

MINUTES OF A MEETING OF THE WATER UTILITY COMMISSION OF THE CITY OF CUDAHY, WISCONSIN HELD AT CITY HALL 5050 S. LAKE DRIVE ON TUESDAY DECEMBER 3, 2013

The meeting was called to order at 4:00 P.M. by Chairman Miller with the following members in attendance: Mr. Kramer, Mr. Hanson and Mr. O'Connell. Superintendent Miller and Director of PW Lange also present. Mr. Kober absent and excused.

APPROVE MINUTES OF THE OCTOBER 24, 2013 MEETING

Moved by Mr. Kramer second by Mr. Hanson, to approve the minutes of the October 24, 2013 meeting.
All voting in favor.

2014 OPERATING AND MAINTENANCE BUDGET

Superintendent Miller reviewed the proposed 2014 budget. Budget summary is attached. There was discussion on the budget. The Superintendent was directed to calculate the current cost to produce water per 1000 gallons.

Moved by Mr. Hanson second by Mr. Kramer to accept the 2014 Operating and Maintenance Budget as written.

All voting in favor.

2014 CAPITAL BUDGET

The Superintendent presented the 2014 Capital Budget, the key item in 2014 will be painting the water tower. Funds will also have to be budgeted to replace the roof on the lake shore pumping station.

Moved by Mr. Kramer, second by Mr. O'Connell to approve the 2014 Capital Budget.

All voting in favor.

SUPERINTENDENT UPDATES

Superintendent Miller gave a quick overview of operations:

- The utility has already had two main breaks, air and water temperatures are significantly lower than normal already.

- Delinquent water balances have been transferred to the city property tax roll. The utility collected \$158,000.

- The utility made a decision not to participate in an area study looking at ways to lower the use of phosphorus to control corrosion. With sampling scheduled in 2014 for Lead and Copper Compliance and several other operational issues the DPW and the Superintendent decided it was in the best interests of the utility not to participate in the study.

ADJOURNMENT

There being no further business, it was moved by Mr. O'Connell, second by Mr. Kramer to adjourn.
All voting in favor (4:37 PM)

Ken Kramer, Secretary

Attest: Bill Miller

2014 CAPITAL IMPROVEMENTS

Capital Improvement Plan

	Budget
Paint water Tower	552,000
TOTAL:	<hr/> 552,000

Additional Capital Items

	Budget
Pump Station Roof	16,000
Chlorine Monitors	9,000
Hydrant replacements and restoration	22,000
Valve replacements and restoration	25,000
Water Meters	15,000
Garage Doors (replace 1 each year x 3 years)	6,000
Construction Equipment	4,000
Filter Valve Operators	8,000
Raw Water Pump	30,000
Lab Equipment	8,500
SUB TOTAL:	143,500
TOTAL CAPITAL	695,500

CITY OF CUDAHY WATER UTILITY
Utility Cash Flow Summary

	2012 ACTUAL	2013 BUDGET	2013 PROJECTED	2014 BUDGET
SUMMARY OF KEY FINANCIAL DATA				
Unrestricted Cash- beginning of year	392,894	403,075	393,519	690,010
Payable to City				
 OPERATING Revenue	 2,643,440	 2,700,500	 2,620,600	 2,644,400
O&M Expenses	1,568,071	1,554,209	1,504,878	1,597,992
Depreciation	481,006	487,789	482,500	480,000
Total Operating Expenses	<u>2,049,077</u>	<u>2,041,998</u>	<u>1,987,378</u>	<u>2,077,992</u>
 Operating Income	 594,363	 658,502	 633,222	 566,408
Non operating revenues/expenses	(76,408)	(91,579)	(80,000)	(81,000)
Tax Equivalent to City	(372,108)	(362,582)	(373,000)	(374,500)
Net Change	<u>145,847</u>	<u>204,341</u>	<u>180,222</u>	<u>110,908</u>
 SUMMARIZED CASH FLOW				
Operating Income	594,363	658,502	633,222	566,408
Add: Debt Proceeds				
Add: Depreciation	481,006	487,789	482,500	480,000
Less: Taxes	(372,108)	(362,582)	(373,000)	(374,500)
Subtotal	703,261	783,709	742,722	671,908
Debt Service	(285,773)	(285,772)	(271,231)	(275,137)
Pay back to city				
Subtotal	417,488	497,937	471,491	396,771
Capital Costs	(416,863)	(177,500)	(175,000)	(694,500)
 Net	 <u>625</u>	 <u>320,437</u>	 <u>296,491</u>	 <u>-297,729</u>
 Cash - End of Year	 393,519	 723,512	 690,010	 392,281