

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
OCTOBER 17, 2016

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
 - C=> 8b) Water Production Dashboard
9. **Reports: Electric Items**
 - 9a) Electric System Operations Report – Verbal
 - C=> 9b) Shakopee Energy Park Construction Update
 - 9c) Monthly MMPA Board Statement
10. **Reports: Human Resources**
11. **Reports: General**
 - 11a) Priorities and Schedules – Quarterly Review
 - C=> 11b) September Financials
12. **New Business**
13. **Tentative Dates for Upcoming Meetings**
 - Regular Meeting -- November 7
 - Mid Month Meeting -- November 21
 - Regular Meeting -- December 5
 - Mid Month Meeting -- December 19
14. **Adjourn to 11/7/16** at the SPUC Service Center, 255 Sarazin Street



MINUTES
OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
(Regular Meeting)

President Joos called the regular session of the Shakopee Public Utilities Commission to order at the Shakopee Public Utilities meeting room at 5:00 P.M., October 3, 2016.

MEMBERS PRESENT: Commissioners Joos, Amundson, Helkamp, Olson and Weyer. Also present, Liaison Whiting, Utilities Manager Crooks, Finance Director Schmid, Planning & Engineering Director Adams, Line Superintendent Drent, Water Superintendent Schemel and Marketing/Customer Relations Director Walsh.

Motion by Amundson, seconded by Weyer to approve the minutes of the September 19, 2016 Commission meeting. Motion carried.

Under Communications, Duane Wermerskirchen requested SPU participate in updating the holiday decorations downtown to LED's. He will submit the application for a SCIP rebate. A thank you letter from the Mayor thanked SPU for donating to the Shakopee Fun For All Playground. Liaison Whiting presented SPU with a plaque for the donations to the Shakopee Diversity Alliance.

President Joos offered the agenda for approval.

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

Motion by Helkamp, seconded by Olson to approve the Consent Business agenda as presented. Motion carried.

President Joos stated that the Consent Items were: item 8c: Quarterly Nitrate Report; and item 11b: Website Analytics.

The warrant listing for bills paid October 3, 2016 was presented.

Motion by Amundson, seconded by Helkamp to approve the warrant listing dated October 3, 2016 as presented. Motion carried.

Liaison Whiting presented his report. It was stated the community build for the playground is October 22. At the next City Council meeting assessments will be reviewed, the City fee schedule will be updated as will the Commercial Loan Program.

Water Superintendent Schemel provided a report of current water operations. Construction updates were provided and the Fall flushing program was reviewed.



Motion by Olson, seconded by Helkamp to offer Resolution #1141. A Resolution Approving Payment For The Pipe Oversizing Costs On The Watermain Project: Hilldale Drive Improvements City Project No. 2014-3. Ayes: Commissioners Weyer, Helkamp, Olson, Amundson and Joos. Nay: none. Motion carried. Resolution passed.

Item 8c: Quarterly Nitrate Report was received under Consent Business.

Line Superintendent Drent provided a report of current electric operations. There were no outages to report. Construction updates were provided. An update to the SCADA project was given.

Utilities Manager Crooks provided an update to the construction of the Shakopee Energy Park.

The Shakopee Energy Park tour scheduling was discussed. The Commission decided to schedule the tour for November 7 at 5pm, before the scheduled Commission meeting.

Mr. Drent reviewed the Bucket Truck purchase authorization process and the bids received by SPU.

Motion by Weyer, seconded by Amundson to purchase the Atec TA55 Bucket Truck to be built on an International chassis per the specifications provided, in the amount of \$232,527.00. Motion carried.

Electric vehicle charging stations were discussed. An overview was provided by Mr. Crooks. Consensus was to bring back more information at a future Commission meeting and to allow Mr. Crooks to contact Fresh Energy.

Finance Director Schmid provided the Employee Wage Compensation Sub Committee recommendation.

Motion by Amundson, seconded by Olson to offer Resolution #1142. A Resolution Regulating Wage Ranges. Ayes: Commissioners Weyer, Helkamp, Olson, Amundson and Joos. Nay: none. Motion carried. Resolution passed.

The City of Shakopee provided copied of the *Boards and Commissions Manual*.

Item 11b: Website Analytics was received under Consent Business.

The tentative commission meeting dates of October 17 and November 7 were noted.

Motion by Helkamp, seconded by Amundson to adjourn to Closed Session to discuss pending litigation.

Motion by Helkamp, seconded by Amundson to reconvene to Regular Session.

President Joos stated that no official business took place during the Closed Session.

Motion by Weyer, seconded by Olson to adjourn to the October 17, 2016 meeting. Motion carried.

A handwritten signature in black ink, appearing to read "John R. Crooks", written over a horizontal line.

Commission Secretary: John R. Crooks

Monthly Water Dashboard

As of: September 2016

Shakopee Public Utilities Commission

ALL VALUES IN MILLIONS OF GALLONS

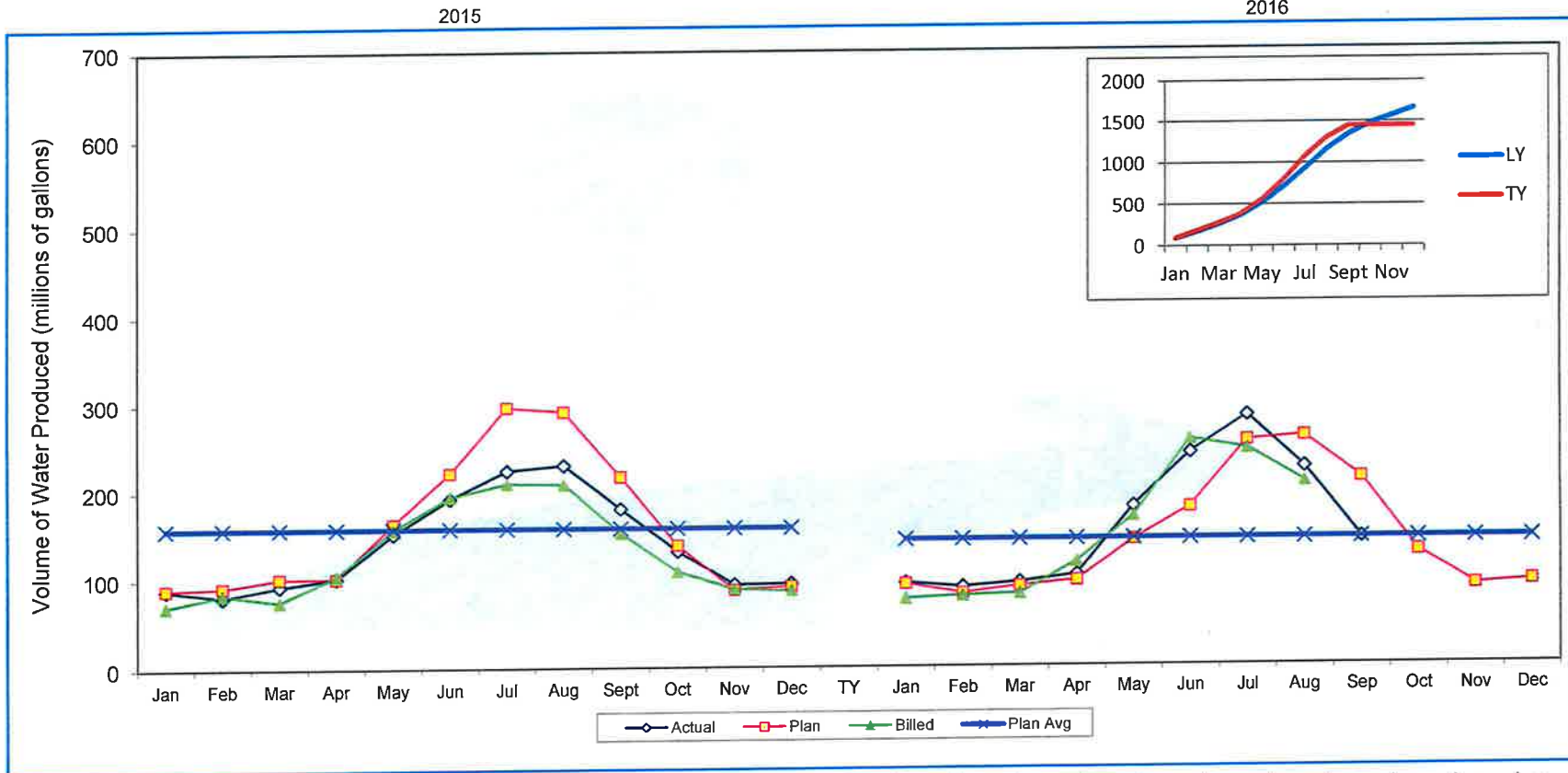
Element/Measure

Water Pumped/Metered

Averages

Last 6 months actuals	102	180	241	283	224	143
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2013	150
2014	140
2015	138



	LY	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	TY	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Actual		89	81	93	102	152	192	224	230	180	131	93	94		94	89	94	102	180	241	283	224	143			
Plan		90	92	102	102	164	222	297	292	217	138	87	91		93	82	90	96	142	179	255	260	212	128	89	93
YTD % *															101%	105%	105%	105%	111%	117%	116%	109%	103%			
Billed		71	84	76	105	157	194	209	208	152	108	88	86		76	79	81	117	169	256	245	207				

* Actual gallons pumped vs. Plan





Shakopee Energy Park



Technology:

Natural Gas-Fired Reciprocating Engines

Capacity:

46 MW

Location:

Shakopee, MN

Shakopee Energy Park reached a major milestone last month - as the engines were delivered to site. Mechanical and electrical work on the engines has officially commenced and auxiliary equipment is being installed. In addition, transformers, switch gear, and radiators were also installed.

Significant progress has also been made on the administrative building and engine hall. The control room has been completed and has received control panels that will support plant operations. Through October, work will continue on the building's exterior finishes.

Project Benefits

The Shakopee Energy Park project provides substantial advantages, including local interconnection to avoid high voltage transmission, increased local reliability of supply, and supporting business development in our member community.

By having local power production and distribution, the facility will offer increased reliability to Shakopee utility customers. In addition, the hot water recovered from the natural gas-fired reciprocating engines will provide economic development opportunities for the Shakopee area. The facility will also offer educational benefits to local school students and community residents.

For more information, please visit mmpa.org.




SEP Engines



**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: SHAKOPEE PUBLIC UTILITIES COMMISSION

FROM: JOHN R. CROOKS, UTILITIES MANAGER 

SUBJECT: SEPTEMBER 2016 MMPA BOARD MEETING SUMMARY

DATE: OCTOBER 11, 2016

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on September 27, 2016 in Shakopee, Minnesota.

Construction continues to move ahead on MMPA's 46 MW Shakopee Energy Park project. The project remains on schedule for a Q2 2017 in-service date. After the meeting, Board members had an opportunity to tour the construction site.

The Board also discussed the status of MMPA's renewable contracts for both wind and solar power.

The Board selected the member communities of Anoka, East Grand Forks, LeSueur and North St. Paul as Hometown Solar grant recipients for 2017. The Hometown Solar grant program is an extension of MMPA's Energy Education program and provides 5 kilowatt solar installations to educational facilities in MMPA member communities. The purpose of the program is to provide MMPA member communities with an educational asset to help teach our youth first-hand about how sunlight is converted into electricity, and the unique characteristic of solar power.



SPUC STAFF PRIORITIES AND SCHEDULES - 2016

2016			
Staff Input - LS, RS, JA, SW, GD - as of 10-14-16 **Approved by Commission			
DESIGNATED TASKS			
	Staff Assignment	Completion Date**	Status Update
POLE ATTACHMENT AGREEMENTS			
	JA/GD/RS		
Re-evaluate with MVEC		June 2016	Dec 2016
Finalize and approval with MVEC		July 2016	Jan 2017
Comcast/MediaCom billing agreements		Sept 2016	Feb 2017
VALLEYFAIR LOOPING AGREEMENT			
	JA/JC		
Review terms with Valleyfair		June 2016	DONE
MARKETING MATERIALS			
	SW		
Solar distributed generation materials and promotion		June 2016	Jan 2017
Wind distributed generation materials and promotion		on hold	
Tree trimming safety brochure/advertisement		June 2016	Jan 2017
CITY / SPU BILLING CLARIFICATIONS			
	JA/RS		
Traffic lights		July 2016	Nov 2016
County traffic lights		July 2016	Nov 2016
CUSTOMER DG PROCEDURES			
	JA/JC		
Review and adoption		June 2016	Dec 2016
STREET LIGHTING AGREEMENTS			
	JA		
Stonebrooke District		on hold	
Southbridge Crossing District		on hold	
Southbridge Parkway District		on hold	
SMSC - Bluff View 2nd Addition		on hold	
SMSC - East Village		on hold	



SHAKOPEE PUBLIC UTILITIES COMMISSION

"Lighting the Way - Yesterday, Today and Beyond"

October 13, 2016

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 September, 2016

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

Month to Date & Year to Date Financial Results – September, 2016

- 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 – September, 2016

- Total Utility Operating Revenues for the month of September totaled \$5.8 million and were favorable to budget by \$263k or 4.7%. Electric revenues were favorable to budget by \$290k or 5.9% driven by higher than plan sales in all customer revenue groups. Water revenues were unfavorable to budget by \$28k or 4.6% driven by lower than plan sales in the residential and commercial customer revenue groups.
- Total operating expenses were \$3.8 million and were favorable to budget by \$506k or 11.8%. Total purchased power expense in September was \$2.9 million and was \$303k or 9.5% lower than budget for the month. Total Operating Expense for electric including purchased power was \$3.5 million and was favorable to budget by \$458k or 11.6% primarily due to lower than planned purchased power expense, distribution and maintenance expense, timing of energy conservation expense of \$39k, and administrative and general expense of \$74k. Total Operating Expense for Water was \$320k and was favorable to budget by \$48k or 11.8% due to lower than planned expenditures in operations and maintenance expenses, administrative and general expenses, and depreciation expense.
- Total Utility Operating Income was \$2.0 million and was \$769k favorable to budget due to higher than plan operating revenues and lower than plan expenses.





SHAKOPEE PUBLIC UTILITIES COMMISSION

“Lighting the Way - Yesterday, Today and Beyond”

- Total Utility Non-Operating Income was \$18k and was favorable to budget by \$14k due to higher than plan investment income of \$11k and higher than plan rental and miscellaneous expense of \$4k.
- Capital Contributions for September totaled \$440k and were favorable to budget by \$254k due to higher than plan collection of Water Connection and Trunk Water Fees. September Connection Fees include fees for a new retail project within the city.
- Transfers to the City of Shakopee totaled \$180k and were lower than budget for the month by \$5k.
- Change in Net Position was \$2.3 million and was favorable to budget by \$1.0 million driven by better than planned operating income and capital contributions.
- Electric usage billed to customers in September was 46,370,504 kWh, an increase from August usage billed at 42,019,406 kWh.
- Water usage billed to customers in September was 207.4 million gallons, a decrease from August usage billed at 245.4 million gallons.

Year to Date Financial Results – September, 2016

- Total Utility Operating Revenue year to date September was \$39.2 million and was favorable to budget by \$1.7 million or 4.6%. Electric revenues were favorable to budget by \$1.5 million or 4.4% and water revenues were also favorable to budget by \$0.2 million or 7.1%.
- Total Utility Operating Expenses year to date September were \$33.2 million and were favorable to budget by \$1.4 million or 4.1% primarily due to timing of expenditures in energy conservation of \$0.5 million, operation and maintenance of \$0.3 million, outside services \$0.4 million, employee benefits \$0.4 million, other expenses \$0.2 million and depreciation \$0.1 million, and were partially offset by higher than plan purchased power costs of \$0.5 million driven by higher than plan sales year to date. Total Operating Expense for electric including purchased power was favorable to budget by \$1.0 million or 3.2%. Total Operating Expense for Water was also favorable to budget by \$0.4 million or 13.1%.
- Total Utility Operating Income was \$6.0 million and was favorable to budget by \$3.2 million driven by higher operating revenues of \$1.7 million and lower operating expenses of \$1.4 million.
- Total Utility Non-Operating Income was \$0.4 million and was favorable to budget by \$0.2 million due to higher than planned rental and miscellaneous income of \$0.1 million, investment income of \$0.1 million.
- YTD Capital Contributions were \$2.6 million and are favorable to budget by \$0.9 million due to higher than plan water connection fees and capital contributions that were partially offset by lower than plan trunk water fees.
- YTD Transfer to the City of Shakopee is \$1.6 million and is lower than plan by \$48k or 2.9%. 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 \$7.4 million and is favorable to budget by \$4.3 million reflecting higher than plan operating revenue, lower than plan operating expense, higher than plan non-operating revenues, and higher than plan capital contributions.

SHAKOPEE PUBLIC UTILITIES
MONTH TO DATE FINANCIAL RESULTS
SEPTEMBER 2016



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 - September 2016			Month to Date Budget - September 2016			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) \$ %			
OPERATING REVENUES	\$ 5,256,142	574,471	5,830,613	4,965,424	602,208	5,567,631	290,719 5.9%	(27,737) -4.6%	262,982 4.7%			
OPERATING EXPENSES												
Operation, Customer and Administrative	3,303,545	208,718	3,512,263	3,750,249	251,098	4,001,347	446,704 11.9%	42,380 16.9%	489,084 12.2%			
Depreciation	175,432	111,170	286,602	186,946	116,655	303,601	11,514 6.2%	5,485 4.7%	17,000 5.6%			
Amortization of Plant Acquisition	-	-	-	-	-	-	- 0.0%	- -	- 0.0%			
Total Operating Expenses	3,478,977	319,887	3,798,865	3,937,195	367,753	4,304,948	458,218 11.6%	47,865 13.0%	506,083 11.8%			
Operating Income	1,777,165	254,583	2,031,749	1,028,228	234,455	1,262,683	748,937 72.8%	20,128 8.6%	769,065 60.9%			
NON-OPERATING REVENUE (EXPENSE)												
Rental and Miscellaneous	32,687	(11,572)	21,114	16,069	647	16,716	16,618 103.4%	(12,220) -1887.6%	4,398 26.3%			
Interdepartment Rent from Water	7,500	-	7,500	7,500	-	7,500	- 0.0%	- -	- 0.0%			
Investment Income	18,186	2,817	21,002	9,700	753	10,453	8,486 87.5%	2,063 273.8%	10,549 100.9%			
Interest Expense	(29,746)	(15)	(29,761)	(29,048)	(4)	(29,052)	(698) -2.4%	(12) -310.6%	(709) -2.4%			
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)	27,143	(8,771)	18,372	2,737	1,397	4,134	24,406 891.7%	(10,168) -727.8%	14,238 344.4%			
Income Before Contributions and Transfers	1,804,308	245,812	2,050,120	1,030,965	235,852	1,266,817	773,343 75.0%	9,960 4.2%	783,303 61.8%			
CAPITAL CONTRIBUTIONS	-	439,857	439,857	-	185,846	185,846	- -	254,011 136.7%	254,011 136.7%			
TRANSFER TO MUNICIPALITY	(109,592)	(70,000)	(179,592)	(112,146)	(72,912)	(185,058)	2,554 2.3%	2,912 4.0%	5,466 3.0%			
CHANGE IN NET POSITION	\$ 1,694,716	615,670	2,310,386	918,819	348,787	1,267,606	775,897 84.4%	266,883 76.5%	1,042,780 82.3%			

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

	MTD Actual		MTD Budget		MTD Actual v. Budget	
	September 2016		September 2016		Better/(Worse)	
					\$	%
OPERATING REVENUES						
Sales of Electricity						
Residential	\$	2,010,807		1,869,883	140,924	7.5%
Commercial and Industrial		3,111,593		2,993,455	118,137	3.9%
Uncollectible accounts		-		-	-	-
Total Sales of Electricity		<u>5,122,400</u>		<u>4,863,339</u>	<u>259,061</u>	<u>5.3%</u>
Forfeited Discounts		42,618		18,640	23,978	128.6%
Free service to the City of Shakopee		14,592		14,157	435	3.1%
Conservation program		76,533		69,288	7,245	10.5%
Total Operating Revenues		<u>5,256,142</u>		<u>4,965,424</u>	<u>290,719</u>	<u>5.9%</u>
OPERATING EXPENSES						
Operations and Maintenance						
Purchased power		2,899,770		3,202,719	302,949	9.5%
Distribution operation expenses		28,926		33,551	4,626	13.8%
Distribution system maintenance		39,407		67,673	28,266	41.8%
Maintenance of general plant		14,599		24,118	9,519	39.5%
Total Operation and Maintenance		<u>2,982,702</u>		<u>3,328,061</u>	<u>345,360</u>	<u>10.4%</u>
Customer Accounts						
Meter Reading		7,906		10,433	2,526	24.2%
Customer records and collection		59,696		44,789	(14,907)	-33.3%
Energy conservation		14,673		54,150	39,477	72.9%
Total Customer Accounts		<u>82,275</u>		<u>109,372</u>	<u>27,096</u>	<u>24.8%</u>
Administrative and General						
Administrative and general salaries		45,978		48,129	2,151	4.5%
Office supplies and expense		10,602		15,967	5,366	33.6%
Outside services employed		3,045		46,093	43,048	93.4%
Insurance		13,996		14,057	61	0.4%
Employee Benefits		134,017		147,637	13,620	9.2%
Miscellaneous general		30,931		40,933	10,002	24.4%
Total Administrative and General		<u>238,568</u>		<u>312,816</u>	<u>74,248</u>	<u>23.7%</u>
Total Operation, Customer, & Admin Expenses		<u>3,303,545</u>		<u>3,750,249</u>	<u>446,704</u>	<u>11.9%</u>
Depreciation		175,432		186,946	11,514	6.2%
Amortization of plant acquisition		-		-	-	0.0%
Total Operating Expenses	\$	<u>3,478,977</u>		<u>3,937,195</u>	<u>458,218</u>	<u>11.6%</u>
OPERATING INCOME	\$	<u>1,777,165</u>		<u>1,028,228</u>	<u>748,937</u>	<u>72.8%</u>

SHAKOPEE PUBLIC UTILITIES
WATER OPERATING REVENUE AND EXPENSE

	MTD Actual September 2016	MTD Budget September 2016	MTD Actual v. Budget Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 570,231	600,798	(30,568)	-5.1%
Forfeited Discounts	4,240	1,410	2,831	200.8%
Uncollectible accounts	-	-	-	-
Total Operating Revenues	<u>574,471</u>	<u>602,208</u>	<u>(27,737)</u>	<u>-4.6%</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	31,901	41,949	10,048	24.0%
Pumping and distribution maintenance	13,890	36,203	22,313	61.6%
Power for pumping	23,209	22,629	(580)	-2.6%
Maintenance of general plant	626	1,990	1,364	68.5%
Total Operation and Maintenance	<u>69,625</u>	<u>102,771</u>	<u>33,145</u>	<u>32.3%</u>
Customer Accounts				
Meter Reading	5,032	5,789	757	13.1%
Customer records and collection	16,884	12,159	(4,725)	-38.9%
Energy conservation	462	-	(462)	-
Total Customer Accounts	<u>22,378</u>	<u>17,948</u>	<u>(4,430)</u>	<u>-24.7%</u>
Administrative and General				
Administrative and general salaries	29,796	31,479	1,682	5.3%
Office supplies and expense	4,889	6,391	1,502	23.5%
Outside services employed	6,417	12,948	6,530	50.4%
Insurance	4,665	4,686	20	0.4%
Employee Benefits	48,134	55,266	7,133	12.9%
Miscellaneous general	22,813	19,610	(3,203)	-16.3%
Total Administrative and General	<u>116,715</u>	<u>130,380</u>	<u>13,665</u>	<u>10.5%</u>
Total Operation, Customer, & Admin Expenses	<u>208,718</u>	<u>251,098</u>	<u>42,380</u>	<u>16.9%</u>
Depreciation	111,170	116,655	5,485	4.7%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>319,887</u>	<u>367,753</u>	<u>47,865</u>	<u>13.0%</u>
OPERATING INCOME	<u>\$ 254,583</u>	<u>234,455</u>	<u>20,128</u>	<u>8.6%</u>

SHAKOPEE PUBLIC UTILITIES
YEAR TO DATE FINANCIAL RESULTS
SEPTEMBER 2016



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 -September 2016			Year to Date Budget - September 2016			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) \$ %			
OPERATING REVENUES	\$ 35,490,361	3,721,669	39,212,031	34,009,474	3,473,342	37,482,816	1,480,888	4.4%	246,327	7.1%	1,729,215	4.6%
OPERATING EXPENSES												
Operation, Customer and Administrative	28,696,701	1,908,021	30,604,722	29,579,938	2,297,881	31,877,819	883,237	3.0%	389,860	17.0%	1,273,097	4.0%
Depreciation	1,578,887	1,000,528	2,579,415	1,682,517	1,049,895	2,732,412	103,629	6.2%	49,367	4.7%	152,996	5.6%
Amortization of Plant Acquisition	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%
Total Operating Expenses	30,275,588	2,908,549	33,184,137	31,262,455	3,347,776	34,610,231	986,867	3.2%	439,226	13.1%	1,426,093	4.1%
Operating Income	5,214,773	813,120	6,027,893	2,747,019	125,566	2,872,585	2,467,755	89.8%	687,553	547.6%	3,155,308	109.8%
NON-OPERATING REVENUE (EXPENSE)												
Rental and Miscellaneous	219,767	160,325	380,092	144,617	119,300	263,916	75,150	52.0%	41,026	34.4%	116,176	44.0%
Interdepartment Rent from Water	67,500	-	67,500	67,500	-	67,500	-	0.0%	-	-	-	0.0%
Investment Income	169,757	36,865	206,621	87,300	6,781	94,081	82,457	94.5%	30,083	443.6%	112,540	119.6%
Interest Expense	(268,759)	(104)	(268,863)	(262,840)	(34)	(262,874)	(5,919)	-2.3%	(70)	-207.1%	(5,989)	-2.3%
Amortization of Debt Issuance Costs and Loss on Refunding	(13,352)	-	(13,352)	(13,352)	-	(13,352)	-	0.0%	-	0.0%	-	0.0%
Gain/(Loss) on the Disposition of Property	3,284	7,770	11,054	-	-	-	3,284	0.0%	7,770	-	11,054	-
Total Non-Operating Revenue (Expense)	178,197	204,856	383,053	23,225	126,047	149,272	154,972	667.3%	78,809	62.5%	233,781	156.6%
Income Before Contributions and Transfers	5,392,971	1,017,976	6,410,947	2,770,244	251,614	3,021,857	2,622,727	94.7%	766,362	304.6%	3,389,089	112.2%
CAPITAL CONTRIBUTIONS	339,682	2,242,177	2,581,859	-	1,672,617	1,672,617	339,682	-	569,560	34.1%	909,242	54.4%
TRANSFER TO MUNICIPALITY	(986,750)	(630,665)	(1,617,415)	(1,009,315)	(656,206)	(1,665,521)	22,565	2.2%	25,541	3.9%	48,107	2.9%
CHANGE IN NET POSITION	\$ 4,745,903	2,629,489	7,375,391	1,760,928	1,268,025	3,028,953	2,984,974	169.5%	1,361,464	107.4%	4,346,438	143.5%

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

	YTD Actual	YTD Budget	YTD Actual v. Budget	
	September 2016	September 2016	Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Electricity				
Residential	\$ 13,272,321	12,718,938	553,383	4.4%
Commercial and Industrial	21,378,524	20,500,123	878,401	4.3%
Uncollectible accounts	(0)	-	(0)	-
Total Sales of Electricity	<u>34,650,844</u>	<u>33,219,061</u>	<u>1,431,783</u>	<u>4.3%</u>
Forfeited Discounts	191,499	167,756	23,743	14.2%
Free service to the City of Shakopee	131,328	127,413	3,915	3.1%
Conservation program	516,691	495,244	21,447	4.3%
Total Operating Revenues	<u>35,490,361</u>	<u>34,009,474</u>	<u>1,480,888</u>	<u>4.4%</u>
OPERATING EXPENSES				
Operations and Maintenance				
Purchased power	25,067,816	24,538,168	(529,648)	-2.2%
Distribution operation expenses	317,379	301,960	(15,419)	-5.1%
Distribution system maintenance	411,791	609,061	197,270	32.4%
Maintenance of general plant	282,503	217,059	(65,444)	-30.2%
Total Operation and Maintenance	<u>26,079,490</u>	<u>25,666,249</u>	<u>(413,241)</u>	<u>-1.6%</u>
Customer Accounts				
Meter Reading	80,009	93,896	13,887	14.8%
Customer records and collection	383,594	403,097	19,503	4.8%
Energy conservation	(26,570)	487,353	513,923	105.5%
Total Customer Accounts	<u>437,033</u>	<u>984,346</u>	<u>547,314</u>	<u>55.6%</u>
Administrative and General				
Administrative and general salaries	397,065	433,161	36,096	8.3%
Office supplies and expense	99,026	143,707	44,681	31.1%
Outside services employed	81,335	414,835	333,500	80.4%
Insurance	125,968	126,517	548	0.4%
Employee Benefits	1,156,885	1,442,730	285,846	19.8%
Miscellaneous general	319,898	368,393	48,495	13.2%
Total Administrative and General	<u>2,180,178</u>	<u>2,929,343</u>	<u>749,165</u>	<u>25.6%</u>
Total Operation, Customer, & Admin Expenses	<u>28,696,701</u>	<u>29,579,938</u>	<u>883,237</u>	<u>3.0%</u>
Depreciation	1,578,887	1,682,517	103,629	6.2%
Amortization of plant acquisition	-	-	-	0.0%
Total Operating Expenses	<u>\$ 30,275,588</u>	<u>31,262,455</u>	<u>986,867</u>	<u>3.2%</u>
OPERATING INCOME	<u>\$ 5,214,773</u>	<u>2,747,019</u>	<u>2,467,755</u>	<u>89.8%</u>

SHAKOPEE PUBLIC UTILITIES

WATER OPERATING REVENUE AND EXPENSE

	YTD Actual	YTD Budget	YTD Actual v. Budget	
	September 2016	September 2016	Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 3,705,387	3,460,656	244,731	7.1%
Forfeited Discounts	16,281	12,686	3,595	28.3%
Uncollectible accounts	1	-	1	-
Total Operating Revenues	<u>3,721,669</u>	<u>3,473,342</u>	<u>248,327</u>	<u>7.1%</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	318,937	377,542	58,605	15.5%
Pumping and distribution maintenance	195,315	325,824	130,509	40.1%
Power for pumping	200,704	203,661	2,957	1.5%
Maintenance of general plant	18,466	17,910	(556)	-3.1%
Total Operation and Maintenance	<u>733,421</u>	<u>924,937</u>	<u>191,515</u>	<u>20.7%</u>
Customer Accounts				
Meter Reading	60,847	52,098	(8,750)	-16.8%
Customer records and collection	104,859	109,430	4,571	4.2%
Energy conservation	1,785	-	(1,785)	-
Total Customer Accounts	<u>167,492</u>	<u>161,528</u>	<u>(5,964)</u>	<u>-3.7%</u>
Administrative and General				
Administrative and general salaries	255,474	283,309	27,835	9.8%
Office supplies and expense	40,868	57,520	16,652	28.9%
Outside services employed	60,974	116,529	55,555	47.7%
Insurance	41,989	42,172	183	0.4%
Employee Benefits	428,063	535,396	107,333	20.0%
Miscellaneous general	179,740	176,491	(3,249)	-1.8%
Total Administrative and General	<u>1,007,108</u>	<u>1,211,417</u>	<u>204,308</u>	<u>16.9%</u>
Total Operation, Customer, & Admin Expenses	<u>1,908,021</u>	<u>2,297,881</u>	<u>389,860</u>	<u>17.0%</u>
Depreciation	1,000,528	1,049,895	49,367	4.7%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>\$ 2,908,549</u>	<u>3,347,776</u>	<u>439,226</u>	<u>13.1%</u>
OPERATING INCOME	<u>\$ 813,120</u>	<u>125,566</u>	<u>687,553</u>	<u>547.6%</u>