

POLICY

Title of Policy:	Interceptor Cost Recovery Reserve Policy
Policy Number:	0101-04-01
Author (position):	Director of Business Services
Owner (position):	Director of Business Services
Approved By:	<input checked="" type="checkbox"/> Commission -OR- <input type="checkbox"/> Executive Director
Adoption Date:	September 14, 2009
Last Review Date:	May 15, 2023
Last Approved Revision Date:	May 24, 2023

1.0 PURPOSE:

- 1.1 The purpose of this policy is to assist NEW Water, the brand of the Green Bay Metropolitan Sewerage District, and its Commission in designating, monitoring, and managing the Interceptor Cost Recovery (ICR) Reserve maintained by NEW Water for the renewal and replacement of interceptors as well as new interceptor projects of NEW Water.

2.0 SCOPE:

- 2.1 This policy applies to NEW Water's ICR Reserve.

3.0 PROGRAM AUTHORITY: (Not Used)

4.0 POLICY:

- 4.1 The ICR Reserve will target a minimum amount in principal and interest of not less than \$5 million.
- 4.2 NEW Water will establish the annual budgetary use of the ICR Reserve, in conjunction with its long-term capital improvement plan, for the utilization of designated amounts of interest and principal proceeds of the ICR Reserve related to renewal and replacement of interceptors as well as new interceptor projects of NEW Water.
- 4.3 Interest proceeds will be allocated based on the Investment Interest Use Policy.
- 4.4 NEW Water will replenish the ICR Reserve through customer interceptor capacity allocation payments, interest accumulation on the principal, and through the annual budget.

4.5 NEW Water will have discretion to use such interest and/or principal proceeds for the capital needs associated with the ICR Reserve, subject to alternative use of the ICR Reserve, as designated by the Commission of NEW Water.

5.0 DEFINITIONS: (Not Used)

6.0 POLICY VIOLATION:

6.1 Employees who violate this policy may be subject to disciplinary action based on the guidelines of the Disciplinary Policy.