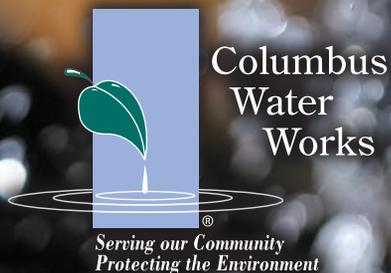


We Protect Our Neighbors  
by Providing Essential Water  
**THE FUEL OF LIFE**



# “Water — the fuel of life”

## Our Purpose

We protect our neighbors by providing essential water - the fuel of life.

## Our Vision

Columbus Water Works is recognized by our customers and employees as providing the most caring experiences.

## Strategic Initiatives

- Customer Experience
- Employee Experience
- Environmental Focus

## Our Core Values

**W**ow Customers by listening, caring and responding to their concerns and ideas.

**A**ct with Integrity by being honest and sincere in everything we do.

**T**rusted Community Partner by being engaged to improve the quality of life.

**E**nergize Employees by celebrating, encouraging, developing and rewarding their diverse capabilities and contributions.

**R**esource Protection by being an innovative leader in watershed management, protection and education.



*Steve Davis,  
President*



*Reynolds Bickerstaff,  
Chairman of the Board*

**W**e are pleased to present you with the 2018 Annual Report for Columbus Water Works

(CWW) to highlight our accomplishments and our commitment to our regional community. Even with the abundance of rainfall, our employees continued to provide high quality drinking water, as they strive to protect our neighbors by providing essential water—the fuel of life. We have remained strategically driven by meeting our performance goals, ensuring financial stability, successfully implementing numerous capital improvement projects and continuing to build on our foundation with the vision of being described as a caring organization.

It is through the dedication of our talented employees that we have accomplished several milestones in 2018. For example, our successful implementation of the Automated Meter Reading program which allows us to have access to detailed information about customers’ usage to assist them with their concerns. We continue to focus on investing in the future with our multi-year infrastructure upgrades and replacement programs to ensure reliability and overall quality of service for our customers.

In addition to providing clean drinking water services, CWW has also expanded our focus on our region’s watershed protection by joining forces with Georgia Power, University of Georgia and Auburn University to conduct expanded analysis of the Middle Chattahoochee River Basin. Additional water sampling of the river under our Combined Sewer Overflow program has resulted in the removal of the “Whitewater” section of the Chattahoochee River from the EPA’s list of impaired waterways.

We are honored to serve Fort Benning with water and sewer services and congratulate them on reaching their milestone of 100 years. We are grateful to be a partner with the Columbus 2025 initiative to create a more competitive and prosperous region. Our Annual Report is a reflection on how we impact the community with the services we provide. Our loyalty to this community as environmental stewards reflects our commitment to improve overall quality of life for our region and to consistently “Wow” our customers.

Steve Davis  
President

Reynolds Bickerstaff  
Chairman of the Board



## Board of Commissioners

*(L-R): Becky Rumer; Sanders Griffith, Vice Chair;  
Mayor Teresa Tomlinson; Rodney Close  
and Reynolds Bickerstaff, Chair.*



## Executive Team

*(L-R): Steve Davis, President; John Peebles,  
SVP, Division of Water Resource Operations and Maintenance;  
Gwen Ruff, SVP, Division of Strategic Planning, Employee Services  
and Corporate Relations; Billy Cobb, Executive Vice-President;  
Joey Murphy, SVP, Division of Customer and Financial Services.*



**Your CWW Team**

# Our Community's Veins

Out of sight—and often out of mind—is a vast network of pipes, storage tanks and pump stations stretching from one end of the city to the other. Even though much of it is hidden beneath our streets and sidewalks, Columbus Water Works' (CWW) infrastructure plays a crucial role in our city's public health, safety and economic well-being, which is why building, replacing and renewing this infrastructure is our ongoing mission.



Our more than 280 dedicated employees are on the job 24/7/365 serving our customer base of more than 66,000 active water accounts and 60,000 active sewer accounts.

The community's potable water is supplied by two water treatment plants. The North Columbus Water Resource Facility (NCWRF) withdraws raw water from Lake Oliver, an impoundment on the Chattahoochee River. The Fort Benning Water Treatment Plant withdraws raw water from the Chattahoochee River. The total distribution system is comprised of 1,170 miles of pipe in Columbus and 245 miles of pipe in Fort Benning. The water treatment system also consists of 13 water booster pump stations and 12 water storage tanks and an additional four water booster pump stations and eight water storage tanks in Fort Benning. In 2018, we delivered 7.85 billion gallons of water to our customers.

CWW operates the sewer system within Muscogee County and has one wastewater treatment facility, the South Columbus Water Resource Facility (SCWRF). The sanitary sewer collection system is comprised of 1,020 miles of pipe in Columbus and 165 miles of pipe in Fort Benning. The wastewater collection system also consists of 39 lift stations in Columbus and an additional 48 lift stations in Fort Benning. In 2018, we treated 11.13 billion gallons of wastewater.

## Capital Improvements Plan

Presently, CWW has over \$50 million in construction contracts underway. These include infrastructure renewal and replacement projects valued at approximately \$24 million at the South Columbus Water Resource Facility (SCWRF), \$7 million at the North Columbus Water Resource Facility (NCWRF) and \$15 million in water lines, sewer lines and pump stations. CWW's planning process allows for the timely replacement of pumps, blowers, generators, sewer lines, water lines and other equipment, thereby maintaining customer service levels at the lowest water and sewer rates in the region.

Pictured on the right is the capital improvement project at Marina Cove.



## Automated Meter Reading (AMR) Program

In 2018, we completed a 14-year journey using upgraded AMR technology to replace all of our residential water meters. AMR technology, through Radio Frequency (RF) and Meter Interface Units (MIU) allows technicians to obtain meter readings remotely, resulting in increased efficiency and accuracy. As a result, CWW was able to convert from a bi-monthly meter reading cycle to a monthly meter reading cycle, which is vital to the Customer Information System (CIS) implementation currently in progress. Through the implementation of AMR technology, we are now able to provide more current water usage information to customers which assists in detecting plumbing issues much more quickly.



## Preventive Maintenance Programs

A well maintained infrastructure is essential to being able to properly serve the community. At CWW, we place priority on preventive maintenance, inspection and repair of our infrastructure. Our goal is to maintain an 80 percent preventive (planned work) versus 20 percent corrective (unplanned work) balance of overall work load, which aligns us with the American Water Works Association industry standard. The purpose of preventive maintenance is to view machine failure and similar problems as something that can be anticipated, budgeted, planned and addressed before they actually occur. Planned maintenance is desired because it improves equipment life, saves on money (costs three to nine times less than corrective work), increases plant reliability, overall safety and efficiency by extending the life of our water and sewer lines, which limits the impact on our customers.



High Service Pump Station



# Our Community's Vitality



We are proud to have received two significant awards this year which recognized our environmental protection programs: National Association of Clean Water Agencies (NACWA) National Environmental Achievement Award (NEAA) and the Water Environment Federation (WEF) Utility of the Future Today Award

in the area of Watershed Stewardship. Being honored with these prestigious awards for leading innovative solutions, sustainability and building a stronger trust with our customers reinforces that our organization is moving in the right direction. We will continue to strive for excellence so we can better serve our customers.



## Whitewater Quality

Over the past two decades, thousands of river water quality samples have been analyzed in conjunction with the combined sewer overflow program. These samples have consistently demonstrated that the quality of the Chattahoochee River meets the state standards for water quality. As a result of these excellent sample results, the EPA removed the "Whitewater" stretch of the Chattahoochee River from the list of streams impaired by bacteria. This is a rare accomplishment.

Pictured on the left is a group of CWW's Water Quality Department staff taking a trip down Columbus' very own Whitewater Rapids course.

## Watershed Stewardship Program

Watershed Stewardship means caring for the water, land and biodiversity in an entire watershed, while acknowledging that all resources are connected and all are affected by natural and human activities. The quality and quantity of water within our watersheds are greatly affected by the way we choose to live on the land.

Since the creation of this program, we have seen improvements in the water quality and wildlife of the 20 creeks included in our watershed flowing into the Chattahoochee River. CWW's Watershed Stewardship efforts are key components in assuring the effective and long-term protection of our community's environment and drinking water quality.



## Fats, Oil and Grease Recycling Program

Our Recycling Program grows every year as community support continues to increase. Today, we host two annual collection events partnering with Keep Columbus Beautiful Commission and the Muscogee County Sheriff's Department to collect used cooking grease and expired or unused pharmaceuticals. We have established 10 stationary collection drop-off sites, installed 49 collection bins at apartment complexes and we partner with 71 businesses to collect their used grease. In 2018, CWW dedicated a truck for the Fats, Oil and Grease Program, which has improved our efficiency in collecting used cooking grease.

Dedicated Fats, Oils and Grease Truck



# Our Community's Heart

Being part of the community we serve is a responsibility we value. We have pledged a strong commitment to not only our customers, but to our community. We work with schools, community groups, environmental groups and non-profit organizations on projects that help educate and protect our environment. Through a number of civic-minded activities, we have fostered strong relationships to further our connection to the community.

## United Way of the Chattahoochee Valley

In support of our 2018 United Way Campaign, our team members raised over \$100,000 through employee contributions and community fundraisers. In addition to our financial support of United Way, many of our team members serve as board members on a number of the partner agencies and volunteer in the various programs and events, such as Emerging Leaders United, Read United, Stuff the Bus and Women United.



## Help the Hooch

CWW is a proud supporter of the Help the Hooch event held annually in October. This event promotes environmental stewardship through public education and outreach. It is a fun-filled day of cleaning up our watershed and celebrating stewardship and clean water.

In 2018, Columbus had 12,000 volunteer participants—one of the largest river cleanups held across the state of Georgia. Volunteers on both sides of the Chattahoochee River participate in the event by picking up litter from the creeks, streams, lakes, rivers and public areas to prevent this trash from washing downstream. The program's mission is to protect the water resources of the Middle Chattahoochee River Basin by removing solid waste from our waterways, improve aquatic habitat and quality of water resources and promote environmental stewardship in the Tri-Communities of Columbus, Georgia, Phenix City, Alabama and Fort Benning.

## Public Education Activities

CWW believes that public education is the key to developing environmental awareness and commitment from the community and students. We have been a proud participant of the Partners-In-Education Program for 28 years with Richards Middle School. In 2018, we were honored with the Chamber of Commerce Partners-In-Education Gold Award.

CWW also actively supports our region's Science, Technology, Engineering, Art and Math (S.T.E.A.M.) and Science, Technology, Engineering and Math (S.T.E.M.) Programs, participating in events with the school systems in Muscogee County, Harris County and Fort Benning. It is an honor to work with our community's youth helping to support their interest in Science, Technology, Engineering, Art and Math.



## House of Heroes

CWW is honored to serve our military by providing water and sewer services to Fort Benning. To show appreciation to military veterans and their families, two groups from our staff joined the House of Heroes-Chattahoochee Valley Chapter (HOH-CVC) in its mission to thank veterans for their service by serving them. The projects CWW assisted with provided needed improvements to the homes of two dedicated veterans who each served more than 20 years. It was a privilege to give back to these families and we look forward to working on more projects in the future.



Proud Partner of Fort Benning



## Financial Summary

The Columbus Water Works financial condition remained strong at year end with reliable plants and systems to meet demands. A solid liquidity position, conservative budgeting, and programmed annual rate increases continue. Projected rate increases over the next five years are projected to be below the national average. Columbus Water Works maintains one of the lowest rates among Southeastern cities.

Total combined Columbus and Fort Benning operating revenues were \$67.65 million, a decrease from Fiscal Year 2017 of \$1.09 million.

Operating expenses before depreciation/amortization increased \$2.46 million as compared to Fiscal Year 2017. Operating expenses, including depreciation/amortization, increased \$3.06 million, up 4.79% from the Fiscal Year 2017. The increase in operating expenses is due in part to changes in regulatory requirements by GASB.

Operating income for the year was \$676,000 as compared to \$4.83 million for Fiscal Year 2017. This amount includes activities related to Fort Benning contractual operations. The decrease in operating income is due to changes in regulatory requirements by GASB and a decrease in water consumption.

CWW's Capital Improvement Program works on a five (5) year cycle. Each cycle has three (3) phases: funding, design and construction. Due to the cost associated with each phase, expenditures will increase as it reaches the final phase of the cycle. In 2018, CWW expended \$30.67 million in capital improvements, which is for renewal and replacement of our aging infrastructure.

Total assets at year-end were 672 million. Reserves were maintained within established goals of 90 to 120 days for operational and coverage of capital improvements/depreciation for capital reserves.

For complete details of the Comprehensive Annual Financial Report visit: [cwwga.org/plaintext/reports/reports.aspx](http://cwwga.org/plaintext/reports/reports.aspx)

## Residential Rate Comparison System Average (8 CCF)



## Condensed Statements of Net Position

FISCAL YEAR 2017 TO 2018 COMPARISON

For FY ended June 25,	2017	2018	\$ Change	% Change
<b>ASSETS</b>				
Current Assets And Other Assets	\$ 138,190,284	123,030,382	(15,159,902)	-10.97%
Capital Assets	543,880,230	548,539,395	4,659,165	0.86%
<b>TOTAL ASSETS</b>	<b>682,070,514</b>	<b>671,569,777</b>	<b>(10,500,737)</b>	<b>-1.54%</b>
<b>DEFERRED OUTFLOWS</b>				
Deferred amount of bond refunding	6,034,238	5,365,897	(668,341)	-11.08%
Deferred amount from post retirement benefits	4,705,813	2,863,283	(1,842,530)	-39.15%
<b>TOTAL DEFERRED OUTFLOWS</b>	<b>10,740,051</b>	<b>8,229,180</b>	<b>(2,510,871)</b>	<b>-23.38%</b>
<b>LIABILITIES</b>				
Other Liabilities	19,158,878	20,132,508	973,630	5.08%
Long-Term Liabilities	256,011,867	240,828,323	(15,183,544)	-5.93%
<b>TOTAL LIABILITIES</b>	<b>275,170,745</b>	<b>260,960,831</b>	<b>(14,209,914)</b>	<b>-5.16%</b>
<b>DEFERRED INFLOWS</b>				
Deferred from post retirement benefits	3,585,306	4,664,424	1,079,118	30.10%
<b>NET POSITION</b>				
Net Investments In Capital Assets	378,633,893	380,586,088	1,952,195	0.52%
Restricted For Capital Activities and Debt Service	16,611,466	21,381,344	4,769,878	28.71%
Unrestricted	18,809,155	12,206,270	(6,602,885)	-35.10%
<b>TOTAL NET POSITION</b>	<b>414,054,514</b>	<b>414,173,702</b>	<b>119,188</b>	<b>0.03%</b>

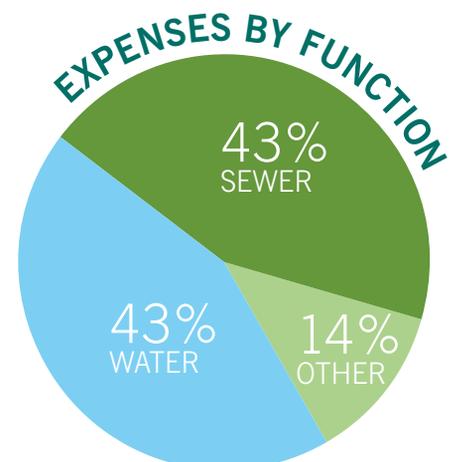
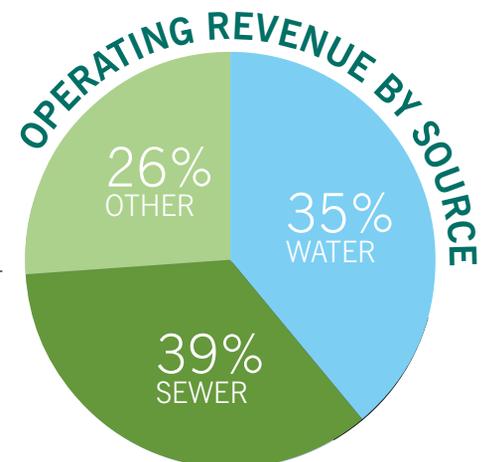
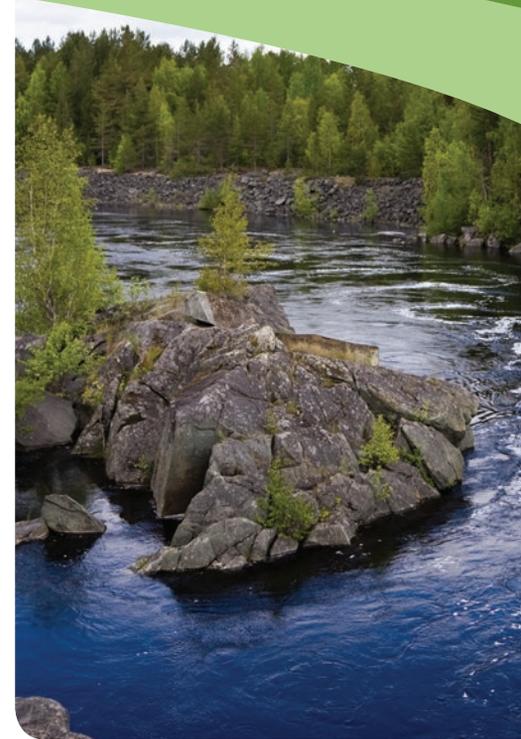
## Capital Reinvestment



## Condensed Statements of Revenues, Expenses and Changes in Net Position

For FY ended June 25,	2017	2018	\$ Change	% Change
<b>Operating Revenues</b>				
Water Sales	\$24,995,622	\$23,694,636	\$(1,300,986)	-5.20%
Sewer Charges	26,181,550	26,086,932	(94,618)	-0.36%
Fort Benning Water and Sewer Charges	7,507,726	7,664,892	157,166	2.09%
Fort Benning CM100 O&M Services	6,073,505	6,310,942	237,437	3.91%
Tapping, CSO fees and Miscellaneous Charges	3,983,137	3,894,305	(88,832)	-2.23%
<b>Total Operating Revenue</b>	<b>68,741,540</b>	<b>67,651,707</b>	<b>(1,089,833)</b>	<b>-1.59%</b>
<b>Operating Expenses</b>				
System Services	6,939,185	7,645,658	706,473	10.18%
South Columbus Water Resources Facility	4,146,373	4,357,511	211,138	5.09%
North Columbus Water Resources Facility	4,751,081	4,898,055	146,974	3.09%
CSO Plants	1,064,193	1,028,638	(35,555)	-3.34%
Managed Maintenance	2,970,689	2,962,616	(8,073)	-0.27%
Engineering	1,342,395	1,426,364	83,969	6.26%
Information Services	1,530,926	1,861,393	330,467	21.59%
Water Quality Monitoring	2,136,164	2,419,094	282,930	13.24%
Fort Benning	4,718,174	5,012,020	293,846	6.23%
Customer Services	1,624,384	1,758,061	133,677	8.23%
Finance, ES and Administration	5,408,668	5,735,508	326,840	6.04%
Meter Maintenance	1,873,988	1,860,559	(13,429)	-0.72%
Depreciation	25,406,377	26,010,348	603,971	2.38%
<b>Total Operating Expenses</b>	<b>63,912,597</b>	<b>66,975,825</b>	<b>3,063,228</b>	<b>4.79%</b>
Operating Income	4,828,943	675,882	(4,153,061)	-86.00%
<b>Non-operating Revenue (expenses)</b>				
Interest Revenue	196,338	480,370	284,032	144.66%
Ft Benning Financing Contract - 2009 Bond Issuance	4,860,492	4,860,492	-	0.00%
Administrative Fees and Other Revenue	293,609	274,226	(19,383)	-6.60%
Interest Expense	(4,525,422)	(4,103,971)	421,451	-9.31%
City of Columbus Participation Expense	(3,693,965)	(3,572,064)	121,901	-3.30%
Gain (loss) on Disposal of Assets	211,888	137,837	(74,051)	-34.95%
Total Non-operating Revenue (expenses)	(2,657,060)	(1,923,110)	733,950	-27.62%
<b>Income Before Capital Grants and Contributions</b>	<b>2,171,883</b>	<b>(1,247,228)</b>	<b>(3,419,111)</b>	<b>-157.43%</b>
<b>Capital Grants and Contributions</b>				
Change in Net Position	3,744,645	1,366,416	(2,378,229)	-63.51%
Net Position at Beginning of Year	5,916,528	119,188	(5,797,340)	-97.99%
Net Position at Beginning of Year	421,573,053	414,054,514	(7,518,539)	-1.78%
Ending Net Position	\$414,054,514	\$414,173,702	\$119,188	0.03%

Overall Net Position change reflects GASB 75 requirement.



# THE FUEL OF LIFE

## COLUMBUS WATER WORKS

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