



PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MAY 24, 2017
8:30 A.M.

AGENDA

I. REGULAR BUSINESS

- A. Call to order.
- B. Approval of Agenda.

II. CONSENT ITEMS *(See Tab 1)*

- A. Approve Minutes of meeting of May 10, 2017
- B. Approve RSM Audit Engagement Letter and the Contract to begin 2017 Audit of Accounts.
- C. Approval of Loan from Electric Fund to Water/Wastewater Fund
- D. Approval of Budget Ordinance PWC2017-05 – Electric and Water/Wastewater Budget Amendment - (FY2016-2017)

Electric and Water/Wastewater FY2017 amendment #5 decreasing the Electric Fund budget \$3.8 million to \$248.4 million and increasing the W/WW Fund budget \$34,000 to \$102.2 million

- E. Approval of the following Budget Ordinances PWC2017-06 thru PWC2017-17

Subject to approval by the Commission the following ordinance amendments will be effective May 24, 2017:

- PWCORD2017-06 Series 2014 Water Connect CPF amendment #3 reduces bond proceeds needed to complete construction in this fund by \$3 million. These proceeds will be added to the Series 2016 Water/Wastewater CPF.
- PWCORD2017-07 2014 LED Street Lighting CPF amendment #3 is a housekeeping item reallocating remaining bond proceeds of \$2,342 that were previously dedicated to pay bond issue costs.

- PWCORD2017-08 NCDOT CPF amendment #3 is to close out a completed project.
- PWCORD2017-09 NCDOT CPF amendment #4 is to adjust the budget to more recent revised project estimates included in the FY 2018 CIP
- PWCORD2017-10 2014 W/WW Revenue Bond CPF amendment #3 increases bond proceeds of \$931,287 remaining after the completion of Annexation Phase V Areas 14 and 15.
- PWCORD2017-11 2016 W/WW Revenue CPF amendment #2 increases bond proceeds available by the \$3 million from the Water Connect project above and \$9,832 from the reallocation of bond proceeds that were previously dedicated to pay bond issue costs.
- PWCORD2017-12 Annexation Phase V Area 14 & 15 CPF amendment #2 is to close out this fund. The accounting for this project was completed upon receipt of the outstanding overlay funds recently received from the City. This project was completed under budget and the remaining \$931,287 in bond proceeds will be moved to the 2014 W/WW Revenue Bond CPF which is also being amended for this same amount above.
- PWCORD2017-13 Annexation Reserve Fund amendment #22 is housekeeping items adjusting interest income, debt service payments and transfers to project funds to expected amounts for this fiscal year.
- PWCORD2017-14 Electric Rate Stabilization Fund amendment #26 increases interest income \$460,000 and increases the transfer from the Electric Fund by \$223,273 for contractual credits received during this fiscal year from Duke Energy.

Subject to approval by the Commission the following 3 ordinance amendments will be **effective July 1, 2017**, for the fiscal year 2018 activity from the Electric and Water/Wastewater funds and interest income:

- PWCORD2017-15 Annexation Reserve Fund amendment #23 establishes fiscal year 2018 activity for the Electric and W/WW transfers, assessment collections, interest income and debt service payments.
- PWCORD2017-16 Electric Rate Stabilization Fund amendment #27 establishes the fiscal year 2018 activity for the transfer from the Electric Fund and interest income.
- PWCORD2017-17 Water/Wastewater Rate Stabilization Fund amendment #17 establishes the fiscal year 2018 activity for the transfer from the W/WW Fund and interest income.

Staff recommends that the Commission adopt the attached budget ordinance amendments.

END OF CONSENT

- III. PUBLIC HEARING ON PROPOSED FISCAL YEAR 2017-2018 ANNUAL BUDGET
- IV. COMMISSION CONSIDERATION OF BUDGET ORDINANCE PWCORD2017–18 (FY2017-2018 ANNUAL BUDGET) *(See Tab 2)*
- V. 3rd QUARTER (JANUARY THRU MARCH) FINANCIAL RECAP – (Goal #1)
*Presented by: J. Dwight Miller, Chief Financial Officer
Brenda Brown, Controller*
- VI. INTENTION TO SELF REPORT AND MITIGATION PLAN – ELECTRIC DIVISION
Presented by: Jon Rynne, Chief Operations Officer - Electric

This notice to Commission of Intent to Self-Report, and mitigation plan is in regard to a non-compliance with the North American Reliability Commission (NERC) Communication Standard (COM-002-4, Requirement 3). Reporting is made to the Southeastern Reliability Commission (SERC)

- VII. GENERAL MANAGER REPORT *(See Tab 3)*
 - A. Open Commission Requests
- VIII. REPORTS AND INFORMATION *(See Tab 4)*
 - A. Monthly Cash Flow Report – April 2017
 - B. Recap of Uncollectible Accounts – April 2017
 - C. Investment Report – April 2017
 - D. Position Vacancies
 - E. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - Encr. #18497 – 10” DI sewer force main – US301 & SR1722
 - F. Approved Utility Extension Agreement(s):
 - Camden Glen Developers, LLC – water and sewer to serve Peartree West subdivision, located off Camden Road
 - Willow Group Investments, LLC – electric, water and sewer to serve Walter Reed Plaza, located off Owen Drive and Walter Reed Road
 - G. Actions by City Council during meeting of May 8, 2017, related to PWC:
 - Approved Adoption of Capital Project Ordinance Amendment for the TEXFI Site (CPOA 2017-36)
 - Approved Bid Recommendation – Annexation Phase V – Project VIII, Area 18 Section II – Southgate Subdivision
 - Approved Amendment #5 – Agreement between the City of Fayetteville and the Public Works Commission Establishing a Formal Agreement to Fund the

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- Construction of Water and Sanitary Sewer Systems in the Annexed Area Referred To As Phase V
- Denied Recommendation for PWC's Fleet Parts Outsourcing

IX. ADJOURN

PUBLIC WORKS COMMISSION
MEETING OF WEDNESDAY, MAY 10, 2017
8:30 A.M.

Present: Evelyn O. Shaw, Chairwoman
Wade R. Fowler, Jr., Vice Chairman
D. Ralph Huff, III, Secretary
Darsweil L. Rogers, Treasurer

Others Present: David W. Trego, CEO/General Manager
Jay Reinstein, Assistant City Manager
Karen McDonald, City Attorney
Jim Arp, City Council Liaison
Melissa Adams, Hope Mills Town Manager
PWC Staff
Media

Absent: Michael Boose, County Liaison

CALL TO ORDER

Chairwoman Shaw called the meeting of Wednesday, May 10, 2017, to order.

APPROVAL OF AGENDA

Upon motion by Commissioner Rogers the agenda was amended by adding 'Discussion on Fleet Maintenance' as Item III and all subsequent items renumbered as appropriate. Motion was seconded by Commissioner Huff and unanimously approved.

Upon motion by Commissioner Rogers and seconded by Commissioner Huff, the amended agenda was unanimously approved.

CONSENT ITEMS

Upon motion by Commissioner Huff and seconded by Commissioner Rogers the Consent Items were unanimously approved.

- A. Approve Minutes of meeting of April 26, 2017
- B. Approve bid recommendation to award bid for purchase of LED Luminaires to the vendors, and for the amounts listed below, with the option to purchase additional

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quantities within a one-year period upon the agreement of both parties and forward to City Council for approval.

<u>Recommended Bid Awards*</u>	<u>Total Cost</u>
Anixter, Wake Forest, NC (Quoting (GE)	\$1,660,213.08
Anixter, Wake Forest, NC (Quoting EOI)	\$ 67,230.25
WESCO Distribution, Raleigh, NC (Quoting Cooper)	\$ 233,100.00
Irby Utilities, Fredericksburg, VA (Quoting Leotek)	\$ 395,871.90
Total Bid Award Amount	\$2,356,415.23

* Additional information, including bid tabulation, specific inventory items to be awarded to each vendor, notes regarding bid discrepancies and last purchase history, are provided on the attached spreadsheets.

Comments: Bids were solicited from ten (10) vendors with five (5) vendors responding. The lowest responsive, responsible bidders are recommended. A bid was received from Howard Lighting; however the bid was determined to be non-compliant with our specifications.

END OF CONSENT

DISCUSSION ON FLEET MAINTENANCE

Commissioner Rogers requested for David Trego, CEO/General Manager to begin the Fleet Maintenance discussion. Mr. Trego stated since Council voted to reject Commission's recommendation it moves the issue back to the Commission to make a decision with regards to which direction staff needs to take. Mr. Trego stated the two extremes of the options are to instruct staff to rebid it and if there are suggestions as to modifications, make suggestions to staff. The other end of the spectrum is to not rebid the item and there are variables in the middle of the two options.

Mr. Trego stated PWC would have to disclose to the bidders Council's consideration in taking Fleet back. This is something that was not necessarily disclosed as overtly before. Council has had this issue as an open item for several years. The Council and the City had not taken any formal action on that move so PWC went forward with the proposal knowing that. Ms. Fritzen, in her presentation to the Commission as well as to the Council, stated the bidder we recommended, in the final contract would allow a reopener should the size of the parts change (if the size of fleet grew or shrank). We wanted that flexibility should something happen. Subsequent to the bid going out in December at the Council's Strategic Planning Session, the issue of looking at the nature of the relationship between the City and PWC on fleet came up again. Taking back garbage trucks, modifying the agreement, taking a look at different options was brought up again. Mr. Trego feels because it was brought up again we would have to disclose that item to the bidders because it is an active item at this point on the City Council's agenda. It could possibly impact whether bidders bid. It is a bit

of an unknown. The City's fleet is roughly 73-74% of the total fleet that is here. The dollar value can be reduced in theory by 75% (as far as parts volume). That impacts economic analysis and if it occurs we have to ensure we do not have any stranded costs. He stated it could impact the number of bidders we receive and the nature of the bids. He stated this is something that would need to be modified in the RFP process. We would need to fully disclose that item. He wanted Commission to consider it as part of their discussion.

Commissioner Fowler stated he believes we should be out of the fleet maintenance business because we are a utility. He stated the City outsourced it to us to complete their fleet maintenance. He would like for us to decide we no longer will be in the fleet maintenance business. He suggested we give the appropriate amount of time for the City to decide who will do their Fleet and then we can settle in on what we want to do with parts. Mr. Trego stated that is a bigger discussion.

Commissioner Fowler stated that decision needs to be made before we decide on parts again. There should not be any variability whether we should or should not be. He stated we have been talking about this for a long time. The City has been hanging this issue out there for a long time as to whether they want to take it back or not. Discussion ensued.

Commissioner Rogers stated if we go through this expansion, it would obligate the City to a 20 – 30 year commitment for PWC to do their fleet maintenance because of the investment. He stated we will be locked into a significant investment and he is not sure if it makes sense for anyone. Commissioner Huff stated even if they are happy with what we are doing now, the investment would add over \$225,000 a month to their costs and he is not sure if they will be satisfied with the additional cost. Mr. Trego stated there are a lot of strategic issues related to if we outsource our fleet or outsource a portion of our fleet. He stated there is an advantage in repairing your critical vehicles yourself. Finding a vendor to operate on certain vehicles is critical. In response Commissioner Fowler stated he is referencing doing fleet maintenance for vehicles that have nothing to do with the Utility. More discussion ensued.

Mr. Trego stated all of these decisions are intertwined. If we are doing the combined fleet, the size of the facility which we suggested has the number of bays for it and it has enough space for parts in it. We have to allocate enough space for parts, whether we do it or whether we outsource. He stated all the decisions around fleet (staff, physical plant and even parts,) are all impacted by this decision. He stated he still feels confident in recommending the vendor we did because we had a reopener and it was a one year contract.

Again, he stated because the City is now actively pursuing what it wants to do with fleet we will have to disclose that to bidders. And it may impact the number of bidders we receive as well as the bids we receive.

He asked for direction from the Commission. He stated he believes we can either rebid, not bid it or defer a bid until we receive direction from the City.

Commissioner Fowler asked City Attorney Karen McDonald if the agreement is a service level agreement in which either party can give notice to end the agreement. He also asked if

there is an established end point to the agreement or is it open-ended? Attorney McDonald stated it is open ended.

Commissioner Arp suggested to the PWC Commissioners we take a year. Define what the way ahead is both parties want. Once you have done it, define what the sustainable means to do it; whether it is through contracting of fleet parts or contracting of fleet maintenance; whether it is through continuing the existing agreement and a capital investment is made. He suggested we take a look at this issue in a very deliberate manner. The impact is not just to the boards but it is to the citizens and the ratepayers. Whatever we do we want to make sure we are doing it to the best interest of both parties. Mr. Trego added as well as to the best interest of the employees.

Commissioner Fowler stated we have been trying to do that. We had a new agreement which was signed by Steve Blanchard in 2015 and sent over to Ted Voorhees, former City Manager for signature. We have been trying to work this out for years. We have been told numerous times the City has been unhappy with how PWC is maintaining fleet vehicles.

Council Liaison Arp stated there have not been any active discussions about outsourcing (to his knowledge) fleet maintenance on the City side for quite some time. It does not mean it is not a consideration. He stated the focus of the Council now is on the budget and the impacts of proper re-evaluation and those issues that are associated with it. He stated he is not saying the Council is not interested in looking at it, but it is not the top priority for the Council right now. Those are not the discussions he has had as a liaison member for this board with his board. Yet he stated they need to make a decision as a Council. Additional discussion ensued.

After discussion, Council Member Arp stated the Council has a policy that there must be two competitive bidders. He stated he is not sure if they have ever shared that policy with the PWC Board. If it needs to come in any kind of formal format, he can work with the City Attorney and Council on providing it.

Chairwoman Shaw stated to further direct Mr. Trego and staff, as she understands it:

1. We have the option as a board to determine strategically whether or not the utility wants to remain in the fleet maintenance business outside of PWC's fleet vehicles or not.
2. To reach out to the City via the Mayor to contact him and let him know that we would appreciate the City Council making a determination as to whether or not they are inclined to enter a long-term (20-30 year) agreement if we are to continue to service their vehicles because of the facilities we will have to expand.

Chairwoman Shaw directed the Clerk of the Board to assist Mr. Trego in composing a letter under her signature to the Mayor to ask for the City's decision for the fleet outsourcing to PWC.

She also requested for the Commissioners to return to the next meeting with a decision as to whether we want to remain as an outsourced entity for fleet (other than our own vehicles). Commissioner Rogers stated the window may be somewhat narrow, considering the City staff is in the midst of budget discussions.

Council Member Arp stated it puts the City at a disadvantage because the focus is on the budget and some of the other major projects they have going on such as the baseball stadium and the City Parks and Recreation Bond effort. Council Member Arp stated he believes a two year window may be more amenable and they will come up with better results. He went on to state he wanted to make sure Council has enough time to go through a deliberative staff process and determine what the impacts are from a budgetary standpoint and then have time to budget toward that end state.

Chairwoman Shaw asked Council Member Arp for clarification. She asked if he was suggesting that the letter to the Mayor give a one year window of time for the City to deliberate and give us an answer. Council Member Arp stated his recommendation is the City needs to make a decision in the next year before we come up to the next option on the contract. Based on that decision the PWC Commission can execute whatever option it wants to, to continue the agreement or to end the agreement. And that will give a one year transition period for the transition of fleet services from PWC to whatever other method the City would deem as appropriate. Chairwoman Shaw then asked Liaison Arp if he agreed with June 30, 2018. Liaison Arp agreed. That would be his recommendation.

Mr. Trego stated if the Commission decided at the next meeting it wanted issue notice of the termination of the current agreement, it would not happen for a year. In that year's timeframe, we can enter into a new agreement; make the decision concerning fleet; or extend for a sub-period of time for a new agreement. Additional discussion ensued.

Upon motion by Commissioner Huff, Fleet outsourcing RFP will be deferred until such time that the PWC Commissioners can make a decision based on external information from the City. Motion was seconded by Commissioner Rogers and unanimously approved.

Upon motion by Commissioner Rogers a letter will be sent to the Mayor, informing him that we are giving notice that we are exercising the article to cancel the current 2005 Fleet Maintenance Agreement, effective June 30, 2018. Motion was seconded by Commissioner Huff and unanimously approved.

Council Member Arp stated he believes this is a reasonable approach and the uncertainty is not good for either organization.

Commissioner Rogers asked about the staffing in Fleet (parts). Susan Fritzen stated we currently have three employees. One employee who retired has expressed interest in coming back. This employee can come back after 30 days or if he has not cashed a check he can come back as if he had not retired. There was one position allocated to Warehouse which can be pulled back and others are in the budget to move to the GM.

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Commissioner Shaw requested for Commissioners Fowler and Rogers as well as Mr. David Trego to serve on the committee to discuss Fleet with the City. Council Member Arp will relay Commission's desire to form a joint committee to discuss Fleet and will disseminate information to Mr. Trego.

GENERAL MANAGER REPORT

HOPE MILLS REFUNDS

Mr. Trego thanked Andrew Barksdale (Fayetteville Observer) for the article in the newspaper informing residents about the Hope Mills refunds. Mr. Trego stated we saw an uptick in calls regarding the refunds after the article, but they are now 1 to 2 a day. He stated staff will go ahead and close down by the fiscal year end and turn the appropriate funds to the state.

FERC

Mr. Trego stated President Trump has nominated two people to the FERC board since our last meeting. He has one more to nominate to fill the board.

PWC DAY

Carolyn Justice-Hinson stated we had our second PWC DAY last week. She stated 20 individuals attended. The feedback has been excellent. Some of the individuals who attended were Robert Van Geons (FCEDC), Christine Michaels (Chamber) and Angie Hedgepeth (Realtors Association) and Jay Reinstein (City). The next PWC Day is scheduled for October and based on feedback; staff is planning to have a session geared toward the realtors.

APPA LINEMEN RODEO

David Trego stated our line workers competed in the National APPA Rodeo. We had five to compete in the journeyman team event which were Duane Stalnaker, Chris Carter, Chris Johnson, Steve Rivers and Jeremy Hatem. We also had three apprentices to compete which were Garret Locklear, Austin Locklear and Tyler Brayboy. Mr. Trego stated this is a real morale builder for the linemen. It has been something Commissioners has supported in the budget and the employees appreciate the Commission's support.

Comments:

Commissioner Shaw thanked staff for working so diligently in developing a hybrid RFP for Fleet. She stated it is important that we recognize that while we all want to see local companies prosper and succeed when they bid on our opportunities none of us, no matter where the suggestion arises, would ever breach and cross the line and violate state purchasing procedures and policies. We cannot do that and we will not do that, no matter

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what is suggested or inferred. She thanked staff for their hard work. It was not an easy task. She stated she read the RFP and it was very tight. It left no doubt as to what our expectations were.

Commission acknowledges receipt of the following reports and information.

REPORTS AND INFORMATION

- A. Purchase Orders – March 2017
- B. Monthly Incident Summary – April 2017
- C. Personnel Report - April 2017
- D. Position Vacancies
- E. Approved N.C. Department of Transportation Encroachment Agreement(s):
 - a. Encr.# 17311 – water & sewer install. @ SR3080 and SR 3687
 - b. Encr.# 18270 – electrical facilities @ SR1404 (Morganton Road) and SR1408 (Bonanza Drive)
 - c. Encr.# 18486 – 1” PE water lateral w/split tap @ HWY 59 (Hope Mills Rd) and US401 (Raeford Rd.)
 - d. Encr.# 18494 – 8” RJDI sewer main @ SR1104 (Strickland Bridge Rd.)
- F. Approved Utility Extension Agreement(s):
 - a. FDSE Ventures II, LLC – Elec./Water/Sewer to serve Wal-Mart Express @ 3421 Murchison Rd-G
- G. Financial Statement Recaps
 - a. March 2017

REVIEW PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET FOR FISCAL YEAR 2018-2023

Presented by: David W. Trego, CEO/General Manager & PWC Staff

Mr. Trego stated this year all Commissioners universally expressed concern about where we are going with rates. Not that we do not want to charge the rates we need to operate the business. They also raised concern about the unknown impact at that time of where we were in relation to Coal Ash. He stated he took that message to staff. And in the numerous meetings they had on budget, he expressed that concern. Mr. Trego stated the overall charge was that we have a budget that keeps in mind the impact on rates. Mr. Trego believes staff has achieved that goal. Staff has done an excellent job in paring down the budget in ensuring we meet the strategic needs that the Commission has stated; to meet the needs of our customers; to meet the needs of the system and to do it in a responsible way.

He stated if it was not for two items, Hurricane Matthew and what they have to do to make repairs in the aftermath, and Coal Ash, this budget would have been 1 ½ percent less than it was last year. And that includes a projected 2 ½ percent increase in salaries for employees.

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He stated by the time it comes to the Commission it has already gone through several iterations.

Mr. Trego gave a history of the capital budget over the past two years. He noted FY15 included \$3.2 million budgeted for Glenville Lake Spillway Project. The budget of FY15-17 in Corporate Services included the AMI meter project which will be concluded in FY18.

The increase from \$102.9M to \$105.2M in the total budget is due to:

Electric 1) \$3M increase primarily due to DOT Projects;
 2) \$1.5 M for purchase of land for a future Point of Delivery;
 3) \$2.55M Community Solar at Butler Warner.

Water 1) \$3.5M for rehabilitation
 2) \$5M for repairs at the plants
 3) \$1.8M in various systems improvements

Corporate Services decreased from \$13.5M to \$1.9M because the Connect Project is ending. Mr. Trego stated this project is almost complete but there are still some meters which will need to be changed out after the fiscal year ends. Discussion ensued.

Mr. Trego also provided an overview of the Capital Improvement Project Categories which include: Water Improvements/Expansions (\$24,580,000); Rehabilitation – Water/Wastewater (\$18,197,000); Substations/BWGP/Electric Improvements (\$18,055,000); Phase V Areas 20 & 21 (\$15,382,000); NCDOT – Relocation Projects (\$10,038,000); Hurricane Matthew (\$5,042,000); LED Lighting (\$4,975,000); New Services/Meters-Electric/Water/Sewer (\$4,662,000); City of Fayetteville-Utility Projects (\$2,971,000); Buildings and Improvements (\$1,260,000).

David Trego stated the CIP Budget of \$105.29 Million is funded by \$28.4 Million from Electric Fund; \$17.3 Million from Water Fund and \$59.5 Million from Bonds/State Loans and Reserves.

FY2018 Funding Source Summary:

Mr. Trego also stated of the total spend; \$8.7 million of the CIP expenditures will be offset by revenues. LED Lighting and other electric sustainability initiatives will have majority of funding through Renewable Energy Portfolio Standards Funds. NCDOT will reimburse PWC for some utility relocations. Customer contributions to certain projects are also budgeted. Staff responded to questions from Commissioners and discussion ensued.

FY2018 CIP Budget Drivers:

Mr. Trego stated reduced capital in Corporate Services in FY2018 by \$11.6M is due to completion of the AMI project.

Some NCDOT projects delayed start dates and some new ones moved up in queue which caused an increase of \$3.4 million in this category in FY18. He also stated \$5.0 million has been budgeted for capital repairs due to Hurricane Matthew.

He stated there is increased funding for rehabilitation and replacement of aging electric/water/wastewater infrastructure. He budgeted \$1.5 million for land and ROW acquisition for additional Electric Point of Delivery (POD).

Staff responded to questions from Commissioners.

Mr. Trego went on to review the following.

Risk Factors to CIP Budget:

- Unplanned major equipment/system failure – last year Hurricane Matthew had a significant impact
- Regulatory/legislative action. He stated we do not know the impact of the Trump administrations regulatory rollbacks
- Contractor capacity is still limited in some areas. There is an additional bidder in the Phase V Area 19 bid
- Fleet Facilities need upgrading. There are not enough bays for growing fleet. The bays are too small for today's heavy vehicles. The scope is dependent on the City of Fayetteville decisions on Fleet.

Raeford Road NCDOT Project:

- The 4+ year project will reconstruct nearly 6 miles of Raeford Road from Highland Country Club to 71st High School.
- There are significant relocations of PWC electric, water and wastewater facilities involved.
- Relocations are estimated to cost a total of \$24.7 million
 - \$4.3 million budgeted for FY18 for engineering and some electric relocations
- Also investigating the replacement of additional PWC pipe and facilities not in conflict along the route
 - Doing cost/benefit of performing work during reconstruction of road compared to remaining useful life of facilities
 - Will be part of FY19 budget discussion

Annexation:

- \$15.4 million budgeted in FY18
- The neighborhoods include:
 - Area 18 & 19 Bid in FY17 – Southgate, Southgate Village & Phase 1 of Arran Lakes West
 - Area 20 & 21 Scheduled for FY18 – Hackney Hills, Lake Point, Robinhill Estates and 2nd Phase of Arran Lakes West

Community Solar Project:

- FY18 Budget includes \$2.6 million for the construction of a 1 MW solar facility at BWGP
 - Will also have 500KW of battery storage
- PWC retains Renewable Energy Credits (RECS)
- Will allow PWC customers to purchase solar output shares – Subscription Model
 - PWC charges a nominal fee to sign up and set up account
 - PWC charges monthly fee for operation/maintenance of the facility
 - PWC will credit customers for the electricity generated based on our wholesale power costs from Duke & value of RECS
 - Model allows for customers to exit program – fits well with Fayetteville demographics due to Ft. Bragg
- May pursue design build contract

Ongoing Reliability Improvements:

- Electric
 - Substation Rebuilds - \$2.6 million budgeted in FY18 to complete Lafayette Village and start Fenix Substation. We are completing one substation per year
 - Transmission Pole Replacement - \$1.5 million budgeted in FY18 to continue replacement of wood transmission poles with steel poles
 - Underground Cable Replacement – Doubling budget to \$2 million in FY18 due to increased failure risk
- Water/Wastewater
 - Water/Wastewater Rehabilitation – Increased budget by \$3.5 million in FY18
 - Continuing engineering of plant expansion projects started in FY17 - \$1.3 million budgeted in FY18
 - North Fayetteville Lift Station upgrades continue in FY18 with \$3.3 million budgeted.

Other Notable FY2018 Projects

- North Fayetteville water pressure improvement project continues – Andrews Rd. area
 - New water tank installation contract awarded and work underway
 - Installation of 11,000 ft. of new 16” main will start in FY18
- Improvements to Dispatch Area
 - Improve reliability during storms & display real time system data
 - Improvements based on lessons learned from Hurricane Matthew
- LED Conversion
 - Over half of PWC’s 36,000 lights converted & over 2,000 additional lights installed to meet new City requirements
 - City Streetlights nearly 91% converted

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- Thoroughfare and private streetlights over 70% converted
- Area Light conversions started in FY17

Plan Years Notable Projects

- Main outfall into Rockfish Wastewater Plant nearing capacity during high rain events
 - Need to mitigate risk of overflows
 - Install Equalization Basin to even out flows
 - Engineering starting in FY18
- Fleet Expansion
- New Point of Delivery on the horizon for Electric
 - \$20+ million project
 - Decision of Power Supply may impactDiscussion ensued on this project and plans for the land which will be purchased.
- Big Rockfish Creek Wastewater Outfall
 - \$14.6 million project
 - Due to increased flows in western Fayetteville a new outfall line will need to be installed in the 2022 timeframe

Staff responded to questions from Commissioners regarding the proposed Capital Improvement Plan (CIP). Staff and Commission also discussed mitigation plans for the Operations/Administration building to ensure water does not breach the building.

REVIEW FY2018 OPERATING BUDGET

*Presented by: David W. Trego, CEO/General Manager
J. Dwight Miller, Chief Finance Officer &
PWC Staff*

Mr. Trego provided a history of the actual budgets in FY2016, FY2017 as well as highlights of the FY2018 Proposed Budget. He noted an increase of .6% increase in the Electric Fund (\$253.6M Proposed); 6.6% increase in the Water Fund (\$109.0M Proposed) and 3.9% increase in the Fleet Fund (\$9.9M Proposed). Total budget requested is \$372.2M which reflects a 2.4% increase. He noted if the Coal Ash expense (\$10.1M) was backed out of the total budget, the total budget would be less than last year. Mr. Trego commended staff for doing a good job in holding the budget. Commissioner Rogers noted that in the absence of Coal Ash PWC has been very good stewards of the ratepayers money.

Mr. Trego noted some expenditure and revenue drivers which included:

- Water Fund
 - \$2.8 million increase in depreciation expense.
 - \$1.4 million increase in appropriation to the Phase V Annexation Fund
 - \$1.0 million transfer to the NCDOT Reserve Fund

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- \$4.7 million loan from Electric Fund
 - \$1.7 million budgeted for unclaimed Hope Mills' refunds to go to State.
- Electric Fund
- \$3.9 million allocated for Wholesale Power Cost customer refund. This is the adjustment for last year. We were billed in calendar 2016 and receive the refund in calendar year 2017 (July).
 - \$2.7 million increase in NCDOT reimbursements for relocations
 - \$461,400 increase (4.6%) in PWC payment to City of Fayetteville
 - \$4.7 million loan to Water Fund
- Fleet Fund
- The increased number of vehicles requires more outsourcing of repairs due to space limitations. Mr. Trego stated there is a premium related to outsourcing. Discussion ensued.

Mr. Trego stated the FY18 budget also reflected the following City of Fayetteville FIF Waiver requests.

Project	Total Project Cost	FIF Fees
Bragg Blvd. – Rowan to Barrington	\$36,050.00	\$18,900.00
Camden Road – Owen to Western	\$ 5,150.00	\$ 2,700.00
Cedar Creek Road	\$52,830.00	\$30,780.00
TOTAL	\$94,030.00	\$52,380.00

Mr. Trego noted the Commission approved last year \$150,000.00 in waivers for eight (8) projects. To date, approximately \$20,000.00 has been waived. Unused waivers for these projects are also carried forward into FY18.

Discussion ensued on total payments (and waivers) from PWC to the City and how to showcase the value of the Utility.

Mr. Trego also provided a summary of the Operating Expenses for each division.

The Management proposed budget is \$5.27M (-6.8%); the Communications budget is \$1.43M (+13.9%); the Human Resources budget is \$1.47M (+6.1%); Customer Programs budget is \$4.19M (-17.8%); the Corporate Services budget is \$19.9M (+5.5%); the Finance budget is \$12.4M (+.7); the Water/Wastewater budget is \$33.9M (-.5%); the Electric budget is \$172.8M (+5.0%). The total PWC proposed budget is \$251.4 million, which reflects an increase of (+3.4%).

The Customer Programs decrease is due to a completion of the AMI deployment. The increase in Communications is due to a consolidation of marketing communications into CCR. The increase in Corporate Services is primarily due to additional Non-CIP Capital in

Information Services (licenses, software updates and hardware replacement). The increase in Electric is due to the impact of Coal Ash on Power Supply Costs. The increase % of aging underground electric facilities is causing a shift in Electric Construction work.

Mr. Trego stated Mark Brown and his team has done an excellent job in managing the workforce. He stated they managed this so there was no reduction in workforce. He stated Mark is looking at redeploying resources because of the AMI data. He stated Mark and his team has done an excellent job managing this process from an employee and resource prospective and we will realize the savings this coming year when we close out the AMI project.

Mr. Trego also noted there is a 2.5% requested increase in payroll. Discussion ensued.

Each Chief (Senior) Officer provided a summary of their division's budget, detailing major drivers, trends and assumptions. Each officer also explained major budget variances (FY17 to FY18) and risks to budget, along with plans to mitigate. Discussion ensued with each officer regarding their budget, major drivers, trends and assumptions as well as risks to their budget and plans to mitigate.

Mr. Miller highlighted major drivers affecting the overall budget which included Coal Ash; Hurricane Matthew; Hope Mills Refunds; Electric appropriation to Net Position; Water and Wastewater Use of Net Position; Water and Wastewater Rate Stabilization Fund Balance and Electric Intergov Expense which is the Economic Development Year 2 of 5.

Mr. Miller reviewed the trending of the budgets of Electric, Water and Fleet for the past five years. He noted the Electric Fund has contributed to the net position for the past five years. The Water/Wastewater Fund has taken from the net position for the past five years. Mr. Miller stated the net City Transfer/Pilot is \$10.4M for FY18.

He also provided a summary of G&A expenses; the Capital Budget, the Rate Stabilization Fund for Electric (\$43.4M); the Coal Ash Reserve (\$27.3) and Water/Wastewater Rate Stabilization Fund (\$.3M).

He stated the Recommended Budget Ordinance reflects the amounts staff is requesting for the Commission to approve in each fund.

Mr. Miller also stated the Fayetteville Public Works Commission received the Distinguished Budget Presentation Award for 2016, which is the 22nd consecutive year we have received it. He commended Rhonda Haskins, Rhonda Graham, Lisa Buffaloe and Lisa Barbee.

He stated the public hearing will be on May 24th. The ad will go out in the paper today. The budget will be posted on the website for public inspection. Anyone who wants to view the budget can view it in the office of the Clerk of the Board. Commissioners agreed they will be prepared to vote on the budget during the May 24th Commission meeting.

D-R-A-F-T

As Mr. Trego stated in his memo to the Commissioners, the budget maintains all Commission approved reserve fund levels as well as any statutory or other restrictions or requirements including those included in Bond Orders.

Chairwoman Shaw congratulated Mr. Miller and his staff on receiving the Distinguished Budget Presentation Award for 2016.

Commissioner Rogers stated the budget presentation was very clear and he appreciated the work the staff apparently put into it.

Commissioner Huff also thanked staff for the presentation. He stated the detail of the presentation meant a work session is not needed and it was very voluminous.

ADJOURNMENT

There being no further discussion, upon motion by Commissioner Fowler, seconded by Commissioner Rogers and unanimously approved, the meeting was adjourned at 2:12 p.m.



DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER

FAYETTEVILLE PUBLIC WORKS COMMISSION
955 OLD WILMINGTON RD
P.O. BOX 1089
FAYETTEVILLE, NORTH CAROLINA 28302-1089
TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

May 16, 2017

MEMO TO: David W. Trego CEO/General Manager

FROM: J. Dwight Miller, CFO

A handwritten signature in black ink, appearing to read 'J. Dwight Miller'.

SUBJECT: Fiscal Year 2017 Audit

Attached you will find the RSM Audit Engagement Letter and the Contract to Audit Accounts (LGC-205) for Commission approval. The documents must be approved and executed before the audit can begin. Also, for your information, attached is the report of the National Peer Review Committee of the AICPA on the most recent system peer review of RSM.

Please contact me if there are any questions.

Attachments: 3

May 2, 2017

RSM US LLP

Evelyn O. Shaw, Chairwoman
David W. Trego, Chief Executive Officer
J. Dwight Miller, CPA, Chief Financial Officer
Fayetteville Public Works Commission
Fayetteville, North Carolina

The Objective and Scope of the Audit of the Financial Statements

You have requested that we audit the financial statements of Fayetteville Public Works Commission (the "Commission") which comprise business-type activities, each major fund, and aggregate remaining fund information as of and for the year ended June 30, 2017 which collectively comprise the basic financial statements. We are pleased to confirm our acceptance subject to our final RSM firm acceptance procedures, and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

We will also perform the audit of the Fayetteville Public Works Commission as of June 30, 2017 so as to satisfy the audit requirements imposed by the Single Audit Act and Subpart F of Title 2 U.S. Code Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Programs* (Uniform Guidance), and the State Single Audit Implementation Act if applicable.

The Responsibilities of the Auditor

We will conduct the audit in accordance with auditing standards generally accepted in the United States of America (GAAS), Government Auditing Standards" issued by the Comptroller General of the United States; and the provisions of the Single Audit Act, Subpart F of Title 2 U.S. CFR Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and the U.S. Office of Management and Budget's Compliance Supplement, and the State Single Audit Implementation Act if applicable. Those standards, the *Uniform Guidance*, supplements and act require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, Government Auditing Standards do not expect us to provide reasonable assurance of detecting abuse.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

In making our risk assessments, we consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the Commission (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known by us during the audit, and (b) any instances of noncompliance with laws and regulations that becomes known to us during the audit (unless they are clearly inconsequential).

The funds and account groups that you have told us are maintained by the Commission and that are to be included as part of our audit are listed here.

- Enterprise funds
- Capital Project Funds

You have informed us that Fayetteville Public Works Commission is a component unit of the City of Fayetteville.

The federal and state financial assistance programs that you have told us that the Commission participates in and that are to be included as part of the single audit are consistent with those listed in the prior year's audit report.

We are responsible for the compliance audit of major programs under the Uniform Guidance, including the determination of major programs, the consideration of internal control over compliance, and reporting responsibilities.

Our reports on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards and circular identified above. Our reports on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed by contracts; and any state or federal grant, entitlement, or loan program questioned costs of which we become aware, consistent with requirements of the standards and circulars identified above.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

- For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not evaluate subsequent events earlier than the date of the management representation letter referred to below;
- For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;

- For establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
- For (a) making us aware of significant vendor relationships where the vendor is responsible for program compliance, (b) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings, and a corrective action plan, and (c) report distribution including submitting the reporting packages; and
- To provide us with:
 - a. Access to all information which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - b. Additional information that we may request from management for the purpose of the audit;
 - c. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
 - d. When applicable, a summary schedule of prior audit findings for inclusion in the single audit reporting package; and
 - e. If applicable, responses to any findings reported on the schedule of findings and questioned costs.

As part of our audit process, we will request from management written confirmation concerning representations made to us in connection with the audit including among other things:

- That management has fulfilled its responsibilities as set out in the terms of this letter; and
- That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring that the Commission complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implement of programs and controls to prevent and detect fraud or abuse, and for informing us about all known or suspected fraud or abuse affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud or abuse could have a material effect on the financial statements or compliance. Management is also responsible for informing us of its knowledge or any allegations of fraud or abuse or suspected fraud or abuse affecting the entity received in communications from employees, former employees, analysts, regulators, short sellers, or others.

Management is responsible for the preparation of the supplementary information in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the supplementary information in any document that contains supplementary information. Management also agrees to present the supplementary information with the audited financial statements, or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the internal users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

Because the audit will be performed in accordance with the Single Audit Act and the Uniform Guidance, management is responsible for (a) identifying all federal awards received; (b) preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with Uniform Guidance requirements; (c) internal control over compliance; (d) compliance with federal statutes, regulations, and the terms and conditions of federal awards; (e) making us aware of significant vendor relationships where the vendor is responsible for program compliance (f) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings and a corrective action plan; and (g) submitting the reporting package and data collection form.

The Commission is responsible for informing us of its views about the risks of fraud within the Commission, and its knowledge of any fraud or suspected fraud affecting the Commission.

Fayetteville Public Works Commission agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the Commission agrees to contact us before it includes our reports or otherwise makes reference to us, in any public or private securities offering. Our association with an official statement is a matter for which separate arrangements will be necessary. The Commission agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when the Commission seeks such consent, we will be under no obligation to grant such consent or approval.

Fayetteville Public Works Commission's Records and Assistance

If circumstances arise relating to the conditions of your records, the availability of sufficient, competent evidential matter, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, misappropriation of assets, or noncompliance which in our professional judgment prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawal from the engagement.

During the course of our engagement, we may accumulate records containing data which should be reflected in the Commission's books and records. The Commission will determine that all such data, if necessary, will be so reflected. Accordingly, the Commission will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by organization personnel, including the preparation of schedules and analyses of accounts has been discussed and coordinated with J. Dwight Miller, Chief Financial Officer. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Other Relevant Information

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

In accordance with *Government Auditing Standards*, a copy of our most recent peer review report and applicable letter of comment is enclosed, for your information.

Fees, Costs and Access to Audit Documentation

Our fees for the audit and accounting services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Our fee for the services described in this letter will not exceed \$33,000 which includes testing for Type A federal or State grants if applicable. Our fee and completion of our work is based upon the following criteria:

- a. Anticipated cooperation from Commission personnel

- b. Timely responses to our inquiries
- c. Timely and accurate completion and delivery of the standard PBC (prepared by client) work papers requested each year that support the amounts, balances, and disclosures in the financial statements and schedule of expenditures of federal and state awards.
- d. Timely communication of all significant accounting and financial reporting matters
- e. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, then fees may increase, however we would discuss this with you before proceeding with any additional required work. We will submit billings accordingly. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client. Accordingly, Fayetteville Public Works Commission agrees it will compensate RSM US LLP for any additional costs incurred as a result of the employment of a partner or professional employee of RSM US LLP.

In the event we are requested or authorized by Fayetteville Public Works Commission or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for Fayetteville Public Works Commission, Fayetteville Public Works Commission will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The documentation for this engagement is the property of RSM US LLP. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request; and that we shall maintain the audit documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested documentation will be provided under the supervision of RSM US LLP audit personnel and at a location designated by our Firm.

You have informed us that you intend to prepare a comprehensive annual financial report (CAFR) and submit it for evaluation by the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program. Our participation in the preparation of the CAFR is to consist of having the report reviewed by a person who has also performed reviews for the GFOA Certificate Program and have him involved in the resolution of any accounting or reporting issues that arise from the engagement.

Reporting

We will issue a written report upon completion of our audit of the Fayetteville Public Works Commission's financial statements. Our report will be addressed to the Commission of Fayetteville Public Works Commission. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph, or withdraw from the engagement.

In addition to our reports on the Commission's financial statements, we will also issue the following reports or types of reports:

A report on the fairness of the presentation of the Commission's schedule of expenditures of federal and State awards for the year ending June 30, 2017.

Reports on internal control related to the financial statements and major programs if applicable. These reports will describe the scope of testing of internal control and the results of our tests of internal controls.

Reports on compliance with laws, regulations, and the provision of contracts or grant agreements if applicable. We will report on any noncompliance which could have a material effect on the financial statements and any noncompliance which could have a material effect, as defined by OMB Circular A-133, on each major program.

A schedule of findings and questioned costs if applicable.

This letter and contract constitutes the complete and exclusive statement of agreement between RSM US LLP and Fayetteville Public Works Commission, superseding all proposals oral or written and all other communication, with respect to the terms of the engagement between the parties. If any term or provision of this Agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

If this letter defines the arrangements as the Commission understands them, please sign and date the enclosed copy, and return it to us.

RSM US LLP



W. Lou Cannon, CPA
Partner

Confirmed on behalf of the Fayetteville Public Works Commission

Evelyn O. Shaw, Chairwoman

David W. Trego, Chief Executive Officer

J. Dwight Miller, CPA, Chief Financial Officer

CONTRACT TO AUDIT ACCOUNTS

Of Fayetteville Public Works Commission
Primary Governmental Unit

Discretely Presented Component Unit (DPCU) if applicable

On this 2nd day of May, 2017,

Auditor: RSM US LLP Auditor Mailing Address: 3621 John Platt Drive

Morehead City, NC 28557

Hereinafter referred to as The Auditor

and Board of Commissions (Governing Board(s)) of Fayetteville Public Works Commission

(Primary Government)

and : hereinafter referred to as the Governmental Unit(s), agree as follows:
(Discretely Presented Component Unit)

- 1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2016, and ending June 30, 2017. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Uniform Guidance for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

- 3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government

Primary Governmental Unit

Discretely Presented Component Units (DPCU) if applicable

Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment..

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2017. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent via upload through the current portal address: <http://nctreasurer.slgfd.leapfile.net> Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (**Note: Fees listed on signature pages.**)
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.

Discretely Presented Component Units (DPCU) if applicable

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

The LGC's process for submitting contracts, audit reports and invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract needs to be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract, and then must be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload your amended contract is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit should be attached to the contract, and by reference here becomes part of the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #25 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.

17. Special provisions should be limited. Please list any special provisions in an attachment.

The accompanying arrangement letter is incorporated herein by reference.

18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2016. These instructions are subject to change. Please check the NC Treasurer's web site at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx> for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. **E-Verify.** Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
23. Contractor hereby certifies that Contractor, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.58. Contractor shall not utilize any subcontractor that is identified on the List.
25. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

SIGNATURE PAGES FOLLOW

Contract to Audit Accounts (cont.) Fayetteville Public Works Commission
Primary Governmental Unit

Discretely Presented Component Units (DPCU) if applicable

Fayetteville Public Works Commission - FEES

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____

Audit \$33,000 - The accompanying arrangement letter is incorporated herein by reference.

Preparation of the annual financial Statements n/a

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ 24,750

**** NA if there is to be no interim billing**

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:

RSM US LLP

Name of Audit Firm

By W. Lou Cannon

Authorized Audit firm representative name: Type or print

W. Louis Cannon

Signature of authorized audit firm representative

Date 5/2/17

lou.cannon@rsmus.com

Email Address of Audit Firm

Governmental Unit Signatures:

Fayetteville Public Works Commission

Name of Primary Government

By _____

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date _____

By _____

Chair of Audit Committee - Type or print name

**

Signature of Audit Committee Chairperson

Date _____

** If Governmental Unit has no audit committee, mark this section "N/A"

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28

(a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By _____

Primary Governmental Unit Finance Officer:

Type or print name

Primary Government Finance Officer Signature

Date _____

(Pre-audit Certificate must be dated.)

Email Address of Finance Officer

**Date Primary Government Governing Body
Approved Audit Contract - G.S. 159-34(a)**

Steps to Completing the Audit Contract

1. Complete the Header Information – NEW: If a DPCU is subject to the audit requirements as detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued for the DPCU and is to be included in the Primary Government's audit, the DPCU must be named with the parent government on this Audit contract. The Board chairman of the DPCU also must sign the Audit contract.
2. Item No. 1 – Complete the period covered by the audit
3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
4. Item No. 8 – If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>
5. Item No. 9 – NEW: Please note that the fee section has been moved to the signature pages, Pages 5 & 6.
6. Item No. 16 – NEW: It is now expected that an engagement letter will be attached to the contract. Has the engagement letter been attached to the contract submitted to the SLGFD?
 - a. Do the terms and fees specified in the engagement letter agree with the Audit contract? *“In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control.”*
 - b. Does the engagement letter contain an indemnification clause? **The audit contract will not be approved if there is an indemnification clause – refer to LGC Memo # 986.**
7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the signature pages, please note:
 - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we will compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: <https://www.nctreasurer.com/slg/Pages/Non-Audit-Services-and-Audit-Fees.aspx> - Auditors and Audit Fees.
Please call or email Darrus Cofield at 919-814-4299 darrus.cofield@nctreasurer.com if you have any questions about the fees on this list.
 - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

Discretely Presented Component Units (DPCU) if applicable

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: See previous bullet point regarding variable fees.)
 - If there is to be no interim billing, please indicate N/A instead of leaving the line blank.
8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Send the page(s) that are applicable to your Unit of Government. Make sure all signatures have been obtained, and properly dated. **The contract must be approved by Governing Boards pursuant to G.S. 159-34(a).** NEW - If this contract includes auditing a DPCU that is a Public Authority under the Local Government Budget and Fiscal Control Act it must be named in this Audit contract and the Board chairperson of the DPCU **must also sign** the Audit contract in the area indicated. If the DPCU has a separate Audit, a separate Audit contract is required for the DPCU.
9. Please place the date the Unit's Governing Board and the DPCU's governing Board (if applicable) approved the audit contract in the space provided.
- a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
 - b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?
 - c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the applicable signature page(s) of the contract.
11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.
12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to be submitted for approval into a PDF file. Peer Review Reports should be submitted in a separate PDF file. These documents should be submitted using the most current submission process which can be obtained at the NC Treasurer's web site – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.
13. NEW: If an audit is unable to be completed by the due date, an Amended Contract should be completed and signed by the unit and auditor, using the new "Amended LGC-205" form (Rev. 2015). The written explanation for the delay is now included on the contract itself to complete, and must be signed by the original parties to the contract.

December 8, 2016

Joseph Michael Adams
RSM US LLP
1 S Wacker Dr Ste 800
Chicago, IL 60606

Dear Mr. Adams:

It is my pleasure to notify you that on December 8, 2016 the National Peer Review Committee accepted the report on the most recent system peer review of your firm. The due date for your next review is October 31, 2019. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Sincerely,



Michael Fawley
Chair—National PRC
nprc@aicpa.org 919 4024502

cc: Gary W Schafer; John Mark Edwardson

Firm Number: 10046712

Review Number 451038

Letter ID: 1131947A

System Review Report

To the Partners of
RSM US LLP
and the National Peer Review Committee
of the American Institute of Certified
Public Accountants Peer Review Board

We have reviewed the system of quality control for the accounting and auditing practice of RSM US LLP (the “firm”) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2016. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm’s compliance therewith based on our review. The nature, objectives, scope, limitations of and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards*, audits of employee benefit plans, audits performed under FDICIA, and audits of carrying broker-dealers, and examinations of service organizations [Service Organizations Control (SOC) 1 and 2 engagements].

In our opinion, the system of quality control for the accounting and auditing practice of RSM US LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2016, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. RSM US LLP has received a peer review rating of *pass*.

BKD, LLP

December 2, 2016

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER



FAYETTEVILLE PUBLIC WORKS COMMISSION
955 OLD WILMINGTON RD
P.O. BOX 1089
FAYETTEVILLE, NORTH CAROLINA 28302-1089
TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

May 18, 2017

Memo To: David Trego, CEO

A handwritten signature in black ink, appearing to read 'D. Miller'.

From: Dwight Miller, CFO

Re: Loan from the Electric Fund to the Water/Wastewater Fund (W/WW)

In order to effectively manage the W/WW Fund's cash reserves and rates over the next 5 years, Staff recommends the Commission approve a loan from the Electric Fund to the W/WW Fund to assist the W/WW in meeting its current obligations. A 5 year repayment period will allow rates and revenues to adjust over this period while mitigating larger rate increases. The Electric Fund is in a good current financial position with lower than estimated purchased power prices in the near term and rate stabilization balances.

This loan rescinds the loan approved by the Commission in August 2016 which would have expired June 30, 2017. The W/WW Rate Stabilization Fund was sufficient to meet the needs of the W/WW Fund in 2017 and no draws were made.

Below are the terms to the loan for your approval:

Loan value: Up to \$7.0 million
Effective date: July 1, 2017
Interest rate: 6 month T-bill plus 200 bps, not to exceed 5%, Actual/360
Interest rate effective dates: March 1 and September 1
Interest payment dates: March 1 and September 1, next business day convention
Loan amortization: March 1, 2020 and each March 1 thereafter, amounts annually determine in the budget
Final Maturity: March 1, 2024

COMMISSION APPROVAL

In accordance with the terms listed above, the Commission hereby approves a loan up to \$7.0 million from the Electric Fund to the Water/Wastewater Fund.

Chairman

Secretary

Date

Date


DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER



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May 17, 2017

MEMO TO: David Trego, CEO/General Manager

MEMO FROM: 
J. Dwight Miller, Chief Financial Officer

SUBJECT: Electric and Water/Wastewater Budget Amendment
PWCORD2017-05

Attached are budget amendment items for Commission action at the May 24th meeting:

PWCORD2017-05 is an Electric and Water/Wastewater FY 2017 amendment #5 decreasing the Electric Fund budget \$3.8 million to \$248.4 million and increasing the W/WW Fund budget \$34,200 to \$102.2 million.

While there are quite a few housekeeping items related to our change to becoming a Public Authority (i.e. changing the Transfer to the City to a Payment in Lieu of Tax), below summarizes the items that are actually changing the value of the budget and impacts to net position:

Electric Fund Revenues - \$3,767,000

- Increase operating and other revenues by \$1.05 million for increases in interest income of \$450,000, 7% sales tax discount of \$500,000 and insurance proceeds related to Hurricane Matthew of \$100,000.
- Increase customer contributions by \$128,000 for FEMA proceeds of \$107,500 and fiber optic project participation of \$20,500.
- Decrease budgetary appropriations \$4.95 million for moving the transfer from the electric capital reserve to fiscal year 2018 of \$4.7 million, reducing the transfer from REPS \$1.4 million, and increasing the appropriation from net position by \$1.2 million. The funds from the electric capital reserve were identified last year as a source for the Electric Fund loan to the W/WW Fund and this was delayed until fiscal year 2018.

Electric Fund Expenditures - \$3,767,000

- Decrease operating expenditures by \$237,300 to reflect \$223,300 contractual credits from Duke Energy and \$14,000 in debt service related allocation adjustments between the Electric and W/WW Funds and a slight decrease in finance costs.

Electric and Water/Wastewater Budget Amendment

BUILDING COMMUNITY CONNECTIONS SINCE 1905

AN EQUAL EMPLOYMENT OPPORTUNITY EMPLOYER

May 17, 2017

Page 2

- Decrease budgetary appropriations by \$3.5 million for moving the \$3.8 million loan to the W/WW Fund to fiscal year 2018 and increasing the transfer to the electric rate stabilization fund for the contractual credits received from Duke Energy.

W/WW Fund Revenues - \$34,200

- Increase operating and other revenues by \$270,800 mostly due to \$200,000 in insurance proceeds related to Hurricane Matthew.
- Decrease Transfer from the City by \$385,200. This transfer was per a previous agreement to assist PWC in paying annexation related GO debt recorded on PWC's books and this agreement was canceled as a result of the Charter changes and more recent agreements.
- The net impact of \$349,200 related to customer contributions and intergovernmental revenues is for an increase to interest income of \$300,000 and FEMA proceeds of \$49,200. The other items within these 2 lines were moving assessment collections from contribution to intergovernmental revenues to reflect PWC as a Public Authority.
- Decrease in budgetary appropriations for moving the \$3.8 million loan from the Electric Fund to fiscal year 2018 netted with an increase to the appropriation from net position of \$3.6 million.

W/WW Fund Expenditures - \$34,200

- Decrease operating expenditures \$34,200 in debt service related allocation adjustments between the Electric and W/WW Funds and a slight increase in finance costs.

Staff recommends that the Commission adopt the attached Electric and W/WW Fund budget ordinance amendment.

FY 2017 AMENDMENT #5 BUDGET ORDINANCE (PWCORD2017-05)

BE IT ORDAINED BY THE COMMISSIONERS OF THE FAYETTEVILLE PUBLIC WORKS COMMISSION (PWC):

That the Fayetteville Public Works Commission Budget Ordinance adopted June 22, 2016, as amended, is hereby amended as follows:

Section 1. It is estimated that the following revenues and other financing sources will be available during the fiscal year beginning July 1, 2016, and ending June 30, 2017, to meet the appropriations listed in Section 2.

	<u>Listed As</u>	<u>Revision</u>	<u>Revised Amount</u>
<u>Schedule A: Electric Fund</u>			
Operating and Other Revenues	\$ 230,897,500	\$ 1,050,000	\$ 231,947,500
Customer Contributions	\$ 1,950,000	\$ 128,000	\$ 2,078,000
Budgetary Appropriations	\$ 19,309,800	\$ (4,945,000)	\$ 14,364,800
Total Estimated Electric Fund Revenues	\$ 252,157,300	\$ (3,767,000)	\$ 248,390,300
<u>Schedule B: Water and Wastewater Fund</u>			
Operating and Other Revenues	\$ 84,406,200	\$ 270,800	\$ 84,677,000
Customer Contributions	\$ 3,177,000	\$ (1,253,800)	\$ 1,923,200
Transfer from City	\$ 385,200	\$ (385,200)	\$ -
Intergovernmental Revenue - Assessments	\$ -	\$ 1,603,000	\$ 1,603,000
Budgetary Appropriations	\$ 14,208,300	\$ (200,600)	\$ 14,007,700
Total Est Water and Wastewater Fund Revenues	\$ 102,176,700	\$ 34,200	\$ 102,210,900
Grand Total	\$ 354,334,000	\$ (3,732,800)	\$ 350,601,200

Section 2. The following amounts are hereby appropriated for the operations of the Fayetteville Public Works Commission and its activities for the fiscal year beginning July 1, 2016, and ending June 30, 2017, according to the following schedules:

	<u>Listed As</u>	<u>Revision</u>	<u>Revised Amount</u>
<u>Schedule A: Electric Fund</u>			
Operating Expenditures	\$ 192,572,450	\$ (237,300)	\$ 192,335,150
Capital	\$ 22,029,650	\$ -	\$ 22,029,650
Transfer to City	\$ 9,966,800	\$ (9,966,800)	\$ -
Transfer to City - Economic Development	\$ 1,200,000	\$ (1,200,000)	\$ -
Payment in Lieu of Taxes - City	\$ -	\$ 9,966,800	\$ 9,966,800
Intergovernmental Expenditure - Economic Development	\$ -	\$ 1,200,000	\$ 1,200,000
Transfer to Annexation Ph V Reserve - City Funding Portion	\$ 2,666,100	\$ -	\$ 2,666,100
Budgetary Appropriations	\$ 23,722,300	\$ (3,529,700)	\$ 20,192,600
Total Estimated Electric Fund Expenditures	\$ 252,157,300	\$ (3,767,000)	\$ 248,390,300
<u>Schedule B: Water and Wastewater Fund</u>			
Operating Expenditures	\$ 80,981,900	\$ 34,200	\$ 81,016,100
Capital	\$ 17,739,900	\$ -	\$ 17,739,900
Budgetary Appropriations	\$ 3,454,900	\$ -	\$ 3,454,900
Total Est Water and Wastewater Fund Expenditures	\$ 102,176,700	\$ 34,200	\$ 102,210,900
Grand Total	\$ 354,334,000	\$ (3,732,800)	\$ 350,601,200

Adopted this _____ day of _____, 2017.

FY 2017 ELECT, W/WW & FLEET MAINT FDS AMENDMENT #5 ITEMS

<u>PUBLIC WORKS COMMISSION - REVENUES</u>	<u>AMENDMENT AMOUNT</u>
Electric Fund	
APPROPRIATION FROM ELECTRIC NET POSITION	1,173,200
TRANSFER FROM ELECTRIC CAPITAL PROJ RESERVE	(4,719,800)
INSURANCE RECOVERY	100,000
INTEREST INCOME	450,000
7% SALES TAX DISCOUNT	500,000
LOCAL GOV CONTR - FIBER OPTIC	20,500
TRANSFER FROM REPS	(1,398,400)
FEDERAL GRANTS	107,500
Total Amendment Electric Fund Revenues	(3,767,000)

PUBLIC WORKS COMMISSION - EXPENDITURES

Electric Fund	
BOND PRINCIPAL PAYMENTS	(6,400)
BOND INTEREST EXPENSE	(9,400)
BOND INTEREST AMORTIZATION	1,500
OTHER FINANCE COSTS	1,800
AMORTIZATION - BOND ISSUE COSTS (FERC 11800)	(1,500)
APPROPRIATION TO RATE STABILIZATION FUND	223,300
ELECTRIC DIV - PURCHASE POWER GENERATION (POWER SUPPLY TRUE UP)	(223,300)
LOAN TO WATER/WASTEWATER FUND	(3,753,000)
TRANSFER TO THE CITY	(9,966,800)
TRANSFER TO THE CITY - ECONOMIC DEVELOPMENT	(1,200,000)
PAYMENT IN LIEU OF TAXES - CITY	9,966,800
INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVELOPMENT	1,200,000
APPR TO ELECTRIC NET POSITION	0
Total Amendment Electric Fund Expenditures	(3,767,000)

PUBLIC WORKS COMMISSION - REVENUES

Water/Wastewater Fund	
AMORT. ADJ - PREMIUM ON INVESTMENT (FERC 11650)	5,300
TRANSFER FROM THE CITY - ANNEX GO DEBT	(385,200)
LOAN FROM ELECTRIC FUND	(3,753,000)
INSURANCE RECOVERY	200,000
REVENUE FROM OPER & MAINT. AGREEMENT	65,500
CUSTOMER CONTRIBUTIONS - WATER	(3,000)
CUSTOMER CONTRIBUTIONS - SEWER	(1,300,000)
INTERGOV REV - ASSESSMENTS	1,303,000
INTERGOV REV - ASSESSMENTS INT	300,000
FEDERAL GRANTS - WATER	49,200
APPR. FROM W/WW NET POSITION	3,552,400
Total Amendment Water/Wastewater Fund Revenues	34,200

PUBLIC WORKS COMMISSION - EXPENDITURES

Water/Wastewater Fund	
BOND PRINCIPAL PAYMENTS	6,400
BOND INTEREST EXPENSE	9,400
BOND INTEREST - AMORTIZATION	(1,500)
OTHER FINANCE COSTS	13,100
AMORTIZATION - BOND ISSUE COSTS (FERC 11800)	6,800
Total Amendment Water/Wastewater Fund Expenditures	34,200

PUBLIC WORKS COMMISSION - REVENUES

Fleet Maintenance Fund

Total Amendment Fleet Maintenance Fund Revenues 0

PUBLIC WORKS COMMISSION - EXPENDITURES

Fleet Maintenance Fund

Total Amendment Fleet Maintenance Fund Expenditures 0

Grand Total (3,732,800)

ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2017	BUDGET AMD # 1 - 4 FY 2017	BUDGET AMD #5 FY 2017	PROPOSED AMENDED BUDGET FY 2017
ELECTRIC UTILITY OPERATING FUND	\$221,542,900	\$8,584,750	(\$3,767,000)	\$226,360,650
ELECTRIC CAPITAL OUTLAY	\$20,785,850	\$1,243,800	\$0	\$22,029,650
TOTAL ELECTRIC FUND	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300
WATER & WASTEWATER UTILITIES OPERATING FUND	\$81,760,450	\$2,676,350	\$34,200	\$84,471,000
WATER & WASTEWATER CAPITAL OUTLAY	\$17,545,500	\$194,400	\$0	\$17,739,900
TOTAL WATER & WASTEWATER FUND	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900
TOTAL ELECTRIC & W/WW FUNDS	\$341,634,700	\$12,699,300	(\$3,732,800)	\$350,601,200
FLEET MAINTENANCE FUND	\$9,122,500	\$0	\$0	\$9,122,500
FLEET MAINTENANCE CAPITAL OUTLAY	\$120,000	\$0	\$0	\$120,000
TOTAL FLEET MAINTENANCE FUND	\$9,242,500	\$0	\$0	\$9,242,500
TOTAL BUDGET	\$350,877,200	\$12,699,300	(\$3,732,800)	\$359,843,700

ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS SUMMARY

DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2017	AMD # 1 - 4 FY 2017	AMD #5 FY 2017	AMENDED BUDGET FY 2017
ELECTRIC FUND:				
REVENUES	\$228,897,500	\$2,000,000	\$1,050,000	\$231,947,500
CONTRIBUTIONS AND/OR GRANTS	1,950,000	0	128,000	2,078,000
REMITTANCES FROM CITY	0	0	0	0
APPR. FROM RATE STABILIZATION FUND	0	0	0	0
TRANSFER FROM ELECTRIC CAPITAL PROJ.	0	4,719,800	(4,719,800)	0
TRANSFER FROM REPS	3,998,400	0	(1,398,400)	2,600,000
TRANSFER FROM WPCA RESERVE	0	0	0	0
APPR. FROM ELECTRIC NET POSITION	7,482,850	3,108,750	1,173,200	11,764,800
TOTAL REVENUES ELECTRIC	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300
EXPENDITURES				
EXPENDITURES	\$42,175,000	\$347,050	(\$1,500)	\$42,520,550
PURCHASED POWER & GENERATION	145,605,400	700,000	(223,300)	146,082,100
BOND INTEREST EXPENSE	1,073,600	570,100	(9,400)	1,634,300
BOND INTEREST AMORTIZATION	(191,800)	(45,100)	1,500	(235,400)
OTHER FINANCE COST	15,900	200	1,800	17,900
TRANSFER TO CITY	9,944,900	21,900	(9,966,800)	0
TRANSFER TO CITY - ECONOMIC DEVELOPMENT	0	1,200,000	(1,200,000)	0
PAYMENT IN LIEU OF TAXES - CITY	0	0	9,966,800	9,966,800
INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVELOPMENT	0	0	1,200,000	1,200,000
CAPITAL EXPENDITURES	20,785,850	1,243,800	0	22,029,650
TOTAL DEBT RELATED PAYMENTS	2,091,000	231,100	(6,400)	2,315,700
APPR. TO RATE STABILIZATION FUND	250,000	0	223,300	473,300
APPR. TO ELECTRIC CAPITAL RESERVE	0	0	0	0
TRANSFER TO REPS RESERVE	2,212,800	0	0	2,212,800
BWGP START COST RESERVE	100,000	0	0	100,000
TRANSFER TO ANNEXATION PH V RESERVE - CITY FUND PORTION	2,666,100	0	0	2,666,100
TRANSFER TO COAL ASH RESERVE	15,540,000	1,806,500	0	17,346,500
TRANSFER TO FLEET MAINTENANCE FUND	60,000	0	0	60,000
LOAN TO WATER/WASTEWATER FUND	0	3,753,000	(3,753,000)	0
APPR. TO ELECTRIC NET POSITION	0	0	0	0
TOTAL EXPENDITURES ELECTRIC	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300
WATER & WASTEWATER FUND:				
REVENUES	\$84,423,500	(\$17,300)	\$270,800	\$84,677,000
CONTRIBUTIONS AND GRANTS	3,177,000	0	(1,253,800)	1,923,200
REMITTANCES FROM CITY	495,200	(110,000)	1,217,800	1,603,000
TRANSFER FROM W/WW CAPITAL PROJ.	1,517,000	0	0	1,517,000
APPR. FROM ANNEX PH V RES. FUND	2,113,500	722,300	0	2,835,800
TRANSFER FROM CAPITALIZED INTEREST FUND	0	865,900	0	865,900
APPR. FROM RATE STABILIZATION FUND	0	4,918,000	0	4,918,000
LOAN FROM ELECTRIC FUND	0	3,753,000	(3,753,000)	0
APPR. FROM W/WW NET POSITION	7,579,750	(7,261,150)	3,552,400	3,871,000
TOTAL REVENUES WATER & WASTEWATER	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900

ELECTRIC, W/WW & FMIS FUNDS SUMMARY

DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2017	AMD # 1 - 4 FY 2017	AMD #5 FY 2017	AMENDED BUDGET FY 2017
EXPENDITURES	\$54,435,550	\$1,168,350	\$6,800	\$55,610,700
BOND INTEREST EXPENSE	7,444,900	2,129,700	9,400	9,584,000
BOND INTEREST EXPENSE - CITY ANNEX.	81,600	(43,800)	0	37,800
BOND INTEREST - AMORTIZATION	(764,200)	(315,000)	(1,500)	(1,080,700)
LOAN INTEREST EXPENSE	392,100	(269,700)	0	122,400
OTHER FINANCE COST	20,600	1,200	13,100	34,900
CAPITAL EXPENDITURES	17,545,500	194,400	0	17,739,900
DEBT RELATED PAYMENTS	13,354,000	1,543,900	6,400	14,904,300
BOND PRINCIPAL PAYMENTS - CITY ANNEX.	575,200	(200,000)	0	375,200
LOAN PRINCIPAL PAYMENTS	2,655,800	(1,228,300)	0	1,427,500
TOTAL CONTRACTS PAYABLE PAYMENT	0	0	0	0
APPR. TO RATE STABILIZATION FUND	250,000	0	0	250,000
APPR. TO W/WW CAPITAL RESERVE	0	0	0	0
APPR. TO ANNEXATION PHASE V RESERVE	1,844,900	0	0	1,844,900
TRANSFER TO ANNEXATION PHASE V RESERVE	1,410,000	(110,000)	0	1,300,000
TRANSFER TO FLEET MAINTENANCE FUND	60,000	0	0	60,000
APPR. TO W/WW NET POSITION	0	0	0	0
TOTAL EXPEND. WATER & WASTEWATER	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900
TOTAL ELECTRIC & W/WW	\$341,634,700	\$12,699,300	(\$3,732,800)	\$350,601,200
FLEET MAINTENANCE FUND:				
REVENUES	\$9,122,500	\$0	\$0	\$9,122,500
TRANSFER FROM GENERAL FUND	120,000	0	0	120,000
APPROPRIATION FROM NET POSITION	0	0	0	0
TOTAL REVENUES FLEET MAINTENANCE FUND	\$9,242,500	\$0	\$0	\$9,242,500
EXPENDITURES	\$8,915,800	\$0	\$0	\$8,915,800
CAPITAL EXPENDITURES	120,000	0	0	120,000
APPROPRIATION TO NET POSITION	206,700	0	0	206,700
TOTAL EXPENDITURES FLEET MAINTENANCE FUND	\$9,242,500	\$0	\$0	\$9,242,500
TOTAL ELECTRIC, W/WW & FLEET MAINTENANCE FUNDS	\$350,877,200	\$12,699,300	(\$3,732,800)	\$359,843,700

ELECTRIC FUND SUMMARY

DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2017	AMD # 1 - 4 FY 2017	AMD #5 FY 2017	AMENDED BUDGET FY 2017
ELECTRIC OPERATING REVENUE	\$227,405,900	\$2,000,000	\$0	\$229,405,900
OTHER ELECTRIC REVENUE	1,491,600	0	1,050,000	2,541,600
TOTAL OPERATING & OTHER REVENUE	\$228,897,500	\$2,000,000	\$1,050,000	\$231,947,500
CONTRIBUTIONS AND GRANTS	\$1,950,000	\$0	\$128,000	\$2,078,000
REMITTANCES FROM CITY	0	0	0	0
APPR. FROM RATE STABILIZATION FUND	0	0	0	0
TRANSFER FROM ELECTRIC CAPITAL PROJ.	0	4,719,800	(4,719,800)	0
TRANSFER FROM REPS	3,998,400	0	(1,398,400)	2,600,000
TRANSFER FROM WPCA RESERVE	0	0	0	0
APPR. FROM ELECTRIC NET POSITION	7,482,850	3,108,750	1,173,200	11,764,800
TOTAL ELECTRIC REVENUE	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300
ELECTRIC DIVISION - DISTRIBUTION	\$16,685,500	\$67,600	\$0	\$16,753,100
ELECT. DIV. - PURCHASED POWER & GEN.	145,605,400	700,000	(223,300)	146,082,100
MANAGEMENT DIVISION	3,588,850	0	0	3,588,850
COMM. & COMMUNITY RELATIONS DIVISION	622,500	0	0	622,500
HUMAN RESOURCES DIVISION	667,000	0	0	667,000
CUSTOMER PROGRAMS DIVISION	2,567,600	40,850	0	2,608,450
CORPORATE SERVICES DIVISION	8,615,300	0	0	8,615,300
FINANCIAL DIVISION	6,571,700	0	0	6,571,700
GENERAL & ADMINISTRATION	7,968,750	1,700	0	7,970,450
DEPRECIATION EXPENSE	15,520,000	0	0	15,520,000
OVERHEAD CLEARING	(5,112,200)	0	0	(5,112,200)
BOND INTEREST EXPENSE	1,073,600	570,100	(9,400)	1,634,300
BOND INTEREST - AMORTIZATION	(191,800)	(45,100)	1,500	(235,400)
OTHER FINANCE COST	15,900	200	1,800	17,900
TRANSFER TO CITY	9,944,900	21,900	(9,966,800)	0
TRANSFER TO CITY - ECONOMIC DEVELOPMENT	0	1,200,000	(1,200,000)	0
PAYMENT IN LIEU OF TAXES - CITY	0	0	9,966,800	9,966,800
INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVEL	0	0	1,200,000	1,200,000
TOTAL OPERATING & OTHER EXPENSES	\$214,143,000	\$2,557,250	(\$229,400)	\$216,470,850
NET OPERATING RESULTS	\$14,754,500	(\$557,250)	\$1,279,400	\$15,476,650
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0
CAPITAL EXPENDITURES	20,785,850	1,243,800	0	22,029,650
TOTAL DEBT RELATED PAYMENT	2,091,000	231,100	(6,400)	2,315,700
DEPRECIATION/AMORTIZATION ADJUSTMENT	(15,520,000)	236,900	(1,500)	(15,284,600)
TOTAL SUPPLEMENTAL EXPENDITURES	\$7,356,850	\$1,711,800	(\$7,900)	\$9,060,750
TOTAL EXPENSES & SUPPLEMENTAL EXP.	\$221,499,850	\$4,269,050	(\$237,300)	\$225,531,600
APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$223,300	\$473,300
APPR. TO ELECTRIC CAPITAL RESERVE	0	0	0	0
TRANSFER TO REPS RESERVE	2,212,800	0	0	2,212,800
BWGP START COST RESERVE	100,000	0	0	100,000
TRANSFER TO ANNEXATION PHASE V RES - CITY FD PORT	2,666,100	0	0	2,666,100
TRANSFER TO COAL ASH RESERVE	15,540,000	1,806,500	0	17,346,500
TRANSFER TO FLEET MAINTENANCE FUND	60,000	0	0	60,000
LOAN TO WATER/WASTEWATER FUND	0	3,753,000	(3,753,000)	0
APPR. TO ELECTRIC NET POSITION	0	0	0	0
TOTAL BUDGETARY APPROPRIATIONS	\$20,828,900	\$5,559,500	(\$3,529,700)	\$22,858,700
TOTAL ELECTRIC EXPENDITURES	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300

ELECTRIC FUND REVENUES

FUND DIVISION/DEPARTMENT 001	ADOPTED ORIGINAL BUDGET FY 2017	BUDGET AMD # 1 - 4 FY 2017	BUDGET AMD #5 FY 2017	PROPOSED AMENDED BUDGET FY 2017
4400 RESIDENTIAL SALES	\$102,589,900	\$2,900,000	\$0	\$105,489,900
4410 NON RESIDENTIAL	59,813,500	1,400,000	0	\$61,213,500
4420 LARGE USER	30,672,000	(1,200,000)	0	\$29,472,000
4430 AREA LIGHTING	2,905,000	0	0	\$2,905,000
4441 OUTSIDE STREET LIGHTING	331,200	0	0	\$331,200
4443 COMMUNITY STREET LIGHTING	3,850,800	0	0	\$3,850,800
4444 PRIVATE THOROUGHFARE LIGHTING	1,017,600	0	0	\$1,017,600
4480 INTERDEPARTMENTAL SALES	3,324,400	0	0	\$3,324,400
4450 CITY ELECTRIC SALES	1,389,100	0	0	\$1,389,100
4453 WHOLESALE POWER COST ADJUSTMENT	0	(1,100,000)	0	(\$1,100,000)
1090 CUSTOMER ADJUSTMENTS	0	0	0	\$0
4490 ECONOMIC DEVELOPMENT DISCOUNTS	(19,200)	0	0	(\$19,200)
4495 RENEWABLE ENERGY CREDIT	(4,000)	0	0	(\$4,000)
TOTAL SALES OF ELECTRICITY	\$205,870,300	\$2,000,000	\$0	\$207,870,300
4498 NC RENEWABLE ENERGY RID	\$2,212,800	\$0	\$0	\$2,212,800
1002 LATE PAYMENT FEE	3,000,000	0	0	\$3,000,000
1003 DISCONNECT ATTEMPT FEE	0	0	0	\$0
1004 RECONNECT FEE	315,000	0	0	\$315,000
1005 SET SERVICE CHARGES	700,000	0	0	\$700,000
1006 MISCELLANEOUS SERVICE REVENUES	600,000	0	0	\$600,000
1008 METER TESTING CHARGES	0	0	0	\$0
1009 RENT FROM ELECTRIC PROPERTY	180,000	0	0	\$180,000
2003 JOINT USE UTILITY POLES	331,200	0	0	\$331,200
2004 RENT FROM RCW BUSINESS CENTER	628,600	0	0	\$628,600
2005 MISCELLANEOUS ELECTRIC REVENUES	20,000	0	0	\$20,000
2006 DISASTER RELIEF REIMBURSEMENT	0	0	0	\$0
2007 LEASE OF FIBER REVENUE	755,300	0	0	\$755,300
2008 BWGP LEASE PAYMENT	12,725,200	0	0	\$12,725,200
2009 BWGP REIMBURSABLE COSTS	67,500	0	0	\$67,500
TOTAL OTHER OPERATING REVENUE	\$21,535,600	\$0	\$0	\$21,535,600
TOTAL ELECTRIC OPERATING REVENUE	\$227,405,900	\$2,000,000	\$0	\$229,405,900
2021 MERCHANDISING AND CONTRACT WORK	\$21,600	\$0	\$0	\$21,600
2022 INTEREST INCOME	550,000	0	450,000	\$1,000,000
2023 ADJUSTMENT TO MARKET INTEREST	0	0	0	\$0
2024 7% SALES TAX DISCOUNT	900,000	0	500,000	\$1,400,000
2025 MISC. NON-OPERATING INCOME	20,000	0	0	\$20,000
2026 PURCHASE DISCOUNT	0	0	0	\$0
2027 GAIN OR LOSS ON SALE OF PROPERTY	0	0	0	\$0
2028 INSURANCE RECOVERY	0	0	100,000	\$100,000
TOTAL OTHER ELECTRIC REVENUE	\$1,491,600	\$0	\$1,050,000	\$2,541,600
TOTAL ELECTRIC OPERATING & OTHER REVENUE	\$228,897,500	\$2,000,000	\$1,050,000	\$231,947,500

ELECTRIC FUND REVENUES

FUND DIVISION/DEPARTMENT		ADOPTED	BUDGET	BUDGET	PROPOSED
001		ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2017	FY 2017	FY 2017	FY 2017
2031	CUSTOMER CONTR - FIBER OPTIC	\$0	\$0	\$0	\$0
2032	FEDERAL CONTRIBUTIONS	0	0	0	\$0
2033	STATE CONTRIBUTIONS	1,950,000	0	0	\$1,950,000
2034	LOCAL GOVERNMENT CONTRIBUTIONS	0	0	0	\$0
2035	LOCAL GOV CONTR - FIBER OPTIC	0	0	20,500	\$20,500
2036	FEDERAL GRANTS	0	0	107,500	\$107,500
2037	OTHER GRANTS	0	0	0	\$0
	TOTAL CONTRIBUTIONS AND GRANTS	\$1,950,000	\$0	\$128,000	\$2,078,000
2041	TRANSFER FROM CITY - BLACK & DECKER	\$0	\$0	\$0	\$0
	TOTAL REMITTANCES FROM THE CITY	\$0	\$0	\$0	\$0
	TOTAL REVENUES	\$230,847,500	\$2,000,000	\$1,178,000	\$234,025,500
2042	APPR. FROM RATE STABILIZATION FUND	\$0	\$0	\$0	\$0
2045	TRANSFER FROM ELECTRIC CAPITAL PROJECTS	0	4,719,800	(4,719,800)	\$0
2047	TRANSFER FROM REPS	3,998,400	0	(1,398,400)	\$2,600,000
2047	TRANSFER FROM WPCA RESERVE	0	0	0	\$0
2048	APPR. FROM ELECTRIC NET POSITION	7,482,850	3,108,750	1,173,200	\$11,764,800
	TOTAL BUDGETARY APPROPRIATIONS	\$11,481,250	\$7,828,550	(\$4,945,000)	\$14,364,800
	TOTAL ELECTRIC FUND REVENUES	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300

ELECTRIC FUND EXPENDITURES

FUND DIVISION/DEPARTMENT

001

ACCOUNT/DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2017	AMD # 1 - 4 FY 2017	AMD #5 FY 2017	AMENDED BUDGET FY 2017
ELECTRIC DIVISION - DISTRIBUTION	\$16,685,500	\$67,600	\$0	\$16,753,100
ELECT. DIV. - PUR. POWER & GEN.	145,605,400	700,000	(223,300)	146,082,100
MANAGEMENT DIVISION	3,588,850	0	0	3,588,850
COMM. & COMMUNITY RELATIONS DIV.	622,500	0	0	622,500
HUMAN RESOURCES DIVISION	667,000	0	0	667,000
CUSTOMER PROGRAMS DIVISION	2,567,600	40,850	0	2,608,450
CORPORATE SERVICES DIVISION	8,615,300	0	0	8,615,300
FINANCIAL DIVISION	6,571,700	0	0	6,571,700
GENERAL & ADMINISTRATION	7,968,750	1,700	0	7,970,450
TOTAL DEPT. OPERATING EXPENSES	\$192,892,600	\$810,150	(\$223,300)	\$193,479,450
0520 TOTAL DEPRECIATION EXPENSE	\$15,381,600	\$0	\$0	\$15,381,600
0824 AMORTIZATION OF BOND ISSUE COSTS	0	0	0	0
0859 AMORTIZATION - UNDISTRIBUTED	138,400	0	0	138,400
TOTAL DEPRECIATION & AMORT.	\$15,520,000	\$0	\$0	\$15,520,000
0855 LABOR OVERHEAD	(\$300,000)	\$0	\$0	(\$300,000)
0855 ALLOCATED BENEFITS - JOB COST	(1,500,000)	0	0	(1,500,000)
INTRADEPARTMENTAL UTILITY CLEAR.	(630,000)	0	0	(630,000)
0812 MINOR MATERIALS - STORE	500,000	0	0	500,000
0853 STORES EXPENSE CLEARING	(973,600)	0	0	(973,600)
0851 VEHICLE/EQUIPMENT CLEARING	(2,208,600)	0	0	(2,208,600)
TOTAL OVERHEAD CLEARING	(\$5,112,200)	\$0	\$0	(\$5,112,200)
0824 BOND INTEREST EXPENSE	\$1,073,600	\$570,100	(\$9,400)	\$1,634,300
0824 BOND INTEREST - AMORTIZATION	(191,800)	(45,100)	1,500	(235,400)
0824 OTHER FINANCE COST	15,900	200	1,800	17,900
0824 CAPITALIZED INTEREST EXPENSE	0	0	0	0
TOTAL DEBT INTEREST EXPENSE	\$897,700	\$525,200	(\$6,100)	\$1,416,800
0489 TRANSFER TO CITY	\$9,944,900	\$21,900	(\$9,966,800)	\$0
4930 TRANSFER TO CITY -ECONOMIC DEVELOPMENT	0	1,200,000	(1,200,000)	0
0489 PAYMENT IN LIEU OF TAXES - CITY	0	0	9,966,800	9,966,800
4930 INTERGOVERNMENTAL EXPENDITURE - ECONOMIC DEVELOPMENT	0	0	1,200,000	1,200,000
TOTAL REMITTANCES TO CITY	\$9,944,900	\$1,221,900	\$0	\$11,166,800
TOTAL EXPENSES	\$214,143,000	\$2,557,250	(\$229,400)	\$216,470,850
NET OPERATING RESULTS	\$14,754,500	(\$557,250)	\$1,279,400	\$15,476,650
0108 INCR/DECR-GAS AND DIESEL INVEN.	\$0	\$0	\$0	\$0
0110 INCR/DECR-GENERATION FUEL INVEN.	0	0	0	0
0104 INCR/DECR-GENERATION INVENTORY	0	0	0	0
0104 INCR/DECR-MATERIALS INVENTORY	0	0	0	0
0104 INCR/DECR-STORES EXP.-UNDIST.	0	0	0	0
0104 INCR/DECR-EMISSIONS ALLOWANCE	0	0	0	0
0104 INCR/DECR-EMISSIONS CREDIT INV.	0	0	0	0
0104 INCR/DECR-INVENTORY - RECS.	0	0	0	0
TOTAL OTHER DEDUCTIONS	\$0	\$0	\$0	\$0

ELECTRIC FUND EXPENDITURES

FUND DIVISION/DEPARTMENT				
001	ADOPTED	BUDGET	BUDGET	PROPOSED
ACCOUNT/DESCRIPTION	ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
	FY 2017	FY 2017	FY 2017	FY 2017
GENERATION - PLANT ADDITIONS	\$480,000	\$0	\$0	\$480,000
TRANSMISSION - PLANT ADDITIONS	4,944,600	1,117,300	0	6,061,900
DISTRIBUTION - PLANT ADDITIONS	12,715,300	0	0	12,715,300
LAND AND LAND RIGHTS	100,000	0	0	100,000
STRUCTURES AND IMPROVEMENTS	210,000	0	0	210,000
OFFICE FURNITURE AND EQUIPMENT	40,000	0	0	40,000
COMMUNICATION EQUIPMENT	307,500	0	0	307,500
TRANSPORTATION EQUIPMENT	589,250	126,500	0	715,750
POWER OPERATED CONST. EQUIP.	87,000	0	0	87,000
TELECOM - CABLE INFRASTRUCTURE	300,000	0	0	300,000
TELECOM - ELEC. INFRASTRUCTURE	0	0	0	0
MISCELLANEOUS EQUIPMENT	206,000	0	0	206,000
COMP. SOFTWARE AND HARDWARE	806,200	0	0	806,200
TOTAL CAPITAL EXPENDITURES	\$20,785,850	\$1,243,800	\$0	\$22,029,650
0822 BOND PRINCIPAL PAYMENTS	\$2,091,000	\$231,100	(\$6,400)	\$2,315,700
TOTAL DEBT RELATED PAYMENTS	\$2,091,000	\$231,100	(\$6,400)	\$2,315,700
0531 DEPRECIATION ADJUSTMENT	(\$15,381,600)	\$0	\$0	(\$15,381,600)
0532 AMORTIZATION - BOND ISSUE COST	0	236,900	(1,500)	235,400
0532 AMORTIZATION - UNDISTRIBUTED	(138,400)	0	0	(138,400)
TOTAL ADJUSTMENTS	(\$15,520,000)	\$236,900	(\$1,500)	(\$15,284,600)
TOTAL SUPPLEMENTAL EXPENDITURES	\$7,356,850	\$1,711,800	(\$7,900)	\$9,060,750
TOTAL EXPENDITURES	\$221,499,850	\$4,269,050	(\$237,300)	\$225,531,600
0834 APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$223,300	\$473,300
0834 APPR. TO ELECTRIC CAPITAL RESERVE	0	0	0	0
0834 TRANSFER TO REPS RESERVE	2,212,800	0	0	2,212,800
834 BWGP START COST RESERVE	100,000	0	0	100,000
0834 TRANSFER TO ANNEXATION PHASE V RESERVE - CITY FUND PORTION	2,666,100	0	0	2,666,100
834 TRANSFER TO COAL ASH RESERVE	15,540,000	1,806,500	0	17,346,500
0834 TRANSFER TO FLEET MAINTENANCE FUND	60,000	0	0	60,000
0834 LOAN TO WATER/WASTEWATER FUND	0	3,753,000	(3,753,000)	0
0834 APPR. TO ELECTRIC NET POSITION	0	0	0	0
TOTAL BUDGETARY APPROPRIATIONS	\$20,828,900	\$5,559,500	(\$3,529,700)	\$22,858,700
TOTAL ELECTRIC UTILITY	\$242,328,750	\$9,828,550	(\$3,767,000)	\$248,390,300

WATER & WASTEWATER FUND SUMMARY

DESCRIPTION	ADOPTED	BUDGET	BUDGET	PROPOSED
	ORIGINAL BUDGET FY 2017	AMD # 1 - 4 FY 2017	AMD #5 FY 2017	AMENDED BUDGET FY 2017
WATER OPERATING REVENUE	\$37,919,600	\$0	\$0	\$37,919,600
SANITARY SEWER OPERATING REVENUE	42,375,000	0	0	42,375,000
OTHER OPERATING REVENUE	3,416,300	0	65,500	3,481,800
OTHER WATER & SAN. SEWER REVENUE	712,600	(17,300)	205,300	900,600
TOTAL OPERATING & OTHER REVENUE	\$84,423,500	(\$17,300)	\$270,800	\$84,677,000
CONTRIBUTIONS AND GRANTS	\$3,177,000	\$0	(\$1,253,800)	\$1,923,200
REMITTANCES FROM CITY	495,200	(110,000)	1,217,800	1,603,000
TRANSFER FROM W/WW CAPITAL PROJ.	1,517,000	0	0	1,517,000
APPR. FROM ANNEX PH V RES. FUND	2,113,500	722,300	0	2,835,800
TRANSFER FROM CAPITALIZED INTEREST FUND	0	865,900	0	865,900
APPR. FROM RATE STABILIZATION FUND	0	4,918,000	0	4,918,000
LOAN FROM ELECTRIC FUND	0	3,753,000	(3,753,000)	0
APPR. FROM W/WW NET POSITION	7,579,750	(7,261,150)	3,552,400	3,871,000
TOTAL WATER & WASTEWATER REVENUE	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900
WATER RESOURCES DIVISION	\$31,397,500	\$74,900	\$0	\$31,472,400
MANAGEMENT DIVISION	2,001,350	0	0	2,001,350
COMM. & COMMUNITY RELATIONS DIVISION	622,500	0	0	622,500
HUMAN RESOURCES DIVISION	667,000	0	0	667,000
CUSTOMER PROGRAMS DIVISION	2,321,800	17,850	0	2,339,650
CORPORATE SERVICES DIVISION	8,615,300	0	0	8,615,300
FINANCIAL DIVISION	5,521,700	0	0	5,521,700
GENERAL & ADMINISTRATION	8,171,500	1,700	0	8,173,200
DEPRECIATION EXPENSE - WATER	9,146,200	0	0	9,146,200
DEPRECIATION EXPENSE - SEWER	11,052,900	0	0	11,052,900
AMORTIZATION OF BOND ISSUE COSTS	0	0	0	0
AMORTIZATION - UNDISTRIBUTED	492,600	0	0	492,600
OVERHEAD CLEARING	(4,883,100)	0	0	(4,883,100)
BOND INTEREST EXPENSE	7,444,900	2,129,700	9,400	9,584,000
BOND INTEREST EXPENSE - CITY ANNEX.	81,600	(43,800)	0	37,800
BOND INTEREST - AMORTIZATION	(764,200)	(315,000)	(1,500)	(1,080,700)
LOAN INTEREST EXPENSE	392,100	(269,700)	0	122,400
OTHER FINANCE COST	20,600	1,200	13,100	34,900
TOTAL OPERATING & OTHER EXPENSES	\$82,302,250	\$1,596,850	\$21,000	\$83,920,100
NET OPERATING RESULTS	\$2,121,250	(\$1,614,150)	\$249,800	\$756,900
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0
CAPITAL EXPENDITURES	17,545,500	194,400	0	17,739,900
DEBT RELATED PAYMENTS	13,354,000	1,543,900	6,400	14,904,300
BOND PRINCIPAL PAYMENT - CITY ANNEX.	575,200	(200,000)	0	375,200
LOAN PRINCIPAL PAYMENTS	2,655,800	(1,228,300)	0	1,427,500
TOTAL CONTRACTS PAYABLE PAYMENT	0	0	0	0
DEPRECIATION/AMORTIZATION ADJUSTMENT	(20,691,700)	1,073,900	6,800	(19,611,000)
TOTAL SUPPLEMENTAL EXPENDITURES	\$13,438,800	\$1,383,900	\$13,200	\$14,835,900

WATER & WASTEWATER FUND SUMMARY

DESCRIPTION	ADOPTED ORIGINAL BUDGET FY 2017	BUDGET AMD # 1 - 4 FY 2017	BUDGET AMD #5 FY 2017	PROPOSED AMENDED BUDGET FY 2017
TOTAL EXPENSES & SUPPLEMENTAL EXP.	\$95,741,050	\$2,980,750	\$34,200	\$98,756,000
APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$0	\$250,000
APPR. TO W/WW CAPITAL RESERVE	0	0	0	0
APPR. TO ANNEXATION PHASE V RESERVE	1,844,900	0	0	1,844,900
TRANSFER TO ANNEXATION PHASE V RESERVE	1,410,000	(110,000)	0	1,300,000
TRANSFER TO FLEET MAINTENANCE FUND	60,000	0	0	60,000
APPR. TO W/WW NET POSITION	0	0	0	0
TOTAL BUDGETARY APPROPRIATIONS	\$3,564,900	(\$110,000)	\$0	\$3,454,900
TOTAL WATER & W/W EXPENDITURES	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900

WATER & WASTEWATER FUND REVENUES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
002		ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2017	FY 2017	FY 2017	FY 2017
4609	RESIDENTIAL SALES	\$24,974,800	\$0	\$0	\$24,974,800
4610	NON RESIDENTIAL	7,646,900	0	0	7,646,900
4613	LARGE USER	2,076,900	0	0	2,076,900
4615	CITY WATER SERVICES	269,800	0	0	269,800
4616	INTERDEPARTMENTAL SALES	36,700	0	0	36,700
4620	WHOLESALE	3,074,500	0	0	3,074,500
4650	CUSTOMER ADJUSTMENTS	(160,000)	0	0	(160,000)
	TOTAL WATER REVENUES	\$37,919,600	\$0	\$0	\$37,919,600
4711	RESIDENTIAL SALES	\$30,197,700	\$0	\$0	\$30,197,700
4712	NON RESIDENTIAL	9,133,100	0	0	9,133,100
4713	LARGE USER	2,592,000	0	0	2,592,000
4715	CITY SEWER SERVICES	92,500	0	0	92,500
4717	INTERDEPARTMENTAL SALES	20,900	0	0	20,900
4720	WHOLESALE	463,700	0	0	463,700
4716	SANITARY SEWER CHARGES	145,100	0	0	145,100
4750	CUSTOMER ADJUSTMENTS	(270,000)	0	0	(270,000)
	GRINDER PUMP REIMBURSEMENT	0	0	0	0
	TOTAL SEWER REVENUES	\$42,375,000	\$0	\$0	\$42,375,000
1002	LATE PAYMENT FEE	\$1,600,000	\$0	\$0	\$1,600,000
1003	DISCONNECT ATTEMPT FEE	0	0	0	0
1004	RECONNECT FEE	70,000	0	0	70,000
2051	TAPPING FEES - WATER	80,000	0	0	80,000
2052	MISCELLANEOUS WATER REVENUES	15,000	0	0	15,000
2053	TAPPING FEES - SEWER	80,000	0	0	80,000
2054	SERVICE LATERAL CHARGES - SEWER	100,000	0	0	100,000
2055	MISCELLANEOUS SEWER REVENUES	12,000	0	0	12,000
1005	SET SERVICE CHARGES	275,000	0	0	275,000
2056	MISC. W/WW SERVICE REVENUES	10,000	0	0	10,000
1008	METER TESTING CHARGES - WATER	400	0	0	400
2057	REVENUE FROM W/S SYS. PERMIT	1,000	0	0	1,000
2058	SEPTAGE RECEIVING FEES	130,000	0	0	130,000
4901	PUMP & HAUL SEWER CHARGES	10,000	0	0	10,000
	OTHER WATER & SEWER REVENUE	35,000	0	0	35,000
2060	REVENUE FROM FARM OPERATIONS	50,000	0	0	50,000
2061	SERVICE LATERAL CHARGES - WATER	130,000	0	0	130,000
2062	REVENUE FROM OPER & MAINT. AGRM.	39,500	0	65,500	105,000
2063	RENTS FROM W/WW PROPERTY	778,400	0	0	778,400
	TOTAL OTHER OPERATING REVENUE	\$3,416,300	\$0	\$65,500	\$3,481,800
	TOTAL W/WW OPERATING REVENUE	\$83,710,900	\$0	\$65,500	\$83,776,400

WATER & WASTEWATER FUND REVENUES

FUND	DIVISION/DEPARTMENT				
002		ADOPTED	BUDGET	BUDGET	PROPOSED
ACCOUNT/DESCRIPTION		ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
		FY 2017	FY 2017	FY 2017	FY 2017
2021	MERCHANDISING & CONTRACT WORK	\$21,600	\$0	\$0	\$21,600
2022	INTEREST INCOME	650,000	0	0	650,000
2022	PREMIUM AMORTIZATION - INVESTMENT	12,000	(17,300)	5,300	0
	ADJUSTMENT TO MARKET INTEREST	0	0	0	0
2025	MISC. NON-OPERATING INCOME	20,000	0	0	20,000
2026	PURCHASE DISCOUNT	9,000	0	0	9,000
2027	GAIN (LOSS) ON SALE OF PROPERTY	0	0	0	0
2028	INSURANCE RECOVERY	0	0	200,000	200,000
	TOTAL OTHER W/WW REVENUE	\$712,600	(\$17,300)	\$205,300	\$900,600
	TOTAL OPERATING & OTHER REVENUE	\$84,423,500	(\$17,300)	\$270,800	\$84,677,000
2064	CUSTOMER CONTRIBUTIONS-WATER	\$3,000	\$0	(\$3,000)	\$0
2065	CUSTOMER CONTRIBUTIONS-SEWER	1,300,000	0	(1,300,000)	0
2066	FEDERAL CONTRIBUTIONS - WATER	0	0	0	0
2067	FEDERAL CONTRIBUTIONS - SEWER	0	0	0	0
2068	LOCAL GOV'T CONT.-WATER	0	0	0	0
2069	LOCAL GOV'T CONT.-SEWER	0	0	0	0
2070	STATE CONTRIBUTIONS - WATER	0	0	0	0
2071	STATE CONTRIBUTIONS - SEWER	0	0	0	0
2072	FIF CONTRIBUTION-WATER	500,000	0	0	500,000
2073	FIF CONTRIBUTION-SEWER	700,000	0	0	700,000
2074	FEDERAL GRANTS - WATER	0	0	49,200	49,200
2075	FEDERAL GRANTS - SEWER	0	0	0	0
2076	STATE GRANTS - WATER	0	0	0	0
2077	NON CASH CUSTOMER CONTR. & FIF	0	0	0	0
2078	CONTRIBUTION - CIP	674,000	0	0	674,000
	TOTAL CONTRIBUTIONS AND GRANTS	\$3,177,000	\$0	(\$1,253,800)	\$1,923,200
2079	TRANSFER FROM CITY - ANNEXATION GO DEBT	\$385,200	\$0	(\$385,200)	\$0
2080	TRANSFER FROM CITY - ANNEX. WTR. ASSESS.	0	0	0	0
	TRANSFER FROM CITY - INTEREST DIFFERENTIAL	110,000	(110,000)	0	0
	INTERGOV REV - ASSESSMENTS	0	0	1,303,000	1,303,000
	INTERGOV REV - ASSESSMENTS INT	0	0	300,000	300,000
	TOTAL REMITTANCES FROM CITY	\$495,200	(\$110,000)	\$1,217,800	\$1,603,000
	TOTAL REVENUES	\$88,095,700	(\$127,300)	\$234,800	\$88,203,200
2088	TRANSFER FROM W/WW CAPITAL PROJ.	\$1,517,000	\$0	\$0	\$1,517,000
2090	APPR. FROM ANNEX PH V RES. FUND	2,113,500	722,300	0	2,835,800
	TRANSFER FROM CAPITALIZED INTEREST FUND	0	865,900	0	865,900
2091	APPR. FROM RATE STABILIZATION FUND	0	4,918,000	0	4,918,000
	LOAN FROM ELECTRIC FUND	0	3,753,000	(3,753,000)	0
2092	APPR. FROM W/WW NET POSITION	7,579,750	(7,261,150)	3,552,400	3,871,000
	TOTAL BUDGETARY APPROPRIATIONS	\$11,210,250	\$2,998,050	(\$200,600)	\$14,007,700
	TOTAL WATER AND WASTEWATER REVENUES	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900

WATER & WASTEWATER FUND EXPENDITURES

FUND DIVISION/DEPARTMENT				
002	ADOPTED	BUDGET	BUDGET	PROPOSED
ACCOUNT/DESCRIPTION	ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
	FY 2017	FY 2017	FY 2017	FY 2017
WATER RESOURCES DIVISION	\$31,397,500	\$74,900	\$0	\$31,472,400
MANAGEMENT DIVISION	2,001,350	0	0	2,001,350
COMM. & COMMUNITY RELATIONS DIVISION	622,500	0	0	622,500
HUMAN RESOURCES DIVISION	667,000	0	0	667,000
CUSTOMER PROGRAMS DIVISION	2,321,800	17,850	0	2,339,650
CORPORATE SERVICES DIVISION	8,615,300	0	0	8,615,300
FINANCIAL DIVISION	5,521,700	0	0	5,521,700
GENERAL & ADMINISTRATION	8,171,500	1,700	0	8,173,200
TOTAL DEPT. OPERATING EXPENSES	\$59,318,650	\$94,450	\$0	\$59,413,100
0520 DEPRECIATION EXPENSE-WATER	\$9,146,200	\$0	\$0	\$9,146,200
0520 DEPRECIATION EXPENSE-SEWER	11,052,900	0	0	11,052,900
0824 AMORTIZATION OF BOND ISSUE COSTS	0	0	0	0
0824 AMORTIZATION - UNDISTRIBUTED	492,600	0	0	492,600
TOTAL DEPRECIATION EXPENSE	\$20,691,700	\$0	\$0	\$20,691,700
0855 LABOR OVERHEAD	(\$300,000)	\$0	\$0	(\$300,000)
0855 ALLOCATED BENEFITS - JOB COST	(1,500,000)	0	0	(1,500,000)
0812 MINOR MATERIALS - STORE	200,000	0	0	200,000
INTRADPARTMENTAL UTILITY CLEARING	(282,500)	0	0	(282,500)
0853 STORES EXPENSE CLEARING	(673,000)	0	0	(673,000)
0851 VEHICLE/EQUIPMENT CLEARING	(2,327,600)	0	0	(2,327,600)
TOTAL OVERHEAD CLEARING	(\$4,883,100)	\$0	\$0	(\$4,883,100)
0824 BOND INTEREST EXPENSE	\$7,444,900	\$2,129,700	\$9,400	\$9,584,000
0824 BOND INTEREST EXPENSE - CITY ANNEX.	81,600	(43,800)	0	37,800
0824 BOND INTEREST - AMORTIZATION	(764,200)	(315,000)	(1,500)	(1,080,700)
0824 LOAN INTEREST EXPENSE	392,100	(269,700)	0	122,400
0824 OTHER FINANCE COST	20,600	1,200	13,100	34,900
0824 CAPITALIZED INTEREST EXPENSE	0	0	0	0
TOTAL DEBT INTEREST EXPENSE	\$7,175,000	\$1,502,400	\$21,000	\$8,698,400
TOTAL EXPENSES	\$82,302,250	\$1,596,850	\$21,000	\$83,920,100
NET OPERATING RESULTS	\$2,121,250	(\$1,614,150)	\$249,800	\$756,900
108 INCR/(DECR)-GAS AND DIESEL INVEN.	\$0	\$0	\$0	\$0
104 INCR/(DECR)-MATERIALS INVENTORY	0	0	0	0
TOTAL OTHER DEDUCTIONS	\$0	\$0	\$0	\$0

WATER & WASTEWATER FUND EXPENDITURES

FUND DIVISION/DEPARTMENT				
002	ADOPTED	BUDGET	BUDGET	PROPOSED
ACCOUNT/DESCRIPTION	ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
	FY 2017	FY 2017	FY 2017	FY 2017
GLENVILLE LAKE PLANT	\$784,000	\$0	\$0	\$784,000
P.O. HOFFER PLANT	742,000	0	0	742,000
WATER DISTRIBUTION SYSTEM	6,285,450	0	0	6,285,450
SANITARY SEWER COLLECTION SYS.	6,623,500	0	0	6,623,500
CROSS CREEK TREATMENT PLANT	618,000	0	0	618,000
ROCKFISH TREATMENT PLANT	285,000	0	0	285,000
LAND AND LAND RIGHTS	43,000	0	0	43,000
STRUCTURES AND IMPROVEMENTS	80,000	0	0	80,000
OFFICE FURNITURE AND EQUIPMENT	0	0	0	0
COMMUNICATION EQUIPMENT	57,500	0	0	57,500
TRANSPORTATION EQUIPMENT	1,000,750	92,000	0	1,092,750
POWER OPERATED CONST. EQUIP.	192,000	0	0	192,000
LABORATORY & TEST EQUIPMENT	0	0	0	0
TOOLS, SHOP & GARAGE EQUIPMENT	0	0	0	0
TELECOM - ELEC. INFRASTRUCTURE	0	0	0	0
MISCELLANEOUS EQUIPMENT	118,000	102,400	0	220,400
COMP. SOFTWARE AND HARDWARE	716,300	0	0	716,300
TOTAL CAPITAL EXPENDITURES	\$17,545,500	\$194,400	\$0	\$17,739,900
0822 BOND PRINCIPAL PAYMENTS	\$13,354,000	\$1,543,900	\$6,400	\$14,904,300
0822 BOND PRINCIPAL PYMT. - CITY ANNEX.	575,200	(200,000)	0	375,200
0822 LOAN PRINCIPAL PAYMENTS	2,655,800	(1,228,300)	0	1,427,500
TOTAL DEBT RELATED PAYMENTS	\$16,585,000	\$115,600	\$6,400	\$16,707,000
0828 NC DOT PROJECT PAYMENT	\$0	\$0	\$0	\$0
TOTAL CONTRACTS PAYABLE PYMT	\$0	\$0	\$0	\$0
0531 DEPRECIATION ADJUSTMENT	(\$20,199,100)	\$0	\$0	(\$20,199,100)
0532 AMORTIZATION - BOND ISSUE COST	0	1,073,900	6,800	1,080,700
0532 AMORTIZATION - UNDISTRIBUTED	(492,600)	0	0	(492,600)
TOTAL ADJUSTMENTS	(\$20,691,700)	\$1,073,900	\$6,800	(\$19,611,000)
TOTAL SUPPLEMENTAL EXPENDITURES	\$13,438,800	\$1,383,900	\$13,200	\$14,835,900
TOTAL EXPENDITURES	\$95,741,050	\$2,980,750	\$34,200	\$98,756,000
0834 APPR. TO RATE STABILIZATION FUND	\$250,000	\$0	\$0	\$250,000
0834 APPR. TO W/WW CAPITAL RESERVE	0	0	0	0
0834 APPR. TO ANNEXATION PHASE V RESERVE	1,844,900	0	0	1,844,900
0834 TRANSFER TO ANNEXATION PHASE V RESERVE	1,410,000	(110,000)	0	1,300,000
0834 TRANSFER TO FLEET MAINTENANCE FUND	60,000	0	0	60,000
0834 APPR. TO W/WW NET POSITION	0	0	0	0
TOTAL BUDGETARY APPROPRIATIONS	\$3,564,900	(\$110,000)	\$0	\$3,454,900
TOTAL WATER & WASTEWATER UTILITY	\$99,305,950	\$2,870,750	\$34,200	\$102,210,900

FLEET MAINTENANCE FUND SUMMARY

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
055		ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2017	FY 2017	FY 2017	FY 2017
5101	CITY SERVICES	\$5,632,300	\$0	\$0	\$5,632,300
5102	CITY SERVICES - FUEL REVENUE	457,400	0	0	457,400
5103	CITY SERVICES - SUPPLEMENTAL	0	0	0	0
5104	PWC SERVICES	3,032,800	0	0	3,032,800
5105	PWC SERVICES - SUPPLEMENTAL	0	0	0	0
	TOTAL OPERATING REVENUES	\$9,122,500	\$0	\$0	\$9,122,500
2027	GAIN (LOSS) ON SALE OF PROPERTY	0	0	0	0
	TOTAL NON-OPERATING REVENUES	\$0	\$0	\$0	\$0
	TOTAL REVENUES	\$9,122,500	\$0	\$0	\$9,122,500
2049	TRANSFER FROM GENERAL FUND	\$120,000	\$0	\$0	\$120,000
	APPR. FROM FLEET MAINTENANCE FUND NET POSITION	0	0	0	0
	TOTAL BUDGETARY APPROPRIATIONS	\$120,000	\$0	\$0	\$120,000
	TOTAL FLEET MAINTENANCE FUND REVENUE	\$9,242,500	\$0	\$0	\$9,242,500
	FLEET MAINTENANCE FUND OPERATING EXPENSES	\$8,915,800	\$0	\$0	\$8,915,800
	DEPRECIATION EXPENSE	206,700	0	0	206,700
	TOTAL OPERATING EXPENSES	\$9,122,500	\$0	\$0	\$9,122,500
	NET OPERATING RESULTS	\$0	\$1	\$0	\$0
	CAPITAL IMPROVEMENT PROGRAM	\$120,000	\$0	\$0	\$120,000
	CAPITAL OPERATING BUDGET	0	0	0	0
	TOTAL CAPITAL EXPENDITURES	\$120,000	\$0	\$0	\$120,000
	DEPRECIATION ADJUSTMENT	(\$206,700)	\$0	\$0	(\$206,700)
	TOTAL ADJUSTMENTS	(\$206,700)	\$0	\$0	(\$206,700)
	TOTAL SUPPLEMENTAL EXPENDITURES	(\$86,700)	\$0	\$0	(\$86,700)
	TOTAL EXPENDITURES	\$9,035,800	\$0	\$0	\$9,035,800
	APPR. TO FLEET MAINTENANCE FUND NET POSITION	\$206,700	\$0	\$0	\$206,700
	TOTAL BUDGETARY APPROPRIATIONS	\$206,700	\$0	\$0	\$206,700
	TOTAL FLEET MAINTENANCE FUND EXPENDITURE	\$9,242,500	\$0	\$0	\$9,242,500

FLEET MAINTENANCE FUND REVENUES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
055		ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
ACCOUNT/DESCRIPTION		FY 2017	FY 2017	FY 2017	FY 2017
5101	CITY SERVICES	\$5,632,300	\$0	\$0	\$5,632,300
5102	CITY SERVICES - FUEL REVENUE	457,400	0	0	457,400
5103	CITY SERVICES - SUPPLEMENTAL	0	0	0	0
5104	PWC SERVICES	3,032,800	0	0	3,032,800
5105	PWC SERVICES - SUPPLEMENTAL	0	0	0	0
	TOTAL OPERATING REVENUES	\$9,122,500	\$0	\$0	\$9,122,500
2027	GAIN (LOSS) ON SALE OF PROPERTY	0	0	0	0
	TOTAL NON-OPERATING REVENUES	\$0	\$0	\$0	\$0
	TOTAL REVENUES	\$9,122,500	\$0	\$0	\$9,122,500
2049	TRANSFER FROM GENERAL FUND	\$120,000	\$0	\$0	\$120,000
	APPR. FROM FLEET MAINTENANCE FD NET POSITION	0	0	0	0
	TOTAL BUDGETARY APPROPRIATIONS	\$120,000	\$0	\$0	\$120,000
	TOTAL FLEET MAINTENANCE FUND REVENUE	\$9,242,500	\$0	\$0	\$9,242,500

FLEET MAINTENANCE FUND EXPENDITURES

FUND	DIVISION/DEPARTMENT	ADOPTED	BUDGET	BUDGET	PROPOSED
055		ORIGINAL BUDGET	AMD # 1 - 4	AMD #5	AMENDED BUDGET
COST TYPE/DESCRIPTION		FY 2017	FY 2017	FY 2017	FY 2017
REGULAR SALARIES		\$1,919,700	\$0	\$0	\$1,919,700
FICA EXPENSE		159,600	0	0	159,600
BENEFITS		571,400	0	0	571,400
DISABILITY INSURANCE		7,700	0	0	7,700
MEDICAL INSURANCE		720,000	0	0	720,000
LIFE INSURANCE		10,000	0	0	10,000
DENTAL INSURANCE		15,000	0	0	15,000
SICK PAY ACCRUAL		3,500	0	0	3,500
UNEMPLOYMENT		13,000	0	0	13,000
WORKERS COMPENSATION		25,000	0	0	25,000
MEDICAL REIMBURSEMENT FEES		0	0	0	0
OPEB EXPENSE		125,200	0	0	125,200
TOTAL PERSONNEL SERVICES		\$3,570,100	\$0	\$0	\$3,570,100
0103 MACHINE/WELDING SUPPLIES & MAT.		\$20,700	\$0	\$0	\$20,700
0104 MATERIALS & SUPPLIES - WAREHOUSE		15,000	0	0	15,000
0106 MATERIALS & SUPPLIES		56,000	0	0	56,000
0107 FUEL PURCHASES FOR CITY		457,400	0	0	457,400
0108 FUEL		20,000	0	0	20,000
0150 TOOLS		19,700	0	0	19,700
0152 EQUIPMENT & REPAIR PARTS		3,800,000	0	0	3,800,000
0156 CHEMICALS		0	0	0	0
0160 POWER COSTS		50,400	0	0	50,400
0401 OFFICE SUPPLIES		2,800	0	0	2,800
0402 POSTAGE/PRINT/STATIONERY		2,000	0	0	2,000
0405 VEHICLE ALLOWANCE		300	0	0	300
0406 BUSINESS TRAVEL		500	0	0	500
0409 TELEPHONE EXPENSE		7,000	0	0	7,000
0410 JANITORIAL SUPPLIES		6,300	0	0	6,300
0412 RENTAL OF EQUIPMENT		1,700	0	0	1,700
0416 OFFICE FURNITURE & SMALL EQUIP.		1,500	0	0	1,500
0417 COMPUTER EQUIPMENT & SUPPLIES		15,000	0	0	15,000
0418 PHOTOCOPIER EXPENSE		1,400	0	0	1,400
0452 MISCELLANEOUS		1,200	0	0	1,200
0453 DUES AND FEES		1,100	0	0	1,100
0456 PUBLICATIONS & SUBSCRIPTIONS		400	0	0	400
0457 FREIGHT		64,000	0	0	64,000
0463 WATER UTILITIES		3,400	0	0	3,400
0464 SEWER UTILITIES		3,800	0	0	3,800
0469 MAINTENANCE AGREEMENTS		13,000	0	0	13,000
0477 COMPUTER SYSTEM CONTRACTS		29,400	0	0	29,400
0481 NATURAL GAS UTILITIES		8,000	0	0	8,000
0497 SAFETY SUPPLIES		9,800	0	0	9,800
0503 EMPLOYEE WELFARE		300	0	0	300
0504 UNIFORM & JACKET EXPENSE		25,000	0	0	25,000
0505 EMPLOYEE EDUCATION/SEMINARS		12,000	0	0	12,000
0564 FACILITIES & GROUNDS MAINTENANCE		72,300	0	0	72,300
0701 FLEET SERVICES		40,400	0	0	40,400
0702 ADMINISTRATIVE FLEET OVERHEAD		558,400	0	0	558,400
0726 ALLOCATED FIBER		0	0	0	0
TOTAL OPERATING SERVICES		\$5,320,200	\$0	\$0	\$5,320,200

FLEET MAINTENANCE FUND EXPENDITURES

FUND	DIVISION/DEPARTMENT	ADOPTED		BUDGET	PROPOSED
055		ORIGINAL BUDGET		AMD #4	AMENDED BUDGET
COST TYPE/DESCRIPTION		FY 2017		FY 2017	FY 2017
0422	TEMPORARY PERSONNEL FEES	\$0	\$0	\$0	\$0
0425	LEGAL SERVICES	0	0	0	0
0438	CONTRACTUAL SERVICES	25,000	0	0	25,000
0438	SECURITY SERVICES	500	0	0	500
	TOTAL CONTRACTUAL SERVICES	\$25,500	\$0	\$0	\$25,500
	TOTAL OPERATING BUDGET	\$8,915,800	\$0	\$0	\$8,915,800
	CAPITAL IMPROVEMENT PROGRAM	\$120,000	\$0	\$0	\$120,000
	CAPITAL OPERATING BUDGET	0	0	0	0
	TOTAL CAPITAL BUDGET	\$120,000	\$0	\$0	\$120,000
	TOTAL FLEET MAINTENANCE FUND BUDGET	\$9,035,800	\$0	\$0	\$9,035,800

DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
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May 17, 2017

MEMO TO: David Trego, CEO/General Manager

MEMO FROM: 
J. Dwight Miller, Chief Financial Officer

SUBJECT: Capital Project Fund (CPF) Budget Ordinance Amendments

Attached are the CPF budget ordinance amendments for Commission action at the May 24th meeting and below is a summary explaining the purpose for each amendment.

The following ordinance amendments will be effective May 24, 2017:

- PWCORD2017-06 Series 2014 Water Connect CPF amendment #3 reduces bond proceeds needed to complete construction in this fund by \$3 million. These proceeds will be added to the Series 2016 Water/Wastewater CPF.
- PWCORD2017-07 2014 LED Street Lighting CPF amendment #3 is a housekeeping item reallocating remaining bond proceeds of \$2,342 that were previously dedicated to pay bond issue costs.
- PWCORD2017-08 NCDOT CPF amendment #3 is to close out a completed project.
- PWCORD2017-09 NCDOT CPF amendment #4 is to adjust the budget to more recent revised project estimates included in the FY 2018 CIP
- PWCORD2017-10 2014 W/WW Revenue Bond CPF amendment #3 increases bond proceeds of \$931,287 remaining after the completion of Annexation Phase V Areas 14 and 15.
- PWCORD2017-11 2016 W/WW Revenue CPF amendment #2 increases bond proceeds available by the \$3 million from the Water Connect project above and \$9,832 from the reallocation of bond proceeds that were previously dedicated to pay bond issue costs.
- PWCORD2017-12 Annexation Phase V Area 14 & 15 CPF amendment #2 is to close out this fund. The accounting for this project was completed upon receipt of the outstanding overlay funds recently received from the City. This project was completed under budget and the remaining \$931,287 in bond proceeds will be moved to the 2014 W/WW Revenue Bond CPF which is also being amended for this same amount above.
- PWCORD2017-13 Annexation Reserve Fund amendment #22 is housekeeping items adjusting interest income, debt service payments and transfers to project funds to expected amounts for this fiscal year.

- PWCORD2017-14 Electric Rate Stabilization Fund amendment #26 increases interest income \$460,000 and increases the transfer from the Electric Fund by \$223,273 for contractual credits received during this fiscal year from Duke Energy.

The following 3 ordinance amendments will be **effective July 1, 2017** for the fiscal year 2018 activity from the Electric and Water/Wastewater funds and interest income:

- PWCORD2017-15 Annexation Reserve Fund amendment #23 establishes fiscal year 2018 activity for the Electric and W/WW transfers, assessment collections, interest income and debt service payments.
- PWCORD2017-16 Electric Rate Stabilization Fund amendment #27 establishes the fiscal year 2018 activity for the transfer from the Electric Fund and interest income.
- PWCORD2017-17 Water/Wastewater Rate Stabilization Fund amendment #17 establishes the fiscal year 2018 activity for the transfer from the W/WW Fund and interest income.

Staff recommends that the Commission adopt the attached budget ordinance amendments.

CAPITAL PROJECT ORDINANCE AMENDMENT
 2014 WATER CONNECT REVENUE BOND CAPITAL PROJECT FUND AMENDMENT #3
 PWCORD2017-06

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project fund is hereby amended:

Section 1. The amendment authorized is to the 2014 Water Connect Revenue Bond Capital Project Fund, adopted May 28, 2014 and June 9, 2014 by FPWC and the City of Fayetteville (CITY), respectively, as amended, for the implementation of advanced metering infrastructure for all water meters to be financed by revenue bonds.

Section 2. The officers of this unit are hereby directed to continue with completion of the project within the

Section 3. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project expenditures	\$ 27,109,000	\$ (3,000,000)	\$ 24,109,000

Section 4. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Series 2014 Bonds Proceeds	19,834,000	-	19,834,000
Series 2016 Bonds Proceeds	7,275,000	(3,000,000)	4,275,000
	\$ 27,109,000	\$ (3,000,000)	\$ 24,109,000

Section 5: The PWC Chief Financial Officer will maintain sufficient accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
 2014 LED STREET LIGHTING REVENUE BOND CAPITAL PROJECT FUND AMENDMENT #3
 PWCORD2017-07

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project fund is hereby amended:

Section 1. The amendment authorized is to the 2014 LED Street Lighting Revenue Bond Capital Project Fund, adopted May 28, 2014 and June 9, 2014 by PWC and the City of Fayetteville (CITY), respectively, as amended, for the conversion of street lights to LED fixtures throughout the CITY to be financed by revenue bonds and renewable energy portfolio standard fees charged to electric customers.

Section 2. The officers of this unit are hereby directed to continue with completion of the project within the

Section 3. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project expenditures	\$ 18,400,647	\$ 2,342	\$ 18,402,989

Section 4. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfer from Electric REPS Reserve	\$ 3,500,000	\$ -	\$ 3,500,000
Series 2014 Bonds Proceeds	4,900,647	956	4,901,603
Series 2016 Bonds Proceeds	10,000,000	1,386	10,001,386
	\$ 18,400,647	\$ 2,342	\$ 18,402,989

Section 5: The PWC Chief Financial Officer will maintain sufficient accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT - PARTIAL CLOSEOUT
 NCDOT CAPITAL PROJECT FUND AMENDMENT #3
 PWCORD2017-08

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment for partial closeout authorized is to the NCDOT Capital Project Fund adopted October 14, 2015 and October 26, 2015 by PWC and the City of Fayetteville, respectively, as amended, for the funding of various water and wastewater infrastructure relocation and replacement projects committed under Municipal Agreements with North Carolina Department of Transportation.

Section 2. The officers of this unit are hereby directed to proceed with the partial closeout of the project within the terms of the various agreements executed and make the necessary closing entries.

Section 3. The following revenues have been made available to the project:

	Current Budget	Budget Closeout	Revised Budget	Actual Closeout
Transfers from Water/Wastewater Fund	\$ 5,865,000	\$ (605,000)	\$ 5,260,000	\$ 453,832

Section 4. The following amounts have been appropriated for the project:

	Current Budget	Budget Closeout	Revised Budget	Actual Closeout
Project Expenditures	\$ 5,865,000	\$ (605,000)	\$ 5,260,000	\$ 453,832

Section 5. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May, 2017.

NCDOT Project Listing - Budget Amendment #3

Project #	Description	Amount Outstanding
	<u>Existing Projects</u>	
U-2809B	Legion Rd	\$ 980,000
B-4949/B-4091	Bridge #61	410,000
U-4444AB/B	Murchison Road	175,000
U-2519CB	Fayetteville Outer Loop	450,000
U-2810C	Camden Road - from King Charles - Water	2,300,000
U-2810C	Camden Road - from King Charles - Sewer	800,000
W-5519	Median Proj, I-95 Bus/US301 from NC87 to NC59-V	10,000
W-5519	Median Proj, I-95 Bus/US301 from NC87 to NC59-S	170,000
W-5601AG	NC53 Cedar Creek Rd @ I-95, Median Project	75,000
B-4490	Bridge #116 - Water	150,000
B-4490	Bridge #116 - Sewer	150,000
W-5206U	Chickenfoot Road - Water	195,000
	Total from Amendment #2	\$ 5,865,000
	<u>Closeout Proj's Paid in full</u>	
B-4949/B-4091	Bridge #61	\$ (410,000)
W-5206U	Chickenfoot Road - Water	(195,000)
	Total Closeout	\$ (605,000)
	<u>Remaining Projects:</u>	
U-2809B	Legion Rd	\$ 980,000
U-4444AB/B	Murchison Road	175,000
U-2519CB	Fayetteville Outer Loop	450,000
U-2810C	Camden Road - from King Charles - Water	2,300,000
U-2810C	Camden Road - from King Charles - Sewer	800,000
W-5519	Median Proj, I-95 Bus/US301 from NC87 to NC59-V	10,000
W-5519	Median Proj, I-95 Bus/US301 from NC87 to NC59-S	170,000
W-5601AG	NC53 Cedar Creek Rd @ I-95, Median Project	75,000
B-4490	Bridge #116 - Water	150,000
B-4490	Bridge #116 - Sewer	150,000
	Revised Total-Amendment #3	\$ 5,260,000

CAPITAL PROJECT ORDINANCE AMENDMENT
 NCDOT CAPITAL PROJECT FUND AMENDMENT #4
 PWCORD2017-09

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby amended:

Section 1. The amendment authorized is to the NCDOT Capital Project Fund adopted October 14, 2015 and October 26, 2015 by PWC and the City of Fayetteville, respectively, as amended, for the funding of various water and wastewater infrastructure relocation and replacement projects committed under Municipal Agreements with North Carolina Department of Transportation.

Section 2. The officers of this unit are hereby directed to continue with the project within the terms of the various agreements executed and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Transfers from Water/Wastewater Fund	\$ 5,260,000	\$ 58,000	\$ 5,318,000

Section 4. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project Expenditures	\$ 5,260,000	\$ 58,000	\$ 5,318,000

Section 5. Copies of the capital project ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May, 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
 SERIES 2014 WATER AND WASTEWATER REVENUE BOND CAPITAL PROJECT FUND AMENDMENT #3
 PWCORD2017-10

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project fund is hereby amended:

Section 1. The amendment authorized is to the Series 2014 Water and Wastewater Revenue Bond Capital Project Fund, adopted May 28, 2014 and June 9, 2014 by PWC and the City of Fayetteville, respectively, as amended, for the construction of various water and wastewater projects financed by revenue bonds and transfers from the water/wastewater fund.

Section 2. The officers of this unit are hereby directed to continue with completion of the project within the budget

Section 3. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project expenditures	\$ 53,453,155	\$ 931,287	\$ 54,384,442

Section 4. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Series 2014 Bonds Proceeds	53,349,168	931,287	54,280,455
Transfer from Water/Wastewater Fund	103,987	-	103,987
	\$ 53,453,155	\$ 931,287	\$ 54,384,442

Section 5: The PWC Chief Financial Officer will maintain sufficient accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the FPWC General Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
 SERIES 2016 WATER AND WASTEWATER CAPITAL PROJECT FUND AMENDMENT #2
 PWCORD2017-11

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The amendment authorized is to the Series 2016 Water and Wastewater Capital Project Fund, adopted November 11, 2015 and November 23, 2015 by PWC and the City of Fayetteville, NC (CITY), respectively, for the funding of various water and wastewater infrastructure projects financed by the revenue bonds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the Bond Order including reimbursement declarations and within the funds appropriated herein.

Section 3. The following revenues are anticipated to be available to complete the project:

	Current Budget	Amendment	Revised Budget
Proceeds from revenue bonds	\$ 30,718,000	\$ 3,009,832	\$ 33,727,832

Section 4. The following amounts are appropriated for the project:

	Current Budget	Amendment	Revised Budget
Project expenditures	\$ 30,718,000	\$ 3,009,832	\$ 33,727,832

Section 5: The PWC Chief Financial Officer will maintain sufficient specific detailed accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund and/or Electric Rate Stabilization Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an

Section 7. Copies of the capital project fund ordinance shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT - FINAL CLOSEOUT
ANNEXATION PHASE V - AREAS 14-15 CAPITAL PROJECT FUND AMENDMENT #2
PWCORD2017-12

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project fund is hereby amended:

Section 1. The amendment authorized is to the Annexation Phase V - Areas 14-15 Capital Project Fund, as amended May 23, 2012 and June 11, 2012 by PWC and the City of Fayetteville (CITY), respectively, for the installation of water and sewer extensions in the Phase V Annexation Areas 14 - 15 financed by revenue

Section 2. The officers of this unit are hereby directed to continue with completion of the project within the budget

Section 3. The following amounts are appropriated for the project:

	Current Budget	Budget Closeout	Revised Budget	Actual Closeout
Project expenditures	\$ 6,200,000	\$ (5,268,713)	\$ -	\$ 5,242,105

Section 4. The following revenues are anticipated to be available to complete the project:

	Current Budget	Budget Closeout	Revised Budget	Actual Closeout
Transfer from Annexation Ph V Reserve	\$ 226,276	\$ (226,276)	\$ -	\$ 199,668
Series 2014 Bonds Proceeds	5,973,724	(5,973,724)	-	5,042,437
	\$ 6,200,000	\$ (6,200,000)	\$ -	\$ 5,242,105

Section 5: The PWC Chief Financial Officer will maintain sufficient accounting records and will ensure the terms of the bond resolution are met.

Section 6: Funds may be advanced from the PWC General Fund for the purpose of making payments as due and reimbursement requests will be made to the Trustee in an orderly and timely manner.

Section 7. Copies of the capital project fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL RESERVE FUND ORDINANCE AMENDMENT
ANNEXATION PHASE V RESERVE FUND AMENDMENT #22
PWCORD2017-13

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 18 to 22 of Chapter 159 of the General Statutes of North Carolina, the following capital reserve fund ordinance is hereby amended:

- Section 1. The amendment authorized is to the Annexation Phase V Capital Reserve Fund, adopted May 27, 2009 and June 8, 2009 by PWC and the City of Fayetteville (CITY), respectively, as amended, for the accumulation of funds to complete water and sewer extensions in the Phase V Annexation Area.
- Section 2. This fund will remain operational until all expenditures of the planned water and sewer extensions in the Phase V Annexation Area, including debt service payments, have been paid.
- Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the reserve fund:

	Listed As	Amendment	Revised
Transfer from PWC Water/Sewer Fund	\$ 12,610,701	\$ -	\$ 12,610,701
Transfer from PWC Electric Fund - City Portion	5,767,300	-	5,767,300
Transfer from PWC Annexation Ph V Project 1	727,903	-	727,903
Transfer from City of Fayetteville	11,447,443	-	11,447,443
Transfer - Assessment Revenue including interest	12,035,000	-	12,035,000
Interest Income	150,000	25,000	175,000
	<u>\$ 42,738,347</u>	<u>\$ 25,000</u>	<u>\$ 42,763,347</u>

- Section 4. The following uses of accumulated funds are authorized:

	Listed As	Amendment	Revised
Project Withdrawal Authorizations			
Transfer to PWC Water/Sewer Fund - Debt Serv	\$ 8,197,100	\$ (349,864)	\$ 7,847,236
Transfer to Annexation Ph V, Areas 8-13 CPF	721,633	7,915	729,548
Transfer to Annexation Ph V, Areas 14-15 CPF	226,276	(26,608)	199,668
Transfer to Annexation Ph V, Areas 16-17 CPF	613,000	-	613,000
Transfer to Annexation Ph V, Areas 18-19 CPF	16,900,000	-	16,900,000
Transfer to Annexation Ph V, Areas 20-21 CPF	16,000,000	-	16,000,000
Interest Expense - Advance from Rate Stabilizati	80,000	-	80,000
Future Project Funding Accumulations	338	393,557	393,895
	<u>\$ 42,738,347</u>	<u>\$ 25,000</u>	<u>\$ 42,763,347</u>

- Section 5. Copies of the capital reserve fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
ELECTRIC UTILITY SYSTEM RATE STABILIZATION FUND AMENDMENT #26
PWCORD2017-14

BE IT ORDAINED by the Commissioners of the Fayetteville Public Works Commission (PWC) that pursuant to Chapter 159 of the General Statutes of North Carolina, the following capital project fund ordinance is hereby amended:

Section 1. The amendment authorized is to the Electric Utility System Rate Stabilization Fund (ERSF) adopted April 8, 1998 and April 20, 1998 by PWC and the City of Fayetteville, NC (CITY), respectively, as amended, for the accumulation of funds to maintain electric rate competitiveness and rate stability.

Section 2. This fund will remain operational until the Commissioners of PWC determine the need for such fund no longer exist.

Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the ERSF:

	Listed As	Amendment	Revised
Transfer from Electric General Fund	\$ 69,377,155	\$ -	\$ 69,377,155
Transfer from Electric General Fund - WPCA	3,831,700	-	3,831,700
Transfer from Electric General Fund - TrueUp	529,900	223,273	753,173
Rate Stabilization Transfer	4,169,725	-	4,169,725
Interest Income	4,600,000	460,000	5,060,000
	<u>\$ 82,508,480</u>	<u>\$ 683,273</u>	<u>\$ 83,191,753</u>

Section 4. The following uses of accumulated funds are authorized:

	Listed As	Amendment	Revised
Transfer to Electric Fund - Pre-2013	\$ 5,000,000	\$ -	\$ 5,000,000
Transfer to Electric Fund - 2013 and forward	30,850,900	-	30,850,900
Transfer to Electric Fund - Duke Energy True-	3,761,600	-	3,761,600
Appropriated Net Assets	42,895,980	683,273	43,579,253
	<u>\$ 82,508,480</u>	<u>\$ 683,273</u>	<u>\$ 83,191,753</u>

Section 5. Copies of this budget ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL RESERVE FUND ORDINANCE AMENDMENT
ANNEXATION PHASE V RESERVE FUND AMENDMENT #23 - Effective July 1, 2017
PWCORD2017-15

BE IT ORDAINED by the Fayetteville Public Works Commission (PWC) that pursuant to Sections 18 to 22 of Chapter 159 of the General Statutes of North Carolina, the following capital reserve fund ordinance is hereby amended:

Section 1. The amendment authorized is to the Annexation Phase V Capital Reserve Fund, adopted May 27, 2009 and June 8, 2009 by PWC and the City of Fayetteville (CITY), respectively, as amended, for the accumulation of funds to complete water and sewer extensions in the Phase V Annexation Area.

Section 2. This fund will remain operational until all expenditures of the planned water and sewer extensions in the Phase V Annexation Area, including debt service payments, have been paid.

Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the reserve fund:

	Listed As	July 1, 2017 Amendment	Revised
Transfer from PWC Water/Sewer Fund	\$ 12,610,701	1,900,055	\$ 14,510,756
Transfer from PWC Electric Fund - City Portion	5,767,300	2,500,000	8,267,300
Transfer from PWC Annexation Ph V Project 1	727,903	-	727,903
Transfer from City of Fayetteville	11,447,443	-	11,447,443
Transfer - Assessment Revenue including interest	12,035,000	2,600,000	14,635,000
Interest Income	175,000	100,000	275,000
	<u>\$ 42,763,347</u>	<u>\$ 7,100,055</u>	<u>\$ 49,863,402</u>

Section 4. The following uses of accumulated funds are authorized:

	Listed As	July 1, 2017 Amendment	Revised
Project Withdrawal Authorizations			
Transfer to FPWC Water/Sewer Fund - Debt Ser	\$ 7,847,236	\$ 2,845,136	\$ 10,692,372
Transfer to Annexation Ph V, Areas 8-13 CPF	729,548	-	729,548
Transfer to Annexation Ph V, Areas 14-15 CPF	199,668	-	199,668
Transfer to Annexation Ph V, Areas 16-17 CPF	613,000	-	613,000
Transfer to Annexation Ph V, Areas 18-19 CPF	16,900,000	-	16,900,000
Transfer to Annexation Ph V, Areas 20-21 CPF	16,000,000	-	16,000,000
Interest Expense - Advance from Rate Stabilizat	80,000	-	80,000
Future Project Funding Accumulations	393,895	4,254,919	4,648,814
	<u>\$ 42,763,347</u>	<u>\$ 7,100,055</u>	<u>\$ 49,863,402</u>

Section 5. Copies of the capital reserve fund ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
ELECTRIC UTILITY SYSTEM RATE STABILIZATION FUND AMENDMENT #27 - Effective July 1, 2017
PWCORD2017-16

BE IT ORDAINED by the Commissioners of the Fayetteville Public Works Commission (PWC) that pursuant to Chapter 159 of the General Statutes of North Carolina, the following capital project fund ordinance is hereby amended:

Section 1. The amendment authorized is to the Electric Utility System Rate Stabilization Fund (ERSF) adopted April 8, 1998 and April 20, 1998 by PWC and the City of Fayetteville, NC (CITY), respectively, as amended, for the accumulation of funds to maintain electric rate competitiveness and rate stability.

Section 2. This fund will remain operational until the Commissioners of PWC determine the need for such fund no longer exist.

Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the ERSF:

	July 1, 2017		
	Listed As	Amendment	Revised
Transfer from Electric General Fund	\$ 69,377,155	\$ 250,000	\$ 69,627,155
Transfer from Electric General Fund - WPCA	3,831,700	-	3,831,700
Transfer from Electric General Fund - TrueUp	753,173	-	753,173
Rate Stabilization Transfer	4,169,725	-	4,169,725
Interest Income	5,060,000	205,000	5,265,000
	<u>\$ 83,191,753</u>	<u>\$ 455,000</u>	<u>\$ 83,646,753</u>

Section 4. The following uses of accumulated funds are authorized:

	July 1, 2017		
	Listed As	Amendment	Revised
Transfer to Electric Fund - Pre-2013	\$ 5,000,000	-	\$ 5,000,000
Transfer to Electric Fund - 2013 and forward	30,850,900	-	30,850,900
Transfer to Electric Fund - Duke Energy True-	3,761,600	-	3,761,600
Appropriated Net Assets	43,579,253	455,000	44,034,253
	<u>\$ 83,191,753</u>	<u>\$ 455,000</u>	<u>\$ 83,646,753</u>

Section 5. Copies of this budget ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

CAPITAL PROJECT ORDINANCE AMENDMENT
 WATER AND WASTEWATER UTILITY SYSTEMS RATE STABILIZATION FUND
 AMENDMENT #17 - Effective July 1, 2017
 PWCORD2017-17

BE IT ORDAINED by the Commissioners of the Fayetteville Public Works Commission (PWC), that pursuant to Chapter 159 of the General Statutes of North Carolina, the following budget ordinance is hereby amended:

Section 1. The amendment authorized is to the Water and Wastewater Utility Systems Rate Stabilization Fund (WRSF), adopted May 25, 2005 and June 27, 2005 by FPWC and the City of Fayetteville, respectively, as amended, for the accumulation of funds to maintain rate competitiveness and rate stability for the water and wastewater utility systems.

Section 2. This fund will remain operational until the Commissioners of PWC determine the need for such fund no longer exist.

Section 3. The following revenues and other financing sources are anticipated to be available and authorized to be accumulated by PWC for the WRSF:

	Listed As	July 1, 2017 Amendment	Revised
Transfer from Water/Sewer General Fund	\$ 7,000,000	\$ 250,000	\$ 7,250,000
Interest Income	385,000	70,000	455,000
	\$ 7,385,000	\$ 320,000	\$ 7,705,000

Section 4. The following uses of accumulated funds are authorized:

	Listed As	July 1, 2017 Amendment	Revised
Transfer to Water/Sewer General Fund	\$ 7,085,000	\$ -	\$ 7,085,000
Appropriated Net Assets	300,000	320,000	620,000
	\$ 7,385,000	\$ 320,000	\$ 7,705,000

Section 5. Copies of this budget ordinance amendment shall be made available to the PWC budget officer and finance officer.

Adopted this 24th day of May 2017.

FY 2018 Recommended Budget Ordinance (PWCORD2017-18)

BE IT ORDAINED BY THE FAYETTEVILLE PUBLIC WORKS COMMISSION OF THE CITY OF FAYETTEVILLE, NORTH CAROLINA:

Section 1. It is estimated that the following revenues and other financing sources will be available during the fiscal year beginning July 1, 2017, and ending June 30, 2018, to meet the appropriations listed in Section 2.

Schedule A: Electric Fund

Electric Revenues	\$ 205,758,400
Operating and Other Revenues	11,691,700
BWGP Lease Payment	12,748,400
Customer Contributions	4,690,000
Budgetary Appropriations	18,725,400
Total Estimated Electric Fund Revenues	253,613,900

Schedule B: Water and Wastewater Fund

Water Revenues	42,228,900
Wastewater Revenues	46,674,400
Operating and Other Revenues	4,204,100
Customer Contributions	1,659,200
Intergovernmental Revenue - Assessments	2,930,000
Budgetary Appropriations	11,258,050
Total Estimated Water and Wastewater Fund Revenues	108,954,650

Grand Total \$ **362,568,550**

Section 2. The following amounts are hereby appropriated for the operations of the Fayetteville Public Works Commission and its activities for the fiscal year beginning July 1, 2017, and ending June 30, 2018, according to the following schedules:

Schedule A: Electric Fund

Operating Expenditures	\$ 196,906,950
Debt Service	4,014,900
Capital	29,166,100
Payment in Lieu of Taxes - City	10,428,200
Intergovernmental Expenditure - Economic Development	1,200,000
Budgetary Appropriations	11,897,750
Total Estimated Electric Fund Expenditures	253,613,900

Schedule B: Water and Wastewater Fund

Operating Expenditures	57,243,150
Debt Service	24,129,800
Capital	19,916,500
Budgetary Appropriations	7,665,200
Total Estimated Water and Wastewater Fund Expenditures	108,954,650

Grand Total \$ **362,568,550**

FY 2018 Recommended Budget Ordinance (PWCORD2017-18)

BE IT ORDAINED BY THE FAYETTEVILLE PUBLIC WORKS COMMISSION OF THE CITY FAYETTEVILLE, NORTH CAROLINA, THAT PURSUANT TO SECTION 13.1 OF CHAPTER 159, OF THE GENERAL STATUTES OF NORTH CAROLINA, THE FOLLOWING FINANCIAL PLAN IS HEREBY ADOPTED:

Section 3. It is estimated that the following revenues and other financing sources will be available through the Budget Ordinance Appropriation and other revenues during the fiscal year beginning July 1, 2017, and ending June 30, 2018, to meet the appropriation listed in Section 4.

Schedule A: Fleet Maintenance Fund

Total Estimated Redistribution to Fleet Maintenance Fund and Other Revenues and Financing Sources	\$9,606,300
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Section 4. The following amounts are hereby appropriated for the operation of the Fleet Maintenance Fund and its activities for the fiscal year beginning July 1, 2017, and ending June 30, 2018, according to the following schedule.

Schedule A: Fleet Maintenance Fund

Total Estimated Fleet Maintenance Fund Expenditures	\$9,606,300
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Section 5. That appropriations herein authorized shall have the amount of outstanding purchase orders as of June 30, 2017, added to each appropriation as it appears in order to account for the payment against the fiscal year in which it is paid.

Open Commission Requests

As of 5/24/17

<u>Commission Meeting Date</u>	<u>Presentation/Discussion Item</u>	<u>Presenter (Staff)</u>
To be Determined	Discuss Employees' Compensation Policy outside the Max Payscale Requested by: Commissioner Rogers/Lallier – 7/27/16	D. Trego B. Russell
To be Determined	Presentation on Customer Segmentation Relative to Smart Grid. Requested by: Commissioner Rogers – 2/24/16	M. Brown
To be Determined	Update Commission on details of lead in water pipes. Requested by: Commissioner Lallier - 1/27/16	M. Noland/J. Glass
On Hold Pending City Action	Review of Fleet Management Services Agreement Updated: 1/20/17	S. Fritzen
COMPLETED 4/13/17 (VIA E-Mail)	Presentation to Commission that describes the method PWC uses to track our assets. Requested by: Commissioner Rogers - 6/22/16	D. Miller I. Copeland
COMPLETED 3/29/17	Provide feedback on creating of a Risks Group/Team to review cyber security and other security risks throughout the Commission Requested by: Commissioner Rogers	Mr. Trego
COMPLETED 3/8/17	Provide Participation Rate of Local Vendors in Our Bids Requested by: Commissioners Rogers and Shaw 2-22-17	D. Miller I. Copeland/G. Wrench
COMPLETED Feb 2017	Economics of Overlay to Phase V Requested by: Commissioner Rogers – 2/8/17	D. Trego
COMPLETED 2/22/17	Presentation on progress of Purchasing Initiatives, including update on DOT Projects as listed below Requested by: Commissioner Rogers/Lallier and Shaw	D. Miller I. Copeland
COMPLETED 2/22/17	Report to Commission regarding DOT Projects and Bid Recommendations <ol style="list-style-type: none"> 1. Understanding on how we spend money on a typical basis (understanding the buckets) 2. Outline the differences between the DOT federal rules and State guidelines. 3. Determine if there is a capacity issue, and/or an ability to perform issue 4. Will there be a likely price issue if things are broken out Requested by: Rogers/Lallier and Shaw	D. Miller I. Copeland
COMPLETED 2/8/17	Update on PWC's Technology and how integrations are working with Finance and the new technology. Requested by: Commissioner Rogers	D. Trego S. Fritzen
COMPLETED DURING VARIOUS MTGS	Staff to return with Health Reserve Policy recommendation as well as presentation on all other reserves (with policy recommendations). Requested by: Commissioner Lallier	D. Miller
COMPLETED 1/11/17	Update on the Second Supplier/Vendor Day planning progress Requested by: Commissioner Shaw	C. Hinson
COMPLETED October 2016 DURING HURRICANE MATTHEW	Communications to develop strategy to communicate to customers PWC's ability to switch to alternate power source in case of outage. Requested by: Commissioner Lallier	C. Hinson
COMPLETED 10/26/16	Provide training for Commissioners relevant to Public Authority and Governance Requested by: Commissioner Rogers	D. Trego

PREVIOUSLY CLOSED COMMISSION REQUESTS HAVE BEEN ARCHIVED

**PUBLIC WORKS COMMISSION
CASH FLOW STATEMENT FOR APRIL 2017
GENERAL FUND BANK ACCOUNT**

BEGINNING BALANCE: 04/01/2017

\$ 28,865,861.70

UTILITY RECEIPTS

of TRANSACTIONS

CUSTOMER SVC BUSINESS CTR:	17,049	\$ 3,797,181.37
DEPOSITS FROM MAIL:	22,715	\$ 4,884,273.70
DRAFTS:	13,847	\$ 2,132,323.85
SPEEDPAY:	28,365	\$ 5,537,034.98
WESTERN UNION	4,828	\$ 666,604.87
E-BOX:	11,153	\$ 1,860,628.39
RECEIVABLES VIA ACH WIRES:	113	\$ 2,048,208.66
MISCELLANEOUS RECEIPTS:	83	\$ 1,258,554.63

TOTAL UTILITY AND MISCELLANEOUS RECEIPTS

\$ 22,184,810.45

INVESTMENTS MATURED:GF	\$ 18,132,500.00
INVESTMENTS MATURED:RATE STABLIZATION-ELEC	\$ 12,100,000.00
INVESTMENTS MATURED:RATE STABLIZATION-W/WW	\$ -
INVESTMENT INTEREST RECEIPTS: GF	\$ 34,375.00
INVESTMENT INTEREST RECEIPTS-ERSF	\$ -
INVESTMENT INTEREST RECEIPTS-WRSF	\$ -
INVESTMENTS: BOND PROCEEDS	\$ 3,434,727.91
INCOMING-BANK TO BANK TRANSFERS:	\$ -

GRAND TOTAL OF RECEIPTS:

\$ 55,886,413.36

VENDOR ACH PAYMENTS ISSUED:	255	\$ (16,040,729.56)
EMPLOYEE REIMBURSEMENTS:	66	\$ (6,226.27)
ACCOUNTS PAYABLE CHECKS ISSUED:	575	\$ (3,776,522.38)
INVESTMENT(S) PURCHASED: GF	7	\$ (21,901,753.33)
INVESTMENT(S) PURCHASED: ERSF	3	\$ (9,084,386.89)
INVESTMENT(S) PURCHASED: WRSF	0	\$ -
BANK TO BANK TRANSFERS:HOPE MILLS CLAIMS	4	\$ (275,127.19)
TRANSFERS TO BONY:	0	\$ -
VENDOR SERVICES WIRED PAYMENTS:	19	\$ (3,257,448.27)
COMMERCIAL CREDIT CARD PAYMENTS:	62	\$ (126,850.17)
RETURNED CHECKS:	26	\$ (4,321.61)
RETURNED DRAFTS:	61	\$ (10,704.08)
RETURNED SPEEDPAY:	358	\$ (78,730.08)
RETURNED EBOX:	4	\$ (2,055.46)
RETURNED WESTERN UNION:	0	\$ -
PAYROLL	1,242	\$ (1,874,323.30)

TOTAL DISBURSEMENTS:

(56,439,178.59)

ENDING BALANCE: 04/30/2017

\$ 28,313,096.47

PUBLIC WORKS COMMISSION
CASH FLOW STATEMENT FOR APRIL 2017
GENERAL FUND BANK ACCOUNT

Checks Over \$25,000.00 :

ATLANTIC EMERGENCY SOLUTIONS	CHECK	\$	(71,127.84)
BOLES RESTORATION SERVICES, INC.	CHECK	\$	(37,600.00)
BUSINESS INK, CO.	CHECK	\$	(54,039.41)
BUSINESS INK, CO.	CHECK	\$	(99,520.13)
CALDWELL COUNTRY CHEVROLET	CHECK	\$	(312,320.00)
CAPE FEAR WATER SOLUTIONS, INC.	CHECK	\$	(31,201.16)
CITY OF FAYETTEVILLE	CHECK	\$	(88,345.00)
CITY OF FAYETTEVILLE	CHECK	\$	(57,425.77)
COASTAL POWER AND ELECTRIC CO.	CHECK	\$	(61,372.01)
DATA NETWORK SOLUTIONS	CHECK	\$	(27,960.96)
EMTEC CONSULTING SERVICES, LLC.	CHECK	\$	(86,027.17)
HAYWARD BACKER, INC.	CHECK	\$	(359,812.50)
HEITKAMP, INC.	CHECK	\$	(489,775.88)
LOOKS GREAT SERVICES OF MS, INC.	CHECK	\$	(46,660.10)
NC STATE UNIVERSITY	CHECK	\$	(35,000.00)
NC DENR-02712	CHECK	\$	(375,148.20)
NC DENR-DIVISION OF WATER INFRA.	CHECK	\$	(1,005,310.71)
OLDE FAYETTEVILLE INSURANCE	CHECK	\$	(35,265.42)

Wire Payments over \$25,000.00 :

HOMETOWN SERVICE CLAIMS	Wire	\$	(141,077.50)
HOMETOWN SERVICE CLAIMS	Wire	\$	(139,438.19)
HOMETOWN SERVICE CLAIMS	Wire	\$	(116,560.70)
HOMETOWN SERVICE CLAIMS	Wire	\$	(114,740.83)
HOMETOWN SERVICE PREMIUMS	Wire	\$	(59,050.07)
INTERNAL REVENUE SERVICE	Wire	\$	(362,895.38)
INTERNAL REVENUE SERVICE	Wire	\$	(371,797.62)
LEGERS	Wire	\$	(775,885.73)
NC DEPT REVENUE PAYROLL TAX	Wire	\$	(59,775.00)
NC DEPT REVENUE PAYROLL TAX	Wire	\$	(58,815.00)
NC DEPT REVENUE SALES TAX	Wire	\$	(147,394.71)
NC DEPT REVENUE SALES TAX	Wire	\$	(350,000.00)
NC DEPT REVENUE SALES TAX	Wire	\$	(350,000.00)
PROCUREMENT CARD	Wire	\$	(44,291.15)
PROCUREMENT CARD	Wire	\$	(41,697.42)
PROCUREMENT CARD	Wire	\$	(31,615.48)
PROCUREMENT CARD	Wire	\$	(29,404.34)
PRUDENTIAL	Wire	\$	(31,638.85)
PRUDENTIAL	Wire	\$	(31,370.30)

TOTAL CHECKS: \$ (3,273,912.26)

Total Wires: \$ (3,257,448.27)

ANIXTER INTERNATIONAL INC.	ACH	\$	(76,368.51)
ANIXTER INTERNATIONAL INC.	ACH	\$	(52,794.05)
BARNHILL CONTRACTING COMPANY	ACH	\$	(121,476.20)
BTS TIRE & WHEEL DISTRIBUTORS	ACH	\$	(62,187.06)
COUNTY OF HARNETT	ACH	\$	(89,169.33)
COUNTY OF HARNETT	ACH	\$	(67,357.94)
DIAMOND CONSTRUCTORS, INC.	ACH	\$	(98,077.87)
DUKE ENERGY CAROLINA, LLC.	ACH	\$	(148,308.30)
GREGORY POOLE	ACH	\$	(36,041.55)
HAZEN AND SAWYER P.C.	ACH	\$	(35,350.02)
HYDROSTRUCTURES, P.A.	ACH	\$	(56,240.40)
INSITUFORM TECHNOLOGIES, INC.	ACH	\$	(595,246.15)
L&W INVESTIGATIONS INC.	ACH	\$	(48,548.09)
LEE ELECTRICAL CONSTRUCTION	ACH	\$	(78,400.59)
M.B. KAHN CONSTRUCTION CO. INC.	ACH	\$	(232,268.69)
MCDONALD MATERIALS, INC.	ACH	\$	(36,019.35)
MCKIM & CREED, P.A.	ACH	\$	(27,455.52)
MECHANICAL JOBBERS MARKETING	ACH	\$	(88,667.25)

MOORMAN, KIZER & REITZEL, INC.	ACH	\$	(41,566.94)
MYTHICS, INC.	ACH	\$	(32,234.84)
PIKE ELECTRIC, LLC.	ACH	\$	(275,291.68)
POWER SERVICES INC.	ACH	\$	(55,587.89)
PRISM CONTRACTORS, INC.	ACH	\$	(113,314.57)
PROGRESS ENERGY	ACH	\$	(540,240.93)
PROGRESS ENERGY	ACH	\$	(10,209,665.35)
SANDY'S HAULING BACKHOE SVC.	ACH	\$	(188,534.63)
STATE UTILITY CONTRACTORS INC.	ACH	\$	(426,349.96)
STUART C. IRBY CO.	ACH	\$	(48,961.93)
T. A. LOVING CO. INC.	ACH	\$	(139,611.24)
T. A. LOVING CO. INC.	ACH	\$	(525,117.15)
TRENDSHIFT, LLC.	ACH	\$	(25,005.00)
US DEPT OF ENERGY	ACH	\$	(39,814.11)
WK DICKSON & CO., INC.	ACH	\$	(47,596.16)

Total ACH: \$ (14,658,869.25)

**Public Works Commission
Bad Debt Report**

**Reporting Period: APRIL 2017
Dates Covered: Januar 01, 2017 thru Janury 31, 2017**

Beginning Net YTD Bad Debt Writeoffs	\$1,158,986.86
Amount to Bad Debt this Period	\$179,716.74
Recovered this Period	(\$108,654.93)
Ending Net YTD Bad Debt Writeoffs	\$1,230,048.67
Total Accounts Written off this Period	632

ANALYSIS OF UNCOLLECTIBLE ACCOUNTS:

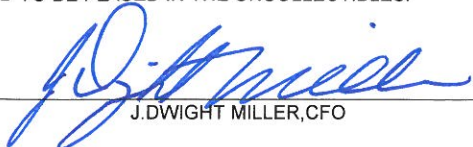
RESIDENTIAL ACCOUNTS:

420	Accounts \$250.00 OR LESS	\$45,423.45
147	Accounts \$250.01 thru \$500.00	\$51,251.55
60	Accounts OVER \$500.01	\$47,710.03
627	TOTAL RESIDENTIAL:	\$144,385.03

NON RESIDENTIAL ACCOUNTS:

2	Accounts \$500.00 OR LESS	\$302.02
3	Accounts OVER \$500.01	\$4,042.93
5	TOTAL NON RESIDENTIAL:	\$4,344.95

APPROVED TO BE PLACED IN THE UNCOLLECTIBLES:



J. DWIGHT MILLER, CFO

DATE 5/16/17

Reporting Period: APRIL 2017
Dates Covered: Januar 01, 2017 thru Janury 31, 2017

Addendum 1 OF 1

List of Residential Accounts Over \$500.01			\$	47,710.03	
AUTRY, JONATHAN A	\$	505.65	DODGE, CHARLES	\$	722.37
REED, ALISA J	\$	524.47	GAMBLE, MERCEDES S	\$	723.50
CARABALLO, ROSELYN	\$	527.03	ODOM, THOMAS	\$	727.19
ONEAL, JAMAL	\$	527.48	FLOYD, KEARA	\$	742.74
ATKINSON, GERARD	\$	534.15	PATRICK, JAMAD	\$	754.12
MINOR, CHRISTOPHER	\$	535.64	MORGAN, DONNA	\$	754.74
STEPHENS, TREVIERRE	\$	544.56	LEWIS, CHARLIS	\$	766.78
PENNEY II, RICHARD	\$	545.42	CRAWFORD, DAVID	\$	777.47
MELVIN, DARION	\$	550.13	SANCHEZ, FELICIA A	\$	792.58
WEST, ABRAHAM V	\$	551.70	MCLEAN, TERRY L	\$	795.01
SAMPSON, ANTWOINE	\$	554.49	FULLER, DONYELLE	\$	801.42
STURDIVANT, MARIKA LATISHA	\$	561.51	MCDOUGALD, SHANIQUA	\$	809.94
ISHAM, JAMES B	\$	561.65	BROOKS JR, CHARLIE J	\$	837.68
WHITMAN, POLLI B	\$	564.46	PULLEN, LAKESHA	\$	838.38
MAJOR, ROBERT	\$	567.03	HOLMES, RUFFIN	\$	887.14
CRUZ, ANDRES	\$	570.72	BATES, LEABARRON J	\$	895.56
MCLAUGHLIN, KARIN	\$	574.82	BOONE, GREGORY	\$	897.82
YOUNG, SHEENA M	\$	581.97	WILLIAMS, ELIZABETH	\$	920.66
HOFFMAN, DAGMAR MARION	\$	590.47	KENAN, CORNELIUS	\$	943.55
KORBEL, RUDOLPH J	\$	591.36	WILSON, ANTHONY R	\$	983.92
GILES, ALICIA	\$	605.04	BENJAMIN, DARIOUS	\$	1,177.79
SMITH, KEIANDRA Y	\$	606.83	MOSLEY, CLINTON	\$	1,203.15
WINSTON, ALICE	\$	609.64	COX, DOMINIQUE R	\$	1,393.29
AIKENS, APRIL	\$	613.03	BRODSKY, AARON	\$	1,526.15
FLEMING JR, JOE	\$	619.23	MOUNTJOY, NELSON	\$	1,647.88
JOYCE, CHARLES	\$	623.03	MCNAIR, SHAKEER	\$	2,346.11
GEIGER, WESLEY	\$	627.37	HUNTER, TRAVIS	\$	2,740.77
BIVEN, MARVIN	\$	634.91			
HUNTER, CHERIE	\$	636.30			
RITCHIE, CHAD	\$	651.15			
WHYMS, JAMARI	\$	651.52			
WOMACK, MASHONDA	\$	668.00			
STRANGE, JARVIS	\$	691.56			

LIST OF NON RESIDENTIAL ACCOUNTS OVER \$500.01:			\$	4,042.93
D A D LAUNDRY & DRYCLEANING	\$	910.53		
CAPE FEAR SITE WORKS INC	\$	1,419.82		
SKS GROUP LLC	\$	1,712.58		

FAYETTEVILLE PUBLIC WORKS COMMISSION
 INVESTMENTS AND BANK BALANCES
 MONTH ENDING APRIL 30, 2017

INVESTMENTS-GENERAL FUND														
PURCHASE DATE	FUTURE CALL DATE	ACCT/CUSIP NUMBER	INVESTMENT	SAFEKEEPING BANK	PAR AMOUNT	AMOUNT INVESTED	ACCR.	INTEREST TO MATURITY	MATURITY AMOUNT	MATURITY DATE	% YIELD	% PORTFOLIO	STEP-UP DATE	STEP-UP RATE
10/10/01	N/A	47161799	NCCMT-GENERAL FUND	NCCMT	N/A	\$ 3,195,844.30	\$ 151.80	-	\$ 3,195,996.10	04/30/17	0.570%	2.048%	N/A	N/A
05/31/12	N/A	62073937	NCCMT-TERM PORTFOLIO	NCCMT	N/A	\$ 6,139,552.32	\$ -	-	\$ 6,139,552.32	04/30/17	0.570%	3.935%	N/A	N/A
08/01/12	N/A	62074265	NCCMT-GENERATION FUEL TERM PORTF.	NCCMT	N/A	\$ 627,397.57	\$ -	-	\$ 627,397.57	04/30/17	0.570%	0.402%	N/A	N/A
01/13/17	N/A	63873JSF8	NAXNY CP	BB&T/WF	\$ 4,981,022.22	\$ 4,981,022.22		\$ 18,977.78	\$ 5,000,000.00	05/15/17	1.124%	3.192%	N/A	N/A
04/26/17	N/A	24023GSQ1	DCAT CP	BB&T/WF	\$ 2,997,200.00	\$ 2,997,200.00		\$ 2,800.00	\$ 3,000,000.00	05/24/17	1.201%	1.921%	N/A	N/A
10/03/16	N/A	063873JT18	NATIXNY CP	BB&T/WF	\$ 2,973,891.67	\$ 2,973,891.67		\$ 26,108.33	\$ 3,000,000.00	06/01/17	1.311%	1.906%	N/A	N/A
09/20/16	N/A	63873JT67	NATIXNY CP	BB&T/WF	\$ 1,981,294.44	\$ 1,981,294.44		\$ 18,705.56	\$ 2,000,000.00	06/06/17	1.312%	1.270%	N/A	N/A
09/20/16	N/A	89233GTF3	TOYCC CP	BB&T/WF	\$ 1,981,984.44	\$ 1,981,984.44		\$ 18,015.56	\$ 2,000,000.00	06/15/17	1.221%	1.270%	N/A	N/A
09/20/16	N/A	06538BTG8	BTMUFJ CP	BB&T/WF	\$ 1,981,170.00	\$ 1,981,170.00		\$ 18,830.00	\$ 2,000,000.00	06/16/17	1.127%	1.270%	N/A	N/A
04/05/17	N/A	24023GU62	DCAT CP	BB&T/WF	\$ 2,989,573.33	\$ 2,989,573.33		\$ 10,426.67	\$ 3,000,000.00	07/06/17	1.365%	1.916%	N/A	N/A
04/19/17	N/A	24023GUH8	DCAT CP	BB&T/WF	\$ 1,993,473.33	\$ 1,993,473.33		\$ 6,526.67	\$ 2,000,000.00	07/17/17	1.324%	1.278%	N/A	N/A
11/02/16	N/A	22533TUU8	CACPNY CP	BB&T/WF	\$ 3,965,160.00	\$ 3,965,160.00		\$ 34,840.00	\$ 4,000,000.00	07/28/17	1.180%	2.541%	N/A	N/A
02/01/17	N/A	06538BUX9	BTMUFJ CP	BB&T/WF	\$ 4,968,250.00	\$ 4,968,250.00		\$ 31,750.00	\$ 5,000,000.00	07/31/17	1.278%	3.184%	N/A	N/A
08/06/14	N/A	CD#2397562116	VANTAGE SOUTH BANK CD	VANTAGE SOUTH	\$ 5,037,537.12	\$ 5,037,537.12		\$ 148,103.61	\$ 5,185,640.73	08/06/17	0.980%	3.229%	N/A	N/A
12/19/16	N/A	00280NW63	ABBYCT CP	BB&T/WF	\$ 3,961,720.00	\$ 3,961,720.00		\$ 38,280.00	\$ 4,000,000.00	09/06/17	1.333%	2.539%	N/A	N/A
04/24/17	N/A	36164JWM2	GECTSY CP	BB&T/WF	\$ 1,991,500.00	\$ 1,991,500.00		\$ 8,500.00	\$ 2,000,000.00	09/21/17	1.024%	1.276%	N/A	N/A
01/04/17	N/A	2254EAWU3	CSFBNY CP (CREDIT SUISSE NY)	BB&T/WF	\$ 2,964,177.50	\$ 2,964,177.50		\$ 35,822.50	\$ 3,000,000.00	09/28/17	1.629%	1.900%	N/A	N/A
03/22/17	N/A	89233GYG5	TOYCC CP	BB&T/WF	\$ 1,982,738.89	\$ 1,982,738.89		\$ 17,261.11	\$ 2,000,000.00	11/16/17	1.311%	1.271%	N/A	N/A
01/31/08	N/A	31331YHQ6	FEDERAL FARM CREDIT BANK	BB&T/WF	\$ 2,000,000.00	\$ 2,053,357.61		\$ 324,006.95	\$ 2,377,364.56	12/15/17	4.625%	1.316%	N/A	N/A
04/26/17	N/A	89233HAH7	TOYCC CP	BB&T/WF	\$ 5,942,366.67	\$ 5,942,366.67		\$ 57,633.33	\$ 6,000,000.00	01/17/18	1.313%	3.809%	N/A	N/A
11/16/16	ANY DAY W/NOTICE	3133EGUX1	FFCB	BB&T/WF	\$ 5,000,000.00	\$ 4,997,500.00		\$ 82,250.00	\$ 5,079,750.00	06/20/18	0.940%	3.203%	N/A	N/A
07/15/15	N/A	CD#2367412703	VANTAGE SOUTH BANK CD	VANTAGE SOUTH	\$ 5,055,303.22	\$ 5,055,303.22		\$ 166,825.02	\$ 5,222,128.24	07/15/18	1.100%	3.240%	N/A	N/A
05/23/16	N/A	3133EGBD6	FFCB	BB&T/WF	\$ 6,000,000.00	\$ 5,985,740.00		\$ 133,200.00	\$ 6,118,940.00	02/19/19	1.110%	3.836%	N/A	N/A
07/26/16	07/26/17	3136G3C94	FNMA	BB&T/WF	\$ 5,000,000.00	\$ 4,997,000.00		\$ 243,750.00	\$ 5,240,750.00	07/26/19	0.750%	3.203%	07/26/17	1.500%
08/15/16	05/15/17	3130A8UH4	FHLB	BB&T/WF	\$ 1,400,000.00	\$ 1,400,000.00		\$ 68,250.00	\$ 1,468,250.00	08/15/19	1.000%	0.897%	05/14/17	1.125%
10/25/16	07/25/17	3134GAQS6	FHLMC	BB&T/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 265,625.00	\$ 5,265,625.00	10/25/19	1.000%	3.205%	07/25/17	1.250%
01/27/17	07/27/17	3134GAM68	FHLMC	BB&T/WF	\$ 2,670,000.00	\$ 2,667,330.00		\$ 186,900.00	\$ 2,854,230.00	01/27/20	1.000%	1.710%	01/27/18	2.000%
02/24/17	08/24/17	3134GAZ49	FHLMC	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 198,750.00	\$ 3,198,750.00	02/24/20	1.250%	1.923%	02/24/18	1.750%
09/30/16	06/30/17	3134GAHE7	FHLMC	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 195,000.00	\$ 3,195,000.00	09/30/20	1.000%	1.923%	09/30/17	1.250%
06/30/16	06/30/17	3134G9WL7	FHLMC	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 285,000.00	\$ 3,285,000.00	06/30/21	1.000%	1.923%	06/30/17	1.500%
08/10/16	05/10/17	3136G3G33	FNMA	BB&T/WF	\$ 3,050,000.00	\$ 3,046,950.00		\$ 297,375.00	\$ 3,344,325.00	08/10/21	1.101%	1.953%	08/10/17	1.250%
08/10/16	05/10/17	3136G3G33	FNMA**	BB&T/WF	\$ 3,000,000.00	\$ 2,997,000.00		\$ 292,500.00	\$ 3,289,500.00	08/10/21	1.101%	1.921%	08/10/17	1.250%
08/17/16	05/17/17	3134G9Y68	FHLMC	BB&T/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 446,875.00	\$ 5,446,875.00	08/17/21	1.125%	3.205%	08/17/17	1.375%
08/23/16	05/23/17	3130A8VJ9	FHLB*	MS/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 512,500.00	\$ 5,512,500.00	08/23/21	1.000%	3.205%	08/23/17	2.000%
08/24/16	05/24/17	3134G92Q9	FHLMC	MS/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 578,125.00	\$ 5,578,125.00	08/24/21	1.125%	3.205%	08/24/17	1.250%
10/28/16	07/28/17	3134GASK1	FHLMC	BB&T/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 550,000.00	\$ 5,550,000.00	10/28/21	1.000%	3.205%	10/28/17	1.500%
12/28/16	06/28/17	3130AABR84	FHLB	BB&T/WF	\$ 5,000,000.00	\$ 5,000,000.00		\$ 625,000.00	\$ 5,625,000.00	12/28/21	1.500%	3.205%	12/28/17	2.000%
02/24/17	08/24/17	3134GA2D5	FHLMC	MS/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 310,000.00	\$ 2,310,000.00	02/24/22	1.500%	1.282%	02/24/18	2.000%
04/05/16	06/22/17	3134G8NG0	FHLMC**	MS/WF	\$ 2,000,000.00	\$ 1,998,000.00		\$ 364,615.00	\$ 2,362,615.00	03/22/23	1.750%	1.281%	03/22/18	2.000%
06/30/16	06/30/17	3136G3SV8	FNMA	MS/WF	\$ 2,000,000.00	\$ 2,000,000.00		\$ 292,500.00	\$ 2,292,500.00	06/30/23	1.250%	1.282%	06/30/17	1.500%
07/27/16	07/27/17	3136G3YM1	FNMA	MS/WF	\$ 5,000,000.00	\$ 4,995,000.00		\$ 825,000.00	\$ 5,820,000.00	07/27/23	1.000%	3.201%	07/27/17	1.250%
08/23/16	05/23/17	3134G93X3	FHLMC	MS/WF	\$ 4,000,000.00	\$ 4,000,000.00		\$ 715,000.00	\$ 4,715,000.00	08/23/23	1.250%	2.564%	08/23/17	1.500%
09/28/16	06/28/17	3130A9CN9	FHLB	MS/WF	\$ 2,185,000.00	\$ 2,178,445.00		\$ 516,206.25	\$ 2,694,651.25	03/28/25	1.250%	1.396%	09/27/19	1.500%
06/30/16	06/30/17	3130A8G56	FHLB	MS/WF	\$ 3,000,000.00	\$ 3,000,000.00		\$ 851,250.00	\$ 3,851,250.00	06/30/26	1.500%	1.923%	06/30/17	1.625%
09/30/16	06/30/17	3134GAKM5	FHLMC	MS/WF	\$ 1,000,000.00	\$ 995,250.00		\$ 283,750.00	\$ 1,279,000.00	09/30/26	1.250%	0.638%	09/30/18	1.750%

* Investment purch for Fuel Reserve Acct.

** Investment purch for Meter Fund Acct.

TOTALS - GENERAL FUND

\$ 146,053,362.83 \$ 156,022,729.63 \$ 151.80 \$ 10,102,834.34 \$ 166,125,715.77

BANK - WELLS FARGO - General Fund	\$ 28,313,096.47
BANK - WELLS FARGO - Meter Deposit Fund	\$ 9,267,564.60
TOTAL CASH & INVESTMENTS	\$ 193,603,390.70

CASH & INVESTMENT ALLOCATION

GENERAL FUND	\$ 13,776,282.44
OPERATING RESERVE-120 DAYS	\$ 100,199,783.34
INSURANCE DEDUCTIBLE RESERVE	\$ 3,500,000.00
HEALTH INSURANCE RESERVE	\$ 3,000,000.00
BWGP START COST RESERVE	\$ 808,218.00
GENERATION FUEL RESERVE	\$ 5,606,852.32
INTEREST/CASH PORTION-FUEL RESERVE	\$ 45,312.50
OPEB RESERVE	\$ 5,024,062.46
FIF RESERVE-INVESTMENTS	\$ 800,000.00
NC RENEWABLE ENERGY RIDER	\$ 8,089,518.96
COAL ASH RESERVE	\$ 23,461,500.00
CAPITAL RESERVES	\$ 6,464,646.75
HOPE MILLS CLAIMS RESERVE	\$ -
GENERAL FUND DEBT SERVICE SUB	\$ 8,585,119.00
METER DEPOSIT INVESTMENT	\$ 5,000,000.00
METER DEPOSIT BANK ACCOUNT	\$ 9,267,564.60
PETTY CASH	\$ 4,800.00
AMORTIZED PREMIUM/DISC ON INVEST	\$ (30,269.67)
TOTAL	\$ 193,603,390.70



DARSWEIL L. ROGERS, COMMISSIONER
WADE R. FOWLER, JR., COMMISSIONER
EVELYN O. SHAW, COMMISSIONER
D. RALPH HUFF, III, COMMISSIONER
DAVID W. TREGO, CEO/GENERAL MANAGER

FAYETTEVILLE PUBLIC WORKS COMMISSION
955 OLD WILMINGTON RD
P.O. BOX 1089
FAYETTEVILLE, NORTH CAROLINA 28302-1089
TELEPHONE (910) 483-1401
WWW.FAYPWC.COM

May 5, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **MARKETING MANAGER**

DEPARTMENT: **0315- Development and Marketing**

HOURS: **MONDAY-FRIDAY, 8:00AM -5:00 PM**
(Extended hours as required)

GRADE LEVEL: **415 \$83,657.11-\$104,571.39/ex**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please submit a completed Job Vacancy Request Form to Kim Long by 5pm, May 19, 2017.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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May 5, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Corrie Attaway
corrie.attaway@faypwc.com

SUBJECT: Job Vacancy

POSITION: W/R TREATMENT PLANT OPERATOR
(Functional Employment Testing Required)

DEPARTMENT: 0641 ROCKFISH CREEK WATER RECLAMATION

HOURS: 12 HOUR ROTATING SHIFTS- 7:00 AM-7:00 PM

GRADE LEVEL: 405 \$19.01- \$23.76/Hourly

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please submit a completed Job Vacancy Request Form to Corrie Attaway by 5pm, MAY 19, 2017

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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WWW.FAYPWC.COM

May 10, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **CONSERVATION SPECIALIST**

DEPARTMENT: **0311- Customer Programs**

HOURS: **MONDAY-FRIDAY, 8:00AM -5:00 PM**
(Hours may vary-Overtime and on-call as required)

GRADE LEVEL: **405 \$19.01-\$23.76/hourly**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please submit a completed Job Vacancy Request Form to Kim Long by 5pm, May 23, 2017.

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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WWW.FAYPWC.COM

May 11, 2017

MEMO TO: ALL PWC EMPLOYEES

FROM: Kim Long
Kim.Long@FAYPWC.COM

SUBJECT: **Job Vacancy**

POSITION: **ACCOUNTING TECHNICIAN**

DEPARTMENT: **0412- Accounts Receivable**

HOURS: **MONDAY-FRIDAY, 8:00AM -5:00 PM**
(Overtime as required)

GRADE LEVEL: **405 \$19.01-\$23.76/hourly**

QUALIFICATIONS & DUTIES: Any "regular" employee may apply to the Human Resources Department. Please submit a completed Job Vacancy Request Form to Kim Long by 5pm, **May 24, 2017.**

SUPERVISORS, PLEASE POST ON BULLETIN BOARD

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