PUBLIC UTILITIES COMMISSION AGENDA

City of Brainerd, Minnesota
BPU Service Center, 8027 Highland Scenic Rd, Commission Room
Tuesday, November 28, 2023 @ 9:00 AM

The public is invited to attend these meetings in person

1. **Call To Order**

2. **Roll Call**

   ___M. Angland ___T. Johnson___M. O'Day __D. Matten

3. **Pledge of Allegiance**

4. **Approval Of Agenda - Voice Vote**

5. **Consent Calendar**
   NOTICE TO PUBLIC - all matters listed are considered routine by the Commission and will all be enacted by one (1) motion. There will be no separate discussion of these items unless good cause is shown prior to the time the Commission votes on the motion to be ADOPTED BY ROLL CALL

   A. **Approval of Minutes for Regular Monthly Meeting of October 31, 2023**

   B. **Approval of Current Month's Bills**

   C. **Approval of Pay Request No. 1 Received from Minger Construction for $538,587.35 for Directional Drilling Forcemain River Crossing Project (See Attached Payment Application)**

6. **Public Forum**
   Time allocated for citizens to bring matters not on the agenda to the attention of the Commission - Time limits may be imposed

7. **Commission Committee Reports**

   A. **Personnel Committee**

   B. **Finance Committee**

8. **Unfinished Business**

   A. **See Attached Separate Memo Regarding Update on Unfinished Business Items**

9. **New Business**

   A. **Approval of 2024 Operating Budget and 2024 through 2028 Capital Budget**

B. **Ratify Letter of Support to Region Five Development Commission for Local Energy Action Plan Technical Assistance for BPU**

C. **Approval of Audit Services with CLA for 2023**

10. **Staff Reports**
(Verbal: Any Updates since Packet)

A. **City Administrator Report**

B. **Council Liaison Report**

C. **Public Utilities Director Report**

D. **HR Director Report**

11. **Commission Member Reports**
Future Agenda Items

12. **Adjourn**

Visit Brainerd Public Utilities website at www.bpu.org

MISSION

"The mission of Brainerd Public Utilities is to provide safe, reliable, environmentally friendly electric, water and sewer services to our customers at the lowest reasonable cost."

BRAINERD PUBLIC UTILITIES
8027 Highland Scenic Rd • P.O. Box 373 • Brainerd, Minnesota 56401
Business Office: 218.829.8726 ■ ***Repair Service:*** 218.829.2193
www.bpu.org

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on October 31, 2023.

Commission President Wussow called the meeting to order at 9:00 AM.

Commission Roll Call

Mike Angland – Present	Mark O'Day – Present
Tad Johnson – Present	Dolly Matten – Present
Patrick Wussow – Present	

Utility Staff Present

Public Utilities Director	Todd Wicklund
Operations Manager	Trent Hawkinson
Water/Wastewater Manager	Charlie Gammon
Finance Manager	Danny Loch
Business Office Supervisor	Jana Pernula
Recording Secretary	Mandy Selisker
Mitch Lachelt	BPU Journeyman Lineworker
Ryan Miller	BPU Journeyman Lineworker

Others in Attendance

City Administrator	Jennifer Bergman
HR Director	Kris Schubert
City Council Liaison	Jeff Czeczok
Bolton & Menk	Morgan Salo, PE
Theresa Bourke	Brainerd Dispatch
BJ Allen	R5DC
Sue Sterling	BPU Residential Customer

Commissioner Wussow opened the meeting with the Pledge of Allegiance.

Approval of Agenda Items

Commissioner Angland proposed amending the agenda by adding the additional two items under New Business.

9E. Discussion regarding proposal for Strategic Planning Services
9F. Grant Opportunity

Motion by Commissioner O'Day and seconded by Commissioner Matten to approve the amended agenda. There was a unanimous vote in favor of the motion. Motion carried.

Approval of Consent Items

Motion by Commissioner Matten and seconded by Commissioner O'Day to approve the minutes of the regular monthly meeting of August 29, 2023, and September 26, 2023, approval of current month's bills and approval of Pay Request No. 23 received from Magney Construction for $22,785.75 for Water Tank Storage Project (see attached payment application). There was a unanimous roll call vote in favor of the motion. Motion carried.

Public Forum

Resident, Sue Sterling from 217 SW 4th Street, addressed her concern with the unfluorinated tap currently being turned off.

Commission Committee Reports

Personnel

Commissioner O'Day noted the recognition of Lineworker, Ryan Miller, on completing his Apprenticeship.

- Operations Manager Hawkinson congratulated Ryan on completing the Journeyman Lineman Program through Northwest Lineman College. Ryan logged over 8,200 hours in the areas of overhead and underground construction, substations, and metering.

Finance

None

Unfinished Business - *See board packet for staff memo.*

The following unfinished business items were noted:

Roberts Gravel Pit Purchase

Recommendation to Brainerd City Council to authorize Brainerd City Council to authorize the City Attorney to begin eminent domain process for gravel pit property owned by Roberts Sand & Gravel which are identified by parcel numbers 41361080 and 41361081.

Motion by Commissioner O'Day and seconded by Commissioner Matten to recommend to City Council to authorize the City Attorney to begin the eminent domain process for the gravel pit property parcels 41361080 and 41361081 currently owned by Roberts Sand & Gravel. There was a unanimous vote in favor of the motion. Motion carried.

Unfluorinated Tap at Water Plant.

Public Utilities Director Wicklund noted that the City Council has requested that the unfluorinated tap be turned back on. Wicklund also noted BPU staff would need to increase testing frequency from one time per week to twice weekly and the decision is ultimately up to the Commission.

Motion by Commissioner Johnson and seconded by Commissioner O'Day, to turn back on the unfluorinated tap. There was a roll call vote with Johnson voting aye and O'Day, Angland, Matten and Wussow voting nay. Motion denied.

Commissioner Johnson noted he is strongly in favor of having the tap on mentioning that there are a lot of households that are outside of the City of Brainerd that don't have access to safe drinking water that use this service and it is an important public service to be able to provide at low marginal costs.

Commissioner O'Day inquired if this tap would be chlorinated. Public Utilities Director Wicklund verified no. It would be as it was before, raw water, with no fluoride or chlorination. The process to chlorinate this tap would be a large capital project. Commissioner Johnson and O'Day were both in agreement that the tap should be labeled as such. Commissioner O'Day also expressed concern with what kind of liability that BPU would have and what is BPU's responsibility.

Commissioner Wussow requested Water/Wastewater Manager Gammon's concerns. Gammon expressed the importance of notifying the public that it is non-potable and drink at your own risk. Gammon discussed possible options of posted signage, liability waivers, or a permitting process and that to ensure the safety of this water is almost impossible. Gammon also noted that when a contamination happens the tap is hand dosed with chlorine to disinfect and then tested.

Commissioner Matten inquired that if testing is occurring twice weekly and contamination would occur, how does that notice reach the public, noting that she would like to get an attorney's opinion on the subject and if signage would be enough.

Commissioner Johnson authorized to amend his motion to add in subject to due diligence of staff to work with legal guidance on proposed signage. Commissioner O'Day was not in favor of the amendment. Amendment to motion failed.

Motion by Commissioner O'Day and seconded by Commissioner Matten to table the discussion until the next Commission meeting, to have staff seek answers to the concerns that have been brought forward which include a permitting process, signage, and approval from the Minnesota Department of Health (MDH). There was a unanimous vote in favor of the motion. Motion carried.

Insurance Claims Related to the August Boil Advisory
Public Utilities Director Wicklund noted that the League of Minnesota Cities Insurance Trust provided an update on Friday. The Insurance adjuster's recommendation is that there is no liability on behalf of BPU/City of Brainerd and they will be notifying the claimants of the denial of the claims. There were approximately 13 claims filed.

Lead Service Line (LSL) Inventory Assessment
Public Utilities Director Wicklund noted a meeting occurred last week to discuss. There is an assessment of all service lines needed for both commercial and residential and identifying the type of materials used. This is needed to identify both lead and galvanized service lines. BPU has engaged Bolton & Menk to help with potential grant opportunities. Information will be communicated to customers on the upcoming inventory as BPU knows more. Water/Wastewater Manager Gammon noted the average cost to replace a service line is $44,000 each. Granting will be important for the residents. Wussow noted he will be looking for an update at the next meeting.

Directional Drilling Forcemain River Crossing Project
A new pipe is now under the river. November meeting will have the first pay request for this project. Water/Wastewater Manager Gammon provided a brief update which included the contractor noted difficulty with the west bank collapsing and needing to do some additional trenching. Gammon also noted that in the process of increasing the size of the crystallization pond, the contractor ran into some contaminated soil, so they needed to excavate and get it tested. Gammon noted Minger Construction has been good to work with.

Corrosion Control Plan to the Minnesota Department of Health (MDH)
A plan must be submitted to the MDH by November 6, 2023, describing the intended plan for dealing with copper corrosion. A one-page letter was drafted to the MDH noting the intention to feed and maintain orthophosphate into the distribution system and in conjunction, continue to chlorinate per the MDH's recommendation. BPU will continue monitoring and testing through the implementation process. This letter was noted as the initial phase of the plan.

Motion by Commissioner O'Day and seconded by Commissioner Johnson to authorize submitting the letter to the Minnesota Department of Health. There was a unanimous vote in favor of the motion. Motion carried.

Electric Transmission Service to Brainerd and Crypto Mining Activity
Commissioner Wussow encouraged staff to continue to work with Minnesota Power on this, noting contracts have been negotiated with Crypto Mining customers on excess capacity. When demand peaks, Minnesota Power (MP) is unable to provide the power to us as needed. Operations Manager Hawkinson is actively working on this. Hawkinson also noted that MP is the Regional Transmission Operator (RTO).

New Business

Discuss Job Offer for Electric Distribution Supervisor – *see board packet for agenda request.*
HR Director Schubert discussed the offer that was originally presented to Mitch Lachelt as well as what the offer would look like with Mr. Lachelt's scheduled standby taken into consideration.

Motion by Commissioner O'Day and seconded by Commissioner Matten to recommend to City Council to include scheduled standby pay as required by the union contract into consideration for initial step placements for promoted employees, to recommend approval of a conditional job offer to Mitch Lachelt for the Electric Distribution Supervisor position at Step 6 ($55.41 per hour) with his promotion being effective November 7, 2023, and to authorize staff to begin the hiring process to backfill the Lineworker position. There was a unanimous vote in favor of the motion. Motion carried.

Commissioner Matten expressed appreciation for staff working together, noting it was an extremely good compromise.

Accept the Retirement of Hydro Operator/Mechanic, Bradley Holtz
Motion by Commissioner O'Day and seconded by Commissioner Matten to accept with regret, the retirement of Bradley Holtz effective December 31, 2023, and to authorize Mr. Holtz's severance pay per city policy manual and the USW Hydro Union Contract. There was a unanimous vote in favor of the motion. Motion carried.

Approval of New Water and Wastewater Treatment Utility Rates-*see board packet for recommended rate changes and staff memo.*
Public Utilities Director Wicklund reviewed the proposed rates, noting the following:

- An effective date for the rate change would be December 1, 2023. The primary reason for the adjustments is related to debt service requirements related to the issuance of the 2023A bonds. The impact on a residential water/wastewater treatment customer using 4,000 gallons per month would be an increase of $3.15 per month. This would likely be an interim increase until the rate study, currently in progress, is completed.

Motion by Commissioner O'Day and seconded by Commissioner Johnson to approve proposed water and wastewater treatment rates as presented effective December 1, 2023. There was a unanimous vote in favor of the motion. Motion carried.

Approval of 14th Amendment to AEP Agreement-*see board packet for draft amendment and staff memo.*
Public Utilities Director Wicklund reviewed the proposed amendment. Discussion included:

- This would be for planning years starting June 1, 2025, at a cost of $27,500 per month.
- Commissioner Johnson noted that this capacity is at a rate 25% higher than any other capacity BPU has ever bought which Commissioner O'Day noted that it will continue to increase. Wicklund noted that the way we attempt to offset this cost is additional behind the meter projects.

Motion by Commissioner O'Day and seconded by Commissioner Angland to approve the 14th Amendment to AEP agreement. There was a unanimous vote in favor of the motion. Motion carried.

Proposal for Strategic Planning
Commissioner Angland provided the proposal and discussed the following:

- A proposal was submitted by Pamela Finch with Red Ribbon Consulting, LLC. Total investment of the proposal is $45,000 with options services of onboarding a new director ($5,000) and presenting strategic outcomes to the Commission ($3,500). The entire process is 18 months long and consists of 2 phases with an additional proposed service of the onboarding of the new Public Utilities Director. His recommendation is to approve and move forward with this but also has another option that he could reach out to for an additional proposal.

- Commissioner Wussow would like to see some additional options for related services, noting it is a substantial investment and suggested reaching out to the League of Minnesota Cities. Commissioner Matten also noted she would like to get a few testimonials for this company along with another estimate. Commissioner O'Day agreed with obtaining another estimate.

Commissioner Wussow summarized that the consensus is to keep it on the agenda for next month with additional alternatives, suggestions from staff on what they would like to see, as well as funding sources.

Grant Opportunity
Commissioner Angland discussed the following related to a current grant opportunity:

- BPU management staff and Commissioner Angland have met with BJ Allen, a representative of Region 5 Development Commission, who specializes in renewable energy.

- Current grant opportunity through the Department of Energy called LEAP (Local Energy Action Program).
    - It is a $50,000 potential grant opportunity for planning and technical assistance.
    - Could assist with the mandate of being carbon free by 2040.
    - There is an approaching application deadline of December 14th, 2023.
    - Region 5 has been allocated funding to assist, at no cost, with grant application.
    - Aids in future energy planning, noting an opportunity to capitalize on.
    - Access to other funding sources with working with BJ Allen and Region 5 on going.
    - Meeting this afternoon to keep the process moving and will provide an update at the next Commission meeting.

City Administrator Report

City Administrator Bergman reported on the following:

- Safe Routes to School for Lowell is moving forward with the project and street improvements.
- Gully project is continuing to move forward.
- Submitting transportation alternative grant for the pedestrian bridge over Highway 210 at Lum Park.
- Her Resignation as City Administrator has been submitted with her last official day being November 15, and last working day of November 9th. Bergman expressed thanks for all she has learned working with the Commission and BPU staff.
- City Council held a special meeting last Monday appointing Patick Wussow as Interim City Administrator and reviewing firms to assist in a search for a new City Administrator.

City Liaison Report

City Council Liaison Czeczok reported on the following:

- Congratulated Commissioner Wussow on his Interim City Administrator position.
- Expressed thanks to City Administrator Bergman.

Public Utility Director's Report – *see board packet for report.*

Resignation of Commission President Wussow

- Public Utilities Director Wicklund inquired if Commissioner Wussow was resigning or taking a leave of absence from the Commission during his time as Interim City Administrator. Commissioner Wussow confirmed that he was resigning per the City Charter and would be happy to reapply when there is an opening again.

Welcome to Danny Loch

- Danny started on October 30, 2023, as the Finance Manager.

Budget Process

- Finance Manager Loch and Public Utilities Director Wicklund will be working on the Operating and Capital Budget for 2024.

Street Projects

- Upcoming Street projects for 2024/2025 include:
    - Evergreen Project is scheduled for Mill and Overlay in 2024, but BPU would like to ask the Council to let BPU assess infrastructure/replace water main in conjunction with this street project.
    - The Graydon Avenue project is scheduled for Mill and Overlay in 2025. This could allow for assessment of water mains and electric underground located in this area.
    - These projects will also aid in lead service line analysis.
- BPU's concern is before streets projects are finalized, encourage the City to work with BPU to assess any infrastructure needs first and estimate costs.
    - City Liaison will be working with Council to relay the message to City Council.

Motion by Commissioner O'Day and seconded by Commissioner Wussow to recommend to City Council reconsidering the upcoming street projects for Evergreen and Graydon Avenue as potential full reclamation projects. There was a unanimous vote in favor of the motion. Motion carried.

Budget Process and Street Projects

- Commissioner Johnson strongly encouraged the City and BPU to work together to make sure that both parties are aware of each other's 5-year budgets.

Responsibility and Ownership of Service Lines

- Public Utilities Director noted that this will be brought back at the Novembers meeting with recommended revised language.

Managers Reports

Operations Manager Hawkinson reported:

- Attended Midwest Hydro User Group (MHUG) Fall Conference in early October. The Operations and Maintenance Committee had a vacancy and Hawkinson will be taking a role.
- MMUA Regional Tree Trimming Workshop was hosted by BPU. There were approximately 40 students attending for 3 days.
- October 16, meet with SRF Consulting, on Highway 210 project. Hawkinson is hoping to see 30% plans by January.
- Insurance Audit at the Hydro occurring today.
- Two generators running currently at the Hydro.
- Still some generation at Airport Solar Project with the seasonal changes.

Operations Manager Hawkinson inquired about Lineworker, Ryan Miller's movement from Apprentice to Journeyman pay and if it is a required action of the Commission.

- HR Director Schubert noted that Ryan would be reclassified to a new position so it would need a recommendation from the Commission to the City Council with an effective date and his wage.
- Operations Manager Hawkinson noted that his effective date will be back paid since the college had to undergo an academic audit of his scores but did meet his qualifications several months ago.

Motion by Commissioner O'Day and seconded by Commissioner Johnson to recommend to City Council the reclassification of Ryan Miller to a Journeyman Lineworker. There was a unanimous vote in favor of the motion. Motion carried.

Water/Wastewater Manager Gammon reported:

- Finished up last cropping year for biosolids with 427 trucks hauled.
- Paying special attention to school crossings with trucks while hauling
- Residential concerns with drinking water
  - Worked with 10 households for testing in October, sampled 8.
  - Worked with 11 households in September, met with 9.
- Waiting on delegation from EPA (Environmental Protection Agency)
- As part of the Wellhead Protection Program, BPU is forming a group with members of the county, MPCA, and other agencies. BPU would like to have one Commissioner to be part of this process and Commissioner O'Day volunteered.

HR Director's Report – *See board packet for report.*

Commission Members – Future Agenda Items

Commissioner Matten reported that Personnel & Finance will try to target a November date to meet regarding staffing.

Next Board meeting is scheduled for November 28, 2023.

Commission President Wussow motioned to adjourn the meeting at 10:30AM. ***There was a unanimous vote in favor of the motion. Motion carried.***

____
Dolly Matten, Commission Vice-President

____
Danny Loch, Finance Manager

Check Report

Brainerd Public Utilities, MN

By Check Number

Date Range: 10/27/2023 - 11/21/2023

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP2-BREMER BANK							
Payment Type: EFT							
05948	MICROSOFT		10/27/2023	EFT	0.00	1,329.56	161
E0200PCOGD	Invoice	10/26/2023	ONLINE SERVICES: 08/20/23-10/19/23		0.00	1,329.56	
09536	U.S. BANK ST. PAUL - FEE DEPT		11/10/2023	EFT	0.00	550.00	162
7096152	Invoice	11/09/2023	BRD, MN ELEC UTILITY BOND 2014A -ADM…		0.00	550.00	
00140	AEP ENERGY PARTNERS, INC.		11/17/2023	EFT	0.00	918,726.46	163
175-21461592	Invoice	11/16/2023	Invoice Period: 10/01/23-10/31/23		0.00	918,726.46	
09535	U.S. BANK ST PAUL		11/17/2023	EFT	0.00	458,535.00	164
2411473	Invoice	11/16/2023	ACCT #: 0018106NS / MN ELEC UTIL BOND…		0.00	458,535.00	
10095	AEP ONSITE PARTNERS, LLC		11/20/2023	EFT	0.00	39,588.58	165
419-21461691	Invoice	11/17/2023	Invoice Period: 10/01/23-10/31/23		0.00	39,588.58	
				Total EFT:	**0.00**	**1,418,729.60**	

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount	Payment Amount	Number
Payment Type: Regular							
03282	FERGUSON WATERWORKS #2518		10/30/2023	Regular	0.00	150.00	81112
0507800	Invoice	10/30/2023	Y BRANCH		0.00	150.00	
03321	FIRST IMPRESSION PRINTING		10/30/2023	Regular	0.00	2,092.98	81113
89249-Reissue	Invoice	10/30/2023	CWR - DOOR HANGER		0.00	403.50	
89290-Reissue	Invoice	10/30/2023	PRINTING/PUBLISHING FORMS- DISC/DELI...		0.00	1,689.48	
00877	BRAINERD LICENSE OFFICE		11/03/2023	Regular	0.00	1,940.45	81114
2254-REGISTER/...	Invoice	11/03/2023	REGISTRATION & TAX/CENTRAL 2023 KUB...		0.00	1,833.45	
3226-REGISTRAT...	Invoice	11/03/2023	REGISTRATION-SERVICE CENTER/GATOR (...		0.00	68.50	
5103-REGISTRAT...	Invoice	11/03/2023	REGISTRATION / HYDRO KUBOTA (FA # 51...		0.00	38.50	
00105	ACE HARDWARE-BRAINERD		11/09/2023	Regular	0.00	715.82	81131
319532	Invoice	11/09/2023	GLASS SS/SPRAY PAINT		0.00	76.13	
319562	Invoice	11/09/2023	BATTERIES/VALVE GATE		0.00	35.56	
319570	Invoice	11/09/2023	SPRAY PAINT		0.00	20.84	
319603	Invoice	11/09/2023	ICE MELT		0.00	192.27	
319627	Invoice	11/09/2023	IMPACT WRENCH		0.00	290.26	
319638	Invoice	11/09/2023	SPRAY PAINT/HAMMER/FLEX TUBING		0.00	58.61	
319720	Invoice	11/09/2023	ADAPTERS/HOSE/VINYL TUBING		0.00	42.15	
00405	ANDERSON BROTHERS CONSTRUCTION		11/09/2023	Regular	0.00	1,931.25	81132
32946	Invoice	11/09/2023	PATCH BIT TRAIL W SIDE - COLLEGE DR BR...		0.00	431.25	
33896	Invoice	11/09/2023	8X12 PATCH EAST RIVER RD OFF JENNY ST...		0.00	1,500.00	
00340	ARAMARK UNIFORM SERVICES		11/09/2023	Regular	0.00	63.48	81133
2530200242	Invoice	11/09/2023	WORK UNIFORMS		0.00	31.74	
2530203210	Invoice	11/09/2023	WORK UNIFORMS		0.00	31.74	
00497	AUTO VALUE		11/09/2023	Regular	0.00	83.49	81134
17349218	Invoice	11/09/2023	AB UNION CONNECTOR		0.00	83.49	
00692	BATTERIES PLUS # 035		11/09/2023	Regular	0.00	15.99	81135
P67246468	Invoice	11/09/2023	3.6V LITHIUM BATTERY		0.00	15.99	
00735	BEST OIL COMPANY		11/09/2023	Regular	0.00	6,101.63	81136
32070	Invoice	11/09/2023	DIESEL		0.00	998.00	
32071	Invoice	11/09/2023	GAS		0.00	870.00	
32232	Invoice	11/09/2023	DIESEL		0.00	608.75	
32233	Invoice	11/09/2023	GAS		0.00	664.00	
32234	Invoice	11/09/2023	DIESEL		0.00	1,641.38	
49134	Invoice	11/09/2023	DIESEL		0.00	1,319.50	
00982	BRAINERD HYDRAULIC AIR & INDUSTRIAL SUPPI		11/09/2023	Regular	0.00	116.81	81137
29809	Invoice	11/09/2023	NON CONDUCTIVE 3/8		0.00	109.31	
29826	Invoice	11/09/2023	ORFS FITTING		0.00	7.50	
02025	CITY OF BRAINERD		11/09/2023	Regular	0.00	1,720.00	81138
23-0003749	Invoice	11/09/2023	LASERFICHE ANNUAL SUPPORT - INVOICE#...		0.00	1,720.00	
08672	DARRIN SMITH		11/09/2023	Regular	0.00	100.00	81139
10/30/23-SAFETY...	Invoice	11/09/2023	REIMBURSE SAFETY BOOTS @ 50%		0.00	100.00	
03695	GOPHER STATE ONE-CALL		11/09/2023	Regular	0.00	249.75	81140
3100110	Invoice	11/09/2023	GSOC TICKETS		0.00	249.75	
06141	MINNESOTA DEPT OF HEALTH		11/09/2023	Regular	0.00	23.00	81141
10/23/23-CLASS ...	Invoice	11/09/2023	CLASS C WTR OPERATOR-KEVIN KIEHLBAU...		0.00	23.00	
06141	MINNESOTA DEPT OF HEALTH		11/09/2023	Regular	0.00	23.00	81142
10/23/23-CLASS ...	Invoice	11/09/2023	CLASS C WTR OPERATOR-TANNER JOSEPH...		0.00	23.00	
05238	MITCH LACHELT		11/09/2023	Regular	0.00	127.48	81143

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount	Payment Amount	Number
10/27/2023-SAFE...	Invoice	11/09/2023	REIMBURSE SAFETY BOOTS @ 50%		0.00	127.48	
06556	MPOWER TECHNOLOGIES, INC.		11/09/2023	Regular	0.00	3,300.00	81144
5473	Invoice	11/09/2023	MPOWER SUPPORT SERVICES: 10/2023		0.00	3,300.00	
06790	NAPA AUTO PARTS BAXTER		11/09/2023	Regular	0.00	186.45	81145
653320	Invoice	11/09/2023	O-RING KITS		0.00	186.45	
07335	OFFICE SHOP		11/09/2023	Regular	0.00	3,043.92	81146
1132991-0	Invoice	11/09/2023	OFFICE SUPPLIES: TONER		0.00	198.58	
1132991-1	Invoice	11/09/2023	OFFICE SUPPLIES: TONER		0.00	198.58	
1133005-0	Invoice	11/09/2023	OFFICE SUPPLIES		0.00	20.93	
1133072-0	Invoice	11/09/2023	DRY ERASE BOARDS/MARKERS		0.00	357.67	
1133351-0	Invoice	11/09/2023	OFFICE SUPPLIES		0.00	28.10	
1133351-1	Invoice	11/09/2023	OFFICE SUPPLIES		0.00	29.40	
1133351-2	Invoice	11/09/2023	OFFICE SUPPLIES: TONER		0.00	1,040.53	
1133352-0	Invoice	11/09/2023	OFFICE CHAIR		0.00	322.55	
1133663-0	Invoice	11/09/2023	OFFICE SUPPLIES		0.00	279.28	
1133927-0	Invoice	11/09/2023	OFFICE SUPPLIES		0.00	138.26	
1133927-1	Invoice	11/09/2023	SANITIZER		0.00	15.08	
329020-0	Invoice	11/09/2023	COPIER/PRINTER MAINTENANCE: SYSTEM...		0.00	414.96	
07339	ONLINE INFORMATION SERVICES, INC.		11/09/2023	Regular	0.00	328.56	81148
1219873	Invoice	11/09/2023	ONLINE UTILITY EXCHANGE REPORT: 10/2...		0.00	328.56	
09728	WASTE PARTNERS		11/09/2023	Regular	0.00	1,602.33	81149
3AX00118	Invoice	11/09/2023	TRASH/RECYCLING SERVICE: ACCT#242053		0.00	1,602.33	
10188	XTONA		11/09/2023	Regular	0.00	400.00	81150
9998	Invoice	11/09/2023	Monthly IT Billing: 11/2023		0.00	400.00	
00735	BEST OIL COMPANY		11/15/2023	Regular	0.00	3,425.16	81151
32153	Invoice	11/15/2023	FINANCE CHARGES ON INVOICE 49134		0.00	19.79	
32289	Invoice	11/15/2023	DEF - BULK		0.00	567.42	
32294	Invoice	11/15/2023	SHELL- OMALA S2 GX 220 - DRUM 55 / DE...		0.00	1,217.75	
32335	Credit Memo	11/15/2023	CREDIT - DEPOSIT/ 30 & 55 GALLON DRUM		0.00	-60.00	
5333	Invoice	11/15/2023	GAS		0.00	809.30	
5334	Invoice	11/15/2023	DIESEL		0.00	870.90	
04050	HAWKINS INC.		11/15/2023	Regular	0.00	8,854.32	81152
6564009	Invoice	11/15/2023	CHLORINE/pH/SODIUM BISULFATE		0.00	8,854.32	
00825	BORDER STATES ELECTRIC		11/15/2023	Regular	0.00	307.44	81153
927283202	Invoice	11/15/2023	INV MISC ELEC PARTS		0.00	307.44	
02525	CONTINENTAL BLOWER, LLC		11/15/2023	Regular	0.00	28,585.00	81154
S23234-IN	Invoice	11/15/2023	PUR WWTP SBR BUILDING REFURBISH		0.00	28,585.00	
02790	DAKOTA SUPPLY GROUP		11/15/2023	Regular	0.00	5,365.97	81155
S103129266.001	Invoice	11/15/2023	INV EU600A PARTS		0.00	5,365.97	
03580	FS3, INC.		11/15/2023	Regular	0.00	594.86	81156
85824	Invoice	11/15/2023	PUR 3" COUPLERS		0.00	594.86	
04115	HERCULES INDUSTRIES, INC.		11/15/2023	Regular	0.00	2,078.10	81157
121824	Invoice	11/15/2023	PUR 7/8 PADLOCKS		0.00	2,078.10	
10276	KODRU EQUIPMENT, LLC		11/15/2023	Regular	0.00	662.27	81158
25438	Invoice	11/15/2023	PUR AUMA HYDRO COVER		0.00	662.27	
08058	RESCO		11/15/2023	Regular	0.00	857.67	81159
3010783	Invoice	11/15/2023	INV METERBASES		0.00	857.67	
08895	STUART C. IRBY CO		11/15/2023	Regular	0.00	61,190.65	81160

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount	Payment Amount	Number
S013308800.001	Invoice	11/15/2023	INV EC0060		0.00	61,190.65	
09899	WESCO RECEIVABLES CORP		11/15/2023	Regular	0.00	47,777.35	81161
311605	Invoice	11/15/2023	INV ET POLE MOUNT		0.00	4,920.00	
311606	Invoice	11/15/2023	INV SMALL INTERFACE PARTS		0.00	1,399.30	
313413	Invoice	11/15/2023	INV ET 1P PAD MOUNTS		0.00	39,120.00	
315285	Invoice	11/15/2023	PUR 7X10 TRI WARNING LABEL		0.00	2,338.05	
00820	BOLTON & MENK, INC.		11/16/2023	Regular	0.00	21,103.57	81162
0323666	Invoice	11/16/2023	BRD PU/BIOSOLIDS AND SYSTEM REVIEW...		0.00	1,065.00	
0323667	Invoice	11/16/2023	BRD PU/WHPP PART 2		0.00	5,306.00	
0323669	Invoice	11/16/2023	BRD PU/WTP ASSET INVENTORY-PROF SE...		0.00	14,732.57	
01837	CENTURYLINK		11/16/2023	Regular	0.00	457.04	81163
218Z01-0080497...	Invoice	11/16/2023	MONTHLY PHONE BILL - 11/2023		0.00	457.04	
02025	CITY OF BRAINERD		11/16/2023	Regular	0.00	9,928.45	81164
23-0003792	Invoice	11/16/2023	MN GO BONDS 2021A - ADMIN FEES/BPU ...		0.00	380.00	
23-0003793	Invoice	11/16/2023	1ST INSTALLMENT-NORTHRISK PARTNERS...		0.00	5,250.00	
23-0003814	Invoice	11/16/2023	08/2023 SERVICES - RATWIK ROZAK & MA...		0.00	1,386.20	
23-0003815	Invoice	11/16/2023	09/2023 SERVICES - RATWICK, ROSZAK & ...		0.00	1,145.25	
23-0003830	Invoice	11/16/2023	BAKER TILLY INV. BTMA21756 - 2018A - B...		0.00	1,767.00	
02715	CROW WING COUNTY LANDFILL, LLC		11/16/2023	Regular	0.00	75.25	81165
193435	Invoice	11/16/2023	INDUSTRIAL WASTE		0.00	75.25	
02785	DACOTAH PAPER CO		11/16/2023	Regular	0.00	685.55	81166
70730	Invoice	11/16/2023	ICE MELT/FOAM CUPS		0.00	685.55	
02957	DANIEL DOUCETTE		11/16/2023	Regular	0.00	72.50	81167
10/24/23-SAFETY...	Invoice	11/16/2023	REIMBURSE SAFETY BOOTS @ 50%		0.00	72.50	
02990	EDM INTERNATIONAL, INC.		11/16/2023	Regular	0.00	290.00	81168
87721	Invoice	11/16/2023	CELLULAR SERVICE FOR PHASE TRAKKER ...		0.00	290.00	
03118	ESSENTIA HEALTH		11/16/2023	Regular	0.00	75.00	81169
800007619	Invoice	11/16/2023	OCC MED TESTING/ MILLER & LACHELT		0.00	75.00	
03275	FASTENAL COMPANY		11/16/2023	Regular	0.00	8.03	81170
MNBAX264499	Invoice	11/16/2023	HCS/TOP LK		0.00	8.03	
03687	GOODIN COMPANY		11/16/2023	Regular	0.00	125.02	81171
6648422-00	Invoice	11/16/2023	1'' CXFIP DIELECTRIC		0.00	54.98	
6648422-01	Invoice	11/16/2023	1 X 12 SS BRAID FLEX		0.00	70.04	
03915	HACH COMPANY		11/16/2023	Regular	0.00	205.33	81172
13795231	Invoice	11/16/2023	SAMPLE CELL/PHOSVER 3 PWD		0.00	205.33	
04050	HAWKINS INC.		11/16/2023	Regular	0.00	19,826.20	81173
6614206	Invoice	11/16/2023	CHLORINE/CYLINDERS		0.00	6,262.40	
6619059	Invoice	11/16/2023	CHEMICAL STORAGE		0.00	13,563.80	
04096	HENGEL READY MIX & CONST		11/16/2023	Regular	0.00	100.00	81174
226752	Invoice	11/16/2023	10 YARDS LANDFILL		0.00	100.00	
04613	JACO ANALYTICAL, INC.		11/16/2023	Regular	0.00	17.18	81175
E3JV39	Invoice	11/16/2023	OIL SAMPLES		0.00	17.18	
05335	LAKES AREA MAT SERVICE II, INC		11/16/2023	Regular	0.00	145.46	81176
20231002	Invoice	11/16/2023	MAT/TOWEL SERVICE		0.00	49.97	
20231016	Invoice	11/16/2023	MAT/TOWEL SERVICE		0.00	48.30	
20231030	Invoice	11/16/2023	MAT/TOWEL SERVICE		0.00	47.19	
05625	LOCATORS & SUPPLIES, INC.		11/16/2023	Regular	0.00	276.85	81177
0310769-IN	Invoice	11/16/2023	SURVEY LATH/CLEANING TOWELETTES		0.00	276.85	

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount (Payable)	Payable Amount	Discount Amount	Payment Amount	Number
06177	MEI TOTAL ELEVATOR SOLUTIONS		11/16/2023	Regular			0.00	203.57	81178
1045238	Invoice	11/16/2023	QUARTERLY SERVICE: NOV - JAN		0.00	203.57			
05976	MIDWEST MACHINERY CO.		11/16/2023	Regular			0.00	11.99	81179
9825680	Invoice	11/16/2023	E-CLIP/NEEDLE CAGE		0.00	11.99			
06141	MINNESOTA DEPT OF HEALTH		11/16/2023	Regular			0.00	23.00	81180
10/23/23-CLASS ...	Invoice	11/16/2023	CLASS C WATER SYSTEM OPERATOR - ERIC...		0.00	23.00			
06190	MINNESOTA MUNICIPAL UTILITIES ASSOCIATIOI		11/16/2023	Regular			0.00	8,798.75	81181
62498	Invoice	11/16/2023	SAFETY MANAGMENT PROG/ELEC TRAINI...		0.00	8,798.75			
06266	MINNESOTA VALLEY		11/16/2023	Regular			0.00	1,157.20	81182
1223443	Invoice	11/16/2023	TESTING		0.00	83.60			
1224143	Invoice	11/16/2023	TESTING		0.00	930.60			
1224605	Invoice	11/16/2023	TESTING		0.00	59.40			
1224991	Invoice	11/16/2023	TESTING		0.00	83.60			
06247	MN DEPARTMENT OF LABOR & INDUSTRY		11/16/2023	Regular			0.00	140.00	81183
ABR0317445X	Invoice	11/16/2023	1801 MILL AVE - PRESSURE VESSELS		0.00	40.00			
ALR0153994X	Invoice	11/16/2023	ELEVATOR - ANNUAL OPER/ELV-03507		0.00	100.00			
07615	PIKE PLUMBING & HEATING OF BRD, INC		11/16/2023	Regular			0.00	3,510.36	81184
85572	Invoice	11/16/2023	HOOK UP COLD WATER TO DISPENSING M...		0.00	3,510.36			
07665	PITNEY BOWES GLOBAL FINANCIAL SERV. LLC		11/16/2023	Regular			0.00	3,687.00	81185
3106360839	Invoice	11/16/2023	Relay 5000 Inserting Sys: 08/28/23-11/27/...		0.00	3,687.00			
07917	QUALITY EQUIPMENT SALES & SERVICE, INC		11/16/2023	Regular			0.00	696.18	81186
P04345	Invoice	11/16/2023	COUPLING/SHAFT/CLUTCH		0.00	696.18			
09250	THOMPSON EXCAVATING, LLC		11/16/2023	Regular			0.00	2,283.92	81187
8154	Invoice	11/16/2023	CLASS 5/ROCK/BLACK DIRT		0.00	2,283.92			
09663	VIKING ELECTRIC SUPPLY, INC		11/16/2023	Regular			0.00	1,891.29	81188
S007457894.001	Invoice	11/16/2023	POWER CORDS/CONNECTORS/RECEPT/C...		0.00	43.18			
S007465058.001	Invoice	11/16/2023	20AMP COMMERICAL RECEP/RING		0.00	63.62			
S007481093.001	Invoice	11/16/2023	GFCI RECEPT. COVERS/RADIANT SELF TEST...		0.00	1,051.03			
S007481093.002	Invoice	11/16/2023	GFCI RECEPT. COVERS/BOXES		0.00	323.15			
S007484136.001	Invoice	11/16/2023	DUCT TAPE		0.00	15.83			
S007489018.001	Invoice	11/16/2023	WIRENUTS/COND.COVERS/SCREWS		0.00	135.39			
S007501726.001	Invoice	11/16/2023	LIQ CONN/LIQUATITE/OUTDOOR VINYL LA...		0.00	259.09			
09948	WIDSETH SMITH NOLTING & ASSOC., INC		11/16/2023	Regular			0.00	34,862.65	81189
226919	Invoice	11/16/2023	DIRECTIONAL DRILLING-FORCEMAIN RIVER..		0.00	34,862.65			
09726	WW GOETSCH ASSOCIATES, INC.		11/16/2023	Regular			0.00	1,619.00	81190
B111261	Invoice	11/16/2023	MOTOR REBUILD/REPAIR -CIVIC CENTER ...		0.00	1,619.00			
05530	LEAGUE OF MN CITIES INS. TRUST P&C		11/17/2023	Regular			0.00	57,939.70	81191
40001339-P&C-1...	Invoice	11/17/2023	PROPERTY & CASUALTY COVERAGE PREM. ..		0.00	57,939.70			
00075	A W RESEARCH		11/20/2023	Regular			0.00	3,760.00	81224
59757	Invoice	11/20/2023	WWT TESTING		0.00	3,112.00			
59758	Invoice	11/20/2023	WTR TESTING		0.00	648.00			
00250	AMARIL UNIFORM COMPANY		11/20/2023	Regular			0.00	4,097.19	81225
IV251898	Invoice	11/20/2023	PERSONAL PROTECTIVE-TRENT/CORY		0.00	2,024.05			
IV252342	Invoice	11/20/2023	PERSONAL PROTECTIVE - MITCH		0.00	1,903.16			
IV252566	Invoice	11/20/2023	PERSONAL PROTECTIVE-MITCH		0.00	169.98			
00337	AMERICAN WELDING & GAS INC		11/20/2023	Regular			0.00	82.80	81226
09696945	Invoice	11/20/2023	CYLINDER RENTAL INVOICE		0.00	82.80			
00340	ARAMARK UNIFORM SERVICES		11/20/2023	Regular			0.00	63.48	81227

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount	Payment Amount	Number
2530205527	Invoice	11/20/2023	WORK UNIFORMS		0.00	31.74	
2530208397	Invoice	11/20/2023	WORK UNIFORMS		0.00	31.74	
00497	AUTO VALUE		11/20/2023	Regular	0.00	0.50	81228
10/25/23-STATE...	Invoice	11/20/2023	FINANCE CHARGE ON 10/25/2023 STATM...		0.00	0.50	
00735	BEST OIL COMPANY		11/20/2023	Regular	0.00	19.80	81229
49134-INTEREST	Invoice	11/20/2023	Interest on late payment/Invoice #49134		0.00	19.80	
05077	BRADLEY KNAPP		11/20/2023	Regular	0.00	491.44	81230
11/13-11/16 TRA...	Invoice	11/20/2023	REIMBURSE TRAVEL EXP.LAKEVILLE-COLLE...		0.00	491.44	
01805	CENTERPOINT ENERGY		11/20/2023	Regular	0.00	355.98	81231
8000014432-1-10...	Invoice	11/20/2023	MONTHLY GAS BILL - WTR PROD/WTR DIS...		0.00	355.98	
01890	CHARTER COMMUNICATIONS		11/20/2023	Regular	0.00	39.47	81232
175590201110123	Invoice	11/20/2023	TV SERVICE		0.00	39.47	
02025	CITY OF BRAINERD		11/20/2023	Regular	0.00	186,955.05	81233
10/2023-MILL RA...	Invoice	11/20/2023	MONTHLY TRANSFER: 10/2023		0.00	71,084.86	
10/31/23-SAN/S...	Invoice	11/20/2023	SAN. & STORM SEWER BILLING/COLLECTI...		0.00	115,870.19	
02525	CONTINENTAL BLOWER, LLC		11/20/2023	Regular	0.00	3,234.34	81234
P23817-IN	Invoice	11/20/2023	PUR E40 COUPLING REPAIR		0.00	3,234.34	
09218	DARYL J THESING		11/20/2023	Regular	0.00	69.98	81235
11/01/23-SAFETY...	Invoice	11/20/2023	REIMBURSE SAFETY BOOTS @ 50%		0.00	69.98	
03321	FIRST IMPRESSION PRINTING		11/20/2023	Regular	0.00	460.80	81236
89519	Invoice	11/20/2023	PRINTING/PUBLISHING: ENVELOPES/COP...		0.00	460.80	
03542	FORUM COMMUNICATIONS		11/20/2023	Regular	0.00	262.80	81237
MP3168201023	Invoice	11/20/2023	HYDRANT FLUSHING		0.00	262.80	
03557	FRONTIER ENERGY, INC.		11/20/2023	Regular	0.00	7,982.16	81238
193162	Invoice	11/20/2023	CIP SERVICES - 10/01/23-10/31/23		0.00	7,982.16	
03699	GRAINGER		11/20/2023	Regular	0.00	34.50	81239
9900836892	Invoice	11/20/2023	SHIPPING BOXES		0.00	34.50	
04050	HAWKINS INC.		11/20/2023	Regular	0.00	10.00	81240
6624961	Invoice	11/20/2023	CHLORINE CYLINDER		0.00	10.00	
09540	HD SUPPLY, INC.		11/20/2023	Regular	0.00	575.80	81241
INV00164886	Invoice	11/20/2023	DIE CUT LETTERING		0.00	18.76	
INV00165349	Invoice	11/20/2023	PIPE MARKERS / DANGER SIGNS		0.00	110.37	
INV00165502	Invoice	11/20/2023	HYDRANT CAP GASKET/ASHCROFT PLUS G...		0.00	238.37	
INV00167116	Invoice	11/20/2023	PIPE MARKER		0.00	7.40	
INV00167245	Invoice	11/20/2023	HAZ. MATERIALS PACARDS		0.00	89.90	
INV00168128	Invoice	11/20/2023	PIPE MARKERS		0.00	111.00	
04115	HERCULES INDUSTRIES, INC.		11/20/2023	Regular	0.00	64.71	81242
121541	Invoice	11/20/2023	PUR TRAILER HITCH LOCK		0.00	64.71	
10006	In Control, Inc.		11/20/2023	Regular	0.00	25,841.00	81243
S-INV01094	Invoice	11/20/2023	WATER SCADA LICENSING-5K DUAL SERVE...		0.00	25,841.00	
04555	INTEGRATED PROTECTION SYSTEMS, INC.		11/20/2023	Regular	0.00	17,590.04	81244
80899	Invoice	11/20/2023	CENTRAL - CO#2 -ADDT'L CAMERAS - 50 %...		0.00	9,570.96	
80900	Invoice	11/20/2023	CENTRAL - CAMERA ADD / CO#1 - 50% D...		0.00	8,019.08	
05080	KNIFE RIVER CORPORATION		11/20/2023	Regular	0.00	659.13	81245
1039801	Invoice	11/20/2023	4000 EXT,		0.00	659.13	
05415	LANDIS-GYR TECHNOLOGY, INC/FKA CELLNET		11/20/2023	Regular	0.00	1,418.24	81246

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount (Payable)	Discount Amount	Payable Amount	Payment Amount	Number
90384009	Invoice	11/20/2023	MONTHLY ENDPOINT FEE: 11/2023		0.00		1,418.24		
06190	MINNESOTA MUNICIPAL UTILITIES ASSOCIATIOI		11/20/2023	Regular		0.00		3,050.00	81247
62824	Invoice	11/20/2023	TECHNICAL & OPERATIONS CONFERNCE - ...		0.00		3,050.00		
06266	MINNESOTA VALLEY		11/20/2023	Regular		0.00		1,392.60	81248
1225971	Invoice	11/20/2023	TESTING		0.00		506.00		
1226926	Invoice	11/20/2023	TESTING		0.00		83.60		
1227094	Invoice	11/20/2023	TESTING		0.00		462.00		
1227095	Invoice	11/20/2023	TESTING		0.00		341.00		
07550	PEOPLE'S SECURITY COMPANY		11/20/2023	Regular		0.00		287.88	81250
243785	Invoice	11/20/2023	Main Pump Station-Annual Monitor: 11/1...		0.00		287.88		
10225	POMP'S TIRE SERVICE INC.		11/20/2023	Regular		0.00		2,436.73	81251
11/01/23-STATE...	Invoice	11/20/2023	SERVICE CHARGE ON 11/01/23 STATEMENT		0.00		2.61		
2280002588	Invoice	11/20/2023	TIRES - FA# 4004		0.00		1,157.71		
2280002763	Invoice	11/20/2023	TIRES - FA # 5001		0.00		1,276.41		
08058	RESCO		11/20/2023	Regular		0.00		353.73	81252
3011792	Invoice	11/20/2023	PUR SEL C519-30 CT/VT CABLE		0.00		353.73		
08380	SCHWEITZER ENGINEERING LABORITORIES, INC		11/20/2023	Regular		0.00		329.12	81253
INV-000914888	Invoice	11/20/2023	PUR SEL 9170 REPORT GENERATOR		0.00		329.12		
08430	SHORT ELLIOT HENDRICKSON, INC		11/20/2023	Regular		0.00		6,261.70	81254
457205	Invoice	11/20/2023	PROJECT# 15774 - BRDPU 2 MG STORAGE...		0.00		6,261.70		
08895	STUART C. IRBY CO		11/20/2023	Regular		0.00		61,874.98	81255
S013229810.005	Invoice	11/20/2023	INV MISC RF METERS		0.00		904.00		
S013308800.003	Invoice	11/20/2023	INV EC0060		0.00		60,970.98		
09545	ULINE		11/20/2023	Regular		0.00		677.77	81256
170706352	Invoice	11/20/2023	BOXES/SHOVELS		0.00		550.28		
170790445	Invoice	11/20/2023	FREIGHT BILLED - RETURN/BOXES		0.00		127.49		
09899	WESCO RECEIVABLES CORP		11/20/2023	Regular		0.00		15,340.00	81257
319717	Invoice	11/20/2023	INV ET 1P PAD MOUNTS		0.00		15,340.00		
09925	WEX HEALTH, INC		11/20/2023	Regular		0.00		27.50	81258
0001846473-IN	Invoice	11/20/2023	MONTHLY COBRA BILLING: 10/2023		0.00		27.50		
				Total Regular:		**0.00**		**700,332.44**	

Vendor Number / Payable #	Vendor Name / Payable Type	Post Date	Payment Date / Payable Description	Payment Type	Discount Amount / Discount Amount	Payment Amount / Payable Amount	Number
Payment Type: Bank Draft							
00230	AFLAC		11/16/2023	Bank Draft	0.00	283.30	DFT0000739
993105	Invoice	11/16/2023	Aflac - Premium Inv. W/H: 12/08 & 12/22		0.00	283.30	
00472	AT&T MOBILITY		11/20/2023	Bank Draft	0.00	1,312.60	DFT0000744
287302792515X...	Invoice	11/20/2023	AT & T MONTHLY BILL: 10/2023		0.00	1,312.60	
00472	AT&T MOBILITY		11/20/2023	Bank Draft	0.00	628.88	DFT0000745
287260682523X...	Invoice	11/20/2023	AT & T MONTHLY BILL: 10/2023		0.00	628.88	
01655	CANON FINANCIAL SERVICES, INC		11/20/2023	Bank Draft	0.00	598.10	DFT0000746
31595917	Invoice	11/20/2023	Canon Invoice - Contract Charge		0.00	598.10	
02455	CTC		11/20/2023	Bank Draft	0.00	1,955.42	DFT0000747
21288317	Invoice	11/20/2023	MONTHLY BILL: 11/12/23-12/11/23		0.00	1,955.42	
02717	CULLIGAN		11/20/2023	Bank Draft	0.00	45.00	DFT0000748
150-10024107-7-...	Invoice	11/20/2023	150-10024107-7 Hydro		0.00	45.00	
02717	CULLIGAN		11/20/2023	Bank Draft	0.00	98.86	DFT0000749
150-01059575-2-...	Invoice	11/20/2023	150-01059575-2 Service Center		0.00	98.86	
02978	EBSO		11/20/2023	Bank Draft	0.00	80,706.46	DFT0000750
9004-086407-20...	Invoice	11/20/2023	HEALTH INSURANCE: 11/2023 W/H 11/9 &...		0.00	80,706.46	
07640	PITNEY BOWES, INC.		11/20/2023	Bank Draft	0.00	3,500.00	DFT0000751
11/13/2023-POS...	Invoice	11/20/2023	POSTAGE REFILL - COPPER MAILING		0.00	3,500.00	
07640	PITNEY BOWES, INC.		11/20/2023	Bank Draft	0.00	3,500.00	DFT0000752
11/17/2023-POS...	Invoice	11/20/2023	POSTAGE REFILL		0.00	3,500.00	
09561	United Parcel Service, Inc		11/20/2023	Bank Draft	0.00	60.84	DFT0000753
0000E4015K443	Invoice	11/20/2023	UPS - SHIPPING COSTS		0.00	60.84	
09561	United Parcel Service, Inc		11/20/2023	Bank Draft	0.00	69.82	DFT0000754
0000E4015K433	Invoice	11/20/2023	UPS - SHIPPING COSTS		0.00	69.82	
09561	United Parcel Service, Inc		11/20/2023	Bank Draft	0.00	247.48	DFT0000755
0000E4015K453	Invoice	11/20/2023	UPS - SHIPPING COSTS		0.00	247.48	
09961	XCEL ENERGY		11/20/2023	Bank Draft	0.00	2,451.03	DFT0000756
852409446	Invoice	11/20/2023	Xcel Energy - Service Center/WWT		0.00	2,451.03	
			Total Bank Draft:		**0.00**	**95,457.79**	

Bank Code AP2 Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	171	97	0.00	700,332.44
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	14	14	0.00	95,457.79
EFT's	5	5	0.00	1,418,729.60
	190	**116**	**0.00**	**2,214,519.83**

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	171	97	0.00	700,332.44
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	14	14	0.00	95,457.79
EFT's	5	5	0.00	1,418,729.60
	190	**116**	**0.00**	**2,214,519.83**

Fund Summary

Fund	Name	Period	Amount
9	POOLED CASH CONTROL	10/2023	3,572.54
9	POOLED CASH CONTROL	11/2023	2,210,947.29
			2,214,519.83

PARTIAL PAYMENT APPLICATION
NUMBER ____1__

Name of Contractor:	Minger Construction Companies, Inc. 620 Corporate Drive Jordan, MN 55352		
Name of Owner:	Brainerd Public Utilities 8027 Highland Scenic Drive Baxter, MN 56425		
Date of Completion: **Original:** See Agreement **Revised:**	**Amount of Contract:** **Original:** $1,727,164.08 **Revised:** $1,727,164.08		**Dates of Estimate:** **From:** 10/2/23 **To:** 10/27/23

Description of Project:

DIRECTIONAL DRILLING FORCEMAIN RIVER CROSSING

SPEC NO.	ITEM DESCRIPTION	CONTRACT ITEMS				THIS PERIOD		TOTAL TO DATE	
		QTY.	UNIT	UNIT PRICE	AMOUNT	QTY.	AMOUNT	QTY.	AMOUNT
Plan	MOBILIZATION	1	LS	$135,000.00	$135,000.00	0.5	$67,500.00		
31 1100	CLEARING	0.9	AC	$5,500.00	$4,950.00	0.8	$4,400.00		
31 1100	GRUBBING	0.9	AC	$2,750.00	$2,475.00	0.8	$2,200.00		
02 4100	ABANDON EX MH 2-6	1	LS	$3,472.00	$3,472.00				
02 4100	ABANDON EX MH 2-7	1	LS	$3,472.00	$3,472.00				
02 4100	ABANDON EX VAULT MH-1	1	LS	$15,000.00	$15,000.00				
02 4100	ABANDON EX VAULT MH-2	1	LS	$24,250.00	$24,250.00				
02 4100	FLUSH EACH OF THE EXISTING 20" DIP FORCEMAIN	1	LS	$14,500.00	$14,500.00				
31 2200	EXCAVATION- COMMON	825	CY	$20.00	$16,500.00				
31 2200	COMMON TOPSOIL BORROW	150	CY	$75.00	$11,250.00				
32 1216	BITUMINOUS PAVEMENT RESTORATION	1	LS	$24,480.00	$24,480.00				
32 1500	AGGREGATE SURFACED ROADWAY RESTORATION	1	LS	$3,460.00	$3,460.00				
33 3913	AIR RELEASE MANHOLE	1	EA	$94,770.00	$94,770.00				
01 5526	TRAFFIC CONTROL	1	LS	$4,000.00	$4,000.00	0.5	$2,000.00		
01 5713	STABILIZED CONSTRUCTION EXIT	4	EA	$1,215.00	$4,860.00	2	$2,430.00		
01 5713	SILT FENCE, TYPE MS	1500	LF	$4.45	$6,675.00	1529	$6,804.05		
33 3123	CONNECT TO HDD PIPE	2	EA	$18,200.00	$36,400.00				
33 3123	20" FORCEMAIN AND FITTINGS - EAST SIDE	1	LS	$128,500.00	$128,500.00				
33 3111	30" GRAVITY PIPE AND MANHOLES - WEST SIDE	1	LS	$261,000.00	$261,000.00				
33 7079	BYPASS PIPING, WET TAP, LINE STOPS - EAST VAULT	1	LS	$167,500.00	$167,500.00				
33 3123	CAP FORCEMAIN IN EAST VAULT	1	LS	$4,750.00	$4,750.00				
33 0597.16	TRACER WIRE SYSTEM	1	LS	$1,500.00	$1,500.00				
33 0507.13	FORCEMAIN(HORIZONTAL DIRECTIONAL DRILL)	1	LS	$688,000.00	$688,000.00	0.7	$481,600.00		
01 5713	SEDIMENT CONTROL LOG TYPE WOOD FIBER	1330	LF	$4.45	$5,918.50				
01 5713	TEMPORARY EROSION CONTROL	1	LS	$11,000.00	$11,000.00				
32 9219	HYDRAULIC BONDED FIBER MATRIX(3500 #/AC)	11130	LBS	$1.85	$20,590.50				
	LANDSCAPING- BAXTER	1	LS	$24,500.00	$24,500.00				
32 9219	SEEDING	3.18	AC	$556.00	$1,768.08				
32 9219	SEED MIX 25-131(220 #/Ac)	22	LBS	$4.50	$99.00				
32 9219	SEED MIX 34-371(12.5 #/Ac)	13	LBS	$90.00	$1,170.00				
32 9219	SEED MIX 36-311 (33.5 #/Ac)	44	LBS	$31.00	$1,364.00				
32 9219	SEED MIX TRAIL (35 #/Ac)	30	LBS	$133.00	$3,990.00				
TOTAL:					**$1,727,164.08**		**$566,934.05**		**$0.00**

Notes: Some unit bid prices shown above have been modified from the original bid prices (see Change Order 2).

	THIS PERIOD	TOTAL TO DATE
AMOUNT EARNED	$566,934.05	$0.00
AMOUNT RETAINED (5% OF THE AMOUNT EARNED TO DATE)	$28,346.70	$0.00
PREVIOUS PAYMENTS		$0.00
AMOUNT DUE	$538,587.35	$0.00

Estimated Percentage Completed: 0.0%

CONTRACTOR'S CERTIFICATION:
The undersigned Contractor certifies that to the best of their knowledge, information and belief the work covered by this payment estimate has been completed in accordance with the contract documents, that all amounts have been paid by the Contractor for work for which previous payment estimates were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR : MINGER CONSTRUCTION COMPANIES, INC.

BY: Mike Urban
Digitally signed by Mike Urban
DN: C=US, E=Mikeu@mingerconst.com, O=Minger Construction Co. Inc., CN=Mike Urban
Date: 2023.10.30 10:00:10-05'00'

Date: 10/30/23

ENGINEER'S CERTIFICATION:
The undersigned endorses that to the best of their knowledge and belief, the quantities shown in this estimate are correct and the work has been performed in accordance with the contract documents.

ENGINEER: WIDSETH SMITH NOLTING & ASSOCIATES INC.

BY: William Westerberg
William Westerberg, P.E.

Date: 10/30/23

APPROVED BY BRAINERD PUBLIC UTILITIES:

BY:
Todd Wicklund, Public Works Director

Date:

RECOMMENDED FOR APPROVAL BY BRAINERD PUBLIC UTILITIES

BY:

Date:

APPROVED BY :

BY:

Date:

BRAINERD PUBLIC UTILITIES
8027 Highland Scenic Rd • P.O. Box 373 • Brainerd, Minnesota 56401
Business Office: 218.829.8726 ■ *Repair Service:* 218.829.2193
www.bpu.org

Brainerd Public Utilities
BPU Commission Unfinished Business
November 28, 2023

A. Roberts Gravel Pit Purchase (1/31/23)
Recommendation to proceed with eminent domain process approved by Brainerd Council with request forwarded to City Attorney to begin process.

B. Hydro Generation (1/31/23)
Barr Engineering continues work on designing different turbine options and final review by Commission is anticipated in Q1 of 2024.

C. Unfluoridated Tap at Water Plant (9/26/23)
The unfluoridated tap located at the water plant remains closed until legal guidance is received from City Attorney regarding City's liability if tap is opened again for public to use.

D. Current Open Employment Positions at BPU
The following job descriptions were recommended by Commission to City Council for approval with date of recommendation included:
- Business Office Support Specialist (5/30/23)
- Facilities Custodian (5/30/23)
- Journeyman Electrician (7/25/23)

E. Organizational Restructuring (10/31/23)
Due to the restructuring and realignment of BPU positions it will be necessary to revise the following job descriptions:
- Water Plant Chief Operator
- Water Plant Operator
- Water Crew Chief
- Water Service Worker
- Maintenance Mechanic to Maintenance Lead
- Operations Manager
- Water/Wastewater Manager

F. Schedule of Authority Roles of Commission and Council in Operation of BPU (10/31/23)
The development of this schedule has not yet started.

G. Development of Plan to be Carbon Free by 2040 (10/31/23)
In discussion with MMUA, it appears BPU is subject to the State's Renewable Energy Standard (RES). The RES will require BPU to either generate or procure sufficient electricity generated by an eligible energy technology (solar, wind, hydroelectric, or biomass) to retail customers of BPU that is equivalent to at least 25% of total retail electric sales to retail customers by 2025 and 55% by 2035. In addition to the RES BPU must generate or procure sufficient electricity generated from a carbon-free energy

technology (technology that generates electricity without emitting carbon dioxide) that will be 100% by 2040.

H. Water Treatment Plant (WTP) Asset Inventory Prepared by Bolton & Menk (10/31/23)
Evaluation of Report indicates that many items included in report are long-range projects that will be discussed with Commission at a future date.

I. Brainerd City Code Section 700 – Sewer Code (3/28/23)
Reviewed by BPU Commission and recommended to Council for approval. Prior to final approval by Council the revised Code was sent to MPCA for possible revisions. The MPCA has stated the revised Sewer Code is now under public review for a 90-day period.

J. Insurance Claims Related to August Boil Advisory (8/29/23)
LMVIT has completed its investigation, and it was determined that the City of Brainerd/BPU is not liable for the total coliform found in the water supply. As there was no negligence by the City or its employees and any decisions by the City and/or its employees would be protected by statutory immunity, official immunity as well as vicarious official immunity for the City itself, on behalf of the LMVIT and the City, all claims have been respectfully denied.

K. Lead Service Line (LSL) Inventory Assessment (9/26/23)
Work continues mapping of all water services within the City. Identification of types of materials used in water service lines along with inventory process is required to be completed and submitted to the Minnesota Department of Health before October 16, 2024.Total cost to replace on complete service line could cost as much as $44,000per service.

L. Wellhead Protection Plan (WHP) (7/25/23)
Continue to work with Minnesota Rural Water Association and Bolton & Menk on completing WHP Part 2 Amendment by July 1, 2024. City Administrator Wussow and BPU Commissioner O'Day as well as representatives from County and State need to be included as additional stakeholders.

M. Directional Drilling Forcemain River Crossing Project (10/31/23)
Pipe portion of project is complete and structural work is in progress.

N. Electric Transmission Service to Brainerd (1/31/23)
Continue to work on scheduling a meeting in Q1 of 2024 with Minnesota Power to discuss capacity constraints imposed on BPU by MP on transmission line serving Brainerd.

O. Crypto Mining Activity (7/1/22)
JFK current mining load is approximately 9 MWs with ramp up to 15 MWs in next few weeks. Plan to be at 20 MWs in early Q1 of 2024. VCV is in the process of designing building structure and their industrial location and actual load is still several months away.

P. Rewrite of Brainerd City Code Section 705 – Water System (6/27/23)
The process of rewriting Section 705 has not yet started.

Q. Corrosion Control Plan to Minnesota Department of Health (10/31/23)
A plan was submitted to the Minnesota Department of Health by November 6, 2023, describing the intended plan for dealing with copper corrosion. BPU also send a brochure to all water customers describing important information about copper in drinking water as required by MDH by November 15, 2023.

R. Proposal for Strategic Visioning and momentum Services
Work continues obtaining pricing from at least one other consulting firm in order to compare pricing received from Red Ribbon Consulting, LLC.

BRAINERD PUBLIC UTILITIES
OPERATING BUDGET FOR THE YEAR ENDED DECEMBER 31, 2024 AND CAPITAL IMPROVEMENT BUDGET FOR THE YEARS 2024 THROUGH 2028

BRAINERD PUBLIC UTILITIES
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OPERATING AND CAPITAL BUDGETS

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Summary of 2024 Capital and Operating Budgets

BRAINERD PUBLIC UTILITIES
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The following is a summary of the 2024 Capital and Operating Budgets.

2024 to 2028 Capital Budgets

Electric Distribution and Hydro Generation Department

1. The total 2024 amount is $5,665,000, of which $2,220,000 is anticipated to be funded by Electric Revenue Bonds, $2,171,800 by operations, and $1,274,000 by cash reserves.
2. The three largest projects for 2024 are installation of new turbine at hydro of $1.5 million, upgrade of three substations of $700,000, and system distribution transformers of $600,000.
3. It should be noted there are significant lead times in getting delivery for many projects shown on the capital projects summary ranging from one to three years.

Water Department

1. The total 2024 amount is $4,750,000 of which $2.7 million is anticipated to be funded by a direct grant received from the State, $1.3 million to be funded by G.O. Water Revenue Bonds, $694,000 by operations, and $56,000 by cash reserves.
2. The three largest projects for 2024 are the start of construction of reclamation/backwash system improvements of $2.7 million, South Brainerd Street reconstruction projects of $1.3 million, and purchase of actuators of $165,000.
3. For the years 2025-2028 there is approximately $4.9 million in additional Street Reclamation projects scheduled to be completed. It is anticipated the reclamation project will be completed in 2025 for $2.7 million.

Wastewater Treatment Department

1. Total 2024 amount is $2,689,000 of which $500,000 is anticipated to be funded by G.O. Sewer Revenue Bonds, $1,714,000 by operations, $475,000 by cash reserves.
2. The three largest projects for 2024 are the preliminary design for biosolids upgrade of $500,000, Main Lift and Pumping Station improvements of $691,000, and Wastewater Treatment Facilities improvements of $995,000.

2024 Operating Budget

Combined All Departments

1. Projected actual total revenue for 2023 is $33.4 million. Budgeted revenue for 2023 is $36.4 million and the 2024 budget total revenue is projected to be $34.1 million which includes $3.6 million from industrial crypto mining customers.
2. Projected actual total expenses for 2023 is $32.9 million of which the two largest items are purchased power of $15.3 million and depreciation of $5.0 million. Budgeted expenses for 2023 are $34.7 million of which the two largest items are purchased power of $17.7 million and depreciation of $5.0 million. Budgeted

expenses for 2024 are projected to be $32.9 million with purchased power being $15.3 million and depreciation being $5.0 million.

3. Projected actual change in net position for 2023 is $451,000 while budgeted amount was projected to be $1.7 million. The budgeted amount for 2024 is projected to be $1.2 million.

Graphs and Analysis of 2023 Operating Budget

Total Revenue and Expenses for All Departments - The change in net position as a percentage of total revenue for the years 2020 – 2022 is 8.2%, 8.0%, and 2.6%, respectively. The percentage for the 2023 and 2024 operating budget is 1.3% and 3.6%, respectively.

Total Revenue and Expenses for Electric Department - The change in net position as a percentage of total revenue for the years 2020 – 2022 is 10.3%, 4.7%, and 6.0%, respectively. The percentage for the 2023 and 2024 operating budget is 3.1% and 6.2%, respectively.

Total Revenue and Expenses for Water Department - The change in net position as a percentage of total revenue for the years 2020 – 2022 is (3.3%), 32.7%, and (6.9%), respectively. The percentage for the 2023 and 2024 operating budget is (12.6%) and (11.3%), respectively.

Total Revenue and Expenses for Wastewater Treatment Department - The change in net position as a percentage of total revenue for the years 2020 – 2022 is 6.6%, (6.3%), and (6.1%), respectively. The percentage for the 2023 and 2024 operating budget is 3.6% and 2.1%, respectively.

Capital Improvement Budget

Brainerd Public Utilities
Electric Distribution and Hydro Generation Department
Capital Improvement Budget
For the Years 2024 Through 2028

Project Description	2024	2025	2026	2027	2028
Electric Distribution					
Distribution System Improvements					
Distribution Improvements					
OH Improvements	$ 205,000	$ 215,000	$ 225,000	$ 240,000	$ 255,000
UG Improvements	215,000	225,000	240,000	255,000	265,000
Capitalized Payroll	320,000	330,000	340,000	350,000	360,000
Directional Drilling Charges	60,000	60,000	65,000	70,000	75,000
Distribution Transformers	600,000	600,000	500,000	500,000	500,000
New Extensions/Expansions	100,000	100,000	100,000	100,000	100,000
Metering Including VFI's	195,000	100,000	105,000	110,000	115,000
Substation Improvements					
Main Substation	100,000	105,000	110,000	115,000	120,000
St. Joe Substation	400,000	-	-	-	-
Downtown Substation	200,000	-	-	-	-
Lighting System Improvements					
City Street Projects	120,000	125,000	130,000	135,000	140,000
Tools and Equipment					
34.5kV Tools	25,000	25,000	30,000	30,000	35,000
Safety Tools	30,000	35,000	40,000	45,000	50,000
Test Equipment	20,000	25,000	30,000	35,000	40,000
Dollys	12,000	-	-	-	-
Vehicles/Trailers					
Digger Derrick Truck	470,000	-	-	-	-
Bucket Truck	250,000	250,000	350,000	-	-
Operations Pickup	50,000	-	-	-	-
Underground Troubleshooting Trailer	-	55,000	-	-	-
Public Education Distribution Trailer	50,000	-	-	-	-
Other					
WWTP Solar Project/CUP Requirements	30,000	-	-	-	-
Administration					
Computer System Improvements	55,000	55,000	55,000	60,000	60,000
Service Center Improvements	50,000	50,000	50,000	50,000	50,000
Total Electric Distribution	3,557,000	2,355,000	2,370,000	2,095,000	2,165,000
Hydro Generation					
PowerhHouse Building and Flow Control					
Tainter Gate Controls	55,000	-	-	-	-
Roof Replacement	100,000	200,000	-	-	-
Upgrade of Turbine Decking	100,000	75,000	-	-	-
Upgrade of Bascule Gate Hydraulics	-	-	200,000	-	-
Exterior Painting of Powerhouse	50,000	-	-	-	-
Upgrade of Slide Gates	-	-	-	300,000	-
Generation Equipment					
SCADA System Improvements	40,000	40,000	45,000	45,000	50,000
Relay Controls	75,000	75,000	-	-	-
Design and Replacement of Two Turbines	1,500,000	645,000	1,500,000	645,000	-
Replacement Parts of Older Turbines	50,000	-	50,000	-	50,000
Total Hydro Generation	1,970,000	1,035,000	1,795,000	990,000	100,000
Contingencies	138,000	117,600	113,000	108,000	87,000
Total Electric Department	$ 5,665,000	$ 3,507,600	$4,278,000	$ 3,193,000	$ 2,352,000
Less: Projects Funded with Bonds/Grants	2,220,000	895,000	1,850,000	645,000	-
Net Projects Funderd through Operations	3,445,000	2,612,600	2,428,000	2,548,000	2,352,000

Brainerd Public Utilities
Water Department
Capital Improvement Budget
For the Years 2024 Through 2028

	2024	2025	2026	2027	2028
Water Department					
Water Production and Treatment					
Well Rehab	$ 40,000	$ 42,000	$ 45,000	$ 47,000	$ 50,000
Filter Bed Improvements	60,000	65,000	70,000	75,000	80,000
Actuators	165,000	45,000	-	-	-
Valve Controls for North Plant - Train #2	45,000	-	-	-	-
Pump House Roof	-	30,000	-	-	-
SCADA System Improvements	55,000	45,000	45,000	45,000	50,000
HVAC Improvements	-	25,000	-	-	-
Parking Lot Improvements	-	25,000	-	-	-
Well House Improvements	35,000	35,000	35,000	40,000	40,000
Chlorine Cylinder Storage	40,000	25,000	25,000	25,000	25,000
Chemican Addition Equipment/Improvements	35,000	20,000	20,000	20,000	20,000
Security System Cameras	75,000	10,000	10,000	10,000	10,000
Reclamation/Backwash Construction Project	2,700,000	2,700,000	-	-	-
Pump House Booster Rebuilt	-	120,000	-	-	-
Water Distribution System					
Gates/Valves/Hydrants	50,000	50,000	55,000	55,000	60,000
City Watermain Projects					
South Brainerd Reconstruction (22-08)/Evergreen	1,300,000	-	-	-	-
Willow Roundabout	-	80,000	-	-	-
Beech/Oakridge Reconstruction	-	600,000	-	-	-
South Brainerd including Graydon Avenue	-	600,000	-	-	-
Highway 210/Washington Street	-	-	600,000	600,000	-
Southeast Brainerd Reconstruction	-	-	700,000	-	900,000
Northeast Brainerd Reconstruction	-	-	-	800,000	-
Meters	15,000	15,000	20,000	20,000	25,000
Lum and Riverside Booster Station Improvements	20,000	20,000	75,000	75,000	20,000
Distribution Tower Maintenance	25,000	25,000	25,000	25,000	25,000
Administration					
Computer System Improvements	35,000	35,000	35,000	40,000	40,000
Service Center Improvements	25,000	25,000	25,000	25,000	25,000
Total Water Before Contingencies	4,720,000	4,637,000	1,785,000	1,902,000	1,370,000
Contingencies	30,000	27,000	20,000	21,000	19,000
Total Water Department	$ 4,750,000	$ 4,664,000	$ 1,805,000	$ 1,923,000	$ 1,389,000
Less: Projects Funded with Bonds/Grants	4,000,000	3,980,000	1,300,000	1,400,000	900,000
Net Projects Funderd through Operations	750,000	684,000	505,000	523,000	489,000

Brainerd Public Utilities
Wastwater Department
Capital Improvement Budget
For the Years 2024 Through 2028

Project Description	2024	2025	2026	2027	2028
Wastewater Treatment Department					
Wastewater Treatment					
Control Building HVAC Upgrade	$ 130,000	$ -	$ -	$ -	$ -
Sampling Devices/system Flow Meters	10,000	10,000	15,000	15,000	20,000
PLC Upgrades	60,000	60,000	60,000	-	-
UV Bulbs	35,000	10,000	40,000	15,000	15,000
Storage Tank/Biosolids Upgrades	500,000	10,000,000	10,000,000	-	-
20" Cast Iron Elbows	164,000	-	-	-	-
20" Cast Iron Liners	81,000	-	-	-	-
SBR Parts	35,000	35,000	35,000	35,000	35,000
Digester Cover Upgrade/Flare Regulator	200,000	-	-	-	-
SBR/GBT Air Compressor	40,000	-	-	-	-
GBT Control Panel	150,000	-	-	-	-
SBR Blower Bearings	-	-	-	-	30,000
Hydry Dehumidifiers	10,000	-	-	-	-
Headwork Grit Classifier	-	90,000	-	-	-
Feed Pumps/Digester Feed	80,000	-	-	-	-
Lift Station Improvements					
Main Lift and Pumping Station					
Controls	165,000	-	-	-	-
Motor Control	90,000	-	-	-	-
Grit/Sump Pumps	97,000	-	-	-	-
Pump Station	36,000	-	-	-	-
Pipe Work and Electrical Upgrade	13,000	-	-	-	-
Submersible Pumps	100,000	-	-	-	-
Rake Parts	15,000	15,000	-	-	-
Generator Replacement	-	150,000	-	-	-
Roof	-	-	-	10,000	-
Hydry Dehumidifiers	5,000	-	-	-	-
Main Lift Heat/Air Exchanger	150,000	150,000	-	-	-
Facility Design Study	20,000	-	-	-	-
Evergreen Lift Station					
Grit/Sump Pumps	77,000	-	-	-	-
Motor Control	10,000	-	-	-	-
Roof	-	-	-	-	10,000
Door	15,000	-	-	-	-
Hydry Dehumidifier	5,000	-	-	-	-
Other Lift Stations					
SW 6th Generator	47,000	-	-	-	-
SCADA System Improvements	40,000	40,000	45,000	45,000	50,000
Force Main Mapping	25,000	-	-	-	-
Crack Fill Driveways	15,000	-	-	-	-
Buffalo Hills Pumps and Piping	50,000	-	-	-	-
Tyrol Pumps and Piping	50,000	-	-	-	-
Pump Replacements	25,000	25,000	30,000	30,000	35,000
Vehicles and Trailers					
Truck	-	65,000	-	-	-
Vac-Tron Trailer	-	80,000	-	-	-
Administration					
Computer System Improvements	35,000	35,000	35,000	40,000	40,000
Service Center Improvements	25,000	25,000	25,000	25,000	25,000
Total Wastewater Treatment Before Contingencies	2,605,000	10,790,000	10,285,000	215,000	260,000
Contingencies	84,000	31,200	12,000	8,400	10,800
Total Wastewater Treatment Department	$ 2,689,000	$ 10,821,200	$10,297,000	$ 223,400	$ 270,800
Less: Projects Funded with Bonds/Grants	500,000	10,000,000	10,000,000	-	-
Net Projects Funderd through Operations	2,189,000	821,200	297,000	223,400	270,800

Detail of 2024 Operating Budget

Brainerd Public Utilities
Summary of 2024 Operating Budget
Combined All Departments

	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Favorable (Unfavorable) Variance	2024 Budget
Utility Revenue							
Residential	$ 9,084,392	$ 9,354,559	$ 9,561,816	$10,018,508	$ 9,589,200	$ 429,308	$ 10,148,400
Commercial	16,231,562	18,096,016	18,174,299	20,494,301	24,400,800	(3,906,499)	21,378,600
Total Utility Revenue	25,315,954	27,450,575	27,736,115	30,512,809	33,990,000	(3,477,191)	31,527,000
Other Revenue							
Local Option Sales Tax Proceeds - Brainerd	1,217,700	1,331,925	1,539,391	1,472,441	1,344,000	128,441	1,472,400
Local Option Sales Tax Proceeds - Baxter	345,148	383,049	401,500	410,378	394,800	15,578	422,400
Interest Revenue Investments	370,983	(46,660)	(671,411)	180,781	56,800	123,981	73,200
Interest Revenue - Notes Receivable	147,679	135,313	117,505	105,293	108,000	(2,707)	92,400
Federal Grant Revenue - Build America Bond	101,312	88,709	77,558	70,224	70,800	(576)	62,400
Other Revenue	396,997	359,900	1,347,763	650,522	432,000	218,522	447,000
Contributed Capital	-	976,000	-	-	-	-	-
Total Other Revenue	2,579,819	3,228,236	2,812,306	2,889,640	2,406,400	483,240	2,569,800
Total Revenue	27,895,773	30,678,811	30,548,421	33,402,449	36,396,400	(2,993,951)	34,096,800
Expenses							
Purchased Power	10,559,355	12,021,143	12,256,210	15,264,661	17,653,200	2,388,539	15,276,000
Salaries and Wages	4,027,441	4,476,436	4,593,642	4,866,579	4,960,200	97,112	4,910,400
Operations and Maintenance	2,183,097	2,388,074	2,968,458	3,232,984	2,761,160	(471,824)	3,077,400
Employee Benefits	1,374,697	1,270,824	2,000,112	1,791,265	1,715,400	(75,865)	1,850,400
Other Charges	786,548	934,372	974,359	1,188,468	976,800	(211,668)	1,138,200
Depreciation	4,948,247	5,461,105	5,262,875	4,989,600	4,969,200	(20,400)	5,022,000
Interest Expense - Bonds	998,698	926,639	946,648	822,253	820,800	(1,453)	822,800
Cash Transfers to City	734,569	761,150	756,373	795,399	834,000	38,601	816,000
Total Expenses	25,612,652	28,239,743	29,758,677	32,951,208	34,690,760	1,743,043	32,913,200
Change in Net Position	$ 2,283,121	$ 2,439,068	$ 789,744	$ 451,241	$ 1,705,640	$ (1,250,908)	$ 1,183,600

Brainerd Public Utilities
2024 Operating Budget
Electric Department

	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Electric Department							
Revenue							
Utility Revenue							
Residential	$ 6,328,696	$ 6,471,225	$ 6,591,857	$ 6,944,064	$ 6,558,000	$ 386,064	$ 6,960,000
Commercial	7,153,738	9,836,029	10,128,886	10,662,160	10,116,000	546,160	10,620,000
Large Commercial	5,302,067	3,245,975	3,218,293	2,741,237	3,168,000	(426,763)	2,748,000
Industrial	-	-	506,772	2,702,512	6,834,000	(4,131,488)	3,600,000
City of Brainerd	348,270	353,436	349,837	364,319	354,000	10,319	362,400
BPU	771,792	766,335	760,117	815,325	768,000	47,325	780,000
Total Utility Revenue	19,904,563	20,673,000	21,555,762	24,229,617	27,798,000	(3,568,383)	25,070,400
Other Revenues							
Late Payment Penalties	32,657	66,145	111,151	135,539	90,000	45,539	102,000
Permits and Fees	12,179	25,394	36,849	42,100	26,400	15,700	30,000
Bad Debt Recoveries	12,039	15,541	5,329	6,593	6,000	593	6,000
Interest Revenue	149,615	(62)	(235,020)	11,949	24,000	(12,051)	9,600
Rental Revenue	24,199	7,012	74,718	1,067	24,000	(22,933)	12,000
Gain (Loss) on Sale of Capital Assets	(980)	31,522	33,954	413	6,000	(5,587)	1,200
Refunds and Reimbursements	(4,447)	30,532	11,385	13,063	3,600	9,463	3,600
Bond Premium	17,353	15,357	60,589	14,331	13,800	531	13,200
Grant Revenue	62,202	-	-	-	-	-	-
Sale of Renewable Energy Credits	-	-	482,463	-	-	-	-
Other Non-Operating Revenue	38,247	24,816	118,607	191,500	36,000	155,500	46,800
Total Other Revenue	343,064	216,257	700,025	416,554	229,800	186,754	224,400
Total Revenue	20,247,627	20,889,257	22,255,787	24,646,171	28,027,800	(3,381,629)	25,294,800
Expenses							
Purchased Power	10,559,355	12,021,143	12,256,210	15,264,661	17,653,200	2,388,539	15,276,000
Generation and Distribution							
Salaries and Wages							
Regular Wages	1,521,484	1,656,963	1,468,814	1,786,237	2,298,000	511,763	2,028,000
Overtime Wages	153,618	175,955	196,274	197,539	-	(197,539)	-
Double Overtime Wages	21,595	21,439	58,346	38,727	-	(38,727)	-
Vacation Pay	110,348	159,582	163,362	147,465	-	(147,465)	-
Sick Pay	25,399	47,340	45,644	50,009	-	(50,009)	-
Services to the City	61,235	51,269	74,861	69,557	-	(69,557)	-
Less: Wages Capitalized	(337,993)	(264,472)	(175,222)	(325,000)	(220,800)	104,200	(264,000)
	1,555,686	1,848,076	1,832,079	1,964,535	2,077,200	112,665	1,764,000
Operations and Maintenance							
Communications	8,623	11,632	4,630	12,420	6,000	(6,420)	3,600
Utilities	8,260	10,039	12,815	11,355	11,400	45	13,200
Small Tools and Supplies	81,409	47,849	66,767	55,128	67,200	12,072	63,600
Personal Protection Equipment	5,352	27,452	22,780	27,979	22,200	(5,779)	26,400
Motor Fuels	27,825	43,214	65,220	65,264	61,200	(4,064)	63,600
Maintenance and Repair							
Equipment	113,806	41,590	108,083	75,440	76,800	1,360	88,800
Buildings	10,199	16,651	26,810	8,682	15,000	6,318	13,200
Other	69,377	84,183	127,118	57,809	90,000	32,191	60,000
Street Lights	55,365	16,746	28,231	101,870	30,000	(71,870)	37,200
Cleaning and Waste Removal	11,030	6,863	16,014	3,720	9,000	5,280	4,800
Testing and Monitoring	2,505	8,467	9,211	4,523	9,000	4,477	4,800
Consulting Services	6,525	-	2,846	5,760	30,000	24,240	81,600
Other Services	24,221	45,720	65,153	38,990	27,000	(11,990)	37,200
	424,497	360,406	555,678	468,940	454,800	(14,140)	498,000

Brainerd Public Utilities
2024 Operating Budget
Electric Department

	2020	2021	2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Electric Department (Continued)							
Generation and Distribution (Continued)							
Employee Benefits							
Employee Benefits	$ 11,258	$ 3,332	$ -	$ -	$ 2,400	$ 2,400	$ 1,200
Pension	111,068	34,628	132,957	136,877	139,200	2,323	141,600
Health Insurance	229,037	255,234	297,416	272,951	282,000	9,049	232,800
Payroll Taxes	114,367	134,944	135,021	134,827	141,600	6,773	144,000
	465,730	428,138	565,394	544,655	565,200	20,545	519,600
Other Charges							
Licenses and Permits	43,260	37,132	38,511	6,171	38,400	32,229	9,600
Travel and Conferences	40,355	42,315	36,059	58,386	45,600	(12,786)	51,600
Miscellaneous	2,176	372	400	1,300	-	(1,300)	1,200
	85,791	79,819	74,970	65,857	84,000	18,143	62,400
Depreciation and Amortization	2,100,174	2,096,158	2,092,585	2,036,400	2,002,800	(33,600)	2,038,800
Total Generation and Distribution	4,631,878	4,812,597	5,120,706	5,080,386	5,184,000	103,614	4,882,800
Administration							
Salaries and Wages							
Regular Wages	665,323	659,487	634,642	615,040	861,600	246,560	855,600
Overtime Wages	12,367	14,610	20,478	12,992	-	(12,992)	-
Vacation Pay	59,209	73,879	73,656	82,032	-	(82,032)	-
Sick Pay	14,157	38,891	49,247	68,365	-	(68,365)	-
Board Member Salaries	6,466	6,480	6,586	6,533	5,400	(1,133)	7,200
	757,522	793,347	784,609	784,963	867,000	82,037	862,800
Operations and Maintenance							
Communications	38,203	41,356	58,384	65,038	45,600	(19,438)	60,000
Utilities	33,349	38,103	36,345	43,655	40,800	(2,855)	43,200
Small Tools and Supplies	3,571	2,447	13	91	1,200	1,109	1,200
Personal Protection Equipment	128	13	60	123	-	(123)	-
Motor Fuels	3,443	5,033	6,246	-	6,000	6,000	-
Maintenance and Repair							
Equipment	28,433	14,527	5,414	6,851	19,200	12,349	8,400
Buildings	4,170	7,134	12,179	4,577	7,800	3,223	4,800
Other	32,920	288	66	-	-	-	-
Maintenance Agreements	-	89,317	115,351	148,904	91,800	(57,104)	135,600
IT System Services	-	479	33,254	30,888	16,800	(14,088)	25,200
Consulting Services	171,401	126,272	133,843	179,958	99,600	(80,358)	153,600
Human Resource Services	-	-	55,920	38,795	53,360	14,565	48,000
Office Supplies	29,409	22,574	11,624	9,364	12,000	2,636	12,000
Other Services	13,565	16,402	46,287	18,142	25,200	7,058	16,800
	358,592	363,945	514,986	546,385	419,360	(127,025)	508,800
Employee Benefits							
Employee Benefits	15,657	28,306	23,143	8,368	19,800	11,432	9,600
Pension	20	11,783	312,185	144,429	70,200	(74,229)	122,400
Health Insurance	201,891	196,102	192,987	215,543	235,200	19,657	244,800
Payroll Taxes	55,160	57,585	54,977	60,343	66,000	5,657	66,000
	272,728	293,776	583,292	428,682	391,200	(37,482)	442,800
Other Charges							
General and Worker Comp. Insurance	125,201	144,451	170,377	239,781	181,200	(58,581)	226,800
Dues and Subscriptions	84,853	72,149	65,445	110,250	67,800	(42,450)	109,200
Licenses and Permits	36,858	40,124	41,289	8,208	28,200	19,992	12,000
Travel and Conferences	6,673	10,995	12,325	14,603	12,000	(2,603)	14,400
Miscellaneous	1,097	1,306	270	-	600	600	-
Bank Charges	16,136	51,632	4,671	-	5,400	5,400	-
Credit Card Transaction Fees	114,000	111,706	206,031	228,077	192,000	(36,077)	226,800
Interest Expense - Other	7,230	8,385	14,921	19,200	9,000	(10,200)	15,600
Interest Expense - Bonds	261,760	236,517	211,773	183,299	182,400	(899)	156,800
Bond Issuance Costs	-	-	-	-	-	-	-
Cash Transfers to City	734,569	761,150	756,373	795,399	834,000	38,601	816,000
Amortization of Deferred Charges	-	-	-	36,973	-	(36,973)	37,200
Bad Debts	31,227	20,272	13,883	18,000	28,800	10,800	18,000
	1,419,604	1,458,687	1,497,358	1,653,790	1,541,400	(112,390)	1,632,800
Depreciation	158,943	172,489	167,899	130,800	142,800	12,000	132,000
Total Administration	2,967,389	3,082,244	3,548,144	3,544,620	3,361,760	(182,860)	3,579,200
Total Expenses	18,158,622	19,915,984	20,925,060	23,889,667	26,198,960	2,309,293	23,738,000
Change in Net Position	$ 2,089,005	$ 973,273	$ 1,330,727	$ 756,504	$ 1,828,840	$ (1,072,336)	$ 1,556,800

Brainerd Public Utilities
2024 Operating Budget
Water Department

	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Water Department							
Revenue							
Utility Revenue							
Residential	$ 1,344,748	$ 1,469,941	$ 1,564,247	$ 1,656,400	$ 1,620,000	$ 36,400	$ 1,682,400
Commercial	1,177,962	2,265,451	1,506,912	1,365,100	1,446,000	(80,900)	1,470,000
City of Brainerd	103,076	114,859	124,465	138,400	128,400	10,000	138,000
BPU	68,811	84,865	87,587	105,000	93,000	12,000	96,000
Total Utility Revenue	2,694,597	3,935,116	3,283,211	3,264,900	3,287,400	(22,500)	3,386,400
Other Revenues							
Late Payment Penalties	5,521	13,427	20,861	24,815	18,000	6,815	20,400
Permits and Fees	2,550	2,650	2,400	6,917	3,000	3,917	6,000
Local Option Sales Tax Proceeds - Baxter	278,345	308,891	323,758	348,693	318,000	30,693	349,200
Bad Debt Recoveries	5,423	445	297	3,084	1,800	1,284	1,800
Interest Revenue	42,098	6,765	(24,837)	25,139	4,800	20,339	9,600
Bond Premium	65,781	75,981	302,366	147,768	145,200	2,568	147,600
Gain (Loss) on Sale Capital Assets	70	1,051	11,157	-	-	-	-
Refunds and Reimbursements	543	(1,166)	(59)	(93)	-	(93)	-
Grant Revenue	21,528	-	-	-	-	-	-
Other Revenue	12,586	23,108	590	18,057	18,000	57	14,400
Contributed Capital	-	976,000	-	-	-	-	-
Total Other Revenue	434,445	1,407,152	636,533	574,380	508,800	65,580	549,000
Total Revenue	3,129,042	5,342,268	3,919,744	3,839,280	3,796,200	43,080	3,935,400
Expenses							
Production							
Salaries and Wages							
Regular Wages	236,469	244,904	310,003	390,981	366,000	(24,981)	542,400
Overtime Wages	27,404	30,507	33,035	18,488	-	(18,488)	-
Double Overtime Wages	-	-	11,237	18,230	-	(18,230)	-
Vacation Pay	17,003	19,167	24,180	22,421	-	(22,421)	-
Sick Pay	4,300	2,510	31,763	14,261	-	(14,261)	-
	285,176	297,088	410,218	464,382	366,000	(98,382)	542,400
Operations and Maintenance							
Communications	2,927	3,464	2,554	2,528	3,600	1,072	2,400
Utilities	107,628	139,242	114,201	120,796	123,600	2,804	121,200
Small Tools and Supplies	14,205	28,677	16,951	19,405	15,600	(3,805)	19,200
Maintenance and Repairs							
Equipment	13,253	27,362	18,412	45,788	20,400	(25,388)	26,400
Buildings	2,310	1,808	855	2,861	1,200	(1,661)	1,200
Other	-	530	-	-	-	-	-
Cleaning and Waste Removal	-	70	-	-	-	-	-
Testing and Monitoring	3,943	10,545	7,953	5,709	11,400	5,691	7,200
Printing and Publishing	-	-	1,000	-	-	-	-
Consulting Services	-	-	-	-	-	-	-
Other Commodities	36,793	90,570	100,987	94,934	92,400	(2,534)	94,800
Office Supplies	9	915	1,236	677	600	(77)	1,200
	181,068	303,183	264,149	292,699	268,800	(23,899)	273,600
Employee Benefits							
Employee Benefits	3,940	1,636	-	-	600	600	-
Pension	18,102	6,730	30,213	34,336	27,600	(6,736)	40,800
Health Insurance	83,834	82,879	88,804	105,183	91,200	(13,983)	94,800
Payroll Taxes	20,353	20,707	27,490	32,711	28,800	(3,911)	40,800
	126,229	111,952	146,507	172,229	148,200	(24,029)	176,400
Other Charges							
Licenses and Taxes	542	933	-	757	600	(157)	600
Depreciation	273,618	296,604	278,444	266,400	256,800	(9,600)	267,600
Total Production	866,633	1,009,760	1,099,318	1,196,468	1,040,400	(156,068)	1,260,600

Brainerd Public Utilities
2024 Operating Budget
Water Department

	Actual			2023		2023 Variance	
	2020	2021	2022	Projected Actual	Budget	Positive (Negative)	2024 Budget
Water Department (Continued)							
Expenses (Continued)							
Distribution							
Salaries and Wages							
Regular Wages	301,891	325,399	433,748	459,800	494,400	34,600	597,600
Overtime Wages	36,320	34,180	36,469	48,763	-	(48,763)	-
Double Overtime Wages	345	7,135	1,164	4,682	-	(4,682)	-
Vacation Pay	27,803	30,122	42,791	55,861	-	(55,861)	-
Sick Pay	15,380	16,217	25,182	10,287	-	(10,287)	-
Less: Wages Capitalized	(29,280)	(13,290)	-	-	(18,000)	(18,000)	-
	352,459	399,763	539,354	579,393	476,400	(102,993)	597,600
Operations and Maintenance							
Communications	3,276	4,167	1,057	4,169	1,200	(2,969)	2,400
Utilities	68,113	85,342	75,982	74,605	78,000	3,395	74,400
Small Tools and Supplies	17,265	14,620	16,841	25,284	18,000	(7,284)	21,600
Personal Protection Equipment	1,055	1,911	5,490	6,332	3,600	(2,732)	4,800
Motor Fuels	13,274	15,690	24,285	18,901	19,200	299	19,200
Maintenance and Repar							
Equipment	25,490	30,413	52,277	20,169	37,200	17,031	36,000
Buildings	4,355	6,399	8,547	4,543	8,400	3,857	4,800
Other	15,864	2,987	45,800	56,275	21,600	(34,675)	46,800
Cleaning and Waste Removal	4,862	4,383	2,560	1,635	3,600	1,965	2,400
Testing and Monitoring	-	174	-	189	-	(189)	-
Printing and Publishing	88	-	-	-	-	-	-
Consulting Services	44,258	41,021	42,230	116,909	116,400	(509)	78,000
Other Commodities	2,923	6,275	13,035	7,341	8,400	1,059	7,200
Office Supplies	108	1,418	-	431	600	169	600
Other Services	770	1,726	743	12,625	1,200	(11,425)	1,200
	201,701	216,526	288,847	349,409	317,400	(32,009)	299,400
Employee Benefits							
Employee Benefits	$ 1,737	$ 25	$ -	$ -	$ 600	$ 600	$ -
Pension	24,622	9,539	40,690	41,708	37,200	(4,508)	45,600
Health Insurance	72,753	63,165	89,100	85,629	85,200	(429)	108,000
Payroll Taxes	25,244	28,883	40,258	41,013	38,400	(2,613)	45,600
	124,356	101,612	170,048	168,351	161,400	(6,951)	199,200
Other Charges							
Dues and Subscriptions	667	647	300	533	600	67	600
Licenses and Taxes	8,511	17,577	576	6,545	11,400	4,855	7,200
Travel and Conferences	1,425	6,182	14,854	17,285	8,400	(8,885)	8,400
Miscellaneous	-	26	-	-	-	-	-
	10,603	24,432	15,730	24,363	20,400	(3,963)	16,200
Depreciation	809,904	823,709	828,581	814,800	814,800	-	828,000
Total Distribution	1,499,023	1,566,042	1,842,560	1,936,316	1,790,400	(145,916)	1,940,400
Administration							
Salaries and Wages							
Regular Wages	248,780	236,626	230,256	214,875	303,600	88,725	300,000
Overtime Wages	5,627	6,182	7,240	4,488	-	(4,488)	-
Vacation Pay	22,084	26,260	26,824	31,779	-	(31,779)	-
Sick Pay	5,454	13,354	17,307	25,224	-	(25,224)	-
Board Member Salaries	2,155	2,160	2,195	2,160	2,400	240	2,400
	284,100	284,582	283,822	278,525	306,000	27,475	302,400

Brainerd Public Utilities
2024 Operating Budget
Water Department

	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Water Department (Continued)							
Expenses (Continued)							
Administration (Continued)							
Operations and Maintenance							
Communications	11,969	13,083	20,012	20,239	16,800	(3,439)	19,200
Utilities	12,315	13,888	14,161	16,313	14,400	(1,913)	15,600
Small Tools and Supplies	2,272	1,388	13	76	600	524	-
Personal Protection Equipment	76	13	185	41	-	(41)	-
Maintenance and Repair							
Equipment	10,841	6,633	7,438	2,839	7,200	4,361	3,600
Buildings	4,261	5,550	10,998	4,484	6,000	1,516	4,800
Other	1,105	113	-	-	-	-	-
Maintenance Agreements	9,941	21,270	32,030	42,560	27,600	(14,960)	39,600
IT System Services	-	159	11,766	9,584	9,600	16	9,600
Cleaning and Waste Removal	828	831	733	929	600	(329)	1,200
Printing and Publishing	1,324	1,822	13,604	2,612	3,600	988	3,600
Consulting Services	(14,669)	40,654	78,559	101,500	45,000	(56,500)	86,400
Human Resource Services	-	-	11,990	15,519	15,600	81	15,600
Other Commodities	261	423	888	951	600	(351)	600
Office Supplies	8,843	7,368	3,812	2,392	3,600	1,208	2,400
Other Services	7,222	983	1,143	1,073	1,200	127	1,200
	56,589	114,178	207,332	221,112	152,400	(68,712)	203,400
Employee Benefits							
Employee Benefits	3,816	587	160	4,936	600	(4,336)	-
Pension	2,548	6,016	105,153	57,457	22,800	(34,657)	48,000
Health Insurance	73,659	72,398	71,479	79,512	86,400	6,888	88,800
Payroll Taxes	20,617	20,662	19,059	20,977	24,000	3,023	22,800
	100,640	99,663	195,851	162,883	133,800	(29,083)	159,600
Other Charges							
Insurance and Bonds	48,041	44,301	46,779	68,205	54,000	(14,205)	68,400
Dues and Subscriptions	13,116	8,888	7,523	8,181	7,200	(981)	8,400
Licenses and Taxes	2,234	7,965	9,430	2,225	4,200	1,975	2,400
Travel and Conferences	52	1,220	1,595	7,840	600	(7,240)	2,400
Miscellaneous	2,570	63	498	413	600	187	600
Bank Charges	7,724	17,613	2,158	-	1,800	1,800	-
Credit Card Transaction Fees	31,000	37,235	72,482	80,100	68,400	(11,700)	75,600
Interest - Other	902	1,038	903	6,941	600	(6,341)	2,400
Interest - Bonds	257,525	254,312	355,400	302,500	310,800	8,300	302,400
Bond Issuance Costs	-	87,243	-	-	-	-	-
Amortization of Deferred Charges	-	-	5,008	5,635	-	(5,635)	6,000
Bad Debts	1,995	2,000	1,498	2,400	2,400	-	2,400
	365,159	461,878	503,274	484,441	450,600	(33,841)	471,000
Depreciation	58,539	61,839	60,274	42,000	46,800	4,800	42,000
Total Administration	865,027	1,022,140	1,250,553	1,188,961	1,089,600	(99,361)	1,178,400
Total Expenses	3,230,683	3,597,942	4,192,431	4,321,745	3,920,400	(401,345)	4,379,400
Change in Net Position	$ (101,641)	$ 1,744,326	$ (272,687)	$ (482,466)	$ (124,200)	$ (358,266)	$ (444,000)

Brainerd Public Utilities
2024 Operating Budget
Wastewater Department

	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Wastewater Department							
Revenue							
Utility Revenue							
Residential	$ 1,410,948	$ 1,413,393	$ 1,405,712	$ 1,418,044	$ 1,411,200	$ 6,844	$ 1,506,000
Commercial	721,484	787,350	736,018	806,055	772,800	33,255	810,000
City of Baxter	574,641	630,421	745,875	777,924	711,600	66,324	744,000
City of Brainerd	9,128	10,609	8,852	15,595	8,400	7,195	9,600
BPU	593	686	685	675	600	75	600
Total Utility Revenue	2,716,794	2,842,459	2,897,142	3,018,292	2,904,600	113,692	3,070,200
Other Revenues							
Late Payment Penalties	8,891	17,354	27,385	30,275	25,200	5,075	27,600
Local Option Sales Tax Proceeds - Brainerd	1,217,700	1,331,925	1,539,391	1,472,441	1,344,000	128,441	1,472,400
Local Option Sales Tax Proceeds - Baxter	66,803	74,158	77,742	61,685	76,800	(15,115)	73,200
Bad Debt Recoveries	593	641	972	517	-	517	-
Interest Revenue - Investments	179,270	(53,363)	(411,554)	143,693	28,000	115,693	54,000
Gain (Loss) on Sale Capital Assets	13,494	127	-	-	-	-	-
Refunds and Reimbursements	315	-	44	(3,864)	-	(3,864)	-
Interest Revenue - Notes Receivable	147,679	135,313	117,505	105,293	108,000	(2,707)	92,400
Federal Grant Revenue - Build America Bond	101,312	88,709	77,558	70,224	70,800	(576)	62,400
Bond Premium	9,657	9,657	40,407	8,841	9,000	(159)	8,400
Grant Revenue	43,832	-	-	-	-	-	-
Other Revenue	12,764	(704)	7,657	6,701	6,000	701	6,000
Total Other Revenue	1,802,310	1,603,817	1,477,107	1,895,808	1,667,800	228,008	1,796,400
Total Revenue	4,519,104	4,446,276	4,374,249	4,914,100	4,572,400	341,700	4,866,600
Expenses							
Treatment							
Salaries and Wages							
Regular Wages	329,989	345,830	268,850	345,641	396,000	50,359	412,800
Overtime Wages	70,951	72,442	69,325	59,879	-	(59,879)	-
Doubletime Wages	-	229	13,948	16,205	-	(16,205)	-
Vacation Pay	16,620	21,569	26,633	19,211	-	(19,211)	-
Sick Pay	4,677	4,650	5,296	2,087	-	(2,087)	-
	422,237	444,720	384,052	443,023	396,000	(47,023)	412,800
Operations and Maintenance							
Communications	3,780	6,336	-	5,699	3,600	(2,099)	5,400
Utilities	531,484	498,840	540,953	605,031	540,000	(65,031)	604,800
Small Tools and Supplies	16,385	15,666	13,704	26,069	18,000	(8,069)	21,600
Personal Protection Equipment	180	1,459	1,769	8,024	2,400	(5,624)	3,600
Motor Fuels	13,494	13,832	19,979	19,069	19,200	131	19,200
Maintenance and Repair							
Equipment	73,738	102,328	97,222	115,567	94,800	(20,767)	104,400
Buildings	3,134	14,729	10,828	52,327	10,200	(42,127)	30,000
Other	1,056	497	-	-	600	600	-
Cleaning and Waste Removal	3,857	4,383	5,521	4,571	5,400	829	4,800
Testing and Monitoring	51,964	55,785	69,784	83,115	74,400	(8,715)	81,600
Printing and Publishing	374	420	-	-	-	-	-
Consulting Services	15,355	13,515	2,535	10,864	14,400	3,536	14,400
Other Commodities	41,037	51,996	54,836	86,500	51,600	(34,900)	74,400
Office Supplies	5,873	5,624	2,533	1,057	3,600	2,543	2,400
Other Services	1,354	1,231	313	1,041	-	(1,041)	1,200
	763,065	786,641	819,977	1,018,933	838,200	(180,733)	967,800
Employee Benefits							
Employee Benefits	7,697	2,100	-	-	600	600	-
Pension	31,106	6,999	27,878	32,023	30,000	(2,023)	31,200
Health Insurance	75,088	68,201	65,814	65,324	72,000	6,676	81,600
Payroll Taxes	29,732	31,353	27,613	31,191	30,000	(1,191)	32,400
	143,623	108,653	121,305	128,537	132,600	4,063	145,200
Other Charges							
Licenses and Permits	24,271	26,631	29,840	21,500	26,400	4,900	21,600
Dues and Subscriptions	711	3,954	-	-	1,200	1,200	-
Travel and Conferences	3,694	7,106	15,940	20,667	13,200	(7,467)	18,000
Miscellaneous	50	19	-	-	-	-	-
	28,726	37,710	45,780	42,167	40,800	(1,367)	39,600
Depreciation	1,318,270	1,690,732	1,516,353	1,404,000	1,398,000	(6,000)	1,416,000
Total Treatment	2,675,921	3,068,456	2,887,467	3,036,660	2,805,600	(231,060)	2,981,400

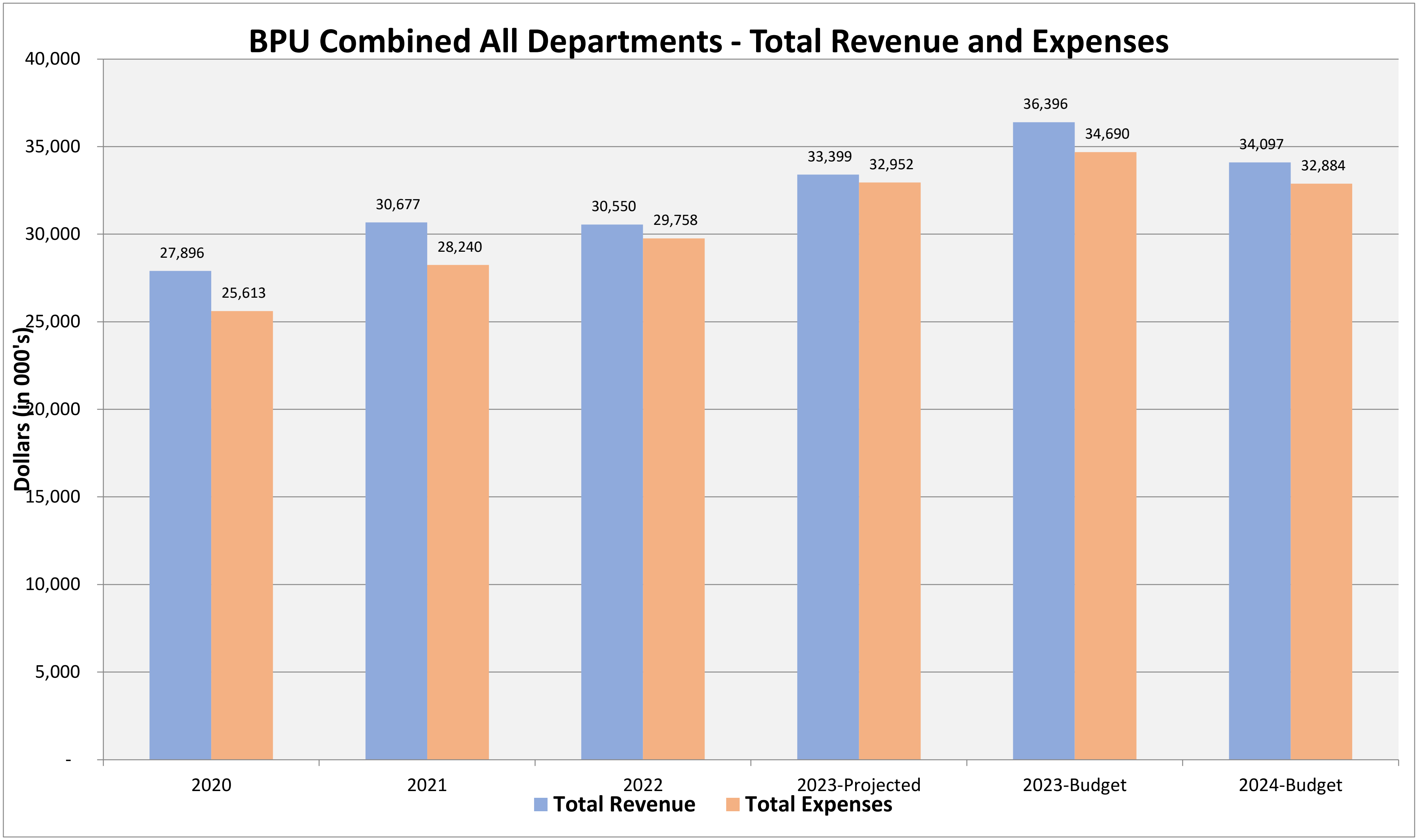
Brainerd Public Utilities
2024 Operating Budget
Wastewater Department

	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Wastewater Depart. (Continued)							
Expenses							
Lift Stations							
Salaries and Wages							
Regular Wages	94,031	104,831	57,023	65,579	180,000	114,421	145,200
Overtime Wages	19,306	19,347	16,031	9,377	-	(9,377)	-
Doubletime Wages	-	33	3,618	3,491	-	-	-
Vacation Pay	7,036	8,441	10,644	5,893	-	(5,893)	-
Sick Pay	1,846	1,291	8,414	980	-	(980)	-
	122,219	133,943	95,730	85,320	180,000	98,171	145,200
Operations and Maintenance							
Communications	3,485	3,508	2,849	2,991	3,600	609	3,600
Utilities	106,779	110,646	119,334	128,507	118,800	(9,707)	129,600
Small Tools and Supplies	1,827	1,383	124	163	1,200	1,037	1,200
Motor Fuels	3,443	6,174	6,246	-	7,800	7,800	6,000
Maintenance and Repair							
Equipment	10,621	20,523	24,111	38,081	24,000	(14,081)	28,800
Buildings	46	3,770	9,865	4,560	3,600	(960)	4,800
Other	-	-	-	-	-	-	-
Cleaning and Waste Removal	10,903	9,858	10,605	12,415	10,200	(2,215)	10,800
Testing and Monitoring	620	1,400	-	-	-	-	-
Consulting Services	4,212	7,898	-	1,993	7,200	5,207	3,600
Other Services	373	368	335	1,073	600	(473)	1,200
	142,309	165,528	173,469	189,783	177,000	(12,783)	189,600
Employee Benefits							
Employee Benefits	$ 774	$ -	$ -	$ -	$ 1,200	$ 1,200	$ -
Pension	9,491	2,231	6,545	7,405	13,800	6,395	10,800
Health Insurance	31,671	26,977	16,350	17,441	28,800	11,359	31,200
Payroll Taxes	8,530	9,370	6,244	7,160	13,800	6,640	10,800
	50,466	38,578	29,139	32,007	57,600	25,593	52,800
Travel and Conerences	-	-	1,914	3,265	-	(3,265)	2,400
Depreciation	193,511	276,130	276,774	266,400	272,400	6,000	268,800
Total Lift Stations	508,505	614,179	577,026	576,775	687,000	113,716	658,800
Administration							
Salaries and Wages							
Regular Wages	218,485	230,896	216,851	208,011	291,600	83,589	283,200
Overtime Wages	3,956	4,277	4,209	2,385	-	(2,385)	-
Vacation Pay	19,190	25,299	24,436	29,289	-	(29,289)	-
Sick Pay	4,256	12,285	16,087	24,593	-	(24,593)	-
Board Member Salaries	2,155	2,160	2,195	2,160	-	(2,160)	-
	248,042	274,917	263,778	266,439	291,600	25,161	283,200

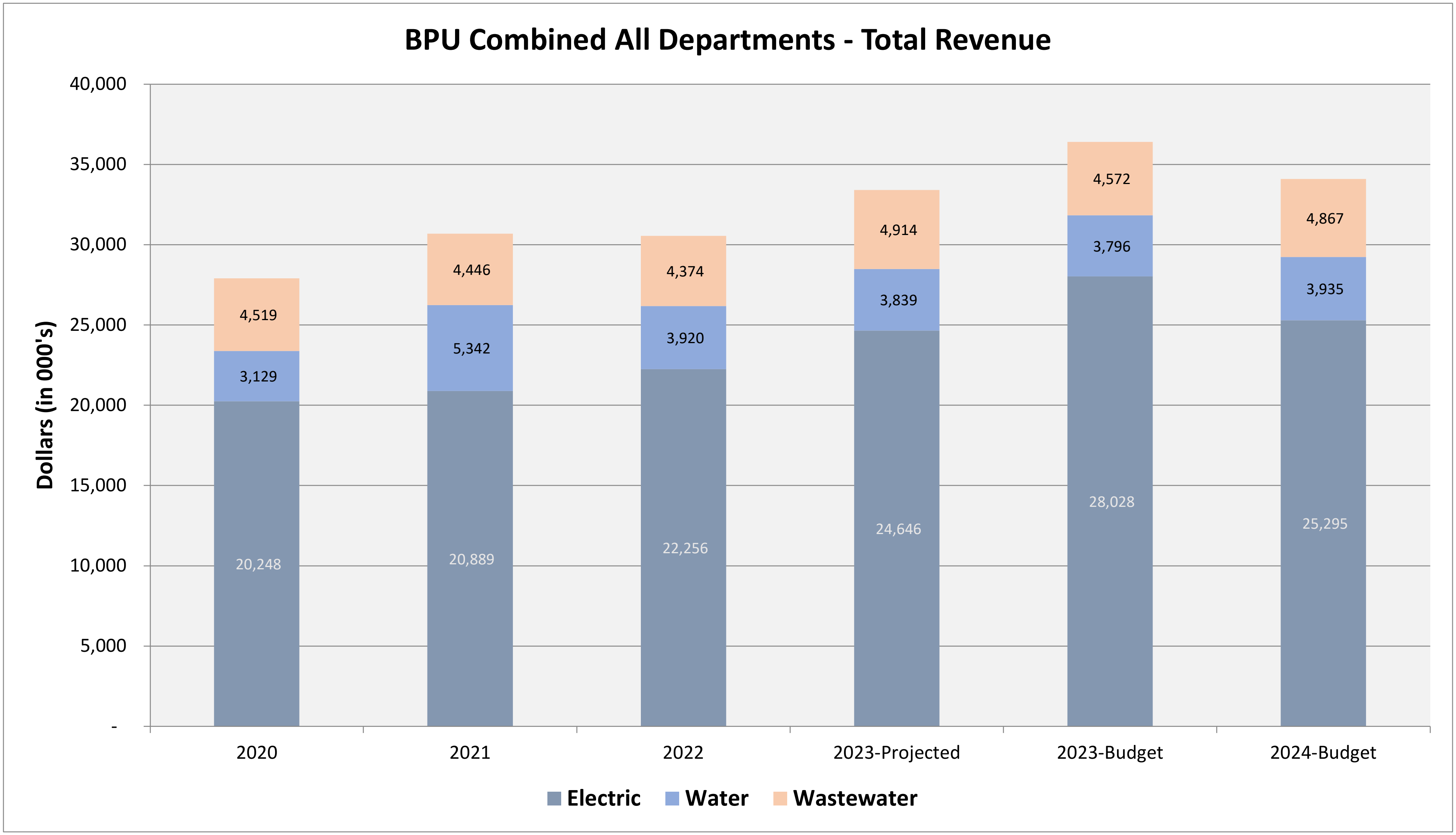
Brainerd Public Utilities
2024 Operating Budget
Wastewater Department

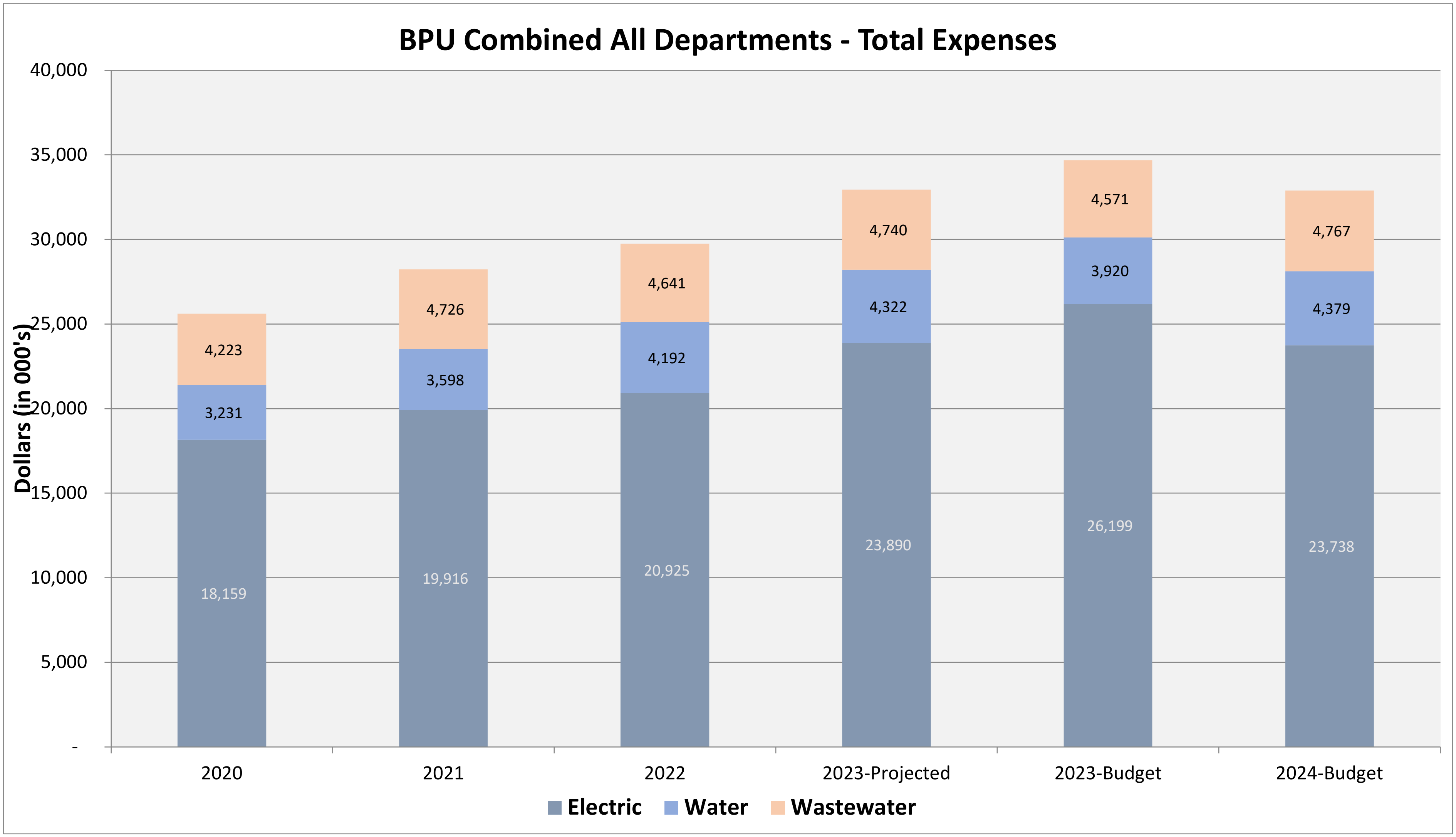
	Actual 2020	Actual 2021	Actual 2022	2023 Projected Actual	2023 Budget	2023 Variance Positive (Negative)	2024 Budget
Wastewater Depart. (Continued)							
Administration (Continued)							
Expenses (Continued)							
Operations and Maintenance							
Communications	10,247	10,736	19,997	20,133	18,600	(1,533)	19,200
Utilities	10,305	10,913	9,957	12,600	10,800	(1,800)	12,000
Small Tools and Supplies	213	16	-	9	-	(9)	-
Maintenance and Repair							
Equipment	3,606	846	255	2,107	2,400	293	2,400
Buildings	-	580	-	-	-	-	-
Other	9,917	952	-	-	600	600	-
Maintenance Agreements	-	23,586	32,512	55,516	27,600	(27,916)	39,600
IT System Services	-	628	21,378	7,621	15,600	7,979	8,400
Cleaning and Waste Removal	(655)	198	-	115	-	(115)	-
Printing and Publishing	950	1,403	12,759	2,273	3,600	1,327	3,600
Consulting Services	8,677	22,101	29,781	23,971	32,400	8,429	30,000
Human Resource Services	-	-	11,990	15,519	15,600	81	15,600
Office Supplies	5,280	4,966	4,175	4,220	4,800	580	4,800
Other Services	6,736	742	1,216	1,419	1,200	(219)	1,200
	55,276	77,667	144,020	145,503	133,200	(12,303)	136,800
Employee Benefits							
Employee Benefits	5,290	(1,695)	-	3,689	600	(3,089)	1,200
Pension	(550)	4,005	104,122	56,463	22,200	(34,263)	48,000
Health Insurance	68,717	67,125	66,679	73,764	80,400	6,636	82,800
Payroll Taxes	17,468	19,017	17,775	20,005	22,200	2,195	22,800
	90,925	88,452	188,576	153,921	125,400	(28,521)	154,800
Other Charges							
General and Worker Comp. Insurance	70,239	46,014	61,312	76,484	76,800	316	76,800
Dues and Subscriptions	16,690	12,329	11,607	27,373	12,600	(14,773)	22,800
Licenses and Permits	78	1,450	2,096	227	600	373	600
Travel and Conferences	-	2,439	1,466	6,205	1,200	(5,005)	3,600
Miscellaneous	99	2,864	480	-	-	-	-
Bank Charges	7,724	16,688	1,493	-	2,400	2,400	-
Credit Card Transaction Fees	31,000	37,235	72,482	76,025	68,400	(7,625)	75,600
Interest Expense - Other	902	1,038	903	675	600	(75)	600
Interest Expense Bonds	479,413	435,810	379,475	336,454	327,600	(8,854)	363,600
Bond Issuance Costs	-	-	-	-	-	-	-
Amortization of Deferred Charges	-	-	5,008	5,635	-	(5,635)	6,000
Bad Debts	3,245	2,835	2,032	2,400	3,600	1,200	2,400
	609,390	558,702	538,354	531,478	493,800	(37,678)	552,000
Depreciation	35,288	43,444	41,965	28,800	34,800	6,000	28,800
Total Administration	1,038,921	1,043,182	1,176,693	1,126,141	1,078,800	(47,341)	1,155,600
Total Expenses	4,223,347	4,725,817	4,641,186	4,739,575	4,571,400	(164,685)	4,795,800
Change in Net Position	$ 295,757	$ (279,541)	$ (266,937)	$ 174,525	$ 1,000	$ 177,015	$ 70,800

Graphical Information


BPU Combined All Departments - Total Revenue and Expenses
Dollars (in 000's)
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
-
27,896
25,613
30,677
28,240
30,550
29,758
33,399
32,952
36,396
34,690
34,097
32,884
2020
2021
2022
2023-Projected
2023-Budget
2024-Budget
Total Revenue
Total Expenses

15


BPU Combined All Departments - Total Revenue
Dollars (in 000's)
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
-
2020
2021
2022
2023-Projected
2023-Budget
2024-Budget
20,248
3,129
4,519
20,889
5,342
4,446
22,256
3,920
4,374
24,646
3,839
4,914
28,028
3,796
4,572
25,295
3,935
4,867
Electric
Water
Wastewater


BPU Combined All Departments - Total Expenses
Dollars (in 000's)
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
-
2020
2021
2022
2023-Projected
2023-Budget
2024-Budget
18,159
3,231
4,223
19,916
3,598
4,726
20,925
4,192
4,641
23,890
4,322
4,740
26,199
3,920
4,571
23,738
4,379
4,767
Electric
Water
Wastewater

BRAINERD PUBLIC UTILITIES
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Business Office: 218.829.8726 ■ *Repair Service:* 218.829.2193
www.bpu.org

November 15, 2023

Region Five Development Commission (R5DC)
Cheryal Lee Hills, Executive Director
200 1st Street NE, Suite 2
Staples, MN 56479

Dear Ms. Hills:

Brainerd Public Utilities is pleased to be an engaged stakeholder in the Region Five Development Commission request for Local Energy Action Plan technical assistance entitled, **"2040: A Brainerd Odyssey, Path to Resiliency."** In order to achieve the shared vision to increase local resiliency, expand clean energy economic development, and improve the quality of life for our low-income neighbors, a significant partnership is needed to create and implement an Action Plan, and we are one of the critical Technical Expertise partners. This proposal aligns with our mission to provide safe, reliable, environmentally friendly electric, water and sewer services to our customers at the lowest reasonable cost.

Brainerd Public Utilities provides electric, water and wastewater services in and around the City of Brainerd. As a Technical Expertise Partner, we are committed to helping develop the Local Energy Action Plan, actively participating throughout the 12-18 month planning process, as well as during project execution. Our organization is uniquely positioned to assist in developing and implementing the local clean energy transition plan through providing insight into the current infrastructure and energy demands or needs and assist in installing and implementing any new changes for the community.

Technical expertise from the National Renewable Energy Lab is essential to our rural community's success. We support DOE's investment in Brainerd. Together, we have the power to achieve this important vision in Region Five and continue building our resilient region.

Many thanks,

Todd Wicklund

Todd Wicklund, CPA
Brainerd Public Utilities Director

CliftonLarsonAllen LLP
https://www.claconnect.com

Statement of Work - Audit Services

November 4, 2023

This document constitutes a statement of work ("SOW") under the master service agreement ("MSA") dated November 20, 2022, or superseding MSA, made by and between CliftonLarsonAllen LLP ("CLA," "we," "us," and "our") and Brainerd Public Utilities ("you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CLA will provide for the entity as of and for the year ended December 31, 2023.

Mary Reedy, CPA, CGFM is responsible for the performance of the audit engagement.

Scope of audit services
We will audit the financial statements of the business-type activities, which collectively comprise the basic financial statements of Brainerd Public Utilities, and the related notes to the financial statements as of and for the year ended December 31, 2023.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements.

The RSI will be subjected to certain limited procedures, but will not be audited.

We will also evaluate and report on the presentation of the supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Nonaudit services
We will also provide the following nonaudit services:

· Preparation of your financial statements and the related notes.

· Preparation of the required supplementary information (RSI).

· Preparation of the supplementary information.

· Preparation of lease tools, if necessary

Audit objectives
The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

issue an auditors' report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Our audit will be conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require us to be independent of the entity and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. Our audit will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinions.

We will apply certain limited procedures to the RSI in accordance with U.S. GAAS. However, we will not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. We will also perform procedures to enable us to express an opinion on whether the supplementary information (as identified above) other than RSI accompanying the financial statements is fairly stated, in all material respects, in relation to the financial statements as a whole.

We will issue a written report upon completion of our audit of your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming opinions on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express opinions or issue a report, or withdrawing from the engagement.

We will also provide a report (which does not include an opinion) on internal control over financial reporting and on compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements, as required by *Government Auditing Standards*. The report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the entity is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit conducted in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

As part of our audit, we will also perform the procedures and provide the report required by the Minnesota Legal Compliance Audit Guide for Political Subdivisions.

It is our understanding that our auditors' report will be included in your annual report which is comprised of the financial statements and that your annual report will be issued by June 30, 2024. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Auditor responsibilities, procedures, and limitations

We will conduct our audit in accordance with U.S. GAAS and the standards for financial audits contained in *Government Auditing Standards*.

Those standards require that we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit. As part of our audit, we will:

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and evaluate whether audit evidence obtained is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

• Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Conclude, based on our evaluation of audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity’s ability to continue as a going concern for a reasonable period of time.

Although our audit planning has not been concluded and modifications may be made, we have identified the following significant risk(s) of material misstatement as part of our audit planning:

• Management Override of internal controls

• Improper revenue recognition

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS and *Government Auditing Standards*. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not require auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting fraud or errors that are material to the financial statements and to preventing and detecting misstatements resulting from noncompliance with provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standard*s. An audit is not designed to provide assurance on internal control or to identify deficiencies, significant deficiencies, or material weaknesses in internal control. However, we will communicate to you in writing significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we identify during the audit that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the entity's compliance with the provisions of laws, regulations, contracts, and grant agreements that have a material effect on the financial statements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

We will include in our report on internal control over financial reporting and on compliance relevant information about any identified or suspected instances of fraud and any identified or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements that may have occurred that are required to be communicated under *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Management responsibilities

Our audit will be conducted on the basis that you (management and, when appropriate, those charged with governance) acknowledge and understand that you have certain responsibilities that are fundamental to the conduct of an audit.

You are responsible for the preparation and fair presentation of the financial statements and RSI in accordance with U.S. GAAP.

Management's responsibilities include the selection and application of accounting principles; recording and reflecting all transactions in the financial statements; determining the reasonableness of significant accounting estimates included in the financial statements; adjusting the financial statements to correct material misstatements; and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for 12 months beyond the financial statement date.

You are responsible for the design, implementation, and maintenance of effective internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities and safeguarding assets to help ensure that appropriate goals and objectives are met. You are responsible for the design, implementation, and maintenance of internal controls to prevent and detect fraud; assessing the risk that the financial statements may be materially misstated as a result of fraud; and for informing us about all known or suspected fraud affecting the entity involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for implementing systems designed to achieve compliance with applicable laws and regulations and the provisions of contracts and grant agreements; identifying and ensuring that the entity complies with applicable laws, regulations, contracts, and grant agreements; and informing us of all instances of identified or suspected noncompliance whose effects on the financial statements should be considered. You are responsible for taking timely and appropriate steps to remedy any fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we may report.

You are responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, including amounts and disclosures, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters, and for the accuracy and completeness of that information (including information from within and outside of the general and subsidiary ledgers); (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

You agree to inform us of events occurring or facts discovered subsequent to the date of the financial statements that may affect the financial statements.

Management is responsible for the preparation of the supplementary information in accordance with U.S. GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. You agree to provide us written representations related to the presentation of the supplementary information.

Management is responsible for the preparation of other information included in your annual report. You agree to provide the final version of such information to us in a timely manner, and if possible, prior to the date of our auditors' report. If the other information included in your annual report will not be available until after the date of our auditors' report on the financial statements, you agree to provide written representations indicating that (1) the information is consistent with the financial statements, (2) the other information does not contain material misstatements, and (3) the final version of the documents will be provided to us when available, and prior to issuance of the annual report by the entity, so that we can complete the procedures required by professional standards. Management agrees to correct material inconsistencies that we may identify. You agree to include our auditors' report in any document containing financial statements that indicates that such financial statements have been audited by us.

Management is responsible for providing us with a written confirmation concerning representations made by you and your staff to us in connection with the audit and the presentation of the basic financial statements and RSI. During our engagement, we will request information and explanations from you regarding, among other matters, the entity's activities , internal control, future plans, specific transactions, and accounting systems and procedures. The procedures we will perform during our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the representations that we receive in the representation letter and otherwise from you. Accordingly, inaccurate, incomplete, or false representations could cause us to expend unnecessary effort or could cause a material fraud or error to go undetected by our procedures. In view of the foregoing, you agree that we shall not be responsible for any misstatements in the entity's financial statements that we may fail to detect as a result of misrepresentations made to us by you.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies to us of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the "Audit objectives" section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other engagements or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions for the report, and for the timing and format for providing that information.

Responsibilities and limitations related to nonaudit services
For all nonaudit services we may provide to you, management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. Management is also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Use of financial statements
Should you decide to include or incorporate by reference these financial statements and our auditors' report(s) thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to re-issue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will re-issue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to re-issue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to re-issue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials and we will receive a complete set of final documents. If we decide not to re-issue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

If the parties (i.e., you and CLA) agree that CLA will not be involved with your official statements related to municipal securities filings or other offering documents, we will require that any official statements or other offering documents issued by you with which we are not involved clearly indicate that CLA is not involved with the contents of such documents. Such disclosure should read as follows:

> CliftonLarsonAllen LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. CliftonLarsonAllen LLP also has not performed any procedures relating to this offering document.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website or submitted on a regulator website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

Engagement administration and other matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. A list of information we expect to need for our audit and the dates required will be provided in a separate communication.

We will provide copies of our reports to the entity; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing confidential or sensitive information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the sole and exclusive property of CLA and constitutes confidential and proprietary information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Minnesota Office of the State Auditor, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of CLA personnel. Furthermore, upon request, we may provide copies or electronic versions of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by the Minnesota Office of the State Auditor. If we are aware that a federal or state awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Professional standards require us to be independent with respect to you in the performance of these services. Any discussion that you have with our personnel regarding potential employment with you could impair our independence with respect to this engagement. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence and objectivity. Further, any employment offers to any staff members working on this engagement without our prior knowledge may require substantial additional procedures to ensure our independence. You will be responsible for any additional costs incurred to perform these procedures.

Our audit engagement ends on delivery of our signed report. Any additional services that might be requested will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific SOW for that service.

Government Auditing Standards require that we make our most recent external peer review report publicly available. The report is posted on our website at www.CLAconnect.com/Aboutus/.

Fees

Our professional fees are outlined in the table below:

Service	Fee
Financial Statement Audit	$28,300
Implementation of the New Risk Auditing Standards which includes an increase in information technology testing	SAS 143-145 $2.5k- 4k Minimum
SBITAs audit resource fee	$1,000
Additional audit testing for GASB 96 SBITAs (1-25 agreements)	$275 per hour

We will also bill for expenses including a technology and client support fee of five (5%) of all professional fees billed. Our fee is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher.

Professional fees will be billed as follows:

Progress bill to be mailed on	Amount to be billed
Upon execution of the SOW	One-third of our professional fees
Upon the commencement of substantive procedures	One-third of our professional fees
Issuance of draft report(s)	One-third of our professional fees

This estimate is based on anticipated cooperation from your personnel and their assistance with locating requested documents and preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the fees and expenses will likely be higher. Our invoices, including applicable state and local taxes, will be rendered each month as work progresses and are payable on presentation.

Unexpected circumstances

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in accounting and audit standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the SOW increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Agreement

We appreciate the opportunity to provide to you the services described in this SOW under the MSA and believe this SOW accurately summarizes the significant terms of our audit engagement. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA related to audit services. If you have any questions, please let us know. Please sign, date, and return this SOW to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP

Response:

This letter correctly sets forth the understanding of Brainerd Public Utilities.

CLA

ORG:

NAME: Mary Reedy

TITLE: Principal

SIGN: Mary Reedy

DATE: November 6, 2023

Client

ORG: Brainerd Public Utilities

NAME:

TITLE:

SIGN:

DATE:

ORG: Brainerd Public Utilities

NAME:

TITLE:

SIGN:

DATE:

HR Director's Report to BPU Commission

November 21, 2023

Personnel:

Two BPU Department employees were off from work this past month for non-work-related medical issues. One of those employees was absent intermittently.

An internal promotional process was conducted for our Electric Distribution Supervisor position with one application received. At the November 6th Council meeting, the council accepted the promotion of Mitch Lachelt with an effective date of November 7, 2023 and also approved backfilling his Lineworker position. The Lineworker position has been posted and we are accepting applications through the end of the day on December 8th.

2023 wage grids for the new Facilities Custodian, Journeyman Electrician and Business Office Support Specialist positions were presented to the IBEW Public Utility Union on October 27th. After an agreement is reached with the union and approved by the City Council, we can start advertising for those positions.

City Administrator Jennifer Bergman announced her resignation effective November 15th with her last day in the office being November 9th. BPU Commission Chair Wussow was contacted and agreed to serve as our Interim City Administrator during the hiring process. Please note our Brainerd City Charter required that Mr. Wussow resign from the BPU Commission as individuals that hold appointed positions within the City are not allowed to serve on the Commission.

2023 Classification and Compensation Study:

Flaherty & Hood (FH) has begun the Job Evaluation Points Review Process. HR staff distributed an email to Staff on November 15th with a memo that had instructions regarding the process. Job Points Review Process Forms will be accepted through the end of the day on Wednesday, November 22, 2023. Meetings will be scheduled with employees to review their appeals.

Wellness Committee:

On November 16th, the Wellness Committee organized our annual Chili/Soup Cookoff. This year the theme was CLUE. Each chili/soup that was entered had its own name/special ingredient/and department name that went along with the board game clue. The object of the game was to guess all three items to get your name in a drawing. The 2023 winner was "**Aryn Harbard with the Asphyxiating Gas in the Landlord's Quarters"** which was Ryan Barnett from the HRA with a special ingredient of "smoke". We want to thank all that participated and a special thank you to Mandy Selisker, Shawn Middagh and Toni Gage for putting this together!

2024 Open Enrollment:

Our 2024 open enrollment came to a close on November 14th. All employees have elected their benefits and will see those adjustments starting January 1st. We want to thank all employees for completing this in a timely manner. The 2024 health insurance election forms will be distributed to the BPU Commission members after the Council determines the 2024 Council and BPU Commission health insurance options and payment split.