

**VILLAGE OF PARDEEVILLE**  
**PARDEEVILLE VILLAGE BOARD/PUBLIC UTILITY COMMISSION**  
**SPECIAL MEETING MINUTES**  
**Village Hall – 114 Lake Street, Pardeeville**  
**Tuesday, July 26th, 2021 at 6:30 p.m.**

**Call to Order:** The Special meeting of the Village of Pardeeville governing body and Public Utility Commission met on Tuesday, July 27th, 2021 at the Village Hall at 114 Lake Street in Pardeeville. Village President Possehl called the meeting to order and Jennifer Becker, Clerk/Treasurer served as secretary.

**Roll Call:** All trustees and commission members were present, also present were Brent Nelson with Johnson Block, Erin Salmon – Administrator/DPW and Jennifer Becker – Clerk/Treasurer

**Verification of the posting of agenda:** The agenda was properly posted at the Pardeeville Village Hall, Village Website and the Pardeeville Post Office.

**Agenda Approval:**

**MOTION Abrath/Holtan** to approve agenda as presented. Motion carried unanimously.

**Comments from the Floor:** None

**NEW Business**

**Review of Village 2020 Audit**

Brent Nelson with Johnson Block was present to go over the 2020 audit and financial statements. Discussion on fund balance, rate of return for the utilities and projects going forward.

**Motion Abrath/Possehl** to accept the 2020 audit as presented. Motion carried unanimously.

**Rate cases for water/electric and sewer utilities**

Based on the 2020 rate of return the Village would be able to apply for a simplified rate case for water. Under PSC regulations, electric utility requires a conventional rate case. Sewer is governed by the municipality so any increase can be determined at that level. Discussion on current rates, projects and rate of return. Salmon stated she recommended the conventional rate case for electric (rate to be determined by outcome of application), simplified at 3% for water and 3%-4% increase for sewer. Current electric R.O.R. is -49%, Water .79% and Sewer 2.78%. Chair Babcock recommended bringing rate discussions to Public Utility commission on September 13<sup>th</sup>.

No formal action taken.

**PCAC audit – discussion on payback**

The audit uncovered that the electric utility had been calculating the PCAC (Power Cost Adjustment) incorrectly since August of 2018 to February 2021. It was also uncovered that the reports used to calculate the PCAC had been set incorrectly and then modified causing additional issues. The auditor did not catch in 2019 as there was not a significant change compared to Alliant Energy bills; relating to usage. The significant change came in 2020 when the reports were run & the Village made too much revenue on PCAC. When the problem was uncovered, the internal process was immediately changed and the Village hired a consultant to help determine the impact of the errors. The utility has overbilled both commercial and residential customers. The Village Board and Utility Commission discussed the impact, interest due and the potential payback plan. The decision was made to present a listing by customer rate (residential vs. commercial) to the Village Board at their August 3<sup>rd</sup> meeting where they would then determine the payback plan.

**No formal action taken.**

**Adjourn:** The meeting adjourned by Possehl at 7:50 p.m.

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Jennifer Becker, Clerk/Treasurer  
Approved 08/17/2021