

# AGENDA

## REGULAR WATER COMMISSION MEETING AND STORM WATER CITIZEN ADVISORY BOARD MEETING AMENDED

**Tuesday, May 16, 2023  
4:30 P.M.**

**Council Chambers – City Hall**

**NOTICE IS HEREBY GIVEN**, pursuant to the requirements of Wis. Stats. Sec. 19.84, that a majority of the Neenah Common Council may be present at this meeting. Common Council members may be present to gather information about a subject over which they have decision making responsibility. This constitutes a meeting of the Neenah Common Council and must be noticed as such. The Council will not take any formal action at this meeting.

1. Approve Regular Meeting Minutes for April 17, 2023 (Attachment)
2. Approve the Invoices for April 2023 (Attachment)
3. Appearances
4. Old Business/New Business
  - A. Annual Utility Audit Report (Attachment)
  - B. Financial Reports (Attachment)
  - C. Approve Request to Purchase Lot 45 in Homes at Freedom Acres (Attachment)
  - D. Approve Oversizing Reimbursement for Homes at Freedom Meadows (Attachment)
  - E. Approve Emergency Water Main Relay on Byrd Avenue (Attachment)
  - F. Director's Report (Attachment)
  - G. Any Other Business That May Legally Come Before the Commission
  - H. Adjournment

*In accordance with the requirements of Title II of the Americans with Disabilities Act (ADA), the City of Neenah will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. If you need assistance, or reasonable accommodation in participating in this meeting or event due to a disability as defined under the ADA, please call the **Water Utility Administrative Assistant at 920-886-6180** or the **City's ADA Coordinator at (920) 886-6106** or e-mail [attorney@ci.Neenah.wi.us](mailto:attorney@ci.Neenah.wi.us) at least 48 hours prior to the scheduled meeting or event to request an accommodation.*

**MINUTES OF THE NEENAH WATER WORKS COMMISSION  
AND  
STORM WATER CITIZEN ADVISORY BOARD MEETING**  
Regular Meeting – April 17, 2023  
Council Chambers – City Hall

**Present:** President Schmeichel; Commissioners: Lang, Hemes, and Bauman; and Director Mach

**Also Present:** Public Works Engineer Kummerow

**Excused:** Commissioner Boyette

President Schmeichel called the meeting to order at 4:34 p.m.

Approve Meeting Minutes for March 20, 2023 – Following discussion, **M.S.C. Hemes/Schmeichel to approve the March 20, 2023 Meeting Minutes.** All voting aye.

Approve the Invoices for March 2023 – Commissioners asked about charges and invoices from Don Hietpas & Sons, Inc., KnowBe4, Inc., and Heartland Business Systems, LLC. Director Mach explained that the invoice from Don Hietpas & Sons is for the Utility-owned service replacement that was performed at the same time as the private service replacement. On occasion, it is more efficient to have the contractor replace both sides of the service at the same time. KnowBe4 provides a subscription-based service for employee security awareness training. They also provide security testing (phishing email recognition, etc.). The City has an agreement with Heartland Business Systems to provide the Office 365 licenses that are used by Utility staff.

Following discussion, **M.S.C. Bauman/Schmeichel to approve the March 2023 invoices.** All voting aye.

Appearances – None.

Old Business/New Business

Storm Water Report – Engineer Kummerow discussed the City's acquisition of the Bridgewood Pond. Commissioners asked if there were any recent modifications of the pond and if the pond has natural drainage to the slough (Neenah Creek). Mr. Kummerow noted that there have been no recent modifications to the pond. The system has pumps which can be used to lower the level, but there is a natural drain (culvert) present. The Public Works Department is reviewing options to use the pond as a stormwater treatment pond to clean the stormwater before it goes to Neenah Creek. Some modifications may be needed to meet DNR standards.

Following discussion, **M.S.C. Hemes/Bauman to accept and place on file the Storm Water Report.** All voting aye.

Approve Request to Adjust 2023 CIP Budget for Meters – Director Mach presented a memo detailing the current and future pricing for water meters. By utilizing the current quote to purchase enough meters to complete the planned city-wide replacement project, the Utility can realize significant savings over time as prices are increasing more than 18% in May. Commissioners asked Director Mach how many meters were purchased and how many were needed to complete the project. Director Mach noted that 1,200 meters were purchased and approximately 4,800 more were needed. Commissioners suggested creating a reserve account by allocating \$300,000 from the Sludge Lagoon account to fund the Meters / Endpoints account. Director Mach asked if the Commission would consider instead funding this account with \$400,000 from the Sludge Lagoons account. Commissioner Bauman offered

**Waterworks Commission and Storm Water Citizens Advisory Board Regular Meeting Minutes  
April 17, 2023  
Page 2 of 2**

a friendly amendment to fund a new reserve account for Meters / Endpoints with \$400,000 from the Sludge Lagoon account. This friendly amendment, seconded by Commissioner Hemes, was carried.

Following discussion, **M.S.C. Hemes/Schmeichel to adjust the 2023 CIP budget for Meters from \$110,000 to \$410,000 and to fund a new reserve account for Meters / Endpoints for the purpose of funding any future purchases.** All voting aye.

Director's Report –

1. Water Loss Report – Water loss appears to be stabilizing. Staff are flushing hydrants throughout the city.
2. Solar installation update – The system is working well. Production is increasing.
3. Private lead service line replacement funding and project update – The second reimbursement request has been submitted to the DNR.
4. The following items were approved at the April 12, 2023 Board of Public Works meeting:
  - Change Order No. 2, Contract 11A-22, Water Service Replacement Reddin Avenue & Zemlock Avenue, Donald Hietpas & Sons Inc., Little Chute, WI, extending completion date to June 30, 2023.
  - Change Order No. 3, Contract 11B-22, Water Service Replacement Hunt Avenue, Madison Street & Nicolet Boulevard, Carl Bowers & Sons Construction Co., Kaukauna, to extend completion date to June 30, 2023.
5. The next regular Waterworks Commission meeting is scheduled for Tuesday, May 16, 2023.

Following discussion, **M.S.C. Schmeichel/Bauman to accept and place on file the Director's Report.** All voting aye.

Any Other Business That May Legally Come Before the Commission – None.

Adjournment – M.S.C. Hemes/Bauman to adjourn in at 5:15 p.m. All voting aye.

Respectfully submitted,



Anthony L. Mach  
Director, Neenah Water Utility

**WATER UTILITY CASH ACTIVITY**  
**April 2023**

Cash Balance April 1, 2023		\$4,771,392
Cash Receipts		
Water Collection Receipts	613,039	
Other Water Receipts	23,065	
		636,105
Cash Distributions		
Check Register	139,558	
WE Energies	29,263	
Disbursements to the City	141,094	
		309,915
<b>Cash Balance April 30, 2023</b>		<b>5,097,582</b>

**APRIL DISBURSEMENTS TO THE CITY**

Payroll		93,946
Payroll Benefits		40,208
Vehicle Fuel & Fluids		1,249
Vehicle Maintenance		266
Postage		306
IS/GIS Services		3,990
Water Bills		1,129
<b>Total Disbursements to the City</b>		<b>141,094</b>

**REPLACEMENT FUND RESERVES AS OF APRIL 2023**

Sludge Lagoon		\$1,593,413
Vehicles		205,050
Painting Towers		591,495
Painting Hydrants		62,000
GAC Media Replacement		530,000
Pump Rehab		80,000
Meters/Endpoints		400,000
<b>Total Replacement Fund Reserves</b>		<b>\$3,461,958</b>

**WATER UTILITY CHECK REGISTER**

AP Payment Date	AP Payment Number	AP Vendor Name	AP Invoice Number	AP Transaction Amount	AP Description 01	AP Description 02	Fund Description	Account Number
04/06/2023	689	MICHELS	446499	165.26	BACKFILL		Water	40004027706730
04/13/2023	699	BAKER TILLY US LLP	BT2362588	8,357.50	AUDIT SVCS THRU 3/31		Water	40004017709232
04/13/2023	707	MICHELS	446653	639.63	COLD PATCH		Water	40000002070510
		MICHELS	446653	639.63	COLD PATCH		Water	40004027706730
		MICHELS	446653	639.64	COLD PATCH		Water	40004027706750
04/28/2023	717	U S BANK	04-12-23	252.00	AW EMPL SOLUTN PORTAL E	AUDIOGRAMS/407016	Water	40004017709270
		U S BANK	04-12-23	67.00	AW EMPL SOLUTN PORTAL E	DRUG TESTING/407016	Water	40004017709260
		U S BANK	04-12-23	939.00	GRAPHIC COMPOSITION INC	WINDOW ENVELOPES-10K/2307	Water	40004017709210
		U S BANK	04-12-23	64.52	LEVENHAGEN OIL CORPORATI	FUEL FOR #80/1020353	Water	40004017709290
04/28/2023	735	U S BANK	04-12-23	2,859.56	BADGER METER INC	METER READS SERVICE	Water	40004017706630
		U S BANK	04-12-23	60.97	CINTAS CORP	MATS/MOPS DISTRIBUTION	Water	40004017706650
		U S BANK	04-12-23	60.96	CINTAS CORP	MATS/MOPS TREATMENT	Water	40004017706430
		U S BANK	04-12-23	45.00	DNR WS2 EM1 EPAY DEM SALE	DNR LIC RENEW SCHULZ	Water	40004017706430
		U S BANK	04-12-23	0.90	DNR WS2 EM1 EPAY DEM SRVF	PROC FEE SCHULZ RENEWAL	Water	40004017706430
		U S BANK	04-12-23	2.00	DSPS E SERVICE FEE COM	5 RPZ TESTS PROCESS FEE	Water	40004017706650
		U S BANK	04-12-23	100.00	DSPS EPAY ISE	5 RPZ TESTS	Water	40004017706650
		U S BANK	04-12-23	757.24	DURABLE CONTROLS LLC	FLUORIDE PROBE	Water	40004027706520
		U S BANK	04-12-23	1,273.57	GRIFFIN FILTER TECHNOLOG	LIME SHAKER FILTERS	Water	40004027706520
		U S BANK	04-12-23	20.00	HAWKINS INC	ENVIORNMENTAL FEE	Water	40004017706410
		U S BANK	04-12-23	6,320.16	HAWKINS INC	LPC-31	Water	40004017706410
		U S BANK	04-12-23	4,579.71	HAWKINS INC	SODIUM	Water	40004017706410

**WATER UTILITY CHECK REGISTER**

AP Payment Date	AP Payment Number	AP Vendor Name	AP Invoice Number	AP Transaction Amount	AP Description 01	AP Description 02	Fund Description	Account Number		
04/28/2023	735					PERMANGANATE				
		U S BANK	04-12-23	926.00	HOLIDAY INN LACROSSE	WRWA CONF MACH/GORGES	Water	40004017709270		
		U S BANK	04-12-23	1,380.15	MORTON SAFETY, LLC	FIRST AID/CPR/AED TRAINI	Water	40004017709270		
		U S BANK	04-12-23	78.79	MORTON SAFETY, LLC	HI-VISIBILITY BIBS	Water	40004017706430		
		U S BANK	04-12-23	129.20	NORTHERN LAKE SERVICE- IN	LAB TESTS	Water	40004017706420		
		U S BANK	04-12-23	308.00	THE HOME DEPOT 4903	2 PK MILW BATT/HACKZALL	Water	40004017706650		
		U S BANK	04-12-23	11.98	THE UPS STORE 2376	LAB SHIPPING	Water	40004017706420		
		U S BANK	04-12-23	2,088.61	USA BLUE BOOK	LAB REAGENTS	Water	40004017706420		
		U S BANK	04-12-23	28.00	WI STATE HYGIENE LAB	LAB TEST	Water	40004017706420		
		U S BANK	04-12-23	28.66	WM SUPERCENTER #2986	PENS/GLASS CLNR/PHNE CHRG	Water	40004027706520		
		U S BANK	04-12-23	92.00	4TE*CULLIGAN WATER CONDIR	LAB WATER	Water	40004017706420		
		04/28/2023	747	U S BANK	04-25-23	6,450.00	ENGINEERING CONSULTING S	ENVIRONMENTAL TESTING-	Water	4000002070520
				U S BANK	04-25-23	91.98	TDS METROCOM	MAR TDS PHONE	Water	40004017706430
U S BANK	04-25-23			4.38	TDS METROCOM	MAR TDS PHONE	Water	40004017706630		
U S BANK	04-25-23			43.80	TDS METROCOM	MAR TDS PHONE	Water	40004017706650		
U S BANK	04-25-23			7.09	TDS METROCOM	MAR TDS PHONE	Water	40004017709030		
U S BANK	04-25-23			9.46	TDS METROCOM	MAR TDS PHONE	Water	40004017709210		
U S BANK	04-25-23			17.81	U.S. CELLULAR	AIRTIME 2/22-3/21	Water	40004017706260		
U S BANK	04-25-23			17.78	U.S. CELLULAR	AIRTIME 2/22-3/21	Water	40004017706430		
U S BANK	04-25-23			98.65	U.S. CELLULAR	AIRTIME 2/22-3/21	Water	40004017706620		
U S BANK	04-25-23			39.20	U.S. CELLULAR	AIRTIME 2/22-3/21	Water	40004017706630		
U S BANK	04-25-23			118.46	U.S. CELLULAR	AIRTIME 2/22-3/21	Water	40004017706650		

**WATER UTILITY CHECK REGISTER**

AP Payment Date	AP Payment Number	AP Vendor Name	AP Invoice Number	AP Transaction Amount	AP Description 01	AP Description 02	Fund Description	Account Number
04/28/2023	747	U S BANK	04-25-23	19.32	U.S. CELLULAR	AIRTIME 2/22-3/21	Water	40004017709020
04/28/2023	748	U S BANK	04-25-23	50.95	CINTAS CORP	MATS/MOPS DISTRIBUTION	Water	40004017706650
		U S BANK	04-25-23	50.94	CINTAS CORP	MATS/MOPS TREATMENT	Water	40004017706430
		U S BANK	04-25-23	16,975.00	CORE & MAIN - WI005	HYDRANTS	Water	4000002070509
		U S BANK	04-25-23	252.25	CORE & MAIN - WI005	METER HORN PARTS	Water	40004017706630
		U S BANK	04-25-23	45.00	DNR WS2 EM1 EPAY DEM SALE	LICENSE RENEWAL FLOM	Water	40004017706430
		U S BANK	04-25-23	0.90	DNR WS2 EM1 EPAY DEM SRVF	PROCESS FEE FLOM LICENSE	Water	40004017706430
		U S BANK	04-25-23	305.00	EBAY O*11-09965-32033	CHEMICAL PUMP	Water	40004027706520
		U S BANK	04-25-23	835.35	FERGUSON ENT	0235245/ DECHLORINATION TA	Water	40004027706730
		U S BANK	04-25-23	11,253.00	FERGUSON ENT	0383472/VALVE BOX PARTS	Water	40004027706730
		U S BANK	04-25-23	393.45	GUENTHER SUPPLY, INC.	PVC PIPE & FITTINGS	Water	40004027706520
		U S BANK	04-25-23	939.97	HAWKINS INC	AMMONIA HYDROXIDE	Water	40004017706410
		U S BANK	04-25-23	1,507.28	HAWKINS INC	HYDROFULOSILICIC ACID	Water	40004017706410
		U S BANK	04-25-23	5,105.76	HAWKINS INC	SODIUM PERMANGANATE	Water	40004017706410
		U S BANK	04-25-23	1,580.62	JOHNSON CONTROLS FIRE	FIRE SYSTEM TEST/INSPECTI	Water	40004017706430
		U S BANK	04-25-23	8,939.52	KEMIRA WATER SOLUTIONS	FERRIC SULFATE	Water	40004017706410
		U S BANK	04-25-23	320.42	NORTHERN LAKE SERVICE- IN	LAB TESTS	Water	40004017706420
04/06/2023	56506	DIVERSIFIED BENEFIT SERVICES INC	376035	75.65	MAR SERVICES- HRA		Water	40004017709260
		DIVERSIFIED BENEFIT SERVICES INC	377622	16.00	MAR SERVICES-FLEX	SPENDING	Water	40004017709260

**WATER UTILITY CHECK REGISTER**

AP Payment Date	AP Payment Number	AP Vendor Name	AP Invoice Number	AP Transaction Amount	AP Description 01	AP Description 02	Fund Description	Account Number
04/06/2023	56513	GRAEF	125470	71.85	GIS MAINTENANCE THRU 2/25		Water	40004017709230
04/06/2023	56514	GRAYMONT WESTERN LIME INC	35201505RI	4,062.35	HYDRATED LIME		Water	40004017706410
04/06/2023	56524	MORAINES PARK TECHNICAL COLLEGE	N00468928	165.35	SURFACE WATER PREP COURSE	PATTON	Water	40004017709270
04/06/2023	56526	N & M AUTO SUPPLY	788511	23.15	TRAILER LIGHT ADAPTERS		Water	40004017709290
04/06/2023	56530	PUBLIC SERVICE COMMISSION	2302104030	5,046.32	WESTSIDE BOOSTER STATION	APPLICATION	Water	4000002070506
04/06/2023	56532	RAY'S TIRE	2035233	45.75	TIRE PATCH		Water	40004017709290
04/06/2023	56533	RIESTERER & SCHNELL INC	2360531	11.43	SHEAR BOLTS		Water	40004027706520
04/13/2023	56560	GRAYMONT WESTERN LIME INC	35201913RI	4,034.69	HYDRATED LIME		Water	40004017706410
04/13/2023	56570	MULCAHY SHAW WATER INC	324967	18,719.71	UV BULBS/SLEEVES/SEALS		Water	40004027706520
04/20/2023	56598	BUSCH, DAVID	000013445	135.00	OVERPD FINAL ACCOUNT	000021408	Water	4000003070000
04/20/2023	56605	GRAYMONT WESTERN LIME INC	35202202RI	4,164.50	HYDRATED LIME		Water	40004017706410
		GRAYMONT WESTERN LIME INC	35202398RI	4,094.27	HYDRATED LIME		Water	40004017706410
04/25/2023	56621	WISCONSIN CENTRAL LTD	REVIEWFEE	1,350.00	REVIEW FEE WATER MAIN	REPLACEMENT HIGH ST	Water	4000002070524
04/27/2023	56629	DIVERSIFIED BENEFIT SERVICES INC	378604	75.65	APR SERVICES - HRA		Water	40004017709260
		DIVERSIFIED BENEFIT SERVICES INC	379840	16.00	APR SERV - FLEX SPENDING		Water	40004017709260
04/27/2023	56634	FOXWOOD CROSSING - WWM	000008087	86.03	OVERPD FINAL ACCOUNT	000000452	Water	4000003070000
04/27/2023	56635	GRAYMONT WESTERN LIME INC	35199400RI	4,170.88	HYDRATED LIME		Water	40004017706410
		GRAYMONT WESTERN LIME INC	35202713RI	4,436.88	HYDRATED LIME		Water	40004017706410
04/27/2023	56649	PENDLETON PARK LLC	000040537	105.57	OVERPD FINAL ACCOUNT	000000708	Water	4000003070000
04/27/2023	56651	POTOKAR, ANDREW	000033533	261.84	OVERPD FINAL ACCOUNT	000006076	Water	4000003070000
<b>Overall - Total</b>				<b>139,557.85</b>				

# Reporting and insights from 2022 audit: Neenah Water Utility

December 31, 2022

# Executive summary

May 09, 2023

To the Neenah Water Utility  
Neenah, Wisconsin

We have completed our audit of the financial statements of Neenah Water Utility (the Utility) for the year ended December 31, 2022, and have issued our report thereon dated May 09, 2023. 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 Utility's 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.

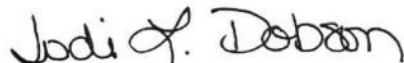
Additionally, we have included information on key risk areas Neenah Water Utility should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

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



Jodi Dobson, Partner, CPA

THIS COMMUNICATION IS INTENDED SOLELY FOR THE INFORMATION AND USE OF THOSE CHARGED WITH GOVERNANCE, AND, IF APPROPRIATE, MANAGEMENT, AND IS NOT INTENDED TO BE AND SHOULD NOT BE USED BY ANYONE OTHER THAN THESE SPECIFIED PARTIES.

BAKER TILLY US, LLP, TRADING AS BAKER TILLY, IS A MEMBER OF THE GLOBAL NETWORK OF BAKER TILLY INTERNATIONAL LTD., THE MEMBERS OF WHICH ARE SEPARATE AND INDEPENDENT LEGAL ENTITIES.

# 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 Utility's 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 those charged with governance:
  - 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 those charged with governance of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance, including:

- Internal control matters
- Qualitative aspects of the Utility's 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

# 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.

# Audit approach and results

## Planned scope and timing

### Audit focus

Based on our understanding of the Utility 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 Utility's 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 Utility's 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 Utility's 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 did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with Governance. We identified the following deficiency as a significant deficiency:

- **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, and an independent review of financial reports. Management has not prepared financial statements that are in conformity with generally accepted accounting principles.

### Management response

While the City's Finance Department, on behalf of the Neenah Water Utility, prepares and submits financial data for audit, the Water Utility utilizes Baker Tilly to prepare its annual financial statements each year as a service due to limited resources at the City. The City's Finance Department puts considerable effort into its year-end and annual financial reporting responsibilities. Inclusive in this are the continual review of general ledger postings, budget to actual analysis, financial coordination with other City departments, and multiple controls at the transaction level. Finance staff also regularly attends regional and local conferences to keep informed regarding emerging accounting standards. All of this has resulted in a reduction of material audit entries to the point of none occurring for the 2022 audit. In addition, the City's Finance Department and Water Utility completes a thorough review of the Baker Tilly drafted financials prior to final issuance.

# 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 Utility are described in Note 1 to the financial statements. As described in Note 1, the Utility changed accounting policies related to leases by adopting Accounting Pronouncement No. 87, *Leases*, in 2022. We noted no transactions entered into by the Utility 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:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Unbilled customer charges	Usage reports for billings that do not fall on year end	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
Depreciation	Evaluate estimated useful life of the asset and original acquisition value	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 all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements identified.

## **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 Utility's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

## **Other information in documents containing audited basic financial statements**

The Utility's audited financial statements are "general purpose" financial statements. General purpose financial statements consist of the basic financial statements that can be used by a broad group of people for a broad range of activities. Once we have issued our audit report, we have no further obligation to update our report for events occurring subsequent to the date of our report. The Utility can use the audited financial statements in other client prepare documents, such as official statements related to the issuance of debt, without our acknowledgement. Unless we have been engaged to perform services in connection with any subsequent transaction requiring the inclusion of our audit report, as well as to issue an auditor's acknowledgment letter, we have neither read the document nor performed subsequent event procedures in order to determine whether or not our report remains appropriate.

## **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 attachments include 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 Utility's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, 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 Utility 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 Utility's 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, 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
- CIVIC systems software

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

# 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>.

# Management representation letter



*Neenah Water Utility*

211 Walnut St., P.O. Box 426, Neenah, WI 54957-0426

Phone: 920-886-6180 Fax: 920-886-6250

E-mail: [water@ci.neenah.wi.us](mailto:water@ci.neenah.wi.us)

May 9, 2023

Baker Tilly US, LLP

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audit of the financial statements of the Neenah Water Utility as of December 31, 2022 and 2021 and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Neenah Water Utility results of operations, and cash flows of its proprietary funds in conformity with accounting principles generally accepted in the United States of America (GAAP). 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 dated .
- 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.

- 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, including those measured at fair value, 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 Enter 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 Water Works Commission 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 side agreements, of which we are aware.

**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 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.
- 19) 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.
- 20) In regards to the nonattest services performed by you listed below, we acknowledge our responsibility related to these nonattest services and 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) Civic Systems software

None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.
- 21) The Neenah Water Utility 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.

- 22) The Neenah Water Utility has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 23) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 24) The Neenah Water Utility has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- 25) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
- 26) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 27) Tax-exempt bonds issued have retained their tax-exempt status.
- 28) We have appropriately disclosed the Neenah Water Utility's 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.
- 29) 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.
- 30) 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.
- 31) 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.
- 32) We have implemented GASB Statement No. 87, *Leases*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.

- 33) 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 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 auditors' report thereon. We confirm that we do not prepare and have no plans to prepare an annual report.
- 34) Any direct borrowings, direct placements, lines of credit, or debt default clauses have been identified and properly disclosed.

Sincerely,

Neenah Water Utility

Signed: 

Signed: 

Signed: 

# Client service team



**Jodi Dobson, CPA**  
**Partner**

4807 Innovate Lane  
Madison, Wisconsin 53718  
United States

**T +1 (608) 240 2469 | Madison**  
[jodi.dobson@bakertilly.com](mailto:jodi.dobson@bakertilly.com)

# Accounting changes relevant to Neenah

## Future accounting standards update

GASB Statement Number	Description	Potentially Impacts you	Effective Date
94	Public-Private and Public-Public Partnerships and Availability Payment Arrangements	✓	12/31/23
96	Subscription-Based Information Technology Arrangements	✓	12/31/23
99	Omnibus 2022	✓	12/31/23
100	Accounting Changes and Error Corrections	✓	12/31/24
101	Compensated Absences	✓	12/31/24

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

## 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 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.

## Revised guidance for accounting changes and error corrections

GASB Statement No. 100, *Accounting Changes and Error Corrections, an amendment of GASB Statement No. 62*, seeks to provide more understandable, reliable, relevant, consistent and comparable information for making decisions and assessing accountability.

The standard establishes the following categories:

1. Accounting changes, which is comprised of:
  - a. Changes in accounting principles – result from a change from one generally accepted accounting principle to another that is justified on the basis that the newly adopted principle is preferable to the previously applied principle, or the implementation of a new pronouncement.
  - b. Changes in accounting estimates – occur when inputs change due to a change in circumstances, new information, or more experience. Note that the focus is on changes to the inputs used; a change in the value of an input such as an annual inflation update does not require disclosure under this standard.
  - c. Changes to or within the financial reporting entity – result from the addition or removal of a fund that results from the movement of continuing operations (such as moving sanitation operation from the general fund to its own separate fund), a change in a fund's presentation as major or nonmajor, the addition or removal of a component unit (with certain exceptions), or a change in a component unit's presentation as blended or discretely presented.
2. Error corrections – result from mathematical mistakes, mistakes in the application of accounting principles, or oversight or misuse of facts that existed at the time of the financial statements were issued (i.e., facts that could reasonably be expected to have been obtained and considered at that time).

A summary of the reporting impact of each category is as follows:

	Accounting changes			
Reporting considerations	Change in accounting principle	Change in estimate	Change to the financial reporting entity	Correction of an error
Basic financial statement schedules:	Restate earliest period presented	Report prospectively	Adjust current year beginning balances	Restate earliest period presented
Required supplementary information & supplementary information:	Should match the financial statement presentation noted above; no adjustments to earlier periods needed			Restate all periods impacted
Additional disclosures?	Yes	Yes	Yes	Yes

The Utility should become familiar with the new guidance in advance of the implementation effective date.

# 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.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America.

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 Utility 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.

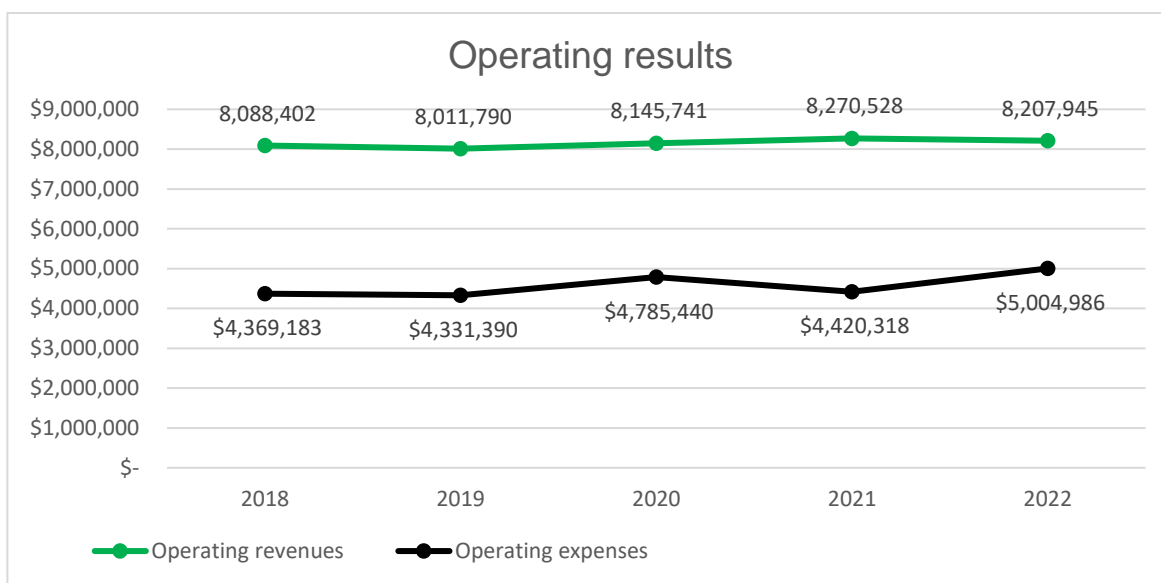
We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.



# City of Neenah Utilities

## Water Utility Results

	<u>Current Year</u>	<u>Prior Year</u>
Actual Rate of Return	<b>6.95%</b>	<b>8.52%</b>
Authorized Rate of Return	<b>7.50%</b>	<b>7.50%</b>



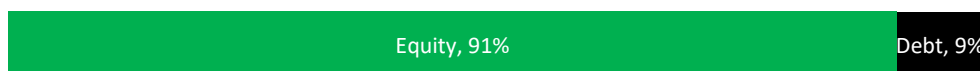
### Unrestricted Reserves

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Year end balance	\$ 6,999,609	\$ 7,120,629	\$ 7,451,385	\$ 7,744,113	\$ 7,022,452
Months on hand	<b>10.38</b>	<b>10.67</b>	<b>10.98</b>	<b>11.24</b>	<b>10.27</b>

### Debt Coverage

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Actual	<b>2.23</b>	<b>2.22</b>	<b>2.08</b>	<b>3.05</b>	<b>2.67</b>
Required	1.25	1.25	1.25	1.25	1.25

### Investment in Capital



# **Neenah Water Utility**

An Enterprise Fund of the City of Neenah, Wisconsin

Financial Statements and  
Supplementary Information

December 31, 2022

# Neenah Water Utility

An Enterprise Fund of the City of Neenah, Wisconsin

Table of Contents

December 31, 2022

---

	<u>Page</u>
<b>Independent Auditors' Report</b>	1
<b>Financial Statements</b>	
Statement of Net Position	4
Statement of Revenues, Expenses and Changes in Net Position	6
Statement of Cash Flows	7
Notes to Financial Statements	9
<b>Required Supplementary Information</b>	
Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System	29
Schedule of Employer Contributions - Wisconsin Retirement System	29
Notes to Required Supplemental Information	30
<b>Supplementary Information</b>	
<b>Water Utility</b>	
Utility Plant	31
Operating Revenues and Expenses	32
Rate of Return - Regulatory Basis	34

## Independent Auditors' Report

To the Utility Commission of  
Neenah Water Utility

### Opinion

We have audited the financial statements of the Neenah Water Utility (Utility), an enterprise fund of the City of Neenah, Wisconsin, as of and for the year ended December 31, 2022, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Utility as of December 31, 2022, 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 Opinion

We conducted our audit 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 Utility 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 opinion.

### Emphasis of Matters

As discussed in Note 1, the financial statements of the Utility of the City of Neenah, Wisconsin, are intended to present the financial position, the changes in the financial position, and cash flows of only the Utility. They do not purport to, and do not, present fairly the financial position of the City of Neenah, Wisconsin, as of December 31, 2022, and the changes in financial position or cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the Utility adopted the provisions of GASB Statement No. 87, *Leases*, effective January 1, 2022. Our opinion is 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 opinion. 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 Utility's 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.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, 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. Our opinion on the financial statements is not affected by this missing information.

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary 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  
May 9, 2023

# Neenah Water Utility

Statement of Net Position  
December 31, 2022

## Assets and Deferred Outflows of Resources

### Current Assets

Cash and investments	\$ 3,700,494
Other special accounts	3,321,958
Restricted assets:	
Redemption account	1,106,396
Customer accounts receivable	864,672
Unbilled revenues	882,284
Other accounts receivable	25,025
Due from other funds	88
Materials and supplies	117,002
Prepayments	3,528
Interest receivable	13,539
Current portion of lease receivable	<u>127,077</u>
Total current assets	<u>10,162,063</u>

### Noncurrent Assets

Restricted assets:	
Reserve account	319,000
Net pension asset	562,869
Other assets:	
Lease receivable	8,079,400
Capital assets:	
Plant in service	70,978,175
Accumulated depreciation/amortization	(25,833,079)
Construction work in progress	<u>41,250</u>
Total noncurrent assets	<u>54,147,615</u>
Total assets	<u>64,309,678</u>

### Deferred Outflows of Resources

Deferred outflows related to pension	<u>1,102,837</u>
--------------------------------------	------------------

# Neenah Water Utility

Statement of Net Position  
December 31, 2022

## Liabilities and Deferred Inflows of Resources

### Current Liabilities

Accounts payable	\$	264,695
Due to municipality		971,373
Accrued vacation		32,026
Other current liabilities		58,807
Current liabilities payable from restricted assets:		
Current portion of revenue bonds		1,718,407
Accrued interest		16,208
Total current liabilities		<u>3,061,516</u>

### Noncurrent Liabilities

Revenue bonds		2,559,939
Unamortized debt premium		7,352
Accrued sick leave		73,216
Unearned revenues		8,216
Total noncurrent liabilities		<u>2,648,723</u>
Total liabilities		<u>5,710,239</u>

### Deferred Inflows of Resources

Deferred inflows related to pension		1,315,209
Deferred inflows related to leases		8,206,477
Total deferred inflows of resources		<u>9,521,686</u>

## Net Position

Net investment in capital assets		41,219,648
Restricted for:		
Debt service		1,090,188
Pension		562,869
Unrestricted		<u>7,307,885</u>
Total net position	\$	<u>50,180,590</u>

See notes to the financial statements

## Neenah Water Utility

Statement of Revenues, Expenses and Changes in Net Position  
Year Ended December 31, 2022

<b>Operating Revenues</b>	
Sales of water	\$ 8,039,054
Other	<u>168,891</u>
Total operating revenues	<u>8,207,945</u>
<b>Operating Expenses</b>	
Operation and maintenance	3,404,956
Depreciation	<u>1,600,030</u>
Total operating expenses	<u>5,004,986</u>
<b>Operating Income</b>	<u>3,202,959</u>
<b>Nonoperating Revenues (Expenses)</b>	
Investment income	126,441
Interest on leases	87,058
Income from merchandising and jobbing	38,127
Gain on sale of fixed assets	70,900
Gain (loss) on investments	(242,588)
Interest expense	(116,925)
Amortization of debt premium	<u>2,521</u>
Total nonoperating revenues (expenses)	<u>(34,466)</u>
Income before contributions and transfers	3,168,493
<b>Capital Contributions</b>	358,675
<b>Transfers, Tax Equivalent</b>	<u>(971,373)</u>
Change in net position	2,555,795
<b>Net Position, Beginning</b>	<u>47,624,795</u>
<b>Net Position, Ending</b>	<u>\$ 50,180,590</u>

See notes to the financial statements

## Neenah Water Utility

### Statement of Cash Flows

Year Ended December 31, 2022

#### Cash Flows From Operating Activities

Received from customers	\$ 8,182,885
Paid to suppliers for goods and services	(2,374,072)
Paid to employees for operating payroll	<u>(1,138,458)</u>

Net cash flows from operating activities 4,670,355

#### Cash Flows From Noncapital Financing Activities

Paid to municipality for tax equivalent	<u>(1,012,369)</u>
---	--------------------

#### Cash Flows From Capital and Related Financing Activities

Acquisition and construction of capital assets	(2,887,733)
Gain on disposals	70,900
Capital contributions received	42,001
Debt retired	(1,675,901)
Interest paid	<u>(123,326)</u>

Net cash flows from capital and related financing activities (4,574,059)

#### Cash Flows From Investing Activities

Investments purchased	(936,905)
Investments sold and matured	17,329
Investment income	<u>(36,568)</u>

Net cash flows from investing activities (956,144)

Net change in cash and cash equivalents (1,872,217)

**Cash and Cash Equivalents, Beginning** 8,143,941

**Cash and Cash Equivalents, Ending** \$ 6,271,724

#### Noncash Capital and Related Financing Activities

Developer financed additions to utility plant	<u><u>\$ 316,674</u></u>
---	--------------------------

## Neenah Water Utility

### Statement of Cash Flows

Year Ended December 31, 2022

#### Reconciliation of Operating Income to Net Cash Flows From Operating

##### Activities

Operating income	\$ 3,202,959
Nonoperating revenue (expense)	38,127
Noncash items in operating income:	
Depreciation	1,600,030
Depreciation charged to clearing and other utilities	356,533
Changes in assets, deferred outflows, liabilities and deferred inflows:	
Customer accounts receivable	(111,608)
Other accounts receivable	(10,898)
Due from other funds	(88)
Materials and supplies	1,850
Prepayments	1,471
Pension related deferrals and assets	(132,583)
Accounts payable	(218,895)
Accrued sick and vacation	(21,747)
Other current liabilities	(2,462)
Unearned revenue	(32,334)
	<u>                    </u>
Net cash flows from operating activities	<u><u>\$ 4,670,355</u></u>

#### Reconciliation of Cash and Cash Equivalents to Statements of Net Position

##### Accounts

Cash and investments	\$ 3,700,494
Redemption account	1,106,396
Reserve account	319,000
Other special funds	<u>3,321,958</u>
Total cash and investments	8,447,848
Less noncash equivalents	<u>(2,176,124)</u>
Cash and cash equivalents	<u><u>\$ 6,271,724</u></u>

See notes to the financial statements

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## 1. Summary of Significant Accounting Policies

The financial statements of Neenah Water Utility (the Utility) 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 Utility are described below.

### Reporting Entity

The Utility is a separate enterprise fund of the City of Neenah (municipality). The Utility is managed by a utility commission. The Utility provides water service to properties within the municipality.

The Utility operates under service rules and rates established by the Public Service Commission of Wisconsin (PSCW).

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

The Utility is presented as an enterprise fund 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.

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right-to-use an underlying asset. Under the statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, which enhances the relevance and consistency of information about the Utility's leasing activities. The Utility adopted this statement effective January 1, 2022. See Note 12 for further information.

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.

### 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.

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

---

Investment of utility funds is 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 Utility has adopted an investment policy.

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 Utility 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 Utility and other funds of the municipality are reported as due to/from other funds.

The Utility has the right under Wisconsin statutes to place delinquent water 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.

## Other Special Accounts

Assets designated by the Utility Commission for future capital projects.

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## Anticipated Future Special Assessments

At December 31, 2022 there were \$404,154 of anticipated future assessments which are not reported as receivables because collection is subject to certain events occurring in the future and no formal repayment schedule has been established.

## Capital Assets

Capital assets are generally defined by the Utility as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital assets of the Utility are recorded at cost or the estimated acquisition value at the time of contribution to the Utility. 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>
Water Plant:	
Source of supply	59
Pumping	23-43
Water treatment	29-31
Transmission and distribution	18-77
General	4-34

## 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.

## 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.

## Other Current Liabilities

These amounts consist of accrued payroll and accrued fringes.

## 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 Utility.

# Neenah Water Utility

---

Notes to Financial Statements  
December 31, 2022

## 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 straight-line 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.

## Leases

The Utility is a lessor because it leases capital assets to other entities. As a lessor, the Utility reports a lease receivable and corresponding deferred inflow of resources in the financial statements. The Utility continues to report and depreciate the capital assets being leased as capital assets.

## 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.

## Revenues and Expenses

The Utility distinguishes 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 Utility's principal ongoing operations. The principal operating revenues of the Utility 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 Utility does accrue revenues beyond billing dates.

Current water rates were approved by the PSCW on November 2010 and placed into effect January 1, 2011.

## Capital Contributions

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

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

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

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

- Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- Statement No. 96, *Subscription-Based Information Technology Arrangements*
- Statement No. 99, *Omnibus 2022*
- Statement No. 100, *Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62*
- Statement No. 101, *Compensated Absences*

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

## 2. Deposits and Investments

	<b>Carrying Value as of December 31, 2022</b>	<b>Risks</b>
Checking and savings	\$ 1,464,963	Custodial credit risk
LGIP	4,806,560	Credit risk
Corporate bonds	956,243	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Municipal bonds	458,940	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
U.S. agency securities	760,942	Custodial credit risk, credit risk, concentration of credit risk, interest rate risk
Petty cash	<u>200</u>	None
Total	<u><u>\$ 8,447,848</u></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.

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

The Utility 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 Utility alone. Therefore, coverage for the Utility may be reduced. Investment income on commingled investments of the entire municipality is allocated based on average investment balances.

## Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

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, 2022, the fair value of the LGIP's assets were substantially equal to the Utility's share.

The Utility 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:

- U.S. agency securities, municipal bonds and corporate bonds are valued by a pricing service that uses matrix pricing or a yield of a similar investment type.

<u>Investment Type</u>	<u>December 31, 2022</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Corporate bonds	\$ -	\$ 956,243	\$ -	\$ 956,243
Municipal bonds	-	458,940	-	458,940
U.S. agency securities, implicitly guaranteed	-	760,942	-	760,942
Total	<u>\$ -</u>	<u>\$ 2,176,125</u>	<u>\$ -</u>	<u>\$ 2,176,125</u>

### Custodial Credit Risk

#### Deposits

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

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

	<u>Bank Balance</u>	<u>Carrying Value</u>
Local/Area Bank	(A)	\$ 1,464,963
	-	-
Total	<u>\$ -</u>	<u>\$ 1,464,963</u>

- (A) The Utility's cash and investments are co-mingled with the entire Municipality. Therefore, the Utility's individual bank balances cannot be determined.

The City's investment policy address Custodial Credit Risk of deposits in the following manner:

Where allowed by state and in accordance with the Government Finance Officers Association (GFOA) Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and nonnegotiable certificates of deposit.

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## Investments

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

The Utility does not have any investments exposed to custodial credit risk.

The City's investment policy does not address this 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, 2022, the Utility's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
U.S., agencies, implicitly guaranteed	Aaa
Corporate bonds	Aa2
Municipal bonds	Aa3

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

The City's investment policy addresses this risk. The City of Neenah will minimize credit risk, which is the risk of loss due to failure of the security issuer or backer, by limiting investments to types of securities listed within the policy; pre-qualifying financial institutions, brokers/dealers, intermediaries and advisors and; diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

## 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.

As of December 31, 2022, the Utility did not have any investments with a single issuer exceeding 5% of total portfolio.

The City's investment policy addresses this risk. The City Of Neenah will diversify investments by limiting investments to avoid overconcentration in securities from specific issuer in business sector, by limiting investment in securities that have higher credit risks, by investing in securities with varying maturities and continuously investing a portion of the portfolio in readily available funds such as local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## 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, 2022, the Utility's investments were as follows:

Investment Type	Fair Value	Maturity (In Years)		
		Less than 1 Year	1 - 5 Years	Greater than 5 Years
U.S. Agencies, implicitly guaranteed	\$ 760,942	\$ -	\$ 760,942	\$ -
Corporate bonds	956,243	-	956,243	-
Municipal bonds	458,940	-	236,313	222,628
Total	<u>\$ 2,176,125</u>	<u>\$ -</u>	<u>\$ 1,953,498</u>	<u>\$ 222,628</u>

## Investment Policy

The City's investment policy addresses this risk. The City of Neenah will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fail due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools and limiting the average maturity of the portfolio in accordance with this policy.

### 3. Interfund Receivables/Payables and Transfers

The following is a schedule of interfund balances for the year ending December 31, 2022:

Due To	Due From	Amount	Principal Purpose
Municipality	Water Utility	\$ 971,373	Tax equivalent
Water Utility	Municipality	88	Delinquents on tax roll

The following is a schedule of transfer balances for the year ending December 31, 2022 :

To	From	Amount	Principal Purpose
Municipality	Water Utility	\$ 971,373	Tax equivalent

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## 4. Restricted Assets

### Restricted Accounts

Certain proceeds of the Utility's 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.

### 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 water restricted net position:

Restricted assets:	
Redemption account	\$ 1,106,396
Reserve account	319,000
Net pension asset	<u>562,869</u>
Total restricted assets	<u>1,988,265</u>
Less restricted assets not funded by revenues:	
Reserve from borrowing	<u>(319,000)</u>
Current liabilities payable from restricted assets	<u>(16,208)</u>
Total restricted net position as calculated	<u>\$ 1,653,057</u>

The purpose of the restricted net position is as follows:

Debt service	\$ 1,090,188
Pension	<u>562,869</u>
Total restricted net position	<u>\$ 1,653,057</u>

## Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

### 5. Changes in Capital Assets

A summary of changes in Water capital assets for 2022 follows:

	<u>Balance 1/1/22</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance 12/31/22</u>
Capital assets, not being depreciated:				
Land and land rights	\$ 122,180	\$ -	\$ -	\$ 122,180
Capital assets being depreciated:				
Source of supply	130,978	-	-	130,978
Pumping	3,384,251	-	-	3,384,251
Water treatment	24,703,231	35,629	21,377	24,717,483
Transmission and distribution	38,009,578	2,896,570	630,706	40,275,442
General	<u>2,248,910</u>	<u>230,958</u>	<u>132,027</u>	<u>2,347,841</u>
Total capital assets being depreciated	<u>68,476,948</u>	<u>3,163,157</u>	<u>784,110</u>	<u>70,855,995</u>
Total capital assets	<u>68,599,128</u>	<u>3,163,157</u>	<u>784,110</u>	<u>70,978,175</u>
Less accumulated depreciation:				
Source of supply	(130,978)	-	-	(130,978)
Pumping	(1,825,126)	(107,720)	-	(1,932,846)
Water treatment	(13,030,698)	(821,852)	21,377	(13,831,173)
Transmission and distribution	(7,546,066)	(750,861)	418,705	(7,878,222)
General	<u>(2,127,758)</u>	<u>(64,129)</u>	<u>132,027</u>	<u>(2,059,860)</u>
Total accumulated depreciation	<u>(24,660,626)</u>	<u>(1,744,562)</u>	<u>572,109</u>	<u>(25,833,079)</u>
Construction in progress	-	41,250	-	41,250
Net capital assets	<u>\$ 43,938,502</u>			<u>\$ 45,186,346</u>

### 6. Lease Disclosures

#### Lessor - Lease Receivables

<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Receivable Balance 12/31/22</u>
Cell tower attachment	08/01/2005	08/01/2080	1.00%	\$ 7,787,731
Cell tower attachment	01/01/2020	01/01/2024	1.74	49,085
Cell tower attachment	10/01/1999	10/01/2039	1.74	<u>369,661</u>
Total activities				<u>\$ 8,206,477</u>

The Utility recognized \$26,327 of lease revenue during the fiscal year.

The Utility recognized \$87,058 of interest revenue during the fiscal year.

## Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

### 7. Long-Term Obligations

#### Revenue Debt

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 12/31/22</u>
04/27/2005	Water treatment plant	05/01/2024	2 %	\$ 16,666,667	\$ 2,139,723 *
01/25/2006	Water treatment plant	05/01/2025	2	8,788,354	1,738,623 *
12/01/2017	Refund 2007 bonds	12/01/2026	3	835,000	400,000

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

Revenue bonds debt service requirements to maturity follows:

<u>Years ending December 31:</u>	<u>Bonds</u>		<u>Direct Placement</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 95,000	\$ 11,050	\$ 1,623,407	\$ 72,526	\$ 1,801,983
2024	100,000	9,150	1,661,801	33,679	1,804,630
2025	100,000	6,150	593,138	7,014	706,302
2026	105,000	3,150	-	-	108,150
Total	<u>\$ 400,000</u>	<u>\$ 29,500</u>	<u>\$ 3,878,346</u>	<u>\$ 113,219</u>	<u>\$ 4,421,065</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 2022 was \$1,799,227 \$2,426,060. Total customer gross revenues as defined for the same period was \$8,216,983. Annual principal and interest payments are expected to require 13% of gross revenues on average.

#### Long-Term Obligations Summary

Long-term obligation activity for the year ended December 31, 2022 is as follows:

	<u>1/1/22 Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/22 Balance</u>	<u>Due Within One Year</u>
Revenue bonds	\$ 5,954,247	\$ -	\$ 1,675,901	\$ 4,278,346	\$ 1,718,407
Accrued sick leave	126,989	53,981	75,728	105,242	32,026
Unamortized debt premium	9,873	-	2,521	7,352	-
Unearned revenues	40,550	-	32,334	8,216	-
Total	<u>\$ 6,131,659</u>	<u>\$ 53,981</u>	<u>\$ 1,786,484</u>	<u>\$ 4,399,156</u>	<u>\$ 1,750,433</u>

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## Bond Covenant Disclosures

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

### Insurance

The Utility is 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.

The Utility is covered under the following insurance policies at December 31, 2022:

<u>Type</u>	<u>Coverage</u>	<u>Expiration</u>
<i>Cities and Villages Mutual Insurance Company</i>		
General liability	\$ 5,000,000 per occurrence	01/01/2023
Automobile	20,000,000 per occurrence	01/01/2023
<i>Municipal Property Insurance Company</i>		
Property (entire city)	\$199,557,289	01/01/2023

### Debt Coverage

Under terms of the resolutions providing for the issue of revenue bonds, revenues less operating expenses excluding depreciation (defined net earnings) must exceed 1.25 times the subsequent year's annual debt service. The coverage only includes revenue debt and does not include general obligation or other debt. The coverage requirement was met in 2022 as follows:

Operating revenues	\$ 8,207,945
Investment income	(29,089)
Miscellaneous nonoperating income	38,127
Less operation and maintenance expenses	<u>(3,404,956)</u>
Net defined earnings	<u>\$ 4,812,027</u>
Minimum required earnings per resolution:	
Subsequent year annual debt service	\$ 1,801,983
Coverage factor	<u>1.25</u>
Minimum required earnings	<u>\$ 2,252,479</u>
Actual debt coverage	<u>2.67</u>

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

## Number of Customers and Billed Volumes - Water

The Utility has the following number of customers and billed volumes for 2022:

	<b>Customers 2022</b>	<b>Sales (000 gals) 2022</b>
Residential	10,411	387,075
Multifamily residential	92	23,599
Commercial	685	141,076
Industrial	79	358,235
Public authority	55	20,627
	<u>11,322</u>	<u>930,612</u>
Total	<u><u>11,322</u></u>	<u><u>930,612</u></u>

## 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 Utility's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Plant in service	\$ 70,978,175
Accumulated depreciation/amortization	(25,833,079)
Construction work in progress	<u>41,250</u>
Subtotal	<u>45,186,346</u>
Less capital related debt:	
Current portion of capital related long-term debt	1,718,407
Long-term portion of capital related long-term debt	2,559,939
Unamortized debt premium	<u>7,352</u>
	<u>4,285,698</u>
Add unspent debt proceeds:	
Reserve from borrowing	<u>319,000</u>
	<u><u>\$ 41,219,648</u></u>

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

---

## 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 found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can be found using the link above.

*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.

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

*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>
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
2021	5.1	13.0

*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 was merged into the General Employee category. Required contributions for protective category 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.

The WRS recognized \$81,179 in contributions from the Utility during the current and prior reporting periods.

Contribution rates for the plan year reported as of December 31, 2022 is:

	<u>Employee</u>	<u>Employer</u>
General (including executives and elected officials)	6.75 %	6.75 %
Protective with Social Security	6.75 %	12.00 %
Protective without Social Security	6.75 %	16.40 %

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

At December 31, 2022, the Utility reported a liability (asset) of \$(562,869) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Utility's proportion of the net pension liability (asset) was based on the Utility's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the City of Neenah's proportion was .13110266%, which was an increase of .00056426% from its proportion measured as of December 31, 2020.

## Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

For the year ended December 31, 2022, the Utility recognized pension expense (revenue) of \$132,583.

At December 31, 2022, the Utility reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Neenah Water Utility</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 915,580	\$ 94,855
Changes in assumption	112,339	-
Net differences between project and actual earnings on pension plan	-	1,219,596
Changes in proportion and differences between employer contributions and proportionate share of contributions	918	758
Employer contributions subsequent to the measurement date	<u>74,000</u>	<u>-</u>
Total	<u>\$ 1,102,837</u>	<u>\$ 1,315,209</u>

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>Deferred Outflows of Resources</u>
Years ending December 31:	
2023	\$ (24,363)
2024	(140,652)
2025	(61,915)
2026	(59,442)
2027	-
Thereafter	<u>-</u>
Total	<u>\$ (286,372)</u>

## Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

*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:

Actuarial valuation date:	December 31, 2020
Measurement date of net pension liability (asset):	December 31, 2021
Experience study:	January 1, 2018 - December 31, 2020, Published November 19, 2021
Actuarial cost method:	Entry Age Normal
Asset valuation method:	Fair Value
Long-Term expected rate of return:	6.8%
Discount rate:	6.8%
Salary increases:	
Wage inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table
Post-retirement adjustments: *	1.7%

*\* 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 for the December 31, 2020 actuarial valuation are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from the prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, price inflation, mortality and separation rates. The total pension liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

Actuarial assumptions for the December 31, 2019 actuarial valuation 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.

## Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

*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, 2022 are summarized in the following table:

<b>Asset Allocation Targets and Expected Returns<sup>1</sup> As of December 31, 2022</b>			
<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 %<sup>2</sup></b>
Global Equities	52 %	6.8 %	4.2 %
Fixed Income	25	4.3	1.8
Inflation Sensitive	19	2.7	0.2
Real Estate	7	5.6	3.0
Private Equity/Debt	12	9.7	7.0
Total Core Fund <sup>3</sup>	115	6.6	4.0
<b>Variable Fund Asset</b>			
U.S Equities	70	6.3	3.7
International Equities	30	7.2	4.6
Total Variable Fund	100	6.8	4.2

<sup>1</sup> Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations.

<sup>2</sup> New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%.

<sup>3</sup> The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used subject to an allowable range of up to 20%.

# Neenah Water Utility

Notes to Financial Statements  
December 31, 2022

*Single discount rate:* A single discount rate of 6.80% was used to measure the total pension liability as of December 31, 2022. As of December 31, 2022, this single discount rate was based on the expected rate of return on pension plan investments of 6.80% and a long term bond rate of 1.84%. (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, 2021 and 2020, 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 6.80% expected rate of return implies that a dividend of approximately 1.7% 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.

*Sensitivity of the Utility's proportionate share of the net pension liability (asset) to changes in the discount rate:* The following presents the Utility's proportionate share of the net pension liability (asset) calculated using the current discount rate, as well as what the Utility's 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, 2022 follows:

	<u>1% Decrease to Discount Rate (5.80%)</u>	<u>Current Discount Rate (6.80%)</u>	<u>1% Increase to Discount Rate (7.80%)</u>
Neenah Water Utility's proportionate share of the net position liability (asset)	\$ 399,649	\$ (562,869)	\$ (1,256,319)

*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. Commitments and Contingencies

### Claims and Judgments

From time to time, the Utility is 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 Utility's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Utility's financial position or results of operations.

# Neenah Water Utility

---

Notes to Financial Statements  
December 31, 2022

## 11. 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.

## 12. Restatement of Beginning Balances

The Utility implemented GASB Statement No. 87, *Leases*, effective January 1, 2022. As a result, the Utility recognized \$8,232,804 of lease receivables and deferred inflows related to leases as of January 1, 2022 that were not previously reported. There was no impact on net position or prior period net change in net position.

**REQUIRED SUPPLEMENTARY INFORMATION**

## Neenah Water Utility

Schedule of Proportionate Share of the Net Pension Liability (Asset) - Wisconsin Retirement System  
Year Ended December 31, 2022

<u>Fiscal Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net Pension Asset as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u>
12/31/22	0.13110266%	\$ (562,869)	\$ 1,202,652	46.80%	106.02%
12/31/21	0.13053840%	(424,231)	1,150,844	36.86%	105.26%
12/31/20	0.12971997%	(226,291)	1,100,597	20.56%	102.96%
12/31/19	0.12818106%	251,327	1,093,552	22.98%	96.45%
12/31/18	0.12552761%	(205,065)	1,103,125	18.59%	102.93%
12/31/17	0.12459281%	59,901	1,074,027	5.58%	99.12%
12/31/16	0.12458703%	121,833	1,086,882	11.21%	98.20%
12/31/15	0.12675710%	(185,460)	1,113,762	16.65%	102.74%

Schedule of Employer Contributions - Wisconsin Retirement System  
Year Ended December 31, 2022

<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>
12/31/22	\$ 74,000	\$ 74,000	\$ -	\$ 1,096,296	6.75%
12/31/21	81,179	81,179	-	1,202,652	6.75%
12/31/20	77,682	77,682	-	1,150,844	6.75%
12/31/19	73,740	73,740	-	1,100,597	6.70%
12/31/18	73,268	73,268	-	1,093,552	6.70%
12/31/17	75,018	75,018	-	1,103,125	6.80%
12/31/16	70,885	70,885	-	1,074,027	6.60%
12/31/15	73,908	73,908	-	1,086,882	6.80%

See notes to the required supplementary information

## Neenah Water Utility

Notes to Required Supplementary Information  
Year Ended December 31, 2022

### Wisconsin Retirement System

The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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

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

*Changes of assumptions.*

	<u>2015 - 2018</u>	<u>2019 - 2021</u>
Long-term expected rate of return	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%

	<u>2022</u>
Long-term expected rate of return	6.8%
Discount rate	6.8%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Table
Post-retirement adjustments	1.70%

**SUPPLEMENTARY INFORMATION**

## Neenah Water Utility

Water Utility Plant

Year Ended December 31, 2022

	<u>Balance 1/1/22</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/22</u>
<b>Source of Supply</b>				
Land and land rights	\$ 23,941	\$ -	\$ -	\$ 23,941
Intakes	130,978	-	-	130,978
Total source of supply	<u>154,919</u>	<u>-</u>	<u>-</u>	<u>154,919</u>
<b>Pumping</b>				
Structures and improvements	1,961,066	-	-	1,961,066
Other power production equipment	282,592	-	-	282,592
Electric pumping equipment	1,136,024	-	-	1,136,024
Other pumping equipment	4,569	-	-	4,569
Total pumping	<u>3,384,251</u>	<u>-</u>	<u>-</u>	<u>3,384,251</u>
<b>Water Treatment</b>				
Land and land rights	98,239	-	-	98,239
Structures and improvements	16,399,657	-	-	16,399,657
Water treatment equipment	8,303,574	35,629	21,377	8,317,826
Total water treatment	<u>24,801,470</u>	<u>35,629</u>	<u>21,377</u>	<u>24,815,722</u>
<b>Transmission and Distribution</b>				
Distribution reservoirs and standpipes	2,477,083	-	-	2,477,083
Transmission and distribution mains	25,346,366	1,878,230	313,195	26,911,401
Services	5,617,521	551,006	172,642	5,995,885
Meters	2,173,758	128,437	79,065	2,223,130
Hydrants	2,394,850	338,897	65,804	2,667,943
Total transmission and distribution	<u>38,009,578</u>	<u>2,896,570</u>	<u>630,706</u>	<u>40,275,442</u>
<b>General</b>				
Structures and improvements	93,332	-	-	93,332
Office furniture and equipment	32,222	5,109	-	37,331
Computer equipment	217,556	-	-	217,556
Transportation equipment	272,285	81,934	40,727	313,492
Tools, shop and garage equipment	115,672	-	-	115,672
Laboratory equipment	66,297	-	-	66,297
Power-operated equipment	191,155	143,915	91,300	243,770
Communication equipment	48,881	-	-	48,881
SCADA equipment	1,211,510	-	-	1,211,510
Total general	<u>2,248,910</u>	<u>230,958</u>	<u>132,027</u>	<u>2,347,841</u>
Total water utility plant	<u>\$68,599,128</u>	<u>\$ 3,163,157</u>	<u>\$ 784,110</u>	<u>\$70,978,175</u>

# Neenah Water Utility

Water Utility Operating Revenues and Expenses  
Year Ended December 31, 2022

## Operating Revenues

Sales of water:	
Unmetered	\$ 3,911
Metered:	
Residential	3,128,056
Commercial	1,049,975
Industrial	1,869,220
Public authorities	<u>135,112</u>
Total metered sales	6,182,363
Private fire protection	137,510
Public fire protection	1,718,723
Bad debt expense	<u>(3,453)</u>
Total sales of water	<u>8,039,054</u>
Other operating revenues:	
Forfeited discounts	60,657
Miscellaneous service revenue	29,450
Rents from water property	28,427
Other	<u>50,357</u>
Total operating revenues	<u>8,207,945</u>

## Operating Expenses

Operation and maintenance:	
Source of supply:	
Operation supervision and engineering	2,782
Maintenance:	
Supervision and engineering	<u>11,127</u>
Total source of supply	<u>13,909</u>
Pumping:	
Operation supervision and engineering	13,001
Fuel for power production	137,723
Pumping labor	99,606
Miscellaneous	17,155
Maintenance:	
Supervision and engineering	15,638
Pumping equipment	<u>3,129</u>
Total pumping	<u>286,252</u>
Water treatment:	
Operation supervision and engineering	29,399
Chemicals	466,895
Operation labor	350,037
Miscellaneous	78,061
Maintenance:	
Supervision and engineering	33,946
Structures and improvements	531,843
Water treatment equipment	<u>125,058</u>
Total water treatment	<u>1,615,239</u>

## Neenah Water Utility

Water Utility Operating Revenues and Expenses  
Year Ended December 31, 2022

Transmission and distribution:	
Operation supervision and engineering	\$ 15,300
Storage facilities	6,360
Transmission and distribution lines	133,511
Meters	36,931
Customer installations	31,955
Miscellaneous	84,862
Maintenance:	
Supervision and engineering	11,895
Reservoirs and standpipes	1,420
Mains	188,212
Services	77,718
Meters	2,164
Hydrants	28,109
Miscellaneous	<u>(568)</u>
Total transmission and distribution	<u>617,869</u>
Customer accounts:	
Supervision	14,098
Meter reading	9,363
Accounting and collecting labor	<u>163,246</u>
Total customer accounts	<u>186,707</u>
Administrative and general:	
Salaries	222,714
Office supplies	4,544
Outside services employed	19,763
Property insurance	29,005
Injuries and damages	36,374
Employee pensions and benefits	254,724
Miscellaneous	19,576
Rents	<u>11,220</u>
Total administrative and general	<u>597,920</u>
Taxes	<u>87,060</u>
Total operation and maintenance	3,404,956
Depreciation	<u>1,600,030</u>
Total operating expenses	<u>5,004,986</u>
Operating income	<u>\$ 3,202,959</u>

## Neenah Water Utility

Rate of Return - Regulatory Basis  
Year Ended December 31, 2022

	<u>Water</u>
<b>Utility Financed Plant in Service</b>	
Beginning of year	\$ 58,610,415
End of year	<u>60,735,018</u>
Average	<u>59,672,717</u>
<b>Utility Financed Accumulated Depreciation</b>	
Beginning of year	(23,189,929)
End of year	<u>(24,314,744)</u>
Average	<u>(23,752,337)</u>
<b>Materials and Supplies</b>	
Beginning of year	118,852
End of year	<u>117,002</u>
Average	<u>117,927</u>
<b>Regulatory Liability</b>	
Beginning of year	(120,229)
End of year	<u>(108,269)</u>
Average	<u>(114,249)</u>
Average net rate base	<u>\$ 35,924,058</u>
Operating income, regulatory basis	<u>\$ 2,497,407</u>
Rate of return (percent)	<u>6.95 %</u>
Authorized rate of return (percent)	<u>7.50 %</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.

**NEENAH WATER UTILITY**  
**12 MONTH FINANCIAL REPORT**  
**January 1 through December 31, 2022**

**Neenah Water Utility**  
**Comparative Balance Sheet**  
**as of December 31, 2022 & 2021**

Assets	2022	Assets	2021	
<b>Current Assets</b>		<b>Current Assets</b>		
<b>Cash &amp; Cash Equivalents</b>		<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	\$ 1,574,414	Cash on Hand	\$ 2,505,578	
Working Funds - Petty Cash	200	Working Funds - Petty Cash	200	
Special Deposits	0	Special Deposits	0	
Prepays	3,528	Prepays	4,999	
<b>Total Cash &amp; Cash Equivalents</b>	<b>\$ 1,578,142</b>	<b>Total Cash &amp; Cash Equivalents</b>	<b>\$ 2,510,777</b>	A)
<b>Temporary Investments</b>		<b>Temporary Investments</b>		
Unrestricted	59,207	Unrestricted	\$ 723,080	
Restricted for Debt Service	1,106,396	Restricted for Debt Service	1,087,376	B)
Replacement Reserves	3,321,958	Replacement Reserves	3,371,326	
<b>Total Temporary Investments</b>	<b>\$ 4,487,561</b>	<b>Total Temporary Investments</b>	<b>\$ 5,181,782</b>	
<b>Receivables</b>		<b>Receivables</b>		
Customer Account	\$ 1,763,656	Customer Account	\$ 1,652,049	C)
Other	25,025	Other	14,127	D)
Due from other Funds	88	Due from other Funds	96	
Investment Interest	13,539	Investment Interest	6,060	
<b>Total Receivables</b>	<b>\$ 1,802,308</b>	<b>Total Receivables</b>	<b>\$ 1,672,332</b>	
<b>Inventory</b>		<b>Inventory</b>		
Chemical	\$ 92,086	Chemical	\$ 93,936	
Meter & Hydrant Supplies	24,916	Meter & Hydrant Supplies	24,916	
<b>Total Inventory</b>	<b>\$ 117,002</b>	<b>Total Inventory</b>	<b>\$ 118,852</b>	E)
<b>Total Current Assets</b>	<b>\$ 7,985,013</b>	<b>Total Current Assets</b>	<b>\$ 9,483,743</b>	
<b>NonCurrent Assets</b>		<b>NonCurrent Assets</b>		
Long Term Investments	2,066,673	Long Term Investments	1,143,929	
Revenue Bond Reserve Investments	319,000	Revenue Bond Reserve Investments	319,000	
Revenue Bond Depreciation Fund Investments	0	Revenue Bond Depreciation Fund Investments	250,000	
Unamortized Premiums on Borrowing/Refunding	(7,352)	Unamortized Premiums on Borrowing/Refunding	(9,872)	
Unamortized Loss on Advanced Refunding	0	Unamortized Loss on Advanced Refunding	0	
Cell Tower Lease Rec	8,206,477	Cell Tower Lease Rec	0	
Deferred Outflows Related to Pension	1,322,071	Deferred Outflows Related to Pension	1,111,913	
<b>Fixed Assets</b>		<b>Fixed Assets</b>		
Utility Plant in Service	\$ 70,978,175	Utility Plant in Service	\$ 68,599,128	
Less: Accumulated Depreciation	(25,833,079)	Less: Accumulated Depreciation	(24,660,626)	
Net Utility Plant in Service	\$ 45,145,096	Net Utility Plant in Service	\$ 43,938,502	
Construction Work in Process	41,250	Construction Work in Process	0	
Deferred Special Assessments	404,154	Deferred Special Assessments	404,154	
Net Pension Asset	562,869	Net Pension Asset	424,231	F)
<b>Total NonCurrent Assets</b>	<b>58,060,238</b>	<b>Total NonCurrent Assets</b>	<b>47,581,857</b>	
<b>Total Assets</b>	<b>\$66,045,251</b>	<b>Total Assets</b>	<b>\$57,065,600</b>	
<b>Liabilities &amp; Capital</b>		<b>Liabilities &amp; Capital</b>		
<b>Current Liabilities</b>		<b>Current Liabilities</b>		
<b>Accruals</b>		<b>Accruals</b>		
Due to Vendors/Contractors	\$264,695	Due to Vendors/Contractors	\$483,605	
Payrolls	58,807	Payrolls	61,246	
In Lieu of Property Taxes	971,373	In Lieu of Property Taxes	1,012,465	G)
Interest	16,208	Interest	22,609	
<b>Total Accruals</b>	<b>\$ 1,311,083</b>	<b>Total Accruals</b>	<b>\$ 1,579,925</b>	
Deferred Revenue	\$ 8,216	Deferred Revenue	\$ 40,559	
<b>Total Current Liabilities</b>	<b>\$1,319,299</b>	<b>Total Current Liabilities</b>	<b>\$1,620,484</b>	
<b>NonCurrent Liabilities</b>		<b>NonCurrent Liabilities</b>		
Revenue/Refunding Bonds/Notes	\$ 400,000	Revenue/Refunding Bonds/Notes	\$ 490,000	H)
Safe Drinking Loan	3,878,347	Safe Drinking Loan	5,464,247	I)
Employee Vacation & Sick Leave Reserve	105,238	Employee Vacation & Sick Leave Reserve	126,989	
Allowance of Uncollectable A/R	16,700	Allowance of Uncollectable A/R	16,700	
Deferred Inflow Cell Tower Lease	8,206,477	Deferred Inflow Cell Tower Lease	-	
Deferred Special Assessments	404,154	Deferred Special Assessments	404,154	
<b>Total NonCurrent Liabilities</b>	<b>\$ 13,010,916</b>	<b>Total NonCurrent Liabilities</b>	<b>\$ 6,502,090</b>	
<b>Total Liabilities</b>	<b>\$ 14,330,215</b>	<b>Total Liabilities</b>	<b>\$ 8,122,574</b>	
Deferred Inflows Related to Pension	\$ 1,534,443	Deferred Inflows Related to Pension	\$ 1,318,230	
<b>Capital &amp; Retained Earnings</b>		<b>Capital &amp; Retained Earnings</b>		
City Paid in Capital	\$ 2,661,887	City Paid in Capital	\$ 2,661,887	J)
<b>Beginning Retained Earnings</b>	<b>\$ 44,962,911</b>	<b>Beginning Retained Earnings</b>	<b>\$ 41,813,759</b>	
Net Income (Loss)	2,555,795	Net Income (Loss)	3,149,150	K)
<b>Ending Retained Earnings</b>	<b>\$ 47,518,706</b>	<b>Ending Retained Earnings</b>	<b>\$ 44,962,909</b>	
<b>Total Capital &amp; Retained Earnings</b>	<b>50,180,593</b>	<b>Total Capital &amp; Retained Earnings</b>	<b>47,624,796</b>	
<b>Total Liabilities &amp; Capital</b>	<b>\$ 66,045,251</b>	<b>Total Liabilities &amp; Capital</b>	<b>\$ 57,065,600</b>	

**Neenah Water Utility  
Notes and Explanations  
Comparative Balance Sheet  
For the Period Ending December 31, 2021 & 2022**

Liquidity (Current assets/current liabilities) ratio = 6.05 for the 4th Quarter of 2022. Above 1 is the goal. 4th Quarter of 2021 = 5.85

- A) Total Cash Equivalents have decreased for the 4th Quarter 2022 over the corresponding period in 2021, due to movement into long-term investments.
- B) Restricted Funds are retained due to bond covenants and Commission set asides. Invested in LGIP funds. Unrestricted funds are available for projects and emergencies.
- C) Customer Account includes bills sent out at the end of December to residential, commercial, multifamily, industrial, and public accounts.
- D) Includes other billings not yet paid.
- E) Total Inventory is the value of treatment chemicals and distribution materials held in inventory.
- F) Net Pension Liability was based on WRS investment performance. Because performance has been positive, there is currently a net pension asset.
- G) PILOT based on Utility Plant in Service.
- H) Includes revenue bonds with maturity date 12/1/2026.
- I) Safe Drinking Water Loan used for plant construction, issued 2005 and 2006 with maturity dates 5/1/2024 and 5/1/2025.
- J) Includes City projects paid by TIF.
- K) Net income

<b>Neenah Water Utility</b>					
<b>Comparative Income Statement</b>					
<b>Twelve Months Ending - December 31, 2022 &amp; 2021</b>					
	<b>2022</b>	<b>2021</b>	<b>Percent Change</b>		
<b>Water Operating Revenue</b>					
<b>Unmetered</b>					
Sales to General Customers (WFC)	2,513	3,513	-28.5%	<a href="#">(A)</a>	(1,000)
Private Fire Protection (Firelines)	137,510	135,117	1.8%	<a href="#">(B)</a>	2,393
Public Fire Protection - All Customers	1,718,723	1,699,063	1.2%	<a href="#">(C)</a>	19,660
<b>Total Unmetered Revenue</b>	<b>\$1,858,746</b>	<b>\$1,837,693</b>	1.1%		21,053
<b>Metered</b>					
Bulk Water - All Customer Types	4,129	4,592	-10.1%	<a href="#">(D)</a>	(463)
Residential Customers	3,125,325	3,273,370	-4.5%	<a href="#">(E)</a>	(148,045)
Multi Residential Customers	154,863	150,971	2.6%	<a href="#">(F)</a>	3,892
Commercial Customers	895,112	925,623	-3.3%	<a href="#">(G)</a>	(30,511)
Industrial Customers	1,869,220	1,748,790	6.9%	<a href="#">(H)</a>	120,430
Municipal/Other Public Customers	135,112	121,647	11.1%	<a href="#">(I)</a>	13,465
<b>Total Metered Revenue</b>	<b>\$6,183,761</b>	<b>\$6,224,993</b>	-0.7%		(41,232)
<b>Total Water Operating Revenue</b>	<b>\$ 8,042,507</b>	<b>\$ 8,062,686</b>	-0.3%	<a href="#">(J)</a>	(20,179)
<b>Other Operating Revenue</b>					
Forfeited Discounts (Late Fees)	60,657	26,707	127.1%	<a href="#">(K)</a>	33,950
Miscellaneous Service Revenues	29,449	21,555	36.6%	<a href="#">(L)</a>	7,894
Water Property Rental Revenue	115,484	113,383	1.9%	<a href="#">(M)</a>	2,101
Other Revenues	63,608	46,409	37.1%	<a href="#">(N)</a>	17,199
<b>Total Other Operating Revenue</b>	<b>\$269,198</b>	<b>\$208,054</b>	29.4%		61,144
<b>Total Operating Revenue</b>	<b>\$ 8,311,705</b>	<b>\$ 8,270,740</b>	0.5%	<a href="#">(O)</a>	40,965
<b>Operating Expenses</b>					
Source of Supply Expenses	13,909	19,389	-28.3%	<a href="#">(P)</a>	(5,480)
Pumping Expenses	286,251	262,595	9.0%	<a href="#">(Q)</a>	23,656
Water Treatment Expenses	1,616,209	1,163,076	39.0%	<a href="#">(R)</a>	453,133
Transmission & Distribution Expenses	616,233	579,768	6.3%	<a href="#">(S)</a>	36,465
Customer Account Expenses	190,160	130,491	45.7%	<a href="#">(T)</a>	59,669
Administrative & General Expenses	343,194	327,426	4.8%	<a href="#">(U)</a>	15,768
Employee Fringe Benefit Expense	254,724	262,709	-3.0%	<a href="#">(V)</a>	(7,985)
Depreciation Expense	1,600,030	1,590,694	0.6%	<a href="#">(W)</a>	9,336
Property Tax Expense	971,373	1,012,465	-4.1%	<a href="#">(X)</a>	(41,092)
Payroll Tax Expense	73,061	68,792	6.2%	<a href="#">(Y)</a>	4,269
Other Tax Expense	14,666	15,672	-6.4%		(1,006)
<b>Total Operating Expenses</b>	<b>\$ 5,979,810</b>	<b>\$ 5,433,077</b>	10.1%		546,733
<b>Net Operating Income (Loss)</b>	<b>\$ 2,331,895</b>	<b>\$ 2,837,663</b>	-17.8%		(505,768)
<b>Other Revenue</b>					
Interest Income	126,441	20,814	507.5%	<a href="#">(Z)</a>	105,627
Market Adjustment (Long-term Investmen	(242,588)	0			(242,588)
Amortization of Debt Premium	2,521	15,809	-84.1%		(13,288)
Capital Contributions	358,675	429,677	-16.5%		(71,002)
Sale of Vehicles and Equipment	70,900	0	0.0%		70,900
Miscellaneous Non-Operating Income	24,876	17,554	41.7%	<a href="#">(AA)</a>	7,322
<b>Total Other Revenue</b>	<b>\$ 340,825</b>	<b>\$ 483,854</b>	-29.6%		(143,029)
<b>Other Expenses</b>					
Interest Expense on Long-Term Debt	116,925	169,326	-30.9%		(52,401)
Amortization Expense on Long-Term Deb	0	3,041	-100.0%		(3,041)
<b>Total Other Expenses</b>	<b>\$ 116,925</b>	<b>\$ 172,367</b>	-32.2%		(55,442)
<b>Net Income (Loss)</b>	<b>\$ 2,555,795</b>	<b>\$ 3,149,150</b>	-18.8%	<a href="#">(BB)</a>	(593,355)

**Neenah Water Utility  
Notes and Explanations  
Comparative Income Statement  
For the Period Ending December 31, 2021 & 2022**

- A. Sales to General Customers (water for construction).
- B. Private fire protection is billed at a PSC established flat rate per quarter based on the diameter of the fire line. This affects all customer types operating a private sprinkler/fire line, except residential.
- C. Public fire protection is based upon the square footage of each building.
- D. Bulk water is related to construction activity. A hydrant meter is used to determine usage.
- E. Residential number shown reflects revenues decreasing.
- F. Multi-Family Residential reflects a increase from last year.
- G. Commercial revenues reflect a decrease.
- H. Industrial revenues reflect a marked increase.
- I. Public sales include schools, parks, and other public buildings.
- J. Total Water Operating Revenues is the sum of A thru I. Revenue in the 4th quarter of 2022 is similar to the corresponding period of 2021.
- K. Late bill payment revenue (late fees).
- L. Revenue received for reading and billing sewer exemption meters; reconnect fees and turning on service lines; hydrant hook-up fees; customer repair charges.
- M. Revenue received for annual fire hydrant rental to the Town of Neenah and rental fees from cell providers for antenna space. It increases, as contract provisions require.
- N. Revenue received for sale of scrap, miscellaneous service fees, and returned check fees.
- O. Total Operating Revenues in 4th quarter of 2022 are 0.5% more than in the corresponding period of 2021.
- P. Source of Supply Expenses are for supervision of intakes and related structures, including testing, inspections, cleanings, and repairs. Inspections and cleanings are twice a year as needed.

**Neenah Water Utility**  
**Notes and Explanations Comparative Income Statement**  
**For the Period Ending December 31, 2021 & 2022**  
**Page 2 of 2**

- Q. Pumping Expenses were up in the 4th quarter of 2022 as compared to the corresponding period in 2021, due to increased maintenance and fuel expenses.
- R. Treatment Expenses are up for the time period due to increased chemical prices, chemical purchase timing, maintenance, and the repair and upgrade of plant equipment, and the lagoon dredging.
- S. Transmission and Distribution Expenses are up for the 4th quarter of 2022 compared to the same period in 2021, due to increased main repair expenses and miscellaneous expenses related to distribution operations.
- T. The Customer Account Expense is higher in the 4th quarter 2022 compared to the same period in 2021 due to the increased amount of supervision, records, and collection required, uncollectable accounts, transmission and miscellaneous expenses.
- U. This account reflects an increase due to increased transportation and insurance expenses.
- V. Fringe benefits are affected by staffing levels, overtime or call-in work for water main breaks and plant emergencies, and retirement payouts.
- W. Depreciation Expense is dependent upon actual depreciation of the plant in service.
- X. Payment In Lieu of Property Tax (PILOT) reflects the value of the water system.
- Y. Payroll Taxes
- Z. Interest Income has increased due to economic factors.
- AA. Miscellaneous non-operating income, including the P-card Rebate.
- BB. Net Income in the 4th quarter of 2022 reflects a decrease compared to the same period in 2021.

<b>Neenah Water Utility</b>						
<b>2022 Construction Work in Progress</b>						
	<b>Budget</b>	<b>3 Months</b>	<b>6 Months</b>	<b>9 Months</b>	<b>12 Months</b>	<b>Totals</b>
<b>Capital Projects:</b>						
Meter replacement	100,000	108,483	347	356	19,252	128,438
Rebuild (1) finished water pump	20,000	-	-	-	5,890	5,890
Replace (1) Krohne mag meter backwash	25,000	-	-	-	-	-
Replace (1) washwater VFD	35,000	-	-	-	-	-
Replace tractor loader/backhoe (10yr cycle)	175,000	-	-	93,915	-	93,915
Replace road breaker for backhoe	16,000	-	-	-	-	-
Plate compactor for backhoe	8,000	-	-	-	-	-
Replace (3/3) lime slurry pump	45,000	-	35,629	-	-	35,629
Misc tools and equipment	20,000	-	-	-	-	-
Technology update	10,000	-	-	-	-	-
Misc consulting fees	20,000	-	-	-	-	-
Misc plant contingency	50,000	-	-	-	-	-
Rebuild (1) raw water pump	12,000	-	-	-	-	-
Replace 2015 Sierra 3500 Leak Truck	60,000	-	-	-	-	-
Floor scrubber	5,000	5,109	-	-	-	5,109
Misc Hydrants	-	2,092	12,478	16,609	3,282	34,461
West Side Booster Station	-	-	-	-	41,250	41,250
Utility Billing Chargeback	-	-	-	-	57,875	57,875
2021 1-Ton Work Truck	-	-	41,101	-	-	41,101
2021 1/2-Ton 4x4 Pickup Truck	-	-	19,934	-	-	19,934
<b>Watermain Addition/Replacement:</b>						
Grove St/Dieckhoff St	40,000	-	39,263	24,536	9,105	72,904
Fredrick Dr	288,000	2,416	154,300	8,065	1,221	166,002
Meadow Ln	424,000	-	308,252	9,647	-	317,899
Wild Rose Ln	424,000	1,766	282,015	13,772	-	297,553
Green Acres	424,000	-	294,902	14,944	-	309,846
Honeysuckle Ln	424,000	-	295,926	13,968	-	309,894
Primrose Ln	424,000	6,144	285,023	14,456	-	305,623
Apple Blossom	-	4,137	237,724	12,445	-	254,306
S. Commercial St.	-	-	398	239	6,947	7,584
CB/JJ Extension	-	-	10,771	-	-	10,771
Freedom Meadows	-	-	6,487	47,702	728	54,917
2021 Freedom Acres	-	82,114	-	82	-	82,196
<b>Totals</b>	<b>3,049,000</b>	<b>212,261</b>	<b>2,024,550</b>	<b>270,736</b>	<b>145,550</b>	<b>2,653,097</b>
<b>2022 Temporary Investments</b>						
<b>December 31, 2022</b>						
Safe Drinking Water Loan Payment			1,097,558			
2017 Refunding Debt Service Payment			8,838			
			<b>\$1,106,396</b>			
<b>Replacement Reserves</b>						
Sludge Lagoon Reserve			1,933,413			
Vehicle Replacement Reserve			193,050			
Painting Tower Reserve			541,495			
Painting Hydrants Reserve			60,000			
GAC Media Replacement			530,000			
Pump Rehab			64,000			
			<b>\$3,321,958</b>			

# **NEENAH WATER UTILITY**

## **3 MONTH FINANCIAL REPORT**

**January 1 through March 31, 2023**

**Neenah Water Utility**  
**Comparative Balance Sheet**  
**as of March 31, 2023 & 2022**

Assets	2023	Assets	2022	
<b>Current Assets</b>		<b>Current Assets</b>		
<b>Cash &amp; Cash Equivalents</b>		<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	\$ 4,771,392	Cash on Hand	\$ 1,780,261	
Working Funds - Petty Cash	200	Working Funds - Petty Cash	200	
Special Deposits	0	Special Deposits	0	
Prepays	2,227	Prepays	2,979	
<b>Total Cash &amp; Cash Equivalents</b>	<b>\$ 4,773,819</b>	<b>Total Cash &amp; Cash Equivalents</b>	<b>\$ 1,783,439</b>	A)
<b>Temporary Investments</b>		<b>Temporary Investments</b>		
Unrestricted	20,293	Unrestricted	\$ 26,765	
Restricted for Debt Service	1,561,691	Restricted for Debt Service	1,541,871	B)
Replacement Reserves	3,426,958	Replacement Reserves	3,476,326	
<b>Total Temporary Investments</b>	<b>\$ 5,008,942</b>	<b>Total Temporary Investments</b>	<b>\$ 5,044,962</b>	
<b>Receivables</b>		<b>Receivables</b>		
Customer Account	\$ 1,780,703	Customer Account	\$ 1,822,896	C)
Other	2,541	Other	4,265	D)
Due from other Funds	0	Due from other Funds	0	
Investment Interest	17,276	Investment Interest	8,845	
<b>Total Receivables</b>	<b>\$ 1,800,520</b>	<b>Total Receivables</b>	<b>\$ 1,836,006</b>	
<b>Inventory</b>		<b>Inventory</b>		
Chemical	\$ 92,086	Chemical	\$ 93,936	
Meter & Hydrant Supplies	24,916	Meter & Hydrant Supplies	24,916	
<b>Total Inventory</b>	<b>\$ 117,002</b>	<b>Total Inventory</b>	<b>\$ 118,852</b>	E)
<b>Total Current Assets</b>	<b>\$ 11,700,283</b>	<b>Total Current Assets</b>	<b>\$ 8,783,259</b>	
<b>NonCurrent Assets</b>		<b>NonCurrent Assets</b>		
Long Term Investments	2,066,673	Long Term Investments	2,309,947	
Revenue Bond Reserve Investments	319,000	Revenue Bond Reserve Investments	319,000	
Revenue Bond Depreciation Fund Investments	0	Revenue Bond Depreciation Fund Investments	250,000	
Unamortized Premiums on Borrowing/Refunding	(6,722)	Unamortized Premiums on Borrowing/Refunding	(9,242)	
Unamortized Loss on Advanced Refunding	0	Unamortized Loss on Advanced Refunding	0	
Cell Tower Lease Rec	8,206,477	Cell Tower Lease Rec	0	
Deferred Outflows Related to Pension	1,322,071	Deferred Outflows Related to Pension	1,111,913	
<b>Fixed Assets</b>		<b>Fixed Assets</b>		
Utility Plant in Service	\$ 70,978,174	Utility Plant in Service	\$ 68,599,126	
Less: Accumulated Depreciation	(26,245,727)	Less: Accumulated Depreciation	(25,065,184)	
<b>Net Utility Plant in Service</b>	<b>\$ 44,732,447</b>	<b>Net Utility Plant in Service</b>	<b>\$ 43,533,942</b>	
Construction Work in Process	191,906	Construction Work in Process	246,537	
Deferred Special Assessments	404,154	Deferred Special Assessments	404,154	
Net Pension Asset	562,869	Net Pension Asset	424,231	F)
<b>Total NonCurrent Assets</b>	<b>57,798,875</b>	<b>Total NonCurrent Assets</b>	<b>48,590,482</b>	
<b>Total Assets</b>	<b>\$69,499,158</b>	<b>Total Assets</b>	<b>\$57,373,741</b>	
<b>Liabilities &amp; Capital</b>		<b>Liabilities &amp; Capital</b>		
<b>Current Liabilities</b>		<b>Current Liabilities</b>		
<b>Accruals</b>		<b>Accruals</b>		
Due to Vendors/Contractors	\$46,047	Due to Vendors/Contractors	\$219,081	
Payrolls	3,934	Payrolls	5,658	
In Lieu of Property Taxes	979,892	In Lieu of Property Taxes	1,023,002	G)
Interest	41,901	Interest	58,129	
<b>Total Accruals</b>	<b>\$ 1,071,774</b>	<b>Total Accruals</b>	<b>\$ 1,305,870</b>	
Deferred Revenue		Deferred Revenue		
<b>Total Current Liabilities</b>	<b>\$1,071,774</b>	<b>Total Current Liabilities</b>	<b>\$1,305,870</b>	
<b>NonCurrent Liabilities</b>		<b>NonCurrent Liabilities</b>		
Revenue/Refunding Bonds/Notes	\$ 400,000	Revenue/Refunding Bonds/Notes	\$ 490,000	H)
Safe Drinking Loan	3,878,347	Safe Drinking Loan	5,464,247	I)
City Loan	3,000,000	City Loan	-	
Employee Vacation & Sick Leave Reserve	105,241	Employee Vacation & Sick Leave Reserve	104,995	
Allowance of Uncollectable A/R	16,700	Allowance of Uncollectable A/R	16,700	
Deferred Inflow Cell Tower Lease	8,206,477	Deferred Inflow Cell Tower Lease	-	
Deferred Special Assessments	404,154	Deferred Special Assessments	404,154	
<b>Total NonCurrent Liabilities</b>	<b>\$ 16,010,919</b>	<b>Total NonCurrent Liabilities</b>	<b>\$ 6,480,096</b>	
<b>Total Liabilities</b>	<b>\$ 17,082,693</b>	<b>Total Liabilities</b>	<b>\$ 7,785,966</b>	
Deferred Inflows Related to Pension	\$ 1,534,443	Deferred Inflows Related to Pension	\$ 1,318,230	
<b>Capital &amp; Retained Earnings</b>		<b>Capital &amp; Retained Earnings</b>		
City Paid in Capital	\$ 2,661,887	City Paid in Capital	\$ 2,661,887	J)
<b>Beginning Retained Earnings</b>	<b>\$ 47,518,706</b>	<b>Beginning Retained Earnings</b>	<b>\$ 44,962,909</b>	
Net Income (Loss)	701,429	Net Income (Loss)	644,749	K)
<b>Ending Retained Earnings</b>	<b>\$ 48,220,135</b>	<b>Ending Retained Earnings</b>	<b>\$ 45,607,658</b>	
<b>Total Capital &amp; Retained Earnings</b>	<b>50,882,022</b>	<b>Total Capital &amp; Retained Earnings</b>	<b>48,269,545</b>	
<b>Total Liabilities &amp; Capital</b>	<b>\$ 69,499,158</b>	<b>Total Liabilities &amp; Capital</b>	<b>\$ 57,373,741</b>	

**Neenah Water Utility  
Notes and Explanations  
Comparative Balance Sheet  
For the Period Ending March 31, 2022 & 2023**

Liquidity (Current assets/current liabilities) ratio = 10.92 for the 1st Quarter of 2023. Above 1 is the goal. 1st Quarter of 2022 = 6.73

- A) Total Cash Equivalents have increased for the 1st Quarter 2023 over the corresponding period in 2022 due to \$3M in borrowing.
- B) Restricted Funds are retained due to bond covenants and Commission set asides. Invested in LGIP funds. Unrestricted funds are available for projects and emergencies.
- C) Customer Account includes bills sent out at the end of March to residential, commercial, multifamily, industrial, and public accounts.
- D) Includes other billings not yet paid.
- E) Total Inventory is the value of treatment chemicals and distribution materials held in inventory.
- F) Net Pension Liability was based on WRS investment performance. Because performance has been positive, there is currently a net pension asset.
- G) PILOT based on Utility Plant in Service.
- H) Includes revenue bonds with maturity date 12/1/2026.
- I) Safe Drinking Water Loan used for plant construction, issued 2005 and 2006 with maturity dates 5/1/2024 and 5/1/2025.
- J) Includes City projects paid by TIF.
- K) Net income

<b>Neenah Water Utility</b>					
<b>Comparative Income Statement</b>					
<b>Three Months Ending - March 31, 2023 &amp; 2022</b>					
	<b>2023</b>	<b>2022</b>	<b>Percent Change</b>		
<b>Water Operating Revenue</b>					
<b>Unmetered</b>					
Sales to General Customers (WFC)	518	176	194.3%	<a href="#">(A)</a>	342
Private Fire Protection (Firelines)	34,370	34,832	-1.3%	<a href="#">(B)</a>	(462)
Public Fire Protection - All Customers	429,272	428,414	0.2%	<a href="#">(C)</a>	858
<b>Total Unmetered Revenue</b>	<b>\$464,160</b>	<b>\$463,422</b>	0.2%		738
<b>Metered</b>					
Bulk Water - All Customer Types		0	0.0%	<a href="#">(D)</a>	-
Residential Customers	762,949	777,436	-1.9%	<a href="#">(E)</a>	(14,487)
Multi Residential Customers	39,999	38,157	4.8%	<a href="#">(F)</a>	1,842
Commercial Customers	207,445	205,533	0.9%	<a href="#">(G)</a>	1,912
Industrial Customers	425,491	435,533	-2.3%	<a href="#">(H)</a>	(10,042)
Municipal/Other Public Customers	23,901	25,227	-5.3%	<a href="#">(I)</a>	(1,326)
<b>Total Metered Revenue</b>	<b>\$1,459,785</b>	<b>\$1,481,885</b>	-1.5%		(22,100)
<b>Total Water Operating Revenue</b>	<b>\$ 1,923,945</b>	<b>\$ 1,945,307</b>	-1.1%	<a href="#">(J)</a>	(21,362)
<b>Other Operating Revenue</b>					
Forfeited Discounts (Late Fees)	8,923	0	0.0%	<a href="#">(K)</a>	8,923
Miscellaneous Service Revenues	4,221	3,723	13.4%	<a href="#">(L)</a>	498
Water Property Rental Revenue	79,009	37,498	110.7%	<a href="#">(M)</a>	41,511
Other Revenues	4,218	2,181	93.4%	<a href="#">(N)</a>	2,037
<b>Total Other Operating Revenue</b>	<b>\$96,371</b>	<b>\$43,402</b>	122.0%		52,969
<b>Total Operating Revenue</b>	<b>\$ 2,020,316</b>	<b>\$ 1,988,709</b>	1.6%	<a href="#">(O)</a>	31,607
<b>Operating Expenses</b>					
Source of Supply Expenses	3,546	3,586	-1.1%	<a href="#">(P)</a>	(40)
Pumping Expenses	52,361	58,276	-10.1%	<a href="#">(Q)</a>	(5,915)
Water Treatment Expenses	268,536	252,250	6.5%	<a href="#">(R)</a>	16,286
Transmission & Distribution Expenses	116,566	115,778	0.7%	<a href="#">(S)</a>	788
Customer Account Expenses	41,643	32,540	28.0%	<a href="#">(T)</a>	9,103
Administrative & General Expenses	130,623	100,056	30.5%	<a href="#">(U)</a>	30,567
Employee Fringe Benefit Expense	96,476	94,899	1.7%	<a href="#">(V)</a>	1,577
Depreciation Expense	412,650	404,559	2.0%	<a href="#">(W)</a>	8,091
Property Tax Expense	251,363	263,654	-4.7%	<a href="#">(X)</a>	(12,291)
Payroll Tax Expense	21,152	20,262	4.4%	<a href="#">(Y)</a>	890
Other Tax Expense	0	0	0.0%		-
<b>Total Operating Expenses</b>	<b>\$ 1,394,916</b>	<b>\$ 1,345,860</b>	3.6%		49,056
<b>Net Operating Income (Loss)</b>	<b>\$ 625,400</b>	<b>\$ 642,850</b>	-2.7%		(17,450)
<b>Other Revenue</b>					
Interest Income	101,092	2,128	4650.6%	<a href="#">(Z)</a>	98,964
Amortization of Debt Premium	630	630	0.0%		-
Capital Contributions	0	34,613	-100.0%		(34,613)
Miscellaneous Non-Operating Income	0	48	-100.0%		(48)
<b>Total Other Revenue</b>	<b>\$ 101,722</b>	<b>\$ 37,419</b>	171.8%	<a href="#">(AA)</a>	64,303
<b>Other Expenses</b>					
Interest Expense on Long-Term Debt	25,693	35,520	-27.7%		(9,827)
<b>Total Other Expenses</b>	<b>\$ 25,693</b>	<b>\$ 35,520</b>	-27.7%		(9,827)
<b>Net Income (Loss)</b>	<b>\$ 701,429</b>	<b>\$ 644,749</b>	8.8%	<a href="#">(BB)</a>	56,680

**Neenah Water Utility  
Notes and Explanations  
Comparative Income Statement  
For the Period Ending March 31, 2022 & 2023**

- A. Sales to General Customers (water for construction).
- B. Private fire protection is billed at a PSC established flat rate per quarter based on the diameter of the fire line. This affects all customer types operating a private sprinkler/fire line, except residential.
- C. Public fire protection is based upon the square footage of each building.
- D. Bulk water is related to construction activity. A hydrant meter is used to determine usage.
- E. Residential number shown reflects revenues decreasing.
- F. Multi-Family Residential reflects a increase from last year.
- G. Commercial revenues reflect a slight increase.
- H. Industrial revenues reflect an decrease.
- I. Public sales include schools, parks, and other public buildings.
- J. Total Water Operating Revenues is the sum of A thru I. Revenue in the 1st quarter of 2023 is slightly less than to the corresponding period of 2022.
- K. Late bill payment revenue (late fees).
- L. Revenue received for reading and billing sewer exemption meters; reconnect fees and turning on service lines; hydrant hook-up fees; customer repair charges.
- M. Revenue received for annual fire hydrant rental to the Town of Neenah and rental fees from cell providers for antenna space. It increases, as contract provisions require.  
\*A large payment was received from Verizon for back rent.
- N. Revenue received for sale of scrap, miscellaneous service fees, and returned check fees.
- O. Total Operating Revenues in 1st quarter are 1.6% more than in the corresponding period of 2022.
- P. Source of Supply Expenses are for supervision of intakes and related structures, including testing, inspections, cleanings, and repairs. Inspections and cleanings are twice a year as needed.

**Neenah Water Utility**  
**Notes and Explanations Comparative Income Statement**  
**For the Period Ending March 31, 2022 & 2023**  
**Page 2 of 2**

- Q. Pumping Expenses were down in the 1st quarter of 2023 as compared to the corresponding period in 2022, due to decreased maintenance and fuel expenses.
- R. Treatment Expenses are up for the time period due to increased chemical prices, chemical purchase timing, maintenance, and the repair and upgrade of plant equipment.
- S. Transmission and Distribution Expenses are up for the 1st quarter of 2023 to the same period in 2022, due to increased main repair expenses and miscellaneous expenses related to distribution operations.
- T. The Customer Account Expense is higher in the 1st quarter 2023 than in 2022 due to the increased amount of supervision, records, and collection required, uncollectable accounts, transmission and miscellaneous expenses.
- U. This account reflects an increase due to increased transportation and insurance expenses.
- V. Fringe benefits are affected by staffing levels, overtime or call-in work for water main breaks and plant emergencies, and retirement payouts.
- W. Depreciation Expense is dependent upon actual depreciation of the plant in service.
- X. Payment In Lieu of Property Tax (PILOT) reflects the value of the water system.
- Y. Payroll Taxes
- Z. Interest Income has increased due to economic factors.
- AA. Miscellaneous non-operating income, including the P-card Rebate.
- BB. Net Income in the 1st quarter of 2023 reflects a increase compared to the same period in 2022.

<b>Neenah Water Utility</b>						
<b>2023 Construction Work in Progress</b>						
	<b>Budget</b>	<b>3 Months</b>	<b>6 Months</b>	<b>9 Months</b>	<b>12 Months</b>	<b>Totals</b>
<b>Capital Projects:</b>						
Meter replacement	410,000	104,920				104,920
Booster Station for West Side Zone	1,300,000	11,000				11,000
Replace (1) Krohne mag meter GAC	22,000					-
Replace (1) Krohne mag meter washwater sludge	5,000					-
Replace (1) Krohne mag meter softener sludge	5,000					-
Replace carbon dioxide tank	300,000					-
Replace (1) backwash VFD	35,000					-
Replace (1) air scour VFD	35,000					-
Misc tools and equipment	20,000					-
Technology update	10,000					-
Misc consulting fees	20,000					-
Misc plant contingency	50,000					-
Rebuild (1) finished water pump	25,000	30,070				30,070
Rebuild (1) intermediate pump	25,000					-
Rebuild (1) raw water pump	12,000					-
Replace 2012 Dump Truck	185,000					-
<b>Watermain Addition/Replacement:</b>						
Misc Services	-	2,918				2,918
Chestnut St	449,000	1,082				1,082
Laudan Blvd	128,000					-
Dieckhoff St	56,000					-
Burr Ave	66,000	666				666
Hughes Ct	87,000					-
Memorial Ct	38,000					-
Charles Ct	38,000					-
Patrick Ct	40,000					-
Fox River Crossing	500,000					-
River St	196,000					-
Brantwood Dr	262,000					-
Brantwood Ct	37,000					-
Columbian Ave	200,000					-
<b>Totals</b>	<b>4,556,000</b>	<b>150,656</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>150,656</b>
<b>2023 Temporary Investments</b>						
<b>March 31, 2023</b>						
Safe Drinking Water Loan Payment			1,526,341			
2017 Refunding Debt Service Payment			35,350			
			<b>\$1,561,691</b>			
<b>Replacement Reserves</b>						
Sludge Lagoon Reserve			1,978,413			
Vehicle Replacement Reserve			202,050			
Painting Tower Reserve			578,995			
Painting Hydrants Reserve			61,500			
GAC Media Replacement			530,000			
Pump Rehab			76,000			
			<b>\$3,426,958</b>			



# Neenah Water Utility

211 Walnut St. PO Box 426 Neenah, WI 54957-0426  
 Office: (920) 886-6182 Cell: (920) 858-6300  
 Email: amach@ci.neenah.wi.us

**Anthony L. Mach**

Director of Neenah Water Utility

## MEMORANDUM

**DATE:** May 5, 2023  
**TO:** Waterworks Commission  
**FROM:** Anthony L. Mach  
**RE:** Request to Purchase Lot 45 in the First Addition to the Homes at Freedom Meadows

In the planning process for the booster station, staff were negotiating the acquisition of Lot 45 from the Developer, Van Sistine Homes, LLC. After working with Community Development to negotiate the purchase, our staff have decided to purchase this lot from the City after it is deeded back for a total cost of \$14,922.00. Also, the Developer will reimburse the Water Utility for the water main oversizing assessment in the total amount of \$15,910.75. The location of Lot 45 is indicated below.



**Staff recommends purchasing Lot 45 from the City for a total cost of \$14,922.00**



## Neenah Water Utility

211 Walnut St. PO Box 426 Neenah, WI 54957-0426  
 Office: (920) 886-6182 Cell: (920) 858-6300  
 Email: amach@ci.neenah.wi.us

**Anthony L. Mach**

*Director of Neenah Water Utility*

# MEMORANDUM

**DATE:** May 1, 2023  
**TO:** Waterworks Commission  
**FROM:** Anthony L. Mach  
**RE:** Request to Reimburse the Developer for the Cost to Oversize Water Main in the First Addition to Homes at Freedom Meadows

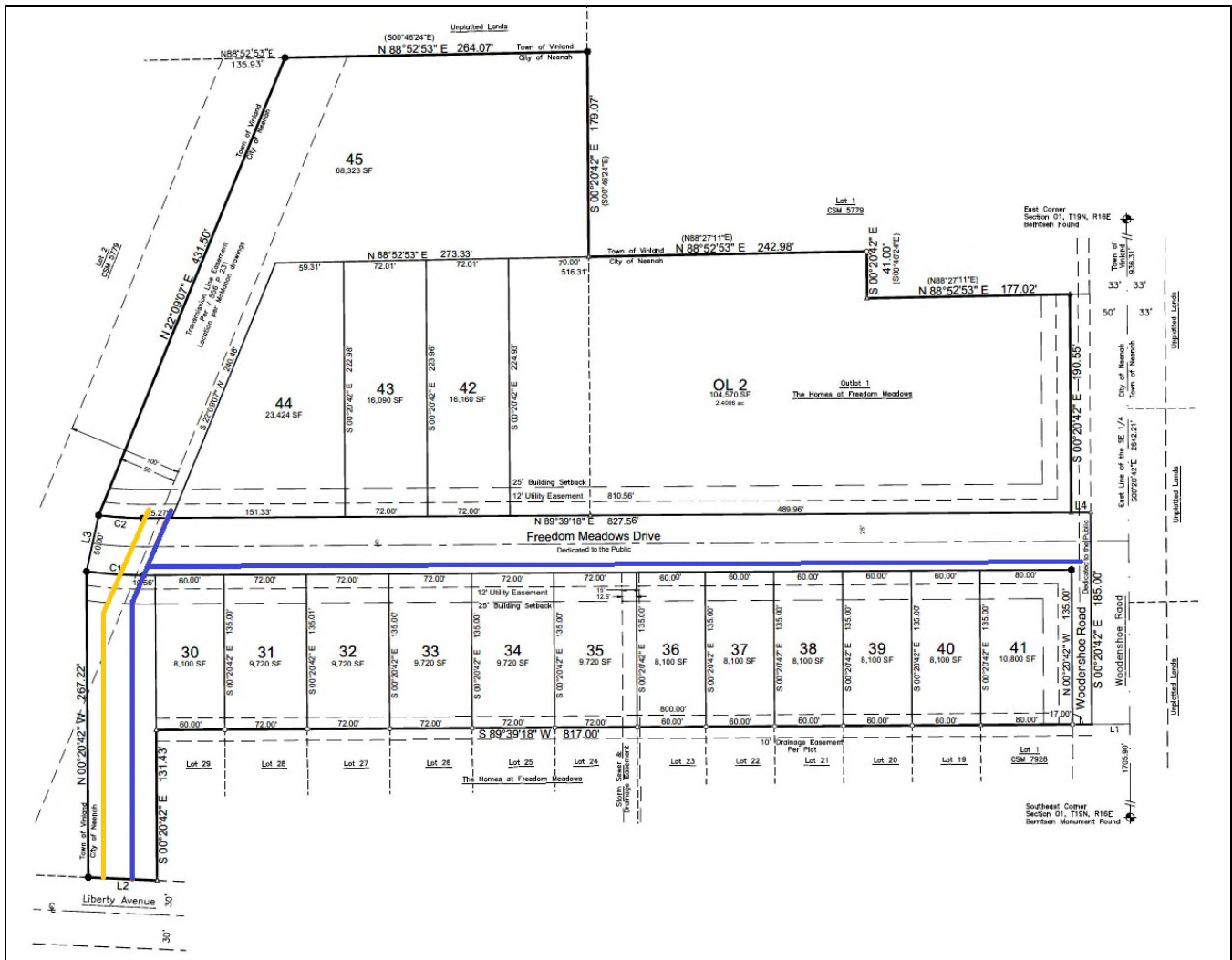
Integrity Construction (Developer) has installed public utilities at the terminus of Liberty Avenue to serve future phases of the Homes at Freedom Meadows.

The Developer will be responsible for all costs associated with the installation of the water main, related appurtenances, and inspection fees associated with the project.

The Utility has requested the existing 12" and 16" water mains extending from the existing Liberty Avenue stub and following north and northeast to the entrance of the booster station. In addition, the Utility has requested that the water main proceeding east on Freedom Meadow Drive be oversized to 16" to ensure adequate water availability for the booster station. The estimated oversizing cost is detailed below.

<b>Water Main Oversizing Estimate</b>	<b>Quantity</b>	<b>Unit</b>	<b>Cost</b>	<b>Total</b>
Water Main Oversizing From 10" to 12"	355	LF	\$10.00	\$3,550.00
Water Main Oversizing From 10" to 16"	1154	LF	\$34.00	\$39,236.00
Valve Oversizing from 10" to 12"	2	EA	\$1,079.00	\$2,158.00
Valve Oversizing from 10" to 16"	4	EA	\$7,229.00	\$28,916.00
<b>Total Water Main Oversizing Estimate - First Addition to Homes at Freedom Meadows</b>				<b>\$73,860.00</b>

The location of the proposed 12" (orange) and 16" (violet) water main extensions is indicated in the drawing.



This is an important development corridor within the City and the water main oversizing will allow expansion to the north and west.

The actual reimbursement will be less any applicable inspection fees due the Water Utility. There will be an oversizing assessment due for each building permit in this development which will be used to offset some of the cost of oversizing this water main.

**Staff recommends reimbursing the Developer the costs to oversize the water main in the First Addition to the Homes at Freedom Meadows at a cost not to exceed \$74,000.00.**



---

## M E M O R A N D U M

---

**DATE:** April 24, 2023  
**TO:** Chairperson Erickson and Members of the Finance and Personnel Committee  
**FROM:** Brad Schmidt, AICP, Deputy Director of Community Development  
**RE:** Development Agreement – First Addition to The Homes at Freedom Meadows Subdivision

---

The Community Development Department, Department of Public Works and the Neenah Water Utility have negotiated a Development Agreement with Van Sistine Homes, LLC for the First Addition to The Homes at Freedom Meadows Subdivision. As with all residential subdivisions in the City, the Development Agreement identifies the terms responsibilities of the Developer and City and identifies the required fees and costs for developing in the City.

The proposed plat includes 16 single-family residential lots located along the northwest corner of County Highway G and Woodenshoe Road. The land is zoned R-1, Single-Family Residence District. This subdivision is the second phase of the Homes at Freedom Meadows subdivision located directly south of the proposed development.

The Developer is responsible for installing public utilities (water, sanitary sewer, and storm water). Water main is proposed to be oversized to accommodate future development north and west of the development. The costs associated with oversizing the water main will be reimbursed to the developer by the Water Utility. The City will inspect the installation of those utilities prior to accepting them as public. Additional costs are held in an escrow account such as the temporary two-inch mat along Honor Street and Liberty Avenue and future sidewalks along both of those streets.

Upon approval of the proposed development agreement, the Developer will purchase, from the City, the land for **\$64,376.74**

The Developer is responsible to pay for the following subdivision fees and costs (See Exhibit 8 of the Development Agreement for a summary):

- Subdivision Fee (\$1000/acre) - **\$7,100**
- Oversized Sanitary Sewer Fee (\$1000/acre) - **\$7,100**
- Street Trees (\$200/lot) – **\$3,000**
- Storm water Management Fee (\$200+\$75/lot) - **\$1,400**
- Oversized Water Main Fee (\$2,240.95/acre) - **\$15,910.75**
- Inspection Fees (Billed to Developer) – Water Inspection (**\$4,500**) and DPW Inspection (**\$2,000**)
- Storm Water Pond Construction **\$28,739.45**

The City will reimburse the developer for the following items:

- Actual costs of oversized water mains
- Actual costs of oversized sanitary mains
- Lot 45 – Water Utility Pump Station (\$14,922)

**Appropriate action at this time is to recommend Common Council approve the First Addition to The Homes at Freedom Meadows Subdivision Development Agreement.**

THIS AGREEMENT, made pursuant to Chapter 25 of the City of Neenah Municipal Code by and between the CITY OF NEENAH, Winnebago County, Wisconsin, a body politic and municipal corporation by its Common Council ("City") and owner of subject land and Van Sistine Homes, LLC, the developer ("Developer") of the following property lying within the City of Neenah:

PROPERTY DESCRIPTION:

All of Outlot 1 of The Homes At Freedom Meadows as recorded in Document No. 1880819 and a part of Lot 2 of Certified Survey Map No. 5779 as recorded in Volume 1 of Certified Survey Maps on Page 5779, Document No. 1368620, located in the Northeast 1/4 of the Southeast 1/4 of Section 1, Township 19 North, Range 16 East, City of Neenah, Winnebago County, Wisconsin containing 398,413 square feet (9.146 acres) of land and being more fully described as follows:

Commencing at the Southeast corner of said Section 1; thence N00°20'42"W, 1705.90 feet along the East line of the Southeast 1/4 of said Section 1 to the Easterly extension of the North line of Lot 1 of Certified Survey Map No. 7928 as recorded in Document No. 1884731; thence S89°39'18"W, 33.00 feet along said Easterly extension to the Northeast corner of said Certified Survey Map No. 7928 and the Point of Beginning; thence continue S89°39'18"W, 817.00 feet along the North line of said Lot 1 and the North line of Lots 19 thru 29 of The Homes At Freedom Meadows to the Northwest corner of said Lot 29; thence S00°20'42"W, 131.43 feet along the West line of said Lot 29 to the Southwest corner thereof, also being the North right-of-way line of Liberty Avenue; thence N87°28'58"W, 60.07 feet along said North right-of-way line; thence N00°20'42"W, 267.22 feet; thence N12°12'25"E, 50.13 feet; thence N22°09'07"E, 431.50 feet to the North line of said Lot 2 of Certified Survey Map No. 5779; thence N88°52'53"E (recorded as N88°27'11"E), 264.07 feet along the North line of said Lot 2; thence S00°20'42"E (recorded as S00°46'24"E), 179.07 feet along the North line of said Lot 2 to the Northwest corner of Outlot 1 of said The Homes At Freedom Meadows; thence N88°52'53"E (recorded as N88°27'11"E), 242.98 feet along the North line of said Outlot 1; thence S00°20'42"E (recorded as S00°46'24"E), 41.00 feet along the North line of said Outlot 1; thence N88°52'53"E (recorded as N88°27'11"E), 177.02 feet along the North line of said Outlot 1 to the Northeast corner thereof; thence S00°20'42"E, 190.55 feet along the East line of said Outlot 1, being the West right-of-way line of Woodenshoe Road; thence N89°39'18"E, 17.00 feet along said West right-of-way line to the East line of said Lot 2 of Certified Survey Map No. 5779; thence S00°20'42"E (recorded as S00°46'24"E), 185.00 feet along the East line of said Lot 2, being the West right-of-way line of Woodenshoe Road to the Point of Beginning.

Recording Area

Return to:

David Rashid, City Attorney  
City of Neenah, 211 Walnut Street  
Neenah, WI 54956

Parcel No.: 8-11-4000-00-01, 8-11-4000-00-03

WHEREAS, Chapter 25 of the Neenah Municipal Code provides for the installation of required improvements (hereinafter referred to as the "Improvements") in new subdivisions, and

WHEREAS, the Developer has proposed to develop a residential subdivision on the above-referenced property located in the City (hereinafter referred to as "First Addition to The Homes at Freedom Meadows" or the "Development"); and

WHEREAS, [Exhibit 1](#) shows the Development which has been approved by the City and has or will be recorded in the Winnebago County Register of Deeds Office; and

WHEREAS, a series of meetings and negotiations have taken place between the City and the Developer to determine various development and financial responsibilities for on-site and off-site public improvements and fees in connection with the proposed subdivision; and,

WHEREAS, the City and the Developer, for their mutual benefit, have mutually agreed as to development and financial responsibilities for public improvements and fees in connection with the proposed subdivision;

NOW THEREFORE, in consideration of the mutual promises contained herein, the sufficiency of which is hereby acknowledged, and the above recitals, which are contractual, the City and Developer agree as follows:

1. **Sanitary Sewer Interceptor Fee and Subdivision Fee.** The Developer shall pay the City a sanitary sewer interceptor fee in the amount of \$1,000.00 per acre (the "Sewer Fee") and a subdivision fee of \$1,000.00 per acre (the "Subdivision Fee") for the Improvements to the Development as more particularly detailed in [Exhibit 2](#). As subsequent phases are developed, the Developer shall be billed for the sewer fee and the subdivision fee at the established rate in effect at the time of platting.
2. **Storm Water Infrastructure Fee.** The Developer shall pay a storm water infrastructure fee in the amount of \$5,000.00 per acre (the "Storm Water Fee") as detailed in [Exhibit 3](#). In addition to the lots created in the subdivision, the storm water acreage calculation shall include street right-of-way and all other public land including, but not limited to parks, and easements lying within and/or adjacent to the subdivision. Existing mapped wetlands shall be excluded from storm water acreage calculation. This storm water infrastructure fee shall include all construction costs associated with storm water infrastructure installation except for the following which shall be funded entirely by the Developer:
  - design engineering
  - plan and specification development
  - contract bidding
  - construction engineering
  - final inspection
  - erosion control
  - yard drains and associated piping
  - perforated catch basin drain pipes
  - final storm sewer cleaning and televising
  - plan review by the City
  - field staking and surveying
  - project administration
  - construction inspection
  - final "as built" measurements
  - bedrock blasting and removal
  - storm sewer house laterals
  - storm water ponds

The Developer shall pay all costs of the storm water infrastructure installation during construction, and shall keep an accurate account of all costs certified by the project engineer or other construction professional responsible for supervising the construction of the Development and retained by the Developer. Final accounting of the actual costs of those items covered by the Storm Water Fee will be settled upon completion and City acceptance of such construction. The Developer shall advance the costs of the public storm water infrastructure installation during construction. Final costs of the storm water infrastructure installation as certified at the completion of the subdivision construction, shall be credited against the Storm Water Fee and paid by the Developer. To the extent that installation costs exceed the Storm Water Fee, the City shall reimburse Developer the difference. To the extent that Developer has paid less in installation costs than is due under the Storm Water Fee, the Developer shall pay the City the difference within 30 days of billing by the City.

3. **Storm Water Ponds.** This development is served by a storm water pond constructed as part of the Homes at Freedom Meadows (shown as Outlot 1 in Homes at Freedom Meadows but being replatted as Outlot 2 in the proposed development). The City recognized that the pond constructed for that development would serve areas outside of that development and held a portion of that construction cost as a deferred assessment against other served areas. The proposed subdivision was noted as Phase IV of the subdivision concept plan approved by the City's Plan Commission on August 20, 2020. [Exhibit 3](#) outlines the share of the pond cost attributed to the Development.
4. **Storm Water Management.** The Developer shall pay a storm water management, erosion control, plan review and inspection fee of \$200 per plat plus \$75 per lot ([Exhibit 2](#)) to cover the City's costs for plan review and inspection of storm water management and erosion control methods and practices.
5. **Water main within the Subdivision Plat.** The Developer shall pay the full cost to furnish and install water mains and water services within the plat including those that may front on all dedicated

public lands, including but not limited to, parks, schools, dedicated public wetlands and open spaces, detention ponds and other public areas. The Developer shall provide the Water Utility a complete accounting of all costs related to the installation of the water main and appurtenances within the Development. Upon acceptance, Neenah Water Utility shall take ownership of and maintain the water mains and related appurtenances inside the Development. The water service to each residence shall be installed by the Developer and owned by the resident. The Neenah Water Utility shall maintain the service from the water main to and including the curb box. Maintenance from the curb box to the house shall be the responsibility of the resident. The Developer shall pay for Neenah Water Utility inspection and testing during installation of the water main inside the Development as detailed in [Exhibit 4](#).

6. **Oversize Water Main Installation and Reimbursement.** The Neenah Water Utility is proposing an oversized water main within the Development to accommodate future development water supply needs. Upon approval by the Neenah Waterworks Commission, the Neenah Water Utility shall reimburse the Developer for the additional cost attributable to installing a 16-inch water main rather than the 10-inch water main required by the Water Utility's design and construction standards. Utility staff will work with the Developer to estimate the cost difference for labor and materials to install the 16-inch water main versus the 10-inch water main. An estimate of the oversizing reimbursement is included in [Exhibit 4](#).
7. **Outlot 3 Dedication.** Upon purchase of the parcel by the Developer, the Developer will dedicate Outlot 3 to the City. The City will own and maintain this property. The primary use of this outlot is for a utility corridor. The City reserves the right to construct a temporary road upon said outlot until such time as a platted, permanent street connects Liberty Avenue and Freedom Meadows Drive. The City will construct a sidewalk connection between Liberty Avenue and Freedom Meadows Drive.
8. **Lot 45.** Upon purchase of the land by the Developer, the Developer will deed Lot 45 to the City for the purpose of constructing and maintaining a potable water booster station. The City will own and maintain this property. The City will reimburse the Developer for Lot 45 in the amount of \$14,922 which will be credited toward the Oversize Water Main Fee. See [Exhibit 4](#) for more details.
9. **Oversize Water Main Fee.** The Neenah Water Utility has established a fee in the amount of \$2,240.95/acre. The Oversize water main fee is an area-wide assessment based on the cost to install oversized water main and infrastructure to boost water pressure in the proposed development. See [Exhibit 4](#) for more details.
10. **Sanitary Sewer Within the Subdivision Plat.** Developer shall pay the full cost of installing all sanitary sewer mains and sanitary sewer laterals within the plat including those that may front on all dedicated public lands, including but not limited to, parks, schools, dedicated public wetlands and open spaces, detention ponds and other public areas. If needed, the installation of an oversized sewer main required by the City shall be reimbursed to the Developer as detailed in [Exhibit 7](#). Sanitary sewer main over 10" in diameter and installed at a depth of greater than 13 feet is eligible for reimbursement as are sanitary lateral risers associated with sewer main installation deeper than 13 feet.
11. **Purchase Price.** Per Document number 1826908 recorded in the Winnebago County Register of Deeds office, the City purchased the subject land with the intent of selling the land to the Developer based on the agreed-upon schedule within the Development Agreement. The Developer agrees to purchase the subject land (First Addition to The Homes at Freedom Meadows) which accounts for 7.248 acres at a price of \$8,882/acre for a total sales price of \$64,376.74. This amount is due to the City prior to the City signing the Final Plat. See [Exhibit 2](#) for more information.
12. **Streets, Curb and Gutter and Sidewalks Within the Subdivision Plat.**

*Street Grading/Graveling:* The Developer shall pay the full cost of grading/graveling all

streets within the plat, including those streets that may front on all dedicated public land and outlots, including but not limited to, parks, schools, dedicated public wetlands and open spaces, detention ponds and other public areas (hereinafter "Temporary Gravel Street"). The City shall establish and enforce spring load limits on all gravel streets.

*Gravel Street Maintenance:* Prior to construction of the Final Street, the Developer shall be completely responsible for all gravel street maintenance including but not limited to:

- removal of mud, dust and other non-granular deleterious material on an "as needed" basis; periodically adding granular material necessary to re-establish the true line and grade and cross section of the street;
- place calcium chloride dust control treatment on the streets semi-annually;
- cleaning out catch basins;
- regrading and filling all potholes, settled areas and areas where traffic has disturbed the gravel periodically on an "as needed" basis;
- provide any City mandated dust control.

If during the time prior to the City accepting maintenance responsibility, the Developer fails to maintain the gravel streets in a manner acceptable to the City, the City shall, after a 48-hour notice to the Developer, perform the required maintenance on the gravel street and bill all costs for this maintenance work to the Developer.

*Two-Inch Asphalt Mat:* The Developer shall pay the full cost of placing a two-inch asphalt mat on all streets within the plat (excluding the temporary road noted in Section 7), including those streets that may front on all dedicated public land and outlots, including but not limited to, parks, schools, dedicated public wetlands and open spaces, detention ponds and other public areas (hereinafter "Temporary Asphalt Street"). Cost for said two-inch mat construction shall be prepaid, or escrowed, by the Developer based on estimated costs for similar construction. In the event that actual costs are less than the escrowed fund, any such excess of the escrowed funds shall be returned to Developer. In the event that the escrow is insufficient, then the City reserves the right to special assess the shortage against the individual lots in Development (See [Exhibit 5](#)).

In late spring or early summer following the installation of utilities and gravel as provided for above, and after the gravel street and utility trenches have been subject to a winter "freeze-thaw" cycle and settled, the Developer shall grade and remove all mud and non-granular deleterious materials, re-shape and fine grade the gravel street, and add any required gravel to re-establish the true, designed grade, profile and cross section of the gravel streets. The City shall then install a two-inch asphalt mat surface on the streets. The City shall establish and enforce spring load limits on all asphalt mat streets.

*Final Street:* When installed, curb/gutter and final street pavement shall be assessed 100% by the City to the adjacent lot owners of record with the exception that all costs associated with installation of curb/gutter and permanent pavement that front all public lands, including but not limited to: parks, greenspace, trails, outlots, and detention ponds shall be prepaid, or escrowed, by the Developer based on estimated costs for new street construction. Once public improvements anticipated by this paragraph are installed, in the event that actual costs are less than the escrowed fund, any such excess of the escrowed funds shall be returned to Developer. In the event that the escrow is insufficient, then the City reserves the right to special assess the shortage against the individual lots in the Development (See [Exhibit 5](#)).

*Sidewalks:* The Developer shall pre-pay or escrow the estimated cost for installing sidewalk through Outlot 3. Said sidewalk shall be installed by the City in conjunction with construction of the Final Street, described above, unless otherwise scheduled with the approval of the City. (See [Exhibit 5](#)).

*Temporary Character of Streets.* In no manner shall the City or the Developer regard or consider either the Temporary Gravel Streets or the Temporary Asphalt Streets of the Development as permanent or final street for purposes of Municipal Code Sec. 26-126, and the

public is hereby notified of property owners' special assessment responsibilities thereunder.

13. **Contract Procedures.** The Developer's engineer shall prepare the contract documents, construction plans and specifications, let the contracts, and provide all supervision, and all contract administration for the installation of sanitary sewer, storm sewer, water main, grading and graveling, and all appurtenances and shall bill the Developer for these services. The Developer's design engineer shall perform the construction staking. All plans and specifications for the improvements shall be consistent with City specification standards. The City shall review for approval all plans, specifications and contract documents in a timely manner. The City shall provide all construction inspection and shall bill the Developer for these services. Notwithstanding anything to the contrary in this agreement, construction inspection services by the City is not intended to, nor does it provide any guaranty, proper or satisfactory, of performance. The inspection services provided for by the City are for the City's benefit and may be relied upon only by the City. In the event that Improvements installed by the Developer do not operate properly even after inspections by the City, it shall remain the Developer's responsibility, at the Developer's sole cost, to correct any deficiencies so that the Improvements are working properly and in full compliance with all applicable standards before the City is obligated to accept the Improvements as part of the public infrastructure.
14. **Park Dedication.** [Intentionally left blank]
15. **Outlots and Public Parks.** [Intentionally left blank]
16. **Sewer Cleaning and Televising Inspection.** Upon completion of installation of grading and graveling and prior to final acceptance by the City, the Developer shall clean all sanitary and storm sewer mains, all catch basin leads and all back yard drain pipes using a City approved sewer cleaning contractor utilizing modern "jet trucks" of adequate horsepower and capacity. Upon completion of sewer cleaning all sewer mains and backyard drainpipes shall be televised in color and the televising records provided to the City in a City-approved electronic format. Catch basin leads do not need to be televised but all leads must be cleaned and lamped and their condition verified in a written report. All catch basins and backyard drains shall be cleared of gravel and debris.
17. **Public Improvements Dedication.** The Developer agrees to convey by deed or dedication to the City all the streets, roads, courts, avenues, drives, public ways and parks in the Plat. Developer further agrees to convey the public access ways and storm water detention ponds by deed to the City. All public improvements contemplated in the final plat shall be constructed within areas to be dedicated to the City either by deed, dedication or easement as contemplated in the final plat and this agreement. The City agrees to accept the dedication of all the Public Improvements in the Plat, whether by deed, dedication or easement subject to the City's Acceptance of the Public Improvements provided they are constructed according to the City's specifications and in accordance with and subject to the terms of the City's Subdivision Ordinance.
18. **Utilities.** The Developer shall pay the entire cost associated with installation of underground gas, electric, telephone and cable TV utilities and street lights throughout the entire development including the cost of installing utilities and street lights adjacent to detention ponds, parks, outlots, green space, trails and other public lands. Streetlights are required and the Developer shall be responsible for requesting the street lighting system from utility company. The street lighting plan, electrical distribution plan, and natural gas layout shall be designed by the utility company and approved by the City.

Standard street lighting shall be wood poles with LED fixtures. The City shall pay the utility company the monthly electrical charge for standard street lighting. The developer shall be responsible for all additional costs associated with installation of a decorative street lighting system by the utility company. In addition, the developer shall also be responsible for the monthly charges for a decorative system that are in excess of the monthly charges for a standard system through

payment to the City of the present value of the cost difference. The Developer shall coordinate with the City any street lighting requested beyond the standard.

19. **Off-Site and Other Existing Improvements.** [Intentionally left blank]
20. **Terrace Trees Contribution.** The Developer shall pay a terrace tree contribution in the amount of \$200.00 per lot. This terrace tree contribution shall be paid by the Developer, on a per lot basis at the time of final closing of each lot sale. The subdivision plat shall note on its face "\$200.00 per lot 'Terrace Tree' contribution". This contribution will be deposited in the "City of Neenah Carpenter Tree Fund Trust" tax-exempt account and will be used to plant trees on the street terraces within the subdivision at the time curb and gutter is installed ([Exhibit 6](#)).
21. **Building Permits.** Provided Developer has installed water mains, storm sewer, sanitary sewer and gravel base to a given lot and guarantees of installation have been provided for electric, gas, phone and cable services, Developer and/or Developer's assigns and successors in interest shall be permitted to obtain building and erosion control permits for such lot.
22. **Plan Review and Construction Inspection.** The Developer shall pay a fee for plan review and construction inspection of proposed improvements as outlined in [Exhibit 7](#). Said Fee shall be based on \$1,400 for plan review and an estimated \$6,500 for inspections by City staff. Actual costs shall be determined based on actual time spent by City Staff. In the event that the City, in its sole discretion, determines that it requires the assistance of either outside consultants to review plans or provide for construction inspection services, the Developer shall pay the actual cost of such outside consulting services plus 10% for administration.
23. **Damages.** The Developer shall repair or replace, as directed by the City and to the City's satisfaction, at Developer's own cost, any damage caused to any public or private property by the installation of the improvements.
24. **City Costs.** [Intentionally left blank]
25. **Estimated Cost Summary Escrow Payment.** The estimate of costs paid by the Developer is attached hereto as Exhibits 2-7 (Summarized in [Exhibit 8](#)) and shows the items and estimated amounts to be paid by the Developer, including the basis for the Sewer Fee and Storm Water Fee. The total of the estimate of costs provides the basis for determining the amount of the escrow. The Developer shall submit a payment to be held in a City escrow account in the amount of **\$91,383.00**. The escrow amount is based on the sums shown in [Exhibit 5](#).
26. **Financing Alternative.** As an alternative to the payment of various fees and costs as outlined in this Agreement, the Developer may elect to pay the fees provided in sections [1](#), [2](#), [4](#), [7](#), and [18](#) proportionally on a per lot basis (excluding outlots) as summarized in [Exhibit 8](#). The Developer shall indicate, in writing, whether the per lot fee would be paid to the City when the lot is sold to a third party and collected at time of lot closing, or the fee would be collected at the time a building permit is issued. The owner of any lot for which the fees have not been paid by January 1, 2030, shall be issued a bill for the unpaid balance on the individual lot. Developer specifically agrees to waive all assessment procedures, including the right to notice and hearing, pursuant to Wis. Stat. §66.0703(7)(b) and hereby consents to the imposition of the fees and costs anticipated by this Agreement as special assessments against the property in the Development.
27. **Consistency With Adopted Ordinances and Resolutions.** The City represents that this Agreement and the terms and conditions contained herein are consistent with adopted ordinances and resolutions on the subject matter.
28. **Merger; Successors and Assigns.** This Agreement, together with all referenced and attached Exhibits, sets forth the entire understanding of the parties relative to its subject matter and supersedes and merges any and all prior communications, negotiations and agreements, oral or written. The terms of this Agreement shall survive any closing involving the transfer of lots to any

grantee and shall not merge with the deed. The terms and conditions of this Agreement shall be binding on successors and assignees of the Developer.

- 29. **Governing Law and Venue.** This Agreement shall be construed in accordance with the laws of the State of Wisconsin and the venue for resolution of any legal action commenced to enforce same shall be in the Wisconsin Circuit Court for Winnebago County.
- 30. **Severability.** It is understood and agreed that the provisions of this agreement shall be deemed severable and the invalidity or unenforceability of any one or more of the provisions contained herein shall not affect the validity and enforceability of the other, remaining provisions contained herein.
- 31. **Modification.** This agreement may not be modified or amended, except in writing, with the written approval of both the City and the Developer.
- 32. **Notices.** Any notices required under this agreement shall be deemed made as of the date deposited in the US mail, postage prepaid and addressed to the following.

If to the City:

Director of Public Works  
City of Neenah  
211 Walnut Street  
Neenah, WI 54956

If to Developer:

Van Sistine Homes, LLC  
Attn: Richard Van Sistine III  
1430 Freedom Court  
Neenah, WI 54956

Dated this \_\_\_\_ day of \_\_\_\_\_, 2023.

CITY OF NEENAH

VAN SISTINE HOMES, LLC

\_\_\_\_\_(SEAL)  
Jane Lang, Mayor

\_\_\_\_\_  
Richard C. Van Sistine III, Member

Attest: \_\_\_\_\_(SEAL)  
Charlotte Nagel, City Clerk

**AUTHENTICATION**

Signature(s) of Jane Lang, Mayor and Charlotte Nagel, City Clerk authenticated this \_\_\_\_ day of \_\_\_\_\_, 2023.

**ACKNOWLEDGMENT**

STATE OF WISCONSIN )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_  
David Rashid  
Title: Member State Bar of Wisconsin

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2023 the above- named Richard C. Van Sistine III who acknowledged that he is sole member of Van Sistine Homes, LLC, a Wisconsin limited liability company, and that he is authorized to execute the foregoing instrument on Van Sistine Homes, LLC's behalf.

THIS INSTRUMENT DRAFTED BY:

David Rashid, City Attorney  
211 Walnut St., Neenah, WI 54956

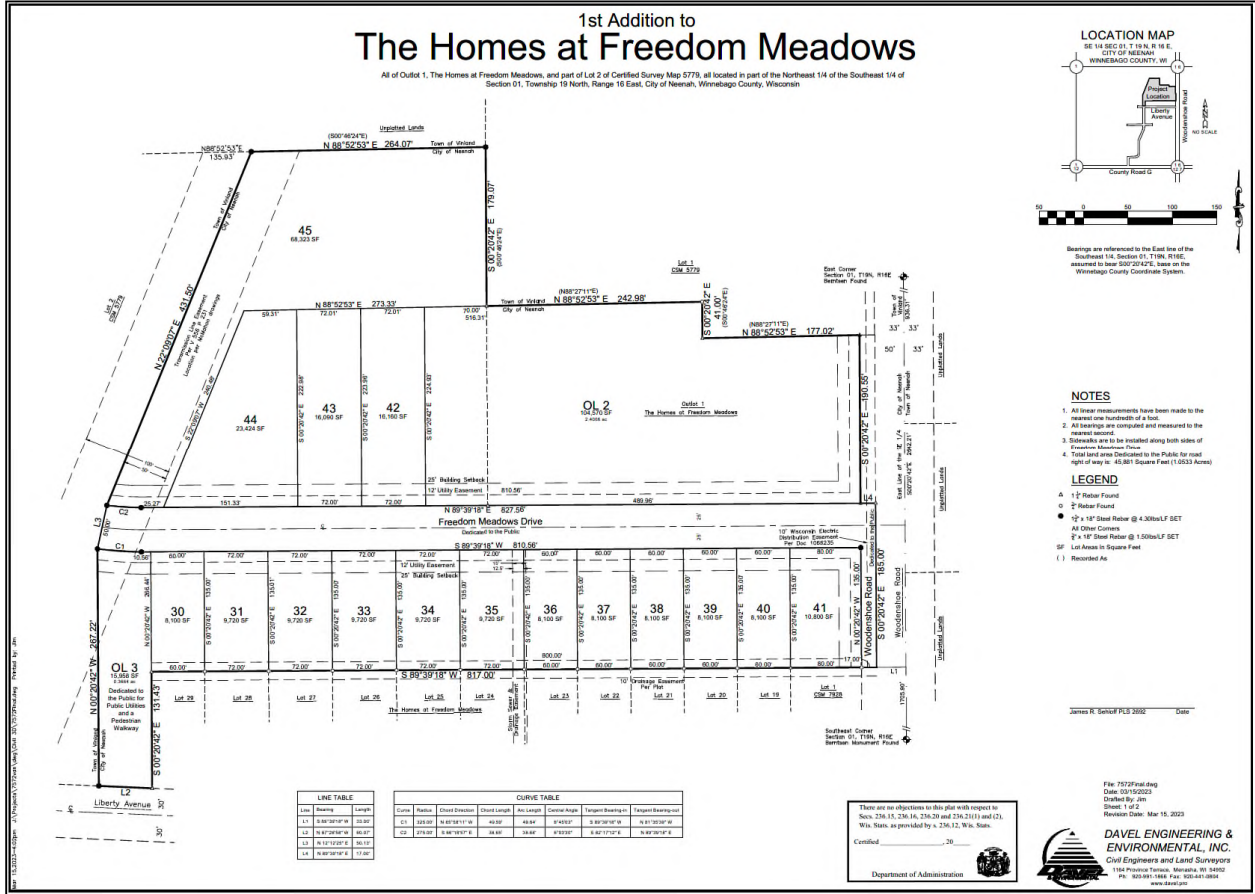
\_\_\_\_\_  
Notary Public, \_\_\_\_\_ County, Wisconsin.  
My commission is permanent.

(SIGNATURES MAY BE AUTHENTICATED OR

ACKNOWLEDGED. BOTH ARE NOT NECESSARY.) (If not, state expiration date:\_\_\_\_\_)

# Exhibit 1

## First Addition to The Homes at Freedom Meadows Plat Map



# Exhibit 1 (continued)

## First Addition to The Homes at Freedom Meadows Plat Map

### 1st Addition to The Homes at Freedom Meadows

All of Outlot 1, The Homes at Freedom Meadows, and part of Lot 2 of Certified Survey Map 5779, all located in part of the Northeast 1/4 of the Southeast 1/4 of Section 01, Township 19 North, Range 10 East, City of Neenah, Winnebago County, Wisconsin

**Surveyor's Certificate**

I, James R. Scharff, professional land surveyor, hereby certify that in full compliance with the provisions of Chapter 232 of the Wisconsin Statutes and the subdivision regulations of the City of Neenah, and under the direction of Van Sistine Homes, LLC, owner of said land, I have surveyed and mapped 1st Addition to The Homes at Freedom Meadows, that said plat correctly represents all exterior boundaries and the subdivision of the land surveyed, and that the land is as of Outlot 1, The Homes at Freedom Meadows, as recorded in Document No. 1802819 and part of said Certified Survey Map 5779, as recorded in Volume 1 of Certified Survey Maps on page 5779 as Document No. 1768820, all being part of the Northeast 1/4 of the Southeast 1/4 of Section 01, Township 19 North, Range 10 East, City of Neenah, Winnebago County, Wisconsin, containing 386,410 Square Feet (8.182 Acres) of land described as follows:

Commencing at the Southeast corner of Section 1, thence, along the East line of the Southeast 1/4 of said Section 1, N00°29'42"E, 1765.00 feet to the Eastern extension of the North line of Lot 1 of Certified Survey Map No. 7020; thence, along said Eastern extension S89°20'19"W, 33.00 feet to the Point of Beginning; thence along said Eastern extension, the North line of said Lot 1, Certified Survey Map 7020 and the North line of Lots 19 thru 20 of The Homes at Freedom Meadows, S00°00'00"W, 87.00 feet to the Northwest corner of said Lot 20; thence, along the West line of said Lot 20, S00°20'02"E, 131.43 feet to the North 1/4 of the East line of Freedom Meadows, thence along said North 1/4 of said line, N00°00'00"W, 65.00 feet, then, along the North 1/4 of the East line of Freedom Meadows, S00°00'00"W, 207.22 feet, thence S17°22'21"E, 24.15 feet, thence S00°00'00"W, 4.01 feet to the North line of Lot 1 of Certified Survey Map No. 5779; thence, along said North line of said Lot 1, N89°25'57"E, 264.07 feet to a point on the West line of Lot 1 of said Certified Survey Map No. 5779; thence, along said West line, S00°29'42"E, 174.37 feet to the Southwest corner of said Lot 1; thence, along the Southern line of said Lot 1, N89°25'57"E, 242.08 feet, thence, continuing along said Southern line, S00°29'42"E, 41.00 feet, thence, continuing along said Southern line, N89°25'57"E, 177.00 feet to the West right-of-way line of Woodhollow Road as dedicated on The Homes at Freedom Meadows; thence, along said West right-of-way line, S00°29'42"E, 100.04 feet, thence, continuing along said West right-of-way line, N00°00'00"W, 17.00 feet to the West right-of-way line of said Woodhollow Road as dedicated on said Certified Survey Map No. 5779; thence, continuing along said West right-of-way line, S00°29'42"E, 160.00 feet to the Point of Beginning; subject to all assessments and restrictions of record.

Given under my hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

James R. Scharff, Wisconsin Professional Land Surveyor No. 5-2692

**Owner's Certificate of Dedication**

Van Sistine Homes, LLC, a limited liability company duly organized and existing under and by virtue of the laws of the State of Wisconsin, as owner, does hereby certify that said limited liability company owned the land described on this plat to be surveyed, divided, mapped and dedicated as represented on this plat.

Van Sistine Homes, LLC, does further certify this plat as required by s. 236.10 or s. 236.12 to be submitted to the following for approval or objection:

City of Neenah  
Winnebago County Planning and Zoning Department  
Department of Administration

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

In the presence of: Van Sistine Homes, LLC

Kevin Elmstrom, Managing Member

State of Wisconsin  
County of \_\_\_\_\_

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, the above owner(s) to me known to be the persons who executed the foregoing instrument and acknowledge the same.

My Commission Expires \_\_\_\_\_

Notary Public, Wisconsin

**Utility Easement Provisions**

An easement for electric, natural gas, and communications service is hereby granted by

Van Sistine Homes, LLC, Grantor, to  
WE Energies, Grantee,  
SBC Wisconsin, Grantee,  
and  
Wisconsin Electric Power Company and Wisconsin Gas, LLC, Wisconsin corporations doing business as We Energies, Grantee, TSD Neenah, LLC, Grantee and Grantee, Grantee

their respective successors and assigns, to construct, install, operate, repair, maintain and replace from time to time, facilities used in connection with overhead and underground transmission and distribution of electricity and electric energy, natural gas, telephone and cable TV facilities for such purposes as the grantor may hereafter determine, all in, over, under, across, along and upon the property shown within those areas on the plat designated as "Utility Easement Areas" and the property designated on the plat for streets and alleys, whether public or private, together with the right to install overhead and beneath the surface of each lot to serve improvements, thereon, or on adjacent lots, also the right to run or cut down trees, brush and weeds as may be reasonably required incident to the rights herein given, and the right to enter upon the subdivided property for all such purposes. The Grantee agrees to restore or cause to have restored, the property, as nearly as is reasonably possible, to the condition existing prior to such entry by the Grantee or their agents. This restriction, however, does not apply to the initial installation of said underground and/or above ground electric facilities, natural gas facilities, or telephone and cable TV facilities on any trees, brush or weeds which may be removed at any time pursuant to the rights herein granted. Structures shall not be placed over Grantee facilities or in, upon or over the property within the lines marked "Utility Easement Areas" without the prior written consent of Grantee. After installation of any such facilities, the grade of the subdivided property shall not be altered by more than four inches without written consent of Grantee.

The grant of easement shall be binding upon and inure to the benefit of the heirs, successors and assigns of all parties hereto.

Van Sistine Homes, LLC  
Managing Member \_\_\_\_\_ Date \_\_\_\_\_

**Michigan's Certificate**

First Community Credit Union, a corporation duly organized and existing under and by virtue of the laws of the State of Wisconsin, Mortgagee of the above described land, does hereby consent to the surveying, dividing, mapping and dedication of the land described on this plat, and does hereby consent to the above certificate of Van Sistine Homes, LLC, owner.

IN WITNESS WHEREOF, the said First Community Credit Union has caused these presents to be signed by \_\_\_\_\_ its President, and countersigned by \_\_\_\_\_ its Secretary or Cashier, at \_\_\_\_\_, Wisconsin, and its corporate seal to be hereunto affixed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

President \_\_\_\_\_ Date \_\_\_\_\_  
Secretary or Cashier \_\_\_\_\_ Date \_\_\_\_\_

State of Wisconsin  
County of \_\_\_\_\_

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, President,

and \_\_\_\_\_ Secretary (each) of the above named corporation, to me known to be the persons who executed the foregoing instrument, and to me known to be said President and Secretary (each) of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation by its authority.

My Commission Expires \_\_\_\_\_

Notary Public, Wisconsin

**Common Council Resolution**

Resolved, 1st Addition to The Homes at Freedom Meadows, in the City of Neenah is hereby approved by the Common Council on

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Mayor \_\_\_\_\_ Date \_\_\_\_\_

Clerk \_\_\_\_\_ Date \_\_\_\_\_

**City of Neenah Planning Commission Approval Certificate**

1st Addition to The Homes at Freedom Meadows is hereby approved by the City of Neenah Planning Commission.

Planning Commission Representative \_\_\_\_\_ Date \_\_\_\_\_

**Treasurer's Certificate**

Van Sistine Homes, LLC, qualified and acting Treasurer of the City of Neenah and Winnebago County, do hereby certify that in accordance with the records in this office, there are no unrecorded tax sales and unpaid taxes, or special assessments on and of the land included in this Subdivision Plat.

County Treasurer \_\_\_\_\_ Date \_\_\_\_\_

City Treasurer \_\_\_\_\_ Date \_\_\_\_\_

This Plat is contained wholly within the property described in the following recorded instruments:

Owner of record	Recording Information	Parcel No(s)
Van Sistine Homes, LLC	Doc. No. 1877918	814000001
	Doc. No. _____	814000003

There are no objections to this plat with respect to Secs. 236.15, 236.16, 236.20 and 236.21(1) and (2), Wis. Stat., as provided by s. 236.12, Wis. Stat.

Certified \_\_\_\_\_, 20\_\_\_\_

Department of Administration

File: 75727Final.dwg  
Date: 02/28/2023  
Drawn By: hinky  
Sheet: 2 of 2  
Revision Date: Feb 28, 2023

**DAVEL ENGINEERING & ENVIRONMENTAL, INC.**  
Civil Engineers and Land Surveyors  
1164 Pioneer Terrace, Neenah, WI 54952  
Ph: 920-861-1888, Fax: 920-441-8884  
www.davel.com

**Exhibit 2**  
**First Addition to The Homes at Freedom Meadows**

**Fee Schedule**

Total Developable Acres = 7.10 (Excludes 2.038 acres of Outlot 2)  
Total Lots = 16

1. Subdivision Fee: \$1,000/acre x 7.10	\$7,100.00
2. Oversized sanitary sewer interceptor fee: \$1,000/acre x 7.10	\$7,100.00
3. Storm water management, erosion control, plan review and inspection fee: \$200 + \$75/lot	\$1,400.00

---

<b>Total Fees Due Upon Billing</b>	<b>\$15,600.00</b>
------------------------------------	--------------------

Land Sale: \$8,882/acre x 7.248	\$64,376.74
---------------------------------	-------------

<b>Due to City prior to signing Final Plat</b>	<b>\$64,376.74</b>
--	--------------------

**Exhibit 3**  
**First Addition to The Homes at Freedom Meadows**  
**Storm Sewer Cost**  
**Public Infrastructure**  
**(Estimated)**

1. Acreage

Total Developable Acres	7.10
-------------------------	------

2. Storm/Infrastructure Construction Costs

Total Private (Developer) Costs (estimated)	\$ 26,122.00
Total Public Costs (estimated)	\$ 22,256.50
Total Construction Costs (estimated)	\$ 48,378.50

3. Summary Public Infrastructure Costs

Developer Storm Fee Due City (\$5,000/ac x 7.10 acres)	\$ 35,500.00
Public Storm Sewer Funded by Developer (estimated)	(\$ 22,256.50)
<b>Balance Due Developer for Public Storm Sewer Funded by Developer (estimated)</b>	<b>\$13,243.50</b>

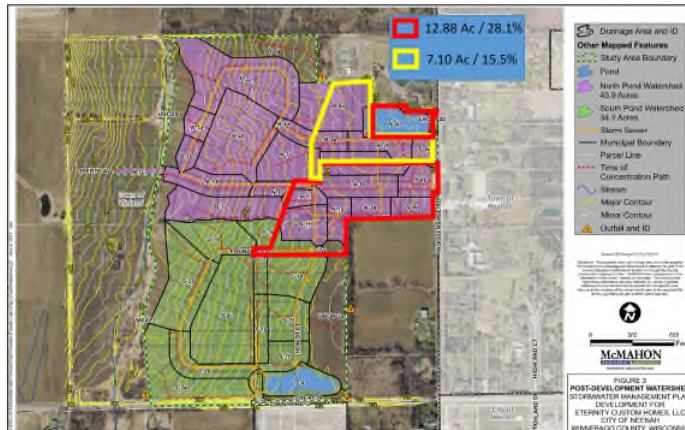
4. Storm Water Pond Reimbursement Costs

Construction Cost of Outlot 2 Pond = \$185,794.50  
 Total Watershed Served by Pond = 45.90 acres  
 Contributing Area within this Phase = 7.10 acres  
 Percent of Total Watershed = 15.5%

**Developer Reimbursement to City for Held Pond Cost**

**\$ 28,739.45**

**NOTE:** The final amount due under this exhibit shall be determined based on an “as-built” cost determination at the conclusion of construction of the public improvements contemplated by this agreement.



**Exhibit 4**  
**First Addition to The Homes at Freedom Meadows**

**Water Main Costs**  
**Public Infrastructure**  
**(Estimated)**

1. Acreage	
Total Developable Acres	7.10
2. Water Main Infrastructure Costs	
Total Private (Developer) Construction Costs (estimated)	\$284,000.00
3. Total Public Infrastructure Costs	
Total Water Main Oversizing Costs Due Developer (estimated)	\$74,000.00
4. Inspection Fee Due Water Utility Upon Billing (estimated)	\$4,500.00
5. Water Main Oversizing Fee - \$2,240.95/acre (Due City)	\$15,910.75
6. Lot 45 Purchase – Water Utility Pump Station Site (Due Developer) \$8,882 x 1.68 acres	(\$14,922.00)
 Total Water Main Oversizing Fee Due to City	 <b>\$ 988.75</b>

**Exhibit 5**  
**First Addition to The Homes at Freedom Meadows**  
**Escrow/Prepayment**

**Two-Inch Mat, Future Street and Sidewalk**

1.	Two-Inch Mat (\$58/centerline foot) Freedom Meadows Drive: 900 feet	\$52,200.00
2.	Final Street Construction Freedom Meadows Drive: 900 feet (\$220/centerline foot) = \$198,000 Total Equated Lot Count = 24 Assessment per Lot = \$8,250 Outlot 2: 489.96 feet (equate to 7 lots) = \$8,933* Outlot 3: 60.19 feet (equate to 1 lot) = \$8,250 Lot 45: 85.59 feet (equate to 1 lot) = \$8,250	\$25,433.00
3.	Sidewalk Installation (at \$50/lineal foot) Outlot 3: 275 feet	\$13,750.00
<b>Total Prepayment/Escrow required</b>		<b>\$ 91,383.00</b>

**\*The total estimated assessment for outlot 2 (regional stormwater pond) is \$57,750. The total watershed for the storm water pond is 45.9 acres. This development will pay 15.5% (7.1 acres) and the remaining 38.8 acres (84.5%) or \$48,817 will be paid as the next phase of the development is platted.**

**Exhibit 6**  
**First Addition to The Homes at Freedom Meadows**

**Terrace Tree Contribution**

1.	Terrace Tree Contribution: \$200/lot x 15 lots	\$3,000.00
<hr/>		
	<b>Total amount due</b>	<b>\$3,200.00</b>

**Exhibit 7**  
**First Addition to The Homes at Freedom Meadows**  
**Oversize Sanitary Sewer**

**Estimated Developer's Cost Due City**

Sanitary Sewer Main Costs Due Developer (estimated <sup>1</sup> )	\$ 3,940.75
Installation Inspection Fee Due Department of Public Works (estimated)	\$ 2,000.00
<hr/>	
<b>Total Due at the time of billing</b>	<b>\$ 2,000.00</b>

<sup>1</sup> Assumptions for Sanitary Sewer Reimbursement

- *\$5/lineal foot for pipe depth lower than 13 feet. (\$5 is the difference between the unit price for 10-inch, which is all deep and the unit price for 8-inch, which is shallower.)*
- *Unit price per vertical foot (\$295/VF) for manhole depth greater than 13 feet.*

**Exhibit 8**  
**First Addition to The Homes at Freedom Meadows**

**Summary of Developer's Costs and Financing Per Lot**

Land Sale – Due to City Immediately

[Exhibit 2:](#) \$8,882.00/acre x 7.248 acres \$ 64,376.74

Estimated Developer's Cost Due at Billing

[Exhibit 4:](#) Inspection Fee – Water Utility (Estimate) \$ 4,500.00

[Exhibit 7:](#) Construction Inspection Fees (Estimate) \$ 2,000.00

Estimated Storm Sewer Due City

[Exhibit 3:](#) Storm Water Pond Construction due City \$ 28,739.45

[Exhibit 3:](#) Public Storm Sewer Fee Due (Estimate) \$ 13,243.50

Estimated Oversized Water Main and Sanitary Sewer Reimbursement Due Developer

[Exhibit 4:](#) 12 inch and 16 inch water main and valves (Estimate) \$ 74,000.00

[Exhibit 4:](#) Lot 45 Purchase – Water Utility Pump Station \$ 14,922.00

[Exhibit 7:](#) Oversize sanitary sewer main depth (Estimate) \$ 3,940.75

Estimated Developer's Costs to be Financed by City of Neenah (No Interest Due)

[Exhibit 2:](#) Subdivision Fee \$ 7,100.00

Oversized Sanitary Fee \$ 7,100.00

Storm Water Management Fee \$ 1,400.00

[Exhibit 6:](#) Terrace Tree Contribution (\$200.00 x 15 lots) \$ 3,000.00

[Exhibit 4:](#) Oversized Water Main Fee \$ 15,910.75

**Total to be financed by City (estimated) \$ 34,510.75**

**Special Assessment Applied To  
Each Lot (estimated) and Due at Building Permit \$ 2,300.72**  
(\$34,510.75/15 lots = \$2,300.72/lot)

Developer's Escrow Fees Required

[Exhibit 5:](#) Two-Inch Mat \$ 52,200.00

Final Street – Outlots/Public \$ 25,433.00

Sidewalk Installation \$ 13,750.00

**Total Escrow Required \$ 91,383.00**

**Director's Report  
May 16, 2023**

1. Water Loss Report.
2. The Water Utility would like to welcome Mr. Aaron Goldschmidt as our new Water Distribution Tech I.
3. Solar installation update.
4. Private lead service line replacement funding and project update.
5. The following items were approved at the May 9, 2023 Board of Public Works meeting:
  - Award Contract 7-23, Sanitary & Storm Sewer, Water Main and Street Construction on High Street and River Street, to Carl Bowers & Sons Construction Co., in the amount of \$199,910.00 for Water.
  - Pay Request No.1, Contract 1-23, Sanitary Sewer, Water Main and Street Construction on Burr Avenue, Chestnut Street, Dieckhoff Street and Laudan Boulevard, to Don E. Parker Excavating, Inc., in the amount of \$174,813.86 for Water.
  - Pay Request No.1, Contract 6-23, Sanitary & Storm Sewer, Water Main and Street Construction on Columbian Avenue, to Don Hietpas & Sons, Inc., in the amount of \$122,521.50 for Water.
6. The next regular Waterworks Commission meeting is scheduled for Monday, June 19, 2023.

**NEENAH WATER UTILITY  
PRODUCTION/UNBILLED WATER REPORT**

**THREE MONTH TOTALS  
(1000 GALLONS)**

<b>USAGE PERIOD</b>	<b>RAW WATER</b>	<b>FINISHED WATER</b>	<b>BILLED WATER</b>	<b>WATER LOSS ACCOUNTED</b>	<b>WATER LOSS UNACCOUNTED</b>	<b>% WATER LOSS UNACCOUNTED</b>
CURRENT THREE MONTHS (January, February ,March)	284,970	274,890	216,438	8,033	50,419	18.34%
MOST RECENT THREE MONTHS (December, January, February)	284,690	274,130	221,838	22,043	30,249	11.03%
1 YEAR AGO (January, February ,March)	303,580	293,240	206,142	67,364	19,734	6.73%

NOTES:

Raw water is the total amount of raw water withdrawn from Lake Winnebago / Fox River during the indicated period.

Finished water is the total amount of water entering the distribution system during the indicated period

Billed water is the total usage during the indicated period.

Water loss accounted includes internal plant usage, estimated loss from known main breaks and service leaks, and hydrant flushing.

Water loss unaccounted is calculated by subtracting the billed water and water loss accounted from the finished water.

**DAILY AVERAGE  
(MGD)**

<b>USAGE PERIOD</b>	<b>RAW WATER</b>	<b>FINISHED WATER</b>
Mar, 2023	3.14	3.03
Feb, 2023	3.18	3.07
Mar, 2022	3.18	3.09

Neenah Water Utility - Industrial Tower Solar Array

Full Months in Operation	Dates			Usage (kWh)			Solar Array Output (kWh)			eneration (kWh) [\$0.1324/kWh Usage + \$0.0425/kWh Excess Gen. - Meter Fe	
	From	To	Days	In Reading	Out Reading	Usage	In Reading	Out Reading	Generation	Net Usage (Generation)	Estimated Net Savings + Surplus
	12/13/2021	12/22/2021	8	65710	66027	317	0	111	111	206	\$ 14.19
1	12/22/2021	1/24/2022	33	66027	67607	1580	111	730	619	961	\$ 79.83
2	1/24/2022	2/23/2022	30	67607	69322	1715	730	1427	697	1018	\$ 90.32
3	2/23/2022	3/24/2022	29	69322	70886	1564	1427	2424	997	567	\$ 130.02
4	3/24/2022	4/23/2022	30	70886	72295	1409	2424	3328	904	505	\$ 117.67
5	4/23/2022	5/24/2022	31	72295	73281	986	3328	4576	1248	(262)	\$ 139.57
6	5/24/2022	6/24/2022	31	73281	73902	621	4576	5941	1365	(744)	\$ 111.80
7	6/24/2022	7/23/2022	29	73902	74477	575	5941	7226	1285	(710)	\$ 104.39
8	7/23/2022	8/23/2022	31	74477	75079	602	7226	8545	1319	(717)	\$ 108.14
9	8/23/2022	9/22/2022	30	75079	75663	584	8545	9704	1159	(575)	\$ 99.79
10	9/22/2022	10/22/2022	30	75663	75869	206	9704	10689	985	(779)	\$ 58.50
11	10/22/2022	11/23/2022	32	75869	76854	985	10689	11506	817	168	\$ 106.05
12	11/23/2022	12/23/2022	30	76854	78267	1413	11506	11877	371	1042	\$ 47.24
13	12/23/2022	1/25/2023	33	78267	79918	1651	11877	12203	326	1325	\$ 41.11
14	1/25/2023	2/22/2023	28	79918	81361	1443	12203	12924	721	722	\$ 93.61
15	2/22/2023	3/23/2023	29	81361	82835	1474	12924	13752	828	646	\$ 107.69
16	3/23/2023	4/22/2023	30	82835	84109	1274	13752	14960	1208	66	\$ 157.84
						18399			14960	3439	\$ 1,607.76

Number of Full Months in Operation 16  
 Cost of System (Less Incentives) \$ 10,183.00  
 Projected Payback (Years) 8.44

Contract 7-23

Sanitary & Storm Sewer, Water Main, and Street Construction on River Street and High Street

Line Item	Item Code	Item Description	UofM	QTY	Engineer Estimate		Carl Bowers & Sons Const Co. Inc.		Don Hietpas and Sons Inc.		De Groot, Inc	
					Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Sanitary Base Bid												
1	102.3	Furnish and Relay 6 inch Sanitary Lateral in ROW	Lin. Ft.	260	\$100.00	\$26,000.00	\$110.00	\$28,600.00	\$125.00	\$32,500.00	\$113.23	\$29,439.80
2	102.6	Reconnect Lateral to Main	Each	2	\$1,000.00	\$2,000.00	\$500.00	\$1,000.00	\$1,500.00	\$3,000.00	\$3,030.00	\$6,060.00
3	105.2	Adjust Sanitary Manhole	Each	5	\$600.00	\$3,000.00	\$800.00	\$4,000.00	\$800.00	\$4,000.00	\$1,010.00	\$5,050.00
<b>Total Base Bid Sanitary Sewer</b>						<b>\$31,000.00</b>		<b>\$33,600.00</b>		<b>\$39,500.00</b>		<b>\$40,549.80</b>
Water Base Bid												
4	201.1.1	Furnish & Install 6-inch PVC C-900 Main	Lin. Ft.	10	\$80.00	\$800.00	\$175.00	\$1,750.00	\$250.00	\$2,500.00	\$99.99	\$999.90
5	201.1.2	Furnish & Install 8-inch PVC C-900 Main	Lin. Ft.	910	\$85.00	\$77,350.00	\$99.00	\$90,090.00	\$115.00	\$104,650.00	\$127.09	\$115,651.90
6	9999	Furnish and install 16-inch steel casing pipe - jack and bore	Lin. Ft.	62	\$500.00	\$31,000.00	\$635.00	\$39,370.00	\$705.00	\$43,710.00	\$763.70	\$47,349.40
7	202.1.2	Furnish & Install 1.25-inch PE Water Service in ROW by Trenching	Lin. Ft.	250	\$65.00	\$16,250.00	\$78.00	\$19,500.00	\$70.00	\$17,500.00	\$82.21	\$20,552.50
8	202.1.4	Furnish & Install 2-inch PE Water Service in ROW by Trenching	Lin. Ft.	50	\$70.00	\$3,500.00	\$80.00	\$4,000.00	\$80.00	\$4,000.00	\$83.53	\$4,176.50
9	202.2.2	Furnish & Install 1.25-inch PE Water Service in ROW by Pulling	Lin. Ft.	0	\$60.00	\$0.00	\$85.00	\$0.00	\$0.00	\$0.00	\$120.00	\$0.00
10	202.3.2	Furnish & Install 1.25-inch PE Water Service in ROW by Drilling	Lin. Ft.	0	\$60.00	\$0.00	\$100.00	\$0.00	\$0.00	\$0.00	\$120.00	\$0.00
11	202.9.2	Furnish & Install 1.25-inch Service Brass Set	Each	11	\$700.00	\$7,700.00	\$750.00	\$8,250.00	\$625.00	\$6,875.00	\$1,212.00	\$13,332.00
12	202.9.4	Furnish & Install 2-inch Service Brass Set	Each	1	\$1,000.00	\$1,000.00	\$1,500.00	\$1,500.00	\$1,300.00	\$1,300.00	\$1,904.86	\$1,904.86
13	203.1.1	Furnish & Install Cathodic Protection to Water Service	Each	3	\$200.00	\$600.00	\$150.00	\$450.00	\$130.00	\$390.00	\$151.50	\$454.50
14	203.1.6	Abandon Valve Box	Each	7	\$500.00	\$3,500.00	\$500.00	\$3,500.00	\$300.00	\$2,100.00	\$202.00	\$1,414.00
15	204.2.4	Furnish & Install 8-inch MJRW Valve and Box	Each	6	\$2,500.00	\$15,000.00	\$3,000.00	\$18,000.00	\$2,800.00	\$16,800.00	\$3,075.45	\$18,452.70
16	205.1	Furnish & Install Hydrant, Lead and Valve	Each	1	\$7,500.00	\$7,500.00	\$8,000.00	\$8,000.00	\$8,250.00	\$8,250.00	\$9,080.91	\$9,080.91
17	205.2	Abandon Hydrant	Each	1	\$500.00	\$500.00	\$1,000.00	\$1,000.00	\$600.00	\$600.00	\$505.00	\$505.00
18	9999	Coordinate Water Main and Roadway Crossing with Railroad (Including Fees)	Lump Sum	1	\$15,000.00	\$15,000.00	\$4,500.00	\$4,500.00	\$12,000.00	\$12,000.00	\$11,514.00	\$11,514.00
<b>Total Base Bid Water</b>						<b>\$179,700.00</b>		<b>\$199,910.00</b>		<b>\$220,675.00</b>		<b>\$245,388.17</b>

Contract 7-23  
Sanitary Storm Sewer, Water Main, and Street Construction on River Street and High Street

Line Item	Item Code	Item Description	UoF	QTY	Engineer Estimate		Carl Bowers & Sons Const Co. Inc.		Don Hietpas and Sons Inc.		De Groot, Inc	
					Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
Storm Base Bid												
19	301.4	Furnish and Relay 10-inch Storm Sewer	Lin. Ft.	80	\$70.00	\$5,600.00	\$96.00	\$7,680.00	\$80.00	\$6,400.00	\$105.74	\$8,459.20
20	301.5	Furnish and Relay 12-inch Storm Sewer	Lin. Ft.	140	\$125.00	\$17,500.00	\$95.00	\$13,300.00	\$83.00	\$11,620.00	\$95.75	\$13,405.00
21	305.1	Furnish and Install Catch Basin	Each	4	\$2,250.00	\$9,000.00	\$3,000.00	\$12,000.00	\$2,500.00	\$10,000.00	\$3,193.77	\$12,775.08
22	305.8	Adjust Storm Catch Basin	Each	8	\$400.00	\$3,200.00	\$400.00	\$3,200.00	\$900.00	\$7,200.00	\$909.00	\$7,272.00
23	305.9	Remove Storm Catch Basin	Each	3	\$350.00	\$1,050.00	\$750.00	\$2,250.00	\$400.00	\$1,200.00	\$353.50	\$1,060.50
24	306.8	Adjust Storm Manhole	Each	6	\$450.00	\$2,700.00	\$400.00	\$2,400.00	\$800.00	\$4,800.00	\$1,010.00	\$6,060.00
25	308.2.4	Install and Maintain Type "D" Inlet Protection	Each	16	\$125.00	\$2,000.00	\$100.00	\$1,600.00	\$100.00	\$1,600.00	\$202.00	\$3,232.00
<b>Total Base Bid Storm</b>						<b>\$41,050.00</b>		<b>\$42,430.00</b>		<b>\$42,820.00</b>		<b>\$52,263.78</b>
Street Base Bid												
26	402.2.6.2	Remove Existing Pavement and Maintain Utility Trench	Lin. Ft.	1300	\$2.00	\$2,600.00	\$1.00	\$1,300.00	\$2.00	\$2,600.00	\$4.04	\$5,252.00
27	405.1	Sawcut Existing Bituminous Pavement	Lin. Ft.	400	\$2.00	\$800.00	\$2.00	\$800.00	\$3.00	\$1,200.00	\$3.18	\$1,272.00
28	402.2.6.1	Remove Existing Bituminous Pavement	Sq. Yd.	3300	\$2.00	\$6,600.00	\$3.00	\$9,900.00	\$2.15	\$7,095.00	\$2.26	\$7,458.00
29	403.2.5.1	Remove Concrete Curb and Gutter	Lin. Ft.	350	\$3.00	\$1,050.00	\$14.00	\$4,900.00	\$9.25	\$3,237.50	\$9.51	\$3,328.50
30	404.4.5	Remove Concrete Sidewalk/Driveway Apron	Sq. Ft.	2500	\$1.75	\$4,375.00	\$1.25	\$3,125.00	\$1.40	\$3,500.00	\$1.47	\$3,675.00
31	402.1.7.4	Unclassified Excavation	Cu. Yd.	500	\$20.00	\$10,000.00	\$14.00	\$7,000.00	\$11.52	\$5,760.00	\$11.98	\$5,990.00
32	402.1.4.11	Furnish and Install Geogrid	Sq. Yd.	800	\$2.50	\$2,000.00	\$2.00	\$1,600.00	\$2.25	\$1,800.00	\$2.31	\$1,848.00
33	401.1.1	Furnish and Install Crushed Aggregate Base	Ton	850	\$15.00	\$12,750.00	\$16.40	\$13,940.00	\$22.22	\$18,887.00	\$23.11	\$19,643.50
34	403.2.1.1	Furnish and Install Concrete Curb & Gutter	Lin. Ft.	500	\$65.00	\$32,500.00	\$65.00	\$32,500.00	\$80.45	\$40,225.00	\$86.70	\$43,350.00
35	404.1.1	Furnish and Install 4" Concrete Sidewalk	Sq. Ft.	1500	\$7.00	\$10,500.00	\$6.60	\$9,900.00	\$12.12	\$18,180.00	\$13.61	\$20,415.00
36	404.3.2	Furnish and Install 6-inch Concrete Sidewalk/Driveway	Sq. Ft.	1000	\$8.00	\$8,000.00	\$7.60	\$7,600.00	\$13.13	\$13,130.00	\$14.67	\$14,670.00
37	706.2	Install Detectable Warning Fields (supplied by City)	Each	8	\$75.00	\$600.00	\$52.50	\$420.00	\$200.00	\$1,600.00	\$210.08	\$1,680.64
38	402.1.5.3	Furnish and Install 1/2-inch rods	Lin. Ft.	100	\$1.50	\$150.00	\$6.30	\$630.00	\$4.00	\$400.00	\$4.20	\$420.00
39	9999	Fine Grade Roadway	Sq. Yd.	3300	\$2.50	\$8,250.00	\$2.10	\$6,930.00	\$1.97	\$6,501.00	\$2.15	\$7,095.00
40	402.2.3.1	Furnish and Install HMA Pavement (4-inch)	Ton	740	\$80.00	\$59,200.00	\$81.00	\$59,940.00	\$77.57	\$57,401.80	\$80.67	\$59,695.80
41	505.1	Furnish & Install Terracing, Fertilize, Seed & Hydromulch	Sq. Yd.	200	\$15.00	\$3,000.00	\$12.00	\$2,400.00	\$10.50	\$2,100.00	\$28.28	\$5,656.00
42	706.1	Install and Maintain Traffic Control	Lump Sum	1	\$25,000.00	\$25,000.00	\$4,100.00	\$4,100.00	\$2,525.00	\$2,525.00	\$5,050.00	\$5,050.00
<b>Total Base Bid Street</b>						<b>\$187,375.00</b>		<b>\$166,985.00</b>		<b>\$186,142.30</b>		<b>\$206,499.44</b>
<b>Base Bid Total:</b>						<b>\$439,125.00</b>		<b>\$442,925.00</b>		<b>\$489,137.30</b>		<b>\$544,701.12</b>

**City of Neenah  
Department of Public Works  
Contractor Request for Payment**

Contractor Name: Don E. Parker Excavating		Contract No. 1-23	
Address N2573 Highway 15		Contract Amount \$2,474,739.50	
City Hortonville WI 54944			
Name of Project		Sanitary, Water Main and Street Construction	
Location of Project		Burr Avenue, Chestnut Street, Dieckhoff Street, and Laudan Boulevard	
Pay Request No. 1		For Period March 1, 2023 to April 30, 2023	

**CONTRACT SUMMARY**

Original Contract Amount	\$2,474,739.50
Net Amount of Change Order	\$0.00
Adjusted Contract Amount	<u>\$2,474,739.50</u>

**WORK PERFORMED TO DATE**

Work Performed to Date	\$454,387.94
Less Retainage of 5%. If different indicate here	\$22,719.40
Net Amount Earned to Date	\$431,668.54
Less Previous Payments	\$0.00

**BALANCE DUE THIS PAYMENT** \$431,668.54

**CONTRACT BREAKOUT**

	Account Numbers	Budget Total	Contract Breakdown	Due This Estimate	Paid to Date
Sanitary Sewer Various Repairs	046-5001-743-0236	\$180,000.00	\$0.00	\$0.00	\$0.00
Sanitary Sewer-Burr Ave	046-5059-743-0236	\$70,000.00	\$58,600.00	\$46,841.94	\$0.00
Sanitary Sewer-Chestnut St	046-5055-743-0236	\$680,000.00	\$570,000.00	\$210,012.75	\$0.00
Sanitary Sewer -Dieckhoff St	046-5058-743-0236	\$50,000.00	\$41,156.55	\$0.00	\$0.00
Storm Sewer Various Repairs	049-5203-743-0236	\$227,000.00	\$67,135.45	\$0.00	\$0.00
Storm Sewer-Chestnut St	049-5276-743-0236	\$182,000.00	\$182,000.00	\$0.00	\$0.00
Street Constr-Burr Ave	012-4335-743-0236	\$89,000.00	\$78,000.00	\$0.00	\$0.00
Street Constr-Chestnut St	012-4333-743-0236	\$710,000.00	\$624,000.00	\$0.00	\$0.00
Street Constr-Dieckhoff St	012-4334-743-0236	\$61,000.00	\$54,298.50	\$0.00	\$0.00
Street Constr-Laudan Blvd	012-4337-743-0236	\$114,000.00	\$100,000.00	\$0.00	\$0.00
Water Constr-Burr Ave	400-0000-207-0514	\$66,000.00	\$58,369.00	\$36,313.11	\$0.00
Water Constr-Chestnut St	400-0000-207-0511	\$449,000.00	\$490,655.00	\$138,500.75	\$0.00
Water Constr-Dieckhoff St	400-0000-207-0513	\$56,000.00	\$54,349.00	\$0.00	\$0.00
Water Constr-Laudan Blvd	400-0000-207-0512	\$128,000.00	\$96,176.00	\$0.00	\$0.00
		<u>\$3,062,000.00</u>	<u>\$2,474,739.50</u>	<u>\$431,668.54</u>	<u>\$0.00</u>

**CERTIFICATION OF CONTRACTOR:**

I certify that the foregoing is just and correct and the amount claimed is legally due after showing all just credits

Certified by Engineer	_____	Date: 5-2-23
Certified by Public Works	_____	Date: 5-2-2023
Certified by Water Utility	_____	Date: 5/2/2023
Certified by Contractor	_____	Date: _____
	Approved BPW _____	Date: _____
	Approved Common Council (Final Payments Only)	Date: _____

Contract 1-23  
Sanitary Storm Sewer, Water, and Street Construction  
Burr Ave., Chestnut St., Dieckhoff St., Laudan Blvd.

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			Previously Paid	Total Due Contractor
								\$ Completed this Period	Retainage Due this Period	Due this Estimate		
101.3	Furnish and Relay 8-inch PVC Sanitary Sewer	Lin. Ft.	2680	\$76.75	\$205,690.00	1,795	1,795.00	\$137,766.25	\$6,888.31	\$130,877.94	\$0.00	\$137,766.25
101.4	Furnish and Relay 10-inch PVC Sanitary Sewer	Lin. Ft.	337	\$86.35	\$29,099.95	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
102.3	Furnish and Relay 6 inch Sanitary Lateral in ROW	Lin. Ft.	1800	\$80.45	\$144,810.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
102.4	Furnish and Relay 6 inch Sanitary Lateral ROW to House	Lin. Ft.	100	\$61.60	\$6,160.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
102.6	Reconnect Lateral to Main	Each	2	\$240.00	\$480.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
103.1	Furnish and Pipeburst 4-inch Sanitary Lateral	Lin. Ft.	2800	\$5.15	\$14,420.00	1,302	1,302.00	\$6,705.30	\$335.27	\$6,370.04	\$0.00	\$6,705.30
103.2	Furnish and Pipeburst 6-inch Sanitary Lateral	Lin. Ft.	200	\$20.60	\$4,120.00	233	233.00	\$4,799.80	\$239.99	\$4,559.81	\$0.00	\$4,799.80
103.3	Reconnect Sanitary Lateral at Foundation - Pipeburst	Each	5	\$1,545.00	\$7,725.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
103.4	Reconnect Under Basement Floor - Pipeburst	Each	74	\$2,678.00	\$198,172.00	38	38.00	\$101,764.00	\$5,088.20	\$96,675.80	\$0.00	\$101,764.00
103.4.1	Remove Building Footing to allow Pipeburst	Each	5	\$309.00	\$1,545.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
103.5	Extra Hole - Pipeburst	Each	3	\$515.00	\$1,545.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
104.1	Furnish and Install Standard Manhole	Ver. Ft.	92	\$506.80	\$46,625.60	35	35.00	\$17,738.00	\$886.90	\$16,851.10	\$0.00	\$17,738.00
105.1	Abandon Sanitary Manhole	Each	2	\$350.00	\$700.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
105.2	Adjust Sanitary Manhole	Each	3	\$650.00	\$1,950.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
105.6	Remove Sanitary Manhole	Each	14	\$200.00	\$2,800.00	8	8.00	\$1,600.00	\$80.00	\$1,520.00	\$0.00	\$1,600.00
106.1	Clean and Televiser Sewer (Sanitary only)	Lump Sum	1	\$3,914.00	\$3,914.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					<b>\$669,756.55</b>			<b>\$270,373.35</b>	<b>\$13,518.67</b>	<b>\$256,854.68</b>	<b>\$0.00</b>	<b>\$270,373.35</b>

Contract 1-23  
Sanitary Storm Sewer, Water, and Street Construction  
Burr Ave., Chestnut St., Dieckhoff St., Laudan Blvd.

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			Previously Paid	Total Due Contractor
								\$ Completed this Period	Retainage Due this Period	Due this Estimate		
201.1.1	Furnish & Install 6-inch PVC C-900 Main	Lin. Ft.	40	\$213.80	\$8,552.00	17	17.00	\$3,634.60	\$181.73	\$3,452.87	\$0.00	\$3,634.60
201.1.2	Furnish & Install 8-inch PVC C-900 Main	Lin. Ft.	3400	\$84.70	\$287,980.00	1,528	1,528.00	\$129,421.60	\$6,471.08	\$122,950.52	\$0.00	\$129,421.60
201.1.4	Furnish & Install 12-inch PVC C-900 Main	Lin. Ft.	610	\$125.50	\$76,555.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.1.2	Furnish & Install 1.25-inch PE Water Service in ROW by Trenching	Lin. Ft.	1600	\$57.00	\$91,200.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.2.2	Furnish & Install 1.25-inch PE Water Service in ROW by Pulling	Lin. Ft.	100	\$15.00	\$1,500.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.3.2	Furnish & Install 1.25-inch PE Water Service in ROW by Drilling	Lin. Ft.	100	\$30.90	\$3,090.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.4.2	Furnish & Install 1.25-inch PE Water Service from ROW to Structure by Trenching	Lin. Ft.	100	\$30.90	\$3,090.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.5.2	Furnish & Install 1.25-inch PE Water Service from ROW to Structure by Pulling	Lin. Ft.	100	\$30.90	\$3,090.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.6.2	Furnish & Install 1.25-inch PE Water Service from ROW to Structure by Drilling	Lin. Ft.	100	\$30.90	\$3,090.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
202.7.1	Furnish & Install 1.25-inch PE Service from ROW to Structure by Pulling w/Sanitary Sewer Pipeburst	Lin. Ft.	2500	\$3.09	\$7,725.00	1,371	1,371.00	\$4,236.39	\$211.82	\$4,024.57	\$0.00	\$4,236.39
202.8.1	Furnish & Install 1.25-inch PE Service from ROW to Structure by Excavation in same Trench as Sanitary Lateral	Lin. Ft.	100	\$7.50	\$750.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Contract 1-23  
Sanitary Storm Sewer, Water, and Street Construction  
Burr Ave., Chestnut St., Dieckhoff St., Laudan Blvd.

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			Previously Paid	Total Due Contractor
								\$ Completed this Period	Retainage Due this Period	Due this Estimate		
202.9.2	Furnish & Install 1.25-inch Service Brass Set	Each	79	\$482.00	\$38,078.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
203.1.1	Furnish & Install Cathodic Protection to Water Service	Each	6	\$230.00	\$1,380.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
203.1.3	Water Service Connection to Structure	Each	79	\$824.00	\$65,096.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
203.1.4	Water Service Extra Hole (Curb Stop Connection)	Each	3	\$515.00	\$1,545.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
203.1.6	Abandon Valve Box	Each	7	\$200.00	\$1,400.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
203.1.7	Abandon Valve Manhole	Each	1	\$650.00	\$650.00	1	1.00	\$650.00	\$32.50	\$617.50	\$0.00	\$650.00
204.2.4	Furnish & Install 8-inch MJRW Valve and Box	Each	13	\$2,674.00	\$34,762.00	6	6.00	\$16,044.00	\$802.20	\$15,241.80	\$0.00	\$16,044.00
204.2.6	Furnish & Install 12-inch MJRW Valve and Box	Each	2	\$4,480.00	\$8,960.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
205.1	Furnish & Install Hydrant, Lead and Valve	Each	8	\$7,507.00	\$60,056.00	4	4.00	\$30,028.00	\$1,501.40	\$28,526.60	\$0.00	\$30,028.00
205.2	Abandon Hydrant	Each	4	\$250.00	\$1,000.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					<b>\$699,549.00</b>			<b>\$184,014.59</b>	<b>\$9,200.73</b>	<b>\$174,813.86</b>	<b>\$0.00</b>	<b>\$184,014.59</b>
301.4	Furnish and Relay 10-inch Storm Sewer	Lin. Ft.	380	\$56.90	\$21,622.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
301.5	Furnish and Relay 12-inch Storm Sewer	Lin. Ft.	1410	\$58.95	\$83,119.50	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
301.5.1	Furnish and Relay 15-inch Storm Sewer	Lin. Ft.	640	\$59.95	\$38,368.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
303.1	Furnish and Install 4-inch Storm Sewer Lateral	Lin. Ft.	900	\$48.20	\$43,380.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
304.1	Furnish and Install Sump pump Pit (separate)	Each	10	\$412.00	\$4,120.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Contract 1-23  
Sanitary Storm Sewer, Water, and Street Construction  
Burr Ave., Chestnut St., Dieckhoff St., Laudan Blvd.

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			Previously Paid	Total Due Contractor
								\$ Completed this Period	Retainage Due this Period	Due this Estimate		
304.2	Furnish and Install Sump Pump pit w/ Sanitary Pipeburst	Each	3	\$257.50	\$772.50	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
305.1	Furnish and Install Catch Basin	Each	16	\$1,967.00	\$31,472.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
305.8	Adjust Storm Catch Basin	Each	2	\$700.00	\$1,400.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
305.9	Remove Storm Catch Basin	Each	16	\$250.00	\$4,000.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
306.1	Furnish and Install Storm Manhole	Vert Ft	31	\$512.75	\$15,895.25	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
306.8	Adjust Storm Manhole	Each	2	\$700.00	\$1,400.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
306.9	Remove Storm Manhole	Each	8	\$250.00	\$2,000.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
308.2.4	Install and Maintain Type "D" Inlet Protection	Each	22	\$72.10	\$1,586.20	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					<b>\$249,135.45</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
402.2.6.2	Remove Existing Pavement and Maintain Utility Trench	Lin. Ft.	12000	\$0.75	\$9,000.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
405.1	Sawcut Existing Bituminous Pavement	Lin. Ft.	500	\$1.55	\$775.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
402.2.6.1	Remove Existing Bituminous Pavement	Sq. Yd.	13000	\$0.01	\$130.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
403.2.5.1	Remove Concrete Curb and Gutter	Lin. Ft.	6700	\$1.55	\$10,385.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
404.4.5	Remove Concrete Sidewalk/Driveway Apron	Sq. Ft.	20000	\$0.36	\$7,200.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
402.1.7.4	Unclassified Excavation	Cu. Yd.	9000	\$9.99	\$89,910.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
402.1.4.11	Furnish and Install Geogrid	Sq. Yd.	15000	\$1.90	\$28,500.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
401.1.1	Furnish and Install Crushed Aggregate Base	Ton	11000	\$15.86	\$174,460.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
403.2.1.7	Furnish and Install 30-inch Concrete Curb and Gutter (continuous)	Lin. Ft.	6600	\$16.48	\$108,768.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
403.2.1.8	Furnish and Install 30-inch Concrete Curb and Gutter (repair)	Lin. Ft.	100	\$61.80	\$6,180.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Contract 1-23  
Sanitary Storm Sewer, Water, and Street Construction  
Burr Ave., Chestnut St., Dieckhoff St., Laudan Blvd.

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			Previously Paid	Total Due Contractor
								\$ Completed this Period	Retainage Due this Period	Due this Estimate		
404.3.2	Furnish and Install 6-inch Concrete Sidewalk/Driveway	Sq. Ft.	10000	\$6.64	\$66,400.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
404.1.1	Furnish and Install 4" Concrete Sidewalk	Sq. Ft.	10000	\$6.34	\$63,400.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
706.2	Install Detectable Warning Fields (supplied by City)	Each	30	\$77.25	\$2,317.50	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
402.1.5.3	Furnish and Install 1/2-inch rods	Lin. Ft.	550	\$2.06	\$1,133.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
102.1.5.3.1	Fine Grade Roadway	Sq. Yd.	12000	\$1.85	\$22,200.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
402.2.3.1	Furnish and Install HMA Pavement (4-inch)	Ton	2750	\$75.60	\$207,900.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
505.1	Furnish & Install Terracing, Fertilize, Seed & Hydromulch	Sq. Yd.	5000	\$7.72	\$38,600.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
706.1	Install and Maintain Traffic Control	Lump Sum	1	\$19,040.00	\$19,040.00	0	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
					<b>\$856,298.50</b>	<b>0</b>		<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
					<b><u>\$2,474,739.50</u></b>			<b><u>\$454,387.94</u></b>	<b><u>\$22,719.40</u></b>	<b><u>\$431,668.54</u></b>	<b><u>\$0.00</u></b>	<b><u>\$454,387.94</u></b>

**City of Neenah  
Department of Public Works  
Contractor Request for Payment**

Contractor Name: Donald Hietpas & Sons, Inc.		Contract No. 6-23	
Address: 1450 E North Avenue		Contract Amount \$781,639.00	
City Little Chute WI 54140			
Name of Project	Sanitary & Storm Sewer, Water Main and Street Construction		
Location of Project	Columbian Avenue		
Pay Request No.	1	For Period	March 1, 2023 to April 30, 2023

**CONTRACT SUMMARY**

Original Contract Amount	\$781,639.00
Net Amount of Change Order	\$0.00
Adjusted Contract Amount	<u>\$781,639.00</u>

**WORK PERFORMED TO DATE**

Work Performed to Date	\$333,497.18
Less Retainage of 5%. If different indicate here	\$16,674.86
Net Amount Earned to Date	\$316,822.32
Less Previous Payments	\$0.00


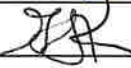

**BALANCE DUE THIS PAYMENT** \$316,822.32

**CONTRACT BREAKOUT**

	Account Numbers	Budget Total	Contract Breakdown	Due This Estimate	Paid to Date
Street Construction	012-4341-743-0236	\$345,000.00	\$239,944.00	\$0.00	\$0.00
Sanitary Sewer Construction	046-5057-743-0236	\$210,000.00	\$292,954.00	\$179,633.10	\$0.00
Storm Sewer Construction	049-5278-743-0236	\$97,000.00	\$56,319.00	\$14,667.72	\$0.00
Water Main Construction	400-0000-207-0523	\$200,000.00	\$192,422.00	\$122,521.50	\$0.00
		<u>\$852,000.00</u>	<u>\$781,639.00</u>	<u>\$316,822.32</u>	<u>\$0.00</u>

**CERTIFICATION OF CONTRACTOR:**

I certify that the foregoing is just and correct and the amount claimed is legally due after showing all just credits

Certified by Engineer		Date: 5-2-23
Certified by Public Works		Date: 5-2-2023
Certified by Water Utility		Date: 5/2/2023
Certified by Contractor		Date:
	Approved BPW _____	Date:
	Approved Common Council (Final Payments Only)	Date:

City of Neenah Contract 6-23  
Sanitary, Water, and Street Construction  
Columbian Avenue

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			
								Due to Contractor	Retainage Due this Period	Due this Estimate	
<b>Sanitary</b>											
1	101.3	Furnish and Relay 8-inch PVC Sanitary Sewer	Lin. Ft.	260	\$99.00	\$25,740.00	262.00	262.00	\$25,938.00	\$1,296.90	\$24,641.10
2	101.4	Furnish and Relay 12-inch PVC Sanitary Sewer	Lin. Ft.	30	\$148.25	\$4,447.50	3.00	3.00	\$444.75	\$22.24	\$422.51
3	101.4	Furnish and Relay 18-inch PVC Sanitary Sewer	Lin. Ft.	730	\$173.65	\$126,764.50	726.50	726.50	\$126,156.73	\$6,307.84	\$119,848.89
4	102.3	Furnish and Relay 6 inch Sanitary Lateral in ROW	Lin. Ft.	600	\$93.00	\$55,800.00	245.00	245.00	\$22,785.00	\$1,139.25	\$21,645.75
5	102.4	House	Lin. Ft.	50	\$50.00	\$2,500.00	0.00	0.00	\$0.00	\$0.00	\$0.00
6	102.6	Reconnect Lateral to Main	Each	1	\$500.00	\$500.00	0.00	0.00	\$0.00	\$0.00	\$0.00
7	103.1	Furnish and Pipeburst 4-inch Sanitary Lateral	Lin. Ft.	700	\$5.05	\$3,535.00	0.00	0.00	\$0.00	\$0.00	\$0.00
8	103.2	Furnish and Pipeburst 6-inch Sanitary Lateral	Lin. Ft.	35	\$20.20	\$707.00	0.00	0.00	\$0.00	\$0.00	\$0.00
9	103.3	Reconnect Sanitary Lateral at Foundation - Pipeburst	Each	2	\$2,020.00	\$4,040.00	0.00	0.00	\$0.00	\$0.00	\$0.00
10	103.4	Reconnect Under Basement Floor - Pipeburst	Each	20	\$2,525.00	\$50,500.00	0.00	0.00	\$0.00	\$0.00	\$0.00
11	103.5	Extra Hole - Pipeburst	Each	1	\$505.00	\$505.00	0.00	0.00	\$0.00	\$0.00	\$0.00
12	104.1	Furnish and Install Standard Manhole	Ver. Ft.	22.5	\$580.00	\$13,050.00	22.35	22.35	\$12,963.00	\$648.15	\$12,314.85
13	105.2	Adjust Sanitary Manhole	Each	2	\$800.00	\$1,600.00	0.00	0.00	\$0.00	\$0.00	\$0.00
14	105.6	Remove Sanitary Manhole	Each	2	\$400.00	\$800.00	2.00	2.00	\$800.00	\$40.00	\$760.00
15	106.1	Clean and Televiser Sewer (Sanitary only)	Lump Sum	1	\$2,465.00	\$2,465.00	0.00	0.00	\$0.00	\$0.00	\$0.00
<b>Total Sanitary Bid</b>						<b>\$292,954.00</b>			<b>\$189,087.48</b>	<b>\$9,454.37</b>	<b>\$179,633.10</b>
<b>Water</b>											
17	201.1.1	Furnish & Install 6-inch PVC C-900 Main	Lin. Ft.	40	\$150.00	\$6,000.00	21.00	21.00	\$3,150.00	\$157.50	\$2,992.50
18	201.1.2	Furnish & Install 8-inch PVC C-900 Main	Lin. Ft.	1000	\$90.00	\$90,000.00	965.00	965.00	\$86,850.00	\$4,342.50	\$82,507.50
19	202.1.2	Furnish & Install 1.25-inch PE Water Service in ROW by Trenching	Lin. Ft.	550	\$60.00	\$33,000.00	62.00	62.00	\$3,720.00	\$186.00	\$3,534.00
20	202.2.2	Furnish & Install 1.25-inch PE Water Service in ROW by Pulling	Lin. Ft.	25	\$50.00	\$1,250.00	0.00	0.00	\$0.00	\$0.00	\$0.00
21	202.3.2	Furnish & Install 1.25-inch PE Water Service in ROW by Drilling	Lin. Ft.	25	\$50.00	\$1,250.00	0.00	0.00	\$0.00	\$0.00	\$0.00
22	202.4.2	Furnish & Install 1.25-inch PE Water Service from ROW to Structure by Trenching	Lin. Ft.	35	\$50.00	\$1,750.00	0.00	0.00	\$0.00	\$0.00	\$0.00

City of Neenah Contract 6-23  
Sanitary, Water, and Street Construction  
Columbian Avenue

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1			
								Due to Contractor	Retainage Due this Period	Due this Estimate	
23	202.5.2	Furnish & Install 1.25-inch PE Water Service from ROW to Structure by Pulling	Lin. Ft.	35	\$30.30	\$1,060.50	0.00	0.00	\$0.00	\$0.00	\$0.00
24	202.6.2	Furnish & Install 1.25-inch PE Water Service from ROW to Structure by Drilling	Lin. Ft.	35	\$30.30	\$1,060.50	0.00	0.00	\$0.00	\$0.00	\$0.00
25	202.7.1	Furnish & Install 1.25-inch PE Service from ROW to Structure by Pulling w/Sanitary Sewer Pipeburst	Lin. Ft.	500	\$5.05	\$2,525.00	0.00	0.00	\$0.00	\$0.00	\$0.00
26	202.8.1	Furnish & Install 1.25-inch PE Service from ROW to Structure by Excavation in same Trench as Sanitary Lateral	Lin. Ft.	35	\$10.00	\$350.00	0.00	0.00	\$0.00	\$0.00	\$0.00
27	202.9.2	Furnish & Install 1.25-inch Service Brass Set	Each	19	\$515.00	\$9,785.00	0.00	0.00	\$0.00	\$0.00	\$0.00
28	203.1.1	Furnish & Install Cathodic Protection to Water Service	Each	2	\$118.00	\$236.00	0.00	0.00	\$0.00	\$0.00	\$0.00
29	203.1.3	Water Service Connection to Structure	Each	19	\$505.00	\$9,595.00	0.00	0.00	\$0.00	\$0.00	\$0.00
30	203.1.4	Water Service Extra Hole (Curb Stop Connection)	Each	2	\$505.00	\$1,010.00	0.00	0.00	\$0.00	\$0.00	\$0.00
31	203.1.6	Abandon Valve Box	Each	2	\$200.00	\$400.00	1.00	1.00	\$200.00	\$10.00	\$190.00
32	204.2.4	Furnish & Install 8-inch MJRW Valve and Box	Each	4	\$2,600.00	\$10,400.00	5.00	5.00	\$13,000.00	\$650.00	\$12,350.00
33	205.1	Furnish & Install Hydrant, Lead and Valve	Each	3	\$7,350.00	\$22,050.00	3.00	3.00	\$22,050.00	\$1,102.50	\$20,947.50
34	205.2	Abandon Hydrant	Each	2	\$350.00	\$700.00	0.00	0.00	\$0.00	\$0.00	\$0.00
<b>Total Water Bid</b>						<b>\$192,422.00</b>			<b>\$128,970.00</b>	<b>\$6,448.50</b>	<b>\$122,521.50</b>
<b>Storm Storm</b>											
38	301.4	Furnish and Relay 10-inch Storm Sewer	Lin. Ft.	120	\$62.00	\$7,440.00	0.00	0.00	\$0.00	\$0.00	\$0.00
39	301.5	Furnish and Relay 12-inch Storm Sewer	Lin. Ft.	255	\$60.00	\$15,300.00	0.00	0.00	\$0.00	\$0.00	\$0.00
40	301.6	Furnish and install 30-inch Storm Sewer	Lin. Ft.	45	\$230.30	\$10,363.50	47.00	47.00	\$10,824.10	\$541.21	\$10,282.90
41	303.1	Furnish and Install 4-inch Storm Sewer Lateral	Lin. Ft.	50	\$52.00	\$2,600.00	0.00	0.00	\$0.00	\$0.00	\$0.00
42	304.1	Furnish and Install Sump pump Pit (separate)	Each	1	\$757.50	\$757.50	0.00	0.00	\$0.00	\$0.00	\$0.00

City of Neenah Contract 6-23  
Sanitary, Water, and Street Construction  
Columbian Avenue

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1		
								Due to Contractor	Retainage Due this Period	Due this Estimate
43	304.2 Furnish and Install Sump Pump pit w/ Sanitary Pipeburst	Each	3	\$505.00	\$1,515.00	0.00	0.00	\$0.00	\$0.00	\$0.00
44	305.1 Furnish and Install Catch Basin	Each	4	\$2,300.00	\$9,200.00	0.00	0.00	\$0.00	\$0.00	\$0.00
45	305.8 Adjust Storm Catch Basin	Each	2	\$500.00	\$1,000.00	0.00	0.00	\$0.00	\$0.00	\$0.00
46	305.9 Remove Storm Catch Basin	Each	8	\$250.00	\$2,000.00	0.00	0.00	\$0.00	\$0.00	\$0.00
47	306.1 Furnish and Install Storm Manhole	Lin. Ft.	6.8	\$642.00	\$4,365.60	6.80	6.80	\$4,365.60	\$218.28	\$4,147.32
48	306.8 Adjust Storm Manhole	Each	2	\$500.00	\$1,000.00	0.00	0.00	\$0.00	\$0.00	\$0.00
49	306.9 Remove Storm Manhole	Each	1	\$250.00	\$250.00	1.00	1.00	\$250.00	\$12.50	\$237.50
50	308.2.4 Install and Maintain Type "D" Inlet Protection	Each	6	\$88.00	\$528.00	0.00	0.00	\$0.00	\$0.00	\$0.00
<b>Total Storm Bid</b>					<b>\$56,319.60</b>			<b>\$15,439.70</b>	<b>\$771.99</b>	<b>\$14,667.72</b>
<b>Street</b>										
51	402.2.6.2 Remove Existing Pavement and Maintain Utility Trench	Lin. Ft.	3100	\$1.00	\$3,100.00	0.00	0.00	\$0.00	\$0.00	\$0.00
52	405.1 Sawcut Existing Bituminous Pavement	Lin. Ft.	250	\$2.25	\$562.50	0.00	0.00	\$0.00	\$0.00	\$0.00
53	402.2.6.1 Remove Existing Bituminous Pavement	Sq. Yd.	3600	\$1.37	\$4,932.00	0.00	0.00	\$0.00	\$0.00	\$0.00
54	403.2.5.1 Remove Concrete Curb and Gutter	Lin. Ft.	1850	\$1.94	\$3,589.00	0.00	0.00	\$0.00	\$0.00	\$0.00
55	404.4.5 Remove Concrete Sidewalk/Driveway Apron	Sq. Ft.	5500	\$0.51	\$2,805.00	0.00	0.00	\$0.00	\$0.00	\$0.00
56	402.1.7.4 Unclassified Excavation	Cu. Yd.	2400	\$7.17	\$17,208.00	0.00	0.00	\$0.00	\$0.00	\$0.00
57	402.1.4.11 Furnish and Install Geogrid	Sq. Yd.	3800	\$1.80	\$6,840.00	0.00	0.00	\$0.00	\$0.00	\$0.00
58	401.1.1 Furnish and Install Crushed Aggregate Base	Ton	3050	\$13.95	\$42,547.50	0.00	0.00	\$0.00	\$0.00	\$0.00
59	403.2.1.1 Furnish and Install Concrete Curb & Gutter	Lin. Ft.	1850	\$15.23	\$28,175.50	0.00	0.00	\$0.00	\$0.00	\$0.00
60	404.1.1 Furnish and Install 4" Concrete Sidewalk	Sq. Ft.	2500	\$9.90	\$24,750.00	0.00	0.00	\$0.00	\$0.00	\$0.00
61	404.3.2 Furnish and Install 6-inch Concrete Sidewalk/Driveway	Sq. Ft.	3000	\$10.45	\$31,350.00	0.00	0.00	\$0.00	\$0.00	\$0.00
62	402.1.5.3 Furnish and Install 1/2-inch rods	Lin. Ft.	150	\$3.00	\$450.00	0.00	0.00	\$0.00	\$0.00	\$0.00
63	706.2 Install Detectable Warning Fields (supplied by City)	Each	14	\$50.00	\$700.00	0.00	0.00	\$0.00	\$0.00	\$0.00
64	402.2.3.1 Furnish and Install HMA Pavement (4-inch)	Ton	650	\$84.23	\$54,749.50	0.00	0.00	\$0.00	\$0.00	\$0.00

City of Neenah Contract 6-23  
Sanitary, Water, and Street Construction  
Columbian Avenue

Item Code	Item Description	UofM	QTY	Unit Price	Extension	Quantity Completed to Date	Quantity Completed this Period	Pay Request No.1		
								Due to Contractor	Retainage Due this Period	Due this Estimate
65	505.1 Furnish & Install Terracing, Fertilize, Seed & Hydromulch	Sq. Yd.	2000	\$7.83	\$15,660.00	0.00	0.00	\$0.00	\$0.00	\$0.00
66	706.1 Install and Maintain Traffic Control	Lump Sum	1	\$2,525.00	\$2,525.00	0.00	0.00	\$0.00	\$0.00	\$0.00
<b>Total Street</b>					<b>\$239,944.00</b>			<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Bid</b>					<b>\$781,639.60</b>			<b>\$333,497.18</b>	<b>\$16,674.86</b>	<b>\$316,822.32</b>



# Neenah Water Utility

211 Walnut St. PO Box 426 Neenah, WI 54957-0426  
Office: (920) 886-6182 Cell: (920) 858-6300  
Email: amach@ci.neenah.wi.us

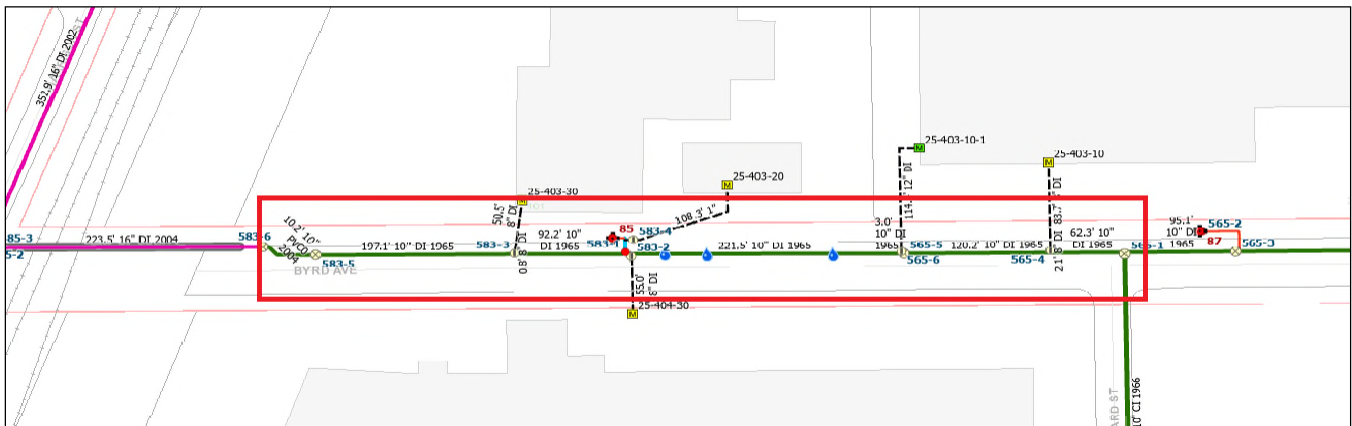
Anthony L. Mach

Director of Neenah Water Utility

## MEMORANDUM

**DATE:** May 15, 2023  
**TO:** Waterworks Commission  
**FROM:** Anthony L. Mach  
**RE:** Request to Approve Emergency Water Main Relay on Byrd Avenue

Staff have encountered a severely degraded section of water main on Byrd Avenue extending from the 16" water main east of the railroad tracks east to Aylward Street. There have been five major main breaks on this section since September of 2022 including three in the last week in various locations. Because this section supplies water for three of our large customers, staff are requesting approval to relay this section as an emergency project. The total cost of this repair is estimated to be \$180,000. The section of water main in question is detailed below:



Staff recommends approving the emergency water main replacement on Byrd Avenue from the 16" main east of the railroad tracks east to Aylward Street.