



May 20, 2025
Donald O. Melton, Chairman
Commissioners of Cleveland County Water
Shelby, North Carolina

Dear Chairman Melton and Board of Commissioners:

As the designated budget officer for Cleveland County Water pursuant to NCGS 159-9 it is the responsibility of the General Manager to give the governing board (Cleveland County Water Board of Commissioners) a fiscally sound and responsible budget.

Pursuant to NCGS 159-11, attached is the recommended FY 2025-2026 Budget for your review and consideration. This requirement meets the deadline of June 1 prescribed by the statute that your budget officer provides you with a balanced budget along with a budget message. The Board voted to hold a Special Meeting to be held on Tuesday, May 20, 2025, at 5:30 PM in your Board Room so that we can hold a workshop type session and go over the items included within this upcoming year's proposed budget.

As I note each year, I want to note the efforts of Ginger Fern, Michelle Alexander, Chris Hayes and Garrett Gilbert for their tremendous work in putting together the budget. They have a great handle on what is needed for their respective area and work tirelessly each day to get the job done within the fiscal parameters you set. Last year during budget season we had just completed the transition to the new Tyler accounting, financial and billing software. This year has been an exercise learning all the ins and outs of the new system and employee training on that system. None of them have lapsed on their normal duties but instead have stepped up tremendously to make the system operate better and for the benefit of all Cleveland County Water and our customers. I remind Commissioners each year that the budget process is the single most important item you are responsible for adopting as an elected official and the governing body of Cleveland County Water. The North Carolina General Statutes prescribe that Department Heads shall submit their requested budget needs to the Manager by April 30. Many small local governments don't spend any time preparing for the budget process, and your valuable input and review of the projects and needs we ponder for our customers and citizens is extremely important. The decisions we make today affect items years down the road from a fiscal responsibility standpoint. We have done very well

General Manager's Budget Message
May 20, 2025

to step up to the increased costs we have seen, and challenges associated with operating one of the largest water systems in the State of North Carolina. We have not updated any Goal Resolutions since the 2020 Retreat and establishment of the current CIP, and we did not have a Retreat in 2025 at your request following the Retreat in 2024 due to the fact that the large ARP funded projects are well underway and the 2024 Retreat set the vision for the future Broad River Water Plant project. We have completed Lawndale Park, which is the first recommendation from the Stagecoach Greenway Masterplan. The 2020 Asset Management Plan (CIP) and Greenway Masterplan will continue to be your guiding document for several years to come. As we discussed at the Retreat in February 2024, we have been well underway with many of the projects on the adopted 10-year CIP. This year's budget will contain several assumptions from a revenue standpoint, particularly with rate and fee increases, that are necessary to sustain the level of service we have provided. Inflation and materials costs and handling supply chain issues are still playing a huge role in this year's budget. The overall cumulative increase in material prices we have seen over the past four years is staggering (roughly 50% in materials and chemicals). We still struggle with supply chain issues and pricing. For instance, for the valve replacement project that is in this year's budget, we expect it to take 6-8 months to receive these valves. Many of the ARP projects are well beyond their established contract dates and we will not be able to enforce liquidated damages from a contract standpoint because the contractors have proof of delays in supply chain, ordering of materials, and delays due to tropical storm Helene. Items as simple as rock have been cut off from our contractors working on the weir project because quarry's have diverted all their rock quantities to NCDOT for Helene restoration efforts.

The budget that is presented to you is balanced and meets all the applicable requirements of the North Carolina Local Government Budget and Fiscal Control Act. The public hearing will be scheduled as required by NCGS 159-12 for your regular meeting on June 10th, 2025, in the Cleveland County Water Board Room. The Board of Commissioners may act if you so choose on the proposed budget following the closing of the public hearing. A balanced budget must be adopted by the Board of Commissioners prior to June 30, 2025.

During our 2024 Retreat and the past five budget adoption processes dating back to the Retreat in 2020, we have laid out a very systematic Capital Improvements Plan that coordinated with the Water Asset Management Plan. We have paid our fifth debt service payment on the Lattimore Tank (6th of 20 in this year's budget). We have also secured funding for the Flocculation and Sedimentation Basin Project in the amount of \$2,750,000 (State Revolving Fund 20-year loan) and \$4,161,300 (direct appropriation from NC American Rescue Plan funds). This project should be completed Spring of 2026 and will serve as one of the last major updates at the existing WTP. It is our hope to either relinquish the Revolving Fund loan thus eliminating a future debt-service payment or to reprogram it for the Bulk Chemical

Tank project which is currently under design. The Centrally Located Operations Center project was completed last year with the assistance of USDA in the amount of a 40-year loan of \$4,997,000 at 1.75% interest. This budget will include the 3rd debt service payment of 40 due to the timing of the closing a year ago. Many of you have said that you have heard nothing but positives from this project and the site and drive-thru payment window being positive attributes to our customers. The Raw Water Weir project, which is also financed by USDA in the amount of \$12,000,000, will soon be completed (during next fiscal year). We have been through several redesigns on this project, and recently decided to eliminate Phase 2 on Knob Creek since the First Broad is your primary withdrawal. This will be a major driver in this year's budget since the debt service will come on a year earlier than expected in the amount of an annual \$422,000. While it is excellent to complete a project early, this has put an unexpected strain on the proposed budget. It is further our hope that the completion of this project and elimination of Phase 2 will allow us to be reimbursed for the \$1,000,000 in engineering costs we expended up front, which will help with the design of the Broad River Water Plant. A major focus for the past 3 years has been the \$19,000,000 appropriation by the General Assembly from the American Rescue Plan that has allowed us to focus on the Marion Street Pump Station project, Casar Lawndale/Sandhills/Will Dixon Road transmission main project, the new Polkville Tank and Booster Pump Station project, the Waco Booster Pump Station project and the new Belwood Tank and Booster Pump Station project. The Marion Street Pump Station has been completed and closed out. The Casar Lawndale Road/Sand Hills/Will Dixon project is currently under final inspection and will be closed out within 3 months. The Polkville Tank and Pump Station Project is approximately 75% complete and will be closed out this Fall. The Waco Pump Station Project is underway and should be completed in late summer or fall. With the completion of some of these projects and knowledge of the bid numbers we have for the others, we value engineered the Belwood Project and redirected it to a 16" transmission main from Burns High School to the approximate location of the Hendrick Lake Tank and NC Highway 18 in order to further help water transmission to our largest growing area of our system which is the Southeast side of Cleveland County. We anticipate having approximately \$3.9 million to utilize for this project. Please remember this is grant funding, and these projects would be many years out on the horizon were it not for this appropriation, since we were left out of the equation on the American Recovery Plan (ARP) funding. The Clearwell and High Service Pump Station Project has been in service for over a year, and we have already seen savings on the utility bills (will be discussed later in the budget). We will make the 3rd payment of the 20-year loan on your debt service schedule this coming year.

We began preparations in 2017 by establishing a Capital Reserve Account for some of our large projects. For instance, we used approximately \$1,200,000 from the reserve for the Operations Center to buy down the loan amount and are now beginning to focus on the water plant needs at the current and future water plants.

This fund will become increasingly more important as we look to finance these exorbitant costs. We discussed at a recent Board meeting that the goal is to have approximately \$4.75 million in this fund going into fiscal year 2027. At the conclusion of fiscal year 2025 we will have approximately \$4.06 million in this fund. That will allow us to complete the design, permitting and bidding phases of the future Broad River Water plant project in anticipation of seeking USDA grants and loans to complete the construction of this project. This will benefit an overwhelming majority of Cleveland County for decades to come.

With direction from Commissioners in 2018, we eliminated 500 gallons from the monthly minimum block rate, taking it from the historical 2,000 gallons per month down to 1,500 gallons per month. Commissioners also requested to begin looking at rate increases every other year, or modifications to the charges on an alternating year basis in 2018 and 2020. In 2020, we further reduced the basic facility charge consumption amount down to 1,250 by eliminating another 250 gallons from the minimum and eliminating another 250 gallons from the minimum down to 1,000 in 2022. It was understood with directions from Commissioners that staff will continue to look at the minimum threshold for gallons per month usage since the numbers and financial analysis supported that this was not financially sustainable. In addition, we discussed at the 2022 Board Retreat the need to look every year at the Irrigation/Bulk Rate as well as the Tap fees, since these are tremendously low, and the materials costs alone are causing us to significantly lose/subsidize the tap costs. At the 2024 Retreat, Commissioners reviewed favorably the rate analysis to remove an additional 250 gallons from the minimum, taking it down to 750 gallons for the minimum \$12 rate, and to look at this each year for the next four years until the minimum has been removed. We will project removing an additional 250 gallons this fiscal year taking it down to 500 gallons, but in addition, we will apply a 5% rate increase to the bulk/irrigation rates and 5% on the lower declining blocks. We discussed at a recent board meeting that the cost for us to produce 1,000 gallons is \$7.21 per 1000 gallons which shows your tremendous reliance on the 2-cent tax you levy, since the first block we charge is \$4.94 per 1000 and declines to the \$2 per 1000 range for large consumptions.

Based on past Commissioner directions and discussions from last year's Retreat, this year's budget will include a rate increase on the standard residential and commercial rates. The removal of the 250 gallons from the minimum will equate to an approximate 3.9% rate increase on the average customer assuming average monthly usage of 5,000 gallons per month. A 5% increase is recommended and factored in for the standard bulk/irrigation rates as we have discussed for the past four years, and we will include a 5% adjustment on the lower blocks of all the declining block rates for both the residential and commercial rates. The increase on the lower blocks is imperative so that we don't continue to subsidize a small number of existing customers (approximately 400 residential over the 20,000-gallon range and approximately 500 commercial metered accounts). These assumptions yield

additional revenue of approximately \$334,732 based on historical usage. This year, as with the past three, it is imperative that we increase a couple of our fees for tap costs based on what we have seen so as not to have systemwide subsidizations of individual new tap costs. Each year we prepare slides/estimates of our tap costs. These numbers reflect a current loss of \$282 on a ¾" tap and \$1,613 on new fire hydrant installations. The numbers for 1" and 2" taps are still stable. As such, we will be recommending increases to these fees in the fee schedule for tap costs by \$150 for a ¾" tap, and fire hydrants will be recommended to increase by \$500. No change is recommended for 1" and 2" taps or backflow testing fees. We increased all backflow testing fees by \$5 in fiscal year 2024, however, we need to continue to monitor this item since CCW is unique in that we will replace parts for customers in moderation, and the cost of these parts have increased as well.

It is recommended that the property tax rate you currently levy at the rate of 0.02 cents per \$100 of valuation remain the same. For the coming year (FY 2026) the estimated property tax valuation is \$5,821,665,065 compared to \$5,116,619,295 (FY 2025) for a difference and increase of \$705,045,770 in tax base. This is approximately 13.77% and represents the increase due to revaluation that the County completed, inclusion of Fallston into the Sanitary District, and normal growth. Our average growth increase was approximately 3.29%. The inclusion of Fallston would be an additional 1% but amounts to approximately \$13,000 in revenue for their inclusion. The North Carolina General Statutes prescribe that during a budget year where a tax revaluation occurs, the Budget Officer is required to calculate and report to you a revenue neutral tax rate, to be included in the budget ordinance, adjusted for growth. That rate for this year would be 0.0182 or 1.8 cents. We have projected an increase of \$138,000 in property tax revenue for FY 2025-2026. Cleveland County Water currently relies on this property tax levy for operational purposes by reinvesting every penny of it into the system each year in capital improvements, and we utilize this as our second major funding source behind your customer water revenues. Please keep in mind that this revenue will be critical to analyze as it relates to your ability to construct the future water plant and fund other long-term capital improvements that benefit the system. This is in conjunction with the water rate study and system development study we will undertake this year. As we discussed at our last regular meeting, you will hear much higher percentages and changes in revenue neutral rates from the larger governmental entities in the County. But these percentages are not the case for our service district which serves the rural parts of the County. We do not levy the 2-cent tax in Lawndale, Kings Mountain, Shelby, Grover, Boiling Springs and south of the Broad River, as these areas are not included in the Sanitary District.

Over the past decade, the 1% local option sales tax for Cleveland County has increased. This amount has steadily increased since the major recession in 2008-2009. Please keep in mind that the local options sales tax comes to us in arrears of about three months. At this time, it appears that we will collect approximately

\$438,850 in local option sales tax for this fiscal year, and this is still more than the \$335,000 we assumed for FY 24-25. Mrs. Fern has relayed to me that all of the advisory bulletins for next year and local government commission news she reads have recommended budgeting less than collected for the current year due to uncertainties in the economy and projections of potential recession. We recommend utilizing the amount of \$375,000. Inflation on goods is a direct reflection of this collection rate. This number is a conservative assumption given what we are seeing collected, but we feel it's best to not make a wild assumption on these revenues since they are designated for the Parks and Greenway budget and is an area we can control spending. This is the 3rd major source of revenue that CCW relies on for operational purposes. Please also remember that based on Commissioner direction, these revenues will be solely used to fund the Parks and Greenway Department. The local option sales tax was designed for local governments to have revenues such as these that can be reinvested in the local community for projects that benefit and continue to spur economic growth in the community, and I applaud you for doing so with this revenue and the work you have done on both the Stagecoach Greenway and the completion of Lawndale Park. Any of these funds not utilized can be transferred to a capital project budget for Greenway projects, or to other Cleveland County Water needs if you desire.

The trend is still stable for the values for the estimated vehicle tax. Please keep in mind that these are estimates provided by the County tax office based on vehicles purchased. The FY 2025 values were projected at \$629,706,880 and the FY 2026 values are projected at \$659,289,066 which yields a projected increase of \$29,582,186 in value. This is an increase of 4.69% (4.1% last year and 18% in the year). In the overall larger picture, this is only an increased revenue of \$6,000. Please keep in mind that these revenues are collected by the State of NC, handed down to the applicable County of vehicle registration, and then dispersed by the County to each applicable jurisdiction. These numbers contain the same tax assumptions that the 2-cent analysis included with the property tax analysis.

A fourth source of revenue that I will again mention this year is fee revenue. Prior to FY 2018, our billing system lumped water sales and all other miscellaneous charges together. Over the past few years, we have worked to distinguish the types of fees that we charge to better account for the services we provide. The fee revenue line items hold several different charges including Tap Connection Fees, Fee Revenue (i.e., test fees and late fees), Pressure Zone Revenue, which is backflow preventer fees, administrative charges (i.e. transfer fees, fees for new paperwork, returned check fees, after-hours fees), and Disconnection fees. These line items are projected to provide \$912,775 of revenue. The drivers of this revenue are the increase in tap connection fees and cutoff fees. We are recommending increasing the "transfer water account fee" and the Application fee from \$5 to \$20 and \$10 to \$20 respectively, in addition to the increase in tap fees. We also recommend increasing the Disconnect/Penalty Fee from \$35 to \$40. The calling system has

drastically reduced the number of disconnects by approximately 100 per month. With that said, a recent survey found that most utilities are charging a \$50 cutoff fee.

We collect sanitary sewer charges in the Towns of Kingstown, Polkville, Lattimore (on behalf of Boiling Springs) and Fallston. These four combined will provide \$382,000 in revenue, which will be dispersed back to the Towns less our 2% collection charge which amounts to a fee of \$7,640 for all our staff to provide this service to the other small towns.

Beginning eight years ago, we created and set aside funds for the Capital Reserve Fund. This fund is an investment fund managed by the NC Capital Management Trust. This is also where our bad debt collections from the NC Debt Setoff are deposited. There was a huge decline in dividends paid during the 2020-2022 timeframe, sometimes as low as \$250 per month, however the statement reflects a dividend amount of \$13,600 for the month of April 2025. The current balance of the NC Capital Management Trust Fund for CCW currently sits at \$3.9 million as of the preparation of this budget message. This year, we are proposing to set aside \$500,000 for the Capital Reserve. As discussed, we have previously transferred over \$1,200,000 from this fund for the Operations Center and intend to use the balance to design, permit and bid the Broad River Water Plant project

There will be no installment financing for the proposed fiscal year and no large vehicle or equipment purchases. We will realize last year's vehicle and equipment purchases that were significant and financed via an installment purchase financing arrangement in the amount of \$148,000 annually and will be financed over a term of 59 months.

The budget format provided groups expenditures into major areas: personnel, operations, capital outlay (which will be reflected in Non-Departmental), and debt service (which will also be reflected in Non-Departmental). In addition, you will notice the following eight major budgets in the following categories: Administration; Maintenance; Water Production; Meter Services; IT/GIS; Parks and Greenway; Governing Body and Non-Departmental.

Balanced Budget for FY 25-26

Fund	Revenues	Expenditures
Administration	\$2,981,125	\$2,981,125
Maintenance	\$3,062,950	\$3,062,950
Production	\$1,724,645	\$1,724,645
Meter Services	\$ 450,565	\$ 450,565
IT/GIS	\$ 367,333	\$ 367,333
Parks and Greenway	\$ 375,000	\$ 375,000
Governing Body	\$ 68,885	\$ 68,885
Non-Departmental	\$2,915,256	\$2,915,256
Total Budget	\$11,945,759	\$11,945,759

Total Budget net increase for all funds is \$640,373 over the current fiscal year 2024-2025 budget which is a 5.66% budget increase.

Notable FY 2025-2026 changes, increases and decreases.

Revenues

- 1) It is recommended that all residential and commercial water rates be updated to remove 250 gallons from the minimum monthly threshold (Rate Codes 201, 205, 203, 202, 206, 207, 101, 105, 103, 104, 109, 117, 102, 106, 107, 108, 110, 118). This would take the minimum from 750 gallons per month down to 500 gallons per month and equates to a 3.9% increase. The recommendation for bulk/irrigation rate codes (Rate codes 213, 112, 115, 212, 301, 216, 116 and 111) is to increase by 5% on the volume charge. In addition, the lower declining blocks are recommended to increase by 5% and will affect a very small percentage of customers since the average customer uses 5,000 gallons per month or less. Please keep in mind that we have only had eight overall rate increases since 1994 (21 years). The increase in these rates is expected to provide an overall increase in revenue of \$334,732.
- 2) The property tax rate remains the same at 2 cents per \$100 valuation. This rate has been maintained since 1996. The revenue neutral rate for the budget ordinance statement excluding normal growth would be 1.8 cents. For the purposes of the budget, a 98% collection rate has been assumed. An increase of \$138,000 is expected this year due to revaluation, normal growth and the inclusion of Fallston within the Sanitary District. We do not levy this tax in Grover, Kings Mountain, Shelby, Boiling Springs, Lawndale or south of the Broad River.
- 3) Local Option Sales Tax is projected to increase to \$375,000. This number is conservative based on what we have collected but is recommended based on several economic forecasts. These revenues will be dedicated solely to the Greenway Project, but can be transferred, saved or used otherwise at the discretion of the Commissioners
- 4) An increase in estimated revenue of \$6,000 from the vehicle tax due to a slight increase of 4.69% in the County's estimated valuation.
- 5) Increase in Tap Connection Fees of \$60,000 due to increase in tap charges and expected tap fees collected.
- 6) Interest due to an increase of \$37,200 in our bank accounts and investments. We did not increase this number prior fiscal year.
- 7) Increase of approximately \$95,000 due to late fees, cutoff charge increases and administrative charges previously mentioned in the budget message.

Expenditures

All Funds:

- 1) Between 2016-2018 we saw double digit increases in our group health premiums. FY 2019 was 0%, FY 2020 was 8.6%, FY 2021 was 0%, FY 2022 was 2%, FY 2023 was 4%, FY 2024 was 10% with an overall loss ratio of 150%. Last year's increase was 6.5% with a 180% pool loss ratio. For FY 2026 our projected increase is 0%. This is outstanding considering MIT has closed and we will begin transitioning to a new self-funded entity backed by Blue Cross/Blue Shield.
- 2) This budget includes an overall cost-of-living adjustment of 2% for all current full-time employees and new hires. Overall, this is a \$61,580 increase and will be a recurring expense

(which includes fully funding all positions). We are in a good position from a competitive standpoint after Commissioners adopted the pay and class study we implemented in January 2024. We will not adjust the pay scales this year to not create compression with any new hires within the coming year. The Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) was released in October 2024, which is used to provide the COLA adjustment for social security benefits beginning in December of each year. The CPI-W yielded an increase COLA of 2.7%. With the proposed COLA and performance pay amounts this year, we will exceed the CPI-W adjustment. The recurring costs have been mitigated by the elimination of 4 part-time personnel from this budget.

- 3) This budget includes an average 1.5% increase in the wages line for the assumption of performance pay increases in conjunction with each employee's annual evaluation. This amount is a recurring cost of \$46,185 (which includes fully funding all authorized positions). Again, the recurring costs have been mitigated by eliminating the 4 part-time positions budgeted in the current year.
- 4) FICA, retirement, 401K expenses etc. budget increase of approximately \$29,000. This increase is due primarily to the Local Government Retirement System employer match. The State increased the rate to 10.15% for FY 21, 11.35% for FY 22, 12.1% for FY 23, 12.85% for FY 24, 13.6% for FY 2025 and 14.35% for FY 2026. Please keep in mind that we budget 5% for the 401K match whether employees contribute that amount or not. We have historically seen savings in the 401K line item since many employees do not contribute the full amount.
- 5) Worker's Compensation: Approximately \$3,077 decrease budgeted across all budgets for worker's compensation premiums, which are flat due to a four-year history of no major claims, which is an excellent record. Worker's Compensation is based on two factors: total payroll and claims history. The small decrease is due to reducing the payroll and accounting for the elimination of part-time positions.
- 6) Utilities: Decrease in several budgets but most notably the water plant. Please reference the chart that Mr. Gilbert has prepared for the WTP main meter which shows historical trends.

Administration

- 1) Eliminates the part time capital projects manager and part time custodian positions.
- 2) Increase of \$29,650 in Professional Services. Reduces legal services by \$30,000 but includes the \$68,000 System Development/Rate Study we discussed.
- 3) Includes additions for travel/seminars for HR professional development and employment law updates.
- 4) Reduction of \$9,425 in Equipment Maintenance contracts. Eliminates QS1 entirely but adds Executime Time Keeping eliminating manual entry/time keeping.
- 5) Reduction of \$5,000 in Advertising.
- 6) Reduction of Contracted Services in the amount of \$36,075. Billing costs are being reduced by \$65,000 but we have added janitorial services contract in the amount of \$26,400.
- 7) Increase of \$16,560 in Insurance Bonds/Premiums.
- 8) Elimination of \$25,000 under Dues/Subscriptions for the CCEDP Membership.
- 9) Bank Charges: Increase \$37,500 which is mainly credit card fees associated with online payments/credit card fees but primarily \$1.95 per transaction e-Check fees.

Maintenance

- 1) Increase of \$77,500 for materials. Costs continue to escalate, and meters increased 8% this current year. Some of this will be offset by tap cost increases.
- 2) Increase of \$22,400 for Contracted Services. Reduces Generator Maintenance but increase tank service contract due to addition of Lattimore Tank.

Production

- 1) Includes allowance for 1 additional full-time position. This position will not be filled until well within the fiscal year. This position is needed due to increased sampling, maintenance activities in and around the plant and pump stations, and to prepare for some anticipated retirements at the end of the fiscal year or within FY 2027. In addition, the two part-time positions have been eliminated from this budget.
- 2) Eliminates Fallston water system testing and permits now that the merger is in progress.
- 3) Reduction of \$41,405 in Utilities cost. Power consumption trended down with new Clearwell and High Service Pump Station and should get better with Flocc and Sed Basin electrical improvements.
- 4) Reduction of \$10,000 in Equipment Repairs due to new pumps and electrical components and SCADA upgrades.
- 5) Reduction of \$30,000 in Chemical costs.
- 6) Reduction of \$6,000 in Non-Capital expenditure.

Meter Services

- 1) Reduction of \$10,000 in Department Supplies and Expenses for new vendors for locks.

IT/GIS

- 1) Budget includes all CCW telephone, internet, data contracts, etc.
- 2) Reduced Communication Data (Internet) by \$14,000 by canceling Conterra
- 3) Reduced Non-Capital Equipment by \$12,000
- 4) Non-Capital: Includes replacing 7 computers, 2 printers.
- 5) Contracted Services: RTP contract services in the amount of \$52,932 which provides a managed fire-wall, security, Office 365 licenses and backup.

Parks and Greenway

- 1) Both full-time positions authorized previous fiscal year have not been filled and is being handled with 3 part-time staff.
- 2) Inclusion of \$75,000 for Professional Services.
- 3) Land and Area Maintenance/Repairs: \$102,800 included which can also be reallocated for Capital Projects. May look at using this for bank building parking lot.
- 4) Communication Data (Internet): Will not be public access but used for security cameras at recommendation of law enforcement.

- 5) All expenditures in Greenway Budget are modeled after Local Option Sales Tax Revenues.
- 6) Unused funds in this budget would be recommended to be transferred to the larger Capital Projects for the Greenway Project if Commissioners desire.

Governing Body

- 1) Includes \$25,000 for 2025 Election Expenses.

Non-Departmental

- 1) Administration: Debt Service payment of \$207,127 for the Lattimore Tank Project. This is the 6th payment. (20 Years; 1.53% Interest Rate, declining payments, down \$2,576)
- 2) Administration: 1st Debt Service payment of FY 25 Installment Finance in the amount of \$148,000. (59-month term at 3.84% interest)
- 3) Administration: Includes \$64,980 which will be the lease payment to the Town of Fallston for the USDA Fallston Waterline Project and will transition to our debt service payment upon loan closing.
- 4) Administration: Clearwell Debt Service Payment of \$505,081 for 3rd Clearwell Project Payment. (20 Years; Interest Rate 2.16%, declining payments, down \$11,136)
- 5) Administration: Operations Center Debt Service Payment of \$174,368 for 3rd Operations Center Payment. (40 Years; Interest Rate 1.75%)
- 6) Administration: Weir Project Debt Service Payment of \$422,000 for 1st payment. (40 Years; Interest Rate 1.75%).
- 7) Administration: Transfer of \$500,000 for Capital Reserve
- 8) Maintenance: \$14,000 Replacement Trailer used for Tractor
- 9) Maintenance: \$22,500 Replacement of Trailer used for Flat Bed
- 10) Maintenance: \$13,100 Hydraulic Power Pack & Saw for larger waterlines.
- 11) Maintenance: \$182,000 Mullinax Drive (4,450 LF – 9 Main Breaks in recent years)
- 12) Maintenance: \$58,500 Hoover Road (2,400 LF – 11 Main Breaks in last several years)
- 13) Maintenance: \$75,000 Maintenance/Meter Reader Parking Lot
- 14) Maintenance: \$200,000 New In-District Water Lines
- 15) Maintenance: \$9,000 Operations Center Waterline
- 16) Production: \$20,000 Repair River/Reservoir Pump. (Only used if needed)
- 17) Production: \$45,000 Clearwell Painting and Sealing
- 18) Production: \$250,000 Replace Filter Influent Valves

The fiscal year 2025-2026 budget continues to provide excellent services for our customers. In planning and studying our recommended rate increases and fee increases, you should be applauded, and I appreciate the time you took at our Regular Meeting on May 13th to work through the discussion on revenues. Your largest investment is in your staff, and without them, it would be impossible to do what we do. During the preparation of this budget message, we are fully staffed, and this is especially good considering the labor market is struggling for governmental and service employees. Numerous governmental entities across the State have job openings that they cannot fill due to lack of competitiveness and qualified personnel. I am under no assumption that this will be the final budget approved by Commissioners and would encourage you to consider the proper expenditure of the available revenues as you see fit. The

budget process is the single most important decision you as Commissioners will make each year. Despite the tremendous rising costs, you are still able to fund your Capital Reserve contribution to help offset and buy down much larger projects now and on the horizon such as the future Broad River Water Plant. I can't begin to thank Mrs. Fern, Mrs. Alexander, Mr. Hayes and Mr. Gilbert enough for what they do to keep the place running and the countless and thankless hours they put in to serve the customers of Cleveland County Water. A 5.66% budget increase is something to be very proud of given the current economy and inflation, and the major increases are truly in the materials and supplies we need to serve the citizens and keep repairs made on the water system. A public hearing on the proposed budget will need to be scheduled for Tuesday, June 10th, 2025. The budget covering all funds for the fiscal year beginning July 1, 2025, is balanced, and presented to the Chairman and Board of Commissioners of Cleveland County Water at this time.

Respectfully submitted,



Brad R. Cornwell
General Manager

**FY 2025-2026
Revenue
Annual Budget**

Account	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
40-44040	Water Sales	7,911,912	4,130,380	8,104,333	8,273,659	8,273,659
40-44050	Fire Hydrant Sales	16,000	9,000	18,000	20,000	20,000
40-44150	Bulk Water Sales	536,840	311,888	475,610	509,825	509,825
41-44070	Tap Connection Fees	420,000	202,027	390,289	480,000	480,000
41-44090	Meter Revenue	5,000	2,209	5,000	5,000	5,000
41-44100	Fee Revenue	264,334	169,601	315,922	354,775	354,775
41-44110	Sale of Materials	1,500	682	1,364	1,500	1,500
41-44120	Pressure Zone Revenue	45,000	22,650	45,300	45,000	45,000
41-44151	Boiling Springs Sewer Revenue	113,000	60,693	119,553	120,000	120,000
41-44153	Fallston Sewer Revenue	135,000	67,899	131,986	132,000	132,000
41-44155	Kingstown Sewer Revenue	116,000	59,541	116,011	116,000	116,000
41-44156	Polkville Sewer Revenue	15,000	7,230	13,924	14,000	14,000
41-44160	Town of Fallston	0	0	0	0	0
41-44200	Administrative Charges	27,500	17,195	34,390	33,000	33,000
41-44300	Bad Debt Recovered	6,500	746	9,006	8,000	8,000
41-44360	Disconnection Revenue	85,000	47,285	97,856	96,000	96,000
41-44400	Grants Revenue	0	0	0	0	0
41-44450	NCDOT	0	0	0	0	0
41-44480	Lease Revenue	4,800	2,400	4,800	4,800	4,800
42-44010	Interest	30,000	188,645	288,940	67,200	67,200
42-44015	Dividends	0	86,650	173,301	0	0
42-44020	Miscellaneous Income	10,000	17,643	20,000	10,000	10,000
42-44021	Gain/Loss on Sale of Fixed Assets	20,000	34,560	80,660	10,000	10,000
42-44030	Timber Sales	0	0	0	0	0
42-44080	Cleveland County Property Tax	1,003,000	648,989	989,961	1,141,000	1,141,000
42-44085	Cleveland County Vehicle Tax	123,000	68,270	137,514	129,000	129,000
42-44135	Cleveland County Local Option	335,000	209,160	438,860	375,000	375,000
42-44170	Insurance Proceeds	0	49,781	49,781	0	0
42-44350	Proceeds from Financing	0	0	661,250	0	0
42-44460	Fund Balance Appropriation	81,000	0	0	0	0
	Total Operating Expenses	11,305,386	6,415,124	12,723,602	11,945,759	11,945,759

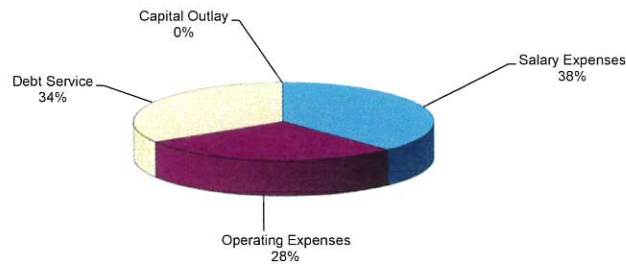
FY 2025 Requested Revenue Total	11,945,759
FY 2024 Current Year Revenue Total	11,305,386
Difference	640,373
% INCREASE/(DECREASE)	5.66%

FY 2025-2026 Water Administration Annual Budget

Staffing Level	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
	11	14	12	15	14

Expenditure Summary Water Administration	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	1,769,430	738,616	1,510,210	1,706,295	1,706,295
Operating Expenses	1,263,935	563,780	1,197,198	1,274,830	1,274,830
Debt Service	965,269	65,635	951,712	1,521,556	1,521,556
Transfer to Capital Reserve	500,000	250,000	500,000	500,000	500,000
Capital Outlay	0	0	0	0	0
Water Administration Total	4,498,634	1,618,031	4,159,120	5,002,681	5,002,681

Water Administration



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
General Manager	1	1	1	1	1
Finance Director	1	1	1	1	1
Customer Services Director	1	1	1	1	1
Accounting/Benefits Coordinator	1	1	1	1	1
Utility Billing Coordinator	1	1	1	1	1
Utility Billing Representative	1	1	1	1	1
Accounting Technician	1	1	1	1	1
Senior Customer Service Representative	1	1	1	1	1
Customer Service Representative	2	4	4	4	4
Assistant General Manager	0	0	0	1	1
Projects Manager	0	0	0	0.5	0
Human Resources Director	0	0	0	1	1
Custodian	0	0	0	0.5	0
	10	12	12	15	14

Water Administration Budget Requests

New Account	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
5-55010	Salaries & Wages	1,132,000	457,864	938,622	1,070,000	1,070,000
5-55015	Retirement Expense	155,000	61,389	125,848	156,000	156,000
5-55016	401K Match	57,000	19,669	40,322	54,000	54,000
5-55020	Overtime	0	262	500	0	0
5-55028	Compensatory Time	5,000	1,999	5,000	5,000	5,000
5-55030	Group Insurance	318,000	146,327	299,970	318,000	318,000
5-55033	Life Insurance	1,400	802	1,645	1,800	1,800
5-55040	Longevity Pay	12,000	9,848	9,848	11,000	11,000
5-55042	Other Payroll Deductions (YMCA)	500	245	502	600	600
5-55045	Workers' Compensation	930	916	916	1,895	1,895
5-55057	Tax Deductions	0	4,209	4,209	3,000	3,000
5-55070	Social Security	87,000	35,086	71,926	84,000	84,000
5-55075	Uniforms & Accessories	600	0	10,902	1,000	1,000
	Total Salary Expenses	1,769,430	738,616	1,510,210	1,706,295	1,706,295
5-55050	Professional Services	190,550	81,271	183,566	220,200	220,200
5-55090	Utilities	20,000	9,393	20,000	20,000	20,000
5-55100	Tuition Reimbursement	2,400	456	1,200	2,400	2,400
5-55110	Travel, Meetings and Schools	7,275	1,252	8,275	10,275	10,275
5-55120	Equipment Repairs	12,500	0	3,500	5,500	5,500
5-55130	Equipment Maintenance Contracts	126,050	19,897	124,702	116,625	116,625
5-55135	Small Tools	500	0	250	500	500
5-55140	Building Repairs	5,000	3,983	5,000	5,000	5,000
5-55150	Printing and Publishing	3,000	425	3,000	3,000	3,000
5-55155	Marketing	18,000	500	18,000	18,000	18,000
5-55170	Advertising	20,000	2,815	10,000	15,000	15,000
5-55180	Non Capital Equipment	0	0	2,561	0	0
5-55185	Communications - Cell phones	6,280	3,029	6,740	6,840	6,840
5-55190	Postage	4,000	2,576	4,101	5,000	5,000
5-55200	Bank Charges	12,500	22,201	45,000	50,000	50,000
5-55205	Contracted Services	247,600	88,339	174,172	211,525	211,525
5-55210	Auto Supplies	1,500	91	1,000	1,500	1,500
5-55215	Fuel Expense	6,000	473	1,500	2,500	2,500
5-55218	Land and Area Maintenance/Repairs	5,000	1,024	5,000	5,000	5,000
5-55220	Auto Repairs	2,500	148	2,500	2,500	2,500
5-55230	Laundry and Dry Cleaning	0	434	1,000	1,000	1,000
5-55235	Utilities - Fuel Generators	0	841	2,000	2,000	2,000
5-55250	Insurance/Bonds	111,440	105,957	110,000	128,000	128,000
5-55280	Dues, Subscriptions, Publications	36,770	3,507	37,436	12,955	12,955
5-55285	Janitorial Supplies	6,500	1,572	4,500	5,500	5,500
5-55310	Dept. Supplies & Expenses	35,000	20,502	36,000	37,000	37,000
5-55400	Boiling Springs Sewer Collection	110,740	57,138	117,162	117,600	117,600
5-55410	Kingstown Sewer Collection	113,680	56,968	113,690	113,680	113,680
5-55420	Polkville Sewer Collection	14,700	7,198	13,646	13,720	13,720
5-55425	Fallston Sewer Collection	132,300	66,945	129,347	129,360	129,360
5-55430	Interconnections/Water Supply Purchases	12,160	4,843	12,350	12,650	12,650
	Total Operating Expenses	1,263,935	563,780	1,197,198	1,274,830	1,274,830
9-99310	Capital Outlay - Administration	0	0	0	0	0
9-99450	Capital Outlay - Vehicles	0	0	0	0	0
	Total Capital	0	0	0	0	0
	Total Operating and Capital	3,033,365	1,302,396	2,707,408	2,981,125	2,981,125

New Account	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
9-99230	Capital Project Reserve	500,000	250,000	500,000	500,000	500,000
9-99110	Debt Service - Principal Lattimore Tank (6/20)	168,463	0	168,463	168,463	168,463
9-99120	Debt Service - Interest Lattimore Tank (6/20)	41,240	20,620	41,240	38,664	38,664
9-99170	Debt Service - Principal Install. Finance (1/5)	0	0	0	124,724	124,724
9-99180	Debt Service - Interest Install. Finance (1/5)	0	0	0	23,276	23,276
9-99110	Debt Service - Principal Weir (1/40)	0	0	0	211,000	211,000
9-99120	Debt Service - Interest Weir (1/40)	0	0	0	211,000	211,000
9-99190	Fallston Lease	64,593	0	64,593	0	0
9-99110	Debt Service - Principal Fallston System	0	0	0	36,000	36,000
9-99120	Debt Service - Interest Fallston System	0	0	0	28,980	28,980
9-99110	Debt Service - Principal Clearwell (3/20)	426,960	0	412,461	419,711	419,711
9-99120	Debt Service - Interest Clearwell (3/20)	89,257	45,015	90,030	85,370	85,370
9-99110	Debt Service - Principal Ops Center (3/40)	88,836	0	89,000	90,000	90,000
9-99120	Debt Service - Interest Ops Center (3/40)	85,920	0	85,925	84,368	84,368
	Total Reserves and Debt Service	1,465,269	315,635	1,451,712	2,021,556	2,021,556
	Total Water Administration Budget	4,498,634	1,618,031	4,159,120	5,002,681	5,002,681

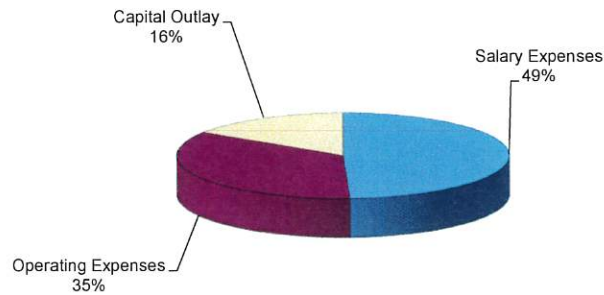
FY 2026 Requested Administration Total	5,002,681
FY 2025 Current Year Administration Total	4,498,634
Difference	504,047
% INCREASE/(DECREASE)	11.20%

FY 2025-2026 Maintenance Annual Budget

Staffing Level	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
	16	16	21	20	20

Expenditure Summary Maintenance	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	1,706,865	852,502	1,726,567	1,797,285	1,797,285
Operating Expenses	1,161,815	679,827	1,193,139	1,265,665	1,265,665
Capital Outlay	895,990	428,276	893,434	638,500	578,700
Maintenance Total	3,764,670	1,960,605	3,813,140	3,701,450	3,641,650

Maintenance



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
Operations Director	1	1	1	0	0
Maintenance Superintendent/ORC	1	1	1	1	1
Backflow/Cross Connection ORC	1	1	1	1	1
Utility Maintenance Supervisor/ORC	0	0	0	1	1
Utility Maintenance Supervisor	3	3	3	3	3
Utility Maintenance Specialist	1	1	1	1	1
Utility Locator	1	1	1	1	1
Utility Maintenance Technician III	2	2	1	0	0
Utility Maintenance Technician II	1	1	1	0	1
Utility Maintenance Technician I	5	5	11	12	11
	16	16	21	20	20

Maintenance Budget Requests

Account Number	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
7-55010	Salaries & Wages	1,075,000	528,231	1,072,308	1,112,000	1,112,000
7-55015	Retirement Expense	160,000	76,359	154,486	166,000	166,000
7-55016	401K Match	55,000	21,953	45,003	57,000	57,000
7-55020	Overtime	35,000	14,487	35,000	40,000	40,000
7-55028	Compensatory Time	5,000	795	5,000	5,000	5,000
7-55030	Group Insurance	258,000	139,682	286,349	285,000	285,000
7-55033	Life Insurance	2,000	1,289	2,642	2,600	2,600
7-55040	Longevity Pay	13,000	12,040	12,040	15,000	15,000
7-55042	Other Payroll Deductions (YMCA)	1,200	548	1,200	1,200	1,200
7-55045	Workers' Compensation	14,240	14,230	14,230	12,060	12,060
7-55070	Social Security	86,000	41,844	85,781	89,000	89,000
7-55075	Uniforms & Accessories	12,425	2,044	12,528	12,425	12,425
	Total Salary Expenses	1,706,865	852,502	1,726,567	1,797,285	1,797,285
7-55050	Professional Services	25,700	1,203	24,000	24,600	24,600
7-55090	Utilities	75,000	33,102	70,000	78,750	78,750
7-55095	Contracted Construction	20,000	0	20,000	20,000	20,000
7-55110	Travel, Meetings and Schools	12,300	1,820	8,970	12,000	12,000
7-55115	Meter Change Out Program	20,000	6,100	20,000	20,000	20,000
7-55120	Equipment Repairs	25,700	4,884	20,700	24,700	24,700
7-55125	Backflow/Cross Connection Supplies/Materials	7,250	1,400	5,000	9,000	9,000
7-55130	Equipment Maintenance Contracts	12,850	2,104	14,954	12,500	12,500
7-55135	Small Tools	3,000	1,708	3,500	3,250	3,250
7-55140	Building Repairs	500	3,324	5,000	1,000	1,000
7-55145	Pump Station Repairs	18,000	354	18,000	18,000	18,000
7-55150	Printing and Publishing	150	0	150	150	150
7-55165	Tractor Supplies	20,000	6,902	20,000	23,000	23,000
7-55170	Advertising	500	0	500	500	500
7-55175	Materials	505,000	397,998	550,000	582,500	582,500
7-55180	Non Capital Equipment	8,000	340	8,000	7,800	7,800
7-55185	Communications - Cell phones	9,000	3,449	8,000	9,000	9,000
7-55190	Postage	500	0	0	500	500
7-55195	Permits	500	0	0	500	500
7-55205	Contracted Services	192,600	129,036	195,000	215,000	215,000
7-55210	Auto Supplies	25,000	10,751	25,000	25,000	25,000
7-55215	Fuel Expense	66,000	28,194	64,000	66,000	66,000
7-55218	Land and Area Maintenance/Repairs	40,000	19,064	40,000	40,000	40,000
7-55220	Auto Repairs	22,000	6,750	20,000	20,000	20,000
7-55230	Laundry and Dry Cleaning	9,500	3,866	8,000	9,500	9,500
7-55235	Utilities - Fuel Generators	7,000	3,792	8,000	8,000	8,000
7-55255	Insurance Claim	5,000	2,666	5,000	5,000	5,000
7-55280	Dues, Subscriptions, Publications	8,265	3,676	8,365	8,415	8,415
7-55285	Janitorial Supplies	5,500	2,769	6,000	6,000	6,000
7-55300	Equipment Rentals	3,000	990	3,000	3,000	3,000
7-55305	Waste Disposal Fees	1,000	0	1,000	1,000	1,000
7-55310	Dept. Supplies & Expenses	13,000	3,583	13,000	11,000	11,000
	Total Operating Expenses	1,161,815	679,827	1,193,139	1,265,665	1,265,665
9-99330	Capital Outlay - Distribution Department	196,000	179,495	179,495	244,200	129,200
9-99450	Capital Outlay - Vehicles	187,490	99,679	187,679	0	0
9-99340	Water Line Extensions	192,500	7,000	192,500	185,300	240,500
9-99340	Water Line Extensions	320,000	142,103	333,760	209,000	209,000
	Total Capital	895,990	428,276	893,434	638,500	578,700
	Total Maintenance	3,764,670	1,960,605	3,813,140	3,701,450	3,641,650

FY 2026 Requested Maintenance Total	3,701,450
FY 2025 Current Year Maintenance Total	3,764,670
Difference	(63,220)

% INCREASE/(DECREASE) -1.68%

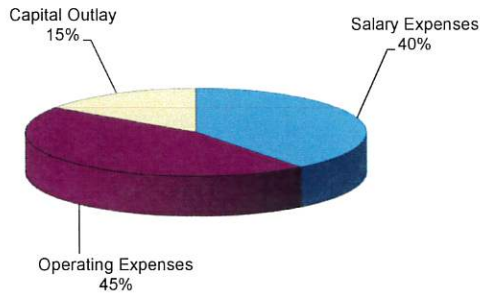
FY 2025-2026 Water Production Annual Budget

Staffing Level

FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
7	7	7.5	8.5	8

Expenditure Summary Water Production	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	787,660	383,089	783,620	805,625	805,625
Operating Expenses	1,014,535	373,474	886,818	919,020	919,020
Capital Outlay	186,000	166,622	192,622	315,000	315,000
Water Production Total	1,988,195	923,186	1,863,059	2,039,645	2,039,645

Water Production



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
WTP Superintendent/ORC	1	1	1	1	1
Senior Utility Plant Operator	0	0	0	1	1
Utility Plant Operator III	3	3	4.5	4.5	4
Utility Plant Operator II	1	1	1	1	0
Utility Plant Operator I	2	2	1	1	2
	7	7	7.5	8.5	8

Water Production Budget Requests

Account Number	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
6-55010	Salaries & Wages	528,000	254,902	522,548	533,000	533,000
6-55015	Retirement Expense	73,000	33,731	69,148	78,000	78,000
6-55016	401K Match	28,000	11,179	22,916	27,000	27,000
6-55020	Overtime	10,000	0	10,000	5,000	5,000
6-55028	Compensatory Time	3,000	4,423	9,067	10,000	10,000
6-55030	Group Insurance	88,000	46,003	92,006	94,000	94,000
6-55033	Life Insurance	700	478	955	1,100	1,100
6-55040	Longevity Pay	6,000	5,578	5,578	6,000	6,000
6-55042	Other Payroll Deductions (YMCA)	150	156	320	500	500
6-55045	Workers' Compensation	6,410	6,403	6,403	5,425	5,425
6-55070	Social Security	41,000	20,135	41,278	42,000	42,000
6-55075	Uniforms & Accessories	3,400	102	3,400	3,600	3,600
	Total Salary Expenses	787,660	383,089	783,620	805,625	805,625
6-55050	Professional Services	64,500	7,415	65,515	61,000	61,000
6-55090	Utilities	416,500	182,804	354,600	375,095	375,095
6-55110	Travel, Meetings and Schools	5,600	2,505	5,305	5,600	5,600
6-55120	Equipment Repairs	51,000	9,554	51,000	41,000	41,000
6-55130	Equipment Maintenance Contracts	23,590	11,875	24,466	23,940	23,940
6-55135	Small Tools	500	447	500	500	500
6-55140	Building Repairs	5,000	2,272	5,000	5,000	5,000
6-55150	Printing and Publishing	500	63	500	500	500
6-55160	Chemicals	311,500	88,098	251,717	281,500	281,500
6-55170	Advertising	250	0	250	250	250
6-55180	Non Capital Equipment	7,500	6,357	6,857	1,500	1,500
6-55185	Communications - Cell phones	2,000	969	1,980	2,000	2,000
6-55190	Postage	250	26	200	200	200
6-55195	Permits	8,010	6,880	7,780	7,010	7,010
6-55205	Contracted Services	9,900	2,948	10,483	10,900	10,900
6-55210	Auto Supplies	500	14	250	500	500
6-55215	Fuel Expense: (WTP Vehicles/ Equip.)	5,000	1,600	4,000	5,000	5,000
6-55218	Land and Area Maintenance/Repairs	0	0	0	0	0
6-55220	Auto Repairs	3,000	405	3,000	3,000	3,000
6-55230	Laundry & Dry Cleaning	4,000	1,424	3,000	4,000	4,000
6-55235	Utilities - Fuel Generators	36,000	27,304	36,000	36,000	36,000
6-55240	Drought Expenses	15,000	3,375	15,000	10,000	10,000
6-55280	Dues, Subscriptions, Publications	1,985	1,153	1,965	2,075	2,075
6-55285	Janitorial Supplies	2,500	1,411	2,500	2,500	2,500
6-55300	Equipment Rentals	750	0	750	750	750
6-55305	Waste Disposal Fee	0	0	0	0	0
6-55310	Dept. Supplies & Expenses	39,200	14,577	34,200	39,200	39,200
	Total Operating Expenses	1,014,535	373,474	886,818	919,020	919,020
9-99450	Capital Outlay - Vehicles	35,000	37,166	37,166	0	0
9-99320	Capital Projects	151,000	129,456	155,456	315,000	315,000
9-99350	Water Plant Upgrade Capital	0	0	0	0	0
	Total Capital	186,000	166,622	192,622	315,000	315,000
	Total Water Production	1,988,195	923,186	1,863,059	2,039,645	2,039,645

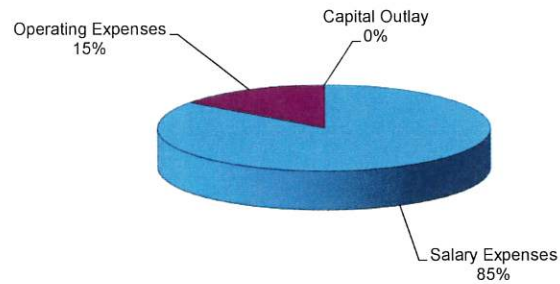
FY 2025 Requested Water Production Total	2,039,645
FY 2024 Current Year Water Production Total	1,988,195
Difference	51,450
% INCREASE/(DECREASE)	2.59%

**FY 2025-2026
Meter Services
Annual Budget**

Staffing Level	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
	6	6	6	5	5

Expenditure Summary Meter Services	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	361,035	182,660	370,607	383,515	383,515
Operating Expenses	78,620	34,674	82,777	67,050	67,050
Capital Outlay	110,754	0	111,495	0	0
Meter Services Total	550,409	217,334	564,878	450,565	450,565

Meter Services



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
Meter Services Technician	2	2	2	1	1
Meter Reader	4	4	4	4	4
	6	6	6	5	5

Meter Services Budget Requests

Account Number	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
8-55010	Salaries & Wages	220,000	109,104	222,573	228,000	228,000
8-55015	Retirement Expense	31,000	15,772	32,176	35,000	35,000
8-55016	401K Match	12,000	4,766	9,702	12,000	12,000
8-55020	Overtime	8,000	6,204	12,656	14,000	14,000
8-55028	Compensatory Time	0	0	0	0	0
8-55030	Group Insurance	63,000	33,383	66,767	67,000	67,000
8-55033	Life Insurance	500	324	648	650	650
8-55040	Longevity Pay	1,000	677	677	750	750
8-55042	Other Payroll Deductions (YMCA)	150	65	130	150	150
8-55045	Workers' Compensation	3,560	3,557	3,557	3,015	3,015
8-55070	Social Security	18,000	8,773	17,896	19,000	19,000
8-55075	Uniforms & Accessories	3,825	45	3,825	3,950	3,950
	Total Salary Expenses	361,035	182,660	370,607	388,515	388,515
8-55050	Professional Services	1,900	87	1,550	450	450
8-55110	Travel, Meetings and Schools	300	0	300	300	300
8-55115	Meter Change Out Program	0	0	0	0	0
8-55120	Equipment Repairs	1,000	0	1,000	1,000	1,000
8-55130	Equipment Maintenance Contracts	5,000	5,500	5,500	6,000	6,000
8-55135	Small Tools	1,600	195	800	900	900
8-55140	Building Repairs	0	0	0	0	0
8-55180	Non Capital Equipment	0	0	0	0	0
8-55185	Communications - Cell phones	1,920	941	1,901	2,000	2,000
8-55210	Auto Supplies	6,000	3,086	6,500	6,500	6,500
8-55215	Fuel Expense	28,000	11,868	25,000	28,000	28,000
8-55220	Auto Repairs	5,000	11,172	14,000	5,000	5,000
8-55230	Laundry and Dry Cleaning	2,100	963	1,925	2,100	2,100
8-55285	Janitorial Supplies	800	391	800	800	800
8-55310	Dept. Supplies & Expenses	25,000	472	23,500	14,000	14,000
	Total Operating Expenses	78,620	34,674	82,777	67,050	67,050
9-99450	Capital Outlay - Vehicles - 3 Chevy Colorado Trucks	110,754	0	111,495	0	0
	Total Capital	110,754	0	111,495	0	0
	Total Meter Services	550,409	217,334	564,878	450,565	450,565

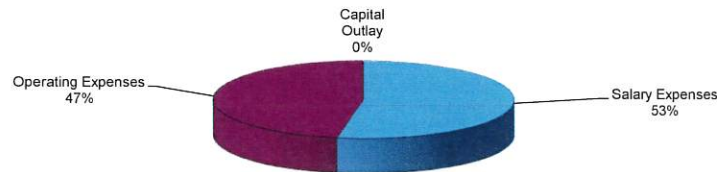
FY 2026 Requested Meter Services Total	450,565
FY 2025 Current Year Meter Services Total	550,409
Difference	(99,844)
% INCREASE/(DECREASE)	-18.14%

**FY 2025-2026
IT/GIS
Annual Budget**

Staffing Level	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
	2	2	2	2	2

Expenditure Summary IT/GIS	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	182,260	91,049	186,924	193,795	193,795
Operating Expenses	146,210	76,378	161,234	173,538	173,538
Capital Outlay	43,190	42,637	42,637	0	0
IT/GIS Total	371,660	210,063	390,795	367,333	367,333

IT/GIS



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2024-2025
IT Coordinator	1	1	1	1	1
GIS Coordinator	1	1	1	1	1
GIS/GPS Tech - Part Time	0	0	0	0	0
	2	2	2	2	2

IT/GIS Budget Requests

New Account	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
65-55010	Salaries & Wages	124,000	61,900	126,896	130,000	130,000
65-55015	Retirement Expense	16,000	8,419	17,258	19,000	19,000
65-55016	401K Match	6,500	3,095	6,345	6,500	6,500
65-55030	Group Insurance	25,000	12,656	25,944	27,000	27,000
65-55033	Life Insurance	200	130	260	300	300
65-55040	Longevity Pay	0	0	0	0	0
65-55042	Other Payroll Deductions (YMCA)	240	0	0	0	0
65-55045	Workers' Compensation	120	114	114	195	195
65-55057	Tax Deductions	0	0	0	0	0
65-55070	Social Security	10,000	4,735	9,707	10,000	10,000
65-55075	Uniforms & Accessories	200	0	400	800	800
	Total Salary Expenses	182,260	91,049	186,924	193,795	193,795
65-55050	Professional Services	20,200	7,379	20,125	20,100	20,100
65-55080	Communication Telephone	20,520	6,120	21,473	19,500	19,500
65-55085	Communication Data (Internet)	28,000	7,994	13,195	14,000	14,000
65-55110	Travel, Meetings and Schools	2,500	8,143	10,000	2,500	2,500
65-55120	Equipment Repairs	2,000	0	2,000	2,000	2,000
65-55130	Equipment Maintenance Contracts	3,000	0	3,000	9,556	9,556
65-55180	Non Capital Equipment	36,400	26,390	35,469	25,630	25,630
65-55185	Communications - Cell phones	2,440	397	2,620	2,820	2,820
65-55210	Auto Supplies	0	0	0	1,000	1,000
65-55215	Fuel Expense	0	119	1,000	2,600	2,600
65-55220	Auto Repairs	0	0	0	1,000	1,000
65-55225	Computer Maintenance	29,650	16,822	47,232	67,582	67,582
65-55230	Laundry & Dry Cleaning	0	0	120	250	250
65-55310	Dept. Supplies & Expenses	1,500	3,014	5,000	5,000	5,000
	Total Operating Expenses	146,210	76,378	161,234	173,538	173,538
9-99310	Capital Outlay - IT/GIS	0	0	0	0	0
9-99450	Capital Outlay - Vehicles	43,190	42,637	42,637	0	0
	Total Capital	43,190	42,637	42,637	0	0
	Total Operating and Capital	371,660	210,063	390,795	367,333	367,333
	Total IT/GIS Budget	371,660	210,063	390,795	367,333	367,333

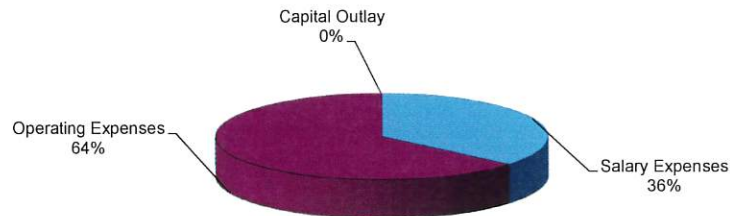
FY 2026 Requested IT/GIS Total	367,333
FY 2025 Current Year IT/GIS Total	371,660
Difference	(4,327)
% INCREASE/(DECREASE)	-1.16%

FY 2025-2026 Parks and Greenway Annual Budget

Staffing Level	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
	0	0	2	2	2

Expenditure Summary Greenway	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	134,645	847	6,645	135,665	135,665
Operating Expenses	200,355	47,615	159,000	239,335	239,335
Capital Outlay	0	0	0	0	0
Greenway Total	335,000	48,462	165,645	375,000	375,000

Greenway



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
Greenway Maintenance Staff	0	0	2	2	2
	0	0	2	2	2

Parks and Greenway Budget Requests

Account Number	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
85-55010	Salaries & Wages	85,000	787	5,987	85,000	85,000
85-55015	Retirement Expense	11,000	0	0	12,000	12,000
85-55016	401K Match	4,300	0	0	4,200	4,200
85-55020	Overtime	0	0	0	0	0
85-55028	Compensatory Time	0	0	0	0	0
85-55030	Group Insurance	24,528	0	0	25,000	25,000
85-55033	Life Insurance	192	0	0	200	200
85-55040	Longevity Pay	0	0	0	0	0
85-55042	Other Payroll Deductions (YMCA)	0	0	0	0	0
85-55045	Workers' Compensation	1,425	0	0	1,015	1,015
85-55070	Social Security	6,500	60	458	6,500	6,500
85-55075	Uniforms & Accessories	1,700	0	200	1,750	1,750
	Total Salary Expenses	134,645	847	6,645	135,665	135,665
85-55050	Professional Services	74,000	17,536	74,000	75,000	75,000
85-55085	Communication Data (Internet)	0	0	0	7,200	7,200
85-55090	Utilities	5,000	2,431	5,000	7,000	7,000
85-55110	Travel, Meetings and Schools	5,000	0	2,000	5,000	5,000
85-55170	Advertising	9,855	0	5,000	10,000	10,000
85-55195	Permits	3,000	700	3,000	3,000	3,000
85-55218	Land and Area Maintenance/Repairs	97,000	13,261	50,000	102,800	102,800
85-55285	Janitorial Supplies	0	0	0	5,000	5,000
85-55310	Dept. Supplies & Expenses	6,500	13,686	20,000	24,335	24,335
	Total Operating Expenses	200,355	47,615	159,000	239,335	239,335
9-99200	Land Purchases	0	0	0	0	0
	Total Operating Expenses	0	0	0	0	0
	Total Greenway Budget	335,000	48,462	165,645	375,000	375,000

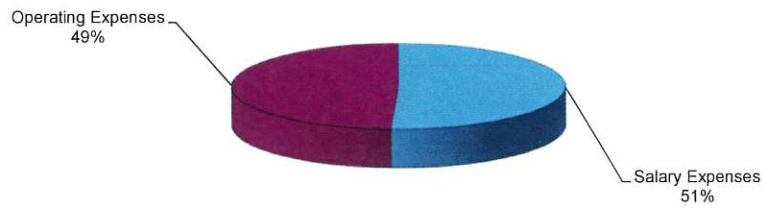
FY 2026 Requested Greenway Total	375,000
FY 2025 Current Year Greenway Total	335,000
Difference	40,000
% INCREASE/(DECREASE)	11.94%

FY 2025-2026 Governing Body Annual Budget

Staffing Level	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
	7	7	7	7	7

Expenditure Summary Governing Body	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
Salary Expenses	34,812	17,096	34,912	34,945	34,945
Operating Expenses	9,440	707	8,940	33,940	33,940
Governing Body Total	44,252	17,804	43,852	68,885	68,885

Governing Body



NOTES:	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026
Chairman	1	1	1	1	1
Vice Chairman	1	1	1	1	1
Secretary	1	1	1	1	1
Commissioner	1	1	1	1	1
Commissioner	1	1	1	1	1
Commissioner	1	1	1	1	1
Commissioner	1	1	1	1	1
	7	7	7	7	7

Governing Body Budget Requests

Account Number	Description	Approved FY 2024-2025	Expenditures Through 12/31/24	FY 2024-2025 Year-End Projection	Requested FY 2025-2026	Manager Approved FY 2025-2026
55-55010	Salaries & Wages	31,500	15,750	31,500	31,500	31,500
55-55042	Other Payroll Deductions (YMCA)	120	111	222	250	250
55-55045	Workers' Compensation	32	30	30	35	35
55-55070	Social Security	2,410	1,205	2,410	2,410	2,410
55-55075	Uniforms & Accessories	750	0	750	750	750
	Total Salary Expenses	34,812	17,096	34,912	34,945	34,945
55-55050	Professional Services	2,000	0	2,000	2,000	2,000
55-55110	Travel, Meetings and Schools	1,000	0	1,000	1,000	1,000
55-55120	Equipment Repairs	250	0	250	250	250
55-55150	Printing and Publishing	100	0	100	100	100
55-55170	Advertising	500	323	500	500	500
55-55180	Non Capital Equipment	500	0	500	500	500
55-55190	Postage	40	0	40	40	40
55-55280	Dues, Subscriptions, Publications	1,000	65	1,000	1,000	1,000
55-55285	Janitorial Supplies	50	0	50	50	50
55-55310	Dept. Supplies & Expenses	500	320	500	500	500
55-55450	Election Expenses	500	0	0	25,000	25,000
55-55460	Other Expenses	3,000	0	3,000	3,000	3,000
	Total Operating Expenses	9,440	707	8,940	33,940	33,940
	Total Governing Body	44,252	17,804	43,852	68,885	68,885

FY 2026 Requested Governing Body Total	68,885
FY 2025 Current Year Governing Body Total	44,252
Difference	24,633
 % INCREASE/(DECREASE)	 55.67%