

2023 BUDGET



*THE MISSION OF THE GREEN BAY WATER UTILITY IS
TO PROVIDE A RELIABLE, HIGH-QUALITY
DRINKING WATER SUPPLY
WITH EXCEPTIONAL CUSTOMER SERVICE AND VALUE.*



GREEN BAY WATER

631 South Adams Street
Green Bay, WI 54301
(920) 448-3480

November 7, 2022

Dear Green Bay Water Commission, Staff and Customers:

Welcome to Green Bay Water's Five-Year Capital Improvement Plan and Budget for 2023, led by our utility Business Manager, Stephanie Rogers, and Accountant, Karen Smits. As General Manager of a leading Wisconsin drinking water utility, I value our finance team's ability to design and execute an annual budget that balances income with spending.

Economic inflation affects Green Bay Water Utility as it affects the rest of our community's businesses and residences. As a result, the utility's budget faces the pressures of rising supply, equipment, and labor costs.

REVENUES

There will be no change in Green Bay Water's drinking water rates this year. A five percent rate increase was last implemented on June 1, 2020. Since then, Green Bay Water has not initiated another case with the Wisconsin Public Service Commission (PSC). The PSC's water rates, and projections of our typical water consumption volume were used to decide not to raise rates in 2023. Based on our communications with significant water consumers, we predict that water usage in the next year will be comparable to prior years.

Green Bay Water continues to serve the City of De Pere, the Village of Ashwaubenon, the Village of Wrightstown, and the Village of Bellevue with chargeable water billing services.

CAPITAL IMPROVEMENT PROGRAM

Our 5-year Capital Improvement Plan (CIP) addresses our water system's safety, security, efficiency, redundancy, and reliability. Additionally, we balance expenses to minimize the impacts on rates. The following are in the 2023 CIP:

- We have budgeted \$190,000 to make server, firewall, GIS, work order system, phone, and computer upgrades to improve operational efficiency and minimize cyber security threats.
- We have budgeted \$840,000 for the maintenance of the Utility's 440 miles of water mains in the distribution system, which includes small equipment and safety equipment, as well as the cost of installing services, hydrants, valves, and mains.
- The budget for this year includes \$4,960,000 for water relays on resurfacing and reconstructed streets in the engineering department, which the utility regards as the highest critical priority. This will replace approximately 3.92 miles of mains.
- The utility will invest \$370,000 in meter replacement.

- \$360,000 is budgeted in our pumping department, which includes a generator addition at our Lake Station, as well as logic computer and vault pump replacements.
- \$489,500 will be invested in necessary equipment and projects at our treatment plant.

PERSONNEL

The Green Bay Water Commission unanimously authorized the addition of a joint Safety Coordinator with the City of Green Bay in the 2023 budget.

We recommend a four percent increase in the cost-of-living adjustment and a commensurate step raise for employees, based on Carlson Dettmann's 2022 compensation survey. Green Bay Water is dedicated to becoming an employer of choice to attract and maintain a skilled staff, particularly considering labor shortages and reduced benefits. In 2023, rates for employee health insurance will not increase. The current health insurance contract is in place for one more year, meaning employee spouses who lost access to municipal insurance over the last two years will still be ineligible. In 2023, the State of Wisconsin will increase its contribution requirement to our employee's retirement funds, going from 6.5 percent to 6.8 percent. Despite the enormous challenges of the pandemic and other crises, Green Bay Water employees have not wavered in their commitment to providing excellent customer service.

Green Bay Water provides opportunities for utility employees to train and develop as professionals in areas that will increase their knowledge of health and safety, leadership, succession planning, diversity, emergency preparation and more.

OPERATING BUDGET

The mounting prices force us to confront the effects of the economy. We expect higher gas and electricity costs; therefore, we have budgeted for such. The cost of most chemicals used in water treatment is anticipated to increase substantially.

Due to ongoing labor and supply shortages, we've postponed some of our 2022 projects until 2023. These include replacing a pump at the Lake Station and demolishing the decommissioned Broadway Tower.

Treatment plant maintenance includes dredging the south sludge lagoon, inspecting two reservoirs, replacing the power supply unit in ozone generator #3, and fixing chemical lines and tanks. At the treatment plant, we're conducting a pilot study to see whether any viable alternatives to the current treatment methods may improve water quality.

The budget for the outside service includes completing the master plan update and pump efficiency research begun in 2022. We will also retain consultants for water quality, treatment plant residuals, and succession planning.

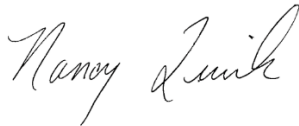
During 2023, we are transitioning to a new flushing program using only our hydrants based on the success of our Uni-Directional Flushing. This change will be a cost-savings in our distribution area.

Finally, we're assessing the potential for electric vehicles (EV) adoption in the future. To become better environmental stewards in the face of climate change and rising energy prices, we have joined forces with Focus on Energy and WPS for an efficiency study. Additionally, in 2022 and 2023, we will work with the city to conduct an energy efficiency study using funding from the Wisconsin Public Service Commission.

CONCLUSION

The 2023 utility budget reflects our mission statement and continued commitment to providing a reliable, high-quality drinking water supply with exceptional customer service and value for Green Bay Water Utility customers.

Sincerely,

A handwritten signature in cursive script that reads "Nancy Quirk".

Nancy Quirk, P.E.
General Manager
Green Bay Water Utility

GREEN BAY WATER COMMISSION

RESOLUTION AUTHORIZING AND APPROVING 2023 ANNUAL BUDGET

WHEREAS, pursuant to the provisions of Sec. 66.0805, Wis. Stats., the City of Green Bay (the “City”) has previously provided for and authorized the management of the Green Bay Water Utility (the “Utility”), as a municipal public utility, by a commission; and

WHEREAS, the Green Bay Water Commission (the “Commission”), as established by the City under the provisions of Sec. 66.0805, Wis. Stats., is responsible for oversight of the management and control of the Utility, including, but not limited to the financial and fiscal operations thereof; and

WHEREAS, the rules and regulations of the Green Bay Water Utility as adopted by the Green Bay Water Commission (the “Commission”) on May 8, 1974, and approved by the City of Green Bay Improvement and Service Committee of the Common Council of the City of Green Bay on August 15, 1974 and the Green Bay Water Utility Operating Rules, as adopted by the Commission on September 16, 1985, and approved by the City of Green Bay Improvement and Service Committee of the Common Council of the City of Green Bay on December 11, 1985, require the Commission to annually consider, approve and adopt an annual operating budget for the Utility; and

WHEREAS, the Utility’s staff, in consultation with the Commission’s Budget Committee has prepared a proposed 2023 Annual Budget, in the form presented herewith and attached hereto, which proposed 2023 Annual Budget has subsequently been reviewed by and received the approval recommendation from the Budget Committee; and

WHEREAS, on review of financial and management information provided by the Utility staff, on review of the Commission’s previously adopted strategic plan and within the current rate based revenue structure authorized and approved by the Wisconsin Public Service Commission, and on consideration of the recommendation of the Commission’s Budget Committee, the Commission has reviewed, analyzed and considered the Utility’s proposed 2023 Annual Budget including projected rate based revenues as well as anticipated expenses necessary to maintain the operation of the Utility and carry-out its mission and responsibilities within the framework of the approved rate based revenue structure;

NOW, THEREFORE, it is hereby moved and resolved by the Green Bay Water Commission in the following:

RESOLVED FIRST: That the 2023 Annual Budget of the Green Bay Water Utility, in the form presented herewith and attached hereto, be, and the same hereby is authorized and approved.

RESOLVED SECOND: That the appropriate officers of the Utility be, and they hereby are, authorized to take all such other and further action as they, in their judgment, shall determine necessary to carry out the intent and to accomplish the purposes of these Resolutions and to carry out and implement the Budget approved hereunder.

ADOPTED this 14th day of November 2022.

APPROVED this 14th day of November 2022.

GREEN BAY WATER COMMISSION



John C. Heugel, President

ATTEST:



Tom Karman, Secretary/Treasurer

**GREEN BAY WATER UTILITY
2023 BUDGET**

	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
OPERATING REVENUE					
Residential & Apartment	\$ 7,663,060	\$ 7,570,248	\$ 7,430,000	\$ 7,398,000	\$ 7,495,000
Commercial & Restaurant	3,597,822	3,716,899	3,927,000	3,730,000	3,810,000
Industrial	5,450,345	6,886,481	6,200,000	6,800,000	6,850,000
Municipal	369,660	448,152	450,000	400,000	405,000
Public Fire Protection	1,364,722	1,380,074	1,365,000	1,375,000	1,380,000
Private Fire Protection	150,444	158,255	159,000	160,000	160,000
Water for Resale - Ashwaubenon	3,214,287	3,371,009	3,500,000	3,300,000	3,325,000
Water for Resale - Scott	99,618	103,481	105,000	100,000	102,000
Water for Resale - Hobart	374,008	366,674	380,000	370,000	380,000
Water for Resale - Wrightstown	207,053	177,517	185,000	173,000	175,000
Sewer Dept Reimbursement	894,559	948,989	1,010,000	997,000	1,055,000
Stormwater Utility Reimbursement	361,188	374,000	375,000	390,000	405,000
Penalties	73,934	115,967	150,000	120,000	120,000
Other Water Revenues	304,798	313,431	287,000	313,723	318,523
TOTAL OPERATING REVENUE	24,125,498	25,931,177	25,523,000	25,626,723	25,980,523
OPERATING EXPENSES					
Source of Supply Expense					
Purchased Water	6,716	7,911	8,000	7,900	8,000
Maintenance of Intakes	8,900	-	10,000	10,000	-
Maintenance of Supply Mains	25,866	758,597	1,206,683	1,175,793	119,394
Total Source of Supply Expense	41,482	766,508	1,224,683	1,193,693	127,394
Pumping Expense					
Pumping Operation Supervision	61,602	83,754	76,456	79,492	93,512
Fuel/Power Purchased for Pumping	701,815	815,310	761,250	918,000	980,000
Pumping Labor & Expense	68,566	71,483	81,856	62,969	71,628
Miscellaneous Pumping	110,507	58,074	77,402	77,274	84,994
Pumping Maintenance Supervision	57,339	30,995	36,400	26,771	26,991
Maintenance of Pumping Structures	144,215	135,107	248,601	155,219	237,328
Maintenance of Power Prod Equip	10,565	247,235	29,000	24,100	29,500
Maintenance of Pumping Equipment	112,190	107,098	180,788	138,904	221,507
Total Pumping Expense	1,266,800	1,549,056	1,491,753	1,482,729	1,745,460
Water Treatment Expense					
Water Treatment Supervision	72,331	72,206	77,212	74,541	82,147
Chemicals	306,496	346,704	370,000	368,821	582,875
Treatment Operations	615,610	701,623	981,882	825,455	1,359,712
Miscellaneous Water Treatment	143,991	146,480	146,628	142,287	157,675
Treatment Maintenance Supervision	29,168	29,038	33,091	30,988	31,686
Maintenance of Treatment Structures	44,675	37,877	46,065	19,387	127,066
Maintenance of Treatment Equipment	290,231	548,151	192,472	164,393	383,220
Total Water Treatment Expense	1,502,502	1,882,079	1,847,350	1,625,872	2,724,381
Transmission & Distribution Expense					
Distribution Supervision	219,916	224,149	233,021	226,264	262,501
Transmission and Distribution Line	357,003	419,567	441,408	234,145	335,415
Meter Expense	175,930	268,940	271,209	280,091	340,887
Customer Installation	92,147	81,284	88,458	125,970	136,068
Private Services	4,003	31,466	-	-	-
Miscellaneous Distribution	300,578	228,066	253,862	396,176	439,577
Maintenance of Reservoirs and Standpipes	47,719	23,521	30,828	41,548	33,898
Maintenance of Mains	1,173,660	1,235,389	1,459,214	1,456,729	1,550,655
Maintenance of Services	357,428	344,516	388,776	365,584	407,631
Maintenance of Meters	144,677	135,379	133,171	95,347	95,269
Maintenance of Hydrants	154,194	147,283	161,471	131,593	162,174
Total Transmission & Distribution Expense	3,027,256	3,139,560	3,461,418	3,353,447	3,764,075

**GREEN BAY WATER UTILITY
2023 BUDGET**

	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
Customer Accounts Expense					
Meter Reading	30,538	14,460	32,197	13,068	56,659
Customer Records and Collection	940,441	988,384	1,028,648	1,033,108	1,096,367
Uncollectible Accounts	8,608	24,023	5,000	1,000	1,000
Customer Service & Information	1,511	2,068	77,317	67,105	78,456
Total Customer Accounts Expense	<u>981,097</u>	<u>1,028,935</u>	<u>1,143,162</u>	<u>1,114,281</u>	<u>1,232,482</u>
Administrative & General Expense					
Administrative & General Salaries	716,244	705,261	718,316	627,558	768,844
Office Supplies & Expenses	75,687	71,179	109,265	111,376	119,134
Outside Services Employed	280,215	276,722	609,900	313,065	554,550
Property Insurance	59,167	71,855	80,450	80,715	97,884
Liability Insurance	39,222	112,040	59,500	59,741	64,500
Employee Benefits	1,274,726	712,798	1,372,160	1,254,502	1,392,631
Regulatory Commission Expense	12,952	635	-	-	10,000
Miscellaneous General Expense	70,978	51,433	97,385	50,575	60,589
General Plant Maintenance	142,475	141,339	211,068	201,288	292,917
Jobbing & Contract Work	148,962	219,722	221,825	232,384	250,093
Taxes	321,278	343,173	354,823	339,289	380,324
Amortization of Ashwaubenon Booster	131,453	131,453	131,453	131,453	131,453
Total Administrative & General Expense	<u>3,273,360</u>	<u>2,837,610</u>	<u>3,966,145</u>	<u>3,401,946</u>	<u>4,122,919</u>
Depreciation Expense	<u>5,295,672</u>	<u>5,386,567</u>	<u>5,401,434</u>	<u>5,396,434</u>	<u>5,428,434</u>
TOTAL OPERATING EXPENSE	<u>15,388,168</u>	<u>16,590,315</u>	<u>18,535,946</u>	<u>17,568,402</u>	<u>19,145,145</u>
OPERATING INCOME	8,737,330	9,340,862	6,987,054	8,058,321	6,835,378
NONOPERATING REVENUES (EXPENSES)					
Interest Income	319,662	29,438	278,500	20,000	40,000
Miscellaneous Income	421,620	309,593	310,000	302,000	335,500
Amortization of Debt Premium	572,749	585,568	589,689	589,689	589,689
Capital Contributions	591,178	209,823	500,000	400,000	300,000
Tax Equivalency	(2,545,829)	(2,457,195)	(2,622,000)	(2,530,910)	(2,598,000)
Interest Expense	(1,472,722)	(1,644,170)	(1,501,433)	(1,501,433)	(1,400,088)
Amortization of Debt Expense	(373,093)	(342,819)	(308,587)	(308,587)	(270,391)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(2,486,435)</u>	<u>(3,309,762)</u>	<u>(2,753,831)</u>	<u>(3,029,241)</u>	<u>(3,003,290)</u>
NET INCOME	<u>\$ 6,250,895</u>	<u>\$ 6,031,099</u>	<u>\$ 4,233,223</u>	<u>\$ 5,029,080</u>	<u>\$ 3,832,088</u>

GREEN BAY WATER UTILITY
Green Bay Operations w/o Ashwaubenon
2023 BUDGET

	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
OPERATING REVENUE					
Residential & Apartment	\$ 7,663,060	\$ 7,570,248	\$ 7,430,000	\$ 7,398,000	\$ 7,495,000
Commercial & Restaurant	3,597,822	3,716,899	3,927,000	3,730,000	3,810,000
Industrial	5,450,345	6,886,481	6,200,000	6,800,000	6,850,000
Municipal	369,660	448,152	450,000	400,000	405,000
Public Fire Protection	1,364,722	1,380,074	1,365,000	1,375,000	1,380,000
Private Fire Protection	150,444	158,255	159,000	160,000	160,000
Water for Resale - Scott	99,618	103,481	105,000	100,000	102,000
Water for Resale - Hobart	374,008	366,674	380,000	370,000	380,000
Water for Resale - Wrightstown	207,053	177,517	185,000	173,000	175,000
Sewer Dept Reimbursement	894,559	948,989	1,010,000	997,000	1,055,000
Stormwater Utility Reimbursement	361,188	374,000	375,000	390,000	405,000
Penalties	73,934	115,967	150,000	120,000	120,000
Other Water Revenues	304,798	313,431	287,000	313,723	318,523
TOTAL OPERATING REVENUE	20,911,211	22,560,168	22,023,000	22,326,723	22,655,523
OPERATING EXPENSES					
Source of Supply Expense					
Purchased Water	6,716	7,911	8,000	7,900	8,000
Maintenance of Intakes	8,900	-	10,000	10,000	-
Maintenance of Supply Mains	25,866	758,597	1,206,683	1,175,793	119,394
Total Source of Supply Expense	41,482	766,508	1,224,683	1,193,693	127,394
Pumping Expense					
Pumping Operation Supervision	61,602	83,754	76,456	79,492	93,512
Fuel/Power Purchased for Pumping	592,814	687,656	640,500	768,000	820,000
Pumping Labor & Expense	68,566	71,483	81,856	62,969	71,628
Miscellaneous Pumping	110,507	58,074	77,402	77,274	84,994
Pumping Maintenance Supervision	57,339	30,995	36,400	26,771	26,991
Maintenance of Pumping Structures	144,215	135,107	248,601	155,219	237,328
Maintenance of Power Prod Equip	10,565	247,235	29,000	24,100	29,500
Maintenance of Pumping Equipment	112,190	107,098	180,788	138,904	221,507
Total Pumping Expense	1,157,799	1,421,402	1,371,003	1,332,729	1,585,460
Water Treatment Expense					
Water Treatment Supervision	72,331	72,206	77,212	74,541	82,147
Chemicals	257,352	293,192	300,000	292,821	467,875
Treatment Operations	597,590	682,463	960,882	803,455	1,336,212
Miscellaneous Water Treatment	143,991	146,480	146,628	142,287	157,675
Treatment Maintenance Supervision	29,168	29,038	33,091	30,988	31,686
Maintenance of Treatment Structures	44,675	37,877	46,065	19,387	127,066
Maintenance of Treatment Equipment	290,231	548,151	192,472	164,393	383,220
Total Water Treatment Expense	1,435,338	1,809,407	1,756,350	1,527,872	2,585,881
Transmission & Distribution Expense					
Distribution Supervision	219,916	224,149	233,021	226,264	262,501
Transmission and Distribution Line	357,003	419,567	441,408	234,145	335,415
Meter Expense	175,930	268,940	271,209	280,091	340,887
Customer Installation	92,147	81,284	88,458	125,970	136,068
Private Services	4,003	31,466	-	-	-
Miscellaneous Distribution	300,578	228,066	253,862	396,176	439,577
Maintenance of Reservoirs and Standpipes	47,719	23,521	30,828	41,548	33,898
Maintenance of Mains	1,173,660	1,235,389	1,459,214	1,456,729	1,550,655
Maintenance of Services	357,428	344,516	388,776	365,584	407,631
Maintenance of Meters	144,677	135,379	133,171	95,347	95,269
Maintenance of Hydrants	154,194	147,283	161,471	131,593	162,174
Total Transmission & Distribution Expense	3,027,256	3,139,560	3,461,418	3,353,447	3,764,075

GREEN BAY WATER UTILITY
Green Bay Operations w/o Ashwaubenon
2023 BUDGET

	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
Customer Accounts Expense					
Meter Reading	30,538	14,460	32,197	13,068	56,659
Customer Records and Collection	940,441	988,384	1,028,648	1,033,108	1,096,367
Uncollectible Accounts	8,608	24,023	5,000	1,000	1,000
Customer Service & Information	1,511	2,068	77,317	67,105	78,456
Total Customer Accounts Expense	981,097	1,028,935	1,143,162	1,114,281	1,232,482
Administrative & General Expense					
Administrative & General Salaries	716,244	705,261	718,316	627,558	768,844
Office Supplies & Expenses	75,687	71,179	109,265	111,376	119,134
Outside Services Employed	280,215	276,722	609,900	313,065	554,550
Property Insurance	59,167	71,855	80,450	80,715	97,884
Liability Insurance	39,222	112,040	59,500	59,741	64,500
Employee Benefits	1,274,726	712,798	1,372,160	1,254,502	1,392,631
Regulatory Commission Expense	12,952	635	-	-	10,000
Miscellaneous General Expense	70,978	51,433	97,385	50,575	60,589
General Plant Maintenance	142,475	141,339	211,068	201,288	292,917
Jobbing & Contract Work	148,962	219,722	221,825	232,384	250,093
Taxes	321,278	343,173	354,823	339,289	380,324
Amortization of Ashwaubenon Booster	131,453	131,453	131,453	131,453	131,453
Total Administrative & General Expense	3,273,360	2,837,610	3,966,145	3,401,946	4,122,919
Depreciation Expense	5,184,237	5,275,133	5,290,000	5,285,000	5,317,000
TOTAL OPERATING EXPENSE	15,100,569	16,278,555	18,212,762	17,208,968	18,735,211
OPERATING INCOME	5,810,642	6,281,613	3,810,238	5,117,755	3,920,312
NONOPERATING REVENUES (EXPENSES)					
Interest Income	319,662	29,438	278,500	20,000	40,000
Miscellaneous Income	421,620	309,593	310,000	302,000	335,500
Amortization of Debt Premium	339,299	519,942	536,882	536,882	536,882
Capital Contributions	591,178	209,823	500,000	400,000	300,000
Tax Equivalency	(2,394,589)	(2,317,259)	(2,469,000)	(2,386,777)	(2,450,000)
Interest Expense	(1,336,937)	(1,514,508)	(1,378,168)	(1,378,168)	(1,285,198)
Amortization of Debt Expense	(338,694)	(311,211)	(280,135)	(280,135)	(245,461)
TOTAL NONOPERATING REVENUES (EXPENSES)	(2,398,460)	(3,074,182)	(2,501,921)	(2,786,198)	(2,768,277)
NET INCOME	\$ 3,412,182	\$ 3,207,431	\$ 1,308,317	\$ 2,331,557	\$ 1,152,035

GREEN BAY WATER UTILITY

Ashwaubenon Operations 2023 BUDGET

	2020 Actual	2021 Actual	2022 Budget	2022 Projected	2023 Budget
OPERATING REVENUE					
Water for Resale - Ashwaubenon	\$ 3,214,287	\$ 3,371,009	\$ 3,500,000	\$ 3,300,000	\$ 3,325,000
OPERATING EXPENSES					
Pumping Expense					
Fuel/Power Purchased for Pumping	109,001	127,654	120,750	150,000	160,000
Water Treatment Expense					
Chemicals	49,144	53,512	70,000	76,000	115,000
Treatment Operations	18,020	19,160	21,000	22,000	23,500
Total Water Treatment Expense	67,164	72,672	91,000	98,000	138,500
Depreciation Expense	111,434	111,434	111,434	111,434	111,434
TOTAL OPERATING EXPENSE	287,599	311,760	323,184	359,434	409,934
OPERATING INCOME	2,926,688	3,059,249	3,176,816	2,940,566	2,915,066
NONOPERATING REVENUES (EXPENSES)					
Amortization of Debt Premiim	34,460	52,807	52,807	52,807	52,807
Tax Equivalency	(151,240)	(139,936)	(153,000)	(144,133)	(148,000)
Interest Expense	(135,785)	(129,662)	(123,265)	(123,265)	(114,890)
Amortization of Debt Expense	(34,399)	(31,608)	(28,452)	(28,452)	(24,930)
TOTAL NONOPERATING REVENUES (EXPENSES)	(286,964)	(248,399)	(251,910)	(243,043)	(235,013)
NET INCOME	\$ 2,639,723	\$ 2,810,850	\$ 2,924,906	\$ 2,697,523	\$ 2,680,053

GREEN BAY WATER UTILITY

Operating and Maintenance Expenses by Major Function w/o Ashwaubenon

2023 BUDGET

	2023 Budget Amount	% of Total Budget	2022 Budget Amount	% of Total Budget
Salaries & wages	\$ 4,929,941	21.70%	\$ 4,398,434	19.69%
Employee benefits:				
Health, dental & life insurance	948,544	4.18%	968,143	4.33%
Social Security	368,988	1.62%	333,396	1.49%
WRS pension	326,990	1.44%	284,346	1.27%
Other employee benefits	150,642	0.66%	129,044	0.58%
Total employee benefits	<u>1,795,164</u>	<u>7.90%</u>	<u>1,714,929</u>	<u>7.68%</u>
 Total salaries, wages & employee benefits	 6,725,105	 29.61%	 6,113,363	 27.37%
 Contractor costs	 1,543,900	 6.80%	 2,835,084	 12.69%
Materials & supplies	793,144	3.49%	825,462	3.69%
Vehicle & equipment fuel & maintenance	1,010,030	4.45%	532,800	2.38%
 Pumping electric & gas	 844,800	 3.72%	 653,500	 2.93%
Treatment plant electric & gas	203,000	0.89%	140,000	0.63%
Office & vehicle building electric & gas	81,650	0.36%	71,000	0.32%
 Property maintenance	 81,000	 0.36%	 -	 0.00%
Chemicals for water treatment	467,875	2.06%	300,000	1.34%
Water sample testing	115,000	0.51%	248,250	1.11%
 Outside services (legal, audit, engineering, city services, etc.)	 1,086,627	 4.78%	 748,700	 3.35%
Liability, property & workers' comp insurance	162,384	0.71%	139,950	0.63%
Meetings, conventions and public information	51,993	0.23%	85,550	0.38%
Other (phone, postage, bad debts, etc.)	88,600	0.39%	62,650	0.28%
 Depreciation	 5,317,000	 23.41%	 5,290,000	 23.68%
Amortization of wholesale grants	163,103	0.72%	166,453	0.75%
PILOT payment to City	2,450,000	10.79%	2,469,000	11.05%
Debt interest and amortization	<u>1,530,659</u>	<u>6.74%</u>	<u>1,658,303</u>	<u>7.42%</u>
 Total Expenses	 <u>\$ 22,715,870</u>	 <u>100.00%</u>	 <u>\$ 22,340,065</u>	 <u>100.00%</u>

GREEN BAY WATER UTILITY

Schedule of Cash Flows

2023 BUDGET

	Total	Green Bay	Ashwaubenon
Cash Balance 12/31/20	\$ 7,230,724	\$ (5,797,067)	\$ 13,027,791
Net Income	\$ 6,018,281	\$ 3,207,431	\$ 2,810,850
Capital Contribution	(164,689)	(164,689)	-
Depreciation	5,520,383	5,520,383	-
Amortization of grants	131,453	131,453	-
LT debt proceeds	7,311,207	7,311,207	-
LT debt pmts	(4,180,000)	(3,831,945)	(348,055)
Amortization of debt prem/disc.	(242,749)	(242,749)	-
Interest on debt reserve	(152,096)	(152,096)	-
Gain/loss on debt reserve	145,927	145,927	-
Fixed asset purchases	(8,569,868)	(8,466,591)	(103,277)
Net change in cash	5,817,849	3,458,331	2,359,518
Cash Balance 12/31/21	\$ 13,048,573	\$ (2,338,736)	\$ 15,387,309
Net Income	\$ 5,029,080	\$ 2,331,557	\$ 2,697,523
Capital Contribution	(400,000)	(400,000)	-
Depreciation	5,530,434	5,530,434	-
Amortization of grants	131,453	131,453	-
LT debt proceeds	-	-	-
LT debt pmts	(4,205,000)	(3,849,569)	(355,431)
Amortization of debt prem/disc.	(281,102)	(281,102)	-
Interest on debt reserve	(150,000)	(150,000)	-
Gain/loss on debt reserve	240,000	240,000	-
Fixed asset purchases	(6,706,427)	(6,554,127)	(152,300)
Net change in cash	(811,562)	(3,001,354)	2,189,792
Cash Balance 12/31/22	\$ 12,237,011	\$ (5,340,090)	\$ 17,577,101
Net Income	\$ 3,832,088	\$ 1,152,035	\$ 2,680,053
Capital Contribution	(300,000)	(300,000)	-
Depreciation	5,568,434	5,568,434	-
Amortization of grants	131,453	131,453	-
LT debt proceeds	-	-	-
LT debt pmts	(4,305,000)	(3,941,271)	(363,729)
Amortization of debt prem/disc.	(319,298)	(319,298)	-
Interest on debt reserve	(145,000)	(145,000)	-
Gain/loss on debt reserve	150,000	150,000	-
Fixed asset purchases	(7,209,725)	(6,960,225)	(249,500)
Net change in cash	(2,597,048)	(4,663,872)	2,066,824
Cash Balance 12/31/23	\$ 9,639,963	\$ (10,003,962)	\$ 19,643,925

Cash Balance includes O & M, Bond Redemption & Reserve, Construction and Private Service Replacement Accounts.

GREEN BAY WATER UTILITY
PROJECTED 2023 RATE OF RETURN ANALYSIS
(Excluding Ashwaubenon Wholesale Operations)
2023 BUDGET

	<u>1/1/22</u>	<u>12/31/22</u>	AVERAGE
Plant in Service (Utility Financed)	\$ 215,393,605	\$ 219,100,000	\$ 217,246,803
Less: Accumulated Depreciation	<u>89,582,062</u>	<u>92,165,345</u>	<u>90,873,704</u>
Net Capital Investment (Utility Financed)	125,811,543	126,934,655	126,373,099
Plus: Materials & Supplies	<u>528,064</u>	<u>550,000</u>	<u>539,032</u>
Rate Base	<u><u>\$ 126,339,607</u></u>	<u><u>\$ 127,484,655</u></u>	\$ 126,912,131
Less: Regulatory Liability			<u>302,012</u>
Net Investment Rate Base			\$ 126,610,119
Net Operating Income			<u><u>\$ 2,730,978</u></u>
Rate of Return			<u><u>2.16%</u></u>

AUTHORIZED RATE OF RETURN: 3.9%

	<u>1/1/23</u>	<u>12/31/23</u>	AVERAGE
Plant in Service (Utility Financed)	\$ 219,100,000	\$ 223,309,725	\$ 221,204,863
Less: Accumulated Depreciation	<u>92,165,345</u>	<u>94,730,305</u>	<u>93,447,825</u>
Net Capital Investment (Utility Financed)	126,934,655	128,579,420	127,757,038
Plus: Materials & Supplies	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
Rate Base	<u><u>\$ 127,484,655</u></u>	<u><u>\$ 129,129,420</u></u>	\$ 128,307,038
Less: Regulatory Liability			<u>100,667</u>
Net Investment Rate Base			\$ 128,206,371
Net Operating Income			<u><u>\$ 1,470,312</u></u>
Rate of Return			<u><u>1.15%</u></u>

AUTHORIZED RATE OF RETURN: 3.9%

GREEN BAY WATER UTILITY
CAPITAL IMPROVEMENTS
2023 BUDGET

Project	Department	Amount
Firewall Upgrade	Administrative	\$ 15,000
Miscellaneous Computer Upgrades	Administrative	20,000
Phone System Upgrade	Administrative	65,000
Server Optimization Upgrades and Storage Enhancements	Administrative	30,000
Vehicle/Equipment Replacement Program Summary	Distribution	85,000
Small Equipment	Distribution	45,000
Small Safety Equipment	Distribution	10,000
Water Utility Installs of Services, Hydrants, Valves & Mains	Distribution	700,000
Cityworks Upgrades and Implementations	Engineering	50,000
GIS (ESRI) Upgrade and Implementations	Engineering	10,000
Water Main Relays	Engineering	4,960,000
Meter Replacement	Metering & Cross Connection	370,225
Generator Addition at Lake Station	Pumping	200,000
PLC Replacement	Pumping	80,000
Vault Replacement - Hwy 54/57	Pumping	80,000
Calibration Instrumentation	Treatment	9,500
Insertion Mag Meters Project	Treatment	400,000
Corrosion Control Upgrade	Treatment	40,000
Lab Equipment	Treatment	40,000
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Total Project Costs		\$ 7,209,725
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Funding Source		
Water User Fees		\$ 7,209,725
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See 2023 Five-Year Capital Improvement Plan for detail on each project.