

ANNUAL BUDGET

Fiscal Year 2025 - 2026



LOWER CAPE FEAR WATER & SEWER AUTHORITY
1107 NEW POINTE BLVD., SUITE 17
LELAND, NORTH CAROLINA 28451

AUTHORITY BOARD OF DIRECTORS

PATRICK DEVANE, CHAIRMAN
SCOTT PHILLIPS, VICE-CHAIRMAN
AL LEONARD, SECRETARY
CHARILE RIVENBARK, TREASURER
JERRY GROVES, ASSISTANT TREASURER
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WAYNE EDGE
HARRY KNIGHT
BILL SAFFO
CHRIS SMITH
WILLIAM SUE
PHIL TRIPP
FRANK WILLIAMS
ROB ZAPPLE

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BRUNSWICK COUNTY
COLUMBUS COUNTY
CITY OF WILMINGTON
PENDER COUNTY
PENDER COUNTY
BLADEN COUNTY
NEW HANOVER COUNTY
CITY OF WILMINGTON
COLUMBUS COUNTY
BRUNSWICK COUNTY
BRUNSWICK COUNTY
BRUNSWICK COUNTY
NEW HANOVER COUNTY

TIM HOLLOMAN, EXECUTIVE DIRECTOR
DANIELLE HERTZOG, ADMINISTRATIVE ASSISTANT

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June 16, 2025

Chairman Devane and Directors:

I am pleased to present the FY 2025-2026 Budget for the Lower Cape Fear Water and Sewer Authority for your review and consideration. The enclosed FY 25-26 Budget has been prepared in accordance with the North Carolina General Statute 159 Article 3, entitled "*The Local Government Budget and Fiscal Control Act.*"

The Public Hearing on the annual budget was held during the regularly scheduled monthly meeting of the Authority Board at 9:00 AM on Monday, May 12, 2025, in the conference room of the Authority's offices located at 1107 New Pointe Boulevard, Suite 17, Leland, North Carolina.

Legal notice of the public hearing on the budget was published on April 21, 23, 27, 30, May 4, and May 7, 2025, in accordance with the General Statutes.

The Authority's annual budget outlines the revenues that the Authority expects to receive during the fiscal year and outlines the expenditures expected to be made during the fiscal year. The core business of the Authority is providing raw water from the Cape Fear River to the Authority's customers. The Authority also continues to work with Smithfield Foods in the operation of the Bladen Bluffs Regional Water Treatment Plant.

The region served by the Authority continues to be one of the fastest-growing regions in the nation. The counties served by the Authority have increased in population from 456,941 in 2010 to an estimated population of 545,634 in 2022. This represents a 20% increase in the number of people served by the Authority's customers.

FY 24-25 ACCOMPLISHMENTS

Construction on the 10-mile parallel line project began in late February and is made possible by partner, State Revolving loan funds, and other funding to advance the project schedule and maximize its benefits.

Engaged Electus as the Authority's Lobbyist.

Continue work on land acquisition for the Reservoir.

Working to update the long-range demand requirements for the region.

Began design on the Air backwash and Walkway project.

CAPITAL IMPROVEMENT PLAN ALIGNED WITH RATES

The Authority continues to align the CIP with adequate rates to stabilize various funds and levels and anticipate unexpected emergencies and long-term needs. The Long-Range Planning Committee continues to support a rate policy aligned with construction, refurbishment, and expansion needs.

FISCAL YEAR 2024-2025 FUND DESCRIPTION

The Authority maintains five funds. The funds and their purposes are as follows:

BLADEN BLUFFS OPERATING FUND

While the Authority owns the Bladen Bluffs Regional Water Treatment Plant and is responsible for the debt associated with its construction, Smithfield Foods operates the facilities and pays all costs related to their operation, including the debt service. The Authority receives the bills related to the facility's operation, pays the vendors, and then submits a consolidated statement to Smithfield Foods monthly per the December 19, 2009, Agreement.

The debt service principal for the Bladen Bluffs Regional Water Treatment Plant for FY 25-26 is \$1,115,000 to be paid in December 2025. The interest rate on the remaining principal is variable, and based on current interest rates, it is estimated that \$480,000 in interest will be paid.

In FY 25-26, Smithfield's expenditure on the operation of the Bladen Bluffs Regional Water Treatment Plant is expected to be \$5,670,086.

The Authority charges approximately 32.5% of personnel and direct costs to Smithfield in recognition of the personnel's work performed on Bladen Bluffs Regional Water Treatment Plant-related issues, such as accounts payable, expenditure accounting, and capital project management. Smithfield pays its proportionate share of other direct costs, such as insurance and audits.

KINGS BLUFF OPERATING FUND

REVENUES

In FY 25-26, the projected water revenues reflect an increase of 6% over the FY 24-25 projections. The projected water demand for FY 25-26 is 10.51 billion gallons or 28.82 million gallons per day (mgd). By Board approval, the raw water

rate increases in FY 25-26 to \$0.4800 per 1,000 gallons for governmental partners and to \$0.70 for Industrial customers. This rate and the projected flow will generate \$5,102,107 in operating revenue.

EXPENDITURES

The Authority owns the Kings Bluff Raw Water Pump Station and associated transmission system. While the Authority contracts with Brunswick County for the daily operation of the station, the Authority is responsible for paying for several direct costs associated with station operation, such as electric charges from Duke Energy, fuel costs related to the main generators, debt service on capital improvements, and significant capital expenditures for repairs of station equipment.

In FY 25-26, Brunswick County's Operations and Maintenance costs remained the same at \$736,811.

In FY 25-26, the cost of operating the Kings Bluff Pump Station is \$13,240,918. \$10,851,000 million in capital funds will be expended for various projects, with approximately \$4,200,000 on the air backwash and walkway replacement and 5,800,000 on the fourth pump. \$30,000,000 will be spent on the three-phase, 10-mile parallel line project.

RENEWAL AND REPLACEMENT FUND

The purpose of this fund is to pay for the replacement of equipment at the Kings Bluff Pump Station. At a minimum, the projected balance over ten years should be \$5,000,000, adjusted for inflation.

ENTERPRISE FUND

The Enterprise Fund is the primary source of funds for capital projects and major repairs. No projects are budgeted for this fund in FY 25-26. The balance of this fund is \$511,049. Over ten years, the projected balance should be \$10,000,000 at a minimum. Annual allocations to this fund need to be in the range of \$400,00 to \$500,000 annually to reach 50% of the projected need.

RIGHT OF WAY FUND

The Right of Way Maintenance Fund was funded by a developer and will be used to repair the roadway constructed with the Authority's easement in Brunswick County. We do not anticipate any expenditure from this fund in FY 25-26.

CONCLUSION

I want to thank the Finance Committee and the Board for supporting and recognizing the resources needed to keep the Authority moving forward. I would also like to express special appreciation to our Financial Administrative Assistant for her attention to detail with Authority funds. The Board continues to strengthen the Authority's Financial position to be prepared to meet capital obligations to our partners and the communities they serve. Furthermore, planning to accommodate future growth and promoting business retention and recruitment to the Cape Fear Region is a top concern for the Board. Recognition also goes to our partners and Board for their continued efforts to secure funding for our larger capital projects in addition to rate revenue.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Tim H. Holloman', with a stylized, flowing script.

Tim H. Holloman
Executive Director



BUDGET ORDINANCE

FY 2025-2026

Lower Cape Fear Water & Sewer Authority

BE IT ORDAINED by the Governing Board of the Lower Cape Fear Water & Sewer Authority:

Section 1: The following amounts are hereby appropriated in the **Operating Fund** for the operation of the Authority and its activities for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS

Administration	\$1,103,756
Operating Expenses	
Sales Tax Expense	150,000
Operating Capital Expense	10,851,000
Bladen Bluffs Expense	3,821,385
Utilities/Energy – Kings Bluff Pump Station	778,052
O&M Expense – Kings Bluff	736,811
Transfer to R&R - Kings Bluff R&R Expense	0
Transfer to Enterprise	0
Series 2010 Revenue Bond-Principal Expense (BB)	1,115,000
Series 2010 Revenue Bond-Interest Expense (BB)	480,000
SRF/ARPA	<u>30,000,000</u>

TOTAL APPROPRIATIONS	<u><u>\$49,036,004</u></u>
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Section 2: It is estimated the following revenues will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES

Operating Revenues

Brunswick County	\$2,621,733
Cape Fear Public Utility Authority	2,022,934
Pender County	289,440
Hwy 421	140,000
Praxair	35,200
Bladen Bluffs Revenue	5,670,183
Bladen Bluffs Admin Reimbursement	133,823
Sales Tax Refund	159,988

Non-Operating Revenues

Interest	200,000
Other Revenue	0
Bladen Bluffs FEMA Admin Reimbursement	0
Renewal and Replacement Fund Appropriated	0
SRF/ARPA	<u>37,762,703</u>

TOTAL REVENUES	<u><u>49,036,004</u></u>
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Section 3: The Board of Directors of the Lower Cape Fear Water & Sewer Authority hereby establishes a raw water rate of \$0.4800/.70 per 1,000 gallons as of July 1, 2025, for raising the necessary revenue to balance the appropriations noted in Section 1.

Section 4: The following amount is hereby appropriated in the **Operating General Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS	
Operating General Fund – Appropriated for Future Expenditures	\$ 4,634,277
TOTAL APPROPRIATIONS	\$ 4,634,277

Section 5: It is estimated the following revenue will be available in the **Operating General Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES	
Operating General Fund - Fund Balance	\$ 4,634,277
TOTAL ESTIMATED REVENUES	\$ 4,634,277

Section 6: The following amount is hereby appropriated in the **Enterprise Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS	
Enterprise Fund - Reserve for Future Expenditures	\$ 512,256
TOTAL APPROPRIATIONS	\$ 512,256

Section 7: It is estimated the following revenue will be available in the **Enterprise Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES	
Enterprise Fund - Fund Balance Appropriated	\$ 512,256
TOTAL ESTIMATED REVENUES	\$ 512,256

Section 8: The following amounts are hereby appropriated in the **Renewal and Replacement Fund (R&R)** for the fiscal year beginning July 1, 2024, and ending June 30, 2025:

APPROPRIATIONS	
R&R - Reserve for Future Expenditures	\$ 2,038,701
R&R - Kings Bluff R&R Expense	0
TOTAL APPROPRIATIONS	\$ 2,038,701

Section 9: It is estimated the following revenues will be available in the **Renewal and Replacement Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

REVENUES	
R&R - Fund Balance Appropriated	\$ 2,038,701
Transfer In from Operating Fund	0
TOTAL ESTIMATED REVENUES	\$ 2,038,701

Section 10: The following amount is hereby appropriated in the **Right of Way Maintenance Fund** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

APPROPRIATIONS

Right of Way Fund - Reserve for Future Expenditures	\$	281,507
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TOTAL APPROPRIATIONS	\$	281,507
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Section 11: It is estimated the following revenue will be available in the **Right of Way Maintenance Fund (ROW)** for the fiscal year beginning July 1, 2025, and ending June 30, 2026:

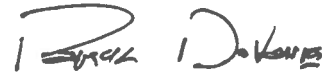
REVENUES

ROW - Fund Balance Appropriated	\$	281,507
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TOTAL ESTIMATED REVENUES	\$	281,507
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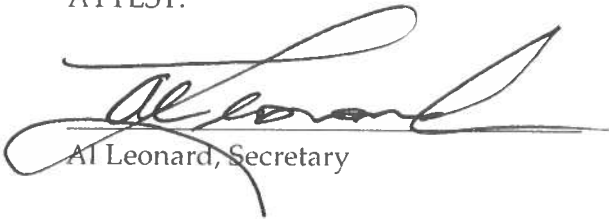
Section 10: Copies of this Budget Ordinance shall be furnished to the Finance Officer to be kept on file for direction in the disbursement of funds. This budget acknowledges and approves any transfers between funds expected as revenue from one fund or account specifically in reference to the Bladen Bluffs Administrative transfers as reflected in this budget and any funds in associated Kings Bluff Funds, including the Revenue and Replacement Fund, Enterprise Fund, and Right of Way Fund.

Adopted this 16th day of June 2025



Patrick DeVane, Chairman

ATTEST:



Al Leonard, Secretary

LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2025-2026 BUDGET

ACCOUNT NO	REVENUES	FY 23-24 APPROVED BUDGET	FY 23-24 ACTUALS	FY 24-25 AMENDED BUDGET	FY 24-25 ACTUAL 04/30/2025	PROPOSED FY 25-26 BUDGET		FY 25-26 TOTAL COMBINED BUDGET
						KINGS BLUFF	BLADEN BLUFFS	
	OPERATING							
3001-01	Brunswick County	\$ 1,923,193	\$ 2,092,732	\$ 2,522,662	\$ 1,919,536	\$ 2,621,733	\$ -	\$ 2,621,733
3002-01	Cape Fear Public Utility Authority	\$ 1,652,562	\$ 1,706,436	\$ 1,835,996	\$ 1,515,676	\$ 2,022,934	\$ -	\$ 2,022,934
3003-03	Pender County	\$ 234,160	\$ 245,752	\$ 256,344	\$ 203,424	\$ 289,440	\$ -	\$ 289,440
3004-01	Stepan/Invista	\$ 110,000	\$ 121,448	\$ 176,000	\$ 154,862	\$ 140,000	\$ -	\$ 140,000
3005-01	Praxair, Inc	\$ 15,784	\$ 19,156	\$ 35,200	\$ 19,622	\$ 35,200	\$ -	\$ 35,200
3006-01	Bladen Bluffs Reimbursement for Plant Operation Costs	\$ 5,615,603	\$ 5,703,114	\$ 5,570,183	\$ 4,033,306	\$ -	\$ 5,670,086	\$ 5,670,086
3006-02	Bladen Bluffs Administrative Reimbursement	\$ 158,754	\$ 158,754	\$ 119,988	\$ 139,323	\$ 133,823	\$ -	\$ 133,823
3007-01	Sales Tax Refund	\$ 100,000	\$ 106,041	\$ 115,234	\$ 116,124	\$ 34,988	\$ 135,000	\$ 159,988
	Subtotal	\$ 9,810,056	\$ 10,153,433	\$ 10,631,607	\$ 8,101,873	\$ 5,278,118	\$ 5,805,086	\$ 11,073,204
	Non-Operating			\$ -				\$ -
3105-01	Interest	\$ 9,716	\$ 130,862	\$ 154,188	\$ 197,025	\$ 200,000	\$ -	\$ 200,000
3120-01	Other Revenue (Insurance Proceeds/Refunds/FEMA)	\$ -	\$ 729	\$ -	\$ -	\$ -	\$ -	\$ -
3125-01	Federal Tax Subsidy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3156-00	Rental House Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3170-01	Transfer In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
3900-01	Renewal and Replacement Fund Appropriated	\$ -	\$ -	\$ 104,534	\$ -		\$ -	
3900-02	SRF/ARPA/STATE APPROPRIATION	\$ 2,500,000	\$ 1,625,752	\$ 20,000,000	\$ 15,227,468	\$ 37,762,800		\$ 37,762,800
2900-00	Fund Balance Appropriated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Subtotal	\$ 2,509,716	\$ 1,757,343	\$ 20,258,722	\$ 15,424,493	\$ 37,962,800	\$ -	\$ 37,962,800
	TOTAL REVENUES	\$ 12,319,772	\$ 11,910,776	\$ 30,890,329	\$ 23,526,366	\$ 43,240,918	\$ 5,805,086	\$ 49,036,004

LOWER CAPE FEAR WATER AND SEWER AUTHORITY
FISCAL YEAR 2025-2026 BUDGET

ACCOUNT NO.	EXPENDITURES	FY 22-23 APPROVED BUDGET	FY 22-23 ACTUALS	FY 24-25 AMENDED BUDGET	FY 24-25 ACTUAL 04/30/2025	PROPOSED FY 25-26 BUDGET		FY 25-26 TOTAL COMBINED BUDGET
						KINGS BLUFF	BLADEN BLUFFS	
	Administration							
4001-01	Salaries	\$ 213,675	\$ 196,423	\$ 222,026	\$ 183,309	\$ 172,808	\$ 74,061	\$ 246,869
4010-01	Per Diem and Mileage Board Members	\$ 64,001	\$ 55,475	\$ 64,476	\$ 44,588	\$ 45,354	\$ 19,437	\$ 64,791
4012-01	Vehicle Allowance	\$ 5,200	\$ 5,200	\$ 5,200	\$ 4,400	\$ 3,640	\$ 1,560	\$ 5,200
4019-01 & 4024-01	FICA Taxes	\$ 20,953	\$ 19,492	\$ 22,534	\$ 17,538	\$ 17,261	\$ 7,397	\$ 24,658
4029-01	Retirement	\$ 28,153	\$ 25,670	\$ 30,196	\$ 23,716	\$ 25,662	\$ 10,998	\$ 36,660
4035-01	401K Plan	\$ 12,312	\$ 11,100	\$ 12,422	\$ 9,879	\$ 9,738	\$ 4,174	\$ 13,912
4036-01	Miscellaneous Payroll Expenses	\$ 3,100	\$ 2,874	\$ 2,900	\$ 2,562	\$ 2,900	\$ -	\$ 2,900
4038-01	Group Insurance	\$ 40,176	\$ 38,002	\$ 44,586	\$ 33,648	\$ 29,810	\$ 12,776	\$ 42,586
4039-01	Property and Liability Insurance	\$ 133,236	\$ 111,030	\$ 156,000	\$ 127,200	\$ 121,212	\$ 51,948	\$ 173,160
4046-00	Professional Services General	\$ 3,800	\$ -	\$ 15,000	\$ 7,509	\$ 38,500	\$ 16,500	\$ 55,000
4046-01	Attorney	\$ 41,000	\$ 40,365	\$ 50,000	\$ 33,486	\$ 45,500	\$ 19,500	\$ 65,000
4047-01	Auditor	\$ 8,200	\$ 8,200	\$ 10,500	\$ 6,000	\$ 6,650	\$ 2,850	\$ 9,500
4048-01	Engineer	\$ 238,153	\$ 46,174	\$ 87,000	\$ 26,863	\$ 135,000	\$ 25,000	\$ 150,000
4049-01	Information Technology	\$ 50,428	\$ 23,191	\$ 25,000	\$ 3,589	\$ 10,500	\$ 4,500	\$ 15,000
4050-01	Financial Advisor	\$ -	\$ -	\$ 10,000	\$ -	\$ 7,000	\$ 3,000	\$ 10,000
4055-01	Office Maintenance/Repair/Common Charge	\$ 23,000	\$ 15,147	\$ 40,000	\$ 27,444	\$ 45,000	\$ -	\$ 45,000
4058-01	Office Utilities	\$ 5,000	\$ 2,173	\$ 3,500	\$ 2,655	\$ 4,000	\$ -	\$ 4,000
4059-01	Office Expenses (telephone, Printing, Adv)	\$ 16,000	\$ 15,852	\$ 15,000	\$ 6,853	\$ 15,000	\$ -	\$ 15,000
4062-01	Office Equipment	\$ 43,000	\$ 38,389	\$ 40,000	\$ 30,866	\$ 30,000	\$ -	\$ 30,000
4064-01	Printing and Advertising	\$ 8,000	\$ 8,033	\$ 14,500	\$ 10,114	\$ 15,500	\$ -	\$ 15,500
4065-01	Telephone and Internet	\$ 3,500	\$ 3,101	\$ 7,000	\$ 4,999	\$ 5,500	\$ -	\$ 5,500
4070-01	Travel and Training	\$ 29,000	\$ 23,210	\$ 40,500	\$ 33,850	\$ 36,000	\$ -	\$ 36,000
4070-20	Phone Allowance	\$ 520	\$ 520	\$ 520	\$ 440	\$ 520	\$ -	\$ 520
4075-01	Vehicle Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4080-01	Miscellaneous Expense	\$ 20,000	\$ 15,562	\$ 17,000	\$ 6,960	\$ 25,000	\$ -	\$ 25,000
4081-01	Dues & Subscription	\$ -	\$ -	\$ 15,000	\$ 14,787	\$ 12,000	\$ -	\$ 12,000
	Subtotal	\$ 1,010,407	\$ 705,183	\$ 950,860	\$ 663,255	\$ 860,055	\$ 253,701	\$ 1,103,756

LOWER CAPE FEAR WATER AND SEWER AUTHORITY

FISCAL YEAR 2025-2026 BUDGET

ACCOUNT NO.	EXPENDITURES	FY 22-23 APPROVED BUDGET	FY 22-23 ACTUALS	FY 24-25 AMENDED BUDGET	FY 24-25 ACTUAL 04/30/2025	PROPOSED FY 25-26 BUDGET		FY 25-26 TOTAL COMBINED BUDGET
						KINGS BLUFF	BLADEN BLUFFS	
	Operating							
4501-01	Sales Tax Expense	\$ 135,000	\$ 119,601	\$ 150,000	\$ 133,723	\$ 15,000	\$ 135,000	\$ 150,000
4510-01	Bladen Bluffs O & M	\$ 3,856,666	\$ 3,478,562	\$ 3,821,385	\$ 1,984,477	\$ -	\$ 3,821,385	\$ 3,821,385
4515-01	Bladen Bluffs Hurricane Florence	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4520-01	Utilities/Energy Kings Bluff	\$ 786,589	\$ 754,376	\$ 775,363	\$ 585,434	\$ 778,052	\$ -	\$ 778,052
4530-01	Contract O & M Kings Bluff	\$ 686,749	\$ 385,012	\$ 736,811	\$ 531,916	\$ 736,811	\$ -	\$ 736,811
4537-01	O&M Kings Booster Pump Bluff Pump Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4541-01	Combined Enterprise Funded Series 2010 Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4542-01	Combined Enterprise Funded Series 2010 Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4543-01	Combined Enterprise System Ref Series 2012 Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4544-01	Combined Enterprise System Ref Series 2012 Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4545-01	Bladen Bluffs Debt Service Principal	\$ 970,000	\$ 970,000	\$ 1,035,000	\$ 1,035,000	\$ -	\$ 1,115,000	\$ 1,115,000
4546-01	Bladen Bluffs Debt Service Interest	\$ 608,000	\$ 607,251	\$ 500,000	\$ 375,297	\$ -	\$ 480,000	\$ 480,000
4998-05	Operating Capital Expense	\$ 1,286,360	\$ 90,856	\$ 2,760,310	\$ 625,290	\$ 10,851,000	\$ -	\$ 10,851,000
	Transfer to R&R - Kings Bluff R&R Expense	\$ 380,000	\$ 380,000	\$ 160,600	\$ -	\$ -	\$ -	\$ -
	Transfer to R&R - Industrial	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4998-06	Transfer to Enterprise Fund	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
2041-01	421 Relocation New Hanover County Loan Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5180-00	SRF/7 mile parallel line expenditures	\$ 2,500,000	\$ 1,764,140	\$ 20,000,000	\$ 13,261,204	\$ 30,000,000	\$ -	\$ 30,000,000
	Subtotal	\$ 11,309,364	\$ 8,649,798	\$ 29,939,469	\$ 18,532,341	\$ 42,380,863	\$ 5,551,385	\$ 47,932,248
	TOTAL EXPENDITURES	\$ 12,319,771	\$ 9,354,981	\$ 30,890,329	\$ 19,195,596	\$ 43,240,918	\$ 5,805,086	\$ 49,036,004

WATER REVENUE ESTIMATES AND WATER RATE CALCULATION

Raw Water Customer	FLOWS			
	FY 23-24 Actual	FY 24-25 Projected	FY 24-25 Actual (as of 03/31/2025)	FY 25-26 Projected
Brunswick County	5,233,359	5,733,323	4,362,581	5,461,944
CFPUA	4,266,090	4,172,719	3,444,717	4,214,446
Pender County	614,380	582,600	462,327	603,000
Stephan	303,619	266,667	234,640	200,000
Praxair	47,890	53,333	29,730	40,000
	10,465,338	10,808,642	8,533,995	10,519,390

Raw Water Customer	REVENUES			
	FY 22-23 Actual	FY 24-25 Projected	FY 24-25 Actual (as of 03/31/2025)	FY 24-25 Projected
RATE PER 1,000 GALLONS	\$ 0.4000	\$ 0.4400	\$ 0.4400	\$ 0.4800
Brunswick County	\$ 2,093,344	\$ 2,522,662	\$ 1,919,536	\$ 2,621,733
CFPUA	\$ 1,706,436	\$ 1,835,996	\$ 1,515,675	\$ 2,022,934
Pender County	\$ 245,752	\$ 256,344	\$ 203,424	\$ 289,440
	\$ 4,045,532	\$ 4,615,002	\$ 3,638,635	\$ 4,934,107

RATE PER 1,000 GALLONS	\$ 0.4000	\$ 0.6600	\$ 0.6600	\$ 0.7000
Stepan	\$ 121,448	\$ 117,333	\$ 154,862	\$ 140,000
Praxair	\$ 19,156	\$ 35,200	\$ 19,622	\$ 28,000
	\$ 140,604	\$ 152,533	\$ 174,484	\$ 168,000
Combined Total	\$ 4,186,135	\$ 4,767,536	\$ 3,813,119	\$ 5,102,107

KINGS BLUFF EXPENSES	
ADMINISTRATION	\$ 860,055
OPERATING INCLUDING DEBT SERVICE	\$ 42,380,863
TOTAL EXPENSES	\$ 43,240,918

KINGS BLUFF REVENUES	
WATER SALES BASED ON CURRENT RATE	\$ 5,102,107
OTHER REVENUES	\$ 133,823
TOTAL REVENUES	\$ 5,235,930

BRUNSWICK COUNTY

PROJECTED WATER USE

FOR JULY 1, 2025 THROUGH JUNE 30, 2026

WATER RATE OF \$0.48 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2025	583,015,500.00	583,015,500.00
August	544,155,133.33	1,127,170,633.33
September	495,088,700.00	1,622,259,333.33
October	487,979,666.67	2,110,239,000.00
November	378,881,000.00	2,489,120,000.00
December	340,888,233.33	2,830,008,233.33
January 2026	365,638,533.33	3,195,646,766.67
February	322,818,022.22	3,518,464,788.89
March	389,507,411.11	3,907,972,200.00
April	459,588,488.89	4,367,560,688.89
May	535,066,811.11	4,902,627,500.00
June	559,316,233.33	5,461,943,733.33
TOTAL	5,461,943,733.33	
Annual Daily Average:	14,964,229.41	Annual Revenue
		\$ 2,621,732.99

CAPE FEAR PUBLIC UTILITY AUTHORITY

PROJECTED WATER USE

FOR JULY 1, 2025 THROUGH JUNE 30, 2026

WATER RATE OF \$0.48 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2025	299,693,954.88	299,693,954.88
August	310,099,994.98	609,793,949.86
September	334,033,887.21	943,827,837.07
October	328,830,867.16	1,272,658,704.23
November	255,988,586.46	1,528,647,290.69
December	375,658,047.61	1,904,305,338.30
January 2026	431,850,664.15	2,336,156,002.45
February	387,104,691.72	2,723,260,694.17
March	448,500,328.31	3,171,761,022.48
April	418,322,812.02	3,590,083,834.50
May	328,830,867.16	3,918,914,701.66
June	295,531,538.84	4,214,446,240.50
TOTAL	4,214,446,240.50	
Annual Daily Average:	11,546,428.06	Annual Revenue \$ 2,022,934.20

PENDER COUNTY

PROJECTED WATER USE

FOR JULY 1, 2025 THROUGH JUNE 30, 2026

WATER RATE OF \$0.48 / 1,000 GALLONS

Month	Estimated Usage	Cumulative Total
July 2025	56,000,000.00	56,000,000.00
August	54,000,000.00	110,000,000.00
September	49,000,000.00	159,000,000.00
October	46,000,000.00	205,000,000.00
November	44,000,000.00	249,000,000.00
December	47,000,000.00	296,000,000.00
January 2026	42,000,000.00	338,000,000.00
February	42,000,000.00	380,000,000.00
March	45,000,000.00	425,000,000.00
April	55,000,000.00	480,000,000.00
May	58,000,000.00	538,000,000.00
June	65,000,000.00	603,000,000.00
TOTAL	603,000,000.00	
Annual Daily Average:	1,652,054.79	Annual Revenue \$289,440.00

PERSONNEL COST

Employee	Adopted FY 24-25	Proposed FY 25-26	Notes
	Salary		
Executive Director	\$ 139,986.05	\$ 156,784.38	3%COLA/4% Merit/5% SSA
Administrative Assistant	\$ 67,040.21	\$ 75,085.04	3%COLA/4% Merit/5% SSA
Part-Time	\$ 15,000.00	\$ 15,000.00	
	<u>\$ 222,026.26</u>	<u>\$ 246,869.41</u>	
Board Per Diem and Mileage	Board		
	\$ 64,475.94	\$ 64,790.94	
	FICA		
Executive Director	\$ 11,968.81	\$ 13,405.06	8.55 % of Salary
Administrative Assistant	\$ 5,731.94	\$ 6,419.77	8.55 % of Salary
Part-Time	\$ 1,282.50	\$ 1,282.50	8.55% of Salary
Board Members	\$ 3,550.95	\$ 3,550.95	8.55% of Salary
	<u>\$ 22,534.20</u>	<u>\$ 24,658.28</u>	
	Retirement		
Executive Director	\$ 19,038.10	\$ 23,282.48	14.85%
Part-Time	\$ 9,117.47	\$ 2,227.50	
Administrative Assistant	\$ 2,040.00	\$ 11,150.13	14.85%
	<u>\$ 30,195.57</u>	<u>\$ 36,660.11</u>	
	Health Insurance		
Executive Director	\$ 21,293.00	\$ 21,293.00	
Administrative Assistant	\$ 21,293.00	\$ 21,293.00	
	<u>\$ 42,586.00</u>	<u>\$ 42,586.00</u>	
	401 K Contribution		
Executive Director	\$ 8,399.16	\$ 9,407.06	6.0% of the salary
Administrative Assistant	\$ 4,022.41	\$ 4,505.10	6.0% of the salary
	<u>\$ 12,421.58</u>	<u>\$ 13,912.16</u>	

BOARD MEMBER COST

Board Member Salaries and Mileage Reimbursement

Salary for Board Member per meeting	\$	300
Salary for Chairman Per Board Meeting	\$	330
Total Salary Costs	\$	50,760.00
Current Board Total Mileage		875
Current IRS Mileage Rate	\$	0.700 per mile
Total Mileage Cost Per Year	\$	7,350.00
Total for Budget	\$	58,110.0
Round to \$50,000 increase of committee meetings outside of normal meetings		
Social Security	\$	3,883
Breakfast	\$ 233.15 per month	\$ 2,797.80
	\$	64,790.9

BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION

Employee	Allocation		Bladen Bluffs Allocation
SALARY			
Executive Director		\$ 156,784.38	
Administrative Assistant		\$ 75,085.04	
Part Time		\$ 15,000.00	
		<u>\$ 246,869.41</u>	\$80,232.56
Board Per Diem, Mileage and Expense		\$64,790.94	\$21,057.06
VEHICLE & CELL PHONE ALLOWANCE			
Executive Director - Vehicle		\$5,200.00	
Executive Director - Cell phone		\$520.00	
		<u>\$5,720.00</u>	\$1,859.00
FICA			
Executive Director		\$13,405.06	
Administrative Assistant		\$6,419.77	
Part Time		\$1,282.50	
Board Members		\$3,550.95	
		<u>\$24,658.28</u>	\$8,013.94
RETIREMENT			
Executive Director		\$23,282.48	
Part Time		\$2,227.50	
Administrative Assistant		\$11,150.13	
		<u>\$36,660.11</u>	\$11,914.53
401K			
Executive Director		\$9,407.06	
Administrative Assistant		\$4,505.10	
		<u>\$13,912.16</u>	\$4,521.45
HEALTH INSURANCE			
Executive Director		\$21,293.00	
Administrative Assistant		\$21,293.00	
		<u>\$42,586.00</u>	\$13,840.45
		\$ 435,196.91	\$141,439.00

BLADEN BLUFFS ADMINISTRATIVE COST CALCULATION CONTINUED

ATTORNEY	\$	19,500
ENGINEER	\$	25,000
AUDITOR	\$	2,850
INFORMATION TECHNOLOGY	\$	4,800
ADMINISTRATIVE COST FROM FIRST SHEET	\$	<u>141,439</u>
	\$	193,589
INSURANCE PROPERTY & LIABILITY		
Total cost of Property and Liability Insurance is \$94,301		
Bladen Bluffs share is		
based upon percent		
	\$	<u>51,948</u>
Total Annual Admin Cost	\$	245,537

BLADEN BLUFFS OPERATING BUDGET

Bladen Bluffs Budget FY 2023-24	FY 2023-2024	FY 2024-2025	FY 2025-2026
Sales Tax	\$100,000.00	\$105,000.00	\$135,000.00
Administrative LCFWASA	\$110,000.00	\$213,798.00	\$245,537.00
Administrative General	\$62,000.00	\$62,000.00	\$62,000.00
Audit	\$2,800.00	\$2,800.00	\$2,800.00
Insurance	\$27,500.00	\$36,566.00	\$51,948.00
Professional Services	\$98,000.00	\$98,000.00	\$98,000.00
Professional Services Engineering	\$30,000.00	\$25,000.00	\$25,000.00
Postage	\$810.00	\$1,000.00	\$1,000.00
Training	\$1,500.00	\$12,500.00	\$12,500.00
Computer/IT	\$32,000.00	\$43,500.00	\$43,500.00
Fuel Diesel	\$29,000.00	\$15,000.00	\$15,000.00
Fuel Gas	\$10,000.00	\$5,000.00	\$5,000.00
Equipment Rental	\$90,000.00	\$35,207.00	\$35,207.00
Utilities Water	\$1,000.00	\$1,000.00	\$1,000.00
Building Maintenance	\$4,400.00	\$12,000.00	\$12,000.00
Grounds Maint./Landscaping	\$340.00	\$15,000.00	\$15,000.00
Equipment Maintenance	\$250,000.00	\$200,000.00	\$200,000.00
Departmental Supplies	\$1,650,253.00	\$1,500,000.00	\$1,300,000.00
Departmental Supplies/Parts	\$170,000.00	\$75,000.00	\$82,204.00
Lab Expenses	\$122,000.00	\$135,000.00	\$135,000.00
Permitting	\$140,000.00	\$55,000.00	\$55,000.00
Environmental/Livestock Safety	\$17,000.00	\$15,000.00	\$15,000.00
Land Application	\$275,000.00	\$275,000.00	\$275,000.00
Capital Expense	\$40,000.00	\$50,000.00	\$50,000.00
Capital Reserve General		\$0.00	\$350,000.00
Capital Reserve Vehicle	\$12,000.00	\$39,600.00	\$41,580.00
Capital Reserve Scada	\$52,000.00	\$99,000.00	\$103,950.00
Capital Reserve GAC	\$360,000.00	\$435,600.00	\$457,380.00
Capital Reserve Water and Well	\$148,000.00	\$237,600.00	\$249,480.00
Debt Service Principal	\$970,000.00	\$1,035,000.00	\$1,115,000.00
Debt Service Interested	\$450,000.00	\$500,000.00	\$480,000.00
Total	\$5,255,603.00	\$5,335,171.00	\$5,670,086.00

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OPERATING FUND CAPITAL EXPENDITURES AND TRANSFERS

EQUIPMENT TO BE REPLACED	REPLACEMENT COST
VFD COMPONENT REPLACEMENT	\$ 280,000
SCADA	\$ 125,000
VTR PUMP/INSPECT REFURBISH	\$ 200,000
NEW BOWL ASSEMBLY	\$ -
ANTI VORTEXING	\$ 50,000
UPDATE RATE STUDY	\$ -
ROW ACQUISITION	\$ 100,000
MATCHING SRF FUNDING	
FOURTH PUMP	\$ 5,800,000
WALKWAY REPLACEMENT AND AIR BACKWASH	\$ 4,200,000
UTILITY TRUCK WITH BODY	\$ 66,000
MISCELLANEOUS	<u>\$ 30,000</u>
TOTAL	\$ 10,851,000

**LOWER CAPE FEAR WATER AND SEWER AUTHORITY
5 YEAR CAPITAL IMPROVEMENT PLAN**

KINGS BLUFF CIP PROJECTS		0.33	0.36	0.4	0.44	0.48	FY 25-26 PROJECT TOTALS	
		FY21-22	FY22-23	FY23-24	FY24-25			
INTERMEDIATE BOOSTER PUMP STATION SHELTER	\$	-	\$	-	\$	-	\$	-
SURVEYING	\$	-	\$	-	\$	-	\$	-
VFD	\$	266,875.00	\$	266,875.00	\$	-	\$	813,750.00
VTR PUMP	\$	-	\$	200,000.00	\$	200,000.00	\$	600,000.00
ROW MAINTENANCE	\$	-	\$	35,000.00	\$	65,000.00	\$	232,000.00
ROW CLEARING	\$	-	\$	-	\$	-	\$	-
SCADA UPGRADE	\$	-	\$	-	\$	125,000.00	\$	250,000.00
REBUILD EXISTING HIGH SERVICE PUMP MOTORS/INSPECT	\$	-	\$	275,000.00	\$	-	\$	275,000.00
PURCHASE BOWL ASSEMBLY			\$	250,000.00				
48" PARALLEL LINE LAST 10 MILE SECTION			\$	2,000,000.00	\$	20,000,000.00	\$	48,000,000.00
ANTI VORTEXING	\$	-	\$	50,000.00	\$	50,000.00	\$	200,000.00
INDEPENDENT RATE STUDY	\$	-	\$	57,000.00	\$	-	\$	57,000.00
ROW ACQUISITIONS	\$	-	\$	100,000.00	\$	100,000.00	\$	400,000.00
4TH PUMP	\$	-	\$	225,000.00	\$	-	\$	225,000.00
REPLACE GENERATOR RADIATORS	\$	-	\$	-	\$	-	\$	-
WALKWAY REPLACEMENT AND AIR BACKWASH BUILDING	\$	-	\$	226,360.00	\$	2,180,000.00	\$	6,606,360.00
4TH PUMP					\$	5,800,000.00		
UTILITY TRUCK WITH BODY	\$	122,000.00	\$	30,000.00	\$	30,000.00	\$	312,000.00
PIG 48" WATER MAIN TO CFPUA/PENDER	\$	-	\$	-	\$	-	\$	-
TOTALS KINGS BLUFF PROJECTS		\$388,875.00	\$	681,875.00	\$	3,378,360.00	\$22,750,000.00	\$57,971,110.00

KINGS BLUFF CIP-SOURCES		FY 2022	FY2023	FY 2024	FY 2025	Source Totals	
OPERATING CAPITAL	\$	388,875.00	\$	681,875.00	\$	2,645,466.00	\$ 8,096,776.00
CAPITAL RESERVES	\$	-	\$	-	\$	104,534.00	\$
DEBT PROCEEDS	\$	-	\$	-	\$	-	\$
GRANT	\$	-	\$	-	\$	20,000,000.00	\$ 20,000,000.00
OTHER SOURCE			\$	2,057,000.00	\$	33,762,800.00	\$ 35,819,800.00
TOTAL KINGS BLUFF SOURCES		\$388,875.00	\$681,875.00	\$3,378,360.00	\$22,750,000.00	\$36,822,000.00	\$63,916,576.00