



AGENDA

Finance/Audit Committee Meeting

March 6, 2025

12:00 noon GUC Board Room

Call to Order and Ascertain Quorum

[Committee Chair Dillon Godley]

Safety Brief

[Tony Cannon]

Acceptance of the Agenda

[Committee Chair Dillon Godley]

1. Approval of Minutes

[Committee Chair Dillon Godley]

July 8, 2024

2. End-of-Year Projection/Draft Revenues and Expenditures Proposal for Upcoming Fiscal Year

[Tony Cannon]

3. Recommendation to Award Auditing Services Contract

[Jeff McCauley : Amanda Wall]

Adjournment



Agenda Item # 1

Meeting Date: March 6, 2025

Board Committee:	Finance/Audit Committee
Item:	Approval of Minutes
Contact:	Committee Chair Dillon Godley
Explanation:	Finance/Audit Committee Meeting: July 8, 2024
Strategic Plan Elements:	Strategic Themes: <ul style="list-style-type: none">• Exceptional Customer Service• Shaping Our Future Objectives: <ul style="list-style-type: none">• Exceeding customer expectations• Embracing change to ensure organizational alignment and efficiency Core Values: <ul style="list-style-type: none">• Exceed customers' expectations• Support the community• Deliver reliable services
Previous Board Actions:	N/A
Fiscal Note:	N/A
Recommended Action(s):	Approval of minutes as presented or amended

GREENVILLE UTILITIES COMMISSION
FINANCE/AUDIT COMMITTEE
GREENVILLE, NORTH CAROLINA
July 8, 2024

The Finance/Audit Committee of the Greenville Utilities Commission met on Monday, July 8, 2024, at 12 noon in the Board Room with the following members and others present.

Committee Members Present:

Lindsey Griffin, Committee Chair
Ferrell L. Blount III, Committee Vice-Chair
Dillon Godley, Commissioner

GUC Staff Present:

Tony Cannon, General Manager/CEO	Amy Wade
Chris Padgett	Robby Bright
Phil Dixon	Jonathan Britt
Jeff McCauley	Amanda Wall
Steve Hawley	Paige Wallace
Anthony Miller	Lou Norris
Durk Tyson	Freddie Martin

Others Present:

Peter Geiger, Commissioner
Mark Garner, Commissioner
Justin Fuller, Commissioner

Committee Chair Griffin called the meeting to order at 12:00 noon and Mr. Blount ascertained that a quorum was present.

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

Safety Brief

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

Mr. Cannon introduced GUC's new Commissioner, Justin Fuller.

APPROVAL OF MINUTES (Agenda Item 1)

A motion was made by Mr. Godley seconded by Mr. Blount, to approve the March 6, 2024, Finance/Audit Committee minutes as presented. The motion carried unanimously.

CONSIDERATION OF ADOPTION OF RESOLUTION REAUTHORIZING NEGOTIATION AND EXECUTION OF NATURAL GAS SUPPLY AGREEMENT WITH GULF STATES GAS DISTRICT (Agenda Item 2)

Mr. Anthony Miller, Director of Gas Systems, stated that the GUC Board of Commissioners adopted a Resolution on Thursday, June 10, 2021, authorizing the General Manager/CEO to Negotiate and Execute the Natural Gas Supply Agreement with Gulf States Gas District for a volume up to, but not to exceed, 3,000 dekatherms per day over 30 years. Mr. Miller introduced Mr. Freddie Martin, Natural Gas Supply Officer, to share information on pre-paid natural gas agreements.

Mr. Martin explained that to further diversify Greenville Utilities Commission's (GUC's) natural gas supply portfolio and reduce costs, staff has evaluated the option of GUC participating in a natural gas pre-payment (prepay) transaction with Gulf States Gas District (GSGD) and BP Energy Company (BPEC). A prepay is a transaction where a municipal utility can issue tax-exempt bonds to prepay for delivery of gas on a long-term basis to achieve an ongoing discount to the prevailing market price. Under the proposed agreement, GSGD will be the issuer of the bonds. In executing such an agreement, GUC would be a purchaser of gas from GSGD at a discount to prevailing market prices and would not have any liability associated with the bonds issued by GSGD.

GUC is currently in year 6 of a 30-year prepay with Black Belt Energy (BBE) and year 5 of a 30-year prepay with Public Energy Authority of Kentucky (PEAK). Delivery under the BBE prepay began on November 1, 2018 with projected savings of \$8,071,106 over the term of the agreement. Delivery under the PEAK prepay began on July 1, 2019 with projected savings of \$4,634,449 over the term of the agreement.

GUC has an opportunity to participate in a new 30-year natural gas pre-payment deal with GSGD. Closing of this agreement is targeted for July 31, 2024. To participate in the prepay, GUC will need approval to execute a gas supply contract with GSGD prior to July 31, 2024.

The key provisions of the proposed agreement are listed below:

- GUC enters the agreement to purchase volume up to, but not to exceed, 3,000 dekatherms per day for a term of 30 years.
- GUC receives a discount of \$0.30 or more per dekatherm from the applicable first-of-the-month gas index price.

- Remarketing provision - If demand drops GSGD will use commercially reasonable efforts to remarket the gas for an administrative charge of \$0.05 per dekatherm.
- Limited Liability Clause that keeps GUC from being obligated financially except as expressly described in contract.
- Compensation for failure to perform.
- Termination rights (bankruptcy, failure to issue bonds, etc.)

After discussion, a motion was made by Mr. Blount, seconded by Mr. Godley, to recommend to the Full Board to adopt a Resolution reauthorizing the General Manager/CEO to negotiate and execute the Natural Gas Supply Agreement with GSGD for a volume up to, but not to exceed, 3,000 dekatherms per day over 30 years. The motion carried unanimously.

ANNUAL REVIEW OF INVESTMENT POLICY (Agenda Item 3)

Mr. Jeff McCauley, Chief Financial Officer, expressed that GUC's investment policy receives a certificate of excellence award from the Association of Public Treasurers of the United States and Canada in May of 2024. The policy is certified every three years by the Association of Public Treasurers, and it must remain in conformance with 18 points of criteria outlined by the Association.

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

Mr. McCauley confirmed that staff does not recommend any changes to the existing policy at this time.

ADJOURNMENT

There being no further business to conduct, Committee Chair Griffin adjourned the meeting at 12:33 p.m.

Respectfully submitted,

Amy Wade, Executive Secretary



Agenda Item # 2

Meeting Date: March 6, 2025

**Board
Committee:**

Finance/Audit Committee

Item:

End-of-Year Projection/Draft Revenues and Expenditures Proposal for Upcoming Fiscal Year

Contact:

Tony Cannon

Explanation:

The Finance/Audit Committee will meet on March 6, 2025, with GUC staff to discuss the end-of-year financial projection and the preliminary revenues and expenditures proposal for FY 2025-26. Attached for your review are a memorandum and supplemental materials.

The presentation will focus on end-of-year performance for FY 2024-25, and the key elements of the proposed FY 2025-26 budget. These areas include current status, capital investment, five-year capital plans, rate models, and the long-term financial forecasts.

**Strategic Plan
Elements:**

Strategic Themes:

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

Objectives:

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

Core Values:

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

**Previous Board
Actions:**

N/A

Fiscal Note:

N/A


**Recommended
Action(s):**

Endorsement for the Board to move forward with appropriate actions related to the current end-of-year financial projection and preparation of the proposed preliminary FY 2025-26 budget as presented.

OFFICE OF THE
GENERAL MANAGER

MEMORANDUM

TO: GUC Board of Commissioners Finance/Audit Committee

FROM: Anthony C. Cannon, General Manager/CEO 

DATE: February 28, 2025

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

At the Board Finance/Audit Committee meeting on Thursday, March 6, 2025, staff will review the end-of-year financial projections for FY 2024-25 and the proposed budget for FY 2025-26. In preparation for the meeting, supplemental information is attached for your review, which highlights the items listed below:

- End-of-year Projections for FY 2024-25 (current year)
- Proposed FY 2025-26 Budget
- FY 2026-30 Financial Forecasts
- FY 2026-30 Capital Improvement Plan

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

The remainder of this memorandum provides a historical reference regarding the major influences and highlights of the current budget, status of GUC's FY 2024-25 financial projections, and proposed revenues and expenditures for FY 2025-26.

End-of-Year Projections

The current budget adopted for FY 2024-25 provided appropriations of \$16.6M in capital outlay improvements, more than \$95.2M in operations, and transfers of \$2.3M to the capital projects fund. The FY 2024-25 original budget was 2.6% more than the previous year's budget and provided funding for operating and capital infrastructure improvements while maintaining competitive rates.

Total adjustments of \$1.2M to the original budget are due to increases in Capital Outlay, Debt Service, and Transfers to Rate Stabilization and Capital Projects.

In reviewing the end-of-year projection, the financial viability of each fund is considered to ensure that GUC is positioned to meet its mission and future financial obligations. **Key**

Performance Indicators such as debt-service coverage ratios, fund balances, and days cash on hand are primary components of the review. These factors are also monitored by the NC Local Government Commission (LGC) and credit rating agencies in determining GUC's ability to borrow funds at a favorable interest rate.

GUC's current credit ratings are Aa1 with Moody's and AA- with Fitch. These high ratings enable GUC to borrow funds at lower interest rates, thereby lowering the cost of borrowing for necessary investments in infrastructure to maintain our systems.

- **End-of-Year Projection for Electric Fund After Transfers**
Revenues for the Electric Fund are projected to end the year less than budgeted. It is anticipated the Electric Fund will end the fiscal year with \$1.1M in fund equity, a debt-service coverage ratio of 3.23x, and a fund balance of 11.5%, or \$23.6M.
- **End-of-Year Projection for Water Fund After Transfers**
It is projected that the Water Fund will end the fiscal year with approximately \$171K in fund equity, a debt-service coverage ratio of 1.56x, and a fund balance of 21.8%, or \$6.0M.
- **End-of-Year Projection for Sewer Fund After Transfers**
It is projected that the Sewer Fund will end the fiscal year with approximately \$283K in fund equity, a debt-service coverage ratio of 1.51x, and a fund balance of 26.2%, or \$7.1M.
- **End-of-Year Projection for Gas Fund After Transfers**
It is projected that the Gas Fund will end the fiscal year with \$310K in fund equity, a debt-service coverage ratio of 5.97x, and a fund balance of 33.6%, or \$14.3M.
- **End-of-Year Projection for the Combined Enterprise Operation After Transfers**
The combined funds are expected to realize revenues of approximately \$303.4M, an increase of \$1.2M, or 0.4%, from the original budget. Expenditures, not including transfers, are projected to total approximately \$297.7M, a \$1.1M, or 0.4%, decrease from the original budget. The combined funds' revenues, after \$2.1M in net transfers, are projected to end the year \$1.9M higher than expenditures.

Proposed FY 2025-26 Budget

The proposed FY 2025-26 Budget was developed in alignment with the values and objectives outlined in our "Blueprint – GUC's Strategic Plan." At the core of everything we do is a focus on facilitating regional growth, safely providing reliable and innovative utility solutions, and providing exceptional customer service.

The Commission's budget maintains several key financial metrics including debt-service coverage ratios, fund balance (as defined by the NC Local Government Commission), and days cash on hand. These metrics are reviewed for each fund and at the enterprise level.

Maintaining these metrics at the fund level ensures the long-term sustainability of GUC to continue meeting its mission and future financial objectives.

Guiding all budgetary decisions is GUC's Strategic Plan, which emphasizes our commitment to provide exceptional service while maintaining a viable financial position. The Commission utilizes Key Performance Indicators at the corporate level on a consistent basis to monitor our effectiveness in implementing the objectives identified in the Strategic Plan. Therefore, GUC's budget goals are designed to achieve the following:

- Safely provide reliable utility solutions at the lowest reasonable cost
- Provide exceptional customer service in an environmentally responsible manner
- Position GUC to achieve greater efficiencies
- Continue to meet regulatory requirements
- Minimize rate increases
- Avoid future rate shock
- Maintain Key Performance Indicators for each fund
- Be operationally and financially prepared for emergency situations
- Be prepared for growth and expansion opportunities
- Preserve and/or improve bond ratings
- Support economic development in our community

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

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

Highlights of the FY 2025-26 proposed budget are listed below:

- Expenditures budgeted for FY 2025-26 have increased by 5.4%, or \$16.2M, when compared to the FY 2024-25 budget. Key points are:
 - \$2.9M increase in operations
 - \$325K increase in purchased power
 - \$3.1M increase in capital outlay
 - \$3.3M increase in purchased gas
 - \$5.3M increase in debt service
 - \$388K increase in City turnover
 - \$1.1M increase in transfers to capital projects
 - \$700K decrease in transfers to rate stabilization fund
- 3.9% rate increase for the Electric Fund, a 3.9% increase from last year's forecast

- 0.0% rate increase for the Water Fund, a 2.2% reduction from last year's forecast
- 6.5% rate increase for the Sewer Fund, equal to last year's forecast
- 4.9% rate increase for the Gas Fund, a 0.6% increase from last year's forecast
- Funding for a 4.0% employee merit/market adjustment
- Funding for 4.0% employer 401(k) contribution
- Continuation of a self-insured health insurance plan which includes a high deductible Health Savings Account option
- Continuation of self-insured dental insurance plan
- Funding to hire replacements prior to the retirement of key personnel to facilitate succession planning, leverage the knowledge and experience of long-term employees for training on critical issues and ensure smooth transitions
- Continuation of investment in the Greenville ENC Alliance to promote economic development in our region
- Transfer to Other Post-Employment Benefits (OPEB) of \$500K
- Transfer of \$150K to City's Energy Efficiency Partnership
- Investment of \$19.7M for capital outlay to maintain system reliability and comply with regulatory requirements
- Annual turnover or transfer of \$9.0M to the City of Greenville in accordance with the Charter issued by the North Carolina General Assembly

Summary

The FY 2025-26 proposed balanced budget reflects the dedicated efforts of our staff to manage costs effectively while maintaining a high level of service for GUC's customers. This budget not only ensures stability in the short term but also incorporates key initiatives that will position GUC for long-term sustainability. This budget supports GUC's vision to provide safe, innovative, and sustainable utility solutions that serve as the foundation of growth for the Greenville region. GUC is dedicated to enhancing the quality of life for those we serve by safely providing reliable utility solutions at the lowest reasonable cost, with exceptional customer service, in an environmentally responsible manner.

We look forward to meeting with the Board Finance/Audit Committee on Thursday and presenting a more in-depth review of GUC's FY 2024-25 end-of-year projections and the FY 2025-26 proposed balanced budget. If you have questions prior to the meeting, please do not hesitate to contact us.

Attachments



**ALL FUNDS
REVENUES & EXPENDITURES
DRAFT: 2/21/2025**

	FY 2024 Actuals	FY 2025 Original Budget	FY 2025 Year-End Projection	FY 2026 Working Budget	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
REVENUE:								
1 Rates & Charges	\$ 267,104,058	\$ 285,878,775	\$ 284,703,068	\$ 302,375,561	\$ 311,252,570	\$ 321,629,890	\$ 329,221,144	\$ 338,474,064
2 Fees & Charges	2,874,886	2,569,393	3,303,256	3,384,586	3,467,949	3,553,398	3,640,984	3,730,757
3 U. G. & Temp. Ser. Chgs.	711,959	672,014	607,863	623,059	638,636	654,600	670,967	687,739
4 Miscellaneous	6,649,085	4,932,598	4,968,223	8,448,012	4,869,084	4,990,105	5,114,150	5,241,301
5 Interest on Investments	2,876,395	1,393,634	3,055,754	3,118,577	3,196,541	3,276,454	3,358,366	3,442,326
6 FEMA/Insurance Reimbursement	47,783	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	-	780,630	826,678	-	667,813	-	384,200	-
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	5,900,000	6,000,000	6,000,000	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	500,000	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	\$ 286,164,166	\$ 302,227,044	\$ 303,464,842	\$ 318,449,795	\$ 324,092,593	\$ 334,104,447	\$ 342,389,811	\$ 351,576,187
EXPENDITURES:								
16 Operations	\$ 87,138,253	\$ 95,254,051	\$ 93,733,854	\$ 98,168,391	\$ 102,342,613	\$ 105,508,658	\$ 107,619,164	\$ 109,771,547
17 Purchased Commodities	148,405,079	161,459,695	159,993,835	165,135,515	163,838,953	166,816,389	169,531,509	174,842,011
18 Capital Outlay	16,066,993	16,608,922	17,151,312	19,772,800	18,713,712	19,275,123	19,853,378	20,448,977
19 Debt Service	15,268,246	16,333,917	17,650,405	21,709,296	21,891,242	24,525,215	24,940,069	27,135,409
20 City Turnover - General	7,204,587	7,564,107	7,564,107	7,930,933	8,106,216	8,268,348	8,433,708	8,602,392
21 Street Light Reimbursement	1,063,746	1,100,743	1,100,743	1,122,758	1,121,004	1,144,896	1,171,464	1,200,708
22 Transfer to OPEB Trust	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
23 Transfer to Rate Stabilization	1,650,000	900,000	1,250,000	200,000	250,000	125,000	300,000	100,000
24 Transfer to Capital Projects	6,450,000	2,350,000	2,600,000	3,495,024	4,662,345	4,830,593	5,508,750	5,482,044
25 Transfer to Designated Reserve	-	-	-	-	100,000	100,000	100,000	150,000
26 Operating Contingencies	-	155,609	-	-	-	-	-	-
27	\$ 283,746,904	\$ 302,227,044	\$ 301,544,256	\$ 318,034,717	\$ 321,526,085	\$ 331,094,222	\$ 337,958,042	\$ 348,233,088
28 Fund Equity / (Deficit)	\$ 2,417,262	\$ -	\$ 1,920,586	\$ 415,078	\$ 2,566,508	\$ 3,010,225	\$ 4,431,769	\$ 3,343,099



ALL FUNDS
REVENUES & EXPENDITURES
DRAFT: 2/21/2025

	FY 2024 Actuals	FY 2025 Original Budget	FY 2025 Year-End Projection	FY 2026 Working Budget	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast		
29	Projected All Debt Coverage Ratio		2.72	2.42	2.51	2.49	2.67	2.49	2.62	2.44
30	Projected Fund Balance		18.4%	16.8%	16.9%	15.5%	15.8%	15.9%	16.5%	16.7%
31	Projected Days Cash On Hand		123	114	117	113	115	117	120	121
32	Projected Equity/Capitalization		69%	64%	63%	64%	61%	62%	60%	62%
	Typical Residential Bills									
33	Electric	\$110.20	\$119.22	\$119.22	\$124.11	\$126.67	\$130.32	\$132.71	\$136.04	
34	Water	\$39.30	\$39.30	\$39.30	\$39.30	\$40.56	\$41.87	\$42.88	\$44.33	
35	Sewer	\$44.80	\$47.07	\$47.07	\$50.12	\$51.16	\$52.68	\$53.75	\$55.35	
36	Gas	\$105.31	\$105.31	\$105.31	\$110.52	\$115.12	\$119.25	\$122.89	\$127.32	
37	Total Monthly Bill	\$299.61	\$310.90	\$310.90	\$324.05	\$333.51	\$344.12	\$352.23	\$363.04	
	Increase on Monthly Bill									
38	Electric, Q4 to Q1	\$0.00	\$9.01	\$9.01	\$4.62	\$5.76	\$4.82	\$3.89	\$3.33	
39	Water	\$0.00	\$0.00	\$0.00	\$0.00	\$1.26	\$1.31	\$1.01	\$1.45	
40	Sewer	\$0.00	\$2.27	\$2.27	\$3.05	\$1.04	\$1.52	\$1.07	\$1.60	
41	Gas	\$0.00	\$0.00	\$0.00	\$5.21	\$4.60	\$4.13	\$3.64	\$4.43	
42	Total Increase on Monthly Bill	\$0.00	\$11.28	\$11.28	\$12.88	\$12.66	\$11.78	\$9.61	\$10.81	
43	Monthly Bill % Increase			3.8%	4.1%	3.9%	3.5%	2.8%	3.1%	



ELECTRIC FUND
REVENUES & EXPENDITURES
DRAFT: 2/21/2025

	FY 2024	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Actuals	Original Budget	Year-End Projection	Working Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:								
1 Rates & Charges	\$ 176,546,410	\$ 192,291,177	\$ 191,074,851	\$ 202,193,536	\$ 208,347,671	\$ 215,596,590	\$ 220,625,085	\$ 226,641,625
2 Fees & Charges	1,380,524	1,476,802	1,619,703	1,658,944	1,699,169	1,740,398	1,782,657	1,825,975
3 U. G. & Temp. Ser. Chgs.	665,540	642,099	501,135	513,663	526,505	539,666	553,160	566,987
4 Miscellaneous	4,952,501	4,458,472	4,616,351	8,163,795	4,577,760	4,691,499	4,808,080	4,927,579
5 Interest on Investments	1,669,860	839,892	1,721,678	1,759,454	1,803,440	1,848,526	1,894,739	1,942,107
6 FEMA/Insurance Reimbursement	47,783	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	-	295,380	445,360	-	486,563	-	75,000	-
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	5,900,000	6,000,000	6,000,000	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	\$ 191,162,618	\$ 206,003,822	\$ 205,979,078	\$ 214,289,392	\$ 217,441,108	\$ 224,416,679	\$ 229,738,721	\$ 235,904,273
EXPENDITURES:								
16 Operations	\$ 36,873,524	\$ 40,486,575	\$ 39,086,261	\$ 41,112,353	\$ 42,843,455	\$ 44,169,210	\$ 45,052,735	\$ 45,953,789
17 Purchased Power	129,068,651	140,868,151	139,893,835	141,193,328	139,417,923	141,906,939	144,123,869	148,926,276
18 Capital Outlay	11,684,592	12,236,818	12,294,274	13,170,424	13,097,241	13,490,158	13,894,863	14,311,709
19 Debt Service	5,000,158	5,520,685	6,685,850	8,842,497	9,262,714	11,195,338	11,343,613	12,101,463
20 City Turnover - General	5,285,203	5,488,749	5,488,749	5,710,863	5,839,860	5,956,668	6,075,792	6,197,316
21 Street Light Reimbursement	1,063,746	1,100,743	1,100,743	1,122,758	1,121,004	1,144,896	1,171,464	1,200,708
22 Transfer to OPEB Trust	275,000	275,000	275,000	275,000	275,000	275,000	275,000	275,000
23 Transfer to Rate Stabilization	-	-	-	-	-	-	-	-
24 Transfer to Capital Projects	1,600,000	-	-	2,746,840	3,412,074	3,553,220	3,705,319	3,927,551
25 Transfer to Designated Reserve	-	-	-	-	-	-	-	-
26 Operating Contingencies	-	27,101	-	-	-	-	-	-
27	\$ 190,850,874	\$ 206,003,822	\$ 204,824,712	\$ 214,174,063	\$ 215,269,271	\$ 221,691,429	\$ 225,642,655	\$ 232,893,812
28 Fund Equity / (Deficit)	\$ 311,744	\$ -	\$ 1,154,366	\$ 115,329	\$ 2,171,837	\$ 2,725,250	\$ 4,096,066	\$ 3,010,461
29 Projected All Debt Coverage Ratio	3.45	3.37	3.23	3.57	3.92	3.39	3.56	3.36
30 Projected Fund Balance	12.7%	13.0%	11.5%	10.3%	11.0%	11.5%	12.7%	13.4%
31 Projected Days Cash On Hand	99	100	95	93	97	101	107	110
32 Projected Equity/Capitalization	68%	60%	59%	60%	54%	56%	57%	59%



ELECTRIC FUND
REVENUES & EXPENDITURES
DRAFT: 2/21/2025

	FY 2024 Actuals	FY 2025 Original Budget	FY 2025 Year-End Projection	FY 2026 Working Budget	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
33 Annualized Residential Bill @ 1,000 kWh *	\$110.20	\$119.22	\$119.22	\$124.11	\$126.67	\$130.32	\$132.71	\$136.04
34 Annualized Residential Bill Increase (\$)	0	\$9.01	\$9.01	\$4.89	\$2.56	\$3.65	\$2.39	\$3.33
35 Annualized Residential Bill Increase (%)	0	8.2%	8.2%	4.1%	2.1%	2.9%	1.8%	2.5%
36 Last Year's Annualized Forecast (%)				-0.2%	-1.5%	2.2%	2.6%	
37 Typical Residential Bill Increase, Q4 to Q1	0	\$0.00	\$0.00	\$4.62	\$5.76	\$4.82	\$3.89	\$3.33
38 Typical Residential Bill % Increase *	0	0.0%	0.0%	3.9%	4.7%	3.8%	3.0%	2.5%
39 Last Year's Forecast Q4:Q1 (%)				0.0%	2.6%	2.8%	2.6%	
40 Q1 (Jul - Sep)	\$109.31	\$0.00	\$117.21	\$124.51	\$128.68	\$130.82	\$132.71	\$136.04
41 Rider No. 1 Impact (\$)								
42 Rider No. 1 Impact (%)								
43 PPA Impact (\$)				\$2.62	\$1.71	\$1.90	\$2.53	\$2.61
44 PPA Impact (%)				2.1%	1.3%	1.5%	1.9%	1.9%
45 Base Rate Impact (\$)			\$4.31	\$2.00	\$4.05	\$2.92	\$1.36	\$0.72
46 Base Rate Impact (%)			3.7%	1.6%	3.1%	2.2%	1.0%	0.5%
47 Q2 (Oct - Dec)	\$109.31	\$0.00	\$119.89	\$124.51	\$126.00	\$130.82	\$132.71	\$136.04
48 Rider No. 1 Impact (\$)			\$2.68		-\$2.68			
49 Rider No. 1 Impact (%)			2.2%		-2.1%			
50 PPA Impact (\$)								
51 PPA Impact (%)								
52 Base Rate Impact (\$)								
53 Base Rate Impact (%)								
54 Q3 (Jan - Mar)	\$109.31	\$0.00	\$119.89	\$124.51	\$126.00	\$130.82	\$132.71	\$136.04
55 Rider No. 1 Impact (\$)								
56 Rider No. 1 Impact (%)								
57 PPA Impact (\$)								
58 PPA Impact (%)								
59 Base Rate Impact (\$)								
60 Base Rate Impact (%)								
61 Q4 (Apr - Jun)	\$112.90	\$0.00	\$119.89	\$122.92	\$126.00	\$128.82	\$132.71	\$136.04
62 Rider No. 1 Impact (\$)	\$3.59			-\$1.59		-\$2.00		
63 Rider No. 1 Impact (%)	3.2%			-1.3%		-1.6%		
64 PPA Impact (\$)								
65 PPA Impact (%)								
66 Base Rate Impact (\$)								
67 Base Rate Impact (%)								
68 RSF Balance \$	14,109,900 \$	6,620,252 \$	8,542,658 \$	8,804,666 \$	9,074,710 \$	9,353,037 \$	9,639,900 \$	9,935,561



WATER FUND
REVENUES & EXPENDITURES
DRAFT: 2/21/2025

	FY 2024 Actuals	FY 2025 Original Budget	FY 2025 Year-End Projection	FY 2026 Working Budget	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
REVENUE:								
1 Rates & Charges	\$ 26,113,115	\$ 26,433,136	\$ 26,250,027	\$ 26,558,423	\$ 27,483,639	\$ 28,454,054	\$ 29,261,793	\$ 30,261,897
2 Fees & Charges	731,004	473,408	852,858	874,181	896,034	918,435	941,396	964,930
3 U. G. & Temp. Ser. Chgs.	46,419	29,915	106,728	109,396	112,131	114,934	117,807	120,752
4 Miscellaneous	523,667	220,696	106,756	100,923	103,448	106,033	108,684	111,402
5 Interest on Investments	325,646	151,270	353,908	358,305	367,262	376,443	385,855	395,502
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	-	58,725	5,242	-	91,250	-	156,250	-
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	-	-	-	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	\$ 27,739,851	\$ 27,367,150	\$ 27,675,519	\$ 28,001,228	\$ 29,053,764	\$ 29,969,899	\$ 30,971,785	\$ 31,854,483
EXPENDITURES:								
16 Operations	\$ 19,025,849	\$ 19,999,308	\$ 20,299,188	\$ 20,662,392	\$ 21,543,917	\$ 22,209,610	\$ 22,653,869	\$ 23,106,947
17 Capital Outlay	1,490,909	1,631,979	1,730,645	2,035,000	1,916,400	1,973,892	2,033,109	2,094,102
18 Debt Service	4,464,307	4,639,167	4,648,995	4,737,040	4,712,706	5,125,781	5,261,066	5,995,178
19 Transfer to OPEB Trust	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
20 Transfer to Rate Stabilization	-	-	-	-	-	-	-	-
21 Transfer to Capital Projects	2,000,000	950,000	750,000	450,000	650,000	525,000	850,000	500,000
22 Transfer to Designated Reserve	-	-	-	-	-	-	-	-
23 Operating Contingencies	-	71,696	-	-	-	-	-	-
24	\$ 27,056,065	\$ 27,367,150	\$ 27,503,828	\$ 27,959,432	\$ 28,898,023	\$ 29,909,283	\$ 30,873,044	\$ 31,771,227
25 Fund Equity / (Deficit)	\$ 683,786	\$ -	\$ 171,691	\$ 41,796	\$ 155,741	\$ 60,616	\$ 98,741	\$ 83,256
26 Projected All Debt Coverage Ratio	3.81	1.56	1.56	1.53	1.58	1.49	1.58	1.44
27 Projected Fund Balance	21.8%	18.7%	21.8%	21.6%	21.0%	20.3%	19.7%	19.1%
28 Projected Days Cash On Hand	161	138	155	153	149	146	145	143
29 Projected Equity/Capitalization	61%	60%	62%	63%	61%	62%	58%	59%
30 3/4 " Residential @ 6,000 gallons	\$39.30	\$39.30	\$39.30	\$39.30	\$40.56	\$41.87	\$42.88	\$44.33
31 Typical Residential Bill Increase	\$0.00	\$0.00	\$0.00	\$0.00	\$1.26	\$1.31	\$1.01	\$1.45
32 Typical Residential Bill % Increase	0.0%	0.0%	0.0%	0.0%	3.2%	3.2%	2.4%	3.4%
33 Last Year's Forecast (%)				2.2%	1.9%	3.0%	1.6%	



**SEWER FUND
REVENUES & EXPENDITURES
DRAFT: 2/21/2025**

	FY 2024 Actuals	FY 2025 Original Budget	FY 2025 Year-End Projection	FY 2026 Working Budget	FY 2027 Forecast	FY 2028 Forecast	FY 2029 Forecast	FY 2030 Forecast
REVENUE:								
1 Rates & Charges	\$ 24,042,680	\$ 25,806,395	\$ 25,773,690	\$ 27,592,496	\$ 28,268,299	\$ 29,243,614	\$ 29,951,315	\$ 30,933,195
2 Fees & Charges	609,698	443,161	705,768	723,412	741,497	760,034	779,036	798,511
3 U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-
4 Miscellaneous	554,926	139,037	119,951	117,670	120,613	123,627	126,718	129,885
5 Interest on Investments	309,919	145,578	348,733	355,706	364,599	373,714	383,057	392,634
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	-	210,975	198,992	-	40,000	-	68,750	-
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	-	-	-	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	500,000	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	\$ 25,517,223	\$ 26,745,146	\$ 27,147,134	\$ 29,289,284	\$ 29,535,008	\$ 30,500,989	\$ 31,308,876	\$ 32,254,225
EXPENDITURES:								
16 Operations	\$ 17,996,955	\$ 20,082,187	\$ 19,857,722	\$ 20,802,123	\$ 21,688,141	\$ 22,357,428	\$ 22,804,642	\$ 23,260,734
17 Capital Outlay	1,158,576	1,268,582	1,498,573	2,415,506	1,762,126	1,814,990	1,869,440	1,925,523
18 Debt Service	4,591,342	4,779,511	4,831,929	5,763,278	5,495,014	5,635,565	5,674,598	5,954,281
19 Transfer to OPEB Trust	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
20 Transfer to Rate Stabilization	-	-	-	-	-	-	-	-
21 Transfer to Capital Projects	1,200,000	500,000	600,000	-	300,000	450,000	650,000	750,000
22 Transfer to Designated Reserve	-	-	-	-	100,000	100,000	100,000	150,000
23 Operating Contingencies	-	39,866	-	-	-	-	-	-
24	\$ 25,021,873	\$ 26,745,146	\$ 26,863,224	\$ 29,055,907	\$ 29,420,281	\$ 30,432,983	\$ 31,173,680	\$ 32,115,538
25 Fund Equity / (Deficit)	\$ 495,350	\$ -	\$ 283,910	\$ 233,377	\$ 114,727	\$ 68,006	\$ 135,196	\$ 138,687
26 Projected All Debt Coverage Ratio	1.56	1.39	1.51	1.37	1.42	1.43	1.49	1.50
27 Projected Fund Balance	27.8%	23.0%	26.2%	24.7%	24.7%	23.9%	23.6%	23.1%
28 Projected Days Cash On Hand	173	140	163	160	155	152	151	150
29 Projected Equity/Capitalization	75%	69%	69%	70%	69%	70%	69%	70%
30 3/4 " Residential @ 5,610 gallons	\$44.80	\$47.07	\$47.07	\$50.12	\$51.16	\$52.68	\$53.75	\$55.35
31 Typical Residential Bill Increase	\$0.00	\$2.27	\$2.27	\$3.05	\$1.04	\$1.52	\$1.07	\$1.60
32 Typical Residential Bill % Increase	0.0%	5.1%	5.1%	6.5%	2.1%	3.0%	2.0%	3.0%
33 Last Year's Forecast (%)				6.5%	2.0%	3.0%	2.0%	



GAS FUND
REVENUES & EXPENDITURES
DRAFT: 2/21/2025

	FY 2024	FY 2025	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Actuals	Original Budget	Year-End Projection	Working Budget	Forecast	Forecast	Forecast	Forecast
REVENUE:								
1 Rates & Charges	\$ 40,401,853	\$ 41,348,067	\$ 41,604,500	\$ 46,031,106	\$ 47,152,961	\$ 48,335,632	\$ 49,382,951	\$ 50,637,347
2 Fees & Charges	153,660	176,022	124,927	128,049	131,249	134,531	137,895	141,341
3 U. G. & Temp. Ser. Chgs.	-	-	-	-	-	-	-	-
4 Miscellaneous	617,991	114,393	125,165	65,624	67,263	68,946	70,668	72,435
5 Interest on Investments	570,970	256,894	631,435	645,112	661,240	677,771	694,715	712,083
6 FEMA/Insurance Reimbursement	-	-	-	-	-	-	-	-
7 Contributed Capital	-	-	-	-	-	-	-	-
8 Bond Proceeds	-	215,550	177,084	-	50,000	-	84,200	-
9 Installment Purchases	-	-	-	-	-	-	-	-
10 Transfer from Cap Projects	-	-	-	-	-	-	-	-
11 Transfer from Rate Stabilization	-	-	-	-	-	-	-	-
12 Transfer from Capital Reserves	-	-	-	-	-	-	-	-
13 Transfer from Designated Reserve	-	-	-	-	-	-	-	-
14 Appropriated Fund Balance	-	-	-	-	-	-	-	-
15	\$ 41,744,474	\$ 42,110,926	\$ 42,663,111	\$ 46,869,891	\$ 48,062,713	\$ 49,216,880	\$ 50,370,429	\$ 51,563,206
EXPENDITURES:								
16 Operations	\$ 13,241,925	\$ 14,685,981	\$ 14,490,683	\$ 15,591,523	\$ 16,267,100	\$ 16,772,410	\$ 17,107,918	\$ 17,450,077
17 Purchased Gas	19,336,428	20,591,544	20,100,000	23,942,187	24,421,030	24,909,450	25,407,640	25,915,735
18 Capital Outlay	1,732,916	1,471,543	1,627,820	2,151,870	1,937,945	1,996,083	2,055,966	2,117,643
19 Debt Service	1,212,439	1,394,554	1,483,631	2,366,481	2,420,808	2,568,531	2,660,792	3,084,487
20 City Turnover - General	1,919,384	2,075,358	2,075,358	2,220,070	2,266,356	2,311,680	2,357,916	2,405,076
21 Transfer to OPEB Trust	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
22 Transfer to Rate Stabilization	1,650,000	900,000	1,250,000	200,000	250,000	125,000	300,000	100,000
23 Transfer to Capital Projects	1,650,000	900,000	1,250,000	298,184	300,271	302,373	303,431	304,493
24 Transfer to Designated Reserve	-	-	-	-	-	-	-	-
25 Operating Contingencies	-	16,946	-	-	-	-	-	-
26	\$ 40,818,092	\$ 42,110,926	\$ 42,352,492	\$ 46,845,315	\$ 47,938,510	\$ 49,060,527	\$ 50,268,663	\$ 51,452,511
27 Fund Equity / (Deficit)	\$ 926,382	\$ -	\$ 310,619	\$ 24,576	\$ 124,203	\$ 156,353	\$ 101,766	\$ 110,695
28 Projected All Debt Coverage Ratio	7.19	5.50	5.97	3.06	3.05	2.90	2.98	2.63
29 Projected Fund Balance	35.3%	30.3%	33.6%	29.9%	29.0%	28.1%	27.3%	26.5%
30 Projected Days Cash On Hand	194	157	183	160	156	152	149	146
31 Projected Equity/Capitalization	77%	68%	66%	67%	65%	65%	62%	63%
32 Typical Residential @ 66 CCF*	\$105.31	\$105.31	\$105.31	\$110.52	\$115.12	\$119.25	\$122.89	\$127.32
33 Typical Residential Bill Increase	\$0.00	\$0.00	\$0.00	\$5.21	\$4.60	\$4.13	\$3.64	\$4.43
34 Typical Residential Bill % Increase	0.0%	0.0%	0.0%	4.9%	4.2%	3.6%	3.1%	3.6%
<i>*Calculated with February 2025 PGA</i>								
35 Last Year's Forecast (%)				4.3%	2.7%	2.6%	2.1%	
36 RSF Balance	\$ 6,636,372	\$ 7,627,183	\$ 8,132,375	\$ 8,633,834	\$ 9,203,881	\$ 9,670,060	\$ 10,328,519	\$ 10,811,386

CAPITAL SPENDING PLAN

ELECTRIC

CAPITAL PROJECTS		2026	2027	2028	2029	2030	5-Year Spending
1	Distribution Substation Transformer Replacement(s)	\$2,000,000	\$2,000,000	\$2,000,000			\$6,000,000
2	ECP10168 - POD #3 to Simpson Substation 1	\$5,000,000	\$5,092,807				\$10,092,807
3	Hollywood Substation- 115 kV Conversion			\$3,000,000			\$3,000,000
4	ECP10248 - POD Transformer Replacement		\$4,250,000				\$4,250,000
5	ECP10265 - Radial Substation Conversion	\$300,000	\$400,000				\$700,000
6	ECP10264 - 10 MW Peak Shaving Generator	\$6,651,980	\$6,687,500				\$13,339,480
7	ECP10276 - Boviet Peaking Generators		\$4,300,000				\$4,300,000
8	ECP10277 - Boviet Phase II Substation	\$6,000,000	\$6,000,000				\$12,000,000
9	Wellcome 3rd Transformer Addition		\$3,000,000				\$3,000,000
10	Eastside to Simpson: 115 kV Transmission Re-Conductor				\$5,200,000		\$5,200,000
TOTAL CAPITAL PROJECTS		\$19,951,980	\$31,730,307	\$5,000,000	\$5,200,000		\$61,882,287
CAPITAL OUTLAY		\$11,449,424	\$11,907,401	\$12,264,623	\$12,632,562	\$13,011,538	\$61,265,548
TOTAL CAPITAL		\$31,401,404	\$43,637,708	\$17,264,623	\$17,832,562	\$13,011,538	\$123,147,835

CAPITAL SPENDING PLAN

ELECTRIC

FUNDING SOURCE		2026	2027	2028	2029	2030	5-Year Spending
	<i>Pay Go</i>	\$11,449,424	\$11,907,401	\$12,264,623	\$12,632,562	\$13,011,538	\$61,265,548
	<i>Transfers</i>						
	<i>Fund Balance</i>						
	<i>Revenue Bonds</i>	\$15,951,980	\$31,730,307	\$5,000,000	\$5,200,000		\$57,882,287
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>	\$4,000,000					\$4,000,000
TOTAL		\$31,401,404	\$43,637,708	\$17,264,623	\$17,832,562	\$13,011,538	\$123,147,835

% Paid Pay Go/Operating Transfers	36.46%	27.29%	71.04%	70.84%	100.00%	49.75%
% Paid from Bonds and Loans	50.80%	72.71%	28.96%	29.16%		47.00%
% Paid from Grants	12.74%					3.25%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING PLAN

WATER

CAPITAL PROJECTS		2026	2027	2028	2029	2030	5-Year Spending
1	WCP10030 - Water Distribution System Improvements	\$1,500,000	\$8,000,000	\$8,000,000	\$6,750,000		\$24,250,000
2	WCP10033 - WTP River Bank Stabilization	\$155,868					\$155,868
3	WCP10036 - Elm Street Water Main Relocation		\$575,000				\$575,000
4	WCP10039 - Water Main Rehab Phase III	\$3,000,000	\$1,000,000				\$4,000,000
5	WCP10040 - WTP Lab Upgrades	\$1,426,200					\$1,426,200
6	WTR: NCDOT Evans St	\$125,000					\$125,000
7	WCP10049 - WTP Lagoon and Impoundment Improvements	\$750,000	\$250,000				\$1,000,000
8	WCP10044 - Wtr COG BUILD Grant 5th St	\$2,650,000					\$2,650,000
9	WCP10047 - Wtr NCDOT Corey & Worthington	\$145,000					\$145,000
10	WCP10043 - Whitehurst Station Water Main Extension	\$800,000					\$800,000
11	WCP-124 - Residual Lagoon Improvements	\$163,454					\$163,454
12	WTP Filter Improvements	\$1,500,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,500,000
13	NCDOT Dickinson Avenue Water Imp.	\$250,000					\$250,000
TOTAL CAPITAL PROJECTS		\$12,465,522	\$10,825,000	\$9,000,000	\$7,750,000	\$1,000,000	\$41,040,522

CAPITAL SPENDING PLAN

WATER

CAPITAL OUTLAY	\$1,371,000	\$1,425,840	\$1,468,615	\$1,512,674	\$1,558,054	\$7,336,183
TOTAL CAPITAL	\$13,836,522	\$12,250,840	\$10,468,615	\$9,262,674	\$2,558,054	\$48,376,705

FUNDING SOURCE		2026	2027	2028	2029	2030	5-Year Spending
	<i>Pay Go</i>	\$1,371,000	\$1,425,840	\$1,468,615	\$1,512,674	\$1,558,054	\$7,336,183
	<i>Transfers</i>						
	<i>System Development Fees</i>	\$163,454	\$2,000,000				\$2,163,454
	<i>Fund Balance</i>	\$3,471,200	\$2,925,000		\$400,000	\$1,000,000	\$7,796,200
	<i>Revenue Bonds</i>	\$5,175,000	\$4,500,000	\$9,000,000	\$7,350,000		\$26,025,000
	<i>SRF/Installment Loans</i>						
	<i>Grants/Contributions</i>	\$3,655,868	\$1,400,000				\$5,055,868
TOTAL		\$13,836,522	\$12,250,840	\$10,468,615	\$9,262,674	\$2,558,054	\$48,376,705

% Paid Pay Go/Operating Transfers	36.18%	51.84%	14.03%	20.65%	100.00%	35.75%
% Paid from Bonds and Loans	37.40%	36.73%	85.97%	79.35%		53.80%
% Paid from Grants	26.42%	11.43%				10.45%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING PLAN

WASTEWATER

CAPITAL PROJECTS		2026	2027	2028	2029	2030	5-Year Spending
1	SCP10238 - WWTP Clarifier Replacement Project	\$6,550,000					\$6,550,000
2	SCP10241 - Bethel Wastewater System Improvements	\$1,191,557					\$1,191,557
3	SCP10243 - Elm Street Sewer Pipeline Relocations		\$550,000				\$550,000
4	SCP10244 - Sewer System Extensions Phase	\$950,000	\$950,000	\$961,650			\$2,861,650
5	SCP10235 - Duplex Pump Station Improve	\$257,159					\$257,159
6	SWR: NCDOT Evans St	\$50,000		\$2,500,000			\$2,550,000
7	Sewer Outfall Rehabilitation Phase 5		\$2,500,000				\$2,500,000
8	SCP10249 - Swr COG BUILD Grant 5th Street	\$1,750,000					\$1,750,000
9	SCP10253 - Swr NCDOT Corey & Worthington	\$145,000					\$145,000
10	Northside Collection System Improvements			\$500,000	\$1,000,000	\$2,000,000	\$3,500,000
11	Corey Road Outfall		\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$7,500,000
12	Southside PS Generator			\$2,000,000			\$2,000,000
13	Reedy Branch Outfall				\$2,000,000	\$2,000,000	\$4,000,000

CAPITAL SPENDING PLAN

WASTEWATER

TOTAL CAPITAL PROJECTS	\$10,893,716	\$5,500,000	\$7,961,650	\$5,000,000	\$6,000,000	\$35,355,366
CAPITAL OUTLAY	\$1,330,506	\$1,383,726	\$1,425,238	\$1,467,995	\$1,512,035	\$7,119,500
TOTAL CAPITAL	\$12,224,222	\$6,883,726	\$9,386,888	\$6,467,995	\$7,512,035	\$42,474,866

FUNDING SOURCE		2026	2027	2028	2029	2030	5-Year Spending
	<i>Pay Go</i>	\$1,330,506	\$1,383,726	\$1,425,238	\$1,467,995	\$1,512,035	\$7,119,500
	<i>Transfers</i>						
	<i>Acreage/Capacity/System Development Fees</i>	\$250,000					\$250,000
	<i>Fund Balance</i>	\$1,893,716	\$700,000	\$961,650			\$3,555,366
	<i>Revenue Bonds</i>	\$8,750,000	\$4,800,000	\$7,000,000	\$5,000,000	\$6,000,000	\$31,550,000
	<i>SRF/Installment Loans</i>						
	<i>Grants or Contributions</i>						
TOTAL		\$12,224,222	\$6,883,726	\$9,386,888	\$6,467,995	\$7,512,035	\$42,474,866

% Paid Pay Go/Operating Transfers	28.42%	30.27%	25.43%	22.70%	20.13%	25.72%
% Paid from Bonds and Loans	71.58%	69.73%	74.57%	77.30%	79.87%	74.28%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING PLAN

GAS

CAPITAL PROJECTS		2026	2027	2028	2029	2030	5-Year Spending
1	GCP10108 - Allen Rd Widening (NCDOT U-58	\$400,000	\$400,000				\$800,000
2	GCP10113 - Evans St Widening (NCDOT U-28		\$3,266,667	\$2,766,667	\$2,266,667		\$8,300,000
3	GCP10114 - 14th St Widening (NCDOT U-591	\$188,042	\$355,000	\$355,000			\$898,042
4	GCP-92 - LNG Expansion Project	\$4,082,752					\$4,082,752
5	LNG Expansion Project Phase II					\$6,400,000	\$6,400,000
6	GCP10099 - High-Pressure Multiple Gas Facilities Relocation Project	\$150,000					\$150,000
7	GCP10101 - Firetower Rd Widening (NCDOT	\$119,199	\$400,000	\$400,000	\$380,801		\$1,300,000
8	GCP10123 - Integrity Management Replacement Project Phase II	\$1,200,000	\$1,000,000	\$1,000,000			\$3,200,000
9	Mobley's Bridge Rd Interconnect				\$700,000		\$700,000
10	Integrity Management Replacement Project Phase III	\$700,000					\$700,000
11	NC102 Interconnect					\$320,000	\$320,000
TOTAL CAPITAL PROJECTS		\$6,839,993	\$5,421,667	\$4,521,667	\$3,347,468	\$6,720,000	\$26,850,794
CAPITAL OUTLAY		\$1,324,370	\$1,377,345	\$1,418,665	\$1,461,225	\$1,505,062	\$7,086,667
TOTAL CAPITAL		\$8,164,363	\$6,799,012	\$5,940,332	\$4,808,693	\$8,225,062	\$33,937,461

CAPITAL SPENDING PLAN

GAS

FUNDING SOURCE		2026	2027	2028	2029	2030	5-Year Spending
	<i>Pay Go</i>	\$1,324,370	\$1,377,345	\$1,418,665	\$1,461,225	\$1,505,062	\$7,086,667
	<i>Transfers</i>						
	<i>Fund Balance</i>	\$1,250,000	\$400,000	\$17,350			\$1,667,350
	<i>Revenue Bonds</i>	\$4,389,993	\$4,021,667	\$3,521,667	\$3,347,468	\$6,720,000	\$22,000,795
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>	\$1,200,000	\$1,000,000	\$982,650			\$3,182,650
TOTAL		\$8,164,363	\$6,799,012	\$5,940,332	\$4,808,693	\$8,225,062	\$33,937,462

% Paid Pay Go/Operating Transfers	31.53%	26.14%	24.17%	30.39%	18.30%	25.79%
% Paid from Bonds and Loans	53.77%	59.15%	59.28%	69.61%	81.70%	64.83%
% Paid from Grants	14.70%	14.71%	16.54%			9.38%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

CAPITAL SPENDING PLAN

FACILITIES & OTHER SUPPORT GROUPS

CAPITAL PROJECTS		2026	2027	2028	2029	2030	5-Year Spending
1	FCP10245 - Admin HVAC Upgrades	\$1,800,000	\$300,000				\$2,100,000
2	Operations Renovations	\$1,500,000	\$500,000				\$2,000,000
TOTAL CAPITAL PROJECTS		\$3,300,000	\$800,000				\$4,100,000
CAPITAL OUTLAY		\$4,297,500	\$2,619,400	\$2,697,982	\$2,778,921	\$2,862,288	\$15,256,091
TOTAL CAPITAL		\$7,597,500	\$3,419,400	\$2,697,982	\$2,778,921	\$2,862,288	\$19,356,091

FUNDING SOURCE		2026	2027	2028	2029	2030	5-Year Spending
	<i>Pay Go</i>	\$4,297,500	\$2,619,400	\$2,697,982	\$2,778,921	\$2,862,288	\$15,256,091
	<i>Transfers</i>						
	<i>Fund Balance</i>	\$3,200,000	\$500,000				\$3,700,000
	<i>Revenue Bonds</i>	\$100,000	\$300,000				\$400,000
	<i>SRF/Installment Loans</i>						
	<i>Grants</i>						
TOTAL		\$7,597,500	\$3,419,400	\$2,697,982	\$2,778,921	\$2,862,288	\$19,356,091

% Paid Pay Go/Operating Transfers	98.68%	91.23%	100.00%	100.00%	100.00%	97.93%
% Paid from Bonds and Loans	1.32%	8.77%				2.07%
% Paid from Grants						
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Capital Improvements Funding Plan

GUC TOTAL	2026	2027	2028	2029	2030	5-Year Total
Capital Projects	\$53,451,211	\$54,276,974	\$26,483,317	\$21,297,468	\$13,720,000	\$169,228,970
Capital Outlays	19,772,800	18,713,712	19,275,123	19,853,377	20,448,977	98,063,989
	<u>\$73,224,011</u>	<u>\$72,990,686</u>	<u>\$45,758,440</u>	<u>\$41,150,845</u>	<u>\$34,168,977</u>	<u>\$267,292,959</u>
Funding - Debt Financing						
Revenue Bonds	\$34,366,973	\$45,351,974	\$24,521,667	\$20,897,468	\$12,720,000	\$137,858,082
SRF/Installment Loans	-	-	-	-	-	-
	<u>\$34,366,973</u>	<u>\$45,351,974</u>	<u>\$24,521,667</u>	<u>\$20,897,468</u>	<u>\$12,720,000</u>	<u>\$137,858,082</u>
% to Total Capital	46.9%	62.1%	53.6%	50.8%	37.2%	51.6%
Funding - Cash						
Pay Go	\$19,772,800	\$18,713,712	\$19,275,123	\$19,853,377	\$20,448,977	\$98,063,989
Capital Project Transfer	-	-	-	-	-	-
Acreage & Capacity Fees	413,454	2,000,000	-	-	-	2,413,454
Fund Balance	9,814,916	4,525,000	979,000	400,000	1,000,000	16,718,916
Grants and Contributions	8,855,868	2,400,000	982,650	-	-	12,238,518
	<u>\$38,857,038</u>	<u>\$27,638,712</u>	<u>\$21,236,773</u>	<u>\$20,253,377</u>	<u>\$21,448,977</u>	<u>\$129,434,877</u>
% to Total Capital	53.1%	37.9%	46.4%	49.2%	62.8%	48.4%
Total Funding	<u>\$73,224,011</u>	<u>\$72,990,686</u>	<u>\$45,758,440</u>	<u>\$41,150,845</u>	<u>\$34,168,977</u>	<u>\$267,292,959</u>



Agenda Item # 3

Meeting Date: March 6, 2025

**Board
Committee:**

Finance/Audit Committee

Item:

Recommendation to Award Auditing Services Contract

Contact:

Jeff McCauley : Amanda Wall

Explanation:

In accordance with the Commission's charter, a single auditing firm must be used to perform the City's and the Commission's financial statement audits. Costs associated with the audits are based on the number of hours expended for each organization's audit engagement.

In 2024, an RFP for auditing services was issued requesting proposals for a five-year engagement. The City and Commission staff recommended Cherry Bekaert, LLP for another five-year term, subject to approval of a contract on an annual basis.

**Strategic Plan
Elements:**

Strategic Themes:

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

Objectives:

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

Core Values:

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

**Previous Board
Actions:**

March 2024 – Received as information and recommended that the Board execute contract with Cherry Bekaert, LLP for auditing services.

Fiscal Note:

Cherry Bekaert			
Fiscal Year	Greenville Utilities Fee	Estimated Hourly Rate	Estimated No. of Hours
2025	\$ 62,840	\$ 220	285
2026	\$ 66,840	\$ 235	285
2027	\$ 70,835	\$ 249	285
2028	\$ 74,835	\$ 263	285
Total	\$ 334,765	\$ 235	1,425

**Fiscal year 2024 auditing services fee was \$59,415*

**Recommended
Action(s):**

It is recommended by the Finance/Audit Committee that the Board proceed with executing the fiscal year 2025 auditing services contract with Cherry Bekaert, LLP.