REGIONAL SERVICE THROUGH UNITY
MEETING OUR REGION’S NEEDS TODAY AND TOMORROW

WATER | WASTEWATER | SOLID WASTE

NORTH TEXAS MUNICIPAL WATER DISTRICT

ANNUAL REPORT | 2015
GUIDING OUR FUTURE

North Texas Municipal Water District (NTMWD) is governed by a board of directors comprised of appointed representatives from the cities and communities we serve. Board members serve two-year terms and are responsible for appointing an executive director, who oversees NTMWD’s day-to-day operations in accordance with all laws and board policies.

Our management team ensures we maintain compliance with water treatment and delivery, wastewater treatment and management and solid waste disposal, as well as develop and execute strategic planning and improvement projects.

2015 EXECUTIVE TEAM

Tom Kula
Executive Director

Billy George, P.E.
Assistant Deputy Director, Water

RJ Muraski
Assistant Deputy Director, Capital Improvement Programs / Planning

Janet Rummel
Public Relations Manager

Mike Rickman
Deputy Director, Operations, Maintenance & Technology

Jenna Covington, P.E.
Assistant Deputy Director, Wastewater

Dave Patton
Maintenance Officer

Melisa Fuller
Executive Assistant

Joe Stankiewicz
Deputy Director, Engineering, Capital Improvement Programs / Planning

Jeff Mayfield, P.E.
Assistant Deputy Director, Solid Waste

Jim Shirley
Information Technology Officer

Judd Sanderson
Deputy Director, Finance & Personnel

Cesar Baptista, P.E.
Assistant Deputy Director, Engineering

Elizabeth Turner
Environmental Services Officer

Bobby Robinson (Mesquite); James Kerr (Allen); Terry Sam Anderson, Secretary (Mesquite); Joe Joplin, Vice President (McKinney);

Darwin Whiteside, President (Royse City); Tom Kula, Executive Director; Bill Loftland (Rockwall); Lynn Shuyler (Frisco); Don Cates (Forney)

Bill Harrison (Farmersville); Shep Stahel (Plano); Jim Mellody (Royse City); Richard Peasley (Frisco); John Murphy (Richardson); Bob Thurmond (Wylie);

Marvin Fuller (Wylie); Don Gordon (Garland); Patrick Nicklen (Princeton); Jack May (Garland); Jerry Yancey (Plano); John Sweeden (Richardson);

Darrell Grooms (Forney); Joe Farmer (Allen); Charles McKissick (McKinney); Larry Parks (Rockwall); Richard Sheehan (Princeton)

BOARD OF DIRECTORS (JUNE 2014 - MAY 2015)

BACK ROW, STANDING (L TO R)

FRONT ROW, SEATED (L TO R)
Service area of 2,200 square miles in 10 counties

Serving 1.6 million people in one of the fastest-growing regions in the country

DID YOU KNOW?

- 14 WATER PUMP STATIONS
- 6 WATER TREATMENT PLANTS with 806+ MGD (million gallons/day) capacity
- 566 WATER TRANSMISSION PIPELINES
- 250+ MILES LARGE-DIAMETER WASTEWATER PIPELINES
- 14 WASTEWATER TREATMENT PLANTS
- 151+ MGD WASTEWATER TREATMENT CAPACITY

- 3 TRANSFER STATIONS with up to 3,295 tons of solid waste/day
- 800,000+ tons/year accepted at landfill
MESSAGE FROM OUR EXECUTIVE DIRECTOR

What we do matters. The essential services that North Texas Municipal Water District (NTMWD) provides nearly 90 communities spanning 10 counties in North Texas ensures people have reliable and safe water flowing from their tap…ensures wastewater discharged from homes and businesses is treated to rigorous environmental standards before being released back into rivers…and ensures trash generated in homes and businesses is disposed of responsibly to keep our towns clean and sanitary.

NTMWD was founded in 1951 by a group of local leaders who recognized that in order to grow and thrive in the dry North Texas climate, it would be necessary to band together to develop and fund a system to deliver dependable water. That regional approach eventually expanded to include wastewater and solid waste disposal. Their vision of delivering regional services through unity has been the foundation for North Texas to thrive.

Today, NTMWD provides vital services to 1.6 million people in one of the fastest-growing regions in the country. With large, Fortune 500 companies relocating their headquarters to Plano and projects like the “$5-Billion-Mile” in Frisco, we are going to continue to see this region expand in ways our founders never dreamed. In fact, projections show that our service area’s population will more than double to 3.7 million in the next 50 years. The strategic planning and sustainable services we provide will be more important than ever as they are intrinsically linked to the ongoing economic viability of this region and our quality of life.

This annual report highlights our major accomplishments during the 2014-2015 fiscal year, as well as how we are ensuring the reliability of our infrastructure and ability to meet demands today and for decades to come.

MEETING OUR REGION’S NEEDS

As with most of the infrastructure in our country, our pipes and facilities are aging. It’s important that we plan and perform required maintenance, repairs and replacement of these components before we experience disruption to our services. Additionally, we must invest in new technologies and system upgrades to comply with evolving regulations.

Just as today we benefit from the systems put in place decades ago, we must plan for future generations. Planning entails acquiring water rights, conducting engineering feasibility studies, obtaining necessary approvals and construction permits, and then building and operating this infrastructure.

The costs to maintain our systems and add new projects have made it necessary for NTMWD to double our capital improvement budget over the next five years. We are doing this methodically to appropriately prioritize projects and balance the impact they will have on rates. Even with all the costs we must cover, today we are still able to deliver water to the communities we serve for just a quarter of a penny per gallon of treated water. That’s frankly remarkable when you consider all it takes to acquire, store, transport, purify and quality test billions of gallons of water each year.

NTMWD is uniquely equipped to continue our strong track record of performance because we have been providing exceptional services for a very long time. We celebrate our 65th anniversary in 2016. A lot has changed over the past six decades, but the one thing that hasn’t changed is our commitment to providing the highest-quality water and most dependable services at the lowest possible cost.

Our history of success has been based on our ability to adapt and evolve to meet the region’s ever-changing needs. We look forward to working in unity with the communities we serve to continue providing the reliable essential services that are the very foundation for the success of North Texas.

Thomas Kula
Executive Director
MISSION

To meet the needs of the cities and communities we serve, whether that is for drinking water, wastewater treatment or solid waste disposal.

VISION

Regional service through unity: meeting our region’s needs today and tomorrow

GOALS

1. Provide superior water, wastewater and solid waste services today.
2. Secure the future for water, wastewater and solid waste supplies and services.
3. Maintain strong relationships with our partners and those we serve.
4. Maintain our infrastructure to provide reliable service today and tomorrow—through emphasis on preventive/predictive maintenance.
5. Take care of our people—develop our leaders and workforce, hire and retain the right people, build our bench and be safe.
Reliable, safe and high-quality water delivery is essential for our quality of life in North Texas and the economic health of the region. NTMWD manages a large and complex system that provides dependable water service to people living in a service area of 2,200 square miles in 10 counties.

NTMWD’s top priority is to deliver safe drinking water. That’s why we continuously monitor and test an average of 685 samples every day to ensure drinking water meets or exceeds regulatory, health and aesthetic standards set by the Texas Commission on Environmental Quality (TCEQ) and the Environmental Protection Agency (EPA).

To ensure quality water at the tap, our state-certified laboratory conducts numerous analyses on more than 250,000 samples collected each year.

**PRIMARY SOURCES OF WATER:**
- Lavon Lake
- Jim Chapman Lake
- Lake Texoma
- Lake Tawakoni
- Lake Bonham
- East Fork Water Supply/Reuse Project
COMMUNITIES SERVED:

Member Cities

• City of Allen
• City of Farmersville
• City of Forney
• City of Frisco
• City of Garland
• City of McKinney
• City of Mesquite
• City of Plano
• City of Princeton
• City of Richardson
• City of Rockwall
• City of Royse City
• City of Wylie

Water System Customers

• Ables Springs Special Utility District
• Bear Creek Special Utility District
• Caddo Basin Special Utility District
• Cash Special Utility District
• City of Bonham
• City of Fate
• City of Josephine
• City of Kaufman
• City of Lucas
• City of Melissa
• City of Murphy
• City of Parker
• City of Rowlett
• City of Sachse
• City of Terrell
• College Mound Special Utility District
• Copeville Special Utility District
• East Fork Special Utility District
• Forney Lake Water Supply Corporation
• Gastonia-Scurry Special Utility District
• Greater Texoma Utility Authority
• Kaufman Four-One (Crandall)
• Milligan Water Supply Corporation
• Mount Zion Water Supply Corporation
• Nevada Special Utility District
• North Collin Water Supply Corporation
• Rose Hill Special Utility District
• Seis Lagos Utility District
• Town of Fairview
• Town of Little Elm
• Town of Prosper
• Town of Sunnyvale
• Wylie Northeast Special Utility District

*Does not include communities indirectly served by NTMWD Member Cities or Customers.

WATER SERVICES FAST FACTS:

CAPACITY TO TREAT 806 MILLION GALLONS OF WATER PER DAY

83.3 BILLION GALLONS OF TREATED WATER DELIVERED PER YEAR

$615+ MILLION WATER SYSTEM CONSTRUCTION CONTRACTS

REUSE MORE THAN 14 BILLION GALLONS ANNUALLY

CAMERON BUCKLEY
WATER PLANT OPERATOR II
PLANNING FOR THE FUTURE

Effective management of our natural resources—particularly the finite resource of water—is paramount to meeting the present and future needs of North Texas. The stability of the region’s communities, economy and the quality of life rely on water. One of NTMWD’s most important tasks is to ensure the communities we serve have an adequate water supply now and into the future.

With the population of NTMWD’s service area expected to double to 3.7 million by 2070, one-quarter of our future supplies must come from new water sources. The proposed Lower Bois d’Arc Creek Reservoir (LBCR) in Fannin County will be a critical new water source to meet future supply. Lower Bois d’Arc Creek Reservoir will provide an additional 123,000 acre-feet of water annually to our region. Once approved, this will be the first new reservoir constructed in Texas in nearly 30 years.

The District is seeking the federal permit (404 Clean Water Act Permit) necessary to begin construction of the reservoir. NTMWD planned for the lake to be online in 2020 to help serve the expected population growth. However, the EPA and the U.S. Army Corps of Engineers (USACE) have requested additional analysis of the potential environmental impacts, and that could result in as much as a one to two-year delay to the project. NTMWD officials continue to work closely with agencies to expedite permitting. This project has already taken 10 years and an investment of more than $100 million, prior to the start of construction. The reservoir is expected to cost approximately $1 billion at completion.

ENERGY COSTS

Significant amounts of energy are required to operate all of our services. Through a recently developed procurement strategy for purchased power, NTMWD has been able to lower power costs over the last few years. Additionally, in 2015, we took action to lock in historically low energy rates, which will allow us to continue managing our overall power costs across all three NTMWD services.
CONSERVATION

To supply one quarter of the water our customers will need—and to reduce or delay the need for future water supply projects—North Texas’ residents and businesses must conserve. The public’s efforts to conserve water has been critical over the past five years as North Texas endured prolonged periods of drought. During that time, NTMWD has reduced the amount of water it delivers by an estimated 400 million gallons per day during peak summer months. We delivered up to 15 percent less water annually thanks to the reduction in water use by customers in the communities we serve, despite a growing population.

As a statewide leader in water conservation education, NTMWD invests in educational campaigns that inform consumers and businesses on where their source water comes from and how they can help conserve and use water more efficiently. The more knowledgeable consumers are about their source water, supplies and water use habits, the more inclined they are to make changes in their water use. That’s why NTMWD has invested $17 million in water education since 2006. Conservation is important to sustain water supplies and help consumers manage water bills. NTMWD’s water education programs include:

- WATER IQ
- WATER MY YARD
- WATER4OTTER

WATER IQ
The first statewide public awareness conservation program in Texas, WaterIQ provides easy water-saving tips, resources and information.

In 2015, this campaign made more than 30 million impressions through events and advertising, increasing awareness in six out of 10 consumers.

WATER MY YARD
More than 50 percent of landscape water is wasted due to overwatering, inefficient watering or broken or poorly maintained sprinkler systems. Water My Yard is an online tool that informs North Texans how much to water their landscapes.

In 2015, we increased Water My Yard subscribers by 107 percent, and partnered with other regional water providers to develop regional landscaping water use tools.

WATER4OTTER
Aimed at students, Water4Otter features Otis the Otter, which connects the water we drink to the water needed to support wildlife and the environment for students in area schools.

In 2014, the Texas Water Development Board provided NTMWD $150,000 in grant funding for this program, which allowed us to reach 50 schools and 12,500 students, 78 percent of whom placed visual conservation reminders in their homes.

*Water IQ is a licensed service mark of the Texas Water Development Board.
Leader in Reuse

Reusing water reduces our reliance on acquiring new water sources, extends existing supplies and provides a drought-resistant water resource. With the largest water reuse program in Texas, NTMWD diverts and treats more than 14 billion gallons annually. Our East Fork Reuse Project is a man-made wetland area covering nearly 2,000 acres with about 1.6 million aquatic plants that naturally purify the water. This wetland is designed to treat up to 90 million gallons per day that can be pumped back north to Lavon Lake.

2015 WATER ACHIEVEMENTS

Lower Bois d’Arc Creek Reservoir Progress

In 2015, NTMWD received the State Water Rights Permit for the project and the USACE is currently evaluating the 404 Clean Water Permit. NTMWD also partnered with Fannin County on a public process to establish development guidelines and potential recreational amenities for areas surrounding the reservoir once it is completed.

Dredging Complete at Lavon Lake

On top of drought conditions in North Texas, NTMWD was unable to use 28 percent of its available water supply from 2009 to 2014 due to the presence of an invasive species, the zebra mussel, in Lake Texoma. Additionally, the District’s primary source of water, Lavon Lake, had accumulated sediment at two intake channels for the largest raw water pump stations that push water out of the lake into our treatment facilities—further constraining available supplies. In 2015, NTMWD completed a project to gain an extra 35,000 acre-feet of water from Lavon Lake through the removal of more than 25,000 cubic yards of sediment. This will help provide additional water for delivery during periods of drought.

Transition to Ozone Disinfection

NTMWD implemented ozone disinfection at our four water treatment plants in Wylie to comply with increasing regulations and improve water quality—a more than $113 million investment. The Wylie Water Treatment Plant is now the largest treatment facility in the country built to use ozone for primary disinfection.
PROTECTING PUBLIC HEALTH
AND THE ENVIRONMENT

NTMWD provides wholesale wastewater services to 24 communities and 1 million residents of North Texas. We are proud to provide these critical services, which protect human health, protect and enhance the water environment, and support economic development. Regional service allows communities to share costs and avoid building and maintaining separate facilities, providing cost efficiencies.

The NTMWD wastewater system consists of more than 250 miles of large-diameter pipelines, 25 lift stations and 14 wastewater treatment plants. These facilities convey and treat approximately 100 million gallons of wastewater daily. A portion of this treated water (effluent) can then be used to blend with drinking water sources, as well as for irrigation and to sustain aquatic life.

WASTEWATER FAST FACTS

- 39.3 billion gallons of wastewater treated
- $70+ million wastewater construction contracts
- 250+ miles large-diameter wastewater pipelines
- Operate 14 wastewater treatment facilities

COMMUNITIES SERVED:

Regional Wastewater System Members
- Allen
- Forney
- Frisco
- Heath
- McKinney
- Mesquite
- Plano
- Princeton
- Prosper
- Richardson
- Rockwall
- Seagoville

Regional Wastewater System Customers
- Anna
- Fairview
- Lucas
- Melissa
- Parker
- Rockwall
- Royse City
- Seis Lagos Utility District
- Wylie

Sewer System Participants
- Farmersville
- Fate
- Frisco
- Lavon
- Murphy
- Rockwall
- Royse City
- Seis Lagos Utility District
- Wylie

WASTEWATER SERVICE AREA

NORTH TEXAS MUNICIPAL WATER DISTRICT
2015 ACCOMPLISHMENTS—WASTEWATER

Regional Plan to Increase Reliability
In 2015, wastewater systems and operations staff in North Texas were put to the test as our state experienced its wettest year on record. The greater-than-average rainfall inundated many of our collection systems and treatment facilities, leading to system overflows and greater volumes of water to be treated. These challenges came as work was underway to implement system improvements following inspections that identified opportunities to increase reliability and regulatory compliance. By proactively addressing key issues, NTMWD established credibility with regulators and improved overall operations and maintenance.

As part of this effort, NTMWD initiated a regional wastewater workgroup partnering with 12 NTMWD members to develop a comprehensive plan using an industry approach called Capacity, Management, Operations and Maintenance (CMOM). The CMOM program will streamline and integrate regional and city system plans, projects and operations—ultimately saving NTMWD communities money by ensuring continued compliance.

Progress Toward Industry Leadership
NTMWD began a benchmarking effort to compare its systems and plant operations to similar organizations. This initiative engaged all levels at the District and many departments to evaluate performance and identify short and long-term opportunities to align with industry best practices. A number of quick wins were identified in mid-2015 and the highest priority items were acted on immediately. Long-term improvements will be implemented over the next several years.

Celebrating 40 Years of Operations and Recent Advancements at Mesquite Regional Treatment Facility
In October 1972, NTMWD assumed operations of the Mesquite Regional Wastewater Treatment Facility which now serves the communities of Forney, Heath, Mesquite, Rockwall and Seagoville. In celebration of more than 40 years of regional operations as well as recent advancements, officials from the District and our partner communities came together on Oct. 21, 2015 for a ribbon-cutting ceremony for the newly completed operations support center at the plant. Other recent advancements include odor control and electrical improvements, as well as capacity expansion to continue meeting the region’s growing needs.
Collin County municipalities rely on NTMWD to operate transfer station collection sites and a regional disposal facility to manage their waste. NTMWD designed its solid waste system to dispose of waste safely and reliably while protecting the environment and water quality. Our solid waste landfill is located, designed, operated and monitored in compliance with the TCEQ’s and the EPA’s regulations. Twice a month, solid waste member city residents can drop off certain types of waste—including used motor oil and used oil filters—at one of our Citizen Convenience Centers.

In 2014, NTMWD received permit approval to rebuild the $12.9 million Lookout Drive Transfer Station in Richardson to increase operating efficiency and meet future service demands. The new facility will be operational by mid-2017.

**2015 ACCOMPLISHMENTS—SOLID WASTE**

Since 2003, NTMWD partnered with the City of Plano on a composting program to turn yard waste into reusable compost. In fiscal year 2015, 51,553 tons of yard waste were diverted from the regional landfill to the composting facility. The compost is sold through local vendors at our Custer Road Transfer Station in Plano and at our landfill in Melissa. An added benefit of using compost in landscapes is that it enhances soils’ ability to absorb water, which helps save water.

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**COMMUNITIES SERVED:**

- City of Allen
- City of Frisco
- City of McKinney
- City of Plano
- City of Richardson
- Collin County and surrounding area

**SOLID WASTE FAST FACTS:**

- 877,072 TONS MUNICIPAL SOLID WASTE DISPOSED
- 51,553 TONS YARD WASTE COMPOSTED
- 4 REGIONAL AND CITIZEN CONVENIENCE CENTERS
- 3,300 TONS SOLID WASTE PROCESSED PER DAY

JEFF MAYFIELD, P.E.
ASSISTANT DEPUTY DIRECTOR, SOLID WASTE
LOOKING AHEAD

The NTMWD and utilities across the country are challenged with increasing costs for maintaining and rehabilitating aging water and wastewater infrastructure, and building pipelines and reservoirs for anticipated population growth. Large water projects take years—often decades—to complete the required environmental permitting, resulting in significant upfront investments before customers receive the benefit. Additionally, changing regulations to meet water quality standards require ongoing investments and advances in treatment technologies.

As a result of these needs, NTMWD’s Capital Improvement Program is projected to double in the next five years. This must be done in a methodical way to ensure appropriate prioritization of projects and balance the pressures it will have on rates. Staffing also must keep pace with the added responsibilities to maintain and grow our system. The NTMWD has long operated with staffing well below most comparable-sized utility districts. As our capital program of work grows, we must add resources and staff in every service to manage growing needs and operate safely. Additionally, the District must continue succession planning, especially with nearly 10 percent of our workforce likely to retire by 2020.

As these cost pressures require higher water rates, the District is focused on helping consumers understand that investments are needed to continue providing a safe and reliable water supply for our growing region. While the cost of providing wholesale water service—at about one-fourth a penny per gallon—is truly a good value when you factor in everything required for this service, we recognize that adds up when people get their monthly water bill. That’s why we continue to reinforce that using water wisely is the best way to help manage monthly spending and the most significant savings come from cutting back on outdoor watering during the summer months.

ADAM KIRBY
MAINTENANCE WORKER

KEENAN TOWNS
WASTEWATER PLANT OPERATOR II

REY DAVILA
CHIEF WASTEWATER PLANT OPERATOR

CHARLES (CHARLIE) LLOYD
WASTEWATER PLANT OPERATOR II

JAMES CANTRELL
WASTEWATER PLANT OPERATOR II
FOCUSED ON SERVING GROWING REGION

NTMWD Largest Member Cities Population Growth

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<td>FRISCO</td>
<td>736</td>
<td>1,184</td>
<td>1,845</td>
<td>3,420</td>
<td>6,138</td>
<td>33,714</td>
<td>116,989</td>
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<td>GARLAND</td>
<td>10,291</td>
<td>38,501</td>
<td>81,437</td>
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<td>215,768</td>
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<td>McKinney</td>
<td>10,560</td>
<td>13,763</td>
<td>15,193</td>
<td>16,249</td>
<td>21,283</td>
<td>54,369</td>
<td>131,117</td>
<td>154,840</td>
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<td>MESQUITE</td>
<td>1,684</td>
<td>27,526</td>
<td>55,131</td>
<td>67,053</td>
<td>101,484</td>
<td>124,523</td>
<td>139,824</td>
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<td>PLANO</td>
<td>2,115</td>
<td>3,695</td>
<td>17,872</td>
<td>72,331</td>
<td>127,885</td>
<td>222,030</td>
<td>259,841</td>
<td>271,140</td>
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<td>RICHARDSON</td>
<td>1,289</td>
<td>16,810</td>
<td>48,405</td>
<td>72,496</td>
<td>74,840</td>
<td>91,802</td>
<td>99,223</td>
<td>102,430</td>
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NTMWD Total Population: Historical and Projected

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<td>POPULATION SERVED</td>
<td>32,000</td>
<td>60,000</td>
<td>200,000</td>
<td>800,000</td>
<td>1,600,000</td>
<td>2,500,000</td>
<td>3,700,000</td>
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*Based on regional water planning projections. Collin County recently updated growth projections to include 1.3 million more residents than previous estimates.

PLANO

FRISCO

RICHARDSON
## FINANCIAL HIGHLIGHTS

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<td><strong>Total Operating Revenues</strong></td>
<td>$338,513,458</td>
<td>$310,571,544</td>
<td>$294,318,335</td>
<td>$266,482,345</td>
<td>$247,247,717</td>
<td>$230,990,723</td>
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<td><strong>Total Operating Expenses</strong></td>
<td>$208,587,026</td>
<td>$206,640,634</td>
<td>$185,544,056</td>
<td>$172,604,883</td>
<td>$168,185,081</td>
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<td><strong>Interest Expense</strong></td>
<td>$49,531,332</td>
<td>$53,416,490</td>
<td>$56,060,066</td>
<td>$49,572,489</td>
<td>$47,874,920</td>
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<td><strong>Net Position (end of year)</strong></td>
<td>$1,084,270,528</td>
<td>$1,022,463,377</td>
<td>$965,529,463</td>
<td>$919,747,737</td>
<td>$866,040,890</td>
<td>$827,538,135</td>
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<td><strong>Capital Asset, Net</strong></td>
<td>$2,355,048,633</td>
<td>$2,267,375,583</td>
<td>$2,156,727,306</td>
<td>$1,890,251,199</td>
<td>$1,739,881,102</td>
<td>$1,623,961,631</td>
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<td><strong>Total Assets</strong></td>
<td>$3,022,589,757</td>
<td>$2,796,203,756</td>
<td>$2,756,662,837</td>
<td>$2,738,286,856</td>
<td>$2,270,421,019</td>
<td>$2,172,450,358</td>
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<td><strong>Total Liabilities</strong></td>
<td>$1,961,150,528</td>
<td>$1,791,521,163</td>
<td>$1,791,133,374</td>
<td>$1,818,539,119</td>
<td>$1,404,380,129</td>
<td>$1,344,912,223</td>
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<td><strong>Total Outstanding Debt</strong></td>
<td>$1,719,386,205</td>
<td>$1,613,849,003</td>
<td>$1,615,909,154</td>
<td>$1,654,227,993</td>
<td>$1,314,451,812</td>
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<td><strong>Long-Term Bond Ratings</strong></td>
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<td>Water System</td>
<td>Aa2/AAA</td>
<td>Aa2/AAA</td>
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<td>Aa2/AAA</td>
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<td>Debt Coverage Ratio</td>
<td>1.27</td>
<td>1.19</td>
<td>1.13</td>
<td>1.31</td>
<td>1.17</td>
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### 2015 EXPENSES

- **Personnel** $53,098,135
- **Chemicals** $25,325,219
- **Other Supplies** $10,964,239
- **Electric Power** $23,997,861
- **Wholesale Water Purchases** $6,909,337
- **Other Services** $37,783,612
- **Depreciation and Amortization** $50,508,623

**Total Operating Expenses** $208,587,026

### 2015 REVENUES

- **Water Sales** $215,871,181
- **Wastewater Service Fees** $93,754,382
- **Solid Waste Service Fees** $27,603,397
- **Other Operating Revenues** $1,284,498

**Total Operating Revenues** $338,513,458
Cooper Lake dam completed – reservoir later named Chapman Lake
Permitting begins for building the Lower Bois d'Arc Creek Reservoir
East Fork Reuse supply project starts; creates 1,840-acre man–made wetlands
Zebra Mussels detected in Lake Texoma; 28% of water supply inaccessible
State water rights permit for Lower Bois d'Arc Creek Reservoir obtained

1940 U.S. Congress authorizes construction of Lavon Lake
1948 Lavon Lake construction begins
1950 Tri-County Reservoir Association convenes

1954 NTMWD creates regional water system (pop. 32,000)
First water treatment plant in Wylie begins operations

1956 Permitting begins on Cooper Lake

1960 Obtained State Water Rights permit for Cooper Lake

1966 NTMWD forms with 10 original cities

1968 Farmersville, Forney, Garland, McKinney, Mesquite, Princeton, Rockwall, Royse City, Wylie

1970 City of Richardson joins NTMWD

1972 NTMWD creates regional wastewater system

1973 Cooper Lake dam completed – reservoir later named Chapman Lake

1975 Wilson Creek regional wastewater treatment plant begins operations

1980 Maxwell Creek Landfill opens

1982 NTMWD creates regional solid waste system

1986 Water rights permit for Lake Texoma obtained

1987 72" Texoma pipeline construction begins

1990 City of Allen joins NTMWD

1991 City of Frisco joins NTMWD

1998 Total population served = approx. 800,000

2000 121 Regional Disposal Facility opens in Melissa

2001 Permitting begins for building the Lower Bois d'Arc Creek Reservoir

2004 Lake Tawakoni Water Treatment Plant begins operations; drought plan initiated (hottest year on record)

2008 Texoma pipeline complete, restoring access to Lake Texoma – 28% of water supply

2011 Zebra Mussels detected in Lake Texoma; 28% of water supply inaccessible

2013 Ozone disinfection facilities begin service

2014 State water rights permit for Lower Bois d'Arc Creek Reservoir obtained

2015 2013

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16

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OUR GREATEST ASSETS ARE OUR PEOPLE