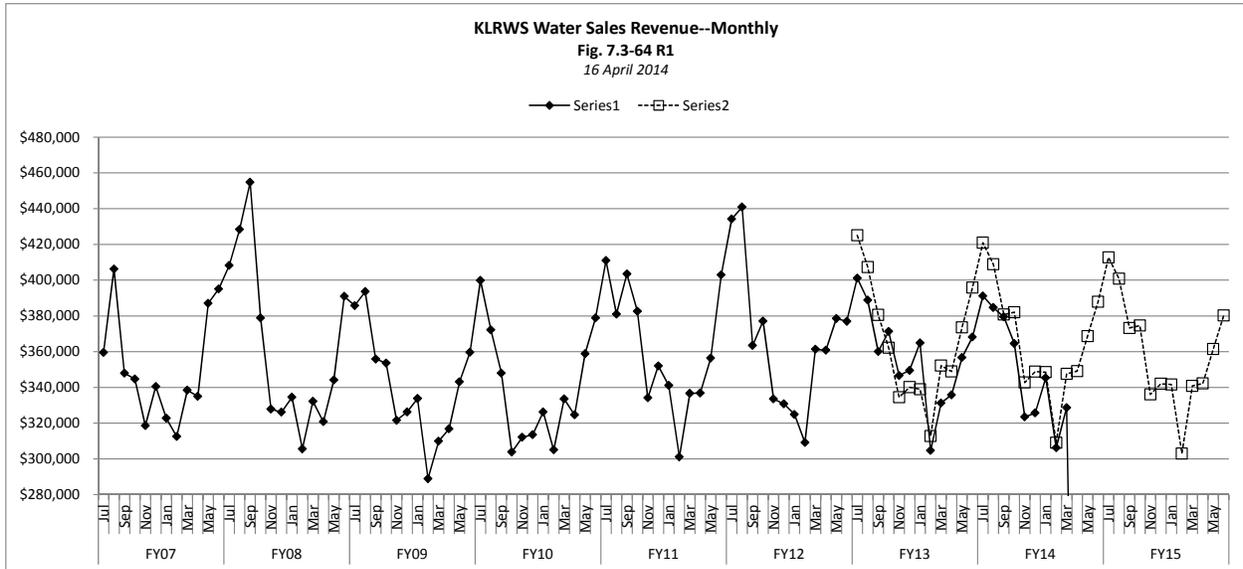
**FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY**

**Key Regional Water Fund Financial Metrics (continued)
Key Revenue Sources**



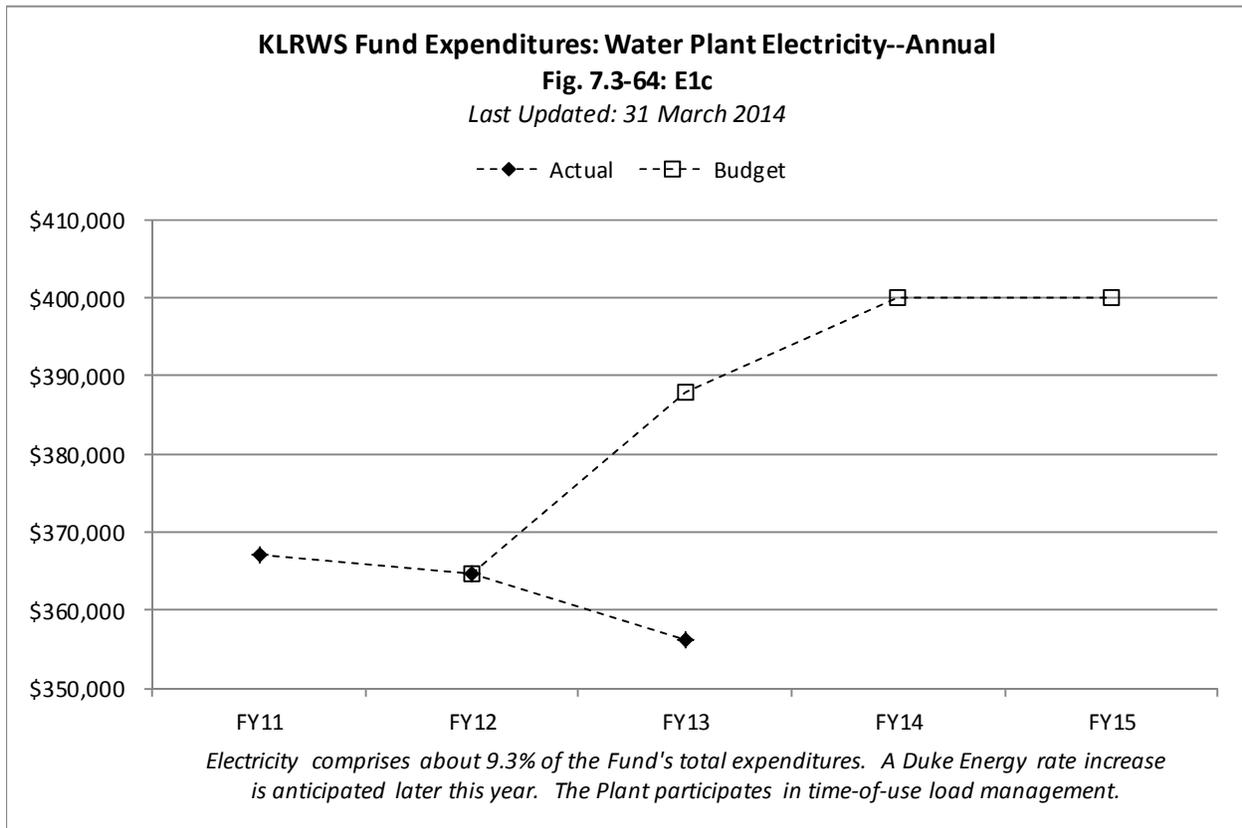
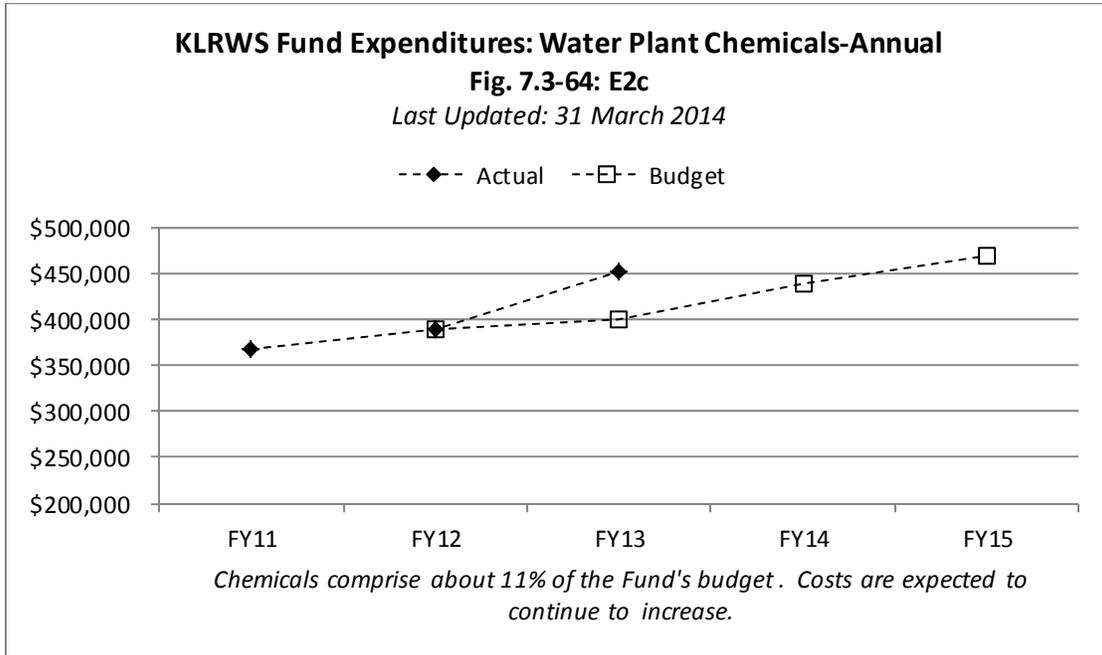
**FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY**

Key Regional Water Fund Financial Metrics (continued)
Key Revenue Sources

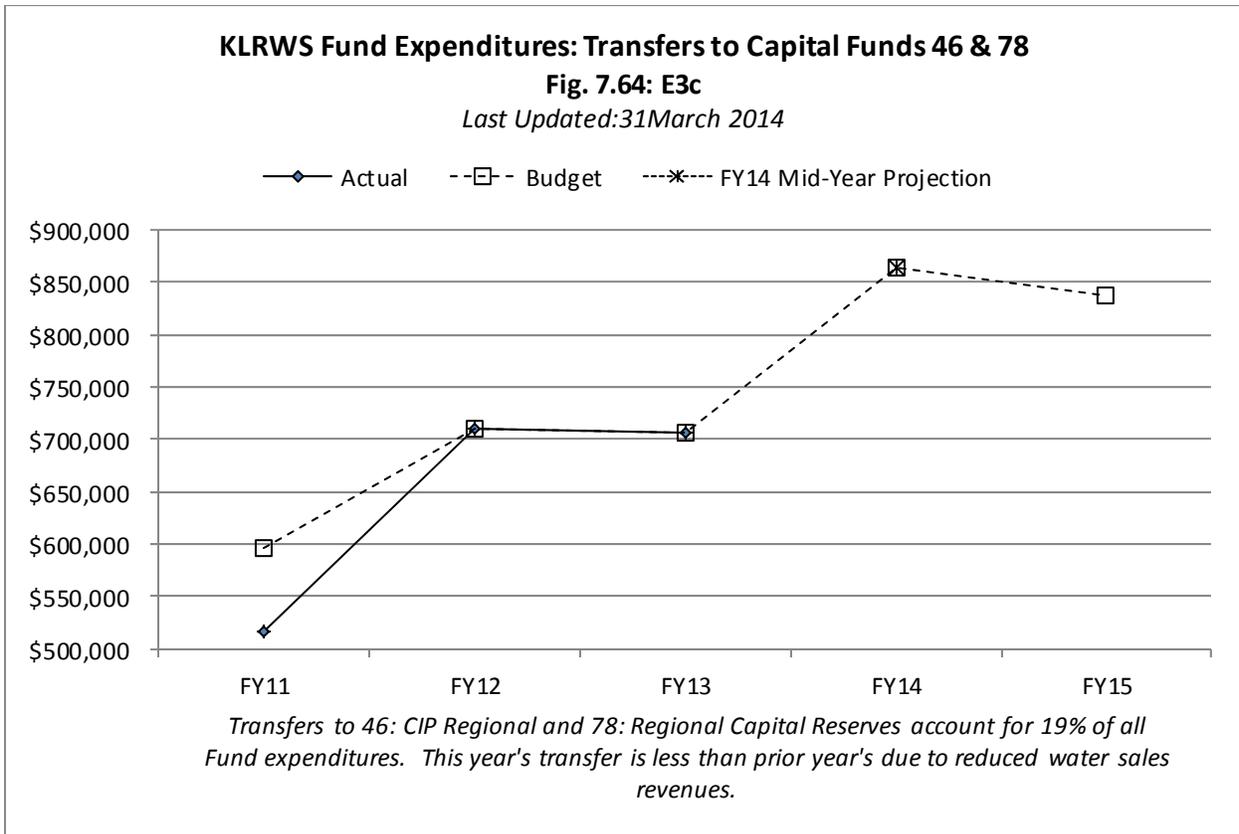
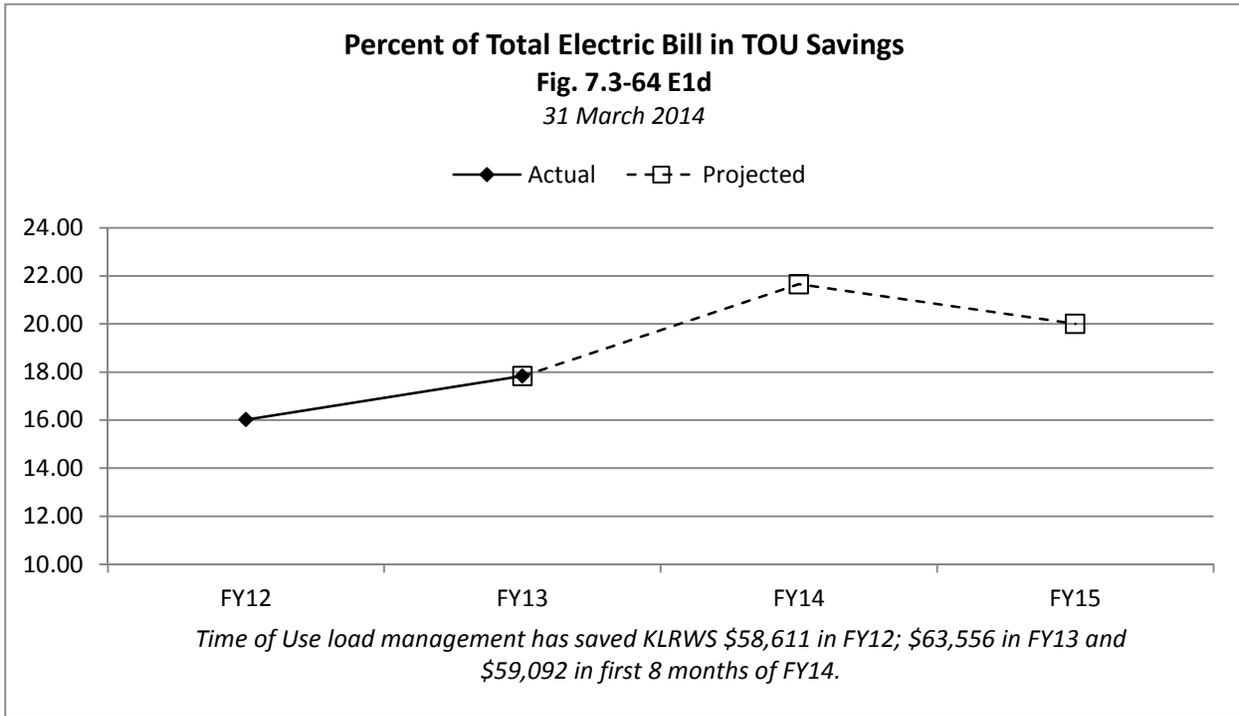


FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY

Key Regional Water Fund Financial Metrics *(continued)*
Key Expenditure Areas

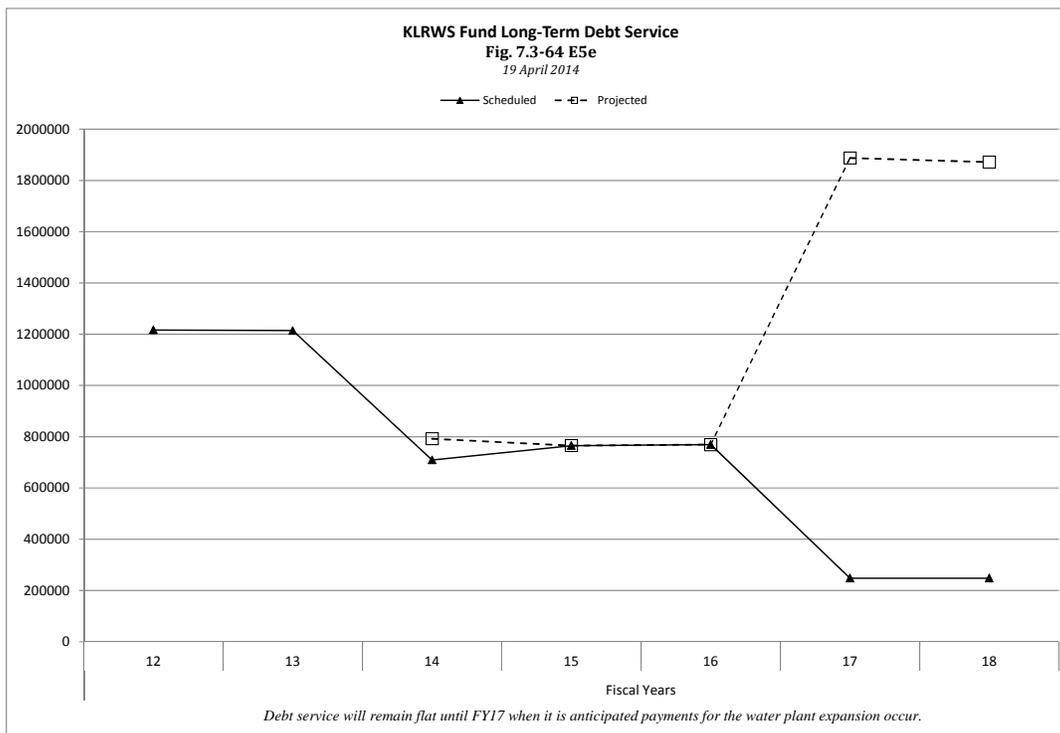
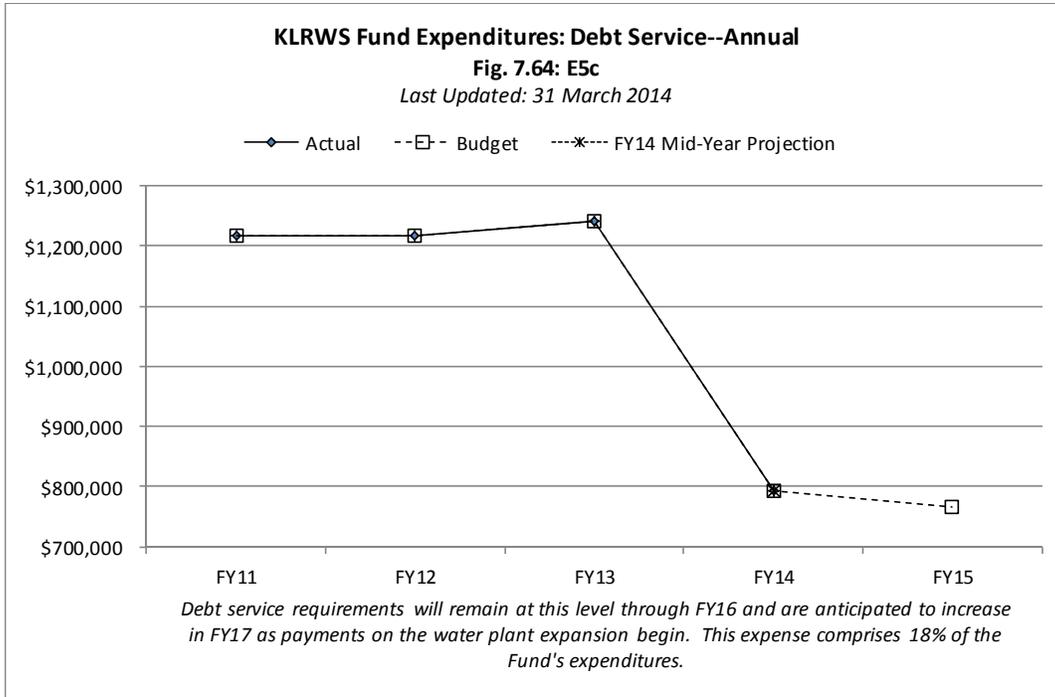


**FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY**

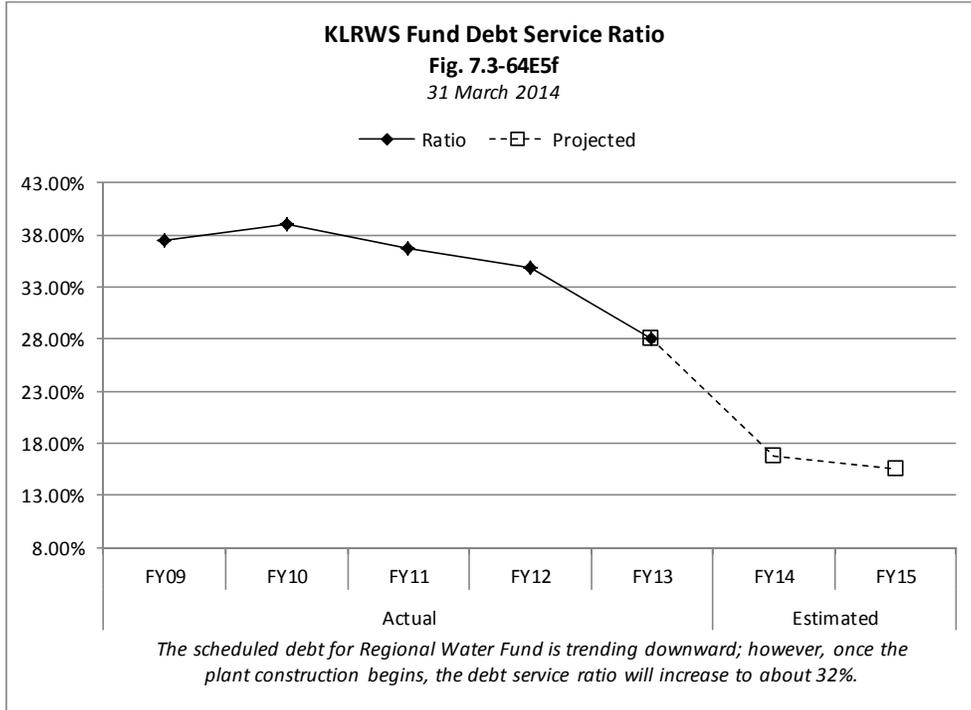


FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER FUND SUMMARY

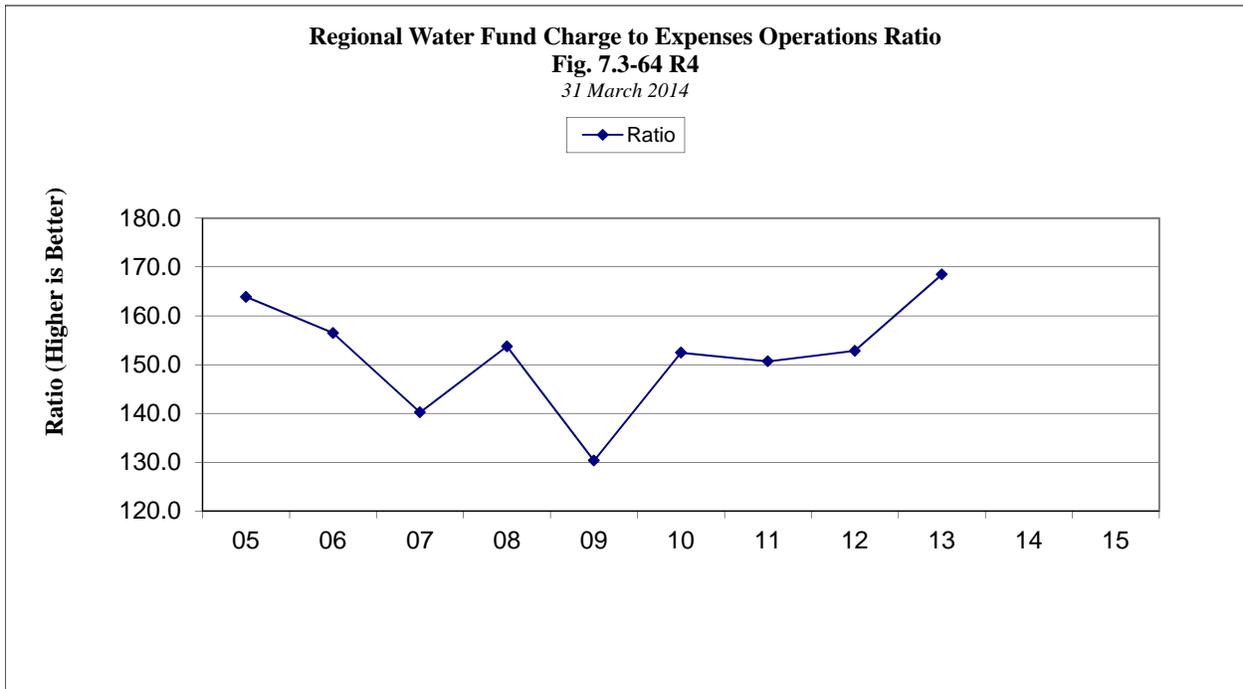
Key Regional Water Fund Financial Metrics *(continued)*
Key Expenditure Areas



Key Regional Water Fund Financial Metrics (continued)
Key Ratios

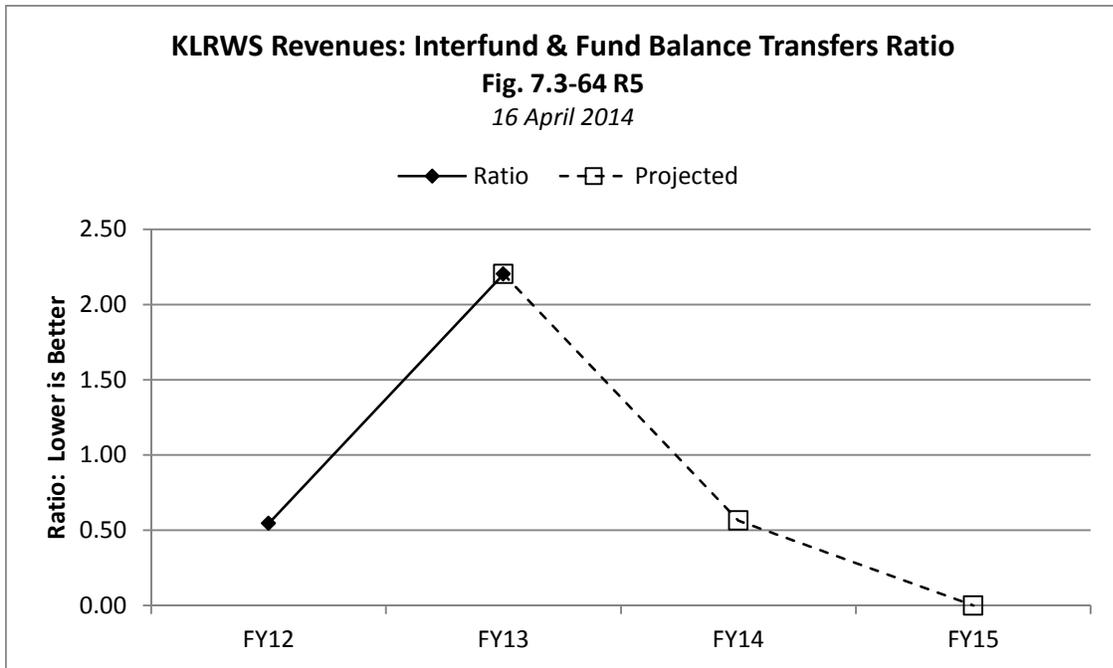


**FY 14-15 BUDGET
 ENTERPRISE FUNDS
 64: REGIONAL WATER FUND SUMMARY**



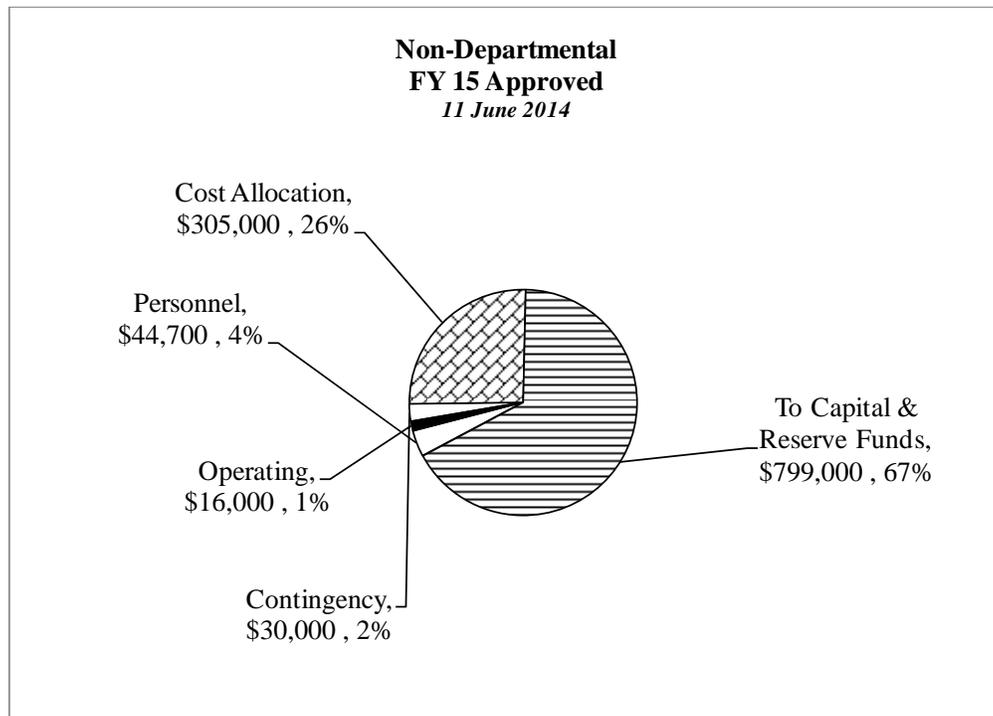
Key Regional Water Fund Financial Metrics (continued)

Key Ratios



**FY 14-15 BUDGET
ENTERPRISE FUNDS
64-660: REGIONAL WATER FUND NON-DEPARTMENTAL**

64-660: NON-DEPARTMENTAL SUMMARY							
	Actual	Actual	Budget	Estimated	Requested	Recommended	Approved
<i>30 March 2014, rg</i>	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Personnel	\$ 35,070	\$ 23,722	\$ 42,470	\$ 26,570	\$ 43,300	\$ 44,700	\$ 44,700
Operating	-	-	6,780	-	-	16,000	16,000
Debt Service	133,437	1,273,993					
Contingency	-	-	30,000	-	50,000	30,000	30,000
Cost Allocation	-	305,000	305,000	305,000	305,000	\$ 305,000	305,000
To Capital & Reserves	-	713,100	863,000	863,000	863,000	838,000	799,000
Total Expenditures	\$ 168,507	\$ 2,315,815	\$ 1,247,250	\$ 1,194,570	\$ 1,261,300	\$ 1,233,700	\$ 1,194,700



The Non-Departmental Budget group provides for a better accounting for inter-fund transfers and other expenditures that should not be located in an operating budget group. No personnel are assigned to the Non-Departmental budget group; however, some personnel related expenditures such as retiree health insurance and the fund's share of the recommended pay and classification study are accounted for in this budget department.

The largest expenditure center for the non-departmental budget is the inter-fund transfer. A major change in FY14 is that debt service will be maintained within the Fund:64-680, and not transferred to a debt service fund. The transfer provides for "sending" money from the Regional Water Fund to capital reserve funds and general and water funds for cost allocations.

**FY 14-15 BUDGET
ENTERPRISE FUNDS
64-680: REGIONAL WATER DEBT SERVICE**

64-680: DEBT SERVICE SUMMARY							
<i>Last Updated: 28 March 14, rg</i>	Actual	Actual	Budget	Estimated	Requested	Recommended	Approved
	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Long-Term Debt Service P&I			\$ 792,100	\$ 792,100	\$ 725,100	\$ 765,500	\$ 765,000
Lease Purchase Debt Service P&I			-	-	-	-	-
Total Expenditures	\$ -	\$ -	\$ 792,100	\$ 792,100	\$ 725,100	\$ 765,500	\$ 765,000

The Debt Service budget department was established as part of the FY14 Budget process. The variance between the debt schedule and the presentation number is due to rounding-up. The matrix presented below is for currently authorized debt service and does not include the proposal for the 20MGD water plant expansion project. The 20MGD project's impact on debt service is discussed later in this presentation in the Rate Stabilization Plan section.

Debt service comprises approximately 18% of total fund budget.

64: Regional Water Fund Debt Service Schedule										
<i>Last Updated: 28 March 14, rg</i>										
64: Regional Water Fund		Actual		Scheduled					Six Year Total	
State Revolving Loan	P/I	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	By P & I	By Total
High Speed Pump: 20 years at Zero % interest. Initial project \$1,129,000 with annual principal payments of \$56,450. (Res 12-59 and Ord 12-48). Payments begin FY15 and end FY33. Outstanding principal: \$1,129,000.	P	\$ -	\$ -	\$ 56,450	\$ 56,450	\$ 56,450	\$ 56,450	\$ 56,450	\$ 282,250	\$ 282,250
	I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Certificates of Participation										
Regional Water Loop Line/Filter Upgrade: 3.04% interest (weighted avg.); issued 8/12/03 (13 year) semi-annual payments ending FY 2015-2016. Outstanding Principal \$1,473,000.	P	\$ 898,500	\$ 474,500	\$ 489,500	\$ 509,000	\$ -	\$ -	\$ -	\$ 1,473,000	\$ 1,556,034
	I	\$ 67,536	\$ 43,061	\$ 27,837	\$ 12,136	\$ -	\$ -	\$ -	\$ 83,034	
Regional Water Raw Water Facilities Phase I: 3.74% interest; issued 02/26/04 (15 year) semi-annual payments ending FY 2018-2019. Outstanding Principal \$1,021,502.	P	\$ 149,243	\$ 154,877	\$ 160,723	\$ 166,791	\$ 173,087	\$ 179,622	\$ 186,402	\$ 1,021,502	\$ 1,149,882
	I	\$ 42,403	\$ 36,770	\$ 30,923	\$ 24,856	\$ 18,560	\$ 12,026	\$ 5,245	\$ 128,380	
Lease Purchase										
Generator: 3.96% interest, issued 3 Dec 04, 8 year annual payments ending FY13. Outstanding Principal & Interest = \$0.00.		\$ 56,438	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Long Term Principal:		\$ 1,047,743	\$ 629,377	\$ 706,673	\$ 732,241	\$ 229,537	\$ 236,072	\$ 242,852	\$ 2,533,900	
Long Term Interest:		\$ 109,939	\$ 79,831	\$ 58,760	\$ 36,992	\$ 18,560	\$ 12,026	\$ 5,245	\$ 206,169	\$ 2,740,069
Total Long Term Debt Service:		\$ 1,157,682	\$ 709,208	\$ 765,433	\$ 769,233	\$ 248,097	\$ 248,098	\$ 248,097	\$ 2,740,069	
Total Lease Purchase (P & I) Debt Service:		\$ 56,438	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Fund Debt Service:		\$ 1,214,120	\$ 709,208	\$ 765,433	\$ 769,233	\$ 248,097	\$ 248,098	\$ 248,097	\$ 2,740,069	\$ 2,740,069

**FY 14-15 BUDGET
ENTERPRISE FUNDS
64-680: REGIONAL WATER DEBT SERVICE**

PURPOSE

The purpose of the debt service budget department is: 1) to provide for the payment of the Fund's long-term and short-term debt interest and principal; and 2) to provide long-term information and understanding as to the Fund's debt service requirements and how that might impact utility rates as well as day-to-day operations.

FY 15 KEY BUDGET ISSUES

- **Scheduled Debt Service is Increasing** by \$56,225 due to the high speed pump coming on-line for payment in FY15 rather than FY14.
- **Rate Stabilization Plan Development** is critical to being able to finance a 20-year debt instrument for the construction of the 20MGD plant expansion project. The estimated cost for the project is \$24M, with anticipated debt issue in FY16 with the first of twenty payments being due in FY17. Reaffirmation of this Plan is recommended as part of the FY15 Budget Adoption.

The reduced contribution to be made from Regional Water to 78: 20MGD Reserve is now recommended to be \$795,000 rather than the planned \$910,000. This \$115,000 shortfall will have impacts on the long-term debt management plan for the project. Increasing rates to compensate for this during FY15 is not feasible given the recommended 5% rate increase needed to cover operating expenses.

The plan of action to recover from this planned contribution is thus:

1. FY15 contribution of \$910,000 to the 78: 20MGD Reserve is reduced by \$115,000, thus making the contribution \$795,000;
2. FY16 contribution will require a rate increase of 2% in order to increase the base contribution of \$795,000 by \$78,000, thus making the reserve contribution \$873,000;
3. FY17 contribution will require a rate increase of 1% in order to round out the planned contribution of \$910,000. *(Please refer to the 20MGD Expansion Project Rate Stabilization Plan/Debt Service Planning Schedule following this page.)*

The Rate Stabilization/Debt Service Plan will be updated after Council decides on the FY 15 Budget.

FY 14-15 BUDGET
ENTERPRISE FUNDS
64-680: REGIONAL WATER DEBT SERVICE

The Rate Stabilization Plan Matrix and assumptions are presented on the following page.

FY 14-15 BUDGET
ENTERPRISE FUNDS
64: REGIONAL WATER DEBT SERVICE BUDGET

20 MGD Expansion Project Rate Stabilization Plan																				
Debt Service Planning																				
Last Updated: 21 April 2013, rg																				
64: Regional Debt Service Budget	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	BY-1 FY17	BY-2 FY18	BY-3 FY19	BY-4 FY20	BY-5 FY 21	BY-6 FY22	BY-7 FY23	BY-8 FY24	BY-9 FY25	BY-10 FY26	BY-11 FY27
Expenditures	Actual FY08 - FY16									Projected FY17 - FY35										
64: Regional Fund Debt Service Requirement	\$ 1,213,933	\$ 1,216,810	\$ 1,217,385	\$ 1,217,691	\$ 1,216,705	\$ 1,240,476	\$ 792,014	\$ 791,789	\$ 795,589	\$ 1,887,630	\$ 1,871,630	\$ 1,871,630	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983
Revenues																				
Appropriation from 64: Regional (See Note 1)	\$ 1,213,933	\$ 1,216,810	\$ 1,217,385	\$ 1,217,691	\$ 1,216,705	\$ 1,240,476	\$ 792,014	\$ 791,789	\$ 795,589	\$ 1,431,136	\$ 1,431,136	\$ 1,431,136	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783
Transfer from 78-922 20 MGD Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 456,494	\$ 440,494	\$ 440,494	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200
Total Revenues for Debt Service	\$ 1,213,933	\$ 1,216,810	\$ 1,217,385	\$ 1,217,691	\$ 1,216,705	\$ 1,240,476	\$ 792,014	\$ 791,789	\$ 795,589	\$ 1,887,630	\$ 1,871,630	\$ 1,871,630	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983
Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Schedule	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	BY-1 FY17	BY-2 FY18	BY-3 FY19	BY-4 FY20	BY-5 FY 21	BY-6 FY22	BY-7 FY23	BY-8 FY24	BY-9 FY25	BY-10 FY26	BY-11 FY27
Scheduled Debt Service	\$ 1,213,933	\$ 1,216,810	\$ 1,217,385	\$ 1,217,691	\$ 1,216,705	\$ 1,240,476	\$ 792,014	\$ 791,789	\$ 795,589	\$ 274,453	\$ 258,453	\$ 258,453	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806
20 MGD Debt Service--Projected	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177
Total Debt Service	\$ 1,213,933	\$ 1,216,810	\$ 1,217,385	\$ 1,217,691	\$ 1,216,705	\$ 1,240,476	\$ 792,014	\$ 791,789	\$ 795,589	\$ 1,887,630	\$ 1,871,630	\$ 1,871,630	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983
Financing Schedule	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	BY-1 FY17	BY-2 FY18	BY-3 FY19	BY-4 FY20	BY-5 FY 21	BY-6 FY22	BY-7 FY23	BY-8 FY24	BY-9 FY25	BY-10 FY26	BY-11 FY27
Transfer from 64: Regional to 78-922	\$ 104,530	\$ 262,340	\$ 315,340	\$ 236,250	\$ 502,080	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000
FY14 Debt Service Savings Applied to 78-922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
FY17 Debt Service Savings applied to debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136
FY20 Debt Service Savings applied to debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647
FY35 Debt Service Savings applied to debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 104,530	\$ 262,340	\$ 315,340	\$ 236,250	\$ 502,080	\$ 610,000	\$ 610,000	\$ 910,000	\$ 910,000	\$ 1,431,136	\$ 1,431,136	\$ 1,431,136	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783
Capital Reserve Development & Utilization	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	BY-1 FY17	BY-2 FY18	BY-3 FY19	BY-4 FY20	BY-5 FY 21	BY-6 FY22	BY-7 FY23	BY-8 FY24	BY-9 FY25	BY-10 FY26	BY-11 FY27
20MGD Reserve 78-922	\$ -	\$ 107,125	\$ 372,787	\$ 647,672	\$ 883,922	\$ 1,386,000	\$ 1,996,000	\$ 2,496,000	\$ 3,406,000	\$ 4,316,000	\$ 3,859,506	\$ 3,419,012	\$ 2,978,518	\$ 2,921,318	\$ 2,864,118	\$ 2,806,918	\$ 2,749,718	\$ 2,692,518	\$ 2,635,318	\$ 2,578,118
Contributions to Reserve From Prior Rate Increases	\$ 104,530	\$ 262,340	\$ 315,340	\$ 236,250	\$ 502,080	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY14 Debt Service Savings Applied to 78-922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments (Transfers Out/Other Revenue In)	\$ 2,595	\$ 3,322	\$ (40,455)	\$ -	\$ (2)	\$ -	\$ (110,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Transfer to Annual Debt Service: 64-680	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (456,494)	\$ (440,494)	\$ (440,494)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)
20MGD Reserve Balance at 30 June	\$ 107,125	\$ 372,787	\$ 647,672	\$ 883,922	\$ 1,386,000	\$ 1,996,000	\$ 2,496,000	\$ 3,406,000	\$ 4,316,000	\$ 3,859,506	\$ 3,419,012	\$ 2,978,518	\$ 2,921,318	\$ 2,864,118	\$ 2,806,918	\$ 2,749,718	\$ 2,692,518	\$ 2,635,318	\$ 2,578,118	\$ 2,520,918
64: Regional Debt Service Budget	BY-12 FY28	BY-13 FY29	BY-14 FY30	BY-15 FY31	BY-16 FY32	BY-17 FY33	BY-18 FY34	BY-19 FY35	BY-20 FY36	Notes and Assumptions:										
Expenditures										<p>1 -- FY = Fiscal Year; BY = Bond Year of the 20 MGD Project</p> <p>2 -- It is assumed a \$24M financing package will be necessary to fund the plant expansion. The package is based on a 20 year payback with one annual payment at 3% interest. The estimated debt service on these assumptions is \$1,613,177. See <i>Debt Service Schedule Section</i>.</p> <p>3 -- The capital reserve for the 20MGD began in FY08. See Capital Reserve Development & Utilization Section. Additional rate increases to finance development of the Capital Reserve is not necessary beginning with FY14.</p> <p>4 -- The annual debt service for the 20MGD project can now be funded with the following funding strategy: 1) Converting the annual appropriation to 78: Capital Reserve 20MGD to annual debt service payment; 2) Capturing and reprogramming debt service payments no longer needed to debt retirement and using same to help pay 20MGD debt service; and 3) transfers from 78: Capital Reserve 20MGD to 64: Regional Fund for purpose of 'rounding out' the debt service payment. See <i>Financing Schedule Section</i>.</p> <p>5 -- The cost estimates presented in this analysis are subject to change based on actual costs of construction of the project, the cost for financing the project and assuming the scope of the project does not change from current plans.</p>										
64: Regional Fund Debt Service Requirement	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,679,983	\$ 1,613,177	\$ 1,613,177											
Revenues																				
Appropriation from 64: Regional (See Note 1)	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,622,783	\$ 1,689,589	\$ 1,689,589											
Transfer from 78-922 20 MGD Reserve	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ 57,200	\$ (76,412)	\$ (76,412)											
Total Revenues for Debt Service	\$ 1,679,983	\$ 1,613,177	\$ 1,613,177																	
Variance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -											
Debt Service Schedule	BY-12 FY28	BY-13 FY29	BY-14 FY30	BY-15 FY31	BY-16 FY32	BY-17 FY33	BY-18 FY34	BY-19 FY35	BY-20 FY36											
Scheduled Debt Service	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ 66,806	\$ -	\$ -											
20 MGD Debt Service--Projected	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177	\$ 1,613,177											
Total Debt Service	\$ 1,679,983	\$ 1,613,177	\$ 1,613,177																	
Financing Schedule	BY-12 FY28	BY-13 FY29	BY-14 FY30	BY-15 FY31	BY-16 FY32	BY-17 FY33	BY-18 FY34	BY-19 FY35	BY-20 FY36											
Transfer from 64: Regional to 78-922	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000	\$ 610,000											
FY14 Debt Service Savings Applied to 78-922	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000											
FY17 Debt Service Savings applied to debt service	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136	\$ 521,136											
FY20 Debt Service Savings applied to debt service	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647	\$ 191,647											
FY35 Debt Service Savings applied to debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66,806											
Total	\$ 1,622,783	\$ 1,689,589	\$ 1,689,589																	
Capital Reserve Development & Utilization	BY-12 FY28	BY-13 FY29	BY-14 FY30	BY-15 FY31	BY-16 FY32	BY-17 FY33	BY-18 FY34	BY-19 FY35	BY-20 FY36											
20MGD Reserve 78-922	\$ 2,520,918	\$ 2,463,718	\$ 2,406,518	\$ 2,349,318	\$ 2,292,118	\$ 2,234,918	\$ 2,177,718	\$ 2,120,518	\$ 2,120,518											
Contributions to Reserve From Prior Rate Increases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -											
FY14 Debt Service Savings Applied to 78-922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -											
Adjustments (Transfers Out/Other Revenue In)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -											
Less Transfer to Annual Debt Service: 64-680	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ (57,200)	\$ -											
20MGD Reserve Balance at 30 June	\$ 2,463,718	\$ 2,406,518	\$ 2,349,318	\$ 2,292,118	\$ 2,234,918	\$ 2,177,718	\$ 2,120,518	\$ 2,120,518	\$ 2,120,518											

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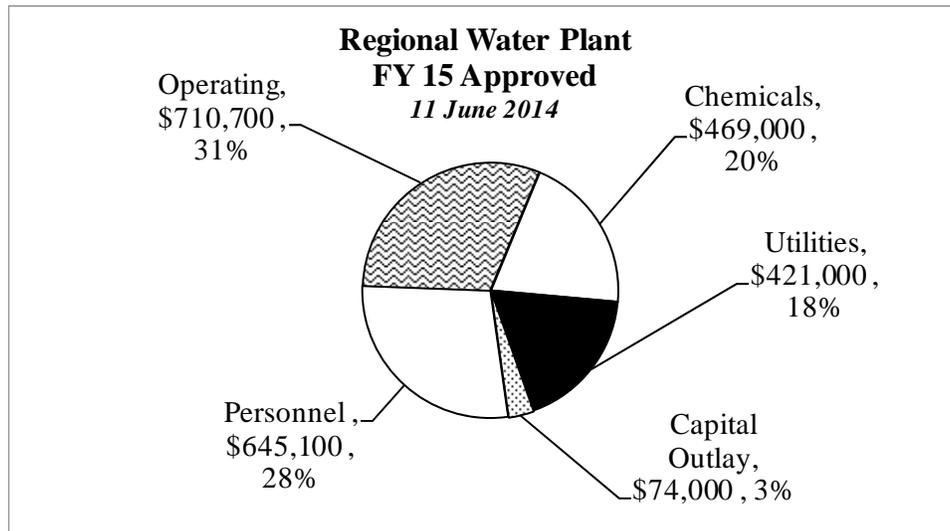
**FY 14-15 BUDGET
ENTERPRISE FUNDS
64-900: REGIONAL WATER FUND WATER PLANT**

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(900: Regional Water Plant is on Next Page)

**FY 14-15 BUDGET
ENTERPRISE FUNDS
64-900: REGIONAL WATER FUND WATER PLANT**

64-900: REGIONAL WATER PLANT SUMMARY							
	Actual	Actual	Budget	Estimated	Requested	Recommended	Approved
<i>3 April 2014 psp</i>	11-12	12-13	13-14	30-Jun-14	14-15	14-15	14-15
Personnel Services	\$ 502,412	\$ 577,606	\$ 639,000	\$ 624,200	\$ 640,100	\$ 645,100	\$ 645,100
Operating	2,217,496	1,053,726	668,650	651,400	711,700	710,700	710,700
Chemicals	390,123	452,039	440,000	440,000	469,000	469,000	469,000
Utilities	373,954	379,415	421,000	421,000	421,000	421,000	421,000
Debt Service	1,150,004	-	-	-			
Capital Outlay	6,403	52,659	222,000	222,000	354,000	74,000	74,000
Total Expenditures	\$4,640,392	\$ 2,515,446	\$2,390,650	\$2,358,600	\$ 2,595,800	\$ 2,319,800	\$ 2,319,800



AUTHORIZED POSITIONS					
FY 13-14	FY 14-15	CLASSIFICATION	GRADE	MINIMUM	MAXIMUM
1	1	Director	14	\$42,553	\$63,829
1	1	Chief Operator	12	\$37,309	\$55,959
1	1	Chemist	9	\$30,509	\$45,765
1	1	Plant Mechanic	6	\$24,906	\$37,359
1	1	Maintenance Worker II	3	\$20,179	\$30,270
0	0	Plant Operator II	6	\$24,906	\$37,359
2	2	Plant Operator III	7	\$26,650	\$39,973
4	4	Plant Operator IV	8	\$28,514	\$42,772
1	1	Secretary	5	\$23,190	\$34,656
1	1	Plant Operator I	5	\$23,190	\$34,656
13	13				

HISTORY OF POSITIONS							
	FY	FY	FY	FY	Requested	Recommended	Approved
	10-11	11-12	12-13	13-14	FY	FY	FY
					14-15	14-15	14-15
Authorized Positions	12	12	12	13	13	13	13
New Requests	0	0	1	0	0	0	0
Total Funded Positions	12	12	13	13	13	13	13

**FY 14-15 BUDGET
ENTERPRISE FUNDS
64-900: REGIONAL WATER FUND WATER PLANT**

PURPOSE

To provide safe and aesthetically pleasing water to the cities of Henderson, Oxford and the County of Warren's, approximate 55,000 + customers, by continuously meeting all state and federal regulations.

GOALS & OBJECTIVES

- Goal 1:** Continue with Duke Energy Time-of-Use Program.
Objective 1: The high service pumps at the plant are operated during off-peak times as established by the Time-of-Use Program. KLRWS is looking at further ways to reduce power cost.
- Goal 2:** Meet and exceed EPA regulations.
Objective 2: Meet all state and federal regulations throughout the year thus providing high quality water to all customers.
- Goal 3:** Continue advancement of IBT project.
Objective 3: Meet future growth projections and demands of the regional water partners and customers.
- Goal 4:** Reinstate the efforts to advance the 20MGD upgrade.
Objective 4: Meet future growth projections and demands of the regional water partners and customers.
- Goal 5:** Devise a consumer education plan.
Objective 5: Meet state mandates and keep the public informed and educated about conservation and water regulations.

FY 14 ACCOMPLISHMENTS

- Saved approximately \$62,785 on the electric bill by participating in the Time-of-Use Program.
- Continuously provided a supply of safe, clean drinking water to all customers of KLRWS.
- Met or exceeded regulations as they were promulgated and became law.
- IBT process is well underway and anticipation of completion is expected in 2016 at the earliest.
- KLRWS is continuing to work with water distribution in a flushing program to help the partners in assuring the best water quality, which has led to substantial improvements in the TTHM levels for the KLRWS, as well as its customers.
- CIP was updated by McGill Engineering.
- Received 2013 NC Rural Water Award for Best Tasting Water in NC

FY 15 KEY BUDGET ISSUES

- Continued reduction in water sales to Partners, thus resulting in significantly less revenues for operations, capital improvements and capital reserves.
- Continued funding relative to 20MGD expansion of the KLRWS.
- Chemical costs and fuel remain volatile and unstable which will lead to higher costs during the year.
- Capital Improvements in this year's budget include various concrete and pipe rehabilitation and the addition of a caustic storage tank. These two projects are consistent with the Utilities Multi-Year Capital Improvements Plan.

FY 14-15 BUDGET
ENTERPRISE FUNDS
64-900: REGIONAL WATER FUND WATER PLANT

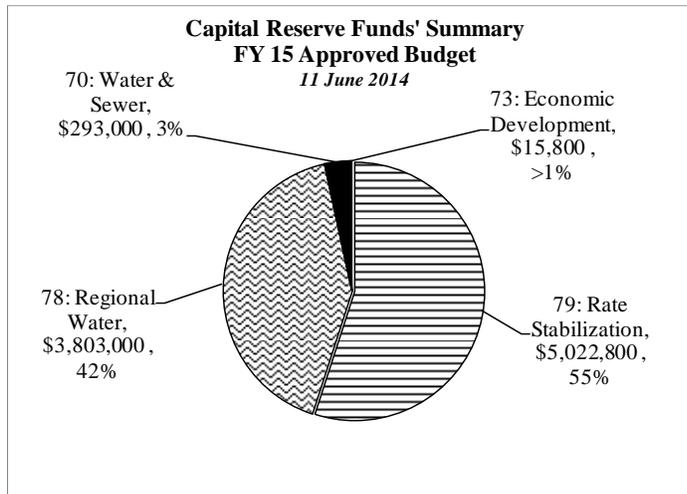
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**FY 14-15 BUDGET
CAPITAL RESERVE FUNDS
ALL FUNDS SUMMARY**

All Funds' Summary

CAPITAL RESERVE FUNDS' SUMMARY							
Estimated Status as of 1 July 2014							
ALL FUNDS		FY12	FY13	FY14		FY15	
		Prior Year	Prior Year	Current Year	Estimated	Manager	Council
Revenues		Actual	Actual	as amended	30 June 14	Recommended	Approved
70	Capital Reserve Utilities Fund	\$ 646,010	\$ 556,187	\$ 209,400	\$ 209,400	\$ 293,000	\$ 293,000
72	Capital Reserve General Fund	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ -
73	Capital Reserve Economic Development Fund	\$ 8,400	\$ 18,400	\$ 15,300	\$ 15,300	\$ 15,800	\$ 15,800
78	Capital Reserve Regional Water Fund	\$ 1,570,564	\$ 669,508	\$ 3,042,700	\$ 3,042,653	\$ 3,842,000	\$ 3,803,000
79	Capital Reserve Rate Stabilization Fund	\$ 1,063,939	\$ 404,272	\$ 3,625,700	\$ 3,584,500	\$ 5,036,400	\$ 5,022,800
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues		\$ 3,288,922	\$ 1,648,367	\$ 6,893,100	\$ 6,851,853	\$ 9,187,200	\$ 9,134,600
Expenditures							
70	Capital Reserve Utilities Fund	\$ 646,010	\$ 515,780	\$ 209,400	\$ 40,138	\$ 293,000	\$ 293,000
72	Capital Reserve General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
73	Capital Reserve Economic Development Fund	\$ -	\$ 350	\$ 15,350	\$ 2,222	\$ 15,800	\$ 15,800
78	Capital Reserve Regional Water Fund	\$ 23,000	\$ -	\$ 3,042,700	\$ 3,042,653	\$ 3,842,000	\$ 3,803,000
79	Capital Reserve Rate Stabilization Fund	\$ -	\$ 103,360	\$ 3,625,700	\$ -	\$ 5,036,400	\$ 5,022,800
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 669,010	\$ 619,490	\$ 6,893,150	\$ 3,085,013	\$ 9,187,200	\$ 9,134,600
<i>Variance of Revenues to Expenditures</i>		<i>\$ 2,619,912</i>	<i>\$ 1,028,877</i>	<i>\$ (50)</i>	<i>\$ 3,766,840</i>	<i>\$ -</i>	<i>\$ -</i>

Last Updated: 12 June 2014, rg



The Capital Reserve Funds are considered to be part of the annual fiscal budget and operate on a fiscal year basis. The All Funds Summary, shown above, reveals the FY15 Recommended Budget is \$9,187,853 in total capital reserve allocations. More detailed information on each capital reserve fund may be found in the following pages.

Utilizing capital reserve funds help the City prepare for major capital outlay in a way that mitigates utility rate spikes and/or requires an all-debt issue.

Additionally, capital reserves such as 70: Capital Reserve Utilities Fund provides funding for unforeseen emergencies.

**FY 14-15 BUDGET
CAPITAL RESERVE FUNDS
ALL FUNDS SUMMARY**

70: Capital Reserve Utilities Fund

70: CAPITAL RESERVE UTILITIES FUND										
Estimated Status as of 1 July 2014										
70	CAPITAL RESERVE UTILITIES FUND			FY12	FY13	FY14		FY15		
	Revenues	Code	Line Item	Prior Year Actual	Prior Year Actual	Current Year as amended	Estimated 30 June 14	Dept. Requested	Manager Recommended	Council Approved
	Revenues	70-700-433-445	Capacity Usage Fee	\$ 24,930	\$ 1,140					
		70-700-444-010	Investments	\$ 1,736	\$ 170					
		70-700-491-000	Fund Balance Appropriated	\$ 397,804	-					
		70-700-461-030	Trans from 30: Water Fund	\$ 48,740	-					
		70-700-461-031	Trans from 31: Sewer Fund	\$ 172,800	-					
			700: Other	\$ 646,010	\$ 1,310					
	801: Water Reserve									
		70-801-444-010	Investments	-	\$ -	\$ -	\$ -	\$ 100	\$ 100	\$ 100
		70-801-461-030	Trans from 30: Water Fund	-	\$ 44,600	\$ 44,600	\$ 44,600	\$ 50,100	\$ 50,100	\$ 50,100
		70-801-461-043	Trans from 43: CIP Water	-	\$ 53,367	\$ -	\$ -	\$ -	\$ -	\$ -
		70-801-491-000	Fund Balance Appropriated	-	\$ -	\$ 11,000	\$ 11,000	\$ 55,600	\$ 55,600	\$ 55,600
			801: Total	-	\$ 97,967	\$ 55,600	\$ 55,600	\$ 105,800	\$ 105,800	\$ 105,800
	851: Sewer Reserve									
		70-851-444-010	Investments	-	\$ -	\$ 45	\$ 45	\$ 56	\$ 56	\$ 56
	Sewer CR	70-851-461-031	Trans from 31: Sewer Fund	-	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800	\$ 77,800
	Revenues	70-700-491-000	Fund Balance Appropriated	-	\$ -	\$ 75,955	\$ 75,955	\$ 109,344	\$ 109,344	\$ 109,344
	Sewer CR	70-700-461-044	Trans From 44: CIP Sewer	-	\$ 379,110	\$ -	\$ -	\$ -	\$ -	\$ -
			851: Total	-	\$ 456,910	\$ 153,800	\$ 153,800	\$ 187,200	\$ 187,200	\$ 187,200
			Total Revenues	\$ 646,010	\$ 556,187	\$ 209,400	\$ 209,400	\$ 293,000	\$ 293,000	\$ 293,000
	Expenditures									
	Water CR	70-801-509-850	Water Reserve	\$ -	\$ -	\$ 55,600	\$ -	\$ 105,800	\$ 105,800	\$ 105,800
		70-801-561-043	Transfer to: 43 CIP Water	\$ -	\$ 47,500	\$ -	\$ -	\$ -	\$ -	\$ -
			801: Total	\$ -	\$ 47,500	\$ 55,600	\$ -	\$ 105,800	\$ 105,800	\$ 105,800
	Sewer CR	70-851-509-850	Sewer Reserve	\$ -	\$ -	\$ 117,800	\$ 4,138	\$ 187,200	\$ 187,200	\$ 187,200
		70-851-561-044	Transfer to: 44 CIP Sewer	\$ -	\$ 68,280	\$ 36,000	\$ 36,000	\$ -	\$ -	\$ -
			851: Total	\$ -	\$ 68,280	\$ 153,800	\$ 40,138	\$ 187,200	\$ 187,200	\$ 187,200
	CR Utilities	70-865-509-707	To 43: CIP Water	\$ 120,000						
	CR Utilities	70-865-509-708	to Water/Sewer Planning	\$ -						
	CR Utilities	70-865-509-800	To Fund Balance	\$ -						
	CR Utilities	70-865-566-001	To 44: CIP Sewer	\$ 17,900						
			865: Total	\$ 137,900						
	NonDept	70-660-561-044	To 44: CIP Sewer	\$ 395,310	\$ 400,000					
	NonDept	70-660-561-079	To 79: CR Rate Stabilization	\$ 112,800	\$ -					
			660: Total	\$ 508,110	\$ 400,000					
			Total Expenditures	\$ 646,010	\$ 515,780	\$ 209,400	\$ 40,138	\$ 293,000	\$ 293,000	\$ 293,000
			<i>Variance of Revenues to Expenditures</i>	\$ -	\$ 40,407	\$ -	\$ 169,262	\$ -	\$ -	\$ -
	Fund Balance Information									
			as 30 June 13		\$ 86,232					
			Appropriated forward to FY14		\$ 50,595					
			as of 1 July 13		\$ 35,637	\$ 35,637				
			Appropriated during FY			\$ (39,955)				
			Estimated Growth During FY			\$ 169,262				
			Estimated at 30 June 14			\$ 164,944				
			Appropriated forward to FY15			\$ (164,944)				
			Estimated as 1 July 14			\$ -		\$ -		
			Estimated Growth During FY 15					\$ 293,000		
			Estimated at 30 June 15					\$ 293,000		

12 June 2014, rg

70: Capital Reserve Utilities Fund

The basic purpose of the Capital Reserve Utilities Fund is to accumulate revenues and hold them in reserve for future expansion and/or construction of the water distribution and sewer collection systems improvements and related improvements. The City's original Capital Reserve Funds were established in 1970 for the purpose of reserving revenue to construct or assist in the financing of major improvements to the City's utility system or to purchase major capital equipment for other operating departments/divisions. During the intervening years, the fund has served the purpose for which it was intended by providing resources for construction of major water and sewer projects at the Council's discretion following specific authorization.

In FY13, the fund was restructured to provide for separate accounting of water and sewer revenues to be held in reserve for future water and sewer projects. Prior to FY13, the funds had been comingled.

The revenue sources for this fund are the inter-fund transfers from the parent funds—30: Water and 31: Sewer, investments and periodic transfers of project reversions from the capital projects funds 43: Water and 44: Sewer. In short, the primary revenue source is from the water and sewer user rates.

A tremendous amount of work has been funded from this fund during the past several years, including the Perry Avenue water line replacement, Shirley Drive water line replacement and partial funding for the local share of expenses for the Henderson Water Reclamation Facility renovation project. As a result of the focus on these major utility projects, the fund's undesignated fund balance has been drawn down from \$443,629 as of 1 July 2011 to \$50,955 in the Spring of 2013. The Recommended Budget provides for small allocations into the fund from both Water and Sewer funds. The FY15 Budget estimates the fund growing to \$293,000 by 30 June 2015. While this is a far cry from what is needed to address the City's water and sewer capital needs, it is good, incremental progress in rebuilding the Fund's reserves.

**FY 14-15 BUDGET
CAPITAL RESERVE FUNDS
ALL FUNDS SUMMARY**

72: Capital Reserve General Fund

72: CAPITAL RESERVE GENERAL FUND SUMMARY										
Estimated Status as of 1 July 2014										
72	CAPITAL RESERVE GENERAL FUND			FY12	FY13	FY14		FY15		
				Prior Year Actual	Prior Year Actual	Current Year as amended	Estimated 30 June 14	Dept. Requested	Manager Recommended	Council Approved
Revenues										
	Revenues	72-722-444-010	Investments	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			Total Revenues	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures										
		72-875-509-800	Capital Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			<i>Variance of Revenues to Expenditures</i>	\$ 9		\$ -	\$ -		\$ -	\$ -
Fund Balance Information										
			as 30 June 13		\$ 56,421					
			Appropriated forward to FY14		\$ -					
			as of 1 July 13		\$ 56,421	\$ 56,421				
			Appropriated during FY14			\$ -				
			Estimated Growth During FY14			\$ 9				
			Estimated at 30 June 14			\$ 56,430				
			Appropriated forward to FY15			\$ -				
			as 1 July 14			\$ 56,430			\$ 56,430	
			Estimated Growth During FY15						\$ -	
			Estimated at 30 June 15						\$ 56,430	

19 April 2014, rg

The Capital Reserve General Fund accumulates revenues and holds them in reserve for future large capital equipment purchases, such as fire trucks, sanitation vehicles, etc. and for the purchase and/or construction of facilities normally funded through General Fund resources, including infrastructure components, such as streets, sidewalks, storm drainage systems, public buildings, etc.

This fund has been inactive for several years and no activity is planned for FY15. A small fund balance of \$56,430 exists and is recommended to remain in the fund to keep it open.

**FY 14-15 BUDGET
CAPITAL RESERVE FUNDS
ALL FUNDS SUMMARY**

73: Capital Reserve Economic Development Fund

73: CAPITAL RESERVE ECONOMIC DEVELOPMENT FUND SUMMARY									
Estimated Status as of 1 July 2014									
73 CAPITAL RESERVE ECONOMIC DEVELOPMENT FUND			FY12	FY13	FY14		FY15		
Revenues	Code	Line Item	Prior Year Actual	Prior Year Actual	Current Year as amended	Estimated 30 June 14	Dept. Requested	Manager Recommended	Council Approved
Revenues	73-980-461-010	Transfer from 10: General Fund	\$ 8,400	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
	73-990-491-000	Fund Balance Appropriated	\$ -	\$ 8,400	\$ 15,300	\$ 15,300	\$ 15,800	\$ 15,800	\$ 15,800
Total Revenues			\$ 8,400	\$ 18,400	\$ 15,300	\$ 15,300	\$ 15,800	\$ 15,800	\$ 15,800
Expenditures									
Non-Departmental	73-660-509-850	Capital Reserve	\$ -	\$ -	\$ 13,050	\$ -	\$ 15,800	\$ 15,800	\$ 15,800
	73-660-509-851	Economic Incentives -Thermo King	\$ -	\$ -	\$ 2,300	\$ 2,222	\$ -	\$ -	\$ -
	73-660-509-852	Economic Incentives -Appliance	\$ -	\$ 350	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures			\$ -	\$ 350	\$ 15,350	\$ 2,222	\$ 15,800	\$ 15,800	\$ 15,800
<i>Variance of Revenues to Expenditures</i>			<i>\$ 8,400</i>	<i>\$ 18,050</i>	<i>\$ (50)</i>	<i>\$ 13,078</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
Fund Balance Information									
as 30 June 13				\$ 18,050					
Appropriated forward to FY14				\$ (15,300)					
as of 1 July 13				\$ 2,750	\$ 2,750				
Appropriated during FY14					\$ -				
Estimated Growth During FY14					\$ 13,078				
Estimated at 30 June 14					\$ 15,828				
Appropriated forward to FY15					\$ (15,800)				
as 1 July 14					\$ 28			\$ 28	
Estimated Growth During FY15								\$ 15,800	
Estimated at 30 June 15								\$ 15,828	

This fund was established in FY12 as a means to ‘house’ funding for future economic development incentive grant matches, such as funding from the Rural Center. Funding is provided via inter-fund transfer from the General Fund’s general revenues. The budget is divided into two main expenditure categories: capital reserve for future allocation by City Council and economic incentives allocated by Council for specific projects. All funds not utilized roll over into the fund balance.

The estimated undesignated fund balance for 30 June 2014 is \$15,800. Since no transfers from General Fund are budgeted for FY15, no growth is expected in the Fund.

**FY 14-15 BUDGET
CAPITAL RESERVE FUNDS
ALL FUNDS SUMMARY**

78: Capital Reserve Regional Water Fund

78: CAPITAL RESERVE REGIONAL WATER FUND SUMMARY										
Estimated Status as of 1 July 2014										
78	CAPITAL RESERVE REGIONAL WATER FUND			FY12	FY13	FY14		FY15		
	<i>see Ord 12-24</i>					Current Year	Estimated	Dept.	Manager	Council
	Revenues			Actual	Actual	as amended	30 June 14	Requested	Recommended	Approved
Corps of Engineers	78-911-461-064	Transfer from Regional Fund 64	\$ -	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 5,000	\$ 5,000
Corps of Engineers	78-911-461-075	Transfer from RR COE Fund 75	\$ 36,378							
Corps of Engineers	78-911-444-010	Investment Income	\$ 13	\$ 9	\$ 5	\$ 5	\$ -	\$ -	\$ -	\$ -
Corps of Engineers	78-911-491-000	Fund Balance Appropriation	\$ -	\$ -	\$ 45,395	\$ 45,400	\$ 54,405	\$ 54,405	\$ 54,000	\$ 54,000
		78-911: Total	\$ 36,391	\$ 9,009	\$ 54,400	\$ 54,405	\$ 63,405	\$ 59,000	\$ 59,000	\$ 59,000
20 MGD	78-922-461-064	Transfer from Regional Fund 64	\$ -	\$ 610,000	\$ 766,000	\$ 766,000	\$ 833,000	\$ 795,000	\$ 756,000	
20 MGD	78-922-461-075	Transfer from RR 20 MGD 76 Fund	\$ 1,386,002							
20 MGD	78-922-444-010	Investment Income	\$ 504	\$ 460	\$ 494	\$ 494	\$ -	\$ -	\$ -	\$ -
20 MGD	78-922-491-000	Fund Balance Appropriation	\$ -	\$ -	\$ 1,997,006	\$ 1,996,966	\$ 2,763,460	\$ 2,763,000	\$ 2,763,000	\$ 2,763,000
		78-922: Total	\$ 1,386,506	\$ 610,460	\$ 2,763,500	\$ 2,763,460	\$ 3,596,460	\$ 3,558,000	\$ 3,519,000	\$ 3,519,000
Regional CR	78-865-461-064	Transfer from Regional Fund 64	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -
Regional CR	78-865-461-075	Transfer from Regional Reserve 77 Fund	\$ 147,613							
Regional CR	78-865-444-010	Investment Income	\$ 54	\$ 39	\$ 82	\$ 82	\$ -	\$ -	\$ -	\$ -
Regional CR	78-865-491-000	Fund Balance Appropriation	\$ -	\$ -	\$ 174,718	\$ 174,706	\$ 224,788	\$ 225,000	\$ 225,000	\$ 225,000
		78-865: Total	\$ 147,667	\$ 50,039	\$ 224,800	\$ 224,788	\$ 274,788	\$ 225,000	\$ 225,000	\$ 225,000
		Total Revenues	\$ 1,570,564	\$ 669,508	\$ 3,042,700	\$ 3,042,653	\$ 3,934,653	\$ 3,842,000	\$ 3,803,000	\$ 3,803,000
	Expenditures									
Corps of Engineers	78-911-509-850	Corp of Engineers Reserve	\$ -	\$ -	\$ 54,400	\$ 54,405	\$ 63,405	\$ 59,000	\$ 59,000	\$ 59,000
20 MGD	78-922-509-850	20 MGD Reserve	\$ -	\$ -	\$ 2,763,500	\$ 2,763,460	\$ 3,596,460	\$ 3,558,000	\$ 3,519,000	\$ 3,519,000
Regional CR	78-865-509-850	Regional Capital Reserve	\$ -	\$ -	\$ 224,800	\$ 224,788	\$ 274,788	\$ 225,000	\$ 225,000	\$ 225,000
		Transfer to Regional Water	\$ 23,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total Expenditures	\$ 23,000	\$ -	\$ 3,042,700	\$ 3,042,653	\$ 3,934,653	\$ 3,842,000	\$ 3,803,000	\$ 3,803,000
		<i>Variance of Revenues to Expenditures</i>	<i>\$ 1,547,564</i>	<i>\$ 669,508</i>	<i>\$ -</i>					
	Fund Balance Information									
		as 30 June 13		\$ 2,217,072						
		Appropriated forward to FY14		\$ 2,217,119						
		as of 1 July 13		\$ (47)	\$ (47)					
		Appropriated during FY14		\$ (47)						
		Estimated Growth During FY14		\$ 825,581						
		Estimated at 30 June 14		\$ 3,042,653						
		Appropriated forward to FY15		\$ (3,042,000)						
		Estimated as 1 July 14		\$ 653				\$ 653		
		Estimated Growth During FY15						\$ 3,842,000		
		Estimated at 30 June 15						\$ 3,842,653		

Last Updated: 23 May 2014. rg

78: Capital Reserve Regional Water Fund

This fund was created in March 2012 in order to consolidate three Regional Capital Reserve Funds into one. 75: Capital Reserve Regional Water COE, 76: Capital Reserve Regional Water 20 MGD and 77: Capital Reserve Regional General, were merged to form 78: Capital Reserve Regional Water System Fund. Reserves are established for these Regional Water system needs: 911: Corp of Engineer Revenue; 922: 20 MGD Plant Expansion Reserve and 865: General Capital Reserve.

The funding source for this fund is the inter-fund transfer from the 64: Regional Water Fund. Revenues are derived from charges for water to the Regional Partners of Oxford, Warren County and Henderson. All funds are held in reserve until needed. When needed, the funds are transferred to a capital project established in 46: CIP Regional Water Fund.

The fund balance at the end of FY13 was \$2,217,072 and is expected to increase to \$3,042,653 by the end of FY14. Planned appropriations to this fund during FY15 would increase this amount to \$3,842,653 by the end of FY15. The significant majority of the reserve is dedicated to the planned expansion of the Regional Water Treatment Plant and future needs relative to transmission and replacement.

Due to declining revenues from water sales to Partners, the contribution to this Fund is less than previously planned. Unlike prior years, there will be no contribution to 865: Regional Reserve instead of the usual \$50,000; the contribution to 911: COE Reserve is reduced from the usual \$9,000 to \$5,000; and the contribution to 922: 20MGD is slightly larger than current year, increasing from \$766,000 to \$795,000. The previously approved plan was to transfer \$910,000 to the plant expansion reserve in FY15.

**FY 14-15 BUDGET
CAPITAL RESERVE FUNDS
ALL FUNDS SUMMARY**

79: Capital Reserve Rate Stabilization Fund

79: CAPITAL RESERVE RATE STABILIZATION FUND SUMMARY									
Estimated Status as of 1 July 2014									
79 CAPITAL RESERVE RATE STABILIZATION FUND			FY12	FY13	FY14		FY15		
			Prior Year	Prior Year	Current Year	Estimated	Dept.	Manager	Council
Revenues			Actual	Actual	as amended	30 June 14	Requested	Recommended	Approved
<i>see Ordinances: 12-07, 12-35, 14-22</i>									
Water Plant	79-641-461-030	Transfer from 30: Water Fund	\$ 951,139	\$ -	\$ 1,955,114	\$ 1,955,114	\$ 952,000	\$ 1,003,400	\$ 989,800
Water Plant	79-641-444-010	Investments	\$ -	\$ 72	\$ 30,547	\$ 175	\$ 12,000	\$ 12,000	\$ 12,000
Water Plant	79-641-433-430	Vance Tap Fee Ph 2A&2B	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -	\$ -
Water Plant	79-641-491-000	Fund Balance Appropriation	\$ -	\$ -	\$ 1,101,139	\$ 1,091,211	\$ 3,046,900	\$ 3,046,000	\$ 3,046,000
79-641: Total			\$ 951,139	\$ 140,072	\$ 3,086,800	\$ 3,046,500	\$ 4,010,900	\$ 4,061,400	\$ 4,047,800
HWRP	79-652-461-031	Transfer from 31: Sewer Fund	\$ -	\$ 264,200	\$ 264,200	\$ 264,200	\$ 436,000	\$ 436,000	\$ 436,000
HWRP	79-652-461-070	Transfer from 70: CR Utilities Fund	\$ 112,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HWRP	79-652-444-010	Investments	\$ -	\$ -	\$ 60	\$ 160	\$ 1,000	\$ 1,000	\$ 1,000
HWRP	79-652-491-000	Fund Balance Appropriation	\$ -	\$ -	\$ 274,640	\$ 273,640	\$ 538,000	\$ 538,000	\$ 538,000
79-652: Total			\$ 112,800	\$ 264,200	\$ 538,900	\$ 538,000	\$ 975,000	\$ 975,000	\$ 975,000
Total Revenues			\$ 1,063,939	\$ 404,272	\$ 3,625,700	\$ 3,584,500	\$ 4,985,900	\$ 5,036,400	\$ 5,022,800
Expenditures									
Water Plant	79-641-535-750	20 MGD Rate Stabilization	\$ -	\$ -	\$ 3,086,800	\$ -	\$ 4,061,400	\$ 4,061,400	\$ 4,047,800
79-641: Total			\$ -	\$ -	\$ 3,086,800	\$ -	\$ 4,061,400	\$ 4,061,400	\$ 4,047,800
HWRP	79-652-535-750	HWRP Rate Stabilization	\$ -	\$ -	\$ 538,900	\$ -	\$ 975,000	\$ 975,000	\$ 975,000
HWRP	79-652-561-031	Trans to: 31 Sewer Fund	\$ -	\$ 103,360	\$ -	\$ -	\$ -	\$ -	\$ -
79-652: Total			\$ -	\$ 103,360	\$ 538,900	\$ -	\$ 975,000	\$ 975,000	\$ 975,000
Total Expenditures			\$ -	\$ 103,360	\$ 3,625,700	\$ -	\$ 5,036,400	\$ 5,036,400	\$ 5,022,800
<i>Revenues to Expenditures Variance</i>			<i>\$ 1,063,939</i>	<i>\$ 300,912</i>	<i>\$ -</i>	<i>\$ 3,584,500</i>	<i>\$ (50,500)</i>	<i>\$ -</i>	<i>\$ -</i>
Fund Balance Information									
				as 30 June 13	\$ 1,364,851				
				Appropriated forward to FY14	\$ 1,364,851				
				as of 1 July 13	\$ -	\$ -			
				Appropriated during FY14	\$ -				
				Estimated Growth During FY14	\$ 3,584,500				
				Estimated at 30 June 14	\$ 3,584,500				
				Appropriated forward to FY15	\$ 3,584,500				
				as 1 July 14	\$ -			\$ -	
				Estimated Growth During FY15				\$ 5,036,400	
				Estimated at 30 June 15				\$ 5,036,400	

Last Updated: 12 June 2014, rg

79: Capital Reserve Rate Stabilization Fund

This fund was established in March 2012 for the purpose of reserving money for future debt service for the 20MGD water plant expansion and/or other major water system infrastructure needs, and major upgrades planned for the Water Reclamation Facility (Sewer Plant).

The funding source for the sewer plant rate stabilization reserve is the sewer rate transferred from 31: Sewer Fund. The initial transfer to establish this fund was made from 70: Capital Reserve Utilities Fund during FY12.

The 30: Water Fund has several sources of income to fund its rate stabilization reserve as follows: water reservation fees from Granville County, Vance County Phase 1A, Vance County Phases 2A&2B, investments and transfers of other revenue sources from 30: Water Fund.

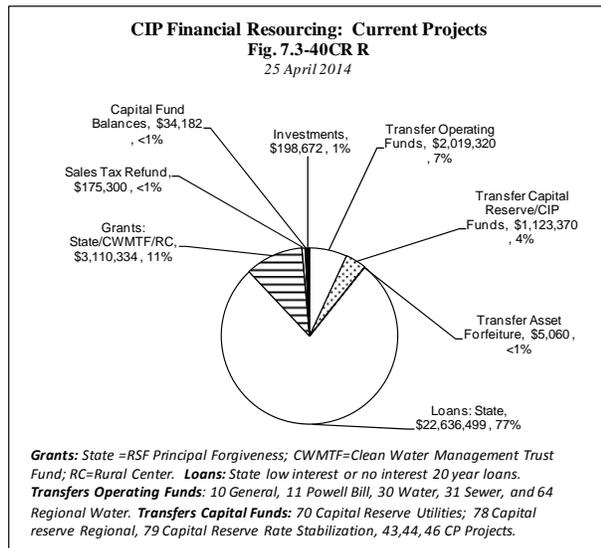
**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

All Funds' Summary

FY 14-15 CIP FUNDS' SUMMARY						
Estimated Status as of 1 July 2014						
ALL FUNDS	Initial Budget	31 March 14 Current Budget	Revenues 31 March 14	Adjustment FY14	Estimated 1 July 14	
Revenues						
41: CIP General Fund	\$ 34,760	\$ 34,760	\$ 34,760	\$ -	\$ 34,760	
42: CIP Powell Bill Fund	\$ 137,528	\$ 137,528	\$ 115,928	\$ -	\$ 137,528	
43: CIP Water Fund	\$ 380,428	\$ 2,278,999	\$ 380,428	\$ 582	\$ 2,279,581	
44: CIP Sewer Fund	\$ 136,500	\$ 23,483,204	\$ 6,883,649	\$ -	\$ 23,483,204	
46: CIP Regional Water Fund	\$ 2,471,802	\$ 3,329,664	\$ 2,188,648	\$ 38,000	\$ 3,367,664	
Revenues	\$ 3,161,018	\$ 29,264,155	\$ 9,603,413	\$ 38,582	\$ 29,302,737	
Revenue Summary	Revenues	\$ 3,161,018	\$ 29,264,155	\$ 9,603,413	\$ 38,582	\$ 29,302,737
TOTAL FUND REVENUES		\$ 3,161,018	\$ 29,264,155	\$ 9,603,413	\$ 38,582	\$ 29,302,737

ALL FUNDS	Initial Budget	31 March 14 Current Budget	Expenditures 31 March 14	Adjustment FY14	Revised 1 July 14	
Expenditures						
41: CIP General Fund	\$ 34,760	\$ 34,760	\$ 55	\$ -	\$ 34,760	
42: CIP Powell Bill Fund	\$ 108,600	\$ 137,528	\$ 107,908	\$ -	\$ 137,528	
43: CIP Water Fund	\$ 380,500	\$ 2,278,999	\$ 1,228,394	\$ 582	\$ 2,279,581	
44: CIP Sewer Fund	\$ 136,500	\$ 23,483,204	\$ 9,497,836	\$ -	\$ 23,483,204	
46: CIP Regional Water Fund	\$ 2,471,802	\$ 3,329,664	\$ 1,812,234	\$ 38,000	\$ 3,367,664	
Expenditures	\$ 3,132,162	\$ 29,264,155	\$12,646,427	\$ 38,582	\$ 29,302,737	
Expenditure Summary	Expenditures	\$ 3,132,162	\$ 29,264,155	\$12,646,427	\$ 38,582	\$ 29,302,737
TOTAL FUND EXPENDITURES		\$ 3,132,162	\$ 29,264,155	\$12,646,427	\$ 38,582	\$ 29,302,737
TOTAL FUND REVENUES		\$ 3,161,018	\$ 29,264,155	\$ 9,603,413	\$ 38,582	\$ 29,302,737
TOTAL FUND EXPENDITURES		\$ 3,132,162	\$ 29,264,155	\$12,646,427	\$ 38,582	\$ 29,302,737
Variance		\$ 28,856	\$ -	\$ (3,043,014)	\$ -	\$ -

18 April 2014, rg



Capital Improvement Project Funds projects are not considered to be part of the annual budget process since these projects remain “open” for the life of the project. At times, a project may only be “open”, or active, for several months and in other cases the project remains active for several years.

More detailed information on each of the capital projects may be found in the specific fund presentations in the following pages.

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

41: CIP General Fund

41: CIP GENERAL FUND SUMMARY							
Estimated Status as of 1 July 2014							
41	CIP General Fund			11 Mar 14	Revenues	Adjustment	Estimated
	Revenues		Initial Budget	Current Budget	31 March 14	FY14	1 July 14
630: Police Training Center Shelter							
	Transfer from 10: General Fund	41-630-461010	\$ 34,760	\$ 34,760	\$ 34,760	\$ -	\$ 34,760
	<i>Reference: CAF 14-02; Res 14-03; Ord 14-01, all on 17 Dec 13</i>	Revenues	\$ 34,760	\$ 34,760	\$ 34,760	\$ -	\$ 34,760
	Revenue Summary	Revenues	\$ 34,760	\$ 34,760	\$ 34,760	\$ -	\$ 34,760
	TOTAL FUND REVENUES	\$ 34,760	\$ 34,760	\$ 34,760	\$ 34,760	\$ -	\$ 34,760
41	CIP General Fund			11 Mar 14	Expenditures	Adjustment	Estimated
	Expenditures		Initial Budget	Current Budget	31 March 14	FY14	1 July 14
630: Police Training Center Shelter							
	Capital Outlay - Bldg Improvements	41-630-507404	\$ 34,760	\$ 34,760	\$ 55	\$ -	\$ 34,760
		Expenditures	\$ 34,760	\$ 34,760	\$ 55	\$ -	\$ 34,760
	Expenditure Summary	Expenditures	\$ 34,760	\$ 34,760	\$ 55	\$ -	\$ 34,760
	TOTAL FUND EXPENDITURES	\$ 34,760	\$ 34,760	\$ 34,760	\$ 55	\$ -	\$ 34,760
FUND SUMMARY							
	TOTAL FUND REVENUES	\$ 34,760	\$ 34,760	\$ 34,760	\$ 34,760	\$ -	\$ 34,760
	TOTAL FUND EXPENDITURES	\$ 34,760	\$ 34,760	\$ 34,760	\$ 55	\$ -	\$ 34,760
	Variance	\$ -	\$ -	\$ -	\$ 34,705	\$ -	\$ -

18 April 2014, rg

- 41-630: Police Training Center:** This project was begun via Ordinance 14-01 on 17 December 2013. Funding is from Asset Forfeiture and insurance proceeds to repair facility subsequent to fire damage it received earlier in 2013. It is expected work will be completed by 1 September 2014.

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

42: CIP Powell Bill Fund

42: CIP POWELL BILL FUND SUMMARY							
Estimated Status as of 1 July 2014							
42	CIP Powell Bill Fund			31 Mar 2014	Revenues	Adjustment	Estimated
	Revenues		Initial Budget	Current Budget	31 March 14	FY14	1 July 14
575: Birch / Hillside / Cameron Streets' Project							
	Transfer from Powell Bill Fund	42-575-461-011	\$ 87,000	\$ 87,000	\$ 87,000	\$ -	\$ 87,000
	Transfer from General Fund	42-575-461-010	\$ 28,928	\$ 28,928	\$ 28,928	\$ -	\$ 28,928
		575: Total	\$ 115,928	\$ 115,928	\$ 115,928	\$ -	\$ 115,928
990: Fund Balance Appropriated							
	Fund Balance	42-990-490-999	\$ 21,600	\$ 21,600	\$ -	\$ -	\$ 21,600
		990: Total	\$ 21,600	\$ 21,600	\$ -	\$ -	\$ 21,600
Revenue Summary							
		575: Total	\$ 115,928	\$ 115,928	\$ 115,928	\$ -	\$ 115,928
		990: Total	\$ 21,600	\$ 21,600	\$ -	\$ -	\$ 21,600
		TOTAL FUND REVENUES	\$ 137,528	\$ 137,528	\$ 115,928	\$ -	\$ 137,528
42: CIP Powell Bill Fund Expenditures							
			Initial Budget	31 Mar 2014	Expended	Adjustment	Estimated
				Current Budget	31 March 14	FY14	1 July 14
575: Birch/Hillside/Cameron Streets Project							
26 Mar 12	Legal / Administration	42-575-510-200	\$ 500	\$ 500	\$ 105		\$ 500
Ord 12-22	Construction	42-575-510-400	\$ 86,500	\$ 115,428	\$ 107,803		\$ 115,428
		575: Subtotal	\$ 87,000	\$ 115,928	\$ 107,908	\$ -	\$ 115,928
660: Non-Departmental							
	To: 11: Powell Bill Fund	42-660-561-011	\$ 21,600	\$ 21,600	\$ -	\$ -	\$ -
		660: Subtotal	\$ 21,600	\$ 21,600	\$ -	\$ -	\$ -
Expenditure Summary							
		575: Subtotal	\$ 87,000	\$ 115,928	\$ 107,908	\$ -	\$ 115,928
		990: Total	\$ 21,600	\$ 21,600	\$ -	\$ -	\$ 21,600
		TOTAL FUND EXPENDITURES	\$ 108,600	\$ 137,528	\$ 107,908	\$ -	\$ 137,528
		TOTAL FUND REVENUES	\$ 137,528	\$ 137,528	\$ 115,928	\$ -	\$ 137,528
		TOTAL FUND EXPENDITURES	\$ 108,600	\$ 137,528	\$ 107,908	\$ -	\$ 137,528
		<i>Variance</i>	\$ 28,928	\$ -	\$ 8,020	\$ -	\$ -

18 April 2014, rg

- 42: 575: Birch / Hillside / Cameron Streets' Project:** This Project was created on 26 March 2012 via Ordinance 12-22 and provides for various street repair projects involving storm drain and ditch failure repairs resultant from Hurricane Irene in September 2011. It was amended on 13 August 2012 to provide additional funding as required by higher than expected bids. The project is expected to be completed by end of summer, 2014.

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

43: CIP Water Fund

43: CIP WATER FUND SUMMARY							
Estimated Status as of 1 July 2014							
43	CIP Water Fund			31 March 14	Revenues	Adjustment	Estimated
	Revenues		Initial Budget	Current Budget	31 March 14	FY14	FY15
850: 2" Water Line Project							
	State Revolving Loan	43-850-458-100	\$ -	\$ 1,898,571	\$ -	\$ -	\$ 1,898,571
	Transfer from Water Fund	43-850-369-030	\$ 39,000	\$ 39,000	\$ 39,000	\$ -	\$ 39,000
	<i>See Ordinances: O 12-02, 9 Jan 12; O 12-50, 13 Aug 2012; Ord 13-36, 9 Sep 13; Ord 14-14, 24 Feb 14;</i>						
		850: Total	\$ 39,000	\$ 1,937,571	\$ 39,000	\$ -	\$ 1,937,571
851: Radio Read Water Meter Purchases							
	State Revolving Loan	43-851-458-100	\$ 293,928	\$ 293,928	\$ 293,928	\$ -	\$ 293,928
	<i>See Ordinances: O 12-51, 13 August 2012; Ord 13-24, 13 May 13</i>						
		851: Total	\$ 293,928	\$ 293,928	\$ 293,928	\$ -	\$ 293,928
852: Beckford Drive & US158 Water Line Extensions							
	Transfer From: 70 Capital Reserve Utilities	43-852-461-070	\$ 47,500	\$ 47,500	\$ 47,500	\$ -	\$ 47,500
	Fund Balance Appropriated	43-	\$ -	\$ -	\$ -	\$ 582	\$ 582
	<i>See Ordinances: O 13-11, 25 February 2013;</i>						
		852: Total	\$ 47,500	\$ 47,500	\$ 47,500	\$ 582	\$ 48,082
Revenue Summary			850: Total	\$ 39,000	\$ 1,937,571	\$ -	\$ 1,937,571
			851: Total	\$ 293,928	\$ 293,928	\$ -	\$ 293,928
			852: Total	\$ 47,500	\$ 47,500	\$ 582	\$ 48,082
TOTAL FUND REVENUES			\$ 380,428	\$ 2,278,999	\$ 380,428	\$ 582	\$ 2,279,581
<i>10 April 2014, kb</i>							
43: CIP WATER FUND SUMMARY							
Estimated Status as of 1 July 2014							
43	CIP Water Fund			31 March 14	Expenditures	Adjustment	Estimated
	Expenditures		Initial Budget	Current Budget	31 March 14	FY14	FY15
850: 2" Water Line Project							
	Contingency	43-850-509-900	\$ 5,000	\$ 83,660	\$ -	\$ -	\$ 83,660
	Permit Fees	43-850-461-001	\$ 2,000	\$ 2,200	\$ 1,610	\$ -	\$ 2,200
	SFR Closing Fee	43-850-504-514		\$ 37,971	\$ 37,971	\$ -	\$ 37,971
	Transfer to 30: Water Fund	43-850-561-030	\$ -	\$ 39,000	\$ 39,000	\$ -	\$ 39,000
	Engineering/Survey Work	43-850-510-301	\$ 32,000	\$ 36,000	\$ 29,352	\$ -	\$ 36,000
	Constructon Administration	43-850-510-800	\$ -	\$ -	\$ -	\$ -	\$ -
	Legal/Administration	43-850-510-200	\$ -	\$ 5,800	\$ 1,206	\$ -	\$ 5,800
	Construction	43-850-510400	\$ -	\$ 1,732,940	\$ 777,247	\$ -	\$ 1,732,940
		850: Total	\$ 39,000	\$ 1,937,571	\$ 886,386	\$ -	\$ 1,937,571
851: Radio Read Water Meter Purchases							
	Legal/Administration	43-851-510-200	\$ 5,000	\$ -	\$ -	\$ -	\$ -
	Engineering	43-851-510-301	\$ 8,000	\$ -	\$ -	\$ -	\$ -
	SFR Closing Fee	43-851-504-514	\$ 6,000	\$ 5,879	\$ 5,879	\$ -	\$ 5,879
	Contingency	43-851-509-900	\$ 25,000	\$ -	\$ -	\$ -	\$ -
	Water Meter Replacement	43-851-535-701	\$ 250,000	\$ 288,049	\$ 288,047	\$ -	\$ 288,049
		851: Total	\$ 294,000	\$ 293,928	\$ 293,926	\$ -	\$ 293,928
852: Beckford Drive & US158 Water Line Extensions							
	Legal/Administration	43-852-510-002	\$ 500	\$ 500	\$ 622	\$ 122	\$ 622
	Engineering	43-845-510-301	\$ 47,000	\$ 47,000	\$ 47,460	\$ 460	\$ 47,460
		852: Total	\$ 47,500	\$ 47,500	\$ 48,082	\$ 582	\$ 48,082
850: Total			\$ 39,000	\$ 1,937,571	\$ 886,386	\$ -	\$ 1,937,571
851: Total			\$ 294,000	\$ 293,928	\$ 293,926	\$ -	\$ 293,928
852: Total			\$ 47,500	\$ 47,500	\$ 48,082	\$ 582	\$ 48,082
TOTAL FUND EXPENDITURES			\$ 380,500	\$ 2,278,999	\$ 1,228,394	\$ 582	\$ 2,279,581
TOTAL FUND REVENUES			\$ 380,428	\$ 2,278,999	\$ 380,428	\$ 582	\$ 2,279,581
TOTAL FUND EXPENDITURES			\$ 380,500	\$ 2,278,999	\$ 1,228,394	\$ 582	\$ 2,279,581
Variance			\$ (72)	\$ -	\$ (847,966)	\$ -	\$ -

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

- **43-850: 2” Line Replacement Project:** This Project involves the engineering for the replacement of approximately 13,000 linear feet of undersized and deteriorated 2” water lines with 6” water lines. Thanks to the State allocating an additional \$172,571, the project is now \$1,937,571. This project began construction in summer 2013 and is ongoing with completion scheduled for the middle of 2014. Due to cost underruns, some additional streets may be added *(See Ordinance 12-02, 9 Jan 2012 and 12-50, 13 August 2012)*

- **43-851: Radio Read Water Meter Purchases:** The City applied for a loan/grant from the State Revolving Loan fund in the amount of \$293,928 for the purpose of purchasing approximately 1,000 radio read water meters. This grant is augmenting the City’s on-going effort to replace water meters on an incremental basis. It is anticipated this project will be completed by the middle of 2014. *(See Ordinance 12-51, 13 August 2012)*

- **43-852: Beckford Drive & US158 Water Line Extensions:** Initial funding for this project was established on 25 February 2013 for development of a Preliminary Engineering Report. Unfortunately, the City’s application for funding was not approved. Staff is currently working with McGill Associates to refocus efforts for a grant application submission later this calendar year. *(See Ordinance 13-11, 25 February 2013)*

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

44: CIP Sewer Fund

44: CIP SEWER FUND SUMMARY							
Estimated Status as of 1 July 2014							
44	CIP Sewer Fund			29 Mar 14	Revenues	Adjustment	Estimated
	Revenues		Initial Budget	Current Budget	29 Mar 14	FY14	1 July 2015
842: Newton Dairy Rd Pump Station Project							
	Transfer from Sewer Fund	44-444-461-031	\$ 21,000	\$ 42,000	\$ 42,000	\$ -	\$ 42,000
	Transfer From Capital Reserve Utilities	44-444-461-071	\$ -	\$ 5,900	\$ 5,900	\$ -	\$ 5,900
	<i>See Ordinances: 1 Jul 2010</i>						
		842: Total	\$ 21,000	\$ 47,900	\$ 47,900	\$ -	\$ 47,900
847: Henderson Water Reclamation Facility Upgrade							
	Transfer From Capital Reserve Utilities	44-847-461-071	\$ 70,000	\$ 779,110	\$ 779,110	\$ -	\$ 779,110
	Transfer from Rate Stabilization	44-847-461-079	\$ -	\$ 103,360	\$ 103,360	\$ -	\$ 103,360
	Clean Water Management Trust Fund	44-847-458-161	\$ -	\$ 600,000	\$ -	\$ -	\$ 600,000
	State Revolving Loan Fund	44-847-366-001	\$ -	\$ 15,615,000	\$ 4,868,172	\$ -	\$ 15,615,000
	State Revolving Loan Fund--Additional	44-847-458-221	\$ -	\$ 500,000	\$ -	\$ -	\$ 500,000
	State Revolving Loan--Grant	44-847-366-002	\$ -	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
	<i>See Ordinances:</i>						
		847: Total	\$ 70,000	\$ 18,597,470	\$ 5,750,642	\$ -	\$ 18,597,470
851: Sanitary Sewer Rehabilitation Project							
	State Revolving Loan	44-851-458-221	\$ 5,000	\$ 500,000	\$ 475,000	\$ -	\$ 500,000
	State Revolving Grant	44-851-458-222	\$ 5,000	\$ 500,000	\$ 475,000	\$ -	\$ 500,000
	NC Rural Center Grant	44-851-458-162	\$ -	\$ 110,334	\$ -	\$ -	\$ 110,334
	NC Sales & Use Tax Refund	44-851-458-162	\$ -	\$ -	\$ 7,607		
	Transfer from 31: Sewer Fund	44-851-461-031	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ 20,000
	<i>See Ordinance: 10-82, 13 Dec 2010.</i>						
		851: Total	\$ 10,000	\$ 1,130,334	\$ 977,607	\$ -	\$ 1,130,334
854: Elmwood Cemetery Outfall Project							
	State Revolving Loan	44-854-458-221	\$ -	\$ 1,800,000	\$ -	\$ -	\$ 1,800,000
	Transfer from 70: Capital Utilities	44-854-461-070	\$ 19,300	\$ 55,300	\$ 55,300	\$ -	\$ 55,300
	<i>See Ordinances: 13-23, 13 May 2013; 13-50, 9 Dec 2013; Resolutions 13-68, 25 Nov 2013; Res 13-35, 13 May 2013; Res 13-68, 28 Oct 2013</i>						
		854: Total	\$ 19,300	\$ 1,855,300	\$ 55,300	\$ -	\$ 1,855,300
857: Sandy Creek Pump Station Project							
	State Revolving Loan	44-857-458-221	\$ -	\$ 900,000	\$ -	\$ -	\$ 900,000
	State RFL Loan Forgiveness	44-857-458-222	\$ -	\$ 900,000	\$ -	\$ -	\$ 900,000
	Transfer from: 70 Capital Reserve Utilities	44-857-461-070	\$ 16,200	\$ 52,200	\$ 52,200	\$ -	\$ 52,200
	<i>See Ordinances: O12-37, 29 May 2012; O12-78, 26 Nov 2012.</i>						
		857: Total	\$ 16,200	\$ 1,852,200	\$ 52,200	\$ -	\$ 1,852,200
Revenue Summary							
		842: Total	\$ 21,000	\$ 47,900	\$ 47,900	\$ -	\$ 47,900
		847: Total	\$ 70,000	\$ 18,597,470	\$ 5,750,642	\$ -	\$ 18,597,470
		851: Total	\$ 10,000	\$ 1,130,334	\$ 977,607	\$ -	\$ 1,130,334
		854: Total	\$ 19,300	\$ 1,855,300	\$ 55,300	\$ -	\$ 1,855,300
		857: Total	\$ 16,200	\$ 1,852,200	\$ 52,200	\$ -	\$ 1,852,200
		TOTAL FUND REVENUES	\$ 136,500	\$ 23,483,204	\$ 6,883,649	\$ -	\$ 23,483,204
							<i>10 April 2014, kb</i>

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

44: CIP SEWER FUND SUMMARY								
Estimated Status as of 1 July 2014								
44 CIP Sewer Fund			Initial Budget	Current Budget	29 Mar 14	Expenditures 29 Mar 14	Adjustment FY14	Estimated 1 July 2015
842: Newton Dairy Road Pump Station Project								
	Professional Services	44-842-500-400	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
	Engineering	44-842-510-300	\$ -	\$ 25,900	\$ 17,284	\$ -	\$ -	\$ 25,900
	Right of Way	44-842-510-600	\$ 21,000	\$ 21,000	\$ -	\$ -	\$ -	\$ 21,000
		842: Total	\$ 21,000	\$ 47,900	\$ 17,284	\$ -	\$ -	\$ 47,900
847: Henderson Water Reclamation Facility Upgrades								
	Engineering Design	44-847-223-003	\$ -	\$ 775,125	\$ 843,125	\$ -	\$ -	\$ 775,125
	Engineering Permitting Admin	44-847-223-004	\$ -	\$ 32,105	\$ 32,105	\$ -	\$ -	\$ 32,105
	Engineering Bidding/Award	44-847-223-005	\$ -	\$ 39,380	\$ 39,751	\$ -	\$ -	\$ 39,380
	Engineering Geotechnical	44-847-223-006	\$ -	\$ 115,810	\$ 50,829	\$ -	\$ -	\$ 115,810
	Construction Admin	44-847-223-010	\$ -	\$ 500,000	\$ 266,191	\$ -	\$ -	\$ 500,000
	Construction Costs	44-847-510-400	\$ -	\$ 15,598,914	\$ 5,913,253	\$ -	\$ -	\$ 15,598,914
	Admin Permit & Legal Fees	44-847-461-001	\$ -	\$ -	\$ 250	\$ -	\$ -	\$ -
	Admin Permitting fees	44-847-461-002	\$ -	\$ -	\$ 1,752	\$ -	\$ -	\$ -
	Legal administration	44-847-510-200	\$ 2,000	\$ 2,500	\$ 2,176	\$ -	\$ -	\$ 2,500
	Engineering	44-847-510-301	\$ 68,000	\$ 68,000	\$ 68,000	\$ -	\$ -	\$ 68,000
	Closing Fee Grant/Loan Admin	44-847-670-001	\$ -	\$ 367,300	\$ 342,300	\$ -	\$ -	\$ 367,300
	Land Acquisition	44-848-507-100	\$ -	\$ 27,000	\$ 26,985	\$ -	\$ -	\$ 27,000
	Contingency	44-847-999-010	\$ -	\$ 577,226	\$ -	\$ -	\$ -	\$ 577,226
	Transfer to 70: Capital Reserve Utilities	44-847-561-070	\$ -	\$ 379,110	\$ 379,110	\$ -	\$ -	\$ 379,110
	Engineering Contingency	44-847-999-020	\$ -	\$ 115,000	\$ 16,213	\$ -	\$ -	\$ 115,000
		847: Total	\$ 70,000	\$ 18,597,470	\$ 7,982,040	\$ -	\$ -	\$ 18,597,470
851: Sanitary Sewer RLF Project								
	Preliminary Engineering Rept	44-851-223-002	\$ 10,000	\$ 10,000	\$ 10,502	\$ -	\$ -	\$ 10,000
	Engineering Design	44-851-223-003	\$ -	\$ 63,300	\$ 63,300	\$ -	\$ -	\$ 63,300
	Engineering Construction Admin	44-851-223-004	\$ -	\$ 23,000	\$ 20,750	\$ -	\$ -	\$ 23,000
	Legal/Administration	44-851-510-200	\$ -	\$ 2,700	\$ 118	\$ -	\$ -	\$ 2,700
	Construction	44-851-510-400	\$ -	\$ 946,334	\$ 942,232	\$ -	\$ -	\$ 946,334
	SRL Closing Fee	44-851-567-000	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 20,000
	Engineering Construction Obs	44-851-223-005	\$ -	\$ 65,000	\$ 61,207	\$ -	\$ -	\$ 65,000
	Capital Outlay Not Yet Awarded	44-851-499-099	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		851: Total	\$ 10,000	\$ 1,130,334	\$ 1,118,109	\$ -	\$ -	\$ 1,130,334
854: Elmwood Cemetery Outfall Project								
	Planning & Design	44-854-510-100	\$ -	\$ 98,000	\$ 98,000	\$ -	\$ -	\$ 98,000
	Engineering	44-854-510-301	\$ -	\$ 8,300	\$ 8,300	\$ -	\$ -	\$ 8,300
	Legal/Admin	44-854-510-200	\$ -	\$ 2,500	\$ 110	\$ -	\$ -	\$ 2,500
	Preliminary Engineering Report	44-854-510-296	\$ 19,300	\$ 19,300	\$ 19,300	\$ -	\$ -	\$ 19,300
	Contingency	44-854-999-010	\$ -	\$ 159,250	\$ -	\$ -	\$ -	\$ 159,250
	SRF Closing Fee	44-854-567-000	\$ -	\$ 36,000	\$ -	\$ -	\$ -	\$ 36,000
	Construction	44-854-510-400	\$ -	\$ 1,439,950	\$ -	\$ -	\$ -	\$ 1,439,950
	Construction Administration	44-854-510-800	\$ -	\$ 92,000	\$ 92,000	\$ -	\$ -	\$ 92,000
		854: Total	\$ 19,300	\$ 1,855,300	\$ 217,710	\$ -	\$ -	\$ 1,855,300
857: Sandy Creek Pump Station Project								
	Contingency	44-857-509-900	\$ -	\$ 143,000	\$ -	\$ -	\$ -	\$ 143,000
	Legal/Administration	44-857-510-200	\$ 500	\$ 500	\$ 305	\$ -	\$ -	\$ 500
	Preliminary Engineering Report	44-857-510-296	\$ 15,700	\$ 15,700	\$ 15,700	\$ -	\$ -	\$ 15,700
	Engineering Planning & Design	44-857-510-301	\$ -	\$ 116,000	\$ 112,751	\$ -	\$ -	\$ 116,000
	Geotechnical Materials Testing	44-857-510-305	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ 22,000
	Construction	44-857-510-400	\$ -	\$ 1,432,000	\$ -	\$ -	\$ -	\$ 1,432,000
	Construction Administration/Observation	44-857-510-800	\$ -	\$ 87,000	\$ -	\$ -	\$ -	\$ 87,000
	2% SRF Closing Fee	44-857-567-000	\$ -	\$ 36,000	\$ 33,937	\$ -	\$ -	\$ 36,000
		857: Total	\$ 16,200	\$ 1,852,200	\$ 162,693	\$ -	\$ -	\$ 1,852,200
	Revenue Summary	842: Total	\$ 21,000	\$ 47,900	\$ 17,284	\$ -	\$ -	\$ 47,900
		847: Total	\$ 70,000	\$ 18,597,470	\$ 7,982,040	\$ -	\$ -	\$ 18,597,470
		851: Total	\$ 10,000	\$ 1,130,334	\$ 1,118,109	\$ -	\$ -	\$ 1,130,334
		854: Total	\$ 19,300	\$ 1,855,300	\$ 217,710	\$ -	\$ -	\$ 1,855,300
		857: Total	\$ 16,200	\$ 1,852,200	\$ 162,693	\$ -	\$ -	\$ 1,852,200
	TOTAL FUND EXPENDITURES		\$ 136,500	\$ 23,483,204	\$ 9,497,836	\$ -	\$ -	\$ 23,483,204
	TOTAL FUND REVENUES		\$ 136,500	\$ 23,483,204	\$ 6,883,649	\$ -	\$ -	\$ 23,483,204
	TOTAL FUND EXPENDITURES		\$ 136,500	\$ 23,483,204	\$ 9,497,836	\$ -	\$ -	\$ 23,483,204
	<i>Variance</i>		<i>\$ -</i>	<i>\$ -</i>	<i>\$ (2,614,187)</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>

29 March 2014, rg

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

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**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

- **44-842: Newton Road Pump Station Project:** This project involves the installation of approximately 4,800 linear feet of gravity sewer main, which will allow the City to eliminate an existing pump station that is aged and beyond its useful life. Initial funding was at FY11 Budget adoption and additional funding provided in FY12 for right-of-way acquisition. An application to the State for CDBG infrastructure funding is in the processing of being prepared for submission in April 2014. This project will remain active during FY15.
- **44:847: Henderson Water Reclamation Facility Renovation Project:** This project includes major replacement of existing components at the plant with a new headworks facility, influent pump station, oxidation ditch and sludge handling facilities. The project is now under construction and is estimated to be completed by end of 2014 or Spring 2015. The project is funded at \$18,597,470. This project will remain active during FY15.
- **44:851: Sanitary Sewer Rehabilitation Project 2011:** This project involves the replacement of approximately 9,000 linear feet of sanitary sewer lines and approximately 34 manholes within the Sandy Creek Basin. This is a \$1,130,334 project funded through State Revolving Loan Funds. This is a 20 year loan with \$500,000 of the \$1,000,000 loan in principal forgiveness. This project is nearing completion and should be closed out by the end of June.
- **44:854: Elmwood Cemetery Inceptor Project:** This recently established project is moving forward. The preliminary engineering report was approved by the State, and City Council has approved the loan offer of \$1.8M. McGill Associates is in the process of completing plans and specifications and bids will be let later this year. This project includes replacement and upsizing of a major outfall through the Elmwood Cemetery as well as other properties within a sewer easement to address capacity issues in conjunction with the Sandy Creek pump station upgrades. This project will be active into FY16.
- **44: 857: Sandy Creek Pump Station Project:** This project is funded with \$900,000 in a State low interest loan and \$900,000 in principal forgiveness loan. Additionally, the City has invested \$52,200 of its capital reserve funds to round out the project. It will be an active project through calendar year 2014.

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

46: CIP Regional Water

46: CIP REGIONAL WATER FUND SUMMARY							
Estimated Status as of 1 July 2014							
<i>Last Updated: 31 March 2014, rg</i>							
46 CIP Regional Water Fund			Initial Budget	31 Mar 14 Current Budget	Revenues 31 Mar 14	Adjustment FY15	Estimated 1 July 14
Revenues							
935: 20 MGD Expansion							
	NC Sales Tax Refund	466-411-035	\$ 150,600	\$ 175,300	\$ 175,300	\$ -	\$ 175,300
	Investments	466-444-010	\$ 11,368	\$ 37,254	\$ 37,254	\$ -	\$ 37,254
	Investments Centura	466-444-020	\$ 159,142	\$ 159,142	\$ 159,142	\$ -	\$ 159,142
	From Regional Water Fund: 20MGD	466-461-064	\$ 801,704	\$ 801,704	\$ 801,704	\$ -	\$ 801,704
	From CIP Regional 20 MGD	466-461-066	\$ -	\$ 42,000	\$ 42,000	\$ -	\$ 42,000
	Interest 2004 Raw Water Loan	466-444-040	\$ -	\$ 2,164	\$ 2,164	\$ -	\$ 2,164
						\$ -	\$ -
	<i>See ordinances: Unnumbered Ordinance 10 Apr 2006; Ordinance 12-29 on 9 April 2012;</i>		935: Total	\$ 1,122,814	\$ 1,217,564	\$ -	\$ 1,217,564
937: Inter-basin Transfer of Water							
	From Regional Water Fund-IBT	466-461-064	\$ 119,988	\$ 345,988	\$ 345,988	\$ 38,000	\$ 383,988
	From Regional Water Fund-IBT	466-461-065	\$ -	\$ 525,000	\$ 525,000	\$ -	\$ 525,000
	IBT Investments	937-444-010	\$ -	\$ 12	\$ 67	\$ -	\$ 12
			\$ -				\$ -
	<i>See Unnumbered Ordinance dated 10 Apr 2006; Ordinance 12-29 dated 9 April 2012; Ordinance 12-47 on 9 July 2012; Ordinance 13-19 on 1 July 2013; Ordinance 14-04 on 13 January 2014;</i>		937: Total	\$ 119,988	\$ 871,000	\$ 38,000	\$ 909,000
938: Warren County POS Meter Relocation							
	Fund Balance Appropriation	938-491-000	\$ -	\$ 12,000	\$ -	\$ -	\$ 12,000
	WCMETER Investments	938-444-010	\$ -	\$ 100	\$ 29	\$ -	\$ 100
	WCMETER Transfer from 64: Regional Fund	938-461-064	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ 100,000
	<i>See Ordinances: ;Ordinance 10-34 dated 14 June 2010; Ordinance 13-13 approved 11 March 2013; internal transfer 769 on 30 September 2013;</i>		938: Total	\$ 100,000	\$ 112,100	\$ -	\$ 112,100
939: High Speed Pump							
	State Revolving Loan	939-458-100	\$ 1,129,000	\$ 1,129,000	\$ -	\$ -	\$ 1,129,000
			\$ -	\$ -	\$ -	\$ -	\$ -
			\$ -	\$ -	\$ -	\$ -	\$ -
	<i>See Ordinances: Ordinance 12-48 dated 23 July 2012; Ordinance 13-71 on 9 December 2013;</i>		939: Total	\$ 1,129,000	\$ 1,129,000	\$ -	\$ 1,129,000
Revenue Summary			935: Total	\$ 1,122,814	\$ 1,217,564	\$ -	\$ 1,217,564
			937: Total	\$ 119,988	\$ 871,000	\$ 38,000	\$ 909,000
			938: Total	\$ 100,000	\$ 112,100	\$ -	\$ 112,100
			939: Total	\$ 1,129,000	\$ -	\$ -	\$ 1,129,000
TOTAL FUND REVENUES			\$ 2,471,802	\$ 3,329,664	\$ 2,188,648	\$ 38,000	\$ 3,367,664

**FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY**

46	CIP Regional Water Fund			Initial Budget	31 Mar 14 Current Budget	Expenditures 31 Mar 14	Adjustment FY15	Estimated 1 July 14
Expenditures								
Last Updated: 31 March 2014, rg								
935: 20 MGD Expansion								
	20MGD Contingency	935-509-900	\$ -	\$ 52,750	\$ -	\$ -	\$ -	\$ 52,750
	20MGD Planning/Design	935-510-100	\$ 13,636	\$ 13,636	\$ 13,634	\$ -	\$ -	\$ 13,636
	20MGD Legal/Admin	935-510-200	\$ 60,622	\$ 62,622	\$ 60,672	\$ -	\$ -	\$ 62,622
	20MGD Engineering	935-510-301	\$ 1,048,556	\$ 1,088,556	\$ 1,078,588	\$ -	\$ -	\$ 1,088,556
	935: Total		\$ 1,122,814	\$ 1,217,564	\$ 1,152,894	\$ -	\$ -	\$ 1,217,564
937: Inter-Basin Transfer of Water								
	IBT Professional Services	937-500-400	\$ -	\$ 79,224	\$ 31,340	\$ 38,000	\$ -	\$ 117,224
	IBT Contingency	937-509-900	\$ -	\$ 188,012	\$ -	\$ -	\$ -	\$ 188,012
	IBT Planning/Design	937-510-100	\$ 119,988	\$ 119,988	\$ 119,989	\$ -	\$ -	\$ 119,988
	IBT Engineering	937-510-301	\$ -	\$ 483,776	\$ 480,214	\$ -	\$ -	\$ 483,776
	937: Total		\$ 119,988	\$ 871,000	\$ 631,543	\$ 38,000	\$ -	\$ 909,000
938: Warren County POS Meter Relocation								
	WCMETER Legal/Admin	938-510-400	\$ 5,000	\$ 1,100	\$ 475	\$ -	\$ -	\$ 1,100
	Engineering	938-510-301	\$ -	\$ 3,000	\$ 3,000	\$ -	\$ -	\$ 3,000
	WCMETER Construction	938-510-400	\$ 95,000	\$ 108,000	\$ -	\$ -	\$ -	\$ 108,000
	938: Total		\$ 100,000	\$ 112,100	\$ 3,475	\$ -	\$ -	\$ 112,100
939: High Speed Efficiency Pump								
	SFR Admin/Closing Fee	939-504-514	\$ 22,580	\$ 22,580	\$ -	\$ -	\$ -	\$ 22,580
	Contingency	939-509-900	\$ 89,420	\$ 69,420	\$ -	\$ -	\$ -	\$ 69,420
	Legal/Admin	939-510-200	\$ 9,000	\$ 9,000	\$ 1,475	\$ -	\$ -	\$ 9,000
	Engineering Design	939-510-301	\$ 67,000	\$ 67,000	\$ 22,847	\$ -	\$ -	\$ 67,000
	Construction	939-510-400	\$ 895,000	\$ 915,000	\$ -	\$ -	\$ -	\$ 915,000
	Construction/Admin	939-510-800	\$ 46,000	\$ 46,000	\$ -	\$ -	\$ -	\$ 46,000
	0		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	939: Total		\$ 1,129,000	\$ 1,129,000	\$ 24,322	\$ -	\$ -	\$ 1,129,000
	Expenditure Summary							
		935: Total	\$ 1,122,814	\$ 1,217,564	\$ 1,152,894	\$ -	\$ -	\$ 1,217,564
		937: Total	\$ 119,988	\$ 871,000	\$ 631,543	\$ 38,000	\$ -	\$ 909,000
		938: Total	\$ 100,000	\$ 112,100	\$ 3,475	\$ -	\$ -	\$ 112,100
		939: Total	\$ 1,129,000	\$ 1,129,000	\$ 24,322	\$ -	\$ -	\$ 1,129,000
	TOTAL FUND EXPENDITURES		\$ 2,471,802	\$ 3,329,664	\$ 1,812,234	\$ 38,000	\$ -	\$ 3,367,664
FUND SUMMARY								
	TOTAL FUND REVENUES		\$ 2,471,802	\$ 3,329,664	\$ 2,188,648	\$ 38,000	\$ -	\$ 3,367,664
	TOTAL FUND EXPENDITURES		\$ 2,471,802	\$ 3,329,664	\$ 1,812,234	\$ 38,000	\$ -	\$ 3,367,664
	Variance		\$ -	\$ -	\$ 376,414	\$ -	\$ -	\$ -

FY 14-15 BUDGET
CAPITAL IMPROVEMENT PROJECTS FUNDS
ALL FUNDS SUMMARY

- **46-935: 20 MGD Expansion:** This project involved the expansion of the Water Treatment Facility to 20 MGD. Plans and specs have been prepared and approval received from the State. The estimated cost for the project is \$22,300,000. It is hoped bids can be let in 2015 or 2016. At this point, everything is dependent on obtaining the Inter-Basin Transfer of Water Permit from the State.
- **46-937: Inter-basin Transfer of Water (IBT):** This project involves the application and certificate for increased inter-basin transfer for the partners of the Kerr Lake Regional Water System. Currently the system is grandfathered for 10 MGD. It is anticipated the IBT permit will be issued by the end of 2015. An additional \$38,000 is recommended for transfer from the FY15 64: Regional Water Fund in order to provide financing for continuing consulting engineering services related to the IBT process.
- **46: 938: Warren County POS Meter Relocation:** This project involves the relocation of the existing meter at Middleburg to the Warren/Vance County line. The project has been awarded for construction by Council and work should be completed by Fall 2013.
- **46: 939: High Speed Pump:** This project provides for the replacement of a high speed pump at the regional water plant. While anticipated as part of the 20MGD expansion plans, the opportunity to obtain \$1,129,000 in State loan/grant funds became a reality, thus this item will no longer need to be included in the 20MGD project. It has taken much longer than anticipated to complete the engineering and State approvals than anticipated this time last year. Approvals have now been received. The project has been awarded to a contractor and it is expected work will be completed during spring 2015.

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

Grants Fund Summary

FY 13-14 GRANT FUNDS' SUMMARY							
Estimated Status as of 1 July 2014							
ALL FUNDS			31 March 14	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 14	FY14	1 July 14	
	55-100: Julia Avenue Engineering Project	\$ 38,370	\$ 38,370	\$ 39,000	\$ -	\$ 38,370	
	55-204: FEMA Operations and Safety Grant	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -	
	55-205 GHSP Traffic Checkpoint Equipment	\$ 18,300	\$ 18,300	\$ 4,575	\$ -	\$ 18,300	
	55-206: Governor's Crime Commission Grant	\$ 23,440	\$ 23,440	\$ 22,570	\$ -	\$ 23,440	
	55-207: BJA Grant 2013	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -	
	55-208: BJA Grant	\$ 10,576	\$ 10,576	\$ 10,203	\$ -	\$ 10,576	
	55-303: CDBG Talent Enhancement Grant	\$ 50,000	\$ 50,000	\$ 27,270	\$ -	\$ 50,000	
	94: Beckford Drive Widening Project Grant Fund	\$ 1,031,250	\$ 1,031,250	\$ 330,210	\$ -	\$ 1,031,250	
	Revenues	\$ 1,202,434	\$ 1,202,434	\$ 464,326	\$ (30,498)	\$ 1,171,936	
	Revenue Summary	Revenues	\$ 1,202,434	\$ 1,202,434	\$ 464,326	\$ (30,498)	\$ 1,171,936
	TOTAL FUND REVENUES		\$ 1,202,434	\$ 1,202,434	\$ 464,326	\$ (30,498)	\$ 1,171,936
ALL FUNDS			31 March 14	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 14	FY14	1 July 14	
	55-100: Julia Avenue Engineering Project	\$ 38,370	\$ 38,370	\$ 4,201	\$ -	\$ 38,370	
	55-204: FEMA Operations and Safety Grant	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -	
	55-205 GHSP Traffic Checkpoint Equipment	\$ 18,300	\$ 18,300	\$ 7,946	\$ -	\$ 18,300	
	55-206: Governor's Crime Commission Grant	\$ 23,440	\$ 23,440	\$ 22,280	\$ -	\$ 23,440	
	55-207: BJA Grant 2013	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -	
	55-208: BJA Grant	\$ 10,576	\$ 10,576	\$ 7,100	\$ -	\$ 10,576	
	55-303: CDBG Talent Enhancement Grant	\$ 50,000	\$ 50,000	\$ 24,269	\$ -	\$ 50,000	
	94: Beckford Drive Widening Project Grant Fund	\$ 1,031,250	\$ 1,031,250	\$ 207,475	\$ -	\$ 1,031,250	
	Expenditures	\$ 1,202,434	\$ 1,202,434	\$ 303,769	\$ (30,498)	\$ 1,171,936	
	Expenditure Summary	Expenditures	\$ 1,202,434	\$ 1,202,434	\$ 303,769	\$ (30,498)	\$ 1,171,936
	TOTAL FUND EXPENDITURES		\$ 1,202,434	\$ 1,202,434	\$ 303,769	\$ (30,498)	\$ 1,171,936
FUND SUMMARY							
	TOTAL FUND REVENUES		\$ 1,202,434	\$ 1,202,434	\$ 464,326	\$ (30,498)	\$ 1,171,936
	TOTAL FUND EXPENDITURES		\$ 1,202,434	\$ 1,202,434	\$ 303,769	\$ (30,498)	\$ 1,171,936
	<i>Variance</i>		<i>\$ -</i>	<i>\$ -</i>	<i>\$ 160,557</i>	<i>\$ -</i>	<i>\$ -</i>

2 May 2014, rg

Grant Project Funds are not considered to be part of the annual budget process since these projects remain “open” for the life of the grant. At times, a grant may only be “open”, or active, for several months and in other cases the project remains active for several years. With this said, the annual operating and capital budget must provide a summary of the grant fund projects for information purposes. The foregoing summary provides information on each of the active grant fund projects for the current year and those that might continue in FY15.

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-100: Julia Avenue Engineering Project							
Estimated Status as of 1 July 2014							
55-100: Julia Avenue Engineering Project		25 Jun 2012	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	County Contract	55-100-477-042	\$ 38,370	\$ 38,370	\$ 39,000	\$ -	\$ 38,370
			\$ -	\$ -	\$ -	\$ -	\$ -
		Revenues	\$ 38,370	\$ 38,370	\$ 39,000	\$ -	\$ 38,370
	Revenue Summary	Revenues	\$ 38,370	\$ 38,370	\$ 39,000	\$ -	\$ 38,370
	TOTAL FUND REVENUES		\$ 38,370	\$ 38,370	\$ 39,000	\$ -	\$ 38,370
55-100: Julia Avenue Engineering Project							
Expenditures		25 Jun 2012	31 March 13	Expenditures	Adjustment	Revised	
		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
100	Julia Avenue Project						
	Contracted Services	55-100-604-500	\$ 29,730	\$ 29,730	\$ 3,430	\$ -	\$ 29,730
	Legal/Admin	55-100-510-200	\$ 8,640	\$ 8,640	\$ 771	\$ -	\$ 8,640
			\$ -	\$ -	\$ -	\$ -	\$ -
		Expenditures	\$ 38,370	\$ 38,370	\$ 4,201	\$ -	\$ 38,370
	Expenditure Summary	Expenditures	\$ 38,370	\$ 38,370	\$ 4,201	\$ -	\$ 38,370
	TOTAL FUND EXPENDITURES		\$ 38,370	\$ 38,370	\$ 4,201	\$ -	\$ 38,370
FUND SUMMARY							
	TOTAL FUND REVENUES		\$ 38,370	\$ 38,370	\$ 39,000	\$ -	\$ 38,370
	TOTAL FUND EXPENDITURES		\$ 38,370	\$ 38,370	\$ 4,201	\$ -	\$ 38,370
		Variance	\$ -	\$ -	\$ 34,799	\$ -	\$ -
<i>Project Established via Ordinance 12-41 on 25 June 2012.</i>							<i>18 April 2014, rg</i>

55-100: Julia Avenue Engineering Grant: This project was established by the City Council on 25 June 2012 via Ordinance 12-41 and Resolution 12-40 (Also see Resolution 11-02, 14 March 2011). The City has contracted with Vance County for engineering services for Julia Avenue water and sewer installation and street upgrades via its CDBG project.

The City is using the revenues from its contracted services to fund a Public Facilities Manual of specifications and standards for both water distribution and sewer collection systems.

Reference: Resolution 11-02 on 14 March 2011; CAF 12-57; Resolution 12-40; Ordinance 12-41 on 25 June 2012.

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-204: FEMA Operations and Safety Grant							
Estimated Status as of 1 July 2014							
55-204: FEMA Operations and Safety Grant		0	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	FEMA Grant	55-204-458-211	\$ 14,146	\$ 14,146	\$ 14,146	\$ (14,146)	\$ -
	Transfer from 10: General Fund	55-204-461-010	\$ 744	\$ 744	\$ 744	\$ (744)	\$ -
		Revenues	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
	Revenue Summary	Revenues	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
	TOTAL FUND REVENUES		\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
<i>Reference: Resolution 13-54; Ordinance 13-40, 8 July 2013</i>							
55-204: FEMA Operations and Safety Grant		0	31 March 13	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
204	FEMA Operations & Safety Grant						
	Capital Outlay < \$5,000	55-204-507-400	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
					\$ -	\$ -	
					\$ -	\$ -	
		Expenditures	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
	Expenditure Summary	Expenditures	\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
	TOTAL FUND EXPENDITURES		\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
	FUND SUMMARY						
	TOTAL FUND REVENUES		\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
	TOTAL FUND EXPENDITURES		\$ 14,890	\$ 14,890	\$ 14,890	\$ (14,890)	\$ -
		<i>Variance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<i>2 May 2014, rg</i>							

This grant was established on 8 July 2013 and is fully expended. The project will be closed out by 30 June 2014.

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-205: GHSP Traffic Checkpoint Equipment							
Estimated Status as of 1 July 2014							
55-205 GHSP Traffic Checkpoint Equipment		0	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	NC Governors Highway Safety Grant	55-205-458-205	\$ 13,725	\$ 13,725	\$ -	\$ -	\$ 13,725
	From 10: General Fund	55-205-461-010	\$ 4,575	\$ 4,575	\$ 4,575	\$ -	\$ 4,575
		Revenues	\$ 18,300	\$ 18,300	\$ 4,575	\$ -	\$ 18,300
	Revenue Summary	Revenues	\$ 18,300	\$ 18,300	\$ 4,575	\$ -	\$ 18,300
	TOTAL FUND REVENUES		\$ 18,300	\$ 18,300	\$ 4,575	\$ -	\$ 18,300
	FUND SUMMARY						
	TOTAL FUND REVENUES		\$ 18,300	\$ 18,300	\$ 4,575	\$ -	\$ 18,300
	TOTAL FUND EXPENDITURES		\$ 18,300	\$ 18,300	\$ 7,946	\$ -	\$ 18,300
	Variance		\$ -	\$ -	\$ (3,371)	\$ -	\$ -

18 April 2014, rg

This grant, established on 12 August 2013, will provide funding for a traffic equipment trailer, portable light tower and generator, portable generator, traffic cones, three portable checkpoint signs with stands, OSHA/DOT certified traffic vests and traffic flashlights. The grant should be completed and closed out by the end of September 2014.

Reference: CAF 13-27; CAF 13-27A; Resolution 13-21A; Ordinance 13-46

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-206 Governor's Crime Commission Grant							
Estimated Status as of 1 July 2014							
55-206: Governor's Crime Commission Grant		0	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	Governors Crime Commission Grant	55-206-458-204	\$ 17,580	\$ 17,580	\$ 16,710	\$ (17,580)	\$ -
	Transfer from 10: General Fund	55-206-461-010	\$ 5,860	\$ 5,860	\$ 5,860	\$ (5,860)	\$ -
		Revenues	\$ 23,440	\$ 23,440	\$ 22,570	\$ (23,440)	\$ -
	Revenue Summary	Revenues	\$ 23,440	\$ 23,440	\$ 22,570	\$ (23,440)	\$ -
	TOTAL FUND REVENUES		\$ 23,440	\$ 23,440	\$ 22,570	\$ (23,440)	\$ -
55-206: Governor's Crime Commission Grant		0	31 March 13	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
206	GCC Mobile Data Terminal						
	Capital Outlay <\$5000	55-206-507-400	\$ 23,440	\$ 23,440	\$ 22,280	\$ (23,440)	\$ -
				\$ -	\$ -	\$ -	\$ -
				\$ -	\$ -	\$ -	\$ -
		Expenditures	\$ 23,440	\$ 23,440	\$ 22,280	\$ (23,440)	\$ -
	Expenditure Summary	Expenditures	\$ 23,440	\$ 23,440	\$ 22,280	\$ (23,440)	\$ -
	TOTAL FUND EXPENDITURES		\$ 23,440	\$ 23,440	\$ 22,280	\$ (23,440)	\$ -
	FUND SUMMARY						
	TOTAL FUND REVENUES		\$ 23,440	\$ 23,440	\$ 22,570	\$ (23,440)	\$ -
	TOTAL FUND EXPENDITURES		\$ 23,440	\$ 23,440	\$ 22,280	\$ (23,440)	\$ -
		<i>Variance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 290</i>	<i>\$ -</i>	<i>\$ -</i>

2 May 2014, rg

This grant was established on 29 July 2013 and will be closed out by 30 June 2014. The grant funding provides for the purchase of eight new mobile data terminal/in-car camera systems. The project is completed and will be closed out by 30 June 14.

Reference: CAF 13-07, CAF 13-07A, Resolution 13-05A, Ordinance 13-48

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-207 BJA Grant 2013							
Estimated Status as of 1 July 2014							
55-207: BJA Grant 2013		0	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	BJA 1013 Grant	55-207-458-218	\$ 15,586	\$ 15,586	\$ 15,586	\$ (15,586)	\$ -
	Transfer from 10: General Fund	55-207-461-010	\$ 22	\$ 22	\$ 22	\$ (22)	\$ -
		Revenues	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
	Revenue Summary	Revenues	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
		TOTAL FUND REVENUES	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
55-207: BJA Grant 2013		0	31 March 13	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	207 BJA Grant 2013						
	Capital Outlay < \$5,000	55-207-507-400	\$ 9,374	\$ 9,374	\$ 9,374	\$ (9,374)	\$ -
	VC Sheriff Dept Share	55-207-509-031	\$ 6,234	\$ 6,234	\$ 6,234	\$ (6,234)	\$ -
				\$ -	\$ -	\$ -	\$ -
		Expenditures	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
	Expenditure Summary	Expenditures	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
		TOTAL FUND EXPENDITURES	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
	FUND SUMMARY						
		TOTAL FUND REVENUES	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
		TOTAL FUND EXPENDITURES	\$ 15,608	\$ 15,608	\$ 15,608	\$ (15,608)	\$ -
		<i>Variance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>

2 May 2014, rg

This grant was established on 9 September 2013 and provides resources for both the City’s Police Department and the County’s Sheriff’s Department. Grant funds for the City will be used to purchase two new in-car mobile camera audio/video recorders. The grant will be closed out by 30 June 2014.

Reference: CAF 13-69, CAF 13-69A, Resolution 13-49, Resolution 13-49A, Ordinance 13-55

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-208 BJA Grant							
Estimated Status as of 1 July 2014							
55-208: BJA Grant		0	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	BJA Grant	55-208-458-218	\$ 3,923	\$ 3,923	\$ 3,550	\$ (3,923)	\$ -
	Transfer from 10: General Fund	55-208-461-010	\$ 6,653	\$ 6,653	\$ 6,653	\$ (6,653)	\$ -
		Revenues	\$ 10,576	\$ 10,576	\$ 10,203	\$ (10,576)	\$ -
	Revenue Summary	Revenues	\$ 10,576	\$ 10,576	\$ 10,203	\$ (10,576)	\$ -
	TOTAL FUND REVENUES		\$ 10,576	\$ 10,576	\$ 10,203	\$ (10,576)	\$ -
55-208: BJA Grant		0	31 March 13	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	208 BJA Bullet Proof Vests 2013						
	Bulletproof vests	55-208-503-605	\$ 10,576	\$ 10,576	\$ 7,100	\$ (10,576)	\$ -
					\$ -	\$ -	\$ -
					\$ -	\$ -	\$ -
		Expenditures	\$ 10,576	\$ 10,576	\$ 7,100	\$ (10,576)	\$ -
	Expenditure Summary	Expenditures	\$ 10,576	\$ 10,576	\$ 7,100	\$ (10,576)	\$ -
	TOTAL FUND EXPENDITURES		\$ 10,576	\$ 10,576	\$ 7,100	\$ (10,576)	\$ -
	FUND SUMMARY						
	TOTAL FUND REVENUES		\$ 10,576	\$ 10,576	\$ 10,203	\$ (10,576)	\$ -
	TOTAL FUND EXPENDITURES		\$ 10,576	\$ 10,576	\$ 7,100	\$ (10,576)	\$ -
		<i>Variance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 3,103</i>	<i>\$ -</i>	<i>\$ -</i>

2 May 2014, rg

This grant was established on 23 September 2013 and is expected to be completed by 30 June 2014. It provides funding for bullet proof vests for police officers.

Reference: CAF 13-50, CAF 13-50A, Resolution 13-37, Resolution 13-37A, Ordinance 13-61

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

55-303 CDBG Talent Enhancement Grant							
Estimated Status as of 1 July 2014							
55-303: CDBG Talent Enhancement Grant		0	31 March 13	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	NC Dept of Commerce Grant	55-303-458-146	\$ 50,000	\$ 50,000	\$ 27,270	\$ -	\$ 50,000
			\$ -	\$ -	\$ -	\$ -	\$ -
		Revenues	\$ 50,000	\$ 50,000	\$ 27,270	\$ -	\$ 50,000
	Revenue Summary	Revenues	\$ 50,000	\$ 50,000	\$ 27,270	\$ -	\$ 50,000
	TOTAL FUND REVENUES		\$ 50,000	\$ 50,000	\$ 27,270	\$ -	\$ 50,000
55-303: CDBG Talent Enhancement Grant		0	31 March 13	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 13	FY14	1 July 14	
	303 CDBG Talent Enhancement Grant						
	Salaries and Wages	55-303-500-200	\$ 25,000	\$ 25,000	\$ 11,500	\$ -	\$ 25,000
	FICA/Medicare	55-303-500-500	\$ -	\$ -	\$ 879	\$ -	\$ -
	Medical Insurance	55-303-500-600	\$ -	\$ -	\$ 984	\$ -	\$ -
	Dental Insurance	55-303-500-606	\$ -	\$ -	\$ 67	\$ -	\$ -
	Life Insurance	55-303-500-610	\$ -	\$ -	\$ 31	\$ -	\$ -
	Retirement	55-303-500-700	\$ -	\$ -	\$ 808	\$ -	\$ -
	Travel & Schools	55-303-501-400	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 5,000
	Training	55-303-501-402	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
	Grant Administration	55-303-510-200	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 5,000
	Planning	55-303-510-100	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ 5,000
		Expenditures	\$ 50,000	\$ 50,000	\$ 24,269	\$ -	\$ 50,000
	Expenditure Summary	Expenditures	\$ 50,000	\$ 50,000	\$ 24,269	\$ -	\$ 50,000
	TOTAL FUND EXPENDITURES		\$ 50,000	\$ 50,000	\$ 24,269	\$ -	\$ 50,000
	FUND SUMMARY						
		TOTAL FUND REVENUES	\$ 50,000	\$ 50,000	\$ 27,270	\$ -	\$ 50,000
		TOTAL FUND EXPENDITURES	\$ 50,000	\$ 50,000	\$ 24,269	\$ -	\$ 50,000
		<i>Variance</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ 3,001</i>	<i>\$ -</i>	<i>\$ -</i>

18 April 2014, rg

This grant was established on 10 June 2013 and provides funding for staff training and development in the Community Development Block Grant areas, with a focus on planning and working in the Flint Hill community of Henderson. The departure of Planning Director Dunston in April means the whole of the grant will not be expended. It is expected to be completed by 30 June and closed out by that time.

Reference: CAF 13-63, Resolution 13-45, Ordinance 13-30

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

94: BECKFORD DRIVE WIDENING PROJECT GRANT FUND SUMMARY							
Estimated Status as of 1 July 2014							
94: Beckford Drive Widening Project Grant Fund		8 Dec 2008	31 March 14	Revenues	Adjustment	Revised	
Revenues		Initial Budget	Current Budget	31 March 14	FY14	1 July 14	
	SAFTEA-LU Grant	95-941-458-209	\$ 825,000	\$ 825,000	\$ 123,960	\$ -	\$ 825,000
	Transfer from Powell Bill--Grant Match	94-941-461-035	\$ 206,250	\$ 206,250	\$ 206,250	\$ -	\$ 206,250
					\$ -	\$ -	\$ -
		Revenues	\$ 1,031,250	\$ 1,031,250	\$ 330,210	\$ -	\$ 1,031,250
	Revenue Summary	Revenues	\$ 1,031,250	\$ 1,031,250	\$ 330,210	\$ -	\$ 1,031,250
	TOTAL FUND REVENUES		\$ 1,031,250	\$ 1,031,250	\$ 330,210	\$ -	\$ 1,031,250
<hr/>							
94: Beckford Drive Widening Project Grant Fund		8 Dec 2008	31 March 14	Expenditures	Adjustment	Revised	
Expenditures		Initial Budget	Current Budget	31 March 14	FY14	1 July 14	
942 Beckford Drive Widening Project							
	Contingency	94-942-509-900	\$ 84,150	\$ 84,150	\$ -	\$ -	\$ 84,150
	Legal-Administration	94-942-510-200	\$ 12,787	\$ 12,787	\$ 6,613	\$ -	\$ 12,787
	Engineering	94-942-510-301	\$ 201,713	\$ 201,713	\$ 200,862	\$ -	\$ 201,713
	Construction	94-942-510-400	\$ 732,600	\$ 732,600	\$ -	\$ -	\$ 732,600
		Expenditures	\$ 1,031,250	\$ 1,031,250	\$ 207,475	\$ -	\$ 1,031,250
	Expenditure Summary	Expenditures	\$ 1,031,250	\$ 1,031,250	\$ 207,475	\$ -	\$ 1,031,250
	TOTAL FUND EXPENDITURES		\$ 1,031,250	\$ 1,031,250	\$ 207,475	\$ -	\$ 1,031,250
FUND SUMMARY							
		TOTAL FUND REVENUES	\$ 1,031,250	\$ 1,031,250	\$ 330,210	\$ -	\$ 1,031,250
		TOTAL FUND EXPENDITURES	\$ 1,031,250	\$ 1,031,250	\$ 207,475	\$ -	\$ 1,031,250
		<i>Variance</i>	\$ -	\$ -	\$ 122,735	\$ -	\$ -
<i>See Un-Numbered Ordinance, FY08-09 Budget Amendment #17, approved 8 December 2008</i>							<i>18 April 2014</i>

94: Beckford Drive Widening Project: This grant was awarded in 2005 and accepted by the City Council. The project budget was established via an unnumbered Budget Ordinance on 8 December 2008. The Federal Highway Administration awarded the grant to the City to achieve the following goals: The widening of Beckford Drive to a three lanes from the City of Henderson's Operations Center to North Park Drive, including the installation of curbs and gutters, and sidewalks.

The City is in the process of acquiring two small tracts for right-of-way via eminent domain. Once that has been obtained, the project should begin to move forward. It is expected that this project will continue through FY15.

**FY 14-15 BUDGET
GRANT FUNDS
ALL FUNDS SUMMARY**

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