

**MINUTES OF THE NEENAH WATER WORKS COMMISSION
AND
STORM WATER CITIZEN ADVISORY BOARD MEETING**
Regular Meeting – May 18, 2026
Hauser Room – City Hall, 211 Walnut Street, Neenah, WI

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

Excused: Commissioner Borchardt

Also Present: Water Utility Business Manager Barlow, Finance Director Rasmussen, Deputy Finance Director Kahl, and Ms. Jodi Dobson from Baker Tilly (via online meeting)

Call to Order - President Schmeichel called the meeting to order at 4:31 p.m.

Public Appearances – None.

Approve Regular Meeting Minutes for April 20, 2026 – Following discussion, **M.S.C. Hemes/Bauman to approve the April 20, 2026 Regular Meeting Minutes**. All voting aye.

Approve Closed Session Meeting Minutes for April 20, 2026 – Following discussion, **M.S.C. Schmeichel/Hemes to approve the April 20, 2026 Closed Session Meeting Minutes**. Commissioners Schmeichel, Hemes, and Bauman voting aye. Commissioner Pollnow abstained.

Unfinished Business – None.

Election of Officers –

1. Commissioner Hemes nominated Commissioner Schmeichel as President and Commissioner Bauman as Vice Present. Commissioner Schmeichel seconded the nominations. Commissioners Schmeichel and Bauman accepted the nomination.

There were no objections to unanimous consent.

2. Commissioner Schmeichel nominated Commissioner Hemes as Secretary. Commissioner Hemes accepted the nomination.

There were no objections to unanimous consent.

Approval of April 2026 Invoices – Commissioners had questions about charges and invoices from Mississippi Lime Company LLC and Lodge Kohler along with the Overpaid Final Accounts that show up on the transactions sheet. Director Mach noted that Mississippi Lime invoices periodically – sometimes right away and sometimes in batches. The plant is receiving one to two truckloads of lime per week. The trucks are never the exact same load. The charges from Lodge Kohler are for a training conference. Overpaid Final Accounts are refunds issued to one party when two parties pay the same utility bill.

Following discussion, **M.S.C. Bauman/Hemes approve the April 2026 invoices**. All voting aye.

Receive and Place on File 2025 Water Utility Audit – Ms. Jodi Dobson from Baker Tilly presented the 2025 Utility Audit for Commission consideration. Highlights of the report include continued excellence in accurate reporting, and a strong position. The cash position is extremely strong and the months on hand of unrestricted reserves is very healthy. She noted that expenses are showing a corresponding increase in 2025.

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Commissioners asked why Utility funds are co-mingled with City funds, why expenses increased in 2025 vs. 2024, and why the City Loan is not listed as debt. Deputy Director Kahl noted that the Utility funds, while co-mingled with City funds for investment and banking purposes, are always accounted for separately. Director Mach explained that the increase in expenses were due to the cost of the lagoon dredging, increases in Transmission and Distribution expenses, increases in chemical costs, increased Depreciation Expense, and increased PILOT (taxes). Deputy Director Kahl explained that the City Loan is treated as an advance vs. debt on the Utility's books.

Following discussion, **M.S.C. Schmeichel/Pollnow to receive and place on file the 2025 Water Utility Audit.** All voting aye.

Receive and Place on File Financial Reports – Director Mach and Deputy Director Kahl presented the 2025 12-month and 2026 3-month financial reports for Commission consideration. Highlights include a continued strong position, decrease in Interest Income, and decrease in Capital Contributions. Commissioners asked about the PFAS settlement. Director Mach noted that we recently received another check, but the payments are spaced out over years.

Following discussion, **M.S.C. Hemes/Bauman to receive and place on file the Financial Reports.** All voting aye.

Water Utility Uniform Discussion – Director Mach noted that when our staff have attended training events and conventions, they have noticed that other utilities have good-quality logo wear. Director Mach wanted to open the conversation about our Utility purchasing some uniforms or logo wear for our employees. Commissioners asked whether the Utility would own the clothing or if it will be given to the employees. Director Mach explained that the easiest route was to have the Utility own the clothing. He would like to see the employees own it, but there are tax implications for the employees. Commissioners asked him to consult with the employees and report back to the Commission.

Following discussion, **Informational only. No action required.**

Microplastics Discussion – Director Mach recently received a letter from Napoli Shkolnik regarding a possible microplastics class-action suit. The Utility joined the class-action lawsuit for PFAS and the results were favorable. The Utility doesn't have any issues with microplastics at this time.

Following discussion, **Informational only. No action required.**

Commission Hemes exited the meeting.

Director's Report –

1. Relief Operator Preissner has accepted the position of Filter Plant Electrical Technician – Commissioners welcomed him to his new position.
2. Water Loss Report – The utility has been experiencing some recent main breaks due to excessive rains and shifting ground. The water loss has been trending upward.
3. Solar Installation Update – The array continues to function well. Director Mach found a calculation error that improved the actual return.
4. The Water Utility has taken possession of the new Dump Truck.

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5. The PSC Annual Report has been filed.
6. The Water Utility received a check for \$54,106.76 for the PFAS settlement.
7. The next regular Waterworks Commission meeting is scheduled for Monday, June 15, 2026.

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

Storm Water Report – None.

Adjournment – **M.S.C. Bauman/Pollnow to adjourn at 5:54 p.m.** All voting aye.

Respectfully submitted,



Anthony L. Mach
Director, Neenah Water Utility

Public Service Commission (PSC) Annual Report Data

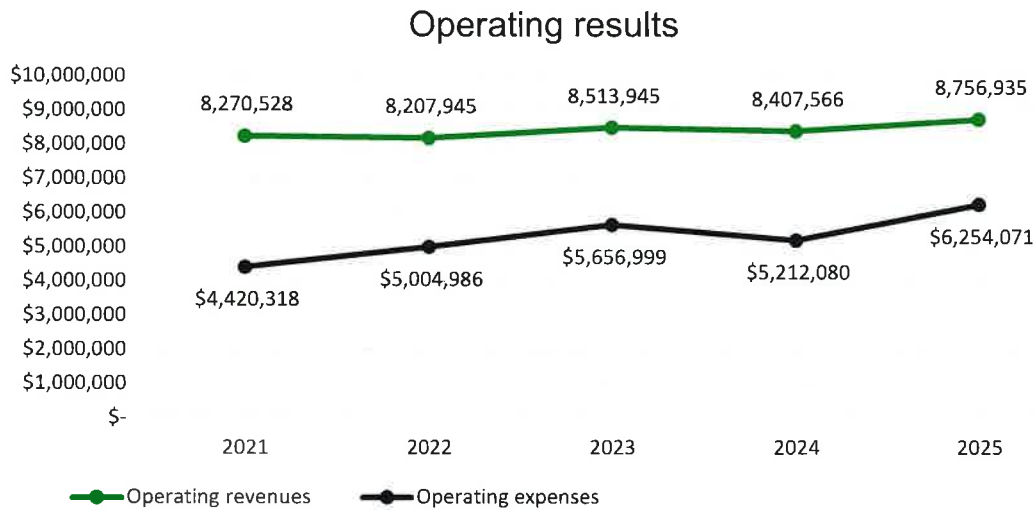
	2021	2022	2023	2024	2025	
Net Income:						
Total Operating Revenues	\$ 8,282,832	\$ 8,324,687	\$ 8,623,614	\$ 8,529,757	\$ 9,179,862	
Less Total Operating Expenses	\$ (5,286,164)	\$ (5,827,280)	\$ (6,383,840)	\$ (5,928,521)	\$ (6,992,995)	
Net Operating Income	\$ 2,996,668	\$ 2,497,407	\$ 2,239,774	\$ 2,601,236	\$ 2,186,867	
Total Other Income	\$ 455,953	\$ 324,657	\$ 894,024	\$ 1,521,658	\$ 970,199	
Total Income	\$ 3,452,621	\$ 2,822,064	\$ 3,133,798	\$ 4,122,894	\$ 3,157,066	
Less Total Misc. Income Deductions	\$ (133,378)	\$ (138,331)	\$ (141,142)	\$ (150,667)	\$ (162,046)	
Less Total Interest Charges	\$ (156,557)	\$ (114,404)	\$ (128,363)	\$ (85,179)	\$ (52,663)	
Net Income	\$ 3,162,686	\$ 2,569,329	\$ 2,864,293	\$ 3,887,048	\$ 2,942,357	
Return on Rate Base:						
Utility Plant in Service, Materials, & Supplies	\$ 57,946,251	\$ 59,790,650	\$ 62,068,060	\$ 64,395,004	\$ 67,225,252	
Reserve for Depr. & Reg Liability	\$ (22,766,407)	\$ (23,867,373)	\$ (25,078,423)	\$ (26,153,856)	\$ (27,096,852)	
Net Rate Base	\$ 35,179,844	\$ 35,923,277	\$ 36,989,637	\$ 38,241,148	\$ 40,128,400	
Net OPERATING Income as a % of Rate Base (Rate of Return)	8.52%	6.95%	6.06%	6.80%	5.45%	
Operating Revenues:						
Water Sales to Customers	\$ 6,228,506	\$ 6,186,274	\$ 6,433,428	\$ 6,298,113	\$ 6,615,498	
Public Fire Protection	\$ 1,699,063	\$ 1,718,723	\$ 1,724,402	\$ 1,766,049	\$ 1,791,950	
Private Fire Protection	\$ 135,117	\$ 137,510	\$ 137,456	\$ 137,457	\$ 140,537	
Total Customer Sales	\$ 8,062,686	\$ 8,042,507	\$ 8,295,286	\$ 8,201,619	\$ 8,547,985	
Other Operating Revenues	\$ 220,146	\$ 282,180	\$ 328,328	\$ 328,138	\$ 631,877	
Total Operating Revenues	\$ 8,282,832	\$ 8,324,687	\$ 8,623,614	\$ 8,529,757	\$ 9,179,862	
Operating Expenses:						
Operating & Maint. (O&M) Exp.	\$ (2,746,383)	\$ (3,320,683)	\$ (3,951,483)	\$ (3,431,815)	\$ (4,399,541)	
Depreciation Expense	\$ (1,443,785)	\$ (1,448,164)	\$ (1,460,647)	\$ (1,524,264)	\$ (1,582,387)	
Taxes	\$ (1,095,996)	\$ (1,058,433)	\$ (971,710)	\$ (972,442)	\$ (1,011,067)	
PILOT	\$ (995,938)	\$ (955,939)	\$ (866,330)	\$ (860,227)	\$ (898,016)	
Non-PILOT	\$ (100,058)	\$ (102,494)	\$ (105,380)	\$ (112,215)	\$ (113,051)	
Total Operating Expenses	\$ (5,286,164)	\$ (5,827,280)	\$ (6,383,840)	\$ (5,928,521)	\$ (6,992,995)	



City of Neenah Utilities

Water Utility Results

	Current Year	Prior Year
Actual Rate of Return	5.45%	6.80%
Authorized Rate of Return	7.50%	7.50%



Unrestricted Reserves

	2021	2022	2023	2024	2025
Year end balance	\$ 7,744,113	\$ 7,022,452	\$ 10,071,121	\$ 9,349,491	\$ 10,165,534
Months on hand	11.24	10.27	14.19	13.34	13.93

Debt Coverage

	2021	2022	2023	2024	2025
Actual	3.05	2.67	2.83	9.11	0.00
Required	1.25	1.25	1.25	1.25	0.00

Investment in Capital

