



Rockdale Water Resources

RWR – 2014 ANNUAL REPORT





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Greetings from the Director



Dwight Wicks, BS, MBA
Director, Rockdale Water Resources

Dear RWR Customers:

On behalf of Rockdale Water Resources (RWR) I am pleased to present the sixth edition of the RWR Annual Report. The 2014 report was compiled by RWR staff and features departmental operational highlights and financial results associated with our providing water utility services for Rockdale County, Georgia.

The water industry's attention during the report period remained focused upon two critical issues – the availability of drinking water and the sustainability of reliable water utility services. RWR addressed both issues in 2014 by way of continuing to initiate its strategic plan and initiatives to meet our customers' expectations. Details of our accomplishments as contributed by each of the six RWR Divisions are included within the report.

RWR is totally committed to providing you – our customers – with sustainable, available, environmentally compliant and reliable water utility services at affordable rates.

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Sincerely,

Dwight Wicks

Dwight S. Wicks – Director- Rockdale Water Resources



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RWR –Water & Sewer Authority



Rockdale County Water & Sewerage Authority (WSA) is a seven member board that is appointed by the Rockdale County Board of Commissioners for a maximum term of two three year terms. As of the end of 2014 there was one vacancy on the board and six active members. Authority members receive no compensation for this important community service.

Rockdale County Water & Sewerage Authority continued to build upon the success initiated in 2013 with new faces in familiar positions within the Authority in 2014. Personnel changes within the WSA included William (Bill) Murrain elected as president; Elaine Nash elected as secretary; and the resignation of Darrell Thomas as a board member. The offices of vice –president and treasurer were retained by way of the reelection of David

Shipp and Chip Hatcher respectively.

The WSA also serves as Fiduciary Trustee on a number of bond issues totaling \$ 98,770,000, which were promulgated by the county to fund its water sewer operations and maintenance. We serve as a liaison between RWR and the residents as an added effort to reach out to and educate the community on relevant water sewer matters.

The WSA conducted eight (8) public meetings during 2014 and focused upon providing as well as generating support to sustain our valued water resources and facilities through public education, participation and assistance in providing community awareness. The WSA supported and/ or participated in conjunction with Rockdale Water Resources in the following programs and initiatives in 2014:

WSA Community Participation & Support

Conyers/ Rockdale Leadership Collaborative meetings

Metropolitan North Georgia Water Planning District- Ocmulgee Basin Advisory Committee

Rivers Alive Community Cleanup

Toilet Rebate Program for Residential Customers

WSA Support for RWR Programs

2011 SPLOST funded water line replacement projects

2016 SPLOST funding support for RWR’s Capital Program

Multi-Year Radio Read Water Meter replacement and upgrade project

Large Commercial Water Meter replacement project

Asset Management Program

Water Quality Monitoring & Protection within the Rockdale Watershed

Deputy Director's Summary



Terrell Gibbs, Ph.D., P.E.
Deputy Director of Operations & Engineering

OPERATIONS AND ENGINEERING DIVISIONS

Rockdale Water Resources (RWR) operates six water treatment facilities that are responsible for the processing of potable water and reclaimed wastewater. RWR Support service divisions are responsible for the distribution of the potable water and collection of wastewater from our customer locations.

To ensure seamless delivery of these water utility services – RWR management implemented a Strategic Management process beginning in 2009. For the year 2014 utility operational and service results are featured below as they related to strategic objectives.

- **Compliance** - Water and wastewater divisions received platinum awards for 100% environmental compliance with Georgia Environmental Protection Division requirements.
- **Business Development** - Establishment of a new contractual utility service agreement with Pratt Industries – our largest industrial water utility consumer
- **Technology** – Continued implementation of radio read smart water meters within our water service districts
- **Customer Service** - Continued advancements in customer service assistance provided by way of implementation of new and state-of-the art account management technology.
- **Workforce Skills Development & Maintenance** - Licenses and re-certification of over 60% of RWR's operational staff
- **Environmental Stewardship** - Development of water conservation initiatives and financial incentives for homeowners who implemented water conservation measures.
- **Asset Management**- Funding and implementation of select water and sewer infrastructure replacement projects
- **Fiduciary Responsibility** - Continued and significant reduction of delinquent accounts while investing in financially rewarding capital facilities replacement projects to address the decline in the utility's physical assets.



RWR – Central



Charmain Griffiths
Central Maintenance Operations Manager

The Central Maintenance Division is a support branch of RWR. Its main function is to perform maintenance on the water and wastewater system throughout Rockdale County.

The division is divided into two units; Distribution and Collections and daily tasks include the upkeep of:

- water mains,
- service lines,
- fire hydrants,
- valve installation and exercising,
- meter installation and general maintenance,
- sanitary sewer cleaning,
- manhole installation and inspection,
- CCTV inspection,
- easement clearing and general maintenance,
- lift station inspection and maintenance
- landscape property restoration,
- GA 811 Utility Locate services

Central Maintenance has personnel available 24 hours a day, 7 days a week, to respond to emergency calls by residents.



2014 was an exciting and productive year for Central Division. We adopted the term “synergy” as our watchword and focused our attention on two main areas – **Planning and Training**.

Planning

We streamlined our planning efforts in order to increase efficiency and productivity at Central. The results were as follows:

- The Call Center processed over 17,000 work orders.
- The Warehouse restructured its restocking procedure and improved on getting the required materials on the shelves in time
- The Collection System area was reorganized, and a new Assistant Superintendent was assigned. This move is geared towards improving the County’s Inflow and Infiltration (I & I) efforts. Inspections of the County’s Lift Stations were also taken over by Collections Systems with weekly checks being conducted.
- The Distribution system continued to excel in its delivery of service. The radio read meter exchange program for district 4 resumed in October, and in its effort to reduce leaks in trouble areas, twelve (12) Cul-de-sacs were renewed with copper material for the year.

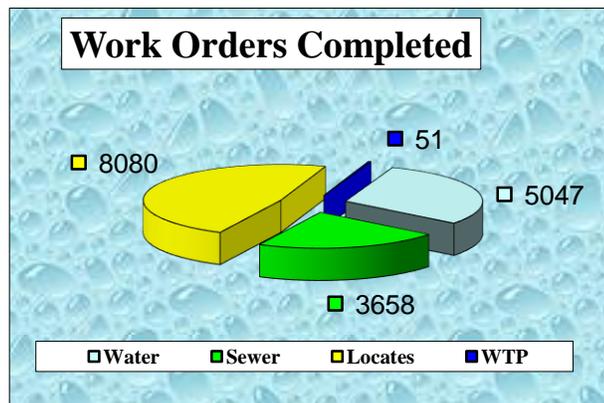
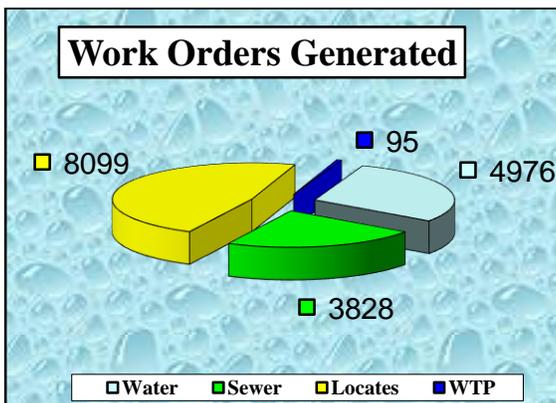
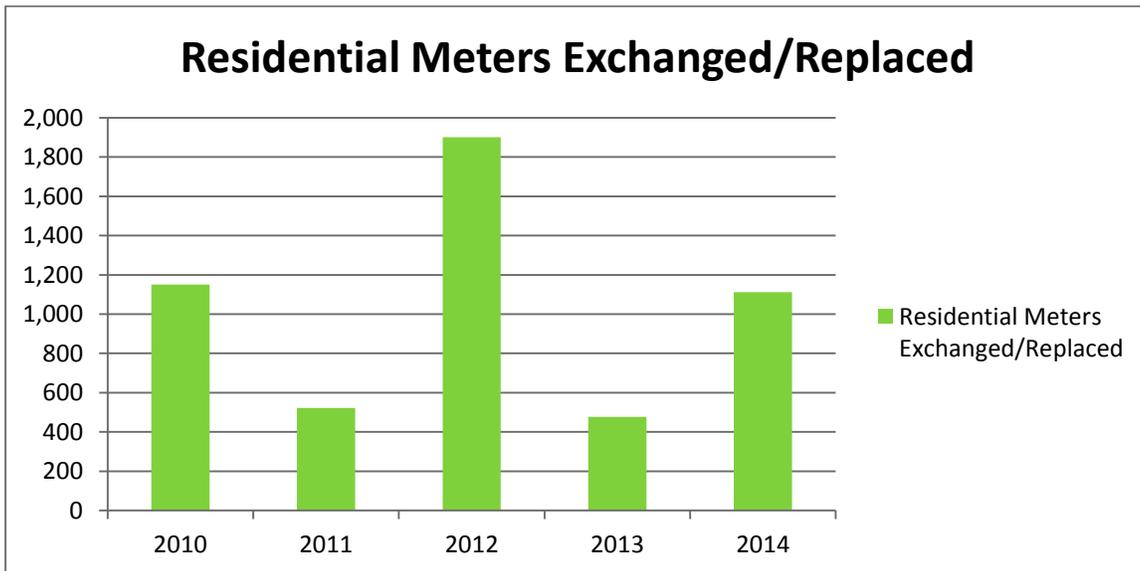
Training - We took training to another level at Central for 2014. We invited both internal and external help in the process.

- Guided tour of all RWR facilities to familiarize staff with the overall operations
- Supervisory directed training to improve efficiency: Damage prevention/recording; Flow monitoring; Leaving job sites in a “customer-friendly” manner and the Workings of Lift Stations
- Soft Skilled Training: Communication, Teamwork, Resolving Conflict
- Cross-training within Collection/Distribution areas
- Certification classes: Erosion Control, Utility Damage Prevention, Confined Space Entry
- GAWP Fall Conference – 4 employees attended
- GWWI Maintenance Technologist Training – 1 employee obtained the Level IV license

We look forward to continued improvement and “synergy” in 2015 as we endeavor to challenge RWR Central to operate at its maximum potential.

RWR-Central Tables & Charts

Performance Indicators	2010	2011	2012	2013	2014
Residential Meters Exchanged/Replaced	1,150	522	1901	476	476
Large Meters Exchanged/Replaced (2" and Above)	26	14	24	0	0
New Service-Residential (5/8" – 1.5")	156	55	86	104	104
New Service-Large Commercial/Industrial/2" and Above	2	2	2	2	2
Work Orders Generated	17,443	15,423	16,436	16,717	4976
Work Orders Completed	17,289	15,371	16,327	16,669	5047





Pavel Vayner
Engineering Manager

Engineering division responsible for the following areas:

1. Planning and managing capital improvement projects.
2. In-house design of a variety of projects.
3. Maintaining water and sewer maps.
4. Surveying and mapping existing infrastructure.
5. Developing and maintaining water and wastewater models.
6. Flow monitoring collection system for Inflow & infiltration reduction.
7. Preparing Requests for Proposals and contract documents.
8. Developing Water & Wastewater Standards and Specifications.
9. Reviewing development plans.
10. Inspecting construction of private development projects.
11. Managing wastewater capacity sale.
12. Selling new water meters to Rockdale customers.
13. Troubleshooting problems of new radio read meters.
14. Assisting internal and external customers.

ENGINEERING



Raw Water Intake VFD

The Engineering Division had another successful year in 2014. Among some of the accomplishments of the Division were the replacement of 35,251 feet of water lines under the SPLOST program and the replacement of filter number 4 at the water treatment plant.

The Engineering Division also completed flow monitoring for inflow and infiltration in the Almand Branch Basin along with the design and construction of the Old Covington sanitary sewer.

The Engineering Division was able to complete all of its 2014 projects within or under the allotted budget, resulting in a total savings of \$670,823.

2014 DESIGN PROJECTS

PROJECT NAME	% COMPLETE
Hypochlorite Unit Replacement	100%
ARC Flash Study	100%
Hightower Water Storage Tank Mixing System	100%
Old Covington Sanitary Sewer Line Extension	100%
New Water Tank Geotechnical Report	100%
DeKalb Pump Station Easement Acquisition	50%

2014 RFP/ BID DOCUMENTS

PROJECT NAME	% COMPLETE
Hypochlorite Unit Replacement	100%
Critical Crossings Evaluation	100%
SSES (Sanitary Sewer Evaluation Survey) for Almand Branch Basin	100%
Old Covington Sanitary Sewer Line Extension	100%
Sewer Jetter	100%
Hightower Water Storage Tank Mixing System	100%
Biogas Utilization Study (UASB)	100%

2014 CONSTRUCTION PROJECTS

PROJECT NAME	% COMPLETE
SPLOST Group 1	100%
SPLOST Group 2	100%
SPLOST Group 3	100%
Old Covington Sanitary Sewer Line Extension	100%
Filter # 2 Media replacement	100%
Belt Press Support Remediation	100%
Rockbridge II Pump Station Force Main Replacement	100%
Raw Water Intake VFD Installation	95%



RWR – Water Treatment Plant (WTP)



Vernoy Murray
Water Treatment Plant Manager (Interim)

This facility has several special features that are unmatched to many water treatment facilities in the state. It has an on-site raw water reservoir that will contain 22.5 million gallons of water. The water is pumped into this reservoir from the River Intake Structure. Other features include on-site Sodium Hypo-chlorite generation, on-site Ozone generation, two Super- Pulsator Units, a sludge disposal system that pumps to the wastewater treatment plant, and a very elaborate automated computerized control operation system.

The operational staff is tasked with controlling six different unit processes that are vital to the safe production of the drinking water. In the pre-treatment phase at the raw water reservoir, potassium permanganate is feed to control high iron and manganese levels in the source water. Solar Bees, floatation devices that churn the water in the reservoir, will further decrease high iron and manganese levels, by exposing deeper depths of the raw water to the atmosphere, therefore oxidizing these minerals. Coagulation is the next unit process, where the primary coagulant, poly aluminum chloride is added, along with sodium hypo-chlorite, pre-lime and a cationic polymer. In the clarification phase, a suspended sludge blanket is formed in the Super-pulsator units that remove organic and inorganic material from the treated water in an up-flow direction. The sludge that is formed is pumped to the wastewater treatment plant for treatment and disposal. Ozonation is the next unit process where ozone is incorporated with the clarified water, killing all pathogenic bacteria and viruses. From the ozone chambers, the water is channeled to the next unit process, which is filtration. In the filtration phase, the treated water is filtered through a combined 3840 square feet area of granular activated carbon filter media, further removing turbidity, organics, in-organics, bacteria, and viruses. In the last unit process, post chemicals are added to the finished product. Fluoride, chlorine, lime and poly-orthophosphate are added before the finished product is pumped out to the distribution system.



The water treatment staff has managed to achieve several prominent awards from professional organizations and have made Big Haynes Creek Water Treatment Plant one of the major recognized water treatment facilities in the state of Georgia. Treatment plant recognition from Georgia Association of Water Professionals Platinum Awards and received a Sanitary Survey score of 93.6% from the Georgia Environmental Protection Division.

The water plant is one of the divisions which provide residents with safe drinking water. There are other divisions that offer support for the water treatment plant, such as RWR administration, central maintenance, customer service, water supply and engineering. The water treatment division is subdivided into five different sections; administration, plant operations, laboratory, distribution operations and maintenance. The subdivided all work together, as a team, to provide the best quality of drinking water for the residents of Rockdale County.



Administration at the plant includes the administrative assistant, Hilaree Hays and the water plant superintendent, Vernoy Murray. Together they are responsible for all administrative tasks, such as, management, procurement, customer calls, reporting, etc. Hilaree Hays has been employed with RWR for four years, and is a model employee. Vernoy Murray oversees two divisions; water plant laboratory and distribution operation.



In the Water laboratory, Jeff Cawley is the sole employee. He is responsible for all compliance sampling and analysis. He collects tests, and analyzes at least seventy-five microbiological samples per month along with any mandatory sampling required by the Georgia Environmental Protection. Jeff is a very dependable employee, with many years of experience.



Distribution operation is another section that is governed out of the water treatment. Thedartis Demps is the distribution coordinator. He supervises two employees, Rian Collins and Tommy Hampton. They are responsible for the water after it leaves the plant. They flush hydrants, operate the storage tanks and pumping facilities, collect water quality samples, and field customer complaints. They serve a vital function, bridging the gap between the organization and the customers.



Plant operation is supervised by two class I chief operators, Timothy Check and Andrew Churchwell. Together, they are responsible for the day to day activities at the plant. They supervise a total of six employees who operate six units' processes; coagulation, flocculation, clarification, ozonation, filtration and post treatment to assure safe drinking water. Class II operators are Keith Fisher and Curtis Whitman and the Class III operators are Lonnie Hudson and Tammy Hawkins. They work around the clock on rotating schedules for 365 days of the year and they do an outstanding job which is evident from the EPD Monthly Report.



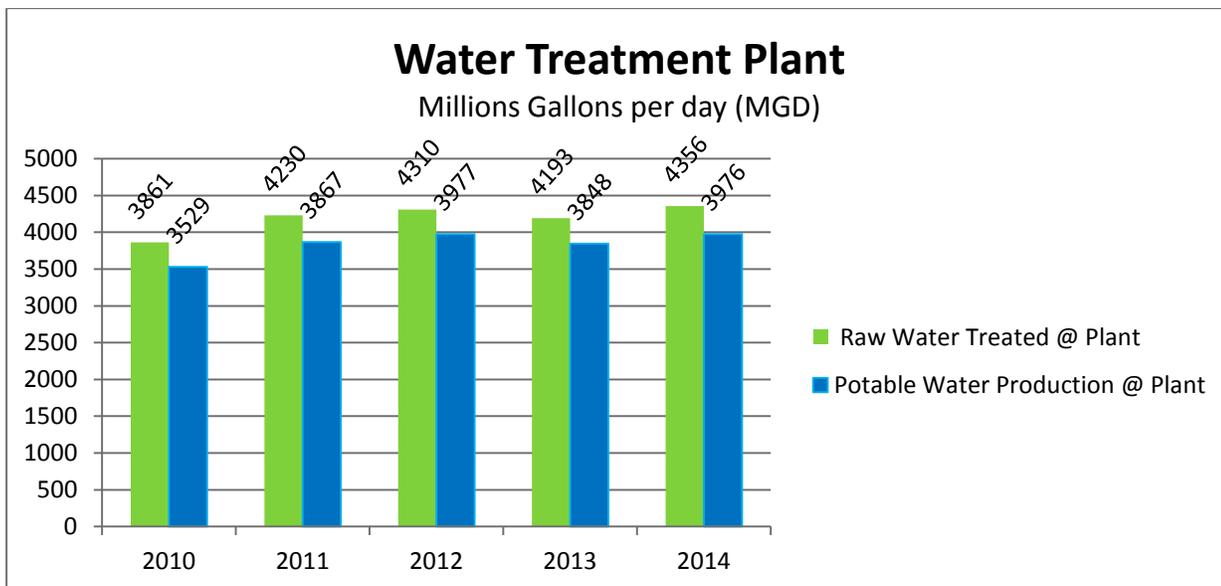
In the maintenance section, Hugh Pannell is the mechanical maintenance supervisor. He has one employee. George Archer, a mechanical maintenance technician. Together, they handle all maintenance activities of the plant and distribution system. They are available and on call for 365 days of the year. These two employees work great as a team and they can handle almost anything that needs maintenance attention. They are certainly valuable assets to RWR.

RWR-WTP Tables & Charts

Water Treated at Plant	Daily Average *(MG)	Monthly Average *(MG)	Total Year To Date *(MG)
2010	10.64	329.74	3861.13
2011	11.58	352.49	4229.83
2012	11.77	359.13	4309.58
2013	11.48	349.45	4193.40
2014	11.97	362.97	4355.58

Water Treated & Discharged to the Distribution System	Daily Average *(MG)	Monthly Average *(MG)	Total Year To Date *(MG)
2010	9.51	294.81	3529.47
2011	10.73	322.29	3867.48
2012	10.86	331.45	3977.45
2013	10.54	320.65	3847.78
2014	10.89	331.36	3976.37

Number of Violations at the Water Plant	Total Number
2010	0
2011	0
2012	0
2013	0
2014	0



RWR – Water Supply



Deirdre Blackard
Water Supply, Compliance &
Technical Services Manager

The Water Quality, Compliance, and Technical Services department is responsible for monitoring the health of the watershed in which Rockdale County can be found, examines source water quality, operates public outreach and education initiatives, manages the Randy Poynter Reservoir and maintains the Jack Turner Dam.

This department is also responsible for ensuring Rockdale Water Services remains in compliance with all enforcement and auditing entities like the MNGWPD (Metro North Georgia Water Planning District) and EPD (Environmental Protection Division).

Technical Services develops and manages asset management, condition assessment, and preventive maintenance programs, and produces and implements quality management protocols, process control, efficiency and technology improvements throughout Rockdale Water Resources departments.



Rockdale County residents benefit greatly from having Randy Poynter Reservoir and Jack Turner Dam in the north of the county. Randy Poynter Reservoir is a 650 acre lake that supplies the city and county with its drinking water and provides recreational opportunities that enhance resident's quality of life. Rockdale Water Resources is responsible for maintaining the integrity of the Jack Turner dam and ensuring that Rockdale has a sustainable water supply. The Water Supply Division of Rockdale Water Resources is responsible for watershed monitoring, water quality monitoring, state compliance, safe dam inspections, maintenance and oversight.



The watershed monitoring program is designed to meet the requirements of the Metropolitan North Georgia Water Planning District. The overall goal is to maintain water quality standards in water bodies throughout the district. Elements include long-term ambient trend monitoring, dry weather illicit discharge screening, commercial/industrial inspections, monitoring for assessing TMDL implementation or delisting and biological and habitat assessments. Rockdale Water Resources utilizes many sources for monitoring, including the USGS (United States Geological Survey), specialized Contractors, and internal resources. Preliminary trending indicates that our streams and water bodies have improved over the years, and we will continue to monitor problem areas within the County for continued improvement. The reservoir remained at or above full pool level, so no conservation measures were implemented in 2014.

Safe Dam Inspections are required and are conducted every two years. These inspections are performed to ensure the structural integrity of the dam has not altered over time, confirm all components (gates, orifices, dissipaters, etc.) are in good condition for operation, maintain adequate and suitable vegetation on the embankment and to ascertain any seepage on the downstream slopes of the dam does not exceed normal amounts. Any erosion, surface cracks, seepage, settlement or movement is reported to EPD. RWR personnel perform internal visual inspections of the dam each quarter, and we have a new geotechnical survey inspection scheduled for 2015.

The maintenance of the dam is an ongoing program to prevent growth of trees and brush on the embankment of the dam and the spillway system, to prevent and ensure all accumulation of debris, obstructions and other materials are removed so that operations are not impaired. In 2015, Rockdale Water Resources will be piloting a project for vegetation removal using herbivores. If this green alternative is a viable economic alternative with no impact on water quality, then that's right, you may see goats on your dam!

RWR – Wastewater Treatment Plants (ESG Operations)



Ed Biskis
Project Manager ESG Operations

ESG operates and maintains five wastewater treatment plants, 28 pump stations and one industrial pretreatment facility for Rockdale Water Resources. Wastewater treatment processes vary by facility but as a whole utilize a carefully maintained amount of specific bacteria to feed on the components of the raw wastewater that would quickly degrade the water quality in Rockdale County. After aerobic treatment the water is further treated (settled and in two facilities filtered) and then disinfected prior to discharge to existing surface waters (Yellow River, Scott Creek, Honey Creek, and Almand Branch tributary to the South River). The industrial pretreatment facility uses an anaerobic process to remove over 90% of a high strength waste for a major local industry before entering the Quigg Branch WPCP.



Platinum Awards

The Almand Branch WPCP received a Platinum award for achieving six consecutive years of 100% operational permit compliance. This is major feat due to the number of opportunities that exist for non-compliance in any one year and to realize this facility is 43 years old.

Gold Awards

The Quigg Branch, Snapping Shoals and Scott Creek WPCPs received a Gold award for achieving 100% operational permit compliance for 2014. The average age of these facilities is over 20 years old with two of the plants built originally by land developers.

UASB Operation

The UASB operation faced numerous operational challenges due to four BioBond effluent chemistry changes by Visy/Pratt in addition to the beginning of major process changes at the pretreatment facility (finalized in early 2015).

Major Facility Repairs



Through self-performed work (e.g. only direct replacement/repair parts), ESG saved RWR \$500,000 (or more) in 2014 including the following major projects:

- Almand Branch WPCP – Aerator upgrades and repairs (all basins)



- Quigg Branch WPCP – Aerator repairs, submersible pump replacements, filter feed pump bearing replacements and innumerable smaller self-performed projects.



- UASB – With the assistance of an epoxy application subcontractor, the existing UASB sludge holding tank was relined in 2014.
- Honey Creek WPCP – One of the two final clarifier mechanisms was repaired by ESG personnel (repair part costs only). Additionally, a blower call-out alarm was added to this facility to ensure we maintain adequate aeration capacity for the treatment process.



- Some of the 28 RWR pump stations were repaired with work ranging from overhead crane repair to pump rebuilds and control system replacements.

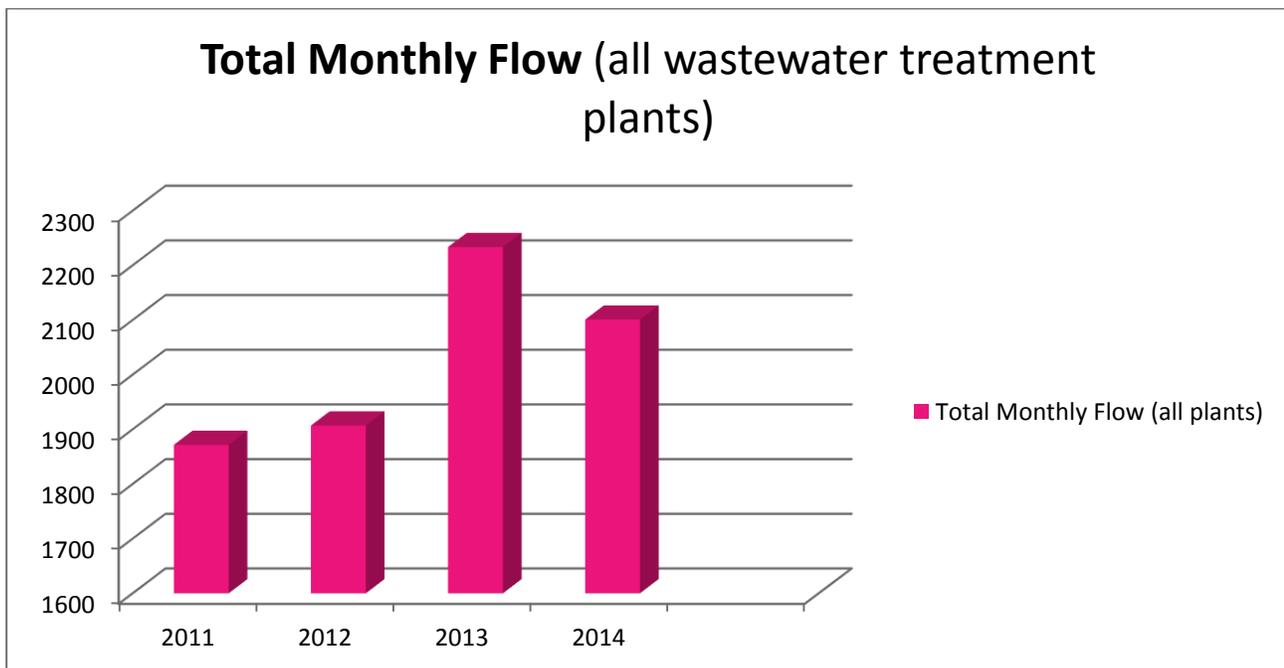
RWR-WWTP Tables and Charts

Gallons Treated at Wastewater Plants	Daily Average *(MG)	Monthly Average *(MG)	Total Year to Date *(MG)
2010	5.12	156.00	1871.95
2011	5.12	155.75	1869.04
2012	5.13	158.91	1906.88
2013	6.12	186.10	2233.21
2014	5.83	175.04	2100.58

Total Solids (in tons)	Daily Average	Monthly Average	Total Year to Date
2010	35.57	1081.92	12983.05
2011	27.95	850.04	10200.46
2012	25.13	779.13	9349.50
2013	25.68	781.01	9372.06
2014	32.4	997.01	11964.07

Violations at Wastewater Plants	Total Number
2010	26
2011	0
2012	1
2013	4
2014	0

2014 Wastewater Plant Raw & Finished Water (total wet tons)



Executive Summary – Customer Service

We've had another great year in the Customer Service Division by continuing to improve both internally with staff training as well as externally by providing better customer service. Our overall Operations have improved significantly as we continue to tweak and refine the way we do business. Many of these improvements are as follows:



General Manager of Customer Service & Business Affairs

BUSINESS SUPPORT – REVENUE LOSS PREVENTION, EFFICIENCIES AND CUSTOMER ENHANCEMENTS

Collections

- Collected \$383,995 thru internal & external efforts
- Saved \$97,631 thru internal collection efforts versus using 3rd party collection agency
- Collected \$19,542 from attorneys on homes purchased with delinquent account

Aged Receivables

- Reduced 21-151 days by \$246,129 or 24%
- Reduced 151 days by \$232,798 or 49%
- Bad debt expense was +1.8% due to collections efforts
- No change to \$300,000 bad debt expense budget

Customer Service Business Trends

Due to our preventative account receivable measures, 3% of our customer now pay on time in 2014(32%) vs. 2013(35%). One of the main measures include, disconnecting customers for non-payment.

Revenue Watch Program

The Revenue Watch Program was expanded to include accounts equal to 30% of total revenue billed in 2014. The revenue for these accounts increased by \$1.7million mainly due to meter testing accuracy & rate increase.

Gas Reduction Program

All County gas utility accounts were reduced thru a gas audit performed by a competitive vendor which lowered gas utility cost by \$120,000.

CUSTOMER SERVICE OPERATIONS

Continuous Leak Pilot Program

During 2014 we added better service value to our customers by contacting 668 customers and informing them of a potential continuous leak at their location. This program is invaluable in savings to our customers.

Customer Satisfaction

In 2014 customer complaints were drastically reduced to .03%, which is a good accomplishment considering we communicate with over 10,000 customers on a monthly basis either over the phone or in person. Also, based on research good customer service can be considered .5% of total customers contacted, so we are certainly moving in the right direction by providing improved customer service. Nevertheless, on a daily basis we are striving to reduce complaints and make each customer experience pleasant and productive.



RWR – Customer Service



Teresa Jacobs
Customer Service Manager

2015 Customer Service Overview

The Customer Service is comprised of three departments – Meter Reading, Billing and Customer Service.

Meter Reading Staff is responsible for reading all of the meters across the county. There are approximately 28,000 meters in the ground. They complete approximately 5,500 work orders a month. They disconnect approximately 300 customers a month for non-payment. They monitor all vacant accounts for any activity of usage. They are also responsible for auditing the meters that have stopped functioning and initiates the replacement of the meters to prevent loss revenue.

Billing Department Staff is responsible for processing the billing statements for all customers on a monthly basis. They process an average of 25,500 statements each month. The average billing is \$2 - \$2.4 million. They process and mail an average of 3,000 disconnection notification to customers each month. They process an average of 600 work orders each month. They close out an average of 600 customer accounts a month and processes the final bills. They are responsible for processing all leak adjustments and credits to the customer accounts.

Call Center Staff receives an average of 5,000 calls a month. They also process an average of 300 new service applications per month. Each applicant social security number is verified through the Online Utility verification process. They dispatch an average of 300 reconnections of services to the Meter Readers each month. They are responsible for processing an average of 250 customer account adjustments each month. They supply radio read meter data as requested by the customers to assist in possible leak detection. They work through the returned mail by researching and resolving any issues.

Front Line Staff process an average of 5,811 payment transactions a month. They process an average of 300 new service applications per month. They establish all Landlord Accounts, process all new meter taps and process all Hydrant Meter rentals. They work with customers who need their well water tested and supply the kits for testing. They supply radio read meter data as requested by the customers to assist in possible leak detection. They work through the returned mail by researching and resolving any issues. They are responsible for filing all new service applications and new meter tap paperwork. All paperwork is scanned and attached to each customer's account in an effort to become less reliant on paper documents.



2014 was a very productive year in Customer Service. The department values our customers and we strive to serve them with professional and courteous service by providing a quality experience. We continue to research new processes, technologies and cost efficiencies which will provide improved delivery of services to our customers.

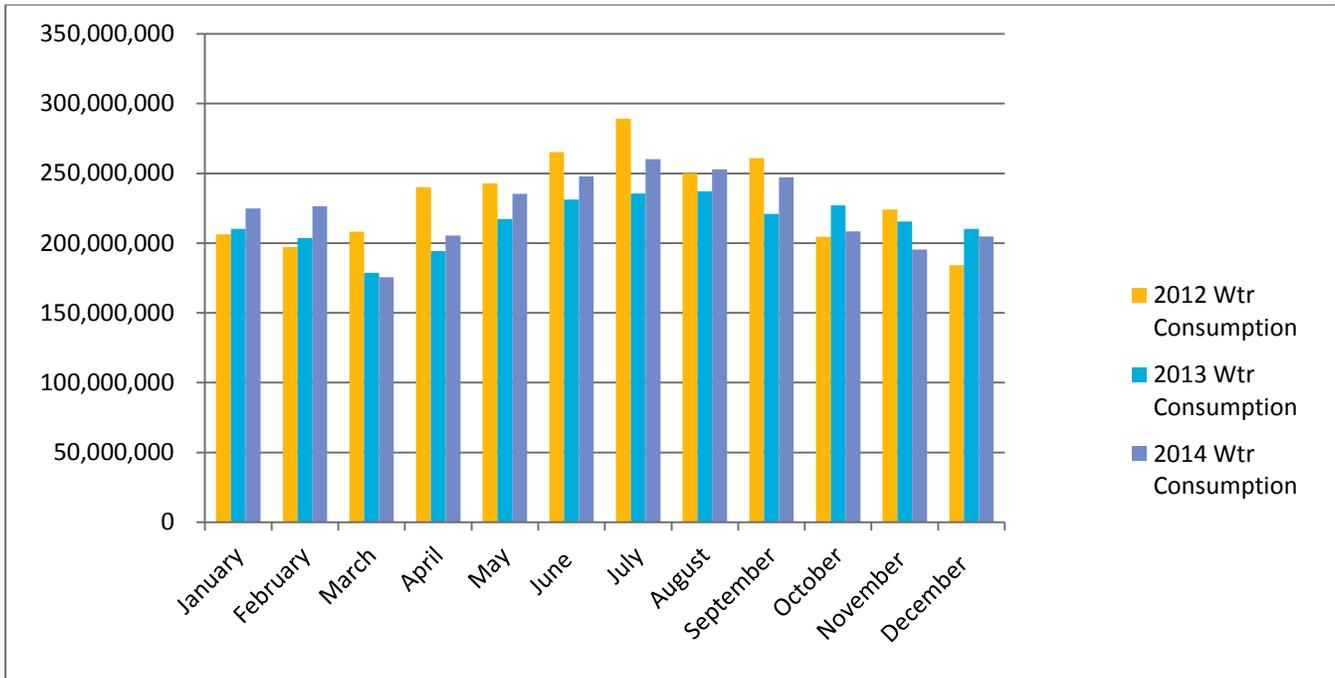
- We developed a new Spanish Version of our New Customer Brochure. This brochure is very informative to our customers on how RWR conducts business and services we provide.
- We automated our check processing system to electronically deposit the funds directly into the bank. The checks no longer need to be taken to the bank for deposit and this saves time in our daily processing.
- Our Meter Reading department implemented an audit for non-revenue producing meters. There was a total of 117 meters that were replaced which over a twelve month period could potentially produce additional revenue of \$85,000 +.
- The Meter Reading department reduced the number of meters that had to be re-read by 49% from 2013. This increase in efficiency is due to the staff becoming better trained and improved accuracy levels.
- We implemented a technology communication pilot program in Meter Reading by providing two meter readers with iPhones. The Customer Service and Billing departments were able to communicate via email with the meter readers throughout the day instead of having to call them on the phone. This proved to be an efficient method of communication and a source of accountability for the staff with daily requests. We will fully implement this program in 2015 with all meter readers.
- The Toilet Rebate program was successfully implemented in November 2014. The program received a positive response from our customers. We processed rebates for \$2,500 for our customers in 2014.
- We had a 7% increase in the number of disconnection notifications that were mailed to our customers.
- We had a 7% increase in the number of inbound calls to the Call Center which were a result of the increase in disconnection notifications.
- The number of actual disconnections for non-payment decreased by 10% from 2013.
- The method that payments were received changed slightly this year. We saw a 9% reduction in the mail and night drop payments. There was a 7% increase in the automated payment methods (bank draft, checkfree, online and pay-by-phone). The number of payments from walk in customers and from the call center remained steady from 2013.



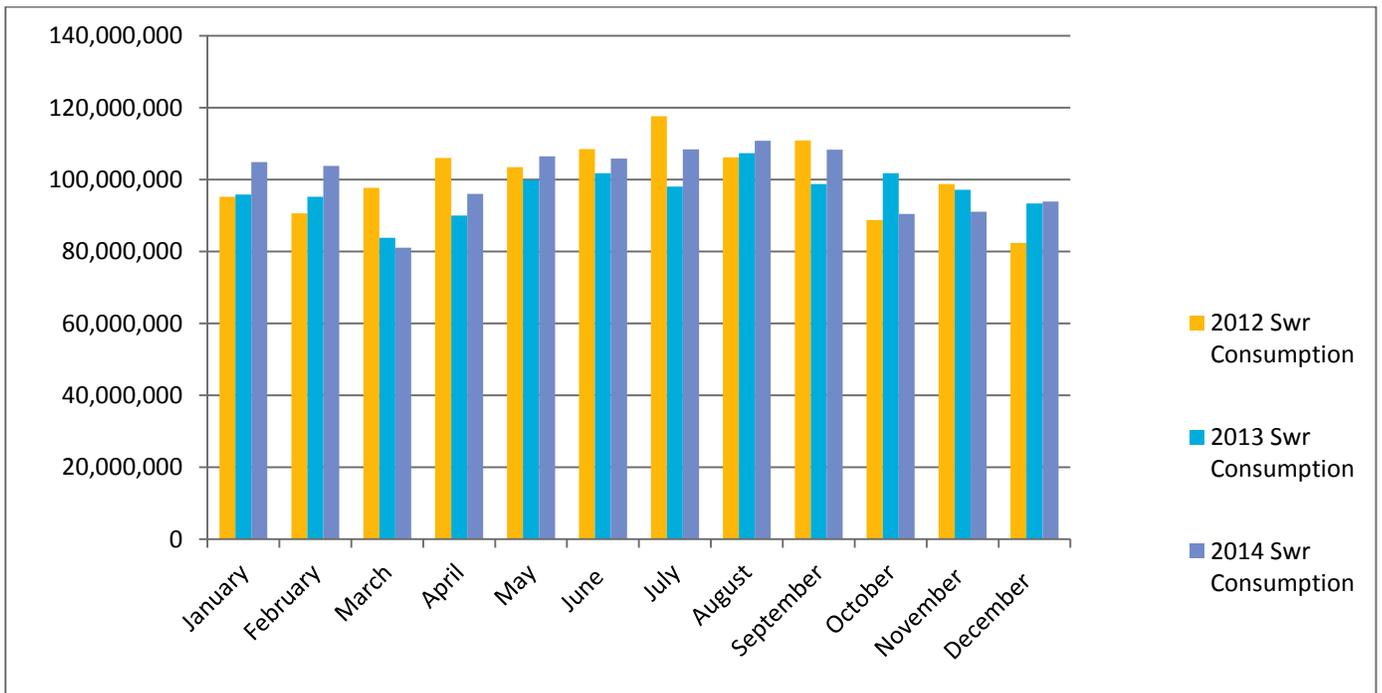
- We recognized our appreciation for our customers during the AWWA National Water Week in May. We set up informational tables in our lobby and provided our customers with educational material from leak detection in the home to how to conserve water. We look forward to making this an annual celebration.
- Several of our staff were able to attend training with Neptune, the radio read meter vendor. We also attended a Cogsdale training session at Douglasville Water & Sewer.
- We were able to conduct internal Cogsdale training with some of our Engineering and Central Maintenance staff.

RWR-Customer Service Tables & Charts 2012 – 2014

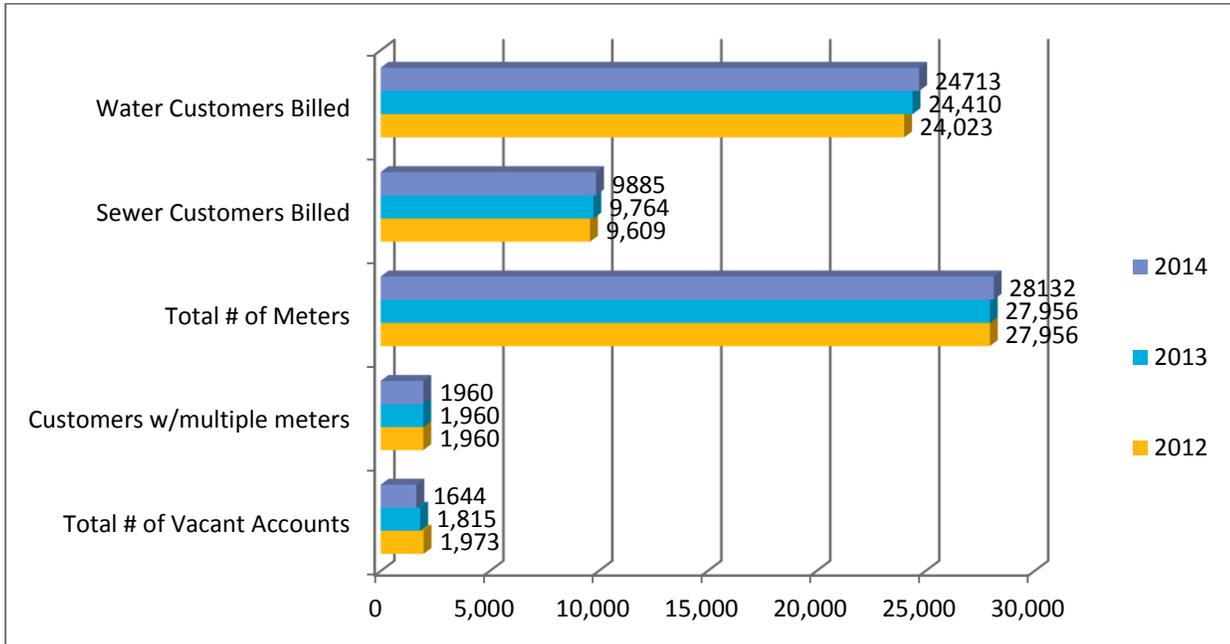
2014 Water Billed



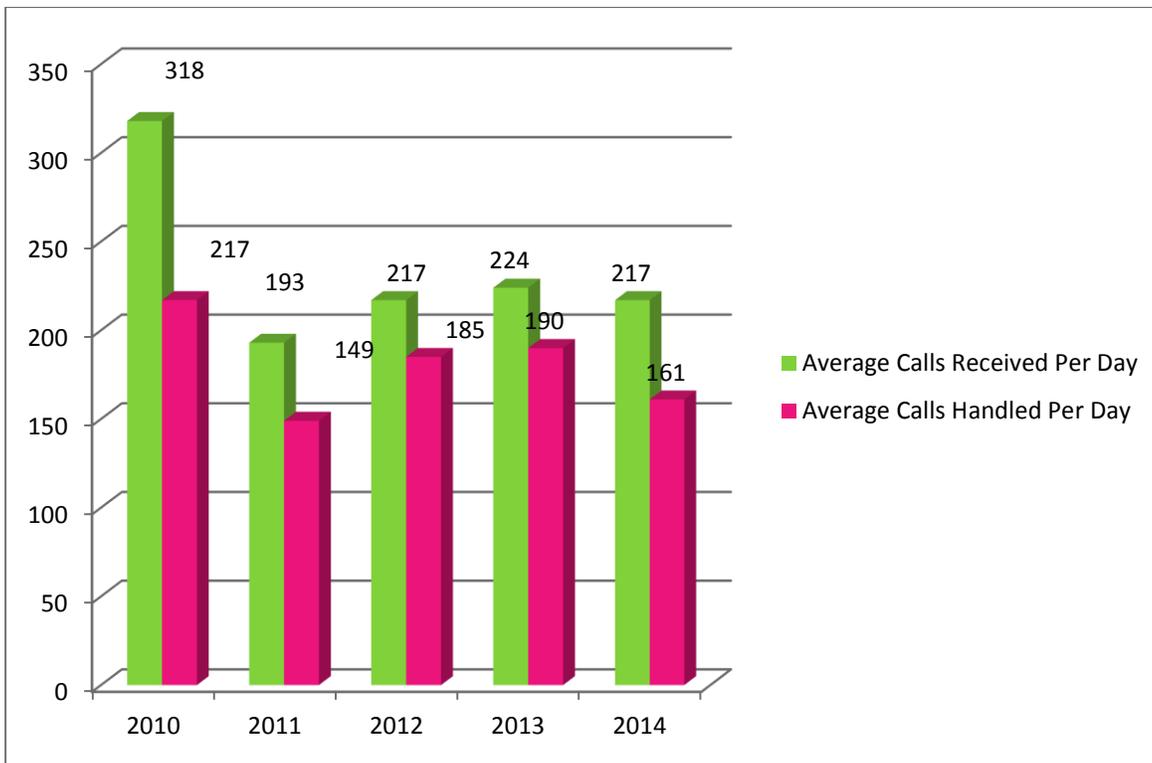
2014 Sewer Billed



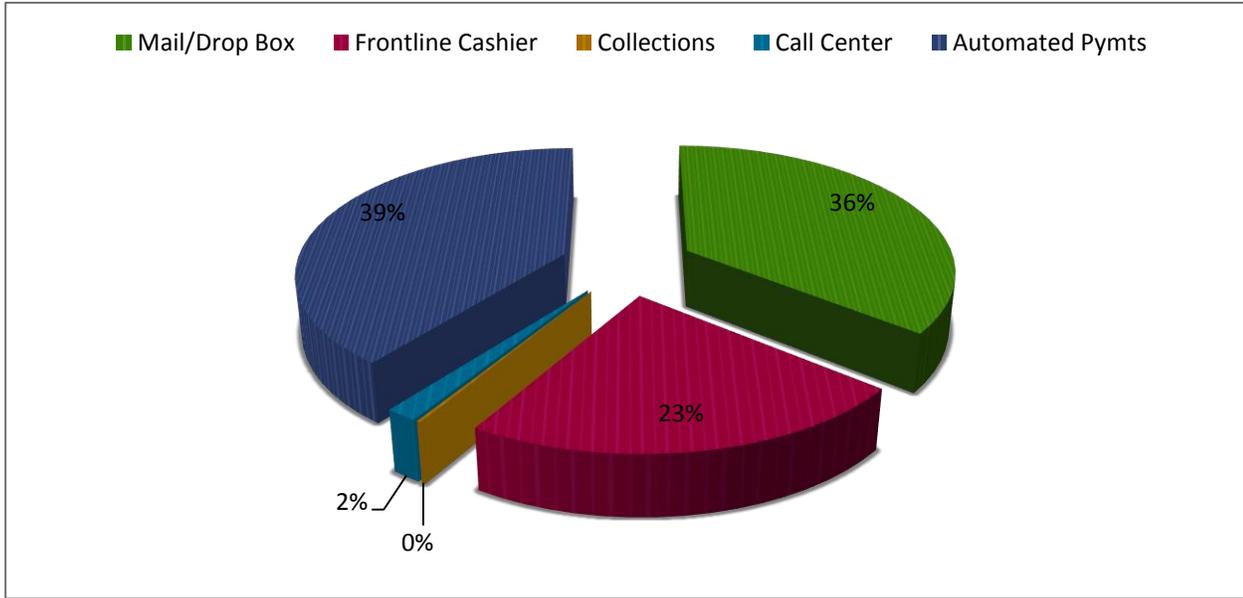
Customer and Meter Information



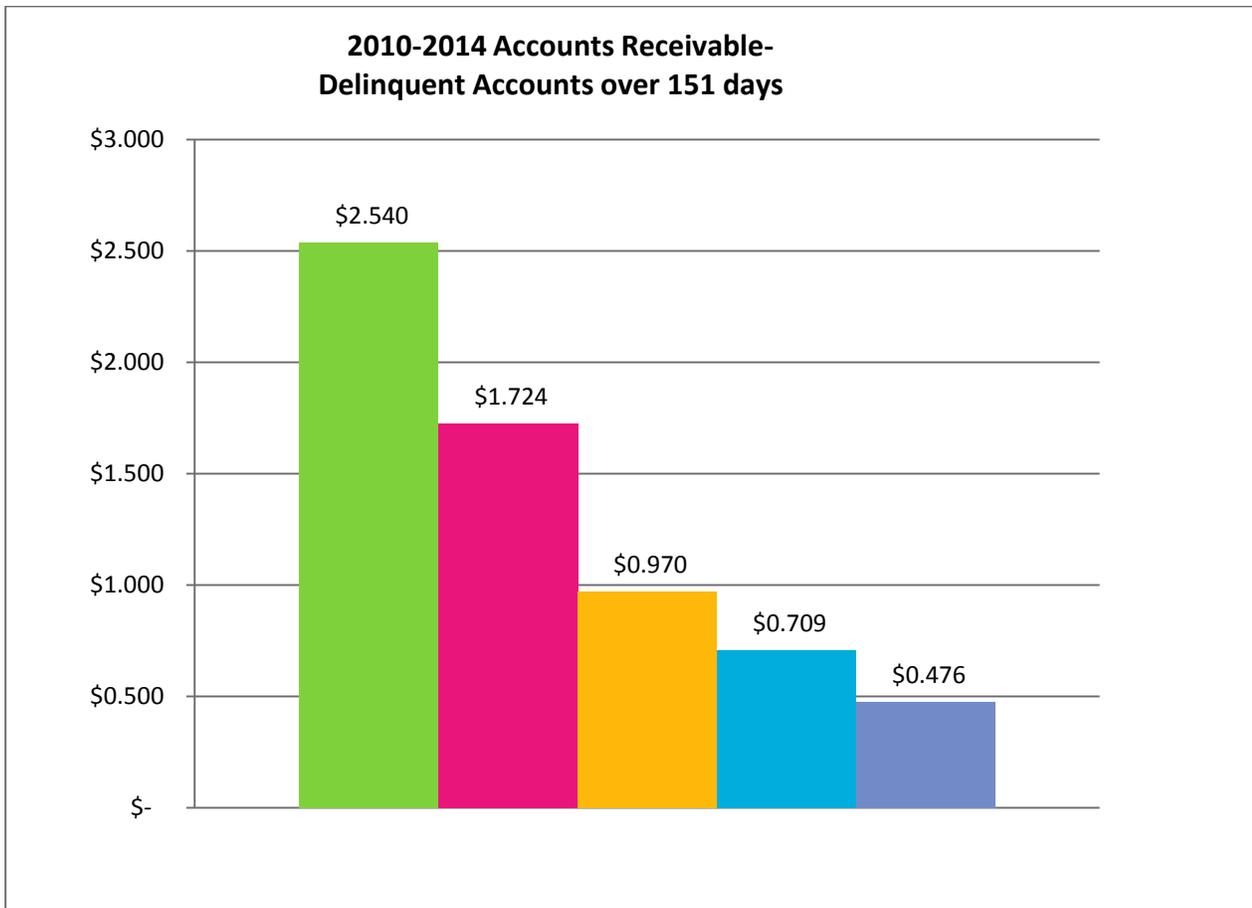
Call Center Information



Payments Processed 2014



2014 Accounts Receivables





RWR – 2014 Financial Performance



Michele Prescott
Senior Business & Technical
Services Coordinator

The Water Administrative office is a behind-the-scenes group that serves to support to six operating divisions of Water Resources. These divisions include: Engineering, Customer Service, Water Treatment Plant, Wastewater Treatment Plants, Water Distribution, and Wastewater Collections. Collectively RWR had 111 employees plus an additional 23 employees through our Wastewater Treatment Contract.

For the year 2014, the Business Affairs & Financial Group provided support to RWR Administrative division in the following key areas:

Highlights for 2014

1) RWR Financial Administration

- Provided contract framework that resulted in an additional \$418,000 in annual revenue.
- Provided tracking and progress reports including timeline and assistance with contractual services. Two significantly large utility service contracts that were initiated in 2014 and will be completed in 2015.
- Revenue meeting and exceeding budget; expenses meeting or below budget.
- Asset replacement totally off-set asset loss due to depreciation for the first time in 4 years as a direct result of strategic capital investments.

2) Business Administration/Public Relations

- Coordinated successful RWR participation in the Metropolitan North Water Planning District Subcommittee Toilet Rebate Program for residential customers.
- Published the Departments' first social media page on Facebook.
- Creation of Occupational Skills briefs for RWR community education.
- Made significant progress on utility ordinance revisions for RWR that will address compliance issues at our wastewater facilities.



3) Tracking- Monitoring – Evaluating RWR enterprise funds financial performance

- Supporting departmental financial performance charts are included for key performance parameters.
- Please refer to the audited financial statements within this report for the official documented report of RWR financial performance in 2013. Official audit results for RWR as well as for Rockdale County Government for 2014 will be posted on the county website at www.rockdalecounty.org upon their review and approval by the Georgia Department of Audits.



Water Administration

1. RWR Financial Administration

- a. Prepared of \$28.09 million dollar annual O&M Budget and \$14.48 million dollar Capital Budget using Financial Rate model, and historical data, and current trends.
- b. Monitored the O&M budget and provided reports monthly health of utility.
- c. Provided feedback for long term capital forecast based on 10 yr. CIP and rate model data.
- d. Processed all procurement documents (contracts, requisitions, RFV's, purchasing card statements, bid documents/RFP's, refunds, travel/mileage reimbursements/advances) along with payments for goods and services.
- e. Processed all capital equipment/project requests/close outs (maintained/monitored capital asset list annually to correspond with Finance.)

2. Planning and Communications

- a. Processed all personnel action forms and related documents for all divisions.
- b. Tracked multiple deadlines including regulatory, internal, and other miscellaneous external deadlines (i.e. surveys, financial compliance, etc.)
- f. Reviewed and processed correspondence addressed to the administrative office/director.
- g. Handled customer complaints and inquiries that are addressed to the administrative office including tracking and follow up.
- h. Developed revenue contracts and performed wastewater contract oversight.
- i. Created and/or edited financial and administrative policies, procedures, resolutions, and ordinances.



3. Business Administration

- a. Supported and serves on water/wastewater technical committees and subcommittees to assist in water and sewer planning for the metropolitan Atlanta area.
- b. Set goals and objectives for the department and monitors and tracked progress.
- c. Created the departments' short and long range goals with assistance from the Board of Commissioners and Chairman, RWR staff, the Water & Sewer Authority, and public input.

4. Public Relations

- a. Supported and interacted with a 7 member Water & Sewerage Authority Board and/or its subcommittees on a bi-monthly basis.
- b. Supported and participated in public outreach activities to promote public education and awareness of current and long term water and wastewater topics and issues.

This list is not meant to be exhaustive but includes the key areas of the Administrative Office functions. Team work and professionalism are our priorities in serving all and we are looking forward to another good year in 2015.



RWR-2014 Financial Performance & Parameters

A Brief Note on Audited Assets from 2013:

The asset loss for 2013 was (764,530) compared to (790,011) in 2012. Although RWR notes the loss of assets continuing to lessen each year, depreciation was still not fully covered in 2013. We are expecting the rate increases along with efficiency initiatives to help provide additional funding in the coming years thereby enabling RWR to replace the needed capital to sustain the water and wastewater system assets.

RWR Business & Financial Summary 2014

RWR does not have the official audited statements for 2014 at this time, but is reporting preliminary results in this report.

Revenue:

Rainfall for 2014 was 44.16 inches compared to 57.86 inches in 2013. This along with rate increases helped increase our water and sewer sales for the year.

When comparing preliminary results for revenue collected in 2014 compared to the appropriated budget, we are expecting collections to be over budget approximately \$2 million dollars. Both water and sewer sales combines have come in approximately 7% over budget, while new meter installations were up as well as wastewater inspection fees. All are positive signs for the economy.

Expenses:

Preliminary expenses appear to be in line with 2013 which should prove to help balance the budget for 2014 when comparing revenue versus expenses. Depreciation in 2014 was approximately \$7.4 million and while we received a rate increase in 2014 we are still not able to adequately cover our depreciation. However, over the past 2 years we have been able to cover about half of our depreciation costs and the coverage continues to gradually increase. In order to replace/expand our infrastructure and equipment in a timely manner staff will continue to search for opportunities to increase revenue and reduce costs with efficiency and effectiveness projects as well as incremental rate increases.

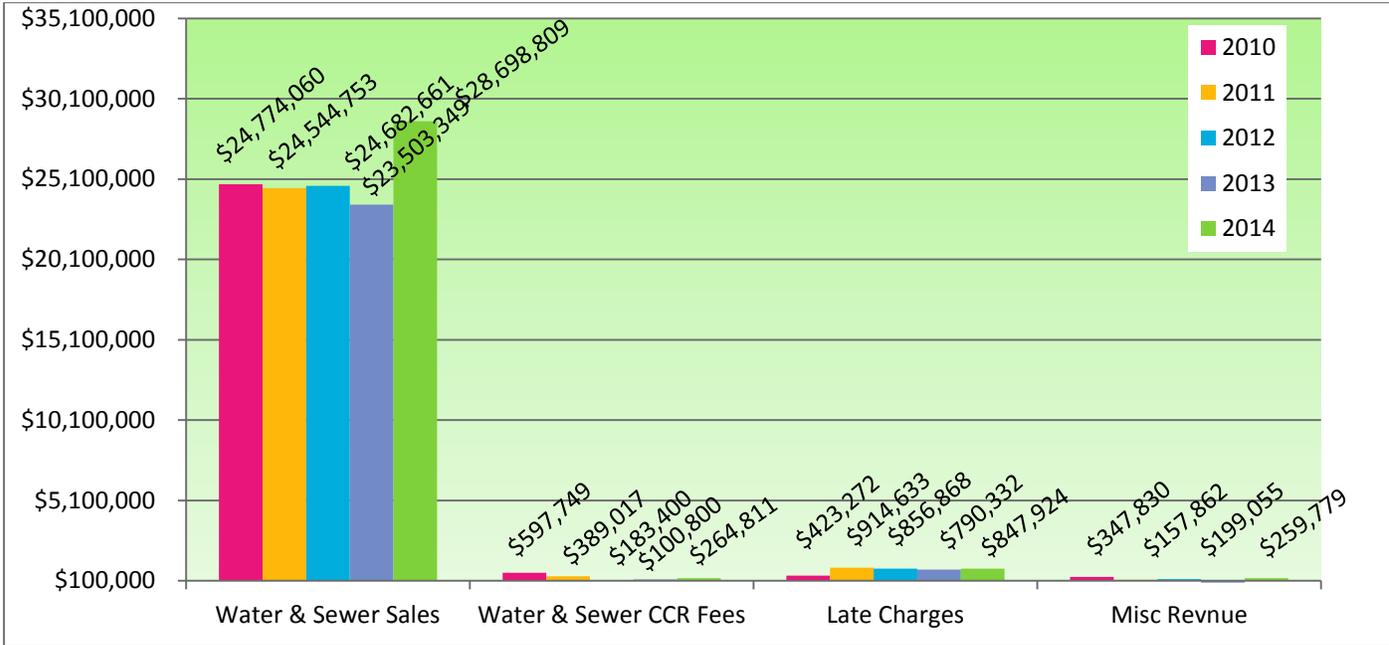
Accounts Receivable Past, Present, Future:

Our delinquent accounts, or those accounts that are over 151 days past due have seen a reduction from \$709,560 in 2013 to \$476,763 in 2014. Our internal and external collection efforts continue to help reducing our delinquent accounts. This is not always a popular area but it is crucial to maintaining an efficient and healthy utility. RWR Customer Service staff strives to assist customers work through collections issues when possible.

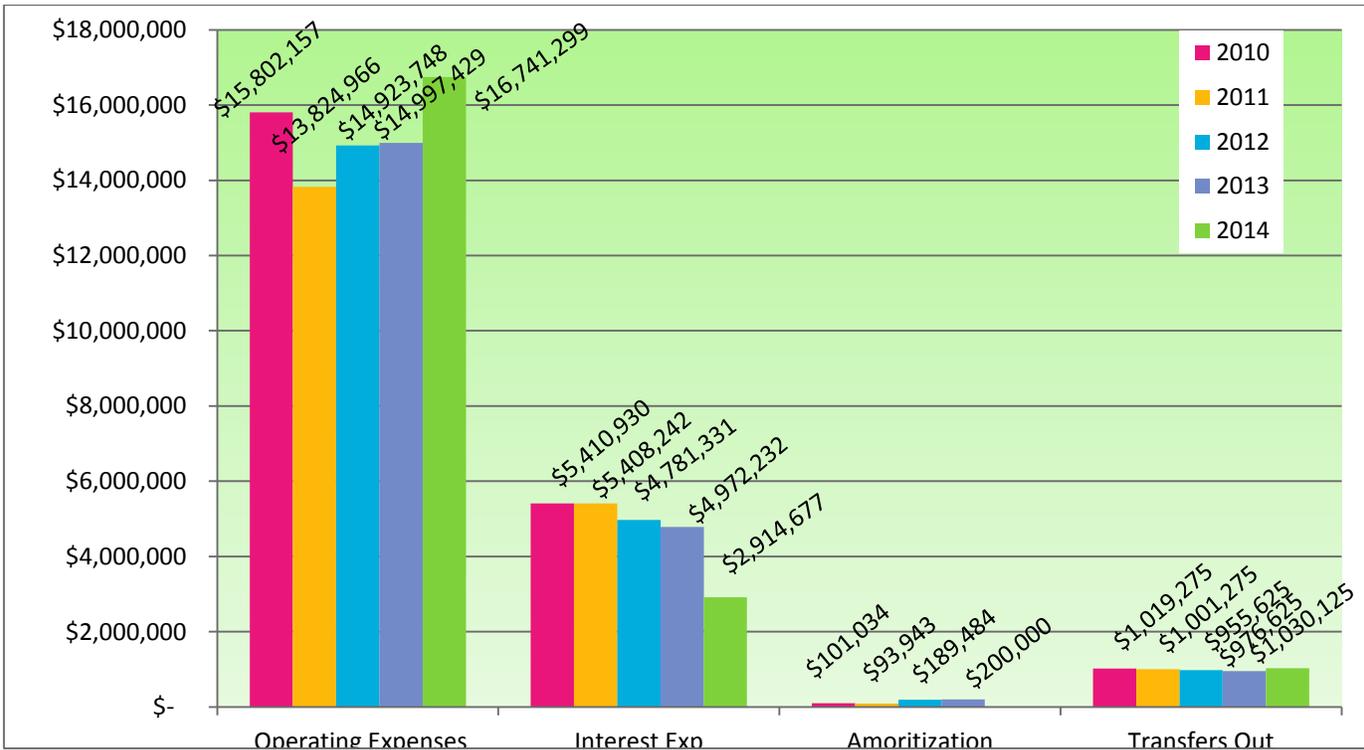
Official audited results will be posted on the Rockdale County website at www.rockdalecounty.org when they are approved by the State Department of Audits.

RWR-2014 Financial Performance & Parameters

ACTUAL REVENUE - BY SOURCE
2010 – 2014

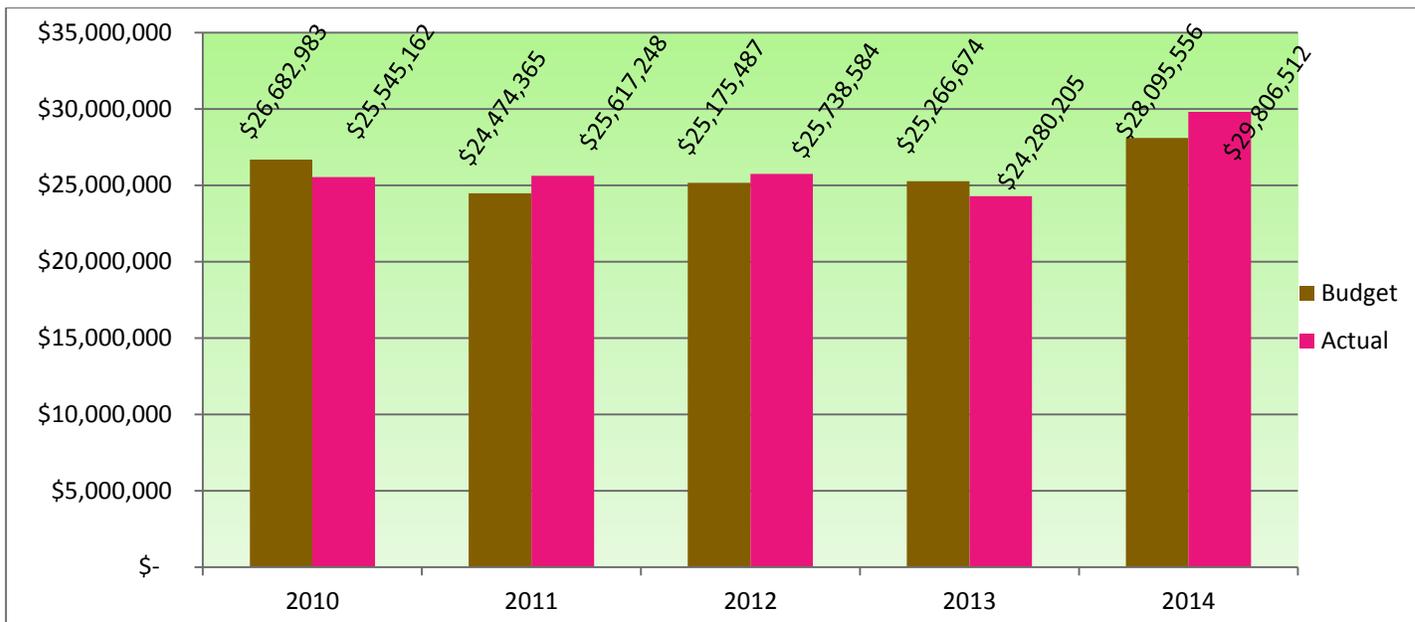


ACTUAL EXPENSES - BY CATEGORY
2010 – 2014





APPROPRIATED vs ACTUAL REVENUE - 2010-2014





RWR – 2013 Audited Financial Statements

INCLUDES:

- 💧 **Statement Of Net Assets**
- 💧 **Statement Of Revenues, Expenses And Changes In Fund Net Assets**
- 💧 **Statement Of Cash Flows**

**Please note that Stormwater is considered a proprietary fund but is not a part of RWR. Revenues and expenses associated with the Stormwater Enterprise Fund are accounted for separately from the Water and Wastewater Enterprise Funds and both departments are also operated separately.*

A complete copy of the County, Water Resources and Storm water financial audits can be found on the Department State Audit website: www.audits.ga.gov .

ROCKDALE COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2013

	<u>Water and Sewer</u>	<u>Non-major Stormwater</u>	<u>Totals</u>
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 19,564,973	\$ 4,656,096	\$ 24,221,069
Restricted assets, cash and cash equivalents	10,728,515	-	10,728,515
Accounts receivable, net of allowances	3,104,073	25,571	3,129,644
Due from other funds	1,364,512	-	1,364,512
Prepaid expenses	81,974	26,910	108,884
Total current assets	<u>34,844,047</u>	<u>4,708,577</u>	<u>39,552,624</u>
NONCURRENT ASSETS			
Net pension asset	501,255	35,538	536,793
Capital assets:			
Nondepreciable	15,747,031	672,305	16,419,336
Depreciable, net of accumulated depreciation	174,254,851	1,153,394	175,408,245
Total noncurrent assets	<u>190,502,937</u>	<u>1,861,237</u>	<u>192,364,174</u>
Total assets	<u>225,346,984</u>	<u>6,569,814</u>	<u>231,916,798</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	10,223,304	-	10,223,304
Total deferred outflows of resources	<u>10,223,304</u>	<u>-</u>	<u>10,223,304</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	774,161	269,892	1,044,053
Accrued liabilities	99,740	12,237	111,977
Current portion - compensated absences	222,193	9,543	231,736
Customer deposits payable	4,715,275	24,569	4,739,844
Due to other funds	53,361	37,329	90,690
Payable from restricted assets:			
Accrued interest	1,456,788	-	1,456,788
Revenue bonds payable, current portion	4,790,000	-	4,790,000
Total current liabilities	<u>12,111,518</u>	<u>353,570</u>	<u>12,465,088</u>
NONCURRENT LIABILITIES			
Compensated absences, net of current portion	74,064	3,181	77,245
Revenue bonds payable, net of current portion	101,086,226	-	101,086,226
Net OPEB liability	1,623,326	146,732	1,770,058
Total noncurrent liabilities	<u>102,783,616</u>	<u>149,913</u>	<u>102,933,529</u>
Total liabilities	<u>114,895,134</u>	<u>503,483</u>	<u>115,398,617</u>
NET POSITION			
Net investment in capital assets	87,413,610	1,825,699	89,239,309
Restricted for debt service	101,505	-	101,505
Unrestricted	33,160,039	4,240,632	37,400,671
Total net position	<u>\$ 120,675,154</u>	<u>\$ 6,066,331</u>	<u>\$ 126,741,485</u>

The accompanying notes are an integral part of these financial statements.

ROCKDALE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Water and Sewer	Non-major Stormwater	Totals
OPERATING REVENUES			
Charges for services:			
Water and sewer sales (security for water revenue bonds)	\$ 24,749,142	\$ -	\$ 24,749,142
Stormwater charges	-	1,910,312	1,910,312
Connection charges (security for water revenue bonds)	1,118,276	-	1,118,276
Late charges (security for water revenue bonds)	788,394	-	788,394
Miscellaneous	9,559	5,236	14,795
Total operating revenues	<u>26,665,371</u>	<u>1,915,548</u>	<u>28,580,919</u>
OPERATING EXPENSES			
Personal services	5,333,337	726,434	6,059,771
Purchased or contracted services	6,053,667	234,670	6,288,337
Supplies and other expenses	3,216,138	139,105	3,355,243
Repair and maintenance	764,517	668,986	1,433,503
Depreciation	7,225,011	126,701	7,351,712
Total operating expenses	<u>22,592,670</u>	<u>1,895,896</u>	<u>24,488,566</u>
Operating income	<u>4,072,701</u>	<u>19,652</u>	<u>4,092,353</u>
NONOPERATING INCOME (EXPENSES)			
Interest income	26,201	3,928	30,129
Bond issuance costs	(828,868)	-	(828,868)
Interest expense	(4,034,564)	-	(4,034,564)
Total nonoperating income (expenses)	<u>(4,837,231)</u>	<u>3,928</u>	<u>(4,833,303)</u>
Income (loss) before transfers	(764,530)	23,580	(740,950)
CAPITAL CONTRIBUTIONS AND TRANSFERS			
Capital contributions	385,738	-	385,738
Transfers out	(955,625)	-	(955,625)
Total transfers	<u>(569,887)</u>	<u>-</u>	<u>(569,887)</u>
Change in net position	(1,334,417)	23,580	(1,310,837)
Net position, beginning of year	<u>122,009,571</u>	<u>6,042,751</u>	<u>128,052,322</u>
Net position, end of year	<u>\$ 120,675,154</u>	<u>\$ 6,066,331</u>	<u>\$ 126,741,485</u>

The accompanying notes are an integral part of these financial statements.

ROCKDALE COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Water and Sewer	Non-major Stormwater	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 25,722,265	\$ 1,957,703	\$ 27,679,968
Payments to suppliers	(9,628,199)	(818,947)	(10,447,146)
Payments to employees	(5,342,750)	(724,472)	(6,067,222)
Net cash provided by operating activities	<u>10,751,316</u>	<u>414,284</u>	<u>11,165,600</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(955,625)	-	(955,625)
Net cash used in noncapital financing activities	<u>(955,625)</u>	<u>-</u>	<u>(955,625)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(443,680)	(140,056)	(583,736)
Proceeds from the issuance of revenue bonds	98,770,000	-	98,770,000
Funds deposited with refunding escrow agent	(97,941,132)	-	(97,941,132)
Principal paid on bonds	(3,290,000)	-	(3,290,000)
Principal paid on notes payable	(20,524)	-	(20,524)
Bond issuance costs	(828,868)	-	(828,868)
Interest paid	(4,783,401)	-	(4,783,401)
Net cash used in capital and related financing activities	<u>(8,537,605)</u>	<u>(140,056)</u>	<u>(8,677,661)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	26,201	3,928	30,129
Net cash provided by investing activities	<u>26,201</u>	<u>3,928</u>	<u>30,129</u>
Net increase in cash and cash equivalents	1,284,287	278,156	1,562,443
Cash and cash equivalents:			
Beginning of year	29,009,201	4,377,940	33,387,141
End of year	<u>\$ 30,293,488</u>	<u>\$ 4,656,096</u>	<u>\$ 34,949,584</u>
Classified as:			
Cash and cash equivalents	\$ 19,564,973	\$ 4,656,096	\$ 24,221,069
Restricted assets, cash	10,728,515	-	10,728,515
	<u>\$ 30,293,488</u>	<u>\$ 4,656,096</u>	<u>\$ 34,949,584</u>

(Continued)

ROCKDALE COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2013

	Water and Sewer	Non-major Stormwater	Totals
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	\$ 4,072,701	\$ 19,652	\$ 4,092,353
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	7,225,011	126,701	7,351,712
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(156,222)	31,769	(124,453)
(Increase) decrease in due from other funds	(207,532)	17,552	(189,980)
Increase in prepaids and other assets	(44,352)	(28,439)	(72,791)
Increase in accounts payable	21,908	200,925	222,833
Increase in accrued liabilities	16,978	773	17,751
Increase in net OPEB liability	428,567	51,328	479,895
Increase (decrease) in compensated absences	(26,391)	1,189	(25,202)
Decrease in customer deposits	(632,620)	-	(632,620)
Increase (decrease) in due to other funds	53,268	(7,166)	46,102
Net cash provided by operating activities	<u>\$ 10,751,316</u>	<u>\$ 414,284</u>	<u>\$ 11,165,600</u>
Noncash investing, capital, and financing activities:			
Capital assets transferred from other funds	\$ 385,738	\$ -	\$ 385,738
Net noncash investing, capital, and financing activities	<u>\$ 385,738</u>	<u>\$ -</u>	<u>\$ 385,738</u>

The accompanying notes are an integral part of these financial statements.

Community Outreach & Employee Involvement



Mr. Brad Thompson 25 years of service with RWR.



Mrs. Elaine Nash years of service as WSA Chairman



Mrs. Wanda Lester 20 Year Service with RWR



Mr. Bob Young recognized for Veterans Day by BOC



2014 Rivers Alive Clean Up Event



Director Wicks celebration of 5 year return to RWR



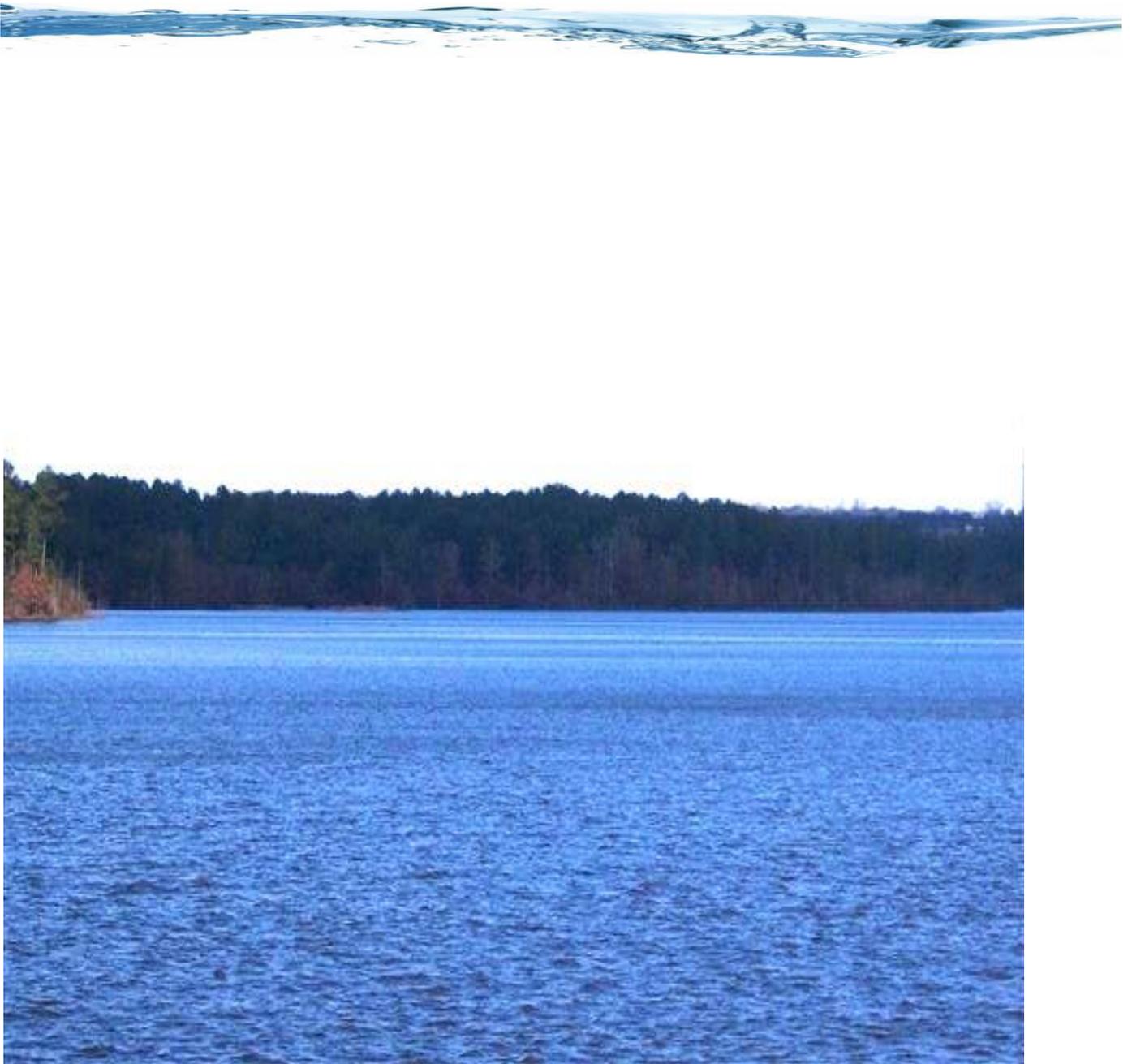
2014 Observance National Safe Drinking Water Week



GAWP Recognition of 2013 Platinum and Gold Awards



Reservoir at full pool entire year of 2014



Rockdale Water Resources is perfectly positioned to provide the ultimate resource – WATER



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