



TO: Waupun Utilities Commissioners
FROM: Randy Posthuma, General Manager
DATE: Dec. 5, 2013

GENERAL INFORMATION

Electric Crew Update:

The electric crew completed several small projects that included an overhead primary electric rebuild on the corner of S. Madison and S. Main St, circuit load balancing, installation of capacitor banks and the installation of a tie line between the Main substation and Comtech substation. The electric crew will be transitioning into our winter maintenance project of line clearance. As mentioned previously; last winter the electric department's time was consumed by AMI installation, so it's very important to have a big season of line clearance this winter.

We had no outages or problems to report on the electric system for the month of November.

Staffing Update:

Ben Russell's first day on the job was Dec. 2nd. Ben will be replacing Mike Shelter as our waste water treatment plant, operator / maintenance technician.

Staff Evaluations:

Performance evaluations were recently delivered to the staff. It's our goal to have the evaluations completed by each employee and their direct supervisor, along with a review of the evaluation with management by January 1st.

Jared and I redesigned the performance review assessment form. In this new design we are able to drill down to more core values and work practices vs. evaluating our employees on specific job performance qualities. A sample of the new performance review form is included in your packet.

This concludes my report for November 2013. Please contact me at 324-1991 or rposthuma@wppienergy.org with any questions or concerns.



TO: Waupun Utilities Commissioners
FROM: Jared Oosterhouse, Business/Finance Manager
DATE: December 5, 2013
SUBJECT: October 2013 Financial Report

The October 2013 financial report follows.

CONSTRUCTION AND PLANT ADDITIONS SUMMARY – 2013

The attached construction and plant additions summary shows activity of \$25,196 in overhead line reconstruction located by Waupun Memorial Hospital, \$11,232 for transformers, \$3,266 incurred for the water AMI project, and \$6,089 for valve replacements. Plant additions in October include computers for the front office and the electric department.

MONTHLY METRICS – Year-to-date October 2013

Sales

Electric sales were within \$100 of budget for the month of October. Year-to-date sales were 2.26% below budget on weak residential and general service sales from June through the middle of September due to cooler than normal temperatures. Sales were .18% below 2012 levels.

Sewer sales were \$10,600 below budget for the month of October. Year-to-date sales were 11.01% below budget due to a reduction in high-strength waste surcharges to the correctional facilities. High-strength waste surcharges are down over 50% from 2012 and are the primary cause for the reduction in sales compared to budget and 2012 sales. The 2013 rate reduction is also a contributing factor for the sales revenue decrease. Sales were 14.68% below 2012 levels.

Water sales were \$1,200 below budget for the month of October. Year-to-date sales were 1.22% below budget on lower sales to residential, commercial, and public authority. Industrial class sales are the only sales class above budget. Sales were 3.38% below 2012 levels.

Income Statement

Electric operating income was \$59,900 above budget. Operating revenues were \$203,700 below budget. Operating expenses were \$263,600 below budget on lower purchased power, distribution, customer account expense, and administrative and general expenses. Net income was \$90,800 above budget on investment income that was \$7,100 below budget.

Sewer operating income was \$64,200 below budget. Operating revenues were \$218,600 below budget. Reduced high-strength waste surcharges to the correctional facilities continued to drive revenues below budget. Operating expenses were \$154,400 below budget on lower WWTP operation, maintenance, and administrative and general expenses. Net income was \$104,000 below budget on investment income that was \$39,500 below budget.

Water operating income was \$85,000 above budget. Operating revenues were \$26,600 below budget on decreased sales to the residential, commercial, and public authority classes. Operating expenses were \$111,600 below budget on lower system maintenance expenses and lower administrative and general expenses. Net income was \$56,800 above budget on investment income that was \$16,900 below budget.

Balance Sheets

The electric balance sheet decreased \$52,600 from September 2013. Accounts receivables decreased \$103,900 due to lower monthly sales. Accounts payable decreased \$44,300 from lower purchased power cost. Retained earnings decreased \$11,400 from operating results.

The sewer balance sheet decreased \$38,300 from September 2013. Total unrestricted cash and investments increased \$25,000 from higher accounts payable and interest and distributions received from investments. Interest accrued decreased \$42,341 from an interest payment. Retained earnings decreased \$4,600.

The water balance sheet increased \$22,900 from September 2013. Total unrestricted and restricted cash increased \$84,000. Retained earnings decreased \$3,500 from monthly operating results.

Cash and Investments

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

Total cash and investments increased \$147,700 from September 2013. We received interest and distributions of \$28,776 and recorded an unrealized negative market adjustment of \$1,315 along with \$6,890 in management fees; resulting in a net portfolio gain of \$20,571 for the month of October.

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



TO: Waupun Utilities Commissioners
FROM: Steve Schramm
DATE: December 5, 2013
SUBJECT: Monthly Operation Report

Water Treatment Facility:

The water treatment facility is performing well.

There are no call-ins to report this month.

Tower 2 renovations have been suspended until spring of 2014. Priming of the exterior was not completed due to the continued un-favorable weather conditions. Dixon Engineering and Utility Service assured the Utilities that the remaining unprimed section will not be affected by winter conditions.

Interior cleaning and disinfection is scheduled for completion by December 6th. Once this is completed, the tower will be filled, and two consecutive bacti samples will be collected. Following a 72 hour disinfection contact time and safe bacti results, the tower will be returned to operation by December 12th.

Wastewater Treatment Facility:

The wastewater treatment facility is performing well.

There are no call-ins to report this month.

Staff has been limited this past month due to several vacations. With limited staff the operators worked on preventive maintenance items, and making seasonal operational changes in preparation for winter.

The Utilities new hire, Ben Russell, started on December 2. We are excited to have him as part of our operation team. His first month will consist of orientation, safety training, and job shadowing.

Rock River Intermediate School fifth and sixth grade classes have been touring the wastewater treatment facility. The STEM program has been learning about the water cycle and water and wastewater resource management.

Water/Sewer Crew:

There are no call-ins to report this month.

Crew's focus remains on preventative maintenance on the collection system. The crew continues flushing and televising sanitary sewers. This process allows staff to see "inside" of the sanitary sewer. The camera measures the exact distance in a pipe, so repairs to cracks, joints, or removing obstructions can be done easily and precisely. The pipe condition is recorded as the camera moves through the pipe. The pipe condition and its location are then used to establish a pipe priority grade. This allows staff to pinpoint areas within the gravity sanitary sewer pipes that need a more thorough investigation due to any of several criteria: the critical nature of the location, physical attributes of a pipe section, the structural integrity of the pipe, and operation and maintenance needs of the pipe.

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