



**Greenville
Utilities**

AGENDA

Finance/Audit Committee Meeting

April 7, 2020

Telephonic Meeting-9:30 a.m.

Call to Order - Ascertain Quorum

[Committee Chair Parker Overton]

Ascertain Quorum with Roll Call

[Amy Wade]

Acceptance of the Agenda

1. Approval of Minutes

[Tony Cannon]

March 9, 2020

2. Update on End-of-Year Forecast/Draft Revenue and Expenditure Proposal for Upcoming Year

[Tony Cannon]

3. Preview of April 16, 2020 Agenda Items

[Tony Cannon]

- a. Consideration of Agreement with the Town of Bethel regarding the Management and Maintenance of Water and Sanitary Sewer Systems
- b. Consideration of Furniture Contract for the New Operations Center

Adjournment

[Committee Chair Parker Overton]



Agenda Item # 1

Meeting Date: April 7, 2020

Board Committee:	Finance/Audit Committee
Item:	Approval of Minutes
Contact:	Tony Cannon
Explanation:	Finance/Audit Committee Meeting – March 9, 2020
Strategic Plan Elements:	Strategic Themes: <ul style="list-style-type: none">• Exceptional Customer Service• Shaping Our Future Objectives: <ul style="list-style-type: none">• Exceeding Customer Expectations• Embracing change to ensure organizational alignment and efficiency Core Values: <ul style="list-style-type: none">• Exceed Customers' Expectations• Support the Community• Deliver Reliable Services
Previous Board Actions:	N/A
Fiscal Note:	N/A
Recommended Action(s):	Approve minutes from the March 9, 2020 Finance/Audit Committee Meeting as presented or amended.

GREENVILLE UTILITIES COMMISSION
FINANCE/AUDIT COMMITTEE
GREENVILLE, NORTH CAROLINA
March 9, 2020

The Finance/Audit Committee of the Greenville Utilities Commission met on Monday, March 9, 2020, at 12:00 p.m. in the Board Room with the following members and others present.

Committee Members Present:

Parker Overton, Committee Chair
Tommy Stoughton, Committee Vice-Chair
Minnie Anderson
Peter Geiger

GUC Staff Present:

Tony Cannon, General Manager/CEO	Jonathan Britt
Chris Padgett	Molly Ortiz
Phil Dixon	Lou Norris
Jeff McCauley	
Keith Jones	
Amy Wade	
Steve Hawley	

Others present included Ginger Livingston with The Daily Reflector.

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

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

Safety Brief

Tony Cannon, General Manager/CEO, provided a safety brief and 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 October 1, 2019, Finance/Audit Committee minutes as presented. The motion carried unanimously.

END-OF-YEAR FORECAST/DRAFT REVENUE AND EXPENDITURES PROPOSAL FOR UPCOMING YEAR (Agenda Item 2)

Mr. Cannon's presentation focused on end-of-year performance for FY 2019-20 and the key elements of the proposed FY 2020-21 budget. These areas included current status, capital investment, five-year capital plans, and the long-term financial forecast. A memorandum and supplemental materials were provided in the agenda packet.

A highlight of the supplemental items includes:

- End-of-year projections for FY 2019-20 (current year)
- FY 2020-21 forecast developed last year
- Proposed FY 2020-21 Budget
- FY 2021-25 Financial Forecasts
- FY 2021-25 Capital Improvement Plan

Key metrics, such as fund balance and debt service ratios, were included in the materials.

End-of-Year Projections

The current budget adopted for FY 2019-20 provided appropriations of \$11.4M in capital outlay improvements, more than \$69.8M in operations, and transfers of \$8.25M to the capital project fund. The FY 2019-20 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 \$3M increase in revenues as well as a \$3M increase in expenditures. The increased expenditures are from increased purchased power costs, capital outlay, and transfers to capital projects.

In reviewing the end-of-year forecast, the financial viability of each fund is considered to ensure that GUC is positioned to meet its mission and future financial obligations. Key Performance Indicators such as debt-service coverage ratios, fund balances, and days cash on hand are primary components of the review. These factors are also monitored by the NC 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 Aa1 with Moody's and AA- 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 Projection 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 \$50K in fund equity, a debt-service coverage ratio of 4.92x, and a fund balance of 18.3%, or \$33M.

- **End-of-Year Projection for Water Fund After Transfers**
It is projected that the Water Fund will end the fiscal year with approximately \$15K in fund equity, a debt-service coverage ratio of 4.86x, and a fund balance of 19.8%, or \$4.6M.
- **End-of-Year Projection for Sewer Fund After Transfers**
It is projected that the Sewer Fund will end the fiscal year with approximately \$15K in fund equity, a debt-service coverage ratio of 1.90x, and a fund balance of 27.0%, or \$6.7M.
- **End-of-Year Projection for Gas Fund After Transfers**
It is projected that the Gas Fund will end the fiscal year with \$20K in fund equity, a debt-service coverage ratio of 4.53x, and a fund balance of 39.3%, or \$13M.
- **End-of-Year Projection for the Combined Enterprise Operation After Transfers**
The combined funds are expected to realize revenues of approximately \$264M, an increase of \$3.0M, or 1.1%, over the original budget. Expenditures are projected to total approximately \$264M, a \$2.9M, or 1.1%, increase over the original budget. The combined funds' revenues after transfers are projected to end the year \$100K higher than expenditures.

Proposed FY 2020-21 Budget

Mr. Cannon reported on the drivers and goals of each of the four funds and the highlights of the FY 2020-21 proposed budget are listed below.

- Expenditures budgeted for FY 2020-21 have increased by 2.7%, or \$7.1M, when compared to the FY 2019-20 budget. Key points are:
 - \$4.1M increase in operations
 - \$4.0M increase in purchased power
 - \$2.6M increase in capital outlay
 - \$2.0M decrease in purchased gas
 - \$1.9M increase in debt service
 - \$1.3M decrease in transfers to capital projects
 - \$250K decrease in transfers to rate stabilization
- No rate adjustment for the Electric Fund, 4.1% less than projected last year
- A 6.8% rate increase for the Water Fund, 0.1% less than projected last year
- No rate adjustment for the Sewer Fund
- No rate adjustment for the Gas Fund
- Funding for the employee market adjustment at 2.0% effective July 1, 2020
- Funding for the employee merit program at 1.5%
- 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 hire replacements prior to the retirement of key personnel to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- Four permanent positions have been added to appropriately respond to needs within the combined enterprise operation
- Seven permanent positions have been added to provide services to the Greenville-ENC Alliance
- Transfer to Other Post-Employment Benefits (OPEB) of \$500K
- Funding for the increase in the Local Government Employees Retirement System (LGERS) required employer contribution from 8.95% to 10.15% - \$373K
- Transfer of \$150K to City's housing energy conservation program
- Investment of \$14.0M for capital outlay to maintain system reliability and comply with regulatory requirements
- Annual turnover or transfer of \$6.4M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Additional components of the budget include:

- Proposed addition and revision to GUC Utility Regulations Part D - Customer Service Policy – 7.0 Meter Tampering
- LED Streetlight Conversion: Currently in year 2 of 4-year conversion plan

Long-term Financial Forecast

Mr. Cannon reviewed the long-term financial forecast that included the five-year plan through FY 2024-25. In summary, Mr. Cannon added that the proposed FY 2020-21 is a balanced budget and he asked for the Finance/Audit Committee to endorse the end-of-year projections and the proposed preliminary budget.

Following discussion, it was the consensus of the Finance/Audit Committee to move forward with appropriate actions related to the current end-of-year fiscal forecast and preparation of the proposed preliminary FY 2020-21 budget as presented.

RECOMMENDATION TO EXTEND AUDIT ENGAGEMENT AND AWARD AUDITING SERVICES CONTRACT (Agenda Item 3)

Mr. Jeff McCauley, Chief Financial Officer, stated 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.

The City and Commission staff are in concurrence that Cherry Bekaert, LLP has provided exceptional professional services during the previous five years of their engagement, and recommend extending the audit engagement with Cherry Bekaert, LLP for an additional three-year term; fiscal years ending June 30, 2020, 2021, and 2022.

Last year's audit fee was \$39,500. Cherry Bekaert, LLP is proposing that the audit fee for fiscal year ending 2020 of \$40,250, under the three-year plan, which is approximately a 2% increase from the previous year. The fee proposal for fiscal year ending 2021 is \$41,000, and for fiscal year ending 2022 is \$41,750.

A motion was made by Mr. Geiger, seconded by Mr. Stoughton, to concur with the proposed three-year extension of Cherry Bekaert's audit engagement and recommend to the Board approval of the three-year extension of the audit engagement and to also proceed with executing the fiscal year 2020 auditing services contract with Cherry Bekaert, LLP in the amount of \$40,250. The motion passed unanimously.

ADJOURNMENT

A motion was made by Ms. Anderson, seconded by Mr. Geiger, to adjourn the meeting. The motion carried unanimously, and the Finance/Audit Committee meeting adjourned at 1:12 p.m.

Respectfully submitted,

Amy Carson Wade
Executive Secretary



Agenda Item # 2

Meeting Date: April 7, 2020

**Board
Committee:**

Finance/Audit Committee

Item:

Update on End-of-Year Forecast/Draft Revenue and Expenditures Proposal for Upcoming Year

Contact:

Tony Cannon

Explanation:

The Finance/Audit Committee will meet on April 7, 2020 with GUC staff to discuss the adjustments that have been made in response to COVID-19 to the end-of-year fiscal forecast and the preliminary revenue and expenditures proposal for FY 2020-21. Attached for your review are a memorandum and supplemental materials.

The presentation will focus on end-of-year performance for FY 2019-20 and the key elements of the proposed FY 2020-21 budget. These areas include current status, capital investment, five-year capital plans, rate models, and the long-term financial forecast.

**Strategic Plan
Elements:**

Strategic Themes:

- Exceptional Customer Service
- Safety, Reliability & Value
- Shaping Our Future

Objectives:

- Safely providing reliable and innovative utility solutions
- Exceeding customer expectations
- Providing competitive rates, while maintaining the financial stability of the utility
- Developing and enhancing strategic partnerships
- Embracing change to ensure organizational alignment and efficiency

Core Values:

- Exceed Customers' Expectations
- Act with Integrity
- Value Employees

- Deliver Reliable Services
- Prioritize Safety
- Support the Community

**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 2020-21 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: April 3, 2020

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

At the Board Finance/Audit Committee meeting on Tuesday, April 7, 2020, staff will review the end-of-year financial projections for FY 2019-20 and the proposed budget for FY 2020-21, updated to reflect potential impacts of the COVID-19 virus. In preparation for the meeting, supplemental information is attached for your review, which highlights the items listed below:

- End-of-year Projections for FY 2019-20 (current year)
- FY 2020-21 Forecast developed last year
- Proposed FY 2020-21 Budget
- FY 2021-25 Financial Forecasts
- FY 2021-25 Capital Improvement Plan

Key metrics, such as fund balance and debt-service coverage 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 2019-20 financial projections, and proposed revenue and expenditures for FY 2020-21.

End-of-Year Projections

The current budget adopted for FY 2019-20 provided appropriations of \$11.4M in capital outlay improvements, more than \$69.8M in operations, and transfers of \$8.25M to the capital project fund. The FY 2019-20 original budget was 3.0% 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 \$3M increase in revenues as well as a \$3M increase in expenditures. The increased expenditures are from increased purchased power costs, capital outlay, and transfers to rate stabilization.

In reviewing the end-of-year forecast, the financial viability of each fund is considered to ensure that GUC is positioned to meet its mission and future financial obligations. ***Key Performance Indicators such as debt-service coverage ratios, fund balances, and days cash on hand are primary components of the review.*** These factors are also monitored by the NC 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 Aa1 with Moody's and AA- 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 Projection 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 \$50K in fund equity, a debt-service coverage ratio of 3.62x, and a fund balance of 16.3%, or \$29.7M.
- **End-of-Year Projection for Water Fund After Transfers**
It is projected that the Water Fund will end the fiscal year with approximately \$15K in fund equity, a debt-service coverage ratio of 4.82x, and a fund balance of 15.2%, or \$3.6M.
- **End-of-Year Projection for Sewer Fund After Transfers**
It is projected that the Sewer Fund will end the fiscal year with approximately \$15K in fund equity, a debt-service coverage ratio of 1.88x, and a fund balance of 22.9%, or \$5.7M.
- **End-of-Year Projection for Gas Fund After Transfers**
It is projected that the Gas Fund will end the fiscal year with \$20K in fund equity, a debt-service coverage ratio of 4.25x, and a fund balance of 36.7%, or \$12.1M.
- **End-of-Year Projection for the Combined Enterprise Operation After Transfers**
The combined funds are expected to realize revenues of approximately \$264M, an increase of \$3.0M, or 1.17%, over the original budget. Expenditures are projected to total approximately \$264M, a \$2.9M, or 1.13%, increase over the original budget. The combined funds' revenues (after \$8.9M in transfers) are projected to end the year \$100K higher than expenditures.

COVID-19 End-of-Year Projection adjustments since the March 9 Finance/Audit Committee Meeting:

- Reduced Electric & Gas final quarter small general service and medium general service/Commercial load projections by 10%
- Reduced Interest Income projection from \$1.8M to \$1.5M (\$300k)
- Reduced Electric and Water Reconnect Fee projections from \$694k to \$496k (\$198k)
- Increased Bad Debt Expense projection from \$642k to \$750k (\$108k)

Proposed FY 2020-21 Budget

Greenville Utilities Commission (GUC) is pleased to present the proposed FY 2020-21 Budget that was developed using the values and objectives identified in our “Blueprint – GUC’s Strategic Plan”. At the core of everything we do is a focus on facilitating regional growth, safely providing reliable and innovative utility solutions, and providing exceptional customer service.

GUC’s budget maintains several key financial metrics including debt-service coverage ratios, fund balances (as defined by the LGC), and days cash on hand. These metrics are reviewed for each fund at the enterprise level. Maintaining these metrics at the fund level ensures the long-term sustainability of GUC to continue meeting its mission and future financial objectives.

Guiding all budgetary decisions is GUC’s Strategic Plan, which emphasizes our commitment to provide exceptional service while maintaining a viable financial position. Therefore, GUC’s budget goals are designed to achieve the following:

- Safely provide reliable utility solutions, at the lowest reasonable cost
- Provide 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
- Support economic development in the community
- Preserve and/or improve bond ratings

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

- All four funds ability to be self-supporting on a sustained basis
- Continued investment in infrastructure
- Appropriate timing of expenditures for capital projects
- Revenues
- Personnel and staffing
- Cost-saving opportunities
- The updated financial models, with a focus on keeping rates as affordable as possible, while maintaining financial stability

Highlights of the FY 2020-21 proposed budget are listed below:

- Expenditures budgeted for FY 2020-21 have increased by 3.7%, or \$9.7M, when compared to the FY 2019-20 budget. Key points are:
 - \$3.6M increase in operations
 - \$2.8M increase in purchased power
 - \$2.6M increase in capital outlay
 - \$2.0M decrease in purchased gas
 - \$1.9M increase in debt service
 - \$3.9M increase in transfers to capital projects
 - \$250K decrease in transfers to rate stabilization
- No rate adjustment for the Electric Fund
- No rate adjustment for the Water Fund, 6.9% less than projected last year
- No rate adjustment for the Sewer Fund
- No rate adjustment for the Gas Fund
- Funding for the employee merit program at 2.0%
- 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 hire replacements prior to the retirement of key personnel to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- Three part-time positions converted to permanent positions to appropriately respond to needs within the combined enterprise operation
- Seven permanent positions have been added to provide contracted professional services to the Greenville ENC Alliance
- Transfer to Other Post-Employment Benefits (OPEB) of \$500K
- Funding for the increase in the Local Government Employees Retirement System (LGERS) required employer contribution from 8.95% to 10.15% - \$373K
- Transfer of \$150K to City's housing energy conservation program
- Investment of \$14.0M for capital outlay to maintain system reliability and comply with regulatory requirements

- Annual turnover or transfer of \$6.4M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

COVID-19 Proposed FY 2020-21 Budget adjustments since the March 9 Finance/Audit Committee Meeting:

- Deferred the proposed 6.8% Water rate increase
- Revised Residential customer growth rate for FY21 to 0% for all funds
- Revised Commercial customer growth rate for FY21 to -2% for Electric and Gas
- Revised Commercial customer growth rate for FY21 to -1% for Water and Sewer
- Removed 2% market adjustment
- Revised 1.5% merit increase to 2.0%
- Reduced Interest Income revenue from \$1.35M to \$750k (\$600k)
- Reduced Electric and Water Reconnect Fee revenues from \$708k to \$375k (\$333k)
- Increased Bad Debt Expense from \$374k to \$450k (\$76k)

Summary

The FY 2020-21 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, it also includes key components to position GUC for long-term sustainability. This budget supports GUC's vision to provide safe, innovative, and sustainable utility solutions that serve as the foundation of growth for the Greenville region. GUC is dedicated to enhancing the quality of life for those we serve by safely providing reliable 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 Tuesday and presenting a more in-depth review of GUC's FY 2019-20 end-of-year projections and the FY 2020-21 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
Preliminary: 3/30/2020**

Line #		2018-2019	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
		Actual	Budget	Projected	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 254,956,387	\$ 248,354,659	\$ 251,244,533	\$ 257,359,940	\$ 251,514,172	\$ 259,222,721	\$ 264,962,194	\$ 272,339,078	\$ 275,231,656
2	Fees & Charges	3,633,800	2,580,890	2,043,436	2,637,834	1,938,375	2,485,289	2,534,832	2,585,365	2,636,910
3	U. G. & Temp. Ser. Chgs.	454,368	372,614	392,957	322,458	425,038	444,279	464,735	486,179	508,659
4	Miscellaneous	2,418,926	1,574,433	1,890,612	1,580,389	2,114,192	2,158,912	2,204,906	2,252,216	2,300,886
5	Interest on Investments	1,764,463	1,790,000	1,500,000	485,022	750,000	830,000	900,000	960,000	1,090,000
6	FEMA/Insurance Reimbursement	582,579	-	152,958	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	486,943	359,813	-	-	320,001	-	490,000	-	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	3,245,539	882,781	1,016,676	706,000	500,000	500,000	500,000	-
11	Transfer from Rate Stabilization	-	2,600,000	5,821,414	2,950,000	5,750,000	3,300,000	2,500,000	2,250,000	4,425,000
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	7,000,000	-	-	-	-
14		\$ 264,297,467	\$ 260,877,948	\$ 263,928,691	\$ 266,352,319	\$ 270,517,778	\$ 268,941,201	\$ 274,556,667	\$ 281,372,838	\$ 286,193,111
EXPENDITURES:										
15	Operations	\$ 64,523,308	\$ 69,883,841	\$ 68,113,455	\$ 71,721,607	\$ 73,471,410	\$ 75,661,566	\$ 77,164,822	\$ 78,698,089	\$ 79,762,060
16	Purchased Power	129,516,409	129,385,800	134,995,469	132,503,391	132,210,549	132,941,897	134,419,084	137,904,465	141,370,188
17	Purchased Gas	18,949,073	19,055,300	16,848,985	19,186,000	17,022,470	17,123,192	17,224,106	17,325,210	17,426,410
18	Capital Outlay	12,651,279	11,408,801	15,619,996	12,383,711	14,002,610	13,935,711	14,319,307	14,713,725	15,119,265
19	Debt Service	16,469,935	12,338,160	12,208,169	13,658,554	14,243,132	14,380,905	15,713,355	17,260,443	17,198,434
20	City Turnover - General	5,908,642	5,769,888	5,769,888	5,885,286	5,542,118	5,883,212	6,000,876	6,120,894	6,243,312
21	Street Light Reimbursement	809,172	869,481	825,355	886,871	841,345	868,557	929,032	948,661	974,969
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	700,000	250,000	854,741	-	-	-	300,000	100,000	-
24	Transfer to Capital Projects	11,356,664	8,250,000	8,092,633	7,400,000	12,100,000	6,350,000	6,600,000	6,150,000	6,600,000
25	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
26	Operating Contingencies	-	3,166,677	-	-	584,144	-	-	-	-
27		\$ 261,384,481	\$ 260,877,948	\$ 263,828,691	\$ 264,125,420	\$ 270,517,778	\$ 267,645,040	\$ 273,170,582	\$ 279,721,487	\$ 285,194,637
28	Fund Equity / (Deficit)	\$ 2,912,985	\$ -	\$ 100,000	\$ 2,226,899	\$ (0)	\$ 1,296,161	\$ 1,386,084	\$ 1,651,351	\$ 998,473
29	Projected All Debt Coverage Ratio	3.12	2.99	3.06	2.81	2.46	2.71	2.74	2.56	2.48
30	Projected Fund Balance	22.3%	22.6%	19.4%	22.2%	19.1%	19.5%	19.4%	19.3%	19.2%
31	Projected Days Cash On Hand	137	134	133	135	121	122	122	122	121
32	Projected Equity/Capitalization	70%	78%	71%	80%	68%	67%	64%	66%	67%

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ALL FUNDS
Preliminary: 3/30/2020**

Line #		2018-2019 Actual	2019-2020 Budget	2019-2020 Projected	2020-2021 Forecast	2020-2021 Budget	2021-2022 Forecast	2022-2023 Forecast	2023-2024 Forecast	2024-2025 Forecast
	Typical Residential Bills									
33	Electric	\$109.31	\$109.31	\$109.31	\$113.81	\$109.31	\$112.57	\$114.15	\$117.79	\$117.79
34	Water	\$34.22	\$36.62	\$36.62	\$39.14	\$36.62	\$39.17	\$41.79	\$43.07	\$43.07
35	Sewer	\$43.45	\$44.80	\$44.80	\$44.80	\$44.80	\$44.80	\$46.20	\$46.20	\$47.55
36	Gas	<u>\$76.46</u>	<u>\$76.46</u>	<u>\$80.24</u>	<u>\$76.46</u>	<u>\$80.24</u>	<u>\$80.24</u>	<u>\$82.55</u>	<u>\$83.48</u>	<u>\$83.48</u>
37	Total monthly bill	<u>\$263.44</u>	<u>\$267.19</u>	<u>\$270.97</u>	<u>\$274.21</u>	<u>\$270.97</u>	<u>\$276.78</u>	<u>\$284.69</u>	<u>\$290.54</u>	<u>\$291.89</u>
	Increase on monthly bill									
38	Electric		\$0.00	\$0.00	\$4.50	\$0.00	\$3.26	\$1.58	\$3.64	\$0.00
39	Water		\$2.40	\$2.40	\$2.52	\$0.00	\$2.55	\$2.62	\$1.28	\$0.00
40	Sewer		\$1.35	\$1.35	\$0.00	\$0.00	\$0.00	\$1.40	\$0.00	\$1.35
41	Gas		<u>\$0.00</u>	<u>\$3.78</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$2.31</u>	<u>\$0.94</u>	<u>\$0.00</u>
42	Total increase on monthly bill		<u>\$3.75</u>	<u>\$7.53</u>	<u>\$7.02</u>	<u>\$0.00</u>	<u>\$5.81</u>	<u>\$7.91</u>	<u>\$5.86</u>	<u>\$1.35</u>
43	Monthly Bill % Increase				2.6%	0.0%	2.1%	2.9%	2.1%	0.5%

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
ELECTRIC FUND
Preliminary: 3/30/2020**

Line #		2018-2019	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
		Actual	Budget	Projected	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 174,263,970	\$ 169,333,894	\$ 172,179,033	\$ 176,105,138	\$ 172,488,964	\$ 178,027,001	\$ 180,343,007	\$ 186,228,781	\$ 187,921,651
2	Fees & Charges	2,539,639	1,565,396	1,080,613	1,633,570	976,268	1,481,108	1,510,731	1,540,945	1,571,764
3	U. G. & Temp. Ser. Chgs.	438,568	358,114	378,457	307,958	411,038	430,279	450,455	471,613	493,802
4	Miscellaneous	1,489,833	1,076,711	1,341,703	1,069,499	1,640,595	1,678,989	1,718,529	1,759,255	1,801,211
5	Interest on Investments	1,103,310	1,150,000	935,000	318,276	470,000	500,000	550,000	600,000	700,000
6	FEMA/Insurance Reimbursement	497,794	-	100,900	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	271,258	105,688	-	-	137,585	-	303,953	-	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	1,184,830	500,000	740,616	500,000	500,000	500,000	500,000	-
11	Transfer from Rate Stabilization	-	2,600,000	5,821,414	2,400,000	5,750,000	3,000,000	2,500,000	2,250,000	4,350,000
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	3,850,000	-	-	-	-
14		\$ 180,604,372	\$ 177,374,633	\$ 182,337,120	\$ 182,575,057	\$ 186,224,450	\$ 185,617,377	\$ 187,876,675	\$ 193,350,594	\$ 196,838,428
EXPENDITURES:										
15	Operations	\$ 26,711,538	\$ 30,083,472	\$ 28,492,593	\$ 30,922,670	\$ 31,495,702	\$ 32,620,546	\$ 33,262,972	\$ 33,918,230	\$ 34,086,611
16	Purchased Power	129,516,409	129,385,800	134,995,469	132,503,391	132,210,549	132,941,897	134,419,084	137,904,465	141,370,188
17	Capital Outlay	9,357,350	7,060,927	10,315,120	7,707,663	8,890,926	8,997,058	9,242,184	9,494,167	9,753,202
18	Debt Service	3,757,021	3,440,789	3,328,583	4,396,586	4,524,186	4,973,294	4,865,963	5,745,150	5,770,205
19	City Turnover - General	4,184,591	4,055,000	4,055,000	4,136,100	3,876,969	4,164,136	4,247,419	4,332,367	4,419,014
20	Street Light Reimbursement	809,172	869,481	825,355	886,871	841,345	868,557	929,032	948,661	974,969
21	Transfer to OPEB Trust	275,000	300,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
22	Transfer to Rate Stabilization	-	-	-	-	-	-	-	-	-
23	Transfer to Capital Projects	3,300,000	1,000,000	-	1,000,000	3,850,000	-	-	-	-
24	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
25	Operating Contingencies	-	1,179,164	-	-	259,773	-	-	-	-
26		\$ 177,911,081	\$ 177,374,633	\$ 182,287,120	\$ 181,828,281	\$ 186,224,450	\$ 184,840,488	\$ 187,241,654	\$ 192,618,040	\$ 196,649,189
27	Fund Equity / (Deficit)	\$ 2,693,292	\$ -	\$ 50,000	\$ 746,776	\$ (0)	\$ 776,889	\$ 635,021	\$ 732,554	\$ 189,239
28	Projected All Debt Coverage Ratio	6.69	4.11	3.62	3.58	2.74	3.27	3.64	3.22	2.90
29	Projected Fund Balance	18.9%	19.3%	16.3%	18.7%	16.1%	16.3%	16.3%	15.9%	15.6%
30	Projected Days Cash On Hand	118	117	113	116	105	106	106	105	103
31	Projected Equity/Capitalization	70%	81%	70%	83%	67%	68%	63%	64%	65%
32	Typical Residential @ 1,000 kwh	\$109.31	\$109.31	\$109.31	\$113.81	\$109.31	\$112.57	\$114.15	\$117.79	\$117.79
33	Typical Residential Bill Increase		\$0.00	\$0.00	\$4.50	\$0.00	\$3.26	\$1.58	\$3.64	\$0.00
34	Typical Residential Bill % Increase *		0.0%	0.0%	4.1%	0.0%	3.0%	1.4%	3.2%	0.0%
35	Last Year's Forecast				4.1%		0.0%	0.0%	0.0%	

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
WATER FUND
Preliminary: 3/30/2020**

Line #		2018-2019	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
		Actual	Budget	Projected	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 21,037,132	\$ 22,439,513	\$ 22,609,401	\$ 24,001,776	\$ 22,583,645	\$ 24,406,868	\$ 26,117,401	\$ 27,033,294	\$ 27,182,346
2	Fees & Charges	429,895	443,728	411,952	426,988	407,409	427,495	435,882	444,436	453,162
3	U. G. & Temp. Ser. Chgs.	15,800	14,500	14,500	14,500	14,000	14,000	14,280	14,566	14,857
4	Miscellaneous	338,145	206,074	220,469	208,716	195,566	197,998	200,478	203,008	205,588
5	Interest on Investments	156,586	140,000	140,000	56,939	70,000	80,000	80,000	90,000	80,000
6	FEMA/Insurance Reimbursement	29,490	-	18,107	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	82,168	153,125	-	-	15,459	-	100,297	-	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	382,781	382,781	134,491	-	-	-	-	-
11	Transfer from Rate Stabilization	-	-	-	-	-	-	-	-	-
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	1,050,000	-	-	-	-
14		\$ 22,089,216	\$ 23,779,721	\$ 23,797,210	\$ 24,843,410	\$ 24,336,079	\$ 25,126,361	\$ 26,948,338	\$ 27,785,304	\$ 27,935,953
EXPENDITURES:										
15	Operations	\$ 14,064,658	\$ 14,496,346	\$ 14,560,428	\$ 14,853,797	\$ 15,318,599	\$ 15,768,599	\$ 16,083,970	\$ 16,405,637	\$ 16,733,740
16	Capital Outlay	646,515	1,216,846	1,690,051	1,313,736	1,136,630	1,087,982	1,118,075	1,149,021	1,180,840
17	Debt Service	5,124,958	1,972,757	2,117,658	2,370,297	2,682,732	2,166,437	4,167,505	4,903,904	4,877,377
18	Transfer to OPEB Trust	75,000	100,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
19	Transfer to Rate Stabilization	-	-	-	-	-	-	-	-	-
20	Transfer to Capital Projects	2,766,664	5,150,000	5,339,073	5,550,000	5,050,000	5,750,000	5,200,000	4,850,000	4,750,000
21	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
22	Operating Contingencies	-	843,772	-	-	73,118	-	-	-	-
23		\$ 22,677,794	\$ 23,779,721	\$ 23,782,210	\$ 24,162,830	\$ 24,336,079	\$ 24,848,018	\$ 26,644,550	\$ 27,383,562	\$ 27,616,957
24	Fund Equity / (Deficit)	\$ (588,579)	\$ -	\$ 15,000	\$ 680,580	\$ -	\$ 278,343	\$ 303,788	\$ 401,742	\$ 318,996
25	Projected All Debt Coverage Ratio	1.55	4.75	4.82	4.09	3.33	4.28	2.63	2.31	2.28
26	Projected Fund Balance	21.5%	17.9%	15.2%	19.3%	15.3%	15.4%	14.9%	15.7%	16.7%
27	Projected Days Cash On Hand	167	150	164	163	133	135	140	146	150
28	Projected Equity/Capitalization	74%	83%	76%	85%	69%	63%	58%	61%	63%
29	3/4 " Residential @ 6,000 gallons	\$34.22	\$36.62	\$36.62	\$39.14	\$36.62	\$39.17	\$41.79	\$43.07	\$43.07
30	Typical Residential Bill Increase		\$2.40	\$2.40	\$2.52	\$0.00	\$2.55	\$2.62	\$1.28	\$0.00
31	Typical Residential Bill % Increase		7.0%	7.0%	6.9%	0.0%	7.0%	6.7%	3.1%	0.0%
32	Last Year's Forecast				6.9%		6.5%	1.5%	1.6%	

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
SEWER FUND
Preliminary: 3/30/2020**

Line #		2018-2019	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
		Actual	Budget	Projected	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 23,859,199	\$ 23,412,652	\$ 24,013,310	\$ 23,501,326	\$ 23,948,463	\$ 24,089,852	\$ 24,984,186	\$ 25,127,303	\$ 26,014,659
2	Fees & Charges	489,939	428,159	402,469	430,796	410,148	429,246	437,831	446,587	455,519
3	U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-	-
4	Miscellaneous	384,738	146,518	177,412	149,449	136,520	139,249	142,035	144,877	147,775
5	Interest on Investments	199,960	200,000	165,000	44,807	80,000	100,000	120,000	120,000	130,000
6	FEMA/Insurance Reimbursement	29,490	-	18,107	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	68,082	101,000	-	-	166,957	-	16,078	-	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	1,271,903	-	95,533	-	-	-	-	-
11	Transfer from Rate Stabilization	-	-	-	-	-	-	-	-	-
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	1,050,000	-	-	-	-
14		\$ 25,031,407	\$ 25,560,232	\$ 24,776,298	\$ 24,221,911	\$ 25,792,088	\$ 24,758,347	\$ 25,700,130	\$ 25,838,767	\$ 26,747,953
EXPENDITURES:										
15	Operations	\$ 13,500,685	\$ 14,590,050	\$ 14,269,059	\$ 14,949,376	\$ 15,427,569	\$ 15,666,056	\$ 15,979,384	\$ 16,298,960	\$ 16,624,943
16	Capital Outlay	1,537,251	2,180,346	2,393,939	2,307,556	2,493,784	2,559,365	2,635,041	2,712,968	2,793,208
17	Debt Service	6,198,950	5,680,853	5,519,740	5,300,924	5,447,876	5,717,904	5,441,692	5,182,834	5,116,549
18	Transfer to OPEB Trust	75,000	100,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
19	Transfer to Rate Stabilization	-	-	-	-	-	-	-	-	-
20	Transfer to Capital Projects	3,100,000	2,100,000	2,503,560	850,000	2,150,000	600,000	1,250,000	1,200,000	1,850,000
21	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
22	Operating Contingencies	-	908,983	-	-	197,859	-	-	-	-
23		\$ 24,411,886	\$ 25,560,232	\$ 24,761,298	\$ 23,482,856	\$ 25,792,088	\$ 24,618,325	\$ 25,381,117	\$ 25,469,762	\$ 26,459,700
24	Fund Equity / (Deficit)	\$ 619,521	\$ -	\$ 15,000	\$ 739,055	\$ -	\$ 140,022	\$ 319,013	\$ 369,005	\$ 288,253
25	Projected All Debt Coverage Ratio	1.87	1.70	1.88	1.72	1.72	1.58	1.77	1.83	1.96
26	Projected Fund Balance	26.7%	28.7%	22.9%	33.3%	23.0%	24.4%	24.8%	26.1%	26.1%
27	Projected Days Cash On Hand	207	201	199	214	164	165	169	174	177
28	Projected Equity/Capitalization	66%	71%	68%	73%	66%	67%	69%	71%	73%
29	3/4 " Residential @ 5,610 gallons	\$43.45	\$44.80	\$44.80	\$44.80	\$44.80	\$44.80	\$46.20	\$46.20	\$47.55
30	Typical Residential Bill Increase		\$1.35	\$1.35	\$0.00	\$0.00	\$0.00	\$1.40	\$0.00	\$1.35
31	Typical Residential Bill % Increase		3.1%	3.1%	0.0%	0.0%	0.0%	3.1%	0.0%	2.9%
32	Last Year's Forecast				0.0%		3.5%	0.0%	3.4%	

**GREENVILLE UTILITIES COMMISSION
REVENUE AND EXPENDITURES
GAS FUND
Preliminary: 3/30/2020**

Line #		2018-2019	2019-2020	2019-2020	2020-2021	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
		Actual	Budget	Projected	Forecast	Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:										
1	Rates & Charges	\$ 35,796,087	\$ 33,168,600	\$ 32,442,789	\$ 33,751,700	\$ 32,493,100	\$ 32,699,000	\$ 33,517,600	\$ 33,949,700	\$ 34,113,000
2	Fees & Charges	174,328	143,607	148,402	146,480	144,550	147,440	150,388	153,397	156,465
3	U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-	-
4	Miscellaneous	206,210	145,130	151,028	152,725	141,511	142,676	143,864	145,076	146,312
5	Interest on Investments	304,608	300,000	260,000	65,000	130,000	150,000	150,000	150,000	180,000
6	FEMA/Insurance Reimbursement	25,804	-	15,844	-	-	-	-	-	-
7	Contributed Capital	-	-	-	-	-	-	-	-	-
8	Bond Proceeds	65,434	-	-	-	-	-	69,672	-	-
9	Installment Purchases	-	-	-	-	-	-	-	-	-
10	Transfer from Cap Projects	-	406,025	-	46,036	206,000	-	-	-	-
11	Transfer from Rate Stabilization	-	-	-	550,000	-	300,000	-	-	75,000
12	Transfer from Capital Reserves	-	-	-	-	-	-	-	-	-
13	Appropriated Fund Balance	-	-	-	-	1,050,000	-	-	-	-
14		\$ 36,572,471	\$ 34,163,362	\$ 33,018,063	\$ 34,711,941	\$ 34,165,161	\$ 33,439,116	\$ 34,031,524	\$ 34,398,173	\$ 34,670,777
EXPENDITURES:										
15	Operations	\$ 10,246,427	\$ 10,713,973	\$ 10,791,375	\$ 10,995,764	\$ 11,229,540	\$ 11,606,365	\$ 11,838,496	\$ 12,075,262	\$ 12,316,766
16	Purchased Gas	18,949,073	19,055,300	16,848,985	19,186,000	17,022,470	17,123,192	17,224,106	17,325,210	17,426,410
17	Capital Outlay	1,110,162	950,682	1,220,886	1,054,756	1,481,270	1,291,306	1,324,007	1,357,569	1,392,015
18	Debt Service	1,389,007	1,243,761	1,242,188	1,590,747	1,588,338	1,523,270	1,238,195	1,428,555	1,434,303
19	City Turnover - General	1,724,051	1,714,888	1,714,888	1,749,186	1,665,149	1,719,076	1,753,458	1,788,527	1,824,297
20	Transfer to OPEB Trust	75,000	-	75,000	75,000	75,000	75,000	75,000	75,000	75,000
21	Transfer to Rate Stabilization	700,000	250,000	854,741	-	-	-	300,000	100,000	-
22	Transfer to Capital Projects	2,190,000	-	250,000	-	1,050,000	-	150,000	100,000	-
23	Transfer to Designated Reserve	-	-	-	-	-	-	-	-	-
24	Operating Contingencies	-	234,758	-	-	53,394	-	-	-	-
25		\$ 36,383,720	\$ 34,163,362	\$ 32,998,063	\$ 34,651,453	\$ 34,165,161	\$ 33,338,209	\$ 33,903,262	\$ 34,250,123	\$ 34,468,791
26	Fund Equity / (Deficit)	\$ 188,751	\$ -	\$ 20,000	\$ 60,488	\$ -	\$ 100,907	\$ 128,262	\$ 148,050	\$ 201,986
27	Projected All Debt Coverage Ratio	5.43	3.21	4.25	2.43	2.88	2.85	4.13	3.45	3.33
28	Projected Fund Balance	36.3%	38.5%	36.7%	34.9%	35.7%	36.8%	36.4%	36.4%	36.7%
29	Projected Days Cash On Hand	189	186	200	184	183	182	181	181	181
30	Projected Equity/Capitalization	70%	80%	71%	81%	72%	73%	70%	71%	72%
31	Typical Residential @ 66 CCF	\$76.46	\$76.46	\$80.24	\$76.46	\$80.24	\$80.24	\$82.55	\$83.48	\$83.48
32	Typical Residential Bill Increase		\$0.00	\$3.78	\$0.00	\$0.00	\$0.00	\$2.31	\$0.94	\$0.00
33	Typical Residential Bill % Increase		0.0%	4.9%	0.0%	0.0%	0.0%	2.9%	1.1%	0.0%
34	Last Year's Forecast				0.0%		3.0%	1.2%	0.0%	

CAPITAL SPENDING PLAN

ELECTRIC

CAPITAL PROJECTS		2021	2022	2023	2024	2025	5-Year Spending
1	Eastside to Simpson: 115 kV Transmission Re-Conductor					\$3,200,000	\$3,200,000
2	POD #3 to Simpson Substation 1	\$3,500,000			\$4,920,000		\$8,420,000
3	Sugg Parkway Transmission Line	\$1,275,000					\$1,275,000
4	Sugg Parkway Substation	\$2,240,000					\$2,240,000
5	G230 #2 Transformer Replacement					\$2,500,000	\$2,500,000
6	Hudson's Crossroads		\$300,000	\$1,700,000			\$2,000,000
7	Mt Pleasant to Wellcome 115 kV Transmission	\$200,000	\$4,346,000	\$4,346,000			\$8,892,000
8	Peak Shaving Generator(s) Replacement	\$2,000,000	\$4,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$12,000,000
9	Transmission Structure Replacement(s)	\$500,000		\$1,500,000		\$1,700,000	\$3,700,000
TOTAL CAPITAL PROJECTS		\$9,715,000	\$8,646,000	\$9,546,000	\$6,920,000	\$9,400,000	\$44,227,000
CAPITAL OUTLAY		\$7,826,976	\$8,031,612	\$8,247,773	\$8,469,923	\$8,698,231	\$41,274,515
TOTAL CAPITAL		\$17,541,976	\$16,677,612	\$17,793,773	\$15,389,923	\$18,098,231	\$85,501,515

CAPITAL SPENDING PLAN

WATER

CAPITAL PROJECTS		2021	2022	2023	2024	2025	5-Year Spending
1	B-4786 Memorial Drive Bridge Replacement			\$500,000			\$500,000
2	Water Main Rehabilitation Program Phase 3		\$1,000,000				\$1,000,000
3	Water Distribution System Improvements	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000		\$8,000,000
4	Water Main Rehabilitation Program	\$900,000					\$900,000
5	Water Treatment Plant Upgrade Phase 1	\$16,000,000	\$12,000,000	\$7,405,975			\$35,405,975
6	COG Town Creek Culvert Improvement Project	\$500,000					\$500,000
7	Residual Lagoon Improvements	\$500,000		\$500,000		\$500,000	\$1,500,000
8	WTP River Bank Stabilization	\$1,500,000					\$1,500,000
TOTAL CAPITAL PROJECTS		\$20,400,000	\$14,000,000	\$9,405,975	\$5,000,000	\$500,000	\$49,305,975
CAPITAL OUTLAY		\$840,280	\$790,891	\$812,072	\$833,837	\$856,200	\$4,133,280
TOTAL CAPITAL		\$21,240,280	\$14,790,891	\$10,218,047	\$5,833,837	\$1,356,200	\$53,439,255

CAPITAL SPENDING PLAN

WASTEWATER

CAPITAL PROJECTS		2021	2022	2023	2024	2025	5-Year Spending
1	Southeast Area Sewer Extension	\$1,000,000	\$1,500,000				\$2,500,000
2	Sewer Outfall Rehabilitation Phase 4	\$1,000,000	\$1,000,000				\$2,000,000
3	Regional Pumpstation Upgrades	\$200,000					\$200,000
4	Greene Street Pump Station and Force Main	\$700,000	\$500,000				\$1,200,000
5	Forlines Pump Station Expansion	\$1,000,000	\$1,000,000				\$2,000,000
6	WWTP Headworks Improvements	\$1,000,000	\$1,000,000				\$2,000,000
7	WWTP Clarifiers Replacement	\$3,000,000	\$2,500,000				\$5,500,000
8	COG Town Creek Culvert Improvements Project	\$1,000,000	\$950,000				\$1,950,000
TOTAL CAPITAL PROJECTS		\$8,900,000	\$8,450,000				\$17,350,000
CAPITAL OUTLAY		\$2,205,334	\$2,270,411	\$2,337,419	\$2,406,417	\$2,477,460	\$11,697,041
TOTAL CAPITAL		\$11,105,334	\$10,720,411	\$2,337,419	\$2,406,417	\$2,477,460	\$29,047,041

FUNDING SOURCE		2021	2022	2023	2024	2025	5-Year Spending
	<i>Pay Go</i>	\$2,205,334	\$2,270,411	\$2,337,419	\$2,406,417	\$2,477,460	\$11,697,041
	<i>Transfers</i>						
	<i>Acreage or Capacity Fees</i>	\$1,750,000	\$1,305,136				\$3,055,136
	<i>Fund Balance</i>	\$2,120,000	\$3,644,864				\$5,764,864
	<i>Revenue Bonds</i>	\$4,780,000	\$3,500,000				\$8,280,000

CAPITAL SPENDING PLAN

GAS

CAPITAL PROJECTS		2021	2022	2023	2024	2025	5-Year Spending
1	14th St Widening (NCDOT U-5917)	\$57,000			\$70,000	\$315,000	\$442,000
2	Evans St Widening (NCDOT U-2817)	\$136,000			\$1,132,000	\$732,000	\$2,000,000
3	High-pressure Multiple Gas Facilities	\$1,800,000	\$1,000,000	\$900,000			\$3,700,000
4	Firetower Rd. Widening (NCDOT)	\$100,000			\$240,000	\$430,000	\$770,000
5	Allen Rd. Widening (NCDOT U-5875)				\$600,000	\$344,500	\$944,500
6	Integrity Management Replacement	\$750,000	\$500,000				\$1,250,000
7	LNG Liquefaction Additions			\$500,000	\$500,000		\$1,000,000
8	NC43 (NCDOT U-5991)		\$125,000		\$300,000	\$687,500	\$1,112,500
9	VOA Road Loop	\$100,000	\$550,000	\$550,000			\$1,200,000
TOTAL CAPITAL PROJECTS		\$2,943,000	\$2,175,000	\$1,950,000	\$2,842,000	\$2,509,000	\$12,419,000
CAPITAL OUTLAY		\$1,201,020	\$1,018,950	\$1,043,481	\$1,068,627	\$1,094,404	\$5,426,482
TOTAL CAPITAL		\$4,144,020	\$3,193,950	\$2,993,481	\$3,910,627	\$3,603,404	\$17,845,482

Capital Improvements Funding Plan

GUC TOTAL	2021	2022	2023	2024	2025	5-Year Total
Capital Projects	\$60,847,192	\$38,521,000	\$20,901,975	\$14,762,000	\$12,409,000	\$147,441,167
Capital Outlays	\$14,002,610	\$13,935,711	\$14,319,307	\$14,713,725	\$15,119,265	\$72,090,618
	<u>\$74,849,802</u>	<u>\$52,456,711</u>	<u>\$35,221,282</u>	<u>\$29,475,725</u>	<u>\$27,528,265</u>	<u>\$219,531,785</u>
<u>Funding - Debt Financing</u>						
Revenue Bonds	\$27,217,192	\$15,521,000	\$11,246,000	\$9,162,000	\$11,564,500	\$74,710,692
SRF/Installment Loans	\$16,000,000	\$12,000,000	\$7,405,975	\$0	\$0	\$35,405,975
	<u>\$43,217,192</u>	<u>\$27,521,000</u>	<u>\$18,651,975</u>	<u>\$9,162,000</u>	<u>\$11,564,500</u>	<u>\$110,116,667</u>
% to Total Capital	57.7%	52.5%	53.0%	31.1%	42.0%	50.2%
<u>Funding - Cash</u>						
Pay Go	\$14,002,610	\$13,935,711	\$14,319,307	\$14,713,725	\$15,119,265	\$72,090,618
Capital Project Transfer	\$0	\$0	\$1,000,000	\$5,000,000	\$0	\$6,000,000
Acreage Fees	\$1,750,000	\$1,305,136	\$0	\$0	\$0	\$3,055,136
Fund Balance	\$15,630,000	\$9,694,864	\$1,250,000	\$600,000	\$844,500	\$28,019,364
Grants and Contributions	\$250,000	\$0	\$0	\$0	\$0	\$250,000
	<u>\$31,632,610</u>	<u>\$24,935,711</u>	<u>\$16,569,307</u>	<u>\$20,313,725</u>	<u>\$15,963,765</u>	<u>\$109,415,118</u>
% to Total Capital	42.3%	47.5%	47.0%	68.9%	58.0%	49.8%
Total Funding	<u>\$74,849,802</u>	<u>\$52,456,711</u>	<u>\$35,221,282</u>	<u>\$29,475,725</u>	<u>\$27,528,265</u>	<u>\$219,531,785</u>



Agenda Item # 3

Meeting Date: April 7, 2020

**Board
Committee:**

Finance/Audit Committee

Item:

Preview of April 16, 2020 Agenda Items

Contact:

Tony Cannon

Explanation:

A preview of the following upcoming April 16, 2020 Agenda Items will be provided:

- A. Consideration of Agreement with the Town of Bethel regarding the Management and Maintenance of Water and Sanitary Sewer Systems
- B. Consideration of Furniture Contract for the New Operations Center

**Strategic Plan
Elements:**

Strategic Themes:

- Exceptional Customer Service
- Safety, Reliability & Value
- Shaping Our Future

Objectives:

- Safely providing reliable and innovative utility solutions
- Exceeding customer expectations
- Providing competitive rates, while maintaining the financial stability of the utility
- Developing and enhancing strategic partnerships
- Embracing change to ensure organizational alignment and efficiency

Core Values:

- Exceed Customers' Expectations
- Act with Integrity
- Value Employees
- Deliver Reliable Services
- Support the Community

**Previous Board
Actions:**

N/A

Fiscal Note:

N/A

**Recommended
Action(s):**

No action is required