



AGENDA

Finance/Audit Committee Meeting
March 11, 2019
Board Room – 12 noon

Call to Order - Ascertain Quorum

Acceptance of the Agenda

Safety Brief

1. Approval of Minutes
[Tony Cannon]

October 10, 2018

2. End-of-Year Forecast/Draft Revenue and Expenditures Proposal for Upcoming Year
[Tony Cannon]
3. Recommendation to Award Auditing Services Contract
[Jeff McCauley]

Adjournment



Agenda Item # 1

Meeting Date: March 11, 2019

**Board
Committee:**

Finance/Audit Committee

Item:

Approval of Minutes

Contact:

Tony Cannon

Explanation:

Finance/Audit Committee Meeting: October 10, 2018

**Previous Board
Actions:**

Fiscal Note:

**Recommended
Action(s):**

Approve minutes from the October 10, 2018 Finance/Audit Committee Meeting as presented or amended

GREENVILLE UTILITIES COMMISSION
FINANCE/AUDIT COMMITTEE
GREENVILLE, NORTH CAROLINA
October 10, 2018

The Finance/Audit Committee of the Greenville Utilities Commission met on Wednesday, October 10, 2018, at 12:00 p.m. in the Board Room with the following members and others present.

Committee Members Present:

Parker Overton, Committee Chair
Don Mills, Committee Vice-Chair
Tommy Stoughton
Minnie Anderson

GUC Staff Present:

Tony Cannon	Jonathan Britt
Chris Padgett	Amanda Wall
Jeff McCauley	David Springer
Keith Jones	Freddie Martin
Anthony Miller	Robby Bright
Randy Emory	Lou Norris
George Reel	
John Worrell	
Steve Hawley	
Amy Wade	

Others present included Ginger Livingston with The Daily Reflector.

Committee Chair Overton called the meeting to order at 12:00 p.m. and ascertained that a quorum was present.

Mr. Tony Cannon requested to amend the agenda to include item 6, consideration of natural gas supply agreement with Public Energy Authority of Kentucky.

A motion was made by Mr. Stoughton, seconded by Mr. Mills, to accept the agenda as amended. The motion carried unanimously.

Safety Brief

Tony Cannon, General Manager/CEO, provided a safety brief. He explained the plan of action should there be an emergency at today's meeting.

APPROVAL OF MINUTES (Agenda Item 1)

A motion was made by Mr. Stoughton, seconded by Ms. Anderson, to approve the March 6, 2018, Finance/Audit Committee minutes as presented. The motion carried unanimously.

IMPLEMENTATION OF A PILOT ELECTRIC VEHICLE CHARGING STATION REBATE PROGRAM (Agenda Item 2)

Mr. Tony Cannon stated that Greenville Utilities Commission proposes implementation of an Electric Vehicle Supply Equipment (EVSE)/Plug-In Electric Vehicle (PEV) Charging Station Pilot Rebate Program, effective November 1, 2018. Rebates will be available to eligible electric customers as reimbursement for part of the cost of EVSE/PEV Charging Station infrastructure and installation as follows: \$1,000 for single-port Level 2 Electric Vehicle Charging Stations and \$1,500 for dual-port Level 2 Electric Vehicle Charging Stations. Rebate(s) will be awarded, as approved by the Greenville Utilities Commission, on a first-come, first-served basis until rebate funds are exhausted. No more than four station rebates will be awarded per property/premise, and the maximum total value of rebates awarded per fiscal year as part of the program will be \$30,000.00.

To be eligible to receive one or more rebates, the customer must submit a complete and accurate rebate application form with attachments to the Commission. EVSE must be purchased and installed prior to submitting a rebate application. Submittals must be received by the Commission within 6 months of installation. EVSE or installation costs incurred prior to July 1, 2018 are ineligible for the rebate.

PEV Charging Stations will not be separately metered; energy used to charge a PEV will be included on the customer's monthly electricity bill.

Following discussion, a motion was made by Mr. Mills, seconded by Ms. Anderson, to approve implementation of the proposed pilot Electric Vehicle Charging Station Rebate Program as presented and recommend that similar action be taken by the Board. The motion passed unanimously.

RECOMMENDED REVISIONS TO UTILITY REGULATIONS PART C TERMS AND CONDITIONS OF WATER AND/OR SEWER SERVICE, SECTION 19.0 – WATER & SEWER EXTENSIONS AND SERVICES (Agenda Item 3)

Mr. Cannon stated that Greenville Utilities Commission implemented Water and Sewer System Development Fees on July 1, 2018 in accordance with the requirements of N.C. General Statute Chapter 162A, Article 8 and correspondingly eliminated Sewer Acreage Fees. Prior to July 1, as part of GUC's practice of cost sharing with developers for the installation of water or sewer extensions to new developments, Sewer Acreage Fees due from the developer were eligible for use by the developer as all, or a portion of, the developer's cost share. Under the new fee structure, a revision to this practice is necessary for continuing similar partnerships with developers to support system expansions. In response, GUC proposes to incorporate into the

existing 'up to 50%' cost participation for approved extensions an additional credit to developers for the value of anticipated System Development Fees to be collected from the associated development. The proposed revised language was provided. GUC will continue to require the developer to enter into a contract agreement with the Commission setting forth the scope of the proposed installation, the estimated cost and the plan or schedule for sharing of costs. Additionally, actual funding participation shall be based on documented final project costs and be subject to the availability of funds.

A motion was made by Mr. Mills, seconded by Ms. Anderson, to approve revising the Greenville Utilities Commission's cost participation for approved water and sewer extensions to be up to 50% of the project cost plus the value of anticipated System Development Fees to be collected from the associated development and associated revisions to Part C-Terms & Conditions of Water and /or Sewer Services, effective November 1, 2018, and recommend that similar action be taken by the Board. The motion passed unanimously.

ANNUAL REVIEW OF INVESTMENT POLICY (Agenda Item 4)

Mr. Jeff McCauley, Chief Financial Officer, stated that it is the policy of GUC to invest public funds in a manner which will provide the highest return with the maximum security while meeting the daily cash flow demands of GUC and conforming to all state and local statutes governing the investment of public funds. To that end, GUC's Investment Policy requires that a review of the investment policy be conducted on an annual basis by the Finance/Audit Committee. A copy of the current investment policy was provided and Mr. McCauley gave a brief update on the status of investments.

Mr. McCauley announced that the Association of Public Treasurers of the United States and Canada awarded GUC with the Association's Investment Policy Certification of Excellence Award. The investment policy was last updated in November 2017. No changes to the existing policy are being recommended by staff at this time.

ANNUAL FY 2017-18 AUDIT UPDATE (Agenda Item 5)

Mr. McCauley stated that the fiscal year-end audit has been progressing nicely. Staff has been providing the auditors with information in a timely manner. At this time, the auditors have not made staff aware of any auditing issues and it is anticipated that the Commission will receive a clean audit opinion.

Staff is on track to deliver the audited financial statements to the State Treasurer's Office by October 31, 2018. A presentation of the full audit report to the Board will occur in November.

Based on Generally Accepted Accounting Principles (GAAP) the Commission generated \$17.9 million in net income for fiscal year-ended June 30, 2018.

CONSIDERATION OF NATURAL GAS SUPPLY AGREEMENT WITH PUBLIC ENERGY AUTHORITY OF KENTUCKY (Agenda Item 6)

Freddie Martin, Natural Gas Supply Officer, stated that in an effort to further diversify Greenville Utilities Commission's (GUC's) natural gas supply portfolio and reduce costs, staff has evaluated the option of GUC participating in a natural gas pre-payment (prepay) transaction with Public Energy Authority of Kentucky (PEAK) and Morgan Stanley (MS). A prepay is a transaction where a municipal utility can issue tax-exempt bonds to prepay for delivery of gas on a long-term basis to achieve an ongoing discount to the prevailing market price. Under the proposed agreement, PEAK will be the issuer of the bonds. In executing such an agreement, GUC would be a purchaser of gas from PEAK at a discount to prevailing market prices and would not have any liability associated with the bonds issued by PEAK.

GUC is currently in year 12 of a 15-year prepay with Patriots Energy Group (PEG) and in year 1 of a 30-year prepay with Black Belt Energy. The PEG prepay has saved GUC and its customers \$1,365,460 since November 2007 and the agreement ends on January 31, 2022. Delivery under the Black Belt prepay begins on November 1, 2018 with projected savings of \$8,071,106 over the term of the agreement.

GUC has an opportunity to participate in a new 30-year natural gas pre-payment deal with PEAK. Closing of this agreement is targeted for November 2018. To participate in the prepay, GUC will need approval to execute a gas supply contract with Public Energy Authority of Kentucky by the end of October 2018.

The key provisions of the proposed agreement are listed below.

- GUC enters the agreement to purchase volume up to, but not to exceed, 2,000 dekatherms per day for a term of 30 years, with deliveries beginning April 1, 2019.
- GUC receives a net discount of \$0.30 to \$0.40 per dekatherm from the applicable first-of-the-month gas index price through a combination of monthly and annual savings during an initial period.
- The discount to the prevailing market price will be reset periodically during the term of the contract, with a potential that the discount may increase from the initial discount. The discount may not be less than \$0.20 per dekatherm after the initial reset period and must average at least \$0.25 per dekatherm over the term of the transaction. GUC pays an administrative fee of \$0.03 per dekatherm to PEAK to cover administrative costs related to billing, regulatory compliance, and other ongoing administrative tasks associated with the prepay transaction.
- Requirements Only Contract - GUC does not have to purchase the gas if demand drops
- Compensation for failure to perform
- Termination rights (bankruptcy, failure to issue bonds, etc.)

A motion was made by Mr. Mills, seconded by Mr. Stoughton, to approve of the General Manager/CEO and appropriate staff to negotiate and execute the natural gas supply agreement with Public Energy Authority of Kentucky for a volume up to, but not to exceed, 2,000

dekatherms per day over 30 years and recommend that similar action be taken by the Board. The motion carried unanimously.

ADJOURNMENT

A motion was made by Mr. Mills, seconded by Ms. Anderson, to adjourn the meeting. The motion carried unanimously and the Finance/Audit Committee meeting adjourned at 12:48 p.m.

Respectfully submitted,

Amy Carson Wade
Executive Secretary



Agenda Item # 2


Meeting Date: March 11, 2019

Board Committee:	Finance/Audit Committee
Item:	End-of-Year Forecast/Draft Revenue and Expenditures Proposal for Upcoming Year
Contact:	Tony Cannon
Explanation:	<p>The Finance/Audit Committee will meet on March 11, 2019 with GUC staff to discuss the end-of-year fiscal forecast and the preliminary revenue and expenditures proposal for FY 2019-20. Attached for your review are a memorandum and supplemental materials.</p> <p>The presentation will focus on end-of-year performance for FY 2018-19 and the key elements of the proposed FY 2019-20 budget. These areas include current status, capital investment, five-year capital plans, rate models, and the long-term financial forecast.</p>
Previous Board Actions:	N/A
Fiscal Note:	N/A
Recommended Action(s):	Endorsement for the Board to move forward with appropriate actions related to the current end-of-year fiscal forecast and preparation of the proposed preliminary FY 2019-20 budget as presented.

OFFICE OF THE
GENERAL MANAGER

MEMORANDUM

TO: GUC Board of Commissioners Finance/Audit Committee

FROM: Anthony C. Cannon, General Manager/CEO 

DATE: March 6, 2019

SUBJECT: End-of-Year Forecast/Draft Revenue and Expenditures Proposal for Upcoming Year

At the Board Finance/Audit Committee meeting on Monday, March 11, 2019, staff will review the end-of-year financial forecast for FY 2018-19 and the proposed budget for FY 2019-20. In preparation for the meeting, supplemental information is attached for your review, which highlights the items listed below:

- End-of-year projections for FY 2018-19 (current year)
- FY 2019-20 forecast developed last year
- Proposed FY 2019-20 Budget
- FY 2020-24 Financial Forecasts
- FY 2020-24 Capital Improvement Plan

Key metrics, such as fund balance and debt service ratios, are also included in the attached documents.

The remainder of this memorandum provides a historical reference regarding the major influences and highlights of the current budget, status of GUC's FY 2018-19 financial projections, and proposed revenue and expenditures for FY 2019-20.

End-of-Year Projections

The current budget adopted for FY 2018-19 provided appropriations of \$10.7M in capital outlay improvements, more than \$67M in operations, and transfers of \$4.5M to the capital project fund. The FY 2018-19 original budget was 1.0% higher than the previous year's budget and provided funding for operating and capital infrastructure improvements while maintaining competitive rates.

Total adjustments of \$3M to the original budget are due to a \$7.9M increase in revenues and a \$4.9M increase in expenditures due to increased purchased power costs, debt service, and transfers to rate stabilization and capital projects.

In reviewing the end-of-year forecast, the financial viability of each fund is considered to ensure that GUC is properly positioned to continue to meet its mission and future financial challenges. ***Key Performance Indicators such as end-of-year performance, debt service coverage, and fund balances are primary components of the review.*** These factors are also monitored by the Local Government Commission (LGC) and credit rating agencies in determining GUC's ability to borrow funds at a favorable interest rate.

GUC's current credit ratings are Aa2 rating with Moody's and AA- credit rating with Fitch. These high ratings enable GUC to borrow funds at lower interest rates, thereby lowering the cost of borrowing for necessary investments in infrastructure to maintain our systems.

- **End-of-Year Forecast for Electric Fund After Transfers**
Revenues for the Electric Fund are projected to end the year higher than budgeted, as higher volumes of kWh were delivered to customers due to weather and overall system growth. It is anticipated the Electric Fund will end the fiscal year with \$1.4M fund equity, debt service coverage ratio of 5.00x, and a fund balance of 19.0% or \$33M.
- **End-of-Year Forecast for Water Fund After Transfers**
It is projected that the Water Fund will end the fiscal year with approximately \$294K fund equity, debt service coverage ratio of 1.43x, and a fund balance of 14.4% or \$2.9M.
- **End-of-Year Forecast for Sewer Fund After Transfers**
It is projected that the Sewer Fund will end the fiscal year with approximately \$1.2M fund equity, debt service coverage ratio of 1.63x, and a fund balance of 29.9% or \$6.4M.
- **End-of-Year Forecast for Gas Fund After Transfers**
It is projected that the Gas Fund will end the fiscal year with \$65K fund equity, debt service coverage ratio of 3.74x, and a fund balance of 34.4% or \$12M.
- **End-of-Year Forecast for the Combined Enterprise Operation After Transfers**
The combined funds are expected to realize revenues of almost \$261M, an increase of \$7.9M or 3.0%. Expenditures are projected to total approximately \$258M, a \$4.9M or 2.0% increase over the original budget. The combined funds' revenues (after transfers) are projected to end the year \$3.0M higher than expenditures providing an increase in fund equity approximately \$1.9M higher than originally budgeted.

Proposed FY 2019-20 Budget

Greenville Utilities Commission (GUC) is pleased to present you with the proposed FY 2019-20 Budget which was developed using the values and objectives identified in our “Blueprint – GUC’s Strategic Plan”. Our focus on helping the growth of the region, safely providing reliable and innovative utility solutions, and providing an exceptional customer service experience still remain the heart of everything we do.

GUC’s financial budget goals focus on several key metrics including end-of-year performance, debt service coverages, and fund balances. The long-term sustainability of each fund is also taken into consideration to ensure that GUC is positioned to continue to meet its mission and future financial challenges.

Guiding all budgetary decisions is GUC’s commitment to provide exceptional service while maintaining a viable financial position. To that end, GUC’s budget goals are designed to achieve the following:

- Safely provide reliable utility solutions, at the lowest reasonable cost
- Exceptional customer service in an environmentally responsible manner
- Position GUC to achieve greater efficiencies
- Continue to meet regulatory requirements
- Minimize rate increases
- Avoid future rate shock
- Maintain key performance indicators for each fund
- Be operationally and financially prepared for emergency situations
- Prepare for growth and expansion opportunities
- Preserve and/or improve bond ratings

The balancing process for the proposed budget addressed several areas, including the review and analysis of the following:

- The ability of all four funds to be self-supporting in order to meet future financial challenges as individual funds on a sustained basis
- Continued investment in infrastructure
- Appropriate timing of expenditures for capital projects
- Revenues
- Personnel and staffing
- Cost saving opportunities
- Updating financial models while being cognizant of any rate adjustments that were proposed last year for the upcoming fiscal year

Highlights of the FY 2019-20 proposed budget are listed below:

- Expenditures budgeted for FY 2019-20 have increased by 2% or \$4.18M when compared to the FY 2018-19 budget. Key points are:
 - \$3.3M increase in purchased power
 - \$2.7M decrease in purchased gas
 - \$1.1M decrease in debt service
 - \$250K increase in transfers to rate stabilization
 - \$3.4M increase in transfers to capital projects
 - \$1.5M increase in operations
- No rate adjustment for the Electric Fund
- A 7.0% rate increase for the Water Fund, 0.6% less than projected last year
- No rate adjustment for the Sewer Fund, 3% less than last year
- No rate adjustment for the Gas Fund
- Funding for the employee market adjustment at 2.0% or \$585K effective July 1, 2019
- Funding for the employee merit program at 1.5% or \$448K
- Continuation of a self-insured health insurance plan which includes a high deductible Health Savings Account option
- Continuation of self-insured dental insurance plan
- Funding to bring replacements on board prior to the retirement of key personnel in order to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- Existing positions have been reallocated and six permanent positions have been added to appropriately respond to needs within the combined enterprise operation
- Prefunding for Other Post-Employment Benefits (OPEB) \$500K
- Funding for increase in LGERS employer contribution from 7.75% to 8.95% - \$350K
- Transfer of \$150K to City's housing energy conservation program
- Investment of \$11.4M for capital outlay in order to maintain system reliability and comply with regulatory requirements in the combined enterprise operation
- Annual turnover or transfer of \$6.6M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Summary

The FY 2019-20 proposed balanced budget was developed with the staff's best effort to control costs while continuing to provide a high level of service to GUC's customers. Not only is the proposed budget balanced for the near term, but it also includes key components to position GUC for long-term sustainability. Focusing on these fundamentals will provide the foundation of enhancing the quality of life for those we serve by assisting and partnering to facilitate the growth of the Greenville region, safely providing reliable and innovative

utility solutions at the lowest reasonable cost, with exceptional customer service in an environmentally responsible manner.

We look forward to meeting with the Board Finance/Audit Committee on Monday and presenting a more in-depth review of GUC's FY 2018-19 end-of-year projections and the FY 2019-20 proposed balanced Budget. If you have questions prior to the meeting, please do not hesitate to contact us.

Attachments

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ALL FUNDS
February 13, 2019**

Line #		2017-2018	2018-2019	2018-2019	2019-2020	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
		Actual	Budget	Projected	Plan	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 251,150,535	\$ 247,711,476	\$ 251,433,496	\$ 251,997,999	\$ 248,354,659	\$ 257,359,940	\$ 261,229,903	\$ 262,675,772	\$ 264,797,965
2	Fees & Charges	3,019,169	2,762,497	3,063,469	2,815,946	2,580,890	2,637,834	2,690,589	2,744,404	2,799,291
3	U. G. & Temp. Ser. Chgs.	399,743	237,251	439,100	247,183	372,614	322,458	336,545	351,309	366,785
4	Miscellaneous	3,705,353	1,874,434	1,854,067	1,796,003	1,574,433	1,580,389	1,614,303	1,649,084	1,684,759
5	Interest on Investments	879,561	475,000	1,687,723	475,000	1,790,000	485,022	487,122	489,232	491,353
6	FEMA/Insurance Reimbursement	80,690	-	-	-	-	-	-	-	-
7	Contributed Capital	14,295	-	-	-	-	-	-	-	-
8	Bond Proceeds	-	-	1,051,013	-	-	-	-	467,255	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	170,915	-	-	835,162	2,745,539	382,185	-	-	-
11	Transfer from Rate Stabilization	-	250,000	-	2,600,000	2,600,000	2,950,000	3,600,000	3,800,000	4,800,000
12	Transfer from Capital Reserves	-	-	-	-	-	134,491	-	-	-
13	Appropriated Fund Balance	-	-	1,750,000	-	-	-	-	-	-
14		\$ 259,420,261	\$ 253,310,658	\$ 261,278,868	\$ 260,767,293	\$ 260,018,135	\$ 265,852,319	\$ 269,958,462	\$ 272,177,056	\$ 274,940,153
EXPENDITURES:										
15	Operations	\$ 61,504,643	\$ 67,870,789	\$ 67,151,335	\$ 67,732,502	\$ 69,383,839	\$ 71,221,607	\$ 72,187,047	\$ 73,630,754	\$ 75,103,394
16	Purchased Power	127,069,600	126,008,698	130,192,420	130,409,287	129,385,800	132,503,391	132,558,904	132,604,059	132,928,545
17	Purchased Gas	22,587,629	21,753,700	20,942,187	21,869,300	19,055,300	19,186,000	19,316,800	19,448,000	19,579,100
18	Capital Outlay	11,409,906	10,785,611	9,770,895	10,538,127	11,408,801	12,383,711	12,602,399	12,945,485	12,998,340
19	Debt Service	14,306,972	14,025,045	17,038,009	14,907,091	12,916,475	15,021,806	15,458,391	15,950,693	15,475,791
20	City Turnover - General	5,853,236	5,908,642	5,908,642	5,923,391	5,769,888	5,885,286	6,002,991	6,123,051	6,245,512
21	Street Light Reimbursement	747,547	822,654	861,006	847,334	869,481	886,871	904,608	922,700	941,154
22	Transfer to OPEB Trust	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
23	Transfer to Rate Stabilization	4,350,000	-	400,000	-	250,000	-	-	-	-
24	Transfer to Capital Projects	10,060,000	4,550,000	5,450,000	6,700,000	7,950,000	7,400,000	9,300,000	8,600,000	9,575,000
25	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
26	Operating Contingencies	-	1,085,519	-	1,340,261	-	-	-	-	-
27		\$ 258,389,533	\$ 253,310,658	\$ 258,214,494	\$ 260,767,293	\$ 257,489,584	\$ 264,988,672	\$ 268,831,140	\$ 270,724,742	\$ 273,346,836
28	Fund Equity / (Deficit)	\$ 1,030,728	\$ (0)	\$ 3,064,374	\$ (0)	\$ 2,528,551	\$ 863,647	\$ 1,127,322	\$ 1,452,314	\$ 1,593,317
29	Projected All Debt Coverage Ratio	3.36	2.63	2.48	2.62	2.81	2.59	2.70	2.69	2.71
30	Projected Fund Balance	21.1%	22.0%	21.7%	21.4%	22.9%	22.2%	22.2%	22.6%	22.9%
31	Projected Days Cash On Hand	134	131	132	130	136	135	136	137	139
32	Projected Equity/Capitalization	75%	77%	77%	70%	78%	71%	70%	71%	67%

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ALL FUNDS
February 13, 2019**

Line #		2017-2018 Actual	2018-2019 Budget	2018-2019 Projected	2019-2020 Plan	2019-2020 Budget	2020-2021 Forecast	2021-2022 Forecast	2022-2023 Forecast	2023-2024 Forecast
	Typical Residential Bills									
33	Electric	\$109.31	\$109.31	\$109.31	\$109.31	\$109.31	\$113.81	\$113.81	\$113.81	\$113.81
34	Water	\$31.80	\$34.22	\$34.22	\$36.83	\$36.62	\$39.14	\$41.67	\$42.28	\$42.95
35	Sewer	\$43.45	\$44.80	\$44.80	\$46.15	\$44.80	\$44.80	\$46.37	\$46.37	\$47.94
36	Gas	<u>\$90.85</u>	<u>\$90.85</u>	<u>\$76.58</u>	<u>\$90.85</u>	<u>\$76.58</u>	<u>\$76.58</u>	<u>\$78.89</u>	<u>\$79.82</u>	<u>\$79.82</u>
37	Total monthly bill	<u>\$275.41</u>	<u>\$279.18</u>	<u>\$264.91</u>	<u>\$283.14</u>	<u>\$267.31</u>	<u>\$274.33</u>	<u>\$280.74</u>	<u>\$282.28</u>	<u>\$284.52</u>
	Increase on monthly bill									
38	Electric		\$0.00	\$0.00	\$0.00	\$0.00	\$4.50	\$0.00	\$0.00	\$0.00
39	Water		\$2.42	\$2.42	\$2.61	\$2.40	\$2.52	\$2.53	\$0.61	\$0.67
40	Sewer		\$1.35	\$1.35	\$1.35	\$0.00	\$0.00	\$1.57	\$0.00	\$1.57
	Gas		<u>\$0.00</u>	<u>(\$14.27)</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2.30</u>	<u>\$0.94</u>	<u>\$0.00</u>
41	Total increase on monthly bill		<u>\$3.77</u>	<u>(\$10.50)</u>	<u>\$3.96</u>	<u>\$2.40</u>	<u>\$7.02</u>	<u>\$6.40</u>	<u>\$1.55</u>	<u>\$2.24</u>
42	Monthly Bill % Increase				1.4%	0.9%	2.6%	2.3%	0.6%	0.8%

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ELECTRIC FUND
February 13, 2019**

Line #		2017-2018	2018-2019	2018-2019	2019-2020	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
		Actual	Budget	Projected	Plan	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 173,216,856	\$ 168,192,401	\$ 171,797,873	\$ 169,742,465	\$ 169,333,894	\$ 176,105,138	\$ 176,593,997	\$ 177,000,375	\$ 177,471,206
2	Fees & Charges	1,743,183	1,858,468	1,926,138	1,893,837	1,565,396	1,633,570	1,666,241	1,699,567	1,733,558
3	U. G. & Temp. Ser. Chgs.	384,743	222,751	424,600	232,683	358,114	307,958	322,045	336,809	352,285
4	Miscellaneous	2,879,515	1,292,496	1,239,633	1,203,700	1,076,711	1,069,499	1,094,675	1,120,543	1,147,127
5	Interest on Investments	538,907	325,000	1,080,835	325,000	1,150,000	318,276	319,867	321,466	323,073
6	FEMA/Insurance Reimbursement	60,137	-	-	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	-	-	491,188	-	-	-	-	118,505	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	-	-	378,435	684,830	240,616	-	-	-
11	Transfer from Rate Stabilization	-	250,000	-	2,600,000	2,600,000	2,400,000	3,500,000	3,700,000	4,500,000
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	-	-	-	-	-
14		\$ 178,823,341	\$ 172,141,116	\$ 176,960,267	\$ 176,376,120	\$ 176,768,945	\$ 182,075,057	\$ 183,496,825	\$ 184,297,265	\$ 185,527,249
EXPENDITURES:										
15	Operations	\$ 26,421,347	\$ 29,133,393	\$ 28,494,248	\$ 28,932,129	\$ 29,583,470	\$ 30,422,670	\$ 30,778,682	\$ 31,394,260	\$ 32,022,149
16	Purchased Power	127,069,600	126,008,698	130,192,420	130,409,287	129,385,800	132,503,391	132,558,904	132,604,059	132,928,545
17	Capital Outlay	7,226,369	7,932,467	6,520,872	7,371,623	7,060,927	7,707,663	7,822,753	8,035,643	8,089,582
18	Debt Service	3,089,613	3,382,942	3,979,179	3,959,861	3,646,158	4,838,693	5,262,359	5,035,988	5,029,633
19	City Turnover - General	4,254,580	4,184,591	4,184,591	4,155,600	4,055,000	4,136,100	4,218,822	4,303,198	4,389,262
20	Street Light Reimbursement	747,547	822,654	861,006	847,334	869,481	886,871	904,608	922,700	941,154
21	Transfer to OPEB Trust	300,000	300,000	300,000	300,000	300,000	275,000	275,000	275,000	275,000
22	Transfer to Rate Stabilization	4,100,000	-	-	-	-	-	-	-	-
23	Transfer to Capital Projects	4,730,000	-	1,000,000	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
24	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
25	Operating Contingencies	-	376,371	-	400,286	-	-	-	-	-
26		\$ 177,939,055	\$ 172,141,116	\$ 175,532,316	\$ 176,376,120	\$ 175,900,836	\$ 181,770,388	\$ 182,821,128	\$ 183,570,848	\$ 184,675,325
27	Fund Equity / (Deficit)	\$ 884,286	\$ (0)	\$ 1,427,951	\$ (0)	\$ 868,109	\$ 304,669	\$ 675,697	\$ 726,417	\$ 851,924
28	Projected All Debt Coverage Ratio	8.25	4.86	5.00	3.84	3.90	3.35	3.11	3.30	3.14
29	Projected Fund Balance	17.5%	18.9%	19.0%	18.6%	19.6%	18.7%	19.0%	19.3%	19.6%
30	Projected Days Cash On Hand	118	116	117	114	119	117	118	119	120
31	Projected Equity/Capitalization	80%	81%	81%	71%	82%	71%	68%	69%	65%
32	Typical Residential @ 1,000 kwh	\$109.31	\$109.31	\$109.31	\$109.31	\$109.31	\$113.81	\$113.81	\$113.81	\$113.81
33	Typical Residential Bill Increase		\$0.00	\$0.00	\$0.00	(\$0.00)	\$4.50	\$0.00	\$0.00	\$0.00
34	Typical Residential Bill % Increase *		0.0%	0.0%	0.0%	0.0%	4.1%	0.0%	0.0%	0.0%
35	Last Year's Forecast				0.0%		0.0%	0.0%	4.1%	

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
WATER FUND
February 13, 2019**

Line #		2017-2018	2018-2019	2018-2019	2019-2020	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
		Actual	Budget	Projected	Plan	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 19,380,229	\$ 20,504,829	\$ 20,746,896	\$ 22,061,548	\$ 22,439,513	\$ 24,001,776	\$ 25,581,503	\$ 26,035,351	\$ 26,539,816
2	Fees & Charges	567,827	387,500	452,340	395,250	443,728	426,988	435,527	444,238	453,122
3	U. G. & Temp. Ser. Chgs.	15,000	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500
4	Miscellaneous	315,030	262,555	273,570	267,807	206,074	208,716	211,410	214,158	216,961
5	Interest on Investments	97,521	55,000	137,695	55,000	140,000	56,939	57,224	57,510	57,798
6	FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	-	-	270,825	-	-	-	-	243,750	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	-	-	227,967	382,781	-	-	-	-
11	Transfer from Rate Stabilization	-	-	-	-	-	-	-	-	-
12	Transfer from Capital Reserves	-	-	-	-	-	134,491	-	-	-
13	Appropriated Fund Balance	-	-	1,750,000	-	-	-	-	-	-
14		\$ 20,375,607	\$ 21,224,384	\$ 23,645,826	\$ 23,022,072	\$ 23,626,596	\$ 24,843,410	\$ 26,300,164	\$ 27,009,507	\$ 27,282,197
EXPENDITURES:										
15	Operations	\$ 12,778,871	\$ 14,181,011	\$ 14,314,399	\$ 14,296,447	\$ 14,496,346	\$ 14,853,797	\$ 15,082,022	\$ 15,383,650	\$ 15,691,330
16	Capital Outlay	1,843,348	566,231	773,229	844,261	1,216,846	1,313,736	1,343,335	1,379,688	1,372,077
17	Debt Service	3,448,214	3,225,573	5,314,292	3,680,742	2,189,933	2,918,334	3,017,007	4,050,896	3,868,369
18	Transfer to OPEB Trust	100,000	100,000	100,000	100,000	100,000	75,000	75,000	75,000	75,000
19	Transfer to Rate Stabilization	-	-	-	-	-	-	-	-	-
20	Transfer to Capital Projects	1,735,000	2,950,000	2,850,000	3,850,000	5,150,000	5,550,000	6,700,000	6,000,000	6,075,000
21	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
22	Operating Contingencies	-	201,569	-	250,622	-	-	-	-	-
23		\$ 19,905,433	\$ 21,224,384	\$ 23,351,920	\$ 23,022,072	\$ 23,153,125	\$ 24,710,867	\$ 26,217,364	\$ 26,889,234	\$ 27,081,776
24	Fund Equity / (Deficit)	\$ 470,174	\$ -	\$ 293,906	\$ -	\$ 473,471	\$ 132,543	\$ 82,800	\$ 120,273	\$ 200,421
25		22.2%	23.4%	23.1%	25.8%	20.9%	19.0%	18.0%	17.1%	16.7%
26	Projected All Debt Coverage Ratio	2.18	2.15	1.43	2.43	3.95	3.33	3.67	2.95	2.96
27	Projected Fund Balance	25.0%	21.7%	14.4%	20.6%	16.0%	15.0%	13.9%	13.9%	14.4%
28	Projected Days Cash On Hand	189	161	132	166	142	142	142	142	144
29	Projected Equity/Capitalization	78%	80%	82%	69%	84%	73%	73%	75%	66%
30	3/4 " Residential @ 6,000 gallons	\$31.80	\$34.22	\$34.22	\$36.83	\$36.62	\$39.14	\$41.67	\$42.28	\$42.95
31	Typical Residential Bill Increase		\$2.42	\$2.42	\$2.61	\$2.40	\$2.52	\$2.53	\$0.61	\$0.67
32	Typical Residential Bill % Increase		7.6%	7.6%	7.6%	7.0%	6.9%	6.5%	1.5%	1.6%
33	Last Year's Forecast				7.6%		6.8%	6.9%	2.3%	

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
SEWER FUND
February 13, 2019**

Line #		2017-2018	2018-2019	2018-2019	2019-2020	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
		Actual	Budget	Projected	Plan	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 22,439,848	\$ 23,006,546	\$ 23,288,787	\$ 23,753,986	\$ 23,412,652	\$ 23,501,326	\$ 24,420,203	\$ 24,512,646	\$ 25,440,643
2	Fees & Charges	549,067	363,604	516,515	370,876	428,159	430,796	439,412	448,201	457,165
3	U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-	-
4	Miscellaneous	248,817	168,411	175,424	171,778	146,518	149,449	152,437	155,486	158,596
5	Interest on Investments	97,270	35,000	183,013	35,000	200,000	44,807	45,031	45,256	45,482
6	FEMA/Insurance Reimbursement	20,553	-	-	-	-	-	-	-	-
7	Contributed Capital	14,295	-	-	-	-	-	-	-	-
8	Bond Proceeds	-	-	195,000	-	-	-	-	-	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	170,915	-	-	128,886	1,271,903	95,533	-	-	-
11	Transfer from Rate Stabilization	-	-	-	-	-	-	-	-	-
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	-	-	-	-	-
14		\$ 23,540,764	\$ 23,573,561	\$ 24,358,739	\$ 24,460,526	\$ 25,459,232	\$ 24,221,911	\$ 25,057,083	\$ 25,161,589	\$ 26,101,886
EXPENDITURES:										
15	Operations	\$ 12,758,671	\$ 14,283,007	\$ 14,027,970	\$ 14,318,778	\$ 14,590,050	\$ 14,949,376	\$ 15,179,520	\$ 15,483,101	\$ 15,792,769
16	Capital Outlay	1,373,786	1,115,631	1,027,525	862,651	2,180,346	2,307,556	2,368,411	2,436,988	2,462,599
17	Debt Service	6,394,613	6,095,606	6,326,427	5,858,225	5,815,332	5,648,000	5,556,140	5,046,418	4,844,775
18	Transfer to OPEB Trust	100,000	100,000	100,000	100,000	100,000	75,000	75,000	75,000	75,000
19	Transfer to Rate Stabilization	-	-	-	-	-	-	-	-	-
20	Transfer to Capital Projects	2,645,000	1,600,000	1,600,000	2,850,000	1,800,000	850,000	1,600,000	1,600,000	2,500,000
21	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
22	Operating Contingencies	-	379,317	-	470,872	-	-	-	-	-
23		\$ 23,272,070	\$ 23,573,561	\$ 23,081,922	\$ 24,460,526	\$ 24,485,728	\$ 23,829,932	\$ 24,779,071	\$ 24,641,507	\$ 25,675,143
24	Fund Equity / (Deficit)	\$ 268,694	\$ -	\$ 1,276,817	\$ -	\$ 973,504	\$ 391,979	\$ 278,012	\$ 520,082	\$ 426,743
25	Projected All Debt Coverage Ratio	1.63	1.51	1.63	1.73	1.63	1.61	1.76	1.90	2.11
26	Projected Fund Balance	24.1%	25.9%	29.9%	26.8%	32.2%	34.7%	34.3%	36.6%	36.6%
27	Projected Days Cash On Hand	191	177	207	189	223	228	231	239	244
28	Projected Equity/Capitalization	67%	71%	69%	69%	71%	69%	70%	72%	72%
29	3/4 " Residential @ 5,610 gallons	\$43.45	\$44.80	\$44.80	\$46.15	\$44.80	\$44.80	\$46.37	\$46.37	\$47.94
30	Typical Residential Bill Increase		\$1.35	\$1.35	\$1.35	\$0.00	\$0.00	\$1.57	\$0.00	\$1.57
31	Typical Residential Bill % Increase		3.1%	3.1%	3.0%	0.0%	0.0%	3.5%	0.0%	3.4%
32	Last Year's Forecast				3.0%		3.3%	3.4%	3.5%	

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
GAS FUND
February 13, 2019**

Line #		2017-2018	2018-2019	2018-2019	2019-2020	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
		Actual	Budget	Projected	Plan	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 36,113,602	\$ 36,007,700	\$ 35,599,940	\$ 36,440,000	\$ 33,168,600	\$ 33,751,700	\$ 34,634,200	\$ 35,127,400	\$ 35,346,300
2	Fees & Charges	159,092	152,925	168,476	155,983	143,607	146,480	149,409	152,398	155,446
3	U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-	-
4	Miscellaneous	261,992	150,972	165,440	152,718	145,130	152,725	155,781	158,897	162,075
5	Interest on Investments	145,864	60,000	286,180	60,000	300,000	65,000	65,000	65,000	65,000
6	FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	-	-	94,000	-	-	-	-	105,000	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	-	-	99,874	406,025	46,036	-	-	-
11	Transfer from Rate Stabilization	-	-	-	-	-	550,000	100,000	100,000	300,000
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	-	-	-	-	-
14		\$ 36,680,549	\$ 36,371,597	\$ 36,314,036	\$ 36,908,575	\$ 34,163,362	\$ 34,711,941	\$ 35,104,390	\$ 35,708,695	\$ 36,028,821
EXPENDITURES:										
15	Operations	\$ 9,545,754	\$ 10,273,378	\$ 10,314,718	\$ 10,185,148	\$ 10,713,973	\$ 10,995,764	\$ 11,146,823	\$ 11,369,743	\$ 11,597,146
16	Purchased Gas	22,587,629	21,753,700	20,942,187	21,869,300	19,055,300	19,186,000	19,316,800	19,448,000	19,579,100
17	Capital Outlay	966,403	1,171,282	1,449,269	1,459,592	950,682	1,054,756	1,067,900	1,093,166	1,074,082
18	Debt Service	1,374,533	1,320,924	1,418,111	1,408,263	1,265,052	1,616,779	1,622,885	1,817,391	1,733,014
19	City Turnover - General	1,598,656	1,724,051	1,724,051	1,767,791	1,714,888	1,749,186	1,784,169	1,819,853	1,856,250
20	Transfer to OPEB Trust	-	-	-	-	-	75,000	75,000	75,000	75,000
21	Transfer to Rate Stabilization	250,000	-	400,000	-	250,000	-	-	-	-
22	Transfer to Capital Projects	950,000	-	-	-	-	-	-	-	-
23	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
24	Operating Contingencies	-	128,262	-	218,481	-	-	-	-	-
25		\$ 37,272,975	\$ 36,371,597	\$ 36,248,336	\$ 36,908,575	\$ 33,949,895	\$ 34,677,485	\$ 35,013,577	\$ 35,623,153	\$ 35,914,592
26	Fund Equity / (Deficit)	\$ (592,425)	\$ -	\$ 65,700	\$ -	\$ 213,467	\$ 34,456	\$ 90,813	\$ 85,542	\$ 114,229
27	Projected All Debt Coverage Ratio	3.30	3.29	3.74	3.63	3.15	2.39	2.75	2.69	2.58
28	Projected Fund Balance	34.1%	34.2%	34.4%	31.5%	37.8%	37.0%	36.8%	36.3%	36.3%
29	Projected Days Cash On Hand	167	167	173	170	184	182	181	180	179
30	Projected Equity/Capitalization	77%	79%	78%	72%	79%	71%	69%	69%	64%
31	Typical Residential @ 66 CCF	\$90.85	\$90.85	\$76.58	\$90.85	\$76.58	\$76.58	\$78.89	\$79.82	\$79.82
32	Typical Residential Bill Increase		\$0.00	-\$14.27	\$0.00	\$0.00	\$0.00	\$2.30	\$0.94	\$0.00
33	Typical Residential Bill % Increase		0.0%	-15.7%	0.0%	0.0%	0.0%	3.0%	1.2%	0.0%
34	Last Year's Forecast				0.0%		2.7%	1.1%	0.3%	

Capital Improvements Spending & Funding Plan

GUC TOTAL	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	5-Year Total
Capital Projects	\$65,761,480	\$38,488,333	\$23,572,000	\$20,380,000	\$13,720,000	\$161,921,813
Capital Outlays	\$11,408,801	\$12,383,711	\$12,602,399	\$12,945,485	\$12,998,340	\$62,338,736
	<u>\$77,170,281</u>	<u>\$50,872,044</u>	<u>\$36,174,399</u>	<u>\$33,325,485</u>	<u>\$26,718,340</u>	<u>\$224,260,549</u>
	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Funded by Revenue Bond Series 2019 approx \$84 Million </div>		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> Funded by Proposed Revenue Bond Series 2022 approx \$37 Million </div>			
<u>Funding - Debt Financing</u>						
Revenue Bonds	\$59,954,344	\$26,338,333	\$10,472,000	\$12,230,000	\$8,720,000	\$117,714,677
SRF/Installment Loans	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$59,954,344</u>	<u>\$26,338,333</u>	<u>\$10,472,000</u>	<u>\$12,230,000</u>	<u>\$8,720,000</u>	<u>\$117,714,677</u>
% to Total Capital	77.7%	51.8%	28.9%	36.7%	32.6%	52.5%
<u>Funding - Cash</u>						
Pay Go	\$11,408,801	\$12,383,711	\$12,602,399	\$12,945,485	\$12,998,340	\$62,338,736
Capital Project Transfer	\$0	\$9,400,000	\$11,000,000	\$7,750,000	\$5,000,000	\$33,150,000
Acreage Fees	\$500,000	\$555,135	\$0	\$0	\$0	\$1,055,135
Fund Balance	\$5,307,136	\$2,194,865	\$2,100,000	\$400,000	\$0	\$10,002,001
Grants and Contributions	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$17,215,937</u>	<u>\$24,533,711</u>	<u>\$25,702,399</u>	<u>\$21,095,485</u>	<u>\$17,998,340</u>	<u>\$106,545,872</u>
% to Total Capital	22.3%	48.2%	71.1%	63.3%	67.4%	47.5%
Total Funding	<u>\$77,170,281</u>	<u>\$50,872,044</u>	<u>\$36,174,399</u>	<u>\$33,325,485</u>	<u>\$26,718,340</u>	<u>\$224,260,549</u>

CAPITAL SPENDING & FUNDING PLAN

ELECTRIC

CAPITAL PROJECTS		2020	2021	2022	2023	2024	5-Year Spending
1	Battery Storage Pilot Project 1 MW	\$1,600,000			\$2,000,000		\$3,600,000
2	Eastside to Simpson: 115 kV Transmission Re-conductor				\$1,500,000		\$1,500,000
3	ECP10168 : POD #3 to Simpson Substation 1	\$150,000	\$2,180,000	\$2,000,000			\$4,330,000
4	ECP133 : Sugg Parkway Transmission Line	\$1,275,000	\$425,000				\$1,700,000
5	ECP134 : Sugg Parkway Substation	\$2,228,951	\$1,156,000				\$3,384,951
6	G230 #2 Transformer Replacement					\$2,500,000	\$2,500,000
7	Hudson's Crossroads		\$300,000	\$1,700,000			\$2,000,000
8	Mt Pleasant to Wellcome 115 kV Transmission				\$200,000	\$2,870,000	\$3,070,000
9	Peak Shaving Generator(s) Replacement		\$1,000,000	\$1,000,000	\$1,000,000		\$3,000,000
TOTAL CAPITAL PROJECTS		\$5,253,951	\$5,061,000	\$4,700,000	\$4,700,000	\$5,370,000	\$25,084,951
CAPITAL OUTLAY		\$6,515,526	\$6,694,802	\$6,879,134	\$7,068,665	\$7,263,546	\$34,421,673
TOTAL CAPITAL		\$11,769,477	\$11,755,802	\$11,579,134	\$11,768,665	\$12,633,546	\$59,506,624

CAPITAL SPENDING & FUNDING PLAN

ELECTRIC

FUNDING SOURCE		2020	2021	2022	2023	2024	5-Year Spending
	<i>Pay Go</i>	\$6,515,526	\$6,694,802	\$6,879,134	\$7,068,665	\$7,263,546	\$34,421,673
	<i>Transfers</i>						
	<i>Fund Balance</i>	\$1,600,000					\$1,600,000
	<i>Revenue Bonds</i>	\$3,653,951	\$5,061,000	\$4,700,000	\$4,700,000	\$5,370,000	\$23,484,951
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>						
TOTAL		\$11,769,477	\$11,755,802	\$11,579,134	\$11,768,665	\$12,633,546	\$59,506,624

% Paid Pay Go/Operating Transfers	68.95%	56.95%	59.41%	60.06%	57.49%	60.53%
% Paid from Bonds and Loans	31.05%	43.05%	40.59%	39.94%	42.51%	39.47%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING & FUNDING PLAN

WATER

CAPITAL PROJECTS		2020	2021	2022	2023	2024	5-Year Spending
1	Elevated Tanks Inlet-Outlet Improvements	\$300,000					\$300,000
2	Northside Tank Overcoat	\$438,000					\$438,000
3	Water Main Rehabilitation Program Phase 2	\$1,000,000					\$1,000,000
4	Water Main Rehabilitation Program Phase 3			\$1,000,000			\$1,000,000
5	WCP10030 : Water Distribution System Improvements		\$1,400,000	\$1,000,000	\$1,000,000	\$5,000,000	\$8,400,000
6	WCP117 : Water Treatment Plant Upgrade Phase 1	\$10,500,000	\$16,000,000	\$10,000,000	\$6,750,000		\$43,250,000
7	WCP121 : 10th Street Connector Project	\$1,890,125					\$1,890,125
8	WCP123 : City of Greenville Town Creek Culvert Improvement Project	\$733,183					\$733,183
9	WCP124 : Residual Lagoon Improvement	\$338,000	\$262,000	\$300,000			\$900,000
TOTAL CAPITAL PROJECTS		\$15,199,308	\$17,662,000	\$12,300,000	\$7,750,000	\$5,000,000	\$57,911,308
CAPITAL OUTLAY		\$1,067,680	\$1,097,213	\$1,127,583	\$1,158,813	\$1,190,925	\$5,642,214
TOTAL CAPITAL		\$16,266,988	\$18,759,213	\$13,427,583	\$8,908,813	\$6,190,925	\$63,553,522

CAPITAL SPENDING & FUNDING PLAN

WATER

FUNDING SOURCE		2020	2021	2022	2023	2024	5-Year Spending
	<i>Pay Go</i>	\$1,067,680	\$1,097,213	\$1,127,583	\$1,158,813	\$1,190,925	\$5,642,214
	<i>Transfers</i>		\$9,400,000	\$11,000,000	\$7,750,000	\$5,000,000	\$33,150,000
	<i>Fund Balance</i>	\$438,000					\$438,000
	<i>Revenue Bonds</i>	\$14,761,308	\$8,262,000	\$1,300,000			\$24,323,308
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>						
TOTAL		\$16,266,988	\$18,759,213	\$13,427,583	\$8,908,813	\$6,190,925	\$63,553,522

% Paid Pay Go/Operating Transfers	9.26%	55.96%	90.32%	100.00%	100.00%	61.73%
% Paid from Bonds and Loans	90.74%	44.04%	9.68%			38.27%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING & FUNDING PLAN

WASTEWATER

CAPITAL PROJECTS		2020	2021	2022	2023	2024	5-Year Spending
1	Duplex Pump Station Improvements	\$500,000					\$500,000
2	Green Mill Run Tributary - 18-21 inch section	\$1,800,000					\$1,800,000
3	SCP10217 : 10th Street Connector Project	\$306,000					\$306,000
4	SCP10221 : Southeast Area Sewer Extension	\$500,000	\$1,000,000	\$1,000,000			\$2,500,000
5	SCP10222 : Sewer Outfall Rehabilitation Phase 4	\$1,237,000	\$1,000,000				\$2,237,000
6	SCP10223 : Regional Pump Station Upgrades	\$650,000					\$650,000
7	SCP10229 : Greene Street Pump Station and Force Main	\$980,000					\$980,000
8	SCP10230 : Forlines Pump Station Expansion	\$160,000					\$160,000
9	SCP123 : City of Greenville Town Creek Culvert Improvement Project	\$633,334	\$633,333				\$1,266,667
10	WWTP Headworks Improvements	\$2,500,000					\$2,500,000
TOTAL CAPITAL PROJECTS		\$9,266,334	\$2,633,333	\$1,000,000			\$12,899,667
CAPITAL OUTLAY		\$2,035,830	\$2,095,822	\$2,157,592	\$2,221,194	\$2,286,681	\$10,797,119
TOTAL CAPITAL		\$11,302,164	\$4,729,155	\$3,157,592	\$2,221,194	\$2,286,681	\$23,696,786

CAPITAL SPENDING & FUNDING PLAN

WASTEWATER

FUNDING SOURCE		2020	2021	2022	2023	2024	5-Year Spending
	<i>Pay Go</i>	\$2,035,830	\$2,095,822	\$2,157,592	\$2,221,194	\$2,286,681	\$10,797,119
	<i>Transfers</i>						
	<i>Acreage Fees</i>	\$500,000	\$555,135				\$1,055,135
	<i>Fund Balance</i>	\$1,766,000	\$1,444,865	\$1,000,000			\$4,210,865
	<i>Revenue Bonds</i>	\$7,000,334	\$633,333				\$7,633,667
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>						
TOTAL		\$11,302,164	\$4,729,155	\$3,157,592	\$2,221,194	\$2,286,681	\$23,696,786

% Paid Pay Go/Operating Transfers	38.06%	86.61%	100.00%	100.00%	100.00%	67.79%
% Paid from Bonds and Loans	61.94%	13.39%				32.21%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING & FUNDING PLAN

GAS

CAPITAL PROJECTS		2020	2021	2022	2023	2024	5-Year Spending
1	14th Street Widening (NCDOT U-5917)				\$350,000	\$350,000	\$700,000
2	Allen Road Widening (NCDOT U-5875)			\$600,000	\$400,000		\$1,000,000
3	CNG Expansion Project					\$1,200,000	\$1,200,000
4	Evans Street Widening (NCDOT U-2817)			\$400,000	\$800,000	\$800,000	\$2,000,000
5	GCP10099 : High-pressure Multiple Gas Facilities	\$1,400,000	\$1,800,000	\$1,000,000	\$900,000		\$5,100,000
6	GCP10101 : Firetower Road Widening (NCDOT U-5785 & U-5870)		\$240,000	\$480,000	\$480,000		\$1,200,000
7	GCP10104 : Memorial Drive Bridge Replacement (NCDOT B-4786)	\$1,000,000					\$1,000,000
8	GCP92 : LNG Liquefaction Additions					\$100,000	\$100,000
9	GCP93 : Southwestern Loop Phase 1	\$3,136					\$3,136
10	Integrity Management Replacement Project	\$500,000	\$750,000	\$500,000			\$1,750,000
11	NC-43 Widening (NCDOT U-5991)					\$900,000	\$900,000
TOTAL CAPITAL PROJECTS		\$2,903,136	\$2,790,000	\$2,980,000	\$2,930,000	\$3,350,000	\$14,953,136
CAPITAL OUTLAY		\$817,450	\$836,764	\$856,553	\$876,829	\$897,605	\$4,285,201
TOTAL CAPITAL		\$3,720,586	\$3,626,764	\$3,836,553	\$3,806,829	\$4,247,605	\$19,238,337

CAPITAL SPENDING & FUNDING PLAN

GAS

FUNDING SOURCE		2020	2021	2022	2023	2024	5-Year Spending
	<i>Pay Go</i>	\$817,450	\$836,764	\$856,553	\$876,829	\$897,605	\$4,285,201
	<i>Transfers</i>						
	<i>Fund Balance</i>	\$1,503,136	\$750,000	\$1,100,000	\$400,000		\$3,753,136
	<i>Revenue Bonds</i>	\$1,400,000	\$2,040,000	\$1,880,000	\$2,530,000	\$3,350,000	\$11,200,000
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>						
TOTAL		\$3,720,586	\$3,626,764	\$3,836,553	\$3,806,829	\$4,247,605	\$19,238,337

% Paid Pay Go/Operating Transfers	62.37%	43.75%	51.00%	33.54%	21.13%	41.78%
% Paid from Bonds and Loans	37.63%	56.25%	49.00%	66.46%	78.87%	58.22%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING & FUNDING PLAN

FACILITIES & OTHER SUPPORT GROUPS

CAPITAL PROJECTS		2020	2021	2022	2023	2024	5-Year Spending
1	FCP100 : Downtown Office Efficiency and Enhancement	\$1,575,000					\$1,575,000
2	FCP10072 : New Operations Center Phase 2	\$31,221,751	\$10,000,000				\$41,221,751
3	NOC- Fleet Maintenance Building			\$2,000,000	\$5,000,000		\$7,000,000
4	Advanced Metering Infrastructure			\$250,000			\$250,000
5	WCP120 : Water/Sewer Meter ERT/Low Lead Compliance Changeout	\$342,000	\$342,000	\$342,000			\$1,026,000
TOTAL CAPITAL PROJECTS		\$33,138,751	\$10,342,000	\$2,592,000	\$5,000,000		\$51,072,751
CAPITAL OUTLAY		\$972,315	\$1,659,110	\$1,581,537	\$1,619,984	\$1,359,583	\$7,192,529
TOTAL CAPITAL		\$34,111,066	\$12,001,110	\$4,173,537	\$6,619,984	\$1,359,583	\$58,265,280

FUNDING SOURCE		2020	2021	2022	2023	2024	5-Year Spending
	<i>Pay Go</i>	\$972,315	\$1,659,110	\$1,581,537	\$1,619,984	\$1,359,583	\$7,192,529
	<i>Transfers</i>						
	<i>Fund Balance</i>						
	<i>Revenue Bonds</i>	\$33,138,751	\$10,342,000	\$2,592,000	\$5,000,000		\$51,072,751
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>						
TOTAL		\$34,111,066	\$12,001,110	\$4,173,537	\$6,619,984	\$1,359,583	\$58,265,280

% Paid Pay Go/Operating Transfers	2.85%	13.82%	37.89%	24.47%	100.00%	12.34%
% Paid from Bonds and Loans	97.15%	86.18%	62.11%	75.53%		87.66%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%



Agenda Item # 3

Meeting Date: March 11, 2019

Board Committee:	Finance/Audit Committee
Item:	Recommendation to Award Auditing Services Contract
Contact:	Jeff McCauley
Explanation:	<p>In accordance with GUC's Charter, a single auditing firm is used to perform the City's and GUC's audit. The costs associated with the audit are based on hours expended for each organization. In 2015, a five-year engagement contract for auditing services was awarded to Cherry Bekaert, LLP, but subject to approval of a contract on an annual basis.</p> <p>Last year's audit fee was \$39,000 and the projection under the five-year plan for the fiscal year 2019 audit was \$42,000. Cherry Bekaert, LLP is proposing that the audit fee for fiscal year 2019 be decreased to \$39,500, which is \$2,500 or 6 percent below the original projection and \$500 or 1.3 percent above last year's actual of \$39,000.</p>
Previous Committee Actions:	<p>February 2015 - Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.</p> <p>March 2016 - Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.</p> <p>March 2017 – Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.</p> <p>March 2018 – Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.</p>
Fiscal Note:	Original estimate for fifth year of five year contract \$42,000. Revised contract pricing of \$39,500 represents a \$2,500 or 6 percent decrease over original estimate.
Recommended Action(s):	It is recommended that the Finance/Audit Committee concur with the proposed revised pricing of the auditing services contract to \$39,500 and recommend to the Board to proceed with executing the fiscal year 2019 auditing services contract with Cherry Bekaert, LLP.