

City Council Meeting

May 11, 2017



Greenville
NORTH CAROLINA

Find yourself in good company®

Item 2

Ordinance requested by Patricia S. Bowen, et al., to rezone 84.533 acres located along the eastern right-of-way of Charles Boulevard and adjacent to Grace Church from RA20 (Residential-Agricultural) to R6 (Residential [High Density Multi-family]) – 26.000 acres, R6S (Residential-Single-family [Medium Density]) – 12.549 acres, R9S (Residential-Single-family [Medium Density]) – 15.807 acres, R15S (Residential-Single-family [Low Density]) – 21.887 acres, and O (Office) 8.290 acres.



P&Z - February 21, 2017



CC - March 20, 2017 public hearing held
and continued to May 11, 2017

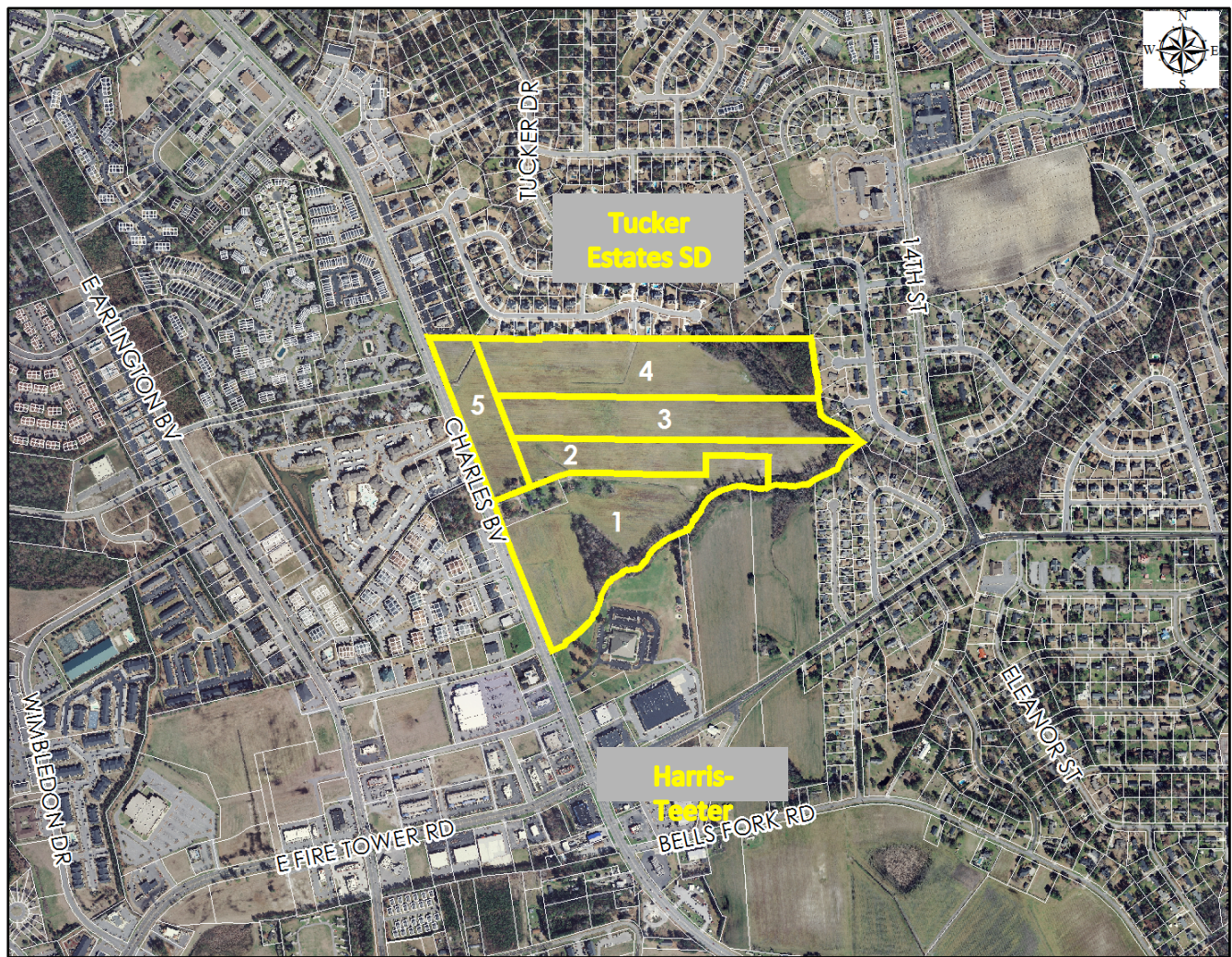


Find yourself in good company®

Aerial Map (2012)

Map Legend

-  Rezonings
-  Land Parcels




Greenville
NORTH CAROLINA


Find yourself in good company®

General Location Map

Map Legend

 Greenville's ETJ

 Tar River

 Pitt-Greenville Airport (PGV)


City Council Voting District

District

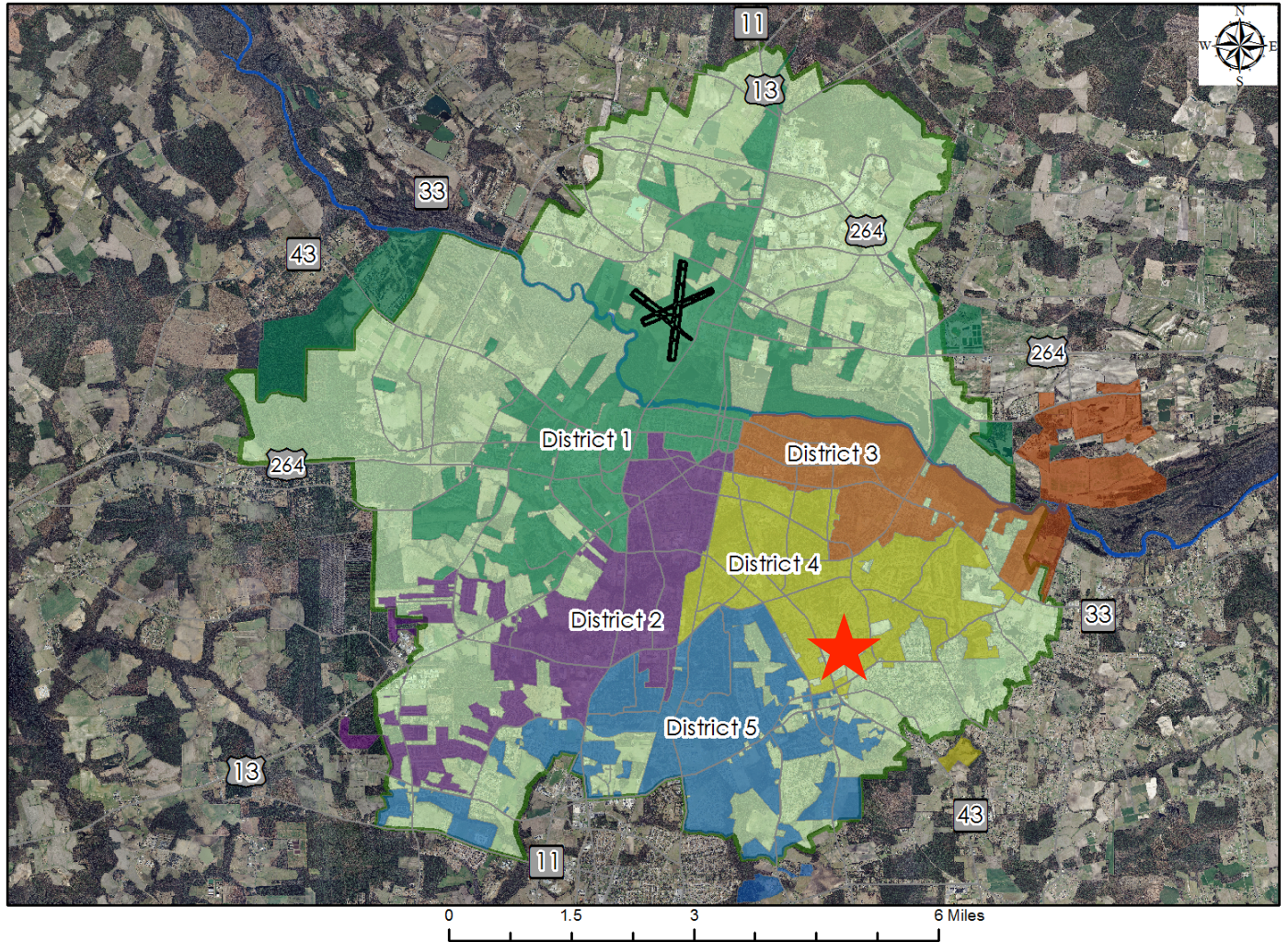
 District 1

 District 2

 District 3

 District 4

 District 5





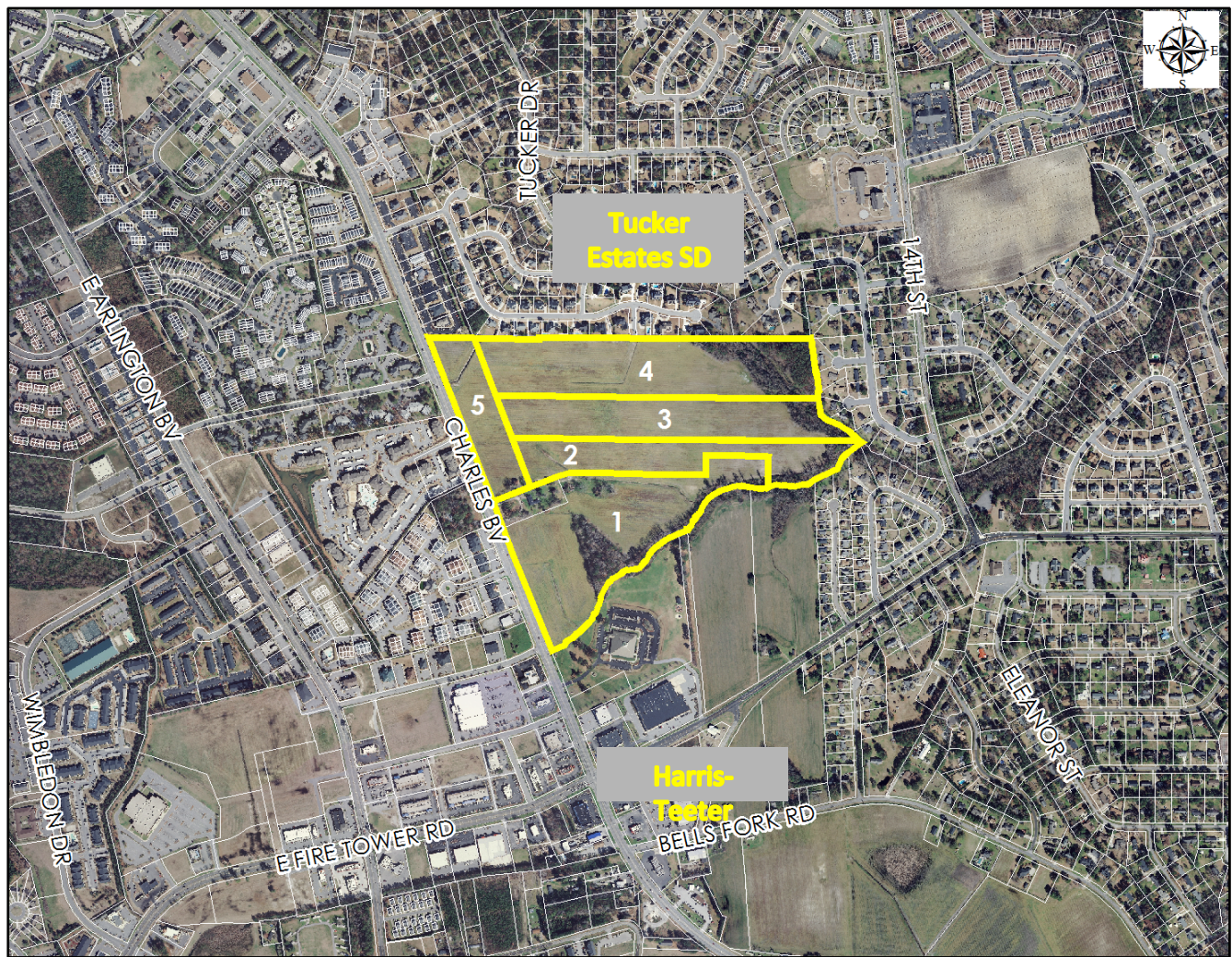
Greenville
NORTH CAROLINA

Find yourself in good company®

Aerial Map (2012)

Map Legend

-  Rezonings
-  Land Parcels



Greenville
NORTH CAROLINA

Find yourself in good company®

Charles Boulevard



Find yourself in good company®

Charles Boulevard


















Find yourself in good company®

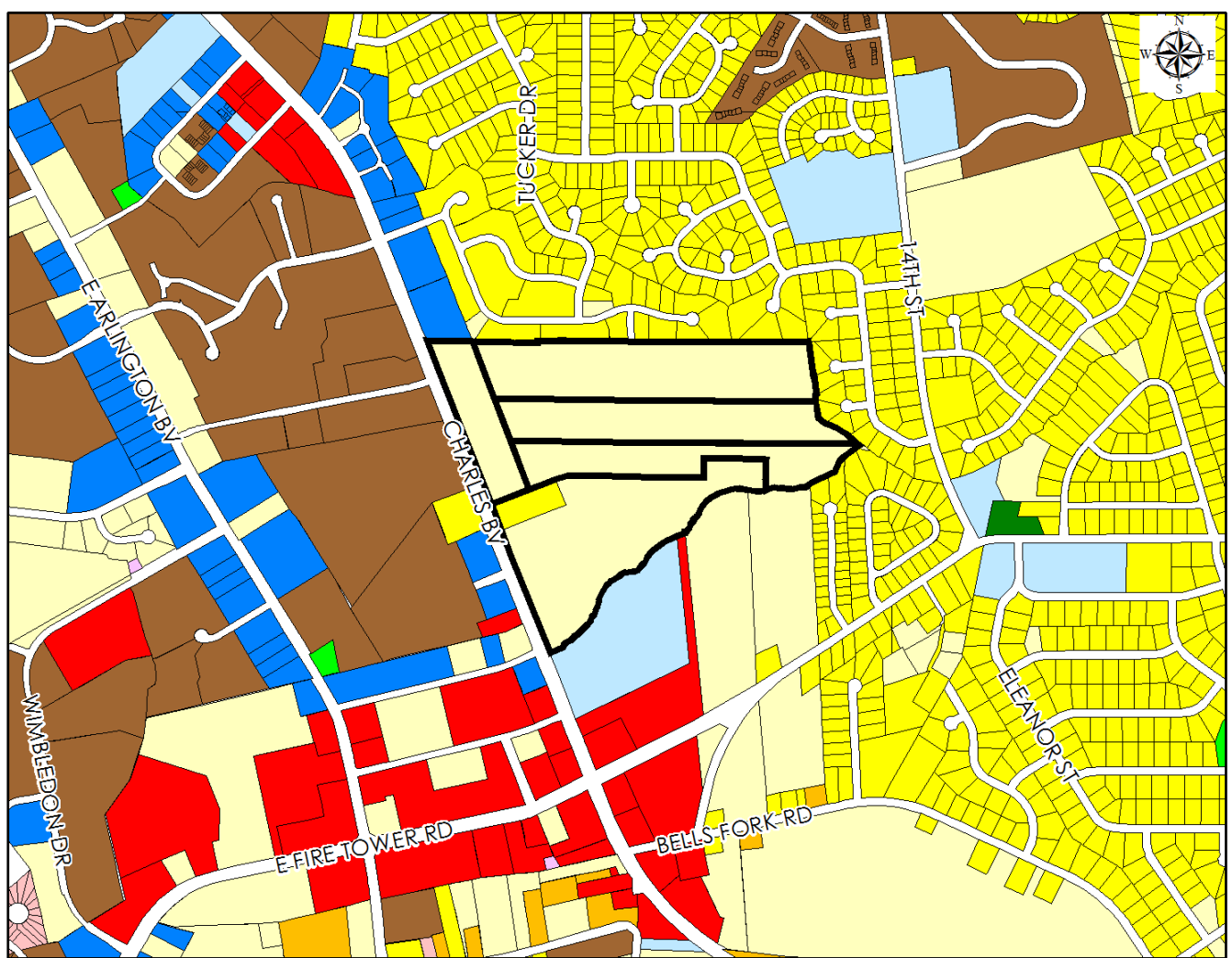
Existing Land Use

Map Legend

-  Rezoning
-  Land Parcels

Existing Land Use

-  Cemetery
-  Commercial
-  Duplex
-  Industrial
-  Institutional
-  Landfill
-  Mobile Home
-  Mobile Home Park
-  Multi-Family
-  Office
-  Public Parking
-  Recreation
-  Single Family
-  Utility
-  Vacant




Greenville
NORTH CAROLINA


Find yourself in good company®

Activity Centers


Map Legend

 Rezoning

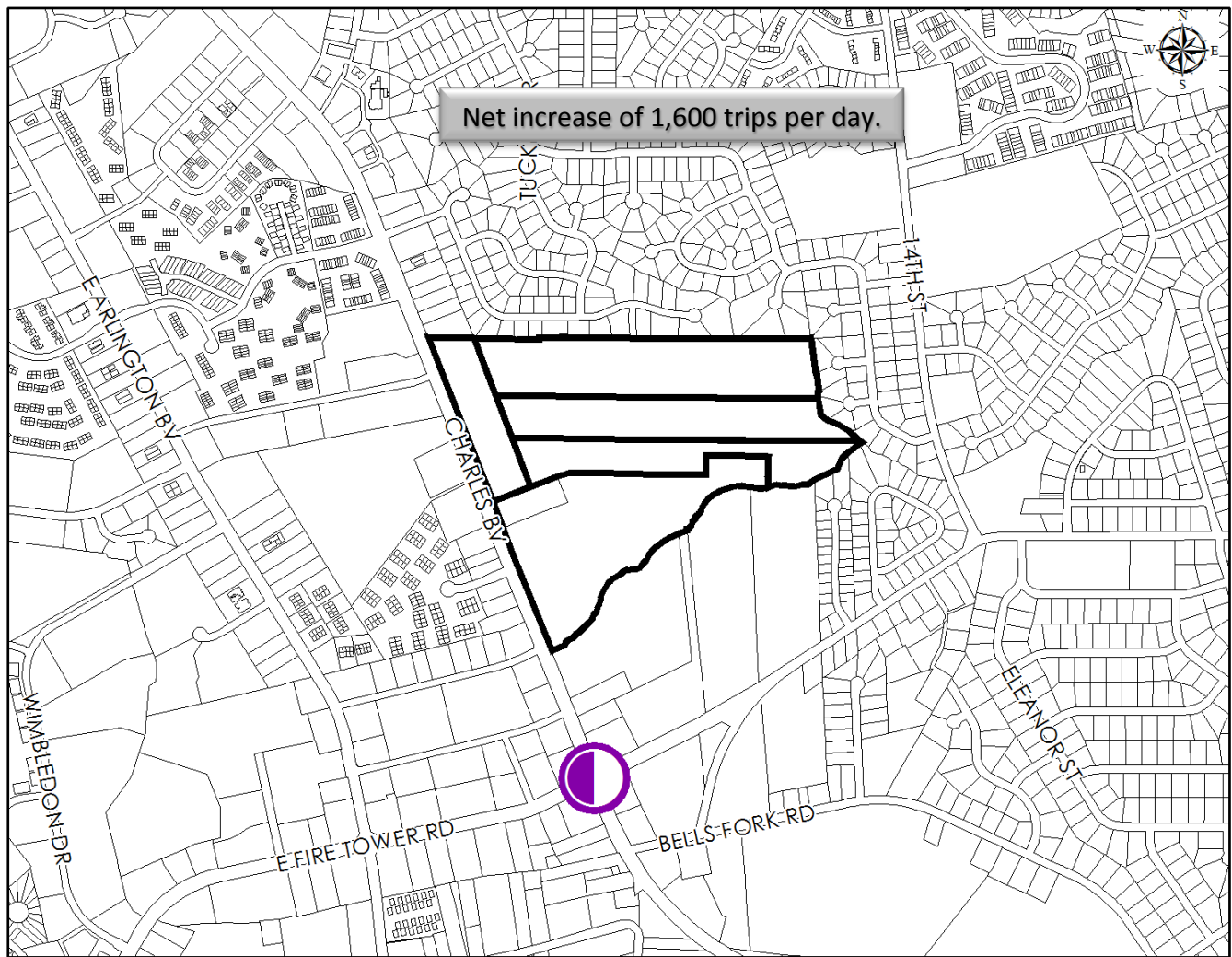
 Land Parcels

 Neighborhood Activity Center

 Community Activity Center

 Regional Activity Center

 Employment Center



0 550 1,100 2,200 3,300 Feet

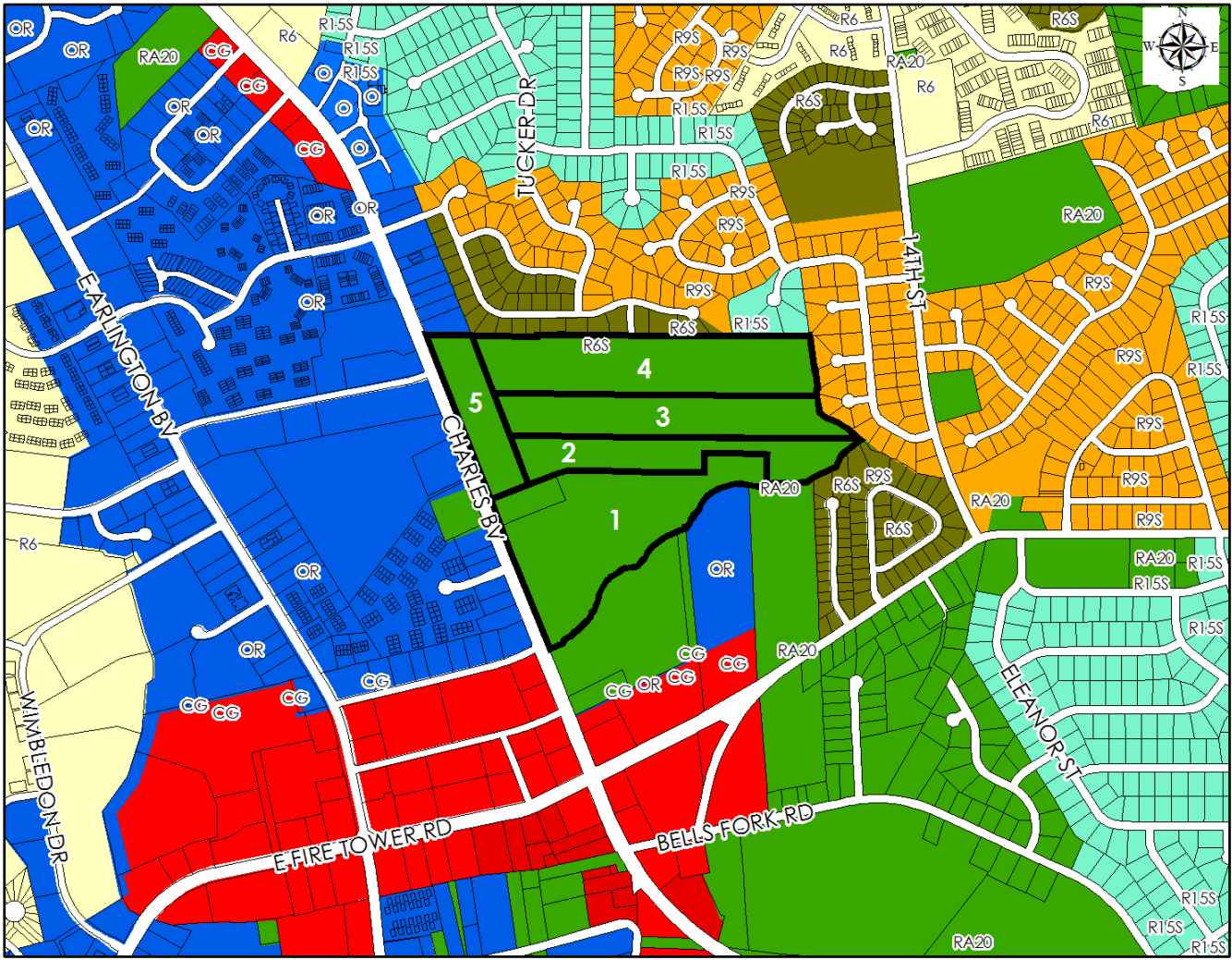


Find yourself in good company®

Zoning Map

Map Legend

Rezoning	PIU	R6MH
Land Parcels	MI	R6N
CD	MO	R6S
CDF	MS	R9
CG	O	R9S
CH	OR	R9S-CA
CN	OR-UC	R15S
MCH	R6	PUD
MCG	R6A	MR
I	R6A-CA	MRS
IU	R6A-RU	RA20



Greenville
NORTH CAROLINA

Find yourself in good company®



TRACTS	CURRENT ZONING	PROPOSED ZONING
1 – R6	90-100 SF	310-325 MF
2 – R6S	35-40 SF	60-65 SF
3 – R9S	50-55 SF	58-63 SF
4 – R15S	67-78 SF	47-52 SF
5 - O	27-32 SF	60K Office

















Find yourself in good company®

Future Land Use & Character Map

Map Legend

-  Rezoning
-  Land Parcels

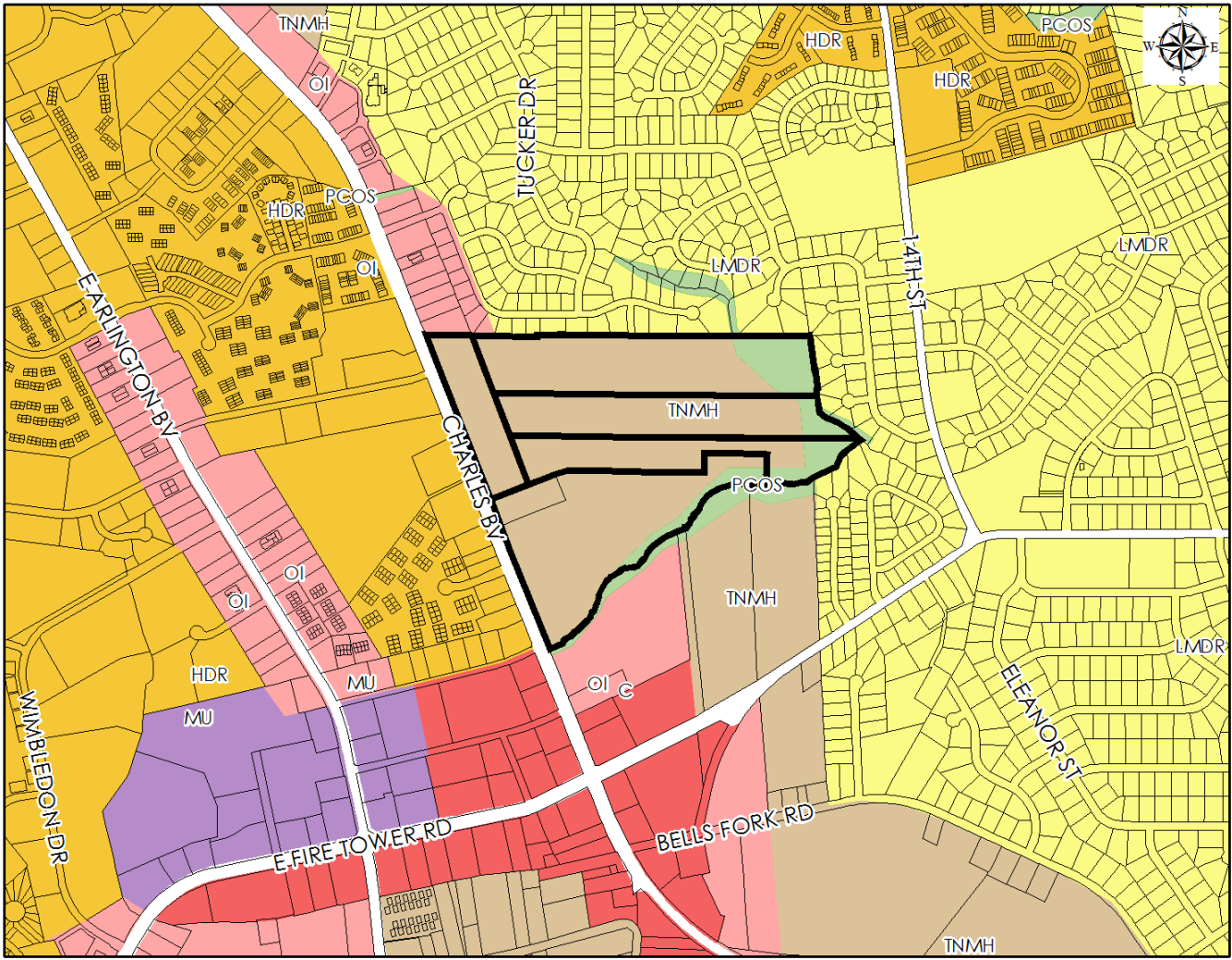
Horizons2026 Future Land Use

-  PCOS - Potential Conservation and Open Space
-  UC - Uptown Core
-  UE - Uptown Edge
-  MUHI - Mixed Use, High Intensity
-  MU - Mixed Use
-  C - Commercial
-  OI - Office and Institutional
-  UN - Uptown Neighborhood
-  TNMH - Traditional Neighborhood, Medium to High Density
-  TNLM - Traditional Neighborhood, Low to Medium Density
-  HDR - Residential, High Density
-  LMDR - Residential, Low to Medium Density
-  UI - University Institutional
-  MC - Medical Core
-  MT - Medical Transition
-  IL - Industrial / Logistics



Greenville
NORTH CAROLINA



Find yourself in good company®

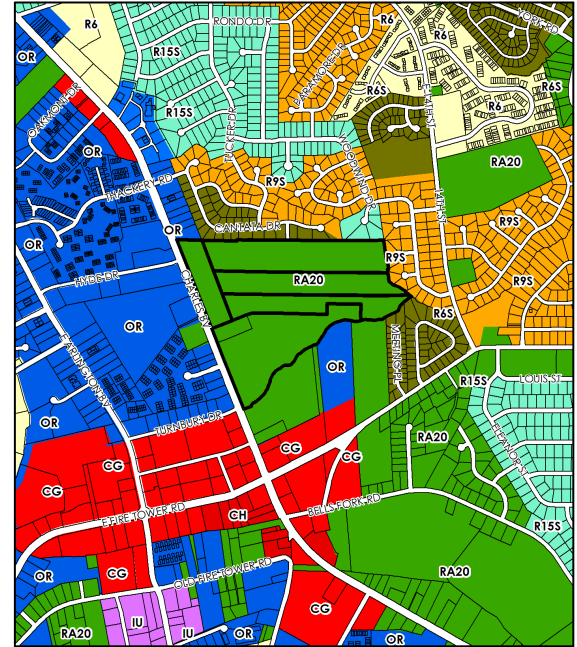
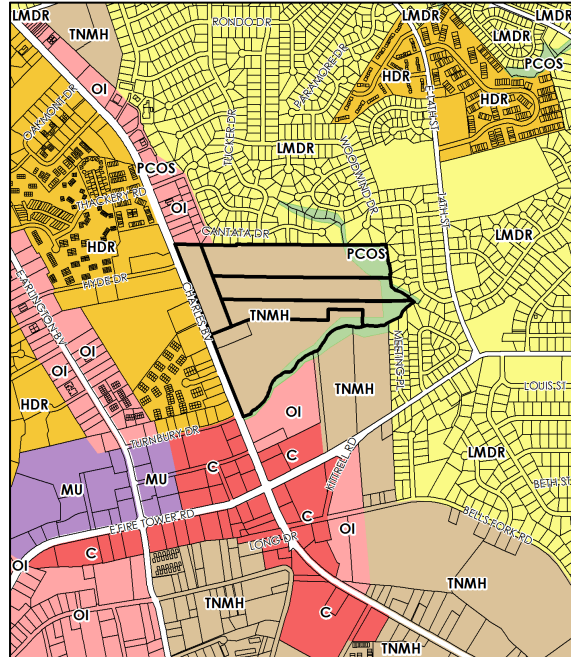


Future Land Use & Character Map

Zoning Map

Map Legend

-  Rezoning Sites
-  Land Parcels



Greenville
NORTH CAROLINA

Find yourself in good company®

Item 3


Ordinance to annex Oakhurst park, Lot 7 involving 1.8430 acres located along the southern right-of-way of East 10th Street and 180 +/- feet southeast of Oakdowne Way




Find yourself in good company®

General Location Map

Map Legend

 Greenville's ETJ

 Tar River

 Pitt-Greenville Airport (PGV)

City Council Voting District

District

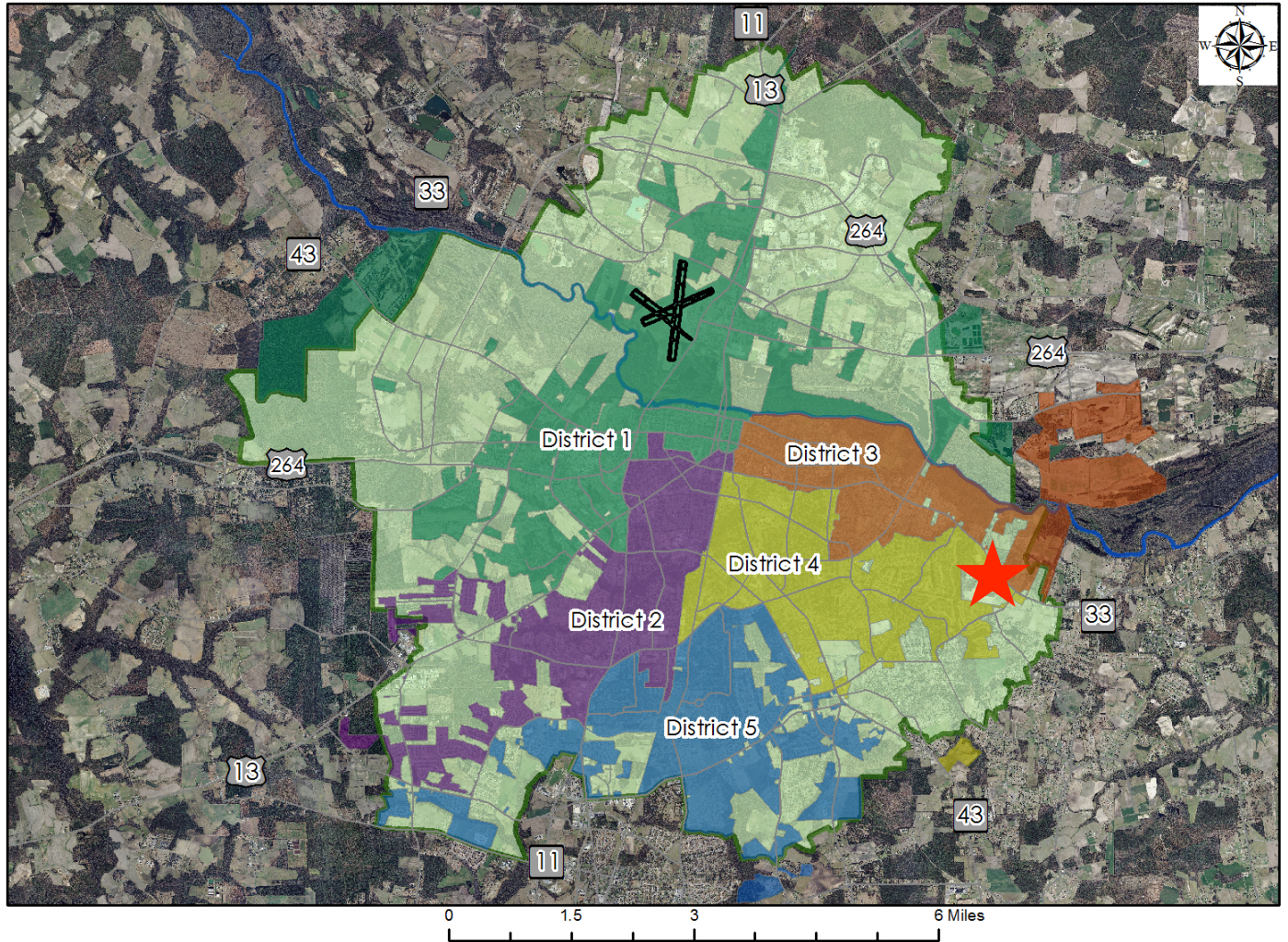
 District 1

 District 2

 District 3

 District 4

 District 5





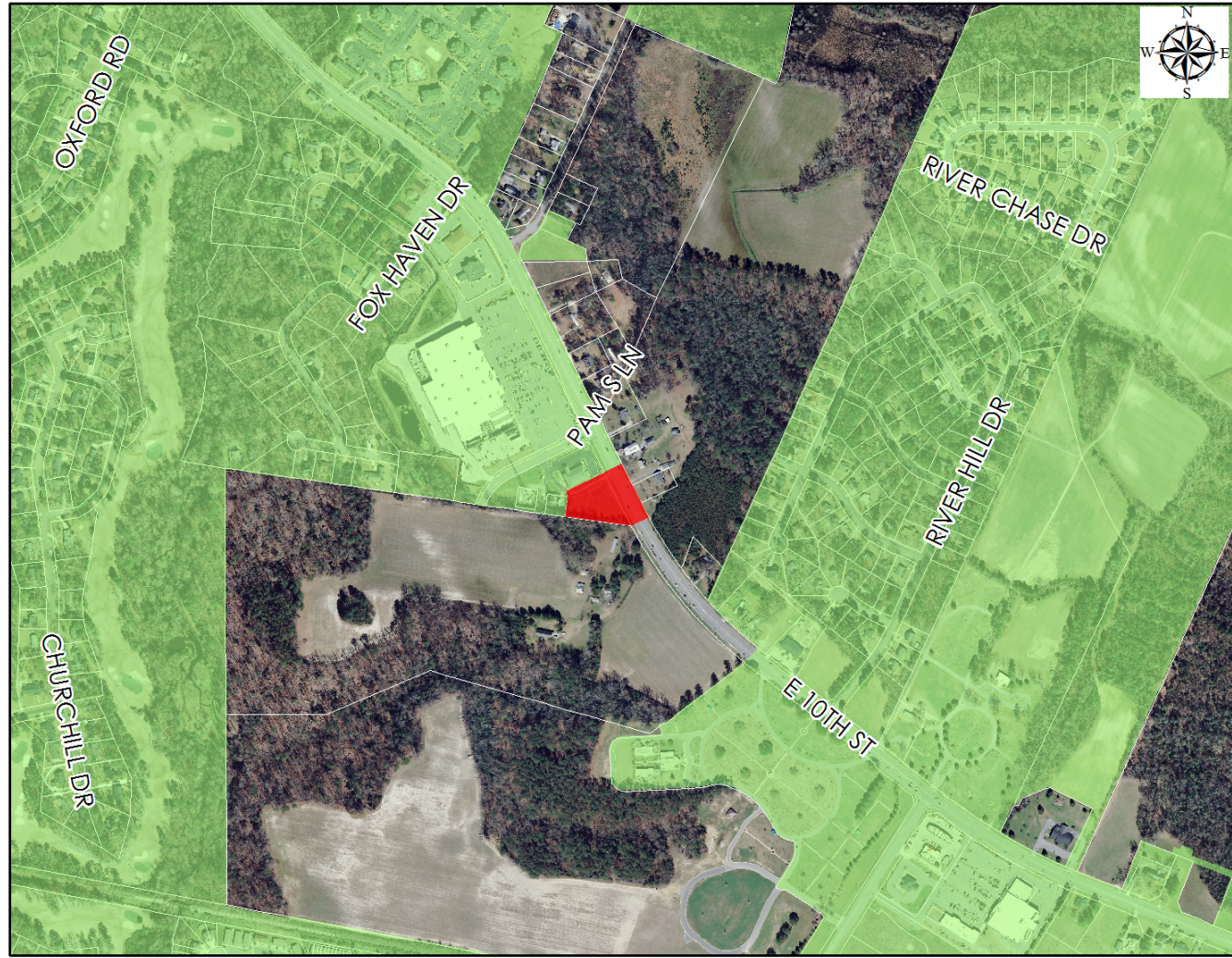
Greenville
NORTH CAROLINA

Find yourself in good company®

Oakhurst Park Lot 7

Map Legend

-  Land Parcels
-  Greenville City Limits
-  Greenville ETJ
-  Annexation



Find yourself in good company®


Item 4

Ordinance requested by Foss Enterprises, Incorporated, to rezone 11.396 acres located along the northern right-of-way of Dickinson Avenue Extension and 600 +/- feet southwest of Frog Level Road from GC (General Commercial - Pitt County Zoning) to CH (Heavy Commercial - City Zoning)




General Location Map

Map Legend

 Greenville's ETJ

 Tar River

 Pitt-Greenville Airport (PGV)


City Council Voting District


District

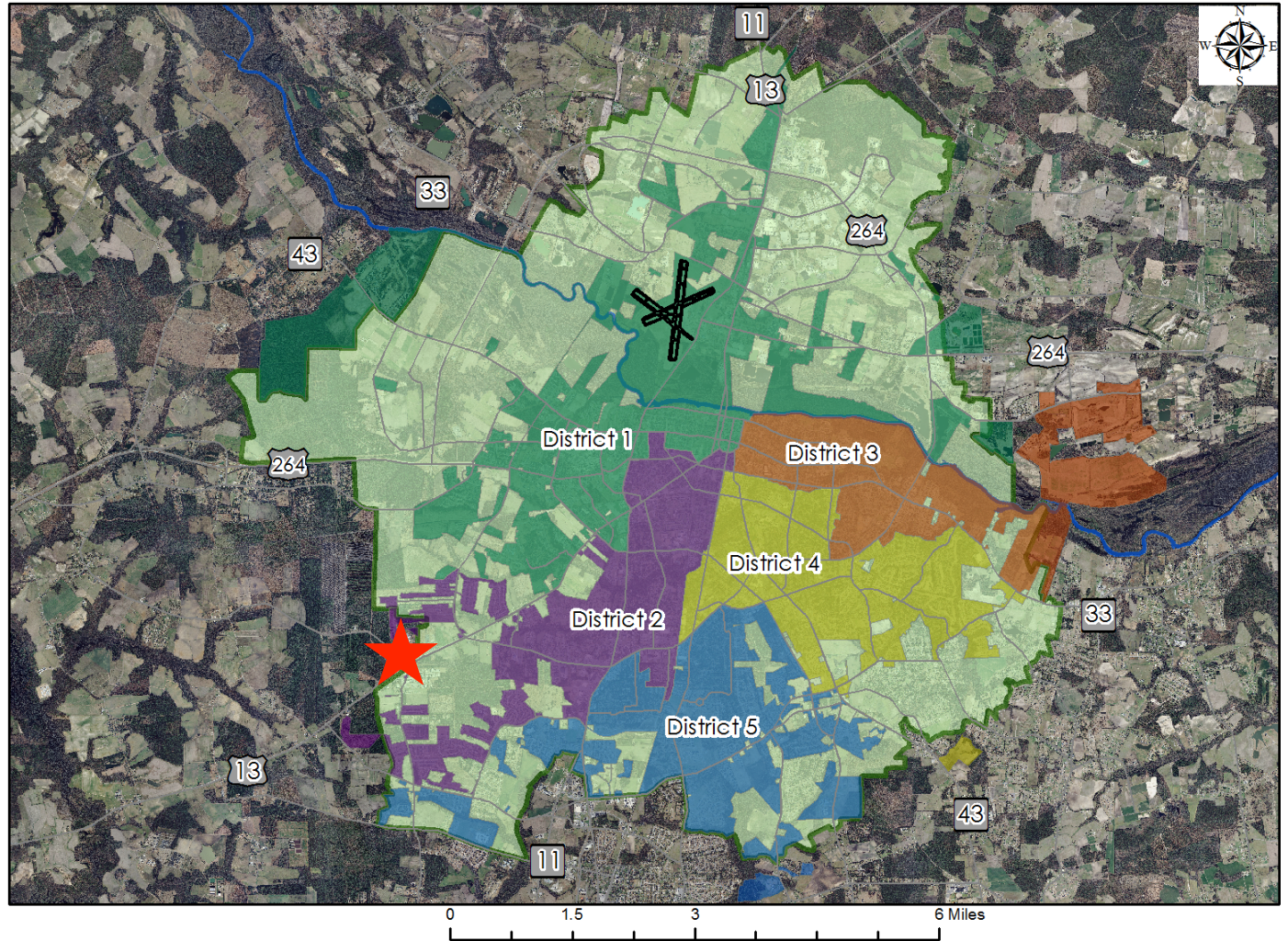
 District 1

 District 2

 District 3

 District 4

 District 5





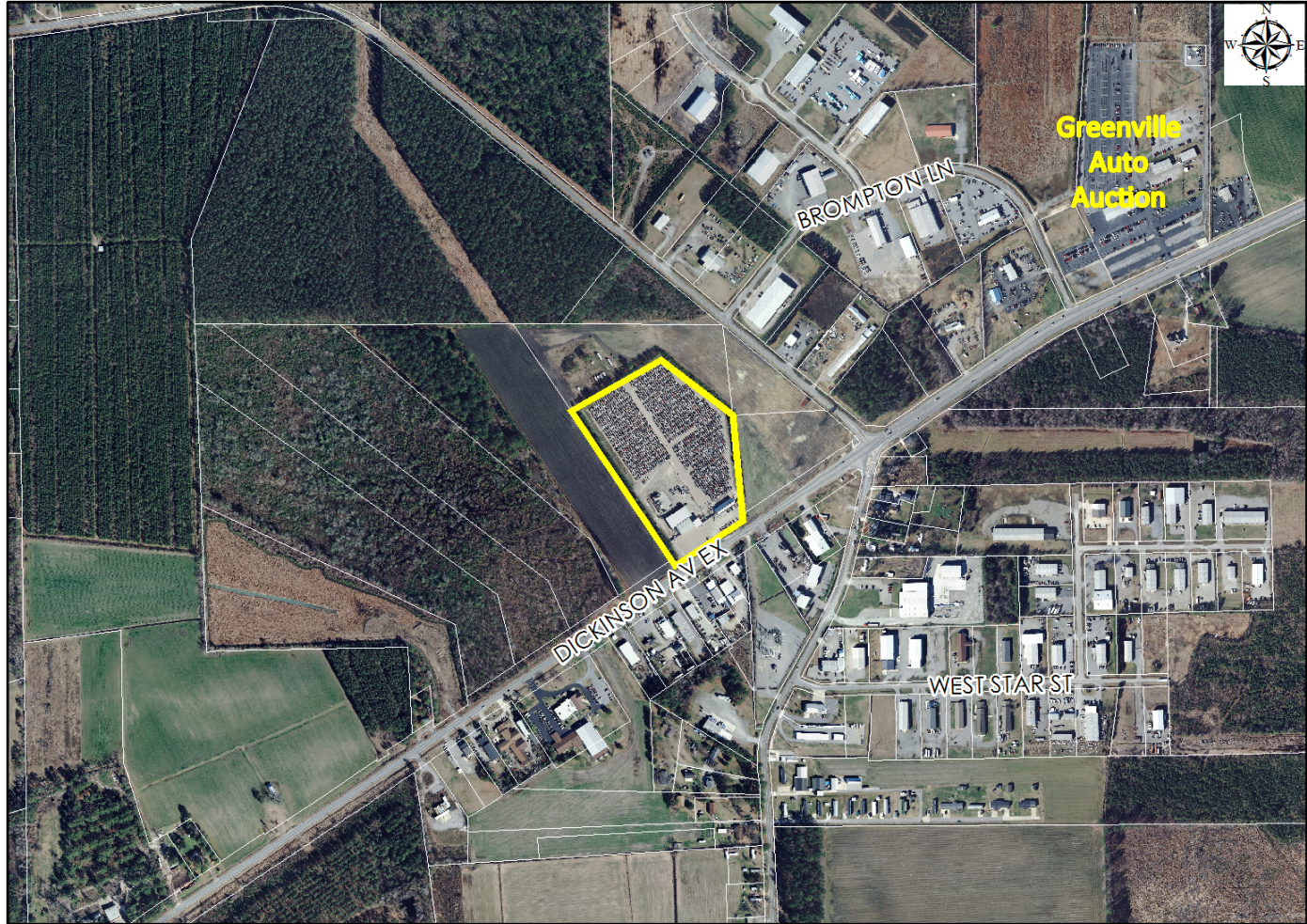
Greenville
NORTH CAROLINA

Find yourself in good company®

Aerial Map (2012)

Map Legend

-  Rezoning
-  Land Parcels



Greenville
NORTH CAROLINA

Find yourself in good company®

Dickinson Avenue Extension




Greenville
NORTH CAROLINA
















Find yourself in good company®

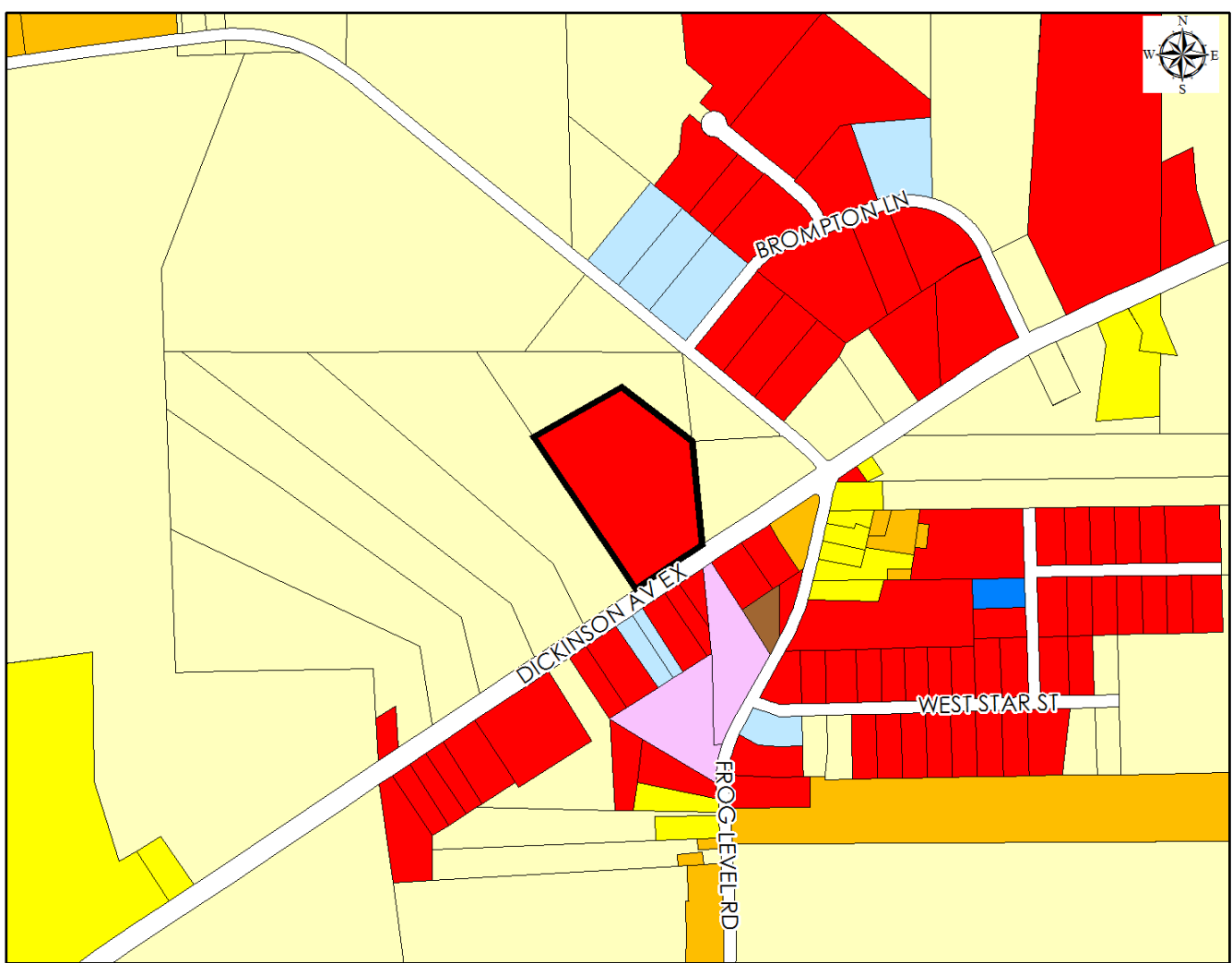
Existing Land Use

Map Legend

-  Rezoning
-  Land Parcels

Existing Land Use

-  Cemetery
-  Commercial
-  Duplex
-  Industrial
-  Institutional
-  Landfill
-  Mobile Home
-  Mobile Home Park
-  Multi-Family
-  Office
-  Public Parking
-  Recreation
-  Single Family
-  Utility
-  Vacant



0 415 830 1,660 2,490 Feet



Greenville
NORTH CAROLINA

Find yourself in good company®

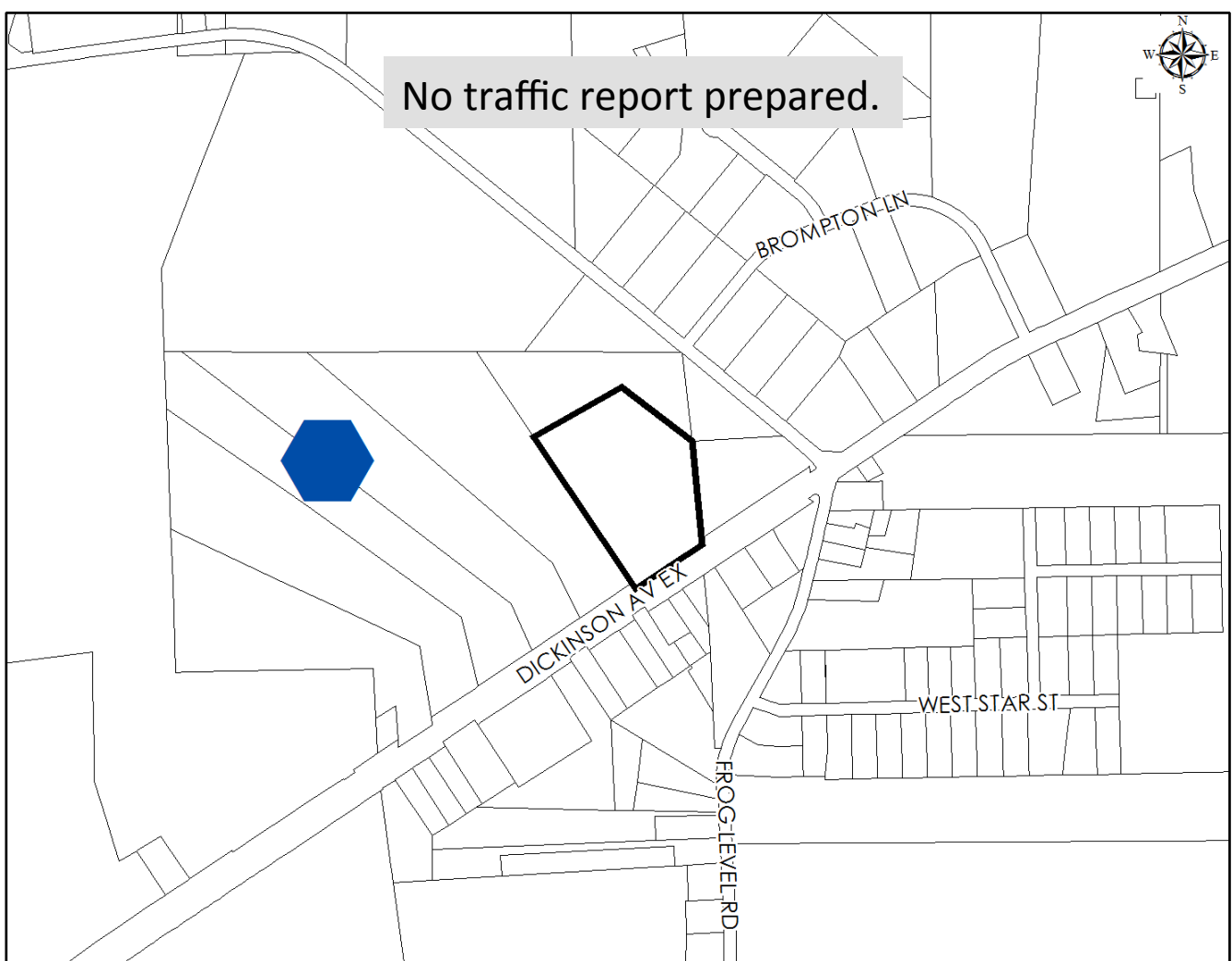
Activity Centers

Map Legend

-  Rezoning
-  Land Parcels
-  Neighborhood Activity Center
-  Community Activity Center
-  Regional Activity Center
-  Employment Center



Find yourself in good company®



0 415 830 1,660 2,490 Feet

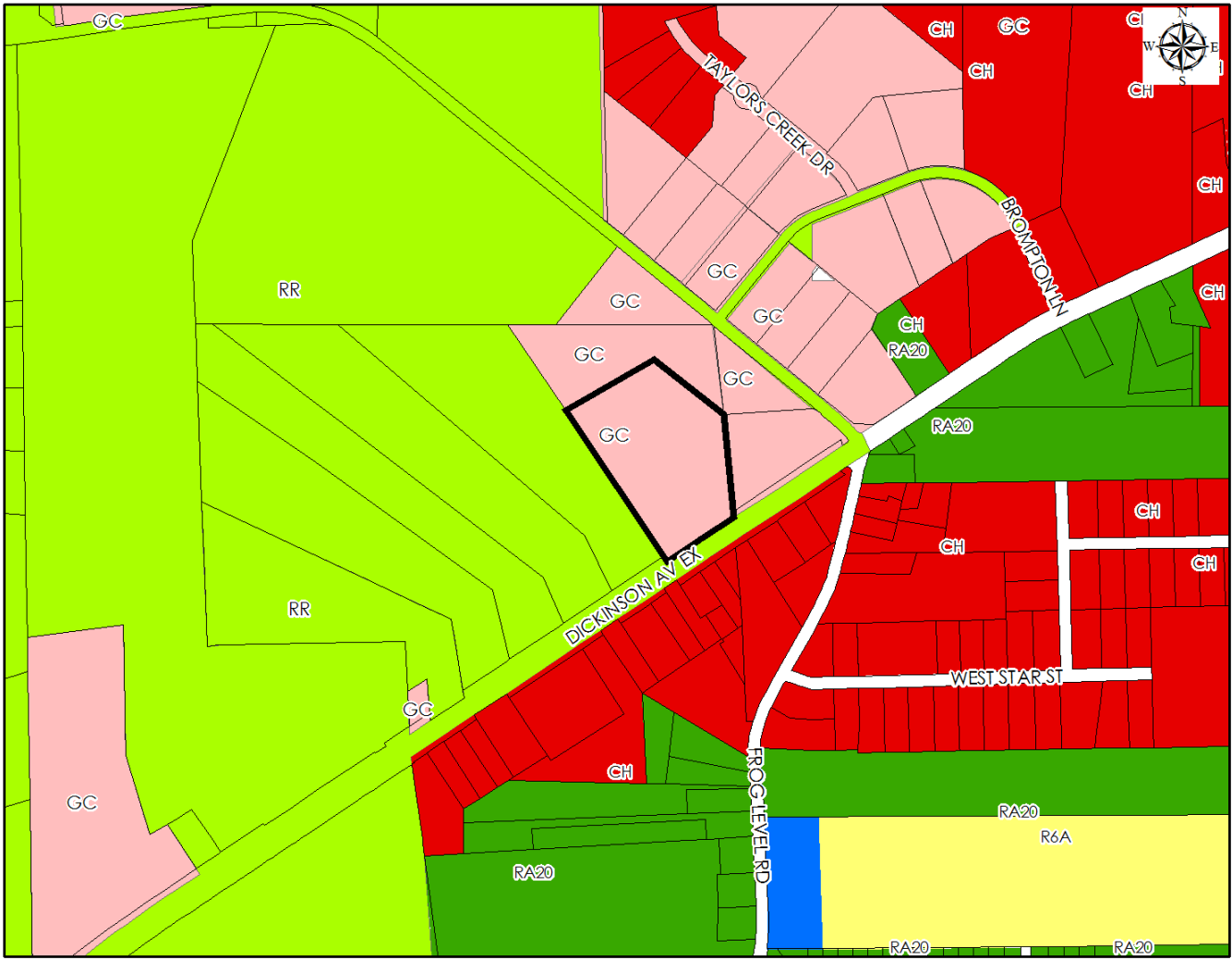
Zoning Map

Map Legend

Rezoning	PIU	R6MH
Land Parcels	MI	R6N
CD	MO	R6S
CDF	MS	R9
CG	O	R9S
CH	OR	R9S-CA
CN	OR-UC	R15S
MCH	R6	PUD
MCG	R6A	MR
I	R6A-CA	MRS
IU	R6A-RU	RA20

Pitt County Zoning

GC
GI
LI
R40
RA
RR





Greenville
NORTH CAROLINA















Find yourself in good company®

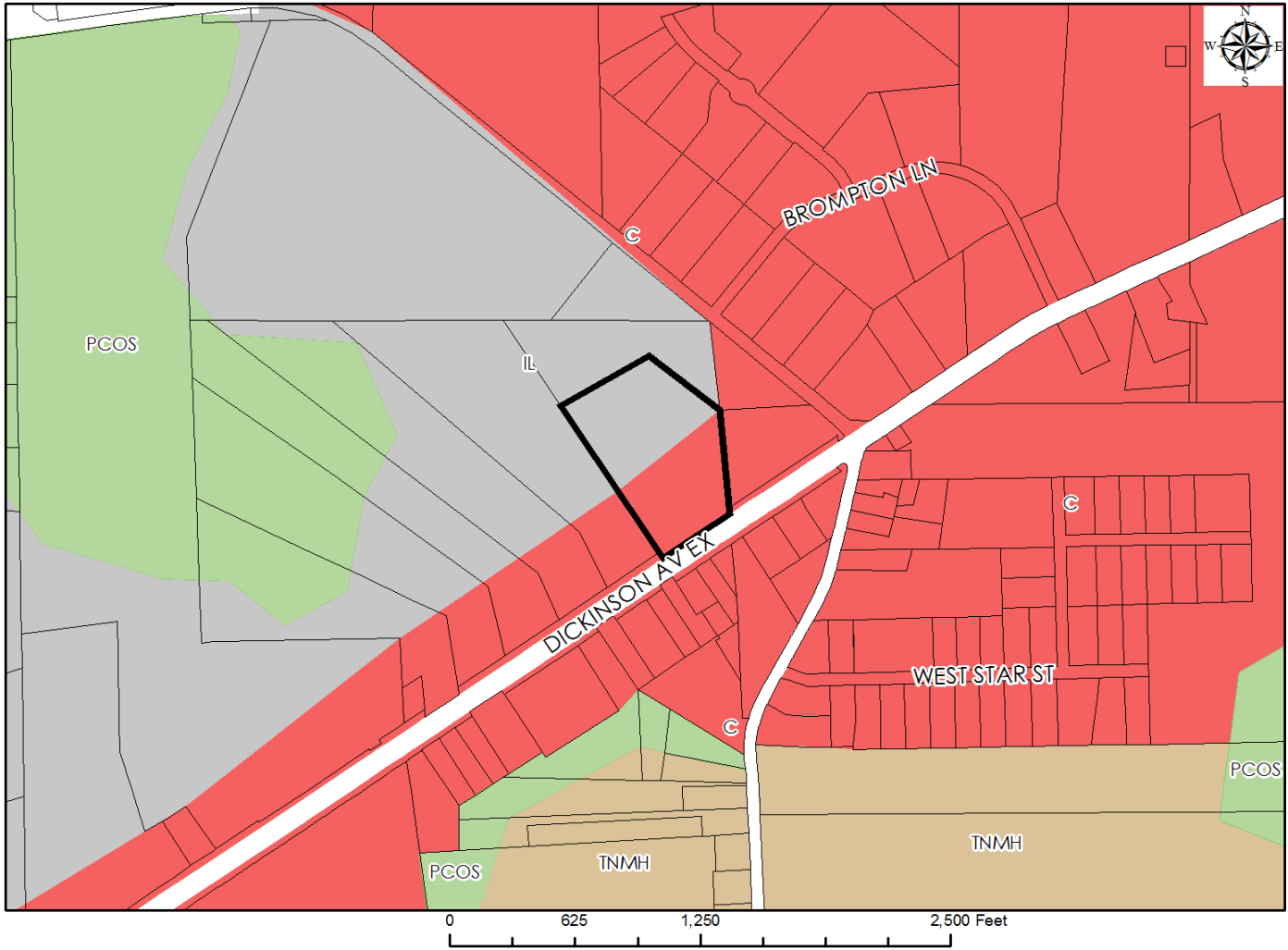
Future Land Use & Character Map

Map Legend

-  Rezoning
-  Land Parcels

Horizons2026 Future Land Use

-  PCOS - Potential Conservation and Open Space
-  UC - Uptown Core
-  UE - Uptown Edge
-  MUHI - Mixed Use, High Intensity
-  MU - Mixed Use
-  C - Commercial
-  OI - Office and Institutional
-  UN - Uptown Neighborhood
-  TNMH - Traditional Neighborhood, Medium to High Density
-  TNLM - Traditional Neighborhood, Low to Medium Density
-  HDR - Residential, High Density
-  LMDR - Residential, Low to Medium Density
-  UI - University Institutional
-  MC - Medical Core
-  MT - Medical Transition
-  IL - Industrial / Logistics





Greenville
NORTH CAROLINA

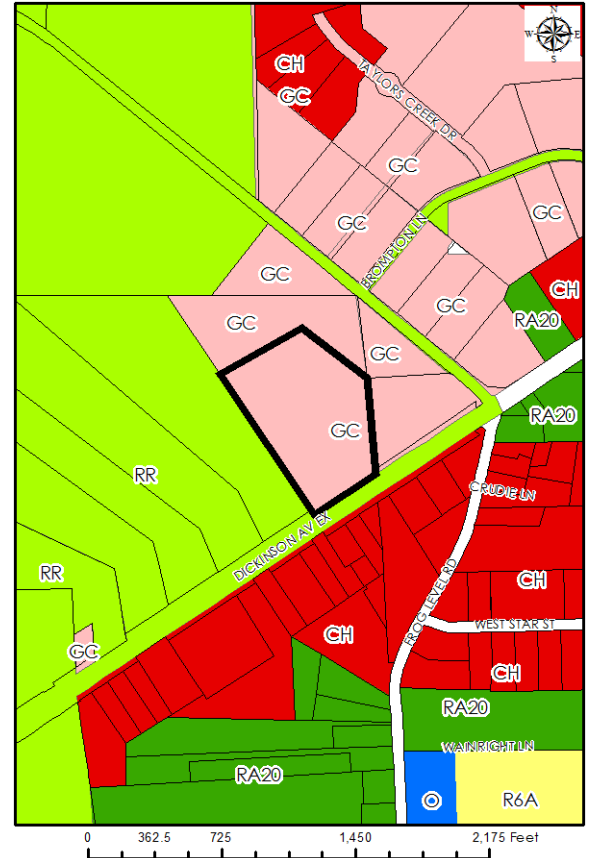
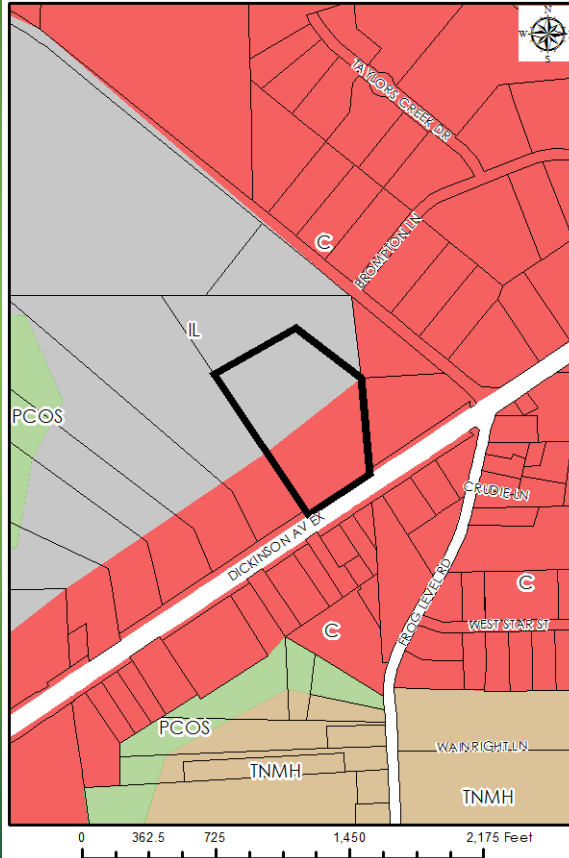
Find yourself in good company®

Future Land Use & Character Map

Zoning Map

Map Legend

-  Rezoning Sites
-  Land Parcels



Find yourself in good company®

Item 6

Ordinance to amend the Zoning Ordinance to increase the maximum height for distributed antenna systems (DAS) in the CD (Downtown Commercial) district from 25 feet to 35 feet



Find yourself in good company®

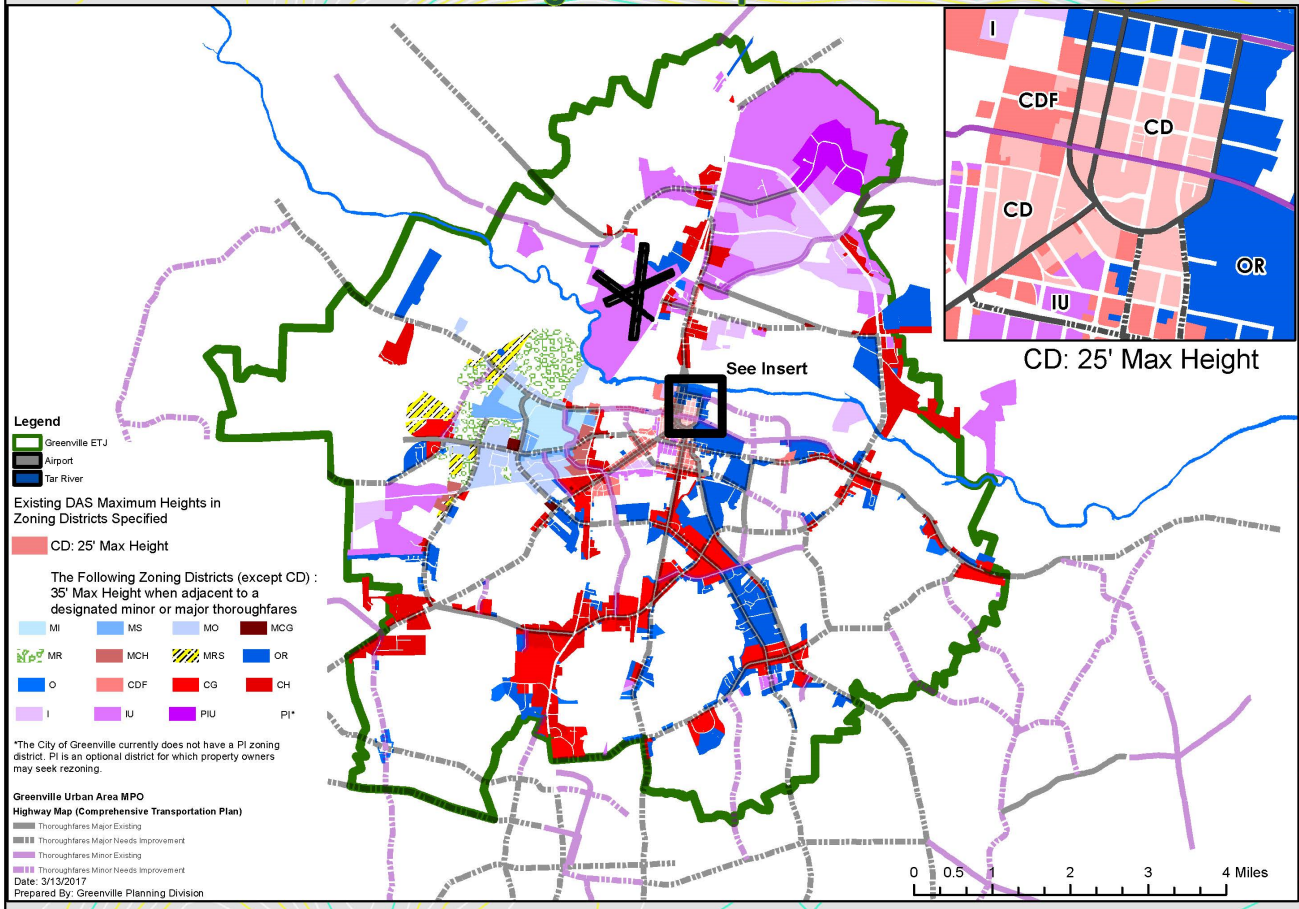


Find yourself in good company®





Map 1: Existing DAS Maximum Heights in Zoning Districts Specified



Title 9, Ch. 4, Art. F., Sec 9-4-103(4)(b)(1) of the City Code is proposed to be amended as follows:

(1) The height of DAS equipment, including support poles, whether they are replacing existing light posts, are mounted to existing light posts or are freestanding shall not exceed 35 ~~25~~ feet above grade, including the antenna, must not have antennas longer than 6 feet, must be painted to match the color of the poles.



Find yourself in good company®

Consistency Review

The proposed Zoning Ordinance Text Amendment is in compliance with Horizons 2026: Greenville's Community Plan.

Chapter 4, Growing the Economic Hub, Policy 4.1.4
Support a Positive Business Climate

Continue to market Greenville's excellent business climate. Where appropriate, promote flexibility in development regulations to ensure a business climate that encourages growth and expansion. Support business growth, expansion, and retention through strategic public improvements. Ensure land use regulations align with target industry needs.



Find yourself in good company®

Planning and Zoning Commission Recommendation, 4/18/2017:

The Planning and Zoning Commission unanimously approved a motion to recommend approval of the proposed text amendment.



Find yourself in good company®

Item 7

Acceptance of Building Reuse
Grant for Caremaster, LLC

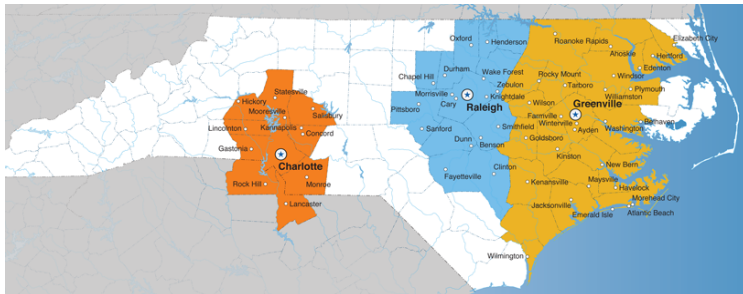


Find yourself in good company®



Caremaster

- Full Service Fire & Water Restoration Company
- Based in Greenville, with locations in Raleigh & Charlotte
- 601 Dexter St - Former Grainger Industrial Supply Building
- \$600K + in renovation costs
- 15 new full-time employees
- AVG Annual Salary = \$39,236





Caremaster

- Building Reuse Grant – N.C. Commerce
- Resolution of support adopted February 6, 2017
- Awarded \$150,000 Building Reuse Grant, April 19th
- City match = \$7,500 (5%)
- Funds included in FY 2016-17 budget for OED
- Matching payment = Economic Development Incentive





Economic Development Incentive

- NC General Statute 158-7.1
- Authorizes local governments to make appropriations for economic development purposes.
- Public hearing required for appropriations under this general statute.
- *“A county or city may make grants or loans for the rehabilitation of commercial or noncommercial historic structures, whether the structure is publicly or privately owned.” (b-8)*
- Daily Reflector, City Page Ad: May 1st

Staff recommends first holding the required public hearing, and then approval of the Economic Development Incentive for Caremaster in the amount of \$7,500.

Questions?

Item 8

Presentation of the proposed Fiscal Year 2017-2018 operating budget for the following entities:

- a. Pitt-Greenville Convention & Visitors Authority
- b. Sheppard Memorial Library
- c. Greenville Utilities Commission



Convention & Visitors Authority

2017-2018 Fiscal Year Budget

CVA Mission

To foster an environment of superior travel and tourism experiences.

CVA Strategic Goals

Goal 1: Increase convention sales/citywide conferences and events achieving both micro and macro goals

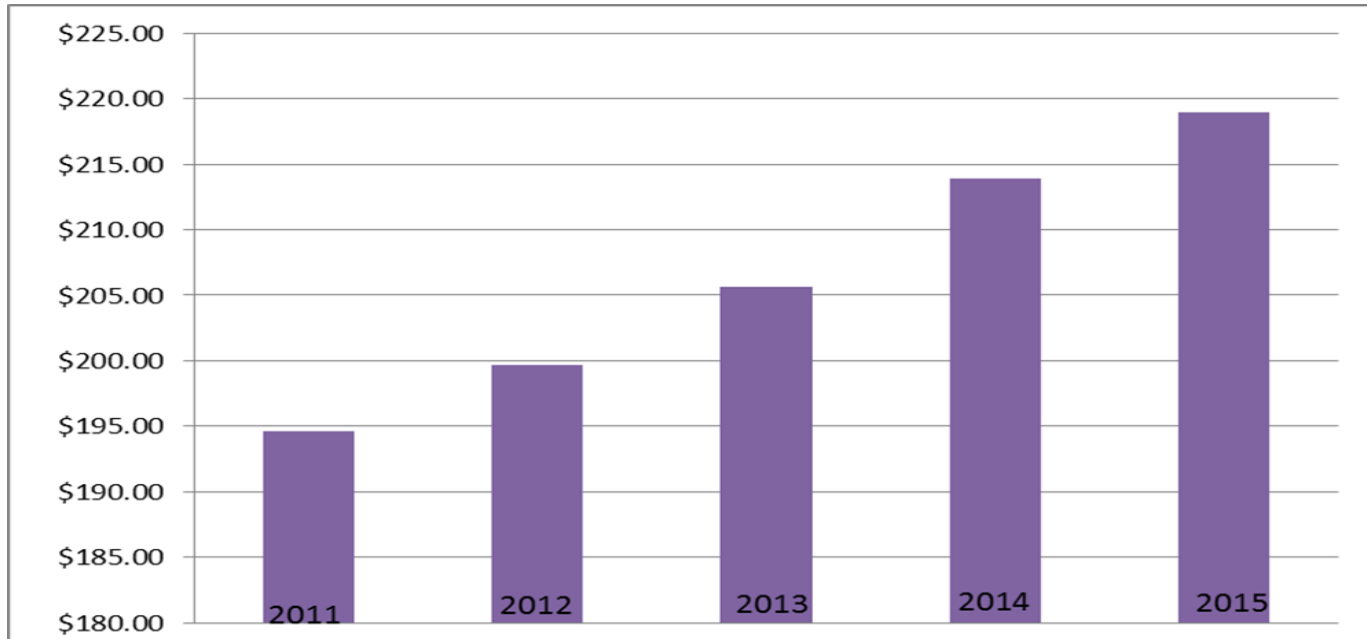
Goal 2: Grow the number of sports tournaments per year and encourage economic development of sporting facilities

Goal 3: Become a more recognizable entity while increasing the recognition of the value of the economic impact of tourism

Goal 4: Develop positive and reciprocal relationships with media and travel writers from outside Greenville and Pitt County.

Goal 5: Increase leisure travel to Greenville and Pitt County.

Pitt County Tourism Expenditures 2011-2015 (in millions \$)



CVA Board Members

- Four hotel owner/operators
- Two hospitality-related positions
- Four citizens interested in the hospitality industry
- Chamber appointee
- City and County liaison

CVA Budget Approval Process

- CVA Executive Committee
- CVA Full Board
- Greenville City Council
- Pitt County Board of Commissioners

The CVA does not receive any revenues from the general fund

- All revenues received are from the hotel/motel occupancy tax
- No city or county supplement
- No membership revenue
- Occupancy tax revenues are increasing
- Airbnb's are contributing and the number within Pitt County continue to grow

Revenues

- Current occupancy tax revenues are up 19.0% over last year's collections
- 2017-2018 fiscal year budget is calculated with an estimated 11.0% increase in occupancy tax collections

FY 2017-2018 Budget

Fiscal year budget for 2017-2018 is set at:
\$1,228,484.45

Occupancy Tax Collections: \$1,061,783.19
(at 11% projected increase)

Miscellaneous Revenue: \$60.48

Fund Balance: \$166,640.78

Future FY Budget Highlights

- Increase in marketing
- Increase in advertising
- Video projects
- Beer and Barbecue Trail
- Media missions/consumer based shows

FY 2017-2018 Budget Highlights

Convention Center Marketing

- Budget includes receipts from one cent of the occupancy tax collections

2017-2018 Projection: \$353,927.73

- Marketing funds allocated to the GCC management on a monthly basis

Questions ?

Sheppard Memorial Library 2017-2018 Highlights and Library Board Approved Budget









**Sheppard Memorial Library
2017-2018 Library Board Approved Budget
City of Greenville Revenue Request**

\$1,232,969

This revenue target provided by the city will cover a 3% market/merit adjustment, a 7% increase in health insurance costs, and a 4% increase in dental insurance costs.

REVENUES

2017-2018 Budget

City of Greenville	\$1,232,969
County of Pitt	\$598,529
County: Bethel/W'ville	\$12,000
Town of Bethel	\$30,315
Town of Winterville	\$167,780
State Aid	\$191,774
Greenville Housing Authority	\$10,692
Interest Income	\$1,000
Library Generated	\$160,275
Capital Income	\$0
Fund Balance	\$26,964
TOTAL	\$2,432,280

EXPENDITURES	2017-2018 SML Budget
Personnel	\$1,610,626
Operations	\$810,692
Housing Authority	\$10,692
Capital Expense	\$0
Grant Project	\$0
TOTAL	\$2,432,280

Thank you very much for your ongoing support of the library, early literacy, computer literacy, and lifelong learning!





Proposed FY 2017-18 Budget

City Council Meeting
May 11, 2017

Overview

- Highlights
- Purchased Power Adjustment (PPA) Reduction
 - – Effective April 1, 2017
- Budget Status FY 2016-17
 - Meeting the Challenges
- Proposed Budget FY 2017-18
- Capital Spending
- Long-term Financial Forecast

Highlights

Highlights

- **Fiscal Year 2016-17:**
 - All funds are balanced
- **Proposed FY 17-18 Budget**
 - Prioritizing capital investments, improving efficiencies, and managing expenditures to provide safe, reliable utility services at the lowest reasonable cost, with exceptional customer service.
 - All funds are balanced with lower rate adjustments than last year's forecast
- **Recommendations**
 - **Rate adjustments effective July 1, 2017**
 - Electric rate adjustment -0.0%
 - April 1, 2017 - (3.5%) rate reduction, (\$4.00) per month decrease for typical residential customer
 - Water rate adjustment deferred – 0.0%
 - Sewer rate adjustment deferred – 0.0%
 - Gas rate adjustment deferred – 0.0%

Purchased Power Adjustment (PPA) Reduction

Effective April 1, 2017

Purchased Power Adjustment (PPA) Reduction

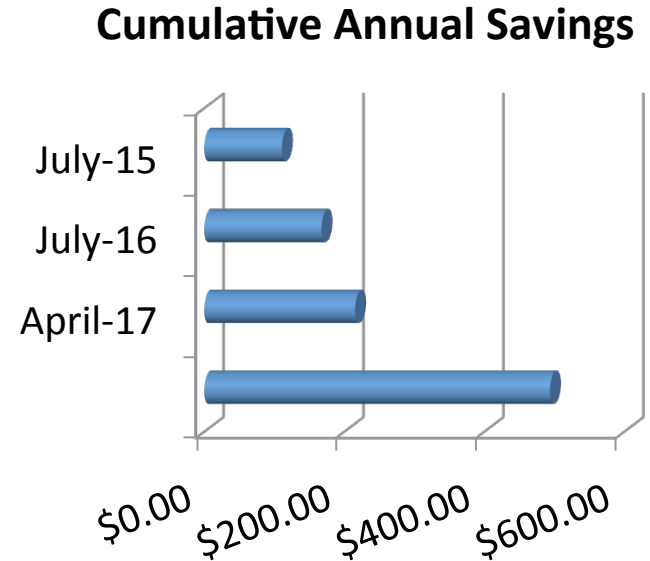
- PPA Reduction – Effective April 1, 2017
- NCEMPA wholesale purchased power adjustment reduction of 4.5% to GUC
- Provides a 3.5% reduction in retail rate for the typical residential customer
- Retail rate includes purchased power plus other operational items to maintain system and services - (power lines, poles, transformers, materials, employees)



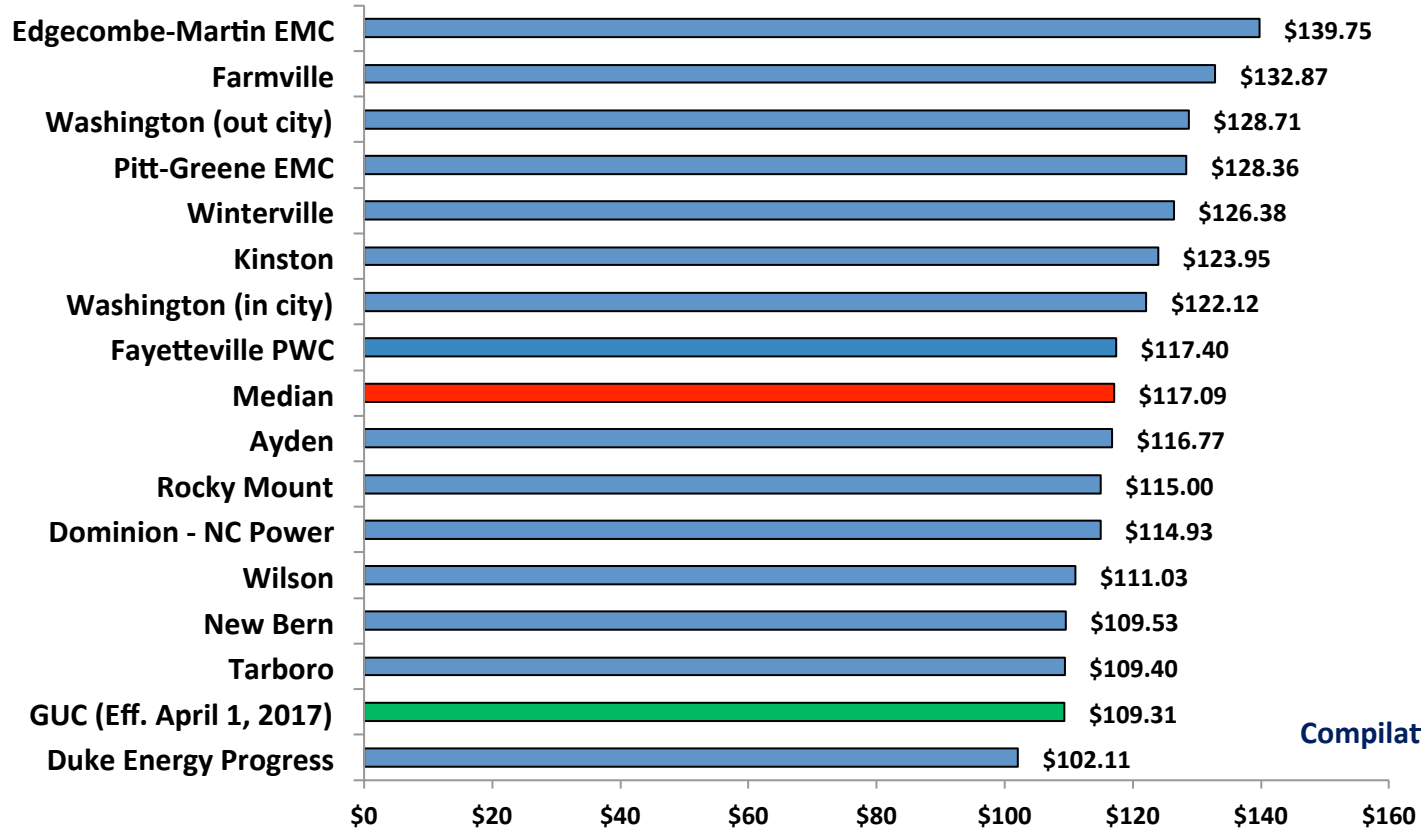
Electric: Rate Decreases Since 2015 NCEMPA Asset Sale

(for Typical Residential Customer using 1,000 kWh Per Month With Load Management)

Year	Typical Residential Bill Reduction	Typical Monthly Residential Bill	Monthly Reduction in Bill	Annual Savings	Cumulative Annual Savings
June-15		\$127.27			
July-15	7.0%	\$118.03	\$9.24	\$110.88	\$110.88
July-16	4.0%	\$113.31	\$4.72	\$56.64	\$167.52
April-17	3.5%	\$109.31	\$4.00	\$48.00	\$215.52
Total 3 Year Reduction	14.5%		\$17.96		\$493.92



Electric: *Typical Residential Customer using 1,000 kWh with LM*



Compilation of rates February 2017

Current Year Budget Status

Fiscal Year July 1, 2016 – June 30, 2017

Current Year Projection

<i>Fund</i>	<i>*Budgeted Fund Equity/Deficit</i>	<i>Projected Fund Equity/Deficit</i>
Electric	\$874,920	\$292,297
Water	\$177,652	\$154,560
Sewer	\$105,160	\$150,815
Gas	\$34,701	\$55,509
Total	\$1,192,433	\$653,181

*Excluding April 1, 2017 retail rate decrease due to purchased power adjustment (PPA)

Current Budget Challenges

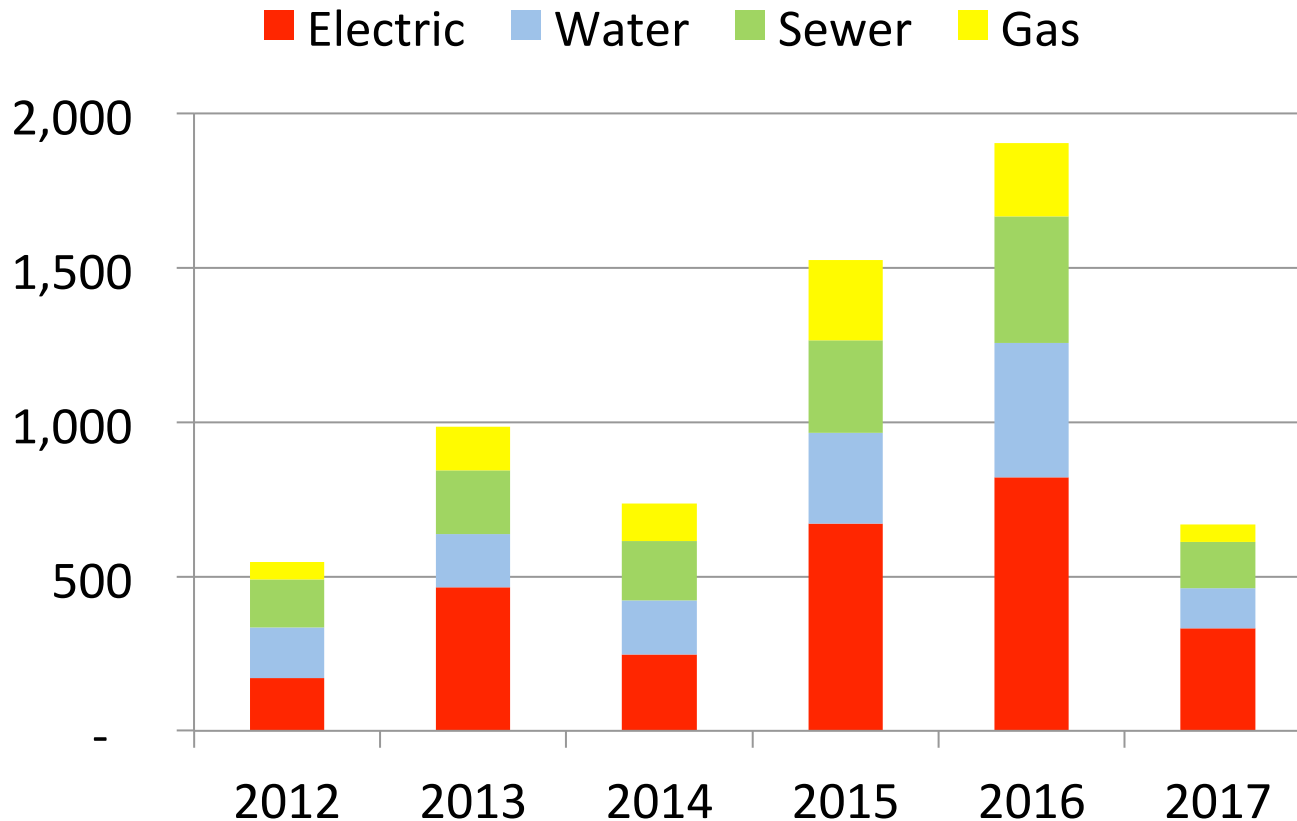
- Economy/Growth
- Infrastructure Needs
- Operating Costs
- Weather

Economy/Growth in Billed Connections

- Nominal growth in new connections;
impact on revenue
- March 2016 to March 2017

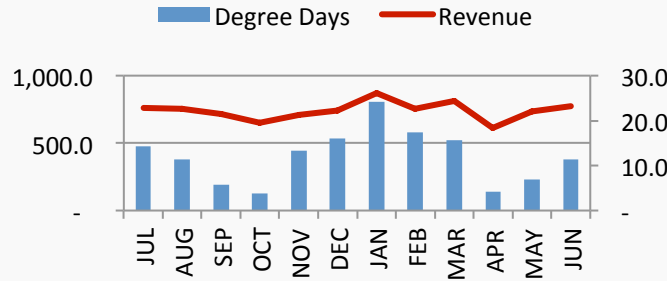
	% Increase	Accounts
Electric	0.50%	331
Water	0.37%	132
Sewer	0.51%	149
Gas	0.25%	57

New Connections (March 2012 – March 2017)

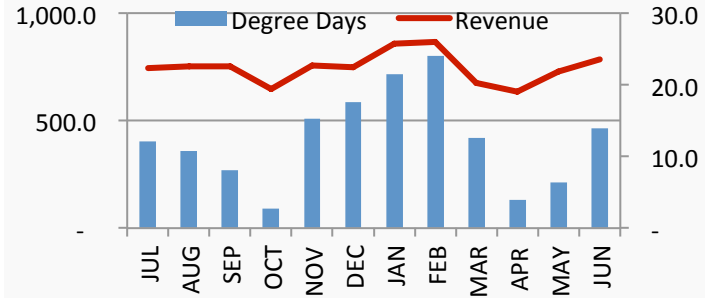


Weather Impact on Revenue

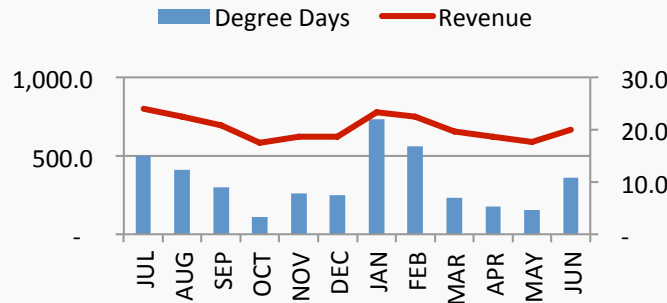
FY 2013-2014



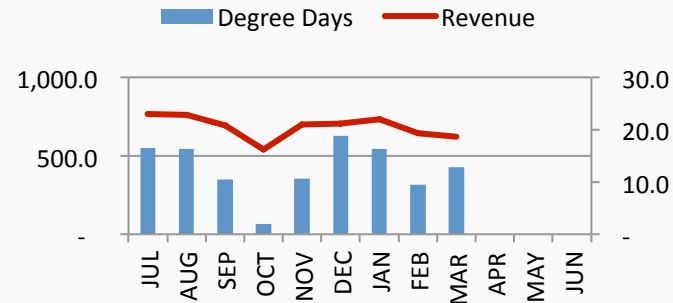
FY 2014-2015



FY 2015-2016



FY 2016-2017



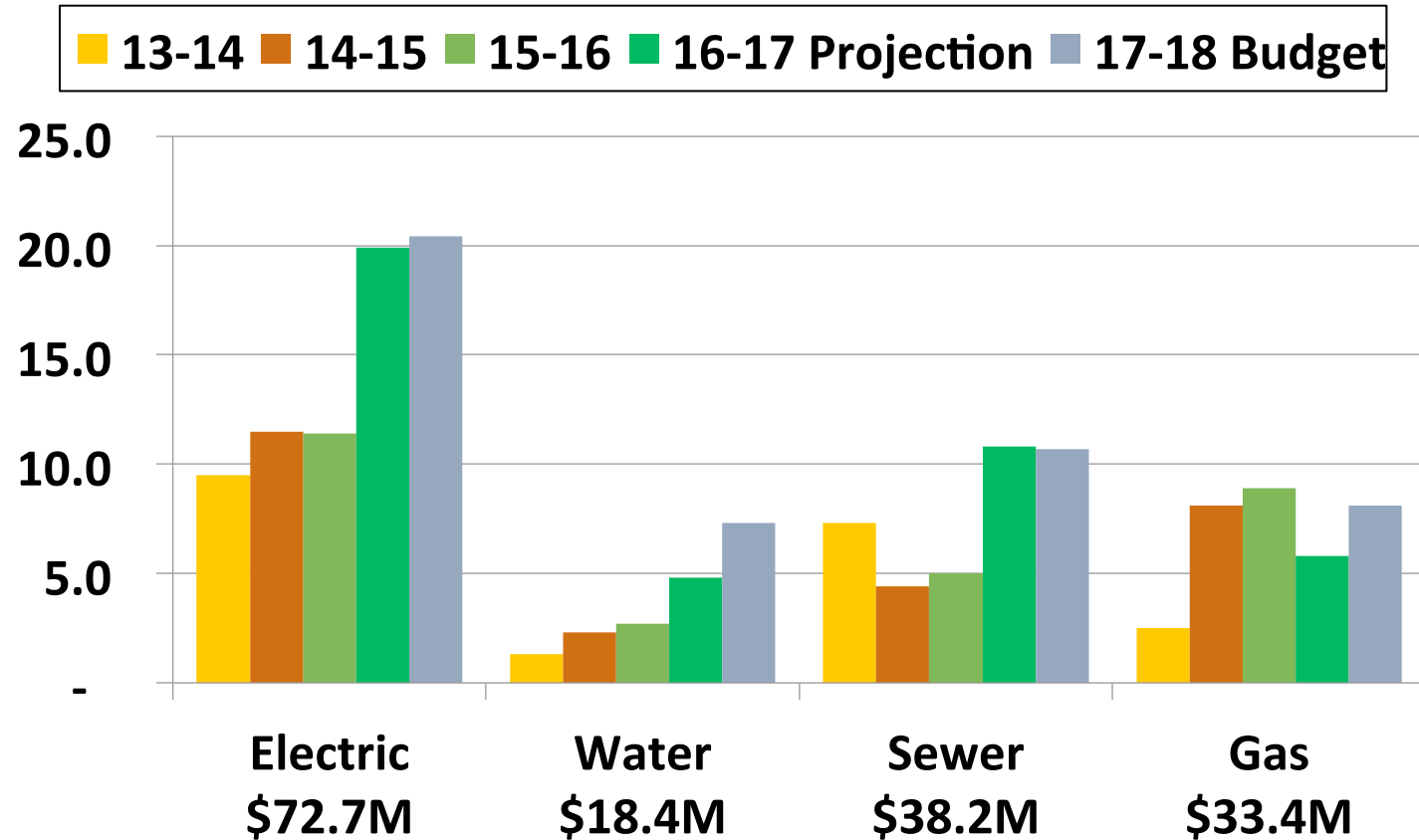
Meeting the Challenge

Ensuring Long-term Sustainability

Meeting the Challenge

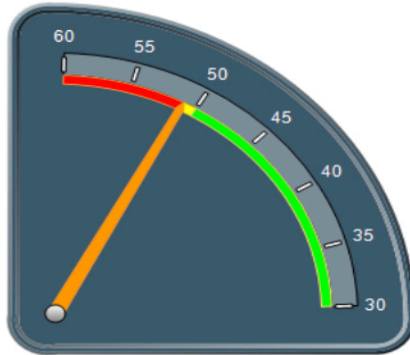
- **Prioritizing capital investments**
- **Improving efficiencies**
- **Managing expenditures**

Capital Investment (\$M)

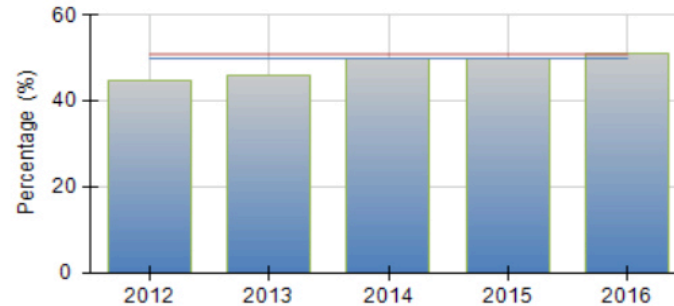


Investment in Infrastructure

- **Degree of Asset Depreciation**
 - Measures the age of the system (the closer to 100%, the older the system)
 - 51% GUC Combined Utilities
 - 51% of our system has reached the end of its depreciable life

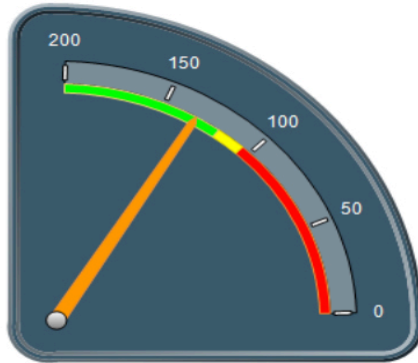


Value: 51% Goal: 50% Warning: 51%

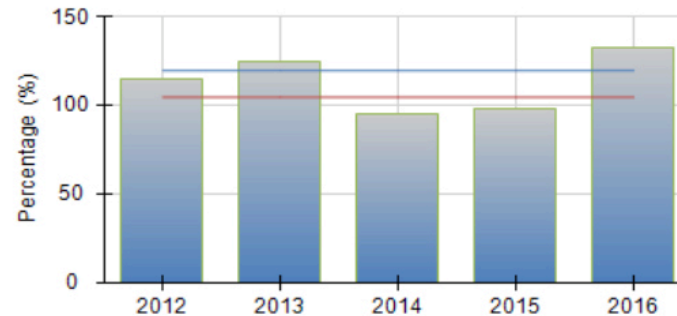


Investment in Infrastructure

- **Capital Spending Ratio**
 - Measures investment in capital assets compared to depreciation
 - 133% GUC Combined Utilities
 - For each \$1.00 of depreciation we are investing \$1.33



Value: 133% Goal: 120% Warning: 105%



Current Year Projection

<i>Fund</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Surplus/ Deficit</i>
Electric	\$178,337,208	\$178,044,911	\$292,297
Water	\$19,756,691	\$19,602,131	\$154,560
Sewer	\$22,748,015	\$22,597,200	\$150,815
Gas	\$32,143,691	\$32,088,182	\$55,509
Total	\$252,985,605	\$252,332,424	\$653,181

Combined Funds

Key Performance Indicators

	13-14 Actual	14-15 Actual	15-16 Actual	16-17 Budget	16-17 Projected
Debt Service Coverage <i>(1x coverage required)</i>	2.23x	2.60x	3.83x	3.03x	2.72x
LGC Fund Balance	20.2%	16.5%	21.2%	20.7%	20.6%
Days Cash on Hand	119	125	141	127	131

FY 2017-18 Proposed Budget

Mission Statement

Greenville Utilities is dedicated to enhancing the quality of life for those we serve by providing safe, reliable utility services at the lowest reasonable cost, with exceptional customer service.

Budget Drivers

- **Infrastructure Repair and Replacement**
- **Purchased Commodities**
- **Debt Service**
- **Regulatory Compliance**
- **Chemicals and Fuel**
- **Utility Costs for Plant Operations**

Budget Goals

- **Meet customer needs**
- **Provide reliable utility services,
at the lowest reasonable cost**
- **Position GUC to achieve greater efficiencies**
- **Continue to meet regulatory requirements**

Budget Goals (cont'd)
















- Minimize rate increases
- Avoid future rate shock
- Ensure financial viability of each fund
- Be operationally and financially prepared for emergency situations
- Be prepared for growth and expansion opportunities
- Preserve and/or improve bond ratings

Focus

- **Balanced fund budgets**
- **Achieve and maintain key metrics**
 - **Reliability**
 - **Safety**
 - **Value**
 - **Financial**









Key Performance Indicators

Customer

Indicator	Goal/Caution	Value	Status
Customer Satisfaction	80.00%	78.00%	
Billing Process Accuracy	99.800%	99.796%	
Install New Service (Electric)	3.00	1.17	
Install New Service (Gas)	14	17	
Install New Service (Water/Sewer)	6	5	
Duration of Interruptions - Electric (CAIDI)	82.00	100.19	
Duration of Interruptions - Electric (SAIDI)	65.00	68.39	
Interruptions in Service - Electric (SAIFI)	0.79	0.68	
Response Time to Unplanned Outages	30.00	28.19	
Response Time to Cut Gas Lines/Leaks	0:30:00	0:22:10	
Response Time to Water Leaks	1:00	0:50	
Typical Bill Comparison - Residential Electric	\$117	\$109	
Typical Bill Comparison - Residential Gas	\$63	\$63	
Typical Bill Comparison - Residential Water	\$35	\$32	
Typical Bill Comparison - Residential Sewer	\$45	\$43	








Key Performance Indicators

Financial

Indicator	Goal/Caution	Value	Status
Overtime Costs	3%	13%	
Bond Rating	75	80	
Days Operating Cash on Hand	125	145	
Debt Service Coverage	1.75	3.83	
Fund Balance (Available for Appropriation)	16.0%	24.7%	
Net Margin	2.75%	10.05%	
Return on Assets	1.60%	4.58%	
Return on Equity	2.50%	7.27%	





Key Performance Indicators

Internal Business Processes

Indicator	Goal/Caution	Value	Status
Connections per Employee	337	340	
Operating Cost per Customer	\$350	\$357	
System Losses - Electric	3.00%	2.63%	
System Losses - Gas	1.50%	2.66%	
System Losses - Water (less than 13.5%)	13.5%	11.0%	
Disruption of Service- Water	6:00	1:30	
Miles Driven Without Preventable Vehicle Incident	1,000,000	991,306	

Key Performance Indicators

Employee & Organizational Capacity

Indicator	Goal/Caution	Value	Status
Hours Worked Without a Lost Workday Injury	3,000,000	332,720	
OSHA Recordable Incident Rate	1.00	2.62	
Capital Spending Ratio	120%	133%	
Degree of Asset Depreciation	50%	51%	

Customer Rates

- **Electric** – adjustment 0.0%
 - Budget includes April 1, 2017 (3.5)% rate decrease; \$4.00 per month decrease in typical residential bill
- **Water** –7.4% rate adjustment forecasted last year has been deferred
- **Sewer** –8.4% rate adjustment forecasted last year has been deferred
- **Gas** – 1.6% rate adjustment forecasted last year has been deferred

Electric Fees

- Fourth year of phase-in adjustments
 - Implementation of phase-in adjustments of electric fees related to outdoor lighting installation, temporary services, and installation of permanent underground services will continued as planned.

Budget Status FY 2017-18

Fund	Prior Plan		Proposed Budget	
	Rate Adj.	Equity/ Deficit	Rate Adj.	Equity/ Deficit
Electric	0.0%	\$1,459,428	*0.0%	\$974,731
Water	7.4%	\$84,151	0.0%	\$157,907
Sewer	8.4%	\$97,626	0.0%	\$84,468
Gas	1.6%	\$23,869	0.0%	\$398,831
Total		\$1,665,074		\$1,615,937

*3.5% electric rate decrease effective April 1, 2017 for typical residential customer

FY 2017-18 Budget Draft Revenues & Expenditures

Combined Funds	2017-18
Charges for Service	\$246,362,396
Miscellaneous Revenue & Interest Earnings	3,179,377
Appropriated Fund Balance	1,000,000
Total Revenues	\$250,541,773
Operations	\$65,558,606
Purchased Power/Gas	144,428,549
Capital Outlay	9,673,307
Debt Service	14,313,444
City Turnover	6,651,929
Transfer to OPEB Trust	500,000
Transfer to Rate Stabilization	1,450,000
Transfer to Capital Projects	6,350,000
Total Expenditures	\$248,925,835
Fund Equity/(Deficit)	\$1,615,937

Budget Status FY 2017-18

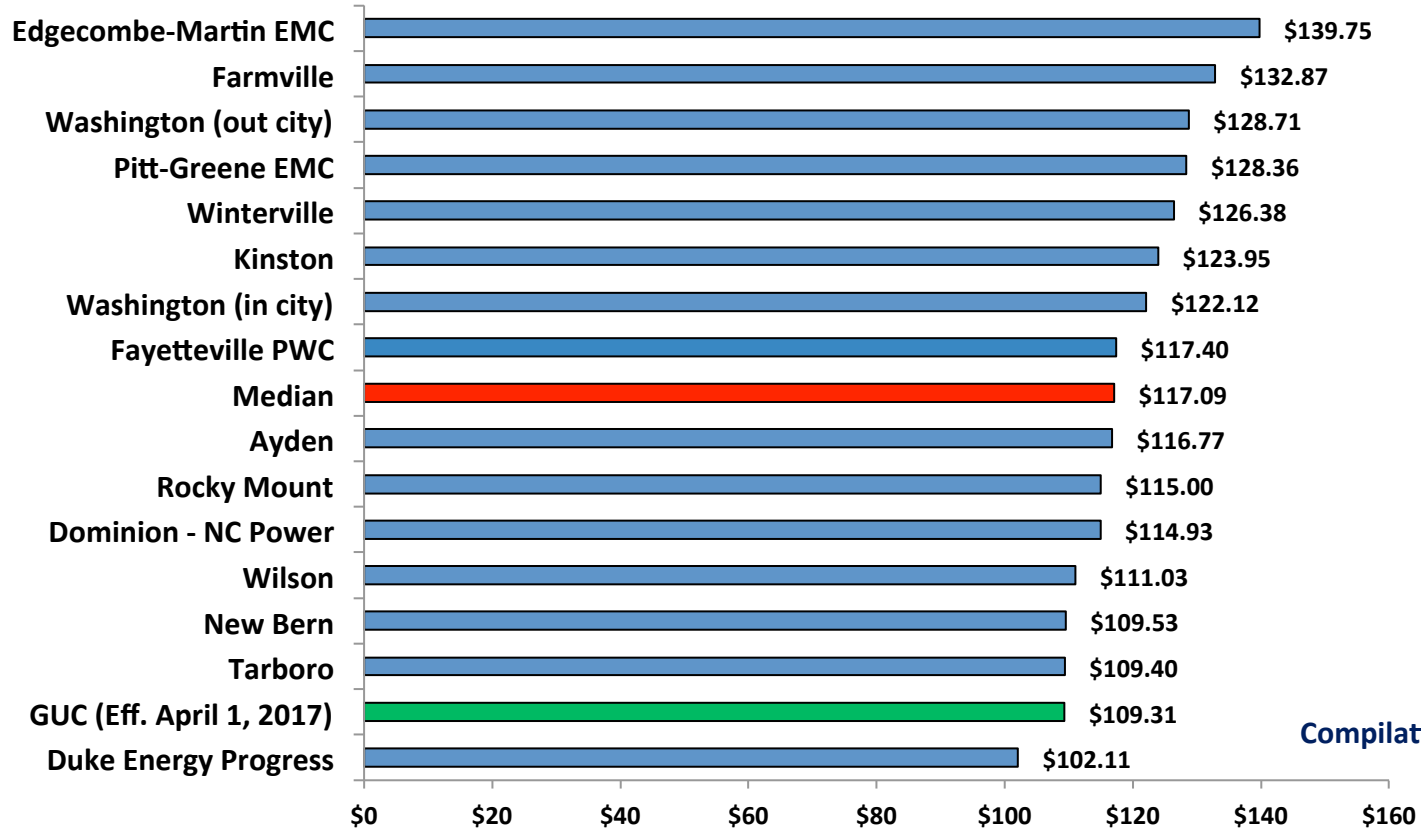
<i>Fund</i>	<i>Current Status: 4/20/2017</i>	
Electric	\$974,731	Balanced
Water	\$157,907	Balanced
Sewer	\$84,468	Balanced
Gas	\$398,831	Balanced
Total	\$1,615,937	

Combined Funds

Key Performance Indicators

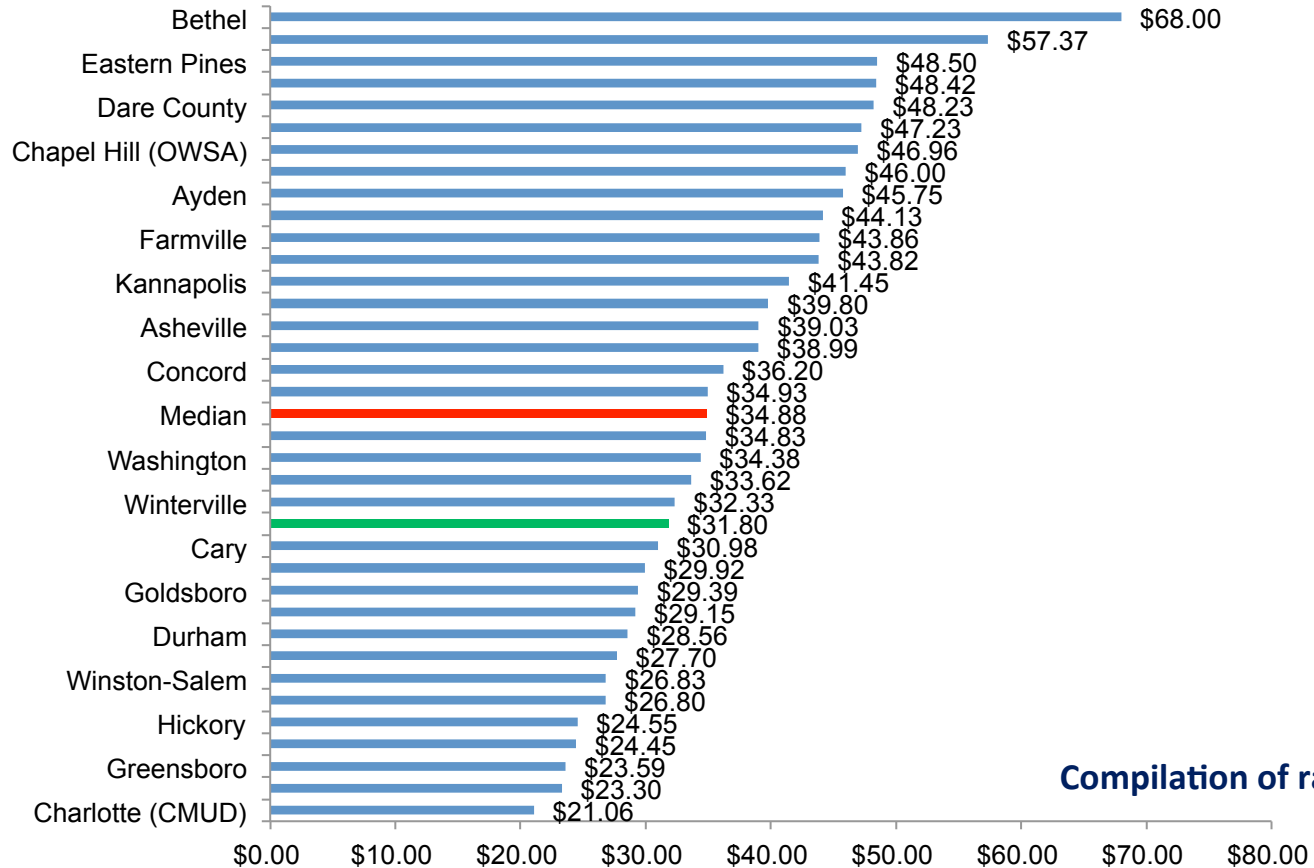
	2017-18 Budget
Debt Service Coverage <i>(1x coverage required)</i>	2.73x
LGC Fund Balance	21.1%
Days Cash on Hand	132

Electric: *Typical Residential Customer using 1,000 kWh with LM*



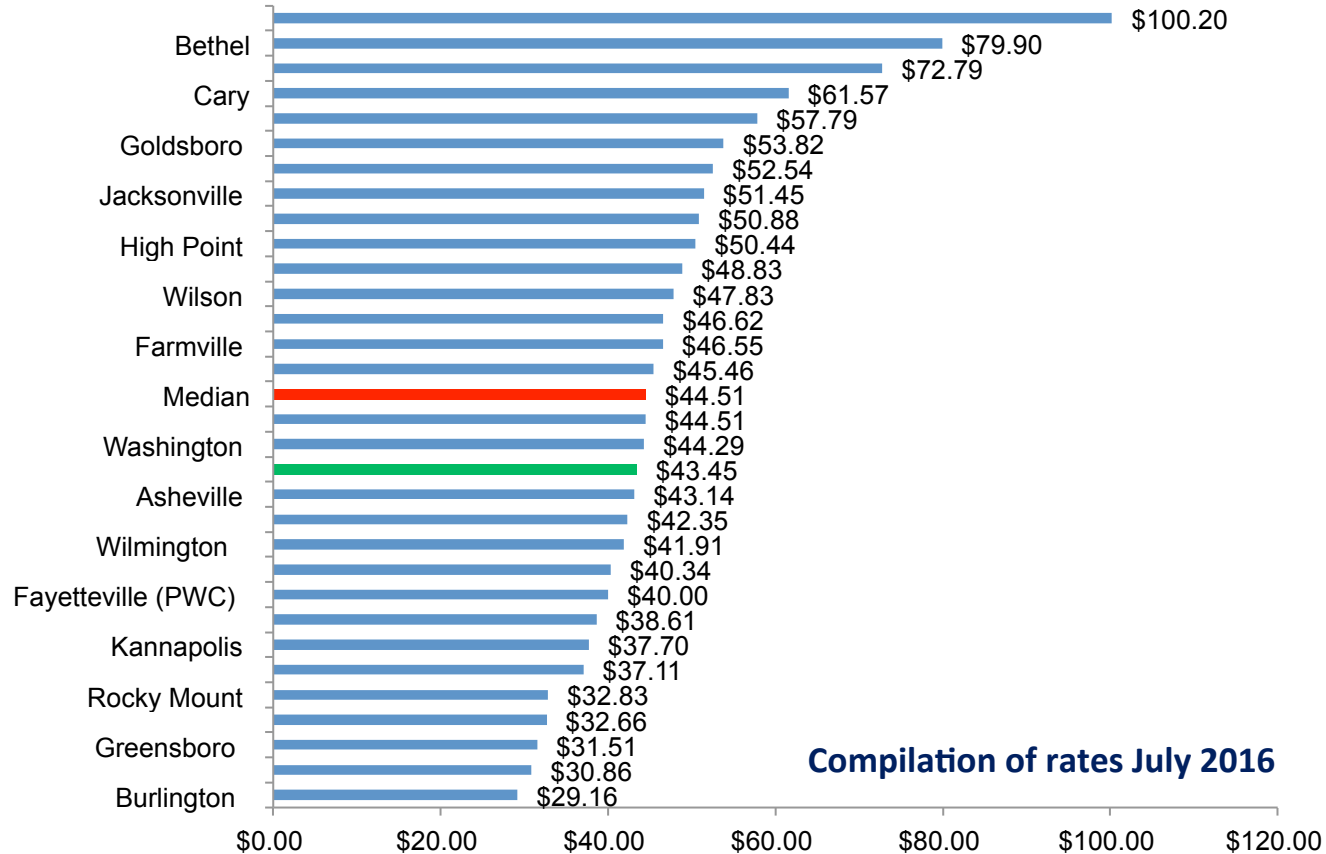
Compilation of rates February 2017

Water: Typical Residential Customer using 6,000 gallons



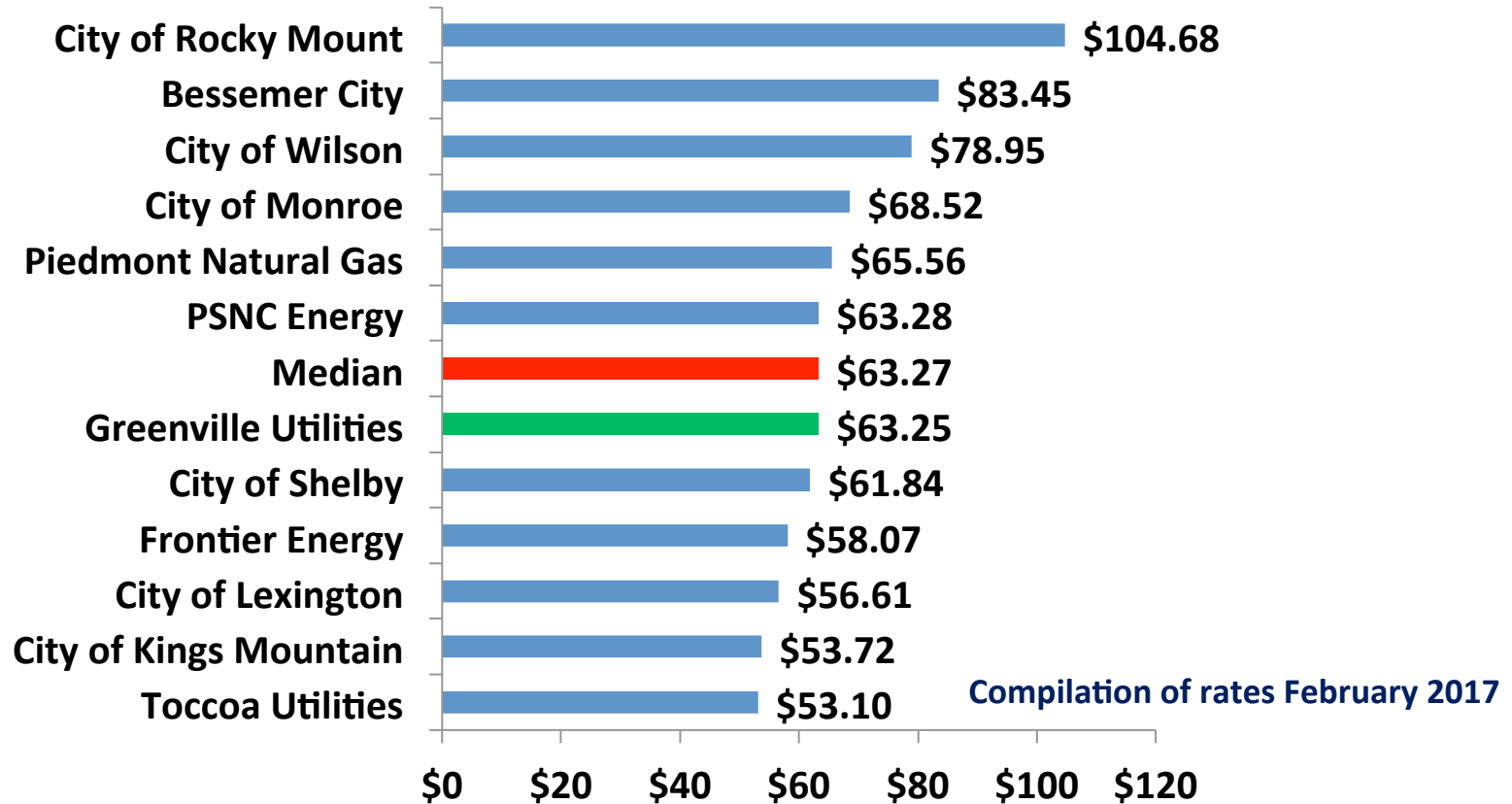
Compilation of rates July 2016

Sewer: Typical Residential Customer using 6,000 gallons of water



Compilation of rates July 2016

Natural Gas: *Typical Residential Customer using 50 ccf*



Key Provisions in Preliminary FY 2017-18 Budget

Customer rates

- Electric – 0.0% adjustment – Budget includes April 1, 2017 (3.5)% rate decrease, \$4.00 decrease in typical residential bill
- Water – adjustment of 7.4% forecasted last year has been deferred – 0.0%
- Sewer – adjustment of 8.4% forecasted last year has been deferred – 0.0%
- Gas – adjustment of 1.9% forecasted last year has been deferred – 0.0%

Key Provisions in Preliminary FY 2017-18 Budget (cont'd)

- Growth in Number of Connections
 - Electric –0.75%
 - Water – 0.70%
 - Sewer – 0.70%
 - Gas – 0.75%
- Annual turnover or transfer of \$6,651,929 to the City of Greenville
- Transfer of \$1.2M to electric rate stabilization fund
- Transfer of \$250K to gas rate stabilization fund
- Infrastructure maintenance and expansion
 - \$9.67M investment in annual capital outlay
 - Transfer of \$6.35M to capital projects fund
 - Debt service to support investment

Key Provisions in Preliminary FY 2017-18 Budget (cont'd)

Personnel

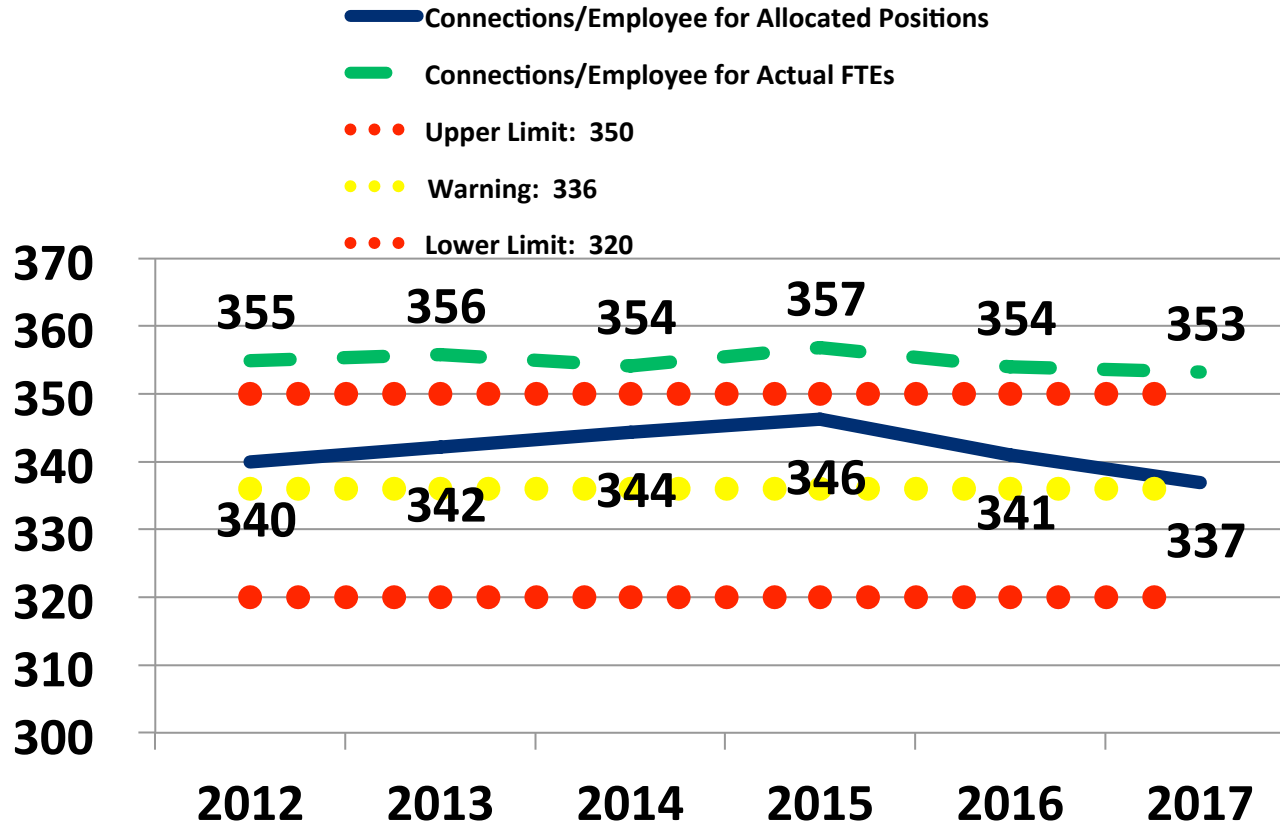
- Funding for market adjustment at 1.7%, \$438K
- Funding for merit program at 1.5%, \$394K
- Continuation of health and dental plans
- \$500K transfer to OPEB Trust
- Funding to bring replacements on board prior to the retirement of key personnel
 - Facilitate succession planning
 - Leverage knowledge and experience of long-term employees for training on critical issues
 - Ensure smooth transitions

Key Provisions in Preliminary FY 2017-18 Budget (cont.)

- Personnel (cont.)
 - Addition of 7 permanent positions

Department	New Position
Administration	Communication Specialist
Finance Administration	Senior Financial Planning & Rate Analyst
Facilities Management	Project Manager
Water Resources	Pipe Layer
Water Resources	Maintenance Crew Leader
Gas	Gas Systems Operator (LNG)
Gas	Gas Systems Operator Senior (LNG)

Connections Per Employee



Capital Spending Plan

Capital Improvements Funding Plan

Line #	GUC TOTAL	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	5-Year Total
1	Capital Projects	\$36,750,977	\$39,180,970	\$37,862,000	\$31,297,000	\$22,967,000	\$168,057,947
2	Capital Outlays	\$9,673,307	\$9,904,425	\$10,355,826	\$10,828,478	\$11,323,398	\$52,085,434
3	Total Capital	\$46,424,284	\$49,085,395	\$48,217,826	\$42,125,478	\$34,290,398	\$220,143,381
Funding - Debt Financing							
4	Revenue Bonds	\$27,699,400	\$38,248,116	\$37,862,000	\$18,097,000	\$10,967,000	\$132,873,516
5	SRF/Installment Loans	\$3,426,077	\$632,854	\$0	\$0	\$0	\$4,058,931
6	Total Debt Funding	\$31,125,477	\$38,880,970	\$37,862,000	\$18,097,000	\$10,967,000	\$136,932,447
7	% to Total Capital	67.0%	79.2%	78.5%	43.0%	32.0%	62.2%
Funding - Cash							
8	Pay Go	\$9,673,307	\$9,904,425	\$10,355,826	\$10,828,478	\$11,323,398	\$52,085,434
9	Capital Project Transfer	\$600,500	\$0	\$0	\$12,000,000	\$12,000,000	\$24,600,500
10	Fund Balance	\$5,025,000	\$300,000	\$0	\$1,200,000	\$0	\$6,525,000
11	Grants and Contributions	\$0	\$0	\$0	\$0	\$0	\$0
12	Total Cash Funding	\$15,298,807	\$10,204,425	\$10,355,826	\$24,028,478	\$23,323,398	\$83,210,934
13	% to Total Capital	33.0%	20.8%	21.5%	57.0%	68.0%	37.8%
14	Total Funding	\$46,424,284	\$49,085,395	\$48,217,826	\$42,125,478	\$34,290,398	\$220,143,381

Capital Improvements Funding Plan – Large Projects

Capital Improvements Funding Plan - Large Projects

Line #	Project	Prior to 2018	2018-2022		Beyond 2022		Total
			Cash *	Debt	Cash *	Debt	
1	New Operations Center	\$7,242,000	\$0	\$37,800,000	\$0	\$0	\$45,042,000
2	Advanced Metering Infrastructure	\$0	\$0	\$20,000,000	\$0	\$5,000,000	\$25,000,000
3	Water Treatment Plant Upgrade Phase 1	\$1,272,000	\$14,000,000	\$19,000,000	\$0	\$0	\$34,272,000
4	WWTP Expansion to 22.5 MGD	\$0	\$10,000,000	\$0	\$0	\$18,160,000	\$28,160,000
5	High-Pressure Multiple Gas Facilities Relocation Project			\$9,500,000	\$0	\$0	\$9,500,000
6	Total	\$8,514,000	\$24,000,000	\$86,300,000	\$0	\$23,160,000	\$141,974,000

** Includes cash on hand and future capital project transfers*

Capital Improvement Projects Scheduled to be Adopted with FY 17-18 Budget

Line #	Project Type	Project Description	Project Amount
1	Electric	Electric System Expansion	2,500,000
2		Sub-Total Electric	2,500,000
3	Sewer	Regional Pumpstation Upgrades	1,800,000
4	Sewer	Southeast Area Sewer Extensions	2,500,000
5	Sewer	Sewer Outfall Rehabilitation Phase 4	2,480,000
6		Sub-Total Sewer	6,780,000
7	Gas	High-Pressure Multiple Gas Facilities Relocation Project	9,500,000
8	Gas	NCDOT Southwest Bypass Relocations	1,500,000
9	Gas	Firetower Rd Widening (NCDOT U-5785 and U-5870)	1,300,000
10		Sub-Total Gas	12,300,000
11		Total	21,580,000

Long-term Financial Forecast

Combined Funds - Long-term Financial Forecast

	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>
Budgeted Revenue	\$ 249,541,773	\$ 252,353,334	\$ 257,455,981	\$ 265,935,142	\$ 275,703,078
Transfer from Rate Stabilization	-	-	800,000	2,200,000	1,500,000
Appropriated Fund Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Budgeted Expenditures	(221,776,400)	(223,265,231)	(227,336,356)	(234,157,649)	(240,170,796)
Debt Service	(14,313,444)	(15,089,507)	(15,418,014)	(15,614,572)	(14,856,438)
City Turnover	(6,651,929)	(6,792,955)	(6,937,041)	(7,084,255)	(7,234,668)
Transfer to Rate Stabilization	(1,450,000)	(1,250,000)	(250,000)	(250,000)	(250,000)
Transfer to Capital Projects	(6,350,000)	(3,950,000)	(6,450,000)	(9,250,000)	(12,650,000)
Transfer to Designated Reserve	-	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)
Projected Surplus (Deficit)	\$ -	\$ 1,605,641	\$ 1,464,570	\$ 1,378,666	\$ 1,641,176
Proposed Debt Issuance	\$ -	\$ 15,230,000	\$ 42,175,000	\$ 10,805,000	\$ -
Projected Debt Coverage Ratio	2.73x	2.61x	2.69x	2.75x	3.15x
Projected Fund Balance	21.1%	21.7%	21.8%	21.3%	21.4%
Projected Days Cash on Hand	132	134	135	134	134
Projected Equity/Capitalization	76%	76%	71%	71%	73%
Projected Typical Residential Bill ⁽¹⁾	\$247.81	\$253.03	\$259.84	\$269.79	\$280.66

⁽¹⁾ With electric, water, sewer and gas service; includes rate adjustments but does not include purchased gas adjustments

Electric Residential Five Year Plan

Description	Existing Rates	Proposed Rates				
		2018	2019	2020	2021	2022
Base Facilities Charge	\$ 15.00	\$ 17.00	\$ 19.00	\$ 21.00	\$ 21.21	\$ 21.63
Energy Charge (cents/kWh)						
All kWh	10.014	9.814	9.614	9.414	9.665	9.939
Average Bill @ 1000 kWh*	\$ 109.31	\$ 109.31	\$ 109.31	\$ 109.31	\$ 112.03	\$ 115.19

* Includes Load Management Credit

Electric Fund - Long-term Financial Forecast

	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>
Budgeted Revenue	\$ 173,302,928	\$ 172,876,421	\$ 173,709,798	\$ 178,297,821	\$ 183,675,974
Transfer from Rate Stabilization	-	-	800,000	2,200,000	1,500,000
Budgeted Expenditures	(160,960,041)	(161,655,354)	(164,179,924)	(169,536,545)	(174,046,944)
Debt Service	(3,089,614)	(3,927,411)	(4,087,157)	(4,659,678)	(4,642,519)
City Turnover	(5,053,273)	(5,162,326)	(5,273,799)	(5,387,748)	(5,504,231)
Transfer to Rate Stabilization	(1,200,000)	(1,000,000)	-	-	-
Transfer to Capital Projects	(3,000,000)	-	-	-	-
Projected Surplus (Deficit)	\$ -	\$ 1,131,330	\$ 968,918	\$ 913,850	\$ 982,280
Proposed Debt Issuance	\$ -	\$ 8,376,500	\$ 12,542,403	\$ 5,942,750	\$ -
Projected Debt Coverage Ratio	6.2x	4.53x	4.02x	3.36x	3.58x
Projected Fund Balance	18.3%	19.0%	19.3%	18.9%	18.7%
Projected Days Cash on Hand	115	117	117	116	115
Projected Equity/Capitalization	80%	78%	73%	71%	72%
Rate Adjustments					
Current Forecast	0.0%	0.0%	0.0%	2.5%	2.8%
Projected Typical Residential Bill⁽¹⁾	\$109.31	\$109.31	\$109.31	\$112.03	\$115.19
Last Year's Forecast	0.0%	0.0%	0.0%	0.0%	NA

⁽¹⁾ Annualized bill based on usage of 1,000 kWh per month

Water Fund - Long-term Financial Forecast

	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>
Budgeted Revenue	\$ 19,661,270	\$ 20,955,018	\$ 22,450,680	\$ 23,716,904	\$ 25,210,716
Budgeted Expenditures	(14,606,584)	(15,141,943)	(15,604,622)	(16,082,092)	(16,574,816)
Debt Service	(3,454,686)	(3,446,236)	(3,697,784)	(3,385,987)	(2,806,951)
Transfer to Capital Projects	(1,600,000)	(1,600,000)	(2,400,000)	(3,500,000)	(5,100,000)
Transfer to Designated Reserve	-	(600,000)	(600,000)	(600,000)	(600,000)
Projected Surplus (Deficit)	\$ -	\$ 166,839	\$ 148,274	\$ 148,825	\$ 128,949
Proposed Debt Issuance	\$ -	\$ 2,284,500	\$ 13,118,835	\$ 1,620,750	\$ -
Projected Debt Coverage Ratio	1.84x	2.03x	2.23x	2.64x	3.55x
Projected Fund Balance	23.4%	25.8%	26.9%	28.1%	28.7%
Projected Days Cash on Hand	174	185	199	212	223
Projected Equity/Capitalization	78%	78%	71%	72%	74%
Rate Adjustments					
Current Forecast	0.0%	6.4%	6.4%	6.4%	6.4%
Projected Typical Residential Bill ⁽¹⁾	\$31.80	\$33.82	\$35.99	\$38.28	\$40.74
Last Year's Forecast	7.4%	8.6%	8.6%	8.6%	NA

⁽¹⁾ Based on usage of 6,000 gallons per month

Sewer Fund - Long-term Financial Forecast

	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>
Budgeted Revenue	\$ 22,543,042	\$ 24,273,063	\$ 26,191,651	\$ 28,091,788	\$ 30,201,828
Budgeted Expenditures	(15,148,429)	(15,370,167)	(15,849,365)	(16,344,034)	(16,854,664)
Debt Service	(6,394,613)	(6,246,446)	(6,025,287)	(5,669,911)	(5,462,692)
Transfer to Capital Projects	(1,000,000)	(1,600,000)	(3,300,000)	(5,000,000)	(6,800,000)
Transfer to Designated Reserve	-	(800,000)	(800,000)	(800,000)	(800,000)
Projected Surplus (Deficit)	\$ -	\$ 256,450	\$ 216,999	\$ 277,843	\$ 284,472
Proposed Debt Issuance	\$ -	\$ 2,284,500	\$ 8,965,030	\$ 1,620,750	\$ -
Projected Debt Coverage Ratio	1.38x	1.62x	1.94x	2.31x	2.69x
Projected Fund Balance	22.8%	26.1%	27.7%	29.4%	30.5%
Projected Days Cash on Hand	170	191	211	231	249
Projected Equity/Capitalization	70%	72%	70%	72%	75%
Rate Adjustments					
Current Forecast	0.0%	7.4%	7.4%	7.4%	7.4%
Projected Typical Residential Bill ⁽¹⁾	\$43.45	\$46.65	\$50.12	\$53.83	\$57.81
Last Year's Forecast	8.4%	8.5%	8.5%	8.4%	NA

⁽¹⁾ Based on usage of 6,000 gallons of water per month

Gas Fund - Long-term Financial Forecast

	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>
Budgeted Revenue	\$ 34,034,533	\$ 34,248,832	\$ 35,103,852	\$ 35,828,629	\$ 36,614,560
Appropriated Fund Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Budgeted Expenditures	(31,061,346)	(31,097,767)	(31,702,445)	(32,194,978)	(32,694,372)
Debt Service	(1,374,531)	(1,469,414)	(1,607,786)	(1,898,996)	(1,944,276)
City Turnover	(1,598,656)	(1,630,629)	(1,663,242)	(1,696,507)	(1,730,437)
Transfer to Rate Stabilization	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
Transfer to Capital Projects	(750,000)	(750,000)	(750,000)	(750,000)	(750,000)
Projected Surplus (Deficit)	\$ -	\$ 51,022	\$ 130,379	\$ 38,148	\$ 245,475
Proposed Debt Issuance	\$ -	\$ 2,284,500	\$ 7,548,732	\$ 1,620,750	\$ -
Projected Debt Coverage Ratio	3.47x	3.19x	3.19x	2.77x	2.87x
Projected Fund Balance	32.8%	29.6%	26.4%	23.0%	23.1%
Projected Days Cash on Hand	185	171	158	144	133
Projected Equity/Capitalization	78%	77%	70%	69%	70%
Rate Adjustments					
Current Forecast	0.0%	0.0%	1.8%	1.9%	1.9%
Projected Typical Residential Bill	\$63.25	\$63.25	\$64.42	\$65.65	\$66.92
Last Year's Forecast ⁽²⁾	1.6%	1.8%	1.8%	1.8%	NA

(1) Based on usage of 50 ccf per month; does not include purchased gas adjustments

Summary

- **Fiscal Year 2016-17:**
 - All funds are balanced
- **Proposed FY 17-18 Budget**
 - Prioritizing capital investments, improving efficiencies, and managing expenditures to provide safe, reliable utility services at the lowest reasonable cost, with exceptional customer service.
 - All funds are balanced with lower rate adjustments than last year's forecast
- **Recommendations**
 - **Rate adjustments effective July 1, 2017**
 - Electric rate adjustment -0.0%
 - April 1, 2017 - (3.5%) rate reduction, (\$4.00) per month decrease for typical residential customer
 - Water rate adjustment deferred – 0.0%
 - Sewer rate adjustment deferred – 0.0%
 - Gas rate adjustment deferred – 0.0%



Proposed FY 2017-18 Budget

City Council Meeting
May 11, 2017

City Council Meeting

May 11, 2017



Find yourself in good company®