

Cumberland, Wisconsin
May 16, 2022

The monthly meeting of the Cumberland Municipal Utility Commission was called to order on Monday, May 16, 2022, at 4:00 p.m. in the Utility Conference Room located at 1265 2nd Avenue, Cumberland, Wisconsin, by commission President Louis E. Muench. The following commissioners were present: Louis E. Muench, Gerald Thon, Craig Turcott, Tom Goldsmith and John Anderson. Also in attendance was General Manager, Dean Bergstrom, Office Manager, Lori Nyhus, Tom Schroeder from the Beaver Dam Lake Association and Todd Roeschlein from Ardisam, Inc.

Next was public comments. Tom Schroeder spoke in regards to the back alley and asked the commissioners to be conscientious on what is built in that location in the future. The Lake Association has worked hard to beautify the Library Lake area. If anything is built in the back alley, he asked us to be aware of what the Lake Association has worked to accomplish.

Commissioners reviewed the meeting minutes from the April 18, 2022 meeting that were provided in advance of the meeting. After discussion, a motion was made by Goldsmith and seconded by Turcott to approve the set of minutes from April 18, 2022 as presented; motion carried.

The commissioners reviewed the voucher listing for approval that had been provided in advance and discussed various entries with the General Manager. After discussion, a motion was made by Thon and seconded by Turcott, to approve payment of said vouchers numbered 12744 through 12847, with 9 automatic payment transactions, for a total dollar amount of \$890,660.01. Motion carried; vouchers approved.

Mrs. Nyhus then reviewed the financial position of the Utility with the commissioners on paper materials that were provided in advance and by overhead projection via PowerPoint. Overall, the kilowatt sales for the month were almost identical to the previous year. The total operating revenues were up over the last year, but the operating expenses were also up, leading to a net income loss for the current month. There have been some expenses for distribution for new equipment that was purchased to supply the Versalift truck with tools and also purchasing electric underground inventory that was needed. The water sales were down in most categories except for Industrial, leading to almost a 5% decrease in sales. This comes to approximately only a \$700.00 difference in revenues compared to last year when we were up slightly in operation and maintenance expenses by about \$4000.00, which lead to a negative \$6,000.00 in income. When Seneca starts canning, the Water Utility will start going back into the positive category. There were some extra expenses, as we needed construction authorization from the PSC for Well #6 and watermain construction out to the new hospital. On the sewer side, sales are down again slightly by about 3% compared to last year. Operating revenues were only about \$2,000.00 less than last year at this time, but our net income for operation and maintenance was up over \$20,000.00 compared to last year and our total income less expenses is up about \$13,000.00 over last year. We also did make a USDA Loan payment of almost \$37,000.00 in the month of May and we also paid another \$160,000.00 towards the new screens at the Sewer Plant along with paying for the membranes which are completed. We will use \$100,000.00 of our funds that are in a separate account and internal fund borrowing for the remainder of the membrane and screen project that has already been approved by the commission. The cash balances for the Utility are very strong, so the Utility is in very good financial position. A motion was made by Thon and seconded by Turcott to approve the financial statements and reports as presented; motion carried.

Next, there was a motion made by Goldsmith and seconded by Thon, to designate U.S. Bank, Dairy State Bank, Cumberland Federal Bank and the State of Wisconsin Local Government Pooled Investment Fund as financial institutions along with designating the Cumberland Advocate as the official newspaper of the Utility. All commissioners voted yes; motion carried.

Next, there was discussion to approve the sale of the Utility Shop cold storage building and approximately 11 acres of property to Ardisam, Inc. Mr. Roeschlein from Ardisam, Inc. spoke about their needs to expand their business in the Industrial Park and they are wishing to exercise the first right of refusal that was signed 4 years ago. He asked the commissioners to approve the agreement. Mr. Roeschlein then left the meeting and there was discussion amongst the commissioners. Seeing that this was an agreement that was made 4 years ago for Ardisam to have the first right of refusal to purchase said property, a motion was made by Goldsmith and seconded by Thon to approve this. All Commissioners voted yes; motion carried.

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The General Manager then reported that all the engines have been accredited on their annual run with Dairyland Cooperative. All generators totaled a capacity of 21 megawatts, so we are set for another year of running. We also had 15 manholes inspected by CBS². They will analyze the video and inspection report, and there will be a recommendation on what needs to be done to those manholes when the DOT comes through Cumberland to re-do the main highway in 2025.

We now have ownership of our new Digger Derrick. Unfortunately, some work needed to be done at Meyer's Trucks in Cameron as a turbo went out on it, but it is now running very well. The linemen have been out setting poles with it. The old Digger Derrick truck that was sold was never titled in Cumberland Utility's name—it was still in Barron Electric Cooperative's name. We had to get a new title from Barron Electric and transfer it to Cumberland Municipal Utility's name in order to sell it to the new owner.

The membranes at the Sewer Plant are working great with no issues. We are hoping to get 15 years of use out of these new membranes. Sewer plants have gone as many as 20 years with these membranes and if that happens, these new membranes will save the Sewer Utility money over the years. We will be changing to the finer screens in the month of June and we will try to sell the old screens, as there is plenty of life left in them.

We received approval from the PSC but are still waiting on the DNR for Well #6. We should receive the approval soon, as we have paid a fee to the DNR which states that they are getting close to approving Well #6. If we have to do a rate case with the PSC, we will start after August 1st so we can complete the work in 2023 and use 2023 as the test year for the rate case. We are still waiting on approvals for the hospital project from the PSC and DNR. We hope to receive those approvals very soon as they are waiting to start that project. The General Manager then informed the commission that there will be 50/50 grants available from the Federal Government to help pay for automatic meter reading systems. We will try to have a couple presentations on this for the commissioners in the very near future so we can make a decision and when the grants become available, we will have everything in order.

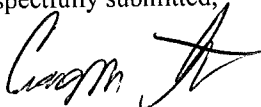
The General Manager also asked for thoughts about possibly doing scholarships and some donations to local organizations in the future. We are always asked to help out with projects or benefits and we have done some donating, but this is just something to keep in mind for 2023. Also, September 21, 2022 is tentatively going to be an open house for our 125 years at CMU.

Next was the election of officers. Seeing that Louis E. Muench was President for two terms of five years, there was a need for someone to be the next President for a 5-year term. A motion was made by Anderson and seconded by Thon, to elect Craig Turcott as President. All commissioners voted yes; motion carried. Next, Jerry Thon was Vice President for two terms of five years, totaling 10 years, so he is no longer eligible to be Vice President. A motion was made by Thon and seconded by Turcott, to nominate and approve Louis E. Muench as Vice President. All commissioners voted yes; motion carried. A motion was made by Turcott and seconded by Anderson, to nominate and approve Jerry Thon as Secretary. All commissioners voted yes; motion carried.

It was noted that the next commission meeting date will be Monday, June 20, 2022 at 4:00 p.m. in the Utility Conference Room.

There being no further business, a motion to adjourn the meeting was made by Goldsmith and seconded by Thon. Motion carried; meeting adjourned.

Respectfully submitted,



Craig M. Turcott, Secretary