



# **GREEN BAY WATER UTILITY**

## **2019 BUDGET**

THE MISSION OF THE GREEN BAY WATER UTILITY IS TO  
PROVIDE AN ADEQUATE SUPPLY OF HIGH QUALITY,  
DRINKING WATER AT A REASONABLE COST TO  
CUSTOMERS.

**GREEN BAY WATER UTILITY**  
**Summary of Budget Assumptions and Major Changes from 2018**  
**2019 BUDGET**

**Revenues:**

9% 2018 rate increase (effective 10/1/18). Projections based on PSC rate increase and volumes used in rate case. No rate increase projected for 2019, applying for rate case in April 2019 for anticipated increase as of 1/1/20.

Interest income increase based on rising interest rates.

Miscellaneous income increase for additional billing services for Ashwaubenon (\$40,000) and new P-card vendor rebate program.

**Expenses:**

2% cost of living increase, plus 1 step increase for positions below step 5 and ½ step increase for positions between step 5 – step 7. Average increase 3.45% in total.

New positions added: Engineering Technician (start date 4/1/19) and billing assistant (start date 7/1/19).

Reclassification of positions: Engineering Services Manager to Operations Manager. Utility Engineer to Engineering Services Manager.

3% increase in health and dental premiums.

WRS decrease from 6.7% in 2018 to 6.55% in 2019.

Labor costs were reallocated based on personnel changes and estimated work to be performed in 2019.

Maintenance of supply mains includes carryover of Grandview 36" repair from 2018 and brush cutting.

Maintenance of pumping equipment decreased due to lake station and Military pumps replaced in 2018.

Treatment operations include sludge lagoon dredging.

Transmission and distribution includes consulting costs for UDF model and pressure zones.

Outside services employed includes CBCWA collaboration study, market study and strength analysis and software implementation.

**CAPITAL EXPENSES:**

Cass Street and 54/57 roof replacements carried over from 2018.

DCU T-boards for meter reading, need to upgrade due to Verizon changing to 4G network.

Main office and garage remodel.

**GREEN BAY WATER UTILITY  
2019 BUDGET**

	2016 Actual	2017 Actual	2018 Budget	2018 Projected	2019 Budget
<b>OPERATING REVENUE</b>					
Residential & Apartment	\$ 6,304,241	\$ 6,147,022	\$ 6,524,000	\$ 6,275,000	\$ 7,014,000
Commercial & Restaurant	3,289,651	3,273,444	3,597,000	3,380,000	3,709,600
Industrial	4,323,113	4,740,471	5,123,000	4,800,000	5,143,000
Municipal	477,730	454,138	430,000	430,227	474,227
Public Fire Protection	1,647,390	1,648,626	1,788,000	1,650,000	1,358,000
Private Fire Protection	133,439	136,032	149,000	135,000	141,000
Water For Resale - Ashwaubenon	2,804,817	2,793,770	3,100,000	2,750,000	3,051,000
Water For Resale - Scott	90,876	100,332	105,000	100,000	108,000
Water For Resale - Hobart	214,450	225,292	235,000	290,000	243,000
Water For Resale - Wrightstown	40,814	161,669	177,000	160,000	177,000
Sewer Dept Reimbursement	1,002,534	976,131	850,000	975,000	973,000
Stormwater Utility Reimbursement	290,850	272,233	300,000	280,000	280,000
Penalties	140,112	145,078	171,000	145,000	150,000
<b>TOTAL OPERATING REVENUE</b>	<b>20,760,017</b>	<b>21,074,237</b>	<b>22,549,000</b>	<b>21,370,227</b>	<b>22,821,827</b>
<b>OPERATING EXPENSES</b>					
Pumping Expense					
Purchased Water	3,670	3,842	4,200	3,676	4,200
Maintenance of Intakes	8,257	-	11,000	10,000	15,000
Maintenance of Supply Mains	55,917	49,912	128,250	44,942	145,996
Pumping Operation Supervision	26,123	20,291	24,100	34,056	60,264
Fuel/Power Purchased for Pumping	724,703	725,704	731,900	725,000	725,000
Pumping Labor & Expense	82,502	45,461	51,500	52,164	41,879
Miscellaneous Pumping	46,093	55,257	60,661	57,600	65,577
Pumping Maintenance Supervision	72,902	81,083	79,800	72,246	64,968
Maintenance of Pumping Structures	80,040	77,126	87,310	81,430	87,915
Maintenance of Power Prod Equip	24,671	11,021	7,200	6,500	7,200
Maintenance of Pumping Equipment	227,351	290,662	332,100	344,316	169,815
Total Pumping Expense	1,352,229	1,360,359	1,518,021	1,431,930	1,387,815
Water Treatment Expense					
Water Treatment Supervision	63,048	67,030	70,110	72,388	68,668
Chemicals	273,291	282,961	295,300	279,000	284,000
Treatment Operations	480,643	516,779	539,655	478,599	679,080
Miscellaneous Water Treatment	139,113	120,338	123,200	104,370	115,465
Treatment Maintenance Supervision	21,980	23,016	25,100	25,006	24,689
Maintenance of Treatment Structures	31,886	64,926	76,150	67,542	55,710
Maintenance of Treatment Equipment	203,095	199,705	221,600	195,252	224,256
Total Water Treatment Expense	1,213,056	1,274,756	1,351,115	1,222,157	1,451,869
Transmission & Distribution Expense					
Distribution Supervision	44,685	43,301	45,660	49,208	147,427
Transmission and Distribution Line	214,110	285,792	322,070	297,830	410,472
Meter Expense	202,777	126,062	178,400	181,808	172,120
Customer Installation	87,459	89,500	123,520	100,702	105,612
Miscellaneous Distribution	207,191	200,321	233,654	213,000	325,699
Maintenance of Reservoirs and Standpipes	10,818	26,588	42,800	15,936	29,121
Maintenance of Mains	974,991	1,327,863	1,259,394	1,466,638	1,388,397
Maintenance of Services	407,326	360,471	446,242	322,610	368,474
Maintenance of Meters	98,105	61,086	68,342	69,184	88,732
Maintenance of Hydrants	411,187	149,743	179,084	165,743	182,495
Total Transmission & Distribution Expense	2,658,649	2,670,727	2,899,166	2,882,659	3,218,549

**GREEN BAY WATER UTILITY  
2019 BUDGET**

	2016 Actual	2017 Actual	2018 Budget	2018 Projected	2019 Budget
<b>Customer Accounts Expense</b>					
Meter Reading	30,604	17,444	15,237	15,670	15,108
Customer Records and Collection	1,000,892	920,004	832,760	727,328	816,926
Uncollectible Accounts	2,595	3,133	3,600	3,000	4,000
Conservation Costs - Materials	-	-	750	20,000	15,750
<b>Total Customer Accounts Expense</b>	<b>1,034,091</b>	<b>940,581</b>	<b>852,347</b>	<b>765,998</b>	<b>851,784</b>
<b>Administrative &amp; General Expense</b>					
Administrative & General Salaries	564,102	685,891	739,100	714,052	729,186
Office Supplies & Expenses	62,163	94,893	107,400	100,514	108,400
Outside Services Employed	330,188	363,553	360,450	312,197	348,950
Property Insurance	58,554	55,326	61,290	44,690	53,400
Liability Insurance	136,270	30,624	73,500	55,000	82,433
Employee Benefits	1,098,008	1,138,004	1,220,380	1,107,643	1,277,789
Regulatory Commission Expense	-	6,315	5,000	15,000	10,000
Miscellaneous General Expense	147,738	119,585	355,700	138,290	71,655
General Plant Maintenance	123,433	167,879	133,820	107,481	146,044
Jobbing & Contract Work	138,514	162,874	-	139,400	109,832
Taxes	307,375	271,166	295,900	286,824	304,109
Amortization of Ashwaubenon booster	131,453	131,453	131,000	131,453	131,453
<b>Total Administrative &amp; General Expense</b>	<b>3,097,798</b>	<b>3,227,564</b>	<b>3,483,540</b>	<b>3,152,544</b>	<b>3,373,252</b>
<b>Depreciation Expense</b>	<b>5,155,128</b>	<b>5,217,239</b>	<b>4,812,000</b>	<b>5,261,434</b>	<b>5,331,434</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>14,510,951</b>	<b>14,691,227</b>	<b>14,916,189</b>	<b>14,716,722</b>	<b>15,614,702</b>
<b>OPERATING INCOME</b>	<b>6,249,066</b>	<b>6,383,011</b>	<b>7,632,811</b>	<b>6,653,505</b>	<b>7,207,125</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest Income	181,549	222,044	203,000	256,900	275,000
Miscellaneous Income	298,891	351,756	190,000	403,000	470,500
Amortization Of Debt Premium	227,442	227,442	-	227,442	227,442
Capital Contributions	434,274	638,822	-	500,000	500,000
Tax Equivalency	(2,210,285)	(2,297,587)	(2,452,100)	(2,353,288)	(2,423,887)
Interest Expense	(2,320,991)	(2,340,166)	(1,649,277)	(1,693,834)	(1,555,038)
Amortization of Debt Expense	(180,723)	(180,722)	(180,723)	(385,645)	(375,718)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(3,569,843)</b>	<b>(3,378,411)</b>	<b>(3,889,100)</b>	<b>(3,045,425)</b>	<b>(2,881,701)</b>
<b>NET INCOME</b>	<b>2,679,223</b>	<b>3,004,599</b>	<b>3,743,711</b>	<b>3,608,080</b>	<b>4,325,424</b>

**GREEN BAY WATER UTILITY**  
Green Bay Operations w/o Ashwaubenon  
2019 BUDGET

	2016 Actual	2017 Actual	2018 Budget	2018 Projected	2019 Budget
<b>OPERATING REVENUE</b>					
Residential & Apartment	\$ 6,304,241	\$ 6,147,022	\$ 6,524,000	\$ 6,275,000	\$ 7,014,000
Commercial & Restaurant	3,289,651	3,273,444	3,597,000	3,380,000	3,709,600
Industrial	4,323,113	4,740,471	5,123,000	4,800,000	5,143,000
Municipal	477,730	454,138	430,000	430,227	474,227
Public Fire Protection	1,647,390	1,648,626	1,788,000	1,650,000	1,358,000
Private Fire Protection	133,439	136,032	149,000	135,000	141,000
Water For Resale - Scott	90,876	100,332	105,000	100,000	108,000
Water For Resale - Hobart	214,450	225,292	235,000	290,000	243,000
Water For Resale - Wrightstown	40,814	161,669	177,000	160,000	177,000
Sewer Dept Reimbursement	1,002,534	976,131	850,000	975,000	973,000
Stormwater Utility Reimbursement	290,850	272,233	300,000	280,000	280,000
Penalties	140,112	145,078	171,000	145,000	150,000
<b>TOTAL OPERATING REVENUE</b>	<b>17,955,200</b>	<b>18,280,467</b>	<b>19,449,000</b>	<b>18,620,227</b>	<b>19,770,827</b>
<b>OPERATING EXPENSES</b>					
Pumping Expense					
Purchased Water	3,670	3,842	4,200	3,676	4,200
Maintenance of Intakes	8,257	-	11,000	10,000	15,000
Maintenance of Supply Mains	55,917	49,912	128,250	44,942	145,996
Pumping Operation Supervision	26,123	20,291	24,100	34,056	60,264
Fuel/Power Purchased for Pumping	594,620	608,647	608,300	615,000	615,000
Pumping Labor & Expense	82,502	45,461	51,500	52,164	41,879
Miscellaneous Pumping	46,093	55,257	60,661	57,600	65,577
Pumping Maintenance Supervision	72,902	81,083	79,800	72,246	64,968
Maintenance of Pumping Structures	80,040	77,126	87,310	81,430	87,915
Maintenance of Power Prod Equip	24,671	11,021	7,200	6,500	7,200
Maintenance of Pumping Equipment	227,351	290,662	332,100	344,316	169,815
Total Pumping Expense	1,222,146	1,243,303	1,394,421	1,321,930	1,277,815
Water Treatment Expense					
Water Treatment Supervision	63,048	67,030	70,110	72,388	68,668
Chemicals	219,924	233,798	241,200	225,000	232,000
Treatment Operations	460,139	501,689	519,950	463,041	659,375
Miscellaneous Water Treatment	139,113	120,338	123,200	104,370	115,465
Treatment Maintenance Supervision	21,980	23,016	25,100	25,006	24,689
Maintenance of Treatment Structures	31,886	64,926	76,150	67,542	55,710
Maintenance of Treatment Equipment	203,095	199,705	221,600	195,252	224,256
Total Water Treatment Expense	1,139,185	1,210,503	1,277,310	1,152,599	1,380,164
Transmission & Distribution Expense					
Distribution Supervision	44,685	43,301	45,660	49,208	147,427
Transmission and Distribution Line	214,110	285,792	322,070	297,830	410,472
Meter Expense	202,777	126,062	178,400	181,808	172,120
Customer Installation	87,459	89,500	123,520	100,702	105,612
Miscellaneous Distribution	207,191	200,321	233,654	213,000	325,699
Maintenance of Reservoirs and Standpipes	10,818	26,588	42,800	15,936	29,121
Maintenance of Mains	974,991	1,327,863	1,259,394	1,466,638	1,388,397
Maintenance of Services	407,326	360,471	446,242	322,610	368,474
Maintenance of Meters	98,105	61,086	68,342	69,184	88,732
Maintenance of Hydrants	411,187	149,743	179,084	165,743	182,495
Total Transmission & Distribution Expense	2,658,649	2,670,727	2,899,166	2,882,659	3,218,549

**GREEN BAY WATER UTILITY**  
**Green Bay Operations w/o Ashwaubenon**  
**2019 BUDGET**

	2016 Actual	2017 Actual	2018 Budget	2018 Projected	2019 Budget
<b>Customer Accounts Expense</b>					
Meter Reading	30,604	17,444	15,237	15,670	15,108
Customer Records and Collection	1,000,892	920,004	832,760	727,328	816,926
Uncollectible Accounts	2,595	3,133	3,600	3,000	4,000
Conservation Costs - Materials	-	-	750	20,000	15,750
<b>Total Customer Accounts Expense</b>	<b>1,034,091</b>	<b>940,581</b>	<b>852,347</b>	<b>765,998</b>	<b>851,784</b>
<b>Administrative &amp; General Expense</b>					
Administrative & General Salaries	564,102	685,891	739,100	714,052	729,186
Office Supplies & Expenses	62,163	94,893	107,400	100,514	108,400
Outside Services Employed	330,188	363,553	360,450	312,197	348,950
Property Insurance	58,554	55,326	61,290	44,690	53,400
Liability Insurance	136,270	30,624	73,500	55,000	82,433
Employee Benefits	1,098,008	1,138,004	1,220,380	1,107,643	1,277,789
Regulatory Commission Expense	-	6,315	5,000	15,000	10,000
Miscellaneous General Expense	147,738	119,585	355,700	138,290	71,655
General Plant Maintenance	123,433	167,879	133,820	107,481	146,044
Jobbing & Contract Work	138,514	162,874	-	139,400	109,832
Taxes	307,375	271,166	295,900	286,824	304,109
Amortization of Ashwaubenon booster	131,453	131,453	131,000	131,453	131,453
<b>Total Administrative &amp; General Expense</b>	<b>3,097,798</b>	<b>3,227,564</b>	<b>3,483,540</b>	<b>3,152,544</b>	<b>3,373,252</b>
<b>Depreciation Expense</b>	<b>5,043,693</b>	<b>5,105,804</b>	<b>4,701,000</b>	<b>5,150,000</b>	<b>5,220,000</b>
<b>TOTAL OPERATING EXPENSE</b>	<b>14,195,562</b>	<b>14,398,482</b>	<b>14,607,784</b>	<b>14,425,730</b>	<b>15,321,563</b>
<b>OPERATING INCOME</b>	<b>3,759,638</b>	<b>3,881,985</b>	<b>4,841,216</b>	<b>4,194,497</b>	<b>4,449,264</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest Income	181,549	222,044	203,000	256,900	275,000
Miscellaneous Income	298,891	351,756	190,000	403,000	470,500
Amortization Of Debt Premium	206,472	206,472	-	206,472	206,472
Capital Contributions	434,274	638,822	-	500,000	500,000
Tax Equivalency	(2,050,779)	(2,137,824)	(2,291,100)	(2,195,763)	(2,266,362)
Interest Expense	(2,106,996)	(2,124,402)	(1,496,940)	(1,537,662)	(1,411,664)
Amortization of Debt Expense	(164,060)	(164,060)	(164,060)	(350,088)	(341,076)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(3,200,649)</b>	<b>(3,007,192)</b>	<b>(3,559,100)</b>	<b>(2,717,141)</b>	<b>(2,567,130)</b>
<b>NET INCOME</b>	<b>\$ 558,989</b>	<b>\$ 874,793</b>	<b>\$ 1,282,116</b>	<b>\$ 1,477,356</b>	<b>\$ 1,882,134</b>

## GREEN BAY WATER UTILITY

### Ashwaubenon Operations 2019 Budget

	2016 Actual	2017 Actual	2018 Budget	2018 Projected	2019 Budget
<b>OPERATING REVENUE</b>					
Water For Resale - Ashwaubenon	\$ 2,804,817	\$ 2,793,770	\$ 3,100,000	\$ 2,750,000	\$ 3,051,000
<b>OPERATING EXPENSES</b>					
Pumping Expense					
Fuel/Power Purchased for Pumping	130,083	117,056	123,600	110,000	110,000
Water Treatment Expense					
Chemicals	53,367	49,163	54,100	54,000	52,000
Treatment Operations	20,504	15,090	19,705	15,558	19,705
Total Water Treatment Expense	73,871	64,253	73,805	69,558	71,705
Depreciation Expense	111,435	111,435	111,000	111,434	111,434
<b>TOTAL OPERATING EXPENSE</b>	315,389	292,744	308,405	290,992	293,139
<b>OPERATING INCOME</b>	2,489,428	2,501,025	2,791,595	2,459,008	2,757,861
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Amortization of Debt Premium	20,970	20,970	-	20,970	20,970
Tax Equivalency	(159,506)	(159,763)	(161,000)	(157,525)	(157,525)
Interest Expense	(213,995)	(215,764)	(152,337)	(156,172)	(143,374)
Amortization of Debt Expense	(16,663)	(16,663)	(16,663)	(35,557)	(34,642)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	(369,194)	(371,220)	(330,000)	(328,284)	(314,571)
<b>NET INCOME</b>	\$ 2,120,234	\$ 2,129,806	\$ 2,461,595	\$ 2,130,724	\$ 2,443,290

# GREEN BAY WATER UTILITY

## Operating and Maintenance Expenses by Major Function 2019 BUDGET

	2019 Budget Amount	% of Total Budget	2018 Budget Amount	% of Total Budget
Salaries & wages	\$ 3,618,574	18.71%	\$ 3,515,467	18.94%
Employee benefits:				
Health, dental & life insurance	929,063	4.80%	871,330	4.69%
Social Security	334,624	1.73%	275,900	1.49%
WRS pension	286,508	1.48%	234,070	1.26%
Other employee benefits <i>(training)</i>	91,012	0.47%	41,100	0.22%
Total employee benefits <i>ETAP</i>	<u>1,641,207</u>	<u>8.49%</u>	<u>1,422,400</u>	<u>7.66%</u>
Total salaries, wages & employee benefits	5,259,781	27.20%	4,937,867	26.61%
Depreciation	5,220,000	26.99%	4,701,000	25.33%
PILOT payment to City	2,266,362	11.72%	2,291,100	12.34%
Contractor costs	1,654,262	8.55%	1,541,392	8.30%
Electric for pumping	615,000	3.18%	608,100	3.28%
Materials & supplies	637,267	3.29%	571,280	3.08%
Vehicle & equipment fuel & maintenance	534,850	2.77%	497,965	2.68%
Chemicals for water treatment	232,000	1.20%	241,200	1.30%
Outside services (legal, audit, engineering, City services)	348,950	1.80%	360,197	1.94%
Treatment plant electric & natural gas	140,000	0.72%	137,750	0.74%
Amortization of Ashwaubenon booster	131,453	0.68%	131,453	0.71%
Liability, property & workers' comp insurance	135,833	0.70%	134,790	0.73%
Water sample testing	93,700	0.48%	88,500	0.48%
<i>employee membership</i> Meetings, <i>Memberships</i> conventions and public relations	63,380	0.33%	343,700	1.85%
Office & vehicle building electric & natural gas	58,500	0.30%	62,000	0.33%
Other (phone, postage, bad debts, etc.)	196,587	1.02%	250,590	1.35%
Debt interest and amortization	<u>1,752,740</u>	<u>9.06%</u>	<u>1,661,000</u>	<u>8.95%</u>
Total Expenses	<u>\$ 19,340,665</u>	<u>100.00%</u>	<u>\$ 18,559,884</u>	<u>100.00%</u>



**GREEN BAY WATER UTILITY  
CAPITAL PROJECTS  
2019 BUDGET**

<u>Infrastructure Improvements</u>		
Lead service replacement *	\$	800,000
Water Mains, Services and Hydrant replacement during street reconstruction*		1,151,380
Water Mains, Services and Hydrant replacement during street resurfacing*		3,140,130
<u>Pumping Department</u>		
Turbidity Analyzer for Lake Station		8,000
Chlorine Analyzer for Lake Station		5,000
Cass Street roof (carryover from 2018)		90,000
54/57 roof (carryover from 2018)		55,000
<u>Water Treatment Department</u>		
Orbisphere replacement sensor heads		18,000
Differential pressure transmitters (3)		8,250
LED lighting project		4,500
<u>Transmission and Distribution Department</u>		
Crew Truck 4-wheel drive w/ hoist		62,500
Crew UDF Truck		44,000
Customer Service van 3/4 ton		34,500
Equipment trailer 25 ton (net of trade - in)		24,000
Small equipment		25,000
Small safety equipment		10,000
V-box sander w/ conveyor		9,000
Hammerhead boring mole w/ locating beacon		10,000
<u>Customer Service Department</u>		
DCU T-boards (25)*		95,000
New meters*		160,390
<u>Administrative Department</u>		
PCs, printers, misc. computer equipment		20,000
Switches and network storage		20,000
Plotter		7,000
Cityworks project		60,000
Main office and warehouse remodel	(1)	<u>4,000,000</u>
Total Capital Projects		<u>\$ 9,861,650</u>

\*Includes capitalized Labor

(1) Funding provided by issuance of revenue bonds

**GREEN BAY WATER UTILITY**  
**Schedule of Cash Flows**  
**2019 BUDGET**

	Total	Green Bay	Ashwaubenon
Cash Balance 12/31/16	\$ 5,232,122	\$ (1,001,887)	\$ 6,234,009
Net Income	3,004,600	874,794	2,129,806
Capital Contribution	(638,822)	(638,822)	-
Depreciation	5,217,239	5,217,239	-
LT debt proceeds	15,730,000	15,730,000	-
LT debt pmts	(17,540,000)	(17,373,118)	(166,882)
Fixed asset purchases	(6,299,465)	(5,437,023)	(862,442)
Net change in cash	(526,448)	(1,626,930)	1,100,482
Cash Balance 12/31/17	4,705,674	(2,628,817)	7,334,491
Net Income	3,608,080	1,477,356	2,130,724
Capital Contribution	(500,000)	(500,000)	-
Depreciation	5,261,434	5,261,434	-
LT debt proceeds	-	-	-
LT debt pmts	(3,405,000)	(3,091,059)	(313,941)
Fixed asset purchases	(4,931,000)	(4,666,000)	(265,000)
Net change in cash	33,514	(1,518,269)	1,551,783
Cash Balance 12/31/18	4,739,188	(4,147,086)	8,886,274
Net Income	4,325,424	1,882,134	2,443,290
Capital Contribution	(500,000)	(500,000)	-
Depreciation	5,331,434	5,331,434	-
LT debt proceeds	4,000,000	4,000,000	-
LT debt pmts	(3,560,000)	(3,231,768)	(328,232)
Fixed asset purchases	(9,861,650)	(9,685,900)	(175,750)
Net change in cash	(264,792)	(2,204,100)	1,939,308
Cash Balance 12/31/19	\$ 4,474,396	\$ (6,351,186)	\$ 10,825,582

**GREEN BAY WATER UTILITY**  
**Projected 2019 Rate of Return Analysis**  
**(Excluding Ashwaubenon Wholesale Operations)**  
**2019 BUDGET**

	<u>1/1/18</u>	<u>12/31/18</u>	<u>AVERAGE</u>
Plant in Service (Utility Financed)	\$ 187,250,005	\$ 191,316,005	\$ 189,283,005
Less: Accumulated Depreciation	<u>69,654,255</u>	<u>73,136,968</u>	<u>71,395,611</u>
Net Capital Investment (Utility Financed)	117,595,750	118,179,037	117,887,394
Plus: Materials & Supplies	<u>480,000</u>	<u>480,000</u>	<u>480,000</u>
Rate Base	<u>\$ 118,075,750</u>	<u>\$ 118,659,037</u>	\$ 118,367,394
Less: Regulatory Liability			<u>\$ 1,107,385</u>
Net Investment Rate Base			\$ 117,260,009
Net Operating Income			<u>\$ 1,998,734</u>
Rate of Return			<u>1.70%</u>

AUTHORIZED RATE OF RETURN: 2.84%

	<u>1/1/19</u>	<u>12/31/19</u>	<u>AVERAGE</u>
Plant in Service (Utility Financed)	\$ 191,316,005	\$ 195,493,905	\$ 193,404,955
Less: Accumulated Depreciation	<u>73,136,968</u>	<u>76,793,816</u>	<u>74,965,392</u>
Net Capital Investment (Utility Financed)	118,179,037	118,700,089	118,439,563
Plus: Materials & Supplies	<u>480,000</u>	<u>480,000</u>	<u>480,000</u>
Rate Base	<u>\$ 118,659,037</u>	<u>\$ 119,180,089</u>	\$ 118,919,563
Less: Regulatory Liability			<u>\$ 906,042</u>
Net Investment Rate Base			\$ 118,013,521
Net Operating Income			<u>\$ 2,182,902</u>
Rate of Return			<u>1.85%</u>

AUTHORIZED RATE OF RETURN: 3.2%