Utility Department

Annual Report 2015

Manassas

HISTORIC HEART. MODERN BEAT.

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The Utilities Department provides high quality water, sewer and electric services to the City of Manassas, while planning for future growth, implementing sustainability measures, safe guarding public health and the environment, and continually seeking process improvements and cost efficiencies.

The water division is responsible for 750 acre Lake Manassas, operates a 14 million gallon a day water treatment plant and the City's water distribution system.

The sewer division is responsible for operation and maintenance of the City's sewer conveyance system and four pump stations.

The electric department is responsible for substations, generators, transformers, primary and secondary power lines and public street lights.

In addition to the daily work of our team, major activities completed during 2015 include the following:

Water

- Completed construction of an additional 1,765 feet of 36" water main as part of the long-term project to replace the transmission main from the water treatment plant into the city.
- Completed the replacement of 3,325 feet of 6" and 8" water main in the Georgetown South neighborhood.
- Completed improvements in the Portner Avenue/Battle Street area that included almost 1,000 feet of sewer main and 500 feet of water main replacement in conjunction with the storm drainage improvements.

Sewer

- New operational procedures were implemented for the utilization of Micron Pond to mitigate odor issues for the adjacent community.

Electric

- Substantially completed the Airport Substation Expansion including a new transmission delivery point, new substation transformer, upgraded relaying and controls and refurbishment of all substation apparatus. This expansion and upgrade extends the lifetime of the substation another 30 years.
- Completed 60% of a major overhead to underground electric line relocation along Prince William Street as part of a larger street widening and infrastructure upgrade project.

In addition to completing these major projects, we continue to improve performance, strengthen our financial position, and enhance service to our customers. The activities reported on the following pages detail further information about the Utilities Department's achievements.

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Organization Structure

The Utility Department has a seven member Utility Commission that serves to guide the Department staff and provide recommendations to the City Council on rates, budgets, and projects that are relevant to the Utility Department business.

The Commission was originally formed in 1993 and has a set of governing by-laws that cover the operation of the body. The members are appointed by the City Council and serve staggered four year terms.

The Utility Commission has developed a strategic plan for the Utilities with specific actions and outcomes to direct staff.

Utility Commission Members

John Weber, Chairman
Mason Hollcroft
Dr. Thomas Grizzard
Richard B. Milligan
Dr. James C. Schornick
Mark Wolfe
Clyde D. Wimmer

Utility Senior Staff

Bryan D. Foster, Deputy City Manager
Tony H. Dawood, P.E., Director of Utilities
David T. Jones, P.E., Assistant Director of Electric
Darren Branch, P.E., Assistant Director of Water & Sewer
A. Glenn Simpson, Utilities Finance Manager
Ana K. Davis, Utilities Services Manager

Our Mission Statement

The City Utility Department exists to ensure the availability of safe, adequate and reliable water, wastewater and electric utilities at an affordable cost to the citizens of Manassas. We will accomplish this by ensuring that safety and environmental concerns will always be our first priority.

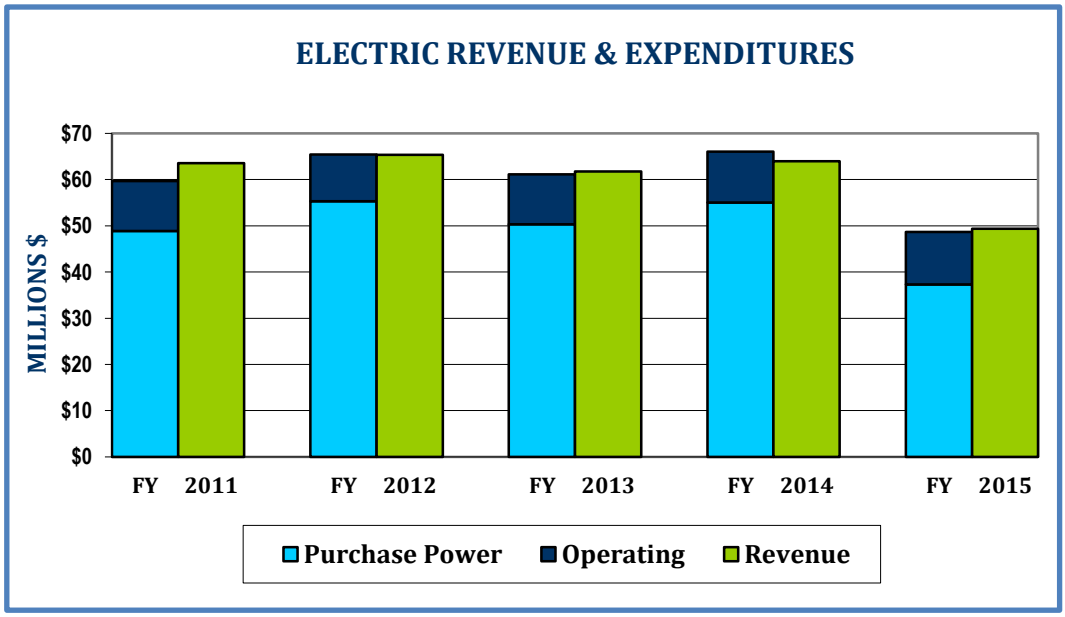
ELECTRIC FUND

- 48-88 MW city load
- 4 city substations
- 2 industrial, exclusive-use substations
- 30 generators
- 182 miles underground primary lines
- 34 miles overhead primary lines
- 59 miles underground secondary lines
- 18.9 miles overhead secondary lines
- 2,205 transformers
- 3,463 public street lights
- 19 distribution circuits

Revenue & Expenditures – Electric

Revenue

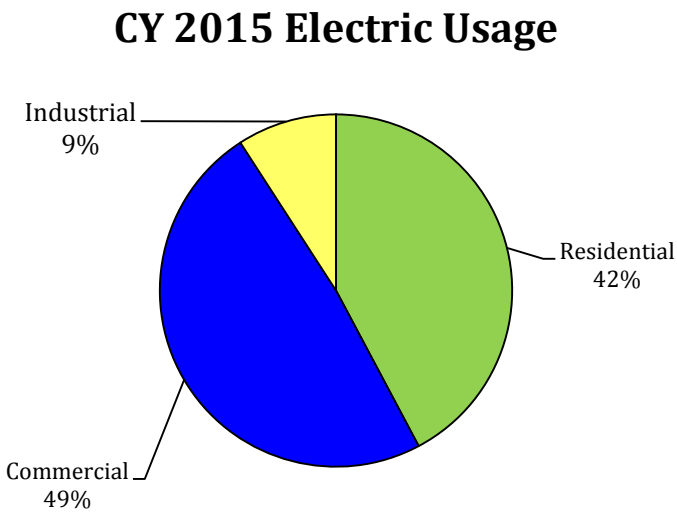
The Electric Fund had a strong financial performance in FY 2015. It should be noted that during FY 2015, the Electric Fund, working with Micron Corporation and Dominion Virginia Power, made arrangements for Micron to be served by Dominion Virginia Power for the company's electricity requirements. This arrangement allows Micron to be served at the most competitive industrial rates without having any significant financial income impact on the Electric Fund. The agreement became effective September 1, 2014. This arrangement affects both operating revenues and expenses and makes certain financial comparisons between FY 2014 and FY 2015 difficult.



Operating revenues were $46.4 million down from $61.7 million in FY 2014. While most of this decrease is from reduced revenues from Micron, there was also a $1 million decrease in the Power Cost Adjustment (PCA). These savings were passed directly to customers. In addition to operating revenues, the Electric Fund had non-operating revenues of almost $3.0 million. This was up from $2.2 million in FY 2014. Most of this increase was due to an insurance reimbursement.

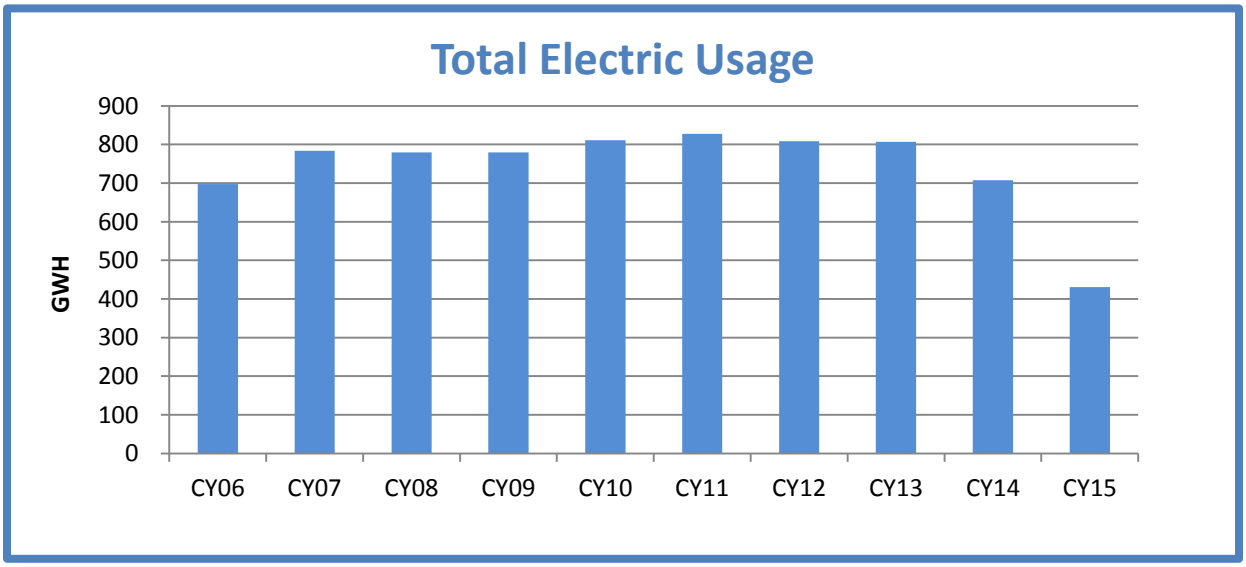
Expenditures

Operating expenses were $48.7 million down from $66.1 million in FY 2014. This was primarily due to lower purchased power costs related to Micron. This resulted in an income of $699,652 before contributions and transfers and change in net position of $783,152. This is in contrast to the FY 2014 results which included a loss before contributions and transfers of $2.1 million and a reduction in net position of $4.9 million.



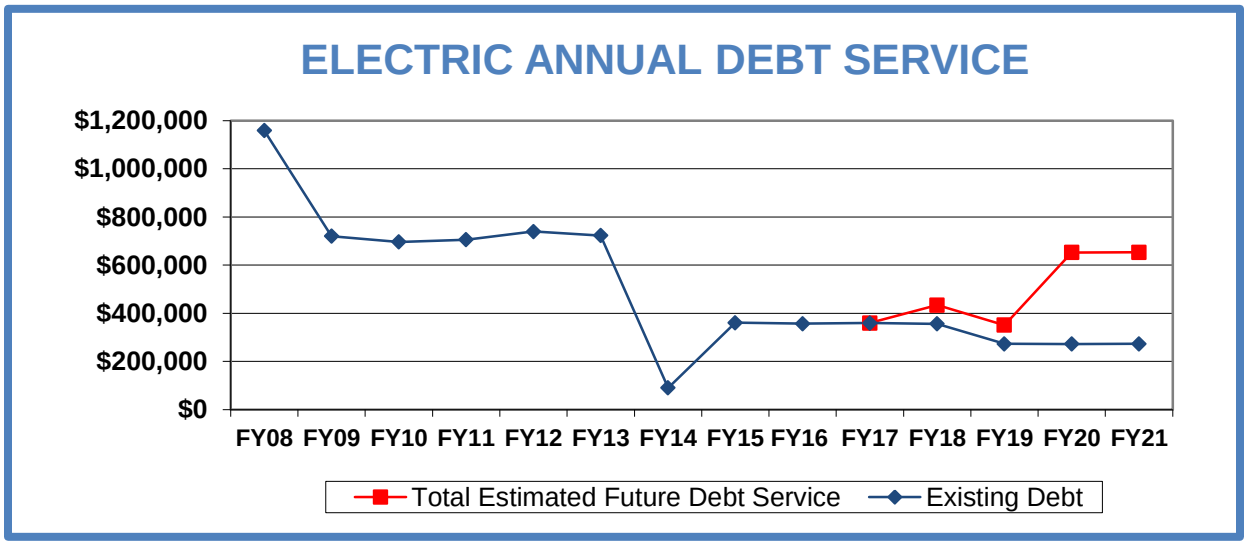
The Electric Fund continues to be well positioned financially. At the end of FY 2015 the fund had a net working capital position of $19.6 million. Of this amount $10.3 million is committed to on-going capital projects yet to be expensed.

When excluding Micron, overall usage was relatively flat from 2014 to 2015. Residential usage increased 1.2% and commercial usage increased 2.2%. This was mostly offset by a 13.2% decline in industrial usage. Residential usage now makes up 42.2% of total usage, commercial usage is 48.6%, and industrial usage is 9.2%.



Electric Fund Debt and Debt Service

At the end of FY 2015 the Electric Fund had $4.0 million in outstanding debt. Debt service for the year was $360,950. The fund has a debt service coverage ratio of 8.9. As a matter of reference, banks will typically look for a ratio of at least 1.2 for commercial projects.



City of Manassas

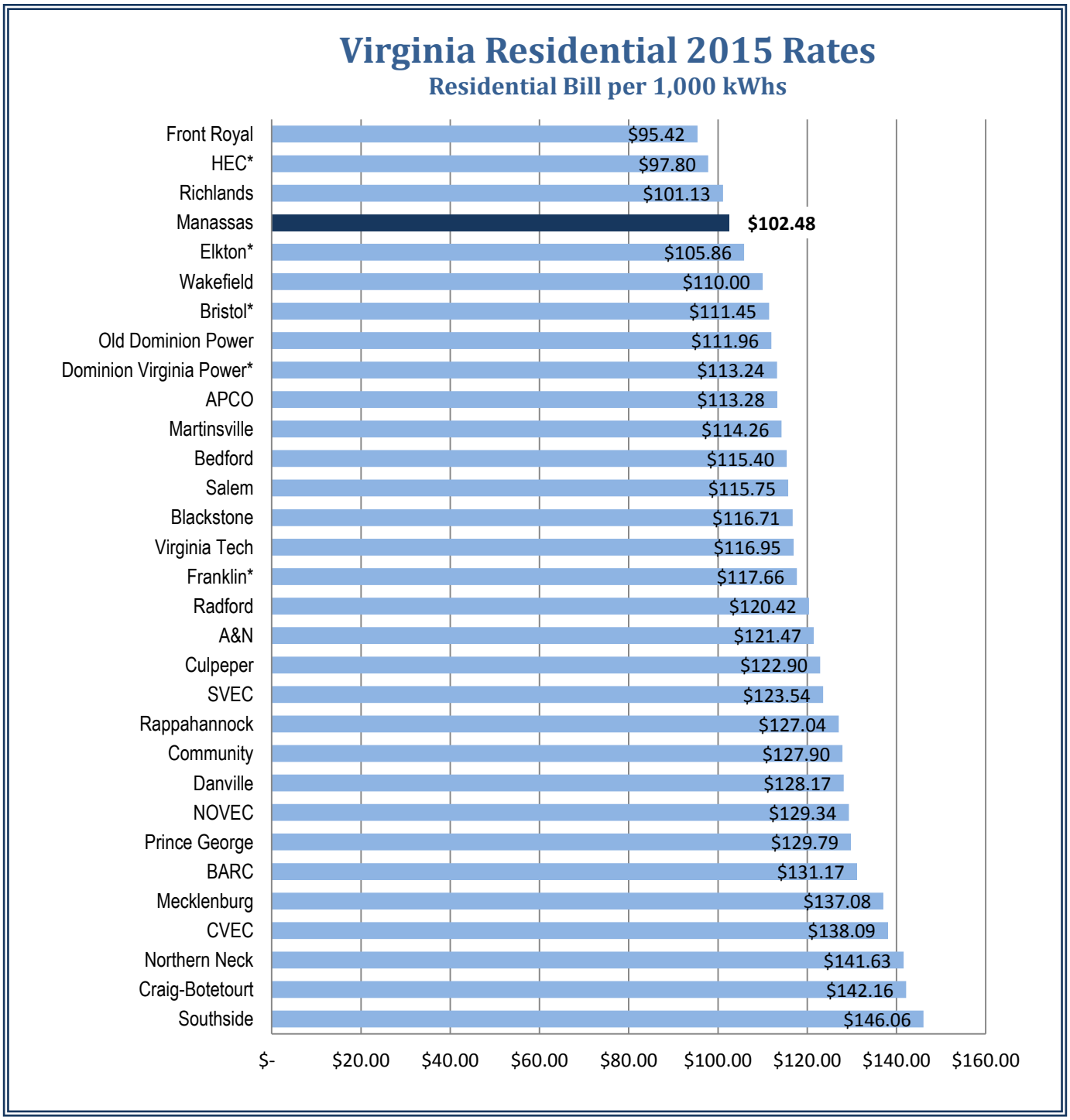
Select Utilities Operating Statistics

For the Fiscal Years Ending 2010 through 2015

Electric Fund

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Change in Net Assets	$ 1,378,744	$ 4,242,586	$ (648,433)	$ (862,784)	$ (4,876,368)	$ 783,152
Contribution to Capital Improvement Fund	$ 1,765,000	$ 3,093,022	$ 1,856,959	$ 2,351,800	$ 1,750,000	$ 1,332,500
Working Cash Requirement	$ 13,131,743	$ 15,352,606	$ 16,786,959	$ 15,674,910	$ 16,289,586	$ 12,103,367
Working Cash (Actual)	$ 20,082,044	$ 20,811,499	$ 22,397,477	$ 19,239,845	$ 20,661,449	$ 18,114,915
Operating Income (Loss)	$ 245,871	$ 348,942	$ (2,126,316)	$ (1,958,451)	$ (4,331,783)	$ (2,264,223)

Utility policy on working cash requirements: 90 days Operations & Maintenance; 1 year debt service; 1% total assets



*Winter and summer weighted average

Electric Reliability
The Cornerstone of our Operations

The City's method for measuring and comparing electric utility reliability is the System Average Interruption Duration Index (SAIDI). This measure of reliability is the total length of time of all outages averaged over the entire customer base. The City's SAIDI Goal for 2015 was to limit power outages to 52 minutes or less of customer interruption for all of the 16,000+ customers served. The City documented 160 power outages during the year, with a total average customer minutes of interruption (CMI) of 49.8 minutes. It is certainly possible that individual customers may have experienced outages totaling more than 49.8 minutes; however, a typical customer in Manassas would have been without power for less than one hour for all of 2015.

Here's how we compare to other utilities in the Manassas area:

Utility	SAIDI Goal	SAIDI Actual
Dominion Virginia Power	-	117.0 minutes
NOVEC	78	51.3 minutes
APPA (Benchmark)	-	52.5 minutes
City of Manassas	52	49.8 minutes

Dominion Virginia Power - Most recent available
Northern Virginia Electric Cooperative (NOVEC)
American Public Power Association (APPA) Region 5 Municipal Utilities with a median size of 16,000 customers.

Airport Substation Renovation $5.6 million

The City Electric Department has four distribution substations that provide electric power to over 16,400 customers. The Airport Substation, located on Godwin Drive, serves the City Airport and the City Water Treatment Plant, 176 industrial and commercial customers, 5 City schools, and over 7,400 residences. In 2011, we saw an opportunity to connect to a new Dominion Virginia Power (DVP) transmission line then being planned. The new DVP line delivers a higher voltage and greater capacity, and also increases reliability by forming a complete loop through the City, enabling DVP to quickly restore power on the line in the event of outages.

The Electric Department developed a Capital Improvement Plan with three main goals: replace a 27-year-old substation transformer that was almost fully loaded; add an additional circuit to the 5 circuits currently in the station in order to serve future loads in the Gateway development; and perform a full rebuild of the substation to ensure it will serve City customers for another 30 years. After three years of planning, design and scheduling, a one-month window in October of 2015 was chosen for the overhaul. In just four weeks the old transformer was removed; all electrical connections were cleaned and tightened; and new underground cable was installed on the five distribution circuits.

One important piece of the job was installing a new concrete manhole and a new fiber splice box in the front yard of the substation. The new manhole allows line crews to access the buried cables for inspection and repairs, but also allows for two separate paths for cables to exit the substation. This means that a single cable failure can't affect the entire substation. In a similar way, the new fiber splice box removes the critical communication cables farther away from the high voltage lines and reduces the chance of an interruption of communications.

City staff including linemen, substation electricians, and electronic technicians performed all this work without any interruption of power to homes or businesses. The result is effectively a new substation with enough capacity to serve the economic development on the West end of the City, while continuing to provide reliable service to the current customers and businesses.

Capital Improvement Plan Projects and Major Maintenance

Several capital improvement projects were completed or substantially completed in 2015 that help provide greater reliability and extended life to the City's electric infrastructure.

The Mathis Street Project was completed, moving 700 feet of overhead electric service to underground and removing the overhead lines and poles. In conjunction with Public Works, sidewalks were added and decorative post street lamps were installed.

Manassas is currently replacing all electric and water meters with automated meters (AMI) that can be read remotely from the Utilities Department on Public Works Drive without having to dispatch vehicles – cutting costs and making our carbon footprint smaller by reducing fuel usage, vehicle maintenance and work hours. To date, approximately 11,757 of 16,300 new electric meters have been installed, and 5,305 of 12,500 water meters have been installed. We expect to have all new meters installed by the end of 2016.

Prince William Street electric overhead to underground relocation was substantially completed with nearly 4,000 feet of conduit installed and one-third of the overhead moved to underground.

Prince William Substation transformer testing and oil filtering was completed and the high-voltage circuit switcher was overhauled with new insulator bushings and adjustment.

We completed three major projects on the Utility fiber network:

- Increased the physical security of the fiber network by upgrading manholes and relocating network switches.
- Increased the cyber security of the fiber network by having third-party tests of the firewalls and network switches.
- Upgraded the SCADA server and software and provided training to System Operators. SCADA is the City's computer system for gathering and analyzing real time data from remote locations in order to control equipment and conditions. This system upgrade was required due to the loss of technical support for the older version, and provides improvements and additional functionality for future utilization.

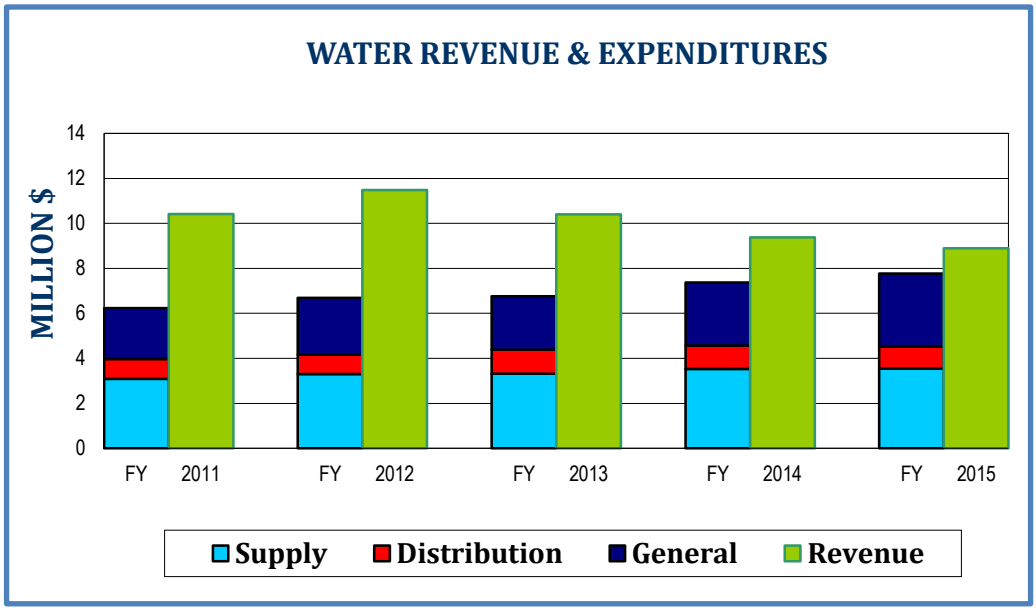
WATER FUND

- 750 acre Lake Manassas
- 5.08 billion gallons capacity
- 14 MGD water treatment plant
- 170 miles of water line
- 4 water storage tanks
- 1,265 fire hydrants
- 4,350 valves

Revenue & Expenditures – Water

Revenue

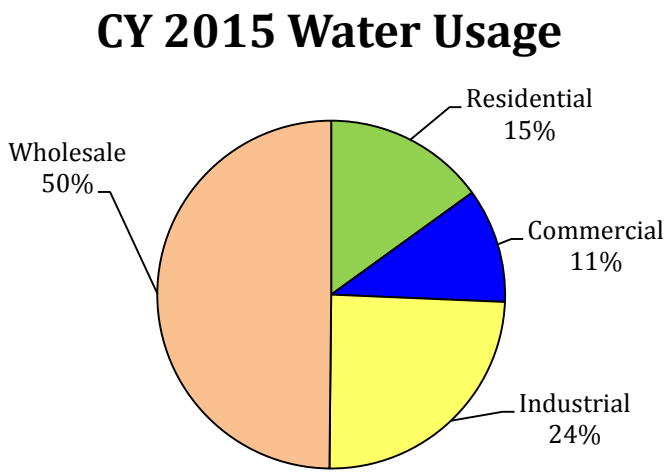
The Water Fund also had a strong financial performance in FY 2015. Operating revenues decreased $534,728, or 5.5%, from FY 2014. Of this reduction, $213,706 was from fewer connection fees. Both residential and commercial revenues were flat, even though rates were increased 2%. This rate increase was offset by lower consumption. Industrial sales were down 1.9%. While sales to wholesale customers were up 0.5%, wholesale revenues were lower due to a contract revision with the City of Manassas Park that resulted in an additional $261,171 of revenue in FY2014.



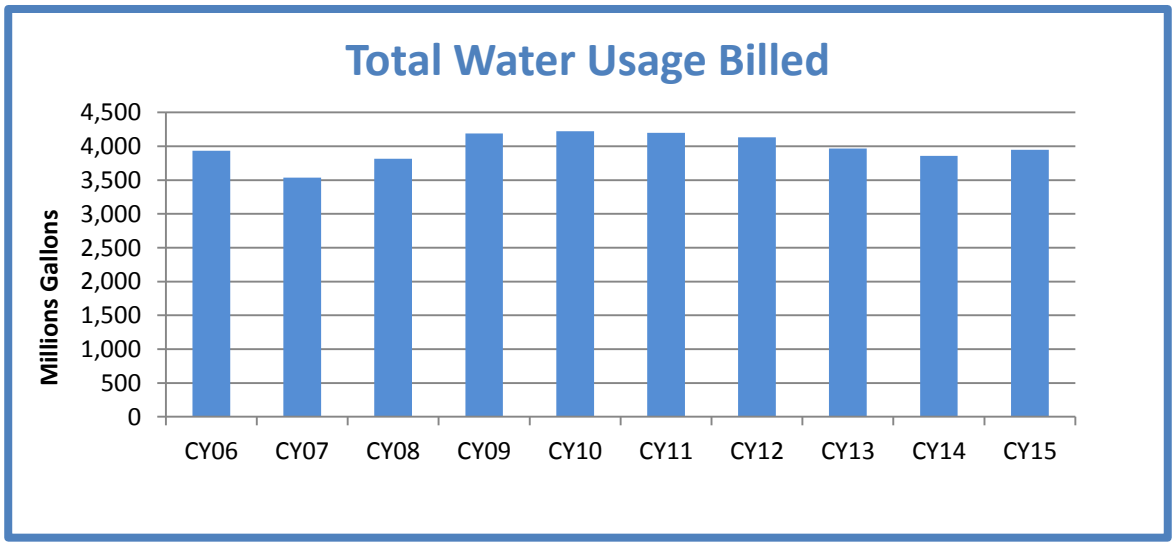
At the end of FY 2015 the Water Fund had a net working capital position of $14.15 million, down slightly from $16.1 million at the end of FY 2014. Approximately half -- $7.3 million -- is committed to capital improvement projects which have yet to be expensed.

Expenditures

Operating expenses increased $394,606 led primarily by increases in costs for internal services and higher depreciation. This resulted in income of $1.1 million, before contributions and transfers, a decrease of $2.0 million from FY 2014. After contributions and transfers, the Water Fund had an increase in net position of $929,433.

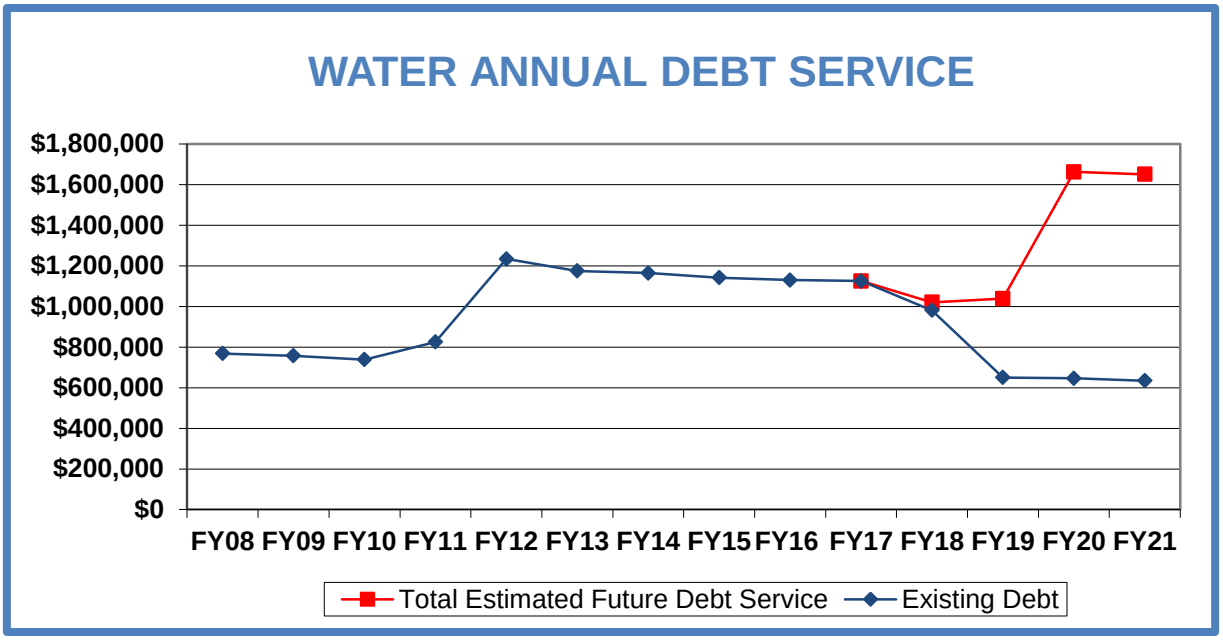


Retail water usage in 2015 was flat as compared to 2014. Residential usage was down 1%, commercial usage was up 1.7%, and industrial usage was down 0.3%. Wholesale usage was up 0.5%.



Water Fund Debt and Debt Service

At the end of FY 2015, the Water Fund had $7.1 million of outstanding debt. Debt service for the year was $1.14 million. The fund has a debt service coverage ratio of 2.87.



City of Manassas

Select Utilities Operating Statistics

For the Fiscal Years Ending 2010 through 2015

Water Fund

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Change in Net Assets	$ 3,452,149	$ 7,170,738	$ 8,239,090	$ 2,045,144	$ 846,564	$ 929,433
Contribution to Capital Improvement Fund	$ 926,000	$ 1,210,000	$ 907,663	$ 2,404,970	$ 4,140,000	$ 2,700,000
Working Cash Requirement	$ 2,296,809	$ 2,290,723	$ 3,194,916	$ 2,840,816	$ 2,881,167	$ 2,860,468
Working Cash (Actual)	$ 6,207,530	$ 9,711,965	$ 7,690,683	$ 16,930,581	$ 16,044,255	$ 8,596,447
Operating Income (Loss) Less Tap Fee	$ 3,456,289	$ 3,815,687	$ 4,127,310	$ 3,208,792	$ 1,545,641	$ 830,013

Utility policy on working cash requirements: 90 days Operations & Maintenance; 1 year debt service; 1% total assets

High Water Quality
The Foundation of our Operations

The City is constantly striving to ensure the highest quality, safest, most reliable, and cost-effective drinking water. The City's state-certified Water Quality Laboratory tests and monitors the City's raw water source, water treatment process, and water throughout the distribution system. As a City of Manassas customer, the water you drink consistently surpasses stringent federal and state standards.

To ensure that no harmful bacteria exists in the drinking water and sufficient disinfection levels are always maintained, Chlorine is monitored and microbiology samples are analyzed at 42 sites throughout the city each month. The City tests its water for more than 120 compounds and constituents. All the regulated contaminants are well below EPA's maximum contaminant levels. Since testing began more than 20 years ago, the City's Lead and Copper levels are well within compliance and below any level of concern.

Water produced at the City's water treatment plant is continuously monitored by the Water Plant Operators to meet regulatory compliance and ensure aesthetic quality. The treatment process and water quality are monitored year round, 24 hours a day/7 days a week. Each day the water being produced is tested for alkalinity, chlorine, pH, temperature, hardness, phosphate, iron, manganese, carbon dioxide, chlorine, chloramines, color, odor, and fluoride. Annually more than 250,000 tests are performed and 500,000 observations are recorded at the City's water treatment facility to ensure its quality, compliance and safety.

Each year we produce a water quality report that summarizes all of our testing results throughout the year. Copies of the report may be found on the City's website at www.manassascity.org.

Capital Improvement Plan Projects and Major Maintenance

Transmission Main Replacement and Upgrade

Many people who commute through the Route 28 and Vint Hill Road areas are unaware that all that construction is not just a Prince William County road improvement project. A major component of that work is the relocation and upgrade of the City's vital water transmission main.

The City's original 24 inch transmission main was constructed in the early 1960's to bring water from Lake Manassas, through 6.5 miles of country side to the City. The existing pipe is made of thin-walled spiral welded steel and runs down Vint Hill Road, turns up Route 28 and enters the City limits behind the Burger King on Pennsylvania Ave. Although it is in fairly good condition, this transmission is unable to serve the City's foreseeable growth in demand because it is too small. Several years ago, the City's leadership came together and devised a plan to fund and replace this pipeline. This decision was important because it signaled the collective recognition that having a reliable and sufficient supply of high quality water is one of the most vital components of what makes our City successful. The City has some

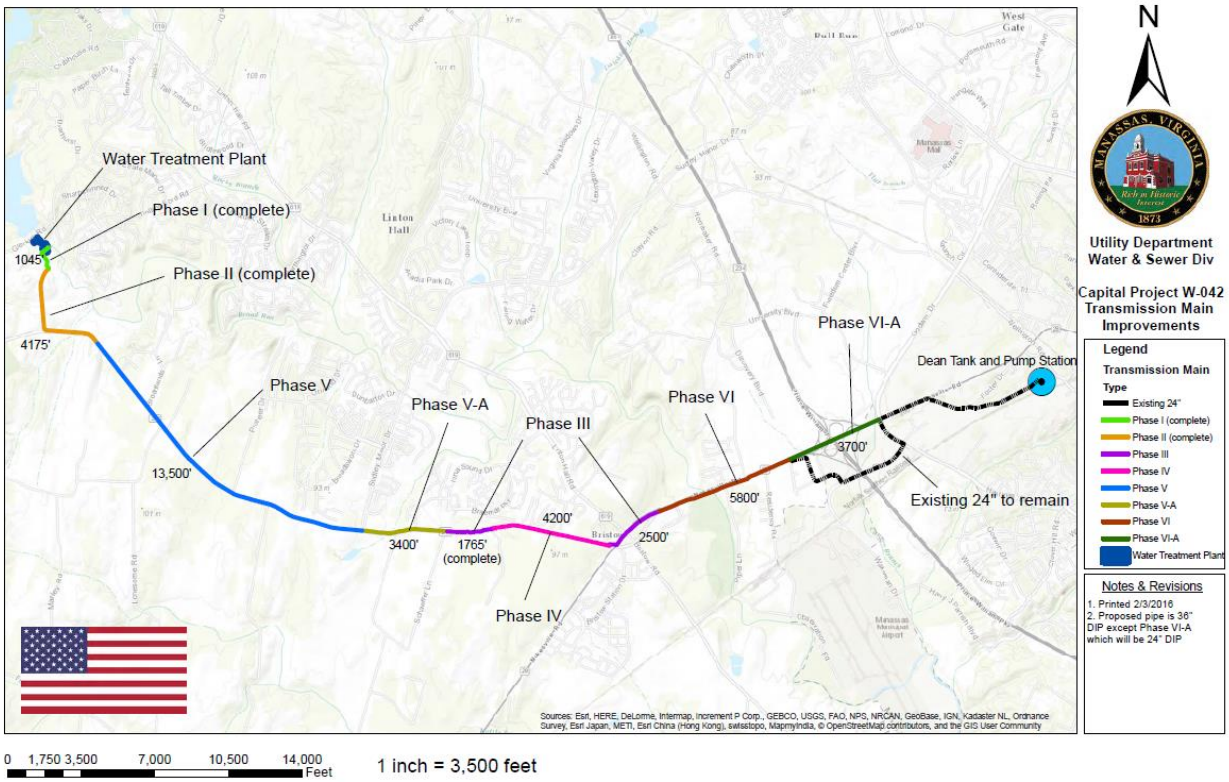
redundancy in water supply through interconnections with the Prince William County Service Authority and capacity from Fairfax Water, however these interconnections only supplement the City's main water supply and cannot replace the total amount we produce ourselves.

Fortunately, the City has been able to work cooperatively with Prince William County to coordinate construction of our new 36 inch diameter water main with several major transportation projects. We will continue to partner with Prince William County road projects whenever possible because it allows us to install our new pipe sooner in a more cost effective manner for both parties, all while eliminating future disruptions to these County roads if we were to do these projects independently. The City will continue this pipeline project for the next 7 to 10 years at a total estimated cost of $29 million.

Phases I & II, approximately one mile of pipeline, were constructed with the County's Rollins Ford Road and bridge construction. Phase III Segment A (approximately 1,765 feet) was completed in November of 2015 as part of the Vint Hill Road realignment project. That same roadway project will also widen Route 28, which is where 2,350 feet of pipe in Phase III Segment B is currently

under construction. That segment started construction in January and will be completed in 2016. The remaining phases are currently in various states of design. The total project is approximately 7 miles of which 2.1 miles have been completed.

Once completed, this larger and stronger transmission main will be able to serve the City's growing population for the next century.



Georgetown South Water Main Replacement

For nine months in 2015, City Water & Sewer staff worked in the northern end of Georgetown South to replace a significant amount of 50-year old water main. This work consisted of installation of approximately 3,325 feet of new 8-inch ductile iron water main, reconnection of 250 homes, new automated–read water meters, and installation of new fire hydrants on Aspen Place, George Street, Beech Place, and Byrd Drive. All of these streets were also completely repaved and parking restriped at the completion of construction.

This project that was part of the Water Department's approved Capital Improvements Program. The final cost was $512,000 which came in under budget by 8.7%. This was quite a success considering that we encountered rock that required the rental of bigger equipment and additional time to excavate through it.

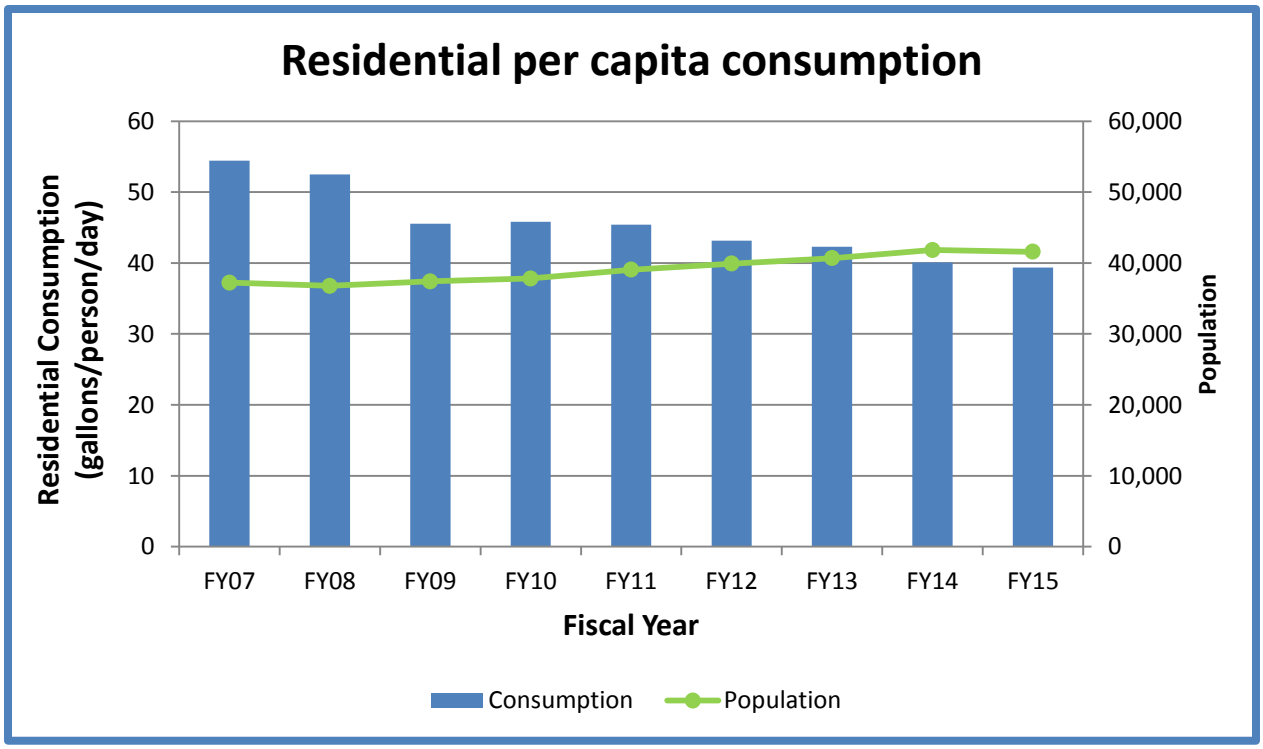
Why was this project so important? As water mains age, the flow within the pipes tends to decrease. This can sometimes cause water quality issues with taste and odor. These improvements will provide better service to this neighborhood by replacing some of our oldest infrastructure – improved flow and water pressure, higher water quality, and higher service reliability.

Construction in any residential zone is always an intrusive effort, and is only more challenging due to parking constraints. City staff appreciates those who helped and assisted in coordinating with the residents while we worked hard to make this major infrastructure investment in the community.

Challenges of the Future: Reduced Water Sales Despite Population Growth

The City of Manassas is proud to have a financially stable utility system but it is not without challenges. Each year, staff, Commission, and Council work to balance the many factors and variables that affect the cost of service while considering current and future obligations. One of the biggest variables is residential consumption. Over the past decade, our customers have continued to decrease their water consumption: an average decline of almost 3.9% per year. This is consistent with a recent U.S. Geological Survey which stated that water use in the United States peaked in 1980 and has been declining ever since (Larsen, 2015).

As seen in the graph below, residential consumption is trending down even though City population is increasing. The reasons behind this trend are believed to be conservation, more water-efficient fixtures, increasing rates, and the general economy (Weeks, 2012).



This water conservation is great for the environment; however, it means reduced revenues to the water utility. Unfortunately, the majority of our expenses are actually fixed, not variable based on production. In fact, the operation and maintenance of our fixed assets, whether we use them a lot or a little, is about 89% of the budget. The remaining 11% (chemicals, energy, etc.) is the only expenditure that declines proportionately to consumption.

What kind of fixed assets are talking about? About 170 miles of water main, 1,265 fire hydrants, 4,350 valves, 11,600 water meters, 4 storage tanks, 2 pump stations, a water treatment plant, a dam, and a reservoir. These assets are in place and ready to use, regardless of the amount of water we produce and sell. This decline in sales, coupled with high fixed costs, puts more pressure to increase water rates.

We believe that the future of every successful utility is based on providing a high level of service at a sustainable cost. With that philosophy, the City's leadership will continue to meet these types of utility, economic, and conservation related challenges with effective decision making and a well-organized strategic plan.

Sources

Larsen, K. (2015, April 21). Why is water usage declining across the United States?. *GreenBiz*. Retrieved from http://www.greenbiz.com/article/why-water-usage-declining-across-united-states-0

Weeks, E. (2016). Declining Water Consumption, Part Two: The Big Picture. Retrieved from http://efc.web.unc.edu/2012/05/25/declining-water-consumption-part-two-the-big-picture/

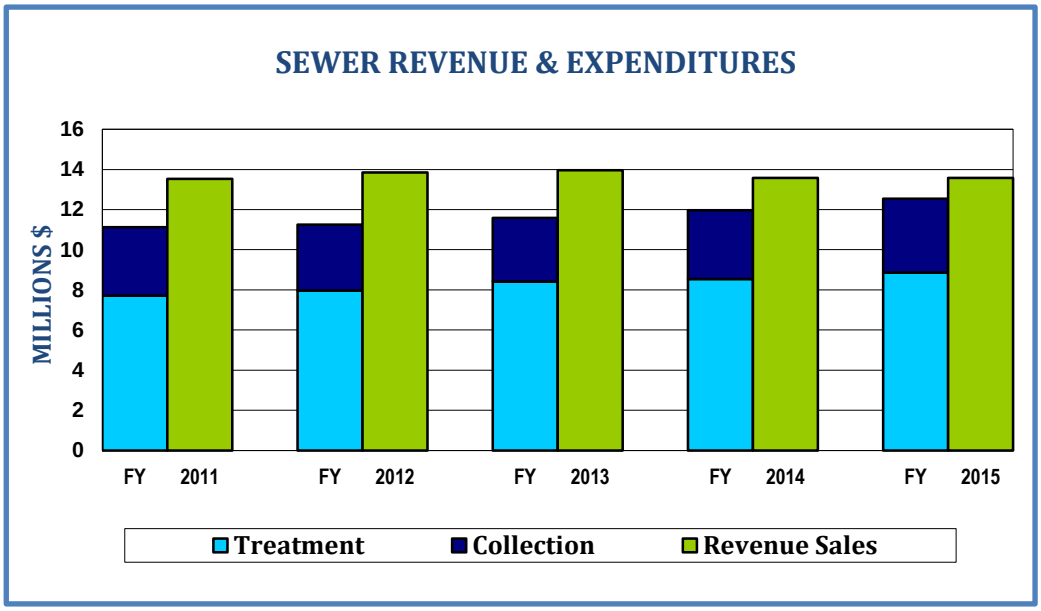
SEWER FUND

- 142 miles of sewer line
- 3,419 manholes
- 4 lift stations
- All sewage treated at the
  Upper Occoquan Service Authority (UOSA)
  Regional Water Reclamation Plant

Revenue & Expenditures – Sewer

Revenue

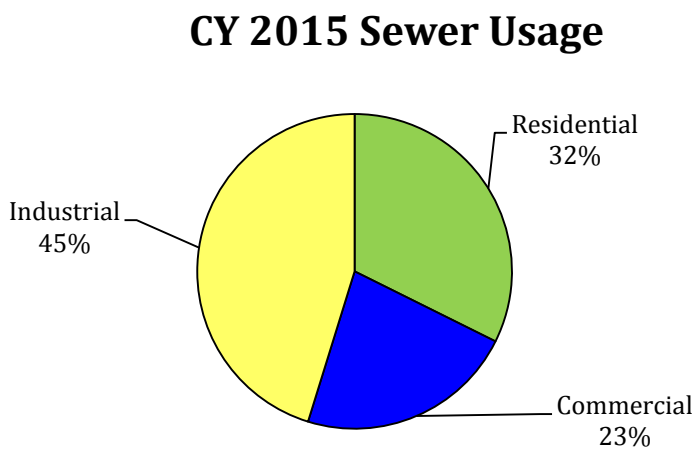
In FY 2015, operating revenues for the Sewer Fund were $14.0 million, a slight decrease from FY2014 revenues of $14.17 million.. Fewer connections resulted in $113,587 less in connection charges while $60,423 was from lower sales revenues. Residential revenues decreased1.4%, commercial revenues increased 0.3%, and industrial revenues decreased 1.1%.



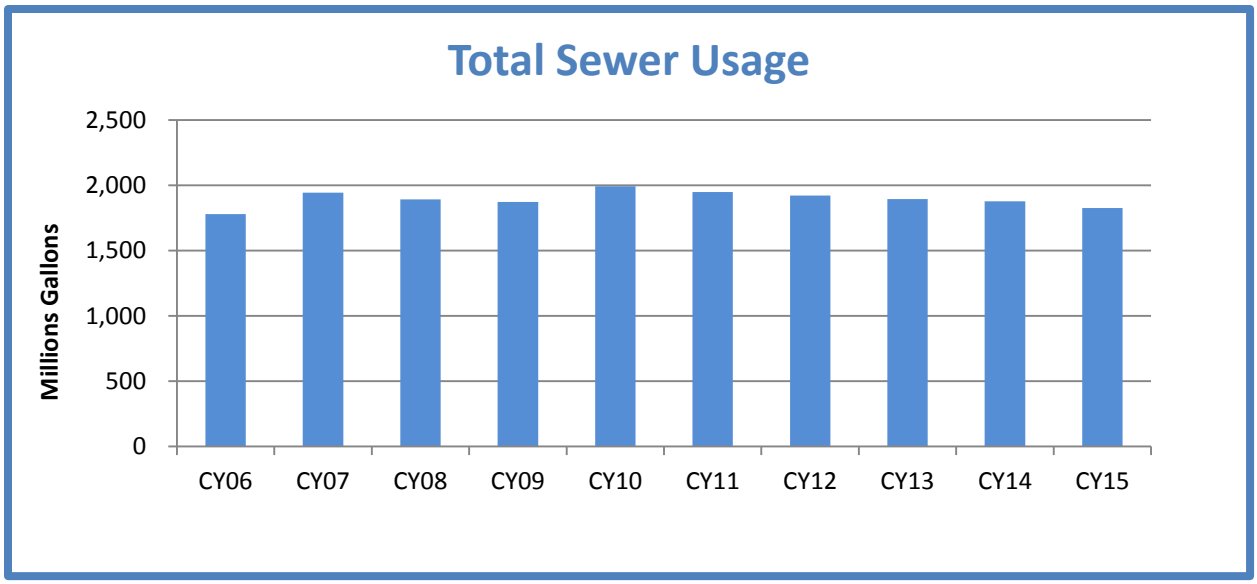
Expenditures

Operating expenses increased $580,688. This was primarily due to increases in UOSA treatment charges, contractual services, and internal service charges. This resulted in income of $1.0 million before contributions and transfers, a decrease of $610,000 from FY 2014. After contributions and transfers, the Sewer Fund had an increase in net position of $905,180.

At the end of FY 2015, the Sewer Fund had a net working capital position of $14.56 million, up slightly from $13.9 million at the end of FY 2014. Of this amount, $1.96 million is committed to capital improvement projects that have yet to be expensed.

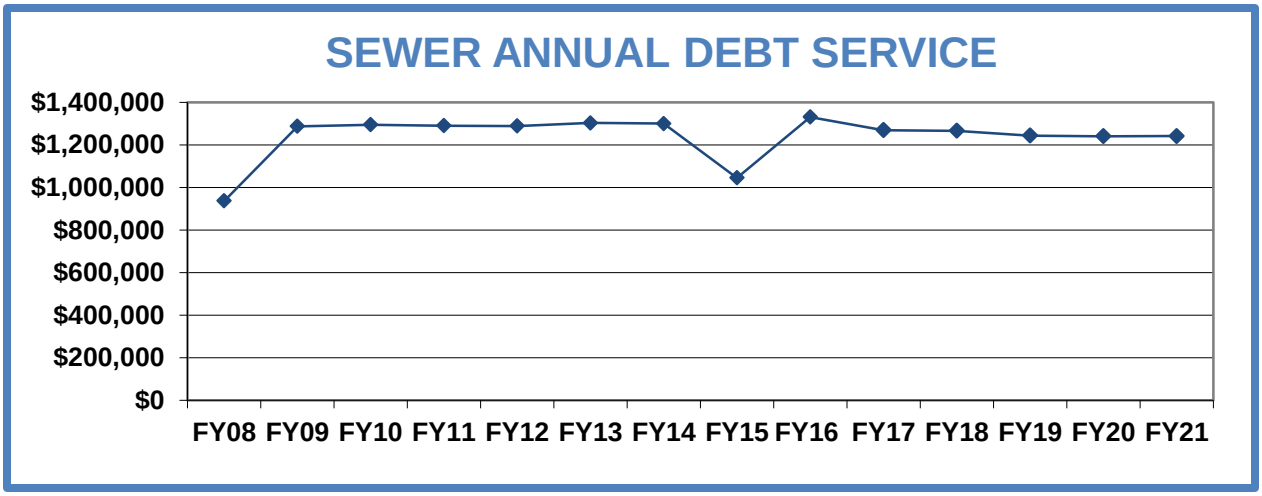


Total sewer usage was down 2.7% in FY 2015 as compared to FY 2014. This decreased usage was spread across all customer classes with residential usage down 1.0%, commercial usage down 2.1%, and industrial usage down 4.2%.



Sewer Fund Debt and Debt Service

In November 2014, the Sewer Fund refunded $10.3 million of its outstanding debt. This will result in lower debt service costs over the next ten years. At the end of FY 2015 the Sewer Fund had $12.5 million in outstanding debt. Debt service for the year was $1,045,875. The fund has a debt service coverage ratio of 2.25.



City of Manassas

Select Utilities Operating Statistics

For the Fiscal Years Ending 2010 through 2015

Sewer Fund

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Change in Net Assets	$ (398,009)	$ 1,955,269	$ 2,366,778	$ 1,896,926	$ 717,144	$ 905,180
Contribution to Capital Improvement Fund	$ 487,000	$ 497,000	$ 281,663	$ 3,214,600	$ 500,000	$ 300,000
Working Cash Requirement	$ 3,990,472	$ 4,035,422	$ 4,501,185	$ 4,035,320	$ 4,108,896	$ 4,368,486
Working Cash (Actual)	$ 5,227,963	$ 7,799,327	$ 10,560,107	$ 12,696,563	$ 12,551,791	$ 14,000,419
Operating Income (Loss) (Less Tap Fees)	$ 231,792	$ 1,062,899	$ 623,397	$ 1,176,242	$ 747,268	$ 106,157

Utility policy on working cash requirements: 90 days Operations & Maintenance; 1 year debt service; 1% total assets

Capital Improvement Plan Projects and Major Maintenance

Upper Flat Branch Interceptor Replacement

This project consists of several portions from Digges Road out by Prince William Hospital all the way to Zebedee Street in downtown. The area replaced this year was done in conjunction with a stormwater improvement project from the Public Works Department. Collectively we replaced and improved sections of water main, sewer main, storm system, gas piping, sidewalks, and roadways. The sewer portion of the project consisted of about 1,000 feet of sewer main and 15 sewer lateral replacements in the areas of Main Street, Portner Avenue, and Battle Street.

The City of Manassas Utilities are monitored 24 hours a day, 7 days a week by City staff. You can call our Operations Center any time, day or night, at 703-257-8353 to report loss of electric power , a sewer backup or a water leak.

Did you know....

- ✓ The momentary interruption , or blink, of electric power we sometimes see during storms is actually the automatic systems *preventing* a longer outage.
- ✓ Squirrels cause an average of 14 power outages every year in the City.
- ✓ The City contributes to the reliability of the national electrical grid by maintaining and operating diesel generation that can quickly provide extra power when the grid is stressed.
- ✓ Over 80% of the City's electric system is underground, and more lines are being moved underground every year. This reduces outages caused by ice and wind.
- ✓ The Utility Department answers over 58,200 customer calls per year.
- ✓ The City's Water Treatment Plant produced 4.6 billion gallons of water in 2015.
- ✓ The City's Water Treatment Plant won the "Silver Award for Water Treatment Plant Excellence in Filtration and Clarification" from VA Department of Health, Office of Drinking Water. The City also received the 2014 "Water Fluoridation Quality Award" from the Centers for Disease Control and the United States Health Department.

Visit our website at www.manassascity.org for more information about out Utility system.

The City of Manassas offers 7 different ways in which you can pay your utility bill, including options to view and pay the bill without leaving the comfort of your home.

Automatic Bank Draft

- ✓ Funds are automatically withdrawn from the customer's checking account on a specific date each month. Never forget to make a payment.
- ✓ Customer initiates by completing Automatic Bank Draft Form
- ✓ No fee is charged for this service

View and Pay Bill Online

- ✓ The City of Manassas offers a third party interface -Invoice Cloud- for an easy and convenient method to view and pay their utility bills.
- ✓ No fee is charged for payments made via electronic check
- ✓ This is a fee-based service for credit card transactions

Pay by Phone

- ✓ Calling (844)278-9120 connects the customer to the Invoice Cloud service for another convenient avenue to pay.
- ✓ No fee is charged for payments made via electronic check
- ✓ This is a fee-based service for credit card transactions

Pay by Mail

- ✓ Payments made by mail normally take 2-3 business days to be received and processed.

Pay in Night Box

- ✓ Located at City Hall and Public Works Facility. Payments dropped off after 8:30 a. m. will be processed the next business day.

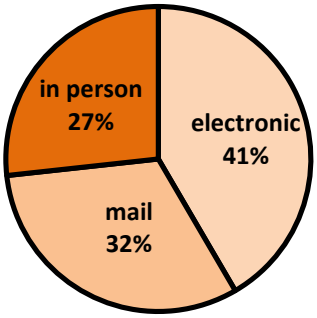
Pay in Person

- ✓ Payment accepted in the office are cash, check, cashier's check or money order
- ✓ Payments can be made between 8:30 am – 5:00 pm Monday – Friday at 8500 Public Works Dr. Manassas, VA.

Online Payment System

4,289 registered users
1,144 paperless bill customers
587 auto pay customers
12,814 credit card transactions
24,255 e-checks
$9.7 million in payments

2015 Payment Statistics



Find the option that works best for you and give us a call at 703-257-8245 or visit our website at www.manassascity.org for more details!

Utility Rate Changes

Utility Rate Changes					
Service	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Electric	5.0%	2.0%	0.0%	5.0%	4.0%
Water	2.2%	0.0%	0.0%	2.0%	3.0%
Sewer	5.1%	0.0%	0.0%	0.0%	3.0%

Utility Staffing

The Utilities Department continues to seek opportunities to improve efficiencies within the Department. Since FY07, the Utility has seen a decrease in staff by 10.2%. The FY15 budget remained flat.

The Department will continue to monitor regulatory requirements, customer service workload, and power supply arrangements to determine the need to increase or decrease staffing.

Utility Staffing	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15
Water & Sewer	41	38.5	38.5	38.5	38.5	38.5
Administration, Customer Service & Billing	20	19	19	19	19	19
Electric	36	35	35	35	35	35
Total	97	92.5	92.5	92.5	92.5	92.5

Utility Rate Comparison

Electric Utility

Residential Use per 1,000 KWh/month
FY 2015

Manassas City	VA Power*	NOVEC
$ 102.48	$ 113.24*	$ 129.34

*Winter/Summer Average

Water & Sewer Utility

Residential Use per 5,000 gallons per month
FY 2015

	Manassas City*	Pr Wm County	Manassas Park City	Loudoun County	Leesburg (in town)	Leesburg (out of town)	Fairfax City
Customer Charge	$ 12.75	$ 12.85	$ 46.00	$ 20.40	$ 9.05	$ 9.05	$ 3.42
Water Charge Per 5,000 Gallon	$13.15	$16.75	$18.75	$11.15	$20.70	$29.15	$12.75
Sewer Charge per 5,000 Gallon	$44.84	$32.75	$31.25	$21.95	$29.10	$44.20	$32.30
Total Water & Sewer Charge	**$70.74**	**$62.35**	**$96.00**	**$53.50**	**$58.85**	**$82.40**	**$48.47**

*includes UOSA recovery cost

*UOSA Portion (Treatment)	$ 32.44
*CITY Portion (Collection)	$ 12.40
*Total Sewer Charge (Estimate)	$ 44.84

Appendixes

City of Manassas Utility Department Revenue & Expenditures

REVENUE BY FUND

	ELECTRIC	WATER	SEWER
FY 15	$49,369,995	$8,890,400	$13,571,357
FY 14	$63,956,164	$9,381,734	$13,572,659
FY 13	$61,800,813	$10,402,397	$13,961,408
FY 12	$65,362,128	$11,477,506	$13,852,535
FY 11	$63,538,516	$10,414,005	$13,524,746

EXPENDITURES BY FUND

	ELECTRIC		WATER			SEWER	
	PURCHASE POWER	OPERATING	SUPPLY	DISTRIBUTION	GENERAL	TREATMENT	COLLECTION
FY 15	$37,306,892	$11,363,451	$3,544,511	$986,359	$3,235,564	$8,856,631	$3,689,086
FY 14	$55,077,081	$10,987,213	$3,534,919	$1,033,115	$2,803,794	$8,539,783	$3,425,246
FY 13	$50,313,579	$10,808,982	$3,325,242	$1,060,725	$2,371,465	$8,417,553	$3,162,979
FY 12	$55,310,933	$10,158,507	$3,308,044	$867,248	$2,519,080	$7,968,098	$3,288,387
FY 11	$48,848,484	$10,869,404	$3,087,757	$880,662	$2,271,928	$7,719,382	$3,395,983

TOTAL EXPENDITURES BY FUND

	ELECTRIC TOTAL	WATER TOTAL	SEWER TOTAL
FY 15	$48,670,343	$7,766,434	$12,545,717
FY 14	$66,064,294	$7,371,828	$11,965,029
FY 13	$61,122,561	$6,757,432	$11,580,532
FY 12	$65,469,440	$6,694,372	$11,256,485
FY 11	$59,717,888	$6,240,347	$11,115,365

CITY OF MANASSAS, VIRGINIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Business-type Activities-Enterprise Funds		
	Electric Fund	Water Fund	Sewer Fund
ASSETS			
Current assets:			
Cash and investments - unrestricted	$ 14,582,539	$ 14,700,444	$ 14,000,419
Cash and investments - restricted	3,532,376	-	-
Accounts receivable, net	4,921,383	1,031,018	1,874,828
Prepaids	-	-	-
Due from other governments	-	-	-
Inventories	1,689,834	415,711	42,512
Total current assets	24,726,132	16,147,173	15,917,759
Noncurrent assets:			
Capital assets:			
Nondepreciable	5,306,146	1,854,874	2,055,896
Depreciable, net	16,160,787	29,585,386	17,822,508
Total capital assets, net	21,466,933	31,440,260	19,878,404
Total noncurrent assets	21,466,933	31,440,260	19,878,404
Total assets	46,193,065	47,587,433	35,796,163
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	-	45,693	972,953
Pension contributions subsequent to the measurement date	444,356	220,981	85,919
Total deferred outflows of resources	444,356	266,674	1,058,872
LIABILITIES			
Current liabilities:			
Accounts payable and accrued expenses	3,806,088	748,431	144,397
Retainage payable	1,270	-	15,159
Deposits	1,025,621	218,439	-
Accrued interest	25,510	130,315	311,849
Compensated absences	70,562	37,044	13,433
Bonds payable and other obligations - current	228,046	862,838	867,972
Total current liabilities	5,157,097	1,997,067	1,352,810
Noncurrent liabilities:			
Unearned revenue	-	1,943,759	8,050
Due to other funds	-	-	-
Compensated absences	399,850	209,918	76,121
Net OPEB obligation	302,294	144,849	63,350
Net pension liability	3,220,252	1,601,450	622,655
Bonds payable and other obligations	3,956,351	6,503,834	12,774,605
Total noncurrent liabilities	7,878,747	10,403,810	13,544,781
Total liabilities	13,035,844	12,400,877	14,897,591
DEFERRED INFLOWS OF RESOURCES			
Net difference between projected and actual investment earnings on pension plan investmen	746,711	371,344	144,381
Total deferred inflows of resources	746,711	371,344	144,381
NET POSITION			
Net investment in capital assets	20,814,912	24,119,281	7,208,780
Restricted for capital projects	-	-	-
Unrestricted	12,039,954	10,962,605	14,604,283
Total net position	$ 32,854,8	35,081,886	$ 21,813,063

The Notes to Financial Statements
are an integral part of this Statement.

CITY OF MANASSAS, VIRGINIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2015

	Business-type Activities-Enterprise Funds		
	Electric Fund	Water Fund	Sewer Fund
OPERATING REVENUES			
Charges for services	$ 46,203,660	$ 8,596,447	$ 12,651,874
Connection charges	202,460	549,504	1,348,395
Total operating revenues	46,406,120	9,145,951	14,000,269
OPERATING EXPENSES			
Personal services	4,843,904	2,435,669	944,552
Contractual services	1,331,648	414,050	352,632
Supplies	972,645	1,116,030	86,099
Internal and other serivces	1,617,033	1,632,510	705,275
Purchased power	37,306,892	-	-
Contract treatment charges	-	-	8,856,631
Depreciation and amortization	2,598,221	2,168,175	1,600,528
Total operating expenses	48,670,343	7,766,434	12,545,717
Operating income (loss)	(2,264,223)	1,379,517	1,454,552
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental grants	-	-	-
Investment earnings	15,977	17,760	14,009
Service reimbursements	2,368,341	-	-
Gain (loss) on sale of capital assets	(66,713)	-	-
Other/insurance recoveries	788,752	22,279	124,370
Interest expense	(142,482)	(295,590)	(567,291)
Total nonoperating revenues (expenses)	2,963,875	(255,551)	(428,912)
Income (loss) before contributions and transfers	699,652	1,123,966	1,025,640
CAPITAL CONTRIBUTIONS	518,420	32,767	50,000
TRANSFERS IN (Note 5)	1,050,000	620,000	650,000
TRANSFERS OUT (Note 5)	(1,484,920)	(847,300)	(820,460)
Change in net position	783,152	929,433	905,180
Total net position - beginning, as restated (Note 18)	32,071,714	34,152,453	20,907,883
Total net position - ending	$ 32,854,866	$ 35,081,886	$ 21,813,063

The Notes to Financial Statements
are an integral part of this Statement.

CITY OF MANASSAS, VIRGINIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2015

	Business-type Activities-Enterprise Funds		
	Electric Fund	Water Fund	Sewer Fund
OPERATING ACTIVITIES			
Cash received from customers and users	$ 48,801,987	$ 8,728,036	$ 13,982,320
Cash paid to suppliers	(41,447,805)	(1,221,325)	(9,177,470)
Cash paid to employees	(4,974,329)	(2,423,056)	(972,584)
Payments for interfund services used	(1,617,033)	(1,632,510)	(705,275)
Net cash provided by (used in) operating activities	762,820	3,451,145	3,126,991
NONCAPITAL FINANCING ACTIVITIES			
Other miscellaneous receipts (payments)	788,752	22,279	124,370
Transfers from other funds	1,050,000	620,000	650,000
Transfers to other funds	(1,484,920)	(847,300)	(820,460)
Receipts from service reimbursements	2,368,341	-	-
Operating grants received	-	-	-
Net cash provided by (used in) noncapital financing activities	2,722,173	(205,021)	(46,090)
CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital grants and contributions received	417,287	32,767	50,000
Purchases of capital assets	(4,370,087)	(3,488,927)	(369,126)
Sales of capital assets	-	-	-
Payment to escrow agent		(932,516)	(11,488,444)
Proceeds from debt issued	-	927,482	11,424,666
Principal paid on capital debt	(204,535)	(820,050)	(665,000)
Interest paid on capital debt	(166,132)	(326,451)	(503,311)
Bond issue costs	-	-	(95,067)
Net cash provided by (used in) capital and related financing activities	(4,323,467)	(4,607,695)	(1,646,282)
INVESTING ACTIVITIES			
Investment income	15,977	17,760	14,009
Net cash provided by investing activities	15,977	17,760	14,009
Net increase (decrease) in cash and cash equivalents	(822,497)	(1,343,811)	1,448,628
Cash and cash equivalents - beginning of year	18,937,412	16,044,255	12,551,791
Cash and cash equivalents - end of year	$ 18,114,915	$ 14,700,444	$ 14,000,419
CASH AND CASH EQUIVALENTS IS COMPRISED OF THE FOLLOWING:			
Cash and investments - unrestricted	$ 14,582,539	$ 14,700,444	$ 14,000,419
Cash and investments - restricted	3,532,376	-	-
Total	$ 18,114,915	$ 14,700,444	$ 14,000,419

The Notes to Financial Statements
are an integral part of this Statement.