

# 2016 Annual Report Summary

## Board of Trustees 2016

Darnell Brown, President

Ronald D. Sulik, Vice President

Walter O'Malley, Secretary

Mayor Jack Bacci

Mayor Timothy DeGeeter

Sharon A. Dumas

Mayor Robert A. Stefanik

## Directors 2016 (as of 12/31/16)

Julius Ciaccia  
Chief Executive Officer

Jennifer Demmerle  
Chief Financial Officer

Kellie Rotunno  
Chief Operating Officer

Eric Luckage  
Chief Legal Officer

James Bunsey  
Director of Engineering & Construction

Angela Smith  
Director of Human Resources

Francis P. Greenland  
Director of Watershed Programs

Constance T. Haqq  
Director of Administration & External Affairs

Chandrasekhar Yadati  
Director of Information Technology

Raymond Weeden  
Director of Operation & Maintenance



## During 2016, the Sewer District celebrated these successes:

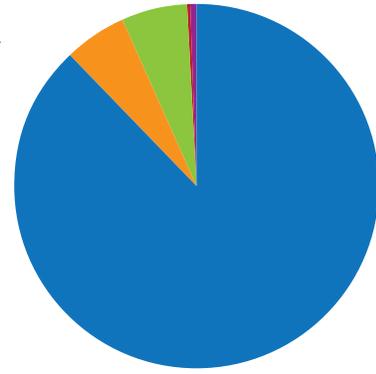
- Our three treatment plants continued to achieve excellence in meeting stringent permit requirements, despite ongoing and extensive on-site construction.
- Our Board of Trustees implemented a new rate schedule that will support our continued progress on Project Clean Lake construction.
- With the Ohio Supreme Court's ruling authorizing us to proceed with our Regional Stormwater Management Program, we began to implement crucial projects.
- Successful District-supported Green Infrastructure projects throughout the city, including one at the re-designed Public Square, bode well for our future partnerships.
- Ohio EPA designated the Sewer District's Analytical Services department a "Quality Control Lab." The District is working with the EPA on a new method for detecting the gene that produces the toxin in harmful algal blooms.
- Our expanded outreach initiatives, such as the Sewer University lectures and our Open House (which broke another attendance record in 2016), promote the importance of water and sewer infrastructure to current and future generations.
- For the second straight year, the Sewer District was named a Top Workplace by cleveland.com and was selected by the Greater Cleveland Partnership's Commission on Economic Inclusion as Best in Class for Supplier Diversity.

## 2016 Revenues

### OPERATING REVENUES

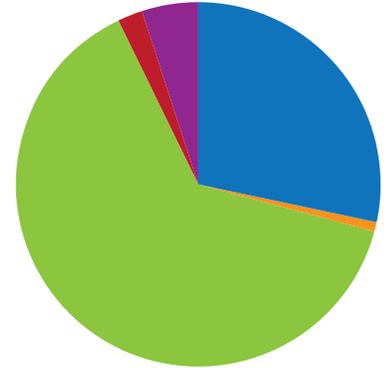
amount in thousands

City of Cleveland Sewer and Stormwater Service fees (NEORS D billing agent)	\$275,276	88.0%
Other Billing Agents Sewer and Stormwater Services Fees	\$17,053	5.4%
Direct Billed Sewer and Stormwater Service Fees	\$18,736	6.0%
Septic Tank and Municipal Sludge Fees	\$608	0.2%
Miscellaneous	\$1,364	0.4%
<b>Total Operating Revenues</b>	<b>\$313,037</b>	<b>100.0%</b>



### NON-OPERATING REVENUES

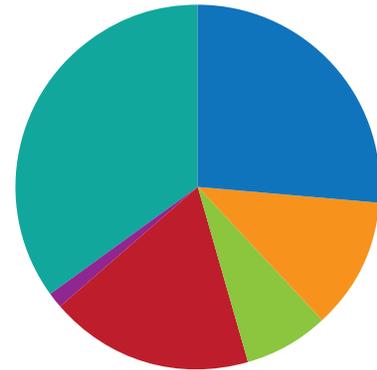
Interest Revenue	\$2,902	28.6%
Proceeds from Insurance Claim	\$65	0.6%
Federal Subsidy Revenue	\$6,466	63.7%
Non-Operating Grant Revenue	\$223	2.2%
Decrease in Fair Value of Investments	\$495	4.9%
<b>Total Non-Operating Revenues</b>	<b>\$10,151</b>	<b>100.0%</b>



## 2016 Expenses

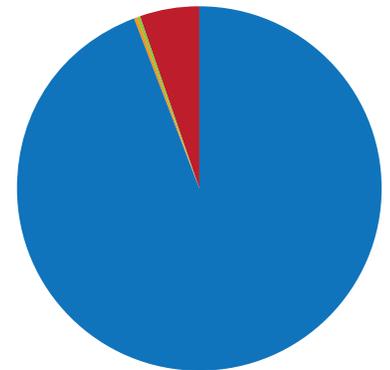
### OPERATING EXPENSES

Salaries and Wages	\$50,469	26.5%
Fringe Benefits	\$22,578	11.8%
Utilities	\$14,188	7.4%
Professional and Contractual Services	\$34,360	18.0%
Other	\$2,638	1.4%
Depreciation	\$66,606	34.9%
<b>Total Operating Expenses</b>	<b>\$190,839</b>	<b>100.0%</b>



### NON-OPERATING EXPENSES

Interest Expense on Long-Term Debt	\$60,318	94.4%
Non-Operating Grant Expenses	\$188	0.3%
Stormwater Community Cost Share Disbursement	\$72	0.1%
Loss on Disposals of Equipment	\$3,320	5.2%
<b>Total Non-Operating Expenses</b>	<b>\$63,898</b>	<b>100.0%</b>



## Financial Highlights

Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,426,355,542. Retirements of debt principal were \$76,369,115. Operating revenues increased by \$32,606,678. Operating expenses increased by \$23,533,604.