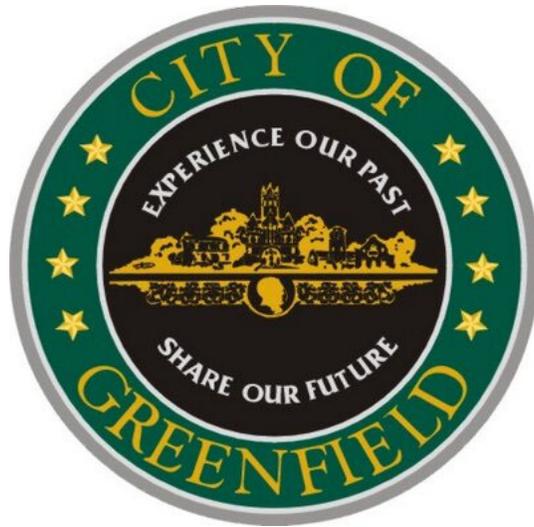


**CITY OF GREENFIELD
MUNICIPAL ELECTRIC UTILITY
2023 ANNUAL FINANCIAL REPORT**



APRIL 8, 2024

KROHN
— ASSOCIATES —
CPAS AND CONSULTANTS

GREENFIELD MUNICIPAL ELECTRIC UTILITY

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ACCOUNTANT'S COMPILATION REPORT

Honorable Guy Titus, Mayor
And Members of the Board of Works
City of Greenfield
10 South State Street
Greenfield, IN 46140

April 8, 2024

Management is responsible for the accompanying financial statements of the Greenfield Municipal Electric Utility, which comprise the Statements of Net Position as of December 31, 2022 and 2023 and the related Statements of Revenues, Expenses and Changes in Net Position and the Statements of Cash Flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The supplementary information contained on pages 6-17 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, conclusion, nor provide any assurance on such information.

Management has elected to omit substantially all the disclosures ordinarily included in the financial statements prepared in accordance with accounting principles generally accepted in the United States. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about Greenfield Municipal Electric Utility's statements of financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed on such matters.

O.W. Krohn & Associates LLP
O. W. Krohn & Associates LLP

GREENFIELD MUNICIPAL ELECTRIC UTILITY

HISTORICAL FINANCIAL STATEMENTS

GREENFIELD MUNICIPAL ELECTRIC UTILITY

STATEMENTS OF NET POSITION

AS OF

	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>ASSETS</u>		
CURRENT AND ACCRUED ASSETS:		
OPERATING FUND (CASH & S.T. INVESTMENTS)	\$ 4,992,954	\$ 5,017,218
ACCOUNTS RECEIVABLE - CUSTOMER (NET)	2,530,080	2,159,817
INVENTORY - MATERIALS AND SUPPLIES	1,694,414	2,139,160
PREPAID EXPENSES	1,422	441
	<u>9,218,870</u>	<u>9,316,636</u>
TOTAL CURRENT AND ACCRUED ASSETS		
NON-CURRENT ASSETS:		
RESTRICTED ASSETS (CASH & EQUIVALENTS):		
DEPRECIATION FUND	1,447,668	1,248,329
CUSTOMER DEPOSITS FUND	343,000	303,520
CASH RESERVE FUND	1,380,597	1,714,398
AVAILABILITY FUND	204,384	1,141
	<u>3,375,649</u>	<u>3,267,388</u>
TOTAL RESTRICTED ASSETS		
CAPITAL ASSETS:		
UTILITY PLANT IN SERVICE	42,256,976	41,808,887
ACCUMULATED DEPRECIATION	(17,987,831)	(17,110,261)
CONSTRUCTION IN PROGRESS	1,652,838	348,527
	<u>25,921,983</u>	<u>25,047,153</u>
NET CAPITAL ASSETS		
TOTAL NON-CURRENT ASSETS	<u>29,297,632</u>	<u>28,314,541</u>
DEFERRED OUTFLOWS - PERF	<u>435,151</u>	<u>382,197</u>
TOTAL ASSETS	<u>\$ 38,951,653</u>	<u>\$ 38,013,374</u>

See Accountant's Compilation Report

GREENFIELD MUNICIPAL ELECTRIC UTILITY

STATEMENTS OF NET POSITION

(CONTINUED)

AS OF

	<u>12/31/2023</u>	<u>12/31/2022</u>
<u>LIABILITIES</u>		
CURRENT AND ACCRUED LIABILITIES:		
ACCOUNTS PAYABLE - PURCHASED POWER	\$ 4,881,761	\$ 4,292,178
ACCOUNTS PAYABLE - OTHER	107,169	39,509
ACCOUNTS PAYABLE - WAGES	40,658	37,081
TAXES PAYABLE	191,179	166,733
CUSTOMER DEPOSITS	<u>343,000</u>	<u>303,520</u>
TOTAL CURRENT AND ACCRUED LIABILITIES	<u>5,563,767</u>	<u>4,839,021</u>
UNFUNDED PENSION LIABILITIES - NET	<u>1,059,325</u>	<u>982,174</u>
DEFERRED INFLOWS - PERF	<u>22,471</u>	<u>80,337</u>
TOTAL CURRENT & NON-CURRENT LIABILITIES	<u>\$ 6,645,563</u>	<u>\$ 5,901,532</u>
 <u>NET POSITION</u>		
NET POSITION		
INVESTMENT IN CAPITAL ASSETS	\$ 25,921,983	\$ 25,047,153
RESTRICTED	3,375,649	3,267,388
UNRESTRICTED	<u>3,008,458</u>	<u>3,797,301</u>
TOTAL NET POSITION	<u>\$ 32,306,090</u>	<u>\$ 32,111,842</u>

See Accountant's Compilation Report

GREENFIELD MUNICIPAL ELECTRIC UTILITY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE 12 MONTHS ENDED

	12/31/2023	12/31/2022
OPERATING REVENUES:		
RESIDENTIAL SALES	\$ 12,998,021	\$ 11,997,510
COMMERCIAL SALES	24,368,422	21,884,344
MUNICIPAL SALES	629,732	594,349
PENALTIES	107,663	93,025
OTHER	79,316	170,878
TOTAL OPERATING REVENUES	38,183,154	34,740,106
PURCHASED POWER COSTS	(31,710,384)	(28,220,573)
GROSS PROFIT ON SALES	6,472,770	6,519,533
GROSS PROFIT PERCENT	17.0%	18.8%
OPERATING EXPENSES:		
DISTRIBUTION	2,807,479	2,783,397
CUSTOMER ACCOUNTS	1,111,242	1,121,758
ADMINISTRATIVE AND GENERAL	1,513,918	1,635,972
SUBTOTAL	5,432,639	5,541,127
DEPRECIATION	1,333,539	1,303,303
TOTAL OPERATING EXPENSES	6,766,178	6,844,430
NET OPERATING INCOME	(293,408)	(324,897)
NON-OPERATING REVENUES (EXPENSES):		
INTEREST INCOME	187,154	(49,241)
GAIN (LOSS) ON DISPOSAL OF ASSETS	(558,587)	(2,716)
TOTAL NON-OPERATING EXPENSES	(371,433)	(51,957)
CHANGE IN NET POSITION BEFORE CONTRIBUTIONS	(664,841)	(376,854)
CONTRIBUTIONS	859,089	594,811
CHANGE IN NET POSITION - BEFORE ACCTG ADJMT	194,248	217,957
ACCTG ADJMT INCOME (EXPENSE)	-	
NET INCOME	194,248	217,957
NET POSITION - BEGINNING	32,111,842	31,893,885
NET POSITION - END	\$ 32,306,090	\$ 32,111,842

See Accountant's Compilation Report

GREENFIELD MUNICIPAL ELECTRIC UTILITY

STATEMENTS OF CASH FLOWS
FOR THE 12 MONTHS ENDED

	12/31/2023	12/31/2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
CASH RECEIVED FROM CUSTOMERS	\$ 37,852,371	\$ 34,613,667
CASH PAID TO SUPPLIERS, EMPLOYEES AND OTHERS	(36,047,661)	(34,656,534)
INTEREST EARNINGS	187,154	(49,241)
	1,991,864	(92,108)
NET CASH FROM OPERATING ACTIVITIES		
CASH FLOW FROM CAPITAL AND FINANCING ACTIVITIES:		
ACQUISITION AND CONSTRUCTION OF CAPITAL ASSETS	(2,208,369)	(2,560,865)
GAIN (LOSS) ON DISPOSAL OF ASSETS	(558,587)	(2,716)
CONTRIBUTIONS	859,089	594,811
OTHER		(2,401)
	(1,907,867)	(1,971,171)
NET CASH FROM CAPITAL AND FINANCING ACTIVITIES		
INCREASE/(DECREASE) IN CASH AND INVESTMENTS	83,997	(2,063,279)
BEGINNING OF PERIOD CASH AND INVESTMENTS	8,284,606	10,347,885
	\$ 8,368,603	\$ 8,284,606
END OF PERIOD CASH AND INVESTMENTS *	\$ 8,368,603	\$ 8,284,606

* These statements intentionally combine all cash & investments in order to tie back to the City's AFR on Gateway.

RECONCILIATION OF OPERATING REVENUE TO CASH PROVIDED FROM OPERATIONS

	12/31/2023	12/31/2022
NET OPERATING REVENUES	\$ (293,408)	\$ (324,897)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATIONS:		
DEPRECIATION	1,333,539	1,303,303
INTEREST EARNINGS	187,154	(49,241)
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES:		
(INCREASE) DECREASE IN:		
ACCOUNTS RECEIVABLE	(370,263)	(128,269)
INVENTORY	444,746	(1,028,511)
PREPAID EXPENSES	(981)	(124)
INCREASE (DECREASE) IN:		
ACCOUNTS PAYABLE	660,820	291,133
CUSTOMER DEPOSITS	39,480	1,830
TAXES & OTHER PAYABLES	24,446	(71,564)
CHANGE IN NET PENSION LIABILITY	(33,669)	(85,768)
	\$ 1,991,864	\$ (92,108)
NET CASH PROVIDED FROM OPERATIONS	\$ 1,991,864	\$ (92,108)

See Accountant's Compilation Report

GREENFIELD MUNICIPAL ELECTRIC UTILITY

SUPPLEMENTARY INFORMATION

GREENFIELD MUNICIPAL ELECTRIC UTILITY

DETAIL OF OPERATION AND MAINTENANCE EXPENSES
FOR 12 MONTHS ENDED

<u>OPERATING EXPENSES</u>	<u>12/31/2023</u>		<u>12/31/2022</u>	
	<u>AMOUNT</u>	<u>UNIT COST CENTS/KWH</u>	<u>AMOUNT</u>	<u>UNIT COST CENTS/KWH</u>
		<i>351,987,719</i>		<i>350,797,223</i>
	<i>Total Kwh's Sold</i>			
POWER PRODUCTION		<u>CENTS/KWH</u>		<u>CENTS/KWH</u>
PURCHASED POWER	\$ 31,710,384	9.009	\$ 28,220,573	8.045
DISTRIBUTION SYSTEM:				
OPERATION:				
SALARIES AND WAGES	1,648,643	0.468	1,550,239	0.442
MATERIALS & SUPPLIES	51,778	0.015	64,180	0.018
UTILITIES	68,350	0.019	64,649	0.018
UNIFORMS	18,895	0.005	13,688	0.004
ENGINEERING	12,241	0.003	(8,446)	(0.002)
OTHER	169,982	0.048	182,113	0.052
MAINTENANCE:				
SUB-STATIONS	65,111	0.018	52,654	0.015
SCADA	21,651	0.006	20,425	0.006
LINES/POLES	17,612	0.005	69,194	0.020
TREE TRIMMING	152,667	0.043	181,407	0.052
UNDERGROUND LINES	152,163	0.043	151,399	0.043
TRANSFORMERS	12,249	0.003	29,762	0.008
ST. LIGHTS	53,512	0.015	50,439	0.014
SECURITY LIGHTS	894	-	-	-
METERS	172,970	0.049	116,499	0.033
SERVICE	91,483	0.026	160,221	0.046
TRANSPORTATION	85,607	0.024	63,555	0.018
EQUIPMENT	2,375	0.001	10,769	0.003
OTHER	9,296	0.003	10,650	0.003
TOTAL DISTRIBUTION	<u>2,807,479</u>	<u>0.794</u>	<u>2,783,397</u>	<u>0.793</u>
CUSTOMER ACCOUNTS:				
BILLING/ADMIN OVERHEAD	1,060,677	0.301	988,827	0.282
BAD DEBT	50,565	0.014	132,931	0.038
TOTAL CUSTOMER ACCOUNTS	<u>1,111,242</u>	<u>0.315</u>	<u>1,121,758</u>	<u>0.320</u>

GREENFIELD MUNICIPAL ELECTRIC UTILITY

DETAIL OF OPERATION AND MAINTENANCE EXPENSES
(CONTINUED)
FOR 12 MONTHS ENDED

<u>OPERATING EXPENSES (CONT'D)</u>	<u>12/31/2023</u>		<u>12/31/2022</u>	
	<u>AMOUNT</u>	<u>UNIT COST CENTS/KWH</u>	<u>AMOUNT</u>	<u>UNIT COST CENTS/KWH</u>
	<i>Total Kwh's Sold</i>	<i>351,987,719</i>		<i>350,797,223</i>
ADMINISTRATIVE AND GENERAL:		<u>CENTS/KWH</u>		<u>CENTS/KWH</u>
EMPLOYEE INSURANCE	\$ 530,833	0.151	\$ 584,105	0.167
PENSIONS	148,397	0.042	144,865	0.041
FICA	121,244	0.034	113,798	0.032
CITY OFFICIALS	540,000	0.153	500,000	0.143
CONTRACTUAL SERVICES	53,225	0.015	46,527	0.013
GENERAL LIABILITY INSURANCE	108,162	0.031	102,451	0.029
UTILITY RECEIPTS TAX	12,057	0.003	144,226	0.041
TOTAL ADMINISTRATIVE AND GENERAL	<u>1,513,918</u>	<u>0.049</u>	<u>1,635,972</u>	<u>0.083</u>
DEPRECIATION	<u>1,333,539</u>	<u>0.379</u>	<u>1,303,303</u>	<u>0.372</u>
TOTAL OPERATION AND MAINTENANCE EXPENSES	<u>\$ 38,476,562</u>	<u>10.546</u>	<u>\$ 35,065,003</u>	<u>9.613</u>

GREENFIELD MUNICIPAL ELECTRIC UTILITY

SCHEDULE OF ELECTRIC RATES AND CHARGES

RESIDENTIAL SERVICE:		
CONSUMER CHARGE PER MONTH		\$ 15.50
ENERGY CHARGE PER KWH:	SUBJECT TO ECA	
ALL KWH USAGE PER MONTH		\$ 0.1116
 COMMERCIAL - GENERAL SERVICE:		
<u>LESS THAN 50 KW DEMAND</u>		
CONSUMER CHARGE PER MONTH:		\$ 30.00
ENERGY CHARGE PER KWH:	SUBJECT TO ECA	
ALL KWH USAGE PER MONTH		\$ 0.1116
 <u>GREATER THAN 50 KW DEMAND & LESS THAN 1,000 KW</u>		
CONSUMER CHARGE PER MONTH:		\$ 85.00
BILLING DEMAND CHARGE PER KW:		\$ 16.50
KW CHARGE IN EXCESS OF 50 KW		
ENERGY CHARGE PER KWH:	SUBJECT TO ECA	\$ 0.1045
FIRST 30,000 KWH		0.0715
OVER 30,000 KWH		
 INDUSTRIAL SERVICE (OVER 1,000 KW DEMAND):		
CONSUMER CHARGE PER MONTH		\$ 300.00
BILLING DEMAND CHARGE PER KW:		
COINCIDENTAL PEAK (<i>NOT LESS THAN 70% OF NON-COINCIDENTAL PEAK DEMAND</i>)		\$ 22.50
NON-COINCIDENTAL PEAK		3.45
ENERGY CHARGE PER KWH	SUBJECT TO ECA	\$ 0.0593
 ADDITIONAL SOLAR METERING CHARGE (PER MONTH):		 \$ 50.00
 BASE COST OF POWER (1)		
PURCHASED POWER - DEMAND PER KW (BLENDED RATE)	<u>2024</u>	\$ 23.487
PURCHASED POWER - ENERGY PER KWH		\$ 0.044018
AVERAGE COST PER KWH PURCHASED		\$ 0.0934
 <u>NON-RECURRING CHARGES:</u>		
SYSTEM DEVELOPMENT CHARGES:		
CONNECTION FEES		\$ 1,000.00
AVAILABILITY FEES		2,600.00
 SERVICE UPGRADE CHARGES:		
200 AMP METER BASE		\$ 150.00
400 AMP METER BASE		300.00
OVERHEAD TO UNDERGROUND		500.00

(1) The 2024 IMPA wholesale rates are embedded in Greenfield's retail base rates. The average base cost/KWH (combined demand and energy costs) amount to \$0.093400.

GREENFIELD MUNICIPAL ELECTRIC UTILITY
ENERGY COST ADJUSTMENT TRACKING FACTOR

RATE ADJUSTMENT (Applicable to all metered rates)

The Rate Adjustment shall be on the basis of a Purchased Power Cost Adjustment Tracking Factor occasioned solely by changes in the cost of purchased power and energy, in accordance with the order of the Indiana Utility Regulatory Commission, approved May 2, 1984 in Cause No. 36835-S2 as follows:

Rate Adjustment applicable to all Rate Schedules:

\$ - per KWH

MONTH'S EFFECTIVE:

Jan-23

Feb-23

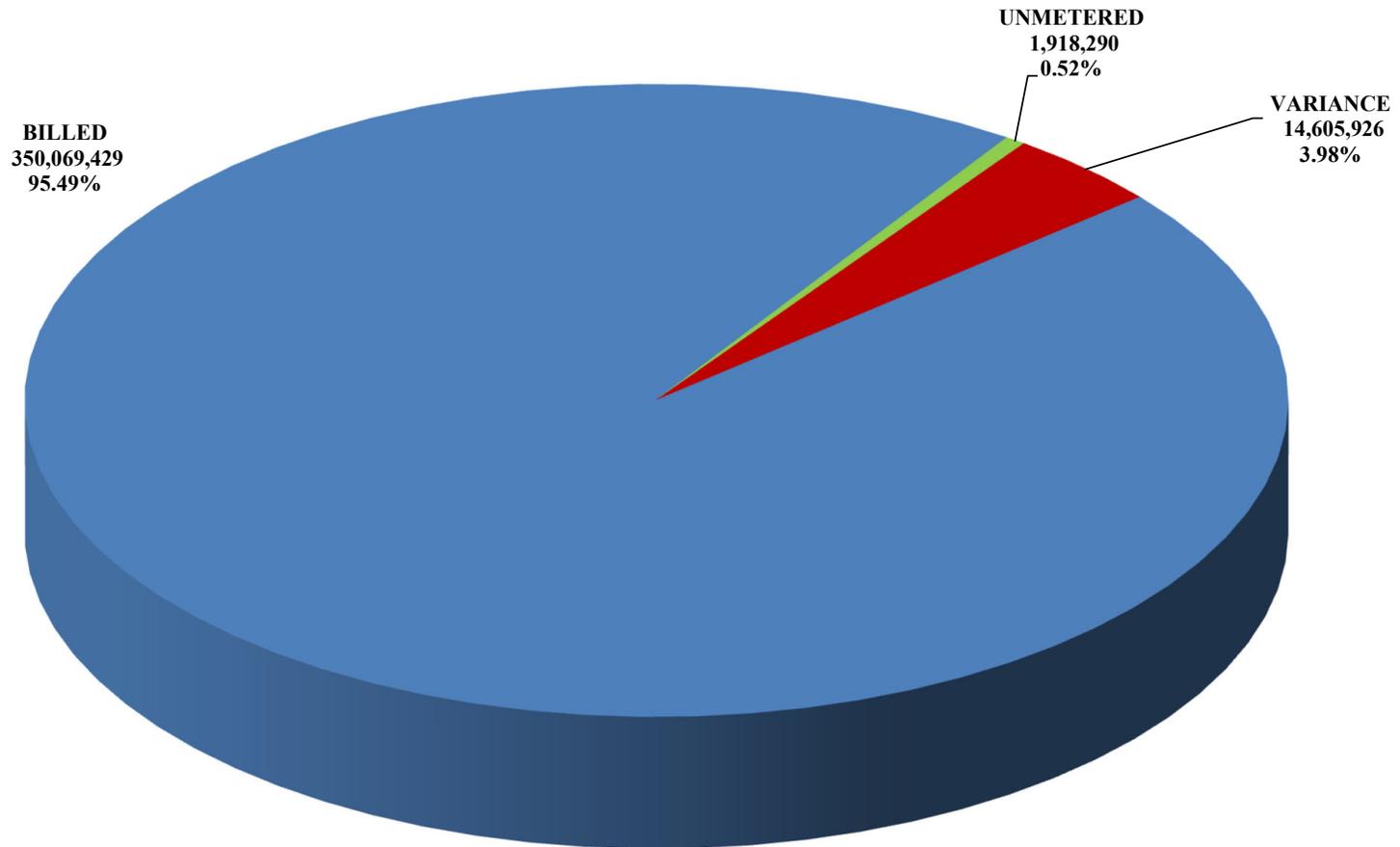
Mar-23

GREENFIELD MUNICIPAL ELECTRIC UTILITY

CALCULATION OF LINE LOSS - MONTHLY POWER COSTS AND BILLING SUMMARIES
FOR THE YEAR ENDED DECEMBER 31, 2022

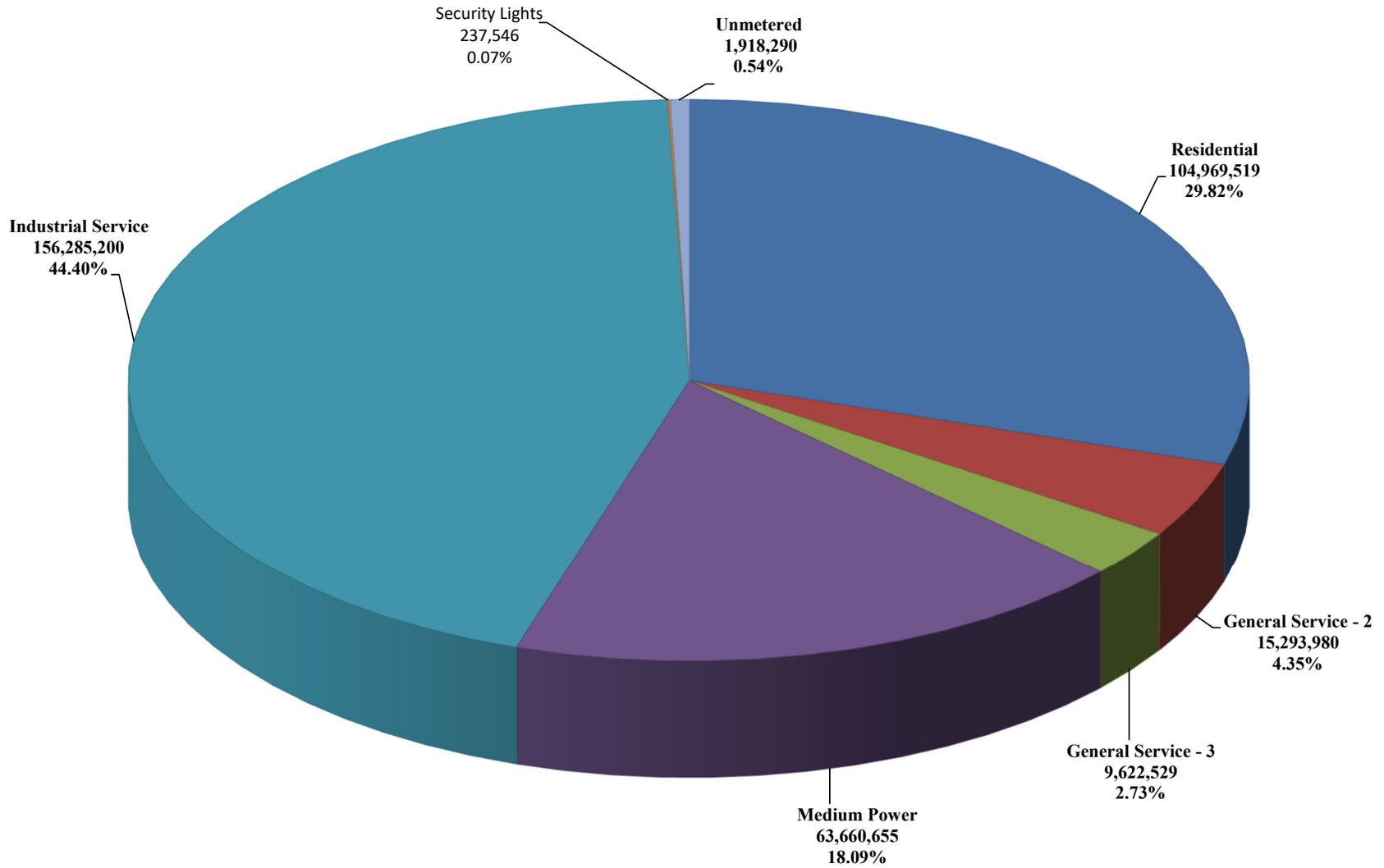
MONTH	PURCHASED POWER BILL SUMMARIES - IMPA			METERED / UNMETERED SALES (KWHs & \$) - BILLING DEPT				MONTHLY REVENUES	
	COST	KW DEMAND	PURCHASED	BILLED	UNMETERED	VARIANCE	TOTAL SALES	TRACKING	BASE RATE
				<i>-----KILOWATT HOURS-----</i>				<i>-----DOLLARS-----</i>	
JANUARY	\$ 2,422,972	53,493	30,274,572	26,895,379	159,858	3,219,335	\$ 2,787,825	\$ 337,688	\$ 2,450,137
FEBRUARY	2,313,376	53,827	27,097,486	29,885,695	159,858	(2,948,067)	3,163,335	375,283	2,788,052
MARCH	2,292,994	49,955	29,181,409	26,781,861	159,858	2,239,690	2,944,571	336,252	2,608,319
APRIL	2,110,264	45,731	26,985,827	26,901,191	159,858	(75,222)	2,871,444	346,350	2,525,094
MAY	2,638,331	63,103	29,836,789	26,548,005	159,858	3,128,926	2,789,475	343,486	2,445,989
JUNE	2,816,410	66,210	32,467,710	26,946,723	159,858	5,361,129	2,924,389	348,653	2,575,736
JULY	3,195,185	71,212	36,195,094	31,384,064	159,857	4,651,173	3,427,557	530,570	2,896,987
AUGUST	3,323,423	75,331	36,846,898	34,403,833	159,857	2,283,208	3,706,164	581,606	3,124,558
SEPTEMBER	3,033,796	71,823	31,647,283	35,773,920	159,857	(4,286,494)	3,899,462	604,766	3,294,696
OCTOBER	2,707,459	62,773	29,131,331	29,696,275	159,857	(724,801)	3,363,175	501,034	2,862,141
NOVEMBER	2,430,684	53,105	28,249,586	28,094,847	159,857	(5,118)	3,073,099	474,021	2,599,078
DECEMBER	2,425,490	52,179	28,679,660	26,757,636	159,857	1,762,167	3,045,679	451,501	2,594,178
TOTALS	<u>\$ 31,710,384</u>	<u>718,742</u>	<u>366,593,645</u>	<u>350,069,429</u>	<u>1,918,290</u>	<u>14,605,926</u>	<u>\$ 37,996,175</u>	<u>\$ 5,231,210</u>	<u>\$ 32,764,965</u>
2023 LINE LOSS PERCENTAGE						3.98%			
2023 LOAD FACTOR PERCENTAGE						70.84%			

**Greenfield Municipal Electric Utility
Total KWHs Purchased - 2023
366,593,645**



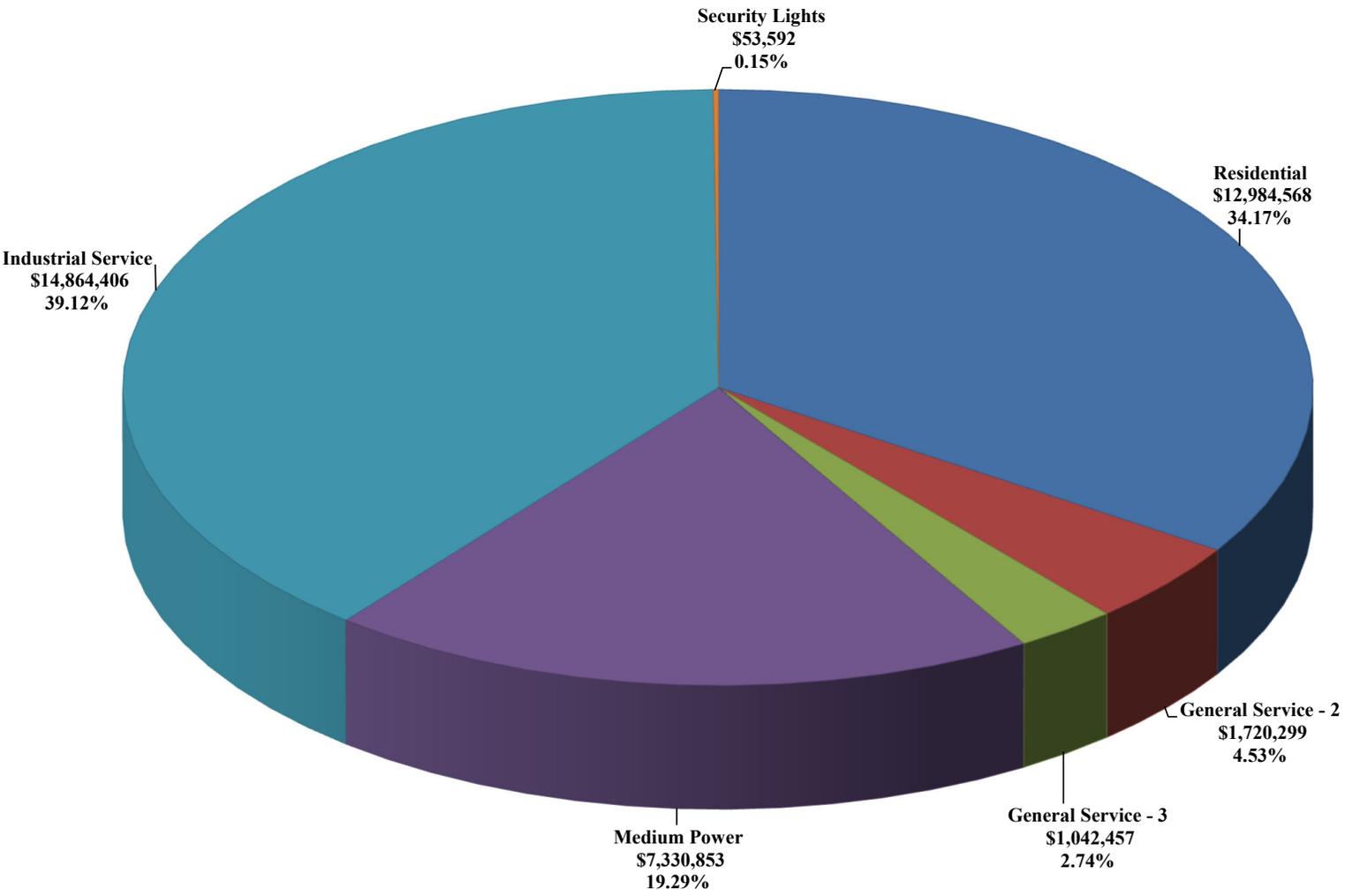
See Accountant's Compilation Report

**Greenfield Municipal Electric Utility
KWHs Billed by User Class - 2023
351,987,719**



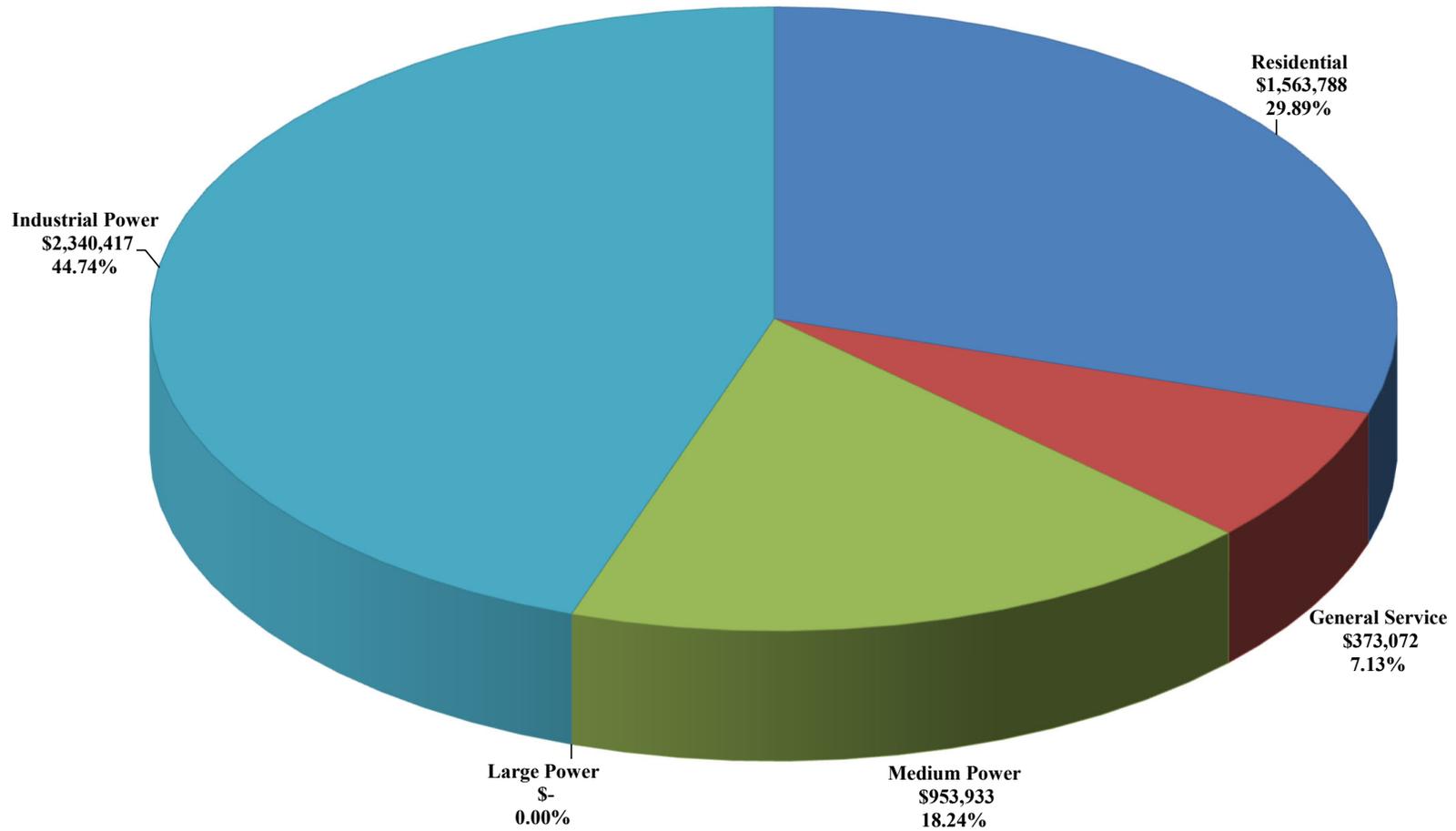
See Accountant's Compilation Report

**Greenfield Municipal Electric Utility
Revenue Billed by Class - 2023
\$37,996,175**



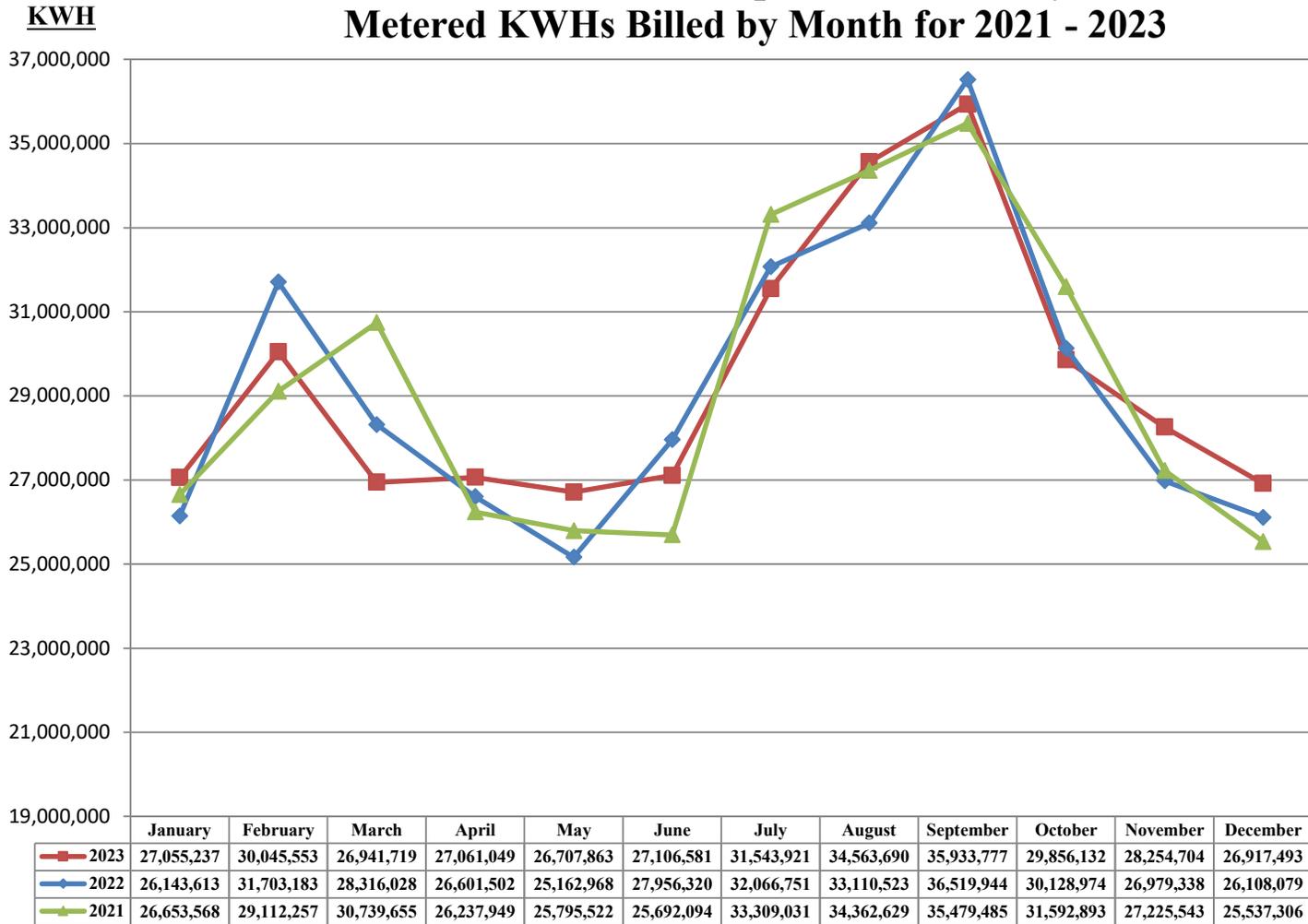
See Accountant's Compilation Report

**Greenfield Municipal Electric Utility
ECA Tracking Revenue Billed by Class - 2023
\$5,231,210**



See Accountant's Compilation Report

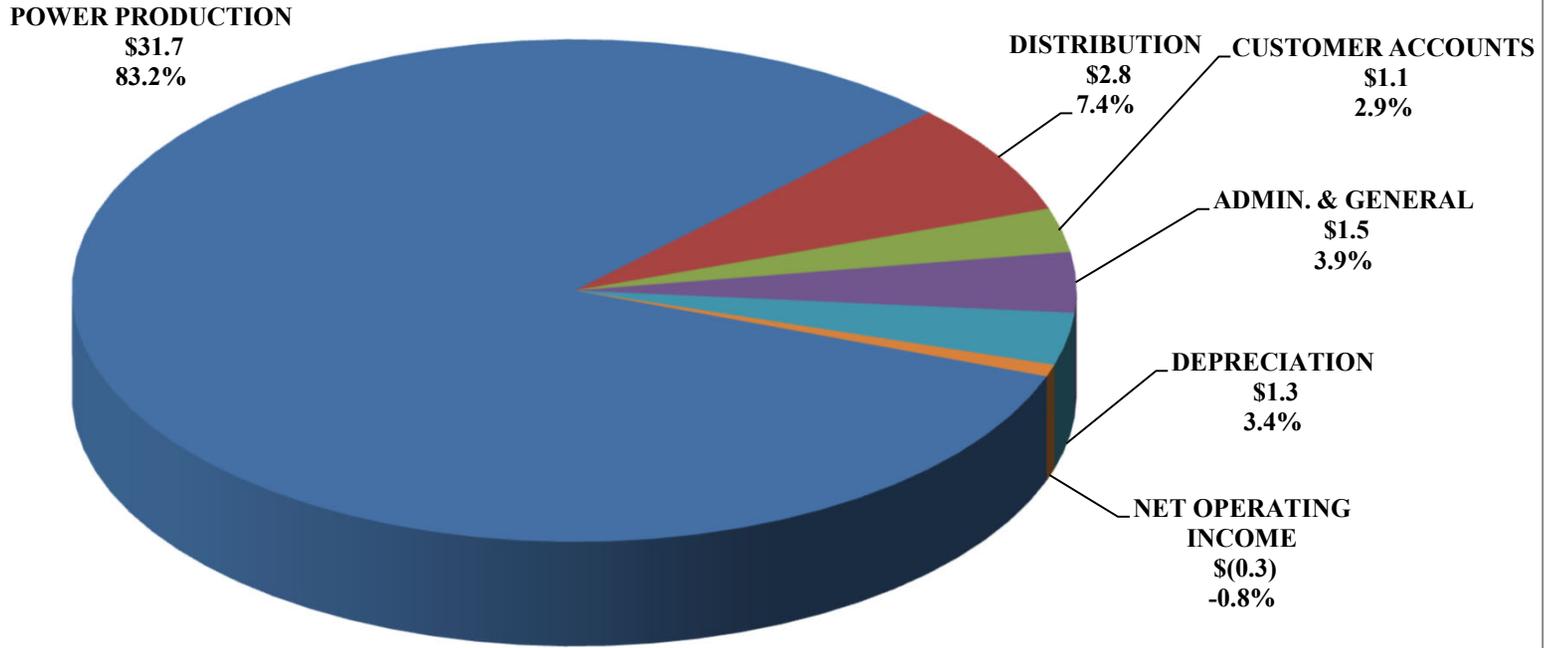
Greenfield Municipal Electric Utility Metered KWHs Billed by Month for 2021 - 2023



See Accountant's Compilation Report

GREENFIELD MUNICIPAL ELECTRIC UTILITY

BREAKDOWN OF REVENUE REQUIREMENTS - TEST YEAR



ANNUAL REVENUE REQUIREMENTS

	<i>In Millions</i>	
POWER PRODUCTION	\$	31.7 M
DISTRIBUTION	\$	2.8 M
CUSTOMER ACCOUNTS	\$	1.1 M
ADMIN. & GENERAL	\$	1.5 M
DEPRECIATION	\$	1.3 M
NET OPERATING INCOME	\$	(0.3) M
TOTAL	\$	38.1 M

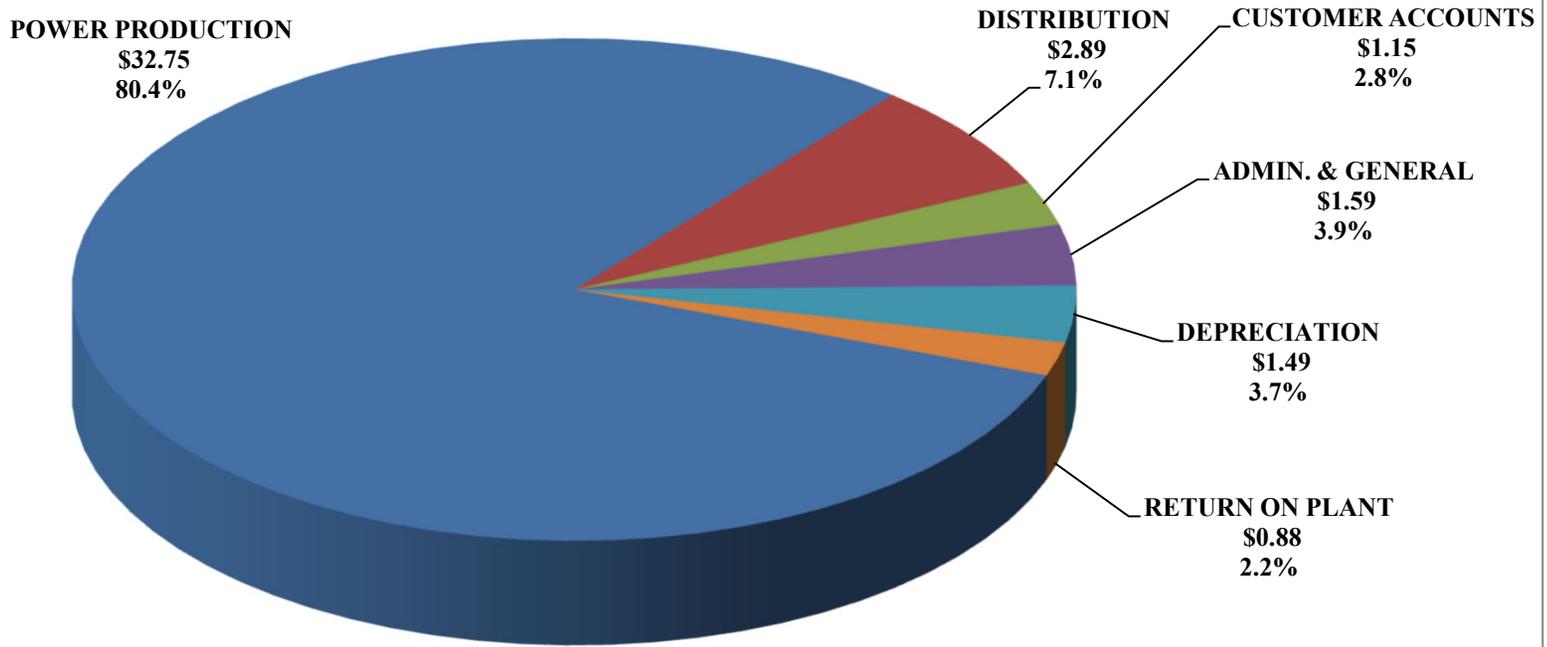
BREAKDOWN OF RESIDENTIAL BILLS

	500 KWH's	1,000 KWH's
POWER PRODUCTION	\$ 59.32	\$ 105.75
DISTRIBUTION	5.24	9.35
CUSTOMER ACCOUNTS	2.06	3.67
ADMIN. & GENERAL	2.81	5.01
DEPRECIATION	2.43	4.33
NET OPERATING INCOME	(0.56)	(1.00)
TOTAL	\$71.30	\$127.10

See Accountant's Compilation Report

GREENFIELD MUNICIPAL ELECTRIC UTILITY

BREAKDOWN OF REVENUE REQUIREMENTS - BASE RATES



ANNUAL REVENUE REQUIREMENTS

	<i>In Millions</i>	
POWER PRODUCTION	\$ 32.75	M
DISTRIBUTION	\$ 2.89	M
CUSTOMER ACCOUNTS	\$ 1.15	M
ADMIN. & GENERAL	\$ 1.59	M
DEPRECIATION	\$ 1.49	M
RETURN ON PLANT	\$ 0.88	M
TOTAL	\$ 40.75	M

BREAKDOWN OF RESIDENTIAL BILLS

	500 KWH's	1,000 KWH's
POWER PRODUCTION	\$ 57.30	\$ 102.15
DISTRIBUTION	5.06	9.02
CUSTOMER ACCOUNTS	2.01	3.58
ADMIN. & GENERAL	2.78	4.96
DEPRECIATION	2.61	4.65
NET OPERATING INCOME	1.54	2.75
TOTAL	\$71.30	\$127.10

See Accountant's Compilation Report