

## NOTICE OF PUBLIC HEARING

### METROPOLITAN SEWER SUBDISTRICT

JANUARY 1, 2024 - DECEMBER 31, 2024

#### OPERATING BUDGET

Notice is hereby given that a public hearing will be held before the Metropolitan Sewer Subdistrict Commission (the "Commission"), the governing body of the Metropolitan Sewer Subdistrict, dba MetroConnects ("MetroConnects"), of Greenville County, South Carolina, at 2 o'clock PM on Monday, December 18, 2023. The hearing will be held at the administrative offices of MetroConnects located at 120 Augusta Arbor Way, Greenville, South Carolina 29605. The purpose of the public hearing will be to allow the public to express their views regarding the proposed operating budget for MetroConnects for the fiscal year beginning January 1, 2024, and ending December 31, 2024 (the "2024 Fiscal Year").

MetroConnects is providing the information below in order to comply with the requirements of Section 6-1-80, Code of Laws of South Carolina 1976, as amended; however, the comparisons below are to budgeted and actual revenues and expenditures for the partial fiscal year beginning July 1, 2023, and ending December 31, 2023 (the "Partial 2023 Fiscal Year"), which was approved in connection with a change in MetroConnect's fiscal year. MetroConnects has additionally adopted certain changes in accounting practices causing some expenses that were classified as operating expenditures in previous fiscal years to be classified as capital expenditures in the 2024 Fiscal Year and going forward. Therefore, while the comparisons below are provided to comply with statutory requirements, they do not accurately reflect year-over-year changes in revenues or expenditures.

1. The budget of MetroConnects for the Partial 2023 Fiscal Year called for: operating revenues of \$12,720,000; grant funding of \$3,500,000; capital projects and capital expenditures of \$5,143,800; sewer line maintenance and rehabilitation expenses of \$4,789,000; roadway relocation and encroachment expenses of \$275,000; operating expenses of \$9,108,090; and no debt payments due for the period of July 1, 2023, through December 31, 2023.

2. The budget of MetroConnects for the 2024 Fiscal Year calls for: operating revenues of \$28,573,621; grant funding of \$5,720,000; operating expenses of \$19,585,400; debt service of \$3,478,120; capital projects and expenditures of \$32,944,850. MetroConnects intends to fund certain operating and capital expenditures may be funded from operating and capital reserves.

3. The proposed operating revenues for the 2024 Fiscal Year budget represents an approximately 112% increase in operating revenues from the Partial 2023 Fiscal Year budget. The proposed operating expenses for the 2024 Fiscal Year budget represents an approximately 115% increase in operating expenses from the Partial 2023 Fiscal Year budget. For the reasons discussed above, these increases do not accurately reflect year-over-year changes in MetroConnects' operating revenues or expenditures.

4. MetroConnects's operating revenue is primarily derived from monthly sewer user charges with both a fixed fee and volume charge calculated on the basis of water consumed by each customer, as billed by the customer's water provider.