

CITY OF NEW BERLIN

PROPOSED BUDGET

YEAR 2023

WATER UTILITY

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WATER BUDGET ASSUMPTIONS

Revenues: The last Milwaukee Water rate increase was in September of 2019, when their rates increased by 3%. Earlier in 2022 Milwaukee Water has petitioned for an increase of water rates for the future. According to the latest information from our wholesale group, it looks as if we should expect at least a 2 – 3% increase starting approximately mid-year. We no longer are able to petition the PSC for a Purchased Water Adjustment (PWAC), which allowed the Water Utility to automatically increase rates to cover the increased cost of purchased water. We will have to go to the PSC for a full rate case. We can petition the PSC for what we would want for a rate, but they ultimately will make the final decision for the increase. For budgeting purposes we have put in a 6% increase of rates for approximately half the year. The Utility is planning on a normal year for the number of gallons sold. Therefore, the sale of water revenues for 2023 we have budgeted about a 2.3 % increase when compared to the 2022 estimated revenues.

Due to the sudden increase in interest rates during 2022, the Utility has increased the interest income amount by approximately \$15,000 or by 32% when compared to the 2022 estimated totals.

Expenses: Operating

Purchased Water: With Milwaukee Water petitioning the PSC for an increase in rates, the Utility has budgeted for an increase in Milwaukee Water's rates. Since we are expecting a normal amount of precipitation next summer we have budgeted for purchasing 942 million gallons for 2023, which was approximately 0.7% increase from the budget amount for 2022.

Labor: Like the city budget, the Utility has budgeted for what amounts to be a 2.25% for the year for raises for the employees. In 2023, the City Accounting Supervisor will be transferring over to the Utility full time with a new role of Utility Finance Coordinator. In 2022 the Wastewater utility was paying 30% of that positions salary. The utility will now be paying 50% of this positions salary. The Utility Finance Coordinator with different reporting functions and backup the Utility Accounting Coordinator with utility billing functions. The Water Utility has lost a 0.6 FTE of an Utility Operator in 2023, as that 0.6 FTE is now in the Sewer budget. As people leave, and new people are hired, the Utility is working to get the operators trained in both Wastewater and Water operations. These items decreased salary expense by approximately \$1,700 or 0.3% when compared to the 2022 estimated salary amount.

The PSC requires the Utility to distribute the labor to the different areas of the Utility. The Utility uses three year averages to determine the salary breakdowns. There will be increases in some labor accounts and decreases in other labor accounts when compared to the prior year budget.

Health insurance budget for the Utility in 2023 will stay relatively the same when compared to the budgeted amount in 2022. The rates in the Wisconsin retirement system increased slightly to 6.8% for 2023.

Hydrants – Contracted Services:

The Utility was not able to get the fall painting of hydrants completed during 2022. The Utility needed to add those hydrants to this next year's rotation. Plus, there was an increase in the cost of having the hydrants repainted. That is why you will see an increase in the Hydrants Contracted account.

Supplies Accounts: You will see increases in a couple of the supplies accounts. We have seen the prices of supplies increase over the last year or so. We have accounted for this in these supplies accounts.

Taxes – Tax Equivalent: Tax Equivalent, or sometimes referred to as a “payment in lieu of tax”, is a cost of providing utility service and is an expense that must be recorded as required by the PSC. The Utility has determined that this payment will increase by about \$15,000 or 1.9% over the 2021 estimated expense total. This is a payment not required for the Wastewater Utility

Non Operating

Expenses: Amortization Exp – Milwaukee Water: The Utility paid \$1,500,000 to have the right to purchase water from the City of Milwaukee in 2009. The Utility is amortizing \$75,000 over the life of the contract which was 20 years. After 2023 there will be five years remaining to be amortized.

Expenses: Interest

General Obligation Debt: In 2021 the Utility refunding their outstanding General Obligation Debt to pay a lower interest rate over the same amount of remaining years. This saved the Utility approximately \$61,000 over the remaining three years of the bond. The last year for payment on this bond will be 2024. The Utility has budgeted \$32,750 of interest expense for these bonds.

Clean Water Fund Loan: In 2015 the Utility applied for Clean Water Fund Loans to pay for the water reliability project, in 2017 162nd Street Watermain Replacement project, and in 2018 Greenridge Watermain Placement project. We received the funding for the Reliability project in 2017, 162nd Street project in 2018, and Greenridge project in 2020. The Utility has budgeted \$51,796 in interest expense from these three loans.

Advance from Wastewater: In 2022 the Water Utility borrowed \$5,500,000 from the Wastewater to fund the Moorland Road Relining project. The amount of interest budgeted to pay to the Wastewater Utility is \$167,476.

Capital funding: The total capital budget is \$1,449,000. The major project for 2023 is upgrading all the pump house and other Water Utility building to Fiber Optics. This will help with communications to and all the buildings. (page 20). See page 17 for the 2023 capital funding budget and see page 18 for the 10 year capital funding projection.

**NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET**

18-Oct-22

	<u>2020 ACTUAL</u>	<u>2021 ACTUAL</u>	<u>2022 BUDGET</u>	<u>2022 6 MONTHS</u>	<u>2022 EST. TOTAL</u>	<u>2023 BUDGET</u>
OPERATING REVENUES	5,454,041	5,589,963	5,483,708	2,536,602	5,495,363	5,634,308
OPERATING EXPENSES						
OPERATIONS & MAINTENANCE	2,891,372	2,969,849	3,127,004	1,305,678	3,079,641	3,185,428
DEPRECIATION	1,381,889	1,420,957	1,352,800	650,000	1,375,000	1,455,000
TAX EQUIVALENT-TO CITY	<u>766,337</u>	<u>718,481</u>	<u>785,000</u>	<u>322,917</u>	<u>785,000</u>	<u>740,000</u>
TOTAL OPERATING EXPENSE	5,039,598	5,109,287	5,264,804	2,278,595	5,239,641	5,380,428
NET OPERATING INCOME (LOSS)	414,443	480,676	218,904	258,007	255,722	253,880
NON-OPERATING EXPENSES						
INTEREST ON DEBT	117,957	101,471	101,839	42,433	133,510	249,319
LITIGATION SETTLEMENT	-	-	-	-	-	-
LOSS ON DISPOSAL	-	-	-	-	-	-
AMORTIZATION	<u>109,956</u>	<u>144,404</u>	<u>99,250</u>	<u>37,500</u>	<u>75,000</u>	<u>75,000</u>
TOTAL NON-OPERATING EXPENSE	227,913	245,875	201,089	79,933	208,510	324,319
NON-OPERATING REVENUES						
AMORITZATION OF BOND PREMIUM	20,515	35,937	12,000	35,137	70,274	31,710
INTEREST INCOME	49,239	650	25,000	23,733	45,466	60,000
GRANTS	-	<u>5,716</u>	-	-	-	-
TOTAL NON-OPERATING REVENUE	<u>69,754</u>	<u>42,303</u>	<u>37,000</u>	<u>58,870</u>	<u>115,740</u>	<u>91,710</u>
Net Income Before Capital Contribution:	256,284	277,104	54,815	236,944	162,952	21,271
Capital Contributions	<u>-</u>	<u>390,096</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE in NET ASSETS	256,284	667,200	54,815	236,944	162,952	21,271
Net Assets - Beginning of Year	<u>45,497,903</u>	<u>45,754,187</u>	<u>46,421,387</u>		<u>46,421,387</u>	<u>46,584,339</u>
Net Assets - End of Year	<u><u>45,754,187</u></u>	<u><u>46,421,387</u></u>	<u><u>46,476,202</u></u>		<u><u>46,584,339</u></u>	<u><u>46,605,610</u></u>

CITY OF NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET

18-Oct-22

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 6 MONTHS	2022 EST. TOTAL	2023 PROPOSED
OPERATING REVENUES:						
91000000 46000 UNMETERED SALES	10,854	11,569	8,000	4,066	8,132	10,000
91000000 46110 METERED SALES - RESIDENTIAL	2,373,205	2,405,635	2,297,063	1,030,519	2,383,114	2,438,035
91000000 46120 METERED SALES - COMMERCIAL	794,914	822,477	856,309	386,413	821,422	844,225
91000000 46125 METERED SALES - MULTIFAMILY	565,187	559,953	571,771	271,046	561,559	566,328
91000000 46130 METERED SALES - INDUSTRIAL	307,901	334,527	301,558	160,813	315,588	327,532
91000000 46140 METERED SALES - PUBLIC	34,384	41,366	37,895	19,055	39,914	42,367
91000000 46181 PRIVATE FIRE PROTECTION	166,548	167,472	167,016	83,964	167,928	172,928
91000000 46182 PUBLIC FIRE PROTECTION	705,893	705,893	705,893	294,122	705,893	705,893
91000000 46200 FORFEITED DISCOUNTS	10,596	24,305	35,000	8,074	30,000	35,000
91000000 46300 STAND-BY SERVICE	10,208	9,880	11,000	5,000	10,500	11,000
91000000 46301 MISC. SERVICE REVENUES	10,199	12,292	5,000	1,813	5,313	10,000
91000000 46301 METER CHARGE TO SEWER	187,088	211,916	190,000	95,000	190,000	215,000
91100000 48010 RENTS (TOWER/BUILDINGS)	256,064	256,593	276,203	176,717	235,000	235,000
91000000 46011 ADMIN CHARGE TO STORMWATER	21,000	26,085	21,000	-	21,000	21,000
SUBTOTAL-OPERATING REVENUES	5,454,041	5,589,963	5,483,708	2,536,602	5,495,363	5,634,308
NONOPERATING REVENUES:						
91000000 41020 GRANTS - LOCAL	-	2,000	-	-	-	-
91300000 41000 GRANTS - FEDERAL	-	3,716	-	-	-	-
91100000 47000 INTEREST INCOME	49,239	19,163	25,000	23,733	45,466	60,000
91100000 47001 UNREALIZED GAIN/LOSS ON INVESTME	-	(18,513)	-	-	-	-
91000000 49502 AMORTIZATION OF BOND PREMIUM	20,515	35,937	12,000	35,137	70,274	31,710
91300000 42400 CAPITAL CONTRIBUTION	-	390,096	-	-	-	-
SUBTOTAL-NONOPERATING REVENL	69,754	432,399	37,000	58,870	115,740	91,710
TOTAL REVENUES	5,523,795	6,022,362	5,520,708	2,595,472	5,611,103	5,726,018

CITY OF NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 6 MONTHS	2022 EST. TOTAL	2023 PROPOSED
OPERATING EXPENSES:						
91000602 53021 PURCHASED WATER	1,499,364	1,516,891	1,486,000	571,551	1,499,293	1,530,700
91000623 56130 POWER PURCHASED	106,066	116,959	130,000	53,507	137,014	135,000
91000624 50010 OPERATIONS - LABOR	61,129	41,542	67,197	19,454	38,908	55,287
91000624 52030 OPERATIONS - CONTRACTED	25,404	9,765	31,250	11,188	20,000	25,000
91000624 54110 OPERATIONS - SUPPLIES	378	370	1,000	460	600	1,500
91000631 50010 STRUC & IMPROV PUMPHSE LABOR	21,363	20,701	23,003	8,869	17,738	21,928
91000631 52030 STRUC & IMPROV PUMPHSE CONTRAC	1,013	14,319	15,000	507	11,800	16,000
91000631 54110 STRUC & IMPROV PUMPHSE SUPPLIES	1,356	992	2,000	128	1,000	1,000
91000633 50010 PUMPING PLANT - LABOR	11,718	9,098	12,447	3,816	7,632	10,830
91000633 52030 PUMPING PLANT - CONTRACTED	16,236	6,860	15,000	788	4,000	12,500
91000633 54110 PUMPING PLANT - SUPPLIES	55	2,981	2,000	149	1,000	2,000
91001642 50010 WATER SAMPLES - LABOR	15,511	8,704	14,012	4,785	9,570	12,657
91001642 52030 WATER SAMPLES - TESTING	12,350	10,104	15,000	4,484	11,000	15,000
91001642 54110 WATER SAMPLES - SUPPLIES	148	318	150	-	150	150
91004651 50010 STRUC & IMPROV - LABOR	26,732	14,428	33,933	8,912	17,824	24,606
91004651 52030 STRUC & IMPROV - CONTRACTED	3,154	5,323	6,000	2,605	7,000	5,000
91004651 54110 STRUC & IMPROV - SUPPLIES	4,489	2,434	3,500	400	2,500	3,500
91001652 50010 WATER TREATMENT - LABOR	-	-	98	-	-	-
91001652 52030 CONTRACTED SERVICES	200	-	-	-	-	-
91001652 54110 WATER TREATMENT - SUPPLIES	-	224	400	-	-	400
91002663 50010 METER REPLACEMENT - LABOR	24,202	53,276	39,014	41,640	83,280	52,902
91002663 52030 METER REPLACEMENT - CONTRACTED	-	-	1,200	-	-	1,200
91002663 54110 METER REPLACEMENT - SUPPLIES	1,259	1,389	4,800	4,239	4,800	4,800
91002664 50010 CUST INSTALL - LABOR	2,558	1,497	5,833	5,785	11,570	5,682
91002664 52030 CUST INSTALL - CONTRACTED	-	-	200	-	-	200
91002664 54110 CUST INSTALL - SUPPLIES	-	1,238	2,500	-	1,200	2,500
91002672 50010 DIST RESERVOIRS - LABOR	1,731	1,769	2,643	15,011	30,022	9,577
91002672 52030 DIST RESERVOIRS - CONTRACTED	4,862	19,860	25,000	30,980	30,980	23,000
91002672 54110 DIST RESERVOIRS - SUPPLIES	1,016	936	2,500	694	2,500	1,500
91002673 50010 TRANS & DIST - LABOR	113,340	103,333	109,282	40,023	80,046	107,516
91002673 52030 TRANS & DIST - CONTRACTED	10,968	46,182	35,000	-	35,000	35,000
91002673 54110 TRANS & DIST - SUPPLIES	10,569	42,381	35,000	9,568	35,000	40,000
91002674 50010 FIRE MAINS - LABOR	347	299	570	134	268	393
91002675 50010 SERVICES - LABOR	61,161	38,998	58,998	25,067	50,134	55,423
91002675 52030 SERVICES - CONTRACTED	2,856	-	5,000	-	-	7,500
91002675 54110 SERVICES - SUPPLIES	7,394	10,493	12,000	6,175	12,000	12,000

CITY OF NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 6 MONTHS	2022 EST. TOTAL	2023 PROPOSED
91002676 50010 METER TESTING - LABOR	9,045	14,384	15,287	11,646	23,292	16,421
91002676 52030 METER TESTING - CONTRACTED	4,896	6,336	7,200	7,776	7,776	7,400
91002676 54110 METER TESTING - SUPPLIES	94	514	1,200	-	600	1,200
91002677 50010 HYDRANTS - LABOR	22,818	50,978	48,740	31,233	62,466	48,991
91002677 52030 HYDRANTS - CONTRACTED	22,220	14,960	15,000	-	9,000	24,300
91002677 54110 HYDRANTS - SUPPLIES	12,645	19,942	18,000	9,502	18,000	18,000
91003902 50010 METER READING - LABOR	12,071	8,818	13,947	5,504	11,008	12,140
91003902 52030 METER READING - CONTRACTED	7,010	2,590	2,000	-	-	6,500
91003902 54110 METER READING - SUPPLIES	-	-	100	-	-	100
91003903 50010 ACCT & COLLECT - LABOR	-	-	-	-	-	-
91003903 52030 ACCT & COLLECT - CONTRACTED	20,625	20,625	27,500	10,313	27,500	27,500
91003903 54110 ACCT & COLLECT - SUPPLIES	10,972	11,951	12,500	5,865	12,500	11,000
91003904 56190 UNCOLLECTIBLE ACCOUNTS	8,194	-	-	-	-	-
91004920 50010 ADMIN & GENERAL - LABOR	91,907	141,254	117,929	69,714	139,428	129,921
91004920 51030 HEALTH INSURANCE	148,158	178,614	203,593	92,851	185,702	198,664
91004920 51065 VISION DENTAL INSURANCE	3,429	3,270	3,676	1,691	3,382	3,624
91004920 51070 LIFE INSURANCE	1,079	1,021	1,218	621	1,242	1,238
91004921 54110 CONSERVATION - SUPPLIES	-	-	100	64	100	100
91004921 54112 CONSERVATION - TOILET REBATE PRC	250	50	400	150	400	300
91004921 54120 OFFICE SUPPLIES & EXPENSE	24,763	26,077	27,500	13,809	25,000	27,500
91004923 56200 OUTSIDE SERVICE-ACCOUNTING	16,250	20,497	16,500	9,656	16,500	16,500
91004923 56210 OUTSIDE SERVICE-LEGAL	9,312	9,312	11,712	4,656	9,312	11,712
91004923 56220 OUTSIDE SERVICE-ENGINEERING	48,469	19,263	25,000	-	10,000	15,000
91004923 56250 OUTSIDE SERVICE-CROSS CONNECT	28,908	40,908	19,500	13,386	28,000	28,908
91004923 56250 OUTSIDE SERVICE-OTHER	17,500	-	7,500	3,750	7,500	7,500
91004924 56050 PROPERTY INSURANCE	24,117	17,593	18,000	9,000	18,000	16,000
91004925 50010 SAFETY/TRAINING - LABOR	11,641	4,956	6,653	5,803	11,606	9,230
91004925 52030 TRAINING SERVICES	-	-	200	-	-	-
91004925 54110 SAFETY/TRAINING - SUPPLIES	711	2,385	3,200	480	3,200	2,500
91004925 54300 CONFERENCE/SEMINAR/MEETING	213	2,060	3,500	2,499	2,600	3,200
91004926 50080 VACATION	47,612	58,457	49,598	26,777	58,554	56,729
91004926 50090 SICK LEAVE	13,852	39,478	17,792	21,518	43,036	30,231
91004926 50100 HOLIDAYS	21,513	13,335	21,581	-	5,000	16,267
91004926 50110 OTHER LABOR	32,924	16,133	24,037	-	-	19,356
91004926 51010 RETIREMENT	42,072	(17,229)	44,927	22,602	45,204	47,888
91004926 51060 LONG TERM DISABILITY	794	845	868	443	886	858
91004926 52070 DRUG TESTING	-	355	500	325	500	500
91004927 56020 WORKMAN'S COMP.	22,595	27,597	22,000	11,000	21,000	16,000

CITY OF NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET

	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 6 MONTHS	2022 EST. TOTAL	2023 PROPOSED
91004932 52030 GENERAL PLANT - CONTRACTED	1,165	1,385	2,000	3,064	3,064	2,500
91004932 54110 GENERAL PLANT - SUPPLIES	3,179	4,756	8,000	1,023	6,000	6,000
91004933 50010 TRANSP EXP - LABOR	9,140	6,305	10,678	2,283	4,566	8,127
91004933 54020 TRANSP EXP - CONTRACTED	11,330	13,167	13,000	1,363	10,000	14,000
91004933 54110 TRANSP EXP - SUPPLIES	185	470	1,000	305	1,000	1,000
91004933 54190 TRANSP EXP - GAS,OIL,TIRES	28,017	28,185	24,000	9,543	25,000	25,000
91004933 56030 TRANSP EXP - INSURANCE	2,630	3,280	2,600	-	2,600	3,200
91010000 58010 DEPRECIATION	1,273,494	1,303,586	1,300,000	650,000	1,325,000	1,340,000
91010000 58030 DEPRECIATION - TRANSPORTATION	108,395	117,371	52,800	-	50,000	115,000
91020049 56240 REGULATORY COMMISSION EXP.	5,479	6,223	6,200	-	6,200	6,200
91024926 51020 TAXES-FICA & MEDICARE	42,659	45,085	53,038	24,544	49,088	53,872
91250060 56230 TAXES-TAX EQUIVALENT	766,337	718,481	785,000	322,917	785,000	740,000
SUBTOTAL-OPERATING EXPENSES	5,039,598	5,109,287	5,264,804	2,278,595	5,239,641	5,380,428
NONOPERATING EXPENSES:						
91130050 57010 INTEREST ON LONG-TERM DEBT	62,825	47,559	50,043	20,851	41,702	32,750
91130050 57010 INTEREST ON ADVANCE FROM SEWER	-	-	-	-	40,012	167,476
91130050 57010 INTEREST ON CLEAN WATER FUND LO	55,132	53,912	51,796	21,582	51,796	49,093
91140050 58040 AMORTIZATION OF REFUNDING LOSS	34,956	69,404	24,250	-	-	-
91140050 58041 AMORTIZATION OF MILWAUKEE WATEI	75,000	75,000	75,000	37,500	75,000	75,000
SUBTOTAL-NONOPERATING EXPENS	227,913	245,875	201,089	79,933	208,510	324,319
TOTAL EXPENSES	5,267,511	5,355,162	5,465,893	2,358,528	5,448,151	5,704,747
CHANGE IN NET ASSETS	256,284	667,200	54,815	236,944	162,952	21,271

CITY OF NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET

DESCRIPTION	2020 ACTUAL	2021 ACTUAL	2022 BUDGET	2022 6 MONTHS	2022 EST. TOTAL	2023 PROPOSED
OPERATIONS - LABOR	61,129	41,542	67,197	19,454	38,908	55,287
STRUC & IMPROV PUMPHSE LABOR	21,363	20,701	23,003	8,869	17,738	21,928
PUMPING PLANT - LABOR	11,718	9,098	12,447	3,816	7,632	10,830
WATER SAMPLES - LABOR	15,511	8,704	14,012	4,785	9,570	12,657
STRUC & IMPROV - LABOR	26,732	14,428	33,933	8,912	17,824	24,606
WATER TREATMENT - LABOR	-	-	98	-	-	-
METER REPLACEMENT - LABOR	24,202	53,276	39,014	41,640	83,280	52,902
CUST INSTALL - LABOR	2,558	1,497	5,833	5,785	11,570	5,682
DIST RESERVOIRS - LABOR	1,731	1,769	2,643	15,011	30,022	9,577
TRANS & DIST - LABOR	113,340	103,333	109,282	40,023	80,046	107,516
FIRE MAINS - LABOR	347	299	570	134	268	393
SERVICES - LABOR	61,161	38,998	58,998	25,067	50,134	55,423
METER TESTING - LABOR	9,045	14,384	15,287	11,646	23,292	16,421
HYDRANTS - LABOR	22,818	50,978	48,740	31,233	62,466	48,991
METER READING - LABOR	12,071	8,818	13,947	5,504	11,008	12,140
ACCT & COLLECT - LABOR	-	-	-	-	-	-
ADMIN & GENERAL - LABOR	91,907	141,254	117,929	69,714	139,428	129,921
SAFETY/TRAINING - LABOR	11,641	4,956	6,653	5,803	11,606	9,230
VACATION	47,612	58,457	49,598	26,777	58,554	56,729
SICK LEAVE	13,852	39,478	17,792	21,518	43,036	30,231
HOLIDAYS	21,513	13,335	21,581	-	5,000	16,267
OTHER LABOR	32,924	16,133	24,037	-	-	19,356
TRANSP EXP - LABOR	9,140	6,305	10,678	2,283	4,566	8,127
	----- 612,315	----- 647,743	----- 693,272	----- 347,974	----- 705,948	----- 704,214
Full-time	579,448	637,503	652,445	288,751	673,747	693,318
Part-time	1,175	872	2,184	471	971	1,000
Over-time	1,685	849	8,000	850	3,000	5,800
Vested Vacation & Sick Leave	(4,993)	11,796	-	-	-	-
City Charge	8,666	9,248	33,143	16,101	31,230	6,596
Other Post Employment Benefits	32,416	(11,978)	-	-	-	-
Meters - Capital	(6,082)	(547)	(2,500)	(337)	(3,000)	(2,500)
	----- 612,315	----- 647,743	----- 693,272	----- 305,835	----- 705,948	----- 704,214

CITY OF NEW BERLIN WATER UTILITY
2023 PROPOSED BUDGET

	2020 BUDGET	2021 BUDGET	2022 BUDGET	2023 BUDGET
Manager	0.50	0.50	0.50	0.50
Supervisor	0.50	0.50	0.50	0.50
Lead Operator	1.00	1.00	2.00	2.00
Control System Tech/Operator	0.65	0.50	0.50	0.50
Operator	5.70	5.70	4.70	5.30
Operator-in-training	1.20	1.20	1.20	0.00
Finance Coordinator	0.00	0.00	0.00	0.50
Accounting Coordinator	0.50	0.50	0.50	0.50
Office Coordinator	0.50	0.50	0.50	0.50
	-----	-----	-----	-----
	10.55	10.40	10.40	10.30

Water Budget 2023 Proposed

OPERATION EXPENSES

PURCHASED WATER

Account	Description	2022 Budget	2023 Budget	Difference
91000602.53021	Purchased Water- City of Milwaukee	1,486,000	1,530,700	44,700

SUPPLY AND PUMPING EXPENSES

Account	Description	2022 Budget	2023 Budget	Difference
91000623.56130	Electricity purchased for pumphouse, UT building, towers, ect. - 1.5% rate increase per WE Energies	130,000	135,000	5,000

PUMPING LABOR & EXPENSES

These accounts include cost of labor, materials used and expenses incurred in operating (SCADA) pumps and auxiliary equip. Operating pumps, turbines, engines, condensers, circulating water systems; operating lubrications and oil control systems; Operating valves to a point where water enters the water treatment or transmission and distribution system; Testing, checking and adjusting meters, gauges and other instruments in the pumping plant; Cleaning pumping equip.

Account	Description	2022 Budget	2023 Budget	Difference
91000624.50010	Labor	67,197	55,287	(11,910)
91000624.52030	Contracted Services	31,250	25,000	(6,250)
91000624.54110	Supplies	1,000	1,500	500

MAINTENANCE OF STRUCTURE & IMPROVEMENTS

These accounts include labor, materials used and expenses incurred in the maintenance of structures and improvements in connection with pumping- Pumphouses building & grounds

Account	Description	2022 Budget	2023 Budget	Difference
91000631.50010	Labor	23,003	21,928	(1,075)
91000631.52030	Contracted Services	15,000	16,000	1,000
91000631.54110	Supplies	2,000	1,000	(1,000)

MAINTENANCE OF PUMPING EQUIPMENT

Cost of labor, materials and contracted expenses incurred in the maintenance of pumping equipment and related to the pumping function

Account	Description	2022 Budget	2023 Budget	Difference
91000633.50010	Labor	12,447	10,830	(1,617)
91000633.52030	Contracted Services	15,000	12,500	(2,500)
91000633.54110	Supplies	2,000	2,000	-

WATER TREATMENT EXPENSES

Account	Description	2022 Budget	2023 Budget	Difference
91001641.56140	Chemicals - Chlorine & Phosphate	-	-	-

Water Budget 2023 Proposed

WATER SAMPLES

These accounts include cost of labor, material used, and expenses incurred for water treatment plant. Laboratory expenses, testing & analyzing; applying chemicals; regulatory testing

Account	Description	2022 Budget	2023 Budget	Difference
91001642.50010	Labor	14,012	12,657	(1,355)
91001642.52030	Contracted Services	15,000	15,000	-
91001642.54110	Supplies	150	150	-

MAINTENANCE OF STRUCTURES & IMPROVEMENTS

(Non Pumphouse) shop, utility storage, including shared expenses for office building

Account	Description	2022 Budget	2023 Budget	Difference
91004651.50010	Labor	33,933	24,606	(9,327)
91004651.52030	Contracted Services	6,000	5,000	(1,000)
91004651.54110	Supplies	3,500	3,500	-

MAINTENANCE OF WATER TREATMENT EQUIP/SYSTEMS CHEMICAL FEED

Account	Description	2022 Budget	2023 Budget	Difference
91001652.50010	Labor	98	-	(98)
91001652.52030	Contracted Services	-	-	-
91001652.54110	Supplies	400	400	-

TRANSMISSION & DISTRIBUTION EXPENSES

METER REPLACEMENT

Meter installs, removing, resetting, disconnecting & reconnecting existing meters, turning off/on services, on site meter testing, inspecting and adjusting meter testing equipment, meter seals, supplies, etc. (New meters are charged to Acct # 90-173460)

Account	Description	2022 Budget	2023 Budget	Difference
91002663.50010	Labor	39,014	52,902	13,888
91002663.52030	Contracted Services	1,200	1,200	-
91002663.54110	Supplies	4,800	4,800	-

CUSTOMER INSTALLATION

Investigating customer service complaints; repairing customer plbg & fixtures, testing services installed by customer, changing house piping for the convenience of the utility & cross connection control

Account	Description	2022 Budget	2023 Budget	Difference
91002664.50010	Labor	5,833	5,682	(151)
91002664.52030	Contracted Services	200	200	-
91002664.54110	Supplies	2,500	2,500	-

DISTRIBUTION RESERVOIRS & STANDPIPES

These accounts include the costs of labor materials used and expenses incurred in maintenance of reservoirs, water towers, tanks, standpipes & related facilities

Account	Description	2022 Budget	2023 Budget	Difference
91002672.50010	Labor	2,643	9,577	6,934
91002672.52030	Contracted Services	25,000	23,000	(2,000)
91002672.54110	Supplies	2,500	1,500	(1,000)

Water Budget 2023 Proposed

MAINTENANCE OF TRANSMISSION & DISTRIBUTION MAINS

All valves, mains, locate requests, barricades, supplies, equipment, safety equipment used for water main breaks, water main trailer, lead & copper testing, share of hydrant flushing labor & fire mains, etc.

Account	Description	2022 Budget	2023 Budget	Difference
91002673.50010	Labor	109,282	107,516	(1,766)
91002673.52030	Contracted Services	35,000	35,000	-
91002673.54110	Supplies	35,000	40,000	5,000
91002674.50010	Labor - Fire Mains	570	393	(177)

MAINTENANCE OF SERVICES

(non -fire service lines) stop box parts, maintenance & repairs, service line locates

Account	Description	2022 Budget	2023 Budget	Difference
91002675.50010	Labor	58,998	55,423	(3,575)
91002675.52030	Contracted Services	5,000	7,500	2,500
91002675.54110	Supplies	12,000	12,000	-

METER TESTING

These accounts include the cost of labor, materials used & expenses incurred in maintenance of meters & meter testing equipment & ROM'S

Account	Description	2022 Budget	2023 Budget	Difference
91002676.50010	Labor	15,287	16,421	1,134
91002676.52030	Contracted Services	7,200	7,400	200
91002676.54110	Supplies	1,200	1,200	-

MAINTENANCE OF HYDRANTS

These accounts include the cost of labor, materials used & expenses incurred in the maintenance of fire hydrants & associated equipment, share of hydrant flushing costs.

Account	Description	2022 Budget	2023 Budget	Difference
91002677.50010	Labor	48,740	48,991	251
91002677.52030	Contracted Services	15,000	24,300	9,300
91002677.54110	Supplies	18,000	18,000	-

CUSTOMER ACCOUNTS EXPENSES

METER READING EXPENSES

This account shall include the cost of labor, materials used & expenses incurred when reading customer meters & determining consumption- hi-low reports & leak letters. This account also includes the software maintenance fee related to the Neptune meter reading software.

Account	Description	2022 Budget	2023 Budget	Difference
91003902.50010	Labor	13,947	12,140	(1,807)
91003902.52030	Contracted Services	2,000	6,500	4,500
91003902.54110	Supplies	100	100	-

Water Budget 2023 Proposed

CUSTOMER RECORDS & COLLECTION EXPENSE

Billing & Accounting- collections, complaints. Posting receivables, postage

Account	Description	2022 Budget	2023 Budget	Difference
91003903.50010	Labor	-	-	-
91003903.52030	Contracted Services	27,500	27,500	-
91003903.54110	Supplies	12,500	11,000	(1,500)
91003904.56190	Uncollectible Accounts- bankruptcies & uncollectible accounts	-	-	-

ADMINISTRATIVE & GENERAL EXPENSES

ADMINISTRATIVE ITEMS & BENEFITS

Account	Description	2022 Budget	2023 Budget	Difference
91004920.50010	Administration & General- Labor	117,929	129,921	11,992
91004920.51030	Health Insurance - Increase in rates in 2023	203,593	198,664	(4,929)
91004920.51065	Vision/Dental Insurance	3,676	3,624	(52)
91004920.51070	Life Insurance	1,218	1,238	20
91004921.54110	Conservation Expenses	100	100	-
91004921.54112	Toilet Rebate Program	400	300	(100)
91004921.54120	Office Supplies & Expenses	27,500	27,500	-

OUTSIDE SERVICES

Expenses of accountants, auditors, appraisers, attorneys, engineering consultants, management consultants, etc.

Account	Description	2022 Budget	2023 Budget	Difference
91004923.56200	Accounting: City Treasurer's \$5,000, independent audit \$10,000	16,500	16,500	-
91004923.56210	Legal: Percentage share of City Attorney's base charges	11,712	11,712	-
91004923.56220	Engineering: City Engineering staff charges & technical services, etc.	25,000	15,000	(10,000)
91004923.56250	DNR required cross connection inspections	19,500	28,908	9,408
91004923.56250	Other: Service pump assessment, GIS & create a long range maintenance/replacement schedule.	7,500	7,500	-
91004924.56050	Property Insurance	18,000	16,000	(2,000)

SAFETY & TRAINING

Injury & damage claims of employees or others, losses not covered by insurance. Labor & related supplies & expenses incurred in injuries; Costs of safety, accident prevention & similar educational activities.

Account	Description	2022 Budget	2023 Budget	Difference
91004925.50010	Labor	6,653	9,230	2,577
91004925.52030	Contracted Services	200	-	(200)
91004925.54110	Supplies	3,200	2,500	(700)
91004925.54300	Training/Workshops/Licenses - all operators	3,500	3,200	(300)

Water Budget 2023 Proposed

ADMINISTRATIVE ITEMS & BENEFITS

Account	Description	2022 Budget	2023 Budget	Difference
91004926.50080	Vacation wages	49,598	56,729	7,131
91004926.50090	Sick leave & Workers Comp wages	17,792	30,231	12,439
91004926.50100	Holiday wages	21,581	16,267	(5,314)
91004926.50110	Other Labor	24,037	19,356	(4,681)
91004926.51010	Wisconsin Retirement System payments	44,927	47,888	2,961
91004926.51060	Long Term Disability	868	858	(10)
91004926.51080	Unemployment Compensation	-	-	-
91004926.52070	Drug Testing	500	500	-
91004927.56020	Workers Comp Insurance	22,000	16,000	(6,000)

MAINTENANCE OF GENERAL PLANT

Miscellaneous costs to maintain property

Account	Description	2022 Budget	2023 Budget	Difference
91004932.52030	Contracted Services	2,000	2,500	500
91004932.54110	Supplies	8,000	6,000	(2,000)

TRANSPORTATION EXPENSE

All vehicles & equipment

Account	Description	2022 Budget	2023 Budget	Difference
91004933.50010	Labor	10,678	8,127	(2,551)
91004933.54020	Contracted Services	13,000	14,000	1,000
91004933.54110	Supplies	1,000	1,000	-
91004933.54190	Gas, oil, tires, etc.	24,000	25,000	1,000
91004933.56030	Insurance	2,600	3,200	600

EXPENSES RELATING TO PROPERTY/PLANT IN-SERVICE

DEPRECIATION EXPENSE

Accounts used for the depreciation of assets within the Utility

Account	Description	2022 Budget	2023 Budget	Difference
91010000.58010	Depreciation Expense	1,300,000	1,340,000	40,000
91010000.58030	Depreciation - Vehicles	52,800	115,000	62,200

TAXES

Includes Regulatory PSC assesment, Payroll Taxes and the amount pay to the City for Tax Equivalent

Account	Description	2022 Budget	2023 Budget	Difference
91020049.56240	Regulatory Commission Expense: PSC Assessment, DNR Water Permits & other regulatory fees, etc.	6,200	6,200	-
91024926.51020	Social Security taxes- FICA & Medicare	53,038	53,872	834
91250000.56230	Tax equivalent paid to City	785,000	740,000	(45,000)

Water Budget 2023 Proposed

NON-OPERATING

Expenses that occur outside of the Utility's day to day activities. These items include interest on debt payments and regulatory accounting items.

Account	Description	2022 Budget	2023 Budget	Difference
91130000.57010	Interest on long term debt	50,043	32,750	(17,293)
91130000.57010	Interest on advance	-	167,476	167,476
91130000.57010	Interest on Clean Water Fund Loan	51,796	49,093	(2,703)
91140000.58040	Amortization of Bond Discount	24,250	-	(24,250)
91140000.58041	Amortization of Milwaukee Water	75,000	75,000	-

Total	5,465,893	5,704,747	238,854
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**NEW BERLIN WATER UTILITY
BUDGET ANALYSIS**

					2021 to 2022					Average Annual Increase
	A	B	C	D	Percent of Total Expense	2020 to 2021		2022 to 2023		
						D-C \$ Difference	B-A % Difference	C-B % Difference	D-C % Difference	
2020 ACTUAL	2021 ACTUAL	2022 ESTIMATED	2023 PROPOSED							
1) OPERATING REVENUES	5,454,041	5,589,963	5,495,363	5,634,308		138,945	2.5%	-1.7%	2.5%	1.1%
2) Depreciation	(1,381,889)	(1,420,957)	(1,375,000)	(1,455,000)	25.5%	80,000	2.8%	-3.2%	5.8%	1.8%
3) Tax equivalent	(766,337)	(718,481)	(785,000)	(740,000)	13.0%	(45,000)	-6.2%	9.3%	-5.7%	-0.9%
4) Purchased Water	(1,499,364)	(1,516,891)	(1,499,293)	(1,530,700)	26.8%	31,407	1.2%	-1.2%	2.1%	0.7%
5) All other operating expenses	<u>(1,392,008)</u>	<u>(1,452,958)</u>	<u>(1,580,348)</u>	<u>(1,654,728)</u>	29.0%	<u>74,380</u>	<u>4.4%</u>	<u>8.8%</u>	<u>4.7%</u>	<u>6.0%</u>
6) TOTAL OPERATING EXPENSES	(5,039,598)	(5,109,287)	(5,239,641)	(5,380,428)		(140,787)	1.4%	2.6%	<u>2.7%</u>	<u>2.2%</u>
7) Operating Income (Loss)	<u>414,443</u>	<u>480,676</u>	<u>255,722</u>	<u>253,880</u>		<u>(1,842)</u>				
8) **Non operating Revenue	69,754	432,399	115,740	91,710		(24,030)	519.9%	-73.2%	-20.8%	142.0%
9) Non operating Expense	<u>(227,913)</u>	<u>(245,875)</u>	<u>(208,510)</u>	<u>(324,319)</u>	5.7%	<u>115,809</u>	7.9%	-15.2%	55.5%	16.1%
CHANGE IN NET ASSETS	<u>256,284</u>	<u>667,200</u>	<u>162,952</u>	<u>21,271</u>		<u>(141,681)</u>				

** Includes contributed interest revenue, capital including impact fees & developer contributed infrastructure.

NEW BERLIN WATER UTILITY
2023 CAPITAL BUDGET

Priority Description	Cost	Funding Source
1 Meters	250,000	Working Capital
2 Fiber Optics	1,000,000	Working Capital
3 Tri-Axle/Tandem Dump Truck	115,000	Working Capital
4 Hydrant Saver	14,700	Working Capital
5 Moorland Rd Water Main Project	15,000	Working Capital
6 Valve Replacement Program	40,000	Working Capital
7 Hydrant Replacement Program	25,000	Working Capital
8 iPad Replacement / Computer Replacements	7,000	Working Capital
TOTAL	<u>\$ 1,466,700</u>	

Funding Sources:

Working Capital	1,466,700
Borrowed Capital	-
	<u>\$ 1,466,700</u>

**NEW BERLIN WATER UTILITY
TEN YEAR CAPITAL IMPROVEMENT PROGRAM
2023 - 2032**

Project	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	TOTAL
Meters	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	2,500,000
Fiber Optics	1,000,000										1,000,000
Hydrant Saver	14,700										14,700
Moorland Rd Water Main Project	15,000	15,000	15,000	50,000							95,000
Valve Replacement Program	40,000	40,000	40,000	42,000	42,000	45,000	45,000	45,000	45,000	45,000	429,000
Hydrant Replacement Program	25,000	25,000	25,000	25,000	25,000	28,000	28,000	30,000	30,000	30,000	271,000
Pumphouse Repairs		100,000		100,000							200,000
Calhoun Main Extension						12,000,000					12,000,000
Coachlight Relay										2,500,000	2,500,000
Green Ridge Main Replacement Program										2,500,000	2,500,000
SCADA Upgrade			80,000				100,000				180,000
Forest View Pump House		40,000									40,000
PLC UpGrade				148,000							148,000
Tower Rehab/Painting					1,800,000						1,800,000
Vehicle Replacement: #218, #232					150,000						150,000
Vehicle Replacement: #235	115,000										115,000
Vehicle Replacement: #236, #294		150,000									150,000
Vehicle Replacement: #222			160,000								160,000
Vehicle Replacement: #231						110,000					110,000
Vehicle Replacement: #230, #221				130,000							130,000
Vehicle Replacement: #224										40,000	40,000
PC Replacement	7,000	7,000	10,000	7,000	8,000	8,000	10,000	8,000	8,000	8,000	81,000
TOTAL	1,466,700	627,000	580,000	752,000	2,275,000	12,441,000	433,000	333,000	333,000	5,373,000	24,613,700

Note: Dependent on City CIP Projects

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - WATER

Project Title: Meters	Department Priority #1
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Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment	250,000	250,000	250,000	250,000	250,000
Construction					
Engineering & Administration					
Total	250,000	250,000	250,000	250,000	250,000

Project Scope and Description:

Purchase water meters per PSC, DNR requirements to replace meters. Increase in cost for meters due to policy for no lead. Being that the Utility stock is limited under the new DNR no lead requirements, meters will need to be purchased to accommodate the regulation and obtain updated stock.

Location:

Per PSC rules and regulations water meter change out schedules differ depending on the size of the meter 5/8", 1/4", or 1" meters, which are used for residential and small businesses, shall be replaced every fifteen to twenty (15-20) years. Small commercial meters, 1-1/2" and 2", have to be replaced every four years. Large commercial meters, 3" or larger, have to be replaced every two (2) years.

Analysis of Need:

PSC and DNR requirements for annual maintenance program for water usage and billing. We are required to go to meters that do not contain lead.

Alternatives:

None

Ongoing Operating Costs:

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - Water

Project Title: **Fiber Optics**

Department Priority # 2

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment					
Construction	1,000,000				
Engineering & Administration					
Total	1,000,000				

Project Scope and Description:

Replace the aging radio communications system with fiber optic communications. Fiber optics will allow the combining of the camera system and SCADA systems into one communications system. This will save the Utility about \$2,400.00 a year plus.

Location:

All Utility Lift Stations, nine in total.

Analysis of Need:

The current system is old with a number of data fails (no communication) occurring daily that requires an employee response to the alarm.

Alternatives:

Could replace with a cellular system that would cost more money.

Ongoing Operating Costs:

None

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - Water

Project Title: **Tri-Axle/Tandem Dump Truck**

Department Priority # 3

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment	115,000				
Construction					
Engineering & Administration					
Total	115,000				

Project Scope and Description:

Tri-Axle/Tandem Dump Truck

Location:

Citywide

Analysis of Need:

This vehicle will be used in all major excavations such as watermain breaks, hydrant excavations or manhole repairs.

Alternatives:

High Maintenance costs, dump box is in need of replacement, current vehicle is 20 years old and reliability will become an issue. This truck will be sold in auction to offset some of the purchase of the new vehicle.

Ongoing Operating Costs:

50% Wastewater

50% Water

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - Water

Project Title: **Hydrant Saver**

Department Priority # 4

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment	14,700				
Construction					
Engineering & Administration					
Total	14,700				

Project Scope and Description:

Hydrant Saver: After years of service, Hydrant valve seats are at times hard to remove/replace in order to complete a repair. This tool allows staff to potentially “break free” the valve seat to replace it instead of having to do an excavation and total replacement of the hydrant.

Location:

Citywide

Analysis of Need:

With the purchase of this tool, using it one to two times will pay for itself, if staff does not have to dig up and replace the hydrant with a new one.

Alternatives:

None

Ongoing Operating Costs:

None

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - Water

Project Title: **Moorland Road Reconstruction Adjustment**

Department Priority # 5

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment					
Construction	15,000	15,000	15,000	50,000	
Engineering & Administration					
Total	15,000	15,000	15,000	50,000	

Project Scope and Description:

Moorland Road Reconstruction

Location:

Moorland Road: Beloit Road to National Avenue

Analysis of Need:

Valve boxes will need to be adjusted by the contractor to complete the road project for Waukesha County.

Alternatives:

None

Ongoing Operating Costs:

None

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - Water

Project Title: **Valve Replacement Program**

Department Priority # 6

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment					
Construction	40,000	40,000	40,000	42,000	42,000
Engineering & Administration					
Total	40,000	40,000	40,000	42,000	42,000

Project Scope and Description:

Valve Replacement Program

Location:

Citywide

Analysis of Need:

As the water system gets older, the need to replace valves due to failure increases. This would mainly be used on larger sized mains.

Alternatives:

Larger area shut-offs for customers due to failures.
More customers affected.
Larger amount of lost water.

Ongoing Operating Costs:

None

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - WATER

Project Title: **Hydrant Replacement Program**

Department Priority # 7

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment	25,000	25,000	25,000	25,000	25,000
Construction					
Engineering & Administration					
Total	25,000	25,000	250,00	25,000	25,000

Project Scope and Description:

Hydrant Replacement Program

Location:

City Wide

Analysis of Need:

As the water system gets older, the hydrants become old and obsolete and getting replacements parts become more difficult. Thus, the replacement of these hydrants is necessary.

Alternatives:

Less reliability for Fire Departments

Ongoing Operating Costs:

None

CITY OF NEW BERLIN
CAPITAL PROJECT SUMMARY - Water

Project Title: **iPad Replacement/Computer Replacement**

Department Priority # 8

Item	2023	2024	2025	2026	2027
Land Acquisition					
Equipment	7,000	7,000	10,000	7,000	8,000
Construction					
Engineering & Administration					
Total	7,000	7,000	10,000	7,000	8,000

Project Scope and Description:

Computer Replacement

Location:

Citywide

Analysis of Need:

Per the City's IT department, personal computers and iPads are to be replaced on a four (4) year rotation.

Alternatives:

High maintenance cost for repairs.

Ongoing Operating Costs:

None