

AGENDA  
SHAKOPEE PUBLIC UTILITIES COMMISSION  
REGULAR MEETING  
June 19,2017

1. **Call to Order** at 5:00pm in the SPUC Service Center, 255 Sarazin Street.
2. **Approval of Minutes**
3. **Communications**
4. **Approve the Agenda**
5. **Approval of Consent Business**
6. **Bills: Approve Warrant List**
7. **Liaison Report**
8. **Reports: Water Items**
  - 8a) Water System Operations Report – Verbal
  - 8b) Resn. #1165 – Setting the Amount of the Trunk Water Charge, Approving of Its Collection and Authorizing Water Service to Certain Property Described as: West Vierling Acres Second Edition
  - C=> 8c) Water Production Dashboard
9. **Reports: Electric Items**
  - 9a) Electric System Operations Report – Verbal
  - 9b) Smart Grid Business Case and Technology Roadmap for SPU
10. **Reports: Human Resources**
  - 10a) 2016 Total Compensation and Benefits Summary
11. **Reports: General**
  - 11a) Daffron iXP Upgrade Project - Update
  - 11b) Goals and Objectives for 2017
  - C=> 11c) May 2017 Financial Results
12. **New Business**
13. **Tentative Dates for Upcoming Meetings**
  - Regular Meeting -- July 3 (meeting canceled)
  - Mid Month Meeting -- July 17
  - Regular Meeting -- August 7
  - Mid Month Meeting -- August 21
14. **Adjourn** to 7/17/17 at the SPUC Service Center, 255 Sarazin Street

MINUTES  
OF THE  
SHAKOPEE PUBLIC UTILITIES COMMISSION  
(Regular Meeting)

President Amundson called the regular session of the Shakopee Public Utilities Commission to order at the Shakopee Public Utilities meeting room at 5:00 P.M., June 5, 2017.

MEMBERS PRESENT: Commissioners Joos, Amundson, Helkamp and Weyer. Also present Utilities Manager Crooks, Planning & Engineering Director Adams, Line Superintendent Drent, Water Superintendent Schemel and Marketing/Customer Relations Director Walsh. Commissioner Hennen was absent as previously advised.

Motion by Joos, seconded by Helkamp to approve the minutes of the May 15, 2017 Commission meeting. Motion carried.

Under Communications a thank you note from the APPA Spring Institute was shared. SPU hosted the Spring 2017 APPA Electrical Underground School.

President Amundson offered the agenda for approval.

Motion by Helkamp, seconded by Weyer to approve the agenda as presented. Motion carried.

There were no Consent Items.

The warrant listing for bills paid June 5, 2017 was presented.

Motion by Joos, seconded by Helkamp to approve the warrant listing dated June 5, 2017 as presented. Motion carried.

There was no City Council Liaison present.

Water Superintendent Schemel provided a report of current water operations. Three Pumphouses have had their driveways reconstructed. An overview of the leak repair at TO1 was provided. Several dirty water calls were discussed. Circulation of the water within reservoirs was also discussed.

Motion by Weyer, seconded by Helkamp to offer Resolution #1164. A Resolution Approving Of the Estimated Cost Of Pipe Oversizing On the Watermain Project: Ridge Creek First Addition. Ayes: Commissioners Joos, Helkamp, Weyer and Amundson. Nays: none. Motion carried. Resolution passed.

Line Superintendent Drent provided a report of current electric operations. Seven electric outages were reviewed. Identified power poles are being replaced as required. Several construction projects were updated. Training will begin next week for the SCADA upgrade.

Mr. Drent presented the 2017 Reliability and Outage Report. The Report reviews electric reliability indices for several parameters which benchmark SPU's outage information with prior years and against other utilities.

Mr. Drent provided an overview of the LED lighting retrofit at the SPU Service Center.

Utilities Manager Crooks read the May 2017 MMPA Board Meeting Public Summary.

Mr. Crooks reviewed the State Conservation Improvement Plan Submittal by the Utilities. Preliminary results indicate a kWh savings of 1.8% for 2016.

Mr. Crooks presented the 16<sup>th</sup> Edition APPA Safety Manual for review by the Commission.

Motion by Joos, seconded by Helkamp to have SPU adopt the 16<sup>th</sup> Edition APPA Safety Manual. Motion carried.

Motion by Helkamp, seconded by Weyer to adjourn to Goals/Objectives Work Session. Motion carried.

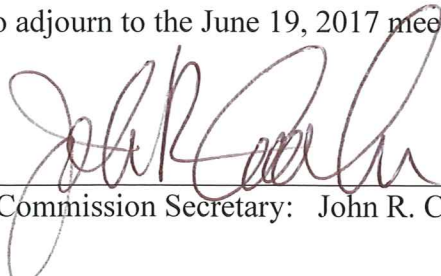
Motion by Helkamp, seconded by Weyer to reconvene to Regular Session. Motion carried.

President Amundson stated that no official business took place during the Work Session.

The tentative commission meeting dates of June 19 and July 3 were noted.

Motion by Joos, seconded by Helkamp to cancel the July 3, 2017 Commission meeting. Motion carried.

Motion by Helkamp, seconded by Joos to adjourn to the June 19, 2017 meeting. Motion carried.



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Commission Secretary: John R. Crooks

RESOLUTION #1165

8b

A RESOLUTION SETTING THE AMOUNT  
OF THE TRUNK WATER CHARGE, APPROVING OF ITS COLLECTION  
AND AUTHORIZING WATER SERVICE TO CERTAIN PROPERTY  
DESCRIBED AS:

WEST VIERLING ACRES SECOND ADDITION

WHEREAS, a request has been received for City water service to be made available to certain property, and

WHEREAS, the collection of the Trunk Water Charge is one of the standard requirements before City water service is newly made available to an area, and

WHEREAS, the standard rate to be applied for the Trunk Water Charge has been set by separate Resolution,

NOW THEREFORE, BE IT RESOLVED, that the amount of the Trunk Water Charge is determined to be \$4,268.69 based on 1.39 net acres, and that collection of the Trunk Water Charge is one of the requirements to be completed prior to City water service being made available to that certain property described as:

Lot 1, Block 1, WEST VIERLING ACRES SECOND ADDITION

BE IT FURTHER RESOLVED, that all things necessary to carry out the terms and purpose of this Resolution are hereby authorized and performed.

Passed in regular session of the Shakopee Public Utilities Commission, this 19th day of June, 2017.

\_\_\_\_\_  
Commission President: Deb Amundson

ATTEST:

\_\_\_\_\_  
Commission Secretary: John R. Crooks



# Monthly Water Dashboard

As of: **May 2017**

Shakopee Public Utilities Commission

ALL VALUES IN MILLIONS OF GALLONS

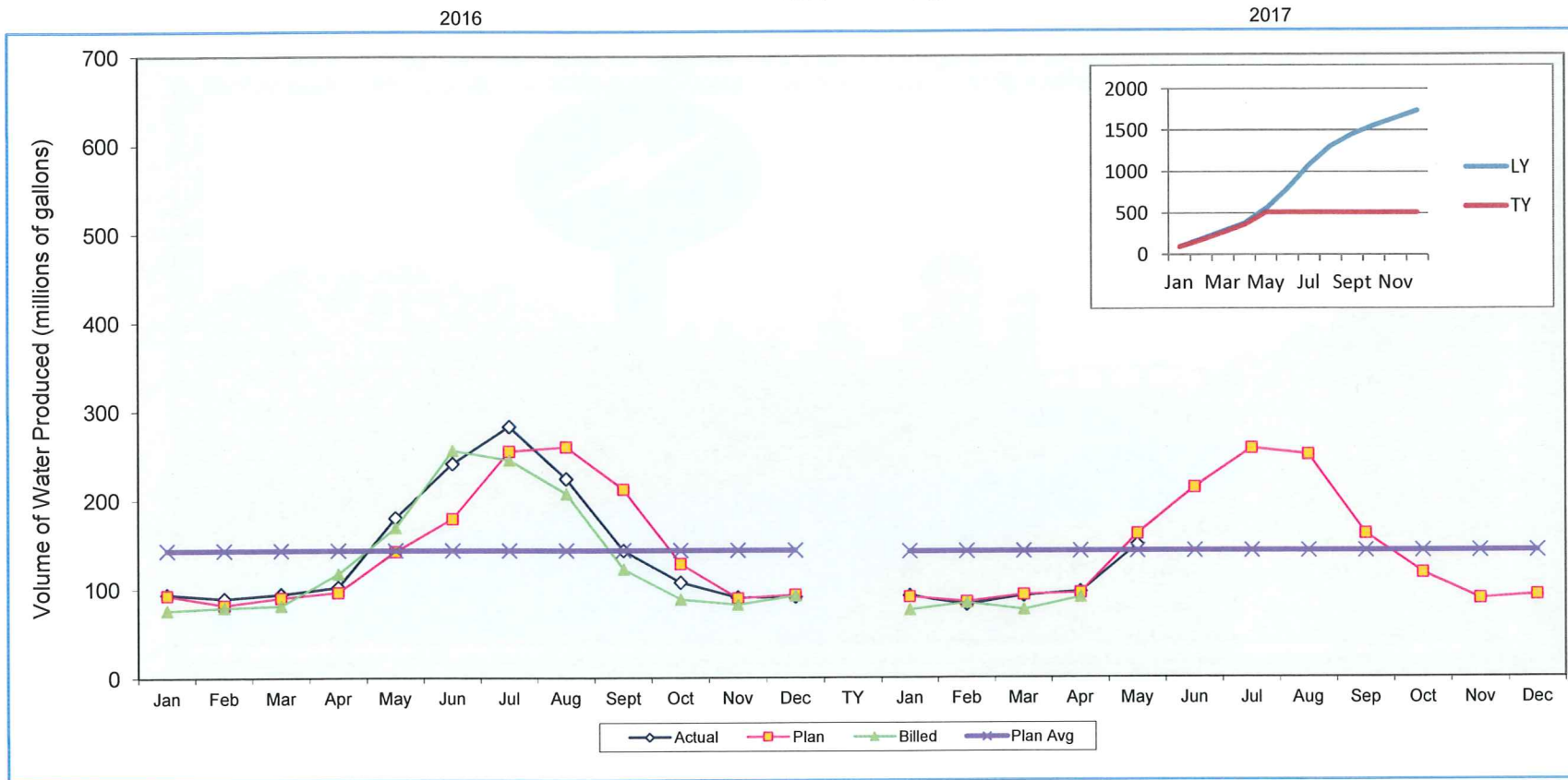
## Element/Measure

## Water Pumped/Metered

### Averages

2014	140
2015	138
2016	145

Last 6 months actuals	91	92	82	92	96	149
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	LY	2016												TY	2017											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Actual		94	89	94	102	180	241	283	224	143	107	90	91		92	82	92	96	149							
Plan		93	82	90	96	142	179	255	260	212	128	89	93		91	85	93	95	161	213	257	250	161	117	88	92
YTD % *															101%	99%	99%	99%	97%							
Billed		76	79	81	117	169	256	245	207	122	88	82	92		76	84	76	90								

\* Actual gallons pumped vs. Plan



# SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

June 1, 2017

TO: John Crooks, Utilities Manager *JCC*  
FROM: Renee Schmid, Director of Finance and Administration *RS*  
SUBJECT: 2016 Total Compensation and Benefits Summary

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## Background

Each year the Shakopee Public Utilities Commission establishes a list of goals and objectives to accomplish for the year. One of the goals set by the Commission was to develop a report for each employee showing the total value of our compensation and benefits package. The Commission's intent was to make this report available to every employee on an annual basis.

Staff has completed the distribution of the 2016 Total Compensation and Benefits Summary report and related cover memo.

## Action Requested


No formal action requested.




# SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

June 14, 2017

TO: John Crooks, Utilities Manager 

FROM: Sharon Walsh, Director of Marketing and Customer Relations 

SUBJECT: CIS iXp System Upgrade – Background and Status Update

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## Overview

Our front office operating system, for both Finance (FMS) and Customer Information System (CIS), is running on an AS400 platform. Finance migrated to the newer version of the FMS software in 2010 and have since upgraded two additional times to the most recent *and tested* iXp 7 windows-based user interface and system. The current CIS module is still running on ‘green screen’ version 5.3 that has not been updated since 2009.

The CIS module is the largest module of the Daffron system with Customer Service and Billing accessing 30+ menus within the system database that branch off into more than 300 functions/processes. Over the course of the last eight years, our system has been modified and customized to the point there is avoidance to touch one process for fear of what it will do to another. The CIS module is linked to all facets of our business, from meters to customer info to rates to finance to demand. Any change in one area can have an impact on another if we do not understand and follow the process through from start to finish. Additionally, because we are one of the few Daffron customers who are still running on green screen it is difficult to find the knowledge and support within Daffron to address our needs and concerns when issues arise.

Last year the decision was made to move from the CIS green screen environment to the iXp 7 environment. This move will put CS/Billing on the same version of Daffron as Finance, further unifying our two systems. The goal is that some of the customization done in CIS green screen will be considered standard functionality in iXp, as well as gaining enhanced user features that do not exist in green screen today. It should also bring more stability and consistency in processing to the system. The windows-based user interface is far more intuitive than green screen and will aid in the training and cross-training of new and existing employees, respectively. Support from the Daffron staff should improve as well.

We started the upgrade process in April by attending 3-4 hour webinar training sessions multiple days per week for several weeks. We then moved into testing the billing process for April and May with positive results. We have also tested the Service Order process and Cash Drawer Payment processes with similar results. We also coordinated our Month End Processing and Credit Refund Processing with Finance to ensure we balanced. The test was successful from a balancing perspective, but some data issues were identified. All of these tests could only be completed with clean test environments that mirrored our live





# SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

database. We compared test data to live data to quality check the integrity of the processes and output in each of these processes.

This week my staff will be accessing the test environment so they can acclimate to the new look and learn how to perform their daily functions in the new system. Testing these types of activities is more difficult because there is not output that be compared between test to live. Ultimately, we will need to simultaneously perform some steps in live and then in test to see the impact on the customer account.

The other piece of this upgrade is to ensure all file transfers, communications and outputs work with our third party vendors, such as Impact (bill printer and ebill presentment), Paymentus (credit card processing, online account balances and ebill presentment), MVRS (Itron handhelds – meter readings), Remit (batch processing for check payments) and OPower (SCIP home energy reports). Any file format changes must be coordinated, updated and tested with these vendors.

Daffron is scheduled to be onsite the week of July 10-14 to perform a Validation and Verification process with my entire team. If this goes as planned and we are deemed ready to upgrade, we will GO LIVE on Monday, August 21<sup>st</sup>, which is the first day of an entirely new reading/billing cycle. The August bills due September 15<sup>th</sup> will be the first bills issued out of iXp.

#### Action Requested

No action required.



**Setup Menu****User(s)****iXp Location****Tested**

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Enter/update general ledger chart of accounts  
Enter/update billing codes  
Enter/update system constants  
Enter/update additional constants  
Enter/update payment entry constants  
Enter/update RSP information  
Enter/update charge ID information  
Enter/update cash types  
Enter/update adjustment types  
Enter/update return check constants  
Enter/update electronic bank draft constants  
Enter/update check validation (receipt printer)  
Enter/update service location code  
Enter/update service location criteria  
Edit location and meter numbers  
Enter/update load management rates  
Billing inquiry constants  
Search screen constants  
Copy RSP Adjustments, ChargeIDs, Cash Types  
Enter/update unmetered rates  
Enter/update letters  
Enter/update rate changes  
Enter/update rate sections  
Enter/update rates  
Enter/update penalty constants  
Enter/update tax sections  
Enter/update tax districts  
Enter/update books records (meter reading routes)  
Enter/update light types  
Enter/update meter point (substation names)  
Enter/update substation information  
Enter/update banks for drafts  
Enter/update district codes  
Enter/update zone chart  
Enter/update area code and local prefixes  
Enter/update collection agencies  
Enter/update retail settlement vendor  
Enter/update calendar  
Enter/Update credit card constants  
Enter/Update credit card clearinghouse/banks  
Print charge id listing  
Print chart of accounts  
Print rates  
Print adjustment types  
Print books (meter reading routes)  
Print security light types and charges  
Print meter point (substation) names  
Print banks for drafts  
Print district codes  
Print zone chart  
Print rate changes  
Print cash types

Billing Menu	User(s)	iXp Location	Tested
Enter/update individual meter readings	KW	Process/Reading/Individual Readings Entry	
Batch reading entry	KW	Process/Reading/Batch Reading Entry	
Enter/update interval meter readings			
Designate books for variance report	KW	Process/Billing/Var/Var/Designate	
Print variance report	KW	Process/Billing/Var/Var/Variance	
List accounts without readings			
Demand account review report			
Designate books for estimate	KW	Process/Billing/Est Accts w/o Readings/Designate	
Estimate accounts without readings	KW	Process/Billing/Est Accts w/o Readings/Estimate	
Designate books to bill	SR	Process/Billing/Bill Process/Designate	
Bill calculation	SR	Process/Billing/Bill Process/Bill Calc	
Enter/update message on bill	SR	Process/Billing/Bill Process/Messages	
Print bills	SR	Process/Billing/Bill Process/Print	
Enable bill calculation re-run	SR	Process/Billing/Bill Process/Reset	
Print annual bills			
Bill process complete	SR	Process/Billing/Bill Process/Complete	
Enter accounts to print individual bills	SR	Process/Billing/Print Individual Bills/Select	
Print individual bills	SR	Process/Billing/Print Individual Bills/Print	
Print individual bills - OK	SR	Process/Billing/Print Individual Bills/Complete	
Print corrected bills	SR	Process/Billing/Print Corrected Bills	
Print corrected bills - OK	SR	Process/Billing/Print Corrected Bills/Complete	
Calc. month end self-billed statements			
Print month end self-billed statements			
Month end self-billed statements rerun			
Month end self-billed statements O.K.			
Print self bill correction cards			
Print self bill correction cards - OK			
Enter/update self bill message file			
Billing comment entry			
Billing comment maintenance			
Enter/update retail settlement			
Enter/Update weather			
Book inquiry			

**Payments & Adjustments Menu****User(s)****iXp Location****Tested**

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Accounts receivable batch payment entry  
Accounts receivable batch payment entry (Barcode Scan)  
Accounts receivable individual payment entry-Single Servi  
Remote Payment Entry  
Accounts receivable invoice payment entry  
Return check entry  
Miscellaneous cash entry  
Billing correction  
Adjustment entry  
Transfer balances  
Deferred payment agreement entry  
Deferred deposit agreement entry  
Apply/refund deposits/memberships to individual accounts  
Other charge entry  
Charge off small balances on disconnected accounts  
Refund individual credit balance to Accounts Payable  
Credit refund list  
Remove Accounts from Credit Refund List  
Transfer credits to accounts-payable system  
Apply all interest/deposits  
Create NACHA standard prenote file  
Select and print drafts  
Post drafts  
Daily close  
Month close reports  
Month close complete  
Adjust demand history  
Adjustment description inquiry  
Miscellaneous cash entry - 5251 model 12 controller  
Create billing refunds  
Calculate billing refunds  
Update billing refunds  
List billing refunds  
Apply billing refunds  
Billing refund - OK  
Enter postdated checks  
Post postdated checks  
Accounts receivable sgl pymt entry (old acct #) - 1 service  
Transfer prepayment contracts

**Maintenance Menu****User(s)****iXp Location****Tested**

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Location/meter maintenance menu  
Audit Log Inquiry  
Account tax district maintenance  
General account maintenance  
Account credit maintenance  
Account billing information  
Membership information  
Deregulation account maintenance  
Name and address maintenance  
Auxiliary name/address maintenance  
Contact maintenance  
Special minimums maintenance  
Account rates to bill maintenance  
Account other charges to bill maintenance  
Budget maintenance  
Account street light maintenance  
Individual factor maintenance  
Other deposit maintenance  
Credit Card Account Maintenance  
History comment addition  
History comment maintenance  
Draft account maintenance  
Load management account maintenance  
Energy assistance acct maintenance  
Operation roundup maintenance  
Return check maintenance  
Complimentary issue maintenance  
Inactive (purge from master) maintenance  
Annual account maintenance  
Contract prepayment maintenance  
Account number change (from-to)  
Master/Satellite maintenance  
Build zip plus 4 and carrier route conversion file  
Update files with new zip plus 4 and carrier route  
Change area codes/prefixes  
Change area codes/prefixes OK  
Update Canada Post walk sequence file  
BL Inquiry Messages Window Control File Maintenance




**Service Order Menu****User(s)****iXp Location****Tested**

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Service order request  
Service order print  
Service order return  
Service order inquiry  
Service order maintenance  
Service order delete  
Service order purge  
Miscellaneous customer entry  
Work with service transfers  
Calendar inquiry  
Service order status report  
Service order report by location  
Service application print  
New connect labels  
Work with EBT service transfers  
Return EBT service transfers  
Enter/update locations  
Meter maintenance  
Tracking maintenance  
Light maintenance  
General account maintenance  
Name/address maintenance  
Update meter change  
Enter/update meter seal  
Meter seal inquiry  
History comment addition  
Nearest relative maintenance  
Employer maintenance  
Company information maintenance  
Auxiliary meter maintenance  
Establish landlord accounts  
Final bill maintenance  
Consumer statistic maintenance  
Enter/update auxiliary RSP meters  
Water heater tank history  
Enter/update water heater tank rates  
Water heater tank maintenance  
Enter/update water heater tanks  
Water heater tank inquiry  
Enter/update load management rates  
Load management account maintenance  
Service order screen defaults  
Work order/service order constants  
Service order code maintenance  
Tracking codes maintenance  
Tracking template maintenance  
Setup other charges for service orders  
Setup printers for users  
Statistical code maintenance

**SHAKOPEE PUBLIC UTILITIES  
MEMORANDUM**

**TO: SHAKOPEE PUBLIC UTILITIES COMMISSION**  
**FROM: JOHN R. CROOKS, UTILITIES MANAGER**   
**SUBJECT: 2017 COMMISSION GOALS / OBJECTIVES**  
**DATE: JUNE 14, 2016**

Transcribed from notes taken during the SPU Goals and Objectives Work Session on June 5, 2017. Items are listed under the appropriate Strategic Initiative.

### **2017 Goals / Objectives**

**To preserve, cultivate and advance the existing reputation of the Shakopee Public Utilities Commission in our community and service areas; with all customers:**

1. Provide Customers with our Clean Energy Choice Program
2. Implement E-Billing presentment and paperless option for customers
3. Service Territory Acquisition with MVEC

**To continue our commitment to all Shakopee Public Utilities employees:**

1. Update Existing Succession Plan
2. Develop Transition Plan for Utilities Manager

**To be properly positioned in adapting changes, both short and long term, in the Water and Electric industries and therefore continually evolve the present Shakopee Public Utilities business model in a direction that most positively serves our community and service areas:**

1. Electric SCADA Implementation
2. Develop GIS Roadmap
3. Complete Daffron CIS iXP Software Upgrade
4. Reinvestigate AMI/Smart Grid Implementation



# SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

June 16, 2017

Propose as Consent

TO: John Crooks

CC: Joe Adams  
 Sherri Anderson  
 Greg Drent  
 Lon Schemel  
 Sharon Walsh

FROM: Renee Schmid, Director of Finance and Administration

SUBJECT: Financial Results for May, 2017

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The following Financial Statements are attached for your review and approval.

Month to Date and Year to Date Financial Results – May, 2017

- Combined Statement of Revenue & Expense and Net Assets – Electric, Water and Total Utility
- Electric Operating Revenue & Expense Detail
- Water Operating Revenue & Expense Detail

Key items to note:

Month to Date Results – May, 2017

- Total Utility Operating Revenues for the month of May totaled \$3.5 million and were unfavorable to budget by \$338k or 8.9%. Electric revenues were unfavorable to budget by \$262k or 7.6% driven by lower than plan energy sales in the residential and industrial revenue groups and lower than plan power cost adjustment revenue in all groups due to lower than plan purchased power costs. Water revenues were also unfavorable to budget by \$75k or 20.9% driven by lower than plan sales volumes in all revenue groups.
- Total operating expenses were \$3.5 million and were favorable to budget by \$322k or 8.4%. Total purchased power costs in May were \$2.5 million and were \$192k or 7.1% lower than plan for the month. Total Operating Expense for electric including purchased power was favorable to budget by \$283k or 8.2% primarily due to lower than plan purchased power costs and timing of expenditures in energy conservation expense, administrative and general expense, and depreciation. Total Operating Expense for Water was also favorable to budget by \$39k or 10.3% due timing of expenditures in administrative and general, customer accounts, and depreciation.
- Total Utility Operating Income was a loss of \$14k and was \$16k unfavorable to budget primarily due to lower than plan operating revenue that was partially offset by lower than plan operating expense.





# SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

- Total Utility Non-Operating Revenue was \$62k and was favorable to budget by \$16k due to higher than plan investment income.
- Capital Contributions for the month of May were \$763k and were favorable to budget by \$614k due to capital contributions for projects and the collection of water connection fees in the month of May.
- Municipal contributions to the City of Shakopee totaled \$190k and were lower than plan by 10k.
- Change in Net Position was \$0.6 million and was favorable to budget by \$0.6 million due to higher than plan capital contributions and investment income.
- Electric usage billed to customers in May was 29,461,599 KWH, a decrease from April usage billed at 30,002,716 KWH.
- Water usage billed to customers in May was 89.7 million gallons, an increase from March usage billed at 75.7 million gallons.

## Year to Date Financial Results – May, 2017

- Total Utility Operating Revenue year to date May was \$18.3 million and was favorable to budget by \$326k or 1.8%. Electric revenues were favorable to budget by \$368k or 2.2% driven by higher than plan energy sales in the industrial group and partially offset by lower than plan power cost adjustment revenue due to lower than plan purchased power costs. Water revenues were unfavorable to budget by \$41k or 3.0% driven by lower than plan sales volumes in the residential and commercial revenue groups.
- Total Utility Operating Expenses year to date May were \$16.4 million and were favorable to budget by \$1.8 million or 9.8% primarily due to lower than plan purchased power costs of \$0.7 million, timing of expenditures in energy conservation of \$0.5 million, administrative and general expense of \$0.4 million, electric and water operation and maintenance expense of \$0.1 million, and depreciation expense of \$0.1 million. Total Operating Expense for electric including purchased power was \$14.7 million and was favorable to budget by \$1.6 million or 9.6%. Total Operating Expense for Water was \$1.7 million and was also favorable to budget by \$0.2 million or 11.8%.
- Total Utility Operating Income was \$1.9 million and was favorable to budget by \$2.1 million driven by lower than plan operating expenses of \$1.8 million and higher than planned operating revenues \$0.3 million.
- Total Utility Non-Operating Income was \$284k and was favorable to budget by \$49k due to higher than planned investment income of \$50k.
- YTD Capital Contributions were \$1.8 million and are favorable to budget by \$1.0 million due to higher than plan collection of water connection fees of \$0.9 million and higher than planned capital contributions of \$0.1 million.
- Municipal contributions to the City of Shakopee totaled \$951k year to date and is lower than plan by \$52k or 5.2%. The actual estimated payment throughout the year is based on prior year results and will be trued up at the end of the year.
- YTD Change in Net Position is \$3.0 million and is favorable to budget by \$3.2 million reflecting higher than plan operating revenues, lower than operating expense, higher than plan non-operating revenues, and higher than plan capital contributions.



**SHAKOPEE PUBLIC UTILITIES**  
**MONTH TO DATE FINANCIAL RESULTS**  
**MAY 2017**



**SHAKOPEE PUBLIC UTILITIES**  
"Lighting the Way – Yesterday, Today and Beyond"

**SHAKOPEE PUBLIC UTILITIES**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**

	Month to Date Actual - May 2017			Month to Date Budget - May 2017			Electric		Water		Total Utility	
	Electric	Water	Total Utility	Electric	Water	Total Utility	MTD Actual v. Budget B/(W) \$ %	MTD Actual v. Budget B/(W) \$ %	MTD Actual v. Budget B/(W) \$ %			
<b>OPERATING REVENUES</b>	\$ 3,192,193	284,140	3,476,334	3,454,564	359,375	3,813,940	(262,371)	-7.6%	(75,235)	-20.9%	(337,606)	-8.9%
<b>OPERATING EXPENSES</b>												
Operation, Customer and Administrative	2,979,131	225,565	3,204,696	3,246,238	252,376	3,498,614	267,107	8.2%	26,811	10.6%	293,917	8.4%
Depreciation	173,238	112,404	285,642	189,194	124,473	313,667	15,956	8.4%	12,069	9.7%	28,025	8.9%
Amortization of Plant Acquisition	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%
Total Operating Expenses	3,152,369	337,969	3,490,338	3,435,432	376,848	3,812,280	283,063	8.2%	38,879	10.3%	321,942	8.4%
Operating Income	39,824	(53,829)	(14,004)	19,132	(17,473)	1,659	20,692	108.2%	(36,356)	-208.1%	(15,664)	-944.0%
<b>NON-OPERATING REVENUE (EXPENSE)</b>												
Rental and Miscellaneous	21,939	28,681	50,619	22,173	30,479	52,652	(235)	-1.1%	(1,798)	-5.9%	(2,033)	-3.9%
Interdepartment Rent from Water	7,500	-	7,500	7,500	-	7,500	-	0.0%	-	-	-	0.0%
Investment Income	24,809	9,457	34,265	12,951	3,002	15,954	11,857	91.6%	6,454	215.0%	18,312	114.8%
Interest Expense	(28,877)	(25)	(28,902)	(28,769)	(19)	(28,788)	(108)	-0.4%	(6)	-31.6%	(114)	-0.4%
Amortization of Debt Issuance Costs and Loss on Refunding	(1,484)	-	(1,484)	(1,484)	-	(1,484)	-	0.0%	-	-	-	0.0%
Gain/(Loss) on the Disposition of Property	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total Non-Operating Revenue (Expense)	23,887	38,112	61,999	12,372	33,462	45,834	11,515	93.1%	4,650	13.9%	16,165	35.3%
Income Before Contributions and Transfers	63,711	(15,717)	47,995	31,505	15,989	47,493	32,207	102.2%	(31,705)	-198.3%	501	1.1%
<b>CAPITAL CONTRIBUTIONS</b>	25,182	738,283	763,465	-	149,395	149,395	25,182	-	588,888	394.2%	614,069	411.0%
<b>MUNICIPAL CONTRIBUTION</b>	(116,223)	(74,000)	(190,223)	(121,398)	(79,192)	(200,590)	5,175	4.3%	5,192	6.6%	10,368	5.2%
<b>CHANGE IN NET POSITION</b>	\$ (27,330)	648,566	621,236	(89,893)	86,191	(3,702)	62,564	69.6%	562,375	652.5%	624,938	16881.1%

**SHAKOPEE PUBLIC UTILITIES  
ELECTRIC OPERATING REVENUE AND EXPENSE**

	MTD Actual	MTD Budget	MTD Actual v. Budget	
	May 2017	May 2017	Better/(Worse)	
			\$	%
<b>OPERATING REVENUES</b>				
Sales of Electricity				
Residential	\$ 1,024,631	1,117,338	(92,707)	-8.3%
Commercial and Industrial	2,086,749	2,250,871	(164,123)	-7.3%
Uncollectible accounts	-	-	-	-
Total Sales of Electricity	<u>3,111,380</u>	<u>3,368,209</u>	<u>(256,829)</u>	<u>-7.6%</u>
Forfeited Discounts	20,239	21,016	(777)	-3.7%
Free service to the City of Shakopee	14,223	14,223	0	0.0%
Conservation program	46,351	51,116	(4,765)	-9.3%
Total Operating Revenues	<u>\$ 3,192,193</u>	<u>3,454,564</u>	<u>(262,371)</u>	<u>-7.6%</u>
<b>OPERATING EXPENSES</b>				
Operations and Maintenance				
Purchased power	2,508,174	2,700,655	192,481	7.1%
Distribution operation expenses	36,013	39,436	3,423	8.7%
Distribution system maintenance	67,805	55,428	(12,377)	-22.3%
Maintenance of general plant	25,047	35,652	10,605	29.7%
Total Operation and Maintenance	<u>2,637,039</u>	<u>2,831,171</u>	<u>194,132</u>	<u>6.9%</u>
Customer Accounts				
Meter Reading	8,851	9,810	959	9.8%
Customer records and collection	42,583	44,751	2,168	4.8%
Energy conservation	19,774	58,828	39,054	66.4%
Total Customer Accounts	<u>71,208</u>	<u>113,389</u>	<u>42,181</u>	<u>37.2%</u>
Administrative and General				
Administrative and general salaries	51,025	49,969	(1,055)	-2.1%
Office supplies and expense	8,413	15,471	7,058	45.6%
Outside services employed	15,431	40,959	25,528	62.3%
Insurance	9,373	15,727	6,354	40.4%
Employee Benefits	128,684	143,488	14,805	10.3%
Miscellaneous general	57,958	36,063	(21,896)	-60.7%
Total Administrative and General	<u>270,884</u>	<u>301,678</u>	<u>30,794</u>	<u>10.2%</u>
Total Operation, Customer, & Admin Expenses	<u>2,979,131</u>	<u>3,246,238</u>	<u>267,107</u>	<u>8.2%</u>
Depreciation	173,238	189,194	15,956	8.4%
Amortization of plant acquisition	-	-	-	0.0%
Total Operating Expenses	<u>\$ 3,152,369</u>	<u>3,435,432</u>	<u>283,063</u>	<u>8.2%</u>
OPERATING INCOME	<u>\$ 39,824</u>	<u>19,132</u>	<u>20,692</u>	<u>108.2%</u>

**SHAKOPEE PUBLIC UTILITIES**  
**WATER OPERATING REVENUE AND EXPENSE**

	MTD Actual	MTD Budget	MTD Actual v. Budget	
	May 2017	May 2017	Better/(Worse)	
			\$	%
<b>OPERATING REVENUES</b>				
Sales of Water	\$ 283,301	357,644	(74,343)	-20.8%
Forfeited Discounts	840	1,731	(892)	-51.5%
Uncollectible accounts	(1)	-	(1)	-
Total Operating Revenues	<u>284,140</u>	<u>359,375</u>	<u>(75,235)</u>	<u>-20.9%</u>
<b>OPERATING EXPENSES</b>				
Operations and Maintenance				
Pumping and distribution operation	48,626	39,294	(9,332)	-23.7%
Pumping and distribution maintenance	22,671	33,731	11,060	32.8%
Power for pumping	23,456	23,252	(203)	-0.9%
Maintenance of general plant	7,374	2,342	(5,031)	-214.8%
Total Operation and Maintenance	<u>102,127</u>	<u>98,620</u>	<u>(3,507)</u>	<u>-3.6%</u>
Customer Accounts				
Meter Reading	4,707	7,592	2,884	38.0%
Customer records and collection	11,168	11,996	829	6.9%
Energy conservation	-	2,000	2,000	-
Total Customer Accounts	<u>15,875</u>	<u>21,588</u>	<u>5,713</u>	<u>26.5%</u>
Administrative and General				
Administrative and general salaries	33,316	31,460	(1,856)	-5.9%
Office supplies and expense	6,041	5,926	(114)	-1.9%
Outside services employed	5,137	17,377	12,240	70.4%
Insurance	3,124	5,242	2,118	40.4%
Employee Benefits	45,463	52,190	6,727	12.9%
Miscellaneous general	14,481	19,971	5,490	27.5%
Total Administrative and General	<u>107,562</u>	<u>132,167</u>	<u>24,605</u>	<u>18.6%</u>
Total Operation, Customer, & Admin Expenses	<u>225,565</u>	<u>252,376</u>	<u>26,811</u>	<u>10.6%</u>
Depreciation	112,404	124,473	12,069	9.7%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>337,969</u>	<u>376,848</u>	<u>38,879</u>	<u>10.3%</u>
<b>OPERATING INCOME</b>	<u>\$ (53,829)</u>	<u>(17,473)</u>	<u>(36,356)</u>	<u>-208.1%</u>



**SHAKOPEE PUBLIC UTILITIES**  
**YEAR TO DATE FINANCIAL RESULTS**  
**MAY 2017**



**SHAKOPEE PUBLIC UTILITIES**  
"Lighting the Way – Yesterday, Today and Beyond"

**SHAKOPEE PUBLIC UTILITIES**  
**COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**

	Year to Date Actual - May 2017			Year to Date Budget - May 2017			Electric		Water		Total Utility	
	Electric	Water	Total Utility	Electric	Water	Total Utility	YTD Actual v. Budget B/(W) \$ %	YTD Actual v. Budget B/(W) \$ %	YTD Actual v. Budget B/(W) \$ %			
<b>OPERATING REVENUES</b>	\$ 16,983,558	1,328,802	18,312,360	16,615,571	1,370,440	17,986,011	367,987	2.2%	(41,638)	-3.0%	326,349	1.8%
<b>OPERATING EXPENSES</b>												
Operation, Customer and Administrative	13,818,826	1,129,097	14,947,923	15,298,046	1,295,878	16,593,924	1,479,220	9.7%	166,781	12.9%	1,646,001	9.9%
Depreciation	866,189	562,021	1,428,210	945,969	622,364	1,568,333	79,780	8.4%	60,343	9.7%	140,124	8.9%
Amortization of Plant Acquisition	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%
Total Operating Expenses	14,685,014	1,691,118	16,376,132	16,244,015	1,918,242	18,162,257	1,559,001	9.6%	227,124	11.8%	1,786,125	9.8%
Operating Income	2,298,544	(362,316)	1,936,228	371,556	(547,802)	(176,246)	1,926,988	518.6%	185,486	33.9%	2,112,473	1198.6%
<b>NON-OPERATING REVENUE (EXPENSE)</b>												
Rental and Miscellaneous	99,714	167,608	267,322	110,866	158,909	269,775	(11,152)	-10.1%	8,699	5.5%	(2,453)	-0.9%
Interdepartment Rent from Water	37,500	-	37,500	37,500	-	37,500	-	0.0%	-	-	-	0.0%
Investment Income	100,279	28,996	129,276	64,757	15,011	79,768	35,522	54.9%	13,986	93.2%	49,508	62.1%
Interest Expense	(145,820)	(116)	(145,935)	(145,350)	(95)	(145,445)	(470)	-0.3%	(20)	-21.1%	(490)	-0.3%
Amortization of Debt Issuance Costs and Loss on Refunding	(7,418)	-	(7,418)	(7,418)	-	(7,418)	-	0.0%	-	0.0%	-	0.0%
Gain/(Loss) on the Disposition of Property	(306)	3,362	3,056	-	-	-	(306)	0.0%	3,362	-	3,056	-
Total Non-Operating Revenue (Expense)	83,949	199,851	283,801	60,355	173,824	234,180	23,594	39.1%	26,027	15.0%	49,621	21.2%
Income Before Contributions and Transfers	2,382,493	(162,465)	2,220,028	431,912	(373,978)	57,934	1,950,582	451.6%	211,513	56.6%	2,162,094	3732.0%
<b>CAPITAL CONTRIBUTIONS</b>	94,254	1,678,244	1,772,497	-	746,976	746,976	94,254	-	931,268	124.7%	1,025,521	137.3%
<b>MUNICIPAL CONTRIBUTION</b>	(580,405)	(370,503)	(950,908)	(606,990)	(395,962)	(1,002,952)	26,585	4.4%	25,459	6.4%	52,044	5.2%
<b>CHANGE IN NET POSITION</b>	\$ 1,896,342	1,145,276	3,041,618	(175,078)	(22,964)	(198,042)	2,071,420	1183.1%	1,168,240	5087.3%	3,239,660	1635.8%

**SHAKOPEE PUBLIC UTILITIES  
ELECTRIC OPERATING REVENUE AND EXPENSE**

	YTD Actual May 2017	YTD Budget May 2017	YTD Actual v. Budget Better/(Worse)	
			\$	%
<b>OPERATING REVENUES</b>				
Sales of Electricity				
Residential	\$ 5,877,329	5,844,425	32,905	0.6%
Commercial and Industrial	10,676,222	10,341,259	334,963	3.2%
Uncollectible accounts	-	-	-	-
Total Sales of Electricity	16,553,551	16,185,683	367,868	2.3%
Forfeited Discounts	112,183	105,080	7,103	6.8%
Free service to the City of Shakopee	71,114	71,114	0	0.0%
Conservation program	246,710	253,694	(6,984)	-2.8%
Total Operating Revenues	16,983,558	16,615,571	367,987	2.2%
<b>OPERATING EXPENSES</b>				
Operations and Maintenance				
Purchased power	11,781,023	12,468,131	687,107	5.5%
Distribution operation expenses	178,164	197,180	19,016	9.6%
Distribution system maintenance	329,463	277,141	(52,322)	-18.9%
Maintenance of general plant	101,763	178,259	76,496	42.9%
Total Operation and Maintenance	12,390,413	13,120,711	730,297	5.6%
Customer Accounts				
Meter Reading	42,224	49,048	6,824	13.9%
Customer records and collection	215,446	223,757	8,310	3.7%
Energy conservation	(224,263)	294,140	518,404	176.2%
Total Customer Accounts	33,408	566,946	533,538	94.1%
Administrative and General				
Administrative and general salaries	232,418	249,847	17,429	7.0%
Office supplies and expense	70,551	77,355	6,803	8.8%
Outside services employed	67,776	204,797	137,021	66.9%
Insurance	85,713	78,635	(7,078)	-9.0%
Employee Benefits	751,323	819,442	68,120	8.3%
Miscellaneous general	187,224	180,313	(6,910)	-3.8%
Total Administrative and General	1,395,005	1,610,390	215,385	13.4%
Total Operation, Customer, & Admin Expenses	13,818,826	15,298,046	1,479,220	9.7%
Depreciation	866,189	945,969	79,780	8.4%
Amortization of plant acquisition	-	-	-	0.0%
Total Operating Expenses	\$ 14,685,014	16,244,015	1,559,001	9.6%
OPERATING INCOME	\$ 2,298,544	371,556	1,926,988	518.6%

**SHAKOPEE PUBLIC UTILITIES  
WATER OPERATING REVENUE AND EXPENSE**

	YTD Actual	YTD Budget	YTD Actual v. Budget	
	May 2017	May 2017	Better/(Worse)	
			\$	%
<b>OPERATING REVENUES</b>				
Sales of Water	\$ 1,323,796	1,361,783	(37,987)	-2.8%
Forfeited Discounts	5,006	8,657	(3,651)	-42.2%
Uncollectible accounts	(0)	-	(0)	-
Total Operating Revenues	<u>1,328,802</u>	<u>1,370,440</u>	<u>(41,638)</u>	<u>-3.0%</u>
<b>OPERATING EXPENSES</b>				
Operations and Maintenance				
Pumping and distribution operation	205,590	196,472	(9,119)	-4.6%
Pumping and distribution maintenance	106,501	168,656	62,154	36.9%
Power for pumping	117,079	116,262	(817)	-0.7%
Maintenance of general plant	20,004	11,712	(8,292)	-70.8%
Total Operation and Maintenance	<u>449,175</u>	<u>493,101</u>	<u>43,926</u>	<u>8.9%</u>
Customer Accounts				
Meter Reading	23,176	37,959	14,783	38.9%
Customer records and collection	58,077	59,982	1,905	3.2%
Energy conservation	731	10,000	9,269	-
Total Customer Accounts	<u>81,984</u>	<u>107,941</u>	<u>25,957</u>	<u>24.0%</u>
Administrative and General				
Administrative and general salaries	151,163	157,302	6,139	3.9%
Office supplies and expense	31,868	29,631	(2,236)	-7.5%
Outside services employed	22,952	86,885	63,933	73.6%
Insurance	28,571	26,212	(2,359)	-9.0%
Employee Benefits	265,566	294,951	29,385	10.0%
Miscellaneous general	97,818	99,855	2,036	2.0%
Total Administrative and General	<u>597,938</u>	<u>694,836</u>	<u>96,897</u>	<u>13.9%</u>
Total Operation, Customer, & Admin Expenses	<u>1,129,097</u>	<u>1,295,878</u>	<u>166,781</u>	<u>12.9%</u>
Depreciation	562,021	622,364	60,343	9.7%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>\$ 1,691,118</u>	<u>1,918,242</u>	<u>227,124</u>	<u>11.8%</u>
<b>OPERATING INCOME</b>	<u>\$ (362,316)</u>	<u>(547,802)</u>	<u>185,486</u>	<u>33.9%</u>