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Water Utility

**MEQUON MUNICIPAL WATER UTILITY COMMISSION**  
**Regular Meeting**  
**Monday, October 30, 2023**  
**6:30 PM**  
**Christine Nuernberg Hall**

**Agenda**

- 1) Call to Order, Roll Call
- 2) Approval of Meeting Minutes  
**Action requested: review and approve**
  - a. October 10, 2023, Minutes
- 3) Discussion and Possible Action
  - a. Request for the Reassignment of \$1,500,000 in Undesignated Cash Reserves to One-Time Capital Projects
  - b. Adoption of the Fiscal Year 2024 Mequon Water Utility Budget
  - c. Authorization to Purchase 250 Water Meters and Associated Appurtenances in an Amount Not-to-Exceed \$80,000
  - d. Authorization for the Mequon Water Utility to Exceed \$25,000 for the Purchases and/or Services from Core and Main, Etna Supply, Grunau, Mid-City, MJ Construction and Rozga to Complete Projects as Needed During Fiscal Year 2024
- 4) Adjourn

*Dated: October 30, 2023*

*/s/ Andrew Nerbun, Chair*

Notice is hereby given that a quorum of other governmental bodies may be present at this meeting to present, discuss and/or gather information about a subject over which they have decision-making responsibility, although they will not take formal action thereto at this meeting.

Persons with disabilities requiring accommodations for attendance at this meeting should contact the City Clerk's Office at 262-236-2914, twenty-four (24) hours in advance of the meeting.

Any questions regarding this agenda may be directed to the Public Works Office at 262-236-2913, Monday through Friday, 7:00 AM - 3:30 PM.



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Water Utility

**MEQUON MUNICIPAL WATER UTILITY COMMISSION**  
**Regular Meeting**  
**Tuesday, October 10, 2023**  
**7:30 PM**  
**Christine Nuernberg Hall**

**Minutes**

1) Call to Order, Roll Call

The meeting was called to order at 7:35 PM.

**Present:**

Commissioner Andrew Nerbun  
 Commissioner Kelly Tolocko  
 Commissioner Dale Mayr  
 Commissioner Jeffrey Hansher  
 Commissioner Gregg Bach  
 Commissioner Brian Parrish  
 Commissioner Kathleen Schneider  
 Commissioner William Gebhardt  
 Commissioner Robert Strzelczyk -- **Excused**

City Administrator Jones, Assistant City Administrator Schoenemann, City Attorney Sajdak, City Clerk Fochs, Director of Public Works/City Engineering Lundeen, Finance Director Engroff, Water Utility Supervisor Voigt, Police Chief Pryor, Administrative Assistant Schlereth, press and interested public.

2) Approval of Meeting Minutes

a. September 12, 2023, Minutes

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Hansher  
**SECONDED BY:** Commissioner Gebhardt

Attachment: 10-10-23 Water Minutes (8907 : October 10, 2023 Minutes)

**AYES:** Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt  
**NOT PRESENT:** Strzelczyk

3) Discussion Items

a. Authorization of Water Utility Leak Audit

Staff clarified that the audit includes all of the Mequon Water Utility, including the Villages of River Hills, Thiensville and Bayside.

**RESULT:** **Approved by Roll Call Vote [Unanimous]**  
**MOVED BY:** Commissioner Mayr  
**SECONDED BY:** Commissioner Hansher

**AYES:** Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt  
**NOT PRESENT:** Strzelczyk

b. Water Master Plan Adoption

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Parrish  
**SECONDED BY:** Commissioner Schneider

**AYES:** Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt  
**NOT PRESENT:** Strzelczyk

4) Adjourn

a. Motion to Adjourn at 7:40 PM

**RESULT:** **Approved by Voice Acclamation [Unanimous]**  
**MOVED BY:** Commissioner Mayr  
**SECONDED BY:** Commissioner Schneider

**AYES:** Nerbun, Tolocko, Mayr, Hansher, Bach, Parrish, Schneider, Gebhardt  
**NOT PRESENT:** Strzelczyk

Respectfully Submitted,

*Ren Schlereth*  
*Administrative Assistant*

Attachment: 10-10-23 Water Minutes (8907 : October 10, 2023 Minutes)



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Office of Mequon Municipal Water Utility Commission

**TO: Mequon Municipal Water Utility Commission**  
**FROM: Jim Voigt, Director of Operations**  
**DATE: October 30, 2023**  
**SUBJECT: Request for the Reassignment of \$1,500,000 in Undesignated Cash Reserves to One-Time Capital Projects**

**Background**

On October 27, 2022, the Water Utility Commission approved the Mequon Water Utility Financial Policy: Reserve Requirement. In short, this policy requires 80 percent of the current operating expenditure budget to be held in reserve, with a minimum required balance of \$2,000,000. Funds in excess of this amount can be appropriated as follows:

- One-time capital improvements/projects
- Debt abatement
- Other investments/programs that enhance efficiencies or reduce operating costs

**Analysis**

The table below indicates the estimated excess cash available for appropriation on January 1, 2024, as defined by the Reserve Requirement Policy. Staff estimates that there will be \$1,636,666 in excess cash available for appropriation.

<b>Cash/Cash Equivalents Balance 1/1/2024</b>	<b>\$ 5,400,342</b>
Less: Restricted Funds 2024	\$ (1,067,500)
Less: Capital Funding 12/31/2023	\$ (169,174)
Less: Reserve Policy 2024	\$ (2,527,002)
<b>Excess Cash Available for Appropriation 1/1/2024</b>	<b>\$ 1,636,666</b>

To the extent available after completing the 2023 financial statement audit, staff recommends appropriating \$1,500,000 in excess revenues to capital funding.

**Fiscal Impact**

The \$1,500,000 will be reassigned as shown in the following table. Funds will be allocated first to eliminate any deficit spending in capital fund accounts, and then based on prioritized capital projects within the 2023 Master Plan and the FY2024 Budget and Capital Plan. Funds will first be assigned to address the \$875k deficit in the Buried Utility Capital fund, which was caused by timing issues between expenditures and reimbursements for 2021 and 2022 Wisconsin Department of Transportation projects. The highest priority is given to the Betterment of Service Fund, in anticipation of completing a second connection with Milwaukee Water Works, followed by funding the Equipment Capital fund for replacement of a failing utility vehicle.

<b>Capital Fund</b>	<b>Estimated Fund Balance 12/31/2023</b>	<b>Excess Cash Appropriation</b>	<b>Fund Balance</b>
Water System Storage Capital	\$ 358,707	\$ -	\$ 358,707
Water Supply & Control Capital	\$ 167,550	\$ -	\$ 167,550
Water Meter Replacement Capital	\$ 215,424	\$ -	\$ 215,424
Water Buried Utility Capital	\$ (875,803)	\$ 900,000	\$ 24,197
Water Equipment Capital	\$ 28,254	\$ 100,000	\$ 128,254
Water Utility Finance Fund	\$ 20,319	\$ -	\$ 20,319
Water Betterment of Service	\$ 254,722	\$ 500,000	\$ 754,722
<b>Total Capital Funding</b>	<b>\$ 169,174</b>	<b>\$ 1,500,000</b>	<b>\$ 1,669,174</b>

**Recommendation**

Staff recommends that the Water Utility Commission review and adopt excess fund appropriation as shown.



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Office of Mequon Municipal Water Utility Commission

**TO: Mequon Municipal Water Utility Commission**  
**FROM: Jim Voigt, Director of Operations**  
**DATE: October 30, 2023**  
**SUBJECT: Adoption of the Fiscal Year 2024 Mequon Water Utility Budget**

### **Background**

The Mequon Water Utility (MWU) budget is administered separately from the City's general operating and capital budgets in accordance with the referendum and ordinance establishing the MWU. The following materials include a proposed 2024 budget for consideration and adoption by the Water Utility Commission (WUC).

### **Analysis**

The Water Utility budget is funded exclusively through user charges. The user charges fund annual operation and maintenance expenses, ongoing capital project needs, and debt service payments. A breakdown of the 2024 MWU budget is attached.

### *FY2023 Accomplishments*

The MWU manages, maintains, and operates the City's water mains, pressure reducing valves, booster stations, valves, hydrants, and other Utility infrastructure. In 2023, the MWU accomplished a number of objectives including:

- Between October 14<sup>th</sup>, 2022 and October 10<sup>th</sup>, 2023, the MWU has added 83 new customers. The Utility currently services 4,787 customers in Mequon, Thiensville, and Bayside.
- The MWU flushed 1,561 fire hydrants and exercised 599 valves.
- Completed 220 meter replacements. Staff will continue replacing meters to meet the 2023 goal of 250 meter replacements.
- The 2023 Mequon Water Utility Master Plan was completed and adopted.
- The Utility had several construction projects in 2023, including:
  - o Main Street and Freistadt Rd Extension in the Village of Thiensville
  - o River Hills service area expansion and The Grove development (ongoing)
  - o Enclave Phase VI in the City of Mequon
  - o Torrey Drive extension in the City of Mequon (ongoing)
  - o Cobalt Multifamily Project in the Village of Bayside (ongoing)

### *FY2024 Projects, Objectives, and Goals*

The following are projects or elements that will influence the 2024 budget.

- Complete the standard meter replacement program in 2024. The 2024 goal is 250 meter replacements.

- Continue installing water meters when new customers are added.
- Continue the annual hydrant flushing and valve exercising program for system maintenance. Valves are exercised every three years and hydrants are flushed every two years.
- There are several water main extension projects that are proposed for FY2024, including:
  - o Swan Ridge Farms and the associated second connection with Milwaukee Water Works (funded by contributed capital and Utility funds)
  - o Enclave Phase VII
  - o Eastbrook Place
- Contract with Asterra for satellite leak detection to reduce Non-Revenue Water in the system.

The Mequon Water Utility is in year two of a five-year management and operations contract with City Water LLC. As a part of the 2024 Mequon Water Utility Budget, City Water’s contract includes \$339,600 in base fees, \$36,000 in meter replacement labor, and a projected \$30,300 in miscellaneous additional services outside of the base contract. These fees are audited and distributed to various utility accounts as required by PSCW’s AB Utility Chart of Accounts.

**Fiscal Impact**

The proposed FY2024 Mequon Water Utility budget is attached to this memo. Numbers preceded by a negative sign (-) represent revenues and figures without a negative sign are presented as expenditures. In general, expenses remain consistent with previous years. Revenues are projected to increase with the recently approved purchased water adjustment, as well as continued customer growth. Continued customer growth has allowed the Utility to maintain a healthy net revenue without large rate increases. The chart below illustrates several of the Utility’s key charges over the past eight years. Notably, the average residential water bill has increased less than 3 percent since 2017.

	2017	2018	2019	2020	2021	2022	2023	2024
<b>Service Charge (quarterly)</b>	\$ 31.29	\$ 31.30	\$ 31.31	\$ 31.31	\$ 31.31	\$ 31.31	\$ 31.31	\$ 31.32
<b>Public Fire Charge (quarterly)</b>	\$ 30.28	\$ 30.29	\$ 30.29	\$ 30.29	\$ 30.29	\$ 30.29	\$ 30.29	\$ 30.15
<b>Volumetric (per 1,000 gallons)</b>	\$ 5.03	\$ 5.13	\$ 5.13	\$ 5.17	\$ 5.17	\$ 5.17	\$ 5.17	\$ 5.29

\*Quarterly charges are based on a 5/8-inch meter size

- **Water Service Charge:** Fixed charge based on capacity of service and maintenance of the water system; determined by meter size.
- **Public Fire Protection Charge:** Fixed charge based on the additional costs and capacity that are needed to provide adequate capacity to fight a fire; determined by meter size.
- **Water Volume Charge:** Variable charge based on the number of gallons of water used during the quarterly billing period.

<b>Cash Flow Analysis</b>	<b>2022 Actual</b>	<b>2023 Budgeted</b>	<b>2023 Projected</b>	<b>2024 Proposed</b>
<b>Cash/Cash Equivalents Balance 1/1</b>	<b>\$ 4,110,525</b>	<b>\$ 5,980,411</b>	<b>\$ 5,555,921</b>	<b>\$ 5,400,342</b>
Net Income	\$ 2,021,437	\$ 870,501	\$ 948,427	\$ 826,482
Plus: Depreciation	\$ 670,556	\$ 670,000	\$ 720,000	\$ 730,000
Less: Debt Payments	\$ (935,000)	\$ (970,000)	\$ (970,000)	\$ (1,010,000)
Less: Capital Projects	\$ (224,362)	\$ (867,000)	\$ (766,771)	\$ (685,000)
Less: Amort on Bond Premium	\$ (87,235)	\$ (87,235)	\$ (87,235)	\$ (87,235)
Net Change in Cash/Cash Equivalents	\$ 1,445,396	\$ (383,734)	\$ (155,579)	\$ (225,753)
<b>Cash/Cash Equivalents Balance 12/31</b>	<b>\$ 5,555,921</b>	<b>\$ 5,596,677</b>	<b>\$ 5,400,342</b>	<b>\$ 5,174,589</b>
Restricted for Bond Covenant	\$ 1,403,722	\$ 1,161,000	\$ 1,161,000	\$ 1,067,500
Reserved for Capital Projects	\$ 435,945	\$ 133,030	\$ 169,174	\$ 1,384,174
80% Cash Reserve Requirement	\$ 2,293,232	\$ 2,346,227	\$ 2,449,606	\$ 2,527,002
<b>Unassigned 12/31</b>	<b>\$ 1,423,022</b>	<b>\$ 1,956,420</b>	<b>\$ 1,620,562</b>	<b>\$ 195,913</b>

### **Recommendation**

Staff recommends that the Water Utility Commission review and adopt the FY2024 budget.

#### Attachments:

Exhibit A - Water Capital Project Budget (PDF)

Exhibit B - 2024 Water Operations Budget (PDF)

Exhibit C - 2024 Water Operations Budget Detail (PDF)

## WATER CAPITAL PROJECT BUDGET

Capital projects for the Water Utility are system improvements and replacements outside of the normal operation and maintenance of the system. These projects typically are defined by their cost (>\$5,000), increased lifespan (1 year or more), and overall benefit to the system. Additionally, unlike maintenance and operation, which applies to the current utility infrastructure in place, capital projects usually involve the addition of new infrastructure to the system. Due to the singular nature of capital projects and the cost associated with them, proper planning and funding is required to reduce large increases in annual budget demands. Therefore, the Mequon Water Utility provides self-funding for capital expenditures based on a combination of user charges, developer fees, and connection fees for new customers. This allows large capital projects to be planned and funded without drastic changes in the annual budget, large scale borrowing, or changes to water rates.

Prior to 2017, the Utility was unable to self-fund capital projects. In the early years of utility ownership, the bond covenant and the revenue bond payments severely limited the Utility's ability to properly plan and fund system improvements and replacements. However, during the first twelve years of ownership the Mequon Water Utility was steadily growing through new developments in Mequon, Bayside and Thiensville. These projects increased the size of the water utility by roughly 50% (just under 3,000 customers in 2009 to approximately 4,728 customers in 2022). In 2017, the Utility refinanced its revenue bonds, and based on the reduced principal payments and increased customer counts, the utility has the financial ability to self-fund capital reserves.

**Table 1 – History of Self-Funded Capital Budgets**

	2018	2019	2020	2021	2022	2023
Total Self-Funding Capital	\$150,000	\$150,000	\$200,000	\$300,000	\$400,000	\$500,000

The Mequon Water Utility was started in the late 1990's. Initially, the Utility was a composite of several earlier private subdivision well systems that interconnected and formed a public utility. As such, the age of the utility is beyond 20 years old. As the utility ages, components of the system will approach the end of their predicted life span or may have outlived their effectiveness. The utility is also continuously growing as existing subdivisions convert from private wells systems to public water, or new subdivisions are developed and connected. Due to the combination of these factors, the utility is entering an era where large scale capital projects, as identified in the master plan, will be needed to secure additional supply, redundancy, improved service, or meet regulations for the growing utility.

## WATER CAPITAL PROJECT BUDGET

Table 2 shows the 2024–2028 self-funding capital breakdown.

**Table 2 – Self-Funded Capital Budgets**

Account Name	2024	2025	2026	2027	2028
1. System Storage	\$-	\$-	\$-	\$-	\$-
2. System Supply & Control	\$100,000	\$50,000	\$-	\$-	\$-
3. Water Meter Replacement	\$-	\$100,000	\$100,000	\$100,000	\$75,000
4. Buried Utility Plant	\$300,000	\$100,000	\$100,000	\$100,000	\$75,000
5. Equipment Replacement	\$-	\$10,000	\$10,000	\$10,000	\$10,000
6. Utility Finance	\$-	\$5,000	\$5,000	\$5,000	\$-
7. Betterment of Service	\$-	\$200,000	\$280,000	\$290,000	\$360,000
<b>TOTALS</b>	<b>\$400,000</b>	<b>\$465,000</b>	<b>\$495,000</b>	<b>\$505,000</b>	<b>\$520,000</b>

While the self-funded capital accounts are established as sinking funds to provide for level budgeting and long-term funding, the water utility has identified several specific projects that would utilize the funding. For some projects, the account will require funding over a multi-year budget cycle to achieve sufficient funding. The scale or proportion of funding established for each individual account is intended to match the priority and need for the water utility.

### 1. System Storage

The System Storage Fund is a sinking fund utilized to maintain existing storage facilities throughout the system. Currently there are 4 storage facilities in the Utility, which require regular scheduled inspections, repairs and painting. Furthermore, this fund incorporates proactive engineering and planning to potentially include additional storage as the Utility grows.

Prioritized projects include:

- Water Tower Improvements - \$550,000
- Existing Ground Reservoir Abandonments (three total)
  - Mequon Industrial Business Park - \$80,000
  - Whitman Place - \$40,000
  - Ville du Parc - \$40,000

### 2. System Supply & Control Fund

The System Supply and Control Fund is a sinking fund utilized to upgrade, install, and expand SCADA (System Control And Data Acquisition) equipment in the utility. Also included are improvements or additions to supply sources, equipment, or facilities. Long term projects and priorities revolve around ensuring the Mequon Water Utility can supply peak day demand to customers. Per NR 811.26, “[...] If more than 2 [pumping] units are installed, the total number of units shall have sufficient capacity so that if any one pump is taken out of service, the remaining pumps are capable of supplying the peak demand.” In MWU’s situation, pumping units are considered to be sources of supply as the Utility purchases all of its water. Currently, the firm water supply is sufficient to meet maximum day demands. However, if the MWW supply was out of service due to an emergency, all

## WATER CAPITAL PROJECT BUDGET

water for the high- and medium-pressure districts would need to be supplied by the booster pump on Port Washington Road. The Utility contractually meets the current peak day demand, however there are hydraulic limitations to providing water from the Port Washington Road booster station to the high-pressure zone for an extended period of time.

Prioritized projects include:

- Second Milwaukee Meter Pit - \$150,000
- SCADA Modifications - \$50,000
- NSWC Booster Revision - \$50,000

### 3. Water Meter Replacement Fund

The PSCW requires water utilities to replace residential water meters once every 20 years. Based on the utility growth – which started in 1998, the utility has been replacing water meters annually for several years. While the exact number of meters to replace varies yearly, a general estimation of 5% of the system per year gives a useful approximation of the scale and number of meters. For the next 5-year span, the approximate number of meters needing to be replaced every year is 250.

Prioritized projects include:

- 250 Meter Replacement per year - \$75-85,000 per year

### 4. Buried Utility Plant Fund

The buried Utility Plant Fund incorporates replacement and maintenance of all aging infrastructure that fails in the field. Examples include copper water laterals, water valves, auxiliary valves, and hydrants, along with scheduled water main replacements. It is more difficult to establish a prioritization list within this fund, due to the various types of infrastructure involved and the differing replacement/repair options for each infrastructure. Additionally, the prioritization list could fluctuate heavily from year to year as additional valves, and hydrants are identified for repair during the yearly flushing and exercising program.

Prioritized projects include:

- Hydrant Replacement (per year) - \$40,000
- Valve Replacement (per year) - \$40,000

### 5. Equipment Fund

The Equipment Fund is a sinking fund utilized to upgrade and replace water utility equipment. Examples include Utility Truck/Van, Dump Truck, significant tools, or analyzers. By nature of the equipment, this is a difficult fund to budget and prioritize purchases, as often equipment has no estimated lifespan and may simply quit working, requiring a fairly urgent replacement and repair.

Prioritized projects include:

- Replace 801 (2006 KUV Utility Van with 135,000 Miles) with new Utility Truck - \$80,000

## WATER CAPITAL PROJECT BUDGET

### 6. Utility Finance Fund

The Utility Finance Fund is a sinking fund to upgrade, install, and expand software and equipment utilized to collect meter readings and bill the utility customers. Because of the scale of efforts needed to implement changes related to meter reading collection and billing, there are typically few major projects or changes related to this fund. Most changes are related to maintenance of the existing system and upgrading/repairing the existing functions and capabilities. However, given that the Utility is pursuing a meter replacement program, some thought should be given to changing or replacing the existing metering and billing system to better serve customers in the future (once a significant portion of the meters have been replaced).

Prioritized projects include:

- Migration to AMI Metering System - \$400,000

### 7. Betterment of Service Fund

The Betterment of Service (BOS) Fund is a sinking fund utilized to upgrade, install, and expand the utility plant with projects that benefit ALL customers of the system, but may not have a specific “sponsor” or “development” with which it serves. This improvement can be in quantity, quality, or reliability of water service, or any other sufficient reason. The two best examples of these projects include water main system loops and water quality loops.

Prioritized projects include:

- Buntrock Avenue Loop - \$587,000 (2023 payment due to Thiensville)
- Swan Ridge Subdivision Main Upsizing - \$300,000
- Second Milwaukee Connection Loop - \$1,000,000
- Hidden River Condos Loop - \$220,000
- Mequon Road (River to Riverland) Loop - \$495,000
- Stonefields V Subdivision Loop - \$230,000
- Lac de Cours Loop - \$100,000
- Columbia Creek Subdivision Loop - \$420,000
- Hidden Reserve & Gebhardt Farms Loop - \$260,000

## WATER CAPITAL PROJECT BUDGET

The annual budget process establishes the total capital funding allowed and allocates those funds among the various accounts. The expenditure of those capital funds follows the City's procurement policy, generally requiring Water Utility Commission authorization. While staff will work according to the prioritization of projects below, the Water Utility Commission ultimately controls which projects will be awarded on an annual basis.

**Table 3 – 5-Year Project Plan**

	2024	2025	2026	2027	2028
<b>System Storage Fund Subtotal</b>	\$ -	\$ -	\$ -	\$ -	\$ -
No Planned Projects					
<b>System Supply and Control Fund</b>	\$ 150,000	\$ 50,000	\$ -	\$ -	\$ -
Second MWW Meter Vault	\$ 150,000				
SCADA Improvements		\$ 50,000			
<b>Water Meter Replacement Fund Subtotal</b>	\$ 80,000	\$ 80,000	\$ 85,000	\$ 90,000	\$ 95,000
250 Meter Replacements	\$ 80,000	\$ 80,000	\$ 85,000	\$ 90,000	\$ 95,000
<b>Buried Utility Plant Fund Subtotal</b>	\$ 75,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 100,000
Hydrant/Valve/Service Replacements	\$ 75,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 100,000
<b>Equipment Fund Subtotal</b>	\$ 80,000	\$ -	\$ -	\$ -	\$ -
801 Replacement	\$ 80,000				
<b>Utility Finance Fund Subtotal</b>	\$ -	\$ -	\$ -	\$ -	\$ -
No planned projects					
<b>Betterment of Service Fund Subtotal</b>	\$ 300,000	\$ -	\$ -	\$ -	\$ 1,000,000
Swan Ridge Subdivision	\$ 300,000				
Second MWW Connection Loop					\$ 1,000,000
<b>Capital Expenses Total</b>	<b>\$ 685,000</b>	<b>\$ 210,000</b>	<b>\$ 165,000</b>	<b>\$ 170,000</b>	<b>\$ 1,195,000</b>

Accumulation of capital funds allows for level funding and minimizes fluctuations in user rates. Some capital projects require large scale funding and several years' worth of funding prior to utilization of the funds.

WATER CAPITAL PROJECT BUDGET

Table 4 - Cash Flow Analysis – Approved Capital Budget

	2023	2024	2025	2026	2027	2028
Funds Available (Jan. 1)	\$ 435,945	\$1,669,174	\$1,384,174	\$1,639,174	\$1,969,174	\$2,304,174
Capital Revenue	\$ 500,000	\$ 400,000	\$ 465,000	\$ 495,000	\$ 505,000	\$ 520,000
Total Construction Funds Available	\$ 935,945	\$2,069,174	\$1,849,174	\$2,134,174	\$2,474,174	\$2,824,174
Expenses	\$ 766,771	\$ 685,000	\$ 210,000	\$ 165,000	\$ 170,000	\$1,195,000
End of Year Balance	\$ 169,174	\$1,384,174	\$1,639,174	\$1,969,174	\$2,304,174	\$1,629,174

Attachment: Exhibit A - Water Capital Project Budget (8898 : Proposed FY 2024 Water Utility Budget)

NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

ACCOUNTS FOR:		2022	2023	2023	2023	2023	2024	
Water UT Fund		ACTUAL	ORIG BUD	REVISED BUD	ACTUAL	PROJECTION	DEPT HEAD	COMMENT
620679	Water UT Operations							
58	OTHER REVENUE							
620679	458203 Amort - BP	-87,234.94	-87,235.00	-87,235.00	.00	-87,235.00	-87,235.00	
	TOTAL OTHER REVENUE	-87,234.94	-87,235.00	-87,235.00	.00	-87,235.00	-87,235.00	
59	INVESTMENT REVENUE							
620679	459101 Interest	32,872.48	-60,000.00	-60,000.00	-175,640.10	-230,000.00	-135,000.00	
	TOTAL INVESTMENT REVENUE	32,872.48	-60,000.00	-60,000.00	-175,640.10	-230,000.00	-135,000.00	
62	WATER - SALES							
620679	462401 Water Res	-1,222,943.04	-1,260,000.00	-1,260,000.00	-1,096,178.09	-1,290,000.00	-1,301,000.00	
620679	462402 Water Com	-484,307.60	-484,000.00	-484,000.00	-412,118.87	-484,000.00	-498,000.00	
620679	462403 Water Ind	.00	.00	.00	.00	.00	.00	
620679	462404 Water PA	-25,055.09	-20,000.00	-20,000.00	-16,617.57	-20,000.00	-22,000.00	
620679	462405 Water MF	-147,557.14	-145,000.00	-145,000.00	-121,167.26	-145,000.00	-149,000.00	
620679	462406 Water IRR	-76,096.57	-83,000.00	-83,000.00	-69,895.81	-83,000.00	-85,000.00	
620679	462411 ResSrvChg	-576,690.93	-580,000.00	-580,000.00	-436,633.11	-583,000.00	-599,000.00	
620679	462412 ComSrvChg	-102,939.43	-104,000.00	-104,000.00	-78,001.09	-104,000.00	-107,000.00	
620679	462413 IndSrvChrg	.00	.00	.00	.00	.00	.00	
620679	462414 PubAuthSrv	-8,205.59	-8,000.00	-8,000.00	-6,523.74	-8,000.00	-8,000.00	
620679	462415 MultFamCrg	-20,816.03	-21,000.00	-21,000.00	-15,635.88	-21,000.00	-21,000.00	
620679	462416 IrrSrvChrg	-12,274.13	-12,500.00	-12,500.00	-9,798.00	-12,500.00	-12,500.00	
620679	462462 Priv Fire	-57,924.64	-58,000.00	-58,000.00	-46,190.74	-59,000.00	-59,000.00	
620679	462463 Pub Fire	-763,438.36	-770,000.00	-770,000.00	-578,326.17	-772,000.00	-794,000.00	
620679	462465 OthSales	.00	.00	.00	.00	.00	.00	
	TOTAL WATER - SALES	-3,498,248.55	-3,545,500.00	-3,545,500.00	-2,887,086.33	-3,581,500.00	-3,655,500.00	
63	WATER - OTHER OPERAT							
620679	463701 LatePnlty	-9,460.45	-10,500.00	-10,500.00	-9,382.17	-11,400.00	-10,500.00	
620679	463702 TaxCertFee	-4,570.13	-3,250.00	-3,250.00	31.68	-4,500.00	-4,000.00	
620679	463772 WtrRents	-79,989.56	-87,000.00	-87,000.00	-40,585.84	-80,000.00	-80,000.00	
620679	463774 WaterOCR	-3,102.06	-4,800.00	-4,800.00	-2,787.36	-10,800.00	-8,000.00	
	TOTAL WATER - OTHER OPERAT	-97,122.20	-105,550.00	-105,550.00	-52,723.69	-106,700.00	-102,500.00	
64	WATER - NON OPERATIN							
620679	464421 Non-Op Inc	-3,861.75	-5,000.00	-5,000.00	2,517.81	-5,000.00	-5,000.00	
620679	465421 ContrCap	-1,722,521.62	-100,000.00	-100,000.00	35,714.25	-1,000,000.00	-500,000.00	

Attachment: Exhibit B - 2024 Water Operations Budget (8898 : Proposed FY 2024 Water Utility Budget)

NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS

PROJECTION: 624 2024 SEWER AND WATER UTILITY BUDGETS FOR PERIOD 99

ACCOUNTS FOR:		2022	2023	2023	2023	2023	2024	
Water	UT Fund	ACTUAL	ORIG BUD	REVISED BUD	ACTUAL	PROJECTION	DEPT HEAD	COMMENT
TOTAL WATER - NON OPERATIN		-1,726,383.37	-105,000.00	-105,000.00	38,232.06	-1,005,000.00	-505,000.00	
65	SOURCE OF SUPPLY EXP							
620679	602001 PurchWater	971,658.77	950,000.00	950,000.00	996,000.00	1,050,000.00	1,000,000.00	
620679	614001 wellSpring	.00	18,000.00	18,000.00	.00	.00	.00	
TOTAL SOURCE OF SUPPLY EXP		971,658.77	968,000.00	968,000.00	996,000.00	1,050,000.00	1,000,000.00	
66	PUMPING EXPENSES							
620679	620001 PumpSupEng	2,550.00	2,640.00	2,640.00	3,500.00	3,000.00	3,000.00	
620679	623001 PumpPower	6,682.35	10,500.00	10,500.00	7,636.67	10,500.00	15,000.00	
620679	626003 Misc Pump	1,012.64	2,000.00	2,000.00	915.42	2,000.00	2,000.00	
620679	631003 Maint of S	3,021.00	9,000.00	9,000.00	5,936.78	9,000.00	11,000.00	
620679	633001 Pump Labor	3,003.21	4,500.00	4,500.00	3,500.95	4,500.00	4,500.00	
620679	633002 PumpMat	.00	.00	.00	.00	.00	.00	
620679	633003 PumpExp	422.14	2,000.00	2,000.00	.00	.00	32,000.00	
TOTAL PUMPING EXPENSES		16,691.34	30,640.00	30,640.00	21,489.82	29,000.00	67,500.00	
67	TRANS & DISTRIBUTION							
620679	660001 T&DSupEng	51,953.63	62,143.00	62,143.00	20,700.00	26,000.00	63,000.00	
620679	661001 Stor Labor	2,779.23	2,500.00	2,500.00	6,263.89	9,000.00	2,500.00	
620679	662001 T&DLabor	100,381.13	90,000.00	90,000.00	89,234.12	120,000.00	105,000.00	
620679	662002 T&DMat	1,879.48	3,000.00	3,000.00	3,245.20	3,000.00	3,000.00	
620679	662003 T&DExp	29,623.86	80,000.00	80,000.00	106,947.49	100,000.00	80,000.00	
620679	663001 MeterLabor	52,508.14	40,000.00	40,000.00	33,321.05	40,000.00	55,000.00	
620679	663002 MeterMat	.00	500.00	500.00	.00	500.00	500.00	
620679	663003 MeterExp	.00	500.00	500.00	300.00	500.00	500.00	
620679	664001 CustInsLab	13,096.31	20,000.00	20,000.00	6,340.90	8,000.00	20,000.00	
620679	664002 CustInsMat	.00	.00	.00	.00	.00	.00	
620679	664003 CustInsExp	2,237.56	2,500.00	2,500.00	3,942.42	2,000.00	2,500.00	
620679	665001 Misc Labor	1,059.14	5,000.00	5,000.00	763.58	3,000.00	4,000.00	
620679	665002 Misc Mat	2,022.01	3,000.00	3,000.00	2,016.04	5,000.00	4,000.00	
620679	670001 Maint Sup	25,335.00	26,400.00	26,400.00	18,900.00	26,400.00	27,000.00	
620679	672001 MaintRes	2,884.58	10,000.00	10,000.00	2,812.35	6,000.00	10,000.00	
620679	672002 ResMateria	.00	.00	.00	.00	.00	.00	
620679	672003 ResExpense	.00	15,000.00	15,000.00	.00	.00	40,000.00	
620679	673001 MaintMains	34,260.61	21,165.00	21,165.00	16,605.09	15,000.00	25,000.00	
620679	673002 MainsMat	15,522.00	25,000.00	25,000.00	12,631.60	20,000.00	25,000.00	
620679	673003 MainExp	39,102.40	40,000.00	40,000.00	38,347.44	40,000.00	40,000.00	
620679	675001 MaintServ	26,271.03	50,000.00	50,000.00	23,737.10	50,000.00	50,000.00	
620679	675002 ServiceMat	17,353.70	15,000.00	15,000.00	10,319.32	15,000.00	15,000.00	
620679	675003 ServiceExp	2,237.56	5,000.00	5,000.00	7,542.41	7,000.00	7,000.00	

Attachment: Exhibit B - 2024 Water Operations Budget (8898 : Proposed FY 2024 Water Utility Budget)

**NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS**

PROJECTION: 624 2024 SEWER AND WATER UTILITY BUDGETS FOR PERIOD 99

ACCOUNTS FOR:			2022	2023	2023	2023	2023	2024	
Water	UT	Fund	ACTUAL	ORIG BUD	REVISED BUD	ACTUAL	PROJECTION	DEPT HEAD	COMMENT
620679	676001	MaintMeter	2,445.82	3,500.00	3,500.00	1,177.45	3,500.00	3,500.00	
620679	676002	MetersMat	.00	800.00	800.00	.00	800.00	1,000.00	
620679	676003	MetersExp	214.26	300.00	300.00	600.00	1,000.00	1,000.00	
620679	677001	MainHyd	13,095.47	18,000.00	18,000.00	10,592.22	18,000.00	18,000.00	
620679	677002	HydrantMat	2,675.66	13,000.00	13,000.00	25,346.36	13,000.00	14,000.00	
620679	677003	HydrantExp	5,885.59	5,000.00	5,000.00	.00	5,000.00	5,000.00	
<b>TOTAL TRANS &amp; DISTRIBUTION</b>			<b>444,824.17</b>	<b>557,308.00</b>	<b>557,308.00</b>	<b>441,686.03</b>	<b>537,700.00</b>	<b>621,500.00</b>	
68	<b>CUSTOMER ACCOUNTS EX</b>								
620679	901001	CustAccSup	70,673.83	72,843.00	72,843.00	57,271.78	65,000.00	77,040.81	
620679	902001	MetReadLab	11,595.17	10,000.00	10,000.00	7,668.42	10,000.00	10,000.00	
620679	902002	MetReadMat	.00	.00	.00	.00	.00	.00	
620679	902003	MetReadExp	9,297.50	6,930.00	6,930.00	17,000.00	27,000.00	27,000.00	
620679	903001	AcctLabor	33,435.73	40,111.00	40,111.00	4,500.00	40,000.00	37,800.00	
620679	903002	AcctMat	7,489.56	9,000.00	9,000.00	7,816.87	8,200.00	8,000.00	
620679	903003	AcctExp	377.80	475.00	475.00	285.00	350.00	400.00	
620679	904001	UncollAcct	.00	.00	.00	.00	.00	.00	
620679	906001	CustomerEd	7,500.00	7,920.00	7,920.00	6,300.00	8,000.00	9,000.00	
<b>TOTAL CUSTOMER ACCOUNTS EX</b>			<b>140,369.59</b>	<b>147,279.00</b>	<b>147,279.00</b>	<b>100,842.07</b>	<b>158,550.00</b>	<b>169,240.81</b>	
69	<b>PROJECT FUNDING</b>								
620679	469009	TransferIn	.00	.00	.00	.00	.00	.00	
<b>TOTAL PROJECT FUNDING</b>			<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	<b>.00</b>	
73	<b>FRINGE BENEFITS</b>								
620679	673101	Social Sec	4,556.50	4,708.00	4,708.00	3,685.97	3,950.00	4,826.00	
620679	673102	Retirement	4,096.27	4,545.00	4,545.00	3,527.41	3,850.00	4,735.00	
620679	673103	WC Ins	1,215.12	1,075.00	1,075.00	1,172.08	1,175.00	1,182.00	
620679	673201	Health Ins	19,518.67	23,196.00	23,196.00	16,917.61	21,000.00	25,666.00	
620679	673202	Dental Ins	759.53	1,018.00	1,018.00	763.29	950.00	1,018.00	
620679	673203	Life Insur	111.60	86.00	86.00	82.89	95.00	145.00	
620679	673204	Disability	259.95	300.00	300.00	233.56	280.00	300.00	
<b>TOTAL FRINGE BENEFITS</b>			<b>30,517.64</b>	<b>34,928.00</b>	<b>34,928.00</b>	<b>26,382.81</b>	<b>31,300.00</b>	<b>37,872.00</b>	
76	<b>ADMIN &amp; GENERAL EXP</b>								
620679	676205	OPEB Pen	28,014.00	.00	.00	.00	.00	.00	
620679	920001	Adm/Gensal	138,530.04	102,024.00	102,024.00	22,471.60	105,000.00	145,750.00	
620679	921001	OffSupp	202.35	5,000.00	5,000.00	186.00	500.00	2,500.00	
620679	923001	OutService	25,081.21	13,900.00	13,900.00	11,233.33	15,000.00	50,000.00	
620679	924001	PropIns	5,687.74	4,200.00	4,200.00	3,113.48	7,800.00	5,600.00	

Attachment: Exhibit B - 2024 Water Operations Budget (8898 : Proposed FY 2024 Water Utility Budget)

**NEXT YEAR / CURRENT YEAR BUDGET ANALYSIS**

PROJECTION: 624      2024 SEWER AND WATER UTILITY BUDGETS      FOR PERIOD 99

ACCOUNTS FOR:			2022	2023	2023	2023	2023	2024	
Water UT Fund			ACTUAL	ORIG BUD	REVISED BUD	ACTUAL	PROJECTION	DEPT HEAD	COMMENT
620679	925003	Inj & Dama	.00	.00	.00	.00	.00	.00	
620679	926007	Train Sem	.00	1,500.00	1,500.00	.00	.00	1,500.00	
620679	928001	RegCommExp	8,124.66	15,000.00	15,000.00	16,000.00	15,000.00	15,000.00	
620679	930001	MiscGenExp	5,790.00	38,960.00	38,960.00	33,154.99	50,000.00	10,000.00	
620679	931001	RentalCost	18,050.00	19,862.00	19,862.00	.00	18,050.00	18,050.00	
TOTAL ADMIN & GENERAL EXP			229,480.00	200,446.00	200,446.00	86,159.40	211,350.00	248,400.00	
95	OPERATING EXPENSES								
620679	696601	TaxesPaid	.00	.00	.00	.00	.00	.00	
TOTAL OPERATING EXPENSES			.00	.00	.00	.00	.00	.00	
96	NON-OPERATING EXPENS								
620679	696121	DeprExp	670,556.00	670,000.00	670,000.00	.00	720,000.00	730,000.00	
620679	696204	Amort Bond	.00	.00	.00	.00	.00	.00	
620679	696401	Principal	.00	.00	.00	.00	.00	.00	
620679	696501	Interest	362,441.96	323,708.00	323,708.00	100,124.18	323,708.00	283,840.00	
620679	696502	WtrDebtSrv	.00	475.00	475.00	400.00	400.00	400.00	
620679	696701	IntMunAdv	.00	.00	.00	.00	.00	.00	
TOTAL NON-OPERATING EXPENS			1,032,997.96	994,183.00	994,183.00	100,524.18	1,044,108.00	1,014,240.00	
TOTAL Water UT Operations			-2,509,577.11	-970,501.00	-970,501.00	-1,304,133.75	-1,948,427.00	-1,326,482.19	
TOTAL Water UT Fund			-2,509,577.11	-970,501.00	-970,501.00	-1,304,133.75	-1,948,427.00	-1,326,482.19	
TOTAL REVENUE			-5,376,116.58	-3,903,285.00	-3,903,285.00	-3,077,218.06	-5,010,435.00	-4,485,235.00	
TOTAL EXPENSE			2,866,539.47	2,932,784.00	2,932,784.00	1,773,084.31	3,062,008.00	3,158,752.81	
GRAND TOTAL			-2,509,577.11	-970,501.00	-970,501.00	-1,304,133.75	-1,948,427.00	-1,326,482.19	

\*\* END OF REPORT - Generated by Marie Keyser \*\*

Attachment: Exhibit B - 2024 Water Operations Budget (8898 : Proposed FY 2024 Water Utility Budget)

DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	458203 0620-10-679-000-458203-	Amort - Bond Premium	-87,235.00	-87,235.00	-87,235.00	.00
620679	459101 0620-10-679-000-459101-	Interest-Investments	-60,000.00	-230,000.00	-135,000.00	125.00
620679	462401 0620-10-679-000-462401-	Metered Residential Sales	-1,260,000.00	-1,290,000.00	-1,301,000.00	3.25
			1.00	1,301,000.00	-1,301,000.00	
620679	462402 0620-10-679-000-462402-	Metered Commercial Sales	-484,000.00	-484,000.00	-498,000.00	2.89
			1.00	498,000.00	-498,000.00	
620679	462403 0620-10-679-000-462403-	Metered Industrial Sales	.00	.00	.00	.00
620679	462404 0620-10-679-000-462404-	Metered Public Authority Sales	-20,000.00	-20,000.00	-22,000.00	10.00
			1.00	22,000.00	-22,000.00	
620679	462405 0620-10-679-000-462405-	Metered Multi-Family sales	-145,000.00	-145,000.00	-149,000.00	2.76
			1.00	149,000.00	-149,000.00	
620679	462406 0620-10-679-000-462406-	Metered Irrigation sales	-83,000.00	-83,000.00	-85,000.00	2.41
			1.00	85,000.00	-85,000.00	
620679	462411 0620-10-679-000-462411-	Residential Service Charge	-580,000.00	-583,000.00	-599,000.00	3.28
			1.00	599,000.00	-599,000.00	
620679	462412 0620-10-679-000-462412-	Commercial Service Charge	-104,000.00	-104,000.00	-107,000.00	2.88
			1.00	107,000.00	-107,000.00	
620679	462413 0620-10-679-000-462413-	Industrial Service Charge	.00	.00	.00	.00
620679	462414 0620-10-679-000-462414-	Public Authority Service Chrg	-8,000.00	-8,000.00	-8,000.00	.00
			1.00	8,000.00	-8,000.00	
620679	462415 0620-10-679-000-462415-	Multi Family Service Charge	-21,000.00	-21,000.00	-21,000.00	.00
			1.00	21,000.00	-21,000.00	

Attachment: Exhibit C - 2024 Water Operations Budget Detail (8898 : Proposed FY 2024 Water Utility

DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	462416	Irrigation Service Charge	-12,500.00	-12,500.00	-12,500.00	.00
	0620-10-679-000-462416-					
			1.00	12,500.00	-12,500.00	
620679	462462	Private Fire Protection	-58,000.00	-59,000.00	-59,000.00	1.72
	0620-10-679-000-462462-					
			1.00	59,000.00	-59,000.00	
620679	462463	Public Fire Protection	-770,000.00	-772,000.00	-794,000.00	3.12
	0620-10-679-000-462463-					
			1.00	794,000.00	-794,000.00	
620679	462465	Other Sales of Water	.00	.00	.00	.00
	0620-10-679-000-462465-					
620679	463701	Late Penalty Revenue	-10,500.00	-11,400.00	-10,500.00	.00
	0620-10-679-000-463701-					
			1.00	10,500.00	-10,500.00	
620679	463702	Tax Certification Fees	-3,250.00	-4,500.00	-4,000.00	23.08
	0620-10-679-000-463702-					
			1.00	4,000.00	-4,000.00	
620679	463772	Water Rents / Cell Leases	-87,000.00	-80,000.00	-80,000.00	-8.05
	0620-10-679-000-463772-					
	US Cellular		1.00	40,000.00	-40,000.00	
	T Mobile		1.00	40,000.00	-40,000.00	
620679	463774	Water Other Customer Rev	-4,800.00	-10,800.00	-8,000.00	66.67
	0620-10-679-000-463774-					
			1.00	8,000.00	-8,000.00	
620679	464421	Misc Non-Operating Income	-5,000.00	-5,000.00	-5,000.00	.00
	0620-10-679-000-464421-					
620679	465421	Capital Contributions	-100,000.00	-1,000,000.00	-500,000.00	400.00
	0620-10-679-000-465421-					
	Contributed Capital Contributions		1.00	500,000.00	-500,000.00	
	Swan Ridge Farms					
	Swan Road Meter Vault					
	Enclave VII					
620679	469009	Transfers In	.00	.00	.00	.00
	0620-10-679-000-469009-					
620679	602001	Purchased Water	950,000.00	1,050,000.00	1,000,000.00	5.26
	0620-10-679-000-602001-					
	Milwaukee Water works		1.00	750,000.00	750,000.00	
	North Shore Water		1.00	250,000.00	250,000.00	

Attachment: Exhibit C - 2024 Water Operations Budget Detail (8898 : Proposed FY 2024 Water Utility

DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	614001	Maintenance of wells/Springs	18,000.00	.00	.00	-100.00
	0620-10-679-000-614001-	Abandonment of MBP 1 well	1.00	.00	.00	
620679	620001	Pumping Superv & Engineering	2,640.00	3,000.00	3,000.00	13.64
	0620-10-679-000-620001-	City Water Management Contract	12.00	250.00	3,000.00	
620679	623001	Electric/Power For Pumping	10,500.00	10,500.00	15,000.00	42.86
	0620-10-679-000-623001-		1.00	15,000.00	15,000.00	
620679	626003	Miscellaneous Pumping Expenses	2,000.00	2,000.00	2,000.00	.00
	0620-10-679-000-626003-		1.00	2,000.00	2,000.00	
620679	631003	Maint of Structures	9,000.00	9,000.00	11,000.00	22.22
	0620-10-679-000-631003-		1.00	11,000.00	11,000.00	
620679	633001	Maintenance of Pump Equip	4,500.00	4,500.00	4,500.00	.00
	0620-10-679-000-633001-	City Water Operations Contract	1.00	4,500.00	4,500.00	
620679	633002	Maint of Pump Equip Materials	.00	.00	.00	.00
	0620-10-679-000-633002-					
620679	633003	Maint of Pump Equip Expenses	2,000.00	.00	32,000.00	1,500.00
	0620-10-679-000-633003-		1.00	32,000.00	32,000.00	
620679	660001	T&D Supervision & Engineering	62,143.00	26,000.00	63,000.00	1.38
	0620-10-679-000-660001-	City Water Management Contract	12.00	2,500.00	30,000.00	
		City of Mequon Chargeback	1.00	33,000.00	33,000.00	
620679	661001	Storage Facilities Labor	2,500.00	9,000.00	2,500.00	.00
	0620-10-679-000-661001-	City Water Operations Contract	1.00	2,500.00	2,500.00	
620679	662001	T&D Lines Labor	90,000.00	120,000.00	105,000.00	16.67
	0620-10-679-000-662001-	City Water Operations Contract	1.00	105,000.00	105,000.00	
620679	662002	T&D Lines Materials	3,000.00	3,000.00	3,000.00	.00
	0620-10-679-000-662002-	TOOLS & EQUIPMENT	1.00	1,500.00	1,500.00	
		WATER TESTING CHEMICALS/REAGENTS	1.00	1,500.00	1,500.00	

Attachment: Exhibit C - 2024 Water Operations Budget Detail (8898 : Proposed FY 2024 Water Utility

DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	662003	T&D Lines Expenses	80,000.00	100,000.00	80,000.00	.00
	0620-10-679-000-662003-					
		USIC - LOCATING SERVICES	1.00	35,000.00	35,000.00	
		WATER TESTING, SAMPLING, FLEET CHARGEBACKS	1.00	45,000.00	45,000.00	
620679	663001	Meter Labor	40,000.00	40,000.00	55,000.00	37.50
	0620-10-679-000-663001-					
		CITY WATER METER SWAP PROJECT	1.00	45,000.00	45,000.00	
		City Water Operations Contract	1.00	10,000.00	10,000.00	
620679	663002	Meter Materials	500.00	500.00	500.00	.00
	0620-10-679-000-663002-					
			1.00	500.00	500.00	
620679	663003	Meter Expenses	500.00	500.00	500.00	.00
	0620-10-679-000-663003-					
		Motor Fuels & Lubricants	1.00	500.00	500.00	
620679	664001	Customer Installations Labor	20,000.00	8,000.00	20,000.00	.00
	0620-10-679-000-664001-					
		City Water Operations Contract	1.00	20,000.00	20,000.00	
620679	664002	Customer Installations Materia	.00	.00	.00	.00
	0620-10-679-000-664002-					
620679	664003	Customer Installations Expense	2,500.00	2,000.00	2,500.00	.00
	0620-10-679-000-664003-					
		Motor Fuels & Lubricant	1.00	2,500.00	2,500.00	
620679	665001	Misc Expenses Labor	5,000.00	3,000.00	4,000.00	-20.00
	0620-10-679-000-665001-					
		City Water Operations Contract	1.00	4,000.00	4,000.00	
620679	665002	Misc T&D Materials	3,000.00	5,000.00	4,000.00	33.33
	0620-10-679-000-665002-					
			1.00	4,000.00	4,000.00	
620679	670001	Maintenance Supervision	26,400.00	26,400.00	27,000.00	2.27
	0620-10-679-000-670001-					
		City Water Management Contract	12.00	2,250.00	27,000.00	
620679	672001	Maintenance of Resovoirs	10,000.00	6,000.00	10,000.00	.00
	0620-10-679-000-672001-					
		City Water Operations Contract	1.00	10,000.00	10,000.00	
620679	672002	Maintenance of Res Materials	.00	.00	.00	.00
	0620-10-679-000-672002-					

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DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	672003	Maintenance of Res Expenses	15,000.00	.00	40,000.00	166.67
	0620-10-679-000-672003-	Reservoir Cleaning	1.00	40,000.00	40,000.00	
620679	673001	Maintenance of Mains	21,165.00	15,000.00	25,000.00	18.12
	0620-10-679-000-673001-	City Water Operations Contract	1.00	25,000.00	25,000.00	
620679	673002	Maintenance of Mains Materials	25,000.00	20,000.00	25,000.00	.00
	0620-10-679-000-673002-	Valve Replacement	1.00	25,000.00	25,000.00	
620679	673003	Maintenance of Mains Expenses	40,000.00	40,000.00	40,000.00	.00
	0620-10-679-000-673003-	Maintenance of Mains Expenses	1.00	37,000.00	37,000.00	
		Motor Fuels & Lubricant	1.00	3,000.00	3,000.00	
620679	673101	Social Security	4,708.00	3,950.00	4,826.00	2.51
	0620-10-679-000-673101-		.00	.00	2,518.00	
			.00	.00	589.00	
			.00	.00	1,393.00	
			.00	.00	326.00	
620679	673102	Retirement	4,545.00	3,850.00	4,735.00	4.18
	0620-10-679-000-673102-		.00	.00	3,048.00	
			.00	.00	1,687.00	
620679	673103	Worker's Comp Insurance	1,075.00	1,175.00	1,182.00	9.95
	0620-10-679-000-673103-					
620679	673201	Health Insurance	23,196.00	21,000.00	25,666.00	10.65
	0620-10-679-000-673201-		.00	.00	12,833.00	
			.00	.00	12,833.00	
620679	673202	Dental Insurance	1,018.00	950.00	1,018.00	.00
	0620-10-679-000-673202-		.00	.00	509.00	
			.00	.00	509.00	
620679	673203	Life Insurance	86.00	95.00	145.00	68.60
	0620-10-679-000-673203-		.00	.00	75.00	
			.00	.00	70.00	

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DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	673204	Long Term Disability 0620-10-679-000-673204-	300.00	280.00	300.00	.00
620679	675001	Maintenance of Services 0620-10-679-000-675001-	50,000.00	50,000.00	50,000.00	.00
		City Water Operations Contract	1.00	50,000.00	50,000.00	
620679	675002	Maintenance of Services Mat 0620-10-679-000-675002-	15,000.00	15,000.00	15,000.00	.00
			1.00	15,000.00	15,000.00	
620679	675003	Maintenance of Services Exp 0620-10-679-000-675003-	5,000.00	7,000.00	7,000.00	40.00
		Maintenance of Services Expense	1.00	7,000.00	7,000.00	
620679	676001	Maintenance of Meters 0620-10-679-000-676001-	3,500.00	3,500.00	3,500.00	.00
		City Water Operations Contract	1.00	3,500.00	3,500.00	
620679	676002	Maintenance of Meters Mat 0620-10-679-000-676002-	800.00	800.00	1,000.00	25.00
			1.00	1,000.00	1,000.00	
620679	676003	Maintenance of Meters Exp 0620-10-679-000-676003-	300.00	1,000.00	1,000.00	233.33
			1.00	1,000.00	1,000.00	
620679	676205	OPEB & Supp Pension Expense 0620-10-679-000-676205-	.00	.00	.00	.00
620679	677001	Maintenance of Hydrants 0620-10-679-000-677001-	18,000.00	18,000.00	18,000.00	.00
		City Water Operations Contract	1.00	18,000.00	18,000.00	
620679	677002	Maintenance of Hydrants Mat 0620-10-679-000-677002-	13,000.00	13,000.00	14,000.00	7.69
			1.00	14,000.00	14,000.00	
620679	677003	Maintenance of Hydrants Exp 0620-10-679-000-677003-	5,000.00	5,000.00	5,000.00	.00
		Maintenance of Hydrants Expense	1.00	4,150.00	4,150.00	
		Motor Fuels & Lubricants	1.00	850.00	850.00	
620679	696121	Depreciation Expense 0620-10-679-000-696121-	670,000.00	720,000.00	730,000.00	8.96
		Municipal Funded Depreciation	1.00	420,000.00	420,000.00	
		Contributed Funded Depreciation	1.00	310,000.00	310,000.00	

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DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	696204	Amortization-Bond Discount 0620-10-679-000-696204-	.00	.00	.00	.00
620679	696401	Principal-Bonds 0620-10-679-000-696401-	.00	.00	.00	.00
620679	696501	Interest-Bonds 0620-10-679-000-696501-	323,708.00	323,708.00	283,840.00	-12.32
		Amortize Loss on Refunding 2024 Debt Service	1.00 1.00	48,410.00 235,430.00	48,410.00 235,430.00	
620679	696502	Water Debt Service 0620-10-679-000-696502-	475.00	400.00	400.00	-15.79
620679	696601	Taxes Paid 0620-10-679-000-696601-	.00	.00	.00	.00
620679	696701	Interest-Municipal Advances 0620-10-679-000-696701-	.00	.00	.00	.00
620679	901001	Customer Accounts Supervision 0620-10-679-000-901001-	72,843.00	65,000.00	77,040.81	5.76
			.50	90,781.62	45,390.81	
		City Water Management Contract	.50 12.00	48,900.00 600.00	24,450.00 7,200.00	
620679	902001	Meter Reading Labor 0620-10-679-000-902001-	10,000.00	10,000.00	10,000.00	.00
		City Water Operations Contract	1.00	10,000.00	10,000.00	
620679	902002	Meter Reading Materials 0620-10-679-000-902002-	.00	.00	.00	.00
620679	902003	Meter Reading Expenses 0620-10-679-000-902003-	6,930.00	27,000.00	27,000.00	289.61
		Itron Meter Reading Software	1.00	17,000.00	17,000.00	
		Chargeback for City Car	4.00	250.00	1,000.00	
		United Systems - Temetra Upgrade	1.00	6,000.00	6,000.00	
		Itron - Temetra One-Time Setup	1.00	3,000.00	3,000.00	
620679	903001	Accounting/Collecting Labor 0620-10-679-000-903001-	40,111.00	40,000.00	37,800.00	-5.76
		City Water Management Contract	12.00	400.00	4,800.00	
		City of Mequon Chargeback	1.00	33,000.00	33,000.00	
620679	903002	Accounting/Collecting Material 0620-10-679-000-903002-	9,000.00	8,200.00	8,000.00	-11.11
		Postage/Printing	1.00	8,000.00	8,000.00	

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DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	903003	Accounting/Collecting Expenses	475.00	350.00	400.00	-15.79
	0620-10-679-000-903003-					
		AR Lockbox Fees	1.00	400.00	400.00	
620679	904001	Uncollectible Accounts	.00	.00	.00	.00
	0620-10-679-000-904001-					
620679	906001	Customer Education Service	7,920.00	8,000.00	9,000.00	13.64
	0620-10-679-000-906001-					
		City Water Management Contract	12.00	750.00	9,000.00	
620679	920001	Admin/General Salaries	102,024.00	105,000.00	145,750.00	42.86
	0620-10-679-000-920001-					
		City Water Operations Contract	1.00	30,300.00	30,300.00	
		City of Mequon Chargeback	1.00	115,450.00	115,450.00	
620679	921001	Office Supplies	5,000.00	500.00	2,500.00	-50.00
	0620-10-679-000-921001-					
		Office Supplies	1.00	2,500.00	2,500.00	
620679	923001	Outside Services Employed	13,900.00	15,000.00	50,000.00	259.71
	0620-10-679-000-923001-					
		Baker Tilly	1.00	5,500.00	5,500.00	
		Digger's Hotline Subscription	12.00	700.00	8,400.00	
		Asterra Leak Detection	1.00	29,000.00	29,000.00	
		Misc.	1.00	7,100.00	7,100.00	
620679	924001	Property Insurance	4,200.00	7,800.00	5,600.00	33.33
	0620-10-679-000-924001-					
		Auto Insurance	1.00	1,600.00	1,600.00	
		Liability Insurance	1.00	4,000.00	4,000.00	
620679	925003	Injuries & Damages	.00	.00	.00	.00
	0620-10-679-000-925003-					
620679	926007	Training/Seminars	1,500.00	.00	1,500.00	.00
	0620-10-679-000-926007-					
		MUNIS TRAINING FOR PROFESSIONAL STAFF	2.00	750.00	1,500.00	
620679	928001	Regulatory Commission Expenses	15,000.00	15,000.00	15,000.00	.00
	0620-10-679-000-928001-					
		Public Service Commission	1.00	15,000.00	15,000.00	
620679	930001	Miscellaneous General Expenses	38,960.00	50,000.00	10,000.00	-74.33
	0620-10-679-000-930001-					
		City Water Management Contract	12.00	350.00	4,200.00	
			1.00	5,800.00	5,800.00	

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DEPARTMENT BUDGET REQUESTS

BUDGET PROJECTION 624 2024 SEWER AND WATER UTILITY BUDGETS

ORG	OBJECT PROJ	ACCOUNT DESCRIPTION	CURRENT ADJ BUDGET	PROJECTED ACTUAL	DEPT HEAD	PERCENT CHANGE
620679	931001	Rental Costs	19,862.00	18,050.00	18,050.00	-9.12
	0620-10-679-000-931001-	City of Mequon Chargeback for Office/Shop Space	1.00	18,050.00	18,050.00	
		BUDGET CEILING:			-970,501.00	
		TOTALS:	-970,501.00	-1,948,427.00	-1,326,482.19	36.68
** END OF REPORT - Generated by Marie Keyser **						

Attachment: Exhibit C - 2024 Water Operations Budget Detail (8898 : Proposed FY 2024 Water Utility



11333 N. Cedarburg Road  
Mequon, WI 53092-1930  
Phone: 262-242-3100  
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Office of Mequon Municipal Water Utility Commission

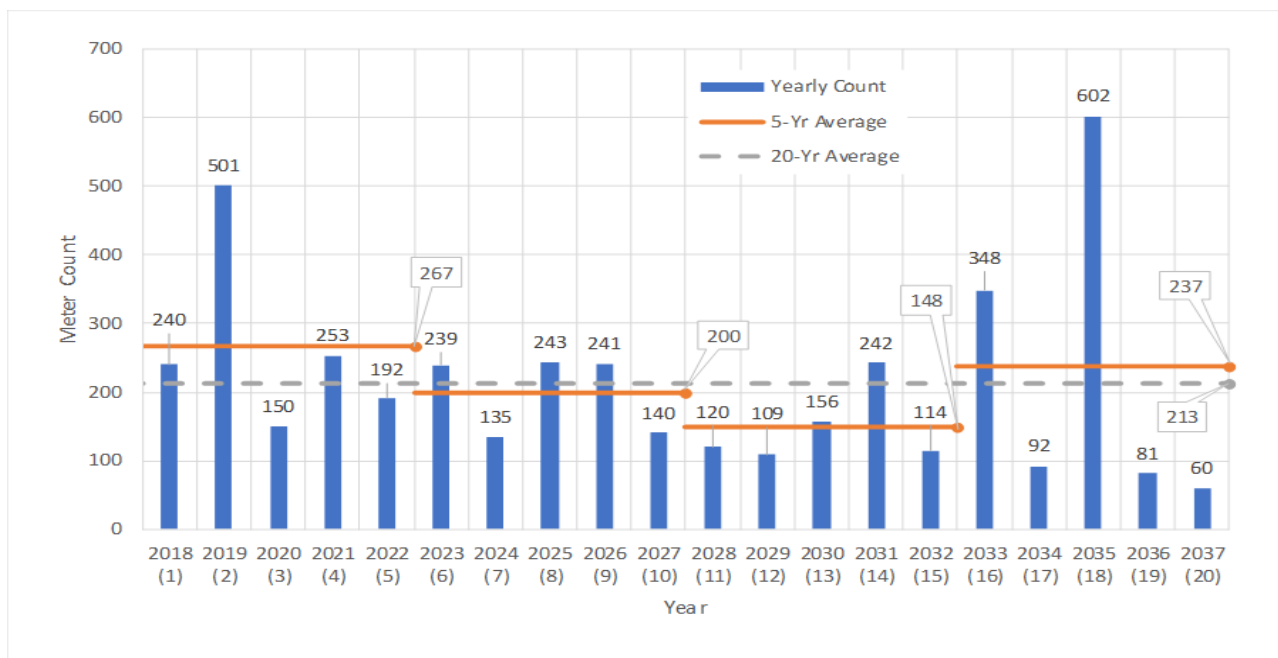
**TO: Mequon Municipal Water Utility Commission**  
**FROM: Jim Voigt, Director of Operations**  
**DATE: October 30, 2023**  
**SUBJECT: Authorization to Purchase 250 Water Meters and Associated Appurtenances in an Amount Not-to-Exceed \$80,000**

**Background**

A Utility Meter Study, approved in March 2018, recommended following a proposed meter replacement schedule. The proposed schedule averages yearly meter replacements over a 5-year period to meet the Public Service Commission’s replacement regulations. Based upon the recommended replacement schedule, the Mequon Water Utility should replace meters on a 5-year rolling average basis.

Due to ordering difficulties, no meters were installed in 2018, however 521 meters were installed in 2019, which was only 19 meters under the two-year goal of 540-meter replacements. COVID-19 impacted the installation schedule for 2020, as most homeowners did not want staff in their home. The Utility installed 540 meters in 2021, bringing the water utility back on schedule. In 2022 the utility purchased 320 meters, which provided flexibility for purchase and installation in 2022.

The Meter Study indicated in 2024 (see chart below) that the Utility should reduce its annual replacement number to approximately 200 meters per year. Based on the issues staff has encountered due to COVID-19’s impact on supply chains, it is recommended that the Utility purchase 250 meters in 2024 as a safety buffer.



**Analysis**

Existing meters will be replaced with Badger Meter nutating disc meters and 9-dial encoded registers. In addition to the new meter, new Riva endpoints will be installed in AMR mode and could be converted to an AMI mode in the future, per the recommendations of the Meter Study.

**Fiscal Impact**

The total cost of the 2024 Water Meter Purchase and Associated Appurtenances will be \$80,000. Costs are split between the vendors - Badger Meter for the meter registers and United Systems for the Itron radios. The not-to-exceed cost breakdown is as follows:

- Badger Meter: 250 Meters and Registers - \$50,000
- United Systems: 250 Itron Riva Radios - \$30,000

**Recommendation**

Staff recommends the Water Utility Commission approve the Authorization of 2024 Water Meter Purchase for 250 Meters and Associated Appurtenances in an Amount Not-to-Exceed \$80,000.



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Office of Mequon Municipal Water Utility Commission

**TO: Mequon Municipal Water Utility Commission**  
**FROM: Jim Voigt, Director of Operations**  
**DATE: October 30, 2023**  
**SUBJECT: Authorization for the Mequon Water Utility to Exceed \$25,000 for the Purchases and/or Services from Core and Main, Etna Supply, Grunau, Mid-City, MJ Construction and Rozga to Complete Projects as Needed During Fiscal Year 2024**

### **Background**

The City of Mequon purchasing policy requires any and all vendors be authorized by the Common Council (or in this case Water Commission) to exceed \$25,000 in total work for a fiscal year. This limit is a yearly total and applies even if individual purchases or services were less than \$25,000 or spread among multiple departments.

Policy Statement 11: Purchasing Policy may be viewed here:  
<https://www.ci.mequon.wi.us/finance/page/financial-policies>.

### **Analysis**

Although the Mequon Water Utility follows the City of Mequon financial policies, the Utility is also regulated by the Public Service Commission (PSC). The PSC requires that the Utility track expenditures according to the PSC Uniform System of Accounts. This system of accounts is sufficiently detailed that vendors may have invoices coded to multiple accounts. This makes it very difficult to have vendors approved for the \$25,000 annual exceedance as part of the FY2024 budget detail.

The following is a list of vendors that staff anticipates may exceed \$25,000 in annual work that are not included in the FY2024 budget detail. The vendors are listed along with a general description of the work they perform for the Utility.

- Core and Main: repair and replacement parts for water main, hydrants, valves, and services
- Etna Supply: repair and replacement parts for water main, hydrants, valves, and services
- Grunau: emergency repair work
- Mid-City: emergency repair work
- MJ Construction: emergency repair work
- Rozga: emergency repair work

### **Fiscal Impact**

There is no fiscal impact to approving the listed vendors above to exceed the \$25,000 annual limit. Each individual purchase or service will follow the City of Mequon Purchasing Policy.

### **Recommendation**

Staff recommends the Mequon Utility Commission approve the following vendors listed for exceedance of \$25,000 total work for FY2024:

- Core and Main
- Etna Supply
- Grunau
- Mid-City
- MJ Construction
- Rozga