



Commission

2023 Budget Workshop

August 24, 2022



NEW Water

The brand of the Green Bay
Metropolitan Sewerage District



*Protecting our most valuable
resource, water*





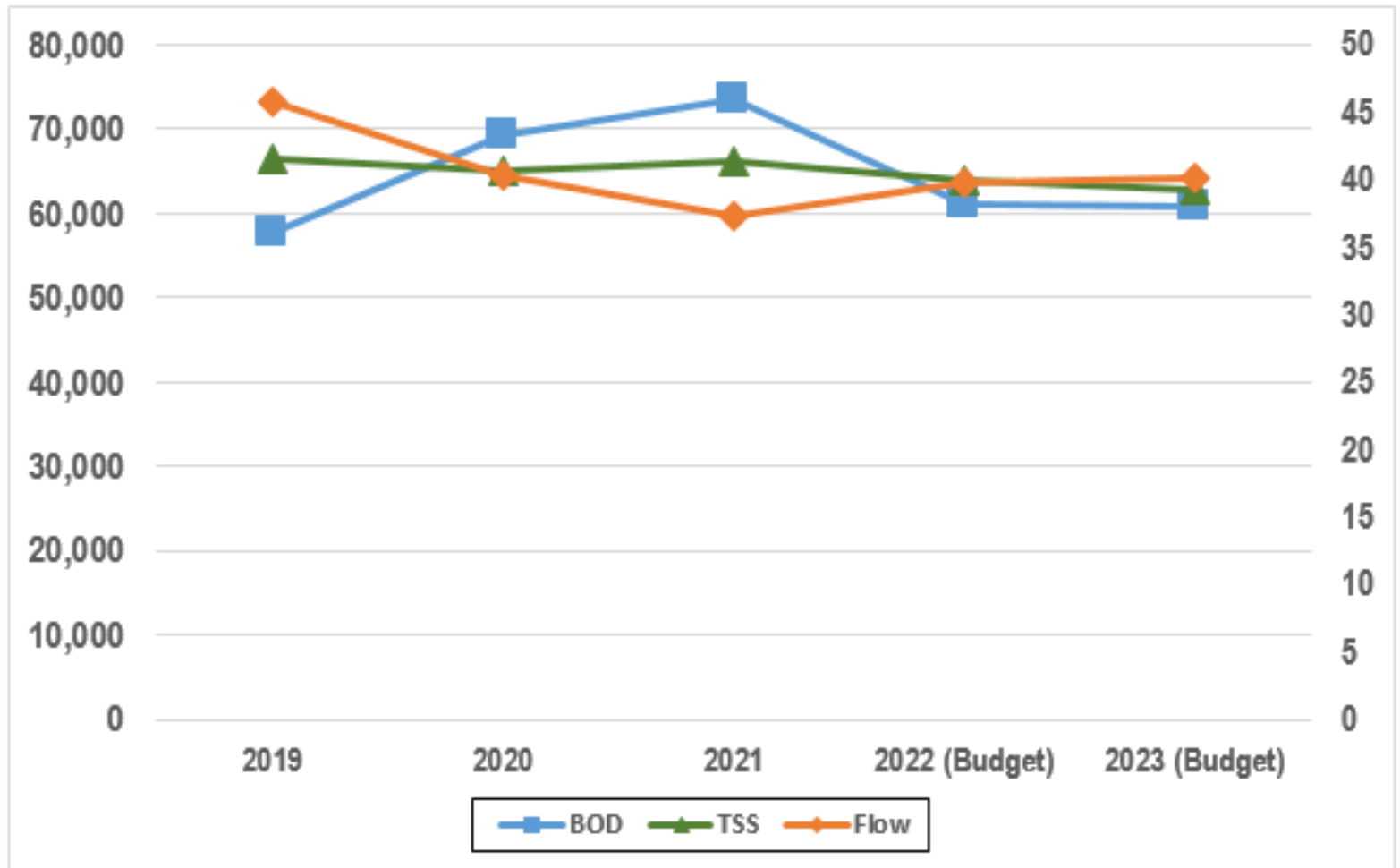
2022 Budget Update (through July)

- Overall operating revenue at 104% of budget
- Overall operating expense at 97% of budget
- Expect to finish 2022 slightly ahead of operating revenue and close to budget for operating expense
- Finished 2021 at 103% of operating revenue budget and 97% of operating expense budget

Proposed 2023 Budget

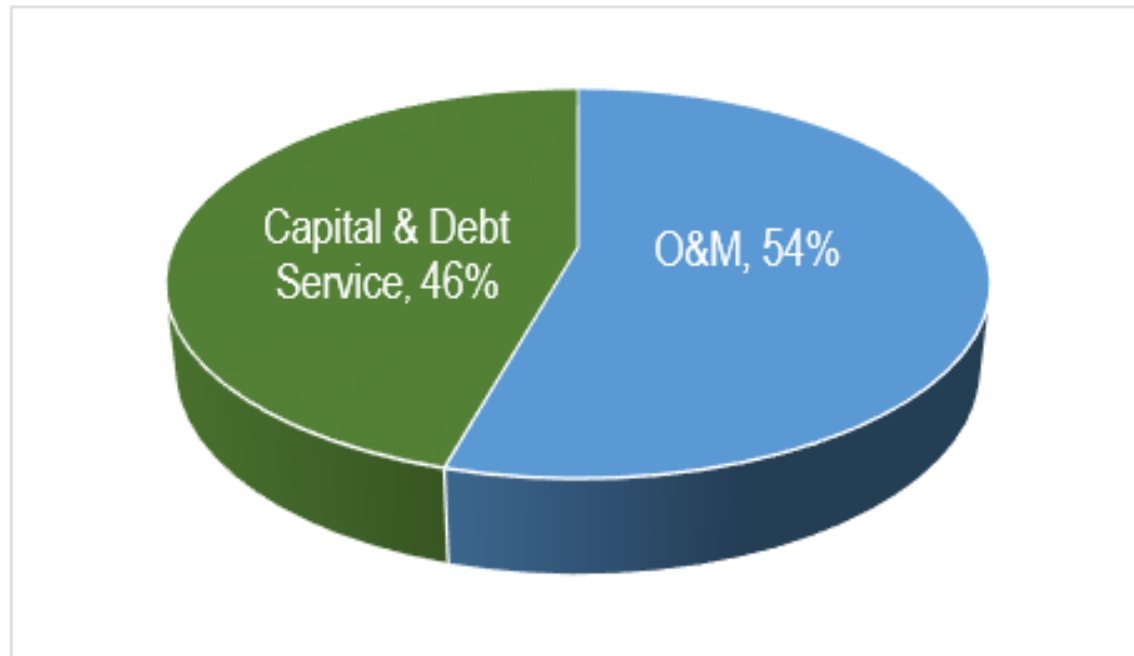


Flows and Loads



2023 Proposed Expenses

Budget Category	2022 Budget	2023 Budget
Operations & Maintenance (O&M)	\$ 24,271,546	\$ 26,483,146
Debt Service and Annual Capital	\$ 21,113,452	\$ 22,229,949
Total Expenses	\$ 45,384,997	\$ 48,713,096



2023 O&M Expenses

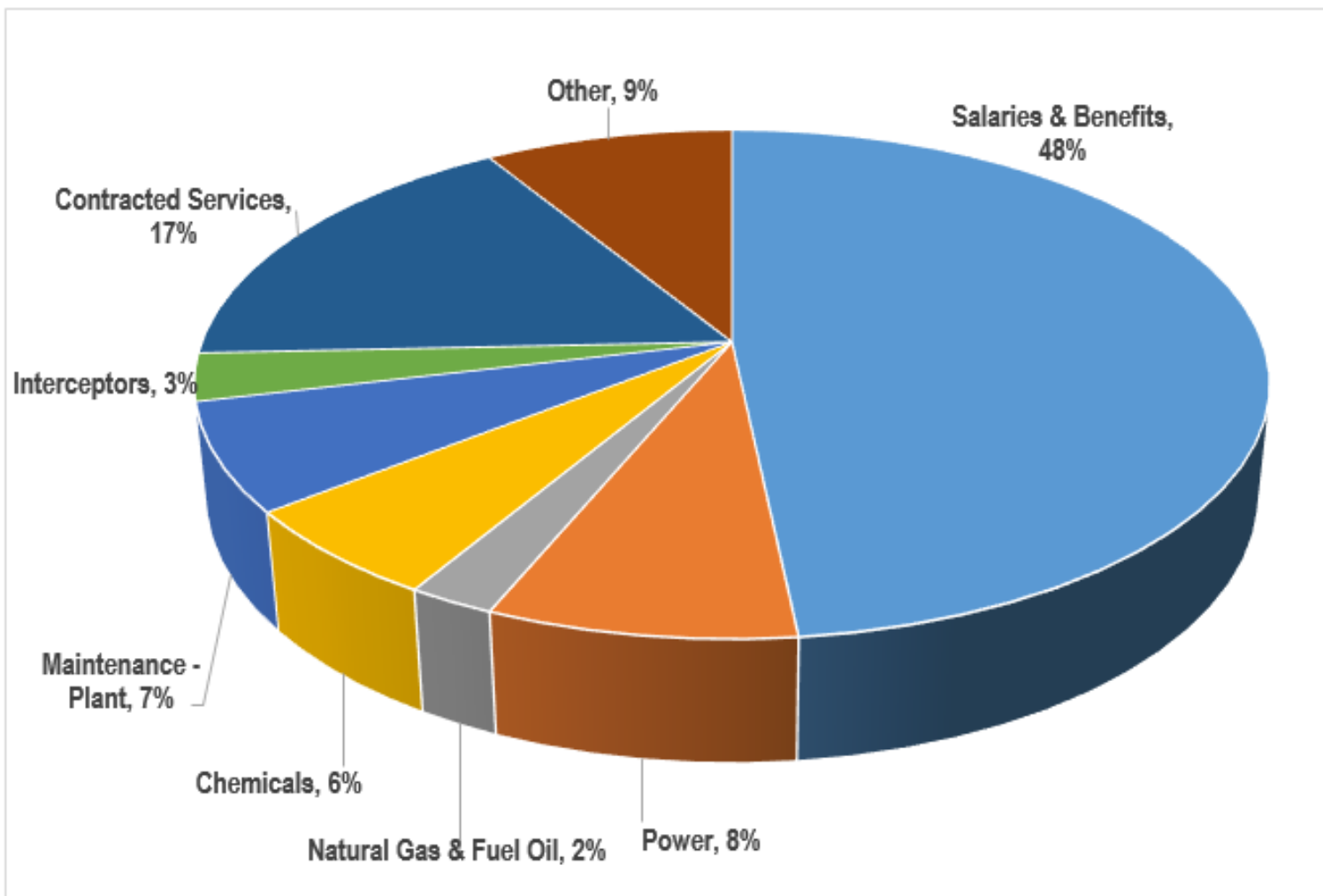
Broad Categories	2022 Budget	2023 Budget
Salaries & Benefits	\$ 12,087,372	\$ 12,798,893
Power	\$ 1,693,501	\$ 2,116,527
Natural Gas & Fuel Oil	\$ 547,203	\$ 597,337
Chemicals	\$ 1,401,810	\$ 1,539,563
Maintenance - Plant	\$ 1,503,490	\$ 1,822,227
Interceptors	\$ 1,068,934	\$ 800,411
Contracted Services *	\$ 3,795,717	\$ 4,329,002
Solid Waste Disposal	\$ 333,651	\$ 439,379
Insurance	\$ 428,130	\$ 524,400
Administrative	\$ 1,411,737	\$ 1,515,408
Total O&M Expenses	\$ 24,271,546	\$ 26,483,146

* Cost offset by Grants:

\$ 365,706

\$ 357,000

2023 O&M Expense Distribution





2023 Salaries & Benefits

- Assumed 10% increase in health insurance premiums
- WRS contribution rate increased from 6.5% to 6.8%
- Assumed 4.0% market adjustment to base wages
- Annual step increase for employees in Zone 1
- Pay for performance in place for employees in Zones 2 & 3



2023 Contracted Services

- Watershed management implementation - \$1,800K; grants to offset \$357K
- Legal services - \$340K
- West Tower Drive/Bayview system study - \$100K
- WFR alternatives analysis - \$100K
- NR 101 fees - \$150K
- I/I reduction program implementation - \$150K



2023 Major Capital Projects

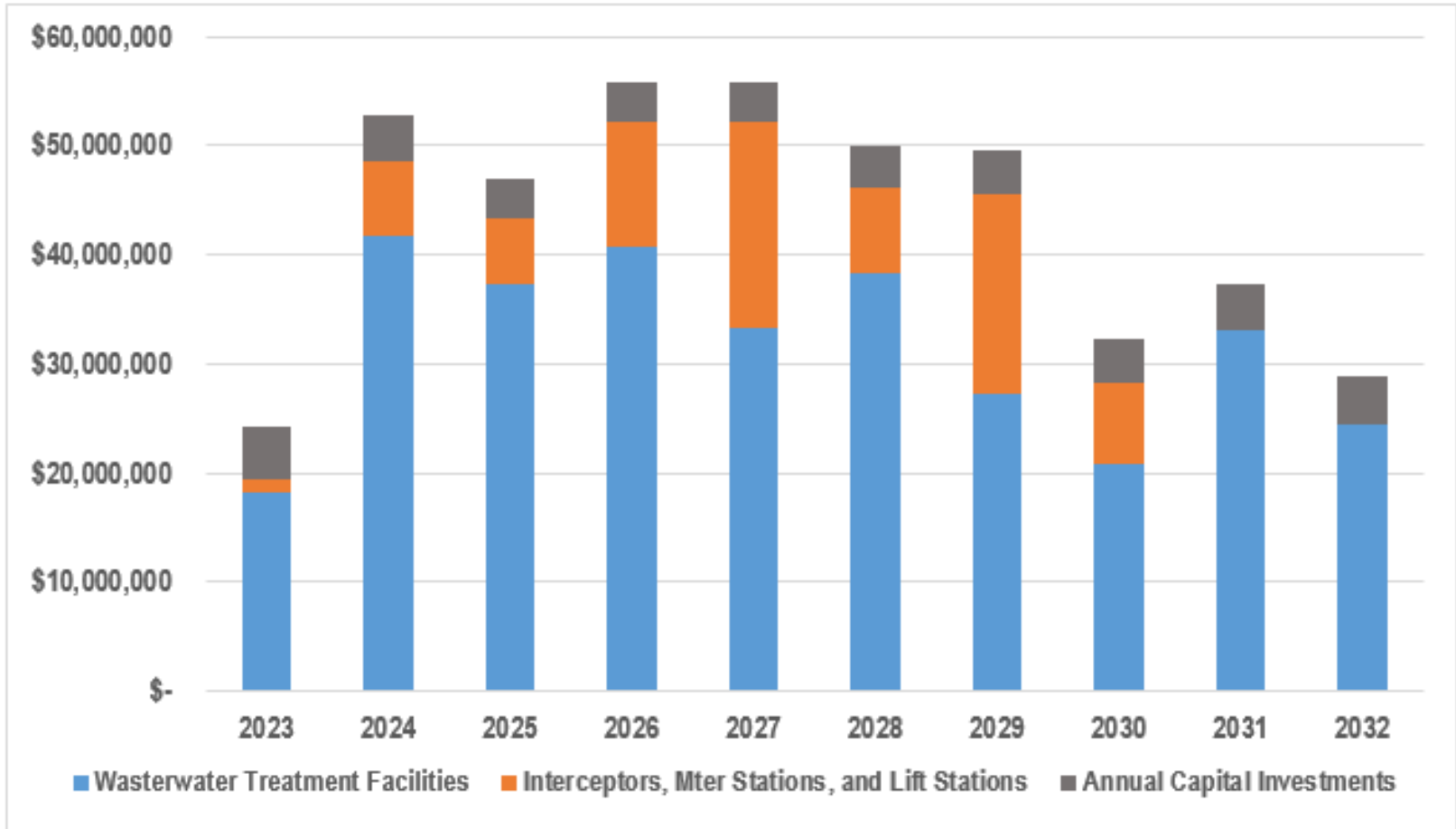
- GBF North Plant Clarifier Rehabilitation - \$9M
- GBF Thickening Improvements - \$16M
- East River Lift Station – Redundancy & Rehabilitation \$2M
- GBF Service Water & Plant Effluent Improvements - \$6M



2023 Annual Capital

- GBF Laboratory Information Management System
- GBF Maximo software upgrade
- GBF air handling units
- GBF disinfection mixing improvements
- GBF south plant mixed liquor return improvement
- GBF service water & plant effluent improvements

Proposed Long-Term Capital Projects





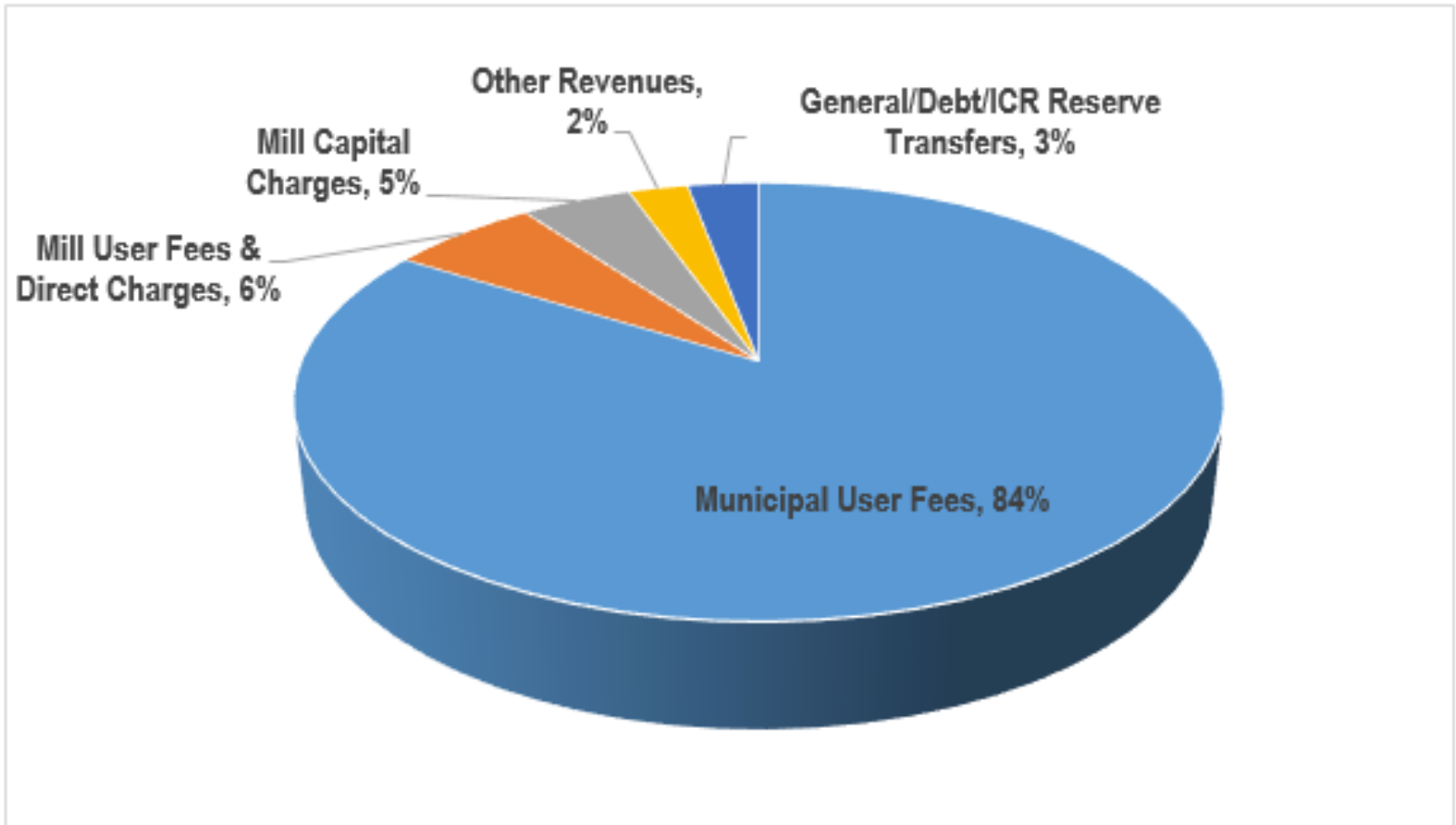
Capital Projects for 2024-2027

- DPF: Final Clarifiers & RAS Improvements - \$10M
- DPF: Metro Pumping & Headworks Improvements - \$26M
- GBF: Biosolids Handling and Storage Improvements - \$16M
- GBF: Metro Pumping & Headworks Improvements - \$46M
- GBF: North Plant Clarifiers Rehabilitation - \$34M
- Interceptor Rehabilitation - \$9M
- Total expected capital projects expected (2024 - 2027) - \$196M

2023 Revenue

Broad Categories	2022 Budget	2023 Budget
Municipal User Fees	\$ 39,149,604	\$ 40,839,001
Mill User Fees and Direct Charges	\$ 2,332,609	\$ 3,004,085
Mill Capital Charges	\$ 2,138,332	\$ 2,230,323
General Reserve Interest	\$ 19,619	\$ 29,126
Other Revenues	\$ 1,374,110	\$ 1,199,018
ICR and Debt Reserve Transfers	\$ 1,440,343	\$ 1,440,669
Contribution to Capital Reserve	\$ (1,069,619)	\$ (29,126)
Total Revenues	\$ 45,384,997	\$ 48,713,096

2023 Revenue Sources



Municipal Rate Comparison

Parameter	2022 Budget	2023 Budget	%
Volume (1,000 gals)	\$ 0.87645	\$ 0.87952	0.4%
Biochemical Oxygen Demand (lbs)	\$ 0.53922	\$ 0.58050	7.7%
Suspended Solids (lbs)	\$ 0.64839	\$ 0.72059	11.1%
Phosphorus (lbs)	\$ 2.94038	\$ 3.22796	9.8%
Total Kjeldahl Nitrogen (lbs)	\$ 0.73742	\$ 0.76101	3.2%

Note: Rates shown above are for comparison only and include allocation of:

Fixed Charge	\$ 13,792,777	\$ 14,449,467	4.76%
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Parameter rates billed to customers do not include fixed charge; that is billed separately.



2023 Budget Summary

- 7.3% increase in total expenses over 2022 budget
- Municipal User Fees increased by 4.3%
- O&M expenses increased by 9.1%
- Capital expenses increased by 5.3%
- Offset some interceptor debt service using ICR reserve

Next Steps

- Email to customers explaining rates
- All customer meeting on September 6
- One-on-one meetings for customers not able to attend the all customer meeting
- Second budget workshop on *September 28*
- Customer meeting(s)
- Budget hearing and adoption on *December 7*
- Customer notification