



AGENDA

Utility Commission Meeting
Waupun Utilities – 817 S Madison St.
Waupun, WI P.O. Box 431
Monday, October 14, 2019 AT 4:00 PM

There is a regular commission meeting scheduled for Monday, October 14, 2019, at 4:00 PM at the Waupun Utilities Administrative Building located on 817 S. Madison Street, Waupun, WI

CALL TO ORDER

ROLL CALL OF COMMISSIONERS

APPROVAL OF PREVIOUS MEETING MINUTES

1. September 9, 2019 Minutes

APPROVAL OF PAYMENT - PREVIOUS MONTHS BILLS

2. 09-2019 Accounts Payable

GM REPORT / OPERATIONS REPORT

3. General Manager Report
4. Water and Wastewater Report
5. Electric Operations Report

FINANCIAL REPORT / APPROVAL OF MONTHLY FINANCIAL RESULTS

6. Finance Director Report
7. August Financial Report

APPEARANCE BY VISITORS

AGENDA

8. Review 2020 Budget Draft Summaries
9. Test Year 2023 Sewer Rate Design and Cost of Service Review

CLOSED SESSION

The Waupun Utilities Commission will adjourn in closed session under Section 19.85 (1) (c) and (e) of the WI Statutes for the following:

- (c) Consider employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility.
- (e) Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.

10. Discuss / Approve Biomass Sales Agreement
11. Discuss / Approve Waupun Utilities Organization Chart - 2020
12. Discuss / Approve Promotion of Current Staff to Fill New Office and Customer Service Lead Position
13. Discuss / Approve Hiring of Future Vacant Office Positions

OPEN SESSION

The Waupun Utilities Commission will reconvene in open session under Section 19.85 (2) of the WI Statutes.

ACTION FROM CLOSED SESSION

ADJOURNMENT

Upon reasonable notice, efforts will be made to accommodate disabled individuals through appropriate aids and services. For additional information, contact the General Manager at 920-324-7920.

**Minutes of a Regular Meeting of the
Waupun Utilities Commission
Monday, September 9, 2019**

The meeting was called to order by President Heeringa at 4:00 p.m.

Commissioners Gerritson, Heeringa, Homan, Kaczmarski, Mielke, and Thurmer were present. Westphal was absent with notice.

Motion made by Thurmer, seconded by Gerritson and unanimously carried, to approve the minutes from the August 12, 2019, regular meeting.

On motion by Thurmer, seconded by Homan and unanimously carried, bills for the month of August 2019 were approved as presented.

Written reports were provided to commissioners from the departments of General Manager, Water & Sewer Maint/Treatment Supervisor and Electric Operations Supervisor.

Finance Director reported that August financial reports will be reviewed at the October 2019 meeting. For future meetings, financial reporting will have a one month lag due to the switch to end of month bill processing for all customers. The billing takes additional time to process, which delays balancing the month's financial activity.

Phil Cosson, Ehlers Senior Municipal Advisor, presented information on refunding 2014 and 2016 water and electric revenue bonds. The refinancing would allow stable cash flow, reduce the potential need for future rate increases, and avoid new debt issuances for needed water infrastructure replacements as planned.

Motion by Kaczmarski, seconded by Thurmer, to approve proceeding with refunding the 2014 and 2016 Electric and Water Revenue Bonds by engaging Ehlers and other parties required to complete the sale of new revenue bonds. Motion carried, with a vote of four votes aye, and one vote nay.

Discussion held on steps needed to complete the purchase of Area 4 from Alliant Energy as part of the Territorial Boundary Agreement. Motion made by Thurmer, seconded by Homan, to amend the 2019 Electric utility budget to include \$171,495 to purchase electric distribution assets from Alliant Energy for transfer area 4 in accordance with the master territorial agreement. Motion carried unanimously.

Finance Director presented Test Year 2023 Revenue requirement information as part of a sewer rate study. This is one component of the sewer rate study in analyzing future cash required to run the sewer utility pending upcoming phosphorus mandates to effluent discharge from the wastewater facility.

Motion made by Thurmer, seconded by Homan, to adjourn in closed session under Section 19.85 (1) (e) of the WI Statutes. Motion carried unanimously.

Motion made by Gerritson, seconded by Kaczmarski, and unanimously carried to reconvene in open session under Section 19.85 (2) of WI Statutes. No action taken from closed session.

On motion by Thurmer, seconded by Westphal and unanimously carried, the meeting was adjourned at 6:25 p.m.

The next commission meeting is scheduled on October 14, 2019, at 4:00 p.m.

Nancy Oosterhouse
Mapping/Admin Coordinator

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
ADVANCED DISPOSAL							
720	E10001363624	SANITARY CHRGS/MAIN OFFC BLDG	08/31/2019	164.12	164.12	45149	09/16/2019
	E10001363624	SANITARY CHRGS/MAIN OFFC BLDG	08/31/2019	102.57	102.57	45149	09/16/2019
	E10001363624	SANITARY CHRGS/MAIN OFFC BLDG	08/31/2019	143.60	143.60	45149	09/16/2019
	E10001364181	SANITARY CHRGS FOR WWTP	08/31/2019	1,700.25	1,700.25	45149	09/16/2019
Total ADVANCED DISPOSAL:				2,110.54	2,110.54		
AGNESIAN WORK & WELLNESS SAH							
825	28610	Hearing Test - Chad Flegner	09/03/2019	20.00	20.00	45150	09/16/2019
Total AGNESIAN WORK & WELLNESS SAH:				20.00	20.00		
AIRGAS USA INC							
855	9964299810	ACETYLENE/OXYGEN/NITROGEN	08/31/2019	22.88	22.88	45151	09/16/2019
	9964299810	ACETYLENE/OXYGEN/NITROGEN	08/31/2019	22.88	22.88	45151	09/16/2019
	9964299810	ACETYLENE/OXYGEN/NITROGEN	08/31/2019	22.89	22.89	45151	09/16/2019
Total AIRGAS USA INC:				68.65	68.65		
ALLIANT ENERGY							
900	183035/SEPT 4, 20	Gas Utility for Water Plant	09/04/2019	277.52	277.52	45152	09/16/2019
	4370/AUG 30, 2019	GAS UTIL BILL FOR SWG PLNT	08/30/2019	255.67	255.67	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	3.10	3.10	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	2.48	2.48	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	2.48	2.48	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	16.75	16.75	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	16.75	16.75	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	16.75	16.75	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	1.24	1.24	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	1.24	1.24	45152	09/16/2019
	590516/AUG 30, 20	Split Distribution - Main Bldg	08/30/2019	1.24	1.24	45152	09/16/2019
	931084/SEPT 13, 2	GAS UTIL @ WWTP GARAGE	09/13/2019	78.29	78.29	45152	09/16/2019
Total ALLIANT ENERGY:				673.51	673.51		
ALTERNATIVE TECHNOLOGIES INC.							
1000	46742	Samples - KF Moisture, Dissolved Gas Analysis	08/30/2019	70.00	70.00	45153	09/16/2019
Total ALTERNATIVE TECHNOLOGIES INC.:				70.00	70.00		
APPLIED TECHNOLOGIES							
1340	34207/6353	Treatment Plant ABNR Upgrades	09/03/2019	80,411.41	80,411.41	45154	09/16/2019
Total APPLIED TECHNOLOGIES:				80,411.41	80,411.41		
AUTO PLUS AUTO PARTS							
1700	039854396	HI-Power II Belt	09/10/2019	7.12	7.12	45155	09/16/2019
Total AUTO PLUS AUTO PARTS:				7.12	7.12		
BALLWEG IMPLEMENT CO INC.							
2400	P72237	PARTS FOR UNIT #15	09/12/2019	8.99	8.99	45156	09/16/2019
	P72237	PARTS FOR UNIT #15	09/12/2019	8.99	8.99	45156	09/16/2019
	P72237	PARTS FOR UNIT #15	09/12/2019	9.00	9.00	45156	09/16/2019

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total BALLWEG IMPLEMENT CO INC.:				26.98	26.98		
BATTERIES PLUS #504							
2480	P18678807	D BATTERIES for LOCATORS	09/12/2016	51.12	51.12	45157	09/16/2019
	P18678807	Batteries for Stock	09/12/2016	10.00	10.00	45157	09/16/2019
	P18678807	Batteries for Stock	09/12/2016	10.00	10.00	45157	09/16/2019
	P18678807	Batteries for Stock	09/12/2016	10.00	10.00	45157	09/16/2019
Total BATTERIES PLUS #504:				81.12	81.12		
BL VREE PLUMBING LLC							
3100	216	Repair Urinal Flush Valve @ WWTP	09/03/2019	87.50	87.50	45158	09/16/2019
	224	Clean Debris frm Laundry Hose @ 112 S Madison St	09/03/2019	87.50	87.50	45158	09/16/2019
	242	Sewer Lateral not tied in @ 416 S Madison	09/09/2019	481.25	481.25	45158	09/16/2019
Total BL VREE PLUMBING LLC:				656.25	656.25		
BORDER STATES ELECTRIC SUPPLY							
3300	918459639	13 TERMINAL METER SOCKET	09/05/2019	365.39	365.39	45159	09/16/2019
	918459639	Shipping & Handling	09/05/2019	9.35	9.35	45159	09/16/2019
	918479257	15kv 600A Switchgear	09/09/2019	17,551.00	17,551.00	45159	09/16/2019
Total BORDER STATES ELECTRIC SUPPLY:				17,925.74	17,925.74		
BROOKS SHOES & REPAIR							
3550	30554	Composite Toe Boot- Craig Ruis	08/21/2019	175.00	175.00	45160	09/16/2019
	30775 / GESCHKE	Composite Toe Boot- Matt Geschke	09/12/2019	87.50	87.50	45160	09/16/2019
	30775 / GESCHKE	Composite Toe Boot- Matt Geschke	09/12/2019	87.50	87.50	45160	09/16/2019
Total BROOKS SHOES & REPAIR:				350.00	350.00		
CAPITAL NEWSPAPERS							
5450	1656716	MTHLY COMMISSION MTG MINUTES	08/24/2019	27.70	27.70	45161	09/16/2019
	1656716	MTHLY COMMISSION MTG MINUTES	08/24/2019	22.02	22.02	45161	09/16/2019
	1656716	MTHLY COMMISSION MTG MINUTES	08/24/2019	21.31	21.31	45161	09/16/2019
	1659079	Notice to Suppliers for Sewer Proj Bid	09/03/2019	140.44	140.44	45161	09/16/2019
Total CAPITAL NEWSPAPERS:				211.47	211.47		
CAREW CONCRETE & SUPPLY CO							
5600	1145397	Aggregate, Screenings	09/07/2019	172.22	172.22	45162	09/16/2019
Total CAREW CONCRETE & SUPPLY CO:				172.22	172.22		
CRESCENT ELECTRIC SUPPLY CO							
6500	S506899117.001	Conduit for Main Sub Station	08/23/2019	50.70	50.70	45163	09/16/2019
	S506899117.002	Conduit for Main Sub Station	08/23/2019	297.99	297.99	45163	09/16/2019
Total CRESCENT ELECTRIC SUPPLY CO:				348.69	348.69		
CUMMINS NPOWER LLC							
6630	F6-29439	Serv'd 150kw Generator -Alarm: Low Oil Pressure	03/06/2019	301.22	301.22	45164	09/16/2019
	F6-29439	Serv'd 150kw Generator -Alarm: Low Oil Pressure	03/06/2019	188.27	188.27	45164	09/16/2019
	F6-29439	Serv'd 150kw Generator -Alarm: Low Oil Pressure	03/06/2019	263.57	263.57	45164	09/16/2019
	F6-36729	Main Bldg 150kw Generator Inspection	06/07/2019	161.11	161.11	45164	09/16/2019
	F6-36729	Main Bldg 150kw Generator Inspection	06/07/2019	100.69	100.69	45164	09/16/2019

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
	F6-36729	Main Bldg 150kw Generator Inspection	06/07/2019	140.97	140.97	45164	09/16/2019
	F6-36730	Wtr Plt 1000Kkw Generator Inspection	06/07/2019	434.88	434.88	45164	09/16/2019
	F6-39745	150kw Generator - Repl Clamps, Hoses, Coolant	07/19/2019	258.18	258.18	45164	09/16/2019
	F6-39745	150kw Generator - Repl Clamps, Hoses, Coolant	07/19/2019	161.36	161.36	45164	09/16/2019
	F6-39745	150kw Generator - Repl Clamps, Hoses, Coolant	07/19/2019	225.91	225.91	45164	09/16/2019
Total CUMMINS NPOWER LLC:				2,236.16	2,236.16		
DIGGERS HOTLINE INC.							
7300	190 8 31801	MONTHLY LOCATE TICKET CHRGS	08/31/2019	160.08	160.08	45165	09/16/2019
Total DIGGERS HOTLINE INC.:				160.08	160.08		
FARM & HOME SUPPLY							
9200	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	4.98	4.98	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	80.49	80.49	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	64.08	64.08	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	84.09	84.09	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	4.68	4.68	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	3.72	3.72	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	3.59	3.59	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	6.99	6.99	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	188.58	188.58	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	5.58	5.58	45166	09/16/2019
	475905/AUG 2019	MISCELLANEOUS ITEMS	08/31/2019	42.03	42.03	45166	09/16/2019
Total FARM & HOME SUPPLY:				488.81	488.81		
FERGUSON WATERWORKS #1476							
9480	0280645	5-1/4 WB67 Hydrants L/A Old Red	09/05/2019	5,042.00	5,042.00	45167	09/16/2019
	0282119-1	8" & 10" Valve Box - Top Dome	09/05/2019	147.95	147.95	45167	09/16/2019
Total FERGUSON WATERWORKS #1476:				5,189.95	5,189.95		
GERRITSON, DAVID							
11220	3RD QTR 2019 SAL	COMMISSIONER'S QTRLY SALARY	09/15/2019	38.00	38.00	45168	09/16/2019
	3RD QTR 2019 SAL	COMMISSIONER'S QTRLY SALARY	09/15/2019	31.00	31.00	45168	09/16/2019
	3RD QTR 2019 SAL	COMMISSIONER'S QTRLY SALARY	09/15/2019	31.00	31.00	45168	09/16/2019
Total GERRITSON, DAVID:				100.00	100.00		
HEERINGA, JOE							
12330	3RD QTR 2019 SAL	COMMISSIONERS QTRLY SALARY	09/15/2019	52.25	52.25	45169	09/16/2019
	3RD QTR 2019 SAL	COMMISSIONERS QTRLY SALARY	09/15/2019	42.63	42.63	45169	09/16/2019
	3RD QTR 2019 SAL	COMMISSIONERS QTRLY SALARY	09/15/2019	42.62	42.62	45169	09/16/2019
Total HEERINGA, JOE:				137.50	137.50		
HOMAN, JEFF							
12830	3RD QTR 2019 SAL	QTRLY COMMISSION SALARY	09/15/2019	38.00	38.00	45170	09/16/2019
	3RD QTR 2019 SAL	QTRLY COMMISSION SALARY	09/15/2019	31.00	31.00	45170	09/16/2019
	3RD QTR 2019 SAL	QTRLY COMMISSION SALARY	09/15/2019	31.00	31.00	45170	09/16/2019
Total HOMAN, JEFF:				100.00	100.00		
HYDROCORP INC.							
13985	0053570	CROSS CONNECTION CONTROL PROG	08/31/2019	1,908.00	1,908.00	45171	09/16/2019

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total HYDROCORP INC.:				1,908.00	1,908.00		
INTEGRATED COMMUNICATIONS SERV							
14650	190901451101	TELEPHONE ANSWERING SERV-AFT	09/09/2019	114.67	114.67	45172	09/16/2019
	190901451101	TELEPHONE ANSWERING SERV-AFT	09/09/2019	91.15	91.15	45172	09/16/2019
	190901451101	TELEPHONE ANSWERING SERV-AFT	09/09/2019	88.20	88.20	45172	09/16/2019
Total INTEGRATED COMMUNICATIONS SERV:				294.02	294.02		
IRBY, STUART C							
14890	S011534129.001	Steel U-Guards	09/05/2019	363.55	363.55	45173	09/16/2019
Total IRBY, STUART C:				363.55	363.55		
ITU ABSORB TECH INC.							
14950	7320861	SHOP TOWELS FOR WWTP	09/16/2019	23.45	23.45	45174	09/16/2019
	7320864	SHOP TOWELS MTHLY RENTAL FEE	09/16/2019	12.68	12.68	45174	09/16/2019
	7320864	SHOP TOWELS MTHLY RENTAL FEE	09/16/2019	12.68	12.68	45174	09/16/2019
	7320864	SHOP TOWELS MTHLY RENTAL FEE	09/16/2019	12.69	12.69	45174	09/16/2019
Total ITU ABSORB TECH INC.:				61.50	61.50		
J & H CONTROLS INC							
16000	10000021156	BUILDING MAINTENANCE MTHLY CHR	08/16/2019	160.00	160.00	45175	09/16/2019
	10000021156	BUILDING MAINTENANCE MTHLY CHR	08/16/2019	100.00	100.00	45175	09/16/2019
	10000021156	BUILDING MAINT MTHLY CHR	08/16/2019	140.00	140.00	45175	09/16/2019
Total J & H CONTROLS INC:				400.00	400.00		
KOPPLIN & KINAS CO INC							
17700	PAYMT#5 / RETAIN	Contractor's Paymt Req #5 - Retainage	09/07/2019	3,219.38	3,219.38	45176	09/16/2019
	PAYMT#5 / RETAIN	Contractor's Paymt Req #5 - Retainage	09/07/2019	3,591.07	3,591.07	45176	09/16/2019
	PAYMT#5 / RETAIN	Contractor's Paymt Req #5 - Retainage	09/07/2019	22,667.55	22,667.55	45176	09/16/2019
Total KOPPLIN & KINAS CO INC:				29,478.00	29,478.00		
MARTELLE WATER TREATMENT INC.							
20250	148864	Ferric Chloride, Degree 37%-42%	09/06/2019	6,158.00	6,158.00	45177	09/16/2019
	18796	Ferric Chloride, Degree 37%-42%	08/28/2019	4,112.00	4,112.00	45177	09/16/2019
	18827	Ferric Chloride, Degree 37%-42%	08/29/2019	3,089.00	3,089.00	45177	09/16/2019
Total MARTELLE WATER TREATMENT INC.:				13,359.00	13,359.00		
MEUW							
23500	090119-71	Elec Utility Safety & Training Prog Fees (2 of 2)	09/01/2019	2,261.42	2,261.42	45178	09/16/2019
Total MEUW:				2,261.42	2,261.42		
MILTON PROPANE INC							
25000	T402721	PROPANE DELIVERIED	08/27/2019	38.71	38.71	45179	09/16/2019
	T402721	PROPANE DELIVERIED	08/27/2019	38.71	38.71	45179	09/16/2019
	T402721	PROPANE DELIVERIED	08/27/2019	39.88	39.88	45179	09/16/2019
Total MILTON PROPANE INC:				117.30	117.30		

WAUPUN UTILITIES

Paid Invoice Report - COMMISSION
Check issue dates: 9/16/2019 - 9/16/2019

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Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
MULCAHY SHAW WATER INC.							
29200	322101	6" ANSI Flange Fitting	08/29/2019	1,196.71	1,196.71	45180	09/16/2019
	322120	Refrig Skid, Temp Sensor, Power Supply, labor	09/09/2019	2,918.50	2,918.50	45180	09/16/2019
Total MULCAHY SHAW WATER INC.:				4,115.21	4,115.21		
OSHKOSH OFFICE SYSTEMS							
39000	AR42260	MTHLY CLICK COUNTS	09/03/2019	46.46	46.46	45181	09/16/2019
	AR42260	MTHLY CLICK COUNTS	09/03/2019	36.93	36.93	45181	09/16/2019
	AR42260	MTHLY CLICK COUNTS	09/03/2019	35.73	35.73	45181	09/16/2019
	AR42592	Staples	06/09/2019	22.09	22.09	45181	09/16/2019
	AR42592	Staples	06/09/2019	17.56	17.56	45181	09/16/2019
	AR42592	Staples	06/09/2019	17.00	17.00	45181	09/16/2019
Total OSHKOSH OFFICE SYSTEMS:				175.77	175.77		
POWER SYSTEM ENGINEERING INC							
42800	9031170	GIS SUPPORT	09/11/2019	37.05	37.05	45182	09/16/2019
	9031170	GIS SUPPORT	09/11/2019	29.45	29.45	45182	09/16/2019
	9031170	GIS SUPPORT	09/11/2019	28.50	28.50	45182	09/16/2019
Total POWER SYSTEM ENGINEERING INC:				95.00	95.00		
RESCO							
46400	754678-00	16FT - 18FT STREET LIGHT POLES	09/12/2019	1,630.80	1,630.80	45183	09/16/2019
	754678-00	Shipping & Handling	09/12/2019	150.00	150.00	45183	09/16/2019
Total RESCO:				1,780.80	1,780.80		
RUEKERT-MIELKE							
49300	128800	Elec SCADA Service Work	09/03/2019	437.50	437.50	45184	09/16/2019
Total RUEKERT-MIELKE:				437.50	437.50		
SABEL MECHANICAL LLC							
50300	8022	Sludge Hauled - Waldvogel	09/09/2019	7,290.00	7,290.00	45185	09/16/2019
	8022	Sludge Hauled - Sabel	09/09/2019	11,400.00	11,400.00	45185	09/16/2019
Total SABEL MECHANICAL LLC:				18,690.00	18,690.00		
SEERA							
51535	WAUPUN/AUG 19	"WAUPUN" FOCUS PROGRAM FEE	08/31/2019	2,680.58	2,680.58	45186	09/16/2019
Total SEERA:				2,680.58	2,680.58		
SPEE-DEE							
52600	3828298	SERVICE CHRG for WATER SAMPLES	08/26/2019	40.04	40.04	45187	09/16/2019
Total SPEE-DEE:				40.04	40.04		
SUPERIOR CHEMICAL CORP							
54200	238401	2 cases for Water Plt, WWTP & Garage	09/03/2019	215.22	215.22	45188	09/16/2019
	238401	2 cases for Water Plt, WWTP & Garage	09/03/2019	86.09	86.09	45188	09/16/2019
	238401	2 cases for Water Plt, WWTP & Garage	09/03/2019	215.22	215.22	45188	09/16/2019
Total SUPERIOR CHEMICAL CORP:				516.53	516.53		

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THURMER, MIKE							
56900	3RD QTR 2019 SAL	QTRLY COMMISSION SALARY	09/15/2019	38.00	38.00	45189	09/16/2019
	3RD QTR 2019 SAL	QTRLY COMMISSION SALARY	09/15/2019	31.00	31.00	45189	09/16/2019
	3RD QTR 2019 SAL	QTRLY COMMISSION SALARY	09/15/2019	31.00	31.00	45189	09/16/2019
Total THURMER, MIKE:				100.00	100.00		
TIMECLOCK PLUS							
57000	510163	Clockable employee count over by two	09/03/2019	3.90	3.90	45190	09/16/2019
	510163	Clockable employee count over by two	09/03/2019	2.80	2.80	45190	09/16/2019
	510163	Clockable employee count over by two	09/03/2019	3.30	3.30	45190	09/16/2019
Total TIMECLOCK PLUS:				10.00	10.00		
VIRIDIAM							
63750	311040-011	Commission Minutes Book	08/30/2019	99.10	99.10	45191	09/16/2019
	311040-011	Commission Minutes Book	08/30/2019	78.77	78.77	45191	09/16/2019
	311040-011	Commission Minutes Book	08/30/2019	76.24	76.24	45191	09/16/2019
Total VIRIDIAM:				254.11	254.11		
W W ELECTRIC MOTORS INC							
70400	F107981	Baldor 30HP, add Thermals	08/29/2019	160.00	160.00	45192	09/16/2019
Total W W ELECTRIC MOTORS INC:				160.00	160.00		
WAUPUN, CITY OF							
74400	410 4TH QTR WC F	4th qtr 2019 Worker's Comp Fees	09/02/2019	1,633.84	1,633.84	45194	09/16/2019
	410 4TH QTR WC F	4th qtr 2019 Worker's Comp Fees	09/02/2019	2,073.72	2,073.72	45194	09/16/2019
	410 4TH QTR WC F	4th qtr 2019 Worker's Comp Fees	09/02/2019	2,576.44	2,576.44	45194	09/16/2019
	576 / GREMMER P	Gremmer Inv#6, Phase 1 - Madison St Water	09/12/2019	10,111.65	10,111.65	45194	09/16/2019
	576 / GREMMER P	Gremmer Inv#6, Phase 1 - Madison St Sewer	09/12/2019	10,111.65	10,111.65	45194	09/16/2019
	576 / GREMMER P	Gremmer Inv#4, Ph.2, Lincoln to Libby	09/12/2019	252.00	252.00	45194	09/16/2019
	576 / GREMMER P	Gremmer Inv#4, Ph.2, Lincoln to Libby	09/12/2019	252.00	252.00	45194	09/16/2019
	PROP TAX - SEPT	Property Tax Pilot - Sept 2019	09/01/2019	23,700.00	23,700.00	45194	09/16/2019
	PROP TAX - SEPT	Property Tax Pilot - Sept 2019	09/01/2019	31,100.00	31,100.00	45194	09/16/2019
	STRMWTR AUG RE	Stormwater Receipts	08/30/2019	48,320.02	48,320.02	45194	09/16/2019
	TRASH/RECYC AU	Trash/Recycling Collection	08/31/2019	38,309.94	38,309.94	45194	09/16/2019
Total WAUPUN, CITY OF:				168,441.26	168,441.26		
WEGNER CPAs LLP - MADISON							
77500	1591821	Consulting Services, Sewer Rate Study, CLEARAS Proj	08/31/2019	2,910.00	2,910.00	45195	09/16/2019
Total WEGNER CPAs LLP - MADISON:				2,910.00	2,910.00		
WISCONSIN STATE LAB OF HYGIENE							
88300	604223-1 \ 7002096	Fluoride	08/31/2019	26.00	26.00	45196	09/16/2019
Total WISCONSIN STATE LAB OF HYGIENE:				26.00	26.00		
WAUPUN UTILITES (Refund acct)							
100000	MIKE SARENPA RE	Ref Overpaymt frm: 917 Fraser Ln Apt#1	09/01/2019	14.41	14.41	45193	09/16/2019
Total WAUPUN UTILITES (Refund acct):				14.41	14.41		

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Grand Totals:				360,236.20	360,236.20		

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
AIRGAS USA INC							
855	9093247282	ACETYLENE/OXYGEN/NITROGEN	09/20/2019	38.27	38.27	45200	09/30/2019
	9093247282	ACETYLENE/OXYGEN/NITROGEN	09/20/2019	38.27	38.27	45200	09/30/2019
	9093247282	ACETYLENE/OXYGEN/NITROGEN	09/20/2019	38.28	38.28	45200	09/30/2019
Total AIRGAS USA INC:				114.82	114.82		
ALLIANT ENERGY							
900	80105/ SEPT 19, 20	GAS UTILITY FOR WELLHOUSE #5	09/19/2019	14.70	14.70	45201	09/30/2019
Total ALLIANT ENERGY:				14.70	14.70		
AMERICAN MESSAGING							
1090	U1850424TJ	PAGER FOR ELEC DEPT ON-CALL	09/30/2019	36.20	36.20	45202	09/30/2019
Total AMERICAN MESSAGING:				36.20	36.20		
CAPITAL NEWSPAPERS							
5450	1662184	MTHLY COMMISSION MTG MINUTES	09/21/2019	21.66	21.66	45203	09/30/2019
	1662184	MTHLY COMMISSION MTG MINUTES	09/21/2019	17.22	17.22	45203	09/30/2019
	1662184	MTHLY COMMISSION MTG MINUTES	09/21/2019	16.67	16.67	45203	09/30/2019
Total CAPITAL NEWSPAPERS:				55.55	55.55		
CHARTER COMMUNICATIONS							
5830	0033381091319/33	INTERNET SERVICES	09/13/2019	45.82	45.82	45204	09/30/2019
	0033381091319/33	INTERNET SERVICES	09/13/2019	36.42	36.42	45204	09/30/2019
	0033381091319/33	INTERNET SERVICES	09/13/2019	35.25	35.25	45204	09/30/2019
	0033381091319/33	MONTHLY SERVICE EXPENSE	09/13/2019	49.52	49.52	45204	09/30/2019
	0033381091319/33	MONTHLY SERVICE EXPENSE	09/13/2019	39.36	39.36	45204	09/30/2019
	0033381091319/33	MONTHLY SERVICE EXPENSE	09/13/2019	38.10	38.10	45204	09/30/2019
	0033381091319/33	Main Bldg (2nd line) #66685	09/13/2019	86.54	86.54	45204	09/30/2019
	0033381091319/33	Main Bldg (2nd line) acct# 666	09/13/2019	68.79	68.79	45204	09/30/2019
	0033381091319/33	Main Bldg (2nd line) acct# 666	09/13/2019	66.56	66.56	45204	09/30/2019
	0033381091319/33	Water Plant Voice #43654	09/13/2019	79.98	79.98	45204	09/30/2019
	0033381091319/33	WWTP Voice #43662	09/13/2019	79.98	79.98	45204	09/30/2019
Total CHARTER COMMUNICATIONS:				626.32	626.32		
CRESCENT ELECTRIC SUPPLY CO							
6500	S507013950.001	2" SCH40 PVC PIPE	09/19/2019	92.00	92.00	45205	09/30/2019
	S507013950.001	1-1/4 conduit	09/19/2019	97.58	97.58	45205	09/30/2019
	S507013950.002	Couplings, Qucik-set cement, 90 deg elbows	09/19/2019	26.62	26.62	45205	09/30/2019
	S507013950.003	Clear primer	09/19/2019	9.46	9.46	45205	09/30/2019
Total CRESCENT ELECTRIC SUPPLY CO:				225.66	225.66		
CT LABORATORIES							
6610	148240	Sub Haloacetic Acids, TTHM SDWA-524	09/20/2019	390.00	390.00	45206	09/30/2019
Total CT LABORATORIES:				390.00	390.00		
DORNER COMPANY							
7700	149532-CM	12 Butterfly Valves	09/12/2019	12,775.00	12,775.00	45207	09/30/2019
	149532-CM	12 Actuators & manual overrides	09/12/2019	32,624.00	32,624.00	45207	09/30/2019
	149532-CM	Extension Asemblies, Brackets, Couplings	09/12/2019	10,585.00	10,585.00	45207	09/30/2019
	149532-CM	Testing of Valves	09/12/2019	3,200.00	3,200.00	45207	09/30/2019

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
	149532-CM	60% credit less Actuators 40%restock fee	09/12/2019	19,574.40-	19,574.40-	45207	09/30/2019
	149532-CM	50% Credit less Butterfly Valves Restock Fees	09/12/2019	6,387.50-	6,387.50-	45207	09/30/2019
Total DORNER COMPANY:				33,222.10	33,222.10		
ELSTER SOLUTIONS LLC							
8225	9000094900	1ph, 3W 30A, 200AMPS Electric meters	09/25/2019	2,544.00	2,544.00	45208	09/30/2019
Total ELSTER SOLUTIONS LLC:				2,544.00	2,544.00		
EXXON MOBIL							
8990	7187600000035136	MONTHLY FLEET FUEL CHARGES	09/17/2019	719.06	719.06	45209	09/30/2019
	7187600000035136	MONTHLY FLEET FUEL CHARGES	09/17/2019	397.37	397.37	45209	09/30/2019
	7187600000035136	MONTHLY FLEET FUEL CHARGES	09/17/2019	775.83	775.83	45209	09/30/2019
Total EXXON MOBIL:				1,892.26	1,892.26		
FARMERS ELEVATOR CORP LTD							
9300	107424	2-1/2 gals of MecAmine	09/25/2019	89.99	89.99	45210	09/30/2019
	107426	2-1/2 gals of Mad Dog	09/26/2019	47.00	47.00	45210	09/30/2019
Total FARMERS ELEVATOR CORP LTD:				136.99	136.99		
GRAINGER							
11400	9294143798	4" Hole Saw	09/16/2019	23.43	23.43	45211	09/30/2019
	9294874103	Warning Strobe Light - Water Plant	09/17/2019	57.12	57.12	45211	09/30/2019
	9294874103	Piston Pump, Voltage Detector	09/17/2019	54.87	54.87	45211	09/30/2019
Total GRAINGER:				135.42	135.42		
HACH COMPANY							
12050	11645043	s-TKN TNT+ (0-16 MG/L N)	09/19/2019	523.63	523.63	45212	09/30/2019
	2168923	Return Credit on Ammonia TNT+	08/12/2019	116.98-	116.98-	45212	09/30/2019
Total HACH COMPANY:				406.65	406.65		
HARN R/O SYSTEMS INC.							
12140	IN-459	(4) 500 lb DRUMS VITEC 3000	09/23/2019	3,500.00	3,500.00	45213	09/30/2019
Total HARN R/O SYSTEMS INC.:				3,500.00	3,500.00		
IRBY, STUART C							
14890	S011559208.001	Copper H-laps, Hot-line Clamps	09/17/2019	1,077.00	1,077.00	45214	09/30/2019
Total IRBY, STUART C:				1,077.00	1,077.00		
KRAUSE POWER ENGINEERING LLC							
17725	09142019	System Study	09/14/2019	3,890.60	3,890.60	45215	09/30/2019
Total KRAUSE POWER ENGINEERING LLC:				3,890.60	3,890.60		
MARC							
19850	0675243	Flr Clnr, 17" Buff Pad, Sanitizer, Oil & lub	09/06/2019	412.70	412.70	45216	09/30/2019
Total MARC:				412.70	412.70		

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
MARTELLE WATER TREATMENT INC.							
20250	18927	Ferric Chloride, Degree 37%-42%	09/19/2019	3,089.00	3,089.00	45217	09/30/2019
	18936	Ferric Chloride, Degree 37%-42%	09/20/2019	3,069.00	3,069.00	45217	09/30/2019
Total MARTELLE WATER TREATMENT INC.:				6,158.00	6,158.00		
MICHELS MATERIALS							
24200	380853	3/4" & 3" Dense Base & Utility Stone	09/21/2019	509.54	509.54	45218	09/30/2019
Total MICHELS MATERIALS:				509.54	509.54		
MILTON PROPANE INC							
25000	T405215	Propane for the Torch	09/26/2019	4.08	4.08	45219	09/30/2019
Total MILTON PROPANE INC:				4.08	4.08		
NCL OF WISCONSIN INC							
33000	429116	Lab Supplies- WWTP	09/23/2019	467.81	467.81	45220	09/30/2019
Total NCL OF WISCONSIN INC:				467.81	467.81		
OFFICE DEPOT							
38880	373621964001	OFFICE SUPPLIES	09/04/2019	5.48	5.48	45221	09/30/2019
	373621964001	OFFICE SUPPLIES	09/04/2019	4.36	4.36	45221	09/30/2019
	373621964001	OFFICE SUPPLIES	09/04/2019	4.21	4.21	45221	09/30/2019
	373621964001	Copy paper	09/04/2019	9.80	9.80	45221	09/30/2019
	373621964001	Copy paper	09/04/2019	10.32	10.32	45221	09/30/2019
	373621964001	Copy paper	09/04/2019	12.87	12.87	45221	09/30/2019
Total OFFICE DEPOT:				47.04	47.04		
PACE ANALYTICAL SERVICES LLC							
40100	1912010844	Toxicity Samples	09/17/2019	3,791.20	3,791.20	45222	09/30/2019
Total PACE ANALYTICAL SERVICES LLC:				3,791.20	3,791.20		
POLYDYNE INC.							
42000	1385684	CLARIFLOC CE-1855	09/09/2019	11,522.08	11,522.08	45223	09/30/2019
Total POLYDYNE INC.:				11,522.08	11,522.08		
PTASCHINSKI CONSTRUCTION INC							
44000	PAYMT REQ #6	Payment Request #6	09/17/2019	66,209.14	66,209.14	45224	09/30/2019
	PAYMT REQ #6	Payment Request #6	09/17/2019	141,035.31	141,035.31	45224	09/30/2019
Total PTASCHINSKI CONSTRUCTION INC:				207,244.45	207,244.45		
PUBLIC SERVICE COMMISSION OF W							
44200	RA20-I-06290	GROSS INTRASTATE OPERATING REVENUES	09/30/2019	9,794.94	9,794.94	45225	09/30/2019
	RA20-I-06290	GROSS INTRASTATE OPERATING REVENUES	09/30/2019	2,448.74	2,448.74	45225	09/30/2019
Total PUBLIC SERVICE COMMISSION OF W:				12,243.68	12,243.68		
RESCO							
46400	755087-00	3phase 750kva Padmount Transformer	09/20/2019	15,554.00	15,554.00	45226	09/30/2019
	763240-00	GUY guards, Stirrup clamps, Assembly Bolts	09/20/2019	1,757.20	1,757.20	45226	09/30/2019
	763241-00	Bolt Assemblys	09/18/2019	340.00	340.00	45226	09/30/2019

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total RESCO:				17,651.20	17,651.20		
SABEL MECHANICAL LLC							
50300	8022	VOLVO RENT Volvo L70G Rental for Hauling Sludge	09/09/2019	850.00	850.00	45227	09/30/2019
Total SABEL MECHANICAL LLC:				850.00	850.00		
SPEE-DEE							
52600	3841017	SERVICE CHRG for WATER SAMPLES	09/09/2019	48.30	48.30	45228	09/30/2019
	3846997	SERVICE CHRG for WATER SAMPLES	09/23/2019	52.74	52.74	45228	09/30/2019
Total SPEE-DEE:				101.04	101.04		
TERMINATOR PEST CONTROL LLC							
55950	183002	Pest Control to Main Bldg	09/25/2019	60.00	60.00	45229	09/30/2019
	183002	Pest Control to Main Bldg	09/25/2019	37.50	37.50	45229	09/30/2019
	183002	Pest Control to Main Bldg	09/25/2019	52.50	52.50	45229	09/30/2019
	183721	Pest Control to Water Plant	09/23/2019	125.00	125.00	45229	09/30/2019
	183722	Pest Control to Wastewater Plant	09/25/2019	350.00	350.00	45229	09/30/2019
Total TERMINATOR PEST CONTROL LLC:				625.00	625.00		
TRUCLEANERS LLC							
58700	9-2019	MONTHLY CLEANING SERVICE	09/30/2019	370.50	370.50	45230	09/30/2019
	9-2019	MONTHLY CLEANING SERVICE	09/30/2019	294.50	294.50	45230	09/30/2019
	9-2019	MONTHLY CLEANING SERVICE	09/30/2019	285.00	285.00	45230	09/30/2019
Total TRUCLEANERS LLC:				950.00	950.00		
VERIZON WIRELESS							
62900	9838569774	CELLPHONE MTHLY EXPENSES	09/21/2019	130.77	130.77	45231	09/30/2019
	9838569774	CELLPHONE MTHLY EXPENSES	09/21/2019	103.95	103.95	45231	09/30/2019
	9838569774	CELLPHONE MTHLY EXPENSES	09/21/2019	100.60	100.60	45231	09/30/2019
	9838569774	DPW'S MTHLY/DATA TABLET CHRGS	09/21/2019	53.10	53.10	45231	09/30/2019
Total VERIZON WIRELESS:				388.42	388.42		
WAUPUN FIRE DEPT							
75200	2019	FIRE-UP PRO STUDENT SPONSORSHIP	09/25/2019	120.00	120.00	45232	09/30/2019
Total WAUPUN FIRE DEPT:				120.00	120.00		
WERNER ELECTRIC SUPPLY CO							
78900	S5946890.001	Socket Cover	09/11/2019	130.16	130.16	45237	09/30/2019
Total WERNER ELECTRIC SUPPLY CO:				130.16	130.16		
WISCONSIN CORRECTIONAL CENTER							
84300	17686	Inmate Labor 5/12/19-6/22/19	09/24/2019	288.00	288.00	45238	09/30/2019
	17835	Inmate Labor 04/14/2019 - 04/27/2019	09/12/2019	120.00	120.00	45238	09/30/2019
Total WISCONSIN CORRECTIONAL CENTER:				408.00	408.00		
WAUPUN UTILITIES (Refund Acct)							
100000	GORCHALS & FOS	Ref Overpaymt frm: 1021 Newton Ave	09/25/2019	94.90	94.90	45233	09/30/2019
	HULL 19076700-20	Ref Overpaymt frm: 208 Monroe St	09/25/2019	166.27	166.27	45234	09/30/2019

Vendor Number	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
	HULL 19076700-20	Ref Overpaymt frm: 208 Monroe St	09/25/2019	5.18-	5.18-	45234	09/30/2019
	HULL 19076700-20	Ref Overpaymt frm: 208 Monroe St	09/25/2019	5.37-	5.37-	45234	09/30/2019
	HULL 19076700-20	Ref Overpaymt frm: 208 Monroe St	09/25/2019	22.71-	22.71-	45234	09/30/2019
	LONT, 104 W FRAN	Ref Overpaymt frm: 104 W. Franklin St	09/25/2019	47.06	47.06	45235	09/30/2019
	UMENTUM, 606 CO	Ref Overpaymt frm: 606 Cochrane St	09/25/2019	705.14	.00	45236	09/30/2019
	UMENTUM, JACOB	Ref Overpaymt frm: 606 Cochrane St	09/25/2019	705.14	705.14	45239	09/30/2019
Total WAUPUN UTILITIES (Refund Acct):				1,685.25	980.11		
Grand Totals:				313,577.92	312,872.78		

Date	Reference Number	Payee or Description	Account Number	Account Title	Debit Amount	Credit Amount
CD						
1						
09/01/2019	1	Record 2014 Bond Interest Pmt to FirstMerit	1-2237-0000-00	INTEREST ACCRUED	13,778.95	
		Record 2014 Bond Interest Pmt to FirstMerit	2-2237-0000-00	INTEREST ACCRUED	44,115.80	
		Record 2014 Bond Interest Pmt to FirstMerit	1-1125-1251-00	SINKING FUNDS BOND REDEM		13,778.95-
		Record 2014 Bond Interest Pmt to FirstMerit	2-1125-1251-00	SINKING FUNDS BOND INT RE		44,115.80-
2						
					.00*	
09/01/2019	2	Record 2016 Bond Interest Pmt to FirstMerit	2-2237-0000-00	INTEREST ACCRUED	8,781.14	
		Record 2016 Bond Interest Pmt to FirstMerit	2-1125-1251-00	SINKING FUNDS BOND INT RE		8,781.14-
3						
					.00*	
09/10/2019	3	Record August's ACH Credit Card Paymt	1-2232-0000-00	ACCOUNTS PAYABLE - ELECTR	528.16	
08/23/2019	3	Record August's ACH Credit Card Paymt	2-2232-0000-00	ACCOUNTS PAYABLE - WATER	278.60	
		Record August's ACH Credit Card Paymt	3-2232-0000-00	ACCOUNTS PAYABLE - WASTE	1,599.95	
		Record August's ACH Credit Card Paymt	9-1131-0000-00	COMBINED CASH		2,406.71-
4						
						-528.16*
09/30/2019	4	Record August's Power Bill & Shared Savings Loa	1-2232-0000-00	ACCOUNTS PAYABLE - ELECTR	873,447.07	
5						
09/06/2019	5	Record ON-LINE ACH payment for period ending	1-5921-0000-24	OFC SUP & EXP COMPUTER R	14.74	
		Record ON-LINE ACH payment for period ending	2-5921-0000-24	OFC SUP & EXP-COMPUTER R	11.72	
		Record ON-LINE ACH payment for period ending	3-5851-0000-24	OFC SUP & EXP-COMPUTER R	11.34	
6						
					37.80*	
09/11/2019	6	Record Sales & Use Tax ACH payment	1-2241-2416-00	TAX COLL PAY - SALES TAX	31,691.87	
99001						
09/30/2019	99001	TOTAL CHECKS & OTHER CHARGES - COMBIN	9-1131-0000-00	COMBINED CASH		873,447.07-
99002						
09/08/2019	99002	Record Aug's WPPI Support ACH Paymt - Util/City	1-2232-0000-00	ACCOUNTS PAYABLE - ELECTR	1,990.47	
09/04/2019	99002	Record Aug's WPPI Support ACH Paymt - Util	2-2232-0000-00	ACCOUNTS PAYABLE - WATER	1,993.97	
		Record Aug's WPPI Support ACH Paymt - Util	3-2232-0000-00	ACCOUNTS PAYABLE - WASTE	3,741.79	
					5,735.76*	
09/04/2019	99002	Record Aug's WPPI Support ACH Paymt - Util/City	9-1131-0000-00	COMBINED CASH		7,726.23-
99003						
09/06/2019	99003	TOTAL CHECKS & OTHER CHARGES - COMBIN	9-1131-0000-00	COMBINED CASH		37.80-
99004						
09/11/2019	99004	TOTAL CHECKS & OTHER CHARGES - COMBIN	9-1131-0000-00	COMBINED CASH		31,691.87-
99005						
09/30/2019	99005	Huntington Monthly Transfer of P&I	1-1125-1251-00	SINKING FUNDS BOND REDEM	14,914.00	
		Huntington Monthly Transfer of P&I	2-1125-1251-00	SINKING FUNDS BOND INT RE	57,210.00	
		Huntington Monthly Transfer of P&I	9-1131-0000-00	COMBINED CASH		72,124.00-

Documents: 14 Transactions: 25

Total CD:

1,054,109.57 1,054,109.57-

Grand Totals:

1,054,109.57 1,054,109.57-



TO: Waupun Utilities Commissioners
FROM: Randy Posthuma, General Manager
DATE: Oct. 11, 2019
SUBJECT: General Manager Report

Alliant Purchase Update: Over the past couple of months, we have continued to work at getting all transfer customers to sign a consent form indicating their agreement to the transfer of ownership. Unfortunately, we were not able to get all the customers to sign the consent.

Following our last Commission meeting in September, Commission President Joe Heeringa signed the transfer agreement and all information has been submitted to WP&L for signature. Once WP&L signs the agreement, all information and transfer requests will be submitted to the PSC for approval.

PFAS Legislation Update: My apologies for the continued updates on PFAS legislation being looked at in Wisconsin, but this continues to be a hot topic among Utilities and our State Representatives.

The Department of Natural Resources has begun the process of providing information on three rules regulating PFAS in groundwater, surface water and drinking water. Governor Evers has approved all three scope statements and the Joint Committee for the Review of Administrative Rules ordered DNR to hold a preliminary public hearing on each scope statement.

Based on initial compliance cost estimates prepared by DNR for the scope statements, local governments and industry stand to incur millions of dollars in compliance costs. In order to comply with drinking water standards, DNR estimates that a municipal wastewater treatment facility could be facing costs up to \$25 million per facility.

Following the public hearings, the rules will need to be approved by the Natural Resources Board and ultimately be reviewed by the Legislature and signed by the Governor, a process that could take more than two years.

Wisconsin Rural Water Association (WRWA) is working closely with other public-sector organizations on this issue, including the League of Municipalities, MEG-Wastewater and MEG-Water. The group's goals are to advocate for science based standards, educate the public about PFAS, and communicate our concerns about the potential high cost to municipal utilities of complying with the proposed PFAS standards.

WPPI Annual Meeting: Jared and I had the opportunity to attend WPPI's annual meeting on September 19 and 20. The meeting brought together some excellent speakers that focused on topics like; Transformation of the Electric Industry, Future Wisconsin Projects, The Power of Working Together, Decoding Your Customers, Perfecting the Customer Experience, Municipal Electric Utilities Update and the current state of WPPI Energy in 2019.

The meeting was capped off on Friday with a Board of Directors Meeting. I want to point out, at this board meeting four WPPI board members are elected to complete three year terms on the WPPI Executive Committee. As an incumbent Executive Committee member, my three-year term is expiring this year. Because of my planned retirement in 2020, I chose not to run for re-election on the Executive Committee for WPPI.

Waupun Utilities Celebrates 125 Years of Service to Our Community: Below is a press release that was provided to our local paper.

WAUPUN — "Waupun Utilities, Waupun's locally owned, not-for-profit electric utility, celebrates 125 years of service this year.

Waupun Utilities is a proud member-owner of WPPI Energy, a not-for-profit wholesale energy provider and joint action agency. The utility's milestone anniversary was recognized at an awards ceremony during the WPPI Energy Annual Meeting on September 19.

"I'd like to extend my congratulations and appreciation to Waupun Utilities for 125 years of service to the Waupun community," said Mike Peters, President and CEO of WPPI Energy.

The utility was founded by the citizens of Waupun. It has remained a public power utility since that time and utility employees continue to be guided by the principles of local ownership and control, keeping revenue in the community, providing first-rate customer service, and making a positive impact in the community through volunteer and outreach efforts.

"Working for a local utility that's owned by the community we serve gives us a much bigger reason to care about the work we do. We also live in this community; it's our home. We want to be a part of making it great," said Randy Posthuma, General Manager for Waupun Utilities. "Anniversaries are a great time to reflect both on what has brought us to this point and where we want to go in the future."

Waupun Utilities is a municipally owned and operated electric, water and wastewater utility, serving more than 4,425 customers in Waupun and the surrounding area. As a member-owner of WPPI Energy, the utility joins forces with 50 other public power utilities to share resources and provide reliable, affordable electricity to more than 200,000 homes and businesses in Wisconsin, Michigan's Upper Peninsula, and Iowa."

Community Event Open House - Oct 7th: Another successful Community Open House was held with displays from the entities serving and protecting the Waupun Community. The event presents a great family event for children to get exposed to fire safety, police, ambulance, and utility related information.

We were fortunate to have Focus On Energy team with us for the event, which allowed attendees to purchase LED lighting at great savings, which included a promotion to trade incandescent and halogen bulbs for free LED bulbs. Their display was popular, and there was no lull in the line the entire three hours of the event. Focus On Energy reported 125 customers

served throughout the event, which was about a 50% uptick from 85 customers served two years ago.



Attendees lined up to take advantage of Focus on Energy promotions.



Another popular draw for the event was the electric bucket truck rides for all ages. There were children in line, and rides being given the entire three hours! Thanks to Chris and Steve for providing three hours of entertainment.

The event is a well-rounded effort to showcase the service entities offered to the community. The Utilities' participation is a way to display our pride and dedication to serving our customers, and offer a positive experience for anyone in attendance.

This concludes my report for October 2019. Please contact me at 324-7920 or rposthuma@wppienergy.org, with any questions or concerns.



TO: Waupun Utilities Commissioners
FROM: Steve Schramm
DATE: October 10, 2019
SUBJECT: Monthly Operation Report

Water Treatment Facility:

There are no call-ins to report this month.

The water treatment facility is performing well and water quality continues to be consistent barring the varying weather temperature swings.

Wastewater Treatment Facility:

10/1/19 Storm Event:

- On October 1st the city received 6.25" of rain; 4" of the 6.25" was received in 4-hour period. The Rock River was at moderate flood stage of 7.83'.
- Normal influent flow is 1200 gallons per minute or 1.7 million gallons per day. At the peak of this event, the influent flow was 17,000 gallons per minute or 14.2 million gallons per day. Inplant diversion was implemented to protect the treatment facilities infrastructure and prevent catastrophic failure.
- The plant suffered minimum damage to preliminary treatment equipment. Everything has been repaired and is in normal operation.

Water/Sewer Crew:

Staff's focus continues to be preventative maintenance of the distribution and collection system, which will continue over the next month.

Considerable time remains dedicated to relocating utilities and working with the Madison Street contractor's.

This concludes my report. Please do not hesitate to contact me with your questions or concerns at 324-7920 or sschramm@wppienergy.org



TO: Waupun Utilities Commissioners
FROM: Steve Brooks Electric Operations Supervisor
DATE: October 14, 2019
SUBJECT: Electric Operations Report

Electric Department Update:

Two power outages to report

1. On Thursday, September 5, at 8:00 a.m., a power outage was reported at 528 W. Main Street. The crew found a bad spot in the overhead electric service. They installed a new service wire to the house and restored power at 9:00 a.m.
2. On Wednesday, September 18, a power outage was reported at 601 Brandon Street. The meter reported a power outage at 7:45 a.m. The crew found the underground electric service running from the transformer to the home had an underground fault. The crew was able to locate the fault and make necessary repairs. Power was restored at 11:30 a.m.

The work west of the Main Substation on Monroe St. is complete. The crew installed a new 3 phase primary feeder. This new feeder will allow us to pick up the load from the Alliant area 4 purchase. New conduits, cables, risers and switchgear have been installed, energized, and tested.

The crew is working on an underground tie-line located east of County Park Rd. south of the aquatic center. Once we take ownership of Alliant Area 4 the new underground tie-line will be used to feed west sub Feeder #1. Not only will it help when implementing the voltage conversion, it will become a backup feed for Comtech Feeder 2. When this work is complete we will have a distribution loop around the north and south side of town feeding west at 12,470 volts.

The voltage conversion work on Feeder #1 West Sub is almost complete. The electric crew replaced the last two 3-phase transformers last week. They will work on reinsulating the last few poles.

Insight Feed Mill on W. Main St. is expanding its drying and storage facilities. Part of the project includes the installation of a new 2000-amp electric service. To feed the new electric service the crew is installing a 3 phase primary extension, and installing a 750 KVA pad mount transformer.

Upcoming work

- Voltage conversion work on Feeder 1 West sub (north west side of town)
- Install new street poles on S. Madison Street
- Install new LED street lights

This concludes my report for October 2019. Please contact me at 324-7920 or sbrooks@wppienergy.org, with any questions or concerns.



TO: Waupun Utilities Commissioners
FROM: Jared Oosterhouse, Finance Director
DATE: October 7, 2019
SUBJECT: August 2019 Financial Report

CONSTRUCTION AND PLANT ADDITIONS

The electric utility construction activity consisted primarily of rebuilding overhead line behind the Park View Plaza. The sewer and water utility incurred \$669,898 in project costs for Madison Street reconstruction.

The sewer utility replaced one pump in the blower building totaling \$3,601 and the water utility incurred \$4,500 towards the Well PLC hardware upgrade.

MONTHLY METRICS – August 2019 YTD

With the transition of residential billing from mid-month to the end of the month, we are seeing higher sales as expected. The month of August had an additional 4 days in the billing period and September will also see additional days in the billing period as we reach the bill period to end of month. In total, 2019 will see an additional 15 days of sales consumption and revenue compared to the prior year and budget amounts.

Sales

Electric

- kWh sales were 2.43% above budget and 1.23% above 2018 on higher residential, small power, and large industrial power sales

Water

- Sales units of 100 cubic feet were 4.19% above budget, and
- 2.48% above 2018 on higher sales in all classes except for multifamily

Sewer

- Sales units of 100 cubic feet 6.61% above budget and 5.37% above 2018 on higher public authority and residential volume

Income Statement

Electric

- Operating revenues and purchased power expense were below budget \$255,400 and \$276,200 respectively, due to overall lower purchased power costs
- Gross margin was \$20,800 above budget
- Operating expenses were \$6,100 above budget on higher distribution expenses
- Operating income was \$174,000 or \$21,700 above budget on higher gross margins

Water

- Operating revenues were \$46,400 above budget due to additional days included in the billing period and from higher consumption from most customer classes
- Operating expenses were \$42,400 below budget on lower water treatment, transmission and distribution expenses, and administrative and general expenses
- Operating income was \$547,600 or \$96,200 above budget
- Net income was \$447,000 or \$102,000 above budget

Sewer

- Operating revenues were \$54,100 above budget on strong public authority treatment charges
- Operating expenses were \$19,300 below budget on lower maintenance expenses
- Operating income was \$262,800 or \$73,400 above budget
- Net income was \$351,000 or \$170,000 above budget on lower expenses and higher operating revenues and investment income

Balance Sheets

Electric

- Balance sheet increased \$37,800 from July 2019
- Unrestricted cash decreased \$37,900 from capital and project expenses
- Accounts receivable increased \$58,500 from project work order invoices and lower collections during the month
- Accounts payable decreased \$20,700 on lower purchased power expense

Water

- Balance sheet increased \$49,700 from July 2019
- Total unrestricted and restricted cash decreased \$159,700 from payments made for Madison Street reconstruction
- Plant increased by \$198,700 from payments made for Madison Street reconstruction

Sewer

- Balance sheet increased \$57,100 from July 2019
- Unrestricted cash decreased \$438,300 from payments made for Madison Street reconstruction
- Accounts receivable increased \$20,500 primarily from a couple large ACH payments received that weren't applied to customer accounts until September.

Cash and Investments

The monthly metrics dashboard for cash and investments provide a monthly comparison of cash and investment balances, and graphs that present long-term investments by maturity, type, and rating.

- Total cash and investments decreased \$571,100 from July 2019 from Madison Street construction payments
- Received interest and distributions of \$13,900 and recorded an unrealized positive market adjustment of \$15,500, along with \$600 in management fees, resulting in a net portfolio gain of \$28,800 for the month.
- Total interest and investment income earned on all accounts for the month was \$37,000 and \$185,000 year-to-date

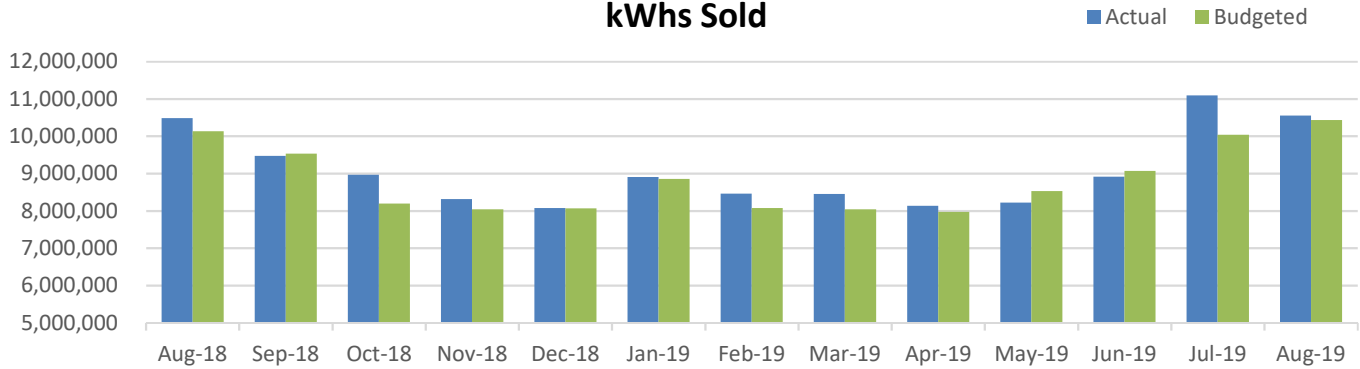
This concludes my report. Please do not hesitate to contact me at 324-7923 or joosterhouse@wppienergy.org with any questions or comments.

Waupun Utilities											
Construction and Plant Additions Summary											
August 2019											
CONSTRUCTION:											
	Electric			Sewer			Water			Total	
Description	Month	Project To Date	Budget	Month	Project To Date	Budget	Month	Project To Date	Budget	Project To Date	Budget
Projects:											
Poles, towers and fixtures	\$ -	\$ 410	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410	\$ 10,000
Overhead and underground conductor and devices	495	14,710	10,000	-	-	-	-	-	-	14,710	10,000
Transformers	-	100,474	100,000	-	-	-	-	-	-	100,474	100,000
Overhead and Underground Services	1,771	16,974	15,000	-	-	-	-	-	-	16,974	15,000
LED street lighting	648	30,590	50,000	-	-	-	-	-	-	30,590	50,000
Voltage conversion	4,819	27,809	60,000	-	-	-	-	-	-	27,809	60,000
Rebuild overhead line	29,126	80,255	175,000	-	-	-	-	-	-	80,255	175,000
Madison St Lighting Infrastructure	7,708	15,044	-	-	-	-	-	-	-	15,044	-
Customer Contributed Extensions and Services	-	941	-	-	-	-	-	-	-	941	-
Newton/Rock Avenue Engineering	-	-	-	2,849	18,658	25,000	1,613	17,422	25,000	36,080	50,000
Meters	-	-	6,000	-	-	-	-	27,450	26,700	27,450	32,700
WWTP Phosphorus Upgrade Engineering	-	-	-	43,935	82,565	900,000	-	-	-	82,565	900,000
Madison St Engineering & Construction	-	-	-	429,741	941,770	1,148,100	240,157	1,003,542	1,442,500	1,945,312	2,590,600
Services / Laterals	-	-	-	-	-	-	-	-	-	-	-
Hydrants	-	-	-	-	-	-	-	-	25,000	-	25,000
TOTAL CONSTRUCTION	\$ 44,567	\$ 287,207	\$ 426,000	\$ 476,526	\$ 1,042,993	\$ 2,073,100	\$ 241,770	\$ 1,048,414	\$ 1,519,200	\$ 2,378,615	\$ 4,018,300
PLANT ADDITIONS:											
	Electric			Sewer			Water			Total	
Description	Month	YTD	Budget	Month	YTD	Budget	Month	YTD	Budget	YTD	Budget
Server Replacement	\$ -	\$ -	\$ 3,600	\$ -	\$ -	\$ 3,600	\$ -	\$ -	\$ 3,600	\$ -	\$ 10,800
Pickup trucks and SUV	-	34,157	40,000	-	20,638	24,000	-	20,638	24,000	75,433	88,000
Portable meter test bench	-	10,165	11,000	-	-	-	-	-	-	10,165	11,000
Portable generator	-	-	-	-	21,699	23,000	-	-	-	21,699	23,000
Push camera with locator	-	-	-	-	12,370	13,500	-	-	-	12,370	13,500
Hydrant listener replacement	-	-	-	-	-	-	-	4,000	4,000	4,000	4,000
Well PLC hardware upgrade	-	-	-	-	-	-	4,500	9,000	24,400	9,000	24,400
Water treatment plant - equipment replacement	-	-	-	-	-	-	-	9,000	5,000	9,000	5,000
Shaler lift station - control panel	-	-	-	-	12,770	14,000	-	-	-	12,770	14,000
Digester building equipment replacement	-	-	-	-	6,964	6,900	-	-	-	6,964	6,900
Blower building equipment replacement	-	-	-	3,601	199,707	219,600	-	-	-	199,707	219,600
Filter building equipment replacement	-	-	-	-	-	80,000	-	-	-	-	80,000
Other equipment replacement	-	-	-	-	11,660	5,300	-	2,173	-	13,833	5,300
TOTAL PLANT ADDITIONS	\$ -	\$ 44,322	\$ 54,600	\$ 3,601	\$ 285,808	\$ 389,900	\$ 4,500	\$ 44,811	\$ 61,000	\$ 374,941	\$ 505,500

Sales and Revenues Dashboard - Aug 2019

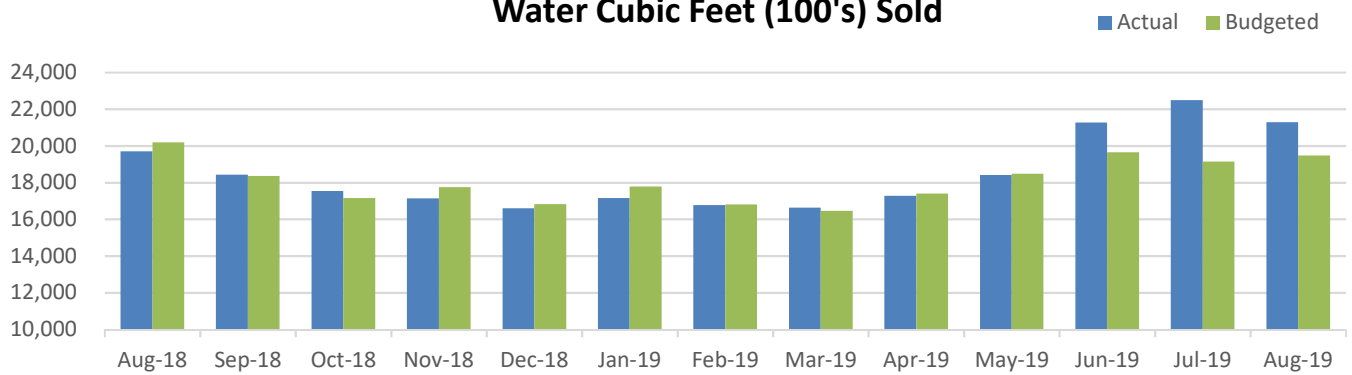
	Variance from Budget				Variance from Budget		
	Current	Current	YTD		Current	Current	YTD
KWh	10,553,683	↑ 1.1%	↑ 2.4%	Power Costs	\$ 872,571	↓ -1.5%	↓ -4.9%
Revenues	\$ 1,054,847	↑ 3.3%	↓ -3.7%	Gross Margin	\$ 182,276	↑ 34.0%	↑ 1.6%

kWhs Sold



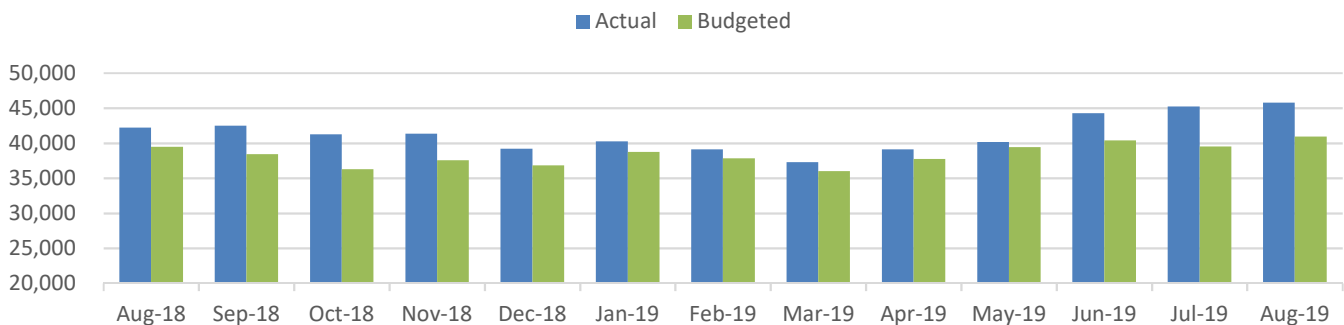
	Variance from Budget				Variance from Budget		
	Current	Current	YTD		Current	Current	YTD
Cubic Ft (100)	21,288	↑ 9.3%	↑ 4.2%	Revenues	158,750	↑ 5.7%	↑ 2.5%

Water Cubic Feet (100's) Sold

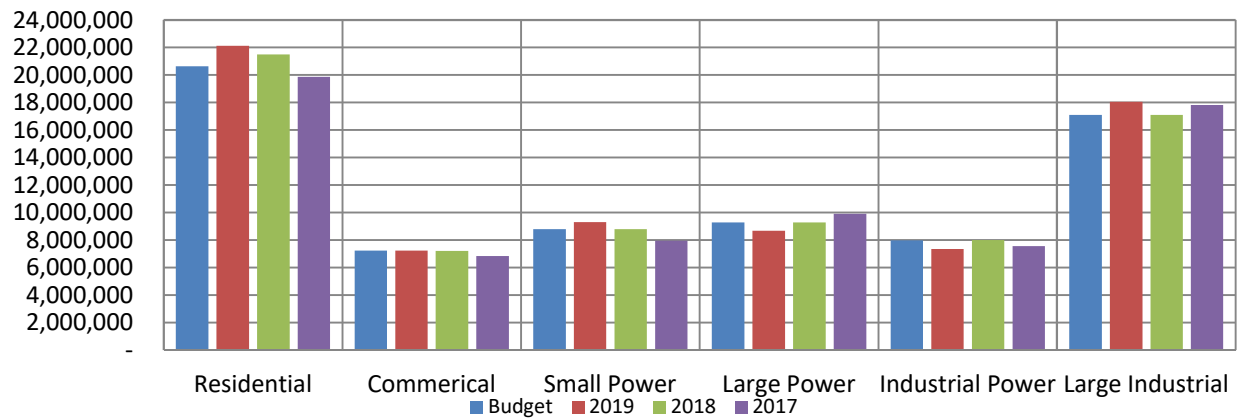


	Variance from Budget				Variance from Budget		
	Current	Current	YTD		Current	Current	YTD
Cubic Ft (100)	45,772	↑ 11.8%	↑ 6.6%	Revenues	182,655	↑ 7.7%	↑ 5.1%

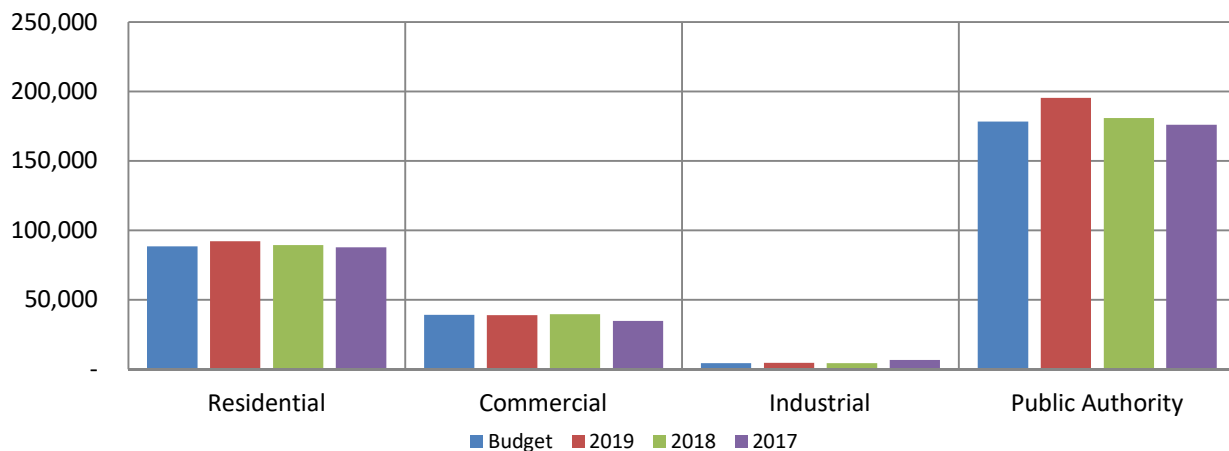
Sewer Cubic Feet (100's) Treated



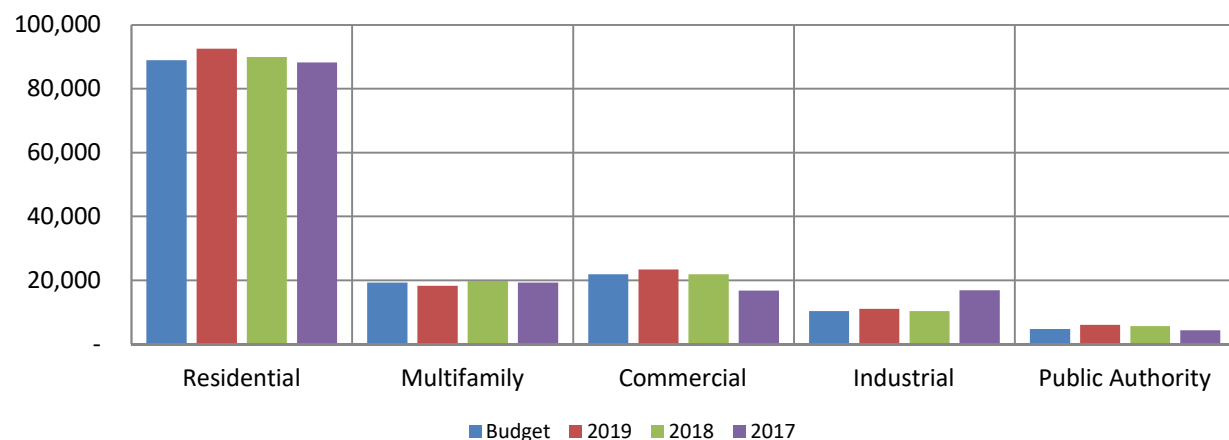
YTD Electric Sales (kWh)



YTD Sewer Sales (Ccf)



YTD Water Sales (Ccf)



WAUPUN UTILITIES
Income Statement and Financial Ratios
Electric Utility
For the 12 Months Ending:

ELECTRIC	Aug 2017	Aug 2018	Aug 2019
Sales of Electricity	\$ 10,343,899	\$ 10,150,971	\$ 9,906,491
Purchased Power	8,373,458	8,114,839	7,816,822
Gross Margin	1,970,441	2,036,132	2,089,669
	19.0%	20.1%	21.1%
Other Operating Revenues	106,374	125,443	102,392
Operating Expenses			
Distribution expense	415,444	235,410	428,608
Customer accounts expense	113,903	114,994	115,161
Advertising expense	730	2,284	(2,411)
Administrative & general expense	415,705	392,267	405,462
Total operating expenses	945,782	744,955	946,820
Other Operating Expenses			
Depreciation expense	554,519	574,569	585,878
Taxes	319,899	347,167	345,337
Total other operating expenses	874,418	921,736	931,214
Operating Income	256,616	494,884	314,027
Other Income (Expense)			
Interest expense	(40,893)	(36,763)	(32,816)
Capital contributions	63,043	176,950	90,021
Other	(16,052)	36,257	(38,652)
Total other income (expense)	6,099	176,443	18,553
Net Income	\$ 262,715	\$ 671,328	\$ 332,580

Regulatory Operating Income	328,377	582,150	376,028
Rate of Return	3.97	7.04	4.47
Authorized Rate of Return	6.00	5.00	5.00
Current Ratio	2.1	2.6	3.2
Months of Unrestricted Cash on Hand	2.0	2.3	2.2
Debt vs Equity	0.82	0.84	0.86
Asset Utilization	0.49	0.49	0.51
Combined E&W Debt Coverage	2.64	2.99	2.74
Minimum Required Coverage	1.25	1.25	1.25

Note 1 - Electric rates were increased September 2016.

Definitions

Rate of Return - Return on investment in capital infrastructure. Should be near authorized rate of return.

Current Ratio - measure of liquidity or ability to pay obligations. Should be > 1.

Months of Unrestricted Cash on Hand - measure of reserves. Should be at least 2-3 months.

Debt vs. Equity - Percent of infrastructure financed by operations. 50% is a good benchmark.

Asset Utilization - Illustrates the relative age of the system. Ratio of 1 indicates a system at full life expectancy.

Debt Coverage - Earnings coverage of annual debt service. Must exceed 1.25

WAUPUN UTILITIES
Detailed Income Statement and YTD Budget Comparison
Electric Utility
For the Period Ended Aug. 31 2019

	Last 12 Months	YTD 2019	YTD Budget	Difference
ELECTRIC				
Operating Revenues	\$ 9,906,491	\$ 6,663,501	\$ 6,918,924	\$ (255,423)
Purchased Power	7,816,822	5,305,693	5,581,936	(276,243)
Gross Margin	2,089,669	1,357,808	1,336,988	20,820
	21.1%	20.4%	19.3%	
Other Operating Revenues	102,392	66,633	63,981	2,652
Operating Expenses				
Distribution expense	428,608	273,703	245,070	28,633
Customer accounts expense	115,161	81,277	81,633	(356)
Advertising expense	(2,411)	689	1,333	(644)
Administrative & general expense	405,462	282,922	296,698	(13,776)
Total operating expenses	946,820	638,591	624,734	13,857
Other Operating Expenses				
Depreciation expense	585,878	392,945	392,945	-
Taxes	345,337	226,668	231,000	(4,332)
Total other operating expenses	931,214	619,614	623,945	(4,332)
Operating Income	314,027	166,236	152,290	13,947
Other Income (Expense)				
Interest expense	(32,816)	(20,994)	(20,993)	(0)
Capital contributions	90,021	-	-	-
Other	(38,652)	54,640	5,216	49,424
	18,553	33,646	(15,777)	49,424
Net Income	\$ 332,580	\$ 199,883	\$ 136,512	\$ 63,371

	Aug 2019	July 2019	June 2019	May 2019	April 2019	March 2019	Feb 2019	Jan 2019	Dec 2018	Nov 2018	Oct 2018	Sept 2018	Aug 2018
Operating Revenues	\$ 1,054,847	\$ 1,082,571	\$ 836,621	\$ 712,923	\$ 726,750	\$ 735,403	\$ 753,842	\$ 760,543	\$ 756,494	\$ 756,512	\$ 804,298	\$ 925,687	\$ 1,067,486
Purchased Power	872,571	892,738	707,698	556,360	560,654	571,584	575,344	568,745	582,164	593,232	604,710	731,023	882,407
Gross Margin	182,276	189,833	128,923	156,562	166,096	163,820	178,499	191,798	174,330	163,280	199,587	194,664	185,078
	17.3%	17.5%	15.4%	22.0%	22.9%	22.3%	23.7%	25.2%	23.0%	21.6%	24.8%	21.0%	17.3%
Other Operating Revenues	8,727	7,457	9,820	8,356	7,600	9,213	7,817	7,643	10,285	9,353	8,387	7,734	8,053
Operating Expenses													
Distribution expense	30,840	22,295	25,900	31,021	42,964	38,981	38,822	42,881	28,946	23,835	24,074	78,051	27,889
Customer accounts expense	13,162	8,500	9,436	10,142	9,568	10,067	9,234	11,167	6,532	8,963	9,492	8,898	13,232
Advertising expense	(3,921)	1,000	500	549	1,661	250	200	450	(304)	434	120	(3,350)	500
Administrative & general expense	41,079	31,963	30,226	28,260	34,802	39,953	32,734	43,907	42,930	27,937	28,872	22,801	28,403
Total operating expenses	81,160	63,757	66,063	69,973	88,994	89,250	80,989	98,405	78,103	61,169	62,558	106,399	70,023
Other Operating Expenses													
Depreciation expense	49,118	49,118	49,118	49,118	49,118	49,118	49,118	49,118	49,604	47,776	47,776	47,776	47,776
Taxes	28,374	26,715	27,008	26,862	33,403	27,206	27,569	29,531	27,304	26,672	38,604	26,088	27,222
Total other operating expenses	77,492	75,833	76,126	75,980	82,521	76,324	76,687	78,649	76,907	74,448	86,381	73,864	74,998
Operating Income	32,350	57,700	(3,446)	18,965	2,180	7,458	28,640	22,388	29,604	37,016	59,036	22,134	48,110
Other Income (Expense)													
Interest expense	(2,624)	(2,624)	(2,624)	(2,624)	(2,624)	(2,624)	(2,624)	(2,624)	(2,956)	(2,956)	(2,956)	(2,956)	(2,956)
Capital contributions	-	-	-	-	-	-	-	-	44,072	49,776	(3,827)	-	4,743
Other	32,886	388	2,957	4,406	1,770	5,942	3,354	2,937	4,239	(98,899)	904	464	4,502
	30,261	(2,236)	332	1,782	(854)	3,318	730	313	45,355	(52,078)	(5,878)	(2,492)	6,290
Net Income	\$ 62,612	\$ 55,465	\$ (3,113)	\$ 28	\$ 1,327	\$ 10,776	\$ 29,370	\$ 22,701	\$ 74,959	\$ (15,062)	\$ 53,158	\$ 19,642	\$ 54,400

WAUPUN UTILITIES
Income Statement and Financial Ratios
Water Utility
For the 12 Months Ending:

WATER	Aug 2017	Aug 2018	Aug 2019
Operating Revenues	\$ 2,554,649	\$ 2,567,399	\$ 2,609,970
Operating Expenses			
Source of supply expenses	48,670	52,646	747
Pumping expenses	87,639	93,078	91,756
Water treatment expenses	290,575	179,227	179,801
Transmission & distribution expenses	241,532	331,434	297,396
Customer accounts expenses	100,746	111,396	109,882
Administrative & general expense	291,816	255,257	237,514
Total operating expenses	1,060,978	1,023,039	917,095
Other Operating Expenses			
Depreciation expense	546,754	554,540	538,330
Taxes	363,398	376,076	384,463
Total other operating expenses	910,153	930,616	922,793
Operating Income	583,519	613,745	770,081
Other Income (Expense)			
Interest expense	(162,733)	(138,655)	(123,764)
Capital contributions from customers and municipal	64,209	383,082	67,178
Other	(43,635)	(52,673)	(33,224)
Total other income (expense)	(142,159)	191,754	(89,810)
Net Income	\$ 441,360	\$ 805,499	\$ 680,271
Regulatory Operating Income	641,305	671,635	815,942
Rate of Return	4.96	5.05	5.93
Authorized Rate of Return	6.50	6.50	6.50
Current Ratio	9.75	14.75	20.07
Months of Unrestricted Cash on Hand	5.81	7.73	8.73
Debt vs Equity	0.61	0.65	0.66
Asset Utilization	0.33	0.33	0.35

Note 1 - Water rates were increased May 2012.

Definitions

Rate of Return - Return on investment in capital infrastructure. Should be near authorized rate of return.

Current Ratio - measure of liquidity or ability to pay obligations. Should be > 1.

Months of Unrestricted Cash on Hand - measure of reserves. Should be at least 2-3 months.

Debt vs. Equity - Percent of infrastructure financed by operations. 50% is a good benchmark.

Asset Utilization - Illustrates the relative age of the system. Ratio of 1 indicates a system at full life expectancy.

WAUPUN UTILITIES
Detailed Income Statement and YTD Budget Comparison
Water Utility
For the Period Ended Aug, 31 2019

	Last 12 Months	YTD 2019	YTD Budget	Difference
WATER				
Operating Revenues	\$ 2,609,970	\$ 1,756,386	\$ 1,710,015	\$ 46,371
Operating Expenses				
Source of supply expenses	747	425	2,000	(1,575)
Pumping expenses	91,756	61,314	62,196	(882)
Water treatment expenses	179,801	119,350	141,802	(22,451)
Transmission & distribution expenses	297,396	171,893	176,887	(4,994)
Customer accounts expenses	109,882	78,372	79,024	(652)
Administrative & general expense	237,514	159,344	171,216	(11,872)
Total operating expenses	917,095	590,699	633,124	(42,425)
Other Operating Expenses				
Depreciation expense	538,330	362,117	362,117	-
Taxes	384,463	255,950	263,400	(7,450)
Total other operating expenses	922,793	618,067	625,517	(7,450)
Operating Income	770,081	547,621	451,374	96,247
Other Income (Expense)				
Interest expense	(123,764)	(79,176)	(79,177)	0
Capital contributions	67,178	-	-	-
Other	(33,224)	(21,466)	(27,106)	5,640
	(89,810)	(100,643)	(106,283)	5,640
Net Income	\$ 680,271	\$ 446,978	\$ 345,091	\$ 101,886

	Aug 2019	July 2019	June 2019	May 2019	April 2019	March 2019	Feb 2019	Jan 2019	Dec 2018	Nov 2018	Oct 2018	Sept 2018	Aug 2018
WATER													
Operating Revenues	\$ 230,845	\$ 236,283	\$ 230,922	\$ 216,260	\$ 212,132	\$ 207,623	\$ 211,393	\$ 210,927	\$ 207,734	\$ 209,828	\$ 219,788	\$ 216,233	\$ 223,017
Operating Expenses													
Source of supply expenses	90	-	208	-	127	-	-	-	98	102	31	91	-
Pumping expenses	7,328	8,031	7,567	7,052	8,022	7,865	7,675	7,775	8,818	7,146	7,305	7,172	8,693
Water treatment expenses	13,830	15,539	14,749	10,553	15,749	11,824	16,442	20,665	12,950	11,857	14,912	20,731	21,031
Transmission & distribution expenses	28,275	34,228	19,032	28,626	25,611	12,992	14,020	9,108	62,216	27,955	17,349	17,983	46,402
Customer accounts expenses	12,621	8,153	8,910	9,593	9,313	9,843	8,729	11,209	5,722	8,488	8,944	8,356	12,517
Administrative & general expense	24,872	18,494	18,614	16,010	18,404	22,180	18,226	22,543	27,073	19,677	16,075	15,345	21,746
Total operating expenses	87,017	84,445	69,080	71,835	77,226	64,704	65,092	71,300	116,876	75,225	64,617	69,679	110,390
Other Operating Expenses													
Depreciation expense	45,265	45,265	45,265	45,265	45,265	45,265	45,265	45,265	39,736	45,493	45,493	45,493	45,493
Taxes	32,839	31,986	31,647	31,893	32,214	31,665	31,590	32,117	30,698	31,960	34,191	31,664	32,809
Total operating expenses	78,104	77,250	76,911	77,158	77,479	76,929	76,855	77,381	70,434	77,453	79,683	77,156	78,302
Operating Income	65,725	74,588	84,931	67,267	57,427	65,990	69,446	62,246	20,424	57,151	75,487	69,398	34,325
Other Income (Expense)													
Interest expense	(9,897)	(9,897)	(9,897)	(9,897)	(9,897)	(9,897)	(9,897)	(9,897)	(11,147)	(11,147)	(11,147)	(11,147)	(11,147)
Capital contributions	-	-	-	-	-	-	-	-	67,178	-	-	-	-
Other	(2,149)	(2,023)	(318)	(775)	(401)	(10,905)	(2,455)	(2,440)	(2,544)	(2,884)	(3,042)	(3,288)	(2,730)
	(12,046)	(11,920)	(10,215)	(10,672)	(10,298)	(20,802)	(12,352)	(12,337)	53,487	(14,031)	(14,189)	(14,435)	(13,877)
Net Income	\$ 53,679	\$ 62,668	\$ 74,715	\$ 30	\$ 47,129	\$ 45,188	\$ 57,094	\$ 49,909	\$ 73,912	\$ 43,120	\$ 61,298	\$ 54,964	\$ 20,448

WAUPUN UTILITIES
Income Statement and Financial Ratios
Sewer Utility
For the 12 Months Ending:

SEWER	Aug 2017	Aug 2018	Aug 2019
Operating Revenues	\$ 2,222,251	\$ 2,364,487	\$ 2,385,586
Operating Expenses			
WWTP operation expenses	364,255	377,190	364,021
Laboratory expenses	55,778	58,041	71,955
Maintenance expenses	347,322	455,413	392,864
Customer accounts expenses	151,490	145,647	149,775
Administrative & general expenses	389,758	426,413	387,529
Total operating expenses	1,308,602	1,462,704	1,366,144
Other Operating Expenses			
Depreciation expense	720,063	677,722	672,515
Total other operating expenses	720,063	677,722	672,515
Operating Income	193,586	224,061	346,927
Other Income (Expense)			
Interest expense	(90,786)	(74,728)	(58,098)
Capital contributions	43,142	342,072	63,390
Other	37,488	29,764	167,334
Total other income (expense)	(10,156)	297,109	172,627
Net Income	\$ 183,430	\$ 521,169	\$ 519,554

Operating Income (excluding GASB 68 & 75)	222,853	255,181	366,673
Rate of Return	1.54	1.95	2.74
Current Ratio	59.24	30.61	70.66
Months of Unrestricted Cash on Hand	22.91	6.64	17.92
Debt vs Equity	0.82	0.85	0.89
Asset Utilization	0.49	0.48	0.49

Note 1 - Sewer rates were increased January 2019.

Definitions

Rate of Return - Return on investment in capital infrastructure.

Current Ratio - measure of liquidity or ability to pay obligations. Should be > 1.

Months of Unrestricted Cash on Hand - measure of reserves. Should be at least 2-3 months.

Debt vs. Equity - Percent of infrastructure financed by operations. 50% is a good benchmark.

Asset Utilization - Illustrates the relative age of the system. Ratio of 1 indicates a system at full life expectancy.

WAUPUN UTILITIES
Detailed Income Statement and YTD Budget Comparison
Sewer Utility
For the Period Ended Aug, 31 2019

	Last 12 Months	YTD 2019	YTD Budget	Difference
SEWER				
Operating Revenues	\$ 2,385,586	\$ 1,592,413	\$ 1,538,298	\$ 54,115
Operating Expenses				
WWTP operation expenses	364,021	256,841	244,189	12,652
Laboratory expenses	71,955	49,162	41,294	7,868
Maintenance expenses	392,864	209,811	251,527	(41,716)
Customer accounts expenses	149,775	103,771	106,247	(2,477)
Administrative & general expenses	387,529	258,767	254,374	4,393
Total operating expenses	1,366,144	878,351	897,632	(19,280)
Other Operating Expenses				
Depreciation expense	672,515	451,250	451,250	-
Total other operating expenses	672,515	451,250	451,250	-
Operating Income	346,927	262,811	189,416	73,395
Other Income (Expense)				
Interest Expense	(58,098)	(34,993)	(34,993)	(0)
Capital contributions	63,390	-	-	-
Other	167,334	123,267	26,667	96,601
	172,627	88,275	(8,326)	96,601
Net Income	\$ 519,554	\$ 351,086	\$ 181,090	\$ 169,995

	Aug 2019	July 2019	June 2019	May 2019	April 2019	March 2019	Feb 2019	Jan 2019	Dec 2018	Nov 2018	Oct 2018	Sept 2018	Aug 2018
SEWER													
Operating Revenues	\$ 215,798	\$ 210,122	\$ 202,731	\$ 190,316	\$ 194,363	\$ 198,544	\$ 187,540	\$ 193,000	\$ 189,816	\$ 189,849	\$ 209,172	\$ 204,337	\$ 216,110
Operating Expenses													
WWTP operation expenses	36,983	33,107	45,356	24,886	24,079	36,034	28,205	28,191	23,092	35,443	22,703	25,942	40,802
Laboratory expenses	6,905	4,180	5,825	7,206	7,724	6,218	3,583	7,521	4,541	7,998	4,678	5,577	5,584
Maintenance expenses	35,068	24,144	38,879	28,165	19,867	23,558	20,149	19,981	113,299	17,196	24,597	27,961	31,307
Customer accounts expenses	15,945	11,503	12,271	12,809	12,382	12,915	12,087	13,859	9,679	12,293	12,323	11,709	16,170
Administrative & general expense	36,355	25,203	38,671	30,354	24,840	33,074	30,130	40,140	43,750	26,952	27,931	30,129	32,344
Total operating expenses	131,256	98,136	141,002	103,420	88,892	111,799	94,154	109,692	194,360	99,882	92,232	101,318	126,207
Other Operating Expenses													
Depreciation expense	56,406	56,406	56,406	56,406	56,406	56,406	56,406	56,406	54,248	55,672	55,672	55,672	55,672
Total other operating expenses	56,406	56,406	56,406	56,406	56,406	56,406	56,406	56,406	54,248	55,672	55,672	55,672	55,672
Operating Income	28,135	55,579	5,322	30,489	49,065	30,339	36,980	26,902	(58,792)	34,294	61,268	47,346	34,231
Other Income (Expense)													
Interest expense	(4,374)	(4,374)	(4,374)	(4,374)	(4,374)	(4,374)	(4,374)	(4,374)	(5,776)	(5,776)	(5,776)	(5,776)	(5,776)
Capital contributions	-	-	-	-	-	-	-	-	63,390	-	-	-	-
Other	25,489	4,185	14,331	16,775	9,704	24,439	15,252	13,093	21,702	11,479	5,989	4,897	19,308
	21,115	(189)	9,957	12,401	5,330	20,065	10,877	8,719	79,316	5,703	213	(879)	13,532
Net Income	\$ 49,250	\$ 55,390	\$ 15,205	\$ 42,890	\$ 54,394	\$ 50,404	\$ 47,857	\$ 35,621	\$ 20,524	\$ 39,997	\$ 61,480	\$ 46,467	\$ 47,763

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WAUPUN UTILITES
Balance Sheets
Electric, Water, and Sewer

ELECTRIC	Aug 2017	Aug 2018	Aug 2019	July 2019	Change
Cash and investments - unrestricted	\$ 1,587,321	\$ 1,778,171	\$ 1,635,387	\$ 1,673,332	\$ (37,945)
Cash and investments - restricted	187,411	187,954	188,919	172,367	16,552
Receivables	1,089,857	1,109,464	1,286,211	1,227,682	58,529
Materials and Supplies	226,693	209,791	210,705	215,015	(4,310)
Other assets	434,318	363,314	562,432	577,004	(14,572)
Plant - net of accumulated depreciation	8,996,241	9,228,521	9,194,130	9,174,561	19,569
Total Assets	12,521,843	12,877,216	13,077,783	13,039,960	37,823
Accounts payable	980,434	924,818	906,332	927,078	(20,746)
Payable to sewer utility	264,547	176,365	-	-	-
Interest accrued	19,148	15,340	13,557	12,567	990
Accrued benefits	283,735	304,183	88,249	88,249	-
Deferred Credits	202,042	173,894	713,948	718,981	(5,033)
Long-term debt	1,593,410	1,432,760	1,268,540	1,268,540	-
Net Position	9,178,528	9,849,856	10,087,157	10,024,545	62,612
Total Liabilities & Net Position	\$ 12,521,843	\$ 12,877,216	\$ 13,077,783	\$ 13,039,960	\$ 37,823
WATER	Aug 2017	Aug 2018	Aug 2019	July 2019	Change
Cash and investments - unrestricted / designated	\$ 689,398	\$ 901,530	\$ 947,382	\$ 876,438	\$ 70,943
Cash and investments - restricted	527,723	489,368	544,370	775,042	(230,671)
Receivables	187,078	197,095	261,969	260,425	1,543
Materials and Supplies	64,386	68,677	52,160	53,130	(970)
Other assets	561,452	465,042	492,165	482,004	10,161
Plant - net of accumulated depreciation	15,371,864	15,469,869	16,150,792	15,952,056	198,736
Total Assets	17,401,901	17,591,582	18,448,839	18,399,096	49,742
Accounts payable	17,680	15,573	17,566	16,805	761
Interest accrued	72,212	58,911	42,697	47,395	(4,698)
Accrued benefits	145,497	151,447	46,840	46,840	-
Deferred Credits	105,797	87,854	353,723	353,723	-
Long-term debt	6,009,464	5,403,652	5,484,188	5,484,188	-
Net Position	11,051,251	11,874,144	12,503,825	12,450,145	53,679
Total Liabilities & Net Position	\$ 17,401,901	\$ 17,591,582	\$ 18,448,839	\$ 18,399,096	\$ 49,742
SEWER	Aug 2017	Aug 2018	Aug 2019	July 2019	Change
Cash and investments - unrestricted	\$ 2,498,060	\$ 808,804	\$ 2,040,676	\$ 2,478,933	\$ (438,257)
Cash and investments - restricted	2,152,090	3,953,457	2,059,512	2,011,266	48,245
Receivables	200,754	215,837	249,023	228,539	20,485
Receivable from electric utility	260,797	176,365	-	-	-
Materials and Supplies	10,625	9,249	8,664	8,763	(99)
Advances to other funds	428,440	428,440	428,440	428,440	-
Other assets	278,834	225,135	331,306	330,726	580
Plant - net of accumulated depreciation	13,589,694	13,628,698	14,513,613	14,087,434	426,179
Total Assets	19,419,295	19,445,986	19,631,233	19,574,100	57,132
Accounts payable	18,640	12,785	18,187	14,679	3,508
Interest accrued	26,919	20,684	14,219	9,845	4,374
Accrued benefits	140,172	148,478	61,691	61,691	-
Deferred Credits	139,395	116,026	459,328	459,328	-
Long-term debt	2,490,705	2,019,629	1,532,153	1,532,153	-
Net Position	16,603,465	17,128,384	17,545,655	17,496,405	49,250
Total Liabilities & Net Position	\$ 19,419,295	\$ 19,445,986	\$ 19,631,233	\$ 19,574,100	\$ 57,132

Monthly Dashboard - Cash & Investments						August 2019	
Account	Restrictions	Aug 2019	July 2019	\$ Inc/(Dec)	% Inc/(Dec)		
Checking - E	Unrestricted	\$ 192,744	\$ 240,125	\$ (47,381)	-19.73%		
Checking - W	Unrestricted	197,452	(130,206)	327,658	-251.65%		
Checking - S	Unrestricted	107,518	131,305	(23,787)	-18.12%		
Reserves - E	Unrestricted	1,442,643	1,433,207	9,436	0.66%		
Reserves - W	Unrestricted	339,022	596,509	(257,487)	-43.17%		
Reserves - S	Unrestricted	1,933,158	2,347,627	(414,470)	-17.65%		
P&I Redemption - E	Restricted	99,311	82,759	16,552	20.00%		
P&I Redemption - W	Restricted	429,211	357,636	71,574	20.01%		
P&I Redemption - S	Restricted	138,034	103,409	34,625	33.48%		
Construction - W	Restricted	-	302,246	(302,246)	-100.00%		
Depreciation - E	Restricted	89,608	89,608	-	0.00%		
Depreciation - W	Restricted	115,160	115,160	-	0.00%		
ERF - Water Plant	Designated	410,908	410,135	773	0.19%		
ERF - WWTP	Restricted	1,921,478	1,907,857	13,620	0.71%		
		<u>\$ 7,416,245</u>	<u>\$ 7,987,377</u>	<u>\$ (571,132)</u>	-7.15%		
Unrestricted and Designated		<u>\$ 4,623,444</u>	<u>\$ 5,028,703</u>	<u>\$ (405,259)</u>	-8.06%		
	Restricted	<u>\$ 2,792,801</u>	<u>\$ 2,958,675</u>	<u>\$ (165,874)</u>	-5.61%		

Long-Term Investment by Maturity

Maturity	Investment (\$)
Cash	10,000
<12 mos.	1,300,000
13-24 mos.	600,000
25-36 mos.	1,050,000
37-48 mos.	550,000
49-60 mos.	150,000
>60 mos.	0

Long-Term Investments by Type

Investment Type	Percentage
Cash/Money Markets	26%
Certificate of Deposits	34%
US Government	14%
Government Agencies	21%
Corporate Bonds	5%
Asset Backed Security & Other	0%



TO: Waupun Utilities Commissioners
FROM: Jared Oosterhouse, Finance Director
DATE: October 7, 2019
SUBJECT: Draft 2020 Waupun Utilities Budget

This memorandum provides a high level analysis of the draft 2020 budget for Waupun Utilities. A summary schedule is provided along with detailed cash flow, operating income, expense, and plant schedules for each utility.

The overall budget is forecasted to decrease \$3.3 million or 22%, under 2019 budget figures due to no street reconstruction scheduled in 2020 and lower purchased power costs. Major capital expenditures in the 2020 budget include \$894,000 in design engineering for the WWTP.

The 2020 budget includes the following:

- 2.25% cost of living structural wage adjustment and expected step increases in accordance with the recently approved compensation study
- Health insurance cost decrease of 6.1% for 2020 resulting from a change in insurance from the State ETF plan to a new City high deductible health plan
- All other operation and maintenance expenses include a 2.0% inflationary increase based on rising inflationary costs
- Revenues forecasted conservatively

An analysis by utility follows.

ELECTRIC UTILITY

The 2020 budget is forecasted to decrease \$644,600, or 6.7%, from the 2019 budget due to reduced purchased power expense realized over the past two years and the expected loss of an industrial customer. 2020 purchased power costs are expected to remain steady and comparable to 2019.

The capital budget includes:

- \$105,000 to replace the backyard machine
- \$12,000 to upgrade SCADA software and equipment
- \$2,900 to replace a wire cutter/hydraulic tool
- \$9,000 for server replacement and accounting software upgrade (split E/W/S)

The construction budget includes:

- \$180,000 for rebuild of overhead line and underground line
- \$50,000 for LED street lighting
- \$70,000 for transformers

All other items listed for construction are routine nature.

Non-routine expenses included in the operating budget are the following:

- \$30,000 for contracted tree trimming

SEWER UTILITY

The 2020 budget is forecasted to decrease \$1,222,100 or 39.4%, under the 2019 budget.

Budgeted revenues include a rate increase of approximately 7.2% assuming that the Test Year 2023 sewer rate increase will be phased in over 4 years.

The capital budget includes the following:

- \$39,500 to upgrade SCADA software and equipment
- \$14,000 to replace control panel at Harris lift station
- \$7,500 to replace dehumidifiers
- \$93,500 in wastewater treatment plant equipment replacement
- \$9,000 for server replacement and accounting software upgrade (split E/W/S)

The construction and engineering budget includes:

- \$894,000 to design engineer the WWTP upgrade
- \$169,000 to reconfigure the Harris lift station
- \$40,000 for cured-in-place sewer main lining

Non-routine and new expenses included in the operating budget are the following:

- \$15,000 for manhole lining
- \$30,000 to hire a wastewater operator in September 2020

WATER UTILITY

The 2020 budget is forecasted to decrease \$1,425,500, or 66.2%, under the 2019 budget.

The capital budget includes the following:

- \$33,500 to upgrade SCADA software and equipment
- \$35,000 for valve turner replacement
- \$7,000 for leak detection loggers and submersible pump
- \$11,500 for water meter replacements
- \$5,000 for equipment replacement at the water treatment plant
- \$9,000 for server replacement and accounting software upgrade (split E/W/S)

The construction budget includes:

- \$10,000 for hydrant replacement

Non-routine expenses included in the operating budget are the following:

- \$67,000 for preventative maintenance for Well #4

We will discuss these schedules in greater detail on Monday, October 14th.

Waupun Utilities
2020 Budget Summary

	Electric	Sewer	Water	Total
Sources of Cash				
Operating Revenues	\$ 9,791,809	\$ 2,404,148	\$ 2,576,946	\$ 14,772,903
Receivable from City	-	100,000	-	100,000
Equipment Replacement Funds	-	102,500	-	102,500
Interest Earnings	21,000	38,500	9,500	69,000
Total Sources of Cash	<u>9,812,809</u>	<u>2,645,148</u>	<u>2,586,446</u>	<u>15,044,403</u>
Uses of Cash				
Operation and Maintenance Expenses	8,621,586	1,394,807	970,175	10,986,568
Depreciation on Meters	-	32,500	-	32,500
Taxes	359,600	-	381,000	740,600
Debt Service				-
2003 Revenue Bonds	-	407,549	-	407,549
2014 Revenue Bonds	45,801	-	146,639	192,440
2016 Revenue Bonds	-	-	26,186	26,186
2019 Revenue Bonds	-	-	112,010	112,010
2019 Refunding Revenue Bonds	157,662	-	407,395	565,057
Plant Additions and Construction	484,900	1,266,500	111,000	1,862,400
Removal Expenses	10,000	-	-	10,000
Total Uses of Cash	<u>9,679,549</u>	<u>3,101,356</u>	<u>2,154,405</u>	<u>14,935,310</u>
Cash Applied to (Used from) Reserves	<u>\$ 133,260</u>	<u>\$ (456,208)</u>	<u>\$ 432,041</u>	<u>\$ 109,093</u>
 2019 Budget - Uses of Cash				
	<u>\$ 10,324,191</u>	<u>\$ 4,323,479</u>	<u>\$ 3,579,933</u>	<u>\$ 18,227,603</u>
\$ Difference	<u>\$ (644,642)</u>	<u>\$ (1,222,123)</u>	<u>\$ (1,425,528)</u>	<u>\$ (3,292,293)</u>
% Difference	<u>-6.66%</u>	<u>-39.41%</u>	<u>-66.17%</u>	<u>-22.04%</u>

Waupun Utilities					
2020 Budget - Electric					
Cash Flow					
				2020 Budget	Schedule
Sources of Cash					
	Total Operating Revenues			\$ 9,791,809	Operating income schedule
	Interest Earnings			<u>21,000</u>	
	Total Sources of Cash			<u>9,812,809</u>	
Uses of Cash					
	Total Operation and Maintenance Expenses			8,621,586	Operating income schedule
	Taxes			359,600	Operating income schedule
	Debt Service				
	2014 Revenue Bonds (07 and 12 revenue bonds refi)			196,577	Repayment schedules
	Plant Additions and Construction			484,900	Plant/Construction schedule
	Removal Expenses			<u>10,000</u>	Prior year estimate
	Total Uses of Cash			<u>9,672,663</u>	
Cash Applied to/(Used from) Electric Reserves				<u>\$ 140,146</u>	

Waupun Utilities						
2020 Budget - Electric						
Operating Income						
Account Number	OPERATING REVENUES				2020 Budget	Source
	Sales of Electricity					
440			Residential		\$ 3,595,119	Consumer Analysis
441			Commercial		1,189,100	Consumer Analysis
442			Small power - TOD		1,359,595	Consumer Analysis
443.1			Large power - TOD		813,343	Consumer Analysis
443.2			Industrial power - TOD		809,351	Consumer Analysis
443.3			Large Industrial power - TOD		1,757,231	Consumer Analysis
444			Street & security lighting		143,250	Separate Analysis
			Total Sales of Electricity		9,666,989	
	Other					
422			Sale of Equipment		25,000	backyard machine
450			Forfeited discounts		12,128	Actual 2018
451			Miscellaneous service revenue		6,367	Actual 2018
454			Rent from electric property		81,325	Pole contact and tower rent
			Total Operating Revenues		9,791,809	
OPERATING EXPENSES						
	Operation and Maintenance					
555			Purchased power		7,710,384	Expense Schedule
580			Operation and supervision and engineering		50,010	Expense Schedule
582			Station		12,740	Expense Schedule
583			Overhead line		52,779	Expense Schedule
584			Underground line		54,869	Expense Schedule
585			Street lighting and signal system		10,627	Expense Schedule
586			Meter		12,792	Expense Schedule
587			Customer installations		3,228	Expense Schedule
588			Miscellaneous		18,300	Expense Schedule
592			Maintenance of station equipment		15,254	Expense Schedule
593			Maintenance of overhead lines		139,470	Expense Schedule
594			Maintenance of underground lines		20,244	Expense Schedule
595			Maintenance of line transformers		3,167	Expense Schedule
596			Maintenance of street lighting		10,155	Expense Schedule
597			Maintenance of meters		9,108	Expense Schedule
901			Supervision office		11,750	Expense Schedule
902			Meter reading labor		5,825	Expense Schedule
903			Customer records and collection		89,790	Expense Schedule
904			Uncollectible accounts		500	Expense Schedule
913			Sales/advertising		1,600	Expense Schedule
920			Administrative and general salaries		49,938	Expense Schedule
921			Office supplies		73,664	Expense Schedule
923			Outside services employed		34,557	Expense Schedule
924			Property insurance		7,437	Expense Schedule
925			Injuries and damages		5,595	Expense Schedule
926			Employee pensions and benefits		189,150	Expense Schedule
928			Regulatory commission		2,000	Expense Schedule
930			Miscellaneous		8,975	Expense Schedule
932			Maintenance of general plant		17,680	Expense Schedule
			Total Operation and Maintenance Expenses		8,621,586	
403			Depreciation		590,142	Expense Schedule
408			Taxes		359,600	Expense Schedule
			Total Operating Expenses		9,571,327	
			OPERATING INCOME		\$ 220,482	

Waupun Utilities - Test Year 2023 Wastewater Rate Review
Proposed Rate Phased Increase
Test Year 2023

	Present	2020	2021	2022	2023
Volume charge	\$ 3.15	\$ 3.33	\$ 3.50	\$ 3.67	\$ 3.84
BOD surcharge	\$ 0.54	\$ 0.56	\$ 0.58	\$ 0.59	\$ 0.60
SS surcharge	\$ 0.44	\$ 0.46	\$ 0.48	\$ 0.49	\$ 0.50
Phosphorous surcharge	\$ 13.83	\$ 14.82	\$ 15.81	\$ 16.80	\$ 17.79
Meter Size:					
5/8"	\$ 6.76	\$ 7.50	\$ 8.37	\$ 9.45	\$ 10.62
3/4"	\$ 6.76	\$ 7.50	\$ 8.37	\$ 9.45	\$ 10.62
1"	\$ 8.68	\$ 10.45	\$ 12.22	\$ 13.99	\$ 15.76
1-1/2"	\$ 11.87	\$ 14.99	\$ 18.11	\$ 21.23	\$ 24.33
2"	\$ 15.71	\$ 20.44	\$ 25.17	\$ 29.90	\$ 34.61
3"	\$ 24.66	\$ 33.15	\$ 41.54	\$ 50.13	\$ 58.61
4"	\$ 37.45	\$ 51.31	\$ 65.17	\$ 79.03	\$ 92.88
6"	\$ 69.41	\$ 96.70	\$ 123.99	\$ 151.28	\$ 178.56
8"	\$ 107.77	\$ 151.17	\$ 194.57	\$ 237.97	\$ 281.38
Burke	\$ -	\$ 194.01	\$ 280.25	\$ 366.49	\$ 452.75
DCI	\$ -	\$ 1,115.67	\$ 2,231.34	\$ 3,347.01	\$ 4,462.69
WCI	\$ -	\$ 1,115.67	\$ 2,231.34	\$ 3,347.01	\$ 4,462.69

Customer	Motor Size	Monthly Volume (00 cubic feet)	Monthly Charge			Annual % Increase		
			Present	2020	2021	2022	2023	2023
Dental (average)	5/8"	4	\$ 19.40	\$ 20.82	\$ 22.37	\$ 24.13	\$ 25.98	7.32%
	5/8"	5	\$ 22.56	\$ 24.15	\$ 25.87	\$ 27.80	\$ 29.82	7.05%
	5/8"	15	\$ 54.16	\$ 57.45	\$ 60.87	\$ 64.50	\$ 68.22	6.07%
	2"	25	\$ 94.71	\$ 103.69	\$ 112.67	\$ 121.65	\$ 130.61	9.48%
	1"	83	\$ 270.98	\$ 286.84	\$ 302.72	\$ 318.60	\$ 334.48	5.86%
Industrial	2"	138	\$ 451.79	\$ 479.98	\$ 508.17	\$ 536.36	\$ 564.53	6.24%
Public Authority	1"	17	\$ 62.40	\$ 67.06	\$ 71.72	\$ 76.38	\$ 81.04	7.47%
State Prison (average)	Flowmeter	9,601	\$ 30,338.20	\$ 33,085.99	\$ 35,833.77	\$ 38,581.56	\$ 41,329.36	7.84%
	BOD (lbs)	7,535	\$ 4,069.17	\$ 4,219.88	\$ 4,370.59	\$ 4,445.94	\$ 4,521.30	7.05%
	SS (lbs)	13,243	\$ 5,828.76	\$ 6,091.61	\$ 6,356.47	\$ 6,488.89	\$ 6,621.32	6.07%
	Phos	98	\$ 1,348.89	\$ 1,445.44	\$ 1,542.00	\$ 1,638.56	\$ 1,735.12	9.48%
Total			\$ 41,583.01	\$ 44,842.92	\$ 48,102.93	\$ 51,154.96	\$ 54,207.10	7.84%
Dodge Correctional (average)	Flowmeter	9,663	\$ 30,535.49	\$ 33,293.90	\$ 36,052.30	\$ 38,810.70	\$ 41,569.11	7.84%
	BOD (lbs)	4,914	\$ 2,653.69	\$ 2,751.98	\$ 2,850.26	\$ 2,948.55	\$ 3,046.84	7.05%
	SS (lbs)	3,911	\$ 1,721.03	\$ 1,799.26	\$ 1,877.49	\$ 1,916.60	\$ 1,955.72	6.07%
	Phos	45	\$ 625.81	\$ 670.61	\$ 715.40	\$ 760.20	\$ 805.00	9.48%
Total			\$ 35,536.03	\$ 38,515.74	\$ 41,495.45	\$ 44,386.91	\$ 47,278.38	7.84%
Burke Correctional (average)	Flowmeter	1,029	\$ 3,252.79	\$ 3,621.79	\$ 3,883.02	\$ 4,144.25	\$ 4,405.50	8.39%
	BOD (lbs)	1,374	\$ 741.97	\$ 769.45	\$ 796.93	\$ 810.67	\$ 824.41	7.74%
	SS (lbs)	529	\$ 232.72	\$ 243.29	\$ 253.87	\$ 259.16	\$ 264.45	6.97%
	Phos	15	\$ 208.05	\$ 222.94	\$ 237.84	\$ 252.73	\$ 267.62	7.47%
Total			\$ 4,435.52	\$ 4,857.47	\$ 5,171.66	\$ 5,466.81	\$ 5,761.98	9.51%

Waupun Utilities									
2020 Budget - Sewer									
Cash Flow - Budget to TY 2019 Comparison									
					2020 Budget	TY 2019 Revenue Requirement	\$ Difference	% Difference	
Sources of Cash									
	Total Operating Revenues				\$ 2,404,148	\$ 2,274,545	\$ 129,603	5.70%	
	Receivable from City				100,000	-	100,000	n/a	
	Equipment replacement funds				102,500	-	102,500	n/a	
	Investment Income				38,500	40,000	(1,500)	-3.75%	
	Total Sources of Cash				2,645,148	2,314,545	330,603	14.28%	
Uses of Cash									
	Total Operation and Maintenance Expenses				1,394,807	1,398,512	(3,705)	-0.26%	
	Debt Service								
	2003 Revenue Bonds				407,549	407,549	-	0.00%	
	2009 State Trust Fund Loan				-	138,812	(138,812)	-100.00%	
	DNR Equipment Replacement Account Funding (A)				-	-	-	#DIV/0!	
	Depreciation on meters				32,500	32,500	-	0.00%	
	Plant Additions and Construction				1,266,500	337,000	929,500	275.82%	
	Total Uses of Cash				3,101,356	2,314,374	929,500	40.16%	
Cash Applied to / (Used From) Sewer Reserves					\$ (456,208)	\$ 171	\$ (598,897)	n/a	
(A) This fund is required by the WDNR as a condition of obtaining a Clean Water Fund Loan. The WDNR has changed its funding calculation since our debt was issued in 2003. We are now allowed to use a "percent of plant" calculation. This calculation indicates that our account is fully funded and therefore we will not have to deposit any funds from the operating budget into this account in 2019									

Waupun Utilities									
2020 Budget - Sewer									
Operating Income - Budget to TY 20 Comparison									
Account Number					2020 Budget	TY 2019 Revenue Requirement	\$ Difference	% Difference	
OPERATING REVENUES									
Wastewater Revenues									
722.1			Residential		\$ 692,348	\$ 652,787	\$ 39,561	6.06%	
722.2			Commercial		232,190	208,886	23,303	11.16%	
722.3			Industrial		23,839	26,330	(2,491)	-9.46%	
722.4			Public authority		1,101,898	994,061	107,837	10.85%	
			Total Metered Revenue		2,050,275	1,882,065	168,210	8.94%	
Other									
725			Other sewerage services		278,665	319,800	(41,135)	-12.86%	
731			Forfeited discounts		2,200	2,500	(300)	-12.00%	
735			Miscellaneous operating revenues		73,008	70,200	2,808	4.00%	
			Total Operating Revenues		2,404,148	2,274,565	129,583	5.70%	
OPERATING EXPENSES									
Operation									
820			Supervision and labor		118,255	98,476	19,779	20.09%	
821			Power for pumping		139,266	150,222	(10,956)	-7.29%	
823			Chemicals		98,500	94,577	3,923	4.15%	
827			Operating supplies		25,293	27,004	(1,711)	-6.34%	
828			Laboratory labor		47,995	43,937	4,058	9.24%	
829			Laboratory supplies		16,340	16,501	(160)	-0.97%	
			Total Operating		445,650	430,717	14,933	3.47%	
Maintenance									
831			Sewage collection system		152,857	150,231	2,626	1.75%	
832			Pumping equipment		4,791	6,365	(1,574)	-24.73%	
833			Treatment plant equipment		160,300	187,164	(26,864)	-14.35%	
834			General plant		101,761	82,242	19,519	23.73%	
			Total Maintenance		419,709	426,001	(6,292)	-1.48%	
Customer Accounts Expenses									
840			Accounting and collecting		155,581	145,245	10,336	7.12%	
842			Meter reading		4,416	2,336	2,080	89.06%	
			Total Customer Accounts		159,997	147,581	12,416	8.41%	
Administrative and General Expenses									
850			General office salaries		30,843	24,887	5,956	23.93%	
851			General office supplies		51,818	51,490	328	0.64%	
852			Outside services		45,383	42,444	2,939	6.92%	
853			Property insurance		31,873	30,128	1,746	5.79%	
854			Employee pensions and benefits		186,600	223,188	(36,588)	-16.39%	
856			Miscellaneous general		22,935	22,077	858	3.88%	
			Total Administrative and General		369,452	394,214	(24,762)	-6.28%	
Total Operation and Maintenance Expense					1,394,807	1,398,512	(3,705)	-0.26%	
403			Depreciation		685,459	677,459	8,000	1.18%	
TOTAL EXPENSES					2,080,266	2,075,971	4,295	0.21%	
OPERATING INCOME					\$ 323,882	\$ 198,594	\$ 125,288	63.09%	

Waupun Utilities									
2020 Budget - Water									
Operating Income - Budget to Test Year 2007 Comparison									
Account Number					2020 Budget	Test Year 2007	\$ Difference	% Difference	
OPERATING REVENUES									
Sales of Water									
461.1			Residential		\$ 1,200,882	\$ 1,286,370	\$ (85,488)	-6.65%	
461.2			Multifamily		175,970	-	175,970	n/a	
461.3			Commercial		218,947	359,540	(140,593)	-39.10%	
461.4			Industrial		70,863	147,739	(76,876)	-52.03%	
462			Private fire protection		41,604	22,812	18,792	82.38%	
463			Public fire protection		751,342	674,671	76,671	11.36%	
464			Public authority		46,643	44,738	1,905	4.26%	
			Total Sales of Water		2,506,252	2,535,870	(29,618)	-1.17%	
Other									
470			Forfeited discounts		4,800	7,608	(2,808)	-36.91%	
471			Miscellaneous service revenue		2,500	1,569	931	59.34%	
472			Rent from water property		15,994	-	15,994	n/a	
474			Other water revenues		47,400	3,634	43,766	1204.35%	
			Total Operating Revenues		2,576,946	2,548,681	28,265	1.11%	
OPERATING EXPENSES									
Operation									
Source of Supply									
601			Supervision		400	4,000	(3,600)	-90.00%	
611			Structures		-	-	-	n/a	
614			Wells		67,000	2,000	65,000	3250.00%	
Pumping									
620			Supervision and engineering		-	1,000	(1,000)	-100.00%	
623			Power for pumping		91,802	95,399	(3,597)	-3.77%	
624			Pumping labor		715	32,619	(31,904)	-97.81%	
626			Miscellaneous		300	4,000	(3,700)	-92.50%	
631			Structures		-	1,000	(1,000)	-100.00%	
633			Pumping equipment		1,837	500	1,337	267.36%	
Water Treatment									
640			Supervision and engineering		52,012	46,270	5,742	12.41%	
641			Chemicals		33,886	63,469	(29,583)	-46.61%	
642			Operation labor		105,020	71,839	33,181	46.19%	
643			Miscellaneous		1,673	5,120	(3,447)	-67.33%	
651			Structures		500	-	500	n/a	
652			Treatment equipment		12,702	19,714	(7,012)	-35.57%	
Transmission and Distribution									
662			Transmission and Distribution Lines		7,280	-	7,280	n/a	
663			Meter		4,835	8,958	(4,123)	-46.02%	
664			Customer installations		23,970	-	23,970	n/a	
671			Structures		-	-	-	n/a	
672			Distribution reservoirs		42,201	58,747	(16,546)	-28.16%	
673			Transmission and distribution mains		109,840	54,463	55,377	101.68%	
675			Services		64,411	30,216	34,195	113.17%	
676			Meters		4,781	7,269	(2,488)	-34.23%	
677			Hydrants		6,314	16,677	(10,363)	-62.14%	

Waupun Utilities									
2020 Budget - Water									
Operating Income - Budget to Test Year 2007 Comparison									
Account Number						2020 Budget	Test Year 2007	\$ Difference	% Difference
				Customer Accounts					
901				Supervision		15,750	17,500	(1,750)	-10.00%
902				Meter reading labor		5,031	12,362	(7,331)	-59.30%
903				Accounting and collecting labor		86,642	44,652	41,990	94.04%
904				Uncollectible accounts		303	200	103	51.46%
				Administrative and General					
920				Salaries		26,843	13,523	13,320	98.50%
921				Office supplies		42,692	42,686	6	0.01%
923				Outside services employed		25,676	32,000	(6,324)	-19.76%
924				Property insurance		13,278	11,553	1,725	14.93%
925				Injuries and damages		5,898	13,600	(7,702)	-56.63%
926				Employee pensions and benefits		101,602	116,352	(14,750)	-12.68%
928				Regulatory commission		-	1,000	(1,000)	-100.00%
930				Miscellaneous		565	800	(235)	-29.32%
932				General plant		14,415	8,833	5,582	63.19%
				TOTAL OPERATION AND MAINTENANCE		<u>970,175</u>	<u>838,321</u>	<u>131,854</u>	<u>15.73%</u>
403				Depreciation		554,400	490,129	64,271	13.11%
408				Taxes		<u>381,000</u>	<u>306,875</u>	<u>74,125</u>	<u>24.15%</u>
				TOTAL OPERATING EXPENSES		<u>1,905,575</u>	<u>1,635,325</u>	<u>270,250</u>	<u>16.53%</u>
				OPERATING INCOME		<u>\$ 671,371</u>	<u>\$ 913,356</u>	<u>\$ (241,985)</u>	<u>-26.49%</u>

Waupun Utilities									
2020 Budget - Water									
Expenses									
Account Number	OPERATING EXPENSES	Actual 2016	Actual 2017	Actual 2018	3 Yr Average	YTD 8/31/2019	Budget 2019	Budget 2020	Budget Notes/Source
OPERATION AND MAINTENANCE									
Source of Supply									
601	Operation Labor and Expenses	\$ 18	\$ 188	\$ 351	\$ 186	\$ 299	\$ 200	\$ 400	Historical trends
611	Structures and Improvements	-	-	-	-	-	-	-	Historical trends
614	Wells and Springs	55,163	2,828	51,590	36,527	127	3,000	67,000	Well #4 preventative maintenance
Pumping									
620	Operation Supervision and engineering	-	-	-	-	-	-	-	Historical trends
623	Fuel or Power Purchased for Pumping	83,551	86,070	93,540	87,387	60,001	91,044	91,802	Annualized YTD 8/19 with inflation
624	Pumping Labor and Expenses	1,200	560	312	691	334	950	715	3 yr. avg. with inflation
626	Miscellaneous Expenses	117	353	15	162	136	300	300	Historical trends
631	Structures and Improvements	79	-	605	228	-	-	-	Historical trends
633	Pumping Equipment	695	4,314	315	1,775	844	1,000	1,837	3 yr. avg. with inflation
Water Treatment									
640	Operation Supervision and Engineering	39,693	41,680	43,521	41,631	33,562	46,796	52,012	Annualized YTD 8/19 with inflation
641	Chemicals	34,578	31,968	32,554	33,037	19,399	33,886	33,886	Budget 2019
642	Operation Labor and Expenses	108,142	112,705	98,270	106,372	57,034	117,020	105,020	Budget 2019 reduced by power savings
643	Miscellaneous Expenses	1,597	1,999	1,253	1,616	1,054	2,000	1,673	3 yr. avg. with inflation
651	Structures and Improvements	150	-	4,434	1,528	-	500	500	Historical trends
652	Maintenance of Water Treatment Equipment	99,814	7,818	5,100	37,577	8,302	12,500	12,702	Annualized YTD 8/19 with inflation
Transmission and Distribution									
662	Transmission and Distribution Lines	4,385	3,338	13,378	7,034	4,207	11,345	7,280	3 yr. avg. with inflation
663	Meter	4,442	3,364	2,613	3,473	5,109	4,741	4,835	Budget 2019 increased by inflation
664	Customer Installations	-	26,041	22,896	16,312	13,356	23,500	23,970	Budget 2019 increased by inflation
671	Maintenance of Structures and Improvements	-	-	-	-	-	-	-	Historical trends
672	Maintenance of Distribution Reservoirs	31,808	35,090	35,087	33,995	23,316	42,201	42,201	Budget 2019
673	Maintenance of Transmission and Distribution Mains	68,682	129,196	120,500	106,126	75,526	94,355	109,840	3 yr. avg. with inflation
675	Services	51,817	74,611	60,271	62,233	26,364	63,973	64,411	3 yr. avg. with inflation
676	Meters	8,954	2,834	2,070	4,619	3,058	4,833	4,781	3 yr. avg. with inflation
677	Hydrants	18,700	31,899	41,972	30,857	9,393	20,383	6,314	Annualized YTD 8/19 with inflation
Customer Accounts									
901	Supervision	25,350	26,605	25,402	25,786	18,966	28,164	15,750	Separate Analysis
902	Meter reading labor	1,948	3,794	3,858	3,200	3,284	3,857	5,031	Annualized YTD 8/19 with inflation
903	Customer Accounts	71,382	73,241	78,662	74,428	56,011	86,415	86,642	Annualized YTD 8/19 with inflation
904	Uncollectible accounts	87	522	269	293	110	100	303	3 yr. avg. with inflation
Administrative and General									



WASTEWATER RATE ANALYSIS – TEST YEAR 2023

Prepared by:

Jared Oosterhouse, Finance Director

October 8, 2019

Sewer Rate Study - Test Year 2023
SUPPORTING SCHEDULES

	<u>Schedule</u>
<u>EXECUTIVE SUMMARY (includes two attachments)</u>	n/a
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EXECUTIVE SUMMARY

WAUPUN UTILITIES

Sewer Rate Study – Test Year 2023

Executive Summary

INTRODUCTION

Waupun Utilities (the “Utility”) wastewater treatment plant is required to meet U.S. Environmental Protection Agency phosphorus effluent limits as part of its Wisconsin Pollutant Elimination System (WPDES) permit by 2025. In 2018, the Utility hired Applied Technologies to complete a Preliminary Engineering Report to determine the recommended technology to meet the reduced phosphorus effluent limits.

It was determined that the Utility will be unable to meet its phosphorus effluent limits with only operational improvements and minor facility modifications. Moreover, the Wisconsin Department of Natural Resources confirmed that Total Nitrogen effluent limits are likely to be imposed within the 20-year planning period.

Several compliance alternatives were considered and screened for technical feasibility. Following a life cycle cost evaluation, the recommended alternative is Advanced Biological Nutrient Recovery (ABNR). The ABNR system is an algae-based system capable of recovering phosphorus and nitrogen into harvested algal biomass. The ABNR system is recommended based on its comparable life cycle costs and favorable qualitative factors, such as demonstrated removal of soluble non-reactive phosphorus.

In 2018, the Utility also submitted for a USDA Rural Development (USDA) loan and grant to finance the facility improvements necessary to achieve compliance with the phosphorus effluent limits and anticipated nitrogen effluent limits. The Utility was awarded a USDA loan in the amount of \$22,807,000 and a grant in the amount of \$9,479,000 totaling \$32,286,000 to complete the project. The funds must be spent by September 2023.

The Utility is required to obtain interim financing for the loan amount of \$22,807,000 and it must be in place prior to advertising bids for the construction project. To obtain financing, it is recommended the Utility have adequate rates in place or an approved rate increase plan that supports the debt service requirements.

The process in developing rates included the following steps:

1. Determine the total cost of providing sewer service to all customers. This is called the revenue requirement.
2. Allocate the revenue requirement to the various types of services based on cost drivers.
3. Design rates based on the allocated costs and management objectives.
4. Determine forecasted rates are adequate to meet debt coverage requirements and provide sufficient cash flows.
5. Review long range cash flows to determine that forecasted rates are sufficient to meet capital improvement plans.

WAUPUN UTILITIES

Sewer Rate Study – Test Year 2023

Executive Summary

6. The Utility hired Wegner CPAs to perform agreed upon procedures on the rate study. Wegner CPAs reviewed the revenue requirement, cost of service allocations, and rate design for reasonableness and accuracy.

RATE OBJECTIVES

The Utility is not subject to regulation from the Wisconsin Public Service Commission like the electric or water utility, rather sewer rates are governed by City ordinance. The primary goal of this study is to design rates that are:

- based on the costs of serving each customer class
- fair and equitable to all customers
- defensible

KEY ASSUMPTIONS

- USDA loan of \$22,807,000 payable over 40 years with an annual debt service requirement of \$889,500.
- The Clean Water Fund Loan final payment of \$407,004 will be prepaid in 2022 to ensure debt service coverage ratios are met.
- CLEARAS algae biomass (biomass) revenue of \$750,000 is based on an average daily biomass production of 3,200 pounds.
- Trucked-in-waste revenues are projected to decrease by \$68,000 due to new chloride limits.
- 2023 flow projections are based on historical averages.
- Annual growth assumptions include five new residential customers and one new commercial customer for meter count and minimal growth in flows.
- Operation and maintenance expenses were projected at 2.5% increases per year.
- Operation and maintenance expenses include increases for:
 - power costs for LED lighting and dewatering algae
 - natural gas for algae drying costs
 - one new full-time wastewater treatment operator
- Capital additions requirements are based on the capital improvement plan developed in coordination with the City. It is an average of the annual requirement for capital additions.

REVENUE REQUIREMENT

Sound rate development and planning require projections of future revenue needs. These projections of future revenue requirements are based on the cash basis method which includes the following:

1. Annual operation and maintenance expenses
2. Average annual capital additions
3. Debt service and debt reserve account funding
4. Equipment replacement account funding
5. Depreciation on meters

WAUPUN UTILITIES

Sewer Rate Study – Test Year 2023

Executive Summary

Total sources of funds, or revenues, are comprised of the following:

1. Metered sales
2. Trucked-in-waste
3. Biomass revenues
4. Sampling/lab revenues
5. Other miscellaneous income

Metered revenues and other revenues, such as trucked-in waste and sampling/lab fees, are forecasted based on historical trends and knowledge of specific events.

FUTURE CAPITAL REQUIREMENTS

The Utility has identified capital improvements for 2020 through 2027 that will provide for reinvestment and maintenance of Utility infrastructure. Major capital projects planned include:

- Facilities
 - 2020 - Harris Lift Station modifications at \$183,000
 - 2021-2022 – WWTP facility improvements - \$30.4 million
- Collection System Improvements
 - 2021 - Madison Street, Rock Avenue, Newton Avenue - \$1.6 million
 - 2023 – \$800,000 available for N Grove Street, S Forest Street, and S Mill Street
 - Biannual street projects planned in 2025 and beyond

COST OF SERVICE STUDY

A cost of service study is performed upon completion of the revenue requirement analysis. The purpose of a cost of service study is to allocate costs among customer classes based on usage and strength of waste. The forecasted cost to serve all wastewater customers in 2023 is \$2,555,842 (total uses of funds less other revenues and contributions in aid of construction).

Schedules 10 through 12 illustrate parameters used to allocate expenses to Volume, BOD (biochemical oxygen demand), SS (suspended solids), Phosphorous, Demand and Customer Costs. For instance, maintenance of sewage collection system expense is allocated to Volume, SS, Demand and Customer costs because the system handles volume and solids, and wouldn't be needed if we had zero customers.

The end result of the cost of service study is that all uses of funds are allocated to each rate component. The next step is to compute rates to ensure that forecasted unit sales collect sufficient funds to cover the revenue requirement.

WAUPUN UTILITIES

Sewer Rate Study – Test Year 2023

Executive Summary

RATE DESIGN ANALYSIS

Volume Charge Calculation

Schedule 13 illustrates the volume charge calculation. This charge recovers Volume, BOD, SS, and Phosphorous expenses from the cost of service summary. Estimated 2023 loadings (based on forecasted 2023 sales) are used to calculate total pounds of BOD, SS, and Phosphorous.

Each calculation result is then used to develop the rate per hundred cubic feet, and surcharges for BOD, SS, and Phosphorous. Wisconsin State Prison, Dodge Correctional Institution, and the Burke Correctional Center are the only current wastewater customers that receive surcharges because their waste exceeds domestic strength waste.

Fixed Charge Calculation

Schedule 14 presents the fixed charge calculation. This charge recovers Demand and Customer Costs from the cost of service summary. The number of customers by meter size is the basis for the calculation. A demand ratio is used based on the theory that a larger meter puts a bigger demand on the system. A residential customer with a 5/8" meter has far less wastewater flow than an industrial customer with a 4" meter. The resulting calculations become the basis for the monthly customer charge.

Monthly Bill Comparison – Present to Proposed

Schedule 16 presents a comparison of monthly bills at present and proposed rates.

DEBT COVERAGE

Industry best practices and the Utility's Clean Water Fund Loan require a debt coverage ratio of not less than 1.25 times principal and interest on all outstanding bonds payable during the year. The proposed rates provide sufficient revenues to meet the debt coverage requirement as shown below.

	Budget 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
Operating revenues	\$ 2,457,723	\$ 2,463,961	\$ 2,614,983	\$ 2,730,033	\$ 3,443,682	\$ 3,632,868
Investment income	40,000	39,278	43,139	50,260	40,108	36,571
Less: O&M expenses	(1,346,447)	(1,357,907)	(1,393,995)	(1,426,038)	(1,836,201)	(1,875,186)
Net Defined Earnings	\$ 1,151,276	\$ 1,145,333	\$ 1,264,127	\$ 1,354,255	\$ 1,647,588	\$ 1,794,253
Highest Annual Debt Service Coverage Factor	\$ 407,720 1.25	\$ 407,720 1.25	\$ 407,720 1.25	\$ 407,720 1.25	\$ 889,500 1.25	\$ 889,500 1.25
Minimum Required Earnings	\$ 509,650	\$ 509,650	\$ 509,650	\$ 509,650	\$ 1,111,875	\$ 1,111,875
Actual Debt Coverage	2.26	2.25	2.48	2.66	1.48	1.61

WAUPUN UTILITIES
Sewer Rate Study – Test Year 2023
Executive Summary

LONG RANGE CASH FLOWS

As part of the study, long range cash flows were projected and analyzed to ensure sufficient cash is generated to adequately fund all anticipated projects, debt service, and maintain an unrestricted cash balance equal to industry best practice of 6 months.

Schedule 20 Long Range Cash Flows illustrates that the proposed revenue requirement increase would provide adequate cash flows.

RECOMMENDATION

The Test Year 2023 revenue requirement indicates a rate increase of \$622,689 or 32.21% is required to comply with the EPA and DNR mandated phosphorus limits.

Management recommends the necessary rate increase be implemented over a period of four years beginning in 2020 at an annual increase of 7.23%. A four-year stepped rate increase would equate to the average residential customer paying approximately an additional \$19.00 per year. Management believes that a four year stepped rate increase is more manageable for our customers vs. a one-time annual increase of \$76.00. Schedule 19 illustrates the phased rate increase over four years.

Furthermore, approving and implementing a four-year rate increase plan will assure financial institutions that the Utility has adequate rates to support the interim financing loan and future debt service requirements which will allow the project to proceed as planned.

WAUPUN UTILITIES

Test Year 2023 Sewer Rate Study

Comparison of Test Year 2019 and Test Year 2023 Revenue Requirement

Test Year 2019 - Approved Rates	Test Year 2023 - Current Rates	\$ Change	% Change
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SOURCES OF FUNDS

Measured Service

Residential	\$ 652,782	\$ 657,397	\$ 4,615	0.71%
Commercial	208,884	220,493	11,608	5.56%
Industrial	26,330	22,538	(3,792)	-14.40%
Public authority	994,049	1,032,726	38,677	3.89%
Total Measured Service	<u>1,882,045</u>	<u>1,933,153</u>	<u>51,108</u>	<u>2.72%</u>

Other Revenues

Other sewerage services	319,800	252,250	(67,550)	-21.12%
Biomass revenues	-	750,186	750,186	#DIV/0!
Miscellaneous operating revenues	70,200	73,000	2,800	3.99%
Forfeited discounts	2,500	2,500	-	0.00%
Investment Income	40,000	25,500	(14,500)	-36.25%
Total Other Revenues	<u>432,500</u>	<u>1,103,436</u>	<u>670,936</u>	<u>155.13%</u>
Total Sources of Funds	<u>2,314,545</u>	<u>3,036,589</u>	<u>722,044</u>	<u>31.20%</u>

USES OF FUNDS

Operation and maintenance	1,398,512	1,836,203	437,691	31.30%
Equipment replacement account	-	351,200	351,200	#DIV/0!
Debt reserve account	-	44,475	44,475	#DIV/0!
Capital additions	337,000	505,000	168,000	49.85%
Depreciation on meters	32,500	32,900	400	1.23%
Debt service - principal and interest	546,533	889,500	342,967	62.75%
Total Uses of Funds	<u>2,314,545</u>	<u>3,659,278</u>	<u>1,344,733</u>	<u>58.10%</u>

EXCESS REVENUES/(DEFICIENCY)	\$ (0)	\$ (622,689)	\$ (622,689)
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WAUPUN UTILITIES

Test Year 2023 Sewer Rate Study

Comparison of Test Year 2019 and Test Year 2023 O&M Expenses

Account		Test Year 2019	Test Year 2023	\$ Change	% Change
Operating					
820	Supervision and labor	\$ 98,476	\$ 115,996	\$ 17,520	17.79%
821	Electricity	150,222	239,336	89,114	59.32%
822	Natural gas	-	168,000	168,000	#DIV/0!
823	Chemicals	94,577	64,862	(29,715)	-31.42%
827	Operating supplies	27,004	29,750	2,746	10.17%
828	Laboratory labor	43,937	50,688	6,751	15.37%
829	Laboratory supplies	16,501	17,683	1,182	7.17%
	Total Operating	430,717	686,315	255,598	59.34%
Maintenance					
831	Sewage collection system	150,231	162,506	12,275	8.17%
832	Pumping equipment	6,365	9,342	2,977	46.78%
833	Treatment plant equipment	187,164	286,836	99,672	53.25%
834	General plant	82,242	82,775	533	0.65%
	Total Maintenance	426,001	541,459	115,458	27.10%
Customer Accounts					
840	Accounting and collecting	145,245	171,678	26,433	18.20%
842	Meter reading	2,336	4,238	1,902	81.44%
	Total Customer Accounts	147,581	175,916	28,335	19.20%
Administrative and General					
850	General office salaries	24,887	32,563	7,676	30.84%
851	General office supplies	51,490	56,416	4,926	9.57%
852	Outside services	42,444	45,587	3,143	7.40%
853	Property insurance	30,128	33,191	3,064	10.17%
854	Employee pensions and benefits	223,188	239,937	16,749	7.50%
856	Miscellaneous general	22,077	24,819	2,742	12.42%
	Total Administrative and General	394,214	432,513	38,299	9.72%
Total Operation and Maintenance Expenses		\$ 1,398,512	\$ 1,836,203	\$ 437,691	31.30%

REVENUE REQUIREMENT

Waupun Utilities - Test Year 2023 Sewer Rate Study
Revenue Requirement Comparison
Actual 2013 - Test Year 2023

SOURCES OF FUNDS

	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Forecasted 2019	Test Year 2023	
								Current Rates	Proposed Rates
Measured Service									
Residential	\$ 652,705	\$ 629,241	\$ 622,929	\$ 620,527	\$ 618,492	\$ 623,122	\$ 655,817	\$ 657,397	\$ 884,789
Commercial	184,041	190,089	190,676	186,217	190,005	210,767	220,493	220,493	286,646
Industrial	24,225	27,226	26,916	27,896	30,649	21,961	23,423	22,538	28,563
Public authority	892,939	950,293	962,651	984,860	979,788	1,126,164	1,163,400	1,032,726	1,355,846
Total Measured Service	1,753,909	1,796,848	1,803,171	1,819,500	1,818,934	1,982,015	2,063,133	1,933,153	2,555,842
Other Revenues									
Other sewerage service	268,689	272,675	289,445	264,229	363,374	345,185	319,800	252,250	252,250
Biomass revenues	-	-	-	-	-	-	-	750,186	750,186
Miscellaneous operating revenues	69,264	69,264	71,629	70,200	70,200	74,121	70,200	73,000	73,000
Forfeited discounts	2,509	2,315	2,726	1,575	2,028	1,765	2,500	2,500	2,500
Investment Income	(5,196)	49,883	36,076	33,405	50,281	70,975	40,000	25,500	25,500
Total Other Revenues	335,266	394,138	399,876	369,409	485,883	492,046	432,500	1,103,436	1,103,436
Contributions in Aid of Construction	61,246	35,250	45,550	-	342,072	63,390	-	-	-
Total Sources of Funds	2,150,421	2,226,236	2,248,597	2,188,909	2,646,889	2,537,451	2,495,633	3,036,589	3,659,278
REVENUE REQUIRED									
Operation and maintenance	1,105,704	1,211,462	1,249,583	1,362,039	1,369,435	1,433,019	1,346,447	1,836,203	1,836,203
Equipment replacement account	-	-	-	-	-	-	-	351,200	351,200
Debt reserve account	-	-	-	-	-	-	-	44,475	44,475
Preliminary Engineering	-	-	-	-	-	-	750,000	-	-
Capital additions	114,762	311,405	119,515	989,122	664,623	501,005	1,395,988	505,000	505,000
Depreciation on meters	25,637	32,365	32,181	32,226	32,459	32,941	32,900	32,900	32,900
Debt service - principal and interest	547,456	547,313	547,166	547,015	546,860	546,699	546,533	889,500	889,500
Total Uses of Funds	1,793,559	2,102,545	1,948,445	2,930,402	2,613,377	2,513,663	4,071,868	3,659,278	3,659,278
EXCESS REVENUES/(DEFICIENCY)	\$ 356,862	\$ 123,691	\$ 300,152	\$ (741,494)	\$ 33,512	\$ 23,787	\$ (1,576,235)	\$ (622,689)	\$ -

\$ Increase over current rates \$ 622,689
% Increase over current rates 32.21%

Note: Forecasted 2019 deficit uses cash reserves to fund capital projects.

Waupun Utilities - Test Year 2023 Sewer Rate Study
Sales Forecast
Actual 2011 - Forecasted 2023

Residential	Actual 2011	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Forecasted 2019	Forecasted 2023
Volume (00 cf)	143,901	144,490	141,354	134,731	132,356	131,430	130,720	131,975	131,260	131,760
Number of customers (year end)	2,944	2,925	2,918	2,944	2,949	2,942	2,954	2,964	2,970	2,990
Average volume (00cf)	48.88	49.40	48.44	45.76	44.88	44.67	44.25	44.53	44.20	44.07
% change in avg. vol.		1.06%	-1.94%	-5.53%	-1.93%	-0.46%	-0.94%	0.62%	-0.74%	-0.29%
% change in cust.		-0.65%	-0.24%	0.89%	0.17%	-0.24%	0.41%	0.34%	0.20%	0.67%
Commercial										
Volume (00 cf)	52,023	52,728	50,790	53,059	52,914	51,465	52,644	59,370	59,179	59,179
Number of customers (year end)	325	327	328	335	342	340	344	338	338	342
Average volume (00cf)	160.07	161.25	154.85	158.39	154.72	151.37	153.03	175.65	175.09	173.04
% change in avg. vol.		0.74%	-3.97%	2.28%	-2.31%	-2.17%	1.10%	14.78%	-0.32%	-1.17%
% change in cust.		0.62%	0.31%	2.13%	2.09%	-0.58%	1.18%	-1.74%	0.00%	1.18%
Industrial										
Volume (00 cf)	4,492	7,684	7,488	8,487	8,388	8,704	9,617	6,845	7,003	6,723
Number of customers (year end)	8	10	9	8	8	8	8	8	8	7
Average volume (00cf)	561.50	768.40	832.00	1,060.88	1,048.50	1,088.00	1,202.13	855.63	875.38	960.43
% change in avg. vol.		36.85%	8.28%	27.51%	-1.17%	3.77%	10.49%	-28.82%	2.31%	9.72%
% change in cust.		25.00%	-10.00%	-11.11%	0.00%	0.00%	0.00%	0.00%	0.00%	-12.50%
Public Authority										
Volume (00 cf)	210,436	232,453	239,448	252,284	256,748	275,052	260,312	280,437	286,724	264,967
Number of customers (year end)	17	13	13	13	14	14	14	36	36	36
Average volume (00cf)	12,378.59	17,881.00	18,419.08	19,406.46	18,339.14	19,646.57	18,593.71	7,789.92	7,964.56	7,360.18
% change in avg. vol.		44.45%	3.01%	5.36%	-5.50%	7.13%	-5.36%	-58.10%	2.24%	-7.59%
% change in cust.		-23.53%	0.00%	0.00%	7.69%	0.00%	0.00%	157.14%	0.00%	0.00%
Total										
Volume (00 cf)	410,852	437,355	439,080	448,561	450,406	466,651	453,293	478,627	484,166	462,629
Number of customers (year end)	3,294	3,275	3,268	3,300	3,313	3,304	3,320	3,346	3,352	3,375
Average volume (00cf)	124.73	133.54	134.36	135.93	135.95	141.24	136.53	143.04	144.44	137.08
% change in avg. vol.		7.07%	0.61%	1.17%	0.02%	3.89%	-3.33%	4.77%	0.98%	-5.10%
% change in cust.		-0.58%	-0.21%	0.98%	0.39%	-0.27%	0.48%	0.78%	0.18%	0.69%

Waupun Utilities - Test Year 2023 Sewer Rate Study

Consumer Analysis

Forecasted 2019 - Using 12 months of sales data (June 2018 through May 2019)

Volume Charges:

	Per 100 Cubic Ft.	Residential		Commercial		Industrial		Public Authority		Total	
		Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount
City Limits	\$3.16	131,260	\$ 414,782	59,179	\$ 187,006	7,003	\$ 22,129	286,724	\$ 906,048	484,166	\$ 1,529,965
BOD	\$0.54	-	-	-	-	-	-	186,834	100,890	186,834	100,890
SS	\$0.44	-	-	-	-	-	-	276,766	121,777	276,766	121,777
Phos	\$13.83	-	-	-	-	-	-	2,099	29,029	2,099	29,029
SUBTOTALS		131,260	\$ 414,782	59,179	\$ 187,006	7,003	\$ 22,129	752,423	\$ 1,157,744	949,865	\$ 1,781,661

Meter Charges:

Meter Charges:												
	Per Billing	Average Meters	Annual Revenues	Average Meters	Annual Revenues	Average Meters	Annual Revenues	Average Meters	Annual Revenues	Average Meters	Annual Revenues	Annual Revenues
5/8" & 3/4"	\$6.76	35,624	\$ 240,818	2,736	\$ 18,495	24	\$ 162	96	\$ 649	38,480	\$ 260,125	
1"	\$8.68	25	217	433	3,758	-	-	108	937	566	4,913	
1-1/2"	\$11.87	-	-	700	8,309	-	-	100	1,187	800	9,496	
2"	\$15.71	-	-	172	2,702	72	1,131	60	943	304	4,776	
3"	\$24.66	-	-	9	222	-	-	24	592	33	814	
4"	\$37.45	-	-	-	-	-	-	36	1,348	36	1,348	
6"	\$69.41	-	-	-	-	-	-	-	-	-	-	
8"	\$107.77	-	-	-	-	-	-	-	-	-	-	
SUBTOTALS		35,649	\$ 241,035	4,050	\$ 33,487	96	\$ 1,293	424	\$ 5,656	40,219	\$ 281,472	
Total Revenues per Analysis			\$ 655,817		\$ 220,493		\$ 23,423		\$ 1,163,400		\$ 2,063,133	
Total Billed Revenues			\$ 634,162		\$ 214,407		\$ 22,828		\$ 1,142,193		\$ 2,013,590	
\$ Difference			\$ 21,654		\$ 6,086		\$ 595		\$ 21,207		\$ 49,542	
% Difference			3.41%		2.84%		2.61%		1.86%		2.46%	

Rate change was effective 1/1/2019 - Variances are due to a full 12 months forecasted

Waupun Utilities - Test Year 2023 Sewer Rate Study
Consumer Analysis
Forecasted 2023

Volume Charges:

	Per 100 Cubic Ft.	Residential		Commercial		Industrial		Public Authority		Total	
		Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount
City Limits	\$ 3.16	131,760	\$ 416,362	59,179	\$ 187,006	6,723	\$ 21,245	264,967	\$ 837,294	462,629	\$ 1,461,906
BOD	\$ 0.54	-	-	-	-	-	-	180,735	97,597	180,735	97,597
SS	\$ 0.44	-	-	-	-	-	-	192,613	84,750	192,613	84,750
Phos	\$ 13.83	-	-	-	-	-	-	537	7,429	537	7,429
SUBTOTALS		131,760	\$ 416,362	59,179	\$ 187,006	6,723	\$ 21,245	638,852	\$ 1,027,070	836,514	\$ 1,651,682

Meter Charges:

	Per Billing	Residential		Commercial		Industrial		Public Authority		Total	
		Average Meters	Annual Revenues	Average Meters	Annual Revenues	Average Meters	Annual Revenues	Average Meters	Annual Revenues	Average Meters	Annual Revenues
5/8"	\$ 6.76	35,624	\$ 240,818	2,736	\$ 18,495	24	\$ 162	96	\$ 649	38,480	\$ 260,125
1"	\$ 8.68	25	217	433	3,758	-	-	108	937	566	4,913
1-1/2"	\$ 11.87	-	-	700	8,309	-	-	100	1,187	800	9,496
2"	\$ 15.71	-	-	172	2,702	72	1,131	60	943	304	4,776
3"	\$ 24.66	-	-	9	222	-	-	24	592	33	814
4"	\$ 37.45	-	-	-	-	-	-	36	1,348	36	1,348
6"	\$ 69.41	-	-	-	-	-	-	-	-	-	-
8"	\$ 107.77	-	-	-	-	-	-	-	-	-	-
SUBTOTALS		35,649	\$ 241,035	4,050	\$ 33,487	96	\$ 1,293	424	\$ 5,656	40,219	\$ 281,472
Total Revenues per Analysis			\$ 657,397		\$ 220,493		\$ 22,538		\$ 1,032,726		\$ 1,933,153

Waupun Utilities - Test Year 2023 Sewer Rate Study
Detailed Operation and Maintenance Expenses
Actual 2013 - Forecasted 2023

Account	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Actual 2017	Actual 2018	3-Year Average	Budget 2019	Forecasted 2023
Operating									
820 Supervision and labor	\$ 96,043	\$ 93,615	\$ 89,556	\$ 91,697	\$ 93,629	\$ 98,361	\$ 94,563	\$ 102,066	\$ 115,996
821 Electricity	130,113	139,403	132,056	138,941	143,564	134,856	139,120	142,265	239,336
822 Natural gas	-	-	-	-	-	-	-	-	168,000
823 Chemicals	64,740	73,512	63,688	76,548	90,073	121,338	95,986	95,000	64,862
827 Operating supplies	24,985	26,520	22,604	27,238	27,356	24,313	26,302	26,952	29,750
828 Laboratory labor	44,905	44,334	40,809	39,100	39,083	44,804	40,996	45,921	50,688
829 Laboratory supplies	17,212	20,010	13,613	13,037	15,040	19,983	16,020	16,020	17,683
Total Operating	377,999	397,395	362,326	386,561	408,745	443,656	412,987	428,224	686,315
Maintenance									
831 Sewage collection system	113,281	137,665	138,759	148,395	142,483	137,857	142,911	147,222	162,506
832 Pumping equipment	8,775	10,546	4,814	2,815	2,478	6,064	3,785	8,463	9,342
833 Treatment plant equipment	118,891	124,552	178,531	181,839	184,767	216,064	194,223	146,615	286,836
838 General plant	61,607	74,592	92,652	107,375	96,977	79,296	94,549	74,990	82,775
Total Maintenance	302,554	347,355	414,756	440,423	426,705	439,280	435,469	377,290	541,459
Customer Accounts									
840 Accounting and collecting	125,889	139,250	135,355	148,697	138,992	145,207	144,298	155,532	171,678
842 Meter reading	5,783	2,485	2,648	1,537	3,165	3,762	2,821	3,839	4,238
Total Customer Accounts	131,673	141,735	138,004	150,233	142,157	148,968	147,120	159,371	175,916
Administrative and General									
850 General office salaries	14,395	22,841	21,513	22,387	23,638	24,004	23,343	28,653	32,563
851 General office supplies	57,446	58,431	60,307	50,803	45,631	47,824	48,086	51,110	56,416
852 Outside services	23,752	27,020	23,328	33,025	41,208	81,316	51,850	41,300	45,587
853 Property insurance	14,927	17,309	18,138	25,762	29,816	24,406	26,661	30,069	33,191
854 Employee pensions and benefits	165,754	181,131	186,576	233,294	230,190	196,785	220,090	189,126	239,937
856 Miscellaneous general	17,204	18,244	24,634	19,550	21,199	26,706	22,485	41,305	24,819
Total Administrative and General	293,477	324,976	334,496	384,821	391,682	401,041	392,515	381,562	432,513
Total Operation and Maintenance Expenses	\$ 1,105,702	\$ 1,211,461	\$ 1,249,581	\$ 1,362,039	\$ 1,369,288	\$ 1,432,945	\$ 1,388,091	\$ 1,346,447	\$ 1,836,203
Dollar Increase/(Decrease)		\$ 105,759	\$ 38,120	\$ 112,457	\$ 7,250	\$ 63,657		\$ (86,498)	\$ 403,258
% Increase/(Decrease)		9.56%	3.15%	9.00%	0.53%	4.65%		-4.71%	28.14%

Waupun Utilities - Test Year 2023 Sewer Rate Study
Plant in Service
Actual 2017- Forecasted 2023

Account		Actual 12/31/2017		Retirements		Actual 12/31/2018		Retirements		Forecasted 12/31/2019		2020-2023		Forecasted 12/31/2023		Average Annual Additions	
		Additions		Additions		Additions		Additions		Additions		Additions		Additions		Additions	
Collecting System																	
310	Land and land rights	\$ 7,154	\$	-	\$	7,154	\$	-	\$	7,154	\$	-	\$	7,154	\$	-	-
312	Service conn., traps and access.	1,525,242		92,327		1,599,999		22,000		1,797,999		342,000		2,114,999		80,000	
313	Collecting mains and access.	5,350,647		251,210		5,600,342		74,000		6,266,342		1,176,000		7,358,842		215,000	
314	Interceptor mains and access.	1,204,024		-		1,204,024		-		1,204,024		-		1,204,024		-	
315	Manholes	1,347,240		24,895		1,371,385		140,000		1,497,385		185,000		1,666,385		40,000	
316	Other collecting system equip.	7,808		-		7,808		-		7,808		-		7,808		-	
	Total Collecting System	9,442,115		368,432		9,790,712		1,100,000		10,780,712		1,703,000		12,359,212		335,000	
Collecting System Pumping																	
321	Structures and improvements	82,477		-		82,477		-		82,477		-		82,477		-	
323	Electric pumping equipment	38,240		-		38,240		-		38,240		-		38,240		-	
324	Other power pumping equipment	25,639		-		25,639		-		25,639		-		25,639		-	
	Total Collecting System Pumping	146,356		-		146,356		-		146,356		-		146,356		-	
Treatment and Disposal																	
330	Land and land rights	37,305		-		37,305		-		37,305		-		37,305		-	
331	Structures and improvements	3,220,805		-		3,220,805		5,230		3,218,297		4,410,000		7,628,297		-	
332	Preliminary treatment equipment	412,577		-		412,577		-		412,577		-		412,577		-	
333	Primary treatment equipment	577,781		-		577,781		-		577,781		430,000		1,007,781		-	
334	Secondary treatment equipment	3,253,238		8,838		3,259,396		219,600		3,347,236		430,000		3,777,236		30,000	
335	Advanced treatment equipment	-		-		-		-		-		25,200,000		25,200,000		-	
337	Sludge treatment and disposal equipment	5,316,420		120,208		5,320,578		9,464		5,311,063		-		5,311,063		70,000	
338	Plant site piping	957,409		-		957,409		-		957,409		-		3,567,409		-	
339	Flow metering and monitoring equipment	43,204		-		43,204		-		43,204		-		43,204		-	
	Total Treatment and Disposal	13,818,739		129,046		13,829,053		234,294		13,904,872		33,080,000		46,984,872		100,000	
General																	
370	Land and land rights	41,282		-		41,282		-		41,282		-		41,282		-	
371	Structures and improvements	959,722		-		959,722		6,987		966,709		-		966,709		-	
372	Office furniture and equipment	46,497		-		46,497		-		46,497		-		46,497		-	
373	Transportation equipment	435,850		-		417,638		20,838		430,276		421,600		615,036		55,000	
379	Other general equipment	359,844		-		359,626		34,069		391,695		-		391,695		5,000	
387	SCADA	297,865		-		297,865		-		297,865		-		297,865		5,000	
388	Computer equipment and software	133,239		3,527		133,848		-		133,848		25,000		140,848		2,500	
395	Laboratory equipment	22,607		-		22,607		-		22,607		-		22,607		-	
396	Power operated equipment	64,065		-		64,065		-		64,065		-		64,065		2,500	
397	Communication equipment	10,409		-		10,409		-		10,409		-		10,409		-	
	Total General	2,371,379		3,527		2,353,558		61,894		2,405,252		446,600		2,597,012		70,000	
	Total Sewer Plant	\$25,778,590		\$ 501,005		\$26,119,680		\$ 1,395,968		\$27,237,193		\$35,229,600		\$62,087,453		\$ 595,000	

Waupun Utilities - Test Year 2023 Sewer Rate Study
 USDA Short-Lived Asset Reserve Account
 Forecasted 2023

Account	Description	Date Installed	Age (Years)	Service Life (A)	Installed Cost	Annual Cost	Replacement Funding (B)
336	ABNR Process Equipment						
001	Algae Membrane Separator	2023	-	10	\$ 2,992,000.00	\$ 299,200.00	\$ 299,200.00
005	LED Lighting & Componentry	2023	-	15	780,000.00	52,000.00	52,000.00
	TOTAL				<u>\$ 3,772,000.00</u>	<u>\$ 351,200.00</u>	<u>\$ 351,200.00</u>

(A) USDA funded items with service lives greater than fifteen (15) years are not included in the annual replacement fund cost

Waupun Utilities - Test Year 2023 Sewer Rate Study
Debt Service Schedules

Year	Issue: 2021 USDA Rural Development Interest Rate: 2.375%				Issue: 2003 Clean Water Fund Loan Interest Rate: 3.1%				Issue: 2009 State Trust Fund Loan Interest Rate: 4.5%				Total
	Principal	Interest		Total	Principal	Interest		Total	Principal	Interest		Total	
	May 1	May 1	Nov 1		May 1	May 1	Nov 1		May 1	Nov 1			
2019	-	-	-	-	354,641	29,292	23,787	407,720	132,835	5,978	138,812	546,533	
2020	-	-	-	-	365,653	23,787	18,110	407,549	-	-	-	407,549	
2021	-	-	-	-	377,006	18,110	12,257	407,373	-	-	-	407,373	
2022	-	-	-	-	388,712	12,257	6,222	407,191	-	-	-	407,191	
2023	-	-	-	889,500	400,782	6,222	-	407,004	-	-	-	1,296,504	
2024	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2025	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2026	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2027	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2028	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2029	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2030	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2031	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2032	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2033	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2034	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2035	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2036	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2037	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2038	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2039	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2040	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2041	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2042	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2043	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2044	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2045	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2046	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2047	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2048	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2049	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2050	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2051	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2052	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2053	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2054	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2055	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2056	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2057	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2058	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2059	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2060	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2061	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
2062	-	-	-	889,500	-	-	-	-	-	-	-	889,500	
Total	\$ -	\$ -	\$ -	\$35,580,000	\$ 1,886,794	\$ 89,668	\$ 60,376	\$ 2,036,838	\$ 132,835	\$ 5,978	\$ 138,812	\$ 37,755,650	

COST OF SERVICE

Waupun Utilities - Test Year 2023 Sewer Rate Study
Cost of Service Summary
Test Year 2023

Allocator	Allocation Basis	Forecasted 2023 Costs	Volume	BOD	SS	Phos	Demand	Customer Costs
Operation and maintenance expenses	Detailed O&M Schedule	\$ 1,836,203	\$ 522,579	\$ 290,645	\$ 217,954	\$ 346,670	\$ 194,381	\$ 263,974
Equipment replacement account	Equipment Usage	351,200	-	-	-	351,200	-	-
Capital additions	Total Plant	505,000	166,705	75,754	73,372	103,283	50,702	35,184
Depreciation on meters	50/50 Demand/Customer Costs	32,900	-	-	-	-	16,450	16,450
Debt reserve account	Total Plant	44,475	14,682	6,672	6,462	9,096	4,465	3,099
Debt service	Treatment Plant	889,500	234,147	168,946	163,574	230,342	64,307	28,183
	Subtotal	3,659,278	938,113	542,015	461,363	1,040,592	330,305	346,890
	Biomass revenues applied to							
	Phosphorus. Remaining pro-rata							
	share of above allocations	(1,103,436)	(154,700)	(89,381)	(76,081)	(671,599)	(54,469)	(57,204)
Less: Other revenues + CIAC	Allocated Costs	\$ 2,555,842	\$ 783,413	\$ 452,634	\$ 385,281	\$ 368,992	\$ 275,836	\$ 289,686

Waupun Utilities - Test Year 2023 Sewer Rate Study
Allocation of Operation and Maintenance Expenses
Test Year 2023

	Forecasted 2023	Allocation Percentages							Allocated Costs					Customer Costs
		V	BOD	SS	P	D	CC	Volume	BOD	SS	Phos	Demand		
Operating														
Supervision and labor	\$ 115,996	24	23	15	8	15	15	\$ 27,839	\$ 26,679	\$ 17,399	\$ 9,280	\$ 17,399	\$ 17,399	\$ 17,399
Power for pumping	239,336	35	15	15	30	4	1	83,768	35,900	35,900	71,801	9,573	2,393	2,393
Natural gas	168,000	5	16	8	60	10	1	8,400	26,880	13,440	100,800	16,800	1,680	1,680
Chemicals	64,862	35	35	5	20	5	0	22,702	22,702	3,243	12,972	3,243	-	-
Operating supplies	29,750	30	25	20	15	6	4	8,925	7,438	5,950	4,463	1,785	1,190	1,190
Laboratory labor	50,688	30	27	18	15	6	4	15,206	13,686	9,124	7,603	3,041	2,028	2,028
Laboratory supplies	17,683	30	27	18	15	6	4	5,305	4,774	3,183	2,652	1,061	707	707
Total Operating	686,315							172,145	138,059	88,240	209,571	52,903	25,398	25,398
Maintenance														
Sewage collection system	162,506	60	0	5	0	25	10	97,504	-	8,125	-	40,627	16,251	16,251
Pumping equipment	9,342	70	0	5	0	15	10	6,539	-	467	-	1,401	934	934
Treatment plant equipment	286,836	30	25	20	15	5	5	86,051	71,709	57,367	43,025	14,342	14,342	14,342
General plant	82,775	45	15	15	15	5	5	37,249	12,416	12,416	12,416	4,139	4,139	4,139
Total Maintenance	541,459							227,343	84,125	78,376	55,442	60,508	35,665	35,665
Customer Accounts														
Meter reading	4,238	0	0	0	0	20	80	-	-	-	-	848	3,390	3,390
Accounting and collecting	171,678	0	0	0	0	20	80	-	-	-	-	34,336	137,342	137,342
Total Customer Accounts	175,916							-	-	-	-	35,183	140,733	140,733
Subtotal of Accounts 820-842								28.46%	15.83%	11.87%	18.88%	10.59%	14.38%	14.38%
Administrative and General														
General office salaries	32,563	28	16	12	19	11	14	9,267	5,154	3,865	6,148	3,447	4,681	4,681
General office supplies	56,416	28	16	12	19	11	14	16,056	8,930	6,696	10,651	5,972	8,110	8,110
Outside services	45,587	28	16	12	19	11	14	12,974	7,216	5,411	8,607	4,826	6,554	6,554
Property insurance	33,191	28	16	12	19	11	14	9,446	5,254	3,940	6,266	3,514	4,772	4,772
Employee pensions and benefits	239,937	28	16	12	19	11	14	68,286	37,979	28,480	45,299	25,400	34,494	34,494
Miscellaneous general	24,819	28	16	12	19	11	14	7,063	3,928	2,946	4,686	2,627	3,568	3,568
Total Administrative and General	432,513							123,092	68,461	51,339	81,657	45,786	62,178	62,178
Total Operation and Maintenance	\$1,836,203							\$ 522,579	\$ 290,645	\$ 217,954	\$ 346,670	\$ 194,381	\$ 263,974	\$ 263,974

Waupun Utilities - Test Year 2023 Sewer Rate Study
Allocation of DNR Equipment Replacement Account
Test Year 2023

Test Year 2023														
Item	Forecasted 2023	Allocation Percentages						Allocated Costs						
		V	BOD	SS	P	D	CC	Volume	BOD	SS	Phos	Demand	Customer Costs	
ABNR Process Equipment														
Algae Membrane Separator	\$ 299,200	0	0	0	100	0	0	\$ -	\$ -	\$ -	\$ 299,200	\$ -	\$ -	
LED Lighting & Componentry	52,000	0	0	0	100	0	0	-	-	-	52,000	-	-	
Total Annual Replacement Cost	<u>\$ 351,200</u>							<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 351,200</u>	<u>\$ -</u>	<u>\$ -</u>	

Waupun Utilities - Test Year 2023 Sewer Rate Study
Allocation of Plant in Service
Test Year 2023

Account	Forecasted 2023	Allocation Percentages							Allocated Costs					Customer Costs
		V	BOD	SS	P	D	CC	Volume	BOD	SS	Phos	Demand		
Collecting System														
310 Land and land rights	\$ 7,154	0	0	0	0	0	100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,154
312 Service conn., traps and access.	2,114,999	0	0	0	0	0	100	-	-	-	-	-	-	2,114,999
313 Collecting mains and access.	7,358,842	70	0	0	0	25	5	5,151,189	-	-	-	-	1,839,710	367,942
314 Interceptor mains and access.	1,204,024	70	0	0	0	25	5	842,817	-	-	-	-	301,006	60,201
315 Manholes	1,666,385	70	0	0	0	25	5	1,166,469	-	-	-	-	416,596	83,319
316 Other collecting system equip.	7,808	0	0	0	0	0	100	-	-	-	-	-	-	7,808
Total Collecting System														
	12,359,212							7,160,475	-	-	-	-	2,557,313	2,641,424
Collecting System Pumping														
321 Structures and improvements	82,477	75	0	0	0	15	10	61,857	-	-	-	-	12,371	8,248
323 Electric pumping equipment	38,240	75	0	5	0	10	10	28,680	-	1,912	-	-	3,824	3,824
324 Other power pumping equipment	25,639	75	0	5	0	10	10	19,229	-	1,282	-	-	2,564	2,564
Total Collecting System Pumping														
	146,356							109,767	-	3,194	-	-	18,759	14,636
Treatment and Disposal														
330 Land and land rights	37,305	35	20	20	15	0	10	13,057	7,461	7,461	5,596	-	-	3,730
331 Structures and improvements	7,628,297	35	20	20	15	7	3	2,669,904	1,525,659	1,525,659	1,144,245	533,981	228,849	
332 Preliminary treatment equipment	412,577	40	5	40	5	7	3	165,031	20,629	165,031	20,629	28,880	12,377	
333 Primary treatment equipment	1,007,781	25	25	20	20	7	3	251,945	251,945	201,556	201,556	70,545	30,233	
334 Secondary treatment equipment	3,777,236	40	25	15	10	7	3	1,510,894	944,309	566,585	377,724	264,406	113,317	
336 Advanced treatment equipment	25,200,000	25	15	15	35	7	3	6,300,000	3,780,000	3,780,000	8,820,000	1,764,000	756,000	
337 Sludge treatment and disposal equipment	5,311,063	0	35	35	20	7	3	-	1,858,872	1,858,872	1,062,213	371,774	159,332	
338 Plant site piping	3,567,409	40	15	15	15	10	5	1,426,964	535,111	535,111	535,111	356,741	178,370	
339 Flow metering and monitoring equipment	43,204	70	0	0	0	15	15	30,243	-	-	-	6,481	-	
Total Treatment and Disposal														
	46,984,872							12,368,038	8,923,987	8,640,276	12,167,073	3,396,808	1,488,690	
Subtotal of accounts 310-339														
								33.01%	15.00%	14.53%	20.45%	10.04%		6.97%
General														
370 Land and land rights	966,709	33	15	15	20	10	7	319,118	145,013	140,455	197,713	97,058	67,351	
371 Structures and improvements	46,497	33	15	15	20	10	7	15,349	6,975	6,756	9,510	4,668	3,239	
372 Office furniture and equipment	615,036	33	15	15	20	10	7	203,028	92,260	89,360	125,788	61,750	42,850	
373 Transportation equipment	391,695	33	15	15	20	10	7	129,302	58,757	56,910	80,110	39,326	27,290	
379 Other general equipment	297,865	33	15	15	20	10	7	98,328	44,682	43,277	60,920	29,906	20,752	
387 SCADA	140,848	33	15	15	20	10	7	46,495	21,128	20,464	28,806	14,141	9,813	
388 Computer equipment and software	22,607	33	15	15	20	10	7	7,483	3,391	3,285	4,624	2,270	1,575	
395 Laboratory equipment	64,065	33	15	15	20	10	7	21,148	9,610	9,308	13,103	6,432	4,463	
396 Power operated equipment	10,409	33	15	15	20	10	7	3,436	1,561	1,512	2,129	1,045	725	
397 Communication equipment	2,597,012	33	15	15	20	10	7	857,295	389,570	377,324	531,145	260,742	180,936	
Total General														
	5,152,743							1,700,962	772,948	748,651	1,053,847	517,339	358,996	
Total Sewer Plant	\$ 64,643,183							\$21,339,242	\$ 9,696,935	\$ 9,392,121	\$13,220,919	\$ 6,490,219	\$ 4,503,746	
Total Plant	100.00%							33.01%	15.00%	14.53%	20.45%	10.04%		6.97%
Treatment Plant	100.00%							26.32%	18.99%	18.39%	25.90%	7.23%		3.17%

Waupun Utilities - Test Year 2023 Sewer Rate Study
Volume Charge Calculation
Test Year 2023

Forecasted 2023 Revenue Requirement:

Volume	\$	783,413
BOD		452,634
SS		385,281
Phosphorous		368,992
	\$	<u>1,990,320</u>

Estimated 2023 Loadings:

Total Volume (00 Cubic Feet)		<u>462,629</u>
Total Volume (000 Gallons)		<u>346,046</u>

BOD:

Domestic	<u>346,046</u>	X	<u>0.00834</u>	X	<u>200</u>	mg/l	=	577,205
High Strength (over domestic), from Schedule 4							=	<u>180,735</u>
						Total Pounds		<u>757,940</u>

SS:

Domestic	<u>346,046</u>	X	<u>0.00834</u>	X	<u>200</u>	mg/l	=	577,205
High Strength (over domestic), from Schedule 4							=	<u>192,613</u>
						Total Pounds		<u>769,818</u>

Phosphorous:

Domestic	<u>346,046</u>	X	<u>0.00834</u>	X	<u>7</u>	mg/l	=	20,202
High Strength (over domestic), from Schedule 4							=	<u>537</u>
						Total Pounds		<u>20,739</u>

Calculation of Volume and High Strength Rates:						
Unit Costs						
Volume per 1,000 Gallons	\$	783,413	/	346,046	=	\$ 2.264
BOD per pound	\$	452,634	/	757,940	=	\$ 0.597
SS per pound	\$	385,281	/	769,818	=	\$ 0.500
Phosphorous per pound	\$	368,992	/	20,739	=	\$ 17.792

Calculated Domestic Strength Rates:						
Volume					=	\$ 2.26
BOD	200 mg/l	x	0.00834	x	0.597	= 1.00
SS	200 mg/l	x	0.00834	x	0.500	= 0.83
Phosphorous	7 mg/l	x	0.00834	x	17.792	= 1.04
PROPOSED RATE PER 1,000 GALLONS						\$ 5.13
PROPOSED RATE PER 100 CUBIC FEET						\$ 3.84

Calculated High Strength Rates (for amounts above domestic strength only):						
BOD per lb	\$	452,634	/	757,940	=	\$ 0.60
SS per lb	\$	385,281	/	769,818	=	\$ 0.50
Phosphorous per lb	\$	368,992	/	20,739	=	\$ 17.79

RATE DESIGN

Waupun Utilities - Test Year 2023 Sewer Rate Study
Monthly Fixed Charge Calculation
Test Year 2023

Meter Size	Customers	Demand Ratio	Equivalent Meters	Demand Factor	Monthly Demand Charge	Monthly Customer Cost	Computed Monthly Charge	Proposed Monthly Charge	Annual Revenue
5/8"	3,207	1.0	3,207	41.13	\$ 3.43	\$ 7.20	\$ 10.62	\$ 10.62	\$ 408,795
3/4"	-	1.0	-	41.13	3.43	7.20	10.62	10.62	-
1"	47	2.5	118	41.13	8.57	7.20	15.76	15.76	8,923
1-1/2"	67	5.0	333	41.13	17.14	7.20	24.33	24.33	19,466
2"	25	8.0	203	41.13	27.42	7.20	34.61	34.61	10,523
3"	3	15.0	41	41.13	51.41	7.20	58.61	58.61	1,934
4"	3	25.0	75	41.13	85.68	7.20	92.88	92.88	3,344
6"	-	50.0	-	41.13	171.37	7.20	178.56	178.56	-
8"	-	80.0	-	41.13	274.18	7.20	281.38	281.38	-
Burke	1	130	130	41.13	445.55	7.20	452.75	452.75	5,433
DCI	1	1,300	1,300	41.13	4,455.49	7.20	4,462.69	4,462.69	53,552
WCI	1	1,300	1,300	41.13	4,455.49	7.20	4,462.69	4,462.69	53,552
	<u>3,355</u>		<u>6,707</u>						<u>\$ 565,522</u>

Demand Related Costs:

From Summary of Cost of Service Study	\$ 275,836
Divided by: Equivalent Meters	6,707
Divided by: 12 months	<u>12</u>
Equals: Monthly Demand Charge	<u>\$ 3.43</u>

Customer Related Costs:

From Summary of Cost of Service Study	289,686
Divided by: # of customers	3,355
Divided by: 12 months	<u>12</u>
Equals: Monthly Customer Cost	<u>\$ 7.20</u>

Costs to be recovered from monthly minimum charge: \$ 565,522

Waupun Utilities - Test Year 2023 Sewer Rate Study
Comparison of Present and Proposed Rates
Test Year 2023

	Present	Proposed
Monthly Fixed Charges:		
<u>Meter Size:</u>		
5/8"	\$ 6.76	\$ 10.62
3/4"	\$ 6.13	\$ 10.62
1"	\$ 8.68	\$ 15.76
1-1/2"	\$ 11.87	\$ 24.33
2"	\$ 15.71	\$ 34.61
3"	\$ 24.66	\$ 58.61
4"	\$ 37.45	\$ 92.88
6"	\$ 107.77	\$ 178.56
8"	\$ -	\$ 281.38
Burke	\$ -	\$ 452.75
DCI	\$ -	\$ 4,462.69
WCI	\$ -	\$ 4,462.69

Volume Charge:

Per 100 cubic feet	\$ 3.16	\$ 3.84
--------------------	---------	---------

High Strength Surcharges:

BOD per lb in excess of 200 mg/l	\$ 0.54	\$ 0.60
SS per lb in excess of 200 mg/l	\$ 0.44	\$ 0.50
Phos per lb in excess of 7 mg/l	\$ 13.83	\$ 17.79

Waupun Utilities - Test Year 2023 Sewer Rate Study
Monthly Bill Comparison
Test Year 2023

Customer	Meter Size	Monthly Volume (00 cubic feet)	Monthly Charge			
			Present	Proposed	\$ Change	% Change
Residential (average)	5/8"	4	\$ 19.40	\$ 25.98	\$ 6.58	33.93%
Residential	5/8"	5	\$ 22.56	\$ 29.82	\$ 7.26	32.19%
Commercial (average)	5/8"	15	\$ 54.16	\$ 68.22	\$ 14.06	25.96%
Commercial	2"	25	\$ 94.71	\$ 130.61	\$ 35.90	37.91%
Industrial (average)	1"	83	\$ 270.96	\$ 334.47	\$ 63.51	23.44%
Industrial	2"	138	\$ 451.79	\$ 564.52	\$ 112.73	24.95%
Public Authority	1"	17	\$ 62.40	\$ 81.04	\$ 18.64	29.88%
State Prison (average)	Flowmeter	9,601	\$ 30,338.20	\$ 41,328.05	\$ 10,989.86	36.22%
BOD (lbs)		7,535	4,069.17	4,500.12	430.96	10.59%
SS (lbs)		13,243	5,826.76	6,627.72	800.96	13.75%
Phos		98	1,348.89	1,735.30	386.42	28.65%
		Total	\$ 41,583.01	\$ 54,191.21	\$ 12,608.19	31.34%
Dodge Correctional (average)	Flowmeter	9,663	\$ 30,535.49	\$ 41,567.80	\$ 11,032.30	36.13%
BOD (lbs)		4,914	2,653.69	2,934.74	281.05	10.59%
SS (lbs)		3,911	1,721.03	1,957.61	236.58	13.75%
Phos		45	625.81	805.08	179.28	28.65%
		Total	\$ 35,536.03	\$ 47,265.23	\$ 11,729.20	33.60%
Burke Correctional (average)	Flowmeter	1,029	\$ 3,252.79	\$ 4,405.36	\$ 1,152.57	35.43%
BOD (lbs)		1,374	741.97	820.55	78.58	10.59%
SS (lbs)		529	232.72	264.71	31.99	13.75%
Phos		15	208.05	267.65	59.60	28.65%
		Total	\$ 4,435.52	\$ 5,758.26	\$ 1,322.74	31.29%

Waupun Utilities - Test Year 2023 Sewer Rate Study
Consumer Analysis - Proposed Rates
Test Year 2023

Volume Charges:

	Per 100 Cubic Ft.	Residential		Commercial		Industrial		Public Authority		Total	
		Units	Amount	Units	Amount	Units	Amount	Units	Amount	Units	Amount
City Limits	\$ 3.84	131,760	\$ 505,940	59,179	\$ 227,239	6,723	\$ 25,815	264,967	\$ 1,017,436	462,629	\$ 1,776,431
BOD	\$ 0.60	-	-	-	-	-	-	180,735	107,933	180,735	107,933
SS	\$ 0.50	-	-	-	-	-	-	192,613	96,400	192,613	96,400
Phos	\$ 17.79	-	-	-	-	-	-	537	9,557	537	9,557
		131,760	\$ 505,940	59,179	\$ 227,239	6,723	\$ 25,815	638,852	\$ 1,231,325	836,514	\$ 1,990,320

Meter Charges:

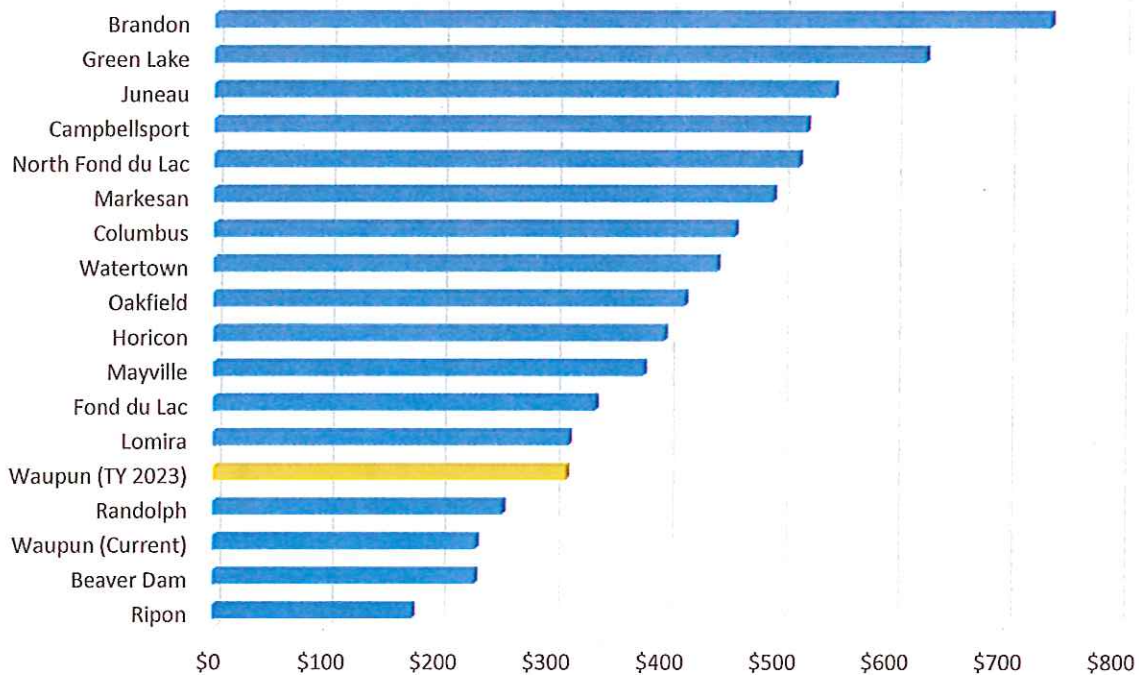
	Per Billing	Average		Annual		Average		Annual		Average		Annual	
		Meters	Revenues	Meters	Revenues	Meters	Revenues	Meters	Revenues	Meters	Revenues	Meters	Revenues
5/8"	\$ 10.62	35,624	\$ 378,454	2,736	\$ 29,066	24	\$ 255	96	\$ 1,020	38,480	\$ 408,795	-	-
3/4"	\$ 10.62	-	-	-	-	-	-	-	-	-	-	-	-
1"	\$ 15.76	25	394	433	6,826	-	-	108	1,703	566	8,923	-	-
1-1/2"	\$ 24.33	-	-	700	17,033	-	-	100	2,433	800	19,466	-	-
2"	\$ 34.61	-	-	172	5,954	72	2,492	60	2,077	304	10,523	-	-
3"	\$ 58.61	-	-	9	527	-	-	24	1,407	33	1,934	-	-
4"	\$ 92.88	-	-	-	-	-	-	36	3,344	36	3,344	-	-
6"	\$ 178.56	-	-	-	-	-	-	-	-	-	-	-	-
8"	\$ 281.38	-	-	-	-	-	-	-	-	-	-	-	-
Burke	\$ 452.75	-	-	-	-	-	-	12	5,433	12	5,433	-	-
DCI	\$ 4,462.69	-	-	-	-	-	-	12	53,552	12	53,552	-	-
WCI	\$ 4,462.69	-	-	-	-	-	-	12	53,552	12	53,552	-	-
		35,649	\$ 378,848	4,050	\$ 59,406	96	\$ 2,747	460	\$ 124,520	40,255	\$ 565,522	-	-
Total Revenues per Analysis			\$ 884,789		\$ 286,646		\$ 28,563		\$ 1,355,846		\$ 2,555,842		

Waupun Utilities - Test Year 2023 Sewer Rate Study
Rate Comparison

Annual Residential Sewer and Water Charge Comparison
Based on 400 Cubic Feet per Month

Municipality	Annual Sewer Charges	Annual Water Charges	Total
Campbellsport	\$523.18	\$554.64	\$1,077.81
Columbus	\$459.60	\$388.08	\$847.68
Green Lake	\$628.42	\$151.62	\$780.04
Juneau	\$547.68	\$224.07	\$771.75
Oakfield	\$415.63	\$352.43	\$768.06
Fond du Lac	\$337.68	\$403.56	\$741.24
Waupun (2023)	\$311.80	\$422.16	\$733.96
Watertown	\$443.76	\$283.20	\$726.96
North Fond du Lac	\$516.06	\$198.32	\$714.39
Horicon	\$398.05	\$257.01	\$655.06
Waupun (Current)	\$232.80	\$422.16	\$654.96
Mayville	\$379.68	\$233.04	\$612.72
Randolph	\$256.05	\$279.78	\$535.84
Beaver Dam	\$231.84	\$225.12	\$456.96
Ripon	\$176.52	\$201.21	\$377.73

Annual Sewer Charge Comparison



Waupun Utilities - Test Year 2023 Wastewater Rate Review
Proposed Rate Phased Increase
Test Year 2023

	Present	2020	2021	2022	2023
Volume charge	\$ 3.16	\$ 3.33	\$ 3.50	\$ 3.67	\$ 3.84
BOD surcharge	\$ 0.54	\$ 0.58	\$ 0.59	\$ 0.59	\$ 0.60
SS surcharge	\$ 0.44	\$ 0.46	\$ 0.48	\$ 0.49	\$ 0.50
Phosphorous surcharge	\$ 13.93	\$ 14.82	\$ 15.81	\$ 16.80	\$ 17.79

Meter Size:

5/8"	\$ 6.76	\$ 7.50	\$ 8.37	\$ 9.45	\$ 10.62
3/4"	\$ 6.76	\$ 7.50	\$ 8.37	\$ 9.45	\$ 10.62
1"	\$ 8.88	\$ 10.45	\$ 12.22	\$ 13.99	\$ 15.78
1-1/2"	\$ 11.87	\$ 14.99	\$ 18.11	\$ 21.23	\$ 24.33
2"	\$ 15.71	\$ 20.44	\$ 25.17	\$ 29.90	\$ 34.61
3"	\$ 24.66	\$ 33.15	\$ 41.64	\$ 50.13	\$ 58.61
4"	\$ 37.45	\$ 51.31	\$ 65.17	\$ 79.03	\$ 92.88
6"	\$ 69.41	\$ 96.70	\$ 123.99	\$ 151.28	\$ 178.56
8"	\$ 107.77	\$ 151.17	\$ 194.57	\$ 237.97	\$ 281.38
Burke	\$ -	\$ 194.01	\$ 280.25	\$ 366.49	\$ 452.75
DCI	\$ -	\$ 1,115.67	\$ 2,231.34	\$ 3,347.01	\$ 4,462.69
WCI	\$ -	\$ 1,115.67	\$ 2,231.34	\$ 3,347.01	\$ 4,462.69

Customer	Meter Size	Monthly Volume (00 cubic feet)	Monthly Charge					Annual % Increase			
			Present	2020	2021	2022	2023	2020	2021	2022	2023
sidential (average)	5/8"	4	\$ 19.40	\$ 20.82	\$ 22.37	\$ 24.13	\$ 25.98	7.32%	7.44%	7.87%	7.67%
	5/8"	5	\$ 22.56	\$ 24.15	\$ 25.87	\$ 27.80	\$ 29.82	7.05%	7.12%	7.46%	7.27%
	Commercial (average)	15	\$ 54.16	\$ 57.45	\$ 60.87	\$ 64.50	\$ 68.22	6.07%	5.95%	5.96%	5.77%
	Commercial	25	\$ 94.71	\$ 103.69	\$ 112.87	\$ 121.65	\$ 130.61	9.48%	8.66%	7.97%	7.37%
	Industrial (average)	83	\$ 270.96	\$ 286.84	\$ 302.72	\$ 318.60	\$ 334.49	5.86%	5.54%	5.25%	4.98%
Public Authority	2"	138	\$ 451.79	\$ 479.98	\$ 508.17	\$ 536.36	\$ 564.53	6.24%	5.87%	5.59%	5.25%
	1"	17	\$ 62.40	\$ 67.06	\$ 71.72	\$ 76.38	\$ 81.04	7.47%	6.95%	6.50%	6.10%
State Prison (average)	Flowmeter	9,601	\$ 30,338.20	\$ 33,085.99	\$ 35,833.77	\$ 38,581.56	\$ 41,329.36				
	BOD (lbs)	7,535	\$ 4,069.17	\$ 4,219.88	\$ 4,370.59	\$ 4,445.94	\$ 4,521.30				
	SS (lbs)	13,243	\$ 5,826.76	\$ 6,091.61	\$ 6,356.47	\$ 6,488.89	\$ 6,621.32				
	Phos	98	\$ 1,348.89	\$ 1,445.44	\$ 1,542.00	\$ 1,638.56	\$ 1,735.12				
	Total		\$ 41,583.01	\$ 44,842.92	\$ 48,102.83	\$ 51,154.96	\$ 54,207.10	7.84%	7.27%	6.35%	5.97%
Dodge Correctional (average)	Flowmeter	9,663	\$ 30,535.49	\$ 33,283.90	\$ 36,052.30	\$ 38,810.70	\$ 41,569.11				
	BOD (lbs)	4,914	\$ 2,653.89	\$ 2,751.98	\$ 2,850.26	\$ 2,899.41	\$ 2,948.55				
	SS (lbs)	3,911	\$ 1,721.03	\$ 1,799.26	\$ 1,877.49	\$ 1,916.60	\$ 1,955.72				
	Phos	45	\$ 625.81	\$ 670.61	\$ 715.40	\$ 760.20	\$ 805.00				
	Total		\$ 35,536.03	\$ 38,515.74	\$ 41,495.45	\$ 44,436.91	\$ 47,278.38	8.39%	7.74%	6.97%	6.51%
Burke Correctional (average)	Flowmeter	1,029	\$ 3,252.79	\$ 3,621.79	\$ 3,883.02	\$ 4,144.25	\$ 4,405.50				
	BOD (lbs)	1,374	\$ 741.97	\$ 789.45	\$ 796.93	\$ 810.67	\$ 824.41				
	SS (lbs)	529	\$ 232.72	\$ 243.29	\$ 253.87	\$ 259.16	\$ 264.45				
	Phos	15	\$ 208.05	\$ 222.94	\$ 237.84	\$ 252.73	\$ 267.62				
	Total		\$ 4,435.52	\$ 4,857.47	\$ 5,171.66	\$ 5,466.81	\$ 5,761.98	9.51%	6.47%	5.71%	5.40%

Waupun Utilities

Long Range Financial Projection - Sewer

Revenue Requirement - Test Year 2019; Forecasted 2020 through 2024

	Test Year 2019	Forecasted 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023	Projected 2024
SOURCES OF FUNDS							
Operating Revenues							
Residential	\$ 652,787	\$ 655,817	\$ 704,305	\$ 756,298	\$ 812,051	\$ 871,834	\$ 872,834
Commercial	208,886	220,493	236,970	254,639	273,586	293,902	294,402
Industrial	26,330	23,423	25,116	26,932	28,879	30,967	30,967
Public authority	994,041	1,163,400	1,107,392	1,187,457	1,273,310	1,365,370	1,365,370
Rate Increase	-	-	-	-	-	-	-
Total Operating Revenues	1,882,045	2,063,133	2,073,783	2,225,326	2,387,826	2,562,074	2,563,574
Other Revenues							
Other sewerage services	319,800	305,000	278,665	278,665	278,665	252,500	252,500
Sale of algae	-	-	-	-	-	562,500	750,186
Forfeited discounts	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Miscellaneous operating revenues	70,200	70,200	73,000	73,000	73,000	73,000	73,000
Investment income	40,000	40,000	39,278	43,139	50,260	40,108	36,571
Total Other Revenues	432,500	417,700	393,443	397,304	404,425	930,608	1,114,757
Other Sources of Funds							
Receivable from Electric Utility	-	114,365	-	-	-	-	-
Receivable from City	-	-	100,000	36,494	36,494	36,494	36,494
Equipment Replacement Funds	-	308,500	102,500	-	-	-	-
Debt financing	-	-	-	19,800,000	3,007,000	-	-
USDA grant funds	-	-	-	-	7,500,000	1,979,000	-
Total Other Sources	-	420,865	202,500	19,836,494	10,543,494	2,015,494	36,494
Total Sources of Funds	2,314,545	2,901,698	2,669,727	22,459,124	13,335,745	5,508,176	3,714,826
USES OF FUNDS							
Operation and maintenance	1,398,513	1,346,447	1,394,807	1,427,178	1,469,366	1,886,817	1,938,672
Debt service	546,532	546,532	407,549	407,373	1,091,062	889,500	889,500
Debt service reserve account	-	-	-	-	444,750	44,475	44,475
Equipment replacement account	-	-	-	-	-	351,200	351,200
Depreciation on meters	32,500	32,500	32,500	32,500	32,500	32,500	32,500
Capital additions							
WWTP Upgrade Engineering	-	900,000	900,000	-	-	-	-
WWTP Phosphorus Upgrade	-	-	-	18,000,000	10,507,000	1,979,000	-
Other Capital Additions	337,000	1,498,000	400,000	1,618,000	300,000	800,000	300,000
Total Uses of Funds	2,314,545	4,323,479	3,134,856	21,485,051	13,844,678	5,983,492	3,556,347
EXCESS REVENUES/(DEFICIENCY)	\$ (0)	\$ (1,421,781)	\$ (465,130)	\$ 974,073	\$ (508,933)	\$ (475,317)	\$ 158,479

Unrestricted Cash							
Beginning Cash	\$ 2,700,000	\$ 2,700,000	\$ 1,278,218	\$ 813,089	\$ 1,787,162	\$ 1,278,228	\$ 802,912
Ending Cash	\$ 2,700,000	\$ 1,278,218	\$ 813,089	\$ 1,787,162	\$ 1,278,228	\$ 802,912	\$ 961,390
Months of Unrestricted Cash on Hand	23	11	7	15	10	5	6
Investment Income 1.50%		\$ 29,837	\$ 15,685	\$ 19,502	\$ 22,990	\$ 15,609	\$ 13,232
Equipment Replacement Fund							
Beginning Cash	\$ 2,010,573	\$ 2,010,573	\$ 1,734,231	\$ 1,657,745	\$ 1,682,611	\$ 1,707,850	\$ 2,084,668
Investment earnings 1.50%		\$ 30,159	\$ 26,013	\$ 24,866	\$ 25,239	\$ 25,618	\$ 31,270
Ending Cash	\$ 2,010,573	\$ 1,734,231	\$ 1,657,745	\$ 1,682,611	\$ 1,707,850	\$ 2,084,668	\$ 2,467,138
Debt Reserve Account							
Beginning Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 444,750	\$ 489,225
Ending Cash	\$ -	\$ -	\$ -	\$ -	\$ 444,750	\$ 489,225	\$ 533,700
Total Cash and Investments	\$ 4,710,573	\$ 3,012,450	\$ 2,470,834	\$ 3,469,773	\$ 3,430,829	\$ 3,376,805	\$ 3,962,228