



# OFFICIAL NOTICE AND AGENDA

Notice is hereby given that the City of Stoughton Utilities Committee will hold a regular meeting on the date and at the time and location given below.

Meeting of: **CITY OF STOUGHTON UTILITIES COMMITTEE**  
Date/Time: Monday, July 18, 2022 at 5:30 p.m.  
Location: Edmund T. Malinowski Board Room, Stoughton Utilities Administration Office  
600 South Fourth Street, Stoughton, Wisconsin  
Optional Virtual Participation: [GoToMeeting ID 461-497-269](#)  
Members: Citizen Member David Erdman (Chair), Alderperson Regina Hirsch, Alderperson Fred Hundt, Citizen Member John Kallas, Mayor Tim Swadley, Citizen Member Dustin Thoren (Vice-Chair), Alderperson Joyce Tikalsky

## AGENDA:

### CALL TO ORDER

### PUBLIC COMMENTS

### CONSENT AGENDA

*(All items are considered routine and will be enacted upon by one motion. There will be no separate discussion of these items unless a Stoughton Utilities Committee member so requests, in which event the item will be removed from the consent agenda and be considered on the regular agenda.)*

- a. Draft Minutes of the June 27, 2022 Regular Utilities Committee Meeting
- b. Stoughton Utilities Payments Due List Report
- c. Stoughton Utilities May Financial Summary
- d. Stoughton Utilities Statistical Report
- e. Stoughton Utilities Activities Report
- f. Communications

### OLD BUSINESS

1. Status of the Utilities Committee Recommendation(s) to the Stoughton Common Council  
**(Discussion)**

### NEW BUSINESS

2. Stoughton Utilities 2021 Audit Reports and Management Letter **(Action)**
3. Stoughton Electric Utility Annual Report filed with the Public Service Commission of Wisconsin  
**(Discussion)**
4. Stoughton Water Utility Annual Report filed with the Public Service Commission of Wisconsin  
**(Discussion)**
5. Execution of the Wisconsin Department of Natural Resources (DNR) Financial Assistance Agreement **(Action)**
6. Resolution Authorizing the Issuance and Sale of up to \$1,659,096 Waterworks System revenue Bonds, Series 2022, and Providing for Other Details and Covenants with Respect Thereto  
**(Action)**
7. Wisconsin Department of Transportation State/Municipal Financial Agreement **(Action)**
8. Stoughton Utilities Round-Up Program **(Action)**
9. Utilities Committee Future Agenda Item(s) **(Discussion)**

### ADJOURNMENT

Notices Sent To:

Stoughton Utilities Committee Members  
Stoughton Utilities Director Jill M. Weiss, P.E.  
Stoughton Utilities Assistant Director Brian Hoops  
Stoughton Utilities Finance Manager Shannon Statz  
Megan Cahill – Baker Tilly Virchow Krause, LLP  
Jodi Dobson – Baker Tilly Virchow Krause, LLP  
Rebecca A. Speckhard – Quarles & Brady LLP  
Casey R. Sweeney – Wisconsin Department of Natural Resources

cc: Stoughton City Attorney Matthew Dregne  
Stoughton Common Council Members  
Stoughton City Clerk Candee Christen  
Stoughton Leadership Team  
Stoughton Utilities Water System Supervisor Kent Thompson  
Stoughton Utilities Wastewater System Supervisor Brian Erickson  
Unified Newspaper Group – Stoughton Courier Hub

**REMOTE CONNECTION INSTRUCTIONS:** Pursuant to City of Stoughton Common Council Rule 19, members of the committee and members of the public may attend this meeting either in person or by virtual means. If participating virtually, please join the meeting from your computer, tablet or smartphone using the following URL:

<https://meet.goto.com/461497269>

You can also dial in using your phone at (872) 240-3212 using access code: 461-497-269.

**ATTENTION COMMITTEE MEMBERS:** Two-thirds of members are needed for a quorum. The committee may only conduct business when a quorum is present. If you are unable to attend the meeting, please contact Jill Weiss at (608) 877-7423 via email at [JWeiss@stoughtonutilities.com](mailto:JWeiss@stoughtonutilities.com), or Brian Hoops at (608) 877-7412, or via email at [BHoops@stoughtonutilities.com](mailto:BHoops@stoughtonutilities.com).

It is possible that members of, and possibly a quorum of members of other committees of the Common Council of the City of Stoughton may be in attendance at this meeting to gather information. No action will be taken by any such group(s) at this meeting other than the Stoughton Utilities Committee consisting of the members listed above. An expanded meeting may constitute a quorum of the Common Council.

Upon reasonable notice, efforts will be made to accommodate the needs of individuals through appropriate aids and services. For information, or to request such assistance, please contact Stoughton Utilities prior to the start of the meeting at (608) 873-3379.

Current and past Stoughton Utilities Committee documents, including meeting notices, meeting packets, and meeting minutes, are available for public download at [stoughtonutilities.com/uc](http://stoughtonutilities.com/uc).

# DRAFT STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, June 27, 2022 – 5:30 p.m.

Stoughton, WI

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**Location:** Edmund T. Malinowski Board Room, Stoughton Utilities Administration Office  
600 South Fourth Street, Stoughton, Wisconsin  
Optional Virtual Participation: GoToMeeting ID 868-051-533

**Members Present:** Citizen Member David Erdman (Chair), Alderperson Regina Hirsch, Citizen Member John Kallas, Mayor Tim Swadley, Alderperson Joyce Tikalsky, Citizen Member Dustin Thoren

**Excused:** None

**Absent:** Alderperson Fred Hundt

**Others Present:** Stoughton Utilities Finance Manager Shannon Statz, Stoughton Utilities Director Jill Weiss

**Call to Order:** Chairperson Erdman called the regular Stoughton Utilities Committee Meeting to order at 5:30 p.m. with a quorum present. Erdman, Kallas, Swadley and Thoren were present in person, and Hirsch and Tikalsky were present by webinar.

**Public Comments:** Erdman announced that his upcoming retirement from the State of Wisconsin Department of Administration and invited the committee to his retirement party on June 30.

**Utilities Committee Consent Agenda:** Stoughton Utilities staff presented and discussed the Stoughton Utilities Committee consent agenda items.

Staff highlighted the included billing insert on higher than anticipated purchase power costs, currently running about 20% higher than average, and explained that these costs are passed through to customers via the power cost adjustment clause charge on their bills.

Motion by Thoren, the motion seconded by Kallas, to approve the following consent agenda items as presented:

- a. Draft Minutes of the May 16, 2022 Regular Utilities Committee Meeting
- b. Stoughton Utilities Payments Due List Report
- c. Stoughton Utilities April Financial Summary
- d. Stoughton Utilities Statistical Report
- e. Stoughton Utilities Activities Report
- f. Communications

The motion carried unanimously 6 to 0.

**Status of the Utilities Committee recommendation(s) to the Stoughton Common Council:** Stoughton Utilities staff presented and discussed the following items from the Stoughton Utilities Committee that were recently approved and/or placed on file by the Stoughton Common Council:

# DRAFT STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, June 27, 2022 – 5:30 p.m.

Stoughton, WI

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## Consent Agenda:

1. Minutes of the April 18, 2022 Regular Utilities Committee Meeting
2. Minutes of the May 4, 2022 Special Utilities Committee Meeting
3. Stoughton Utilities Payments Due List Report
4. Stoughton Utilities March Financial Summary
5. Stoughton Utilities Statistical Report

## Business:

1. Amendment to the Water Utility 2022 Capital Improvement Plan to Fund the 2022 Academy Street Reconstruction Contract 1-2022
2. Amendment to the Wastewater Utility 2022 Capital Improvement Plan to Fund the 2022 Academy Street Reconstruction Contract 1-2022
3. Amendment to the 2022 Stoughton Utilities Operating Budget to Fund the 2022 Academy Street Reconstruction Contract 1-2022
4. Bid Award of 2022 Academy Street Reconstruction Contract 1-2022 to Wolf Paving & Excavating of Madison, Inc.
5. Authorizing the Release of a Platted Public Utility Easement on Lot 8 of Greig Addition to Norse View Heights (1617 Johnson St), recorded as Document No. 2038870, Dane County Registry

Discussion followed.

**Stoughton Wastewater Utility 2022 Rate Adjustment:** Staff presented and discussed a proposed rate adjustment affecting customers of the wastewater utility. The last wastewater rate adjustment occurred on June 1, 2020. The proposed rate adjustment amounts to an average increase of retail rates by 5.59%, bringing the total wastewater bill for an average residential customer to \$30.50 per month, a monthly increase of \$1.91. The proposed adjustment date is effective for consumption on or after July 1, 2022.

Staff informed the committee that wastewater utility rates are solely governed by the Stoughton Common Council and changes in rates require a revision to Section 74 of the Stoughton Municipal Code of Ordinances.

Motion by Thoren, the motion seconded by Kallas, to approve the Wastewater Utility 2022 rate adjustment and adopt modifications to Subsections 74-112 and 74-113 of the City of Stoughton Municipal Code of Ordinances, and recommend approval of the rate adjustment and adoption of the ordinance revisions to the Stoughton Common Council at their June 28, 2022 meeting. The motion carried unanimously 6 to 0.

Swadley left the meeting at 5:45 p.m.

**Wastewater 2021 Compliance Maintenance Annual Report (CMAR):** Stoughton Utilities staff presented and discussed the 2021 CMAR. Staff informed the committee that annual submittal of an electronic CMAR form (eCMAR) is required to be completed no later than June 30. Staff further informed the committee that there were no concerns noted in the CMAR. Discussion followed.

Motion by Kallas, the motion seconded by Thoren, to approve the 2021 Compliance Maintenance Annual Report and recommend the approval and adoption of the corresponding resolution to the Stoughton Common Council at their June 28, 2022 meeting. The motion carried unanimously 5 to 0.

# DRAFT STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, June 27, 2022 – 5:30 p.m.

Stoughton, WI

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**Stoughton Utilities 2021 Annual Water Consumer Confidence Report (CCR):** Stoughton Utilities staff presented and discussed the annual Consumer Confidence Report (CCR). The CCR provides information about Stoughton's drinking water quality and any detected contaminants during the previous monitoring year. Also included in this year's report is information about lead, discussing last year's replacement project and additional steps to take to address lead in internal plumbing. Staff discussed the report format, crediting customer service technician Brandi Yungen for her creativity in its development. This report will be distributed to all residential postal customers during the month of June and distributed to and posted in various public locations. Discussion followed.

**Utilities Committee Future Agenda Items:** Stoughton Utilities staff informed the committee that upcoming meeting topics include the presentation of the annual financial audit report and public service commission annual reports that were originally planned to be presented in June, and approval of the financial assistance agreement for the loan from the WDNR Safe Drinking Water Fund.

**Adjournment:** Being no further business before the committee, motion by Kallas, the motion seconded by Thoren, to adjourn the regular Stoughton Utilities Committee Meeting at 6:06 p.m. The motion carried unanimously 5 to 0.

Respectfully submitted,

Brian R. Hoops

Stoughton Utilities Assistant Director

Date: Thursday, July 07, 2022  
 Time: 10:49AM  
 User: SGUNSOLUS

**Stoughton Utilities**  
**Check Register Summary - Standard**

Page: 1 of 7  
 Report: 03699W.rpt  
 Company: 7430

Period: - As of: 7/7/2022

Check Nbr	Type	Date	Amount Paid	Vendor ID / Name	Description
<b>Company: 7430</b>					
002395	EP	6/9/2022	37,909.85	516 WELLS FARGO BANK	VO for check batch: 311064/VO for check batch: 311064
002396	HC	6/10/2022	1,019,522.20	009 WPPI	WPPI-Renewable Energy/WPPI-Renewable Energy/WPPI-Buy Back Solar Credit/WPPI-Buy Back Solar Credit/WPPI-Excess Gen 8-8 Credit/WPPI-Excess Gen 8-8 Credit/WPPI-Large Power/WPPI-Large Power/WPPI-Support Services/WPPI-Support Services/WPPI-Support Services+
002397	HC	6/30/2022	1,521.88	499 LV LABS WW, LLC	LV Labs-Supplies/LV Labs-Supplies
002398	HC	6/30/2022	33,249.80	025 Payroll Federal Taxes- Ach	Federal Taxes-June Ach/Federal Taxes-June Ach/Federal Taxes-June Ach/Federal Taxes-June Ach/Federal Taxes-June Ach/Federal Taxes-June Ach/Federal Taxes-June Ach
002399	HC	6/30/2022	6,979.54	008 Payroll State Taxes - Ach	State Taxes-June Ach/State Taxes-June Ach/State Taxes-June Ach/State Taxes-June Ach
002400	HC	6/30/2022	2,002.68	001 Delta Dental - Ach	Delta Dental - June Ach/Delta Dental - June Ach
002401	HC	6/30/2022	44,116.90	010 WI Dept. of Revenue Taxpayment-Ach	Dept of Rev-June Ach/Dept of Rev-June Ach/Dept of Rev-June Ach/Dept of Rev-June Ach
002402	HC	6/30/2022	604.39	002 Employee Benefits Corp - Ach	EBC - June Ach/EBC - June Ach
002403	HC	6/30/2022	1,231.51	004 Us Cellular - Ach	Us Cellular - June Ach/Us Cellular - June Ach/Us Cellular - June Ach/Us Cellular - June Ach/Us Cellular - June Ach
002404	HC	6/30/2022	429.26	547 Spectrum-Ach	Spectrum-June Ach/Spectrum-June Ach/Spectrum-June Ach/Spectrum-June Ach

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Check Nbr	Type	Date	Amount Paid	Vendor ID / Name	Description
002405	HC	6/30/2022	911.04	007 TDS Metrocom - Ach	TDS Metrocom - June Ach/TDS Metrocom - June Ach
002406	HC	6/30/2022	69.49	856 GORDON FLESCH COMPANY, INC.	Gordon Flesch-June Ach/Gordon Flesch-June Ach/Gordon Flesch-June Ach/Gordon Flesch-June Ach/Gordon Flesch-June Ach/Gordon Flesch-June Ach
002407	HC	6/30/2022	2,068.54	952 AT&T	AT&T-June Ach/AT&T-June Ach/AT&T-June Ach/AT&T-June Ach
002408	HC	6/30/2022	155.22	011 Deposit Slip Reorder- Ach	Dep Slip Reorder- June Ach/Dep Slip Reorder- June Ach
002409	HC	6/30/2022	7,779.03	020 Wells Fargo Bank-Ach	Client Analysis-June Ach/Client Analysis-June Ach/Client Analysis-June Ach/Client Analysis-June Ach/Client Analysis-June Ach/Client Analysis-June Ach/Client Analysis-June Ach
002410	HC	6/30/2022	30.52	421 FIRST DATA CHARGES	First Data-June Ach/First Data-June Ach/First Data-June Ach/First Data-June Ach/First Data-June Ach/First Data-June Ach/First Data-June Ach
002411	HC	6/30/2022	960.80	003 Alliant Energy - Ach	Alliant Energy - June Ach/Alliant Energy - June Ach/More...
028322	CK	6/1/2022	550.00	082 AQUAFIX INC	Aquafix-Supplies/Aquafix-Supplies
028323	CK	6/1/2022	2,446.84	165 MIDWEST METER INC	Midwest-Meters/Midwest-Meters
028324	CK	6/1/2022	1,701.00	186 STAFFORD ROSENBAUM LLC	Stafford-Lead Service/Stafford-Lead Service/Stafford-Lead Service/Stafford-Lead Service
028325	CK	6/1/2022	107.23	201 MARY BONGARD C/O TRACY ZEICHERT	M Bongard-Customer Refund/M Bongard-Customer Refund

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028326	CK	6/1/2022	2,096.08	265 VILLAGE OF SAUK CITY	Sauk-Mutual Aid/Sauk-Mutual Aid/Sauk-Mutual Aid/Sauk-Mutual Aid
028327	CK	6/1/2022	1,143.47	400 RESCO	Resco-Supplies/Resco-Supplies/Resco-Supplies/Resco-Supplies
028328	CK	6/1/2022	1,580.50	623 BEC ENTERPRISES, LLC	BEC Equip-Service/BEC Equip-Service/BEC Equip-Service/BEC Equip-Service
028329	CK	6/1/2022	1,025.65	855 CRANE ENGINEERING SALES, INC.	Crane-Supplies/Crane-Supplies
028330	CK	6/8/2022	1,005.00	055 USPS	USPS-Water Rates/USPS-Water Rates
028331	CK	6/8/2022	5,724.99	090 SOLENIS LLC	Solenis-Supplies/Solenis-Supplies
028332	CK	6/8/2022	864.45	131 CITY OF STOUGHTON	City Stoton-June A Def Comp/City Stoton-June A Def Comp
028333	CK	6/8/2022	1,021.95	166 INKWORKS, INC.	Inkworks-Bill Inserts/Inkworks-Bill Inserts/Inkworks-Bill Inserts/Inkworks-Bill Inserts
028334	CK	6/8/2022	400.00	335 LUBE E-Z LLC	Lube EZ-Turbine Oil/Lube EZ-Turbine Oil
028335	CK	6/8/2022	834.00	400 RESCO	Resco-Supplies/Resco-Supplies/Resco-Inventory/Resco-Inventory
028336	CK	6/8/2022	740.00	402 UNEMPLOYMENT INSURANCE	Unemp Ins-Workers Comp/Unemp Ins-Workers Comp/Unemp Ins-Workers Comp/Unemp Ins-Workers Comp/Unemp Ins-Workers Comp
028337	CK	6/8/2022	46.75	433 WISCONSIN MEDIA GROUP	Wi Media-Breakers Upgrade/Wi Media-Breakers Upgrade
028338	CK	6/8/2022	612.25	487 MARTELLE WATER TREATMENT	Martelle-Bulk Supplies/Martelle-Bulk Supplies
028339	CK	6/8/2022	131.56	540 DOUGLAS BAR	D Bar-Customer Refund/D Bar-Customer Refund
028340	CK	6/8/2022	238.33	585 MOBILY, LLC	Mobily-Customer Refund/Mobily-Customer Refund
028341	CK	6/8/2022	21,299.90	593 UNITED LIQUID WASTE RECYCLING, INC	United Liquid-Sludge/United Liquid-Sludge
028342	CK	6/8/2022	1,884.90	623 BEC ENTERPRISES, LLC	BEC - Service/BEC - Service

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028343	CK	6/8/2022	414.71	627 SHAWN THORP	S Thorp-Customer Refund/S Thorp-Customer Refund
028344	CK	6/8/2022	7,033.41	648 BAKER TILLY VIRCHOW KRAUSE, LLP	Baker Tilly-2021 Audit Service/Baker Tilly-2021 Audit Service
028345	CK	6/8/2022	69.20	692 CLAIRE WRIGHT	C Wright-Customer Refund/C Wright-Customer Refund
028346	CK	6/8/2022	357.74	737 IF, LLC-C/O RICHARD MORRIS	IF LLC-Customer Refund/IF LLC-Customer Refund
028347	CK	6/8/2022	4,032.00	746 ELSTER SOLUTIONS, LLC	Elster-Elec Meters/Elster-Elec Meters
028348	CK	6/8/2022	1,195.38	902 MEYER GROUP-PAGE ST LLC	Meyer-Customer Refund/Meyer-Customer Refund
028349	CK	6/8/2022	154.30	944 CHARLES OR JON AHLGRIM	C Ahlgrim-Customer Refund/C Ahlgrim-Customer Refund
028350	CK	6/15/2022	500.00	195 CITY OF STOUGHTON POLICE DEPT.	City Stoton-Night Out/City Stoton-Night Out
028351	CK	6/15/2022	402.30	405 ROSENBAUM CRUSHING & EXCAV.	Rosenbaum-Topsoil/Rosenbaum-Topsoil/Rosenbaum-Topsoil/Rosenbaum-Topsoil/Rosenbaum-Topsoil/Rosenbaum-Topsoil
028352	CK	6/15/2022	2,954.31	451 INSIGHT FS	Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel/Insights-Fuel
028353	CK	6/15/2022	765.31	565 4 CONTROL, INC.	4 Control-Weed Control/4 Control-Weed Control/4 Control-Weed Control/4 Control-Weed Control
028354	CK	6/15/2022	5,004.40	781 DUNKIRK WATER POWER CO LLC	Dunkirk-Customer Refund/Dunkirk-Customer Refund
028356	CK	6/23/2022	17,557.70	131 CITY OF STOUGHTON	City Stoton-June B Def Comp/City Stoton-June B Def Comp/City Stoton-June Retirement/City Stoton-June Retirement/City Stoton-June Retirement/City Stoton-June Retirement/City Stoton-June Retirement/City Stoton-June Retirement
028357	CK	6/23/2022	4,986.92	166 INKWORKS, INC.	Inkworks-Print & Prep/Inkworks-Print & Prep
028358	CK	6/23/2022	6,071.86	269 UTILITY SALES AND SERVICE	Utility-Truck 5 Inspection/Utility-Truck 5 Inspection

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028359	CK	6/23/2022	14,160.00	355 STUART C IRBY CO.	Stuart-Transformer/Stuart-Transformer
028360	CK	6/23/2022	1,396.55	487 MARTELLE WATER TREATMENT	Martelle-Bulk Supplies/Martelle-Bulk Supplies/Martelle-Bulk Supplies
028361	CK	6/23/2022	4,011.42	710 NEENAH FOUNDRY CO. INFRASTRUCTURE	Neenah-Manhole Casting/Neenah-Manhole Casting
028362	CK	6/23/2022	23,724.36	766 BELL LUMBER AND POLE BIN#131418	Bell Lumber-Inventory/Bell Lumber-Inventory/Bell Lumber-Inventory/Bell Lumber-Inventory
028363	CK	6/29/2022	61,400.76	131 CITY OF STOUGHTON	City Stoton-Stormwater/City Stoton-Stormwater
028364	CK	6/29/2022	4,833.60	143 DIGGERS HOTLINE, INC.	Diggers-Hotline Tickets/Diggers-Hotline Tickets
028365	CK	6/29/2022	359.45	146 STOUGHTON ELECTRIC UTIL.	Stoton Elec-Customer Refund/Stoton Elec-Customer Refund
028366	CK	6/29/2022	50.31	158 JAMES POST	J Post-Solar Credit/J Post-Solar Credit
028367	CK	6/29/2022	950.00	171 ASSOCIATED TRUST CO	Assoc-Waterworks Rev Bonds/Assoc-Waterworks Rev Bonds/Assoc-EI Rev Bonds/Assoc-EI Rev Bonds
028368	CK	6/29/2022	624.50	186 STAFFORD ROSENBAUM LLC	Stafford-Lead Service/Stafford-Lead Service/Stafford-1617 Johnson St/Stafford-1617 Johnson St
028369	CK	6/29/2022	864.00	290 MID-WEST TREE & EXCAVATION, INC	Midwest-Trenching/Midwest-Trenching
028370	CK	6/29/2022	5,533.91	362 UTILITY SERVICE CO., INC	Utility-Qtr Tower/Utility-Qtr Tower
028371	CK	6/29/2022	19.29	387 SIGMUND OLSON	S Olson-Customer Refund/S Olson-Customer Refund
028372	CK	6/29/2022	8,784.81	400 RESCO	Resco-Supplies/Resco-Inventory/Resco-Supplies/Resco-Inventory
028373	CK	6/29/2022	51.80	621 PREFERRED TITLE	Preferred-Customer Refund/Preferred-Customer Refund
028374	CK	6/29/2022	35.34	635 CHRIS EDDY	C Eddy-Solar Credit/C Eddy-Solar Credit
028375	CK	6/29/2022	547.39	680 DAWN STRONACH	D Stronach-Customer Refund/D Stronach-Customer Refund

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028376	CK	6/29/2022	4.49	687 DENNIS OUTHOUSE	D Outhouse-Construction Refund/D Outhouse-Construction Refund
028377	CK	6/29/2022	679.11	722 WISCONSIN HEMP FARMERS	Wi Hemp-Customer Refund/Wi Hemp-Customer Refund
028378	CK	6/29/2022	15,962.40	727 GLS UTILITY LLC	GLS Utility-Locates/GLS Utility-Locates/GLS Utility-Locates/GLS Utility-Locates/GLS Utility-Locates/GLS Utility-Locates
028379	CK	6/29/2022	2,500.00	814 EHLERS	Ehlers-SRS review/Ehlers-SRS review
028380	CK	6/29/2022	98.80	858 CASEY HARKINS	C Harkins-Solar Credit/C Harkins-Solar Credit
028381	CK	6/29/2022	9,600.00	959 G. FOX & SON, INC.	G Fox-Amundson Pky/G Fox-Amundson Pky/G Fox-Academy & Moline/G Fox-Academy & Moline
028382	CK	6/29/2022	174.50	964 STEVE FELIO	S Felio-Solar Credit/S Felio-Solar Credit
102128	CK	6/9/2022	23,130.70	157 FORSTER ELEC. ENG.,INC.	Forster-Professional Services/Forster-Professional Services/Forster-Professional Services/Forster-Professional Services/Forster-Professional Services/Forster-Professional Services/Forster-Professional Services/More...
102129	CK	6/9/2022	2,063.31	290 MID-WEST TREE & EXCAVATION, INC	Midwest-Trenching/Midwest-Trenching
102130	CK	6/9/2022	50.00	731 NORTH SHORE BANK FSB-DEFERRED COMP.	N Shore Bk-June A Def Comp/N Shore Bk-June A Def Comp
102131	CK	6/9/2022	83.13	829 SHANNON STATZ	S Statz-Reimbursement/S Statz-Reimbursement/S Statz-Reimbursement/S Statz-Reimbursement/S Statz-Reimbursement
102132	CK	6/9/2022	3,582.06	862 EVOQUA WATER TECHNOLOGIES, LLC	Evoqua-Supplies/Evoqua-Supplies
102133	CK	6/15/2022	3,039.50	157 FORSTER ELEC. ENG.,INC.	Forster-Professional services/Forster-Professional services
102134	CK	6/15/2022	14,532.29	165 MIDWEST METER INC	Midwest-Meters/Midwest-Meters

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102135	CK	6/15/2022	1,465.00	519 B & H LAWN CARE	B & H - South Well Mowing/B & H - South Well Mowing/B & H - Wa Twr Mowing/B & H - Wa Twr Mowing/B & H - Academy Mowing/B & H - Academy Mowing/B & H - Van Buren Mowing/B & H - Van Buren Mowing/B & H - Admin Mowing/B & H - Admin Mowing/More...
102136	CK	6/15/2022	5,660.84	603 SEERA-WIPFLI LLP	Seera-CTC Funds/Seera-CTC Funds
102137	CK	6/23/2022	63.24	181 BRIAN HOOPS	B Hoops-Reimbursement/B Hoops-Reimbursement
102138	CK	6/23/2022	12,835.00	209 OPEN SYSTEMS INTERNATIONAL, INC.	Open Systems-Scada Software/Open Systems-Scada Software
102139	CK	6/23/2022	1,870.66	259 ITRON, INC.	Itron-Meter Hardware/Itron-Meter Hardware/Itron-Meter Hardware/Itron-Meter Hardware/Itron-Meter Hardware
102140	CK	6/23/2022	1,952.20	290 MID-WEST TREE & EXCAVATION, INC	Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching
102141	CK	6/23/2022	590.00	327 BORDER STATES ELECTRIC SUPPLY	Border States-Inventory/Border States-Inventory
102142	CK	6/23/2022	50.00	731 NORTH SHORE BANK FSB-DEFERRED COMP.	N Shore Bk-June B Def Comp/N Shore Bk-June B Def Comp
102143	CK	6/23/2022	325.00	995 MEUW	MEUW-Registration/MEUW-Registration/MEUW-Registration/MEUW-Registration
102144	CK	6/30/2022	789.20	327 BORDER STATES ELECTRIC SUPPLY	Border States-Supplies/Border States-Supplies/Border States-Supplies/Border States-Supplies
102145	CK	6/30/2022	3,790.60	448 STRAND ASSOCIATES INC.	Strand-Capital Improvements/Strand-Capital Improvements
102146	CK	6/30/2022	3,375.83	852 INFOSEND, INC	Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing
<b>Company Total</b>			<b>1,492,112.39</b>		

Date: Thursday, June 09, 2022

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# Stoughton Utilities Posting Preview Report

Select By: {PSSPurchCard.RefNbr} = '0000000143'

Company	Account	Sub	Vendor ID	Merchant	Amount	Description	Post Date	Emp ID	Projec
<b>Import ID: 009010</b>		<b>Import # : 0000000143</b>							
7430	921	000000	096	ADOBE INC	83.55	SaaS - Adobe Cloud for Teams Apps	05/09/2022	5250	-
7450	921	000000	096	ADOBE INC	30.38	SaaS - Adobe Cloud for Teams Apps	05/09/2022	5250	-
7460	851	000000	096	ADOBE INC	37.99	SaaS - Adobe Cloud for Teams Apps	05/09/2022	5250	-
7450	673	000000	194	ADVANCE AUTO PARTS 6292	18.29	VALVE REPAIR MATERIALS	05/17/2022	8700	-
7430	933	000000	194	ADVANCE AUTO PARTS 6292	77.98	WIPERS	05/26/2022	6840	-
7460	833	000000	422	AMAZON.COM 1R7OG1QA0 AMZN	17.30	MISC SUPPLIES	05/27/2022	8200	-
7460	854	000000	422	AMZN MKTP US 1L67A37R0	202.09	DISPOSABLE GLOVES	05/23/2022	8200	-
7430	921	000000	422	AMZN MKTP US 1Q9WH1YF0	21.44	General office supplies	05/06/2022	3680	-
7450	921	000000	422	AMZN MKTP US 1Q9WH1YF0	7.71	General office supplies	05/06/2022	3680	-
7460	851	000000	422	AMZN MKTP US 1Q9WH1YF0	10.29	General office supplies	05/06/2022	3680	-
7430	233	00-1099	422	AMZN MKTP US 1Q9WH1YF0	3.44	General office supplies	05/06/2022	3680	-
7460	833	000000	108	ASLESONS TRUE VALUE HARDW	21.08	MISC SUPPLIES	05/17/2022	8740	-
7460	833	000000	108	ASLESONS TRUE VALUE HARDW	3.20	SCREWS	05/26/2022	8740	-
7430	593	000000	108	ASLESONS TRUE VALUE HARDW	33.98	MISC SUPPLIES	05/27/2022	6840	-
7430	593	000000	108	ASLESONS TRUE VALUE HARDW	93.98	BLADE/HAMMER	05/19/2022	6820	-
7430	593	000000	108	ASLESONS TRUE VALUE HARDW	22.46	MISC SUPPLIES	05/25/2022	6840	-
7450	677	000000	994	ASSURED FLOW SALES	183.70	HYDRANT GREASE	05/02/2022	7400	-
7450	921	000000	105	AWWA.ORG	92.00	Employee Dues - AWWA - Annual	05/30/2022	5250	-
7430	926	000000	809	CINTAS CORP	83.78	Clothing	05/02/2022	1025	-
7430	930	000000	894	CITY OF MADISON PARKING	6.60	Training Expense - Parking - MEUW Annual Conference	05/12/2022	5250	-
7430	930	000000	894	CITY OF MADISON PARKING	9.00	Training Expense - Parking - MEUW Annual Conference	05/16/2022	5250	-
7430	921	000000	177	CLOUDFLARE	13.75	Server DNS Failover - Subscription and Origins - Monthly	05/02/2022	5250	-
7450	921	000000	177	CLOUDFLARE	5.00	Server DNS Failover - Subscription and Origins - Monthly	05/02/2022	5250	-
7460	851	000000	177	CLOUDFLARE	6.25	Server DNS Failover - Subscription and Origins - Monthly	05/02/2022	5250	-
7450	232	001099	816	CORE & MAIN - WI007	1,950.00	WATER INVENTORY	05/19/2022	4100	-
7450	232	001099	816	CORE & MAIN - WI007	1,257.68	WATER INVENTORY	05/25/2022	4100	-
7460	831	000000	567	COUNTY MATERIALS CORPORAT	641.67	MANHOLE SUPPLIES-DOT ROUNDABOUT PROJECT	05/05/2022	8200	-
7430	232	001099	134	CRESCENT ELECTRIC 130	3,678.70	ELECTRIC INVENTORY	05/06/2022	4100	-
7430	232	001099	134	CRESCENT ELECTRIC 130	334.75	ELECTRIC INVENTORY	05/11/2022	4100	-
7430	232	001099	134	CRESCENT ELECTRIC 130	3,202.00	ELECTRIC INVENTORY	05/25/2022	4100	-
7430	232	001099	134	CRESCENT ELECTRIC 130	1,147.50	ELECTRIC INVENTORY	05/11/2022	4100	-
7460	850	000000	411	CSWEA	40.00	SEMINAR-ZWEEP	05/23/2022	8710	-
7460	851	000000	411	CSWEA	40.00	COLLECTIONS SEMINAR-BAKKEN	05/26/2022	8740	-
7430	593	000000	994	DORN TRUE VALUE OREGON	75.91	EYE CONTROLS	05/26/2022	6840	-
7430	921	000000	994	EL RIO GRANDE MEXICAN RES	38.26	QTRLY LUNCH	05/11/2022	1025	-
7450	921	000000	994	EL RIO GRANDE MEXICAN RES	13.91	QTRLY LUNCH	05/11/2022	1025	-
7460	851	000000	994	EL RIO GRANDE MEXICAN RES	17.40	QTRLY LUNCH	05/11/2022	1025	-
7430	934	000000	369	EQUIPMENT DEPOT MILWAUKE	69.00	FORK LIFT MAINTENANCE	05/18/2022	4100	-
7450	673	000000	148	FASTENAL COMPANY 01WISTG	113.00	VALVE REPAIR HARDWARE	05/17/2022	7400	-
7450	107.14	000000	354	HYDRO DESIGNS	791.00	APR 22 CROSS CONNECTION	05/03/2022	7400	220902XX - 1
7430	593	000000	994	J HARLEN CO INC	219.37	IMPACT WRENCH	05/20/2022	6840	-
7430	593	000000	994	J HARLEN CO INC	363.65	TOOL HOLDER/KNIFE	05/20/2022	6820	-

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Company	Account	Sub	Vendor ID	Merchant	Amount	Description	Post Date	Emp ID	Projec
7430	930	000000	994	JIMMY JOHNS - 1959 - E	85.14	Linecrew meeting expense - Engineering review and instruction	05/06/2022	3680	-
7430	921	000000	836	MICROSOFT#G010800934	52.15	STaaS - Azure - Cold Backup Storage	05/19/2022	5250	-
7450	921	000000	836	MICROSOFT#G010800934	18.96	STaaS - Azure - Cold Backup Storage	05/19/2022	5250	-
7460	851	000000	836	MICROSOFT#G010800934	23.71	STaaS - Azure - Cold Backup Storage	05/19/2022	5250	-
7430	921	000000	836	MSFT E0400IF1VO	11.00	SaaS - o365 - Project Online Tier 1	05/03/2022	5250	-
7450	921	000000	836	MSFT E0400IF1VO	4.00	SaaS - o365 - Project Online Tier 1	05/03/2022	5250	-
7460	851	000000	836	MSFT E0400IF1VO	5.00	SaaS - o365 - Project Online Tier 1	05/03/2022	5250	-
7430	921	000000	836	MSFT E0400IFTYV	33.00	SaaS - o365 - Visio Desktop Tier 2	05/03/2022	5250	-
7450	921	000000	836	MSFT E0400IFTYV	12.00	SaaS - o365 - Visio Desktop Tier 2	05/03/2022	5250	-
7460	851	000000	836	MSFT E0400IFTYV	15.00	SaaS - o365 - Visio Desktop Tier 2	05/03/2022	5250	-
7430	921	000000	836	MSFT E0400IG30F	33.00	SaaS - o365 - Project Desktop Tier 3	05/04/2022	5250	-
7450	921	000000	836	MSFT E0400IG30F	12.00	SaaS - o365 - Project Desktop Tier 3	05/04/2022	5250	-
7460	851	000000	836	MSFT E0400IG30F	15.00	SaaS - o365 - Project Desktop Tier 3	05/04/2022	5250	-
7430	921	000000	836	MSFT E0400IG4XZ	18.15	SaaS - o365 - Microsoft 365 Apps for Business	05/04/2022	5250	-
7450	921	000000	836	MSFT E0400IG4XZ	6.60	SaaS - o365 - Microsoft 365 Apps for Business	05/04/2022	5250	-
7460	851	000000	836	MSFT E0400IG4XZ	8.25	SaaS - o365 - Microsoft 365 Apps for Business	05/04/2022	5250	-
7430	930	000000	089	MUNICIPAL ELECTRIC UTILIT	325.00	Training Expense - Registration - MEUW Annual Conference	05/11/2022	5250	-
7460	833	000000	830	NCL OF WISCONSIN INC	518.63	REPLACEMENT BULBS	05/11/2022	8710	-
7460	833	000000	830	NCL OF WISCONSIN INC	48.23	LAB SUPPLIES	05/06/2022	8710	-
7460	833	000000	974	NORTHERN LAKE SERVICE- IN	40.74	SLUDGE SAMPLES	05/04/2022	8710	-
7430	930	000000	994	PANERA BREAD #601552 O	177.51	SU Employee Luncheon - All utility staff	05/05/2022	5250	-
7450	930	000000	994	PANERA BREAD #601552 O	64.55	SU Employee Luncheon - All utility staff	05/05/2022	5250	-
7460	850	000000	994	PANERA BREAD #601552 O	80.70	SU Employee Luncheon - All utility staff	05/05/2022	5250	-
7430	903	000000	419	PAYFLOW/PAYPAL	107.76	Credit card processing - MyAccount Online	05/03/2022	5250	-
7450	903	000000	419	PAYFLOW/PAYPAL	15.39	Credit card processing - MyAccount Online	05/03/2022	5250	-
7460	840	000000	419	PAYFLOW/PAYPAL	23.09	Credit card processing - MyAccount Online	05/03/2022	5250	-
7430	233	00-1099	419	PAYFLOW/PAYPAL	7.71	Credit card processing - MyAccount Online	05/03/2022	5250	-
7430	903	000000	419	PAYFLOW/PAYPAL	103.63	Credit card processing - Desktop and Recurring	05/03/2022	5250	-
7450	903	000000	419	PAYFLOW/PAYPAL	14.80	Credit card processing - Desktop and Recurring	05/03/2022	5250	-
7460	840	000000	419	PAYFLOW/PAYPAL	22.20	Credit card processing - Desktop and Recurring	05/03/2022	5250	-
7430	233	001099	419	PAYFLOW/PAYPAL	7.42	Credit card processing - Desktop and Recurring	05/03/2022	5250	-
7430	925	000000	061	RITZ SAFETY LLC	1,124.77	Employee PPE - FR Safety Clothing	05/05/2022	5250	-
7430	926	000000	578	SHOE BOX	300.00	BOOTS-SEILING	05/02/2022	8730	-
7430	143	000000	578	SHOE BOX	58.00	BOOTS-SEILING	05/02/2022	8730	-
7430	926	000000	296	SP J.L. MATTHEWS CO.	300.00	BOOTS-ENDS	05/02/2022	6830	-
7430	143	000000	296	SP J.L. MATTHEWS CO.	128.62	BOOTS-ENDS	05/02/2022	6830	-
7430	143	00-0001	601	SQ FOSDAL HOME BAKERY	62.50	WPPI Reimbursed - Customer Programs - Linemen Coloring Contest	05/11/2022	3680	-
7430	932	000000	185	SQ MADISON POWER CLEANER	590.15	Admin building maintenance - Exterior pressure washing	05/17/2022	5250	-
7450	932	000000	185	SQ MADISON POWER CLEANER	214.60	Admin building maintenance - Exterior pressure washing	05/17/2022	5250	-
7460	834	000000	185	SQ MADISON POWER CLEANER	268.25	Admin building maintenance - Exterior pressure washing	05/17/2022	5250	-
7430	921	000000	352	STAPLS7355937967000001	159.53	General office and mailing supplies	05/05/2022	3680	-
7430	921	000000	352	STAPLS7355937967000001	57.43	General office and mailing supplies	05/05/2022	3680	-
7460	851	000000	352	STAPLS7355937967000001	76.57	General office and mailing supplies	05/05/2022	3680	-
7430	233	001099	352	STAPLS7355937967000001	25.54	General office and mailing supplies	05/05/2022	3680	-

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Select By: {PSSPurchCard.RefNbr} = '0000000143'

Company	Account	Sub	Vendor ID	Merchant	Amount	Description	Post Date	Emp ID	Projec
7430	921	000000	352	STAPLS7355938248000001	37.52	Meeting and janitorial supplies	05/05/2022	3680	-
7450	921	000000	352	STAPLS7355938248000001	13.64	Meeting and janitorial supplies	05/05/2022	3680	-
7460	851	000000	352	STAPLS7355938248000001	17.06	Meeting and janitorial supplies	05/05/2022	3680	-
7430	593	000000	436	STOUGHTON LUMBER CO	43.85	MISC SUPPLIES	05/27/2022	6840	-
7450	672	000000	436	STOUGHTON LUMBER CO	44.00	RENT PRESS WASHER-CLEAN TOWER	05/20/2022	7400	-
7430	593	000000	436	STOUGHTON LUMBER CO	5.90	SHOP TOWELS	05/12/2022	6840	-
7430	593	000000	436	STOUGHTON LUMBER CO	47.44	LIGHT CONTROLS	05/25/2022	6840	-
7430	593	000000	355	STUART C IRBY	757.50	BUSHINGS	05/03/2022	4100	-
7430	593	000000	355	STUART C IRBY	197.50	CLEVIS	05/11/2022	4100	-
7430	593	000000	355	STUART C IRBY	82.50	EYENUTS	05/12/2022	4100	-
7430	593	000000	355	STUART C IRBY	4,852.50	CONNECTORS/CLAMPS	05/13/2022	4100	-
7430	593	000000	355	STUART C IRBY	75.00	SHIPPING CHARGES-CLEVIS	05/18/2022	4100	-
7430	593	000000	355	STUART C IRBY	133.40	TOOL BOX/ORGANIZER	05/18/2022	4100	-
7430	232	001099	355	STUART C IRBY	278.81	SHIPPING CHARGES-DEADENDS	05/18/2022	4100	-
7430	232	001099	355	STUART C IRBY	4,100.00	ELECTRIC INVENTORY	05/11/2022	4100	-
7430	232	001099	355	STUART C IRBY	872.10	ELECTRIC INVENTORY	05/26/2022	4100	-
7430	232	001099	355	STUART C IRBY	5,211.00	ELECTRIC INVENTORY	05/23/2022	4100	-
7460	833	000000	164	THE UPS STORE 3617	46.45	SAMPLE SHIPPING CHARGES	05/11/2022	8710	-
7430	933	000000	994	TRACTOR SUPPLY #2236	25.99	PROPANE-FORKLIFT	05/30/2022	5275	-
7430	593	000000	994	TRACTOR SUPPLY #2236	10.54	LIGHT BULB	05/26/2022	6840	-
7430	593	000000	994	TRACTOR SUPPLY #2236	21.08	MISC SUPPLIES	05/30/2022	6820	-
7450	642	000000	824	UPS 1Z17Y6230392424642	11.69	Shipping of water samples to lab	05/19/2022	3680	-
7450	642	000000	824	UPS 1Z17Y6230392948434	11.69	Shipping of water samples to lab	05/05/2022	3680	-
7450	642	000000	824	UPS 1Z17Y6230393586654	11.69	Shipping of water samples to lab	05/19/2022	3680	-
7450	642	000000	824	UPS 1Z17Y6230394794025	11.69	Shipping of water samples to lab	05/05/2022	3680	-
7450	642	000000	824	UPS 1Z17Y6230396643863	11.69	Shipping of water samples to lab	05/12/2022	3680	-
7450	642	000000	824	UPS 1Z17Y6230398297654	11.69	Shipping of water samples to lab	05/12/2022	3680	-
7460	851	000000	507	WAL-MART #1176	3.86	APPRECIATION LUNCH	05/05/2022	8700	-
7450	921	000000	507	WAL-MART #1176	3.09	APPRECIATION LUNCH	05/05/2022	8700	-
7430	921	000000	507	WAL-MART #1176	8.48	APPRECIATION LUNCH	05/05/2022	8700	-
7430	143	00-0001	894	WAL-MART #1305	15.19	WPPI Reimbursed - Community Branding - Syttende Mai	05/16/2022	3680	-
7430	143	00-0001	994	WALGREENS #7519	170.75	WPPI Reimbursed - Customer Programs - Linemen Coloring Contest	05/11/2022	3680	-
7430	921	000000	894	WALMART.COM AA	168.15	General office supplies - Shred bins x2	05/30/2022	5250	-
7450	921	000000	894	WALMART.COM AA	61.14	General office supplies - Shred bins x2	05/30/2022	5250	-
7460	851	000000	894	WALMART.COM AA	76.45	General office supplies - Shred bins x2	05/30/2022	5250	-
7450	920	000000	537	WISCONSIN WASTEWATER OPER	51.75	WRWA SEMINAR-HUDSON	05/04/2022	8700	-
7450	920	000000	537	WISCONSIN WASTEWATER OPER	51.75	WRWA SEMINAR-SEFFENS	05/05/2022	5275	-

**Total: 37,909.85**

# Stoughton Utilities

## Financial Summary

### May 2022 YTD

#### **Overall Summary:**

May YTD 2022 operating income was \$543,664, up \$10,578 from 2021. Electric and wastewater both saw decreases in income of \$29,096 and \$51,569 respectively, which was partially offset by an increase in water income of \$91,244.

#### **Electric Summary:**

May 2022 YTD operating revenues were \$6,083,255, or 11.1%, higher than 2021. Kilowatt-hour sales were 2.6% (282,252 kWh) higher than in May 2021. Purchase power costs were up \$543,193, or 14.4%, from last year. Non-power operating expenses were up \$139,065 from the prior year due to tree trimming costs, increased locate costs and underground supplies.

The rate of return was 1.52% compared to 1.76% for YTD 2021. Unrestricted cash balances are \$5.1 million (4.3 months of sales).

#### **Water Summary:**

May 2022 YTD operating revenues were up \$53,526, or 5.5%, from 2021. Total gallons sold were down 9% (3,394,000 gallons) from May 2021. The increase in revenue is due to the rate increase implemented in 2022.

Operating expenses were down \$37,717, or -4.7%, compared to the prior year.

The rate of return was 2.25% compared to 1.42% for YTD 2021. Unrestricted cash balances are (\$238,114), -1.2 months of sales. With the exception of our 2021 audit, we have all documents submitted to the DNR for our first disbursement request. Our loan is preliminarily set to close on August 10, 2022.

#### **Wastewater Summary:**

May 2022 YTD operating revenue was down \$21,433, or -2.5%, from 2021. Total gallons sold were down 5.4% (1,505,000 gallons) from May 2021.

Operating expenses were up \$30,136, or 4.0%, from 2021. The increased operating expenses were due to additional outside service needs and plant maintenance.

Unrestricted cash balances were \$920,112 (5.5 months of sales).

Submitted by:  
Shannon Statz

**STOUGHTON UTILITIES**

Balance Sheets  
As of May 31, 2022

	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Combined</u>
<b>Assets</b>				
Cash & Investments	\$ 6,304,116	\$ 523,286	\$ 2,681,840	\$ 9,509,242
Customer A/R	1,649,774	266,275	215,510	2,131,559
Other A/R	180,618	2,149	-	182,767
Other Assets	1,286,196	252,136	155,727	1,694,059
Plant in Service	31,382,595	17,403,151	33,016,921	81,802,667
Accumulated Depreciation	(16,319,813)	(6,370,995)	(13,993,734)	(36,684,542)
Plant in Service - CIAC	6,276,161	8,891,083	-	15,167,244
Accumulated Depreciation-CIAC	(2,150,725)	(2,627,260)	-	(4,777,985)
Construction Work in Progress	518,019	1,938,012	48,359	2,504,390
GASB 68 Deferred Outflow	1,000,371	344,049	406,809	1,751,229
<b>Total Assets</b>	<b>\$ 30,127,312</b>	<b>\$ 20,621,886</b>	<b>\$ 22,531,432</b>	<b>\$ 73,280,630</b>
<b>Liabilities + Net Assets</b>				
Accounts Payable	\$ (66,567)	\$ 62,145	\$ 44,824	\$ 40,402
Payable to City of Stoughton	253,066	178,746	-	431,812
Interest Accrued	12,323	15,340	6,843	34,506
Other Liabilities	525,133	106,214	84,619	715,966
Long-Term Debt	2,447,141	2,726,773	2,897,365	8,071,279
Net Assets	25,782,560	17,133,911	19,090,130	62,006,601
GASB 68 Deferred Inflow	1,173,656	398,757	407,651	1,980,064
<b>Total Liabilities + Net Assets</b>	<b>\$ 30,127,312</b>	<b>\$ 20,621,886</b>	<b>\$ 22,531,432</b>	<b>\$ 73,280,630</b>

**STOUGHTON UTILITIES**

Year-to-Date Combined Income Statement

May 31, 2022

	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Total</b>
<i>Operating Revenue:</i>				
Sales	\$ 6,008,296	\$ 989,512	\$ 833,395	\$ 7,831,203
Other	74,959	33,961	17,417	126,337
<i>Total Operating Revenue:</i>	<b>\$ 6,083,255</b>	<b>\$ 1,023,473</b>	<b>\$ 850,812</b>	<b>\$ 7,957,540</b>
<i>Operating Expense:</i>				
Purchased Power	4,326,422	-	-	4,326,422
Expenses (Including Taxes)	827,527	380,915	410,787	1,619,229
PILOT	191,665	179,165	-	370,830
Depreciation	512,085	210,310	375,000	1,097,395
<i>Total Operating Expense:</i>	<b>\$ 5,857,699</b>	<b>\$ 770,390</b>	<b>\$ 785,787</b>	<b>\$ 7,413,876</b>
<i>Operating Income</i>	<b>\$ 225,556</b>	<b>\$ 253,083</b>	<b>\$ 65,025</b>	<b>\$ 543,664</b>
Non-Operating Income	274,352	830,385	441,886	1,546,623
Non-Operating Expense	(39,063)	(38,932)	(33,335)	(111,330)
<i>Net Income</i>	<b>\$ 460,845</b>	<b>\$ 1,044,536</b>	<b>\$ 473,576</b>	<b>\$ 1,978,957</b>

**STOUGHTON UTILITIES**

Year-to-Date Combined Income Statement

May 31, 2021

	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Total</b>
<i>Operating Revenue:</i>				
Sales	\$ 5,401,898	\$ 940,479	\$ 857,503	\$ 7,199,880
Other	73,181	29,468	14,742	117,391
<i>Total Operating Revenue:</i>	<b>\$ 5,475,079</b>	<b>\$ 969,947</b>	<b>\$ 872,245</b>	<b>\$ 7,317,270</b>
<i>Operating Expense:</i>				
Purchased Power	3,783,229	-	-	3,783,229
Expenses (Including Taxes)	688,462	411,132	413,986	1,513,581
PILOT	236,650	186,665	-	423,315
Depreciation	512,085	210,310	341,665	1,064,060
<i>Total Operating Expense:</i>	<b>\$ 5,220,426</b>	<b>\$ 808,107</b>	<b>\$ 755,651</b>	<b>\$ 6,784,184</b>
<i>Operating Income</i>	<b>\$ 254,652</b>	<b>\$ 161,839</b>	<b>\$ 116,594</b>	<b>\$ 533,086</b>
Non-Operating Income	458,980	10,844	24,079	493,903
Non-Operating Expense	(45,156)	(32,315)	(36,660)	(114,131)
<i>Net Income</i>	<b>\$ 668,477</b>	<b>\$ 140,368</b>	<b>\$ 104,013</b>	<b>\$ 912,858</b>

**STOUGHTON UTILITIES**  
Cash and Investments Summary  
As of May 31, 2022

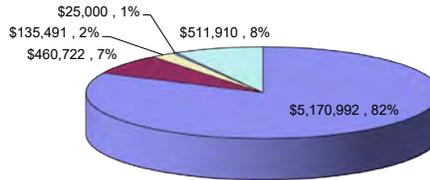
**Electric**

**May 2022**

Unrestricted (4.3 months sales)	\$	5,170,992
Bond Reserve	\$	460,722
Redemption Fund (P&I)	\$	135,491
Depreciation	\$	25,000
Designated	\$	511,910
<b>Total</b>	<b>\$</b>	<b>6,304,115</b>

**Electric Cash - May 2022**

■ Unrestricted (4.3 months sales) ■ Bond Reserve □ Redemption Fund (P&I) ■ Depreciation □ Designated



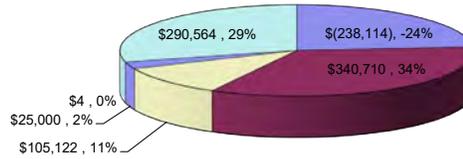
**Water**

**May 2022**

Unrestricted (-1.2 months sales)	\$	(238,114)
Bond Reserve	\$	340,710
Redemption Fund (P&I)	\$	105,122
Depreciation	\$	25,000
Construction	\$	4
Designated	\$	290,564
<b>Total</b>	<b>\$</b>	<b>523,286</b>

**Water Cash - May 2022**

■ Unrestricted (-1.2 months sales) ■ Bond Reserve □ Redemption Fund (P&I)  
■ Depreciation ■ Construction □ Designated



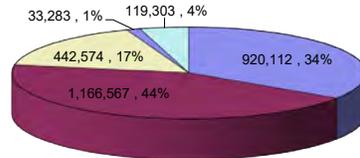
**Wastewater**

**May 2022**

Unrestricted (5.5 months sales)		920,112
DNR Replacement		1,166,567
Redemption Fund (P&I)		442,574
Depreciation		33,283
Designated		119,303
<b>Total</b>		<b>2,681,839</b>

**Wastewater Cash - May 2022**

■ Unrestricted (5.5 months sales) ■ DNR Replacement  
■ Redemption Fund (P&I) ■ Depreciation  
■ Designated



**STOUGHTON UTILITIES**

Rate of Return

Year-to-Date May 31, 2022

	<b>Electric</b>	<b>Water</b>
Operating Income (Regulatory)	\$ 225,556	\$ 253,083
Average Utility Plant in Service	30,814,411	17,275,886
Average Accumulated Depreciation	(15,607,652)	(5,977,134)
Average Materials and Supplies	431,553	48,048
Average Regulatory Liability	(55,404)	(85,574)
Average Customer Advances	(745,504)	(2,500)
Average Net Rate Base	\$ 14,837,404	\$ 11,258,726
May 2022 Rate of Return	<b>1.52%</b>	<b>2.25%</b>
May 2021 Rate of Return	<b>1.76%</b>	<b>1.42%</b>
December 2021 Rate of Return	<b>6.17%</b>	<b>4.61%</b>
Authorized Rate of Return	<b>4.90%</b>	<b>5.00%</b>

# STOUGHTON UTILITIES

## 2022 Statistical Worksheet

Electric	Total Sales 2021 kWh	Total kWh Purchased 2021	Total Sales 2022 kWh	Total kWh Purchased 2022	Demand Peak 2021	Demand Peak 2022
January	11,902,372	12,568,526	12,604,215	13,090,652	21,527	22,855
February	11,678,924	11,992,637	11,111,183	11,372,253	23,755	21,873
March	10,949,430	11,170,845	11,073,665	11,342,879	19,911	19,841
April	9,775,372	9,996,551	9,878,316	10,132,838	18,026	18,585
May	10,732,336	10,936,134	11,014,588	11,338,060	25,030	30,514
June						
July						
August						
September						
October						
November						
December						
<b>TOTAL</b>	<b>55,038,434</b>	<b>56,664,693</b>	<b>55,681,967</b>	<b>57,276,682</b>		

Water	Total Sales 2021 Gallons	Total Gallons Pumped 2021	Total Sales 2022 Gallons	Total Gallons Pumped 2022	Max Daily High 2021	Max Daily Highs 2022
January	34,519,000	38,064,000	31,078,000	36,158,000	1,435,000	1,457,000
February	33,979,000	38,757,000	32,481,000	32,026,000	1,602,000	1,411,000
March	37,062,000	39,926,000	33,586,000	36,224,000	1,460,000	1,435,000
April	34,267,000	36,988,000	32,025,000	34,207,000	1,548,000	1,449,000
May	37,609,000	40,476,000	34,215,000	39,016,000	1,520,000	1,812,000
June						
July						
August						
September						
October						
November						
December						
<b>TOTAL</b>	<b>177,436,000</b>	<b>194,211,000</b>	<b>163,385,000</b>	<b>177,631,000</b>		

Wastewater	Total Sales 2021 Gallons	Total Treated Gallons 2021	Total Sales 2022 Gallons	Total Treated Gallons 2022	Precipitation 2021	Precipitation 2022
January	23,932,000	28,478,000	24,073,000	29,328,000	1.69	.51"
February	23,214,000	26,865,000	22,180,000	26,210,000	0.90	.58"
March	25,573,000	30,877,000	24,271,000	31,729,000	0.83	3.48"
April	25,383,000	26,955,000	23,557,000	32,799,000	1.67	3.60"
May	27,372,000	26,654,000	25,867,000	34,525,000	2.97	4.25"
June						
July						
August						
September						
October						
November						
December						
<b>TOTAL</b>	<b>125,474,000</b>	<b>139,829,000</b>	<b>119,948,000</b>	<b>154,591,000</b>	<b>8.06</b>	



# Stoughton Utilities Activities Report

## June 2022

### Electric System Division

Brian R. Hoops  
Assistant Utilities Director

**Cellular Communications Tower:** We received a request from a customer in negotiations to place a cellular communications tower on their property. There were concerns about easements and future development if the electric primary extension were to be installed in a traditional fashion, and they sought to have power installed from the rear of the property, requiring installation along a very steep slope. We worked with our underground boring contractor to determine a possible route and prepare a customer estimate for the cost of installing the new service.

**Contractor vs. Street Light Cable:** A contractor completing a sidewalk replacement struck and pulled up a section of underground streetlight cable. The contractor was working without a valid diggers hotline locate, as the ticket had expired several months prior. Fortunately, there were no injuries and no damage to the cable, and SU crews were able to rebury it at a depth that allowed the contractor to complete their work.

**Customer Maintenance Requests:** We have been kept busy with many requests from homeowners for cost estimates, temporary disconnections, design reviews, and more to facilitate maintenance projects including electrical panel upgrades, meter socket and service mast repairs, home painting projects, and chimney repairs, and tree trimming. Crews responded to a total of 71 customer requests during the month of June.

**Electric System Trouble Calls:** During the month of June, staff responded to a total of 16 trouble calls, including outages resulting from five tree branches, four squirrels, one bird, one contractor dig-in, one failed cable, one failed cutout, one substation circuit overload, and two customer-owned equipment failures.

**Employee Continuing Education:** All linemen attended excavation safety training from our insurance provider. The training consisted of both a classroom session and a field demonstration. The classroom portion of the training covered the rules and regulations necessary while working in excavations, and the field portion of the training was a hands-on demonstration of proper installation of shoring and entrance into an excavation

One lineman attended a week of journeyman apprenticeship training.

**Employee Staffing Updates:** Stoughton Utilities welcomed Joe Adler as our newest journeyman lineman. Joe comes to SU from Lake Mills Light and Water and is a 3<sup>rd</sup> generation lineman, following in the footsteps of his father and grandfather.

SU also welcomed Camren Conklin as a summer line assistance in our electric division. Camren has goals of pursuing a line apprenticeship in the future and is working with our line crew to gain knowledge and experience of electric distribution systems.

**Natural Gas Leak:** A crew was dispatched to be on standby during a natural gas leak and prepared to shut off the power supply to the area if needed. Ultimately, the gas was able to be turned off

**New Development Projects:** Crews continue to install temporary construction and permanent services to new homes as they are constructed and inspected. There has been a lot of activity in Nordic Ridge as temporary services have been set as new home constructions starts, and then when the meter is transferred to the permanent service on the home as it approaches completion.

**Overhead Line Reconstruction:** Crews have worked throughout the month on an overhead line rebuild on Bass Lake Road in the rural part of our service territory. The existing line has been removed from service and new poles installed, with the installation of new wire to occur in July.

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## **Energy Services Section**

Darren Jacobson  
Stoughton Utilities and WPPI Energy Services Manager (ESM)

The new WPPI Energy / Stoughton Utilities Energy Services Manager assigned to Stoughton is Darren Jacobson, who accepted the position and began work at WPPI Energy on June 13. The first weeks were spent receiving orientation and training at WPPI Energy and learning the organizations' goals and processes. Following several months of becoming acquainted with WPPI and SU, introductions will be made to Stoughton's key commercial and industrial electric customers, and she will begin working with SU staff to developing goals for our local community and individual customers.

During the orientation period period, Stoughton Utilities staff has been working directly with WPPI Energy employees depending upon the topic and has been assisted by an Energy Services Representative assigned to member communities in another region of the state.

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## **Finance Division**

Shannon M. Statz  
Finance Manager

**Annual Financial Audit Finalization:** The draft 2021 audit was provided to staff at month-end, and the start of the financial review began. We plan to present the audit report to the Stoughton Utilities Committee and Common Council in July.

**Budget and Capital Improvement Plan Preparation:** Staff continued internal discussions and preliminary budget calculations were completed as the 2023 budget and capital improvement plan continues to be developed. The initial focus is on the water and wastewater utility CIPs

**Lead Service Line Replacement Project - Safe Drinking Water Loan:** Work on the loan requirements for the Wisconsin Department of Natural Resources (WDNR) continues. All required documents have now been provided to the WDNR and all requirements have been met. A timeline of the closing process has been provided to SU staff, and or expected loan closing date is August 10, 2022. The initial draw amount is expected to be \$1,644,622.66, which will be used to reimburse the interim funding of the 2021 replacement of all public lead service lines.

**Sewer Rate Review:** Utility financial work on the potential adjustment to sanitary sewer rates is complete, and the Stoughton Utilities Committee and Common Council reviewed and approved the proposed ordinance change. Common Council approval was unanimous, and a second reading was waived to achieve a July 1, 2022 effective date.

**Typical Monthly Duties:** Finance Division staff completed all typical monthly financial and accounting duties including review and preparation of the monthly financial reports, authorization and coding review and reconciliation of the employee purchase cards program, daily and monthly cash balancing, funds transfers, consumption reports, work order closing, and balancing of accounts payable and receivable, construction work in progress, inventory and project controller, and customer advances.

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## **Technical Operations Division**

Brian R. Hoops  
Assistant Utilities Director

**Customer Billings:** Erin Goldade, billing and metering specialist, processed 9,720 customer billing statements totaling \$1.87M during the month of June, including the primary monthly billing and supplemental daily billings following customer moves throughout each month.

Electric utility billings during the month totaled \$1.414M, water utility billings totaled \$0.21M, wastewater utility billings totaled \$0.179M, and stormwater utility billings totaled \$0.065M.

Total utility billings for the month increased by 14.4% over the same period in 2021.

Our wholesale purchased power during June was 12,642 MWh with a peak demand of 34.08 MW occurring on June 21 at 6:00 p.m.

**Customer Payments:** During the month of June, staff processed 9,180 customer payments totaling 1.84M, including 1,301 checks, 1,402 lockbox payments, 442 credit cards by phone and in person, 1,617 My Account online payments, 3,637 AutoPay payments by credit card and bank withdrawal, 704 direct bank payments, and \$9,600 in cash.

**Delinquent Collections:** As of June 1, there were 1,270 active accounts carrying delinquent balances totaling \$152,600, and 61 closed accounts carrying delinquent balances totaling \$9,500. Of the total amount delinquent, \$42,900 was 30 or more days past due.

During the month of June, the following collection activity occurred:

- 10-day notices of pending disconnection were mailed to 568 delinquent accounts with past-due balances totaling \$77,300, averaging \$137 per customer.
  - In addition, past-due notices were mailed to 14 delinquent accounts with past-due balances totaling \$1,900, averaging \$138 per customer. Accounts receiving a past-due notice do not have a utility service that can be disconnected.
- Two days prior to scheduled disconnection, automated phone calls were made to 353 customers providing a warning of pending service disconnection.
- One day prior to scheduled disconnection, automated phone calls were made to 187 customers providing a final warning of pending service disconnection.
- Fourteen (14) electric service disconnections were completed for balances totaling \$2,423, averaging \$173 per disconnected customer.
  - Eight (8) services were reconnected within the same business day, and one (1) was reconnected the following business day.

We ended the month of June with \$20,500 remaining 30 or more days past due. For comparison, 30+ day delinquencies are 68% lower than this time last year (\$20,500).

We continue to work with individual customers to create deferred payment agreements when eligible, as well as to provide proactive payment reminders to habitually delinquent customers hoping to restore responsible and timely payment habits.

Erin Goldade, billing and metering specialist, has been handling many collections tasks while the collections technician position remains vacant, including customer notices, deposit balance reviews and new deposit requests, administering our collections programs through the Wisconsin Department of Revenue, and more.

**Education & Customer Outreach:** Brandi Yungen, customer service technician, continued to utilize our social media presence to provide important and timely information to our customers, as well as to maintain regulatory compliance through required customer education and outreach.

Our social media posts in June reached 10,413 viewers with an average engagement and participation rate of 2.5%. Topics included:

- Publication of our annual drinking water consumer confidence report (CCR)
- Congratulations to the 2022 graduating class at Stoughton High School
- Availability of free energy saving packs from Focus on Energy, including free LED light bulbs and water saving shower heads
- Education on summer energy costs, including an explanation on seasonal demand and wholesale energy market pricing, and their causes such as higher natural gas prices and early retirement of generation facilities

- Summer AC savings tips, including recommended thermostat settings
- Reminder that only toilet paper should be flushed, and never any other types of wipes or rags
- Celebrating Father's Day
- Recommendations on keeping outdoor AC units clear to increase efficiency
- Updates on a large power outage affecting Stoughton's northwest side
- Celebrating the first day of summer
- Tips on saving energy by planting shade trees to reduce home AC use
- Ongoing updates during a natural gas leak and SU's mobilization to disconnect power if needed
- Customer education on rooftop solar systems and how to select a reputable vendor

In addition to social media, customer outreach materials were created to continue our public education programs. Our annual Drinking Water Consumer Confidence Report was mailed to all residential postal customers in June.

Customers also received information in the forms of billing inserts, direct mailings following incentive eligibility, and press releases.

**Energy Assistance:** During the month of June, energy assistance (EA) payments totaling \$7,005 were received from the State of Wisconsin Public Benefits Program and applied to 78 customer accounts to assist with seasonal home heating expenses.

The 2021-22 heating season concluded May 1, and customer applications for seasonal energy are no longer being accepted. Funding from the Wisconsin Emergency Crisis Fund remains available to customers facing utility emergencies. Additional funding provided through the Wisconsin Emergency Rental Assistance and Help for Homeowners programs are also available to assist with customers' utility bills.

**EV Acceleration Pilot:** Stoughton Utilities is partnering with other WPPI Energy members in Dane County to review how our utilities can encourage expanded adoption of electric vehicles and discuss what role the utility has, including during the customer's decision-making process, marketing and education efforts, and potential incentives. Brian Hoops and Jill Weiss participated in a pilot kickoff meeting at WPPI Energy in June.

**Focus on Energy Incentive Programs:** Brandi Yungen, customer service technician, attended a mid-year program update presentation from Focus on Energy that discussed current and future programs, available funding, and marketing/outreach opportunities. Stoughton Utilities is a participating utility in Focus on Energy, and sends the funds collected through our commitment to community efficiency program to ensure our customers are able to access their many program offerings.

Stoughton Utilities prepared a billing statement insert that will be sent to all customers in July informing them of the availability of free energy saving packs available from Focus on Energy. A variety of different packs are available, and include free LED lightbulbs, low-flow showerheads and faucet aerators, window and door insulation materials, and more.

**Project Estimating and Scheduling:** Following the departure of several employees in our Electric System Division, the Assistant Director and Engineering Technician have been completing project estimating, design review, scheduling, and close out.

Service upgrades and temporary/permanent services for new construction remain busy. Numerous estimates were provided for overhead to underground service upgrades, and we are waiting to see if any proceed with their project. Many home maintenance projects requiring service disconnection or coverup are also being completed.

Several large projects were completed while others remain in the works, including multiple subdivision developments, rural underground primary extensions, and multifamily developments.

**Recalculation of Budget Billing Plan Payment Amounts:** Customer Service Technician Brandi Yungen completed the biannual review of the payment amounts for customers enrolled in our Budget Billing Plan. Customer's monthly

payment amounts are updated twice a year to reflect their current average usage, with biannual adjustments made in lieu of an annual true-up bill.

Over 500 customer accounts were updated with a new payment amount. Customers receiving a substantial increase or decrease are notified by letter, while those with nominal adjustments are notified using a message on their monthly billing statement.

**Software Upgrade Projects:** Our electric SCADA system upgrade project continues. Servers were staged for deployment, after which they were tested by the software vendor to ensure all configuration criteria were met and prerequisites were installed, and then delivered to the vendor for system programming and staging.

While this project is underway, we will also be making system improvements to our system in preparation for completion of the East Substation equipment upgrade projects, including the new breakers, regulator controls, and transformer. We have been working with the electric SCADA implementation engineer that assisted us through our initial 2019 system deployment to also assist with these upgrades.

Upgrades were made to our water and wastewater SCADA systems to relocate the alarm and operation databases to our central database server. Our prior alarm and operation retention log had exceeded the maximum allowed size of the vendor-provided database system.

Our wastewater televising system software replacement project was completed, and the new computer system has been installed in the televising truck and connected for use. A two-day onsite implementation and employee training session was completed. Numerous vendor issues arose during the training, resulting in them replacing the new computer system and coordinating with the camera vendor for additional remote configuration.

**SU Administration Building Improvements:** Our fencing contractor completed repairs to the fencing around the rear lot that was damaged during the March windstorm.

We continue to wait on parts and contractor availability to complete the physical security upgrades to the garage doors at the admin and wastewater facilities. Following completion of the door upgrades, we will complete similar upgrades to our sliding gates.

The HVAC unit for our server room was replaced. This room will warm to will heat to nearly 100 degrees without 24/7 cooling, and the prior unit had failed over the winter months. We had been waiting for the unit to arrive from the manufacturer. The SU line crew completed the lift of the new unit to the roof saving us the cost of a crane rental.

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## **Wastewater Division**

Brian G. Erickson  
Wastewater System Supervisor

The wastewater treatment facility processed an average daily flow of 1.143 million gallons with a monthly total of 34.296 million gallons. The total precipitation for the month was 3.14 inches.

**Capital Improvement Planning:** We continue to review future plant needs as we develop a long-range plan for future plant projects and cost projections for CIP budgeting purposes.

We have also completed a review of our collection system to create a prioritized list of future main replacements. We have been reviewing areas that overlap with water utility and other city priorities as we develop a five-year prioritized CIP, and a forward-looking 20-year plan.

**Compliance Maintenance Annual Report (CMAR):** The CMAR is a yearly report the Wisconsin Department of Natural Resources uses to grade the operations of the wastewater treatment facility. Staff completed the data reporting and it was presented to and approved by the Utilities Committee and Common Council in June, presenting passing grades for all operations.

**Lift Station Maintenance:** Operators temporarily took the 8th street lift station offline to clean the wet well. Testing of the new portable standby generator occurred at the Vennevoll Lift station, with no issues.

Collection System Maintenance: Staff cleaned the three river crossings, discovering several obstructions in the siphon lines, which were removed and cleared.

We worked with an excavation contractor to repair a few several sections of sewer main that were bored through by gas mains and fiber conduits installed by other contractors.

Staff televised new mains and located marker balls in several new subdivision developments. GPS locations of the marker balls are recorded in GIS, and maintenance operations such as flushing and televising are also recorded in GIS.

Employee Continuing Education: Wastewater operators Mark Bakken and Phil Zweep attended a collection system seminar in Watertown.

**Plant Maintenance:** We are in the process of scheduling a contractor to complete the south digester cleaning. This cleaning will require that the digester be emptied and taken offline for a period of time. In preparation, we have ordered Alum to keep our phosphorus numbers low while the digester is offline.

**Plant Treatment Challenges:** We are working with a local Industry that is discharging a lot of fat, oils and grease (FOG). This has caused our plant to have an outbreak of filaments that cause severe foaming issues and higher discharge numbers. We have met with the customer and discussed the challenges, and the issues has improved but still remains an item of concern.

**Televising System Software:** Staff was trained on the new software used with our sewer main camera televising system. We are working out a few configuration issues with the software and televising equipment.

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## **Water Division**

Kent F. Thompson  
Water System Supervisor

**Annual System Flushing:** Water operators continued and completed the annual system flushing of over 700 fire hydrants throughout the water system. Approximately 1.8 million gallons of water was flushed from 250 hydrants during June.

Hydrant flushing is a controlled procedure that helps maintain customers' water clarity and quality by clearing iron and mineral deposits from the water mains. Operators operate each hydrant on the system and allow the water to be flushed from the system, while also identifying necessary repairs to keep hydrants operating effectively and efficiently. Repairs to hydrants identified during flushing will begin following the flushing of the entire distribution system.

**Employee Continuing Education:** Two water operator attended the regional Wisconsin Wastewater Operators Association meeting in Evansville. Case studies of wastewater plants across the nation as well as an in-depth tour of the Evansville wastewater plant were the main subjects covered during the meeting.

All water operators attended excavation safety training from our insurance provider. The training consisted of both a classroom session and a field demonstration. The classroom portion of the training covered the rules and regulations necessary while working in excavations, and the field portion of the training was a hands-on demonstration of proper installation of shoring and entrance into an excavation.

**Lead Service Replacement GPS Collection:** We started the process of collecting the GPS location of the 703 curb stops where lead service line replacements occurred in 2021. Having the GPS location of stops allows us to see where each stop is located spatially on the lot. If there is an emergency and the water needs to be shut off to a property this expedites our search of the stop. We can also use the GPS unit in the field to take us to within inches of the stop, even when there is three feet of snow on the terrace which would render our metal detectors useless in finding the stop.

**Main Break:** One water main break occurred in June. The break was caused by a contractor hitting the water main while installing a natural gas line. Water operators isolated the main to allow a contractor to make repairs. Following repairs, operators flushed the main to remove any potential debris and to ensure clean drinking water.

**Per- and Polyfluoroalkyl Substances (PFAS):** The utility collectively decided to participate in the voluntary PFAS sampling event that was offered to municipal drinking water systems throughout Wisconsin. PFAS samples were collected for analysis at all four production wells in the city. Water operators spent numerous hours researching and learning how to collect the samples. One well sample result has been returned with no PFAS were detected in the sample, and we expect to receive the results from the other wells in early July.

**Routine Water Sampling:** Water samples were collected from 15 sites throughout the distribution system over a period of 3 weeks to be analyzed by the state lab of hygiene for the presence of coliform bacteria. Lab analysis found that 0 samples had the presence of coliform.

One fluoride sample was analyzed in our lab and then forwarded to the state lab for additional analysis to ensure the accuracy of our fluoride testing equipment. We are required to keep the fluoride concentration throughout the distribution system between 0.60 ppm and 0.80 ppm. Additional daily samples are collected throughout the city and analyzed for both chlorine and fluoride in our water lab which guides us in adjusting the dosage of disinfection and fluoride at the wells.

**Sanitary Sewer Televising Software Training:** Two water operators attending training on the new televising software at the wastewater treatment facility. Water and Wastewater operators collaborate on many tasks both at the water and wastewater facilities as well as in the field. Water operators will be in the field completing the televising of the sanitary sewers later this year.

**Subdivision Development Projects:** Water operators checked all of the valve boxes and curb stops in the Nordic Ridge development after construction was completed. Curb stops and valves were identified as needing repair and provided to the contractor completing the work. Following repairs, water operators collected GPS locations of all curb stops, valves and hydrants to be added to our strong GIS system.

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Please visit our website at [www.stoughtonutilities.com](http://www.stoughtonutilities.com) to view current events, follow project schedules, view Utilities Committee meeting notices, packets and minutes, review our energy conservation programs, or to learn more about your Stoughton Utilities electric, water, and wastewater services. You can also view your current and past billing statements, update your payment and billing preferences, enroll in optional account programs, and make an online payment using *My Account* online.



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022  
**To:** Stoughton Utilities Committee  
**From:** Jill M. Weiss, P.E.  
Stoughton Utilities Director  
**Subject:** Stoughton Utilities Communications

June 20, 2022 Thank you letter from the Stoughton Police Department thanking Stoughton Utilities for a \$500 donation to support the National Night Out annual community event.

July 1, 2022 Summer 2022 Renewable Report, a direct mailing from Stoughton Utilities and WPPI Energy sent to all customers who participate in our *Choose Renewable* program.

July 8, 2022 Stoughton Utilities billing statement insert informing customers of the availability of free energy-savings packs available from Wisconsin Focus on Energy, as well as other incentive programs available to customers.

June 20, 2022



**Stoughton Utilities  
Brandi Yungen  
600 S. Fourth St.  
Stoughton, WI 53589**

Chief Gregory W. Leck  
Stoughton Police Department  
321 South 4<sup>th</sup> Street  
Stoughton, WI 53589  
(608) 873-3374 Dispatch  
(608) 873-0286 Fax

RE: Donation to National Night Out

Dear Stoughton Utilities,

Thank you for your donation of a \$500 check (check number 28350) to the Stoughton Police Department's National Night Out. We will be using the funds to support our annual community event.

IRS: The Stoughton Utilities received nothing of value for this donation allowing the donation to be 100% tax-deductible.

Sincerely,

A handwritten signature in blue ink that reads "Brooke Schmitt". The signature is written in a cursive style.

Stoughton Police Department  
National Night Out Committee  
(608) 873-3374  
(608) 873-0286 Fax  
[www.cityofstoughton.com/police](http://www.cityofstoughton.com/police)



SUMMER 2022

# Renewable report

Shared strength through  WPPI Energy

## Grow Solar: A growing success

### **Midwest program aims to make local solar energy purchases more effective and affordable.**

Grow Solar, a program developed by the Midwest Renewable Energy Association (MREA), helped 28 properties in Sauk County install a total of 235 kilowatts (kW) of solar energy last year. The volume of greenhouse gasses avoided due to the program is equivalent to planting over 39 acres of trees.

MREA, local utilities, and other entities were able to work together via Grow Solar to support residents and commercial customers who were interested in installing solar energy on their property. The program approached reputable solar installation vendors about doing a group purchase, and through the process they were able to achieve a cost savings. The chosen vendors, Eagle Point Solar and All Sky Energy, collaborated to deliver 95 site assessments and cost estimates to help businesses and homeowners determine if solar was right for them.

### **LOCAL PARTNERSHIP HELPS CUSTOMERS**

By partnering with local utilities, accurate electric rates were used to show customers exactly how their utility bill would be impacted.

**“We often have customers calling the utility after door-to-door salespeople stop by to sell them solar,” shared Anna Stieve, senior energy services manager for Prairie du Sac Utilities. “By participating in Grow Solar, we had the opportunity to guide them toward vendors who could help them decide if their property was a good fit for solar. And through the group buy, we knew they’d be getting a good price through a trustworthy company.”**



This was Grow Solar’s second group purchase in Sauk County, the last was held in 2018. Including this latest effort, the programs have resulted in 671 kW of solar added by 94 participating households or properties in the county.

### **BIG IMPACTS ACROSS THE MIDWEST**

According to MREA, the average system size purchased was 8.4 kW with an average install cost of just over \$22,000. The program’s volume discount resulted in an average installation cost savings of around \$500 and the average first-year utility bill savings based on the current billing rates were approximately \$900.

Over the past nine years, MREA has supported more than 50 group buy programs in the Midwest, resulting in 2,300 homes and businesses investing in over 17,000 kilowatts of renewable solar energy. To see where group buys are currently happening, or to encourage one in your area, visit [growsolar.org/active-group-buys](https://growsolar.org/active-group-buys).



Lodi is 1 of 51 utilities throughout Wisconsin, Michigan and Iowa that offer Choose Renewable through WPPI Energy, a member-owned, not-for-profit wholesale energy supplier. Together we support sustainable, clean power for our communities.

## MEMBER SPOTLIGHT: LODI, WIS.

You could say that municipal power has been in Lodi's DNA from its founding. Established after its namesake in Italy, and incorporated first as a village in 1846, Lodi was chosen due to its location on Spring Creek and its potential for water power. Initially, the creek fueled the community's sawmill and a grist mill arrived shortly thereafter.

Today Lodi residents and businesses receive their electric power not from the creek but from municipally owned, Lodi Utilities. Lodi is a big believer in the value of renewable energy. With 59 customers participating in Choose Renewable, the Lodi community utilizes 42,300 kWh of renewable energy every month.

One of Lodi's claims to fame is Susie the Duck, the city's resident mallard who makes her home near Spring Creek. Susie has been the city's official mascot since



1948 when a mallard first built a nest in a downtown creekside park. The annual "Susie the Duck Day" celebration is held each August and is highlighted by a rubber duck race. Participants pay a donation for a small rubber duck and thousands are dumped into the creek where they "race" toward a finish line with prizes being awarded to the fastest ducks.

A circular logo with a recycling symbol and the text "Renewable report".

## Renewable report

### READ THE RENEWABLE REPORT ONLINE

To receive this newsletter via email, contact us at [RenewableReport@wppienergy.org](mailto:RenewableReport@wppienergy.org). We also welcome your comments, questions or story ideas. Your email address will be used solely for distribution of the *Renewable Report*.



In 2021, the Choose Renewable program committed **164,296** blocks or **49,289 MWh**; enough energy to power **6,100** homes.

# FOCUS ON FREE ENERGY SAVINGS

You heard right, energy-saving packs from FOCUS ON ENERGY® are free, seriously free. Our packs are shipped directly to you and include a variety of products designed to help you focus on reducing energy waste. Choose from packs that include energy-efficient LEDs, showerheads, and more!

## Ready to save for free?

Order your free pack now at [focusonenergymarketplace.com/free](http://focusonenergymarketplace.com/free) or give us a call at **800.762.7077**.

Before ordering your pack, please have your electric and gas (if applicable) utility account numbers handy. *Limit of one pack per eligible household per year.* Pack contents may vary.



Already ordered your free pack this year? Visit [focusonenergymarketplace.com](http://focusonenergymarketplace.com) to find discounts on more energy-saving products.



Focus Handheld Showerhead Pack

Focus Fixed Showerhead Pack



Focus Lightbulb Pack

Focus Decorative Light Pack



Focus Flood Light Pack

Focus Pack with Advanced Power Strip



# FOCUS ON HOME ENERGY SAVINGS



When you turn your focus on energy efficiency, you can focus on doing more. Whatever the motivation may be, you're making a conscious effort to reduce your home energy use and save money not only for yourself, but for Wisconsin, too.

With all the different ways to take action, it can be challenging to decide which solutions are best for you. We make it easy for you to find the right opportunities to make a real difference.

## Focus on FREE energy-saving products.

Get a pack with LED bulbs, efficient water fixtures, smart power strips and more sent right to your door—all for free!

[focusonenergymarketplace.com/free](https://focusonenergymarketplace.com/free)

## Stay comfortable and save on heating and AC upgrades.

Get incentives on new heating and cooling equipment like furnaces, smart thermostats, and more.

[focusonenergy.com/heatingandcooling](https://focusonenergy.com/heatingandcooling)

## Find instant discounts on energy-efficient products online.

Focus on Energy's online marketplace offers a variety of energy-efficient retail products at discounted prices.

[focusonenergymarketplace.com](https://focusonenergymarketplace.com)

## These savings shine bright.

Save instantly at participating retailers on qualified ENERGY STAR® LEDs.

[focusonenergy.com/lighting](https://focusonenergy.com/lighting)

## Renewable energy.

Work with Focus on Energy to get the technical support and financial incentives you need to make the transition to renewable energy.

[focusonenergy.com/renewable](https://focusonenergy.com/renewable)

## Seal your home and save energy.

Air sealing and insulation upgrades will help protect your home against lost heating or cooling and air quality issues year-round, while also improving your comfort.

[focusonenergy.com/wholehome](https://focusonenergy.com/wholehome)

## Measure twice, cut once (and save forever).

Focus on Energy will put you in touch with builders and consultants providing third-party certification for homes that meet the highest efficiency standards.

[focusonenergy.com/new-home](https://focusonenergy.com/new-home)

[focusonenergy.com/focusonsavings](https://focusonenergy.com/focusonsavings)

### REDUCING ENERGY WASTE ACROSS WISCONSIN

Focus on Energy, Wisconsin utilities' statewide program for energy efficiency and renewable energy, helps eligible residents and businesses save energy and money while protecting the environment. Focus on Energy information, resources and financial incentives help to implement energy efficiency and renewable energy projects that otherwise would not be completed. ©2022 Wisconsin Focus on Energy



**focus on energy**®

Partnering with Wisconsin utilities



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Status of the Utilities Committee Recommendation(s) to the Stoughton Common Council

The following items from prior Stoughton Utilities Committee Meeting(s) were presented to and/or acted upon by the Stoughton Common Council at their June 28, 2022 meeting:

Business:

1. Stoughton Wastewater Utility 2022 Rate Adjustment
2. Wastewater 2021 Compliance Maintenance Annual Report (CMAR)

The following items from prior Stoughton Utilities Committee Meeting(s) were presented to and/or acted upon by the Stoughton Common Council at their July 12, 2022 meeting:

Consent Agenda:

1. Minutes of the May 16, 2022 Regular Utilities Committee Meeting
2. Stoughton Utilities Payments Due List Report
3. Stoughton Utilities April Financial Summary
4. Stoughton Utilities Statistical Report



600 South Fourth Street P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Shannon M. Statz  
Stoughton Utilities Finance Manager

Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities 2021 Audit Reports and Management Letter

Ms. Jodi Dobson of Baker Tilly Virchow Krause, LLP is scheduled to present the Stoughton Utilities audit reports and management letter. Enclosed in the packet are the following documents for the Committee's review:

1. Report to the Stoughton Utilities Committee
2. Reporting and Insights from 2021 Audit
3. Audit Deficiency Explanation Memo
4. Financial Statements and Supplementary Information, Including Independent Auditors' Report

We are requesting that the Utilities Committee accept the Stoughton Utilities 2021 audit report and management letter, and recommend the acceptance of the audit report and the management letter and the adoption of the corresponding resolution to the Stoughton Common Council.

# **Stoughton Utilities**

## **Report to the Utilities Committee**

**July 18, 2022**

Presented By:

Baker Tilly US, LLP  
4807 Innovate Lane  
P.O. Box 7398  
Madison, WI 53707-7398  
800 362 7301

Jodi Dobson, CPA, Partner  
Megan Cahill, CPA, Manager

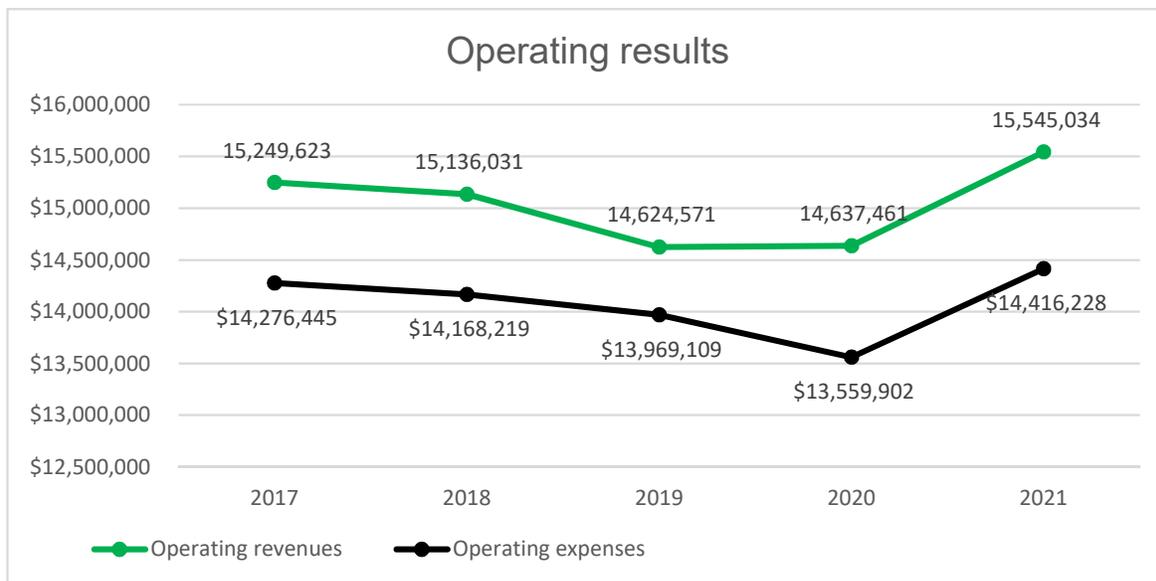
Note: Actual data was derived from current and prior years audited financial statements



# Stoughton Utilities

## Electric Utility Results

	Current Year	Prior Year
Actual Rate of Return	6.28%	5.16%
Authorized Rate of Return	4.90%	4.90%



### Unrestricted Reserves

	2017	2018	2019	2020	2021
Year end balance	\$ 7,473,871	\$ 6,264,701	\$ 6,202,525	\$ 7,446,097	\$ 6,251,767
Months on hand	5.88	4.97	5.09	6.10	4.83

### Debt Coverage

	2017	2018	2019	2020	2021
Actual	2.76	2.88	2.71	5.79	5.87
Required	1.30	1.30	1.30	1.30	1.30

### Investment in Capital

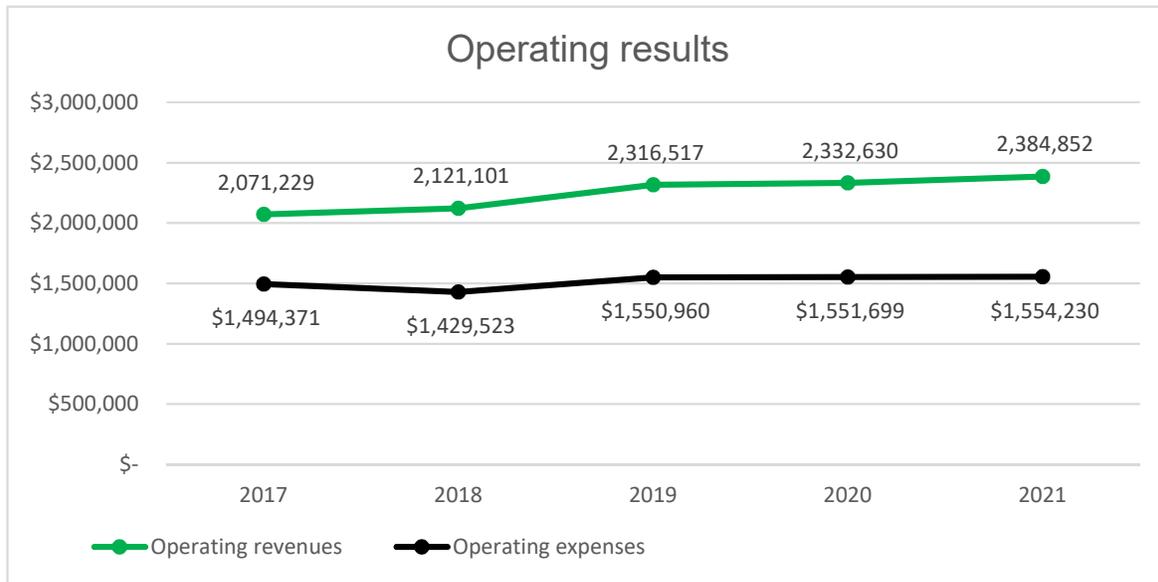




# Stoughton Utilities

## Water Utility Results

	<u>Current Year</u>	<u>Prior Year</u>
Actual Rate of Return	<b>4.81%</b>	<b>4.20%</b>
Authorized Rate of Return	<b>5.00%</b>	<b>5.00%</b>



### Unrestricted Reserves

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Year end balance	\$ 578,210	\$ 614,480	\$ 1,277,072	\$ 1,547,685	\$ 506,781
Months on hand	<b>3.35</b>	<b>3.48</b>	<b>6.62</b>	<b>7.96</b>	<b>2.55</b>

### Debt Coverage

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actual	<b>2.78</b>	<b>3.12</b>	<b>2.23</b>	<b>2.49</b>	<b>2.62</b>
Required	1.30	1.30	1.30	1.30	1.30

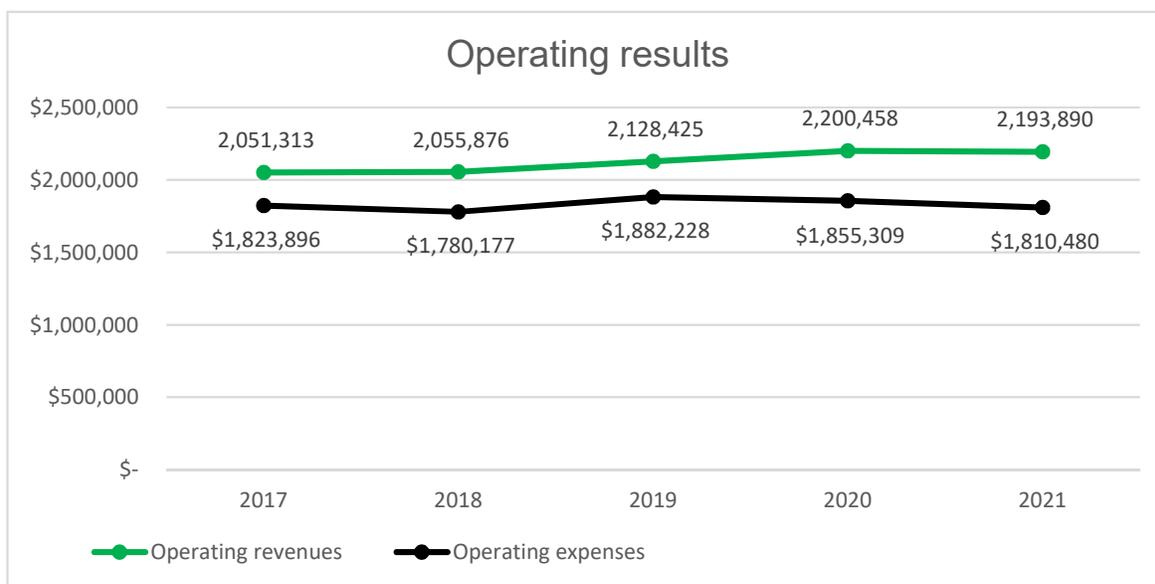
### Investment in Capital





# Stoughton Utilities

## Sewer Utility Results



### Unrestricted Reserves

	2017	2018	2019	2020	2021
Year end balance	\$ 1,486,585	\$ 1,660,992	\$ 1,014,129	\$ 804,859	\$ 1,314,607
Months on hand	8.70	9.70	5.72	4.39	7.19

### Debt Coverage

	2017	2018	2019	2020	2021
Actual	1.97	2.07	2.00	2.76	2.71
Required	1.10	1.10	1.10	1.10	1.10

### Investment in Capital





**Reporting and insights  
from 2021 audit:  
Stoughton Utilities**

**December 31, 2021**

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# Executive summary

July 13, 2022

Utilities Committee and City Council  
Stoughton Utilities  
600 South Fourth Street  
Stoughton, WI 53589

We have completed our audit of the financial statements of Stoughton Utilities (the Utilities) for the year ended December 31, 2021, and have issued our report thereon dated July 13, 2022. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your Utilities' operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

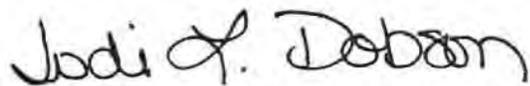
Additionally, we have included information on key risk areas Stoughton Utilities should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

- Jodi Dobson, Partner: [Jodi.dobson@bakertilly.com](mailto:Jodi.dobson@bakertilly.com) or +1 (608) 240 2469

Sincerely,

Baker Tilly US, LLP

A handwritten signature in black ink that reads "Jodi L. Dobson". The signature is written in a cursive, flowing style.

Jodi L. Dobson, Partner

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# Responsibilities

## Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the Utilities' internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of the Utilities Committee:
  - Are free from material misstatement
  - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Our audit does not relieve management or the Utilities Committee of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of the Utilities Committee, including:

- Internal control matters
- Qualitative aspects of the Utilities' accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

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# Audit status

## Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

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# Audit approach and results

## Planned scope and timing

### Audit focus

Based on our understanding of the Utilities' and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates
- Implementation of new accounting standards

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the Utilities' current year results.

## Key areas of focus and significant findings

### Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

### Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures

## Internal control matters

We considered the Utilities' internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the Utilities' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We identified the following deficiencies as material weaknesses:

- **Financial statement close process**

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and annual financial reports.

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- There is adequate staffing to prepare financial reports throughout the year and at year-end.
- Material misstatements are identified and corrected during the normal course of duties.
- Complete and accurate financial statements, including footnotes, are prepared.
- Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes, adjusting journal entries identified by the auditors, and an independent review of financial reports.

Management has not prepared financial statements that are in conformity with generally accepted accounting principles. In addition, material misstatements in the general ledger were identified during the financial audit.

## Other comments and recommendations

- The Utilities' should have a process to monitor routine and non-routine vendors such that they are able to record payables within a timely basis after year end. Due to no process currently being in place, late adjustments occur leading to additional work for utility staff and increasing audit and reporting efforts. This also increases the possibility that costs will not be recorded in the proper period resulting in reporting errors.

# Required communications

## Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Utilities' are described in Note 1 to the financial statements. As described in Note [1], the Utilities changed accounting policies related to postemployment benefits other than pensions by adopting GASB statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* in 2021. We noted no transactions entered into by the Utilities' during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

<b>Estimate</b>	<b>Management's process to determine</b>	<b>Baker Tilly's conclusions regarding reasonableness</b>
Accrued compensated absences	Evaluation of hours earned and accumulated in accordance with employment policies and average wage per hour rates	Reasonable in relation to the financial statements as a whole
Net pension liability and related deferrals	Evaluation of information provided by the Wisconsin Retirement System	Reasonable in relation to the financial statements as a whole
Fair value of ATC investment	Information provided by and confirmed by ATC	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates, noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

## **Significant unusual transactions**

There have been no significant transactions that are outside the normal course of business for the Utility' or that otherwise appear to be unusual due to their timing, size or nature.

## **Significant difficulties encountered during the audit**

We encountered no significant difficulties in dealing with management and completing our audit.

## **Disagreements with management**

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

## **Audit report**

There have been no departures from the auditors' standard report

## **Audit consultations outside the engagement team**

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

## **Uncorrected misstatements and corrected misstatements**

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial and to communicate accumulated misstatements to management. Management is in agreement with the misstatements we have identified, and they have been corrected in the financial statements. The schedule within the Appendix summarizes the material corrected misstatements, that, in our judgment, may not have been detected except through our auditing procedures. The internal control matters section of this report describes the effects on the financial reporting process indicated by the corrected misstatements, other than those that we consider to be of a lesser magnitude than significant deficiencies and material weaknesses.

## **Other audit findings or issues**

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Utilities' auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Management's consultations with other accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

## **Written communications between management and Baker Tilly**

The Appendix includes copies of other material written communications, including a copy of the management representation letter.

## **Compliance with laws and regulations**

We did not identify any non-compliance with laws and regulations during our audit.

## **Fraud**

We did not identify any known or suspected fraud during our audit.

## **Going concern**

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the Utilities' ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date the financial statements are issued or available to be issued, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditor's report. No such matters or conditions have come to our attention during our engagement

## **Independence**

We are not aware of any relationships between Baker Tilly and the Utilities' that, in our professional judgment, may reasonably be thought to bear on our independence.

## **Related parties**

We did not have any significant findings or issues arise during the audit in connection with the Utilities' related parties.

## **Other matters**

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, which accompanies the financial statements but is not RSI. With respect to the supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with [accounting principles generally accepted in the United States of America or the modified cash basis of accounting], the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

## **Nonattest services**

The following nonattest services were provided by Baker Tilly:

- Financial statement preparation
- Propose adjusting journal entries

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

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# Audit committee resources

Visit our resource page for regulatory updates, trending challenges and opportunities in your industry and other timely updates.

Visit the resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.

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# Management representation letter



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Needs Since 1886*

July 13, 2022

Baker Tilly US, LLP  
4807 Innovative Ln, PO Box 7398  
Madison, WI 53707-7398

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of Stoughton Utilities as of December 31, 2021 and 2020 and for the years then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the financial position of Stoughton Utilities results of operations, and cash flows of its proprietary funds in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

#### **Financial Statements**

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.
- 2) The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the utility required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



Office 608-873-3379  
Fax 608-873-4878  
[stoughtonutilities.com](http://stoughtonutilities.com)



- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, if any, are reasonable.
- 6) All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 7) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 8) We are not aware of any known actual, possible, pending, or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with accounting principles generally accepted in the United States of America, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 9) Guarantees, whether written or oral, under which the Utility is contingently liable, if any, have been properly recorded or disclosed.

#### **Information Provided**

- 10) We have provided you with:
  - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
  - b) Additional information that you have requested from us for the purpose of the audit.
  - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
  - d) Minutes of the meetings of Stoughton Utilities Committee or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 12) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
  - a) Management,
  - b) Employees who have significant roles in internal control, or
  - c) Others where the fraud could have a material effect on the financial statements.
- 13) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.

- 14) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 15) We have disclosed to you the names of our related parties and all the related party relationships and transactions, including any side agreements.

**Other**

- 16) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 17) We have taken timely and appropriate steps to remedy fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that you have reported to us.
- 18) We have a process to track the status of audit findings and recommendations.
- 19) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 20) The Utility has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
- 21) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 22) There are no:
  - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
  - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
  - c) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
  - d) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.

23) In regards to the nonattest services performed by you listed below, we have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.

- a) Financial statement preparation
- b) Propose adjusting journal entries

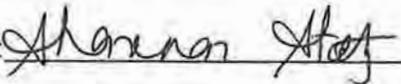
None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

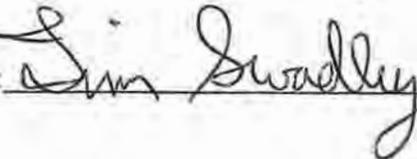
- 24) Stoughton Utilities has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 25) Stoughton Utilities has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 26) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 27) Stoughton Utilities has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- 28) Provisions for uncollectible receivables, if any, have been properly identified and recorded.
- 29) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
- 30) Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
- 31) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 32) Tax-exempt bonds issued have retained their tax-exempt status.
- 33) We have appropriately disclosed Stoughton Utilities' policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy.
- 34) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 35) With respect to the supplementary information, (SI):
  - a) We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

- b) If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.
- 36) We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.
- 37) With regards to the Commitment to Community program, we do not participate in the state program, however our local program reporting requirements are being met through joint reporting by WPPI Energy. As such no report needs to be prepared or filed by the utility.
- 38) Any direct borrowings, direct placements, lines of credit or debt default clauses have been identified and properly disclosed.
- 39) The auditing standards define an annual report as "a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity's operations and the entity's financial results and financial position as set out in the financial statements." Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditor's report thereon. We do not prepare an annual report.

Sincerely,

Stoughton Utilities

Signed:  \_\_\_\_\_

Signed:  \_\_\_\_\_

---

## Client service team



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# Accounting changes relevant to Stoughton Utilities

## Future accounting standards update

GASB Statement Number	Description	Potentially Impacts you	Effective Date
87	Leases	✓	12/31/22*
91	Conduit Debt	✓	12/31/22*
92	Omnibus 2020	✓	12/31/22*
93	Replacement of Interfund Bank Offered Rates		12/31/23
94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements		12/31/23
96	Subscription-Based Information Technology Arrangements	✓	12/31/22
97	Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans		12/31/22*

\*The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87 which was postponed by one and a half years. The effective date reflected above is the required revised implementation date.

Further information on upcoming [GASB pronouncements](#).

### Ready or not – the new lease standard is here!

GASB's new single model for lease accounting is effective for next year's audit (fiscal years ending June 30, 2022 and later). This standard requires governments to identify and evaluate contracts that convey control of the right to use another entity's nonfinancial asset for a period of time in an exchange or exchange-like transaction. Contracts meeting the criteria for control, term and other items within the standard will result in recognizing a right to use asset and lease liability or a receivable and deferred inflow of resources. The standard specifies that leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation (or, if applied to earlier periods, the beginning of the earliest period restated).

The implementation process can be broken down into a four-step methodology:



Now is the time to evaluate where your government is in this process and the timeline to complete implementation. The third step for lease evaluation, data extraction and review is typically the most time-consuming step; organizations should begin this process well before year end to ensure adequate lead time. A key decision that will need to be made is whether a lease administration software package is necessary. Depending on the volume and complexity of your lease activity, spreadsheets may not be sufficient to track and calculate all the required information.

We are available to discuss this further and help you develop an action plan. Baker Tilly also has complimentary resources available online including:

- GASB 87 lease identification questionnaire
- GASB 87 lease assistance tool
- Variety of GASB 87 podcasts and articles

Access tools and learn more about [GASB 87](#).

### **Preparing for the new conduit debt reporting**

Conduit debt includes arrangements where there are three separate parties involved including a third party that is obligated for payment, a debt holder or lender and an issuing party which is often a government. This standard provides additional criteria for identifying and classifying conduit debt with the intent of providing consistency in how the debt is recorded and reported in governmental financial statements. The Utility should identify any existing debt arrangements involving third-party obligors and evaluate how those arrangements will be reported under the new standard in order to determine the potential impact of this standard on future financial reporting.

### **Determining if GASB 94 applies for your organization**

GASB 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* provides guidance related to public-private and public-public partnerships (PPP) and availability payment arrangements (APA).

A PPP is an arrangement in which an entity contracts with an operator to provide public services by conveying control of the right to operate or use infrastructure or other capital asset. A common example of PPP is a service concession arrangement.

An APA is an arrangement in which an entity compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an asset.

The Utility should start to identify any contracts that could meet either definition to ensure they are reviewed for applicability and accounted for correctly when the standard is effective. Initial steps include reviewing contracts that didn't meet the definition of a lease under GASB 87 and identifying any other agreements where the organization contracts with or partners with another entity to provide services.

## **Future accounting for subscription-based IT arrangements**

Subscription-based IT arrangements include contracts that convey control of the right to use another party's IT software. It would not include any licensing arrangements that provide a perpetual license, which would still be accounted for as an intangible asset. Subscription-based IT arrangements are becoming more and more popular with IT vendors. This standard mirrors the new lease standard. The Utility will be able to utilize the systems put into place to implement the lease standard to properly account for these contracts. Common examples of these contracts in the utility industry include:

- Leasing space in the cloud
- GIS systems
- SCADA systems
- Some work order or inventory systems as well as some general ledger or billing systems

The Utility should work with its IT department and department managers to determine a population listing of contracts that would fall under this standard to determine the potential future impact to financial reporting.

---

# Corrected misstatements

## Stoughton Utilities

Year End: December 31, 2021

Normal adjusting journal entries

Date: 1/1/2021 To 12/31/2021

Number	Date	Name	Account No	Debit	Credit
A01	12/31/2021	Misc Cur and Accrued Assets GASB68	1-174-00-1097	151,805.00	
A01	12/31/2021	Misc Deferred Debits GASB68	1-186-00-1097	24,243.00	
A01	12/31/2021	Public Benefit GASB68	1-253-00-1097		-99,098.00
A01	12/31/2021	Employee Pensions and Benefits GASB68	1-926-00-1097		-76,950.00
A01	12/31/2021	Misc Cur and Accrued Assets GASB68	2-174-00-1097	78,303.00	
A01	12/31/2021	Misc Deferred Debits GASB68	2-186-00-1097	12,782.00	
A01	12/31/2021	Public Benefit GASB68	2-253-00-1097		-40,792.00
A01	12/31/2021	Employee Pensions and Benefits GASB68	2-926-00-1097		-50,293.00
A01	12/31/2021	Misc Cur and Accrued Assets GASB68	3-174-00-1097	88,837.00	
A01	12/31/2021	Misc Deferred Debits GASB68	3-186-00-1097	12,703.00	
A01	12/31/2021	Public Benefit GASB68	3-253-00-1097		-42,717.00
A01	12/31/2021	Employee Pensions and Benefits GASB68	3-926-00-1097		-58,823.00

To record GASB68.

A02	12/31/2021	Misc Deferred Debits	3-186-00-0000		-5,943.00
A02	12/31/2021	Regulatory Commuission Exp Default	3-855-00-0000	5,943.00	

To adjust amortization of sewer  
treatment plant premit amortization.

A03	12/31/2021	Deferred Outflow - OPEB	1-125-00-1100	341.00	
A03	12/31/2021	Deferred Inflow - OPEB	1-215-00-1100		
A03	12/31/2021	Net OPEB Liability	1-253-00-1100		-80,322.00
A03	12/31/2021	Employee Pension and Benefits OPEB	1-926-00-1098	79,981.00	
A03	12/31/2021	Deferred Outflow - OPEB	2-125-00-1100	114.00	
A03	12/31/2021	Deferred Inflow- OPEB	2-215-00-1100		
A03	12/31/2021	Net OPEB Liability	2-253-00-1100		-26,774.00
A03	12/31/2021	Employee Pension and Benefits OPEB	2-926-00-1098	26,660.00	
A03	12/31/2021	Deferred Outflow - OPEB	3-125-00-1100	2.00	
A03	12/31/2021	Deferred Inflow- OPEB	3-215-00-1100		
A03	12/31/2021	NET OPEB Liability	3-253-00-1100		-637.00
A03	12/31/2021	Employee Pension and Benefits OPEB	3-926-00-1098	635.00	

To record beginning of the year life insurance  
OPEB balances. Given liability is not material, will flow through expense instead of  
fund balance consistent with the City treatment.

A04	12/31/2021	Deferred Outflow - OPEB	1-125-00-1100	46,407.00	
A04	12/31/2021	Deferred Inflow - OPEB	1-215-00-1100		-13,404.00
A04	12/31/2021	Net OPEB Liability	1-253-00-1100		-24,250.00
A04	12/31/2021	Employee Pension and Benefits OPEB	1-926-00-1098		-8,753.00
A04	12/31/2021	Deferred Outflow - OPEB	2-125-00-1100	15,839.00	
A04	12/31/2021	Deferred Inflow- OPEB	2-215-00-1100		-4,481.00
A04	12/31/2021	Net OPEB Liability	2-253-00-1100		-8,186.00
A04	12/31/2021	Employee Pension and Benefits OPEB	2-926-00-1098		-3,172.00
A04	12/31/2021	Deferred Outflow - OPEB	3-125-00-1100	2,256.00	
A04	12/31/2021	Deferred Inflow- OPEB	3-215-00-1100		-78.00
A04	12/31/2021	NET OPEB Liability	3-253-00-1100	24.00	
A04	12/31/2021	Employee Pension and Benefits OPEB	3-926-00-1098		-2,202.00

To record current year activity for GASB 75  
LIFE plan.

A05	12/31/2021	Deferred Outflow - OPEB (HEATH)	1-125-00-1102	2,077.00	
A05	12/31/2021	Deferred Inflow- OPEB (HEATH)	1-215-00-1102		
A05	12/31/2021	Net OPEB Liability (Health)	1-253-00-1102		-61,420.00
A05	12/31/2021	Employee Pension and Benefits OPEB	1-926-00-1098	59,343.00	
A05	12/31/2021	Deferred Outflow - OPEB (HEATH)	2-125-00-1102	692.00	
A05	12/31/2021	Deferred Inflow- OPEB (HEATH)	2-215-00-1102		
A05	12/31/2021	Net OPEB Liability (HEATH)	2-253-00-1102		-20,473.00
A05	12/31/2021	Employee Pension and Benefits OPEB	2-926-00-1098	19,781.00	
A05	12/31/2021	Deferred Outflow - OPEB (HEATH)	3-125-00-1102	16.00	
A05	12/31/2021	Deferred Inflow- OPEB (HEATH)	3-215-00-1102		
A05	12/31/2021	Net OPEB Liability (HEATH)	3-253-00-1102		-488.00
A05	12/31/2021	Employee Pension and Benefits OPEB	3-926-00-1098	472.00	

To record current year activity for GASB 75  
HEALTH plan.

A06	12/31/2021	Cash \Water - due to/from	1-131-00-1050		-3,507,777.39
A06	12/31/2021	Cash \Water - due to/from	1-131-00-1050	3,507,777.39	
A06	12/31/2021	Constr Work in Progress Default	2-107-00-0000		-3,507,777.39
A06	12/31/2021	Cash \Electric - due to/from	2-131-00-1030	3,507,777.39	
A06	12/31/2021	Cash \Electric - due to/from	2-131-00-1030		-3,507,777.39
A06	12/31/2021	Cost-Merch Job & Cost Wrk Default	2-416-00-0000	3,507,777.39	

Audit entry to move private side  
lead expenses out of CWIP and into merchandising and jobbing account.

A07	12/31/2021	Sinking Funds \LGIP Investments Vining Spark	3-125-00-1007		-217,499.38
A07	12/31/2021	DNR Replacement Account	3-125-00-1009	217,499.38	

To true up replacement account to  
value of underlying investments.

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# Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
  - Identify types of potential misstatements.
  - Consider factors that affect the risks of material misstatement.
  - Design tests of controls, when applicable, and substantive procedures.
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the Utilities will receive an unmodified opinion on its financial statements.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December, and sometimes early in January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 13, 2022  
**To:** Stoughton Utilities Committee  
**From:** Shannon M. Statz  
Stoughton Utilities Finance Manager  
**Subject:** Audit Deficiency Explanations

In our audit, there will be two statements in which I would like to offer explanations. One is new to our audit this year, and the other is recurring.

The first note is listed under “Internal control matters” and is in regard to our financial statement close process. The deficiency notes that “management has not prepared financial statements that are in conformity with generally accepted accounting principles. In addition, material misstatements in the general ledger were identified during the financial audit.” The material misstatement is about our lead service lateral replacement project, employee pensions (GASB 68) and OPEB’s (other post-employment benefits – GASB 75). The lead service lateral replacements project was not complete at 2021-year end. Therefore, I did not close out the work order from construction work in progress (CWIP). However, we did receive reimbursements from the WI DNR for some of these expenses. Baker Tilly brought to my attention that the reimbursements, absent from the expense of the work order, gave the impression that the water utility received a large amount of income, which was not accurate. I agreed with their position and with the adjusting entry. The GASB 68 and GASB 75 entries were expected by me, as I relied on Baker Tilly to draft those entries. The GASB 75 entries were new to the City of Stoughton and Stoughton Utilities this year.

The second note is under “other comments and recommendations” and refers to our end of year accounts payable process. This note is a carry over from prior years. Our audit is very early in the year, which means we do not receive all prior year invoices in time for our audit cut off. This results in adjusting entries being made.

## **Stoughton Utilities**

Enterprise Funds of the City of Stoughton, Wisconsin

Financial Statements and  
Supplementary Information

December 31, 2021 and 2020

# Stoughton Utilities

Enterprise Funds of the City of Stoughton, Wisconsin

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December 31, 2021 and 2020

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# Stoughton Utilities

Enterprise Funds of the City of Stoughton, Wisconsin

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December 31, 2021 and 2020

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## **Independent Auditors' Report**

To the Utilities Committee and City Council of  
Stoughton Utilities

### **Opinions**

We have audited the accompanying financial statements of Stoughton Utilities (the Utilities), enterprise funds of the City of Stoughton, Wisconsin, as of and for the years ended December 31, 2021, and 2020 and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Utilities as of December 31, 2021 and 2020 and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the the Utilities and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Utilities' enterprise funds and do not purport to and do not, present fairly the financial position of the City of Stoughton, Wisconsin, as of December 31, 2021 and 2020, and the changes in financial position or cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the the Utilities' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

#### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### **Supplementary Information**

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the financial statements as a whole.

*Baker Tilly US, LLP*

Madison, Wisconsin  
July 13, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **Stoughton Utilities**

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Management's Discussion and Analysis  
December 31, 2021 and 2020

The management of the Stoughton Utilities (Utilities) offers all persons interested in the financial position of the Utilities an objective, easy to read overview and analysis of the Utilities' financial performance during the years ending December 31, 2021, 2020 and 2019. You are invited to read this narrative in conjunction with the Utilities' financial statements.

### **Financial Highlights**

#### **Electric**

- Investments in capital assets have grown by approximately \$3 million or 22.5 percent, from 2019 to 2021.
- The electric division's net position increased by \$2.9 million in 2021 from the prior year due to an increase in capital assets.

#### **Water**

- The water utility net position increased by \$568,326 in 2021 while it increased by \$304,934 in 2020.
- Sales increased by \$57,248 in 2021 from 2020 due to 1.8 percent increase in gallons sold.
- The cash and cash equivalents was negative \$941,469 at December 31, 2021. This was due to a gap between final payments issued to vendors and closing on the Safe Drinking Water Loan to make the utility whole for the expenditures. The water utility was made whole by an internal loan from the electric utility.
- The Public Service Commission of Wisconsin approved Stoughton Utilities' application for a simplified rate case increase (3%), which took effect on June 1, 2021.

#### **Wastewater**

- The wastewater net position increased \$440,995 in 2021 and \$367,775 in 2020. The increase is largely due to a decrease in capital spending, which increased unrestricted cash.
- Cash and cash equivalents increased \$542,756 in 2021 from 2020 due to a decrease in capital project spending. The decrease in capital projects was due to the utility's focus on the lead service replacement program in the water utility.

### **Overview of the Financial Statements**

The Utilities are self-supporting entities and separate enterprise funds of the City of Stoughton (city). The Utilities provide electric, water and wastewater service to properties within the city and also provides electric service to the following Townships: Dunkirk, Dunn, Pleasant Springs, Porter and Rutland.

The water and electric Utilities are managed by a Utilities Committee and operate under service rules and rates that are established by the Public Service Commission of Wisconsin (PSCW). The accounting records are maintained in accordance with the Uniform System of Accounts prescribed by the PSCW and in accordance with the Governmental Accounting Standards Board.

The Utilities Committee also manages the wastewater utility. The Utilities Committee and the Common Council establish rates and service rules. Accounting records are maintained in accordance with the Governmental Accounting Standards Board.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

This annual report consists of two parts: Management's Discussion and Analysis and the basic financial statements, including the independent auditor's report.

An analysis of the Utilities' financial position begins with a review of the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. These two statements report the Utilities' net position and changes therein. The Utilities' net position – 'the difference between assets and liabilities' is key to measuring the financial health of the Utilities. Over time, increases or decreases in the net position value are an indicator of whether the overall financial position is improving or deteriorating. However, it should be noted that the financial position may also be affected by other nonfinancial factors, including economic conditions, customer growth, climate conditions and new regulations.

### Utility Financial Analysis

The Statement of Net Position includes all of the Utilities' assets and liabilities and provides information about the nature and amount of investments in resources and the obligations to creditors. This statement provides the basis for evaluating the capital structure and assessing the liquidity and financial flexibility of the Utilities.

A summary of the Utilities' Statements of Net Position is presented below in Tables 1 through 3.

**Table 1**  
**Condensed Statement of Net Position – Electric Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Current and other assets	\$ 11,622,360	\$ 11,719,489	\$ 9,874,017	\$ (97,129)
Capital assets	<u>19,430,213</u>	<u>18,334,295</u>	<u>17,746,026</u>	<u>1,095,918</u>
Total assets	<u>31,052,573</u>	<u>30,053,784</u>	<u>27,620,043</u>	<u>998,789</u>
Deferred outflows of resources	<u>727,728</u>	<u>516,144</u>	<u>648,285</u>	<u>211,584</u>
Long-term debt outstanding	3,080,000	3,750,000	4,410,000	(670,000)
Other liabilities	<u>2,491,756</u>	<u>3,845,050</u>	<u>2,059,637</u>	<u>(1,353,294)</u>
Total liabilities	<u>5,571,756</u>	<u>7,595,050</u>	<u>6,469,637</u>	<u>(2,023,294)</u>
Deferred Inflows of Resources	<u>940,447</u>	<u>689,429</u>	<u>340,290</u>	<u>251,018</u>
Investment in capital assets	16,527,189	14,750,294	13,488,837	1,776,895
Restricted	1,373,487	1,210,511	983,111	162,976
Unrestricted	<u>7,367,422</u>	<u>6,324,644</u>	<u>6,986,453</u>	<u>1,042,778</u>
Total net position	<u>\$ 25,268,098</u>	<u>\$ 22,285,449</u>	<u>\$ 21,458,401</u>	<u>\$ 2,982,649</u>

In 2021, the electric utility net position increased \$2,982,649, an increase of 13.4 percent. In 2020, the electric utility net position increased \$827,048, an increase of 3.9 percent. The increase in net position in 2021 compared to 2020 was largely due capital contributions, mostly for a large pole replacement project.

Investments in capital assets have grown by approximately \$3 million or 22.5 percent, from 2019 to 2021. Capital projects included pole and routine plant replacements. 2021 also had \$367,983 in year-end construction work in progress values mostly due the ongoing East Substation Control and SCADA

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

Upgrades. Long-term borrowing decreased \$1.3 million from 2019 to 2021, meaning the capital projects were funded with cash and investments on hand.

**Table 2**  
**Condensed Statement of Net Position – Water Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020 Change</u>
Current and other assets	\$ 3,139,572	\$ 2,914,531	\$ 3,186,604	\$ 225,041
Capital assets	<u>18,658,243</u>	<u>17,060,216</u>	<u>16,903,159</u>	<u>1,598,027</u>
Total Assets	<u>21,797,815</u>	<u>19,974,747</u>	<u>20,089,763</u>	<u>1,823,068</u>
Deferred outflows of resources	<u>265,688</u>	<u>179,243</u>	<u>220,335</u>	<u>86,445</u>
Long-term debt outstanding	3,156,456	3,643,207	4,134,158	(486,751)
Other liabilities	<u>2,474,405</u>	<u>748,758</u>	<u>837,073</u>	<u>1,725,647</u>
Total liabilities	<u>5,630,861</u>	<u>4,391,965</u>	<u>4,971,231</u>	<u>1,238,896</u>
Deferred inflows of resources	<u>336,242</u>	<u>233,951</u>	<u>115,727</u>	<u>102,291</u>
Investment in capital assets	15,450,903	13,465,824	13,450,704	1,985,079
Restricted	801,847	731,568	619,931	70,279
Unrestricted	<u>(156,350)</u>	<u>1,330,682</u>	<u>1,152,505</u>	<u>(1,487,032)</u>
Total net position	<u>\$ 16,096,400</u>	<u>\$ 15,528,074</u>	<u>\$ 15,223,140</u>	<u>\$ 568,326</u>

In 2021, the water utility net position increased by \$568,326, while it increased by \$304,934 in 2020. The increase in net position in 2021 compared to 2020 was largely due to an increase in capital assets.

Long-term borrowing from 2021 to 2019 decreased by \$977,702, while capital assets have increased by \$1.7 million during the same time period. The increase in capital assets is due to the lead service lateral replacement program. Asset retirements from the project will occur in 2022 when the project is closed out.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

**Table 3**  
**Condensed Statements of Net Position – Wastewater Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Current and other assets	\$ 3,291,488	\$ 2,737,612	\$ 2,951,153	\$ 553,876
Capital assets	18,979,017	19,414,317	19,315,409	(435,300)
Total assets	<u>22,270,505</u>	<u>22,151,929</u>	<u>22,266,562</u>	<u>118,576</u>
Deferred outflows of resources	<u>257,750</u>	<u>183,065</u>	<u>239,859</u>	<u>74,685</u>
Long-term debt outstanding	3,283,295	3,658,265	4,097,942	(374,970)
Other liabilities	<u>252,371</u>	<u>227,638</u>	<u>420,422</u>	<u>24,733</u>
Total liabilities	<u>3,535,666</u>	<u>3,885,903</u>	<u>4,518,364</u>	<u>(350,237)</u>
Deferred inflows of resources	<u>322,063</u>	<u>219,560</u>	<u>126,301</u>	<u>102,503</u>
Investment in capital assets	15,695,722	15,756,052	15,217,467	(60,330)
Restricted	1,592,521	1,497,671	1,469,588	94,850
Unrestricted	<u>1,382,283</u>	<u>975,808</u>	<u>1,174,701</u>	<u>406,475</u>
Total net position	<u>\$ 18,670,526</u>	<u>\$18,229,531</u>	<u>\$ 17,861,756</u>	<u>\$ 440,995</u>

The wastewater net position increased \$440,995 in 2021 and \$367,775 in 2020. From 2019 to 2021, capital asset values decreased by \$336,392 and long-term borrowing decreased \$814,647. The capital asset decrease was due to higher depreciation expense compared to asset additions for the year.

The restricted portion of net position includes accounts that are limited by bond covenants. Listed below are restricted assets:

- Redemption – Used for debt service payments.
- Reserve – Used for any deficiencies in the redemption account.
- Depreciation – Used to restore deficiencies in the redemption and reserve accounts and for funding plant replacements.
- Construction – Bond issue proceeds used only for the restricted construction project(s).
- Replacement – Used for plant replacement.
- Pension – Used to fund employee benefits.

The specific nature or source of these changes becomes more evident in the Statement of Revenues, Expenses and Changes in Net Position as shown in Tables 4 through 6.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

The Statement of Revenues, Expenses and Changes in Net Position provides an indication of the Utilities' financial health.

**Table 4**  
**Condensed Statement of Revenues, Expenses and**  
**Changes in Net Position - Electric Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Operating revenues	\$ 15,545,034	\$ 14,637,461	\$ 14,624,571	\$ 907,573
Nonoperating revenues	72,311	144,889	288,913	(72,578)
Total revenues	<u>15,617,345</u>	<u>14,782,350</u>	<u>14,913,484</u>	<u>834,995</u>
Depreciation expense	1,252,922	1,193,582	1,194,203	59,340
Other operating expense	13,163,306	12,366,320	12,774,906	796,986
Nonoperating expenses	93,300	102,203	116,407	(8,903)
Total expenses	<u>14,509,528</u>	<u>13,662,105</u>	<u>14,085,516</u>	<u>847,423</u>
Income before capital contributions and transfers	1,107,817	1,120,245	827,968	(12,428)
Capital contributions	2,312,859	49,865	93,467	2,262,994
Capital contribution, municipal	-	102,933	-	(102,933)
Transfers, tax Equivalent	(438,027)	(445,995)	(452,940)	7,968
Transfers	-	-	(27,902)	-
Changes in net position	<u>2,982,649</u>	<u>827,048</u>	<u>440,593</u>	<u>2,155,601</u>
Beginning Net Position	<u>22,285,449</u>	<u>21,458,401</u>	<u>21,017,808</u>	<u>827,048</u>
Total net position, ending	<u>\$ 25,268,098</u>	<u>\$ 22,285,449</u>	<u>\$ 21,458,401</u>	<u>\$ 2,982,649</u>

Table 4 is detailed description of the change in net position. 2021 had a 13.4 percent increase change in net position from the prior year. This compares with 3.7 percent change in 2020 from 2019. Revenues were up 5.6 percent in 2021 compared to 2020. The rise in revenue is due to increased kWh sales of approximately 2.5 million, or 1.87 percent, in 2021 compared to 2020, as well as a full year of the rate increase from 2020.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

**Table 5**  
**Condensed Statement of Revenues, Expenses and**  
**Changes in Net Position - Water Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Operating revenues	\$ 2,384,852	\$ 2,332,630	\$ 2,316,517	\$ 52,222
Nonoperating revenues	<u>3,522,184</u>	<u>30,658</u>	<u>43,654</u>	<u>3,491,526</u>
Total revenues	<u>5,907,036</u>	<u>2,363,288</u>	<u>2,360,171</u>	<u>3,543,748</u>
Depreciation expense	497,314	468,240	484,888	29,074
Other operating expense	1,056,916	1,083,459	1,066,072	(26,543)
Nonoperating expenses	<u>3,587,720</u>	<u>91,255</u>	<u>118,801</u>	<u>3,496,465</u>
Total expenses	<u>5,141,950</u>	<u>1,642,954</u>	<u>1,669,761</u>	<u>3,498,996</u>
Income before capital contributions and transfers	765,086	720,334	690,410	44,752
Capital contributions	215,280	-	-	215,280
Capital contribution, municipal	-	21,866	213,240	(21,866)
Transfers, tax equivalent	(412,040)	(437,266)	(431,034)	25,226
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net position	568,326	304,934	472,616	263,392
Beginning Net Position	<u>15,528,074</u>	<u>15,223,140</u>	<u>14,750,524</u>	<u>304,934</u>
Total net position, ending	<u>\$ 16,096,400</u>	<u>\$ 15,528,074</u>	<u>\$ 15,223,140</u>	<u>\$ 568,326</u>

Change in net position has varied in the past three years. Net position is significantly affected by capital contributions. Capital contributions include special assessments, developer contributions of infrastructure and occasionally tax increment district projects.

Income before contributions and transfers has increased \$74,676 or 9.8 percent, since 2019. This is due in large part to the simplified rate increase approved by the Wisconsin Public Service Commission, effective June 1, 2021. Non-operating revenues and non-operating expenses increased substantially due to the lead service lateral replacement program. The water utility received a principal forgiveness loan by the Wisconsin Department of Natural Resources to pay for the private lead service laterals. Management will continue to monitor rates to maintain financial capabilities and fund on-going operational and capital expenditures.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

**Table 6**  
**Condensed Statement of Revenues, Expenses and**  
**Changes in Net Position - Wastewater Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Operating revenues	\$ 2,193,890	\$ 2,200,458	\$ 2,128,425	\$ (6,568)
Nonoperating revenues	(875)	25,007	122,222	(25,882)
Total revenues	<u>2,193,015</u>	<u>2,225,465</u>	<u>2,250,647</u>	<u>(32,450)</u>
Depreciation expense	774,018	808,765	856,914	(34,747)
Other operating expense	1,036,462	1,046,544	1,025,314	(10,082)
Nonoperating expenses	<u>78,009</u>	<u>98,304</u>	<u>110,270</u>	<u>(20,295)</u>
Total expenses	<u>1,888,489</u>	<u>1,953,613</u>	<u>1,992,498</u>	<u>(65,124)</u>
Income before capital contributions and transfers	304,526	271,852	258,149	32,674
Capital contributions	<u>136,469</u>	<u>95,923</u>	<u>114,491</u>	<u>40,546</u>
Changes in net position	440,995	367,775	372,640	73,220
Beginning Net Position	<u>18,229,531</u>	<u>17,861,756</u>	<u>17,489,116</u>	<u>367,775</u>
Total net position, ending	<u>\$ 18,670,526</u>	<u>\$ 18,229,531</u>	<u>\$ 17,861,756</u>	<u>\$ 440,995</u>

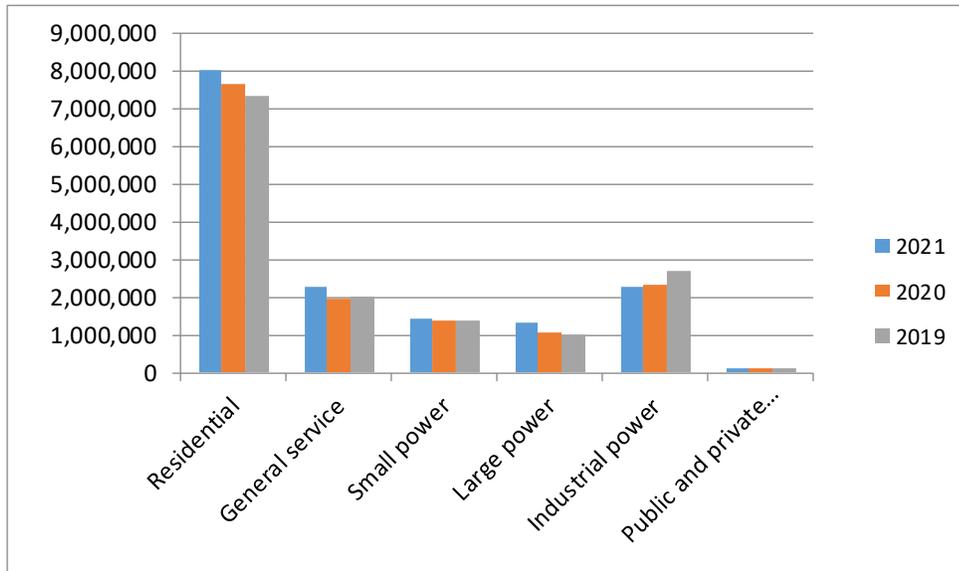
Change in net position has varied in the past three years. Net position is significantly affected by capital contributions. Capital contributions include special assessments, developer contributions of infrastructure and occasionally tax increment district projects. Net position can also be significantly altered by changing revenue levels due to seasonal factors and industry use trends.

Income before contributions and transfers has increased \$46,377 since 2019. Expenses have decreased by \$104,009 or 5.2 percent, from 2019 to 2021.

# Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

Comparison of Electric Sales



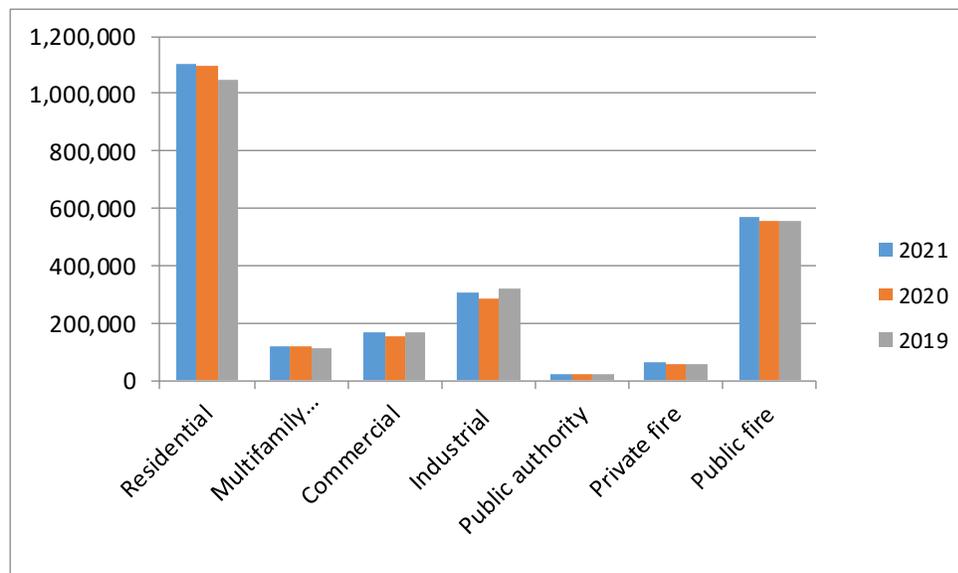
Electric revenues increased by 6.3 percent in 2021 from 2019. The increase is due a 1.87 percent increase in kWh sales in 2021 from 2020, as well as a full year of the rate increase, effective July 1, 2020.

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Residential	\$ 8,017,213	\$ 7,652,854	\$ 7,296,704
General service	2,275,213	1,948,245	2,013,355
Small power	1,411,588	1,381,820	1,365,444
Large power	1,321,819	1,070,270	1,014,480
Industrial power	2,257,349	2,330,008	2,667,900
Public and private lighting	97,534	96,392	111,290
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total electric sales	\$ 15,380,717	\$ 14,479,589	\$ 14,469,173

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

Comparison of Water Sales



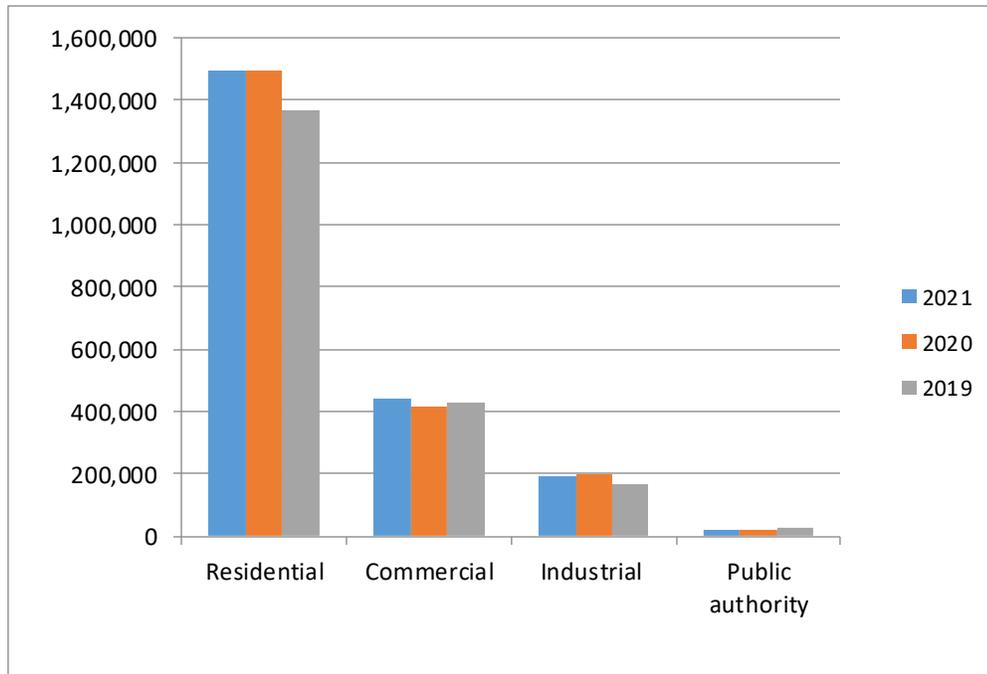
Sale revenues increased by \$57,248, or 2.5 percent, in 2021 from 2020 and \$65,225 or 2.9 percent in 2021 from 2019. Gallons sold declined 0.1 percent from 2019 to 2021, but increased 1.8 percent from 2020 to 2021.

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Residential	\$ 1,099,663	\$ 1,095,969	\$ 1,048,931
Multifamily residential	119,161	114,649	111,133
Commercial	167,208	152,134	164,241
Industrial	301,792	284,054	318,340
Public authority	21,223	19,641	22,909
Private fire	59,590	58,097	55,087
Public fire	568,978	555,823	551,749
	<hr/>	<hr/>	<hr/>
Total water sales	\$ 2,337,615	\$ 2,280,367	\$ 2,272,390

# Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

Comparison of Wastewater Sales



Wastewater sales increased by \$26,771, or 1.3 percent, in 2021 from 2020.

Wastewater sales decreased by 1.1 percent from 2020 to 2021, but increased by 6.8 percent from 2019 to 2020.

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Residential	\$ 1,497,393	\$ 1,493,914	\$ 1,365,623
Commercial	442,437	412,973	430,792
Industrial	192,817	200,540	168,612
Public authority	21,372	19,821	26,315
<b>Total wastewater sales</b>	<b>\$ 2,154,019</b>	<b>\$ 2,127,248</b>	<b>\$ 1,991,342</b>

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

The Statement of Cash Flows reports the cash provided and used by operating activities, as well as other cash sources such as investment income and cash payments for repayment of bonds and capital additions.

**Table 7**  
**Condensed Statements of Cash Flows – Electric Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Cash Flows From:				
Operating activities	\$ 2,055,921	\$ 2,645,960	\$ 2,029,221	\$ (590,039)
Noncapital financing activities	(1,269,041)	(399,360)	(407,962)	(869,681)
Capital and related financing activities	\$ -			
Investing activities	(2,015,214)	(1,107,145)	(1,817,021)	(908,069)
	<u>1,194,136</u>	<u>729,287</u>	<u>962,166</u>	<u>464,849</u>
Net change in cash and cash equivalents	(34,198)	1,868,742	766,404	(1,902,940)
Cash and Cash Equivalents, Beginning	<u>6,362,425</u>	<u>4,493,683</u>	<u>3,727,279</u>	<u>1,868,742</u>
Cash and Cash Equivalents, Ending	<u>\$ 6,328,227</u>	<u>\$ 6,362,425</u>	<u>\$ 4,493,683</u>	<u>\$ (34,198)</u>

The decrease in cash and cash equivalents in 2021 was largely due to a temporary advance to the water utility of \$877,698 and payment of customer advances for construction.

The electric utility's goal is to maintain unrestricted cash and cash equivalent balances to cover a minimum of five months of average electric sales.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

**Table 8**  
**Condensed Statements of Cash Flows – Water Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020</u> <u>Change</u>
Cash Flows From:				
Operating activities	\$ 1,413,014	\$ 1,245,093	\$ 1,347,185	\$ 167,921
Noncapital financing activities	(437,266)	(431,034)	(423,351)	(6,232)
Lead service replacement proceeds	3,505,294	-	-	-
Lead service replacement expenses	(3,507,777)	-	-	-
Temporary Advance from electric utility	877,698	-	-	-
Capital and related financing activities	(3,019,387)	(1,169,899)	599,640	(1,849,488)
Investing activities	<u>226,955</u>	<u>250,370</u>	<u>38,880</u>	<u>(23,415)</u>
Net change in cash and cash equivalents	(941,469)	(105,470)	1,562,354	(835,999)
Cash and Cash Equivalents, Beginning	<u>2,110,283</u>	<u>2,215,753</u>	<u>653,399</u>	<u>(105,470)</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,168,814</u>	<u>\$ 2,110,283</u>	<u>\$ 2,215,753</u>	<u>\$ (941,469)</u>

The decrease in cash and cash equivalents in 2021 was due to the lead service lateral replacement program. The utility received a principal forgiveness loan of \$3.5 million to replace the private lead service laterals. The public lead service lateral replacements were financed by the water utility cash on hand. In 2022, the water utility will close on a loan for the utility's expenses associated with the public replacements. At year end, the water utility received internal financing from the electric utility of \$877,698.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

**Table 9**  
**Condensed Statements of Cash Flows – Wastewater Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020 Change</u>
Cash Flows From:				
Operating activities	\$ 1,206,484	\$ 1,152,947	\$ 1,080,401	\$ 53,537
Capital and related financing activities	(694,215)	(1,440,369)	(1,787,994)	746,154
Investing activities	30,487	299,012	55,868	(268,525)
Net change in cash and cash equivalents	542,756	11,590	(651,725)	531,166
Cash and Cash Equivalents, Beginning	1,665,176	1,653,586	2,305,311	11,590
Cash and Cash Equivalents, Ending	<u>\$ 2,207,932</u>	<u>\$ 1,665,176</u>	<u>\$ 1,653,586</u>	<u>\$ 542,756</u>

Cash and cash equivalents generation in 2021 was \$542,756, due to a decrease in capital and related financing activities. Cash and cash equivalents increased by \$11,590 in 2020.

**Table 10**  
**Capital Assets – Electric Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020 Change</u>
Capital Assets				
Transmission and distribution	\$ 32,862,336	\$ 30,481,414	\$ 29,729,663	\$ 2,380,922
General	3,956,797	3,995,565	3,989,226	(38,768)
Total capital assets	36,819,133	34,476,979	33,718,889	2,342,154
Less accumulated depreciation	(17,756,883)	(17,124,007)	(16,096,771)	(632,876)
Construction in progress	367,983	981,323	123,908	(613,340)
Net capital assets	<u>\$ 19,430,233</u>	<u>\$ 18,334,295</u>	<u>\$ 17,746,026</u>	<u>\$ 1,095,938</u>

Electric net capital assets have grown \$1.6 million or 9.5 percent, from 2019 to 2021. The increase in net assets in 2021 included a large pole replacement project. Net capital assets increased from 2019 to 2021 due to street light improvements and underground line installation projects.

## Stoughton Utilities

Management's Discussion and Analysis  
December 31, 2021 and 2020

**Table 11**  
**Capital Assets – Water Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020 Change</u>
<b>Capital Assets</b>				
Source of supply	\$ 595,730	\$ 607,365	\$ 607,365	\$ (11,635)
Pumping	1,598,744	1,598,745	1,598,745	(1)
Water treatment	90,795	90,763	90,763	32
Transmission and distribution	22,138,562	21,915,140	21,331,219	223,422
General	1,032,200	1,006,195	1,006,195	26,005
Completed not Classified	1,667,296	-	-	-
<b>Total capital assets</b>	<u>27,123,327</u>	<u>25,218,208</u>	<u>24,634,287</u>	<u>1,905,119</u>
Less accumulated depreciation	(8,679,244)	(8,169,139)	(7,731,158)	(510,105)
Construction in progress	214,160	11,147	30	203,013
<b>Net capital assets</b>	<u>\$ 18,658,243</u>	<u>\$ 17,060,216</u>	<u>\$ 16,903,159</u>	<u>\$ 1,598,027</u>

Water net capital assets grew significantly at \$1.7 million or 10.4 percent, from 2019 to 2021. The net capital asset additions over this time-period were predominately due to the lead service lateral replacement program, but also on-going capital improvement programs.

**Table 12**  
**Capital Assets – Wastewater Utility**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2021-2020 Change</u>
<b>Capital Assets</b>				
Collection system	\$ 14,609,016	\$ 14,454,576	\$ 13,667,393	\$ 154,440
Collection system pumping	756,008	755,459	753,684	549
Treatment and disposal	15,684,336	15,672,308	15,664,654	12,028
General	1,601,778	1,499,649	1,467,607	102,129
<b>Total capital assets</b>	<u>32,651,138</u>	<u>32,381,992</u>	<u>31,553,338</u>	<u>269,146</u>
Less accumulated depreciation	(13,691,436)	(12,977,468)	(12,237,929)	(713,968)
Construction in progress	19,115	9,793	-	9,322
<b>Net capital assets</b>	<u>\$ 18,978,817</u>	<u>\$ 19,414,317</u>	<u>\$ 19,315,409</u>	<u>\$ (435,500)</u>

Net capital assets decreased \$336,592 or -1.7 percent, from 2019 to 2021, indicating the capital investments were lower than the accumulated depreciation.

## **Stoughton Utilities**

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Management's Discussion and Analysis  
December 31, 2021 and 2020

### **Long-Term Debt**

As of December 31, 2021, the electric utility had total mortgage revenue bond debt outstanding of \$3,080,000 payable from and secured by a pledge of income and revenue to be derived from the operation of the electric utility. These issues were issued for electric system improvements, the construction of new substation, an east substation transformer and costs associated with the implementation of automated meter reading (AMR).

As of December 31, 2021, the water utility had total mortgage revenue bond debt outstanding of \$2,886,456 payable from and secured by a pledge of income and revenue to be derived from the operation of the water utility and \$270,000 of general obligation bonds. These issues were primarily for additions and improvements to the water system, street improvement projects, AMR implementation and a new tower.

The wastewater utility had \$3,103,295 of clean water fund loans and \$180,000 of general obligation bonds outstanding as of December 31, 2021.

Tables of separate bond issues are included in note 7 of this audit report.

### **Contacting Utility Management**

This financial report is designed to provide our customers, investors and creditors with a general overview of the Utilities' finances. If you have questions about this report or need additional financial information, contact Shannon Statz, Utilities Finance Manager, Stoughton Utilities, 600 South Fourth Street, Stoughton, WI 53589.

General information relating to the Stoughton Utilities can be found at the Utilities' web site at [www.stoughtonutilities.com](http://www.stoughtonutilities.com).

## **ELECTRIC UTILITY**

# Stoughton Electric Utility

Statements of Net Position  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and investments	\$ 5,557,085	\$ 6,762,610
Interest receivable	3,555	13,747
Restricted assets:		
Redemption account	533,153	525,535
Customer accounts receivable	1,551,502	1,518,042
Other accounts receivable	355,902	89,661
Due from municipality	15,318	73,714
Temporary advance to water utility	877,698	-
Materials and supplies	293,297	443,455
Prepayments	9,637	1,000
Current portion of advance	51,006	48,459
	<u>9,248,153</u>	<u>9,476,223</u>
Total current assets		
<b>Noncurrent Assets</b>		
Restricted assets:		
Reserve account	460,722	460,722
Depreciation account	25,000	25,000
Net pension asset	373,541	221,736
Other assets:		
Electric plant and maintenance reserve account	533,326	532,766
Sick leave reserve account	161,356	150,721
Advances to other funds	106,970	157,976
Investment in ATC	484,175	465,248
Property held for future use	229,097	229,097
Capital assets:		
Plant in service	36,819,133	34,476,979
Accumulated depreciation	(17,756,883)	(17,124,007)
Construction work in progress	367,983	981,323
	<u>21,804,420</u>	<u>20,577,561</u>
Total noncurrent assets		
Total assets	<u>31,052,573</u>	<u>30,053,784</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pension	678,903	516,144
Deferred outflows related to OPEB	48,825	-
	<u>727,728</u>	<u>516,144</u>
Total deferred outflows of resources		

See notes to the financial statements

# Stoughton Electric Utility

Statements of Net Position  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 1,078,131	\$ 1,502,706
Due to municipality	583,945	539,739
Customer deposits	92,333	107,639
Accrued wages	-	12,592
Accrued interest	4,638	6,115
Accrued liabilities	83,793	73,488
Commitment to community	21,433	21,554
Current liabilities payable from restricted assets:		
Current portion of revenue bonds	685,000	670,000
Accrued interest	<u>18,929</u>	<u>22,482</u>
Total current liabilities	<u>2,568,202</u>	<u>2,956,315</u>
<b>Noncurrent Liabilities</b>		
Revenue bonds	2,395,000	3,080,000
Unamortized debt premium	52,141	63,098
Accrued sick leave	161,356	150,721
Customer advances for construction	229,065	1,344,916
Net OPEB Liability	<u>165,992</u>	<u>-</u>
Total noncurrent liabilities	<u>3,003,554</u>	<u>4,638,735</u>
Total liabilities	<u>5,571,756</u>	<u>7,595,050</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pension	927,043	689,429
Deferred inflows related to OPEB	<u>13,404</u>	<u>-</u>
Total deferred inflows of resources	<u>940,447</u>	<u>689,429</u>
<b>Net Position</b>		
Net investment in capital assets	16,527,189	14,750,294
Restricted for:		
Debt service	999,946	988,775
Pension	373,541	221,736
Unrestricted	<u>7,367,422</u>	<u>6,324,644</u>
Total net position	<u>\$ 25,268,098</u>	<u>\$ 22,285,449</u>

See notes to the financial statements

## Stoughton Electric Utility

Statements of Revenues, Expenses and Changes in Net Position  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating Revenues</b>		
Sales of electricity	\$ 15,380,714	\$ 14,479,589
Other	<u>164,320</u>	<u>157,872</u>
Total operating revenues	<u>15,545,034</u>	<u>14,637,461</u>
<b>Operating Expenses</b>		
Operation and maintenance	13,163,306	12,366,320
Depreciation	<u>1,252,922</u>	<u>1,193,582</u>
Total operating expenses	<u>14,416,228</u>	<u>13,559,902</u>
<b>Operating Income</b>	<u>1,128,806</u>	<u>1,077,559</u>
<b>Nonoperating Revenues (Expenses)</b>		
Investment income	56,550	131,701
Interest expense	(79,280)	(95,662)
Amortization of premium	10,957	13,188
Miscellaneous expenses	(14,020)	(6,541)
Other income (expense)	<u>4,804</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>(20,989)</u>	<u>42,686</u>
Income before contributions and transfers	1,107,817	1,120,245
<b>Capital Contributions</b>	2,312,859	152,798
<b>Transfers, Tax Equivalent</b>	<u>(438,027)</u>	<u>(445,995)</u>
Change in net position	2,982,649	827,048
<b>Net Position, Beginning</b>	<u>22,285,449</u>	<u>21,458,401</u>
<b>Net Position, Ending</b>	<u>\$ 25,268,098</u>	<u>\$ 22,285,449</u>

See notes to the financial statements

# Stoughton Electric Utility

## Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Cash Flows From Operating Activities</b>		
Received from customers	\$ 15,153,892	\$ 14,407,267
Received for street lighting	91,088	90,036
Paid to suppliers for goods and services	(12,382,100)	(11,070,176)
Paid to employees for operating payroll	<u>(806,959)</u>	<u>(781,167)</u>
Net cash flows from operating activities	<u>2,055,921</u>	<u>2,645,960</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Paid to municipality for tax equivalent	(445,995)	(452,940)
Received from municipality principal on Wisconsin Retirement UAAL liability	48,459	46,007
Received from municipality interest on Wisconsin Retirement UAAL liability	6,193	7,573
Temporary advance to water utility	<u>(877,698)</u>	<u>-</u>
Net cash flows from noncapital financing activities	<u>(1,269,041)</u>	<u>(399,360)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(2,492,138)	(1,767,798)
Capital contributions received	2,347,085	102,236
Customer advances for construction received (paid)	(1,115,851)	1,317,500
Debt retired	(670,000)	(660,000)
Interest paid	<u>(84,310)</u>	<u>(99,083)</u>
Net cash flows from capital and related financing activities	<u>(2,015,214)</u>	<u>(1,107,145)</u>
<b>Cash Flows From Investing Activities</b>		
Investments purchased	-	(248,535)
Investments sold and matured	1,092,133	917,344
Dividends/(Investment) in ATC	30,145	(7,571)
Investment income	<u>71,858</u>	<u>68,049</u>
Net cash flows from investing activities	<u>1,194,136</u>	<u>729,287</u>
Net change in cash and cash equivalents	(34,198)	1,868,742
<b>Cash and Cash Equivalents, Beginning</b>	<u>6,362,425</u>	<u>4,493,683</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 6,328,227</u>	<u>\$ 6,362,425</u>
<b>Noncash Capital and Related Financing Activities</b>		
ATC earnings allocated	<u>\$ 49,072</u>	<u>\$ 11,885</u>
Unrealized gain (loss) on investments	<u>\$ (60,381)</u>	<u>\$ 902</u>
Capital contribution	<u>\$ -</u>	<u>\$ 7,527</u>

See notes to the financial statements

# Stoughton Electric Utility

## Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>		
Operating income	\$ 1,128,806	\$ 1,077,559
Nonoperating revenue (expense)	(3,621)	(3,227)
Noncash items in operating income:		
Depreciation	1,252,922	1,193,582
Depreciation charged to clearing and other utilities	68,292	65,333
Changes in assets and liabilities:		
Customer accounts receivable	(33,460)	(188,166)
Other accounts receivable	(300,467)	124,188
Due from other funds	58,395	(59,620)
Materials and supplies	150,158	(256,244)
Prepayments	(8,637)	13,404
Pension related deferrals and liabilities	(76,950)	11,210
OPEB related deferrals and liabilities	130,571	-
Accounts payable	(355,182)	620,867
Due to other funds	52,174	44,138
Customer deposits	(15,306)	(13,333)
Accrued sick leave	10,635	5,508
Other current liabilities	(2,287)	10,352
Commitment to community	(122)	409
	<u>\$ 2,055,921</u>	<u>\$ 2,645,960</u>
Net cash flows from operating activities		
	<u>\$ 2,055,921</u>	<u>\$ 2,645,960</u>
<b>Reconciliation of Cash and Cash Equivalents to Statements of Net Position Accounts</b>		
Cash and investments	\$ 5,557,085	\$ 6,762,610
Redemption account	533,153	525,535
Reserve account	460,722	460,722
Depreciation account	25,000	25,000
Electric plant and maintenance reserve account	533,326	532,766
Sick leave reserve account	161,356	150,721
	<u>7,270,642</u>	<u>8,457,354</u>
Total cash and investments		
	7,270,642	8,457,354
Less noncash equivalents	<u>(942,415)</u>	<u>(2,094,929)</u>
Cash and cash equivalents	<u>\$ 6,328,227</u>	<u>\$ 6,362,425</u>

See notes to the financial statements

## **WATER UTILITY**

# Stoughton Water Utility

Statements of Net Position  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and investments	\$ -	\$ 1,249,524
Interest receivable	5,805	9,605
Restricted assets:		
Redemption account	296,319	303,450
Customer accounts receivable	224,498	231,094
Other accounts receivable	1,365,765	12,261
Due from municipality	32,673	36,744
Materials and supplies	59,773	41,039
Prepayments	3,141	-
Current portion of special assessments	<u>29,026</u>	<u>29,026</u>
Total current assets	<u>2,017,000</u>	<u>1,912,743</u>
<b>Noncurrent Assets</b>		
Restricted assets:		
Reserve account	340,710	340,710
Depreciation account	25,000	25,000
Construction account	4	110,332
Net pension asset	153,762	75,459
Other assets:		
Water plant and maintenance reserve account	195,382	195,083
Sick leave reserve account	311,399	103,078
Preliminary survey and investigation	-	22,505
Special assessments receivable	87,077	116,103
Nonutility property (net)	9,238	13,518
Capital assets:		
Plant in service	27,123,327	25,218,208
Accumulated depreciation	(8,679,244)	(8,169,139)
Construction work in progress	<u>214,160</u>	<u>11,147</u>
Total noncurrent assets	<u>19,780,815</u>	<u>18,062,004</u>
Total assets	<u>21,797,815</u>	<u>19,974,747</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pension	249,043	179,243
Deferred outflows related to OPEB	<u>16,645</u>	<u>-</u>
Total deferred outflows of resources	<u>265,688</u>	<u>179,243</u>

See notes to the financial statements

# Stoughton Water Utility

Statements of Net Position  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 949,030	\$ 86,419
Due to municipality	412,040	458,608
Temporary advance from electric utility	877,698	-
Customer deposits	650	1,829
Accrued wages	2,175	17,853
Accrued interest	1,148	1,403
Current portion of general obligation debt	54,000	51,000
Current liabilities payable from restricted assets:		
Current portion of revenue bonds	426,571	435,751
Accrued interest	<u>13,944</u>	<u>13,051</u>
Total current liabilities	<u>2,737,256</u>	<u>1,065,914</u>
<b>Noncurrent Liabilities</b>		
General obligation debt	165,000	219,000
Revenue bonds	2,510,885	2,937,456
Unamortized debt premium	50,888	61,517
Accrued sick leave	111,399	103,078
Customer advances for construction	-	5,000
Net OPEB Liability	<u>55,433</u>	<u>-</u>
Total noncurrent liabilities	<u>2,893,605</u>	<u>3,326,051</u>
Total liabilities	<u>5,630,861</u>	<u>4,391,965</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pension	331,761	233,951
Deferred inflows related to OPEB	<u>4,481</u>	<u>-</u>
Total deferred inflows of resources	<u>336,242</u>	<u>233,951</u>
<b>Net Position</b>		
Net investment in capital assets	15,450,903	13,465,824
Restricted for:		
Debt service	648,085	656,109
Pension	153,762	75,459
Unrestricted	<u>(156,350)</u>	<u>1,330,682</u>
Total net position	<u>\$ 16,096,400</u>	<u>\$ 15,528,074</u>

See notes to the financial statements

## Stoughton Water Utility

Statements of Revenues, Expenses and Changes in Net Position  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating Revenues</b>		
Sales of water	\$ 2,337,615	\$ 2,280,367
Other	<u>47,237</u>	<u>52,263</u>
Total operating revenues	<u>2,384,852</u>	<u>2,332,630</u>
<b>Operating Expenses</b>		
Operation and maintenance	1,056,916	1,083,459
Depreciation	<u>497,314</u>	<u>468,240</u>
Total operating expenses	<u>1,554,230</u>	<u>1,551,699</u>
<b>Operating Income</b>	<u>830,622</u>	<u>780,931</u>
<b>Nonoperating Revenues (Expenses)</b>		
Investment income	6,261	19,079
Lead service replacement grant proceeds	3,505,294	-
Lead service replacement expenses	(3,507,777)	-
Interest expense	(79,943)	(86,975)
Amortization of premium	10,629	11,579
Miscellaneous expenses	<u>-</u>	<u>(4,280)</u>
Total nonoperating expenses	<u>(65,536)</u>	<u>(60,597)</u>
Income before contributions and transfers	765,086	720,334
<b>Capital Contributions</b>	215,280	-
<b>Capital Contributions, Municipal</b>	-	21,866
<b>Transfers, Tax Equivalent</b>	<u>(412,040)</u>	<u>(437,266)</u>
Change in net position	568,326	304,934
<b>Net Position, Beginning</b>	<u>15,528,074</u>	<u>15,223,140</u>
<b>Net Position, Ending</b>	<u>\$ 16,096,400</u>	<u>\$ 15,528,074</u>

See notes to the financial statements

# Stoughton Water Utility

## Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Cash Flows From Operating Activities</b>		
Received from customers	\$ 2,436,650	\$ 2,350,648
Paid to suppliers for goods and services	(559,934)	(711,644)
Paid to employees for operating payroll	<u>(463,702)</u>	<u>(393,911)</u>
Net cash flows from operating activities	<u>1,413,014</u>	<u>1,245,093</u>
<b>Cash Flows From Noncapital Financing Activities</b>		
Paid to municipality for tax equivalent	(437,266)	(431,034)
Lead service replacement proceeds	3,505,294	-
Lead service replacement expenses	(3,507,777)	-
Temporary advance from electric utility	<u>877,698</u>	<u>-</u>
Net cash flows from noncapital financing activities	<u>437,949</u>	<u>(431,034)</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(1,326,875)	(626,559)
Lead service replacement receivable	(1,155,482)	-
Capital contributions received	-	5,156
Special assessments received	29,026	29,026
Debt retired	(486,751)	(490,951)
Interest paid	<u>(79,305)</u>	<u>(86,571)</u>
Net cash flows from capital and related financing activities	<u>(3,019,387)</u>	<u>(1,169,899)</u>
<b>Cash Flows From Investing Activities</b>		
Investments purchased	-	(199,503)
Investments sold and matured	225,750	430,148
Investment income	<u>1,205</u>	<u>19,725</u>
Net cash flows from investing activities	<u>226,955</u>	<u>250,370</u>
Net change in cash and cash equivalents	(941,469)	(105,470)
<b>Cash and Cash Equivalents, Beginning</b>	<u>2,110,283</u>	<u>2,215,753</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 1,168,814</u>	<u>\$ 2,110,283</u>
<b>Noncash Capital and Related Financing Activities</b>		
Municipality financed additions to utility plant	<u>\$ -</u>	<u>\$ 21,866</u>
Unrealized gain (loss) on investments	<u>\$ 8,856</u>	<u>\$ (902)</u>
Customer contributions receivable	<u>\$ 210,280</u>	<u>\$ -</u>

See notes to the financial statements

# Stoughton Water Utility

## Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>		
Operating income	\$ 830,622	\$ 780,931
Noncash items in operating income:		
Depreciation	497,314	468,240
Depreciation charged to clearing and other utilities	33,512	32,742
Changes in assets and liabilities:		
Customer accounts receivable	6,596	6,165
Other accounts receivable	12,258	(8,351)
Due from other funds	4,488	(6,207)
Materials and supplies	(18,734)	(1,440)
Prepayments	(3,141)	7,184
Pension related deferrals and liabilities	(50,293)	198
OPEB related deferrals and liabilities	43,269	-
Accounts payable	(10,704)	18,854
Due to other funds	76,363	(77,570)
Customer deposits	(1,179)	1,829
Accrued wages	(15,678)	5,002
Accrued sick leave	8,321	17,516
	<u>\$ 1,413,014</u>	<u>\$ 1,245,093</u>
Net cash flows from operating activities		
	<u>\$ 1,413,014</u>	<u>\$ 1,245,093</u>
<b>Reconciliation of Cash and Cash Equivalents to Statements of Net Position Accounts</b>		
Cash and investments	\$ -	\$ 1,249,524
Redemption account	296,319	303,450
Reserve account	340,710	340,710
Depreciation account	25,000	25,000
Construction account	4	110,332
Water plant and maintenance reserve account	195,382	195,083
Sick leave reserve account	311,399	103,078
	<u>1,168,814</u>	<u>2,327,177</u>
Total cash and investments		
	1,168,814	2,327,177
Less noncash equivalents	<u>-</u>	<u>(216,894)</u>
Cash and cash equivalents	<u>\$ 1,168,814</u>	<u>\$ 2,110,283</u>

See notes to the financial statements

## **WASTEWATER UTILITY**

# Stoughton Wastewater Utility

Statements of Net Position  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and investments	\$ 1,195,304	\$ 692,624
Interest receivable	3,981	8,379
Restricted assets:		
Redemption account	247,178	242,432
Customer accounts receivable	228,310	238,658
Other accounts receivable	-	5,592
Due from municipality	23,652	26,204
Prepayments	3,926	-
Current portion of special assessments	<u>19,905</u>	<u>19,905</u>
Total current assets	<u>1,722,256</u>	<u>1,233,794</u>
<b>Noncurrent Assets</b>		
Restricted assets:		
Depreciation account	33,283	33,283
Replacement account	1,166,203	1,164,904
Net pension asset	161,017	72,180
Other assets:		
Sick leave reserve account	119,303	112,235
Other prepaid asset	29,710	41,595
Special assessments receivable	59,716	79,621
Capital assets:		
Plant in service	32,651,138	32,381,992
Accumulated depreciation	(13,691,236)	(12,977,468)
Construction work in progress	<u>19,115</u>	<u>9,793</u>
Total noncurrent assets	<u>20,548,249</u>	<u>20,918,135</u>
Total assets	<u>22,270,505</u>	<u>22,151,929</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows related to pension	255,476	183,065
Deferred outflows related to OPEB	<u>2,274</u>	<u>-</u>
Total deferred outflows of resources	<u>257,750</u>	<u>183,065</u>

See notes to the financial statements

# Stoughton Wastewater Utility

Statements of Net Position  
December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 148,539	\$ 62,576
Due to municipality	-	20,611
Accrued wages	2,187	16,153
Accrued interest	765	935
Current portion of general obligation debt	36,000	34,000
Current liabilities payable from restricted assets:		
Current portion of revenue bonds	349,930	340,971
Accrued interest	<u>15,160</u>	<u>15,128</u>
Total current liabilities	<u>552,581</u>	<u>490,374</u>
<b>Noncurrent Liabilities</b>		
General obligation debt	110,000	146,000
Revenue bonds	2,787,365	3,137,294
Accrued sick leave	84,619	112,235
Net OPEB Liability	<u>1,101</u>	<u>-</u>
Total noncurrent liabilities	<u>2,983,085</u>	<u>3,395,529</u>
Total liabilities	<u>3,535,666</u>	<u>3,885,903</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows related to pension	321,985	219,560
Deferred inflows related to OPEB	<u>78</u>	<u>-</u>
Total deferred inflows of resources	<u>322,063</u>	<u>219,560</u>
<b>Net Position</b>		
Net investment in capital assets	15,695,722	15,756,052
Restricted for:		
Debt service	265,301	260,587
Equipment replacement	1,166,203	1,164,904
Pension	161,017	72,180
Unrestricted	<u>1,382,283</u>	<u>975,808</u>
Total net position	<u>\$ 18,670,526</u>	<u>\$ 18,229,531</u>

See notes to the financial statements

## Stoughton Wastewater Utility

Statements of Revenues, Expenses and Changes in Net Position  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating Revenues</b>		
Treatment charges	\$ 2,154,019	\$ 2,127,248
Other	<u>39,871</u>	<u>73,210</u>
Total operating revenues	<u>2,193,890</u>	<u>2,200,458</u>
<b>Operating Expenses</b>		
Operation and maintenance	1,036,462	1,046,544
Depreciation	<u>774,018</u>	<u>808,765</u>
Total operating expenses	<u>1,810,480</u>	<u>1,855,309</u>
<b>Operating Income</b>	<u>383,410</u>	<u>345,149</u>
<b>Nonoperating Revenues (Expenses)</b>		
Investment income (expense)	(875)	25,007
Gain on sale of asset	11,505	-
Interest expense	<u>(89,514)</u>	<u>(98,304)</u>
Total nonoperating expenses	<u>(78,884)</u>	<u>(73,297)</u>
Income before contributions	304,526	271,852
<b>Capital Contributions, Municipal</b>	<u>136,469</u>	<u>95,923</u>
Change in net position	440,995	367,775
<b>Net Position, Beginning</b>	<u>18,229,531</u>	<u>17,861,756</u>
<b>Net Position, Ending</b>	<u>\$ 18,670,526</u>	<u>\$ 18,229,531</u>

See notes to the financial statements

## Stoughton Wastewater Utility

### Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Cash Flows From Operating Activities</b>		
Received from customers	\$ 2,212,226	\$ 2,182,857
Paid to suppliers for goods and services	(549,818)	(642,685)
Paid to employees for operating payroll	<u>(455,924)</u>	<u>(387,225)</u>
Net cash flows from operating activities	<u>1,206,484</u>	<u>1,152,947</u>
<b>Cash Flows From Capital and Related Financing Activities</b>		
Acquisition and construction of capital assets	(249,498)	(920,301)
Special assessments received	19,905	19,905
Debt retired	(374,970)	(439,677)
Interest paid	<u>(89,652)</u>	<u>(100,296)</u>
Net cash flows from capital and related financing activities	<u>(694,215)</u>	<u>(1,440,369)</u>
<b>Cash Flows From Investing Activities</b>		
Investments purchased	(199,688)	(204,171)
Investments sold and matured	226,963	466,778
Investment income	<u>3,212</u>	<u>36,405</u>
Net cash flows from investing activities	<u>30,487</u>	<u>299,012</u>
Net change in cash and cash equivalents	542,756	11,590
<b>Cash and Cash Equivalents, Beginning</b>	<u>1,665,176</u>	<u>1,653,586</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 2,207,932</u>	<u>\$ 1,665,176</u>
<b>Noncash Capital and Related Financing Activities</b>		
Municipality financed additions to utility plant	<u>\$ 136,469</u>	<u>\$ 95,923</u>
Unrealized gain (loss) on investments	<u>\$ 311</u>	<u>\$ (4,172)</u>

See notes to the financial statements

## Stoughton Wastewater Utility

### Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Reconciliation of Operating Income to Net Cash Flows From Operating Activities</b>		
Operating income	\$ 383,410	\$ 345,149
Noncash items in operating income:		
Depreciation	774,018	808,765
Changes in assets and liabilities:		
Customer accounts receivable	10,348	(24,716)
Other accounts receivable	5,436	12,019
Due to / from other funds	2,552	(4,904)
Prepayments	(3,926)	6,656
Pension related deferrals and assets	(58,823)	(7,964)
OPEB related deferrals and assets	(1,095)	-
Accounts payable	124,262	(10,659)
Due to other funds	-	(998)
Accrued sick leave	(27,616)	14,893
Other current liabilities	(13,967)	2,822
Other prepaid asset	11,885	11,884
	<u>\$ 1,206,484</u>	<u>\$ 1,152,947</u>
Net cash flows from operating activities		
	<u>\$ 1,206,484</u>	<u>\$ 1,152,947</u>
<b>Reconciliation of Cash and Cash Equivalents to Statements of Net Position Accounts</b>		
Cash and investments	\$ 1,195,304	\$ 692,624
Redemption account	247,178	242,432
Depreciation account	33,283	33,283
Replacement account	1,166,203	1,164,904
Sick leave reserve account	119,303	112,235
	<u>2,761,271</u>	<u>2,245,478</u>
Total cash and investments		
	2,761,271	2,245,478
Less noncash equivalents	<u>(553,339)</u>	<u>(580,302)</u>
Cash and cash equivalents	<u>\$ 2,207,932</u>	<u>\$ 1,665,176</u>

See notes to the financial statements

# Stoughton Utilities

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Notes to Financial Statements  
December 31, 2021 and 2020

## 1. Summary of Significant Accounting Policies

The financial statements of Stoughton Utilities (the Utilities) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by the Utilities are described below.

### Reporting Entity

The Utilities are separate enterprise funds of the City of Stoughton (Municipality). The Utilities are managed by a Utilities Committee which reports to the City Council. The Utilities provide electric, water, and wastewater service to properties within the Municipality. The Utilities also provide electric service to the Townships of Dunkirk, Dunn, Pleasant Springs, Porter and Rutland.

The electric and water utilities operate under service rules and rates established by the Public Service Commission of Wisconsin (PSCW). The wastewater utility operates under rules and rates established by the Utilities Committee. The Utilities are also regulated by the Wisconsin Department of Natural Resources.

### Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Utilities are presented as enterprise funds of the Municipality. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, costs incurred and net income is necessary for management accountability.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In June 2015, the GASB issued statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended* and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. This standard was implemented January 1, 2021.

### Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position

#### Deposits and Investments

For purposes of the statement of cash flows, cash and cash equivalents have original maturities of three months or less from the date of acquisition.

## Stoughton Utilities

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Notes to Financial Statements  
December 31, 2021 and 2020

Investment of the Utilities' funds are restricted by state statutes. Investments are limited to:

- Time deposits in any credit union, bank, savings bank or trust company.
- Bonds or securities of any county, city, drainage district, technical college district, village, town or school district of the state. Also, bonds issued by a local exposition district, local professional baseball park district, local professional football stadium district, local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority or the Wisconsin Aerospace Authority.
- Bonds or securities issued or guaranteed by the federal government.
- The local government investment pool.
- Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- Securities of an open end management investment company or investment trust, subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

The Utilities have adopted an investment policy. That policy follows the state statute for allowable investments.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Market values may have changed significantly after year end.

### Receivables/Payables

Transactions between the Utilities and other funds of the Municipality that are representative of lending/borrowing arrangements outstanding at year end are referred to as advances to/from other funds. All other outstanding balances between the Utilities and other funds of the Municipality are reported as due to/from other funds.

The Utilities have the right under Wisconsin statutes to place delinquent electric, water and wastewater bills on the tax roll for collection. As such, no allowance for uncollectible customer accounts is considered necessary.

### Materials and Supplies

Materials and supplies are generally used for construction, operation and maintenance work, not for resale. They are valued at the lower of cost or market utilizing the average cost method and charged to construction or expense when used.

### Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

## **Stoughton Utilities**

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Notes to Financial Statements  
December 31, 2021 and 2020

### **Investment in American Transmission Company (ATC)**

The Electric Utility is a member of ATC. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The Utility owns less than 1/2 of 1% of ATC.

The investment earns dividends quarterly, some of which is paid in cash and some of which is required to be reinvested. From time to time, the Utility has the option to contribute additional funds to maintain their proportionate share of ownership. The investment is valued at net asset value per share which is equal to the original cost plus additional contributions and reinvested dividends and approximates fair value.

### **Sick Leave Reserve Account**

Upon retirement, these funds are used for insurance coverage for Utility employees.

### **Plant and Maintenance Reserve Account**

These accounts are utilized to segregate funds for the future repairs and replacements of Electric and Water Utility capital assets as designated by the Utilities Committee.

### **Preliminary Survey and Investigation**

The balance represents initial project engineering costs related to utility plant construction. The balance will be capitalized upon commencement of the project.

### **Special Assessments Receivable**

This account represents the balances of special assessments levied against property owners for infrastructure improvements. The balances are receivable over various time periods with interest accrued annually.

### **Property Held for Future Use**

The Electric Utility owns land being held for future use.

### **Non-Utility Property**

Electric Utility non-utility property consists of the city dam with a balance of \$84,212 and leasehold rental property with a balance of \$91,458 at December 31, 2021 and 2020. The electric items are fully amortized. Water Utility nonutility property consists of a park shelter with a balance of \$107,000 at December 31, 2021 and 2020. The costs are being amortized on a straight-line basis over their useful life.

### **Capital Assets**

Capital assets are generally defined by the Utilities as assets with an initial, individual cost of more than \$1,500 and an estimated useful life in excess of one year.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

Capital assets of the Utilities are recorded at cost or the estimated acquisition value at the time of contribution to the Utilities. Major outlays for utility plant are capitalized as projects are constructed. Capital assets in service are depreciated or amortized using the straight-line method over the following useful lives:

	<u>Years</u>
Electric Plant	
Transmission	33
Distribution	25-54
General	5-30
Water Plant	
Source of supply	34
Pumping	23-31
Water treatment	30-31
Transmission and distribution	18-77
General	4-34
Wastewater Plant	
Collecting system	100
Collecting system pumping	25-50
Treatment and disposal	15-40
General	5-20

### Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pension and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

### Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the OPEB plans and additions to/deductions from the OPEB plans's fiduciary net position have been determined on the same basis as they are reported by OPEB plans. For this purpose, the OPEB plans recognizes benefit payments when due and payable in accordance with the benefit terms.

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIFs fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The local health insurance OPEB does not have a trust or fiduciary net position.

# Stoughton Utilities

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Notes to Financial Statements  
December 31, 2021 and 2020

## Deferred Outflow of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time.

## Accrued Vacation and Sick Leave

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Vested vacation and sick leave pay is accrued when earned in the financial statements. The liability is liquidated from general operating revenues of the Utilities.

## Customer Advances for Construction

The balance represents fees collected for future capital improvements. The fees may be refundable based on rules filed with the PSCW or statutory requirements.

## Commitment to Community

The Electric Utility charges fees to all customers as required by the 1999 Energy Reliability Act and 2006 Act 141. Revenues generated from the fees are used to fund energy conservation and low-income energy assistance (Commitment to Community) programs. The Utility is acting as an agent administering the program so net collections and expenditures/remittances associated with the program are recorded as a current liability on the statements of net position.

## Customer Deposits

This account represents amounts deposited with the Utilities by customers as security for payment of bills.

## Accrued Liabilities

The balance represents collections of various payroll and sales taxes due to the state and federal government.

## Long-Term Obligations

Long-term debt and other obligations are reported as utility liabilities. Bond premiums and discounts, are amortized over the life of the bonds using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. The balance at year end for premiums and discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year end for the loss on refunding is shown as a deferred outflow in the statement of net position.

## Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

# Stoughton Utilities

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Notes to Financial Statements  
December 31, 2021 and 2020

## Revenues and Expenses

The Utilities distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Utilities' principal ongoing operations. The principal operating revenues of the Utilities are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

## Charges for Services

Billings are rendered and recorded monthly based on metered usage. The Utilities do accrue revenues beyond billing dates.

Current electric rates were approved by the PSCW on July 1, 2020. The rates are designed to provide a 4.9% return on rate base.

Current water rates were approved by the PSCW effective June 1, 2021. The rates are designed to earn a 5% return on rate base.

Current wastewater rates were approved by the Utilities Committee effective June 1, 2020.

## Capital Contributions

Cash and capital assets are contributed to the Utilities from customers, the Municipality or external parties. The value of property contributed to the Utilities are reported as revenue on the statements of revenues, expenses and changes in net position.

## Transfers

Transfers include the payment in lieu of taxes to the Municipality and other operating transfers.

## Effect of New Accounting Standards on Current Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 87, *Leases*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84 and a supersession of GASB Statement No. 32*

When they become effective, application of these standards may restate portions of these financial statements.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Comparative Data

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

### 2. Deposits and Investments

	Carrying Value as of December 31,		Risks
	2021	2020	
Checking or savings	\$ 8,079,889	\$ 8,407,704	Custodial credit risk
Local government investment pool	1,076,654	1,181,747	Credit risk
Certificates of deposit, nonnegotiable	1,064,367	1,306,605	Custodial credit risk
Certificates of deposit, negotiable	200,542	888,668	Custodial credit, credit, concentration and interest rate risks
State and local bonds	703,987	1,022,795	Custodial credit, credit, concentration and interest rate risks
U.S. agency securities, explicitly guaranteed	-	93,520	Custodial credit and interest rate risks
U.S. agency securities, implicitly guaranteed	74,538	128,220	Custodial credit, credit, concentration and interest rate risks
Petty cash	<u>750</u>	<u>750</u>	
Total	<u>\$ 11,200,727</u>	<u>\$ 13,030,009</u>	

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest bearing and noninterest bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Deposits in credit unions are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts and \$250,000 for all share certificate and regular share accounts as of December 31, 2021 and 2020.

Bank accounts and credit unions are also insured by the State Deposit Guarantee Fund (SDGF) in the amount of \$400,000.

The Utilities may also maintain separate cash and investment accounts at the same financial institutions utilized by the Municipality. Federal depository insurance and the SDGF apply to all municipal accounts and accordingly, the amount of insured funds is not determinable for the Utilities alone. Therefore, coverage for the Utilities may be reduced. Investment income on commingled investments of the entire Municipality is allocated based on average investment balances.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF) and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2021 and 2020, the fair value of the LGIP's assets were substantially equal to the Utilities' share.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

The Utilities categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring methods fair value measurements are as follows:

- Level 2 values are based on less active markets for identified investments combined with active markets for similar investments.

<u>Investment Type</u>	<u>December 31, 2021</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. agency securities	\$ -	\$ 74,538	\$ -	\$ 74,538
Certificates of deposit, negotiable	-	200,542	-	200,542
State and local bonds	-	703,987	-	703,987
Total	<u>\$ -</u>	<u>\$ 979,067</u>	<u>\$ -</u>	<u>\$ 979,067</u>

<u>Investment Type</u>	<u>December 31, 2020</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
U.S. agency securities	\$ -	\$ 221,740	\$ -	\$ 221,740
Certificates of deposit, negotiable	-	888,668	-	888,668
State and local bonds	-	1,022,795	-	1,022,795
Total	<u>\$ -</u>	<u>\$ 2,133,203</u>	<u>\$ -</u>	<u>\$ 2,133,203</u>

The investment in ATC is measured at the net asset value (NAV) per share of ownership. As of December 31, 2021 and 2020 the fair value of the investment was \$484,175 and \$465,248, respectively. The Utility has no unfunded commitment at year end. The investment in ATC can only be redeemed by ATC or another existing member.

### Custodial Credit Risk

#### Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Utilities' deposits may not be returned to the Utilities.

The Utilities maintain certain deposits in the same institutions as the Municipality. The following is a summary of the Utilities' total deposit balances at these institutions.

	<u>2021</u>		<u>2020</u>	
	<u>Bank Balance</u>	<u>Carrying Value</u>	<u>Bank Balance</u>	<u>Carrying Value</u>
Wells Fargo	\$ 6,041,130	\$ 5,894,937	\$ 6,696,937	\$ 6,318,523
Associated Bank	1,955,202	1,955,202	1,841,543	1,841,543
Wisconsin Investment Services Cooperative	1,045,117	1,045,117	1,043,856	1,043,856
Investors Community Bank	249,000	249,000	249,000	249,000
One Community Bank	-	-	261,387	261,387
Total	<u>\$ 9,290,449</u>	<u>\$ 9,144,256</u>	<u>\$ 10,092,723</u>	<u>\$ 9,714,309</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Utilities will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of December 31, 2021 and 2020 the Utilities' investments were exposed to custodial credit risk as follows:

<u>Neither Insured nor Registered and Held by Counterparty</u>	<u>2021</u>	<u>2020</u>
U.S. agencies, implicitly guaranteed	\$ 74,538	\$ 128,220
U.S. agencies, explicitly guaranteed	-	93,520
State and local bonds	703,987	1,022,795
Certificates of deposit, negotiable	<u>200,542</u>	<u>888,668</u>
Total neither insured nor registered and held by counterparty	<u>\$ 979,067</u>	<u>\$ 2,133,203</u>

The Utilities investment policy does not address the risk.

### Credit Risk

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2021, the Utilities' investments were rated as follows:

<u>Investment Type</u>	<u>Standard &amp; Poors</u>	<u>Moody's Investors Services</u>
U.S. agencies, implicitly guaranteed	AAA	Aaa
State and local bonds	AA	Aa1
Certificates of deposit, negotiable	AAA-A+	Aa1

As of December 31, 2020, the Utilities' investments were rated as follows:

<u>Investment Type</u>	<u>Standard &amp; Poors</u>	<u>Moody's Investors Services</u>
U.S. agencies, implicitly guaranteed	AAA	Aaa
State and local bonds	AA	Aa1
Certificates of deposit, negotiable	AAA-A+	Aa1

The Utilities held investments in the Local Government Investment Pool which is an external pool that is not rated.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2021 and 2020, the Utilities' investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio	
		2021	2020
State of Wisconsin	State and local bonds	11.25%	14.27%
Arkansas State	State and local bonds	11.30%	7.86%

### Interest Rate Risk

Interest rate risk is the risk changes in interest rates will adversely affect the fair value of an investment.

As of December 31, 2021, the Utilities' investments were as follows:

Investment Type	Maturity (In Years)			
	Fair Value	Less than 1	1 - 3	3 or more
U.S. agencies, implicitly guaranteed	\$ 74,538	\$ -	\$ -	\$ 74,538
Certificates of deposit, negotiable	200,542	-	200,542	-
State and local bonds	703,987	703,987	-	-
Total	<u>\$ 979,067</u>	<u>\$ 703,987</u>	<u>\$ 200,542</u>	<u>\$ 74,538</u>

As of December 31, 2020, the Utilities' investments were as follows:

Investment Type	Maturity (In Years)			
	Fair Value	Less than 1	1 - 3	3 or more
U.S. agencies, implicitly guaranteed	\$ 128,220	\$ -	\$ -	\$ 128,220
Certificates of deposit, negotiable	888,668	888,668	-	-
State and local bonds	1,022,795	-	1,022,795	-
U.S. agencies, explicitly guaranteed	93,520	-	-	93,520
Total	<u>\$ 2,133,203</u>	<u>\$ 888,668</u>	<u>\$ 1,022,795</u>	<u>\$ 221,740</u>

The Utilities maintain certain investments commingled with the Municipality. The interest rate risk pertaining specifically to the Utilities' resources cannot be determined for those accounts. Please refer to the Municipality's financial statements for information on this risk.

### Investment Policy

The Utilities' investment policy follows state statutes for investment ratings and maturities.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### 3. Interfund Receivables/Payables and Transfers

The following is a schedule of interfund balances for the years ending December 31, 2021 and 2020:

Due To	Due From	2021		2020	
		Amount	Principal Purpose	Amount	Principal Purpose
Municipality	Water Utility	\$ 412,040	Payment in lieu of taxes	\$ 437,266	Payment in lieu of taxes
Municipality	Water Utility	-	Operating	21,342	Operating and capital
Electric Utility	Municipality	15,318	Operating	73,714	Operating
Water Utility	Municipality	32,673	Operating and special	36,774	Operating and special Assessments
Wastewater Utility	Municipality	23,652	Operating and special assessments	26,204	Operating and special assessments
Municipality	Electric Utility	145,918	Stormwater and operations	93,744	Stormwater and operations
Municipality	Electric Utility	438,027	Payment in lieu of taxes	445,995	Payment in lieu of taxes
Municipality	Wastewater Utility	-		20,611	Operating
Electric Utility	Water Utility	877,698	Temporary cash advance	-	

The following is a schedule of transfer balances for the years ending December 31, 2021 and 2020:

To	From	2021		2020	
		Amount	Principal Purpose	Amount	Principal Purpose
Municipality	Electric Utility	438,027	Payment in lieu of taxes	445,995	Payment in lieu of taxes
Municipality	Water Utility	412,040	Payment in lieu of taxes	437,266	Payment in lieu of taxes

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### 4. Restricted Assets

#### Restricted Accounts

Certain proceeds of the Utilities' debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because their use is limited. The following accounts are reported as restricted assets:

- Redemption - Used to segregate resources accumulated for debt service payments over the next twelve months.
- Reserve - Used to report resources set aside to make up potential future deficiencies in the redemption account.
- Depreciation - Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.
- Construction - Used to report debt proceeds restricted for use in construction.

#### Replacement Account

As a condition of receiving state and federal funds for wastewater plant construction, the Utilities have established an account for replacement of certain mechanical equipment.

#### Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

#### Restricted Net Position

The following calculation supports the amount of electric restricted net position:

	<u>2021</u>	<u>2020</u>
Restricted assets:		
Redemption account	\$ 533,153	\$ 525,535
Reserve account	460,722	460,722
Depreciation account	25,000	25,000
Net pension asset	<u>373,541</u>	<u>221,736</u>
Total restricted assets	<u>1,392,416</u>	<u>1,232,993</u>
Current liabilities payable from restricted assets	<u>(18,929)</u>	<u>(22,482)</u>
Total restricted net position as calculated	<u>\$ 1,373,487</u>	<u>\$ 1,210,511</u>

The purpose of the restricted net position is as follows:

	<u>2021</u>	<u>2020</u>
Debt service	\$ 999,946	\$ 988,775
Pension	<u>373,541</u>	<u>221,736</u>
Total restricted net position	<u>\$ 1,373,487</u>	<u>\$ 1,210,511</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

The following calculation supports the amount of water restricted net position:

	<u>2021</u>	<u>2020</u>
Restricted assets:		
Redemption account	\$ 296,319	\$ 303,450
Reserve account	340,710	340,710
Depreciation account	25,000	25,000
Construction account	4	110,332
Net pension asset	<u>153,762</u>	<u>-</u>
Total restricted assets	<u>815,795</u>	<u>779,492</u>
Less restricted assets not funded by revenues		
Construction account	<u>(4)</u>	<u>(110,332)</u>
Current liabilities payable from restricted assets	<u>(13,944)</u>	<u>(13,051)</u>
Total restricted net position as calculated	<u>\$ 801,847</u>	<u>\$ 656,109</u>

The purpose of the restricted net position is as follows:

	<u>2021</u>	<u>2020</u>
Debt service	\$ 648,085	\$ 656,109
Pension	<u>153,762</u>	<u>75,459</u>
Total restricted net position	<u>\$ 801,847</u>	<u>\$ 731,568</u>

The following calculation supports the amount of wastewater restricted net position:

	<u>2021</u>	<u>2020</u>
Restricted assets:		
Redemption account	\$ 247,178	\$ 242,432
Depreciation account	33,283	33,283
Replacement account	1,166,203	1,164,904
Net pension asset	<u>161,017</u>	<u>72,180</u>
Total restricted assets	<u>1,607,681</u>	<u>1,512,799</u>
Current liabilities payable from restricted assets	<u>(15,160)</u>	<u>(15,128)</u>
Total restricted net position as calculated	<u>\$ 1,592,521</u>	<u>\$ 1,497,671</u>

The purpose of the restricted net position is as follows:

	<u>2021</u>	<u>2020</u>
Debt service	\$ 265,301	\$ 260,587
Equipment replacement	1,166,203	1,164,904
Pension	<u>161,017</u>	<u>72,180</u>
Total restricted net position	<u>\$ 1,592,521</u>	<u>\$ 1,497,671</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### 5. Advances to Other Funds

In December 2011, the Electric Utility provided an advance to the General Fund in the amount of \$554,744 for the purpose of full payment of the Wisconsin Retirement System Unfunded Actuarial Accrued Liability. The General Fund will repay the Electric Utility over a period of fourteen years at 3.0% annual interest. The amount outstanding at December 31, 2021 is \$157,976.

Repayment requirements to maturity follow:

<u>Years Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 51,006	\$ 4,739	\$ 55,745
2023	53,651	3,209	56,860
2024	47,388	1,600	48,988
2025	5,931	178	6,109
Total	<u>\$ 157,976</u>	<u>\$ 9,726</u>	<u>\$ 167,702</u>

### 6. Changes in Capital Assets

#### Electric Utility

A summary of changes in electric capital assets for 2021 follows:

	<u>Balance 1/1/21</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/21</u>
Capital assets, not being depreciated:				
Land and land rights	\$ 344,364	\$ -	\$ -	\$ 344,364
Capital assets being depreciated:				
Transmission	15,019	-	-	15,019
Distribution	30,122,031	2,998,214	617,292	32,502,953
General	3,995,565	22,330	61,098	3,956,797
Total capital assets being depreciated	<u>34,132,615</u>	<u>3,020,544</u>	<u>678,390</u>	<u>36,474,769</u>
Total capital assets	<u>34,476,979</u>	<u>3,020,544</u>	<u>678,390</u>	<u>36,819,133</u>
Less accumulated depreciation:				
Transmission	(19,366)	-	-	(19,366)
Distribution	(14,499,187)	(1,139,085)	629,914	(15,008,358)
General	(2,605,454)	(180,802)	57,097	(2,729,159)
Total accumulated depreciation	<u>(17,124,007)</u>	<u>(1,319,887)</u>	<u>687,011</u>	<u>(17,756,883)</u>
Construction in progress	<u>981,323</u>	<u>-</u>	<u>613,340</u>	<u>367,983</u>
Net capital assets	<u>\$ 18,334,295</u>			<u>\$ 19,430,233</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

A summary of changes in electric capital assets for 2020 follows:

	<u>Balance 1/1/20</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/20</u>
Capital assets, not being depreciated:				
Land and land rights	<u>\$ 344,364</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 344,364</u>
Capital assets being depreciated:				
Transmission	15,019	-	-	15,019
Distribution	29,370,280	976,630	224,879	30,122,031
General	<u>3,989,226</u>	<u>9,815</u>	<u>3,476</u>	<u>3,995,565</u>
Total capital assets being depreciated	<u>33,374,525</u>	<u>986,445</u>	<u>228,355</u>	<u>34,132,615</u>
Total capital assets	<u>33,718,889</u>	<u>986,445</u>	<u>228,355</u>	<u>34,476,979</u>
Less accumulated depreciation:				
Transmission	(19,366)	-	-	(19,366)
Distribution	(13,646,535)	(1,080,855)	228,203	(14,499,187)
General	<u>(2,430,870)</u>	<u>(178,060)</u>	<u>3,476</u>	<u>(2,605,454)</u>
Total accumulated depreciation	<u>(16,096,771)</u>	<u>(1,258,915)</u>	<u>231,679</u>	<u>(17,124,007)</u>
Construction in progress	<u>123,908</u>	<u>857,415</u>	<u>-</u>	<u>981,323</u>
Net capital assets	<u>\$ 17,746,026</u>			<u>\$ 18,334,295</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Water Utility

A summary of changes in Water capital assets for 2021 follows:

	<u>Balance 1/1/21</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/21</u>
Capital assets, not being depreciated:				
Land and land rights	\$ 24,841	\$ -	\$ -	\$ 24,841
Capital assets being depreciated:				
Source of supply	595,730	-	-	595,730
Pumping	1,598,744	-	-	1,598,744
Water treatment	90,763	1,533	1,501	90,795
Transmission and distribution	21,901,934	245,315	8,687	22,138,562
General	1,006,196	5,943	4,780	1,007,359
Completed construction not classified	-	1,667,296	-	1,667,296
Total capital assets being depreciated	<u>25,193,367</u>	<u>1,920,087</u>	<u>14,968</u>	<u>27,098,486</u>
Total capital assets	<u>25,218,208</u>	<u>1,920,087</u>	<u>14,968</u>	<u>27,123,327</u>
Less accumulated depreciation:				
Source of supply	(438,817)	(17,276)	-	(456,093)
Pumping	(1,414,584)	(50,125)	-	(1,464,709)
Water treatment	(90,388)	(1,907)	1,500	(90,795)
Transmission and distribution	(5,313,180)	(409,002)	10,162	(5,712,020)
General	(912,170)	(24,060)	4,779	(931,451)
Completed construction not classified	-	(24,176)	-	(24,176)
Total accumulated depreciation	<u>(8,169,139)</u>	<u>(526,546)</u>	<u>16,441</u>	<u>(8,679,244)</u>
Construction in progress	<u>11,147</u>	<u>203,013</u>	<u>-</u>	<u>214,160</u>
Net capital assets	<u>\$ 17,060,216</u>			<u>\$ 18,658,243</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

A summary of changes in Water capital assets for 2020 follows:

	<u>Balance 1/1/20</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/20</u>
Capital assets, not being depreciated:				
Land and land rights	\$ 24,841	\$ -	\$ -	\$ 24,841
Capital assets being depreciated:				
Source of supply	595,730	-	-	595,730
Pumping	1,598,744	-	-	1,598,744
Water treatment	90,763	-	-	90,763
Transmission and distribution	21,318,013	625,621	41,700	21,901,934
General	1,006,196	-	-	1,006,196
Total capital assets being depreciated	<u>24,609,446</u>	<u>625,621</u>	<u>41,700</u>	<u>25,193,367</u>
Total capital assets	<u>24,634,287</u>	<u>625,621</u>	<u>41,700</u>	<u>25,218,208</u>
Less accumulated depreciation:				
Source of supply	(421,541)	(17,276)	-	(438,817)
Pumping	(1,357,135)	(57,449)	-	(1,414,584)
Water treatment	(89,951)	(437)	-	(90,388)
Transmission and distribution	(4,976,342)	(399,839)	63,001	(5,313,180)
General	(886,189)	(25,981)	-	(912,170)
Total accumulated depreciation	<u>(7,731,158)</u>	<u>(500,982)</u>	<u>63,001</u>	<u>(8,169,139)</u>
Construction in progress	<u>30</u>	<u>11,117</u>	<u>-</u>	<u>11,147</u>
Net capital assets	<u>\$ 16,903,159</u>			<u>\$ 17,060,216</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Wastewater Utility

A summary of changes in wastewater capital assets for 2021 follows:

	<u>Balance 1/1/21</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/21</u>
Capital assets, not being depreciated:				
Land and land rights	\$ 100	\$ -	\$ -	\$ 100
Capital assets being depreciated:				
Collecting system	14,454,576	156,094	1,654	14,609,016
Collecting system pumping	755,459	5,104	4,555	756,008
Treatment and disposal	15,672,308	34,689	22,661	15,684,336
General	1,499,649	133,410	31,381	1,601,678
Total capital assets being depreciated	<u>32,381,992</u>	<u>329,297</u>	<u>60,251</u>	<u>32,651,038</u>
Total capital assets	<u>32,382,092</u>	<u>329,297</u>	<u>60,251</u>	<u>32,651,138</u>
Less accumulated depreciation	<u>(12,977,468)</u>	<u>(774,019)</u>	<u>60,251</u>	<u>(13,691,236)</u>
Construction in progress	<u>9,793</u>	<u>9,322</u>	<u>-</u>	<u>19,115</u>
Net capital assets	<u>\$ 19,414,417</u>			<u>\$ 18,979,017</u>

A summary of changes in wastewater capital assets for 2020 follows:

	<u>Balance 1/1/20</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/20</u>
Capital assets, not being depreciated:				
Land and land rights	\$ 100	\$ -	\$ -	\$ 100
Capital assets being depreciated:				
Collecting system	13,667,393	815,021	27,838	14,454,576
Collecting system pumping	753,684	2,975	1,200	755,459
Treatment and disposal	15,664,654	19,234	11,580	15,672,308
General	1,467,607	32,042	-	1,499,649
Total capital assets being depreciated	<u>31,553,338</u>	<u>869,272</u>	<u>40,618</u>	<u>32,381,992</u>
Total capital assets	<u>31,553,438</u>	<u>869,272</u>	<u>40,618</u>	<u>32,382,092</u>
Less accumulated depreciation	<u>(12,237,929)</u>	<u>(808,765)</u>	<u>69,226</u>	<u>(12,977,468)</u>
Construction in progress	<u>-</u>	<u>9,793</u>	<u>-</u>	<u>9,793</u>
Net capital assets	<u>\$ 19,315,509</u>			<u>\$ 19,414,417</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### 7. Long-Term Obligations

#### Revenue Debt Electric

The following bonds have been issued:

<u>Date</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Amount 12/31/21</u>
May 3, 2016	Electric system improvements, refund 2006 bonds	April 1, 2036	2.00 - 3.00%	\$ 4,005,000	\$ 2,415,000
February 15, 2013	Electric system improvements	April 1, 2023	2.00 - 2.25	3,170,000	665,000

Revenue bonds debt service requirements to maturity follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 685,000	\$ 68,438	\$ 753,438
2023	690,000	53,856	743,856
2024	110,000	45,450	155,450
2025	115,000	43,200	158,200
2026	115,000	40,900	155,900
2027-2031	635,000	157,575	792,575
2032-2036	730,000	55,950	785,950
Total	<u>\$ 3,080,000</u>	<u>\$ 465,369</u>	<u>\$ 3,545,369</u>

All utility revenues net of specified operating expenses are pledged as security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2021 and 2020 were \$752,813 and \$756,513, respectively. Total customer gross revenues as defined for the same periods were \$15,601,584 and \$14,769,162. Annual principal and interest payments are expected to require 2% of gross revenues on average.

#### Revenue Debt Water

The following bonds have been issued:

<u>Date</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Amount 12/31/21</u>
May 3, 2016	Additions and improvements, refund 2006 bonds	May 1, 2026	1.00 - 2.75%	\$ 2,520,000	\$ 1,035,000
January 27, 2010	Additions and improvements	May 1, 2029	2.668	575,018	277,456 *
November 14, 2019	Additions and improvements	May 1, 2034	2.00 - 3.00	1,825,000	1,625,000

\* The debt noted is directly placed with a third party.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

Revenue bonds debt service requirements to maturity follows:

Years Ending December 31,	Bonds		Direct Placement		Total
	Principal	Interest	Principal	Interest	
2022	\$ 395,000	\$ 58,800	\$ 31,571	\$ 6,981	\$ 492,352
2023	420,000	50,788	32,414	6,128	509,330
2024	245,000	43,656	33,278	5,251	327,185
2025	250,000	37,250	34,166	4,352	325,768
2026	260,000	29,956	35,078	3,428	328,462
2027-2031	655,000	92,300	110,949	4,492	862,741
2032-2034	435,000	16,563	-	-	451,563
Total	<u>\$ 2,660,000</u>	<u>\$ 329,313</u>	<u>\$ 277,456</u>	<u>\$ 30,632</u>	<u>\$ 3,297,401</u>

All utility revenues net of specified operating expenses are pledged as security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2021 and 2020 were \$509,864 and \$520,335, respectively. Total customer gross revenues as defined for the same periods were \$2,391,113 and \$2,351,709. Annual principal and interest payments are expected to require 11% of gross revenues on average.

### Revenue Debt Wastewater

The following bonds have been issued:

Date	Purpose	Final Maturity	Interest Rate	Original Amount	Outstanding Amount 12/31/21
July 12, 2000	WWTP improvements	May 1, 2020	3.049%	\$ 1,116,259	\$ -
September 10, 2003	WWTP improvements	May 1, 2023	2.766	1,670,624	212,327 *
June 27, 2007	WWTP improvements	May 1, 2027	2.475	1,539,762	587,385 *
November 1, 2014	WWTP improvements	May 1, 2034	2.625	3,305,713	2,337,583 *

\* The debt noted is directly placed with a third party.

Revenue bonds debt service requirements to maturity follows:

Years Ending December 31,	Direct Placement		Total
	Principal	Interest	
2022	\$ 349,930	\$ 77,175	\$ 427,105
2023	359,126	67,858	426,984
2024	257,975	59,826	317,801
2025	264,602	53,114	317,716
2026	271,399	46,229	317,628
2026-2030	1,022,943	143,079	1,166,022
2031-2034	611,320	24,348	635,668
Total	<u>\$ 3,137,295</u>	<u>\$ 471,629</u>	<u>\$ 3,608,924</u>

## Stoughton Utilities

Notes to Financial Statements  
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All utility revenues net of specified operating expenses are pledged as security of the above revenue bonds until the bonds are defeased. Principal and interest paid for 2021 and 2020 were \$427,222 and \$501,892, respectively. Total customer gross revenues as defined for the same periods were \$2,193,015 and \$2,225,465. Annual principal and interest payments are expected to require 13% of gross revenues on average.

### General Obligation Debt Water

The following general obligation bonds have been issued:

<u>Date</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Amount 12/31/21</u>
July 9, 2015	Additions and improvements	April 1, 2025	2.00 - 2.25%	\$ 522,000	\$ 219,000

General obligation bonds debt service requirements to maturity follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 54,000	\$ 4,050	\$ 58,050
2023	54,000	2,970	56,970
2024	54,000	1,856	55,856
2025	57,000	641	57,641
Total	<u>\$ 219,000</u>	<u>\$ 9,517</u>	<u>\$ 228,517</u>

### General Obligation Debt Wastewater

The following general obligation bonds have been issued:

<u>Date</u>	<u>Purpose</u>	<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Amount 12/31/21</u>
July 9, 2015	Additions and improvements	April 1, 2025	2.00 - 2.25%	\$ 348,000	\$ 146,000

General obligation bonds debt service requirements to maturity follows:

<u>Years Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 36,000	\$ 2,700	\$ 38,700
2023	36,000	1,980	37,980
2024	36,000	1,238	37,238
2025	38,000	427	38,427
Total	<u>\$ 146,000</u>	<u>\$ 6,345</u>	<u>\$ 152,345</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Long-Term Obligations Summary Electric

Long-term obligation activity for the year ended December 31, 2021 is as follows:

	<u>1/1/21 Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/21 Balance</u>	<u>Due Within One Year</u>
Revenue bonds	\$ 3,750,000	\$ -	\$ 670,000	\$ 3,080,000	\$ 685,000
Accrued sick leave	150,721	47,991	37,356	161,356	-
Customer advances for construction	1,344,916	199,649	1,315,500	229,065	-
Unamortized premium on bonds	<u>63,098</u>	<u>-</u>	<u>10,957</u>	<u>52,141</u>	<u>-</u>
Total	<u>\$ 5,308,735</u>	<u>\$ 247,640</u>	<u>\$ 2,033,813</u>	<u>\$ 3,522,562</u>	<u>\$ 685,000</u>

Long-term obligation activity for the year ended December 31, 2020 is as follows:

	<u>1/1/20 Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/20 Balance</u>	<u>Due Within One Year</u>
Revenue bonds	\$ 4,410,000	\$ -	\$ 660,000	\$ 3,750,000	\$ 670,000
Accrued sick leave	145,213	38,457	32,949	150,721	-
Customer advances for construction	27,416	1,380,963	63,463	1,344,916	-
Unamortized premium on bonds	<u>76,286</u>	<u>-</u>	<u>13,188</u>	<u>63,098</u>	<u>-</u>
Total	<u>\$ 4,658,915</u>	<u>\$ 1,419,420</u>	<u>\$ 769,600</u>	<u>\$ 5,308,735</u>	<u>\$ 670,000</u>

### Long-Term Obligations Summary Water

Long-term obligation activity for the year ended December 31, 2021 is as follows:

	<u>1/1/21 Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/21 Balance</u>	<u>Due Within One Year</u>
Revenue bonds	\$ 3,373,207	\$ -	\$ 435,751	\$ 2,937,456	\$ 426,571
General obligation debt	270,000	-	51,000	219,000	54,000
Accrued sick leave	103,078	17,451	9,130	111,399	-
Customer advances for construction	5,000	-	5,000	-	-
Unamortized premium on bonds	<u>61,517</u>	<u>-</u>	<u>10,629</u>	<u>50,888</u>	<u>-</u>
Total	<u>\$ 3,812,802</u>	<u>\$ 17,451</u>	<u>\$ 511,510</u>	<u>\$ 3,318,743</u>	<u>\$ 480,571</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

Long-term obligation activity for the year ended December 31, 2020 is as follows:

	<u>1/1/20</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/20</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Revenue bonds	\$ 3,813,158	\$ -	\$ 439,951	\$ 3,373,207	\$ 435,751
General obligation debt	321,000	-	51,000	270,000	51,000
Accrued sick leave	85,562	17,516	-	103,078	-
Customer advances for construction	-	5,000	-	5,000	-
Unamortized premium on bonds	<u>73,096</u>	<u>-</u>	<u>11,579</u>	<u>61,517</u>	<u>-</u>
Total	<u>\$ 4,292,816</u>	<u>\$ 22,516</u>	<u>\$ 502,530</u>	<u>\$ 3,812,802</u>	<u>\$ 486,751</u>

### Long-Term Obligations Summary Wastewater

Long-term obligation activity for the year ended December 31, 2021 is as follows:

	<u>1/1/21</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/21</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Revenue bonds	\$ 3,478,265	\$ -	\$ 340,970	\$ 3,137,295	\$ 349,930
General obligation debt	180,000	-	34,000	146,000	36,000
Accrued sick leave	<u>112,235</u>	<u>21,814</u>	<u>49,430</u>	<u>84,619</u>	<u>-</u>
Total	<u>\$ 3,770,500</u>	<u>\$ 21,814</u>	<u>\$ 424,400</u>	<u>\$ 3,367,914</u>	<u>\$ 385,930</u>

Long-term obligation activity for the year ended December 31, 2020 is as follows:

	<u>1/1/20</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/20</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Revenue bonds	\$ 3,883,942	\$ -	\$ 405,677	\$ 3,478,265	\$ 340,971
General obligation debt	214,000	-	34,000	180,000	34,000
Accrued sick leave	<u>97,342</u>	<u>17,480</u>	<u>2,587</u>	<u>112,235</u>	<u>-</u>
Total	<u>\$ 4,195,284</u>	<u>\$ 17,480</u>	<u>\$ 442,264</u>	<u>\$ 3,770,500</u>	<u>\$ 374,971</u>

### Bond Covenant Disclosures

The following information is provided in compliance with the resolution creating the Utilities' revenue bonds:

#### Insurance

The Utilities are exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, workers compensation and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded coverage in any of the last three years. There were no significant reductions in coverage compared to the prior year.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

The Utilities are covered under the following insurance policies at December 31, 2021:

<u>Type</u>		<u>Coverage</u>		<u>Expiration</u>
Automobile	\$ 20,000,000	CVMIC	Self-Insured	1/1/22
Excess Liability	5,000,000	CVMIC	Self-Insured	1/1/22
Workers Compensation	5,000,000	CVMIC	Self-Insured	1/1/22
Buildings	1,000,000	CVMIC	Self-Insured	1/1/22
Boiler Insurance	500,000,000	CVMIC	Self-Insured	1/1/22
Property		Wisconsin Local Property		
	68,083,830	Insurance Fund		2/1/22

### Debt Coverage Electric

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.3 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2021 and 2020 as follows:

	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 15,545,034	\$ 14,637,461
Investment income	56,550	131,701
Less operation and maintenance expenses	<u>(13,163,306)</u>	<u>(12,366,320)</u>
Net defined earnings	<u>\$ 2,438,278</u>	<u>\$ 2,402,842</u>
Minimum required earnings per resolution:		
Highest annual debt service	\$ 415,200	\$ 415,200
Coverage factor	<u>1.30</u>	<u>1.30</u>
Minimum required earnings	<u>\$ 539,760</u>	<u>\$ 539,760</u>
Actual debt coverage	<u>5.87</u>	<u>5.79</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Debt Coverage - Water

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.3 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2021 and 2020 as follows:

	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 2,384,825	\$ 2,332,630
Investment income	6,261	19,079
Less operation and maintenance expenses	<u>(1,056,916)</u>	<u>(1,083,459)</u>
Net defined earnings	<u>\$ 1,334,170</u>	<u>\$ 1,268,250</u>
Minimum required earnings per resolution: Highest annual debt service	\$ 509,864	\$ 509,864
Coverage factor	<u>1.30</u>	<u>1.30</u>
Minimum required earnings	<u>\$ 662,823</u>	<u>\$ 662,823</u>
Actual debt coverage	<u>2.62</u>	<u>2.49</u>

### Debt Coverage - Wastewater

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.1 times the highest annual debt service of the bonds. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was in 2021 and 2020 as follows:

	<u>2021</u>	<u>2020</u>
Operating revenues	\$ 2,193,890	\$ 2,200,458
Investment income	(875)	25,007
Less operation and maintenance expenses	<u>(1,036,462)</u>	<u>(1,046,544)</u>
Net defined earnings	<u>\$ 1,156,553</u>	<u>\$ 1,178,921</u>
Minimum required earnings per resolution: Highest annual debt service	\$ 427,223	\$ 427,223
Coverage factor	<u>1.10</u>	<u>1.10</u>
Minimum required earnings	<u>\$ 469,945</u>	<u>\$ 469,945</u>
Actual debt coverage	<u>2.71</u>	<u>2.76</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### Number of Customers and Billed Volumes - Electric

The Utility has the following number of customers and billed volumes for 2021 and 2020:

	Customers		Sales (000 kWh)	
	2021	2020	2021	2020
Residential	7,875	7,851	67,514	66,977
General	878	869	18,539	16,297
Small power	42	45	15,620	16,096
Large power	10	9	12,137	9,729
Industrial	14	14	27,490	27,789
Street and highway lighting	6	6	338	395
Total	<u>8,825</u>	<u>8,794</u>	<u>141,638</u>	<u>137,283</u>

### Number of Customers and Billed Volumes - Water

The Utility has the following number of customers and billed volumes for 2021 and 2020:

	Customers		Sales (000 gals)	
	2021	2020	2021	2020
Residential	4,550	4,528	207,203	213,704
Multifamily residential	81	80	37,443	36,781
Commercial	379	379	43,462	38,170
Industrial	26	27	150,133	142,457
Public authority	35	35	4,420	3,860
Interdepartmental	6	6	-	-
Total	<u>5,077</u>	<u>5,055</u>	<u>442,661</u>	<u>434,972</u>

### Number of Customers and Billed Volumes - Wastewater

The utility has the following number of customers and billed volumes for 2021 and 2020:

	Customers		Sales (000 gals)	
	2021	2020	2021	2020
Residential	4,538	4,512	205,674	212,528
Multifamily residential	81	80	37,703	36,131
Commercial	364	361	36,601	33,355
Industrial	23	24	37,866	39,450
Public authority	28	28	2,672	2,492
Wholesale	1	1	-	19
Total	<u>5,035</u>	<u>5,006</u>	<u>320,516</u>	<u>323,975</u>

### Utility Budget

The 2021 and 2020 utility budgets were prepared and approved as required by the bond resolutions.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

### 8. Net Position

GASB No. 34 requires the classification of net position into three components - net investment in capital assets, restricted and unrestricted. These classifications are defined as follows:

**Net Investment in Capital Assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

**Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**Unrestricted Net Position** - This component of net position consists of net positions that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Utilities' policy to use restricted resources first, then unrestricted resources as they are needed.

The following calculation supports the electric net investment in capital assets:

	<u>2021</u>	<u>2020</u>
Total accumulated depreciation	\$ (17,756,883)	\$ (17,124,007)
Total construction work in progress	367,983	981,323
Plant in service	<u>36,819,133</u>	<u>34,476,979</u>
Subtotal	<u>19,430,233</u>	<u>18,334,295</u>
Less capital related debt:		
Current portion of capital related long-term debt	685,000	670,000
Long-term portion of capital related long-term debt	2,395,000	3,080,000
Unamortized debt premium	52,141	63,098
Property held for future use	<u>(229,097)</u>	<u>(229,097)</u>
Subtotal	<u>2,903,044</u>	<u>3,584,001</u>
Total net investment in capital assets	<u>\$ 16,527,189</u>	<u>\$ 14,750,294</u>

## Stoughton Utilities

Notes to Financial Statements  
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The following calculation supports the water net investment in capital assets:

	<u>2021</u>	<u>2020</u>
Total accumulated depreciation	\$ (8,679,244)	\$ (8,169,139)
Total construction work in progress	214,160	11,147
Plant in service	<u>27,123,327</u>	<u>25,218,208</u>
Subtotal	<u>18,658,243</u>	<u>17,060,216</u>
Less capital related debt:		
Current portion of capital related long-term debt	480,571	486,751
Long-term portion of capital related long-term debt	2,675,885	3,156,456
Unamortized debt premium	<u>50,888</u>	<u>61,517</u>
Subtotal	<u>3,207,344</u>	<u>3,704,724</u>
Add unspent debt proceeds:		
Construction funds	<u>4</u>	<u>110,332</u>
Total net investment in capital assets	<u>\$ 15,450,903</u>	<u>\$ 13,465,824</u>

The following calculation supports the wastewater net investment in capital assets:

	<u>2021</u>	<u>2020</u>
Total accumulated depreciation	\$ (13,691,236)	\$ (12,977,468)
Total construction work in progress	19,115	9,793
Plant in service	<u>32,651,138</u>	<u>32,381,992</u>
Subtotal	<u>18,979,017</u>	<u>19,414,317</u>
Less capital related debt:		
Current portion of capital related long-term debt	385,930	374,971
Long-term portion of capital related long-term debt	<u>2,897,365</u>	<u>3,283,294</u>
Subtotal	<u>3,283,295</u>	<u>3,658,265</u>
Total net investment in capital assets	<u>\$ 15,695,722</u>	<u>\$ 15,756,052</u>

## 9. Employees Retirement System

### General Information About the Pension Plan

*Plan description:* The WRS is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011 expected to work at least 1,200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be bound at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

## Stoughton Utilities

Notes to Financial Statements  
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*Vesting:* For employees beginning participation on or after January 1, 1990 and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998 and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

*Benefits provided:* Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants, if hired on or before 12/31/2016) are entitled to retirement benefit based on a formula factor, their average earnings and creditable service.

Final average earnings is the average of the participant's three highest earnings period. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at age 55 (50 for protective occupation employees) and receive an actuarially reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

*Post-retirement adjustments:* The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the floor) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2011	(1.2)%	11.0%
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

*Contributions:* Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers and Executives and Elected Officials. Starting January 1, 2016, the Executives and Elected Officials category merged into the General Employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

## Stoughton Utilities

Notes to Financial Statements  
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The WRS recognized \$113,997 and \$115,463 in contributions from the Utilities during the current and prior reporting periods, respectively.

Contribution rates for the plan year reported as of December 31, 2021 and December 31, 2020 are:

	2021		2020	
	Employee	Employer	Employee	Employer
General (including executives and elected officials)	6.75 %	6.75 %	6.55 %	6.55 %
Protective with Social Security	6.75 %	11.65 %	6.55 %	10.55 %
Protective without Social Security	6.75 %	16.25 %	6.55 %	14.95 %

### **Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021, the Utilities reported a liability (asset) of \$(688,320) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Utilities' proportion of the net pension liability (asset) was based on the Utilities' share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2020, the City of Stoughton's proportion was .05058802%, which was a decrease of 0.0002056% from its proportion measured as of December 31, 2019.

At December 31, 2020, the Utilities reported a liability (asset) of \$(369,375) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2019 and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2018 rolled forward to December 31, 2019. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Utilities' proportion of the net pension liability (asset) was based on the Utilities' share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2019, the City of Stoughton's proportion was 0.05079366%, which was an increase of .00089611% from its proportion measured as of December 31, 2018.

For the years ended December 31, 2021 and 2020, the Utilities recognized pension expense of \$186,066 and \$3,444, respectively.

## Stoughton Utilities

Notes to Financial Statements  
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At December 31, 2021, the Utilities reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Electric Utility</u>		<u>Water Utility</u>		<u>Wastewater Utility</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 609,596	\$ 148,616	\$ 218,740	\$ 45,523	\$ 221,521	\$ 56,432
Changes in assumption	10,186	-	3,164	-	6,218	-
Net differences between project and actual earnings on pension plan	-	776,565	-	285,455	-	264,613
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,862	-	783	-	940
Employer contributions subsequent to the measurement date	<u>59,121</u>	<u>-</u>	<u>27,139</u>	<u>-</u>	<u>27,737</u>	<u>-</u>
Total	<u>\$ 678,903</u>	<u>\$ 927,043</u>	<u>\$ 249,043</u>	<u>\$ 331,761</u>	<u>\$ 255,476</u>	<u>\$ 321,985</u>

At December 31, 2020, the Utilities reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Electric Utility</u>		<u>Water Utility</u>		<u>Wastewater Utility</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 436,675	\$ 216,179	\$ 147,560	\$ 73,334	\$ 146,982	\$ 85,555
Changes in assumption	16,809	-	5,890	-	9,073	-
Net differences between project and actual earnings on pension plan	-	471,286	-	159,792	-	133,021
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	1,964	-	825	-	984
Employer contributions subsequent to the measurement date	<u>62,660</u>	<u>-</u>	<u>25,793</u>	<u>-</u>	<u>27,010</u>	<u>-</u>
Total	<u>\$ 516,144</u>	<u>\$ 689,429</u>	<u>\$ 179,243</u>	<u>\$ 233,951</u>	<u>\$ 183,065</u>	<u>\$ 219,560</u>

## Stoughton Utilities

Notes to Financial Statements  
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Deferred outflows related to pension resulting from the WRS Employer's contributions subsequent to the measurement date reported in the tables above will be recognized as a reduction of the net pension liability (asset) in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	<u>Electric Utility</u>	<u>Water Utility</u>	<u>Wastewater Utility</u>
Years ending December 31:			
2022	\$ (79,413)	\$ (28,393)	\$ (24,358)
2023	(32,210)	(6,937)	(6,656)
2024	(130,986)	(52,843)	(44,409)
2025	(64,652)	(21,684)	(18,823)
2026	-	-	-
Thereafter	-	-	-
Total	<u>\$ (307,261)</u>	<u>\$ (109,857)</u>	<u>\$ (94,246)</u>

*Actuarial assumptions:* The total pension liability in the actuarial valuation used in the current and prior year was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2021</u>	<u>2020</u>
Actuarial valuation date	December 31, 2019	December 31, 2018
Measurement date of net pension liability (asset)	December 31, 2020	December 31, 2019
Actuarial cost method	Entry Age Normal	Entry Age Normal
Asset valuation method	Fair Value	Fair Value
Long-term expected rate of return	7.0%	7.0%
Discount rate	7.0%	7.0%
Salary increases		
Inflation	3.0%	3.0%
Seniority/Merit	0.1% - 5.6%	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table	Wisconsin 2018 Mortality Table
Post-retirement adjustments *	1.9%	1.9%

\* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. The percentages listed above are the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation. The total pension liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the December 31, 2018 actuarial valuation.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

*Long-term expected return on plan assets:* The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class as of December 31, 2021 are summarized in the following table:

<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %</b>
Global Equities	51 %	7.2 %	4.7 %
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
<b>Variable Fund Asset Class</b>			
U.S Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.4%.

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

The target allocation and best estimates of arithmetic real rates of return for each major asset class as of December 31, 2020 are summarized in the following table:

<b>Core Fund Asset Class</b>	<b>Asset Allocation %</b>	<b>Long-Term Expected Nominal Rate of Return %</b>	<b>Long-Term Expected Real Rate of Return %</b>
Global Equities	49 %	8.0 %	5.1 %
Fixed Income	24.5	4.9	2.1
Inflation Sensitive Assets	15.5	4.0	1.2
Real Estate	9	6.3	3.5
Private Equity/Debt	8	10.6	7.6
Multi-Asset	4	6.9	4.0
Total Core Fund	110	7.5	4.6
<b>Variable Fund Asset Class</b>			
U.S Equities	70	7.5	4.6
International Equities	30	8.2	5.3
Total Variable Fund	100	7.8	4.9

New England Pension Consultants Long-Term U.S. CPI (Inflation) Forecast: 2.75%.  
Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

*Single discount rate:* A single discount rate of 7.00% was used to measure the total pension liability as of December 31, 2021 and December 31, 2020. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long term bond rate of 2.0% and 2.75%, in 2021 and 2020 respectively. (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2020 and 2019, respectively. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.) Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

*Sensitivity of the Utilities' proportionate share of the net pension liability (asset) to changes in the discount rate:* The following presents the Utilities' proportionate share of the net pension liability (asset) calculated using the current discount rate, as well as what the Utilities' proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

The sensitivity analysis as of December 31, 2021 follows:

	<u>1% Decrease to Discount Rate (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase to Discount Rate (8.00%)</u>
Electric Utility's proportionate share of the net position liability (asset)	\$ 330,687	\$ (373,541)	\$ (845,469)
Water Utility's proportionate share of the net position liability (asset)	150,312	(153,762)	(384,304)
Wastewater Utility's proportionate share of the net position liability (asset)	150,312	(161,017)	(384,304)

The sensitivity analysis as of December 31, 2020 follows:

	<u>1% Decrease to Discount Rate (6.00%)</u>	<u>Current Discount Rate (7.00%)</u>	<u>1% Increase to Discount Rate (8.00%)</u>
Electric Utility's proportionate share of the net position liability (asset)	\$ 463,944	\$ (221,736)	\$ (661,702)
Water Utility's proportionate share of the net position liability (asset)	210,884	(75,459)	(300,774)
Wastewater Utility's proportionate share of the net position liability (asset)	210,884	(72,180)	(300,774)

*Pension plan fiduciary net position:* Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

## 10. Other Postemployment Benefits

### General Information About the OPEB Plan

*Plan description:* The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the Utilities. RBP is a single-employer defined benefit OPEB plan administered by the City of Stoughton. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City of Stoughton Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits provided:* RBP provides healthcare benefits for retirees and their dependents. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. Retirees participating in the plan contribute 100% of the blended premium. The City, by paying the blended premium for active employees, contributes the difference between the blended premium and the age-adjusted premium towards retiree benefits.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

*Employees covered by benefit terms:* At December 31, 2021, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	3
Active plan members	<u>94</u>
	<u><u>97</u></u>

### Total OPEB Liability

At December 31, 2021, the Utilities' total OPEB liability of \$82,381 was measured as of December 31, 2021 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.12% - 2.06%
Salary increases	3.20%
Healthcare cost trend rates	5.00%
Retirees' share of benefit-related costs	Retiree \$6,952 and Spouse \$7,647

The discount rate was based on a combination of the expected long-term rate of return on plan assets and the municipal bond rate.

Mortality rates were based on the Wisconsin Retirement Experience Study Report dated November 19, 2021 with the MP-2021 generational improvement scale.

### Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balances at January 1, 2021	<u>\$ 77,394</u>
Changes for the year:	
Service cost	5,293
Interest	1,616
Changes in assumptions or other inputs	455
Benefit payments	<u>(2,377)</u>
Net changes	<u>4,987</u>
Balances at December 31, 2021	<u><u>\$ 82,381</u></u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Utilities, as well as what the Utilities' total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

As of December 31, 2021:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ 90,514	\$ 82,381	\$ 75,227

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates:* The following presents the net OPEB liability of the Utilities, as well as what the Utilities' net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

As of December 31, 2021:

	<u>1% Decrease (4.0%)</u>	<u>Healthcare Cost Trend Rates (5.0%)</u>	<u>1% Increase (6.0%)</u>
Total OPEB liability	\$ 73,494	\$ 82,381	\$ 92,831

### OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the Utilities recognized OPEB expense of \$79,596. At December 31, 2021 the Utilities reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>2021</u>
	<u>Deferred Outflows of Resources</u>
Changes of assumptions or other inputs	408
Employer contributions subsequent to the measurement date	<u>2,377</u>
Total	<u>\$ 2,785</u>

Deferred outflows related to OPEB resulting from the employer's contributions subsequent to the measurement date reported in the table above will be recognized as a reduction of the total OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	
2022	\$ 48
2023	48
2024	48
2025	48
2026	48
Thereafter	168

# Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

## Local Retiree Life Insurance Fund (LRLIF)

*Plan description:* The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

*Benefits provided:* The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

*Contributions:* The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contribution based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates for the plan year reported as of December 31, 2021 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the plan year are as listed below:

<b>Life Insurance Member Contribution Rates For the Plan Year</b>		
<u>Attained Age</u>	<u>Basic</u>	<u>Supplemental</u>
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
34-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

Disabled members under 70 receive a waiver-of-premium benefit.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

The LRLIF recognized \$554 and \$554 in contributions from the employer during the current and prior reporting periods, respectively.

### OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2021, the Utilities reported a liability of \$140,145 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of January 1, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019 rolled forward to January 1, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Utilities' proportion of the net OPEB liability was based on the Utilities' share of contributions to the OPEB plan relative to the contributions of all participating employers. At January 1, 2021, the Utilities' proportion was 0.13045400%, which was an increase of 0.00098400% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021 the Utilities recognized OPEB expense of \$156,398.

At December 31, 2021, the Utilities reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 6,687
Net differences between projected and actual earnings on OPEB plan investments	2,041	-
Changes in assumptions	54,518	9,616
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,253	1,660
Employer contributions subsequent to the measurement date	<u>4,147</u>	<u>-</u>
Total	<u>\$ 64,959</u>	<u>\$ 17,963</u>

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

Deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date reported in the table above will be recognized as a reduction of the net OPEB liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31:</u>	<u>Deferred Outflows of Resources and Deferred Inflows of Resources (Net)</u>
2022	\$ 7,988
2023	7,764
2024	7,537
2025	7,074
2026	8,638
Thereafter	3,848

*Actuarial assumptions:* The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield	2.12%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.25%
Salary Increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 actuarial valuation. The Total OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation. The Total OPEB Liability for December 31, 2019 is based upon a roll-forward of the liability calculated from the January 1, 2019 actuarial valuation.

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

*Long-term expected return on plan assets:* The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A-Bonds (as a proxy and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

### Local OPEB Life Insurance Asset Allocation Targets and Expected Returns As of December 31, 2020

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return %</u>
US Credit Bonds	Barclays Credit	50%	1.47%
US Mortgages	Barclays MBS	50	0.82
Inflation			2.20
Long-Term Expected Rate of Return			4.25

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20% respectively. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

*Single discount rate:* A single discount rate was used to measure the total OPEB liability (2.25% for 2021 and 2.87% for 2020). The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

*Sensitivity of the Utilities' proportionate share of the net OPEB liability to changes in the discount rate:* The following presents the Utilities' proportionate share of the net OPEB liability calculated using the discount rate, as well as what the Utilities' proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

## Stoughton Utilities

Notes to Financial Statements  
December 31, 2021 and 2020

As of December 31, 2021:

	<u>1% Decrease to Discount Rate (1.25%)</u>	<u>Current Discount Rate (2.25%)</u>	<u>1% Increase to Discount Rate (3.25%)</u>
The Utilities' proportionate share of the net OPEB liability	\$ 196,201	\$ 140,145	\$ 104,935

### 11. Commitments and Contingencies

#### Long-Term Contracts - WPPI Energy

The electric utility is one of 51 WPPI Energy members located throughout the states of Wisconsin, Michigan and Iowa. On December 1, 1989, each initial WPPI Energy member commenced purchasing electric service from WPPI Energy under a long-term Power Supply Contract for Participating Members (long-term contract). Under the long-term contract, WPPI Energy is obligated to provide and sell and each member is obligated to take and pay for, the electric power and energy required for the operation of each member's electric utility.

The long-term contract requires all WPPI Energy members to pay for power and energy requirements supplied or made available by WPPI Energy at rates sufficient to cover WPPI Energy's revenue requirement including power supply costs, administrative expenses and debt service. WPPI Energy's subsequent year's operating budget and rates are approved annually by its Board of Directors, consisting of representatives from each member. The members have agreed to charge rates to retail customers sufficient to meet their WPPI Energy obligations. The long-term contract provides that all payments to WPPI Energy constitute operating expenses of the Utility payable from any operating and maintenance fund established for that system.

Fifty members, representing approximately 99.8% of WPPI Energy's existing load, have long-term contracts through December 31, 2055. The remaining member has a long-term contract through December 31, 2037.

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was \$291 million as of December 31, 2021.

#### Claims and Judgments

From time to time, the Utilities are party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Utilities' legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Utilities' financial position or results of operations.

## **Stoughton Utilities**

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Notes to Financial Statements  
December 31, 2021 and 2020

### **12. Risk Management**

#### **Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)**

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC and has numerous municipalities as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the municipalities which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The Municipality's share of such losses is approximately 1%.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The Municipality does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

The Municipality shows the general obligation bond that it owes to WMIC in the insurance internal service fund (governmental activities column of government-wide statement of net position). The transactions of the organization are not included in these financial statements.

### **13. Subsequent Events**

The Utilities evaluated subsequent events through July 13, 2022, the date that the financial statements were available to be issued, for events requiring recording or disclosure in the financial statements.

#### **Rate Adjustment**

The PSCW has approved a water rate increase effective June 1, 2022.

In May 2022, the Utilities Committee approved a street reconstruction contract for \$1,776,000.

#### **Construction Contracts**

On May 16, 2022, the Utilities Committee approved a street reconstruction contract for \$1,776,000.

**REQUIRED SUPPLEMENTARY INFORMATION**

## Stoughton Utilities

Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System  
Year Ended December 31, 2021

The required supplementary information presented below represents the proportionate information for the enterprise funds included in this report.

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset) - City</u>	<u>Utilities' Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u>
12/30/21	0.05058802%	\$ (688,320)	\$ 1,710,558	40.24%	105.26%
12/31/20	0.05079366%	(369,375)	1,838,134	20.10%	102.96%
12/31/19	0.04989755%	417,830	1,872,463	22.31%	96.45%
12/31/18	0.04873732%	(353,887)	1,841,029	19.22%	102.93%
12/31/17	0.04705035%	97,094	1,730,985	5.61%	99.12%
12/31/16	0.04597674%	180,579	1,643,602	10.99%	98.20%
12/31/15	0.04486493%	(265,441)	1,372,152	19.34%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System  
Year Ended December 31, 2020

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/21	\$ 113,997	\$ 113,997	\$ -	\$ 1,688,846	6.75%
12/31/20	115,463	115,463	-	1,710,558	6.75%
12/31/19	120,398	120,398	-	1,838,134	6.55%
12/31/18	125,455	125,455	-	1,872,463	6.70%
12/31/17	125,190	125,190	-	1,841,029	6.80%
12/31/16	114,245	114,245	-	1,730,985	6.60%
12/31/15	111,938	111,938	-	1,643,602	6.81%

See notes to required supplementary information

## Stoughton Utilities

Notes to Required Supplementary Information  
Year Ended December 31, 2021

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*Changes of benefit terms.* There were no changes of benefit terms for any participating employer in WRS.

*Changes of assumptions.*

	2015 - 2018	2019 - 2021
Long-term expected rate of	7.2%	7.0%
Discount rate	7.2%	7.0%
Salary increases		
Inflation	3.2%	3.0%
Seniority/Merit	0.2% - 5.6%	0.1% - 5.6%
Mortality	Wisconsin 2012 Mortality Table	Wisconsin 2018 Mortality Table
Post-retirement adjustments	2.10%	1.90%

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

## Stoughton Utilities

Schedule of Proportionate Share of the Net OPEB Liability -  
Local Retiree Life Insurance Fund  
Year Ended December 31, 2021

<u>Fiscal Year Ending</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>
12/30/21	0.13045400%	\$ 140,145	\$ 1,361,800	10.29%	31.36%

*See notes to required supplementary information*

## Stoughton Utilities

### Schedule of Changes in Employer's Total OPEB Liability and Related Ratios

Health Insurance

Year Ended December 31, 2021

	<u>2021</u>
<b>Total OPEB Liability</b>	
Service cost	\$ 5,293
Interest	1,616
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	455
Benefit payments	<u>(2,377)</u>
<b>Net Change in Total OPEB Liability</b>	4,987
<b>Total OPEB Liability, Beginning</b>	<u>77,394</u>
<b>Total OPEB Liability, Ending</b>	<u>\$ 82,381</u>
<b>Covered payroll</b>	\$ 553,147
<b>Total OPEB liability as a percentage of covered payroll</b>	14.89%

#### Notes to Schedule:

The amounts presented for each fiscal year were determined as of the previous calendar year.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

The City is required to present the last ten fiscal years' data; however, standards allow the presentation of as many years as are available until 10 years are presented.

## **SUPPLEMENTARY INFORMATION**

## **ELECTRIC UTILITY**

## Stoughton Electric Utility

Electric Utility Plant

Year Ended December 31, 2021

	<u>Balance 1/1/21</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/21</u>
<b>Transmission</b>				
Land and land rights	\$ 1	\$ -	\$ -	\$ 1
Poles and fixtures	5,035	-	-	5,035
Overhead conductors and devices	9,984	-	-	9,984
Total transmission	<u>15,020</u>	<u>-</u>	<u>-</u>	<u>15,020</u>
<b>Distribution</b>				
Land and land rights	344,363	-	-	344,363
Structures and improvements	52,834	-	-	52,834
Station equipment	6,982,913	-	-	6,982,913
Poles, towers and fixtures	3,697,053	1,996,038	254,849	5,438,242
Overhead conductors and devices	5,967,743	567,859	277,537	6,258,065
Underground conduit	946,479	22,850	1,503	967,826
Underground conductors and devices	5,498,028	219,523	30,953	5,686,598
Line transformers	3,406,266	61,738	33,446	3,434,558
Services	2,047,748	72,053	6,876	2,112,925
Meters	733,934	6,696	1,199	739,431
Street lighting and signal systems	789,034	51,457	10,929	829,562
Total distribution	<u>30,466,395</u>	<u>2,998,214</u>	<u>617,292</u>	<u>32,847,317</u>
<b>General</b>				
Structures and improvements	1,652,643	-	-	1,652,643
Office furniture and equipment	79,778	16,343	13,144	82,977
Computer equipment	100,107	-	-	100,107
Transportation equipment	330,959	5,987	47,954	288,992
Stores equipment	9,984	-	-	9,984
Tools, shop and garage equipment	84,885	-	-	84,885
Laboratory equipment	59,461	-	-	59,461
Power-operated equipment	1,188,543	-	-	1,188,543
Communication equipment	489,204	-	-	489,204
Total general	<u>3,995,564</u>	<u>22,330</u>	<u>61,098</u>	<u>3,956,796</u>
Total electric utility plant	<u>\$ 34,476,979</u>	<u>\$ 3,020,544</u>	<u>\$ 678,390</u>	<u>\$ 36,819,133</u>

## Stoughton Electric Utility

Electric Utility Operating Revenues and Expenses  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating Revenues</b>		
Sales of electricity:		
Residential	\$ 5,463,703	\$ 5,203,534
Rural	2,955,981	2,800,696
General service	1,862,303	1,589,676
Large commercial and industrial	1,271,705	1,243,666
Large power	1,321,819	1,070,270
Industrial	2,257,349	2,330,008
Public street and highway lighting	91,088	90,036
Interdepartmental	<u>156,766</u>	<u>151,703</u>
Total sales of electricity	<u>15,380,714</u>	<u>14,479,589</u>
Other operating revenues:		
Forfeited discounts	33,082	25,238
Other	<u>131,238</u>	<u>132,634</u>
Total operating revenues	<u>15,545,034</u>	<u>14,637,461</u>
<b>Operating Expenses</b>		
Operation and maintenance:		
Other power supply:		
Purchased power	<u>11,325,693</u>	<u>10,596,835</u>
Transmission:		
Operation supervision and engineering	14,653	13,235
Station	53,824	46,730
Overhead lines	42,142	21,683
Underground lines	<u>87,812</u>	<u>203,866</u>
Total transmission	<u>198,431</u>	<u>285,514</u>
Distribution:		
Meter	5,542	3,576
Miscellaneous	31,109	34,157
Maintenance:		
Supervision and engineering	42,083	30,588
Station equipment	23,850	13,209
Overhead lines	257,642	202,757
Underground lines	105,511	96,602
Line transformers	3,459	2,699
Street lighting and signal system	2,695	8,538
Meters	<u>18,616</u>	<u>22,004</u>
Total distribution	<u>490,507</u>	<u>414,130</u>
Customer accounts:		
Meter reading	3,239	3,267
Customer records and collection	320,373	286,887
Miscellaneous	<u>9,144</u>	<u>17,285</u>
Total customer accounts	<u>332,756</u>	<u>307,439</u>

## Stoughton Electric Utility

Electric Utility Operating Revenues and Expenses  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Administrative and general:		
Salaries	\$ 225,914	\$ 264,624
Office supplies	77,312	56,685
Outside services employed	29,914	23,429
Property insurance	34,911	37,173
Injuries and damages	40,123	31,165
Employee pensions and benefits	52,007	140,506
Regulatory commission	-	7,212
Miscellaneous	17,059	678
Rents	14,430	14,054
Maintenance	32,400	32,229
Total administrative and general	<u>524,070</u>	<u>607,755</u>
Taxes	<u>161,278</u>	<u>154,647</u>
Total operation and maintenance	13,032,735	12,366,320
Depreciation	<u>1,252,922</u>	<u>1,193,582</u>
Total operating expenses	<u>14,285,657</u>	<u>13,559,902</u>
Operating income	<u>\$ 1,259,377</u>	<u>\$ 1,077,559</u>

## Stoughton Electric Utility

Rate of Return - Regulatory Basis  
Years Ended December 31, 2021 and 2020

	<b>Electric</b>	
	<b>2021</b>	<b>2020</b>
<b>Utility Financed Plant in Service</b>		
Beginning of year	\$ 30,650,994	\$ 29,942,145
End of year	<u>30,695,672</u>	<u>30,650,994</u>
Average	<u>30,673,333</u>	<u>30,296,570</u>
<b>Utility Financed Accumulated Depreciation</b>		
Beginning of year	(15,071,160)	(14,151,033)
End of year	<u>(15,542,982)</u>	<u>(15,071,160)</u>
Average	<u>(15,307,071)</u>	<u>(14,611,097)</u>
<b>Materials and Supplies</b>		
Beginning of year	443,455	187,211
End of year	<u>293,295</u>	<u>443,455</u>
Average	<u>368,375</u>	<u>315,333</u>
<b>Regulatory Liability</b>		
Beginning of year	(66,484)	(88,644)
End of year	<u>(44,324)</u>	<u>(66,484)</u>
Average	<u>(55,404)</u>	<u>(77,564)</u>
<b>Customer Advances for Construction</b>		
Beginning of year	(1,344,916)	(27,416)
End of year	<u>(229,066)</u>	<u>(1,344,916)</u>
Average	<u>(786,991)</u>	<u>(686,166)</u>
Average net rate base	<u>\$ 14,892,242</u>	<u>\$ 15,237,076</u>
Operating income, regulatory basis	<u>\$ 934,835</u>	<u>\$ 785,957</u>
Rate of return (percent)	<u>6.28 %</u>	<u>5.16 %</u>

This schedule is computed based on Public Service Commission of Wisconsin regulatory accounting which differs from accounting principles generally accepted in the United States of America due to GASB No. 34 as well as PSC order 05-US-105.

## **WATER UTILITY**

## Stoughton Water Utility

Water Utility Plant

Year Ended December 31, 2021

	<b>Balance 1/1/21</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance 12/31/21</b>
<b>Source of Supply</b>				
Land and land rights	\$ 11,635	\$ -	\$ -	\$ 11,635
Wells and springs	595,730	-	-	595,730
Total source of supply	<u>607,365</u>	<u>-</u>	<u>-</u>	<u>607,365</u>
<b>Pumping</b>				
Structures and improvements	644,611	-	-	644,611
Other power production equipment	283,758	-	-	283,758
Electric pumping equipment	670,375	-	-	670,375
Total pumping	<u>1,598,744</u>	<u>-</u>	<u>-</u>	<u>1,598,744</u>
<b>Water Treatment</b>				
Structures and improvements	13,671	-	-	13,671
Water treatment equipment	77,092	1,533	1,501	77,124
Total water treatment	<u>90,763</u>	<u>1,533</u>	<u>1,501</u>	<u>90,795</u>
<b>Transmission and Distribution</b>				
Land and land rights	13,206	-	-	13,206
Structures and improvements	1,611	-	-	1,611
Distribution reservoirs and standpipes	1,955,851	-	-	1,955,851
Transmission and distribution mains	13,793,143	133,849	678	13,926,314
Services	3,463,433	57,441	-	3,520,874
Meters	912,368	27,035	8,009	931,394
Hydrants	1,763,728	26,990	-	1,790,718
Other transmission and distribution plant	11,800	-	-	11,800
Total transmission and distribution	<u>21,915,140</u>	<u>245,315</u>	<u>8,687</u>	<u>22,151,768</u>
<b>General</b>				
Structures and improvements	411,903	-	-	411,903
Office furniture and equipment	36,146	5,943	4,780	37,309
Computer equipment	21,458	-	-	21,458
Transportation equipment	55,137	-	-	55,137
Stores equipment	2,187	-	-	2,187
Tools, shop and garage equipment	47,309	-	-	47,309
Power-operated equipment	102,034	-	-	102,034
Communication equipment	30,427	-	-	30,427
SCADA equipment	299,506	-	-	299,506
Miscellaneous equipment	89	-	-	89
Total general	<u>1,006,196</u>	<u>5,943</u>	<u>4,780</u>	<u>1,007,359</u>
<b>Completed Construction Not Classified</b>				
	<u>-</u>	<u>1,667,296</u>	<u>-</u>	<u>1,667,296</u>
Total water utility plant	<u>\$25,218,208</u>	<u>\$ 1,920,087</u>	<u>\$ 14,968</u>	<u>\$27,123,327</u>

## Stoughton Water Utility

Water Utility Operating Revenues and Expenses  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating Revenues</b>		
Sales of water:		
Unmetered	\$ 1,397	\$ 1,054
Metered:		
Residential	1,098,266	1,095,218
Multifamily residential	119,161	114,650
Commercial	165,033	149,534
Industrial	301,792	284,054
Public authorities	21,223	19,641
Interdepartmental	2,175	2,296
Total metered sales	1,707,650	1,665,393
Private fire protection	59,590	58,097
Public fire protection	568,978	555,823
Total sales of water	2,337,615	2,280,367
Other operating revenues:		
Forfeited discounts	6,419	6,151
Other	40,818	46,112
Total operating revenues	2,384,852	2,332,630
<b>Operating Expenses</b>		
Operation and maintenance:		
Source of supply:		
Maintenance:		
Wells and springs	-	125
Pumping:		
Fuel or purchased power for pumping	116,417	114,269
Pumping labor	6,683	13,499
Maintenance:		
Structures and improvements	5,886	4,421
Pumping equipment	1,446	833
Total pumping	130,432	133,022
Water treatment:		
Chemicals	16,909	20,178
Operation labor	44,245	55,755
Miscellaneous	246	-
Maintenance:		
Water treatment equipment	6,546	7,049
Total water treatment	67,946	82,982

## Stoughton Water Utility

Water Utility Operating Revenues and Expenses  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Transmission and distribution:		
Transmission and distribution lines	\$ 11,574	\$ 11,023
Meters	20,155	37,831
Customer installations	9,492	12,936
Miscellaneous	23,288	17,437
Maintenance:		
Reservoirs and standpipes	58,032	53,947
Mains	99,778	57,247
Services	101,775	96,472
Meters	(293)	-
Hydrants	19,433	8,187
Miscellaneous	2,176	3,993
Total transmission and distribution	<u>345,410</u>	<u>299,073</u>
Customer accounts:		
Meter reading	12,131	11,712
Accounting and collecting labor	91,384	105,124
Total customer accounts	<u>103,515</u>	<u>116,836</u>
Administrative and general:		
Salaries	153,058	169,476
Office supplies	25,088	15,090
Outside services employed	48,150	90,267
Property insurance	12,695	13,517
Injuries and damages	13,578	9,762
Employee pensions and benefits	68,131	117,100
Regulatory commission	4,497	-
Miscellaneous	5,253	791
Rents	5,243	4,666
Maintenance	4,277	5,690
Total administrative and general	<u>339,970</u>	<u>426,359</u>
Taxes	<u>26,374</u>	<u>25,062</u>
Total operation and maintenance	1,013,647	1,083,459
Depreciation	<u>497,314</u>	<u>468,240</u>
Total operating expenses	<u>1,510,961</u>	<u>1,551,699</u>
Operating income	<u>\$ 873,891</u>	<u>\$ 780,931</u>

## Stoughton Water Utility

Rate of Return - Regulatory Basis  
Years Ended December 31, 2021 and 2020

	<b>Water</b>	
	<b>2021</b>	<b>2020</b>
<b>Utility Financed Plant in Service</b>		
Beginning of year	\$ 17,255,621	\$ 16,671,700
End of year	<u>17,278,165</u>	<u>17,255,621</u>
Average	<u>17,266,893</u>	<u>16,963,661</u>
<b>Utility Financed Accumulated Depreciation</b>		
Beginning of year	(5,676,756)	(5,371,671)
End of year	<u>(6,056,266)</u>	<u>(5,676,756)</u>
Average	<u>(5,866,511)</u>	<u>(5,524,214)</u>
<b>Materials and Supplies</b>		
Beginning of year	41,039	39,599
End of year	<u>59,771</u>	<u>41,039</u>
Average	<u>50,405</u>	<u>40,319</u>
<b>Regulatory Liability</b>		
Beginning of year	(102,688)	(136,916)
End of year	<u>(68,460)</u>	<u>(102,688)</u>
Average	<u>(85,574)</u>	<u>(119,802)</u>
Average net rate base	<u>\$ 11,365,213</u>	<u>\$ 11,359,964</u>
Operating income, regulatory basis	<u>\$ 546,439</u>	<u>\$ 476,760</u>
Rate of return (percent)	<u>4.81 %</u>	<u>4.20 %</u>

This schedule is computed based on Public Service Commission of Wisconsin regulatory accounting which differs from accounting principles generally accepted in the United States of America due to GASB No. 34 as well as PSC order 05-US-105.

## **WASTEWATER UTILITY**

## Stoughton Wastewater Utility

Wastewater Utility Plant

Year Ended December 31, 2021

	<u>Balance 1/1/21</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/21</u>
<b>Collecting System</b>				
Land and land rights	\$ 100	\$ -	\$ -	\$ 100
Collecting mains	12,541,447	156,094	1,654	12,695,887
Interceptor mains	1,864,084	-	-	1,864,084
Force mains	48,951	-	-	48,951
Total collecting system	<u>14,454,582</u>	<u>156,094</u>	<u>1,654</u>	<u>14,609,022</u>
<b>Collecting System Pumping</b>				
Structures and improvements	109,564	-	-	109,564
Electric pumping equipment	624,495	5,104	4,555	625,044
Other power pumping equipment	21,399	-	-	21,399
Total collecting system pumping	<u>755,458</u>	<u>5,104</u>	<u>4,555</u>	<u>756,007</u>
<b>Treatment and Disposal</b>				
Structures and improvements	5,375,812	-	-	5,375,812
Preliminary treatment equipment	1,579,689	6,564	4,474	1,581,779
Primary treatment equipment	1,150,534	-	-	1,150,534
Secondary treatment equipment	529,291	-	-	529,291
Advanced treatment equipment	1,934,027	-	-	1,934,027
Chlorination equipment	366,162	-	-	366,162
Sludge treatment and disposal equipment	3,967,183	19,945	13,188	3,973,940
Plant site piping	690,433	-	-	690,433
Flow metering and monitoring equipment	40,357	8,180	4,999	43,538
Other treatment and disposal equipment	38,818	-	-	38,818
Total treatment and disposal	<u>15,672,306</u>	<u>34,689</u>	<u>22,661</u>	<u>15,684,334</u>
<b>General</b>				
Structures and improvements	244,010	-	-	244,010
Office furniture and equipment	42,044	7,429	5,975	43,498
Computer equipment	73,289	-	-	73,289
Transportation equipment	584,673	33,686	25,406	592,953
Communication equipment	485,793	-	-	485,793
Other general equipment	69,837	92,395	-	162,232
Total general	<u>1,499,646</u>	<u>133,510</u>	<u>31,381</u>	<u>1,601,775</u>
Total wastewater utility plant	<u>\$32,381,992</u>	<u>\$ 329,397</u>	<u>\$ 60,251</u>	<u>\$32,651,138</u>

## Stoughton Wastewater Utility

Wastewater Utility Operating Revenues and Expenses  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
<b>Operating Revenues</b>		
Wastewater revenues:		
Residential	\$ 1,497,393	\$ 1,493,914
Commercial	441,996	412,576
Industrial	192,817	200,540
Public authorities	21,372	19,821
Interdepartmental sales	441	397
Total wastewater revenues	<u>2,154,019</u>	<u>2,127,248</u>
Other operating revenues:		
Forfeited discounts	4,897	4,058
Miscellaneous	34,974	69,152
Total operating revenues	<u>2,193,890</u>	<u>2,200,458</u>
<b>Operating Expenses</b>		
Operation and maintenance:		
Operation:		
Supervision and labor	(910)	1,240
Power and fuel for pumping	85,613	83,767
Sludge conditioning chemicals	13,236	12,023
Other operating supplies	39,216	33,143
Total operation	<u>137,155</u>	<u>130,173</u>
Maintenance:		
Collection system	138,670	126,357
Treatment and disposal plant equipment	140,076	110,929
General plant structures and equipment	70,679	57,854
Total maintenance	<u>349,425</u>	<u>295,140</u>
Customer accounts:		
Accounting and collecting	165,196	174,322
Administrative and general:		
Salaries	100,628	108,549
Office supplies	32,660	23,388
Outside services employed	29,635	45,330
Insurance	31,774	27,593
Employees pensions and benefits	51,487	104,553
Miscellaneous	33,021	33,614
Rents	74,181	73,270
Total administrative and general	<u>353,386</u>	<u>416,297</u>
Taxes	31,300	30,612
Total operation and maintenance	1,036,462	1,046,544
Depreciation	<u>774,018</u>	<u>808,765</u>
Total operating expenses	<u>1,810,480</u>	<u>1,855,309</u>
Operating income	<u>\$ 383,410</u>	<u>\$ 345,149</u>

**RESOLUTION FROM THE UTILITIES COMMITTEE TO THE  
STOUGHTON COMMON COUNCIL**

Authorizing and directing the proper City official(s) to acknowledge receipt of the Stoughton Utilities 2021 Audit Report and Management Letter.

Committee Action: Utilities Committee recommended Common Council acknowledgement \_\_\_ - \_\_\_

Fiscal Impact: None

**File Number:** R-xxx-2022

**Date Introduced:** July 26, 2022

The City of Stoughton, Wisconsin, Common Council does proclaim as follows:

**WHEREAS**, Baker Tilly Virchow Krause LLP has prepared the Stoughton Utilities Audit Report and Management Letter for 2021, and

**WHEREAS**, the Stoughton Utilities Committee met on July 18, 2022 to consider, review, and acknowledge receipt of the Stoughton Utilities Audit Report and Management letter for 2021 and the adoption of the corresponding resolution, and recommend the Stoughton Common Council review and acknowledge receipt, now therefore

**BE IT RESOLVED** by the Common Council of the City of Stoughton that the proper city official(s) be hereby authorized and directed to acknowledge receipt of the Stoughton Utilities Audit Report and Management Letter for 2021.

**Council Action:**  **Adopted**  **Failed** **Vote:** \_\_\_\_\_

**Mayoral Action:**  **Accept**  **Veto**

\_\_\_\_\_  
Mayor Timothy Swadley

\_\_\_\_\_  
Date

**Council Action:** \_\_\_\_\_  **Override** **Vote:** \_\_\_\_\_



600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Shannon M. Statz  
Stoughton Utilities Finance Manager

Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Electric Utility Annual Report filed with the Public Service Commission of Wisconsin

In accordance with Wisconsin State Statute 196.07, the Stoughton Electric Utility files an annual financial report with the Wisconsin Public Service Commission. The report for the year ending December 31, 2021 is attached for the Committee's review and discussion.



# WATER, ELECTRIC, OR JOINT UTILITY ANNUAL REPORT

OF

STOUGHTON ELECTRIC UTILITY

PO BOX 383  
STOUGHTON, WI 53589-0383

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For the Year Ended: DECEMBER 31, 2021

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TO

PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

Violation of any provision of the Wisconsin Public Service Code, Chapter Trans. 113, or any rule or order of the Public Service Commission, or any provision of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

Filed: 05/30/2022

Water Service Started Date:

DNR Public Water System ID:

Safe Drinking Water Information System (SDWIS) Total Population Served:

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I **Shannon Statz, Utilities Finance Manager** of **STOUGHTON ELECTRIC UTILITY**, certify that I am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

Date Signed: **7/8/2022**

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Electric Generating Plant Statistics (Large Plants)	E-14
Purchased Power Statistics	E-15
Customer Owned Distributed Energy Resources	E-16
Hydroelectric Generating Plant Statistics (Large Plants)	E-17
Electric Generating Plant Statistics (Small Plants)	E-18
Substation Equipment	E-19
Electric Metering	E-20
Electric Customers Served	E-21
Low Income and Energy Efficiency Programs	E-22
Electric Meter Consumer Adjustment	E-23
Electric Residential Customer Data . Disconnection, Arrears, and Tax Roll	E-24

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## Identification and Ownership - Contacts

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**Utility employee in charge of correspondence concerning this report**

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Name: Shannon Statz  
Title: Finance Manager  
Mailing Address: 600 S Fourth St  
Stoughton, WI 53589  
Phone: (608) 877-7415  
Email Address: sstatz@stoughtonutilities.com

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**Accounting firm or consultant preparing this report (if applicable)**

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Name:  
Title:  
Mailing Address:  
Phone:  
Email Address:

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**Name and title of utility General Manager (or equivalent)**

---

Name: Jill Weiss  
Title: Utilities Director  
Mailing Address: 600 S Fourth St  
Stoughton, WI 53589  
Phone: (608) 877-7423  
Email Address: jweiss@stoughtonutilities.com

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**Outside contractor responsible for utility operations (if applicable)**

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Name:  
Title:  
Mailing Address:  
Phone:  
Email Address:

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**President, chairman, or head of utility commission/board or committee**

---

Name: Tim Swadley  
Title: Mayor  
Mailing Address: 207 S Forrest St  
Stoughton, WI 53589  
Phone: (608) 873-6677  
Email Address: tswadley@ci.stoughton.wi.us

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**Contact person for cybersecurity issues and events**

---

Name: Brian Hoops  
Title: Assistant Utilities Director  
Mailing Address: 600 S Fourth St  
Stoughton, WI 53589  
Phone: (608) 877-7412  
Email Address: bhoops@stoughtonutilities.com

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## Identification and Ownership - Contacts

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## Identification and Ownership - Governing Authority and Audit Information

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**Utility Governing Authority**

Select the governing authority for this utility.

Reports to utility board/commission

Reports directly to city/village council

**Audit Information**

Are utility records audited by individuals or firms other than utility employees?  Yes  No

Date of most recent audit report: 04/30/2021

Period covered by most recent audit: 2020

**Individual or firm, if other than utility employee, auditing utility records**

Name: Jodi Dobson

Title: Partner

Organization Name: Baker Tilly

USPS Address: Ten Terrace Court

City State Zip Madison, WI 53718

Telephone: (608) 240-2469

Email Address: jodi.dobson@bakertilly.com

**Report Preparation**

**If an accounting firm or consultant assists with report preparation, select the type of assistance provided**

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## Identification and Ownership - Contract Operations

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**Do you have any contracts?**

Are any of the Utility's administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and /or current year (i.e., utility billing is done by another entity)?

**NO**

## Workforce Diversity

- g Decimal numbers for part time employees are acceptable values for this schedule. Please enter part time employees as a decimal based on the number of hours worked/2080 hours for a fiscal year. An employee who works 30% of full time would be recorded as .30.
- g Use the Footnotes feature to provide an explanation for any variance with the number of employees listed in Schedule F-06 and information about how many staff are part-time employees.
- g Staff classification of various employment categories can vary from utility to utility. Use the Footnotes feature to provide information about how the utility defines these categories. Additional information on classifying employees can be found in the help document.

Category (a)	Employee Count			*	
	Total (b)	Management (c)	Executive Leadership (d)		
Total Utility Employees	24.00	2.00	2.00	*	1
Women	6.00	1.00	1.00	*	2
Minorities	0.00	0.00	0.00		3
Veterans	0.00	0.00	0.00		4

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## Workforce Diversity

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- g Decimal numbers for part time employees are acceptable values for this schedule. Please enter part time employees as a decimal based on the number of hours worked/2080 hours for a fiscal year. An employee who works 30% of full time would be recorded as .30.
- g Use the Footnotes feature to provide an explanation for any variance with the number of employees listed in Schedule F-06 and information about how many staff are part-time employees.
- g Staff classification of various employment categories can vary from utility to utility. Use the Footnotes feature to provide information about how the utility defines these categories. Additional information on classifying employees can be found in the help document.

### Workforce Diversity (Page xi)

#### General Footnote

Stoughton Utilities does not keep records of minority or veteran status.

The "total" column includes all employees (management and executive leadership).

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### Income Statement

Description (a)	This Year (b)	Last Year (c)	
<b>UTILITY OPERATING INCOME</b>			1
Operating Revenues (400)	15,549,061	14,639,894	2
<b>``CdYfUj]b[ `9I dYbgYg.</b>			3
Operation and Maintenance Expense (401-402)	12,952,434	12,202,901	4
Depreciation Expense (403)	1,065,958	1,050,394	5
Amortization Expense (404-407)	0	0	6
Taxes (408)	599,305	600,642	7
<b>``HcHJ`CdYfUj]b[ `9I dYbgYg</b>	<b>14,617,697</b>	<b>13,853,937</b>	8
<b>``BYhCdYfUj]b[ `bWta Y</b>	<b>931,364</b>	<b>785,957</b>	9
Income from Utility Plant Leased to Others (412-413)			10
<b>``I h]ImiCdYfUj]b[ `bWta Y</b>	<b>931,364</b>	<b>785,957</b>	11
<b>OTHER INCOME</b>			12
Income from Merchandising, Jobbing and Contract Work (415-416)	(5,595)	0	13
Income from Nonutility Operations (417)			14
Nonoperating Rental Income (418)			15
Interest and Dividend Income (419)	145,909	131,701	16
Miscellaneous Nonoperating Income (421)	2,312,859	49,865	17
<b>``HcHJ`Ck Yf`bWta Y</b>	<b>2,453,173</b>	<b>181,566</b>	18
<b>``HcHJ`bWta Y</b>	<b>3,384,537</b>	<b>967,523</b>	19
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			20
Miscellaneous Amortization (425)	(22,160)	(22,160)	21
Other Income Deductions (426)	195,389	149,729	22
<b>``HcHJ`A]gWf`UbYci g`bWta Y8 YXi Wf]cbg</b>	<b>173,229</b>	<b>127,569</b>	23
<b>``bWta Y6 YZfY`bhYfYgh7\ Uf[ Yg</b>	<b>3,211,308</b>	<b>839,954</b>	24
<b>INTEREST CHARGES</b>			25
Interest on Long-Term Debt (427)	79,263	93,215	26
Amortization of Debt Discount and Expense (428)			27
Amortization of Premium on Debt--Cr. (429)	10,957	13,188	28
Interest on Debt to Municipality (430)	0	0	29
Other Interest Expense (431)	0	2,446	30
Interest Charged to Construction--Cr. (432)			31
<b>``HcHJ`bhYfYgh7\ Uf[ Yg</b>	<b>68,306</b>	<b>82,473</b>	32
<b>``BYh`bWta Y</b>	<b>3,143,002</b>	<b>757,481</b>	33
<b>EARNED SURPLUS</b>			34
Unappropriated Earned Surplus (Beginning of Year) (216)	22,073,237	21,315,756	35
Balance Transferred from Income (433)	3,143,002	757,481	36
Miscellaneous Credits to Surplus (434)	4,084		37
Miscellaneous Debits to Surplus--Debit (435)	89,359		38
Appropriations of Surplus--Debit (436)	2		39
Appropriations of Income to Municipal Funds--Debit (439)			40
<b>``HcHJ`I bUddfcdf]UHX`9UfbYX`Gi fd`i g`9bX`cZMYU`fE% L</b>	<b>25,130,962</b>	<b>22,073,237</b>	41

## Income Statement Account Details

- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
- g Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.
- g If amount of Contributed Plant - Water (421) does not match the total Additions During Year entered on Water Utility Plant in Service - Plant Financed by Contributions, please provide a detailed explanation. Please see the help guide for more information.

Description (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
<b>UTILITY OPERATING INCOME</b>				1
<b>Operating Revenues (400)</b>				2
Derived	15,549,061		15,549,061	3
<b>Total (Acct. 400)</b>	<b>15,549,061</b>	<b>0</b>	<b>15,549,061</b>	4
<b>Operation and Maintenance Expense (401-402)</b>				5
Derived	12,952,434		12,952,434	6
<b>Total (Acct. 401-402)</b>	<b>12,952,434</b>	<b>0</b>	<b>12,952,434</b>	7
<b>Depreciation Expense (403)</b>				8
Derived	1,065,958		1,065,958	9
<b>Total (Acct. 403)</b>	<b>1,065,958</b>	<b>0</b>	<b>1,065,958</b>	10
<b>Amortization Expense (404-407)</b>				11
Derived	0		0	12
<b>Total (Acct. 404-407)</b>	<b>0</b>	<b>0</b>	<b>0</b>	13
<b>Taxes (408)</b>				14
Derived	599,305		599,305	15
<b>Total (Acct. 408)</b>	<b>599,305</b>	<b>0</b>	<b>599,305</b>	16
<b>TOTAL UTILITY OPERATING INCOME</b>	<b>931,364</b>	<b>0</b>	<b>931,364</b>	17
<b>OTHER INCOME</b>				18
<b>Income from Merchandising, Jobbing and Contract Work (415-416)</b>				19
Derived	(5,595)	0	(5,595)	20
<b>Total (Acct. 415-416)</b>	<b>(5,595)</b>	<b>0</b>	<b>(5,595)</b>	21
<b>Interest and Dividend Income (419)</b>				22
ATC Distributions	41,539		41,539	23
Interest and Dividend Income	104,370		104,370	24
<b>Total (Acct. 419)</b>	<b>145,909</b>	<b>0</b>	<b>145,909</b>	25
<b>Miscellaneous Nonoperating Income (421)</b>				26
Contributed Plant - Electric		2,312,859	2,312,859	27
<b>Total (Acct. 421)</b>	<b>0</b>	<b>2,312,859</b>	<b>2,312,859</b>	28
<b>TOTAL OTHER INCOME</b>	<b>140,314</b>	<b>2,312,859</b>	<b>2,453,173</b>	29
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>				30
<b>Miscellaneous Amortization (425)</b>				31
Regulatory Liability (253) Amortization	(22,160)		(22,160)	32
<b>Total (Acct. 425)</b>	<b>(22,160)</b>	<b>0</b>	<b>(22,160)</b>	33
<b>Other Income Deductions (426)</b>				34
Depreciation Expense on Contributed Plant - Electric		186,964	186,964	35
MEUW Lobbying Expense (Portion of Dues)	3,425		3,425	36
Scholarship	5,000		5,000	37
<b>Total (Acct. 426)</b>	<b>8,425</b>	<b>186,964</b>	<b>195,389</b>	38
<b>TOTAL MISCELLANEOUS INCOME DEDUCTIONS</b>	<b>(13,735)</b>	<b>186,964</b>	<b>173,229</b>	39

## Income Statement Account Details

- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
- g Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.
- g If amount of Contributed Plant - Water (421) does not match the total Additions During Year entered on Water Utility Plant in Service - Plant Financed by Contributions, please provide a detailed explanation. Please see the help guide for more information.

Description (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
<b>INTEREST CHARGES</b>				40
<b>Interest on Long-Term Debt (427)</b>				41
Derived	79,263		79,263	42
<b>Total (Acct. 427)</b>	<b>79,263</b>	<b>0</b>	<b>79,263</b>	43
<b>Amortization of Premium on Debt--Cr. (429)</b>				44
2013 MRB	4,027		4,027	45
2016 MRB PREMIUM	6,930		6,930	46
<b>Total (Acct. 429)</b>	<b>10,957</b>	<b>0</b>	<b>10,957</b>	47
<b>Interest on Debt to Municipality (430)</b>				48
Derived	0		0	49
<b>Total (Acct. 430)</b>	<b>0</b>	<b>0</b>	<b>0</b>	50
<b>Other Interest Expense (431)</b>				51
Derived	0		0	52
<b>Total (Acct. 431)</b>	<b>0</b>	<b>0</b>	<b>0</b>	53
<b>TOTAL INTEREST CHARGES</b>	<b>68,306</b>	<b>0</b>	<b>68,306</b>	54
<b>NET INCOME</b>	<b>1,017,107</b>	<b>2,125,895</b>	<b>3,143,002</b>	55
<b>EARNED SURPLUS</b>				56
<b>Unappropriated Earned Surplus (Beginning of Year) (216)</b>				57
Derived	20,089,260	1,983,977	22,073,237	58
<b>Total (Acct. 216)</b>	<b>20,089,260</b>	<b>1,983,977</b>	<b>22,073,237</b>	59
<b>Balance Transferred from Income (433)</b>				60
Derived	1,017,107	2,125,895	3,143,002	61
<b>Total (Acct. 433)</b>	<b>1,017,107</b>	<b>2,125,895</b>	<b>3,143,002</b>	62
<b>Miscellaneous Credits to Surplus (434)</b>				63
Retire Dump Truck #6	4,084		4,084	64
<b>Total (Acct. 434)</b>	<b>4,084</b>	<b>0</b>	<b>4,084</b>	65
<b>Miscellaneous Debits to Surplus--Debit (435)</b>				66
Loss on Investments	89,359		89,359	67
<b>Total (Acct. 435)</b>	<b>89,359</b>	<b>0</b>	<b>89,359</b>	68
<b>Appropriations of Surplus--Debit (436)</b>				69
Detail appropriations to (from) account 215	1	1	2	70
<b>Total (Acct. 436)</b>	<b>1</b>	<b>1</b>	<b>2</b>	71
<b>UNAPPROPRIATED EARNED SURPLUS (END OF YEAR)</b>	<b>21,021,091</b>	<b>4,109,871</b>	<b>25,130,962</b>	72

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## Income Statement Account Details

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- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
- g Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.
- g If amount of Contributed Plant - Water (421) does not match the total Additions During Year entered on Water Utility Plant in Service - Plant Financed by Contributions, please provide a detailed explanation. Please see the help guide for more information.

### Income Statement Account Details (Page F-02)

**Amount of Contributed Plant - Electric (421) does not match the total Additions During Year entered on Electric Utility Plant in Service - Plant Financed by Contributions, please explain fully.**

Work to be billed in 2022.

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**Amount of Miscellaneous Debits to Surplus (Acct 435) exceeds \$10,000, please explain fully.**

Loss on investments 2009-62 GD - \$35,325  
Loss on investments 2010-15 1HN - \$19,287  
Loss on Sale of Investment \$34,746

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## Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)

Particulars (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
<b>Revenues</b>						1
Revenues (account 415)		74,235			74,235	2
<b>Cost and Expenses of Merchandising, Jobbing and Contract Work (416)</b>						3
Cost of merchandise sold					0	4
Payroll		17,262			17,262	5
Materials		43,794			43,794	6
Taxes					0	7
<b>Other (List by major classes)</b>						8
Transport, Outside Services, Payroll Overhead, FICA, Misc.		18,774			18,774	9
<b>Total costs and expenses</b>	<b>0</b>	<b>79,830</b>	<b>0</b>	<b>0</b>	<b>79,830</b>	10
<b>Net Income (or loss)</b>	<b>0</b>	<b>(5,595)</b>	<b>0</b>	<b>0</b>	<b>(5,595)</b>	11

## Revenues Subject to Wisconsin Remainder Assessment

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 Admin. Code Ch. PSC 5.  
 g If the sewer department is not regulated by the PSC, do not report sewer department in data column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Gas Utility (d)	Sewer Utility (Regulated Only (e)	Total (f)	
Total operating revenues		15,549,061			15,549,061	1
Less: interdepartmental sales		156,765			156,765	2
Less: interdepartmental rents		0			0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)					0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained		9,144			9,144	5
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>0</b>	<b>15,383,152</b>	<b>0</b>	<b>0</b>	<b>15,383,152</b>	<b>6</b>

### Distribution of Total Payroll

- g Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
- g Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
- g The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
- g Provide additional information in the schedule footnotes when necessary.
- g Please see the help guide for examples of how to break out shared costs.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses			0	1
Electric operating expenses	649,595	22,552	672,147	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing	17,513		17,513	6
Other nonutility expenses			0	7
Water utility plant accounts			0	8
Electric utility plant accounts	216,680		216,680	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant	2,081		2,081	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts	22,552	(22,552)	0	18
All other accounts			0	19
<b>Total Payroll</b>	<b>908,421</b>	<b>0</b>	<b>908,421</b>	<b>20</b>

### Full-Time Employees (FTE)

g Use FTE numbers where FTE stands for Full-Time Employees or Full-Time Equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest hundredth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

g Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .35 for electric, .30 for water and .20 for sewer.

Industry (a)	FTE (b)	
Water		1
Electric	12.1	2
Gas		3
Sewer		4

### Balance Sheet

Assets and Othe Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>ASSESTS AND OTHER DEBITS</b>			1
<b>UTILITY PLANT</b>			2
Utility Plant (101)	37,416,213	35,687,397	3
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (111)	17,756,883	17,124,004	4
Utility Plant Acquisition Adjustments (117-118)	0	0	5
Other Utility Plant Adjustments (119)	0	0	6
<b>BYHil H]mD'Ubh</b>	<b>19,659,330</b>	<b>18,563,393</b>	7
<b>OTHER PROPERTY AND INVESTMENTS</b>			8
Nonutility Property (121)	175,670	175,670	9
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	175,670	175,670	10
Investment in Municipality (123)	0	0	11
Other Investments (124)	484,175	465,248	12
Sinking Funds (125)	993,875	986,257	13
Depreciation Fund (126)	25,000	25,000	14
Other Special Funds (128)	694,682	683,487	15
<b>HcHU' CA Yf DfcdYfmiUbX' bJ Ygfa Ybtg</b>	<b>2,197,732</b>	<b>2,159,992</b>	16
<b>CURRENT AND ACCRUED ASSETS</b>			17
Cash (131)	6,434,784	6,762,610	18
Special Deposits (134)	0	0	19
Working Funds (135)	0	0	20
Temporary Cash Investments (136)	0	0	21
Notes Receivable (141)	0	0	22
Customer Accounts Receivable (142)	1,551,502	1,518,042	23
Other Accounts Receivable (143)	355,902	89,661	24
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	25
Receivables from Municipality (145)	173,294	280,148	26
Plant Materials and Operating Supplies (154)	293,297	443,454	27
Merchandise (155)	0	0	28
Other Materials and Supplies (156)	0	0	29
Stores Expense (163)	0	0	30
Prepayments (165)	9,637	1,000	31
Interest and Dividends Receivable (171)	3,555	13,747	32
Accrued Utility Revenues (173)	0	0	33
Miscellaneous Current and Accrued Assets (174)	373,541	221,736	34
<b>HcHU' 7 i ffYbhUbX' 5 VVfi YX' 5 ggYfg</b>	<b>9,195,512</b>	<b>9,330,398</b>	35
<b>DEFERRED DEBITS</b>			36
Unamortized Debt Discount and Expense (181)	0	0	37
Extraordinary Property Losses (182)	0	0	38
Preliminary Survey and Investigation Charges (183)	0	0	39
Clearing Accounts (184)	0	0	40
Temporary Facilities (185)	0	0	41
Miscellaneous Deferred Debits (186)	902,994	1,252,587	42
<b>HcHU' 8 YZffYX' 8 YV]fg</b>	<b>902,994</b>	<b>1,252,587</b>	43
<b>HCH5 @5 GG9 HG' 5 B8 'CH&lt; 9F ' 896 #HG</b>	<b>31,955,568</b>	<b>31,306,370</b>	44

### Balance Sheet

Liabilities and Othe Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>LIABILITIES AND OTHER CREDITS</b>			1
<b>PROPRIETARY CAPITAL</b>			2
Capital Paid in by Municipality (200)	398,649	397,926	3
Appropriated Earned Surplus (215)	0	0	4
Unappropriated Earned Surplus (216)	25,130,962	22,073,237	5
<b>“HcHJ” DfcdfjYUfm7 UdJkU</b>	<b>25,529,611</b>	<b>22,471,163</b>	6
<b>LONG-TERM DEBT</b>			7
Bonds (221)	3,080,000	3,750,000	8
Advances from Municipality (223)	0	0	9
Other Long-Term Debt (224)	0	0	10
<b>“HcHJ” @cb[ !HYfa 8 YVh</b>	<b>3,080,000</b>	<b>3,750,000</b>	11
<b>CURRENT AND ACCRUED LIABILITIES</b>			12
Notes Payable (231)	0	0	13
Accounts Payable (232)	1,078,140	1,502,723	14
Payables to Municipality (233)	153,221	99,851	15
Customer Deposits (235)	92,333	107,639	16
Taxes Accrued (236)	438,027	445,995	17
Interest Accrued (237)	23,570	28,597	18
Tax Collections Payable (241)	59,038	50,760	19
Miscellaneous Current and Accrued Liabilities (242)	5,436	12,849	20
<b>“HcHJ” 7i ffYbhUbX’5 VWwI YX’ @UVJ’]jYg</b>	<b>1,849,765</b>	<b>2,248,414</b>	21
<b>DEFERRED CREDITS</b>			22
Unamortized Premium on Debt (251)	52,141	63,098	23
Customer Advances for Construction (252)	229,065	1,344,916	24
Other Deferred Credits (253)	1,214,986	1,428,779	25
<b>“HcHJ” 8 YZffYX’7 fYX]Jg</b>	<b>1,496,192</b>	<b>2,836,793</b>	26
<b>OPERATING RESERVES</b>			27
Property Insurance Reserve (261)	0	0	28
Injuries and Damages Reserve (262)	0	0	29
Pensions and Benefits Reserve (263)	0	0	30
Miscellaneous Operating Reserves (265)	0	0	31
<b>“HcHJ” CdYfUj[b[ ’F YgYfj Yg</b>	<b>0</b>	<b>0</b>	32
<b>“HCH5 @@56 =@H9 G’5 B8 ’CH&lt;9F ’7 F98 +HG</b>	<b>31,955,568</b>	<b>31,306,370</b>	33

## Net Utility Plant

g Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	
<b>First of Year</b>					1
Total Utility Plant - First of Year	0	35,687,397	0	0	2
	<b>0</b>	<b>35,687,397</b>	<b>0</b>	<b>0</b>	3
<b>Plant Accounts</b>					4
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)		30,736,835			5
Utility Plant in Service - Contributed Plant (101.2)		6,082,298			6
Utility Plant Purchased or Sold (102)					7
Utility Plant Leased to Others (104)					8
Property Held for Future Use (105)		229,097			9
Completed Construction not Classified (106)					10
Construction Work in Progress (107)		367,983			11
<b>Total Utility Plant</b>	<b>0</b>	<b>37,416,213</b>	<b>0</b>	<b>0</b>	12
<b>Accumulated Provision for Depreciation and Amortization</b>					13
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (111.1)		15,606,158			14
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (111.2)		2,150,725			15
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					16
Accumulated Provision for Depreciation of Property Held for Future Use (113)					17
Accumulated Provision for Amortization of Utility Plant in Service (114)					18
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					19
Accumulated Provision for Amortization of Property Held for Future Use (116)					20
<b>Total Accumulated Provision</b>	<b>0</b>	<b>17,756,883</b>	<b>0</b>	<b>0</b>	21
<b>Accumulated Provision for Depreciation and Amortization</b>					22
Utility Plant Acquisition Adjustments (117)					23
Accumulated Provision for Amortization of Utility Plant Acquisition Adjustments (118)					24
Other Utility Plant Adjustments (119)					25
<b>Total Other Utility Plant Accounts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	26
<b>Net Utility Plant</b>	<b>0</b>	<b>19,659,330</b>	<b>0</b>	<b>0</b>	27

## Accumulated Provision for Depreciation of Utility Plant on Utility Plant Financed by Utility Operations or by the Municipality (Acct. 111.1)

Depreciation Accruals (Credits) during the year (111.1):

- g Report the amounts charged in the operating sections to Depreciation Expense (403).
- g If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
- g Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water Column. If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
- g Report all other accruals charged to other accounts, such as to clearing accounts.

Description (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
Balance First of Year (111.1)	0	15,071,155	0	0	15,071,155	1
<b>Credits during year</b>						2
Charged Depreciation Expense (403)		1,065,958			1,065,958	3
Depreciation Expense on Meters Charged to Sewer					0	4
Depreciation Clearing		57,191			57,191	5
Salvage		6,707			6,707	6
<b>Total credits</b>	<b>0</b>	<b>1,129,856</b>	<b>0</b>	<b>0</b>	<b>1,129,856</b>	7
<b>Debits during year</b>						8
Book Cost of Plant Retired		589,292			589,292	9
Cost of Removal		5,561			5,561	10
<b>Total debits</b>	<b>0</b>	<b>594,853</b>	<b>0</b>	<b>0</b>	<b>594,853</b>	11
<b>Balance end of year (111.1)</b>	<b>0</b>	<b>15,606,158</b>	<b>0</b>	<b>0</b>	<b>15,606,158</b>	12

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**Accumulated Provision for Depreciation of Utility Plant on Utility Plant Financed by Utility Operations or by the Municipality (Acct. 111.1)**

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Depreciation Accruals (Credits) during the year (111.1):

- g Report the amounts charged in the operating sections to Depreciation Expense (403).
- g If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
- g Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water Column. If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
- g Report all other accruals charged to other accounts, such as to clearing accounts.

**Accumulated Provision for Depreciation of Utility Plant on Utility Plant Financed by Utility Operations or by the Municipality (Acct. 111.1) (Page F-09)**

**If Depreciation Expense on Meters Charged to Sewer is \$0 or blank, an explanation must be provided for why expense was not allocated to the sewer department**

Sewer allocation is only on the water meters, not electric.

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## Accumulated Provision for Depreciation of Utility Plant on Contributed Plant in Service (Acct. 111.2)

Depreciation Accruals (Credits) during the year (111.2):

- g Report the amounts charged in the operating sections to Other Income Deductions (426).
- g If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
- g Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water Column. If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
- g Report all other accruals charged to other accounts, such as to clearing accounts.

Description (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
Balance First of Year (111.2)	0	2,052,849	0	0	2,052,849	1
<b>Credits during year</b>						2
Charged Other Income Deductions (426)		186,964			186,964	3
Depreciation Expense on Meters Charged to Sewer					0	4
Salvage		0			0	5
<b>Total credits</b>	<b>0</b>	<b>186,964</b>	<b>0</b>	<b>0</b>	<b>186,964</b>	6
<b>Debits during year</b>						7
Book Cost of Plant Retired		89,088			89,088	8
Cost of Removal		0			0	9
<b>Total debits</b>	<b>0</b>	<b>89,088</b>	<b>0</b>	<b>0</b>	<b>89,088</b>	10
<b>Balance end of year (111.2)</b>	<b>0</b>	<b>2,150,725</b>	<b>0</b>	<b>0</b>	<b>2,150,725</b>	11

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**Accumulated Provision for Depreciation of Utility Plant on Contributed Plant in Service (Acct. 111.2)**

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Depreciation Accruals (Credits) during the year (111.2):

- g Report the amounts charged in the operating sections to Other Income Deductions (426).
- g If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
- g Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water Column. If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
- g Report all other accruals charged to other accounts, such as to clearing accounts.

**Accumulated Provision for Depreciation of Utility Plant on Contributed Plant in Service (Acct. 111.2) (Page F-10)**

**If Depreciation Expense on Meters Charged to Sewer is \$0 or blank, an explanation must be provided for why expense was not allocated to the sewer department**

Sewer allocation is only on water meters, not electric.

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### Net Nonutility Property (Accts. 121 & 122)

- g Report separately each item of property with a book cost of \$5,000 or more included in account 121.
- g Other items may be grouped by classes of property.
- g Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			<b>0</b>	1
City Dam	84,212			<b>84,212</b>	2
Leasehold Improvements - Rental	91,458			<b>91,458</b>	3
<b>Total Nonutility Property (121)</b>	<b>175,670</b>	<b>0</b>	<b>0</b>	<b>175,670</b>	4
Less accum. prov. depr. & amort. (122)	<b>175,670</b>			<b>175,670</b>	5
<b>Net Nonutility Property</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	6

**Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)**

	Description (a)	Amount (b)	
Balance first of year		0	1
<b>Additions</b>			2
Provision for uncollectibles during year		0	3
Collection of accounts previously written off: Utility Customers		0	4
Collection of accounts previously written off: Others		0	5
<b>Total Additions</b>		<b>0</b>	6
<b>Accounts Written Off</b>			7
Accounts written off during the year: Utility Customers		0	8
Accounts written off during the year: Others		0	9
<b>Total Accounts Written Off</b>		<b>0</b>	10
<b>Balance End of Year</b>		<b>0</b>	11

## Materials and Supplies

Account (a)	Generation (b)	Transmission (d)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
<b>Electric Utility</b>							1
Fuel (151)					0	0	2
Fuel stock expenses (152)					0	0	3
Plant mat. & oper. sup. (154)			293,297		293,297	443,454	4
<b>Total Electric Utility</b>	<b>0</b>	<b>0</b>	<b>293,297</b>	<b>0</b>	<b>293,297</b>	<b>443,454</b>	5

Account	Total End of Year	Amount Prior Year	
Electric utility total	293,297	443,454	1
Water utility (154)			2
Sewer utility (154)			3
Heating utility (154)			4
Gas utility (154)			5
Merchandise (155)			6
Other materials & supplies (156)			7
Stores expense (163)			8
<b>Total Material and Supplies</b>	<b>293,297</b>	<b>443,454</b>	9

## Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<b>Unamortized debt discount &amp; expense (181)</b>				1
None				2
<b>Total</b>	<b>0</b>		<b>0</b>	3
<b>Unamortized premium on debt (251)</b>				4
2013 MRB	7,566	4,027	3,539	5
2016 MRB	55,532	6,930	48,602	6
None				7
<b>Total</b>	<b>63,098</b>		<b>52,141</b>	8

### Capital Paid in by Municipality (Acct. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Description (a)	Amount (b)	
Balance first of year	397,926	1
TRUE UP	723	2
<b>Balance end of year</b>	<b>398,649</b>	<b>3</b>

### Bonds (Acct. 221)

- g Report information required for each separate issue of bonds.
- g If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
- g Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.
- g Enter interest rates in decimal form. For example, enter 6.75% as 0.0675

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
2013 Mortgage Revenue Bonds	02/15/2013	04/01/2023	1.63%	665,000	1
2016 Mortgage Revenue Bonds	05/26/2016	04/01/2036	2.20%	2,415,000	2
<b>Total</b>				<b>3,080,000</b>	<b>3</b>

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**Bonds (Acct. 221)**

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- g Report information required for each separate issue of bonds.
- g If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
- g Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.
- g Enter interest rates in decimal form. For example, enter 6.75% as 0.0675

**Bonds (Acct. 221) (Page F-17)****General Footnote**

Interest rates are bond yields for arbitrage purposes.

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## Notes Payable & Miscellaneous Long-Term Debt

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- |  |
|--|
| <ul style="list-style-type: none"><li>g Report each class of debt included in Accounts 223, 224 and 231.</li><li>g Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.</li><li>g If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.</li><li>g Enter interest rates in decimal form. For example, enter 6.75% as 0.0675</li></ul> |
|--|

- - - THIS SCHEDULE NOT APPLICABLE TO THIS UTILITY- - -

**Taxes Accrued (Acct. 236)**

<b>Description (a)</b>	<b>Amount (b)</b>	
Balance first of year	445,995	1
Charged water department expense		2
Charged electric department expense	599,305	3
Charged gas department expense		4
Charged sewer department expense		5
<b>Total accruals and other credits</b>	<b>599,305</b>	<b>6</b>
County, state and local taxes	445,995	7
Social Security taxes	54,577	8
PSC Remainder Assessment	16,923	9
Gross Receipts Tax	89,778	10
<b>Total payments and other debits</b>	<b>607,273</b>	<b>11</b>
<b>Balance end of year</b>	<b>438,027</b>	<b>12</b>

## Interest Accrued (Acct. 237)

- g Report below interest accrued on each utility obligation.  
g Report customer deposits under account 235.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>	0	0	0	<b>0</b>	1
2013 MRB'S	5,542	16,763	18,563	<b>3,742</b>	2
2016 MRB's	16,940	62,500	64,250	<b>15,190</b>	3
<b>Subtotal Bonds (221)</b>	<b>22,482</b>	<b>79,263</b>	<b>82,813</b>	<b>18,932</b>	4
<b>Advances from Municipality (223)</b>	0	0	0	<b>0</b>	5
None				<b>0</b>	6
<b>Subtotal Advances from Municipality (223)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	7
<b>Other Long-Term Debt (224)</b>	0	0	0	<b>0</b>	8
None				<b>0</b>	9
<b>Subtotal Other Long-Term Debt (224)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	10
<b>Notes Payable (231)</b>	0	0	0	<b>0</b>	11
CUSTOMER DEPOSIT	6,115	0	1,477	<b>4,638</b>	12
<b>Subtotal Notes Payable (231)</b>	<b>6,115</b>	<b>0</b>	<b>1,477</b>	<b>4,638</b>	13
<b>Customer Deposits (235)</b>	0	0	0	<b>0</b>	14
None				<b>0</b>	15
<b>Subtotal Customer Deposits (235)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	16
<b>Total</b>	<b>28,597</b>	<b>79,263</b>	<b>84,290</b>	<b>23,570</b>	17

## Balance Sheet Detail - Other Accounts

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Description (a)	Balance End of Year (b)	
<b>Other Investments (124)</b>	0	1
Investment in ATC	484,175	2
<b>Total (Acct. 124)</b>	<b>484,175</b>	3
<b>Sinking Funds (125)</b>	0	4
Reserve	460,722	5
Special Redemption	533,153	6
<b>Total (Acct. 125)</b>	<b>993,875</b>	7
<b>Depreciation Fund (126)</b>	0	8
Depreciation	25,000	9
<b>Total (Acct. 126)</b>	<b>25,000</b>	10
<b>Other Special Funds (128)</b>	0	11
Plant Maintenance Reserve	533,326	12
Sick Leave Reserve	161,356	13
<b>Total (Acct. 128)</b>	<b>694,682</b>	14
<b>Cash and Working Funds (131 )</b>	0	15
Cash	6,434,784	16
<b>Total (Acct. 131 )</b>	<b>6,434,784</b>	17
<b>Customer Accounts Receivable (142)</b>	0	18
Electric	1,477,827	19
Stormwater	73,675	20
<b>Total (Acct. 142)</b>	<b>1,551,502</b>	21
<b>Other Accounts Receivable (143)</b>	0	22
Sewer (Non-regulated)		23
Merchandising, jobbing and contract work		24
Miscellaneous	355,902	25
<b>Total (Acct. 143)</b>	<b>355,902</b>	26
<b>Receivables from Municipality (145)</b>	0	27
Due from Muni - Delinquent Utilities	15,318	28
Interfund Receivable - WRS Unfunded Liability Payoff	157,976	29
<b>Total (Acct. 145)</b>	<b>173,294</b>	30
<b>Prepayments (165)</b>	0	31
Prepaid Expense	9,637	32

## Balance Sheet Detail - Other Accounts

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Total (Acct. 165)</b>	<b>9,637</b>	33
<b>Interest and Dividends Receivable (171)</b>	0	34
Interest Receivable	3,555	35
<b>Total (Acct. 171)</b>	<b>3,555</b>	36
<b>Miscellaneous Current and Accrued Assets (174)</b>	0	37
Net Pension Asset	373,541	38
<b>Total (Acct. 174)</b>	<b>373,541</b>	39
<b>Miscellaneous Deferred Debits (186)</b>	0	40
Deferred Outflows of Resources - Pensions	678,903	41
OPEB	48,825	42
Regulatory Asset - WRS	175,266	43
<b>Total (Acct. 186)</b>	<b>902,994</b>	44
<b>Accounts Payable (232 )</b>	0	45
<b>Accounts Payable (232)</b>	0	46
Accounts Payable	106,535	47
Purchase Power Bill WPPI	971,605	48
<b>Total (Acct. 232 )</b>	<b>1,078,140</b>	49
<b>Payables to Municipality (233)</b>	0	50
Health Insurance Premiums due to city	24,460	51
Misc	63,132	52
Retirement Payable	7,303	53
Stormwater Collections	58,326	54
<b>Total (Acct. 233)</b>	<b>153,221</b>	55
<b>Customer Deposits (235)</b>	0	56
Customer Deposits	92,333	57
<b>Total (Acct. 235)</b>	<b>92,333</b>	58
<b>Tax Collections Payable (241)</b>	0	59
Employee FICA Tax Payable	8,521	60
Federal/State Withholding Taxes	11,250	61
Sales Tax Payable	39,267	62
<b>Total (Acct. 241)</b>	<b>59,038</b>	63
<b>Miscellaneous Current and Accrued Liabilities (242)</b>	0	64
Misc Payroll Deductions and Accruals	5,436	65
<b>Total (Acct. 242)</b>	<b>5,436</b>	66

## Balance Sheet Detail - Other Accounts

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Customer Advances for Construction (252)</b>	0	67
Customer Advances for Construction	229,065	68
<b>Total (Acct. 252)</b>	<b>229,065</b>	69
<b>Other Deferred Credits (253)</b>	0	70
Regulatory Liability	44,324	71
Commitment to Community	21,432	72
Compensated Absences	161,356	73
Deferred Inflows - Pension	927,043	74
Net OPEB Liability	35,421	75
OPEB	13,404	76
Round Up Program	1,167	77
State Energy Assistance	10,839	78
<b>Total (Acct. 253)</b>	<b>1,214,986</b>	79

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## Balance Sheet Detail - Other Accounts

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Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

### Balance Sheet Detail - Other Accounts (Page F-22)

**Explain amounts in Accounts 143, 145 and/or 233 in excess of \$10,000. Provide a short list or detailed description, but do not use terms such as other revenues, general, miscellaneous, or repeat the account title.**

#145 & #233 - Accounts are fully explained by their titles.

#143 Miscellaneous - The amount is made up of many invoices, most of them small. Large amounts include: \$15,752 (Developer Extension), \$46,401 (Contractor Work), \$28,349 (Contractor Work), \$24,030 (Contractor Work), \$26,153 (Contractor Work), \$35,640 (Pole Attachments), \$75,000 (Developer Extension)

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## Return on Rate Base Computation

- g The data used in calculating rate base are averages.
- g Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
- g For municipal utilities, do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.
- g For private utilities, do not include property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
<b>Add Average</b>						1
Utility Plant in Service (101.1)		30,693,914			<b>30,693,914</b>	2
Materials and Supplies		368,375			<b>368,375</b>	3
<b>Less Average</b>						4
Reserve for Depreciation (111.1)		15,338,656			<b>15,338,656</b>	5
Customer Advances for Construction		786,991			<b>786,991</b>	6
Regulatory Liability		55,404			<b>55,404</b>	7
<b>Average Net Rate Base</b>	<b>0</b>	<b>14,881,238</b>	<b>0</b>	<b>0</b>	<b>14,881,238</b>	8
Net Operating Income		931,364			<b>931,364</b>	9
<b>Net Operating Income as a percent of Average Net Rate Base</b>	<b>N/A</b>	<b>6.26%</b>	<b>N/A</b>	<b>N/A</b>	<b>6.26%</b>	10

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## Return on Rate Base Computation

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- g The data used in calculating rate base are averages.
- g Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
- g For municipal utilities, do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.
- g For private utilities, do not include property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

### Return on Rate Base Computation (Page F-23)

**If an amount is reported for Customer Advances for Construction, an explanation must be provided. (Customer Advances should only be part of Rate Base if the related plant is part of Rate Base.)**

The customer advances are generally for new service, upgraded service, etc.

At the end of 2020, \$1,311,200 was held as a deposit from TDS for electric work required as part of a fiber installation in the City of Stoughton.

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## Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility Plant (253)

Description (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
Balance First of Year	0	66,484	0	0	<b>66,484</b>	1
<b>Credits During Year</b>					<b>0</b>	2
None					<b>0</b>	3
<b>Charges (Deductions)</b>					<b>0</b>	4
Miscellaneous Amortization (425)		22,160			<b>22,160</b>	5
<b>Balance End of Year</b>	<b>0</b>	<b>44,324</b>	<b>0</b>	<b>0</b>	<b>44,324</b>	6

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## Important Changes During the Year

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**Report changes of any of the following types:**

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1. Acquisitions  
None.

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2. Leaseholder changes  
None.

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3. Extensions of service  
None.

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4. Estimated changes in revenues due to rate changes  
None.

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5. Obligations incurred or assumed, excluding commercial paper  
None.

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6. Formal proceedings with the Public Service Commission  
None.

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7. Any additional matters  
None.

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## Electric Operating Revenues & Expenses

Description (a)	This Year (b)	Last Year (c)	
<b>Operating Revenues - Sales of Electricity</b>			1
Sales of Electricity (440-448)	15,380,714	14,482,022	2
<b>Total Sales of Electricity</b>	<b>15,380,714</b>	<b>14,482,022</b>	3
<b>Other Operating Revenues</b>			4
Forfeited Discounts (450)	33,082	25,238	5
Miscellaneous Service Revenues (451)	4,027	0	6
Sales of Water and Water Power (453)	0	0	7
Rent from Electric Property (454)	92,629	92,224	8
Interdepartmental Rents (455)	0	0	9
Other Electric Revenues (456)	38,609	40,410	10
<b>Total Other Operating Revenues</b>	<b>168,347</b>	<b>157,872</b>	11
<b>Total Operating Revenues</b>	<b>15,549,061</b>	<b>14,639,894</b>	12
<b>Operation and Maintenance Expenses</b>			13
Power Production Expenses (500-557)	11,329,721	10,599,268	14
Transmission Expenses (560-573)	0	0	15
Distribution Expenses (580-598)	688,937	699,648	16
Customer Accounts Expenses (901-905)	332,756	307,439	17
Customer Service and Informational Expenses (906)	0	174	18
Sales Expenses (911-916)	0	0	19
Administrative and General Expenses (920-932)	601,020	596,372	20
<b>Total Operation and Maintenance Expenses</b>	<b>12,952,434</b>	<b>12,202,901</b>	21
<b>Other Expenses</b>			22
Depreciation Expense (403)	1,065,958	1,050,394	23
Amortization Expense (404-407)	0	0	24
Taxes (408)	599,305	600,642	25
<b>Total Other Expenses</b>	<b>1,665,263</b>	<b>1,651,036</b>	26
<b>Total Operating Expenses</b>	<b>14,617,697</b>	<b>13,853,937</b>	27
<b>NET OPERATING INCOME</b>	<b>931,364</b>	<b>785,957</b>	28

### Sales of Electricity by Rate Schedule

g Column (i) is the sum of the 12 monthly billed peak demands for all of the customers in each class.  
 g Column (j) is the sum of the 12 monthly customer (or Distribution) demands for all of the customers in each class.

Type of Sales/Rate Class Title (a)	Rate Schedule (b)	TOD Rate (c)	Demand Rate (d)	Average Number Customers (e)	kWh (f)	On-Peak kWh (g)	Off-Peak kWh (h)	Billed Demand kW (i)	Customer Demand kW (j)	Tariff Revenues (k)	PCAC Revenues (l)	Total Revenues (k+l) (m)	
<b>Residential Sales</b>													
Residential	RG-1	N	N	7,932	67,259,602					7,809,612	203,853	<b>8,013,465</b>	1
Residential	RG-2	Y	N	48	254,871	81,209	173,662			26,847	733	<b>27,580</b>	2
<b>TOTAL</b>				<b>7,980</b>	<b>67,514,473</b>	<b>81,209</b>	<b>173,662</b>	<b>0</b>	<b>0</b>	<b>7,836,459</b>	<b>204,586</b>	<b>8,041,045</b>	3
<b>Commercial &amp; Industrial</b>													
Small Power	CP-1	N	Y	41	10,913,131			35,351	46,422	1,120,008	25,141	<b>1,145,149</b>	4
Small Power	CP-1 TOD	Y	Y	11	4,706,556	1,700,591	3,005,965	11,285	15,127	431,014	11,104	<b>442,118</b>	5
Large Power	CP-2	Y	Y	9	12,136,954	5,350,006	6,786,948	32,463	41,092	1,066,258	33,085	<b>1,099,343</b>	6
Industrial Power	CP-3	Y	Y	5	27,490,118	12,722,853	14,767,265	73,813	83,064	2,349,103	74,026	<b>2,423,129</b>	7
General Service	GS-1	N	N	925	17,751,571					2,044,269	52,335	<b>2,096,604</b>	8
General Service	GS-2	Y	N	25	340,153	128,832	211,321			39,994	1,987	<b>41,981</b>	9
<b>TOTAL</b>				<b>1,016</b>	<b>73,338,483</b>	<b>19,902,282</b>	<b>24,771,499</b>	<b>152,912</b>	<b>185,705</b>	<b>7,050,646</b>	<b>197,678</b>	<b>7,248,324</b>	10
<b>Lighting Service</b>													
Street Lighting	MS-1	N	N	6	342,922					90,873	472	<b>91,345</b>	11
<b>TOTAL</b>				<b>6</b>	<b>342,922</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90,873</b>	<b>472</b>	<b>91,345</b>	12
<b>GRAND TOTAL</b>				<b>9,002</b>	<b>141,195,878</b>	<b>19,983,491</b>	<b>24,945,161</b>	<b>152,912</b>	<b>185,705</b>	<b>14,977,978</b>	<b>402,736</b>	<b>15,380,714</b>	13

Does the utility serve any dairy farms? NO

Lighting Service - Additional Detail			
Lighting Service	Description	No. of Light	
MS-1	LED - 101 W	784	1
MS-1	LED - 205 W	1	2

## Electric Other Operating Revenues

- g Report revenues relating to each account and fully describe each item using other than the account title.
- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and all other lesser amounts grouped as Miscellaneous.

Description (a)	Amount (b)	
<b>Forfeited Discounts (450)</b>		1
Customer late payment charges	33,082	2
<b>Total Forfeited Discounts (450)</b>	<b>33,082</b>	3
<b>Miscellaneous Service Revenues (451)</b>		4
Miscellaneous	4,027	5
<b>Total Miscellaneous Service Revenues (451)</b>	<b>4,027</b>	6
<b>Sales of Water and Water Power (453)</b>		7
None		8
<b>Total Sales of Water and Water Power (453)</b>	<b>0</b>	9
<b>Rent from Electric Property (454)</b>		10
Pole Attachment Fees	92,629	11
<b>Total Rent from Electric Property (454)</b>	<b>92,629</b>	12
<b>Interdepartmental Rents (455)</b>		13
None		14
<b>Total Interdepartmental Rents (455)</b>	<b>0</b>	15
<b>Other Electric Revenues (456)</b>		16
ATC Common Facility Charge	20,019	17
Miscellaneous	18,590	18
<b>Total Other Electric Revenues (456)</b>	<b>38,609</b>	19

## Electric Operation & Maintenance Expenses

- g Each expense account that has a difference between This Year and Last Year greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D) shall be fully explained. Please include breakdown of costs that contributed to the difference. Please reference the help document for more information.
- g Class C and class D report all expenses in Other Expense (column c)

Description (a)	Labor Expense (b)	Other Expense (c)	Total This Year (d)	Last Year (e)	
<b>POWER PRODUCTION EXPENSES</b>					1
<b>STEAM POWER GENERATION EXPENSES</b>					2
Operation Supervision and Engineering (500)			0	0	3
Fuel (501)			0	0	4
Steam Expenses (502)			0	0	5
Steam from Other Sources (503)			0	0	6
Steam Transferred -- Credit (504)			0	0	7
Electric Expenses (505)			0	0	8
Miscellaneous Steam Power Expenses (506)			0	0	9
Rents (507)			0	0	10
Maintenance Supervision and Engineering (510)			0	0	11
Maintenance of Structures (511)			0	0	12
Maintenance of Boiler Plant (512)			0	0	13
Maintenance of Electric Plant (513)			0	0	14
Maintenance of Miscellaneous Steam Plant (514)			0	0	15
<b>Total Steam Power Generation Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>
<b>HYDRAULIC POWER GENERATION EXPENSES</b>					17
Operation Supervision and Engineering (535)			0	0	18
Water for Power (536)			0	0	19
Hydraulic Expenses (537)			0	0	20
Electric Expenses (538)			0	0	21
Miscellaneous Hydraulic Power Generation Expenses (539)			0	0	22
Rents (540)			0	0	23
Maintenance Supervision and Engineering (541)			0	0	24
Maintenance of Structures (542)			0	0	25
Maintenance of Reservoirs, Dams and Waterways (543)			0	0	26
Maintenance of Electric Plant (544)			0	0	27
Maintenance of Miscellaneous Hydraulic Plant (545)			0	0	28
<b>Total Hydraulic Power Generation Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>
<b>OTHER POWER GENERATION EXPENSES</b>					30
Operation Supervision and Engineering (546)			0	0	31
Fuel (547)			0	0	32
Generation Expenses (548)			0	0	33
Miscellaneous Other Power Generation Expenses (549)			0	0	34
Rents (550)			0	0	35
Maintenance Supervision and Engineering (551)			0	0	36
Maintenance of Structures (552)			0	0	37
Maintenance of Generating and Electric Plant (553)			0	0	38
Maintenance of Miscellaneous Other Power Generating Plant (554)			0	0	39
<b>Total Other Power Generation Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>40</b>

## Electric Operation & Maintenance Expenses

- g Each expense account that has a difference between This Year and Last Year greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D) shall be fully explained. Please include breakdown of costs that contributed to the difference. Please reference the help document for more information.
- g Class C and class D report all expenses in Other Expense (column c)

Description (a)	Labor Expense (b)	Other Expense (c)	Total This Year (d)	Last Year (e)	
<b>OTHER POWER SUPPLY EXPENSES</b>					41
Purchased Power (555)		11,329,721	11,329,721	10,599,268	42
System Control and Load Dispatching (556)			0	0	43
Other Expenses (557)			0	0	44
<b>Total Other Power Supply Expenses</b>	<b>0</b>	<b>11,329,721</b>	<b>11,329,721</b>	<b>10,599,268</b>	45
<b>Total Power Production Expenses</b>	<b>0</b>	<b>11,329,721</b>	<b>11,329,721</b>	<b>10,599,268</b>	46
<b>TRANSMISSION EXPENSES</b>					47
Operation Supervision and Engineering (560)			0	0	48
Load Dispatching (561)			0	0	49
Station Expenses (562)			0	0	50
Overhead Line Expenses (563)			0	0	51
Underground Line Expenses (564)			0	0	52
Miscellaneous Transmission Expenses (566)			0	0	53
Rents (567)			0	0	54
Maintenance Supervision and Engineering (568)			0	0	55
Maintenance of Structures (569)			0	0	56
Maintenance of Station Equipment (570)			0	0	57
Maintenance of Overhead Lines (571)			0	0	58
Maintenance of Underground Lines (572)			0	0	59
Maintenance of Miscellaneous Transmission Plant (573)			0	0	60
<b>Total Transmission Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	61
<b>DISTRIBUTION EXPENSES</b>					62
Operation Supervision and Engineering (580)	14,226	427	14,653	13,235	63
Load Dispatching (581)			0	0	64
Station Expenses (582)	41,455	12,369	53,824	46,730	65
Overhead Line Expenses (583)	3,135	39,007	42,142	21,683 *	66
Underground Line Expenses (584)	998	86,814	87,812	203,866 *	67
Street Lighting and Signal System Expenses (585)			0	0	68
Meter Expenses (586)	185	5,357	5,542	3,576	69
Customer Installations Expenses (587)			0	0	70
Miscellaneous Distribution Expenses (588)	29,386	1,723	31,109	34,157	71
Rents (589)			0	0	72
Maintenance Supervision and Engineering (590)	40,749	1,334	42,083	30,588 *	73
Maintenance of Structures (591)			0	0	74
Maintenance of Station Equipment (592)	7,209	16,640	23,849	13,209 *	75
Maintenance of Overhead Lines (593)	107,699	149,944	257,643	202,760 *	76
Maintenance of Underground Lines (594)	57,476	48,035	105,511	96,602	77
Maintenance of Line Transformers (595)	2,833	626	3,459	2,699	78
Maintenance of Street Lighting and Signal Systems (596)	2,327	368	2,695	8,539	79
Maintenance of Meters (597)	15,563	3,052	18,615	22,004	80

## Electric Operation & Maintenance Expenses

- g Each expense account that has a difference between This Year and Last Year greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D) shall be fully explained. Please include breakdown of costs that contributed to the difference. Please reference the help document for more information.
- g Class C and class D report all expenses in Other Expense (column c)

Description (a)	Labor Expense (b)	Other Expense (c)	Total This Year (d)	Last Year (e)	
Maintenance of Miscellaneous Distribution Plant (598)			0	0	81
<b>Total Distribution Expenses</b>	<b>323,241</b>	<b>365,696</b>	<b>688,937</b>	<b>699,648</b>	<b>82</b>
<b>CUSTOMER ACCOUNTS EXPENSES</b>					<b>83</b>
Supervision (901)			0	0	84
Meter Reading Expenses (902)	3,239		3,239	3,267	85
Customer Records and Collection Expenses (903)	133,221	187,152	320,373	286,887	86
Uncollectible Accounts (904)		9,144	9,144	17,285	87
Miscellaneous Customer Accounts Expenses (905)			0	0	88
<b>Total Customer Accounts Expenses</b>	<b>136,460</b>	<b>196,296</b>	<b>332,756</b>	<b>307,439</b>	<b>89</b>
<b>CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>					<b>90</b>
Customer Service and Informational Expenses (906)			0	174	91
<b>Total Customer Service and Informational Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>174</b>	<b>92</b>
<b>SALES EXPENSES</b>					<b>93</b>
Supervision (911)			0	0	94
Demonstrating and Selling Expenses (912)			0	0	95
Advertising Expenses (913)			0	0	96
Miscellaneous Sales Expenses (916)			0	0	97
<b>Total Sales Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>98</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					<b>99</b>
Administrative and General Salaries (920)	161,458	64,456	225,914	264,624	100
Office Supplies and Expenses (921)		77,312	77,312	56,685 *	101
Administrative Expenses Transferred -- Credit (922)			0	0	102
Outside Services Employed (923)		29,914	29,914	23,429	103
Property Insurance (924)		34,911	34,911	37,173	104
Injuries and Damages (925)	3,709	36,414	40,123	31,165	105
Employee Pensions and Benefits (926)		128,957	128,957	129,296	106
Regulatory Commission Expenses (928)			0	7,212	107
Duplicate Charges -- Credit (929)			0	0	108
Miscellaneous General Expenses (930)	10,009	7,050	17,059	505 *	109
Rents (931)	13	14,417	14,430	14,054	110
Maintenance of General Plant (932)	14,705	17,695	32,400	32,229	111
<b>Total Administrative and General Expenses</b>	<b>189,894</b>	<b>411,126</b>	<b>601,020</b>	<b>596,372</b>	<b>112</b>
<b>TOTAL OPERATION AND MAINTENANCE EXPENSES</b>	<b>649,595</b>	<b>12,302,839</b>	<b>12,952,434</b>	<b>12,202,901</b>	<b>113</b>

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## Electric Operation & Maintenance Expenses

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- g Each expense account that has a difference between This Year and Last Year greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D) shall be fully explained. Please include breakdown of costs that contributed to the difference. Please reference the help document for more information.
- g Class C and class D report all expenses in Other Expense (column c)

### Electric Operation & Maintenance Expenses (Page E-04)

**Explain all This Year amounts that are more than 15% and \$10,000 higher or lower than the Last Year amount. Please see the help document for examples.**

- #583 - Increased inventory write offs.
  - #584 - Decreased locating costs.
  - #590 - Increased labor allocated to account.
  - #592 - Increased maintenance needs.
  - #593 - Increased tree trimming costs.
  - #921 - Increased software fees.
  - #930 - MEUW dues and increased labor allocated to account.
-

## Taxes (Acct. 408 - Electric)

When allocation of taxes is made between departments, explain method used.

Description of Tax (a)	This Year (b)	Last Year (c)	
Property Tax Equivalent	438,028	445,995	1
Social Security	71,505	76,084	2
Wisconsin Gross Receipts Tax	89,778	84,235	3
PSC Remainder Assessment	16,923	15,305	4
Tax Clearing	(16,929)	(20,977)	5
<b>Total Tax Expense</b>	<b>599,305</b>	<b>600,642</b>	<b>6</b>

### Electric Property Tax Equivalent - Detail

- g Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
- g The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
- g The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
- g An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
- g **Property Tax Equivalent - Total**  
If the municipality has authorized a lower tax equivalent amount, the authorization description and date of the authorization must be included in the notes.

**COUNTY: DANE(1)**

SUMMARY OF TAX RATES			PROPERTY TAX EQUIVALENT CALCULATION		
1. State Tax Rate	mills	0.000000	<b>12. Local Tax Rate</b>	mills	<b>7.817634</b>
2. County Tax Rate	mills	2.934304	<b>13. Combined School Tax Rate</b>	mills	<b>10.190858</b>
3. Local Tax Rate	mills	7.817634	<b>14. Other Tax Rate - Local</b>	mills	<b>0.000000</b>
4. School Tax Rate	mills	9.372354	<b>15. Total Local &amp; School Tax Rate</b>	mills	<b>18.008492</b>
5. Vocational School Tax Rate	mills	0.818504	<b>16. Total Tax Rate</b>	mills	<b>20.942796</b>
6. Other Tax Rate - Local	mills	0.000000	<b>17. Ratio of Local and School Tax to Total</b>	dec.	<b>0.859890</b>
7. Other Tax Rate - Non-Local	mills	0.000000	<b>18. Total Tax Net of State Credit</b>	mills	<b>19.240283</b>
<b>8. Total Tax Rate</b>	mills	<b>20.942796</b>	<b>19. Net Local and School Tax Rate</b>	mills	<b>16.544519</b>
9. Less: State Credit	mills	1.702513	20. Utility Plant, Jan 1	\$	35,687,397
<b>11. Net Tax Rate</b>	mills	<b>19.240283</b>	21. Materials & Supplies	\$	443,454
			<b>22. Subtotal</b>	\$	<b>36,130,851</b>
			23. Less: Plant Outside Limits	\$	9,266,633
			<b>24. Taxable Assets</b>	\$	<b>26,864,218</b>
			25. Assessment Ratio	dec.	0.985537
			<b>26. Assessed Value</b>	\$	<b>26,475,681</b>
			<b>27. Net Local and School Tax Rate</b>	mills	<b>16.544519</b>
			<b>28. Tax Equiv. Computed for Current Year</b>	\$	<b>438,028</b>

**PROPERTY TAX EQUIVALENT - TOTAL**

PROPERTY TAX EQUIVALENT CALCULATION	
1. Utility Plant, Jan 1	\$ 35,687,397
2. Materials & Supplies	\$ 443,454
<b>3. Subtotal</b>	<b>\$ 36,130,851</b>
4. Less: Plant Outside Limits	\$ 9,266,633
<b>5. Taxable Assets</b>	<b>\$ 26,864,218</b>
<b>6. Assessed Value</b>	<b>\$ 26,475,681</b>
<b>7. Tax Equiv. Computed for Current Year</b>	<b>\$ 438,028</b>
8. Tax Equivalent per 1994 PSC Report	\$ 118,192
9. Amount of Lower Tax Equiv. as Authorized by Municipality for Current Year (see notes)	\$
<b>10. Tax Equivalent for Current Year (see notes)</b>	<b>\$ 438,028</b>

## Electric Utility Plant in Service - Plant Financed by Utility or Municipality

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
<b>INTANGIBLE PLANT</b>						1
Organization (301)	0				0	2
Franchises and Consents (302)	0				0	3
Miscellaneous Intangible Plant (303)	0				0	4
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	5
<b>STEAM PRODUCTION PLANT</b>						6
Land and Land Rights (310)	0				0	7
Structures and Improvements (311)	0				0	8
Boiler Plant Equipment (312)	0				0	9
Engines and Engine Driven Generators (313)	0				0	10
Turbogenerator Units (314)	0				0	11
Accessory Electric Equipment (315)	0				0	12
Miscellaneous Power Plant Equipment (316)	0				0	13
<b>Total Steam Production Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	14
<b>HYDRAULIC PRODUCTION PLANT</b>						15
Land and Land Rights (330)	0				0	16
Structures and Improvements (331)	0				0	17
Reservoirs, Dams and Waterways (332)	0				0	18
Water Wheels, Turbines and Generators (333)	0				0	19
Accessory Electric Equipment (334)	0				0	20
Miscellaneous Power Plant Equipment (335)	0				0	21
Roads, Railroads and Bridges (336)	0				0	22
<b>Total Hydraulic Production Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	23
<b>OTHER PRODUCTION PLANT</b>						24
Land and Land Rights (340)	0				0	25
Structures and Improvements (341)	0				0	26
Fuel Holders, Producers and Accessories (342)	0				0	27
Prime Movers (343)	0				0	28
Generators (344)	0				0	29
Accessory Electric Equipment (345)	0				0	30
Miscellaneous Power Plant Equipment (346)	0				0	31
<b>Total Other Production Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	32
<b>TRANSMISSION PLANT</b>						33
Land and Land Rights (350)	1				1	34
Structures and Improvements (351)	0				0	35
Station Equipment (353)	0				0	36

### Electric Utility Plant in Service - Plant Financed by Utility or Municipality

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)		
Towers and Fixtures (354)	0				0	37	
Poles and Fixtures (355)	5,035				5,035	38	
Overhead Conductors and Devices (356)	9,984				9,984	39	
Underground Conduit (357)	0				0	40	
Underground Conductors and Devices (358)	0				0	41	
Roads and Trails (359)	0				0	42	
<b>Total Transmission Plant</b>	<b>15,020</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,020</b>	<b>43</b>	
<b>DISTRIBUTION PLANT</b>							44
Land and Land Rights (360)	344,363				344,363	45	
Structures and Improvements (361)	52,834			1,167	54,001	46	
Station Equipment (362)	6,982,913			(6,000)	6,976,913	47	
Storage Battery Equipment (363)	0				0	48	
Poles, Towers and Fixtures (364)	3,116,047	181,753	214,799		3,083,001 *	49	
Overhead Conductors and Devices (365)	5,163,636	239,622	240,134		5,163,124 *	50	
Underground Conduit (366)	780,919	5,589	1,239		785,269	51	
Underground Conductors and Devices (367)	4,000,234	82,485	22,521		4,060,198 *	52	
Line Transformers (368)	3,345,796	61,738	33,446		3,374,088 *	53	
Services (369)	1,640,440	47,176	5,445		1,682,171	54	
Meters (370)	728,162	6,696	1,199		733,659	55	
Installations on Customers' Premises (371)	0				0	56	
Leased Property on Customers' Premises (372)	0				0	57	
Street Lighting and Signal Systems (373)	679,565	32,578	9,412		702,731	58	
<b>Total Distribution Plant</b>	<b>26,834,909</b>	<b>657,637</b>	<b>528,195</b>	<b>(4,833)</b>	<b>26,959,518</b>	<b>59</b>	
<b>GENERAL PLANT</b>							60
Land and Land Rights (389)	0				0	61	
Structures and Improvements (390)	1,652,643				1,652,643	62	
Office Furniture and Equipment (391)	79,778	16,343	13,143		82,978	63	
Computer Equipment (391.1)	100,107				100,107	64	
Transportation Equipment (392)	330,959	5,987	47,954		288,992	65	
Stores Equipment (393)	9,984				9,984	66	
Tools, Shop and Garage Equipment (394)	84,885				84,885	67	
Laboratory Equipment (395)	59,461				59,461	68	
Power Operated Equipment (396)	994,043				994,043	69	
Communication Equipment (397)	124,295				124,295	70	
SCADA Equipment (397.1)	364,909				364,909	71	
Miscellaneous Equipment (398)	0				0	72	

### Electric Utility Plant in Service - Plant Financed by Utility or Municipality

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
Other Tangible Property (399)	0				0	73
<b>Total General Plant</b>	<b>3,801,064</b>	<b>22,330</b>	<b>61,097</b>	<b>0</b>	<b>3,762,297</b>	74
<b>Total utility plant in service directly assignable</b>	<b>30,650,993</b>	<b>679,967</b>	<b>589,292</b>	<b>(4,833)</b>	<b>30,736,835</b>	75
Common Utility Plant Allocated to Electric Department	0				0	76
<b>TOTAL UTILITY PLANT IN SERVICE</b>	<b>30,650,993</b>	<b>679,967</b>	<b>589,292</b>	<b>(4,833)</b>	<b>30,736,835</b>	77

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## Electric Utility Plant in Service - Plant Financed by Utility or Municipality

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- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

### Electric Utility Plant in Service - Plant Financed by Utility or Municipality (Page E-07)

**Additions for one or more accounts exceed \$50,000, please explain. If applicable, provide construction authorization and PSC docket number.**

#364 - Many poles were replaced due to a large TDS project spilling over from 2020.

#365 - \$139,326 related to the TDS pole replacements. \$63,980 related to porcelain cutout replacements. All other projects were normal replacement.

#367 - \$22,936 (Estate Lane) and \$31,121 (Prospect Lane) to change overhead service to underground.

#368 - \$26,790 in new purchases. We have a lot of possible developments in 2021.

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**Retirements for one or more accounts exceed \$50,000, please explain.**

#364 - Many poles were replaced due to a large TDS project spilling over from 2020.

#365 - Retirements related to the TDS pole replacement project.

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## Electric Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
<b>INTANGIBLE PLANT</b>						1
Organization (301)	0				0	2
Franchises and Consents (302)	0				0	3
Miscellaneous Intangible Plant (303)	0				0	4
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	5
<b>STEAM PRODUCTION PLANT</b>						6
Land and Land Rights (310)	0				0	7
Structures and Improvements (311)	0				0	8
Boiler Plant Equipment (312)	0				0	9
Engines and Engine Driven Generators (313)	0				0	10
Turbogenerator Units (314)	0				0	11
Accessory Electric Equipment (315)	0				0	12
Miscellaneous Power Plant Equipment (316)	0				0	13
<b>Total Steam Production Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	14
<b>HYDRAULIC PRODUCTION PLANT</b>						15
Land and Land Rights (330)	0				0	16
Structures and Improvements (331)	0				0	17
Reservoirs, Dams and Waterways (332)	0				0	18
Water Wheels, Turbines and Generators (333)	0				0	19
Accessory Electric Equipment (334)	0				0	20
Miscellaneous Power Plant Equipment (335)	0				0	21
Roads, Railroads and Bridges (336)	0				0	22
<b>Total Hydraulic Production Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	23
<b>OTHER PRODUCTION PLANT</b>						24
Land and Land Rights (340)	0				0	25
Structures and Improvements (341)	0				0	26
Fuel Holders, Producers and Accessories (342)	0				0	27
Prime Movers (343)	0				0	28
Generators (344)	0				0	29
Accessory Electric Equipment (345)	0				0	30
Miscellaneous Power Plant Equipment (346)	0				0	31
<b>Total Other Production Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	32
<b>TRANSMISSION PLANT</b>						33
Land and Land Rights (350)	0				0	34
Structures and Improvements (351)	0				0	35
Station Equipment (353)	0				0	36

## Electric Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
Towers and Fixtures (354)	0				0	37
Poles and Fixtures (355)	0				0	38
Overhead Conductors and Devices (356)	0				0	39
Underground Conduit (357)	0				0	40
Underground Conductors and Devices (358)	0				0	41
Roads and Trails (359)	0				0	42
<b>Total Transmission Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>43</b>
<b>DISTRIBUTION PLANT</b>						<b>44</b>
Land and Land Rights (360)	0				0	45
Structures and Improvements (361)	0				0	46
Station Equipment (362)	0				0	47
Storage Battery Equipment (363)	0				0	48
Poles, Towers and Fixtures (364)	581,008	1,814,285	40,051		2,355,242 *	49
Overhead Conductors and Devices (365)	804,106	333,062	37,395		1,099,773 *	50
Underground Conduit (366)	165,560	17,261	263		182,558	51
Underground Conductors and Devices (367)	1,497,794	137,038	8,432		1,626,400 *	52
Line Transformers (368)	60,471				60,471	53
Services (369)	407,306	24,877	1,431		430,752	54
Meters (370)	5,771				5,771	55
Installations on Customers' Premises (371)	0				0	56
Leased Property on Customers' Premises (372)	0				0	57
Street Lighting and Signal Systems (373)	109,468	18,879	1,516		126,831	58
<b>Total Distribution Plant</b>	<b>3,631,484</b>	<b>2,345,402</b>	<b>89,088</b>	<b>0</b>	<b>5,887,798</b>	<b>59</b>
<b>GENERAL PLANT</b>						<b>60</b>
Land and Land Rights (389)	0				0	61
Structures and Improvements (390)	0				0	62
Office Furniture and Equipment (391)	0				0	63
Computer Equipment (391.1)	0				0	64
Transportation Equipment (392)	0				0	65
Stores Equipment (393)	0				0	66
Tools, Shop and Garage Equipment (394)	0				0	67
Laboratory Equipment (395)	0				0	68
Power Operated Equipment (396)	194,500				194,500	69
Communication Equipment (397)	0				0	70
SCADA Equipment (397.1)	0				0	71
Miscellaneous Equipment (398)	0				0	72

### Electric Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
Other Tangible Property (399)	0				0	73
<b>Total General Plant</b>	<b>194,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>194,500</b>	74
<b>Total utility plant in service directly assignable</b>	<b>3,825,984</b>	<b>2,345,402</b>	<b>89,088</b>	<b>0</b>	<b>6,082,298</b>	75
Common Utility Plant Allocated to Electric Department	0				0	76
<b>TOTAL UTILITY PLANT IN SERVICE</b>	<b>3,825,984</b>	<b>2,345,402</b>	<b>89,088</b>	<b>0</b>	<b>6,082,298</b>	77

### Electric Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

#### Electric Utility Plant in Service - Plant Financed by Contributions (Page E-08)

5 XXJhcbg'Zf'cbYcf'a cfYUWti brg'YI WYX") \$\$\$zd'YUgYI d'Ujb" ZUdd'JWU'Yzdfcj JXYVcbgifi Wjcb'Ui h cfJnUjcb'UbX'DG7'XcW\_Yh number.

- #364 - Many poles were replaced for a TDS project.
- #365 - Replacements in connection with the TDS pole replacement project.
- #367 - Replacements in connection with the TDS pole replacement project.

### Electric Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
<b>STEAM PRODUCTION PLANT</b>									1
Structures and Improvements (311)	0							0	2
Boiler Plant Equipment (312)	0							0	3
Engines and Engine Driven Generators (313)	0							0	4
Turbogenerator Units (314)	0							0	5
Accessory Electric Equipment (315)	0							0	6
Miscellaneous Power Plant Equipment (316)	0							0	7
<b>Total Steam Production Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8</b>
<b>HYDRAULIC PRODUCTION PLANT</b>									9
Structures and Improvements (331)	0							0	10
Reservoirs, Dams and Waterways (332)	0							0	11
Water Wheels, Turbines and Generators (333)	0							0	12
Accessory Electric Equipment (334)	0							0	13
Miscellaneous Power Plant Equipment (335)	0							0	14
Roads, Railroads and Bridges (336)	0							0	15
<b>Total Hydraulic Production Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>
<b>OTHER PRODUCTION PLANT</b>									17
Structures and Improvements (341)	0							0	18
Fuel Holders, Producers and Accessories (342)	0							0	19
Prime Movers (343)	0							0	20
Generators (344)	0							0	21
Accessory Electric Equipment (345)	0							0	22
Miscellaneous Power Plant Equipment (346)	0							0	23
<b>Total Other Production Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24</b>
<b>TRANSMISSION PLANT</b>									25
Structures and Improvements (352)	0							0	26
Station Equipment (353)	0							0	27

### Electric Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
Towers and Fixtures (354)	0							0	28
Poles and Fixtures (355)	7,473	3.03%						7,473 *	29
Overhead Conductors and Devices (356)	11,893	3.03%						11,893 *	30
Underground Conduit (357)	0							0	31
Underground Conductors and Devices (358)	0							0	32
Roads and Trails (359)	0							0	33
<b>Total Transmission Plant</b>	<b>19,366</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,366</b>	34
<b>DISTRIBUTION PLANT</b>									35
Structures and Improvements (361)	35,604	1.85%	999					36,603	36
Station Equipment (362)	3,657,980	3.45%	240,704					3,898,684	37
Storage Battery Equipment (363)	0							0	38
Poles, Towers and Fixtures (364)	1,699,679	3.83%	118,712	214,799	1,127			1,602,465	39
Overhead Conductors and Devices (365)	2,583,321	3.79%	195,601	240,134	1,127			2,537,661	40
Underground Conduit (366)	139,998	2.50%	19,577	1,239				158,336	41
Underground Conductors and Devices (367)	1,514,532	3.70%	149,118	22,521				1,641,129	42
Line Transformers (368)	1,480,583	3.33%	110,820	33,446		2,707		1,560,664	43
Services (369)	1,094,708	3.67%	60,963	5,445	3,307			1,146,919	44
Meters (370)	304,763	3.70%	26,264	1,199				329,828	45
Installations on Customers' Premises (371)	0							0	46
Leased Property on Customers' Premises (372)	0							0	47
Street Lighting and Signal Systems (373)	119,624	4.00%	27,646	9,412				137,858	48
<b>Total Distribution Plant</b>	<b>12,630,792</b>		<b>950,404</b>	<b>528,195</b>	<b>5,561</b>	<b>2,707</b>	<b>0</b>	<b>13,050,147</b>	49
<b>GENERAL PLANT</b>									50
Structures and Improvements (390)	1,035,540	3.33%	55,033					1,090,573	51
Office Furniture and Equipment (391)	75,653	6.50%	5,290	13,143				67,800	52
Computer Equipment (391.1)	100,107	20.00%						100,107	53
Transportation Equipment (392)	251,081	14.28%	20,056	47,954		4,000		227,183	54

### Electric Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
Stores Equipment (393)	9,622	5.00%	139					9,761	55
Tools, Shop and Garage Equipment (394)	84,884	6.67%						84,884	56
Laboratory Equipment (395)	50,477	5.26%	3,128					53,605	57
Power Operated Equipment (396)	606,784	9.96%	48,236					655,020	58
Communication Equipment (397)	206,853	10.00%	48,920					255,773 *	59
SCADA Equipment (397.1)	0							0	60
Miscellaneous Equipment (398)	0	5.00%						0	61
Other Tangible Property (399)	0							0	62
<b>Total General Plant</b>	<b>2,421,001</b>		<b>180,802</b>	<b>61,097</b>	<b>0</b>	<b>4,000</b>	<b>0</b>	<b>2,544,706</b>	<b>63</b>
<b>Total accum. prov. directly assignable</b>	<b>15,071,159</b>		<b>1,131,206</b>	<b>589,292</b>	<b>5,561</b>	<b>6,707</b>	<b>0</b>	<b>15,614,219</b>	<b>64</b>
Common Utility Plant Allocated to Electric Department	0							0	65
<b>TOTAL ACCUM, PROV, FOR DEPRECIATION</b>	<b>15,071,159</b>		<b>1,131,206</b>	<b>589,292</b>	<b>5,561</b>	<b>6,707</b>	<b>0</b>	<b>15,614,219</b>	<b>66</b>

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### Electric Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

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- |   |  |
|---|--|
| g | Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote. |
| g | If more than one depreciation rate is used, report the average rate in column (c).   |
| g | Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675   |

#### Electric Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality (Page E-09)

**End of Year Balance is greater than the equivalent Plant in Service (Financed by Utility or Municipality) EOY Balance, please explain.**

355/356: AD has exceeded plant balance since 2009. No additional depreciation was taken.  
397 and 391.1 are depreciated by combining the balances.

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### Electric Accumulated Provision for Depreciation - Plant Financed by Contributions

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
<b>STEAM PRODUCTION PLANT</b>									1
Structures and Improvements (311)	0							0	2
Boiler Plant Equipment (312)	0							0	3
Engines and Engine Driven Generators (313)	0							0	4
Turbogenerator Units (314)	0							0	5
Accessory Electric Equipment (315)	0							0	6
Miscellaneous Power Plant Equipment (316)	0							0	7
<b>Total Steam Production Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	8
<b>HYDRAULIC PRODUCTION PLANT</b>									9
Structures and Improvements (331)	0							0	10
Reservoirs, Dams and Waterways (332)	0							0	11
Water Wheels, Turbines and Generators (333)	0							0	12
Accessory Electric Equipment (334)	0							0	13
Miscellaneous Power Plant Equipment (335)	0							0	14
Roads, Railroads and Bridges (336)	0							0	15
<b>Total Hydraulic Production Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	16
<b>OTHER PRODUCTION PLANT</b>									17
Structures and Improvements (341)	0							0	18
Fuel Holders, Producers and Accessories (342)	0							0	19
Prime Movers (343)	0							0	20
Generators (344)	0							0	21
Accessory Electric Equipment (345)	0							0	22
Miscellaneous Power Plant Equipment (346)	0							0	23
<b>Total Other Production Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	24
<b>TRANSMISSION PLANT</b>									25
Structures and Improvements (352)	0							0	26
Station Equipment (353)	0							0	27

### Electric Accumulated Provision for Depreciation - Plant Financed by Contributions

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
Towers and Fixtures (354)	0							0	28
Poles and Fixtures (355)	0							0	29
Overhead Conductors and Devices (356)	0							0	30
Underground Conduit (357)	0							0	31
Underground Conductors and Devices (358)	0							0	32
Roads and Trails (359)	0							0	33
<b>Total Transmission Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>
<b>DISTRIBUTION PLANT</b>									<b>35</b>
Structures and Improvements (361)	0							0	36
Station Equipment (362)	0							0	37
Storage Battery Equipment (363)	0							0	38
Poles, Towers and Fixtures (364)	411,468	3.83%	56,229	40,051				427,646	39
Overhead Conductors and Devices (365)	563,000	3.79%	36,079	37,395				561,684	40
Underground Conduit (366)	23,670	2.50%	4,351	263				27,758	41
Underground Conductors and Devices (367)	542,931	3.70%	57,798	8,432				592,297	42
Line Transformers (368)	9,166	3.33%	2,014					11,180	43
Services (369)	265,489	3.67%	15,378	1,431				279,436	44
Meters (370)	1,733	3.70%	214					1,947	45
Installations on Customers' Premises (371)	0							0	46
Leased Property on Customers' Premises (372)	0							0	47
Street Lighting and Signal Systems (373)	40,892	4.00%	4,726	1,516				44,102	48
<b>Total Distribution Plant</b>	<b>1,858,349</b>		<b>176,789</b>	<b>89,088</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,946,050</b>	<b>49</b>
<b>GENERAL PLANT</b>									<b>50</b>
Structures and Improvements (390)	0							0	51
Office Furniture and Equipment (391)	0							0	52
Computer Equipment (391.1)	0							0	53
Transportation Equipment (392)	0							0	54

### Electric Accumulated Provision for Depreciation - Plant Financed by Contributions

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
Stores Equipment (393)	0							0	55
Tools, Shop and Garage Equipment (394)	0							0	56
Laboratory Equipment (395)	0							0	57
Power Operated Equipment (396)	194,500	10.00%	10,175					204,675 *	58
Communication Equipment (397)	0							0	59
SCADA Equipment (397.1)	0							0	60
Miscellaneous Equipment (398)	0	5.00%						0	61
Other Tangible Property (399)	0							0	62
<b>Total General Plant</b>	<b>194,500</b>		<b>10,175</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>204,675</b>	<b>63</b>
<b>Total accum. prov. directly assignable</b>	<b>2,052,849</b>		<b>186,964</b>	<b>89,088</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,150,725</b>	<b>64</b>
Common Utility Plant Allocated to Electric Department	0							0	65
<b>TOTAL ACCUM, PROV, FOR DEPRECIATION</b>	<b>2,052,849</b>		<b>186,964</b>	<b>89,088</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,150,725</b>	<b>66</b>

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## Electric Accumulated Provision for Depreciation - Plant Financed by Contributions

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- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
- g If more than one depreciation rate is used, report the average rate in column (c).
- g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

### Electric Accumulated Provision for Depreciation - Plant Financed by Contributions (Page E-10)

**End of Year Balance is greater than the equivalent Plant in Service (Financed by Contributions) EOY Balance, please explain.**

Additional depreciation taken in error.

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## Transmission and Distribution Lines

Enter the miles of distribution and transmission lines in your system. Enter the lines as either distribution or transmission in the same manner in which they are booked for accounting purposes.

Classification (a)	Miles of Line Owned					Total End of Year (f)
	First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments During Year (e)		
<b>Primary Distribution System Voltage(s) Æ Urban</b>						1
<b>Pole Lines</b>						2
2.4/4.16 kV (4kV)	0				0	3
7.2/12.5 kV (12kV)	30				30	4
14.4/24.9 kV (25kV)	0				0	5
19.9/34.5 kV (34.5kV)	0				0	6
All Secondary	0				0	7
Secondary (7.2/12.5kV - 12kV)	22				22	8
<b>Underground Lines</b>						9
2.4/4.16 kV (4kV)	0				0	10
7.2/12.5 kV (12kV)	56				56	11
14.4/24.9 kV (25kV)	0				0	12
19.9/34.5 kV (34.5kV)	0				0	13
All Secondary	0				0	14
Secondary (7.2/12.5kV - 12kV)	19				19	15
<b>Primary Distribution System Voltage(s) Æ Rural</b>						16
<b>Pole Lines</b>						17
2.4/4.16 kV (4kV)	0				0	18
7.2/12.5 kV (12kV)	88				88	19
14.4/24.9 kV (25kV)	0				0	20
19.9/34.5 kV (34.5kV)	0				0	21
All Secondary	0				0	22
Secondary 7.2/12.5 (12kV)	16				16	23
<b>Underground Lines</b>						24
2.4/4.16 kV (4kV)	0				0	25
7.2/12.5 kV (12kV)	35				35	26
14.4/24.9 kV (25kV)	0				0	27
19.9/34.5 kV (34.5kV)	0				0	28
All Secondary	0				0	29
Secondary 7.2/12.5kV (12kV)	4				4	30
<b>Transmission System</b>						31
<b>Pole Lines</b>						32
34.5 kV	0				0	33
69 kV	0				0	34
115 kV	0				0	35
138 kV	0				0	36
<b>Underground Lines</b>						37
34.5 kV	0				0	38
69 kV	0				0	39
115 kV	0				0	40

### Transmission and Distribution Lines

Enter the miles of distribution and transmission lines in your system. Enter the lines as either distribution or transmission in the same manner in which they are booked for accounting purposes.

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138 kV	0	0	41
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### Monthly Peak Demand and Energy Usage

- g Report hereunder the information called for pertaining to simultaneous peak demand established monthly and monthly energy usage col. (f) kilowatt-hours.
- g Monthly peak col. (b) (reported as actual number) should be respondent's maximum kw. load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange, minus temporary deliveries (not interchange) of emergency power to another system.
- g Monthly energy usage should be the sum of the respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year should agree with Total Source of Energy on the Electric Energy Account Schedule.
- g If the utility has two or more power systems not physically connected, the information called for below should be furnished for each system.
- g Time reported in column (e) should be in military time (e.g., 6:00 pm would be reported as 18:00).
- g If the utility has class coincident peak demand report class demand at the time of the utility's peak and total monthly class energy.

**SYSTEM: STOUGHTON**

Type of Reading: 60 minutes integrated

Supplier: Wisconsin Public Power (WPPI)

Month (a)	Monthly Peak Usage				Time Ending (HH:MM) (e)	Monthly Energy Usage (kWh) (f)	
	kW (b)	Day of Week (c)	Date (d)				
January	21,527	Monday	01/25/2021	18:00	12,568,526	1	
February	23,755	Monday	02/15/2021	19:00	11,992,637	2	
March	19,911	Monday	03/01/2021	19:00	11,170,845	3	
April	18,026	Wednesday	04/14/2021	12:00	9,996,551	4	
May	25,030	Tuesday	05/25/2021	14:00	10,936,134	5	
June	33,728	Thursday	06/10/2021	18:00	14,050,284	6	
July	33,459	Tuesday	07/06/2021	15:00	14,428,986	7	
August	33,284	Tuesday	08/10/2021	16:00	15,086,942	8	
September	25,218	Monday	09/20/2021	18:00	11,406,080	9	
October	22,291	Friday	10/01/2021	16:00	10,919,602	10	
November	19,796	Monday	11/29/2021	18:00	10,609,137	11	
December	22,150	Tuesday	12/07/2021	18:00	11,848,862	12	
<b>Total</b>	<b>298,175</b>				<b>145,014,586</b>	<b>13</b>	

### Monthly Peak Demand and Energy Usage

- g Report hereunder the information called for pertaining to simultaneous peak demand established monthly and monthly energy usage col. (f) kilowatt-hours.
- g Monthly peak col. (b) (reported as actual number) should be respondent's maximum kw. load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange, minus temporary deliveries (not interchange) of emergency power to another system.
- g Monthly energy usage should be the sum of the respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year should agree with Total Source of Energy on the Electric Energy Account Schedule.
- g If the utility has two or more power systems not physically connected, the information called for below should be furnished for each system.
- g Time reported in column (e) should be in military time (e.g., 6:00 pm would be reported as 18:00).
- g If the utility has class coincident peak demand report class demand at the time of the utility's peak and total monthly class energy.

Monthly Peak Usage By Rate Schedule												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>Residential Sales</b>												
RG-1 kW at Peak												
RG-1 Monthly Usage kWh												
RG-2 kW at Peak												
RG-2 Monthly Usage kWh												
<b>Commercial &amp; Industrial</b>												
CP-1 kW at Peak												
CP-1 Monthly Usage kWh												
CP-1 TOD kW at Peak												
CP-1 TOD Monthly Usage kWh												
CP-2 kW at Peak	1,688	1,797	1,570	2,250	2,480	2,287	2,471	2,456	1,747	1,864	1,364	1,546
CP-2 Monthly Usage kWh	969,347	945,444	1,002,925	1,095,367	1,032,383	1,181,032	1,157,140	1,163,304	932,252	918,714	866,195	872,851
CP-3 kW at Peak	3,619	3,497	3,485	4,268	5,644	4,883	5,725	4,945	4,283	3,652	3,643	3,769
CP-3 Monthly Usage kWh	2,228,016	2,047,397	2,226,154	1,961,948	2,358,486	2,657,267	2,591,449	2,724,752	2,341,922	2,292,419	2,006,288	2,054,020
GS-1 kW at Peak												
GS-1 Monthly Usage kWh												
GS-2 kW at Peak												
GS-2 Monthly Usage kWh												
<b>Lighting Service</b>												
MS-1 kW at Peak												
MS-1 Monthly Usage kWh												

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## Monthly Peak Demand and Energy Usage

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- g Report hereunder the information called for pertaining to simultaneous peak demand established monthly and monthly energy usage col. (f) kilowatt-hours.
- g Monthly peak col. (b) (reported as actual number) should be respondent's maximum kw. load as measured by the sum of its coincidental net generation and purchases plus or minus net interchange, minus temporary deliveries (not interchange) of emergency power to another system.
- g Monthly energy usage should be the sum of the respondent's net generation for load and purchases plus or minus net interchange and plus or minus net transmission or wheeling. Total for the year should agree with Total Source of Energy on the Electric Energy Account Schedule.
- g If the utility has two or more power systems not physically connected, the information called for below should be furnished for each system.
- g Time reported in column (e) should be in military time (e.g., 6:00 pm would be reported as 18:00).
- g If the utility has class coincident peak demand report class demand at the time of the utility's peak and total monthly class energy.

### Monthly Peak Demand and Energy Usage (Page E-12)

#### General Footnote

Usage information by rate class is not available in full for classes other than CP-2 and CP-3.

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## Electric Energy Account

Description (a)	kWh (b)
<b>SOURCE OF ENERGY</b>	
<b>Generation (excluding Station Use):</b>	
Steam	
Nuclear Steam	
Hydraulic	
Combustion Turbine	
Internal Combustion	
Non-Conventional (wind, photovoltaic, etc.)	
<b>Total Generation</b>	<b>0</b>
Purchases	145,217,064
Interchanges:	
In (gross)	
Out (gross)	
<b>Net</b>	<b>0</b>
Transmission for/by others (wheeling):	
Received	
Delivered	
<b>Net</b>	<b>0</b>
<b>Total Source of Energy</b>	<b>145,217,064</b>
<b>DISPOSITION OF ENERGY</b>	
Sales to Ultimate Consumers (including interdepartmental sales)	141,195,878
Sales For Resale	
<b>Energy Used by the Company (excluding station use):</b>	
Electric Utility	
Common (office, shops, garages, etc. serving 2 or more util. depts.)	146,800
<b>Total Used by Company</b>	<b>146,800</b>
<b>Total Sold and Used</b>	<b>141,342,678</b>
<b>Energy Losses:</b>	
Transmission Losses (if applicable)	0
Distribution Losses	3,864,489
<b>Total Energy Losses</b>	<b>3,864,489</b>
<b>Loss Percentage (% Total Energy Losses of Total Source of Energy)</b>	<b>2.6612%</b>
<b>Total Disposition of Energy</b>	<b>145,207,167</b>

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## Electric Generating Plant Statistics (Large Plants)

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- g Report data for plant in service only.
- g Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants.
- g Indicate by a footnote any plant leased or operated as a joint facility.
- g If net peak demand for 60 minutes is not available, give data which is available, specifying period.
- g If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant.
- g If gas is used and purchased on a term basis report the BTU content of the gas and the quantity of fuel burned converted to MCT.
- g Quantities of fuel burned and average cost per unit of fuel burned must be consistent with charges to expense accounts 501 and 547 as shown on line 20
- g If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

- - - THIS SCHEDULE NOT APPLICABLE TO THIS UTILITY- - -

### Purchased Power Statistics

- g Use separate entries for each point of delivery, where a different wholesale supplier contract applies.
- g For purchased power suppliers with multiple delivery points, you may combine into a single delivery point.

**Source: 1**

Name of Vender	Type of Power Purchased	Point of Delivery
<b>Wisconsin Public Power (WPPI)</b>	<b>Firm</b>	<b>East</b>

Voltage at Which Delivered:	69.0
Voltage at Point of Metering:	69.0
Total of 12 Monthly Maximum Demands -- kW:	298,175
Average Load Factor:	66.6539
Total Cost of Purchased Power:	11,325,693
Average cost per kWh:	0.0781
On-Peak Hours (if applicable):	See Footnote

Monthly Purchases --- kWh		
	on-Peak	off-Peak
January	4,224,696	8,343,830
February	4,332,589	7,660,048
March	4,280,918	6,889,927
April	3,793,402	6,203,149
May	4,054,804	6,881,330
June	5,808,409	8,258,351
July	5,747,710	8,684,972
August	6,326,481	8,763,195
September	4,533,389	6,875,739
October	3,822,129	7,113,218
November	3,877,456	6,749,499
December	4,485,954	7,372,901
<b>Total kWh</b>	<b>55,287,937</b>	<b>89,796,159</b>

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## Purchased Power Statistics

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- |  |
|--|
| <ul style="list-style-type: none"><li>g Use separate entries for each point of delivery, where a different wholesale supplier contract applies.</li><li>g For purchased power suppliers with multiple delivery points, you may combine into a single delivery point.</li></ul> |
|--|

### Purchased Power Statistics (Page E-15)

#### General Footnote

On Peak Hours are:

January-April, October-December: 5 AM to 12 PM and 4 PM to 8 PM M-F excluding holidays

May-September: 10 AM to 1 PM M-F excluding holidays and 3 PM to 1 PM Saturday, Sunday and holidays

---

## Customer Owned Distributed Energy Resources

- g Report each customer owned distributed energy resource with an installed capacity of 20 kilowatts or greater.
- g Report as monthly purchases, all energy delivered to the company.
- g If energy purchases are not made according on-peak and off-peak periods, provide monthly purchase amounts according to the on-peak and off-peak hours of the utility's primary purchased power supplier, and explain in footnote.
- g If the utility is unable to separate energy purchases into on-peak and off-peak periods, explain in footnote.
- g Report voltage at the point of metering in volts.

**Source: 1**

Customer Label	Generation Type
<b>City of Stoughton Public Works Building</b>	<b>Solar</b>

Installed Capacity -- kW: 100  
 Year of interconnection: 2019  
 Voltage at Point of Metering: 480.000  
 Total of 12 Monthly Maximun Output -- kW:  
 Average Capacity Factor:  
 Total Cost of Purchased Power: 449  
 Average cost per kWh: 0.0085  
 On-Peak Hours (if applicable):

Monthly Purchases --- kWh		
	on-Peak	off-Peak
January	406	475
February	20	25
March	0	6
April	2,912	2,478
May	4,189	2,385
June	3,303	2,627
July	5,384	2,898
August	3,696	3,764
September	4,016	2,621
October	3,703	2,363
November	1,527	1,751
December	1,350	895
Total kWh	30,506	22,288

**Source: 2**

Customer Label	Generation Type
<b>Covenant Lutheran Church</b>	<b>Solar</b>

Installed Capacity -- kW: 84  
 Year of interconnection: 2020  
 Voltage at Point of Metering: 480.000  
 Total of 12 Monthly Maximun Output -- kW:  
 Average Capacity Factor:  
 Total Cost of Purchased Power: 1,570  
 Average cost per kWh: 0.0252  
 On-Peak Hours (if applicable): 8:00 am to 8:00 pm

Monthly Purchases --- kWh		
	on-Peak	off-Peak
January	1,552	715
February	2,050	502
March	2,358	824
April	5,220	2,355
May	5,296	2,065
June	4,513	3,098
July	5,298	1,769
August	3,366	2,374
September	3,943	1,836
October	4,328	1,851
November	2,169	1,555
December	2,491	819
Total kWh	42,584	19,763

### Customer Owned Distributed Energy Resources

- g Report each customer owned distributed energy resource with an installed capacity of 20 kilowatts or greater.
- g Report as monthly purchases, all energy delivered to the company.
- g If energy purchases are not made according on-peak and off-peak periods, provide monthly purchase amounts according to the on-peak and off-peak hours of the utility's primary purchased power supplier, and explain in footnote.
- g If the utility is unable to separate energy purchases into on-peak and off-peak periods, explain in footnote.
- g Report voltage at the point of metering in volts.

**Source: 3**

Customer Label	Generation Type
<b>Cummins Filtration CP-2</b>	<b>Solar</b>

Installed Capacity -- kW: 133  
 Year of interconnection: 2020  
 Voltage at Point of Metering: 480.000  
 Total of 12 Monthly Maximun Output -- kW: \_\_\_\_\_  
 Average Capacity Factor: \_\_\_\_\_  
 Total Cost of Purchased Power: \_\_\_\_\_ 5  
 Average cost per kWh: \_\_\_\_\_ 0.0000  
 On-Peak Hours (if applicable): 8:00 am to 8:00 pm

Monthly Purchases --- kWh		
	on-Peak	off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
<b>Total kWh</b>	<b>0</b>	<b>0</b>

**Source: 4**

Customer Label	Generation Type
<b>Cummins Filtration CP-3</b>	<b>Solar</b>

Installed Capacity -- kW: 145  
 Year of interconnection: 2021  
 Voltage at Point of Metering: 480.000  
 Total of 12 Monthly Maximun Output -- kW: \_\_\_\_\_  
 Average Capacity Factor: \_\_\_\_\_  
 Total Cost of Purchased Power: \_\_\_\_\_ 1,584  
 Average cost per kWh: \_\_\_\_\_ 0.0000  
 On-Peak Hours (if applicable): 8:00 am to 8:00 pm

Monthly Purchases --- kWh		
	on-Peak	off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		
<b>Total kWh</b>	<b>0</b>	<b>0</b>

### Customer Owned Distributed Energy Resources

- g Report each customer owned distributed energy resource with an installed capacity of 20 kilowatts or greater.
- g Report as monthly purchases, all energy delivered to the company.
- g If energy purchases are not made according on-peak and off-peak periods, provide monthly purchase amounts according to the on-peak and off-peak hours of the utility's primary purchased power supplier, and explain in footnote.
- g If the utility is unable to separate energy purchases into on-peak and off-peak periods, explain in footnote.
- g Report voltage at the point of metering in volts.

**Source: 5**

Customer Label	Generation Type
Thermal Design	Solar

Installed Capacity -- kW: 35  
 Year of interconnection: 2017  
 Voltage at Point of Metering: 480.000  
 Total of 12 Monthly Maximun Output -- kW: \_\_\_\_\_  
 Average Capacity Factor: \_\_\_\_\_  
 Total Cost of Purchased Power: 420  
 Average cost per kWh: 0.0236  
 On-Peak Hours (if applicable): 8:00 am to 8:00 pm

Monthly Purchases --- kWh		
	on-Peak	off-Peak
January	130	157
February	41	53
March	74	102
April	1,149	888
May	1,408	857
June	1,479	1,522
July	1,860	943
August	877	1,185
September	954	762
October	1,060	808
November	389	572
December	309	248
<b>Total kWh</b>	<b>9,730</b>	<b>8,097</b>

---

## Customer Owned Distributed Energy Resources

---

- g Report each customer owned distributed energy resource with an installed capacity of 20 kilowatts or greater.
- g Report as monthly purchases, all energy delivered to the company.
- g If energy purchases are not made according on-peak and off-peak periods, provide monthly purchase amounts according to the on-peak and off-peak hours of the utility's primary purchased power supplier, and explain in footnote.
- g If the utility is unable to separate energy purchases into on-peak and off-peak periods, explain in footnote.
- g Report voltage at the point of metering in volts.

### Customer Owned Distributed Energy Resources (Page E-16)

#### General Footnote

WPPI purchased 239 kWh from this customer (Cummins Filtration CP2) resource as part of their overall power supply portfolio.

WPPI purchased 69,510 kWh from this customer (Cummins Filtration CP3) resource as part of their overall power supply portfolio.

---

---

## Hydroelectric Generating Plant Statistics (Large Plants)

---

- g Large plants are hydro plans of 10,000 kW or more of installed capacity (nameplate ratings). Small plants are entered in Schedule E-17.
- g If any plant is leased, operated under a license from the Federal Energy Regulatory Commission (FERC), or operated as a joint facility, indicate such facts in a footnote. If a FERC licensed project, give project number.
- g If net peak demand for 60 minutes is not available, give that which is available, specifying period.
- g If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

- - - THIS SCHEDULE NOT APPLICABLE TO THIS UTILITY - - -

**Electric Generating Plant Statistics (Small Plants)**

- g Small generating plants are steam plants of less than 25,000 kW, internal combustion and gas-turbine plants, conventional hydro plants, solar and pumped storage plants of less than 10,000 kW installed capacity (name plate rating).
- g Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Plant Name (a)	Unit ID (b)	Kind of Plant (c)	Year Originally Constructed (d)	Installed Capacity Name Plate Rating (in kW) (e)	Net Peak Demand kW (60 min.) (f)	Net Generation Excluding Plant Use kWh (g)	Cost of Plant (Including Asset Retirement Costs) (h)	Plant Cost (Including Asset Retirement Cost) per kW (i)	Operating Excluding Fuel (j)	Production Expenses Fuel (k)	Production Expenses Maintenance (l)	Kind of Fuel (m)	Fuel Costs (In cents per Million BTU) (n)
-------------------	----------------	----------------------	--	--	--	---	--	--	---------------------------------------	---------------------------------------	--	------------------------	---

- - - THIS SCHEDULE NOT APPLICABLE TO THIS UTILITY- - -

### Substation Equipment

Report separately each substation used wholly or in part for transmission, each distribution substation over 1,000 kVA capacity and each substation that serves customers with energy for resale.

Substation Name (a)	Voltage High Side kV (b)	Voltage Low Side kV (c)	Number of Main Transformers in Operation (d)	Total Capacity of Transformers in kVA (e)	Number of Spare Transformers on Hand (f)	15-Minute Maximum Demand in kW (g)	Date and Hour of Maximum Demand (h)	kWh Annual Throughput (i)	*	
East	69.0	12.5	2	20,000	0	10,462	07/06/2021 02:00 PM	43,353,547	*	1
North	69.0	12.5	2	20,000	0	11,308	08/24/2021 02:00 PM	42,110,959	*	2
South	69.0	12.5	2	20,000	0	5,198	06/10/2021 07:00 PM	22,292,294	*	3
West	69.0	12.5	2	20,000	0	9,389	08/10/2021 05:00 PM	37,213,211	*	4

### Electric Metering

- g Please enter the number of meters currently in use for each customer class.
- g For **Meter Types** enter the number of meters with that function, regardless of actual use.
- g For **Read Method** enter the number of meters with that capability, regardless of actual read method.
- g For **Tested** enter the number of meters tested in the annual report year.

Description (a)	Meter Count (b)	Meter Types				Read Method			Tested (j)	
		Energy Only (c)	Energy TOU (d)	Demand (e)	Demand TOU (f)	Manual (g)	Drive-by (h)	Remote (i)		
RG-1 Residential	7,894	7,894					7,875	19		1
RG-2 Residential	24		24				18	6		2
CP-1 Small Power	39			39			34	5	6	3
CP-1 TOD Small Power	11				11		3	8		4
CP-2 Large Power	8					8		8	3	5
CP-3 Industrial Power	5					5		5	3	6
GS-1 General Service	927	680		247			917	10	13	7
GS-2 General Service	26		23			3	6	20		8
MS-1 Street Lighting	1	1					1			9
Stock	231	174	39	14	4		202	29	84	10
<b>TOTAL:</b>	<b>9,166</b>	<b>8,749</b>	<b>86</b>	<b>300</b>	<b>31</b>	<b>0</b>	<b>9,056</b>	<b>110</b>	<b>109</b>	<b>11</b>

## Electric Customers Served

- g List the number of customer accounts in each municipality for which your utility provides retail service. Do not include wholesale customers.
- g Per Wisconsin state statute, a city, village, town or sanitary district may serve customers outside its corporate limits, including adjoining municipalities. For purposes of this schedule, customers located ~~within Muni Boundary~~ refers to those located inside the jurisdiction that owns the utility.

Municipality (a)	Customers End of Year (b)	
Dunkirk (Town)	726	1
Dunn (Town)	806	2
Pleasant Springs (Town)	539	3
Rutland (Town)	228	4
Stoughton (City) **	6,478	5
<b>Total - Dane County</b>	<b>8,777</b>	<b>6</b>
Porter (Town)	11	7
<b>Total - Rock County</b>	<b>11</b>	<b>8</b>
<b>Total - Customers Served</b>	<b>8,788</b>	<b>9</b>
<b>Total - Outside Muni Boundary</b>	<b>2,310</b>	<b>10</b>
<b>Total - Within Muni Boundary **</b>	<b>6,478</b>	<b>11</b>

\*\* = Within municipal boundary

## Low Income and Energy Efficiency Programs

- g Use checkboxes to identify whether you contribute public benefits funds to statewide programs (Focus on Energy and/or DOA Low-Income) or keep funds for commitment to community programs. Check the "Voluntary" box if you fund programs above the level required by public benefits statutes, such as for voluntary programs or to meet the conditions of legal settlements.
- g Record your efficiency and low-income account balances as of the beginning of the calendar year.
- g Record total Account 253 collections for efficiency and low-income programs during the calendar year.
  - Under "Public Benefits Collections," record total collections related to statutory public benefits requirements.
  - Under "Additional Collections," record any collections in excess of public benefits requirements.
- g Identify the number of customers whose bills were adjusted in order to comply with the statutory cap on public benefits collections, which prohibits collections in excess of \$750 per month or 3.0 percent of a customer bill, whichever is lesser. Count all customers affected at least one month of the year.
  - Some utilities may not be able to easily identify affected customers. For example, billing systems may make it time-consuming or impossible to identify the customers receiving adjustments. If you cannot efficiently identify the number of customers affected, leave the entry blank and add a footnote to the page explaining your difficulty.
- g Record total Account 186 expenditures for efficiency and low-income programs during the calendar year.
  - Under "Statewide Program Contributions", include all payments made to Focus on Energy for Energy Efficiency, and to DOA for Low-Income Programs.
  - Under "Utility Expenditures," include all expenditures on commitment to community programs and additional activities.
- g Record the Net Balance in the efficiency and low-income accounts at the end of the calendar year.

### Expenditures and Revenues

	Low Income	Energy Efficiency	Public Benefits Total	
Commitment to Community				1
State Program Participant (DOA Low Income/Focus on Energy)				2
Additional Programming				3
<b>Revenues</b>				4
Beginning of the Year Balance	15,957	5,597	21,554	5
Account 253 Collections	67,054	67,054	134,108	6
Public Benefits Collections	67,054	67,054	134,108	7
Additional Collections				8
Number of Customers Affected by Statutory Cap on Public Benefits Collection				9
<b>Expenditures</b>				10
Account 186 Expenditures	67,629	66,600	134,229	11
Statewide Program Contributions	67,002	66,600	133,602	12
Utility Expenditures	627			13
<b>Net Balance</b>	15,382	6,051	21,433	14

## Electric Meter Consumer Adjustment

- g A classified record shall be kept of the number and amount of refunds and charges made because of inaccurate meters, stopped or broken meters, faulty or incorrect metering installations, failure to apply appropriate multipliers or application of incorrect multipliers, misapplication of rates, fraud or theft of service and other erroneous billing.
- g The report shall show the number and amount of refunds or charges under each of the categories listed above.
- g A record shall also be kept of the complaint or customer requested tests made and the total number for the year included in this report.

Description (a)	Credits/Refunds		Charges		
	Total Number of Credits/Refund (b)	Total Dollars (c)	Total Number of Charges (d)	Total Dollars (e)	
Inaccurate Meter					1
Stopped/Broken Meter					2
Faulty/Incorrect Meter					3
Incorrect Meter Multiplier			1	2,931	4
Misapplication of Rates	3	(709)	2	2,434	5
Fraud/Theft of Service					6
Switched Meters					7
Other Erroneous Billing	2	(232)			8
<b>TOTAL:</b>	<b>5</b>	<b>(941)</b>	<b>3</b>	<b>5,365</b>	<b>9</b>

Number of Meter Complaint: 0

Customer Requested Tests Performed: 0

## Electric Residential Customer Data – Disconnection, Arrears, and Tax Roll

- g For disconnection notices sent to residential customers for non-payment, report only the 10-day disconnection notice (e.g., printed on bill, separate mailed notice, etc.) for residential customers, and do not count subsequent reminders, such as 5-day notices, door tags or other personal contact attempts.
- g For residential customers, include any account that includes a service being used primarily for residential living, including multifamily residential.
- g For residential arrears, include billed amounts past due and unpaid.

	Description (a)	Amount (b)
<b>Disconnections</b>		
1.	Total number of disconnection notices sent to residential customers for non-payment during the year	4,139
2.	Total number of residential disconnections of service performed for non-payment during the year	109
<b>Arrears</b>		
1.	Total number of residential customers with arrears as of December 31	1,323
2.	Total dollar amount of residential customer arrears as of December 31	130,420
<b>Tax Roll</b>		
1.	Total number of residential customers with arrears placed on the tax roll	32
2.	Total dollar amount of residential arrears placed on the tax roll	8,152
	<b>Footnotes</b>	<b>No</b>



600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Shannon M. Statz  
Stoughton Utilities Finance Manager

Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Water Utility Annual Report filed with the Public Service Commission of Wisconsin

In accordance with Wisconsin State Statute 196.07, the Stoughton Water Utility files an annual financial report with the Wisconsin Public Service Commission. The report for the year ending December 31, 2021 is attached for the Committee's review and discussion.



# WATER, ELECTRIC, OR JOINT UTILITY ANNUAL REPORT

OF

STOUGHTON WATER UTILITY

PO BOX 383  
STOUGHTON, WI 53589-0383

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For the Year Ended: DECEMBER 31, 2021

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TO

PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854  
Madison, WI 53707-7854  
(608) 266-3766

Violation of any provision of the Wisconsin Public Service Commission Act, Chapter SPS 100, or any rule or order of the Commission, or any provision of the Wisconsin Public Service Commission Act, Chapter SPS 100, or any rule or order of the Commission, is a violation of the provisions of the Wisconsin Public Service Commission Act, Chapter SPS 100, or any rule or order of the Commission, and each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

Filed: 05/30/2022

Water Service Started Date: 09/15/1886

DNR Public Water System ID: 11300784

Safe Drinking Water Information System (SDWIS) Total Population Served: 12698

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I **Shannon Statz, Utilities Finance Manager** of **STOUGHTON WATER UTILITY**, certify that I am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

Date Signed: **7/8/2022**

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## Identification and Ownership - Contacts

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**Utility employee in charge of correspondence concerning this report**

---

Name: Shannon Statz

Title: Finance Manager

Mailing Address: 600 S Fourth St  
Stoughton, WI 53589

Phone: (608) 877-7415

Email Address: sstatz@stoughtonutilities.com

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**Accounting firm or consultant preparing this report (if applicable)**

---

Name:

Title:

Mailing Address:

Phone:

Email Address:

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**Name and title of utility General Manager (or equivalent)**

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Name: Jill Weiss

Title: Utilities Director

Mailing Address: 600 S Fourth St  
Stoughton, WI 53589

Phone: (608) 877-7423

Email Address: jweiss@stoughtonutilities.com

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**Outside contractor responsible for utility operations (if applicable)**

---

Name:

Title:

Mailing Address:

Phone:

Email Address:

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**President, chairman, or head of utility commission/board or committee**

---

Name: Tim Swadley

Title: Mayor

Mailing Address: 207 S Forrest St  
Stoughton, WI 53589

Phone: (608) 873-6677

Email Address: tswadley@ci.stoughton.wi.us

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**Contact person for cybersecurity issues and events**

---

Name: Brian Hoops

Title: Assistant Utilities Director

Mailing Address: 600 S Fourth St  
Stoughton, WI 53589

Phone: (608) 877-7412

Email Address: bhoops@stoughtonutilities.com

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## Identification and Ownership - Contacts

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## Identification and Ownership - Governing Authority and Audit Information

---

**Utility Governing Authority**

Select the governing authority for this utility.

Reports to utility board/commission

Reports directly to city/village council

**Audit Information**

Are utility records audited by individuals or firms other than utility employees?  Yes  No

Date of most recent audit report: 05/01/2022

Period covered by most recent audit: 2021

**Individual or firm, if other than utility employee, auditing utility records**

Name: Jodi Dobson

Title: Partner

Organization Name: Baker Tilly

USPS Address: Ten Terrace Court

City State Zip Madison, WI 53718

Telephone: (608) 240-2469

Email Address: jodi.dobson@bakertilly.com

**Report Preparation**

**If an accounting firm or consultant assists with report preparation, select the type of assistance provided**

---

## Identification and Ownership - Contract Operations

---

**Do you have any contracts?**

Are any of the Utility's administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and /or current year (i.e., utility billing is done by another entity)?

**NO**

## Workforce Diversity

- g Decimal numbers for part time employees are acceptable values for this schedule. Please enter part time employees as a decimal based on the number of hours worked/2080 hours for a fiscal year. An employee who works 30% of full time would be recorded as .30.
- g Use the Footnotes feature to provide an explanation for any variance with the number of employees listed in Schedule F-06 and information about how many staff are part-time employees.
- g Staff classification of various employment categories can vary from utility to utility. Use the Footnotes feature to provide information about how the utility defines these categories. Additional information on classifying employees can be found in the help document.

Category (a)	Employee Count			
	Total (b)	Management (c)	Executive Leadership (d)	
Total Utility Employees	12.00	1.00	1.00	1
Women	6.00	0.00	2.00	2
Minorities	0.00	0.00	0.00	3
Veterans	0.00	0.00	0.00	4

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## Workforce Diversity

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- g Decimal numbers for part time employees are acceptable values for this schedule. Please enter part time employees as a decimal based on the number of hours worked/2080 hours for a fiscal year. An employee who works 30% of full time would be recorded as .30.
- g Use the Footnotes feature to provide an explanation for any variance with the number of employees listed in Schedule F-06 and information about how many staff are part-time employees.
- g Staff classification of various employment categories can vary from utility to utility. Use the Footnotes feature to provide information about how the utility defines these categories. Additional information on classifying employees can be found in the help document.

### Workforce Diversity (Page xi)

#### General Footnote

The "Total" column represents all employees, male and female. All staff are shared in various combinations with all three utilities: electric, water and sewer.

The City of Stoughton does not keep employee data showing minority and veteran status.

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### Income Statement

Description (a)	This Year (b)	Last Year (c)	
<b>UTILITY OPERATING INCOME</b>			1
Operating Revenues (400)	2,384,852	2,332,631	2
<b>``CdYfUj]b[ `9I dYbgYg.</b>			3
Operation and Maintenance Expense (401-402)	1,037,566	1,058,199	4
Depreciation Expense (403)	362,437	335,344	5
Amortization Expense (404-407)	0	0	6
Taxes (408)	438,414	462,328	7
<b>``HcHJ`CdYfUj]b[ `9I dYbgYg</b>	<b>1,838,417</b>	<b>1,855,871</b>	8
<b>``BYhCdYfUj]b[ `bWta Y</b>	<b>546,435</b>	<b>476,760</b>	9
Income from Utility Plant Leased to Others (412-413)			10
<b>``I h]ImiCdYfUj]b[ `bWta Y</b>	<b>546,435</b>	<b>476,760</b>	11
<b>OTHER INCOME</b>			12
Income from Merchandising, Jobbing and Contract Work (415-416)	(2,483)	0	13
Income from Nonutility Operations (417)			14
Nonoperating Rental Income (418)			15
Interest and Dividend Income (419)	16,680	19,079	16
Miscellaneous Nonoperating Income (421)	215,280	0	17
<b>``HcHJ`Ck Yf`bWta Y</b>	<b>229,477</b>	<b>19,079</b>	18
<b>``HcHJ`bWta Y</b>	<b>775,912</b>	<b>495,839</b>	19
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>			20
Miscellaneous Amortization (425)	(34,228)	(29,948)	21
Other Income Deductions (426)	134,877	132,896	22
<b>``HcHJ`A]gW`UbYci g`bWta Y8 YXi Wj]cbg</b>	<b>100,649</b>	<b>102,948</b>	23
<b>``bWta Y6 YZfY`bhYfYgh7\ Uf[ Yg</b>	<b>675,263</b>	<b>392,891</b>	24
<b>INTEREST CHARGES</b>			25
Interest on Long-Term Debt (427)	74,392	81,064	26
Amortization of Debt Discount and Expense (428)			27
Amortization of Premium on Debt--Cr. (429)	10,629	11,579	28
Interest on Debt to Municipality (430)	5,551	5,865	29
Other Interest Expense (431)	0	47	30
Interest Charged to Construction--Cr. (432)			31
<b>``HcHJ`bYhYfYgh7\ Uf[ Yg</b>	<b>69,314</b>	<b>75,397</b>	32
<b>``BYh`bWta Y</b>	<b>605,949</b>	<b>317,494</b>	33
<b>EARNED SURPLUS</b>			34
Unappropriated Earned Surplus (Beginning of Year) (216)	14,042,239	13,724,745	35
Balance Transferred from Income (433)	605,949	317,494	36
Miscellaneous Credits to Surplus (434)			37
Miscellaneous Debits to Surplus--Debit (435)	10,419		38
Appropriations of Surplus--Debit (436)			39
Appropriations of Income to Municipal Funds--Debit (439)			40
<b>``HcHJ`I bUddfcdf]UHX`9UfbYX`Gi fd`i g`9bX`cZMYU`fE% L</b>	<b>14,637,769</b>	<b>14,042,239</b>	41

## Income Statement Account Details

- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
- g Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.
- g If amount of Contributed Plant - Water (421) does not match the total Additions During Year entered on Water Utility Plant in Service - Plant Financed by Contributions, please provide a detailed explanation. Please see the help guide for more information.

Description (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
<b>UTILITY OPERATING INCOME</b>				1
<b>Operating Revenues (400)</b>				2
Derived	2,384,852		2,384,852	3
<b>Total (Acct. 400)</b>	<b>2,384,852</b>	<b>0</b>	<b>2,384,852</b>	4
<b>Operation and Maintenance Expense (401-402)</b>				5
Derived	1,037,566		1,037,566	6
<b>Total (Acct. 401-402)</b>	<b>1,037,566</b>	<b>0</b>	<b>1,037,566</b>	7
<b>Depreciation Expense (403)</b>				8
Derived	362,437		362,437	9
<b>Total (Acct. 403)</b>	<b>362,437</b>	<b>0</b>	<b>362,437</b>	10
<b>Amortization Expense (404-407)</b>				11
Derived	0		0	12
<b>Total (Acct. 404-407)</b>	<b>0</b>	<b>0</b>	<b>0</b>	13
<b>Taxes (408)</b>				14
Derived	438,414		438,414	15
<b>Total (Acct. 408)</b>	<b>438,414</b>	<b>0</b>	<b>438,414</b>	16
<b>TOTAL UTILITY OPERATING INCOME</b>	<b>546,435</b>	<b>0</b>	<b>546,435</b>	17
<b>OTHER INCOME</b>				18
<b>Income from Merchandising, Jobbing and Contract Work (415-416)</b>				19
Derived	(2,483)	0	(2,483)	20
<b>Total (Acct. 415-416)</b>	<b>(2,483)</b>	<b>0</b>	<b>(2,483)</b>	21
<b>Interest and Dividend Income (419)</b>				22
INTEREST INCOME	16,680		16,680	23
<b>Total (Acct. 419)</b>	<b>16,680</b>	<b>0</b>	<b>16,680</b>	24
<b>Miscellaneous Nonoperating Income (421)</b>				25
Contributed Plant - Water		215,280	215,280	26
Impact Fees - Water			0	27
<b>Total (Acct. 421)</b>	<b>0</b>	<b>215,280</b>	<b>215,280</b>	28
<b>TOTAL OTHER INCOME</b>	<b>14,197</b>	<b>215,280</b>	<b>229,477</b>	29
<b>MISCELLANEOUS INCOME DEDUCTIONS</b>				30
<b>Miscellaneous Amortization (425)</b>				31
Regulatory Liability (253) Amortization	(34,228)		(34,228)	32
<b>Total (Acct. 425)</b>	<b>(34,228)</b>	<b>0</b>	<b>(34,228)</b>	33
<b>Other Income Deductions (426)</b>				34
Depreciation Expense on Contributed Plant - Water		134,877	134,877	35
<b>Total (Acct. 426)</b>	<b>0</b>	<b>134,877</b>	<b>134,877</b>	36
<b>TOTAL MISCELLANEOUS INCOME DEDUCTIONS</b>	<b>(34,228)</b>	<b>134,877</b>	<b>100,649</b>	37
<b>INTEREST CHARGES</b>				38
<b>Interest on Long-Term Debt (427)</b>				39

### Income Statement Account Details

- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
- g Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.
- g If amount of Contributed Plant . Water (421) does not match the total Additions During Year entered on Water Utility Plant in Service . Plant Financed by Contributions, please provide a detailed explanation. Please see the help guide for more information.

Description (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
Derived	74,392		74,392	40
<b>Total (Acct. 427)</b>	<b>74,392</b>	<b>0</b>	<b>74,392</b>	41
<b>Amortization of Premium on Debt--Cr. (429)</b>				42
Amortization of Premium on Debt	10,629		10,629	43
<b>Total (Acct. 429)</b>	<b>10,629</b>	<b>0</b>	<b>10,629</b>	44
<b>Interest on Debt to Municipality (430)</b>				45
Derived	5,551		5,551	46
<b>Total (Acct. 430)</b>	<b>5,551</b>	<b>0</b>	<b>5,551</b>	47
<b>Other Interest Expense (431)</b>				48
Derived	0		0	49
<b>Total (Acct. 431)</b>	<b>0</b>	<b>0</b>	<b>0</b>	50
<b>TOTAL INTEREST CHARGES</b>	<b>69,314</b>	<b>0</b>	<b>69,314</b>	51
<b>NET INCOME</b>	<b>525,546</b>	<b>80,403</b>	<b>605,949</b>	52
<b>EARNED SURPLUS</b>				53
<b>Unappropriated Earned Surplus (Beginning of Year) (216)</b>				54
Derived	8,523,901	5,518,338	14,042,239	55
<b>Total (Acct. 216)</b>	<b>8,523,901</b>	<b>5,518,338</b>	<b>14,042,239</b>	56
<b>Balance Transferred from Income (433)</b>				57
Derived	525,546	80,403	605,949	58
<b>Total (Acct. 433)</b>	<b>525,546</b>	<b>80,403</b>	<b>605,949</b>	59
<b>Miscellaneous Debits to Surplus--Debit (435)</b>				60
Loss on Investment		10,419	10,419	61
<b>Total (Acct. 435)</b>	<b>0</b>	<b>10,419</b>	<b>10,419</b>	62
<b>UNAPPROPRIATED EARNED SURPLUS (END OF YEAR)</b>	<b>9,049,447</b>	<b>5,588,322</b>	<b>14,637,769</b>	63

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## Income Statement Account Details

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- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
- g Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.
- g If amount of Contributed Plant . ~~A~~Water (421) does not match the total Additions During Year entered on Water Utility Plant in Service . ~~P~~Plant Financed by Contributions, please provide a detailed explanation. Please see the help guide for more information.

**Income Statement Account Details (Page F-02)**

**Amount of Miscellaneous Debits to Surplus (Acct 435) exceeds \$10,000, please explain fully.**

Loss on investments.

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## Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)

Particulars (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
<b>Revenues</b>						1
Revenues (account 415)	3,505,294				3,505,294	2
<b>Cost and Expenses of Merchandising, Jobbing and Contract Work (416)</b>						3
Cost of merchandise sold					0	4
Payroll					0	5
Materials					0	6
Taxes					0	7
<b>Other (List by major classes)</b>						8
Lead Service Replacement Project	3,507,777				3,507,777	9
<b>Total costs and expenses</b>	<b>3,507,777</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,507,777</b>	10
<b>Net Income (or loss)</b>	<b>(2,483)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,483)</b>	11

## Revenues Subject to Wisconsin Remainder Assessment

g Ü^] [ | 0^ 222^ ^&••a^ Á/ Áa&| ac^ Á^ç^} ^Á^ ab^&0^ Á^ a &[ ] • a Á^ { a& a^! Á^•••{ ^} a^ i^ ~ a& Á^ a EÜc22^ Á^ Jí È í (GDa) a Á^ a È  
 Admin. Code Ch. PSC 5.  
 g If the sewer department is not regulated by the PSC, do not report sewer department in data column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Gas Utility (d)	Sewer Utility (Regulated Only (e)	Total (f)	
Total operating revenues	2,384,852				<b>2,384,852</b>	1
Less: interdepartmental sales	2,175				<b>2,175</b>	2
Less: interdepartmental rents	0				<b>0</b>	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)					<b>0</b>	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained	0				<b>0</b>	5
<b>Revenues subject to Wisconsin Remainder Assessment</b>	<b>2,382,677</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,382,677</b>	6

### Distribution of Total Payroll

- g Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
- g Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
- g The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
- g Provide additional information in the schedule footnotes when necessary.
- g Please see the help guide for examples of how to break out shared costs.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses	409,283	2,562	<b>411,845</b>	1
Electric operating expenses			<b>0</b>	2
Gas operating expenses			<b>0</b>	3
Heating operating expenses			<b>0</b>	4
Sewer operating expenses			<b>0</b>	5
Merchandising and jobbing			<b>0</b>	6
Other nonutility expenses			<b>0</b>	7
Water utility plant accounts	14,678		<b>14,678</b>	8
Electric utility plant accounts			<b>0</b>	9
Gas utility plant accounts			<b>0</b>	10
Heating utility plant accounts			<b>0</b>	11
Sewer utility plant accounts			<b>0</b>	12
Accum. prov. for depreciation of water plant			<b>0</b>	13
Accum. prov. for depreciation of electric plant			<b>0</b>	14
Accum. prov. for depreciation of gas plant			<b>0</b>	15
Accum. prov. for depreciation of heating plant			<b>0</b>	16
Accum. prov. for depreciation of sewer plant			<b>0</b>	17
Clearing accounts	2,562	(2,562)	<b>0</b>	18
All other accounts			<b>0</b>	19
<b>Total Payroll</b>	<b>426,523</b>	<b>0</b>	<b>426,523</b>	20

## Full-Time Employees (FTE)

- g Use FTE numbers where FTE stands for Full-Time Employees or Full-Time Equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest hundredth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.
- g Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .35 for electric, .30 for water and .20 for sewer.

Industry (a)	FTE (b)	
Water	5.2	1
Electric		2
Gas		3
Sewer		4

### Balance Sheet

Assets and Othe Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>ASSESTS AND OTHER DEBITS</b>			1
<b>UTILITY PLANT</b>			2
Utility Plant (101)	27,337,490	25,229,356	3
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (111)	8,679,244	8,169,143	4
Utility Plant Acquisition Adjustments (117-118)	0	0	5
Other Utility Plant Adjustments (119)	0	0	6
<b>BYhil h]mD'Ubh</b>	<b>18,658,246</b>	<b>17,060,213</b>	7
<b>OTHER PROPERTY AND INVESTMENTS</b>			8
Nonutility Property (121)	107,000	107,000	9
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	97,762	93,482	10
Investment in Municipality (123)	0	0	11
Other Investments (124)	0	0	12
Sinking Funds (125)	637,029	644,160	13
Depreciation Fund (126)	25,000	25,000	14
Other Special Funds (128)	311,403	213,410	15
<b>HcHU' CA Yf DfcdYfImiUbX' =bj Ygfa Ybtg</b>	<b>982,670</b>	<b>896,088</b>	16
<b>CURRENT AND ACCRUED ASSETS</b>			17
Cash (131)	195,382	1,444,607	18
Special Deposits (134)	0	0	19
Working Funds (135)	0	0	20
Temporary Cash Investments (136)	0	0	21
Notes Receivable (141)	0	0	22
Customer Accounts Receivable (142)	224,498	231,094	23
Other Accounts Receivable (143)	1,365,765	12,261	24
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	25
Receivables from Municipality (145)	32,673	36,744	26
Plant Materials and Operating Supplies (154)	59,773	41,038	27
Merchandise (155)	0	0	28
Other Materials and Supplies (156)	0	0	29
Stores Expense (163)	0	0	30
Prepayments (165)	3,141	0	31
Interest and Dividends Receivable (171)	5,805	9,605	32
Accrued Utility Revenues (173)	0	0	33
Miscellaneous Current and Accrued Assets (174)	286,510	220,588	34
<b>HcHU' 7 i ffYbhiUbX' 5 VVfi YX' 5 ggYfg</b>	<b>2,173,547</b>	<b>1,995,937</b>	35
<b>DEFERRED DEBITS</b>			36
Unamortized Debt Discount and Expense (181)	0	0	37
Extraordinary Property Losses (182)	0	0	38
Preliminary Survey and Investigation Charges (183)	0	22,505	39
Clearing Accounts (184)	0	0	40
Temporary Facilities (185)	0	0	41
Miscellaneous Deferred Debits (186)	288,478	433,777	42
<b>HcHU' 8 YZffYX' 8 YV]fg</b>	<b>288,478</b>	<b>456,282</b>	43
<b>HCH5 @5 GG9HG' 5 B8' CH&lt; 9F' 896 #HG</b>	<b>22,102,941</b>	<b>20,408,520</b>	44

### Balance Sheet

Liabilities and Othe Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
<b>LIABILITIES AND OTHER CREDITS</b>			1
<b>PROPRIETARY CAPITAL</b>			2
Capital Paid in by Municipality (200)	1,472,868	1,472,868	3
Appropriated Earned Surplus (215)	0	0	4
Unappropriated Earned Surplus (216)	14,637,769	14,042,239	5
<b>16,110,637</b>	<b>16,110,637</b>	<b>15,515,107</b>	6
<b>LONG-TERM DEBT</b>			7
Bonds (221)	2,937,456	3,373,207	8
Advances from Municipality (223)	219,000	270,000	9
Other Long-Term Debt (224)	0	0	10
<b>3,156,456</b>	<b>3,156,456</b>	<b>3,643,207</b>	11
<b>CURRENT AND ACCRUED LIABILITIES</b>			12
Notes Payable (231)	0	0	13
Accounts Payable (232)	949,035	86,422	14
Payables to Municipality (233)	0	21,342	15
Customer Deposits (235)	650	1,829	16
Taxes Accrued (236)	412,040	437,266	17
Interest Accrued (237)	15,092	14,454	18
Tax Collections Payable (241)	2,175	1,192	19
Miscellaneous Current and Accrued Liabilities (242)	877,698	16,661	20
<b>2,256,690</b>	<b>2,256,690</b>	<b>579,166</b>	21
<b>DEFERRED CREDITS</b>			22
Unamortized Premium on Debt (251)	50,888	61,517	23
Customer Advances for Construction (252)	0	5,000	24
Other Deferred Credits (253)	528,267	604,523	25
<b>579,155</b>	<b>579,155</b>	<b>671,040</b>	26
<b>OPERATING RESERVES</b>			27
Property Insurance Reserve (261)	0	0	28
Injuries and Damages Reserve (262)	0	0	29
Pensions and Benefits Reserve (263)	0	0	30
Miscellaneous Operating Reserves (265)	0	0	31
<b>0</b>	<b>0</b>	<b>0</b>	32
<b>22,102,938</b>	<b>22,102,938</b>	<b>20,408,520</b>	33

## Net Utility Plant

g Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	
<b>First of Year</b>					1
Total Utility Plant - First of Year	25,229,356	0	0	0	2
	<b>25,229,356</b>	<b>0</b>	<b>0</b>	<b>0</b>	3
<b>Plant Accounts</b>					4
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	17,278,166				5
Utility Plant in Service - Contributed Plant (101.2)	8,177,867				6
Utility Plant Purchased or Sold (102)					7
Utility Plant Leased to Others (104)					8
Property Held for Future Use (105)					9
Completed Construction not Classified (106)	1,667,296				10
Construction Work in Progress (107)	214,161				11
<b>Total Utility Plant</b>	<b>27,337,490</b>	<b>0</b>	<b>0</b>	<b>0</b>	12
<b>Accumulated Provision for Depreciation and Amortization</b>					13
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (111.1)	6,051,981				14
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (111.2)	2,627,263				15
Accumulated Provision for Depreciation of Utility Plant Leased to Others (112)					16
Accumulated Provision for Depreciation of Property Held for Future Use (113)					17
Accumulated Provision for Amortization of Utility Plant in Service (114)					18
Accumulated Provision for Amortization of Utility Plant Leased to Others (115)					19
Accumulated Provision for Amortization of Property Held for Future Use (116)					20
<b>Total Accumulated Provision</b>	<b>8,679,244</b>	<b>0</b>	<b>0</b>	<b>0</b>	21
<b>Accumulated Provision for Depreciation and Amortization</b>					22
Utility Plant Acquisition Adjustments (117)					23
Accumulated Provision for Amortization of Utility Plant Acquisition Adjustments (118)					24
Other Utility Plant Adjustments (119)	0				25
<b>Total Other Utility Plant Accounts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	26
<b>Net Utility Plant</b>	<b>18,658,246</b>	<b>0</b>	<b>0</b>	<b>0</b>	27

## Accumulated Provision for Depreciation of Utility Plant on Utility Plant Financed by Utility Operations or by the Municipality (Acct. 111.1)

Depreciation Accruals (Credits) during the year (111.1):

- g Report the amounts charged in the operating sections to Depreciation Expense (403).
- g If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
- g Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water Column. If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
- g Report all other accruals charged to other accounts, such as to clearing accounts.

Description (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
Balance First of Year (111.1)	5,676,757	0	0	0	5,676,757	1
<b>Credits during year</b>						2
Charged Depreciation Expense (403)	362,437				362,437	3
Depreciation Expense on Meters Charged to Sewer	25,352				25,352 *	4
Salvage	0				0	5
Transportation Clearing	3,876				3,876	6
<b>Total credits</b>	<b>391,665</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>391,665</b>	7
<b>Debits during year</b>						8
Book Cost of Plant Retired	14,966				14,966	9
Cost of Removal	1,475				1,475	10
<b>Total debits</b>	<b>16,441</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,441</b>	11
<b>Balance end of year (111.1)</b>	<b>6,051,981</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,051,981</b>	12

## Accumulated Provision for Depreciation of Utility Plant on Contributed Plant in Service (Acct. 111.2)

Depreciation Accruals (Credits) during the year (111.2):

- g Report the amounts charged in the operating sections to Other Income Deductions (426).
- g If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
- g Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water Column. If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
- g Report all other accruals charged to other accounts, such as to clearing accounts.

Description (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
Balance First of Year (111.2)	2,492,386	0	0	0	2,492,386	1
<b>Credits during year</b>						2
Charged Other Income Deductions (426)	134,877				134,877	3
Depreciation Expense on Meters Charged to Sewer	0				0	4
Salvage	0				0	5
<b>Total credits</b>	<b>134,877</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>134,877</b>	6
<b>Debits during year</b>						7
Book Cost of Plant Retired	0				0	8
Cost of Removal	0				0	9
<b>Total debits</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	10
<b>Balance end of year (111.2)</b>	<b>2,627,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,627,263</b>	11

### Net Nonutility Property (Accts. 121 & 122)

- g Report separately each item of property with a book cost of \$5,000 or more included in account 121.
- g Other items may be grouped by classes of property.
- g Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			<b>0</b>	1
Park shelter at well house	107,000	0	0	<b>107,000</b>	2
<b>Total Nonutility Property (121)</b>	<b>107,000</b>	<b>0</b>	<b>0</b>	<b>107,000</b>	3
Less accum. prov. depr. & amort. (122)	<b>93,482</b>	<b>4,280</b>	<b>0</b>	<b>97,762</b>	4
<b>Net Nonutility Property</b>	<b>13,518</b>	<b>(4,280)</b>	<b>0</b>	<b>9,238</b>	5

## Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)

Description (a)	Amount (b)	
Balance first of year	0	1
<b>Additions</b>		<b>2</b>
Provision for uncollectibles during year	0	3
Collection of accounts previously written off: Utility Customers	0	4
Collection of accounts previously written off: Others	0	5
<b>Total Additions</b>	<b>0</b>	<b>6</b>
<b>Accounts Written Off</b>		<b>7</b>
Accounts written off during the year: Utility Customers	0	8
Accounts written off during the year: Others	0	9
<b>Total Accounts Written Off</b>	<b>0</b>	<b>10</b>
<b>Balance End of Year</b>	<b>0</b>	<b>11</b>

## Materials and Supplies

Account (a)	Generation (b)	Transmission (d)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
<b>Electric Utility</b>							1
Fuel (151)					0	0	2
Fuel stock expenses (152)					0	0	3
Plant mat. & oper. sup. (154)					0	0	4
<b>Total Electric Utility</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	5

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility (154)	59,773	41,038	2
Sewer utility (154)			3
Heating utility (154)			4
Gas utility (154)			5
Merchandise (155)			6
Other materials & supplies (156)			7
Stores expense (163)			8
<b>Total Material and Supplies</b>	<b>59,773</b>	<b>41,038</b>	9

## Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
<b>Unamortized debt discount &amp; expense (181)</b>				1
None				2
<b>Total</b>	<b>0</b>		<b>0</b>	3
<b>Unamortized premium on debt (251)</b>				4
2016 MRB	4,053	0	8,631	5
2019 MRB	6,576	0	42,257	6
None				7
<b>Total</b>	<b>10,629</b>		<b>50,888</b>	8

**Capital Paid in by Municipality (Acct. 200)**

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

	Description (a)	Amount (b)	
Balance first of year		1,472,868	1
<b>Balance end of year</b>		<b>1,472,868</b>	2

### Bonds (Acct. 221)

- g Report information required for each separate issue of bonds.
- g If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
- g Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.
- g Enter interest rates in decimal form. For example, enter 6.75% as 0.0675

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
2010 Mortgage Revenue Bonds	01/27/2010	05/01/2029	2.67%	277,456	1
2016 Mortgage Revenue Bonds	05/26/2016	05/01/2026	1.77%	1,035,000	2
2019 Mortgage Revenue Bonds	11/14/2019	05/01/2034	2.25%	1,625,000	3
<b>Total</b>				<b>2,937,456</b>	<b>4</b>

## Notes Payable & Miscellaneous Long-Term Debt

- g Report each class of debt included in Accounts 223, 224 and 231.
- g Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
- g If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
- g Enter interest rates in decimal form. For example, enter 6.75% as 0.0675

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
<b>Advances from Municipality (223)</b>					1
2015 General Obligation Bonds	07/09/2015	04/01/2025	2.07%	219,000	2
<b>Total for Account 223</b>				<b>219,000</b>	3

**Taxes Accrued (Acct. 236)**

<b>Description (a)</b>	<b>Amount (b)</b>	
Balance first of year	437,266	1
Charged water department expense	438,414	2
Charged electric department expense		3
Charged gas department expense		4
Charged sewer department expense	7,624	5
<b>Total accruals and other credits</b>	<b>446,038</b>	6
County, state and local taxes	437,266	7
Social Security taxes	31,272	8
PSC Remainder Assessment	2,726	9
Gross Receipts Tax		10
<b>Total payments and other debits</b>	<b>471,264</b>	11
<b>Balance end of year</b>	<b>412,040</b>	12

## Interest Accrued (Acct. 237)

- g Report below interest accrued on each utility obligation.  
g Report customer deposits under account 235.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
<b>Bonds (221)</b>	0	0	0	<b>0</b>	1
2010 REVENUE BONDS - EIF	1,371	7,800	7,812	<b>1,359</b>	2
2016 Mortgage Revenue Bonds	4,133	22,500	22,513	<b>4,120</b>	3
2019 Mortgage Revenue Bonds	7,548	44,000	43,788	<b>7,760</b>	4
Miscellaneous Entry		92	92	<b>0</b>	5
<b>Subtotal Bonds (221)</b>	<b>13,052</b>	<b>74,392</b>	<b>74,205</b>	<b>13,239</b>	6
<b>Advances from Municipality (223)</b>	0	0	0	<b>0</b>	7
2015 General Obligation Bonds	1,402	5,551	5,100	<b>1,853</b>	8
<b>Subtotal Advances from Municipality (223)</b>	<b>1,402</b>	<b>5,551</b>	<b>5,100</b>	<b>1,853</b>	9
<b>Other Long-Term Debt (224)</b>	0	0	0	<b>0</b>	10
None				<b>0</b>	11
<b>Subtotal Other Long-Term Debt (224)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	12
<b>Notes Payable (231)</b>	0	0	0	<b>0</b>	13
None				<b>0</b>	14
<b>Subtotal Notes Payable (231)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	15
<b>Customer Deposits (235)</b>	0	0	0	<b>0</b>	16
None				<b>0</b>	17
<b>Subtotal Customer Deposits (235)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	18
<b>Total</b>	<b>14,454</b>	<b>79,943</b>	<b>79,305</b>	<b>15,092</b>	19

## Balance Sheet Detail - Other Accounts

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Description (a)	Balance End of Year (b)	
<b>Sinking Funds (125)</b>	0	1
Redemption Fund	296,319	2
Reserve Fund	340,710	3
<b>Total (Acct. 125)</b>	<b>637,029</b>	4
<b>Depreciation Fund (126)</b>	0	5
Depreciation Fund	25,000	6
<b>Total (Acct. 126)</b>	<b>25,000</b>	7
<b>Other Special Funds (128)</b>	0	8
Sick Leave Reserve	311,399	9
Unspent Construction Bond Proceeds 2019 MRB	4	10
<b>Total (Acct. 128)</b>	<b>311,403</b>	11
<b>Cash and Working Funds (131 )</b>	0	12
Cash	195,382 *	13
<b>Total (Acct. 131 )</b>	<b>195,382</b>	14
<b>Customer Accounts Receivable (142)</b>	0	15
Water	224,498	16
<b>Total (Acct. 142)</b>	<b>224,498</b>	17
<b>Other Accounts Receivable (143)</b>	0	18
Sewer (Non-regulated)		19
Merchandising, jobbing and contract work		20
Miscellaneous	1,365,765 *	21
<b>Total (Acct. 143)</b>	<b>1,365,765</b>	22
<b>Receivables from Municipality (145)</b>	0	23
Receivables from Municipality	3,647	24
Special Assessments on Tax Roll	29,026 *	25
<b>Total (Acct. 145)</b>	<b>32,673</b>	26
<b>Prepayments (165)</b>	0	27
Prepayment - Software Licensing	3,141	28
<b>Total (Acct. 165)</b>	<b>3,141</b>	29
<b>Interest and Dividends Receivable (171)</b>	0	30
Interest Receivable	5,805	31
<b>Total (Acct. 171)</b>	<b>5,805</b>	32

## Balance Sheet Detail - Other Accounts

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

<b>Miscellaneous Current and Accrued Assets (174)</b>	0	33
Net Pension Asset	153,762	34
OPEB	16,645	35
Special Assessments - Hults Road	116,103	36
<b>Total (Acct. 174)</b>	<b>286,510</b>	37
<b>Miscellaneous Deferred Debits (186)</b>	0	38
Deferred Outflows of Resources - Pensions	249,043	39
Regulatory Asset - WRS	39,435	40
<b>Total (Acct. 186)</b>	<b>288,478</b>	41
<b>Accounts Payable (232 )</b>	0	42
Accounts Payable	949,035	43
<b>Total (Acct. 232 )</b>	<b>949,035</b>	44
<b>Customer Deposits (235)</b>	0	45
Customer Deposits	650	46
<b>Total (Acct. 235)</b>	<b>650</b>	47
<b>Tax Collections Payable (241)</b>	0	48
Misc	2,175	49
<b>Total (Acct. 241)</b>	<b>2,175</b>	50
<b>Miscellaneous Current and Accrued Liabilities (242)</b>	0	51
Due to Electric Utility	877,698	52
<b>Total (Acct. 242)</b>	<b>877,698</b>	53
<b>Other Deferred Credits (253)</b>	0	54
Regulatory Liability	68,460	55
Compensated Absences	111,399	56
Deferred inflow related to OPEB	4,481	57
Deferred Inflows - Pension	331,761	58
Net OPEB Liability	12,166	59
<b>Total (Acct. 253)</b>	<b>528,267</b>	60

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## Balance Sheet Detail - Other Accounts

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Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

### Balance Sheet Detail - Other Accounts (Page F-22)

Explain amounts in Accounts 143, 145 and/or 233 in excess of \$10,000. Provide a short list or detailed description, but do not use terms such as other revenues, general, miscellaneous, or repeat the account title.

#143: Invoice to the WI DNR for reimbursement of lead service lateral replacements. The funds were received in 2022.

#145: Special assessments placed on the tax roll.

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### General Footnote

#131: Cash was negative at year end, due to a lapse in timing of WI DNR reimbursement for lead service lateral replacements and invoices needing to be paid to contractors.

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### Return on Rate Base Computation

- g The data used in calculating rate base are averages.
- g Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
- g For municipal utilities, do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.
- g For private utilities, do not include property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
<b>Add Average</b>						1
Utility Plant in Service (101.1)	17,266,893				<b>17,266,893</b>	2
Materials and Supplies	50,405				<b>50,405</b>	3
<b>Less Average</b>						4
Reserve for Depreciation (111.1)	5,864,369				<b>5,864,369</b>	5
Customer Advances for Construction	0				<b>0</b>	6
Regulatory Liability	85,574				<b>85,574</b>	7
<b>Average Net Rate Base</b>	<b>11,367,355</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,367,355</b>	8
Net Operating Income	546,435				<b>546,435</b>	9
<b>Net Operating Income as a percent of Average Net Rate Base</b>	<b>4.81%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4.81%</b>	10

## Regulatory Liability - Pre-2003 Historical Accumulated Depreciation on Contributed Utility Plant (253)

Description (a)	Water (b)	Electric (c)	Gas (d)	Sewer (e)	Total (f)	
Balance First of Year	102,688	0	0	0	<b>102,688</b>	1
<b>Credits During Year</b>					<b>0</b>	2
None					<b>0</b>	3
<b>Charges (Deductions)</b>					<b>0</b>	4
Miscellaneous Amortization (425)	34,228				<b>34,228</b>	5
<b>Balance End of Year</b>	<b>68,460</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,460</b>	6

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## Important Changes During the Year

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**Report changes of any of the following types:**

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1. Acquisitions

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2. Leaseholder changes

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3. Extensions of service

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4. Estimated changes in revenues due to rate changes  
We implemented a 3% simplified water rate increase as of March 1, 2021.

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5. Obligations incurred or assumed, excluding commercial paper

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6. Formal proceedings with the Public Service Commission  
Besides the simplified water rate case, we also applied for a rate increase, which was to be effective in 2022.

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7. Any additional matters  
We implemented a city-wide private lead service replacement program, which was funded through a principle forgiveness grant with the DNR. All private lead service laterals were replaced in 2021.

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## Water Operating Revenues & Expenses

Description (a)	This Year (b)	Last Year (c)	
<b>Operating Revenues - Sales of Water</b>			1
Sales of Water (460-467)	2,337,615	2,292,165	2
<b>Total Sales of Water</b>	<b>2,337,615</b>	<b>2,292,165</b>	3
<b>Other Operating Revenues</b>			4
Forfeited Discounts (470)	6,419	6,151	5
Rents from Water Property (472)	21,702	19,449	6
Interdepartmental Rents (473)	0	0	7
Other Water Revenues (474)	19,116	14,866	8
<b>Total Other Operating Revenues</b>	<b>47,237</b>	<b>40,466</b>	9
<b>Total Operating Revenues</b>	<b>2,384,852</b>	<b>2,332,631</b>	10
<b>Operation and Maintenance Expenses</b>			11
Source of Supply Expense (600-617)	0	125	12
Pumping Expenses (620-633)	130,433	133,023	13
Water Treatment Expenses (640-652)	67,945	82,982	14
Transmission and Distribution Expenses (660-678)	345,408	299,071	15
Customer Accounts Expenses (901-906)	103,515	117,526	16
Sales Expenses (910)	0	0	17
Administrative and General Expenses (920-932)	390,265	425,472	18
<b>Total Operation and Maintenance Expenses</b>	<b>1,037,566</b>	<b>1,058,199</b>	19
<b>Other Operating Expenses</b>			20
Depreciation Expense (403)	362,437	335,344	21
Amortization Expense (404-407)		0	22
Taxes (408)	438,414	462,328	23
<b>Total Other Operating Expenses</b>	<b>800,851</b>	<b>797,672</b>	24
<b>Total Operating Expenses</b>	<b>1,838,417</b>	<b>1,855,871</b>	25
<b>NET OPERATING INCOME</b>	<b>546,435</b>	<b>476,760</b>	26

### Water Operating Revenues - Sales of Water

- g Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
- g Report estimated gallons for unmetered sales.
- g Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified multifamily residential.
- g Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered or measured by tank of pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (Account 461).
- g Report average number of individually-metered accounts (meters). The amount reported should be the average meter count. E.g. if a hospital has 5 meters, a total of 5 meters should be reported on this schedule in column b (Average No. of Customers).
- g Do not include meters or revenue billed under Schedule Am-1 (Additional Meter Rental Charge) in Account 461. Record revenues billed under Schedule Am-1 in Account 474.

Description (a)	Average No. Customer (b)	Thousand of Gallons of Water Sold (c)	Amount (d)	
<b>Unmetered Sales to General Customers (460)</b>				1
Residential (460.1)	21	84	1,194	2
Commercial (460.2)	2	8	203	3
Industrial (460.3)				4
Public Authority (460.4)				5
Multifamily Residential (460.5)				6
Irrigation (460.6)				7
<b>Total Unmetered Sales to General Customers (460)</b>	<b>23</b>	<b>92</b>	<b>1,397</b>	8
<b>Metered Sales to General Customers (461)</b>				9
Residential (461.1)	4,599	207,203	1,098,266	10
Commercial (461.2)	406	43,462	165,033	11
Industrial (461.3)	19	150,133	301,792	12
Public Authority (461.4)	49	4,420	21,223	13
Multifamily Residential (461.5)	87	37,443	119,161	14
Irrigation (461.6)				15
<b>Total Metered Sales to General Customers (461)</b>	<b>5,160</b>	<b>442,661</b>	<b>1,705,475</b>	16
Private Fire Protection Service (462)	86		59,590	17
Public Fire Protection Service (463)	5,118		568,978	18
Other Water Sales (465)				19
Sales for Resale (466)	0	0	0	20
Interdepartmental Sales (467)	3	498	2,175	21
<b>Total Sales of Water</b>	<b>10,390</b>	<b>443,251</b>	<b>2,337,615</b>	22

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**Sales for Resale (Acct. 466)**

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Use a separate line for each delivery point.

- - - THIS SCHEDULE NOT APPLICABLE TO THIS UTILITY- - -

## Other Operating Revenues (Water)

- g Report revenues relating to each account and fully describe each item using other than the account title.
- g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
- g For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Description (a)	Amount (b)	
<b>Public Fire Protection Service (463)</b>		1
Amount billed (usually per rate schedule F-1 or Fd-1)	568,978	2
Wholesale fire protection billed		3
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		4
<b>Total Public Fire Protection Service (463)</b>	<b>568,978</b>	5
<b>Forfeited Discounts (470)</b>		6
Customer late payment charges	6,419	7
<b>Total Forfeited Discounts (470)</b>	<b>6,419</b>	8
<b>Rents from Water Property (472)</b>		9
Rent of tower for cellular antennas	21,702	10
<b>Total Rents from Water Property (472)</b>	<b>21,702</b>	11
<b>Interdepartmental Rents (473)</b>		12
None		13
<b>Total Interdepartmental Rents (473)</b>	<b>0</b>	14
<b>Other Water Revenues (474)</b>		15
Return on net investment in meters charged to sewer department	13,747	16
Miscellaneous	5,369	17
<b>Total Other Water Revenues (474)</b>	<b>19,116</b>	18

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## Other Operating Revenues (Water)

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- |   |
|---|
| <ul style="list-style-type: none"><li>g Report revenues relating to each account and fully describe each item using other than the account title.</li><li>g Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.</li><li>g For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).</li></ul> |
|---|

### Other Operating Revenues (Water) (Page W-04)

**Explain all amounts in Account 474 in excess of \$10,000.**

The amounts are fully explained by the titles.

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## Water Operation & Maintenance Expenses

- g Fully explain each expense account that has a difference between This Year and the previous three year average that is greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D). Include a breakdown of costs that contributed to the difference.
- g Class C and class D report all expenses in Other Expense (column c).

Description (a)	Labor Expense (b)	Other Expense (c)	Total This Year (d)	Last Year (e)	
<b>SOURCE OF SUPPLY EXPENSES</b>					1
Operation Supervision and Engineering (600)			0	0	2
Operation Labor and Expenses (601)			0	0	3
Purchased Water (602)			0	0	4
Miscellaneous Expenses (603)			0	0	5
Rents (604)			0	0	6
Maintenance Supervision and Engineering (610)			0	0	7
Maintenance of Structures and Improvements (611)			0	0	8
Maintenance of Collecting and Impounding Reservoirs (612)			0	0	9
Maintenance of Lake, River and Other Intakes (613)			0	0	10
Maintenance of Wells and Springs (614)			0	125	11
Maintenance of Supply Mains (616)			0	0	12
Maintenance of Miscellaneous Water Source Plant (617)			0	0	13
<b>Total Source of Supply Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>125</b>	<b>14</b>
<b>PUMPING EXPENSES</b>					15
Operation Supervision and Engineering (620)			0	0	16
Fuel for Power Production (621)			0	0	17
Power Production Labor and Expenses (622)			0	0	18
Fuel or Power Purchased for Pumping (623)		116,417	116,417	114,269	19
Pumping Labor and Expenses (624)	10,766	(4,082)	6,684	13,499 *	20
Expenses Transferred--Credit (625)			0	0	21
Miscellaneous Expenses (626)			0	0	22
Rents (627)			0	0	23
Maintenance Supervision and Engineering (630)			0	0	24
Maintenance of Structures and Improvements (631)	4,321	1,565	5,886	4,422	25
Maintenance of Power Production Equipment (632)			0	0	26
Maintenance of Pumping Equipment (633)	621	825	1,446	833	27
<b>Total Pumping Expenses</b>	<b>15,708</b>	<b>114,725</b>	<b>130,433</b>	<b>133,023</b>	<b>28</b>
<b>WATER TREATMENT EXPENSES</b>					29
Operation Supervision and Engineering (640)			0	0	30
Chemicals (641)		16,909	16,909	20,178	31
Operation Labor and Expenses (642)	40,061	4,184	44,245	55,755 *	32
Miscellaneous Expenses (643)		246	246	0	33
Rents (644)			0	0	34
Maintenance Supervision and Engineering (650)			0	0	35
Maintenance of Structures and Improvements (651)			0	0	36
Maintenance of Water Treatment Equipment (652)	2,215	4,330	6,545	7,049	37
<b>Total Water Treatment Expenses</b>	<b>42,276</b>	<b>25,669</b>	<b>67,945</b>	<b>82,982</b>	<b>38</b>
<b>TRANSMISSION AND DISTRIBUTION EXPENSES</b>					39
Operation Supervision and Engineering (660)			0	0	40

## Water Operation & Maintenance Expenses

- g Fully explain each expense account that has a difference between This Year and the previous three year average that is greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D). Include a breakdown of costs that contributed to the difference.
- g Class C and class D report all expenses in Other Expense (column c).

Description (a)	Labor Expense (b)	Other Expense (c)	Total This Year (d)	Last Year (e)	
Storage Facilities Expenses (661)			0	0	41
Transmission and Distribution Lines Expenses (662)	10,316	1,257	11,573	11,023	42
Meter Expenses (663)	15,445	4,710	20,155	37,830 *	43
Customer Installations Expenses (664)		9,492	9,492	12,936	44
Miscellaneous Expenses (665)	12,372	10,916	23,288	17,437	45
Rents (666)			0	0	46
Maintenance Supervision and Engineering (670)			0	0	47
Maintenance of Structures and Improvements (671)			0	0	48
Maintenance of Distribution Reservoirs and Standpipes (672)	1,836	56,196	58,032	53,947	49
Maintenance of Transmission and Distribution Mains (673)	38,276	61,501	99,777	57,247 *	50
Maintenance of Services (675)	89,240	12,535	101,775	96,471	51
Maintenance of Meters (676)		(293)	(293)	0 *	52
Maintenance of Hydrants (677)	4,110	15,323	19,433	8,187 *	53
Maintenance of Miscellaneous Plant (678)	1,658	518	2,176	3,993	54
<b>Total Transmission and Distribution Expenses</b>	<b>173,253</b>	<b>172,155</b>	<b>345,408</b>	<b>299,071</b>	<b>55</b>
<b>CUSTOMER ACCOUNTS EXPENSES</b>					
Supervision (901)			0	0	57
Meter Reading Expenses (902)	11,375	756	12,131	11,712	58
Customer Records and Collection Expenses (903)	49,304	42,080	91,384	105,124	59
Uncollectible Accounts (904)			0	0	60
Miscellaneous Customer Accounts Expenses (905)			0	0	61
Customer Service and Informational Expenses (906)			0	690	62
<b>Total Customer Accounts Expenses</b>	<b>60,679</b>	<b>42,836</b>	<b>103,515</b>	<b>117,526</b>	<b>63</b>
<b>SALES EXPENSES</b>					
Sales Expenses (910)			0	0	65
<b>Total Sales Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>66</b>
<b>ADMINISTRATIVE AND GENERAL EXPENSES</b>					
Administrative and General Salaries (920)	116,327	36,731	153,058	169,476	68
Office Supplies and Expenses (921)		25,088	25,088	15,090	69
Administrative Expenses Transferred--Credit (922)			0	0	70
Outside Services Employed (923)		48,150	48,150	90,267 *	71
Property Insurance (924)		12,695	12,695	13,517	72
Injuries and Damages (925)	634	12,944	13,578	9,762	73
Employee Pensions and Benefits (926)		118,429	118,429	116,902	74
Regulatory Commission Expenses (928)		4,497	4,497	0	75
Duplicate Charges--Credit (929)			0	0	76
Miscellaneous General Expenses (930)	280	4,970	5,250	102	77
Rents (931)		5,243	5,243	4,666	78
Maintenance of General Plant (932)	126	4,151	4,277	5,690	79
<b>Total Administrative and General Expenses</b>	<b>117,367</b>	<b>272,898</b>	<b>390,265</b>	<b>425,472</b>	<b>80</b>

## Water Operation & Maintenance Expenses

- g Fully explain each expense account that has a difference between This Year and the previous three year average that is greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D). Include a breakdown of costs that contributed to the difference.
- g Class C and class D report all expenses in Other Expense (column c).

Description (a)	Labor Expense (b)	Other Expense (c)	Total This Year (d)	Last Year (e)	
<b>TOTAL OPERATION AND MAINTENANCE EXPENSES</b>	<b>409,283</b>	<b>628,283</b>	<b>1,037,566</b>	<b>1,058,199</b>	81

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## Water Operation & Maintenance Expenses

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- g Fully explain each expense account that has a difference between This Year and the previous three year average that is greater than 15 percent and \$10,000 (class AB), 15 percent and \$5,000 (class C), 15 percent and \$1,000 (class D). Include a breakdown of costs that contributed to the difference.
- g Class C and class D report all expenses in Other Expense (column c).

### Water Operation & Maintenance Expenses (Page W-05)

#### Explain all negative This Year amounts.

#624: Inventory account 624-40-0000 shows an inventory value true up. The inventory was unable to be counted in 2020, therefore no true up occurred. This accounts for two years of clean up.

#676: Billing credits given to customers.

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#### Explain all This Year amounts that are more than 15% and \$10,000 higher or lower than the Last Year amount. Please see the help document for examples.

#624: Inventory was adjusted for two years

#642: Sample shipping costs decreased.

#663: Labor allocated to this account decreased.

#673: Increased need for watermain repairs.

#677: Hydrant needed repairs in the amount of \$12,750.

#923: Locating cost decreased.

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## Taxes (Acct. 408 - Water)

When allocation of taxes is made between departments, explain method used.

Description of Tax (a)	This Year (b)	Last Year (c)	
Property Tax Equivalent	412,040	437,266	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department	7,624	7,959	2
<b>Net Property Tax Equivalent</b>	<b>404,416</b>	<b>429,307</b>	<b>3</b>
Social Security	32,353	30,556	4
PSC Remainder Assessment	2,726	2,465	5
Clearing Account	(1,081)		6
<b>Total Tax Expense</b>	<b>438,414</b>	<b>462,328</b>	<b>7</b>

## Water Property Tax Equivalent - Detail

- g No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
- g Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
- g The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
- g The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
- g An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
- g **Property Tax Equivalent - Total**  
If the municipality has authorized a lower tax equivalent amount, the authorization description and date of the authorization must be included in the notes.

**COUNTY: DANE(1)**

**SUMMARY OF TAX RATES**

1. State Tax Rate	mills	0.000000
2. County Tax Rate	mills	2.934304
3. Local Tax Rate	mills	7.817634
4. School Tax Rate	mills	9.372354
5. Vocational School Tax Rate	mills	0.818504
6. Other Tax Rate - Local	mills	0.000000
7. Other Tax Rate - Non-Local	mills	0.000000
<b>8. Total Tax Rate</b>	mills	<b>20.942796</b>
9. Less: State Credit	mills	1.702513
<b>11. Net Tax Rate</b>	mills	<b>19.240283</b>

**PROPERTY TAX EQUIVALENT CALCULATION**

<b>12. Local Tax Rate</b>	mills	<b>7.817634</b>
<b>13. Combined School Tax Rate</b>	mills	<b>10.190858</b>
<b>14. Other Tax Rate - Local</b>	mills	<b>0.000000</b>
<b>15. Total Local &amp; School Tax Rate</b>	mills	<b>18.008492</b>
<b>16. Total Tax Rate</b>	mills	<b>20.942796</b>
<b>17. Ratio of Local and School Tax to Total</b>	dec.	<b>0.859890</b>
<b>18. Total Tax Net of State Credit</b>	mills	<b>19.240283</b>
<b>19. Net Local and School Tax Rate</b>	mills	<b>16.544519</b>
20. Utility Plant, Jan 1	\$	25,229,356
21. Materials & Supplies	\$	41,038
<b>22. Subtotal</b>	\$	<b>25,270,394</b>
23. Less: Plant Outside Limits	\$	0
<b>24. Taxable Assets</b>	\$	<b>25,270,394</b>
25. Assessment Ratio	dec.	0.985537
<b>26. Assessed Value</b>	\$	<b>24,904,908</b>
<b>27. Net Local and School Tax Rate</b>	mills	<b>16.544519</b>
<b>28. Tax Equiv. Computed for Current Year</b>	\$	<b>412,040</b>

**PROPERTY TAX EQUIVALENT - TOTAL**

**PROPERTY TAX EQUIVALENT CALCULATION**

1. Utility Plant, Jan 1	\$	25,229,356
2. Materials & Supplies	\$	41,038
<b>3. Subtotal</b>	\$	<b>25,270,394</b>
4. Less: Plant Outside Limits	\$	0
<b>5. Taxable Assets</b>	\$	<b>25,270,394</b>
<b>6. Assessed Value</b>	\$	<b>24,904,908</b>
<b>7. Tax Equiv. Computed for Current Year</b>	\$	<b>412,040</b>
8. Tax Equivalent per 1994 PSC Report	\$	130,803
9. Amount of Lower Tax Equiv. as Authorized by Municipality for Current Year (see notes)	\$	
<b>10. Tax Equivalent for Current Year (see notes)</b>	\$	<b>412,040</b>

## Water Utility Plant in Service - Plant Financed by Utility or Municipality

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.
- g The treatment plant accounts have changed since 2008 and that they should confirm the dollar amounts are in the right account.
- g [PSC Uniform System of Accounts](#)

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
<b>INTANGIBLE PLANT</b>						1
Organization (301)	0				0	2
Franchises and Consents (302)	0				0	3
Miscellaneous Intangible Plant (303)	0				0	4
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	5
<b>SOURCE OF SUPPLY PLANT</b>						6
Land and Land Rights (310)	11,635				11,635	7
Structures and Improvements (311)	0				0	8
Collecting and Impounding Reservoirs (312)	0				0	9
Lake, River and Other Intakes (313)	0				0	10
Wells and Springs (314)	595,730				595,730	11
Supply Mains (316)	0				0	12
Other Water Source Plant (317)	0				0	13
<b>Total Source of Supply Plant</b>	<b>607,365</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>607,365</b>	14
<b>PUMPING PLANT</b>						15
Land and Land Rights (320)	0				0	16
Structures and Improvements (321)	644,610				644,610	17
Other Power Production Equipment (323)	283,758				283,758	18
Electric Pumping Equipment (325)	670,376				670,376	19
Diesel Pumping Equipment (326)	0				0	20
Other Pumping Equipment (328)	0				0	21
<b>Total Pumping Plant</b>	<b>1,598,744</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,598,744</b>	22
<b>WATER TREATMENT PLANT</b>						23
Land and Land Rights (330)	0				0	24
Structures and Improvements (331)	13,671				13,671	25
Sand or Other Media Filtration Equipment (332)	77,092	1,533	1,500		77,125	26
Membrane Filtration Equipment (333)	0				0	27
Other Water Treatment Equipment (334)	0				0	28
<b>Total Water Treatment Plant</b>	<b>90,763</b>	<b>1,533</b>	<b>1,500</b>	<b>0</b>	<b>90,796</b>	29
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>						30
Land and Land Rights (340)	13,206				13,206	31
Structures and Improvements (341)	1,611				1,611	32
Distribution Reservoirs and Standpipes (342)	1,342,100				1,342,100	33
Transmission and Distribution Mains (343)	8,355,654	3,000	678		8,357,976	34
Services (345)	2,246,218				2,246,218	35
Meters (346)	912,368	27,035	8,009		931,394	36

## Water Utility Plant in Service - Plant Financed by Utility or Municipality

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.
- g The treatment plant accounts have changed since 2008 and that they should confirm the dollar amounts are in the right account.
- g [PSC Uniform System of Accounts](#)

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
Hydrants (348)	1,070,596				1,070,596	37
Other Transmission and Distribution Plant (349)	11,800				11,800	38
<b>Total Transmission and Distribution Plant</b>	<b>13,953,553</b>	<b>30,035</b>	<b>8,687</b>	<b>0</b>	<b>13,974,901</b>	39
<b>GENERAL PLANT</b>						40
Land and Land Rights (389)	0				0	41
Structures and Improvements (390)	411,903				411,903	42
Office Furniture and Equipment (391)	36,146	5,943	4,779		37,310	43
Computer Equipment (391.1)	21,458				21,458	44
Transportation Equipment (392)	54,136				54,136	45
Stores Equipment (393)	2,187				2,187	46
Tools, Shop and Garage Equipment (394)	47,309				47,309	47
Laboratory Equipment (395)	0				0	48
Power Operated Equipment (396)	102,034				102,034	49
Communication Equipment (397)	30,427				30,427	50
SCADA Equipment (397.1)	299,507				299,507	51
Miscellaneous Equipment (398)	89				89	52
<b>Total General Plant</b>	<b>1,005,196</b>	<b>5,943</b>	<b>4,779</b>	<b>0</b>	<b>1,006,360</b>	53
<b>Total utility plant in service directly assignable</b>	<b>17,255,621</b>	<b>37,511</b>	<b>14,966</b>	<b>0</b>	<b>17,278,166</b>	54
Common Utility Plant Allocated to Water Department	0				0	55
<b>TOTAL UTILITY PLANT IN SERVICE</b>	<b>17,255,621</b>	<b>37,511</b>	<b>14,966</b>	<b>0</b>	<b>17,278,166</b>	56

## Water Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.
- g The treatment plant accounts have changed since 2008 and that they should confirm the dollar amounts are in the right account.
- g [PSC Uniform System of Accounts](#)

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
<b>INTANGIBLE PLANT</b>						1
Organization (301)	0				0	2
Franchises and Consents (302)	0				0	3
Miscellaneous Intangible Plant (303)	0				0	4
<b>Total Intangible Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	5
<b>SOURCE OF SUPPLY PLANT</b>						6
Land and Land Rights (310)	0				0	7
Structures and Improvements (311)	0				0	8
Collecting and Impounding Reservoirs (312)	0				0	9
Lake, River and Other Intakes (313)	0				0	10
Wells and Springs (314)	0				0	11
Supply Mains (316)	0				0	12
Other Water Source Plant (317)	0				0	13
<b>Total Source of Supply Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	14
<b>PUMPING PLANT</b>						15
Land and Land Rights (320)	0				0	16
Structures and Improvements (321)	0				0	17
Other Power Production Equipment (323)	0				0	18
Electric Pumping Equipment (325)	0				0	19
Diesel Pumping Equipment (326)	0				0	20
Other Pumping Equipment (328)	0				0	21
<b>Total Pumping Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	22
<b>WATER TREATMENT PLANT</b>						23
Land and Land Rights (330)	0				0	24
Structures and Improvements (331)	0				0	25
Sand or Other Media Filtration Equipment (332)	0				0	26
Membrane Filtration Equipment (333)	0				0	27
Other Water Treatment Equipment (334)	0				0	28
<b>Total Water Treatment Plant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	29
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>						30
Land and Land Rights (340)	0				0	31
Structures and Improvements (341)	0				0	32
Distribution Reservoirs and Standpipes (342)	613,751				613,751	33
Transmission and Distribution Mains (343)	5,437,488	130,849			5,568,337 *	34
Services (345)	1,217,216	57,441			1,274,657 *	35
Meters (346)	0				0	36

## Water Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.
- g The treatment plant accounts have changed since 2008 and that they should confirm the dollar amounts are in the right account.
- g [PSC Uniform System of Accounts](#)

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	Retirements During Year (d)	Adjustments Increase or (Decrease) (e)	Balance End of Year (f)	
Hydrants (348)	693,132	26,990			720,122	37
Other Transmission and Distribution Plant (349)	0				0	38
<b>Total Transmission and Distribution Plant</b>	<b>7,961,587</b>	<b>215,280</b>	<b>0</b>	<b>0</b>	<b>8,176,867</b>	<b>39</b>
<b>GENERAL PLANT</b>						<b>40</b>
Land and Land Rights (389)	0				0	41
Structures and Improvements (390)	0				0	42
Office Furniture and Equipment (391)	0				0	43
Computer Equipment (391.1)	0				0	44
Transportation Equipment (392)	1,000				1,000	45
Stores Equipment (393)	0				0	46
Tools, Shop and Garage Equipment (394)	0				0	47
Laboratory Equipment (395)	0				0	48
Power Operated Equipment (396)	0				0	49
Communication Equipment (397)	0				0	50
SCADA Equipment (397.1)	0				0	51
Miscellaneous Equipment (398)	0				0	52
<b>Total General Plant</b>	<b>1,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>53</b>
<b>Total utility plant in service directly assignable</b>	<b>7,962,587</b>	<b>215,280</b>	<b>0</b>	<b>0</b>	<b>8,177,867</b>	<b>54</b>
Common Utility Plant Allocated to Water Department	0				0	55
<b>TOTAL UTILITY PLANT IN SERVICE</b>	<b>7,962,587</b>	<b>215,280</b>	<b>0</b>	<b>0</b>	<b>8,177,867</b>	<b>56</b>

### Water Utility Plant in Service - Plant Financed by Contributions

- g All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (e), Adjustments.
- g Explain fully as a footnote the nature of all entries reported in Column (e), Adjustments.
- g For each account over \$50,000 (class AB) or \$25,000 (class C) or \$10,000 (class D), explain in the footnotes section the dollar additions and retirements. If applicable, the footnotes should cite construction authorization, complete with PSC docket number.
- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.
- g The treatment plant accounts have changed since 2008 and that they should confirm the dollar amounts are in the right account.
- g [PSC Uniform System of Accounts](#)

#### Water Utility Plant in Service - Plant Financed by Contributions (Page W-09)

5 XXJhcbg'Zf'cbYcf'a cfYUWti brg'YI WYX") \$B\$\$zd'YUgYI d'Ujb" ZUdd'JWU'Yzdfcj JXYVtbgfif Wjcb'Ui h cfJnUjcb'UbX'DG7'XcW\_Yh number.

#343 & #345 - Two developments, Nordic Ridge Phase 4 and Abel Court, were accepted in 2021.

### Water Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
<b>SOURCE OF SUPPLY PLANT</b>									1
Structures and Improvements (311)	0							0	2
Collecting and Impounding Reservoirs (312)	0							0	3
Lake, River and Other Intakes (313)	0							0	4
Wells and Springs (314)	438,817	2.90%	17,276					456,093	5
Supply Mains (316)	0							0	6
Other Water Source Plant (317)	0							0	7
<b>Total Source of Supply Plant</b>	<b>438,817</b>		<b>17,276</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>456,093</b>	8
<b>PUMPING PLANT</b>									9
Structures and Improvements (321)	497,817	3.20%	20,628					518,445	10
Other Power Production Equipment (323)	283,758	4.40%						283,758	11
Electric Pumping Equipment (325)	633,009	4.40%	29,497					662,506	12
Diesel Pumping Equipment (326)	0							0	13
Other Pumping Equipment (328)	0							0	14
<b>Total Pumping Plant</b>	<b>1,414,584</b>		<b>50,125</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,464,709</b>	15
<b>WATER TREATMENT PLANT</b>									16
Structures and Improvements (331)	13,296	3.20%	375					13,671	17
Sand or Other Media Filtration Equipment (332)	77,092	3.30%	1,532	1,500				77,124	18
Membrane Filtration Equipment (333)	0							0	19
Other Water Treatment Equipment (334)	0							0	20
<b>Total Water Treatment Plant</b>	<b>90,388</b>		<b>1,907</b>	<b>1,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90,795</b>	21
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>									22
Structures and Improvements (341)	1,611	3.20%						1,611	23
Distribution Reservoirs and Standpipes (342)	527,895	1.90%	25,500					553,395	24
Transmission and Distribution Mains (343)	1,197,985	1.30%	108,639	678	1,475			1,304,471	25
Services (345)	623,832	2.90%	65,140					688,972	26
Meters (346)	350,641	5.50%	50,703	8,009				393,335	27

### Water Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
Hydrants (348)	229,386	2.20%	23,553					252,939	28
Other Transmission and Distribution Plant (349)	1,226	5.00%	590					1,816	29
<b>Total Transmission and Distribution Plant</b>	<b>2,932,576</b>		<b>274,125</b>	<b>8,687</b>	<b>1,475</b>	<b>0</b>	<b>0</b>	<b>3,196,539</b>	30
<b>GENERAL PLANT</b>									31
Structures and Improvements (390)	222,331	2.90%	11,945					234,276	32
Office Furniture and Equipment (391)	35,973	5.80%	2,130	4,779				33,324	33
Computer Equipment (391.1)	24,225	26.70%						24,225 *	34
Transportation Equipment (392)	46,169	11.76%	4,292					50,461	35
Stores Equipment (393)	1,909	5.80%	127					2,036	36
Tools, Shop and Garage Equipment (394)	47,309	5.80%						47,309	37
Laboratory Equipment (395)	0							0	38
Power Operated Equipment (396)	92,193	6.67%	5,566					97,759	39
Communication Equipment (397)	30,681	10.00%						30,681 *	40
SCADA Equipment (397.1)	299,507	9.20%						299,507	41
Miscellaneous Equipment (398)	94	5.80%						94 *	42
<b>Total General Plant</b>	<b>800,391</b>		<b>24,060</b>	<b>4,779</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>819,672</b>	43
<b>Total accum. prov. directly assignable</b>	<b>5,676,756</b>		<b>367,493</b>	<b>14,966</b>	<b>1,475</b>	<b>0</b>	<b>0</b>	<b>6,027,808</b>	44
Common Utility Plant Allocated to Water Department	0							0	45
<b>TOTAL ACCUM, PROV, FOR DEPRECIATION</b>	<b>5,676,756</b>		<b>367,493</b>	<b>14,966</b>	<b>1,475</b>	<b>0</b>	<b>0</b>	<b>6,027,808</b>	46

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### Water Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality

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- g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.
- g If more than one depreciation rate is used, report the average rate in column (c).
- g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

**Water Accumulated Provision for Depreciation - Plant Financed by Utility or Municipality (Page W-10)**

**End of Year Balance is greater than the equivalent Plant in Service (Financed by Utility or Municipality) EOY Balance, please explain.**

391.1, 397 and 398: AD exceeded plant balance in prior years. No new depreciation will be added until new plant is added

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### Water Accumulated Provision for Depreciation - Plant Financed by Contributions

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
<b>SOURCE OF SUPPLY PLANT</b>									1
Structures and Improvements (311)	0							0	2
Collecting and Impounding Reservoirs (312)	0							0	3
Lake, River and Other Intakes (313)	0							0	4
Wells and Springs (314)	0							0	5
Supply Mains (316)	0							0	6
Other Water Source Plant (317)	0							0	7
<b>Total Source of Supply Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	8
<b>PUMPING PLANT</b>									9
Structures and Improvements (321)	0							0	10
Other Power Production Equipment (323)	0							0	11
Electric Pumping Equipment (325)	0							0	12
Diesel Pumping Equipment (326)	0							0	13
Other Pumping Equipment (328)	0							0	14
<b>Total Pumping Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	15
<b>WATER TREATMENT PLANT</b>									16
Structures and Improvements (331)	0							0	17
Sand or Other Media Filtration Equipment (332)	0							0	18
Membrane Filtration Equipment (333)	0							0	19
Other Water Treatment Equipment (334)	0							0	20
<b>Total Water Treatment Plant</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	21
<b>TRANSMISSION AND DISTRIBUTION PLANT</b>									22
Structures and Improvements (341)	0							0	23
Distribution Reservoirs and Standpipes (342)	122,441	1.90%	11,661					134,102	24
Transmission and Distribution Mains (343)	1,426,252	1.30%	71,538					1,497,790	25
Services (345)	667,757	2.90%	36,132					703,889	26
Meters (346)	0							0	27

### Water Accumulated Provision for Depreciation - Plant Financed by Contributions

g Use only the account titles listed. If the utility has subaccounts other than accounts 391.1 and 397.1, combine them into one total and detail by subaccount in a schedule footnote.  
 g If more than one depreciation rate is used, report the average rate in column (c).  
 g Enter depreciation rates in decimal form. For example, enter 6.75% as 0.0675

Primary Plant Accounts (a)	Balance First of Year (b)	Rate % Used (c)	Accruals During Year (d)	Book Cost of Plant Retired (e)	Cost of Removal (f)	Salvage (g)	Adjustments Increase or (Decrease) (h)	Balance End of Year (i)	
Hydrants (348)	274,933	2.20%	15,546					290,479	28
Other Transmission and Distribution Plant (349)	0							0	29
<b>Total Transmission and Distribution Plant</b>	<b>2,491,383</b>		<b>134,877</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,626,260</b>	30
<b>GENERAL PLANT</b>									31
Structures and Improvements (390)	0							0	32
Office Furniture and Equipment (391)	0							0	33
Computer Equipment (391.1)	0							0	34
Transportation Equipment (392)	1,000	10.00%						1,000	35
Stores Equipment (393)	0							0	36
Tools, Shop and Garage Equipment (394)	0							0	37
Laboratory Equipment (395)	0							0	38
Power Operated Equipment (396)	0							0	39
Communication Equipment (397)	0							0	40
SCADA Equipment (397.1)	0							0	41
Miscellaneous Equipment (398)	0							0	42
<b>Total General Plant</b>	<b>1,000</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	43
<b>Total accum. prov. directly assignable</b>	<b>2,492,383</b>		<b>134,877</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,627,260</b>	44
Common Utility Plant Allocated to Water Department	0							0	45
<b>TOTAL ACCUM, PROV, FOR DEPRECIATION</b>	<b>2,492,383</b>		<b>134,877</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,627,260</b>	46

### Age of Water Mains

g If asset management, capital improvement, or other infrastructure-related documents are not available, the utility should consult other potential sources of information: the year the utility was formed, year of initial build-out area, year in which new developments, subdivisions, etc. were added. This information can be used to develop estimated figures.

g If pipe diameter value is between those offered in the column, choose the diameter that is closest to the actual value.

g Report all pipe larger than 12" in diameter in the 12" category.

Pipe Size (a)	Feet of Main											Total (m)	
	pre-1900 (b)	1901-1920 (c)	1920-1940 (d)	1941-1960 (e)	1961-1970 (f)	1971-1980 (g)	1981-1990 (h)	1991-2000 (i)	2001-2010 (j)	2011-2020 (k)	2021-2030 (l)		
4.000	0	11,479	20,679	561	2,044	1,330	344	51	263	172		<b>36,923</b>	1
6.000	0	740	806	2,457	22,298	18,436	1,636	6,086	2,292	2,154	467	<b>57,372</b>	2
8.000		51	1,297	1,665	7,898	33,843	12,433	40,572	11,569	22,445	7,010	<b>138,783</b>	3
10.000		178	99	14	1,745	21,098	13,554	48,837	25,994	23,351	4,592	<b>139,462</b>	4
12.000					1	788		17	4,768	100		<b>5,674</b>	5
<b>Total</b>	<b>0</b>	<b>12,448</b>	<b>22,881</b>	<b>4,697</b>	<b>33,986</b>	<b>75,495</b>	<b>27,967</b>	<b>95,563</b>	<b>44,886</b>	<b>48,222</b>	<b>12,069</b>	<b>378,214</b>	6

Describe source of information used to develop data:  
**GIS Records**

### Sources of Water Supply - Statistics

- g For Raw Water Withdrawn, use metered volume of untreated water withdrawn from the source.
- g For Finished Water Pumped, use metered volume of water pumped, adjusted for known meter errors. Describe known meter errors in Notes Section.
- g If Finished Water is not metered, use Raw Water Withdrawn and subtract estimated water used in treatment.

Month (a)	Sources of Water Supply (000's gal)						Total Gallons Entering Distribution System (h)	
	Raw Water Withdrawn		Finished Water Pumped		Purchased Water (Imported)			
	Ground Water (b)	Surface Water (c)	Ground Water (d)	Surface Water (e)	Ground Water (f)	Surface Water (g)		
January	38,064		38,064				<b>38,064</b>	1
February	38,757		38,757				<b>38,757</b>	2
March	39,926		39,926				<b>39,926</b>	3
April	36,988		36,988				<b>36,988</b>	4
May	40,476		40,476				<b>40,476</b>	5
June	47,500		47,500				<b>47,500</b>	6
July	44,611		44,611				<b>44,611</b>	7
August	43,154		43,154				<b>43,154</b>	8
September	41,894		41,894				<b>41,894</b>	9
October	40,067		40,067				<b>40,067</b>	10
November	36,338		36,338				<b>36,338</b>	11
December	34,911		34,911				<b>34,911</b>	12
<b>TOTAL</b>	<b>482,686</b>	<b>0</b>	<b>482,686</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>482,686</b>	13

## Water Audit and Other Statistics

- g Where possible, report actual metered values. If water uses are not metered, estimate values for each line based on best available information. For assistance, refer to AWWA M36 Manual . Water Audits and Loss Control Programs.
- g For unbilled, unmetered gallons (line 16), include water used for system operation and maintenance and water used for non-regulated sewer utility.
- g If gallons estimated due to theft, data, and billing errors is unknown, multiply net gallons entering distribution system (line 3) by .0025.

Description (a)	Value (b)	
<b>WATER AUDIT STATISTICS</b>		1
Finished Water pumped or purchased (000s)	482,686	2
Less: Gallons (000s) sold to wholesale customers (exported water)	0	3
<b>Subtotal: Net gallons (000s) entering distribution system</b>	<b>482,686</b>	<b>4</b>
Less: Gallons (000s) sold to retail customers (billed, metered)	443159	6
Less: Gallons (000s) sold to retail customers (billed, unmetered)	92	7
<b>Gallons (000s) of Non-Revenue Water</b>	<b>39,435</b>	<b>8</b>
Gallons (000s) of unbilled-metered (including customer use to prevent freezing)	0	9
Gallons (000s) of unbilled-unmetered (including unmetered flushing, fire protection)	7,949	10
<b>Subtotal: Unbilled Authorized Consumption</b>	<b>7,949</b>	<b>11</b>
<b>Total Water Loss</b>	<b>31,486</b>	<b>12</b>
Gallons (000s) estimated due to unauthorized consumption (includes theft) default option		14
Gallons (000s) estimated due to data and billing errors		15
Gallons (000s) estimated due to customer meter under-registration	1,207	16
<b>Subtotal Apparent Losses</b>	<b>1,207</b>	<b>17</b>
Gallons (000s) estimated due to reported leakage (mains, services, hydrants, overflows)	6,125	18
Gallons (000s) estimated due to unreported and background leakage	24,154	19
<b>Subtotal Real Losses (leakage)</b>	<b>30,279</b>	<b>20</b>
Non-Revenue Water as percentage of net water supplied	8%	21
Total Water Loss as percentage of net water supplied	7%	22
<b>OTHER STATISTICS</b>		<b>23</b>
Maximum gallons (000s) pumped by all methods in any one day during reporting year	2,048	24
Date of maximum	09/08/2021	25
Cause of maximum		26
A water tower was painted and needed to be filled after completion. The demanded 600,000 gallons.		27
Minimum gallons (000s) pumped by all methods in any one day during reporting year	683	28
Date of minimum	01/01/2021	29
Total KWH used by the utility (including pumping, treatment facilities and other utility operations)	920,760	30
If water is purchased:		31
Vendor Name		32
Point of Delivery		33
Source of purchased water		34
Vendor Name (2)		35
Point of Delivery (2)		36
Source of purchased water (2)		37
Vendor Name (3)		38
Point of Delivery (3)		39
Source of purchased water (3)		40
Number of main breaks repaired this year	8	41
Number of service breaks repaired this year	3	42
Does the utility have an asset management plan?	Yes	43

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## Water Audit and Other Statistics

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- g Where possible, report actual metered values. If water uses are not metered, estimate values for each line based on best available information. For assistance, refer to AWWA M36 Manual . Water Audits and Loss Control Programs.
- g For unbilled, unmetered gallons (line 16), include water used for system operation and maintenance and water used for non-regulated sewer utility.
- g If gallons estimated due to theft, data, and billing errors is unknown, multiply net gallons entering distribution system (line 3) by .0025.

**Water Audit and Other Statistics (Page W-15)****General Footnote**

Gallons estimated loss due to theft, billing/data errors and meter under registering is using the 0.0025 factor

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### Sources of Water Supply - Well Information

- g Enter characteristics for each of the utility's functional wells (regardless of whether it is in service or not).
- g Do not include abandoned wells on this schedule.
- g All abandoned wells should be retired from the plant accounts and no longer listed in the utility's annual report.
- g Abandoned wells should be permanently filled and sealed per Wisconsin Administrative codes Chapters NR811 and NR812.

Utility Name/ID for Well (a)	DNR Well ID (b)	Depth (feet) (c)	Casing Diameter (inches) (d)	Yield Per Day (gallons) (e)	In Service? (f)	
Well 4	BF551	969	24	1,628,548	Yes	1
Well 5	HR527	1,113	14	1,902,564	Yes	2
Well 6	BF566	1,137	18	1,561,664	Yes	3
Well 7	KW617	1,040	18	1,423,852	Yes	4
				<b>6,516,628</b>		5

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## Sources of Water Supply - Intake Information

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--- THIS SCHEDULE NOT APPLICABLE TO THIS UTILITY---

### Pumping & Power Equipment

Identification (a)	Location (b)	DNR Well Id (c)	Pump				Pump Motor or Standby Engine					
			Primary Purpose (d)	Primary Destinat ion (e)	Year Installed (f)	Type (g)	Actual Capacity (gpm) (h)	Year Installed (i)	Year Actual Capacity Determined (j)	Type (k)	Horse- power (l)	
STAND BY WELL 5	W SOUTH & KING PUMPHOUSE		Standby	Distribution	1989	Other	1,324	1989		Natural Gas	335	1
STAND BY WELL 7	ROBY ROAD		Standby	Distribution	1998	Other	991	1998		Natural Gas	368	2
WELL 4	VAN BUREN/ROBY		Primary	Distribution	1963	Vertical Turbine	1,131	1963		Electric	125	3
WELL 5	W. SOUTH/KING		Primary	Distribution	1977	Vertical Turbine	1,321	1977		Electric	125	4
WELL 6	E. ACADEMY		Primary	Distribution	1986	Vertical Turbine	1,084	1986		Electric	125	5
WELL 7	2001 ROBY RD		Primary	Distribution	1998	Vertical Turbine	988	1998		Electric	125	6

## Reservoirs, Standpipes and Elevated Tanks

g Enter elevation difference between highest water level in Standpipe or Elevated Tank, (or Reservoir only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Facility Name (a)	Facility ID Site Code (b)	Year Constructed (c)	Type (d)	Primary Material (e)	Elevation Difference in Feet (f)	Total Capacity In Gallons (g)	
Reservoir	1	1989	Reservoir	Concrete	0	400,000	1
Tower	2	1977	Elevated Tank	Steel	111	300,000	2
Tower	3	2010	Elevated Tank	Steel	193	600,000	3

### Water Treatment Plant

g Provide a generic description for (a). Do not give specific address of location.  
 g Please select all that apply for (d) and (e). If Other is selected please explain in Notes (h).  
 g Please identify the point of application for each treatment plant for (g). For example, please list each well or central treatment facility served by this unit.

Unit Description (a)	Year Constructed (b)	Rated Capacity (mgd) (c)	Disinfection (d)	Additional Treatment (e)	Fluoridated (f)	Point of Application (g)	Notes (h)
Well 4 Treatment Plant	1963	2	<input type="checkbox"/> Ultraviolet Light <input checked="" type="checkbox"/> Liquid Chlorine <input type="checkbox"/> Gas Chlorine <input type="checkbox"/> Ozone <input type="checkbox"/> Other <input type="checkbox"/> None	<input type="checkbox"/> Flocculation/Sedimentation <input type="checkbox"/> Sand Filtration <input type="checkbox"/> Activated Carbon Filtration <input type="checkbox"/> Membrane Filtration <input type="checkbox"/> Ion Exchange <input type="checkbox"/> Iron/Manganese <input type="checkbox"/> Nitrate Removal <input type="checkbox"/> Radium Removal <input type="checkbox"/> Corrosion <input type="checkbox"/> Other	Yes	Wellhouse	1
Well 5 Treatment Plant	1977	2	<input type="checkbox"/> Ultraviolet Light <input checked="" type="checkbox"/> Liquid Chlorine <input type="checkbox"/> Gas Chlorine <input type="checkbox"/> Ozone <input type="checkbox"/> Other <input type="checkbox"/> None	<input type="checkbox"/> Flocculation/Sedimentation <input type="checkbox"/> Sand Filtration <input type="checkbox"/> Activated Carbon Filtration <input type="checkbox"/> Membrane Filtration <input type="checkbox"/> Ion Exchange <input type="checkbox"/> Iron/Manganese <input type="checkbox"/> Nitrate Removal <input type="checkbox"/> Radium Removal <input type="checkbox"/> Corrosion <input type="checkbox"/> Other	Yes	Wellhouse	2
Well 6 Treatment Plant	1986	2	<input type="checkbox"/> Ultraviolet Light <input checked="" type="checkbox"/> Liquid Chlorine <input type="checkbox"/> Gas Chlorine <input type="checkbox"/> Ozone <input type="checkbox"/> Other <input type="checkbox"/> None	<input type="checkbox"/> Flocculation/Sedimentation <input type="checkbox"/> Sand Filtration <input type="checkbox"/> Activated Carbon Filtration <input type="checkbox"/> Membrane Filtration <input type="checkbox"/> Ion Exchange <input type="checkbox"/> Iron/Manganese <input type="checkbox"/> Nitrate Removal <input type="checkbox"/> Radium Removal <input type="checkbox"/> Corrosion <input type="checkbox"/> Other	Yes	Wellhouse	3
Well 7 Treatment Plant	1998	2	<input type="checkbox"/> Ultraviolet Light <input checked="" type="checkbox"/> Liquid Chlorine <input type="checkbox"/> Gas Chlorine <input type="checkbox"/> Ozone <input type="checkbox"/> Other <input type="checkbox"/> None	<input type="checkbox"/> Flocculation/Sedimentation <input type="checkbox"/> Sand Filtration <input type="checkbox"/> Activated Carbon Filtration <input type="checkbox"/> Membrane Filtration <input type="checkbox"/> Ion Exchange <input type="checkbox"/> Iron/Manganese <input type="checkbox"/> Nitrate Removal <input type="checkbox"/> Radium Removal <input type="checkbox"/> Corrosion <input type="checkbox"/> Other	Yes	Wellhouse	4

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## Water Treatment Plant

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- g Provide a generic description for (a). Do not give specific address of location.
- g Please select all that apply for (d) and (e). If Other is selected please explain in Notes (h).
- g Please identify the point of application for each treatment plant for (g). For example, please list each well or central treatment facility served by this unit.

### Water Mains

- g Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
- g Explain all reported adjustments as a schedule footnote.
- g For main additions reported in column (e), as a schedule footnote:  
 Explain how the additions were funded.  
 Also report the amount assessed and the feet of main recorded under this method.  
 If installed by a developer, explain the basis of recording the cost of the additions, the total amount, and the feet of main recorded under this method.
- g Report all pipe larger than 12" diameter in the 12" category.

Pipe Material (a)	Main Function (b)	Diameter (inches) (c)	Number of Feet			Adjustments Increase or (Decrease) (g)	End of Year (h)	
			First of Year (d)	Added During Year (e)	Retired During Year (f)			
Ductile Iron, Lined (late 1960's to present)	Distribution	4	3,410				<b>3,410</b>	1
Lined Cast Iron (mide-1950's to early 1970)	Distribution	4	34,801				<b>34,801</b>	2
Ductile Iron, Lined (late 1960's to present)	Distribution	6	30,062	267	84		<b>30,245</b>	3
Lined Cast Iron (mide-1950's to early 1970)	Distribution	6	25,469				<b>25,469</b>	4
Ductile Iron, Lined (late 1960's to present)	Distribution	8	121,590	5,139	25		<b>126,704</b>	5
Lined Cast Iron (mide-1950's to early 1970)	Distribution	8	12,495				<b>12,495</b>	6
Ductile Iron, Lined (late 1960's to present)	Distribution	10	134,755	2,403	1,357		<b>135,801</b>	7
Ductile Iron, Lined (late 1960's to present)	Supply	10	170				<b>170</b>	8
HDPE	Distribution	10	580				<b>580</b>	9
Lined Cast Iron (mide-1950's to early 1970)	Distribution	10	1,957				<b>1,957</b>	10
Ductile Iron, Lined (late 1960's to present)	Distribution	12	5,672				<b>5,672</b>	11
<b>Total Within Municipality</b>			<b>370,961</b>	<b>7,809</b>	<b>1,466</b>		<b>377,304</b>	12
<b>Total Utility</b>			<b>370,961</b>	<b>7,809</b>	<b>1,466</b>		<b>377,304</b>	13

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## Water Mains

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- g Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
- g Explain all reported adjustments as a schedule footnote.
- g For main additions reported in column (e), as a schedule footnote:
  - Explain how the additions were funded.
  - Also report the amount assessed and the feet of main recorded under this method.
  - If installed by a developer, explain the basis of recording the cost of the additions, the total amount, and the feet of main recorded under this method.
- g Report all pipe larger than 16" diameter in the 16" category.

### Water Mains (Page W-21)

**Added During Year total is greater than zero, please explain financing following the criteria listed in the schedule headnotes.**

All of the replacements were funded by the utility.

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### Utility-Owned Water Service Lines

- g The utility's service line is the pipe from the main to and through the curb stop.
- g Explain all reported adjustments as a schedule footnote.
- g Report in column (h) the number of utility-owned service lines included in columns (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
- g For service lines added during the year in column (d), as a schedule footnote:
  - Explain how the additions were financed.
  - If assessed against property owners, explain the basis of the assessments.
  - If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of service lines recorded under this method.
  - If any were financed by application of Cz-1, provide the total amount recorded and the number of service lines recorded under this method.
- g Report service lines separately by diameter and pipe materials.

Pipe Material (a)	Diameter (inches) (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	NOT in Use at End of Year (h)	25
Lead	0.750	1		0		1	1	1
Copper	0.750	2				2	1	2
Ductile Iron, Lined (late 1960's to present)	1.000				1	1		3
Lined Cast Iron (mide-1950's to early 1970)	1.000	1			(1)	0		4
Lead	1.000	379		336	(41)	2	2	5
Copper	1.000	3,908	446	16	47	4,385	249	6
Copper	1.250	6				6		7
Copper	1.500	24			3	27		8
Ductile Iron, Lined (late 1960's to present)	2.000	2			(2)	0		9
Copper	2.000	32			2	34	5	10
PVC	2.000				1	1		11
Ductile Iron, Lined (late 1960's to present)	4.000	21			8	29	1	12
Lined Cast Iron (mide-1950's to early 1970)	4.000	37		1	(16)	20	1	13
Copper	4.000	9			(9)	0		14
Ductile Iron, Lined (late 1960's to present)	6.000	92			(26)	66	10	15
Lined Cast Iron (mide-1950's to early 1970)	6.000	68			(43)	25		16
Copper	6.000	15			(14)	1		17
PVC	6.000	2			(1)	1		18
Ductile Iron, Lined (late 1960's to present)	8.000	29	1		(13)	17	2	19
Lined Cast Iron (mide-1950's to early 1970)	8.000	44			(26)	18		20
Copper	8.000	2			(2)	0		21
Ductile Iron, Lined (late 1960's to present)	10.000	2			(1)	1		22
Lined Cast Iron (mide-1950's to early 1970)	10.000	3			(3)	0		23
Copper	12.000	1			(1)	0		24
<b>Utility Total</b>		<b>4,680</b>	<b>447</b>	<b>353</b>	<b>(137)</b>	<b>4,637</b>	<b>272</b>	<b>25</b>

## Utility-Owned Water Service Lines

- g The utility's service line is the pipe from the main to and through the curb stop.
- g Explain all reported adjustments as a schedule footnote.
- g Report in column (h) the number of utility-owned service lines included in columns (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
- g For service lines added during the year in column (d), as a schedule footnote:
  - Explain how the additions were financed.
  - If assessed against property owners, explain the basis of the assessments.
  - If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of service lines recorded under this method.
  - If any were financed by application of Cz-1, provide the total amount recorded and the number of service lines recorded under this method.
- g Report service lines separately by diameter and pipe materials.

### Utility-Owned Water Service Lines (Page W-22)

**Additions are greater than zero, please explain financing by following criteria listed in the schedule headnotes.**

In 2021 these replacements were financed by the utility. In 2022, we will issue debt to reimburse ourselves for the cost of the work related to lead service line replacements. The City of Stoughton committed to being lead free in 2021.

**Adjustments are nonzero for one or more accounts, please explain.**

These are true ups to GIS records. The GIS records are continuously improved and edited for accuracy

**Retirements are greater than zero AND Retirements on both of the Plant in Service schedules (Account 345) are zero, please explain.**

The retirements shown are a result of a city-wide lead service lateral replacement. The GIS records were updated, however the work order remained open at year end for outstanding invoices. The work order will be fully booked to plant accounts in 2022.

### Meters

- g Include in Columns (b-f) meters in stock as well as those in service.
- g Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
- g Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections
- g Totals by size in Column (f) should equal same size totals in Column (s).
- g Explain all reported adjustments as schedule footnote.
- g Do not include station meters in the meter inventory used to complete these tables.

#### Number of Utility-Owned Meters

#### Classification of All Meters at End of Year by Customers

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjust. Increase or Decrease (e)	End of Year (f)	Tested During Year (g)	Residential (h)	Commercial (i)	Industrial (j)	Public Authority (k)	Multifamily Residential (l)	Irrigation (m)	Wholesale (n)	Inter-Departmental (o)	Utility Use (p)	Additional Meters (q)	In Stock (r)	Total (s)		
5/8	4,940		66	64	4,938	12	4,597	279	5	21	12							24	<b>4,938</b>	1
1	107	8	8	(3)	104	12	2	69	4	4	22			2				1	<b>104</b>	2
1 1/2	65		1		64	7		29	2	11	20							2	<b>64</b>	3
2	58	2	1	(3)	56	11		18	4	11	22							1	<b>56</b>	4
3	15			7	22	0		7	2		11			1				1	<b>22</b>	5
4	9		1		8	0		4	2	2									<b>8</b>	6
<b>Total</b>	<b>5,194</b>	<b>10</b>	<b>77</b>	<b>65</b>	<b>5,192</b>	<b>42</b>	<b>4,599</b>	<b>406</b>	<b>19</b>	<b>49</b>	<b>87</b>			<b>3</b>				<b>29</b>	<b>5,192</b>	<b>7</b>

**1. Indicate your residential meter replacement schedule:**

- Meters tested once every 10 years and replaced as needed
  - All meters replaced within 20 years of installation
  - Other schedule as approved by PSC

**2. Indicate the method(s) used to read customer meters**

- Manually - inside the premises or remote register
- Automatic meter reading (AMR), drive or walk by technology, wand or touchpad (# of meter: 5194)
  - Advanced Metering Infrastructure (AMI) - fixed network
  - Other

---

## Meters

---

- g Include in Columns (b-f) meters in stock as well as those in service.
- g Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
- g Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections
- g Totals by size in Column (f) should equal same size totals in Column (s).
- g Explain all reported adjustments as schedule footnote.
- g Do not include station meters in the meter inventory used to complete these tables.

### Meters (Page W-23)

**Adjustments are nonzero for one or more meter sizes, please explain.**

The adjustments were made to match our end of year records.

---

**Wisconsin Administrative Code requires that meters 1 1/2 and 2 inches be tested or replaced every 4 years. You did not meet these requirements. Please explain your program for testing and replacing meters.**

We are up to date, per the testing schedule for each meter.

---

**Wisconsin Administrative Code requires that meters 1 inch or smaller be tested every 10 years or replaced every 20 years. You did not meet these requirements. Please explain your program for testing and replacing meters.**

We are up to date, per the testing schedule for each meter. 5/8" and 1" meters were all replaced in 2005, 2006 and 2007, with a 20 year test cycle. They are not due to be replaced yet.

---

**Wisconsin Administrative Code requires that meters 3 and 4 inches be tested or replaced every 2 years. You did not meet these requirements. Please explain your program for testing and replacing meters.**

Our contractor was unable to test the meters in 2021. They will be tested in 2022.

---

## Hydrants and Distribution System Valves

- g Distinguish between fire and flushing hydrants by lead size.  
 Fire hydrants normally have a lead size of 6 inches or greater.  
 Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
- g Explain all reported adjustments in the schedule footnotes.
- g Report fire hydrants as within or outside the municipal boundaries.
- g Number of hydrants operated during year means: opened and water withdrawn.
- g Number of distribution valves operated during year means: fully opened and closed (exercised).

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire - Outside Municipality	0				0	1
Fire - Within Municipality	679	22	4	1	698	2
<b>Total Fire Hydrants</b>	<b>679</b>	<b>22</b>	<b>4</b>	<b>1</b>	<b>698</b>	<b>3</b>
Flushing Hydrants	0				0	4

NR810.13(2)(a) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of Hydrants operated during year	665
Number of Distribution System Valves end of year	2,044
Number of Distribution Valves operated during Year	489

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## Hydrants and Distribution System Valves

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- g Distinguish between fire and flushing hydrants by lead size.
  - Fire hydrants normally have a lead size of 6 inches or greater.
  - Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
- g Explain all reported adjustments in the schedule footnotes.
- g Report fire hydrants as within or outside the municipal boundaries.
- g Number of hydrants operated during year means: opened and water withdrawn.
- g Number of distribution valves operated during year means: fully opened and closed (exercised).

### Hydrants and Distribution System Valves (Page W-25)

**Adjustments are nonzero for one or more accounts, please explain.**

Adjustment is to true up with plant records.

---

**Retirements are greater than zero AND Retirements on both of the Plant in Service schedules (Account 348) are zero, please explain.**

Retirements will be booked in 2022.

---

### List of All Station and Wholesale Meters

- g Definition of Station Meter is any meter in service not used to measure customer consumption.
- g Definition of Wholesale Meter is any meter used to measure sales to other utilities.
- g Retail customer meters should not be included in this inventory.

Purpose (a)	Meter Size (inches) (b)	Location or Description (c)	Type (d)	Date of Last Meter Test (e)	
Station Meter	8	1215 E Academy St/Well 6	Turbine	09/15/2021	1
Station Meter	10	1324 W South St/Well 5	Turbine	09/15/2021	2
Station Meter	10	2001 Roby Rd/Well 7	Turbine	09/15/2021	3
Station Meter	10	921 N Van Buren St/Well 4	Magnetic	09/15/2021	4

## Water Conservation Programs

- g List all water conservation-related expenditures for the reporting year. Include administrative costs, customer outreach and education, other program costs, and payments for rebates and other customer incentives. Do not include leak detection, other water loss program costs.
- g If the Commission has approved conservation program expenses, these should be charged to Account 186. Otherwise, these expenses are reported in Account 906 on Schedule W-05 (Account 691 for class D utilities).

Item Description (a)	Expenditures (b)	Number of Rebates (c)	Water Savings Gallons (d)	
<b>Administrative and General Expenses</b>				1
Program Administration	0	0	0	2
Customer Outreach & Education	0	0	0	3
Other Program Costs	0	0	0	4
<b>Total Administrative and General Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>
<b>Customer Incentives</b>				6
Residential Toilets	0	0	0	7
Multifamily/Commercial Toilets	0	0	0	8
Faucets	0	0	0	9
Showerheads	0	0	0	10
Clothes Washers	0	0	0	11
Dishwashers	0	0	0	12
Smart Irrigation Controller	0	0	0	13
Commercial Pre-Rinse Spray Valves	0	0	0	14
Cost Sharing Projects (Nonresidential Customers)	0	0	0	15
Customer Water Audits	0	0	0	16
Other Incentives	0	0	0	17
<b>Total Customer Incentives</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18</b>
<b>TOTAL CONSERVATION</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19</b>

## Water Customers Served

- g List the number of customer accounts in each municipality for which your utility provides retail general service. Do not include wholesale customers or fire protection accounts.
- g Per Wisconsin state statute, a city, village, town or sanitary district owning water plant or equipment may serve customers outside its corporate limits, including adjoining municipalities. For purposes of this schedule, customers located ~~within Muni Boundary~~ refers to those located inside the jurisdiction that owns the water utility.

Municipality (a)	Customers End of Year (b)	
Stoughton (City) **	5,077	1
<b>Total - Dane County</b>	<b>5,077</b>	2
<b>Total - Customers Served</b>	<b>5,077</b>	3
<b>Total - Within Muni Boundary **</b>	<b>5,077</b>	4

\*\* = *Within municipal boundary*

### Privately-Owned Water Service Lines

- g The privately owned service line is the pipe from the curb stop to the meter.
- g Explain all reported adjustments in columns(f) as a schedule footnote.
- g Report in column (h) the number of privately-owned service lines included in columns (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
- g Separate reporting of service lines by diameter and pipe material.

Pipe Material (a)	Diameter (inches) (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Customer Owned Service Laterals Not in Use at End of Year (i)	Replaced During Year Using Financial Assistance from Utility (h)	*
Lead	0.750		1	1		0			1
Copper	0.750	2				2	2		2
Unknown - May Contain Lead	0.750	1			1	1			3
Ductile Iron, Lined (late 1960's to present)	1.000		1			1			4
Galvanized	1.000	14	41	48		7			5
Lead	1.000	596		596		0			6
Copper	1.000	3,471	523			3,994	53		7
Other Plastic	1.000	10	133	1		142			8
PVC	1.000		3	1		2			9
Unknown - Does Not Contain Lead	1.000	197			44	241	197		10
Lead	1.250		1	1		0			11
Copper	1.250	6				6			12
Copper	1.500	22	1		4	27			13
Other Plastic	1.500	1				1			14
Unknown - Does Not Contain Lead	1.500	1			(1)	0			15
Lined Cast Iron (mide-1950's to early 1970)	2.000	1			(1)	0			16
Lead	2.000		1	1		0			17
Copper	2.000	24		1	3	26	1		18
Other Plastic	2.000	1			1	2			19
PVC	2.000	2			1	3			20
Unknown - Does Not Contain Lead	2.000	6			(1)	5	5		21
Ductile Iron, Lined (late 1960's to present)	4.000	25			4	29			22
Lined Cast Iron (mide-1950's to early 1970)	4.000	39			(23)	16	2		23
Copper	4.000	3			(1)	2			24
Unknown - Does Not Contain Lead	4.000		3	1		2			25
Ductile Iron, Lined (late 1960's to present)	6.000	97	1		(48)	50			26
Lined Cast Iron (mide-1950's to early 1970)	6.000	59			(34)	25			27
Copper	6.000	3			(3)	0			28
Other Plastic	6.000		2			2			29
PVC	6.000	2			(2)	0			30

## Privately-Owned Water Service Lines

- g The privately owned service line is the pipe from the curb stop to the meter.
- g Explain all reported adjustments in columns(f) as a schedule footnote.
- g Report in column (h) the number of privately-owned service lines included in columns (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
- g Separate reporting of service lines by diameter and pipe material.

Unknown - Does Not Contain Lead	6.000	16		(6)	10	10	31
Ductile Iron, Lined (late 1960's to present)	8.000	28		(14)	14		32
Lined Cast Iron (mide-1950's to early 1970)	8.000	44		(25)	19		33
Unknown - Does Not Contain Lead	8.000	3		(1)	2	2	34
Ductile Iron, Lined (late 1960's to present)	10.000	4		(3)	1		35
Lined Cast Iron (mide-1950's to early 1970)	10.000	1		(1)	0		36
Copper	12.000	1		(1)	0		37
<b>Utility Total</b>		<b>4,680</b>	<b>711</b>	<b>652</b>	<b>(107)</b>	<b>4,632</b>	<b>272</b>
							38

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## Privately-Owned Water Service Lines

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- g The privately owned service line is the pipe from the curb stop to the meter.
- g Explain all reported adjustments in columns(f) as a schedule footnote.
- g Report in column (h) the number of privately-owned service lines included in columns (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
- g Separate reporting of service lines by diameter and pipe material.

### Privately-Owned Water Service Lines (Page W-29)

#### General Footnote

655 Lead Services were replaced using funds from a principle forgiveness loan through the DNR, as well as, AARP funds from the City of Stoughton.

3/4" Lead, 1" Ductile Iron, 1" PVC, 1" Galvanized, 1 1/4" Lead, 2" Lead, 4" Unknown - Does Not Contain Lead, 6" Other Plastic: All additions were to true up the numbers known to be in service. These were determined throughout the year, as we continue to correct our records each year.

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## Water Residential Customer Data – Disconnection, Arrears, and Tax Roll

- g For disconnection notices sent to residential customers for non-payment, report only the 10-day disconnection notice (e.g., printed on bill, separate mailed notice, etc.) for residential customers, and do not count subsequent reminders, such as 5-day notices, door tags or other personal contact attempts.
- g For residential customers, include any account that includes a service being used primarily for residential living, including multifamily residential.
- g For residential arrears, include billed amounts past due and unpaid.

	Description (a)	Amount (b)
<b>Disconnections</b>		
1.	Total number of disconnection notices sent to residential customers for non-payment during the year	2,561
2.	Total number of residential disconnections of service performed for non-payment during the year	27
<b>Arrears</b>		
1.	Total number of residential customers with arrears as of December 31	722
2.	Total dollar amount of residential customer arrears as of December 31	16,974
<b>Tax Roll</b>		
1.	Total number of residential customers with arrears placed on the tax roll	22
2.	Total dollar amount of residential arrears placed on the tax roll	3,230
	<b>Footnotes</b>	<b>No</b>



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Shannon M. Statz  
Stoughton Utilities Finance Manager

Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Execution of the Wisconsin Department of Natural Resources (DNR) Financial Assistance Agreement

As part of Stoughton Utilities 2021 Lead Service Line (LSL) Replacement Project, the utility replaced all known lead service lines throughout the city.

The project included the replacement of private lead service lines at residential properties, with the costs associated with the private replacements paid for using funding provided by the State of Wisconsin Safe Drinking Water Loan Program (SDWLP) with principal loan forgiveness. This funding was received from the SDWLP in September 2021.

The project also included the replacement of public lead service lines owned by Stoughton Utilities; the portion of the service line from the water main to the curb stop located in the public right of way. These costs are not eligible for principal loan forgiveness.

Stoughton Utilities has applied for a loan from the SDWLP in an amount of \$1,659,096 to fund the public costs of the project, pursuant to the DNR Financial Assistance Agreement (FAA). This loan is necessary to reimburse the water utility for funds spent during the project.

The SDWLP loan award has a tentative closing date of August 10, 2022.

We are requesting that the Stoughton Utilities Committee approve the execution of the State of Wisconsin Safe Drinking Water Loan Program Financial Assistance Agreement between the State of Wisconsin Department of Natural Resources and Department of Administration and the City of Stoughton, and recommend execution of the agreement to the Stoughton Common Council.

FINANCIAL ASSISTANCE AGREEMENT (FAA) EXCERPTS

Safe Drinking Water Loan Program  
Project No. 5403-04

Municipality: City of Stoughton

Municipal ID: 13281

Plans and Specifications: Not applicable. Plans and specifications are not reviewed for Lead Service Line projects.

Municipal Meeting Date: July 26, 2022

Loan Closing Date: August 10, 2022

Substantial Completion Date: November 15, 2021

Pledge: Water System Revenue bond with a par amount of \$1,659,096

Priority: Senior-Parity

Interest Rate: 2.145%

Loan Term: 20 years

Estimated First Disbursement: \$1,644,622.66

State of Wisconsin  
Department of Natural Resources  
Bureau of Community Financial Assistance  
101 South Webster Street  
PO Box 7921  
Madison, Wisconsin 53707-7921

Financial Assistance Agreement  
Safe Drinking Water Loan Program  
Form 8700-214 rev 03/21

STATE OF WISCONSIN SAFE DRINKING WATER LOAN PROGRAM

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STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES  
DEPARTMENT OF ADMINISTRATION

and

CITY OF STOUGHTON

—————  
\$1,659,096

FINANCIAL ASSISTANCE AGREEMENT

—————  
Dated as of August 10, 2022  
—————

This constitutes a **Financial Assistance Agreement** under the State of Wisconsin's Safe Drinking Water Loan Program. This agreement is awarded pursuant to ss. 281.59 and 281.61, Wis. Stats. The purpose of this agreement is to award financial assistance from the Safe Drinking Water Loan Program. This agreement also discloses the terms and conditions of this award.

This agreement is only effective when signed by authorized officers of the municipality, the State of Wisconsin Department of Natural Resources, and the State of Wisconsin Department of Administration.

The Department of Natural Resources and the Department of Administration may rescind or terminate this agreement if the municipality fails to comply with the terms and conditions contained within. Any determination or certification made in this agreement by the Department of Natural Resources or the Department of Administration is made solely for the purpose of providing financial assistance under the Safe Drinking Water Loan Program.

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Municipal Identification No. 13281  
Safe Drinking Water Loan Program Project No. 5403-04

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EXHIBIT H	LIST OF FEDERAL LAWS AND AUTHORITIES

WITNESSETH:

WHEREAS, this is a FINANCIAL ASSISTANCE AGREEMENT (the "FAA"), dated August 10, 2022, between the STATE OF WISCONSIN Safe Drinking Water Loan Program (the "SDWLP"), by the Department of Natural Resources (the "DNR") and the Department of Administration (the "DOA"), acting under authority of ss. 281.59 and 281.61, Wis. Stats., as amended (the "Statute"), and the City of Stoughton, a municipality within the meaning of the Statute, duly organized and existing under the laws of the State of Wisconsin (the "Municipality"); and

WHEREAS, the United States, pursuant to the Federal Safe Drinking Water Act Amendments of 1996 (the "Act"), requires each state to establish a drinking water revolving loan fund to be administered by an instrumentality of the state before the state may receive capitalization grants for eligible projects from the United States Environmental Protection Agency (the "EPA"), or any successor which may succeed to the administration of the program established by the Act; and

WHEREAS, the State of Wisconsin, pursuant to the Statute, established the SDWLP to be used in part for purposes of the Act; and

WHEREAS, the State of Wisconsin, pursuant to s. 25.43, Wis. Stats., established a State of Wisconsin Environmental Improvement Fund which includes the SDWLP; and

WHEREAS, DNR and DOA have the joint responsibility to provide SDWLP financial assistance to municipalities for the construction of eligible drinking water projects, all as set forth in the Statute; and

WHEREAS, the Municipality submitted to DNR an application for financial assistance (the "Application") for a project (the "Project"), and DNR has approved the Application and determined the Application meets DNR criteria for Project eligibility established in applicable state statutes and regulations; and

WHEREAS, DNR determined that the Municipality and the Project are not ineligible for financial assistance under s. 281.61(2g), Wis. Stats.; and

WHEREAS, DOA determined the SDWLP will provide financial assistance to the Municipality by making a loan (the "Loan") pursuant to s. 281.59(9), Wis. Stats., for the purposes of that subsection; and

WHEREAS, the Municipality pledged the security, if any, required by DOA, and the Municipality has demonstrated to the satisfaction of DOA the financial capacity to ensure sufficient revenues to operate and maintain the Project for its useful life and to pay debt service on the obligations it issues for the Project; and

WHEREAS, the Municipality certifies to the SDWLP that it has created a dedicated source of revenue, for repayment of the Loan; and

WHEREAS, the Municipality obtained DNR approval of facility plans or engineering reports, and Plans and Specifications or applicable variance dated March 31, 2022 for the Project, subject to the provisions of applicable State environmental standards set forth in law, rules, and regulations;

NOW, THEREFORE, in consideration of the promises and of the mutual representations, covenants, and agreements herein set forth, the SDWLP and the Municipality, each binding itself, its successors, and its assigns, do mutually promise, covenant, and agree as follows:

ARTICLE I  
DEFINITIONS; RULES OF INTERPRETATION

Section 1.01. Definitions The following capitalized terms as used in this FAA shall have the following meanings:

"Act" means the federal Safe Drinking Water Act, 42 U.S.C. 300f to 300j-26.

"American Iron and Steel" means the requirements for using American iron and steel as mandated under EPA's Drinking Water State Revolving Fund program.

"Application" means the written application of the Municipality dated June 29, 2021, for financial assistance under the Statute.

"Bonds" means bonds or notes issued by the State pursuant to the Program Resolution, all or a portion of the proceeds of which shall be applied to make the Loan.

"Business Day" means any day on which State offices are open to conduct business.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor provisions.

"CWFP" means the State of Wisconsin Clean Water Fund Program, established pursuant to ss. 281.58 and 281.59, Wis. Stats., and managed and administered by DNR and DOA.

"DNR" means the State of Wisconsin Department of Natural Resources and any successor entity.

"DOA" means the State of Wisconsin Department of Administration and any successor entity.

"EPA" means the United States Environmental Protection Agency or any successor entity that may succeed to the administration of the program established by the Act.

"FAA" means this Financial Assistance Agreement.

"Final Completion" means the Project construction is complete, DNR or agents thereof have certified that the Project was constructed according to DNR approved Plans and Specifications and that the facilities are operating according to design, and DNR has completed all necessary Project closeout procedures.

"Financial Assistance Agreement" means this Financial Assistance Agreement between the SDWLP by DNR, DOA, and the Municipality, as the same may be amended from time to time in accordance with Section 6.04 hereof.

"Loan" means the loan or loans made by the SDWLP to the Municipality pursuant to this FAA.

"Loan Disbursement Table" means the table, the form of which is included as Exhibit C hereto, with columns for inserting the following information:

- (a) amount of each disbursement,
- (b) date of each disbursement,
- (c) the series of Bonds from which each disbursement is made,
- (d) principal amounts repaid, and
- (e) outstanding principal balance.

"Municipal Obligation Counsel Opinion" means the opinion of counsel satisfactory to DOA, issued in conjunction with the Municipal Obligations, stating that:

(a) this FAA and the performance by the Municipality of its obligations thereunder have been duly authorized by all necessary actions by the governing body of the Municipality, and this FAA has been duly executed and delivered by the Municipality;

(b) the Municipal Obligations have been duly authorized, executed, and delivered by the Municipality and sold to the SDWLP;

(c) each of this FAA and the Municipal Obligations constitutes a legal, valid, and binding obligation of the Municipality, enforceable against the Municipality in accordance with its respective terms (provided that enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that its enforcement may also be subject to the exercise of judicial discretion in appropriate cases);

(d) the Municipal Obligations constitute special obligations of the Municipality secured as to payment of principal, interest, and redemption price by the pledged revenues as set forth therein;

(e) interest on the Municipal Obligations is not included in gross income of the owners thereof for federal income taxation purposes under existing laws, regulations, rulings, and judicial decisions;

(f) the Municipal Obligations are not "arbitrage bonds" within the meaning of Section 148 of the Code and the arbitrage regulations; and

(g) the Municipal Obligations are not "private activity bonds" as defined in Section 141(a) of the Code.

"Municipal Obligation Resolution" means that action taken by the governing body of the Municipality authorizing the issuance of the Municipal Obligations.

"Municipal Obligations" means the bonds or notes issued and delivered by the Municipality to the SDWLP, a specimen copy of which is included in the Municipal Obligations transcript.

"Municipality" means City of Stoughton, a "local governmental unit" within the meaning of the Statute, duly organized and existing under the laws of the State, and any successor entity.

"Parity Obligations" means the Municipality's \$613,751 Waterworks System Revenue Bonds, Series 2010, dated January 27, 2010; its \$2,520,000 Waterworks System Mortgage Revenue Bonds, Series 2016C, dated May 26, 2016; its \$1,825,000 Waterworks System Mortgage Revenue Bonds, Series 2019B, dated November 14, 2019; and any other obligations issued on a parity with the Municipal Obligations pursuant to the restrictive provisions of Section 11 of the Municipal Obligation Resolution.

"Plans and Specifications" means the Project design plans and specifications submitted with the application and the variance granted March 31, 2022 as the same may be amended or modified from time to time in accordance with this FAA.

"Program Resolution" means the Amended and Restated Program Resolution for State of Wisconsin Environmental Improvement Fund Revenue Obligations adopted by the State of Wisconsin Building Commission, as such may from time to time be further amended or supplemented by Supplemental Resolutions in accordance with the terms and provisions of the Program Resolution.

"Progress payments" means payments for work in place and materials or equipment that have been delivered or are stockpiled in the vicinity of the construction site. This includes payments for undelivered

specifically manufactured equipment if: (1) designated in the specifications, (2) could not be readily utilized or diverted to another job, and (3) a fabrication period of more than 6 months is anticipated.

"Project" means the project assigned SDWLP Project No. 5403-04 by DNR, described in the Project Manager Summary Page (Exhibit F), and further described in the DNR approval letter(s) for the Plans and Specifications, or portions thereof, issued under s. 281.41, Wis. Stats.

"Project Costs" means the costs of the Project that are eligible for financial assistance from the SDWLP under the Statute, which are allowable costs under the Regulations, which have been incurred by the Municipality, an estimate of which is set forth in Exhibit A hereto and made a part hereof.

"Regulations" means the Act; chs. NR 108, NR 150, NR 151, NR 166, NR 809, NR 810, and NR 811, Wis. Adm. Code, the regulations of DNR; and ch. Adm. 35, Wis. Adm. Code, the regulations of DOA, adopted pursuant to and in furtherance of the Statute, as such may be adopted or amended from time to time.

"SDWLP" means the State of Wisconsin Safe Drinking Water Loan Program, established pursuant to the Statute and managed and administered by DNR and DOA.

"State" means the State of Wisconsin.

"Statute" means ss. 281.59 and 281.61, Wis. Stats., as amended.

"Substantial Completion" means the date on which construction of the Project is sufficiently complete in accordance with the contract documents so that the owner can occupy and utilize the Project for its intended use.

"Supplemental Resolution" shall have the meaning set forth in the Program Resolution.

"Trustee" means the trustee appointed by the State pursuant to the Program Resolution and any successor trustee.

"User Fees" means fees charged or to be charged to users of the Project or the Water System of which the Project is a part pursuant to the Water Rates or otherwise.

"Water Diversion Permit" means a DNR permit issued to the Municipality under s. 30.18(2), Wis. Stats., to divert water from a stream or lake in Wisconsin.

"Water Rates" means a charge or system of charges levied on users of a water system for the user's proportional share of the revenue requirement of a water system which consists of operation and maintenance expenses, depreciation, taxes, and return on investment.

"Water System" means all structures, conduits, and appurtenances by means of which water is delivered to consumers, except piping and fixtures inside buildings served and service pipes from buildings to street mains.

Section 1.02. Rules of Interpretation Unless the context clearly indicates to the contrary, the following rules shall apply to the context of this FAA:

- (a) Words importing the singular number shall include the plural number and vice versa, and one gender shall include all genders.
- (b) All references herein to particular articles or sections are references to articles or sections of this FAA.

(c) The captions and headings herein are solely for convenience of reference and shall not constitute a part of this FAA, nor shall they affect its meaning, construction, or effect.

(d) The terms "hereby", "hereof", "hereto", "herein", "hereunder", and any similar terms as used in this FAA refer to this FAA in its entirety and not the particular article or section of this FAA in which they appear. The term "hereafter" means after and the term "heretofore" means before the date of delivery of this FAA.

(e) All accounting terms not otherwise defined in this FAA have the meanings assigned to them in accordance with generally accepted accounting principles, and all computations provided for herein shall be made in accordance with generally accepted accounting principles.

ARTICLE II  
REPRESENTATIONS

Section 2.01. Representations of the SDWLP The SDWLP represents and warrants as follows:

- (a) The State is authorized to issue the Bonds in accordance with the Statute and the Program Resolution and to use the proceeds thereof to provide funds for the making of the Loan to the Municipality to undertake and complete the Project.
- (b) The SDWLP has complied with the provisions of the Statute and has full power and authority to execute and deliver this FAA, consummate the transactions contemplated hereby, and perform its obligations hereunder.
- (c) The SDWLP is not in violation of any of the provisions of the Constitution or laws of the State which would affect its powers referred to in the preceding paragraph (b).
- (d) Pursuant to the Statute, the SDWLP is authorized to execute and deliver this FAA, and to take actions and make determinations that are required of the SDWLP under the terms and conditions of this FAA.
- (e) The execution and delivery by the SDWLP of this FAA and the consummation of the transactions contemplated by this FAA shall not violate any indenture, mortgage, deed of trust, note, agreement, or other contract or instrument to which the State is a party, or by which it is bound, or, to the best of the SDWLP's knowledge, any judgment, decree, order, statute, rule, or regulation applicable to the SDWLP; all consents, approvals, authorizations, and orders of governmental or regulatory authorities that are required for the consummation of the transactions contemplated thereby have been obtained.
- (f) To the knowledge of the SDWLP, there is no action, suit, proceeding, or investigation, at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the SDWLP, or, to the knowledge of the SDWLP, any basis therefor, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated hereby or which, in any way, could adversely affect the validity of this FAA or any agreement or instrument to which the State is a party and which is used or contemplated for use in consummation of the transactions contemplated by each of the foregoing.
- (g) The Project is on the DNR funding list for the 2022 state fiscal year.

Section 2.02. Representations of the Municipality The Municipality represents, covenants, and warrants as of the date of this FAA, and with respect to paragraphs (n), (s), and (u), covenants throughout the term of this FAA, as follows:

- (a) The Municipality possesses the legal municipal form of a city under ch. 62, Wis. Stats. The Municipality is located within the State and is a "municipality" within the meaning of the Statute, duly organized and existing under the laws of the State, and has full legal right, power, and authority to:
  - (1) conduct its business and own its properties,
  - (2) enter into this FAA,
  - (3) adopt the Municipal Obligation Resolution,
  - (4) issue and deliver the Municipal Obligations to the SDWLP as provided herein, and
  - (5) carry out and consummate all transactions contemplated by each of the aforesaid documents.

- (b) The Municipality is in compliance with its Water Diversion Permit (if any).
- (c) With respect to the issuance of the Municipal Obligations, the Municipality has complied with the Municipal Obligation Resolution and with all applicable laws of the State.
- (d) The governing body of the Municipality has duly approved the execution and delivery of this FAA and the issuance and delivery of the Municipal Obligations in the aggregate principal amount of \$1,659,096 and authorized the taking of any and all action as may be required on the part of the Municipality and its authorized officers to carry out, give effect to, and consummate the transactions contemplated by each of the foregoing.
- (e) This FAA and the Municipal Obligations have each been duly authorized, executed, and delivered, and constitute legal, valid, and binding obligations of the Municipality, enforceable in accordance with their respective terms.
- (f) To the knowledge of the Municipality, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, before or by any court, public board, or body, threatened against, pending, or affecting the Municipality, or, to the knowledge of the Municipality any basis therefor:
- (1) affecting the creation, organization, or existence of the Municipality or the title of its officers to their respective offices;
  - (2) seeking to prohibit, restrain, or enjoin the execution of this FAA or the issuance or delivery of the Municipal Obligations;
  - (3) in any way contesting or affecting the validity or enforceability of the Municipal Obligation Resolution, the Municipal Obligations, this FAA, or any agreement or instrument relating to any of the foregoing or used or contemplated for use in the consummation of the transactions contemplated by this FAA; or
  - (4) wherein an unfavorable decision, ruling, or finding could adversely affect the transactions contemplated hereby or by the Municipal Obligation Resolution or the Municipal Obligations.
- (g) The Municipality is not in any material respect in breach of or in default under any applicable law or administrative regulation of the State or the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its properties is bound, and no event has occurred that, with the passage of time, the giving of notice, or both, could constitute such a breach or default. The execution and delivery of this FAA, the issuance and delivery of the Municipal Obligations, the adoption of the Municipal Obligation Resolution, and compliance with the respective provisions thereof shall not conflict with, or constitute a breach of or default under, any applicable law or administrative regulation of the State or of the United States, any applicable judgment or decree, or any agreement or other instrument to which the Municipality is a party, or by which it or any of its property is bound.
- (h) The Municipal Obligations constitute validly-issued legally-binding special obligations of the Municipality secured as set forth therein.
- (i) The resolutions of the Municipality accepting the Loan and the Municipal Obligation Resolution have been duly adopted by the Municipality and remain in full force and effect as of the date hereof.
- (j) The Municipality has full legal right and authority, and all necessary permits, licenses, easements, and approvals (other than such permits, licenses, easements, or approvals that are

not by their nature obtainable prior to Substantial Completion of the Project) required as of the date hereof to own the Project, carry on its activities relating thereto, undertake and complete the Project, and carry out and consummate all transactions contemplated by this FAA.

(k) The Municipality represents that it has not made any commitment or taken any action that shall result in a valid claim for any finders' or similar fees or commitments in respect to the issuance and sale of the Municipal Obligations and the making of the Loan under this FAA.

(l) The Project is eligible under s. 281.61(2), Wis. Stats., for financing from the SDWLP, and the Project Costs are equal to or in excess of the principal amount of the Municipal Obligations. The Project has satisfied the requirements of the State Environmental Review Procedures contained in the Regulations. Portions of the Project that are ineligible for financing from the SDWLP are listed within the Project Manager Summary Page attached hereto as Exhibit F. The Municipality intends the Project to be eligible under the Statute throughout the term of this FAA.

(m) All amounts shown in Exhibit A of this FAA are costs of a Project eligible for financial assistance from the SDWLP under the Statute. All proceeds of any borrowing of the Municipality that have been spent and which are being refinanced with the proceeds of the Loan made hereunder have been spent on eligible Project Costs. All Project Costs are reasonable, necessary, and allocable by the Municipality to the Project under generally accepted accounting principles. None of the proceeds of the Bonds shall be used directly or indirectly by the Municipality as working capital or to finance inventory, as opposed to capital improvements.

(n) The Project is and will remain in compliance with all applicable federal, state, and local laws and ordinances (including rules and regulations) relating to zoning, building, safety, and environmental quality. The Municipality has complied with and completed all requirements of DNR necessary to commence construction of the Project prior to the date hereof. The Municipality intends to proceed with due diligence to complete the Project pursuant to Section 4.04 hereof.

(o) The Municipality does not intend to lease the Project or enter into a long-term contract for operation of the Project except as set forth in Exhibit D.

(p) The Municipality shall not take or omit to take any action which action or omission shall in any way cause the proceeds of the Bonds to be applied in a manner contrary to that provided in the Program Resolution.

(q) The Municipality has not taken and shall not take any action, and presently knows of no action that any other person, firm, or corporation has taken or intends to take, that would cause interest on the Municipal Obligations to be includable in the gross income of the owners of the Municipal Obligations for federal income tax purposes. The representations, certifications, and statements of reasonable expectation made by the Municipality as referenced in the Municipal Obligation Counsel Opinion and No Arbitrage Certificate are hereby incorporated by this reference as though fully set forth herein.

(r) Other than (1) "preliminary expenditures" as used in Treas. Regs. 26 CFR 1.150-2 in an amount not exceeding 20% of the principal amount of the Municipal Obligations, or (2) an amount not exceeding the lesser of \$100,000 or 5% of the principal amount of the Municipal Obligations, all of the proceeds of the Bonds loaned to the Municipality (other than refunding proceeds, if any) shall be used for Project Costs paid by the Municipality subsequent to a date which is 60 days prior to the date on which the Municipality adopted a reimbursement resolution pursuant to Treas. Regs. 26 CFR 1.150-2 stating its intent to reimburse other funds of the Municipality used to finance the Project, or subsequent to the issuance date of the Municipal Obligations.

(s) The Municipality represents that it has satisfied and will continue to satisfy all the applicable requirements in ss. 281.61(3), (4), (5), and (8m), Wis. Stats., and ch. NR 166, Wis. Adm. Code.

(t) The Municipality has adopted a rate, charge, or assessment schedule that will generate annually sufficient revenue to pay the principal of and interest on the Municipal Obligations.

(u) The Municipality is in substantial compliance and will remain in substantial compliance with all applicable conditions, requirements, and terms of financial assistance previously awarded through any federal construction grants program, the SDWLP or the CWFPP.

(v) The Municipality has met all terms and conditions contained within and received DNR approval for the Municipality's Plans and Specifications for the Project described in the definitions hereof.

(w) The Municipality represents that it submitted to DNR a bid tabulation for the Project with a recommendation to DNR for review and concurrence. The actual Substantial Completion date of the Project was November 15, 2021.

(x) The Municipality acknowledges that s. 281.59(11)(b), Wis. Stats., and the Program Resolution provide that, if the Municipality fails to repay the Loan when due, the State shall recover amounts due the SDWLP by deducting those amounts from any State payments due the Municipality. State aids information is available on: the Wisconsin Department of Revenue's website at <https://www.revenue.wi.gov/Pages/Report/Shared-Revenue-Estimates.aspx>, and the Wisconsin Department of Transportation's website <https://wisconsindot.gov/Pages/doing-business/local-gov/astnce-pgms/highway/gta.aspx>.

The Municipality acknowledges that ss. 281.59(11)(b) and 70.60, Wis. Stats., and the Program Resolution provide that, if the Municipality fails to repay the Loan when due, the State shall recover amounts due the SDWLP by adding a special charge to the amount of taxes apportioned to and levied upon the county in which the Municipality is located.

(y) The Municipality acknowledges that the State reserves the right upon default by the Municipality hereunder to have a receiver appointed to collect User Fees from the operation of the Municipality's Water System or, in the case of a joint utility system, to bill the users of the Municipality's Water System directly.

(z) The representations of the Municipality in the Application are true and correct as of the date of this FAA and are incorporated herein by reference as if fully set forth in this place.

(aa) There has been no material adverse change in the financial condition or operation of the Municipality or the Project since the submission date of the Application.

(bb) The Municipality submitted a water rate application to the Public Service Commission. This water rate application is for Water Rates that shall generate sufficient revenues, together with other funds available to the Municipality, to pay all costs of operating and maintaining the facilities of the Municipality's entire Water System, in accordance with this FAA. The Municipality implemented the Water Rates upon the Wisconsin Public Service Commission's approval of the rate order.

ARTICLE III  
LOAN PROVISIONS

Section 3.01. Loan Clauses

- (a) Subject to the conditions and in accordance with the terms of this FAA, the SDWLP hereby agrees to make the Loan and the Municipality agrees to accept the Loan. As evidence of the Loan made to the Municipality, the Municipality hereby agrees to sell to the SDWLP Municipal Obligations in the aggregate principal amount of \$1,659,096. The SDWLP shall pay for the Municipal Obligations in lawful money of the United States, which shall be disbursed as provided in this FAA.
- (b) Prior to disbursement, Loan proceeds shall be held by the SDWLP or by the Trustee for the account of the SDWLP. Earnings on undisbursed Loan proceeds shall be for the account of the SDWLP. Loan proceeds shall be disbursed only upon submission by the Municipality of disbursement requests and approval thereof as set forth in Section 3.05 hereof.
- (c) The Loan shall bear interest at the rate of two and 145/1000ths percent (2.145%) per annum, and interest shall accrue and be payable only on Loan proceeds actually disbursed from the date of disbursement until the date such amounts are repaid.
- (d) The Municipal Obligation shall include the Loan Disbursement Table (Exhibit C). The actual dates of disbursements shall be reflected as part of the Municipal Obligations. DOA shall make entries as each disbursement is made and as each principal amount is repaid; the SDWLP and the Municipality agree that such entries shall be mutually binding.
- (e) Upon Final Completion of the Project, DOA may request that the Municipality issue substitute Municipal Obligations in the aggregate principal amount equal to the outstanding principal balance of the Loan.
- (f) The Municipality shall deliver, or cause to be delivered, a Municipal Obligation Counsel Opinion to the SDWLP concurrently with the delivery of the Municipal Obligations.

Section 3.02. Loan Amortization Principal and interest payments on the Loan (and on the Municipal Obligations evidencing the Loan) shall be due on the dates set forth in Exhibit B of this FAA. The payment amounts shown on Exhibit B are for informational purposes only and assume the full amount of the Loan is disbursed to the Municipality on August 10, 2022. It is understood that the actual amount of the Municipality's Loan payments shall be based on the actual dates and amounts of Loan disbursements for the Project. Notwithstanding the foregoing or anything in the Municipal Obligations, the Loan shall be for no longer than twenty (20) years from the date of this FAA and shall mature and be fully amortized not later than twenty (20) years after the original issue date of the Municipal Obligations. Repayment of principal on the Loan shall begin not later than twelve (12) months after the expected or actual Substantial Completion date of the Project.

Section 3.03. Type of Municipal Obligation and Security The Municipality's obligation to meet annual debt service requirements shall be a revenue obligation evidenced by issuance of revenue bonds pursuant to s. 66.0621, Wis. Stats. The security for the Municipality's obligation shall be a pledge of revenues to be derived from the Municipality's Water System, and the Municipality shall agree that, if revenues from the Water System are insufficient to meet annual debt service requirements, the Municipality shall purchase water services in amounts sufficient to meet annual debt service requirements as provided in and set forth in Section 9 of the Municipal Obligation Resolution. The annual revenues net of all current expenses shall be equal to not less than the annual principal and interest requirements on the Municipal Obligations, any Parity Obligations, and any other debt obligations payable from the revenues of the Water System then outstanding, times the greater of (i) 110 percent or (ii) the highest

debt service coverage ratio required with respect to any Parity Obligations, or any other debt obligations payable from the revenues of the Water System then outstanding. As of the date of this FAA, the required debt service coverage ratio is 130 percent; however, this percentage is subject to change as outlined in the prior sentence. The Loan is also secured as provided in Section 3.07 hereof.

#### Section 3.04. Sale and Redemption of Municipal Obligations

(a) Municipal Obligations may not be prepaid without the prior written consent of the SDWLP. The SDWLP has sole discretion to withhold such consent.

(b) The Municipality shall pay all costs and expenses of the SDWLP in effecting the redemption of the Bonds to be redeemed with the proceeds of the prepayment of the Municipal Obligations. Such costs and expenses may include any prepayment premium applicable to the SDWLP and any investment losses incurred or sustained by the SDWLP resulting directly or indirectly from any such prepayment.

(c) Subject to subsection (a), the Municipality may prepay the Loan with any settlements received from any third party relating to the design or construction of the Project.

(d) Prepayments of the Municipal Obligations shall be applied pro rata to all maturities of the Municipal Obligations.

#### Section 3.05. Disbursement of Loan Proceeds

(a) Each disbursement request shall be delivered to DNR. Each request must contain invoices or other evidence acceptable to DNR and DOA that Project Costs for which disbursement is requested have been incurred by the Municipality.

(b) The SDWLP, through its agents or Trustee, plans to make disbursements of Loan proceeds on a semimonthly basis upon approval of each disbursement request by DNR and DOA. Such approval by DNR and DOA may require adjustment and corrections to the disbursement request submitted by the Municipality. The Municipality shall be notified whenever such an adjustment or correction is made by DNR or DOA.

(c) Disbursements made to the Municipality are subject to pre- and post-payment adjustments by DNR or DOA.

(1) If the Loan proceeds are not yet fully disbursed, and SDWLP funds were previously disbursed for costs not eligible for SDWLP funding or not eligible under this FAA, the SDWLP shall make necessary adjustments to future disbursements.

(2) If the Loan proceeds are fully disbursed, including disbursements for any costs not eligible for SDWLP funding or not eligible under this FAA, the Municipality agrees to repay to the SDWLP an amount equal to the non-eligible costs within 60 days of notification by DNR or DOA. The SDWLP shall then apply the amount it receives as a Loan prepayment.

(d) The SDWLP or its agent shall disburse Loan proceeds only to the Municipality's account by electronic transfer of funds. The Municipality hereby covenants that it shall take actions and provide information necessary to facilitate these transfers.

(e) Disbursement beyond ninety-five percent (95%) of the principal amount of the Loan, unless otherwise agreed to by DNR and DOA pursuant to a written request from the Municipality, may be withheld until:

- (1) DNR is satisfied that the Project has been completed in accordance with the Plans and Specifications, and DNR has approved all change orders relating to the Project;
- (2) the Municipality certifies to DNR its acceptance of the Project from its contractors;
- (3) the Municipality certifies in writing to DNR its compliance with applicable Federal requirements (certification must be as prescribed on Exhibit G); and
- (4) DNR certifies in writing to DOA the Municipality's compliance with all applicable requirements of this FAA.

(f) Treas. Regs. 26 CFR § 1.148-6(d)(1)(iii) applies to project expenditures; it states, in part, "An issuer must account for the allocation of proceeds to expenditures not later than 18 months after the later of the date the expenditure is paid or the date the project, if any, that is financed by the issue is placed in service".

### Section 3.06. Remedies

(a) If the Municipality:

- (1) or any authorized representative is not complying with federal or state laws, regulations, or requirements relating to the Project, and following due notice by DNR the Project is not brought into compliance within a reasonable period of time; or
- (2) is not complying with or is in violation of any provision set forth in this FAA; or
- (3) is not in compliance with the Statute or the Regulations;

then DNR may, until the Project is brought into compliance or the FAA non-compliance is cured to the satisfaction of DNR or DOA, impose one (1) or more of the following sanctions:

- (i) Progress payments or disbursements otherwise due the Municipality of up to 20% may be withheld.
- (ii) Project work may be suspended.
- (iii) DNR may request a court of appropriate jurisdiction to enter an injunction or afford other equitable or judicial relief as the court finds appropriate.
- (iv) Other administrative remedies may be pursued.

(b) If the Municipality fails to make any payment when due on the Municipal Obligations or fails to observe or perform any other covenant, condition, or agreement on its part under this FAA for a period of thirty (30) days after written notice is given to the Municipality by DNR, specifying the default and requesting that it be remedied, the SDWLP is provided remedies by law and this FAA. These remedies include, but are not limited to, the following rights:

- (1) Pursuant to s. 281.59(11)(b), Wis. Stats., DOA shall place on file a certified statement of all amounts due the SDWLP under this FAA. DOA may collect all amounts due the SDWLP by deducting those amounts from any State payments due the Municipality, or adding a special charge to the amount of taxes apportioned to and levied upon the county in which the Municipality is located under s. 70.60, Wis. Stats.

(2) The SDWLP may, without giving bond to the Municipality or anyone claiming under it, have a receiver appointed for the SDWLP's benefit of the Project and the Municipality's Water System and of the earnings, income, rents, issues, and profits thereof, with such powers as the court making such appointment shall confer. The Municipality hereby irrevocably consents to such appointment.

(3) In the case of a joint utility system, the SDWLP may bill the users of the Municipality's system directly.

(4) The SDWLP may declare the principal amount of the Municipal Obligations immediately due and payable.

(5) The SDWLP may enforce any right or obligation under this FAA, including the right to seek specific performance or mandamus, whether such action is at law or in equity.

(6) The SDWLP may increase the interest rate set forth in Section 3.01 hereof to the market interest rate as defined in the Statute and Regulations.

Section 3.07. Security for the Loan In accordance with the terms of the Municipal Obligation Resolution:

(a) as security for the Loan hereunder, the Municipality hereby pledges the revenue to be derived from the Municipality's Water Rates (which is a dedicated source of revenue); and

(b) other than as already pledged to the outstanding Parity Obligations, the Municipality shall not pledge the revenues, except as provided in Section 11 of the Municipal Obligation Resolution, to be derived from the Municipality's Water Rates or other revenues pledged under Section 3.07(a) above, to any person other than the SDWLP, unless the revenues pledged to such other person meet the highest debt coverage ratio then applicable to the Municipality.

Section 3.08. Effective Date and Term This FAA shall become effective upon its execution and delivery by the parties hereto, shall remain in full force and effect from such date, and shall expire on such date as the Municipal Obligations shall be discharged and satisfied in accordance with the provisions thereof.

ARTICLE IV  
CONSTRUCTION OF THE PROJECT

Section 4.01. Insurance The Municipality agrees to maintain property and liability insurance for the Water System and Project that is reasonable in amount and coverage and that is consistent with prudent municipal insurance practices for the term of the Loan. The Municipality agrees to provide written evidence of insurance coverage to the SDWLP upon request at any time during the term of the Loan.

In the event the Water System or Project is damaged or destroyed, the Municipality agrees to use the proceeds from its insurance coverage either to repay the Loan or to repair or replace the Water System.

Section 4.02. Construction of the Project

(a) The Municipality shall construct the Project, or cause it to be constructed, to Final Completion in accordance with the Application and the Plans and Specifications. The Municipality shall proceed with the acquisition and construction of the Project in conformity with law and with all applicable requirements of governmental authorities having jurisdiction with respect thereto, subject to such modifications of Plans and Specifications that alter the cost of the Project, use of space, Project scope, or functional layout, as may be previously approved by DNR.

(b) During construction of the Project, if the Municipality replaces a lead service line in the Water System that results in creation of a partial lead service line due to the private portion of the service line also containing lead, or containing galvanized iron or galvanized steel, the SDWLP shall not provide funding for any Project work on the city block on which the partial lead service line was created.

(c) If a lead service line, including both the public portion and the private portion of the line, cannot be replaced in its entirety all at one time, the Municipality shall supply water filters to any affected homes to minimize any harmful effects. The Municipality shall attempt to replace a service line in its entirety within 45 days of the start of construction on the lead service line. In no case shall the full replacement period exceed 180 days.

Section 4.03. Performance Bonds The Municipality shall provide, or cause to be provided, performance bonds assuring the performance of the work to be performed under all construction contracts entered into with respect to the Project. All performance bonds required hereunder shall be issued by independent surety companies authorized to transact business in the State.

Section 4.04. Completion of the Project

(a) The Municipality agrees that it shall undertake and complete the Project for the purposes and in the manner set forth in this FAA and in accordance with all federal, state, and local laws, ordinances, and regulations applicable thereto. The Municipality shall, with all practical dispatch and in a sound and economical manner, complete or cause to be completed the acquisition and construction of the Project and do all other acts necessary and possible to entitle it to receive User Fees with respect to the Project at the earliest practicable time. The Municipality shall obtain all necessary approvals from any and all governmental agencies prior to construction which are requisite to the Final Completion of the Project.

(b) The Municipality shall notify DNR of the Substantial Completion of the Project. The Municipality shall cause to be prepared as-built plans for the Project at or prior to completion thereof.

(c) The Municipality shall take and institute such proceedings as shall be necessary to cause and require all contractors and material suppliers to complete their contracts diligently and in accordance with the terms of the contracts including, without limitation, the correcting of defective work.

(d) Upon Final Completion of the Project in accordance with the Plans and Specifications, the Municipality shall:

- (1) certify to DNR its acceptance of the Project from its contractors, subject to claims against contractors and third parties;
- (2) complete and deliver to DNR the completed Contract Utilization of Disadvantaged Business Enterprises (DBE) form attached hereto as Exhibit E of this FAA;
- (3) prepare and deliver to DNR the completed Federal Requirements Compliance Certification attached hereto as Exhibit G of this FAA;
- (4) certify compliance with Section 4.02 of this FAA; and
- (5) obtain all required permits and authorizations from appropriate authorities, if required, for operation and use of the Project.

#### Section 4.05. Payment of Additional Project Costs

(a) In the event of revised eligibility determinations, cost overruns, and amendments exceeding the Loan amount, the SDWLP may allocate additional financial assistance to the Project. The allocation of additional financial assistance may be in the form of a loan at less than the market interest rate, which is established pursuant to the Statute and Regulations. The allocation of additional financial assistance shall depend upon availability of funds, pursuant to the Statute and the Regulations.

(b) In the event Loan proceeds are not sufficient to pay the costs of the Project in full, the Municipality shall nonetheless complete the Project and pay that portion of the Project Costs as may be in excess of available Loan proceeds, and shall not be entitled to any reimbursement therefor from the SDWLP, or the owners of any Bonds, except from the proceeds of additional financing which may be provided by the SDWLP pursuant to an amendment to this FAA or through a separate financial assistance agreement.

Section 4.06. No Warranty Regarding Condition, Suitability, or Cost of Project Neither the SDWLP, DOA, DNR, nor the Trustee makes any warranty, either express or implied, as to the Project or its condition, or that it shall be suitable for the Municipality's purposes or needs, or that the proceeds of the Loan shall be sufficient to pay the costs of the Project. Review or approval of engineering reports, facilities plans, Plans and Specifications, or other documents, or the inspection of Project construction by DNR, does not relieve the Municipality of its responsibility to properly plan, design, build, and effectively operate and maintain the Project as required by laws, regulations, permits, and good management practices. DNR or its representatives are not responsible for increased costs resulting from defects in the Plans and Specifications or other Project documents. Nothing in this section prohibits a Municipality from requiring more assurances, guarantees, or indemnity or other contractual requirements from any party performing Project work.

ARTICLE V  
COVENANTS

Section 5.01. Application of Loan Proceeds The Municipality shall apply the proceeds of the Loan solely to Project Costs.

Section 5.02. Operation and Maintenance

(a) After completion of the Project, the Municipality shall:

(1) at all times operate the Project or otherwise cause the Project to be operated properly and in a sound and economical manner, including proper training of personnel;

(2) maintain, preserve, and keep the Project or cause the Project to be maintained, preserved, and kept in good repair, working order, and condition; and

(3) periodically make, or cause to be made, all necessary and proper repairs, replacements, and renewals so that at all times the operation of the Project may be properly conducted in a manner that is consistent with the Project performance standards contained in the Application and the requirements of the Water Diversion Permit (if any).

(b) So long as the Loan is outstanding, the Municipality shall not, without the approval of DNR, discontinue operation of, sell, or otherwise dispose of the Water System or Project, except for portions of the Water System sold or otherwise disposed of in the course of ordinary repair and replacement of parts.

Section 5.03. Compliance with Law At all times during construction of the Project and operation of the Water System, the Municipality shall comply with all applicable federal, state, and local laws, ordinances, rules, regulations, permits, and approvals, and with this FAA, including, without limitation, the Statute, the Regulations, and the Water Diversion Permit (if any).

Section 5.04. Public Ownership The Municipality shall at all times retain ownership of the Project and the Water System of which it is a part.

Section 5.05. Establishment of Project Accounts; Audits

(a) The Municipality shall maintain Project accounts in accordance with generally accepted accounting principles (GAAP), including standards relating to the reporting of infrastructure assets and directions issued by the SDWLP. Without any request the Municipality shall furnish to DOA as soon as available, and in any event within one hundred eighty (180) days after the close of each fiscal year, a copy of the audit report for such year and accompanying GAAP-based financial statements for such period, as examined and reported by independent certified public accountants of recognized standing selected by the Municipality and reasonably satisfactory to DOA, whose reports shall indicate that the accompanying financial statements have been prepared in conformity with GAAP and include standards relating to the reporting of infrastructure assets.

(b) The Municipality shall maintain a separate account that reflects the receipt and expenditure of all SDWLP funds for the Project. All Loan proceeds shall be credited promptly upon receipt thereof and shall be reimbursement for or expended only for Project Costs. The Municipality shall: permit any authorized representative of DNR or DOA, or agents thereof, the right to review or audit all records relating to the Project or the Loan; produce, or cause to be produced, all records relating to any work performed under the terms of this FAA for examination at such times as may be

designated by any of them; permit extracts and copies of the Project records to be made by any of them; and fulfill information requests by any of them.

Section 5.06. Records The Municipality shall retain all files, books, documents, and records relating to construction of the Project for at least three years following the date of Final Completion of the Project, or for longer periods if necessary due to any appeal, dispute, or litigation. All other files and records relating to the Project shall be retained so long as this FAA remains in effect. As-built plans for the Project shall be retained for the useful life of the Project.

Section 5.07. Project Areas The Municipality shall permit representatives of DNR access to the Project and related records at all reasonable times, include provisions in all contracts permitting such access during construction and operation of the Water System, and allow extracts and copies of Project records to be made by DNR representatives.

Section 5.08. Engineering Inspection The Municipality shall provide competent and adequate inspection of all Project construction under the direction of a professional engineer licensed in the State. The Municipality shall direct such engineer to inspect work necessary for the construction of the Project and to determine whether such work has been performed in accordance with the Plans and Specifications. Any such work not in accordance with the Plans and Specifications shall be remedied, unless such noncompliance is waived by DNR.

Section 5.09. Tax Covenants

(a) The Municipality covenants and agrees that it shall not take any action, or omit to take any action, which action or omission would result in the loss of the exclusion of the interest on any Municipal Obligations now or hereafter issued from gross income for purposes of federal income taxation as that status is governed by Section 103(a) of the Code or any successor provision.

(b) The Municipality shall not take any action, or omit to take any action, which action or omission would cause its Municipal Obligations to be "private activity bonds" within the meaning of Section 141(a) of the Code or any successor provision.

(c) The Municipality shall not directly or indirectly use, or permit the use of, any proceeds of the Bonds (or amounts replaced with such proceeds) or any other funds, or take any action, or omit to take any action, which use or action or omission would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code or any successor provision. The Municipality hereby further covenants to ensure that all amounts actually received by such Municipality from the SDWLP are advanced within three Business Days to the entity submitting the invoice (or to reimburse the Municipality) to which each amount relates, and that all amounts actually received by such Municipality from the SDWLP shall not be invested in any interest-bearing account.

(d) The Municipality shall not use (directly or indirectly) the proceeds of the Bonds in any manner that would constitute an "advance refunding" within the meaning of Section 149(d)(2) of the Code or any successor provision. Without limiting the foregoing, any proceeds of the Bonds used to repay interim or other prior financing of Project Costs will be applied within three (3) Business Days of receipt of the proceeds to the payment of principal of such financing.

Section 5.10. User Fee Covenant

(a) The Municipality hereby certifies that it has adopted and shall charge User Fees with respect to the Project in accordance with applicable laws and the Statute and in amounts such that revenues of the Municipality with respect to the Project shall be sufficient, together with other funds available to the Municipality for such purposes, to pay all costs of operating and

maintaining the Project in accordance with this FAA and to pay all amounts due under this FAA and the Municipal Obligations.

(b) The Municipality covenants that it shall adopt and shall adequately maintain for the design life of the Project a system of User Fees with respect to the Project. The Municipality covenants that it shall, from time to time, revise and charge User Fees with respect to the Project such that the revenues and funds described in paragraph (a) shall be sufficient to pay the costs described in paragraph (a).

Section 5.11. Notice of Impaired System The Municipality shall promptly notify DNR and DOA in the case of: any material damage to or destruction of the Project or any part thereof; any actual or threatened proceedings for the purpose of taking or otherwise affecting by condemnation, eminent domain, or otherwise, all or a part of the Water System; or any action, suit, or proceeding at law or in equity, or by or before any governmental instrumentality or agency, or any other event which may impair the ability of the Municipality to construct the Project, operate the Water System, or set and collect User Fees as set forth in Section 5.10.

Section 5.12. Hold Harmless The Municipality shall save, keep harmless, and defend DNR and DOA, and all their officers, employees, and agents, against any and all liability, claims, and costs of whatever kind and nature for injury to or death of any person or persons and for loss or damage to any property occurring in connection with or in any way incident to or arising out of the construction, occupancy, use, service, operation, or performance of work in connection with the Project, the Water System, or acts or omissions of the Municipality's employees, agents, or representatives.

Section 5.13. Nondiscrimination Covenant

(a) In connection with the Project, the Municipality agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but is not limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Municipality agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provision of the nondiscrimination clause.

(b) The Municipality shall incorporate the following provision into all Project contracts which have yet to be executed: "In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant because of age, race, religion, color, handicap, sex, physical condition, developmental disability, or national origin. The contractor further agrees to comply with fair employment practices pursuant to subchapter II of ch. 111, Wis. Stats. This provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor further agrees to take affirmative action to ensure equal employment opportunities for persons with disabilities. The contractor agrees to post in conspicuous places, available for employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause."

Section 5.14. Employees The Municipality or its employees or agents are not employees or agents of the DNR or DOA for any purpose including worker's compensation.

Section 5.15. Adequate Funds The Municipality shall have sufficient funds available to repay the Loan. The Municipality shall have sufficient funds available when construction of the Project is completed to ensure effective operation and maintenance of the Project for purposes constructed.

Section 5.16. Management The Municipality shall provide and maintain competent and adequate management, supervision, and inspection at the construction site to ensure that the completed work conforms with the Plans and Specifications. The Municipality shall furnish progress reports and such other information as DNR may require.

Section 5.17. Reimbursement Any disbursement made under the Loan to the Municipality in excess of the amount determined by final audit to be due the Municipality shall be reimbursed to DOA within 60 days after DNR or DOA provides a notice stating the amount of excess funds disbursed.

Section 5.18. Unpaid User Fees The Municipality shall, to the fullest extent permitted by law, take all actions necessary to certify any unpaid User Fees to the county treasurer in order that such unpaid User Fees shall be added as a special charge to the property tax bill of the user.

Section 5.19. Rebates The Municipality agrees to pay to the SDWLP any refunds, rebates, credits, or other amounts received for Project Costs for which disbursement of funds has already been made by the SDWLP. The SDWLP shall then apply the amount it receives as a Loan prepayment.

Section 5.20. Maintenance of Legal Existence

(a) Except as provided in par. (b), the Municipality shall maintain its legal existence and shall not dissolve or otherwise dispose of all or substantially all of its assets and shall not consolidate with or merge into another legal entity.

(b) A Municipality may consolidate with or merge into any other legal entity, dissolve or otherwise dispose of all of its assets or substantially all of its assets, or transfer all or substantially all of its assets to another legal entity (and thereafter be released of all further obligation under this FAA and the Municipal Obligations) if:

- (1) the resulting, surviving, or transferee legal entity is a legal entity established and duly existing under the laws of Wisconsin;
- (2) such resulting, surviving, or transferee legal entity is eligible to receive financial assistance under the Statute;
- (3) such resulting, surviving, or transferee legal entity expressly assumes in writing all of the obligations of the Municipality contained in this FAA and the Municipal Obligations and any other documents the SDWLP deems reasonably necessary to protect its environmental and credit interests; and
- (4) the SDWLP consents in writing to such transaction, which consent may be withheld in the absolute discretion of the SDWLP.

Section 5.21. Wage Rate Requirements The Municipality represents that it shall comply with Section 1450(e) of the Act (42 USC 300j-9(e)), which requires that all laborers and mechanics employed by contractors and subcontractors funded directly by, or assisted in whole or in part with, funding under the Loan shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor (DOL) in accordance with subchapter IV of chapter 31 of title 40, United States Code.

Section 5.22. American Iron and Steel The Municipality agrees to comply with requirements for use of American Iron and Steel contained in Public Law 115-141 for products used in the Project that are made primarily of iron and/or steel.

Section 5.23. Federal Single Audit At the time of signing of this FAA, the funds awarded to the Municipality for this Project are considered to be subject to federal single audit requirements, but such consideration may change subsequent to this FAA if any changes are made to federal single audit requirements applicable to municipalities. To the extent applicable, the Municipality shall comply with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Rewards (Uniform Guidance) For auditor's reference, the SDWLP Project falls under Catalog of Federal Domestic Assistance number 66.468

Section 5.24. Federal Equivalency Project The Municipality covenants that the Project shall comply with federal requirements applicable to activities supported with federal funds, a list of which is included as Exhibit H of this FAA.

ARTICLE VI  
MISCELLANEOUS

Section 6.01. Notices All notices, certificates, or other communications hereunder shall be sufficiently given, and shall be deemed given, when hand delivered or mailed by registered or certified mail, postage prepaid, return receipt requested to the addresses set forth below:

- (a) DEPARTMENT OF ADMINISTRATION  
OFFICE OF CAPITAL FINANCE  
SAFE DRINKING WATER LOAN PROGRAM  
101 EAST WILSON STREET 10TH FLOOR  
MADISON WI 53702-0004  
OR  
PO BOX 7864  
MADISON WI 53707-7864
  
- (b) DEPARTMENT OF NATURAL RESOURCES  
BUREAU OF COMMUNITY FINANCIAL ASSISTANCE  
101 SOUTH WEBSTER STREET CF/2  
MADISON WI 53702-0005  
OR  
PO BOX 7921  
MADISON WI 53707-7921
  
- (c) US BANK CORP TRUST  
MATTHEW HAMILTON EP-MN-WS3T  
60 LIVINGSTON AVENUE  
ST PAUL MN 55101-2292
  
- (d) CITY OF STOUGHTON  
207 SOUTH FORREST STREET  
STOUGHTON WI 53589

Any of the foregoing parties may designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent, by notice in writing given to the others. Any notice herein shall be delivered simultaneously to DNR and DOA.

Section 6.02. Binding Effect This FAA shall be for the benefit of, and shall be binding upon, the SDWLP and the Municipality and their respective successors and assigns.

Section 6.03. Severability In the event any provision of this FAA shall be held illegal, invalid, or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable, or otherwise affect any other provision hereof.

Section 6.04. Amendments, Supplements, and Modifications This FAA may be amended, supplemented, or modified to provide for additional loans for the Project by the SDWLP to the Municipality or for other purposes. All amendments, supplements, and modifications shall be in writing between the SDWLP (by DNR and DOA acting under authority of the Statute) and the Municipality.

Section 6.05. Execution in Counterparts This FAA may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same instrument.

Section 6.06. Applicable Law This FAA shall be governed by and construed in accordance with the laws of the State, including the Statute.

Section 6.07. Benefit of Financial Assistance Agreement This FAA is executed, among other reasons, to induce the purchase of the Municipal Obligations. Accordingly, all duties, covenants, obligations, and agreements of the Municipality herein contained are hereby declared to be for the benefit of, and are enforceable by, the SDWLP, the Trustee, or their authorized agents.

Section 6.08. Further Assurances The Municipality shall, at the request of DNR and DOA, authorize, execute, acknowledge, and deliver such further resolutions, conveyances, transfers, assurances, financing statements, and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning, and confirming the rights, security interests, and agreements granted or intended to be granted by this FAA and the Municipal Obligations.

Section 6.09. Assignment of Municipal Obligations The Municipality hereby agrees that the Municipal Obligations may be sold, transferred, pledged, or hypothecated to any third party without the consent of the Municipality.

Section 6.10. Covenant by Municipality as to Compliance with Program Resolution The Municipality covenants and agrees that it shall comply with the provisions of the Program Resolution with respect to the Municipality and that the Trustee and the owners of the Bonds shall have the power and authority provided in the Program Resolution. The Municipality further agrees to aid in the furnishing to DNR, DOA, or the Trustee of opinions that may be required under the Program Resolution.

Section 6.11. Termination This FAA may be terminated in whole or in part pursuant to one or more of the following:

- (a) The SDWLP and the Municipality may enter into an agreement to terminate this FAA at any time. The termination agreement shall establish the effective date of termination of this FAA, the basis for settlement of termination costs, and the amount and date of payment of any sums due either party.
- (b) If the Municipality wishes to unilaterally terminate all or any part of the Project work for which financial assistance has been awarded, the Municipality shall promptly give written notice to DNR. If the SDWLP determines that there is a reasonable basis for the requested termination, the SDWLP may enter into a termination agreement, including provisions for FAA termination costs, effective with the date of cessation of the Project work by the Municipality. If the SDWLP determines that the Municipality has ceased work on the Project without reasonable basis, the SDWLP may unilaterally terminate financial assistance or rescind this FAA.

Section 6.12. Rescission The SDWLP may rescind this FAA prior to the first disbursement of any funds hereunder if it determines that:

- (a) there has been substantial non-performance of the Project work by the recipient without justification under the circumstances;
- (b) there is substantial evidence this FAA was obtained by fraud;
- (c) there is substantial evidence of gross abuse or corrupt practices in the administration of the Project;
- (d) the Municipality has failed to comply with the covenants contained in this FAA; or
- (e) any of the representations of the Municipality contained in this FAA were false in any material respect.

IN WITNESS WHEREOF, the SDWLP and the Municipality have caused this FAA to be executed and delivered, as of the date and year first written above.

CITY OF STOUGHTON

By: \_\_\_\_\_  
Timothy B. Swadley  
Mayor

Attest: \_\_\_\_\_  
Candee J. Christen  
City Clerk

STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION

By: \_\_\_\_\_  
Authorized Officer

STATE OF WISCONSIN  
DEPARTMENT OF NATURAL RESOURCES

By: \_\_\_\_\_  
Authorized Officer

EXHIBIT A  
PROJECT BUDGET SHEET

CITY OF STOUGHTON  
SDWLP Project No. 5403-04

	<b>Total Project Costs</b>	<b>Ineligible Costs Paid by Municipality</b>	<b>Private-Side LSL Replacement Loan #5403-02</b>	<b>SDWLP Loan #5403-04</b>
Force Account	65,456	58,670	0	6,786
Interim Financing Costs	0	0	0	0
Preliminary Engineering	70,000	18,458	0	51,542
Land or Easement Acquisition	0	0	0	0
Engineering/Construction Mgmt.	190,000	49,376	0	140,624
Construction/Equipment	4,615,800	40,175	2,981,525	1,594,100
Contingency	200,914	0	414,695	(213,781)
Miscellaneous Costs	148,199	80,374	0	67,825
Closing Costs	12,000	0	0	12,000
<b>Total</b>	<b>\$5,302,369</b>	<b>\$247,053</b>	<b>\$3,396,220</b>	<b>\$1,659,096</b>

**City of Stoughton, Wisconsin**

**Exhibit B**

Project # 5403-04 Safe Drinking Water Loan Program

Loan Closing Date:

**August 10, 2022**

<u>Payment Date</u>	<u>Principal Payment</u>	<u>Interest Rate</u>	<u>Interest Payment</u>	<u>Principal &amp; Interest</u>	<u>Bond Year Debt Service</u>	<u>Calendar Year Debt Service</u>
1-Nov-22	0.00	2.145%	8,007.21	8,007.21	0.00	8,007.21
1-May-23	67,302.58	2.145%	17,793.80	85,096.38	93,103.59	0.00
1-Nov-23	0.00	2.145%	17,071.98	17,071.98	0.00	102,168.36
1-May-24	68,746.22	2.145%	17,071.98	85,818.20	102,890.18	0.00
1-Nov-24	0.00	2.145%	16,334.68	16,334.68	0.00	102,152.88
1-May-25	70,220.83	2.145%	16,334.68	86,555.51	102,890.19	0.00
1-Nov-25	0.00	2.145%	15,581.56	15,581.56	0.00	102,137.07
1-May-26	71,727.06	2.145%	15,581.56	87,308.62	102,890.18	0.00
1-Nov-26	0.00	2.145%	14,812.29	14,812.29	0.00	102,120.91
1-May-27	73,265.61	2.145%	14,812.29	88,077.90	102,890.19	0.00
1-Nov-27	0.00	2.145%	14,026.52	14,026.52	0.00	102,104.42
1-May-28	74,837.15	2.145%	14,026.52	88,863.67	102,890.19	0.00
1-Nov-28	0.00	2.145%	13,223.89	13,223.89	0.00	102,087.56
1-May-29	76,442.41	2.145%	13,223.89	89,666.30	102,890.19	0.00
1-Nov-29	0.00	2.145%	12,404.04	12,404.04	0.00	102,070.34
1-May-30	78,082.10	2.145%	12,404.04	90,486.14	102,890.18	0.00
1-Nov-30	0.00	2.145%	11,566.61	11,566.61	0.00	102,052.75
1-May-31	79,756.96	2.145%	11,566.61	91,323.57	102,890.18	0.00
1-Nov-31	0.00	2.145%	10,711.22	10,711.22	0.00	102,034.79
1-May-32	81,467.75	2.145%	10,711.22	92,178.97	102,890.19	0.00
1-Nov-32	0.00	2.145%	9,837.48	9,837.48	0.00	102,016.45
1-May-33	83,215.23	2.145%	9,837.48	93,052.71	102,890.19	0.00
1-Nov-33	0.00	2.145%	8,944.99	8,944.99	0.00	101,997.70
1-May-34	85,000.20	2.145%	8,944.99	93,945.19	102,890.18	0.00
1-Nov-34	0.00	2.145%	8,033.37	8,033.37	0.00	101,978.56
1-May-35	86,823.46	2.145%	8,033.37	94,856.83	102,890.20	0.00
1-Nov-35	0.00	2.145%	7,102.19	7,102.19	0.00	101,959.02
1-May-36	88,685.82	2.145%	7,102.19	95,788.01	102,890.20	0.00
1-Nov-36	0.00	2.145%	6,151.03	6,151.03	0.00	101,939.04
1-May-37	90,588.13	2.145%	6,151.03	96,739.16	102,890.19	0.00
1-Nov-37	0.00	2.145%	5,179.47	5,179.47	0.00	101,918.63
1-May-38	92,531.24	2.145%	5,179.47	97,710.71	102,890.18	0.00
1-Nov-38	0.00	2.145%	4,187.07	4,187.07	0.00	101,897.78
1-May-39	94,516.04	2.145%	4,187.07	98,703.11	102,890.18	0.00
1-Nov-39	0.00	2.145%	3,173.39	3,173.39	0.00	101,876.50
1-May-40	96,543.41	2.145%	3,173.39	99,716.80	102,890.19	0.00
1-Nov-40	0.00	2.145%	2,137.96	2,137.96	0.00	101,854.76
1-May-41	98,614.26	2.145%	2,137.96	100,752.22	102,890.18	0.00
1-Nov-41	0.00	2.145%	1,080.32	1,080.32	0.00	101,832.54
1-May-42	100,729.54	2.145%	1,080.32	101,809.86	102,890.18	101,809.86
Totals	1,659,096.00		388,921.13	2,048,017.13	2,048,017.13	2,048,017.13
			Net Interest Rate	2.1450%		
			Bond Years	18,131.5231		
			Average Life	10.9286		

The above schedule assumes full disbursement of the loan on the loan closing date.

05-Jul-22 Wisconsin Department of Administration

## Loan Payment Schedule Comments

Please review the preceding loan payment schedule. It shows the dates of your first interest and principal payments. The preceding loan payment schedule assumes you draw all the loan funds on the loan closing date. However, borrowers often draw loan funds over time. Interest only accrues on the funds disbursed and only after the date of each disbursement.

You can view your actual payment schedule based on disbursements to-date at <http://eif.doa.wi.gov/> by selecting Loan Payment Schedule on the lower half of the page. You can also request loan payment information from [doaeif@wisconsin.gov](mailto:doaeif@wisconsin.gov).

You can generate additional reports at <http://eif.doa.wi.gov/>.

<u>Available Report</u>	<u>Information Provided</u>
Auditor Verification Report	Provides information commonly requested by municipal auditors. Available for completed calendar years.
Loan Account History	Loan disbursements, principal payments, and loan balance as of the selected date.
Loan Payment Schedule	Future principal and interest payments for disbursements through the selected date.
Payment History	Past principal and interest payments through the selected date.
Disbursement History	Past loan and grant disbursements through the selected date.

Use the Output to Excel button at the bottom of the page to create your report in Microsoft Excel. Find details on generating reports at <http://eif.doa.wi.gov/siteDescr.htm>.

After your last disbursement of loan funds and project close-out, we will email the final loan payment schedule to you.

The Environmental Improvement Fund sends invoices semi-annually. Principal and interest payments are due by May 1 each year. Interest-only payments are due by November 1. You will receive an invoice approximately 45 days prior to the due date. If you have multiple loans, we will send a single invoice showing the payment amount for each loan.

Please call Katherine Miller at 608-266-2305 or email [doaeif@wisconsin.gov](mailto:doaeif@wisconsin.gov) for more information on your payment schedule.

EXHIBIT C

FORM OF LOAN DISBURSEMENT TABLE

<u>Amount of Disbursement</u>	<u>Date of Disbursement</u>	<u>Series of Bonds</u>	<u>Principal Repaid</u>	<u>Principal Balance</u>
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____
\$ _____	_____	_____	\$ _____	\$ _____

EXHIBIT D

OPERATING CONTRACTS

As of the date of this FAA, the Municipality does not have any contracts with private entities or other governmental units to operate its Water System.

EXHIBIT E

**ENVIRONMENTAL IMPROVEMENT FUND  
CONTRACT UTILIZATION OF DISADVANTAGED BUSINESS ENTERPRISES (DBE)**

**MANDATORY PROJECT CLOSEOUT DOCUMENT**

Note: This form is authorized by s. NR 166.16(4)(b)4, Wis. Adm. Code. Receipt of this completed form by the Department is mandatory prior to receiving a final disbursement. The information printed on this form is taken from the completed Good Faith Certification Form 8700-294 and MBE/WBE Contacts Worksheet Form 8700-294A. Any changes or additions made to the list of prime contractors and DBE subcontractors during the construction must be reflected on this form at closeout. Personal information collected on this form will be used for program administration and must be made available to requesters as required by Wisconsin Open Records Law (ss. 19.31 – 19.39, Wis. Stats).

Municipality Name: City of Stoughton	Project Number: 5403-04	Loan/Grant Amount: \$1,659,096
Project Description: Remove Public Lead Service Lines		
Did the municipality satisfy the MBE/WBE requirements? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (If no, refer to Exhibit F-Project Manager Summary Page).		

Construction/Equipment/Supplies Contracts	DBE Type	Type of Product or Service *	Contract Estimate \$	Actual Amount Paid to MBE/WBE Firm
				Municipality Completes at Project Closeout
Prime: Five Star Energy Services, LLC	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other <input checked="" type="checkbox"/> N/A	Construction	1,594,100	
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
				Total MBE \$ _____
				Total WBE \$ _____

Professional/Technical Services Contracts	DBE Type	Type of Product or Service	Contract Estimate \$	Actual Amount Paid to MBE/WBE Firm
				Municipality Completes at Project Closeout
Prime: Strand Associates LLC	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other X N/A	Engineering	67,834	
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Prime:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other <input type="checkbox"/> N/A			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
Sub:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Other			
				Total MBE \$ _____
				Total WBE \$ _____

\*Type of Product or Service examples: landscaping, trucking, supplies, equipment, paving, concrete, plumbing, electrical, excavating, testing, design, etc.

Name of Person Completing This Form	Email Address	Phone Number
-------------------------------------	---------------	--------------

Certification		
I certify that, to the best of my knowledge and belief, the information provided on this form is complete and correct.		
Name/Title of Municipal Official	Signature	Date Signed

## EXHIBIT F

### PROJECT MANAGER SUMMARY PAGE

CITY OF STOUGHTON  
SDWLP Project No. 5403-04

1. **Project Description:** The Municipality awarded a contract to Five Star Energy Services, LLC to complete spot replacements for approximately 660 lead, brass, or galvanized water services (LSL). Both the private and public portion of the LSL replacement work was bid under one contract. The private LSL work was primarily funded by DNR's Private LSL Replacement Program and this FAA will fund the public portion of the LSLs only. The publicly-owned portion of the LSL was replaced under 41 different streets at 339 properties within the City of Stoughton.

Televising of existing sanitary sewer laterals is only eligible when the existing sanitary sewer lateral is within 10 feet of the proposed water service and the sanitary sewer lateral is not being replaced.

2. **Ineligible Costs:** The privately-owned portion of LSL replacement costs totaled \$3,396,220 and is ineligible under this Project. Other ineligible costs covered by internal funds include:

- ◆ Force Account Work - \$58,670
- ◆ Preliminary Design - \$18,458
- ◆ Construction Management Engineering - \$49,376
- ◆ Internally funded construction costs - \$40,175
- ◆ Degradation fees - \$24,224
- ◆ Erosion permit - \$2,157
- ◆ Parisi emergency sewer repair - \$43,428
- ◆ Asphalt patch - \$5,250
- ◆ Legal services - \$5,315

3. **Other Funding Sources:** The Municipality will use \$247,053 of its internal funds to cover costs ineligible for SDWLP funding. The DNR's Private Lead Service Line Loan #5403-02 paid for \$3,396,220 of private-side LSL costs including \$2,981,525 for construction and \$414,695 for contingency.

4. **Miscellaneous Costs:** As shown in the Project Budget Sheet (Exhibit A), SDWLP funding in the amount of \$67,825 is included in the Miscellaneous category for:

- ◆ CGC Trench Testing - \$998
- ◆ GLS utility locating public laterals - \$58,344
- ◆ Parisi public LSL replacement - \$2,924
- ◆ United Paving large paving patch - \$2,625
- ◆ Legal Services - \$2,934

5. **Contingency Allowance:** Construction is complete for the project; therefore, the contingency allowance of (\$213,781) is the sum of CME reviewed change orders. The Municipality must obtain CME approval of change orders prior to requesting reimbursement.

Base contingency—uncompleted construction work x 5%	\$0
Five Star Energy Services, Change Order No. 1	\$19,969.77
Five Star Energy Services, Change Order No. 2	\$15,616.64
Five Star Energy Services, Change Order No. 3	(\$249,367.52)
<b>Total Contingency Allowance</b> (sum of above rows, rounded)	<b>(\$213,781)</b>

6. DBE Good Faith Effort: The Municipality and its prime contractor made good faith efforts in soliciting DBE participation for this Project. No DBEs participated in this Project.
7. Green Project Reserve: No GPR elements were identified during the review of this Project.
8. American Iron and Steel: This Project is subject to the use of American Iron and Steel (UAIS) requirements mandated under EPA's Drinking Water State Revolving Fund program.
9. Environmental Review: An Environmental Assessment was completed for the Project area and Resulted in a Categorical Exclusion. Standard requirements and recommendations for erosion control and invasive species guidance were included in the approval.
10. Federal Single Audit: This Project is being financed with federal funds and is subject to the Federal Single Audit requirements referenced in Section 5.23 of this FAA. If the Municipality receives more than \$750,000 of money that originates from any federal source in a calendar year, then it must commission a Federal Single Audit as part of its regular financial audit. The Catalog of Federal Domestic Assistance number is 66.468 for drinking water project disbursements funded with federal money.

EXHIBIT G

FEDERAL REQUIREMENTS COMPLIANCE CERTIFICATION

**[Prepare on Municipal Letterhead at Project Completion and Closeout]**

The undersigned officials of the City of Stoughton (the "Municipality") hereby certify that, for all expenditures made for construction of DNR Project No. 5403-04 (the "Project"), the Municipality has met the prevailing wage rate requirements of the Davis-Bacon Act.

The Municipality further certifies that, after taking into account any national or project-specific waivers approved by the U.S. Environmental Protection Agency, DNR Project No. 5403-04 has met the requirements for the use of American Iron and Steel mandated under EPA's Drinking Water State Revolving Fund program.

The above certification is determined, after due and diligent investigation, to be true and accurate to the best of my knowledge.

By: \_\_\_\_\_  
[Name of Municipal Official or  
Authorized Representative]  
[Title]

Dated as of: \_\_\_\_\_

Attest: \_\_\_\_\_  
[Name of Clerk or Secretary]  
[Title]

Dated as of: \_\_\_\_\_

## EXHIBIT H

### LIST OF FEDERAL LAWS AND AUTHORITIES

#### ENVIRONMENTAL:

- Archaeological and Historic Preservation Act of 1974, PL 93-291
- Clean Air Act, 42 U.S.C. 7506(c)
- Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq.
- Coastal Zone Management Act of 1972, PL 92-583, as amended
- Endangered Species Act, 16 U.S.C. 1531 et seq.
- Executive Order 11593, Protection and Enhancement of the Cultural Environment
- Executive Order 11988, Floodplain Management
- Executive Order 11990, Protection of Wetlands
- Farmland Protection Policy Act, 7 U.S.C. 4201 et seq.
- Fish and Wildlife Coordination Act, PL 85-624, as amended
- National Historic Preservation Act of 1966, PL 89-665, as amended
- Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended
- Wild and Scenic Rivers Act, PL 90-542, as amended

#### ECONOMIC:

- Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended
- Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants or Loans

#### SOCIAL LEGISLATION:

- Age Discrimination Act, PL 94-135
- Civil Rights Act of 1964, PL 88-352
- Section 13 of PL 92-500, Prohibition against sex discrimination under the Federal Water Pollution Control Act
- Executive Order 11246, Equal Employment Opportunity
- Executive Orders 11625, 12138 and 12432, Women and Minority Business Enterprise
- Rehabilitation Act of 1973, PL 93-112 (including Executive Orders 11914 and 11250)

#### MISCELLANEOUS AUTHORITY:

- Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646
- Executive Order 12549, Debarment and Suspension
- Federal Single Audit Act, Title 2 U.S. Code of Federal Regulations Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Rewards (Uniform Guidance).

**RESOLUTION FROM THE UTILITIES COMMITTEE TO THE  
STOUGHTON COMMON COUNCIL**

Approving the State of Wisconsin Safe Drinking Water Loan Program Financial Assistance Agreement Between the State of Wisconsin Department of Natural Resources and Department of Administration and the City of Stoughton

Committee Action: Utilities Committee recommended Common Council approval \_\_ – \_\_.

Fiscal Impact: \$1,659,096

**File Number:** R-XXX-2022

**Date Introduced:** July 26, 2022

The City of Stoughton, Wisconsin, Common Council does proclaim as follows:

**WHEREAS**, Stoughton Utilities has applied for a loan from the State of Wisconsin Safe Drinking Water Loan Program (SDWLP) in an amount of \$1,659,096 to fund the public costs of the 2021 Lead Service Line Replacement Project; and

**WHEREAS**, the terms of the loan are pursuant to a Financial Assistance Agreement (FAA) entered into between the State of Wisconsin Safe Drinking Water Loan Program Financial Assistance Agreement Between the State of Wisconsin Department of Natural Resources and Department of Administration and the City of Stoughton; and

**WHEREAS**, the Stoughton Utilities Committee met on July 18, 2022 to review and approve the execution of the State of Wisconsin Safe Drinking Water Loan Program Financial Assistance Agreement Between the State of Wisconsin Department of Natural Resources and Department of Administration and the City of Stoughton, and recommend execution of the agreement to the Stoughton Common Council; now therefore

**BE IT RESOLVED** by the Common Council of the City of Stoughton that the State/Municipal Financial Agreement For A State –Let Highway Project (USH 51 – Harrison Street to Roby Road), is hereby approved, Mayor Swadley is authorized and directed to execute the Agreement on behalf of the City, and the City Finance Director is authorized to pay the Wisconsin Department of Transportation pursuant to such Agreement.

**Council Action:**     **Adopted**             **Failed**                            **Vote:** \_\_\_\_\_

**Mayoral Action:**     **Accept**                     **Veto**

\_\_\_\_\_  
Mayor Timothy Swadley

\_\_\_\_\_  
Date

**Council Action:**    \_\_\_\_\_  **Override**                            **Vote:** \_\_\_\_\_



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Shannon M. Statz  
Stoughton Utilities Finance Manager

Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Resolution Authorizing the Issuance and Sale of up to \$1,659,096 Waterworks System revenue Bonds, Series 2022, and Providing for Other Details and Covenants with Respect Thereto

We are requesting that the Stoughton Utilities Committee approve the Resolution Authorizing the Issuance and Sale of up to \$1,659,096 Waterworks System revenue Bonds, Series 2022, and Providing for Other Details and Covenants with Respect Thereto, and recommend approval of the resolution to the Stoughton Common Council.

City of Stoughton, 207 S Forrest Street, Stoughton WI 53589

**RESOLUTION FROM THE UTILITIES COMMITTEE TO THE  
STOUGHTON COMMON COUNCIL**

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF UP TO \$1,659,096 WATERWORKS SYSTEM REVENUE BONDS, SERIES 2022, AND PROVIDING FOR OTHER DETAILS AND COVENANTS WITH RESPECT THERETO

Committee Action: Utilities Committee recommended Common Council approval \_\_ – \_\_.

Fiscal Impact: \$1,659,096

**File Number:** R-XXX-2022

**Date Introduced:** July 26, 2022

The City of Stoughton, Wisconsin, Common Council does proclaim as follows:

**WHEREAS**, the City of Stoughton, Dane County, Wisconsin (the "Municipality") owns and operates a waterworks system (the "System") which is operated for a public purpose as a public utility by the Municipality; and

**WHEREAS**, pursuant to Resolution No. R-1-2010 adopted by the Governing Body on January 12, 2010 (the "2010 Resolution"), the Municipality has heretofore issued its Waterworks System Revenue Bonds, Series 2010, dated January 27, 2010 (the "2010 Bonds"), which are payable from the income and revenues of the System; and

**WHEREAS**, pursuant to Resolution No. R-53-2016 adopted by the Governing Body on April 26, 2016 (the "2016C Resolution"), the Municipality has heretofore issued its Waterworks System Mortgage Revenue Bonds, Series 2016C, dated May 26, 2016 (the "2016C Bonds"), which are payable from the income and revenues of the System; and

**WHEREAS**, pursuant to Resolution No. R-162-2019 adopted by the Governing Body on October 22, 2019 (the "2019B Resolution"), the Municipality has heretofore issued its Waterworks System Mortgage Revenue Bonds, Series 2019B, dated November 14, 2019 (the "2019B Bonds"), which are payable from the income and revenues of the System; and

**WHEREAS**, the 2010 Bonds, the 2016C Bonds and the 2019B Bonds shall collectively be referred to as the "Prior Bonds"; and

**WHEREAS**, the 2010 Resolution, the 2016C Resolution and the 2019B Resolution shall collectively be referred to as the "Prior Resolutions"; and

**WHEREAS**, certain improvements to the System are necessary to meet the needs of the Municipality and the residents thereof, consisting of the construction of a project (the "Project") assigned Safe Drinking Water Loan Program Project No. 5403-04 by the Department of Natural Resources, and as described in the Department of Natural Resources approval letter for the plans

and specifications of the Project, submitted with the application and the variance granted March 31, 2022; and

**WHEREAS**, under the provisions of Chapter 66, Wisconsin Statutes any municipality may, by action of its governing body, provide for purchasing, acquiring, constructing, extending, adding to, improving, operating and managing a public utility from the proceeds of bonds, which bonds are to be payable only from the revenues received from any source by such utility, including all rentals and fees; and

**WHEREAS**, the Municipality deems it to be necessary, desirable and in its best interest to authorize and sell waterworks system revenue bonds of the Municipality payable solely from the revenues of the System, pursuant to the provisions of Section 66.0621, Wisconsin Statutes, to pay the cost of the Project; and

**WHEREAS**, the Prior Resolutions permit the issuance of additional bonds on a parity with the Prior Bonds upon certain conditions, and those conditions have been met; and

**WHEREAS**, other than the Prior Bonds, no bonds or obligations payable from the revenues of the System are now outstanding.

**NOW, THEREFORE**, be it resolved by the Governing Body of the Municipality that:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by implication requires otherwise:

- (a) "Act" means Section 66.0621, Wisconsin Statutes;
- (b) "Bond Registrar" means the Municipal Treasurer which shall act as Paying Agent for the Bonds;
- (c) "Bonds" means the \$1,659,096 Waterworks System Revenue Bonds, Series 2022, of the Municipality dated their date of issuance, authorized to be issued by this Resolution;
- (d) "Bond Year" means the twelve-month period ending on each May 1;
- (e) "Current Expenses" means the reasonable and necessary costs of operating, maintaining, administering and repairing the System, including salaries, wages, costs of materials and supplies, insurance and audits, but shall exclude depreciation, debt service, tax equivalents and capital expenditures;
- (f) "Debt Service Fund" means the Waterworks System Revenue Bond and Interest Special Redemption Fund of the Municipality, which shall be the "special redemption fund" as such term is defined in the Act;
- (g) "Financial Assistance Agreement" means the Financial Assistance Agreement by and between the State of Wisconsin by the Department of Natural Resources and the Department of Administration and the Municipality pursuant to which the Bonds are to be issued and sold to the State, substantially in the form attached hereto and incorporated herein by this reference;

- (h) "Fiscal Year" means the twelve-month period ending on each December 31;
- (i) "Governing Body" means the Common Council, or such other body as may hereafter be the chief legislative body of the Municipality;
- (j) "Gross Earnings" means the gross earnings of the System, including earnings of the System derived from waterworks charges imposed by the Municipality, all payments to the Municipality under any service agreements between the Municipality and any contract users of the System, and any other monies received from any source including all rentals and fees, any tax incremental district revenues appropriated by the Governing Body to the System, and any special assessments levied and collected in connection with the Project;
- (k) "Municipal Treasurer" means the Treasurer of the Municipality who shall act as Bond Registrar and Paying Agent;
- (l) "Municipality" means the City of Stoughton, Dane County, Wisconsin;
- (m) "Net Revenues" means the Gross Earnings of the System after deduction of Current Expenses;
- (n) "Parity Bonds" means bonds payable from the revenues of the System other than the Bonds but issued on a parity and equality with the Bonds pursuant to the restrictive provisions of Section 11 of this Resolution;
- (o) "Prior Bonds" means the 2010 Bonds, 2016C Bonds and the 2019B Bonds, collectively;
- (p) "Prior Resolutions" means the 2010 Resolution, the 2016C Resolution and the 2019B Resolution, collectively;
- (q) "Project" means the Project described in the preamble to this Resolution. All elements of the Project are to be owned and operated by the Municipality as part of the System as described in the preamble hereto;
- (r) "Record Date" means the close of business on the fifteenth day of the calendar month next preceding any principal or interest payment date;
- (s) "System" means the entire waterworks system of the Municipality specifically including that portion of the Project owned by the Municipality and including all property of every nature now or hereafter owned by the Municipality for the extraction, collection, treatment, storage, transmission, distribution, metering and discharge of industrial and potable public water, including all improvements and extensions thereto made by the Municipality while any of the Bonds and Parity Bonds remain outstanding, including all real and personal property of every nature comprising part of or used or useful in connection with such waterworks system and including all appurtenances, contracts, leases, franchises, and other intangibles;
- (t) "2010 Bonds" means the Municipality's Waterworks System Revenue Bonds, Series 2010, dated January 27, 2010;

(u) "2010 Resolution" means Resolution No. R-1-2010 adopted by the Governing Body on January 12, 2010 authorizing the issuance of the 2010 Bonds;

(v) "2016C Bonds" means the Municipality's Waterworks System Mortgage Revenue Bonds, Series 2016C, dated May 26, 2016;

(w) "2016C Resolution" means Resolution No. R-53-2016 adopted by the Governing Body on April 26, 2016 authorizing the issuance of the 2016C Bonds;

(x) "2019B Bonds" means the Municipality's Waterworks System Mortgage Revenue Bonds, Series 2019B, dated November 14, 2019; and

(y) "2019B Resolution" means Resolution No. R-162-2019 adopted by the Governing Body on October 22, 2019 authorizing the issuance of the 2019B Bonds.

Section 2. Authorization of the Bonds and the Financial Assistance Agreement. For the purpose of paying the cost of the Project (including legal, fiscal, engineering and other expenses), there shall be borrowed on the credit of the income and revenue of the System up to the sum of \$1,659,096; and fully registered revenue bonds of the Municipality are authorized to be issued in evidence thereof and sold to the State of Wisconsin Safe Drinking Water Loan Program in accordance with the terms and conditions of the Financial Assistance Agreement, which is incorporated herein by this reference and the Mayor and City Clerk of the Municipality are hereby authorized, by and on behalf of the Municipality, to execute the Financial Assistance Agreement.

Section 3. Terms of the Bonds. The Bonds shall be designated "Waterworks System Revenue Bonds, Series 2022" (the "Bonds"); shall be dated their date of issuance; shall be numbered one and upward; shall bear interest at the rate of 2.145% per annum; shall be issued in denominations of \$0.01 or any integral multiple thereof; and shall mature on the dates and in the amounts as set forth in Exhibit B of the Financial Assistance Agreement and in the Bond form attached hereto as Exhibit A as it is from time to time adjusted by the State of Wisconsin based upon the actual draws made by the Municipality. Interest on the Bonds shall be payable commencing on November 1, 2022 and semiannually thereafter on May 1 and November 1 of each year. The Bonds shall not be subject to redemption prior to maturity except as provided in the Financial Assistance Agreement.

The schedule of maturities of the Bonds is found to be such that the amount of annual debt service payments is reasonable in accordance with prudent municipal utility practices.

Section 4. Form, Execution, Registration and Payment of the Bonds. The Bonds shall be issued as registered obligations in substantially the form attached hereto as Exhibit A and incorporated herein by this reference.

The Bonds shall be executed in the name of the Municipality by the manual signatures of the Mayor and City Clerk, and shall be sealed with its official or corporate seal, if any.

The principal of, premium, if any, and interest on the Bonds shall be paid by the Municipal Treasurer, who is hereby appointed as the Municipality's Bond Registrar.

Both the principal of and interest on the Bonds shall be payable in lawful money of the United States of America by the Bond Registrar. Payment of principal of the final maturity on the Bond will be payable upon presentation and surrender of the Bond to the Bond Registrar. Payment of principal on the Bond (except the final maturity) and each installment of interest shall be made to the registered owner of each Bond who shall appear on the registration books of the Municipality, maintained by the Bond Registrar, on the Record Date and shall be paid by check or draft of the Municipality and mailed to such registered owner at his or its address as it appears on such registration books or at such other address may be furnished in writing by such registered owner to the Bond Registrar.

Section 5. Security for the Bonds. The Bonds, together with interest thereon, shall not constitute an indebtedness of the Municipality nor a charge against its general credit or taxing power. The Bonds, together with interest thereon, shall be payable only out of the Debt Service Fund hereinafter created and established, and shall be a valid claim of the registered owner or owners thereof only against such Debt Service Fund and the revenues of the System pledged to such fund, on a parity with the pledge granted to the holders of the Prior Bonds. Sufficient revenues are hereby pledged to said Debt Service Fund, and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due.

Section 6. Funds and Accounts. In accordance with the Act, for the purpose of the application and proper allocation of the revenues of the System, and to secure the payment of the principal of and interest on the Prior Bonds, the Bonds and Parity Bonds, certain funds of the System which were created by an ordinance adopted May 14, 1963 and are hereby continued and shall be used solely for the following respective purposes:

- (a) Waterworks System Revenue Fund (the "Revenue Fund"), into which shall be as received the Gross Earnings of the System, which money shall then be divided among the Operation and Maintenance Fund, the Debt Service Fund, the Depreciation Fund and the Surplus Fund in the amounts and in the manner set forth in Section 7 hereof and used for the purposes described below.
- (b) Waterworks System Operation and Maintenance Fund (the "Operation and Maintenance Fund"), which shall be used for the payment of Current Expenses.
- (c) Waterworks System Revenue Bond and Interest Special Redemption Fund (the "Debt Service Fund"), which shall be used for the payment of the principal of, premium, if any, and interest on the Prior Bonds, the Bonds and Parity Bonds as the same becomes due. The Reserve Account provided by the 2016C Resolution and 2019B Resolution for the 2016C Bonds and 2019B Bonds is not pledged to the payment of principal of or interest on the Bonds, and moneys in the Reserve Account shall under no circumstances be used to pay principal of or interest on the Bonds.
- (d) Waterworks System Depreciation Fund (the "Depreciation Fund"), which shall be used to provide a proper and adequate depreciation account for the System.

- (e) Surplus Fund, which shall first be used when necessary to meet requirements of the Operation and Maintenance Fund including the one month reserve, the Debt Service Fund, the Reserve Account and the Depreciation Fund. Any money then remaining in the Surplus Fund at the end of any Fiscal Year may be used only as permitted and in the order specified in Section 66.0811(2), Wisconsin Statutes and money remaining thereafter may be transferred to any of the funds or accounts provided for in this section.

Section 7. Application of Revenues. After the delivery of the Bonds, the Gross Earnings of the System shall be deposited as collected in the Revenue Fund and shall be transferred monthly to the funds listed below in the following order of priority and in the manner set forth below:

- (a) to the Operation and Maintenance Fund, in an amount equal to the estimated Current Expenses for such month and, if not needed to remedy any deficiency in the Debt Service Fund, for the following month (after giving effect to available amounts in said Fund from prior deposits);
- (b) to the Debt Service Fund, an amount equal to one-sixth (1/6) of the next installment of interest coming due on the Prior Bonds, the Bonds and any Parity Bonds then outstanding and an amount equal to one-twelfth (1/12) of the installment of principal of the Prior Bonds, the Bonds and any Parity Bonds coming due during such Bond Year (after giving effect to available amounts in said Fund from accrued interest, any premium or any other source), and any amount required by the 2010 Resolution, 2016C Resolution or a future resolution authorizing the issuance of Parity Bonds to fund the Reserve Account established therein;
- (c) to the Depreciation Fund, an amount determined by the Governing Body to be sufficient to provide a proper and adequate depreciation account for the System; and
- (d) to the Surplus Fund, any amount remaining in the Revenue Fund after the monthly transfers required above have been completed.

Transfers from the Revenue Fund to the Operation and Maintenance Fund, the Debt Service Fund, the Depreciation Fund and the Surplus Fund shall be made monthly not later than the tenth day of each month, and such transfer shall be applicable to monies on deposit in the Revenue Fund as of the last day of the month preceding. Any other transfers and deposits to any fund required or permitted by subsection (a) through (d) of this Section, except transfers or deposits which are required to be made immediately or annually, shall be made on or before the tenth day of the month. Any transfer or deposit required to be made at the end of any Fiscal Year shall be made within sixty (60) days after the close of such Fiscal Year. If the tenth day of any month shall fall on a day other than a business day, such transfer or deposit shall be made on the next succeeding business day.

It is the express intent and determination of the Governing Body that the amounts transferred from the Revenue Fund and deposited in the Debt Service Fund shall be sufficient in any event to pay the interest on the Prior Bonds, the Bonds and any Parity Bonds as the same accrues and the principal thereof as the same matures and to meet the Reserve Requirement established in connection with the 2010 Bonds, 2016C Bonds and any Parity Bonds secured by the Reserve Account.

Section 8. Deposits and Investments. The Debt Service Fund shall be kept apart from monies in the other funds and accounts of the Municipality and the same shall be used for no purpose other than the prompt payment of principal of and interest on the Prior Bonds, the Bonds and any Parity Bonds as the same becomes due and payable. All monies therein shall be deposited in special and segregated accounts in a public depository selected under Chapter 34, Wisconsin Statutes and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes. The other funds herein created (except the Waterworks System SDWLP Project Fund) may be combined in a single account in a public depository selected in the manner set forth above and may be temporarily invested until needed in legal investments subject to the provisions of Section 66.0603(1m), Wisconsin Statutes.

Section 9. Service to the Municipality. The reasonable cost and value of services rendered to the Municipality by the System by furnishing waterworks services for public purposes shall be charged against the Municipality and shall be paid in monthly installments as the service accrues, out of the current revenues of the Municipality collected or in the process of collection, exclusive of the revenues derived from the System; that is to say, out of the tax levy of the Municipality made by it to raise money to meet its necessary current expenses. The reasonable cost and value of such service to the Municipality in each year shall be equal to an amount which, together with other revenues of the System, will produce in each Fiscal Year Net Revenues equivalent to not less than the annual principal and interest requirements on the Prior Bonds, the Bonds, any Parity Bonds and any other obligations payable from the revenues of the System then outstanding, times the greater of (i) 110% or (ii) the highest debt service coverage ratio required with respect to any obligations payable from revenues of the System then outstanding. However, such payment out of the tax levy shall be subject to (a) approval of the Public Service Commission, or successors to its function, if applicable, (b) yearly appropriations therefor, and (c) applicable levy limitations, if any; and neither this Resolution nor such payment shall be construed as constituting an obligation of the Municipality to make any such appropriation over and above the reasonable cost and value of the services rendered to the Municipality and its inhabitants or to make any subsequent payment over and above such reasonable cost and value.

Section 10. Operation of System; Municipality Covenants. It is covenanted and agreed by the Municipality with the owner or owners of the Bonds, and each of them, that the Municipality will perform all of the obligations of the Municipality as set forth in the Financial Assistance Agreement.

Section 11. Additional Bonds. The Bonds are issued on a parity with the Prior Bonds as to the pledge of revenues of the System. No bonds or obligations payable out of the revenues of the System may be issued in such manner as to enjoy priority over the Bonds. Additional

obligations may be issued if the lien and pledge is junior and subordinate to that of the Bonds. Parity Bonds may be issued only under the following circumstances:

(a) Additional Parity Bonds may be issued for the purpose of completing the Project and for the purpose of financing costs of the Project which are ineligible for payment under the State of Wisconsin Safe Drinking Water Loan Program. However, such additional Parity Bonds shall be in an aggregate amount not to exceed 20% of the face amount of the Bonds; or

(b) Additional Parity Bonds may also be issued if all of the following conditions are met:

(1) The Net Revenues of the System for the Fiscal Year immediately preceding the issuance of such additional bonds must have been in an amount at least equal to the maximum annual interest and principal requirements on all bonds outstanding payable from the revenues of the System, and on the bonds then to be issued, times the greater of (i) 1.10 or (ii) the highest debt service coverage ratio to be required with respect to the Additional Parity Bonds to be issued or any other obligations payable from the revenues of the System then outstanding. Should an increase in permanent rates and charges, including those made to the Municipality, be properly ordered and made effective during the Fiscal Year immediately prior to the issuance of such additional bonds or during that part of the Fiscal Year of issuance prior to such issuance, then Net Revenues for purposes of such computation shall include such additional revenues as a registered municipal advisor, an independent certified public accountant, consulting professional engineer or the Wisconsin Public Service Commission may certify would have accrued during the prior Fiscal Year had the new rates been in effect during that entire immediately prior Fiscal Year.

(2) The payments required to be made into the funds enumerated in Section 6 of this Resolution must have been made in full.

(3) The additional bonds must have principal maturing on May 1 of each year and interest falling due on May 1 and November 1 of each year.

(4) The proceeds of the additional bonds must be used only for the purpose of providing extensions or improvements to the System, or to refund obligations issued for such purpose.

Section 12. Sale of Bonds. The sale of the Bonds to the State of Wisconsin Safe Drinking Water Loan Program for the purchase price of up to \$1,659,096 and at par, is ratified and confirmed; and the officers of the Municipality are authorized and directed to do any and all acts, including executing the Financial Assistance Agreement and the Bonds as hereinabove provided, necessary to conclude delivery of the Bonds to said purchaser, as soon after adoption of this Resolution as is convenient. The purchase price for the Bonds shall be paid upon requisition therefor as provided in the Financial Assistance Agreement, and the officers of the Municipality are authorized to prepare and submit to the State requisitions and disbursement

requests in anticipation of the execution of the Financial Assistance Agreement and the issuance of the Bonds.

Section 13. Application of Bond Proceeds. The proceeds of the sale of the Bonds shall be deposited by the Municipality into a special fund designated as "Waterworks System SDWLP Project Fund." The Waterworks System SDWLP Project Fund shall be used solely for the purpose of paying the costs of the Project as more fully described in the preamble hereof and in the Financial Assistance Agreement. Moneys in the Waterworks System SDWLP Project Fund shall be disbursed within three (3) business days of their receipt from the State of Wisconsin and shall not be invested in any interest-bearing account.

Section 14. Amendment to Resolution. After the issuance of any of the Bonds, no change or alteration of any kind in the provisions of this Resolution may be made until all of the Bonds have been paid in full as to both principal and interest, or discharged as herein provided, except: (a) the Municipality may, from time to time, amend this Resolution without the consent of any of the owners of the Bonds, but only to cure any ambiguity, administrative conflict, formal defect, or omission or procedural inconsistency of this Resolution; and (b) this Resolution may be amended, in any respect, with a written consent of the owners of not less than two-thirds (2/3) of the principal amount of the Bonds then outstanding, exclusive of Bonds held by the Municipality; provided, however, that no amendment shall permit any change in the pledge of revenues derived from the System or the maturity of any Bond issued hereunder, or a reduction in the rate of interest on any Bond, or in the amount of the principal obligation thereof, or in the amount of the redemption premium payable in the case of redemption thereof, or change the terms upon which the Bonds may be redeemed or make any other modification in the terms of the payment of such principal or interest without the written consent of the owner of each such Bond to which the change is applicable.

Section 15. Defeasance. When all Bonds have been discharged, all pledges, covenants and other rights granted to the owners thereof by this Resolution shall cease. The Municipality may discharge all Bonds due on any date by irrevocably depositing in escrow with a suitable bank or trust company a sum of cash and/or bonds or securities issued or guaranteed as to principal and interest of the U.S. Government, or of a commission, board or other instrumentality of the U.S. Government, maturing on the dates and bearing interest at the rates required to provide funds sufficient to pay when due the interest to accrue on each of said Bonds to its maturity or, at the Municipality's option, if said Bond is prepayable to any prior date upon which it may be called for redemption, and to pay and redeem the principal amount of each such Bond at maturity, or at the Municipality's option, if said Bond is prepayable, at its earliest redemption date, with the premium required for such redemption, if any, provided that notice of the redemption of all prepayable Bonds on such date has been duly given or provided for.

Section 16. Rebate Fund. Unless the Bonds are exempt from the rebate requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the Municipality shall establish and maintain, so long as the Bonds and any Parity Bonds are outstanding, a separate account to be known as the "Rebate Fund." The sole purpose of the Rebate Fund is to provide for the payment of any rebate liability with respect to the Bonds under the relevant provisions of the Code and the Treasury Regulations promulgated thereunder (the "Regulations"). The Rebate Fund shall be maintained by the Municipality until all required rebate payments with respect to

the Bonds have been made in accordance with the relevant provisions of the Code and the Regulations.

The Municipality hereby covenants and agrees that it shall pay to the United States from the Rebate Fund, at the times and in the amounts and manner required by the Code and the Regulations, the portion of the "rebate amount" (as defined in Section 1.148-3(b) of the Regulations) that is due as of each "computation date" (within the meaning of Section 1.148-3(e) of the Regulations). As of the date of this Resolution, the provisions of the Regulations specifying the required amounts of rebate installment payments and the time and manner of such payments are contained in Sections 1.148-3(f) and (g) of the Regulations, respectively. Amounts held in the Rebate Fund and the investment income therefrom are not pledged as security for the Bonds or any Parity Bonds and may only be used for the payment of any rebate liability with respect to the Bonds.

The Municipality may engage the services of accountants, attorneys or other consultants necessary to assist it in determining the rebate payments, if any, owed to the United States with respect to the Bonds. The Municipality shall maintain or cause to be maintained records of determinations of rebate liability with respect to the Bonds for each computation date until six (6) years after the retirement of the last of the Bonds. The Municipality shall make such records available to the State of Wisconsin upon reasonable request therefor.

Section 17. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Municipality and the owner or owners of the Bonds, and after issuance of any of the Bonds no change or alteration of any kind in the provisions of this Resolution may be made, except as provided in Section 14, until all of the Bonds have been paid in full as to both principal and interest. The owner or owners of any of the Bonds shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce such owner's or owners' rights against the Municipality, the Governing Body thereof, and any and all officers and agents thereof including, but without limitation, the right to require the Municipality, its Governing Body and any other authorized body, to fix and collect rates and charges fully adequate to carry out all of the provisions and agreements contained in this Resolution.

Section 18. Continuing Disclosure. The officers of the Municipality are hereby authorized and directed, if requested by the State of Wisconsin, to provide to the State of Wisconsin Safe Drinking Water Loan Program and to such other persons or entities as directed by the State of Wisconsin such ongoing disclosure regarding the Municipality's financial condition and other matters, at such times and in such manner as the Safe Drinking Water Loan Program may require, in order that securities issued by the Municipality and the State of Wisconsin satisfy rules and regulations promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended and as it may be amended from time to time, imposed on brokers and dealers of municipal securities before the brokers and dealers may buy, sell, or recommend the purchase of such securities.

Section 19. Conflicting Resolutions. All ordinances, resolutions (other than the Prior Resolutions), or orders, or parts thereof heretofore enacted, adopted or entered, in conflict with the provisions of this Resolution, are hereby repealed and this Resolution shall be in effect from and



EXHIBIT A

(Form of Municipal Obligation)

REGISTERED  
NO. \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF WISCONSIN  
DANE COUNTY  
CITY OF STOUGHTON

REGISTERED  
\$ \_\_\_\_\_

WATERWORKS SYSTEM REVENUE BOND, SERIES 2022

Final  
Maturity Date

May 1, 2042

Date of  
Original Issue

\_\_\_\_\_, 20\_\_

REGISTERED OWNER: STATE OF WISCONSIN SAFE DRINKING WATER LOAN PROGRAM

FOR VALUE RECEIVED the City of Stoughton, Dane County, Wisconsin (the "Municipality") hereby acknowledges itself to owe and promises to pay to the registered owner shown above, or registered assigns, solely from the fund hereinafter specified, the principal sum of an amount not to exceed \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) (but only so much as shall have been drawn hereunder, as provided below) on May 1 of each year commencing May 1, 2023 until the final maturity date written above, together with interest thereon (but only on amounts as shall have been drawn hereunder, as provided below) from the dates the amounts are drawn hereunder or the most recent payment date to which interest has been paid, at the rate of 2.145% per annum, calculated on the basis of a 360-day year made up of twelve 30-day months, such interest being payable on the first days of May and November of each year, with the first interest being payable on November 1, 2022.

The principal amount evidenced by this Bond may be drawn upon by the Municipality in accordance with the Financial Assistance Agreement entered by and between the Municipality and the State of Wisconsin by the Department of Natural Resources and the Department of Administration including capitalized interest transferred (if any). The principal amounts so drawn shall be repaid in installments on May 1 of each year commencing on May 1, 2023 in an amount equal to an amount which when amortized over the remaining term of this Bond plus current payments of interest (but only on amounts drawn hereunder) at Two and 145/1000ths percent (2.145%) per annum shall result in equal annual payments of the total of principal and the semiannual payments of interest. The State of Wisconsin Department of Administration shall record such draws and corresponding principal repayment schedule on a cumulative basis in the format shown on the attached Schedule A.

Both principal and interest hereon are hereby made payable to the registered owner in lawful money of the United States of America. On the final maturity date, principal of this Bond shall be payable only upon presentation and surrender of this Bond at the office of the Municipal Treasurer. Principal hereof (except the final maturity) and interest hereon shall be payable by electronic transfer or by check or draft dated on or before the applicable payment date and mailed from the office of the Municipal Treasurer to the person in whose name this Bond is registered at the close of business on the fifteenth day of the calendar month next preceding such interest payment date.

This Bond shall not be redeemable prior to its maturity, except with the consent of the registered owner.

This Bond is transferable only upon the books of the Municipality kept for that purpose at the office of the Municipal Treasurer, by the registered owner in person or its duly authorized attorney, upon surrender of this Bond, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Municipal Treasurer, duly executed by the registered owner or its duly authorized attorney. Thereupon a replacement Bond shall be issued to the transferee in exchange therefor. The Municipality may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or interest hereof and for all other purposes. This Bond is issuable solely as a negotiable, fully-registered bond, without coupons, and in denominations of \$0.01 or any integral multiple thereof.

This Bond is issued for the purpose of providing for the payment of the cost of constructing improvements to the Waterworks System of the Municipality, pursuant to Article XI, Section 3, of the Wisconsin Constitution, Section 66.0621, Wisconsin Statutes, and a resolution adopted July 26, 2022, and entitled: "Resolution Authorizing the Issuance and Sale of Up to \$1,659,096 Waterworks System Revenue Bonds, Series 2022, and Providing for Other Details and Covenants With Respect Thereto" and is payable only from the income and revenues of the Waterworks System of the Municipality (the "Utility"). The Bonds are issued on a parity with the Municipality's Waterworks System Revenue Bonds, Series 2010, dated January 27, 2010, Waterworks System Mortgage Revenue Bonds, Series 2016C, dated May 26, 2016 and Waterworks System Mortgage Revenue Bonds, Series 2019B, dated November 14, 2019, as to the pledge of income and revenues of the Utility. This Bond does not constitute an indebtedness of said Municipality within the meaning of any constitutional or statutory debt limitation or provision.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen, and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in due time, form and manner as required by law; and that sufficient of the income and revenue to be received by said Municipality from the operation of its Utility has been pledged to and will be set aside into a special fund for the payment of the principal of and interest on this Bond.

IN WITNESS WHEREOF, the Municipality has caused this Bond to be signed by the signatures of its Mayor and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

CITY OF STOUGHTON,  
WISCONSIN

(SEAL)

By: \_\_\_\_\_  
Timothy B. Swadley  
Mayor

By: \_\_\_\_\_  
Candee J. Christen  
City Clerk

COOP

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

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(Please print or typewrite name and address, including zip code, of Assignee)

Please insert Social Security or other identifying number of Assignee

---

the within Bond and all rights thereunder, hereby irrevocably constituting and appointing

---

Attorney to transfer said Bond on the books kept for the registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

NOTICE: The signature of this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Signature(s) guaranteed by

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SCHEDULE A

\$1,659,096

CITY OF STOUGHTON, WISCONSIN  
WATERWORKS SYSTEM REVENUE BONDS, SERIES 2022

<u>Amount of Disbursement</u>	<u>Date of Disbursement</u>	<u>Series of Bonds</u>	<u>Principal Repaid</u>	<u>Principal Balance</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

COPIED

SCHEDULE A (continued)

PRINCIPAL REPAYMENT SCHEDULE

<u>Date</u>	<u>Principal Amount</u>
May 1, 2023	\$67,302.58
May 1, 2024	68,746.22
May 1, 2025	70,220.83
May 1, 2026	71,727.06
May 1, 2027	73,265.61
May 1, 2028	74,837.15
May 1, 2029	76,442.41
May 1, 2030	78,082.10
May 1, 2031	79,756.96
May 1, 2032	81,467.75
May 1, 2033	83,215.23
May 1, 2034	85,000.20
May 1, 2035	86,823.46
May 1, 2036	88,685.82
May 1, 2037	90,588.13
May 1, 2038	92,531.24
May 1, 2039	94,516.04
May 1, 2040	96,543.41
May 1, 2041	98,614.26
May 1, 2042	100,729.54



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022  
**To:** Stoughton Utilities Committee  
**From:** Jill M. Weiss, P.E.  
Stoughton Utilities Director  
**Subject:** Wisconsin Department of Transportation State/Municipal Financial Agreement

In 2026, the Wisconsin Department of Transportation (DOT) is scheduled to reconstruct USH 51 between Harrison Street to Roby Road. As part of this effort, Stoughton Utilities will be replacing the water main and sanitary sewer, including completing the utility replacement project design and engineering, and funding the construction costs, mobilization, and project oversight associated with the utility replacement.

Staff has worked with the Wisconsin Department of Transportation to define project scope and utility financial obligations. The state has provided the enclosed financial agreement for a state-let highway project.

The agreement addresses the municipality's full cost share, including water and sanitary sewer infrastructure replacement, as well as non-utility related costs such as street lighting and sidewalks. This committee's obligation is to review the aspects of the agreement relevant to Stoughton Utilities cost share; the Stoughton Public Works Committee will also review and recommend approval of the other municipal aspects of the agreement.

We are requesting that the Stoughton Utilities Committee review and approve the utility-related aspects of the financial agreement, and recommend acceptance of the agreement to the Stoughton Common Council.



**STATE/MUNICIPAL FINANCIAL  
AGREEMENT FOR A STATE- LET  
HIGHWAY PROJECT**

Date: June 14, 2022  
I.D.: 5845-16-02/ 23/ 73/ 83  
Road Name: USH 51  
Title: Stoughton - Madison  
Limits: Harrison St to Roby Rd  
County: Dane  
Roadway Length: 1.244 MI

The signatory **City of Stoughton**, hereinafter called the Municipality, through its undersigned duly authorized officers or officials, hereby requests the State of Wisconsin Department of Transportation, hereinafter called the State, to initiate and affect the highway or street improvement hereinafter described.

The authority for the Municipality to enter into this agreement with the State is provided by Section 86.25(1), (2), and (3) of the Statutes.

**NEEDS AND ESTIMATE SUMMARY:**

**Existing Facility - Describe and give reason for request:** US 51 is a principal arterial west of County N and minor arterial east of County N. The existing roadway from Harrison Street to Jackson Street is a 4-lane undivided urban section and a 2-lane undivided rural section from Jackson Street to Roby Road. This project will address existing safety conditions, accommodate travel demand, address existing pavement conditions, improve bicycle and pedestrian accommodations, and long-term planning and corridor preservation.

**Proposed Improvement - Nature of work:** Full reconstruction and expansion. Reconstruct roadway with four 12-foot lanes from Harrison Street to Silverado Drive. Expand the roadway to a 4-lane divided highway from Jackson Street to Roby Road. Replace and widen existing sidewalk. Where sidewalk does not exist from Jackson Street to Roby Road, add new sidewalk to both sides of the highway.

**Describe non-participating work included in the project and other work necessary to finish the project completely which will be undertaken independently by the municipality:** The city is responsible for 20% of the cost of new sidewalk. The city is responsible for 100% of the cost of additional sidewalk width beyond the standard 5-ft sidewalk width and reinstalling rectangular rapid flashing beacons "RRFBs". The city is responsible for 50% of the cost of standard lighting and any decorative lighting cost greater than the cost of a standard lighting system as well as the construction inspection and acceptance of the lighting system. All construction costs associated with water main and sanitary sewer replacements.

**TABLE 1: SUMMARY OF COSTS**

Phase	Total Est. Cost	Federal/State Funds	%	Municipal Funds	%
Preliminary Engineering:					
Plan Development 5845-16-02	\$ 3,000,000	\$ 3,000,000	100%	\$ -	
Real Estate Acquisition:					
Acquisition 5845-16-23	\$ 800,000	\$ 800,000	100%	\$ -	
<sup>1</sup> Construction:					
Roadway	\$ 9,300,000	\$ 9,300,000	100%	\$ -	
New Sidewalk	\$ 313,000	\$ 250,400	80%	\$ 62,600	20%
Municipal Items					
- Widen Sidewalk	\$ 113,300	\$ -		\$ 113,300	100%
- Reinstall RRFBs	\$ 41,800	\$ -		\$ 41,800	100%
Street Lighting	\$ 736,100	\$ 368,050	50%	\$ 368,050	50%
subtotal 5845-16-73:	\$ 10,504,200	\$ 9,918,450		\$ 585,750	
<sup>1</sup> Non-Participating:					
Water Main	\$ 364,700	\$ -		\$ 364,700	100%
Sanitary Sewer	\$ 400,000	\$ -		\$ 400,000	100%
subtotal 5845-16-83:	\$ 764,700	\$ -		\$ 764,700	
<b>Total Cost Distribution</b>	<b>\$ 15,068,900</b>	<b>\$ 13,718,450</b>		<b>\$ 1,350,450</b>	

1. Estimates include construction engineering.

This request shall constitute agreement between the Municipality and the State; is subject to the terms and conditions that follow (pages 1 – 4); is made by the undersigned under proper authority to make such request for the designated Municipality, upon signature by the State, upon fully executed signature of applicable State Municipal Maintenance Agreement and delivery to the Municipality. The initiation and accomplishment of the improvement will be subject to the applicable federal and state regulations. No term or provision of neither the State/Municipal Financial Agreement nor any of its attachments may be changed, waived or terminated orally but only by an instrument in writing executed by both parties to the State/Municipal Financial Agreement.

Signed for and in behalf of the <b>City of Stoughton</b> (please sign in blue ink)	
Name (print)	Title
Signature	Date
Signed for and in behalf of the <b>State</b> (please sign in blue ink)	
Name <b>Steve Flottmeyer</b>	Title <b>WisDOT Southwest Region Planning Chief</b>
Signature	Date

## TERMS AND CONDITIONS:

1. The Municipality shall pay to the State all costs incurred by the State in connection with the improvement which exceeds federal/state financing commitments or are ineligible for federal/state financing. Local participation shall be limited to the items and percentages set forth in the Summary of Costs table, which shows Municipal funding participation. In order to guarantee the Municipality's foregoing agreements to pay the State, the Municipality, through its above duly authorized officers or officials, agrees and authorizes the State to set off and withhold the required reimbursement amount as determined by the State from General Transportation Aids or any moneys otherwise due and payable by the State to the Municipality.
2. Funding of each project phase is subject to inclusion in an approved program and per the State's Facility Development Manual (FDM) standards. Federal aid and/or state transportation fund financing will be limited to participation in the costs of the following items as specified in the Summary of Costs:
  - (a) Design engineering and state review services.
  - (b) Real Estate necessitated for the improvement.
  - (c) Compensable utility adjustment and railroad force work necessitated for the project.
  - (d) The grading, base, pavement, curb and gutter, and structure costs to State standards, excluding the cost of parking areas.
  - (e) Storm sewer mains, culverts, laterals, manholes, inlets, catch basins, and connections for surface water drainage of the improvement; including replacement and/or adjustments of existing storm sewer manhole covers and inlet grates as needed.
  - (f) Construction engineering incidental to inspection and supervision of actual construction work, except for inspection, staking, and testing of sanitary sewer and water main.
  - (g) Signing and pavement marking necessitated for the safe and efficient flow of traffic, including detour routes.
  - (h) Replacement of existing sidewalks necessitated by construction and construction of new sidewalk at the time of construction. Sidewalk is considered to be new if it's constructed in a location where it has not existed before.
  - (i) Replacement of existing driveways, in kind, necessitated by the project.
  - (j) New installations or alteration resulting from roadway construction of standard State street lighting and traffic signals or devices. Alteration may include salvaging and replacement of existing components.
3. Work necessary to complete the improvement to be financed entirely by the Municipality or other utility or facility owner includes the following items:
  - (a) New installations of or alteration of sanitary sewers and connections, water, gas, electric, telephone, telegraph, fire or police alarm facilities, parking meters, and similar utilities.
  - (b) New installation or alteration of signs not necessary for the safe and efficient flow of traffic.
  - (c) Roadway and bridge width in excess of standards.
  - (d) Construction inspection, staking, and material testing and acceptance for construction of sanitary sewer and water main.
  - (e) Provide complete plans, specifications, and estimates for sanitary sewer and water main work. The Municipality assumes full responsibility for the design, installation, inspection, testing, and operation of the sanitary sewer and water system. This relieves the State and all of its employees from the liability for all suits, actions, or claims resulting from the sanitary sewer and water system construction.

- (f) Parking lane costs.
  - (g) Coordinate, clean up, and fund any hazardous materials encountered for city utility construction. All hazardous material cleanup work shall be performed in accordance to state and federal regulations.
4. As the work progresses, the Municipality will be billed for work completed which is not chargeable to federal/state funds. Upon completion of the project, a final audit will be made to determine the final division of costs.
  5. If the Municipality should withdraw the project, it shall reimburse the State for any costs incurred by the State in behalf of the project.
  6. The work will be administered by the State and may include items not eligible for federal/state participation.
  7. The Municipality shall, in cooperation with the State, assist with public relations for the project and announcements to the press and such outlets as would generally alert the affected property owners and the community of the nature, extent, and timing of the project and arrangements for handling traffic within and around the project.
  8. Basis for local participation:

(a) Roadway Construction (5845-16-73):

Construction costs necessitated by the roadway improvement are 100% eligible for Federal/ State funding. As items are identified during the design phase that require cost participation or are ineligible for Federal/ State funding, this agreement will be amended to reflect those costs.

New Sidewalk: Replacement of existing standard sidewalk necessitated by the roadway improvement is 100% eligible for Federal/ State funding. New standard sidewalk is 80% eligible for Federal/ State funding. The Municipality will be responsible for 20% of the new sidewalk costs.

Municipal Items: The Municipality will be 100% responsible for the construction costs of sidewalk wider than the standard width. The Municipality will be 100% responsible for the costs to reinstall rectangular rapid flashing beacons.

Street Lighting: Continuous street lighting designed to accepted WisDOT standards and installed at time of construction is 50% eligible for Federal/State funding. The Municipality may request decorative lighting in place of standard lighting; however, the State will only participate in 50% of the standard lighting cost. All future maintenance and operation costs of the street lighting are the responsibility of the Municipality.

(b) Municipality-owned Utilities (5845-16-83):

The construction estimates were provided by the Municipality and are preliminary for program scheduling only. The Municipality is responsible for 100% of the costs for improvements to the sanitary sewer, water main, and any adjustments to the valves or covers located within the roadway. The Municipality is responsible for all construction costs associated with the utility project, including mobilization. The Municipality is responsible for 100% of the costs for backfill necessary for the replacement or addition of the Municipality-owned utilities. The Municipality is responsible for the removal and replacement of sidewalk necessary for the replacement of the Municipality-owned utilities. These costs are not eligible for Federal/ State funding.

Comments and Clarification: This agreement is an active agreement that may need to be amended as the project is designed. It is understood that these amendments may be needed as some issues have not been fully evaluated or resolved. The purpose of this agreement is to specify the local and state involvement in funding the project. A signed agreement is required before the State will prepare or participate in the preparation of detailed designs, acquire right-of-way, or participate in construction of a project that merits local involvement.

City of Stoughton, 207 S Forrest Street, Stoughton WI 53589

**RESOLUTION FROM THE UTILITIES COMMITTEE TO THE  
STOUGHTON COMMON COUNCIL**

Approving a financial agreement between the State of Wisconsin and the City of Stoughton for costs associated with the reconstruction of USH 51 from Harrison Street to Roby Road scheduled to be constructed in 2026.

Committee Action: Utilities Committee recommended Common Council approval \_\_ – \_\_.

Fiscal Impact: City - \$585,750 (estimate)  
Stoughton Utilities - \$764,700 (estimate)

**File Number:** R-XXX-2022

**Date Introduced:** July 26, 2022

The City of Stoughton, Wisconsin, Common Council does proclaim as follows:

**WHEREAS**, the Wisconsin Department of Transportation (DOT) is scheduled to reconstruct USH 51 between Harrison Street to Roby Road, in 2026 (the “Project”); and

**WHEREAS**, a financial agreement has been prepared for the City’s contribution to the project; and

**WHEREAS**, the current cost estimate is based on standard DOT lighting which the City’s portion is 50%; and

**WHEREAS**, the City’s portion is 20% for new sidewalk and 100% for sidewalks wider than five feet; and

**WHEREAS**, the project plans upgrade the existing sidewalk to 10-foot wide sidewalks on the north side of USH 51 from Hamilton Street to Silverado Drive; and

**WHEREAS**, the estimated City cost for sidewalks, reinstallation of Rectangular Rapid Flashing Beacons, and standard street lighting is estimated to be \$585,700; and

**WHEREAS**, the estimated cost for sanitary sewer is \$400,000 and \$364,700 for water main; and

**BE IT RESOLVED** by the Common Council of the City of Stoughton that the State/Municipal Financial Agreement For A State –Let Highway Project (USH 51 – Harrison Street to Roby Road), is hereby approved, Mayor Swadley is authorized and directed to execute the Agreement on behalf of the City, and the City Finance Director is authorized to pay the Wisconsin Department of Transportation pursuant to such Agreement.

**Council Action:**  **Adopted**  **Failed** **Vote:** \_\_\_\_\_

**Mayoral Action:**  **Accept**  **Veto**

\_\_\_\_\_  
Mayor Timothy Swadley

\_\_\_\_\_  
Date

**Council Action:** \_\_\_\_\_  **Override** **Vote:** \_\_\_\_\_



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Brian R. Hoops  
Stoughton Utilities Assistant Director

Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities Round-Up Program

On February 20, 2006, the Stoughton Utilities Committee approved the Round-Up Program to allow our customers to easily support local charities and organizations that benefit the Stoughton community. Under this voluntary opt-in program, enrolled customers agree to “Round-Up” their utilities bill to the next highest dollar amount. Each of the current 384 program participants will contribute an average of \$6.00 per year to the Round-Up program fund, which is awarded by the Stoughton Utilities Committee bi-annually.

On July 14, 2008, the Stoughton Utilities Committee established the following qualifying criteria: Qualifying applicants include individuals providing community service, community service organizations, organizations providing disaster relief, educational organizations, organizations providing service to youth, and advocates for the environment. Such applicants must apply or reapply annually in writing, and applicants may only be eligible as a recipient once each calendar year.

Qualifying applicants for funds collected during the 2022 calendar year are as follows:

Dane County Humane Society	Eyes of Hope, Stoughton Inc. *	Friends of Great Scouts Stoughton - FRoGSS
Housing Advocacy Team of Stoughton *	PEPartnership - Personal Essentials Pantry *	Pumpkin Patch Preschool
Society of St. Vincent de Paul – St. Ann Conference *	Stoughton Area Resource Team *	Stoughton Lions Club
Stoughton Area Senior Center	Stoughton United Methodist Food Pantry *	Stoughton Village Players
Three Gaits, Inc.		

*\* indicates recipient of Round-Up funds in a prior funding year*

At the start of each Round-Up program year, Stoughton Utilities staff distributes organization application forms to qualifying applicants from the prior program year, past funding recipients, and other potentially qualifying non-profit organizations that have not previously applied for program funding. Staff sent program application forms to a total of 37 organizations for the 2022 program year and received 12 completed applications back.

Enclosed is a list of all recipients that have received funding from the Stoughton Utilities Round-Up Program since the creation of the program in 2006. Also enclosed are the application forms received from all qualifying applicants for the 2022 funding year.

It is requested that the Stoughton Utilities Committee donate \$1,000 from the 2022 SU Round-Up Program fund to the applicant of your choice at the July 18, 2022 meeting.

### Past recipients of Round-Up Program Funds:

June 18, 2007	Friends of the Stoughton Area Youth Center	\$1,000
December 14, 2007	Friends of the Stoughton Area Youth Center	\$550
January 14, 2008	Shalom Holistic Health Services	\$550
June 16, 2008	American Legion Post 59	\$1,100
December 15, 2008	Stoughton Wellness Coalition	\$1,100
July 20, 2009	Martin Luther Christian School	\$1,100
February 15, 2010	Friends of the Stoughton Area Youth Center	\$1,100
June 15, 2010	Stoughton Lions and Lionesses Clubs	\$1,100
December 20, 2010	Stoughton Wellness Coalition	\$550
	Stoughton Holiday Fund	\$550
June 20, 2011	American Cancer Society Relay for Life	\$600
	Friends of the Stoughton Public Library	\$600
	American Legion Post 59	\$600
January 16, 2012	Stoughton Holiday Fund	\$1,500
July 16, 2012	Stoughton Area Resource Team, Inc. (START)	\$1,100
January 14, 2013	American Legion Post 59	\$1,100
July 15, 2013	Friends of the Stoughton Public Library	\$1,100
January 21, 2014	Stoughton United Ministries	\$1,100
June 16, 2014	Stoughton Area Resource Team, Inc. (START)	\$900
January 20, 2015	Folks Wagons, Inc.	\$1,200
July 7, 2015	PEPartnership – Personal Essential Pantry	\$1,000
January 19, 2016	River Bluff Middle School – Trees for Tomorrow	\$1,000
July 18, 2016	Stoughton Area Resource Team, Inc. (START)	\$1,000
January 17, 2017	PEPartnership – Personal Essential Pantry	\$1,000
July 17, 2017	Friends of Lake Kegonsa Society (FOLKS)	\$1,000
January 16, 2018	Eyes of Hope Stoughton, Inc.	\$1,000
July 16, 2018	Free Health Clinic	\$1,000
January 14, 2019	Stoughton Police Department Safety Camp	\$500
	Stoughton United Methodist Food Pantry	\$500
July 18, 2019	Society of St. Vincent de Paul – St. Ann	\$1,000
January 30, 2020	Housing Advocacy Team of Stoughton	\$1,000
July 20, 2020	Stoughton Area Resource Team, Inc. (START)	\$1,000
February 15, 2021	Society of St. Vincent de Paul – St. Ann	\$500
	Folks Wagons, Inc.	\$500
July 19, 2021	Friends of Badfish Creek Watershed	\$1,000
February 14, 2022	Neighborhood Free Health Clinic	\$1,000
	<b>Total:</b>	<b>\$30,500</b>



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### Application for Funds from RoundUP Program Donation

Organization Name: Dane County Humane Society Phone #: 608-838-0413 (ext.167)

Organization Address: 5132 Voyes Road, Madison WI 53718

Name of Individual Submitting Application: Korinne Pollison

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? Dane County Humane Society is a community-supported organization and funds that come to DCHS can be used in a variety of ways, including, but not limited to; animal care, medical treatment, wild animal rehabilitation, education programs, training, keeping pets in their loving homes, and so much more.

What are the benefits to the Stoughton Community? Dane County Humane Society offers a variety of services to Dane County residents including; adoptions, animal surrenders / re-homing, reuniting lost pets with their owners, dog training classes, micro-chipping, and so much more. For a full list of services please visit: [www.giveshelter.org](http://www.giveshelter.org).

What other information would you like to share? Dane County Humane Society helps thousands of companion & wild animals every year, made possible by community funding.

Applicant Signature: Korinne Pollison Date: 1/21/2022

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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**Application for Funds from RoundUP Program Donation**

Organization Name: Eyes of Hope, Stoughton, Inc. Phone #: 877-1528/815-298-1567

Organization Address: PO Box 91 Stoughton

Name of Individual Submitting Application: Laura Roeven Executive Director

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? Programming for middle school & high school girls of Stoughton's community to develop their strengths & their voice through Community Connection & opportunity. Girl2Girl

What are the benefits to the Stoughton Community? Girl2Girl helps teens navigate what is after high school to succeed in independent living by fostering new experiences 6th-12th grade.

What other information would you like to share? We're 13 years strong with a beautiful outpouring of Stoughton's community that helps connect & mentor

Applicant Signature: [Handwritten Signature]

Date: 2/15/2022

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_



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### Application for Funds from RoundUP Program Donation

*FRIENDS of Great Scouts Stoughton*

Organization Name: FROGSS Phone #: 608-212-6707

Organization Address: PO Box 35, Stoughton, WI 53589

Name of Individual Submitting Application: Susan Sylvester

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? FROGSS was formed to raise money to send any registered Girl Scout in Stoughton to summer Girl Scout camp and to give graduating high school senior Girl Scouts college scholarships. We are a 501(c)(3) organization just for Stoughton Girl Scouts.

What are the benefits to the Stoughton Community? A girl who stays in Girl Scouting longer - through junior high & high school becomes a confident, self-assured leader in the community. We are proud of our successful girls in Scouting. Girls need a safe place to develop these skills.

With COVID, fund raising has been difficult. We need more funds.

What other information would you like to share? Every year we give 15-30 scouts a Campership to summer camp. And provide a high school senior a College Scholarship.

Applicant Signature: Susan O Sylvester

Date: 1/21/22

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_



**Stoughton**

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### Application for Funds from RoundUP Program Donation

Organization Name: Housing Advocacy Team of Stoughton, INC Phone #: 608-438-8771

Organization Address: 1525 North Van Buren Street, Stoughton, WI 53589

Name of Individual Submitting Application: Mark Petersen (Treasurer)

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

**How will the funds be used?**

STEP FORWARD supports families to achieve housing stability, increased self-sufficiency, and explores opportunities to develop greater self-determination. To accomplish these goals, the Step Forward Program will secure safe and affordable "rental" housing for a maximum of 24 months and will allow participants to guide their own journey. The program will provide case management services through the START and the Senior Center which will include advocacy, support, and access to resources.

**What are the benefits to the Stoughton Community?**

"Everybody deserves a place to hang their hat!" To eliminate homelessness in Stoughton. HATS believes everyone deserves stable housing and works to address affordable housing needs in the Stoughton Area School District by working within the community with both public and private entities and individuals. Through research we now know that affordable housing is a significant barrier in our community and not everyone has safe, stable housing. We learned that the Housing First Model is the most effective way to address this concern, while surrounding each family with case management services. HATS has secured credible partners including - the Stoughton Area Resource Team (START), the Senior Center, the City of Stoughton, the School District, faith-based organizations, and concerned citizens.

**What other information would you like to share?**

Our unique role is: 1. Identifying housing needs in Stoughton and securing an effective approach to homelessness 2. Nurturing partners within the community 3. Securing case management services through two significant partners 4. Assisting in fundraising to address rental costs and case management services 5. Searching for appropriate rental properties and landlords.

Applicant Signature: Mark Petersen Date: 2.21.2022

Applicant Signature: *Mark Petersen* Date: 2.21.2022



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### Application for Funds from RoundUP Program Donation

Organization Name: Personal Essentials Pantry of Stoughton (PEP) Phone #: 608-982-7174

Organization Address: 343 E. Main St, Stoughton, WI 53589

Name of Individual Submitting Application: Sharon mason-Boersma

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community org. request

How will the funds be used? The funds will be utilized for providing goods + services to help those in need in our area of the community.

"PEP" provides personal essential items to those in need to help maintain a healthy quality of life for themselves and/or house hold needs. We disburse items 2 times per month, which includes: shampoo, dental care, deodorant, personal hygiene prod's, diapers, soap/body wash, toilet paper, dish + laundry soap, + other products.

What are the benefits to the Stoughton Community?

The benefits would help maintain health + care to residents of our community, for themselves + households. It helps those that are employed, seeking employment, and youth in our community as well. All ages are represented to receive personal essential products for personal care.

What other information would you like to share?

We appreciate any thoughts of a donation and/or support - it is currently somewhat challenging <sup>financially</sup> since the goods + services for these personal essential items have increased in price.

Applicant Signature: Sharon mason-Boersma

Date: 7/11/2022

Applicant Signature: Vice President, PEP - Stoughton

Date: \_\_\_\_\_

PEP Mailing address:  
PO Box 147  
Stoughton, WI  
53589

*Thankyou!*

**Grace Episcopal Essentials  
Pantry**

116 W Washington Ave  
[www.gracechurchmadison.org](http://www.gracechurchmadison.org)  
bus # (all)  
First and Third Saturdays  
10:00am-Noon

**Karen's Essential Center**

1201 McKenna Blvd  
[www.facebook.com/  
KennySr2017](http://www.facebook.com/KennySr2017)  
bus # 7  
Every other Thursday starting  
1/14/2021, 4:00pm-6:00pm

Watertown

**Personal Essentials Pantry  
Immanuel**

209 N 9<sup>th</sup> St  
(920) 261-1663  
[www.watertownimmanuel.org](http://www.watertownimmanuel.org)  
Thursdays 1:00pm-3:00pm

Stoughton

**Personal Essentials Pantry  
Stoughton**

343 E Main St  
[pepstoughton.org](http://pepstoughton.org)  
First and Third Thursdays  
1:00pm-5:00pm

Pepartnership, Inc. is supported  
by members of the community,  
and grants from:

Alliant Energy Foundation  
Madison Community Foundation  
Madison Rotary Foundation  
Meriter Foundation  
Messiah Lutheran Church  
Plymouth Congregational Church  
Zion Faith Community  
Zonta Club of Madison

Contact Us

[info@essentialspantry.org](mailto:info@essentialspantry.org)

Website

[www.essentialspantry.org](http://www.essentialspantry.org)



2401 Atwood Ave  
Madison, WI 53704

*last updated: 1/20/2021*

# Pepartnership, Inc.

Helping with the essentials of  
personal and household  
hygiene



## What is an Essentials Pantry?

An essentials pantry operates in the same way a community food bank does, except they distribute items considered necessary for healthy living, but not covered by government food share programs.

## How to Shop

When a guest visits one of our pantries, a shopping list is printed specifically tailored for the members of their household.

Each product we distribute has its own lifespan, so it may not be available on every visit. We do, however, allow unlimited visits within a month, in case an essential becomes available within that time.

## About us

Pepartnership, Inc. started in 2006 as a single pantry operating out of a church library. We now have seven essentials pantries throughout southern Wisconsin.

## Product List

Not all EP's carry the same items, but most will have these available (see our website for specific details):

- laundry soap
- baby diapers
- dish soap
- deodorant
- all-purpose cleaner
- toothbrush
- feminine hygiene products
- COVID-19 face covering
- hand sanitizer



## Find a Pantry

We have several affiliated pantries in Dane and Jefferson counties. Refer to the following list to find one near you.

### Madison

#### **PEP Atwood**

2401 Atwood Ave  
[atwoodpantry.com](http://atwoodpantry.com)

bus # 3, 7

Sundays 12:00-2:00pm

Thursdays 11:30-3:00pm

#### **Catholic Multicultural Center**

1862 Beld St  
(608) 661-3512

[www.cmcmadison.org](http://www.cmcmadison.org)

bus # 5

Tuesdays 1:00pm-3:30pm

#### **Good Neighbors Personal Essentials Pantry**

2509 McDivitt Rd  
(608) 832-6388

[gnpep.org](http://gnpep.org)

bus #18, 40

Fridays 10:00am-Noon

Third Thursdays 5:30pm-7:00pm



## PERSONAL ESSENTIALS PANTRY

### Procedures at PEP:

1. For help, call PEP on  
**(608)-982-7174**  
Monday, Tuesday,  
Wednesday, & Friday  
(No calls on Thursdays or Holidays)  
9 am - 4 pm to schedule an  
appointment for products.  
No walk in's
2. Appointments made to  
pick up products on  
1st or 3rd Thursday, 1-5 pm  
once a month at PEP site.
3. Please bring your ID.



## PERSONAL ESSENTIALS PANTRY

### CONTACT INFORMATION:

Phone: (608)-982-7174

Address:  
343 E Main Street  
Stoughton, WI 53589

Email:  
[stoughton.pep@gmail.com](mailto:stoughton.pep@gmail.com)

Website:  
<http://pepstoughton.org>



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**Application for Funds from RoundUP Program Donation**

Organization Name: Pumpkin Patch Preschool Phone #: 608-873-3380

Organization Address: 1940 Jackson St Stoughton

Name of Individual Submitting Application: AMANDA POTRATZ

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? PLEASE SEE ATTACHED

What are the benefits to the Stoughton Community? PLEASE SEE ATTACHED

What other information would you like to share? \_\_\_\_\_

Applicant Signature:  Date: 1/24/2022

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Organization Name: Pumpkin Patch Preschool

Organization Address: 1940 Jackson St Stoughton, WI

Name of individual submitting application: Amanda Potratz

Are you a non-profit organization? Yes

Type of Request: Group

How will the funds be used?

Pumpkin Patch Preschool will use funds from the RoundUp Program to improve the selection of books in our school library. As the first step in our students' educational journey, Pumpkin Patch Preschool strives to create a positive and enriching learning environment for all students. Children are naturally curious and we want to offer them the resources they need to better understand themselves and the world around them.

We have witnessed the difference a book can make in the classroom to help children understand the ways in which people are different and alike and how we can come together for a more understanding community. We want to fill our library with age-appropriate books that help our students better understand their experiences and the experiences of others by offering a greater selection of diverse books

What are the benefits to the Stoughton Community?

Offering a wider range and diversity of books to students will spark curiosity about themselves and others. The empathy that students learn from books and practice at Pumpkin Patch will be expanded upon as they advance through life. Learning empathy can become a resource that our students can use to guide them through social interactions. Students at Pumpkin Patch go on to attend every elementary school in our district and they will be able to model empathy for their peers which will, in turn, encourage a community that values understanding, empathy and a curiosity for the people around them.



1/24/2022



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**Application for Funds from RoundUP Program Donation**

*Society of St. Vincent de Paul*

Organization Name: St. Ann Conference Phone #: 608 873-7633

Organization Address: 323 N. Van Buren, Stoughton, WI 53589

Name of Individual Submitting Application: Mary Severson (cell 608 695-2902)

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? Our funds are used to provide direct financial assistance to clients in need of help with utility bill, rent, housing needs, and many other emergency needs.

What are the benefits to the Stoughton Community? By financially helping those in need in the Stoughton area, we help keep them in stable housing with the basic needs to live. With that stability, they can become better members of the community, working here, and raising families.

What other information would you like to share? We serve anyone in the Stoughton Area School District and we limit our aid to once a year per household to help more families. Amount of aid provided depends on need and the funds available.

Applicant Signature: Mary C. Severson Date: 1/19/2022

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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## Application for Funds from RoundUP Program Donation

Organization Name: Stoughton Area Resource Team-START Phone #: 608-577-5650

Organization Address: 1520 Vernon Ave, Stoughton, WI 53589

Name of Individual Submitting Application: Laura Braund, Executive Director

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

### How will the funds be used?

Funds will be used to help meet the basic (housing) needs for residents living in the Stoughton Area School District who are experiencing hardships during crisis.

### What are the benefits to the Stoughton Community?

The goal of our program is to prevent households from becoming homeless and empower residents to gain independence and self-sufficiency. When our most vulnerable residents have access to resources that guide them through crisis into stability, our community thrives socially and economically. Funding gifted to START will impact our program's ability to provide the resources necessary to outreach to vulnerable households.

### What other information would you like to share?

START provides advocacy and support in housing, utilities, transportation, health, education, employment and other basic needs. Case management and budgeting guidance is offered along with financial assistance, when appropriate.

Applicant Signature:

Laura Braund

Date:

6/13/2022

Applicant Signature:

Date:



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**Application for Funds from RoundUP Program Donation**

Organization Name: Stoughton Lions Club Phone #: 608-575-7680

Organization Address: 2364 Jackson Street, Box 184

Name of Individual Submitting Application: John Elvekrog

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? The funds will be used for our Wisconsin Lions Camp. Children & adults with vision disabilities have a camp to attend at no cost to them or their family. We have 10 weeks

for different issues, type I Diabetic, hearing & slightly cognitive issues also have a week each at the camp. Lions club pay all costs.  
What are the benefits to the Stoughton Community?

Each year we have people from Stoughton attend one of the weeks camping experience. Normally 3-4 each year, but we have had up to 10 attend

What other information would you like to share?

It costs about \$950 for each camper for the week. On a normal year we get 1,500 campers. 10 weeks with up to 150 campers per week.

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Applicant Signature: John Elvekrog

Date: 7/13/2022

JAN 20 2022

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**Application for Funds from RoundUP Program Donation**

Organization Name: Stoughton Senior Center Phone #: 608-873-8585

Organization Address: 248 N. Main

Name of Individual Submitting Application: Cindy McGlynn

Are you a non-profit organization? Yes \_\_\_\_\_ No  municipal

Type of Request: Personal \_\_\_\_\_ Group \_\_\_\_\_ Community

How will the funds be used? the senior center provides services & programs for older adults & their families.

What are the benefits to the Stoughton Community? We provide options for older adults to live with dignity and stay connected to their community.

What other information would you like to share? We have been serving older adults for 50 years this year.

Applicant Signature: Cindy McGlynn Date: 1/19/22

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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**Application for Funds from RoundUP Program Donation**

Organization Name: Stoughton United Methodist <sup>Food Pantry</sup> Phone #: 608-873-3273

Organization Address: 525 Lincoln Ave. Stoughton, WI 53589

Name of Individual Submitting Application: Jeanne A. Schwass - Long

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? The funds will be used to purchase a large variety of foods from Second Harvest at a reduced cost, meat is 18¢ lb., Bakery and produce are free. We also supplement our food items with fresh produce, and nutrient dense items! Any items not secured here are purchased locally!

What are the benefits to the Stoughton Community? Those experiencing "Food Insecurity" are welcome at our pantry. Our goal is to provide healthy foods to our families through a self-selection process which maintains their dignity! There are no financial requirements to participate, just proof of address for each participant. We are open 9:00-11:00 am and 4:00-6:00 pm on Tuesdays - Free rides are available for those in need.

What other information would you like to share? We are designated by Second Harvest as an Emergency Pantry - anyone needing food can contact the church and we will accommodate them. We provided our families with thanksgiving baskets/meals this year. Even through COVID, we served 560 families this year.

Applicant Signature: Jeanne A Schwass - Long

Date: March 14, 2022

Applicant Signature: [Signature]

Date: March 14, 2020



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### Application for Funds from RoundUP Program Donation

Organization Name: Stoughton Village Players Phone #: 608-873-7455

Organization Address: 256 E Main, Po Box 710 Stoughton, WI 53589

Name of Individual Submitting Application: Kathy Horton, Board Member, Grants

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

How will the funds be used? To help offset the cost of a production. With the theater being dark for almost 2 years, we have had minimal income, but still have fixed expenses.

What are the benefits to the Stoughton Community? Provide Live theater and also opportunities for locals to participate in putting on a production from behind the stage to acting.

What other information would you like to share? SVP is celebrating 50 yrs in 2022 in the Stoughton community & will continue to entertain for the next 50 years (God willing !!)

Applicant Signature: Kathy Horton Date: 2-3-22

Applicant Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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**Application for Funds from RoundUP Program Donation**

Organization Name: Three Gaits, Inc. Phone #: 608-877-9086  
 Organization Address: 3741 Highway 138 W, Stoughton WI 53589  
 Name of Individual Submitting Application: Lauren Chare, Executive Director

Are you a non-profit organization? Yes  No

Type of Request: Personal  Group  Community

**How will the funds be used?**

Three Gaits provides therapeutic horse riding lessons and occupational therapy using the movement of the horse to adults and children with disabilities. We have a working 20-acre horse farm with dozens of volunteers supervised by 4 staff. In addition, we hire Stoughton High School students as part of the Ag Youth Apprenticeship Program. Mentored by paid staff and teachers, they learn aspects of horse care, farm management, non-profit management and interacting with the public and our clients and are evaluated on skill growth for one academic year. We pay them a wage and engage them as full-fledged staff members. We seek to defray some of the cost of this position's wage with a gift of \$500.

**What are the benefits to the Stoughton Community?**

As a community that treasures its rural character, it is important for young people to know that agricultural careers are available in many forms, including non-profits focused on health and human services. We are located just outside Stoughton, making it convenient for students to participate in a supportive and unique paid internship during their school day.

Our Youth Apprenticeship participation assures that more students from the high school can explore careers in more fields.

**What other information would you like to share?**

As a nearly 40-year-old Stoughton institution, the unique and important nature of Three Gaits' work and reputation in Dane and nearby counties helps complete the reputation of Stoughton as a caring and service-rich community. We are proud to be a welcoming place for residents of Stoughton to volunteer or bring their family members who have a disability to partake in a healthy and effective activity.

Applicant Signature:

Date: 1-25-2022

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_



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Stoughton, WI 53589-0383

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**Date:** July 12, 2022

**To:** Stoughton Utilities Committee

**From:** Jill M. Weiss, P.E.  
Stoughton Utilities Director

**Subject:** Utilities Committee Future Agenda Item(s)

This item appears on all agendas of Committees of the City of Stoughton.