

City of Lodi  
 2023 Adopted Budget  
 Lodi Utilities - Water



Cash Flow

	2021	2022	2023	2024	2025	2026	2027	2028
<b>Total Cash January 1</b>		<b>741,843</b>	<b>509,038</b>	<b>363,640</b>	<b>158,979</b>	<b>(695,509)</b>	<b>(971,220)</b>	<b>(1,034,738)</b>
Operating Revenues		879,954	860,955	860,919	867,832	874,806	881,840	888,937
Less Operating Expenses		(818,646)	(831,878)	(714,421)	(718,331)	(723,158)	(729,117)	(742,113)
Operating Income		61,308	29,077	146,498	149,501	151,648	152,723	146,824
Plus Depreciation		255,000	254,400	255,255	255,510	255,766	256,022	256,278
Plus Debt Proceeds			1,000,000					
Long Term Debt Principal		(147,373)	(139,853)	(144,853)	(138,350)	(80,000)	(90,000)	(90,000)
Capital Projects		(401,740)	(1,289,022)	(461,561)	(1,121,150)	(603,124)	(382,263)	(244,727)
<b>Total Cash December 31</b>	<b>741,843</b>	<b>509,038</b>	<b>363,640</b>	<b>158,979</b>	<b>(695,509)</b>	<b>(971,220)</b>	<b>(1,034,738)</b>	<b>(966,364)</b>

Three month's operating expenses = \$ 207,969

**Purpose of the Fund**

This fund is used to record revenues and expenses related to provision of potable water. It is an Enterprise fund and is reported with the City's other Proprietary Funds since it is supported by fees for services.



Budget Summary	2019 Actual	2020 Actual	2021 Actual	2022 7 Mos. YTD	2022 Estimate	2022 Budget	2023 Budget	2023 Bud to 2022 Est Act
<b>OPERATING REVENUES</b>								
Income from Nonutility Operations	0	280	326	158	200	100	200	0
Interest and Dividend Income	16,511	11,957	(73)	(6,489)	(5,500)	500	100	5,600
Misc Nonoperating Income	14,398	1,737	117,937	649	20,649	1,000	0	(20,649)
Metered Sales - Water:	516,621	631,852	589,092	286,951	523,900	624,000	523,000	(900)
Miscellaneous Operating Revenues	285,756	304,937	343,959	191,254	328,777	303,096	327,655	(1,122)
Other Water Revenues	14,110	10,444	3,035	5,026	11,928	10,000	10,000	(1,928)
<b>Total Revenue</b>	<b>847,397</b>	<b>961,208</b>	<b>1,054,276</b>	<b>477,549</b>	<b>879,954</b>	<b>938,696</b>	<b>860,955</b>	<b>(18,999)</b>
<b>OPERATING EXPENSES</b>								
Depreciation Expense	253,619	255,439	259,175	144,890	255,000	254,400	255,000	0
Taxes	189,393	177,822	167,871	173,935	172,460	180,000	175,000	(2,540)
Miscellaneous Amortization	(4,520)	(4,520)	(4,520)	0	(4,520)	(4,520)	(4,520)	0
Long Term Debt Interest Expense	74,362	71,163	68,272	32,718	63,220	63,220	58,810	4,410
Misc Debits to Surplus Contingency	0	0	7,267	0	0	0	0	0
Water Supply- Labor & Expenses	25,712	27,174	40,598	24,411	39,807	33,191	46,185	(6,378)
Pumping Fuel	34,498	32,054	34,277	21,553	36,998	35,000	35,350	1,648
Pumping Labor & Expenses	0	2,379	3,804	2,998	3,770	3,000	3,911	(141)
Pumping-Maint of Pumping Eqp	289	3,996	760	0	2,601	1,500	2,500	101
Water Treatment Chemicals	4,024	1,962	4,598	1,637	4,000	5,500	5,000	(1,000)
Supervision and Engineering	21,933	23,572	21,416	11,788	20,624	21,889	21,400	(776)
Transmission and Distribution	0	6,531	18,754	(7,058)	18,092	9,700	18,769	(677)
Professional Services	2,954	6,134	3,690	997	5,500	3,000	6,200	(700)
Maintenance of Reservoir	1,924	3,939	0	0	0	2,000	6,000	(6,000)
Maintenance of Mains	13,722	6,663	12,088	24,021	24,873	17,729	15,945	8,928
Maintenance of Service	10,709	19,553	2,683	5,054	6,723	15,275	3,804	2,919
Maintenance of Meters	15,497	11,051	12,189	1,424	10,528	13,280	10,793	(264)
Maintenance of Hydrants	19,442	8,521	(6,858)	(1,563)	1,059	1,689	1,099	(40)
Maintenance of Misc Plant	2,433	1,169	0	0	0	0	0	0
Cust Accts-Meter Reading:	456	533	419	1,626	1,972	815	419	1,553
Cust Accts-Records & Collectns	14,396	14,204	16,273	6,094	15,672	30,266	16,262	(590)
Cust Accts-Uncollectible Accts	(0)	0	0	0	0	0	0	0
Admin and General Salaries	21,754	21,247	19,798	12,497	19,066	11,968	19,784	(717)
Office Supplies & Expenses	8,274	8,275	8,959	4,174	9,547	9,154	12,450	(2,903)
Outside Services Employed	23,873	17,925	17,590	13,583	16,627	22,594	17,610	(983)
Property Insurance:	6,410	6,886	7,177	7,229	7,229	7,430	8,994	(1,764)
Employee Pensions & Benefits	44,325	56,430	45,609	39,195	66,316	67,675	70,603	(4,288)
Regulatory Commission Expenses	6,201	846	3,302	125	1,000	1,000	3,000	(2,000)
Miscellaneous General Expense	24,950	4,566	4,578	1,680	4,597	5,919	4,910	(313)
Maintenance of General Plant	17,856	13,417	11,690	6,123	15,885	17,279	16,600	(715)
<b>Total Expenses</b>	<b>834,484</b>	<b>798,931</b>	<b>781,458</b>	<b>529,132</b>	<b>818,646</b>	<b>829,952</b>	<b>831,878</b>	<b>(13,232)</b>
<b>NET INCOME</b>	<b>12,913</b>	<b>162,277</b>	<b>272,817</b>	<b>(51,583)</b>	<b>61,308</b>	<b>108,744</b>	<b>29,077</b>	<b>(32,231)</b>

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Capital Projects

Equipment

	Useful Life	Replacement Cost	Last Year Purchased	2022 July YTD	2022 Estimate	2022 Budget	2023 Budget
One-Ton Truck with snowplow (plow purchased 2019)	7	66,000	2018				
Accounting Software (Civic Systems)				2,008	2,008	0	2,008
Heavy Duty Service Truck	7	110,000			0	45,000	55,000
Hydrants					0	10,000	10,100
1585 TerrainCut Lawnmower	5	54,647	2015				16,394
Manager Vehicle	7	40,000	2020				
SCADA (40%)	20		2016				
SCADA Computer Upgrade (40%)							12,000
Spin Doctor							
Telephone System City Hall	8	40,000	2017				
Vactor Truck	20	496,943	2022		194,442	183,138	
Water Meters					1,000	1,000	1,020
Water Valve Turner (Truck Mounted)					22,000	22,000	

Projects

AMI Metering				83,751	114,500	114,500	192,500
Hwy 113					66,143		1,000,000
Fair St							
Lodi St							
Merton Ave							
Mill St							
Nestles St							
Parr St							
Prospect Ave							
Sauk St				1,647	1,647		
Second Ave							
Washington Ave							

Wells

Well #2 6 inch Mag Meter and Piping							
Well #2 Back Up Generator	20	95,000	1995				
Well #3 8 Inch Mag Meter							
Well #3 Dehumidifier							
Well #3 Pump							
Well #3 Replace Meter							
Well #4 10 Inch Mag Meter							
Well #4 Back Up Generator	20	225,000	2018				

Total Capital Plan

<b>87,406</b>	<b>401,740</b>	<b>375,638</b>	<b>1,289,022</b>
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Debt	2021	2022	2023	2024	2025	2026	2027	2028	2029	Final	Remaining
Debt	Actual	Estimated	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Year	Principal
											12/31/2022
<b>2018A GO Notes (Booster Station)</b>											
Principal	75,000	75,000	75,000	80,000	80,000	80,000	90,000	90,000	95,000	2038	1,510,000
Interest	61,235	58,235	55,235	52,136	48,936	45,735	42,785	40,086	37,263		
Total	136,235	133,235	130,235	132,136	128,936	125,735	132,785	130,086	132,263		
<b>2015 GO Notes (46.68%) (25% Lawn Tractor; 50% SCADA)</b>											
Principal	58,350	58,350	60,684	60,684	58,350					2025	119,034
Interest	5,645	4,594	3,403	2,083	700						
Total	63,995	62,944	64,087	62,767	59,050	0	0	0	0		
<b>2012 GF Loan (Old PILOT)</b>											
Principal	6,858									2021	0
Interest (0%)											
Total	6,858	0	0	0	0	0	0	0	0		
<b>2012A GO (Repaying 2004 STFL: Clark and Millston Street)</b>											
Principal	14,781	14,023	4,169	4,169						2024	4,169
Interest	707	391	172	57							
Total	15,488	14,414	4,341	4,226	0	0	0	0	0		
<b>Total</b>	<b>222,576</b>	<b>210,593</b>	<b>198,663</b>	<b>199,129</b>	<b>187,986</b>	<b>125,735</b>	<b>132,785</b>	<b>130,086</b>	<b>132,263</b>		<b>1,633,203</b>
<b>All Debt</b>											
Principal	154,989	147,373	139,853	144,853	138,350	80,000	90,000	90,000	95,000		
Interest	67,587	63,220	58,810	54,276	49,636	45,735	42,785	40,086	37,263		
Total Debt Service	222,576	210,593	198,663	199,129	187,986	125,735	132,785	130,086	132,263		

**City of Lodi**  
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**Rate of Return**

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
Plant in Service							
Beginning of year	7,979,128	8,126,286	8,528,026	9,817,047	10,278,608	11,399,759	12,002,883
End of year	8,126,286	8,528,026	9,817,047	10,278,608	11,399,759	12,002,883	12,385,146
Average	8,052,707	8,327,156	9,172,536	10,047,828	10,839,184	11,701,321	12,194,015
Accumulated Depreciation							
Beginning of year	(2,048,494)	(2,258,769)	(2,370,436)	(2,728,730)	(2,857,025)	(3,168,658)	(3,336,302)
End of year	(2,258,769)	(2,370,436)	(2,728,730)	(2,857,025)	(3,168,658)	(3,336,302)	(3,442,555)
Average	(2,153,632)	(2,314,602)	(2,549,583)	(2,792,878)	(3,012,841)	(3,252,480)	(3,389,428)
Materials and Supplies							
Beginning of year	28,397	28,205	28,301	28,253	28,277	28,265	28,271
End of year	28,205	28,301	28,253	28,277	28,265	28,271	28,268
Average	28,301	28,253	28,277	28,265	28,271	28,268	28,270
Deferred Regulatory Credit							
Beginning of year	(18,080)	(13,560)	(9,040)	(4,520)	0	4,520	9,040
End of year	(13,560)	(9,040)	(4,520)	0	4,520	9,040	13,560
Average	(15,820)	(11,300)	(6,780)	(2,260)	2,260	6,780	11,300
Average Net Rate Base	5,911,557	6,029,506	6,644,450	7,280,955	7,856,873	8,483,889	8,844,156
Net Operating Income	242,357	154,607	136,488	146,498	149,501	151,648	152,723
Adjusted Net Operating Income	242,357	154,607	136,488	146,498	149,501	151,648	152,723
<b>Rate of Return</b>	<b>4.10%</b>	<b>2.56%</b>	<b>2.05%</b>	<b>2.01%</b>	<b>1.90%</b>	<b>1.79%</b>	<b>1.73%</b>