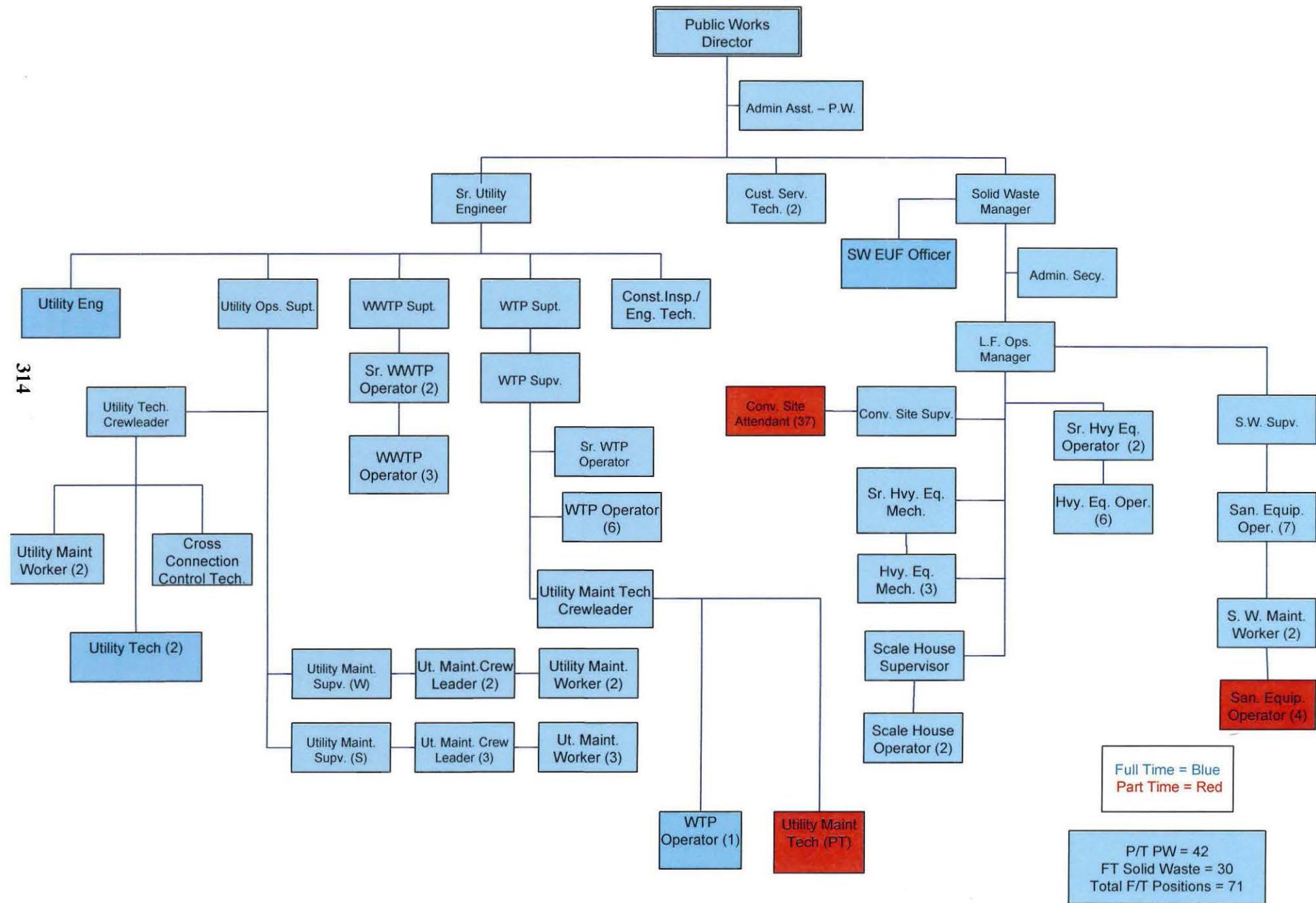


PUBLIC WORKS



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WATER AND SEWER FUND

This fund is used to account for the activities of the combined water and sewer system. On June 18, 2007, the assets of the ELWS District were transferred into this combined system. In addition, the operating and capital costs of the sewer system have been budgeted from this fund thereafter. The ELWS District remains in place to levy a tax solely for the existing debt service of that district. See the ELWS District Fund for a more detailed explanation of that fund.

The combined water and sewer system has a number of components. The water system consists of a 3.99 million gallon per day (MGD) water treatment plant located at Lake Norman. The intake structure pumps raw water from the lake to begin the process. Currently, the plant has an average daily use in the winter of about 2.5 MGD, but about 3.3 MGD in the summer. So, the County has about 0.69 MGD of excess capacity not used in the summer peak period. The County is currently in the design phase of expanding the plant.

The water system has two 1.0 MGD clearwells at the water treatment plant for storage of processed water. This water is then pumped into the distribution system. The distribution system consists of various size pipes and five elevated storage tanks. Given Lincoln County's topography, the system actually runs on three different water pressure zones: elevation 1010 ft. in the East; 1133 ft. in the Pumpkin Center area; and 1233 ft. in the West. That means that the elevated water tanks are set to run at one of those three elevations. Additional pumping is required to get the water from one of the three systems to the next higher elevation.

The five elevated storage tanks and their capacities are:

Denver	500,000 Gallons
Pumpkin Center	500,000 Gallons
Optimist Club Road	500,000 Gallons
Car Farm Road	750,000 Gallons
Northbrook	250,000 Gallons

With 3.0 million gallons of elevated storage, and 2.0 million gallons in the two clearwells, the system has a maximum of 5.0 million gallons of treated water available if all the tanks and clearwells are full. This is important to maintain water quality, reserve capacity and provide fire protection capabilities.

The water system also has an interconnection with the City of Lincolnton's water system off Bethel Church Road. This interconnection allows us to obtain backup water supplies from the City as necessary. The County has a Water purchase agreement with the City of Lincolnton with approximately 0.25 MGD minimum purchase with up to 2.25 MGD allocation.

The sewer system currently consists of the collection system, with various size gravity lines flowing into 39 lift (pump) stations. It is estimated that 3 to 5 new pump station will be added to the system in 2017. The County built the Killian Creek WWTP on Killian Creek, which has a stream capacity of up to 8.0 MGD. The current plant capacity is 1.68 MGD. The plant is being expanded to 3.3 MGD. The design for the 3.3 MGD expansion was completed and permitted by NC DEQ. The anticipated completion date for the 3.3 MGD expansion is June 2016. The plant could be expanded in the future to the full 8.0 MGD that the stream can accommodate.

There are many opportunities for additional development in Lincoln County. Enhanced planning is needed to plan for anticipated and existing development. We are proposing to expend funds to review the system condition, capacity and future growth.

This fund accounts for the operating costs, including the debt service for the water and sewer system. A transfer is made from this Water and Sewer Fund to the W&S Capital Projects Fund to help finance any capital outlay for the water and sewer system.

The Utility customer base and usage has grown consistently. In planning for more extensive development, the Utility is proceeding with expansion projects to double WWTP and WTP capacities as well as line extensions. The budget includes a new engineering position to provide additional oversight of the projects, inspection, permitting, improvements and maintenance of the Utility Department. Also, included are an additional collections & distribution crew. One new position will be responsible for maintenance and based at the Water Treatment Plant.

There will also be a focus on providing new services in Lincoln County with public outreach for the areas of need and interest. The design for the improvements to the Forney Creek WW Pump Station will be completed in FY 2017. Staff will investigate apprentice and training programs to improve recruitment and retention of employees. We have also included regrading Utility Maintenance Worker positions from pay grade 9 to pay grade 11 to reflect duties, certifications, and responsibilities of the position.

There are no proposed increases in the water or sewer rates except for increase in charges, or fees as outlined below with an effective date of July 1, 2016:

- Late fee will be \$5 or 5% of balance, whichever is higher
- $\frac{3}{4}$ -inch - Meter Fee \$265
- 1-inch - Meter Fee \$355
- 2-inch - Meter Fee \$1,550
- $\frac{3}{4}$ - inch Irrigation tap on Service Line - Meter Fee \$265
- $\frac{3}{4}$ - inch Irrigation tap on Water Main - Meter Fee \$265
- 1 -inch Irrigation tap on Water Main - Meter Fee \$355
- Meter Replacement Fee if no malfunction – Meter Fee \$265

ACCOUNT	DESCRIPTION	FY 2015 LY ACTUAL	FY 2016 CY REV BUD	FY 2016 CY ADJ ACT	FY 2017 DEPT	FY 2017 FINANCE
61-0000-00-00-36500-	Water Sales	\$ (5,677,234)	\$ (5,328,200)	\$ (3,437,935)	\$ (5,850,000)	\$ (5,850,000)
61-0000-00-00-36505-	Bulk Water Sales	(8,123)	(10,000)	(24,172)	(12,000)	(12,000)
61-0000-00-00-36510-	Water Tap Fees	(115,970)	(60,000)	(75,795)	(115,000)	(115,000)
61-0000-00-00-36520-	Water Capacity Fees	(653,396)	(800,000)	(480,782)	(1,120,000)	(1,120,000)
61-0000-00-00-36530-	Penalties	(142,736)	(120,000)	(99,644)	(120,000)	(120,000)
61-0000-00-00-36540-	Fire Protection Revenues	(8,400)	(9,000)	(5,250)	(9,000)	(9,000)
61-0000-00-00-36600-	Sewer Sales	(2,090,670)	(1,980,000)	(1,332,422)	(2,200,000)	(2,200,000)
61-0000-00-00-36610-	Sewer Tap Fees	(21,600)	(16,500)	(9,775)	(16,500)	(16,500)
61-0000-00-00-36620-	Sewer Capacity Fees	(539,494)	(1,222,000)	(393,902)	(1,100,000)	(627,007)
TOTAL SALES AND SERVICES		(9,257,623)	(9,545,700)	(5,859,677)	(10,542,500)	(10,069,507)
61-0000-00-00-37000-	Interest Revenue	(10,547)	(2,500)	(6,529)	(7,000)	(7,000)
61-0000-00-00-38100-	Rent Revenue	-	-	-	-	-
61-0000-00-00-38110-	Insurance Settlements	(22,238)	-	-	-	-
61-0000-00-00-38170-	Contributions & Donations	-	-	-	-	-
61-0000-00-00-38180-	Sale of Fixed Assets	(42,451)	-	-	-	-
61-0000-00-00-38185-	Sale of Scrap Materials	(182)	-	-	-	-
61-0000-00-00-38190-	Miscellaneous Revenues	(10,254)	(4,500)	(3,306)	-	-
61-0000-00-00-38195-	NSF Fees	(50)	-	-	-	-
TOTAL MISCELLANEOUS REVENUES		(85,722)	(7,000)	(9,835)	-	-
61-0000-00-00-39164-	Transfer from W/S Capital	(128,159)	-	-	-	-
61-0000-00-00-39300-	Gain/Loss on Sale of FA	-	-	-	-	-
61-0000-00-00-39500-	Proceeds of Financing	-	-	-	-	-
61-0000-00-00-39999-	Fund Balance Appropriated	-	(22,238)	-	-	-
TOTAL OTHER FINANCING SOURCES		(128,159)	(22,238)	-	-	-
TOTAL UTILITIES REVENUES		\$ (9,482,050)	\$ (9,577,438)	\$ (5,876,041)	\$ (10,549,500)	\$ (10,076,507)

ACCOUNT	DESCRIPTION	FY 2015	FY 2016	FY 2016	FY 2017	FY 2017
		ACTUAL	BUDGET	THRU 1/25/16	REQUESTED	RECOMMENDED
61-7120-54-00-51101-	FT Regular Salaries	\$ 389,959	\$ 434,822	\$ 270,662	\$ 517,717	\$ 534,183
61-7120-54-00-51103-	Temporary Wages	2,224	1,428	-	-	-
61-7120-54-00-51104-	Overtime	37,039	53,985	-	59,170	59,170
61-7120-54-00-51201-	Social Security	31,589	37,503	20,021	44,132	41,331
61-7120-54-00-51202-	Retirement Expense	30,132	32,610	18,351	39,142	40,616
61-7120-54-00-51203-	Hospitalization	92,683	120,000	65,198	120,000	105,540
61-7120-54-00-51204-	Unemployment	88	-	-	-	-
61-7120-54-00-51205-	Workers Compensation	9,988	11,724	6,113	11,724	11,724
61-7120-54-00-52101-	Seminar Registration	1,358	6,000	225	6,000	6,000
61-7120-54-00-52102-	Training, Meals & Lodging	2,176	3,000	223	3,000	3,000
61-7120-54-00-52103-	Mileage	-	500	-	500	500
61-7120-54-00-52201-	Telephone	18,903	20,000	9,404	20,000	20,000
61-7120-54-00-52202-	Postage	54,162	45,000	30,223	52,000	50,000
61-7120-54-00-52203-	Electricity & Water	68,486	48,376	39,400	70,000	69,000
61-7120-54-00-52204-	Natural Gas	1,839	500	529	700	700
61-7120-54-00-52208-	Bulk Water Purchase	22,771	115,000	155,715	130,000	270,000
61-7120-54-00-52301-	Copier Charges	-	-	-	-	-
61-7120-54-00-52501-	M & R Buildings	-	600	-	1,000	1,000
61-7120-54-00-52502-	M & R Vehicles	23,605	15,000	11,067	15,000	15,000
61-7120-54-00-52503-	M & R Equipment	3,995	7,000	1,285	7,000	5,500
61-7120-54-00-52504-	Service & Maint Contracts	31,596	150,000	37,794	150,000	150,000
61-7120-54-00-52505-	Advertising	63	1,000	324	1,000	1,000
61-7120-54-00-52506-	Credit Card Fees	13,906	10,000	5,954	10,000	10,000
61-7120-54-00-53101-	Minor Tools & Equipment	12,734	10,000	6,206	12,000	12,000
61-7120-54-00-53102-	Uniforms/Protective Clothing	3,498	4,000	3,000	5,000	4,500
61-7120-54-00-53201-	Fuel	39,434	50,000	12,421	50,000	40,000
61-7120-54-00-53301-	Office Supplies	8,900	4,000	668	4,000	4,000
61-7120-54-00-53309-	Other Supplies	340,981	287,500	236,225	390,000	385,000
61-7120-54-00-54102-	Contracted Services	123,208	224,500	82,961	224,500	224,500
61-7120-54-00-54104-	Legal Charges	4,281	10,000	4,769	10,000	10,000
61-7120-54-00-54111-	Permits	-	20,000	1,463	20,000	20,000
61-7120-54-00-54120-	Indirect Costs	334,000	334,000	-	334,000	334,000
61-7120-54-00-55101-	I & B Vehicles	9,341	10,709	10,596	10,596	10,596
61-7120-54-00-55102-	I & B Professional Liability	2,884	2,924	2,167	2,167	2,167

61-7120-54-00-55103-	I & B Property	19,883	17,766	16,254	16,254	16,254
61-7120-54-00-56101-	Dues & Subscriptions	8,678	10,000	6,298	12,000	12,000
61-7120-54-00-56190-	Cash Over/Short	77	-	6	-	-
61-7120-54-00-56199-	Miscellaneous	-	-	172	-	-
61-7120-54-00-56500-	Retiree Benefits	26,174	-	24,974	45,000	45,000
61-7120-54-00-57401-	Equipment	-	-	-	25,000	25,000
61-7120-54-00-57501-	Vehicles	-	24,738	25,486	145,000	145,000
61-7120-54-00-57601-	Computer Equipment	-	60,000	-	-	-
61-7120-54-00-57801-	Water Lines	-	-	-	-	-
TOTAL WATER		1,770,635	2,184,185	1,106,152	2,563,602	2,684,281
61-7125-54-00-51101-	FT Regular Salaries	381,232	387,281	214,043	403,582	379,641
61-7125-54-00-51103-	Temporary Wages	9,710	4,181	-	16,318	16,640
61-7125-54-00-51104-	Overtime	17,609	12,917	18,465	12,700	14,700
61-7125-54-00-51201-	Social Security	29,425	30,935	16,891	33,094	28,619
61-7125-54-00-51202-	Retirement Expense	27,894	26,972	15,267	29,352	27,524
61-7125-54-00-51203-	Hospitalization	91,395	91,720	59,925	91,720	113,003
61-7125-54-00-51204-	Unemployment	-	-	-	-	-
61-7125-54-00-51205-	Workers Compensation	7,611	8,276	4,026	8,276	8,276
61-7125-54-00-52101-	Seminar Registration	-	1,560	-	1,560	1,560
61-7125-54-00-52102-	Training, Meals & Lodging	185	585	847	1,000	1,000
61-7125-54-00-52103-	Mileage	56	975	16	975	500
61-7125-54-00-52201-	Telephone	21,253	9,500	9,398	9,500	9,500
61-7125-54-00-52202-	Postage	1,130	1,000	415	1,000	1,000
61-7125-54-00-52203-	Electricity & Water	179,590	182,700	92,401	182,700	182,700
61-7125-54-00-52501-	M & R Buildings	206,918	43,875	17,819	43,875	43,875
61-7125-54-00-52502-	M & R Vehicles	1,397	1,500	542	1,500	1,500
61-7125-54-00-52503-	M & R Equipment	126,364	121,046	59,547	121,046	121,046
61-7125-54-00-52504-	Service & Maint Contracts	35,283	32,000	17,758	32,000	32,000
61-7125-54-00-52505-	Advertising	100	156	141	156	156
61-7125-54-00-53101-	Minor Tools & Equipment	3,474	4,975	1,730	4,975	4,700
61-7125-54-00-53102-	Uniforms/Protective Clothing	2,315	2,925	1,187	2,925	2,750
61-7125-54-00-53201-	Fuel	6,656	6,000	392	6,000	5,800
61-7125-54-00-53301-	Office Supplies	1,226	2,828	880	2,828	2,500
61-7125-54-00-53309-	Other Supplies	34,236	37,050	16,884	37,050	35,000

61-7125-54-00-53360-	Chemicals	73,647	102,375	50,829	102,375	102,375
61-7125-54-00-54102-	Contracted Services	11,622	13,650	13,265	13,650	13,650
61-7125-54-00-54111-	Permits	3,885	3,900	2,323	3,900	3,900
61-7125-54-00-54112-	Laboratory Services	11,637	13,000	4,541	13,000	13,000
61-7125-54-00-55101-	I & B Vehicles	1,339	1,400	920	920	920
61-7125-54-00-55102-	I & B Professional Liability	1,442	1,450	1,393	1,393	1,393
61-7125-54-00-55103-	I & B Property	178	4,109	174	174	174
61-7125-54-00-56101-	Dues & Subscriptions	1,940	3,997	1,090	3,997	3,500
61-7125-54-00-57901-	Non-Asset Inventory	2,597	-	-	-	-
TOTAL WATER TREATMENT PLANT		1,293,346	1,154,838	623,108	1,183,541	1,172,902
61-7130-54-00-51101-	FT Regular Salaries	399,027	396,794	259,632	387,302	327,409
61-7130-54-00-51103-	Temporary Wages	3,220	1,989	-	-	-
61-7130-54-00-51104-	Overtime	36,559	53,928	1,894	46,630	46,630
61-7130-54-00-51201-	Social Security	32,527	34,632	19,346	33,196	25,909
61-7130-54-00-51202-	Retirement Expense	30,714	30,063	17,732	29,442	25,618
61-7130-54-00-51203-	Hospitalization	85,566	90,000	62,568	90,000	81,787
61-7130-54-00-51204-	Unemployment	-	-	3,663	-	-
61-7130-54-00-51205-	Workers Compensation	9,505	10,512	5,817	10,512	10,512
61-7130-54-00-52101-	Seminar Registration	85	5,000	-	-	-
61-7130-54-00-52102-	Training, Meals & Lodging	1,141	1,000	385	1,000	800
61-7130-54-00-52201-	Telephone	28,272	10,000	15,503	27,000	26,000
61-7130-54-00-52202-	Postage	-	400	-	400	400
61-7130-54-00-52203-	Electricity & Water	139,104	129,185	77,845	142,103	142,103
61-7130-54-00-52204-	Natural Gas	5,265	4,000	556	5,000	4,800
61-7130-54-00-52501-	M & R Buildings	18	-	-	-	-
61-7130-54-00-52502-	M & R Vehicles	10,244	10,000	9,653	10,000	10,000
61-7130-54-00-52503-	M & R Equipment	28,951	40,000	35,910	50,000	45,000
61-7130-54-00-52504-	Service & Maint Contracts	109,429	125,250	58,342	125,250	125,250
61-7130-54-00-52505-	Advertising	120	500	150	500	500
61-7130-54-00-53101-	Minor Tools & Equipment	2,644	2,000	1,244	5,000	3,000
61-7130-54-00-53102-	Uniforms/Protective Clothing	1,814	2,250	1,216	3,500	3,200
61-7130-54-00-53201-	Fuel	13,700	28,000	9,033	28,000	22,000
61-7130-54-00-53301-	Office Supplies	-	1,000	-	1,000	1,000
61-7130-54-00-53309-	Other Supplies	117,296	55,000	53,402	114,400	112,400

61-7130-54-00-53360-	Chemicals	46,484	92,280	46,140	92,280	92,280
61-7130-54-00-54102-	Contracted Services	49,791	112,868	69,881	112,868	112,868
61-7130-54-00-54111-	Permits	810	4,000	810	4,000	4,000
61-7130-54-00-55101-	I & B Vehicles	1,774	2,021	1,945	1,945	1,945
61-7130-54-00-55102-	I & B Professional Liability	1,442	1,462	-	-	-
61-7130-54-00-55103-	I & B Property	1,966	3,691	2,095	2,095	2,095
61-7130-54-00-56101-	Dues & Subscriptions	1,156	4,000	463	4,000	4,000
61-7130-54-00-56199-	Miscellaneous	-	-	86	-	-
TOTAL SEWER		1,158,626	1,251,825	755,307	1,327,423	1,231,506
61-7135-54-00-51101-	FT Regular Salaries	169,253	236,094	74,141	221,957	225,743
61-7135-54-00-51103-	Temporary Wages	-	-	-	-	-
61-7135-54-00-51104-	Overtime	7,858	22,067	2,966	21,300	21,300
61-7135-54-00-51201-	Social Security	12,649	19,749	5,549	18,609	16,288
61-7135-54-00-51202-	Retirement Expense	12,522	17,220	5,228	16,505	16,363
61-7135-54-00-51203-	Hospitalization	50,495	61,563	14,609	30,000	40,525
61-7135-54-00-51204-	Unemployment	-	-	-	-	-
61-7135-54-00-51205-	Workers Compensation	3,298	4,958	1,108	4,958	4,958
61-7135-54-00-52101-	Seminar Registration	831	1,500	-	1,500	1,200
61-7135-54-00-52102-	Training, Meals & Lodging	11	300	-	300	300
61-7135-54-00-52201-	Telephone	15,396	15,000	10,633	16,830	16,500
61-7135-54-00-52202-	Postage	9	200	-	200	200
61-7135-54-00-52203-	Electricity & Water	157,449	160,000	71,354	176,000	176,000
61-7135-54-00-52204-	Natural Gas	-	-	-	-	-
61-7135-54-00-52501-	M & R Buildings	2,232	4,000	65	4,000	3,500
61-7135-54-00-52502-	M & R Vehicles	1,341	2,500	984	2,500	2,500
61-7135-54-00-52503-	M & R Equipment	73,885	35,000	22,419	38,500	38,500
61-7135-54-00-52504-	Service & Maint Contracts	39,763	35,000	7,496	38,500	38,500
61-7135-54-00-52505-	Advertising	180	-	-	200	200
61-7135-54-00-53101-	Minor Tools & Equipment	846	5,000	-	5,000	5,000
61-7135-54-00-53102-	Uniforms/Protective Clothing	3,610	4,500	2,111	4,500	4,500
61-7135-54-00-53201-	Fuel	4,027	12,000	710	12,000	9,000
61-7135-54-00-53301-	Office Supplies	52	500	-	500	500
61-7135-54-00-53309-	Other Supplies	31,131	31,000	9,134	31,000	31,000
61-7135-54-00-53360-	Chemicals	59,239	57,000	22,151	62,700	62,700

61-7135-54-00-54102-	Contracted Services	16,475	10,000	21,518	48,000	48,000
61-7135-54-00-54111-	Permits	5,545	6,000	2,260	6,000	6,000
61-7135-54-00-55101-	I & B Vehicles	1,004	1,245	1,062	-	-
61-7135-54-00-55102-	I & B Professional Liability	961	975	2,322	-	-
61-7135-54-00-55103-	I & B Property	13,075	14,538	12,329	-	-
61-7135-54-00-56101-	Dues & Subscriptions	609	3,000	335	-	2,500
61-7135-54-00-57501	Vehicles	-	-	-	50,000	50,000
TOTAL KILLIAN CREEK WWTP		683,746	760,909	290,483	811,559	821,777
61-9100-59-00-58100-	Debt - Principal	1,354,745	1,329,108	-	1,063,409	1,063,409
61-9100-59-00-58101-	Debt - Interest	382,597	443,107	200,144	362,753	362,753
61-9100-59-00-58110-	Inst Payment Principal	-	-	128,859	269,918	269,918
61-9100-59-00-58111-	Inst Payment Interest	-	-	26,054	46,156	46,156
61-9840-59-00-59162	Transfer to ELWS	-	-	-	-	867,014
61-9840-59-00-59164-	Transfer to Water CIP	1,741,000	2,450,966	-	-	1,556,791
TOTAL DEBT SERVICE & TRANSFER OUT		3,478,342	4,223,181	355,056	1,742,236	4,166,041
TOTAL UTILITIES EXPENSES		\$ 8,384,695	\$ 9,574,938	\$ 3,130,107	\$ 7,628,361	\$ 10,076,507