

Electric Services Administration

The Administration Division is responsible for the overall management of the department. Various duties include all engineering design functions, GIS mapping of the electric system, processing customer concerns, and promotion of energy efficiency. This area provides services for new customers including the design of high voltage systems for new developments, cost estimates for additions or changes to utility systems for new and existing customers, as well as rebates for load management program participants.

Revenue: The division will request no additional revenue items in this budget year.

Personnel: There are six positions budgeted for this division and no additional positions are requested.

Operations: The division requests the following items of significant change:

- **Cost of Service Study – \$40,000.** An analysis of the cost to serve each customer class will be performed by an engineering consultant. This study will determine the Electric Department’s power supply, capital, operation and maintenance, as well as administrative costs for each customer type. Data will be used to compare the components of each rate schedule to ensure that the department is collecting properly apportioned dollars. In the wake of recent increases, this type of study is necessary to verify that all rate classes pay equitable department operating costs.
- **Long-Range System Plan - \$17,500.** This is a comprehensive review of the electric system infrastructure, electric demand, and load growth that will identify capital needs over the next ten years. The plan will address existing substations and the need for future substations based on projected growth. A detailed five-year plan, with project estimates for each fiscal year, and a ten-year outlook, with more general cost estimates, will be produced from the study to assist in the capital budgeting process.
- **Evaluation of NCEMPA Agreements - \$75,000.** This project is the review of the Supplemental Power Supply Agreement between the North Carolina Eastern Municipal Power Agency and the City to determine the requirements for exiting the agreement in the future. The review will be performed by a legal consultant specializing in electric power sales contracts.
- **Reduction of Operating Line Items –** Numerous reductions have been put in place for the individual accounts in this year’s budget. Electrical

Engineering Professional Services has been reduced from \$167,500 to \$140,000. Advertising, Temporary Help, Printing, Office Furniture and Equipment, and many other line items have been reduced or not funded.

Capital: The capital item requested for Administration is:

- **Embarq Agreement – The City and Embarq have continued negotiations for the purchase of the interest in the poles through the past fiscal year. Embarq restructuring has significantly delayed this agreement, and negotiations will continue into this fiscal year. The purchase of the ownership interest of the utility poles is estimated at \$700,000. It is the intention of the City of New Bern to purchase Embarq’s interest in the joint ownership of the utility poles located throughout the electric service territory. Currently, all poles which have both the City’s and Embarq’s facilities attached to them are of joint ownership. The existing joint ownership contract has numerous outdated provisions for both utilities that do not accurately reflect today’s operation of the facilities. The complete ownership of the poles will allow the electric utility to operate more efficiently and create a revenue source from an attachment agreement with Embarq.**

The \$700,000 request to buy out the phone company is one that we will probably want to do, however the analysis and the negotiations will probably take some time to bring about a decision. It is removed from the budget here and will become a capital request if and when the deal is negotiated.

City of New Bern Budget
Fiscal Year 2009 - 2010

Fund:	Electric Fund	Number of Full-Time Equivilant Employees:	7
Department:	Electric	Number of New Positions Requested	0
Division:	Electric Admin.	Number of New Positions Recommended	0

Account Number	Description	Lyr Act.	Act To Dte	Current	Estimate	Request	Recomm
5311-9602-61101-755	Salaries & Wages Regul	282,518	313,925	395,463	387,000	403,926	403,926
5311-9602-61102-755	Salaries & Wages Holid	0	6,756	0	10,000	0	0
5311-9602-61103-755	Salaries & Wages Vacat	0	4,016	0	5,500	0	0
5311-9602-61104-755	Salaries & Wages Sick	0	1,905	0	1,500	0	0
5311-9602-61121-755	Salaries & Wages Overt	137	2,474	2,000	2,500	2,500	2,500
5311-9602-61141-755	Salaries & Wages Call I	0	0	300	0	0	0
5311-9602-61161-755	Salaries & Wages Seaso	0	0	0	0	0	0
5311-9602-61181-755	Salaries & Wages Taxal	0	621	0	1,293	4,908	4,908
Salaries Sub-Total		282,655	329,697	397,763	407,793	411,334	411,334
5311-9602-62110-755	Social Security Tax	17,080	18,857	24,662	25,284	25,503	25,503
5311-9602-62112-755	Medicare Tax	3,994	4,644	5,768	5,913	5,965	5,965
5311-9602-62210-755	State Retirement	10,092	14,404	19,531	19,982	20,156	20,156
5311-9602-62220-755	401K Supplemental Reti	12,333	17,602	23,866	24,468	24,681	24,681
5311-9602-62810-755	Health/Life Insurance	52,807	49,501	59,500	52,810	70,000	70,000
Fringe Benefits Sub-Total		96,306	105,008	133,327	128,457	146,305	146,305
Personnel Services		378,961	434,705	531,090	536,250	557,639	557,639
5311-9602-71160-755	Electrical Eng Professio	11,659	8,199	167,500	18,500	140,000	140,000
Professional Services		11,659	8,199	167,500	18,500	140,000	140,000
5311-9602-72130-755	Employee Travel & Tra	11,773	2,697	6,500	6,500	6,500	6,500
5311-9602-72133-755	Electric Service Board T	5,761	8,105	14,000	8,105	4,000	4,000
5311-9602-72210-755	Telephone Service	1,242	1,949	2,100	2,000	2,100	2,100
5311-9602-72310-755	Utilities	4,806	4,802	5,500	5,800	6,500	6,500
5311-9602-72410-755	Printing	0	0	700	0	250	250
5311-9602-72510-755	R & M - Buildings	401	195	200	200	200	200
5311-9602-72532-755	Central Garage Charge	6,851	7,082	6,894	7,543	6,894	7,641
5311-9602-72790-755	Advertising	555	0	1,500	0	250	250
5311-9602-72820-755	Temporary Help Servic	0	0	500	0	500	500
5311-9602-72840-755	Recording Fees	108	85	300	0	250	250
5311-9602-72890-755	Miscellaneous Other Ser	0	0	0	0	700	700
Current Oblig. & Ser.		31,497	24,915	38,194	30,148	28,144	28,891
5311-9602-73110-755	Land Rentals	2,136	2,123	3,000	2,500	3,000	3,000
5311-9602-73130-755	Rent of Reproduction E	1,898	1,669	2,300	2,000	3,000	3,000
5311-9602-73160-755	Lease Payments - Comp	0	0	400	0	400	400
5311-9602-73340-755	Insurance Claims	15,717	10,879	13,000	13,000	13,000	13,000
5311-9602-73810-755	Dues & Subscriptions	36,903	34,692	38,000	37,000	39,000	39,000

City of New Bern Budget
Fiscal Year 2009 - 2010

Account Number	Description	Lyr Act.	Act To Dte	Current	Estimate	Request	Recomm
Fixed Chgs & Oth.Ser.		56,654	49,363	56,700	54,500	58,400	58,400
5311-9602-74110-755	Uniforms	1,055	903	1,730	1,000	2,200	2,200
5311-9602-74120-755	Janitorial Supplies	182	265	180	100	180	180
5311-9602-74510-755	Central Fuel Charges	4,424	4,157	3,200	5,518	5,000	5,000
5311-9602-74610-755	Office Supplies & Mater	8,058	1,766	2,240	2,000	2,000	2,000
5311-9602-74910-755	Other Supplies & Mater	6,521	7,245	17,000	5,500	5,000	5,000
5311-9602-74930-755	IT Supplies	0	0	0	0	0	0
5311-9602-74970-755	Safety Supplies	2,051	182	3,600	1,800	3,600	3,600
Fixed Chgs & Oth.Ser.		22,291	14,518	27,950	15,918	17,980	17,980
5311-9602-75110-750	Office Furniture & Equ	0	0	0	0	0	0
5311-9602-75120-750	IT Equipment	0	0	0	0	0	0
5311-9602-75122-750	I/P IT Equipment	0	0	9,100	0	0	0
5311-9602-75192-750	I/P Other Equipment	0	0	0	0	0	0
5311-9602-75210-750	Motor Vehicles	0	0	0	0	0	0
5311-9602-75212-750	I/P Motor Vehicles	15,044	0	34,000	0	0	0
Capital Expenses		15,044	0	43,100	0	0	0
5311-9602--755	Unassigned	0	0	0	0	0	0
Contracts,Grants, Alloc.		0	0	0	0	0	0
5311-9602-77101-790	I/P Principal Payments	8,655	3,849	3,850	3,850	3,006	3,006
5311-9602-77201-795	I/P Interest Payments	222	547	548	548	397	397
Installment Payments		8,877	4,396	4,398	4,398	3,403	3,403
Electric Admin. TOTALS:		524,983	536,096	868,932	659,714	805,566	806,313