

**VANGUARD ELECTRIC COMMISSION AGENDA**  
**BLACK EARTH • MAZOMANIE**  
**714 Blue Mounds Street | Black Earth, WI 53515**  
**6:30 PM • Tuesday • 1/19/2021**

- 1) Call to order
- 2) Roll call
  - a. Troy Esser—Black Earth
  - b. Rod Howard—Black Earth
  - c. Mitch Hodson—Black Earth
  - d. Kyle Kepler—Mazomanie
  - e. Peter Huebner—Mazomanie
  - f. Gary Harrop—Mazomanie
  - g. Mike Krawczyk—Citizen at Large
- 3) Proof of posting (Village of Black Earth, Village of Mazomanie, Star News)
- 4) Approval of minutes
- 5) Public comment (3 minutes per person)
- 6) Financial Report
- 7) Discussion/Action—Superintendent’s Report
- 8) Discussion/Action—Bank authorization for Lydia to perform non-signatory actions
- 9) Discussion/Action—Truck purchase
- 10) Consideration/motion to enter closed session pursuant to Wis. Stats. 19.85(1)(c) for consideration, and taking action as appropriate, regarding the employment, promotion, compensation, or performance evaluation data of one or more employees (Employee wages). Roll call vote.
- 11) Consideration/motion to arise from closed session
- 12) Consideration/motion on any closed session items
- 13) Items for discussion at next meeting
- 14) Set date of next meeting
- 15) Adjourn

**PLEASE NOTE:** If you need assistance to attend this meeting, please call 608-767-2561 to allow accommodations to be made.

Vanguard Electric Commission  
Peter Huebner, President

Dated: 1/14/21

# MINUTES



January 19, 2021 | 6:30 PM

Vanguard Shop – 714 Blue Mounds St, Black Earth, WI 53515

1. **Call to order** Vanguard Electric Commission President Peter Huebner called the meeting to order at 6:30 PM.
2. **Roll call** Those in attendance upon roll call were Rod Howard, Mitch Hodson, Peter Huebner, Kyle Kepler, Gary Harrop, and Mike Krawczyk. Troy Esser arrived later. There was a quorum. Community member David Stanfield was also present.
3. **Proof of posting** A copy of the notice was posted January 14, 2021 to the Village of Mazomanie and the Village of Black Earth. It was also transmitted to Star News.
4. **Approval of minutes dated November 17, 2020** *Motion by Kepler/Hodson to approve November minutes. Motion passed.*
5. **Public Comment (3 minutes per person)** David Stanfield stated his plan to write articles about Black Earth's electric, fire department, and library to inform area residents of their development and perspectives for the future. May contact various board members for input.
6. **Financial report** Minor materials account below \$10,000; on-track to dissolve balance within 5 years. Added vision insurance benefit this year—no cost to Vanguard. BE December bill \$120,000 due to J&R boring along Turkey Rd and KP, and year-end inventory charges. Almost \$2000 of temp fee revenue. Well under budget in BE for 2020. Came in right at budget in Mazo. \$16,000 vehicle repairs for 2020, compared to \$23,000 last year. Check if Zak Bloom will do review of 2020 books. Lydia will do the CWIP entries for the villages, using Zak as a reference as needed.
7. **Discussion/Action—Superintendent's report:** One employee is out, wife tested positive for COVID. Likely won't return until first week of Feb. This is paid time off. Took a village-wide outage last week in BE to repair a bad switch in the sub. J&R was in BE boring along Turkey Rd, Hwy KP, and customer service on Spring St. They hit a Charter fiber line. Job posting went live, lots of interest. Posting will remain open until Feb. 5. Updating meters and transformers on GIS mapping—hoping to cut down on paper records. Received safety grant with a \$500 match, haven't decided what to purchase. Stocking up on inventory, some items are 30 weeks out. Implemented a frost policy--\$300 for above-ground temps, or customer pays full cost to drill permanent.

Discussion on updated budget. Time split % for 2020 was 57/43 (BE/Mazo), very close to projected 60/40 split. Comp time significantly under budget. Overall, under budget for both villages. Still no approved 2021 budget for BE; per Hodson/Esser, dollar amount has been approved. Request by Harrop for Shawn to draft a 5-year plan for Mazo projects. Shawn is also working with DOT—maps for Hwy 14 changed after electric was put in, will need to move a few spots.

8. **Discussion/Action—Bank authorization for Lydia to perform non-signatory actions** Resolution presented authorizing Lydia to conduct account inquiries, stop pay initiations, and other non-signatory actions on all bank accounts. *Motion by Harrop/Kepler to approve Resolution 01-19-21R. Motion passed.*

- 9. Discussion/Action—Truck purchase** Discussion on replacing '18 Ford pickup purchased Oct-2017. Would like to stay on a 3-year replacement schedule. Trade-in value \$28,500, new purchase price \$36,900, so it costs roughly \$2800/year. Truck boxes are set up for easy transfer. Shawn thinks vehicle fund is growing at a good rate and no major equipment replacements planned in the near future.

*Motion by Krawczyk/Hodson to approve the truck repurchase plan as discussed. Motion passed.*

- 10. Consideration/motion to enter into closed session pursuant to Wis. Stats. 19.85(1)(c) for consideration, and taking action as appropriate, regarding the employment, promotion, compensation, or performance valuation data of one or more employees (Employee wages). Roll call Vote.**

*Motion by Esser/Krawczyk to enter closed session. Motion passed with unanimous roll call vote: Troy—yes, Rod—yes, Mitch—yes, Kyle—yes, Peter—yes, Gary—yes, Mike—yes.*

- 11. Consideration/motion to arise from closed session**

- 12. Consideration/motion on any closed session items:** *Motion by Krawczyk/Hodson to approve what was discussed in closed session and have Shawn discuss with employees. Motion passed.*

- 13. Items for discussion at next meeting:** None

- 14. Set date of next Vanguard Electric Commission meeting:** March 16 at 6:30 PM at the Vanguard shop

- 15. Adjourn:** *Motion by Harrop/Hodson to adjourn. Motion passed.*

January 19, 2021

To: Vanguard Electric Commission, Board of the Black Earth Library, Black Earth Fire District, EMS 1 Board, and the Board of Trustees of the Village of Black Earth:

From: David Stanfield, member of the Town of Vermont Energy Planning Committee, email: [jdstanfi@wisc.edu](mailto:jdstanfi@wisc.edu)

I would like to let you know that on my own volition I am doing three articles on the present status and likely future developments of three entities which are linked to the Village of Black Earth and whose service areas include residents of the Town of Vermont. I will present these articles to the Town of Vermont Board of Supervisors and to the Town's newsletter, "Vermont's Voice".

The three entities which are subjects of these articles are:

- 1) Black Earth Electric--administers billing for approximately 1,300 village and rural Black Earth Electric customers. Vanguard Electric is a separate entity funded by the Villages of Black Earth and Mazomanie. It monitors and services Village owned electricity system assets (lines, sub-station, etc). The Vanguard Electric Commission with representatives from the Villages of Black Earth and Mazomanie, oversees Vanguard Electric There are about 130 Town of Vermont customers of Black Earth Electric.
- 2) Black Earth Library--governed by an independent Board, whose finances come in part from the Village and in part from Dane County, including from the Town of Vermont. The Village also provides administrative assistance to the Library, while the Friends of the Library, which includes Town of Vermont residents, raises funds for the Library. Many Town of Vermont residents are Library users.
- 3) Local Emergency Services.  
The Black Earth Fire District is volunteer based and receives funding and support from the Village, from nearby Towns including the Town of Vermont, and from annual fund raising events which have been supported by Town of Vermont residents. For many years, a Supervisor from the Town of Vermont has attended meetings of the Black Earth Fire District, and has reported on activities and financial needs of the Black Earth Fire District and EMS to the Town of Vermont Supervisors.

EMS District 1, based in Mazomanie, was founded in 1977. It is a volunteer organization that provides emergency basic life support, care and transportation services to residents in the Villages of Black Earth and Mazomanie, as well as sections of the Towns of Black Earth, Mazomanie, Vermont and Berry. District One EMS is directed by six appointed board members, with one from the Town of Vermont.

Those who have the time and interest, and who wish to comment on and/or contribute to drafts of these articles, please let me know.

## Balance Sheet

- Minor Materials account is below \$10,000. (In 2018, we started with \$35,000 and hoped to have it depleted in 5 years, so we are right on track.)
- New account—Prepaid Vision Insurance. This is an added benefit to employees this year, but does not cost Vanguard anything.

## Income Statement

BE December expenses were \$120,000. This was due to a large bill from J&R for boring along Turkey Rd and KP, as well as some year-end inventory charges. Overall, we ended the year with \$617,000 in expenses, well below our \$650,000 budget. Black Earth also had \$28,000 in customer contributions for 2020, and just under \$2000 of revenues for temp fees.

Mazo December expenses were \$73,000. Most of this was for State St project, including \$9000 of contractor costs. Overall, we ended the year with \$610,00 in expenses, which was right at budget.

Also in December, we were billed for substation inspections done in November; this resulted in Maint of Lines expenses of \$2000 in BE, and \$3300 in Mazo.

Net income for 2020:	<u>\$78,000</u>
Vehicle	\$65,000
Bank Interest	\$3,000
Resco credits	\$8,000
Scrap	\$1,400

## Vehicle Statement

\$16,000 in vehicle repairs for the year

• Inspections	\$3500
• Hi-Ranger	\$5300
• Truck 3 (tires)	\$2000
• Truck 4	\$700
• Chipper	\$2000
• Digger	\$1500
• Misc	\$1000

Vehicle income for 2020 was \$65,000, compared to \$53,000 last year, and \$89,000 in 2018.

## Other

Check with Zak Bloom about doing a review of our books.

Historically, Zak has done the year-end calculations for the village CWIP entries. Lydia is going to do the bulk of it this year, using Zak as a reference as needed.

Area Comps					
	Wage	Retirement	Healthcare	Dental	
Vanguard	38.37	State	88% Employer Paid	N/A	
Prairie du Sac	38.64	State	95% Employer Paid	100% Employer Paid	* 2% Bonus
Mt. Horeb	38.53	State	90% Employer Paid	90% Employer Paid	
Lodi	39.57	State	90% Employer Paid	N/A	
Sun Prairie	42.19	State	88-100% Employer Paid	100% Employer Paid	
Waunakee	42.25	State	95% Employer Paid	75% Employer Paid	
Sauk	38.02	State	88% Employer Paid	0% Employer Paid	
Columbus	40.77	State	88% Employer Paid	88% Employer Paid	
<b>Average</b>	<b>40.00</b>				

KWH Purchased Comps					
	KWH Purchased	Wage	Retirement	Healthcare	Dental
Vanguard	57,501,088	38.37	State	88% Employer Paid	N/A
Mt. Horeb	58,641,063	38.53	State	90% Employer Paid	90% Employer Paid
New Holstein	43,263,590	38.26	State	89% Employer Paid	89% Employer Paid
Black River Falls	57,447,955	44.47	State	90% Employer Paid	90% Employer Paid
Boscobel	45,991,541	37.37	State	90% Employer Paid	N/A
Lodi	30,551,239	39.57	State	90% Employer Paid	N/A
Prairie du Sac	51,362,804	38.64	State	95% Employer Paid	100% Employer Paid
<b>Average</b>		<b>39.47</b>			* 2% Bonus

Total Customer Comps					
	Total Customers	Wage	Retirement	Healthcare	Dental
Vanguard	2300	38.37	State	88% Employer Paid	N/A
Lodi	1768	39.57	State	90% Employer Paid	N/A
Boscobel	1784	37.37	State	90% Employer Paid	N/A
Prairie du Sac	2444	38.64	State	95% Employer Paid	100% Employer Paid
Mt. Horeb	3940	38.53	State	90% Employer Paid	90% Employer Paid
Clintonville	2634	40.79	State	89% Employer Paid	N/A
Richland Center	2940	42.77	State	88% Employer Paid	N/A
Oconto Falls	1633	37.31	State	95% Employer Paid	95% Employer Paid
Bangor	1785	43.62	State	85% Employer Paid	N/A
<b>Average</b>		<b>39.83</b>			

Other Local Utilities					
	Wage	Retirement	Healthcare	Dental	
Alliant	47.60	Match 8%	80% Employer Paid (+ \$3K flex spending)		
MGE	49.24	Match 1.5x up to 9%	80% Employer Paid		
<b>Average</b>	<b>48.42</b>				

Office Worker Comps	
	Wage
Vanguard	20.00
Brodhead	26.56
Lodi	24.01
Prairie du Sac	21.07
Sauk	24.5
Mt. Horeb	28.4
Waunakee	28.49
Eagle River	24.82
Pardeeville	27.25
<b>Average</b>	<b>25.64</b>

Vanguard Budget - 2021 *			
		BE Budget	Mazo Budget
Employee Wages (60/40)**	\$ 483,100	\$ 289,900	\$ 193,200
Employee Benefits (60/40)	\$ 175,500	\$ 105,300	\$ 70,200
Comp Time (70/30)	\$ 15,000	\$ 10,500	\$ 4,500
Pager Pay (50/50)	\$ 17,000	\$ 8,500	\$ 8,500
<b>Total Employee Cost</b>	<b>\$ 690,600</b>	<b>\$ 414,200</b>	<b>\$ 276,400</b>
Vehicle Cost (60/40)	\$ 150,000	\$ 90,000	\$ 60,000
Operating Expenses (50/50)	\$ 91,800	\$ 45,900	\$ 45,900
<b>Base Operating Cost/Year</b>	<b>\$ 932,400</b>	<b>\$ 550,100</b>	<b>\$ 382,300</b>
<b>Materials &amp; Contractor Costs</b>			
Outages	\$	10,000	\$ 1,000
New Customers	\$	10,000	\$ 1,000
Misc Material (street lights, maintenance, minor outages) ***	\$	11,000	\$ 2,000
	\$	31,000	\$ 4,000
<b>Total Before Capital Projects</b>	<b>\$ 581,100</b>	<b>\$ 386,300</b>	
Capital Projects		?	
State St - Pt I			\$ 30,000
State St - Pt II		Still don't have	\$ 27,000
Alley East of Crocker		BE's approved	\$ 32,000
Alley East of Scott		budget	\$ 26,000
Spare 2500 kV Trans			\$ 35,000
			\$ 150,000
<b>Total Operating Cost</b>	<b>\$ 1,117,400</b>	<b>\$ 581,100</b>	<b>\$ 536,300</b>

\* Based on estimated time split 60/40 (BE/Mazo)  
 \*\* Based on a 3% wage increase for all employees  
 \*\*\* Street light material changed to replace 2 street lights on Mills St

Revised 1/18/21	Time Split		57% BE		43% Mazo	
Vanguard Budget - 2020 *						
	Budget	Actual	BE Budget	BE Actual	Mz Budget	Mz Actual
Employee Wages	\$ 456,900	\$ 443,700	\$ 274,100	\$ 243,000	\$ 182,800	\$ 200,700
Employee Benefits	\$ 165,100	\$ 143,100	\$ 99,100	\$ 80,900	\$ 66,000	\$ 62,200
Comp Time	\$ 20,500	\$ 9,100	\$ 14,400	\$ 6,300	\$ 6,200	\$ 2,700
Pager Pay (50/50)	\$ 17,000	\$ 17,000	\$ 8,500	\$ 8,500	\$ 8,500	\$ 8,500
<b>Total Employee Cost</b>	<b>\$ 659,500</b>	<b>\$ 612,900</b>	<b>\$ 396,100</b>	<b>\$ 338,700</b>	<b>\$ 263,500</b>	<b>\$ 274,100</b>
Vehicle Cost	\$ 150,000	\$ 132,800	\$ 90,000	\$ 76,100	\$ 60,000	\$ 56,700
Operating Expenses (50/50)	\$ 90,200	\$ 86,300	\$ 45,100	\$ 43,400	\$ 45,100	\$ 42,900
<b>Base Operating Cost</b>	<b>\$ 899,700</b>	<b>\$ 832,000</b>	<b>\$ 531,200</b>	<b>\$ 458,200</b>	<b>\$ 368,600</b>	<b>\$ 373,700</b>
<b>Materials &amp; Contractor Costs</b>						
Outages			\$ 10,000	\$ 1,000	\$ 1,000	\$ 1,000
New Customers			\$ 10,000	\$ 10,000	\$ 1,000	\$ 1,000
Less Customer Contributions			\$	\$ (28,000)		
Misc Material (street lights, maintenance, minor outages)			\$ 2,000	\$ 3,500	\$ 2,000	\$ 2,000
			\$ 22,000	\$ (13,500)	\$ 4,000	\$ 4,000
<b>Total Before Capital Projects</b>	<b>\$ 899,700</b>	<b>\$ 832,000</b>	<b>\$ 553,200</b>	<b>\$ 444,700</b>	<b>\$ 372,600</b>	<b>\$ 377,700</b>
Capital Projects (material/contractor)			\$ 96,800	\$ 174,000	\$ 25,000	\$ 25,000
Walter Rd Switchgear				\$	\$	\$ 15,000
Flooded Recloser				\$	\$	\$ 10,000
Old Feed Mill				\$	\$	\$ 15,000
TIF						
Plastic Ingenuity				\$ 173,500	\$	\$ 90,000
Cardinal Glass				\$ 276,000	\$	\$ 251,000
Less Cardinal down payment				\$	\$	\$ (110,000)
<b>Total Operating Cost</b>	<b>\$ 650,000</b>	<b>\$ 618,700</b>	<b>\$ 847,100</b>	<b>\$ 673,700</b>		

Mazo Income Stmt: \$610,000  
 Difference due to labor/equip for PI & Cardinal (\$66,000)