

Lake Geneva Utility Commission

Dennis Lyon, President
Josh Gajewski, Utility Director
Jeff Ecklund, Water Superintendent
Ken Bauman, Wastewater Superintendent

361 W. Main Street P.O. Box 187 Lake Geneva, WI 53147 Phone (262) 248-2311
www.lgutilitycommission.com

Regular Lake Geneva Utility Commission Meeting
Monday August 17, 2020 4:00 PM
Council Chambers (Main Level), City Hall – 626 Geneva Street

THE CITY OF LAKE GENEVA IS HOLDING ALL MEETINGS VIRTUALLY AS WELL AS IN PERSON TO HELP PROTECT OUR COMMUNITY FROM THE CORONAVIRUS (COVID-19) PANDEMIC.

IN-PERSON ATTENDANCE WILL BE LIMITED TO NO MORE THAN 13 PEOPLE, ON A FIRST COME FIRST SERVED BASIS. IF YOU WISH TO LISTEN OR WATCH THE MEETING YOU MAY DO SO BY USING THE FOLLOWING:

1. Livestream at the City of Lake Geneva Vimeo Channel found here www.vimeo.com/lakegeneva
2. Television: Watch live broadcast of the meeting on Spectrum Cable Channel 25
3. Listen to audio via phone: (602) 333-2017 (Long distance rates may apply)
(888) 204-5987 (Toll Free)
Access Code: 9746153
4. You can provide public comment on agenda items by appearing in person or by emailing your comments to the Office Manager at info@lgutilities.org or you may deliver your written comments to the Lake Geneva Utility Commission Office, 361 W Main Street, Lake Geneva, WI 53147. All written comments must be provided to the Office Manager by 3:00 P.M. on the date of the meeting. All written comments will be read aloud during the agenda item when public comments are allowed during the meeting.

Agenda

1. Call Meeting to Order
2. Roll Call
3. Comments from the public as allowed by Wis. Statutes §19.84 (2), limited to items on this agenda except for public hearing items. Comments will be limited to 5 minutes.
4. Approve Utility Commission Minutes from July 15, 2020 as prepared and distributed
5. Acknowledgement of Correspondence
6. Approval of July Financials
7. Approval of the July 2020 Bills
8. Directors Report

9. Discussion/Action on Wisconsin Public Service Commission Docket 5-UI-120: Investigation on the Commission's Own Motion to Ensure Safe, Reliable and Affordable Access to Utility Services During Declared Public Health Emergency for COVID-19; and subsequent Order (PSC REF#386373), Supplemental Order – First (PSC REF#390567), and Supplemental Order – Second (PSC REF#392763); as they relate to future operations of the Lake Geneva Utility Commission – Water Utility (*Continued from July Utility Commission Meeting*)
10. Presentation of 2019 Financial Audit by Dave Maccoux – Clifton Larson Allen LLP
11. Discussion/Action on extraterritorial sewer service application from Anna Balucka at Town of Linn tax parcel IPV 00001 – W2573 South St.
12. Discussion/Action on the acceptance of the municipal water supply facility improvements associated with the development at 1150 – 1156 Wells Street.
13. Discussion/Action on Pay Request #2 by Pittsburg Tank & Tower Co., Inc. for work completed on the Dodge Tower Raising and Coating Project – Bid #1 in an amount not to exceed \$120,128.26.
14. Discussion/Action on proposal from LW Allen for the replacement of SCADA equipment for the wastewater treatment plant.
15. Motion to go into closed session pursuant to Wis. Stat. 19.85(1)(e) deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session specifically regarding the proposal for environmental services provided by SCS Engineers.
16. Motion to return to open session pursuant to Wisconsin Statutes 19.85(2) and take action on any items discussed in closed session.
17. Adjourn

**Lake Geneva Utility Commission Minutes
Lake Geneva Utility Commission Meeting
Wednesday July 15, 2020 4:00 PM
Council Chambers, City Hall – 626 Geneva Street**

THIS MEETING WAS HELD IN COUNCIL CHAMBERS WITH AN IN-PERSON ATTENDANCE LIMIT OF NO MORE THAN 13 PEOPLE ON A FIRST COME FIRST SERVED BASIS AS WELL AS BEING HELD VIRTUALLY TO HELP PROTECT OUR COMMUNITY FROM THE CORONAVIRUS (COVID-19) PANDEMIC.

Call Meeting to Order- President Lyon called the meeting to order at 4:02pm.

Roll Call – Lyon, Klein, Flower, Hedlund, Nord & Binn. **Absent:** Esarco

Staff in Attendance – Gajewski & Busch

Comments from the public as allowed by Wis. Statutes §19.84 (2), limited to items on this agenda except for public hearing items. Comments will be limited to 5 minutes.
None

Approve Utility Commission Minutes from June 17, 2020 as prepared and distributed
Hedlund/Flower motion to approve. Passed 6-0.

Acknowledgement of Correspondence
Gajewski stated that we have received correspondence from the Public Service Commission regarding an update to their docket 5-UI-120. This item is on the agenda for review.

Approval of June Financials
Gajewski presented the June financials.
Hedlund/Binn motion to approve. Passed 6-0.

Approval of the June 2020 Bills
Hedlund/Flower motion to approve the bills and allow President Lyon and Mayor Klein to sign the bill list on behalf of all commissioners. Passed 6-0.

Directors Report
Gajewski reviewed the submitted Directors report including notification of damage to the SCADA system at the Wastewater Plant during the latest rainstorm. He said they will be getting the necessary quotes to replace the damaged equipment. He also gave an update on the Dodge Tower project and said the crane company are planning to set up and assemble the crane the week commencing July 20. It takes one day to set up the crane, one day to raise the tower and then another day to disassemble the crane.

Discussion/Action on repairs and replacement of components for WWTP influent screening equipment
Gajewski explained that the influent screening equipment removes inorganic contaminants from wastewater and is essential to operations. JWC Environmental would supply the new parts that we need through LW Allen, and Sabel Mechanical would remove the equipment, make the necessary repairs, and reinstall it.

Flower/Binn motion to approve the purchase of components as quoted by LW Allen for \$20,162.33 and to contract with Sabel Mechanical for the removal, repair, and reinstallation of the itemized equipment in an amount not to exceed \$4,861. Passed 6-0.

Discussion/Action on 2019 Compliance Maintenance Annual Report and Resolution 2020-01

Gajewski explained that this is an annual report that we are required to submit to the DNR. Chlorides are still our problem area as reflected in our groundwater grade. In 2018 we refocused our Chloride Source Reduction Measures plan away from the primary focus being residential water softeners and are now including commercial customers. Discussion followed.

Lyon/Flower motion to approve the 2019 CMAR and Resolution 2020-01. Passed 6-0.

Update on Simplified Rate Case Application – Water – Wisconsin Public Service Commission

Gajewski reminded the Commission that they had discussed implementing a water rate increase using a simplified rate case in 2020. However, when he checked our information against the PSC's criteria, we do not qualify. Next year we could file for a full rate case review of our water rates.

Discussion/Action Wisconsin Public Service Commission Docket 5-UI-120: Investigation on the Commission's Own Motion to Ensure Safe, Reliable and Affordable Access to Utility Services During Declared Public Health Emergency for COVID-19; and subsequent Order (PSC REF#386373), Supplemental Order – First (PSC REF#390567), and Supplemental Order – Second (PSC REF#392763); as they relate to future operations of the Lake Geneva Utility Commission – Water Utility

Gajewski gave an overview of the PSC's docket and staff recommendations. The Public Service Commission govern only the water utility not the sewer utility. The PSC's order filed under the docket prohibits the application of late fees to delinquent water bills incurred between March 24 and July 15, 2020. Our billing software is not capable of excluding this period of time and therefore we would need to wait until after the tax roll process is completed in November to resume the application of late fees to the water portion of the delinquent bills. As we are not governed by the PSC for the sewer portion of the bills, we could resume the application of late fees to this portion now. The updated order also allows us to resume disconnections for delinquent bills after July 15, 2020. Discussion followed. More financial information was requested by the Commission.

Flower/Klein motion to continue this item to the August Utility Commission meeting. Passed 6-0.

Discussion/Action on the acceptance of the sanitary sewer and municipal water supply facility improvements associated with the development at 1111 N. Edwards Blvd., Fairfield Inn & Suites.

Gajewski explained that the dedication of the utility improvements required to facilitate this development were part of the property's Developer's Agreement, and all utilities have been installed and inspected. It is his recommendation that the utility improvements should now be accepted by the Utility Commission.

Flower/Klein motion to approve the acceptance of ownership of the specified utility improvements for Fairfield Inn & Suites as outlined. Passed 6-0.

Discussion on municipal water and sanitary sewer improvements along portions of WIS 50/Main Street.

Gajewski gave an overview of the potential combined project with Public Works and the DOT and what it could entail for water and sewer. The estimated timeline for this project is 2024/2025. He recommends that we take the opportunity to upsize and upgrade known problem areas and begin to look at funding opportunities now. He went over estimated costs and the benefits of this project. Discussion only, no action taken.

Discussion/Action on Lake Geneva Utility Commission staffing and operations related to COVID-19 and the June 30, 2020 City of Lake Geneva State of Emergency Proclamation

Gajewski explained that there are no current official directives being given by the State or the County with regard to COVID-19. He explained what the Families First Coronavirus Response Act (FFCRA) is and its purpose. He also reviewed the revised Mayoral Proclamation and the City's Resolution 20-R26, which refers to exempt employees and explained that Utility staff would not qualify for FFCRA. He would like direction from the Commission on how they feel we should best proceed to protect the Utility's operations, as well as its customers and staff. Discussion followed. No action taken.

Adjourn

Binn/Lyon motion to adjourn at 5:28pm. Passed 6-0.

/s/ Jo Busch, Office Manager

**THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE
LAKE GENEVA UTILITY COMMISSION**

#6

LAKE GENEVA UTILITY COMMISSION

BUDGET COMPARISON THRU:

7 / 2020

FUND 62 - WATER UTILITY

REVENUES	Current Month	YTD	2020 Budgeted	Variance (YTD vs Budget)	YTD % of 2020 Budget 58.3%	YTD Look Back 2019	YTD Look Back 5 Year Avg.
INTEREST EARNED	163	5,915	26,200	-20,285	22.58%	11,578	4,371
CUSTOMER SALES	21,080	814,353	1,735,500	-921,147	46.92%	824,818	737,015
OTHER REVENUE	7,317	240,057	696,736	-456,679	34.45%	233,440	211,524
CAPITAL CONTRIBUTIONS	18,590	69,290	501,750	-432,460	13.81%	80,444	52,265
TOTAL REVENUES	47,149	1,129,615	2,960,186	-1,830,571	38.16%	1,150,281	1,005,176
EXPENSES							
TOTAL SOURCE OF SUPPLY - OPERATION	4,199	27,220	67,150	-39,930	40.54%	33,301	31,591
TOTAL SOURCE OF SUPPLY - MAINTENANCE	1,444	4,941	17,200	-12,259	28.73%	8,706	9,738
TOTAL PUMPING EXPENSE - OPERATION	6,814	37,066	76,750	-39,684	48.29%	35,884	41,237
TOTAL PUMPING EXPENSE - MAINTENANCE	1,461	3,650	30,000	-26,350	12.17%	4,119	7,948
TOTAL WATER TREATMENT - OPERATION	11,708	62,993	98,350	-35,357	64.05%	48,801	44,407
TOTAL WATER TREATMENT - MAINTENANCE	5,532	32,882	64,800	-31,918	50.74%	44,292	42,580
TOTAL TRANS. & DISTRIBUTION - OPERATION	1,773	17,759	41,200	-23,441	43.10%	24,344	25,565
TOTAL TRANS. & DISTRIBUTION - MAINTENANCE	10,533	60,397	682,000	-621,603	8.86%	83,083	78,435
TOTAL CUSTOMER ACCOUNTS	6,211	38,193	63,825	-25,632	59.84%	34,623	36,971
TOTAL ADMIN & GENERAL OPERATIONS	24,547	192,632	413,361	-220,729	46.60%	224,691	260,582
TOTAL OTHER EXPENSES	26,000	182,000	325,000	-143,000	56.00%	182,000	91,001
TOTAL OPERATION & MAINTENANCE EXPENSES	100,221	659,734	1,879,636	-1,219,902	35.10%	723,844	670,055
REVENUES OVER O&M EXPENSES	-53,072	469,881	1,080,550	-610,669		426,437	335,121
TOTAL CAPITAL OUTLAY	144,362	209,291	938,700	-729,409	22.30%	105,210	180,139
REVENUES OVER TOTAL EXPENSES	-197,434	260,590	141,850	118,740		321,227	154,982
TOTAL CASH TRANSFERS	50,774	50,774	138,750		36.59%	297,683	-52,517
ANNUAL CASH BALANCE	-248,208	209,816	3,100	206,716		23,544	207,499
TOTAL DEPRECIATION	0	0	0	0	0%	0	54,053
FUND CASH AND INVESTMENT SUMMARY							
	<u>Opening Balance</u>	<u>Period Activity</u>	<u>Ending Balance</u>				
Water Utility Fund Cash	646,207	240,564	886,771				
LGIP #1 - Capital Project Fund	376,360	45	376,405				
LGIP #2 - Impact Fee Fund	613,068	27,114	640,182				
LGIP #3 - Equipment Replacement Fund	359,959	43	360,002				
TOTAL WATER FUND CASH AND INVESTMENT	1,995,594	267,767	2,263,361				

LAKE GENEVA UTILITY COMMISSION

BUDGET COMPARISON THRU:

7 / 2020

FUND 61 - WASTEWATER UTILITY

REVENUES	Current Month	YTD	2020 Budgeted	Variance (YTD vs Budget)	YTD % of 2020 Budget 58.3%	YTD Look Back 2019	YTD Look Back 5 Year Avg.
INTEREST EARNED	275	10,041	46,900	-36,859	21.41%	21,476	11,023
CUSTOMER SALES	33,236	924,951	1,984,950	-1,059,999	46.60%	958,723	730,915
OTHER REVENUE	769	4,323	9,250	-4,927	46.74%	6,429	7,736
CAPITAL CONTRIBUTIONS	20,515	76,465	139,875	-63,410	54.67%	93,623	62,518
TOTAL REVENUES	54,796	1,015,781	2,180,975	-1,165,194	46.57%	1,080,250	812,191
EXPENSES							
TOTAL OUTSIDE SERVICES	30,336	162,893	358,319	-195,426	45.46%	147,937	124,989
TOTAL OPERATING EXPENSES	2,706	17,859	38,050	-20,191	46.94%	17,265	17,096
TOTAL INSURANCE	0	13,562	27,350	-13,788	49.59%	12,292	18,237
TOTAL SALARY & BENEFITS	39,247	294,755	621,526	-326,771	47.42%	289,339	311,230
TOTAL LAB SUPPLIES	3,024	11,244	21,200	-9,956	53.04%	10,920	8,925
TOTAL MISCELLANEOUS EXPENSE	15	232	2,150	-1,918	10.79%	693	1,196
TOTAL MAINTENANCE	45,873	77,118	368,500	-291,382	20.93%	103,616	84,723
TOTAL OPERATION & MAINTENANCE EXPENSES	121,202	577,663	1,437,095	-859,432	40.20%	582,063	566,397
REVENUES OVER O&M EXPENSES	-66,406	438,118	743,880	-305,762		498,187	245,795
TOTAL CAPITAL OUTLAY	0	22,725	351,400	-328,675	6.47%	127,961	255,959
REVENUES OVER TOTAL EXPENSES	-66,406	415,393	392,480	22,913		370,226	-10,164
TOTAL CASH TRANSFERS	29,840	55,950	389,075	-333,125	14.38%	574,171	-12,789
ANNUAL CASH BALANCE	-96,246	359,443	3,405	356,038		-203,945	2,626
TOTAL DEPRECIATION	0	0	0	0	0.00%	0	0
FUND CASH AND INVESTMENT SUMMARY							
	<u>Opening Balance</u>	<u>Period Activity</u>	<u>Ending Balance</u>				
Wastewater Utility Fund Cash	863,980	273,571	1,137,551				
LGIP #10 - Capital Project Fund	675,324	81	675,406				
LGIP #11 - Debt Service Fund	0	0	0				
LGIP #12 - Impact Fee Fund	688,596	29,923	718,519				
LGIP #13 - Equipment Replacement Fund	922,725	111	922,836				
TOTAL WASTEWATER CASH AND INVESTMENT	3,150,625	303,687	3,454,312				

Bills over \$5K

#7

Report Criteria:

Detail report.
Invoices with totals above \$5000.00 included.
Paid and unpaid invoices included.
Invoice Detail.GL account (2 Characters) = "61","62"

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
61				
JWC ENVIRONMENTAL				
102968	07/29/2020	BAR SCREEN MAINT	61-00-00-10700 CONSTRUCTION WORK IN PROCESS	20,162.41
Total JWC ENVIRONMENTAL:				20,162.41
* CLIFTON LARSON ALLEN LLP				
2533978	06/29/2020	INTERIM BILLING-2019 AUDUT	61-00-00-52120 ACCTG CONSULTANT REES/AUDITING	1,587.50
Total CLIFTON LARSON ALLEN LLP:				1,587.50
ALLIANT ENERGY				
2809540000-2	07/07/2020	201 HASKINS ST SEWER PLAN	61-00-00-52520 UTILTITY-ELECTRICITY-PLANT	13,244.95
Total ALLIANT ENERGY:				13,244.95
* CHASE CARD SERVICES				
7531-08/20	07/20/2020	DISINFECTANT MATS	61-00-00-55000 COVID-19 EXPENDITURES	90.00
7531-08/20	07/20/2020	FACE MASKS	61-00-00-55000 COVID-19 EXPENDITURES	67.38
Total CHASE CARD SERVICES:				157.38
CRANE ENGINEERING SALES INC				
387372-00	07/13/2020	DIGESTER BLOWER VFD#4 RE	61-00-00-93602 MAINT-DIGESTERS EQUIP	5,707.32
Total CRANE ENGINEERING SALES INC:				5,707.32
UNITED LABORATORIES				
INV292375	07/08/2020	LS DEGREASER	61-00-00-93800 MAINT-LIFT STATIONS	8,445.60
Total UNITED LABORATORIES:				8,445.60
ASPHALT CONTRACTORS INC				
20365	07/16/2020	PATCHING-WI & WARREN ST-M	61-00-00-93810 MAINT-MAINS	3,057.62
Total ASPHALT CONTRACTORS INC:				3,057.62
DOWN TO EARTH CONTRACTORS INC				
7376	07/14/2020	MH J6048-NEW ONE-REPLACE	61-00-00-93810 MAINT-MAINS	10,015.40
7381	07/20/2020	RAISE MANHOLE COVERS-MA	61-00-00-93810 MAINT-MAINS	5,298.50
Total DOWN TO EARTH CONTRACTORS INC:				15,313.90
Total 61:				67,676.68
62				
* CHASE CARD SERVICES				
7531-08/20	07/20/2020	DISINFECTANT MATS	62-00-00-55000 COVID-19 EXPENDITURES	89.99
7531-08/20	07/20/2020	FACE MASKS	62-00-00-55000 COVID-19 EXPENDITURES	67.37

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total CHASE CARD SERVICES:				157.36
ALLIANT ENERGY				
5764250000-2	08/04/2020	361 MAIN ST ENG RM	62-00-00-62300 PUMPING POWER PURCHASED	5,616.16
Total ALLIANT ENERGY:				5,616.16
ASPHALT CONTRACTORS INC				
20365	07/16/2020	PATCHING-WI & WARREN ST-W	62-00-00-67500 MAINT SERVICES & CURB BOX	2,540.38
Total ASPHALT CONTRACTORS INC:				2,540.38
* CLIFTON LARSON ALLEN LLP				
2533978	06/29/2020	INTERIM BILLING-2019 AUDIT	62-00-00-92300 OUTSIDE SERVICES EMPLOYED	1,587.50
Total CLIFTON LARSON ALLEN LLP:				1,587.50
Total 62:				9,901.40
Grand Totals:				77,578.08

* total invoice split across departments was over \$5K

Dated: _____

Mayor: _____

City Council: _____

City Recorder: _____

Report Criteria:

Detail report.

Invoices with totals above \$5000.00 included.

Paid and unpaid invoices included.

Invoice Detail.GL account (2 Characters) = "61","62"

Report Criteria:

Detail report.
Invoices with totals above \$0.00 included.
Paid and unpaid invoices included.
Invoice Detail.GL account (2 Characters) = "61","62"

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
61				
JWC ENVIRONMENTAL				
102968	07/29/2020	BAR SCREEN MAINT	61-00-00-10700 CONSTRUCTION WORK IN PROCESS	20,162.41
Total JWC ENVIRONMENTAL:				20,162.41
NORTHERN LAKE SERVICE INC				
381405	07/08/2020	WEEKLY NITROGEN	61-00-00-52100 LABORATORY SERVICES	178.60
382578	07/24/2020	WEEKLY NITROGEN TESTING	61-00-00-52100 LABORATORY SERVICES	178.60
382680	07/28/2020	WEEKLY NITROGEN TESTING	61-00-00-52100 LABORATORY SERVICES	196.60
383149	08/03/2020	WEEKLY NITROGEN TESTING	61-00-00-52100 LABORATORY SERVICES	178.60
Total NORTHERN LAKE SERVICE INC:				732.40
CLIFTON LARSON ALLEN LLP				
2533978	06/29/2020	INTERIM BILLING-2019 AUDIT	61-00-00-52120 ACCTG CONSULTANT REES/AUDITING	1,587.50
Total CLIFTON LARSON ALLEN LLP:				1,587.50
WE ENERGIES				
0062-843-645-	07/08/2020	191 HASKINS DE WATERING BL	61-00-00-52500 UTILITY-GAS-PLANT	9.90
0062-843-645-	08/06/2020	191 HASKINS DE-WATERING BL	61-00-00-52500 UTILITY-GAS-PLANT	9.57
6024-403-732-	07/08/2020	201 HASKINS WWTF-SEWER PL	61-00-00-52500 UTILITY-GAS-PLANT	28.58
6024403-732-2	08/06/2020	HASKINS ST WWTF SEWER PL	61-00-00-52500 UTILITY-GAS-PLANT	26.71
8468-292-380-	07/08/2020	191 HASKINS WEST BLDG STO	61-00-00-52500 UTILITY-GAS-PLANT	10.68
8468-292-380-	08/06/2020	HASKINS ST WEST BLDG-STOR	61-00-00-52500 UTILITY-GAS-PLANT	9.91
4026-567-004-	07/08/2020	1350 EDGEWOOD DR-LIFT STA	61-00-00-52505 UTILITY-GAS-COLLECTION SYSTEM	11.75
4026-567-004-	08/06/2020	EDGEWOOD LIFT STN	61-00-00-52505 UTILITY-GAS-COLLECTION SYSTEM	10.25
5873-681-278-	07/10/2020	860 LAGRANGE-LAGRANGE LIF	61-00-00-52505 UTILITY-GAS-COLLECTION SYSTEM	14.59
5873-681-278-	08/07/2020	LAGRANGE DR LIFT STN	61-00-00-52505 UTILITY-GAS-COLLECTION SYSTEM	14.07
5881-700-273-	07/14/2020	BIG FOOT LIFT STATION	61-00-00-52505 UTILITY-GAS-COLLECTION SYSTEM	14.30
Total WE ENERGIES:				160.31
ALLIANT ENERGY				
1438750000-2	08/03/2020	HASKINS ST DEWTRBLD	61-00-00-52520 UTILTITY-ELECTRICITY-PLANT	258.64
2809540000-2	07/07/2020	201 HASKINS ST SEWER PLAN	61-00-00-52520 UTILTITY-ELECTRICITY-PLANT	13,244.95
5077530000-2	08/03/2020	361 W MAIN ST SIGN	61-00-00-52520 UTILTITY-ELECTRICITY-PLANT	18.99
9746710000-2	08/03/2020	361 MAIN ST HALLWAY	61-00-00-52520 UTILTITY-ELECTRICITY-PLANT	228.63
0553610000-2	08/03/2020	361 MAIN ST C C LIFT	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	76.32
1411800000-20	08/03/2020	LAGRANGE DR LIFT STN	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	189.32
2779710000-2	08/03/2020	MARIANE TER LIFT STN	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	44.36
3079550000-2	08/03/2020	MAXWELL ST LIFT STN	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	31.60
3271130000-20	07/01/2020	BAYVIEW DR LIFT STN	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	40.15
3271130000-20	08/03/2020	BAYVIEW DR LIFT STN	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	44.17
5994110000-20	08/03/2020	361 STATE ROAD 120 BIG FOOT	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	235.42
9629610000-2	08/03/2020	EDGEWOOD DR LIFT STN	61-00-00-52525 UTILTITY-ELECTRICITY-COLL SYS	127.70
Total ALLIANT ENERGY:				14,540.25

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
MARTIN GROUP				
1265468	07/22/2020	SERVICE CONTRACT/COPIES	61-00-00-53100 OFFICE SUPPLIES EXPENSE	93.01
Total MARTIN GROUP:				93.01
OFFICE DEPOT				
100326682001	06/23/2020	MARKERS PENS POST IT FLAG	61-00-00-53100 OFFICE SUPPLIES EXPENSE	35.74
100360054001	06/23/2020	PRINTER INK & SERVICE BOOK	61-00-00-53100 OFFICE SUPPLIES EXPENSE	39.67
100360056001	06/23/2020	RUBBERBANDS	61-00-00-53100 OFFICE SUPPLIES EXPENSE	3.19
100360057001	06/23/2020	CLIPBOARD	61-00-00-53100 OFFICE SUPPLIES EXPENSE	1.39
110325512001	07/31/2020	PADDED ENVELOPES	61-00-00-53100 OFFICE SUPPLIES EXPENSE	29.00
Total OFFICE DEPOT:				108.99
TIME WARNER CABLE				
719553801072	07/22/2020	INTERNET SVC-JUL	61-00-00-53100 OFFICE SUPPLIES EXPENSE	37.49
Total TIME WARNER CABLE:				37.49
AT&T				
262248231107	07/13/2020	JULY TELEPHONE	61-00-00-53110 TELEPHONE EXPENSE	162.70
Total AT&T:				162.70
AT&T LONG DISTANCE				
RE JUL	08/04/2020	262-248-2394 JUL	61-00-00-53110 TELEPHONE EXPENSE	1.52
RE-JUNE	07/04/2020	2622482394-JUN	61-00-00-53110 TELEPHONE EXPENSE	2.22
Total AT&T LONG DISTANCE:				3.74
US CELLULAR				
0382676618	07/04/2020	WWTF MONTHLY PHONE BILL	61-00-00-53110 TELEPHONE EXPENSE	143.33
Total US CELLULAR:				143.33
DUNN LUMBER				
797737	07/21/2020	WINDOW BRUSH-SHOP	61-00-00-53500 OPERATIONS TOOLS & EQUIP	14.21
Total DUNN LUMBER:				14.21
USA BLUE BOOK				
331779	07/29/2020	SPRAY WAND, MEASURING WH	61-00-00-53500 OPERATIONS TOOLS & EQUIP	329.43
Total USA BLUE BOOK:				329.43
HOME DEPOT CREDIT				
5624140	06/11/2020	SPRAYER	61-00-00-53510 OPERATIONS-EQUIPMENT	14.97
Total HOME DEPOT CREDIT:				14.97
AMERICAN INDUSTRIAL MEDICAL				
22398	07/28/2020	HEARING TESTS-SAFETY	61-00-00-53900 FIRST AID & SAFETY SUPPLIES	163.00
Total AMERICAN INDUSTRIAL MEDICAL:				163.00
CINTAS CORP				
5023320529	08/03/2020	FIRST AID CABINET RESTOCK	61-00-00-53900 FIRST AID & SAFETY SUPPLIES	67.53

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total CINTAS CORP:				67.53
LOU'S GLOVES INC				
036960	08/04/2020	EXAM GRADE GLOVES	61-00-00-53900 FIRST AID & SAFETY SUPPLIES	107.00
Total LOU'S GLOVES INC:				107.00
CHASE CARD SERVICES				
7531-08/20	07/20/2020	DISINFECTANT MATS	61-00-00-55000 COVID-19 EXPENDITURES	90.00
7531-08/20	07/20/2020	FACE MASKS	61-00-00-55000 COVID-19 EXPENDITURES	67.38
Total CHASE CARD SERVICES:				157.38
OFFICE DEPOT				
102894700001	07/02/2020	HAND SANITIZER	61-00-00-55000 COVID-19 EXPENDITURES	29.94
Total OFFICE DEPOT:				29.94
FIRST BANKCARD				
553102001630	06/11/2020	LAB FRIDGE STARTER RELAY	61-00-00-64000 LABORATORY SUPPLIES	17.86
Total FIRST BANKCARD:				17.86
USA BLUE BOOK				
278206	06/25/2020	HAULER TEST STRIPS	61-00-00-64000 LABORATORY SUPPLIES	695.61
289184	07/08/2020	HAULER CHLORIDE TEST STRI	61-00-00-64000 LABORATORY SUPPLIES	1,990.95
331779	07/29/2020	PROBES & TEST STRIPS - LAB	61-00-00-64000 LABORATORY SUPPLIES	976.79
Total USA BLUE BOOK:				3,663.35
SECURIAN FINANCIAL GROUP				
AUG2020UTIL	07/13/2020	AUG 2020 LIFE INS	61-00-00-92630 LIFE INSURANCE EXPENSE	6.76
SEP 2020 UTIL	08/11/2020	SEP 2020 LIFE INS	61-00-00-92630 LIFE INSURANCE EXPENSE	6.76
Total SECURIAN FINANCIAL GROUP:				13.52
CINTAS CORPORATION LOC 447				
4052061505	06/02/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4052632882	06/09/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4053267382	06/16/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4053846068	06/23/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4054534015	06/30/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4055114234	07/07/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4055824139	07/14/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4056459265	07/21/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
4057018569	07/28/2020	WWTF UNIFORMS	61-00-00-92650 UNIFORM/CLOTHING EXPENSE	58.93
Total CINTAS CORPORATION LOC 447:				530.37
CITY ELECTRIC				
LKG/064473	07/13/2020	GRIT RAPTOR FUSES	61-00-00-93601 MAINT-HEADWORKS EQUIP	102.12
Total CITY ELECTRIC:				102.12
GREGG MARTIN INSTRUMENTATION				
43776	07/23/2020	GAS DETECTOR REPAIRS/H2O	61-00-00-93601 MAINT-HEADWORKS EQUIP	380.00

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total GREGG MARTIN INSTRUMENTATION:				380.00
CRANE ENGINEERING SALES INC				
387372-00	07/13/2020	DIGESTER BLOWER VFD#4 RE	61-00-00-93602 MAINT-DIGESTERS EQUIP	5,707.32
389402-00	08/07/2020	WEAR SLEEVE & OIL SEAL - DI	61-00-00-93602 MAINT-DIGESTERS EQUIP	335.49
Total CRANE ENGINEERING SALES INC:				6,042.81
LW ALLEN LLC				
103782	07/30/2020	REPAIR VFD FOR #3 & #4 SLUD	61-00-00-93602 MAINT-DIGESTERS EQUIP	932.14
Total LW ALLEN LLC:				932.14
BUMPER TO BUMPER AUTO PARTS				
662-428246	07/20/2020	DITCH DRIVE BELT MAINT	61-00-00-93603 MAINT-PROCESS EQUIP	117.27
Total BUMPER TO BUMPER AUTO PARTS:				117.27
CITY ELECTRIC				
LKG/064538	07/15/2020	DITCH ELECT MOTOR INSTALL	61-00-00-93603 MAINT-PROCESS EQUIP	55.65
Total CITY ELECTRIC:				55.65
LAKE GENEVA ELECTRIC MOTOR SRV				
LGEM071420	07/14/2020	PROCESS AERATOR ELEC MOT	61-00-00-93603 MAINT-PROCESS EQUIP	495.00
Total LAKE GENEVA ELECTRIC MOTOR SRV:				495.00
SABEL MECHANICAL LLC				
20264	07/06/2020	RUBBER SEAL-BELT PRESS MA	61-00-00-93607 MAINT-DEWATERING-B/PRESS EQUIP	524.93
Total SABEL MECHANICAL LLC:				524.93
DUNN LUMBER				
797178	07/15/2020	SHOP HOSE	61-00-00-93700 MAINT-VEHICLES & EQUIP	36.00
Total DUNN LUMBER:				36.00
ITU ABSORB TECH INC				
7515891	07/24/2020	SHOP RAGS	61-00-00-93700 MAINT-VEHICLES & EQUIP	30.90
Total ITU ABSORB TECH INC:				30.90
UNITED LABORATORIES				
INV292375	07/08/2020	LS DEGREASER	61-00-00-93800 MAINT-LIFT STATIONS	8,445.60
INV293895	07/24/2020	LIFT STATION RODENT REPELL	61-00-00-93800 MAINT-LIFT STATIONS	287.46
Total UNITED LABORATORIES:				8,733.06
ASPHALT CONTRACTORS INC				
20365	07/16/2020	PATCHING-WI & WARREN ST-M	61-00-00-93810 MAINT-MAINS	3,057.62
Total ASPHALT CONTRACTORS INC:				3,057.62
DIGGERS HOTLINE				
200739101PP2	07/29/2020	2020 PREPAYMENT (2) 865 TICK	61-00-00-93810 MAINT-MAINS	461.33

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total DIGGERS HOTLINE:				461.33
DOWN TO EARTH CONTRACTORS INC				
7376	07/14/2020	MH J6048-NEW ONE-REPLACE	61-00-00-93810 MAINT-MAINS	10,015.40
7381	07/20/2020	RAISE MANHOLE COVERS-MA	61-00-00-93810 MAINT-MAINS	5,298.50
Total DOWN TO EARTH CONTRACTORS INC:				15,313.90
OTTO JACOBS				
121918	07/06/2020	GRAVEL SLURRY-WARREN ST	61-00-00-93810 MAINT-MAINS	2,340.00
Total OTTO JACOBS:				2,340.00
USA BLUE BOOK				
331779	07/29/2020	TRIVIEW FLEX	61-00-00-93810 MAINT-MAINS	135.04
Total USA BLUE BOOK:				135.04
ALLIANT ENERGY				
2524220000-2	08/03/2020	E STATE ROAD 50 GATE	61-00-00-93820 MAINT-RECEIVING STATION	19.11
Total ALLIANT ENERGY:				19.11
ADAMS, ANDREW J				
279	08/03/2020	MOWING SEEPAGE CELLS	61-00-00-93830 MAINT-SEEPAGE CELLS/POND	1,350.00
Total ADAMS, ANDREW J:				1,350.00
ADAMS, DAVID J				
80	08/03/2020	CHISEL PLOWING SEEPAGE CE	61-00-00-93830 MAINT-SEEPAGE CELLS/POND	1,800.00
Total ADAMS, DAVID J:				1,800.00
ALLIANT ENERGY				
0548850000-2	08/03/2020	E STATE ROAD 50 SEEPAGE	61-00-00-93830 MAINT-SEEPAGE CELLS/POND	57.74
Total ALLIANT ENERGY:				57.74
DUNN LUMBER				
797178	07/15/2020	PLANT KEYS	61-00-00-93910 MAINTENANCE-OTHER	8.95
797737	07/21/2020	COAX CONNECTORS-CABLE FI	61-00-00-93910 MAINTENANCE-OTHER	5.38
Total DUNN LUMBER:				14.33
GREGG MARTIN INSTRUMENTATION				
43669	07/07/2020	METER CALIBRATION	61-00-00-93910 MAINTENANCE-OTHER	780.80
Total GREGG MARTIN INSTRUMENTATION:				780.80
HOME DEPOT CREDIT				
5624140	06/11/2020	BATTERY FOR OUT-DIALER	61-00-00-93910 MAINTENANCE-OTHER	22.97
Total HOME DEPOT CREDIT:				22.97
Total 61:				85,643.41

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
62				
HOME DEPOT CREDIT				
12252	06/16/2020	ROOFING/EAVE MATERIALS-DO	62-00-00-10700 CONSTRUCTION WORK IN PROCESS	38.64
Total HOME DEPOT CREDIT:				38.64
KAPUR & ASSOCIATES INC				
103615	07/20/2020	WARREN ST MAIN SPECS & PL	62-00-00-10700 CONSTRUCTION WORK IN PROCESS	858.00
Total KAPUR & ASSOCIATES INC:				858.00
LW ALLEN LLC				
104104	08/10/2020	DODGE TOWER PANEL RELOC	62-00-00-10700 CONSTRUCTION WORK IN PROCESS	950.00
Total LW ALLEN LLC:				950.00
MSA PROFESSIONAL SERVICES INC				
R07815004.0-1	07/09/2020	DODGE TOWER CONSTRUCTIO	62-00-00-10700 CONSTRUCTION WORK IN PROCESS	4,338.75
Total MSA PROFESSIONAL SERVICES INC:				4,338.75
CHASE CARD SERVICES				
7531-08/20	07/20/2020	DISINFECTANT MATS	62-00-00-55000 COVID-19 EXPENDITURES	89.99
7531-08/20	07/20/2020	FACE MASKS	62-00-00-55000 COVID-19 EXPENDITURES	67.37
Total CHASE CARD SERVICES:				157.36
OFFICE DEPOT				
102894700001	07/02/2020	HAND SANITIZER	62-00-00-55000 COVID-19 EXPENDITURES	29.94
Total OFFICE DEPOT:				29.94
MARTELLE WATER TREATMENT				
20167	07/08/2020	SODIUMHYPOCHLORITE-TREA	62-00-00-60200 CHEMICALS	542.36
Total MARTELLE WATER TREATMENT:				542.36
ALLIANT ENERGY				
1455110000-20	08/03/2020	361 MAIN ST WELL 2	62-00-00-60300 MISC EXPENSES & UTILITY	1,430.05
3273910000-2	08/03/2020	WAVERLY ST WELL 4	62-00-00-60300 MISC EXPENSES & UTILITY	641.19
3483700000-2	08/03/2020	WAVERLY ST WELL 3	62-00-00-60300 MISC EXPENSES & UTILITY	361.16
9727450000-2	08/03/2020	HASKINS ST WELL 5	62-00-00-60300 MISC EXPENSES & UTILITY	1,054.96
Total ALLIANT ENERGY:				3,487.36
WE ENERGIES				
4410-883-577-	07/08/2020	WAVERLY ST PUMP HSE-WELL	62-00-00-60300 MISC EXPENSES & UTILITY	9.90
4410-883-577-	08/06/2020	WAVERLY ST PUMP HSE-WELL	62-00-00-60300 MISC EXPENSES & UTILITY	9.57
5271-603-363-	07/08/2020	216 HASKINS WELLHOUSE #5	62-00-00-60300 MISC EXPENSES & UTILITY	9.90
5271-603-363-	08/07/2020	HASKINS ST WELLHOUSE# 5	62-00-00-60300 MISC EXPENSES & UTILITY	9.57
Total WE ENERGIES:				38.94
HOME DEPOT CREDIT				
7624904	06/19/2020	BOX EXTENSION-WELLHOUSE	62-00-00-61100 STRUCTURE & IMPRVMT	7.06

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total HOME DEPOT CREDIT:				7.06
DUNN LUMBER				
795969	06/30/2020	BALLVALVE-WELLHOUSE#5	62-00-00-61400 WELLS MAINTENANCE	14.29
Total DUNN LUMBER:				14.29
USA BLUE BOOK				
283943	07/01/2020	SUBMERSIBLE TRANSMITTER-	62-00-00-61400 WELLS MAINTENANCE	820.98
284852	07/02/2020	PVC BUSHING-WELLHOUSE PI	62-00-00-61400 WELLS MAINTENANCE	22.33
Total USA BLUE BOOK:				843.31
ALLIANT ENERGY				
3479620000-2	08/03/2020	DODGE ST BOOSTER	62-00-00-62300 PUMPING POWER PURCHASED	171.22
5764250000-2	08/04/2020	361 MAIN ST ENG RM	62-00-00-62300 PUMPING POWER PURCHASED	5,616.16
7170610000-2	08/03/2020	CENTER ST BOOSTER	62-00-00-62300 PUMPING POWER PURCHASED	283.62
Total ALLIANT ENERGY:				6,071.00
WE ENERGIES				
3047-052-436-	07/08/2020	1401 CENTER ST BOOSTER ST	62-00-00-62300 PUMPING POWER PURCHASED	13.06
3047-052-436-	08/06/2020	CENTER ST BOOSTER STN	62-00-00-62300 PUMPING POWER PURCHASED	11.99
3478-672-073-	07/08/2020	361 E MAIN WATER DEPT MAIN	62-00-00-62300 PUMPING POWER PURCHASED	31.33
3478-672-073-	08/06/2020	361 E MAIN WATER DEPT MAIN	62-00-00-62300 PUMPING POWER PURCHASED	27.61
Total WE ENERGIES:				83.99
MARTELLE WATER TREATMENT				
20167	07/08/2020	HYDROFLUOSILICIC ACID & CH	62-00-00-64100 CHEMICALS	1,160.64
20193	07/14/2020	PHOSPATE - CHEMICAL TREAT	62-00-00-64100 CHEMICALS	4,222.34
Total MARTELLE WATER TREATMENT:				5,382.98
ALLIANT ENERGY				
9746710000-2	08/03/2020	361 MAIN ST HALLWAY	62-00-00-64200 LABOR & EXPENSES (LAB)	228.63
Total ALLIANT ENERGY:				228.63
HACH COMPANY				
12039071	07/17/2020	LEAD TESTING ELECTRODES	62-00-00-64200 LABOR & EXPENSES (LAB)	433.95
Total HACH COMPANY:				433.95
NORTHERN LAKE SERVICE INC				
381348	07/08/2020	ANNUAL LAB TEST-WDNR-IOC-	62-00-00-64200 LABOR & EXPENSES (LAB)	906.00
382493	07/22/2020	WDNR 2020 SAMPLING DBP'S	62-00-00-64200 LABOR & EXPENSES (LAB)	140.00
Total NORTHERN LAKE SERVICE INC:				1,046.00
USA BLUE BOOK				
293852	07/13/2020	LAB REAGENTS & SUPP	62-00-00-64200 LABOR & EXPENSES (LAB)	282.21
Total USA BLUE BOOK:				282.21

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
WI STATE LABORATORY OF HYGIENE				
640990	07/31/2020	FLUORIDE SPLIT	62-00-00-64200 LABOR & EXPENSES (LAB)	26.00
Total WI STATE LABORATORY OF HYGIENE:				26.00
DUNN LUMBER				
795955	06/30/2020	LAMPHOLDER-PLANT EXTERIO	62-00-00-64300 MISC EXPENSE	34.62
795968	06/30/2020	RETURN BALL VALVE, KEYS CU	62-00-00-64300 MISC EXPENSE	29.93
Total DUNN LUMBER:				4.69
HOME DEPOT CREDIT				
170542	06/26/2020	SHELF BRACKET FOR MOUNTI	62-00-00-64300 MISC EXPENSE	98.88
1022074	06/25/2020	DOOR HINGES	62-00-00-65100 PLANT MAINTENANCE	32.56
3012970	06/23/2020	LIGHTBULBS FOR TREATMENT	62-00-00-65100 PLANT MAINTENANCE	144.35
5013910	07/01/2020	QUIKRETE-STREET LIGHT BAS	62-00-00-65100 PLANT MAINTENANCE	23.20
5013962	07/01/2020	QUIKRETE	62-00-00-65100 PLANT MAINTENANCE	23.20
Total HOME DEPOT CREDIT:				322.19
UNITED LABORATORIES				
INV295013	08/06/2020	AQUATIC WEED KILLER	62-00-00-65100 PLANT MAINTENANCE	460.85
Total UNITED LABORATORIES:				460.85
GREGG MARTIN INSTRUMENTATION				
43669	07/07/2020	BFP TEST	62-00-00-65200 MAINT WATER TREATMENT EQUIP	70.40
Total GREGG MARTIN INSTRUMENTATION:				70.40
USA BLUE BOOK				
293852	07/13/2020	LAB REAGENTS & SUPPLIES	62-00-00-65200 MAINT WATER TREATMENT EQUIP	98.93
295393	07/14/2020	MOUNTING FLOOR BRACKETS	62-00-00-65200 MAINT WATER TREATMENT EQUIP	88.18
Total USA BLUE BOOK:				187.11
ALLIANT ENERGY				
0984330000-2	08/03/2020	750 WILD RIDGE DR WATER TO	62-00-00-66100 MAINT OPS-STANDPIPES	230.97
5201710000-2	08/03/2020	1887 DODGE ST TOWER	62-00-00-66100 MAINT OPS-STANDPIPES	49.35
Total ALLIANT ENERGY:				280.32
DUNN LUMBER				
795969	06/30/2020	HOLE SAWS	62-00-00-66500 MISC EXPENSE LICENSE & TOOLS	28.54
Total DUNN LUMBER:				28.54
HOME DEPOT CREDIT				
1011246	06/05/2020	GRINDING WHEEL, GRINDING	62-00-00-66500 MISC EXPENSE LICENSE & TOOLS	61.88
Total HOME DEPOT CREDIT:				61.88
FIRST BANKCARD				
054101901575	06/05/2020	BATTERY BACK UP	62-00-00-67200 RESERVOIR & STANDPIPES	63.29
Total FIRST BANKCARD:				63.29

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
DIGGERS HOTLINE				
200739101PP2	07/29/2020	2020 PREPAYMENT (2) 865 TICK	62-00-00-67300 MAINT OF MAINS & VALVES	230.67
Total DIGGERS HOTLINE:				230.67
ASPHALT CONTRACTORS INC				
20365	07/16/2020	PATCHING-WI & WARREN ST-W	62-00-00-67500 MAINT SERVICES & CURB BOX	2,540.38
Total ASPHALT CONTRACTORS INC:				2,540.38
CORE & MAIN LP				
M609958	07/07/2020	CURB STOP SHUT OFF WRENC	62-00-00-67500 MAINT SERVICES & CURB BOX	123.00
Total CORE & MAIN LP:				123.00
DIGGERS HOTLINE				
200739101PP2	07/29/2020	2020 PREPAYMENT (2) 865 TICK	62-00-00-67500 MAINT SERVICES & CURB BOX	230.67
Total DIGGERS HOTLINE:				230.67
DUNN LUMBER				
796673	07/09/2020	9V BATTERIES-METAL DETECT	62-00-00-67500 MAINT SERVICES & CURB BOX	34.99
Total DUNN LUMBER:				34.99
HOME DEPOT CREDIT				
13340	06/26/2020	MULCH, GRASS SEED, GRINDE	62-00-00-67500 MAINT SERVICES & CURB BOX	91.43
Total HOME DEPOT CREDIT:				91.43
HUMPHREYS CONTRACTING				
20REPAIRS	08/11/2020	SIDEWALK REPLACEMENT FO	62-00-00-67500 MAINT SERVICES & CURB BOX	1,103.29
Total HUMPHREYS CONTRACTING:				1,103.29
HOME DEPOT CREDIT				
7011627	06/09/2020	DUCT SEAL COMPOUND-METE	62-00-00-67600 MAINT OF METERS	2.98
7013699	06/29/2020	THERMOSTAT WIRE-METER IN	62-00-00-67600 MAINT OF METERS	77.11
Total HOME DEPOT CREDIT:				80.09
DOWN TO EARTH CONTRACTORS INC				
7402	08/12/2020	REPAIR HYDRANT LEAK-RIDGE	62-00-00-67700 MAINT OF HYDRANTS	3,173.00
Total DOWN TO EARTH CONTRACTORS INC:				3,173.00
CINTAS CORPORATION LOC 447				
4052061505	06/02/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	62.19
4052632882	06/09/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	62.19
4053267382	06/16/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	79.76
4053846068	06/23/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	63.64
4054534015	06/30/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	63.64
4055114234	07/07/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	63.64
4055824139	07/14/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	63.64
4056459265	07/21/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	63.64
4057018569	07/28/2020	WATER UNIFORMS	62-00-00-90200 METER READING EXPENSE	63.64

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total CINTAS CORPORATION LOC 447:				585.98
AT&T				
262248231107	07/13/2020	JULY TELEPHONE	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	162.70
Total AT&T:				162.70
AT&T LONG DISTANCE				
RE JUL	08/04/2020	262-248-0589 JUL	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	.37
RE JUL	08/04/2020	262-248-3211 JUL	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	11.55
RE-JUNE	07/04/2020	2622480589-JUN	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	.15
RE-JUNE	07/04/2020	2622483211-JUN	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	11.20
Total AT&T LONG DISTANCE:				23.27
ECKERT, SCOTT				
ECKERT07082	07/09/2020	REIMB ONLINE CEU CROSS CO	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	54.95
Total ECKERT, SCOTT:				54.95
LANDON HART				
HART0728202	08/03/2020	REIMB CDL PERMIT	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	30.00
Total LANDON HART:				30.00
MARTIN GROUP				
1265468	07/22/2020	SERVICE CONTRACT/COPIES	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	93.02
Total MARTIN GROUP:				93.02
OFFICE DEPOT				
100326682001	06/23/2020	MARKERS PENS POST IT FLAG	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	35.75
100360054001	06/23/2020	PRINTER INK & SERVICE BOOK	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	39.68
100360056001	06/23/2020	RUBBERBANDS	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	3.19
100360057001	06/23/2020	CLIPBOARD	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	1.40
110325512001	07/31/2020	PADDED ENVELOPES	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	28.99
Total OFFICE DEPOT:				109.01
TIME WARNER CABLE				
719553801072	07/22/2020	INTERNET SVC-JUL	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	37.49
Total TIME WARNER CABLE:				37.49
US CELLULAR				
0382676618	07/04/2020	WATER MONTHLY PHONE BILL	62-00-00-92100 OFFICE SUPPLIES & EXPENSE	143.33
Total US CELLULAR:				143.33
CLIFTON LARSON ALLEN LLP				
2533978	06/29/2020	INTERIM BILLING-2019 AUDUT	62-00-00-92300 OUTSIDE SERVICES EMPLOYED	1,587.50
Total CLIFTON LARSON ALLEN LLP:				1,587.50
FIRST BANKCARD				
554173401611	06/08/2020	MUNICIPAL WATERWORKS OPE	62-00-00-92300 OUTSIDE SERVICES EMPLOYED	45.79

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Total FIRST BANKCARD:				45.79
MSA PROFESSIONAL SERVICES INC				
R07815004.0-1	07/09/2020	DODGE TOWER SYSTEM MOD	62-00-00-92300 OUTSIDE SERVICES EMPLOYED	215.00
Total MSA PROFESSIONAL SERVICES INC:				215.00
STAFFORD ROSENBAUM LLP				
1240101	07/23/2020	LEGAL FEES-FORMER SPEED	62-00-00-92300 OUTSIDE SERVICES EMPLOYED	75.00
Total STAFFORD ROSENBAUM LLP:				75.00
AMERICAN INDUSTRIAL MEDICAL				
22398	07/28/2020	HEARING TESTS-SAFETY	62-00-00-92600 EMPLOYEE PENSIONS & BENEFITS	181.00
Total AMERICAN INDUSTRIAL MEDICAL:				181.00
LANDON HART				
HART071720	07/17/2020	REIBURSE STEEL TOE BOOTS	62-00-00-92600 EMPLOYEE PENSIONS & BENEFITS	100.00
Total LANDON HART:				100.00
SECURIAN FINANCIAL GROUP				
AUG2020UTIL	07/13/2020	AUG 2020 LIFE INS	62-00-00-92630 LIFE INSURANCE EXPENSE	18.20
SEP 2020 UTIL	08/11/2020	SEP 2020 LIFE INS	62-00-00-92630 LIFE INSURANCE EXPENSE	18.20
Total SECURIAN FINANCIAL GROUP:				36.40
CINTAS CORPORATION LOC 447				
5023320580	08/03/2020	FIRST AID SUPPLIES	62-00-00-93000 MISCELLANEOUS GENERAL EXP	126.87
Total CINTAS CORPORATION LOC 447:				126.87
FIRST BANKCARD				
554328601702	06/18/2020	AMAZON PRIME MEMBERSHIP	62-00-00-93000 MISCELLANEOUS GENERAL EXP	12.99
Total FIRST BANKCARD:				12.99
DUNN LUMBER				
796544	07/08/2020	PAINT & BRUSHES-PAINT SUPP	62-00-00-93200 MAINTENANCE OF GENERAL PLANT	12.68
796623	07/09/2020	SILICONE	62-00-00-93200 MAINTENANCE OF GENERAL PLANT	28.04
Total DUNN LUMBER:				40.72
SHERWIN-WILLIAMS COMPANY				
6372-1	07/06/2020	PAINT SUPPLIES FOR UC SIGN	62-00-00-93200 MAINTENANCE OF GENERAL PLANT	165.99
Total SHERWIN-WILLIAMS COMPANY:				165.99
VORPAGEL SERVICE INC				
46734	07/16/2020	MAIN BUILDING AC UNIT MAINT	62-00-00-93200 MAINTENANCE OF GENERAL PLANT	528.25
Total VORPAGEL SERVICE INC:				528.25
Total 62:				38,302.82

Invoice Number	Invoice Date	Description	GL Account and Title	Net Invoice Amount
Grand Totals:				123,946.23
				<u>Customer Refund + 66.42</u>
				<u>124,012.65</u>
Dated: _____				
Mayor: _____				
City Council: _____				

City Recorder: _____				

Report Criteria:
Detail report.
Invoices with totals above \$0.00 included.
Paid and unpaid invoices included.
Invoice Detail.GL account (2 Characters) = "61","62"



Lake Geneva Utility Commission

Dennis Lyon, President
Josh Gajewski, Utility Director

Jeff Ecklund, Water Superintendent
Ken Bauman, Wastewater Superintendent

361 W. Main Street P.O. Box 187 Lake Geneva, WI 53147 Phone (262) 248-2311
www.lgutilitycommission.com

TO: Lake Geneva Utility Commission
FROM: Josh Gajewski, Utility Director
SUBJECT: August 2020 Director's Report

OPERATIONS UPDATE

COVID-19 Operations

Staff has continued working to adjust operations to comply with recent regulatory changes related to COVID. As requested in July, additional information relating to delinquent utility accounts has been summarized, which is included in packets for continued discussion by Commissioners in August.

Water Operations

The Dodge Tower Project - Bid #1 is nearing final completion. The physical raising of the tank took place on July 23rd and went very smoothly. Welding was completed and inspections performed the following week, with the remaining Bid #1 items anticipated to be completed in the next week. The preconstruction meeting for the Bid #2 Recoating portion of the project is scheduled for August 18th, with work expected to begin in early September.

Wastewater Operations

Staff has continued with collection system cleaning and inspections, and are adjusting the scope of necessary maintenance improvements that are hopeful to be completed yet in 2020.

The headworks equipment that was approved in July has been delivered and is anticipated to be removed, repaired and reinstalled by mid-September.

An additional site visit was made by the manufacturer of the two newest aerobic digesters at the WWTP, to find a solution to the coating and plate failures that were noted in 2019. Staff will continue to update the Commissioners on any necessary work to be claimed through the product warranty.

Office & Administration Operations

The PSC has provided additional guidance on Docket 5-UI-120, which now suspends disconnections until September 1st, and follows all previous changes to the Administrative Code made in response to the COVID-19 pandemic. These Orders will again be presented at the August meeting for continued discussion and direction by the Commission.

Preliminary work on the 2021 Utility Budgets has begun, with the proposed schedule to be as follows: September – Review of Capital Projects, October – Draft Budget Presentation, November – Budget Adoption, and December reserved as a contingency for adoption if needed.

August 2020 Utility Commission Agenda: Background & Requested Action

9. PSC Docket 5-UI-120 and Supplementary Orders

A copy of the PSC Supplementary Orders and staff proposed responses were supplied at the July meeting for Commission review. At that time, Commissioners moved to continue the item until August and requested additional information on the amount and number of customers currently in arrearages, along with a comparison of historic data. A copy of the Commissioner requested customer information, along with staff recommendations to the PSC Order and draft disconnection plan are included in packets for review and continued consideration.

Action is recommended to approve the action items related the PSC Docket 5-UI-120.

10. 2019 Audit Report Presentation

Dave Maccoux from Clifton Larson Allen will be attending the meeting remotely, to present the 2019 Financial Audit Report for the Water and Sewer Utility

Action is recommended to approve the 2019 Water and Sewer Utility Audit.

11. Suburban Sewer Service Request

As described in the accompanying email, the Owner of the parcel IPV 00001- W2573 South Street, Town of Linn has requested sewer service to the existing single-family residence. The current Commission policy and recent decisions regarding extraterritorial service was reviewed with the Owner and they prefer to remain in the Town of Linn while requesting sewer service. The Utility operates a sanitary sewer main installed in the right of way of South St. that would be available to provide service to the requested parcel, if approved.

Action is recommended to deny the suburban service application as presented, as it will reduce the available system capacity for resident customers of the Utility and is not in the best interest of the administration, maintenance and development of the collection system.

12. Water System Improvements - 1150-1156 Wells Street

As part of the redevelopment of the subject property, water system improvements were installed and planned for dedication to the Utility as public improvements. A summary of the installed improvements can be found in the accompanying utility audit, which have been inspected and are suggested for approval and acceptance

Action is recommended to accept ownership of the specified water improvements as outlined.

13. Dodge Tower Raising and Coating Project - Bid #1 - Pay Request #2

As submitted, Pittsburg Tank and Tower Co. Inc. has requested payment for work completed to date. The pay request was reviewed by our project engineer and is suggested for approval of payment.

Action is recommended to approve Pay Request #2 from Pittsburg Tank and Tower Co, Inc. for Bid #1 of the Dodge Tower Raising and Coating project as submitted, in an amount not to exceed \$120,128.26.

14. SCADA Equipment Proposal - LW Allen

As discussed in the July Director's Report, the main SCADA computer located at the wastewater treatment plant suffered a catastrophic failure and requires replacement. Enclosed in packets is a proposal from our current SCADA system vendor to replace the computer, which also includes some related upgrades that are necessary to coexist with newer operating system platforms.

At the time of the computer failure, it became apparent that there were no other control interfaces available to staff to regulate the incoming wastewater flow and operate pumping. The only option that staff had was to manually initiate pumping, utilizing VFD controls, and continually monitor incoming flow rates and adjust pumping velocities accordingly.

As a result of that event, a second proposal was requested by staff, which would create an operator interface for headworks equipment controls, allowing for the redundancy in controls that are typically found in other areas of the system. The proposal also includes the integration of four other headworks equipment systems, which are currently being monitored only. This additional integration would allow for these components to be controlled by the SCADA system and accessed remotely for monitoring and control. Additionally, an upgrade to existing PLC has been recommended to be completed at this time, which will allow for future expansion and integration of other areas of the plant controls.

While these additional quoted areas are not a complete necessity to operate the SCADA system, they were included as part of the capital project scope budgeted for completion in 2020.

Action is recommended to approve the quote from LW Allen for the replacement of the SCADA computer and related software as presented, for an amount not to exceed \$13,360.

Staff would further recommend that the quote for the new operator interface and raw wastewater controls (Items A, C, D & E) be approved as presented in the quote from LW Allen in an amount not to exceed \$76,017.

15. Closed Session

Staff will provide additional information to the Commissioners on the noticed item.



Lake Geneva Utility Commission

#9

Dennis Lyon, President
Josh Gajewski, Utility Director

Jeff Ecklund, Water Superintendent
Ken Bauman, Wastewater Superintendent

361 W. Main Street P.O. Box 187 Lake Geneva, WI 53147 Phone (262) 248-2311
www.lgutilitycommission.com

Delinquent Accounts – July 31, 2020

2020

Monthly	41 accounts	\$5,803.00
Quarterly	278 accounts	\$55,458.27

2019

Monthly	53 accounts	\$2,857.99	4 Disconnections – Aug 6
Quarterly	290 accounts	\$48,990.05	22 Disconnections – Aug 20

Utility Responses to PSC as of July 31, 2020

50	Utilities responded
6	Utilities will resume late penalties in 2021
43	Utilities will resume after tax roll or with 4 th qtr billing
1	Utility – no plans to resume at this time

Lake Geneva Utility Commission
Summary Response to Supplementary Order – Second
PSC Docket 5UI-120

1. The Utility proposed to reinstate the disconnection processes previously utilized to collect arrearages from past due accounts.
2. The Utility will incorporate this item into its standard disconnection procedures.
3. The Utility historically has not required proof of residency as a condition of service.
4. The Utility historically has not required a deposit as a condition of service.
5. The Utility billing software does not have the ability currently to segregate the period between March 24, 2020 and July 15, 200 for the application of late fees. The Utility proposes to continue waiving late fees on water services for all customers on a non-discriminatory basis until October 1, 2020. At that time, all delinquent bills would be eligible to be placed on the tax roll, which would offer a clean break point for the application of late fees for the accrued usage between October 1, 2020 and beyond. The Utility further proposes to apply late fees on July 21, 2020 for all past due amounts on sewer services, as this PSC Docket does not regulate the Sewer Utility.
6. The Utility will incorporate this item into its standard operating procedures.
7. The Utility has made previous contact with the PSC regarding resuming customer borne convenience fees and will follow up when the appropriate filing information is available to finalize this change.
8. The item does not directly affect the operations of the Utility.
9. The Utility plans to resume its historic payment arrangement practices to residential customers only, on August 15, 2020.
10. The Utility will follow the operating guidelines as defined by its current rate tariff.
11. The item does not directly affect the operations of the Utility.
12. The Utility proposed that the required survey be submitted to the PSC by August 7, 2020. A summary of the survey and responses can be found immediately after this document.
13. – 15. The Utility will continue to abide by all previous and subsequent orders issued by the PSC related to this docket.

Wisconsin Public Service Commission – Docket 5-UI-120
Utility Disconnection Plan Reporting Survey

1. Utility Name: **Lake Geneva Utility Commission**
2. PSC ID: **2980**
3. Does the utility disconnect for non-payment? **Yes**
4. What is the down payment amount a customer must pay to enroll in DPA's? **25%**
5. How does the utility determine when a residential customer is eligible for the disconnection process? (What is the threshold: how many days a customer must be delinquent, or what amount of arrears a customer must have before the utility will send a disconnection notice.) **More than \$20 owed and more than 15 days past due.**
6. Based on current account balances, how many customers would be subject to the disconnection process on or after July 15, 2020? **TBD (#)**
7. How does the utility attempt personal contact with customers prior to disconnection? (Example: Phone call, in-person visit/door hanger, etc.) **Phone and email (if available)**
8. How does the utility intend to adjust its disconnection threshold for residential customers as it moves forward toward the winter moratorium? **The Utility does not plan to alter past practices.**
9. Does the utility intend to offer DPAs to C&I customers after August 15, 2020? (This is when the Commission's temporary provision requiring DPAs be offered to all customer classes expires.) **No**
10. What is the down payment amount a customer must pay to enroll in a DPA? **N/A**
11. How does the utility determine when a commercial customer is eligible for the disconnection process? (What is the threshold: how many days a customer must be delinquent, or what amount of arrears a customer must have before the utility will send a disconnection notice.) **More than \$20 owed and more than 15 days past due.**
12. Based on current account balances, how many customers would be subject to the disconnection process on or after July 15, 2020? **TBD (#)**
13. How does the utility attempt personal contact with customers prior to disconnection? (Example: Phone call, in-person visit/door hanger, etc.) **Phone and email (if available)**
14. How does the utility intend to adjust its disconnection threshold for commercial customers moving forward? **The Utility does not plan to alter past practices.**
15. Which of the following type is this utility? **Municipal**
16. Does the utility utilize the tax roll for residential customers? **Yes**
17. Does the utility offer DPAs to tenants? **Yes**
18. Does the utility utilize the tax roll for commercial customers? **Yes**

Lake Geneva Utility Commission
City of Lake Geneva, Wisconsin

ANNUAL FINANCIAL REPORT

December 31, 2019

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

DECEMBER 31, 2019

Table of Contents

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statement of Net Position	4
Statement of Revenues, Expenses and Changes in Net Position	5
Statement of Cash Flows	6
Notes to Financial Statements	8
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Proportionate Share of Net Pension Liability (Asset) - Wisconsin Retirement System	30
Schedule of Contributions - Wisconsin Retirement System	30
Schedule of Changes in OPEB Liability and Related Ratios	31
Schedule of Proportionate Share of Net OPEB Liability (Asset) - Local Retiree Life Insurance Fund	32
Schedule of Contributions - Local Retiree Life Insurance Fund	32
Notes to Required Supplementary Information	33
SUPPLEMENTARY INFORMATION	
Schedule of Water Utility Operating Revenues and Expenses	34
Schedule of Sewer Utility Operating Revenues and Expenses	36
ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR FINANCIAL STATEMENTS	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	37
Schedule of Findings and Responses	39



Independent auditors' report

To the Board of Commissioners
Lake Geneva Utility Commission
City of Lake Geneva, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the water and sewer utility of the Lake Geneva Utility Commission, City of Lake Geneva, Wisconsin (the "Commission") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Commission's financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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' RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Commission's preparation and fair presentation of the financial statements 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 Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the water and sewer utility of the Commission as of December 31, 2019, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER

As described in Note 1, the financial statements present only the Lake Geneva Utility Commission of the City of Lake Geneva (the "City"), Wisconsin, and do not purport to, and do not present fairly the financial position of the City as of December 31, 2019, and the changes in its financial position or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions and other postemployment benefits on pages 30 through 32 be presented to supplement the financial statements. Such information, although not 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's 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 opinions on the financial statements are not affected by this missing information.

Prior-Year Comparative Information

We have previously audited the Commission's 2018 financial statements, and we expressed unmodified opinions on the respective financial statements of the water and sewer utility in our report dated August 23, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's financial statements. The financial information listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements.

The supplementary 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. Such 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the water and sewer utility of the Lake Geneva Utility Commission, City of Lake Geneva, Wisconsin as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated August 23, 2019, which contained unmodified opinions on the respective financial statements of the water and sewer utility. The schedules of water and sewer utility operating revenues and expenses for the year ended December 31, 2018 are presented for purposes of additional analysis and are 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 2018 financial statements. The schedules of water and sewer utility operating revenues and expenses have been subjected to the auditing procedures applied in the audit of the 2018 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of water and sewer utility operating revenues and expenses are fairly stated in all material respects in relation to the financial statements as a whole for the year ended December 31, 2018.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated August 11, 2020, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
August 11, 2020

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

STATEMENT OF NET POSITION
 DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Water Utility	Sewer Utility	Totals	
			2019	2018
ASSETS				
Current assets				
Cash and investments	\$ 780,245	\$ 1,259,383	\$ 2,039,628	\$ 2,033,311
Receivables				
Accounts	378,848	420,596	799,444	711,250
Special assessments	11,905	370,949	382,854	387,835
Other	4,217	11,297	15,514	48,290
Due from other governments	6,268	5,415	11,683	9,045
Inventories and prepaid items	86,916	-	86,916	73,154
Total current assets	<u>1,268,399</u>	<u>2,067,640</u>	<u>3,336,039</u>	<u>3,262,885</u>
Noncurrent assets				
Restricted assets				
Cash and investments	945,277	1,578,386	2,523,663	1,163,545
Other assets				
Net pension asset	-	-	-	135,141
Capital assets				
Nondepreciable	397,668	620,661	1,018,329	1,010,124
Depreciable	11,558,576	11,347,932	22,906,508	23,531,141
Total capital assets	<u>11,956,244</u>	<u>11,968,593</u>	<u>23,924,837</u>	<u>24,541,265</u>
Total assets	<u>14,169,920</u>	<u>15,614,619</u>	<u>29,784,539</u>	<u>29,102,836</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	313,336	135,547	448,883	252,274
Other postemployment related amounts	3,496	1,323	4,819	3,831
Total deferred outflows of resources	<u>316,832</u>	<u>136,870</u>	<u>453,702</u>	<u>256,105</u>
LIABILITIES				
Current liabilities				
Accounts payable	90,125	215,113	305,238	176,293
Accrued and other current liabilities	-	9,083	9,083	12,385
Due to municipality	305,908	-	305,908	310,011
Special deposits	4,600	-	4,600	4,880
Unearned revenue	54,220	368,089	422,309	420,687
Total current liabilities	<u>454,853</u>	<u>592,285</u>	<u>1,047,138</u>	<u>924,256</u>
Long-term obligations, less current portion				
Compensated absences	41,683	20,009	61,692	53,659
Net pension liability	120,467	45,624	166,091	-
Other postemployment benefits	37,190	13,509	50,699	77,112
Total long-term liabilities	<u>199,340</u>	<u>79,142</u>	<u>278,482</u>	<u>130,771</u>
Total liabilities	<u>654,193</u>	<u>671,427</u>	<u>1,325,620</u>	<u>1,055,027</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related amounts	166,216	62,950	229,166	266,412
Other postemployment related amounts	8,158	3,087	11,245	4,073
Total deferred inflows of resources	<u>174,374</u>	<u>66,037</u>	<u>240,411</u>	<u>270,485</u>
NET POSITION				
Net investment in capital assets	11,894,298	11,795,360	23,689,658	24,541,265
Restricted	945,277	1,578,386	2,523,663	1,298,686
Unrestricted	818,610	1,640,279	2,458,889	2,193,478
Total net position	<u>\$ 13,658,185</u>	<u>\$ 15,014,025</u>	<u>\$ 28,672,210</u>	<u>\$ 28,033,429</u>

The notes to the financial statements are an integral part of this statement.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Utility	Sewer Utility	Totals	
			2019	2018
OPERATING REVENUES				
Charges for services	\$ 1,708,197	\$ 2,022,140	\$ 3,730,337	\$ 3,379,142
Other	264,046	15,681	279,727	265,008
Total operating revenues	1,972,243	2,037,821	4,010,064	3,644,150
OPERATING EXPENSES				
Operation and maintenance	1,047,171	1,231,703	2,278,874	2,235,876
Depreciation	436,074	650,537	1,086,611	1,024,114
Taxes	20,823	25,417	46,240	50,497
Total operating expenses	1,504,068	1,907,657	3,411,725	3,310,487
Operating income (loss)	468,175	130,164	598,339	333,663
NONOPERATING REVENUES				
Interest income	22,439	40,294	62,733	32,924
Income before contributions and transfers	490,614	170,458	661,072	366,587
Capital contributions	132,158	151,459	283,617	1,453,721
Transfers out	(305,908)	-	(305,908)	(310,011)
Change in net position	316,864	321,917	638,781	1,510,297
Net position - January 1	13,341,321	14,692,108	28,033,429	26,523,132
Net position - December 31	<u>\$ 13,658,185</u>	<u>\$ 15,014,025</u>	<u>\$ 28,672,210</u>	<u>\$ 28,033,429</u>

The notes to the financial statements are an integral part of this statement.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Utility	Sewer Utility	Totals	
			2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,974,360	\$ 1,980,924	\$ 3,955,284	\$ 3,617,473
Cash received (paid) for meter depreciation	39,842	(39,842)	-	-
Cash paid for employee wages and benefits	(341,952)	(514,405)	(856,357)	(989,933)
Cash paid to suppliers	(733,848)	(796,907)	(1,530,755)	(1,207,389)
Net cash provided by operating activities	<u>938,402</u>	<u>629,770</u>	<u>1,568,172</u>	<u>1,420,151</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer out	(318,064)	-	(318,064)	(322,167)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(195,581)	(39,423)	(235,004)	(590,385)
Special assessment collections	1,701	3,280	4,981	13,965
Capital contributions received	132,158	151,459	283,617	395,311
Net cash provided (used) by capital and related financing activities	<u>(61,722)</u>	<u>115,316</u>	<u>53,594</u>	<u>(181,109)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	22,439	40,294	62,733	32,924
Interest retained in long-term investments	-	-	-	(1,872)
Redemption of long-term investments	269,971	261,361	531,332	153,832
Net cash provided by investing activities	<u>292,410</u>	<u>301,655</u>	<u>594,065</u>	<u>184,884</u>
Change in cash and cash equivalents	851,026	1,046,741	1,897,767	1,101,759
Cash and cash equivalents - January 1	<u>874,496</u>	<u>1,791,028</u>	<u>2,665,524</u>	<u>1,563,765</u>
Cash and cash equivalents - December 31	<u>\$ 1,725,522</u>	<u>\$ 2,837,769</u>	<u>\$ 4,563,291</u>	<u>\$ 2,665,524</u>

The notes to the financial statements are an integral part of this statement.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Water Utility	Sewer Utility	Totals	
			2019	2018
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 468,175	\$ 130,164	\$ 598,339	\$ 333,663
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	436,074	650,537	1,086,611	1,024,114
Depreciation charged to sewer utility	39,842	(39,842)	-	-
Write-off of uncollectible receivables	-	-	-	3,402
Change in pension and OPEB related balances				
Net pension asset/liability	211,731	20,329	232,060	(174,167)
Pension deferred outflow of resources	(140,451)	(56,158)	(196,609)	53,129
Pension deferred inflow of resources	(13,698)	45,624	31,926	143,679
Net OPEB liability	(24,720)	(1,693)	(26,413)	(1,036)
OPEB deferred outflow of resources	(909)	(79)	(988)	(3,831)
OPEB deferred outflow of resources	5,407	1,765	7,172	4,073
Change in operating assets and liabilities				
Accounts receivables	495	(58,551)	(58,056)	(37,035)
Due from municipality	-	-	-	15,453
Inventories and prepaid items	(21,077)	7,315	(13,762)	9,637
Accounts payable	(31,675)	(74,559)	(106,234)	121,225
Accrued and other current liabilities	(5,963)	2,661	(3,302)	(3,437)
Due to municipality	8,053	-	8,053	(64,951)
Special deposits	(280)	-	(280)	4,560
Unearned revenue	1,622	-	1,622	(8,856)
Compensated absences	5,776	2,257	8,033	529
Net cash provided by operating activities	<u>\$ 938,402</u>	<u>\$ 629,770</u>	<u>\$ 1,568,172</u>	<u>\$ 1,420,151</u>
Reconciliation of cash and cash equivalents to the statement of net position				
Cash and cash equivalents in current assets	\$ 780,245	\$ 1,259,383	\$ 2,039,628	\$ 2,033,311
Cash and cash equivalents in restricted assets	945,277	1,578,386	2,523,663	1,163,545
Less: Long-term investments	-	-	-	(531,332)
Total cash and cash equivalents	<u>\$ 1,725,522</u>	<u>\$ 2,837,769</u>	<u>\$ 4,563,291</u>	<u>\$ 2,665,524</u>
Noncash capital and related financing activities				
Capital assets contributed by developers	\$ -	\$ -	\$ -	\$ 1,058,410
Payment on account	61,946	173,233	235,179	-

The notes to the financial statements are an integral part of this statement.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Lake Geneva Utility Commission, City of Lake Geneva, Wisconsin (the "Commission"), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government 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 Commission are described below:

A. REPORTING ENTITY

The Commission is a business-type activity consisting of two enterprise funds of the City of Lake Geneva (the "City") which provides water and sewer service to properties within and around the City. The Commission is managed by the Utility Commission consisting of the Mayor, two Alderman, City Administrator and three citizens. The members of the Utility Commission are appointed by the Mayor, subject to Common Council approval.

The water utility operates under service rules and rates established by the Public Service Commission of Wisconsin (PSCW). The accounting records of the water utility are maintained in accordance with Uniform System of Account prescribed by the PSCW. Rates charged are regulated by the PSCW. The sewer utility operates under rules established by the Utilities Commission.

In accordance with GAAP, the financial statements are required to include the Commission and any separate component units that have a significant operational or financial relationship with the Commission. The Commission has not identified any component units that are required to be included in the financial statements in accordance with standards established in GASB Statement No. 61.

B. ENTERPRISE FUNDS

The accounts of the Commission are accounted for in enterprise funds as required by GAAP. Enterprise funds are used to account for government operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability and other purposes.

The Commission reports the following major enterprise funds:

Water Utility Fund

The water utility accounts for the financing of the construction, operation, and maintenance of the water facilities.

Sewer Utility Fund

The sewer utility accounts for the financing of the construction, operation, and maintenance of the sewage facilities.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Enterprise funds are accounted for on a *flow of economic resources measurement focus*. With this measurement focus, all assets, liabilities, and deferred inflows and outflows of resources associated with the operation are included on the statement of net position. Enterprise fund operating statement present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

The *accrual basis of accounting* is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Unpaid enterprise fund service receivables are recorded at year-end. All capital assets are capitalized at historical cost and depreciated over their useful lives.

The Commission distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivery goods in connection with the Commission's principal ongoing operations. The principal operating revenues of the Commission is charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

2. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since the District has the right under Wisconsin statutes to place delinquent water and sewer bills on the tax roll for collection.

Other accounts receivable consist primarily of invoices for septic and holding tank haulers who use the Commission's treatment plant. At December 31, 2019, no allowance for doubtful accounts was deemed necessary by the Commission.

3. Special Assessments

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

Postponed special assessments are considered unearned revenues until certain events occur in the future. The balances of these accounts consist of amounts that will be assessed once property owners' vacant land is developed or connection is made to existing infrastructure.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2019

4. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from municipality" and "due to municipality" in the fund financial statements.

5. Inventories

Inventories are recorded at cost, which approximates market, using the weighted average method. Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

6. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

7. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the financial statements. Capital assets are defined by the Commission as assets with an initial, individual cost of \$1,000 or higher and an estimated useful life of at least three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The cost of property replaced, retired or otherwise disposed of is deducted from plan accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Commission are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Land improvements	10 - 50
Buildings	20 - 50
Improvements other than buildings	5 - 15
Machinery and equipment	5 - 50
Infrastructure	5 - 150

8. Compensated Absences

It is the Commission's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. Only benefits considered to be vested are included in these statements.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

9. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses and revenues are deferred until the future periods to which the outflows and inflows are applicable.

10. Unearned Revenue

The water utility leases space on its towers to various businesses. Lease payment received by the water utility in the current year which related to subsequent year rents are reported as unearned revenue in the statement of net position.

11. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, 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.

12. Other Postemployment Benefits Other Than Pensions (OPEB)

Defined Benefit Plan

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

Local Retiree Life Insurance Fund

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

13. Fund Equity

Equity is classified as net position and displayed in three components:

- ▶ **Net investment in capital assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

- ▶ **Restricted net position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- ▶ **Unrestricted net position.** Net position that is neither classified as restricted nor as net investment in capital assets.

E. CAPITAL CONTRIBUTIONS

The value of capital assets contributed to the Commission by the municipality, customers, or other external parties, or cash contributions used to construct capital assets is reported as capital contributions revenue in the statement of revenues, expenses and changes in net position.

F. USE OF ESTIMATES

The 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

G. PRIOR YEAR INFORMATION

Comparative amounts for the prior year have been presented in the financial statements to provide an understanding of changes in the Commission's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

NOTE 2: DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

The Commission maintains various cash and investment accounts. Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

The carrying amount of the Commission's cash and investments totaled \$4,563,291 on December 31, 2019 as summarized below:

Petty cash and cash on hand	\$	700
Deposits with financial institutions		991,767
Wisconsin local government investment pool		3,570,824
	\$	<u>4,563,291</u>

Reconciliation to the financial statements:

Statement of net position		
Cash and investments	\$	2,039,628
Restricted cash and investments		2,523,663
	\$	<u>4,563,291</u>

Fair Value Measurements

The Commission 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 observable inputs; Level 3 inputs are significant unobservable inputs. The Commission currently has no investments that are subject to fair value measurement.

Deposits and investments of the Commission are subject to various risks. Presented below is a discussion of the Commission's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The Commission does not have an additional custodial credit policy.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2019, \$640,936 of the Commission's deposits with financial institutions were in excess of federal and state depository insurance limits. No amounts were collateralized.

Investments

The Commission has investments in the Wisconsin Local Government Investment Pool of \$3,570,824 at year-end. The 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, 2019, the fair value of the Commission's share of the LGIP's assets was substantially equal to the carrying value.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The Commission does not have an additional credit risk policy. The Commission's investment in the Wisconsin Local Government Investment Pool is not rated.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The investments held by the Wisconsin Local Government Investment Pool mature in 12 months or less.

B. SPECIAL ASSESSMENTS

Special assessments as of December 31, 2019 consist of the following:

	Water Utility	Sewer Utility	Total
Payable in annual installments	\$ -	\$ 3,838	\$ 3,838
Postponed until hookup	11,905	367,111	379,016
	<u>\$ 11,905</u>	<u>\$ 370,949</u>	<u>\$ 382,854</u>

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

C. RESTRICTED ASSETS

Restricted assets on December 31, 2019 totaled \$2,523,663 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Water Utility		
Plant and equipment replacement fund	\$ 358,411	To be used for the replacement of capital assets of the water distribution plant
Impact fees	586,866	To account for impact fees collected and held by the Commission to finance system improvements
Total Water Utility	<u>945,277</u>	
Sewer Utility		
DNR replacement	918,757	To be used for the replacement of certain assets for the sewer utility
Impact fees	659,629	To account for impact fees collected and held by Commission to finance system improvements
Total Sewer Utility	<u>1,578,386</u>	
Total	<u>\$ 2,523,663</u>	

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Water Utility Fund:				
Capital assets, nondepreciable				
Land	\$ 131,241	\$ 7,500	\$ -	\$ 138,741
Property held for future use	197,158	-	-	197,158
Construction in progress	6,064	120,587	64,882	61,769
Total capital assets, nondepreciable	<u>334,463</u>	<u>128,087</u>	<u>64,882</u>	<u>397,668</u>
Capital assets, depreciable				
Buildings and improvements	1,291,723	-	-	1,291,723
Machinery and equipment	5,140,963	97,966	33,800	5,205,129
Infrastructure	14,262,285	106,442	8,253	14,360,474
Subtotals	<u>20,694,971</u>	<u>204,408</u>	<u>42,053</u>	<u>20,857,326</u>
Less accumulated depreciation	<u>8,854,803</u>	<u>475,914</u>	<u>31,967</u>	<u>9,298,750</u>
Total capital assets, depreciable	<u>11,840,168</u>	<u>(271,506)</u>	<u>10,086</u>	<u>11,558,576</u>
Capital assets, net	<u>\$ 12,174,631</u>	<u>\$ (143,419)</u>	<u>\$ 74,968</u>	11,956,244
Less: Capital related accounts payable				61,946
Net investment in capital assets				<u>\$ 11,894,298</u>

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

	Beginning Balance	Increases	Decreases	Ending Balance
Sewer Utility Fund:				
Capital assets, nondepreciable				
Land	\$ 597,631	\$ -	\$ -	\$ 597,631
Construction in progress	78,030	131,311	186,311	23,030
Total capital assets, nondepreciable	<u>675,661</u>	<u>131,311</u>	<u>186,311</u>	<u>620,661</u>
Capital assets, depreciable				
Land improvements	36,877	-	-	36,877
Buildings and improvements	7,817,666	-	-	7,817,666
Machinery and equipment	5,627,745	258,066	100,723	5,785,088
Infrastructure	9,760,434	9,590	-	9,770,024
Subtotals	<u>23,242,722</u>	<u>267,656</u>	<u>100,723</u>	<u>23,409,655</u>
Less accumulated depreciation	<u>11,551,751</u>	<u>610,695</u>	<u>100,723</u>	<u>12,061,723</u>
Total capital assets, depreciable	<u>11,690,971</u>	<u>(343,039)</u>	<u>-</u>	<u>11,347,932</u>
Capital assets, net	<u>\$ 12,366,632</u>	<u>\$ (211,728)</u>	<u>\$ 186,311</u>	11,968,593
Less: Capital related accounts payable				173,233
Net investment in capital assets				<u>\$ 11,795,360</u>

Depreciation expense was charged to functions of the Commission as follows:

	Depreciation Expense	Meter Depreciation	Change in Accumulated Depreciation
Water utility	\$ 436,072	\$ 39,842	\$ 475,914
Sewer utility	650,537	(39,842)	610,695
Total	<u>\$ 1,086,609</u>	<u>\$ -</u>	<u>\$ 1,086,609</u>

E. INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS

Interfund payables as of December 31, 2019 totaled \$305,908, and consisted of the tax equivalent payment made by the water utility to the general fund, as required by the PSCW.

Transfers from the water utility totaled \$305,908 for the year ended December 31, 2019 and related to the tax equivalent payment, as required by the PSCW

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

F. PENSION PLAN

1. 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, and expected to work at least 1200 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 Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

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.

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

Final average earnings is the average of the participant's three highest earnings periods. 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 employees' contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) 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 contribution on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2019

2. 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>
2008	6.6%	0.0%
2009	(2.1)	(42.0)
2010	(1.3)	22.0
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0

3. 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 on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the year ending December 31, 2019, the WRS recognized \$47,235 in contributions from the Commission.

Contribution rates during the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the Commission reported a liability of \$166,091 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The Commission's proportion of the net pension liability was based on the Commission's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the Commission's proportion was 0.00466821%, which was a decrease of 0.00007256% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Commission recognized pension expense of \$113,703.

At December 31, 2019, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 129,360	\$ 228,663
Net differences between projected and actual earnings on pension plan investments	242,565	-
Changes in assumptions	27,997	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,726	503
Employer contributions subsequent to the measurement date	47,235	-
Total	<u>\$ 448,883</u>	<u>\$ 229,166</u>

\$47,235 reported as deferred outflows related to pension resulting from the Commission's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Expense
2020	\$ 63,140
2021	15,859
2022	27,069
2023	66,414
Total	<u>\$ 172,482</u>

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2019

5. Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date:	December 31, 2017
Measurement date of net pension liability (asset):	December 31, 2018
Actuarial cost method:	Entry Age
Asset valuation method:	Fair Value
Long-term expected rate of return:	7.0%
Discount rate:	7.0%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

* *No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation

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 arithmetic real rates of return for each major asset class are summarized in the following table:

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-term Expected Nominal Rate of Return %</u>	<u>Long-term Expected Real Rate of Return %</u>
Global equities	49%	8.1%	5.5%
Fixed income	24.5%	4.0%	1.5%
Inflation sensitive assets	15.5%	3.8%	1.3%
Real estate	9%	6.5%	3.9%
Private equity/debt	8%	9.4%	6.7%
Multi-asset	4%	6.5%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.6%	5.0%
International equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

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

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 2.1% 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 members 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.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Sensitivity of the Commission’s proportionate share of the net pension liability (asset) to changes in the discount rate.

The following presents the Commission’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Commission’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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	<u>1% Decrease to Discount Rate (6.20%)</u>	<u>Current Discount Rate (7.20%)</u>	<u>1% Increase to Discount Rate (8.20%)</u>
Commission's proportionate share of the net pension liability (asset)	\$ 660,020	\$ 166,091	\$ (201,202)

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/publications/cafr.htm>.

6. Payables to the Pension Plan

At December 31, 2019, the Commission reported a payable of \$0 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

G. OTHER POSTEMPLOYMENT BENEFITS

The Commission reports OPEB related balances at December 31, 2019 as summarized below:

	<u>OPEB Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>OPEB Expense</u>
Local Retiree Life Insurance Fund (LRLIF)	\$ 30,895	\$ 4,819	\$ 11,245	\$ 2,676
Single-employer defined OPEB plan	19,804	-	-	5,496
Total pension liability	<u>\$ 50,699</u>	<u>\$ 4,819</u>	<u>\$ 11,245</u>	<u>\$ 8,172</u>

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

1. Single-employer Defined Postemployment Benefit Plan

Plan Description

The plan is a single-employer defined benefit postemployment health plan that covers retired employees of the commission. Eligible retired employees have access to group medical coverage through the Commission's group plan. Commission paid medical benefits are paid for as indicated below. All employees of the Commission are eligible for the plan if they meet the following age and service requirements below. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The Commission provides medical (including prescription drugs) for retired employees through the Commission's group insurance plans.

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1
Active employees	9
	10

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. Commission paid medical benefits are paid until the retiree or surviving spouse becomes eligible for Medicare.

Total OPEB Liability

The Commission's total OPEB liability was measured as of December 31, 2019 and was determined by an actuarial valuation using the alternative measurement method as of January 1, 2019.

Actuarial Assumptions. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	3.00%
Salary increases:	4.00%
Investment rate of return:	3.26%
Healthcare cost trend rates:	7.10% for 2018, and decreasing to an ultimate rate of 5.00% by 2028

Mortality rates are the same as those used in the December 2014 Wisconsin Retirement System's annual report.

The actuarial assumptions used in the January 1, 2018 valuation were based on the "Wisconsin Retirement System 2014 - 2014 Experience Study".

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019

Discount Rate. The discount rate used to measure the total OPEB liability was 3.26%. The discount rate was based on the 20 year high grade rate index. The projection of cash flows used to determine the discount rate assumed that Commission contributions will be made at rates equal to the actuarially determined contribution rates.

Changes in the Net OPEB Liability

	Total OPEB Liability
Balance at January 1, 2019	\$ 41,690
Changes for the year:	
Service cost	990
Interest	658
Difference between expected and actual experience	-
Changes of assumptions and other inputs	674
Benefit payments	(1,200)
Other change	(23,008)
Balance at December 31, 2019	<u>\$ 19,804</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current rate:

	1% Decrease to Discount Rate (2.26%)	Current Discount Rate (3.26%)	1% Increase to Discount Rate (4.26%)
Total OPEB liability	\$ 21,729	\$ 19,804	\$ 18,094

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Commission, as well as what the Commission's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower 6.10% or 1-percentage-point higher 8.10% than the current healthcare cost trend rates:

	1% Decrease (6.10%)	Healthcare Cost Trend Rates (7.10%)	1% Increase (8.10%)
Total OPEB liability	\$ 17,701	\$ 19,804	\$ 22,299

OPEB Expense

For the year ended December 31, 2019, the City recognized OPEB expense of \$8.172, of which \$5,496 was related to the Single Employer OPEB plan.

Plan Financial Report

The Plan does not prepare a separate standalone financial report.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2019

2. Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Benefits Provided

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

Contributions

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

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

Contribution rates as of December 31, 2019 are:

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

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are listed below:

Life Insurance Employee Contribution Rates For the Year Ended December 31, 2018		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

*Disabled members under age 70 receive a waiver-of-premium benefit

During the reporting period, the LRLIF recognized \$242 in contributions from the employer.

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

At December 31, 2019, the Commission reported a liability of \$30,895 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The Commission's proportion of the net OPEB liability was based on the Commission's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the Commission's proportion was 0.01197546%, which was an increase of 0.000201737% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Commission recognized OPEB expense of \$8,172, of which \$2,676 was related to the LRLIF OPEB plan.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,567
Net differences between projected and actual earnings on OPEB plan investments	738	-
Changes in assumptions	2,948	6,698
Changes in proportion and differences between employer contributions and proportionate share of contributions	891	2,980
Employer contributions subsequent to the measurement date	242	-
Total	<u>\$ 4,819</u>	<u>\$ 11,245</u>

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

\$242 reported as deferred outflows related to OPEB resulting from the LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the Net OPEB Liability (Asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows

Year Ended December 31,	Expense
2020	\$ (1,002)
2021	(1,002)
2022	(1,002)
2023	(1,016)
2024	(1,213)
Thereafter	(1,433)
Total	<u>\$ (6,668)</u>

Actuarial assumptions. The total OPEB liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date:	January 1, 2018
Measurement date of net OPEB liability (asset):	December 31, 2018
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	4.10%
Long-term expected rate of return:	5.00%
Discount rate:	4.22%
Salary increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

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

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-term Expected Geometric Real Rate of Return %</u>
U.S. Government Bonds	Barclays Government	1.00%	1.44%
U.S. Credit Bonds	Barclays Credit	40%	2.69%
U.S. Long Credit Bonds	Barclays Long Credit	4%	3.01%
U.S. Mortgages	Barclays MBS	54%	2.25%
U.S. Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%

Single discount rate. . A single discount rate of 4.22% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

Sensitivity of the Commission's proportionate share of net OPEB liability (asset) to changes in the discount rate. The following presents the Commission's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 4.22%, as well as what the Commission's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22%) or 1-percentage-point higher (5.22%) than the current rate:

	<u>1% Decrease to Discount Rate (3.22%)</u>	<u>Current Discount Rate (4.22%)</u>	<u>1% Increase to Discount Rate (5.22%)</u>
Commission's proportionate share of the net OPEB liability (asset)	\$ 43,950	\$ 30,895	\$ 20,826

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

Payable to the OPEB Plan

At December 31, 2019, the Commission reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2019

H. FUND EQUITY

Net Position

The Commission reports restricted net position at December 31, 2019 as follows:

	<u>Water Utility</u>	<u>Sewer Utility</u>	<u>Total</u>
Restricted for			
Impact fees	\$ 586,866	\$ 659,629	\$ 1,246,495
Equipment replacement	358,411	-	358,411
DNR replacement	-	918,757	918,757
	<u>\$ 945,277</u>	<u>\$ 1,578,386</u>	<u>\$ 2,523,663</u>
Total restricted net position			

NOTE 3: OTHER INFORMATION

A. RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The Commission completes an annual review of its insurance coverage to ensure adequate coverage. Insurance settlements have not exceeded insurance coverage for each of the past three years.

B. CONTINGENCIES

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

C. UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after June 30, 2021. The Commission is currently evaluating the impact this standard will have on the financial statements when adopted.

D. SUBSEQUENT EVENT

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the Commission, COVID-19 may impact various parts of its 2020 operations and financial results. Management believes the Commission is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (plan year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.005373222%	\$ (131,981)	\$ 732,658	18.01%	102.74%
12/31/15	0.00460110%	74,767	648,933	11.52%	98.20%
12/31/16	0.00473480%	39,026	668,606	5.84%	99.12%
12/31/17	0.00455155%	(135,141)	723,593	18.68%	102.93%
12/31/18	0.00474077%	166,091	752,198	22.08%	96.45%

SCHEDULE OF CONTRIBUTIONS WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 51,286	\$ 51,286	\$ -	\$ 754,206	6.80%
12/31/16	44,128	44,128	-	668,606	6.60%
12/31/17	49,958	49,958	-	734,676	6.80%
12/31/18	50,398	50,398	-	752,198	6.70%
12/31/19	47,235	47,235	-	605,789	7.80%

See notes to required supplementary information.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS LAST 10 FISCAL YEARS *

	<u>2019</u>	<u>2018</u>
Total OPEB liability		
Service cost	\$ 990	\$ 1,991
Interest	658	1,448
Differences between expected and actual experience	-	1,759
Changes of assumptions	674	(5,451)
Benefit payments	(1,200)	(4,460)
Other changes	(23,008)	961
Net change in total OPEB liability	(21,886)	(3,752)
Total OPEB liability - beginning	41,690	45,442
Total OPEB liability - ending	<u>\$ 19,804</u>	<u>\$ 41,690</u>
Covered-employee payroll	\$ 356,190	\$ 540,862
Commission's total OPEB liability as a percentage of covered-employee payroll	5.56%	7.71%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

See notes to required supplementary information.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
 LOCAL RETIREE LIFE INSURANCE FUND
 LAST 10 FISCAL YEARS

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.01177372%	\$ 35,422	\$ 495,119	7.15%	44.81%
12/31/18	0.01216160%	30,901	570,830	5.41%	48.69%

SCHEDULE OF CONTRIBUTIONS
 LOCAL RETIREE LIFE INSURANCE FUND
 LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/18	\$ 224	\$ 224	\$ -	\$ 570,830	0.04%
12/31/19	231	231	-	562,093	0.04%

See notes to required supplementary information.

Lake Geneva Utility Commission City of Lake Geneva, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019

A. WISCONSIN RETIREMENT SYSTEM

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

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

The Commission 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.

B. OTHER POSTEMPLOYMENT BENEFIT PLANS

The Commission 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.

Single-employer Defined Postemployment Benefit Plan

The 2018 actuarial valuation updated mortality and termination assumptions, which resulted in the changes in assumptions in the current valuation. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Local Retiree Life Insurance Fund (LRLIF)

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

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop total OPEB liability changed, including the discount rate, wage inflation rate, mortality and separation rates.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF WATER UTILITY
 OPERATING REVENUES AND EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	2019	2018
OPERATING REVENUES		
Charges for services		
Residential	\$ 714,244	\$ 688,984
Multi-family	125,156	121,127
Commercial	413,516	431,993
Industrial	35,624	31,157
Public authority	100,451	83,109
Private fire protection	69,625	65,820
Public fire protection	249,581	237,668
Total charges for services	<u>1,708,197</u>	<u>1,659,858</u>
Other revenues		
Forfeited discounts	4,202	4,176
Rents from water property	220,837	213,885
Other water revenues	39,007	37,854
Total other revenues	<u>264,046</u>	<u>255,915</u>
Total operating revenues	<u>1,972,243</u>	<u>1,915,773</u>
OPERATING EXPENSES		
Operation and maintenance		
Source of supply		
Operation supervision and engineering	4,050	8,008
Operation labor and expenses	13,357	12,950
Miscellaneous expenses	43,364	40,142
Maintenance supervision and engineering	2,142	3,673
Maintenance		
Structures and improvements	1,041	5
Wells and springs	64,284	124,696
Supply mains	9,423	-
Total source of supply	<u>137,661</u>	<u>189,474</u>
Pumping		
Operation supervision and engineering	3,883	6,002
Fuel or power purchased for pumping	65,517	65,363
Pumping labor and expenses	3,101	2,243
Miscellaneous expenses	1,350	1,284
Maintenance		
Supervision and engineering	1,941	864
Structures and improvements	3,093	2,018
Pumping equipment	4,099	14,361
Total pumping	<u>82,984</u>	<u>92,135</u>
Water treatment		
Operation supervision and engineering	23,875	25,367
Chemicals	32,504	33,591
Operation labor and expenses	32,021	29,049
Miscellaneous expenses	6,286	5,830

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF WATER UTILITY
 OPERATING REVENUES AND EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	2019	2018
Operation and maintenance (continued)		
Maintenance		
Supervision and engineering	8,787	8,443
Structures and improvements	3,602	2,876
Water treatment equipment	52,873	56,112
Total water treatment expenses	<u>159,948</u>	<u>161,268</u>
Transmission and distribution		
Operation supervision and engineering	4,887	10,520
Storage facilities expenses	11,457	14,327
Transmission and distribution lines expenses	5,243	5,732
Meter expenses	7,148	4,518
Miscellaneous	1,851	1,829
Maintenance		
Supervision and engineering	3,967	3,947
Structures and improvements	18	35
Distribution reservoirs and standpipes	17,171	13,947
Transmission and distribution mains	85,082	77,094
Services	58,626	55,085
Meters	824	1,305
Hydrants	918	2,197
Miscellaneous plant	1,047	1,139
Total transmission and distribution	<u>198,239</u>	<u>191,675</u>
Customer accounts		
Supervision	14,109	13,240
Meter reading	4,967	3,277
Customer records and collection	20,993	14,836
Uncollectible accounts	53	85
Miscellaneous customer accounts	-	2,382
Customer service and information	25,478	26,113
Total customer accounts	<u>65,600</u>	<u>59,933</u>
Administrative and general		
Administrative and general salaries	68,142	62,240
Office supplies and expenses	16,189	18,178
Outside services employed	70,845	16,605
Property insurance	30,940	27,759
Employee pension and benefits	202,643	232,500
Regulatory commission	201	242
Miscellaneous general	13,781	14,277
Total administrative and general	<u>402,741</u>	<u>371,801</u>
Total operation and maintenance	1,047,173	1,066,286
Depreciation	436,072	382,855
Taxes	20,823	22,141
Total operating expenses	<u>1,504,068</u>	<u>1,471,282</u>
Operating income	<u>\$ 468,175</u>	<u>\$ 444,491</u>

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF SEWER UTILITY OPERATING REVENUES AND EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2019
 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	2019	2018
OPERATING REVENUES		
Charges for services		
Residential	\$ 969,362	\$ 847,571
Multi-family	207,405	172,945
Commercial	535,848	446,508
Industrial	60,441	44,787
Public authority	58,575	49,883
Haulers	190,509	157,590
Total charges for services	<u>2,022,140</u>	<u>1,719,284</u>
Other revenues		
Forfeited discounts	4,912	3,898
Other	10,769	5,195
Total other revenues	<u>15,681</u>	<u>9,093</u>
Total operating revenues	<u>2,037,821</u>	<u>1,728,377</u>
OPERATING EXPENSES		
Operation and maintenance		
Plant operation and maintenance		
Supervision and labor	193,756	222,908
Operating supplies and expenses	657,360	523,248
Total plant operation and maintenance	<u>851,116</u>	<u>746,156</u>
Administrative and general		
Salaries and wages	152,064	155,591
Office supplies and expenses	16,001	20,187
Outside services employed	4,658	1,550
Insurance expenses	25,220	21,497
Employees pensions and benefits	180,624	224,315
Miscellaneous general expenses	2,020	294
Total administrative and general	<u>380,587</u>	<u>423,434</u>
Total operation and maintenance	1,231,703	1,169,590
Depreciation	650,537	641,259
Taxes	25,417	28,356
Total operating expenses	<u>1,907,657</u>	<u>1,839,205</u>
Operating income (loss)	<u>\$ 130,164</u>	<u>\$ (110,828)</u>



Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*

To the Board of Commissioners
Lake Geneva Utility Commission
City of Lake Geneva, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the water and sewer utility of Lake Geneva Utility Commission, City of Lake Geneva, Wisconsin, (the "Commission") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Commission's financial statements, and have issued our report thereon which included an emphasis of matter paragraph as indicated on page 2 dated August 11, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2019-001 that we consider to be a significant deficiency.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

LAKE GENEVA UTILITY COMMISSION'S RESPONSE TO FINDINGS

The Commission's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Commission's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
August 11, 2020

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION I. INTERNAL CONTROL OVER FINANCIAL REPORTING

FINDING NO.	CONTROL DEFICIENCIES
2019-001	<p>Segregation of Duties Repeat of Finding 2018-001</p>
Type of Finding:	Significant Deficiency in Internal Control over Financial Reporting
Condition:	A limited number of employees perform the majority of the accounting functions for the Commission.
Context:	While performing audit procedures, it was noted that the Commission does not have adequate segregation of duties for internal control purposes.
Criteria:	Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all phases of a transaction.
Cause:	The lack of segregation of duties is due to the limited number of employees and the size of the City's operations, which include the Commission. In addition, the City has not completed a risk assessment and review of internal controls to identify additional mitigating and compensating controls which could be implemented to reduce the risk of errors or intentional fraud.
Effect:	Segregation of duties is an internal control intended to prevent or decrease the occurrence of errors or intentional fraud. Segregation of duties ensures that no single employee has control over all phases of a transactions. Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities as a result of the lack of segregation of duties.
Recommendation:	We recommend the City, which includes the Commission, perform a risk assessment of its operations and current procedures to identify and implement mitigating controls to reduce the risk of errors and intentional fraud. The City should review its processes to ensure that there is adequate segregation of duties in regards to initiating, authorizing, and approving transactions. As part of this risk assessment, the City should review its processes to identify tasks that could be reassigned to other City personnel
Management Response:	Management will review and evaluate opportunities to include additional compensating controls during 2020.

Lake Geneva Utility Commission

City of Lake Geneva, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2019

FINDING NO.	CONTROL DEFICIENCIES
2019-002	<p>Preparation of Annual Financial Report Repeat of Finding 2018-002</p>
Type of Finding:	Significant Deficiency in Internal Control over Financial Reporting
Condition:	Current Commission staff maintains accounting records which reflect the Commission's financial transactions; however, preparing the Commission's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The Commission contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. For the same reasons, the Commission contracts with us to compile the Public Service Commission Report.
Context:	While performing audit procedures, it was noted that management does not have internal controls in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.
Criteria:	The preparation and review of the annual financial report and Public Service Commission Report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.
Cause:	Commission management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
Effect:	Without our involvement, the Commission may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
Recommendation:	We recommend the Commission continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the Commission is necessary to obtain a complete and adequate understanding of the Commission's annual financial report and Public Service Commission Report.
Management Response:	Management believes the cost for additional staff time and training to prepare year-end closing entries and reports outweigh the benefits to be received. Management has reviewed and approved the financial statements and Public Service Commission Report prior to issuance.

SECTION II. COMPLIANCE AND OTHER MATTERS

There are no findings related to compliance and other matters that are required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2019.

**Lake Geneva Utility Commission
City of Lake Geneva, Wisconsin**

MANAGEMENT COMMUNICATIONS

December 31, 2019

Lake Geneva Utility Commission City of Lake Geneva, Wisconsin

DECEMBER 31, 2019

Table of Contents

COMMUNICATION TO THE UTILITY COMMISSION	1
SUMMARY FINANCIAL INFORMATION	
Water Utility	5
Sewer Utility	7
APPENDIX	
Management Representation Letter	



To the Board of Commissioners
Lake Geneva Utility Commission
City of Lake Geneva, Wisconsin

We have audited the financial statements of the water and sewer utility of the Lake Geneva Utility Commission, City of Lake Geneva, Wisconsin (the "Commission") for the year ended December 31, 2019. The Commission's financial statements, including our report thereon dated August 11, 2020, are presented in a separate audit report document. Professional standards require that we provide you with the following information related to our audit.

OUR RESPONSIBILITIES UNDER U.S. GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Commission's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions is not an objective of our audit.

PLANNED SCOPE AND TIMING OF THE AUDIT

We performed the audit according to the planned scope and timing previously communicated to you in our correspondence about planning matters.

SIGNIFICANT AUDIT FINDINGS

Consideration of Internal Control

FINANCIAL STATEMENTS

In planning and performing our audit of the financial statements of the Commission as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Commission's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control. Our report on internal control over financial reporting and on compliance and other matters is presented on page 37 of the annual report.

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. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

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 a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a 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 consider the following deficiency in the Commission's internal control to be a significant deficiency:

Finding 2019-001 Segregation of Duties

This finding is described in detail in the schedule of findings and responses on page 39 of the annual report.

The Commission's written response to the significant deficiency identified in our audit has not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. To the best of our knowledge, all significant transactions have been recognized in the financial statements in the proper period.

Accounting 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 and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates included in the financial statements were:

- ▶ Management's estimate of the other postemployment benefits is based on an actuarial report. We evaluated the key factors and assumptions used to develop the other postemployment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of the depreciable life of the capital assets is based upon analysis of the expected useful life of the capital assets. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the depreciable life in determining that it is reasonable in relation to the financial statements taken as a whole.
- ▶ Management's estimate of the net pension liability (asset) and related deferred outflows/inflows of resources is based on information received from the Wisconsin Retirement System. We evaluated the key factors and assumptions used to develop the net pension liability (asset) and related deferred outflows/inflows of resources in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 11, 2020. The management representation letter follows this communication.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Commission's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the schedules relating to pensions and other postemployment benefits, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared 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 this 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.

Restriction on Use

This information is intended solely for the information and use of the Utility Commissioners, and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen, LLP

Green Bay, Wisconsin
August 11, 2020

Summary Financial Information

WATER UTILITY

A comparative summary of the Water Utility's change in net position for the years ended December 31, 2019 and 2018 appears below:

	<u>2019</u>	<u>2018</u>
Operating revenues		
Charges for services	\$ 1,708,197	\$ 1,659,858
Other	264,046	255,915
Total operating revenues	<u>1,972,243</u>	<u>1,915,773</u>
Operating expenses		
Operation and maintenance	1,047,171	1,066,286
Depreciation	436,074	382,855
Taxes	20,823	22,141
Total operating expenses	<u>1,504,068</u>	<u>1,471,282</u>
Operating income	468,175	444,491
Nonoperating revenues		
Interest income	<u>22,439</u>	<u>10,883</u>
Income before contributions and transfers	490,614	455,374
Capital contributions	132,158	698,514
Transfers out	<u>(305,908)</u>	<u>(310,011)</u>
Change in net position	<u>\$ 316,864</u>	<u>\$ 843,877</u>

Additional detail of revenues and expenses is presented on pages 34 and 35 of the Commission's annual financial report. Income before contributions and transfers is \$490,614 compared to income of \$455,374 in the prior year. The increase in operating income is primarily due to increased charges for services and increases in interest income.

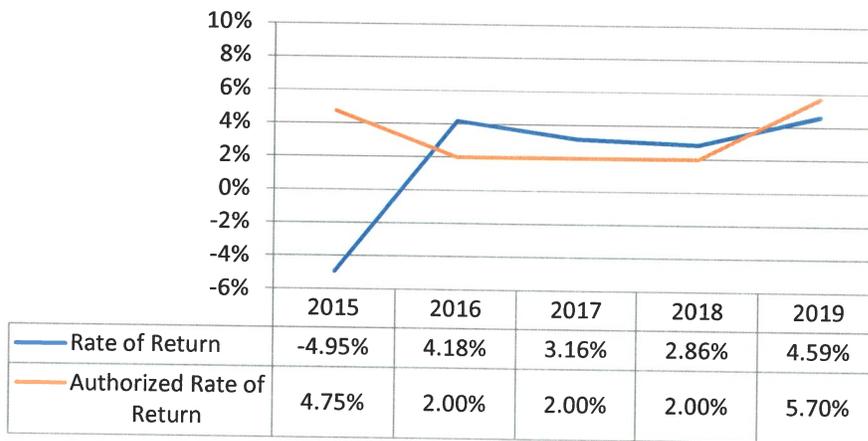
For regulatory reporting, non-routine maintenance projects were deferred and amortized over a five-year period, beginning January 1, 2018. Amortization during 2019 totaled \$124,284.

Rate of Return

The Public Service Commission of Wisconsin (PSC) determines rates charged to customers of the District by calculating a rate of return on the Commission's average net rate base. The PSC operating income differs from the above operating income (loss) as follows:

Operating income, as noted above	\$ 468,175
Tax equivalent payment	(305,908)
Amortization of deferred charges	(124,284)
WRS pension changes	61,800
WRLIF OPEB changes	3,167
Health Insurance OPEB Charges	23,669
Depreciation on contributed plant	151,119
PSC operating income	<u>\$ 277,738</u>

Presented below is the rate of return for the past five years.



The authorized rate of return for the Utility is 5.7%.

SEWER UTILITY

A comparative summary of the Sewer Utility's change in net position for the years ended December 31, 2019 and 2018 appears below:

	<u>2019</u>	<u>2018</u>
Operating revenues		
Charges for services	\$ 2,022,140	\$ 1,719,284
Other	15,681	9,093
Total operating revenues	<u>2,037,821</u>	<u>1,728,377</u>
Operating expenses		
Operation and maintenance	1,231,703	1,169,590
Depreciation	650,537	641,259
Taxes	25,417	28,356
Total operating expenses	<u>1,907,657</u>	<u>1,839,205</u>
Operating income (loss)	<u>130,164</u>	<u>(110,828)</u>
Nonoperating revenues		
Interest income	40,294	22,041
Total nonoperating revenues	<u>40,294</u>	<u>22,041</u>
Income (loss) before contributions	170,458	(88,787)
Capital contributions	<u>151,459</u>	<u>755,207</u>
Change in net position	<u>\$ 321,917</u>	<u>\$ 666,420</u>

The Commission experienced increased charges for services due to increased demand, which were offset in part by increased operation and maintenance costs. Additional detail of revenues and expenses is presented on page 36 of the Commission's annual financial report. Because the Commission's sewer utility does not have long-term debt, the operating loss reported above does not result in a direct cash reduction; however, since sewer utilities are capital intensive operations, it is important that rates be established to recover depreciation to allow the utility to reinvest back into a capital improvement budget.

We would recommend the Commission manage its sewer rates in conjunction with a long-term capital improvements plan.

APPENDIX

#11

Josh Gajewski

From: Anna Balucka [REDACTED]
Sent: Friday, July 24, 2020 8:27 AM
To: Josh Gajewski
Subject: Good morning,

Anna Balucka
W2573 W South St
Lake Geneva, WI 53147

7/24/2020

To Whom It May Concern:

My name is Anna B. I'm low income, single parent.
I live at W2573 W South St in Lake Geneva and I own this house since 2009.

My septic system fails and I am in need of sewer service from city of Lake Geneva but I would like to remain in Town of Linn.

Thank you for your time and consideration.

Sincerely
Anna Balucka
Sent from my iPad

CITY OF LAKE GENEVA - WATERMAIN PLACED IN 2019

Prepared by: Lake Geneva Utility Commission (J.Gajewski)

1150-1156 Wells Construction (placed in 2019)

Location	8" PVC Main (LF)	6" D.I. Hyd Lead (LF)	4" DI Service (LF)	8" Valve (EA)	6" Water Hyd Valve (EA)	4" Service Valve (EA)	Hydrant (EA)
Wells Street ROW (102+00)	53			1			
1150-1156 Wells Street (100+05)	195		18			4	
1150-1156 Wells Street Hydrant (100+00)		5			1		1
Quantity Subtotal	248	5	18	1	1	4	1
Estimated cost per unit	\$ 55.00	\$ 84.00	\$ 74.00	\$ 1,600.00	\$ 1,250.00	\$ 1,000.00	\$ 4,700.00
Cost Total	\$ 13,640.00	\$ 420.00	\$ 1,332.00	\$ 1,600.00	\$ 1,250.00	\$ 4,000.00	\$ 4,700.00

TOTALS PLACED:

Location	8" PVC Main (LF)	6" D.I. Hyd Lead (LF)	4" DI Service (LF)	8" Valve (EA)	6" Water Hyd Valve (EA)	4" Service Valve (EA)	Hydrant (EA)
TOTAL QUANTITIES PLACED	248	5	18	1	1	4	1
TOTAL COST PLACED	\$ 13,640.00	\$ 420.00	\$ 1,332.00	\$ 1,600.00	\$ 1,250.00	\$ 4,000.00	\$ 4,700.00

Progress Estimate

Contractor's Application

A		B		C		D		E		F		G		H		I	
Application Period:		Application Date:		Application Number #2		July 28th, 2020											
Item No.	Description	Bid Quantity	Unit Price	Bid Value	From Previous Application	Work Completed Period	Quantity this Application	Value this Application	Materials Presently Stored (not in C or E)	Total Completed and Stored to Date (C + E + F)	% (G / B)	Balance to Finish (B - G)					
1.1	Mobilization, Bonds and Insurance	1	\$35,720.00	\$35,720.00	\$ 28,576.00	\$ 0.80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 28,576.00	80%	\$ 7,144.00					
1.2	Roof Handrail, 18-foot Diameter	1	\$8,500.00	\$8,500.00	\$	1.00	\$8,500.00	\$ 0.00	\$ 0.00	\$ 8,500.00	100%	\$ 0.00					
1.3	Painter's Ring, 20-foot Diameter	1	\$6,750.00	\$6,750.00	\$	0.50	\$3,375.00	\$ 0.00	\$ 0.00	\$ 3,375.00	50%	\$ 3,375.00					
1.4	Extend Access Tube and 30-inch Roof Hatch	1	\$9,275.00	\$9,275.00	\$	0.50	\$4,637.50	\$ 0.00	\$ 0.00	\$ 4,637.50	50%	\$ 4,637.50					
1.5	Replace Platform Opening with 30-inch and Cover	2	\$2,000.00	\$4,000.00	\$	0.50	\$1,000.00	\$ 0.00	\$ 0.00	\$ 1,000.00	25%	\$ 3,000.00					
1.6	Replace 12-inch Expansion Joint with Bellows-Type	1	\$8,800.00	\$8,800.00	\$	0.50	\$4,400.00	\$ 0.00	\$ 0.00	\$ 4,400.00	50%	\$ 4,400.00					
1.7	Install Chemical Feed Line Coupling	1	\$750.00	\$750.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 750.00					
1.8	Remove Fixed Ladder Cage	1	\$4,500.00	\$4,500.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 4,500.00					
1.9	Replace Condensate Drain	1	\$1,200.00	\$1,200.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 1,200.00					
1.10	Replace Mud Valve and Connecting Piping	1	\$1,500.00	\$1,500.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 1,500.00					
1.11	Remove Remnant Tripod Bases	1	\$750.00	\$750.00	\$	1.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 750.00	100%	\$ 0.00					
1.12	Replace Wet Interior Manway Gasket	1	\$200.00	\$200.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 200.00					
1.13	Overflow Discharge Modification	1	\$2,500.00	\$2,500.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 2,500.00					
1.14	Drain Discharge Modification	1	\$2,500.00	\$2,500.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 2,500.00					
1.15	Remove Double Pod	1	\$2,500.00	\$2,500.00	\$	1.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,500.00	100%	\$ 0.00					
1.16	Cable Supports and Brackets	1	\$3,000.00	\$3,000.00	\$	0.50	\$1,500.00	\$ 0.00	\$ 0.00	\$ 1,500.00	50%	\$ 1,500.00					
1.17	Electrical	1	\$9,480.00	\$9,480.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 9,480.00					
1.18	Raise Tower 30 feet and Structural Improvements	1	\$254,629.00	\$254,629.00	\$ 80,702.00	0.38	\$ 97,538.30	\$ 0.00	\$ 0.00	\$ 178,240.30	70%	\$ 76,388.70					
1.A2	Replace Wet Interior Roof Hatch with 30-inch	1	\$3,000.00	\$3,000.00	\$	0.50	\$1,500.00	\$ 0.00	\$ 0.00	\$ 1,500.00	50%	\$ 1,500.00					
1.A3	Extend Ladder through Condensate Platform	1	\$1,500.00	\$1,500.00	\$	0.50	\$ 750.00	\$ 0.00	\$ 0.00	\$ 750.00	50%	\$ 750.00					
1.A4	Pivoting Rest Seat	1	\$1,000.00	\$1,000.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 1,000.00					
1.A5	LED Double Obstruction Light	1	\$1,500.00	\$1,500.00	\$		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	0%	\$ 1,500.00					
Change Order #1					\$6,817.52					\$6,817.52	34.09%	\$13,182.46					
Totals					\$363,554.00	66%	\$126,450.80	\$0.00	\$0.00	\$242,546.32		\$141,007.66					

#14

PROPOSAL

Phone 608.222.8622
Fax 608.222.9414



Altronex Control Systems

A Division of L. W. Allen, LLC

Excellence. By Design

4633 Tompkins Drive
Madison, WI 53716

Lake Geneva Wastewater
361 Main St
Lake Geneva, WI 53147
Attn: Ken Bauman

PROPOSAL ID: 20071416LKA
REFERENCE: WW SCADA Computer
LOCATION: Lake Geneva, WI
BID DATE: July 14, 2020

TERMS: NET-30 DAYS PER ATTACHED TERMS AND CONDITIONS
ADDENDUM __ ACKNOWLEDGED

FREIGHT IS F.O.B. ORIGIN – ALLOWED
PRICES DO NOT INCLUDE SALES OR USE TAXES

ITEM	QUAN	DESCRIPTION	TOTAL PRICE
		L.W. Allen and its Altronex Control Systems division are pleased to provide a quotation for the following equipment and services.	
A	1	<p>Wastewater System SCADA Computer</p> <ol style="list-style-type: none"> 1. Dell Precision 5820 Tower 2. Windows 10 Pro 64 Bit 3. Microsoft Office Home and Business 2019 4. Wireless Keyboard/mouse 5. Speaker 6. Monitor <p>Wonderware Software Upgrade</p> <ol style="list-style-type: none"> 1. Upgrade existing Wonderware license to latest version that is compatible with Windows 10. <p>Startup/Commissioning</p> <ol style="list-style-type: none"> 1. Delivery computer to site 2. Set up computer 3. Test major alarms on computer to make sure they dial out <p>Items Not Included:</p> <ol style="list-style-type: none"> 1. Downloading non-SCADA related software 2. Wonderware graphical changes 3. SCADA control changes 	
Total for Item A:			\$13,360

ACCEPTED THIS _____ DAY OF _____, 20____

PRICE FIRM FOR 30 DAYS

NAME OF PURCHASER

SUBMITTED THIS: July 14, 2020

BY: _____
NAME & TITLE

L.W. ALLEN, INC.-BY: 
Kurt Atwood

Terms and Conditions

Controlling Provisions: These terms and conditions shall supersede any provisions, terms, and conditions contained on any purchase order or other written form Buyer may use or provide (whether received by Seller prior or subsequent to date hereof), and the rights of the parties shall be governed exclusively by the provisions, terms, and conditions hereof.

Quotations and Acceptance: Acceptance of a quotation, whether by a separate purchase order or by other means, shall constitute an acknowledgment and approval of the quotation as written and an acceptance of the Terms and Conditions hereof. Written quotations shall expire on the date specified in the quotation or, in the absence of such specification, thirty calendar days from the date issued. Seller may, by written notice, terminate a quotation at any time prior to acceptance. Any purchase order received after expiration of a quotation, which Seller honors, shall be subject to all of the Terms and Conditions hereof.

Submittal Drawings: Submittal of drawings for approval, if required, will be made after receipt of complete information from buyer. The quantity of the submittal drawings will be as specified in the contract documents. Additional sets will be supplied at \$150.00 per set. Return to Seller of one (1), final approved drawing constitutes notice to Seller to proceed with manufacturer. If this order is conditioned upon "engineer approval" Seller requires written notification from buyer in the form of approved submittal data.

Force Majeure: Seller shall not be liable for failure to deliver or perform, for any delay in the performance of orders or contracts, or in the delivery of shipment of goods, or for any damages suffered by the buyer due to such delay or failure, when the delay or failure is, directly or indirectly, caused by or arises from delays of suppliers or carriers or any other cause beyond Seller's control.

Prices and Taxes: All prices are F.O.B. factory unless expressly stated otherwise. Prices do not include sales, excise, municipal, state or other governmental taxes. Buyer shall be responsible for all taxes.

Credit Approval: The credit terms specified on the face hereof are subject to Seller's continuing approval of Buyer's credit. Seller may withdraw the extension of credit and require modified payment terms if, in Seller's sole judgment, Buyer's credit or financial standing is impaired to the point where Seller in good faith deems itself insecure.

Delivery: Unless otherwise specified in this quotation, delivery will be F.O.B. Seller's point of shipment. Buyer will accept delivery within twenty (20) days after Seller notifies Buyer that the equipment is ready for shipment. If Buyer does not furnish exact shipping instructions within ten (10) days after acceptance of this proposal, Seller will select, at its discretion, the means and terms of shipment. Seller will not be liable for any loss resulting from such selection. The time of delivery is an estimate only, and Seller may change such time if it does not receive the information and approvals necessary to proceed with the manufacture of equipment.

Title, Risk of Loss, Inspection of Equipment: Title and risk of loss to the equipment shall pass to Buyer upon delivery of the equipment to the carrier. Buyer shall immediately inspect equipment upon receipt and any damage must be noted on the carrier's bill of lading at time of receipt. Seller is not liable for any shortages or nonconformance unless notified by Buyer within 10 days of Buyer's receipt of the equipment. Buyer will make all claims for loss or damage in transit against the carrier.

Changes, Cancellations, Returns: All changes, cancellations, or returns must have Seller's prior written approval and are conditional on compliance with manufacturer's cancellation/return policies and subject to restocking fees and service charges. Authorized returned equipment must be packaged and shipped prepaid to manufacturer.

Payment: Unless the Seller extends alternative credit terms, 90% of the total purchase price is due net 30 days after delivery of equipment (but in all cases prior to field service start-up, if earlier) and the remaining 10% is due upon start-up of equipment by Seller's field technician, but in no event more than 90 days after shipment of equipment. Any balance owed by Buyer after the due date is subject to a 1.5% per month delinquency charge until paid. **FIELD START-UP SERVICE CANNOT BE AUTHORIZED WITHOUT RECEIPT OF PAYMENT IN THE AMOUNT OF 90% OF THE TOTAL PURCHASE PRICE.** If no start-up is required, 100% payment is due net 30 days from invoice date. **BUYER'S PAYMENT OBLIGATION IS IN NO WAY CONTINGENT UPON BUYER'S RECEIPT OF PAYMENT FROM ANY OTHER PARTY.**

Indemnification and Default: In addition to all other amounts due hereunder, buyer shall reimburse Seller in full for all collection costs or changes, including reasonable attorney fees, which Seller may incur in the collection of past due amounts from buyer, including interest on overdue accounts. If buyer is in default under this or any other agreement with Seller, Seller may defer performance hereunder until such default is cured. Seller shall have no obligation to provide factory startup assistance and/or factory training until all invoices (including retentions) for equipment have been paid in full.

Security Interest: Seller shall retain a security interest in the equipment until the full purchase price has been paid. Buyer's failure to pay any amounts due shall give Seller the right to possession and removal of the equipment after providing ten (10) days written notice. Seller's taking of such possession shall be without prejudice to any other remedies Seller may have.

Warranty and Liability: Buyer shall have such warranty rights, and only such warranty rights, as may be extended by the manufacturer of the product. The terms and conditions of any such warranty rights are set forth in the Manufacturer's Operation/Maintenance Manual which accompanies each product. Seller does not otherwise offer any guaranty or warranty for the product. Seller disclaims any and all warranties; express or implied, including the warranties of merchantability and fitness, except as may be set forth in the terms and conditions of sale in this Agreement or in any express written warranty which seller may have otherwise extended to Buyer for the product. Unless otherwise agreed, warranty coverage is 18 months from date of shipment or 12 months from date of startup, whichever comes first.

Seller shall not be liable for any damages, charges for labor, or expense in making repairs or adjustments to the product without prior written approval of Seller. Seller shall not be liable for any damages or charges sustained in the adaptation or use of its engineering data or service by Buyer or any third party. Seller shall not be liable for startup or any other field work performed by personnel other than authorized representatives of Seller unless expressly approved in writing in advance by Seller. Seller shall in no event be liable for any consequential, incidental or liquidated damages or penalties. Seller's liability under this Agreement shall in no event exceed the lesser of: (i) the cost of remediating any defect or deficiency in the performance of Seller hereunder; or (ii) the purchase price of the product in respect of which the claim is made.

Operation/Maintenance Manuals: Buyer's installation, maintenance and operation manuals will be furnished in the number of copies specified at the time of quotation in contract documents. If none specified, one will be provided at no added cost, with additional copies at \$150.00 each.

PROPOSAL

Phone 608.222.8622
Fax 608.222.9414



Altronex Control Systems

A Division of L. W. Allen, LLC

Excellence, By Design

4633 Tompkins Drive
Madison, WI 53716

Lake Geneva Wastewater
361 Main St
Lake Geneva, WI 53147
Attn: Ken Bauman

PROPOSAL ID: 20073013LKA-Rev 2
REFERENCE: Raw WW Pump Control Panel
LOCATION: Lake Geneva, WI
BID DATE: August 13, 2020

Revision 2

TERMS: NET-30 DAYS PER ATTACHED TERMS AND CONDITIONS

FREIGHT IS F.O.B. ORIGIN – ALLOWED

ADDENDUM __ ACKNOWLEDGED

PRICES DO NOT INCLUDE SALES OR USE TAXES

ITEM	QUAN	DESCRIPTION	TOTAL PRICE
		<p>L.W. Allen and its Altronex Control Systems division are pleased to provide a quotation for the following equipment and services.</p> <p>The original raw pumps were controlled by a bubbler system. That system was removed some time ago and the logic for the raw pumps got moved to the Master PLC. The City would like to upgrade the control of the raw pumps and get a new local PLC panel to handle to the control. The new control panel will have its own PLC and operator interface terminal. This panel can run completely stand alone from the rest of the plant, in case of a communications failure. The panel will monitor more than just the influent pumps. We will pick up the following: Grit Pump, Paddle Drive, Influent Blower, Generator, ATS and (3) Exhaust Fan</p>	
A	1	<p>LCP-1-3 Raw Wastewater Pump Control Panel</p> <ol style="list-style-type: none"> 1. Nema 1 free standing enclosure with backpan 2. Single pole breaker 3. SPD 4. AC UPS 5. 24VDC power supply 6. Allen Bradley Compactlogix with necessary I/O cards 7. Allen Bradley Panelview 12" 8. N-tron Industrial Ethernet Switch 9. PLC Scan Fail 10. IS Barriers for the floats and transducer 11. Influent wetwell backup float control 12. Selector switches, indicator lights and relays as necessary <p>Mechanical Bar Screen</p> <ol style="list-style-type: none"> 1. No changes will be provided for the mechanical bar screen. <p>Grit Paddle Drive</p> <ol style="list-style-type: none"> 1. The paddle drive runs 24/7. This is hardware control and will remain as is. 2. We'll provide a CT inside the motor starter bucket to monitor run. 3. We'll provide an alarm if the paddle drive is not running. <p>Grit Pump</p>	

ITEM	QUAN	DESCRIPTION	TOTAL PRICE
		<ol style="list-style-type: none"> 1. The automatic control via the PLC will be a ON/OFF time clock that is operator adjustable at the touch screen. 2. We'll provide a CT inside the motor starter bucket to monitor run. 3. We'll provide a "Call to Run" Alarm if the grit pump is called to run but we don't receive the "Run" in an operator adjustable time period. <p>Grit Washer</p> <ol style="list-style-type: none"> 1. The grit washer is controlled from a Lakeside control panel. 2. No changes will be made to the panel or the control. <p>Influent Pumps</p> <ol style="list-style-type: none"> 1. Provide new (6) pump ramp control for the wetwell through the new PLC 2. Provide submersible pressure transducer as primary control 3. Provide hardware backup float system 4. Primary control setpoints will be operator adjustable at the local touch screen. <p>Influent Blower</p> <ol style="list-style-type: none"> 1. The hardware control of the blower will not be changed. 2. The automatic control via the PLC will be a ON/OFF time clock that is operator adjustable at the touch screen 3. We'll provide a CT inside the motor starter bucket to monitor run. 4. We'll provide a "Call to Run" Alarm if the influent blower is called to run but we don't receive the "Run" in an operator adjustable time period <p>Misc. Exhaust Fans</p> <ol style="list-style-type: none"> 1. We'll provide (3) CTs inside the lighting panel to monitor run for exhaust fans 10-EF-2, 10-EF-4 and 10-EF-5. <p style="text-align: right;">Total for Item A:</p>	\$59,379
B	1	Deduct to remove the Allen Bradley Panelview 12" from Item A	
		Total Deduct from Item A:	(\$11,500)
C	1	<p>Master PLC and SCADA Wonderware Modifications</p> <ol style="list-style-type: none"> 1. Provide new screens for the new influent pumps 2. Provide screen updates for the Grit Paddle Drive 3. Provide screen updates for the Grit Pump 4. Provide screen updates for the Influent Blower 5. Provide screen updates to include the exhaust fans 10-EF-2, 10-EF-4 and 10-EF-5 <p style="text-align: right;">Total for Item C:</p>	\$12,000
D	1	<p>10MCC-1E Modifications</p> <p>Grit Pump</p> <ol style="list-style-type: none"> 1. The 3 phase motor starter is to be removed from the existing Vacuum Pump Control Panel. A new motor starter and overload will be installed inside the motor control center. 2. The automatic control via the PLC will be a ON/OFF time clock that is operator adjustable at the touch screen. 3. We'll provide a CT inside the motor starter bucket to monitor run. 4. We'll provide an alarm if the paddle drive is not running. <p>Grit Paddle Drive</p>	

ITEM	QUAN	DESCRIPTION	TOTAL PRICE
		1. We'll provide a CT inside the motor starter bucket to monitor run status. Influent Blower 1. We'll provide a CT inside the motor starter bucket to monitor run status.	
		Total for Item D:	\$2,388
E	1	Remote Instrumentation 1. (5) float switches with an anchor kit 2. (1) submersible pressure transducer	
		Total for Item E:	\$2,250
F	1	Deduct to Remote Generator and ATS Monitoring	
		Total Deduct from Item A:	(\$1,200)
		Altronex Control Systems Professional Services: 1. CAD drawings 2. PLC Programming 3. OIT Programming 4. SCADA Wonderware Programming 5. Test 6. Startup 7. Training 8. O&M 9. 1 Year Warranty	
		Items Not Included: 1. Installation of conduit and field wiring 2. Installation of control cabinet 3. Ethernet run from LCP-1-3 to the Master PLC cabinet. 4. Permits 5. Junction boxes	

ACCEPTED THIS _____ DAY OF _____, 20____

PRICE FIRM FOR 30 DAYS

NAME OF PURCHASER

SUBMITTED THIS: August 13, 2020

BY: _____
NAME & TITLE

L.W. ALLEN, INC.-BY: 
Kurt Atwood

Terms and Conditions

Controlling Provisions: These terms and conditions shall supersede any provisions, terms, and conditions contained on any purchase order or other written form Buyer may use or provide (whether received by Seller prior or subsequent to date hereof), and the rights of the parties shall be governed exclusively by the provisions, terms, and conditions hereof.

Quotations and Acceptance: Acceptance of a quotation, whether by a separate purchase order or by other means, shall constitute an acknowledgment and approval of the quotation as written and an acceptance of the Terms and Conditions hereof. Written quotations shall expire on the date specified in the quotation or, in the absence of such specification, thirty calendar days from the date issued. Seller may, by written notice, terminate a quotation at any time prior to acceptance. Any purchase order received after expiration of a quotation, which Seller honors, shall be subject to all of the Terms and Conditions hereof.

Submittal Drawings: Submittal of drawings for approval, if required, will be made after receipt of complete information from buyer. The quantity of the submittal drawings will be as specified in the contract documents. Additional sets will be supplied at \$150.00 per set. Return to Seller of one (1), final approved drawing constitutes notice to Seller to proceed with manufacturer. If this order is conditioned upon "engineer approval" Seller requires written notification from buyer in the form of approved submittal data.

Force Majeure: Seller shall not be liable for failure to deliver or perform, for any delay in the performance of orders or contracts, or in the delivery of shipment of goods, or for any damages suffered by the buyer due to such delay or failure, when the delay or failure is, directly or indirectly, caused by or arises from delays of suppliers or carriers or any other cause beyond Seller's control.

Prices and Taxes: All prices are F.O.B. factory unless expressly stated otherwise. Prices do not include sales, excise, municipal, state or other governmental taxes. Buyer shall be responsible for all taxes.

Credit Approval: The credit terms specified on the face hereof are subject to Seller's continuing approval of Buyer's credit. Seller may withdraw the extension of credit and require modified payment terms if, in Seller's sole judgment, Buyer's credit or financial standing is impaired to the point where Seller in good faith deems itself insecure.

Delivery: Unless otherwise specified in this quotation, delivery will be F.O.B. Seller's point of shipment. Buyer will accept delivery within twenty (20) days after Seller notifies Buyer that the equipment is ready for shipment. If Buyer does not furnish exact shipping instructions within ten (10) days after acceptance of this proposal, Seller will select, at its discretion, the means and terms of shipment. Seller will not be liable for any loss resulting from such selection. The time of delivery is an estimate only, and Seller may change such time if it does not receive the information and approvals necessary to proceed with the manufacture of equipment.

Title, Risk of Loss, Inspection of Equipment: Title and risk of loss to the equipment shall pass to Buyer upon delivery of the equipment to the carrier. Buyer shall immediately inspect equipment upon receipt and any damage must be noted on the carrier's bill of lading at time of receipt. Seller is not liable for any shortages or nonconformance unless notified by Buyer within 10 days of Buyer's receipt of the equipment. Buyer will make all claims for loss or damage in transit against the carrier.

Changes, Cancellations, Returns: All changes, cancellations, or returns must have Seller's prior written approval and are conditional on compliance with manufacturer's cancellation/return policies and subject to restocking fees and service charges. Authorized returned equipment must be packaged and shipped prepaid to manufacturer.

Payment: Unless the Seller extends alternative credit terms, 90% of the total purchase price is due net 30 days after delivery of equipment (but in all cases prior to field service start-up, if earlier) and the remaining 10% is due upon start-up of equipment by Seller's field technician, but in no event more than 90 days after shipment of equipment. Any balance owed by Buyer after the due date is subject to a 1.5% per month delinquency charge until paid. **FIELD START-UP SERVICE CANNOT BE AUTHORIZED WITHOUT RECEIPT OF PAYMENT IN THE AMOUNT OF 90% OF THE TOTAL PURCHASE PRICE.** If no start-up is required, 100% payment is due net 30 days from invoice date. **BUYER'S PAYMENT OBLIGATION IS IN NO WAY CONTINGENT UPON BUYER'S RECEIPT OF PAYMENT FROM ANY OTHER PARTY.**

Indemnification and Default: In addition to all other amounts due hereunder, buyer shall reimburse Seller in full for all collection costs or changes, including reasonable attorney fees, which Seller may incur in the collection of past due amounts from buyer, including interest on overdue accounts. If buyer is in default under this or any other agreement with Seller, Seller may defer performance hereunder until such default is cured. Seller shall have no obligation to provide factory startup assistance and/or factory training until all invoices (including retentions) for equipment have been paid in full.

Security Interest: Seller shall retain a security interest in the equipment until the full purchase price has been paid. Buyer's failure to pay any amounts due shall give Seller the right to possession and removal of the equipment after providing ten (10) days written notice. Seller's taking of such possession shall be without prejudice to any other remedies Seller may have.

Warranty and Liability: Buyer shall have such warranty rights, and only such warranty rights, as may be extended by the manufacturer of the product. The terms and conditions of any such warranty rights are set forth in the Manufacturer's Operation/Maintenance Manual which accompanies each product. Seller does not otherwise offer any guaranty or warranty for the product. Seller disclaims any and all warranties; express or implied, including the warranties of merchantability and fitness, except as may be set forth in the terms and conditions of sale in this Agreement or in any express written warranty which seller may have otherwise extended to Buyer for the product. Unless otherwise agreed, warranty coverage is 18 months from date of shipment or 12 months from date of startup, whichever comes first.

Seller shall not be liable for any damages, charges for labor, or expense in making repairs or adjustments to the product without prior written approval of Seller. Seller shall not be liable for any damages or charges sustained in the adaptation or use of its engineering data or service by Buyer or any third party. Seller shall not be liable for startup or any other field work performed by personnel other than authorized representatives of Seller unless expressly approved in writing in advance by Seller. Seller shall in no event be liable for any consequential, incidental or liquidated damages or penalties. Seller's liability under this Agreement shall in no event exceed the lesser of: (i) the cost of remediating any defect or deficiency in the performance of Seller hereunder; or (ii) the purchase price of the product in respect of which the claim is made.

Operation/Maintenance Manuals: Buyer's installation, maintenance and operation manuals will be furnished in the number of copies specified at the time of quotation in contract documents. If none specified, one will be provided at no added cost, with additional copies at \$150.00 each.