2024

KAUKAUNA UTILITIES

ANNUAL BUDGET

ADOPTED 11/15/2024

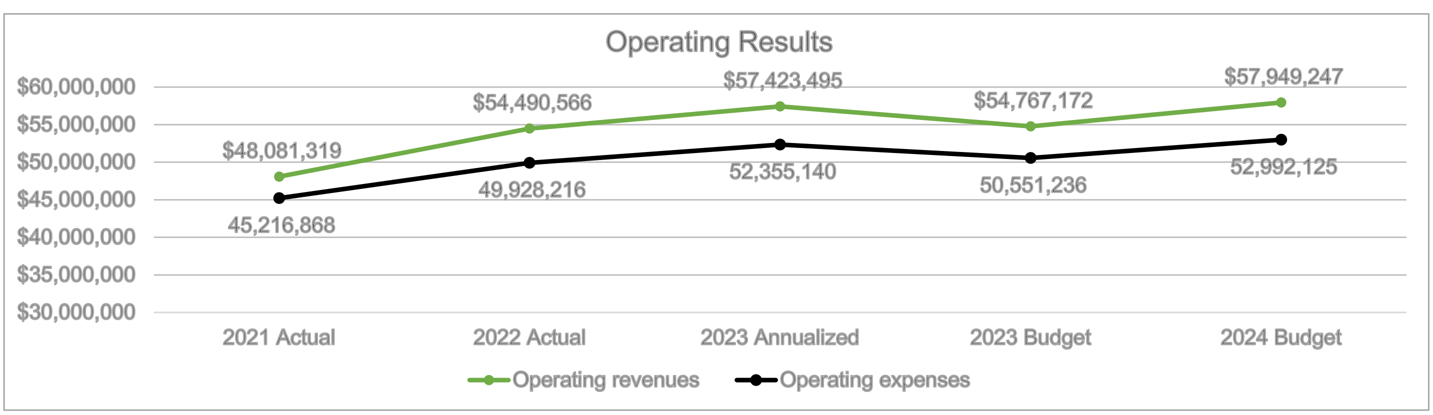
2024 Budget
Electric Utility - Summary

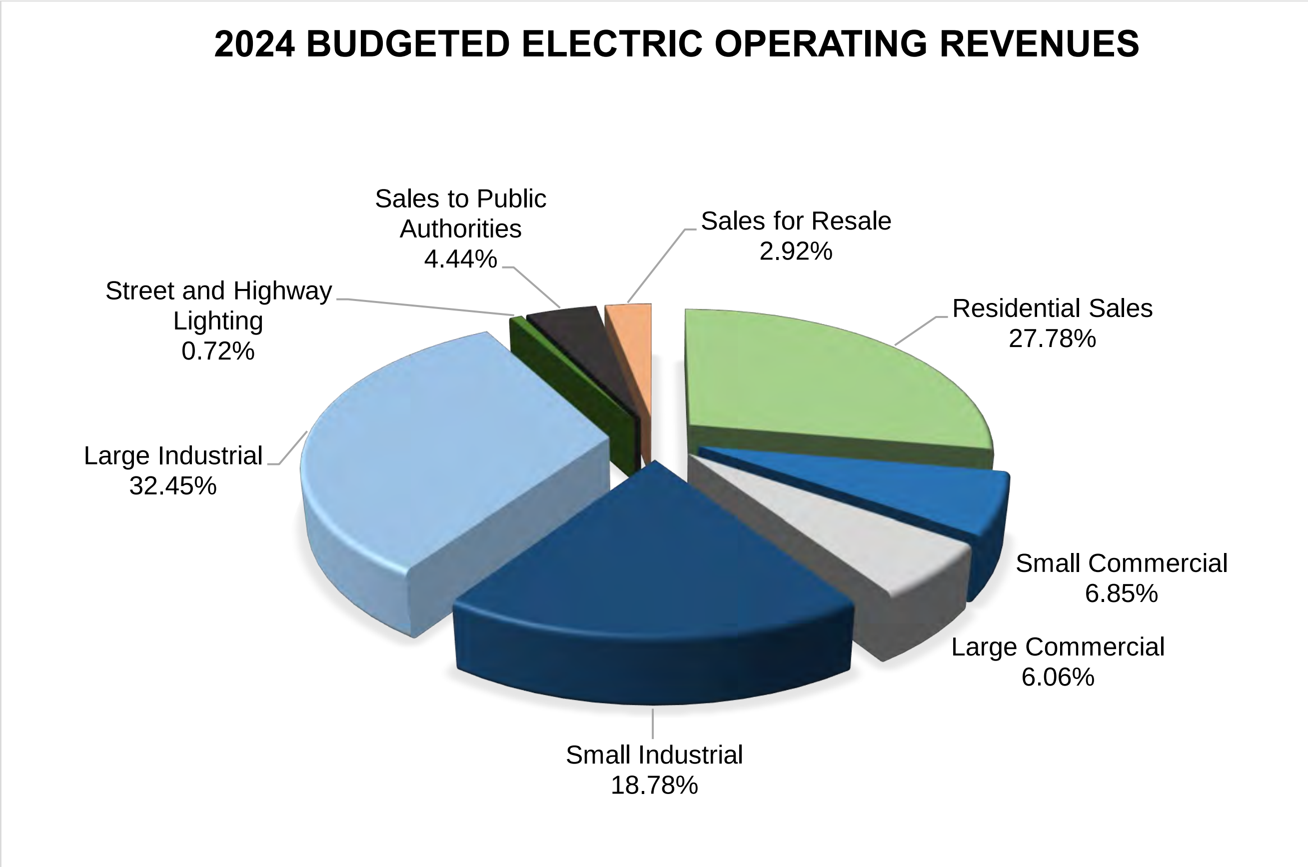
	Year End 12/31/2021	Year End 12/31/2022	Annualized 2023	Budget 2023	Budget 2024	Increase (Decrease)	% Increase (Decrease)
OPERATING REVENUES							
SALES OF ELECTRICITY							
Residential Sales	$ 14,628,398	$ 15,556,973	$ 16,043,731	$ 16,129,800	$ 15,955,800	$ (174,000)	-1.08%
Small Commercial	3,494,333	3,723,172	3,901,223	3,924,500	3,936,600	12,100	0.31%
Large Commercial	2,842,721	3,106,316	3,050,208	3,139,800	3,478,500	338,700	10.79%
Small Industrial	9,153,793	9,850,779	11,363,775	11,336,500	10,786,300	(550,200)	-4.85%
Large Industrial	13,105,574	17,166,038	18,094,120	14,941,900	18,643,300	3,701,400	24.77%
Street and Highway Lighting	412,057	420,557	419,565	423,300	414,700	(8,600)	-2.03%
Sales to Public Authorities	2,124,372	2,364,086	2,396,490	2,612,900	2,549,200	(63,700)	-2.44%
Sales for Resale	1,796,808	1,776,002	1,686,205	1,748,270	1,679,145	(69,125)	-3.95%
TOTAL SALES OF ELECTRICITY	47,558,055	53,963,923	56,955,317	54,256,970	57,443,545	3,186,575	5.87%
OTHER ELECTRIC OPERATING REVENUES	523,264	526,643	468,178	510,202	505,702	(4,500)	-0.88%
TOTAL ELECTRIC OPERATING REVENUES	$ 48,081,319	$ 54,490,566	$ 57,423,495	$ 54,767,172	$ 57,949,247	$ 3,182,075	5.81%
PURCHASED POWER EXPENSE	$ 29,201,524	$ 33,940,646	$ 36,647,353	$ 34,067,090	$ 36,124,495	$ 2,057,405	6.04%
GROSS MARGIN	**$ 18,879,795**	**$ 20,549,920**	**$ 20,776,142**	**$ 20,700,082**	**$ 21,824,752**	**$ 1,124,670**	**5.43%**
OPERATION & MAINTENANCE EXPENSE							
Hydraulic Power Generation	1,956,105	1,377,935	1,188,530	1,509,520	1,599,290	89,770	5.95%
Gas Turbine Generation	89,621	83,373	52,801	86,000	91,950	5,950	6.92%
System Control & Load Dispatch	396,878	441,801	521,820	469,000	470,100	1,100	0.23%
Distribution Expense	2,106,113	2,362,075	1,965,504	2,077,520	2,132,250	54,730	2.63%
Customer Accounts Expense	707,649	538,558	594,845	646,251	643,671	(2,580)	-0.40%
Sales Expense	58,035	26,212	28,708	33,200	40,000	6,800	20.48%
Administrative and General Expense	3,120,498	3,340,359	3,557,090	3,713,768	4,003,419	289,651	7.80%
TOTAL OPERATION & MAINTENANCE EXPENSE	8,434,898	8,170,315	7,909,298	8,535,259	8,980,680	445,421	5.22%
DEPRECIATION AND TAX EXPENSE							
Depreciation	4,902,980	5,118,086	4,918,020	5,114,000	5,160,000	46,000	0.90%
Taxes-PILOT	1,582,045	1,546,431	1,753,527	1,664,887	1,435,000	(229,887)	-13.81%
Taxes-State Taxes	768,413	811,486	812,000	812,000	898,950	86,950	10.71%
Taxes-PSC Remaindr Assmnt	52,571	45,995	-	53,000	52,000	(1,000)	-1.89%
Taxes-FICA	274,437	295,258	314,942	305,000	341,000	36,000	11.80%
TOTAL DEPRECIATION AND TAX EXPENSE	7,580,446	7,817,255	7,798,489	7,948,887	7,886,950	(61,937)	-0.78%
TOTAL OPERATING EXPENSES	45,216,868	49,928,216	52,355,140	50,551,236	52,992,125	2,440,889	10.48%
NET OPERATING INCOME	**$ 2,864,451**	**$ 4,562,350**	**$ 5,068,355**	**$ 4,215,936**	**$ 4,957,122**	**$ 741,186**	**17.58%**

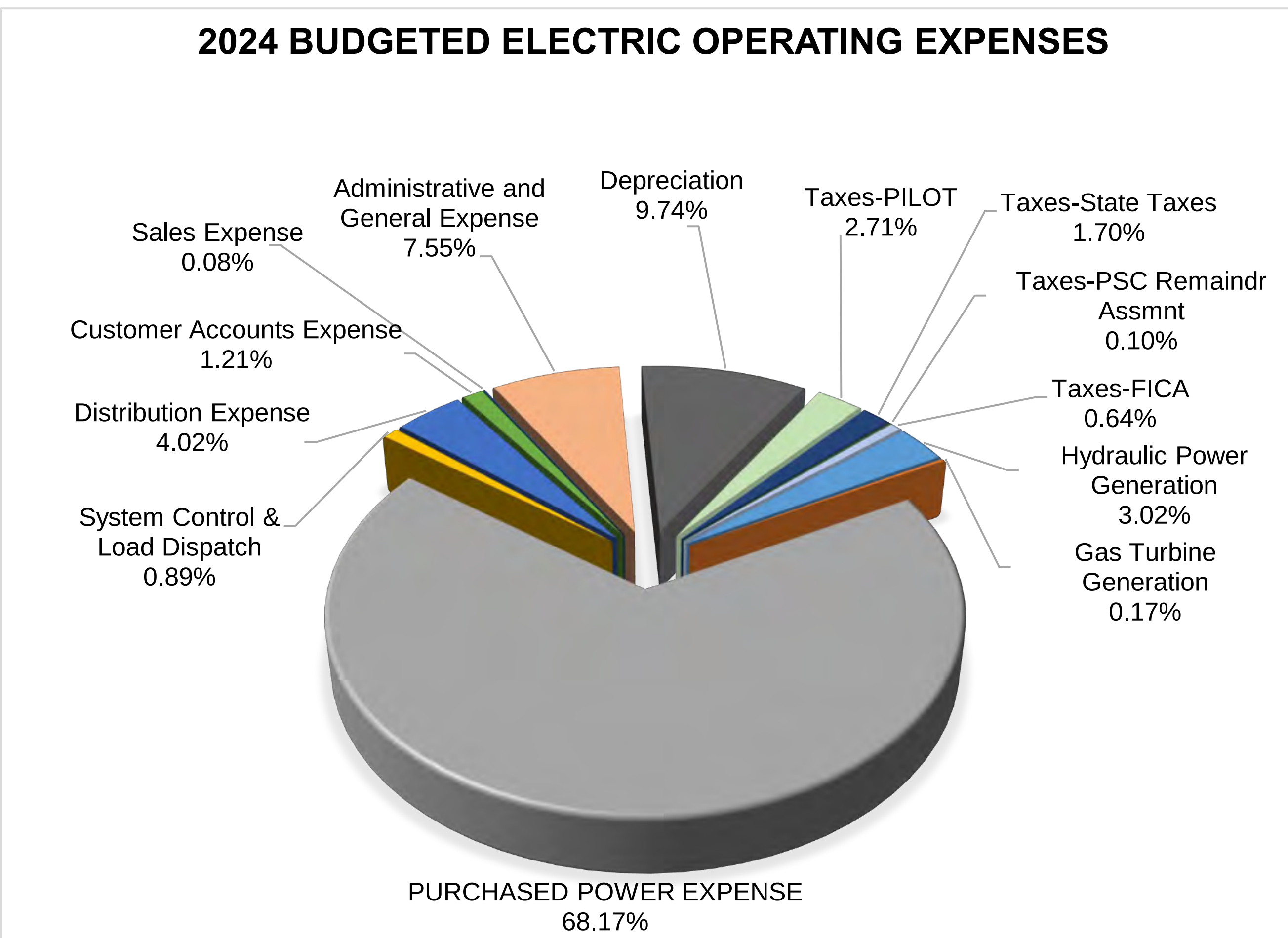
	Year End 12/31/2021	Year End 12/31/2022	Annualized 2023	Budget 2023	Budget 2024	Increase (Decrease)	% Increase (Decrease)
OTHER INCOME (EXPENSES)							
Income from Nonutility Operations	38,714	46,321	73,087	22,000	21,300	(700)	-3.18%
Interest and Dividend Income	369,379	431,801	831,881	250,000	450,000	200,000	80.00%
Miscellaneous Nonoperating Income	433,653	372,774	116,865	150,000	200,000	50,000	33.33%
PSC Regulatory Liability	97,736	97,736	97,736	97,736	-	(97,736)	-100.00%
Other Income Deductions	(11,017)	(11,398)	(17,831)	(12,000)	(12,000)	-	0.00%
Depreciation on Contributed Plant	(298,776)	(309,533)	(318,120)	(313,000)	(320,000)	(7,000)	2.24%
Bond and Loan Interest	(2,178,625)	(2,077,001)	(1,947,181)	(1,947,195)	(1,814,310)	132,885	-6.82%
Amortization of Debt Premium/Issue Expense	446,013	446,013	446,013	446,011	446,011	-	0.00%
Miscellaneous Credits (Debits) to Surplus	(663,636)	(1,026,284)	-	-	-	-	#DIV/0!
Appropriations to City	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	-	0.00%
TOTAL OTHER INCOME (EXPENSES)	(1,916,560)	(2,179,571)	(867,550)	(1,456,448)	(1,178,999)	277,449	-19.05%
NET INCOME	**$947,891**	**$2,382,779**	**$4,200,805**	**$2,759,488**	**$3,778,123**	**$1,018,635**	**36.91%**

	Actual 12/31/2021	Actual 12/31/2022	Annualized 2023	Budget 2023	Budget 2024
Actual Rate of Return	2.91%	4.69%	5.20%	4.32%	5.30%
Authorized Rate of Return	5.00%	4.90%	4.90%	4.90%	4.90%

	Year End 12/31/2021	Year End 12/31/2022	2023 Projected	Budget 2023	Budget 2024
ESTIMATED AVAILABLE FUNDS					
Noncash Amounts in Uncollectible Accounts	(84,300)	220,136	220,136	220,136	75,491
Miscellaneous Credits (Debits) to Surplus	663,636	1,026,284	-	-	-
Depreciation and Amortization	4,755,743	4,981,606	4,790,127	4,980,989	5,033,989
Gas Turbine Sales for Resale	(173,707)	(164,759)	(156,273)	(156,273)	(148,224)
Income from Contributions	(393,557)	(372,774)	(116,865)	(150,000)	(200,000)
PSC Regulatory Liability	(97,736)	(97,736)	(97,736)	(97,736)	-
Debt Principal Payments	(3,265,000)	(3,365,000)	(3,495,000)	(3,495,000)	(3,625,000)
TOTAL AVAILABLE FUNDS	**$ 2,442,093**	**$ 4,700,388**	**$ 5,345,194**	**$ 4,061,604**	**$ 4,914,379**




2024 BUDGETED ELECTRIC OPERATING REVENUES
Sales to Public Authorities 4.44%
Sales for Resale 2.92%
Street and Highway Lighting 0.72%
Residential Sales 27.78%
Large Industrial 32.45%
Small Commercial 6.85%
Large Commercial 6.06%
Small Industrial 18.78%


2024 BUDGETED ELECTRIC OPERATING EXPENSES
Administrative and General Expense 7.55%
Depreciation 9.74%
Taxes-PILOT 2.71%
Taxes-State Taxes 1.70%
Sales Expense 0.08%
Taxes-PSC Remaindr Assmnt 0.10%
Customer Accounts Expense 1.21%
Taxes-FICA 0.64%
Distribution Expense 4.02%
Hydraulic Power Generation 3.02%
System Control & Load Dispatch 0.89%
Gas Turbine Generation 0.17%
PURCHASED POWER EXPENSE 68.17%

Date		2015 Electric System Refunding Revenue Bonds Original Issue $9,415,000		2015B Electric System Refunding Revenue Bonds Original Issue $3,365,000		2017 Electric System Revenue Bonds Original Issue $11,150,000		2018 Electric System Refunding Revenue Bonds Original Issue $10,130,000	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
15-Jun	2024		67,750		14,475		173,719		113,675
15-Dec	2024	525,000	67,750	475,000	14,475	375,000	173,719	1,185,000	113,675
15-Jun	2025		57,250		7,350		166,219		84,050
15-Dec	2025	550,000	57,250	490,000	7,350	400,000	166,219	1,230,000	84,050
15-Jun	2026		46,250				158,219		53,300
15-Dec	2026	550,000	46,250			400,000	158,219	1,275,000	53,300
15-Jun	2027		38,000				150,219		27,800
15-Dec	2027	550,000	38,000			400,000	150,219	675,000	27,800
15-Jun	2028		29,406				142,219		14,300
15-Dec	2028	575,000	29,406			400,000	142,219	715,000	14,300
15-Jun	2029		19,703				134,219		
15-Dec	2029	550,000	19,703			450,000	134,219		
15-Jun	2030		10,422				125,219		
15-Dec	2030	575,000	10,422			425,000	125,219		
15-Jun	2031						116,719		
15-Dec	2031					800,000	116,719		
15-Jun	2032						100,719		
15-Dec	2032					825,000	100,719		
15-Jun	2033						84,219		
15-Dec	2033					875,000	84,219		
15-Jun	2034						68,359		
15-Dec	2034					875,000	68,359		
15-Jun	2035						52,500		
15-Dec	2035					925,000	52,500		
15-Jun	2036						35,156		
15-Dec	2036					900,000	35,156		
15-Jun	2037						18,281		
15-Dec	2037					975,000	18,281		
Total		$ 3,875,000	$ 537,563	$ 965,000	$ 43,650	$ 9,025,000	$ 3,051,969	$ 5,080,000	$ 586,250
			$ 4,412,563		$ 1,008,650		$ 12,076,969		$ 5,666,250

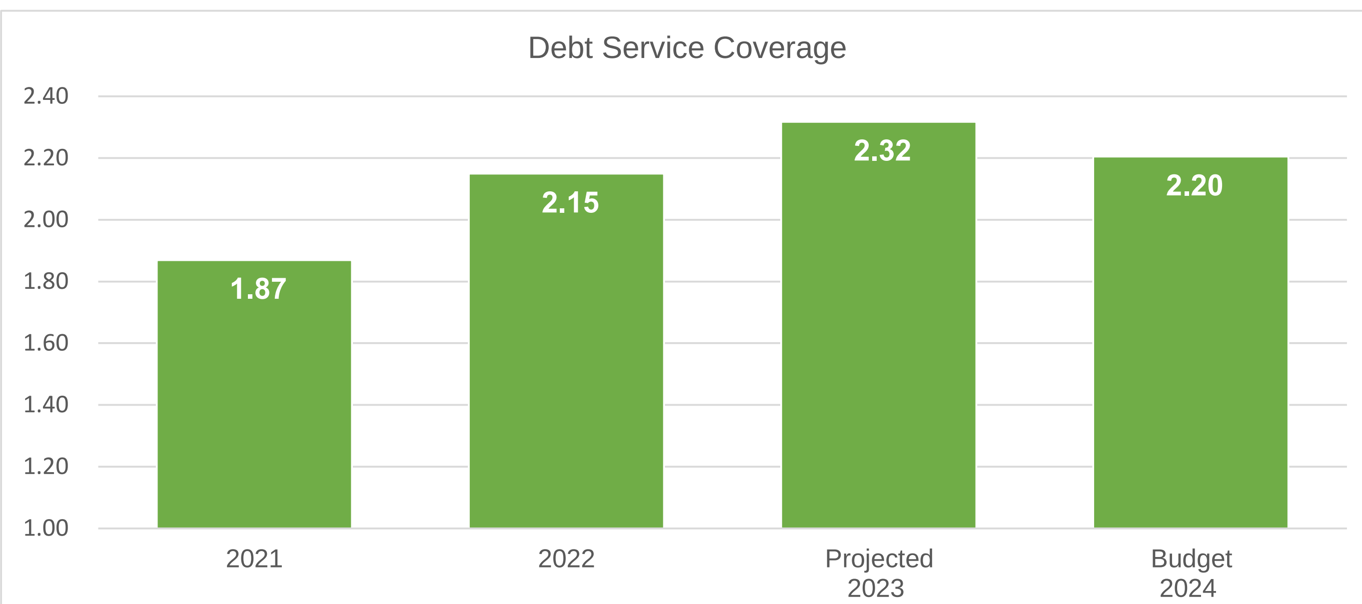
2024 Budget
Electric Utility Debt Service Schedules

Date		2019 Electric System Refunding Revenue Bonds Original Issue $20,275,000 Principal	Interest	2020 Electric System Refunding Revenue Bonds Original Issue $16,320,000 Principal	Interest	Electric System Revenue Bonds Total Indebtedness Principal	Interest	Annual Debt Service
15-Jun	2024		275,976		264,500	-	910,095	
15-Dec	2024	160,000	275,976	905,000	264,500	3,625,000	910,095	5,445,190
15-Jun	2025		273,576		250,925	-	839,370	
15-Dec	2025	165,000	273,576	935,000	250,925	3,770,000	839,370	5,448,740
15-Jun	2026		271,101		236,900	-	765,770	
15-Dec	2026	170,000	271,101	1,520,000	236,900	3,915,000	765,770	5,446,540
15-Jun	2027		268,551		214,100	-	698,670	
15-Dec	2027	175,000	268,551	2,250,000	214,100	4,050,000	698,670	5,447,340
15-Jun	2028		265,926		169,100	-	620,951	
15-Dec	2028	180,000	265,926	2,335,000	169,100	4,205,000	620,951	5,446,903
15-Jun	2029		263,586		122,400	-	539,908	
15-Dec	2029	185,000	263,586	3,180,000	122,400	4,365,000	539,908	5,444,816
15-Jun	2030		261,181		58,800	-	455,622	
15-Dec	2030	190,000	261,181	2,940,000	58,800	4,130,000	455,622	5,041,244
15-Jun	2031		258,616			-	375,335	
15-Dec	2031	3,495,000	258,616			4,295,000	375,335	5,045,670
15-Jun	2032		211,434			-	312,153	
15-Dec	2032	3,600,000	211,434			4,425,000	312,153	5,049,305
15-Jun	2033		161,934			-	246,153	
15-Dec	2033	3,675,000	161,934			4,550,000	246,153	5,042,305
15-Jun	2034		110,484			-	178,843	
15-Dec	2034	3,795,000	110,484			4,670,000	178,843	5,027,686
15-Jun	2035		56,405			-	108,905	
15-Dec	2035	3,890,000	56,405			4,815,000	108,905	5,032,810
15-Jun	2036					-	35,156	
15-Dec	2036					900,000	35,156	970,313
15-Jun	2037					-	18,281	
15-Dec	2037					975,000	18,281	1,011,563
		$ 19,680,000	$ 5,357,543	$ 14,065,000	$ 2,633,450	$ 52,690,000	$ 12,210,424	$ 64,900,424
			$ 25,037,543		$ 16,698,450			$ 64,900,424

	2021	2022	Projected 2023	Budget 2024
Operating revenues	$ 48,081,319	$ 54,490,566	$ 57,423,495	$ 57,949,247
Investment income	369,379	431,801	831,881	450,000
Miscellaneous nonoperating income	67,794	(327,725)	55,256	9,300
Less: Operation and maintenance expenses	(38,332,208)	(42,884,845)	(45,683,593)	(46,397,125)
Net Defined Earnings	$ 10,186,284	$ 11,709,798	$ 12,627,039	$ 12,011,422
Minimum Required Earnings per Resolution:				
Highest annual debt service	5,448,740	5,448,740	5,448,740	5,448,740
Coverage Factor	1.25	1.25	1.25	1.25
Minimum Required Earnings	$ 6,810,925	$ 6,810,925	$ 6,810,925	$ 6,810,925
Actual Debt Coverage	1.87	2.15	2.32	2.20

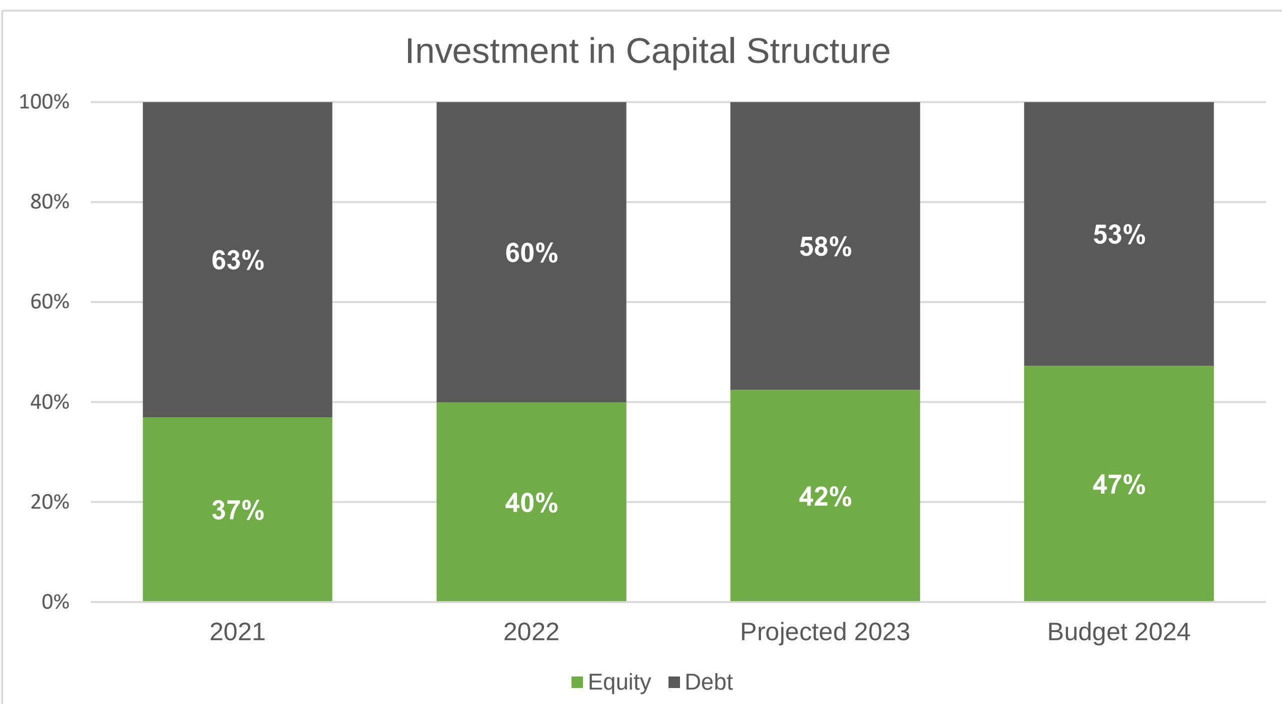
Electric Bond Covenants

The System will produce earnings equivalent of not less than 1.25 times annual principal and interest requirements on the Outstanding Bonds, the Bonds and any parity bonds then outstanding after deduction of all operation and maintenance expenses of the System, but before deduction of depreciation charges or local tax equivalents.



2024 Budget
Electric Utility Investment in Capital

		2021		2022		Projected 2023		Budget 2024
Construction work in progress	$	1,374,623	$	1,711,152	$	1,495,327	$	2,097,667
Plant in service		169,646,427		173,548,075		174,644,542		181,906,701
Accumulated depreciation		(70,641,191)		(75,954,139)		(79,378,694)		(86,081,978)
Sub Totals		100,379,859		99,305,088		96,761,175		97,922,390
Less: Capital related debt								
Current portion of captial related debt		3,365,000		3,495,000		3,625,000		3,770,000
Long-term portion of captial related debt		56,185,000		52,690,000		49,065,000		45,295,000
Unamortized debt premium		4,363,578		3,471,270		3,023,310		2,577,297
Unamortized loss on advanced refunding		(663,636)		-		-		-
Sub Totals		63,249,942		59,656,270		55,713,310		51,642,297
Total Net Investment in Capital Assets	$	37,129,917	$	39,648,818	$	41,047,865	$	46,280,093
Equity Ratio		37%		40%		42%		47%
Debt Ratio		63%		60%		58%		53%



Kaukauna Utilities

Capital Improvement Plan

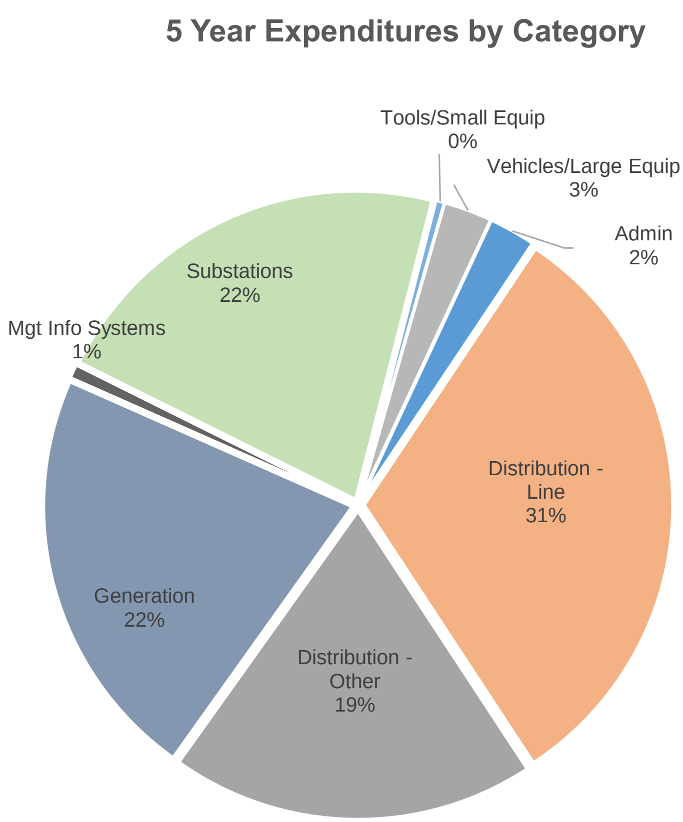
Electric Utility

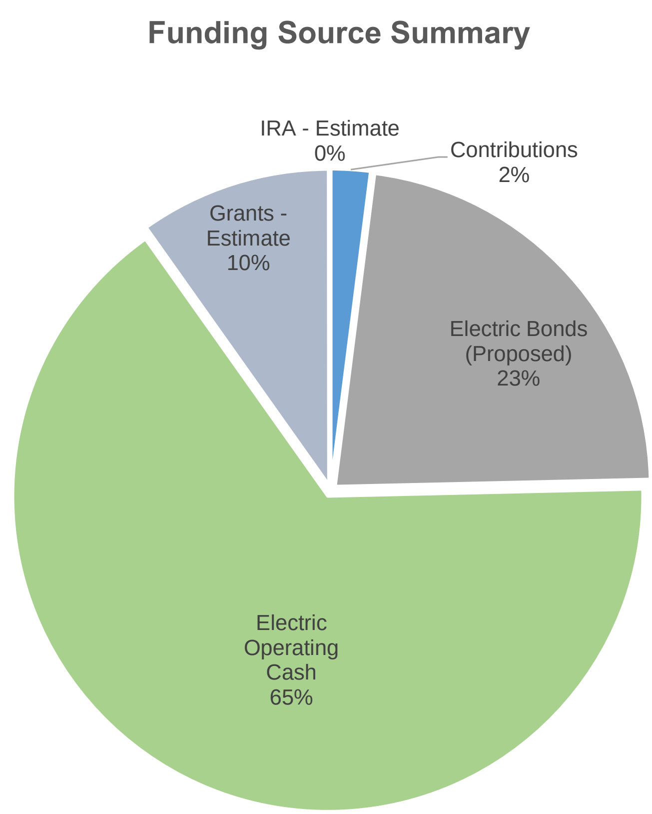
2024 thru **2028**

Expenditure Category and Funding Source Summary

Expenditure Category	2024	2025	2026	2027	2028	Total
Administration	515,000	700,000	-	-	-	1,215,000
Distribution - Line Projects	3,285,000	2,825,000	2,540,000	2,465,000	4,575,000	15,690,000
Distribution - Other Capital Projects	3,045,000	1,645,000	1,645,000	1,645,000	1,570,000	9,550,000
Generation	832,000	3,503,000	3,781,000	1,920,000	850,000	10,886,000
Management Information Systems	139,500	33,500	102,000	35,500	46,000	356,500
Substations	-	500,000	3,000,000	6,320,000	1,000,000	10,820,000
Tools/Small Equipment	76,700	35,000	52,500	27,500	27,500	219,200
Vehicles/Large Equipment	310,000	355,000	250,000	210,000	135,000	1,260,000
Total	**$ 8,203,200**	**$ 9,596,500**	**$ 11,370,500**	**$ 12,623,000**	**$ 8,203,500**	**$ 49,996,700**

Funding Source	2024	2025	2026	2027	2028	Total
Contributed Capital	1,000,000	-	-	-	-	1,000,000
Electric Bonds (Proposed)	-	-	3,000,000	6,320,000	2,000,000	11,320,000
Electric Operating Cash	4,961,700	8,913,000	7,687,000	5,619,500	5,583,500	32,764,700
Grant	2,234,000	683,500	683,500	683,500	620,000	4,904,500
Inflation Reduction Act (IRA)	7,500	-	-	-	-	7,500
Total	**$ 8,203,200**	**$ 9,596,500**	**$ 11,370,500**	**$ 12,623,000**	**$ 8,203,500**	**$ 49,996,700**





Kaukauna Utilities

Capital Improvement Plan

Electric Utility

2024 thru **2028**

Projects by Category

Category	Project Name	2024	2025	2026	2027	2028	Total
Administration							
A22-04	Physical Security Upgrade	115,000	-	-	-	-	115,000
A23-01	MOB HVAC Upgrade	400,000	400,000	-	-	-	800,000
A25-01	Tuck Point Old Badger Plant (Building)	-	50,000	-	-	-	50,000
A25-02	Pole Shed/Lean-To Structure	-	250,000	-	-	-	250,000
Administration Total		**$ 515,000**	**$ 700,000**	**$ -**	**$ -**	**$ -**	**$ 1,215,000**
Distribution - Line Projects							
D24-01	New Reclosers for SMART Grid Applications	-	85,000	85,000	85,000	85,000	340,000
D24-02	Rebuild on 8th / 9th / Metoxen	100,000	-	-	-	-	100,000
D24-04	New 34.5 kV Feeder to Large Customer	1,000,000	750,000	-	-	-	1,750,000
D24-05	County Highway (CTH) Z Rebuild for Road Work	500,000	-	-	-	-	500,000
D24-06	Rebuild the Alley Between 2nd and 3rd Street Underground	300,000	-	-	-	-	300,000
D24-07	Electric City Microgrid Grant Project	1,240,000	1,240,000	1,240,000	1,240,000	1,240,000	6,200,000
D24-08	Directional Bore Across USH 41 at Rosehill Road	145,000	-	-	-	-	145,000
D25-01	34.5 kV South Loop Rebuild / Reconductor	-	250,000	250,000	250,000	-	750,000
D25-02	Park Street Rebuild in the Village of Combined Locks	-	500,000	-	-	-	500,000
D26-01	Lawe Street (CTH J) Rebuild South of CTH OO	-	-	225,000	-	-	225,000
D26-02	Rebuild STH 55 South of CTH CE	-	-	300,000	-	-	300,000
D26-03	Rebuild DeBruin Road (CTH CE south to CTH KK)	-	-	300,000	-	-	300,000
D26-04	Coolidge Avenue Rebuild	-	-	140,000	-	-	140,000
D27-01	Rebuild CTH KK	-	-	-	400,000	-	400,000
D27-02	34.5 kV Loop (Freedom/Elm/Holland)	-	-	-	350,000	350,000	700,000
D27-03	Rebuild CTH CE East of CTH HH	-	-	-	140,000	-	140,000
D28-01	New Line on Evergreen	-	-	-	-	400,000	400,000
D28-02	Rebuild 34.5 kV line of Hwy OO by Nestles Pizza	-	-	-	-	1,000,000	1,000,000
D28-03	County Highway (CTH) J Rebuild	-	-	-	-	1,500,000	1,500,000
Distribution - Line Projects Total		**$ 3,285,000**	**$ 2,825,000**	**$ 2,540,000**	**$ 2,465,000**	**$ 4,575,000**	**$ 15,690,000**
Distribution - Other Capital Projects							
D01	HPS to LED Street Light Replacements	75,000	75,000	75,000	75,000	-	300,000
D02	Non-Reimbursed Road Construction	80,000	80,000	80,000	80,000	80,000	400,000
D03	Overhead Primary Rebuilds	80,000	80,000	80,000	80,000	80,000	400,000
D05	URD Service Connections	110,000	110,000	110,000	110,000	110,000	550,000
D06	Transformers	400,000	400,000	400,000	400,000	400,000	2,000,000
D07	Overhead/Underground Construction Materials	350,000	350,000	350,000	350,000	350,000	1,750,000

Kaukauna Utilities

Capital Improvement Plan

Electric Utility

2024 thru **2028**

Projects by Category

Category	Project Name	2024	2025	2026	2027	2028	Total
D08	PSC Mandated Construction Credit Allowances	400,000	400,000	400,000	400,000	400,000	2,000,000
D09	Electric Meters	150,000	150,000	150,000	150,000	150,000	750,000
D24-09	EV Charging Plaza (Grant Pending)	1,400,000	-	-	-	-	1,400,000
Distribution - Other Capital Projects Total		**$ 3,045,000**	**$ 1,645,000**	**$ 1,645,000**	**$ 1,645,000**	**$ 1,570,000**	**$ 9,550,000**
Generation							
G19-8	Combined Locks Plant (CLP) - FERC Licensing	7,000	-	-	-	-	7,000
G21-03	Combined Locks Plant (CLP) - Remove, Inspect, and Repair Tainter Gates	100,000	100,000	50,000	-	-	250,000
G22-05	SCADA Upgrade	125,000	-	-	-	-	125,000
G23-01	Kaukauna City Plant (KCP) - Replace Blades on Unit #1	570,000	-	-	-	-	570,000
G24-08	Electrical protection relay upgrade to Schweitzer at Rapide Croche Hydro. (RCP)	30,000	-	-	-	-	30,000
G24-09	Kaukauna City Plant (KCP) - New Substation Transformer	-	350,000	-	-	-	350,000
G25-02	Combined Locks Plant (CLP) - Replace Substation Transformer and Switchgear	-	700,000	-	-	-	700,000
G25-03	Combined Locks Plant (CLP) - Downstream Crane Replacement	-	50,000	-	-	-	50,000
G25-04	Little Chute Plant (LCP) - Bulkhead Wall Repair	-	553,000	-	-	-	553,000
G25-05	Kimberly Hydro Plant (KHP) - Facade Upgrade and Windows/Louvers Replacement	-	200,000	-	-	-	200,000
G25-06	Kimberly Hydro Plant (KHP) - Replace MCC	-	150,000	-	-	-	150,000
G25-07	John Street Plant - New Trash Racks	-	40,000	-	-	-	40,000
G25-08	Rapid Croche Plant (RCP) Programable Logic Controllers (PLC) Replacement	-	25,000	-	-	-	25,000
G25-09	Combined Locks Plant (CLP) New Rack Raker	-	750,000	-	-	-	750,000
G25-10	Combined Locks Plant (CLP) Exhaust Fan Replacement	-	15,000	15,000	-	-	30,000
G25-11	Rapid Croche Plant (RCP) - Upgrade Start/Stop Solenoids	-	80,000	-	-	-	80,000
G25-12	Kaukauna City Plant (KCP) - Rebuild Turbine Unit #2	-	225,000	-	-	-	225,000
G25-13	Kaukauna City Plant (KCP) Tainter Gate Replace Seals & Refurbish Gate	-	150,000	-	-	-	150,000
G26-01	Rapid Croche Plant (RCP) - Governor Upgrade	-	-	360,000	-	-	360,000
G26-02	Rapid Croche Plant (RCP) - Building Tuck Pointing	-	-	100,000	-	-	100,000
G26-04	Combined Locks Plant (CLP) - Rack Raker	-	-	700,000	-	-	700,000
G26-05	Elm Street Plant (ESP) - New Substation and Switchgear	-	-	1,350,000	-	-	1,350,000
G26-06	Kaukauna City Plant (KCP) - Left Forebay Wall Stabilization and Concrete Repairs	-	-	308,000	-	-	308,000
G26-07	Kaukauna City Plant (KCP) - Replace Rack Raker	-	-	750,000	-	-	750,000
G26-08	Rapid Croche Plant (RCP) Tailrace Jib Crane	-	-	55,000	-	-	55,000
G26-09	Combined Locks Plant (CLP) Cooling Water Filtration System Upgrade	-	-	15,000	-	-	15,000

Kaukauna Utilities

Capital Improvement Plan

Electric Utility

2024 thru **2028**

Projects by Category

Category	Project Name	2024	2025	2026	2027	2028	Total
G26-10	Kaukauna City Plant (KCP) Programmable Logic Controllers (PLC) Upgrade	-	-	28,000	-	-	28,000
G26-11	Little Chute Plant (LCP) Programmable Logic Controllers (PLC) Upgrade	-	-	40,000	-	-	40,000
G27-01	Rapid Croche Plant (RCP) - Downstream Retaining Wall Replacement	-	115,000	10,000	1,270,000	-	1,395,000
G27-02	Combined Locks Plant (CLP) - Replace Trash Racks	-	-	-	100,000	100,000	200,000
G27-03	Rapid Croche Plant (RCP) - Replace Switchgear	-	-	-	350,000	-	350,000
G27-04	Rapid Croche Plant (RCP) - Roof Exhaust Fan	-	-	-	50,000	-	50,000
G27-06	Badger Hydro Plant (BHP) House Rack Raker Repair	-	-	-	150,000	-	150,000
G28-03	Little Chute Plant (LCP) - Hydraulic Blade Tilt	-	-	-	-	200,000	200,000
G28-04	Kaukauna City Plant (KCP) - Excitation Upgrade	-	-	-	-	300,000	300,000
G28-05	Kaukauna City Plant (KCP) - Replace HPU System with High Pressure style	-	-	-	-	250,000	250,000
Generation Total		**$ 832,000**	**$ 3,503,000**	**$ 3,781,000**	**$ 1,920,000**	**$ 850,000**	**$ 10,886,000**
Management Information Systems							
M23-01	Virtualization Hardware - Host for Operational/Information Technology	20,000	21,000	22,000	23,500	25,000	111,500
M23-02	Firewall Devices	-	-	10,000	2,000	11,000	23,000
M23-03	Uninterruptible Power Supply (UPS) for Operations Centers	35,000	-	35,000	-	-	70,000
M24-02	Core Network Ethernet Switches Devices	15,000	-	15,000	10,000	10,000	50,000
M24-03	Physical Server/ Storage for Video Surveillance	30,000	-	-	-	-	30,000
M24-04	Trimble TSC7 Controller	8,000	-	-	-	-	8,000
M24-05	Dark Fiber Optics Cable Stock	19,000	-	-	-	-	19,000
M24-06	Backup Control Center Conditioning	12,500	12,500	-	-	-	25,000
M26-02	Access Control Head End/Long Range Readers	-	-	20,000	-	-	20,000
Management Information Systems Total		**$ 139,500**	**$ 33,500**	**$ 102,000**	**$ 35,500**	**$ 46,000**	**$ 356,500**
Substations							
S25-01	Rosehill Circuit Breaker Upgrade	-	500,000	-	-	-	500,000
S26-01	New Interconnect Substation by Landfill	-	-	3,000,000	3,000,000	1,000,000	7,000,000
S27-01	Thilmany Substation (THS) Rebuild	-	-	-	3,320,000	-	3,320,000
Substations Total		**$ -**	**$ 500,000**	**$ 3,000,000**	**$ 6,320,000**	**$ 1,000,000**	**$ 10,820,000**
Tools/Small Equipment							
T01	Mechanic Tools	3,500	3,500	3,500	3,500	3,500	17,500
T02	Electrician Tools	3,000	3,000	3,000	3,000	3,000	15,000
T03	Maintenance Tools	3,000	3,000	3,000	3,000	3,000	15,000

Kaukauna Utilities

Capital Improvement Plan

Electric Utility

2024 thru **2028**

Projects by Category

Category	Project Name	2024	2025	2026	2027	2028	Total
T04	Distribution Tools/Miscellaneous Equipment	18,000	18,000	18,000	18,000	18,000	90,000
T21-06	MSA air monitor testing station	4,200	-	-	-	-	4,200
T24-01	Tool-up a truck	10,000	-	-	-	-	10,000
T24-02	Smoke Diagnostic Machine	2,000	-	-	-	-	2,000
T24-03	Tig Welder	3,000	-	-	-	-	3,000
T25-01	Dry-Ice Blasting Machine	30,000	-	-	-	-	30,000
T25-02	Replace Band Saw	-	7,500	-	-	-	7,500
T26-01	Vibration testing equipment	-	-	25,000	-	-	25,000
Tools/Small Equipment Total		**$ 76,700**	**$ 35,000**	**$ 52,500**	**$ 27,500**	**$ 27,500**	**$ 219,200**
Vehicles/Large Equipment							
V24-01	Replace V61 (2016 Chevy Colorado) with Electric Vehicle	30,000	-	-	-	-	30,000
V24-02	Replace 2006 Bucket Truck #29	280,000	-	-	-	-	280,000
V25-01	Replace V87 - 2012 Dodge Ram	-	55,000	-	-	-	55,000
V25-02	Replace V88 - 2012 Dodge Ram	-	55,000	-	-	-	55,000
V25-03	Replace E119 2007 Trencher	-	125,000	-	-	-	125,000
V25-04	Replace K-117 - 2004 John Deere Backhoe	-	120,000	-	-	-	120,000
V26-01	Replace VE84 - 2010 Chevy Silverado Bucket Truck	-	-	250,000	-	-	250,000
V27-01	Replace V83 - 2010 Ford F250	-	-	-	75,000	-	75,000
V27-02	Replace V85 - 2011 Ford Truck	-	-	-	75,000	-	75,000
V27-03	Replace V89 - 2014 Ford F150	-	-	-	60,000	-	60,000
V28-01	Replace V51 - 2007 Chevy Silverado	-	-	-	-	75,000	75,000
V28-02	Replace V90 - 2014 Ford F150	-	-	-	-	60,000	60,000
Vehicles/Large Equipment Total		**$ 310,000**	**$ 355,000**	**$ 250,000**	**$ 210,000**	**$ 135,000**	**$ 1,260,000**
Total		**$ 8,203,200**	**$ 9,596,500**	**$ 11,370,500**	**$ 12,623,000**	**$ 8,203,500**	**$ 49,996,700**

2024 Budget
Water Utility - Summary

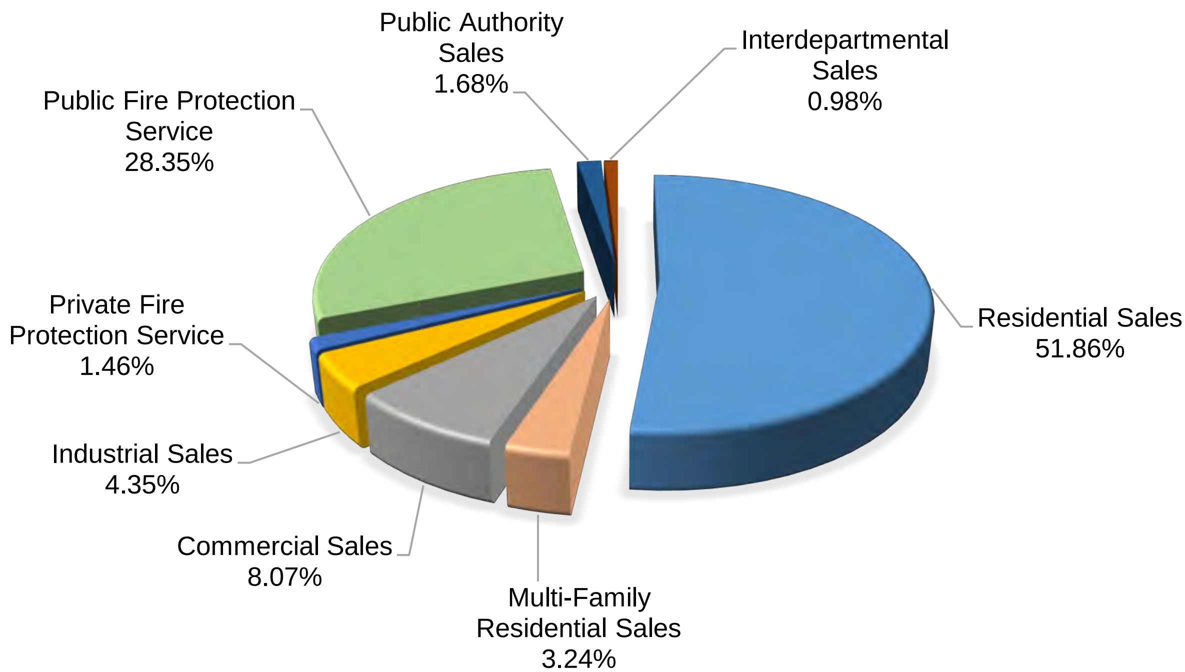
	Year End 12/31/2021	Year End 12/31/2022	Annualized 2023	Budget 2023	Budget 2024	Increase (Decrease)	% Increase (Decrease)
OPERATING REVENUES							
WATER SALES							
Residential Sales	$ 2,031,502	$ 2,046,426	$ 2,108,246	$ 2,014,000	$ 2,802,300	$ 788,300	39.14%
Multi-Family Residential Sales	121,610	121,156	127,809	123,800	175,000	51,200	41.36%
Commercial Sales	300,897	311,356	317,102	312,700	436,000	123,300	39.43%
Industrial Sales	161,199	161,252	158,085	151,900	235,000	83,100	54.71%
Private Fire Protection Service	76,204	77,825	78,488	76,500	78,900	2,400	3.14%
Public Fire Protection Service	1,181,049	1,197,431	1,209,003	1,210,000	1,532,000	322,000	26.61%
Public Authority Sales	65,468	64,860	74,322	69,500	91,000	21,500	30.94%
Interdepartmental Sales	36,915	40,552	45,728	55,000	52,900	(2,100)	-3.82%
TOTAL WATER SALES	3,974,844	4,020,857	4,118,783	4,013,400	5,403,100	1,389,700	34.63%
OTHER WATER REVENUE	126,265	126,095	117,861	128,500	129,900	1,400	1.09%
TOTAL OPERATING REVENUES	4,101,110	4,146,952	4,236,644	4,141,900	5,533,000	1,391,100	33.59%
OPERATION AND MAINTENANCE EXPENSE							
Source of Supply	418,390	200,374	97,531	83,800	91,600	7,800	9.31%
Pumping	227,888	255,485	283,863	279,500	274,500	(5,000)	-1.79%
Water Treatment	310,354	353,123	380,435	379,000	381,500	2,500	0.66%
Transmission and Distribution	587,236	706,458	681,270	678,700	695,400	16,700	2.46%
Customer Accounts	130,364	138,956	148,880	147,750	149,600	1,850	1.25%
Sales and Advertising	7,921	6,553	7,139	8,300	10,000	1,700	20.48%
Administrative and General	756,889	794,330	966,569	927,657	1,013,500	85,843	9.25%
TOTAL OPERATION & MAINTENANCE EXPENSI	2,439,042	2,455,280	2,565,687	2,504,707	2,616,100	111,393	4.45%
DEPRECIATION & TAX EXPENSE							
Deprec Expense Default	648,782	682,254	685,140	675,000	728,000	53,000	7.85%
Deprec Exp Kau Sewer	(66,538)	(63,716)	72	(67,000)	(67,000)	-	0.00%
Taxes Kaukauna Sewer	(27,951)	(27,064)	(26,904)	(25,000)	(25,000)	-	0.00%
Taxes PILOT	566,831	586,132	667,008	633,290	564,100	(69,190)	-10.93%
Taxes FICA	65,878	73,340	88,142	84,000	91,500	7,500	8.93%
Taxes PSC Remainder Assessment	4,571	4,000	-	4,600	4,600	-	0.00%
TOTAL DEPRECIATION & TAX EXPENSE	1,191,573	1,254,946	1,413,458	1,304,890	1,296,200	(8,690)	-0.67%
TOTAL OPERATING EXPENSES	3,630,616	3,710,226	3,979,145	3,809,597	3,912,300	102,703	2.70%
NET OPERATING INCOME (LOSS)	**$ 470,494**	**$ 436,726**	**$ 257,499**	**$ 332,303**	**$ 1,620,700**	**$ 1,288,397**	**387.72%**

	Year End 12/31/2021	Year End 12/31/2022	Annualized 2023	Budget 2023	Budget 2024	Increase (Decrease)	% Increase (Decrease)
OTHER INCOME (EXPENSE)							
Interest from Investments & Miscellaneous	5,434	4,916	67,584	15,000	65,000	50,000	333.33%
Miscellaneous Non-Operating Income	968,290	326,139	-	-	-	-	0.00%
Depreciation on Contributed Plant	(150,289)	(160,951)	(163,548)	(152,000)	(165,000)	(13,000)	8.55%
Interest Expense	(230,552)	(222,288)	(207,007)	(267,030)	(277,150)	(10,120)	3.79%
PSC Regulatory Liability	19,331	19,331	19,331	19,330	-	(19,330)	-100.00%
Amortization of Debt Premium/Issue Expense	16,095	16,095	(4,156)	16,094	16,094	-	0.00%
Miscellaneous Income	-	-	216,834	-	-	-	0.00%
TOTAL OTHER INCOME (EXPENSE)	628,308	(16,758)	(70,962)	(368,606)	(361,056)	7,550	-2.05%
NET INCOME (LOSS)	**$ 1,098,802**	**$ 419,968**	**$ 186,537**	**$ (36,303)**	**$ 1,259,644**	**$ 1,295,947**	**-3569.81%**

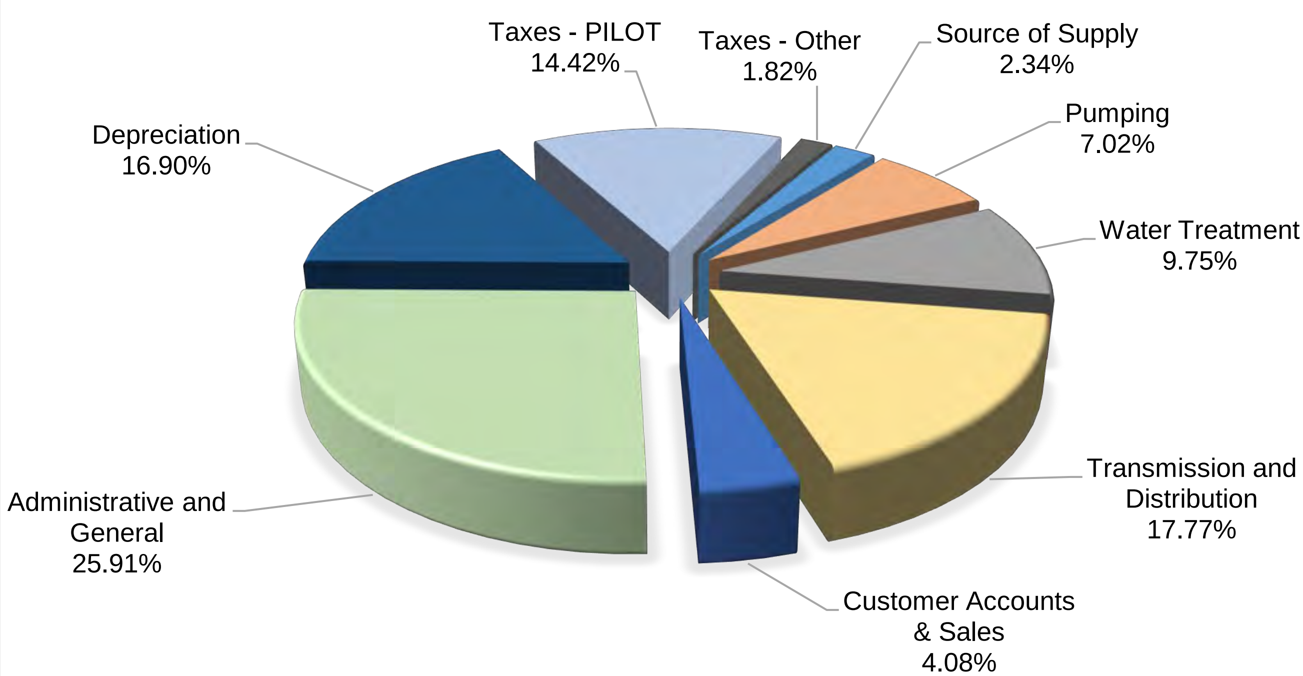
	12/31/2021	12/31/2022	Annualized 2023	Budget 2023	Budget 2024
Actual Rate of Return	2.16%	1.81%	1.07%	1.44%	5.51%
Authorized Rate of Return	5.70%	5.70%	5.70%	5.70%	6.20%

	Year End 12/31/2021	Year End 12/31/2022	Annualized Projected	Budget 2023	Budget 2024
ESTIMATED AVAILABLE FUNDS					
Depreciation and Amortization	782,976	827,110	852,844	810,906	876,906
Income from Contributions	(968,290)	(326,139)	-	-	-
Miscellaneous Noncash Income (Expenses)	(19,331)	(19,331)	(19,331)	(19,330)	-
Debt Principal Payments	(570,000)	(595,000)	(600,000)	(600,000)	(428,600)
TOTAL AVAILABLE FUNDS	**$ 413,280**	**$ 396,460**	**$ 420,050**	**$ 155,273**	**$ 1,707,950**

2024 BUDGETED WATER OPERATING REVENUES



2024 BUDGETED WATER OPERATING EXPENSES

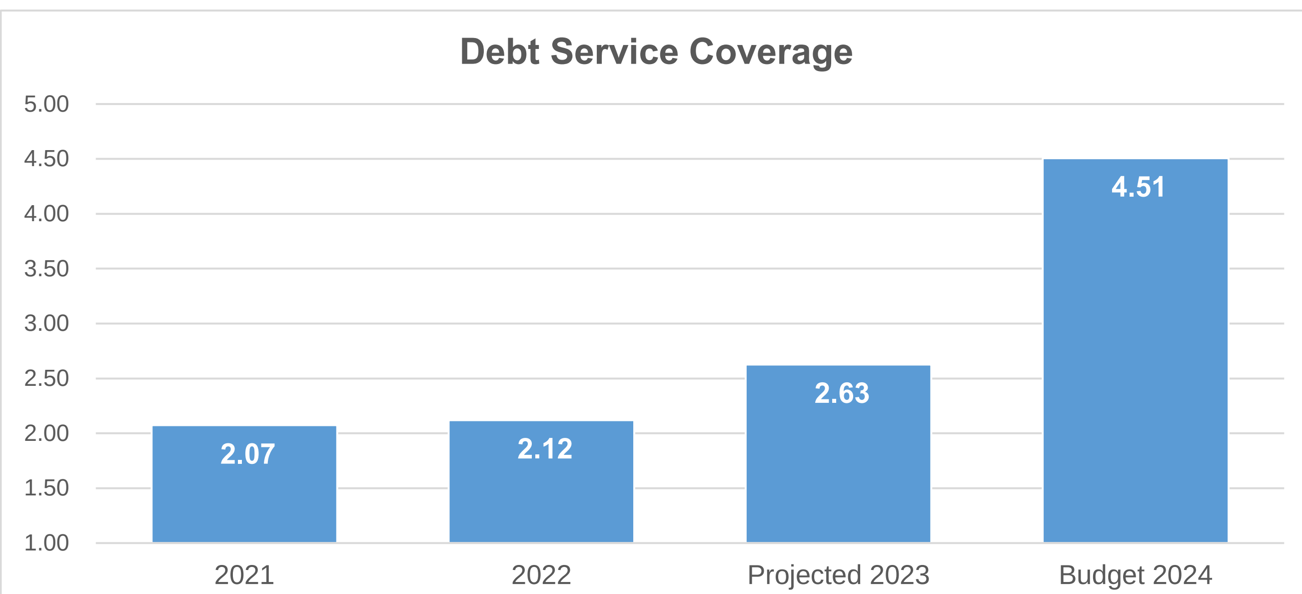


Date		2017 Water System Revenue Bonds Original Issue $3,950,000		2020 Water System Revenue Bonds Original Issue $3,085,000		2023 Water System Safe Drinking Fund Loan Original Issue $1,936,085		Water System Revenue Bonds Total Indebtedness		Annual Debt Service
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
1-Jun	2024		60,938		35,275	78,539	20,765	78,539	116,977	
1-Dec	2024	225,000	60,938	125,000	35,275	-	19,922	350,000	116,135	661,651
1-Jun	2025		58,125		33,400	80,224	19,922	80,224	111,447	
1-Dec	2025	225,000	58,125	130,000	33,400	-	19,062	355,000	110,587	657,257
1-Jun	2026		55,313		31,450	81,944	19,062	81,944	105,824	
1-Dec	2026	225,000	55,313	135,000	31,450	-	18,183	360,000	104,945	652,714
1-Jun	2027		52,500		29,425	83,702	18,183	83,702	100,108	
1-Dec	2027	225,000	52,500	140,000	29,425	-	17,285	365,000	99,210	648,020
1-Jun	2028		49,125		27,325	85,497	17,285	85,497	93,735	
1-Dec	2028	250,000	49,125	140,000	27,325	-	16,368	390,000	92,818	662,051
1-Jun	2029		45,375		25,225	87,331	16,368	87,331	86,968	
1-Dec	2029	250,000	45,375	145,000	25,225	-	15,432	395,000	86,032	655,331
1-Jun	2030		40,375		23,050	89,205	15,432	89,205	78,857	
1-Dec	2030	250,000	40,375	150,000	23,050	-	14,475	400,000	77,900	645,961
1-Jun	2031		35,375		20,800	91,118	14,475	91,118	70,650	
1-Dec	2031	275,000	35,375	155,000	20,800	-	13,498	430,000	69,673	661,441
1-Jun	2032		29,875		18,475	93,073	13,498	93,073	61,848	
1-Dec	2032	275,000	29,875	160,000	18,475	-	12,499	435,000	60,849	650,770
1-Jun	2033		24,375		16,075	95,069	12,499	95,069	52,949	
1-Dec	2033	275,000	24,375	165,000	16,075	-	11,480	440,000	51,930	639,948
1-Jun	2034		19,906		13,600	97,108	11,480	97,108	44,986	
1-Dec	2034	300,000	19,906	170,000	13,600	-	10,438	470,000	43,945	656,039
1-Jun	2035		15,031		11,050	99,191	10,438	99,191	36,520	
1-Dec	2035	300,000	15,031	175,000	11,050	-	9,375	475,000	35,456	646,167
1-Jun	2036		10,156		9,300	101,319	9,375	101,319	28,831	
1-Dec	2036	325,000	10,156	180,000	9,300	-	8,288	505,000	27,744	662,894
1-Jun	2037		4,875		7,500	103,492	8,288	103,492	20,663	
1-Dec	2037	300,000	4,875	180,000	7,500	-	7,178	480,000	19,553	623,708
1-Jun	2038				5,700	105,712	7,178	105,712	12,878	
1-Dec	2038			185,000	5,700	-	6,044	185,000	11,744	315,334
1-Jun	2039				3,850	107,979	6,044	107,979	9,894	
1-Dec	2039			190,000	3,850	-	4,886	190,000	8,736	316,610
1-Jun	2040				1,950	110,296	4,886	110,296	6,836	
1-Dec	2040			195,000	1,950	-	3,703	195,000	5,653	317,785
1-Jun	2041					112,661	3,703	112,661	3,703	
1-Dec	2041					-	2,495	-	2,495	118,860
1-Jun	2042					115,078	2,495	115,078	2,495	
1-Dec	2042					-	1,261	-	1,261	118,834
1-Jun	2043					117,546	1,261	117,546	1,261	
1-Dec	2043					-	-	-	-	118,807
		$ 3,700,000	$ 1,002,688	$ 2,720,000	$ 626,900	$ 1,936,085	$ 444,508	$ 8,356,085	$ 2,074,096	$ 10,430,180

	2021	2022	Projected 2023	Budget 2024
Operating revenues	$ 4,101,110	$ 4,146,954	$ 4,236,644	$ 5,533,000
Investment income	5,434	4,916	67,584	65,000
Less: Operation and maintenance expenses	(2,409,633)	(2,437,911)	(2,565,687)	(2,616,100)
Net Defined Earnings	$ 1,696,911	$ 1,713,959	$ 1,738,541	$ 2,981,900
Minimum Required Earnings per Resolution:				
Highest annual debt service	818,556	808,331	661,650	661,650
Coverage Factor	1.25	1.25	1.25	1.25
Minimum Required Earnings	$ 1,023,195	$ 1,010,414	$ 827,063	$ 827,063
Actual Debt Coverage	2.07	2.12	2.63	4.51

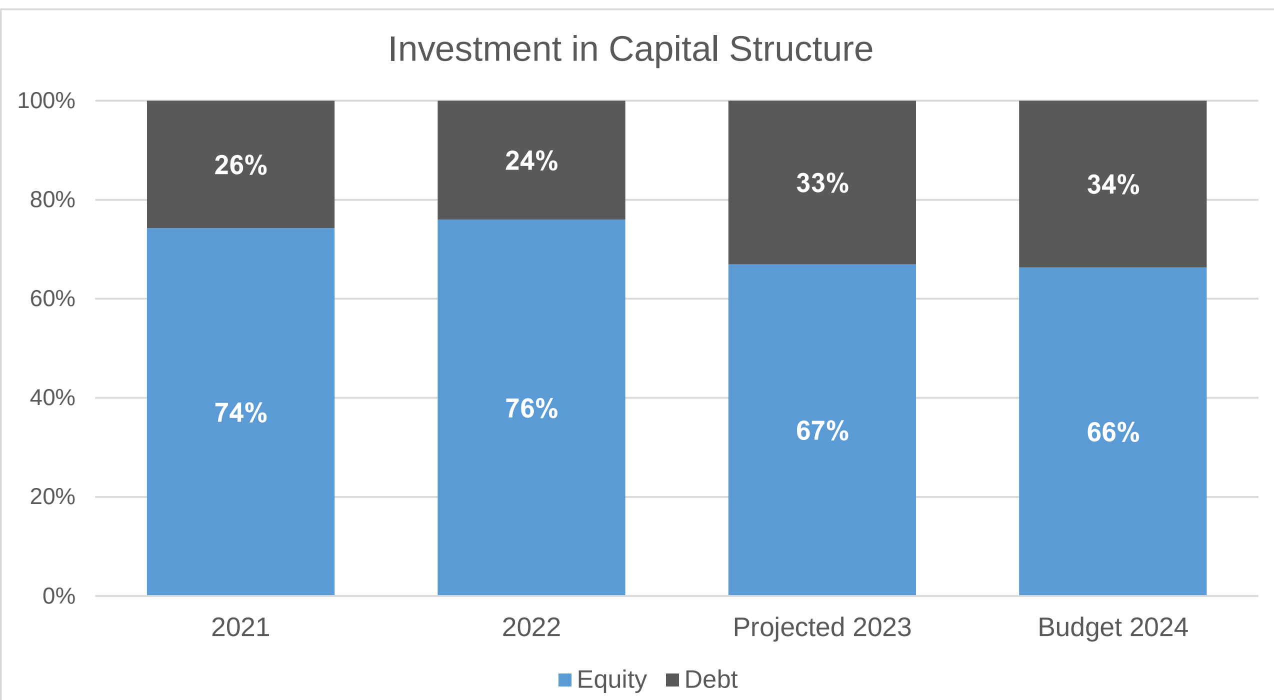
Water Bond Covenants

The System will produce earnings equivalent of not less than 1.25 times annual principal and interest requirements on the Outstanding Bonds, the Bonds and any parity bonds then outstanding after deduction of all operation and maintenance expenses of the System, but before deduction of depreciation charges or local tax equivalents.



Water Utility Investment in Capital
2024 Budget

	2021	2022	Projected 2023	Budget 2024
Construction work in progress	$ 78,416	$ 75,377	$ 950,333	$ 1,307,538
Plant in service	39,566,184	42,145,439	42,157,399	47,255,309
Accumulated depreciation	(9,252,164)	(9,661,852)	(11,161,698)	(11,253,645)
Sub Totals	30,392,436	32,558,964	31,946,034	37,309,202
Less: Capital related debt				
Current portion of captial related debt	595,000	600,000	350,000	350,000
Long-term portion of captial related debt	7,020,000	6,420,000	8,006,085	9,592,170
Anticipated debt issuance	-	-	1,936,085	2,365,000
Other capital related liabilities	368,059	526,866	-	-
Unamortized debt premium	286,525	270,431	254,337	238,243
Bond proceeds	(441,894)	-	-	-
Sub Totals	7,827,690	7,817,297	10,546,507	12,545,413
Total Net Investment in Capital Assets	$ 22,564,746	$ 24,741,667	$ 21,399,528	$ 24,763,789
Equity Ratio	74%	76%	67%	66%
Debt Ratio	26%	24%	33%	34%



Kaukauna Utilities

Capital Improvement Plan

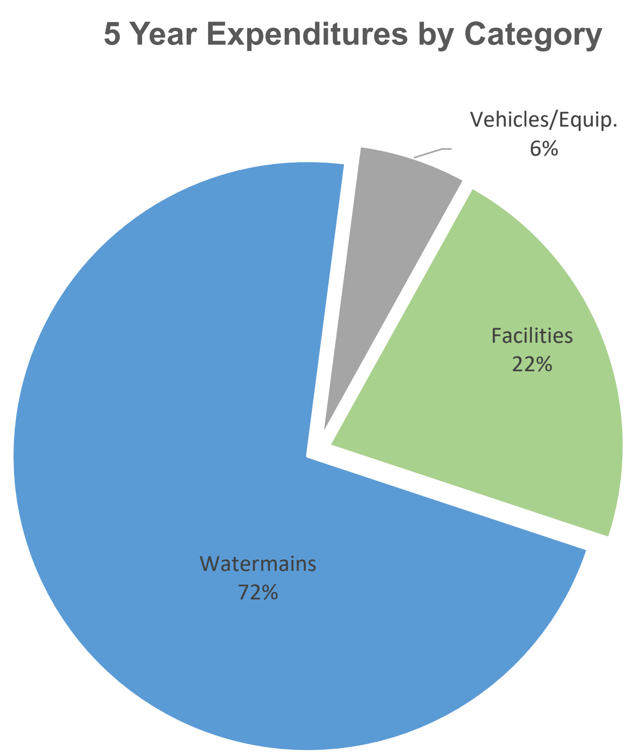
Water Utility

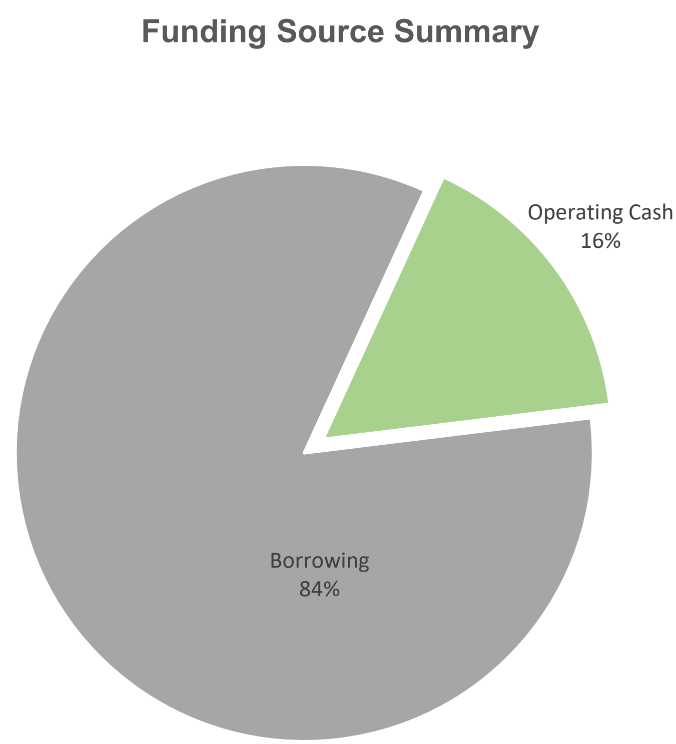
2024 thru **2028**

Expenditure Category and Funding Source Summary

Expenditure Category	2024	2025	2026	2027	2028	Total
Water Facilities	735,000	1,000,000	600,000	600,000	-	2,935,000
Water Main Relays	2,575,000	1,300,000	2,140,000	1,767,000	1,800,000	9,582,000
Water Vehicles/Equipment	140,000	357,800	75,000	150,000	75,000	797,800
Total	**$ 3,450,000**	**$ 2,657,800**	**$ 2,815,000**	**$ 2,517,000**	**$ 1,875,000**	**$ 13,314,800**

Funding Source	2024	2025	2026	2027	2028	Total
Water Bond Funds	2,900,000	1,800,000	2,640,000	2,015,000	1,800,000	11,155,000
Water Operating Cash	550,000	857,800	175,000	502,000	75,000	2,159,800
Total	**$ 3,450,000**	**$ 2,657,800**	**$ 2,815,000**	**$ 2,517,000**	**$ 1,875,000**	**$ 13,314,800**





Kaukauna Utilities

Capital Improvement Plan

Water Utility

2024 thru **2028**

Projects by Category

Category	Project Name	2024	2025	2026	2027	2028	Total
Water Facilities							
W22-01	50 Private Lead Service Lateral Replacement	100,000	100,000	100,000	100,000	-	400,000
W24-01	Water System Upgrade	500,000	500,000	500,000	500,000	-	2,000,000
W24-02	Sanitary Lateral for #5 Well	25,000	-	-	-	-	25,000
W24-03	Physical Security Upgrade (Water Portion)	10,000	-	-	-	-	10,000
W24-04	MOB HVAC Upgrade (Water Portion)	100,000	100,000	-	-	-	200,000
W25-01	#9 Filter and Well Upgrades	-	300,000	-	-	-	300,000
Water Facilities Total		**$ 735,000**	**$ 1,000,000**	**$ 600,000**	**$ 600,000**	**$ -**	**$ 2,935,000**
Water Main Relays							
WM24-01	Oviatt and Division Area	1,200,000	-	-	-	-	1,200,000
WM24-02	Kenneth Ave (3rd St to 10th St)	1,200,000	-	-	-	-	1,200,000
WM24-03	Low Pressure Line #10 Well	175,000	-	-	-	-	175,000
WM25-01	Desnoyer Area	-	1,200,000	-	-	-	1,200,000
WM25-02	Water Main Relay - Riverside Park and River Crossing (Wisconsin Ave. to the Fox Ri	-	-	817,000	-	-	817,000
WM25-03	Thilmany Road and Elm Street Intersection	-	100,000	-	-	-	100,000
WM26-01	Draper to W Wisconsin side streets	-	-	1,323,000	-	-	1,323,000
WM27-01	Kenneth Ave Area Southside Relay	-	-	-	252,000	-	252,000
WM27-02	11th St (Eden Ave to Sullivan Ave)	-	-	-	257,000	-	257,000
WM27-03	12th St (Kenneth Ave to Sullivan Ave)	-	-	-	146,000	-	146,000
WM27-04	13th St (Thelen Ave to Sullivan Ave)	-	-	-	267,000	-	267,000
WM27-05	Sullivan Ave. 10th to 13th	-	-	-	245,000	-	245,000
WM27-06	Cleveland Ave / 8th St	-	-	-	600,000	-	600,000
WM28-01	Lincoln Street Area	-	-	-	-	1,800,000	1,800,000
Water Main Relays Total		**$ 2,575,000**	**$ 1,300,000**	**$ 2,140,000**	**$ 1,767,000**	**$ 1,800,000**	**$ 9,582,000**
Water Vehicles/Equipment							
W01	Tools/Miscellaneous Equipment	15,000	15,000	15,000	15,000	15,000	75,000
W02	Meters	60,000	60,000	60,000	60,000	60,000	300,000
WV24-01	Truck #62 Replacement with Electric Van	65,000	-	-	-	-	65,000
WV24-02	Wachs Rope Saw	-	16,800	-	-	-	16,800
WV25-01	Replace #10 Well Pump & Drive along with new Piping and Electrical	-	165,000	-	-	-	165,000
WV25-02	Replace Truck #52	-	80,000	-	-	-	80,000
WV25-03	Safety Shoring with Trailer	-	21,000	-	-	-	21,000
WV27-01	Replace V56 (2015 Chevy 2500HD) with Electric Vehicle	-	-	-	75,000	-	75,000
Water Vehicles/Equipment Total		**$ 140,000**	**$ 357,800**	**$ 75,000**	**$ 150,000**	**$ 75,000**	**$ 797,800**
Total		**$ 3,450,000**	**$ 2,657,800**	**$ 2,815,000**	**$ 2,517,000**	**$ 1,875,000**	**$ 13,314,800**