

YEARS

Clean Water for the Environment



Reedy River at ReWa

Board of Commissioners & Executive Director

(pictured left to right)

George W. Fletcher

J.D. Martin

Butch D. Merritt

Ray T. Orvin, Jr. – Executive Director

John V. Boyette, Jr.

Daniel K. Holliday – Vice Chairman

Ray C. Overstreet – Secretary/Treasurer

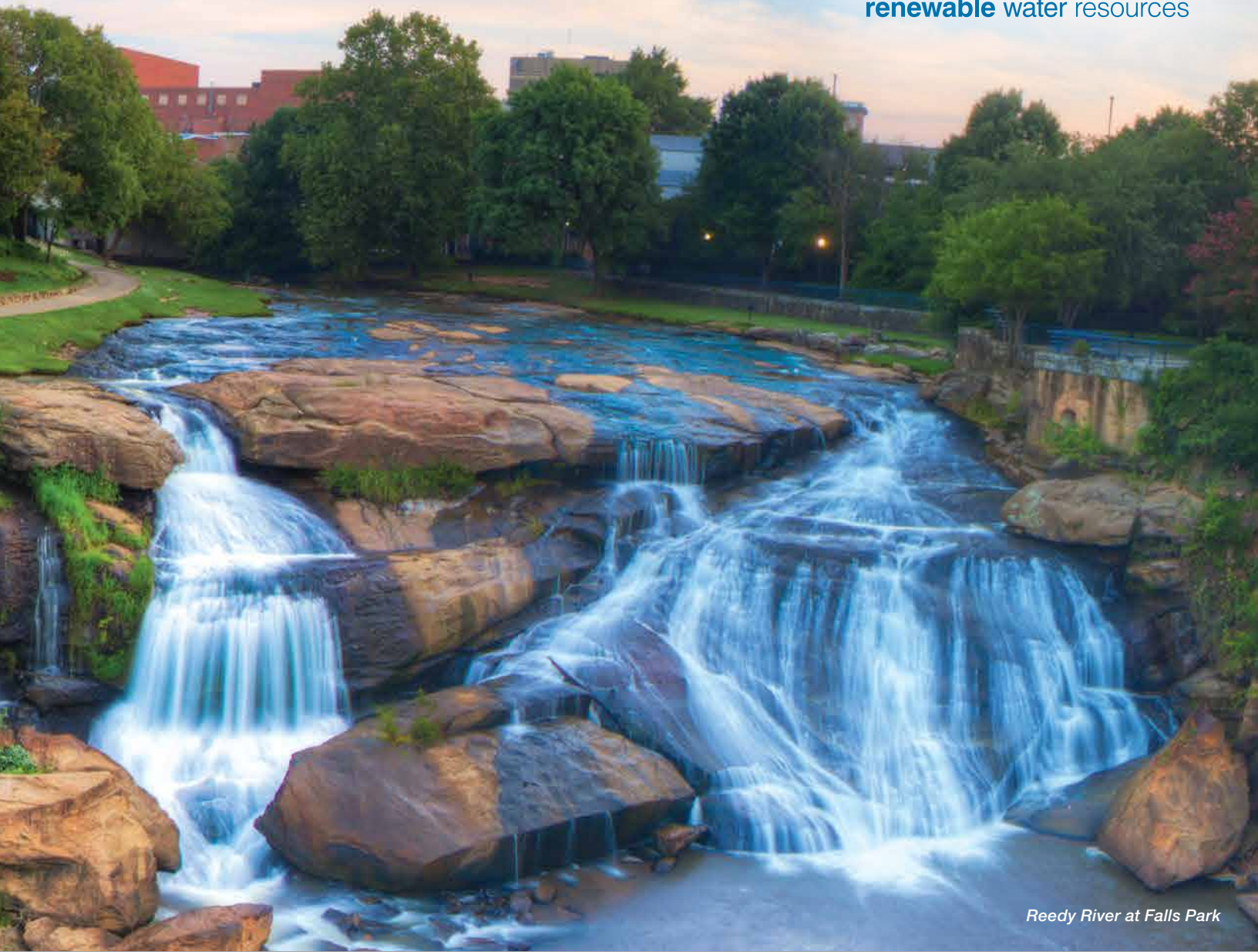
L. Gary Gilliam – Chairman

(not pictured)

Michael B. Bishop



In remembrance of Mr. Willie Whittaker, ReWa would like to extend our gratitude for his service as a Commissioner from January 1985 through August 2015. His belief in people, passion for teaching and positive outlook encouraged others to reach their full potential. Willie was a source of inspiration and will be greatly missed.



Reedy River at Falls Park

“Clean water is a valuable resource that sustains life and drives growth. At ReWa, we have renewed and preserved our water resources for 90 years. **Clean water: this is our mission.**”

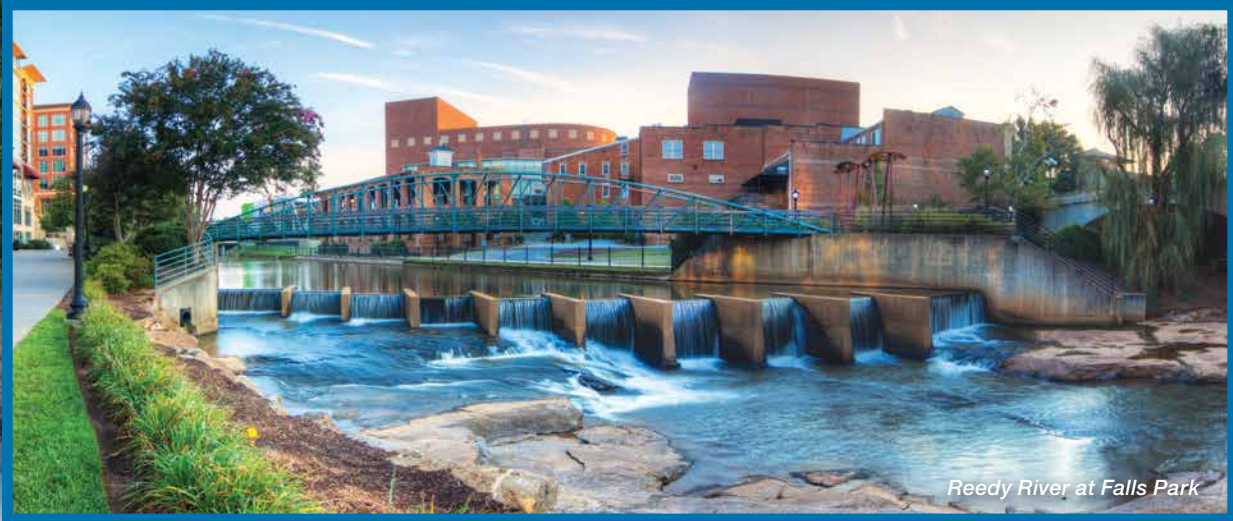
– Ray T. Orvin, Jr.



COLLABORATING FOR CLEAN WATER

with Local Municipalities, Partners,
Regulatory Agencies and
Our Community

Enoree River at Pelham Falls

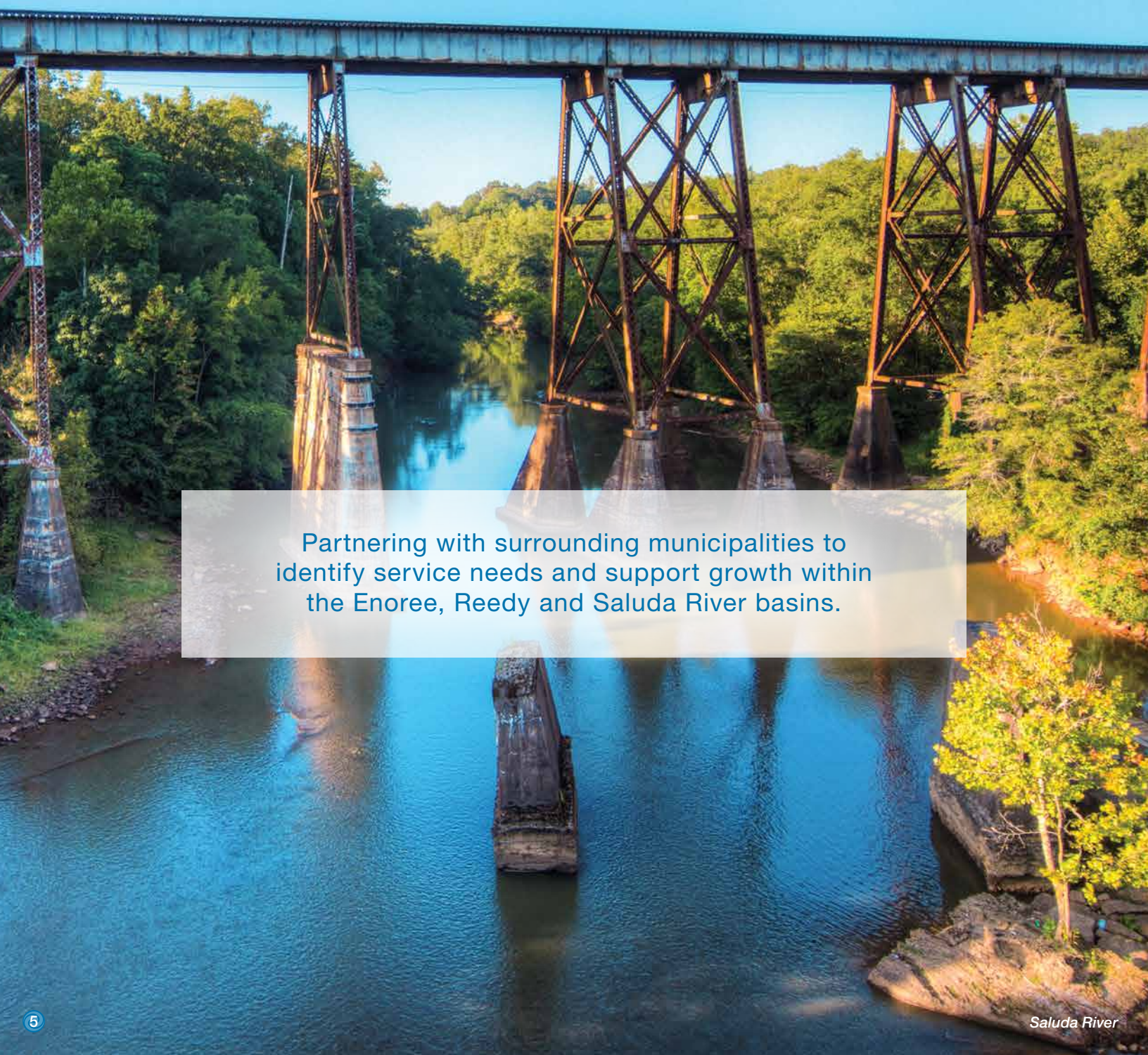


Over the past 90 years, ReWa has developed a culture of collaboration, as evidenced by the Upstate Roundtable, an alliance of more than 60 community, governmental, and industry representatives, tasked with aligning regional wastewater infrastructure with projected growth while promoting environmental stewardship. This effort and others resulted in a multitude of partnerships, as well as the development of a current and long-term strategic plan, guiding us day-to-day and providing the foundation of our future.

Local Municipalities, Partners and Regulatory Agencies

Growth and Sustainability

- Updating basin plans and developing models based on current flow, projected growth and subdistrict input to proactively address future capacity needs.
- Enabling Greenville's growth by evaluating options to convey additional flow through downtown Greenville and along Richland Creek.
- Streamlined the development approval process; balancing stakeholder needs while safeguarding infrastructure and ultimately the environment.

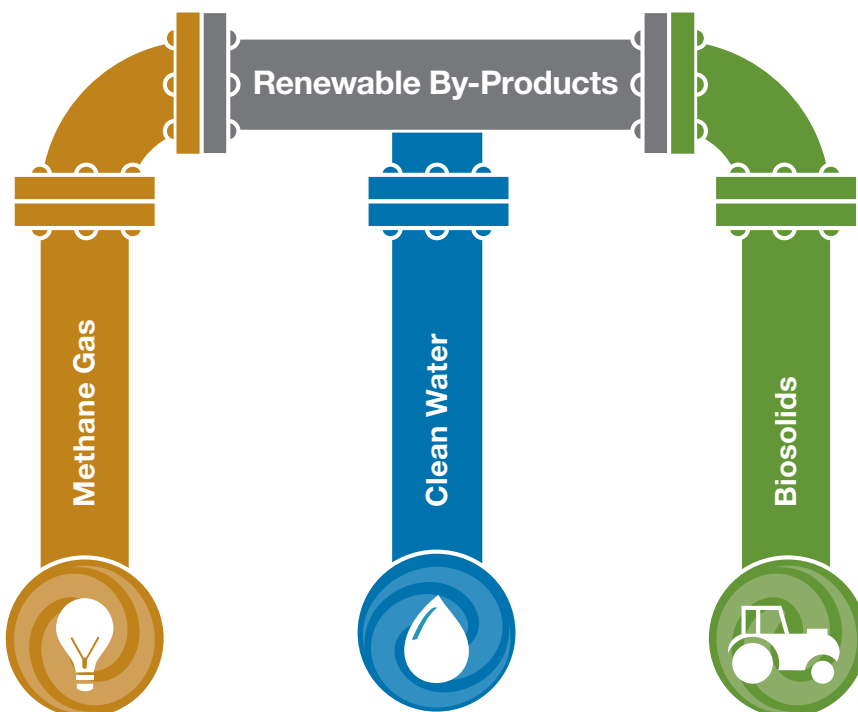


Partnering with surrounding municipalities to identify service needs and support growth within the Enoree, Reedy and Saluda River basins.

COLLABORATION

Innovation and Efficiency

- Improving water quality in the Reedy River by engaging citizens as well as regional and national resources in the recently assembled Reedy River Water Quality Group. www.cleanreedy.org
- Partnering with local utilities along the Saluda River to address excess phosphorus by sharing the total maximum daily load.
- Providing stakeholders a way to analyze system needs by sharing flow monitoring data with subdistricts and Greenville County.
- Sharing geographical data and assets with members of the Greenville County Geographic Information System organization.
- Participating in the South Carolina Water/Wastewater Agency Response Network (SCWARN), a statewide mutual aid and assistance program. www.scwarn.org
- Recognizing industries through our Compliance Excellency and the Pollution Prevention (P2) awards. www.rewaonline.org/connect/awards/awards-given/



Reducing energy costs by powering some internal processes with methane gas.

Utilizing clean water for irrigation and operational processes.

Putting waste to work for our environment with our Biosolids Recycling Program.



Platinum Level
Since 2012

Our Community

Education



Protecting private and public infrastructure by reducing improper disposal of Fats, Oils and Grease (FOG) through our Grease Control Program and Pipe Patrol educational campaign.
www.pipepatrol.org



Need a Pipe Patrol grease can?
Call (864) 299-4000



Promoting awareness on the importance of proper medication disposal through Project Rx: A River Remedy.
www.ariverremedy.org



A permanent 24/7 drop box is located at the Greenville County Law Enforcement Center. Additional drop box locations coming soon!



Demonstrating how small changes in our day-to-day actions positively impact local rivers, lakes and streams through our Be Freshwater Friendly campaign.
www.befreshwaterfriendly.org



Be Freshwater Friendly Initiatives

- Curb Control**
- Label Wise**
- Pipe Patrol**
- Poop Etiquette**
- Potty Protocol**
- Septic Smarts**
- Yard Savvy**



Come See Us or We'll Come See You!

Furman University students tour a ReWa facility

www.rewaonline.org/tours • contact Ashley Rhinehart at ashleyr@re-wa.org

COLLABORATION

Stewardship



- **Collecting more than 34 TONS of debris** in our River Sweep event along the Reedy River over the past 17 years.
- Integrating wildlife habitat needs into land management decisions by participating in **the Wildlife and Industry Together (W.A.I.T.) Program** at multiple locations.
- Serving as a pacesetter for United Way of Greenville County, our 200 employees **generated more than \$120,000** through employee giving and hosting fundraisers.
- Supporting the **March of Dimes** through the March for Babies Walk and various fundraisers.
- Creating shared spaces by allowing the community to access our properties. Have you visited the...
 - **Greenville Health System Swamp Rabbit Trail**
 - **Pelham Mill Dog Park**
 - **Pavilion Recreation Complex**
 - **First Baptist Church of Greenville Rain Garden**
 - **Brushy Creek Soccer Complex**
 - **Cancer Survivors Park**
 - **Corey Burns Park**



Visit Our
New Website at
ReWaOnline.org

Acknowledgements

Subdistricts

Anderson County	Gantt Fire, Sewer & Police District	Parker Sewer & Fire District
Berea Public Service District	Greer Commission of Public Works	Pickens County Public Service Commission
City of Fountain Inn	Laurens County Water & Sewer Commission	Taylor's Fire & Sewer District
City of Greenville	Marietta Water, Fire, Sanitation & Sewer District	Town of Pelzer
City of Mauldin	Metropolitan Sewer Subdistrict	Town of West Pelzer
City of Simpsonville		Wade Hampton Fire & Sewer District
City of Travelers Rest		

** For subdistrict contact information, visit www.rewaonline.org.*

Other Partners

Appalachian Council of Governments	Greenville County Parks, Recreation and Tourism	Reel Video and Stills
Bird's Eye Design, Inc.	Greenville County Schools	Roper Mountain Science Center
Bon Secours ST. FRANCIS	Greenville County Sheriff's Office	SC Department of Health and Environmental Control
Boyd Mill Pond Homeowners Association	Greenville County Soil and Water Conservation District	SC Department of Transportation
Cancer Survivors Park	Greenville Family Partnership	SC House of Representatives
Carolinas Institute for Community Policing	Greenville Health System	SC Senate
Clemson Extension Service	Greenville Journal	SCWARN
Complete Public Relations	The Greenville News	SC American Water Works Association
Conestee Foundation	Greenville Technical College	Synagro
Connect Lake Greenwood	Greenville Water	Town of Ware Shoals
Easley Combined Utilities	Greenwood County	Town of Williamston
Environmental Protection Agency	Home Builders Association of Greenville	US Drug Enforcement Administration
First Baptist Greenville	Keep Greenville County Beautiful	United Way of Greenville County
Friends of the Reedy River	Laurens County	Upcountry History Museum
Furman University	March of Dimes	Upstate Forever
Girl Scouts of SC Mountains to Midlands	Martin Printing	Utilities, Inc.
Greenville Area Development Corporation	Metropolitan Arts Council	Water Environment Association of South Carolina (WEASC)
Greenville Chamber of Commerce	National Association of Clean Water Agencies (NACWA)	Water Environment Federation
Greenville County	Patients First	Waterloo Water Wizards
Greenville County Medical Society	Powdersville Water District	Whole Foods Market
	Presbyterian College School of Pharmacy	YMCA of Greenville
	Preserving Lake Greenwood	Youth Summit 2015

Special thanks to Jason Ayers Photography for the beautiful river photography seen throughout this annual report.

Awards



Cain Massey
WEASC

Wastewater Operator of the Year

Weldon Ribble

WEASC Blue Ridge Foothills District
Maintenance Person of the Year

Ashley Rhinehart

WEASC Blue Ridge Foothills District
Young Professional of the Year



**Blackwater Bruisers won
1st Place
at 2015 State Operations
Challenge Competition**



Financial Reporting Awards

17 Consecutive Years
Popular Annual Financial
Report (PAFR) for the fiscal year
ended June 30, 2014

22 Consecutive Years
Comprehensive Annual Financial
Report (CAFR) for the fiscal year
ended June 30, 2014



FINANCIALS

At the end of fiscal year 2015, ReWa's financial position is strong and stable despite being faced with additional Polychlorinated Biphenyl (PCB) remediation costs and the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68¹, which changed the way state and local governments report their pension liability, resulting in a \$21.4 million decrease in net position. Current year operations contributed \$14.1 million to net position even though we incurred an additional \$4.4 million in PCB remediation costs. Since the illegal dumping occurred, we have spent approximately \$9.0 million in operating expenses to remove PCBs and reduce the likelihood of reoccurrence. Fortunately, remediation is now substantially complete and equipment has been restored to operating condition. As of June 30, 2015, net position totaled \$283.3 million demonstrating ReWa's financial viability. Our sound financial practices have enabled us to overcome the challenges of the past and have prepared us for the future.

Abbreviated Statements of Net Position

June 30,	Total Assets & Deferred Outflows	Total Liabilities & Deferred Inflows	Total Net Position
2015 ¹	\$ 565,854,456	\$ 282,558,631	\$ 283,295,825
2014 ²	\$ 568,999,724	\$ 278,351,552	\$ 290,648,172
2013 ²	\$ 583,864,166	\$ 299,916,911	\$ 283,947,255
2012	\$ 596,170,447	\$ 316,117,266	\$ 280,053,181
2011	\$ 596,465,874	\$ 328,956,841	\$ 267,509,033

¹ During fiscal year 2015, ReWa adopted GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27. The cumulative effect of this change in accounting principle is shown in fiscal year 2015 net position.

² During fiscal year 2014, ReWa adopted GASB Statement No. 65, Items Previously Reported as Assets and Liabilities which required retroactive application.

Total Assets & Deferred Outflows (what we own) **–** **Total Liabilities & Deferred Inflows** (what we owe) **=** **Net Position** (resources received which are applicable to a future period)

Report Disclosure

The abbreviated Statements of Net Position presented in this report provide an overview of ReWa's financial health as of June 30, 2015 and four preceding fiscal years. It illustrates the relationship between ReWa's assets, plus deferred outflows of resources, minus liabilities, and deferred inflows of resources, with the difference representing net position. Monitoring net position is another way to assess ReWa's financial health; other indicators include debt coverage, overall debt levels, as well as, bond ratings. Please refer to page 14 for additional information on debt.

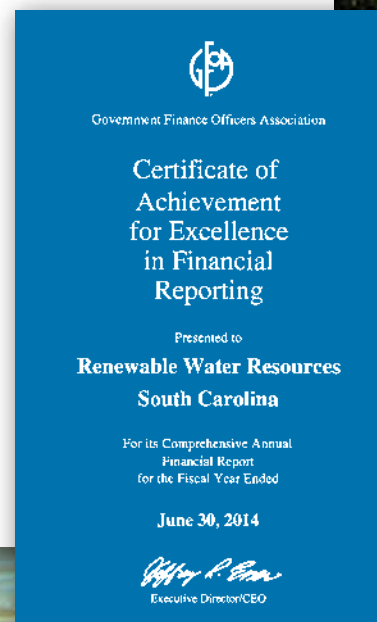
The Comprehensive Annual Financial Report (CAFR) is prepared in accordance with Generally Accepted Accounting Principles and consists of audited financial statements, notes, and required supplementary information. In addition, the statistical section of the CAFR offers ten-year trend data on the following subjects: financial performance, revenue capacity, debt capacity, demographic and economic information, as well as operating information. This report is intended to enhance the understandability of the CAFR and is not regarded as a replacement.

The CAFR is available on our website www.rewaonline.org, by contacting the Controller, Patricia Dennis via email at patriciad@re-wa.org, phone at 864-299-4036 or mail at 561 Mauldin Road, Greenville, SC 29607. As you review this report, please feel free to share any questions or comments.

Sincerely,



Patricia R. Dennis CPA
CONTROLLER



GASB – The independent organization that establishes accounting and financial reporting standards for U.S. state and local governments. The GASB is the official source of generally accepted accounting principles (GAAP) for state and local governments.

GASB Statement No. 68¹ – ReWa's employees are members of the South Carolina Retirement System, a multiple-employer defined benefit pension plan. As such, GASB Statement No. 68 requires each participating employer to recognize their long-term pension obligation. The statement is intended to enhance comparability and transparency.

Revenues and Expenses

Operating revenues totaled \$85.0 million; domestic and commercial revenues increased \$4.4 million to \$69.1 million and industrial revenues increased \$0.5 million to \$7.4 million during fiscal year 2015. These increases are primarily the result of an approximate 4% rate increase. In addition to the rate increase, domestic and commercial revenues experienced an increase in consumption along with customer growth of 2%. New account fees increased 35% to \$7.4 million due to significant growth and development. Total expenses decreased \$0.7 million to \$70.9 million which is mainly attributable to a decrease in interest expense. Operating expenses before depreciation increased \$0.2 million due to increases in electricity, billing expense, and employee related expenses such as pension and other postemployment benefits obligation. Current year operations contributed \$14.1 million to net position which will be used to fund future capital expenditures.

2015 Total Revenues \$ 85,058,394



- Domestic & Commercial 81%
- Industrial 9%
- New Account Fees 8%
- Septic Haulers & Others 1%
- Investment & Other Non-Operating Revenues 1%

2015 Total Expenses \$ 70,936,887



- Operating Expenses Before Depreciation 50%
- Depreciation 37%
- Interest 12%
- Amortization & Other Non-Operating Expenses 1%

Total Revenues & Expenses

FIVE-YEAR TRENDS

REVENUES

EXPENSES

Year	Revenues	Expenses
2015	\$ 85,058,394	\$ 70,936,887
2014	\$ 78,363,203	\$ 71,662,286
2013	\$ 74,959,900	\$ 65,424,700
2012	\$ 74,954,485	\$ 63,020,630
2011	\$ 70,235,633	\$ 62,607,789

- **Operating Revenues**
Revenues received while carrying out ReWa's day-to-day operating activities.
- **New Account Fee**
A one-time charge implemented to offset some of the costs incurred to provide capacity.
- **Operating Expenses**
Expenses incurred in carrying out ReWa's day-to-day operating activities.

Debt

Why are Bond Ratings Important?

Ratings provide an assessment of an organization's credit worthiness, based on its borrowing and repayment history, as well as its assets and liabilities. A high credit rating makes it less expensive to borrow money.

ReWa's ratings are considered "high" meaning we have a very strong capacity to meet financial commitments.

Bond Ratings	Senior Lien Debt	Junior Lien Debt
Standard & Poor's Ratings Services	AA	AA
Moody's Investors Service	Aa2	Aa3

Over the past five years, ReWa has decreased total debt, excluding premiums, by \$76.7 million or 25% through refundings and principal payments.

Total Debt



Debt Coverage

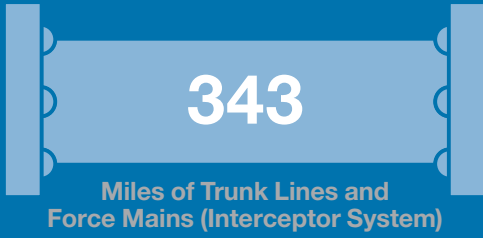


Saluda River at Saluda Dam

Debt Coverage – Represents our ability to pay annual debt service which is comprised of both principal and interest.

$$\frac{(\text{Operating} + \text{Interest Revenues}) - \text{Operating Expenses}}{\text{Annual Debt Service}}$$

ReWa by the Numbers



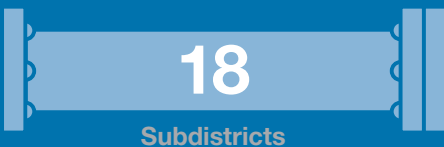
MGD* Permitted Flow



MGD* Average Daily Flow



Billion Gallons of I&I Removed**



*Million Gallons per Day (MGD)
**Approximate amount of I&I removed since 2006 based on the area's average rainfall data.

