



# Metropolitan Sewerage District

Of

Buncombe County, North Carolina



2024-2025 BUDGET DOCUMENT

# 2024-2025 Budget Document

## PRINCIPAL OFFICIALS

Board Member	Representative of	Board Member	Representative of
M. Jerry VeHaun, Chairman	Town of Woodfin	Esther Manheimer	City of Asheville
Jackie W. Bryson, Secretary/Treasurer	Woodfin Sanitary Water & Sewer District	Chris Pelly	City of Asheville
Matt Ashley, Jr,	Town of Montreat	Martin Moore	Buncombe County
Sheila Franklin	Henderson County	Douglas Dearth	Town of Weaverville
Nathan Pennington	Buncombe County	Robert C. Watts	Town of Black Mountain
E. Glenn Kelly	Town of Biltmore Forest	Al Whitesides	Buncombe County
William G. Lapsley	Henderson County	Gwen Wisler	City of Asheville
Roberts & Stevens, P.A.	Legal Counsel	Thomas E. Hartye, P.E.	General Manager
McGill & Associates	Engineer of Record	W. Scott Powell, CLGFO	Director of Finance

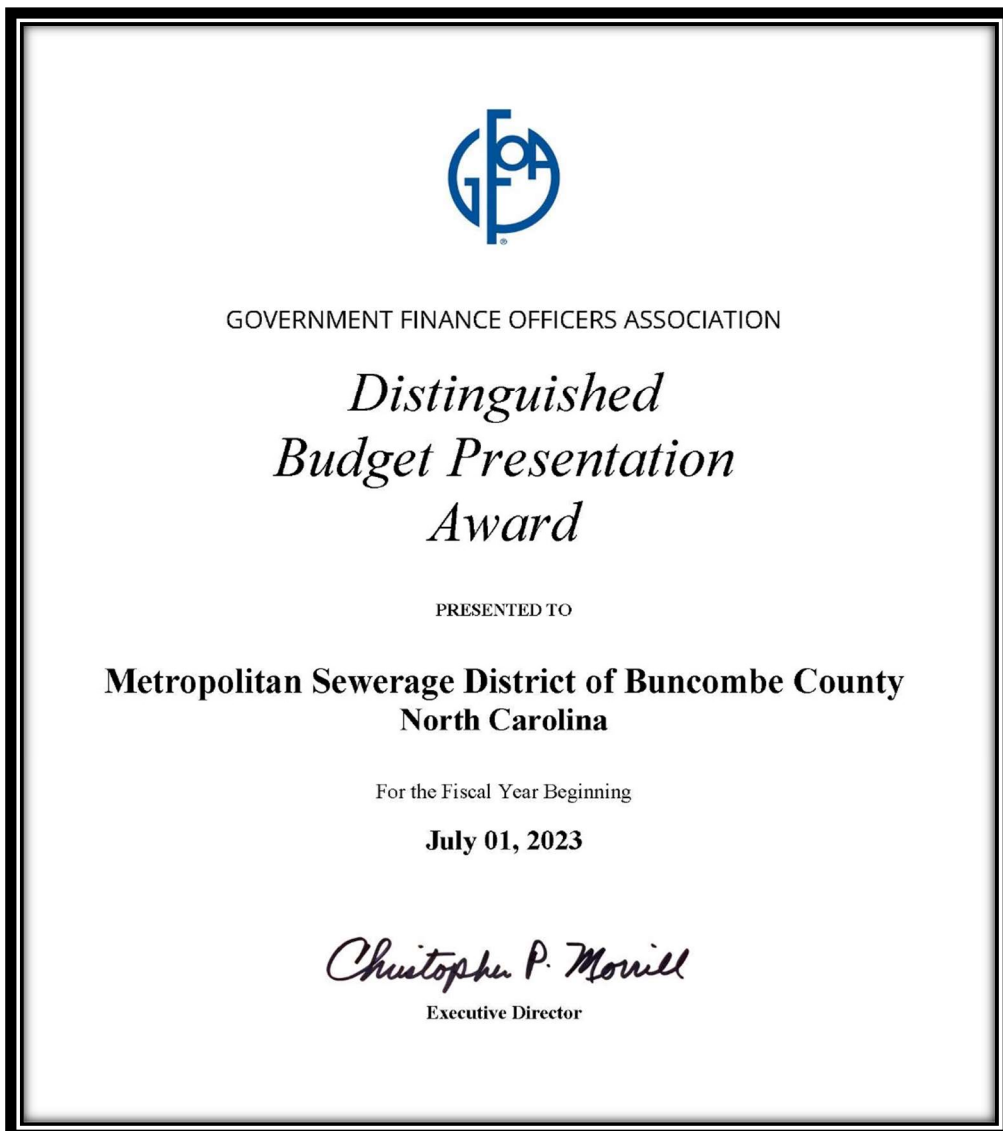


## Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Metropolitan Sewerage District of Buncombe County, North Carolina (MSD) for its annual budget for the fiscal year beginning July 1, 2023. This is the twenty-sixth (26) consecutive year that the MSD has received this award.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our FY2025 budget continues to conform to the program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.



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# Introduction





# Metropolitan Sewerage District

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## OF BUNCOMBE COUNTY, NORTH CAROLINA

June 12, 2024

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

Subject: FY2025 Budget and Proposed Sewer Rates

Dear Members of the Board,

We respectfully present the FY2025 Budget for the Metropolitan Sewerage District of Buncombe County, North Carolina. The budget incorporates staff recommendations presented to and accepted by the Personnel Committee, which met on April 23, 2024, the Capital Improvement Program Committee, which met on April 25, 2024.

We have developed the FY2025 Budget to advance the organization's mission *"to provide wastewater collection and treatment to its users which promotes the health and safety of affected citizens in the most effective and efficient manner possible today and in the future"*. The following Operational and Capital budget is designed to provide services meeting or exceeding all state regulations and Bond Order covenants with which the District must comply, with any rate changes to be at the lowest responsible level.

### Current Year Highlights

In FY2024, the District's domestic and industrial revenue are expected to meet budgeted projections. The District has proposed 5.00% rate increase for the upcoming year. Additionally, the District's long-range business plan incorporates this change and projects that future rate increases will be between approximately 5.0% for the remaining nine (9) years.

This budget continues several recent initiatives to maintain the District's overall strategy of keeping collection lines and the plant functioning effectively while rehabilitating significant portions of aging infrastructure. The most important goal remains meeting all regulatory permit requirements.

The SS Construction Department continues to expand its participation in sewer line rehabilitation and replacement efforts to maximize service and minimize SSOs. Goals for FY2025 include utilizing Infrastructure Rehabilitation System (IRS) lining, pipe bursting, and dig-and-replacement construction to rehabilitate and replace at least 15,000 linear feet, while providing preventative maintenance for approximately 600,000 linear feet of the system by employing in-house jet wash cleaning and both chemical and mechanical root control. In addition, the SS Maintenance Department will manage the District's Right-of-Way maintenance program whereby easements will be periodically cleared or mowed.

The Wastewater Treatment Plant is continuing systematic improvements as part of the District's detailed Facilities Plan. In 2023, the District completed the construction of the \$17.2 million High Rate Primary Treatment system and continues operational performance testing of the system so that it may be optimized for use with the upcoming biological improvements. In addition, the District has rebuilt sections of the Incinerator including the Dome, Tuyeres, the Gas Feed System and the Heat Exchanger.

## Operating Budget

The proposed \$21.8 million Operating Budget represents routine expenditures and capital equipment acquisitions needed for the day-to-day operations of the District. Highlights of significant components and changes include:

- ✚ **Compensation and Benefits**—The staff and employees considered salary and health insurance increases together as part of a comprehensive compensation package.
  - A 3.7% salary adjustment—CPI for the Southern Urban Wage Earners increased 3.7% for the last twelve-month period; Division Directors in conjunction with Employee Advisory Committee have requested a cost-of-living increase to keep pace with industry salary increases as well as to encourage retention of valued employees. On April 23, 2023, the Personnel Committee has recommended a wage increase, which has an approximate \$576,000 impact.



- A 5.8% increase in funding for North Carolina retirement cost—In 2016, the Local Governmental Employees' Retirement Systems (LGERS) adopted a rate stabilization policy to allow for predictability and stability in the contribution rates, while continuing keeping the local retirement system one of the best-funded systems in the country. Subsequently, LGERS raised the District's contribution rate from 7.75% to 8.95% of total salary and wages. Over the next five years, contribution rates are projected to increase to an amount slightly over 13.64%. This has an approximate \$81,000 impact on current year expenditures.
- A 0.0% increase in funding for Self-Insured Medical Plan—During FY2016, staff worked with its consultant and initiated a top to bottom review of our medical insurance plan. The effort was to ensure the District had a medical plan in line with our sister agencies as well as to limit certain benefits and increase cost sharing by employees in the amount of \$175,000. The Employee Advisory Committee endorsed these changes. The two groups continue to work on a long-term strategic plan to address controllable medical issues. Staff has been able to hold employer contributions to FY2024 levels to cover estimated medical expenses of the plan while maintaining prudent reserves for future claims. This has a \$0 impact on current year expenditures.
- Funding for Post-Employment Health Benefit—Starting in FY2009, GASB 45/75 required recognition of cost for Post-Employment Health Benefits. An actuarial study was done in the current year, staff is recommending FY2025 funding should remain at approximately \$283,000. Current funding has been implemented into the proposed FY2025 budget, in addition to the current business plan, and represents 1.24% of total operations.
- 🚧 **Materials, Supplies, and Service expenditures increased 2.5% over prior year**—The District has made a concerted effort to hold materials, supplies, and services cost close to the prior year's level, taking into account inflationary cost increases and continued expansion of the District. The District has increased specific line items to address regulatory and operational needs. Discretionary expenditures have been limited where practicable. This has an approximate \$222,000 impact on year expenditures.

## Capital Improvement Program

The District prepares a ten-year Capital Improvement Program as required by its State Collection System Permit and the Consolidation Agreements. The estimated construction expenditure for FY2025 is \$38.2 million, which is comprised of an estimated \$37.0 million in construction, \$150,000 of reimbursement, and \$1 million in contingency. The total 10-year CIP budget is \$610.7 million.

A detailed list of individual projects and planned expenditures by year was presented at the April 25, 2024 CIP meeting. This signifies a large increase in the 10-year CIP due largely to major improvements at the Plant along with upgrades to the interceptor network. MSD will be positioned to meet future regulations and to provide capacity to serve the estimated growth for the next 50 years.

The Board has consistently financed its Capital Improvement Program through revenue bonds and pay-as-you-go moneys. As of June 30, 2024, the District will have \$76.4 million in outstanding revenue bond debt, with total debt service of \$8.7 million due before the end of the fiscal year. Unlike counties and cities, the District does not have a legally mandated debt limit. However, the District does have a rate covenant. The covenant requires the District to set rates and charges so that income available for debt service will not be less than 120% of fiscal year debt service requirement.

#### Collection System Capital Improvements:

MSD initiated and maintains an aggressive program to rehabilitate its Wastewater Collection System. This program will conform to the North Carolina Department of Environmental and Natural Resources (NCDENR) Collection System Permit requirements, will improve the operational performance, and extend the life of the collection system. The estimated cost over a 10-year period is approximately \$221.7 million.

MSD's focus to rehabilitate over 356,000 feet of sewer lines for the next 10 years and other projects identified in the Master Plan. This rehabilitation has been made more cost-effective by the development of the Pipe Rating Program. Pipe Rating is a proactive planning tool, which utilizes Closed Circuit Television (CCTV) information, a GIS database, actual maintenance history to view, rate, and computer-score pipe segments based on a number of factors.

These factors, for any given manhole-to-manhole segment, include maintenance work order history, number, severity of defects, record of overflows on that segment, and are combined to yield a rating useful for prioritizing rehabilitation efforts.

Pipe Rating minimizes costs by helping the District focus rehabilitation dollars where they are needed most, rather than the previous replacement of collector lines throughout an entire basin. In recognition of this innovative program, the Association of Metropolitan Sewerage Agencies (AMSA) awarded the District one of only two 2003 National Environmental Achievement Awards.

Major projects for FY2025 include Elk Mountain Place with 4,137 linear feet \$1.5 million, Sand Hill Road at Baker Place 1,582 linear feet \$822,500, Joyner Avenue at Amboy Road 1,000 linear feet \$317,000. In FY2025, MSD will incur \$1.2 million on the Incinerator Rehabilitation Project, \$1.4 million on the Intermediate Clarifier Trough Rehabilitation Project, \$1.4 million RBC Removal and Replacement Project and \$15.8 million on the Weaverville Pump Station Replacement. These are in addition to numerous smaller projects completed throughout the collection system. Further details are available in the CIP section of the budget document.

The District's Collection System Master Plan addresses the orderly extension of the District's collection system into future service areas. The plan has been prepared in close cooperation with the District's member agencies and regional stakeholders. The land use policies and zoning regulations of each agency were used for land usage, growth projections/densities, and line locations. For areas outside of corporate or jurisdictional limits, Buncombe County's Zoning Ordinance has played an integral role in defining future service areas.

The Plan will serve as a basis to ensure that the sewer system will be extended in an orderly fashion and is done so in accordance with the planning policies of the various local governments within the District's service area.

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

During FY2015, the Treatment Facilities Plan was updated for the Water Reclamation Facility. This Plan provides short, medium, and long-term recommendations for each specific process and facility.

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

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

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

- ▶ Plant Headworks Project—This \$9.6 million project spanned 2 years and consisted of a new grit removal system to replace the existing problematic system, a fine screening facility which will supplement the WRF’s existing bar screens, and equalization storage at the plant using existing decommissioned tanks to provide more effective treatment during peak flow events. The project was completed in FY2019.
- ▶ High Rate Primary Treatment Project—This \$17.2 million project will provide primary settling of solids to enhance the downstream biological process which will be upgraded starting in FY2028. Construction was completed in 2022 and is currently undergoing performance testing.
- ▶ Biological System Upgrades—This \$226.7 million project is being driven by the future water quality regulations as set forth in MSD’s NPDES permit (effluent discharge permit). Compliance with effluent ammonia levels must be achieved by December 2037 and will require significant upgrades to the existing biological treatment system. Design will begin in FY2027 with construction starting in FY2031.

### Impact of CIP on Operations

For most municipal and county governments, capital improvements often result in higher operating costs. New buildings typically result in higher utility cost as well as cost for additional personnel.

The CIP for the District is largely made up of upgrades to existing facilities such as pump stations, sewer mains, and treatment plant facilities. Although some new chemicals may be added to treatment methods on occasion, the overall net effect of the CIP is actually one of reduced cost. The marginal increase in the size of replacement facilities (seen as up-front capital cost) is offset by increases in efficiencies of the new mechanical and electrical equipment replacements. In addition, as the level of service of the sewer mains increase with the new replacements, the operational cost will decrease for general maintenance and for emergency spill response.

## Sewer Rate Increase

Staff recommends a 5.0% increase in domestic and industrial sewer rates and meter fees for FY2025.

We believe this rate increase is prudent under the current economic situation and is necessary to provide for the following District responsibilities and objectives:

- ✓ Meet current and future regulations at the Water Reclamation Facility and for the Collection System
- ✓ Replace and rehabilitate approximately 36,000 linear feet of sewer mains a year
- ✓ Debt coverage ratio attractive to investors and rating agencies
- ✓ Support of the pay-as-you-go element of the CIP in addition to bonds
- ✓ Continue with goal of periodic smaller rate increases in lieu of large increases in future years
- ✓ Adequate current funding and maintenance of prudent reserves for Self-Insured Medical/Dental Plan
- ✓ Continue with necessary Treatment Plant upgrades

In the past, the MSD Board has endeavored to keep rate increases to a minimum. The District's Bond Order requires sewer rates be set to ensure that the excess of revenues over current expenditures is at least 120% of debt service.

Additionally, the Board balances the bond order requirements while maintaining all regulatory and fiduciary responsibilities.

Domestic sewer rates for the past five years as well as a projection for FY2025 are shown below:

	FY20	FY21	FY22	FY23	FY24	FY25
Rate Increase %	2.5%	0%	2.75%	3.00%	5.0%	5.0%
Meter, Maintenance & Billing Fees	\$9.74	\$9.74	\$9.99	\$10.38	\$10.94	\$11.45
Flow Rate (per ccf)	\$4.73	\$4.73	\$4.86	\$ 5.01	\$ 5.26	\$ 5.52
Avg. Monthly Bill (5ccf)	\$32.17	\$32.17	\$33.04	\$34.10	\$35.83	\$37.59

## Distinguished Budget Award

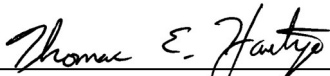
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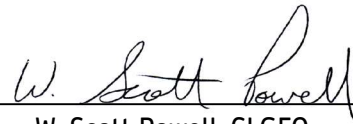
## In Closing

The Budget represents the combined efforts and guidance of the Board, its Committees, and staff. A special thanks to Jody Germaine/Budget Analyst for assembling the budget documents, Pam Thomas/HR Director, Hunter Carson/CIP Director, and Cheryl Rice/Accounting Manager for assembling the CIP Section of the Budget. We look forward to working with you, staff, and our ratepayers as we implement this financial plan and policy document.

Respectfully submitted,



Thomas E. Hartye, PE  
General Manager



W. Scott Powell, CLGFO  
Director of Finance



# Policies & Budget Process



# Budget Process

## Budgetary Adoption

The District budget process must comply with North Carolina General Statutes and the MSD Revenue Bond Order as amended to date. The Bond Order requires that the District adopt its final budget on or before June 15 of each year. North Carolina General Statutes mandate an annual balanced budget ordinance based upon expected revenues, along with a budget message, to be presented to the governing board no later than June 1 and mandates a public hearing be held. The Bond Order calls for a preliminary budget hearing 30 days prior to adoption if requested by a certain percentage of bondholders. The budget calendar is designed to provide for input by all stakeholders into a systematic and deliberate process.

For the Operations and Maintenance Budget, the process begins with the mission statement as approved by the Board. Each Division or section of the District develops a specific mission statement setting forth its role in supporting the overall mission of the District. Next, key responsibilities are defined for each unit, with associated goals and objectives. To evaluate progress, performance measures are identified and tracked for the previous three years. Once the District staff develops the operational activities required to implement the mission-directed strategies, necessary resources can be quantified and presented in a budgetary format.

Because payroll and benefits represent such a large proportion of expenditures, and because an experienced and appropriately compensated, well-trained staff is necessary to accomplish the District's mission, extra effort is made to ensure salaries and benefits are competitive without being excessive. To this end, a human resources consultant prepares a salary survey every three to five years that compares District pay scales with other utilities and governmental entities in the area. During those years a consultant is not retained, the Human Resources Director and other staff take surveys among regional governments and wastewater utilities of intended increases and types/levels of benefits considered.

After reviewing comparative data, the Finance and Personnel Committees take an active role in ratifying increases of cost of living and merit pay, as well as contributions to health insurance and other employee benefit programs. Before approval of any new positions, the Board must be convinced of the cost-benefit, efficiency, and programmatic benefit.



## Budget Process (continued)

### Budgetary Adoption (continued)

The Capital Budget incorporates short-term improvements mandated by the State-issued Collection System Permit with long-term needs identified and prioritized by the 20-year Wastewater System Master Plan to handle wet-weather flow conditions, to improve the performance at the wastewater treatment plant, and to prepare the system to handle expected future wastewater flows. Engineering staff prepare annual estimates of expenditures over the life of projects in a proposed timetable for construction in a 10-year Capital Improvement Plan (CIP).

Meanwhile, Administrative staff prepares an update of the District's ten-year financial forecast based on estimated revenues, expenditures, and debt issuance, which is integrated with the 10-year CIP, along with projections for fleet and wastewater plant replacement funds.

The effect of current expenditures on cash flows and debt coverage ratios are verified for adequacy, and any indicated adjustments to expenditures are made to sustain services within the desired user rate levels, which are set annually in connection with budget adoption.

### Budget Administration

The Budget Resolution is adopted at the fund level and allows for the carry forward of encumbered contracts and purchase orders from the previous fiscal year. This budget book illustrates the initial allocations among departments and between line items for authorized expenditures not including carryover amounts. Authority for modifying these allocations varies.

The General Manager has the authority to transfer amounts between departments within a fund without limitation. Division Directors may transfer amounts between line items and sections within their departments without limitation.

The entire allocation is available at the beginning of the year, and the unexpended balance will remain available during the year, unless otherwise limited by the General Manager and Director of Finance due to cash flow considerations.

## Budget Process (continued)

### Budget Administration (continued)

Several strategies are used to monitor expenditures throughout the year. The General Manager and Division Directors receive monthly expenditure reports, which compare actual to budgeted amounts for the period and for the year to date.

In addition, the procurement software is designed to require approval from the General Manager or Director of Finance if the line item has insufficient funds to cover the requisition or if the expenditure is over a certain amount. Purchasing staff make periodic reviews of outstanding inventory levels, requisitions, and purchase orders to update available line-item balances.

### Budget Amendment

Budget Amendments require approval by the Board of Directors and as such are submitted through the agenda process for consideration at a regularly scheduled Board meeting.

# Budget Calendar

April						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May						
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			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

D A T E	T I M E	S U B J E C T
April 23	9:00 a.m.	Personnel Committee Meeting
		<ul style="list-style-type: none"> <li>Cost of Living &amp; Merit Pay</li> </ul>
		<ul style="list-style-type: none"> <li>Benefit Allocations</li> </ul>
April 25	8:30 a.m.	<ul style="list-style-type: none"> <li>CIP Committee Meeting</li> </ul>
		Update of Ten-Year Capital Improvement Program
		Update Construction Program Financing
		<ul style="list-style-type: none"> <li>2024-2025 Construction Fund Budget</li> </ul>
May 2	9:00 a.m.	<ul style="list-style-type: none"> <li>Finance Committee Meeting</li> </ul>
		Nine Month Revenue/Expenditure Report
		Self-Funded Medical & Dental Program
		<ul style="list-style-type: none"> <li>Proposed FY2025 Construction Fund Budget</li> <li>Proposed FY2025 Operating Budget &amp; Sewer Rates</li> </ul>
May 15	2:00 p.m.	<ul style="list-style-type: none"> <li>Board Meeting</li> </ul>
		<ul style="list-style-type: none"> <li>Preliminary FY2025 Budgets &amp; Sewer Rates</li> </ul>
June 12	2:00 p.m.	Board Meeting
		<ul style="list-style-type: none"> <li>Public Hearing</li> </ul>
		Adoption of FY2025 Budgets & Sewer Rates
July 1		Start of Fiscal Year 2024-2025
April 23	9:00 a.m.	<ul style="list-style-type: none"> <li>Personnel Committee Meeting</li> </ul>
		<ul style="list-style-type: none"> <li>Cost of Living &amp; Merit Pay</li> </ul>
		Benefit Allocations
April 25	8:30 a.m.	CIP Committee Meeting

## Rate Projections & Budgetary Forecast

The District is required by its Bond Order to set rates at such a level that the excess of revenues over current expenditures equals at least 120% of debt service. The Board established a revenue policy that the goal for debt coverage ratio be 150% or 1.5, and sufficient to meet all operating and capital needs with modest level increases.

The Board has also established a budget policy that calls for a ten-year projected operating budget and capital improvement program for long-term planning purposes. Revenue and expenditure projections are integrated with anticipated capital expenditures to anticipate rate increases and timing of debt issuance based on cash flow levels and debt coverage ratios.

Consumer revenue projections are based on consumption rates, growth in number of taps during the previous year, and projected rate increase. Industrial revenue is developed from anticipated fees of actual individual companies, since there are relatively few industrial customers and the charges are determined by effluent strength, as well as volume, which may vary greatly depending on the particular entity. As there are a limited number of large customers, any major change to a particular facility such as announced layoffs or closings, may be immediately factored into the industrial revenue computation.

Operating expenditures are anticipated to increase at the regional cost of living rate, and capital expenditures at the general inflation rate. Future debt service is projected to be issued at slightly above prevailing rates. As this forecast is updated at least semiannually, management is able to adjust timing of capital projects and discuss in advance with Board members proposed timing and levels of rate increases.

Using consumption data projected from the recent historical population growth statistics within the Asheville-Buncombe County area, the District anticipates annual rate increases of approximately 5% for the next nine years.

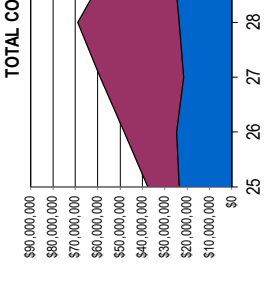
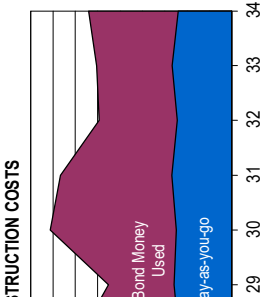
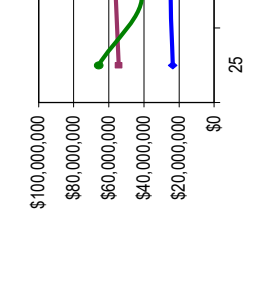
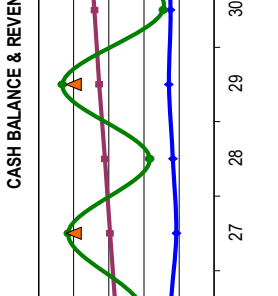
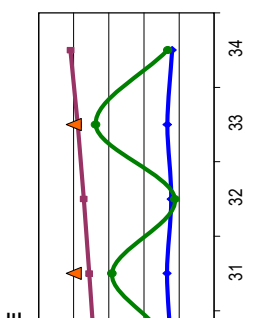
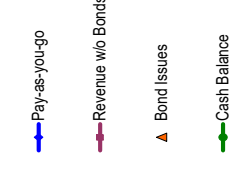
Construction costs are fairly level reflecting the District's Master Plan to consistently rehabilitate approximately 40,000 linear feet of pipe per year. The CIP expenditure forecast for FY2025 reflects a continuation of a major rehabilitation project at the Wastewater Treatment Plant.

## Rate Projections & Budgetary Forecast (continued)

This long-range budgetary projection also shows how the District plans to finance these projects with a combination of bond proceeds and pay-as-you-go funding from sewer revenues. Overall, the ten-year projection indicates the District's continuing ability to provide wastewater collection and treatment for customers, infrastructure maintenance in accordance with state regulations, and debt service in compliance with Bond Order, all with minimal, uniform rate increases.

# Budgetary Forecast Based on Current Business Plan

Business Plan - FY25												Sewer Rate Increase				
	0.0%	2.75%	3.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	Average Monthly Bill		
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034		
July 1 - Available for Construction	\$32.17	\$33.04	\$34.10	\$35.83	\$37.59	\$39.51	\$41.49	\$43.54	\$45.70	\$48.00	\$50.38	\$52.90	\$55.56	\$57.61		
<b>REVENUE:</b>																
Domestic Users	34,081,773	36,647,180	38,586,584	40,784,820	43,125,740	45,647,839	48,289,708	51,054,559	54,012,681	57,169,041	60,460,703	63,972,414	66,462,992	70,323,444		
Industrial Users	3,497,070	3,816,103	3,805,064	3,410,895	3,536,962	3,669,333	3,808,322	3,954,261	4,107,496	4,268,364	4,437,336	4,584,957	4,739,960	4,932,480		
Billing and Collections (Use Fee)	983,058	1,021,457	1,060,476	1,157,474	1,203,773	1,251,924	1,302,001	1,354,081	1,408,244	1,464,574	1,523,157	1,584,083	1,647,446	1,847,446		
Tap Fees	740,513	716,432	693,708	600,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000		
Facility Fees	4,351,547	5,249,579	4,649,553	8,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000		
Interest & Non-operating Revenues	217,271	238,640	2,970,822	3,000,000	2,926,052	2,143,440	2,489,553	2,396,397	2,462,791	1,731,755	1,309,573	1,208,489	1,347,357	1,410,118		
City of Asheville (annex-Ethka)	30,586	29,274	27,962	35,000	0	0	0	0	0	0	0	0	0	0		
Rental Income	79,445	69,961	100,255	96,000	96,000	96,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000		
Transfer from Reserves (to / from)	0	(381,593)	(987,965)	0	0	0	0	0	0	0	0	0	0	0		
Miscellaneous	1,884,732	0	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000		
<b>Total Revenues</b>	45,865,995	47,457,033	50,876,459	57,024,189	54,328,527	56,248,536	59,354,584	62,224,298	65,456,223	68,098,764	71,195,769	74,214,944	77,599,392	81,778,489		
State and Federal (EPA) Grants																
Revenue Bonds/ Stimulus																
<b>Total Funds Available</b>	110,785,350	114,246,913	123,718,376	132,656,453	134,850,324	122,029,331	180,745,808	145,310,719	182,189,658	154,504,903	180,239,992	132,475,588	179,904,709	149,296,968		
<b>EXPENSES:</b>																
Operations & Maintenance	14,923,174	15,681,916	17,167,722	20,347,329	21,882,889	22,718,520	23,593,143	24,508,939	25,468,228	26,473,460	27,526,918	28,644,414	29,753,297	30,960,918		
Replacement Funds (WRF & Fleet)	750,000	850,000	850,000	905,000	905,000	905,000	905,000	905,000	960,000	960,000	960,000	960,000	960,000	960,000		
Debt Service	9,811,696	9,797,850	8,829,772	8,633,835	8,805,928	8,805,081	14,194,160	14,192,901	14,184,625	16,798,910	16,784,809	21,135,641	21,137,191	26,816,538		
<b>CIP (including Bond Projects)</b>	18,510,600	15,075,230	21,238,618	22,048,493	37,475,712	48,209,507	58,967,083	68,970,444	55,170,666	81,228,310	76,707,621	59,430,216	60,535,751	64,050,080		
<b>Total Expenses</b>	43,995,470	41,404,996	48,086,112	52,134,657	69,069,529	80,838,108	97,659,386	108,577,284	95,783,519	125,460,680	121,979,348	110,170,271	112,386,239	122,807,536		
Pay-as-you-go (Current Revenue only)	21,131,125	21,977,267	24,878,965	27,155,614	23,639,710	24,724,936	21,567,281	23,522,458	25,803,370	24,826,384	26,884,042	24,434,889	26,708,904	23,981,033		
Debt Coverage (User Fees only)	2.4	2.6	3.2	3.2	3.3	3.4	2.3	2.4	2.6	2.3	2.4	2.0	2.1	1.8		
Debt Coverage with Total Revenue	3.1	3.2	3.8	4.1	3.7	3.8	2.5	2.7	2.8	2.5	2.6	2.2	2.3	1.9		
<b>April 10, 2024</b>																
<b>Active Plan CIP</b>																
Interception/Wet Weather Rehabilitation	123,500	5,232,420	3,229,164	3,193,803	422,392	509,774	38,452	152,891	11,879,567	15,995,861	32,902	4,064,930	273,340	7,453,887		
General Sewer Rehabilitation	8,719,182	5,441,318	9,319,001	9,873,598	9,348,195	13,387,360	14,606,697	19,531,300	16,794,138	12,769,096	14,309,126	11,636,462	15,109,127	9,971,265		
Private Sewer Rehabilitation	14,400	221,500	210,250	177,900	74,000	2,713,454	42,725	433,426	0	0	0	0	0	0		
Treatment Plant / Pump Stations	6,346,317	1,179,021	5,363,362	5,679,202	23,043,287	27,960,753	40,546,455	45,022,739	22,606,639	48,365,700	58,170,100	39,432,693	40,753,668	42,118,936		
Engineering Force Account	2,870,201	2,900,971	3,076,816	3,281,040	3,404,838	3,538,166	3,632,754	3,790,088	3,830,302	3,997,693	4,095,493	4,196,131	4,299,596	4,405,998		
Reimbursements	437,000	100,000	40,025	142,950	183,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000		
Contingency	0	0	0	0	1,000,000	0	0	0	0	0	0	0	0	0		
<b>Capital Improvement Program Totals</b>	18,510,600	15,075,230	21,238,618	22,048,493	37,475,712	48,209,507	58,967,083	68,970,444	55,170,666	81,228,310	76,707,621	59,430,216	60,535,751	64,050,080		



# Budget Summary

The District utilizes a fund structure developed to accommodate mandates of the District’s Bond Order with generally accepted accounting principles for proprietary governments. Appropriated funds, which are those funds that must have a board-approved budget, include ❶ the Revenue Fund from which operational and maintenance expenditures are made, ❷ the General Fund that transfers pay-as-you-go funding authorized for construction, ❸ the Construction Fund that incorporates CIP expenditures, ❹ the Replacement Funds providing funding for Fleet, WRF, and Pump Stations equipment, and ❺ Debt Service Funds.

Financial plans are approved for those other funds whose expenditures are determined by external parties or contractual agreements such as the insurance, debt reserve, and capital reserve funds.

The budget summary chart below shows total activity for all funds and consolidates the effect of transfers between funds.

	FY 2023 Actual Total	FY 2024 Amended Budget	FY 2025 Proposed Budget	Increase (Decrease)	% Change
<b>REVENUES &amp; FINANCING SOURCES</b>					
Domestic User Fees	\$ 38,717,598	\$ 38,928,326	\$ 43,125,740	\$ 4,197,414	10.78%
Industrial User Fees	3,805,064	3,410,895	3,536,962	126,067	3.70%
Billing and Collection	1,060,476	1,157,474	1,203,773	46,299	4.00%
Facility and Tap Fees	5,343,261	3,200,000	3,300,000	100,000	3.13%
Interest and Misc. Income	3,280,269	2,902,076	3,567,310	665,234	22.92%
Rental Income	100,255	96,000	96,000	-	0.00%
City of Asheville (Enka Bonds)	27,962	35,000	-	(35,000)	-100.00%
Employee Contributions to Health Fund	374,628	385,800	355,000	(30,800)	-7.98%
Use of (Contributions to) Available Funds	(3,554,937)	6,704,394	14,036,931	7,332,537	109.37%
<b>Total Revenues &amp; Financing Sources</b>	<b>\$ 49,154,576</b>	<b>\$ 56,819,965</b>	<b>\$ 69,221,716</b>	<b>\$ 12,401,751</b>	<b>21.83%</b>
<b>EXPENDITURES</b>					
Operations and Maintenance	\$ 18,017,722	\$ 20,862,488	\$ 21,759,010	\$ 896,522	4.30%
Construction	21,142,388	26,377,993	37,475,712	11,097,719	42.07%
Capital Equipment	436,694	844,817	1,290,257	445,440	52.73%
Bond Principal and Interest	9,557,772	8,734,667	8,696,737	(37,930)	-0.43%
Other Long-Term Obligation	-	-	-	-	N/A
<b>Total Expenditures</b>	<b>\$ 49,154,576</b>	<b>\$ 56,819,965</b>	<b>\$ 69,221,716</b>	<b>\$ 12,401,751</b>	<b>21.83%</b>

**NOTE:** Both Operation and Maintenance and Capital Equipment expenditures represent actual amounts to be spent in the respective reserve funds. These amounts do not include current year reserve funds funding request.

# Component Fund Chart

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

	Operating and Construction			Equipment Replacement			Debt Service	Appropriated Funds
	Revenue/O&M	General	Construction	Fleet & Heavy Reserve	WWTP Reserve	Pump Station Reserve	Bond Service	
Projected Net Position at 6/30/24	79,996,797	25,000	500,000	1,535,059	352,237	215,602	6,989,000	89,613,695
Revenues and Other Financing Sources:								
Domestic User Charges	43,125,740	-	-	-	-	-	-	43,125,740
Industrial User Charges	3,536,962	-	-	-	-	-	-	3,536,962
Billing and Collection Fees	1,203,773	-	-	-	-	-	-	1,203,773
Facility and tap fees	-	3,300,000	-	-	-	-	-	3,300,000
Proceeds from Revenue Bonds	-	-	-	-	-	-	-	-
Stimulus Loan/Grant	-	-	-	-	-	-	-	-
Sale of Surplus Property	-	-	-	71,643	-	-	-	71,643
Non-governmental Grants	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-
Investment interest & misc.	3,045,052	1,000	20,000	61,402	14,089	8,624	500	3,150,667
City of Asheville for Enka Bond	0	-	-	-	-	-	-	-
Rental Income	96,000	-	-	-	-	-	-	96,000
Employee/Retirees Medical Contributions	-	-	-	-	-	-	-	-
Total Revenues and Fin. Sources	51,007,527	3,301,000	20,000	133,045	14,089	8,624	500	54,484,785
Expenditures and Other Financing Uses								
Operating Expenses	(17,507,449)	-	-	-	-	-	-	(17,507,449)
Debt--Principal	-	-	-	-	-	-	(5,826,825)	(5,826,825)
Debt--Interest	-	-	-	-	-	-	(2,869,912)	(2,869,912)
Construction	-	-	(37,475,712)	-	-	-	-	(37,475,712)
Capitalized Equipment Expenditures	(162,825)	-	-	(716,432)	(303,500)	(107,500)	-	(1,290,257)
Total Expenditures and Other Financing Uses	(17,670,274)	-	(37,475,712)	(716,432)	(303,500)	(107,500)	(8,696,737)	(64,970,155)
Interfund/account transfers	(47,965,064)	(3,325,000)	37,475,712	595,000	250,000	60,000	8,696,737	(4,212,615)
Excess (Deficit) of Revenues over Expenditures	(14,627,811)	(24,000)	20,000	11,613	(39,411)	(38,876)	500	(14,697,985)
Projected Net Position at 06/30/25	65,368,986	1,000	520,000	1,546,672	312,826	176,726	6,989,500	74,915,710

Funding comes primarily from the Revenue Fund, from which Operations and Maintenance expenditures are paid. Revenues are transferred to other funds, including construction, insurance internal funds, debt service and replacement reserve funds. Infrastructure over \$15,000 is capitalized and budgeted through the Construction Fund. Capitalized equipment such as trucks and rolling stock are budgeted through the Fleet Replacement Fund and capitalized equipment such as pumps and plant machinery are budgeted through the Water Reclamation Facility Replacement Fund. While the O&M budget contains line items entitled "Capital Equipment," while such expenditures are below the capitalization threshold, they are in excess of \$1,000 and budgeted and tracked internally for managerial purposes.



## Component Fund Chart (continued)

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

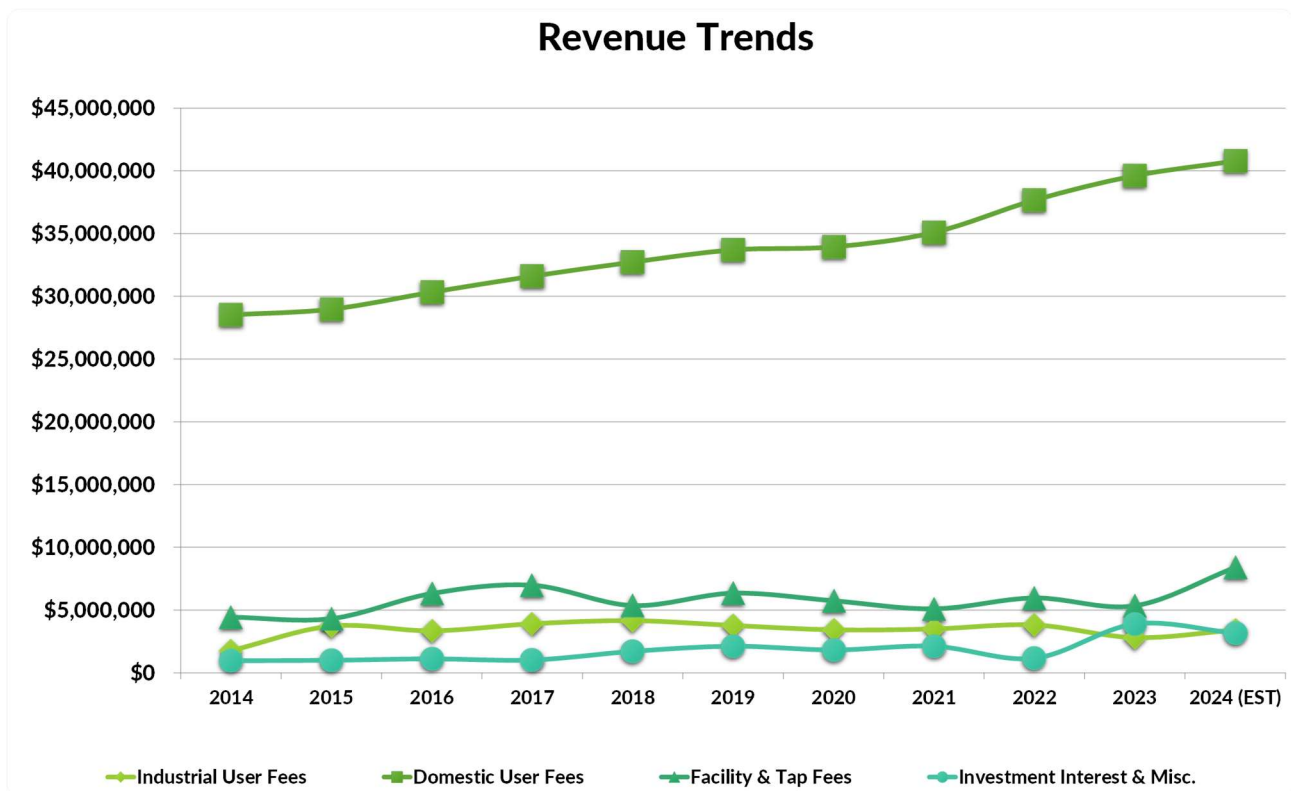
	Designated for Insurance				Bond Covenant Requirement	Non- Appropriated	Budget Summary
	Insurance Medical	Insurance Post Employment	Insurance Prop & Liab	Insurance Work Comp	Capital Reserve		District Totals
Projected Net Position at 6/30/24	4,240,050	(1,669,749)	646,886	594,610	1,303,975	5,115,772	94,729,467
<b>Revenues and Other Financing Sources:</b>							
Domestic User Charges	-	-	-	-	-	-	43,125,740
Industrial User Charges	-	-	-	-	-	-	3,536,962
Billing and Collection Fees	-	-	-	-	-	-	1,203,773
Facility and tap fees	-	-	-	-	-	-	3,300,000
Proceeds from Revenue Bonds	-	-	-	-	-	-	-
Stimulus Loan/Grant	-	-	-	-	-	-	-
Sale of Surplus Property	-	-	-	-	-	-	71,643
Non-governmental Grants	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-
Investment interest & misc.	150,000	110,000	10,000	20,000	55,000	345,000	3,495,667
City of Asheville for Enka Bond	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	96,000
Employee/Retirees Medical Contributions	345,000	10,000	-	-	-	355,000	355,000
<b>Total Revenues and Fin. Sources</b>	<b>495,000</b>	<b>120,000</b>	<b>10,000</b>	<b>20,000</b>	<b>55,000</b>	<b>700,000</b>	<b>55,184,785</b>
<b>Expenditures and Other Financing Uses</b>							
Operating Expenses	(3,236,561)	-	(875,000)	(140,000)	-	(4,251,561)	(21,759,010)
Debt--Principal	-	-	-	-	-	-	(5,826,825)
Debt--Interest	-	-	-	-	-	-	(2,869,912)
Construction	-	-	-	-	-	-	(37,475,712)
Capitalized Equipment Expenditures	-	-	-	-	-	-	(1,290,257)
<b>Total Expenditures and Other Financing Uses</b>	<b>(3,236,561)</b>	<b>-</b>	<b>(875,000)</b>	<b>(140,000)</b>	<b>-</b>	<b>(4,251,561)</b>	<b>(69,221,716)</b>
Interfund/account transfers	3,143,840	133,000	912,775	23,000	-	4,212,615	-
<b>Excess (Deficit) of Revenues over Expenditures</b>	<b>402,279</b>	<b>253,000</b>	<b>47,775</b>	<b>(97,000)</b>	<b>55,000</b>	<b>661,054</b>	<b>(14,036,931)</b>
Projected Net Position at 06/30/25	4,642,329	(1,416,749)	694,661	497,610	1,358,975	5,776,826	80,692,536

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

# Revenue

## Overview

The District has the authority to establish rates and charges for service to be approved by a budget resolution of the District Board of Directors. The District has established separate rates for domestic and industrial customers, adopted a schedule of facility and sewer connection fees applying to new customers, and receives minor amounts of income from rental of real property and investment of surplus cash. The various types of revenues and other financing sources are described in detail on the following pages.

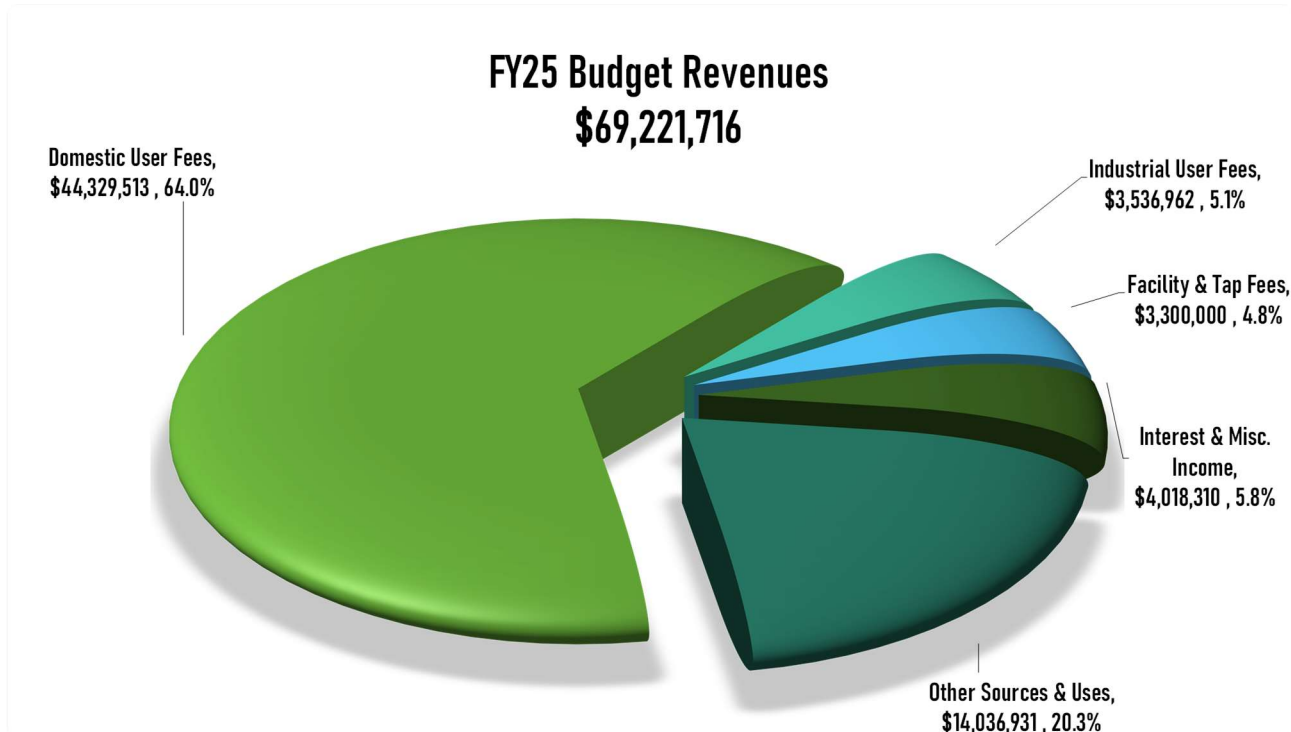


A graph of historical revenues by type reveals the overwhelming percentage of the District's income derives from domestic (residential & commercial) customers and has increased for the past ten consecutive years. Industrial user fees clearly show the effect of the shrinking textile industry in Buncombe County and are diminishing as larger industries wind down and are replaced with smaller new enterprises. Facility and tap fees testify to the growth fueled by population in-migration and expansion of non-industrial type businesses. Overall, income for FY2024 is estimated to be slightly higher than in FY2023.

## Revenue (continued)

### Revenue Summary

When projecting FY2025 revenues, a 5.00% domestic customer rate increase was considered in conjunction with a projected .75% increase in domestic consumption. In addition, the budget reflects no growth in industrial users. Conservative assumptions based on recent income trends underlie other budgeted income amounts as explained below.



### Domestic User Charges

The primary source of District revenues are domestic charges. The District has approximately 59,000 accounts. The District direct bills approximately 600 of these domestic users all of which are on private well systems but are connected to MSD's sewer collector system. Billing and collection of the remainder of District domestic customers is performed by the member agencies providing water, who charge a fee for this service, which is added to the monthly bill and paid by MSD customers.

Domestic sewer rate increases for the past ten years are shown below:

Fiscal Year									
15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	25-25
2.5%	2.5%	2.5%	2.5%	2.5%	0.0%	2.75%	3.0%	5.0%	5.0%

## Revenue (continued)

### Industrial User Charges

Prior to FY 2001, industrial users were charged decreasing tiered rates based on total volume so that actual rates charged were considerably below those paid by residential consumers. In FY 2001, the Board approved a plan to achieve rate parity between industrial and residential customers over the upcoming twenty years. The annual increases from this parity plan are incorporated in adopted rates.

Fortunately, the number of new residential customers continues to increase which is anticipated to mitigate the impact from the decline of industrial revenue.

### Investment Interest

This revenue source reflects interest earned on public funds held by the District and the Revenue Bond Trustee. Investment income is determined by interest rates and cash balances available for investment. Interest rates decreased rapidly during the current year due to adverse economic conditions. The projected yield for the current fiscal year will be 4.00%.

All MSD investments conform to its Bond Order and the North Carolina General Statutes governing investments, and due to the minimum acceptable level of risk, produce fairly conservative rates of return.

### Sewer System Development Fee

This revenue source represents the buying of equity in completed wastewater facilities paid by consumers who are added to the sewer collection system. In June 2006, the actual cost was determined to be significantly greater than the fee charged. To moderate the impact on customers, the board determined to implement 20% of this increase over each of the subsequent five years.

On July 20, 2017 the North Carolina General Assembly passed into law North Carolina General Statute 162A Article 8 ("Article 8"). Article 8 provides for the uniform authority to implement system development fees for public water and sewer systems. In FY2024 Raftelis Financial Consultants, Inc. was engaged to perform a study which conforms to the conditions and limitations of Article 8.

Effective in FY2025, sewer facility fees ranged from \$844 to \$3,568 for residential users based on size of structure, and from \$3,568 to \$945,452 for nonresidential customers based on meter size.

## Revenue (continued)

### Sewer Connection Fees

This revenue source represents the cost of physically installing new connections to the sewer system. The cost for installing a tap that does not involve payment restoration is \$1,300. This fee is to provide connections to the MSD system where the public main is on the same side of the street as the residence.

The Sewer Connection Fee will apply to new home construction, as well as existing homes, which have been demolished or remodeled, and sewer service is reinstated under new property ownership. MSD requires that a licensed utility contractor install any sewer connection/service line within public rights-of-way extending over 75 feet or that requires pavement disturbance or boring to reach across a paved thoroughfare. The installation shall be constructed to MSD Standards. All work will be subject to MSD inspection.

### Billings & Collections

The District will pay the municipalities \$2.93 per customer bill for meter reading, billing, and collection services.

### Rental Income

Pace Analytical Services, Inc. has entered into a lease to utilize a portion of a building in the Wastewater Treatment Plant facilities along with laboratory equipment. The District also leases land to a private company for a cell tower.

### City of Asheville (Enka Bonds Annexation)

In the Consolidation Agreements, MSD agreed to assume debt service on the \$1,500,000 sanitary sewer bond issued by the Enka-Candler Water and Sewer District. This debt was used to pay a part of constructing the sewer system in Enka-Candler, which at that time was located in an unincorporated area of western Buncombe County. After the consolidation, the City of Asheville annexed a portion of the Enka-Candler Sewer District, so the City of Asheville reimburses the District for its proportionate amount (41%) of the annual principal and interest payment.

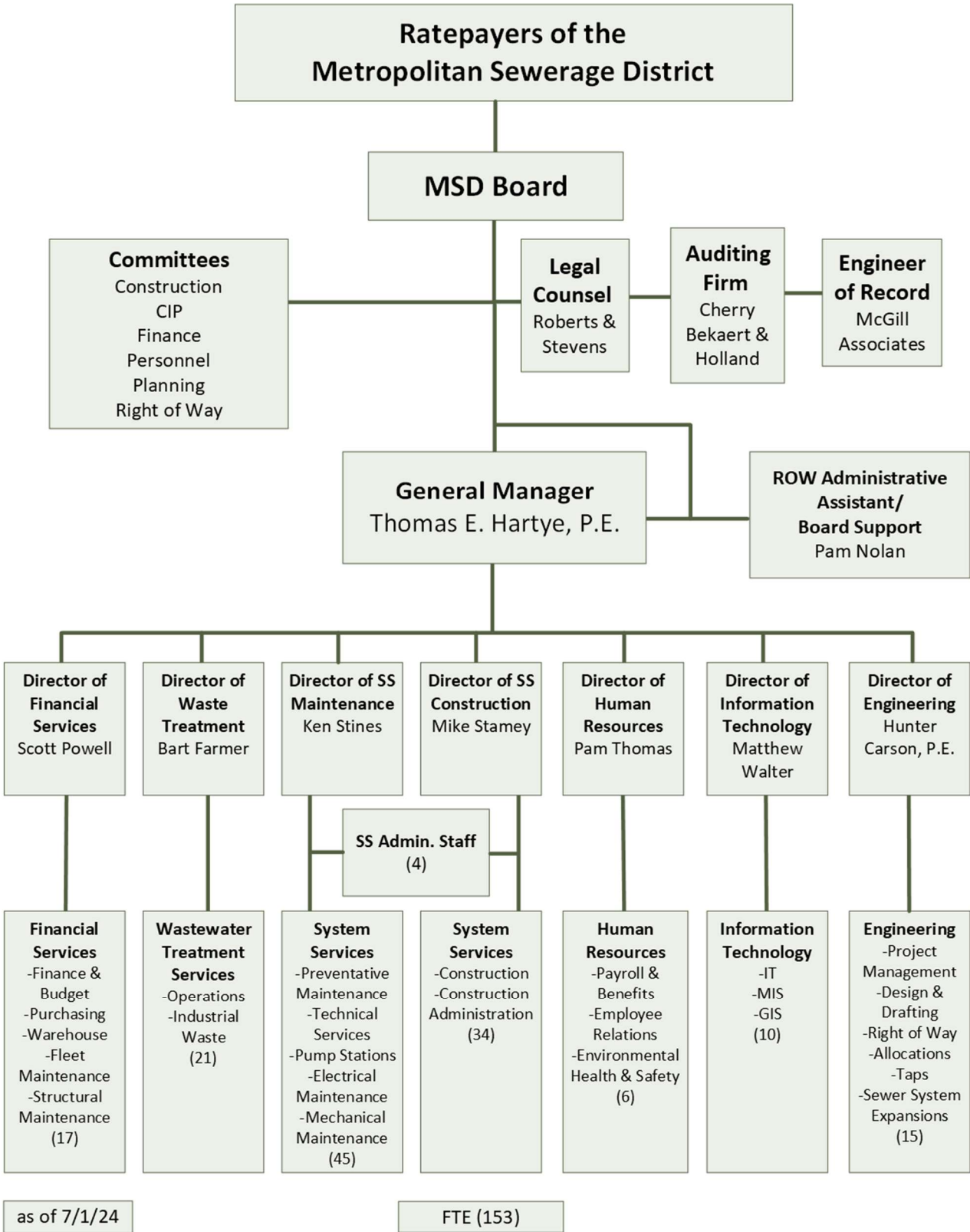


# Operation & Maintenance



# Operation & Maintenance Fund

## Organizational Chart



## Operation & Maintenance Fund (continued)

### Overview

The Operation & Maintenance Fund budget finances the program and administrative activities for the wastewater treatment plant, pump stations, and collection system. The FY2025 Operation & Maintenance Fund budget totals \$22,787,889. This represents a 3.87% increase over the previous year. The District budgets to the Departmental level and are as follows:

Office of the General Manager	\$	2,164,513
Human Resources		1,131,229
Information Technology		1,892,575
Financial Services		3,159,080
Wastewater Treatment Plant		6,099,136
SS Maintenance		7,183,441
SS Construction		4,568,138
Engineering		2,196,981
Total Expenditures	\$	28,395,093
Less: Capitalized in Construction Funds		(5,607,204)
Net Operation & Maintenance Fund	\$	22,787,889

### O & M Overview

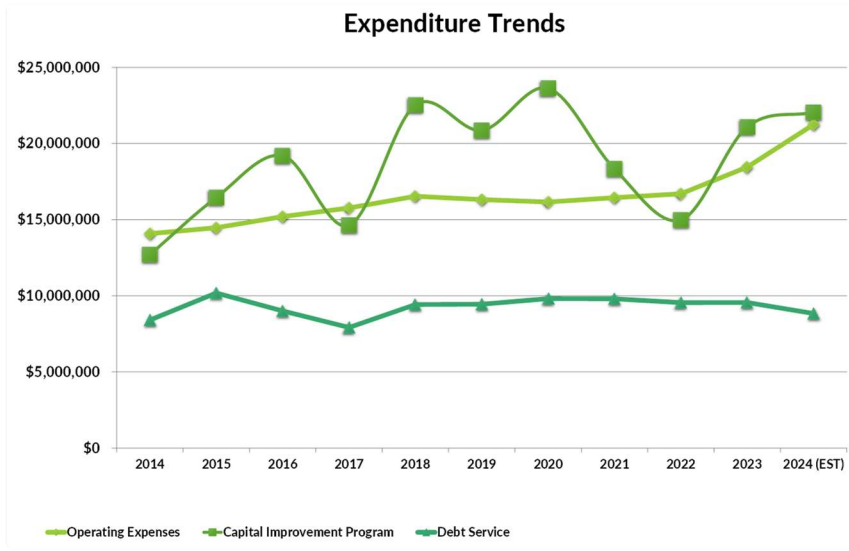
	ACTUAL 2022-2023	APPROVED 2023-2024 BUDGET	ESTIMATED 2023-2024 ACTUAL	PROPOSED 2024-2025 BUDGET	INC(DEC) OVER PRIOR YR BUDGET
SALARIES & WAGES	\$ 10,040,024	\$ 10,856,674	\$ 10,856,674	\$ 11,432,860	5.31%
BENEFITS	5,788,287	6,341,220	6,341,220	6,574,127	3.67%
MATERIALS, SUPPLIES & SERVICES	7,060,734	8,964,855	8,260,356	9,186,789	2.48%
REPLACEMENT FUNDS & TRANSFERS	960,847	1,046,063	1,046,063	1,038,492	-0.72%
CAPITAL EQUIPMENT	147,261	111,198	111,198	162,825	46.43%
<b>SUB-TOTAL O&amp;M FUND</b>	<b>23,997,154</b>	<b>27,320,010</b>	<b>26,615,511</b>	<b>28,395,093</b>	<b>3.94%</b>
<b>LESS:</b>					
Capitalized Construction Expenses	(4,818,563)	(5,380,270)	(5,361,182)	(5,607,204)	4.22%
<b>NET OPERATION &amp; MAINTENANCE FUND</b>	<b>\$ 19,178,591</b>	<b>\$ 21,939,740</b>	<b>\$ 21,254,329</b>	<b>\$ 22,787,889</b>	<b>3.87%</b>



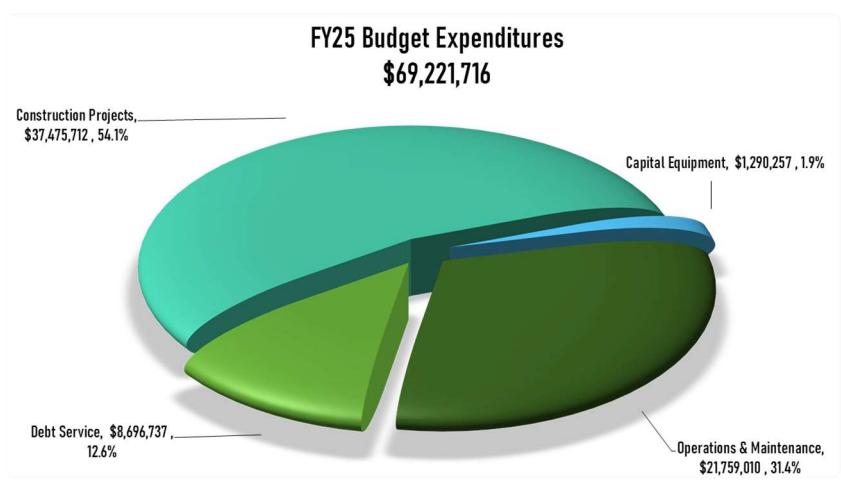
# Operation & Maintenance Fund (continued)

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

- Repairs and Maintenance**—A majority of the Districts' approximately 1,155 miles of collection lines are between thirty and one hundred years old. While many capital projects are planned and in process, these aging facilities often require frequent repairs and maintenance costs prior to commencement of a major rehabilitation funded in the CIP. The Asset Management Plan calls for periodic maintenance and repairs. The District has well as for in-house sewer line repair and maintenance budgeted significant amounts for maintenance of equipment, buildings, and grounds as well as for in-house sewer line repair and maintenance.



- Salaries and Benefits**—A 3.7% salary adjustment as well as a 0% increase for the Self-Funded Health Insurance Plan. Personnel costs represent over 63% of the Operating and Maintenance budget.
- Post-Employment Health Benefit**—Starting in FY2009, GASB45 required the recognition of cost for Post-Employment Health Benefits. Current funding represents 1.4% of total operations.



# FY2025 Budget – All Departments Summary

No.	Name	ACTUAL	ACTUAL	ACTUAL	ADOPTED	ESTIMATED	Percent Expended To Total Budget	PROPOSED	Inc (Dec) Over Prior Year
		2020-2021	2021-2022	2022-2023	2023-2024 Budget	Actual 6/30/2024		2024-2025 Budget	
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 8,838,699	\$ 8,812,963	\$ 9,784,130	\$ 10,505,074	\$ 10,505,074	100.00%	\$ 11,081,260	5.48%
51150	Overtime	228,385	236,235	255,895	351,600	351,600	100.00%	351,600	0.00%
<b>Total Salaries &amp; Wages</b>		<b>9,067,084</b>	<b>9,049,198</b>	<b>10,040,024</b>	<b>10,856,674</b>	<b>10,856,674</b>	<b>100.00%</b>	<b>11,432,860</b>	<b>5.31%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	945,243	1,036,056	1,222,620	1,399,426	1,399,426	100.00%	1,559,442	11.43%
51250	Payroll Taxes	666,404	671,220	752,625	830,534	830,534	100.00%	874,615	5.31%
51300	Medical, Dental & Life	2,478,441	2,639,540	2,811,110	2,993,840	2,993,840	100.00%	2,993,840	0.00%
51325	Post Retirement Insurance	283,000	276,555	283,000	283,000	283,000	100.00%	283,000	0.00%
51350	Worker's Compensation	273,000	273,000	273,000	273,000	273,000	100.00%	273,000	0.00%
51360	State Unemployment Benefits	2,150	323	-	32,560	32,560	100.00%	32,560	0.00%
51450	Automobile Allowance	3,600	3,600	4,510	3,600	3,600	100.00%	3,600	0.00%
51500	401-K/457 Plan	403,299	411,949	441,422	525,260	525,260	100.00%	554,070	5.48%
<b>Total Benefits</b>		<b>5,055,138</b>	<b>5,312,244</b>	<b>5,788,287</b>	<b>6,341,220</b>	<b>6,341,220</b>	<b>100.00%</b>	<b>6,574,127</b>	<b>3.67%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>14,122,222</b>	<b>14,361,442</b>	<b>15,828,311</b>	<b>17,197,894</b>	<b>17,197,894</b>	<b>100.00%</b>	<b>18,006,987</b>	<b>4.70%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	12,157	27,692	12,935	38,000	37,700	99.21%	33,000	-13.16%
52050	Dues & Subscriptions	54,883	48,441	55,604	68,859	66,559	96.66%	65,601	-4.73%
52100	Postage	13,978	10,077	10,739	14,000	14,000	100.00%	14,000	0.00%
52150	Travel, Mtgs & Training	60,590	114,963	151,292	222,310	221,310	99.55%	236,053	6.18%
52160	Tuition Assistance	683	2,738	3,704	9,000	9,000	100.00%	5,000	-44.44%
52170	Directors Fees & Expenses	19,858	18,399	17,612	22,000	22,000	100.00%	22,000	0.00%
52180	Liability Insurance	547,746	602,521	662,775	662,775	662,775	100.00%	662,775	0.00%
52200	Telephone/Telefax	43,945	24,509	25,831	30,200	30,200	100.00%	30,300	0.33%
52210	Communications	112,951	124,267	127,473	156,496	146,776	93.79%	157,320	0.53%
52240	Uniforms	67,991	67,756	80,033	94,292	94,135	99.83%	97,660	3.57%
52250	Office Supplies	16,517	15,748	15,436	23,200	22,850	98.49%	23,700	2.16%
52260	Special Dept Supplies	369,374	368,678	372,241	499,116	494,920	99.16%	495,590	-0.71%
52270	Safety Equip/Supplies	52,067	65,393	80,696	91,100	90,500	99.34%	90,500	-0.66%
52280	Maint Supp/Small Tools	121,363	116,553	115,444	154,650	154,500	99.90%	154,200	-0.29%
52290	Chemical Supplies	408,502	341,289	623,058	1,513,887	904,000	59.71%	1,320,500	-12.77%
52300	Line Cleaning Supplies	49,675	44,207	52,614	55,750	55,750	100.00%	55,750	0.00%
52330	Legal Fees	24,593	14,860	20,327	38,100	38,100	100.00%	38,500	1.05%
52350	Prof/Contractual Svcs	478,081	462,439	596,003	695,706	666,368	95.78%	852,509	22.54%
52410	Maint-Buildings & Grounds	191,120	208,337	238,012	277,500	277,500	100.00%	291,500	5.05%
52420	Maintenance-Equipment	463,812	357,184	385,331	516,500	516,500	100.00%	518,500	0.39%
52430	Landscape Restoration	8,502	8,147	11,907	13,701	13,700	99.99%	13,700	-0.01%
52440	Pump Maintenance	82,519	87,005	84,855	112,500	112,500	100.00%	112,500	0.00%
52450	Equipment Rental	16,633	8,703	6,758	41,500	41,500	100.00%	41,500	0.00%
52460	Motor Fuel & Lubricants	127,190	217,277	233,475	290,000	290,000	100.00%	310,000	6.90%
52470	Outside Vehicle Maint	16,351	23,237	45,562	30,000	25,000	83.33%	30,000	0.00%
52500	Rents/Leases	44,429	48,159	47,405	56,000	56,000	100.00%	56,000	0.00%
52510	Permits/Fees/Software Licenses	283,688	290,853	310,286	406,654	385,654	94.84%	427,961	5.24%
52650	Utilities	958,184	1,308,441	1,484,663	1,515,000	1,515,000	100.00%	1,680,000	10.89%
52690	Freight	5,391	7,926	9,851	10,000	10,000	100.00%	10,000	0.00%
52715	Safety Incentive Program	1,393	2,166	1,705	2,500	2,500	100.00%	2,500	0.00%
52725	Wellness Program	442	3,019	8,642	7,500	7,500	100.00%	7,500	0.00%
52730	Employee Asst Program	4,355	4,355	5,000	5,500	5,500	100.00%	6,000	9.09%
52900	Other Operating Expenses	4,810	390	1,083	2,000	1,500	75.00%	2,000	0.00%
52910	Non-Capital Equipment	77,041	65,693	101,907	126,085	106,085	84.14%	113,397	-10.06%
52915	Copiers Printers & Faxes	-	-	-	5,000	5,000	100.00%	5,000	0.00%
52920	Billing & Collections	983,058	1,021,457	1,060,476	1,157,474	1,157,474	100.00%	1,203,773	4.00%
<b>Total Materials, Supplies &amp; Services</b>		<b>5,723,877</b>	<b>6,132,881</b>	<b>7,060,734</b>	<b>8,964,855</b>	<b>8,260,356</b>	<b>92.14%</b>	<b>9,186,789</b>	<b>2.48%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	132,255	122,582	110,847	141,063	141,063	100.00%	133,492	-5.37%
53040	Fleet Replacement Charges	500,000	595,000	595,000	595,000	595,000	100.00%	595,000	0.00%
53050	WWTP Replacement Charges	200,000	200,000	200,000	250,000	250,000	100.00%	250,000	0.00%
53070	Pump Replacement Charges	50,000	55,000	55,000	60,000	60,000	100.00%	60,000	0.00%
<b>Total Interfund Transfers</b>		<b>882,255</b>	<b>972,582</b>	<b>960,847</b>	<b>1,046,063</b>	<b>1,046,063</b>	<b>100.00%</b>	<b>1,038,492</b>	<b>-0.72%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	63,658	29,138	47,241	44,950	44,950	100.00%	67,600	50.39%
54020	Capital Equip-Software	-	-	-	-	-	-	-	-
54030	Capital Equip - Replacement	64,143	40,341	100,020	66,248	66,248	100.00%	95,225	43.74%
<b>Total Capital Outlay</b>		<b>127,801</b>	<b>69,479</b>	<b>147,261</b>	<b>111,198</b>	<b>111,198</b>	<b>100.00%</b>	<b>162,825</b>	<b>46.43%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 20,856,154</b>	<b>\$ 21,536,383</b>	<b>\$ 23,997,154</b>	<b>\$ 27,320,010</b>	<b>\$ 26,615,511</b>	<b>97.42%</b>	<b>28,395,093</b>	<b>3.94%</b>
<b>LESS:</b>									
59200	Chargebacks to General Fund for CIP	(2,655,960)	(2,659,532)	(2,875,271)	(3,281,040)	(3,261,952)	99.42%	(3,404,838)	3.77%
	Chargebacks to General Fund for SSD	(1,782,378)	(1,702,644)	(1,943,292)	(2,099,230)	(2,099,230)	100.00%	(2,202,366)	4.91%
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 16,417,816</b>	<b>\$ 17,174,208</b>	<b>\$ 19,178,591</b>	<b>\$ 21,939,740</b>	<b>\$ 21,254,329</b>	<b>96.88%</b>	<b>\$ 22,787,889</b>	<b>3.87%</b>

# FY2025 Budget – Office of the General Manager

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 213,238	\$ 204,179	\$ 241,235	\$ 239,556	\$ 239,556	100.00%	\$ 248,419	3.70%
<b>Total Salaries &amp; Wages</b>		<b>213,238</b>	<b>204,179</b>	<b>241,235</b>	<b>239,556</b>	<b>239,556</b>	<b>100.00%</b>	<b>248,419</b>	<b>3.70%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	22,202	24,673	28,188	30,879	30,879	100.00%	33,885	9.73%
51250	Payroll Taxes	11,040	11,656	13,889	18,326	18,326	100.00%	19,005	3.71%
51300	Medical, Dental & Life	16,306	17,366	18,493	19,696	19,696	100.00%	19,696	0.00%
51325	Post Retirement Insurance	1,862	1,862	1,862	1,862	1,862	100.00%	1,862	0.00%
51350	Worker's Compensation	1,796	1,796	1,796	1,796	1,796	100.00%	1,796	0.00%
51360	State Unemployment Benefits	14	-	-	215	215	100.00%	215	0.00%
51500	401-K/457 Plan	10,119	10,491	11,356	11,978	11,978	100.00%	12,421	3.70%
<b>Total Benefits</b>		<b>63,340</b>	<b>67,843</b>	<b>75,584</b>	<b>84,752</b>	<b>84,752</b>	<b>100.00%</b>	<b>88,880</b>	<b>4.87%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>276,578</b>	<b>272,023</b>	<b>316,819</b>	<b>324,308</b>	<b>324,308</b>	<b>100.00%</b>	<b>337,299</b>	<b>4.01%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	4,861	10,757	127	12,000	12,000	100.00%	12,000	0.00%
52050	Dues & Subscriptions	12,400	7,378	10,019	12,000	10,000	83.33%	10,000	-16.67%
52100	Postage	13,978	10,077	10,739	14,000	14,000	100.00%	14,000	0.00%
52150	Travel, Mtgs & Training	42	615	2,476	6,000	6,000	100.00%	6,000	0.00%
52170	Directors Fees & Expenses	19,858	18,399	17,612	22,000	22,000	100.00%	22,000	0.00%
52180	Liability Insurance	105,099	115,609	127,170	127,170	127,170	100.00%	127,170	0.00%
52210	Communications	2,550	1,870	1,878	2,000	2,000	100.00%	2,200	10.00%
52250	Office Supplies	5	681	321	900	800	88.89%	900	0.00%
52260	Special Dept Supplies	595	172	646	300	300	100.00%	400	33.33%
52270	Safety Equip/Supplies	824	-	-	-	-	-	-	-
52330	Legal Fees	14,144	8,524	13,160	27,000	27,000	100.00%	27,000	0.00%
52350	Prof/Contractual Svcs	21,756	21,102	38,304	24,000	24,000	100.00%	29,000	20.83%
52410	Maint-Buildings & Grounds	144,391	159,085	175,762	201,000	201,000	100.00%	215,000	6.97%
52420	Maintenance-Equipment	-	-	-	-	-	-	-	-
52500	Rents/Leases	4,148	3,289	3,342	5,000	5,000	100.00%	5,000	0.00%
52510	Permits/Fees/Software Licenses	184	192	364	400	400	100.00%	400	0.00%
52650	Utilities	74,216	90,537	101,208	115,000	115,000	100.00%	130,000	13.04%
52690	Freight	5,391	7,926	9,851	10,000	10,000	100.00%	10,000	0.00%
52900	Other Operating Expenses	4,810	390	1,083	2,000	1,500	75.00%	2,000	0.00%
52910	Non-Capital Equipment	-	-	-	-	-	-	-	-
52920	Billing & Collections	983,058	1,021,457	1,060,476	1,157,474	1,157,474	100.00%	1,203,773	4.00%
<b>Total Materials, Supplies &amp; Services</b>		<b>1,412,309</b>	<b>1,478,061</b>	<b>1,574,539</b>	<b>1,738,244</b>	<b>1,735,644</b>	<b>99.85%</b>	<b>1,816,843</b>	<b>4.52%</b>
<b>Interfund Transfers</b>									
53040	Fleet Replacement Charges	8,715	10,371	10,371	10,371	10,371	100.00%	10,371	0.00%
<b>Total Interfund Transfers</b>		<b>8,715</b>	<b>10,371</b>	<b>10,371</b>	<b>10,371</b>	<b>10,371</b>	<b>100.00%</b>	<b>10,371</b>	<b>0.00%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	-	-	-	-	-	-	-	-
<b>Total Capital Outlay</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-Total O&amp;M Fund</b>		<b>1,697,601</b>	<b>1,760,454</b>	<b>1,901,729</b>	<b>2,072,923</b>	<b>2,070,323</b>	<b>99.87%</b>	<b>2,164,513</b>	<b>4.42%</b>
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 1,697,601</b>	<b>\$ 1,760,454</b>	<b>\$ 1,901,729</b>	<b>\$ 2,072,923</b>	<b>\$ 2,070,323</b>	<b>99.87%</b>	<b>\$ 2,164,513</b>	<b>4.42%</b>

# FY2025 Budget – Human Resources

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 385,458	\$ 384,326	\$ 411,015	\$ 485,200	\$ 485,200	100.00%	\$ 531,074	9.45%
51150	Overtime	-	-	14	-	-	-	-	-
<b>Total Salaries &amp; Wages</b>		<b>385,458</b>	<b>384,326</b>	<b>411,029</b>	<b>485,200</b>	<b>485,200</b>	<b>100.00%</b>	<b>531,074</b>	<b>9.45%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	40,144	44,126	49,822	62,543	62,543	100.00%	72,438	15.82%
51250	Payroll Taxes	28,872	30,774	34,161	37,118	37,118	100.00%	40,627	9.45%
51300	Medical, Dental & Life	114,139	121,558	129,460	137,876	137,876	100.00%	137,876	0.00%
51325	Post Retirement Insurance	13,033	13,033	13,033	13,033	13,033	100.00%	13,033	0.00%
51350	Worker's Compensation	12,573	12,573	12,573	12,573	12,573	100.00%	12,573	0.00%
51360	State Unemployment Benefits	99	-	-	1,499	1,499	100.00%	1,499	0.00%
51500	401-K/457 Plan	18,964	18,740	19,675	24,261	24,261	100.00%	26,554	9.45%
<b>Total Benefits</b>		<b>227,824</b>	<b>240,803</b>	<b>258,724</b>	<b>288,903</b>	<b>288,903</b>	<b>100.00%</b>	<b>304,600</b>	<b>5.43%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>613,282</b>	<b>625,129</b>	<b>669,752</b>	<b>774,103</b>	<b>774,103</b>	<b>100.00%</b>	<b>835,674</b>	<b>7.95%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	3,907	10,046	8,012	15,000	15,000	100.00%	10,000	-33.33%
52050	Dues & Subscriptions	4,249	4,401	4,790	6,505	6,505	100.00%	6,600	1.46%
52150	Travel, Mtgs & Training	7,598	9,737	17,310	23,000	22,000	95.65%	23,475	2.07%
52160	Tuition Assistance	683	2,738	3,704	9,000	9,000	100.00%	5,000	-44.44%
52180	Liability Insurance	1,695	1,864	2,050	2,050	2,050	100.00%	2,050	0.00%
52210	Communications	21,174	18,016	19,428	26,060	26,060	100.00%	26,060	0.00%
52240	Uniforms	772	1,578	780	1,385	1,385	100.00%	1,485	7.22%
52250	Office Supplies	2,681	2,669	2,822	3,450	3,450	100.00%	3,450	0.00%
52260	Special Dept Supplies	2,004	1,874	1,033	3,800	3,800	100.00%	3,800	0.00%
52270	Safety Equip/Supplies	9,281	14,168	20,997	23,000	23,000	100.00%	23,000	0.00%
52280	Maint Supp/Small Tools	-	-	-	-	-	-	-	-
52330	Legal Fees	10,019	5,770	4,250	8,000	8,000	100.00%	8,000	0.00%
52350	Prof/Contractual Svcs	46,283	50,986	118,287	125,630	125,630	100.00%	129,175	2.82%
52410	Maint-Buildings & Grounds	-	-	-	500	500	100.00%	500	0.00%
52420	Maintenance-Equipment	11	2,619	2,711	6,000	6,000	100.00%	6,000	0.00%
52510	Permits/Fees/Software Licenses	67	67	39	100	100	100.00%	100	0.00%
52715	Safety Incentive Program	1,393	2,166	1,705	2,500	2,500	100.00%	2,500	0.00%
52725	Wellness Program	442	3,019	8,642	7,500	7,500	100.00%	7,500	0.00%
52730	Employee Asst Program	4,355	4,355	5,000	5,500	5,500	100.00%	6,000	9.09%
52910	Non-Capital Equipment	18,323	10,076	9,054	15,828	15,828	100.00%	22,177	40.11%
<b>Total Materials, Supplies &amp; Services</b>		<b>134,939</b>	<b>146,149</b>	<b>230,616</b>	<b>284,808</b>	<b>283,808</b>	<b>99.65%</b>	<b>286,872</b>	<b>0.72%</b>
<b>Interfund Transfers</b>									
53040	Fleet Replacement Charges	2,254	2,683	2,683	2,683	2,683	100.00%	2,683	0.00%
<b>Total Interfund Transfers</b>		<b>2,254</b>	<b>2,683</b>	<b>2,683</b>	<b>2,683</b>	<b>2,683</b>	<b>100.00%</b>	<b>2,683</b>	<b>0.00%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	-	2,499	-	-	-	-	6,000	-
<b>Total Capital Outlay</b>		<b>-</b>	<b>2,499</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000</b>	<b>-</b>
<b>Sub-Total O&amp;M Fund</b>		<b>750,474</b>	<b>776,460</b>	<b>903,051</b>	<b>1,061,594</b>	<b>1,060,594</b>	<b>99.91%</b>	<b>1,131,229</b>	<b>6.56%</b>
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 750,474</b>	<b>\$ 776,460</b>	<b>\$ 903,051</b>	<b>\$ 1,061,594</b>	<b>\$ 1,060,594</b>	<b>99.91%</b>	<b>\$ 1,131,229</b>	<b>6.56%</b>

# FY2025 Budget – Information Technology

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 736,836	\$ 719,973	\$ 808,843	\$ 849,062	\$ 849,062	100.00%	\$ 880,469	3.70%
51150	Overtime	-	-	-	-	-	-	-	-
<b>Total Salaries &amp; Wages</b>		<b>736,836</b>	<b>719,973</b>	<b>808,843</b>	<b>849,062</b>	<b>849,062</b>	<b>100.00%</b>	<b>880,469</b>	<b>3.70%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	76,855	83,452	97,623	109,444	109,444	100.00%	120,096	9.73%
51250	Payroll Taxes	54,024	53,661	60,158	64,953	64,953	100.00%	67,356	3.70%
51300	Medical, Dental & Life	163,055	173,653	184,940	196,962	196,962	100.00%	196,962	0.00%
51325	Post Retirement Insurance	18,618	18,618	18,618	18,618	18,618	100.00%	18,618	0.00%
51350	Worker's Compensation	17,960	17,960	17,960	17,960	17,960	100.00%	17,960	0.00%
51360	State Unemployment Benefits	141	-	-	2,142	2,142	100.00%	2,142	0.00%
51500	401-K/457 Plan	36,671	36,202	39,974	42,454	42,454	100.00%	44,025	3.70%
<b>Total Benefits</b>		<b>367,325</b>	<b>383,546</b>	<b>419,273</b>	<b>452,533</b>	<b>452,533</b>	<b>100.00%</b>	<b>467,159</b>	<b>3.23%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>1,104,161</b>	<b>1,103,519</b>	<b>1,228,116</b>	<b>1,301,595</b>	<b>1,301,595</b>	<b>100.00%</b>	<b>1,347,628</b>	<b>3.54%</b>
<b>Materials, Supplies &amp; Services</b>									
52050	Dues & Subscriptions	762	598	498	574	574	100.00%	650	13.24%
52150	Travel, Mtgs & Training	2,005	-	74	1,900	1,900	100.00%	13,636	617.68%
52180	Liability Insurance	10,557	11,613	12,775	12,775	12,775	100.00%	12,775	0.00%
52200	Telephone/Telefax	43,945	24,509	25,831	30,200	30,200	100.00%	30,300	0.33%
52210	Communications	6,294	7,948	7,135	10,984	10,384	94.54%	11,620	5.79%
52240	Uniforms	933	233	349	507	500	98.62%	1,550	205.73%
52250	Office Supplies	61	328	223	500	500	100.00%	1,000	100.00%
52260	Special Dept Supplies	464	521	447	500	500	100.00%	755	51.00%
52270	Safety Equip/Supplies	38	-	41	1,000	900	90.00%	400	-60.00%
52280	Maint Supp/Small Tools	-	-	7	1,650	1,500	90.91%	1,200	-27.27%
52350	Prof/Contractual Svcs	9,283	4,357	3,905	12,500	10,000	80.00%	12,500	0.00%
52500	Rents/Leases	39,481	44,070	43,264	50,000	50,000	100.00%	50,000	0.00%
52510	Permits/Fees/Software Licenses	200,596	216,024	218,045	298,254	298,254	100.00%	299,561	0.44%
52910	Non-Capital Equipment	38,811	29,108	64,079	56,527	56,527	100.00%	55,000	-2.70%
52915	Copiers Printers & Faxes	-	-	-	5,000	5,000	100.00%	5,000	0.00%
<b>Total Materials, Supplies &amp; Services</b>		<b>353,230</b>	<b>339,308</b>	<b>376,671</b>	<b>482,871</b>	<b>479,514</b>	<b>99.30%</b>	<b>495,947</b>	<b>2.71%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	10,347	2,610	8,404	13,500	13,500	100.00%	3,000	-77.78%
54020	Capital Equip-Software	-	-	-	-	-	-	-	-
54030	Capital Equip - Replacement	14,970	21,910	14,942	26,323	26,323	100.00%	46,000	74.75%
<b>Total Capital Outlay</b>		<b>25,317</b>	<b>24,520</b>	<b>23,346</b>	<b>39,823</b>	<b>39,823</b>	<b>100.00%</b>	<b>49,000</b>	<b>23.04%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 1,482,708</b>	<b>\$ 1,467,347</b>	<b>\$ 1,628,133</b>	<b>\$ 1,824,289</b>	<b>\$ 1,820,932</b>	<b>99.82%</b>	<b>\$ 1,892,575</b>	<b>3.74%</b>
<b>59200 LESS:</b>									
	Chargebacks to General Fund for CIP	(322,577)	(296,199)	(347,764)	(370,971)	(370,971)	100.00%	(386,846)	4.28%
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 1,160,131</b>	<b>\$ 1,171,148</b>	<b>\$ 1,280,369</b>	<b>\$ 1,453,318</b>	<b>\$ 1,449,961</b>	<b>99.77%</b>	<b>\$ 1,505,729</b>	<b>3.61%</b>

# FY2025 Budget – Financial Services

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc(Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 1,127,965	\$ 1,113,764	\$ 1,182,595	\$ 1,253,384	\$ 1,253,384	100.00%	\$ 1,268,863	1.23%
51150	Overtime	13,118	4,362	7,677	28,500	28,500	100.00%	28,500	0.00%
<b>Total Salaries &amp; Wages</b>		<b>1,141,083</b>	<b>1,118,126</b>	<b>1,190,272</b>	<b>1,281,884</b>	<b>1,281,884</b>	<b>100.00%</b>	<b>1,297,363</b>	<b>1.21%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	119,286	128,337	143,833	165,235	165,235	100.00%	176,960	7.10%
51250	Payroll Taxes	84,654	82,575	89,305	98,064	98,064	100.00%	99,248	1.21%
51300	Medical, Dental & Life	277,194	295,212	314,401	334,838	334,838	100.00%	334,838	0.00%
51325	Post Retirement Insurance	31,650	31,650	31,650	31,650	31,650	100.00%	31,650	0.00%
51350	Worker's Compensation	30,532	30,532	30,532	30,532	30,532	100.00%	30,532	0.00%
51360	State Unemployment Benefits	240	-	-	3,641	3,641	100.00%	3,641	0.00%
51500	401-K/457 Plan	54,169	54,050	53,455	62,670	62,670	100.00%	63,444	1.24%
<b>Total Benefits</b>		<b>597,726</b>	<b>622,356</b>	<b>663,176</b>	<b>726,630</b>	<b>726,630</b>	<b>100.00%</b>	<b>740,313</b>	<b>1.88%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>1,738,809</b>	<b>1,740,482</b>	<b>1,853,448</b>	<b>2,008,514</b>	<b>2,008,514</b>	<b>100.00%</b>	<b>2,037,676</b>	<b>1.45%</b>
<b>Materials, Supplies &amp; Services</b>									
52050	Dues & Subscriptions	1,776	1,759	3,132	3,500	3,200	91.43%	3,200	-8.57%
52150	Travel, Mtgs & Training	1,202	4,812	11,660	23,000	23,000	100.00%	25,000	8.70%
52180	Liability Insurance	132,144	145,359	159,895	159,895	159,895	100.00%	159,895	0.00%
52210	Communications	7,121	7,406	6,892	7,700	7,700	100.00%	7,700	0.00%
52240	Uniforms	5,988	5,606	6,176	7,250	7,250	100.00%	7,250	0.00%
52250	Office Supplies	3,504	3,305	3,124	3,750	3,750	100.00%	3,750	0.00%
52260	Special Dept Supplies	325,124	318,644	317,283	433,346	429,150	99.03%	431,150	-0.51%
52270	Safety Equip/Supplies	1,084	956	1,208	1,350	1,350	100.00%	1,350	0.00%
52280	Maint Supp/Small Tools	3,479	5,766	4,234	18,500	18,500	100.00%	18,500	0.00%
52290	Chemical Supplies	1,170	2,079	1,400	4,000	4,000	100.00%	4,000	0.00%
52350	Prof/Contractual Svcs	73,999	70,567	76,893	96,180	90,430	94.02%	96,500	0.33%
52410	Maint-Buildings & Grounds	-	-	-	-	-	-	-	-
52450	Equipment Rental	-	-	-	10,000	10,000	100.00%	10,000	0.00%
52460	Motor Fuel & Lubricants	127,190	217,277	233,475	290,000	290,000	100.00%	310,000	6.90%
52470	Outside Vehicle Maint	16,351	23,237	45,562	30,000	25,000	83.33%	30,000	0.00%
52500	Rents/Leases	-	-	-	-	-	-	-	-
52510	Permits/Fees/Software Licenses	4,772	4,964	4,759	4,400	4,400	100.00%	4,400	0.00%
52910	Non-Capital Equipment	4,093	1,230	995	1,500	1,500	100.00%	1,500	0.00%
<b>Total Materials, Supplies &amp; Services</b>		<b>708,998</b>	<b>812,965</b>	<b>876,688</b>	<b>1,094,371</b>	<b>1,079,125</b>	<b>98.61%</b>	<b>1,114,195</b>	<b>1.81%</b>
<b>Interfund Transfers</b>									
53040	Fleet Replacement Charges	6,058	7,209	7,209	7,209	7,209	100.00%	7,209	0.00%
<b>Total Interfund Transfers</b>		<b>6,058</b>	<b>7,209</b>	<b>7,209</b>	<b>7,209</b>	<b>7,209</b>	<b>100.00%</b>	<b>7,209</b>	<b>0.00%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	-	7,047	-	-	-	-	-	-
54030	Capital Equip - Replacement	2,894	-	-	-	-	-	-	-
<b>Total Capital Outlay</b>		<b>2,894</b>	<b>7,047</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 2,456,759</b>	<b>\$ 2,567,703</b>	<b>\$ 2,737,345</b>	<b>\$ 3,110,094</b>	<b>\$ 3,094,848</b>	<b>99.51%</b>	<b>\$ 3,159,080</b>	<b>1.58%</b>
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 2,456,759</b>	<b>\$ 2,567,703</b>	<b>\$ 2,737,345</b>	<b>\$ 3,110,094</b>	<b>\$ 3,094,848</b>	<b>99.51%</b>	<b>\$ 3,159,080</b>	<b>1.58%</b>

# FY2025 Budget – Wastewater Treatment Plant

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 1,059,702	\$ 1,121,169	\$ 1,242,287	\$ 1,299,173	\$ 1,299,173	100.00%	\$ 1,423,690	9.58%
51150	Overtime	73,008	76,831	88,624	89,100	89,100	100.00%	89,100	0.00%
<b>Total Salaries &amp; Wages</b>		<b>1,132,711</b>	<b>1,198,000</b>	<b>1,330,911</b>	<b>1,388,273</b>	<b>1,388,273</b>	<b>100.00%</b>	<b>1,512,790</b>	<b>8.97%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	118,095	135,889	163,032	178,948	178,948	100.00%	206,344	15.31%
51250	Payroll Taxes	83,976	89,033	100,098	106,202	106,202	100.00%	115,728	8.97%
51300	Medical, Dental & Life	309,805	329,942	351,388	374,229	374,229	100.00%	374,229	0.00%
51325	Post Retirement Insurance	35,375	35,375	35,375	35,375	35,375	100.00%	35,375	0.00%
51350	Worker's Compensation	34,125	34,125	34,125	34,125	34,125	100.00%	34,125	0.00%
51360	State Unemployment Benefits	269	-	-	4,070	4,070	100.00%	4,070	0.00%
51450	Automobile Allowance	3,600	3,600	4,510	3,600	3,600	100.00%	3,600	0.00%
51500	401-K/457 Plan	47,391	51,871	56,736	64,959	64,959	100.00%	71,186	9.59%
<b>Total Benefits</b>		<b>632,635</b>	<b>679,836</b>	<b>745,264</b>	<b>801,508</b>	<b>801,508</b>	<b>100.00%</b>	<b>844,657</b>	<b>5.38%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>1,765,346</b>	<b>1,877,836</b>	<b>2,076,175</b>	<b>2,189,781</b>	<b>2,189,781</b>	<b>100.00%</b>	<b>2,357,447</b>	<b>7.66%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	3,389	3,149	4,035	6,000	5,700	95.00%	6,000	0.00%
52050	Dues & Subscriptions	21,914	21,976	22,861	27,850	27,850	100.00%	29,721	6.72%
52150	Travel, Mtgs & Training	9,283	22,814	35,433	57,950	57,950	100.00%	49,250	-15.01%
52180	Liability Insurance	101,454	111,599	122,759	122,759	122,759	100.00%	122,759	0.00%
52210	Communications	9,893	8,242	12,676	14,620	5,500	37.62%	14,620	0.00%
52240	Uniforms	8,987	7,414	11,345	15,450	15,300	99.03%	18,250	18.12%
52250	Office Supplies	3,571	2,586	2,443	3,100	2,850	91.94%	3,100	0.00%
52260	Special Dept Supplies	35,998	41,422	47,937	53,830	53,830	100.00%	52,145	-3.13%
52270	Safety Equip/Supplies	8,083	11,581	11,583	13,000	12,500	96.15%	13,000	0.00%
52280	Maint Supp/Small Tools	1,449	1,460	2,804	3,400	3,400	100.00%	3,400	0.00%
52290	Chemical Supplies	407,332	339,210	621,658	1,509,887	900,000	59.61%	1,316,500	-12.81%
52350	Prof/Contractual Svcs	225,457	231,998	261,736	280,408	278,408	99.29%	427,884	52.59%
52510	Permits/Fees/Software Licenses	14,875	28,433	41,131	51,500	30,500	59.22%	71,500	38.83%
52650	Utilities	883,968	1,217,905	1,383,454	1,400,000	1,400,000	100.00%	1,550,000	10.71%
52910	Non-Capital Equipment	3,767	3,814	3,888	25,000	5,000	20.00%	6,000	-76.00%
<b>Total Materials, Supplies &amp; Services</b>		<b>1,739,420</b>	<b>2,053,615</b>	<b>2,585,744</b>	<b>3,584,754</b>	<b>2,921,547</b>	<b>81.50%</b>	<b>3,684,129</b>	<b>2.77%</b>
<b>Interfund Transfers</b>									
53040	Fleet Replacement Charges	28,202	33,560	33,560	33,560	33,560	100.00%	33,560	0.00%
<b>Total Interfund Transfers</b>		<b>28,202</b>	<b>33,560</b>	<b>33,560</b>	<b>33,560</b>	<b>33,560</b>	<b>100.00%</b>	<b>33,560</b>	<b>0.00%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	14,050	8,981	28,354	15,000	15,000	100.00%	24,000	60.00%
54030	Capital Equip - Replacement	1,969	-	51,741	-	-	-	-	-
<b>Total Capital Outlay</b>		<b>16,019</b>	<b>8,981</b>	<b>80,095</b>	<b>15,000</b>	<b>15,000</b>	<b>100.00%</b>	<b>24,000</b>	<b>60.00%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 3,548,987</b>	<b>\$ 3,973,992</b>	<b>\$ 4,775,573</b>	<b>\$ 5,823,095</b>	<b>\$ 5,159,888</b>	<b>88.61%</b>	<b>\$ 6,099,136</b>	<b>4.74%</b>
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 3,548,987</b>	<b>\$ 3,973,992</b>	<b>\$ 4,775,573</b>	<b>\$ 5,823,095</b>	<b>\$ 5,159,888</b>	<b>88.61%</b>	<b>\$ 6,099,136</b>	<b>4.74%</b>

# FY2025 Budget – SS Maintenance

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 2,400,595	\$ 2,457,655	\$ 2,793,064	\$ 2,936,142	\$ 2,936,142	100.00%	\$ 3,088,248	5.18%
51150	Overtime	111,276	118,206	129,481	159,000	159,000	100.00%	159,000	0.00%
<b>Total Salaries &amp; Wages</b>		<b>2,511,870</b>	<b>2,575,862</b>	<b>2,922,546</b>	<b>3,095,142</b>	<b>3,095,142</b>	<b>100.00%</b>	<b>3,247,248</b>	<b>4.91%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	261,643	293,323	356,730	398,964	398,964	100.00%	442,925	11.02%
51250	Payroll Taxes	185,237	190,871	220,025	236,778	236,778	100.00%	248,415	4.91%
51300	Medical, Dental & Life	766,360	816,173	869,225	925,726	925,726	100.00%	925,726	0.00%
51325	Post Retirement Insurance	87,507	81,062	87,507	87,507	87,507	100.00%	87,507	0.00%
51350	Worker's Compensation	84,416	84,416	84,416	84,416	84,416	100.00%	84,416	0.00%
51360	State Unemployment Benefits	665	-	-	10,068	10,068	100.00%	10,068	0.00%
51500	401-K/457 Plan	104,118	110,118	119,043	146,808	146,808	100.00%	154,413	5.18%
<b>Total Benefits</b>		<b>1,489,946</b>	<b>1,575,963</b>	<b>1,736,946</b>	<b>1,890,267</b>	<b>1,890,267</b>	<b>100.00%</b>	<b>1,953,470</b>	<b>3.34%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>4,001,816</b>	<b>4,151,824</b>	<b>4,659,492</b>	<b>4,985,409</b>	<b>4,985,409</b>	<b>100.00%</b>	<b>5,200,718</b>	<b>4.32%</b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	-	3,740	761	4,500	4,500	100.00%	4,500	0.00%
52050	Dues & Subscriptions	5,107	4,658	5,887	7,130	7,130	100.00%	7,130	0.00%
52150	Travel, Mtgs & Training	20,894	28,741	53,051	57,470	57,470	100.00%	64,700	12.58%
52180	Liability Insurance	74,050	81,455	89,601	89,601	89,601	100.00%	89,601	0.00%
52210	Communications	42,433	52,359	51,429	64,500	64,500	100.00%	64,500	0.00%
52240	Uniforms	28,758	30,085	36,467	39,600	39,600	100.00%	39,600	0.00%
52250	Office Supplies	3,640	2,831	3,243	5,500	5,500	100.00%	5,500	0.00%
52260	Special Dept Supplies	1,215	1,486	1,032	2,000	2,000	100.00%	2,000	0.00%
52270	Safety Equip/Supplies	19,860	19,931	25,235	29,000	29,000	100.00%	29,000	0.00%
52280	Maint Supp/Small Tools	66,645	76,203	67,493	75,000	75,000	100.00%	75,000	0.00%
52290	Chemical Supplies	-	-	-	-	-	-	-	-
52300	Line Cleaning Supplies	49,449	43,284	52,416	55,000	55,000	100.00%	55,000	0.00%
52350	Prof/Contractual Svcs	86,163	78,469	89,637	112,400	112,400	100.00%	131,500	16.99%
52410	Maint-Buildings & Grounds	46,729	49,252	62,250	76,000	76,000	100.00%	76,000	0.00%
52420	Maintenance-Equipment	463,250	354,475	382,619	509,000	509,000	100.00%	511,000	0.39%
52430	Landscape Restoration	842	277	1,610	2,000	2,000	100.00%	2,000	0.00%
52440	Pump Maintenance	82,519	87,005	84,855	112,500	112,500	100.00%	112,500	0.00%
52450	Equipment Rental	1,683	4,203	6,758	12,500	12,500	100.00%	12,500	0.00%
52510	Permits/Fees/Software Licenses	34,958	19,435	25,399	26,300	26,300	100.00%	26,300	0.00%
52910	Non-Capital Equipment	3,760	7,888	5,489	12,025	12,025	100.00%	15,750	30.98%
<b>Total Materials, Supplies &amp; Services</b>		<b>1,031,957</b>	<b>945,777</b>	<b>1,045,231</b>	<b>1,292,026</b>	<b>1,292,026</b>	<b>100.00%</b>	<b>1,324,081</b>	<b>2.48%</b>
<b>Interfund Transfers</b>									
53040	Fleet Replacement Charges	247,935	295,042	295,042	295,042	295,042	100.00%	295,042	0.00%
53050	WWTP Replacement Charges	200,000	200,000	200,000	250,000	250,000	100.00%	250,000	0.00%
53070	Pump Replacement Charges	50,000	55,000	55,000	60,000	60,000	100.00%	60,000	0.00%
<b>Total Interfund Transfers</b>		<b>497,935</b>	<b>550,042</b>	<b>550,042</b>	<b>605,042</b>	<b>605,042</b>	<b>100.00%</b>	<b>605,042</b>	<b>0.00%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	28,506	8,000	3,377	16,450	16,450	100.00%	34,600	110.33%
54030	Capital Equip - Replacement	19,802	-	16,548	19,875	19,875	100.00%	19,000	-4.40%
<b>Total Capital Outlay</b>		<b>48,307</b>	<b>8,000</b>	<b>19,924</b>	<b>36,325</b>	<b>36,325</b>	<b>100.00%</b>	<b>53,600</b>	<b>47.56%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 5,580,015</b>	<b>\$ 5,655,644</b>	<b>\$ 6,274,689</b>	<b>\$ 6,918,802</b>	<b>\$ 6,918,802</b>	<b>100.00%</b>	<b>7,183,441</b>	<b>3.82%</b>
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 5,580,015</b>	<b>\$ 5,655,644</b>	<b>\$ 6,274,689</b>	<b>\$ 6,918,802</b>	<b>\$ 6,918,802</b>	<b>100.00%</b>	<b>\$ 7,183,441</b>	<b>3.82%</b>



# FY2025 Budget – SS Construction

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 1,791,990	\$ 1,705,199	\$ 1,911,308	\$ 2,152,752	\$ 2,152,752	100.00%	\$ 2,265,478	5.24%
51150	Overtime	<u>30,983</u>	<u>36,837</u>	<u>30,099</u>	<u>73,000</u>	<u>73,000</u>	100.00%	<u>73,000</u>	<u>0.00%</u>
<b>Total Salaries &amp; Wages</b>		<b>1,822,973</b>	<b>1,742,036</b>	<b>1,941,408</b>	<b>2,225,752</b>	<b>2,225,752</b>	<b>100.00%</b>	<b>2,338,478</b>	<b>5.06%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	189,900	199,411	238,114	286,899	286,899	100.00%	318,968	11.18%
51250	Payroll Taxes	135,185	130,068	146,581	170,270	170,270	100.00%	178,894	5.06%
51300	Medical, Dental & Life	586,999	625,155	665,791	709,068	709,068	100.00%	709,068	0.00%
51325	Post Retirement Insurance	67,027	67,027	67,027	67,027	67,027	100.00%	67,027	0.00%
51350	Worker's Compensation	64,657	64,657	64,657	64,657	64,657	100.00%	64,657	0.00%
51360	State Unemployment Benefits	509	323	-	7,711	7,711	100.00%	7,711	0.00%
51500	401-K/457 Plan	<u>78,893</u>	<u>77,194</u>	<u>83,120</u>	<u>107,639</u>	<u>107,639</u>	<u>100.00%</u>	<u>113,275</u>	<u>5.24%</u>
<b>Total Benefits</b>		<b>1,123,170</b>	<b>1,163,835</b>	<b>1,265,290</b>	<b>1,413,271</b>	<b>1,413,271</b>	<b>100.00%</b>	<b>1,459,600</b>	<b>3.28%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b><u>2,946,143</u></b>	<b><u>2,905,870</u></b>	<b><u>3,206,698</u></b>	<b><u>3,639,023</u></b>	<b><u>3,639,023</u></b>	<b><u>100.00%</u></b>	<b><u>3,798,078</u></b>	<b><u>4.37%</u></b>
<b>Materials, Supplies &amp; Services</b>									
52010	Advertising	-	-	-	500	500	100.00%	500	0.00%
52050	Dues & Subscriptions	3,753	2,938	3,841	5,500	5,500	100.00%	5,500	0.00%
52150	Travel, Mtgs & Training	12,047	24,048	20,959	28,500	28,500	100.00%	29,000	1.75%
52180	Liability Insurance	88,006	96,807	106,488	106,488	106,488	100.00%	106,488	0.00%
52210	Communications	18,987	23,874	22,249	24,000	24,000	100.00%	24,000	0.00%
52240	Uniforms	20,673	21,263	22,219	26,200	26,200	100.00%	26,200	0.00%
52250	Office Supplies	566	804	1,043	2,900	2,900	100.00%	2,900	0.00%
52260	Special Dept Supplies	295	381	544	1,000	1,000	100.00%	1,000	0.00%
52270	Safety Equip/Supplies	12,859	18,718	21,582	23,450	23,450	100.00%	23,450	0.00%
52280	Maint Supp/Small Tools	49,787	33,124	40,907	56,100	56,100	100.00%	56,100	0.00%
52300	Line Cleaning Supplies	226	923	198	750	750	100.00%	750	0.00%
52350	Prof/Contractual Svcs	1,120	1,888	3,808	13,000	13,000	100.00%	13,450	3.46%
52420	Maintenance-Equipment	551	90	-	1,500	1,500	100.00%	1,500	0.00%
52430	Landscape Restoration	7,660	7,857	10,297	11,701	11,700	99.99%	11,700	-0.01%
52450	Equipment Rental	14,950	4,500	-	19,000	19,000	100.00%	19,000	0.00%
52510	Permits/Fees/Software Licenses	28,236	21,738	20,550	25,700	25,700	100.00%	25,700	0.00%
52910	Non-Capital Equipment	<u>8,287</u>	<u>13,578</u>	<u>9,278</u>	<u>12,955</u>	<u>12,955</u>	<u>100.00%</u>	<u>12,970</u>	<u>0.12%</u>
<b>Total Materials, Supplies &amp; Services</b>		<b>268,003</b>	<b>272,531</b>	<b>283,962</b>	<b>359,244</b>	<b>359,243</b>	<b>100.00%</b>	<b>360,208</b>	<b>0.27%</b>
<b>Interfund Transfers</b>									
52340	Debt Administration Expenses	132,255	122,582	110,847	141,063	141,063	100.00%	133,492	-5.37%
53040	Fleet Replacement Charges	<u>206,836</u>	<u>246,135</u>	<u>246,135</u>	<u>246,135</u>	<u>246,135</u>	<u>100.00%</u>	<u>246,135</u>	<u>0.00%</u>
<b>Total Interfund Transfers</b>		<b>339,091</b>	<b>368,717</b>	<b>356,982</b>	<b>387,198</b>	<b>387,198</b>	<b>100.00%</b>	<b>379,627</b>	<b>-1.96%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	10,755	-	7,107	-	-	-	-	-
54030	Capital Equip - Replacement	<u>24,508</u>	<u>18,431</u>	<u>16,790</u>	<u>20,050</u>	<u>20,050</u>	<u>100.00%</u>	<u>30,225</u>	<u>50.75%</u>
<b>Total Capital Outlay</b>		<b>35,264</b>	<b>18,431</b>	<b>23,897</b>	<b>20,050</b>	<b>20,050</b>	<b>100.00%</b>	<b>30,225</b>	<b>50.75%</b>
<b>Sub-Total O&amp;M Fund</b>		<b>\$ 3,588,501</b>	<b>\$ 3,565,549</b>	<b>\$ 3,871,538</b>	<b>\$ 4,405,515</b>	<b>\$ 4,405,514</b>	<b>100.00%</b>	<b>\$ 4,568,138</b>	<b>3.69%</b>
59200	LESS:								
	Chargebacks to General Fund for CIP	(744,979)	(736,484)	(800,260)	(991,723)	(991,723)	100.00%	(1,011,561)	2.00%
	Chargebacks to General Fund for SSD	(1,782,378)	(1,702,644)	(1,943,292)	(2,099,230)	(2,099,230)	100.00%	(2,202,366)	4.91%
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 1,061,145</b>	<b>\$ 1,126,421</b>	<b>\$ 1,127,986</b>	<b>\$ 1,314,562</b>	<b>\$ 1,314,561</b>	<b>100.00%</b>	<b>\$ 1,354,211</b>	<b>3.02%</b>

# FY2025 Budget – Engineering

No.	Name	ACTUAL 2020-2021	ACTUAL 2021-2022	ACTUAL 2022-2023	ADOPTED 2023-2024 Budget	ESTIMATED Actual 6/30/2024	Percent Expended To Total Budget	PROPOSED 2024-2025 Budget	Inc (Dec) Over Prior Year
<b>Salaries &amp; Wages</b>									
51100	Salaries & Wages	\$ 1,122,914	\$ 1,106,698	\$ 1,193,782	\$ 1,289,805	\$ 1,289,805	100.00%	\$ 1,375,019	6.61%
51150	Overtime	-	-	-	2,000	2,000	100.00%	2,000	0.00%
<b>Total Salaries &amp; Wages</b>		<b>1,122,914</b>	<b>1,106,698</b>	<b>1,193,782</b>	<b>1,291,805</b>	<b>1,291,805</b>	<b>100.00%</b>	<b>1,377,019</b>	<b>6.60%</b>
<b>Benefits</b>									
51200	North Carolina Retirement	117,118	126,845	145,279	166,514	166,514	100.00%	187,826	12.80%
51250	Payroll Taxes	83,417	82,583	88,408	98,823	98,823	100.00%	105,342	6.60%
51300	Medical, Dental & Life	244,583	260,481	277,412	295,445	295,445	100.00%	295,445	0.00%
51325	Post Retirement Insurance	27,928	27,928	27,928	27,928	27,928	100.00%	27,928	0.00%
51350	Worker's Compensation	26,941	26,941	26,941	26,941	26,941	100.00%	26,941	0.00%
51360	State Unemployment Benefits	212	-	-	3,214	3,214	100.00%	3,214	0.00%
51500	401-K/457 Plan	52,974	53,283	58,063	64,491	64,491	100.00%	68,752	6.61%
<b>Total Benefits</b>		<b>553,173</b>	<b>578,062</b>	<b>624,030</b>	<b>683,356</b>	<b>683,356</b>	<b>100.00%</b>	<b>715,448</b>	<b>4.70%</b>
<b>Total Salaries, Wages &amp; Benefits</b>		<b>1,676,087</b>	<b>1,684,760</b>	<b>1,817,813</b>	<b>1,975,161</b>	<b>1,975,161</b>	<b>100.00%</b>	<b>2,092,467</b>	<b>5.94%</b>
<b>Materials, Supplies &amp; Services</b>									
52050	Dues & Subscriptions	4,923	4,734	4,576	5,800	5,800	100.00%	2,800	-51.72%
52150	Travel, Mtgs & Training	7,520	24,197	10,329	24,490	24,490	100.00%	24,992	2.05%
52180	Liability Insurance	34,741	38,215	42,037	42,037	42,037	100.00%	42,037	0.00%
52210	Communications	4,499	4,553	5,786	6,632	6,632	100.00%	6,620	-0.18%
52240	Uniforms	1,879	1,576	2,697	3,900	3,900	100.00%	3,325	-14.74%
52250	Office Supplies	2,489	2,543	2,216	3,100	3,100	100.00%	3,100	0.00%
52260	Special Dept Supplies	3,678	4,179	3,319	4,340	4,340	100.00%	4,340	0.00%
52270	Safety Equip/Supplies	40	39	50	300	300	100.00%	300	0.00%
52330	Legal Fees	430	566	2,917	3,100	3,100	100.00%	3,500	12.90%
52350	Prof/Contractual Svcs	14,021	3,072	3,432	31,588	12,500	39.57%	12,500	-60.43%
52420	Maintenance-Equipment	-	-	-	-	-	-	-	-
52500	Rents/Leases	800	800	800	1,000	1,000	100.00%	1,000	0.00%
52910	Non-Capital Equipment	-	-	9,124	2,250	2,250	100.00%	-	-100.00%
<b>Total Materials, Supplies &amp; Services</b>		<b>75,021</b>	<b>84,474</b>	<b>87,284</b>	<b>128,537</b>	<b>109,449</b>	<b>85.15%</b>	<b>104,514</b>	<b>-18.69%</b>
<b>Capital Outlay</b>									
54010	Capital Equipment - New	-	-	-	-	-	-	-	-
<b>Total Capital Outlay</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Sub-Total O&amp;M Fund</b>		<b>1,751,109</b>	<b>1,769,234</b>	<b>1,905,097</b>	<b>2,103,698</b>	<b>2,084,610</b>	<b>99.09%</b>	<b>2,196,981</b>	<b>4.43%</b>
<b>59200 LESS:</b>									
	Chargebacks to General Fund for CIP	(1,588,404)	(1,626,849)	(1,727,247)	(1,918,346)	(1,899,258)	99.00%	(2,006,431)	4.59%
<b>Net Operation &amp; Maintenance Fund</b>		<b>\$ 162,705</b>	<b>\$ 142,385</b>	<b>\$ 177,850</b>	<b>\$ 185,352</b>	<b>\$ 185,352</b>	<b>100.00%</b>	<b>\$ 190,550</b>	<b>2.80%</b>



# Insurance Funds



# Insurance Funds

## Overview

The Insurance Funds are funded through annual appropriations from the Operations and Maintenance Fund Budget. The District has established four (4) Insurance Funds as part of its sewer rate stabilization strategy. Background information and current year budget highlights of the insurance funds are discussed on the following pages.

## Insurance Funds (continued)

### Self-funded Employee Medical Program

The District offers medical, dental, and life insurance to all employees. Employees may purchase optional dependent coverage through payroll deduction. These benefits are funded by a combination of District contributions as well as commercial insurance premiums.

The District has established a self-insured group health and dental insurance program, with premiums paid to commercial carriers for stop-loss and aggregate coverage to limit the amount of risk the District will assume. A third-party administrator processes all claims, and a commercial healthcare provider network is retained to negotiate fees and authorize payments. Prescription benefits are administered through a private contractor.

Employees pay a nominal amount for individual medical and dental coverage and pay approximately 30% to 36% of the cost for dependent coverage. After employee payment of specified deductibles and co-payments for medical and dental services, the Plan covers the remaining authorized charges in total. The budget for FY2025 includes an employer contribution increase of 0% to cover anticipated expenditures needs.

#### *FY2025 Self-funded Employee Medical Program Budget*

	Actual 2022-2023	Estimated Actual 2023-2024	Budget 2024-2025
Beginning Balance	\$ 2,893,387	\$ 3,847,771	\$ 4,240,050
Income:			
District Contributions	2,811,110	2,993,840	2,993,840
Employee Contributions	359,647	345,000	345,000
Transfer from Other Insurance Funds	150,000	150,000	150,000
Interest	<u>85,467</u>	<u>140,000</u>	<u>150,000</u>
Total Income	3,406,224	3,628,840	3,638,840
Total Funds Available	6,299,611	7,476,611	7,878,890
Expenses:			
Expected Claim Liability	2,033,421	2,806,561	2,806,561
Fixed Costs	<u>418,419</u>	<u>430,000</u>	<u>430,000</u>
Total Expenses	2,451,840	3,236,561	3,236,561
Ending Balance	\$ <u>3,847,771</u>	\$ <u>4,240,050</u>	\$ <u>4,642,329</u>

## Insurance Funds (continued)

### Post-Employment Insurance

The District has established a post-employment insurance fund to accumulate funds now, which will reduce future operational expenditures when retirees begin taking advantage of this benefit. The District will annually fund the equivalent of the annual required contribution less expenses as determined by an actuarial study as required by GASB 75. The accumulated funds will only be used for post-employment insurance. However, the District's Board does reserve the right to use the reserve funds for unforeseen emergencies. FY2025 funding of \$283,000 represents 1.3% of total operations. As of July 2023, the District has eighteen (18) eligible participants in the post-employment insurance plan.

#### *FY2025 Post-Employment Insurance Budget*

	Actual 2022-2023	Estimated Actual 2023-2024	Budget 2024-2025
Beginning Balance	\$ (1,875,097)	\$ (1,947,749)	\$ (1,669,749)
Income			
District Contributions	283,000	283,000	283,000
Interfund Transfer In	-	-	-
Employee Contributions	15,281	10,000	10,000
Interest Income	92,067	135,000	110,000
Total Income	390,348	428,000	403,000
Total Funds Available	(1,484,749)	(1,519,749)	(1,266,749)
Expenses			
Interfund Transfer Out	150,000	150,000	150,000
OPEB Expense	313,000	-	-
Transfer to Other Insurance Funds	-	-	-
Total Expenses	463,000	150,000	150,000
Ending Balance	\$ (1,947,749)	\$ (1,669,749)	\$ (1,416,749)

## Insurance Funds (continued)

### Worker's Compensation

The District established a separate insurance fund for worker's compensation, which will facilitate allocation of costs to respective department, division, and section budgets. The Safety Officer acts as liaison with the insurance carrier to administer claims and to minimize future claims by providing training and equipment designed to prevent injuries. The budget for FY2025 does not include an increase in contributions.

#### *FY2025 Worker's Compensation Financial Plan*

	Actual 2022-2023	Estimated Actual 2023-2024	Budget 2024-2025
Beginning Balance	\$ 525,903	\$ 577,104	\$ 594,610
Income			
District Contributions	273,000	273,000	273,000
Interfund Transfer In	-	-	-
Interest Income	16,330	20,000	20,000
Total Income	289,330	293,000	293,000
Total Funds Available	815,233	870,104	887,610
Expenses			
Interfund Transfer Out	120,000	150,000	250,000
Deductibles for Individual Claims	6,486	5,000	10,000
Premiums to commercial carrier	111,643	120,494	130,000
Total Expenses	238,129	275,494	390,000
Ending Balance	\$ <u>577,104</u>	\$ <u>594,610</u>	\$ <u>497,610</u>

## Insurance Funds (continued)

### General Liability

The District's general liability insurance fund was established to ❶ allocate insurance costs to all departments, divisions, and sectional budgets, ❷ provide funds for payment of no-fault sewer back-ups and ❸ establish reserves to offset future unanticipated increases in sewer back-up liabilities in excess of budgeted amounts. The budget for FY2025 does not include an increase in contributions.

#### *FY2025 General Liability Financial Plan*

	Actual 2022-2023	Estimated Actual 2023-2024	Budget 2024-2025
Beginning Balance	\$ 589,840	\$ 672,122	\$ 646,886
Income			
District Contributions	662,775	662,775	662,775
Interfund Transfer In	120,000	150,000	250,000
Interest Income	<u>13,882</u>	<u>15,000</u>	<u>10,000</u>
Total Income	796,657	827,775	922,775
Total Funds Available	1,386,497	1,499,897	1,569,661
Expenses			
Interfund Transfer Out	-	-	-
Premiums to commercial carrier	581,620	682,914	715,000
No Fault Sewer Back-Up Claims	2,720	5,000	10,000
Claim Deductibles	117,173	150,000	134,000
Flood Insurance	<u>12,862</u>	<u>15,097</u>	<u>16,000</u>
Total Expenses	714,375	853,011	875,000
Ending Balance	<u>\$ 672,122</u>	<u>\$ 646,886</u>	<u>\$ 694,661</u>



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# Replacement Funds



# Replacement & Equipment Funds

## Overview

The replacement funds are funded through annual appropriations from the Operations and Maintenance Fund Budget. The District has established three (3) replacement and equipment funds as part of its sewer rate stabilization strategy, with fourth reserve fund required under the Bond Order. Background information and current year budget highlights of the replacement and equipment funds are discussed on the following pages.

## Replacement & Equipment Funds (continued)

### Fleet & Heavy Equipment Fund

The District has projected replacement dates and estimated prices for all vehicles and construction-type equipment over \$10,000. This information has been used to develop a funding plan whereby relatively constant amounts are to be transferred in from the annual Operations and Maintenance budget, with annual expenditures to be made in varying amounts to secure new vehicles and equipment as indicated in the plan's timetable. The FY2025 contribution is \$595,000, with anticipated expenditures of \$716,432, including (1) Full-size Pickup, (1) 1/2-Ton Pickup, (1) 1-Ton Utility Pickup, (1) AWD Sport Utility Vehicle, (1) CCTV Van, and (1) Midsize Excavator.

#### *FY2025 Fleet & Heavy Equipment Fund Budget*

	Actual 2022-2023	Projected 2023-2024	Budget 2024-2025
Beginning Balance:	\$ 1,057,103	\$ 1,197,877	\$ 1,535,059
Revenue:			
District Contributions	595,000	595,000	595,000
Sale of Surplus Property	99,385	120,872	71,643
Interest Income	<u>42,385</u>	<u>65,000</u>	<u>61,402</u>
Total Revenue	736,770	780,872	728,045
Expenditures:			
Capital Expenditures	425,979	443,690	716,432
Transfer Out	<u>170,017</u>	-	-
Total Expenditure Replacements	595,996	443,690	716,432
Ending Balance:	<u>\$ 1,197,877</u>	<u>\$ 1,535,059</u>	<u>\$ 1,546,672</u>

## Replacement & Equipment Funds (continued)

### Wastewater Treatment Plant Replacement

The replacement fund for the wastewater treatment plant was set up to develop a reserve to address general equipment replacement cost at these facilities. A similar strategy of periodic, uniform contributions from the Operations and Maintenance Fund and withdrawals for planned equipment rehabilitation or replacement are employed. The FY2025 contribution is \$250,000 with anticipated expenditures of \$303,500 including General Rehab, Atlas Compressors and Dryers, Atlas Purge Air Blowers, Vortec Grit System at Headworks, Raw Pumps, RBC System, Intermediate Pumps, Solids Thickening and Dewater, Incineration, Chlorination/Dechlor, RBC Blower Motor Rebuild, Electrical MCC, Belt Filter Press and Hydro.

#### *FY2025 Wastewater Treatment Plant Fund Budget*

	Actual 2022-2023	Projected 2023-2024	Budget 2024-2025
Beginning Balance:	\$ 222,774	\$ 304,237	\$ 352,237
Revenue:			
District Contributions	200,000	200,000	250,000
Sale of Salvage Materials	-	-	-
Interest Income	<u>11,306</u>	<u>15,000</u>	<u>14,089</u>
Total Revenue	211,306	215,500	264,089
Expenditures:			
Capital Expenditures	<u>129,843</u>	<u>217,000</u>	<u>303,500</u>
Total Expenditure Replacements	129,843	217,000	303,500
Ending Balance:			
	<u>\$ 304,237</u>	<u>\$ 352,237</u>	<u>\$ 312,826</u>

## Replacement & Equipment Funds (continued)

### Pump Maintenance Replacement Fund

The replacement fund for the pump stations was set up to develop a reserve to address general equipment replacement cost at these facilities. A similar strategy of periodic, uniform contributions from the Operations and Maintenance Fund and withdrawals for planned equipment rehabilitation or replacement are employed. The FY2025 contribution is \$60,000 with anticipated expenditures of \$107,500, which includes General Pump Station Rehab and Equipment; and rehab at the following pump stations: Biltmore Lake #2, Black Mountain, Carrier Bridge, Reems Creek, and Waightstill Mountain.

#### *FY2025 Pump Maintenance Replacement Fund Budget*

	Actual 2022-2023	Projected 2023-2024	Budget 2024-2025
Beginning Balance:	\$ 184,489	\$ 217,602	\$ 215,602
Revenue:			
District Contributions	55,000	60,000	60,000
Transfer In	-	-	-
Sale of Surplus Property	-	-	-
Interest Income	7,146	12,000	8,624
Total Revenue	62,146	72,000	68,624
Expenditures:			
Capital Expenditures	29,033	74,000	107,500
Transfer Out	-	-	-
Total Expenditure Replacements	29,033	74,000	107,500
Ending Balance:	\$ 217,602	\$ 215,602	\$ 176,726

## Replacement & Equipment Funds (continued)

### Capital Reserve Fund

This fund is mandated by the Bond Order to contain six percent (6%) or such greater percentage, as may be determined from time to time by the Board, of the amount shown by the Annual Budget to be necessary for current expenses for the current Fiscal Year. As this fund is to be tapped only for unusual and unforeseen expenditures, none is budgeted. There will be no transfers to the fund to meet the FY2025 requirements.

#### *FY2025 Capital Reserve Fund*

	Actual 2022-2023	Projected 2023-2024	Budget 2024-2025
Beginning Balance:	\$ 1,028,381	\$ 1,238,131	\$ 1,303,975
Revenue:			
Interfund Transfer	170,017	-	-
Interest Income	39,733	65,844	55,000
Total Revenue	209,750	65,844	55,000
Ending Balance:	<u>\$ 1,238,131</u>	<u>\$ 1,303,975</u>	<u>\$ 1,358,975</u>

NOTE: Ending balance must be at least 6% of the annual O&M current expenses. FY2024-2025 O&M Budget (\$22,787,889 - \$905,000 transfer to reserves - \$162,825 capital equipment) x 6% = \$1,303,204)

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# Capital Improvement Program



# Capital Improvement Program

## Overview

The District's Capital Improvement Program commands the largest portion of budgeted expenditures, and as such, is planned strategically and in great detail for all infrastructure projects in excess of the \$15,000 infrastructure capitalization threshold. The District updates its ten-year Capital Improvement Program (CIP) annually to comply with state regulatory and bond order requirements. Objectives of constructing these capital projects include replacing and rehabbing structurally defective sewer lines, handling wet-weather flow conditions, improving the performance at the wastewater treatment plant, and preparing the system to handle expected future wastewater flows.

The process begins with engineering staff developing projects, which often originate from problem areas identified by field crews during emergency and preventative maintenance procedures and includes consideration of those projects outlined in the 20-year Wastewater System Master Plan. Engineers evaluate and prioritize each proposed project based upon the District's short-term requirements and long-term mission. Engineering staff then prepare cost estimates for identified projects and a proposed timetable for construction.

Once the CIP is drafted, the CIP Committee, consisting of representatives from the member agencies, meet to review the costs, locations, and necessity of proposed projects and make a recommendation to the District's Board. A copy of the CIP summary sheets follows in the succeeding pages of this budget document. A separate document compiling individual pages for each project with detailed costs and location map as presented to the CIP Committee is posted on the MSD website at [www.msdbc.org](http://www.msdbc.org).

The District maintains a Ten-Year CIP and rehabilitates approximately 40,000 Linear Feet (LF) of the collection system every year. The ten-year CIP prioritizes projects identified by the Board as fulfilling the District's mission but does not obligate District resources for their construction past the end of the current budget year.

# Capital Improvement Program (continued)

## Background

The Capital Improvement Program is essential to the efficient functioning of the District, as evidenced by the requirement from both the Bond Order and State Collection System Permit. A well-planned CIP provides customers with the assurance of having reliable and affordable wastewater collection and treatment both now and in the future.

The Board has consistently financed its Capital Improvement Program through revenue bonds and pay-as-you-go moneys. As of June 30, 2024, the District will have \$76.4 million in outstanding revenue bond debt, with total debt service of \$8.7 million due before the end of the fiscal year. Unlike counties and cities, the District does not have a legally mandated debt limit. However, the District does have a rate covenant. The covenant requires the District to set rates and charges so that income available for debt service will not be less than 120% of fiscal year debt service requirement.

Throughout the history of the District, staff has continued to seek increasingly effective ways of identifying and prioritizing individual projects, to ensure a more comprehensive and balanced CIP. In 1990, as part of the political process of forming the District, certain construction and rehabilitation projects were identified by the various member municipalities and sanitary districts.

Once these designated projects were completed, the District then focused on rehabilitating aging, undersized collection lines to minimize unregulated discharges of raw sewage (sanitary sewer overflows or SSOs) and inflow/infiltration (I/I). Inflow and infiltration are the intrusion of groundwater and storm water runoff into the collection system, which can deplete capacity in sewer mains and at wastewater treatment plants.

As part of this comprehensive evaluative process, the District developed and implemented a program to monitor wastewater flows from the various parts of the sewerage system. The flow monitoring data was used to develop a computer hydraulic model of the flows of the sewerage system to help identify and remediate the worst areas of inflow and infiltration.

# Capital Improvement Program (continued)

## Background (continued)

In 1999, MSD began an aggressive line cleaning and television inspection program wherein the District contracted with outside companies to clean the pipes with water under high pressure and then to send a video camera (also known as closed circuit television or CCTV camera) through the line. The videotapes have enabled the District to more accurately determine the condition of the lines and to prioritize necessary repairs. Each year 10% of the pipes will be cleaned and then inspected by CCTV cameras to maintain the efficient operation of the collection system.

The District developed a proactive cost-effective rehabilitation strategy with the development of the Pipe Rating Program. Pipe rating is a proactive planning tool, which utilizes Closed Circuit Television (CCTV) information, GIS database, and actual maintenance history to view, rate, and computer-score pipe segments based on a number of factors. These factors, manhole-to-manhole, include work order history, number and severity of defects, and record overflows on that segment, which are combined to yield a numerical rating used to prioritize efforts. Staff recently updated the District's Pipe Rating Program to include additional parameters over previous versions. Each line project now has an objective numerical rating based upon overflow history, structural issues, customer service requests, and impacts to surface waters. This rating is then used to objectively prioritize collection system projects within the CIP each fiscal year.

Pipe Rating minimizes costs by helping the District focus rehabilitation dollars where they are needed most, rather than the usual full-scale replacement of entire collector lines. In recognition of this innovative program, the Association of Metropolitan Sewerage Agencies (AMSA) awarded the District one of only two 2003 National Environmental Achievement Awards.

## Wastewater System Master Planning

### ► Facilities Plan—

The District completed an update to this Facilities Plan in 2015. This significant, comprehensive study examined the various unit processes within the plant, with a focus on headworks, biological treatment alternatives, and future regulatory requirements. After extensive research of various options, the Plan recommended Plant Headworks Improvements adding new grit removal, a fine screening system, storage for peak flows (using existing decommissioned digesters), and chemically enhanced primary clarification.

# Capital Improvement Program (continued)

## Background (continued)

### Wastewater System Master Planning(continued)

#### ► Facilities Plan (continued) —

Construction of the High-Rate Primary Treatment project was completed earlier this year and the system is still being optimized by the process manufacturer, Veolia. The Plant Headworks (completed in early 2019) and High-Rate Primary projects are the short and mid-term recommendations of the Plant Facility Plan. These two projects totaled approximately \$28 million and will significantly improve the plant’s treatment process.

Another major project in the ten-year CIP is the Solids Handling Capacity Improvements project. This project will replace the existing fluidizing bed incinerator which is over thirty years old and has undergone multiple rebuilds. The project will increase capacity of the solids handling processes at the plant to accommodate future growth and solids generation. The Solids Handling Preliminary Engineering Report (currently in progress) will provide a phased plan and CIP recommendations for solids handling processes at the plant, including the replacement of MSD’s fluidizing bed incinerator.

- **Collection System Master Plan**—In 2008, McGill Associates completed a Collection System Master Plan (the “2008 Collection System Plan”). The 2008 Collection System Plan focuses on the District’s comprehensive growth issues by incorporating all of the recent planning and zoning changes from the District’s member agencies. This Plan also describes where and how areas will be served and provides for orderly growth of the sewer system to meet the needs of the region as a whole for the future. This plan was updated in 2021 to include the Cane Creek Water and Sewer District.

## Types of Projects

The projects in the CIP are classified into several types, based on the objective of the project. The projects are determined and scheduled based on the Master Plan, the pipe-rating score, and other factors impacting the overall well-being of the District.

# Capital Improvement Program (continued)

## Types of Projects (continued)

The District's Capital Improvement Program is divided into the following six areas, generally based upon type of project or expense category:

- Interceptor & Wet Weather Rehabilitation
- General Sewer Rehabilitation
- Private Sewer Rehabilitation
- Treatment Plant, Pump Stations, and General Capital Improvements
- Design, ROW, and Construction Management Expenses
- Reimbursement Projects

In accordance with the State Collection System Permit, the District maintains a CIP, which details necessary system improvements. The state permit requires a minimum of three years in the CIP; however, the District utilizes a ten-year window for better planning and financial projections. The District's goal is to rehabilitate approximately 40,000 LF of the collection system each year. These projects fall under Interceptor & Wet Weather Rehabilitation, General and Private Sewer Rehabilitation, and Pump Station Rehabilitation when sewer force mains are replaced.

The Interceptor and Wet Weather Rehabilitation projects address the third prong of the Master Plan by providing increased system conveyance. The General Sewer Rehabilitation projects combine the first and second prongs by surveying all lines to plan maintenance activities and to improve the structural condition of the system. The Private Sewer Rehabilitation projects have the same objectives as the General but are separately presented to address environmental concerns resulting from sewers that were not publicly maintained at the time the District was formed. A limited amount of funding is budgeted annually to address the problem locations on a "worst first" basis as identified.

# Capital Improvement Program (continued)

## Proposed Budget

The proposed Capital Budget for FY2025 is \$37,475,712 which includes a contingency of \$1,000,000. The \$1,000,000 contingency line item is used for the entire program rather than having a separate contingency for each project. This is more efficient and continues to provide sufficient reserves for the District's capital program. Additionally, a proposed budget for Reimbursement Projects totaling \$183,000. For these types of projects, the District will reimburse a developer for constructing a system, which will serve larger areas upstream of their development.

Total project costs over the ten-year window are estimated at \$610.7 million. Costs are updated each year during budget preparation to accurately reflect current bid pricing and market conditions. Included in future years' is an inflation factor of 3.35%, which is a ten-year average of the annual increases in the ENR Construction Cost Index. This factor is also updated each year.

Approximately 80 infrastructure projects are included in the CIP for FY2025, ranging in length from 150 linear feet to over 18,000 linear feet. Four (4) new Collection System Projects have been added to the CIP for FY2025 and beyond. In-house forces as well as outside contractors will be used to rehabilitate or replace approximately 40,000 linear feet per year.

# Capital Improvement Program (continued)

## Current Year Highlights

### ✦ Collection System Capital Improvements:

Significant collection system projects currently underway or completed over the past year are Cherokee Road, Buchanan Avenue, CIPP Lining Contract No. 9, and Christian Creek Interceptor. Combined with in-house and developer-constructed rehabilitation projects, the total rehabilitated footage anticipated for FY2023-2024 is approximately 34,090 LF.

Major projects for FY2025 include:

Project Name	Footage (LF)	Budget (\$)
Elk Mountain Place	4,137	\$1,503,345
Sand Hill Road @ Baker Place	1,582	\$822,500
Joyner Avenue @ Amboy Road	1,000	\$317,000
Incinerator Rehabilitation	NA	\$1,210,000
Intermediate Clarifier Effluent Trough Rehab	NA	\$1,490,000

The Carrier Bridge Pump Station (the District’s largest) will also be replaced in the near future. Carrier Bridge is a regional pump station which serves large areas of Buncombe County and Northern Henderson County. This significant \$85 million project will replace an aging pump station first constructed in the 1960’s and upgraded multiple times over the years. Final design is underway and construction is expected to begin Fall 2025.

Design of the new Weaverville Pump Station and force main was completed this fiscal year and the project was publicly bid in December 2023. The project is currently in a 6-month “Construction Administration” period designed to procure long-lead time equipment and materials prior to mobilizing construction equipment to the site. The Construction Administration period is running in parallel with right-of-way acquisition which is anticipated to be complete early in FY2024-2025. The pump station serves Weaverville and the Reems Creek Valley and is being replaced and upsized to accommodate anticipated growth through the year 2070. Total project costs exceed \$24 million.



## Capital Improvement Program (continued)

### Current Year Highlights (continued)

#### ✦ Wastewater Treatment Plant Capital improvement:

- **Plant Headworks Project:** This \$9.6 million project spanned 2 years and consisted of a new grit removal system to replace the existing problematic system, a fine screening facility which will supplement the WRF's existing bar screens, and equalization storage at the plant using existing decommissioned tanks to provide more effective treatment during peak flow events. The project was completed in FY2019.
- **High-Rate Primary Treatment Project:** This \$17.2 million project will provide primary settling of solids to enhance the downstream biological process which will be upgraded starting in FY2028. Construction was completed in 2022 and is currently undergoing performance testing.
- **Biological System Upgrades:** This \$226.7 million project is being driven by the future water quality regulations as set forth in MSD's NPDES permit (effluent discharge permit). Compliance with effluent ammonia levels must be achieved by December 2037 and will require significant upgrades to the existing biological treatment system. Design will begin in FY2027 with construction starting in FY2031.

# METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA

## TEN YEAR CAPITAL IMPROVEMENT PROGRAM

### FY 2024-2025 through 2033-2034

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34	
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>INTERCEPTOR AND WET WEATHER REHABILITATION</b>																											
Beaverdam Creek WW (CDM #10)	Buncombe County	BD	2001191	14	5,500	\$2,477,000	\$0	\$0	\$0	\$0	\$0	\$0	\$38,500	\$0	\$18,000	\$0	\$217,500	\$0	\$2,000	\$0	\$2,201,000	5,500	\$0	\$0	\$0	\$0	
Biltmore WW (CDM #3)	Biltmore	BD	2001192	24	2,200	\$1,192,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,400	\$0	\$158,400	\$0	\$0	\$0	\$1,018,600	2,200	\$0	\$0	\$0	\$0	\$0	
Christian Creek Interceptor	Buncombe County	HC	2011110	24	2,000	\$8,411,854	\$8,036,462	\$375,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Dingle Creek Interceptor	Asheville	TH	2006010	15	7,871	\$3,120,957	\$92,957	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,028,000	7,871	\$0	
Lower Swannanoa Interceptor	Asheville	BD	2004040	9	6,980	\$18,538,379	\$203,717	\$47,000	\$436,250	\$30,000	\$100,000	\$0	\$8,850,206	3,490	\$8,871,206	3,490	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
South Swannanoa WW (CDM #4)	Asheville	BD	2001195	36	8,040	\$5,911,000	\$0	\$0	\$57,000	\$6,000	\$0	\$0	\$1,529,000	2,000	\$4,319,000	6,040	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Town Branch Int - Phase III	Asheville	DP	2017158	14	3,600	\$2,756,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$0	\$8,000	\$0	\$210,000	\$0	\$2,513,000	3,600	\$0	\$0	
<b>SUBTOTAL</b>				<b>36,191</b>	<b>\$42,407,590</b>	<b>\$8,333,136</b>	<b>\$422,392</b>	<b>0</b>	<b>\$493,250</b>	<b>0</b>	<b>\$36,000</b>	<b>0</b>	<b>\$138,500</b>	<b>0</b>	<b>\$10,412,606</b>	<b>5,490</b>	<b>\$13,566,106</b>	<b>9,530</b>	<b>\$27,000</b>	<b>0</b>	<b>\$3,227,600</b>	<b>7,700</b>	<b>\$210,000</b>	<b>0</b>	<b>\$5,541,000</b>	<b>11,471</b>	
<b>Inflation per ENR Const. Cost Index</b>	<b>3.35%</b>					<b>1.0000</b>	<b>1.0000</b>	<b>1.0000</b>	<b>1.0335</b>	<b>1.0681</b>	<b>1.1039</b>	<b>1.1409</b>	<b>1.1791</b>	<b>1.2186</b>	<b>1.2594</b>	<b>1.3016</b>	<b>1.3452</b>										
<b>SUBTOTAL with inflation</b>				<b>36,191</b>	<b>\$42,407,590</b>	<b>\$8,333,136</b>	<b>\$422,392</b>	<b>0</b>	<b>\$509,774</b>	<b>0</b>	<b>\$38,452</b>	<b>0</b>	<b>\$152,891</b>	<b>0</b>	<b>\$11,879,587</b>	<b>5,490</b>	<b>\$15,995,861</b>	<b>9,530</b>	<b>\$32,902</b>	<b>0</b>	<b>\$4,064,930</b>	<b>7,700</b>	<b>\$273,340</b>	<b>0</b>	<b>\$7,453,881</b>	<b>11,471</b>	

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34	
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>GENERAL SEWER REHABILITATION</b>																											
Antique Lane @ Canie Creek	Asheville	DP	2022023	24	6,039	\$2,449,500	\$0	\$0	\$45,000	\$0	\$0	\$0	\$31,000	\$0	\$201,500	\$0	\$2,172,000	6,039	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Arlington Street	Asheville	DP	2015008	20	3,230	\$1,452,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,500	\$0	\$1,416,000	3,230	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asheville Rd @ US Hwy 70	Swannanoa	TH	2023005	17	5,470	\$2,456,510	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,760	\$15,000	\$136,050	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,261,700	5,470	\$0	
Atkins Street	Arden	BD	2014012	5	1,833	\$774,080	\$5,480	\$0	\$0	\$2,600	\$52,000	\$714,000	1,833	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Avon Ave. @ Haywood Rd	West Asheville	BD	2021003	65	218	\$229,050	\$14,450	\$53,500	\$161,100	218	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Beale Road at Copney Lane	Asheville	DP	2009129	47	5,430	\$2,327,525	\$24,025	\$20,000	\$217,500	\$47,000	\$2,019,000	5,430	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bellevue Road	S. Asheville	DP	2015175	49	1,100	\$594,600	\$9,600	\$57,000	\$528,000	1,100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bent Tree Rd @ Old Toll Rd	Asheville	DP	2024034	NA	0	\$25,000	\$0	\$12,500	\$12,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Braddock Way - PRP 20002	Asheville	TH	2006025	22	3,848	\$1,965,840	\$18,353	\$22,250	\$150,500	\$102,337	\$1,672,400	3,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Calvin Trail @ Greybeard Trail	Asheville	TH	2021284	26	780	\$380,870	\$0	\$0	\$7,020	\$4,400	\$34,000	\$335,450	780	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Central Ave. @ I-240	Asheville	SA	2014180	37	990	\$456,000	\$0	\$6,000	\$27,000	\$0	\$423,000	990	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chatham Road	Asheville	SA	2015019	41	1,330	\$597,925	\$4,800	\$0	\$44,500	\$1,000	\$0	\$547,625	1,330	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Covewood Trail @ Chunn's Cove Road	Asheville	DP	2021005	17	1,120	\$453,500	\$0	\$0	\$0	\$0	\$0	\$8,500	\$10,000	\$31,000	\$404,000	1,120	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cub Road	Asheville	TH	2018027	27	1,204	\$452,800	\$0	\$0	\$0	\$0	\$10,100	\$78,200	\$0	\$364,500	1,204	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dover St @ Merrimon Ave	Asheville	TH	2023006	29	223	\$117,300	\$0	\$0	\$1,900	\$1,700	\$12,000	\$0	\$101,700	223	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Druid Drive	W. Asheville	SA	2020006	10	500	\$204,000	\$0	\$0	\$0	\$0	\$0	\$4,000	\$48,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$152,000	500	
East Chestnut Ave @ Five Points	N. Asheville	SA	2015192	29	5,225	\$2,081,371	\$19,321	\$3,500	\$0	\$72,000	\$147,300	\$2,500	\$1,836,750	5,225	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Edwards Ave @ US 70 Hwy	Swannanoa	BD	2021004	29	2,400	\$968,200	\$0	\$16,800	\$0	\$6,800	\$39,000	\$905,600	2,400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Elk Mountain Place	Woodfin	BD	2010094	8	4,137	\$1,739,955	\$236,610	\$1,503,345	4,137	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Elk Park Drive - PRP 35001	Woodfin	SA	2006028	10	2,242	\$767,046	\$50,046	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$717,000	2,242	
Fairmont Road	N. Asheville	DP	2015017	31	3,900	\$1,713,500	\$0	\$0	\$25,000	\$0	\$10,000	\$162,500	\$1,516,000	3,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Forestdale Drive	S. Asheville	DP	2014002	33	2,900	\$1,297,500	\$17,000	\$0	\$30,500	\$228,000	\$10,000	\$1,012,000	2,900	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Four Inch Main - College Street	Asheville	SA	2012128	17	1,000	\$740,750	\$0	\$0	\$0	\$6,000	\$8,000	\$300,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$426,750	1,000	
Harmony Lane	Asheville	DP	2016103	35	670	\$306,000	\$0	\$0	\$3,000	\$0	\$303,000	670	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hazel Mill Rd @ Richland St.	Asheville	SA	2014016	41	3,907	\$2,244,150	\$43,150	\$281,000	\$1,920,000	3,907	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hill Street @ Cross Place	Asheville	TH	2016249	42	641	\$267,155	\$3,875	\$0	\$2,200	\$261,080	641	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Howland Rd. @ Sunset Trail	Asheville	DP	2012134	43	994	\$482,500	\$7,500	\$5,000	\$66,000	\$404,000	994	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Innsbrook Rd @ GPI	North Asheville	BD	2023256	35	5,730	\$2,468,675	\$0	\$40,100	\$0	\$30,000	\$453,000	\$1,945,575	5,730	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Johnston Blvd. @ Providence Rd.	W. Asheville	DP	2014013	37	2,000	\$914,150	\$8,150	\$0	\$12,000	\$71,000	\$823,000	2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Jonestown Road @ Riverside Drive	Woodfin	TH	2018028	52	1,992	\$767,000	\$30,000	\$50,500	\$680,000	1,992	\$6,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Joyner Ave @ Amboy Rd	Asheville	SA	2021010	68	1,000	\$424,500	\$107,500	\$317,000	1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA**  
**TEN YEAR CAPITAL IMPROVEMENT PROGRAM**  
**FY 2024-2025 through 2033-2034**

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34			
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>GENERAL SEWER REHABILITATION continued...</b>																													
Kimberly Ave. @ Sedley Avenue	Asheville	TH	2018029	51	2,947	\$1,093,525	\$42,725	\$124,800		\$926,000	2,947	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Lakeview @ Glen Falls Rd.	N. Asheville	DP	2014007	22	3,070	\$1,552,500	\$6,000	\$0		\$18,000		\$0		\$25,500		\$390,000		\$0		\$1,113,000	3,070	\$0		\$0		\$0		\$0	
Lincoln Avenue	Asheville	BD	2013103	6	1,415	\$609,570	\$2,870	\$0		\$0		\$0		\$0		\$0		\$0		\$606,700	1,415	\$0		\$0		\$0		\$0	
Lining Contract #10	Various	TH	2024035	NA	10,000	\$3,000,000	\$0	\$0		\$0		\$3,000,000	10,000	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Logan Avenue	W. Asheville	SA	2017256	48	2,150	\$1,104,500	\$24,700	\$149,500		\$930,300	2,150	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Lower Glendale Ave.	E. Asheville	BD	2012083	23	2,716	\$1,448,850	\$6,650	\$0		\$0		\$0		\$0		\$16,800		\$47,000		\$0		\$1,378,400	2,716	\$0		\$0		\$0	
Manetta Rd. @ Johnson Dr.	N. Asheville	TH	2014022	24	5,340	\$2,881,587	\$363,594	\$1,000		\$350,650		\$14,000		\$2,152,343	5,340	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
McDowell St @ Lily Carmichael Dr.	Asheville	SA	2021011	30	1,660	\$721,500	\$0	\$0		\$11,000		\$1,000		\$0		\$0		\$0		\$709,500	1,660	\$0		\$0		\$0		\$0	
Meadow Road @ Train Yard	Asheville	BD	2015207	6	2,001	\$2,255,500	\$7,000	\$0		\$3,000		\$92,500		\$2,153,000	2,001	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Merrimon Ave. at Clearview Terrace	Asheville	TH	2007012	6	500	\$313,950	\$6,044	\$0		\$0		\$0		\$0		\$0		\$0		\$3,250		\$69,656		\$0		\$235,000	500		
Montford Ave. @ Montford Park	Asheville	BD	2017144	59	1,129	\$680,225	\$16,725	\$99,000		\$564,500	1,129	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
New Haw Creek Rd. @ Dogwood Grove	E. Asheville	SA	2014021	31	3,000	\$980,775	\$4,925	\$3,600		\$50,750		\$16,000		\$1,000		\$0		\$904,500	3,000	\$0		\$0		\$0		\$0		\$0	
New Stock Road	Weaverville	DP	2015011	45	9,020	\$3,159,500	\$36,000	\$37,000		\$49,500		\$3,037,000	9,020	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
North Market Street	Asheville	SA	2014019	20	1,064	\$443,300	\$3,875	\$0		\$0		\$0		\$0		\$0		\$0		\$1,925		\$437,500	1,064	\$0		\$0		\$0	
Oakland Drive @ Church Street	Black Mountain	DP	2015177	27	575	\$244,000	\$0	\$0		\$0		\$0		\$3,500		\$4,000		\$34,000		\$202,500	575	\$0		\$0		\$0		\$0	
Old Toll Rd. @ Blue Briar Rd.	Asheville	TH	2018032	19	185	\$80,500	\$0	\$0		\$0		\$0		\$0		\$3,000		\$500		\$1,500		\$8,000		\$67,500	185	\$0		\$0	
Old Turnpike Rd @ Azalea	Arden	TH	2023255	35	1,168	\$445,000	\$0	\$10,000		\$65,000		\$11,000		\$359,000	1,168	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Parkwood Ave.	Woodfin	TH	2021286	31	1,165	\$451,335	\$0	\$0		\$0		\$0		\$11,485		\$85,350		\$0		\$354,500	1,165	\$0		\$0		\$0		\$0	
Riverside Dr @ Woodfin Ave	Woodfin	SA	2019005	15	684	\$292,500	\$0	\$0		\$0		\$0		\$7,000		\$21,000		\$0		\$2,000		\$0		\$0		\$262,500	684		
Riverview Drive	Asheville	BD	2013104	54	2,302	\$992,980	\$7,880	\$0		\$0		\$985,100	2,302	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Rosewood Ave. @ Riverside Cemetery	Montford	BD	2019023	25	180	\$90,000	\$0	\$0		\$0		\$0		\$1,300		\$2,600		\$24,000		\$62,100	180	\$0		\$0		\$0		\$0	
Royal Pines Drive - PRP 47009	Arden	SA	2007020	28	7,050	\$2,738,850	\$10,100	\$0		\$30,000		\$6,000		\$39,000		\$2,653,750	7,050	\$0		\$0		\$0		\$0		\$0		\$0	
Sand Hill Road @ Baker Place	W. Asheville	SA	2015223	56	1,582	\$941,450	\$118,950	\$822,500	1,582	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Stamout Dr	Asheville	SA	2023007	19	775	\$274,600	\$0	\$0		\$6,000		\$14,100		\$20,000		\$0		\$0		\$234,500	775	\$0		\$0		\$0		\$0	
Stratford Road	N. Asheville	DP	2015013	16	1,820	\$891,000	\$0	\$0		\$0		\$0		\$0		\$12,500		\$19,000		\$202,000		\$0		\$657,500	1,820	\$0		\$0	
Sulphur Springs Rd. @ Covington St.	W. Asheville	DP	2014006	44	1,350	\$843,500	\$7,500	\$18,000		\$180,000		\$32,000		\$606,000	1,350	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Sweeten Creek Rd. @ Buck Shoals Rd.	S. Asheville	BD	2014015	51	790	\$519,936	\$52,636	\$467,300	790	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Sweeten Creek Rd @ Holiday Dr	Asheville	DP	2022022	22	3,053	\$1,299,000	\$0	\$0		\$0		\$0		\$0		\$25,000		\$162,000		\$0		\$1,112,000	3,053	\$0		\$0		\$0	
Tunnel Rd @ Pleasant Ridge Dr	E. Asheville	SA	2019006	17	150	\$64,250	\$0	\$0		\$0		\$1,500		\$1,000		\$0		\$0		\$0		\$0		\$61,750	150	\$0		\$0	
US 70 @ Jordan Road	Swannanoa	DP	2015014	21	4,550	\$2,146,500	\$0	\$0		\$0		\$0		\$0		\$30,000		\$6,000		\$263,000		\$30,000		\$1,817,500	4,550	\$0		\$0	
Walnut St. @ N. Lexington Ave.	Asheville	DP	2017008	42	1,300	\$614,526	\$526	\$0		\$8,000		\$0		\$606,000	1,300	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Waynesville Ave. @ Brownwood Ave.	W. Asheville	SA	2014183	28	3,022	\$1,429,500	\$0	\$0		\$19,500		\$28,000		\$467,500		\$0		\$914,500	3,022	\$0		\$0		\$0		\$0		\$0	
W. City View Dr @ Riverside Dr	Asheville	DP	2024020	67	735	\$649,500	\$0	\$34,500		\$615,000	735	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Wildwood Park	Weaverville	DP	2015194	16	1,542	\$717,000	\$2,380	\$0		\$0		\$0		\$0		\$0		\$0		\$6,620		\$0		\$708,000	1,542	\$0		\$0	
Wood Ave. @ Parker Rd.	Asheville	SA	2014188	10	1,050	\$491,600	\$0	\$0		\$0		\$0		\$0		\$0		\$7,000		\$58,000		\$0		\$0		\$426,600	1,050		
SSD Rehab. & Replacement	Various	MS	2002101	N/A	150,000	\$51,425,000	\$5,142,500	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000	\$5,142,500	15,000
Surveys for Design	Various	HC	2002060	N/A	N/A	\$500,000	\$0	\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000	
<b>SUBTOTAL</b>					<b>303,093</b>	<b>\$120,507,261</b>	<b>\$6,463,440</b>	<b>\$9,348,195</b>	<b>22,509</b>	<b>\$12,953,420</b>	<b>29,178</b>	<b>\$13,675,117</b>	<b>37,957</b>	<b>\$17,692,928</b>	<b>39,097</b>	<b>\$14,685,210</b>	<b>37,023</b>	<b>\$10,829,450</b>	<b>30,370</b>	<b>\$11,742,220</b>	<b>31,083</b>	<b>\$9,239,481</b>	<b>23,999</b>	<b>\$11,607,950</b>	<b>30,901</b>	<b>\$7,412,350</b>	<b>20,976</b>		
<b>Inflation per ENR Const. Cost Index</b>	<b>3.35%</b>					<b>1.0000</b>	<b>1.0000</b>	<b>1.0000</b>		<b>1.0335</b>		<b>1.0681</b>		<b>1.1039</b>		<b>1.1409</b>		<b>1.1791</b>		<b>1.2186</b>		<b>1.2594</b>		<b>1.3016</b>		<b>1.3452</b>			
<b>SUBTOTAL with inflation</b>					<b>303,093</b>	<b>\$120,507,261</b>	<b>\$6,463,440</b>	<b>\$9,348,195</b>	<b>22,509</b>	<b>\$13,387,360</b>	<b>29,178</b>	<b>\$14,606,697</b>	<b>37,957</b>	<b>\$19,531,300</b>	<b>39,097</b>	<b>\$16,754,138</b>	<b>37,023</b>	<b>\$12,769,056</b>	<b>30,370</b>	<b>\$14,309,126</b>	<b>31,083</b>	<b>\$11,636,462</b>	<b>23,999</b>	<b>\$15,109,127</b>	<b>30,901</b>	<b>\$9,971,265</b>	<b>20,976</b>		

# METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA

## TEN YEAR CAPITAL IMPROVEMENT PROGRAM

### FY 2024-2025 through 2033-2034

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34			
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>PRIVATE SEWER REHABILITATION</b>																													
Carver Ave. @ Owenby Lane	Asheville	DP	2022253	71	0	\$57,000	\$5,000	\$0		\$48,000		\$0		\$4,000	0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Homeland Park	Asheville	TH	2016248	51	921	\$625,380	\$7,250	\$25,000		\$164,500		\$40,000		\$388,630	921	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Old County Home Rd PSR	W. Asheville	SA	2015221	55	4,204	\$2,592,300	\$130,300	\$49,000		\$2,413,000	4,204	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>SUBTOTAL</b>					<b>5,125</b>	<b>\$3,274,680</b>	<b>\$142,550</b>	<b>\$74,000</b>	<b>0</b>	<b>\$2,625,500</b>	<b>4,204</b>	<b>\$40,000</b>	<b>0</b>	<b>\$392,630</b>	<b>921</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>
<i>Inflation per ENR Const. Cost Index</i>	<b>3.35%</b>					<b>1.0000</b>	<b>1.0000</b>	<b>1.0000</b>		<b>1.0335</b>		<b>1.0681</b>		<b>1.1039</b>		<b>1.1409</b>		<b>1.1791</b>		<b>1.2186</b>		<b>1.2594</b>		<b>1.3016</b>		<b>1.3452</b>		<b>1.3899</b>	
<b>SUBTOTAL with inflation</b>					<b>5,125</b>	<b>\$3,274,680</b>	<b>\$142,550</b>	<b>\$74,000</b>	<b>0</b>	<b>\$2,713,454</b>	<b>4,204</b>	<b>\$42,725</b>	<b>0</b>	<b>\$433,426</b>	<b>921</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34					
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>TREATMENT PLANT, PUMP STATIONS &amp; GENERAL CAPITAL IMPROVEMENTS</b>																															
Arc Flash Labeling	District-Wide	BD	2023008	N/A	0	\$340,225	\$78,625	\$126,600		\$15,000		\$15,000		\$15,000		\$15,000		\$15,000		\$15,000		\$15,000		\$15,000		\$15,000		\$15,000			
Biological Treatment	MSD-Treatment Plant	HC	2016063	N/A	0	\$229,560,225	\$270,225	\$328,500		\$80,500		\$4,375,500		\$6,000,000		\$6,000,000		\$4,309,000		\$11,025,000		\$31,025,000		\$31,025,000		\$31,025,000		\$31,025,000			
Building and Facility Rehabilitation	MSD-Treatment Plant	HC	2002068	N/A	0	\$600,000	\$60,000	\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000		\$60,000	
Carrier Bridge PS Replacement	Asheville	DP	2019045	N/A	2,800	\$85,796,713	\$1,816,133	\$611,500		\$10,839,080		\$31,000,000	2,800	\$31,000,000		\$10,530,000		\$0		\$0		\$0		\$0		\$0		\$0			
Collection System Master Plan Update	District-Wide	HC	2020011	N/A	0	\$299,500	\$49,500	\$250,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Flow Monitoring	MSD-Treatment Plant	SA	2008013	N/A	0	\$525,000	\$90,000	\$75,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000		\$50,000			
HVAC Rehabilitation	MSD-Treatment Plant	HC	2020051	N/A	0	\$160,000	\$40,000	\$70,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000		\$10,000			
Hydroelectric Power Plant Rehab	MSD-Treatment Plant	TH	2021016	N/A	0	\$1,341,238	\$201,238	\$100,000		\$1,040,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Incinerator Rehabilitation FY24	MSD-Treatment Plant	DP	2022057	N/A	0	\$6,383,000	\$2,173,000	\$1,210,000		\$1,200,000		\$1,800,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Incinerator Sand Transport System	MSD Treatment Plant	TH	2024036	N/A	0	\$275,000	\$0	\$275,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Int. Clarifier Eff. Trough Rehab	MSD - Treatment Plant	SA	2022024	N/A	0	\$3,278,597	\$376,197	\$1,490,000		\$1,412,400		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
ITT Pump Station Upgrade	Henderson County	SA	2020061	N/A	2,750	\$4,830,000	\$70,113	\$299,887		\$4,460,000	2,750	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
MCC Replacement	MSD - Treatment Plant	HC	2024040	N/A	0	\$524,000	\$0	\$524,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Mud Creek PS Replacement	Henderson County	TH	2021073	N/A	0	\$740,000	\$120,000	\$15,000		\$605,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Plant NPW Filter System	Asheville	SA	2023011	N/A	0	\$325,000	\$0	\$100,000		\$225,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
RBC Removal and Replacement	MSD-Treatment Plant	HC	2023029	N/A	0	\$1,840,800	\$490,500	\$1,350,300		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Solids Handling Capacity Improvements	MSD-Treatment Plant	HC	2019087	N/A	0	\$79,880,000	\$0	\$0		\$30,000		\$500,000		\$3,500,000		\$3,000,000		\$36,425,000		\$36,425,000		\$0		\$0		\$0		\$0			
Solids Handling PER	MSD-Treatment Plant	DP	2023048	N/A	0	\$508,770	\$433,770	\$75,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
South Storage Building	Arden	DP	2023009	N/A	0	\$1,076,000	\$0	\$50,000		\$1,026,000		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
Weaverville PS Replacement	Weaverville	SA	2019080	N/A	18,174	\$24,474,442	\$2,740,492	\$15,882,500	15,174	\$5,851,450	3,000	\$0	0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0			
General Capital Equipment	Varies	HC	2016072	N/A	0	\$1,500,000	\$150,000	\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000		\$150,000			
<b>SUBTOTAL</b>					<b>23,724</b>	<b>\$444,258,510</b>	<b>\$9,159,793</b>	<b>\$23,043,287</b>	<b>15,174</b>	<b>\$27,054,430</b>	<b>5,750</b>	<b>\$37,960,500</b>	<b>2,800</b>	<b>\$40,785,000</b>	<b>0</b>	<b>\$19,815,000</b>	<b>0</b>	<b>\$41,019,000</b>	<b>0</b>	<b>\$47,735,000</b>	<b>0</b>	<b>\$31,310,000</b>	<b>0</b>	<b>\$31,310,000</b>	<b>0</b>	<b>\$31,310,000</b>	<b>0</b>	<b>\$31,310,000</b>	<b>0</b>		
<i>Inflation per ENR Const. Cost Index</i>	<b>3.35%</b>					<b>1.0000</b>	<b>1.0000</b>	<b>1.0000</b>		<b>1.0335</b>		<b>1.0681</b>		<b>1.1039</b>		<b>1.1409</b>		<b>1.1791</b>		<b>1.2186</b>		<b>1.2594</b>		<b>1.3016</b>		<b>1.3452</b>		<b>1.3899</b>			
<b>SUBTOTAL with inflation</b>					<b>23,724</b>	<b>\$444,258,510</b>	<b>\$9,159,793</b>	<b>\$23,043,287</b>	<b>15,174</b>	<b>\$27,960,753</b>	<b>5,750</b>	<b>\$40,546,455</b>	<b>2,800</b>	<b>\$45,022,739</b>	<b>0</b>	<b>\$22,606,639</b>	<b>0</b>	<b>\$48,365,700</b>	<b>0</b>	<b>\$58,170,100</b>	<b>0</b>	<b>\$39,432,693</b>	<b>0</b>	<b>\$40,753,688</b>	<b>0</b>	<b>\$42,118,936</b>	<b>0</b>	<b>\$44,051,196</b>			

**METROPOLITAN SEWERAGE DISTRICT OF BUNCOMBE COUNTY, NORTH CAROLINA**  
**TEN YEAR CAPITAL IMPROVEMENT PROGRAM**  
**FY 2024-2025 through 2033-2034**

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34	
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>DESIGN, ROW, &amp; CONSTRUCTION MANAGEMENT EXPENSES</b>																											
Design, ROW, & Const. Mgmt. Exp.	MSDI/ENG	HC	N/A	N/A	0	\$39,131,059	\$3,281,040	\$3,404,838		\$3,538,166		\$3,632,754		\$3,730,088		\$3,830,302		\$3,997,693		\$4,095,493		\$4,196,131		\$4,299,596		\$4,405,998	
<b>SUBTOTAL</b>					0	\$39,131,059	\$3,281,040	\$3,404,838	0	\$3,538,166	0	\$3,632,754	0	\$3,730,088	0	\$3,830,302	0	\$3,997,693	0	\$4,095,493	0	\$4,196,131	0	\$4,299,596	0	\$4,405,998	0

PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34	
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>DEVELOPER REIMBURSEMENTS</b>																											
Black Mtn. Annex. - Craigmont Rd.	Black Mountain	HC	1992173	N/A	0	\$0	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Developer Reimbursements	Various	HC	2004051	N/A	0	\$1,083,000	\$0	\$183,000		\$100,000		\$100,000		\$100,000		\$100,000		\$100,000		\$100,000		\$100,000		\$100,000		\$100,000	
<b>SUBTOTAL</b>					0	\$1,083,000	\$0	\$183,000	0	\$100,000	0	\$100,000	0	\$100,000	0	\$100,000	0	\$100,000	0	\$100,000	0	\$100,000	0	\$100,000	0	\$100,000	0

<b>BUDGET SUMMARY</b>																											
PROJECT NAME	LOCATION OF PROJECT	PROJ. MGR.	PROJECT NUMBER	PIPE RATING	PROJECT FOOTAGE	TOTAL ESTIMATED COST	TOTAL EST. EXPENDS THRU FY 24	FY 24-25		FY 25-26		FY 26-27		FY 27-28		FY 28-29		FY 29-30		FY 30-31		FY 31-32		FY 32-33		FY 33-34	
								BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE	BUDGET	FOOTAGE
<b>SUBTOTAL with Inflation</b>					368,133	\$650,662,100	\$27,379,959	\$36,475,712	37,683	\$48,209,508	39,132	\$58,967,083	40,757	\$68,970,444	40,018	\$55,170,666	42,513	\$81,228,309	39,900	\$76,707,622	31,083	\$59,430,215	31,699	\$60,535,751	30,901	\$64,050,080	32,447
CONTINGENCY								\$1,000,000																			
<b>TOTAL</b>					368,133	\$650,662,100	\$27,379,959	\$37,475,712	37,683	\$48,209,508	39,132	\$58,967,083	40,757	\$68,970,444	40,018	\$55,170,666	42,513	\$81,228,309	39,900	\$76,707,622	31,083	\$59,430,215	31,699	\$60,535,751	30,901	\$64,050,080	32,447



# Debt Financing



# Debt Financing

## Debt Management

Prior to the 1990s, the District’s policy was to fund capital improvements from user fees. Having inherited aging collector lines, some in excess of 100 years old, this policy forced the District to increase rates dramatically yet never provided enough funding to keep up with the magnitude of desperately needed repairs. Coming to realize the benefit of integrating capital-planning and debt-financing activities, the District Board developed a long-range plan to utilize bonds and pay-as-you-go in a coordinated capital improvement plan.

This combined strategy allows for more equity between long-term and new ratepayers while providing the necessary funding for an adequately functioning system. Issuing debt provides the capital to rehabilitate crumbling infrastructure while allowing present and future ratepayers who will enjoy the benefit to share the cost through annual principal and interest payments. This contrasts with a strategy that uses only pay-as-you-go whereby a resident will pay higher rates for many years to accumulate the funds needed for rehabilitation before enjoying any benefit, yet new users joining after completion of a project will have immediate use of the new facilities without sharing in any of the cost. Another advantage of combining borrowed funds with current funding is the ability to structure debt repayment schedules to avoid dramatic rate increases otherwise needed to provide adequate amounts for multi-million-dollar projects.

The District’s bonds are rated by national rating agencies as follows:

Moody's Investors Service	Standard & Poor's	Fitch Ratings
Aaa	AA+	AAA

In October 2021, the District received a ratings upgrade from AA+ to AAA from Fitch Ratings. Fitch Ratings recognized the District’s sound financial performance characterized by ample liquidity, healthy debt service coverage, and comprehensive fiscal planning. The rating also incorporates MSD’s regional customer base, adequate system capacity, manageable debt levels, and satisfactory protections for bondholders. These high ratings enable the District to pay a lower rate of interest than many other utilities, which has a positive effect on the current and future budgets.

## Debt Financing (continued)

### Debt Management (continued)

Unlike North Carolina's cities and counties, MSD does not have a debt limit. However, provisions in the District's Bond Order require minimum debt coverage of 120% of net revenues to bonded debt service.

The Board established a revenue policy, which sets a goal for debt coverage ratio to be approximately 150% for forecasting and planning purposes, realizing the impact of the increased debt coverage ratio on bond ratings.

The District maintains a ten-year forecast to budget capital improvements financed by a combination of debt and current fees. Based on projections using modest, consistent rate increases and capital improvement projects as outlined in the District's 10-year Capital Improvement Plan, an additional \$80 million in debt is anticipated to be issued in FY2027 without affecting the planned rate of user charge increases.

### Capital Projects Funding

Funding for capital projects comes from a combination of revenue bonds and pay-as-you-go financing. Details may be found in the Policies & Budget Process tab of this budget document where Debt Policy is presented and, in the schedule, "Budget/Rate Forecast" which illustrates the timing of debt issues and accumulation of revenues over expenditures anticipated to be available for capital financing.

Generally speaking, half of the funds for capital improvements come from debt financing, with the other half funded by the excess of revenues over expenditures (pay-as-you-go).

During FY2018, the District issued \$37.5 million fixed rate revenue bonds. \$11.4 million was used to refund portions of the 2009A Series bonds. The remaining \$26.1 million has been expended. The District will accumulate funding from operations to finance a portion of the capital budget until the next debt issuance, anticipated to be in FY2027.

As of June 30, 2024, the District will have \$76 million par value of outstanding revenue bond debt. During FY2025, over \$5.8 million in principal will be repaid. The District anticipates issuing an additional \$80 million in revenue bonds in FY2027. Debt service from this future bond issue has been included in the District's long-term business plan and sewer rate increases. A summary of outstanding debt at June 30, 2024 and anticipated principal repayment during FY2025 begin below and continue on the following two (2) pages.



## Debt Financing (continued)

### Outstanding Debt as of June 30, 2024

	Balance 6/30/2024	Additions	Retirements	Balance 6/30/2025
--	----------------------	-----------	-------------	----------------------

**Enka-Candler Water and Sewer District Bonds liability assumed by Metropolitan Sewerage District of Buncombe County, North Carolina on July 2, 1990 as stated in the sewer consolidated agreement:**

5.00% serial bonds assumed July 2, 1990 with maturities on each June 1 through 2024 varying from \$19,000 to \$64,000, interest payable annually.	\$ -	\$ -	\$ -	\$ -
<b>Total Bonds - Enka Candler Series</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Revenue Bonds, Series 2008A issued to refund Series 2005 Revenue Bonds**

Interest at variable rates in the weekly mode, payable monthly, due serially until 2031.	\$ 18,355,000	\$ -	\$ 2,400,000	\$ 15,955,000
<b>Total Bonds - Series 2008A</b>	<b>\$ 18,355,000</b>	<b>\$ -</b>	<b>\$ 2,400,000</b>	<b>\$ 15,955,000</b>

**2009 North Carolina Water Pollution Control Revolving Fund used to construct certain sewerage projects:**

\$672,980 revolving loan issued August 18, 2009 unpaid principal sum is reduced by one-half as "Principal Forgiveness", interest accrues at 0%, 20 annual installments May 1, 2011 to 2030.	\$ 100,941	\$ -	\$ 16,824	\$ 84,117
<b>Total State Revolving Fund</b>	<b>\$ 100,941</b>	<b>\$ -</b>	<b>\$ 16,824</b>	<b>\$ 84,117</b>

**Revenue Bonds Series 2013 issued to refund Series 2003 and Series 2008B Revenue Refunding Bonds:**

2.0% to 5.00% serial bonds issued May 1, 2013, with maturities on each July 1, 2014 through 2029 varying from \$1,065,000 to \$4,255,000; interest payable semi-annually	\$ 7,155,000	\$ -	\$ 1,105,000	\$ 6,050,000
<b>Total Bond - Series 2013</b>	<b>\$ 7,155,000</b>	<b>\$ -</b>	<b>\$ 1,105,000</b>	<b>\$ 6,050,000</b>

## Debt Financing (continued)

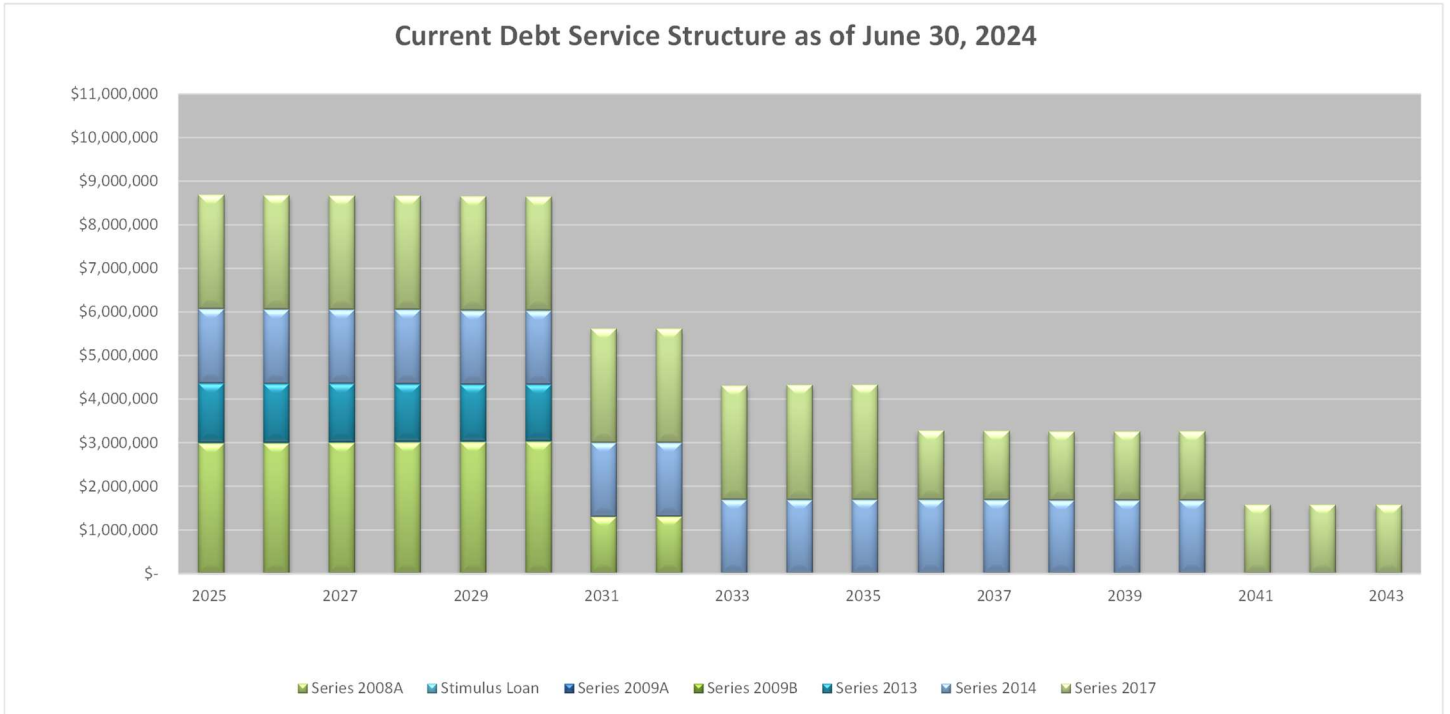
### Outstanding Debt as of June 30, 2024

	Balance 6/30/2024	Additions	Retirements	Balance 6/30/2025
<b>Revenue Bonds Series 2014 issued to construct certain sewerage projects:</b>				
2.0% to 5.00% serial bonds issued May 21, 2014, with maturities on each July 1, 2015 through 2039 varying from \$535,000 to \$1,430,000; interest payable semi-annually	\$ 14,885,000	\$ -	\$ 900,000	\$ 13,985,000
5.00% term bonds issued May 21, 2014, at 112.950%, due July 1, 2039; interest payable semi-annually.	\$ 4,685,000	\$ -	\$ -	\$ 4,685,000
<b>Total Bond - Series 2014</b>	<b>\$ 19,570,000</b>	<b>\$ -</b>	<b>\$ 900,000</b>	<b>\$ 18,670,000</b>
<b>Revenue Bonds Series 2017 issued to refund Series 2009A and to construct certain sewerage projects:</b>				
3.0% to 5.00% serial bonds issued July 11, 2017, with maturities on each July 1, 2018 through 2039 varying from \$620,000 to \$2,260,000; interest payable semi-annually	\$ 26,680,000	\$ -	\$ 1,405,000	\$ 25,275,000
5.00% term bonds issued July 11, 2017, at 97.704%, due July 1, 2042; interest payable semi-annually.	\$ 4,520,000	\$ -	\$ -	\$ 4,520,000
<b>Total Bond - Series 2017</b>	<b>\$ 31,200,000</b>	<b>\$ -</b>	<b>\$ 1,405,000</b>	<b>\$ 29,795,000</b>
<b>Total Bonds - All Series</b>	<b>\$ 76,380,941</b>	<b>\$ -</b>	<b>\$ 5,826,824</b>	<b>\$ 70,554,117</b>

## Aggregate Debt Service

Year Ending June 30	Enka Candler Bonds	Series 2008A Refunding	North Carolina Water Pollution Control Revolving Fund	Series 2013 Refunding	Series 2014	Series 2017	Aggregate Debt Service
2025	-	2,986,194	16,825	1,363,469	1,708,025	2,622,225	8,696,737
2026	-	2,987,324	16,825	1,352,944	1,703,275	2,625,100	8,685,467
2027	-	3,000,803	16,825	1,341,444	1,695,775	2,619,350	8,674,196
2028	-	3,010,738	16,825	1,323,644	1,706,625	2,614,975	8,672,806
2029	-	3,017,451	16,825	1,304,644	1,695,475	2,621,475	8,655,870
2030	-	3,025,226	16,825	1,294,922	1,697,675	2,618,600	8,653,247
2031	-	1,304,929	-	-	1,698,175	2,616,350	5,619,454
2032	-	1,306,777	-	-	1,696,875	2,614,475	5,618,127
2033	-	-	-	-	1,698,675	2,612,725	4,311,400
2034	-	-	-	-	1,693,575	2,637,675	4,331,250
2035	-	-	-	-	1,698,138	2,635,850	4,333,988
2036	-	-	-	-	1,697,325	1,583,050	3,280,375
2037	-	-	-	-	1,692,850	1,584,650	3,277,500
2038	-	-	-	-	1,682,125	1,580,125	3,262,250
2039	-	-	-	-	1,681,000	1,579,475	3,260,475
2040	-	-	-	-	1,681,000	1,582,550	3,263,550
2041	-	-	-	-	-	1,578,438	1,578,438
2042	-	-	-	-	-	1,577,109	1,577,109
2043	-	-	-	-	-	1,579,297	1,579,297
	<u>\$ -</u>	<u>\$ 20,639,442</u>	<u>\$ 100,941</u>	<u>\$7,981,066</u>	<u>\$ 27,126,588</u>	<u>\$ 41,483,494</u>	<u>\$ 97,331,530</u>

# Current Debt Service Structure as of June 30, 2024

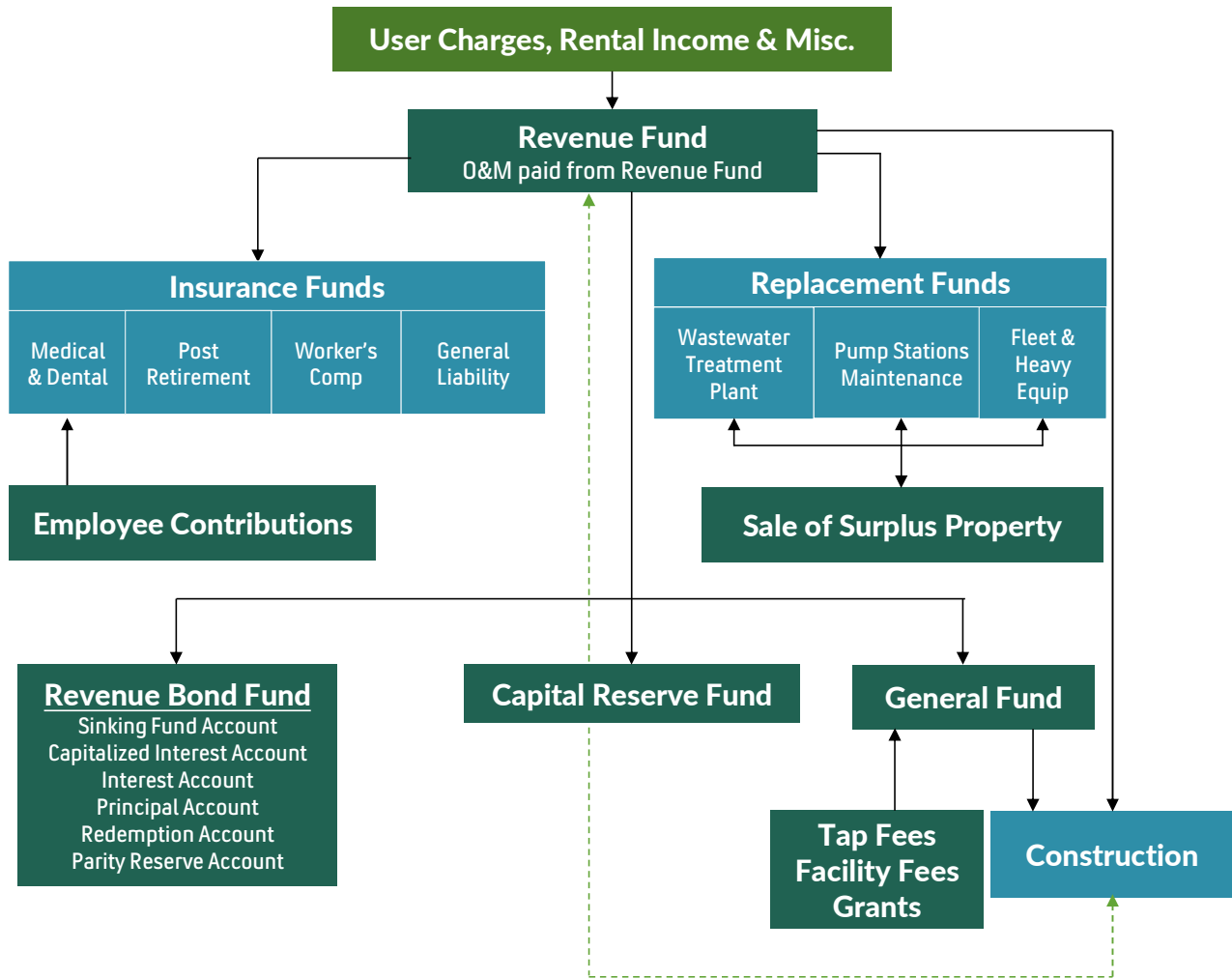




# Appendix



# Flow of Funds Chart



## Priority of expenditures per Bond Order

1. Current Expenditures
2. Debt Service
3. Capital Reserve
4. Any Lawful Purpose

Income Sources

Trustee Funds

Expenditures

————— Flow of Funding

- - - - - Flow of Funding if required for emergency repairs or maintenance

# Budget Resolution

**RESOLUTION ADOPTING PRELIMINARY BUDGET AND SEWER USE CHARGES  
FOR THE  
METROPOLITAN SEWERAGE DISTRICT  
OF BUNCOMBE COUNTY, NORTH CAROLINA  
FOR THE FISCAL YEAR July 1, 2024 THRU June 30, 2025**

WHEREAS, the Board of Directors has reviewed the Operations and Maintenance, Bond, Reserves, Construction Expenditures of the District, and the sources of revenue and allocations (uses) of expenditures for the 2024-2025 fiscal year; and

NOW, THEREFORE, BE IT RESOLVED:

**1** The following amounts are hereby appropriated in the Revenue Fund for the Operations and Maintenance of the District and for transfers to the Debt Service, General Fund, and Insurance Funds for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Operating and Maintenance Expenses	\$	17,670,274
Transfer to Insurance Accounts	\$	4,212,615
Transfer to Fleet & Heavy Equipment Fund	\$	595,000
Transfer to Wastewater Treatment Plant Reserve	\$	250,000
Transfer to Pump Station Maintenance	\$	60,000
Subtotal O&M	\$	22,787,889
Transfer to the General Fund	\$	34,150,712
Transfer to Debt Service Fund	\$	8,696,737
	\$	<u>65,635,338</u>

It is estimated that the following revenues will be available in the Revenue Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Domestic User Fees	\$	43,125,740
Industrial User Fees	\$	3,536,962
Billing and Collection Fees	\$	1,203,773
Investment Interest	\$	3,045,052
Rental Income	\$	96,000
Appropriated from Net Position	\$	14,627,811
	\$	<u>65,635,338</u>

**2** The following amounts are hereby appropriated in the General Fund for the transfers to the Construction Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer into Construction	\$	<u>37,475,712</u>
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It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Facility and Tap Fees	\$ 3,300,000
Investment Income	\$ 1,000
Transfer In from Revenue Fund	\$ 34,150,712
Appropriated from Net Position	<u>\$ 24,000</u>
	<u>\$ 37,475,712</u>

3 The following amounts are hereby appropriated in the Construction Fund for Capital Improvement Plan expenditures for the fiscal year beginning July 1, 2024 and ending June 30, 2025.

Capital Improvements Projects	<u>\$ 37,475,712</u>
-------------------------------	----------------------

It is estimated that the following revenues will be available to the Construction Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025.

Investment Income	\$ 20,000
Transfer In from General Fund	\$ 37,475,712
Contribution to Net Position	<u>\$ (20,000)</u>
	<u>\$ 37,475,712</u>

4 The following amounts are presented as the financial plan of the Insurance Funds that are used to provide insurance services. Estimated operating expenditures for the fiscal year beginning July 1, 2024 and ending June 30, 2025 are:

Operating Expenditures	<u>\$ 4,251,561</u>
------------------------	---------------------

It is estimated that the following revenues will be available in the Insurance Funds for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer In from the Revenue Fund	\$ 4,212,615
Investment Income	\$ 290,000
Employee/Retirees Medical Contributions	\$ 355,000
Contribution To Net Position	<u>\$ (606,054)</u>
	<u>\$ 4,251,561</u>

5 The following amounts are presented as the financial plan of the Fleet & Heavy Equipment Fund designated for capital equipment expenditures for the fiscal year beginning July 1, 2024 and ending June 30, 2025 estimated as follows:

Capital Equipment	<u>\$ 716,432</u>
	<u>\$ 716,432</u>



It is estimated that the following revenues will be available in the Fleet & Heavy Equipment Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer In from the Revenue Fund	\$	595,000
Sale of Surplus Property	\$	71,643
Investment Income	\$	61,402
Contribution To Net Position	\$	<u>(11,613)</u>
	\$	<u>716,432</u>

6 The following amounts are presented as the financial plan of the Wastewater Treatment Plant Replacement Fund designated for wastewater treatment plant capital expenditures for the fiscal year beginning July 1, 2024 and ending June 30, 2025 estimated as follows:

Capital Equipment	\$	<u>303,500</u>
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It is estimated that the following revenues will be available in the Wastewater Treatment Plant Replacement Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer In from the Revenue Fund	\$	250,000
Investment Income	\$	14,089
Appropriated from Net Position	\$	<u>39,411</u>
	\$	<u>303,500</u>

7 The following amounts are presented as the financial plan in the Pump Station Replacement Fund designated for pump capital expenditures for the fiscal year beginning July 1, 2024 and ending June 30, 2025 estimated as follows:

Capital Equipment	\$	<u>107,500</u>
	\$	<u>107,500</u>

It is estimated that the following revenues will be available in the Pump Station Replacement Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer In from the Revenue Fund	\$	60,000
Investment Income	\$	8,624
Appropriated from Net Position	\$	<u>38,876</u>
	\$	<u>107,500</u>

8 The following amounts are hereby appropriated in the Debt Service Fund for principal and interest payments for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Debt Service	\$	<u>8,696,737</u>
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It is estimated that the following revenues will be available in the Debt Service Fund for the fiscal year beginning July 1, 2024 and ending June 30, 2025:

Transfer In from the Revenue Fund	\$	8,696,737
Investment Income	\$	500
Contribution To Net Position	\$	(500)
	\$	<u>8,696,737</u>

9 That the Board of the Metropolitan Sewerage District does hereby approve an increase in the Budgets to the amount necessary to reflect any contributions to the Debt Service Reserve Fund or Capital Reserve Fund as determined by the Bond Trustee to be necessary to comply with covenants in the Bond Order.

10 The General Manager is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts without limitation between departments in a fund.
- b. He may transfer any amounts within Debt Service and Reserve Funds designated as excess by the Trustee into another fund.
- c. He may transfer up to 10% of Insurance Fund reserves to meet current year expenditures in excess of budget.

11 That the attached Schedule of Fees and Charges be adopted as effective July 1, 2024.

12 That this resolution shall be entered in the minutes of the District and within five (5) days after its adoption, copies thereof are ordered to be filed with the Finance and Budget Officer and Secretary of the Board as required by G.S. 159-13 (d).

Adopted this 12th day of June 2024

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

Attest:

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Jackie Bryson  
Secretary/Treasurer

**Metropolitan Sewerage District of Buncombe County, North Carolina  
Schedule of Rates, Fees, and Charges - FY2025**

Effective July 1, 2024

	<b>ADOPTED FY2024 RATE</b>	<b>PROPOSED FY2025 RATE</b>
<b>Collection Treatment Charge</b>		
Residential & Commercial Volume Charges (per CCF) Inside	\$ 5.26	\$ 5.52
Industrial Volume Charges (per CCF) Inside	5.26	5.52
Industrial Surcharge for BOD (per lb., BOD >250 mg/l) Inside	0.300	0.300
Industrial Surcharge for TSS (per lb., TSS >250 mg/l) Inside	0.250	0.250
Residential & Commercial Volume Charges (per CCF) Outside	\$ 5.27	\$ 5.53
Industrial Volume Charges (per CCF) Outside	5.27	5.53
Industrial Surcharge for BOD (per lb., BOD >250 mg/l) Outside	0.300	0.300
Industrial Surcharge for TSS (per lb., TSS >250 mg/l) Outside	0.250	0.250
<b>Base Meter/Maintenance Charge &amp; Billing Fee</b>		
5/8"	\$ 8.11	\$ 8.52
3/4"	11.79	12.38
1"	20.94	21.99
1 1/2"	47.88	50.27
2"	84.68	88.91
3"	187.79	197.18
4"	335.12	351.88
6"	754.92	792.67
8"	1,340.43	1,407.45
10"	2,099.04	2,203.99
Billing Fee (per bill)	2.83	2.93
<b>Sewer System Development Fees</b>		
This impact fee is for allotted capacity in the treatment and transmission system. A differential fee will be charged for increases to an existing meter size.		
<b>Residential</b>		
Per Unit	\$ 3,568.00	\$ 3,568.00
Mobile Home	3,568.00	3,568.00
Multifamily Unit	2,390.00	2,390.00
Affordable Housing	844.00	844.00

**Metropolitan Sewerage District of Buncombe County, North Carolina  
Schedule of Rates, Fees, and Charges - FY2025**

Effective July 1, 2024

	<b>ADOPTED FY2024 RATE</b>	<b>PROPOSED FY2025 RATE</b>
<b>Sewer System Development Fees</b> <i>(continued)</i>		
<i>Nonresidential</i>		
5/8"	\$ 3,568.00	\$ 3,568.00
3/4"	5,352.00	5,352.00
1"	8,919.00	8,919.00
1 1/2"	17,839.00	17,839.00
2"	28,542.00	28,542.00
3"	57,084.00	57,084.00
4"	89,194.00	89,194.00
6"	178,387.00	178,387.00
8"	285,319.00	285,319.00
10"	749,226.00	749,226.00
12"	945,452.00	945,452.00
 <b>Sewer Connection Fees</b>		
The Sewer Connection Fee will apply to all new construction, as well as existing structures which have been demolished/rebuilt and sewer service is reinstated under new property ownership.		
MSD will install sewer connections where the public main is on the same side of the street as the residence or business		
MSD requires that a licensed utility contractor install any sewer connection/service line within public rights-of-way extending over 75 feet or that requires pavement disturbance or boring to reach across a paved thoroughfare. The installation shall be constructed to MSD Standards. All work will be subject to MSD inspection.		
Sewer Connection by MSD	\$ 1,300.00	\$ 1,300.00
Contractor installed Sewer Connection	Varies	Varies
Inspection Fee for Utility Contractor Installed Sewer Connection	\$ 140.00	\$ 140.00
 <b>Manhole Installation/Replacement</b>		
Cost per foot	\$ 250.00	\$ 250.00
Pavement replacement (if required)	1,800.00	1,800.00

**Metropolitan Sewerage District of Buncombe County, North Carolina  
Schedule of Rates, Fees, and Charges - FY2025**

Effective July 1, 2024

	<b>ADOPTED FY2024 RATE</b>	<b>PROPOSED FY2025 RATE</b>
<b>Other Fees</b>		
Allocation Fee	170.00	170.00
Non-Discharge Permit	200.00	200.00
Plan Review Fee	450.00	450.00
Plan re-review Fee	350.00	350.00
Pump Station Acceptance Fee	Note 1	Note 1
Note 1--See policy for details of computation of O&M and equipment replacement costs for upcoming 20 years; 50% discount for affordable housing.		
<b>Bulk Charges</b>		
Volume Charge for Septic Haulers (per 1,000 Gal.)	\$ 45.00	\$ 45.00
Biochemical Oxygen Demand >250 mg/l (per lb.)	0.300	0.300
Total Suspended Solids >250 mg/l (per lb.)	0.250	0.250
<b>Returned Check Charge</b>		
Returned Check (per event)	\$ 25.00	\$ 25.00
Dishonored Draft (per event)	25.00	25.00
<b>Copy/Printing Fees/Miscellaneous (each)</b>		
8x11 first print of standard GIS inquiry	\$ 1.00	\$ 1.00
8x14 first print of standard GIS inquiry	1.00	1.00
11x17 first print of standard GIS inquiry	2.00	2.00
24x36 first print of standard GIS inquiry	7.00	7.00
34x44 first print of standard GIS inquiry	12.00	12.00
36x48 first print of standard GIS inquiry	14.00	14.00
8x11 or 8x14 copies after first print	0.11	0.11
11x17 copies after first print	0.20	0.20
24x36 copies after first print	0.94	0.94
34x44 copies after first print	1.76	1.76
36x48 copies after first print	2.03	2.03
Foam Core mounting per sq. foot	3.00	3.00
Data CD	30.00	30.00
Shipping for CD	5.00	5.00
Permit Decals for Septic Haulers	50.00	50.00