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2012 ANNUAL REPORT >

The information in this Popular Annual Financial Report (PAFR) is compiled from our 2012 Comprehensive Annual Financial Report (CAFR). This and our other financial reports are available online at NEORS.D.ORG.

The District accomplished a remarkable amount of work during our 40th-anniversary year. Of note was the launch of the \$198-million Euclid Creek Tunnel project and steady progress made by our massive Tunnel Boring Machine as it makes its way eastward. This is the first of several Project Clean Lake undertakings that will reduce the amount of combined sewage entering our waterways.

Also in 2012, our three wastewater treatment plants continued to excel at meeting EPA permits, and our Operations & Maintenance crews faced the challenges of serious weather events, such as those in the wake of Hurricane Sandy. Work on the Renewable Energy Facility at Southerly continued, and the District took final steps towards fully implementing a Regional Stormwater Management Program.

The District's financial statements have been audited by Ciuni and Panichi, Inc., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2012, are free of material misstatement.

The preparation of this annual report would not have been possible without the services of the District's Finance and Communications & Community Relations departments. We would like to express our appreciation to everyone who assisted and contributed to the preparation of this report.

Credit must also be given to the Board of Trustees for their support for maintaining the highest standards of professionalism in the management of the District's finances.



Julius Ciaccia, Executive Director

PROFILE OF THE SEWER DISTRICT

The Northeast Ohio Regional Sewer District is an independent political subdivision of and organized under the laws of the State of Ohio, specifically Chapter 6119 of the Ohio Revised Code.

Originally named the Cleveland Regional Sewer District, it was created in 1972 to assume the operation and management of certain wastewater collection, treatment, and disposal facilities serving the Cleveland metropolitan area.

The sewer District's service area covers approximately 350 square miles. It encompasses 97% of the City of Cleveland and all or portions of 61 suburban communities in Cuyahoga, Lake, Lorain, and Summit Counties.

The service area contains a residential population in excess of one million persons and includes a diverse group of service, information, biotechnology, manufacturing, and processing industries.

The sewer District treats more wastewater than any other wastewater treatment system in the State of Ohio.



YEAR
IN
REVIEW

20
12

Our 40th-anniversary year was a busy and exciting one, as major construction projects got underway, our clean-water leadership role expanded locally and nationally, and District staff continued their work to safeguard our waterways and serve our communities.

Here were some notable stories in 2012.



TUNNELING BEGINS

Our 1,500-ton Tunnel Boring Machine, nicknamed “Mackenzie,” began digging its three-mile course along the Lake Erie coastline. As Mackenzie cuts through the bedrock, it installs pre-cast concrete segments, so the Euclid Creek Tunnel (ECT) is fully lined and watertight in a single pass. The ECT is the first in a series of storage tunnels being constructed as a part of Project Clean Lake, the District’s 25-year, \$3 billion program to drastically reduce the amount of combined sewage entering local waterways annually.

CONSTRUCTION AT PLANTS

In addition to Project Clean Lake construction, work continued on the Renewable Energy Facility at our Southerly plant, and Easterly received a new Screenings Conveyance and Storage Building and a temporary “shed” for testing a new treatment process for the increased flow that will come



when the Euclid Creek Tunnel is completed. Westerly saw monitoring improvements and increased disinfection capability, and the rebuild of three grit collectors, a return sludge pump, and an incineration centrifuge. In addition, Westerly Operations personnel adapted to a 42% increase in full-treatment plant flow capacity. “As far as I can tell, there hasn’t been a year in the history of the plant that comes close to [2012’s] successes,” said Assistant Superintendent Daniel Smith.

STORMWATER PROGRAM

In July, our Stormwater Management Program officially got the green light from Judge Thomas J. Pokorny, who issued a final ruling on the District’s regional program to tackle Northeast Ohio’s flooding, erosion, and water quality problems. “It’s obvious that flooding and erosion problems have increased throughout recent years, but the most apparent impact of stormwater is water quality, evidenced by Lake Erie’s near-bottom ranking in beach quality,” said Executive Director Julius Ciaccia. “It’s time to move forward with this program and together treat Lake Erie as the world-class resource it is.”

NRDC ACCLAIM

In June, the District earned praise from the Natural Resources Defense Council (NRDC) for the progressive and proactive steps we’ve taken to protect local beaches and improve water quality in Greater Cleveland. The NRDC recognized the District’s leadership and investments in beach monitoring and green infrastructure.

HEALTHY LAKES

In September, the District supported and participated in the national Great Lakes Restoration Conference held in Cleveland, with our Watersheds staff contributing to the stormwater-management and pollution-reduction conversations.





ANIMAL RESCUES

Our Sewer System Maintenance & Operation crew responded to a call about a puppy stuck in a residential sewer pipe and were able to dig the animal out. After recovering at a local animal clinic, the pup was adopted by a District security officer. In November, a District crew conducting maintenance at one of our pump stations rescued a two-foot-long alligator from Big Creek. Our lab staff cared for the animal for a few days until she found a new home at the Cleveland Metroparks Zoo.

HURRICANE SANDY

All three of our plants continued to excel at meeting EPA permits, and our operators, maintenance crews, and security forces kept our treatment processes running despite gale-force winds and huge surges in flow in the wake of Hurricane Sandy. During October 29 and 30 alone, our three plants treated nearly 1.5 billion gallons of water.

DIVERSITY RECOGNITION

For a second year, The Commission on Economic Inclusion—a coalition of more than 100 Northeast Ohio employers—recognized the District as part of its “Commission 50” for our high rankings in Board Diversity, Senior Management Diversity, Workforce Diversity, and Supplier Diversity.

FUNDRAISING RECORD

Sewer District employees raised over \$76,000, exceeding our Charity Choice goal for a third consecutive year.



COMMUNITIES SERVED

BY THE DISTRICT + ESTIMATED POPULATION SERVED

December 31, 2012

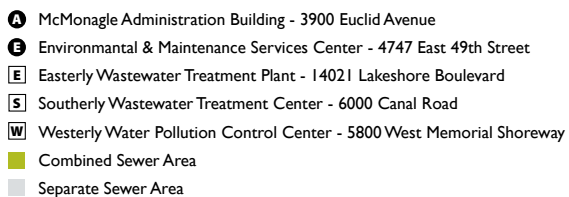
Municipality	Estimated Service Population (1)	Municipality	Estimated Service Population (1)
SUBDISTRICT 1			
Cleveland City	393,806		
SUBDISTRICT 2			
Bath Township	- (3)	Middleburg Heights City	15,825
Beachwood City	11,867	Moreland Hills Village	1,205 (2)
Bedford City	- (3)	Newburgh Heights Village	2,149
Bedford Heights City	- (3)	North Randall Village	1,020
Berea City	18,960	North Royalton City	4,712 (2)
Boston Heights Village	552 (2)	Northfield Center Township	5,423
Bratenahl Village	1,188	Northfield Village	3,663
Brecksville City	13,552	Oakwood Village	1,558 (2)
Broadview Heights City	15,580 (2)	Olmsted Falls City	7,805 (2)
Brook Park City	19,063	Olmsted Township	4,993 (2)
Brooklyn City	11,082	Orange Village	579 (2)
Brooklyn Heights Village	1,531	Parma City	80,968
Cleveland Heights City	45,764	Parma Heights City	20,558
Columbia Township	945 (2)	Pepper Pike City	2,981 (2)
Cuyahoga Heights Village	634	Richfield Township	573 (2)
East Cleveland City	17,705	Richfield Village	1,569 (2)
Euclid City	180 (2)	Richmond Heights City	4,251 (2)
Garfield Heights City	28,625	Sagamore Hills Township	10,907
Gates Mills Village	274 (2)	Seven Hills City	11,711
Glenwillow Village	30 (2)	Shaker Heights City	28,226
Highland Heights City	8,280	Solon City	170 (2)
Highland Hills Village	1,125	South Euclid City	21,619 (2)
Hudson City	8,787 (2)	Strongsville City	25,712 (2)
Independence City	7,078	Twinsburg City	6 (2)
Lakewood City	- (3)	Twinsburg Township	630 (2)
Linndale Village	178	University Heights City	13,445
Lyndhurst City	13,893	Valley View Village	2,018
Macedonia City	11,147	Walton Hills Village	2,263
Maple Heights City	22,959	Warrensville Heights City	13,437
Mayfield Heights City	19,005	Willoughby Hills City	- (3)
Mayfield Village	3,434		
Total Subdistrict 2			573,394
Total Estimated Service Population			967,200

(1) Based on U.S. Census Data and District administrative records.

(2) Estimated population for the portion of the municipality within the service area of the District.

(3) Service population not applicable. District serves non-residential properties only.

SERVICE AREA MAP



- Big Creek Interceptor
- Cuyahoga Valley Interceptor
- Mill Creek Interceptor
- ==== Southerly Interceptor
- ===== Southwest, West Leg Interceptors & ICRS

- Low Level Interceptor
- Northwest Interceptor
- Walworth Run Interceptor
- Westerly Interceptor

HISTORICAL NUMBER

OF CUSTOMER ACCOUNTS 2010 - 2012

	2012	2011	2010
SUBDISTRICT 1			
Cleveland (1)	126,357	125,832	121,009
SUBDISTRICT 2			
Master Meter - Suburbs (2)	3	3	3
Direct Service - Suburbs (1)	186,934	183,985	181,826
Subtotal	186,937	183,988	181,829
Total Customers	313,294	309,820	302,838

ANNUAL METERED

BILLING QUANTITIES 2010 - 2012

	2012	2011	2010
SUBDISTRICT 1			
Cleveland	1,781,276	1,881,996	1,946,380
SUBDISTRICT 2			
Direct Service - Suburbs (3)	1,977,996	2,005,569	2,078,834
Master Meter - Suburbs (1)	136,544	209,320	170,293
Subtotal	2,114,540	2,214,889	2,249,127
Total Service Area	3,895,816	4,096,885	4,195,507



FINANCIAL

H I G H L I G H T S

- > Assets exceeded liabilities by \$1,304,149,604
- > Retirements of debt principal were \$42,219,347
- > Operating revenue increased by \$14,519,009
- > Operating expenses increased by \$7,708,083

L A R G E S T C U S T O M E R S

OF THE SEWER DISTRICT

as of December 31, 2012 + nine years prior

Employer Name (1)	2012		
	Number of Employees (1) FTE*	Rank (1)	Percentage of Total County Employment (2)
	12-31-2012		
Cleveland Clinic Health System	33,000	1	5.00%
University Hospitals	15,123	2	2.29%
U.S. Office of Personnel Management	14,839	3	2.25%
Giant Eagle, Inc.	10,398	4	1.57%
Progressive Corp.	8,766	5	1.33%
Cuyahoga County	7,709	6	1.17%
State of Ohio	7,768	7	1.18%
United State Postal Service	7,565	8	1.15%
Group Management Services, Inc.	7,403	9	1.12%
City of Cleveland	7,061	10	1.07%
Cleveland Municipal School District	-	-	-
Metro Health System	-	-	-
Ford Motor Company	-	-	-
LTV Corporation	-	-	-
Total	119,632		18.12%
Total Cuyahoga County Employment (2)			660,285

2003		
Number of Employees (1) FTE* 12-31-2003	Rank (1)	Percentage of Total County Employment (2)
22,250	1	3.16%
9,875	6	1.40%
11,250	2	1.60%
-	-	-
-	-	-
9,789	3	1.39%
9,681	4	1.37%
9,455	5	1.34%
-	-	-
-	-	-
7,890	7	1.13%
6,433	8	0.91%
6,415	9	0.91%
4,389	10	0.62%
97,427		13.83%
		704,660

* Full-Time Equivalent.

1) Sources are *Crain's Cleveland Business*, December 2012 and March, 2003. Cuyahoga County is significantly the same as the District's service area.

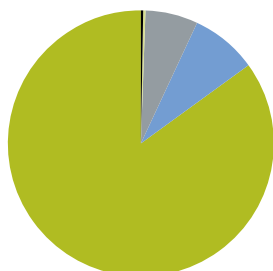
(2) Sources of total employment for Cuyahoga County, Ohio are District administrative records, Cuyahoga County, Ohio Comprehensive Annual Financial Report for 2003, and U.S. Department of Labor, Bureau of Labor Statistics.

(3) Employment outside of top ten reporting year.

R E V E N U E S

[I N T H O U S A N D S]

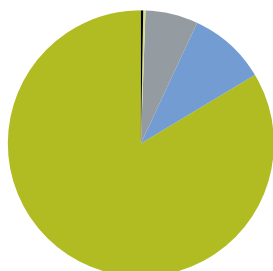
TOTAL OPERATING REVENUE



2012 > \$187,241

- 0.5% Miscellaneous \$848
- 0.3% Septic tank and municipal sludge fees \$504
- 6.3% Other billing agents sewer services fees \$11,943
- 7.9% Direct billed sewer service fees \$14,832
- 85.0% City of Cleveland (NEORS) billing agent) sewer service fees \$159,114

Operating revenue increased by \$14,519,009 (8.4%) compared to 2011. The increase was due to higher billing rates in 2012, coupled with a decrease in consumption and an increase in delinquencies.



2011 > \$172,722

- 0.4% Miscellaneous \$646
- 0.3% Septic tank and municipal sludge fees \$458
- 6.3% Other billing agents sewer services fees \$11,016
- 9.4% Direct billed sewer service fees \$16,275
- 83.6% City of Cleveland (NEORS) billing agent) sewer service fees \$144,327

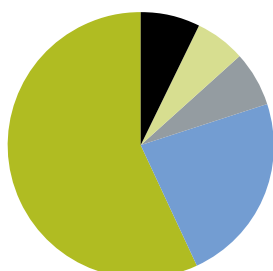
Non-operating revenue decreased by \$1,454,049 (12.2%). The decrease in fair value of investments for 2012 was \$738,260 (490%) more than experienced in 2011. The fair value is expected to increase toward face value in the future since these investments in obligations of the U.S.

Treasury and its agencies are held to maturity.

Non-operating revenue consists of interest income, grant revenue, Federal subsidy revenue, proceeds on insurance claims and the change in fair value of investments. Interest incomes decreased by \$997,127 (26.1%) due to a decrease in funds available for investment.

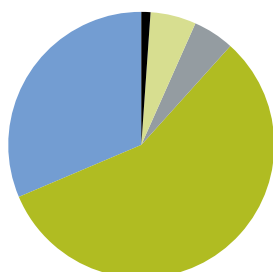
Non-operating grant revenue increased by \$82,108 (12.1%) due to the increase of funds received for Water Resource Sponsorship Programs. Federal subsidy revenue increased by \$28,923 (0.4%). Proceeds on insurance claims increased by \$170,307 (27.3%) due to claims from the Southerly flood being realized in 2012.

TOTAL NON-OPERATING REVENUE



2012 > \$10,433

- 8.5% Decrease in fair value of investments \$889
- 7.3% Non-operating grants \$759
- 7.6% Insurance \$792
- 27.1% Interest revenue \$2,828
- 66.5% Federal subsidy \$6,942



2011 > \$11,885

- 1.3% Decrease in fair value of investments \$151
- 5.7% Non-operating grants \$677
- 5.2% Insurance \$622
- 32.2% Interest revenue \$3,825
- 58.2% Federal subsidy \$6,912

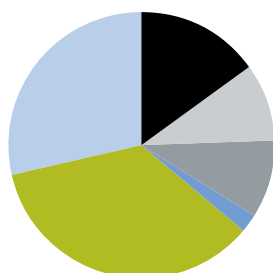


EXPENSES

[IN THOUSANDS]

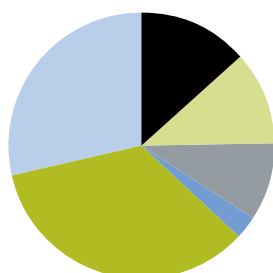
TOTAL OPERATING EXPENSES

2012 > \$145,294



- 15.0% Professional & contractual \$21,827
- 9.6% Utilities \$13,980
- 9.4% Benefits \$13,657
- 2.3% Other \$3,388
- 35.2% Depreciation \$51,187
- 28.5% Salaries & wages \$41,255

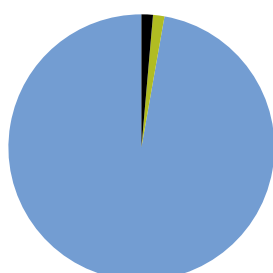
2011 > \$137,586



- 13.6% Professional & contractual \$18,766
- 11.3% Utilities \$15,512
- 9.4% Benefits \$12,939
- 2.8% Other \$3,907
- 34.4% Depreciation \$47,272
- 28.5% Salaries & wages \$39,190

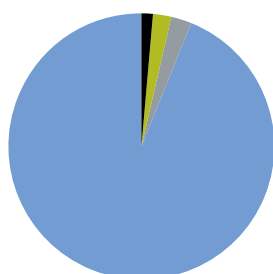
TOTAL NON-OPERATING EXPENSES

2012 > \$46,277



- 1.6% Non-operating grant expenses \$759
- 1.3% Loss on disposals of equipment \$622
- 97.0% Interest expense on long-term debt \$44,896

2011 > \$46,095



- 1.5% Non-operating grant expenses \$677
- 2.2% Loss on disposals of equipment \$1,021
- 2.6% Loss on extraordinary event \$1,188
- 93.7% Interest expense on long-term debt \$43,209

Operating expenses increased \$7,708,083 (5.6%) compared to 2011. Main components of operating expenses are as follows:

- > Salary and wages increased \$2,064,593 (5.3%).
- > Fringe benefits increased \$718,007 (5.5%).

> Professional and Contractual Services increased \$3,060,829 (16.3%) due to an increase in non-capitalized costs from the Stormwater project and general engineering services.

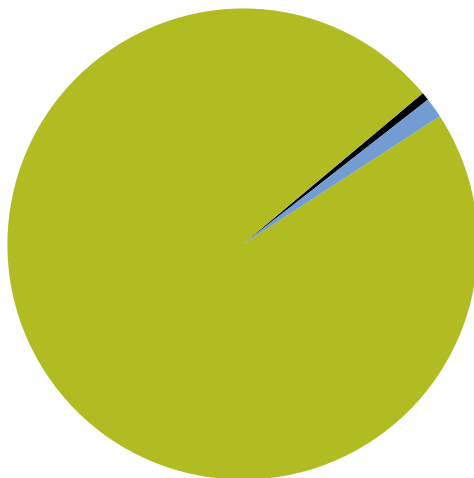
> Utilities decreased \$1,531,746 (9.9%) due to a decrease in power and gas costs from negotiated contracts. Decreases in Other Expenses include \$361,969 (14.8%) for Repairs and Maintenance and \$448,283 (36.5%) for Insurance to manage our risk of loss. The decreases were offset by increases in Other Expenses of; \$653,166 (4053.4%) for Judgments and Awards due to a refund with a customer; \$977,955 (115.4%) for Solids Handling waste removal; \$491,556 (10.8%) for Materials and Supplies; and \$312,400 (23.5%) for Chemicals used in the treatment processes at the Wastewater Treatment Plants.

Non-operating expenses increased \$182,709 (0.4%). Interest expense increased by \$1,687,290 (3.9%). Losses on equipment disposals decreased \$398,200 (39.0%) due to a decrease in disposals of obsolete equipment in 2012. Non-operating grant expense increased \$82,108 (12.1%). Non-operating expenses were offset by the decrease of \$1,188,489 (100%) for loss on extraordinary events that occurred during in 2011. No extraordinary events occurred during 2012.

INVESTMENT POLICY

[IN THOUSANDS]

2012 INVESTMENTS \$200,835,308



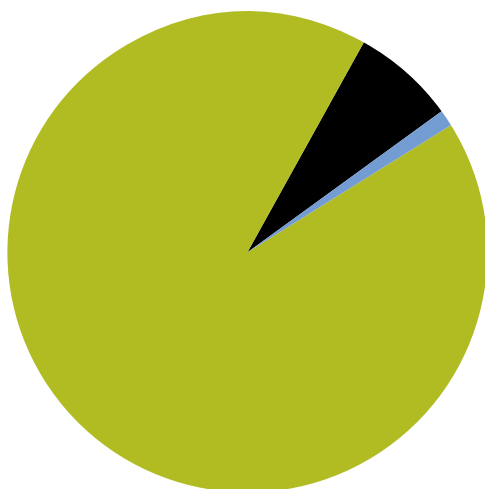
- 0.4% Star Ohio \$821,244
- 1.4% CDs \$2,717,000
- 98.2% Fixed income securities \$197,297,063

The Northeast Ohio Regional Sewer District, giving due regard to the safety and risk of various types of investments, invests the maximum available funds in conformance with the Ohio Revised Code. The Sewer District looks to attain the highest interest rates at the time investments are made. The Sewer District takes advantage of investment interest as a significant supplement to basic sources of revenue to meet operational and capital demands. The Sewer District's portfolio is designed and managed in a manner responsive to the public trust and consistent with the Ohio Revised Code.

Investments shall be made with the following primary objectives, in order of importance:

- > Preservation of capital and protection of principal
- > Security of Sewer District funds and investments
- > Maintenance of sufficient liquidity to meet operating needs
- > Reasonable diversification of investments to minimize risk
- > Maximization of return on the portfolio

2011 INVESTMENTS \$267,226,916



- 6.7% Star Ohio \$17,940,491
- 1.2% CDs \$3,207,768
- 92.1% Fixed income securities \$246,078,656

R E V E N U E S , E X P E N S E S ,

+ C H A N G E I N N E T P O S I T I O N

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
User Charges:				
Billed	\$176,895,828	\$176,895,828	\$181,981,053	\$5,085,225
Unbilled	3,000,000	3,000,000	3,907,866	907,866
Other Revenue	1,053,910	1,053,910	1,352,457	298,547
Total Revenues	180,949,738	180,949,738	187,241,376	6,291,638
Expenses:				
Salary and Wages	41,565,376	41,565,376	41,255,137	310,239
Benefits	14,183,871	14,183,871	13,657,026	526,845
Power	9,520,920	9,520,920	8,068,363	1,452,557
Materials and Supplies	5,150,689	5,150,689	5,056,453	94,236
Collection Fees	6,989,800	6,989,800	6,725,143	264,657
Gas	4,228,960	4,228,960	3,825,221	403,739
Chemicals	1,716,738	1,716,738	1,641,550	75,188
Repairs and Maintenance	2,941,091	2,941,091	2,078,341	862,750
Solids Handling	2,295,415	2,295,415	1,825,201	470,214
Water	1,131,116	1,131,116	1,191,439	(60,323)
Professional Services	9,231,150	9,231,150	8,917,796	313,354
Insurance	740,000	740,000	779,453	(39,453)
Judgements and Awards	65,000	65,000	669,280	(604,280)
Other Operating Expenses	6,123,052	6,123,052	5,923,087	199,965
Capitalized Construction Costs	(5,740,271)	(5,740,271)	(7,506,517)	1,766,246
Depreciation	52,000,000	52,000,000	51,187,381	812,619
Total Operating Expenses	152,142,907	152,142,907	145,294,354	6,848,553
Excess of Revenues Over Operating Expenses	\$28,806,831	\$28,806,831	\$41,947,022	\$13,140,191



C A P I T A L A S S E T S

+ O U T S T A N D I N G D E B T

Capital Assets

At the end of 2012, the District had \$1,924,494,071 invested in capital assets. This amount represents a net increase of approximately \$161 million, or 9.2% over 2011. Refer to Notes 2 and 5 to the audited financial statements for more detailed information on capital assets.

	2012	2011	Amount	Change %
Land	\$13,901	\$13,901	\$-	0.0%
Construction in Progress	448,607	364,958	83,649	22.9%
Interceptor Sewer Lines	975,074	894,432	80,642	9.0%
Buildings, Structures and Improvements	330,496	338,655	(8,159)	(2.4%)
Sewage Treatment and Other Equipment	150,926	151,174	(248)	(0.2%)
Right of Use-Intangible	5,490	-	5,490	100.0%
Total	\$1,924,494	\$1,763,120	\$161,374	9.2%

Debt Administration

	2012	2011	2010
Revenue Bonds	\$484,385	\$492,450	\$500,235
Water Pollution Loans Payable	470,471	478,272	435,357
Total Debt	\$954,856	\$970,722	\$935,592

At December 31, 2012, the District had total debt outstanding net of premiums and refunding loss, of \$954,855,958 compared to \$970,721,659 at December 31, 2011. This represents an decrease of \$15,865,701 for total debt. Loans from the Ohio Water Development Authority Water Pollution Control Loan Fund decreased \$7,800,701; total debt retirements were \$42,219,347. The carrying value of the long-term portion of debt at December 31, 2012 was \$913,203,980 and the fair value of the long-term debt was \$1,087,062,966.

At December 31, 2011, the District had total debt outstanding net of premiums and refunding loss, of \$970,721,659 compared to \$935,591,845 at December 31, 2010. This represents an increase of \$35,129,815 for total debt. Loans from the Ohio Water Development Authority Water Pollution Control Loan Fund increased \$42,914,814; total debt retirements were \$36,595,809. The carrying value of the long-term portion of debt at December 31, 2011 was \$930,651,925 and the fair value of the long-term debt was \$1,044,439,747.

This information should be read in conjunction with Note 6 to the audited financial statements for more detailed information on long-term debt.



C A P I T A L A S S E T S

STATISTICS 2010 - 2012

	2012	2011	2010
Number of Buildings			
Operations			
Southerly Plant	40	39	39
Easterly Plant	18	18	18
Westerly Plant	16	6	16
Outlying Pump Buildings	7	7	7
Total Operations	81	80	80
Administration			
District Administration	1	1	1
Environmental Maintenance and Services Center	4	4	4
Total Offices	5	5	5
Total Buildings	86	85	85
Miles of Interceptor Sewers Installed Annually*	2.87	5.55	3.95
Number of Outlying Systems			
Sewage Collection System			
Interceptor Sewers & Tunnels	21	21	21
Inter-Community Relief Sewers	29	27	26
Automated Regulators	25	25	25
Pumping Stations	7	7	7
Force Mains	4	4	4
Total Sewage Collection System	86	84	83
Support Facilities			
Floatables Control Sites	10	10	10
Biofilter Odor Control Sites	8	8	8
Rain Gauge Sites	25	25	25
Lakeview Dam	1	1	1
Total Support Facilities	44	44	44
Total Outlying Systems	130	128	127
Acres of Land			
Operations			
Southerly Plant	311.2	311.2	311.2
Easterly Plant	92.6	92.6	92.6
Westerly Plant	13.4	13.4	13.4
Administration			
District Administration	2.6	2.6	2.6
Environmental Maintenance and Services Center	14.7	14.7	14.7
Total Acres, Operations and Administration	434.5	434.5	434.5

* Total interceptor sewers are in excess of 200 miles. Source: District accounting and engineering records.

SEWAGE SERVICE RATES

2003 - 2012

SUBDISTRICT 1

Fiscal Years

During Which

Rates Were Effective	Standard Rate (1)	% Change	Homestead (2) Rate (1)	% Change
2003	22.70	7.6	15.30	7.4
2004	24.40	7.5	16.45	7.5
2005	26.20	7.4	17.70	7.6
2006	28.10	7.3	18.95	7.1
2007	30.85	9.8	20.75	9.5
2008	33.85	9.7	22.75	9.6
2009	37.15	9.7	24.95	9.7
2010	40.75	9.7	27.35	9.6
2011	44.75	9.8	30.05	9.9
2012 (3)	49.55	10.7	29.75	-1.0

SUBDISTRICT 2

Fiscal Years

During Which

Rates Were Effective	Standard Rate (1)	% Change	Homestead (2) Rate (1)	% Change
2003	27.95	5.1	18.70	5.1
2004	29.40	5.2	19.70	5.3
2005	30.95	5.3	20.80	5.6
2006	32.60	5.3	21.90	5.3
2007	35.10	7.7	23.55	7.5
2008	37.85	7.8	25.40	7.9
2009	40.90	8.1	27.45	8.1
2010	44.25	8.2	29.70	8.2
2011	48.00	8.5	32.25	8.6
2012 (3)	52.55	9.5	31.75	-1.6

(1) Per thousand cubic feet (MCF) of water consumed.

(2) These rates were first established in the 1991 fiscal year.

(3) A Fixed Fee per quarterly bill of \$5.85 was established in the 2012 fiscal year.

Industrial Waste Surcharge

An additional charge is billed to industrial and other types of customers discharging wastewater which contains substances requiring more extensive treatment than effluent from residential customers.

The amount of this Industrial Waste Surcharge is calculated in accordance with formulas set forth in the Rate Resolution which take into account concentrations of suspended solids, biological oxygen demand and chemical oxygen demand based on waste loading determined by analysis or otherwise.

Minimum Quarterly Billing

Each customer of the District is charged a minimum quarterly amount for sewage service equal to the class of service rate applicable to the metered water usage of 1,000 cubic feet (7,480 gallons). Minimum Quarterly Billing was discontinued starting in 2012.

Source: District accounting records.

M I S C E L L A N E O U S

OPERATING STATISTICS 2010-2012

	2012	2011	2010
TREATMENT PLANT FLOW			
Billions of gallons of sewage treated per plant:			
Easterly	32.9	41.9	30.9
Southerly	39.1	51.5	39.2
Westerly	9.9	12.6	9.0
Total	81.9	106.0	79.1
Total sewage treated, in MCFs (1)	10,949,198	14,171,123	10,574,866
MCFs billed, total District (2)	3,895,816	4,096,885	4,195,507
STAFFING LEVELS			
Number of employees:			
Plant Operations & Maintenance	339	352	357
Engineering	61	52	54
Finance (3) (4)	39	41	47
Human Resources (3)	15	17	17
Information Technology	19	19	20
District Administration (3) (5)	66	54	50
Legal (5)	11	10	14
Administration & External Affairs (4)	28	25	18
Watershed Programs	70	72	63
Total	648	642	640
Budgeted employees, total District	693	680	679

(1) Conversion factor: 1 MCF (thousand cubic feet) = 7,480 gallons.

(2) Restated 2010 MCF's billed.

(3) Reclassified Internal Audit from Finance to District Administration in 2009.

(4) Reclassified Customer Service from Finance to Administration & External Affairs in 2011.

(5) Reclassified Records Management from Legal to District Administration in 2011.

Source: Various District records.



2 0 1 2

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O U R M I S S I O N

We will serve our customers by leading effective wastewater and stormwater management that protects the health and environment of our region while enhancing quality of life.

YOUR SEWER DISTRICT...

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Regional Sewer District**

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