

BRUNSWICK REGIONAL WATER & SEWER H2GO
REGULAR/WORKSHOP BOARD MEETING
WEDNESDAY, APRIL 17, 2024

OFFICIAL MINUTES

CALL TO ORDER:

Chairman Ronnie Jenkins called the meeting to order at 4:00 p.m.; a quorum was present. The assembly cited the Pledge of Allegiance.

MEMBERS PRESENT:

Present from the Board of Commissioners were members Ronnie Jenkins, Chairman, Barry Laub, Vice Chairman, Rodney McCoy, Secretary, Commissioners Steve Hosmer, and Bill Beer. Present from H2GO was Bob Walker, Executive Director, Russ Lane, Assistant Executive Director-Operations, Scott Hook, Assistant Executive Director-Administration, Stephanie Blair, Communications Director, Ken Brown, Finance Officer, Jennifer Phillips, Lead Accountant, Sara Meyer, Human Resource Director, Brenda Thurman, Customer Service Manager, Adrianna Weber, Engineering Director, Lloyd Brown, IT Manager, and Deana Greiner, Clerk to the Board.

DISCUSSION/ADJUSTMENT OF AGENDA:

Chairman Jenkins opened the floor for any adjustments to the agenda. Mr. Ken Brown asked us to add the swearing in Deputy Finance Officer to his report. **Commissioner Hosmer made the motion to approve the agenda as amended. A vote was called, and the motion was carried unanimously.**

FY2024-2025 BUDGET WORKSHOP:

Staff presented to the board the proposed FY2024-2025 Budget, which is hereby incorporated and made a part of these minutes as Exhibit A. Mr. Hook began the workshop with highlights of what the budget included. Mr. Hook stated that department heads requested 10 new positions; only 3 are presented in the budget; he explained that staff requested 7 new vehicles; only 5 are presented in the budget. Mr. Hook mentioned that our revenue was based on 1200 new connections; he explained that staff were proposing a rate increase on the sewer rates. It was said that staff were also proposing a rate increase on irrigation usage; it was said that we wanted to strongly promote water conservation. It was said that there would be an educational campaign to go with the irrigation rate increase. Mr. Hook explained that there were 12 Capital Improvement projects scheduled for this budget year; he explained that those projects are to be paid for with system development fees. Mr. Hook pointed out that the County was proposing a rate increase of sewer treatments from \$2.20 to \$2.71 per 1000 gallons; this will increase our expenditures by \$475,000. Mr. Hook pointed out a couple of other items included in this year's budget, the Emergency Response Plan, and plan for Accounts Payable Automation.

The board went through the budget page by page:

Revenues: Impact fees are the same across the board now; Compass Point was different due to a developer's agreement which is no longer valid.

Administration: All Travel and Training has been moved to this department. The increase in Debt Service is due to the bond payments to the County for the NEWWTP expansion.

Work Orders: The decrease in meters and MXUs is because we have built up our inventory to a manageable amount.

Engineering: There is money placed in this budget for construction of the new office complex; if the board decides not to move forward then it will be taken out.

Water Distribution: It was explained that Line Maintenance covered repairs and line upgrades; it was said there were 12 planned upgrades. It was also pointed out that there was no longer an item for water purchase.

ROWTP: It was said that most of the increases were due to the increase of water production. Mr. Walker explained that we were paying the County roughly \$5.25 per 1000 gallons, and it cost us roughly \$3.04 to produce 1000 gallons.

Sewer Collections: It was said the increases were due to the rate increase from the County; it was said there were four lift stations needing to be upgraded.

WWTP: The increase in line maintenance was due to some office repairs needed and a new static screen. Other increases were pointed out, some increases in prices for treatment chemicals and rate increase for electricity.

Electrical/Instrumental: It was said the overall budget was lower than last year. It was explained that last year new vehicles were bought and there was no need for new vehicles this year. It was said that one employee was added to this budget.

There was a brief discussion on rates; the need for increases, how the increase could be implemented, and how our rates compared to neighboring entities. It was said that the staff proposes to increase the sewer rates this year and increase all rates in small increments each year after for the next three years. It was said the rate increases would cover the increases in expenditures for operations and it would help fund the cost of building a new office complex. The board decided they needed more time to discuss the building of a new office complex. It was said that the board would plan to meet ahead of next month's board meeting.

RECESS:

Commissioner Beer made the motion for the board to take a short recess and reconvene at 5:45 pm. A vote was called, and the motion was carried unanimously.

CALL TO ORDER:

Commissioner Laub made the motion for the board to open the meeting back up; a vote was called, and the motion was carried unanimously.

CONSENT AGENDA:

Commissioner Hosmer made the motion to approve the consent agenda which consisted of the March 20, 2024, Budget Workshop/Regular Board Meeting Minutes. A vote was called, and the motion was carried unanimously.

COMMISSIONERS REPORT:

Commissioner McCoy mentioned a leak that had happened over the weekend; he gave the staff kudos for quickly responding on a weekend.

PUBLIC COMMENTS:

Chairman Jenkins opened the floor for public comments.

No patrons were present; no comments were made.

OLD BUSINESS:

No business was discussed.

NEW BUSINESS:

No business was discussed.

EXECUTIVE DIRECTOR'S REPORT:

RO Plant Update: Mr. Walker explained that water usage was steadily increasing. Mr. Walker explained that he wanted to start an irrigation education campaign; he said the average yard should only need 500 gallons a week for proper irrigation.

ASSISTANT EXECUTIVE DIRECTOR'S REPORT-OPERATIONS:

Mr. Lane reported that he had nothing to report.

ENGINEERING DIRECTOR'S REPORT

Arboretum at Brunswick Forest Phase 2A Deed of Dedication:

Pinewood Cannon Phase 1 Section 1A Deed of Dedication: Ms. Weber presented to the board two deeds of dedications for their approval; she explained that everything was found to be in order. **Commissioner Hosmer made the motion to approve the deed of dedication for the Arboretum at Brunswick Forest Phase 2A and the deed of dedication for Pinewood**

Cannon Phase 1 Section 1A as presented; a vote was called, and the motion was carried unanimously.

Pinewood Cannon Phase 1 Section 1B Performance Guarantee Ms. Weber presented to the board a performance guarantee for Pinewood Cannon Phase 1 Section 1B. **Commissioner Beer made the motion to accept the Pinewood Cannon Phase 1 Section 1B Performance Guarantee as presented; a vote was called, and the motion was carried unanimously.**

Arboretum at Brunswick Forest Phase 2A Performance Guarantee Release

Pinewood Cannon Phase 1 Section 1A Performance Guarantee Release Ms. Weber explained that since the deeds of dedications for the Arboretum at Brunswick Forest Phase 2A and Pinewood Cannon Phase 1 Section 1A was now completed that the board needed to release the Performance Guarantees. **Commissioner Laub made the motion to release the performance guarantees for the Arboretum at Brunswick Forest Phase 2A and Pinewood Cannon Phase 1 Section 1A as presented; a vote was called, and the motion was carried unanimously.**

ASSISTANT EXECUTIVE DIRECTOR'S REPORT-ADMINISTRATION:

Mr. Hook stated that he had nothing to report.

HUMAN RESOURCE DIRECTOR'S REPORT:

Monthly Report: Mrs. Meyer directed the board to her report; she explained that there were two new hires, one for engineering and one locator, scheduled to start on Monday.

FINANCE OFFICER'S REPORT:

Swearing in Deputy Finance Officer: Mr. Brown explained to the board that Mrs. Jennifer Phillips was now the acting deputy finance officer. Mrs. Jennifer Phillips took the oath of office as deputy finance officer as administered by Deana Greiner, Clerk to the Board.

Check Register- March 1-31, 2024: The check register was presented; no comments were made regarding the check register.

March Financial Report: **Commissioner McCoy made the motion to approve the publication of the February Financial Report as presented; a vote was called, and the motion was carried unanimously.**

Resolution to set Public Hearing for FY2024-2025 Budget: **Commissioner Hosmer made the motion to set the Public Hearing for the FY2024-2025 Budget for May 15, 2024, at 5 p.m.; a vote was called, and the motion was carried unanimously.**

COMMUNICATIONS DIRECTOR'S REPORT:

Monthly Report: Mrs. Blair directed the board to her monthly report; she explained that she included a summary of the social media posts and the Google overview. Mrs. Blair presented to the board a letter from one of our customers complimenting one of our employees for a job well done.

ATTORNEY'S REPORT:

It was said that Mr. Coble was absent due to a family event.

INFORMAL DISCUSSION:

There was a brief discussion on whether we should build into some of our contracts incentives for getting jobs done in a timely manner. There was mentioned that we should be careful in doing so; it was said that we did not want to sacrifice quality for time.

EXECUTIVE SESSION:

Commissioner Laub made the motion for the board to enter executive session for the purpose of Consultation with Legal Counsel, pursuant to NCGS 143-318.11(a)(3); to discuss Contract Negotiations, pursuant to NCGS 143-318.11 (a)(5); a vote was called, and the motion carried unanimously.

Commissioner Hosmer motioned for the board to return to open session; a vote was called, and the motion was carried unanimously.

It was stated that there was nothing to report out of the executive session.

ANNOUNCEMENT OF NEXT MEETING:

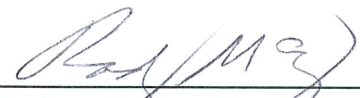
Chairman Jenkins announced the next Regular Board Meeting to be May 15, 2024, to be located at the Training Room of the Reverse Osmosis Water Treatment Plant, at 5 p.m.

ADJOURNMENT:

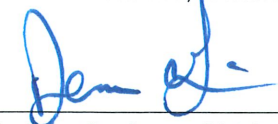
Commissioner Laub made the motion to adjourn the meeting at 6:24 p.m., a vote was called, and the motion was carried unanimously.



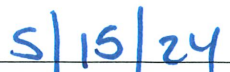
Ronnie Jenkins, Chairman



Rodney McCoy, Secretary



Deana Greiner, CMC Clerk to Board



Date of Approval

FY 2024 – 2025 Budget Workshop Highlight Summary

March 26th Budget Team met with Department Heads for Kickoff Meeting.

Budget Team (Bob Walker, Russ Lane, Scott Hook, Ken Brown, Jen Phillips, Sara Myers, Lloyd Brown)

10 New Positions requested by Department Heads

3 presented in Budget – 1 for full year (I & E Tech)

2 for half year entry (IT Tech Specialist, CIP inspector)

7 Vehicles requested – 5 presented in budget.

GPR requested. Removed from budget, will reconsider next year.

Commercial mower requested – moved to FY24 budget to use this mowing season.

Removed welder.

Revenue

Based on 1200 new connections for water and sewer and 300 for irrigation.

Rate increase proposed in budget. Residential Sewer Base fee increase from \$15 to \$18 and sewer usage increase from \$5.55 to \$6.00 per 1,000 gallons.

Increase Irrigation for Conservation measures – usage increase from \$4.90 to \$5.00, first 5,000 gallons. \$6.00 5,000 to 10,000 gallons. \$8.00 10,000 gallons plus.

Expenditures

Capital Projects: \$1,266,000

Well Site Drainage - \$35,000

Dove Way Water Line - \$13,000

H2GO Water Tower repairs - \$55,000

Engineer Water Lines extensions - \$42,000 (Oakview, Quail Covey, John Sneed, Lizzie Dr., Dean & Daniel Tr.)

Lift Station #11 FM relocation - \$305,000

Lift Station S. Navassa - \$255,000 (Engineering – Grant Applied for)

Low Country Blvd LS Upgrade – \$265,000

Kay Todd Rd LS Upgrade - \$58,000

Reclaim Water BCA - \$15,000

WWTP Office repair - \$60,000

Static Screen Upgrade - \$160,000

West Port Lofts 4" FM Extension - \$3,000

WWTP proposed rate increase from Brunswick County – Increase from \$2.20 to \$2.71 per 1,000 gallons treated. This increases our budget by approximately \$475,000.

Emergency Response Plan - \$60,000

Accounts Payable Automation - \$50,000

Source Code	Revenues	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
30101	Water Base Fee	3,010,000	2,028,598	3,042,897	3,303,600
30102	Water Use Charge	3,074,237	2,080,943	3,121,415	3,263,237
30108	Sewer Base Fee	3,890,000	2,631,510	3,947,265	4,936,810
30109	Sewer Use Charges	4,750,000	3,205,834	4,808,751	6,157,111
30110	Admin Fees	50,000	35,865	53,798	50,000
30112	Tank Fee	5,000	3,400	5,100	5,000
30113	Irrigation Availability	1,032,000	689,537	1,034,306	1,090,096
30114	Irrigation Usage	1,622,243	974,274	1,461,411	1,719,578
30212	Meter Purchases	577,500	420,870	631,305	750,000
30300	Interest Earned	1,645,000	1,407,467	2,111,201	1,750,000
30501	Return Check Fees	2,500	25	38	2,500
30502	Reconnection Fees	500	0	0	500
30503	Late Penalties	500	0	0	500
30504	Service Charges	5,000	0	0	50,000
30505	Cross Connection Fines	2,000	1,000	1,500	2,000
30601	Miscellaneous Income	95,000	111,481	167,222	65,000
30604	Contract Billings	34,800		0	34,800
30608	Construction Reimbursement	0	0	0	0
30640	Grinder Pump Fee	0	0	0	220,000
30645	Irrigation Impact-Fees	0		0	0
30650	Sewer Capital Recovery Fee	0		0	0
30613	Transfer in from Old Impact Fees	1,229,706	0	0	0
	Transfer from FUND 20 - Water	1,926,657	2,239,318	3,358,977	3,314,453
	Transfer from FUND 20 - Loan from SD	0	0	0	3,500,000
48200	Bad Debt	(20,000)	-	0	(20,000)
	Sub Total - Operating Revenue	22,932,643	15,830,122	23,745,183	30,195,185
30620	Water Impact Fees	0	15,100	22,650	0
30630	Sewer Impact Fees	0	-	0	0
30660	Water Capital Recovery Fee	0	11,200	16,800	0
30665	Water System Development Fee	3,200,000	2,308,463	3,462,695	6,240,000
30666	Irrigation System Development	812,000	266,800	400,200	696,000
30670	Sewer System Development Fee	5,200,000	3,751,566	5,627,349	6,600,000
30618	Compass Pointe Sewer Impact	0	44,860	67,290	0
30619	Compass Pointe Sewer Recovery	0	21,000	31,500	0
	Sub Total - Capital Revenue	9,212,000	6,418,989	9,628,484	13,536,000
	Fund Balance	0			
	Total Revenue	32,144,643	22,249,111	33,373,667	43,731,185

DEPARTMENTAL EXPENDITURES

Source Code	ADMINISTRATION - 7110	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
40101	Office Supplies	25,000	21,010	31,515	35,000
40103	Postage	75,000	45,098	67,647	68,000
40106	Advertising	35,000	4,282	6,423	2,400
40107	Office Equipment	30,000	23,288	34,932	40,000
40201	Salaries	2,763,455	1,403,980	2,105,970	2,326,846
40202	Salaries - overtime	22,000	3,663	5,495	22,000
40203	Board Per Diem	56,592	33,992	50,988	67,800
40204	FICA Expenses	217,418	103,936	155,904	184,873
40205	401 K Employer Contribution	137,079	60,369	90,554	117,442
40206	Emp. Health Insurance	351,372	170,625	255,938	318,608
40207	Employee Retirement	357,931	179,147	268,721	319,444
40208	Unemployment Insurance	6,571	4,116	6,174	6,193
40210	Workers Compensation	7,300	3,363	5,045	4,069
40301	Insurance Premium	320,000	299,812	350,000	352,500
40302	Bank Service Charges	225,000	142,913	214,370	225,000
40303	Dues/Subscriptions	5,000	932	1,398	5,000
40304	Election Expense	40,000	29,103	43,655	0
40305	Administrative Misc.	60,000	18,693	28,040	41,000
40306	Office Rent	111,015	60,393	90,590	96,600
40307	Community Outreach	30,000	0	0	21,140
40501	Legal Fees	85,000	69,592	104,388	105,000
40503	Engineering	1,125,000	237,834	356,751	0
40504	Accounting	23,000	15,500	23,250	25,000
40509	Outsource Billing Service Fee	42,000	13,543	20,315	22,000
40701	Electricity	15,000	12,879	19,319	19,844
40702	Telephone/Cell Phones	24,000	22,661	33,992	80,500
40801	Debt Service - Principle	2,253,202	2,253,202	2,253,202	3,649,866
40802	Debt Service - Interest	1,787,131	1,787,130	1,787,130	2,240,686
40902	Vehicle Fuel	10,000	5,951	8,927	8,478
41001	Software & Support	190,000	147,648	221,472	300,800
41002	Computer Equipment	35,000	27,444	41,166	61,300
41003	Hardware Maintenance	15,000	434	651	15,000
41004	Internet Services	0	0	0	31,500
41102	Small Tools & Equipment	6,500	3,017	4,526	6,500
41103	Uniform Rentals	15,000	5,876	8,814	90,003
41108	Permits & License	2,600	2,258	3,387	3,500
41109	Miscellaneous Supplies	6,500	3,154	4,731	5,000
41112	Fines & Penalties	5,000	750	1,125	5,000
41120	Contracted Services	21,000	16,099	24,149	54,000
41202	Building Maintenance	82,000	50,651	75,977	80,000
41301	Travel and Training	60,000	13,225	19,838	113,505
41302	Employee Tuition Reimb Program	0	0	0	20,000
41305	Safety	30,000	6,504	9,756	36,850
41403	Capital Outlay	23,400	8,379	12,569	0
41601	Contingency	1,214,219	0	0	927,993
48110	Transfer to Capital Reserves	9,212,000	5,485,219	8,227,829	13,536,000
	TOTALS:	21,158,285	12,797,665	17,076,614	25,692,240

DEPARTMENTAL EXPENDITURES

Source	WORK ORDER-7115	FY 2024	FY 2024 as	FY2024	FY 2025
Code		Budget	of 2/29/2024	Projected	Budget
40201	Salaries	226,990	162,294	243,441	326,514
40202	Salaries - overtime	11,000	5,069	7,604	11,000
40204	FICA Expenses	18,207	11,928	17,892	25,820
40205	401 K Employer Contribution	11,268	6,820	10,230	16,876
40206	Emp. Health Insurance	52,718	44,915	67,373	74,939
40207	Employee Retirement	30,582	21,275	31,913	45,902
40208	Unemployment Insurance	876	619	929	1,162
40210	Workers Compensation	3,500	2,852	4,278	3,451
40702	Telephone	4,500	3,681	5,522	0
40902	Vehicle Fuel	15,000	8,697	13,046	19,540
41002	Computer Equipment	4,000	0	0	0
41102	Small Tools & Equipment	7,500	5,171	7,757	8,000
41103	Uniform Rental	8,600	5,643	8,465	0
41108	Permits & License	250	30	45	1,000
41109	Miscellaneous Supplies	36,000	3,191	4,787	36,000
41127	MXU	425,000	38,880	411,703	350,000
41128	Meters	560,000	372,724	556,823	400,000
41301	Travel & Training	8,000	996	1,494	0
	TOTALS:	1,423,991	694,785	1,393,298	1,320,204

DEPARTMENTAL EXPENDITURES

Source Code	ENGINEERING/LOCATORS-7120	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
40503	Engineering				3,934,360
40201	Salaries	265,220	176,613	264,920	1,093,669
40202	Salaries - overtime	2,000	519	779	2,000
40204	FICA Expenses	20,442	13,267	19,901	83,819
40205	401 K Employer Contribution	13,117	8,612	12,918	54,783
40206	Emp. Health Insurance	41,982	24,474	36,711	170,131
40207	Employee Retirement	34,338	22,549	33,824	149,011
40208	Unemployment Insurance	876	347	521	2,672
40210	Workers Compensation	4,300	3,332	4,998	4,032
40303	Dues & Subscriptions	0	0	0	150
40702	Telephone	6,000	3,022	4,533	0
40902	Vehicle Fuel	14,000	6,763	10,145	9,494
41001	Software & Support	5,000	0	0	0
41102	Small Tools & Equipment	7,500	728	1,092	17,260
41103	Uniform Rental	8,500	5,596	8,394	0
41108	Permits & License	400	310	465	1,100
41109	Miscellaneous Supplies	17,000	14,954	22,431	0
41120	Contract Services	10,000	6,914	10,371	71,000
41301	Travel & Training	8,000	480	720	0
41403	Capital Outlay	0	0	0	73,150
	TOTALS:	458,675	288,480	432,720	5,666,631

DEPARTMENTAL EXPENDITURES

Source Code	WATER DISTRIBUTION-7130	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
40201	Salaries	658,937	338,555	507,833	782,088
40202	Salaries - overtime	25,000	14,306	21,459	25,000
40204	FICA Expenses	52,322	26,509	39,764	61,742
40205	401 K Employer Contribution	32,683	15,854	23,781	40,354
40206	Emp. Health Insurance	110,493	42,164	63,246	123,561
40207	Employee Retirement	87,886	45,154	67,731	109,764
40208	Unemployment Insurance	2,190	836	1,254	2,324
40210	Workers Compensation	11,500	7,825	11,738	9,468
40303	Dues and Subscriptions	200	80	120	200
40701	Electricity	40,000	7,245	10,868	18,697
40702	Telephone	7,000	3,199	4,799	0
40902	Vehicle Fuel	29,000	19,616	29,424	34,618
41102	Small Tools & Equipment	15,000	6,152	9,228	11,975
41103	Uniform Rental	11,000	6,377	9,566	0
41107	Lab Fees and Testing	65,000	39,343	59,015	65,000
41108	Permits & License	5,500	4,054	6,081	7,500
41109	Miscellaneous Supplies	5,000	1,821	2,732	5,000
41120	Contract Services	15,000	331	497	10,080
41123	Line Maintenance	202,900	158,248	237,372	288,000
41301	Travel & Training	20,000	1,526	2,289	0
41403	Capital Outlay	0	0	0	53,173
	TOTALS:	1,396,611	739,195	1,108,793	1,648,544

DEPARTMENTAL EXPENDITURES

Source Code	RO WTP - 7131	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
40101	Office Supplies	4,957	2,318	3,477	0
40107	Office Equipment	4,200	2,948	4,422	0
40201	Salaries	357,533	246,998	370,497	481,032
40202	Salaries - overtime	2,000	0	0	2,000
40204	FICA Expenses	27,504	18,367	27,551	36,952
40205	401 K Employer Contribution	17,877	11,694	17,541	24,152
40206	Emp. Health Insurance	50,589	26,971	40,457	69,816
40207	Employee Retirement	46,200	31,105	46,658	65,692
40208	Unemployment Insurance	1,095	504	756	1,394
40210	Workers Compensation	5,300	4,492	6,738	5,435
40303	Dues and Subscriptions	4,713	1,725	2,588	13,713
40701	Electricity	514,025	449,264	673,896	758,000
40702	Telephone	9,000	5,784	8,676	0
40902	Vehicle Fuel	16,600	8,808	13,212	20,032
41102	Small Tools & Equipment	9,000	4,899	7,349	8,000
41103	Uniform Rental	11,000	6,214	9,321	0
41104	RO Maint Supplies -676 Cartridge filters/yr	120,000	84,149	126,224	122,000
41105	Anode Plate replacement -NaClO generator (10 year life cycle)	7,500	0	0	7,500
41106	Membrane Replacement Reserve (15 year life cycle)	30,240	0	0	30,240
41107	Lab Supplies & Fees, Permits, Testing	71,706	51,192	70,175	65,000
41108	Permits & License	2,000	570	855	2,000
41109	Miscellaneous Supplies	3,571	2,656	3,984	4,000
41120	Contract Services	5,713	2,734	4,101	12,000
41123	Line Maintenance	35,706	18,941	28,412	46,000
41124	Treatment Materials	325,000	119,025	306,254	300,000
41202	Building Maintenance	25,000	18,086	27,129	30,000
41301	Travel & Training	10,000	7,888	11,832	
41311	SCADA System maintenance	7,141	0	0	20,000
41403	Capital Outlay	20,000	0	0	
	TOTALS:	1,745,170	1,127,332	1,812,102	2,124,958

DEPARTMENTAL EXPENDITURES

Source Code	SEWER COLLECTIONS - 7140	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
40201	Salaries	801,751	438,833	585,111	793,136
40202	Salaries - overtime	40,000	14,918	19,891	40,000
40204	FICA Expenses	64,394	34,123	45,497	63,735
40205	401 K Employer Contribution	39,940	20,264	27,019	41,657
40206	Emp. Health Insurance	128,906	66,384	88,512	131,607
40207	Employee Retirement	108,165	58,657	78,209	113,307
40208	Unemployment Insurance	2,628	1,007	1,343	2,324
40210	Workers Compensation	18,100	10,619	14,711	12,849
40303	Dues & Subscriptions	1,500	940	1,410	1,500
40611	Waste Water Treatment	1,685,000	1,052,810	1,579,215	2,549,475
40701	Electricity	250,000	151,209	226,814	323,121
40702	Telephone	8,500	5,082	7,623	
40902	Vehicle Fuel	40,000	25,423	38,135	37,585
41102	Small Tools & Equipment	12,000	3,087	4,631	12,000
41103	Uniform Rental	19,000	10,774	16,161	0
41107	Lab Fees & Testing	4,000	2,160	3,240	0
41108	Permits & License	3,000	955	1,433	3,000
41109	Miscellaneous Supplies	5,000	2,828	4,242	5,000
41120	Contract Services	30,000	5,183	7,775	30,000
41123	Line Maintenance	200,000	131,835	197,753	758,000
41125	Grinder Pump Repairs	125,000	101,304	151,956	200,000
41203	Cooking Oil Recycling	5,000	2,793	4,190	5,000
41301	Travel and Training	24,000	2,112	3,168	0
41311	SCADA System	60,000	19,508	29,262	50,000
41403	Capital Outlay	20,000	0	0	106,347
	TOTALS:	3,695,884	2,162,808	3,137,297	5,279,643

DEPARTMENTAL EXPENDITURES

Source Code	WWTP - 7141	FY 2024 Budget	FY 2024 as of 2/29/2024	FY2024 Projected	FY 2025 Budget
40201	Salaries	202,751	133,610	200,415	226,227
40204	FICA Expenses	15,510	10,143	15,215	17,306
40205	401 K Employer Contribution	9,949	6,520	9,780	11,311
40206	Emp. Health Insurance	21,038	16,426	24,639	26,391
40207	Employee Retirement	26,053	17,345	26,018	30,768
40208	Unemployment Insurance	438	232	348	465
40210	Workers Compensation	4,500	2,914	4,371	3,526
40303	Dues/Subscriptions	800	400	600	800
40701	Electricity	170,000	93,705	140,558	162,718
40702	Telephone	3,500	1,209	1,814	0
40902	Vehicle Fuel	4,000	1,862	2,793	2,383
41102	Small Tools & Equipment	2,000	1,360	2,040	2,100
41103	Uniform Rental	4,200	2,410	3,615	0
41105	Maintenance & Repair Supplies	10,000	4,700	7,050	10,000
41107	Lab Fees, Permits, Testing	25,000	16,277	24,416	25,000
41108	Permits & License	2,500	370	555	1,000
41109	Miscellaneous Supplies	12,500	10,072	15,108	15,000
41120	Contract Services	81,000	39,653	59,480	60,000
41123	Line Maintenance	90,000	68,950	103,425	345,000
41124	Treatment Materials	56,000	18,336	27,504	67,000
41202	Building Maintenance	12,000	9,659	14,489	21,000
41301	Travel & Training	4,000	135	203	0
41403	Capital Outlay	130,000	0	0	30,000
	TOTALS:	887,739	456,288	684,432	1,057,995

DEPARTMENTAL EXPENDITURES

Source	ELECTRICAL & INSTRUMENTATION	FY 2024	ACTUALS as	FY2024	FY 2025
Code	7150	Budget	of 2/29/2024	Projected	Budget
40201	Salaries	333,453	214,347	321,521	460,456
40202	Salaries - overtime	5,000	4,842	7,263	5,000
40204	FICA Expenses	25,892	16,086	24,129	35,607
40205	401 K Employer Contribution	16,507	10,629	15,944	23,273
40206	Emp. Health Insurance	47,866	27,229	40,844	74,474
40207	Employee Retirement	43,492	27,619	41,429	63,302
40208	Unemployment Insurance	878	380	570	1,162
40210	Workers Compensation	6,000	4,716	7,074	5,707
40303	Dues and Subscriptions	1,000	0	0	3,000
40702	Telephone	3,300	1,727	2,591	0
40902	Vehicle Fuel	15,000	12,653	18,980	19,357
40904	Vehicle Repairs	75,000	59,188	88,782	116,932
40903	Shop Supplies	5,000	0	0	4,000
41102	Small Tools & Equipment	20,700	8,173	12,260	25,700
41103	Uniform Rental	9,200	5,431	8,147	0
41108	Permits & License	2,000	210	315	2,000
41109	Miscellaneous Supplies	5,000	1,409	2,114	5,000
41120	Contract Services	0	0	0	21,000
41301	Travel & Training	8,000	4,402	6,603	0
41403	Capital Outlay	755,000	607,271	755,000	75,000
	TOTALS:	1,378,288	1,006,312	1,353,562	940,970

DEPARTMENTAL EXPENDITURES

Source	ALL DEPARTMENTS	FY 2024	FY 2024 as	FY2024	FY 2025
Code	CONSOLIDATED	Budget	of 2/29/2024	Projected	Budget
40101	Office Supplies	29,957	23,328	34,992	35,000
40103	Postage	75,000	45,098	67,647	68,000
40106	Advertising	35,000	4,282	6,423	2,400
40107	Office Equipment	34,200	26,236	39,354	40,000
40201	Salaries	5,610,090	3,115,230	4,599,706	6,489,968
40202	Salaries - overtime	107,000	43,317	62,489	107,000
40203	Board Per Diem	56,592	33,992	50,988	67,800
40204	FICA Expenses	441,689	234,359	345,851	509,854
40205	401 K Employer Contribution	278,420	140,762	207,766	329,848
40206	Employer Health Insurance	804,964	419,188	617,718	989,527
40207	Employee Retirement	734,647	402,851	594,500	897,190
40208	Unemployment Insurance	15,552	8,041	11,894	17,696
40210	Workers Compensation	60,500	40,113	58,952	48,537
40301	Insurance Premium	320,000	299,812	350,000	352,500
40302	Bank Service Charges	225,000	142,913	214,370	225,000
40303	Dues/Subscriptions	13,213	4,077	6,116	24,363
40304	Election Expense	40,000	29,103	43,655	0
40305	Administrative Misc.	60,000	18,693	28,040	41,000
40306	Office Rent	111,015	60,393	90,590	96,600
40307	Community Outreach	30,000	0	0	21,140
40501	Legal Fees	85,000	69,592	104,388	105,000
40503	Engineering	1,125,000	237,834	356,751	3,934,360
40504	Accounting	23,000	15,500	23,250	25,000
40509	Outsource Billing Service Fee	42,000	13,543	20,315	22,000
40611	Waste Water Treatment	1,685,000	1,052,810	1,579,215	2,549,475
40701	Electricity	989,025	714,302	1,071,453	1,282,380
40702	Telephone/Cell Phones	65,800	46,365	69,548	80,500
40801	Debt Service - Principle	2,253,202	2,253,202	2,253,202	3,649,866
40802	Debt Service - Interest	1,787,131	1,787,130	1,787,130	2,240,686
40902	Vehicle Fuel	143,600	89,773	134,660	151,487
40903	Shop Supplies	5,000	0	0	4,000
40904	Vehicle Maint/Repairs	75,000	59,188	88,782	116,932
41001	Software & Support	195,000	147,648	221,472	300,800
41002	Computer Equipment	39,000	27,444	41,166	61,300
41003	Hardware Maintenance	15,000	434	651	15,000
41004	Internet Services	0	0	0	31,500
41102	Small Tools & Equipment	80,200	32,587	48,881	91,535
41103	Uniform Rentals	86,500	48,321	72,482	90,003
41104	RO Maintenance Suppliss -676 Cartr	120,000	84,149	126,224	122,000
41105	Anode Plate replacement -NaClO gen	17,500	4,700	7,050	17,500
41106	Membrane Replacement Reserve (15	30,240	0	0	30,240
41107	Lab Fees and Testing	165,706	108,972	156,845	155,000
41108	Permits & License	18,250	8,757	13,136	21,100
41109	Miscellaneous Supplies	190,571	40,085	60,128	75,000
41112	Fines & Penalties	5,000	750	1,125	5,000
41120	Contracted Services	162,713	70,914	106,371	258,080
41123	Line Maintenance	528,606	377,974	566,961	1,437,000
41124	Treatment Chemicals	381,000	137,361	333,758	367,000
41125	Grinder Pump Repairs	125,000	101,304	151,956	200,000
41127	MXU	425,000	38,880	411,703	350,000
41128	Meters	560,000	372,724	556,823	400,000
41202	Building Maintenance	119,000	78,396	117,594	131,000
41203	Cooking Oil Recycling	5,000	2,793	4,190	5,000
41301	Travel and Training	142,000	30,764	46,146	113,505
41302	Employee Tuition Reimb Program	0	0	0	20,000
41305	Safety	30,000	6,504	9,756	36,850
41311	SCADA System Maintenance	67,141	19,508	29,262	70,000
41403	Capital Outlay	948,400	615,650	767,569	337,670
41601	Contingency	1,214,219	0	0	927,993
48110	Transfer to Capital Reserves	9,212,000	5,485,219	8,227,829	13,536,000
	TOTALS:	32,144,643	19,272,865	26,998,815	43,731,185

RATE COMPARISON AND PROPOSED RATE CHANGES

	System Development Fees			Water		Sewer		Irrigation		Average Bill	*3,000 gallons		
	Water	Sewer	Irrigation	Base	Usage	Base	Usage	Base	Usage	Water and Sewer			
H2GO - Current	3,200	5,200	2,320	12.00	3.50	15.00	5.55	12.00	4.90	54.15			
CFPUA	2,270	3,290		16.21	4.74	16.86	4.84	0.00	4.74	61.81			
Brunswick County	861-3178	3000-6518		16.00	4.15	39.00	6.50	5.00	4.80	67.45			
Pender County													
Central Pender	3,432		5,382	32.50	6.50		NA	29.50	8.00	52.00	Water Only		
Maple Hill	3,432	7,107		19.50	6.00		11.50			72.00			
Moore's Creek	3,432	7,107	5,382	32.50	6.50		15.56	29.50	8.00	98.68			
Rocky Point	3,432	7,107	5,382	27.50	6.50		14.00	29.50	8.00	89.00			
Scott's Hill	3,432		5,382	27.50	6.50		NA	29.50	8.00	47.00	Water Only		
Proposed													
H2GO FY 25	5,200	5,500	2,320	12.00	3.50	18.00	6.00	12.00	5.00	58.50	8.03%	\$4.35	per month
H2GO FY 26	5,200	5,500	2,320	14.00	3.75	18.00	6.25	12.00	5.00	62.00	5.98%	\$3.50	per month
H2GO FY 27	5,200	5,500	2,320	15.00	4.00	19.00	6.50	12.00	5.25	65.50	5.65%	\$3.50	per month
H2GO FY 28	5,200	5,500	2,320	16.00	4.00	21.00	6.50	12.00	5.50	68.50	4.58%	\$3.00	per month
Alternate													
H2GO FY 25	5,200	5,500	2,320	12.72	3.71	15.90	5.88	12.00	5.19	57.40	6%	\$3.25	per month
H2GO FY 26	5,200	5,500	2,320	13.48	3.93	16.85	6.24	12.00	5.51	60.84	6%	\$3.44	per month
H2GO FY 27	5,200	5,500	2,320	14.29	4.17	17.87	6.61	12.00	5.84	64.49	6%	\$3.65	per month
H2GO FY 28	5,200	5,500	2,320	15.15	4.42	18.94	7.01	12.00	6.19	68.36	6%	\$3.87	per month

EXHIBIT A-APRIL 17 2024 MINUTES