

ADDENDUM 2

Supplemental Information –

Enterprise-wide Operations & Maintenance Account Type and Department Level Amendments

The table in Addendum 2 summarizes the FY 2023 fourth quarter budget amendments for operations & maintenance by the major expense categories (account type). An explanation of key items is included in the table in Addendum 2.

The primary increase in budget for the fourth quarter FY 2023 was in utilities.

- A – Water System Operations – Increase of \$4.8 million
 - Electric - Increase of \$4.0 million – This increase is due to the increased charge for kWh and increased usage partially due to the lower-than-normal precipitation during the last quarter of FY 2023.
 - Gas – Increase of \$0.6 million – Due to the increase in cost of this commodity.
- B – Wastewater System Operations – Increase of \$4.2 million
 - Gas – Increase of \$2.9 million – Due to increase in cost and usage. Hearth inspections and construction work has required that, at times, all incinerators be operating in production mode. This was also the requirement during the NPDES permit stack testing and belt redesign testing.
 - Electric – Increase of \$0.6 million - This increase is due to the increased charge for kWh. The budget for the water service was amended in the first quarter of FY 2023. An additional adjustment is being made with the fourth quarter amendments.
 - Water Service – Increase of \$0.5 million. Meters have been repaired and replaced at the WRRF (Water Resource Recovery Facility) and bills which had previously contained estimated readings are now being received with actual readings. The actual readings are coming in higher than the estimated readings. In addition, a new water billing structure was implemented in early FY 2023 which has resulted in an increase in the water billing rate. The budget for the water service was amended in the second quarter of FY 2023. An additional adjustment is being made with the fourth quarter amendments. The wastewater facilities impacted most substantially by this rate increase are the WRRF, Oakwood Combined Sewer Overflow, Conner Creek Combined Sewer Overflow, and the Biosolids Dryer Facility (BDF).

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Utilities	Total 4th Quarter FY 2023 Amendments
A Water System Operations	4,773,500
Electric	3,979,000
Gas	605,000
Sewage Service	189,500
B Wastewater System Operations	4,236,000
Electric	580,300
Gas	2,861,100
Sewage Service	258,100
Water Service	536,500
C Centralized Services	30,000
Electric	30,000
D Administrative & Other Services	67,000
Electric	60,000
Gas	22,000
Sewage Service	(15,000)
Grand Total	9,106,500