

TOWN OF CARY, NORTH CAROLINA
UTILITY SYSTEM OPERATIONS SUB-FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP)

For the Year Ended June 30, 2015

With Comparative Totals For the Year Ended June 30, 2014

Schedule 11

	2015		Variance Positive (Negative)	2014
	Budget	Actual		Actual
REVENUES				
Operating Revenues				
Charges for Services				
Water	\$25,833,840	25,673,781	(160,059)	22,960,520
Sewer	39,795,210	40,353,364	558,154	39,405,330
TOTAL CHARGES FOR SERVICES	65,629,050	66,027,145	398,095	62,365,850
Other Operating Revenues				
Connection Fees	876,636	810,773	(65,863)	910,932
Inspection Fees	321,790	221,648	(100,142)	286,289
Reconnection Fees	116,950	113,328	(3,622)	115,914
Pretreatment Program Fees	186,469	168,203	(18,266)	158,484
Cross Connection Inspection Fees	251,312	264,550	13,238	254,900
Penalties	230,660	322,290	91,630	329,859
Biosolids product	---	29,423	29,423	31,824
Miscellaneous Revenues	83,980	303,890	219,910	65,749
TOTAL OTHER OPERATING REVENUES	2,067,797	2,234,105	166,308	2,153,951
TOTAL OPERATING REVENUES	67,696,847	68,261,250	564,403	64,519,801
NON-OPERATING REVENUES				
Investment Earnings	321,300	433,335	112,035	323,007
Market Adjustment	---	59,921	59,921	145,175
Investment Earnings, net	321,300	493,256	171,956	468,182
TOTAL REVENUES	68,018,147	68,754,506	736,359	64,987,983
EXPENDITURES				
ADMINISTRATIVE				
Utility Administration				
Personnel Services	621,080	594,022	27,058	896,200
Operations & Maintenance	80,194	58,498	21,696	237,187
TOTAL	701,274	652,520	48,754	1,133,387

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Water Resources				
Personnel Services	\$1,580,454	1,580,157	297	867,787
Operations & Maintenance	754,506	324,410	430,096	151,547
Capital Outlays	---	---	---	21,559
Reimbursement from Utility Water Projects	---	(104,263)	104,263	---
Reimbursement from Utility Sewer Projects	---	(68,198)	68,198	---
TOTAL, net	<u>2,334,960</u>	<u>1,732,106</u>	<u>602,854</u>	<u>1,040,893</u>
Pretreatment				
Personnel Services	337,037	336,951	86	266,902
Operations & Maintenance	40,930	24,567	16,363	21,933
TOTAL	<u>377,967</u>	<u>361,518</u>	<u>16,449</u>	<u>288,835</u>
Utility Accounts				
Personnel Services	1,262,537	1,152,692	109,845	1,101,150
Operations & Maintenance	1,120,398	655,764	464,634	615,999
Capital Outlays	9,382	8,756	626	12,655
TOTAL	<u>2,392,317</u>	<u>1,817,212</u>	<u>575,105</u>	<u>1,729,804</u>
Other Administrative Costs				
Payment to Health Internal Service Fund	107,178	107,178	---	---
Payment to Capital Projects for Open Space & Equipment	166,271	166,271	---	53,988
Payment to General Fund for Self Insurance	376,109	376,109	---	423,122
Payment to General Fund for Indirect Costs	2,660,637	2,660,637	---	4,310,012
Reimbursement from Apex for Indirect Costs	---	(295,735)	295,735	---
TOTAL, net	<u>3,310,195</u>	<u>3,014,460</u>	<u>295,735</u>	<u>4,787,122</u>
TOTAL ADMINISTRATIVE	<u>9,116,713</u>	<u>7,577,816</u>	<u>1,538,897</u>	<u>8,980,041</u>
FIELD OPERATIONS				
Water Distribution and Wastewater Collection				
Personnel Services	6,085,947	5,867,952	217,995	5,024,966
Operations & Maintenance	3,743,974	3,231,038	512,936	3,016,416
Capital Outlays	399,067	561,930	(162,863)	86,103
Reimbursement from Apex	---	(43,568)	43,568	---
TOTAL FIELD OPERATIONS, net	<u>10,228,988</u>	<u>9,617,352</u>	<u>611,636</u>	<u>8,127,485</u>

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UTILITY SYSTEMS MANAGEMENT				
Water and Wastewater Pumping				
Personnel Services	\$1,678,249	1,607,432	70,817	1,456,746
Operations & Maintenance	2,135,729	1,569,367	566,362	1,334,228
Capital Outlays	157,097	115,483	41,614	67,224
Reimbursement from Apex	---	(67,386)	67,386	---
TOTAL UTILITY SYSTEMS MAINTENANCE, net	3,971,075	3,224,896	746,179	2,858,198
WASTEWATER TREATMENT FACILITIES				
North Cary Wastewater Treatment Facility				
Personnel Services	1,407,275	1,377,998	29,277	1,311,936
Operations & Maintenance	5,467,560	3,748,676	1,718,884	5,899,377
Capital Outlays	158,613	141,286	17,327	110,040
TOTAL	7,033,448	5,267,960	1,765,488	7,321,353
South Cary Wastewater Treatment Facility				
Personnel Services	1,688,319	1,654,433	33,886	1,588,994
Operations & Maintenance	2,650,137	2,238,014	412,123	2,017,651
Capital Outlays	143,250	124,929	18,321	49,750
TOTAL	4,481,706	4,017,376	464,330	3,656,395
Western Wake Regional Water Reclamation Facility				
Personnel Services	1,436,333	1,328,065	108,268	638,708
Operations & Maintenance	1,794,145	1,376,645	417,500	57,613
Capital Outlays	---	---	---	7,698
Reimbursement from Apex	---	(811,585)	811,585	(233,329)
TOTAL, net	3,230,478	1,893,125	1,337,353	470,690
TOTAL WASTEWATER TREATMENT FACILITIES, net	14,745,632	11,178,461	3,567,171	11,448,438
WATER TREATMENT PLANT				
Personnel Services	2,118,673	2,118,419	254	1,949,519
Operations & Maintenance	5,308,633	4,925,089	383,544	5,132,701
Capital Outlays	14,750	10,643	4,107	48,037
Reimbursement from Apex	(2,466,363)	(1,329,879)	(1,136,484)	(1,391,986)
TOTAL WATER TREATMENT PLANT, net	4,975,693	5,724,272	(748,579)	5,738,271

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DEBT SERVICE				
Long-term Debt Principal Payment	\$10,685,108	10,685,108	---	8,020,108
State Revolving Loan Partner Reimbursements	---	(75,444)	75,444	(75,444)
Net Principal Payment	10,685,108	10,609,664	75,444	7,944,664
Interest Expense	11,348,965	10,395,402	953,563	8,206,766
State Revolving Loan Partner Reimbursements	---	(23,192)	23,192	(24,855)
Net Interest Expense	11,348,965	10,372,210	976,755	8,181,911
TOTAL CARY DEBT SERVICE, net	22,034,073	20,981,874	1,052,199	16,126,575
Morrisville General Obligation Debt Payment	160,425	160,425	---	269,350
Paid to General Fund for Open Space Debt Service	918,229	918,229	---	946,012
TOTAL DEBT SERVICE	23,112,727	22,060,528	1,052,199	17,341,937
TOTAL EXPENDITURES	66,150,828	59,383,325	6,767,503	54,494,370
Revenues Over Expenditures	1,867,319	9,371,181	7,503,862	10,493,613
OTHER REVENUES (EXPENDITURES)				
Transfers Out, net				
Sewer Project Sub-Fund	---	---	---	(4,688,000)
Water Project Sub-Fund	(106,000)	(106,000)	---	(2,613,504)
Bond Service Expenses	(25,000)	(6,199)	18,801	(8,775)
Debt Issuance Costs & Expenses	(850,000)	(553,552)	296,448	(254,293)
Debt Issued	850,000	16,171,648	15,321,648	---
Premium Received on Debt Issued	---	2,026,499	2,026,499	254,293
Payment to Escrow for Advance Defeasance of Debt	---	(17,644,595)	(17,644,595)	---
Receipts from Sale of Assets	10,000	41,123	31,123	16,355
Appropriation to Fund Balance	(1,746,319)	---	1,746,319	---
TOTAL OTHER EXPENDITURES	(1,867,319)	(71,076)	1,796,243	(7,293,924)
Revenues Over Expenditures (Including Other Expenditures)	\$ ---	9,300,105	9,300,105	3,199,689

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ADJUSTMENT TO ACCRUAL BASIS				
Add (Deduct)				
Revenue adjustments:				
Contributed Assets		\$12,151,936		\$12,915,857
Expenditure adjustments:				
Unfunded Other Post-Employment Expense		(1,251,327)		(1,385,575)
Pension Expense Credit		809,384		---
Capital Outlays		727,238		171,296
Depreciation		(14,386,036)		(12,871,571)
(Increase)Decrease in Compensated Absences Liability		(93,475)		(95,916)
Long-term Lease Expense, net		(180,000)		---
Debt related adjustments:				
Issuance of long-term debt		(553,552)		(254,293)
Long-term Debt Principal Payment (gross)		10,685,108		8,020,108
Morrisville Debt Payment		160,425		269,350
Bond Premium Amortization & Adjustment		1,083,611		1,024,284
Bond Discount Amortization		(1,613)		(2,653)
Deferred Loss on Refunding Amortization		(626,011)		(888,153)
Capitalized Interest		4,331,988		5,055,947
Decrease Debt Interest Payable		(372,644)		(529,083)
Other adjustments:				
Loss on Disposal of Assets		(208,113)		---
Total Accrual Adjustment		<u>12,276,919</u>		<u>11,429,598</u>
CHANGE IN NET POSITION		21,577,024		14,629,287
Adjustment for Internal Service Activities		<u>177,791</u>		<u>98,142</u>
CHANGE IN NET POSITION - Business-Type Activities		<u>21,754,815</u>		<u>14,727,429</u>
NET POSITION - Beginning of Year, Business-Type Activities		265,602,996		282,615,533
Change in Accounting Principal - Pensions		<u>(1,903,398)</u>		<u>---</u>
NET POSITION - Beginning of Year, Business-Type Activities - Restated		263,699,598		282,615,533
Reclassification Between Utility Sub-Funds, net		<u>52,982,088</u>		<u>(31,739,966)</u>
NET POSITION - End of Year, Business-Type Activities		<u>\$338,436,501</u>		<u>265,602,996</u>