

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
May 15, 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) Horizon Drive Watermain Discussion
 - 8c) Resn. #1163 – Setting the Amount of the Trunk Water Charge, Approving of Its Collection to Certain Property Described as: Ridge Creek First Addition.
 - C=> 8d) Water Production Monthly Dashboard
9. **Reports: Electric Items**
 - 9a) Electric System Operations Report – Verbal
 - 9b) 2017 APPA Lineworker's Rodeo – Results
 - 9c) April 2017 MMPA Board Meeting Public Summary
10. **Reports: Human Resources**
 - 10a) Pay Equity Implementation Report
11. **Reports: General**
 - C=> 11a) April 2017 Financial Results
12. **New Business**
13. **Tentative Dates for Upcoming Meetings**

- Regular Meeting	--	June 5
- Mid Month Meeting	--	June 19
- Regular Meeting	--	July 3
- Mid Month Meeting	--	July 17
14. **Adjourn to 6/5/17** 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., May 1, 2017.

MEMBERS PRESENT: Commissioners Amundson, Helkamp and Weyer. Also present, Liaison Luce, Utilities Manager Crooks, Planning & Engineering Director Adams, Finance Director Schmid and Line Superintendent Drent. Commissioners Hennen and Joos were absent as previously advised.

It was noted that there was a correction in the April 17, 2017 minutes. Commissioner Joos was incorrectly stated as President and not Commissioner Amundson.

Motion by Helkamp, seconded by Weyer to approve the amended minutes of the April 17, 2017 Commission meeting. Motion carried.

Under Communications, Commissioner Helkamp talked about the upcoming MMPA Energy Education events with the Shakopee Schools.

President Amundson offered the agenda for approval.

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

There were no consent items.

The warrant listing for bills paid May 1, 2017 was presented.

Motion by Helkamp, seconded by Weyer to approve the warrant listing dated May 1, 2017 as presented. Motion carried.

Utilities Manager Crooks introduced the new SPU City Council Liaison, Mike Luce. Liaison Luce presented his report. It was stated the furnace at Anchor Glass is scheduled to be rebuilt. Also mentioned was the sewer project in the Whispering Oaks neighborhood which will eliminate the need to have the City of Savage serve the area, once completed.

Mr. Crooks provided a report of current water operations. Several construction projects were updated and it was noted that hydrant flushing and valve exercising is almost complete. Asphalt replacement is taking place at three of the SPU Pumphouses.

Planning and Engineering Director Adams brought the Commission up to date on the discussions concerning the extension of watermain across CR 18 to Horizon Drive. Meetings with Living Hope Church led to their not moving forward with municipal water service and not

to proceed with a potential water tower on their property. Bruce Loney, City Engineer, reviewed the bid results and options available for SPU to extend the watermain. Mr. Adams further discussed funding mechanisms for the potential project.

Motion by Helkamp, seconded by Joos to bore the watermain across CR 18 and stub the main with a hydrant after the cross is made, at a cost not to exceed \$70,000. Staff is also given the ability to negotiate those costs. Motion carried.

Line Superintendent Drent provided his report of current electric operations. There was one electric outage since the last report. The outage affected forty nine customers in Prior Lake and was repaired with service restored within one hour. Mr. Drent also provided an update on the 2017 Pole Inspection Project and ongoing construction work.

Mr. Drent discussed the Shakopee Energy Park and Dean Lake Substation projects. Both projects are nearing completion. The Energy Park is generating energy on a consistent and daily basis.

The 2017 APPA Lineworker's Rodeo was discussed by Mr. Drent. Three apprentices and two journeyman teams will represent SPU in San Antonio on Saturday, May 6.

Motion by Weyer, seconded by Helkamp to adopt Resolution #1162 – Regulating Wage and Contract Terms for the Utilities Manager. Ayes: Helkamp, Weyer and Amundson. Motion carried.

The tentative commission meeting dates of May 15 and June 5 were noted.

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

Motion by Helkamp, seconded by Weyer to reconvene back to the regular meeting. Motion carried.

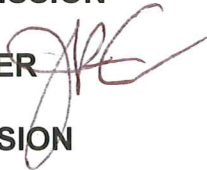
President Amundson stated there was no official business conducted during the Goals and Objectives Work Session

Motion by Helkamp, seconded by Weyer to adjourn to the May 15, 2017 meeting. Motion carried.



Commission Secretary: John R. Crooks

**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: SHAKOPEE PUBLIC UTILITIES COMMISSION
FROM: JOHN R. CROOKS, UTILITIES MANAGER 
SUBJECT: HORIZON DRIVE WATERMAIN EXTENSION
DATE: MAY 11, 2017

ISSUE-

The potential watermain extension project on Horizon Drive and CR 18 has been discussed at the April 3 and May 1 Commission meetings.

It was at the May 1 meeting that a motion was made by Commissioner Helkamp and seconded by Commissioner Weyer to bore the watermain across CR 18, the watermain be placed in a casing and stubbed with a hydrant once the crossing was made. The project was given a spending cap and was not to exceed \$70,000. Staff was also given the ability to negotiate those costs. The motion carried unanimously.

Discussions then took place with City Engineer Bruce Loney, Northwest Asphalt and Joe Adams on worksheet calculations to arrive at a best estimated contract cost.

RESULT-

The estimated cost of the 12 inch watermain installed in a casing, bored under CR 18 and extended to the SW corner of CR 18 and Horizon Drive with a flushing hydrant on the end of the pipe, came in at \$85,000.

On May 2nd, Utilities Manager Crooks made the decision to not extend the watermain, per Commission motion and notified City Engineer Bruce Loney to not include the watermain work into the City construction contract.

RESOLUTION #1163

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

RIDGE CREEK FIRST 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 \$37,926.85 based on 12.35 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:

Lots 1-25, Block 1; Lots 1-7, Block 2 and Lots 1-12, Block3,
RIDGE CREEK FIRST 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
15th day of May, 2017.

Commission President: Deb Amundson

ATTEST:

Commission Secretary: John R. Crooks

Monthly Water Dashboard

As of: **April 2017**

Shakopee Public Utilities Commission

ALL VALUES IN MILLIONS OF GALLONS

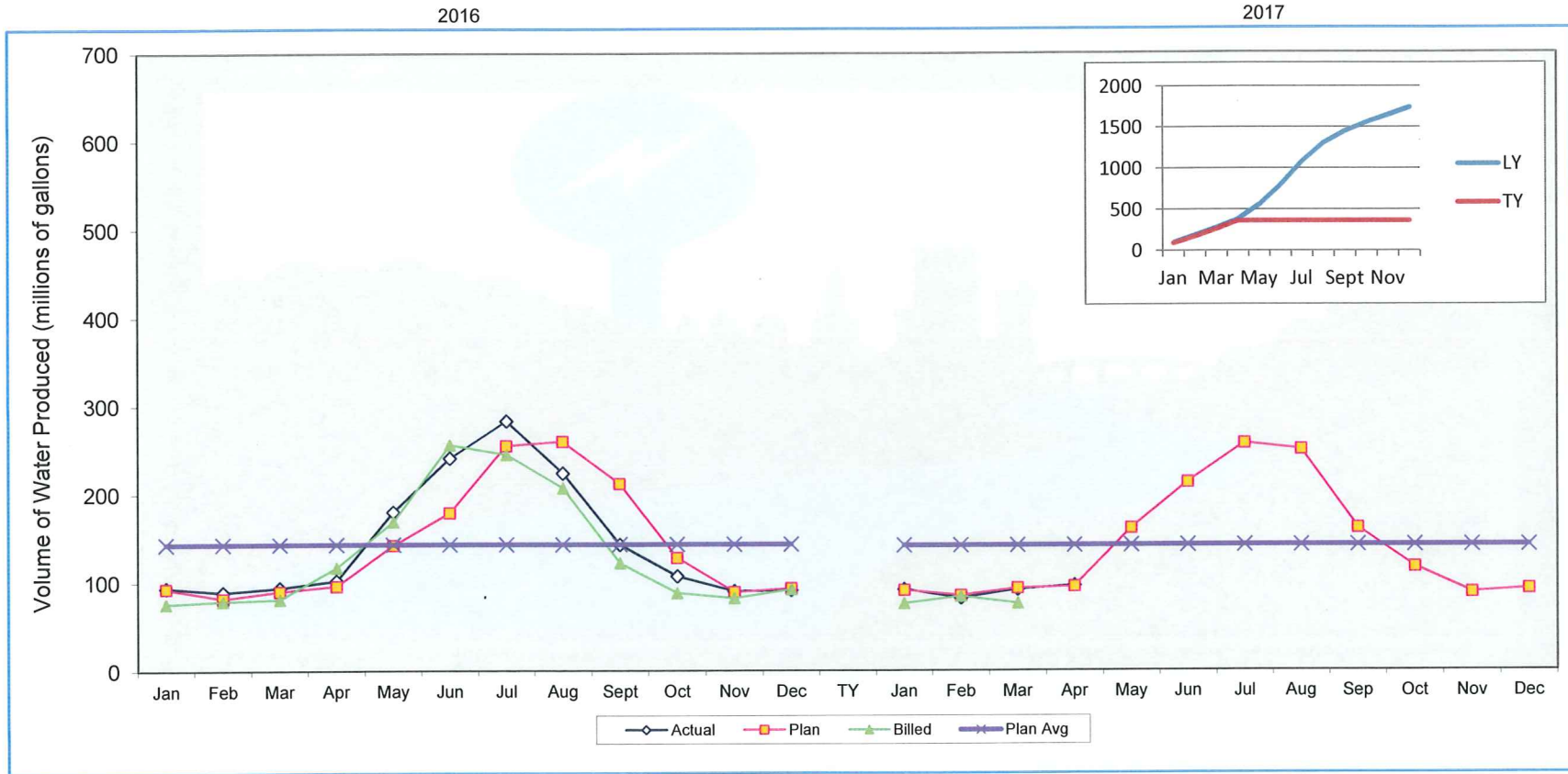
Element/Measure

Water Pumped/Metered

Averages

Last 6 months actuals	90	91	92	82	92	96
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2014	140
2015	138
2016	145



	LY	2016												TY	2017											
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Actual		94	89	94	102	180	241	283	224	143	107	90	91													
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%								
Billed		76	79	81	117	169	256	245	207	122	88	82	92		76	84	76									

* Actual gallons pumped vs. Plan





SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

9b

May 11th 2017

TO: John Crooks, Utilities Manager 

FROM: Greg Drent, Electric Superintendent 

Subject: APPA San Antonio Rodeo 2017 update and results

Wow what an experience! I know I am blessed to have a group of linemen so dedicated and passionate about their work here at SPU. SPU should be proud of what was accomplished at the 2017 APPA Line Workers Rodeo. Every SPU competitor's wife or girlfriend was at the event and even a couple of parents came down to watch. I cannot thank the commission enough for sending us to the rodeo to represent SPU. This type of event brings the SPU family closer together and builds team unity in the electric department. We work in a very dangerous field. Hopefully if anyone sees anything that is not safe they will say something just like it was one of their brothers on the pole. We had an opportunity to step back relax and reflect on what's important and make sure we take the steps to know that everyone will go home each night. Safety is the most important thing on every job site.

We went down to San Antonio on Thursday May 4th as group. The 2 journeyman teams were Mike Enright, Jamie VonBank, Justin Rotert and Brad Carlson, Matt Griebel, Cody Schuett. The 3 apprentices were Nick Kochlin, Tyler Hanson and Matt Kahle. Kent Sanders was a judge and I was an alternate climber if anyone couldn't make it.

Events started at 7:30a.m. on Friday with a speech from a widowed line worker who lost her husband to an electrocution. The line truck got energized as he contacted a high voltage line. She has started the Highline Hero Foundation and explained how that event impacted their life. It was a great reminder of the dangers the linemen face on a daily basis when working on the lines. Linemen have the 8th most dangerous job in the US and face challenges on the job that sometimes we don't stop and think about. Should we have more cover-ups on the wires? Is that fence in the way of what we are doing? What is my escape plan if something happens? Will the truck be energized if we have an electrical contact? Could the fence be energized? These are a few of the things that she reminded us about during her speech. All SPU employees at the rodeo attended the presentation. After the speech the lineman toured the grounds and set up their equipment for the rodeo on Saturday. Check in for the rodeo was back at the hotel with a vendor tradeshow to look at new and updated equipment for linemen.

The day of the competition starts early as we got on the bus at 6:00 a.m. for the 20 minutes bus ride to the rodeo grounds. After the opening ceremony at 7:30 the events started. There were a record number of teams that participated in the rodeo as 73 journeyman teams and 151 apprentices competed in the Rodeo. We had a great day to climb and we did well at the rodeo. In the journeyman team events we ran pretty clean and had a couple small deductions and finished with scores of 496 and 492 out of 500 total. These scores landed us 20th and 30th overall in the rodeo. We were the top 2 rodeo

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SHAKOPEE PUBLIC UTILITIES


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journeyman teams from Minnesota. Their practice and dedication to the rodeo showed through with their great performance.

Another record was set in the apprentice lineman as they had 151 apprentices who competed. We had a great showing I am happy to report that Tyler Hanson of SPU finished 6th overall and only one point from finishing on the podium and getting a trophy. We had scores of 492,488, and 460 out of a possible 500.

SPU had the top journeyman and top apprentice in Minnesota and we continue to work hard at the events and maybe in years to come we will be on the podium. All the participants at SPU want to thank the Commission and Mr. Crooks for dedicating time and resources to the rodeo event.

**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: SHAKOPEE PUBLIC UTILITIES COMMISSION
FROM: JOHN R. CROOKS, UTILITIES MANAGER 
SUBJECT: APRIL 2017 MMPA BOARD MEETING SUMMARY
DATE: MAY 11, 2017

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on April 25, 2017 at the Faribault Energy Park in Faribault, Minnesota.

At the meeting, the Board approved MMPA's 2016 audit report. The report can be found on MMPA's website at <http://www.mmpa.org/about/financials-reports/>

The Board reviewed the progress of member cities in rolling out the Clean Energy Choice program to residential customers. The Board also discussed plans for expanding options for commercial and industrial customers.

The Board discussed the Agency's Energy Education program and received an update about the status of the Hometown Solar projects.


The Board also discussed the status of the renewable projects that the Agency is pursuing.




SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

May 8, 2017

TO: John Crooks, Utilities Manager 
Shakopee Public Utilities Commission

FROM: Renee Schmid, Director of Finance and Administration 

SUBJECT: Pay Equity Implementation Report Approved

Update

The attached letter was received from the Minnesota Management and Budget office notifying us that we are in compliance with the Local Government Pay Equity Act. Staff submitted preliminary results to the commission for approval in January, 2017 and has now received official approval.

Requested Commission Action

No action required

Schmid, Renee

From: Pay.Equity@state.mn.us
Sent: Monday, May 08, 2017 11:33 AM
To: Schmid, Renee
Cc: Pay.Equity@state.mn.us
Subject: Message From MMB Regarding Your 2017 Pay Equity Case Status
Attachments: InComplianceLetter.pdf; InComplianceCert.pdf; StatisticalTestResults.pdf

The following pay equity case is approved and meets compliance requirements. Please review the attachments for further details about this case.

Report Year: 2017

Case: 1

Current status: In Compliance

Jurisdiction Name: Shakopee Public Utilities Commission



May 08, 2017

Local Government Official
Shakopee Public Utilities Commission
PO Box 470
255 Sarazin Street
Shakopee MN 55379

Dear Local Government Official:

Congratulations! I am very pleased to send you the enclosed notification of compliance with the Local Government Pay Equity Act. Since the law was passed in 1984, jurisdictions have worked diligently to meet compliance requirements and your work is to be commended.

As you know, Minnesota Rules Chapter 3920 specifies the procedure and criteria for measuring compliance and your jurisdiction's results are enclosed. You may find a copy of our "Guide to Understanding Pay Equity Compliance and Computer Reports" and other resources on our Local Government Pay Equity webpage at:

<https://mn.gov/mmb/employee-relations/compensation/laws/local-gov/local-gov-pay-equity/index.jsp>

This notice and results of the compliance review are public information and must be supplied upon request to any interested party.

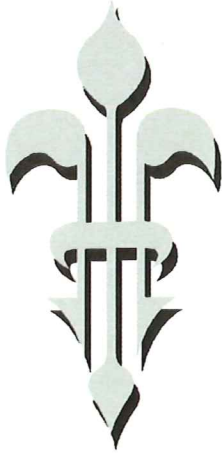
If you have any questions about the materials or about pay equity in general, please contact me at (651) 259-3623.

Again, congratulations on your achievement!

Sincerely,

Cyndee Gmach
Pay Equity Coordinator
pay.equity@state.mn.us

Enclosures



Notice of Pay Equity Compliance

Presented to

Shakopee Public Utilities Commission

for successfully meeting the requirements of the Local Government Pay Equity Act M.S. 471.991 - 471.999 and Minnesota rules Chapter 3920. This notice is a result of an official review by Minnesota Management & Budget and your 2017 pay equity report.

Your cooperation in complying with the local government pay equity requirements is greatly appreciated.

May 08, 2017

Date

Myron Frans, Commissioner

Results of Tests for Pay Equity Compliance

Date: May 08, 2017

Jurisdiction: Shakopee Public Utilities Commission

ID# : 56

1. Completeness and Accuracy Test

Passed. Required information was submitted accurately and on time.

2. Statistical Analysis Test

Passed. Jurisdiction had more than three male classes and an underpayment ratio of 80% or more.

Passed. Jurisdiction had at least six male classes, at least one class with a salary range, an underpayment ratio below 80% but a t-test that was not statistically significant.

3. Salary Range Test

Passed. Too few classes had an established number of years to move through a salary range.

Passed. Salary range test showed a score of 80% or more.

4. Exceptional Service Pay Test

Passed. Too few classes received exceptional service pay.

Passed. Exceptional service pay test showed a score of 80% or more.

The enclosed material describes compliance requirements in more detail. If you have questions, contact Cyndee Gmach, Pay Equity Coordinator, at (651) 259-3623.



SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

11a

May 11, 2017

PROPOSE AS CONSENT

TO: John Crooks

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

FROM: Renee Schmid, Director of Finance and Administration

SUBJECT: Financial Results for April, 2017

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

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

- Total Utility Operating Revenues for the month of April totaled \$3.3 million and were very slightly unfavorable to budget by \$26k or 0.8%. Electric revenues were unfavorable to budget by \$15k or 0.5% driven by lower than plan energy sales in the residential revenue group and lower than plan power cost adjustment revenue in all groups due to lower than plan purchased power costs. Water revenues were unfavorable to budget by \$10k or 4.1% driven by lower than plan sales volumes.
- Total operating expenses were \$3.2 million and were favorable to budget by \$318k or 9.1%. Total purchased power costs in April were \$2.2 million and were \$141k or 5.9% lower than plan for the month. Total Operating Expense for electric including purchased power was favorable to budget by \$267k or 8.6% 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 \$50k or 13.3% due timing of expenditures in administrative and general, system operation and maintenance and depreciation.
- Total Utility Operating Income was \$174k and was \$292k favorable to budget primarily due to lower than operating expense.



SHAKOPEE PUBLIC UTILITIES

“Lighting the Way – Yesterday, Today and Beyond”

- Total Utility Non-Operating Revenue was \$39k and was favorable to budget by \$22k due to higher than plan rental and miscellaneous income, and investment income and partially offset by a loss on the disposition of property due to the early retirement of some water main and hydrants.
- Capital Contributions for the month of April were \$248k and were favorable to budget by \$99k due to capital contributions for projects and the collection of water connection fees in the month of April.
- Municipal contributions to the City of Shakopee totaled \$190k and were lower than plan by 10k.
- Change in Net Position was \$0.3 million and was favorable to budget by \$0.4 million due to lower than plan operating expense, and higher than plan non operating revenues and capital contributions.
- Electric usage billed to customers in April was 30,002,716 KWH, a decrease from March usage billed at 34,118,658 KWH.
- Water usage billed to customers in April was 75.7 million gallons, a decrease from March usage billed at 83.6 million gallons.

Year to Date Financial Results – April, 2017

- Total Utility Operating Revenue year to date April was \$14.8 million and was favorable to budget by \$664k or 4.7%. Electric revenues were favorable to budget by \$630k or 4.8% driven by higher than plan energy sales in all revenue groups and partially offset by lower than plan power cost adjustment revenue due to lower than plan purchased power costs. Water revenues were also favorable to budget by \$34k or 3.3% driven by higher than plan sales volumes in all revenue groups as well.
- Total Utility Operating Expenses year to date April were \$12.9 million and were favorable to budget by \$1.4 million or 10.2% primarily due to lower than plan purchased power costs of \$0.5 million, timing of expenditures in energy conservation of \$0.5 million, administrative and general expense of \$0.3 million, and depreciation of \$0.1 million. Total Operating Expense for electric including purchased power was \$11.5 million and was favorable to budget by \$1.3 million or 10.0%. Total Operating Expense for Water was \$1.4 million and was also favorable to budget by \$0.2 million or 12.2%.
- Total Utility Operating Income was \$2.0 million and was favorable to budget by \$2.1 million driven by lower than plan operating expenses of \$1.4 million and higher than planned operating revenues \$0.7 million.
- Total Utility Non-Operating Income was \$222k and was favorable to budget by \$33k due to higher than planned investment income of \$31k, and a \$3k net gain on the disposition of property.
- YTD Capital Contributions were \$1.0 million and are favorable to budget by \$0.4 million due to higher than plan collection of water connection fees of \$334k and higher than planned capital contributions of \$69k.
- Municipal contributions to the City of Shakopee totaled \$761k year to date and is lower than plan by \$42k 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 \$2.4 million and is favorable to budget by \$2.6 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
APRIL 2017



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

	Month to Date Actual - April 2017			Month to Date Budget - April 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) \$	%
OPERATING REVENUES	\$ 3,104,189	243,940	3,348,130	3,119,654	254,272	3,373,926	(15,465)	-0.5%	(10,332)	-4.1%	(25,797)	-0.8%
OPERATING EXPENSES												
Operation, Customer and Administrative	2,674,394	214,343	2,888,737	2,925,933	252,376	3,178,309	251,539	8.6%	38,033	15.1%	289,572	9.1%
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	2,847,632	326,747	3,174,379	3,115,127	376,848	3,491,976	267,495	8.6%	50,101	13.3%	317,597	9.1%
Operating Income	256,557	(82,807)	173,751	4,527	(122,576)	(118,049)	252,030	5567.3%	39,769	32.4%	291,800	247.2%
NON-OPERATING REVENUE (EXPENSE)												
Rental and Miscellaneous	21,392	18,087	39,478	22,173	2,068	24,241	(782)	-3.5%	16,019	774.7%	15,237	62.9%
Interdepartment Rent from Water	7,500	-	7,500	7,500	-	7,500	-	0.0%	-	-	-	0.0%
Investment Income	22,366	4,978	27,345	12,951	3,002	15,954	9,415	72.7%	1,976	65.8%	11,391	71.4%
Interest Expense	(28,833)	(23)	(28,856)	(28,769)	(19)	(28,788)	(64)	-0.2%	(4)	-19.5%	(68)	-0.2%
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	-	(4,563)	(4,563)	-	-	-	-	-	(4,563)	-	(4,563)	0.0%
Total Non-Operating Revenue (Expense)	20,941	18,479	39,420	12,372	5,051	17,423	8,569	69.3%	13,428	265.9%	21,997	126.3%
Income Before Contributions and Transfers	277,498	(64,328)	213,171	16,899	(117,525)	(100,626)	260,599	1542.1%	53,198	45.3%	313,797	311.8%
CAPITAL CONTRIBUTIONS	66,619	181,836	248,454	-	149,395	149,395	66,619	-	32,440	21.7%	99,059	66.3%
MUNICIPAL CONTRIBUTION	(116,223)	(74,000)	(190,223)	(121,398)	(79,192)	(200,590)	5,175	4.3%	5,192	6.6%	10,368	5.2%
CHANGE IN NET POSITION	\$ 227,894	43,508	271,402	(104,499)	(47,323)	(151,821)	332,393	318.1%	90,831	191.9%	423,224	278.8%

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

	MTD Actual	MTD Budget	MTD Actual v. Budget	
	April 2017	April 2017	Better/(Worse)	
	\$		\$	%
OPERATING REVENUES				
Sales of Electricity				
Residential	\$ 1,034,460	1,064,563	(30,104)	-2.8%
Commercial and Industrial	1,996,508	1,972,241	24,267	1.2%
Uncollectible accounts	-	-	-	-
Total Sales of Electricity	3,030,968	3,036,805	(5,837)	-0.2%
Forfeited Discounts	13,852	21,016	(7,164)	-34.1%
Free service to the City of Shakopee	14,223	14,223	0	0.0%
Conservation program	45,147	47,611	(2,464)	-5.2%
Total Operating Revenues	3,104,189	3,119,654	(15,465)	-0.5%
OPERATING EXPENSES				
Operations and Maintenance				
Purchased power	2,239,719	2,380,350	140,631	5.9%
Distribution operation expenses	39,552	39,436	(116)	-0.3%
Distribution system maintenance	41,357	55,428	14,072	25.4%
Maintenance of general plant	32,406	35,652	3,246	9.1%
Total Operation and Maintenance	2,353,034	2,510,866	157,832	6.3%
Customer Accounts				
Meter Reading	7,896	9,810	1,914	19.5%
Customer records and collection	41,478	44,751	3,274	7.3%
Energy conservation	15,540	58,828	43,288	73.6%
Total Customer Accounts	64,913	113,389	48,476	42.8%
Administrative and General				
Administrative and general salaries	45,502	49,969	4,468	8.9%
Office supplies and expense	8,144	15,471	7,327	47.4%
Outside services employed	11,119	40,959	29,840	72.9%
Insurance	9,710	15,727	6,017	38.3%
Employee Benefits	148,360	143,488	(4,871)	-3.4%
Miscellaneous general	33,612	36,063	2,451	6.8%
Total Administrative and General	256,447	301,678	45,231	15.0%
Total Operation, Customer, & Admin Expenses	2,674,394	2,925,933	251,539	8.6%
Depreciation	173,238	189,194	15,956	8.4%
Amortization of plant acquisition	-	-	-	0.0%
Total Operating Expenses	\$ 2,847,632	3,115,127	267,495	8.6%
OPERATING INCOME	\$ 256,557	4,527	252,030	5567.3%

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

	MTD Actual April 2017	MTD Budget April 2017	MTD Actual v. Budget Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 243,120	252,541	(9,420)	-3.7%
Forfeited Discounts	820	1,731	(911)	-52.6%
Uncollectible accounts	-	-	-	-
Total Operating Revenues	<u>243,940</u>	<u>254,272</u>	<u>(10,332)</u>	<u>-4.1%</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	44,168	39,294	(4,874)	-12.4%
Pumping and distribution maintenance	21,559	33,731	12,172	36.1%
Power for pumping	23,577	23,252	(324)	-1.4%
Maintenance of general plant	2,389	2,342	(47)	-2.0%
Total Operation and Maintenance	<u>91,694</u>	<u>98,620</u>	<u>6,927</u>	<u>7.0%</u>
Customer Accounts				
Meter Reading	4,250	7,592	3,341	44.0%
Customer records and collection	11,987	11,996	9	0.1%
Energy conservation	125	2,000	1,875	-
Total Customer Accounts	<u>16,362</u>	<u>21,588</u>	<u>5,226</u>	<u>24.2%</u>
Administrative and General				
Administrative and general salaries	30,347	31,460	1,113	3.5%
Office supplies and expense	4,092	5,926	1,834	30.9%
Outside services employed	4,044	17,377	13,332	76.7%
Insurance	3,237	5,242	2,006	38.3%
Employee Benefits	52,446	52,190	(255)	-0.5%
Miscellaneous general	12,121	19,971	7,850	39.3%
Total Administrative and General	<u>106,287</u>	<u>132,167</u>	<u>25,880</u>	<u>19.6%</u>
Total Operation, Customer, & Admin Expenses	<u>214,343</u>	<u>252,376</u>	<u>38,033</u>	<u>15.1%</u>
Depreciation	112,404	124,473	12,069	9.7%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>326,747</u>	<u>376,848</u>	<u>50,101</u>	<u>13.3%</u>
OPERATING INCOME	<u>\$ (82,807)</u>	<u>(122,576)</u>	<u>39,769</u>	<u>32.4%</u>

SHAKOPEE PUBLIC UTILITIES
YEAR TO DATE FINANCIAL RESULTS
APRIL 2017



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

	Year to Date Actual - April 2017			Year to Date Budget - April 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) \$ %			
OPERATING REVENUES	\$ 13,791,365	1,044,662	14,836,026	13,161,007	1,011,065	14,172,072	630,358	4.8%	33,597	3.3%	663,955	4.7%
OPERATING EXPENSES												
Operation, Customer and Administrative	10,839,694	903,532	11,743,226	12,051,808	1,043,502	13,095,310	1,212,114	10.1%	139,970	13.4%	1,352,084	10.3%
Depreciation	692,951	449,617	1,142,568	756,775	497,891	1,254,667	63,824	8.4%	48,274	9.7%	112,099	8.9%
Amortization of Plant Acquisition	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%
Total Operating Expenses	11,532,645	1,353,149	12,885,794	12,808,583	1,541,394	14,349,977	1,275,938	10.0%	188,245	12.2%	1,464,183	10.2%
Operating Income	2,258,720	(308,487)	1,950,232	352,424	(530,329)	(177,905)	1,906,296	540.9%	221,842	41.8%	2,128,137	1196.2%
NON-OPERATING REVENUE (EXPENSE)												
Rental and Miscellaneous	77,775	138,928	216,703	88,693	128,430	217,123	(10,917)	-12.3%	10,497	8.2%	(420)	-0.2%
Interdepartment Rent from Water	30,000	-	30,000	30,000	-	30,000	-	0.0%	-	-	-	0.0%
Investment Income	75,470	19,540	95,010	51,806	12,009	63,814	23,665	45.7%	7,531	62.7%	31,196	48.9%
Interest Expense	(116,943)	(90)	(117,033)	(116,581)	(76)	(116,657)	(362)	-0.3%	(14)	-18.5%	(376)	-0.3%
Amortization of Debt Issuance Costs and Loss on Refunding	(5,934)	-	(5,934)	(5,934)	-	(5,934)	-	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)	60,062	161,739	221,802	47,983	140,363	188,346	12,079	25.2%	21,377	15.2%	33,456	17.8%
Income Before Contributions and Transfers	2,318,782	(146,748)	2,172,034	400,407	(389,967)	10,441	1,918,375	479.1%	243,218	62.4%	2,161,593	20703.4%
CAPITAL CONTRIBUTIONS	69,072	939,961	1,009,033	-	597,581	597,581	69,072	-	342,380	57.3%	411,452	68.9%
MUNICIPAL CONTRIBUTION	(464,183)	(296,503)	(760,685)	(485,592)	(316,770)	(802,362)	21,409	4.4%	20,267	6.4%	41,676	5.2%
CHANGE IN NET POSITION	\$ 1,923,672	496,710	2,420,381	(85,185)	(109,155)	(194,340)	2,008,856	2358.2%	605,865	555.0%	2,614,721	1345.4%

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

	YTD Actual April 2017	YTD Budget April 2017	YTD Actual v. Budget Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Electricity				
Residential	\$ 4,852,698	4,727,087	125,612	2.7%
Commercial and Industrial	8,589,473	8,090,387	499,086	6.2%
Uncollectible accounts	-	-	-	-
Total Sales of Electricity	13,442,171	12,817,474	624,698	4.9%
Forfeited Discounts	91,944	84,064	7,879	9.4%
Free service to the City of Shakopee	56,891	56,891	0	0.0%
Conservation program	200,359	202,578	(2,219)	-1.1%
Total Operating Revenues	13,791,365	13,161,007	630,358	4.8%
OPERATING EXPENSES				
Operations and Maintenance				
Purchased power	9,272,849	9,767,475	494,626	5.1%
Distribution operation expenses	142,151	157,744	15,593	9.9%
Distribution system maintenance	261,658	221,713	(39,945)	-18.0%
Maintenance of general plant	76,716	142,607	65,891	46.2%
Total Operation and Maintenance	9,753,374	10,289,539	536,166	5.2%
Customer Accounts				
Meter Reading	33,374	39,239	5,865	14.9%
Customer records and collection	172,863	179,005	6,142	3.4%
Energy conservation	(244,037)	235,312	479,350	203.7%
Total Customer Accounts	(37,801)	453,556	491,357	108.3%
Administrative and General				
Administrative and general salaries	181,393	199,878	18,485	9.2%
Office supplies and expense	62,138	61,884	(255)	-0.4%
Outside services employed	52,345	163,838	111,493	68.1%
Insurance	76,340	62,908	(13,432)	-21.4%
Employee Benefits	622,639	675,954	53,315	7.9%
Miscellaneous general	129,265	144,251	14,985	10.4%
Total Administrative and General	1,124,121	1,308,712	184,591	14.1%
Total Operation, Customer, & Admin Expenses	10,839,694	12,051,808	1,212,114	10.1%
Depreciation	692,951	756,775	63,824	8.4%
Amortization of plant acquisition	-	-	-	0.0%
Total Operating Expenses	\$ 11,532,645	12,808,583	1,275,938	10.0%
OPERATING INCOME	\$ 2,258,720	352,424	1,906,296	540.9%

SHAKOPEE PUBLIC UTILITIES
WATER OPERATING REVENUE AND EXPENSE

	YTD Actual April 2017	YTD Budget April 2017	YTD Actual v. Budget Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 1,040,495	1,004,139	36,356	3.6%
Forfeited Discounts	4,166	6,925	(2,759)	-39.8%
Uncollectible accounts	1	-	1	-
Total Operating Revenues	<u>1,044,662</u>	<u>1,011,065</u>	<u>33,597</u>	<u>3.3%</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	156,964	157,177	214	0.1%
Pumping and distribution maintenance	83,830	134,924	51,095	37.9%
Power for pumping	93,623	93,010	(614)	-0.7%
Maintenance of general plant	12,630	9,369	(3,261)	-34.8%
Total Operation and Maintenance	<u>347,047</u>	<u>394,481</u>	<u>47,434</u>	<u>12.0%</u>
Customer Accounts				
Meter Reading	18,468	30,367	11,899	39.2%
Customer records and collection	46,909	47,985	1,076	2.2%
Energy conservation	731	8,000	7,269	-
Total Customer Accounts	<u>66,109</u>	<u>86,353</u>	<u>20,244</u>	<u>23.4%</u>
Administrative and General				
Administrative and general salaries	117,847	125,842	7,995	6.4%
Office supplies and expense	25,827	23,705	(2,122)	-9.0%
Outside services employed	17,814	69,508	51,693	74.4%
Insurance	25,447	20,969	(4,477)	-21.4%
Employee Benefits	220,103	242,761	22,658	9.3%
Miscellaneous general	83,338	79,884	(3,454)	-4.3%
Total Administrative and General	<u>490,376</u>	<u>562,669</u>	<u>72,293</u>	<u>12.8%</u>
Total Operation, Customer, & Admin Expenses	<u>903,532</u>	<u>1,043,502</u>	<u>139,970</u>	<u>13.4%</u>
Depreciation	449,617	497,891	48,274	9.7%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>\$ 1,353,149</u>	<u>1,541,394</u>	<u>188,245</u>	<u>12.2%</u>
OPERATING INCOME	<u>\$ (308,487)</u>	<u>(530,329)</u>	<u>221,842</u>	<u>41.8%</u>