

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**INCLUDING AUDITORS' REPORT  
FOR THE FISCAL YEARS ENDED  
DECEMBER 31, 2020 AND 2019**



**GREEN BAY WATER UTILITY**

**A Departmental Unit of the City of  
Green Bay, Wisconsin**

**GREEN BAY WATER UTILITY**  
**A DEPARTMENTAL UNIT OF THE CITY OF**  
**GREEN BAY, WISCONSIN**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**YEARS ENDED DECEMBER 31, 2020 AND 2019**

Prepared by:

Stephanie R. Rogers, CPA - Business Manager

Karen F. Smits - Accountant

Green Bay Water Utility

**MISSION STATEMENT**

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

Water Utility  
City of Green Bay, Wisconsin  
Comprehensive Annual Financial Report  
December 31, 2020

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# **INTRODUCTORY SECTION**



## *Green Bay Water Utility*

631 S. Adams St. – P.O. Box 1210  
Green Bay, WI 54305-1210

920-448-3480  
FAX 920-448-3486  
www.gbwater.org

June 1, 2021

A message from the Utility General Manager:

In 2020, we continued our commitment to innovation and technology as we maintain and improve our water utility while keeping our customers' needs at the top of our priority list.

Our mission is to provide a reliable, high quality drinking water supply with exceptional customer service and value. We saw our employees live this mission in 2020 through a major world pandemic. Our safe treated drinking water continued to be delivered to our customers 24/7/365. We supplied safe drinking water to all our customers and ensured that water was available at every fire hydrant at required pressure and flowrate.

Examples of Projects completed in 2020:

- Completed replacing all our lead services, both public and private.
- Completed a third round of high velocity flushing of our distribution system.
- Completed a second round of satellite leak detection and proactively repaired sixty-two leaks in our distribution system.
- Obtained Certification for EPA Requirement of Risk and Resilient study and Emergency Response Plan by designated dates for a large water system.
- Completed creating an updated three-year strategic plan.
- Completed the design of our building addition and modifications.
- Replaced over 19,000 feet of water main.
- Completed 2019 annual audit work papers received highest rated opinion on financial statements.
- Finalized rate increase with the PSC for an increase based on financial analysis. Implemented rate case based on PSC authorized rates.
- Researched and assembled COVID eligible cost relating to the CARES grant. Submitted reimbursement requests to the City on a timely basis.
- Implemented e-billing.

We here at the Utility wish to thank the Water Commission, the Mayor, and the members of the Common Council, and all those who contributed to making 2020 a successful year.

Respectfully submitted,

GREEN BAY WATER UTILITY

Nancy A. Quirk, P.E.

General Manager



## Green Bay Water Utility

631 S. Adams St. – P.O. Box 1210  
Green Bay, WI 54305-1210

920-448-3480  
FAX 920-448-3486  
www.gbwater.org

### Letter of Transmittal

June 1, 2021

#### To the Board of Waterworks Commissioners and Utility Customers:

#### **FORMAL TRANSMITTAL OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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The Comprehensive Annual Financial Report of the Green Bay Water Utility for the year ended December 31, 2020 is hereby submitted. This report was prepared by the Utility's Business Manager. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the Utility. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position, results of operations, and cash flows of the Utility. All disclosures necessary to enable the reader to gain an understanding of the Utility's financial activities have been included. This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD & A) and should be read in conjunction with it. The Green Bay Water Utility's MD & A can be found immediately following the report of the independent auditors.

The Utility is a departmental unit of the City of Green Bay, Wisconsin, and its financial statements are included in the City's financial statements as an enterprise fund referred to as the Water Utility.

#### **PROFILE OF THE WATER UTILITY**

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The Green Bay Water Utility, along with its predecessor (a privately owned company), has been in business for 134 years. The private commercial venture was begun in 1886 by a syndicate of New Englanders and operated under franchises granted by both of the then-existing Green Bay and Fort Howard communities. A listing of the water rates in force as of October 18, 1887 is included in the statistical section of this report. In 1894, the group of Connecticut promoters who established the

original company sold out to local investors after having operated the system for about eight years. The original private company began operations with three wells, 12 miles of water mains, a pump house with reservoirs and a 12-inch river-crossing main to the west side of the Fox River to supply the community of Fort Howard. When the company sold eight years later to local investors, it had grown to include 29 miles of mains.

Early records were not required, but a 1909 Railroad Commission report lists the locally owned system as having 43.1 miles of main and 4,002 customers, mostly residential. Industrial and commercial users at this early date generally had their own wells.

In 1910, talk began about a municipal owned department, and a referendum overwhelmingly carried, only to have the efforts die there. The price of \$500,000 was rejected by the City Council due to the fact that the amount being considered at that time represented a "staggering" sum. World War I came and went, and the issue resurfaced in 1920. A new referendum was passed, and the system was purchased on November 12, 1920 by the City of Green Bay for \$975,000.

Since inception in 1886, Green Bay had boasted about its pure and abundant water, brought up from deep artesian wells. But growth in population and commercial and industrial activities began to show a strain on the supply. In 1930, the average daily per capita consumption was between 40 and 50 gallons; by 1957, this had mushroomed to nearly 200 gallons.

In addition, the water level, which in 1935 was a mere 95 feet below ground surface, had dropped to 350 feet. The natural reservoir of water could not be replenished as fast as city needs were growing.

By 1952, it was evident that some new source had to be found. Deep, pure, dark blue Lake Michigan was

nearby and an attractive source. After meeting with some opposition, work on the \$10 million facility began in 1956. In August of 1957, construction was completed, and on August 10, 1957, the “new” water streamed and bubbled to customers. In November of 1964, the City of Green Bay annexed the Town of Preble, which had 3,516 customers. By 1970, there were 23,000 customers, and to date, there are approximately 36,000.

The water is still being drawn from Lake Michigan, 27 miles to the east of Green Bay, just north of the City of Kewaunee. The maximum pumping capacity during that first year was approximately 13 million gallons per day (MGD). Today, thanks to system upgrades, the maximum pumping and treatment capacity has grown to approximately 42 MGD.

The Utility’s retail service area currently is confined to the City’s boundaries. Wholesale service to the Village of Ashwaubenon began in June, 2006, to the Town of Scott in October, 2006, to the Village of Hobart in May, 2011 and to the Village of Wrightstown in June, 2016. Construction and maintenance of all Utility facilities and improvements are the responsibility of the Utility. The Public Service Commission of Wisconsin (PSCW) regulates the Utility’s operations pursuant to Chapter 196 of the Wisconsin State Statutes.

## **INFORMATION USEFUL IN ASSESSING THE WATER UTILITY’S FINANCIAL CONDITION**

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The Utility’s retail service area, which is the City of Green Bay, is the third most populous city in Wisconsin, and has continued to experience substantial growth in population and tax base over the past decades.

The City has become one of the State’s predominant manufacturing areas, with particular emphasis on non-durable goods industries. A listing of the 12 largest water consumers is included in the statistical section of this report.

The City has a current estimated population of 105,599. Since 1960, through annexation and consolidation, the City of Green Bay has grown physically from 15.5 square miles to a present area covering approximately 47 square miles. The City’s population density of approximately 2,247 persons per square mile indicates there is ample land for future growth and development.

The 2020 City of Green Bay Capital Improvement Program (CIP) initiated the replacement of about 3.73

miles of existing distribution water main infrastructure. The City’s Street Resurfacing Program accounted for the 2.03 miles of the water main that was replaced. There was 1.70 miles of water main replacement generated by the City’s Street Reconstruction Program. There was .39 miles of new water main footage added into the distribution system in 2020.

In 2020, the Water Treatment Plant completed the addition of a new lab and started the security upgrade project.

In 2020, the Operation’s section used Satellite Leak Detection to find 64 leaks which were repaired. The Water Utility had a slight increase in the number of main breaks in 2020 as in 2019. Lead removal was at the top of the list in 2020 for the Metering and Distribution Departments. Virtually all the utility-owned and private lead services were replaced. This completed a five-year project in removing all private and public lead services within the City.

### **Long-Term Financial Planning**

Annually, the Water Utility Commission adopts a non-appropriated operating budget and a five-year capital budget. Both budgets are used as short and long term financial plans in conjunction with the Utility’s ten year master plan to anticipate the needs for the current and subsequent years. Monthly analysis of anticipated rate of return and comparison of budget to actual operating income and expense is performed to control costs and avoid potential deficits.

In 2020, our strategic plan was updated from 2016. The updated plan covers 2021-2023.

### **Policies Impacting Financial Statements**

The Water Utility Commission adopted an investment policy in 2004. Accordingly, available cash is invested in certificates of deposit, money market accounts, the State investment pool, commercial paper, U.S. Treasury securities, savings accounts and interest-bearing checking accounts. To reduce risk, the Utility’s portfolio is diversified by security type with maximum allowable allocation by instrument and is further restricted by a minimum credit quality rating for each instrument.

### **Internal Control**

In developing and altering the Utility’s accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting



controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. I believe that the Utility's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Independent Audit**

The current outstanding bond issues require an annual audit by independent certified public accountants. The Utility has retained Baker Tilly Certified Public Accountants, to perform an audit of the Utility's financial records. The Independent Auditors' Report on Financial Statements is included in the financial section of this report. The unmodified opinion expressed by the auditor on the Utility's financial statements, is an assertion that there have been no significant exceptions as to the accounting principles reflected in the financial statements, the consistency of application of accounting principles, and the adequacy of information disclosures in the financial statements. The Independent Auditors' Report on Internal Control over Financial Reporting, and on Compliance and Other Matters is included in the compliance section of this report.

### **Management's Discussion and Analysis**

The Governmental Accounting Standards Board adopted standards which require a management discussion and analysis to be part of the basic annual audited financial statements. For Management's Discussion and Analysis for the year ended December 31, 2020, please refer to the financial section in this report.

## **AWARDS AND ACKNOWLEDGEMENTS**

### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Utility for its comprehensive annual financial report for the fiscal year ended December 31, 2019. The Certificate of Achievement is a prestigious

national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate of Achievement is valid for a period of one year only.

The Utility's Certificate of Achievement for Excellence in Financial Reporting for the year ended December 31, 2019 was the twenty-sixth consecutive GFOA Certificate of Achievement received. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

### **Acknowledgements**

Preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire office staff of the Utility. Appreciation also is extended to all Utility department managers, employees and the Utility's independent auditors who contributed to its contents. Further appreciation is extended to the Water Utility Commissioners for their interest and support in planning and conducting the financial operations of the Utility in a responsible and progressive manner.

Respectfully submitted,

*Stephanie R. Rogers*

Stephanie R. Rogers, CPA  
Business Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Green Bay Water Utility  
Wisconsin**

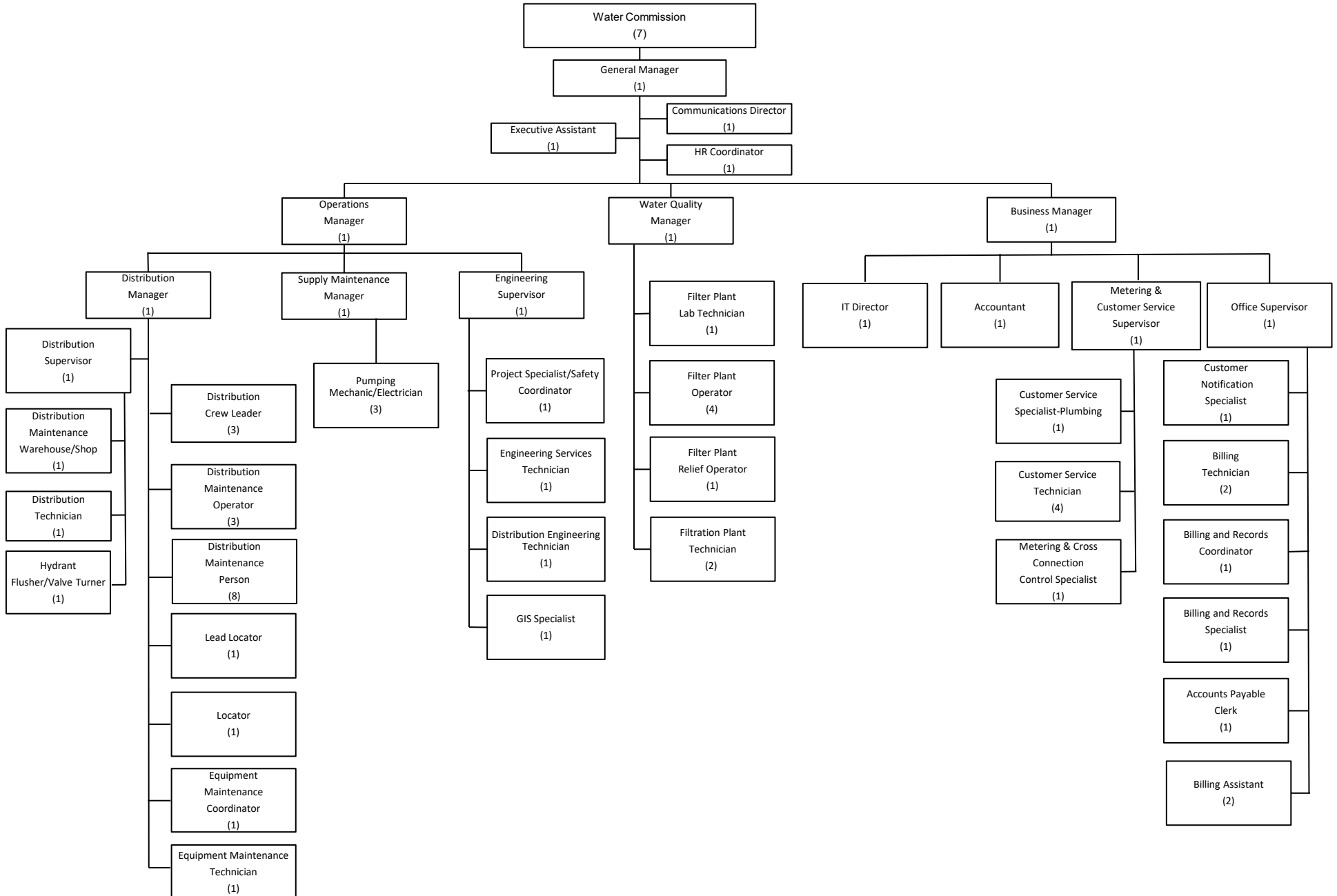
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morill*

Executive Director/CEO

# WATER UTILITY CITY OF GREEN BAY, WISCONSIN TABLE OF ORGANIZATION



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**LIST OF PRINCIPAL OFFICIALS**

<b>BOARD OF WATERWORKS COMMISSIONERS</b>			
		<u>Years of Service</u>	<u>Term Expires</u>
President	James F. Blumreich	17	2026
Vice President	Kathryn Hasselblad-Pascale	17	2024
Secretary	Douglas J. Martin	8	2025
Commissioner	John C. Heugel	8	2027
Commissioner	Joe Moore	2	2020
Commissioner	Jamie Wall	1	2026
Commissioner	Elizabeth Wheat	<1	2022

**COUNCIL REPRESENTATIVE**

Alderman Kathy LeFebvre

**LEGAL REPRESENTATIVE**

William J. Vande Castle

<b>UTILITY MANAGEMENT STAFF</b>			
		<u>Years in This Position</u>	<u>Years Employed by Utility</u>
General Manager	Nancy A. Quirk, P.E.	8	8
Business Manager	Stephanie R. Rogers, CPA	3	3
Operations Manager	Brian K. Powell, P.E.	2	18
Supply Maintenance Manager	Thomas P. Landwehr	19	20
Water Quality Manager	Russell A. Hardwick	20	25
Distribution Maintenance Manager	Jason D. Maes	4	26
Engineering Supervisor	Kristin Romanowicz, P.E.	3	3
Communications Director	Andrea D. Hay	2	2
Office Supervisor	Kim Couillard	3	23
Metering and Customer Service Supervisor	Steve Koss	2	25
IT Director	Kevin J. Brunner	21	21

**CERTIFIED PUBLIC ACCOUNTANTS**

Baker Tilly US, LLP

**BOND COUNCIL**

Foley & Lardner, Madison, Wisconsin

**FINANCIAL CONSULTANTS**

Robert W. Baird & Co., Inc., Milwaukee, Wisconsin

# **FINANCIAL SECTION**

## **Independent Auditors' Report**

To the Board of Commissioners of  
Green Bay Water Utility Commission

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Green Bay Water Utility, an enterprise fund of the City of Green Bay, Wisconsin, as of and for the year ended December 31, 2020, and the related notes to the financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Green Bay Water Utility's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Green Bay Water Utility's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Green Bay Water Utility as of December 31, 2020, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matters***

As discussed in Note 1, the financial statements present only the Green Bay Water Utility enterprise fund and do not purport to, and do not, present fairly the financial position of the City of Green Bay, Wisconsin, as of December 31, 2020 and the respective changes in financial position, or cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Prior Period Financial Statements***

The financial statements of the Green Bay Water Utility, as of and for the year ended December 31, 2019, prior to restatement, were audited by other auditors whose reported dated June 23, 2020, expressed an unmodified opinion.

As part of the audit of the December 31, 2020 financial statements, we also audited the adjustment described in Note 3.B that was applied to restate the 2019 financial statements. In our opinion, such adjustment is appropriate and has been properly applied. We were not engaged to audit, review, or apply any procedures to the 2019 financial statements of the Green Bay Water Utility other than with respect to the adjustment and, accordingly, we do not express an opinion or any other form of assurance on the 2019 financial statements as a whole.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information as listed in the table of contents are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

#### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The introductory section and statistical information as identified in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion or provide any assurance on it.

## Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated June 1, 2021 on our consideration of Green Bay Water Utility's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Green Bay Water Utility's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Green Bay Water Utility's internal control over financial reporting and compliance.

*Baker Tilly US, LLP*

Madison, Wisconsin  
June 1, 2021



**WATER UTILITY**  
**CITY OF GREEN BAY, WISCONSIN**  
Management's Discussion and Analysis (Unaudited)  
December 31, 2020

As management of the Green Bay Water Utility, we offer readers of the financial statements this narrative overview and analysis of the financial activities for the year ended December 31, 2020.

**FUND STRUCTURE**

The Water Utility is a business type activity. As such, it records its transactions based on the flow of economic resources.

**FINANCIAL OPERATIONS SUMMARY**

Total operating and non-operating revenues (including capital contributions) were \$25.89 million in 2020 and expenses were \$19.41 million. The Utility's net position increased by \$6.25 million in 2020 to \$116.4 million. The \$6.9 million of unrestricted net position has been set aside to mitigate against the possibility of future water rate increases. Restricted net position and net position invested in property, plant and equipment were \$8 million and \$101.5 million, respectively.

**COMPARISON TO PRIOR FISCAL YEARS**

Water sales for 2020 were 5.99 billion gallons compared to 5.95 billion gallons in 2019 and 6.14 billion gallons in 2018. No major customers were added or removed in 2020 or 2019.

Interest income decreased in 2020. The average yield for 2020 was 2.35% compared to 3.19% for 2019 and 2.83% for 2018. The average investment balance increased to \$6.8 million in 2020 from \$6.3 million in 2019. The average investment balance was \$5.9 million in 2018.

Utility operating expenses decreased in 2020 compared to 2019. The Utility added \$7.21 million in capital assets in 2020. Primarily, these capital assets consisted of water distribution mains, services, hydrants, and meters. Utility operating expenses increased slightly in 2019 compared to 2018. The Utility added \$6.97 million in capital assets in 2019. Primarily, these capital assets consisted of water supply and distribution mains, services, hydrants, and meters.

The bond interest expense decreased in 2020 compared to 2019 due to the decrease in interest costs since the 2006 were refinanced during 2019. The increase in bond interest expense in 2019 compared to 2018 was due to the refinancing cost of the refinanced 2006 bonds.

The net position of the Utility increased by \$6.25 million in 2020. Overall, the net position of the Utility increased by \$4.95 million in 2019.

**WATER UTILITY**  
**CITY OF GREEN BAY, WISCONSIN**  
Management's Discussion and Analysis (Unaudited)  
December 31, 2020

Revenues and Expenses Year-to-Year Comparison	Year Ending Dec. 31, 2020	Year Ending Dec. 31, 2019 (Restated)	Increase (Decrease)	% Change
<b>Operating Revenues:</b>				
Operating revenue:				
Residential	\$7,663,060	\$7,013,327	\$649,733	9.26%
Commercial	3,597,822	3,677,571	(79,749)	-2.17%
Industrial	5,450,345	5,219,982	230,363	4.41%
Wholesale	3,894,966	3,434,908	460,058	13.39%
Public fire protection	1,364,722	1,340,187	24,535	1.83%
All other	2,154,583	2,128,114	26,469	1.24%
Total operating revenue	<u>24,125,498</u>	<u>22,814,089</u>	<u>1,311,409</u>	<u>5.75%</u>
<b>Operating Expenses:</b>				
Operating expenses	<u>15,388,167</u>	<u>15,607,850</u>	<u>(219,683)</u>	<u>-1.41%</u>
Operating Income	<u>8,737,331</u>	<u>7,206,239</u>	<u>1,531,092</u>	<u>21.25%</u>
<b>Nonoperating Revenues and Expenses:</b>				
Interest income	319,661	607,969	(288,308)	-47.42%
Grant revenue	205,400	-	205,400	100.00%
All other revenues	216,220	177,538	38,682	21.79%
Interest expense	(1,472,722)	(1,970,057)	497,335	-25.24%
Amortization	<u>199,657</u>	<u>(1,958)</u>	<u>201,615</u>	<u>-10296.99%</u>
Excess before contributions	8,205,547	6,019,731	2,185,816	36.31%
Capital Contributions	591,178	1,325,622	(734,444)	-55.40%
Transfers out - tax equivalent	<u>(2,545,829)</u>	<u>(2,477,790)</u>	<u>(68,039)</u>	<u>2.75%</u>
Change in net position	6,250,896	4,867,563	1,383,333	28.42%
Net position – beginning of year	110,118,491	107,645,900	2,472,591	2.30%
Adjustment to net position	<u>-</u>	<u>(2,394,972)</u>	<u>2,394,972</u>	<u>-100.00%</u>
Net position – end of year	<u>\$116,369,387</u>	<u>\$110,118,491</u>	<u>\$6,250,896</u>	<u>5.68%</u>

Revenues and Expenses Year-to-Year Comparison	Year Ending Dec. 31, 2019 (Restated)	Year Ending Dec. 31, 2018	Increase (Decrease)	% Change
<b>Operating Revenues:</b>				
Operating revenue:				
Residential	\$7,013,327	\$6,414,239	\$599,088	9.34%
Commercial	3,677,571	3,403,825	273,746	8.04%
Industrial	5,219,982	4,820,093	399,889	8.30%
Wholesale	3,434,908	3,251,388	183,520	5.64%
Public fire protection	1,340,187	1,621,169	(280,982)	-17.33%
All other	2,128,114	2,160,562	(32,448)	-1.50%
Total operating revenue	<u>22,814,089</u>	<u>21,671,276</u>	<u>1,142,813</u>	<u>5.27%</u>
<b>Operating Expenses:</b>				
Operating expenses	<u>15,607,850</u>	<u>16,997,219</u>	<u>(1,389,369)</u>	<u>-8.17%</u>
Operating Income	<u>7,206,239</u>	<u>4,674,057</u>	<u>2,532,182</u>	<u>54.18%</u>
<b>Nonoperating Revenues and Expenses:</b>				
Interest income	607,969	275,633	332,336	120.57%
All other revenues	177,538	144,923	32,615	22.51%
Interest expense	(1,970,057)	(1,693,833)	(276,224)	16.31%
Amortization	<u>(1,958)</u>	<u>(158,203)</u>	<u>156,245</u>	<u>-98.76%</u>
Excess before contributions	6,019,731	3,242,577	2,777,154	85.65%
Capital Contributions	1,325,622	782,979	542,643	69.30%
Transfers out - tax equivalent	<u>(2,477,790)</u>	<u>-</u>	<u>(2,477,790)</u>	<u>100.00%</u>
Change in net position	4,867,563	4,025,556	3,319,797	82.47%
Net position – beginning of year	107,645,900	101,748,256	5,897,644	5.80%
Adjustment to net position	<u>(2,394,972)</u>	<u>1,872,088</u>	<u>(4,267,060)</u>	<u>-227.93%</u>
Net position – end of year	<u>\$110,118,491</u>	<u>\$107,645,900</u>	<u>\$4,950,381</u>	<u>4.60%</u>

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Summary of Net Position Year-to-Year Comparison	December 31, 2020	December 31, 2019 (Restated)	Increase (Decrease)
<b>Assets:</b>			
Cash and investments	\$13,639,011	\$12,692,623	\$946,388
Receivables	10,667,618	9,748,029	919,589
Other assets	3,343,998	2,594,803	749,195
Net property, plant and equipment	145,090,573	143,578,554	1,512,019
Total Assets	172,741,200	168,614,009	4,127,191
<b>Deferred Outflows of Resources:</b>			
Deferred outflows	2,670,392	3,381,110	(710,718)
<b>Liabilities:</b>			
Payables	8,605,225	7,822,491	782,734
Accrued interest	236,698	450,683	(213,985)
Accrued taxes	2,545,829	2,477,790	68,039
Other liabilities – current	533,507	315,336	218,171
Other liabilities – long-term	220,543	188,217	32,326
Net pension liability	-	910,735	(910,735)
Bonds payable – current	3,775,000	3,705,000	70,000
Bonds payable – long-term	40,546,827	44,743,445	(4,196,618)
Total Liabilities	56,463,629	60,613,697	(4,150,068)
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to pension	2,578,576	1,262,931	1,315,645
<b>Net Position:</b>			
Net investment in capital assets	101,456,742	96,040,064	5,416,678
Restricted for debt retirement	7,954,214	6,697,747	1,256,467
Restricted for private service replacement	1,022	39,356	(38,334)
Restricted for net pension asset	858,420	-	858,420
Unrestricted	6,098,989	7,341,324	(1,242,335)
Total Net Position	\$116,369,387	\$110,118,491	\$6,250,896

Summary of Net Position Year-to-Year Comparison	December 31, 2019 (Restated)	December 31, 2018	Increase (Decrease)
<b>Assets:</b>			
Cash and investments	\$12,692,623	\$11,811,572	\$881,051
Receivables	9,748,029	9,089,597	658,432
Other assets	2,594,803	3,542,295	(947,492)
Net property, plant and equipment	143,578,554	143,016,762	561,792
Total Assets	168,614,009	167,460,226	1,153,783
<b>Deferred Outflows of Resources:</b>			
Deferred outflows	3,381,110	2,142,710	1,238,400
<b>Liabilities:</b>			
Payables	7,822,491	7,884,106	(61,615)
Accrued interest	450,683	263,202	187,481
Accrued taxes	2,477,790	-	2,477,790
Other liabilities – current	315,336	410,585	(95,249)
Other liabilities – long-term	188,217	168,112	20,105
Net pension liability	910,735	-	910,735
Bonds payable – current	3,705,000	3,560,000	145,000
Bonds payable – long-term	44,743,445	48,251,133	(3,507,688)
Total Liabilities	60,613,697	60,537,138	76,559
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to pension	1,262,931	1,419,898	(156,967)
<b>Net Position:</b>			
Net investment in capital assets	96,040,064	91,883,099	4,156,965
Restricted for debt retirement	6,697,747	6,529,150	168,597
Restricted for lead service replacement	39,356	36,485	2,871
Restricted for net pension asset	-	718,059	(718,059)
Unrestricted	7,341,324	8,479,107	(1,137,783)
Total Net Position	\$110,118,491	\$107,645,900	\$2,472,591

**WATER UTILITY**  
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**CAPITAL ASSETS CHANGES**

The Utility's total capital assets increased by \$6.36 million in 2020 and \$4.71 million in 2019. Of the net 2020 increase, \$6.45 million was for new water mains, services, hydrants and meters. Of the 2019 increase, \$5.67 million was for new water mains, services, hydrants and meters. Total capital assets in service before depreciation were \$239.26 million and \$232.90 million as of December 31, 2020 and 2019 respectively. Construction in progress cost was \$292,513 as of December 31, 2020 and \$105,153 as of December 31, 2019. All capital assets were funded by special assessments, developer contributions, Department of Homeland Security grants and Utility funds. Additional information can be found in Note 2 to the basic financial statements.

<b>Changes in Capital Assets Year-to-Year Comparison</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
<b>Capital Investment</b>				
Land	\$524,689	\$524,689	\$0	0.0%
Buildings and improvements	24,501,262	24,457,664	43,598	0.2%
Improvements other than buildings	178,997,636	173,194,317	5,803,319	3.4%
Machinery and equipment	34,944,641	34,622,518	322,123	0.9%
Total in-service	238,968,228	232,799,188	6,169,040	2.6%
Construction in progress	292,513	105,153	187,360	
Total Capital Assets	\$239,260,741	\$232,904,341	\$6,356,400	2.7%

<b>Changes in Capital Assets Year-to-Year Comparison</b>	<b>December 31, 2019</b>	<b>December 31, 2018</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
<b>Capital Investment</b>				
Land	\$524,689	\$524,689	\$0	0.0%
Buildings and improvements	24,457,664	24,551,814	(94,150)	-0.4%
Improvements other than buildings	173,194,317	167,185,922	6,008,395	3.6%
Machinery and equipment	34,622,518	35,888,829	(1,266,311)	-3.5%
Total in-service	232,799,188	228,151,254	4,647,934	2.0%
Construction in progress	105,153	47,639	57,514	
Total Capital Assets	\$232,904,341	\$228,198,893	\$4,705,448	2.1%

**DEBT ADMINISTRATION**

All scheduled bond payments in 2020 and 2019 were made on time. Requirements of the revenue bond ordinances have also been met, in full, as of December 31, 2020 and 2019. In November 2006, the Water Utility issued revenue bonds in the amount of \$49,310,000. The proceeds of this issue were used to refund a portion of the outstanding 2004 revenue bonds. In November 2014, the Water Utility issued revenue bonds in the amount of \$14,055,000. The proceeds of this issue were used to refund the remaining outstanding portion of the 2004 revenue bonds. In October 2017, revenue refunding bonds were issued in the amount of \$15,730,000. The proceeds of this issue were used to refund a portion of the 2006 and 2014 issues. In August 2019, revenue refunding bonds were issued

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in the amount of \$18,705,000 to refund the remaining outstanding portion of the 2006 revenue bonds. The revenue bond debt outstanding was \$40.54 million and \$44.25 million as of December 31, 2020 and 2019 respectively. In 2014, Moody's Investor Service improved the rating of the Utility's revenue bonds from "Aa3" to "Aa2". Additional information can be found in Note 2 to the basic financial statements.

**Changes in Outstanding Bonded Debt**

<b>Year-to-Year Comparison</b>	<b>December 31, 2020</b>	<b>December 31, 2019</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
<b>Debt Instrument</b>				
2014 Revenue bond	\$9,575,000	\$10,360,000	(\$785,000)	
2017 Revenue bond	12,260,000	15,180,000	(2,920,000)	
2019 Revenue bond	18,705,000	18,705,000	-	
Total	\$40,540,000	\$44,245,000	(\$3,705,000)	-8.4%

<b>Year-to-Year Comparison</b>	<b>December 31, 2019</b>	<b>December 31, 2018</b>	<b>Increase (Decrease)</b>	<b>% Change</b>
<b>Debt Instrument</b>				
2006 Revenue bond	-	\$24,705,000	(\$24,705,000)	
2014 Revenue bond	10,360,000	11,135,000	(775,000)	
2017 Revenue bond	15,180,000	15,465,000	(285,000)	
2019 Revenue bond	18,705,000	-	18,705,000	
Total	\$44,245,000	\$51,305,000	(\$7,060,000)	-13.8%

**INVESTMENT PORTFOLIO**

The Utility is required to invest its funds in accordance with Section 66.04(2) of the Wisconsin State Statutes. These statutes authorize numerous types of depository and investment obligations for municipal funds and including those utilized by the Utility. In addition, the Utility has adopted an official investment policy which places additional limits on the amounts that can be invested in any one issuer, the lengths of maturity and the eligible financial institutions based on their credit ratings.

The Utility's cash and investment portfolio totaled \$13.64 million as of December 31, 2020, \$12.69 million as of December 31, 2019 and \$11.88 million as of December 31, 2018. It was earning a weighted average of 2.35% as of December 31, 2020, 3.19% as of December 31, 2019 and 2.83% as of December 31, 2018, based on original purchase price. These utility funds as of December 31, 2020, 2019 and 2018 were invested as follows:

**WATER UTILITY**  
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<b>Cash and Investment Type</b>	<b>Dec. 31, 2020</b>	<b>Dec. 31, 2019</b>	<b>Dec. 31, 2018</b>
Wisconsin Local Government Investment Pool	0.76%	0.82%	0.85%
Negotiable certificates of deposit	10.25%	11.16%	11.19%
Municipal government bonds	36.97%	39.35%	43.15%
Corporate bonds	4.77%	1.99%	2.09%
U. S. Treasury	1.31%	1.43%	0.00%
Interest-bearing money market, checking & Savings accounts	45.94%	45.25%	42.72%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**OTHER FINANCIAL INFORMATION**

Annually, the Water Commission adopts a non-appropriated operating budget and a capital budget. Both budgets are used as financial plans in conjunction with the Utility's master plan to anticipate the needs for the current and subsequent years. The Utility's budgets are not formally integrated into the accounting system; however, a monthly analysis of anticipated rate of return and comparison of budget to actual operating income and expense is performed to control costs and avoid potential deficits.

There are no restrictions, commitments, or other limitations that would significantly affect the availability of fund resources for future use except those disclosed related to revenue bond requirements.

**Contacting the Water Utility's Financial Management**

This financial report is designed to provide Green Bay Water Utility's customers, investors, creditors and other interested parties with a general overview of the Water Utility's finances and to demonstrate the Water Utility's accountability of the money it receives. If you have any questions regarding this report or need additional financial information, please contact the Water Utility's Business Manager.

**WATER UTILITY**  
City of Green Bay, Wisconsin  
Statement of Net Position  
December 31, 2020 and 2019

	<b>Totals</b>	
	<b>2020</b>	<b>2019 (restated)</b>
<b>ASSETS</b>		
<b>Current assets</b>		
Unrestricted Current assets		
Cash and investments	\$ 6,344,292	\$ 5,524,272
Receivables - Customer accounts	10,599,998	9,747,989
Inventories	528,064	498,043
Prepaid items	63,710	28,681
Total unrestricted current assets	17,536,064	15,798,985
Restricted Current assets		
Bond Redemption Fund		
Cash and investments	865,000	933,921
Accrued interest	86	1,295
Total bond redemption fund	865,086	935,216
Private Service Replacement Fund		
Cash and investments	1,022	69,887
Receivables - Grants	67,620	40
Total private service replacement fund	68,642	69,927
Total restricted current assets	933,728	1,005,143
Total current assets	18,469,792	16,804,128
<b>Noncurrent assets</b>		
Restricted assets		
Debt reserve fund		
Cash and investments	6,428,697	6,164,543
Accrued interest	38,709	48,671
Net pension asset	858,420	-
Total Restricted assets	7,325,826	6,213,214
Other assets		
Construction grant to wholesale customers	474,750	506,400
Non-utility plant (net of amortization)	1,380,259	1,511,713
Total other assets	1,855,009	2,018,113
Capital assets		
Land	524,689	524,689
Building and improvements	24,501,262	24,457,664
Improvements other than buildings	178,997,636	173,194,317
Machinery and equipment	34,944,641	34,622,518
Construction in progress	292,513	105,153
Total capital assets	239,260,741	232,904,341
Less accumulated depreciation	94,170,168	89,325,787
Net capital assets	145,090,573	143,578,554
Total non current assets	154,271,408	151,809,881
<b>TOTAL ASSETS</b>	<b>172,741,200</b>	<b>168,614,009</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized loss on advance refunding	687,996	909,955
Pension related amounts	1,982,396	2,471,155
Total deferred outflows of resources	2,670,392	3,381,110

The notes to the financial statements are an integral part of this statement.

**WATER UTILITY**  
City of Green Bay, Wisconsin  
Statement of Net Position  
December 31, 2020 and 2019

	<b>Totals</b>	
	<b>2020</b>	<b>2019 (restated)</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 547,940	\$ 506,804
Sewer and storm water collections payable	8,057,285	7,315,687
Accrued payroll	222,231	33,613
Accrued compensated absences	311,276	251,152
Accrued taxes	2,545,829	2,477,790
Payable from restricted assets		
Current portion of long-term debt	3,775,000	3,705,000
Accrued interest	236,698	450,683
Private service replacement advance	-	30,571
	15,696,259	14,771,300
Long-term obligations, less current portion		
Revenue bonds, net of premiums/discounts	40,546,827	44,743,445
Compensated absences	220,543	188,217
Net pension liability	-	910,735
	40,767,370	45,842,397
<b>TOTAL LIABILITIES</b>	<b>56,463,629</b>	<b>60,613,697</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension related amounts	2,578,576	1,262,931
<b>NET POSITION</b>		
Net investment in capital assets	101,456,742	96,040,064
Restricted for debt retirement	7,095,794	6,697,747
Restricted for private service replacement	68,642	39,356
Restricted for net pension asset	858,420	-
Unrestricted	6,889,789	7,341,324
<b>TOTAL NET POSITION</b>	<b>\$ 116,369,387</b>	<b>\$ 110,118,491</b>

The notes to the financial statements are an integral part of this statement.



# WATER UTILITY

## City of Green Bay, Wisconsin

### Statement of Revenues, Expenses and Changes in Net Position

For the Years Ended December 31, 2020 and 2019

	<b>Totals</b>	
	<b>2020</b>	<b>2019 (restated)</b>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 22,491,019	\$ 21,269,628
Other	1,634,479	1,544,461
	<u>24,125,498</u>	<u>22,814,089</u>
<b>OPERATING EXPENSES</b>		
Operation and maintenance	10,092,495	10,379,148
Depreciation	5,295,672	5,228,702
	<u>15,388,167</u>	<u>15,607,850</u>
Total operating expenses		
	<u>8,737,331</u>	<u>7,206,239</u>
Operating income		
	<u>8,737,331</u>	<u>7,206,239</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest income	319,661	607,969
Grant revenue	205,400	-
Miscellaneous income	216,220	177,538
Interest and fiscal charges	(1,472,722)	(1,970,057)
Amortization of debt premium net of discounts	421,616	222,625
Amortization of loss on advance refundings	(221,959)	(224,583)
	<u>(531,784)</u>	<u>(1,186,508)</u>
Total nonoperating revenues (expenses)		
	<u>(531,784)</u>	<u>(1,186,508)</u>
Income before contributions and transfers	8,205,547	6,019,731
Capital contributions	591,178	1,325,622
Transfers out - tax equivalent	(2,545,829)	(2,477,790)
<b>Change in net position</b>	<u>6,250,896</u>	<u>4,867,563</u>
<b>Net position - January 1</b>	<u>110,118,491</u>	<u>107,645,900</u>
Adjustment to net position	-	(2,394,972)
<b>Net position - December 31</b>	<u>\$ 116,369,387</u>	<u>\$ 110,118,491</u>

The notes to the financial statements are an integral part of this statement.

# WATER UTILITY

City of Green Bay, Wisconsin

Statement of Cash Flows

For the Years Ended December 31, 2020 and 2019

	<b>Totals</b>	
	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from customers	\$ 23,454,025	\$ 22,333,195
Cash paid for employee wages and benefits	(5,423,025)	(5,148,853)
Cash paid to suppliers	(3,201,643)	(4,607,177)
Net cash provided by operating activities	14,829,357	12,577,165
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Paid to city for tax equivalent	(2,424,877)	(2,394,972)
Grants received	205,440	-
Net cash flows provided (used) by noncapital financing activities	(2,219,437)	(2,394,972)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(6,885,544)	(5,018,486)
Advance received (used) for replacement of private services	(30,571)	(26,084)
Sale of capital assets	50,748	110,335
Capital contributions received	262,710	-
Proceeds from long-term debt	-	18,705,000
Premium on long-term debt issue	-	3,599,395
Principal paid on long-term debt	(3,705,000)	(25,765,000)
Interest paid on long-term debt	(1,686,707)	(1,985,942)
Net cash flows provided (used) by capital and related financing activities	(11,994,364)	(10,380,782)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from the maturity on investments	2,753,468	6,269,795
Purchase of investments	(2,908,265)	(6,133,000)
Interest received	238,356	590,910
Net cash provided (used) by investing activities	83,559	727,705
<b>Change in cash and cash equivalents</b>	699,115	529,116
<b>Cash and cash equivalents - January 1</b>	5,567,771	5,038,655
<b>Cash and cash equivalents - December 31</b>	\$ 6,266,886	\$ 5,567,771
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>		
Operating income	\$ 8,737,331	\$ 7,206,239
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation	5,061,805	4,999,335
Depreciation charged to sewer utility	233,867	229,367
Depreciation allocated to other accounts	355,573	255,981
Amortization of non-utility plant	131,454	131,453
Miscellaneous other income	216,218	177,538
Change in operating assets and liabilities		
Accounts receivables	(887,979)	(658,432)
Inventories	(30,021)	22,152
Prepaid items	(35,029)	(5,178)
Accounts payable	41,136	(61,615)
Accrued liabilities	969,753	(49,060)
Pension related deferrals and liabilities	35,249	329,385
Net cash provided by operating activities	\$ 14,829,357	\$ 12,577,165
Reconciliation of cash and cash equivalents to the statement of net position		
Cash and cash equivalents in current assets	\$ 6,240,454	\$ 5,420,943
Cash and cash equivalents in restricted assets	26,432	146,828
Total cash and cash equivalents	\$ 6,266,886	\$ 5,567,771
Noncash capital and related financing activities		
Increase in fair value of investments held at year end	\$ 92,476	\$ 136,499
Capital assets contributed by municipality	-	532,619
Capital assets contributed by customers/developers	328,468	150,804
Amortization of premiums, discounts and loss on refundings, net	199,657	(1,958)

The notes to the financial statements are an integral part of this statement.

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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#### **NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Green Bay Water Utility, City of Green Bay, Wisconsin (the “Utility”), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Utility are described below:

#### **A. REPORTING ENTITY**

The Utility and the Board of Waterworks Commissioners (the Commission) were created by City of Green Bay (the City) ordinance. The Commission provides nonpartisan management to the Utility pursuant to Chapter 66 of the Wisconsin Statutes. The Commissioners are appointed to seven-year, non-concurrent terms. The Utility encompasses all water supply and transmission operations within the City. The Utility is a department of the City. In compliance with Governmental Accounting Standards Board (GASB) Statement No. 61, the Utility is presented as an enterprise fund in the City’s Comprehensive Annual Financial Report (annual report), which is available from the City’s Finance Department at 100 North Jefferson Street, Green Bay, Wisconsin.

#### **B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The Utility accounts for its operations as an enterprise fund. Enterprise funds are used to account for government operations that are financed and operated in a manner similar to private business with the intent that the costs (expenses, including depreciation) of providing services to the general public be financed primarily through user charges.

The Utility financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Enterprise funds distinguish *operating* revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an Enterprise fund’s principal ongoing operations. The principal operating revenues of the Utility are charges to customers for services. Operating expenses include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Utility is regulated by the Public Service Commission of Wisconsin (PSCW) pursuant to Chapter 196 of the Wisconsin Statutes. The PSCW prescribes accounting policies under a uniform system of accounts for municipal water utilities and approves their rates. These accounting practices are in

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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substantial agreement with generally accepted accounting principles as applicable to governmental enterprise funds except for the recording of additional accumulated depreciation on contributed plant received prior to calendar year 2003, recognition of pension and other post-employment benefits (OPEB) expense, and classification of the tax equivalent on the Statement of Changes in Net Position. These PSCW-prescribed accounting practices are not implemented for reporting purposes in this financial report.

#### **C. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE**

##### **1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

##### **2. Accounts Receivable**

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since the Utility has the right under Wisconsin Statute 66.069 to place delinquent water bills on the tax roll for collection.

##### **3. Inventories**

Inventories are recorded at cost, which approximates market, using the weighted average method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expense at the time individual inventory items are consumed rather than when purchased.

##### **4. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

##### **5. Restricted Assets**

Certain proceeds from waterworks revenue bonds and Utility funds set aside for their repayment are classified as restricted on the statement of net position because their use is limited by applicable bond covenants. In addition, certain assets are restricted by external grantors for specific purposes.

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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Restricted assets have also been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

#### 6. Capital Assets

Capital assets are defined by the Utility as assets with an initial, individual costs of \$500 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Estimated lives and depreciation rates are established by the PSCW. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	31-35
Improvements other than buildings	18-77
Machinery and equipment	3-30

#### 7. Sewer and Storm Water Collections

The Utility performs the billing and collection functions for the City of Green Bay Sanitary Sewer Fund and the City of Green Bay Storm Water Utility. After collection, these funds are remitted to the City. The Utility charges the City for these services at cost plus a return on investment.

#### 8. Compensated Absences

It is the Utility's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies. All vacation and sick leave is accrued when incurred. A majority of the compensated absences are recorded as a current liability for these amounts are expected to be used within one year.

#### 9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Utility has two items that qualify for reporting in this category. The first is the unamortized loss on refunding resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is

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related to the Utility's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Utility has one item that qualifies for reporting in this category. The item is related to the Utility's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

#### 10. Long-term Obligations

Long-term debt and other long-term obligations are reported as Utility liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

#### 11. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### 12. Net Position

Net Position is classified in three components:

- ▶ **Net investment in capital assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- ▶ **Restricted net position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- ▶ **Unrestricted net position.** Net position that is neither classified as restricted nor as net investment in capital assets.

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When both restricted and unrestricted resources are available for use, it is the Utility's policy to use restricted resources first, then unrestricted resources as they are needed

#### **D. USE OF ESTIMATES**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

#### **E. RECLASSIFICATIONS**

Certain amounts in the prior year financial statements have been reclassified to conform to the presentation in the current year financial statements with no change in previously reported net position or changes in net position.

### **NOTE 2: DETAILED NOTES ON ALL FUNDS**

#### **A. CASH AND INVESTMENTS**

The Utility maintains various restricted and non-restricted cash and investment accounts. Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the Utility's cash and investments totaled \$13,639,011 on December 31, 2020 and \$12,692,623 on December 31, 2019 as summarized below:

	2020	2019
Petty cash and cash on hand	\$ 1,700	\$ 1,700
Deposits with financial institutions	6,265,186	5,566,071
Investments		
Negotiable certificate of deposit	1,397,617	1,401,149
Wisconsin local government investment pool	103,838	103,329
U.S. Treasury	179,172	179,163
Corporate bonds	-	250,307
State and municipal bonds	5,041,085	4,940,954
Agency securities	650,413	249,950
	<u>\$ 13,639,011</u>	<u>\$ 12,692,623</u>

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### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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Reconciliation to the financial statements:

	2020	2019
Unrestricted current assets		
Cash and investments	\$ 6,344,292	\$ 5,524,272
Restricted current assets		
Cash and investments	866,022	1,003,808
Restricted noncurrent assets		
Cash and investments	6,428,697	6,164,543
	<u>\$ 13,639,011</u>	<u>\$ 12,692,623</u>

### Fair Value Measurements

The Utility categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The Utility has the following fair value measurements as of December 31, 2020 and December 31, 2019.

- State and local government securities, U.S. Treasuries, corporate bonds and federal agency securities are valued using significant observable inputs (Level 2 inputs) of quoted prices for similar assets in active markets.
- Negotiable certificates of deposit are valued using significant observable inputs (Level 2 inputs) of quoted prices for similar assets in active markets.

Deposits and investments of the Utility are subject to various risks. Presented below is a discussion of the Utility's deposits and investments and the related risks.

### Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Utility does not have an additional custodial credit policy.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official



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### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2020, \$6,056,321 and as of December 31, 2019, \$4,949,014 of the Utility's deposits with financial institutions were in excess of federal and state depository insurance limits. All amounts were collateralized with securities held by the pledging financial institution or its trust department or agent but not in the Utility's name.

#### Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Aa1	Aa2	AAA	AA+ to A+	A to AA-	Exempt from Disclosure Not Rated
<b>December 31, 2020</b>							
State and municipal bonds	\$ 5,041,085	\$ -	\$ 1,074,931	\$ 320,422	\$ 2,955,494	\$ 690,238	\$ -
Agency securities	650,413	-	-	249,865	400,548	-	-
U.S. Treasury	179,172	-	-	179,172	-	-	-
Negotiable certificates of deposit	1,397,617	-	-	-	1,397,617	-	-
Wisconsin local government investment pool	103,838	-	-	-	-	-	103,838
Totals	<u>\$ 7,372,125</u>	<u>\$ -</u>	<u>\$ 1,074,931</u>	<u>\$ 749,459</u>	<u>\$ 4,753,659</u>	<u>\$ 690,238</u>	<u>\$ 103,838</u>
<b>December 31, 2019</b>							
State and municipal bonds	\$ 4,940,954	\$ 282,058	\$ 3,207,230	\$ -	\$ 941,725	\$ 509,941	\$ -
Federal Farm Credit Bank	249,950	-	-	-	249,950	-	-
Corporate bonds	250,307	-	-	-	250,307	-	-
U.S. Treasury	179,163	-	-	179,163	-	-	-
Negotiable certificates of deposit	1,401,149	-	-	-	1,401,149	-	-
Wisconsin local government investment pool	103,329	-	-	-	-	-	103,329
Totals	<u>\$ 7,124,852</u>	<u>\$ 282,058</u>	<u>\$ 3,207,230</u>	<u>\$ 179,163</u>	<u>\$ 2,843,131</u>	<u>\$ 509,941</u>	<u>\$ 103,329</u>

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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#### Concentration of Credit Risk

The investment policy of the Utility limits the amount that can be invested in any one issuer as presented below. This policy does not apply to investments held in the Debt Reserve Fund which are invested in accordance with terms of the 2019 debt financing transaction.

Investment Type	Limit
U.S. treasury note (per issue)	\$ 5,000,000
U.S. agency (per issue)	\$ 5,000,000
Commercial paper & notes (per issue)	\$ 1,000,000
WI local government investment pool	\$ 10,000,000

Investments in any one issuer (other than U.S. treasury securities, mutual funds and external investment pools) that represent 5% or more of the total Utility investment are as follows:

Issuer	Investment Type	December 31, 2020	December 31, 2019
New York Housing	State municipal bond	\$ 1,040,690	\$ 1,000,000
Rhode Island Housing	State municipal bond	-	785,000
Vermont Housing	State municipal bond	489,251	460,000
Milwaukee Housing	Local municipal bond	806,867	455,000
Chaska Economic Dev.	Local municipal bond	422,543	395,000
Associated Bank, NA	Certificates of deposits	860,000	890,000

#### Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

One of the ways that the Utility manages its exposure to interest rate risk is by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. By laddering its portfolio to match scheduled disbursements and by maintaining a prudent balance in an interest-bearing checking account for unexpected draws, the Utility ensures sufficient liquidity to meet its cash flow needs. The Utility's investment policy requires that the portfolio weighted average maturity shall remain below twelve months. This policy does not apply to investments held in the Debt Reserve Fund which are invested in accordance with terms of the 2019 debt financing transaction. The Utility does not have a formal investment policy relating to specific investment-related risk.

Information about the sensitivity of the fair values of the Utility's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Utility's investments by maturity:

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## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
<b>December 31, 2020</b>					
<u>Debt Reserve Fund Investments</u>					
State and municipal bonds	\$ 5,041,085	\$ 317,654	\$ 1,505,391	\$ 3,218,040	\$ -
Agency securities	650,413	-	-	650,413	-
U.S. Treasury	179,172	179,172	-	-	-
Negotiable certificates of deposit	537,617	-	-	537,617	-
Total Debt Reserve Fund	<u>6,408,287</u>	<u>496,826</u>	<u>1,505,391</u>	<u>4,406,070</u>	<u>-</u>
<u>Investments other than Debt Reserve</u>					
Wisconsin local government investment pool	103,838	103,838	-	-	-
Negotiable certificates of deposit	860,000	860,000	-	-	-
Total Investments other than Debt Reserve	<u>963,838</u>	<u>963,838</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 7,372,125</u>	<u>\$ 1,460,664</u>	<u>\$ 1,505,391</u>	<u>\$ 4,406,070</u>	<u>\$ -</u>
<b>December 31, 2019</b>					
<u>Debt Reserve Fund Investments</u>					
State and municipal bonds	\$ 4,940,954	\$ 1,348,605	\$ -	\$ 3,592,349	\$ -
Agency securities	249,950	-	249,950	-	-
Corporate bonds	250,307	-	-	250,307	-
Negotiable certificates of deposit	511,149	-	-	511,149	-
Total Debt Reserve Fund	<u>6,131,523</u>	<u>1,348,605</u>	<u>429,113</u>	<u>4,353,805</u>	<u>-</u>
<u>Investments other than Debt Reserve</u>					
Wisconsin local government investment pool	103,329	103,329	-	-	-
Negotiable certificates of deposit	890,000	890,000	-	-	-
Total Investments other than Debt Reserve	<u>993,329</u>	<u>993,329</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$ 7,124,852</u>	<u>\$ 2,341,934</u>	<u>\$ 429,113</u>	<u>\$ 4,353,805</u>	<u>\$ -</u>

#### Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

On December 31, 2020 and 2019, the Utility held no investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

#### Investments in Wisconsin Local Government Investment Pool

The Utility has investments in the Wisconsin local government investment pool of \$103,838 and \$103,329 as of December 31, 2020 and 2019 respectively. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2020 and 2019 the fair value of the Utility's share of the LGIP's assets was substantially equal to the carrying value. Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Utility does not have an additional credit risk policy. The Utility's investment in the Wisconsin local government investment pool is not rated.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Utility does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investments held by the Wisconsin local government investment pool mature in 12 months or less.

#### **B. RESTRICTED ASSETS**

The restricted assets consist of cash and investments held in the debt reserve and bond redemption funds along with accrued interest as required by revenue bond ordinances and the private service replacement fund as required by the grant agreement and the net pension asset maintained by the Wisconsin Retirement System.

The debt reserve fund requires a balance equal to the minimum reserve amount as defined in the 2019 and 2006 series revenue bond documents. This minimum amount was \$5,592,475 as of December 31, 2020 and 2019. The debt reserve fund account had cash and investments available of \$6,428,697 and \$6,164,544 at December 31, 2020 and 2019 respectively, which were in compliance with the bond ordinance.

The bond redemption fund accumulates monies to be used to make principal and interest payments as they mature. Transfers are made to this fund on a monthly basis. The bond redemption fund balances at December 31, 2020 and 2019 were \$865,000 and \$933,921 respectively. The bond redemption fund was also in compliance with bond ordinances. The excess restricted assets over current liabilities payable from restricted assets is shown as restricted for debt retirement and restricted for private service replacement and restricted for net pension asset in the net position section on the statement of net position.

The private service replacement fund assets are required by a grant to be used for the replacement of lead or galvanized service lines. The excess restricted assets over current liabilities payable from restricted assets is shown as restricted for private service replacement in the net position section on the statement of net position.

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

#### C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>December 31, 2020</b>				
Capital assets, not being depreciated:				
Land	\$ 524,689	\$ -	\$ -	\$ 524,689
Construction in progress	105,153	187,360	-	292,513
Total capital assets, not being depreciated	<u>629,842</u>	<u>187,360</u>	<u>-</u>	<u>817,202</u>
Capital assets, being depreciated:				
Buildings and improvements	24,457,664	43,598	-	24,501,262
Machinery and equipment	34,622,518	531,107	208,984	34,944,641
Improvements other than buildings	173,194,317	6,451,946	648,627	178,997,636
Subtotals	<u>232,274,499</u>	<u>7,026,651</u>	<u>857,611</u>	<u>238,443,539</u>
Less accumulated depreciation for:				
Buildings and improvements	16,981,733	775,698	-	17,757,431
Machinery and equipment	24,770,312	3,391,115	208,984	27,952,443
Improvements other than buildings	47,573,742	1,535,179	648,627	48,460,294
Subtotals	<u>89,325,787</u>	<u>5,701,992</u>	<u>857,611</u>	<u>94,170,168</u>
Total capital assets, being depreciated, net	<u>142,948,712</u>	<u>1,324,659</u>	<u>-</u>	<u>144,273,371</u>
Total capital assets, net	<u>\$ 143,578,554</u>	<u>\$ 1,512,019</u>	<u>\$ -</u>	<u>\$ 145,090,573</u>
Reconciliation of 2020 increases in accumulated depreciation:				
Depreciation expense on schedule of operating expenses		\$ 5,295,672		
Depreciation allocated to other accounts		355,573		
Total depreciation expense		<u>5,651,245</u>		
Salvage value received on capital assets retired		50,747		
Total additions in accumulated depreciation		<u>\$ 5,701,992</u>		
<b>December 31, 2019</b>				
Capital assets, not being depreciated:				
Land	\$ 524,689	\$ -	\$ -	\$ 524,689
Construction in progress	47,639	94,936	37,422	105,153
Total capital assets, not being depreciated	<u>572,328</u>	<u>94,936</u>	<u>37,422</u>	<u>629,842</u>
Capital assets, being depreciated:				
Buildings and improvements	24,551,814	24,997	119,147	24,457,664
Machinery and equipment	35,888,829	388,528	1,654,839	34,622,518
Improvements other than buildings	167,185,922	6,466,349	457,954	173,194,317
Subtotals	<u>227,626,565</u>	<u>6,879,874</u>	<u>2,231,940</u>	<u>232,274,499</u>
Less accumulated depreciation for:				
Buildings and improvements	16,324,362	776,518	119,147	16,981,733
Machinery and equipment	24,092,460	1,704,676	1,026,824	24,770,312
Improvements other than buildings	44,765,309	3,266,386	457,953	47,573,742
Subtotals	<u>85,182,131</u>	<u>5,747,580</u>	<u>1,603,924</u>	<u>89,325,787</u>
Total capital assets, being depreciated, net	<u>142,444,434</u>	<u>1,132,294</u>	<u>628,016</u>	<u>142,948,712</u>
Total capital assets, net	<u>\$ 143,016,762</u>	<u>\$ 1,227,230</u>	<u>\$ 665,438</u>	<u>\$ 143,578,554</u>
Reconciliation of 2019 increases in accumulated depreciation:				
Depreciation expense on schedule of operating expenses		\$ 5,228,702		
Depreciation allocated to other accounts		255,981		
Total depreciation expense		<u>5,484,683</u>		
Salvage value received on capital assets retired		262,897		
Total additions in accumulated depreciation		<u>\$ 5,747,580</u>		

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

#### D. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the Utility for the year ended December 31, 2020 and 2019:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>December 31, 2020</b>					
Revenue bonds	\$ 44,245,000	\$ -	\$ 3,705,000	\$ 40,540,000	\$ 3,775,000
Debt premium, net of discounts	4,203,445	-	421,618	3,781,827	-
Compensated absences	439,369	343,602	251,152	531,819	311,276
Net pension liability	910,735	-	910,735	-	-
Long-term obligations	<u>\$ 49,798,549</u>	<u>\$ 343,602</u>	<u>\$ 5,288,505</u>	<u>\$ 44,853,646</u>	<u>\$ 4,086,276</u>
<b>December 31, 2019</b>					
Revenue bonds	\$ 51,305,000	\$ 18,705,000	\$ 25,765,000	\$ 44,245,000	\$ 3,705,000
Debt premium, net of discount	506,133	3,890,350	193,038	4,203,445	-
Compensated absences	490,874	522,934	574,439	439,369	251,152
Net pension liability	-	910,735	-	910,735	-
Long-term obligations	<u>\$ 52,302,007</u>	<u>\$ 24,029,019</u>	<u>\$ 26,532,477</u>	<u>\$ 49,798,549</u>	<u>\$ 3,956,152</u>

#### Advance Refunding

During 2006, the Water Utility advance refunded a portion of the revenue bond issue from 2004. The Water Utility issued \$49,310,000 of revenue bonds which were used to provide resources to purchase U.S. Government and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds were considered to be defeased and the liability was removed from the enterprise fund. The outstanding revenue bonds defeased at the time of refunding was \$45,555,000 and has maturities from 2019 through 2029. At December 31, 2020 and 2019, the outstanding balances of the bonds defeased was \$32,515,000 and \$34,960,000, respectively.

During 2017, the Water Utility advance refunded a portion of the revenue bond issue from 2006. The Water Utility issued \$15,730,000 of revenue bonds which were used to provide resources to purchase U.S. Government and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds were considered to be defeased and the liability was removed from the enterprise fund. The outstanding revenue bonds defeased at the time of refunding was \$14,530,000 and have maturities from 2020 through 2024. At December 31, 2020 and 2019, the outstanding balances of the bonds defeased was \$11,900,000 and \$14,530,000, respectively.

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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#### Current Refunding

During 2019, the Utility currently refunded the remainder of the revenue bond issue from 2006. The Utility issued \$18,705,000 of revenue bonds to call the refunded debt. This current refunding was undertaken to reduce total debt service payments over the next ten years by \$2,897,023 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$2,387,120.

#### Revenue Bonds

Revenue bonds outstanding on 2020 and 2019 totaled \$40,540,000 and \$44,245,000 respectively and were comprised of the following issues:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/20</u>	<u>Balance 12/31/19</u>
Revenue Bonds	10/14/14	11/1/29	2.00 - 3.50%	\$14,055,000	\$ 9,575,000	\$ 10,360,000
Revenue Bonds	10/17/17	11/1/24	1.47 - 2.56%	15,730,000	12,260,000	15,180,000
Revenue Bonds	8/5/19	11/1/29	4.00 - 5.00%	18,705,000	<u>18,705,000</u>	<u>18,705,000</u>
Total outstanding general obligation debt					<u>\$40,540,000</u>	<u>\$ 44,245,000</u>

Annual principal and interest maturities of the outstanding revenue bonds are detailed below:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,775,000	\$ 1,420,186	\$ 5,195,186
2022	3,855,000	1,336,933	5,191,933
2023	3,945,000	1,246,088	5,191,088
2024	4,045,000	1,146,927	5,191,927
2025	3,530,000	1,039,525	4,569,525
2026 - 2029	<u>21,390,000</u>	<u>2,512,100</u>	<u>23,902,100</u>
	<u>\$ 40,540,000</u>	<u>\$ 8,701,759</u>	<u>\$ 49,241,759</u>

All Utility revenues net of specified operating expenses are pledged as security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2020 and 2019 were \$5,391,707 and \$5,139,210, respectively. Total customer net revenues as defined for the same periods were \$14,376,788 and \$12,979,442. Annual principal and interest payments are expected to require 38% of net revenues on average.

# Water Utility

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#### **E. PENSION PLAN**

##### **1. Plan Description**

The WRS is a cost-sharing, multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (annual report), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are 1) final average earnings, 2) years of creditable service, and 3) a formula factor.

Final average earnings are the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

##### **2. Post-Retirement Adjustments**

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other



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actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system’s consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the “floor”) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2010	(1.30)%	22.0%
2011	(1.20)	11.00
2012	(7.00)	(7.00)
2013	(9.60)	9.00
2014	4.70	25.00
2015	2.90	2.00
2016	0.50	(5.00)
2017	2.00	4.00
2018	2.40	17.00
2019	0.00	(10.00)

### 3. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

WRS recognized \$301,952 and \$277,410 in contributions from the Utility for the current and prior reporting periods, respectively.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>2020</u>		<u>2019</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives & elected officials)	6.55%	6.55%	6.70%	6.70%
Protective with Social Security	6.55%	10.55%	6.70%	10.70%
Protective without Social Security	6.55%	14.95%	6.70%	14.90%

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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#### 4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the Utility reported a liability (asset) of (\$858,420) for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Utility's proportion of the net pension asset was based on the Utility's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the Utility's proportion was .0263581%, which was an increase of .0003338% from its proportion measured as of December 31, 2018.

At December 31, 2019, the Utility reported a liability (asset) of \$910,735 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Utility's proportion of the net pension liability was based on the Utility's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Utility's proportion was .0260243%, which was a decrease of .0215829% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2020 and 2019, the Utility recognized pension expense of \$35,249 and \$613,626, respectively.

At December 31, 2020, the Utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,616,335	\$ 792,213
Net differences between projected and actual earnings on pension plan investments	-	1,779,560
Changes in assumptions	64,050	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	59	6,803
Employer contributions subsequent to the measurement date	301,952	-
Total	<u>\$ 1,982,396</u>	<u>\$ 2,578,576</u>

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### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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At December 31, 2019, the Utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 709,323	\$ 1,253,831
Net differences between projected and actual earnings on pension plan investments	1,330,066	-
Changes in assumptions	153,517	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	839	9,100
Employer contributions subsequent to the measurement date	277,410	-
Total	<u>\$ 2,471,155</u>	<u>\$ 1,262,931</u>

The \$301,952 reported as deferred outflows related to pension resulting from the Utility's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year ended December 31,</b>	<b>Net Deferred Outflow of Resources</b>
2021	\$ (268,246)
2022	(198,923)
2023	29,481
2024	(460,444)
Total	<u>\$ (898,132)</u>

#### 5. Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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	<u>2020</u>	<u>2019</u>
Actuarial valuation date:	December 31, 2018	December 31, 2017
Measurement date of net pension liability (asset):	December 31, 2019	December 31, 2018
Actuarial cost method:	Entry Age Normal	Entry Age Normal
Asset valuation method:	Fair Value	Fair Value
Long-term expected rate of return:	7.0%	7.0%
Discount rate:	7.0%	7.0%
Salary increases:		
Inflation	3.0%	3.0%
Seniority/Merit	0.1% - 5.6%	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%	1.9%

*No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

**Long-term Expected Return on Plan Assets.** The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of December 31, 2020 are summarized in the following table:

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## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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	<u>Current Asset Allocation %</u>	<u>Long-term Expected Nominal Rate of Return %</u>	<u>Long-term Expected Real Rate of Return %</u>
<u>Core Fund Asset Class</u>			
Global equities	49%	8.0%	5.1%
Fixed income	24.5%	4.9%	2.1%
Inflation sensitive assets	15.5%	4.0%	1.2%
Real estate	9%	6.3%	3.5%
Private equity/debt	8%	10.6%	7.6%
Multi-asset	4%	6.9%	4.0%
Total Core Fund	110%	7.5%	4.6%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.5%	4.6%
International equities	30%	8.2%	5.3%
Total Variable Fund	100%	7.8%	4.9%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of December 31, 2019 are summarized in the following table:

	<u>Current Asset Allocation %</u>	<u>Long-term Expected Nominal Rate of Return %</u>	<u>Long-term Expected Real Rate of Return %</u>
<u>Core Fund Asset Class</u>			
Global equities	49%	8.1%	5.5%
Fixed income	24.5%	4.0%	1.5%
Inflation sensitive assets	15.5%	3.8%	1.3%
Real estate	9%	6.5%	3.9%
Private equity/debt	8%	9.4%	6.7%
Multi-asset	4%	6.7%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.6%	5.0%
International equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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**Single Discount Rate.** A single discount rate of 7.00 percent was used to measure the total pension liability as of December 31, 2020 and December 31, 2019. This single discount rate was based on the expected rate of return on pension plan investments of 7.00 percent and a long term bond rate of 2.75 percent and 3.71 percent, in 2020 and 2019 respectively. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2019. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 7.00 percent expected rate of return implies that a dividend of approximately 1.9 percent will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the Utility's proportionate share of the net pension liability to changes in the discount rate.** The following presents the Utility's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Utility's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate.

The sensitivity analysis as of December 31, 2020 follows:

	<b>1% Decrease to Discount Rate (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase to Discount Rate (8.00%)</b>
Utility's proportionate share of the net pension liability (asset)	\$ 2,188,657	\$ (858,420)	\$ (3,121,580)

The sensitivity analysis as of December 31, 2019 follows:

	<b>1% Decrease to Discount Rate (6.00%)</b>	<b>Current Discount Rate (7.00%)</b>	<b>1% Increase to Discount Rate (8.00%)</b>
Utility's proportionate share of the net pension liability (asset)	\$ 3,619,355	\$ 910,735	\$ (1,103,335)

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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**Pension plan fiduciary net position.** Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

#### 6. Payables to the Pension Plan

At December 31, 2020 and 2019, the Utility reported no outstanding amount of contributions to the pension plan.

#### F. OTHER POSTEMPLOYMENT BENEFITS

**Plan Description:** The Utility provides health care insurance coverage for employees who retire until they reach the age of 65, under a plan administered by the City of Green Bay. The retired employee contributes 100% of the premium for family coverage or 100% of the premium for single coverage. The City of Green Bay obtained an actuarial valuation report dated January 1, 2019 in accordance with the parameters of GASB Statement No. 75 which resulted in an immaterial liability. As such, no liability is applicable to the utility.

#### NOTE 3: OTHER INFORMATION

##### A. RISK MANAGEMENT

The Utility is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Utility along with the City completes an annual review of its insurance coverage to ensure adequate coverage.

##### Liability Self-Insurance Fund

During 1987, the City of Green Bay, along with the Utility as a department of the City, together with certain other units of government within the State of Wisconsin, created the Cities and Villages Mutual Insurance Company (CVMIC) to provide liability insurance services to its members under section 611.23 of the Wisconsin Statutes. The Utility, along with the City, is partially self-insured for liability insurance and pays premiums to CVMIC for its excess liability insurance coverage. The actuary for CVMIC determines premium charges to its members who are required to pay the expected claims and loss adjustment expenses. CVMIC's ongoing operational expenses, other than loss adjustment expenses, are apportioned pro rata to each member. CVMIC provides general liability, public entity liability and vehicle liability coverage for the Utility and the City up to \$2,000,000. The Utility's self-insured retention limit is \$225,000 for any one occurrence, \$1,000,000 aggregate.

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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The City and Utility also carry excess insurance, which covers up to \$15,000,000. Premiums paid by the Utility to CVMIC are expensed over the term of the policy coverage period. A separate financial report is issued annually by CVMIC. Claims liabilities of \$908,900 at December 31, 2020 and \$1,025,400 at December 31, 2019 were reported in the City of Green Bay’s liability self-insurance internal service fund based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the City’s internal service fund’s claim liability amount for 2020 and 2019 follow:

	<b>Liability January 1</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claims Payments</b>	<b>Liability December 31</b>
2020	\$ 1,025,400	\$ 185,774	\$ 302,274	\$ 908,900
2019	1,134,533	118,652	227,785	1,025,400

#### Health and Dental Self-Insurance Fund

Utility and City full-time employees, retirees and employee dependents are eligible for medical and dental benefits from a health and dental self-insurance fund. Funding is provided by charges to the Utility, the City, employees and retirees. Retirees are billed monthly for premiums for health and dental benefits based on actual costs for providing such benefits. Through December 31, 2012, retirees were allowed to pay the same premium as active employees. Effective January 1, 2013, a ten year plan was approved by the City Common council, whereby retirees’ premiums will increase with medical inflation plus an average of 6.6% annually and accumulating over the ten year period to more accurately match their rates with costs incurred by the retiree group. The program is supplemented by stop loss protection, which limits the Utility’s and City’s annual liability. The 2020 and 2019 stop loss limits are \$300,000 and \$275,000, respectively, per specific claim plus an additional risk corridor of \$65,000. Fund expenses consist of payments to third-party consultant and administrators, medical and dental claims, and stop loss insurance premiums. The City of Green Bay’s health and dental self-insurance internal service fund had established equity reserves for future unreported claims of \$1,962,309 on December 31, 2020 and \$1,556,210 on December 31, 2019. Claims liabilities of \$341,561 at December 31, 2020 and \$554,243 at December 31, 2019 were reported in the City of Green Bay’s health and dental self-insurance internal service fund based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements



# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the City's health and dental internal service fund's claim liability amount for 2020 and 2019 follow:

	<u>Liability January 1</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Liability December 31</u>
2020	\$ 554,243	\$ 13,606,313	\$ 13,818,995	\$ 341,561
2019	534,697	14,640,621	14,621,075	554,243

#### Workers' Compensation Self-Insurance Fund

The Utility, along with the City, have established a workers' compensation fund to finance workers' compensation awards for their employees. The program is funded by charges to the Utility and the City. The program is also supplemented by stop loss protection, which limits the Utility's and City's annual liability to \$750,000 per incident, per occurrence for protective service employees \$750,000 per incident, per occurrence for all other employees. Fund expenses and the accrual of claim liabilities are accounted for in the same manner as discussed previously for the liability and health and dental self-insurance funds. Claims liabilities of \$2,045,753 at December 31, 2020 and \$1,641,646 at December 31, 2019 were reported in the City of Green Bay's workers' compensation self-insurance internal service fund based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the City's workers' compensation internal service fund's claim liability amount for 2020 and 2019 follow:

	<u>Liability January 1</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Liability December 31</u>
2020	\$ 1,641,646	\$ 1,099,482	\$ 695,375	\$ 2,045,753
2019	1,251,348	1,367,209	976,911	1,641,646

#### B. PRIOR PERIOD ADJUSTMENT

During the year, the Utility corrected the accounting treatment for the tax equivalent to include it as a current liability and a corresponding transfer out in the correct year. Prior to such correction, the utility recorded no liability and recorded the tax equivalent as an operating expense on a one-year delay. This correction required an adjustment of the prior period and a restatement of net position in 2019. The affected balances within the financial statements for the period ended December 31, 2019 are as follows:

# Water Utility

## City of Green Bay, Wisconsin

### NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2020 AND 2019

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	<u>2019 (restated)</u>	<u>2019 (as previously reported)</u>
<b>Current Liabilities</b>		
Accrued taxes	\$ 2,477,790	\$ -
<b>Operating Expenses</b>		
Taxes	\$ -	\$ 2,394,972
<b>Transfers</b>		
Transfers out - tax equivalent	\$ 2,477,790	\$ -
<b>Net Position</b>		
Beginning net position	105,250,928	107,645,900
Ending net position	110,118,491	112,596,281

#### C. UPCOMING ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

Statement No. 87, *Leases*

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

Statement No. 91, *Conduit Debt Obligations*

Statement No. 92, *Omnibus 2020*

Statement No. 93, *Replacement of Interbank Offered Rates*

Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

Statement No. 96, *Subscription-Based Information Technology Arrangements*

Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

# Water Utility City of Green Bay, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020 AND 2019

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## **SUBSEQUENT EVENT**

The Utility evaluated subsequent events through June 1, 2021 the date that the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements.

### *Debt Issue*

On March 23, 2021, the Utility issued \$7,080,000 of water system revenue bonds. The debt matures on November 1, 2040 and bears an interest rate of 2.00 - 3.00%.

**REQUIRED SUPPLEMENTARY INFORMATION**

# WATER UTILITY

City of Green Bay, Wisconsin  
 Schedule of Utility's Proportionate Share of the Net Pension Liability (Asset)  
 Wisconsin Retirement System  
 Last 10 Fiscal Years

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (plan year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.53764610%	\$ (585,000)	\$ 3,403,626	-17.19%	102.74%
12/31/15	0.53750286%	339,039	3,152,743	10.75%	98.20%
12/31/16	0.54797926%	196,716	3,732,012	5.27%	99.12%
12/31/17	0.56415122%	(718,059)	3,896,613	-18.43%	102.93%
12/31/18	0.58669892%	910,735	4,056,940	22.45%	96.45%
12/31/19	0.02635809%	(858,420)	4,235,244	-20.27%	102.96%

Schedule of Contributions  
 Wisconsin Retirement System  
 Last 10 Fiscal Years

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 214,387	\$ 214,387	\$ -	\$ 3,152,743	6.80%
12/31/16	237,557	237,557	-	3,732,012	6.37%
12/31/17	264,969	264,969	-	3,896,613	6.80%
12/31/18	271,815	271,815	-	4,056,940	6.70%
12/31/19	277,410	277,410	-	4,235,244	6.55%
12/31/20	301,952	301,952	-	4,473,363	6.75%

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

Changes in benefit terms. There were no changes of benefit terms for any participating employer in the Wisconsin Retirement System.

*Changes in Assumptions.* Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the prior fiscal year. The Utility is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

## **SUPPLEMENTARY FINANCIAL INFORMATION**

# WATER UTILITY

City of Green Bay, Wisconsin  
Operating Revenues and Expenses  
For Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>OPERATING REVENUES</b>		
Charges for services		
Residential	\$ 7,663,060	\$ 7,013,327
Commercial	3,597,822	3,677,571
Industrial	5,450,345	5,219,982
Public authority	369,660	443,568
Wholesale	3,894,966	3,434,908
Private fire protection	150,444	140,085
Public fire protection	1,364,722	1,340,187
Total charges for services	<u>22,491,019</u>	<u>21,269,628</u>
Other revenues		
Forfeited discounts	73,934	152,709
Sewer and Storm water collection	1,255,747	1,113,612
Other water revenues	304,798	278,140
Total other revenues	<u>1,634,479</u>	<u>1,544,461</u>
 Total Operating Revenues	 <u>24,125,498</u>	 <u>22,814,089</u>
 <b>OPERATING EXPENSES</b>		
Plant operation and maintenance		
Source of supply	41,482	50,419
Pumping	1,266,797	1,273,185
Water treatment	1,502,504	2,019,678
Transmission and distribution	2,051,157	2,052,215
Maintenance	850,495	649,173
Meter	175,930	150,204
Customer installation	92,147	90,518
Customer records and collecting	941,952	818,163
Meter reading	30,538	28,213
Administrative and general	3,139,493	3,247,380
Total Plant Operation and Maintenance	<u>10,092,495</u>	<u>10,379,148</u>
 Depreciation	 5,295,672	 5,228,702
Total Operating Expenses	<u>15,388,167</u>	<u>15,607,850</u>
 <b>Operating income</b>	 <u>\$ 8,737,331</u>	 <u>\$ 7,206,239</u>

# WATER UTILITY

## City of Green Bay, Wisconsin

### Schedule of Operating Expenses by Function and Object

Year Ended December 31, 2020

Operating Expense Function:	Total	Labor Salaries and Fringe Benefits	Professional Services
Source of Supply expense			
Purchased water	\$ 6,716	\$ -	\$ -
Maintenance of lake, river and other intakes	8,900	-	8,900
Maintenance of supply mains	25,866	11,144	2,216
Total source of supply expense	41,482	11,144	11,116.00
Pumping expense			
Electric power purchased	701,814	-	-
Labor and expense	68,566	68,566	-
Supplies and expense	110,506	35,882	6,144
Maintenance of structures	144,215	93,613	22,259
Maintenance of equipment	122,755	67,384	9,509
Operation supervision	118,941	118,941	-
Total pumping expense	1,266,797	384,386	37,912.00
Water treatment expense			
Operation supervision	101,500	101,500	-
Labor and expense	759,602	446,624	9,725
Chemicals	306,496	-	-
Maintenance of structures	44,675	22,002	18,819
Maintenance of equipment	290,231	119,010	10,508
Total water treatment expense	1,502,504	689,136	39,052
Transmission and distribution expense			
Supervision and engineering	219,916	219,916	-
Labor and expense	657,581	462,831	26,108
Maintenance of mains	1,173,660	413,681	456,542
Total transmission and distribution expense	2,051,157	1,096,428	482,650
Maintenance expense			
Tanks and reservoirs	47,719	8,595	30,482
Services	361,431	176,341	54,698
Meters	144,677	121,094	7,580
Hydrants	154,194	81,630	9,507
Buildings	142,474	11,739	87,506
Total maintenance expense	850,495	399,399	189,773
Meter expense	175,930	154,951	-
Customers' installation expense	92,147	68,897	116
Customer records and collecting expense	941,952	425,463	-
Meter reading expense	30,538	16,241	10,111
Depreciation	5,295,672	-	-
Administrative and general expense			
Employee benefits	1,572,886	1,274,726	-
Amortization of non-utility plant	131,454	-	-
Public Service Commission remainder assessment	23,118	-	-
Insurance	98,389	-	-
Uncollectible accounts	8,608	-	-
Administrative salaries	716,244	716,244	-
Office supplies and expense	75,687	-	-
Professional and special services	293,167	-	293,167
Miscellaneous general expense	219,940	-	-
Total administrative and general expense	3,139,493	1,990,970	293,167
Total Operating Expenses	\$ 15,388,167	\$ 5,237,015	\$ 1,063,897



Materials, Supplies, Equipment & Other Costs	Power for Pumping	Depreciation	Insurance and Taxes
\$ 6,716	\$ -	\$ -	\$ -
-	-	-	-
12,506	-	-	-
19,222	-	-	-
-	701,814	-	-
-	-	-	-
68,480	-	-	-
28,343	-	-	-
45,862	-	-	-
-	-	-	-
142,685	701,814	-	-
-	-	-	-
303,253	-	-	-
306,496	-	-	-
3,854	-	-	-
160,713	-	-	-
774,316	-	-	-
-	-	-	-
168,642	-	-	-
303,437	-	-	-
472,079	-	-	-
8,642	-	-	-
130,392	-	-	-
16,003	-	-	-
63,057	-	-	-
43,229	-	-	-
261,323	-	-	-
20,979	-	-	-
23,134	-	-	-
516,489	-	-	-
4,186	-	-	-
-	-	5,295,672	-
-	-	-	298,160
131,454	-	-	-
-	-	-	23,118
-	-	-	98,389
8,608	-	-	-
-	-	-	-
75,687	-	-	-
-	-	-	-
219,940	-	-	-
435,689	-	-	419,667
\$ 2,670,102	\$ 701,814	\$ 5,295,672	\$ 419,667

**WATER UTILITY**  
City of Green Bay, Wisconsin  
Capital Assets  
Year Ended December 31, 2020

Capital Assets Description:	Balance 1/1/20	2020 Additions	2020 Disposals	Balance 12/31/20
<b>General Green Bay Plant</b>				
Land	\$ 264,966	\$ -	\$ -	\$ 264,966
Pumping plant structures	3,488,872	-	-	3,488,872
Reservoirs and standpipes	4,484,500	-	-	4,484,500
Wells	706,215	-	-	706,215
Stores, shop, garage and office building	2,541,959	12,305	-	2,554,264
Water treatment structures	2,835	-	-	2,835
Supply mains	4,923,291	75,760	(2,393)	4,996,658
Distribution mains	79,193,555	3,595,867	(246,202)	82,543,220
Services	20,704,308	2,030,881	(135,187)	22,600,002
Meters	8,463,251	284,588	(202,590)	8,545,249
Hydrants	8,672,088	372,809	(61,547)	8,983,350
Water treatment equipment:				
Chlorination	154,484	-	-	154,484
Telemetry equip - SCADA	190,736	-	-	190,736
Electric pumping equipment	1,426,674	-	-	1,426,674
Power production equipment	237,309	-	-	237,309
Power operated equipment	657,410	-	-	657,410
Tools, shop, and garage equipment	1,105,415	39,589	(11,285)	1,133,719
Stores equipment	24,957	1,160	-	26,117
Transportation equipment	2,426,916	267,452	(138,362)	2,556,006
Communication equipment	58,035	-	-	58,035
Office furniture & equipment	208,207	-	-	208,207
Office computers	3,637,498	180,875	(59,337)	3,759,036
	<u>143,573,481</u>	<u>6,861,286</u>	<u>(856,903)</u>	<u>149,577,864</u>
<b>Lake Michigan Supply System</b>				
Land	259,723	-	-	259,723
Pumping plant structures	2,981,777	2,938	-	2,984,715
Reservoirs and standpipes	97,448	-	-	97,448
Water treatment structures	15,442,221	28,354	-	15,470,575
Lake intakes	1,539,207	-	-	1,539,207
Supply mains	43,764,408	92,040	(708)	43,855,740
Distribution mains	646,048	-	-	646,048
Electric pumping equipment	3,759,943	-	-	3,759,943
Water treatment equipment:				
Filtration	17,727,512	14,498	-	17,742,010
Chlorination	344,990	-	-	344,990
Telemetry equip - SCADA	628,368	-	-	628,368
Tools and work equipment	41,080	820	-	41,900
Laboratory equipment	35,284	10,070	-	45,354
Communication equipment	321,656	-	-	321,656
Office furniture & equipment	7,311	2,533	-	9,844
Office computers	16,417	14,112	-	30,529
Power production equipment	1,612,314	-	-	1,612,314
	<u>89,225,707</u>	<u>165,365</u>	<u>(708)</u>	<u>89,390,364</u>
<b>Construction in Progress</b>	<u>105,153</u>	<u>187,360</u>	<u>-</u>	<u>292,513</u>
<b>Total</b>	<u>\$ 232,904,341</u>	<u>\$ 7,214,011</u>	<u>\$ (857,611)</u>	<u>\$ 239,260,741</u>

**WATER UTILITY**  
City of Green Bay, Wisconsin  
Accumulated Depreciation  
Year Ended December 31, 2020

Capital Assets Description:	Depreciation Rate	Accumulated Depreciation 1/1/20	2020 Depreciation
<b>General Green Bay Plant</b>			
Land	---	\$ -	\$ -
Pumping plant structures	3.2%	2,637,840	111,644
Reservoirs and standpipes	1.9%	2,413,423	85,205
Wells	2.9%	575,774	20,480
Stores, shop, garage and office building	2.9%	1,705,456	73,895
Water treatment structures	3.2%	2,835	-
Supply mains	1.8%	2,208,022	89,280
Distribution mains	1.3%	14,369,091	1,051,289
Services	2.9%	8,216,086	627,912
Meters	5.5%	3,009,280	467,734
Hydrants	2.2%	2,536,018	194,210
Water treatment equipment - chlorination	6.0%	154,484	-
Telemetry equipment - SCADA	9.2%	190,736	-
Electric pumping equipment	4.4%	1,335,590	62,774
Power production equipment	4.4%	47,087	10,442
Power operated equipment	7.5%	616,970	40,440
Tools, shop, and garage equipment	5.8%	957,809	66,524
Stores equipment	5.8%	24,957	1,160
Transportation equipment	13.3%	2,426,916	247,792
Communication equipment	15.0%	58,035	-
Office furniture & equipment	5.8%	98,389	12,573
Office computers	26.7%	3,637,498	180,875
		47,222,296	3,344,229
<b>Lake Michigan Supply System</b>			
Land	---	-	-
Pumping plant structures	3.2%	2,021,058	95,464
Reservoirs and standpipes	1.9%	87,286	1,852
Water treatment structures	3.2%	10,614,544	494,695
Lake intakes	1.7%	971,384	26,167
Supply mains	1.8%	12,859,232	788,581
Distribution mains	1.3%	328,146	8,399
Electric pumping equipment	4.4%	2,036,038	165,437
Water treatment equipment			
Filtration	3.3%	10,356,787	585,247
Chlorination	6.0%	324,256	20,734
Telemetry equipment - SCADA	9.2%	596,139	32,229
Tools and work equipment	5.8%	41,080	820
Laboratory equipment	5.8%	20,582	2,339
Communication equipment	15.0%	321,656	-
Office furniture & equipment	5.8%	7,311	-
Office computers	26.7%	16,417	14,112
Power production equipment	4.4%	1,501,575	70,940
		42,103,491	2,307,016
<b>Total</b>		\$ 89,325,787	\$ 5,651,245

2020 Salvage Proceeds	2020 Retirements	Accumulated Depreciation 12/31/20	Asset Cost 12/31/20	Net Book Value 12/31/20
\$ -	\$ -	\$ -	\$ 264,966	\$ 264,966
-	-	2,749,484	3,488,872	739,388
-	-	2,498,628	4,484,500	1,985,872
-	-	596,254	706,215	109,961
-	-	1,779,351	2,554,264	774,913
-	-	2,835	2,835	-
-	(2,393)	2,294,909	4,996,658	2,701,749
-	(246,202)	15,174,178	82,543,220	67,369,042
664	(135,187)	8,709,475	22,600,002	13,890,527
2,957	(202,590)	3,277,381	8,545,249	5,267,868
26,386	(61,547)	2,695,067	8,983,350	6,288,283
-	-	154,484	154,484	-
-	-	190,736	190,736	-
-	-	1,398,364	1,426,674	28,310
-	-	57,529	237,309	179,780
-	-	657,410	657,410	-
1,080	-	1,025,413	1,133,719	108,306
-	(11,285)	14,832	26,117	11,285
19,660	(138,362)	2,556,006	2,556,006	-
-	-	58,035	58,035	-
-	-	110,962	208,207	97,245
-	(59,337)	3,759,036	3,759,036	-
50,747	(856,903)	49,760,369	149,577,864	99,817,495
-	-	-	259,723	259,723
-	-	2,116,522	2,984,715	868,193
-	-	89,138	97,448	8,310
-	-	11,109,239	15,470,575	4,361,336
-	-	997,551	1,539,207	541,656
-	(708)	13,647,105	43,855,740	30,208,635
-	-	336,545	646,048	309,503
-	-	2,201,475	3,759,943	1,558,468
-	-	10,942,034	17,742,010	6,799,976
-	-	344,990	344,990	-
-	-	628,368	628,368	-
-	-	41,900	41,900	-
-	-	22,921	45,354	22,433
-	-	321,656	321,656	-
-	-	7,311	9,844	2,533
-	-	30,529	30,529	-
-	-	1,572,515	1,612,314	39,799
-	(708)	44,409,799	89,390,364	44,980,565
\$ 50,747	\$ (857,611)	\$ 94,170,168	\$ 238,968,228	\$ 144,798,060

## WATER UTILITY

City of Green Bay, Wisconsin  
 Bond Interest and Redemption Requirements  
 Waterworks Mortgage Revenue Bonds Series 2014  
 Year Ended December 31, 2020

Year	Balance Outstanding January 1	Principal Requirements	Interest Rate	Interest Requirements	Total Annual Requirements
2021	\$ 9,575,000	\$ 805,000	3.00%	\$ 309,175	\$ 1,114,175
2022	8,770,000	830,000	3.00%	285,025	1,115,025
2023	7,940,000	850,000	3.00%	260,125	1,110,125
2024	7,090,000	875,000	3.00%	234,625	1,109,625
2025	6,215,000	900,000	3.00%	208,375	1,108,375
2026	5,315,000	930,000	3.00%	181,375	1,111,375
2027	4,385,000	960,000	3.50%	153,475	1,113,475
2028	3,425,000	1,000,000	3.50%	119,875	1,119,875
2029	2,425,000	2,425,000	3.50%	84,875	2,509,875

These bonds, dated October 14, 2014, were issued for an original amount of \$14,055,000. The bonds mature serially on November 1, of each year with final payment due November 1, 2029. Interest is payable semiannually on May 1 and November 1, at the rates shown above. Interest and principal redemption payments are paid out of the Water System Special Redemption Fund. The bonds originally were in \$5,000 denominations. The bonds maturing on or after November 1, 2025, are callable at the option of the Utility on or after November 1, 2019, at par plus accrued interest.

# WATER UTILITY

City of Green Bay, Wisconsin  
Bond Interest and Redemption Requirements  
Waterworks Mortgage Revenue Bonds Series 2017  
Year Ended December 31, 2020

Year	Balance Outstanding January 1	Principal Requirements	Interest Rate	Interest Requirements	Total Annual Requirements
2022	\$ 12,260,000	\$ 2,970,000	1.99%	\$ 279,861	\$ 3,249,861
2023	9,290,000	3,025,000	2.18%	220,758	3,245,758
2024	6,265,000	3,095,000	2.38%	154,813	3,249,813
2024	3,170,000	3,170,000	2.56%	81,152	3,251,152

These bonds, dated October 17, 2017, were issued for an original amount of \$15,730,000. The bonds mature serially on November 1, of each year with final payment due November 1, 2024. Interest is payable semiannually on May 1 and November 1, at the rates shown above. Interest and principal redemption payments are paid out of the Water System Special Redemption Fund. The bonds are non-callable.

## WATER UTILITY

City of Green Bay, Wisconsin  
 Bond Interest and Redemption Requirements  
 Waterworks Mortgage Revenue Bonds Series 2019  
 Year Ended December 31, 2020

Year	Balance Outstanding January 1	Principal Requirements	Interest Rate	Interest Requirements	Total Annual Requirements
2021	\$ 18,705,000	\$ -	5.00%	\$ 831,150	\$ 831,150
2022	18,705,000	-	5.00%	831,150	831,150
2023	18,705,000	-	5.00%	831,150	831,150
2024	18,705,000	-	5.00%	831,150	831,150
2025	18,705,000	2,630,000	5.00%	831,150	3,461,150
2026	16,075,000	2,760,000	5.00%	699,650	3,459,650
2027	13,315,000	2,905,000	5.00%	561,650	3,466,650
2028	10,410,000	3,040,000	4.00%	416,400	3,456,400
2029	7,370,000	7,370,000	4.00%	294,800	7,664,800

These bonds, dated August 5, 2019, were issued for an original amount of \$18,705,000. The bonds mature serially on November 1, of each year with final payment due November 1, 2029. Interest is payable semiannually on May 1 and November 1, at the rates shown above. Interest and principal redemption payments are paid out of the Water System Special Redemption Fund. The remaining bonds maturing on or after November 1, 2027, are callable at the option of the Utility, at par plus accrued interest.

# **STATISTICAL SECTION**



# WATER UTILITY CITY OF GREEN BAY, WISCONSIN STATISTICAL SECTION

This section of the City of Green Bay Water Utility’s Comprehensive Annual Financial Report presents detailed information to help understand what the information in the management’s discussion and analysis, financial statements, notes to the financial statements, and supplementary financial information says about the Water Utility’s overall financial condition.

<b><u>Contents:</u></b>	<b><u>Pages</u></b>
<b>Financial Trends</b> These schedules present trend information to help the reader understand how the Water Utility’s financial performance and condition has changed over time.	57-63
<b>Debt Capacity</b> This schedule presents information to help the reader assess the affordability of the Water Utility’s current levels of outstanding debt and the Water Utility’s ability to issue additional debt in the future.	64
<b>Revenue Capacity</b> These schedules present information to help the reader assess the Water Utility’s most significant revenue source, water sales.	65-74
<b>Demographic and Economic Information</b> These schedules present information to help the reader understand the environment within which the Water Utility’s financial activities take place.	75-76
<b>Operating Information</b> These schedules present information to help the reader understand how the information in the Water Utility’s financial report relates to the services the Water Utility provides and the activities it performs.	77-86

**Sources:**

Unless otherwise noted, the information in these schedules is derived from the Water Utility’s comprehensive annual financial reports for the relevant year.

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

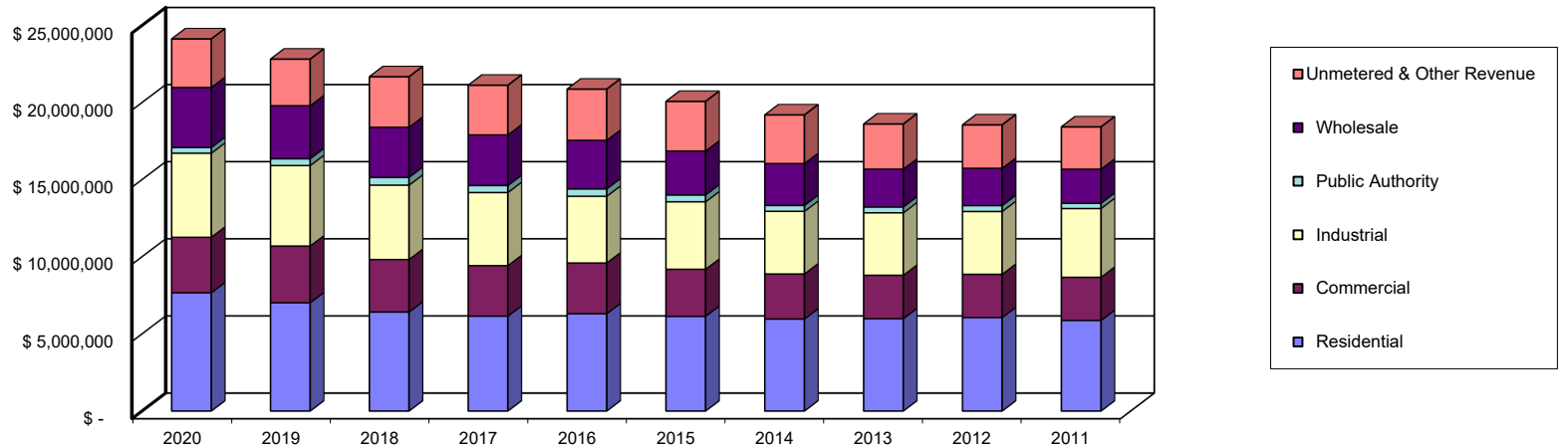
**CHANGES IN NET POSITION - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Operating Revenues</b>										
Metered sales - Residential	\$ 7,663,060	\$ 7,013,327	\$ 6,414,239	\$ 6,147,021	\$ 6,304,242	\$ 6,132,565	\$ 5,960,672	\$ 5,983,387	\$ 6,053,638	\$ 5,868,601
Metered sales - Commercial	3,597,822	3,677,571	3,403,825	3,273,444	3,289,651	3,054,456	2,922,135	2,811,931	2,806,298	2,797,272
Metered sales - Industrial	5,450,345	5,219,982	4,820,093	4,740,471	4,323,113	4,373,034	4,057,829	4,050,376	4,071,939	4,456,945
Public authority sales	369,660	443,568	503,235	454,138	477,730	438,716	382,658	371,861	383,324	339,217
Metered sales - Wholesale	3,894,966	3,434,908	3,251,388	3,281,062	3,150,957	2,851,616	2,717,086	2,460,738	2,417,579	2,211,718
Private fire protection	150,444	140,085	136,171	136,032	133,439	131,784	129,493	124,329	125,895	124,427
Public fire protection	1,364,722	1,340,187	1,621,169	1,648,626	1,647,390	1,648,897	1,552,420	1,472,546	1,361,694	1,359,241
Customer late payment charges	73,934	152,709	132,069	145,078	140,112	140,257	150,780	144,360	147,978	153,069
Sewer and storm water collection revenue	1,255,747	1,113,612	1,107,529	1,010,436	1,136,437	1,088,069	1,097,203	979,465	983,178	919,143
Other operating revenues	304,798	278,140	281,558	283,799	262,389	211,171	224,078	204,832	195,659	187,644
<b>Total Operating Revenues</b>	<b>24,125,498</b>	<b>22,814,089</b>	<b>21,671,276</b>	<b>21,120,107</b>	<b>20,865,460</b>	<b>20,070,565</b>	<b>19,194,354</b>	<b>18,603,825</b>	<b>18,547,182</b>	<b>18,417,277</b>
<b>Operating Expenses</b>										
Source of supply expense	41,482	50,419	69,896	53,754	67,839	53,096	70,376	393,132	92,992	95,178
Pumping expense	1,266,797	1,273,185	1,300,382	1,306,604	1,284,390	1,205,066	1,080,950	1,051,522	1,044,896	1,087,485
Water treatment expense	1,502,504	2,019,678	1,222,482	1,274,754	1,213,056	1,376,668	1,299,728	1,267,385	1,194,508	1,251,999
Transmission and distribution expense	2,051,157	2,052,215	1,974,838	1,857,277	1,439,930	1,856,801	2,414,863	1,460,382	1,446,564	1,354,738
Maintenance expense	850,495	649,173	714,895	765,767	1,023,866	777,988	928,899	1,126,739	1,298,877	615,591
Meter expense	175,930	150,204	200,932	134,708	186,550	158,340	165,158	102,102	109,898	122,532
Customers' installation expense	92,147	90,518	102,821	89,500	87,456	92,064	146,836	175,258	157,842	118,392
Customer records and collecting expense	941,952	818,163	802,270	873,639	875,779	706,093	713,772	603,998	620,403	528,471
Meter reading expense	30,538	28,213	15,534	17,442	20,404	22,506	40,924	55,944	62,626	67,684
Administrative and general expense	3,139,493	3,247,380	2,986,706	2,944,037	2,899,819	2,143,951	2,202,233	1,951,439	2,294,345	2,117,351
Depreciation	5,295,672	5,228,702	5,253,175	5,217,239	5,155,128	5,109,163	4,698,513	4,673,495	4,622,428	4,457,151
Taxes	2,545,829	2,477,790	2,353,288	2,297,587	2,310,073	2,300,268	2,358,178	2,396,384	2,221,094	2,078,747
<b>Total Operating Expenses</b>	<b>17,933,996</b>	<b>18,085,640</b>	<b>16,997,219</b>	<b>16,832,308</b>	<b>16,564,290</b>	<b>15,802,004</b>	<b>16,120,430</b>	<b>15,257,780</b>	<b>15,166,473</b>	<b>13,895,319</b>
<b>Operating Income</b>	<b>6,191,502</b>	<b>4,728,449</b>	<b>4,674,057</b>	<b>4,287,799</b>	<b>4,301,170</b>	<b>4,268,561</b>	<b>3,073,924</b>	<b>3,346,045</b>	<b>3,380,709</b>	<b>4,521,958</b>
<b>Nonoperating Revenues (Expenses)</b>										
Interest income	319,661	607,969	275,633	222,044	181,549	177,081	239,425	287,274	294,032	309,596
Grant Revenue	205,400	-	-	-	-	-	-	-	-	-
Miscellaneous income	216,220	177,538	144,923	149,382	36,502	46,911	45,539	15,813	15,444	23,349
Interest and fiscal expense	(1,472,722)	(1,970,057)	(1,693,833)	(2,340,166)	(2,320,992)	(2,424,537)	(2,838,129)	(2,984,093)	(3,091,531)	(3,198,572)
Amortization of debt premium net of discounts	421,616	222,625	227,442	227,442	227,442	227,442	152,016	136,930	136,930	136,930
Amortization of loss on advance refundings	(221,959)	(224,583)	(385,645)	(180,723)	(180,722)	(259,780)	(263,756)	(261,387)	(261,387)	(295,684)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(531,784)</b>	<b>(1,186,508)</b>	<b>(1,431,480)</b>	<b>(1,922,021)</b>	<b>(2,056,221)</b>	<b>(2,232,883)</b>	<b>(2,664,905)</b>	<b>(2,805,463)</b>	<b>(2,906,512)</b>	<b>(3,024,381)</b>
<b>Excess before contributions</b>	<b>5,659,718</b>	<b>3,541,941</b>	<b>3,242,577</b>	<b>2,365,778</b>	<b>2,244,949</b>	<b>2,035,678</b>	<b>409,019</b>	<b>540,582</b>	<b>474,197</b>	<b>1,497,577</b>
<b>Capital contributions</b>	<b>591,178</b>	<b>1,325,622</b>	<b>782,979</b>	<b>638,822</b>	<b>434,274</b>	<b>15,742</b>	<b>252,240</b>	<b>46,872</b>	<b>50,145</b>	<b>155,887</b>
<b>Cumulative effect of change in accounting principle</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,181,454</b>	<b>-</b>	<b>-</b>	<b>(448,970)</b>	<b>-</b>
<b>Change in Net Position</b>	<b>\$ 6,250,896</b>	<b>\$ 4,867,563</b>	<b>\$ 4,025,556</b>	<b>\$ 3,004,600</b>	<b>\$ 2,679,223</b>	<b>\$ 3,232,874</b>	<b>\$ 661,259</b>	<b>\$ 587,454</b>	<b>\$ 75,372</b>	<b>\$ 1,653,464</b>

## WATER UTILITY CITY OF GREEN BAY, WISCONSIN

### OPERATING REVENUES BY SOURCE - LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Metered Sales:										
Residential	\$ 7,663,060	\$ 7,013,327	\$ 6,414,239	\$ 6,147,021	\$ 6,304,242	\$ 6,132,565	\$ 5,960,672	\$ 5,983,387	\$ 6,053,638	\$ 5,868,601
Commercial	3,597,822	3,677,571	3,403,825	3,273,444	3,289,651	3,054,456	2,922,135	2,811,931	2,806,298	2,797,272
Industrial	5,450,345	5,219,982	4,820,093	4,740,471	4,323,113	4,373,034	4,057,829	4,050,376	4,071,939	4,456,945
Public Authority	369,660	443,568	503,235	454,138	477,730	438,716	382,658	371,861	383,324	339,217
Wholesale	3,894,966	3,434,908	3,251,388	3,281,062	3,150,957	2,851,616	2,717,086	2,460,738	2,417,579	2,211,718
<b>Total Metered Sales</b>	<b>20,975,853</b>	<b>19,789,356</b>	<b>18,392,780</b>	<b>17,896,136</b>	<b>17,545,693</b>	<b>16,850,387</b>	<b>16,040,380</b>	<b>15,678,293</b>	<b>15,732,778</b>	<b>15,673,753</b>
Private Fire Protection	150,444	140,085	136,171	136,032	133,439	131,784	129,493	124,329	125,895	124,427
Public Fire Protection	1,364,722	1,340,187	1,621,169	1,648,626	1,647,390	1,648,897	1,552,420	1,472,546	1,361,694	1,359,241
Customer Late Payment Charges	73,934	152,709	132,069	145,078	140,112	140,257	150,780	144,360	147,978	153,069
Sewer/stormwater Collection Revenue	1,255,747	1,113,612	1,107,529	1,010,436	1,136,437	1,088,069	1,097,203	979,465	983,178	919,143
Other Operating Revenues	304,798	278,140	281,558	283,799	262,389	211,171	224,078	204,832	195,659	187,644
<b>Total Operating Revenue</b>	<b>\$ 24,125,498</b>	<b>\$ 22,814,089</b>	<b>\$ 21,671,276</b>	<b>\$ 21,120,107</b>	<b>\$ 20,865,460</b>	<b>\$ 20,070,565</b>	<b>\$ 19,194,354</b>	<b>\$ 18,603,825</b>	<b>\$ 18,547,182</b>	<b>\$ 18,417,277</b>

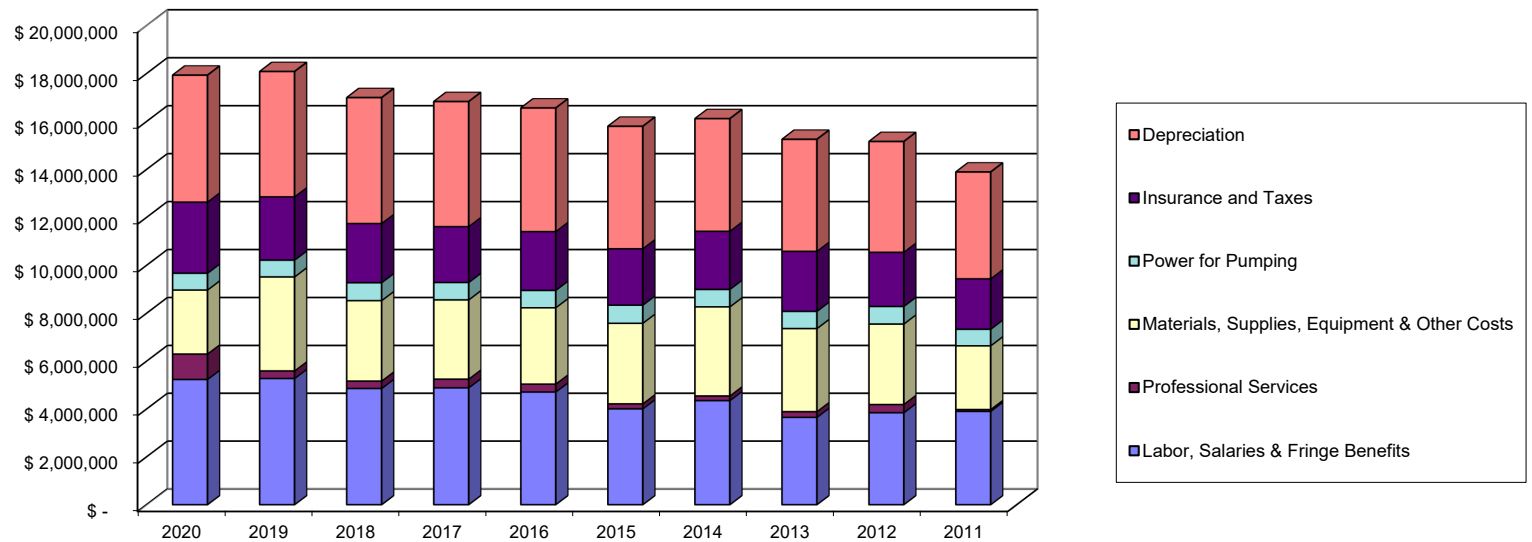


## WATER UTILITY CITY OF GREEN BAY, WISCONSIN

### OPERATING EXPENSES BY OBJECT - LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Labor, Salaries and Fringe Benefits	\$ 5,237,015	\$ 5,277,984	\$ 4,859,923	\$ 4,887,097	\$ 4,712,251	\$ 4,009,150	\$ 4,353,876	\$ 3,651,791	\$ 3,846,347	\$ 3,901,982
Professional Services	1,063,897	315,280	309,726	363,553	330,185	208,279	193,794	238,453	342,539	77,703
Materials, Supplies, Equipment and Other Costs (1)	2,670,102	3,924,720	3,359,758	3,310,052	3,189,902	3,367,310	3,722,090	3,474,548	3,363,988	2,664,794
Power for Pumping	701,814	700,620	747,983	725,704	724,700	756,644	727,674	717,700	734,040	692,057
Insurance and Taxes	2,965,496	2,638,334	2,466,654	2,328,663	2,452,124	2,351,458	2,424,483	2,501,793	2,257,131	2,101,632
Operating Expenses before Depreciation	12,638,324	12,856,938	11,744,044	11,615,069	11,409,162	10,692,841	11,421,917	10,584,285	10,544,045	9,438,168
Depreciation	5,295,672	5,228,702	5,253,175	5,217,239	5,155,128	5,109,163	4,698,513	4,673,495	4,622,428	4,457,151
<b>Total Operating Expenses</b>	<b>\$ 17,933,996</b>	<b>\$ 18,085,640</b>	<b>\$ 16,997,219</b>	<b>\$ 16,832,308</b>	<b>\$ 16,564,290</b>	<b>\$ 15,802,004</b>	<b>\$ 16,120,430</b>	<b>\$ 15,257,780</b>	<b>\$ 15,166,473</b>	<b>\$ 13,895,319</b>

(1) Materials, supplies, equipment and other costs include chemicals.



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**NONOPERATING REVENUES AND EXPENSES - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Interest income	\$319,661	\$607,969	\$275,633	\$222,044	\$181,549	\$177,081	\$239,425	\$287,274	\$294,032	\$309,596
Grant revenue	205,400	-	-	-	-	-	-	-	-	-
Miscellaneous income	216,220	177,538	144,923	149,382	36,502	46,911	45,539	15,813	15,444	23,349
Interest and fiscal charges	(1,472,722)	(1,970,057)	(1,693,833)	(2,340,166)	(2,320,992)	(2,424,537)	(2,838,129)	(2,984,093)	(3,091,531)	(3,198,572)
Amortization of debt premium	421,616	373,759	227,442	227,442	227,442	227,442	152,016	136,930	136,930	136,930
Amortization of loss on advance refundings	(221,959)	(375,717)	(385,645)	(180,723)	(180,722)	(259,780)	(263,756)	(261,387)	(261,387)	(295,684)
<b>Total Nonoperating Revenues and (Expenses)</b>	<b>(\$531,784)</b>	<b>(\$1,186,508)</b>	<b>(\$1,431,480)</b>	<b>(\$1,922,021)</b>	<b>(\$2,056,221)</b>	<b>(\$2,232,883)</b>	<b>(\$2,664,905)</b>	<b>(\$2,805,463)</b>	<b>(\$2,906,512)</b>	<b>(\$3,024,381)</b>

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**CAPITAL CONTRIBUTIONS BY SOURCE - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Special assessments billed on water mains installed	\$ -	\$ 476,022	\$ -	\$ -	\$ 62,236	\$ -	\$ 91,911	\$ 28,638	\$ 6,713	\$ 178
Special assessments billed on water laterals installed	-	76,500	-	-	7,056	15,742	70,848	18,234	38,241	43,763
Total special assessments billed	-	552,522	-	-	69,292	15,742	162,759	46,872	44,954	43,941
Developers' contributions of new subdivision mains & laterals	591,178	773,100	782,979	638,822	364,982	-	89,481	-	5,191	111,946
Total capital contributions billed	<u>\$ 591,178</u>	<u>\$ 1,325,622</u>	<u>\$ 782,979</u>	<u>\$ 638,822</u>	<u>\$ 434,274</u>	<u>\$ 15,742</u>	<u>\$ 252,240</u>	<u>\$ 46,872</u>	<u>\$ 50,145</u>	<u>\$ 155,887</u>
Total capital contributions collected	<u>\$ 591,178</u>	<u>\$ 1,325,622</u>	<u>\$ 782,979</u>	<u>\$ 638,822</u>	<u>\$ 434,274</u>	<u>\$ 15,742</u>	<u>\$ 252,240</u>	<u>\$ 46,872</u>	<u>\$ 50,145</u>	<u>\$ 155,887</u>

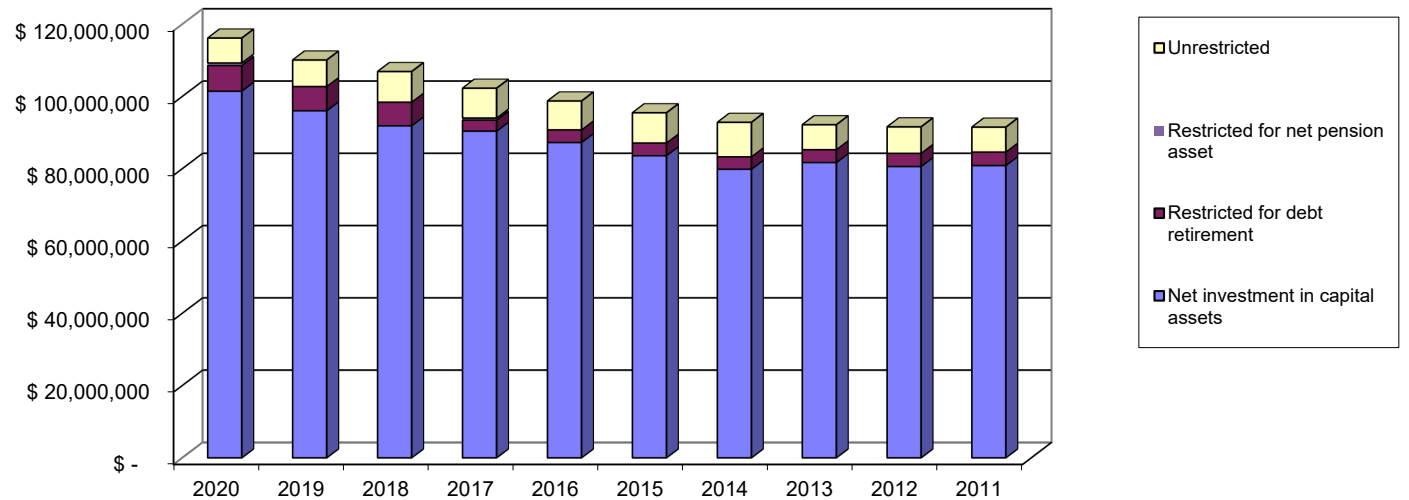
Note: Total special assessments billed consists mainly of special assessments installments placed on the City's tax roll. The City reimburses the Water Utility within 30 days of being invoiced by the Utility and then records the assessments on the City's financial statements as a receivable.

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**NET POSITION BY COMPONENT - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Net investment in capital assets	\$ 101,456,742	\$ 96,040,064	\$ 91,883,099	\$ 90,401,893	\$ 87,255,877	\$ 83,599,544	\$ 79,864,867	\$ 81,704,282	\$ 80,606,564	\$ 80,871,378
Restricted for debt retirement	7,095,794	6,697,747	6,529,150	3,049,249	3,500,834	3,524,289	3,440,245	3,571,906	3,658,193	3,741,358
Restricted for private service replacement	68,642	39,356	36,485	56,252	5,998	-	-	-	-	-
Restricted for net pension asset	858,420	-	718,059	-	-	585,000	-	-	-	-
Unrestricted	6,889,789	7,341,324	8,479,107	8,240,862	7,980,947	8,355,600	9,526,447	6,894,112	7,318,089	6,894,738
<b>Total Net Position</b>	<b>\$ 116,369,387</b>	<b>\$ 110,118,491</b>	<b>\$ 107,645,900</b>	<b>\$ 101,748,256</b>	<b>\$ 98,743,656</b>	<b>\$ 96,064,433</b>	<b>\$ 92,831,559</b>	<b>\$ 92,170,300</b>	<b>\$ 91,582,846</b>	<b>\$ 91,507,474</b>

**Net Position by Component**



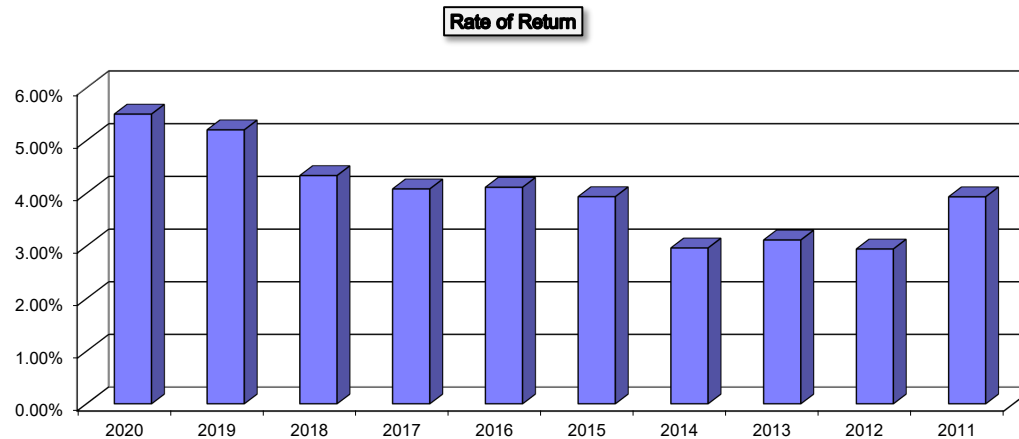
**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**RETURN ON RATE BASE (PSCW METHOD) - LAST TEN YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Utility plant in service - average	\$ 208,672,544	\$ 203,554,124	\$ 199,402,909	\$ 194,330,005	\$ 189,321,489	\$ 184,349,217	\$ 181,083,519	\$ 178,939,268	\$ 176,604,649	\$ 172,480,167
Less: Accum deprec - average	83,448,887	79,398,523	75,116,786	70,667,498	66,281,769	62,269,470	58,612,955	54,833,982	51,177,234	47,748,751
Plus: Materials & supplies - average	513,053	522,481	520,809	476,039	474,328	485,932	470,320	430,643	407,089	427,543
Less: Regulatory liability - average (2)	704,699	906,041	1,107,383	1,308,726	1,510,069	1,711,411	1,912,753	2,114,096	2,315,438	2,516,781
<b>Average Net Rate Base</b>	<b>\$ 125,032,011</b>	<b>\$ 123,772,041</b>	<b>\$ 123,699,549</b>	<b>\$ 122,829,820</b>	<b>\$ 122,003,979</b>	<b>\$ 120,854,268</b>	<b>\$ 121,028,131</b>	<b>\$ 122,421,833</b>	<b>\$ 123,519,066</b>	<b>\$ 122,642,178</b>
<b>Operating Income (1)</b>	<b>\$ 6,878,493</b>	<b>\$ 6,439,163</b>	<b>\$ 5,362,947</b>	<b>\$ 5,014,153</b>	<b>\$ 5,018,208</b>	<b>\$ 4,756,089</b>	<b>\$ 3,585,329</b>	<b>\$ 3,812,089</b>	<b>\$ 3,634,999</b>	<b>\$ 4,823,217</b>
Actual Rate of Return	5.50%	5.20%	4.34%	4.08%	4.11%	3.94%	2.96%	3.11%	2.94%	3.93%
PSCW Authorized Rate of Return	3.90%	3.20%	3.20%	2.84%	2.84%	2.84%	2.27%	2.77%	2.52%	2.52%

(1) - The property tax equivalent remains an operating expense for rate setting purposes of the PSCW.

(2) - The PSCW has modified the calculation of the rate of return effective January 1, 2004 by reclassifying the pre-2003 contributions in aid of construction and additional accumulated depreciation as a regulatory liability. The PSCW has also modified the calculation of the rate of return effective January 1, 2015 by reclassifying a portion of the effects of the implementation of GASB 68 on the current year pension expense as a regulatory liability.



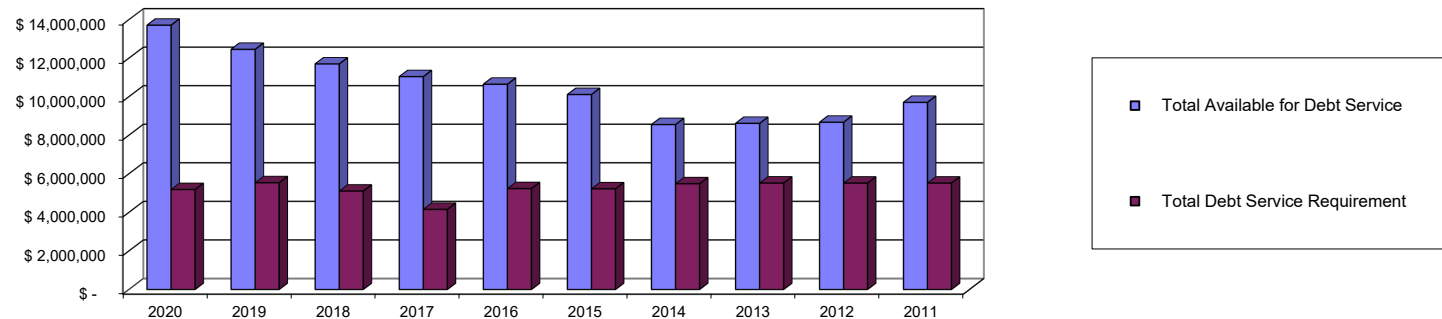


**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**REVENUE BOND COVERAGE AND DEBT RATIOS - LAST TEN YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net Income (Change in Net Position)	\$ 6,250,896	\$ 4,867,563	\$ 4,025,556	\$ 3,004,600	\$ 2,679,223	\$ 2,051,420	\$ 661,259	\$ 587,454	\$ 524,342	\$ 1,653,464
Add Back:										
Depreciation	5,651,245	5,484,684	5,686,117	5,606,614	5,556,148	5,467,420	4,805,319	4,782,185	4,796,086	4,559,253
Amortization	331,110	129,495	289,656	84,734	84,733	163,791	243,193	255,910	255,910	290,207
Interest Expense	1,472,722	1,970,057	1,693,833	2,340,166	2,320,992	2,424,537	2,838,129	2,984,093	3,091,531	3,198,572
Total Available for Debt Service	<u>\$ 13,705,973</u>	<u>\$ 12,451,799</u>	<u>\$ 11,695,162</u>	<u>\$ 11,036,114</u>	<u>\$ 10,641,096</u>	<u>\$ 10,107,168</u>	<u>\$ 8,547,900</u>	<u>\$ 8,609,642</u>	<u>\$ 8,667,869</u>	<u>\$ 9,701,496</u>
Debt Service Requirement:										
Principal	\$ 3,705,000	\$ 3,560,000	\$ 3,405,000	\$ 1,810,000	\$ 2,905,000	\$ 2,790,000	\$ 2,640,000	\$ 2,530,000	\$ 2,420,000	\$ 2,315,000
Interest	1,472,722	1,970,057	1,693,833	2,340,166	2,320,992	2,424,537	2,838,129	2,984,093	3,091,531	3,198,572
Total Debt Service Requirement	<u>\$ 5,177,722</u>	<u>\$ 5,530,057</u>	<u>\$ 5,098,833</u>	<u>\$ 4,150,166</u>	<u>\$ 5,225,992</u>	<u>\$ 5,214,537</u>	<u>\$ 5,478,129</u>	<u>\$ 5,514,093</u>	<u>\$ 5,511,531</u>	<u>\$ 5,513,572</u>
Coverage	2.65	2.25	2.29	2.66	2.04	1.94	1.56	1.56	1.57	1.76
Debt Ratio:										
Total Liabilities	\$ 56,463,629	\$ 60,613,697	\$ 57,494,816	\$ 61,957,249	\$ 63,641,807	\$ 66,060,315	\$ 68,092,234	\$ 70,211,592	\$ 73,023,076	\$ 77,676,120
Total Assets	<u>\$ 172,741,200</u>	<u>\$ 168,614,009</u>	<u>\$ 162,545,816</u>	<u>\$ 161,784,345</u>	<u>\$ 161,173,139</u>	<u>\$ 161,529,710</u>	<u>\$ 160,923,793</u>	<u>\$ 162,381,892</u>	<u>\$ 164,605,922</u>	<u>\$ 163,725,610</u>
Debt Ratio Percentage	32.69%	35.95%	35.37%	38.30%	39.49%	40.90%	42.31%	43.24%	44.36%	47.44%
Revenue bonds outstanding at year-end <sup>(1)</sup>	\$ 44,321,827	\$ 48,448,445	\$ 51,811,133	\$ 55,262,853	\$ 57,119,573	\$ 60,071,293	\$ 62,828,955	\$ 65,352,589	\$ 67,758,131	\$ 69,604,705
Outstanding debt per capita	\$ 419.34	\$ 458.39	\$ 491.21	\$ 524.10	\$ 543.59	\$ 571.83	\$ 600.03	\$ 626.58	\$ 649.96	\$ 667.67
Outstanding debt per customer	\$ 1,211.87	\$ 1,324.71	\$ 1,418.74	\$ 1,517.54	\$ 1,569.78	\$ 1,654.04	\$ 1,730.49	\$ 1,807.12	\$ 1,877.22	\$ 1,933.79

(1) - net of related premiums, discounts and adjustments

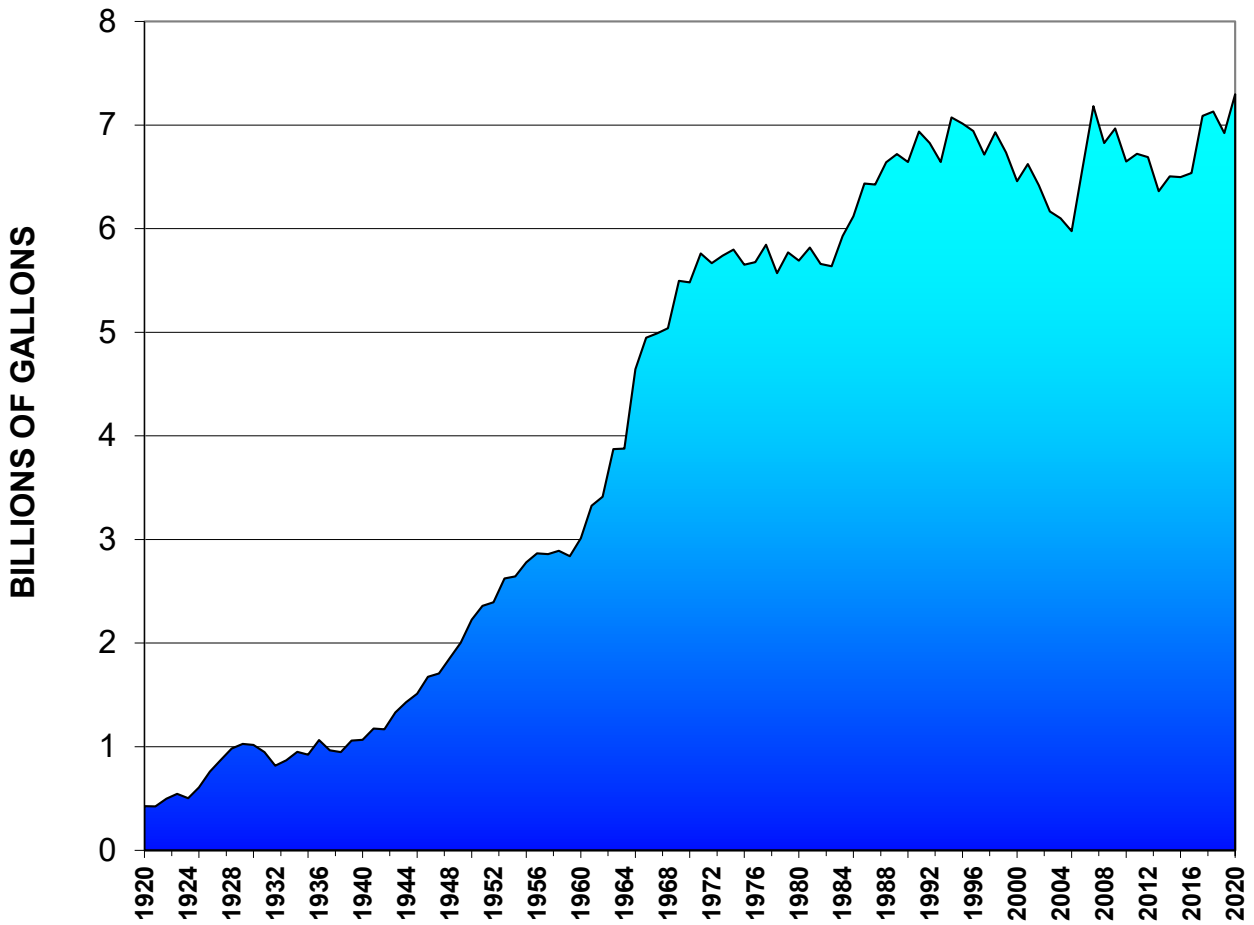


**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

ANNUAL WATER PUMPAGE

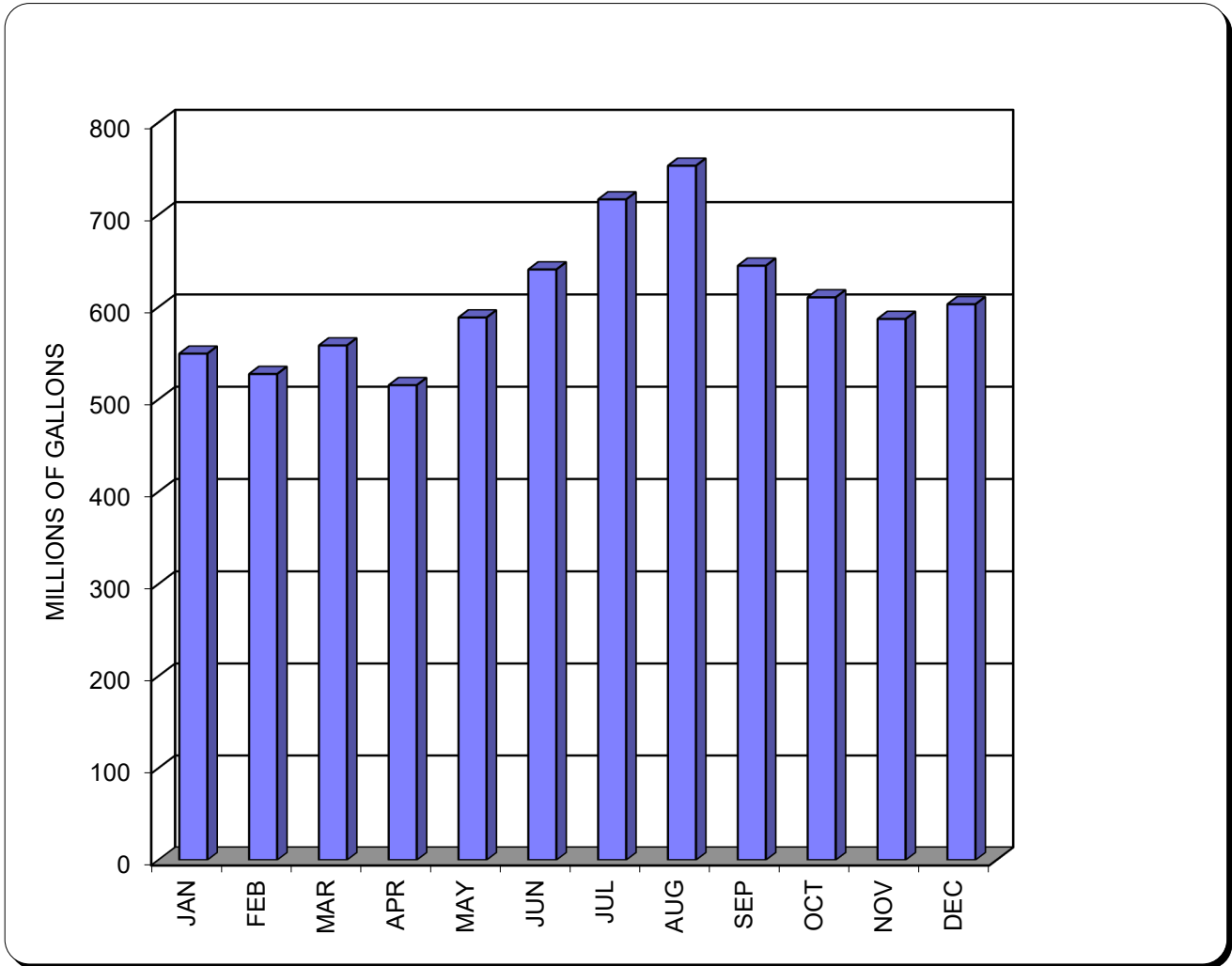
2020	7,297,069,000 gallons
2019	6,923,550,000 gallons
2018	7,129,676,000 gallons
2017	7,088,892,000 gallons
2016	6,537,120,000 gallons

**ANNUAL WATER PUMPAGE  
1920 - 2020**



# WATER UTILITY CITY OF GREEN BAY, WISCONSIN

## MONTHLY WATER PUMPAGE 2020



2020 Pumpage - Lake Michigan-----	7,296,270,993 Gallons
- Water Purchased from Town of Scott-----	798,000 Gallons
2020 Average Daily Pumpage-----	19,989,784 Gallons
2020 Highest Daily Pumpage, August 27, 2020-----	27,059,000 Gallons
2020 Lowest Daily Pumpage, February 9, 2020-----	12,699,000 Gallons
Record High Daily Pumpage, July 7, 1988-----	32,909,000 Gallons

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**WATER PRODUCED AND CONSUMED - LAST TEN YEARS  
GALLONS ARE PRESENTED IN THOUSANDS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gallons produced	7,033,295	6,334,438	6,513,047	6,516,968	6,535,992	6,498,045	6,504,339	6,361,641	6,690,099	6,722,466
Gallons sold <sup>(1)</sup>	(5,988,151)	(5,953,277)	(6,135,481)	(6,066,409)	(5,878,274)	(5,972,675)	(5,954,478)	(6,095,811)	(6,392,999)	(6,400,957)
Gallons used for production and lost due to system leaks	(243,617)	(263,338)	(235,627)	(187,062)	(159,351)	(192,243)	(362,872)	(91,959)	(98,385)	(70,215)
Gallons produced and unaccounted for	801,527	117,823	141,939	263,497	498,367	333,127	186,989	173,871	198,715	251,294
Percent unaccounted for	11.40%	1.86%	2.18%	4.04%	7.62%	5.13%	2.87%	2.73%	2.97%	3.74%
Maximum day pumpage	27,059	27,742	29,584	26,067	27,370	27,772	24,911	25,913	28,398	26,056
Date of maximum pumpage	8/27/20	7/17/19	8/15/18	8/9/17	8/10/16	7/27/15	8/8/14	7/16/13	7/12/12	7/21/11
Minimum day pumpage	12,699	13,980	12,984	13,954	12,719	13,395	12,206	12,996	13,300	12,219
Date of minimum pumpage	2/9/20	12/29/19	12/25/18	12/25/17	3/27/16	3/22/15	7/5/14	3/24/13	12/25/12	12/25/11
Total KWH used for pumping	13,281,057	13,303,689	12,361,996	13,197,754	12,878,027	13,085,528	11,480,570	12,802,763	13,203,586	13,435,570

(1) - includes sales to wholesale customers

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**WATER RATES - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Monthly Meter Charge:</u>										
5/8" & 3/4"	\$ 6.80	\$ 6.17	\$ 6.17	\$ 5.25	\$ 5.25	\$ 5.25	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
1"	10.20	9.20	9.20	7.90	7.90	7.90	7.50	7.50	7.50	7.50
1 1/4"	13.50									
1 1/2"	16.50	15.10	15.10	13.65	13.65	13.65	13.00	13.00	13.00	13.00
2"	24.90	22.80	22.80	22.10	22.10	22.10	21.00	21.00	21.00	21.00
3"	38.80	35.60	35.60	33.60	33.60	33.60	32.00	32.00	32.00	32.00
4"	56.80	52.20	52.20	52.50	52.50	52.50	50.00	50.00	50.00	50.00
6"	95.60	87.80	87.80	81.00	81.00	81.00	77.00	77.00	77.00	77.00
8"	141.30	129.80	129.80	120.00	120.00	120.00	114.00	114.00	111.00	111.00
10"	200.80	184.50	184.50	-	-	-	-	-	-	-
12"	260.40	239.20	239.20	-	-	-	-	-	-	-
Effective date of rate change	06/01/20		10/01/18			11/05/15				
<u>Water billing rate per 1,000 gallons:</u>										
First 25,000 gallons per month	\$ 3.56	\$ 3.46	\$ 3.46	\$ 3.03	\$ 3.03	\$ 3.03	\$ 2.91	\$ 2.75	\$ 2.61	\$ 2.61
Next 350,000 gallons per month	3.42	3.33	3.33	2.91	2.91	2.91	2.65	2.46	2.31	2.31
Usage over 375,000 gallons per month	2.53	2.42	2.42	2.21	2.21	2.21	2.07	1.90	1.75	1.75
Effective date of rate change	06/01/20		10/01/18			11/05/15	07/15/14	03/06/13		
<u>Monthly Public Fire Protection Charge:</u>										
5/8" & 3/4"	\$ 2.45	\$ 2.40	\$ 2.40	\$ 2.97	\$ 2.97	\$ 2.97	\$ 2.97	\$ 2.75	\$ 2.47	\$ 2.47
1"	6.10	6.10	6.10	7.40	7.40	7.40	7.40	6.90	6.20	6.20
1 1/4"	9.10									
1 1/2"	12.30	12.00	12.00	14.90	14.90	14.90	14.90	13.80	12.40	12.40
2"	19.60	19.00	19.00	23.80	23.80	23.80	23.80	22.10	19.80	19.80
3"	36.80	36.00	36.00	44.50	44.50	44.50	44.50	41.30	37.00	37.00
4"	61.30	61.00	61.00	74.00	74.00	74.00	74.00	68.80	62.00	62.00
6"	122.60	121.00	121.00	148.00	148.00	148.00	148.00	137.60	124.00	124.00
8"	196.10	194.00	194.00	237.00	237.00	237.00	237.00	220.10	198.00	198.00
10"	294.20	291.00	291.00	-	-	-	-	-	-	-
12"	392.30	388.00	388.00	-	-	-	-	-	-	-
Effective date of rate change	06/01/20		10/01/18				07/15/14	03/06/13		

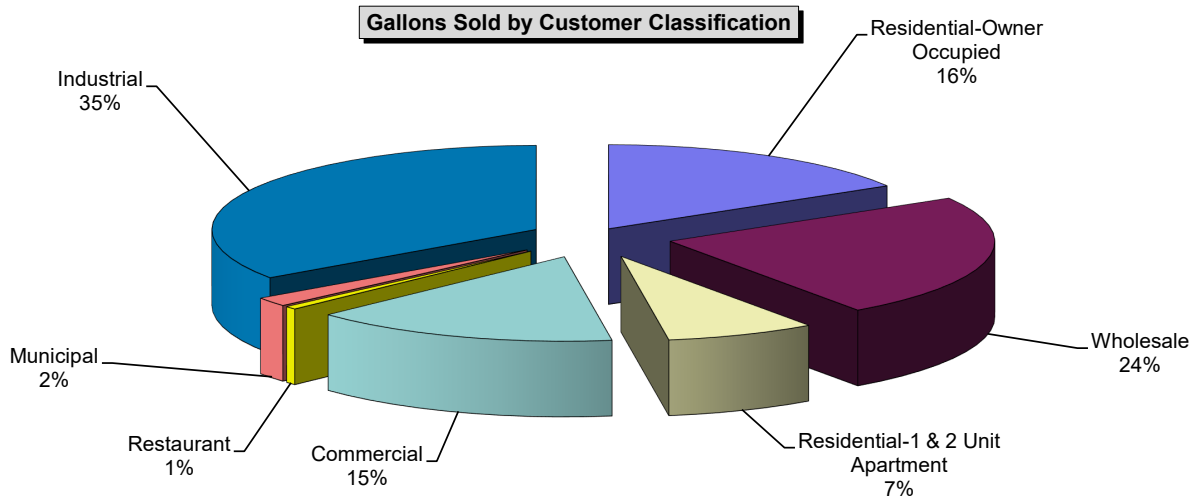
Notes:

Changes in water rates must be approved by the State of Wisconsin Public Service Commission.

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**ANALYSIS OF OPERATING REVENUE - 2020**

Classification	Gallons	Revenue	Average Number of Customers Billed	Average Daily Consumption Per Customer
Residential-Owner Occupied	985,177,059	\$ 5,333,520	22,574	120 Gallons
Residential-1 & 2 Unit Apartment	445,353,986	2,329,540	9,728	125 Gallons
Restaurant	34,954,354	139,634	152	630 Gallons
Commercial	915,965,914	3,458,188	3,316	757 Gallons
Industrial	2,078,099,001	5,450,345	165	34,506 Gallons
Municipal	105,658,800	369,660	232	1,248 Gallons
Wholesale	1,422,941,344	3,894,966	4	---
Private Fire Protection	---	150,444	492	---
Public Fire Protection	---	1,364,722	---	---
Customer Late Payment Penalties	---	73,934	---	---
Sewer Collection Revenue	---	1,255,747	---	---
Other Operating Revenue	---	304,798	---	---
<b>Totals</b>	<b><u>5,988,150,458</u></b>	<b><u>\$ 24,125,498</u></b>	<b><u>36,663</u></b>	



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**USAGE SCHEDULE OF THE CURRENT TWELVE LARGEST CONSUMERS  
For the Years Ended December 31, 2020 and 2019**

Name of Customer	Gallons Used		Increase (Decrease)
	2020	2019	
Village of Ashwaubenon	1,178,763,476	1,186,706,488	(7,943,012)
Procter & Gamble	522,145,050	503,444,504	18,700,546
Georgia-Pacific	366,654,543	395,882,680	(29,228,137)
JBS Green Bay	355,638,111	368,165,847	(12,527,736)
American Foods Group	277,756,650	281,926,690	(4,170,040)
Bay Valley Foods	211,223,681	237,385,602	(26,161,921)
Green Bay Packaging	277,017,484	191,284,828	85,732,656
Village of Hobart	139,407,004	116,794,216	22,612,788
Village of Wrightstown	67,242,208	68,988,040	(1,745,832)
Bellin Health	33,506,144	46,278,177	(12,772,033)
Aurora Health Care	46,597,677	44,132,030	2,465,647
HSHS St. Vincent Hospital	36,693,447	37,757,110	(1,063,663)
Totals	3,512,645,475	3,478,746,212	33,899,263
Percentage of Metered Water	58.66%	58.06%	0.60%

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

REVENUE SCHEDULE OF THE TWELVE LARGEST CONSUMERS - LAST TEN YEARS

Name of Customer	2020		2019		2018		2017		2016	
	Amount	% of Oper Revenue	Amount	% of Oper Revenue	Amount	% of Oper Revenue	Amount	% of Oper Revenue	Amount	% of Oper Revenue
Village of Ashwaubenon	\$ 2,952,509	12.24%	\$ 2,903,163	12.73%	\$ 2,721,979	12.56%	\$ 2,793,770	13.23%	\$ 2,804,817	14.16%
Georgia-Pacific	950,146	3.94%	999,289	4.38%	948,559	4.38%	1,051,372	4.98%	1,004,411	5.07%
Procter & Gamble	1,331,354	5.52%	1,250,072	5.48%	1,065,695	4.92%	1,055,098	5.00%	892,735	4.51%
JBS Green Bay	904,156	3.75%	912,367	4.00%	837,681	3.87%	792,364	3.75%	707,612	3.57%
American Foods Group	731,502	3.03%	719,893	3.16%	641,117	2.96%	590,607	2.80%	559,195	2.82%
Bay Valley Foods	534,509	2.22%	581,576	2.55%	527,021	2.43%	450,495	2.13%	436,784	2.20%
Green Bay Packaging	716,121	2.97%	489,048	2.14%	449,130	2.07%	443,762	2.10%	393,515	1.99%
Village of Hobart	349,705	1.45%	285,740	1.25%	275,325	1.27%	225,291	1.07%	214,450	1.08%
Bellin Health	108,467	0.45%	137,933	0.60%	131,455	0.61%	120,201	0.57%	142,146	0.72%
Aurora Health Care	143,124	0.59%	134,581	0.59%	131,120	0.61%	144,543	0.68%	128,794	0.65%
Wisc Public Service Corp					125,862	0.58%				
HSBS St. Vincent Hospital	110,082	0.46%	111,339	0.49%					96,617	0.49%
Town of Scott							96,827	0.46%	90,876	0.46%
Village of Wrightstown	165,921	0.69%	166,936	0.73%	160,256	0.74%	200,397	0.95%		
<b>Totals</b>	<b>\$ 8,997,596</b>	<b>37.29%</b>	<b>\$ 8,691,937</b>	<b>38.10%</b>	<b>\$ 8,015,200</b>	<b>36.99%</b>	<b>\$ 7,964,727</b>	<b>37.71%</b>	<b>\$ 7,471,952</b>	<b>37.71%</b>

Name of Customer	2015		2014		2013		2012		2011	
	Amount	% of Oper Revenue	Amount	% of Oper Revenue	Amount	% of Oper Revenue	Amount	% of Oper Revenue	Amount	% of Oper Revenue
Village of Ashwaubenon	\$ 2,562,371	13.44%	\$ 2,420,081	13.32%	\$ 2,177,423	12.30%	\$ 2,157,758	12.23%	\$ 2,029,400	11.55%
Georgia-Pacific	1,040,061	5.45%	967,245	5.32%	1,002,521	5.66%	1,051,940	5.96%	928,516	5.28%
Procter & Gamble	1,144,229	6.00%	1,086,662	5.98%	1,055,999	5.97%	1,189,974	6.75%	1,455,966	8.29%
JBS Green Bay	665,163	3.49%	615,100	3.38%	612,415	3.46%	561,736	3.18%	611,492	3.48%
American Foods Group	495,649	2.60%	447,006	2.46%	427,416	2.41%	411,317	2.33%	418,636	2.38%
Bay Valley Foods	360,751	1.89%	290,177	1.60%	225,637	1.27%	232,763	1.32%	206,064	1.17%
Green Bay Packaging	342,048	1.79%	297,661	1.64%	276,827	1.56%	258,445	1.47%	444,193	2.53%
Village of Hobart	202,109	1.06%	204,814	1.13%	192,467	1.09%	183,400	1.04%	100,249	0.57%
Bellin Health	112,657	0.59%	105,162	0.58%	97,775	0.55%	93,218	0.53%	94,317	0.54%
Aurora Health Care	110,622	0.58%	123,184	0.68%						
Wisc Public Service Corp	97,450	0.51%	128,392	0.71%	147,874	0.84%	129,744	0.74%	163,595	0.93%
HSBS St. Vincent Hospital					98,234	0.55%	101,732	0.58%	90,705	0.52%
Town of Scott	87,136	0.46%	92,191	0.51%	90,849	0.51%	76,420	0.43%	82,069	0.47%
<b>Totals</b>	<b>\$ 7,220,246</b>	<b>37.87%</b>	<b>\$ 6,777,675</b>	<b>37.30%</b>	<b>\$ 6,405,437</b>	<b>36.19%</b>	<b>\$ 6,448,447</b>	<b>36.56%</b>	<b>\$ 6,625,202</b>	<b>37.70%</b>



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**TWELVE LARGEST CONSUMERS  
CURRENT YEAR AND NINE YEARS AGO**

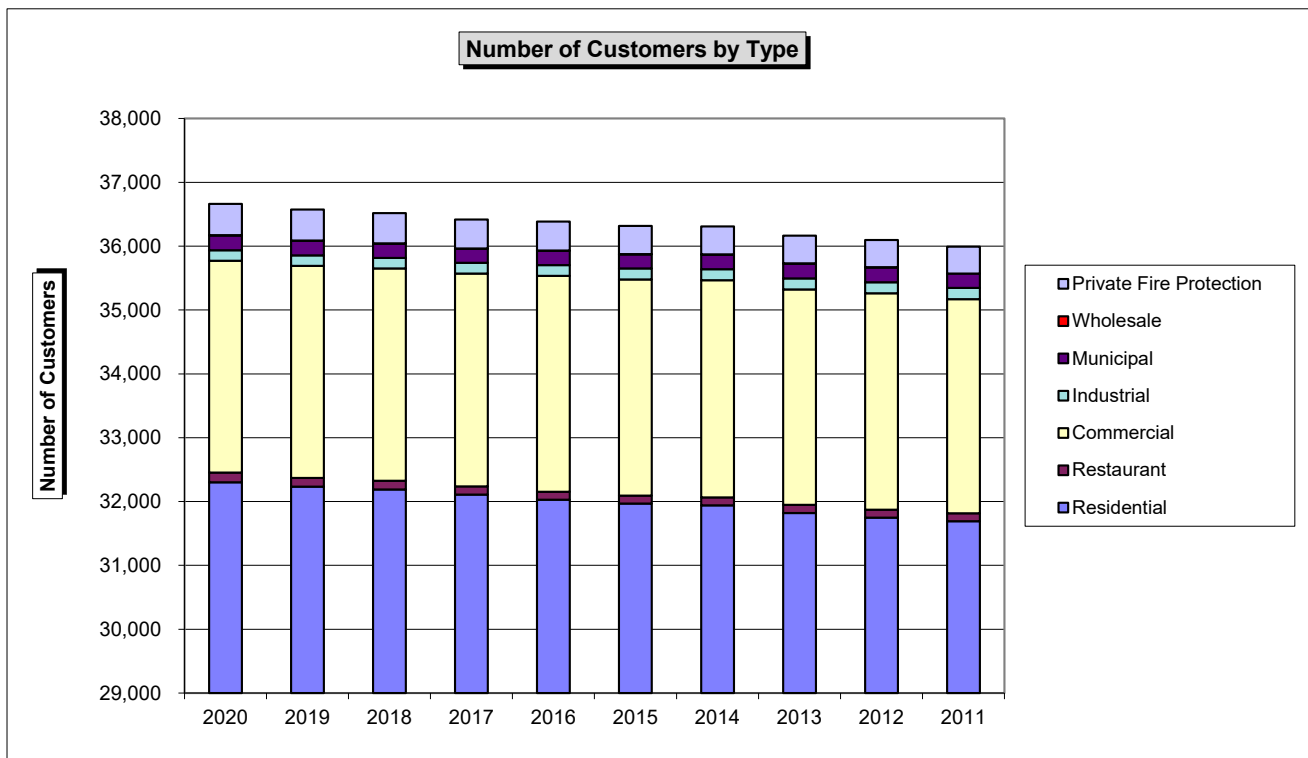
Name of Customer	<u>2020</u>			
	Amount	% of Oper Revenue	Gallons Used	% of Water Metered
Village of Ashwaubenon	\$ 2,952,509	12.24%	1,178,763,476	19.68%
Procter & Gamble	1,331,354	5.52%	522,145,050	8.72%
Georgia-Pacific	950,146	3.94%	366,654,543	6.12%
JBS Green Bay	904,156	3.75%	355,638,111	5.94%
American Foods Group	731,502	3.03%	277,756,650	4.64%
Bay Valley Foods	534,509	2.22%	211,223,681	3.53%
Green Bay Packaging	716,121	2.97%	277,017,484	4.63%
Village of Hobart	349,705	1.45%	139,407,004	2.33%
Village of Wrightstown	165,921	0.69%	67,242,208	1.12%
Bellin Health	108,467	0.45%	33,506,144	0.56%
Aurora Health Care	143,124	0.59%	46,597,677	0.78%
HSHS St. Vincent Hospital	110,082	0.46%	36,693,447	0.61%
Totals	\$ 8,997,596	37.29%	3,512,645,475	58.66%

Name of Customer	<u>2011</u>			
	Amount	% of Oper Revenue	Gallons Used	% of Water Metered
Village of Ashwaubenon	\$ 2,029,400	11.55%	1,146,518,692	17.91%
Procter & Gamble	1,455,966	8.29%	820,446,418	12.82%
Georgia-Pacific	928,516	5.28%	512,162,287	8.00%
JBS Green Bay	611,492	3.48%	338,816,765	5.29%
Green Bay Packaging	444,193	2.53%	241,686,908	3.78%
American Foods Group	418,636	2.38%	224,106,395	3.50%
Bay Valley Foods	206,064	1.17%	114,493,368	1.79%
Wisconsin Public Service Corp	163,595	0.93%	82,541,344	1.29%
Village of Hobart	100,249	0.57%	56,636,316	0.88%
Bellin Health	94,317	0.54%	42,469,121	0.66%
HSHS St. Vincent Hospital	90,705	0.52%	42,356,375	0.66%
Town of Scott	82,069	0.47%	46,860,704	0.73%
Totals	\$ 6,625,202	37.70%	3,669,094,693	57.32%

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

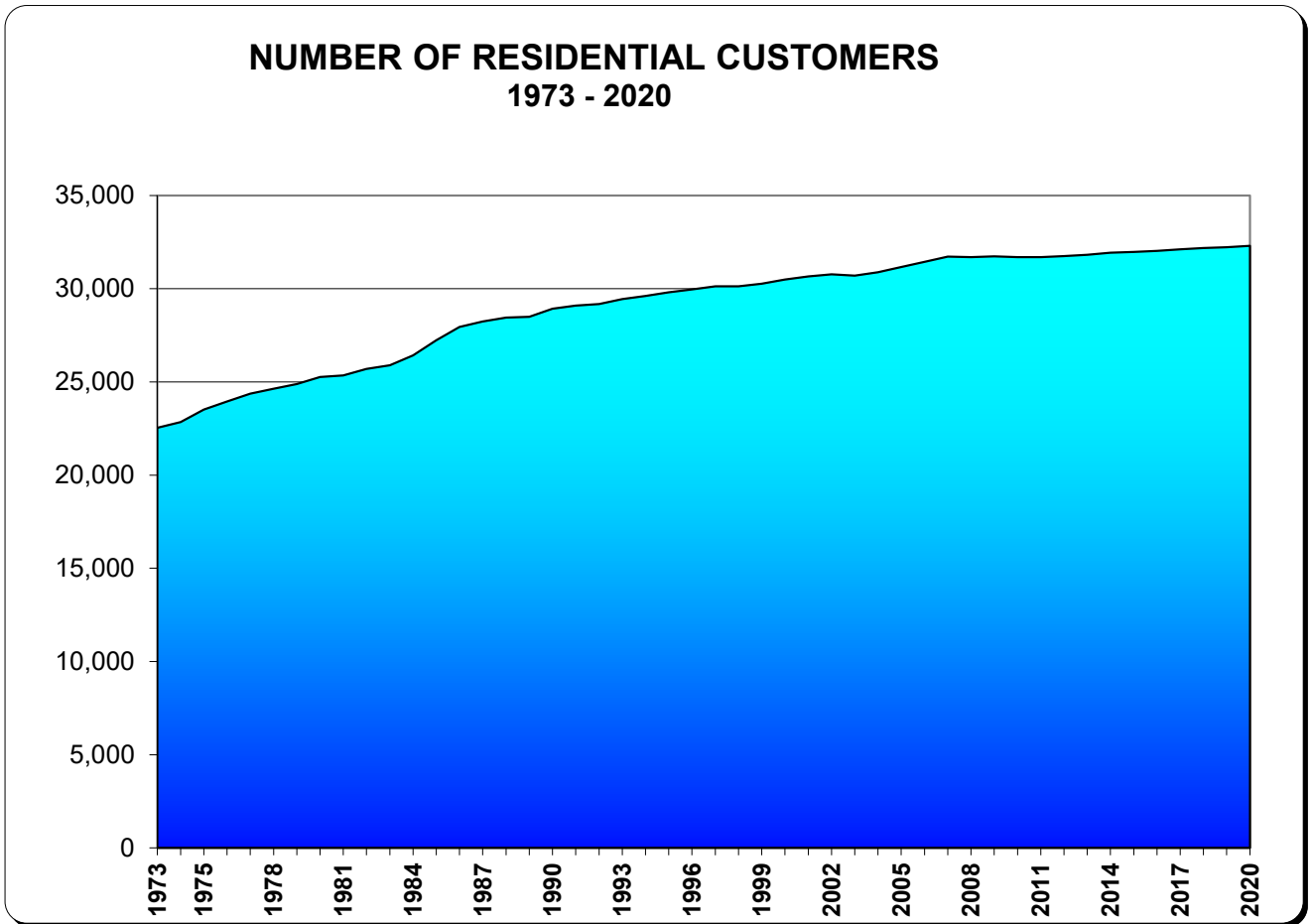
**NUMBER OF CUSTOMERS BY TYPE - LAST TEN YEARS**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Residential	32,302	32,232	32,188	32,108	32,027	31,968	31,939	31,818	31,746	31,691
Restaurant	152	139	139	127	127	125	126	130	126	126
Commercial	3,316	3,320	3,325	3,336	3,379	3,384	3,401	3,375	3,388	3,353
Industrial	165	163	162	168	172	174	171	173	174	176
Municipal	232	232	228	219	222	220	231	232	232	223
Wholesale	4	4	4	4	4	3	3	3	3	3
Private Fire Protection	492	483	473	454	456	444	436	433	426	422
<b>Totals</b>	<b>36,663</b>	<b>36,573</b>	<b>36,519</b>	<b>36,416</b>	<b>36,387</b>	<b>36,318</b>	<b>36,307</b>	<b>36,164</b>	<b>36,095</b>	<b>35,994</b>



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**RESIDENTIAL CUSTOMER ANALYSIS**



**RESIDENTIAL CUSTOMERS**

	Five Year Record				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Average Number of Customers	32,302	32,232	32,188	32,108	32,027
Average Annual Usage Per Customer (Gallons)	44,286	41,668	44,150	42,800	44,296
Average Annual Billings Per Customer	\$ 237.24	\$ 217.51	\$ 199.27	\$ 191.49	\$ 196.84
Rate Increases	6/1/20	---	10/01/18	---	---
Approximate % Increase	4.4%	---	4.0%	---	---

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Population - City of Green Bay	105,599	105,693	105,477	105,443	105,079	105,051	104,710	104,300	104,275	104,250
Unemployment Rate (1)										
Green Bay Metropolitan Area	6.0%	3.2%	3.0%	3.2%	3.8%	4.2%	5.1%	6.2%	6.5%	7.1%
State of Wisconsin	6.3%	3.3%	3.0%	3.3%	4.1%	4.6%	5.5%	6.7%	6.9%	7.5%
Building Permits - City of Green Bay										
Number of New Residential Projects	71	72	110	100	112	69	67	79	48	41
Value of New Residential Projects (\$000's)	\$ 20,020	\$ 21,831	\$ 32,316	\$ 26,941	\$ 31,321	\$ 21,771	\$ 29,961	\$ 17,732	\$ 10,227	\$ 7,193
Number of Total Building Permits	2,995	3,326	3,088	3,037	2,877	2,753	2,236	2,206	2,318	2,386
Value of Total Building Projects (\$000's)	\$ 348,827	\$ 173,504	\$ 184,284	\$ 143,678	\$ 219,869	\$ 182,138	\$ 120,215	\$ 69,038	\$ 221,223	\$ 80,886
Personal Income - Green Bay Metro Area										
Total (million \$)	(2)	\$ 17,108	\$ 16,575	\$ 15,679	\$ 15,047	\$ 14,852	\$ 14,282	\$ 13,685	\$ 13,537	\$ 12,796
Per Capita	(2)	\$ 52,981	\$ 51,575	\$ 49,044	\$ 47,413	\$ 47,050	\$ 45,483	\$ 43,870	\$ 43,582	\$ 41,462

(1) - Unemployment rate is annual average not seasonally adjusted.

(2) - Personal income information for most recent year not available at time of publication.

Green Bay Metro Area - defined as an area consisting of a recognized population nucleus and adjacent communities that have a high degree of integration with that nucleus.

Sources: Wisconsin Department of Administration  
 Wisconsin Department of Workforce Development  
 City of Green Bay Planning Department  
 U.S. Department of Commerce Bureau of Economic Analysis

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**TEN LARGEST METROPOLITAN AREA PRIVATE EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

Name of Employer	2020		
	Number of Employees	Percent of Total Metro Area Employment	Type of Business
Bellin Health *	3,140	1.83%	Integrated health care
Humana	2,846	1.66%	Health insurance company
Oneida Nation	2,789	1.63%	Tribal enterprises and government
Schneider National, Inc.	2,626	1.53%	Truck load carrier
Aurora Health Care *	2,470	1.44%	Full-service medical care
Georgia-Pacific *	1,937	1.13%	Manufacturer of paper & tissue products
UnitedHealthcare	1,823	1.06%	Health and life insurance
HSHS St. Vincent Hospital *	1,668	0.97%	Acute care hospital
American Foods Group *	1,592	0.93%	Meat distributor
Prevea Health *	1,299	0.76%	Full-service medical care
<b>Total of Ten Largest Employers</b>	<b>22,190</b>	<b>12.95%</b>	

Name of Employer	2011		
	Number of Employees	Percent of Total Metro Area Employment	Type of Business
Humana	3,169	1.83%	Health insurance and related services
Oneida Nation	2,916	1.68%	Tribal enterprises and government
Schneider National, Inc. *	2,631	1.52%	Truck load carrier
Bellin Health *	2,323	1.34%	Integrated health care delivery system
Georgia-Pacific *	2,300	1.33%	Manufacturer of paper & tissue products
UnitedHealthcare	1,867	1.08%	Health and life insurance
Aurora Health Care *	1,709	0.99%	Full-service medical care
HSHS St. Vincent Hospital *	1,636	0.95%	Acute care hospital
Wisconsin Public Service *	1,558	0.90%	Electric and natural gas utility
American Foods Group *	1,503	0.87%	Meat distributor
<b>Total of Ten Largest Employers</b>	<b>21,612</b>	<b>12.49%</b>	

Green Bay metropolitan area's total labor force (2020 = 171,355, 2011 = 173,095)

Data is for the Green Bay metropolitan area. The Green Bay Water Utility is located within the Green Bay metropolitan area.

\* Located within the Green Bay Water Utility's service area.

Source: Green Bay Area Chamber of Commerce

Employer information for most recent year was not available at time of publication. Data reported is from fall 2019.  
Wisconsin Department of Workforce Development

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**CLASSIFICATION OF METERS  
As of December 31, 2020**

Size	Residential & Apartment	Commercial & Restaurant	Industrial	Municipal	Wholesale	Utility Use	In Stock & Deduct	Total
5/8"	16,119	580	13	6	0	0	359	17,077
3/4"	15,881	1,019	29	6	0	0	724	17,659
1"	156	688	29	14	0	0	87	974
1 1/2"	3	649	19	21	0	0	123	815
2"	0	408	40	47	0	0	141	636
3"	0	56	8	24	0	0	42	130
4"	0	21	8	11	0	0	25	65
6"	0	2	9	1	4	0	13	29
8"	0	1	5	1	2	7	4	20
10"	0	0	0	0	1	1	0	2
18"	0	0	0	0	2	0	0	2
36"	0	0	0	0	0	2	0	2
Total	32,159	3,424	160	131	9	10	1,518	37,411

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**WELLS, RESERVOIRS & TANKS**

**WELLS AVAILABLE FOR EMERGENCY USE**

Location	Depth	Diameter	Yield in Gallons/Day
1479 North Military Avenue	809'	12"	1,440,000
3120 Sturgeon Bay Road (Hwy 54/57)	132'	12"	1,000,000
2240 Eastman Avenue	943'	17"	1,152,000
1451 Cass Street	918'	15"	1,238,400
605 South Adams Street (Mason)	917'	16"	1,332,000
1569 Seventh Street	860'	17"	1,670,000
2105 Sugar Maple Court (Highland)	777'	16"	1,425,000
1649 Bond Street	807'	15"	1,555,000

**RESERVOIRS IN SERVICE**

Location	Year Constructed	Primary Material	Capacity in Gallons
Filtration Plant, 6183 Finger Road	1957	Concrete	2,000,000
Filtration Plant, 6183 Finger Road	1968	Concrete	2,000,000
Kewaunee Booster Station, Hwy B	1968	Concrete	1,000,000
Filtration Plant, 6183 Finger Road	1975	Concrete	4,000,000
641 South Grandview Road	1992	Concrete	1,000,000

**ELEVATED TANKS IN SERVICE**

Location	Year Constructed	Primary Material	Capacity in Gallons
Filtration Plant, 6183 Finger Road	1957	Steel	150,000
629 Mount Mary Drive	1958	Steel	50,000
1810 South Point Road	1981	Steel	2,000,000
720 South Huron Road	1992	Steel	750,000
2228 North Quincy Street	1998	Concrete	2,000,000
Filtration Plant, 6183 Finger Road	2006	Steel	500,000

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**UTILITY PLANT IN SERVICE AT YEAR END - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b><u>General Green Bay Plant</u></b>										
Land	\$ 264,966	\$ 264,966	\$ 264,966	\$ 264,966	\$ 264,966	\$ 264,174	\$ 264,174	\$ 264,174	\$ 264,174	\$ 264,174
Pumping plant structures	3,488,872	3,488,872	3,545,930	3,545,931	3,545,931	3,545,931	3,382,011	3,381,170	3,381,170	3,381,170
Reservoirs and standpipes	4,484,500	4,484,500	4,484,500	4,484,500	4,484,500	4,484,500	4,484,500	4,484,500	4,484,500	4,484,500
Wells	706,215	706,215	719,543	719,543	719,543	719,543	719,543	719,543	719,543	719,543
Office building & garage	2,554,264	2,541,959	2,545,434	2,525,366	2,525,366	2,513,041	2,463,183	2,285,905	2,299,154	2,280,556
Water treatment structures	2,835	2,835	2,835	2,835	2,835	2,835	2,835	2,835	2,835	2,835
Supply mains	4,996,658	4,923,291	4,922,031	4,922,017	4,922,017	4,922,017	4,470,193	4,425,118	4,425,118	4,428,572
Distribution mains	82,543,220	79,193,555	75,760,160	72,810,110	70,214,151	68,174,100	65,999,622	65,894,468	64,803,422	64,082,647
Services	22,600,002	20,704,308	18,712,466	16,739,574	15,082,154	13,608,828	13,080,171	12,845,509	12,348,331	12,074,240
Meters	8,545,249	8,463,251	8,217,953	8,190,677	8,033,406	7,840,814	7,737,632	7,702,721	7,545,641	7,265,633
Hydrants	8,983,350	8,672,088	8,322,159	7,976,604	7,776,986	7,513,426	7,375,074	7,153,155	6,798,948	6,564,916
Treatment equipment	154,484	154,484	185,467	185,467	185,467	185,467	184,534	182,059	178,652	178,652
Telemetry equipment	190,736	190,736	190,736	190,736	190,736	176,881	176,881	163,531	163,531	163,531
Electric pumping equipment	1,426,674	1,426,674	1,431,757	1,431,757	1,360,569	1,328,422	1,337,057	1,278,348	1,277,073	1,277,073
Power production equipment	237,309	237,309	237,309	237,309	237,309	237,309	-	-	-	-
Power operated equipment	657,410	657,410	657,411	710,553	604,324	604,324	582,075	548,058	548,058	548,058
Tools, shop & garage equipment	1,133,719	1,105,415	1,211,495	1,175,318	1,194,564	1,129,706	1,076,945	1,038,682	956,286	894,527
Stores equipment	26,117	24,957	40,650	40,650	40,650	40,650	40,650	40,650	37,988	37,988
Transportation equipment	2,556,006	2,426,916	2,361,060	2,412,854	2,266,006	2,023,030	1,686,779	1,686,779	1,639,015	1,623,223
Communication equipment	58,035	58,035	58,035	58,035	58,035	56,785	56,785	56,785	56,785	56,785
Office furniture & computers	3,967,243	3,845,706	3,737,534	3,509,003	3,566,178	3,313,995	2,916,918	2,720,066	2,465,277	2,629,794
	<u>149,577,866</u>	<u>143,573,481</u>	<u>137,609,431</u>	<u>132,133,805</u>	<u>127,275,693</u>	<u>122,685,778</u>	<u>118,037,562</u>	<u>116,874,056</u>	<u>114,395,501</u>	<u>112,958,417</u>
<b><u>Lake Michigan Supply System</u></b>										
Land	259,723	259,723	259,723	259,723	259,723	259,723	259,723	259,723	259,723	259,723
Pumping plant structures	2,984,715	2,981,777	2,997,629	2,805,052	2,805,052	2,805,052	2,805,052	2,805,052	2,788,357	2,716,857
Reservoirs and standpipes	97,448	97,448	97,448	97,448	97,448	97,448	97,448	97,448	97,448	97,448
Water treatment structures	15,470,575	15,442,221	15,459,985	15,418,758	15,418,758	15,418,758	15,402,598	15,402,598	15,400,813	15,335,860
Lake intakes	1,539,207	1,539,207	1,539,207	1,539,207	1,539,207	1,539,207	1,539,207	1,539,207	1,539,207	1,539,207
Supply mains	43,855,740	43,764,408	43,764,408	43,764,408	43,114,197	43,095,218	42,795,003	42,795,003	42,795,003	42,593,662
Distribution mains	646,048	646,048	646,049	646,048	646,048	646,048	646,048	646,048	646,048	646,048
Electric pumping equipment	3,759,943	3,759,943	3,783,567	3,783,567	3,783,567	3,783,567	3,783,567	3,783,567	3,780,981	3,780,981
Treatment equipment	18,087,000	18,072,502	18,696,806	18,688,365	18,502,929	18,157,813	18,155,719	17,739,858	17,590,652	17,578,437
Telemetry equipment	628,368	628,368	1,247,123	1,247,123	1,229,123	967,083	1,351,119	1,351,119	1,342,327	1,339,612
Tools, shop & garage equipment	41,900	41,080	43,337	43,337	52,965	52,965	52,965	52,965	52,965	52,965
Laboratory equipment	45,354	35,284	41,977	41,977	32,799	32,799	32,799	32,799	32,799	32,799
Communication equipment	321,656	321,656	321,656	321,656	321,656	305,751	106,514	106,514	106,514	106,514
Office furniture & computers	40,373	23,728	30,595	30,595	30,595	30,595	30,595	30,595	30,595	29,787
Power production equipment	1,612,314	1,612,314	1,612,314	1,612,314	1,612,314	1,609,818	1,372,509	1,372,509	1,372,509	1,372,509
	<u>89,390,364</u>	<u>89,225,707</u>	<u>90,541,823</u>	<u>90,299,578</u>	<u>89,446,381</u>	<u>88,801,845</u>	<u>88,430,866</u>	<u>88,015,005</u>	<u>87,835,941</u>	<u>87,482,409</u>
<b>Total</b>	<b>\$ 238,968,229</b>	<b>\$ 232,799,188</b>	<b>\$ 228,151,254</b>	<b>\$ 222,433,383</b>	<b>\$ 216,722,074</b>	<b>\$ 211,487,623</b>	<b>\$ 206,468,428</b>	<b>\$ 204,889,061</b>	<b>\$ 202,231,442</b>	<b>\$ 200,440,826</b>



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**SUPPLY MAINS IN SERVICE  
TYPE AND SIZE IN SERVICE DECEMBER 31, 2020**

Type and Size of Main	Feet In Service Dec. 31, 2019	Added In 2020	Retired In 2020	Adjusted In 2020	Feet In Service Dec. 31, 2020
16" Ductile Iron	7,021				7,021
16" Prestressed Concrete	3,629				3,629
16" Steel	43				43
16" PVC	3				3
18" Steel	53				53
20" Prestressed Concrete	3,405				3,405
20" Ductile Iron	4				4
24" Cast Iron	18				18
24" Prestressed Concrete	24,865	48	(48)	(73)	24,792
24" Ductile Iron	17,377				17,377
30" Prestressed Concrete	2,306				2,306
30" Ductile Iron	3,850				3,850
30" Steel	18				18
36" Prestressed Concrete	133,351	32	(32)	(5)	133,346
36" Ductile Iron	7,330				7,330
36" Steel	123				123
42" Prestressed Concrete	78,209				78,209
42" Steel	1,286				1,286
54" Steel	75,587				75,587
Totals	<u>358,478</u>	<u>80</u>	<u>(80)</u>	<u>(78)</u>	<u>358,400</u>

The amounts in the "Adjusted in 2020" column are due to adjusting the historical footages to actual footages as determined by the Water Utility's computerized geographic information system (GIS).

**RIVER CROSSING SUPPLY MAINS IN SERVICE DECEMBER 31, 2020**

<b>FOX RIVER:</b>			
1964	Emilie Street to Ninth Street	24" Steel	1,812
1971	Mason Street Crossing	24" Ductile Iron	1,061
2005	Grignon Street to Ninth Street	36" Steel	2,332
<b>EAST RIVER:</b>			
1957	Cass Street Crossing	30" Steel	302
1995	Lawe Street Crossing	36" Steel	1,567
Totals			<u>7,074</u>

Total Supply Mains and River Crossing Supply Mains in Service December 31, 2020 365,474

69.2 Miles of Supply Mains in Service as of December 31, 2020

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**DISTRIBUTION AND TRANSMISSION MAINS IN SERVICE  
TYPE AND SIZE IN SERVICE DECEMBER 31, 2020**

Type and Size of Main	Feet In Service Dec. 31, 2019	Added In 2020	Retired In 2020	Adjusted In 2020	Feet In Service Dec. 31, 2020
3/4" Galvanized	155				155
3/4" Lead	0				0
3/4" Copper	471			45	516
1" Galvanized	1,241				1,241
1" Lead	0				0
1" Copper	1,278				1,278
1" Polyethylene	243				243
1 1/4" Galvanized	457				457
1 1/4" Copper	244				244
1 1/2" Galvanized	1,682		(231)		1,451
1 1/2" Copper	2,704				2,704
1 1/2" Polyethylene	245	17			262
2" Galvanized	1,249		(2)		1,247
2" Cast Iron	8,704		(303)	(2)	8,399
2" Ductile Iron	514				514
2" Copper	3,181				3,181
2" Brass	16			2	18
2" Polyethylene	337			2	339
2 1/2" Galvanized	718			1	719
3" Cast Iron	129				129
3" Ductile Iron	106				106
4" Cast Iron	5,143				5,143
4" Ductile Iron	10,699				10,699
4" PVC	105				105
6" Phipp's Hydraulic	5,103		(2)		5,101
6" Cast Iron	448,612		(9,266)		439,346
6" Ductile Iron	95,444		(2,533)		92,911
6" PVC	10,093	824	(125)		10,792
8" Phipp's Hydraulic	0				0
8" Cast Iron	103,670		(25)		103,645
8" Ductile Iron	644,888		(486)	5	644,407
8" PVC	195,618	12,622	(587)		207,653
10" Cast Iron	83,065		(5,351)		77,714
10" Ductile Iron	23,420		(28)		23,392
10" PVC	731	29	(89)		671
12" Cast Iron	61,054		(197)		60,857
12" Ductile Iron	356,104		(1,432)	10	354,682
12" PVC	102,366	8,421	(6)	20	110,801
16" Cast Iron	26,910			25	26,935
16" Ductile Iron	113,515		(11)	36	113,540
16" Steel	0				0
16" PVC	15,688	5			15,693
18" Cast Iron	1,849				1,849
18" Ductile Iron	437				437
18" Polyethylene	783				783
20" Ductile Iron	227				227
24" Ductile Iron	566				566
Totals	<u>2,329,764</u>	<u>21,918</u>	<u>(20,674)</u>	<u>144</u>	<u>2,331,152</u>

The amounts in the "Adjusted in 2020" column are due to adjusting the historical footages to actual footages as determined by the Water Utility's computerized geographic information system (GIS).

**RIVER CROSSING TRANSMISSION MAINS IN SERVICE DECEMBER 31, 2020**

<b>FOX RIVER:</b>					
1906	Stuart Street to School Place	16" Cast Iron			991
		16" Ductile Iron			79
1996	Prairie Avenue to Radisson Street	16" Steel			1,433
		16" Ductile Iron			319
<b>EAST RIVER:</b>					
1905	Cedar Street Crossing	12" Cast Iron			286
1907	Jackson Street Crossing	12" Cast Iron			354
1934	Cass Street Crossing	12" Cast Iron			794
1939	Inwin Avenue Crossing	12" Cast Iron			717
		10" Cast Iron			15
Totals					<u>4,988</u>

Total Distribution Mains and River Crossing Transmission Mains in Service December 31, 2020 2,336,140

442.5 Miles of Distribution and Transmission Mains in Service as of December 31, 2020

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**  
WATER SERVICES (LATERALS)  
DECEMBER 31, 2020

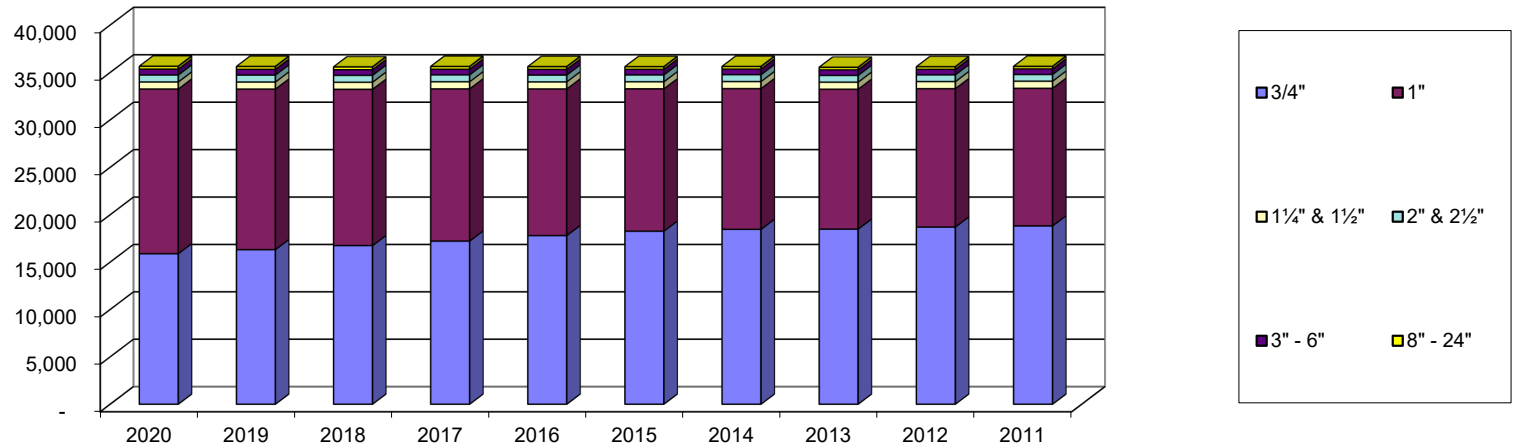
TYPE AND SIZE OF PIPE	DEC. 31, 2019	ADDED IN 2020	RETIRED IN 2020	ADJUSTED IN 2020	IN SERVICE DEC. 31, 2020	NOT IN SERVICE DEC. 31, 2020
3/4" Galvanized	111		(15)		84	12
3/4" Lead	689		(302)		0	387
3/4" Tubeloy (lead & copper alloy)	2				0	2
3/4" Copper	15,502	2	(123)	7	14,053	1,335
3/4" Polyethylene	9		(1)		8	0
1" Galvanized	7		(4)	1	2	2
1" Lead	0				0	0
1" Copper	13,433	219	(69)	2	12,449	1,136
1" Polyethylene	3,488	299	(12)	3	3,450	328
1 1/4" Galvanized	2				0	2
1 1/2" Galvanized	1				0	1
1 1/2" Copper	678		(1)		587	90
1 1/2" Polyethylene	66	1			62	5
2" Galvanized	3				1	2
2" Copper	608		(1)	1	464	144
2" Polyethylene	106	4			101	9
2" Cast Iron	13		(1)		4	8
2" Ductile Iron	1				1	0
3" Cast Iron	17				12	5
3" Ductile Iron	47				29	18
4" Cast Iron	23				14	9
4" Ductile Iron	150		(1)		132	17
4" PVC	53	3	(1)	1	53	3
4" Copper	1				1	0
6" Cast Iron	37		(1)	2	24	14
6" Ductile Iron	187		(1)		148	38
6" PVC	94	8			98	4
8" Cast Iron	7				6	1
8" Ductile Iron	129				117	12
8" PVC	86	1			84	3
10" Cast Iron	2				2	0
10" Ductile Iron	30		(1)		25	4
10" PVC	13		(1)		12	0
12" Cast Iron	1				1	0
12" Ductile Iron	16				14	2
12" PVC	6	1			6	1
16" Ductile Iron	4				4	0
24" Ductile Iron	1				1	0
Totals	35,623	538	(535)	17	32,049	3,594
					Total Services	35,643

The amounts in the "Adjusted in 2020" column are due to adjusting the historical counts to actual counts as determined by the Water Utility's computerized geographic information system (GIS).

## WATER UTILITY CITY OF GREEN BAY, WISCONSIN

### WATER SERVICES (LATERALS) - LAST TEN YEARS

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
3/4"	15,881	16,313	16,742	17,213	17,795	18,261	18,454	18,479	18,697	18,817
1"	17,367	16,928	16,477	16,054	15,463	15,007	14,839	14,748	14,591	14,510
1 1/4"	2	2	2	2	2	2	2	1	2	2
1 1/2"	745	745	744	745	743	744	743	743	742	746
2"	734	731	729	727	722	722	724	714	711	710
2 1/2"	-	-	-	-	-	-	-	-	-	-
3"	64	64	64	64	65	66	66	67	71	72
4"	229	227	221	222	222	223	223	221	217	216
6"	326	318	310	313	314	305	303	296	297	297
8"	223	222	216	214	212	207	205	204	203	198
10"	43	45	45	43	43	42	42	41	41	41
12"	24	23	23	23	23	21	21	21	21	23
16"	4	4	2	1	1	1	1	1	1	1
24"	1	1	1	1	1	1	1	1	1	1
<b>Totals</b>	<b>35,643</b>	<b>35,623</b>	<b>35,576</b>	<b>35,622</b>	<b>35,606</b>	<b>35,602</b>	<b>35,624</b>	<b>35,537</b>	<b>35,595</b>	<b>35,634</b>



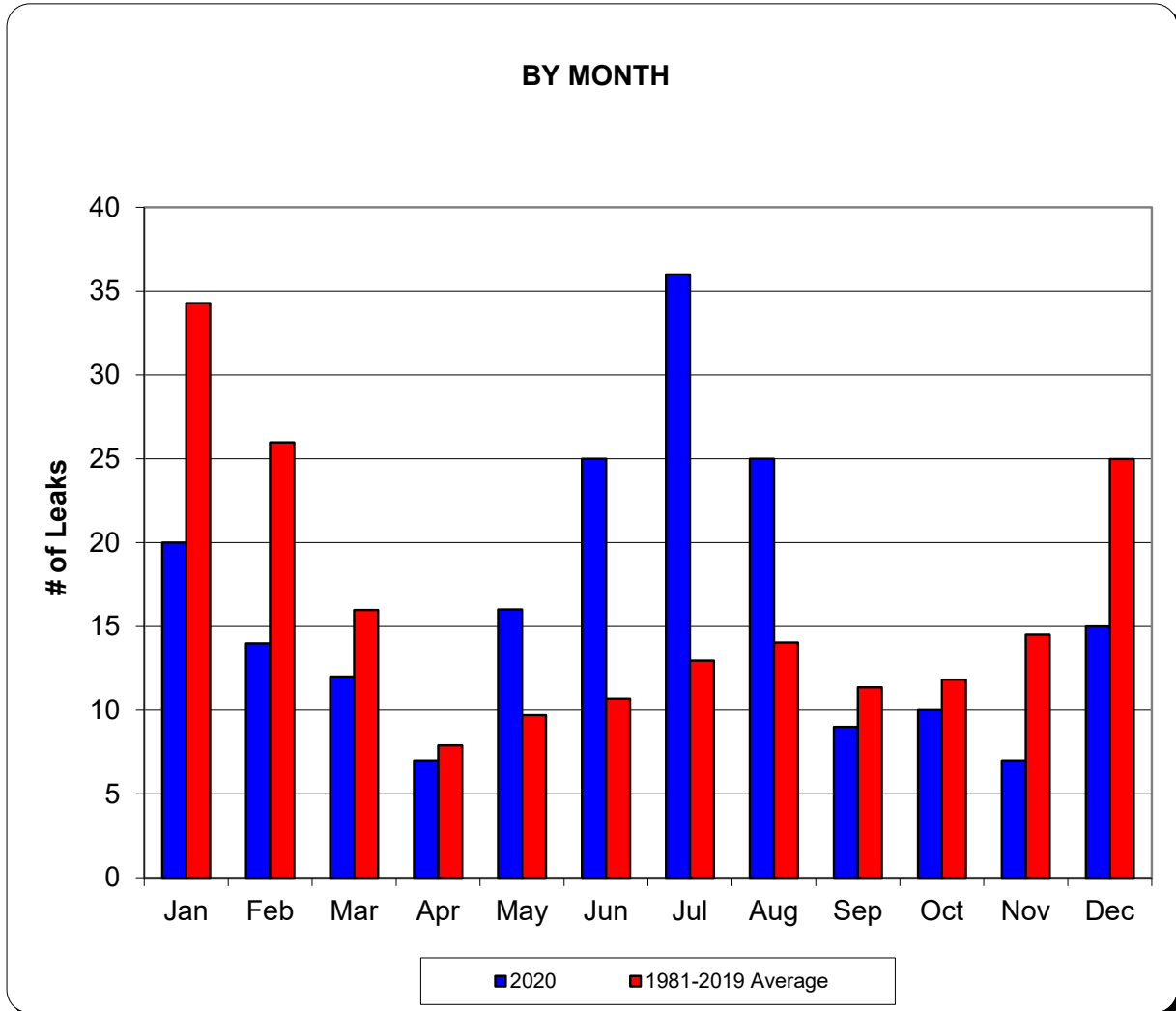
**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**OPERATING AND CAPITAL INDICATORS - LAST TEN YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Miles of water mains:										
Supply mains	67.9	67.9	68.0	69.2	67.9	67.9	68.1	68.2	68.0	69.2
River crossing mains	1.3	1.3	1.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Distribution mains	442.5	442.0	440.0	440.0	440.1	439.0	439.8	440.5	441.1	441.4
Total	<u>511.7</u>	<u>511.2</u>	<u>509.3</u>	<u>511.5</u>	<u>510.3</u>	<u>509.2</u>	<u>510.2</u>	<u>511.0</u>	<u>511.4</u>	<u>512.9</u>
Number of full-time Water Utility employees										
Pumping	4	4	4.5	4	4	4	4	4	4	4
Water Treatment	9	8	8	8	8	8	8	8	8	8
Distribution & Engineering	29	28	27	27	25	26	24	24	23	23
Metering & Customer Service	7	7	7	8	7	6	7	7	8	8
Billing & Office Administration	11	11	10	10	10	10	10	10	10	10
Administration	5	5	5	4.5	4	2	2	2	3	3
Total	<u>65</u>	<u>63</u>	<u>61.5</u>	<u>61.5</u>	<u>58</u>	<u>56</u>	<u>55</u>	<u>55</u>	<u>56</u>	<u>56</u>
Average daily pumpage (gallons)	19,989,784	18,967,693	19,528,896	19,420,830	17,860,984	17,802,863	17,820,107	17,429,153	18,278,959	18,417,715
Finished water storage capacity (gallons)	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000	16,300,000
Storage capacity as a percentage of average daily pumpage	81.5%	85.9%	83.5%	83.9%	91.3%	91.6%	91.5%	93.5%	89.2%	88.5%
Daily authorized draw capacity at Lake Michigan pump station (gallons)	54,501,120	54,501,120	54,501,120	54,501,120	54,501,120	54,501,120	54,501,120	54,501,120	54,501,120	54,501,120
Percentage of authorized draw capacity used	36.7%	34.8%	35.8%	35.6%	32.8%	32.7%	32.7%	32.0%	33.5%	33.8%
Daily capacity of stand-by wells for emergency use (gallons)	10,812,400	10,812,400	11,460,400	11,460,400	11,460,400	11,460,400	11,460,400	11,460,400	11,460,400	11,460,400
Emergency stand-by well capacity as a percentage of average daily pumpage	54.1%	57.0%	58.7%	59.0%	64.2%	64.4%	64.3%	65.8%	62.7%	62.2%

**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

**WATER MAIN LEAKS**



**ANNUAL WATER MAIN LEAKS**

2020	196
2019	187
2018	189
2017	146
2016	138



**WATER UTILITY  
CITY OF GREEN BAY, WISCONSIN**

WATER RATES IN EFFECT ON OCTOBER 18, 1887

Bakeries

Bakeries may be charged according to the average daily use of flour, namely, for each barrel per day, the sum of \$4.00 annually; provided that in no case will the bakery be charged less than \$8.00 per year.

Manufacturing and other purposes

In all cases when large quantities of water are required, the quantity is to be ascertained by meters. For the first 2,000 gallons used daily, the rate is 4¢ per 100 gallons. For the quantity in excess of 2,000 gallons and up to 5,000 gallons used daily, the rate is 3¢ per 100 gallons. For the quantity in excess of 5,000 gallons up to 10,000 gallons used daily, the rate is 2¢ per 100 gallons.

Private Stables with one faucet therein

For first horse	\$4.00 per year
Each additional horse	\$2.50 per year
Each cow	\$1.50 per year

Livery Club and Boarding Stables with one faucet therein

For six horses or less	\$12.00 per year
For each additional horse	\$1.50 per year

Steam Engines

Stationary steam engines working not over twelve hours per day may be charged by the horse-power as follows; for each horse-power up to and not exceeding ten, the sum of \$4.00 per year. For each horse-power exceeding ten and not over fifteen, the sum of \$3.50 per year. For each horse-power over fifteen, the sum of \$3.00 per year. No steam engine will be charged less than \$10.00 per year.

Eating House

Refractories, confectioners, eating houses, fish stalls, provision shops, refreshment and oyster houses will be charged not more than \$50.00 per year.

Stores, offices, etc.

For each tenement occupied as a store, warehouse, or office	\$6.00 per year
Barber shop, first chair	\$6.00 per year
Barber shop, each additional chair	\$2.00 per year

Dwelling Houses

Dwelling houses up to five rooms, for the first faucet	\$5.00 per year
For each additional room	\$1.00 per year
For each additional faucet	\$2.00 per year



# **COMPLIANCE SECTION**



**Independent Auditors' Report on Internal Control  
Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance  
With *Government Auditing Standards***

To the Board of Commissioners of  
Green Bay Water Utility Commission

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Green Bay Water Utility (the Utility), an enterprise fund of the City of Green Bay, Wisconsin as of and for the year ended December 31, 2020, and the related notes to the financial statements, and have issued our report thereon dated June 1, 2021. Our report contained an emphasis of matter paragraph. Our opinion is not modified with respect to this matter.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Utility's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Utility's internal control. Accordingly, we do not express an opinion on the effectiveness of the Utility's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal controls such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described below to be a material weakness.

**2020 – 01 Internal Control Over Financial Reporting**

***Criteria***

AU-C Section 265, *Communicating Internal Control Related Matters Identified in an Audit*, requires auditors to report a weakness if there is a deficiency in internal controls that would not prevent, or detect and correct, a material misstatement on a timely manner.

**2020 – 01 Internal Control Over Financial Reporting (cont.)**

**Condition**

Management had previously accounted for the tax equivalent payment on a cash basis. As such, no liability has been reported for tax equivalent payments made in the subsequent calendar years. The utility is required to follow the full accrual basis of accounting as required by Generally Accepted Accounting Principles (GAAP).

**Cause**

Management has historically applied the aforementioned accounting treatment without exception made from the previous auditor(s).

**Effect**

The 2019 financial statements were required to be restated to correctly record the liability, expense and impact on net position in the proper period.

**Recommendation**

We recommend management establish a process for the review of accounting policies to ensure they are in conformance with GAAP.

**Management Response**

The Utility followed consistent practice from year to year in recording the tax equivalent payment to the City. The Utility will follow the full accrual basis of accounting as required by Generally Accepted Accounting Principles (GAAP).

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Utility's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Utility's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Madison, Wisconsin  
June 1, 2021