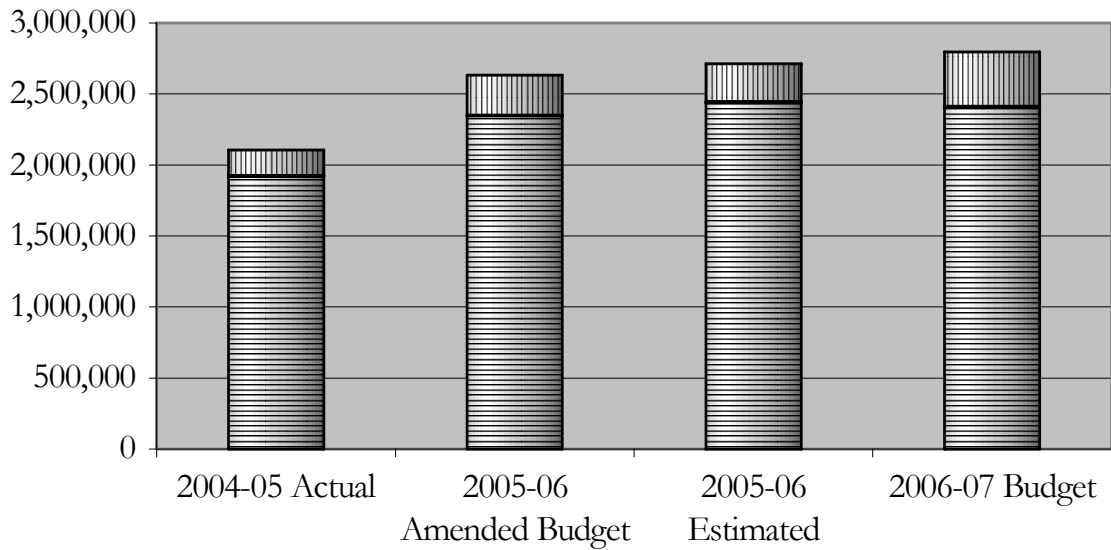


## UTILITY ADMINISTRATION FUND REVENUE SUMMARY

Sources	2004-05 Actual	2005-06 Amended Budget	2005-06 Estimated	2006-07 Budget
Charges for Sales and Services	\$ 1,917,670	\$ 2,344,841	\$ 2,438,341	\$ 2,404,618
Other Revenues	7,678	5,900	7,500	6,900
Other Financing Sources	180,941	280,747	265,658	384,563
<b>Total</b>	<b>\$ 2,106,289</b>	<b>\$ 2,631,488</b>	<b>\$ 2,711,499</b>	<b>\$ 2,796,081</b>



Charges for Sales and Services	Other Revenues	Other Financing Sources
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**UTILITY ADMINISTRATION DEPARTMENT  
INTERNAL SERVICE FUND**

**Statement of Department's Purpose:**

The purpose of the Utility Administration Department is to account for administrative overhead costs, which are shared by all utility departments and functions. This department also includes the Utilities Commission. The Utilities Commission acts as an advisory board by monitoring operational activities of the City's utilities, reporting findings, and making recommendations for approval to the City Council on a monthly basis.

**2006-07 Objectives:**

- To update internal service department cost allocations annually based on services provided to other City departments
- Make recommendations with regard to annual budget, rate changes, as well as utility based contracts and bids so as to reduce the burden placed on the City Council
- Provide forum for customer complaints, appeals on customer utility issues, extensions, etc.

Expenditure Summary	2004-05 Actual	2005-06 Amended Budget	2005-06 Estimated	2006-07 Budget
Personnel	\$ 165,330	\$ 213,932	\$ 213,932	\$ 225,623
Operations	340,920	265,152	250,065	171,763
Capital Outlay	-	174,870	174,869	-
Other Financing Uses	3,000	9,331	9,331	307,644
Total	\$ 509,250	\$ 663,285	\$ 648,197	\$ 705,030

Personnel Positions	2004-05 Authorized	2005-06 Authorized	2006-07 Authorized	2006-07 Funded
Board Members	5	5	5	5

**Capital Outlay:** None.

**CUSTOMER SERVICE DEPARTMENT  
INTERNAL SERVICE FUND**

**Statement of Department's Purpose:**

The purpose of the Customer Service Department is to assist customers with relocation, answer utility questions, facilitate bill payment, and provide for timely billings, while concentrating at all times on customer service.

**2006-07 Objectives:**

- Provide 100% on time and accurate billing
- Keep satisfaction level at or above 95% (surveys)
- Maintain collection level of 99.3%
- Increase efficiency through the use of innovative ideas and technology such as online bill pay and other online services, Voice Over Internet Protocol (VOIP) and evaluate possibility of automated attendant

**Major Benchmark Indicators:**

Indicators	Lexington	Asheboro	Monroe	Salisbury	Shelby	Statesville	Thomasville
# of dept. employees (non-supervisory)	12	3	N/A	6	7	3	3
# of dept. employees (supervisory)	3	1	N/A	1	3	1	1
Utilities provided	E, W, S, N	W, S	N/A	W,S	E, W, S, N	E,W,S	W,S
# of bills/month	22,100	6,000	N/A	16,159	13,886	14,500	11,000
Online services offered	None	None	N/A	Conn. & Disconn. requests	On-line bill pay	None	None
Collection %	99.50%	99.00%	N/A	90.00%	99.00%	90.50%	97.00%
Cost for after hours service	\$80.00	None	N/A	\$100.00	\$60.00	\$51.50	N/A
Cost of late payment penalty	2% of bill	\$5	N/A	10% or \$20 maximum	\$10	5%	N/A
Contract billing	Yes (mailing only)	No	N/A	Yes	Yes (mailing only)	No	N/A
Cost to generate a bill (includes labor)	\$0.73	N/A	N/A	\$0.45	N/A	N/A	N/A

E=Electric W=Water S=Sewer N=Natural Gas

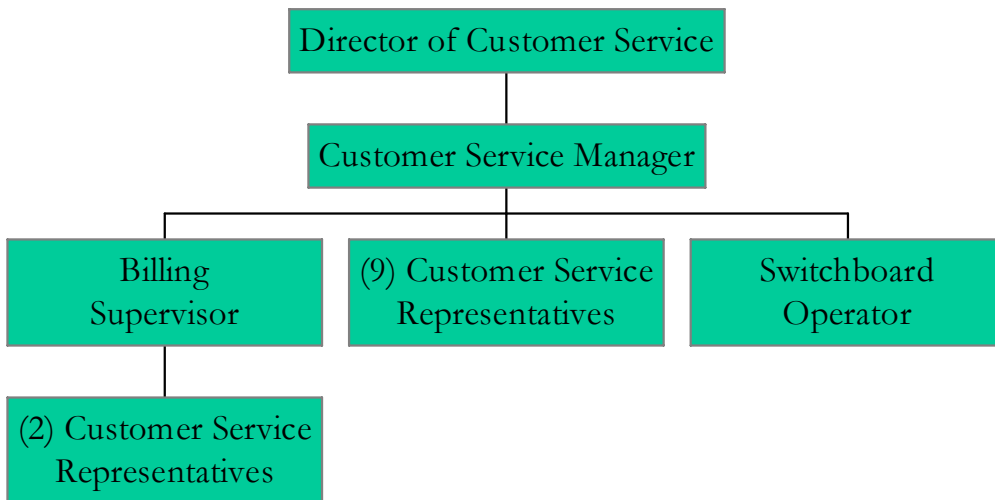
**CUSTOMER SERVICE DEPARTMENT  
INTERNAL SERVICE FUND**

Expenditure Summary	2004-05 Actual	2005-06 Amended Budget	2005-06 Estimated	2006-07 Budget
Personnel	\$ 642,565	\$ 679,306	\$ 640,548	\$ 693,223
Operations	233,750	184,495	184,495	198,527
Capital Outlay	12,549	19,900	17,480	-
Total	\$ 888,864	\$ 883,701	\$ 842,523	\$ 891,750

Personnel Positions	2004-05 Authorized	2005-06 Authorized	2006-07 Authorized	2006-07 Funded
Full Time	16	15	15	15

**Capital Outlay:** None.

# City of Lexington Customer Service



**WAREHOUSING DEPARTMENT  
INTERNAL SERVICE FUND**

**Statement of Department's Purpose:**

The purpose of the Warehousing Department is to act as a central purchasing and warehousing operation for Electric, Natural Gas, and Public Works materials and equipment in support of utilities maintenance and construction projects.

**2006-07 Objectives:**

- Reorganize and efficiently utilize the outside storage area at the central warehouse and develop a parking plan that makes the best use of the space available
- Continue training new employees in regard to receiving, storing, issuing, and accountability
- Continue safe, accident-free, and injury-free daily operations

**Major Benchmark Indicators:**

Indicators	Lexington	Asheboro	Monroe	Salisbury	Shelby	Statesville	Thomasville
# of dept. employees	3	N/A	N/A	N/A	3	2	N/A
\$ value of inventory	\$1.72 Million	N/A	N/A	N/A	\$1.72 Million	\$1.3 Million	N/A
# of inventory items	1,619	N/A	N/A	N/A	2,500	1,050	N/A
# of departments served	3	N/A	N/A	N/A	All	10	N/A
# of pick tickets or work orders/year	1,400	N/A	N/A	N/A	1,200	N/A	N/A
# of pick tickets or work orders/employee	467	N/A	N/A	N/A	400	N/A	N/A

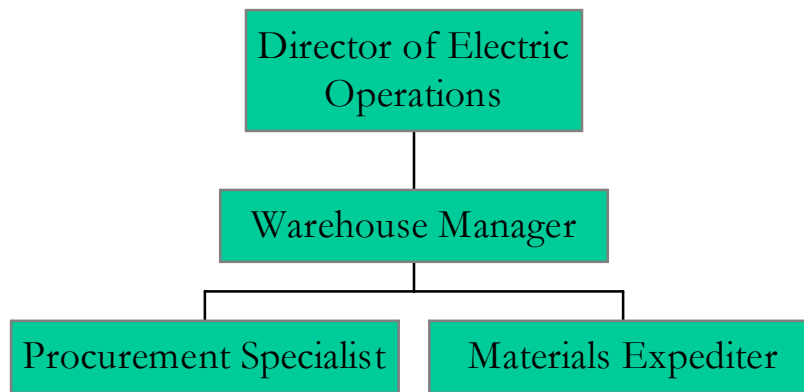
**WAREHOUSING DEPARTMENT  
INTERNAL SERVICE FUND**

Expenditure Summary	2004-05 Actual	2005-06 Amended Budget	2005-06 Estimated	2006-07 Budget
Personnel	\$ 139,051	\$ 148,623	\$ 136,961	\$ 146,229
Operations	14,217	24,175	15,975	20,487
Capital Outlay	-	11,000	9,125	-
Total	\$ 153,268	\$ 183,798	\$ 162,061	\$ 166,716

Personnel Positions	2004-05 Authorized	2005-06 Authorized	2006-07 Authorized	2006-07 Funded
Full Time	3	3	3	3

**Capital Outlay:** None.

# City of Lexington Warehousing



**METER READING DEPARTMENT  
INTERNAL SERVICE FUND**

**Statement of Department’s Purpose:**

The purpose of the Meter Reading Department is to inspect and read all utility meters as scheduled while providing excellent in-field customer service.

**2006-07 Objectives:**

- Provide accuracy levels of at least 99.5% on readings
- Continue to notify customers of consumption increases or irregularities
- Provide educated responses to customer questions in the field
- Increase value added services through quicker response times with Automated Meter Reading
- Cross train throughout City to broaden knowledge with “valued employee” concept in mind

**Major Benchmark Indicators:**

Indicators	Lexington	Asheboro	Monroe	Salisbury	Shelby	Statesville	Thomasville
# of employees reading meters	7	3	N/A	6	5	4	3
# of employees dedicated to disconnects, cut-offs, cut-ons	2	1	N/A	1	None	2	0
# of meters	38,300	16,000	N/A	18,921	28,394	23,000	11,089
Meters read/employee	5,471	5,333	N/A	3,154	5,679	5,750	3,696
# of re-reads/month	100	275	N/A	270	200	415	550
# of disconnects/month for non-payment	350	250-300	N/A	306	400	400	226
Automated Meter Reading	Pilot project for 1k meters	No	N/A	No	5,376	No	No
Contracted Meter Reading	No	No	N/A	No	No	No	No

**METER READING DEPARTMENT  
INTERNAL SERVICE FUND**

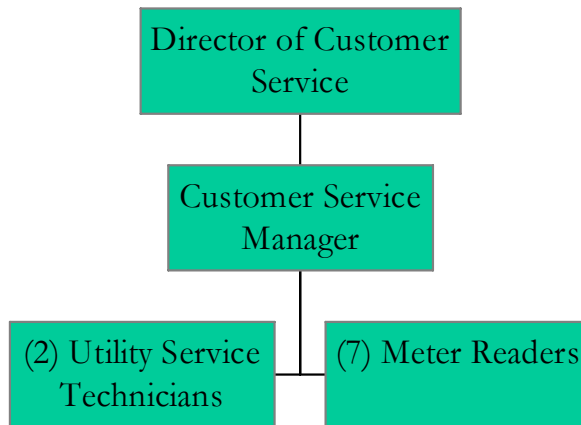
Expenditure Summary	2004-05 Actual	2005-06 Amended Budget	2005-06 Estimated	2006-07 Budget
Personnel	\$ 352,182	\$ 378,944	\$ 378,944	\$ 376,224
Operations	54,170	65,851	65,851	69,380
Capital Outlay	-	140,702	140,702	10,477
Total	\$ 406,352	\$ 585,497	\$ 585,497	\$ 456,081

Personnel Positions	2004-05 Authorized	2005-06 Authorized	2006-07 Authorized	2006-07 Funded
Full Time	9	9	9	9

**Capital Outlay:**

<u>Item</u>	<u>New/Replacement</u>	<u>2006-07 Budget</u>
1/4 Ton 2WD Truck	R	<u>\$ 10,477</u>
Total		<u><u>\$ 10,477</u></u>

# City of Lexington Meter Reading



**MARKETING DEPARTMENT  
INTERNAL SERVICE FUND**

**Statement of Department's Purpose:**

The purpose of the Marketing Department is to promote the City's electric and natural gas utilities to existing and potential customers.

**2006-07 Objectives:**

- Promote growth of the City's utility customer base
- Market natural gas services to potential customers in the new expansion areas
- Provide all-electric and all-natural gas incentives to customers

**Major Benchmark Indicators:**

Indicators	Lexington	Asheboro	Monroe	Salisbury	Shelby	Statesville	Thomasville
# of staff hours dedicated to marketing/week	80	N/A	N/A	N/A	40	N/A	N/A
Electric advertising budget FY 05-06	\$40,000	N/A	N/A	N/A	Part of Admin Budget	N/A	N/A
Natural Gas advertising budget FY 05-06	\$92,000	N/A	N/A	N/A	Part of Admin Budget	N/A	N/A
Electric marketing budget FY 05-06	\$115,995	N/A	N/A	N/A	Part of Admin Budget	N/A	N/A
Natural Gas marketing budget FY 05-06	\$181,212	N/A	N/A	N/A	Part of Admin Budget	N/A	N/A

**MARKETING DEPARTMENT  
INTERNAL SERVICE FUND**

Expenditure Summary	2004-05 Actual	2005-06 Amended Budget	2005-06 Estimated	2006-07 Budget
Personnel	\$ 120,186	\$ 130,177	\$ 125,103	\$ 131,399
Operations	170,872	185,030	180,825	445,105
Capital Outlay	-	-	-	-
Total	\$ 291,058	\$ 315,207	\$ 305,928	\$ 576,504

Personnel Positions	2004-05 Authorized	2005-06 Authorized	2006-07 Authorized	2006-07 Funded
Full Time	2	2	2	2

**Capital Outlay:** None.

# City of Lexington Marketing

