

BOARD OF PUBLIC WORKS

Auburn, Nebraska



Board Packet

October 16 at 11:30 a.m.

BPW Board Room

1600 O Street

**Chairman – Chuck Knipe
Vice Chairman – Rich Wilson
Secretary – Michael Zaruba
Acting Secretary – David Grant
Board Member – Phil Shaw**

**AGENDA FOR THE REGULAR MEETING OF THE
BOARD OF PUBLIC WORKS TO BE HELD OCTOBER 16, 2024, AT 11:30 AM
AT THE BPW BOARD ROOM, 1600 O STREET, AUBURN NE**

- 1) **Roll Call.**
- 2) **Announce** - The Open Meetings Act is posted on the northeast wall of the Board Room.
- 3) **Recognition of Guests** - Anyone wishing to be heard by the Board regarding items may speak at this time. We request that you limit your speaking time to ten minutes per meeting.
- 4) **Discussion / action – JK ENERGY CONSULTING RATE STUDY** – Information will be presented on the utility rate study. Request recommendation to City of Auburn for approval.
- 5) **Discussion / action – 2025 BPW BUDGET** – Request approval of the 2025 BPW Budget.
- 6) **Discussion / action – CD’S MATURING** – Request approval to reach out for bids from local institutions to renew CD # 20133 maturing October 31, 2024. Highest bid will be awarded the renewal.
- 7) **Discussion / action – EMPLOYEE HOLIDAY GIFT CERTIFICATES** – Request approval to purchase Chamber Bucks for employee appreciation at \$40.00 per employee. The total cost is \$1,040.00.
- 8) **Discussion - AERATION BASIN VALVE REPLACEMENT** – Update on project.
- 9) **Discussion – SEWER LINING AND REHABILITATION PROJECT** – Update on project.
- 10) **Discussion / action – WELL 13 PUMP - PULL AND INSPECT** – Request approval to schedule maintenance on Well 13, contingent on drought management protocol.
- 11) **Discussion / action – HOA CYBER PROTECTION** – Request approval to install cyber protection service for SCADA programs. The annual cost is \$9,867.15.
- 12) **Discussion / action – CONFINED SPACE SENSOR FOR HEADWORKS BUILDING** – Requesting to approve installation of a sensor to monitor gases for confined space in headworks building.
- 13) **Discussion / action – OMEGA MORGAN PROJECT UPDATE** – Updates on project to move large equipment across Board of Public Works’ utility area.
- 14) **Discussion / action – AUBURN CAREER COLLEGE EXPO** – The Board of Public Works will be represented at Career Expo being held October 22, at Auburn High School.
- 15) **Discussion / action – NPPD CAPACITY PURCHASE CUSTOMER MEETING** – Information will be presented regarding a request by NPPD to meet in order to align the capacity purchase contract with the wholesale power contract.

- 16) Discussion / action – LONM ANNUAL UTILITY SECTION ANNUAL CONFERENCE –**
Request approval for General Manager to attend LONM conference.
- 17) Discussion / action – GENERATOR #4 ENGINE PLATE COOLER –** Update on project.
- 18) Discussion / action – DROUGHT CONTINGENCY STAGE 3 EMERGENCY –** Information will be provided on drought conditions that are contributing to implementation of the drought contingency plan.
- 19) Discussion / action – UNCLAIMED PROPERTY –** Request approval to submit unclaimed property to the State of Nebraska in the amount of \$350.84.
- 20) Discussion / action – GENERAL MANAGER EVALUATION –** General Manager review.
- 21) Discussion / action – FINANCIALS:**
Investments: All things cash: reconciliations, pledging, CD's allocations
- 22) Discussion / action - GENERAL CONSENT ITEMS -** Approve previous meeting's minutes and dispense with reading of same.
- a. Approve previous meeting's minutes and dispense with reading of same.
 - b. Approve monthly compensation of management and employees as previously fixed by the Board.
 - c. Approve listing of checks written during month, claims submitted for payment, and recommended transfers.
 - d. Approve Free Service Reports.
 - e. Approve satisfied NOD's
- 23) REPORTS:**
- a. Electric
 - b. Power Plant
 - c. Water/Wastewater
 - d. Office
- 24) Adjourn to the next regular meeting of the Board to be held November 20, 2024, at 11:30 a.m. at the BPW Board Room.**

BPW BOARD UPDATE

OCTOBER 11, 2024

JK ENERGY CONSULTING RATE STUDY – The final rate study from JK Energy Consulting will be presented to the Board.

2025 BPW BUDGET – Review, discussion and approval is requested for the 2025 BPW Budget.

CD'S MATURING – CD #20133 will be maturing October 31, 2024. Estimated renewal amount is \$662,525.46. We are requesting permission to reach out for bids from our local institutions.

EMPLOYEE HOLIDAY GIFT CERTIFICATES - We are requesting approval to purchase Chamber Bucks for employee appreciation. In the past we have given each employee \$40.00. The total cost would be \$1040.00. These would be handed out prior to the Thanksgiving holiday.

AERATION BASIN VALVE REPLACEMENT – Kerns Excavating out of Plattsmouth has completed the valve replacement project at the WWTP.

SEWER LINING AND REHABILITATION PROJECT– Municipal Pipe has completed this project.

WELL 13 PUMP - PULL AND INSPECT – Well 13 needs maintenance. We are requesting approval to move forward with this contingent on drought management protocol.

HOA CYBER PROTECTION – Requesting approval to install a cyber protection service for the water and wastewater SCADA programs. The annual cost is \$9,867.15.

CONFINED SPACE SENSOR FOR HEADWORKS BUILDING – Request approval to install a sensor to monitor for gases in the confined space. The existing alarm system is no longer working. The cost to install is \$5,410.00.

OMEGA MORGAN PROJECT UPDATE – Omega Morgan has started moving equipment on Sunday and Wednesday nights beginning at 10:00 pm. The final loads are scheduled for October 23rd.

AUBURN CAREER COLLEGE EXPO – The BPW will be hosting a booth at the Auburn Career College Expo being held on October 22nd from 7:00 pm – 8:30 pm at the Auburn High School.

NPPD CAPACITY PURCHASE CUSTOMER MEETING – NPPD is requesting capacity purchase customers to attend a meeting in York, NE on October 18th to discuss having the capacity purchase contract line up with the wholesale power contract.

LONM ANNUAL UTILITY SECTION ANNUAL CONFERENCE – Request permission for the General Manager to attend the conference from January 8 – 10, 2025 in Lincoln NE.

GENERATOR #4 ENGINE PLATE COOLER – The engine cooler for generator #4 has been installed and checked for leaks. The installation went very smoothly thanks to the BPW crew having the new cooler positioned next to the old one in advance to the contract crew arriving.

DROUGHT CONTINGENCY STAGE 3 EMERGENCY– Due to the continuing drought conditions the BPW is currently in a Stage 3 of our drought contingency plan. We have met triggers that have required us to implement Stage 3 – water emergency.

UNCLAIMED PROPERTY – We have three unclaimed checks that will be returned to the State. The total amount to be submitted is \$350.84.

GENERAL MANAGER EVALUATION – General Manager's evaluation requested by Chairman.

BPW BOARD UPDATE

OCTOBER 11, 2024

ELECTRIC – Brush spraying is complete along county right of ways and other trouble spots. Crews have continued fuse coordination and URD transformer inspections. Issues that were found have been fixed. Pole charges continue, as well as overhead to underground service conversions. The large equipment move has gone well for BPW lines.

POWER PLANT – The new oil plate cooler for generator #4 has been installed by Mueller. It is leak tested and back in service. Monthly maintenance is ongoing and annual inventory count has been started.

WATER/WASTEWATER – Municipal Pipe has completed 800 feet of sewer lining, 12 top hats and 23 manholes and covers. The P Street water main has been installed and the tie in is complete for this project. Coliform samples have come back good. Service lines are now being connected to the new main. Static water levels on our wells have dropped due to lack of moisture. The Little Nemaha River's level is 2.11 feet. Last week we slowed the wells down, so they are not pumping as hard. This has helped to reduce the drawdown on the wells. We are monitoring the wells more frequently. A water warning has been issued to help mitigate the low water levels. The valves for the aeration basin should be complete October 11th.

OFFICE – Winter rates are being put into the billing system. Inventory counting has started to prepare for the year end. Energy Fest is October 22nd. The safety committee is meeting regularly and continues to work on safety protocol for each department.

Total Customers this Month	2,732	Days of Month
Total Customer Minutes this Month	118,022,400	30

Outage Totals			
		This Month	This Month Last Year
Unscheduled Outages			
Long	# Outages	6	0
	# Customers Out	9	-
	# Minutes Out	370	-
	# Customer Minutes Out	502	-
	# Within City System	6	0
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	-
	# Within City System	0	0
	# Supply to City Minutes	0	0
Scheduled Outages			
Long	# Outages	6	0
	# Customers Out	15	0
	# Minutes Out	375	0
	# Customer Minutes Out	1,005	0
	# Within City System	6	0
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Totals			
Total Long Outages		12	0
Total Short Outages (Blinks)		0	0
Total Customers Out (Long)		24	-
Total Customers Affected (Short- Blinks)		0	-
Total Customer Minutes Out		1,507	-
Total Outages Within City System		12	0
Total Outages in Supply to City		0	0

Number of Outages (by Cause)					
Cause #	Description	Total This Month	This Month Last Year	Rolling AT	% AT
0	Supply to City	0	0	0	0%
1	Overhead Equipment Failure	2	0	13	18%
2	Underground Equipment Failure	1	0	11	15%
3	Weather	0	0	3	4%
4	Birds, Animals, Snakes, etc.	4	0	17	23%
5	Trees	0	0	3	4%
6	Foreign Interference	0	0	0	0%
7	Human	1	0	4	5%
8	Other	4	0	19	26%
9	Unknown	0	0	3	4%
Total		12	0	73	

12 Month Outage Statistics		
Index	As of This Month	As of This Month Last Year
ASAI (%)	99.9986	0.0000
CAIDI (Long) (min)	30.38	0.00
SAIDI (Long) (min)	7.60	0.00
SAIFI (Long) (ints/tot cust)	0.25	0.00
SAIFI (Short) (ints/tot cust)	0.00	0.00

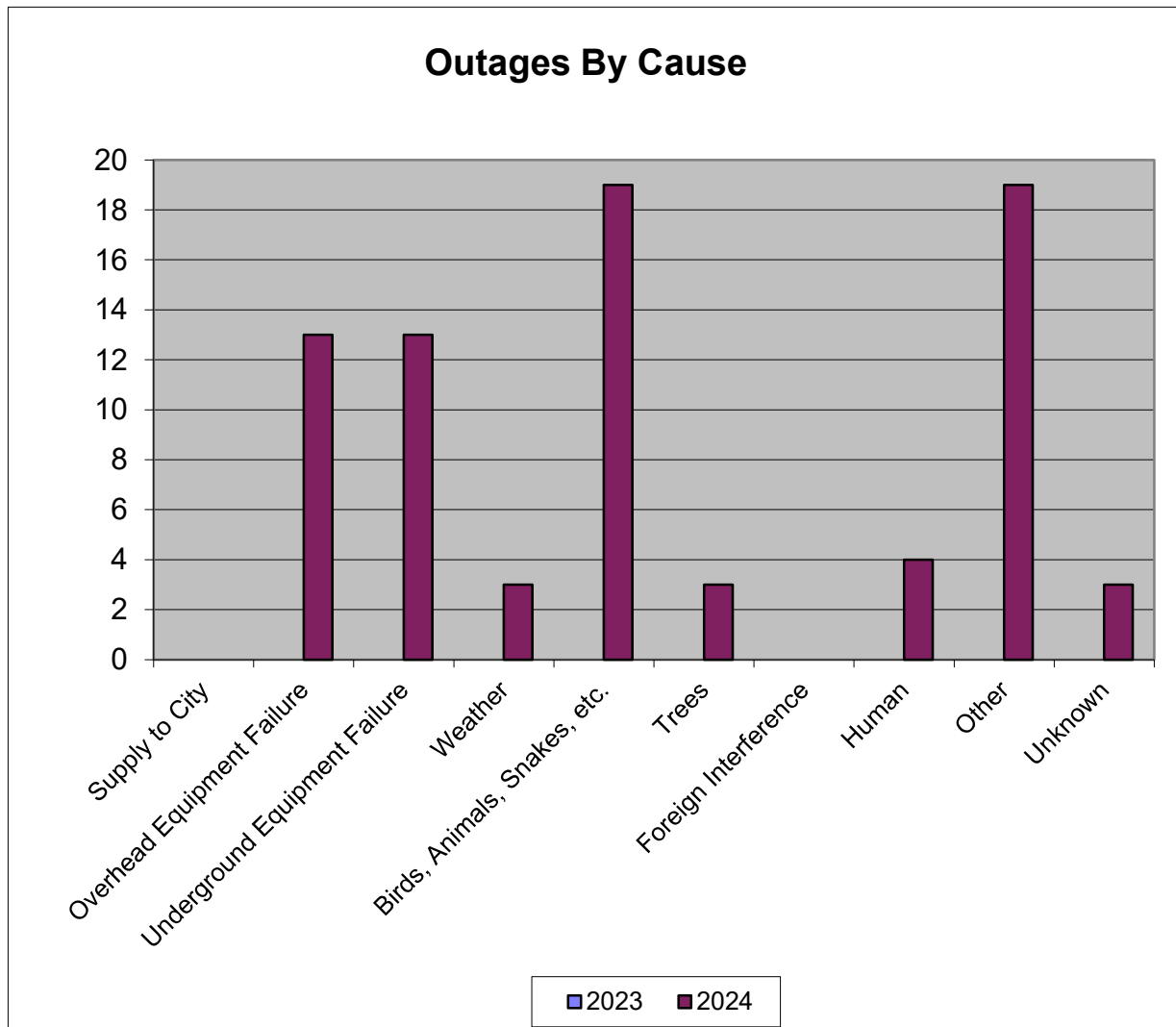
- ASAI - Average Service Availability Index
(customer minutes available/total customer minutes, as a %)
- CAIDI - Customer Average Interruption Duration Index
(average minutes interrupted per interrupted customer)
- SAIDI - System Average Interruption Duration Index
(average minutes interrupted per customer for all customers)
- SAIFI (Long) - System Average Interruption Frequency Index
(# of long interruptions per customer for all customers)
- SAIFI (Short) - System Average Interruption Frequency Index
(# of short interruptions per customer for all customers)

S/U - Scheduled or Unscheduled
 Ints - # of Interruptions
 Long - >1 min; Short - <1 min
 Cause # - see table on page 3

Outage Reasons

10/11/2024

Number of Outages (by Cause)	2023	2024	Increase
Supply to City	0	0	0%
Overhead Equipment Failure	0	13	13%
Underground Equipment Failure	0	13	13%
Weather	0	3	3%
Birds, Animals, Snakes, etc.	0	19	19%
Trees	0	3	3%
Foreign Interference	0	0	0%
Human	0	4	4%
Other	0	19	19%
Unknown	0	3	3%



FY 2024 Cost of Service / Rate Design Study

Auburn Board of Public Works Electric Utility

City Council Review Draft

October 2, 2024

JKEC

JK Energy Consulting, LLC

John A. Krajewski, P.E.

74408 Road 433

Smithfield, Nebraska 68976

402-440-0227

jk@jkenergyconsulting.com

www.jkenergyconsulting.com

Table of Contents

Executive Summary 2

Purpose and Approach..... 4

Background 4

Projected Financial Results..... 5

Cost of Service 7

Rate Design 14

Conclusions..... 20

Recommendations 20

Appendix A - Rate Schedules

Executive Summary

This study was prepared by JK Energy Consulting, LLC for the Auburn Board of Public Works (BPW). The purpose of the study was to review the electric rates for the BPW and ensure that electric rates are adequate to pay for projected expenses.

A projection of revenues and expenses, including operating and capital improvements was prepared (see Table 1). The analyses completed indicated that rate increases of approximately 3% in FY 2025 through FY 2028 would be necessary to cover projected expenses (Table 2, Line 6) and provide a reasonable operating margin for the electric utility. These rate increases would provide sufficient revenue through FY 2028 to cover projected expenses.

Projected retail revenue, based on existing rates for FY 2024, is approximately \$5.6 million while projected revenue requirements are approximately \$5.7 million (Table 5, Line 18). Of the projected revenue requirements, approximately \$3.1 million (Table 3, Line 18) is for purchased power from Nebraska Public Power District (NPPD) and Western Area Power Administration (Western), including transmission service to deliver these purchases. This represents approximately 54.4% of projected revenue requirements (Table 3, Line 19). For projection purposes, NPPD rates were assumed to escalate 5% per year in FY 2027 and FY 2028, which drives some of the need for projected rate increases. Another element of the projected revenue requirements was inclusion of capital improvement costs. Ensuring adequate funding for capital improvements is important for maintaining reliable electric service to customers in the future.

The cost of service analyses was completed to assess the amount that each rate class should be paying compared to the revenue that is being collected from existing rates (Table 5). The analyses also indicated how much revenue is collected in each season compared to the cost of service in the respective season (Table 6). It appears that a majority of the rate classes are collecting less than the calculated cost of service. The existing customer charges for all rate classes are collecting less than the cost of service. For example, the existing Urban Residential customer charge of \$14.00 per month is lower than the cost of service of approximately \$24.74 per month (Table 4, Line 1).

The purpose of rate design is to develop rates that reflect the cost of service and accomplish other goals established by the BPW. After review with the BPW, it was determined that the preferred approach to implementing rate changes would be to time any rate changes to be implemented at the beginning of each fiscal year (January 1). The proposed rate changes would increase revenue by 3% in FY 2025, 3% in FY 2026 and 3% in FY 2027. Rate increases would vary by rate class, with Spacing Heating and Industrial Large Power Demand rates being increased somewhat more than other rate classes. The rate increases would primarily be implemented through an increase in the customer charge, which is currently less than the cost of service. The typical Urban Residential customer would experience an increase of \$3.05 per month beginning in

January 2025. Other rate design changes would address inconsistencies in rate signals when compared to other rate classes or the cost of service analysis. The proposed rate change is reasonable based on the cost of service analyses.

Even with the proposed rate increases, the BPW's rates are still among the lowest when compared to neighboring utilities (see Tables 11 and 12). Rates were compared to Nebraska Public Power District (NPPD), Omaha Public Power District (OPPD) and the cities of Beatrice, Falls City and Nebraska City. These neighboring utilities may be experiencing power supply and operating cost increases, which will help keep the Utility's rates competitive with these neighboring utilities.

Conclusions

The following conclusions were reached, based on the information provided and analyses completed:

1. The projected revenue requirement for FY 2024 was approximately \$5.7 million, including operating costs and capital improvements.
2. The largest component of the test year budget was purchased power expense, representing 54.4% of the projected test year budget.
3. Projected revenues from existing rates are approximately \$5.6 million.
4. Rate increases of 3% in FY 2025 through FY 2028 would be necessary to ensure sufficient revenue to cover projected expenses.
5. The cost of service analysis indicated that rate increases should be implemented for all rate classes and directed towards the summer season.
6. The customer charge is less than the calculated cost of service for all rate classes.
7. Even with the proposed rate increase, the City's rates are lower than or competitive with neighboring utilities.

Recommendations

The following recommendations were developed based on the analyses completed and conclusions reached:

1. Electric rates should be increased 3% on January 1, 2025 (FY 2025), 3% on January 1, 2026 (FY 2026) and 3% on January 1, 2027 (FY 2027). The proposed rate schedule included in Appendix A would implement those rate increases.
2. The BPW should consider implementing a 3% rate increase in FY 2028. This rate increase will be dependent on future purchased power, operating and maintenance, and capital improvement costs. A future rate study can assess the need for this rate increase.
3. The BPW should review its rates on a regular basis, particularly as purchased power and other operating costs increase.

Purpose and Approach

The purpose of this study was to review the electric rates charged and develop rates that were consistent with a number of goals established by the BPW. The rate goals established by the BPW included having rates that provide sufficient revenues to cover projected operating expenses and having rates that reflect the cost of service for each rate class.

The approach to the study involved completing several tasks. Retail sales, purchased power, operating expenses, capital project, and financial information was collected. Test year expenses for FY 2024 were projected and future revenues and expenses were projected through FY 2028. A rate plan was developed to meet the financial goals established by the BPW. The allocated cost of service for each rate class was calculated and compared to revenue from existing rates. Rates for each rate class were developed based on the cost of service and other goals established by the BPW. The existing rate schedule was reviewed and new rates were developed. Prior to preparing and submitting a written report to the City Council, results of the cost of service study were presented to the BPW on September 18, 2024.

Background

Auburn BPW – Electric Utility

The BPW operates an electric utility which serves customers located within the City of Auburn and in some adjacent areas. The BPW serves approximately 2,800 customers, including a mix of residential, commercial, industrial and irrigation customers.

Purchased Power

The BPW purchases its total electric requirements from NPPD and Western. NPPD supplies the BPW's supplemental capacity and energy requirements under a long-term agreement. Western supplies approximately 20% of the BPW's capacity and energy requirements from its hydro-electric resources located in the upper Midwest. In FY 2024, the projected cost of purchased power from NPPD and Western is approximately 5.4¢/kWh, delivered to the BPW.

Future retail rate increases will be highly dependent on rate increases implemented by NPPD. Purchased power represents approximately 54.4% of the BPW's test year budget, so any increase in power costs will most likely require a rate increase at the retail level. There is also future power cost uncertainty related to the need for capacity additions by NPPD, changes in policies of the Southwest Power Pool related to cost allocation and resource adequacy, and legislation at the state and Federal level. These issues could result in changes in the rates charged by NPPD, which would affect the BPW's future power costs. NPPD's rates should be monitored because of their potential impact on the BPW's retail rates.

Projected Financial Results

The purpose of preparing projected financial results is to compare projected revenues with projected expenses and determine the need for future rate increases. Projections were prepared for the period FY 2024 through FY 2028 based on information provided by the BPW.

Parameters

The following parameters were used to develop the projected financial results:

- Historical and projected results were prepared based on the BPW's fiscal year (January through December).
- Retail sales were projected to remain stable in the future.
- The FY 2024 budget was used as the basis for the test year budget.
- NPPD and Western rates were projected to increase 5% beginning in FY 2027.
- Capital improvements of \$400,000 were included in FY 2024, with escalation in future years.
- Operating and maintenance expenses, administrative costs, and other internal expenses were projected to increase at a rate of 3% annually.
- Projected financial results were presented on a "cash basis." Cash basis accounting includes capital improvements and debt service principal as expenses but does not include depreciation expense.

Projected Financial Results

Table 1 (see page 6) shows the projected financial results for FY 2024 through FY 2028 along with historical financial results for FY 2021 through FY 2023. On a cash basis, the surplus in FY 2024 is approximately \$945,000, decreasing to approximately \$151,000 in FY 2028. The major causes of the decrease future surpluses are the funding of the BPW's capital improvement plan, higher power costs and general cost escalation.

[Intentionally left blank.]

Table 1
Auburn Board of Public Works
2024 Cost of Service Study
Projected Financial Results
Existing Rates - Cash Basis

Line	Description	Actual (1)				Test Year				Projected			
		2021	2022	2023	2024	2025	2026	2027	2028				
1	Operating Revenues												
2	Retail Sales - Existing Rates	\$ 5,204,559	\$ 5,447,660	\$ 5,531,176	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727
3	Rate Changes												
4	Other Operating Revenue	897,145	1,043,270	1,088,355	926,495	926,495	926,495	926,495	926,495	926,495	926,495	926,495	926,495
5	Total Operating Revenue	\$ 6,101,704	\$ 6,490,930	\$ 6,619,531	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222	\$ 6,502,222
6	Operating Expenses												
7	Purchased Power / Production	\$ 3,500,374	\$ 3,685,985	\$ 3,659,661	\$ 3,746,305	\$ 3,811,383	\$ 3,982,447	\$ 4,106,030	\$ 4,278,369	\$ 4,450,707	\$ 4,629,046	\$ 4,814,385	\$ 5,006,724
8	Distribution	481,544	366,600	375,202	405,731	417,903	430,440	443,353	456,654	470,167	483,880	497,693	511,606
9	Customer Accounting & Collecting	134,882	162,372	150,497	169,721	174,813	180,057	185,459	191,022	196,614	202,287	208,061	213,934
10	Administrative & General	674,171	826,909	913,080	823,600	848,308	873,757	899,970	926,969	954,167	980,466	1,006,865	1,033,264
11	Inventory Adjustment	1,565	16,449	6,440	5,750	5,923	6,100	6,283	6,472	6,657	6,842	7,027	7,212
12	Total Operating Expenses	\$ 4,792,536	\$ 5,058,315	\$ 5,104,880	\$ 5,151,107	\$ 5,258,329	\$ 5,472,802	\$ 5,641,095	\$ 5,859,486	\$ 6,072,879	\$ 6,291,371	\$ 6,514,868	\$ 6,742,366
13	Operating Income	\$ 1,309,168	\$ 1,432,615	\$ 1,514,651	\$ 1,351,115	\$ 1,243,893	\$ 1,029,421	\$ 861,127	\$ 642,736	\$ 429,343	\$ 210,851	\$ 987,354	\$ 760,856
14	Non-Operating Expense/(Revenue)												
15	Investment Earnings	\$ (211,006)	\$ (170,753)	\$ (269,295)	\$ (190,000)	\$ (190,000)	\$ (190,000)	\$ (190,000)	\$ (190,000)	\$ (190,000)	\$ (190,000)	\$ (190,000)	\$ (190,000)
16	Interfund Transfers	143,445	183,275	232,677	202,100	202,100	202,100	202,100	202,100	202,100	202,100	202,100	202,100
17	Miscellaneous Income	(25,811)	(20,452)	(16,256)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)
18	Debt Service Principal												
19	Capital Improvements (2)	2,380,072	255,464	357,411	400,000	420,000	441,000	463,050	486,203	510,357	534,510	558,663	582,816
20	Grant Income	(24,377)	(500)	(500)	-	-	-	-	-	-	-	-	-
21	Contribution in Aid of Construction			(17,029)									
22	Total Non-Operating Expense/(Revenue)	\$ 2,262,323	\$ 247,034	\$ 287,008	\$ 405,850	\$ 425,850	\$ 446,850	\$ 468,900	\$ 492,053	\$ 517,107	\$ 542,160	\$ 567,213	\$ 592,266
23	Net Income - Cash Basis	\$ (953,155)	\$ 1,185,581	\$ 1,227,643	\$ 945,265	\$ 818,043	\$ 582,571	\$ 392,227	\$ 150,683	\$ -7,754	\$ -104,909	\$ -326,864	\$ -631,410
24	Rate Change for Breakeven Cash Flow				-17.0%	-14.7%	-10.4%	-7.0%	-2.7%	-7.0%	-7.0%	-7.0%	-7.0%

Notes:
(1) Based on audited financial statements.
(2) Excludes non-recurring items.

Future Rate Changes

One of the rate design goals was to spread any major rate increases over a number of years. Table 2 shows projected financial results with rate increases of 3% in FY 2025 through FY 2028. The proposed rate changes provide sufficient revenue to cover projected purchased power, operating and maintenance, administrative and general costs, and the BPW’s proposed capital improvement budget while providing a reasonable margin to protect against unexpected future expenses.

Table 2
Auburn Board of Public Works
2024 Cost of Service Study
Projected Financial Results
Proposed Rates - Cash Basis

Line	Description	Test Year	Projected			
		2024	2025	2026	2027	2028
1	Operating Revenues					
2	Retail Sales - Existing Rates	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727	\$ 5,575,727
3	Rate Changes	-	165,962	337,252	513,652	696,334
4	Other Operating Revenue	926,495	926,495	926,495	926,495	926,495
5	Total Operating Revenue	\$ 6,502,222	\$ 6,668,184	\$ 6,839,474	\$ 7,015,875	\$ 7,198,556
6	Rate Increase / (Decrease)	0.0%	3.0%	3.0%	3.0%	3.0%
7	Operating Expenses					
8	Purchased Power	\$ 3,746,305	\$ 3,811,383	\$ 3,982,447	\$ 4,106,030	\$ 4,278,369
9	Production & Distribution	405,731	417,903	430,440	443,353	456,654
10	Customer Accounting & Collecting	169,721	174,813	180,057	185,459	191,022
11	Administrative & General	823,600	848,308	873,757	899,970	926,969
12	Inventory Adjustment	5,750	5,923	6,100	6,283	6,472
13	Total Operating Expenses	\$ 5,151,107	\$ 5,258,329	\$ 5,472,802	\$ 5,641,095	\$ 5,859,486
14	Operating Income	\$ 1,351,115	\$ 1,409,855	\$ 1,366,673	\$ 1,374,780	\$ 1,339,070
15	Non-Operating Expense/(Revenue)					
16	Investment Earnings	\$ (190,000)	(190,000)	(190,000)	(190,000)	(190,000)
17	Interfund Transfers	202,100	202,100	202,100	202,100	202,100
18	Miscellaneous Income	(6,250)	(6,250)	(6,250)	(6,250)	(6,250)
19	Debt Service Principal	-	-	-	-	-
20	Capital Improvements (2)	400,000	420,000	441,000	463,050	486,203
21	Grant Income	-	-	-	-	-
	Contribution in Aid of Construction	-	-	-	-	-
22	Total Non-Operating Expense/(Revenue)	\$ 405,850	\$ 425,850	\$ 446,850	\$ 468,900	\$ 492,053
23	Net Income - Cash Basis	\$ 945,265	\$ 984,005	\$ 919,823	\$ 905,880	\$ 847,017
24	Rate Change for Breakeven Cash Flow	-17.0%	-17.6%	-16.5%	-16.2%	-15.2%

Cost of Service

The purpose of the cost of service analysis is to identify the costs related to serving each class of customers. Several steps were completed to prepare the cost of service analysis. A test year budget was prepared based on the FY 2024 operating budget with adjustments for known changes. Each expense item was identified and assigned to a utility function and further classified as a demand, energy or customer related expense. This process is called “functionalization” and “classification.” The costs related to each function are then allocated to each customer class based on generally accepted cost

allocation principles for municipal electric utilities. The allocated costs were compared to revenues based on existing rates. The comparison of the cost of service to revenue from existing rates was used as a factor in designing rates.

Test Year Budget

The FY 2024 operating budget was used as the basis for the test year budget. The purpose of preparing a test year budget is to create a scenario that is as close to “normal” operating conditions as possible, reflecting known changes for the utility. The test year budget included the following adjustments to the FY 2024 operating budget:

1. Actual NPPD rates were used to calculate projected power costs.
2. A reduction in internal budgeted operating costs was applied to normalize costs based on historical actual expenditures.
3. A capital improvement budget of \$400,000 was included in the test year budget.
4. Revenues based on actual retail sales for the period January through December 2023 were used to calculate revenues based on “existing rates” for the FY 2024 test year budget.
5. The test year budget was adjusted to provide for a 3% increase from existing revenue, based on the proposed rate plan

The test year budget for FY 2024 was approximately \$5.7 million and is summarized in Table 3 (see page 9). This figure represents the amount that needs to be collected from retail rates. It includes all operating expenses and is reduced for revenue from interest income and other non-retail revenue.

[Intentionally left blank.]

**Table 3
Auburn Board of Public Works
2024 Cost of Service Study
Test Year Budget by Function
Annual**

Line	Rate Class	Production / Transmission	Subtrans/ Distribution	Customer/ Admin	Total
1	Urban Residential	\$ 912,321	\$ 510,776	\$ 403,039	\$ 1,826,135
2	Rural Residential	409,762	215,191	159,423	784,376
3	General Service Single Phase	204,043	118,345	100,778	423,166
4	General Service Three Phase	399,193	152,350	89,614	641,157
5	Rural Gen Serv Single Phase	146,336	97,264	71,846	315,446
6	Rural Gen Serv Three Phase	217,650	93,468	48,804	359,922
7	Urban Space Heating	45,245	16,665	8,997	70,908
8	Rural Space Heating	509	333	221	1,063
9	General Service Demand	528,100	194,329	95,541	817,971
10	Rural Gen Serv Demand	42,842	10,309	7,091	60,242
11	Seasonal/Temporary Service	6,104	10,343	5,251	21,697
12	Industrial Large Power Demand	180,833	119,688	38,772	339,293
13	Rural Irrigation	16,757	22,758	7,860	47,376
14	Free Service	9,019	3,037	1,529	13,585
15	Outdoor Security Lighting	3,490	2,692	14,479	20,662
16	Security Lights	-	-	-	-
17	Street Lights	-	-	-	-
18	Total	\$ 3,122,205	\$ 1,567,548	\$ 1,053,246	\$ 5,742,999
19	Percentage	54.4%	27.3%	18.3%	100.00%

Functionalization and Classification

Functionalization and classification involved assigning the expense items to a function and classifying those expenses by allocation method. Functions vary by utility and are based on power supply arrangements, size and type of utility. The following functions were used for the BPW:

- Purchased power
- Transmission and sub-transmission service
- Distribution (primary and secondary)
- Services
- Meter reading
- Billing and customer accounting

Expenses were classified into demand-related, energy-related, and customer-related classifications. Some costs are allocated solely to a single classification. For example, transmission service is classified as demand related. Other functions, including primary distribution, are spread between the demand-related and customer-related

classifications. The classifications were based on cost causation and how the costs should be recovered from the BPW's retail rate classes.

Table 4 summarizes the classification of test year expenses, including the allocation to the various retail rate classes. Approximately \$889,000 is customer-related, \$1.4 million is energy-related, and \$3.4 million is demand-related expense. Based on this classification, 15.5% of the BPW's test year budget is customer-related, 24.9% is energy-related, and 59.7% is demand-related.

Of note, the cost of service for customer-related service is \$24.74 per month for Urban Residential rates while the existing residential customer charge is \$14.00 per month. It is recommended that the customer charge be increased to more closely reflect the cost of service.

Table 4
Auburn Board of Public Works
2024 Cost of Service Study
Classification of Expenses
Annual

Line	Rate Class	Customer		Energy		Demand	
		(\$)	(\$/mon)	(\$)	(¢/kWh)	(\$)	¢/kWh
1	Urban Residential	\$ 429,321	\$ 24.74	\$ 449,720	2.55	\$ 947,094	5.37
2	Rural Residential	158,199	27.19	183,209	2.55	442,969	6.17
3	General Service Single Phase	115,615	24.75	88,795	2.56	218,756	6.30
4	General Service Three Phase	42,935	27.95	172,531	2.56	425,691	6.32
5	Rural Gen Serv Single Phase	92,378	28.97	54,332	2.57	168,737	7.97
6	Rural Gen Serv Three Phase	20,012	27.61	85,046	2.60	254,864	7.78
7	Urban Space Heating	2,560	10.67	20,799	2.54	47,548	5.80
8	Rural Space Heating	258	10.74	232	2.52	574	6.24
9	General Service Demand	7,337	61.14	258,260	2.56	552,374	5.48
10	Rural Gen Serv Demand	765	63.77	17,587	2.55	41,890	6.07
11	Seasonal/Temporary Service	6,092	24.87	3,054	2.43	12,551	9.98
12	Industrial Large Power Demand	604	50.30	75,840	2.56	262,849	8.86
13	Rural Irrigation	6,070	27.84	9,507	2.61	31,799	8.74
14	Free Service	-	-	3,958	2.58	9,627	6.28
15	Outdoor Security Lighting	7,341	4.61	4,680	6.25	8,641	11.54
16	Security Lights	-	-	-	-	-	-
17	Street Lights	-	-	-	-	-	-
18	Total	\$ 889,486		\$ 1,427,550		\$ 3,425,963	
19	Percentage	15.5%		24.9%		59.7%	

Cost Allocation

The functionalized costs were allocated to the various rate classes using generally accepted methods for preparing embedded cost of service studies. There is no standard cost of service methodology set by a regulatory agency that the BPW is required to follow. There are a number of guidelines that municipal utilities typically follow, including publications and guidelines from the American Public Power Association, the National

Association of Regulatory Utility Commissioners, and the Federal Energy Regulatory Commission.

Demand-related costs were allocated on coincident or non-coincident demands, depending on the function, and adjusted for losses. Energy-related costs were allocated on energy sales, adjusted for losses. Customer-related costs were allocated on the weighted number of customers within each rate class, with weighting factors determined based on the type of service, cost of metering, and projected customer billing costs.

Some expenses are not easily assigned to a particular function. Examples of expenses that are not easily assigned include interest income, general administrative expenses, and miscellaneous operating revenue. These expenses were assigned to functions at the same ratio as expenses that were directly assigned to functions, which is one of several generally accepted methods for assigning these costs to the appropriate function.

Comparison of Revenues to Cost of Service

Revenues collected from existing rates were compared to the allocated cost of service. The purpose of this comparison was to provide guidance on the adequacy of existing rates for each rate class. This comparison can be used to assess the general magnitude of rate changes needed for each rate class and is one factor in determining the need for rate adjustments for individual rate classes.

Table 5 (see page 12) compares the revenue from existing rates to the calculated cost of service. A rate increase of approximately \$167,000, or approximately 3%, would be necessary in FY 2024 to cover projected expenses. While the overall increase looks somewhat modest, the necessary rate changes include a higher-than-average increases for Space Heating, Irrigation and Industrial Large Power Demand rates. The cost of service indicated that Industrial Large Power Demand rates would need to increase 11.6% to reflect the cost of service. Seasonal/Temporary Service and Rural Irrigation rates would need to increase 8.5% and 6.1%, respectively, while Urban Space Heating would need to increase 5.6% to reflect the cost of service.

Table 6 (see page 13) shows the calculated cost of service for the summer and winter seasons. Summer season rates would require an increase of 16.8% to recover the cost of service, while winter season rates would need to decrease 3.4% to reflect the cost of service. In general, this indicates that rate increases should be directed toward the summer season.

**Table 5
Auburn Board of Public Works
2024 Cost of Service Study
Comparison of Cost of Service
to Revenue from Existing Rates
Annual**

Line	Rate Class	Revenue		Difference	
		Existing Rates	Cost of Service	\$	%
1	Urban Residential	\$ 1,738,294	\$ 1,826,135	\$ 87,841	5.1%
2	Rural Residential	758,469	784,376	25,907	3.4%
3	General Service Single Phase	430,719	423,166	(7,553)	-1.8%
4	General Service Three Phase	639,072	641,157	2,086	0.3%
5	Rural Gen Serv Single Phase	308,170	315,446	7,276	2.4%
6	Rural Gen Serv Three Phase	350,281	359,922	9,641	2.8%
7	Urban Space Heating	67,130	70,908	3,778	5.6%
8	Rural Space Heating	1,014	1,063	49	4.8%
9	General Service Demand	814,203	817,971	3,768	0.5%
10	Rural Gen Serv Demand	66,078	60,242	(5,836)	-8.8%
11	Seasonal/Temporary Service	19,993	21,697	1,704	8.5%
12	Industrial Large Power Demand	304,012	339,293	35,281	11.6%
13	Rural Irrigation	44,659	47,376	2,717	6.1%
14	Free Service	13,742	13,585	(156)	-1.1%
15	Outdoor Security Lighting	19,892	20,662	770	3.9%
16	Security Lights	-	-	-	0.0%
17	Street Lights	-	-	-	0.0%
18	Total	\$ 5,575,727	\$ 5,742,999	\$ 167,272	3.0%

[Intentionally left blank.]

**Table 6
Auburn Board of Public Works
2024 Cost of Service Study
Comparison of Cost of Service
to Revenue from Existing Rates**

Summer

Line	Rate Class	Revenue Existing Rates	Cost of Service	Difference	
				\$	%
1	Urban Residential	\$ 522,350	\$ 632,225	\$ 109,875	21.0%
2	Rural Residential	232,059	272,657	40,598	17.5%
3	General Service Single Phase	135,117	149,521	14,404	10.7%
4	General Service Three Phase	199,531	224,906	25,374	12.7%
5	Rural Gen Serv Single Phase	102,287	113,180	10,893	10.6%
6	Rural Gen Serv Three Phase	132,143	144,702	12,559	9.5%
7	Urban Space Heating	17,954	22,889	4,935	27.5%
8	Rural Space Heating	287	318	31	10.9%
9	General Service Demand	269,605	317,920	48,316	17.9%
10	Rural Gen Serv Demand	21,669	21,094	(575)	-2.7%
11	Seasonal/Temporary Service	6,607	7,336	729	11.0%
12	Industrial Large Power Demand	94,476	117,121	22,645	24.0%
13	Rural Irrigation	13,664	18,945	5,281	38.6%
14	Free Service	5,005	5,297	292	5.8%
15	Outdoor Security Lighting	6,691	6,472	(219)	-3.3%
16	Security Lights	-	-	-	0.0%
17	Street Lights	-	-	-	0.0%
18	Total	\$ 1,759,447	\$ 2,054,585	\$ 295,138	16.8%

Winter

Line	Rate Class	Revenue Existing Rates	Cost of Service	Difference	
				\$	%
19	Urban Residential	\$ 1,215,944	\$ 1,193,910	\$ (22,033)	-1.8%
20	Rural Residential	526,410	511,719	(14,691)	-2.8%
21	General Service Single Phase	295,602	273,645	(21,957)	-7.4%
22	General Service Three Phase	439,540	416,252	(23,288)	-5.3%
23	Rural Gen Serv Single Phase	205,883	202,265	(3,617)	-1.8%
24	Rural Gen Serv Three Phase	218,138	215,220	(2,918)	-1.3%
25	Urban Space Heating	49,175	48,018	(1,157)	-2.4%
26	Rural Space Heating	727	745	17	2.4%
27	General Service Demand	544,598	500,050	(44,548)	-8.2%
28	Rural Gen Serv Demand	44,409	39,148	(5,261)	-11.8%
29	Seasonal/Temporary Service	13,386	14,361	975	7.3%
30	Industrial Large Power Demand	209,536	222,171	12,635	6.0%
31	Rural Irrigation	30,995	28,431	(2,564)	-8.3%
32	Free Service	8,736	8,288	(448)	-5.1%
33	Outdoor Security Lighting	13,201	14,190	989	7.5%
34	Security Lights	-	-	-	0.0%
35	Street Lights	-	-	-	0.0%
36	Total	\$ 3,816,280	\$ 3,688,414	\$ (127,866)	-3.4%

Rate Design

The purpose of rate design is to develop rates that help achieve established revenue and financial performance goals while balancing other rate goals established by the BPW. This process involves meeting goals that sometimes conflict with each other. For example, a goal to have competitive rates may conflict with the need to have rates that recover sufficient revenue to pay for projected expenses.

The rates were designed to best meet several goals that were established by the BPW and its consultant. These goals included:

- Ensuring the long-term financial integrity of the BPW
- Establishing rates that are fair, reasonable, and non-discriminatory
- Developing rates that are competitive with neighboring utilities
- Recognizing the cost of service for rate classes

Summary of Rate Design Changes

The proposed rate ordinance, included in Appendix A, implements rate changes that increase overall revenue by approximately 3% on January 1, 2025 (FY 2025), 3% on January 1, 2026 (FY 2026) and 3% on January 1, 2027 (FY 2027). The proposed rate changes are consistent with the cost of service results. The proposed rate changes by rate class for FY 2025 are shown in Table 7 (see page 15) on an annual basis and Table 8 (see page 16) on a seasonal basis. Table 9 (see page 17) shows the proposed rate increases for FY 2026 and Table 10 (see page 18) shows the proposed rate increases for FY 2027.

The proposed changes to the rate design include:

1. **Increase Customer Charges:** The cost of service analysis indicated that the customer-related costs for all rate classes are greater than the customer charge. This indicates that a very low usage customer, such as someone who leaves a residence unattended for any length of time, may be paying less than what it costs the BPW to provide service. It is recommended that customer charges for all rate classes be increased over a three-year period. Energy charges for each rate class would also be adjusted.
2. **Rate Increases Based on Cost of Service:** The cost of service indicated that some rate classes should receive a larger rate increase than other rate classes. In general, Space Heating, Irrigation, and Large Power Demand should be increased more than other rate classes. Those rate classes have proposed increases that are greater than the overall average of 3%.

3. **Resolve Rate Inconsistencies:** There are minor rate design changes recommended that would resolve rate inconsistencies between similar rate classes. Examples of these include:
- a. For General Service Demand, the Urban rate has lower energy rates in the summer than winter, while the Rural rate has lower energy rates in the summer than winter. It is proposed to make the energy rate differentials consistent.
 - b. Space heating has a higher customer charge for single phase customers than three phase customers, which is inconsistent with cost of service principles. In addition, the customer charge varies by season, which is inconsistent with generally accepted ratemaking principles.
 - c. Other minor rate signal changes were proposed.

Table 7
Auburn Board of Public Works
2024 Cost of Service Study
Proposed Rate Change by Rate Class - January 2025
Annual

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
1	Urban Residential	\$ 1,738,294	\$ 1,791,338	\$ 53,044	3.1%
2	Rural Residential	758,469	781,469	22,999	3.0%
3	General Service Single Phase	430,719	442,378	11,659	2.7%
4	General Service Three Phase	639,072	656,195	17,123	2.7%
5	Rural Gen Serv Single Phase	308,170	316,953	8,783	2.8%
6	Rural Gen Serv Three Phase	350,281	359,563	9,281	2.6%
7	Urban Space Heating	67,130	69,605	2,476	3.7%
8	Rural Space Heating	1,014	1,052	38	3.7%
9	General Service Demand	814,203	833,789	19,586	2.4%
10	Rural Gen Serv Demand	66,078	67,769	1,691	2.6%
11	Seasonal/Temporary Service	19,993	20,728	735	3.7%
12	Industrial Large Power Demand	304,012	319,197	15,185	5.0%
13	Rural Irrigation	44,659	46,716	2,057	4.6%
14	Free Service	13,742	14,252	510	3.7%
15	Outdoor Security Lighting	19,892	20,687	796	4.0%
16	Security Lights	-	-	-	0.0%
17	Street Lights	-	-	-	0.0%
18	Total	\$ 5,575,727	\$ 5,741,689	\$ 165,962	3.0%

**Table 8
Auburn Board of Public Works
2024 Cost of Service Study
Proposed Rate Change by Rate Class - January 2025**

Summer

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
1	Urban Residential	\$ 522,350	\$ 536,846	\$ 14,496	2.8%
2	Rural Residential	232,059	237,845	5,786	2.5%
3	General Service Single Phase	135,117	138,307	3,191	2.4%
4	General Service Three Phase	199,531	204,357	4,825	2.4%
5	Rural Gen Serv Single Phase	102,287	104,416	2,129	2.1%
6	Rural Gen Serv Three Phase	132,143	136,634	4,491	3.4%
7	Urban Space Heating	17,954	18,618	664	3.7%
8	Rural Space Heating	287	297	10	3.4%
9	General Service Demand	269,605	276,514	6,909	2.6%
10	Rural Gen Serv Demand	21,669	22,143	474	2.2%
11	Seasonal/Temporary Service	6,607	6,829	222	3.4%
12	Industrial Large Power Demand	94,476	99,266	4,790	5.1%
13	Rural Irrigation	13,664	14,025	361	2.6%
14	Free Service	5,005	5,175	170	3.4%
15	Outdoor Security Lighting	6,691	6,958	268	4.0%
16	Security Lights	-	-	-	0.0%
17	Street Lights				
18	Total	\$ 1,759,447	\$ 1,808,231	\$ 48,784	2.8%

Winter

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
19	Urban Residential	\$ 1,215,944	\$ 1,254,492	\$ 38,548	3.2%
20	Rural Residential	526,410	543,624	17,214	3.3%
21	General Service Single Phase	295,602	304,071	8,469	2.9%
22	General Service Three Phase	439,540	451,838	12,298	2.8%
23	Rural Gen Serv Single Phase	205,883	212,536	6,654	3.2%
24	Rural Gen Serv Three Phase	218,138	222,928	4,790	2.2%
25	Urban Space Heating	49,175	50,987	1,812	3.7%
26	Rural Space Heating	727	755	28	3.8%
27	General Service Demand	544,598	557,275	12,677	2.3%
28	Rural Gen Serv Demand	44,409	45,627	1,218	2.7%
29	Seasonal/Temporary Service	13,386	13,899	513	3.8%
30	Industrial Large Power Demand	209,536	219,931	10,395	5.0%
31	Rural Irrigation	30,995	32,691	1,696	5.5%
32	Free Service	8,736	9,076	340	3.9%
33	Outdoor Security Lighting	13,201	13,729	528	4.0%
34	Security Lights	-	-	-	0.0%
35	Street Lights				
36	Total	\$ 3,816,280	\$ 3,933,458	\$ 117,178	3.1%

**Table 9
Auburn Board of Public Works
2024 Cost of Service Study
Proposed Rate Change by Rate Class - January 2026
Annual**

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
1	Urban Residential	\$ 1,791,338	\$ 1,846,561	\$ 55,223	3.1%
2	Rural Residential	781,469	805,467	23,998	3.1%
3	General Service Single Phase	442,378	455,916	13,538	3.1%
4	General Service Three Phase	656,195	672,807	16,612	2.5%
5	Rural Gen Serv Single Phase	316,953	325,560	8,607	2.7%
6	Rural Gen Serv Three Phase	359,563	369,325	9,763	2.7%
7	Urban Space Heating	69,605	72,054	2,449	3.5%
8	Rural Space Heating	1,052	1,091	39	3.7%
9	General Service Demand	833,789	853,292	19,504	2.3%
10	Rural Gen Serv Demand	67,769	69,451	1,681	2.5%
11	Seasonal/Temporary Service	20,728	21,506	779	3.8%
12	Industrial Large Power Demand	319,197	334,973	15,776	4.9%
13	Rural Irrigation	46,716	48,759	2,043	4.4%
14	Free Service	14,252	14,702	450	3.2%
15	Outdoor Security Lighting	20,687	21,515	827	4.0%
16	Security Lights	-	-	-	0.0%
17	Street Lights	-	-	-	0.0%
18	Total	\$ 5,741,689	\$ 5,912,979	\$ 171,290	3.0%

[Intentionally left blank.]

Table 10
Auburn Board of Public Works
2024 Cost of Service Study
Proposed Rate Change by Rate Class - January 2027
Annual

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference	
				\$	%
1	Urban Residential	\$ 1,846,561	\$ 1,902,097	\$ 55,536	3.0%
2	Rural Residential	805,467	829,775	24,308	3.0%
3	General Service Single Phase	455,916	469,534	13,618	3.0%
4	General Service Three Phase	672,807	690,701	17,894	2.7%
5	Rural Gen Serv Single Phase	325,560	334,630	9,070	2.8%
6	Rural Gen Serv Three Phase	369,325	379,088	9,763	2.6%
7	Urban Space Heating	72,054	74,365	2,311	3.2%
8	Rural Space Heating	1,091	1,139	48	4.4%
9	General Service Demand	853,292	872,416	19,123	2.2%
10	Rural Gen Serv Demand	69,451	71,114	1,663	2.4%
11	Seasonal/Temporary Service	21,506	22,334	827	3.8%
12	Industrial Large Power Demand	334,973	351,339	16,366	4.9%
13	Rural Irrigation	48,759	50,975	2,216	4.5%
14	Free Service	14,702	15,182	480	3.3%
15	Outdoor Security Lighting	21,515	22,375	861	4.0%
16	Security Lights	-	-	-	0.0%
17	Street Lights	-	-	-	0.0%
18	Total	\$ 5,912,979	\$ 6,087,062	\$ 174,083	2.9%

Rate Comparisons

Rate comparisons are another factor in rate development, although there are a number of other issues that can affect rate comparisons. A peer group consisting of NPPD, OPPD and the cities of Beatrice, Falls City and Nebraska City was selected for rate comparisons for residential and general service customers (see Tables 11 and 12, page 22). With the proposed rate design changes, residential and general service rates are lower than or competitive with the selected peer group.

[Intentionally left blank.]

Table 11
Auburn Board of Public Works
2024 Cost of Service Study
Typical Bill Comparison
Rate Comparisons - January 2025 Proposed
Urban Residential

Summer Comparisons					
Utility	500 kWh	Utility	1,000 kWh	Utility	2,500 kWh
Beatrice	61.50	Auburn BPW	109.10	Auburn BPW	247.10
Auburn BPW	63.10	Beatrice	111.00	Beatrice	259.50
Falls City	71.50	Falls City	120.50	Falls City	267.50
Nebraska City	75.40	Nebraska City	129.80	Nebraska City	288.50
NPPD	82.95	NPPD	139.58	OPPD	306.60
OPPD	86.52	OPPD	141.54	NPPD	309.47
Winter Comparisons					
Utility	500 kWh	Utility	1,000 kWh	Utility	2,500 kWh
Beatrice	61.50	Beatrice	99.75	Auburn BPW	195.60
Auburn BPW	62.10	Auburn BPW	107.10	Beatrice	210.75
Falls City	71.50	OPPD	111.06	OPPD	220.32
OPPD	71.89	Falls City	113.90	Falls City	227.90
NPPD	72.25	NPPD	115.77	NPPD	239.15
Nebraska City	72.90	Nebraska City	121.80	Nebraska City	250.50

Table 12
Auburn Board of Public Works
2024 Cost of Service Study
Typical Bill Comparison
Rate Comparisons - January 2025 Proposed
General Service Single Phase

Summer Comparisons					
Utility	1,000 kWh	Utility	5,000 kWh	Utility	10,000 kWh
Auburn BPW	121.25	OPPD	497.33	OPPD	963.30
OPPD	124.55	Auburn BPW	509.25	Auburn BPW	994.25
Beatrice	131.00	Beatrice	575.00	Beatrice	1,130.00
Falls City	149.50	Falls City	597.50	NPPD	1,143.28
Nebraska City	159.50	NPPD	598.08	Falls City	1,157.50
NPPD	161.92	Nebraska City	618.00	Nebraska City	1,180.50
Winter Comparisons					
Utility	1,000 kWh	Utility	5,000 kWh	Utility	10,000 kWh
OPPD	106.31	OPPD	380.95	OPPD	629.85
Auburn BPW	120.25	Auburn BPW	463.75	Auburn BPW	808.75
Beatrice	131.00	Beatrice	483.80	Beatrice	918.80
NPPD	141.24	NPPD	494.68	NPPD	936.48
Falls City	149.50	Falls City	545.50	Falls City	1,005.50
Nebraska City	154.50	Nebraska City	570.00	Nebraska City	1,057.50

Conclusions

The following conclusions were reached, based on the information provided and analyses completed:

1. The projected revenue requirement for FY 2024 was approximately \$5.7 million, including operating costs and capital improvements.
2. The largest component of the test year budget was purchased power expense, representing 54.4% of the projected test year budget.
3. Projected revenues from existing rates are approximately \$5.6 million.
4. Rate increases of 3% in FY 2025 through FY 2028 would be necessary to ensure sufficient revenue to cover projected expenses.
5. The cost of service analysis indicated that rate increases should be implemented for all rate classes and directed towards the summer season.
6. The customer charge is less than the calculated cost of service for all rate classes.
7. Even with the proposed rate increase, the City's rates are lower than or competitive with neighboring utilities.

Recommendations

The following recommendations were developed based on the analyses completed and conclusions reached:

1. Electric rates should be increased 3% on January 1, 2025 (FY 2025), 3% on January 1, 2026 (FY 2026) and 3% on January 1, 2027 (FY 2027). The proposed rate schedule included in Appendix A would implement those rate increases.
2. The BPW should consider implementing a 3% rate increase in FY 2028. This rate increase will be dependent on future purchased power, operating and maintenance, and capital improvement costs. A future rate study can assess the need for this rate increase.
3. The BPW should review its rates on a regular basis, particularly as purchased power and other operating costs increase.

Appendix A – Rate Schedules

URBAN RESIDENTIAL SERVICE

Rate # 100

Availability:

To occupied single-family dwellings, apartments, condominiums, and mobile homes (that have had towing devices removed) that are individually metered within the city limits of the City of Auburn, NE.

Any residential dwelling, which is used for business or professional purposes, will be considered General Service when the commercial connected load exceeds 10 kW.

Type of Service:

Single phase, 60 Hertz, at 120 volt or 120/240 volt service, with a maximum connected capacity 75 kVA.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$17.10	\$17.10
Energy Charge		
First 1,000 kWh, per kWh	\$0.092	\$0.090
Excess kWh, per kWh	\$0.092	\$0.059

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$20.10	\$20.10
Energy Charge		
First 1,000 kWh, per kWh	\$0.092	\$0.090
Excess kWh, per kWh	\$0.092	\$0.060

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$23.30	\$23.30
Energy Charge		
First 1,000 kWh, per kWh	\$0.092	\$0.090
Excess kWh, per kWh	\$0.092	\$0.060

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

RURAL RESIDENTIAL SERVICE

Rate # 700

Availability:

Occupied single-family dwellings, apartments, condominiums, farmsteads, and mobile homes (that have towing devices removed), that are individually metered outside the city limits of the City of Auburn, NE. This includes the villages of Brownville, Johnson and Nemaha.

A residential dwelling, which is used for business or professional purposes, will be considered General Service when the commercial connected load exceeds 15 kW.

Type of Service:

Single phase, 60 Hertz, at 120 volt or 120/240 volt service, with a maximum connected capacity 50 kVA.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$19.00	\$19.00
Energy Charge		
First 1,500 kWh, per kWh	\$0.099	\$0.099
Excess kWh, per kWh	\$0.099	\$0.067

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$22.50	\$22.50
Energy Charge		
First 1,500 kWh, per kWh	\$0.100	\$0.100
Excess kWh, per kWh	\$0.100	\$0.067

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$26.00	\$26.00
Energy Charge		
First 1,500 kWh, per kWh	\$0.100	\$0.100
Excess kWh, per kWh	\$0.100	\$0.070

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

GENERAL SERVICE SINGLE PHASE

Rate # 101

Availability:

To customers that reside within the city limits of Auburn, NE and do not qualify as residential.

Type of Service:

Single phase, 60 Hertz at standard Board of Public Works voltages with a maximum single phase capacity 400 amps.

Rate:

EFFECTIVE DATE:

January 1, 2025

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$24.25	\$24.25
Energy Charge		
First 3,500 kWh, per kWh	\$0.097	\$0.096
Excess kWh, per kWh	\$0.097	\$0.069

EFFECTIVE DATE:

January 1, 2026

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$27.50	\$27.50
Energy Charge		
First 3,500 kWh, per kWh	\$0.099	\$0.094
Excess kWh, per kWh	\$0.099	\$0.071

EFFECTIVE DATE:

January 1, 2027

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$30.00	\$30.00
Energy Charge		
First 3,500 kWh, per kWh	\$0.100	\$0.094
Excess kWh, per kWh	\$0.100	\$0.074

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

GENERAL SERVICE THREE PHASE

Rate # 110

Availability:

To customers that reside within the city limits of Auburn, NE and do not qualify as residential. Customer's service size is equal to or less than 400 amp connected capacity or their recorded demand is less than 100 kW for two consecutive months.

Type of Service:

Three phase, 60 Hertz at Board of Public Works secondary or primary voltages with a maximum demand capacity of less than 100 kW for four consecutive months.

Demand:

The maximum monthly integrated 15-minute kilowatt load occurring at any time during the Billing Period and measured with a Board of Public Works meter or determined by other means.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$32.50	\$32.50
Demand Charge		
Demand capacity in excess and over 95 kW	\$13.20	\$9.60
Energy Charge		
First 3,500 kWh, per kWh	\$0.099	\$0.099
Excess kWh, per kWh	\$0.099	\$0.071

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$39.00	\$39.00
Demand Charge		
Demand capacity in excess and over 95 kW	\$13.70	\$9.90
Energy Charge		
First 3,500 kWh, per kWh	\$0.100	\$0.100
Excess kWh, per kWh	\$0.100	\$0.072

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$42.00	\$42.00
Demand Charge		
Demand capacity in excess and over 95 kW	\$14.20	\$10.40
Energy Charge		
First 3,500 kWh, per kWh	\$0.101	\$0.101
Excess kWh, per kWh	\$0.101	\$0.076

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

RURAL GENERAL SERVICE SINGLE PHASE

Rate # 701

Availability:

To customers that reside outside the city limits of Auburn, NE and do not qualify as rural residential.

Type of Service:

Single phase, 60 Hertz at standard secondary Board of Public Works voltages with a maximum single phase capacity 400 amps.

Rate:

EFFECTIVE DATE:

January 1, 2025

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$29.50	\$29.50
Energy Charge		
First 3,500 kWh, per kWh	\$0.105	\$0.105
Excess kWh, per kWh	\$0.105	\$0.080

EFFECTIVE DATE:

January 1, 2026

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$33.50	\$33.50
Energy Charge		
First 3,500 kWh, per kWh	\$0.104	\$0.104
Excess kWh, per kWh	\$0.104	\$0.080

EFFECTIVE DATE:

January 1, 2027

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$36.25	\$36.25
Energy Charge		
First 3,500 kWh, per kWh	\$0.104	\$0.104
Excess kWh, per kWh	\$0.104	\$0.085

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

RURAL GENERAL SERVICE THREE PHASE

Rate # 710

Availability:

To customers that reside outside the city limits of Auburn, NE and have three phase power service.

Type of Service:

Three phase, 60 Hertz at Board of Public Works secondary or primary voltages with a maximum demand capacity of less than 100 kW for four consecutive months.

Demand:

The maximum monthly integrated 15-minute kilowatt load occurring at any time during the Billing Period and measured with a Board of Public Works meter or determined by other means.

Rate:

EFFECTIVE DATE:

January 1, 2025

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$33.00	\$33.00
Demand Charge		
Demand capacity in excess and over 74 kW	\$10.75	\$7.00
Energy Charge		
First 3,500 kWh, per kWh	\$0.108	\$0.108
Excess kWh, per kWh	\$0.108	\$0.076

EFFECTIVE DATE:

January 1, 2026

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$39.00	\$39.00
Demand Charge		
Demand capacity in excess and over 74 kW	\$11.50	\$8.50
Energy Charge		
First 3,500 kWh, per kWh	\$0.110	\$0.110
Excess kWh, per kWh	\$0.110	\$0.076

EFFECTIVE DATE:

January 1, 2027

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$45.00	\$45.00
Demand Charge		
Demand capacity in excess and over 74 kW	\$11.50	\$8.50
Energy Charge		
First 3,500 kWh, per kWh	\$0.112	\$0.112
Excess kWh, per kWh	\$0.112	\$0.076

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

GENERAL SERVICE ENERGY/DEMAND

Rate # 151, 1010

Availability:

To customers within the city limits of Auburn, NE where the average annual maximum demand recorded by the Board of Public Works metering exceeds 110 kW but does not exceed 1,000 kW.

Type of Service:

Three phase, 60 Hertz at standard Board of Public Works voltages, with a maximum connected capacity of 500 kVA.

Demand:

The maximum monthly integrated 15-minute kilowatt load occurring at any time during the Billing Period and measured with a Board of Public Works meter or determined by other means.

Rate:

EFFECTIVE DATE:

January 1, 2025

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$50.00	\$50.00
Demand Charge		
Per kW of Billing Demand	\$14.00	\$10.00
Energy Charge		
First 10,000 kWh, per kWh	\$0.053	\$0.060
Excess kWh, per kWh	\$0.050	\$0.054

EFFECTIVE DATE:

January 1, 2026

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$60.00	\$60.00
Demand Charge		
Per kW of Billing Demand	\$14.50	\$10.60
Energy Charge		
First 10,000 kWh, per kWh	\$0.055	\$0.053
Excess kWh, per kWh	\$0.055	\$0.053

EFFECTIVE DATE:

January 1, 2027

	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$75.00	\$75.00
Demand Charge		
Per kW of Billing Demand	\$14.50	\$10.60
Energy Charge		
First 10,000 kWh, per kWh	\$0.058	\$0.054
Excess kWh, per kWh	\$0.058	\$0.054

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Primary Service:

When a customer takes service at primary voltage and does not own all transformation and electrical system from metering point to the secondary utilization voltage, the customer shall receive an adder of two and one-half percent (2.5%) on demand energy charges. Such adder shall be added to customer's bill before application of the fuel and production cost adjustment. When a customer takes service at primary voltage and owns all transformation and electrical system from metering point to the secondary utilization voltage, the two and one-half percent (2.5%) adder shall be waived.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

RURAL GENERAL SERVICE ENERGY/DEMAND

Rate # 750, 1050

Availability:

To customers outside the city limits of Auburn, NE where the average annual maximum demand recorded by the Board of Public Works metering exceeds 110 kW but does not exceed 1,000 kW.

Type of Service:

Three phase, 60 Hertz at standard Board of Public Works voltages, with a maximum connected capacity of 500 kVA.

Demand:

The maximum monthly integrated 15-minute kilowatt load occurring at any time during the Billing Period and measured with a Board of Public Works meter or determined by other means.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$65.00	\$65.00
Demand Charge		
Per kW of Billing Demand	\$16.50	\$14.50
Energy Charge		
First 10,000 kWh, per kWh	\$0.056	\$0.052
Excess kWh, per kWh	\$0.056	\$0.052

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$80.00	\$80.00
Demand Charge		
Per kW of Billing Demand	\$17.25	\$14.75
Energy Charge		
First 10,000 kWh, per kWh	\$0.057	\$0.053
Excess kWh, per kWh	\$0.057	\$0.053

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$85.00	\$85.00
Demand Charge		
Per kW of Billing Demand	\$17.25	\$14.75
Energy Charge		
First 10,000 kWh, per kWh	\$0.060	\$0.055
Excess kWh, per kWh	\$0.060	\$0.055

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Primary Service:

When a customer takes service at primary voltage and does not own all transformation and electrical system from metering point to the secondary utilization voltage, the customer shall receive an adder of two and one-half percent (2.5%) on demand energy charges. Such adder shall be added to customer's bill before application of the fuel and production cost adjustment. When a customer takes service at primary voltage and owns all transformation and electrical system from metering point to the secondary utilization voltage, the two and one-half percent (2.5%) adder shall be waived.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

INDUSTRIAL LARGE POWER ENERGY/DEMAND

Rate # 130, 131, 1031

Availability:

To all customers in the areas served by the Board of Public Works where the maximum demand recorded by the Board of Public Works metering exceeds 1,000 kW for any three consecutive months or kWh's monthly usage exceeds 300,000.

Type of Service:

Three phase, 60 Hertz at standard Board of Public Works secondary and primary voltages.

Demand:

The maximum monthly integrated 15-minute kilowatt load occurring at any time during the Billing Period and measured with a Board of Public Works meter or determined by other means.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$52.00	\$52.00
Demand Charge		
Per kW of Billing Demand	\$16.00	\$11.20
Energy Charge		
First 150,000 kWh, per kWh	\$0.034	\$0.031
Excess kWh, per kWh	\$0.032	\$0.031

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$52.00	\$52.00
Demand Charge		
Per kW of Billing Demand	\$17.00	\$12.05
Energy Charge		
First 150,000 kWh, per kWh	\$0.034	\$0.031
Excess kWh, per kWh	\$0.032	\$0.031

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$52.00	\$52.00
Demand Charge		
Per kW of Billing Demand	\$18.00	\$13.00
Energy Charge		
First 150,000 kWh, per kWh	\$0.033	\$0.031
Excess kWh, per kWh	\$0.033	\$0.031

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge or \$1.00 per kVA of required transformer capacity, whichever is greater. Peak recorded demand during the last 12-month billing times the current Summer demand rate.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Primary Service:

When a customer takes service at primary voltage and does not own all transformation and electrical system from metering point to the secondary utilization voltage, the customer shall receive an adder of two and one-half percent (2.5%) on demand energy charges. Such adder shall be added to customer's bill before application of the fuel and production cost adjustment. When a customer takes service at primary voltage and owns all transformation and electrical system from metering point to the secondary utilization voltage, the two and one-half percent (2.5%) adder shall be waived.

Power Factor Penalty:

Customers on this rate schedule are required to maintain a power factor within a range of 0.90% lagging and 0.90% leading. Customers whose monthly average power factor during peak usage falls to or below this standard shall receive a two percent (2%) adder on the total monthly bill, before any other discounts, excluding the Production Cost Adjustment.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

URBAN SPACE HEATING

Rate # 120, 121

Availability:

To customers within the corporate limits of the City of Auburn, NE as a rider to the General Service or Demand Service where only electric heating, cooling and electric water heating, and associated equipment are connected as a separate service.

Type of Service:

Single phase or three phase, 60 Hertz service at standard Board of Public Works secondary voltages.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month		
Single Phase – 120	\$15.00	\$15.00
Three Phase – 121	\$17.00	\$17.00
Energy Charge		
All kWh, per kWh	\$0.105	\$0.074

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month		
Single Phase – 120	\$20.00	\$20.00
Three Phase – 121	\$23.00	\$23.00
Energy Charge		
All kWh, per kWh	\$0.108	\$0.075

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month		
Single Phase – 120	\$22.00	\$22.00
Three Phase – 121	\$27.00	\$27.00
Energy Charge		
All kWh, per kWh	\$0.110	\$0.077

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

RURAL SPACE HEATING

Rate # 720, 721

Availability:

To customers outside the corporate limits of the City of Auburn, NE as a rider to the General Service or Demand Service where only electric heating, cooling and electric water heating, and associated equipment are connected as a separate service.

Type of Service:

Single phase or three phase, 60 Hertz service at standard Board of Public Works secondary voltages.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month		
Single Phase – Rate # 720	\$15.00	\$15.00
Three Phase – Rate # 721	\$17.00	\$17.00
Energy Charge		
All kWh, per kWh	\$0.098	\$0.070

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month		
Single Phase – Rate # 720	\$20.00	\$20.00
Three Phase – Rate # 721	\$23.00	\$23.00
Energy Charge		
All kWh, per kWh	\$0.090	\$0.061

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month		
Single Phase – Rate # 720	\$22.00	\$22.00
Three Phase – Rate # 721	\$27.00	\$27.00
Energy Charge		
All kWh, per kWh	\$0.090	\$0.061

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

OUTDOOR SECURITY LIGHTING

Rate # 1121

Availability:

This rate schedule is available to residential, commercial and industrial customers. These lights cannot be used on public or semi-public areas. Available at locations where private lighting / security lights are installed and electrical usage is unmetered.

Type of Service:

The Board of Public Works will own and maintain these fixtures. The charges on this rate will reflect the cost to purchase the equipment, maintain the equipment, and the energy required by the equipment. The Board of Public Works will require a minimum three-year contract. Early cancellation of the contract by the customer is subject to additional charges.

Lighting units will only be installed on Board of Public Works owned poles and in approved locations. Lighting units will not be installed/connected to streetlight circuits, steel poles or at locations where installation would violate NESC rules.

All labor and material, except the lighting fixture, required for the installation will be billed to the customer. Any damage by vandalism will be repaired at cost and charged to the customer.

Rate:

The rate per lamp per month for each lighting unit will be computed as follows:

EFFECTIVE DATE:	January 1, 2025
Lamps rated capacity per lamp including ballast	\$0.101
EFFECTIVE DATE:	January 1, 2026
Lamps rated capacity per lamp including ballast	\$0.105
EFFECTIVE DATE:	January 1, 2027
Lamps rated capacity per lamp including ballast	\$0.109

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

Terms and Conditions:

Refer to “Terms and Conditions Schedule.”

RURAL IRRIGATION

Rate # 727, 2200

Availability:

Available to power customers for irrigation pump motors, tower wheel motors, re-use pits, and booster pumps.

Type of Service:

Single phase or three phase (where available), 60 Hertz service at standard Board of Public Works secondary voltages, maximum single phase capacity 100 kVA, with a maximum motor size of 10 horsepower connected single phase (except special cases) or 3 horsepower connected single phase 120 volt and a maximum three phase motor size of 100 horsepower.

Annual Charge:

The annual charge shall be paid upon request of service and annually thereafter in May of each year.

Annual Connected Charge of \$18.00 per nameplate horsepower of all connected horsepower.

Rate:

EFFECTIVE DATE:	January 1, 2025
Base Charge, per month	\$20.00
Demand Charge	
Per kW of Measured Demand*	\$11.50
Horsepower Charge, per HP	\$19.00
Energy Charge	
All kWh, per kWh	\$0.080
EFFECTIVE DATE:	January 1, 2026
Base Charge, per month	\$20.00
Demand Charge	
Per kW of Measured Demand*	\$12.00
Horsepower Charge, per HP	\$20.00
Energy Charge	
All kWh, per kWh	\$0.084
EFFECTIVE DATE:	January 1, 2027
Base Charge, per month	\$20.00
Demand Charge	
Per kW of Measured Demand*	\$12.50
Horsepower Charge, per HP	\$22.50
Energy Charge	
All kWh, per kWh	\$0.085

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

*Customers who operate their system during Board of Public Works peak power usage periods will be billed an On Peak Demand Charge. For customers who shut down their systems during the requested time period, this charge will be waived.

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

SEASONAL / TEMPORARY SERVICES

Rate # 123

Availability:

Available to seasonal users, including RVs and travel trailer cabins, uninhabited farmsteads, seasonal farm use, water pumping for stock and domestic purposes, grain handling, billboards, advertisement signs, temporary services, and all services under construction until final electrical inspection is completed and at the discretion of the Board of Public Works service is measured by one meter, and not used as a permanent service.

Type of Service:

Single phase, 60 Hertz, at available secondary voltages at a connected capacity of 75 kVA or less.

Rate:

EFFECTIVE DATE:	January 1, 2025	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$33.00	\$33.00
Energy Charge		
All kWh, per kWh	\$0.097	\$0.086

EFFECTIVE DATE:	January 1, 2026	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$36.00	\$36.00
Energy Charge		
All kWh, per kWh	\$0.097	\$0.086

EFFECTIVE DATE:	January 1, 2027	
	<u>Summer</u>	<u>Winter</u>
Base Charge, per month	\$42.00	\$42.00
Energy Charge		
All kWh, per kWh	\$0.102	\$0.094

Minimum Bill:

The minimum bill shall be the then-applicable Base Charge.

Monthly Bill:

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

Board of Public Works
PO Box 288
Auburn, NE 68305-0288

Agenda Item #4
ELECTRIC RATE SCHEDULE
Effective: January 2025 Billing Period

Municipal Agreement Charge – Franchise Fee:

Where the Board of Public Works has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

Terms and Conditions:

Refer to "Terms and Conditions Schedule."

NET METERING (RENEWABLE ENERGY)

Availability:

To Qualified Renewable Generation with production capacity of 25 kW or less, in conjunction with retail loads.

Qualified Renewable Generation includes electric generators powered by methane, wind, solar, biomass, hydro or waste technologies.

Type of Service:

The character of purchased power will be single or three phase alternating electric current at 60 Hertz. Voltage shall be determined by the voltage of the local distribution system. Facilities on this service will be metered with a supplied bi-directional meter.

Purchase of Output from Renewable Generator Customers:

Owners of renewable generation will be allowed to parallel these facilities and use the electrical output of their renewable generation to supply all or a portion of their own load and deliver the surplus to the distribution system with the proper safety equipment installed.

The Board of Public Works will credit a customer-generator at the applicable retail rate for each kilowatt-hour produced by a qualified facility during a billing period up to the total of the customer-generator's electricity requirements during that billing period. A customer-generator may be charged a minimum monthly fee that is the same as other non-customer-generators in the same rate class but shall not be charged any additional standby, capacity, demand, interconnection, or other fee or charge; and

The Board of Public Works will compensate the customer-generator for net excess generation during the billing period at a rate equal to the local distribution utility's avoided cost of electric supply over the billing period. The monetary credits shall be applied to the bills of the customer-generator for the preceding billing period and shall offset the cost of energy owed by the customer-generator. If the energy portion of the customer-generator's bill is less than zero in any month, monetary credits shall be carried over to future bills of the customer-generator until the balance is zero. At the end of each annualized period, any excess monetary credits shall be paid out to coincide with the final bill of that period; and is not intended to offset or provide credits for electricity consumption at another location owned, operated, leased, or otherwise controlled by the customer-generator or for any other customer.

FY 2024 Cost of Service / Rate Design Study

Auburn Board of Public Works Water Utility

City Council Review Draft

Revised
October 11, 2024

JKEC

JK Energy Consulting, LLC

John A. Krajewski, P.E.

74408 Road 433

Smithfield, Nebraska 68976

402-440-0227

jk@jkenergyconsulting.com

www.jkenergyconsulting.com

Table of Contents

Purpose and Approach..... 3

Background 4

Projected Financial Results 4

Cost of Service 8

Rate Design 10

Conclusions..... 15

Recommendations 16

Appendix A - Rate Schedule

Executive Summary

This study was prepared by JK Energy Consulting, LLC (JKEC) for the Auburn Board of Public Works (BPW) and its water utility (Utility). The purpose of the study was to review the Utility's revenues and expenses and ensure water rates are adequate to pay for projected expenses.

Based on the analysis completed, it appears the existing rates do not collect sufficient revenue to cover projected revenue requirements, including capital improvements and debt service payments, in fiscal year (FY) 2025 through FY 2028 on a cash basis (Table 1, Line 28). Projected retail revenues for FY 2024 were approximately \$1.11 million while projected test year expenses were approximately \$1.1 million (see Table 4, Line 12). This indicates the cost of service is 5% greater than existing revenues (see Table 4, Line 12). By FY 2028, the cost of service is approximately 14% greater than projected revenue (see Table 1, Line 29).

The cost of service analysis was completed to assess the amount that each rate class should be paying, compared to the revenue that is being collected from existing rates. The cost of service indicated the majority of rate classes were paying less than the allocated cost of service. The indicated rate changes for rate classes (other than discounted municipal service and irrigation service) varied between 2.2% and 10.9% depending on the rate class and usage profile (see Table 4). This indicated that implementing an across-the-board rate change would be reasonable.

The purpose of rate design is to develop rates that reflect the cost of service and accomplish other goals established by the Utility. With the exception of the City of Peru Bulk Water rate class, the proposed rate plan would implement 5% rate increases in FY 2025 and FY 2026 and a 2% rate increase in FY 2027 by increasing the customer charge and usage rates based on the cost of service analysis (Table 2, Line 22). The BPW should consider increasing rates another 2% in FY 2028. The proposed rates would increase the average monthly residential water bill approximately \$2.04 per month in FY 2025, \$2.14 per month in FY 2026 and \$0.90 per month in FY 2027. Future rate changes should be considered in another cost of service study in advance of FY 2028.

BPW's existing water supply contract with the City of Peru for bulk water allows the BPW to adjust rates and implement a five-year rate adjustment after conducting a cost of service study. Based on this limitation, a five-year plan was developed based on the cost of service results. The proposed rate change for the City of Peru rate would increase rates by 5.5% in FY 2025, 5% in FY 2026 and 2% annually in FY 2027 through FY 2029. Once set, these rates cannot change during the five-year period.

Even with the proposed rate increases, the Utility's water rates would still be comparable to neighboring utilities, including Falls City, Nebraska City, Seward and Wahoo.

Conclusions

The following conclusions were reached, based on the information provided and analyses completed:

1. The projected operating results indicated the need for rate increases of 5% in FY 2025 and FY 2026 and 2% in FY 2027 and FY 2028.
2. The cost of service results indicated that most rate classes had rates that were within a reasonable range around the overall rate change of 5%. The exceptions were discounted services for municipal service and irrigation.
3. For the City of Peru Bulk Water rate, the cost of service results indicated the need for a rate change of 5.5% in 2025, 5% in 2026, and 2% in 2027, 2028 and 2029.
4. With the proposed rate plan, rates are still reasonably competitive with most of the Utility's peer group.

Recommendations

The following recommendations were developed based on the analyses completed and conclusions reached:

1. Except for the City of Peru Bulk Water rate class, water rates should be increased 5% on January 1, 2025 (FY 2025), 5% on January 1, 2026 (FY 2026), and 2% on January 1, 2027 (FY 2027). The proposed rate schedule included in Appendix A would implement these rate increases.
2. The City of Peru Bulk Water rates should be increased 5.5% in FY 2025, 5% FY 2026 and 2% in FY 2027 through FY 2029. The proposed rate schedule included in Appendix A would implement these rate increases.
3. BPW should consider implementing a 2% rate increase in FY 2028 for all rate classes except for the City of Peru Bulk Water rate class. This increase should be considered in a future cost of service study.
4. The Utility should review its water rates on a regular basis, particularly as operating costs increase, and future capital improvement needs become better defined.

Purpose and Approach

The purpose of this study was to review the water rates charged by the Utility. The goal of future water rates was to collect sufficient revenue to cover projected expenses, including debt service for water system improvements.

The approach to the study involved completing several tasks. Retail water sales, operating expenses, non-retail revenues, and other financial information was collected. Test year expenses for FY 2024 were projected, and future expenses were projected through FY 2028. A rate plan was developed to meet the financial goals established by the BPW. The allocated cost of service for each rate class was calculated and compared to revenue from existing rates. The existing rate schedule was reviewed, and new rates were developed. Prior to preparing and submitting a written report to the City Council, results of the cost of service study were presented to the BPW on September 18, 2024.

Background

Auburn Board of Public Works – Water Utility

The Auburn Board of Public Works operates the water utility, which serves customers located within Auburn and several customers in adjacent rural areas. The Utility serves approximately 1,340 urban/rural residential customers, 360 general service/industrial customers, 16 municipal customers and 33 irrigation customers as well as providing urban/rural fire protection.

Projected Financial Results

The purpose of preparing projected financial results is to compare projected revenues with expenses and determine the need for future rate increases. Projections were prepared for the period FY 2024 through FY 2028 based on information provided by the Utility.

Parameters

The following parameters were used to develop the test year budget and the projected financial results.

1. Historical and projected results were prepared based on the Utility's fiscal year (January 1 through December 31).
2. The FY 2024 water department budget was used as the basis for the FY 2024 test year budget, with normal escalation and adjustments for other known changes.
3. Operating and maintenance expenses, administrative costs, and other internal expenses were projected to increase at a rate of 2.5% annually.
4. Water sales to existing customers were projected to remain stable (no increase or decrease).

5. The bulk water sale to the City of Peru would commence during the study period.
6. Projected financial results were presented on an “accrual basis” and “cash basis.” Accrual basis accounting is consistent with Generally Accepted Accounting Principles (GAAP) and cash basis results were intended to reflect actual cash flow. For purposes of this rate study, the cash basis results were used to develop the revenue requirements.
7. The cost of service was prepared on a cash basis, including capital improvements and debt service payments, while excluding depreciation.
8. Capital expenditures of \$275,000 per year were included in the cash-basis financial results in FY 2025 and FY 2026. In FY 2027 and 2028, capital expenditures of \$225,000 per year were included.
9. Depreciation expense of \$295,500 in FY 2024 through FY 2028 was included in the accrual-based financial results.
10. Debt service was based on the debt refinancing issued in 2019. There is no debt service coverage (DSC) requirement beyond payment of the principal and interest associated with this financing (i.e., DSC of 1.0).

Projected Financial Results

Table 1 (see page 6) shows the projected financial results for FY 2024 through FY 2028, along with historical financial results for FY 2021 through 2023. The projected financial results do not include rate increases or use of available funds for rate stabilization. The projected deficit on a cash basis ranges from approximately \$111,000 in FY 2024, increasing to approximately \$155,000 in FY 2028. On an accrual basis, the projected surplus is approximately \$33,000 in FY 2024, decreasing to a deficit of approximately \$56,000 in FY 2028. The most significant factor affecting the projected deficit is capital expenditure plans.

[Intentionally left blank.]

Table 1
 Auburn Board of Public Works
 2024 Water Cost of Service Study
 Projected Financial Results
 Existing Rates - GAAP and Cash Basis

Line	Description	Actual (1)			Test Year			Projected				
		2021	2022	2023	2024	2025	2026	2027	2028			
1	Operating Revenues											
2	Retail Sales - Existing Rates	\$ 888,498	\$ 941,219	\$ 987,089	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519
3	Rate Changes	-	-	-	-	-	-	-	-	-	-	-
4	Other Operating Revenue	146,777	123,349	695,252	131,900	131,900	131,900	131,900	131,900	131,900	131,900	131,900
5	Total Operating Revenue	\$ 1,035,275	\$ 1,064,568	\$ 1,682,341	\$ 1,239,419	\$ 1,239,419	\$ 1,239,419	\$ 1,239,419	\$ 1,239,419	\$ 1,239,419	\$ 1,239,419	\$ 1,239,419
6	Operating Expenses											
7	Production	\$ 265,751	\$ 282,074	\$ 261,236	\$ 315,750	\$ 325,223	\$ 334,979	\$ 343,354	\$ 343,354	\$ 343,354	\$ 343,354	\$ 351,937
8	Distribution	161,862	115,069	138,511	169,150	174,225	179,451	183,938	183,938	183,938	183,938	188,536
9	Customer Accounting	37,598	63,520	54,548	53,700	55,311	56,970	58,395	58,395	58,395	58,395	59,854
10	Administrative & General	340,295	344,141	336,962	355,673	366,343	377,333	386,767	386,767	386,767	386,767	396,436
11	Inventory Adjustment	-	-	4,421	-	-	-	-	-	-	-	-
12	Depreciation	284,850	301,783	298,519	295,500	295,500	295,500	295,500	295,500	295,500	295,500	295,500
13	Total Operating Expenses	\$ 1,090,356	\$ 1,106,587	\$ 1,094,197	\$ 1,189,773	\$ 1,216,601	\$ 1,244,234	\$ 1,267,953	\$ 1,267,953	\$ 1,267,953	\$ 1,267,953	\$ 1,292,264
14	Operating Income - GAAP Basis	\$ (55,081)	\$ (42,019)	\$ 588,144	\$ 49,646	\$ 22,817	\$ (4,816)	\$ (28,534)	\$ (28,534)	\$ (28,534)	\$ (28,534)	\$ (52,845)
15	Non-Operating Expense/(Revenue)											
16	Interest Income	(21,427)	(18,540)	(19,099)	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)
17	Interest Expense	83,668	80,868	78,068	73,000	72,270	68,640	65,010	65,010	65,010	65,010	61,270
18	Miscellaneous Expense	8,734	14,442	-	2,000	-	-	-	-	-	-	-
19	Grant / Miscellaneous Income	(2,666)	(27,528)	(37,992)	(40,863)	(40,863)	(40,863)	(40,863)	(40,863)	(40,863)	(40,863)	(40,863)
20	Total Non-Operating Expense/(Revenue)	\$ 68,309	\$ 49,242	\$ 20,977	\$ 16,637	\$ 13,907	\$ 10,277	\$ 6,647	\$ 6,647	\$ 6,647	\$ 6,647	\$ 2,907
21	Net Income - GAAP Basis	\$ (123,390)	\$ (91,261)	\$ 567,167	\$ 33,009	\$ 8,911	\$ (15,092)	\$ (35,180)	\$ (35,180)	\$ (35,180)	\$ (35,180)	\$ (55,752)
22	Cash Basis											
23	Net Income	\$ (123,390)	\$ (91,261)	\$ 567,167	\$ 33,009	\$ 8,911	\$ (15,092)	\$ (35,180)	\$ (35,180)	\$ (35,180)	\$ (35,180)	\$ (55,752)
24	Plus Depreciation	284,850	301,783	298,519	295,500	295,500	295,500	295,500	295,500	295,500	295,500	295,500
25	Less Debt Service Principal	(160,000)	(160,000)	(160,000)	(165,000)	(165,000)	(165,000)	(170,000)	(170,000)	(170,000)	(170,000)	(170,000)
26	Less Capital Improvements	(268,339)	(146,900)	(239,491)	(275,000)	(275,000)	(275,000)	(225,000)	(225,000)	(225,000)	(225,000)	(225,000)
27	Plus Contribution in Aid of Construction	-	-	-	-	-	-	-	-	-	-	-
28	Net Income - Cash Basis	\$ (266,879)	\$ (96,378)	\$ 466,195	\$ (111,491)	\$ (135,589)	\$ (159,592)	\$ (134,680)	\$ (134,680)	\$ (134,680)	\$ (134,680)	\$ (155,252)
29	Rate Change for Breakeven Cash Flow	30.04%	10.24%	-47.23%	10.07%	12.24%	14.41%	12.16%	12.16%	12.16%	12.16%	14.02%
30	Necessary Rate Change				10.07%	12.24%	14.41%	12.16%	12.16%	12.16%	12.16%	14.02%

Notes:
 (1) Based on audited financials.

Future Rate Changes

Table 2 shows the projected operating results with 5% rate increases in FY 2025 and FY 2026 and 2% rate increases in FY 2027 and FY 2028. The series of rate increases would result in sufficient revenue to cover projected operating expenses, debt service costs, and planned capital improvements. Implementing a series of rate increases would help customers avoid a sudden increase while providing stable financial results for future periods.

Table 2
Auburn Board of Public Works
2024 Water Cost of Service Study
Projected Financial Results
Proposed Rates - GAAP and Cash Basis

Line	Description	Test Year	Projected			
		2024	2025	2026	2027	2028
1	Operating Revenues					
2	Retail Sales - Existing Rates	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519	\$ 1,107,519
3	Rate Changes	-	55,780	113,945	138,374	163,292
4	Other Operating Revenue	131,900	131,900	131,900	131,900	131,900
5	Total Operating Revenue	\$ 1,239,419	\$ 1,295,199	\$ 1,353,364	\$ 1,377,793	\$ 1,402,711
6	Operating Expenses					
7	Production	315,750	325,223	334,979	343,354	351,937
8	Distribution	169,150	174,225	179,451	183,938	188,536
9	Customer Accounting	53,700	55,311	56,970	58,395	59,854
10	Administrative & General	355,673	366,343	377,333	386,767	396,436
11	Inventory Adjustment					
12	Depreciation	295,500	295,500	295,500	295,500	295,500
13	Total Operating Expenses	\$ 1,189,773	\$ 1,216,601	\$ 1,244,234	\$ 1,267,953	\$ 1,292,264
14	Operating Income - GAAP Basis	\$ 49,646	\$ 78,597	\$ 109,129	\$ 109,840	\$ 110,447
15	Non-Operating Expense/(Revenue)					
16	Interest Income	\$ (17,500)	\$ (17,500)	\$ (17,500)	\$ (17,500)	\$ (17,500)
17	Interest Expense	73,000	72,270	68,640	65,010	61,270
18	Miscellaneous Expense	2,000	-	-	-	-
19	Grant / Miscellaneous Income	(40,863)	(40,863)	(40,863)	(40,863)	(40,863)
20	Total Non-Operating Expense/(Revenue)	\$ 16,637	\$ 13,907	\$ 10,277	\$ 6,647	\$ 2,907
21	Net Income - GAAP Basis	\$ 33,009	\$ 64,691	\$ 98,853	\$ 103,194	\$ 107,540
22	Rate Change	0.0%	5.0%	5.0%	2.0%	2.0%
23	Cash Basis					
24	Net Income	\$ 33,009	\$ 64,691	\$ 98,853	\$ 103,194	\$ 107,540
25	Plus Depreciation	295,500	295,500	295,500	295,500	295,500
26	Less Debt Service Principal	(165,000)	(165,000)	(165,000)	(170,000)	(170,000)
27	Less Capital Improvements	(275,000)	(275,000)	(275,000)	(225,000)	(225,000)
28	Plus Contribution in Aid of Construction	-	-	-	-	-
29	Net Income - Cash Basis	\$ (111,491)	\$ (79,809)	\$ (45,647)	\$ 3,694	\$ 8,040
30	Rate Change for Breakeven Cash Flow	10.1%	7.2%	4.1%	-0.3%	-0.7%

Cost of Service

The purpose of the cost of service analysis is to identify the costs related to serving each class of customers. Several steps were completed to prepare the cost of service analysis. A test year budget was prepared based on the FY 2024 operating budget, with adjustments for known changes. Each expense item was identified and assigned to a utility function, and further classified as a base, extra capacity (peak day or peak hour), and customer related expense. This process is called “functionalization” and “classification.”

The costs related to each function were allocated to each customer class based on generally accepted cost allocation principles for municipal water utilities. The allocated costs were compared to revenues based on existing rates. The comparison of the cost of service to revenue from existing rates was used as a factor in designing rates.

Test Year Budget

The purpose of preparing a test year budget is to create a scenario that is as close to “normal” operating conditions as possible, reflecting known changes for the Utility. The test year budget for FY 2024 included the following adjustments to the FY 2024 operating budget:

1. Normalized water sales based on typical historical water sales.
2. Exclusion of sales tax revenues and expenses.
3. Rates would recover \$275,000 per year of capital expenditures, based on the Utility’s capital improvement plan.
4. The City of Peru bulk water sale would commence in FY 2025.
5. Debt service based on the 2019 refinancing.
6. An adjustment to the cost of service was included that results in the cost of service being 5% higher than revenue from existing rates to match the rate plan shown in Table 2.

The test year budget for FY 2024 was approximately \$1.16 million and is summarized in Table 3 (see page 9). The test year budget represents the amount that needs to be collected from retail rates. It includes all operating expenses, debt service payments, capital improvements funded from rates and is reduced for revenue from interest income and other non-retail revenue.

**Table 3
Auburn Board of Public Works
2024 Water Cost of Service Study
Test Year Budget by Function
Annual**

Line	Rate Class	Production / Distribution	Customer / Metering	Fire Prot. / Hydrants	Total
1	Urban Residential	\$ 521,122	\$ 69,185	\$ 68,798	\$ 659,106
2	Rural Residential	8,539	1,336	1,329	11,204
3	Urban Gen Serv / Industrial	252,394	36,403	36,199	324,996
4	Rural Gen Serv / Industrial	12,290	1,118	1,112	14,520
5	Municipal	32,079	834	829	33,742
6	Irrigation	21,223	1,742	1,733	24,698
7	Fire Hydrant	-	-	-	-
8	WaterBoy	-	-	-	-
9	Urban Priv. Fire Sprinklers	35	837	7,781	8,653
10	Rural Priv. Fire Sprinklers	4	44	677	724
11	City of Peru Bulk Water	85,154	98	-	85,251
12	Total	\$ 932,840	\$ 111,597	\$ 118,458	\$ 1,162,895
13	Percentage	80%	10%	10%	100%

Functionalization and Classification

Functionalization and classification involve assigning the expense items to function and classifying those expenses on the basis of a reasonable allocation method. The following functions were used for the Utility:

- Water Production
- Water Distribution (including storage)
- Customer service
- Metering
- Other (interest income, other charges)

Production and distribution costs were split between base costs, which vary in proportion to water usage, and extra capacity costs. Extra capacity costs were divided between extra peak day capacity and extra peak hour capacity. These costs vary in proportion to the amount the peak usage exceeds the average usage. Customer and metering costs include those costs associated with serving a particular customer, regardless of the customer’s water usage. This would include expenses like customer billing, meter reading, customer accounting expense, and maintenance costs related to these functions.

Table 3 summarizes the classification of test year expenses, including the allocation to the various retail rate classes. Approximately \$933,000 is production and distribution-related, \$112,000 is customer-related and \$118,000 is related to fire protection/hydrant expenses. Based on this classification, 80% of the Utility's test year budget is production and distribution-related, 10% is customer-related, and 10% is considered other expense unrelated to production, distribution, or customer expense.

Cost Allocation

The functionalized costs were allocated to the various rate classes using generally accepted methods for preparing embedded cost of service studies. There is no standard cost of service methodology that the Utility is required to follow by a regulatory agency. There are a number of guidelines that municipal utilities follow, including publications and guidelines from the American Water Works Association.

The BPW currently differentiates its rates based only on meter size; all consumption is billed at the same rate while customer charges vary based on the size of the meter. For cost allocation purposes, each meter size was treated as its own rate class. Fire protection and fire hydrants were each assigned to a separate rate class since their usage profile differs from other rate classes.

Comparison of Revenues to Cost of Service

Revenues collected from existing rates were compared to the allocated cost of service. The purpose of this comparison was to provide guidance on the adequacy of the existing rates for each rate class. This comparison can be used to assess the general magnitude of rate changes needed for each rate class and is one factor in determining the need for rate adjustments for individual rate classes.

Table 4 (see page 11) compares the revenue from existing rates to the calculated cost of service. Overall, the cost of service was 5% more than revenues from existing rates. Except for the Municipal and Irrigation rate classes, the revenues collected were within a reasonable bandwidth compared to the overall cost of service. Based on this finding, it would be reasonable to implement the proposed rate change using an across the board rate change.

[Intentionally left blank.]

**Table 4
Auburn Board of Public Works
2024 Water Cost of Service Study
Comparison of Cost of Service
to Revenue from Existing Rates**

Line	Rate Class	Revenue Existing Rates	Cost of Service	Difference	
				\$	%
1	Urban Residential	\$ 645,157	\$ 659,106	\$ 13,948	2.2%
2	Rural Residential	10,703	11,204	501	4.7%
3	Urban Gen Serv / Industrial	297,214	324,996	27,782	9.3%
4	Rural Gen Serv / Industrial	13,090	14,520	1,430	10.9%
5	Municipal	24,396	33,742	9,346	38.3%
6	Irrigation	27,429	24,698	(2,731)	-10.0%
7	Fire Hydrant	-	-	-	0.0%
8	WaterBoy	-	-	-	0.0%
9	Urban Priv. Fire Sprinklers	8,022	8,653	631	7.9%
10	Rural Priv. Fire Sprinklers	691	724	33	4.7%
11	City of Peru Bulk Water	80,815	85,251	4,437	5.5%
12	Total	\$ 1,107,519	\$ 1,162,895	\$ 55,376	5.0%

Rate Design

With the exception of the City of Peru Bulk Water rate class, the proposed rate change would increase rates by 5% in FY 2025 and FY 2026 and 2% in FY 2027. The City should consider an additional rate increase of 2% in FY 2028. An across the board approach to increasing the monthly customer charge and flow-based charge was used to implement the proposed increase for each rate class. This would help ensure that no individual customer would receive an increase significantly different than the average for its rate class because it had a usage profile significantly different than the typical customer. Under this approach, all customers within a rate class would experience a similar percentage rate increase.

BPW’s existing agreement with the City of Peru for bulk water allows the BPW to adjust rates and implement a five-year rate adjustment after conducting a cost of service study. The proposed base rate change plan would increase rates by 5.5% in FY 2025, 5% in FY 2026 and 2% in FY 2027 through FY 2029.

The proposed rate change would increase the average monthly residential water bill by \$2.04 per month in FY 2025, \$2.14 in FY 2026 and \$0.90 in FY 2027. Table 5 (see page 12) shows the existing rates and the proposed FY 2025 rates by rate class, effective January 1, 2025. Table 6 (see page 13) shows the proposed rate increases by rate class

for FY 2026, effective on January 1, 2026, and Table 7 (see page 14) shows the proposed rate increases by rate class effective January 1, 2027. A rate schedule using the proposed rate plan was prepared and included in Appendix A, with the rate changes for FY 2025, FY 2026 and FY 2027 included.

Table 5
Auburn Board of Public Works
2024 Water Cost of Service Study
Proposed Rate Change by Rate Class - FY 2025
Annual

Line	Rate Class	Revenue Existing Rates	Revenue Proposed Rates	Difference		
				\$	Bill (1)	%
1	Urban Residential	\$ 645,157	\$ 677,415	\$ 32,258	\$ 2.04	5.0%
2	Rural Residential	10,703	11,239	535	2.62	5.0%
3	Urban Gen Serv / Industrial	297,214	312,075	14,861	3.57	5.0%
4	Rural Gen Serv / Industrial	13,090	13,745	655	5.11	5.0%
5	Municipal	24,396	25,616	1,220	6.39	5.0%
6	Irrigation	27,429	28,800	1,371	3.44	5.0%
7	Fire Hydrant	-	-	-	-	0.0%
8	WaterBoy	-	-	-	-	0.0%
9	Urban Priv. Fire Sprinklers	8,022	8,423	401	1.75	5.0%
10	Rural Priv. Fire Sprinklers	691	726	35	2.88	5.0%
11	City of Peru Bulk Water	80,815	85,260	4,445	370.40	5.5%
12	Total	\$ 1,107,519	\$1,163,299	\$ 55,780	\$ 2.63	5.0%

Note:

1. Change in average monthly bill for customers within rate class.

[Intentionally left blank.]

**Table 6
Auburn Board of Public Works
2024 Water Cost of Service Study
Proposed Rate Change by Rate Class - FY 2026
Annual**

Line	Rate Class	Revenue	Revenue	Difference		
		Jan. 2025 Rates	Jan. 2026 Rates	\$	Bill (1)	%
1	Urban Residential	\$ 677,415	\$ 711,286	\$ 33,871	\$ 2.14	5.0%
2	Rural Residential	11,239	11,801	562	2.75	5.0%
3	Urban Gen Serv / Industrial	312,075	327,679	15,604	3.74	5.0%
4	Rural Gen Serv / Industrial	13,745	14,432	687	5.37	5.0%
5	Municipal	25,616	26,897	1,281	6.71	5.0%
6	Irrigation	28,800	30,240	1,440	3.61	5.0%
7	Fire Hydrant	-	-	-	-	0.0%
8	WaterBoy	-	-	-	-	0.0%
9	Urban Priv. Fire Sprinklers	8,423	8,844	421	1.84	5.0%
10	Rural Priv. Fire Sprinklers	726	762	36	3.03	5.0%
11	City of Peru Bulk Water	85,260	89,523	4,263	355.25	5.0%
12	Total	\$ 1,163,299	\$ 1,221,464	\$ 58,165	\$ 2.74	5.0%

Note:

1. Change in average monthly bill for customers within rate class.

[Intentionally left blank.]

Table 7
Auburn Board of Public Works
2024 Water Cost of Service Study
Proposed Rate Change by Rate Class - FY 2027
Annual

Line	Rate Class	Revenue	Revenue	Difference		
		Jan. 2026	Jan. 2027	\$	Bill (1)	%
		Rates	Rates			
1	Urban Residential	\$ 711,286	\$ 725,512	\$ 14,226	\$ 0.90	2.0%
2	Rural Residential	11,801	12,037	236	1.16	2.0%
3	Urban Gen Serv / Industrial	327,679	334,232	6,554	1.57	2.0%
4	Rural Gen Serv / Industrial	14,432	14,721	289	2.26	2.0%
5	Municipal	26,897	27,435	538	2.82	2.0%
6	Irrigation	30,240	30,845	605	1.52	2.0%
7	Fire Hydrant	-	-	-	-	0.0%
8	WaterBoy	-	-	-	-	0.0%
9	Urban Priv. Fire Sprinklers	8,844	9,021	177	0.77	2.0%
10	Rural Priv. Fire Sprinklers	762	778	15	1.27	2.0%
11	City of Peru Bulk Water	89,523	91,313	1,790	149.20	2.0%
12	Total	\$ 1,221,464	\$ 1,245,893	\$ 24,429	\$ 1.15	2.0%

Note:

1. Change in average monthly bill for customers within rate class.

Rate Comparisons

With the proposed rate increases, the Utility’s residential (1” or less meter) water rate in FY 2025 would still be comparable to existing water rates for similarly sized municipal utilities in eastern Nebraska. Table 8 (see page 15) provides a comparison of existing rates for the cities of Falls City, Nebraska City, Seward, and Wahoo to the proposed FY 2025 rates for Auburn BPW. The comparisons were prepared for usage of 5 ccf, 7 ccf and 10 ccf. (Note: Although Auburn uses 1,000 gallons for billing, each of the other entities bills are based on cf methodology.)

The calculated monthly bill in FY 2025 (based on 700 cf, or 5,200 gallons) would be lower than Falls City for the analyzed usage levels and higher than Nebraska City, Seward, and Wahoo. The rate comparison indicates the projected water rates are reasonable compared to similarly situated municipal utilities in eastern Nebraska, even after implementing the proposed rate increases.

Table 8
Auburn Board of Public Works
2024 Water Cost of Service Study
Typical Bill Comparison
Rate Comparisons - Proposed FY 2025 Rates
Residential 1" or Less Meter

Rate Comparisons			
Utility	500 cf	700 cf	1,000 cf
Auburn (1)	36.48	42.40	51.28
Falls City (2)	37.18	47.42	62.78
Nebraska City (3)	22.16	25.28	26.85
Seward (4)	32.81	40.39	52.48
Wahoo (5)	32.06	34.49	38.15

Notes:

1. Proposed rates effective January 1, 2025.
2. Rates effective October 1, 2023.
3. Rates effective March 1, 2019 (Ordinance 3011-18).
4. Rates effective June 2019 (Ordinance 2019-16).
5. Rates effective February 2024.

Conclusions

The following conclusions were reached, based on the information provided and analyses completed:

1. The projected operating results indicated the need for rate increases of 5% in FY 2025 and FY 2026 and 2% in FY 2027 and FY 2028.
2. The cost of service results indicated that most rate classes had rates that were within a reasonable range around the overall rate change of 5%. The exceptions were discounted services for municipal service and irrigation.
3. For the City of Peru Bulk Water rate, the cost of service results indicated the need for a rate change of 5.5% in 2025, 5% in 2026, and 2% in 2027, 2028 and 2029.
4. With the proposed rate plan, rates are still reasonably competitive with most of the Utility’s peer group

Recommendations

The following recommendations were developed based on the analyses completed and conclusions reached:

1. Except for the City of Peru Bulk Water rate class, water rates should be increased 5% on January 1, 2025 (FY 2025), 5% on January 1, 2026 (FY 2026), and 2% on January 1, 2027 (FY 2027). The proposed rate schedule included in Appendix A would implement these rate increases.
2. The City of Peru Bulk Water rates should be increased 5.5% in FY 2025, 5% FY 2026 and 2% in FY 2027 through FY 2029. The proposed rate schedule included in Appendix A would implement these rate increases.
3. BPW should consider implementing a 2% rate increase in FY 2028 for all rate classes except for the City of Peru Bulk Water rate class. This increase should be considered in a future cost of service study.
4. The Utility should review its water rates on a regular basis, particularly as operating costs increase, and future capital improvement needs become better defined.

Appendix A – Rate Schedule

WATER RATE SCHEDULE

Effective: January 2025 Billing Period

A. URBAN RESIDENTIAL

Applicable to all single family and mobile home (only if placed on a foundation) residences located within the city limits of Auburn, Nebraska. Not applicable to resale, supplemental, auxiliary or shared service.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$5.29	\$5.56	\$5.67

Customer Charge per Month:

EFFECTIVE DATE:	January 1			
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
No Meter*	2103	\$16.31	\$17.12	\$17.46
1/2, 5/8, 3/4"	2020	\$21.69	\$22.78	\$23.23
1, 1-1/4"	2022	\$28.89	\$30.33	\$30.94
1-1/2"	2023	\$49.16	\$51.62	\$52.65

*All properties that are connected to the City's water system will be charged the No Meter charge unless the water service line has been disconnected from the City's water main and inspected by a BPW employee.

Municipal Agreement Charge – Franchise Fee:

Where the BPW has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

B. RURAL RESIDENTIAL

Applicable to all single family and mobile home (only if placed on a foundation) residences located outside the city limits of Auburn, Nebraska. Not applicable to resale, supplemental, auxiliary or shared service.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$5.36	\$5.62	\$5.74

Customer Charge per Month:

EFFECTIVE DATE:	January 1			
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
No Meter*	2101	\$20.38	\$21.40	\$21.83

Board of Public Works
 PO Box 288
 Auburn, NE 68305-0288

WATER RATE SCHEDULE

Effective: January 2025 Billing Period

1/2, 5/8, 3/4"	2010	\$27.11	\$28.47	\$29.04
1, 1-1/4"	2012	\$36.10	\$37.90	\$38.66
1-1/2"	2015	\$61.46	\$64.53	\$65.82

*All properties that are connected to the City’s water system will be charged the No Meter charge unless the water service line has been disconnected from the City’s water main and inspected by a BPW employee.

C. URBAN GENERAL SERVICE / INDUSTRIAL

Applicable to, but not limited to, the following facilities located within the city limits of Auburn, Nebraska: Apartments, multi-family housing, mobile home park, motels, hotels, RV park or any multi-family location with a single water meter, and any non-residential service where another rate class is not applicable. Not applicable to resale, supplemental, auxiliary or shared service.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$5.29	\$5.56	\$5.67

Customer Charge per Month:

EFFECTIVE DATE:	January 1			
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
No Meter*	2103	\$17.05	\$17.90	\$18.26
1/2, 5/8, 3/4"	2020	\$25.03	\$26.28	\$26.81
1, 1-1/4"	2022	\$33.24	\$34.91	\$35.60
1-1/2"	2023	\$56.61	\$59.44	\$60.62
2"	2024	\$96.26	\$101.08	\$103.10
3"	2025	\$160.45	\$168.47	\$171.84

*All properties that are connected to the City’s water system will be charged the No Meter charge unless the water service line has been disconnected from the City’s water main and inspected by a BPW employee.

Municipal Agreement Charge – Franchise Fee:

Where the BPW has an agreement to pay the City a percentage of the customer’s retail revenue, such percentage will be added to each customer’s bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer’s bill before application of a fuel and production cost adjustment.

D. RURAL GENERAL SERVICE / INDUSTRIAL

Applicable to, but not limited to, the following facilities located outside the city limits of Auburn, Nebraska: Apartments, multi-family housing, mobile home park, motels, hotels, RV park or any multi-family location with a single water meter, and any non-

WATER RATE SCHEDULE

Effective: January 2025 Billing Period

residential service where another rate class is not applicable. Not applicable to resale, supplemental, auxiliary or shared service.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$5.32	\$5.59	\$5.70

Customer Charge per Month:

EFFECTIVE DATE:		January 1		
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
No Meter*	2101	\$20.41	\$21.43	\$21.86
1/2, 5/8, 3/4"	2028	\$25.99	\$27.29	\$27.83
1, 1-1/4"	2030	\$34.66	\$36.39	\$37.12
1-1/2"	2033	\$58.92	\$61.86	\$63.10
2"	2074	\$100.24	\$105.26	\$107.36
3"	2055	\$170.46	\$178.98	\$182.56

*All facilities that are connected to the City's water system will be charged the No Meter charge unless the water service line has been disconnected from the City's water main and inspected by a BPW employee.

E. IRRIGATION

Applicable for use in lawn, landscape, golf course and park irrigation, provided that there is no discharge of water from such use into the City's sanitary sewer system.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$5.53	\$5.81	\$5.93

Customer Charge per Month:

EFFECTIVE DATE:		January 1		
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
No Meter*	2103	\$17.05	\$17.90	\$18.26
1/2, 5/8, 3/4"	2720	\$26.19	\$27.50	\$28.05
1, 1-1/4"	2722	\$34.78	\$36.51	\$37.25
1-1/2"	2723	\$59.22	\$62.18	\$63.42
2"	2724	\$100.72	\$105.75	\$107.87
3"	2725	\$167.86	\$176.26	\$179.78

*All properties that are connected to the City's water system will be charged the No Meter charge unless the water service line has been disconnected from the City's water main and inspected by a BPW employee.

WATER RATE SCHEDULE

Effective: January 2025 Billing Period

Municipal Agreement Charge – Franchise Fee:

Where the BPW has an agreement to pay the City a percentage of the customer’s retail revenue, such percentage will be added to each customer’s bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer’s bill before application of a fuel and production cost adjustment.

F. URBAN FIRE SPRINKLER SYSTEMS

Applicable to customers within the city limits of Auburn, Nebraska who require water for fire protection or suppression purposes in addition to that which can be supplied by public hydrants for the protection of property on customer’s premises.

Customer Charge per Month:

EFFECTIVE DATE:		January 1		
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
2" or smaller	2500	\$23.07	\$24.22	\$24.71
2-1/2"	2501	\$27.68	\$29.06	\$29.64
4"	2502	\$41.52	\$43.59	\$44.46
6"	2503	\$59.05	\$62.00	\$63.24
8"	2504	\$82.77	\$86.91	\$88.65

G. RURAL FIRE SPRINKLER SYSTEMS

Applicable to customers outside the city limits of Auburn, Nebraska who require water for fire protection or suppression purposes in addition to that which can be supplied by public hydrants for the protection of property on customer’s premises.

Customer Charge per Month:

EFFECTIVE DATE:		January 1		
<u>Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
2" or smaller	2510	\$23.59	\$24.77	\$25.27
2-1/2"	2511	\$28.34	\$29.76	\$30.35
4"	2512	\$42.57	\$44.70	\$45.59
6"	2513	\$60.50	\$63.53	\$64.80
8"	2514	\$82.91	\$87.05	\$88.79

H. MUNICIPAL

Applicable to accounts owned by the City of Auburn.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$3.85	\$4.05	\$4.13
Municipal 4"	\$5.13	\$5.39	\$5.50

WATER RATE SCHEDULE

Effective: January 2025 Billing Period

Customer Charge per Month:

EFFECTIVE DATE: <u>Meter Size</u>	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
1/2, 5/8, 3/4"	\$25.03	\$26.28	\$26.81
1, 1-1/4"	\$33.24	\$34.91	\$35.60
1-1/2"	\$56.61	\$59.44	\$60.62
2"	\$96.26	\$101.08	\$103.10
3"	\$160.45	\$168.47	\$171.84

I. BULK WATER FROM THE WATER BOY

Water sales from the BPW bulk water dispenser at the Water Filter Plant:

Usage Rate:

EFFECTIVE DATE: <u>Gallon</u>	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
50	\$1.63	\$1.71	\$1.74
100	\$2.21	\$2.32	\$2.36
250	\$3.94	\$4.13	\$4.22
500	\$6.83	\$7.17	\$7.31
1,000	\$12.60	\$13.23	\$13.49

J. TEMPORARY WATER SERVICE FROM FIRE HYDRANT

Applicable to contractors that request temporary water service from a fire hydrant or bulk water from a fire hydrant.

Customer will pay in advance a \$500.00 meter deposit, which will be refunded upon termination of service less the amount:

- a. To repair or replace fire hydrant meter, equipment, if returned in unsatisfactory condition.
- b. To repair damage to fire hydrant or property from use.
- c. Unpaid balance owed to the BPW.

Customer agrees to pay in advance a meter set-up fee and connection charge of \$125.00 plus any additional expense incurred if not done during normal working hours.

Usage Rate:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons used per month	\$5.53	\$5.81	\$5.93

Customer Charge per Month:

EFFECTIVE DATE:	January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Customer Charge	\$100.72	\$105.75	\$107.87

K. CITY OF PERU BULK WATER

Applicable to the City of Peru for municipal use and resale to City of Peru water customers.

Usage Rate:

EFFECTIVE DATE:	January 1				
	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Per 1,000 gallons used per month	\$5.16	\$5.42	\$5.53	\$5.64	\$5.75

L. UNSUED SERVICE LINES

Whenever any of the following conditions exist, the service pipe to the property shall be disconnected at the main at the cost to the property owner:

- Unused service pipe that does not conform to current specifications.
- Unused service pipe that needs repairs or is over 10 years in age.
- Unused service line where the building has been removed.
- Unused service line where the building that is served has been condemned.
- Unused service line that has no current purpose.

Customer Charge: Capping of water service line - \$350.00

M. TERMS OF PAYMENT

All bills rendered are net, due and payable upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, including holidays, only payments received by 8:00 a.m. on the next business day following the due date will not be assessed a penalty.

FY 2024 Cost of Service / Rate Design Study

Auburn Board of Public Works Wastewater Utility

City Council Review Draft

October 4, 2024

JKEC

JK Energy Consulting, LLC

John A. Krajewski, P.E.

74408 Road 433

Smithfield, Nebraska 68976

402-440-0227

jk@jkenergyconsulting.com

www.jkenergyconsulting.com

Table of Contents

Purpose and Approach..... 3

Background 4

Projected Financial Results 4

Cost of Service 7

Rate Design 10

Conclusions..... 13

Recommendations 14

Appendix A - Rate Schedules

Executive Summary

This study was prepared by JK Energy Consulting, LLC (JKEC) for the Auburn Board of Public Works (BPW) and its wastewater utility (Utility). The purpose of the study was to review the rates charged by the BPW and its sewer utility (Utility). This review assessed the Utility's revenues and expenses to ensure the sewer rates are adequate to pay for projected expenses. The review also included a cost of service analysis to assess if the rates for the different rate classes were appropriate.

Based on the analysis completed, existing rates do not collect sufficient revenue to cover projected expenses in fiscal year (FY) 2024 through FY 2028. While there is a significant reduction in debt service costs in FY 2026, it is expected that capital expenditures will increase as a result of aging equipment and increased environmental compliance requirements.

The cost of service analysis was completed to assess the amount that each rate class should be paying, compared to the revenue that is being collected from existing rates. Projected retail revenues for FY 2024 were approximately \$849,000, while projected test year expenses were approximately \$874,000 (Table 4, Line 9). The cost of service indicated that all rate classes, except Rural General Service, were paying less than the cost of service. The indicated rate changes for non-discounted service varied between a -3.5% and 5.8%, depending on the rate class and usage profile (see Table 4).

In general, the cost of service analysis indicated that increasing all rates by a like percentage would be reasonable for implementing the proposed rate changes. The proposed rate plan would implement a series of rate increases of 3% for FY 2025 through FY 2027 (Table 2, Line 22). The proposed increases would help ensure sufficient sewer revenues to cover projected operating, debt service and capital improvements. Rate increases beyond FY 2027 will be dependent on future expenses and the cost of capital improvements.

The proposed rates would increase the average monthly residential sewer bill by approximately \$1.08 per month in FY 2025, \$1.12 per month in FY 2026 and \$1.15 per month in FY 2027. Even with proposed rate increases, the Utility's sewer rate tends to be comparable to or lower than its peer group (see Table 8). No changes were proposed to the high strength surcharges because existing rates are significantly higher than comparable rates for similar utilities. Currently, no customers discharge high strength sewage; however, for the benefit of potential future customers, no increases to this rate were recommended.

Conclusions

The following conclusions were reached, based on the information provided and analyses completed:

1. The projected test year budget for FY 2024 was approximately \$874,000.

2. Projected revenues from existing rates are approximately \$849,000 for FY 2024.
3. Existing rates would need to increase by approximately \$25,000, or 3%, to provide sufficient revenue to pay projected FY 2024 test year expenses.
4. Implementing a series of rate increases of 3% in FY 2025 through FY 2027 would provide sufficient revenue to cover projected expenses, including capital projects and debt service.
5. The cost of service analysis indicated all customer classes would require a similar rate change to cover the projected cost of service.

Recommendations

The following recommendations were developed based on the analyses completed and conclusions reached:

1. Sewer rates should be increased 3% on January 1, 2025 (for FY 2025), 3% on January 1, 2026 (FY 2026) and 3% on January 1, 2027 (FY 2027). The rate schedule included in Appendix A implements these rate increases.
2. The BPW should consider implementing a 3% rate increase in FY 2028 for all rate classes.
3. The Utility should evaluate its sewer rates on a regular basis or if there are any significant changes to the system, including capital improvement or operating expense increases.

Purpose and Approach

The purpose of this study was to review the sewer rates charged by the Utility. The goal of future sewer rates was to collect sufficient revenue to cover projected expenses and provide an adequate return on rate base.

The approach to the study involved completing several tasks. Sewer discharges (based on water sales), operating expenses, non-retail revenues, and other financial information was collected. Test year expenses for FY 2024 and future expenses through FY 2028 were projected. A rate plan was developed to meet the financial goals established by the Utility. The allocated cost of service for each rate class was calculated and compared to revenue from existing rates. The existing rate schedule was reviewed, and new rates were developed. Prior to preparing and submitting a written report to the City Council, results of the cost of service study were presented to the BPW on September 18, 2024.

Background

Auburn Board of Public Works – Wastewater Utility

The Auburn Board of Public Works operates the Wastewater Utility, which serves customers located within Auburn and in rural areas adjacent to the city. The Utility serves approximately 2,100 customers.

Projected Financial Results

The purpose of preparing projected financial results is to compare projected revenues with expenses and determine the need for future rate increases. Projections were prepared for the period FY 2024 through FY 2028 based on information provided by the Utility.

Parameters

The following parameters were used to develop the test year budget and the projected financial results.

1. Historical and projected results were prepared based on the Utility's fiscal year (January 1 through December 31).
2. The FY 2024 sewer department budget was used as the basis for the FY 2024 test year budget.
3. Operating and maintenance expenses, administrative costs, and other internal expenses were projected to increase at a rate of 5% annually.
4. Sewer discharges, based on water sales, were projected to remain stable (no increase or decrease).
5. Projected financial results were presented on an "accrual basis" and "cash basis." Accrual basis accounting is consistent with Generally Accepted Accounting Principles (GAAP) and cash basis results were intended to reflect actual cash flow. Each approach is important for ratemaking purposes, since the Utility's rates should ensure positive cash flow, positive net income, and adequate debt service coverage.
6. The cost of service was prepared on a cash basis, including capital improvements and debt service payments, while excluding depreciation.
7. Debt service requirements were based on the outstanding debt allocated to the wastewater fund along with issuance of a new state revolving fund (SRF) financing in FY 2026

8. Capital expenditures of \$106,000 in FY 2025 and \$350,000 in FY 2026 through FY 2028 were included in the cash-basis financial results. The increased capital expenditure budget is based on the aging existing equipment.
9. Depreciation expense was included in the accrual-based financial results.

Projected Financial Results

Table 1 (see page 6) shows projected financial results for FY 2024 through FY 2028 without any rate changes. Without a rate change, the Utility does not collect sufficient revenue in to cover projected expenses after FY 2024. By FY 2028, the projected deficit is approximately \$68,000 (Table 1, Line 28).

In FY 2025, the BPW will pay off its outstanding debt on the wastewater treatment plant. This will result in a reduction in debt service payments of approximately \$400,000 per year; however, the BPW will begin paying approximately \$36,000 per year for the State Revolving Fund. Capital improvement costs are expected to increase as well due to aging infrastructure and general escalation in labor and materials costs.

Future Rate Changes

Table 2 (see page 7) shows the projected operating results with 3% rate increases in FY 2025, FY 2026, FY 2027 and FY 2028 (Table 2, Line 22). Rate increases in FY 2025 through FY 2028 result in sufficient revenue to cover projected operating expenses, debt service costs, and a majority of planned capital improvements. Implementing a series of rate increases over this period will help customers avoid sudden increases while providing stable financial results for future periods. Positive net income using GAAP-basis accounting practices would be maintained throughout the study period.

[Intentionally left blank.]

Table 1
 Auburn Board of Public Works
 2024 Wastewater Cost of Service Study
 Projected Financial Results
 Existing Rates

Line	Description	Actual (1)			Test Year			Projected				
		2021	2022	2023	2024	2025	2026	2027	2028			
1	Operating Revenues											
2	Retail Sales - Existing Rates	\$ 891,676	\$ 887,436	\$ 895,422	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007
3	Rate Changes	-	-	-	-	-	-	-	-	-	-	-
4	Other Operating Revenue	33,254	18,519	16,077	21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100
5	Total Operating Revenue	\$ 924,930	\$ 905,955	\$ 911,499	\$ 870,107	\$ 870,107	\$ 870,107	\$ 870,107	\$ 870,107	\$ 870,107	\$ 870,107	\$ 870,107
6	Operating Expenses											
7	Production	\$ 137,874	\$ 167,435	\$ 155,943	\$ 144,575	\$ 151,804	\$ 159,394	\$ 167,364	\$ 175,732	\$ 175,732	\$ 175,732	\$ 175,732
8	Distribution	15,642	65,079	69,968	77,232	81,094	85,148	89,406	93,876	93,876	93,876	93,876
9	Customer Accounting	23,620	27,998	28,122	28,026	29,427	30,899	32,444	34,066	34,066	34,066	34,066
10	Administrative & General	212,541	208,589	209,248	233,640	245,322	257,588	270,468	283,991	283,991	283,991	283,991
11	Inventory Adjustment	(55)	6,574	1,010	-	-	-	-	-	-	-	-
12	Depreciation	277,634	269,409	275,710	275,710	289,496	303,970	319,169	335,127	335,127	335,127	335,127
13	Total Operating Expenses	\$ 667,256	\$ 745,084	\$ 740,001	\$ 759,183	\$ 797,142	\$ 836,999	\$ 878,849	\$ 922,792	\$ 922,792	\$ 922,792	\$ 922,792
14	Operating Income - GAAP Basis	\$ 257,674	\$ 160,871	\$ 171,498	\$ 110,924	\$ 72,964	\$ 33,107	\$ (8,743)	\$ (52,685)	\$ (52,685)	\$ (52,685)	\$ (52,685)
15	Non-Operating Expense/(Revenue)											
16	Interest Income	\$ (33,409)	\$ (28,728)	\$ (53,205)	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)
17	Interest Expense	14,993	7,849	5,871	11,000	3,710	-	-	-	-	-	-
18	Miscellaneous	(369)	(71)	-	(130)	(130)	(130)	(130)	(130)	(130)	(130)	(130)
19	Amortization	3,333	6,667	6,667	-	-	-	-	-	-	-	-
20	Total Non-Operating Expense/(Revenue)	\$ (15,452)	\$ (14,283)	\$ (40,667)	\$ (24,130)	\$ (31,420)	\$ (35,130)	\$ (35,130)	\$ (35,130)	\$ (35,130)	\$ (35,130)	\$ (35,130)
21	Net Income - GAAP Basis	\$ 273,126	\$ 175,154	\$ 212,165	\$ 135,054	\$ 104,384	\$ 68,237	\$ 26,387	\$ (17,555)	\$ (17,555)	\$ (17,555)	\$ (17,555)
22	Cash Basis											
23	Net Income	\$ 273,126	\$ 175,154	\$ 212,165	\$ 135,054	\$ 104,384	\$ 68,237	\$ 26,387	\$ (17,555)	\$ (17,555)	\$ (17,555)	\$ (17,555)
24	Plus Depreciation	277,634	269,409	275,710	275,710	275,710	303,970	319,169	335,127	335,127	335,127	335,127
25	Less Principal	-	-	-	(435,000)	(316,000)	(36,000)	(36,000)	(36,000)	(36,000)	(36,000)	(36,000)
26	Less Capital Expenditures	-	-	-	(106,000)	(106,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
27	Plus Contribution in Aid of Construction	850	1,700	-	-	-	-	-	-	-	-	-
28	Net Income - Cash Basis	\$ 551,610	\$ 446,263	\$ 487,875	\$ (130,236)	\$ (41,906)	\$ (13,792)	\$ (40,444)	\$ (68,428)	\$ (68,428)	\$ (68,428)	\$ (68,428)
29	Rate Change Needed (2)	-61.9%	-50.3%	-54.5%	15.3%	4.9%	1.6%	4.8%	8.1%	8.1%	8.1%	8.1%

Notes:
 (1) Based on audited financial statements.

**Table 2
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Projected Financial Results
Proposed Rates - Cash Basis**

Line	Description	Test Year	Projected			
		2024	2025	2026	2027	2028
1	Operating Revenues					
2	Retail Sales - Existing Rates	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007	\$ 849,007
3	Rate Changes	-	25,470	51,705	78,726	106,558
4	Other Operating Revenue	21,100	21,100	21,100	21,100	21,100
5	Total Operating Revenue	\$ 870,107	\$ 895,577	\$ 921,811	\$ 948,832	\$ 976,664
6	Operating Expenses					
7	Production	144,575	151,804	159,394	167,364	175,732
8	Distribution	77,232	81,094	85,148	89,406	93,876
9	Customer Accounting	28,026	29,427	30,899	32,444	34,066
10	Administrative & General	233,640	245,322	257,588	270,468	283,991
11	Inventory Adjustment					
12	Total Operating Expenses	\$ 483,473	\$ 507,647	\$ 533,029	\$ 559,680	\$ 587,664
13	Operating Income - GAAP Basis	\$ 386,634	\$ 387,930	\$ 388,782	\$ 389,152	\$ 389,000
14	Non-Operating Expense/(Revenue)					
15	Interest Income	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)	\$ (35,000)
16	Depreciation	275,710	289,496	303,970	319,169	335,127
17	Interest Expense	11,000	3,710	-	-	-
18	Miscellaneous	-	-	-	-	-
19	Amortization	-	-	-	-	-
20	Total Non-Operating Expense/(Revenue)	\$ 251,710	\$ 258,206	\$ 268,970	\$ 284,169	\$ 300,127
21	Net Income - GAAP Basis	\$ 134,924	\$ 129,725	\$ 119,812	\$ 104,983	\$ 88,873
22	Rate Change	0.00%	3.00%	3.00%	3.00%	3.00%
23	Cash Basis					
24	Net Income	\$ 134,924	\$ 129,725	\$ 119,812	\$ 104,983	\$ 88,873
25	Plus Depreciation	275,710	289,496	303,970	319,169	335,127
26	Less Principal	(435,000)	(316,000)	(36,000)	(36,000)	(36,000)
27	Less Capital Expenditures	(106,000)	(106,000)	(350,000)	(350,000)	(350,000)
28	Plus Contribution in Aid of Construction	-	-	-	-	-
29	Net Income - Cash Basis	\$ (130,366)	\$ (2,780)	\$ 37,782	\$ 38,152	\$ 38,000

Cost of Service

The purpose of the cost of service analysis is to identify the costs related to serving each class of customers. Several steps were completed to prepare the cost of service analysis. A FY 2024 test year budget was prepared based on the FY 2024 operating budget, with adjustments for known changes. Each expense item was identified and assigned to a utility function, and further classified as volume or extra capacity (peak day or peak hour), and customer related expense. This process is called “functionalization” and “classification.”

The costs related to each function were allocated to customer classes based on generally accepted cost allocation principles for municipal sewer utilities. The allocated costs were

compared to revenues collected from existing rates. The comparison of the cost of service to revenue from existing rates was used as a factor in designing rates.

Test Year Budget

The FY 2024 operating budget was used as the basis for the test year budget. The purpose of preparing a test year budget is to create a scenario that is as close to “normal” operating conditions as possible, reflecting known changes for the Utility. The test year budget was prepared on a cash basis as described earlier in this report. The test year budget for FY 2024 included the following adjustments:

1. Normalized sewer discharges based on typical historical water sales.
2. Exclusion of sales tax revenues and expenses.
3. Debt service was included based on the remaining debt service schedule for outstanding borrowings.
4. The test year budget was adjusted to provide for a 3% increase from existing revenue, based on the proposed rate plan.

The test year budget for FY 2024 was approximately \$874,000 and is summarized in Table 3 (see Line 9). The test year budget represents the amount that needs to be collected from retail rates. It includes all operating expenses, debt service payments, capital improvements funded from rates and is reduced for revenue from interest income and other non-retail revenue.

Table 3
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Test Year Budget by Function

Line	Rate Class	Volume Related	Facility Related	Customer Related	Total
1	Single-Family Residential (1700)	\$ 343,509	\$ 206,921	\$ 21,574	\$ 572,005
2	General Service Residential (1740)	63,857	49,828	5,195	118,880
3	High-Strength Discharges (1750)	-	-	-	-
4	Rural Single-Family Residential (1703)	297	194	20	512
5	Sewer No Water (1501, 1701, 1702)	7,131	8,589	896	16,615
6	General Service (1720-1724)	103,195	44,928	4,684	152,807
7	Rural General Service (1730-1734)	6,209	1,645	172	8,025
8	Municipal (1500/1503)	1,880	3,398	354	5,632
9	Total	\$ 526,079	\$ 315,503	\$ 32,896	\$ 874,477
10	Percentage	60.2%	36.1%	3.8%	100.0%

Functionalization and Classification

Functionalization and classification involve assigning the expense items to function and classifying those expenses on the basis of a reasonable allocation method. The following functions were used for the Utility:

1. Sewage collection
2. Sewage treatment
3. Customer service
4. Other (interest income, other charges)

Treatment and collection costs were split between base costs, which vary in proportion to sewer discharge, extra capacity costs, and customer costs that do not vary based on sewage volumes. Extra capacity costs vary in proportion to the amount peak discharge exceeds the average usage and are shown under “facility related” cost in Table 3. Customer and metering costs include those costs associated with serving a particular customer, regardless of the customer’s sewer discharge. Customer related costs include a portion of collection and treatment expense, customer billing, meter reading, customer accounting expense and maintenance costs related to these functions. Other expenses cannot easily be assigned to the base cost, facility cost or customer cost category, including administrative expenses. These costs were split between volume-related and customer-related allocations in the cost of service analysis.

Table 3 (see page 8) summarizes the classification of test year expenses and the allocation to the various retail rate classes. Approximately \$526,000 was classified as volume related, \$316,000 was classified as facility related, and \$33,000 was classified as customer related expenses. Based on these classifications, 60.2% of the Utility’s test year budget was volume related, 36.1% was facility related, and 3.8% was customer related.

Cost Allocation

The functionalized costs were allocated to the various rate classes using generally accepted methods for preparing sewer cost of service studies. There is no standard cost of service methodology that the Utility is required to follow, although there are a number of guidelines that municipal utilities follow to establish sewer rates. The Utility currently differentiates its rates based only on meter size and whether the customer is located inside or outside the city limits. The existing outside city differential is reasonable and was used in this analysis.

Comparison of Revenues to Cost of Service

Revenues collected from existing rates were compared to the allocated cost of service. The purpose of this comparison was to provide guidance on the adequacy of the existing rates for each rate class. This comparison can be used to assess the general magnitude of rate changes needed for each rate class and is one factor in determining the need for rate adjustments for individual rate classes.

Table 4 compares the revenue from existing rates to the calculated cost of service. All rate classes except municipal service (which is discounted from the full cost of service by design) were within a reasonable bandwidth compared to the overall rate change of 3%. Table 4 indicates that it would be reasonable to increase all rate components by a like percentage to implement the proposed rate change.

Table 4
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Comparison of Cost of Service
to Revenue from Existing Rates

Line	Rate Class	Revenue		Difference	
		Existing Rates	Cost of Service	\$	%
1	Single-Family Residential (1700)	\$ 554,230	\$ 572,005	\$ 17,775	3.2%
2	General Service Residential (1740)	112,327	118,880	6,553	5.8%
3	High-Strength Discharges (1750)	-	-	-	0.0%
4	Rural Single-Family Residential (1703)	498	512	13	2.7%
5	Sewer No Water (1501, 1701, 1702)	15,925	16,615	690	4.3%
6	General Service (1720-1724)	152,656	152,807	152	0.1%
7	Rural General Service (1730-1734)	8,313	8,025	(288)	-3.5%
8	Municipal (1500/1503)	5,058	5,632	574	11.4%
9	Total	\$ 849,007	\$ 874,477	\$ 25,470	3.0%

Rate Design

The proposed rate plan would implement an across-the-board approach to increase all rate components by 3%. Under this approach, all customers will experience a similar percentage rate increase.

The proposed rate change would increase the average monthly residential sewer bill by \$1.08 per month in FY 2025, \$1.12 per month in FY 2026 and \$1.15 per month in FY 2027. Tables 5, 6 and 7 (see pages 11 and 12) show the proposed rate increases by rate class for FY 2025 through FY 2027.

The Utility has established surcharges for high strength sewage, including flows with high concentrations of BOD, total suspended solids (TSS) and ammonia. The existing rates are adequate and comparable to neighboring utilities. No changes to the proposed high strength sewage rates are proposed.

Table 5
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Proposed Rate Change by Rate Class - FY 2025

Line	Rate Class	Revenue Existing Rates	Revenue FY 2025 Rates	Difference		
				\$	Bill (1)	%
1	Single-Family Residential (1700)	\$ 554,230	\$ 570,857	\$ 16,627	\$ 1.08	3.0%
2	General Service Residential (1740)	112,327	115,697	3,370	1.09	3.0%
3	High-Strength Discharges (1750)	-	-	-	-	0.0%
4	Rural Single-Family Residential (1703)	498	513	15	1.25	3.0%
5	Sewer No Water (1501, 1701, 1702)	15,925	16,403	478	0.75	3.0%
6	General Service (1720-1724)	152,656	157,235	4,580	1.37	3.0%
7	Rural General Service (1730-1734)	8,313	8,563	249	4.09	3.0%
8	Municipal (1500/1503)	5,058	5,210	152	2.11	3.0%
9	Total	\$ 849,007	\$ 874,477	\$ 25,470	\$ 1.13	3.0%

Note:

1. Change in average monthly bill for customers within rate class.

Table 6
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Proposed Rate Change by Rate Class - FY 2026

Line	Rate Class	Revenue FY 2025 Rates	Revenue FY 2026 Rates	Difference		
				\$	Bill (1)	%
1	Single-Family Residential (1700)	\$ 570,857	\$ 587,982	\$ 17,126	\$ 1.12	3.0%
2	General Service Residential (1740)	115,697	119,168	3,471	1.13	3.0%
3	High-Strength Discharges (1750)	-	-	-	-	0.0%
4	Rural Single-Family Residential (1703)	513	529	15	1.28	3.0%
5	Sewer No Water (1501, 1701, 1702)	16,403	16,895	492	0.77	3.0%
6	General Service (1720-1724)	157,235	161,952	4,717	1.42	3.0%
7	Rural General Service (1730-1734)	8,563	8,819	257	4.21	3.0%
8	Municipal (1500/1503)	5,210	5,366	156	2.17	3.0%
9	Total	\$ 874,477	\$ 900,711	\$ 26,234	\$ 1.16	3.0%

Note:

1. Change in average monthly bill for customers within rate class.

Table 7
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Proposed Rate Change by Rate Class - FY 2027

Line	Rate Class	Revenue	Revenue	Difference		
		FY 2026 Rates	FY 2027 Rates	\$	Bill (1)	%
1	Single-Family Residential (1700)	\$ 587,982	\$ 605,622	\$ 17,639	\$ 1.15	3.0%
2	General Service Residential (1740)	119,168	122,743	3,575	1.16	3.0%
3	High-Strength Discharges (1750)	-	-	-	-	3.0%
4	Rural Single-Family Residential (1703)	529	544	16	1.32	3.0%
5	Sewer No Water (1501, 1701, 1702)	16,895	17,402	507	0.80	3.0%
6	General Service (1720-1724)	161,952	166,811	4,859	1.46	3.0%
7	Rural General Service (1730-1734)	8,819	9,084	265	4.34	3.0%
8	Municipal (1500/1503)	5,366	5,527	161	2.24	3.0%
9	Total	\$ 900,711	\$ 927,732	\$ 27,021	\$ 1.20	3.0%

Note:

1. Change in average monthly bill for customers within rate class.

With the proposed rate increases, the Utility’s residential sewer rates in FY 2025 tend to be comparable to or less than the identified peer group. Table 8 (see page 13) provides a comparison of existing rates for the cities of Falls City, Nebraska City, Seward, and Wahoo to the recommended FY 2025 rates for Auburn. The comparisons were prepared for usage of 3 ccf (2,200 gallons), 5 ccf (3,740 gallons) and 7 ccf (5,200 gallons). The average billing usage for BPW residential customers is approximately 3,200 gallons.

[Intentionally left blank.]

Table 8
Auburn Board of Public Works
2024 Wastewater Cost of Service Study
Typical Bill Comparison
Rate Comparisons - Proposed FY 2025 Rates
Single-Family Residential (1700)

Utility	3 ccf	5 ccf	7 ccf
Auburn (1)	\$ 33.61	\$ 38.85	\$ 44.09
Falls City (2)	\$ 37.46	\$ 45.04	\$ 52.62
Nebraska City (3)	\$ 30.88	\$ 35.47	\$ 40.06
Seward (4)	\$ 44.10	\$ 52.56	\$ 61.02
Wahoo (5)	\$ 34.66	\$ 40.94	\$ 47.22

1. Proposed rates, effective FY 2025.
2. Rates effective October 1, 2024.
3. Rates effective March 1, 2019 (Ordinance 2012-18).
4. Rates effective October 2023 (Ordinance 2023-22).
5. Rates effective February 2024.

Conclusions

The following conclusions were reached, based on the information provided and analyses completed:

1. The projected test year budget for FY 2024 was approximately \$874,000.
2. Projected revenues from existing rates are approximately \$849,000 for FY 2024.
3. Existing rates would need to increase by approximately \$25,000, or 3%, to provide sufficient revenue to pay projected FY 2024 test year expenses.
4. Implementing a series of rate increases of 3% in FY 2025 through FY 2027 would provide sufficient revenue to cover projected expenses, including capital projects and debt service.
5. The cost of service analysis indicated all customer classes would require a similar rate change to cover the projected cost of service.

Recommendations

The following recommendations were developed based on the analyses completed and conclusions reached:

1. Sewer rates should be increased 3% on January 1, 2025 (for FY 2025), 3% on January 1, 2026 (FY 2026) and 3% on January 1, 2027 (FY 2027). The rate schedule included in Appendix A implements these rate increases.
2. The BPW should consider implementing a 3% rate increase in FY 2028 for all rate classes.
3. The Utility should evaluate its sewer rates on a regular basis or if there are any significant changes to the system, including capital improvement or operating expense increases.

Appendix A – Rate Schedules

A. SINGLE-FAMILY RESIDENTIAL

Rate # 1700

Applicable to all single-family residential customers located within the city limits of Auburn, Nebraska, where water usage through a single meter serves a single dwelling unit, including single family dwellings, multi-unit residential dwellings, mobile home parks, camper / RV parks, and hotels / motels.

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons	\$3.50	\$3.61	\$3.72

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$5.15	\$5.30	\$5.46

Customer Capacity Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$20.60	\$21.22	\$21.85

Calculation of Usage for Billing Purposes:

Usage shall be calculated on the basis of average water consumption for the previous January, February, and March.

For a customer that does not have established usage history, billing will be based on the average residential monthly customer consumption for the previous January, February, and March.

Municipal Agreement Charge – Franchise Fee:

Where the BPW has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

B. RURAL SINGLE-FAMILY RESIDENTIAL

Rate # 1703

Applicable to all single-family residential customers located outside the city limits of Auburn, Nebraska, where water usage through a single meter serves a single dwelling unit, including single family dwellings and multi-unit residential dwellings.

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons	\$3.50	\$3.61	\$3.72

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$6.18	\$6.37	\$6.56

Customer Capacity Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$22.66	\$23.34	\$24.04

Calculation of Usage for Billing Purposes:

Usage shall be calculated on the basis of average water consumption for the previous January, February, and March calendar months.

C. GENERAL SERVICE FOR RESIDENTIAL PURPOSES

Rate # 1740

Applicable to single-family rental units and all multi-unit residential dwellings, apartments, mobile home parks, camper / RV parks, and hotels / motels that are served by a single water meter and per sewer tap.

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons	\$3.50	\$3.61	\$3.72

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$5.15	\$5.30	\$5.46

Board of Public Works
 PO Box 288
 Auburn, NE 68305-0288

WASTEWATER RATE SCHEDULE
 Effective: January 2025 Billing Period

D. GENERAL SERVICE

Rate # 1720-1724

Applicable to, but not limited to, any non-residential facilities located within the city limits of Auburn, Nebraska where another rate class is not applicable.

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons	\$3.50	\$3.61	\$3.72

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$5.15	\$5.30	\$5.46

Customer Capacity Charge per Month:

		Effective January 1		
<u>Water Meter Size</u>	<u>Rate #</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<1"	1720	\$20.60	\$21.22	\$21.85
1" – 1.25"	1721	\$36.67	\$37.77	\$38.90
1.5"	1722	\$72.72	\$74.90	\$77.15
2"	1723	\$116.39	\$119.88	\$123.48
3"	1724	\$218.62	\$225.18	\$231.93

If a customer has multiple water meters, the capacity charge shall be assessed on each meter.

Adjustment of Customer Capacity Charge for Undersized Water Meters:

If a customer's water usage exceeds good engineering practice based on the installed meter size, the capacity charge may be adjusted to conform with the appropriate meter size based on recommendations of the American Water Works Association.

Calculation of Usage for Billing Purposes:

Usage shall be the metered water for the previous month.

Municipal Agreement Charge – Franchise Fee:

Where the BPW has an agreement to pay the City a percentage of the customer's retail revenue, such percentage will be added to each customer's bill before application of a fuel and production cost adjustment. Customers on this rate will have a Franchise Fee added to the customer's bill before application of a fuel and production cost adjustment.

WASTEWATER RATE SCHEDULE
 Effective: January 2025 Billing Period

E. RURAL GENERAL SERVICE

Rate # 1730-1734

Applicable to any non-residential customer located outside the city limits of Auburn, Nebraska.

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons	\$3.50	\$3.61	\$3.72

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$6.18	\$6.37	\$6.56

Customer Capacity Charge per Month:

<u>Water Meter Size</u>	<u>Rate #</u>	Effective January 1		
		<u>2025</u>	<u>2026</u>	<u>2027</u>
<1"	1730	\$22.66	\$23.34	\$24.04
1" – 1.25"	1731	\$38.73	\$39.89	\$41.09
1.5"	1732	\$74.78	\$77.02	\$79.33
2"	1733	\$118.45	\$122.00	\$125.66
3"	1734	\$220.68	\$227.30	\$234.12

Adjustment of Customer Capacity Charge for Undersized Water Meters:

If a customer's water usage exceeds good engineering practice based on the installed meter size, the capacity charge may be adjusted to conform with the appropriate meter size based on recommendations of the American Water Works Association.

Calculation of Usage for Billing Purposes:

Usage shall be the metered water for the previous month.

F. SEWER WITHOUT WATER SERVICE

Rate # 1501, 1701, 1702

Applicable to any customer connected to the City sewer system that does not take water service. A service fee is assessed unless sewer line is capped at the customer's property line.

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$5.15	\$5.30	\$5.46

Customer Capacity Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$20.60	\$21.22	\$21.85

G. HIGH-STRENGTH DISCHARGES

Rate #1750

For manufacturing, chemical processes, food processing with high discharge rates and any customers with sewer discharges that exceed the limits in the Strength Surcharge Table shown below.

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons	\$3.50	\$3.61	\$3.72

Customer Billing Charge per Month:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per Customer	\$5.15	\$5.30	\$5.46

Customer Capacity Charge per Month:

	Effective January 1		
<u>Water Meter Size</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<1"	\$20.60	\$21.22	\$21.85
1" – 1.25"	\$36.67	\$37.77	\$38.90
1.5"	\$72.72	\$74.90	\$77.15
2"	\$116.39	\$119.88	\$123.48
3"	\$218.62	\$225.18	\$231.93

Adjustment of Customer Capacity Charge for Undersized Water Meters:

If a customer's water usage exceeds good engineering practice based on the installed meter size, the capacity charge may be adjusted to conform with the appropriate meter size based on recommendations of the American Water Works Association.

Calculation of Usage for Billing Purposes:

Usage shall be determined by the metered water consumption from the previous month.

High Strength Surcharges:

As applicable based on table below.

Calculation of High Strength Surcharges:

For those customers with sewer discharges that exceed the following limits, a surcharge will be assessed as follows:

STRENGTH SURCHARGE TABLE

Strength Surcharge Component	Allowable Limit	Rate
Biochemical Oxygen Demand	>150 mg/l	\$0.19/lb.
Total Suspended Solids	>200 mg/l	\$0.12/lb.
Ammonia / Organic Nitrogen	>25 mg/l	\$0.13/lb.

To convert the concentration from parts per million to pounds, the following calculation is used:

$$\text{Concentration in parts per million} \times 8.34 \times \text{volume in million gallons} = \text{pounds}$$

Customer will also be required to pay labor, sampling and lab fees, and other expenses incurred by BPW to determine waste strength.

H. COMMERCIAL WASTE TANK DUMP FEE (NON-TOXIC ORGANIC WASTE ONLY)

The minimum fee shall be \$40.00 plus the current sewer use fee per 1,000 gallons (to be determined by size of tank being dumped).

Usage Rate:

	Effective January 1		
	<u>2025</u>	<u>2026</u>	<u>2027</u>
Per 1,000 gallons (minimum of 1,000 gallons)	\$3.50	\$3.61	\$3.72

All waste in this form will be considered extra strength waste and would impose the following extra surcharges that would be used for any customer sewer waste/flow having concentrations exceeding 150 milligrams per liter, biochemical device (BOD) or 200 milligrams per liter suspended solids or 25 milligrams per liter of total ammonia and organic nitrogen content in wastewater as determined by approved laboratory procedures.

The following additional surcharge will be used for any customer that sewer waste exceeds standard domestic strength as follows:

$$5,500 \text{ gallons} \times \$8.86 \text{ per } 1,000 = \$47.30$$

$$5,000 \text{ gallons} \times 8.34 = 45,870 \text{ lbs.}$$

$$45,850 \text{ lbs.} \times 96.5\% \text{ water} = 44,265 \text{ lbs. water}$$

$$45,870 - 44,265 = 1,605 \text{ lbs. solid}$$

$$1,605 \times \$0.12 = \$192.60$$

Customer will also be required to pay labor, sampling and lab fees, and other expenses incurred by the BPW to determine waste strength.

I. CALCULATION OF USAGE FEES

All single family residential customers' usage shall be calculated based on water consumption for the billing months of January, February and March of the current year. Sewer use fees to be calculated at per 1,000 gallons of the three months' average water usage. Said calculation is to be made each year for each utility customer. This rate shall be effective with the billing month of April of each year.

J. MONTHLY BILL

The monthly bill computed in accordance with the monthly rate is due upon receipt. Bills not paid by the delinquent date indicated on the utility bill shall have a penalty amount added to the net monthly bill (excluding sales tax). If the due date falls on a non-business day, only payments received in the night drop box and through the A.M. mail on the next business day following the due date will not be assessed a penalty.

K. SEWER USAGE ADJUSTMENT

Customers who experience a water leak or waste of water during the sewer usage calculation months where the water drained through the wastewater system will be required to pay sewer usage on this water for a minimum period of three (3) months, at which point the sewer usage fee may be adjusted. This would include, but not limited to, leaks such as toilets, water softeners, and broken pipes. Customers who experience a water leak that did not drain through the wastewater system must notify the BPW for an adjustment, which will be based on previous usage history.

L. SEWER LINE CAPPING

Sewer line capping is the customer's responsibility and requires inspection to verify completion when done.

AUBURN
BOARD OF PUBLIC WORKS
2025
BUDGET

***ELECTRICAL DEPARTMENT
2025 PROPOSED BUDGET
OVERVIEW***

Wholesale Power Cost is the largest expense for the electrical department and BPW. In 2023 wholesale power cost was \$3,176,373 and we are estimating a 2024-year end wholesale power cost of \$3,246,000. We are projecting a 2025 wholesale power cost of \$3,300,000, wholesale power costs consist of NPPD, WAPA and SPP transmission costs. The reason for the projected increase is due to a small NPPD increase and a lower PCA credit. WAPA will have a slight decrease in the drought adder, but it will not be eliminated in 2025.

SPP issued several Resource Advisories this summer along with one EEA 1, which resulted with NPPD calling for the BPW to operate our generating facility. We ran our generation for 2 ½ hours until SPP lifted the EEA 1 designation. As mentioned in the past we continue to see increasing electric demand with no additional base load generation being built in not only the SPP footprint but the entire country as well.

NPPD is asking all their wholesale power customers to sign new contracts by the end of 2024. The early indications are that the contracts will look somewhat different and have a much longer term attached to them. Costs will probably look similar for 2025 and 2026 but probably start to increase in 2027. The driving force behind the new contracts is the need for NPPD to build new generation for a large addition of electric demand for new projects in the State. NPPD has been a good partner for the BPW, and we will continue to monitor the contract process.

Once again weather has a tremendous impact on our electric revenue, so with that said if we have extended cold spells in the winter and extended heat spells in the summer, we could see revenue above what is budgeted and could see just the opposite if we experience a very mild winter and summer season. We have added several grain bin installations this year which should be a good additional seasonal load.

Lead times on materials have improved slightly depending on what items are being ordered, however inflation has continued to increase costs on materials, fuel and equipment resulting in increased operating costs in 2024 and continuing into 2025.

ELECTRIC DEPARTMENT FINANCIAL						
<i>Final Numbers</i>	2022	2023	2024 6/30/24	2024	2024 Est.	2025 Proposed
	Actual	Actual	Year to Date	Budget	Year End	Budget
Revenue						
Sales	\$5,488,918	\$5,575,667	\$2,662,661	\$5,403,973	\$5,417,500	\$5,562,500
Penalties	\$26,688	\$29,578	\$15,097	\$26,500	\$28,500	\$29,000
Other/Capacity Payments	\$714,228	\$713,652	\$356,970	\$667,745	\$713,000	\$713,000
Interest	\$170,753	\$269,294	\$172,216	\$190,000	\$280,000	\$275,000
Other Income	\$22,004	\$13,935	\$21,959	\$17,500	\$26,000	\$22,000
FEIMA Storms/Flooding	\$0	\$0	\$0	\$0	\$0	\$0
Other Non Operating Revenue	\$257,228	\$303,465	\$102,695	\$221,000	\$185,150	\$223,000
Total Revenue	\$6,679,819	\$6,905,581	\$3,331,598	\$6,526,718	\$6,650,150	\$6,824,500
Expenses						
Power Plant	\$440,748	\$479,020	\$282,374	\$624,100	\$570,950	\$628,000
Wholesale Power	\$3,227,962	\$3,176,373	\$1,532,814	\$3,055,000	\$3,246,000	\$3,300,000
Distribution	\$366,600	\$375,203	\$224,650	\$805,731	\$585,650	\$588,800
Customer Accounting & Collection	\$162,373	\$150,497	\$80,084	\$169,721	\$166,200	\$175,300
Administrative & General	\$826,909	\$913,082	\$522,098	\$823,600	\$903,000	\$940,450
Payments to City/Villages	\$183,276	\$232,677	\$74,620	\$202,100	\$168,000	\$177,600
Depreciation	\$591,228	\$476,363	\$211,538	\$475,000	\$455,000	\$475,000
Interest Expenses & Financial Charge						
Principal/Bond Payment						
Other Expenses	\$16,450	\$6,441	\$770	\$5,750	\$1,725	\$3,500
Total Expenses	\$5,815,546	\$5,809,656	\$2,928,948	\$6,161,002	\$6,096,525	\$6,288,650
Year End Net	\$864,273	\$1,095,925	\$402,650	\$365,716	\$553,625	\$535,850
Operating Expenses W/O Wholesale Power, Depreciation & Franchise Fees	\$1,813,080	\$1,924,243	\$1,109,976	\$2,428,902	\$2,227,525	\$2,336,050
Wholesale Power, Depreciation & Franchise Fees	\$4,002,466	\$3,885,413	\$1,818,972	\$3,732,100	\$3,869,000	\$3,952,600

BUDGET SUMMARY ELECTRIC	2022		2023		2024 Year to Date		2024		2024 Est.		2025 Proposed	
	Actual		Actual			Budget	Year End	Budget	Year End	Budget		
Labor	\$619,281		\$668,009		\$350,246	\$733,202	\$731,500	\$733,202	\$731,500	\$778,500		
Labor Benefits	\$168,828		\$199,551		\$107,852	\$237,936	\$222,500	\$237,936	\$222,500	\$248,250		
City Services	\$11,692		\$40,211		\$23,643	\$27,500	\$34,250	\$27,500	\$34,250	\$33,000		
Transportation	\$41,977		\$34,096		\$30,325	\$40,000	\$41,250	\$40,000	\$41,250	\$42,500		
Utilities	\$88,486		\$91,976		\$48,110	\$103,000	\$97,500	\$103,000	\$97,500	\$104,250		
Lube Oil & Fuel	\$0		(\$1,208)		\$0	\$25,000	\$0	\$25,000	\$0	\$22,500		
Maintenance	\$510,478		\$586,649		\$383,621	\$935,714	\$813,500	\$935,714	\$813,500	\$752,450		
Billing / Billing Supplies	\$60,527		\$59,586		\$28,546	\$58,400	\$59,150	\$58,400	\$59,150	\$63,300		
Property Liability Insurance	\$130,615		\$142,322		\$73,538	\$125,000	\$135,000	\$125,000	\$135,000	\$140,000		
Safety / Tools	\$22,728		\$37,857		\$16,450	\$29,000	\$24,750	\$29,000	\$24,750	\$31,000		
Inventory / Inventory Adj	\$15,571		\$6,441		\$853	\$5,750	\$1,639	\$5,750	\$1,639	\$3,500		
Depreciation	\$591,228		\$476,363		\$211,538	\$475,000	\$455,000	\$475,000	\$455,000	\$475,000		
Debt & P&I	\$0		\$0		\$0	\$0	\$0	\$0	\$0	\$0		
Outside Services	\$47,888		\$41,059		\$37,147	\$53,000	\$50,000	\$53,000	\$50,000	\$55,000		
Payments to Villages	\$183,276		\$232,677		\$71,614	\$202,100	\$168,000	\$202,100	\$168,000	\$177,600		
Advertising & Donations	\$1,909		\$2,615		\$678	\$2,500	\$1,500	\$2,500	\$1,500	\$2,000		
Misc.	\$42,508		\$42,623		\$23,518	\$40,400	\$37,550	\$40,400	\$37,550	\$39,800		
Outside Sales	\$8,089		\$13,251		\$22,604	\$12,500	\$27,000	\$12,500	\$27,000	\$20,000		
Wholesale Power Cost	\$3,227,962		\$3,176,373		\$1,532,814	\$3,055,000	\$3,246,000	\$3,055,000	\$3,246,000	\$3,300,000		

ELECTRIC FUND

REVENUES

CAPACITY LEASE

3-40-4710 Energy/Capacity - NPPD

TOTAL CAPACITY LEASE

SALES REVENUE

- 3-41-4500 Residential Revenue
- 3-42-4500 General Service Revenue
- 3-43-4510 Street Lighting
- 3-44-4500 General Service Demand
- 3-45-4500 Industrial/Large Power
- 3-46-4500 Security /Outdoor Lighting
- 3-48-4500 Irrigation Service

TOTAL SALES REVENUE

OTHER REVENUE

- 3-49-5500 Penalties
- 3-49-5600 Rent - Electric Property Line
- 3-49-5700 Other Electric Revenue
- 3-49-5710 Grant Revenue
- 3-49-5750 Connects/Reconnects
- 3-49-5799 Franchise Fee

TOTAL OTHER REVENUE

NON OPERATING REVENUE

- 3-50-4500 Interest Income
- 3-50-4560 Sale Of Salvage
- 3-50-4565 Sale Of Materials
- 3-50-4576 Miscellaneous Income

TOTAL NON OPERATING REVENUE

2023 ACTUAL	2024 YTD 6/30/2024	2024 BUDGET AMOUNTS	2024 EST YEAREND	2025 BUDGET AMOUNTS
\$713,652	\$356,970	\$667,745	\$713,000	\$713,000
\$713,652	\$356,970	\$667,745	\$713,000	\$713,000
\$2,490,815	\$1,210,952	\$2,452,417	\$2,460,000	\$2,525,000
\$1,779,990	\$856,337	\$1,759,315	\$1,750,000	\$1,805,000
\$23,861	\$11,018	\$25,000	\$23,000	\$23,500
\$880,281	\$405,470	\$800,000	\$815,000	\$835,500
\$336,308	\$149,851	\$310,000	\$309,500	\$315,000
\$19,921	\$10,068	\$20,811	\$21,000	\$21,250
\$44,481	\$18,965	\$36,430	\$39,000	\$37,250
\$5,575,657	\$2,662,661	\$5,403,973	\$5,417,500	\$5,562,500
\$29,578	\$15,097	\$26,500	\$28,500	\$29,000
\$27,390	\$28,716	\$30,000	\$32,500	\$33,000
\$13,935	\$21,959	\$17,500	\$26,000	\$22,000
\$500	\$2,189	\$0	\$0	\$0
\$25,587	\$13,340	\$24,000	\$25,000	\$25,000
\$232,631	\$45,517	\$160,750	\$110,500	\$150,000
\$329,621	\$126,818	\$258,750	\$222,500	\$259,000
\$269,294	\$172,216	\$190,000	\$280,000	\$275,000
\$1,727	\$57	\$2,000	\$150	\$1,000
\$14,528	\$11,741	\$2,500	\$15,000	\$12,500
\$1,102	\$1,135	\$1,750	\$2,000	\$1,500
\$286,651	\$185,149	\$196,250	\$297,150	\$290,000

TOTAL FUND REVENUE		\$3,331,598	\$6,526,718	\$6,650,150	\$6,824,500
EXPENSES					
Production					
3-60-5010	Salaries & Wages	\$100,976	\$56,190	\$151,000	\$125,000
3-60-5050	FICA Taxes	\$8,968	\$4,695	\$13,000	\$10,250
3-60-5055	Pension	\$5,685	\$3,080	\$9,700	\$7,000
3-60-5060	Health Insurance	\$15,875	\$11,501	\$21,000	\$23,000
3-60-5065	Life & Disability Insurance	\$1,694	\$713	\$3,900	\$1,600
3-60-800	Plant Labor - Production	\$0	\$0	\$0	\$0
3-60-5900	Natural Gas - Fuel	(\$1,208)	\$0	\$10,000	\$0
3-60-6000	Diesel Oil - Fuel	\$0	\$0	\$15,000	\$0
3-60-6100	Operation Supplies/Expenses	\$5,281	\$1,092	\$5,500	\$3,100
3-60-6300	Utilities	\$82,309	\$42,990	\$95,000	\$88,500
3-60-6500	Plant Engine Maintenance	\$113,417	\$59,747	\$150,000	\$147,500
3-60-6510	Building Maintenance	\$146,023	\$102,366	\$150,000	\$165,000
3-60-6600	W.A.P.A. Wholesale Power	\$372,202	\$184,377	\$365,000	\$367,000
3-60-6620	SPP Transmission	\$337,942	\$206,848	\$350,000	\$379,000
3-60-6630	N.P.P.D. Wholesale Power	\$2,466,229	\$1,141,589	\$2,340,000	\$2,500,000
TOTAL PRODUCTION		\$3,655,393	\$1,815,188	\$3,679,100	\$3,928,000
Transmission					
3-61-5010	Salaries & Wages	\$0	\$0	\$0	\$0
3-61-5050	FICA Taxes	\$0	\$0	\$0	\$0
3-61-5055	Pension	\$0	\$0	\$0	\$0
3-61-5060	Health Insurance	\$0	\$0	\$0	\$0
3-61-6675	Misc. Transmission Expenses	\$0	\$0	\$0	\$0
TOTAL TRANSMISSION		\$0	\$0	\$0	\$0
Distribution					
3-62-5010	Salaries & Wages	\$93,242	\$62,482	\$169,020	\$145,000
3-62-5050	FICA Taxes	\$7,796	\$5,306	\$13,218	\$11,500
3-62-5055	Pension	\$4,944	\$3,392	\$10,517	\$8,000
3-62-5060	Health Insurance	\$19,723	\$13,467	\$28,812	\$28,500
3-62-5065	Life & Disability Insurance	\$1,233	\$760	\$1,950	\$1,850

***ELECTRIC DEPARTMENT
2025
CAPITAL IMPROVEMENTS***

Electric Distribution:

➤ LED street light conversion	\$25,000
➤ Johnson 3 phase rebuild	\$45,000
➤ Install Reclosers	\$5,000
➤ Power Plant building spray foam	\$8,000
➤ Generator #7 turbo coolers rebuild	\$25,000
➤ Generator #6 voltage regulator & grounding reactor	\$45,000
➤ Pickup 60% Unit #2	\$39,000

Office:

➤ Window Replacement	\$30,000
➤ Break Room Update	\$15,000

Total Capital Improvements \$237,000

BUDGET SUMMARY

Total Revenue	\$6,824,500
Total Expenses	\$6,288,650
Total Capital Expenses	\$237,000
Year End Net	\$298,850

**WATER DEPARTMENT
2025 PROPOSED BUDGET
OVERVIEW**

For the year 2024-year end estimate we should be at approximately 120 million gallons sold. Total revenue for the 2024-year end estimate is \$1,110,750 which is approximately an 11% increase over the 2023-year end. This can be contributed to a couple of things: 1) adding the City of Peru to the BPW system, 2) the drought conditions that existed this past summer which led to more residential usage and more importantly more irrigation usage.

The well static level has remained good for the most part, we did, however, initiate a Water Advisory for a short period earlier this year, but after some good rainfall we quickly moved out of the Advisory and back to normal operations. We had the wells CO2 treated which is a process that works the best for the BPW in returning the wells to maximum pumping capacity. We were forced to change vendors due to our regular vendor ceasing to perform this work, the new vendor did an excellent job but was \$50,000 higher in cost to complete the process on all our wells.

As mentioned last year the wells continue to produce sufficiently and are in decent condition, well #18 was decommissioned and capped this year as the casing had collapsed. The water treatment plant continues to operate at a high level, but we are seeing increasing repairs to equipment as the plant ages, adding to the operational costs of the plant.

The BPW water crew is replacing two blocks of water main on P Street, one block will be completed in 2024 and the other block completed in 2025, this project will replace an old water main that has twenty repair sleeves in these two blocks.

WATER DEPARTMENT FINANCIAL						
Final Numbers	2022 Actual	2023 Actual	2024 6/30/24 Year to Date	2024 Budget	2024 Est. Year End	2025 Proposed Budget
Revenue						
Sales	\$940,918	\$987,089	\$538,883	\$1,103,325	\$1,110,750	\$1,140,000
Penalties	\$7,160	\$8,715	\$5,031	\$7,500	\$8,500	\$9,000
Other	\$116,189	\$686,537	\$37,330	\$129,400	\$83,500	\$84,000
Interest	\$18,540	\$19,099	\$16,443	\$17,500	\$31,000	\$30,000
Other Income	\$5,530	\$1,527	\$602	\$1,585	\$1,550	\$1,575
Grant	\$21,954	\$36,466	\$0	\$0	\$0	\$0
Total Revenue	\$1,110,291	\$1,739,433	\$598,289	\$1,259,310	\$1,235,300	\$1,264,575
Expenses						
Production & Procurement	\$286,594	\$261,038	\$223,296	\$315,750	\$334,150	\$350,000
Distribution	\$115,070	\$138,510	\$62,877	\$169,150	\$131,050	\$142,050
Customer Accounting	\$63,520	\$54,549	\$25,022	\$53,700	\$51,065	\$54,050
Administrative & General	\$344,140	\$336,963	\$166,982	\$355,673	\$323,325	\$338,650
Depreciation	\$301,783	\$310,756	\$158,066	\$295,500	\$300,000	\$300,000
Interest Expenses & Financial Charge	\$77,362	\$78,193	\$38,046	\$73,000	\$75,349	\$72,270
Principal / Bond Payment	\$160,000	\$160,000	\$0	\$237,270	\$165,000	\$165,000
Other Expenses	\$14,442	\$0	\$2,312	\$2,000	\$2,706	\$2,000
Total Expenses	\$1,362,911	\$1,340,009	\$676,601	\$1,502,043	\$1,382,645	\$1,424,020
Operating Expenses Only	\$823,766	\$791,060	\$480,489	\$896,273	\$842,296	\$886,750
Debt, Interest & Depreciation	\$539,145	\$548,949	\$196,112	\$605,770	\$540,349	\$537,270
Total Operating Expenses W/O Principal	\$1,202,911	\$1,180,009	\$676,601	\$1,264,773	\$1,217,645	\$1,259,020
Year End Net	(\$252,620)	\$399,424	(\$78,312)	(\$242,733)	(\$147,345)	(\$159,445)

BUDGET SUMMARY WATER	2022		2023		2024 YTD		2024		2024 Est.		2025 Proposed	
	Actual		Actual		6/30/2023	Budget	Budget	Year End	Budget			
Labor	\$299,661		\$308,153		\$149,901	\$356,517	\$312,250	\$328,000				
Labor Benefits	\$76,380		\$92,635		\$43,795	\$102,936	\$89,975	\$99,500				
City Services	\$15,472		\$4,414		\$313	\$9,500	\$3,000	\$3,750				
Transportation	\$14,736		\$14,665		\$6,539	\$12,500	\$13,250	\$13,000				
Supplies Water Testing Chemicals	\$16,225		\$16,985		\$7,972	\$17,800	\$15,250	\$16,000				
Utilities	\$72,936		\$84,662		\$40,950	\$66,985	\$73,550	\$76,900				
Maintenance	\$160,277		\$168,476		\$167,605	\$216,760	\$222,025	\$234,550				
Billing / Billing Supplies	\$32,242		\$19,985		\$9,108	\$25,900	\$18,740	\$19,600				
Property Liability Insurance	\$38,987		\$42,485		\$22,078	\$38,000	\$40,000	\$42,250				
Safety / Tools	\$9,005		\$6,672		\$7,495	\$3,700	\$10,500	\$9,750				
Inventory / Inventory Adj	\$14,442		\$0		\$2,312	\$2,000	\$2,706	\$2,000				
Depreciation	\$301,783		\$310,756		\$158,066	\$295,500	\$300,000	\$300,000				
Debt P&I	\$240,993		\$238,193		\$38,046	\$310,270	\$240,349	\$237,270				
Outside Services	\$15,430		\$13,295		\$11,202	\$35,000	\$23,000	\$24,000				
Misc.	\$7,965		\$8,330		\$8,164	\$8,675	\$11,300	\$10,950				

WATER FUND

REVENUES

SALES REVENUE

5-41-4500 Residential Revenue
 5-42-4500 General Service Revenue
TOTAL SALES REVENUE

OTHER REVENUE

5-49-4500 Fire Protection
 5-49-4880 Fees, Taps & Permits
 5-49-5500 Penalties
 5-49-5600 Rent/Lease Receipts
 5-49-5700 Other Water Revenue
 5-49-5710 Grant Revenue
 5-49-5740 Outside Services Provided
 5-49-5750 Connects/Reconnects
TOTAL OTHER REVENUE

NON OPERATING REVENUE

5-50-4500 Interest Income
 5-50-4560 Sale Of Salvage
 5-50-4565 Sale Of Materials
TOTAL NON OPERATING REVENUE

TOTAL FUND REVENUE

EXPENSES

Production

5-60-5010 Salaries & Wages
 5-60-5050 FICA Taxes
 5-60-5055 Pension
 5-60-5060 Health Insurance
 5-60-5065 Life & Disability Insurance
 5-60-5800 Utilities
 5-60-5820 Production/Distribution
 5-60-5850 Water Testing
 5-60-5870 Maintenance Wells & Equipment

2023 Actual	2024 YTD 6/30/2024	2024 BUDGET AMOUNTS	2024 EST YEAREND	2025 BUDGET AMOUNTS
\$648,956	\$372,558	\$605,125	\$700,250	\$715,000
\$338,133	\$166,325	\$498,200	\$410,500	\$425,000
\$987,089	\$538,883	\$1,103,325	\$1,110,750	\$1,140,000
\$8,734	\$4,574	\$8,000	\$9,000	\$9,000
\$3,470	\$3,865	\$4,400	\$5,000	\$5,500
\$8,715	\$5,031	\$7,500	\$8,500	\$9,000
\$0	\$0	\$0	\$0	\$0
\$13,397	\$1,120	\$5,000	\$2,250	\$2,500
\$36,466	\$0	\$0	\$0	\$0
\$658,602	\$27,106	\$110,000	\$65,500	\$65,000
\$2,334	\$665	\$2,000	\$1,750	\$2,000
\$731,718	\$42,361	\$136,900	\$92,000	\$93,000
\$19,099	\$16,443	\$17,500	\$31,000	\$30,000
\$240	\$0	\$85	\$50	\$75
\$1,287	\$602	\$1,500	\$1,500	\$1,500
\$20,626	\$17,045	\$19,085	\$32,550	\$31,575
\$1,739,433	\$598,289	\$1,259,310	\$1,235,300	\$1,264,575
\$49,041	\$32,965	\$77,605	\$69,750	\$73,250
\$3,710	\$2,471	\$6,000	\$4,800	\$5,250
\$2,916	\$1,974	\$4,500	\$4,100	\$4,500
\$8,992	\$4,853	\$10,150	\$9,750	\$11,000
\$637	\$429	\$1,250	\$1,000	\$1,250
\$78,216	\$39,310	\$60,235	\$70,000	\$72,000
\$0	\$0	\$0	\$0	\$0
\$3,896	\$2,109	\$5,500	\$4,500	\$4,500
\$60,188	\$123,164	\$102,000	\$140,000	\$145,000

5-60-5880 Misc. Maintenance Expense	\$0	\$0	\$10	\$0	\$0	\$0
5-60-6100 Operation Supplies/Expenses	\$10,726	\$5,214	\$9,000	\$8,750	\$9,500	\$9,500
5-60-6500 Filter Maintenance	\$3,902	\$0	\$1,000	\$500	\$500	\$500
5-60-6510 Building Maintenance	\$38,814	\$10,807	\$35,000	\$20,000	\$22,250	\$22,250
5-60-7250 Maint. Plant Equipment	\$0	\$0	\$3,500	\$1,000	\$1,000	\$1,000
TOTAL PRODUCTION	\$261,038	\$223,296	\$315,750	\$334,150	\$350,000	
Distribution						
5-62-5010 Salaries & Wages	\$56,672	\$27,086	\$75,000	\$60,000	\$63,000	\$63,000
5-62-5050 FICA Taxes	\$4,704	\$2,035	\$7,000	\$4,250	\$4,500	\$4,500
5-62-5055 Pension	\$2,488	\$1,625	\$4,500	\$3,250	\$3,500	\$3,500
5-62-5060 Health Insurance	\$10,441	\$3,922	\$9,250	\$8,500	\$10,000	\$10,000
5-62-5065 Life & Disability Insurance	\$775	\$336	\$1,100	\$1,000	\$1,000	\$1,000
5-62-6600 Maintenance Water Services	\$30,881	\$24,144	\$40,000	\$39,750	\$42,000	\$42,000
5-62-6650 Backflow Expenses	\$749	\$0	\$500	\$500	\$500	\$500
5-62-7050 Meter Expense	\$1,614	\$649	\$2,800	\$1,500	\$1,500	\$1,500
5-62-7150 Maintenance Fire Hydrants	\$3,941	\$168	\$8,000	\$2,500	\$3,000	\$3,000
5-62-7200 Maintenance Water Mains	\$25,315	\$641	\$20,000	\$7,000	\$10,000	\$10,000
5-62-7250 Maint. Power Operated Equip.	\$930	\$721	\$1,000	\$1,250	\$1,500	\$1,500
5-62-7280 Equipment Lease	\$0	\$1,550	\$0	\$1,550	\$1,550	\$1,550
TOTAL DISTRIBUTION	\$138,510	\$62,877	\$169,150	\$131,050	\$142,050	
Customer Accounting						
5-63-5010 Salaries & Wages	\$28,855	\$13,403	\$27,500	\$27,250	\$28,750	\$28,750
5-63-5050 FICA Taxes	\$2,132	\$999	\$2,000	\$2,000	\$2,200	\$2,200
5-63-5055 Pension	\$1,409	\$727	\$1,500	\$1,500	\$1,750	\$1,750
5-63-5060 Health Insurance	\$4,294	\$1,588	\$6,000	\$3,750	\$4,250	\$4,250
5-63-5065 Life & Disability Insurance	\$393	\$190	\$500	\$425	\$500	\$500
5-63-740 Meter Reading	\$0	\$0	\$0	\$0	\$0	\$0
5-63-7550 Collections & Lien Fees	\$20	\$25	\$50	\$40	\$50	\$50
5-63-7560 Credit & Debit Card Fees	\$5,633	\$2,809	\$5,000	\$5,600	\$5,800	\$5,800
5-63-7600 Postage & Fees	\$10,425	\$5,074	\$10,500	\$10,000	\$10,250	\$10,250
5-63-8000 Water Uncollectable Accounts	\$1,388	\$207	\$650	\$500	\$500	\$500
TOTAL CUSTOMER ACCOUNTING	\$54,549	\$25,022	\$53,700	\$51,065	\$54,050	
Administrative & General						
5-65-5010 Salaries & Wages	\$173,585	\$76,447	\$176,412	\$155,250	\$163,000	\$163,000
5-65-5011 Salaries & Wages - Commserv	\$473	\$145	\$1,500	\$500	\$750	\$750
5-65-5050 FICA Taxes	\$12,955	\$5,790	\$13,100	\$11,750	\$12,000	\$12,000
5-65-5055 Pension	\$9,236	\$3,826	\$10,000	\$7,800	\$9,000	\$9,000

5-65-5060 Health Insurance	\$25,742	\$12,052	\$23,786	\$24,050	\$26,500
5-65-5065 Life & Disability Insurance	\$1,811	\$928	\$2,250	\$2,000	\$2,250
5-65-5800 Utilities	\$256	\$107	\$500	\$300	\$400
5-65-8040 Office Salaries	\$0	\$0	\$0	\$0	\$0
5-65-8050 Board Member Fees	\$0	\$0	\$0	\$0	\$0
5-65-8060 Telephone Expense	\$6,190	\$1,533	\$6,250	\$3,250	\$4,500
5-65-8070 Office Supplies & Printing	\$1,798	\$966	\$2,200	\$2,100	\$2,250
5-65-8080 Outside Services Employed	\$13,295	\$11,202	\$35,000	\$23,000	\$24,000
5-65-8081 Meals During Travel	\$178	\$410	\$0	\$500	\$0
5-65-8090 Insurance	\$42,485	\$22,078	\$38,000	\$40,000	\$42,250
5-65-8140 Miscellaneous Expense	\$8,039	\$6,273	\$8,500	\$9,250	\$9,000
5-65-8141 Safety Expenses	\$2,951	\$2,247	\$2,600	\$3,500	\$4,000
5-65-812 Training Expenses	\$1,450	\$5,036	\$100	\$6,500	\$5,000
5-65-8144 Maint. Communication Equipment	\$7,030	\$7,328	\$10,000	\$11,250	\$11,000
5-65-8145 Pension Fund Expenses	\$0	\$50	\$50	\$50	\$50
5-65-8150 Advertising & Donations	\$721	\$27	\$1,000	\$500	\$750
5-65-8155 Purchased For Outside Sales	\$7,292	\$2,638	\$7,500	\$6,000	\$6,250
5-65-8210 Transportation Expense	\$14,665	\$6,539	\$12,500	\$13,250	\$13,000
5-65-8220 Maintenance - Office Equipment	\$1,156	\$687	\$800	\$1,000	\$1,000
5-65-8250 Mapping	\$2,833	\$7	\$2,200	\$250	\$250
5-65-8260 Maintenance - Office	\$212	\$108	\$200	\$225	\$250
5-65-8261 Maint. S.C. & Warehouse	\$48	\$5	\$50	\$50	\$50
5-65-8265 Janitor/Supplies-Gen. Office	\$291	\$341	\$175	\$500	\$400
5-65-8270 Repairs - Tools	\$2,271	\$212	\$1,000	\$500	\$750
5-65-8275 Source Water Protection	\$0	\$0	\$0	\$0	\$0
TOTAL ADMINISTRATION & GENERAL	\$336,963	\$166,982	\$355,673	\$323,325	\$338,650
Depreciation					
5-80-8142 Depreciation Of Water Plant	\$310,756	\$158,066	\$295,500	\$300,000	\$300,000
TOTAL DEPRECIATION	\$310,756	\$158,066	\$295,500	\$300,000	\$300,000
Other Expenditures					
5-82-4601 Principal Bond Payment	\$160,000	\$0	\$237,270	\$165,000	\$165,000
5-82-4605 Interest 2019 Bond Refinance	\$78,193	\$38,046	\$73,000	\$75,349	\$72,270
5-82-4660 Items Junked From Inventory	\$0	\$2,356	\$2,000	\$2,750	\$2,000
5-82-4900 Inventory Correction	\$0	(\$44)	\$0	(\$44)	0
TOTAL OTHER EXPENDITURES	\$238,193	\$40,358	\$312,270	\$243,055	\$239,270
TOTAL FUND EXPENSES	\$1,340,009	\$676,601	\$1,502,043	\$1,382,645	\$1,424,020

**WATER DEPARTMENT
2025
CAPITAL IMPROVEMENTS**

Water Distribution/Production

➤ New service truck ½ Unit #22	\$36,000
➤ Pickup 20% Unit #2	\$13,000
➤ Water main project P street 14 th to 15 th	\$60,000

Total Capital Improvements \$109,000

BUDGET SUMMARY

Total Revenue	\$1,264,575
Total Expenses	\$1,424,020
Total Capital Expenses	\$109,000
Year End Net	(\$268,445)
Reserves Needed to Balance	\$268,445

**WASTEWATER DEPARTMENT
2025 PROPOSED BUDGET
OVERVIEW**

It appears that at the 2024-year end estimated sales revenue is going to come close to the budgeted amount for sales revenue. We anticipate a 1.2% increase in total revenue for the 2024-year end compared to the 2024 budget.

Expenses continue to rise and come in over revenue, the 2024 P&I bond payment will be \$439,180 and the 2025 P&I bond payment will be \$276,788 which will then retire the bond issuance for the wastewater department. The department will however have an SRF loan starting in 2025 which will be an approximate \$36,000 payment per year for 20 years but at 0% interest. The SRF loan is a result of the sewer main lining and manhole rehabilitation project that was completed in 2024.

The wastewater treatment plant is operating well but because the plant is nearing 16 years in age we are experiencing some equipment repairs and failures. We had a valve break at the south aeration basin and because of poor design and an identical valve located at the north aeration basin the decision was made to replace both valves at a cost of \$47,000, also the AC unit at the control room failed and was replaced for \$7,500. We also had a pump fail on the vac truck that we use to flush sewer mains, this repair was \$37,000.

The crew has done a good job with making several repairs at the plant and keeping it in good running condition while keeping the plant in compliance with all of our NPDES permit levels and requirements.

WASTEWATER DEPARTMENT FINANCIAL						
Final Numbers	2022 Actual	2023 Actual	2024 6/30/24 Year to Date	2024 Budget	2024 Est. Year End	2025 Proposed Budget
Revenue						
Sales	\$887,121	\$895,423	\$439,673	\$905,000	\$907,750	\$920,000
Penalties	\$6,712	\$7,923	\$4,070	\$7,250	\$8,000	\$8,000
Other	\$11,807	\$8,154	\$6,963	\$13,850	\$6,700	\$6,500
Interest	\$28,728	\$53,205	\$32,317	\$35,000	\$50,000	\$42,000
Other Income	\$71	\$0	\$0	\$130	\$100	\$100
Grant	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue	\$934,439	\$964,705	\$483,023	\$961,230	\$972,550	\$976,600
Expenses						
Production & Procurement	\$164,896	\$156,038	\$109,599	\$144,575	\$182,650	\$165,250
Distribution	\$66,156	\$69,968	\$34,581	\$77,232	\$61,400	\$70,450
Customer Accounting	\$27,998	\$28,122	\$14,238	\$28,026	\$28,175	\$29,500
Administrative & General	\$208,589	\$209,246	\$109,910	\$233,640	\$207,215	\$222,400
Other Expenses	\$0	\$1,010	\$0	\$0	\$0	\$0
Depreciation	\$269,409	\$280,305	\$141,534	\$275,000	\$280,000	\$280,000
Interest Expenses & Financial Charge	\$7,649	\$6,355	\$2,110	\$11,000	\$4,180	\$1,788
Principal / Bond Payment / SRF Loan	\$425,000	\$435,000	\$0	\$439,180	\$435,000	\$311,000
Total Expenses	\$1,169,897	\$1,186,044	\$411,972	\$1,208,653	\$1,198,620	\$1,080,388
Operating Expense Only	\$467,639	\$464,384	\$268,328	\$483,473	\$479,440	\$487,600
Debt, Interest & Depreciation Expenses	\$702,258	\$721,660	\$143,644	\$725,180	\$719,180	\$592,788
Year End Net	(\$235,458)	(\$221,339)	\$71,051	(\$247,423)	(\$226,070)	(\$103,788)

WASTEWATER 2025

BUDGET SUMMARY WASTEWATER	2022 Actual	2023 Actual	2024 YTD 6/30/2023	2024 Budget	2024 Est. Year End	2025 Proposed Budget
Labor	\$186,946	\$189,431	\$112,290	\$225,432	\$179,043	\$202,250
Labor Benefits	\$57,642	\$61,561	\$38,068	\$74,849	\$69,540	\$73,300
City Services	\$150	\$0	\$0	\$3,207	\$1,000	\$1,000
Transportation	\$16,229	\$13,030	\$6,942	\$15,000	\$14,100	\$15,500
Plant Supplies / Water Testing Chemicals	\$9,793	\$14,825	\$7,247	\$15,000	\$14,750	\$15,250
Utilities	\$49,636	\$48,276	\$24,343	\$54,575	\$48,625	\$48,600
Maintenance	\$87,962	\$74,914	\$44,469	\$32,660	\$63,875	\$61,150
Billing / Billing Supplies	\$14,853	\$13,125	\$5,874	\$11,600	\$11,600	\$11,925
Property Liability Insurance	\$25,346	\$27,620	\$14,413	\$30,000	\$29,500	\$32,500
Outside Services	\$8,575	\$10,382	\$7,530	\$12,750	\$12,500	\$14,250
Misc.	\$6,894	\$6,739	\$2,864	\$5,650	\$5,450	\$5,575
Safety / Tools	\$2,262	\$2,416	\$1,944	\$2,750	\$3,500	\$3,500
Inventory / Inventory Adj	\$6,574	\$1,010	\$0	\$0	\$0	\$0
Depreciation	\$269,409	\$280,305	\$141,534	\$275,000	\$280,000	\$280,000
Debt P&I	\$432,849	\$441,355	\$2,110	\$450,180	\$439,180	\$312,788

WASTEWATER

	2023 ACTUAL	2024 YTD 6/30/2024	2024 BUDGET AMOUNTS	2024 EST YEAREND	2025 BUDGET AMOUNTS
REVENUES					
SALES REVENUE					
7-41-4500 Residential Revenue	\$562,479	\$280,637	\$600,000	\$590,250	\$605,000
7-42-4500 General Service Revenue	\$332,944	\$159,036	\$305,000	\$317,500	\$315,000
TOTAL SALES REVENUE	\$895,423	\$439,673	\$905,000	\$907,750	\$920,000
OTHER REVENUE					
7-49-5500 Penalties	\$7,923	\$4,070	\$7,250	\$8,000	\$8,000
7-49-5700 Other Wastewater Revenue	\$1,588	\$596	\$2,500	\$1,500	\$1,750
7-49-5710 Grant Revenue	\$0	\$4,200	\$0	\$0	\$0
7-49-5740 Outside Services Provided	\$5,261	\$1,612	\$10,000	\$4,000	\$3,500
7-49-5750 Connects/Reconnects	\$1,305	\$555	\$1,350	\$1,200	\$1,250
TOTAL OTHER REVENUE	\$16,077	\$11,033	\$21,100	\$14,700	\$14,500
NON OPERATING REVENUE					
7-50-4500 Interest Income	\$53,205	\$32,317	\$35,000	\$50,000	\$42,000
7-50-4560 Sale Of Salvage	\$0	\$0	\$0	\$0	\$0
7-50-4565 Sale Of Materials	\$0	\$0	\$130	\$100	\$100
TOTAL NON OPERATING REVENUE	\$53,205	\$32,317	\$35,130	\$50,100	\$42,100
TOTAL FUND REVENUE	\$964,705	\$483,023	\$961,230	\$972,550	\$976,600
EXPENSES					
Production					
7-60-5010 Salaries & Wages	\$55,269	\$45,368	\$58,995	\$75,000	\$62,500
7-60-5050 FICA Taxes	\$3,969	\$3,327	\$4,250	\$4,900	\$4,500
7-60-5055 Pension	\$3,217	\$2,722	\$3,530	\$3,750	\$3,650
7-60-5060 Health Insurance	\$9,112	\$7,008	\$9,550	\$12,250	\$11,500
7-60-5065 Life & Disability Insurance	\$682	\$558	\$750	\$1,000	\$850
7-60-5850 Lab Testing	\$6,912	\$1,455	\$5,000	\$3,750	\$4,000
7-60-5900 Utilities Plant	\$40,462	\$20,034	\$47,000	\$40,000	\$40,000

7-60-6100	Operation Supplies/Expenses	\$7,913	\$5,792	\$10,000	\$11,000	\$11,250
7-60-6500	Plant Maintenance	\$0	\$19	\$5,500	\$1,000	\$2,000
7-60-6510	Building Maintenance	\$28,502	\$23,316	\$0	\$30,000	\$25,000
7-60-7250	Maint. Power Operated Equip.	\$0	\$0	\$0	\$0	\$0
TOTAL PRODUCTION		\$156,038	\$109,599	\$144,575	\$182,650	\$165,250
Distribution						
7-62-5010	Salaries & Wages	\$19,203	\$12,370	\$40,335	\$23,250	\$30,000
7-62-5050	FICA Taxes	\$1,271	\$901	\$3,162	\$2,000	\$2,500
7-62-5055	Pension	\$1,164	\$742	\$2,125	\$1,500	\$1,500
7-62-5060	Health Insurance	\$3,026	\$1,836	\$6,210	\$4,000	\$4,250
7-62-5065	Life & Disability Insurance	\$230	\$145	\$400	\$350	\$500
7-62-5870	Maintenance Collection System	\$40,110	\$14,211	\$20,000	\$23,250	\$25,000
7-62-5900	Utilities - Lift Stations	\$4,500	\$2,319	\$4,500	\$4,750	\$4,500
7-62-7250	Maint. Power Operated Equip.	\$464	\$507	\$500	\$750	\$650
7-62-7280	Equipment Lease	\$0	\$1,550	\$0	\$1,550	\$1,550
TOTAL DISTRIBUTION		\$69,968	\$34,581	\$77,232	\$61,400	\$70,450
Customer Accounting						
7-63-5010	Salaries & Wages	\$12,611	\$6,931	\$13,256	\$13,500	\$14,000
7-63-5050	FICA Taxes	\$927	\$513	\$925	\$1,000	\$1,125
7-63-5055	Pension	\$755	\$416	\$795	\$825	\$825
7-63-5060	Health Insurance	\$1,724	\$881	\$2,460	\$2,100	\$2,500
7-63-5065	Life & Disability Insurance	\$176	\$99	\$190	\$200	\$250
7-63-7550	Collection & Lien Fees	\$20	\$25	\$50	\$50	\$50
7-63-7560	Credit & Debit Card Fees	\$3,708	\$1,826	\$3,250	\$3,500	\$3,750
7-63-7600	Postage & Fees	\$6,394	\$3,298	\$6,600	\$6,500	\$6,500
7-63-8000	Uncollectable Accounts	\$1,807	\$249	\$500	\$500	\$500
TOTAL CUSTOMER ACCOUNTING		\$28,122	\$14,238	\$28,026	\$28,175	\$29,500
Administration & General						
7-65-5010	Salaries & Wages	\$102,348	\$47,621	\$112,846	\$90,500	\$95,750
7-65-5011	Salaries & Wages - Commserv	\$0	\$0	\$2,207	\$500	\$500
7-65-5020	City Free Services	\$0	\$0	\$1,000	\$500	\$500
7-65-5050	FICA Taxes	\$7,770	\$3,597	\$8,400	\$7,100	\$8,000

7-65-5055 Pension	\$5,485	\$2,346	\$6,960	\$4,800	\$5,000
7-65-5060 Health Insurance	\$21,035	\$12,367	\$23,767	\$22,500	\$25,000
7-65-5065 Life & Disability Insurance	\$1,018	\$577	\$1,300	\$1,200	\$1,275
7-65-5800 Utilities	\$0	\$0	\$225	\$125	\$100
7-65-8060 Telephone Expense	\$3,314	\$1,990	\$2,850	\$3,750	\$4,000
7-65-8070 Office Supplies, Printing, Etc	\$674	\$436	\$1,000	\$950	\$975
7-65-8080 Outside Services Employed	\$10,382	\$7,530	\$12,750	\$12,500	\$14,250
7-65-8081 Meals During Travel	\$1,125	\$236	\$250	\$350	\$325
7-65-8090 Insurance	\$27,620	\$14,413	\$30,000	\$29,500	\$32,500
7-65-8140 Miscellaneous Expenses	\$3,540	\$2,354	\$4,000	\$4,350	\$4,500
7-65-8141 Safety Expenses	\$1,610	\$1,865	\$1,500	\$3,000	\$3,000
7-65-8142 Training Expenses	\$1,055	\$794	\$0	\$1,200	\$1,250
7-65-8144 Maint. Communication Equip.	\$5,136	\$5,960	\$6,000	\$8,000	\$7,500
7-65-8145 Pension Fund Expenses	\$0	\$33	\$75	\$65	\$75
7-65-8150 Advertising & Donations	\$522	\$40	\$200	\$100	\$150
7-65-8155 Purchased For Outside Sales	\$0	\$138	\$250	\$275	\$250
7-65-8210 Truck Expense	\$13,030	\$6,942	\$15,000	\$14,100	\$15,500
7-65-8220 Maintenance - Office Equip.	\$562	\$383	\$400	\$650	\$750
7-65-8250 Mapping	\$1,842	\$4	\$1,000	\$250	\$250
7-65-8260 Maintenance - Office	\$140	\$70	\$160	\$125	\$150
7-65-8261 Maint. S.C. & Warehouse	\$0	\$3	\$100	\$100	\$100
7-65-8265 Janitor/Supplies - Gen. Office	\$232	\$132	\$150	\$225	\$250
7-65-8270 Repairs - Tools	\$806	\$79	\$1,250	\$500	\$500
TOTAL ADMINISTRATION & GENERAL	\$209,246	\$109,910	\$233,640	\$207,215	\$222,400
Depreciation					
7-80-8142 Depreciation	\$280,305	\$141,534	\$275,000	\$280,000	\$280,000
TOTAL DEPRECIATION	\$280,305	\$141,534	\$275,000	\$280,000	\$280,000
Other Expenditures					
7-82-4600 Interest On Bonds	\$6,355	\$2,110	\$11,000	\$4,180	\$1,788
7-82-4601 Principal Bond Payment	\$435,000	\$0	\$439,180	\$435,000	\$275,000
7-82-4660 Junked From Inventory/Adj	\$1,010	\$0	\$0	\$0	\$0
7-22-201 SRF Loan #C318056					\$36,000
TOTAL OTHER EXPENDITURES	\$442,365	\$2,110	\$450,180	\$439,180	\$312,788

**WASTEWATER DEPARTMENT
2025
CAPITAL IMPROVEMENTS**

Wastewater Collection/Treatment

- Service truck ½ unit #22 \$36,000
- Pickup 20% Unit #2 \$13,000

Total Capital Improvements \$49,000

BUDGET SUMMARY

Total Revenue	\$976,600
Total Expenses	\$1,080,388
Total Capital Expenses	\$49,000
Year End Net	(\$98,000)
Reserves Needed to Balance	\$98,000

SITE SAFETY AND SITE CONDITIONS CHECKLIST

CUSTOMER NAME: Auburn Board of Public Works
QUOTATION DATE: 1/0/00
PROJECT DESCRIPTION: Well 13 Pump Pull & Inspection

Please check any of the following site safety or general site concerns that may apply to the above referenced project, provide a brief explanation, and return with signed Confirming Order.

Overhead power, power drops, or other electrical concerns: _____

If power issues exist, can they be disconnected?: _____

Is there a grounding system available to tie into if a generator is required for the work?:

Site access concerns or challenges for service equipment: _____

Confined space issues: _____

Rooftop access hatch or building removal required: _____

Work hours restrictions: _____

Is there a water supply source available other than the well being worked on: _____

Other issues / concerns: _____



TERMS AND CONDITIONS

LIABILITY OF CONTRACTOR: *Contractor shall not be liable for any bodily injury, death, or injury to or destruction of tangible property except as the same may have been caused by the negligence of Contractor. In no event shall Contractor be liable for any delays or special, indirect, incidental or consequential damages. Purchaser agrees that the total limit of Contractor's liability (whether based on negligence, warranty, strict liability or otherwise) hereunder, shall not exceed the aggregate amount due Contractor for services rendered under this contract. All claims, including claims for negligence or any other cause whatsoever, shall be deemed waived unless made in writing and received by Contractor within one (1) year after Contractor's completion of work hereunder.*

INSURANCE: Contractor shall provide workers' compensation insurance, public liability and property damage insurance covering its employees and operation. Purchaser, at its option, may maintain such insurance as will protect it against claims arising out of the work.

REIMBURSABLE COST: In addition to the hourly charge provided on the face of this contract, Purchaser will reimburse Contractor for travel and living expenses necessarily incurred by the Contractor in the performance of the work, minor incidental expenses such as overnight mail, telephone and petty cash expenditures necessarily incurred, cost of removal of all debris if so directed by Purchaser, sales, consumer, use and similar taxes required by law and the cost of permits and all licenses necessary for the execution of the work. The foregoing costs shall be billed at actual cost plus fifteen percent (15%) unless otherwise agreed upon.

PRICE ADJUSTMENT: Any cost estimates or time frames stated herein are subject to equitable adjustment in the event of differing or unforeseeable conditions, changes in applicable laws after the date of this contract, unforeseeable delays or difficulties caused by acts of God, Purchaser or any third parties. Prices of goods acquired by Contractor from others shall be adjusted to reflect Contractor's price in effect at time of shipment. The price of Contractor's goods will be adjusted to the price in effect at time of shipment in accordance with Contractor's current escalation policies or as specifically covered in this contract.

TERMS: Thirty (30) days net from date of invoice. For extended projects, Contractor shall submit invoices on a monthly basis for any and all work completed and materials or equipment provided during the previous month. Past due invoices shall be subject to a delinquency charge of one and one-half percent (1-1/2%) per month (eighteen percent (18%) per annum) unless a lower charge is required under applicable law, in which case the lower rate shall apply. Purchaser agrees to pay all collection fees, attorneys' fees and costs incurred in the collection of any past due amounts arising out of this contract. Contractor shall have the right to immediately terminate this contract without further liability if Purchaser fails to make timely payment or otherwise materially breaches this contract.

MATERIAL SHORTAGES AND COST INCREASES: If any portion of materials or equipment which Contractor is required to furnish becomes unavailable, either temporarily or permanently, through causes beyond the control and without the fault of Contractor, then in the case of temporary unavailability any completion time frames shall be extended for such period of time as Contractor shall be delayed by such above-described unavailability, and in the case of permanent unavailability Contractor shall be excused from the requirement of furnishing such materials or equipment. Purchaser agrees to pay Contractor any increase in cost between the cost of the materials or equipment which have become permanently unavailable and the cost of the closest substitute which is then reasonably available.

DELAYS: If Contractor is delayed at any time in the progress of work by labor disputes, fire, unusual delays in transportation, unavoidable casualties, weather, or any cause beyond Contractor's reasonable control, then any completion time frames shall be extended by a reasonable period of time, at least equal to the period of delay.

CHANGED CONDITIONS: The discovery of any hazardous waste, substances, pollutants, contaminants, underground obstructions or utilities on or in the job site which were not brought to the attention of Contractor prior to the date of this contract will constitute a materially different site condition entitling Contractor, at its sole discretion to immediately terminate this contract without further liability.

ESCALATION: This contract is made with the understanding that Contractor will be able to begin and continuously proceed with its work on or before the proposed start date on the reverse side hereof. In the event Contractor is unable to commence its work on or before said date because the project is not ready for Contractor's work, Contractor will charge Purchaser the amount of increase in Contractor's cost attributable to such delay, plus Contractor's normal overhead percentage.

GUARANTEE AND LIABILITY: Contractor warrants that its labor supplied hereunder shall be free from defect and shall conform to the standard of care in effect in its industry at the time of performance of such labor for a period of twelve (12) months after substantial completion of Contractor's work. Contractor agrees, to the extent it is permitted, to pass on any warranties provided by the manufacturers of materials and/or equipment furnished under this contract. Contractor itself provides no warranty, express, implied or otherwise, on any such materials or equipment. Contractor will not be responsible for: work done, material or equipment furnished or repairs or alterations made by others.

For any breach hereunder, Contractor shall be liable only for the value of the installation work or, if it wrongfully fails to install, then its liability is limited to the difference between the contract price herein, and the value of other similar installation work. If Contractor's breach damages any materials or equipment furnished hereunder, Contractor shall only be liable for the value of such materials or equipment. Under no circumstances will Contractor be liable for consequential, special or indirect damages, including without limitation, any crop loss or damage, damage to other equipment, structures or property, nor for any other similar or dissimilar damages or losses whether due to delay, failure to furnish or install, delay in installation, defective material or equipment, defective workmanship, defective installation, delay in replacing, nor for any cause or breach whatsoever. In any event, Contractor's total liability towards Purchaser for alleged faulty performance or nonperformance under this contract shall be limited to the total contract price. No materials, equipment or services contracted herein carries any guarantee not mentioned in this contract. THE ABOVE WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE HEREBY DISCLAIMED.

TITLE AND OWNERSHIP: In case of default on Purchaser's part, Contractor shall have the right to enter the premises upon which any material or equipment furnished herein have been installed and retake such goods not then paid for and pursue any further remedy provided by law, including recovery of attorneys' fees and any deficiency to the maximum extent and in the manner provided by law. Such materials and equipment shall retain their character as personal property of Contractor until payment in full is received by Contractor, regardless of their mode of attachment. Unless prior specific written instructions are received to the contrary, surplus and replaced materials and equipment resulting from repair or installation work shall become the property of Contractor.

DELIVERY: Shipment schedules and dates, expressed or implied, are contingent on normal conditions. Contractor will not be responsible for any delays in shipment or completion caused by factors beyond its control such as, but not limited to, suppliers' failures, accidents, work stoppages or operation of or changes in the law. Shipments will be made as promptly as Contractor's ability to obtain materials and/or equipment and scheduling will permit. No delay in shipments or variances from shipping schedule shall be cause of cancellation or any claim for damage. Any changes in layout or design requested after acceptance of this contract will be made at Purchaser's additional cost. Any such change and/or time taken to supply engineering data or to approve drawings will automatically extend shipping schedules. Equipment will be shipped "knocked down" to the extent Contractor considers necessary, with small parts stripped from equipment and crated. On and after delivery to the carrier for transportation to the Purchaser's site, Purchaser shall be responsible for all loss or damage to materials or equipment due to any cause, including but not limited to loss or damage resulting from casualty.

INDEMNIFICATION: *Purchaser agrees to indemnify and hold Contractor, its directors, officers, stockholders, employees, agents and subcontractors, harmless from and against any and all claims, demands, causes of action (including third party claims, demands or causes of action for contribution or indemnification), liability and costs (including attorneys' fees and other costs of defense) asserted and/or filed by Purchaser or any third party(ies), including without limitation Purchaser's employees, and arising out of or as a result of: (i) the presence of Contractor or its subcontractors at the job site, (ii) the work performed by Contractor or its subcontractors, or (iii) any negligent act or omission of Purchaser, its employees, agents, consultants, other contractors or any person or entity under Purchaser's control; except to the extent that such claims, demands, causes of action, liabilities or costs are caused by the negligence of Contractor or its subcontractors.*

INTERPRETATION: This contract shall be governed by and construed in accordance with the laws of the state of the job site location. If any term, provision or condition contained herein shall, to any extent, be invalid or unenforceable, pursuant to state law or otherwise, the remainder of the terms, provisions and conditions herein (or the application of such term, provision, or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each term, provision and condition of this contract shall be valid and enforceable to the fullest extent permitted by law.

ASSIGNMENT & SUBLETTING: Purchaser shall not have the right to transfer or assign its rights and/or obligations under this contract to any third party, related or unrelated, without the express written consent of Contractor. Contractor shall have the right to transfer, assign or sublet all or any portion of its rights or obligations hereunder, but such transfer, assignment or subletting shall not relieve Contractor from its full obligations to Purchaser unless such transfer, assignment or subletting is pursuant to the sale of Contractor, or the division of Contractor responsible for this contract, to a third party.

MISCELLANEOUS: The terms and conditions set forth herein constitute the entire understanding of the parties relating to the work to be performed, and materials and equipment to be provided, by Contractor for the Purchaser. All previous proposals, offers, and other communications relative to the provisions of the subject work, oral or written, are hereby superseded, except to the extent that they have been expressly incorporated herein. Any modifications or revisions of any provisions herein or any additional provisions contained in any purchase order, acknowledgment, or other form of the Purchaser are hereby expressly objected to by Contractor and shall not operate to modify this contract. This contract shall take effect upon acceptance and execution by both parties.



September 25, 2024

City of Auburn
Alan Slater
PO Box 288
Auburn, NE 68305-1532

HOA Cyber Protect/Software Maintenance Proposal

Dear Mr. Slater

With the growing threat of cyber-attacks on critical infrastructure, SCADA systems must implement advanced cybersecurity measures to protect against unauthorized access, data breaches, and system disruptions. Without robust cybersecurity measures in place, municipal SCADA systems managing water and wastewater are at significant risk of exploitation by malicious actors. The potential consequences of a cyberattack on such systems are dire, ranging from contaminated water supplies to service disruptions affecting entire communities. Moreover, the lack of qualified personnel to continuously monitor and update these systems leaves them particularly vulnerable. By investing in a cyber protection monitoring program, the city water system can safeguard its infrastructure, protect public health, and ensure uninterrupted delivery of essential services to its residents. This urgent situation highlights the absolute need to take action to reduce these risks and strengthen the ability of the water system to handle changing cyber threats.

Regrettably, most of the time, these safeguarding measures, like backups, aren't regularly maintained and checked to ensure they're up-to-date and functioning correctly. This is particularly problematic for municipal SCADA systems managing water and wastewater. Unfortunately, there's often no qualified person designated to oversee this task. After the SCADA system is initially set up, it's left unmonitored and without updates. Consequently, the protection becomes outdated, key features stop working, and the system becomes exposed. It's not just vulnerable to cyberattacks but is also susceptible to common hardware or software failures, which can be both costly and inconvenient.

HOA Solutions is offering a program we call "HOA Cyber Protect". This program will provide several benefits:

- Keep all software patched and up to date on the SCADA computer.
 - VTScada software
 - Cyber Security/Virus protection
 - Backup Software
- Annual subscription for cloud backup and disaster recovery.
- VTScada email to SMS text message relay service for Outbound messages.
- Monthly monitoring of the SCADA computers.
 - Last backup
 - Last reboot
 - Raid drive status
 - Software status
 - Alarm notification system status
 - User Security Review

(402) 467-3750 (402) 467-1568 (FAX)
2601 West L Street, Suite 1 Lincoln, NE 68522

Hydro Optimization and Automation Solutions

As a result of entering into this agreement, not only will you have the above listed benefits, the cost of the “recommended” 5-year computer/software upgrades will be drastically reduced. The pricing structure from the software manufacturers is a pay as you go or pay later structure. If the annual support for the software is not paid, then that cost will be captured at the 5-year upgrade time. So, it makes sense to keep the VTScada software current year after year and the system protected, backed up and operating at its best.

The annual cost of this program is\$9,867.15

This is not an “insurance policy” it is a “maintenance program”. In the event there is a security breach or a hardware failure, recovery costs are not covered under this agreement. However, the probability of such an event happening will be reduced and the recovery will be much faster at far less expense.

If you have any technical questions that arise from this proposal, please contact our Chief Technology Officer, Joel Hying at one of the following:

Office Number: 402-467-3750

Email: Joel.Hying@HOA-Solutionsinc.com

Regards,

Curtis A. Klein-General Manager



Hydro Optimization and Automation Solutions, Inc.

Major Safety Service, Inc.

4500 Patent Rd, Norfolk, VA 23502

Phone: 757.855.2088

Fax: 757.855.8239

Agenda Item #12

Customer Quote

Quote # 309837

Entered By corby

Acct #: MAJ00002	Quote Date	Quote Expires
Bill To: MAJORSAFETY.COM	10/3/2024	11/2/2024
WEB ORDER		
OR PHONE ORDER		
	Sales Person	
NORFOLK VA	CORBY	
23502-		
	Ship Phone:	Fax:
Contact: TOWN OF AUBURN - SLATER	Phone:	Fax:
Email:		

Qty	Item Number	Description	Quote Price	UOM	Extended
1.00	72-2104A-13R	RKI BEACON 410 (4) CHANNEL FIXED SYSTEM CONTROLLER WITH RED STROBE LIGHT(UPDATED VERSION)	\$3,175.00	EA	\$3,175.00
1.00	61-1000RK	RKI COMBUSTIBLE LEL SENSOR (61-0140RK) & EXPLOSION-PROOF JUNCTION BOX - SPECIFY CALIBRATION	\$390.00	EA	\$390.00
1.00	65-2515RK	RKI FIXED SYSTEM EXPLOSION PROOF OXYGEN SENSOR W/J-BOX	\$500.00	EA	\$500.00
1.00	65-2437RK-05	RKI FIXED SYSTEM CO SENSOR WITH J-BOX	\$540.00	EA	\$540.00
1.00	65-2427RK-05	RKI FIXED SYSTEM H2S SENSOR (EP) W/J-BOX	\$540.00	EA	\$540.00
1.00	51-0098-01-RED	RKI RED LENS STROBE LIGHT - 96-132 VAC - NEMA 3R	\$265.00	EA	\$265.00

Quote Notes: SUBTOTAL: \$5,410.00
PLUS SHIPPING

2 WEEKS TO SHIP

CREDIT CARD PREFERRED PAYMENT

Combined Financial Statements														
2024	YTD	Dec 2024	Nov 2024	Oct 2024	YTD	Sept 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	6,487,642	0	0	0	6,487,642	737,423	826,032	807,245	706,859	653,879	630,339	627,987	697,318	800,561
Total Other Revenue	271,327	0	0	0	271,327	36,658	9,379	35,082	36,953	28,605	29,719	28,320	(3,492)	70,104
Total Non Operating Rev	351,210	0	0	0	351,210	59,562	3,705	53,444	60,409	14,857	39,726	58,237	22,808	38,463
TOTAL REVENUE	7,110,179	0	0	0	7,110,179	833,643	839,116	895,771	804,220	697,341	699,784	714,544	716,634	909,128
Total Operating Exp	(4,079,936)	0	0	0	(4,079,936)	(417,262)	(489,163)	(490,936)	(584,427)	(380,246)	(395,303)	(422,290)	(403,383)	(496,925)
Total Admin & Gen Exp	(1,370,056)	0	0	0	(1,370,056)	(193,240)	(172,396)	(136,787)	(149,548)	(130,377)	(138,375)	(145,272)	(150,042)	(154,018)
Total Depreciation Exp	(697,959)	0	0	0	(697,959)	(60,859)	(79,510)	(85,332)	(85,414)	(61,624)	(81,305)	(81,305)	(81,305)	(81,305)
Total Non Operating Exp	(62,900)	0	0	0	(62,900)	(6,398)	(7,264)	(6,555)	(7,983)	(6,959)	(6,731)	(6,820)	(7,500)	(6,689)
TOTAL EXPENSES	(6,210,851)	0	0	0	(6,210,851)	(677,759)	(748,333)	(719,610)	(827,372)	(579,207)	(621,714)	(655,687)	(642,231)	(738,938)
NET INCOME	899,328	0	0	0	899,328	155,884	90,783	176,161	(23,152)	118,134	78,070	58,856	74,403	170,190
less W & WW P&I	510,822	0	0	0	510,822	56,758	56,758	56,758	56,758	56,758	56,758	56,758	56,758	56,758
Adjusted Net Income	388,506	0	0	0	388,506	99,126	34,025	119,403	(79,910)	61,376	21,312	2,098	17,645	113,432
2023	YTD	Dec 2023	Nov 2023	Oct 2023	YTD	Sept 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
Total Operating Rev	8,410,114	674,367	682,233	645,303	6,408,210	697,408	830,277	733,721	763,622	624,945	596,643	729,447	709,146	723,002
Total Other Revenue	1,095,477	34,485	37,611	53,281	970,100	35,709	43,239	41,560	63,817	34,436	597,031	36,628	48,428	69,252
Total Non Operating Rev	360,484	56,242	16,101	41,762	246,380	60,409	15,923	34,978	7,127	16,063	96,038	7,817	3,853	4,173
TOTAL REVENUE	9,866,075	765,094	735,945	740,346	7,624,690	793,526	889,439	810,259	834,565	675,445	1,289,712	773,891	761,427	796,427
Total Operating Exp	(5,088,718)	(407,491)	(405,234)	(410,903)	(3,865,089)	(467,182)	(494,199)	(468,536)	(398,224)	(423,746)	(356,825)	(404,029)	(422,411)	(429,937)
Total Admin & Gen Exp	(1,695,465)	(138,407)	(134,899)	(121,844)	(1,300,315)	(129,694)	(133,259)	(128,357)	(119,501)	(248,989)	(126,023)	(152,797)	(134,955)	(126,740)
Total Depreciation Exp	(1,065,784)	(83,214)	(83,177)	(83,177)	(816,216)	(83,177)	(83,176)	(93,273)	(157,815)	(79,755)	(79,755)	(79,755)	(79,755)	(79,755)
Total Non Operating Exp	(76,887)	(5,385)	(6,637)	(6,637)	(58,229)	5,537	(6,433)	(8,011)	(7,855)	(7,787)	(9,038)	(8,878)	(8,661)	(7,104)
TOTAL EXPENSES	(7,926,854)	(634,497)	(629,947)	(622,561)	(6,039,849)	(674,516)	(717,067)	(698,177)	(683,396)	(760,277)	(571,640)	(645,458)	(645,783)	(643,535)
NET INCOME	1,939,222	130,598	105,998	117,785	1,584,841	119,010	172,372	112,082	151,169	(84,832)	718,071	128,433	115,644	152,892
less P&I Payment	628,896	41,158	41,158	41,158	505,422	51,918	56,688	56,688	56,688	56,688	56,688	56,688	56,688	56,688
Adjusted Net Income	1,310,326	89,440	64,840	76,627	1,079,419	67,092	115,684	55,394	94,481	(141,520)	661,383	71,745	58,956	96,204

Electric Department

	YTD				YTD									
2024	12/31/2024	Dec 2024	Nov 2024	Oct 2024	9/30/2024	Sept 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	4,763,935	0	0	0	4,763,935	531,494	609,018	603,792	516,034	461,377	445,712	451,325	517,356	627,827
Total Other Revenue	205,614	0	0	0	205,614	26,364	26,630	25,801	22,928	19,928	17,867	20,264	(13,587)	59,418
Total Non Operating Rev	288,642	0	0	0	288,642	47,200	7,851	48,454	47,786	10,904	32,082	45,812	18,133	30,420
TOTAL REVENUE	5,258,191	0	0	0	5,258,191	605,059	643,499	678,047	586,749	492,212	495,661	517,401	521,902	717,665
Total Operating Exp	(3,227,416)	0	0	0	(3,227,416)	(338,566)	(405,299)	(401,435)	(391,554)	(296,030)	(319,244)	(340,363)	(328,538)	(406,387)
Total Admin & Gen Exp	(918,765)	0	0	0	(918,765)	(130,831)	(94,778)	(100,596)	(104,363)	(87,586)	(94,583)	(95,558)	(103,929)	(106,542)
Total Depreciation Exp	(283,686)	0	0	0	(283,686)	(36,074)	(36,074)	(35,896)	(35,978)	(12,188)	(31,869)	(31,869)	(31,869)	(31,869)
Total Non Operating Exp	(2,190)	0	0	0	(2,190)	(396)	(1,025)	(353)	0	(70)	(22)	(131)	(194)	0
TOTAL EXPENSES	(4,432,057)	0	0	0	(4,432,057)	(505,867)	(537,176)	(538,279)	(531,895)	(395,874)	(445,718)	(467,921)	(464,531)	(544,797)
NET INCOME	826,134	0	0	0	826,134	99,191	106,323	139,768	54,854	96,338	49,943	49,480	57,371	172,868
	YTD				YTD									
2023	12/31/2023	Dec 2023	Nov 2023	Oct 2023	9/30/2023	Sept 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
Total Operating Rev	6,289,309	507,040	509,548	466,700	4,806,020	512,774	642,382	544,804	568,096	447,307	428,952	560,708	545,407	555,590
Total Other Revenue	329,621	23,613	25,465	23,565	256,978	24,440	29,638	27,746	25,507	22,158	21,107	25,647	24,722	56,013
Total Non Operating Rev	286,652	43,970	11,795	33,948	196,946	47,242	11,486	27,372	6,185	15,628	74,856	6,326	3,147	4,699
TOTAL REVENUE	6,905,582	574,623	546,808	524,213	5,259,944	584,456	683,506	599,922	599,787	485,093	524,915	592,680	573,276	616,302
Total Operating Exp	(4,131,423)	(338,091)	(331,390)	(323,543)	(3,138,400)	(389,580)	(389,623)	(372,525)	(328,986)	(345,807)	(284,174)	(333,677)	(345,300)	(348,728)
Total Admin & Gen Exp	(1,152,130)	(96,888)	(97,506)	(84,111)	(873,626)	(87,911)	(88,934)	(89,920)	(82,938)	(166,982)	(82,856)	(101,679)	(88,551)	(83,855)
Total Depreciation Exp	(475,644)	(33,773)	(33,748)	(33,748)	(374,375)	(33,748)	(33,747)	(43,939)	(103,596)	(31,869)	(31,869)	(31,869)	(31,869)	(31,869)
Total Non Operating Exp	(4,656)	(692)	0	0	(3,964)	0	0	(1,171)	0	(442)	(391)	(1,568)	(392)	0
TOTAL EXPENSES	(5,763,853)	(469,444)	(462,644)	(441,402)	(4,390,365)	(511,239)	(512,304)	(507,555)	(515,520)	(545,100)	(399,290)	(468,793)	(466,112)	(464,452)
NET INCOME	1,141,729	105,179	84,164	82,811	869,578	73,217	171,202	92,367	84,268	(60,007)	125,625	123,887	107,164	151,850

Water Department														
	YTD				YTD									
2024	12/31/2024	Dec 2024	Nov 2024	Oct 2024	9/30/2024	Sept 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	877,753	0	0	0	877,753	109,218	121,006	108,646	96,546	98,799	92,382	84,093	87,147	79,916
Total Other Revenue	61,911	0	0	0	61,911	6,417	7,105	6,028	6,859	5,880	9,179	4,960	7,003	8,480
Total Non Operating Rev	26,162	0	0	0	26,162	3,084	3,682	2,352	3,281	2,693	2,320	2,978	3,287	2,487
TOTAL REVENUE	965,826	0	0	0	965,826	118,719	131,793	117,025	106,686	107,372	103,882	92,031	97,436	90,883
Total Operating Exp	(419,944)	0	0	0	(419,944)	(35,154)	(34,765)	(40,083)	(146,056)	(36,720)	(29,142)	(33,478)	(26,707)	(37,838)
Total Admin & Gene Exp	(250,227)	0	0	0	(250,227)	(37,704)	(25,079)	(21,413)	(26,265)	(24,392)	(26,527)	(28,731)	(28,086)	(32,030)
Total Depreciation Exp	(210,916)	0	0	0	(210,916)	(5,412)	(23,063)	(26,063)	(26,063)	(26,063)	(26,063)	(26,063)	(26,063)	(26,063)
Total Non Operating Exp	(57,555)	0	0	0	(57,555)	(5,653)	(5,890)	(5,854)	(7,635)	(6,541)	(6,341)	(6,341)	(6,958)	(6,341)
TOTAL EXPENSES	(938,642)	0	0	0	(938,642)	(83,923)	(88,797)	(93,413)	(206,020)	(93,716)	(88,073)	(94,613)	(87,814)	(102,273)
NET INCOME	27,184	0	0	0	27,185	34,796	42,995	23,612	(99,334)	13,657	15,809	(2,582)	9,623	(11,390)
less P&I Accrual for NEDQ	184,572				184,572	20,508	20,508	20,508	20,508	20,508	20,508	20,508	20,508	20,508
Adjusted Net Income	(157,388)	0	0	0	(157,387)	14,288	22,487	3,104	(119,842)	(6,852)	(4,699)	(23,090)	(10,885)	(31,898)
2023	YTD				YTD									
2023	12/31/2023	Dec 2023	Nov 2023	Oct 2023	9/30/2023	Sept 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
Total Operating Rev	987,089	73,520	79,030	83,374	751,165	88,235	92,060	89,867	100,790	83,864	74,858	76,823	70,958	73,711
Total Other Revenue	731,718	8,803	9,643	27,154	686,117	8,573	10,835	11,227	35,347	8,650	572,353	8,669	20,932	9,531
Total Non Operating Rev	20,626	3,028	3,029	2,434	12,134	3,270	2,949	1,957	(428)	(944)	6,113	73	(502)	(354)
TOTAL REVENUE	1,739,433	85,352	91,702	112,962	1,449,416	100,078	105,844	103,050	135,708	91,571	653,324	85,565	91,389	82,888
Total Operating Exp	(452,495)	(27,534)	(34,254)	(36,277)	(354,429)	(38,236)	(61,715)	(44,416)	(32,408)	(35,309)	(31,953)	(31,792)	(38,205)	(40,395)
Total Admin & General Exp	(334,917)	(25,626)	(25,703)	(24,237)	(259,350)	(25,063)	(28,295)	(23,087)	(22,364)	(48,174)	(26,903)	(30,076)	(29,930)	(25,458)
Total Depreciation Exp	(310,615)	(26,063)	(26,056)	(26,056)	(232,440)	(26,056)	(26,056)	(25,985)	(34,628)	(23,943)	(23,943)	(23,943)	(23,943)	(23,943)
Total Non Operating Exp	(66,286)	(4,707)	(6,107)	(6,107)	(49,365)	6,107	(5,903)	(6,310)	(7,326)	(6,815)	(8,117)	(6,687)	(7,740)	(6,574)
TOTAL EXPENSES	(1,164,313)	(83,930)	(92,120)	(92,677)	(895,584)	(83,248)	(121,969)	(99,798)	(96,726)	(114,241)	(90,916)	(92,498)	(99,818)	(96,370)
NET INCOME	575,120	1,422	(418)	20,286	553,833	16,830	(16,125)	3,252	38,982	(22,670)	562,408	(6,933)	(8,429)	(13,482)
less P&I Accrual for NEDQ	238,896	19,908	19,908	19,908	179,172	19,908	19,908	19,908	19,908	19,908	19,908	19,908	19,908	19,908
Adjusted Net Income	336,224	(18,486)	(20,326)	378	374,661	(3,078)	(36,033)	(16,656)	19,074	(42,578)	542,500	(26,841)	(28,337)	(33,390)

Wastewater Department														
	YTD				YTD									
2024	12/31/2024	Dec 2024	Nov 2024	Oct 2024	9/30/2024	Sept 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	667,866	0	0	0	667,866	76,926	76,210	75,058	74,522	73,892	72,421	72,810	72,997	73,030
Total Other Rev	15,304	0	0	0	15,307	2,283	737	1,254	5,351	1,020	1,171	1,004	1,555	934
Total Non Operating Rev	44,257	0	0	0	44,257	9,278	23	2,639	9,342	1,260	5,324	9,447	1,388	5,556
TOTAL REVENUE	727,427	0	0	0	727,430	88,488	76,970	78,950	89,215	76,172	78,915	83,261	75,940	79,520
Total Operating Exp	(235,782)	0	0	0	(235,782)	(22,263)	(27,736)	(27,757)	(25,327)	(25,981)	(26,047)	(26,552)	(22,388)	(31,731)
Total Admin & Gen Exp	(201,062)	0	0	0	(201,062)	(24,705)	(52,539)	(14,778)	(18,920)	(18,400)	(17,265)	(20,983)	(18,027)	(15,446)
Total Depreciation Exp	(203,357)	0	0	0	(203,357)	(19,373)	(20,373)	(23,373)	(23,373)	(23,373)	(23,373)	(23,373)	(23,373)	(23,373)
Total Non Operating Exp	(3,155)	0	0	0	(3,155)	(348)	(348)	(348)	(348)	(348)	(368)	(348)	(348)	(348)
TOTAL EXPENSES	(643,356)	0	0	0	(643,356)	(66,689)	(100,996)	(66,256)	(67,968)	(68,102)	(67,053)	(71,256)	(64,136)	(70,899)
NET INCOME	84,071	0	0	0	84,074	21,798	(24,027)	12,694	21,247	8,070	11,862	12,005	11,803	8,621
less P&I Payment Accrual	326,250				326,250	36,250	36,250	36,250	36,250	36,250	36,250	36,250	36,250	36,250
Adjusted Net Income	(242,179)	0	0	0	(242,176)	(14,452)	(60,277)	(23,556)	(15,003)	(28,180)	(24,388)	(24,245)	(24,447)	(27,629)
2023	YTD	Dec 2023	Nov 2023	Oct 2023	YTD	Sept 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
Total Operating Rev	895,422	74,047	73,860	75,360	672,156	76,517	75,902	79,168	74,844	73,846	72,944	72,086	73,012	73,835
Total Other Rev	16,077	766	768	931	13,612	1,220	1,097	944	1,487	2,203	2,256	763	1,439	2,203
Total Non Operating Rev	53,205	9,244	1,277	5,380	37,305	9,897	1,487	5,650	1,370	1,379	15,069	1,418	1,208	(172)
TOTAL REVENUE	964,705	84,057	75,904	81,671	723,073	87,635	78,487	85,762	77,702	77,428	90,269	74,267	75,658	75,866
Total Operating Exp	(252,987)	(20,933)	(18,217)	(30,337)	(183,499)	(18,154)	(22,039)	(30,200)	(16,135)	(21,444)	(20,111)	(17,774)	(17,954)	(19,688)
Total Admin & General Exp	(208,418)	(15,893)	(11,690)	(13,496)	(167,339)	(16,720)	(16,030)	(15,350)	(14,199)	(33,833)	(16,264)	(21,042)	(16,474)	(17,427)
Total Depreciation Exp	(279,527)	(23,378)	(23,373)	(23,373)	(209,402)	(23,373)	(23,373)	(23,349)	(19,591)	(23,943)	(23,943)	(23,943)	(23,943)	(23,943)
Total Non Operating Exp	(5,945)	14	(530)	(530)	(4,900)	(570)	(530)	(530)	(530)	(530)	(530)	(623)	(530)	(530)
TOTAL EXPENSES	(746,877)	(60,190)	(53,810)	(67,736)	(565,140)	(58,817)	(61,972)	(69,429)	(50,455)	(79,750)	(60,847)	(63,382)	(58,901)	(61,587)
NET INCOME	217,828	23,866	22,094	13,936	157,933	28,818	16,515	16,333	27,247	(2,321)	29,421	10,884	16,757	14,279
less P&I Payment Accrual	390,000	21,250	21,250	21,250	326,250	32,010	36,780	36,780	36,780	36,780	36,780	36,780	36,780	36,780
Adjusted Net Income	(172,172)	2,616	844	(7,314)	(168,317)	(3,192)	(20,265)	(20,447)	(9,533)	(39,101)	(7,359)	(25,896)	(20,023)	(22,501)

Garbage Department														
	YTD				YTD									
2024	12/31/2024	Dec 2024	Nov 2024	Oct 2024	9/30/2024	Sept 2024	Aug 2024	Jul 2024	Jun 2024	May 2024	Apr 2024	Mar 2024	Feb 2024	Jan 2024
Total Operating Rev	178,088	0	0	0	178,088	19,784	19,798	19,749	19,756	19,810	19,825	19,759	19,818	19,788
Total Other Revenue	15,124	0	0	0	15,124	1,593	1,537	2,000	1,815	1,777	1,502	2,092	1,538	1,272
Total Non Operating Rev	-	0	0	0	-	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	193,212	0	0	0	193,213	21,377	21,335	21,749	21,571	21,587	21,326	21,851	21,356	21,061
Total Operating Exp	(196,796)	0	0	0	(196,796)	(21,279)	(21,363)	(21,662)	(21,491)	(21,516)	(20,870)	(21,897)	(25,750)	(20,969)
Total Admin & Gen Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Depreciation Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non Operating Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	(196,796)	0	0	0	(196,796)	(21,279)	(21,363)	(21,662)	(21,491)	(21,516)	(20,870)	(21,897)	(25,750)	(20,969)
NET INCOME	(3,584)	0	0	0	(3,583)	98	(28)	87	81	71	456	(46)	(4,394)	91
less Principal Payment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted Net Income	(3,584)	0	0	0	(3,583)	98	(28)	87	81	71	456	(46)	(4,394)	91
2023	YTD				YTD									
	12/31/2023	Dec 2023	Nov 2023	Oct 2023	9/30/2023	Sept 2023	Aug 2023	Jul 2023	Jun 2023	May 2023	Apr 2023	Mar 2023	Feb 2023	Jan 2023
Total Operating Rev	238,295	19,761	19,796	19,868	178,870	19,881	19,933	19,882	19,892	19,928	19,889	19,830	19,769	19,866
Total Other Revenue	18,061	1,303	1,735	1,630	13,393	1,476	1,670	1,643	1,476	1,425	1,315	1,550	1,335	1,504
Total Non Operating Rev	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUE	256,356	21,063	21,531	21,498	192,263	21,357	21,602	21,525	21,368	21,353	21,204	21,379	21,104	21,371
Total Operating Exp	(251,813)	(20,933)	(21,373)	(20,746)	(188,761)	(21,212)	(20,822)	(21,395)	(20,695)	(21,186)	(20,587)	(20,785)	(20,952)	(21,126)
Total Admin & Gen Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Depreciation Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Non Operating Exp	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSES	(251,813)	(20,933)	(21,373)	(20,746)	(188,761)	(21,212)	(20,822)	(21,395)	(20,695)	(21,186)	(20,587)	(20,785)	(20,952)	(21,126)
NET INCOME	4,543	131	157	752	3,502	145	780	130	673	167	617	594	151	245
less Principal Payment											0	0	0	0
Adjusted Net Income	4,543	131	157	752	3,502	145	780	130	673	167	617	594	151	245

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book adjustments

Auburn State Bank (Checking Acct) (1)
September 30, 2024

Account: 1010202
Bank Account Number: 191494

Bank Statement Balance:	4,262,522.06	Book Balance Previous Month:	4,189,679.62
Outstanding Deposits:	67,227.13	Total Receipts:	1,149,633.43
Outstanding Checks:	32,614.42	Total Disbursements:	1,040,029.40
Bank Adjustments:	2,148.88	Book Adjustments:	.00
Bank Balance:	4,299,283.65	Book Balance:	4,299,283.65
		Proof (Bank balance less book balance):	.00

Outstanding Deposits Section

Deposit Number	Deposit Amount	Deposit Number	Deposit Amount	Deposit Number	Deposit Amount	Deposit Number	Deposit Amount
1197	3,431.01	1198	298.97	1199	195.83	1206	61,634.40
1207	1,666.92						
Grand Totals:							<u>67,227.13</u>

Deposits cleared: 59 items Deposits Outstanding: 5 items

Outstanding Checks Section

Check Number	Check Amount	Check Number	Check Amount	Check Number	Check Amount	Check Number	Check Amount
6	2.12	7	1,922.64	9	7.20	10	55.03
1098	100.00	1100	37.29	47733	32.55	48253	149.11
48560	169.18	48866	129.70	48984	82.95	49055	165.58
49141	40.25	49204	99.73	49207	228.22	49354	2.54
49355	47.89	49362	68.47	49505	30.00	49509	1.25
49526	30.00	49531	766.00	49542	195.94	49545	150.00
49549	45.23	49551	30.00	49554	458.89	49559	450.00
49560	10.00	49569	7,580.71	49574	46.78	49579	45.06
49580	106.24	83024109	375.23	93024105	138.40	93024106	19,890.57
93024107	1,630.76	93024108	755.76	93024109	382.43		
Grand Totals:							<u>32,614.42</u>

Checks cleared: 97 items Checks Outstanding: 39 items

Bank Adjustments Section

Description	Amount	Description	Amount
Mid American Benefit o/s	991.20	NSF o/s	1,122.68
Chase Paymentech o/s	35.00		
Grand Totals:			<u>2,148.88</u>

Book Adjustments Section

Report Criteria:

Print Outstanding Checks and Deposits and Bank and Book adjustments

Auburn State Bank-DESIGNATED FUNDS (MMG) (2)
September 30, 2024

Account: 1010204

Bank Account Number: 457285

Bank Statement Balance:	1,089,180.85	Book Balance Previous Month:	1,088,316.40
Outstanding Deposits:	.00	Total Receipts:	864.45
Outstanding Checks:	.00	Total Disbursements:	.00
Bank Adjustments:	.00	Book Adjustments:	.00
Bank Balance:	1,089,180.85	Book Balance:	1,089,180.85
		Proof (Bank balance less book balance):	.00

Outstanding Deposits Section

Deposits cleared: 1 items Deposits Outstanding: 0 items

Checks cleared: 0 items Checks Outstanding: 0 items

Bank Adjustments Section

Book Adjustments Section

CD - INVESTMENTS - September 2024

Interest

GL	ISSUED/ RENEWED DATE	MATURITY DATE	NUM.	TERM	INT.	RATE	OWNER	BANK	ORIGINAL\$	CURRENT\$	
ELECTRIC DEPARTMENT											
											√ interest dates
1200	09/18/24	09/18/25	21003	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	489,675.41	514,913.76	12,3,6,9
1200	09/18/24	09/18/25	21004	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	545,764.92	545,764.92	12,3,6,9
1200	09/18/24	09/18/25	21005	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	924,613.73	924,613.73	12,3,6,9
1200	09/18/24	09/18/25	21006	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	688,056.24	688,056.24	12,3,6,9
1200	09/18/24	09/18/25	21007	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	545,764.92	545,764.92	12,3,6,9
1200	01/06/23	07/08/25	20693	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	731,965.61	774,105.93	1,4,7,10
1200	07/08/24	07/08/25	20688	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	618,210.48	618,210.48	1,4,7,10
1200	07/08/24	07/08/25	20689	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	618,210.72	618,210.72	1,4,7,10
1200	03/16/23	03/20/25	20442	12 MO	CMPQ	4.86%	Capitol Reserves	ASB	207,421.48	212,415.52	12,3,6,9
1200	10/31/23	10/31/24	20133	12 MO	CMPQ	5.50%	Capitol Reserves	ASB	636,571.35	662,525.46	1,4,7,10
1200	05/26/23	05/26/25	972680	12 MO	CMPQ	4.52%	Capitol Reserves	UBT	536,138.08	567,468.60	8,11,2,5
TOTAL ELECTRIC INVESTMENTS										\$6,672,050.28	

WATER DEPARTMENT

1200	09/18/24	09/18/25	21008	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	260,865.02	260,865.02	12,3,6,9
1200	7/8/2024	07/08/25	20691	12 MO	CMPQ	4.65%	Capitol Reserves	ASB	222,528.62	232,899.98	1,4,7,10
1200	5/26/2023	05/26/25	972687	12 MO	CMPQ	4.52%	Capitol Reserves	UBT	280,622.56	297,023.08	8,11,2,5
TOTAL WATER INVESTMENTS										\$790,788.08	

SEWER DEPARTMENT

1200	09/18/24	09/18/25	21009	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	563,974.22	563,974.22	12,3,6,9
1200	09/18/24	09/18/25	21010	12 MO	CMPQ	4.60%	Capitol Reserves	ASB	84,324.87	88,671.06	12,3,6,9
1200	07/08/24	07/08/25	20690	12 MO	CMPQ	5.11%	Capitol Reserves	ASB	446,587.62	446,587.62	1,4,7,10
TOTAL W.W. INVESTMENTS										\$1,099,232.90	

TOTAL INVESTMENTS \$8,562,071.26 √√

CMPQ = compound quarterly
 CMPSA = compound semi-annually
 CMPA = compound annually

7,697,579.58
864,491.68
8,562,071.26

INTEREST ALLOCATION								
AUBURN STATE BANK RECONCILIATION - Through 09/30/2024								
		Prior Months balance #457285 \$1,088,316.40	Allocation		Deposits/ Transfers	Increase/ Decrease in Designated Funds	Checks/ Transfers/ Adjustments	Ending Balance #457285 \$1,089,180.85
E.Prev.Bal. \$659.53 E. REV.%	76.3%	\$830,328.37 \$659.53 \$830,328.37	76.3% 100.0%	interest rounding	\$659.53 -\$0.04	659.49	\$0.01 \$0.00	\$830,987.87
		\$830,328.37	100.0%					\$830,987.87
		\$0.00						\$830,987.87
W Prev. Bal. \$128.20 W. REV.%	14.83%	\$161,365.54 \$128.20 \$161,365.54	14.83% 100.0%	interest rounding	\$128.20	128.20	\$0.00	\$161,493.74
		\$161,365.54	100.00%					\$161,493.74
		\$0.00						\$161,493.74
WW.Prev.Bal. \$76.76 WW. REV%	8.88%	\$96,622.49 \$76.76 \$96,622.49	8.88% 100.0%	rounding interest	\$76.76	76.76	\$0.00	\$96,699.24
		\$96,622.49	100.00%					\$96,699.24
		\$0.00	100.00%					\$96,699.24
Interest =	864.45	\$1,088,316.40 v			\$864.45	864.45		\$1,089,180.85
** adjusted for rounding								
						INTEREST		\$659.49
						INTEREST		128.20
						INTEREST		\$76.76
						Total Interest		864.45

2024 Interest

2023 Interest

Dec	
Nov	
Oct	
Sept	4,262.97
Aug	5,236.69
Jul	5,159.70
June	4,930.55
May	5,019.53
Apr	4,915.14
Mar	5,066.74
Feb	4,539.93
Jan	4,728.42

Dec	4,686.84
Nov	4,257.76
Oct	4,384.17
Sept	4,725.66
Aug	4,857.48
Jul	4,657.09
Jun	3,951.13
May	3,997.88
Apr	3,919.32
Mar	3,863.84
Feb	3,333.27
Jan	3,640.79

43,859.67 YTD Interest

45,588.39 YTD Interest

PLEDGING ANALYSIS

Auburn State Bank - September 2024 Pledge Analysis

PLEDGE#	ISSUE DATE	ORIGINAL AMOUNT	MATURITY	SECURITY PLEDGED	RATING-SP/Moodys	9/30/2024
112128KN2	12/19/17	\$ 130,000.00	12/15/29	BROKEN BOW NEB GO	NR	\$ 121,414.80
187857GD3	11/27/23	\$ 900,000.00	04/01/40	CLINTON-MACOMB MI PUB LIBR	NR	\$ 812,358.00
254068AZ2	08/19/24	\$ 81,000.00	12/15/23	DILLER NEB GO	NR	\$ 81,001.62
31395WHNO	07/01/05	\$ 1,330,000.00	07/15/25	FHLMC REMIC SERIES 3005 ED	NR	\$ 6,039.88
3137FL2Q6	04/20/20	\$ 2,000,000.00	01/25/26	FHLMC REMIC SERIES K-F58	NR	\$ 515,817.59
3137FL7L2	03/28/19	\$ 1,300,000.00	02/25/26	FHLMC REMIC SERIES K-F60	NR	\$ 294,136.45
3137H5FZ5	04/25/23	\$ 500,000.00	11/25/30	FHLMC REMIC Series K-J37	NR	\$ 463,121.40
3137FMCW0	08/07/19	\$ 2,000,000.00	05/25/29	FHMS KF63 A	NR	\$ 1,031,385.34
3140LE6E2	09/20/22	\$ 500,000.00	12/01/27	FNMA MBS 2ND LIEN MULT	NR	\$ 472,486.62
3140J2QH2	10/26/23	\$ 500,000.00	12/01/30	FNMA MBS BL9455	NR	\$ 426,518.83
3140LANP6	01/01/21	\$ 500,000.00	01/01/31	FNMA MBS BLLN MULTI 7+	NR	\$ 414,169.46
3140LBB85	12/21/23	\$ 500,000.00	02/01/36	FNMA MBS BLLN MULTI 7+	NR	\$ 372,955.48
3136AYEX7	09/01/17	\$ 500,000.00	09/25/35	FNMA REMIC TRUST 2017-83	NR	\$ 108,614.08
3136BLET3	09/18/23	\$ 500,000.00	12/25/46	FNR 2022-3EA	NR	\$ 333,348.66
34682EML4	03/01/19	\$ 330,000.00	09/01/36	FORT BEND CNTY TEX MUN UTIL	NR	\$ 318,753.60
3617LUUA4	06/27/22	\$ 1,100,000.00	02/20/70	GNMA HMBS	NR	\$ 262,681.85
38378BA74	08/01/12	\$ 875,000.00	11/16/51	GNMA REMIC TRUST 2012-100 AC	NR	\$ 168,322.63
38376RB70	04/09/20	\$ 1,150,000.00	10/20/66	GNMA REMIC TRUST 2016-H23	NR	\$ 408,068.39
414108KB5	05/15/20	\$ 375,000.00	08/15/36	HARRIS CO TX FRESH WTR SUPP	NR	\$ 307,383.75
564386TG5	02/20/24	\$ 595,000.00	02/15/31	MANSFIELD TEX INDPT SCH DIST	NR	\$ 522,784.85
564386TA8	08/20/24	\$ 105,000.00	02/15/31	MANSFIELD TEX INDPT SCH DIST	NR	\$ 92,577.45
64044XCH2	05/15/19	\$ 290,000.00	12/15/29	NEMAHA. CO NE SCH DIST LTD TAX	NR	\$ 285,139.60
64044XCT6	06/20/24	\$ 290,000.00	12/15/29	NEMAHA. CO NE SCH DIST NO 00	NR	\$ 258,416.10
803770WZ5	01/19/23	\$ 1,000,000.00	12/15/43	SARPY COUNTY NEB SCH DIST NO 037	NR	\$ 1,006,750.00
83165BBH4	03/01/19	\$ 1,000,000.00	08/25/28	SBA PC VAR QTRLY ADJ	NR	\$ 189,481.81
83165BBN1	04/18/19	\$ 1,000,000.00	07/25/29	SBA POOL VARIABLE RATE	NR	\$ 270,238.62
78443VAG7	01/25/07	\$ 1,000,000.00	01/25/42	SLM STUDENT LOAN TR 2007-1	NR	\$ 573,476.23
78443FAF4	07/19/07	\$ 1,000,000.00	01/25/43	SLM STUDENT LOAN TR 2007-5	NR	\$ 393,771.29
878867AF7	04/15/20	\$ 600,000.00	11/01/34	TECUMSEH NE RFD BDS	NR	\$ 543,942.00
91282CCE9	03/28/22	\$ 2,000,000.00	05/31/28	UNITED STATES TREASURY	NR	\$ 1,846,328.12
912828Z94	07/18/22	\$ 500,000.00	02/15/30	UNITED STATES TREASURY	NR	\$ 450,468.75
91282CBL4	08/16/23	\$ 450,000.00	02/15/31	UNITED STATES TREASURY	NR	\$ 388,248.05
91282CBS9	08/17/22	\$ 500,000.00	03/01/28	UNITED STATES TREASURY	NR	\$ 463,359.38
929831TL9	08/21/24	\$ 500,000.00	02/01/35	WACO TEX	NR	\$ 526,425.00
BOOK VALUE		\$25,901,000.00			MKT. VALUE	\$14,729,985.68

PLEDGING ANALYSIS (cont.)

AUBURN STATE BANK BALANCES - September 2024	
Flexible Spending #443450	\$6,725.27
MMG # 457285 (T/D,Ins.,Rev.)	\$1,089,180.85
MMG #191494 E,W,WW Rev.	\$3,378,748.86
SNA #191460 E,W,WW Rev.	\$883,773.20
	\$5,358,428.18

Auburn State Bank C.D.'s -September 2024		
	21003	\$514,913.76
	21004	\$545,764.92
	21005	\$924,613.73
	21006	\$688,056.24
	21007	\$545,764.92
	20693	\$774,105.93
	20688	\$618,210.48
	20689	\$618,210.72
	20442	\$212,415.52
	20133	\$662,525.46
	21008	\$260,865.02
	20691	\$232,899.98
	21009	\$563,974.22
	21010	\$88,671.06
	20690	\$446,587.62
		\$7,697,579.58

Bank/CDs Total	\$13,056,007.76
-----------------------	------------------------

RECAP:	Original Pledge	Market Value
F.D.I.C.	\$250,000.00	\$250,000.00
Pledges	\$25,901,000.00	\$14,729,985.68
Sub-total	\$26,151,000.00	\$14,979,985.68
Bank/CDx1.05	\$13,708,808.15	\$13,708,808.15
Difference	\$12,442,191.85	\$1,271,177.54

Need additional pledge in the amount of = \$00.00
 ** Transition of CD's from UBT to ASB

Proof	
CD Totals All Institutions	\$8,562,071.26

Union Bank & Trust Company - September 2024 Pledge Analysis						
PLEDGE #	ISSUE DATE	AMOUNT	MATURITY	SECURITY PLEDGED	RATING-SP/Moodys	9/30/2024
91282CCZ2	11/17/21	310,000.00	9/30/2026	UNITED STATES TREASURY NOTE		\$293,591.69
38381WT99	09/05/19	146,416.28	07/20/49	US TREASURER BILL	AAA	\$129,433.16
36179YAT1	12/27/23	1,000,000.00		GNMA PASS THRU POOL #MA9018M		\$875,824.23
	BOOK VALUE	\$1,456,416.28			MKT. VALUE	\$1,298,849.08

BANK BALANCES - September 2024	
	\$5,358,428.18

Union Bank C.D.'s - September 2024	
972680	\$567,468.60
972687	297,023.08
TOTAL	\$864,491.68

Bank/CDs Total	\$864,491.68
-----------------------	---------------------

RECAP:	Original Pledge	Market Value
F.D.I.C.	\$250,000.00	\$250,000.00
Pledges	<u>\$1,456,416.28</u>	<u>\$1,298,849.08</u>
Sub-total	\$1,706,416.28	\$1,548,849.08
Bank/CDx1.05	\$907,716.26	\$907,716.26
Difference	\$798,700.02	\$641,132.82

Need additional pledge in the amount of = \$0.00

Report Criteria:
Report type: Summary

Check Issue Date	Check Number	Payee	Description	Amount
10/16/2024	49581		REBATE	25.00
10/16/2024	49582	Altec Industries Inc	UNIT 8 REPAIRS - HYDRAULIC OIL	680.78
10/16/2024	49583	American Recycling & Sanitation	CONTRACTED AMOUNT	20,570.19
10/16/2024	49584	Auburn Chamber Of Commerce	CHAMBER BUCKS-HOLIDAY CERTIFICATES	1,040.00
10/16/2024	49585	Auburn Family Health Center PC	DRUG SCREENS	252.00
10/16/2024	49586	B 103	COOP AD	152.00
10/16/2024	49587	Beard's Salvage	1/2 IN PIPE	67.21
10/16/2024	49588	Billesbach, Doug	REBATE	30.00
10/16/2024	49589	Blackburn Manufacturing	Quik-Mark Inv Sol Paint - Red APWA - 12/CS	258.30
10/16/2024	49590	Board Of Public Works	NORTH WELL FIELD	16,894.61
10/16/2024	49591	Border States Industries Inc	T4030428 - 15 KV BUSHING ADAPTER	2,932.43
10/16/2024	49592	Broers, Ken	REBATE	30.00
10/16/2024	49593	Bulldog Auto Supply	UNIT 3 BATTERY	626.38
10/16/2024	49594	Capital Business Systems, Inc	LANIER COPIER	374.35
10/16/2024	49595	Capital One Spark Business	SCARECROW	1,886.95
10/16/2024	49596	Caselle Inc	CONTRACT SUPPORT	2,018.00
10/16/2024	49597	City of Auburn	FRANCHISE FEE	8,940.62
10/16/2024	49598	Concrete Industries Inc	1 TN SCREENED LIMESTONE BULK	397.40
10/16/2024	49599	County Publications	MINUTES & NOTICE	114.86
10/16/2024	49600	Credit Information Services	CREDIT CHECKS	67.25
10/16/2024	49601	DHHS State of Nebraska	CBOD NH3, TKN TSS	534.75
10/16/2024	49602	Dunn, Nicole	REBATE 3638100	30.00
10/16/2024	49603	Eggers Brothers Inc	UNIT 25 WELD ALUM FLANGE	356.91
10/16/2024	49604	Electric Transportation Partners NE LLC	CHARING STATION ELEC	3,860.00
10/16/2024	49605	Frontier Cooperative	CROSSBOW & ONTARGET	2,591.50
10/16/2024	49606	Glenn's Corner Market	SAFETY MEETING SNACKS	93.96
10/16/2024	49607	Grainger Inc	UNION TEE FOR UNIT 4	13.63
10/16/2024	49608	Great Plains Lawn Care	LAWN CARE	2,310.00
10/16/2024	49609	Green Care Lawn Service	LAWN CARE	560.00
10/16/2024	49610	Hach Chemical Company	SHIELD ASSY	3,391.38
10/16/2024	49611	Hawkins Inc	CHLORINE CYLINDERS	1,148.11
10/16/2024	49612	HireRight Solutions LLC	BACKGROUND CHECK	820.63
10/16/2024	49613	Jackson Services Inc.	MATS	1,932.95
10/16/2024	49614	JK Energy Consulting, LLC	FF SERVICE	14,400.00
10/16/2024	49615	Johansen Drainage & Tile	BORE 6" C900 WATER LINE	13,200.00
10/16/2024	49616	Johnny's Tire & Battery	UNIT 33 BATTERY	331.67
10/16/2024	49617	Kansas Municipal Utilities	TRANSFORMER CONNECTIONS WORKSHOP	2,050.00
10/16/2024	49618	Kidwell Inc	PHONE ASSISTANCE	67.50
10/16/2024	49619	Laminated Wood Systems, Inc.	PEL-3-40W Laminate Pole	5,884.00
10/16/2024	49620	Lawson Products Inc	BOLT - BRASS 1/2 X 2 1/2 IN	280.41
10/16/2024	49621	Lincoln Winwater	NIPPLE - 3/4 X 6 IN BRASS	570.51
10/16/2024	49622	Lynch's Hardware & Gifts	DUCT TAPE	59.57
10/16/2024	49623	McMaster-Carr Supply Company	DRILL BIT	28.39
10/16/2024	49624	Metering and Technology Solutions	WATER METER - HOUSING M35 BOTTOM GASKET	8,255.18
10/16/2024	49625	Meyer-Earp Auto Center LLC	UNIT 31 TIRE REPAIR	1,361.92
10/16/2024	49626	Morrissey, Teresa	CLEANING	600.00
10/16/2024	49627	Municipal Pipe Tool Company LLC	CONTRACTOR PAYMENT REQUEST #5	259,481.70
10/16/2024	49628	Municipal Supply of NE Inc	ROADWAY VALVE BOX - EXTENSION	2,450.73
10/16/2024	49629	Nebraska Dept of Environment and Energy	WATER OPERATOR LICENSE MULLINS	565.00
10/16/2024	49630	One Call Concepts Inc	LOCATES	319.34
10/16/2024	49631	Petty Cash	DRILL BIT - REIMBURSE	12.69
10/16/2024	49632	Pieters Construction Inc.	CONCRETE, REBAR & LABOR FOR 16TH & P	2,035.00
10/16/2024	49633	Pinpoint Auburn, Inc	PHONE SERVICE 10/01/2024-10/31/2024	433.93
10/16/2024	49634	PIP Marketing Signs & Print	STATEMENTS	3,168.55
10/16/2024	49635	Quill LLC	COPY PAPER	83.05

Check Issue Date	Check Number	Payee	Description	Amount
10/16/2024	49636	Rewound Power Motors	WWTP PUMP #3 REPAIRS	730.87
10/16/2024	49637	Sack Lumber Company	SLAB & SOLID BLOCK	138.35
10/16/2024	49638	SECUR-SERV	BACKUP MANAGEMENT	2,224.35
10/16/2024	49639	Siebold, Mallory	REBATE	30.00
10/16/2024	49640	Slater, Dave	REBATE	30.00
10/16/2024	49641	Smith & Loveless Inc	DOME ASSEMBLY	144.80
10/16/2024	49642	United States Postal Service	POSTAGE	4,000.00
10/16/2024	49643	US Cellular	MONTHLY SERVICE CHG - 9/01/2024-10/09/2024	780.71
10/16/2024	49644	Village of Brownville	WASTE WATER	10,641.48
10/16/2024	49645	Village Of Johnson	FRANCHISE FEE	5,242.29
10/16/2024	49646	Village of Nemaha	GARBAGE	5,762.20
10/16/2024	49647	Water Engineering Inc	MONTHLY AGREEMENT	432.11
10/16/2024	49648	Wellman, Darrell	REBATE	30.00
10/16/2024	49649	Wellman, Lois	REBATE	30.00
10/16/2024	49650	Wesco Distribution Inc	PEDESTAL - FLUSHMOUNT	741.24
10/16/2024	49651	Western Area Power Administration	ENERGY- SEPT 2024	25,042.18
Grand Totals:				446,641.87

Report Criteria:
Report type: Summary

Check Number	Check Issue Date	Payee	Amount
49652	10/16/2024	Flynn Jr, John	83.24
49653	10/16/2024	Gebhardt, Dustin	248.21
49654	10/16/2024	Holbrooks, Christlia	111.00
49655	10/16/2024	Jones, Rae	134.14
49656	10/16/2024	Mattox, Aubrey	142.12
49657	10/16/2024	ST of NE-Financial Srvs	143.00
49658	10/16/2024	Summerlin, Megan	234.51
Grand Totals:			1,096.22

Checks Written Need Ratified	
------------------------------	--

AFLAC	271.16
Ameritas	7,078.29
ASB	475.00
Assurity	193.43
BCBS	17,967.93
Black Hills Energy	127.80
NSF Checks	1,817.40
Chase Paymentech	1,972.20
DIRECT DEPOSIT TOTAL	58,191.32
Guardian Life	1,632.88
IBEW 1536	755.76
IRS	22,062.97
Mid-American Benefits Inc	1,192.19
Mutual of Omaha	389.63
NDOR W/H	7,530.20
NE Dept of Revenue	30,769.18
NPPD	235,667.08
Quadient	100.00
Southwest Power Pool	35,542.72
The Principal Group	1,480.89
United Parcel Service	37.29
Verizon Wireless	90.13
WEX Fleet Universal	2,685.10
Windstream	165.84
Xpress Bill Pay	694.80
	<hr/>
	428,891.19
	<hr/>

Claims by Fund	
----------------	--

Electric	68,284.09
Water	51,029.29
Wastewater	296,287.34
Garbage	20,475.01
Villages	11,662.36
	<hr/>
	447,738.09
	<hr/>

October Claims Transfer Request - ASB Money Market to Checking

Vendor Claims		447,738.09	Prior Month ACH Claims	428,891.19
Prior Month ACH Claims		428,891.19	AFLAC	271.16
Payroll		100,000.00	Ameritas	7,078.29
Bond		437,090.00	ASB	475
	Payments	<u>1,413,719.28</u>	Assurity	193.43
			BCBS	17,967.93
			Black Hills Energy	127.8
			NSF Checks	1,817.40
Bank Balance Checking	9/30/2024	883,773.20	Chase Paymentech	1,972.20
O/S Checks & ACH		32,614.42	DIRECT DEPOSIT TOTAL	58,191.32
O/S Deposits - 191460		67,227.13	Guardian Life	1,632.88
		<u>918,385.91</u>	IBEW 1536	755.76
			IRS	22,062.97
Payments - Balance		(495,333.37)	Mid-American Benefits Inc	1,192.19
			Mutual of Omaha	389.63
Operational Transfer Request		595,000.00	NDOR W/H	7,530.20
			NE Dept of Revenue	30,769.18
Estimated Ending Balance		99,666.63	NPPD	235,667.08
			Quadient	100
			Southwest Power Pool	35,542.72
			The Principal Group	1,480.89
			United Parcel Service	37.29
			Verizon Wireless	90.13
			WEX Fleet Universal	2,685.10
			Windstream	165.84
			Xpress Bill Pay	694.8

**Cost of Unbilled
Services Provided to the City of Auburn
2024**

Month	Labor	Equipment	Materials	Street Lights	
				Utility Bill	Total
January	7,555.56	2,300.00	-986.35	2,389.87	11,259.08
February	1,932.60	735.00	874.61	2,344.56	5,886.77
March	7,710.91	3,005.00	0.00	1,893.73	12,609.64
April	7,830.49	1,360.00	0.00	1,807.99	10,998.48
May	2,298.02	210.00	3,219.71	1,465.56	7,193.29
June	279.06	180.00	14.75	1,116.36	1,590.17
July	498.93	300.00	288.40	1,266.04	2,353.37
August	75.66	60.00	19.73	1,486.80	1,642.19
September	2,762.73	740.00	616.95	1,494.98	5,614.66
October					0.00
November					0.00
December					0.00
Grand Totals	\$30,943.96	\$8,890.00	\$4,047.80	\$15,265.89	\$59,147.65

**Cost of Unbilled
Services Provided to the City of Auburn
2024**

Month	Labor	Equipment	Materials	Street Lights	
				Utility Bill	Total
January	7,555.56	2,300.00	-986.35	2,389.87	11,259.08
February	1,932.60	735.00	874.61	2,344.56	5,886.77
March	7,710.91	3,005.00	0.00	1,893.73	12,609.64
April	7,830.49	1,360.00	0.00	1,807.99	10,998.48
May	2,298.02	210.00	3,219.71	1,465.56	7,193.29
June	279.06	180.00	14.75	1,116.36	1,590.17
July	498.93	300.00	288.40	1,266.04	2,353.37
August	75.66	60.00	19.73	1,486.80	1,642.19
September	2,762.73	740.00	616.95	1,494.98	5,614.66
October					0.00
November					0.00
December					0.00
Grand Totals	\$30,943.96	\$8,890.00	\$4,047.80	\$15,265.89	\$59,147.65

Village of Brownville

2024 Costs Incurred and Billed

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Labor for Billing	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00	250.00				2250.00
Billing Charge per Bill	58.00	58.00	58.00	58.00	58.00	57.50	57.50	58.00	58.00				521.00
Verizon SCADA													0.00
Shipping Samples													0.00
Mileage		13.67											13.67
Materials													0.00
Credit													0.00
Water Meters													0.00
Meals													0.00
Labor - Electric REG													0.00
Labor - Elec OT													0.00
Labor- Water REG		50.00											50.00
Labor- WW REG													0.00
Labor- Admin REG													0.00
Labor - Water OT													0.00
Labor - WW OT													0.00
Labor - HOLDBL													0.00
Equipment													0.00
Monthly Totals	308.00	371.67	308.00	308.00	308.00	307.50	307.50	308.00	308.00	0.00	0.00	0.00	2,834.67

Village of Johnson

2024 Costs Incurred and Billed

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Shipping Samples													0.00
Mileage		32.16	26.80										58.96
Materials						112.47							112.47
Water Meters													0.00
Meals													0.00
Labor - Electric REG		175.00											175.00
Labor- Water REG													0.00
Labor- WW REG			75.00										75.00
Labor- Admin REG													0.00
Labor - Water OT													0.00
Labor - WW OT													0.00
Labor - HOLDBL													0.00
Equipment		350.00	150.00										500.00
Monthly Totals	0.00	557.16	251.80	0.00	0.00	112.47	0.00	0.00	0.00	0.00	0.00	0.00	921.43

Village of Nemaha

2024 Costs Incurred and Billed

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Labor for Billing	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00				1800.00
Billing Charge per Bill	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00				450.00
Verizon SCADA	40.01	40.01	40.01	40.01	40.01	40.01	40.01	40.01	40.01				
Shipping Samples	12.36	37.17	24.78	24.78	12.41	24.78	24.77	24.83	12.47				173.57
Mileage	130.32	149.75	145.59	180.36	122.74	126.23	179.02	163.28	133.40				1,330.69
Materials		17.03				19.72	80.11						116.86
Water Meters		347.08	86.77										433.85
Meals													0.00
Labor - Elec REG							825.00						
Labor- Water REG	450.00	712.50	400.00	450.00	575.00	512.50		750.00	325.00				4,175.00
Labor- WW REG	25.00	25.00	25.00	400.00	100.00			150.00	100.00				825.00
Labor- Admin REG	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00				900.00
Labor - Water OT	150.00			200.00	100.00				150.00				600.00
Labor - WW OT													0.00
Labor - HOLDBL													0.00
Equipment													0.00
Monthly Totals	1,157.69	1,641.37	1,084.54	1,645.15	1,300.16	1,073.24	1,498.91	1,478.12	1,110.88	0.00	0.00	0.00	10,804.97

City of Peru

2024 Costs Incurred and Billed

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Verizon SCADA	99.23	98.54	102.77	50.17	50.12	50.08	50.06	50.12	50.12				601.21
Shipping Samples	24.72		37.19	12.39	12.41	24.78	12.39	12.44					136.32
Mileage	458.48	284.35	72.49	84.22	92.26	66.93	266.93	353.02	221.64				1,900.32
Materials						303.52							303.52
Water Meters													0.00
Bulk Water													0.00
Meals													0.00
Finance Fees													
Labor- Water REG	2,387.50	1,475.00	350.00	200.00	350.00	150.00	150.00	800.00	175.00				6,037.50
Labor- WW REG			50.00	25.00	25.00	62.50	325.00	500.00	400.00				1,387.50
Labor- Admin REG	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00	350.00				3,150.00
Labor - Water OT/CTE	1,500.00	450.00	900.00	2,250.00	1,500.00	750.00	450.00	900.00	600.00				9,300.00
Labor - WW OT													0.00
Labor - HOLDBL				600.00									600.00
Equipment									150.00				150.00
Monthly Totals	4,819.93	2,657.89	1,862.45	3,571.78	2,379.79	1,757.81	1,604.38	2,965.58	1,946.76	0.00	0.00	0.00	23,566.37