

CEDARBURG LIGHT & WATER COMMISSION

February 20, 2023

The regular monthly meeting of the Light & Water Commission was held on Monday, February 20, 2023 at 6:00 p.m. at the utility office.

Call to order by Vice President Andy Moss

Roll Call: Present – Joseph Dorr, Blaine Hilgendorf, Andy Moss, David Pagel, Paul Radtke, City Council Member Patricia Thome

Excused – Tim Larson

Also Present – General Manager Ben Collins, Administrative Manager Mari Lauer, Electric Utility Superintendent Karsten Huse

STATEMENT OF PUBLIC NOTICE

The Statement of Public Notice was read, and it was acknowledged that the agenda for this meeting was posted and distributed in compliance with the Wisconsin Open Meetings Law.

APPROVAL OF MINUTES

The minutes of the Regular Meeting held on January 16, 2023 were read and approved on a motion by Patricia Thome, seconded by Paul Radtke. Motion carried.

VOUCHER SUMMARY FOR JANUARY

Accounts Payable, ACH, & Wire Transfers	\$ 1,471,082.00
Payroll	<u>100,687.00</u>
Total Vouchers	\$ 1,571,769.00

BANK BALANCE FOR JANUARY

1/1/23 Balance Available	\$ 660,625.28
+ Deposits	1,655,661.51
- Checks and Other Debits	<u>1,853,726.07</u>
1/31/23 Available Balance	\$ 462,560.72

REVENUE ITEMS FOR JANUARY

kWh Sold 9,044,842	\$ 1,062,559.33
Water Sold 25,837,647 Gallons	<u>133,209.41</u>
	\$ 1,195,768.74

Water Pumped 33,117,580 Gallons
Power Purchased – 9,319,296 kWh

NEW BUSINESS

PRESENTATION OF THE ELECTRIC UTILITY ANNUAL REPORT

Electric Utility Superintendent Karsten Huse provided the annual Electric Department presentation. Karsten's presentation was intended to review key activities from the last year or so, the present, and the future outlook for the electric department. The presentation is available electronically.

Karsten discussed customer work including new construction, underground rebuilds, service relocations, and service conversions. Utility financed joint work with AT&T was ongoing in 2022. CL&W may or may not participate in 2023 joint projects with AT&T.

Other areas of discussion included: 2022 power outages, staffing, inventory constraints, distribution system planning, and electric vehicle charging and distributed generation and storage.

2022 INVENTORY ADJUSTMENTS; AND ACTION THEREON

The Manager discussed the need for the commission to approve the annual adjustments to physical inventory as part of the annual audit prep. Once again, inventory for both utilities went smoothly for 2022.

Each year the utility takes a physical count of inventory products. These counts are compared to the count in the computerized inventory system. Differences are reviewed each year by the Electric Superintendent, Water Superintendent, and General Manager. Any variances that have a large quantity and/or dollar difference or that may have a material effect on the utility's property record units are researched to determine if errors made during the year are identifiable, and such errors are corrected. If errors in procedure are identified, they are discussed with the employees, and corrections are made.

A motion was made by Joe Dorr, seconded by David Pagel, to approve annual adjustments to balance the value of physical inventory in stock with the accounting records in the amount of <\$1,677> for the electric utility and <\$1,062> for the water utility. Motion carried.

WATER RATE CASE UPDATE

The PSC completed the Cost of Service Study and Rate Design determining new water rates for each customer class. The Rate Sheet Comparison Summary and Customer Impact Summary were distributed to commissioners in advance of the meeting, and the summaries can be viewed electronically.

A hearing is scheduled for February 28th at 2:00 p.m. The hearing notice was printed on utility bills that were mailed on February 8th. The PSC will collect

information from the Public Hearing and make a decision. The official approval and implementation date will be sent to utility staff after a decision is made.

ELECTRONIC PAYMENT CONVENIENCE FEE DISCUSSION

CL&W uses a 3rd party payment processor (Paymentus) for credit, debit, and ACH transactions. Paymentus works directly with our Northstar billing system, streamlining payment receipt and allocation to the proper customer accounts. CL&W began absorbing the transaction fees in mid-February 2021, and has seen a drastic increase in electronic payments, resulting in a significant cost to the utility.

In addition, compliance regulations prohibit incentivizing one payment method over another, so the same fee must be charged no matter the method of payment through the payment processor. CL&W is pursuing a convenience fee model where the customer is responsible for all online payment fees. Any changes to the model will require an amendment to the master agreement and will take approximately 4-5 months to implement.

CITY COUNCIL, MANAGER AND DEPARTMENT REPORTS

The Manager & Department Reports were provided to the commissioners in advance of the meeting. The full reports can be reviewed in the electronic commission packet.

Ben Collins discussed the joint project with AT&T, personnel updates, planning for electric vehicles (EV), and forming a utility philanthropic committee.

Commissioners will be set up with a utility email at the March meeting.

APPROVAL OF BILLS

The bills, as listed on the Check Register were audited, and a motion was made by Paul Radtke, seconded by Patricia Thome, to approve the bills for payment. Motion carried.

ADJOURN

A motion was made by Patricia Thome, seconded by Paul Radtke, to adjourn at 8:07 p.m. Motion carried.