



Town of Wilkesboro

**Utility and Benchmark Comparisons
(Water, Sewer, and Water/Sewer Combined)**

June 29, 2010

Report compiled by: Lillie Ward

Utility and Benchmark Comparisons (Water, Sewer, and Water/Sewer Combined)

The purpose of this report is to provide insight into the water, sewer, and combined rates of the Town of Wilkesboro as compared against 11 local municipalities as well as the state's three largest cities. Information about the statewide average and median rates are also included for each area of comparison.

Each specific comparison addresses four points of interest: Rates, Conservation Signal, Cost Recovery, and Affordability. The numbers for water comparisons have been provided first and they are followed by graphical representations of the numerical information. A description of each area of comparison is included below its respective graph. Each subsequent comparison (sewer, combined water and sewer, and benchmarks) is ordered in this manner.

Benchmark comparisons address the effectiveness of each municipality's utility system as a whole. As with the specific utility comparisons, numbers have been provided for certain areas of interest and they are followed by graphs, which offer more detailed explanations about each comparison.

The University of North Carolina School of Government provides all of this information on their Water and Wastewater Rates Comparison Dashboard. The dashboard is a product of the annual rates survey that the North Carolina League of Municipalities and the Environmental Finance Center at the School of Government conduct. 493 utilities representing more than 88% of all government owned and not-for-profit utilities in NC participated in 2010.

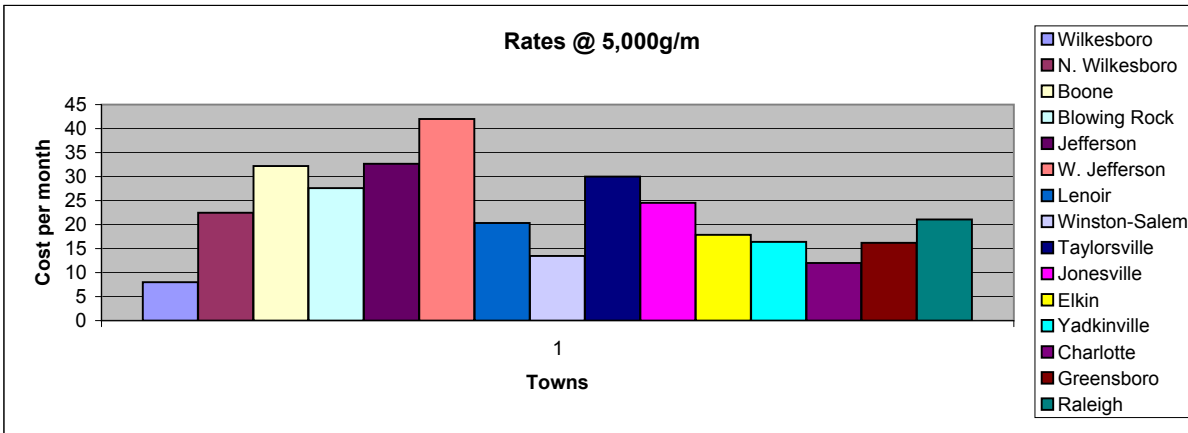
All of this information is also available at: <http://www.efc.unc.edu/RatesDashboards/nc.html>

Water Comparisons

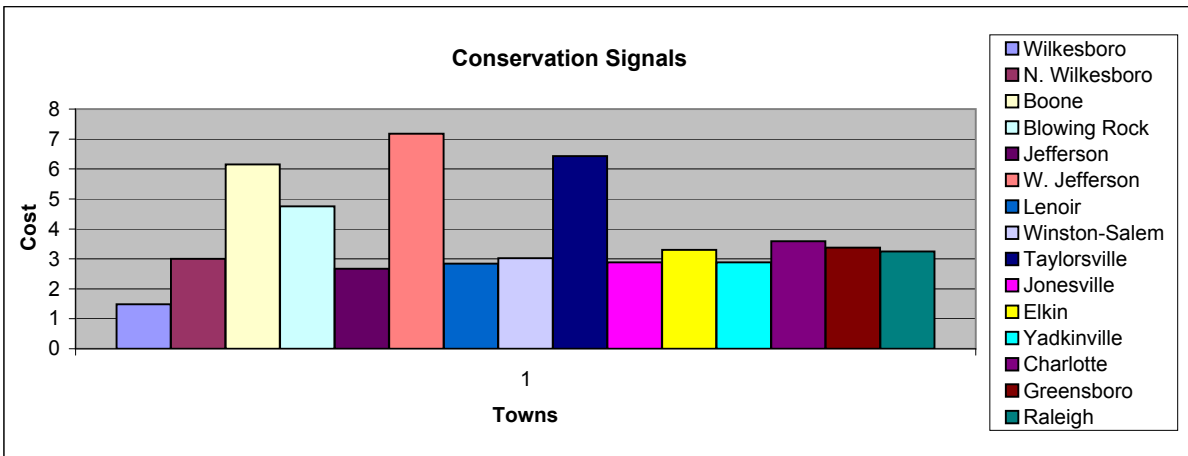
Rate Information

Towns/Cities	Rates at 5,000 gallons per month		Conservation Signal	Cost Recovery	Affordability
	Inside Rates	Outside Rates			
Wilkesboro	\$7.99	\$15.98	\$1.48	1.02	0.19%
N. Wilkesboro	\$22.50	\$33.75	\$3.00	0.92	0.98%
Boone	\$32.20	\$64.40	\$6.15	1.16	1.58%
Blowing Rock	\$27.63	\$55.26	\$4.75	1.25	0.51%
Jefferson	\$32.65	\$65.30	\$2.67	1.45	1.45%
W. Jefferson	\$42.02	\$84.04	\$7.18	1.74	1.74%
Lenoir	\$20.35	\$40.70	\$2.84	1.20	0.73%
Winston-Salem	\$13.50	\$20.25	\$3.02	1.08	0.38%
Taylorsville	\$30.00	\$60.00	\$6.43	0.99	1.27%
Jonesville	\$24.56	\$49.12	\$2.88	0.82	1.01%
Elkin	\$17.90	\$34.37	\$3.30	0.92	0.57%
Yadkinville	\$16.38	\$32.76	\$2.88	0.76	0.55%
Charlotte	\$12.00	\$12.00	\$3.59	1.29	0.26%
Greensboro	\$16.22	\$32.44	\$3.38	1.30	0.43%
Raleigh	\$21.05	\$40.42	\$3.25	0.97	0.44%
Statewide Average	\$26.96				
Statewide Median	\$25.46				

Water Comparison Graphs

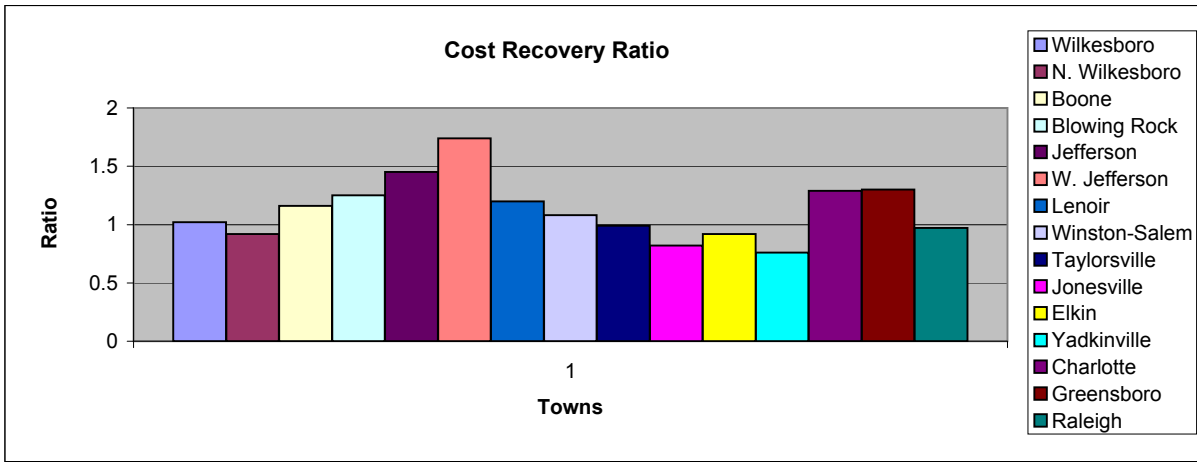


Rate comparisons for water services provided at 5,000g/m

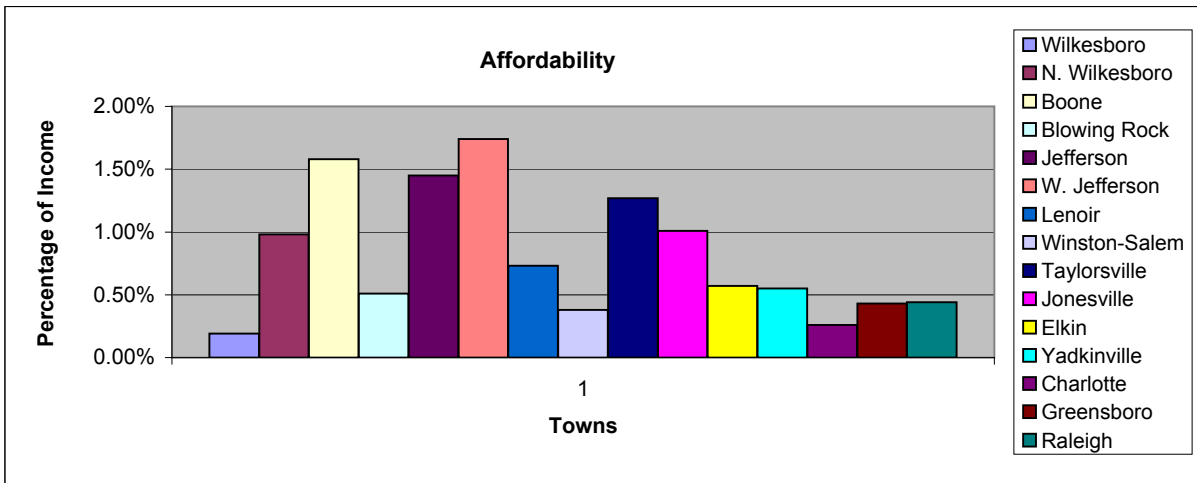


Conservation signals are charges levied against a customer for the each 1,000 gallons over 10,000 used by that customer.

Water Comparison Graphs



Cost recovery is an operating ratio to measure whether utility rates are sufficient to cover cost of operations and capital. A ratio of less than 1 could be a sign of financial concern. In general the ratio should be over 1 in order to be able to cover future capital investments.



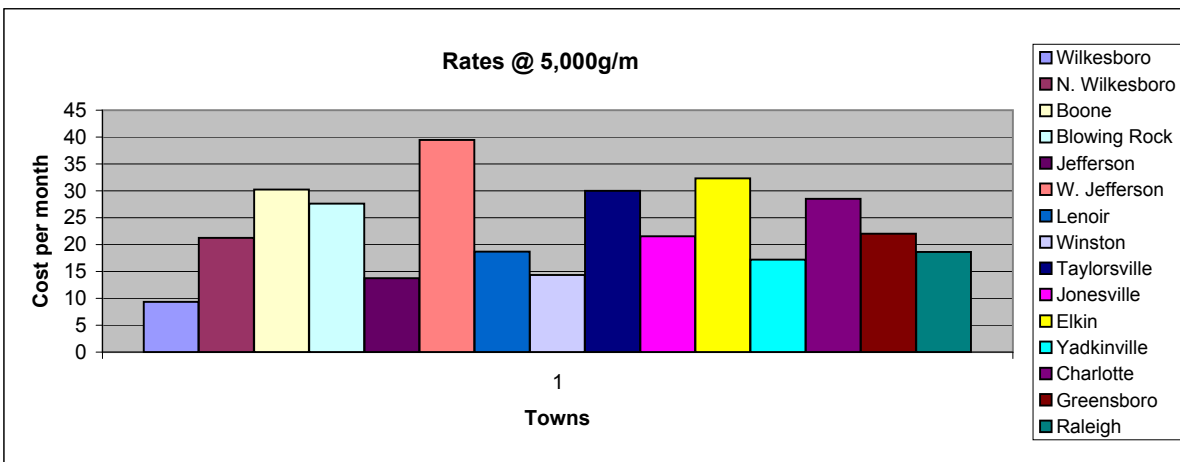
Affordability shows the percentage of household income, adjusted for 2008, that a customer pays for 5,000g/m.

Sewer Comparisons

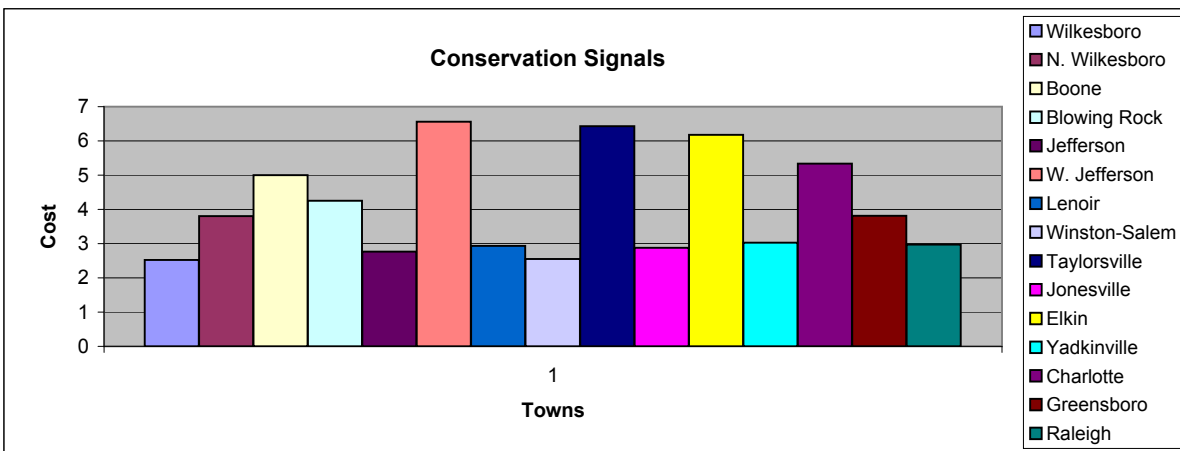
Rate Information

Towns/Cities	Rates at 5,000 gallons per month		Conservation Signal	Cost Recovery	Affordability
	Inside Rates	Outside Rates			
Wilkesboro	\$9.36	\$18.72	\$2.52	1.02	0.23%
N. Wilkesboro	\$21.25	\$31.88	\$3.80	0.92	0.92%
Boone	\$30.25	\$60.50	\$5.00	1.16	1.48%
Blowing Rock	\$27.63	\$55.26	\$4.25	1.25	0.51%
Jefferson	\$13.77	\$27.54	\$2.77	0.93	0.61%
W. Jefferson	\$39.49	\$78.98	\$6.56	1.10	1.64%
Lenoir	\$18.68	\$37.36	\$2.93	1.20	0.67%
Winston-Salem	\$14.36	\$21.54	\$2.55	1.08	0.41%
Taylorsville	\$30.00	\$60.00	\$6.43	0.99	1.27%
Jonesville	\$21.56	\$43.12	\$2.88	0.82	0.88%
Elkin	\$32.30	\$62.02	\$6.18	0.92	1.02%
Yadkinville	\$17.20	\$34.40	\$3.03	0.76	0.58%
Charlotte	\$28.54	\$28.54	\$5.34	1.29	0.62%
Greensboro	\$22.00	\$44.00	\$3.81	1.30	0.58%
Raleigh	\$18.65	\$35.81	\$2.97	0.97	0.39%
Statewide Average	\$33.66				
Statewide Median	\$30.75				

Sewer Comparison Graphs

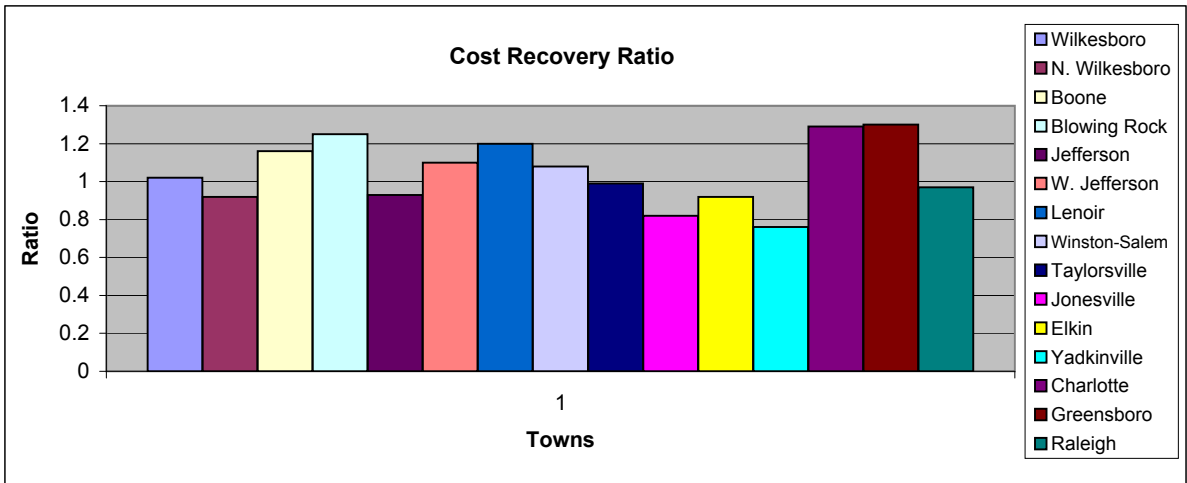


Rate comparisons for sewer services provided at 5,000g/m

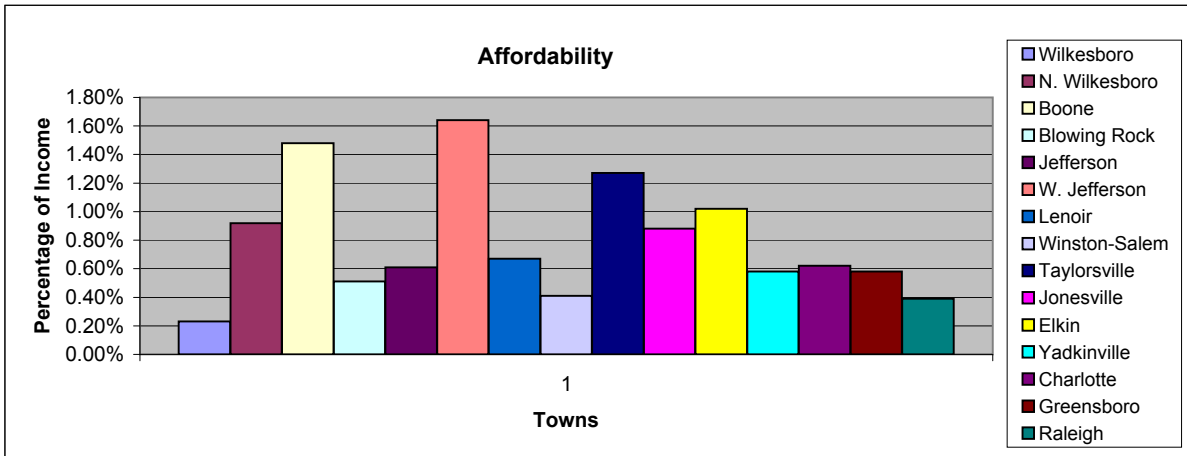


Conservation signals are charges levied against a customer for the each 1,000 gallons over 10,000 used by that customer.

Sewer Comparison Graphs



Cost recovery is an operating ratio to measure whether utility rates are sufficient to cover cost of operations and capital. A ratio of less than 1 could be a sign of financial concern. In general the ratio should be over 1 in order to be able to cover future capital investments.



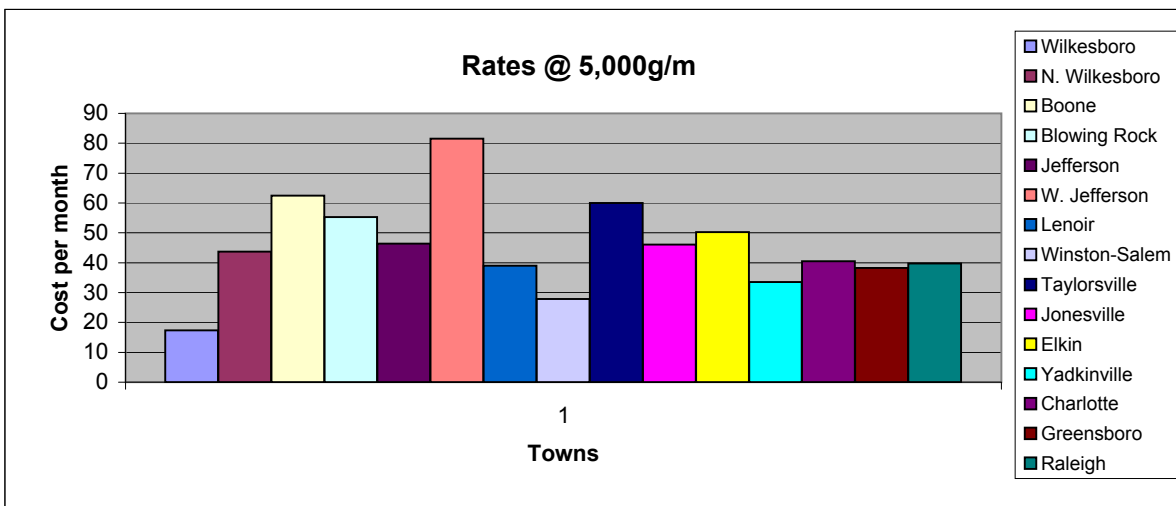
Affordability shows the percentage of household income, adjusted for 2008, that a customer pays for 5,000g/m.

Combined Water & Sewer Comparisons

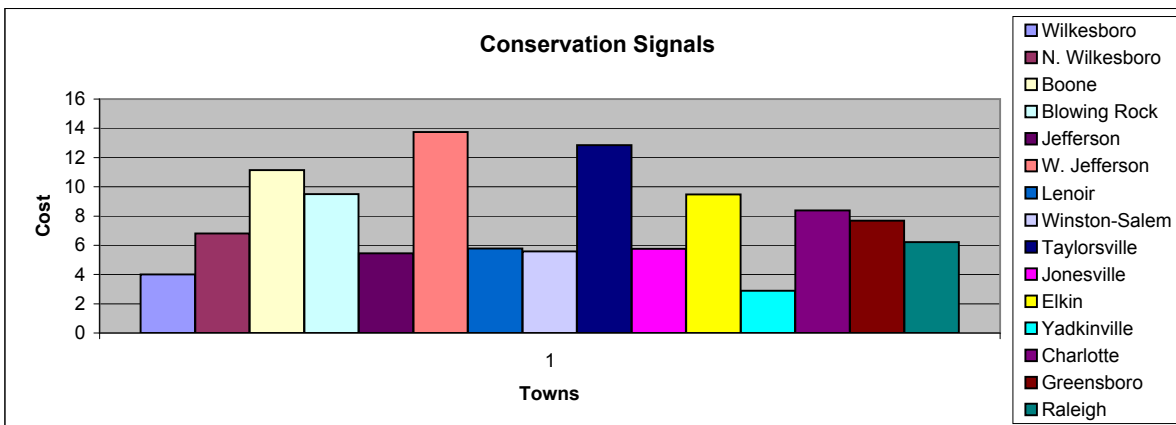
Rate Information

Towns/Cities	Rates at 5,000 gallons per month		Conservation Signal	Cost Recovery	Affordability
	Inside Rates	Outside Rates			
Wilkesboro	\$17.35	\$34.70	\$4.00	1.02	0.42%
N. Wilkesboro	\$43.75	\$65.63	\$6.80	0.92	1.90%
Boone	\$62.45	\$124.90	\$11.15	1.16	3.06%
Blowing Rock	\$55.26	\$110.52	\$9.50	1.25	1.03%
Jefferson	\$46.42	\$92.84	\$5.44	0.93	2.06%
W. Jefferson	\$81.51	\$163.02	\$13.74	1.10	3.38%
Lenoir	\$39.03	\$78.06	\$5.77	1.20	1.39%
Winston-Salem	\$27.89	\$41.84	\$5.58	1.08	0.79%
Taylorsville	\$60.00	\$120.00	\$12.85	0.99	2.53%
Jonesville	\$46.12	\$92.24	\$5.76	0.82	1.09%
Elkin	\$50.20	\$96.38	\$9.48	0.92	1.59%
Yadkinville	\$33.58	\$67.16	\$5.91	0.76	1.13%
Charlotte	\$40.54	\$40.54	\$8.39	1.29	0.88%
Greensboro	\$38.22	\$76.44	\$7.69	1.30	1.01%
Raleigh	\$39.70	\$76.22	\$6.22	0.97	0.84%
Statewide Average	\$58.31				
Statewide Median	\$55.41				

Combined Water and Sewer Comparison Graphs

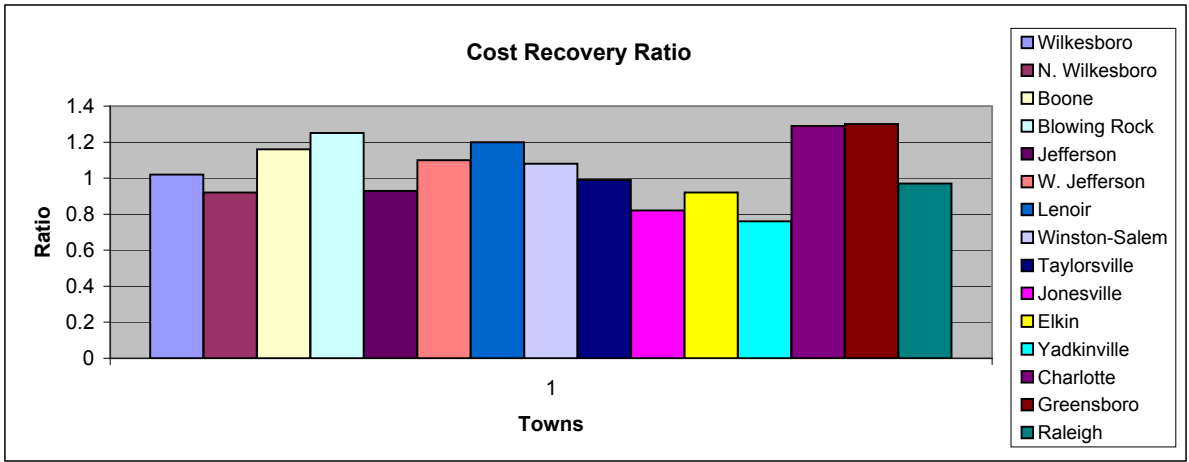


Rate comparisons for water services provided at 5,000g/m

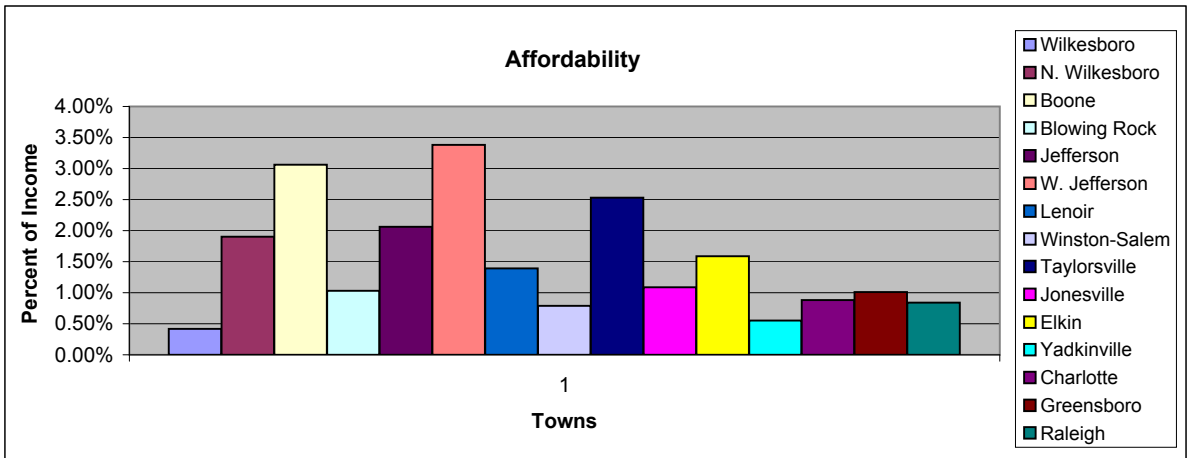


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Combined Water and Sewer Comparison Graphs



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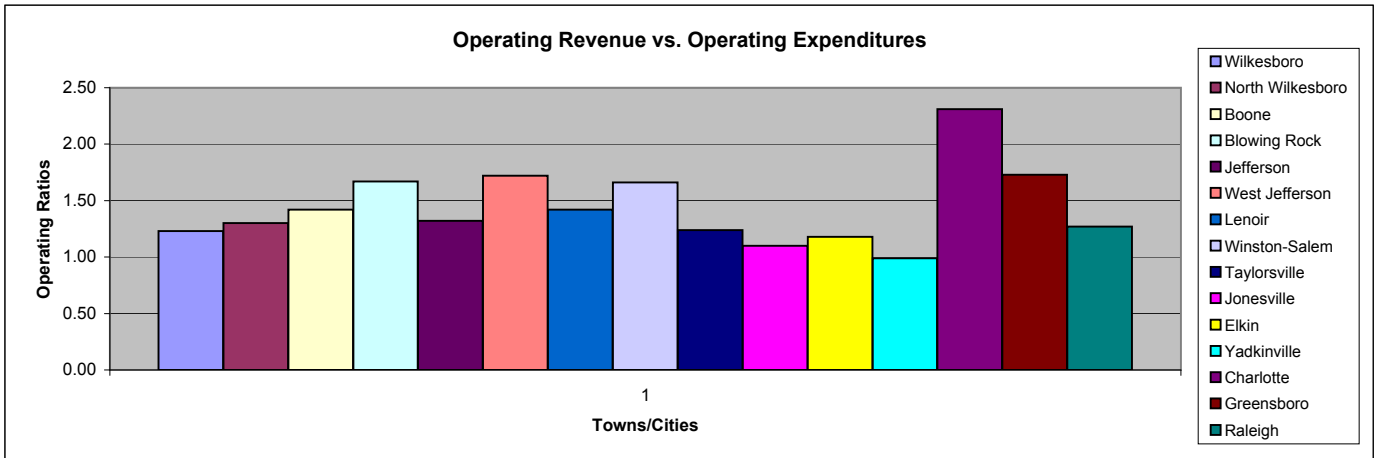


Affordability shows the percentage of household income, adjusted for 2008, that a customer pays for 5,000g/m.

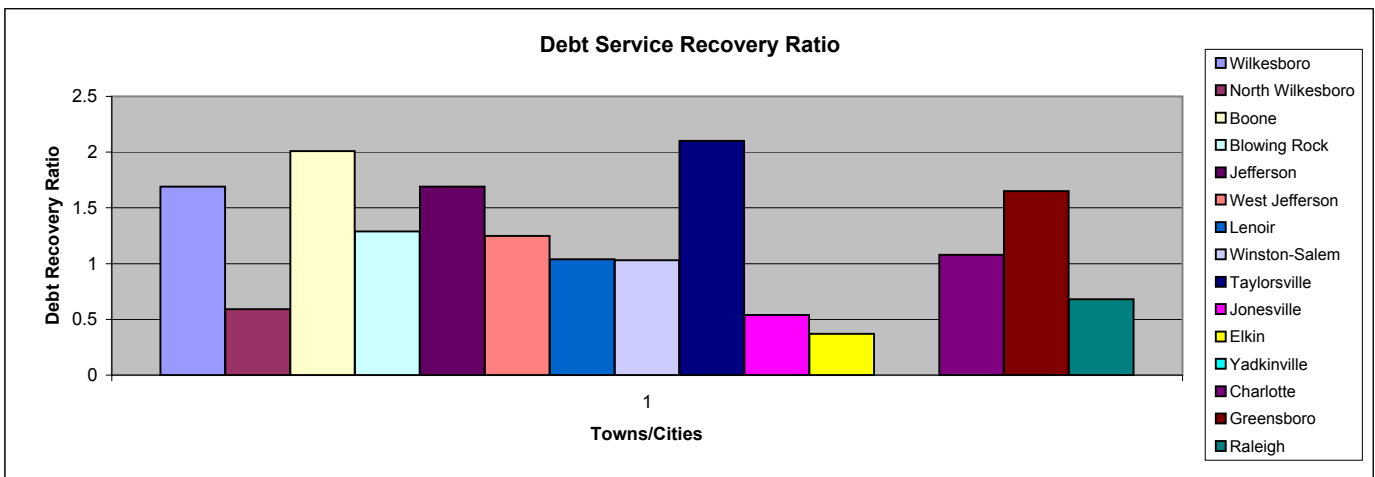
Benchmark Comparisons

Towns/Cities	Op. Rev. / Expend.	Op Debt Service Coverage Ratio	Quick Ratio	Days Cash on Hand	Asset Depreciation	Age of Infrastructure
Wilkesboro	1.23	1.69	3.86	127	26%	15
N. Wilkesboro	1.30	0.59	1.52	30	35%	16
Boone	1.42	2.01	7.31	615	31%	16
Blowing Rock	1.67	1.29	2.86	749	28%	21
Jefferson	1.32	1.69	22.52	1,908	29%	13
W. Jefferson	1.72	1.25	1.73	229	25%	12
Lenoir	1.42	1.04	1.15	339	31%	20
Winston-Salem	1.66	1.03	2.27	379	31%	14
Taylorsville	1.24	2.10	2.70	85	42%	15
Jonesville	1.10	0.54	2.48	203	34%	15
Elkin	1.18	0.37	1.28	118	44%	19
Yadkinville	0.99	~	2.38	130	12%	23
Charlotte	2.31	1.08	1.77	585	~	~
Greensboro	1.73	1.65	3.33	221	34%	14
Raleigh	1.27	0.68	1.75	211	17%	9

Benchmark Comparison Graphs

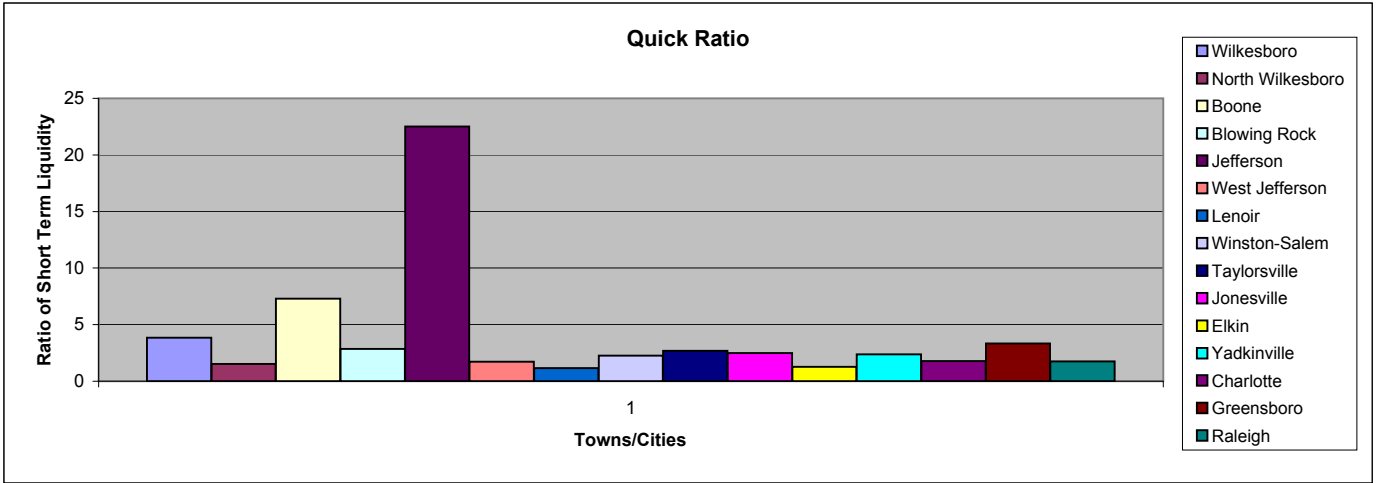


This is a non-capital operating ratio that measures a town's ability to cover day-to-day expenditures using operating revenues. A ratio of less than 1 indicates revenues were insufficient to cover day-to-day expenditures, let alone debt service or future capital expenditures.

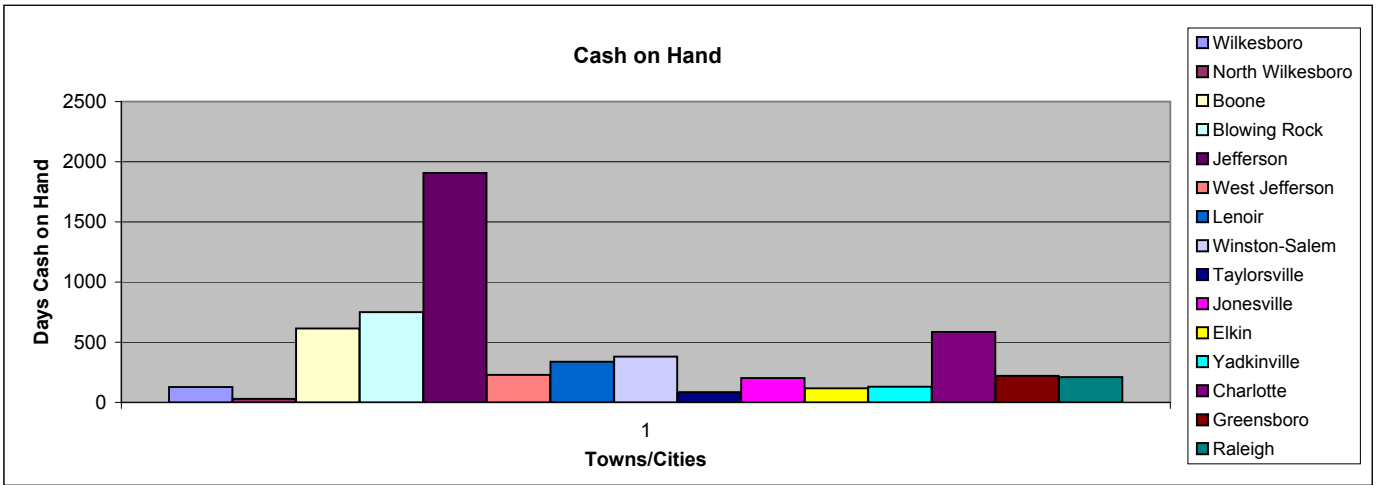


This ratio measures a town's ability to pay for debt service and day-to-day expenditures using operating revenues. A ratio of less than 1 indicates that revenues were insufficient to cover the utility's day-to-day expenditures on principle and interest on existing long term debt and the utility runs the risk of going into default.

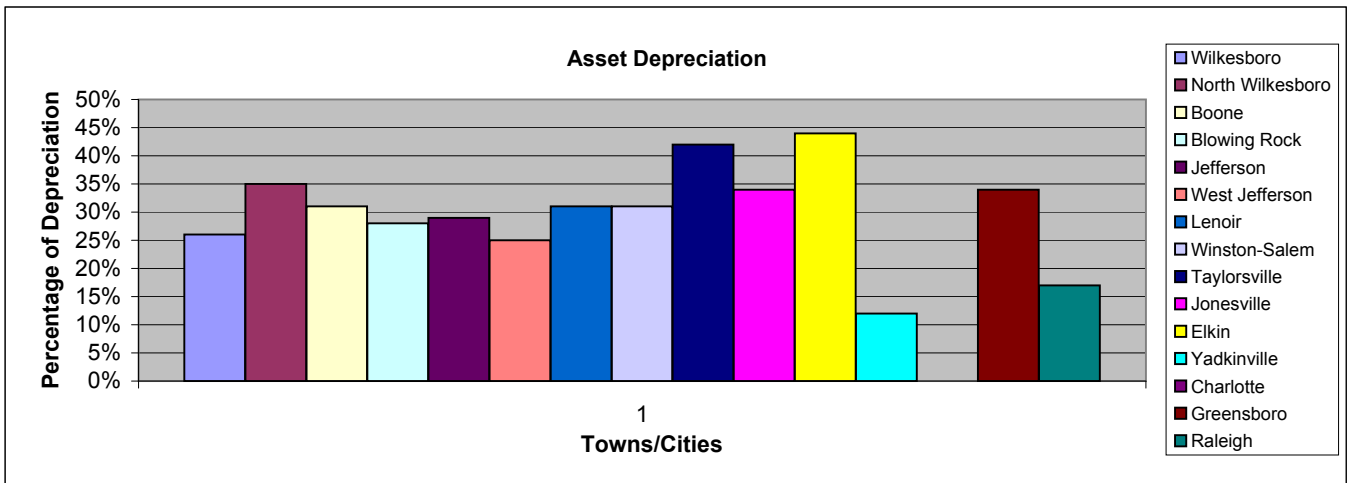
Benchmark Comparison Graphs



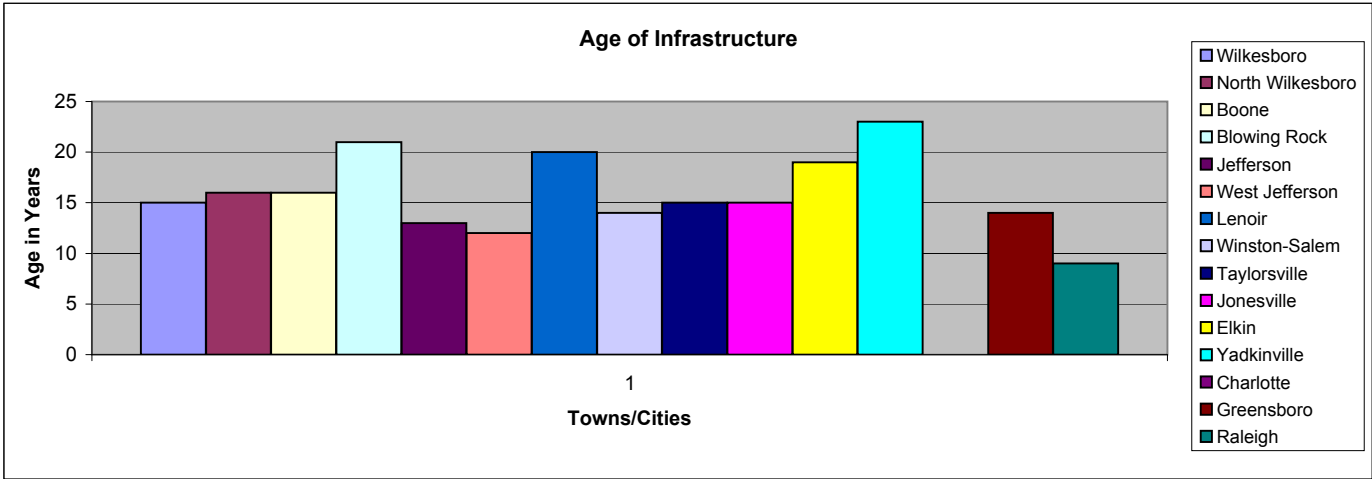
The quick ratio is a measurement of short-term liquidity, in other words, a utility's ability to pay its current bills. It is the ratio of unrestricted current assets to current liabilities. The industry accepted minimum benchmark for this ratio is 2.0



This statistic measures the level of unrestricted cash a utility maintains relative to day-to-day expenditures. Generally, a utility should maintain several months worth of cash on hand.



This indicator represents infrastructure condition. It estimates the portion of the average expected life of the utility's physical assets that have already passed. The closer to 100%, the most the assets have depreciated.



An estimate of the average age of the utility's assets. It is measured by dividing accumulated depreciation by annual depreciation.