



OFFICIAL NOTICE AND AGENDA

Notice is hereby given that the City of Stoughton Utilities Committee will hold a regular meeting on the date and at the time and location given below.

Meeting of: **CITY OF STOUGHTON UTILITIES COMMITTEE**
Date/Time: Monday, September 25, 2017 at 5:00 p.m.
Location: Edmund T. Malinowski Board Room, Stoughton Utilities Administration Office
600 South Fourth Street, Stoughton, Wisconsin
Members: Mayor Donna Olson (Chair), Alderperson Matt Bartlett, Alderperson Michael Engelberger (Vice-Chair), Alderperson Pat O'Connor, Citizen Member David Erdman, Citizen Member John Kallas, Citizen Member Alan Staats

AGENDA:

CALL TO ORDER

CONSENT AGENDA

(All items are considered routine and will be enacted upon by one motion. There will be no separate discussion of these items unless a Stoughton Utilities Committee member so requests, in which event the item will be removed from the consent agenda and be considered on the regular agenda.)

- a. Stoughton Utilities Payments Due List Report
- b. Draft Minutes of the August 14, 2017 Regular Utilities Committee Meeting
- c. Stoughton Utilities July 2017 Financial Summary
- d. Stoughton Utilities July 2017 Statistical Report
- e. Stoughton Utilities August 2017 Activities Report
- f. Utilities Committee Annual Calendar
- g. Communications

OLD BUSINESS

1. Status of the Utilities Committee recommendation(s) to the Stoughton Common Council
(Discussion)

NEW BUSINESS

2. Proposed 2018 budget and five year (2018-2022) Capital Improvement Plan (CIP) **(Action)**
3. Utilities Committee future agenda item(s) **(Discussion)**

ADJOURNMENT

Notices Sent To:

Stoughton Utilities Committee Members
Stoughton Utilities Director Robert P. Kardasz, P.E.
Stoughton Utilities Assistant Director Brian Hoops
Stoughton Utilities Finance Manager Jamin Friedl, CPA

cc: Stoughton City Attorney Matthew Dregne
Stoughton City Clerk Lana Kropf
Stoughton Common Council Members
Stoughton Leadership Team
Stoughton Utilities Operations Superintendent Sean Grady
Stoughton Utilities Wastewater System Supervisor Brian Erickson
Unified Newspaper Group - Stoughton Courier Hub

ATTENTION COMMITTEE MEMBERS: Two-thirds of members are needed for a quorum. The committee may only conduct business when a quorum is present. If you are unable to attend the meeting, please contact Robert Kardasz or Brian Hoops via telephone at (608) 877-7423 or (608) 877-7412 respectively, or via email at RKardasz@stoughtonutilities.com or BHoops@stoughtonutilities.com.

It is possible that members of, and possibly a quorum of members of other committees of the Common Council of the City of Stoughton may be in attendance at this meeting to gather information. No action will be taken by any such group(s) at this meeting other than the Stoughton Utilities Committee consisting of the members listed above. An expanded meeting may constitute a quorum of the Common Council.

Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For information, or to request such assistance, please contact Stoughton Utilities at (608) 873-3379.

Current and past Stoughton Utilities Committee documents, including meeting notices, meeting packets, and meeting minutes, are available for public download at <http://stoughtonutilities.com/uc>.

Date: Wednesday, September 06, 2017
 Time: 09:50AM
 User: SGUNSOLUS

Stoughton Utilities
Check Register Summary - Standard

Page: 1 of 6
 Report: 03699W.rpt
 Company: 7430

Period: - As of: 9/6/2017

Check Nbr	Type	Date	Amount Paid	Vendor ID / Name	Description
Company: 7430					
001465	EP	8/7/2017	23,270.76	516 WELLS FARGO BANK	VO for check batch: 307728
001466	HC	8/30/2017	1,317,365.05	009 WPPI	WPPI-Renewable Energy/WPPI-Buy Back Solar Credit/WPPI-Shared Savings/WPPI-Large Power/WPPI-Support Services/WPPI-Support Services/WPPI-Support Services
001467	HC	8/30/2017	2,385.80	001 Delta Dental - Ach	Delta Dental - Aug Ach/Delta Dental - Aug Ach/Delta Dental - Aug Ach
001468	HC	8/30/2017	291.88	003 Alliant Energy - Ach	Alliant Energy - Aug Ach/Alliant Energy - Aug Ach/Alliant Energy - Aug Ach/Alliant Energy - Aug Ach/Alliant Energy - Aug Ach/Alliant Energy - Aug Ach
001469	HC	8/30/2017	415.92	547 Charter Communications-Ach	Charter Comm-Aug Ach/Charter Comm-Aug Ach/Charter Comm-Aug Ach/Charter Comm-Aug Ach
001470	HC	8/30/2017	138.00	952 AT&T	AT&T-Aug Ach/AT&T-Aug Ach
001471	HC	8/30/2017	182.01	856 GORDON FLESCH COMPANY, INC.	Gordon Flesch -Aug Ach/Gordon Flesch -Aug Ach/Gordon Flesch -Aug Ach/Gordon Flesch -Aug Ach
001472	HC	8/30/2017	458.76	007 TDS Metrocom - Ach	TDS Metrocom - Aug Ach/TDS Metrocom - Aug Ach/TDS Metrocom - Aug Ach/TDS Metrocom - Aug Ach
001473	HC	8/30/2017	573.15	004 Us Cellular - Ach	Us Cellular - Aug Ach/Us Cellular - Aug Ach/Us Cellular - Aug Ach
001474	HC	8/30/2017	30.52	421 FIRST DATA CHARGES	First Data Charges-Aug Ach/First Data Charges-Aug Ach/First Data Charges-Aug Ach/First Data Charges-Aug Ach
001475	HC	8/30/2017	1,109.44	002 Employee Benefits Corp - Ach	EBC - Aug Ach/EBC - Aug Ach/EBC - Aug Ach/EBC - Aug Ach
001476	HC	8/30/2017	8,990.10	020 Wells Fargo Bank-Ach	Client Analysis-Aug Ach/Client Analysis-Aug Ach/Client Analysis-Aug Ach/Client Analysis-Aug Ach
001477	HC	8/30/2017	7,090.17	008 Payroll State Taxes - Ach	State Taxes-Aug Ach/State Taxes-Aug Ach

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001478	HC	8/30/2017	62,469.98	010 WI Dept. of Revenue Taxpayment-Ach	Dept of Rev-Aug Ach/Dept of Rev-Aug Ach
001479	HC	8/30/2017	38,012.17	025 Payroll Federal Taxes- Ach	Federal Taxes-Aug Ach/Federal Taxes-Aug Ach/Federal Taxes-Aug Ach/Federal Taxes-Aug Ach
025070	CK	8/2/2017	150.00	389 BADGER SEWER & DRAIN	Badger Sewer-Jet gas line
025071	CK	8/2/2017	330.04	491 PUBLIC SVC. COMM. OF WI.	PSC-Assessments
025072	CK	8/2/2017	266.20	979 EFI INC	EFI - exit signs
025073	CK	8/2/2017	9,373.00	400 RESCO	Resco-Transformers
025074	CK	8/2/2017	16,919.34	448 STRAND ASSOCIATES INC.	Strand-nordic sewer & water/Strand-sewer ordinance/Strand-KPW lot 7/Strand-Water Main/Strand-Carlson discharge/Strand-Colorcon discharge/Strand-Swer main/Strand-south st cip water/Strand-nordic sewer & water/Strand-Uniroyal discharge/Strand-Mercury
025075	CK	8/2/2017	6,396.00	729 SHC SUGAR HILL CONSULTING, LLC	SHC Sugar hill-consulting
025076	CK	8/2/2017	20.00	756 ID-ACCESS	Id Access-Id tags/Id Access-Id tags
025077	CK	8/2/2017	4,283.75	290 MID-WEST TREE & EXCAVATION, INC	Mid West-Trenching/Mid West-Trenching/Mid West-Trenching/Mid West-Trenching/Mid West-Trenching/Mid West-Trenching/Mid West-Trenching
025078	CK	8/2/2017	196.83	358 KUNZ GLOVE CO., INC.	Kunz Gloves-Gloves/Kunz Gloves-Gloves
025079	CK	8/2/2017	4,815.00	707 RHD PLUMBING, INC.	RHD Plumbing-Plumb repair
025080	CK	8/2/2017	1,400.00	844 MEICHER REAL ESTATE LLC	Meicher-Vacant Land
025081	CK	8/9/2017	111.00	186 STAFFORD ROSENBAUM LLC	Stafford-Atty fees/Stafford-Atty fees
025082	CK	8/9/2017	100.37	400 RESCO	Resco-Supplies
025083	CK	8/9/2017	530.50	448 STRAND ASSOCIATES INC.	Strand-Nordic ridge
025084	CK	8/9/2017	11,163.60	691 ASPLUNDH TREE EXPERTS CO., INC.	Asplundh-Tree Trimming/Asplundh-Tree Trimming

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025085	CK	8/9/2017	2,252.63	781 DUNKIRK WATER POWER CO LLC	Dunkirk-July Dunkirk
025086	CK	8/9/2017	270.66	311 SERENITY HOUSE	Serenity House-Customer Refund
025087	CK	8/9/2017	35.72	393 HOME TEAM 4U LLC	Home Team-Customer Refund
025088	CK	8/9/2017	21.18	643 RICHARD GRUM	R Grum-Customer Refund
025089	CK	8/9/2017	176.77	133 WISCONSIN SCTF	WI SCTF-August Support
025090	CK	8/9/2017	136.59	438 HOLLY HUSTAD	H Hustad-Customer Refund
025091	CK	8/9/2017	142.43	471 KEVIN HALL	K Hall-Customer Refund
025092	CK	8/9/2017	28.51	777 THOMAS COYNE	T Coyne-Customer Refund
025093	CK	8/9/2017	333,928.46	131 CITY OF STOUGHTON	City Stoton-June Health Prem/City Stoton-June Health prem/City Stoton-June Health prem/City Stoton-July Health prem/City Stoton-July Health prem/City Stoton-July Health prem/City Stoton-Aug Delta Vision/City Stoton-St Const Project/More...
025094	CK	8/15/2017	406.16	324 ELECTRICAL TESTING LAB., LLC.	Elec Testing-Sleeve Tests
025095	CK	8/15/2017	3,156.94	400 RESCO	Resco-Inventory/Resco-Inventory/Resco-Inventory/Resco-Inventory/Resco-Supplies/Resco-Supplies/R esco-Supplies
025096	CK	8/15/2017	839.44	405 ROSENBAUM CRUSHING & EXCAV.	Rosenbaum-Dump fees/Rosenbaum-Dump fees/Rosenbaum-Dump fees
025097	CK	8/15/2017	6,379.20	691 ASPLUNDH TREE EXPERTS CO., INC.	Asplundh-Tree Trimming
025098	CK	8/15/2017	1,000.00	967 HYDRO CORP	Hydro Corp-Cross Connection
025099	CK	8/15/2017	175.00	290 MID-WEST TREE & EXCAVATION, INC	Midwest-Trenching
025100	CK	8/15/2017	2,195.40	327 BORDER STATES ELECTRIC SUPPLY	BorderStates-Inventory/BorderStates-Supplies
025101	CK	8/15/2017	1,683.53	451 INSIGHT FS	Insight-Fuel/Insight-Fuel/Insight-Fuel
025102	CK	8/15/2017	282.57	474 WOODWARD COMMUNITY MEDIA	Woodward-Ads

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025103	CK	8/15/2017	15,894.03	539 DEPARTMENT OF ADMINISTRATION	Dept of admin-Public Benefits
025104	CK	8/15/2017	20.00	756 ID-ACCESS	Id Access-Id Card/Id Access-Id Card
025105	CK	8/15/2017	70.34	088 GREGORY JACOBSON	G Jacobson-Customer Refund
025106	CK	8/15/2017	181.01	117 DAVID HANNEMAN	D Hanneman-Customer Refund
025107	CK	8/15/2017	248.81	577 BRIAN MUELLER	B Mueller-Customer Refund
025108	CK	8/15/2017	38.34	613 BRIAN RUSK	B Rusk-Customer Refund
025109	CK	8/23/2017	26,924.67	400 RESCO	Resco-Transformers/Resco-Inventory/Resco-Transformers
025110	CK	8/23/2017	25.00	675 WI STATE LABORATORY OF HYGIENE	Lab of Hygiene-Fluoride tests
025111	CK	8/23/2017	1,441.80	900 GENERAL HEATING & AIR CONDITION., INC.	General Heating-Annual Agreeeme/General Heat-Office work/General Heat-Office work/General Heating-Annual Agreeeme/General Heating-Annual Agreeeme/General Heat-Office work
025112	CK	8/23/2017	1,069.30	350 PAYNE & DOLAN INC	Payne& Dolan-dirt/Payne& Dolan-dirt/Payne& Dolan-dirt
025113	CK	8/23/2017	51.15	562 KEITH MATHIAS SR	K Mathias--Customer Refund
025114	CK	8/23/2017	11.99	807 JANET KINNEY	J Kinney-Customer Refund
025115	CK	8/23/2017	133.46	947 T.S. CONTRACTING LLC	TS Contracting-Customer Ref
025116	CK	8/23/2017	43.92	097 JOHN VORNDRAN	J Vorndran-Customer Refund
025117	CK	8/23/2017	139.01	276 ALEX BRIGGS	A Briggs-Customer Refund
025118	CK	8/23/2017	520.75	437 JACK POPOVICH	J Popovich-Customer Refund
025119	CK	8/23/2017	58.00	545 ALEXI MEISTER	A Meister-Customer Refund
025120	CK	8/23/2017	79.25	919 CHASE RECORDS CENTER	Chase-Customer Refund
025121	CK	8/23/2017	43.75	239 ANGELA MOLL	A Moll-Customer Refund

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025122	CK	8/23/2017	66.00	522 BETTY ANDERSON	B Anderson-Customer Refund
025123	CK	8/23/2017	32.58	663 KEVIN JOHNSON	K Johnson-Customer Refund
025124	CK	8/23/2017	41.79	799 CHRISTINA BARNES	C Barnes-Customer Refund
025125	CK	8/23/2017	86.26	896 DOUBLE D BUILDERS OF EVANSVILLE, LLC	Double D-Customer Refund
025126	CK	8/23/2017	18,625.28	131 CITY OF STOUGHTON	City Stoton-August Retirement/City Stoton-August Retirement/City Stoton-August Retirement
025127	CK	8/23/2017	176.77	133 WISCONSIN SCTF	WI SCTF-Aug A Support
025128	CK	8/30/2017	14,321.00	290 MID-WEST TREE & EXCAVATION, INC	Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching/Midwest-Trenching
025129	CK	8/30/2017	58.87	299 DEBRA PLACE	D Place-Customer Refund
025130	CK	8/30/2017	43.69	617 BETTY FUHRMAN	B Fuhrman-Customer Refund
025131	CK	8/30/2017	54.36	989 TAMI VIETH	T Vieth-Customer Refund
025132	CK	8/30/2017	9.63	076 BRIAN DULMES	B Dulmes-Customer Refund
025133	CK	8/30/2017	481.00	084 HARVEST FARMS, LLC	Harvest Farms-Dev Credits
025134	CK	8/30/2017	43,089.89	131 CITY OF STOUGHTON	City Stoton-Stormwater
025135	CK	8/30/2017	1,000.00	412 FRIENDS OF LAKE KEGONSA SOCIETY, INC	Lake Keg-Donation
025136	CK	8/30/2017	11.00	467 RAYMOND DOPKINS	R Dopkins-Customer Refund
025137	CK	8/30/2017	907.98	585 PARK VERNON APTS #811	Park Vernon-Customer Refund
025138	CK	8/30/2017	710.28	400 RESCO	Resco-Inventory/Resco-Inventory
025139	CK	8/30/2017	4,547.50	727 GLS UTILITY LLC	GLS Utility-July Locates/GLS Utility-July Locates/GLS Utility-July Locates
025140	CK	8/30/2017	181,497.50	783 SUBSTATION ENTERPRISES, INC.	Substation-West Substation

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101503	CK	8/9/2017	18,506.76	157 FORSTER ELEC. ENG.,INC.	Forster-Technical Assist/Forster-Oh to Ug/Forster-West Sub/Forster-Technical sssist
101504	CK	8/9/2017	40.00	173 BRYCE SIME	B Sime-CDL Reimb
101505	CK	8/9/2017	30.51	404 JESSE MOWERY	J Mowery-Permit reimb
101506	CK	8/9/2017	2,600.00	463 GREAT-WEST	Great West-Aug A Def Comp
101507	CK	8/9/2017	1,765.00	519 B & H LAWN CARE	B & H - Cnty B Mowing/B & H - South St mowing/B & H - Taylor Ln mowing/B & H - WW Mowing/B & H - Admin mowing/B & H - Wa Twr mowing/B & H - Van Buren mowing/B & H - South st mowing/B & H - academy st mowing/B & H - Admin mowing/B & H - Admin mowing
101508	CK	8/9/2017	375.00	731 NORTH SHORE BANK FSB	N Shore BK-Aug A Def Comp
101509	CK	8/9/2017	183.25	809 CINTAS CORPORATION #446	Cintas-Clothes cleaning/Cintas-Clothes cleaning/Cintas-Clothes cleaning
101510	CK	8/9/2017	3,697.69	852 INFOSEND, INC	Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing/Infosend-Billing & Mailing
101511	CK	8/23/2017	28.00	310 HANSON PEST MANAGEMENT	Hanson Pest-Pest Maint.
101512	CK	8/23/2017	2,600.00	463 GREAT-WEST	Great West-Aug B Def Comp
101513	CK	8/23/2017	375.00	731 NORTH SHORE BANK FSB	N Shore Bk-Aug B Def Comp
101514	CK	8/23/2017	568.58	809 CINTAS CORPORATION #446	Cintas-Clothes Cleaning/Cintas-Clothes Cleaning/Cintas-Bldg cleaning/Cintas-Bldg cleaning/Cintas-Clothes Cleaning/Cintas-Clothes Cleaning/Cintas-Clothes Cleaning/Cintas-Clothes Cleaning/Cintas-Bldg cleaning
101515	CK	8/30/2017	1,115.60	478 JAMIN FRIEDL	J Friedl-Conference
101516	CK	8/30/2017	5,511.05	603 SEERA	Seera-Public Benefits
Company Total			2,222,102.93		

Date: Monday, August 07, 2017

Time: 01:06PM

User: SGUNSOLUS

Stoughton Utilities Posting Preview Report

Select By: {PSSPurchCard.RefNbr} = '0000000075'

Company	Account	Sub	Vendor ID	Merchant	Amount	Description	Post Date	Emp ID	Projec
Import ID: 009010		Import # : 0000000075							
7460	833	000000	937	SPEE-DEE DELIVERY	20.38	SHIPPING FOR SAMPLES	07/03/2017	8300	-
7430	595	000000	507	WAL-MART #1176	15.33	TRANSFORMER MAINT. MATERIALS	07/13/2017	6960	-
7430	933	000000	108	ASLESON'S TRUE VALUE HDW	24.98	TRUCK ORGINIZATION PARTS	07/26/2017	5200	-
7450	675	000000	108	ASLESON'S TRUE VALUE HDW	6.00	YARD REPAIR	07/14/2017	8400	-
7450	675	000000	108	ASLESON'S TRUE VALUE HDW	9.95	GALVENIZED NIPPLES	07/07/2017	7400	-
7460	831	000000	108	ASLESON'S TRUE VALUE HDW	8.98	JET VAC PARTS	07/14/2017	8710	-
7460	834	000000	108	ASLESON'S TRUE VALUE HDW	12.87	WASP SPRAY	07/26/2017	8710	-
7460	833	000000	108	ASLESON'S TRUE VALUE HDW	14.07	MISC. MAINT. ITEMS	07/03/2017	8200	-
7460	827	000000	108	ASLESON'S TRUE VALUE HDW	44.99	WHEELBARROW	07/04/2017	8200	-
7460	833	000000	108	ASLESON'S TRUE VALUE HDW	24.27	PAINT SUPPLIES	07/12/2017	8200	-
7460	833	000000	108	ASLESON'S TRUE VALUE HDW	4.19	PAINT FOR LABELING GAS VALVES	07/27/2017	8200	-
7460	833	000000	108	ASLESON'S TRUE VALUE HDW	13.63	PLUMBING FITTINGS FOR AIRLINE	07/27/2017	8200	-
7460	833	000000	108	ASLESON'S TRUE VALUE HDW	10.77	HOSE FITTINGS	07/28/2017	8200	-
7460	831	000000	674	NORTHERN SEWER EQUIP	773.55	JET VAC HOSE/NOZZLES	07/10/2017	8200	-
7430	934	000000	148	FASTENAL COMPANY01	55.38	LIFTING EQUIP MATERIALS	07/26/2017	5200	-
7450	673	000000	148	FASTENAL COMPANY01	10.04	PARTS FOR VALVE REPAIR	07/25/2017	8400	-
7460	833	000000	148	FASTENAL COMPANY01	20.23	BRACKETS FOR PIPING REPAIR	07/14/2017	8200	-
7460	831	000000	148	FASTENAL COMPANY01	32.00	SUPPLIES FOR LIFT STATION CONTROL BOXES	07/26/2017	8200	-
7460	833	000000	148	FASTENAL COMPANY01	13.05	OIL FOR THREADING SS PIPE	07/27/2017	8200	-
7460	833	000000	571	USA BLUE BOOK	84.11	DIFUSERS FOR PRIMARY TANK	07/21/2017	8200	-
7430	921	000000	690	RADIOSHACK DEA00019513	62.02	Cell phone upgrades	07/26/2017	5250	-
7450	921	000000	690	RADIOSHACK DEA00019513	22.55	Cell phone upgrades	07/26/2017	5250	-
7460	851	000000	690	RADIOSHACK DEA00019513	28.20	Cell phone upgrades	07/26/2017	5250	-
7430	921	000000	690	RADIOSHACK DEA00019513	103.26	Cell phone replacement - damaged	07/31/2017	5250	-
7450	921	000000	690	RADIOSHACK DEA00019513	37.55	Cell phone replacement - damaged	07/31/2017	5250	-
7460	851	000000	690	RADIOSHACK DEA00019513	46.94	Cell phone replacement - damaged	07/31/2017	5250	-
7450	642	000000	626	663 STOUGHTON BUMPER TO B	10.29	FAN BELT FOR WELL 5 EXHAUST FAN	07/11/2017	8700	-
7430	903	000000	419	PAYFLOW/PAYPAL	54.32	Credit card processing - online Epay	07/04/2017	5250	-
7450	903	000000	419	PAYFLOW/PAYPAL	19.55	Credit card processing - online Epay	07/04/2017	5250	-
7460	840	000000	419	PAYFLOW/PAYPAL	26.07	Credit card processing - online Epay	07/04/2017	5250	-
7430	233	001099	419	PAYFLOW/PAYPAL	8.71	Credit card processing - online Epay	07/04/2017	5250	-
7430	903	000000	419	PAYFLOW/PAYPAL	36.92	Credit card processing - Desktop and recurring	07/04/2017	5250	-
7450	903	000000	419	PAYFLOW/PAYPAL	13.29	Credit card processing - Desktop and recurring	07/04/2017	5250	-
7460	840	000000	419	PAYFLOW/PAYPAL	17.72	Credit card processing - Desktop and recurring	07/04/2017	5250	-
7430	233	001099	419	PAYFLOW/PAYPAL	5.92	Credit card processing - Desktop and recurring	07/04/2017	5250	-
7430	232	001099	327	BORDER STATES ELECTRIC	937.60	ELECTRIC INVENTORY	07/18/2017	4100	-
7450	641	000000	309	HAWKINS INC	1,528.20	CHEMICALS	07/21/2017	4000	-
7460	833	000000	830	NCL OF WISCONSIN INC	56.60	LAB SUPPLIES	07/04/2017	8300	-
7460	833	000000	830	NCL OF WISCONSIN INC	711.25	LAB SUPPLIES	07/26/2017	8300	-
7430	232	001099	355	STUART C IRBY	978.50	ELECTRIC INVENTORY	07/17/2017	4100	-
7430	232	001099	355	STUART C IRBY	39.60	ELECTRIC INVENTORY	07/18/2017	4100	-
7430	232	001099	355	STUART C IRBY	370.00	ELECTRIC INVENTORY	07/18/2017	4100	-

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7430	595	000000	355	STUART C IRBY	169.50	TFMR TANK GRND CONN	07/18/2017	4100	-
7430	232	001099	355	STUART C IRBY	263.40	ELECTRIC INVENTORY	07/18/2017	4100	-
7430	593	000000	355	STUART C IRBY	84.00	MISC MAINT MATERIALS	07/18/2017	4100	-
7430	595	000000	355	STUART C IRBY	169.50	TFMR TANK GRND CONN	07/18/2017	4100	-
7430	932	000000	331	MONONA PLUMBING	127.60	FIRE PROTECTION MAINTENANCE	07/12/2017	4000	-
7450	932	000000	331	MONONA PLUMBING	46.40	FIRE PROTECTION MAINTENANCE	07/12/2017	4000	-
7460	834	000000	331	MONONA PLUMBING	58.00	FIRE PROTECTION MAINTENANCE	07/12/2017	4000	-
7430	932	000000	322	IN SUNDANCE BIOCLEAN, IN	137.50	ADMIN BLDG. CLEANING	07/18/2017	4000	-
7450	932	000000	322	IN SUNDANCE BIOCLEAN, IN	50.00	ADMIN BLDG. CLEANING	07/18/2017	4000	-
7460	834	000000	322	IN SUNDANCE BIOCLEAN, IN	62.50	ADMIN BLDG. CLEANING	07/18/2017	4000	-
7430	932	000000	322	IN SUNDANCE BIOCLEAN, IN	137.50	ADMIN BLDG. CLEANING	07/18/2017	4000	-
7450	932	000000	322	IN SUNDANCE BIOCLEAN, IN	50.00	ADMIN BLDG. CLEANING	07/18/2017	4000	-
7460	834	000000	322	IN SUNDANCE BIOCLEAN, IN	62.50	ADMIN BLDG. CLEANING	07/18/2017	4000	-
7460	833	000000	748	SHERWIN WILLIAMS 703833	54.29	PAINT FOR AERATION PIPING	07/14/2017	8200	-
7460	833	000000	994	OCECO INC	3,359.30	FOUD DIGESTER DRIP TRAPS	07/27/2017	8200	-
7460	827	000000	775	NORTHERN TOOL + EQUIP	78.95	MISC. SUPPLIES	07/07/2017	8200	-
7430	920	000000	894	KALAHARI RESORTS	109.00	HOTEL FOR CLASS	07/21/2017	4000	-
7430	920	000000	445	TLF STOUGHTON FLORAL	35.92	Flowers - Employee hospitalization	07/24/2017	3680	-
7450	920	000000	445	TLF STOUGHTON FLORAL	13.06	Flowers - Employee hospitalization	07/24/2017	3680	-
7460	850	000000	445	TLF STOUGHTON FLORAL	16.33	Flowers - Employee hospitalization	07/24/2017	3680	-
7450	673	000000	436	STOUGHTON LUMBER CO	5.28	MISC	07/03/2017	8700	-
7450	920	000000	548	OPC WI RURAL WTR CONF	130.00	WRWA SCHOOL - OPERATOR CREDITS	07/13/2017	7400	-
7430	593	000000	422	AMAZON.COM	61.98	SIDE CUTTING PLIER	07/20/2017	4100	-
7430	920	000000	894	BANUSHIS BAR & GRILL	27.00	Meeting expense - Energy Services Representative	07/31/2017	1000	-
7430	934	000000	317	CENEX D M SERV07083686	17.60	LP FOR FORKLIFT	07/25/2017	8700	-
7450	934	000000	317	CENEX D M SERV07083686	6.40	LP FOR FORKLIFT	07/25/2017	8700	-
7460	828	000000	317	CENEX D M SERV07083686	8.00	LP FOR FORKLIFT	07/25/2017	8700	-
7430	593	000000	317	CENEX D M SERV07083686	8.50	PROPANE FOR TORCHES	07/21/2017	6940	-
7460	107.14	000000	974	NORTHERN LAKE SERVICE, IN	281.00	STREET DEPT TESTING	07/21/2017	8300	170303XX - 1
7460	107.14	000000	974	NORTHERN LAKE SERVICE, IN	281.00	STREET DEPT. TESTING	07/27/2017	8300	170303XX - 1
7460	107.14	000000	974	NORTHERN LAKE SERVICE, IN	281.00	STREET DEPT. TESTING	07/28/2017	8300	170303XX - 1
7450	642	000000	974	NORTHERN LAKE SERVICE, IN	36.00	WATER TESTING	07/10/2017	5275	-
7460	831	000000	083	IN ENVIROTECH EQUIPMENT	29.80	JET VAC PARTS	07/26/2017	8200	-
7450	921	000000	068	WIN 911 SOFTWARE	247.50	WW/WT SCADA software dialer maintenance contract - Annual	07/28/2017	5250	-
7460	851	000000	068	WIN 911 SOFTWARE	247.50	WW/WT SCADA software dialer maintenance contract - Annual	07/28/2017	5250	-
7450	920	000000	957	OPC MSC SERVICE FEE 024	3.32	CONVENIENCE FEE FOR WRWA CLASS	07/13/2017	7400	-
7460	833	000000	401	IN AMERICAN SEWER PARTS	85.86	SEWER FLUSHING PARTS	07/27/2017	8200	-
7430	920	000000	824	USPS PO 5679700726	8.39	Postage - City Attorney	07/20/2017	3680	-
7460	923	000000	207	LW ALLEN	373.33	GAS METER CALIBRATION	07/12/2017	8200	-
7460	831	000000	207	LW ALLEN	508.52	LIFT STATION ALARM MAINT.	07/27/2017	8200	-
7450	633	000000	207	LW ALLEN	2,441.52	WELL #5 PUMP REPAIR	07/06/2017	4000	-
7430	232	001099	134	CRESCENT ELECTRIC 087	1,906.90	ELECTRIC MATERIALS	07/11/2017	4100	-
7430	232	001099	134	CRESCENT ELECTRIC 087	1,430.00	ELECTRIC INVENTORY	07/21/2017	4100	-
7430	920	000000	894	WISCONSIN AVENUE PARKIN	9.00	TRAINING EXPENSE - PARKING - MEUW ANNUAL MEETING	07/03/2017	1000	-

Date: Monday, August 07, 2017

Time: 01:06PM

User: SGUNSOLUS

Stoughton Utilities Posting Preview Report

Select By: {PSSPurchCard.RefNbr} = '0000000075'

Company	Account	Sub	Vendor ID	Merchant	Amount	Description	Post Date	Emp ID	Projec
7430	921	000000	836	MSFT E040041WEP	30.80	HOSTED MICROSOFT LYNC	07/03/2017	5250	-
7450	921	000000	836	MSFT E040041WEP	11.20	HOSTED MICROSOFT LYNC	07/03/2017	5250	-
7460	851	000000	836	MSFT E040041WEP	14.00	HOSTED MICROSOFT LYNC	07/03/2017	5250	-
7430	143	000000	604	CDW GOVT #JQD7893	257.82	IPAD CASES X6 - RMD DUE TO INCORRECT FIT	07/31/2017	5250	-
7460	833	000000	632	ZORN COMPRESSOR & EQUIPM	61.12	AIR COMPRESSOR PRESSURE SWITCH	07/18/2017	8200	-
7460	833	000000	632	ZORN COMPRESSOR & EQUIPM	105.09	PLANT AIR COMPRESSOR CONTACTS	07/20/2017	8200	-
7460	833	000000	969	PAYPAL WWWPATRIOTS	33.98	B AND G PUMP OIL	07/20/2017	8200	-
7430	920	000000	994	FREDPRYOR CAREERTRACK	109.45	TRAINING EXPENSE - REGISTRATION - COLLECTIONS LAW SEMINAR	07/19/2017	3670	-
7450	920	000000	994	FREDPRYOR CAREERTRACK	39.80	TRAINING EXPENSE - REGISTRATION - COLLECTIONS LAW SEMINAR	07/19/2017	3670	-
7460	850	000000	994	FREDPRYOR CAREERTRACK	49.75	TRAINING EXPENSE - REGISTRATION - COLLECTIONS LAW SEMINAR	07/19/2017	3670	-
7430	921	000000	352	STAPLS7179401787000001	85.30	GENERAL KITCHEN AND CONFERENCE ROOM SUPPLIES	07/12/2017	3680	-
7450	921	000000	352	STAPLS7179401787000001	31.02	GENERAL KITCHEN AND CONFERENCE ROOM SUPPLIES	07/12/2017	3680	-
7460	851	000000	352	STAPLS7179401787000001	38.78	GENERAL KITCHEN AND CONFERENCE ROOM SUPPLIES	07/12/2017	3680	-
7450	642	000000	824	UPS 1ZG194WT0326909910	9.40	SHIPPING OF WATER SAMPLES	07/14/2017	3680	-
7450	642	000000	824	UPS 1ZG194WT0330696526	9.40	SHIPPING OF WATER SAMPLES	07/17/2017	3680	-
7450	642	000000	824	UPS 1ZG194WT0309788593	9.40	SHIPPING OF WATER SAMPLES	07/24/2017	3680	-
7430	921	000000	352	STAPLS7180298674000001	17.62	GENERAL OFFICE SUPPLIES	07/27/2017	3680	-
7450	921	000000	352	STAPLS7180298674000001	6.34	GENERAL OFFICE SUPPLIES	07/27/2017	3680	-
7460	851	000000	352	STAPLS7180298674000001	8.45	GENERAL OFFICE SUPPLIES	07/27/2017	3680	-
7430	233	001099	352	STAPLS7180298674000001	2.83	GENERAL OFFICE SUPPLIES	07/27/2017	3680	-
7450	642	000000	824	UPS 1ZG194WT0317584207	9.40	SHIPPING OF WATER SAMPLES	07/31/2017	3680	-
7450	673	000000	994	MSC	34.58	PRESSUE GAUGE FOR FLUSHING MAINS	07/18/2017	4100	-
7450	232	001099	550	FIRST SUPPLY WFGP MAD	1,012.25	WATER INVENTORY	07/11/2017	4100	-
7450	346	000000	165	MIDWEST METER - JACKSON	878.65	2 INCH WATER METER	07/10/2017	5275	-
7460	827	000000	417	SUPERIOR CHEMICAL CORP	233.04	CLEANING SUPPLIES FOR WWTP	07/24/2017	8200	-
7460	827	000000	652	MENARDS MONONA WI	111.81	PLUMBING SUPPLIES/HOSE STORAGE CART	07/24/2017	8200	-
7460	854	000000	578	THE SHOE BOX	225.00	SAFETY BOOTS	07/17/2017	8710	-

Total: 23,270.76

DRAFT STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, August 14, 2017 – 5:00 p.m.

Stoughton, WI

Page No. 1

Location: Edmund T. Malinowski Board Room
Stoughton Utilities Administration Office
600 South Fourth Street
Stoughton, Wisconsin, 53589

Members Present: Alderperson Michael Engelberger, Citizen Member David Erdman, Citizen Member John Kallas, Alderperson Pat O'Connor, Mayor Donna Olson, and Citizen Member Alan Staats

Excused: None

Absent: Alderperson Matt Bartlett

Others Present: Stoughton Utilities Director Robert Kardasz, P.E.

Call to Order: Mayor Donna Olson called the Regular Stoughton Utilities Committee Meeting to order at 5:00 p.m.

Utilities Committee Consent Agenda: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Committee consent agenda items. Mr. Kardasz reported that the United States Department of Energy's National Renewable Energy Laboratory recognized Stoughton Utilities' green power program as ranking amongst the top ten programs in the nation with 5.00 percent of our customers purchasing green power equal to all or a portion of their electricity usage; and further emphasized that the Municipal Electric Utilities of Wisconsin recognized Stoughton Utilities as one of 31 community-owned electric utilities in Wisconsin to receive a Safety Achievement Award for safe working practices during 2016. Discussion followed. Motion by Alderperson Michael Engelberger, the motion seconded by Alderperson Pat O'Connor, to approve the following consent agenda items as presented: Stoughton Utilities Payments Due List, Draft Minutes of the July 17, 2017 Regular Stoughton Utilities Committee Meeting, Stoughton Utilities June 2017 Financial Summary, Stoughton Utilities June 2017 Statistical Information, Stoughton Utilities July 2017 Activities Report, Utilities Committee Annual Calendar, and Utilities Communications. The motion carried unanimously 6 to 0.

Status of the Utilities Committee Recommendation(s) to the Stoughton Common Council:

Stoughton Utilities Director Robert Kardasz presented and discussed the following items from the Stoughton Utilities Committee that were approved and/or placed on file by the Stoughton Common Council:

- Stoughton Utilities Payments Due List Report
- Stoughton Utilities Committee June 19, 2017 Regular Meeting Minutes
- Stoughton Utilities May 2017 Financial Summary
- Stoughton Utilities May 2017 Statistical Information

Discussion followed.

DRAFT STOUGHTON UTILITIES COMMITTEE REGULAR MEETING MINUTES

Monday, August 14, 2017 – 5:00 p.m.

Stoughton, WI

Page No. 2

Stoughton Utilities Personnel Status: Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities personnel status and reported a recent addition of an Apprentice Electric Line worker and that the selection process was continuing this month for a Wastewater Operator, Discussion followed.

WPPI Energy Annual Meeting: Stoughton Utilities Director Robert Kardasz presented and discussed the WPPI Energy Annual Meeting and invited the committee members to participate. Discussion followed.

Stoughton Utilities Employee Succession Planning For 2017 and Beyond: Stoughton Utilities Director Robert Kardasz presented and discussed the employee succession planning for 2017 and beyond. Discussion followed.

Utilities Committee future agenda items:

The next regularly scheduled meeting of the Stoughton Utilities Committee shall be rescheduled to September 25, 2017 or another date to generate a committee quorum for business.

Stoughton Utilities Round-Up program eligibility discussion.

Tour of the wastewater treatment facility.

Tour of the Stoughton Utilities Wastewater Treatment Facility: Stoughton Utilities Director Robert Kardasz reported that the tour has been postponed to the next regularly scheduled meeting.

Adjournment: Motion by Alderperson Michael Engelberger, the motion seconded by Citizen Member David Erdman, to adjourn the Regular Stoughton Utilities Committee Meeting at 5:28 p.m. The motion carried unanimously 6 to 0.

Respectfully submitted

Robert P. Kardasz, P.E.
Stoughton Utilities Director

Stoughton Utilities

Financial Summary

July 2017-YTD

Highlights-Comparison to prior month

I have no concerns with the utility's financial status. The following items are meant to illustrate significant changes in the financial summary from prior periods.

Overall Summary:

- The July 2017 results are reasonable in comparison to the June 2017 and July 2016 results. Detailed analysis is provided below.

Electric Summary:

- Electric sales increased \$181,600 compared to June due to a 4% increase in consumption
- Purchased power costs increased \$180,800 compared to June due to a 10% increase in kWh purchased
- Other operating income decreased \$43,500 compared to June due to \$41,100 in pole attachment revenues recorded in June
- Non-operating income increased \$8,200 compared to June mainly due to the quarterly ATC earnings allocation
- Amounts in Construction in Progress to date that will be expensed at year-end:

\$ 82,000

Water Summary:

- Water sales decreased \$9,900 compared to June due to a 11% decrease in consumption
- Operating expenses decreased \$14,500 compared to June mainly due to the fact there were three pay periods recorded in June and the quarterly invoices related to water tower maintenance were received in June
- Amounts in Construction in Progress to date that will be expensed at year-end:

\$ 25,800

Wastewater Summary:

- Wastewater sales decreased \$13,500 compared to June due to a 12% decrease in gallons billed
- Other operating income increased \$7,800 compared to June due to approximately \$2,500 in June surcharges being billed in July
- Operating expenses decreased \$18,800 compared to June mainly due to the fact there were three pay periods recorded in June and chemical and DNR environmental fees were higher in June

Submitted by:
Jamin Friedl, CPA

STOUGHTON UTILITIES

Balance Sheets
As of July 31, 2017

	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Combined</u>
Assets				
Cash & Investments	\$ 9,080,905	\$ 1,662,363	\$ 2,928,274	\$ 13,671,541
Customer A/R	1,945,780	205,999	191,071	2,342,850
Other A/R	162,535	19,162	20,426	202,124
Other Assets	1,065,597	470,389	277,768	1,813,754
Plant in Service	25,825,402	14,807,472	28,936,398	69,569,272
Accumulated Depreciation	(13,555,467)	(5,116,211)	(10,706,130)	(29,377,808)
Plant in Service - CIAC	3,363,352	7,378,544	-	10,741,896
Accumulated Depreciation-CIAC	(1,621,024)	(1,992,232)	-	(3,613,256)
Construction Work in Progress	959,432	245,697	214,828	1,419,958
GASB 68 Deferred Outflow	575,914	206,806	227,166	1,009,886
Total Assets	<u>\$ 27,802,427</u>	<u>\$ 17,887,989</u>	<u>\$ 22,089,801</u>	<u>\$ 67,780,216</u>
Liabilities + Net Assets				
Accounts Payable	\$ 341,754	\$ 62,935	\$ 45,096	\$ 449,785
Payable to City of Stoughton	650,875	642,200	5,843	1,298,917
Interest Accrued	42,638	35,947	31,613	110,198
Other Liabilities	578,250	86,521	124,351	789,121
Long-Term Debt	5,771,571	3,079,385	5,026,967	13,877,924
Net Assets	20,196,093	13,903,053	16,768,537	50,867,684
GASB 68 Deferred Inflow	221,246	77,947	87,394	386,587
Total Liabilities + Net Assets	<u>\$ 27,802,427</u>	<u>\$ 17,887,989</u>	<u>\$ 22,089,801</u>	<u>\$ 67,780,216</u>

STOUGHTON UTILITIES

Year-to-Date Combined Income Statement

July 2017

	Electric	Water	Wastewater	Total
<i>Operating Revenue:</i>				
Sales	\$ 8,670,553	\$ 1,170,679	\$ 1,145,427	\$ 10,986,659
Other	98,300	38,023	50,806	187,130
<i>Total Operating Revenue:</i>	\$ 8,768,853	\$ 1,208,702	\$ 1,196,234	\$ 11,173,789
<i>Operating Expense:</i>				
Purchased Power	6,594,103	-	-	6,594,103
Expenses (Including Taxes)	954,188	530,301	564,055	2,048,544
PILOT	231,000	245,581	-	476,581
Depreciation	580,916	268,744	475,419	1,325,079
<i>Total Operating Expense:</i>	\$ 8,360,207	\$ 1,044,626	\$ 1,039,474	\$ 10,444,307
<i>Operating Income</i>	\$ 408,646	\$ 164,076	\$ 156,760	\$ 729,482
Non-Operating Income	325,229	40,445	55,447	421,121
Non-Operating Expense	(78,526)	(54,831)	(78,750)	(212,107)
<i>Net Income</i>	\$ 655,349	\$ 149,690	\$ 133,457	\$ 938,496

STOUGHTON UTILITIES

Year-to-Date Combined Income Statement

July 2016

	Electric	Water	Wastewater	Total
<i>Operating Revenue:</i>				
Sales	\$ 8,546,479	\$ 1,109,135	\$ 1,169,584	\$ 10,825,198
Other	111,875	\$ 45,298	\$ 22,801	179,974
<i>Total Operating Revenue:</i>	\$ 8,658,354	\$ 1,154,433	\$ 1,192,385	\$ 11,005,172
<i>Operating Expense:</i>				
Purchased Power	6,575,073	-	-	6,575,073
Expenses (Including Taxes)	909,693	529,289	572,784	2,011,766
PILOT	265,112	221,669	-	486,781
Depreciation	553,819	250,369	478,331	1,282,519
<i>Total Operating Expense:</i>	\$ 8,303,697	\$ 1,001,327	\$ 1,051,115	\$ 10,356,139
<i>Operating Income</i>	\$ 354,657	\$ 153,106	\$ 141,270	\$ 649,033
Non-Operating Income	335,815	12,524	12,287	360,626
Non-Operating Expense	(81,861)	(106,144)	(99,169)	(287,174)
<i>Net Income</i>	\$ 608,611	\$ 59,486	\$ 54,388	\$ 722,485

STOUGHTON UTILITIES
Detailed Monthly Income Statements
July 2017

ELECTRIC

	July 2017	June 2017	Change from Prior Month	July 2016
<i>Operating Revenue:</i>				
Sales	\$ 1,652,171	\$ 1,470,594	\$ 181,577	\$ 1,456,134
Other	694	44,163	(43,468)	4,535
<i>Total Operating Revenue:</i>	\$ 1,652,865	\$ 1,514,757	\$ 138,109	\$ 1,460,669
<i>Operating Expense:</i>				
Purchased Power	1,316,530	1,135,767	180,764	1,135,051
Expenses (Including Taxes)	123,675	128,919	(5,244)	119,382
PILOT	33,000	33,000	-	32,083
Depreciation	82,988	82,988	-	79,117
<i>Total Operating Expense:</i>	\$ 1,556,193	\$ 1,380,673	\$ 175,520	\$ 1,365,633
<i>Operating Income</i>	\$ 96,672	\$ 134,083	\$ (37,411)	\$ 95,036
Non-Operating Income	26,182	17,952	8,231	(158)
Non-Operating Expense	(11,988)	(10,591)	(1,397)	(11,254)
<i>Net Income</i>	\$ 110,866	\$ 141,444	\$ (30,578)	\$ 83,624

WATER

	July 2017	June 2017	Change from Prior Month	July 2016
<i>Operating Revenue:</i>				
Sales	\$ 167,137	\$ 177,023	\$ (9,886)	\$ 174,383
Other	5,148	7,790	(2,642)	7,819
<i>Total Operating Revenue:</i>	\$ 172,284	\$ 184,813	\$ (12,528)	\$ 182,202
<i>Operating Expense:</i>				
Expenses (Including Taxes)	82,154	96,621	(14,467)	91,873
PILOT	35,083	35,083	-	31,667
Depreciation	38,392	38,392	-	35,767
<i>Total Operating Expense:</i>	\$ 155,629	\$ 170,096	\$ (14,467)	\$ 159,307
<i>Operating Income</i>	\$ 16,655	\$ 14,716	\$ 1,939	\$ 22,895
Non-Operating Income	8,189	1,300	6,889	1,000
Non-Operating Expense	(7,833)	(7,833)	-	(15,133)
<i>Net Income</i>	\$ 17,011	\$ 8,183	\$ 8,828	\$ 8,762

WASTEWATER

	July 2017	June 2017	Change from Prior Month	July 2016
<i>Operating Revenue:</i>				
Sales	\$ 164,351	\$ 177,888	\$ (13,537)	\$ 176,177
Other	12,671	4,830	7,841	2,113
<i>Total Operating Revenue:</i>	\$ 177,022	\$ 182,717	\$ (5,695)	\$ 178,290
<i>Operating Expense:</i>				
Expenses (Including Taxes)	74,530	93,358	(18,829)	108,742
Depreciation	67,917	67,917	-	68,333
<i>Total Operating Expense:</i>	\$ 142,447	\$ 161,275	\$ (18,829)	\$ 177,075
<i>Operating Income</i>	\$ 34,575	\$ 21,442	\$ 13,133	\$ 1,215
Non-Operating Income	13,621	1,110	12,511	1,000
Non-Operating Expense	(11,250)	(11,250)	-	(14,167)
<i>Net Income</i>	\$ 36,946	\$ 11,301	\$ 25,644	\$ (11,952)

STOUGHTON UTILITIES

Rate of Return

Year-to-Date July 2017

	Electric	Water
Operating Income (Regulatory)	\$ 408,646	\$ 164,076
Average Utility Plant in Service	25,129,869	14,650,715
Average Accumulated Depreciation	(13,103,304)	(4,913,088)
Average Materials and Supplies	194,775	35,354
Average Regulatory Liability	(144,044)	(222,486)
Average Customer Advances	(62,229)	-
Average Net Rate Base	\$ 12,015,067	\$ 9,550,495
June 2017 Rate of Return	3.40%	1.72%
June 2016 Rate of Return	2.97%	1.87%
December 2016 Rate of Return	4.95%	3.46%
Authorized Rate of Return	5.00%	6.50%

STOUGHTON UTILITIES
Cash and Investments Summary
As of July 31, 2017

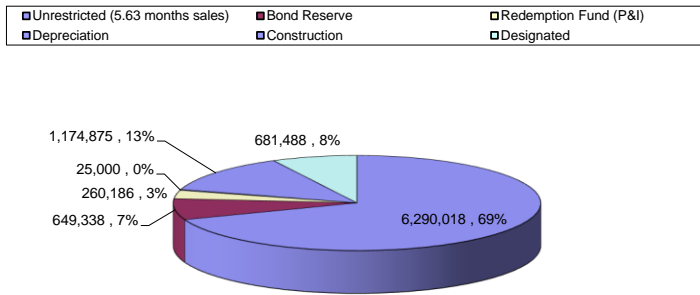
Electric

July 2017

Unrestricted (5.63 months sales)	6,290,018
Bond Reserve	649,338
Redemption Fund (P&I)	260,186
Depreciation	25,000
Construction	1,174,875
Designated	681,488
Total	<u>9,080,905</u>

Note - City has not invoiced the 2016 PILOT yet which reduces the ratio to 5.32 months

Electric Cash - July 2017



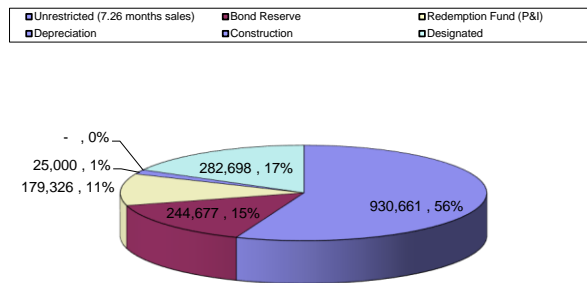
Water

July 2017

Unrestricted (7.26 months sales)	930,661
Bond Reserve	244,677
Redemption Fund (P&I)	179,326
Depreciation	25,000
Construction	-
Designated	282,698
Total	<u>1,662,362</u>

Note - City has not invoiced the 2016 PILOT yet which reduces the ratio to 4.94 months

Water Cash - July 2017

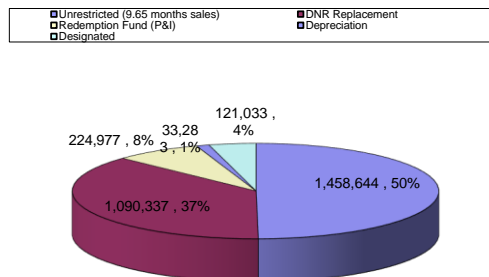


Wastewater

July 2017

Unrestricted (9.65 months sales)	1,458,644
DNR Replacement	1,090,337
Redemption Fund (P&I)	224,977
Depreciation	33,283
Designated	121,033
Total	<u>2,928,274</u>

Wastewater Cash - July 2017



STOUGHTON UTILITIES

2017 Statistical Worksheet

Electric	Total Sales 2016 kWh	Total kWh Purchased 2016	Total Sales 2017 kWh	Total kWh Purchased 2017	Demand Peak 2016	Demand Peak 2017
January	12,434,016	12,616,291	12,379,222	12,812,545	23,731	23,662
February	11,135,691	11,327,318	10,691,419	10,759,773	21,504	21,934
March	10,581,639	10,809,478	11,785,378	11,607,813	20,668	20,399
April	9,868,197	10,133,681	9,553,672	10,048,660	18,242	18,091
May	10,526,624	10,568,931	10,496,558	10,622,971	20,689	21,934
June	12,461,104	12,841,397	12,732,532	12,662,125	29,731	32,720
July	13,984,983	14,358,016	13,195,066	13,912,583	32,378	30,828
August						
September						
October						
November						
December						
TOTAL	80,992,254	82,655,112	80,833,847	82,426,470		

Water	Total Sales 2016 Gallons	Total Gallons Pumped 2016	Total Sales 2017 Gallons	Total Gallons Pumped 2017	Max Daily High 2016	Max Daily Highs 2017
January	38,657,000	42,976,000	37,110,000	43,748,000	1,642,000	1,629,000
February	37,426,000	40,703,000	34,905,000	41,145,000	1,877,000	1,780,000
March	38,688,000	42,714,000	38,893,000	40,725,000	1,745,000	1,542,000
April	36,824,000	40,784,000	33,884,000	39,290,000	1,618,000	2,105,000
May	40,240,000	43,744,000	38,370,000	41,634,000	1,754,000	1,732,000
June	41,868,000	49,688,000	41,534,000	46,477,000	2,310,000	1,876,000
July	41,277,000	52,189,000	36,963,000	43,980,000	2,216,000	2,057,000
August						
September						
October						
November						
December						
TOTAL	274,980,000	312,798,000	261,659,000	296,999,000		

Wastewater	Total Sales 2016 Gallons	Total Treated Gallons 2016	Total Sales 2017 Gallons	Total Treated Gallons 2017	Precipitation 2016	Precipitation 2017
January	26,559,000	29,125,000	25,221,000	33,337,000	0.55	2.43
February	23,957,000	26,577,000	23,196,000	27,663,000	0.64	1.34
March	25,438,000	30,379,000	26,255,000	29,882,000	4.07	2.69
April	25,232,000	30,654,000	23,309,000	32,828,000	1.96	6.80
May	27,412,000	30,376,000	26,366,000	34,190,000	3.04	3.62
June	26,768,000	29,147,000	28,445,000	34,688,000	5.64	7.55
July	27,893,000	31,955,000	25,009,000	40,536,000	4.77	6.60
August						
September						
October						
November						
December						
TOTAL	183,259,000	208,213,000	177,801,000	233,124,000	20.67	31.03



Stoughton Utilities Activities Report August 2017

Administration

Robert P. Kardasz, P.E.
Utilities Director

Customer-driven projects, the STH 138 South reconstruction project, LED streetlight conversions, and vegetative management were the focus of the Electric System Division during the month. The Meter Division concentrated on meter testing, inspections and replacements. The Water Division concentrated on scheduled infrastructure replacements, assisting with the underground infrastructure replacement projects, and required water quality monitoring and sampling. The Utilities Planning Division coordinated these efforts and processed materials for various projects throughout the systems including the West Electric Substation project. The Wastewater Division concentrated on projects at the wastewater treatment facility, cleaning and televising the sanitary sewer collection system, assisting with the annual infrastructure replacement project, assistance with the Nordic Ridge Phase II Project, and conducting required monitoring. The Technical Operations Division worked with customers to fulfill their financial obligations and addressed a number of technical efforts occurring throughout Stoughton Utilities.

During August, the Utilities Director participated in a Utilities Committee meeting, a meeting of the Common Council, meetings of the Leadership Team, a meeting with representatives from American Transmission Company, a meeting with the Wisconsin Department of Natural Resources, a breakfast meeting with our large electric customers, a R Old House Society meeting and tour, several potential TIF effort meetings, numerous staff and project meetings, and interviews for the vacant Wastewater Operator position,.

Technical Operations Division

Brian R. Hoops
Assistant Utilities Director

Customer Payments: Staff processed 9,037 payments totaling \$2.1 million, including 1,712 checks, 1,906 lockbox payments, 1,084 credit cards, 1,337 *My Account* online payments, 2,022 automated bank withdrawals, 767 direct bank payments, and \$22,900 in cash.

Delinquent Collections: As of August 1, there were 1,607 active accounts carrying delinquent balances totaling over \$247,000, and 118 final-billed accounts carrying delinquent balances totaling over \$19,700. Of the total amount delinquent, \$39,900 was 30 or more days past due.

Throughout the warm-weather months, SU will pursue electric service disconnections for delinquent customers, except during designated heat emergencies.

- Throughout the month of August, we mailed out 10-day notices of pending disconnection to 726 customers with delinquent balances.
- On August 22, we delivered automated phone calls to 316 customers providing a 48-hour notice of pending service disconnection.
- On August 23, we delivered automated phone calls to 174 customers providing a 24-hour final notice of pending service disconnection.

- On August 24, we disconnected electric service to 11 customers that remained severely delinquent. Of those, one remains disconnected due to continued non-payment.

We ended the month of August with \$43,300 remaining 30 or more days past-due. For comparison, 30+ day delinquencies are 18% lower than this time last year (\$53,000).

Employee FMLA Leave: Billing & Metering Specialist Erin Goldade remains out on medical leave after giving birth to a baby boy on July 21, 2017. In the interim Brandi Yungen, our Customer Service Technician, has assumed all billing and office metering roles.

Energy Assistance: During the month of August, energy assistance (EA) payments for three customers totaling \$700 were received from the State of Wisconsin Public Benefits Program and applied to customer accounts to assist low-income customers with their home cooling expenses.

The Public Benefits Program will continue to issue Crisis Assistance payments until the start of the 2017-18 heating season in October.

GIS Geometric Networks: Work continued on the creation of our GIS geometric networks, with completion of the water and wastewater systems. Each utility's infrastructure items and attributes, and our system maps, will be analyzed and used to create the geometric network and connectivity rules.

As we prepare to begin work on the electric network, which is significantly larger and much more complex than the water and wastewater, we are seeking to partner with an outside consulting engineering firm to ensure we travel down the right path. All work will continue to be done in-house, however a relationship will be established for data analysis, QA/QC, and technical guidance.

Information Technology: The scheduled annual replacement of several mobile tablets and cell phones was completed in August. Thanks to our Mobile Device Management (MDM) system, managed iCloud accounts, and Volume Purchase Program (VPP) for app licensing, this process took little time and required no action from the end-users to maintain their data or settings.

Our public-facing website was updated with a new site search function, powered by Google Custom Search. We also created a Newsroom page, which contains all press releases issued by SU. Past releases dating back to 2008 were uploaded.

SCADA Infrastructure and Software Upgrade Project: Work continued on the electric SCADA upgrade project. Virtual hard drive images containing the installed OSI software and base SCADA configuration were received for the web server and the front-end processor/data historian server. These images have been loaded onto our host server, and are now live. Our engineering consultant continues to perform the system and database programming specific to Stoughton's distribution system and substations remotely via VPN. Periodic conference calls have been held with OSI as we continue through the process.

Forster Engineering completed their cabinet design specifications for three substations, and bids have been received and awarded. We are awaiting the arrival of the cabinets for installation.

Design specifications are being set for the building of the substation metering/SCADA building for the new West substation. Detailed information was provided to Forster for the structure and SU's physical security requirements to incorporate the building into our existing access control system.

Members of our linecrew will receive onsite operator training to perform basic SCADA functions and navigation in September. Steve Hartman, a fourth-year Electric Apprentice Lineman, will be sent to Minneapolis for an in-depth "quick start" training course in December. This training will provide advanced knowledge on operations, data reporting, alarming, trending, and more.

We remain on schedule for a late-September cutover to the new SCADA system. OSI will be onsite the week of September 18 for system implementation and operator training. At that time we will bring one substation online, with the remaining substations to follow.

Training and Meetings: Brian participated in a joint MEUW/WPPI cyber-security workshop exercise, organized by American Public Power Association (APPA), with a focus on both cyber and physical security

for critical electric distribution infrastructure. Brian also attended an annual ATC Shareholder's Meeting, a meeting with B&G Foods regarding their recent high-strength wastewater discharge, and a meeting of the WPPI Outage Management Taskforce. Also attended were a breakfast meeting with Focus on Energy and our large electric customers, a meeting with the Wisconsin DNR, interviews for the vacant Wastewater Operator position, a meeting of the City Council, a meeting with Power Systems Engineering, and numerous internal budgeting and planning staff meetings regarding budgeting and planning.

Brandi Yungen participated in several planning meetings for our upcoming Public Power Customer Appreciation Day.

Lou Rada attended an online training webinar provided by ESRI that discussed the use of GIS during emergency management scenarios, using Hurricane Hermine that struck Florida as a point of discussion, and participated in a meeting with Power Systems Engineering.

Electric, Metering, Planning, and Water Divisions

Sean O Grady

Utilities Operations Superintendent

Aldi's Store: A new underground primary cable and 1200-amp service was installed to the store currently under construction. The store is scheduled to open in November.

Annual Water Main Flushing: We discovered two malfunctioning hydrants during our annual water main flushing program. Staff was able to repair both hydrants using replacement parts and avoided costly replacements.

Asplundh Tree Expert Company: Asplundh has been challenged with retaining qualified line clearance workers and was off our system for several weeks in July and early August. No one is immune to the shortage finding and retaining qualified employees. Asplundh recovered from this brief hiatus after dispatching two trimming crews during the last two weeks of the month.

Circuit SS6: Staff installed a new gang operated air switch on Milwaukee Street, east of Nordic Ridge. This switch allows us the ability to isolate the rural service territory from the urban system. The rural distribution system is more susceptible to momentary bumps and outages associated with wildlife, tree contacts, and lightning strikes.

Electric After-Hour Trouble Calls: Crews have been busy with restoration work following several storm events this month, along with two structure fires and one car vs. pole.

Electric Services: Crews installed one temporary service, two new services, three overhead service upgrades, and one underground service lateral upgrade. Five services were repaired during the month.

Former Walmart Store: A new electric and water service lateral was installed to the proposed Goodwill store. The other side, Tractor Supply retained the original services to the store. The existing private fire protection system will continue to serve both sides of the store.

Lead and Copper Samples: We collected our last round of water samples, and sent them to be tested for lead and copper concentrations.

Main Line Water Main Valve Replacements: We had two valves break in the closed position, requiring replacement. Both were in older neighborhoods and on older four-inch water mains. Our current infrastructure replacement plan targets these four-inch mains.

NAFA: A primary extension was installed to feed a new 1,200 amp underground electric service. The owner built in enough capacity on the service to feed future building additions planned over the next several years.

New Digger-Derrick: We completed final review and comments on drawings for our new truck. Delivery of the unit is scheduled for late fall.

Nordic Ridge Phase II: All underground electric infrastructure has been installed. Crews are setting transformers, terminating cables, and installing streetlights. Our work should be completed by the first week of September.

Quam Dr.: A proposed new home construction on two lake lots created some unique challenges for us. We had to reconstruct our distribution system to accommodate the pole removal between the two lots and maintain enough clearance to remove the existing home from the lot. Coordinating the project with AT&T and Charter Communications was challenging, to say the least.

SCADA Upgrades: To increase data speed and communications reliability, J&R Underground replaced the analog cables with fiber at our South Substation. SU staff upgraded control boards inside the existing reclosers as part of the SCADA hardware upgrade.

Skaalen Home: A new feed and underground primary metering equipment was installed to feed not only the existing campus, but also the new building under construction and planned future growth.

UCMR4: Stoughton Water Utility was selected by EPA to participate in an unregulated contaminant monitoring schedule for the next two years. These samples will be raw water samples from our wells. Samples will be analyzed for metals, pesticides, semi-volatile organic chemicals, alcohols, and haloacetic acids.

West Substation Construction Project: Structural steel and some equipment has been delivered and off loaded at our office. Construction will begin this fall with an in-service date scheduled for fall of 2018.

Wastewater Division

Brian G. Erickson
Stoughton Utilities Wastewater System Supervisor

The wastewater treatment facility processed an average daily flow of 1.199 million gallons with a monthly total of 37.160 million gallons. Total precipitation for the August was 3.99 inches.

2017 Sanitary Sewer Projects: The underground construction work for the 2017 sanitary sewer projects has been completed. We have been working with our consulting engineers on planning efforts for collection system projects scheduled for 2018.

Acute and Chronic WET Testing: We passed both of these mandatory annual tests. We are scheduled to perform these tests next in the fourth quarter of 2018.

Digester Safety Equipment: New equipment has been ordered and will be installed as it arrives.

Industry Meeting: Brian Hoops and I met with a local industry to discuss their sanitary sewer discharge issues. The industry has periodically been discharging high levels of fats and greases, which have caused treatment issues at the plant. We will continue to work with them to monitor and resolve their issues.

Miscellaneous Projects: The plant return flow pump failed and is in the shop for repairs, and an explosion-proof exhaust fan motor failed. Staff has been painting plant equipment, and replacing pump guide rails in the sludge storage tank.

Nordic Ridge: Following a significant rain event, the new lift station was exposed to an influx of rocks and dirt due to the underground contractor not properly closing up their jobsite. The lift station manufacturer visited the site to inspect the pumps for damage, and everything checked out good.

Primary Tank Project: We are installing new equipment in our primary tanks to assist with the prevention of freezing during the winter months. In the past, frozen tanks have created issues resulting in downtime and after-hour callouts.

Sanitary Sewer Municipal Code Changes: We continue to work with our engineering consultants on new code ordinances for our grease trap program, and other changes to conform to the CMOM requirements.

Screw Pump Paint Failure: The paint on both screw pumps have failed after just four years in service. We are continuing to work with our consulting engineers and the manufacturer on this issue.

Sewer Cleaning Machine: Staff has been reviewing and testing new Jet-Vac sewer-cleaning trucks from several different manufacturers, and we hope to have a new machine purchased and delivered in early 2018.

Sewer System Maintenance: Staff has been flushing the sanitary sewer collection system, which will continue throughout the summer and into autumn.

Treatment challenges: We have been receiving high-strength waste from a local industry that has significantly disrupted the treatment plant. We are working with this industry to address their discharge. We have also received additional high-strength waste that we are investigating to determine the source.

Finance

Jamin Friedl
Stoughton Utilities Finance Manager

Accomplishments:

- Completed the draft Stoughton Utilities 2018 budget and delivered to management for their review.
- Completed an update to our construction cost estimate template.
- Completed an analysis of WPPI benchmark information and presented to management.
- Completed and submitted ATC common facilities calculation.
- Processed A/P, A/R, CCER, payroll and treasury management approvals; tracked investment sales/purchases and income; and completed the monthly account reconciliation, work order closings, reporting and billing statistics for July 2017.
- Revised overhead equivalent credit calculation related to converting overhead services to underground.
- Met with WISC representative to discuss moving liquid investments to their pool. The overall result would be a .25% increase over LGIP and .75% increase over Associated Bank.
- Attended meetings of the Personnel Committee, Leadership Team, and met with our Springsted advisor.

In Progress:

- 2017 budget finalization.
- Continue to work with the Department of Human Resources and Risk Management to finalize the scope for a payroll consolidation study requested by the Personnel Committee.
- Prepare recommended position grades and steps for 2018 employee wages.
- Complete monthly account reconciliation and reporting for August 2017, and an analytical review comparing YTD 2017 to YTD 2016.
- Begin water and wastewater rate analysis.

Energy Services Section of the Planning Division

Cory Neeley

Stoughton Utilities and WPPI Energy Services Representative (ESR)

- Along with Focus on Energy, I met with Uniroyal to identify a few projects that may be large enough to warrant a project study and cost analysis. WPPI Energy will work with Focus on Energy to help offset the cost of the study. One potential project could possibly clean up their emissions and reduce the smell of the plant.
- We held breakfast meeting at the Stoughton Utilities office for our largest electric customers and we spoke to them about using advanced modeling and energy teams to identify potential energy efficiency projects.
- We have completed the video for the DEED grant, and will have a link to that available for staff to see as soon as we submit it to the APPA with the final report.
- We continue to meet with residential customers about high bill concerns, and to educate them on the seasonal PCAC changes that have occurred.
- We met with the architects, new construction design assistance staff, and Department of Public Works staff to discuss design and to formally begin the design assistance process.
- Along with the Stoughton Area School District's energy team, we have identified over \$10k in Focus on Energy incentives that will be submitted. This is in addition to incentives we have already completed, and represents a significant increase in the amount the school has received when compared to past years.

Safety Services Section of the Planning Division

Andrew Paulson

Stoughton Utilities and Municipal Electric Utilities of Wisconsin Regional Safety Coordinator

ACCOMPLISHMENTS

1. Training

- a. Weekly safety manual review

2. Audits/Inspections

- a. Field Inspection – Linemen – Secondary
- b. Documented Wells and Water Towers Inspection
- c. Utility Walkthrough – General Inspection
- d. WWTP Walkthrough – General Inspection
- e. Inspected Oil Waste Area

3. Compliance/Risk Management

- a. Excavation – Annual Review
- b. Updated Confined Space Inventory/Written Program
- c. Hazardous Energy Control Procedures
- d. LOTO Inspections

GOALS AND OBJECTIVES

1. Training

- a. Weekly Safety Manual Review
- b. Hazard Communication
- c. SPCC
- d. Fall Protection
- e. Bloodborne Pathogens (Office)
- f. Emergency Action Plan (Office)

2. Audits/Inspections

- a. Field Inspections
- b. Utility Walkthrough
- c. WWTP Walkthrough
- d. Wells
- e. Water Towers
- f. Harness's
- g. Hand Tools

3. Compliance/Risk Management

- a. Stoughton General Safety Rules Written Program
- b. PPE Hazard Assessments
- c. Sling Inspections – work with Bryce
- d. Update SDS's
- e. SharePoint
- f. Organize Folders and Training Records

RSC was at Stoughton Utilities on August 1st, 8th, 15th, and 22nd.

Please visit us on our website at www.stoughtonutilities.com to view current events, follow project schedules, view Utilities Committee meeting notices, packets and minutes, review our energy conservation programs, or to learn more about your Stoughton Utilities electric, water, and wastewater services. You can also view your current and past billing statements, update your payment and billing preferences, enroll in optional account programs, and make an online payment using *My Account* online.



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

Date: September 19, 2017
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: Stoughton Utilities Committee Annual Calendar

The following calendar is provided for information and discussion.

September 25, 2017	Regular Meeting: Approve the Stoughton Utilities 2018 Budget including the maintenance of market rates, and five year (2018-2022) Capital Projects Program and recommend it to the Stoughton Common Council
October 3, 2017	City of Stoughton Fun Night
October 1-7, 2017	Public Power Week
October 5, 2017	Public Power Customer Appreciation Day
October 5, 2017	Common Council Budget Workshop
October 17-20, 2017	Wisconsin Wastewater Operators Association (WWOA) Annual Conference – Middleton
October 16, 2017	Regular Meeting: Tour West Electric Substation
October 17, 2017	Orientation to WPPI Energy – Sun Prairie
October 26, 2017	Stoughton Utilities 2018 Budget and CIP presentation to the Stoughton Common Council
November 14, 2017	Common Council action on the Stoughton Utilities 2018 Budget and CIP
November 20, 2017	Regular Meeting
December 18, 2017	Regular Meeting
January 16, 2018	Regular Meeting: Stoughton Utilities RoundUp Donation; Declarations of Official Intent
January 17-19, 2018	Municipal Electric Utilities of Wisconsin (MEUW) Superintendents Conference – Wisconsin Dells

February 20, 2018	Regular Meeting: Bad debt write off discussion, approval, and recommendation to the Common Council
February 26 - 28, 2018	American Public Power Association (APPA) Legislative Rally – Washington, D.C.
February 27, 2018	Common Council Meeting: Approve bad debt write offs
March 19, 2018	Regular Meeting: Annual Drinking Water Consumer Confidence Report (CCR)
March 26-29, 2018	Wisconsin Rural Water Association (WRWA) Annual Conference – La Crosse
April 16, 2018	Regular Meeting: Presentation of the Stoughton Utilities 2017 annual audit and management letter, discussion, approval and recommendation to the Common Council; tax-stabilization dividends discussion, approval, and recommendation to the Common Council
April 24, 2018	Common Council Meeting: Approve 2017 annual audit and management letter; presentation of the tax-stabilization dividends
April 29 – May 2, 2018	American Public Power Association (APPA) Engineering and Operations Conference – Raleigh, North Carolina
May 2018, date TBD	WPPI Energy Regional Power Dinner Meeting
May 6-12, 2018	Drinking Water Week
May 14, 2018	Regular Meeting: Annual reorganization and selection of meeting time and date; discuss SU goals
June 2018, date TBD	Orientation to WPPI Energy – Sun Prairie
June 18, 2018	Regular Meeting: Approve and recommend the annual Wastewater Compliance Maintenance Annual Report (CMAR) and Resolution to the Common Council; tour of well no. 5
June 26, 2018	Common Council Meeting: Approve the CMAR; presentation of the Stoughton Utilities 2017 annual audit and management letter
June 2018, date TBD	Municipal Electric Utilities of Wisconsin (MEUW) Annual Conference
July 16, 2018	Regular Meeting: Stoughton Utilities RoundUp Donation; tour of the Stoughton Utilities Administration Building
August 20, 2018	Regular Meeting: Approve Declaration(s) of Official Intent; tour the Wastewater Treatment Facility
August 2018, date TBD	Wisconsin Rural Water Outdoor Exposition – Plover
September 2018, date TBD	WPPI Energy (WPPI) Annual Meeting
September 2018, date TBD	Wisconsin Waterworks Association (AWWA) Annual Conference – Wisconsin Dells



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Date: September 19, 2017
To: Stoughton Utilities Committee
From: Robert P. Kardasz, P.E.
Stoughton Utilities Director
Subject: Stoughton Utilities Communications

August 8, 2017 WPPI Energy memorandum “Things You Should Know” from WPPI Energy President and CEO Michael Peters

August 10, 2017 WPPI Energy FY2017 second quarter financial highlights, power supply update, news highlights, and company profile

August 24, 2017 WPPI Energy Power Report - Summer 2017

September 1, 2017 Stoughton Utilities news release regarding \$1,000 donation made to the Friends of Lake Kegonsa Society (FoLKS) from Stoughton Utilities’ RoundUP Program.

September 6, 2017 Stoughton Utilities billing insert regarding our Public Power Customer Appreciation Day to be held on October 5, 2017.

September 7, 2017 WPPI Energy memorandum “Things You Should Know” from WPPI Energy President and CEO Michael Peters

September 13, 2017 Invitation to the biannual Orientation to WPPI Energy, to be held on Tuesday, October 17, 2017.

Encl.

things you should KNOW

Michael W. Peters, President/CEO

Monthly Wrap-Up for July 2017

Issued Aug. 8, 2017

Things You Should Know is my monthly wrap-up for members of all things related to WPPI Energy. As always, I welcome your feedback. Hearing directly from you is critical to our ability to serve our members. If you have any questions, comments or concerns, please contact me at 608-834-4557 or mpeters@wppienergy.org.

WPPI Energy Adds New Power Supply Resource: Bishop Hill III Wind Energy Center. Last week, WPPI Energy and Invenergy announced a power purchase agreement that will advance plans to construct the Bishop Hill III Wind Energy Center. This is an excellent development for our membership.

The addition of this resource:

- Is projected to be the most cost-effective option currently available to us.
- Will bring to 40% the total portion of our power supply that is emission-free.
- Will more than double the amount of energy we receive from wind resources.
- Will bring to more than 20% the total portion of WPPI Energy's power supply that comes from renewable energy. After 2021, when Point Beach Solar Energy Center comes online, that total will increase to more than 22%.
- Is eligible for use in meeting state renewable portfolio requirements.
- Will add diversity to our portfolio.
- Represents our largest renewable energy purchase to date.

The 132-megawatt project, which will be constructed in Henry County, Ill., is scheduled to come online in 2018. WPPI Energy will purchase the entire output through mid-2040.

To view the joint WPPI Energy-Invenergy announcement, please visit www.wppienergy.org/news. We've also posted on [myWPPI](#), our members-only intranet site, a customizable news release your utility may wish to use to send out your own announcement to your local media.

Outage Management Task Force Update. As we have discussed in depth over the past year, one of the WPPI Energy membership's current business plan initiatives is to help ensure that member utilities will have access to the modern technologies they need for efficiently managing their operations and meeting customer expectations well into the future. Among these potential technologies are outage management systems, which can help utilities more efficiently manage and communicate with customers about service outages.

Early in 2017, we formed a member Outage Management Task Force (OMTF) to consider how our joint-action model might be applied to help meet members' needs in this area. As this group has been learning in recent months, outage management can encompass a wide variety of tools and practices. A central feature of

most utility outage management systems are outage maps to help coordinate operations and provide updates to customers.

Outage maps can be populated – to varying degrees of detail and real-time accuracy – with data from a variety of tools including:

- Utility geographic information systems (GIS)
- Advanced meters
- Utility supervisory control and data acquisition (SCADA) systems
- Customer outage reports that are entered into a utility’s customer information systems (CIS)
- and more

At their most recent meeting last week, OMTF members discussed the possibility of developing a tiered approach for WPPI Energy to support this diverse range of potential tools and member needs. While the concept is still in the development stages, I am optimistic about this potential path. It recognizes that some WPPI Energy members will eventually be prepared to develop a full-featured outage management system using most or all of the tools described above. At the same time, others will prefer a more stripped down approach to achieving some outage management functionality, and still others may have no desire to move forward with outage management at this time.

When it comes to managing and communicating with customers about outages, there’s no question that meeting these local needs requires a local utility-directed approach. I believe that if there will be a role for WPPI Energy to help members with new outage management technologies, it will be found in that joint-action “sweet spot” where we can effectively help members lower their costs, leverage shared expertise and maximize functionality, while also ensuring that our approach is flexible and equitable for all.

Thank you to our OMTF members for taking on the significant work of thinking through these important questions. Some next steps the group has identified include viewing demos of various systems and fleshing out their ideas for how a tiered, fee-for-service approach might be structured.

Expect to hear more at the September business meeting of the WPPI Energy Board of Directors. The agenda will include an overview of the OMTF’s efforts.

Rolling Along: New Meter Tech Vehicles Hit the Road. In late 2014, we introduced a new pay-for service under which interested members can subscribe to a share of a meter technician to perform local metering work. The program has become one of our most successful new offerings, and if yours is one of the many WPPI Energy member communities participating in this program, you might see our metering electricians in your town relatively often. In addition, these employees carry out WPPI Energy’s wholesale metering work, so they also visit all member communities as needed.

Next time you see Metering Electricians Tim Schmidt and/or Jay Kirby, you’ll likely also see them in some new vehicles. Several years of experience providing the Shared Meter Tech service has taught us that taller, “Sprinter”-style trucks will help these staffers work more safely and productively than the pick-up trucks they previously used for their daily work out in the field.

We set out to order a model that is commonly used for utility work manufactured by Freightliner, a division of Daimler Trucks North America. While spacious and well-constructed, this type of vehicle is decidedly more utilitarian than luxurious in style. So, we were caught somewhat off-guard to learn that this identical model was available at a lower cost with an earlier delivery date if purchased from Mercedes, which is also Daimler-owned. I don't think I would have predicted buying WPPI Energy vehicles with this particular brand label, but the cost, features and availability made the choice an easy one.



Jay recently provided me a guided tour of one of the two new trucks. We're both slightly over 6 feet tall and being in the back of the van I could see how these taller-style vehicles provide sufficient standing room and a better work area that will enable Tim and Jay to more safely and effectively operate out of their vehicles regardless of location or weather.

If you see Jay or Tim out on the road, please feel free to stop and say hello. I know they'd be glad to show you their new, rolling workspaces.



Governing Body Visits. Now through early this fall, WPPI Energy is visiting member utility commissions, committees and other governing bodies to share a 20-minute presentation entitled, "Doing More Together: Preparing for the Future through Joint Action." Topics covered include assumptions and priorities in the 2017-2021 business plan, items for members to consider in their own planning efforts, and ways that WPPI Energy can be of help.

One of the most frequent questions I've received during this year's presentations is about cybersecurity. I appreciate these opportunities to summarize some of the measures WPPI Energy has in place, including regular employee training and testing, state-of-the-art firewall technology and the staff to maintain and monitor it, cyber insurance, and participation in industry cyber security organizations. To help our member utilities in this area, we are also working to develop a pilot, pay-for-service program under which we would potentially provide and/or joint-purchase some of these same tools for members. I will keep you posted on the outcome of this pilot effort.

Thank you to each of our member community governing bodies for making time to hear from us. We've now completed more than 20 such meetings, and with every new discussion I am reminded of how important it is that we actively engage with the governing bodies for every member we serve. WPPI Energy is your member-owned, member-driven, joint-action agency, and it's important that we stay informed about what matters most to your local utility and your community.

Cybersecurity Workshop. Together with the Municipal Electric Utilities of Wisconsin (MEUW), we are offering a Cybersecurity Workshop on August 16 at WPPI Energy's office and operations facility. Part

informational session, part hands-on tabletop exercise, this program can provide valuable information for your interested technical and non-technical staff and officials. For more information, visit www.meuw.org.

See You at the WPPI Energy Annual Meeting – September 14. WPPI Energy’s annual meeting will take place on September 14 at the Glacier Canyon Lodge – Wilderness Resort in Wisconsin Dells, Wis. The Board of Directors meeting is the following day. Invitations were mailed to more than 725 utility leaders and local elected/appointed officials. WPPI Energy will again provide one hotel accommodation scholarship per member for an elected or appointed public official attending the annual meeting. We hope that each member will be represented at this special event.

New at the event this year will be our inaugural Public Power Open – a scramble-format golf outing for all levels of play. Please join us!

RSVPs are requested by September 1. Register at www.wppienergy.org/annualmeeting or contact Kayla Pierce at 608-834-4537 or kpierce@wppienergy.org.

Staff Updates. I am pleased to welcome a new member of the WPPI Energy team. Trent Bettenhausen will join our staff on August 21 as a Metering Electrician.

I am always open to suggestions and feedback from WPPI Energy members. If you have any questions, comments or concerns about WPPI Energy or the updates I have provided here, please don’t hesitate to contact me at 608-834-4557 or mpeters@wppienergy.org.

FISCAL YEAR 2017

SECOND QUARTER HIGHLIGHTS



August 10, 2017

Financial Highlights

In the second quarter 2017, change in net position was a loss of \$611,127 compared to a gain of \$4,981,007 in the second quarter 2016. The change was primarily the result of WPPI implementing seasonal wholesale rates, effective January 1, 2017, that have higher demand charges during the summer months compared to the rest of the year.

The seasonal rates were designed to recover additional revenue from members during the summer period when additional capacity costs are imposed on the system. While WPPI Energy's peaking capacity needs are driven by the system's summer peak demand, the costs associated with that capacity is generally paid throughout the year. Therefore, the seasonal rates create a mismatch between booked expenses and revenues on a monthly basis. WPPI had a planned loss for the second quarter, and will see increased revenues and change in net position throughout the summer months under the new rate design. The adoption of the seasonal rate design is not expected to have a material impact on year-end financial results compared to the prior year.

Energy sales to members totaled 1,202,520 megawatt-hours (MWh) in the second quarter of 2017. This is 24,538 MWh or 2.0% less than the same period a year ago. Total operating revenues for the second quarter were \$112,413,951 or 1.3% lower than the same period a year ago. Total operating expenses for the second quarter were \$109,747,435 or 0.8% higher than the same period a year ago.

Power Supply Update

WPPI Energy's 20% share of Boswell Unit 4 generated 190,268 megawatt-hours (MWh) of energy at an average capacity factor of 74.5% during the second quarter. This compares to generation of 205,275 MWh and an average capacity factor of 80.3% in the second quarter of 2016. Unit 4 had a six-day planned outage during the second quarter. WPPI Energy's 8.33% share of the Elm Road units generated 135,083 MWh at an average capacity factor of 58.6%. In the same quarter a year ago, the units generated 154,128 MWh at an average capacity factor of 66.8%. Unit 1 had a six-week planned outage during the second quarter. Unit 2 was offline for 12 days during the second quarter during a boiler tube leak repair.

News Highlights

WPPI Energy recently finalized a power purchase agreement (PPA) with Chicago-based developer Invenergy that will result in the construction of a 132-megawatt (MW) wind energy center in Henry County, Ill. Under the PPA, WPPI Energy will buy all of the electricity produced by the Bishop Hill III Wind Energy Center (Bishop Hill III), from mid-2018 to mid-2040. Bishop Hill III is projected to be the most cost-effective resource currently available to the organization. The purchase will more than double the amount of wind energy in WPPI Energy's power supply portfolio.

Company Profile

WPPI Energy is a regional power company serving 51 customer-owned electric utilities. Through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to more than 200,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.

FINANCIAL STATEMENTS

Statements of Net Position (Unaudited)

June 30,	2017	2016 ¹
Assets		
Current assets	\$ 177,088,477	\$ 170,711,881
Non-current assets	231,558,447	244,842,118
Electric plant, equipment, and land, net	391,522,130	398,149,277
Construction work in progress	6,760,082	5,827,799
Total assets	806,929,136	819,531,075
Deferred Outflows of Resources	21,248,803	25,240,348
Liabilities		
Current liabilities	77,231,107	64,331,511
Non-current liabilities	7,894,174	5,536,983
Long-term debt, net	432,228,909	459,918,938
Total liabilities	517,354,190	529,787,432
Deferred Inflows of Resources	57,889,439	62,470,566
Net Position	252,934,310	252,513,425

Statements of Revenue, Expenses, and Changes in Net Position (Unaudited)

	Quarter Ended June 30,		Fiscal-to-Date	
	2017	2016 ¹	2017	2016 ¹
Operating Revenues	\$ 112,413,951	\$ 113,847,456	\$ 224,005,608	\$ 223,297,662
Operating Expenses				
Purchased power	88,666,071	87,816,948	177,565,296	171,298,341
Fuel expense	7,336,320	7,454,778	16,430,654	15,215,161
Operation and maintenance	2,875,295	3,182,512	5,637,668	5,815,090
Customer service and administrative and general	4,983,683	4,681,633	9,960,340	9,260,360
Depreciation and amortization	4,105,401	4,013,935	8,247,985	8,022,615
Taxes	1,780,665	1,729,018	3,545,725	3,457,429
Total operating expenses	109,747,435	108,878,824	221,387,668	213,068,996
Operating Income²	2,666,516	4,968,632	2,617,940	10,228,666
Non-Operating Revenues (Expenses)				
Investment income	3,148,679	3,207,570	6,221,591	6,442,566
Interest expense	(5,088,017)	(5,062,457)	(10,179,775)	(10,518,847)
Other	(1,338,305)	1,867,262	(4,023,518)	3,460,372
Total non-operating revenues (expenses), net	(3,277,643)	12,375	(7,981,702)	(615,909)
Change in Net Position²	\$ (611,127)	\$ 4,981,007	\$ (5,363,762)	\$ 9,612,757

¹ Some 2016 amounts were reclassified to conform to the 2017 presentation.

² Refer to the Financial Highlights section for more detail.

WPPI Energy is the power supplier for the following locally owned utilities:

WISCONSIN

Algoma
Black River Falls
Boscobel
Brodhead
Cedarburg
Columbus
Cuba City
Eagle River

Evansville
Florence
Hartford
Hustisford
Jefferson
Juneau
Kaukauna
Lake Mills
Lodi

Menasha
Mount Horeb
Muscodia
New Glarus
New Holstein
New London
New Richmond
Oconomowoc
Oconto Falls

Plymouth
Prairie du Sac
Reedsburg
Richland Center
River Falls
Slinger
Stoughton
Sturgeon Bay
Sun Prairie

Two Rivers
Waterloo
Waunakee
Waupun
Westby
Whitehall

MICHIGAN

Alger Delta CEA
Baraga
Crystal Falls
Gladstone
L'Anse
Negaunee
Norway

IOWA

Independence
Maquoketa
Preston

WPPI Energy to Buy Wind Energy from Bishop Hill III

“This agreement provides WPPI Energy with a highly cost-effective resource that will more than double the amount of wind energy in our power supply portfolio.”

WPPI Energy recently announced a power purchase agreement (PPA) with Chicago-based developer Invenergy that will result in the construction of the 132-megawatt Bishop Hill III Wind Energy Center (Bishop Hill III) in Henry County, Illinois. Under the PPA, WPPI Energy will buy all of the electricity from the facility through mid-2040 in order to serve its 51 member utilities and their customers across Wisconsin, Upper Michigan and Iowa.

Bishop Hill III is projected to be the most cost-effective option currently available to WPPI Energy. The addition of more wind energy resources will also increase the diversity of the organization’s power supply portfolio.

“This agreement provides WPPI Energy with a highly cost-effective resource that will more than double the amount of wind energy in our power supply portfolio,” said Mike Peters, president and CEO of WPPI Energy.

The addition of Bishop Hill III as a power supply resources will also have environmental benefits.

“When the Bishop Hill III project comes online, our power supply will be more than 40% emission-free,” said Peters.

The wind energy generated by Bishop Hill III will increase the percentage of WPPI Energy’s power supply that comes

from renewable energy to more than 20%. This will be further increased to more than 22% in 2021 when the 100-MW Point Beach Solar Energy Center near Two Rivers, Wis. comes online.

Bishop Hill III is scheduled to begin commercial operation by mid-2018.



WPPI Energy’s primary power supply resources

WPPI Energy is a regional, not-for-profit power company serving 51 locally owned electric utilities. Through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to 200,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.

Advocating for Public Power

Earlier this year, I had the opportunity to attend the American Public Power Association's (APPA) Legislative Rally in Washington, D.C. The rally is an important opportunity for supporters of public power to speak about issues that are important to us.

Representing the People

Legislators provide a voice for the families, local businesses and communities in their district. Since their duties often take them away from home, legislators value the community insights and industry knowledge our utility managers and local officials provide.

A Stronger Voice Together

When utility managers and staff, mayors, city administrators, elected and appointed officials and WPPI Energy staff come together to represent local communities and the 2,000+ public power utilities across the nation, it has a large impact. Over many years of participating in advocacy events such as the APPA Legislative Rally, WPPI Energy members and supporters have built a strong reputation with government officials.

Tax-Exempt Municipal Bonds

Maintaining the tax-exempt status of municipal bonds remains one of our main advocacy issues. Trillions of dollars of U.S. infrastructure is financed with municipal bonds, and removing their tax-exempt status would have a profoundly negative impact on local communities across the country.

For communities served by a public power utility, it would increase rates for all utility customers. The not-for-profit utility would face higher borrowing costs when financing necessary infrastructure, and these costs would have to be absorbed through higher electric rates.

Cyber Security

Making cyber and physical security a priority is also important. The health of our nation's electric grid is essential to nearly all functions and systems people in the U.S. use on a daily basis.

The electric utility industry is the only critical infrastructure sector to have enforceable cybersecurity standards in place to ensure performance and reliability. Future cybersecurity initiatives should not be duplicative of these standards, and we should continue the close collaboration between experts across the electric industry and the federal government.

We also believe that one-size-fits-all compliance standards appropriate for the nation's largest utilities might not be feasible or cost-effective for smaller utilities.

Advocacy is a Continuous Process

It's important that we continue to speak out about these and other topics that matter to public power communities. We appreciate everyone who's been involved in our advocacy efforts at the federal and state level and we will continue to seek member involvement in the future.



The Municipal Finance Caucus

In 2016, Congressmen Dutch Ruppersberger (D-MD) and Randy Hultgren (R-IL) founded the Municipal Finance Caucus (MFC). The bipartisan group, which now includes over 40 legislators, recognizes and seeks to raise awareness about tax-exempt municipal bonds' essential role in building U.S. Infrastructure. Wisconsin Representatives Ron Kind (D-WI) and Glenn Grothman (R-WI) are members. Thank you to all of the members of the MFC for lending your voices to this important issue.

Member Spotlight: Cedarburg, Wisconsin

The Community

Cedarburg is a charming, vibrant community of about 11,500. Although it's only 20 miles away from the hustle and bustle of Milwaukee, the open fields and natural beauty of this city built along the Cedar Creek make it feel like another world.

Several limestone and cream brick buildings constructed by Cedarburg's original settlers still stand, now home to a variety of restaurants, shops, galleries and other businesses. The community houses several museums and historical sites, as well as one of the last standing wooden covered bridges in Wisconsin.

The unique shops, diverse dining options and thriving arts community make Cedarburg a favorite destination for tourists and other visitors. The city's many festivals, community events, and live musical and theatrical performances are part of Cedarburg's culture of community involvement.

Cedarburg Light & Water Utility

Cedarburg Light & Water Utility (CL&W) provides approximately 6,000 Cedarburg homes and businesses with electricity and water services. Like the community, the utility also has a culture of involvement.

"I want my supervisory group to be involved with at least one outside group as part of their overall performance appraisal and development," says Dale Lythjohan, General Manager of CL&W.

He and his staff of 21 are active with a number of groups, including WPPI Energy committees and advisory groups, software user groups and community organizations.

"What I've always told people is you're going to receive more than you give, whether through networking or getting a better understanding of how some of the systems work," he says.

CL&W is locally owned and not-for-profit. To ensure the utility is truly working for the benefit of Cedarburg residents



The Kuhfuss House Museum, located in Cedarburg's downtown National Historic District, is one of the city's oldest homes. Built in 1849, it housed five generations of families before becoming a museum in 1989. *Photo courtesy of the Cedarburg Chamber of Commerce*

and businesses, it's governed by a seven-person utility commission comprised of local residents appointed by the mayor. The commissioners have diverse personal, educational and business backgrounds, which Lythjohan says, "allows us to have some depth in our discussions."

Although there's a range of experience levels on the commission, most commissioners stay for several years. The late Charlie Bradburn was on the commission for 54 years, and his father was on the commission for 27 years before that. Former Mayor Jim Coutts has been on the commission for 14 years.

CL&W and WPPI Energy

CL&W was a founding member of WPPI Energy (then Wisconsin Public Power Inc.) in 1980, and has been an active member ever since. Lythjohan was chair of the WPPI Energy Board of Directors from 2007 to 2011. He's currently a member of the Executive Committee, the Personnel Committee and the Rates Services Advisory Group (RSAG). CL&W's engineer is on the Outage Management Task Force (OMTF),

Continued on page 4...



CEDARBURG FAST FACTS

County: Ozaukee

Number of customers: 6,261

Utility website:

www.cedarburglightandwater.com

Did you know?

- Kemps earned the Guinness World Record for the Largest Scoop of Ice Cream weighing in at 3,010 lbs at Cedarburg's 2014 Strawberry Festival.
- Ludwig Groth, Cedarburg's first recorded settler, built his home along the banks of Cedar Creek in 1842.
- Country music singer-songwriter Josh Thompson was born in Cedarburg. His singles "Way out Here" and "Beer on the Table" peaked at number 15 and 17 on Billboard's Hot Country Songs (US) chart. Thompson has written songs for Jason Aldean, Brad Paisley and James Wesley.

Cedarburg, continued from page 3...

its electric superintendent is on the Distribution Services Advisory Group (DSAG), and one of its commissioners is on the Policy & Communications Leadership Council (PCLC).”

“WPPI Energy is a member-driven organization, and for a member-driven organization to really succeed, you’ve got to have engaged members,” says Lythjohan. “I think those are WPPI Energy’s biggest strengths - member involvement and member harmony.”

Similar, Not the Same

CL&W is known in the Cedarburg community for great customer service thanks in part to a mindset the staff has adopted.

“When I first came here in ‘93, we had an adage that we were going to treat all the customers the same, but that’s kind of like a glove that says it’s one size fits all,” says Lythjohan. “The reality is that it doesn’t fit everybody. We worked hard to develop a culture of serving customers similarly. Everyone doesn’t need the exact same things from us, but they all have needs.

“We want to establish relationships with our customers so they know we’re trying hard, we’re honest, we’re doing the best



Cedarburg residents and visitors dine ‘al fresco’ at the Anvil Pub & Grille, overlooking Cedar Creek. Photo courtesy of the Cedarburg Chamber of Commerce

we can and we’re going to serve them responsibly.” says Lythjohan. “We talk about customer service every time we get together, and I think if you do that and people start owning it, it becomes who you are. It’s natural.”

Looking to the Future

In Lythjohan’s opinion, the customer of the past and the customer of the future are two different people. As the father of three daughters in their twenties, he’s seen firsthand the culture and expectations of the next generation of utility customers.

“I think utilities are going to have to be very technologically advanced in order

to continue to succeed and grow,” he says. “One of the challenges is that many municipal utilities are small, we wear many hats. So I think the utility of the future is going to need to rely more and more on joint action in order to serve customers.”

As for WPPI Energy as a whole, Lythjohan anticipates “the future of WPPI will continue to evolve, and I think that’s necessary. However, it’s important to remember the strength of the membership is member harmony. I think that if WPPI Energy maintains that, the future’s bright.”

WPPI ENERGY NEWS

WPPI Energy Now Receiving Power from Nelson Energy Center

In June, WPPI Energy started receiving power from the Nelson Energy Center, a natural gas-fired, combined-cycle power plant located in Lee County, Ill. This is in accordance with a 20-year power purchase agreement WPPI Energy signed in 2014 with the facility’s owner Invenergy to purchase 90 megawatts, starting in 2017. Nelson Energy Center adds another cost-effective, long-term resource to our energy portfolio.

Governing Body Visits

Now through early fall, WPPI Energy senior staff are meeting with member utility commissions, committees and other governing bodies to share a 20-minute presentation entitled, “Doing More Together: Preparing for the Future through Joint Action.” They’ll discuss assumptions and priorities in the 2017-2021 business plan, items for members to consider in their own planning efforts and ways WPPI Energy can help.



WPPI Energy members and staff on a tour of the Nelson Energy Center in mid-June.

MEMBER NEWS

Members Earn RP3 Designation

Kaukauna Utilities, Stoughton Utilities and Menasha Utilities earned American Public Power Association (APPA)'s nationally-recognized Reliable Public Power Provider (RP3®) designation for 2017-2020. RP3 distinguishes utilities that adhere to high standards in reliability, safety, workforce development and system improvement, and is current for a three-year period. Other members with current RP3 designation are Oconomowoc Utilities, Two Rivers Water & Light, City Utilities of Richland Center - Electric, River Falls Municipal Utilities, Cedarburg Light & Water Utility and Evansville Water & Light.

Members Earn Safety Award

18 WPPI Energy members received APPA's Safety Award of Excellence that recognizes locally owned utilities with the lowest numbers of incidents, based on the number of work-related report-



The Sun Prairie Utilities (SPU) line crew in some of their safety gear. SPU received a first place APPA Safety Award of Excellence for the utility's commitment to safety during 2016.

able injuries or illnesses and number of worker-hours during 2016, as defined by the Occupational Safety and Health Administration (OSHA). The following members received the award:

First Place - City Utilities of Richland Center-Electric, Columbus Water & Light, Evansville Water & Light, Lodi Utilities, Muscodia Utilities, Waupun Utilities, Whitehall Electric

Utility, Black River Falls Municipal Utilities, Brodhead Water & Light, New Richmond Utilities, Reedsburg Utility Commission, River Falls Municipal Utility, Stoughton Utilities, Sun Prairie Utilities, Oconomowoc Utilities and Sturgeon Bay Utilities.

Second Place - New Holstein Utilities

Third Place - Two Rivers Water & Light

WPPI ENERGY POLICY UPDATES

Federal

FERC Quorum Restored - Rob Powelson, a Pennsylvania public utility commissioner and former president of the National Association of Regulatory Utility Commissioners, and Neil Chatterjee, an energy policy advisor to Senate majority leader Mitch McConnell, have joined commissioner Cheryl LaFleur on the Federal Energy Regulatory Commission (FERC), restoring FERC's three-person quorum and allowing the commission to resume important work.

Tammy Baldwin Introduces Rail Shipper Fairness Act - Senator Tammy Baldwin (D-Wisconsin) has introduced the Rail Shipper Fairness Act, S. 1233. The bill would build on recent reforms to the Surface Transportation Board and includes measures aimed at improving rail service, competition and rate stan-

dards. Thanks to Sen. Baldwin for her advocacy and leadership in calling for reliable, fairly priced coal delivery to WPPI Energy's co-owned Elm Road Generating Station, Boswell Energy Center Unit 4 and power plants across the country.

Wisconsin

New PSCW Commissioner - Commissioner Lon Roberts was appointed to a six-year term at the PSCW by Governor Scott Walker in March and confirmed by the State Senate in April. Commissioner Roberts previously served as the Secretary of the Department of Financial Institutions. He fills the seat vacated by former PSC Commissioner Phil Montgomery, whose six-year term ended in March.

Waste Heat Recovery Bill - Wisconsin State Senate President Roger Roth (R-Appleton) and Rep. Rob Brooks

(R-Saukville) introduced bipartisan legislation that categorizes recycled waste heat from manufacturing processes as a renewable resource according to the state's renewable portfolio standards law. The proposal was signed into law by Governor Walker. WPPI Energy supports this effort to provide tradeable renewable energy credits to manufacturers that recycle waste heat and increase energy efficiency.

Iowa

IUB Jurisdiction Bill - Former Governor Terry Branstad signed a bill which will allow municipal utilities to handle financial deposits made by electric customers according to city code and not Iowa Utilities Board rules. The Iowa Association of Municipal Utilities strongly supported the bill, as it restores local control.

Business and Energy: Seasonal Electricity Costs Reminder

As mentioned in the last issue of the Power Report, this year WPPI Energy's monthly wholesale price and member utility prices will more accurately reflect seasonal differences in the cost of power. The average customer will see higher bills for usage during June through September and lower bills the other eight months, making total annual costs comparable to previous years.

However, there are some exceptions. For instance, some industrial customers operate primarily in the summer months when power is more costly and shut down during other times of year. WPPI Energy member utilities provide resources to help these customers, including programs and services, on-bill financing for energy efficient upgrades and design assistance to ensure energy efficient equipment and systems are included in a new construction project. Here is a breakdown of what these entail.

Programs and services - Your local WPPI Energy member utility's Energy Services Representative can analyze your business' energy usage, identify any inefficiencies and suggest changes that will reduce waste and save money. These local energy experts can also identify programs and services to help, such as financial incentives for installing or upgrading to energy efficient systems and/or incorporating energy efficient practices into company procedures. Incentive programs are offered by the local utility and WPPI Energy, state programs, federal programs and more.

On-bill financing - While many business owners would like to save energy by replacing or improving inefficient equipment, initial cost barriers can make



Last year, Stoughton Trailers finished more than 20 energy efficiency upgrades across all its manufacturing facilities (located in Stoughton, Brodhead and Evansville). The company received more than \$315,000 in incentives and other energy efficiency funding through WPPI Energy and Focus on Energy.

it difficult to get started. Through on-bill financing, your business can access the upfront funds needed to start a qualifying energy efficiency project and pay it back over time in 60 equal installments on your electric bill. The monthly energy savings resulting from the projects often serve to offset most or all of the repayments. In addition, most provide energy savings long beyond the repayment period, providing a long-term boost to your bottom line.

New construction design assistance

- If you're planning a new construction project, your local WPPI Energy member utility can connect you with developers, design professionals and construction contractors that will help you design a building that meets your business' needs

while also incorporating features that encourage energy efficiency, reduced peak load, high systems performance and employee comfort. These features could include lighting, HVAC, and other building systems. Your utility, WPPI Energy and state programs such as Focus on Energy and Efficiency United also offer financial incentives for businesses that implement energy efficient features, as well as incentives to help design team members offset the cost of advanced designs.

Contact your local utility office for more information or to schedule an appointment with your Energy Services Representative.

Upcoming Technical Training Courses

Focus on Energy BOC Trainings focusonenergy.com/about/events

Building Operator Certification (BOC) is a nationally recognized, award-winning training program that offers facilities personnel a combination of hands-on and classroom training.

Madison, Wis. BOC Training

This series of BOC classes will take place at Madison College over the course of the following dates:
September 21-22, 28 • October 12, 27 • November 17

Eau Claire, Wis. BOC Training

This series of BOC classes will take place at Chippewa Valley Technical College over the course of the following dates: *October 19-20 • November 3, 10 • December 1, 15 • January 5, 19*

Focus on Energy Trainings focusonenergy.com/about/events

Strategic Energy Management *September 12 • Kaukauna, WI*

HVAC for Commercial & Small Industrial Applications

September 13 • Kaukauna, WI

The Business Case for Industrial Energy Efficiency

September 21 • Milwaukee, WI

Power Connect Chat Session 11-11:30 am: Water and Wastewater

September 28 • call in

Power Connect Chat Session 1-1:30 pm: Schools and Government

September 28 • call in

Operations & Maintenance Practices for Energy Efficiency

October 11 • Wausau, WI

October 12 • Verona, WI

League of WI Municipalities Workshop focusonenergy.com/about/events/league-wisconsin-municipalities-chief-executives-workshop

League of Wisconsin Municipalities Chief Executives Workshop

August 23-25 • Heidel House Resort, Green Lake, WI

Wisconsin Rural Water Association Expo focusonenergy.com/about/events/wrwa-outdoor-expo

WRWA Outdoor Expo

August 24 • WRWA State Office/Technology Center, Plover, WI

Stronger Together: Government Relations

It's the end of a long day at the American Public Power Association's legislative rally when WPPI Energy utility managers, commissioners, local officials and employees meet for dinner. Although their feet ache from walking to and from meetings (often located in separate buildings), they're in good spirits and trade jokes and stories. They've traveled to Washington D.C. from rural communities, urban cities and small towns across Wisconsin, Michigan and Iowa to talk with their legislators about public power and energy policy. Despite coming from different backgrounds, all are there because they believe their community's public power utility is worth every step, meeting, and mile away from home.

WPPI Energy's government relations team (General Counsel Tom Hanrahan, Manager of Government Relations Joseph Owen and consultant Tom Moore) facilitates advocacy efforts such as this

to help member utilities build strong relationships with state and federal policymakers, educate elected officials about public power, and advocate for sound energy policy.

"Making sure member's voices are heard is an extremely important part of our advocacy," says Hanrahan. "It's powerful when a utility manager or mayor from one of our communities can speak with a legislator about how a bill directly impacts people in the legislator's home district."

In addition to helping WPPI Energy members engage with legislators, the Government Relations team works to maintain a network of industry and non-industry legislative and regulatory professionals, as well as actively participating in stakeholder coalitions and advocacy groups.

Over many years of interacting with legislators, WPPI Energy representatives



Pictured from left: General Counsel Tom Hanrahan and Manager of Government Relations Joseph Owen.

have earned reputations as honest and reliable sources of information.

"Though legislators are responsible for representing a broad array of industries and interests in their districts, they simply cannot be experts in it all," says Owen. "By explaining how an energy policy proposal would impact constituents, our members provide valuable insights that help legislators make informed decisions."

Says Owen, "When we come together with people from our member communities and speak about the pride we have in public power and our locally owned utilities, it's a powerful statement."



600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

News Release

Stoughton Utilities

FOR IMMEDIATE RELEASE

September 1, 2017

Contact: Brian Hoops, Assistant Director

Stoughton Utilities RoundUp Program Donates \$1,000 to Friends of Lake Kegonsa

Friends of Lake Kegonsa President Peter Foy recently accepted a check for \$1,000 from Brandi Yungen of Stoughton Utilities. This donation is part of Stoughton Utilities' RoundUP program, a voluntary program that 'rounds up' customers' utility bills to the next whole dollar. All proceeds are distributed to and benefit local community organizations.

The Friends of Lake Kegonsa will use these funds to help improve water quality in Lake Kegonsa by reducing phosphorous, which is a major contributor to algae growth. Their efforts include carp removal from the lake, and educating the community about runoff, leaf management, and the negative impacts phosphorous has on the lake. Currently, the organization is working with Dane County and the Wisconsin Department of Natural Resources to remove 1,000,000 lbs of carp from the lake over 5 years.

Stoughton Utilities began the RoundUP program in 2006 as a way to further assist local non-profit organizations in our community. Over five percent of Stoughton Utilities customers have

voluntarily chosen to participate in the program and are continuing the "neighbor helping neighbor" concept that founded Stoughton Utilities over a century ago.

Customers wishing to participate in the RoundUP program, or non-profit organizations requesting to be considered for future donations, may sign up online at stoughtonutilities.com/roundup, or by calling Stoughton Utilities customer service at (608) 873-3379.



###

Founded in 1886, Stoughton Utilities serves electric customers in Stoughton and the surrounding area; and wastewater and water customers in Stoughton.

You're invited!
**WE'RE CELEBRATING
AND SO SHOULD YOU.**

We're proud to be one of just 2,000 public power communities nationwide, providing our customers with reliable electric service, local ownership, stable rates, and friendly hometown service.

Join us in celebrating Public Power Week with our Customer Appreciation Day! Stop in the office from 8 a.m. - 4 p.m. for a special ice cream treat and energy efficient gift. Also, enter to win a new energy efficient freezer!

**Join us for
Customer
Appreciation
Day, Oct. 5!**



Shared strength through  WPPI Energy

At Stoughton Utilities we believe affordable public power strengthens our community and helps our neighbors. That's why, through WPPI Energy, we're partnering with other local not-for-profit utilities to share resources and lower costs.

www.stoughtonutilities.com • (608) 873-3379

Monthly Wrap-Up for August 2017

Issued Sept. 7, 2017

Things You Should Know is my monthly wrap-up for members of all things related to WPPI Energy. As always, I welcome your feedback. Hearing directly from you is critical to our ability to serve our members. If you have any questions, comments or concerns, please contact me at 608-834-4557 or mpeters@wppienergy.org.

Moody's Calls WPPI Energy's Bishop Hill III Wind Energy PPA Credit Positive. I have attached for your information an "issuer comment" published recently by Moody's Investors Service following the announcement in July of our purchased power agreement for the output from Bishop Hill III Wind Energy Center.

Moody's, which is one of the "Big Three" bond credit rating agencies, provides buyers and their advisors financial research on bonds issued by commercial and government entities. The agency regularly issues articles like the attached in order to provide its clients with insights on emerging industry trends. Moody's currently rates WPPI's outstanding debt A1 with a stable outlook.

As I described to you in last month's *Things You Should Know* memo, the addition of Bishop Hill III to our portfolio is an excellent development for our membership. As evidenced by their attached commentary, Moody's clearly agrees. The agency has granted permission for WPPI Energy to share this copyright-protected document within our membership.



From left, Lineman Nick Gahlman, New Electric Superintendent Kelvin Schlagel, Retiree Ed Brockner, Utility Accountant Alice Gentz and Utility Billing Clerk Kylie Timm.

Farewell to a Founder. Last week, Juneau Utilities Electric Superintendent Ed Brockner "officially" retired after more than 40 years of service to public power. I say "officially" because Ed actually stepped out of retirement to assist Juneau 10 years ago. Prior to that, he had spent three decades at Waunakee Utilities, including the years leading up to Waunakee joining WPPI in 1981.

There aren't many other founders left out there. Our success as a joint action agency is due, in part, to strong member unity through active and engaged member leaders. We have appreciated Ed's

involvement in this organization for all these years and wish him the very best in his well-deserved retirement!

As I think about the future, the one constant is change. In the last five years, about 20 of our members have had new leadership in their management positions. On our Board, we've had 37 new directors alone. There is likely a role for WPPI in helping new managers become strong local utility leaders and, at the same time, key contributors to this organization. We have a business plan initiative around this issue. There probably will not be a one-size-fits-all approach. We're starting to look at different options of support. I welcome your feedback on this important topic at any time.

See You at the WPPI Energy Annual Meeting – September 14. WPPI Energy's annual meeting will take place on September 14 at the Glacier Canyon Lodge – Wilderness Resort in Wisconsin Dells, Wis. The Board of Directors meeting is the following day. We hope that each member will be represented at this special event. If you planned to attend but were unable to RSVP by the September 1 deadline, please contact Kayla Pierce as soon as possible at 608-834-4537 or kpierce@wppienergy.org.

The Value of Public Power in Action: Mutual Aid in Iowa. Mother Nature has provided us more than one reminder in recent weeks of the devastating impacts that weather-related emergencies can have for communities. Watching the response to these tragedies also reminds us that when the worst happens, it also brings out our best, in the form of caring people and organizations stepping in to help.

One such example is the mutual aid that public power utilities regularly provide one another in order to turn the lights back on during a disaster. In late July, when the public power community of McGregor, Iowa, experienced extensive tornado damage, WPPI Energy member Maquoketa Municipal Electric Utility was there to help. Utility Manager Tom Gaffigan reported that MMEU's Journeymen Electric Linemen Stephen Klein and Chris Krogman, along with Apprentice Electric Lineman Sean McNally, made up one of the 12 crews that provided McGregor with mutual aid in the storm's aftermath. Here are some of their photos, including one that, as Tom notes, features bit of good, old-fashioned pole climbing. Nicely done, Stephen, Chris and Sean.



Seasonal Demand Wholesale Rate in Place. Starting this year, WPPI Energy's monthly wholesale bills to members now track more closely with seasonal demand changes that make the cost of power more expensive in the summer compared to the rest of the year. Member utilities collect these costs from customers on their monthly bills through the Power Cost Adjustment Charge. The impact of this shift on the annual electricity budget for most customers will be neutral. Meanwhile, the change sends more appropriate, cost-based signals during peak summer months and non-peak load conditions.

At the beginning of the year, we provided all members a projection of their monthly costs in 2017 under this new seasonal demand wholesale rate. We're now well over halfway through the summer season in terms of wholesale billing. Actual costs are tracking closely with our projections, and overall customer feedback about the change appears to be neutral thus far. If you have any questions or feedback about the rate, please contact Tim Ament at tament@wppienergy.org or 608-834-4530.

Staff Updates. I am pleased to welcome a new member of the WPPI Energy team. Coley Stafford will join our team on September 18 as a Systems Administrator I.

I am always open to suggestions and feedback from WPPI Energy members. If you have any questions, comments or concerns about WPPI Energy or the updates I have provided here, please don't hesitate to contact me at 608-834-4557 or mpeters@wppienergy.org.

ISSUER COMMENT

24 August 2017

Rate this Research



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 Analyst
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 EMEA 44-20-7772-5454

WPPI Energy, WI

Wind resource agreement to lower costs, diversify power supply and reduce carbon footprint

On August 11, [WPPI Energy](#) (A1 stable), a joint action agency serving 50 municipal electric utilities and one cooperative electric association in Wisconsin, Iowa and Michigan, announced a 22-year power purchase agreement (PPA) to receive all of the electricity from the 132-MW Bishop Hill III Wind Energy Center to be built in Henry County, IL. The PPA is credit positive for WPPI because it adds a cost-effective resource, enhances the diversity of supply and improves the agency's carbon footprint by doubling the wind generation in WPPI's power supply portfolio.

The agreement follows WPPI's January 2017 execution of a 20-year PPA for all power generated from the 100-MW Point Beach Solar Energy Center to be built near Two Rivers, WI. The Bishop Hill III wind energy center development is expected to achieve commercial operation in mid-2018, while the Point Beach solar development is scheduled to be online in 2021.

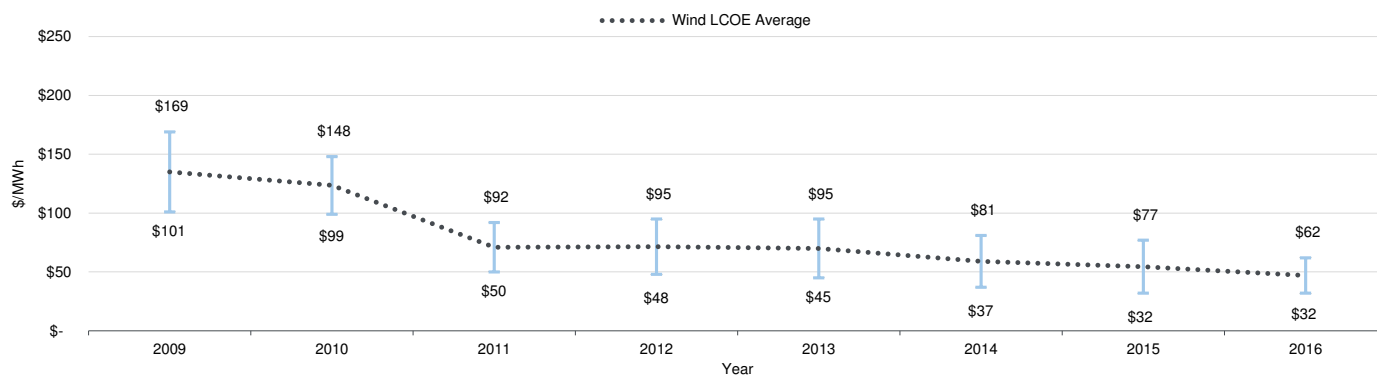
The increase in renewable resources from the two PPAs further decarbonizes WPPI's power supply portfolio and does so with economic and complementary resources. (The wind and solar resources provide a combined output that matches WPPI's load profile in a way that is better than either resource would on its own.) The resources are also projected to lower the joint action agency's purchased power costs, which in turn will help alleviate rate pressure for WPPI's members. Purchased power makes up the largest component of WPPI's cost structure at more than 70% of fiscal 2016 total costs (including O&M, debt service and maintenance capital).

While the framework around carbon regulation in Wisconsin and the US remains uncertain, the decision to enter the renewable PPAs reflects [the increasingly cost-competitive status of wind](#) and solar resources relative to conventional generation technologies, particularly coal (see Exhibit 1).

Exhibit 1

Wind power costs have decreased 66% over the past seven years, making the newly built Bishop Hill III project highly cost-effective for WPPI

Unsubsidized levelized cost of energy ("LCOE") in \$/MWh



Decrease represents average percentage decrease of high end and low end of range
 Source: Lazard Levelized Cost of Energy Analysis 10.0

WPPI has an open power supply position beginning in 2018, with significant flexibility beginning in 2021, and the two recent PPAs have allowed it to add resources that will help satisfy environmental compliance without incurring the cost or risk of maintaining surplus generation.

Prior to the new wind and solar PPAs, WPPI had renewable resources sufficient to comply with Wisconsin and Michigan renewable portfolio standards (RPS) through 2022. (There are currently no renewable resource requirements for WPPI's Iowa members.) WPPI estimates these wind and solar PPAs will increase the renewable portion of its power supply mix from the current 14% to over 22% by 2023, and extend compliance with state RPS requirements through the expiration of the Point Beach solar PPA in 2042.

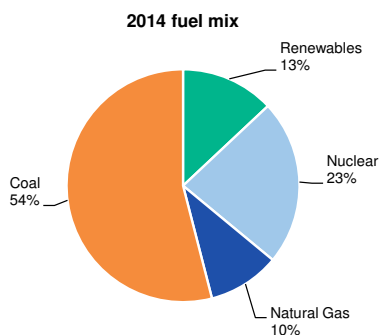
WPPI derives approximately 40% of its capacity from owned generation, with the remaining 60% from PPAs with staggered contract lengths that have allowed WPPI in recent years to shed higher-cost resources for more economic options combined with market energy purchases.

For example, a 50-MW PPA with [Wisconsin Electric Power Company](#) (A2 stable) and a 25-MW tranche of the PPA with [Wisconsin Public Service Corporation](#) (A2 stable) both will expire in 2021, which coincides with the expected commercial operation of the Point Beach Solar Energy Center. WPPI has utilized the staggered duration and flexibility of its PPAs to reduce costs going forward. The addition of Bishop Hill III wind, Point Beach solar, and the recent Nelson Energy Center natural gas PPA highlight WPPI's strengthened supply portfolio with resources that are more affordable and reduce carbon intensity, resulting in less environmental risk exposure (see Exhibits 2 and 3).

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

Exhibit 2

WPPI's fuel mix (energy) is lowering carbon and environmental exposure, and becoming more diverse ...

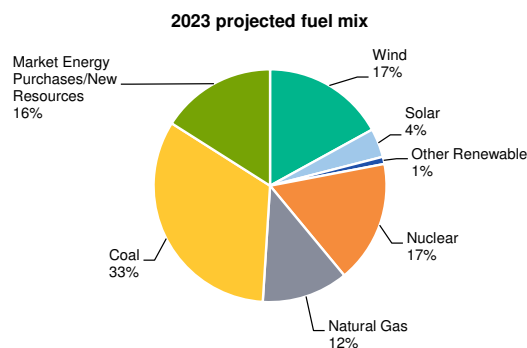


Includes owned generation and purchased power

Source: WPPI Energy

Exhibit 3

... as power supply in 2023 will increase to 22% renewable and 39% zero emission

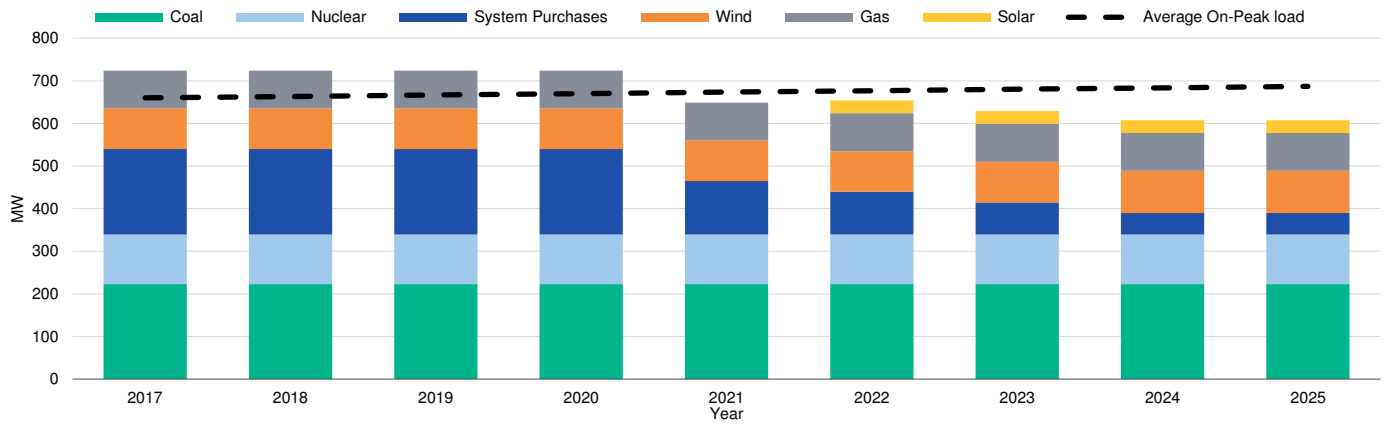


Effective June 1, 2017, WPPI stepped into the first year of a 20-year PPA for 90 MW of capacity and energy from the highly efficient Nelson Energy Center – a 584-MW combined cycle gas turbine facility in Illinois – securing a natural gas resource with a lower heat rate and capacity payment than the Kendall PPA that expired in May 2017. The recent wind (online in mid-2018) and solar (online in 2021) purchases complement WPPI's other zero emission resource, the 117 MW from the Point Beach Nuclear Plant through 2030-2033, while the energy purchased from Nelson is both more economic and has lower carbon intensity than WPPI's coal assets or slice-of-system PPAs with other utilities.

While wind resources have [exhibited more variability than solar](#), WPPI has assumed the wind energy center will only operate at a capacity of 50 MW on average. WPPI has observed historical production and locational marginal pricing data for the existing Bishop Hill I and II facilities, providing it with better certainty as to the capacity and energy value of the Bishop Hill III project. Moreover, executing the wind PPA now has enabled WPPI to obtain favorable economics because the federal renewable electricity production tax credit is set to phase out by the end of 2019. The production tax credit allows WPPI to obtain significantly lower PPA pricing than would be possible in the absence of such a credit. The Bishop Hill III will utilize an existing interconnection to the MISO grid, which will allow it to meet the commercial operation date required by the tax credit and bypass the significant backlog of capacity in the generator interconnection queue.

While renewable energy intermittency can present challenges, wind and solar grid integration has improved and the resources have complementary production profiles. WPPI's overall power supply portfolio remains balanced and reliable, with long-term PPAs for natural gas and nuclear complementing WPPI's ownership interest in the highly efficient Elm Road Generating Station coal plant. WPPI's diverse resources will allow it to continue meeting member energy requirements (see Exhibit 4).

Exhibit 4
WPPI resources will remain sufficient to meet average on-peak load
 Average output in MWs



Source: WPPI Energy

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ORIENTATION TO WPPI ENERGY

Join us for a half-day educational program about our joint action agency. Any member utility employees, officials and governing body leaders are encouraged to attend this information session. In the general session, attendees will learn more about:

- **Ownership in WPPI Energy**
- **Value of public power**
- **Power supply resources and operations**
- **Advocacy/leadership**
- **Programs and support services**
 - » Advanced metering and data management
- » Customer communications
- » Electric costs and rates
- » Electric distribution system services
- » Energy efficiency and renewable energy programs
- **Tour of the building and Systems Operations Center**

Tuesday, October 17

WPPI Energy • Conference Center
1425 Corporate Center Drive • Sun Prairie, WI 53590

8:30 a.m. **Continental Breakfast**
9:00 a.m. **Program**
12:30 p.m. **Lunch**

Interested in attending the orientation?

Simply fill out the RSVP below and return by fax or email to Kayla Pierce at WPPI Energy.

RSVP by Thursday, October 12

FAX:
608-837-0274

EMAIL:
kpierce@wppienergy.org

ONLINE:
www.wppienergy.org/orientation

Utility/Community

Name

Title

Name

Title

Name

Title



The way energy should be

Contact Information

Kayla Pierce
Marketing & Outreach Coordinator
608-834-4537 | Fax: 608-837-0274
kpierce@wppienergy.org

WWW.WPPIENERGY.ORG



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

Date: September 19, 2017

To: Stoughton Utilities Committee

From: Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: Status of the Utilities Committee recommendation(s) to the Stoughton Common Council

The following items from prior Stoughton Utilities Committee Meeting(s) were reported to, or acted upon by the Stoughton Common Council at their August 22 meeting:

Consent Agenda:

- Stoughton Utilities Payments Due List Report
- Stoughton Utilities Committee July 17, 2017 Meeting Minutes
- Stoughton Utilities June 2017 Financial Summary
- Stoughton Utilities June 2017 Statistical Report

Business:

- None



Stoughton Utilities

600 South Fourth Street
P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

Date: September 19, 2017

To: Stoughton Utilities Committee

From: Jamin Friedl, CPA
Stoughton Utilities Finance and Administrative Manager

Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: Stoughton Utilities Proposed 2018 Budget And Five Year (2018 – 2022) Capital Improvement Projects (CIP) Plan.

We have completed efforts utilizing system plans, projections and engineering studies, and 2018 financial forecasts to develop our Proposed 2018 Budget and Five-Year CIP Plan. The following items are meant to illustrate changes in the financial summary from prior periods:

- At this point in time the City is tentatively proposing a 2.25% COLA adjustment and not planning to take market value or merit adjustments into account. The inflationary amounts used for budgeting purposes cover the majority of the proposed wage increases.

For discussion purposes, we have included an overall increase of approximately \$69,000 (3.30%) over 2017 in the supporting budget documents, which was calculated using information from the Municipal Electric Utilities of Wisconsin (MEUW). This would allow Stoughton Utilities to maintain competitive wages among similar sized municipalities throughout Wisconsin should the City consider using the information obtained by the Utilities.

- The proposed 2018 budget does not include possible increases in sales revenue from the proposed construction of the new hotel and senior center. However, we have calculated the estimated increase in sales revenues and provided this information in the supporting budget documents.
- The following inflationary amounts were used where appropriate:
 - Electric O&M – 1.50%
 - Electric PILOT – 1.50%
 - Water O&M – 2.00%
 - Water PILOT – 1.50%
 - Wastewater O&M – 2.00%

- The expense amounts associated with GASB 68 (Pensions) are not possible to calculate at this point in time for 2017 and 2018, so the 2016 amounts were used for budgetary purposes.
 - Electric - \$57,300
 - Water - \$20,000
 - Wastewater - \$22,500

- The proposed 2018 budget does not take into account any anticipated rate adjustments. Based on the 5 year cash flow projections prepared by the Utilities, we are anticipating the following rate adjustments in 2018:
 - Electric – 0.00%
 - Water – 12.50%
 - Wastewater – 18.00%
 - The adjustments will result in an increase of \$3.65 to the average water residential customer’s monthly bill and \$6.65 to the average wastewater residential customer’s monthly bill, assuming 6,000 gallons per month.

- Capital contributions of approximately \$96,000 are included as non-operating revenue in the proposed 2018 electric budget. No contributions are included as non-operating revenue in the proposed 2018 water and wastewater budgets as no information is readily available at this point in time.

Our Stoughton Utilities Proposed 2018 Budget and Five-Year CIP is provided for approval and recommendation to the City of Stoughton Common Council. It will be presented at an October 5, 2017 Common Council workshop, and is scheduled for Common Council adoption on November 14, 2017.

Encl.



STOUGHTON UTILITIES

Proposed Annual Budget for the Year
2018

**FOR THE FISCAL YEAR
JANUARY 1, 2018 THROUGH
DECEMBER 31, 2018
Jamin Friedl, CPA**



**Stoughton Utilities
2018 Proposed Budget Summary**

accounting shared/budget/

	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
OPERATING REVENUES	\$ 15,365,630	\$ 2,090,337	\$ 2,081,466	\$ 19,537,433
OPERATING EXPENSES				
Operation & Maintenance Expense	\$ 13,437,669	\$ 1,030,789	\$ 1,073,673	\$ 15,542,131
Taxes (PILOT)	\$ 440,296	\$ 453,735	\$ -	\$ 894,031
Depreciation	\$ 1,104,375	\$ 456,908	\$ 821,731	\$ 2,383,013
Total Operating Expenses	\$ 14,982,340	\$ 1,941,432	\$ 1,895,404	\$ 18,819,175
Operating Income	\$ 383,290	\$ 148,905	\$ 186,062	\$ 718,258
Non-operating Revenues (Expenses):				
Investment Income	\$ 96,465	\$ 13,511	\$ 14,630	\$ 124,606
Interest Expenses	\$ (121,613)	\$ (52,056)	\$ (120,232)	\$ (293,901)
Capital Contributions	\$ 95,850	\$ -	\$ -	\$ 95,850
Miscellaneous Revenues (Expenses)	\$ (78,300)	\$ (26,680)	\$ -	\$ (104,980)
Total Non-operating Revenues (Expenses)	\$ (7,598)	\$ (65,225)	\$ (105,602)	\$ (178,425)
Net Income	\$ 375,692	\$ 83,680	\$ 80,460	\$ 539,833

STOUGHTON ELECTRIC UTILITY
OPERATING REVENUES AND EXPENSES
FORECASTED FOR THE YEAR 2018

9/12/2017 14:26

OPERATING REVENUES	Proposed	% Change	Estimated	Actual	Actual	Actual
Sales	2018	2018/2017	2017	2016	2015	2014
Residential	\$ 7,835,708	1.6%	\$ 7,712,154	\$ 7,708,714	\$ 7,467,797	\$ 7,714,399
General Service	\$ 1,994,339	1.6%	\$ 1,962,344	\$ 1,975,648	\$ 2,049,345	\$ 2,099,757
Small Power CP1 Customers	\$ 1,604,696	1.7%	\$ 1,577,237	\$ 1,509,874	\$ 1,548,289	\$ 1,618,430
Large Power CP2 Customers	\$ 895,365	1.9%	\$ 878,304	\$ 914,513	\$ 885,980	\$ 1,044,735
Industrial Power CP3 Customers	\$ 2,754,171	1.9%	\$ 2,701,552	\$ 2,742,903	\$ 2,814,381	\$ 2,805,130
Street Lighting	\$ 128,101	1.1%	\$ 126,707	\$ 129,286	\$ 140,565	\$ 137,049
Total Sales	\$ 15,212,380	1.7%	\$ 14,958,298	\$ 14,980,938	\$ 14,906,357	\$ 15,419,500
Other Operating Revenues						
Forfeited Discounts (Penalties, NSF, Reconnect)	\$ 35,980	1.7%	\$ 35,379	\$ 35,433	\$ 38,202	\$ 43,090
Other (Permits, ATC Common Facilities, etc.)	\$ 117,270	-0.5%	\$ 117,871	\$ 99,834	\$ 112,469	\$ 141,399
Total Other Operating Revenues	\$ 153,250		\$ 153,250	\$ 135,267	\$ 150,671	\$ 184,489
Total Operating Revenues	\$ 15,365,630		\$ 15,111,548	\$ 15,116,205	\$ 15,057,028	\$ 15,603,989
OPERATING EXPENSES						
Power Production Expenses (WPPI-Wholesale Power)	\$ 11,665,045	1.6%	\$ 11,482,455	\$ 11,588,139	\$ 11,656,672	\$ 12,122,364
Transmission/Distribution (Substations, Poles, Lines, etc.)	\$ 580,449	-5.9%	\$ 616,870	\$ 551,179	\$ 534,071	\$ 603,869
Customer Accounting and Collection	\$ 284,149	1.5%	\$ 279,950	\$ 284,394	\$ 254,671	\$ 244,943
Administrative and General (Salaries, Benefits, Insurance)	\$ 908,026	1.5%	\$ 894,604	\$ 905,895	\$ 815,996	\$ 799,095
Depreciation	\$ 1,104,375	8.8%	\$ 1,014,950	\$ 996,954	\$ 965,661	\$ 934,151
PILOT	\$ 440,296	10.2%	\$ 399,634	\$ 376,785	\$ 370,260	\$ 366,032
Total Operating Expenses	\$ 14,982,340		\$ 14,688,463	\$ 14,703,346	\$ 14,597,331	\$ 15,070,454
OPERATING INCOME (LOSS)	\$ 383,290		\$ 423,085	\$ 412,859	\$ 459,697	\$ 533,535
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	\$ 96,465	2.1%	\$ 94,436	\$ 92,308	\$ 101,749	\$ 80,893
Capital Contributions (Developer/Customer Contributions)	\$ 95,850		\$ 95,850	\$ 594,526	\$ 220,414	\$ 80,949
Interest Expense	\$ (121,613)	-4.4%	\$ (127,228)	\$ (259,092)	\$ (142,393)	\$ (155,041)
Miscellaneous Income (Expense), GASB 68, Tax Dividend	\$ (78,300)		\$ (78,300)	\$ (13,335)	\$ 282,418	\$ (9,499)
Total Non-Operating Revenues (Expenses)	\$ (7,598)		\$ (15,242)	\$ 414,407	\$ 462,188	\$ (2,698)
NET INCOME	\$ 375,692		\$ 407,843	\$ 827,266	\$ 921,885	\$ 530,837
ROR	3.59%		4.29%	4.95%	4.64%	5.29%

**STOUGHTON ELECTRIC UTILITY
REGULATORY OPERATING INCOME
2017 ESTIMATED / PRORATED / TY 2017 RATE CASE**

OPERATING REVENUES	Estimated	Prorated	Per TY 2017
Sales	2017	2017	Rate Case
Total Sales	\$ 14,958,298	\$ 15,331,463	\$ 15,059,833
Other Operating Revenues			
Total Other Operating Revenues	\$ 153,250	\$ 169,600	\$ 163,535
Total Operating Revenues	\$ 15,111,548	\$ 15,501,063	\$ 15,223,368
OPERATING EXPENSES			
Power Production Expenses (WPPI-Wholesale Power)	\$ 11,482,455	\$ 11,757,127	\$ 11,511,267
O&M	\$ 1,791,424	\$ 1,749,805	\$ 1,705,326
Depreciation	\$ 880,248	\$ 875,856	\$ 960,953
Taxes	\$ 399,634	\$ 396,000	\$ 415,131
Total Operating Expenses	\$ 14,553,761	\$ 14,778,788	\$ 14,592,677
REGULATORY OPERATING INCOME (LOSS)	\$ 557,787	\$ 722,275	\$ 630,691

Significant Assumptions:

- Did not factor in actual proposed wage changes	
- 2017 Estimated Labor (Including WRS and FICA)	\$ 1,156,192
- 2018 Budgeted Labor (Including WRS and FICA)	\$ 1,193,697
Proposed \$ Increase	\$ 37,505 *
Proposed % Increase	3.24%
Revised ROR	3.33% *

* - This does not include the 1.5% inflationary amount already factored in and amounts recorded to capital accounts.
Actual impact on the ROR would be less than what is shown here.

- 1.5% inflationary factor used for O&M and PILOT.

- Assumed similar GASB 68 and tax dividend expense for 2017/2018 as in 2016 as this is nearly impossible to predict at th

- Did not factor in proposed increases in consumption related to the new hotel and senior center

- Estimated Hotel Consumption in kWh	342,498
- Estimated Hotel Consumption in KW	882
- Estimated Hotel Revenue	\$ 35,000
- Estimated Purchased Power Costs	\$ (25,550)
- Estimated Senior Center Consumption in kWh	307,600
- Estimated Senior Center Consumption in KW	708
- Estimated Senior Center Revenue	\$ 30,000
- Estimated Purchased Power Costs	\$ (21,900)
- Estimated Net Revenue	\$ 17,550

- Only factored in average contributions in aid of construction for 2017 and 2018. Did not take into account any major

**STOUGHTON ELECTRIC UTILITY
EXPLANATION OF MAJOR CHANGES**

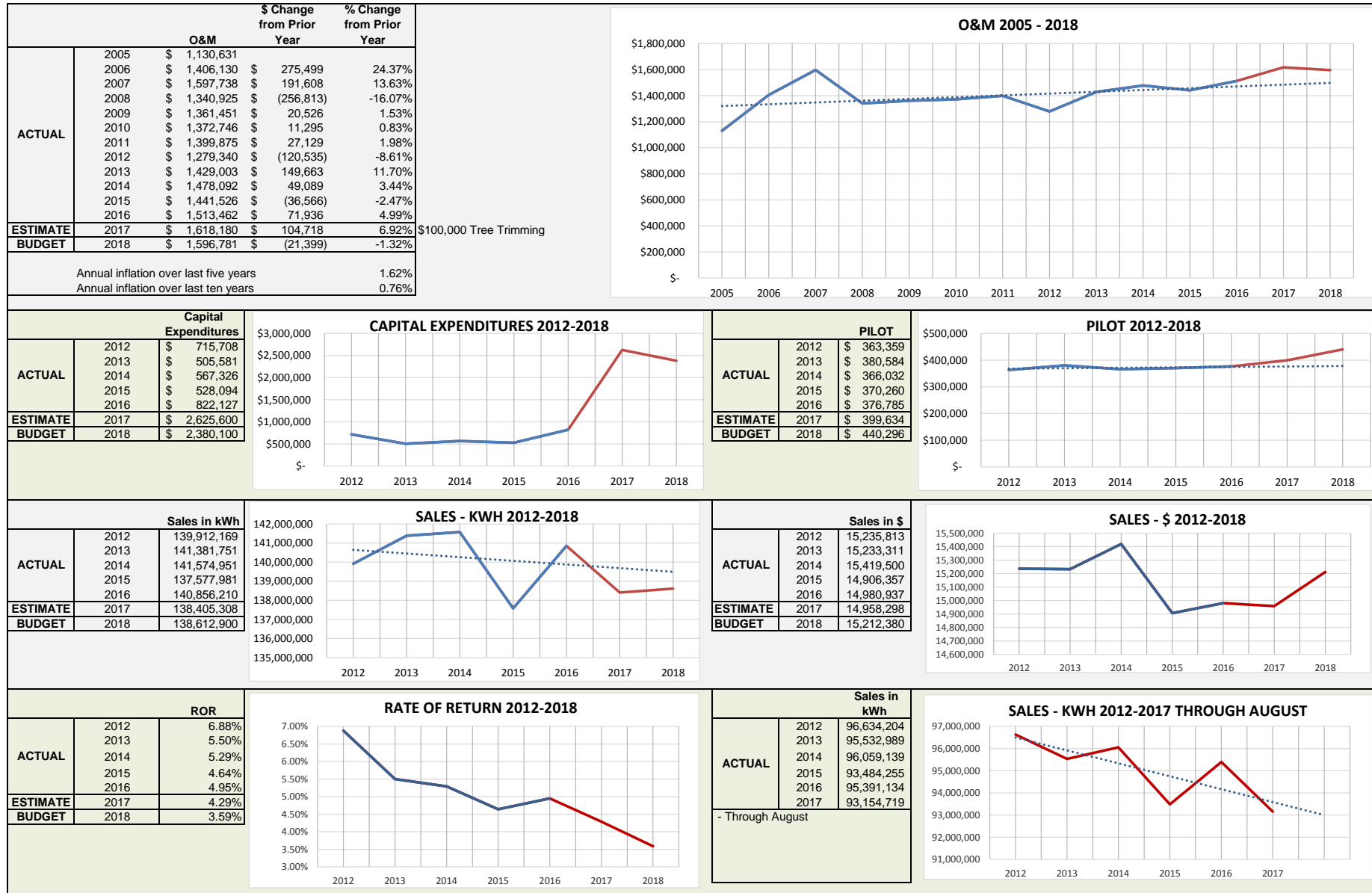
- Sales Revenue (2017 - 2018)	\$ 254,082
- Change in PCAC	\$ 166,564
- Estimated Growth and Change in Rate Structure	\$ 87,518
- Depreciation Expense (2017 - 2018)	\$ 89,425
- 2018 Increase in Capital Assets	\$ 3,851,297
- 2017 Increase in Capital Assets	\$ 944,021
- Estimated Composite Depreciation Rate	3.50%
- 2018 Increase in Depreciation Expense	<u>\$ 83,918</u> *

* - These will not tie exactly to the changes noted due to using the composite depreciation rate use for this analysis

- PILOT Expense (2017 - 2018)	\$ 40,662
- 1/1/2017 Plant Balance	\$ 28,289,994
- Less: 1/1/2017 Plant O/S City Limits Balance	\$ (8,356,203)
- Add: 1/1/2017 CWIP Balance	\$ 189,399
- Add: 1/1/2017 Inventory Balance	\$ 163,294
- Add: 1/1/2017 Future Use Balance	<u>\$ 352,664</u>
	\$ 20,639,148
- 2016 Assessment Ratio	99.5744%
- 2016 Mill Rate * Inflation	19.445662
- 2017 PILOT Estimate	<u>\$ 399,634</u>
- 1/1/2017 Plant Balance	\$ 28,289,994
- Estimated 2018 Plant/CWIP Additions	<u>\$ 2,556,021</u>
- Estimated 1/1/2018 Plant Balance	\$ 30,846,015
- Less: Estimated 1/1/2017 Plant O/S City Limits Balance	\$ (8,606,203)
- Add: Estimated 1/1/2018 Inventory Balance	<u>\$ 163,294</u>
	\$ 22,403,106
- 2016 Assessment Ratio	99.5744%
- 2017 Mill Rate * Inflation	19.737347
- 2017 PILOT Estimate	<u>\$ 440,296</u>
- Miscellaneous Income (Expense) (2017 - 2018)	
- Net Pension (Expense) Income 2015	\$ 7,973
- Net Pension (Expense) Income 2016	\$ (57,322) A
- Tax Dividend 2015	\$ (23,455)
- Tax Dividend 2016	<u>\$ (21,213) A</u>
- Sum of A 's - Total Misc. Income (Expense)	<u>\$ (78,535)</u>
Amount used for 2017/2018	

- Interest Expense (2016 - 2017)	
- The decrease from 2016 to 2017 is due to \$110,140 in debt issuance costs	

**STOUGHTON ELECTRIC UTILITY
2018 BUDGET**



— Actual / Forecasted - Forecasted trend based on historical data

**STOUGHTON WATER UTILITY
OPERATING REVENUES AND EXPENSES
FORECASTED FOR THE YEAR 2018**

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OPERATING REVENUES	Proposed 2018	% Change 2018/2017	Estimated 2017	Actual 2016	Actual 2015	Actual 2014
Sales						
Residential	\$ 906,459	0.0%	\$ 906,459	\$ 876,828	\$ 805,271	\$ 793,284
Multi-family Residential	\$ 68,994	0.0%	\$ 68,994	\$ 65,660	\$ 56,463	\$ 59,595
Commercial	\$ 166,726	0.0%	\$ 166,726	\$ 156,718	\$ 136,433	\$ 146,790
Industrial	\$ 313,314	0.0%	\$ 313,314	\$ 298,592	\$ 268,342	\$ 251,139
Public Authority (City Buildings)	\$ 20,028	0.0%	\$ 20,028	\$ 18,747	\$ 18,485	\$ 16,738
Private Fire Protection	\$ 41,412	0.0%	\$ 41,412	\$ 38,842	\$ 29,373	\$ 28,385
Public Fire Protection	\$ 542,804	0.0%	\$ 542,804	\$ 498,439	\$ 446,666	\$ 432,068
Total Sales	\$ 2,059,737		\$ 2,059,737	\$ 1,953,826	\$ 1,761,033	\$ 1,727,999
Other Operating Revenues						
Forfeited Discounts (Penalties, NSF, Reconnect)	\$ 6,651	0.0%	\$ 6,651	\$ 6,309	\$ 4,610	\$ 4,526
Other (Joint Metering Allocation, Permits)	\$ 23,949	2.6%	\$ 23,349	\$ 40,989	\$ 18,773	\$ 18,436
Total Other Operating Revenues	\$ 30,600		\$ 30,000	\$ 47,298	\$ 23,383	\$ 22,962
Total Operating Revenues	\$ 2,090,337		\$ 2,089,737	\$ 2,001,124	\$ 1,784,416	\$ 1,750,961
OPERATING EXPENSES						
Source of Supply (Maintenance of Wells)	\$ 32,395	346.8%	\$ 7,250	\$ 4,675	\$ 8,640	\$ 8,377
Pumping (Well Pumps and Fuel)	\$ 185,452	2.0%	\$ 181,815	\$ 201,656	\$ 167,439	\$ 162,084
Water Treatment (Chemicals)	\$ 59,415	2.0%	\$ 58,250	\$ 68,578	\$ 58,054	\$ 46,955
Transmission/Distribution (Mains, Towers, Services, Hydrants)	\$ 277,782	-2.8%	\$ 285,925	\$ 262,642	\$ 246,963	\$ 290,575
Customer Accounting and Collection	\$ 104,652	2.0%	\$ 102,600	\$ 99,998	\$ 89,396	\$ 83,022
Administrative and General (Salaries, Benefits, Insurance)	\$ 371,093	1.0%	\$ 367,416	\$ 374,656	\$ 315,278	\$ 312,582
Depreciation	\$ 456,908	3.1%	\$ 443,232	\$ 428,084	\$ 408,632	\$ 390,653
PILOT	\$ 453,735	6.1%	\$ 427,822	\$ 387,855	\$ 363,249	\$ 373,367
Total Operating Expenses	\$ 1,941,432		\$ 1,874,310	\$ 1,828,144	\$ 1,657,651	\$ 1,667,615
OPERATING INCOME	\$ 148,905		\$ 215,427	\$ 172,980	\$ 126,765	\$ 83,346
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	\$ 13,511	13.2%	\$ 11,937	\$ 25,029	\$ 8,609	\$ 2,118
Interest Expense	\$ (52,056)	-6.8%	\$ (55,850)	\$ (118,861)	\$ (76,423)	\$ (80,004)
Capital Contributions (Developer/Customer Contributions)	\$ -		\$ 241,564	\$ 972,176	\$ 999,352	\$ 26,500
Miscellaneous Income (Expense), GASB 68, Tax Dividend	\$ (26,680)	0.0%	\$ (26,680)	\$ (6,692)	\$ 99,707	\$ (10,278)
Total Non-Operating Revenues (Expenses)	\$ (65,225)		\$ 170,971	\$ 871,652	\$ 1,031,245	\$ (61,664)
NET INCOME	\$ 83,680		\$ 386,398	\$ 1,044,632	\$ 1,158,010	\$ 21,682

**STOUGHTON WATER UTILITY
REGULATORY OPERATING INCOME
2017 ESTIMATED / PRORATED**

OPERATING REVENUES	Estimated	Prorated
Sales	2017	2017
Total Sales	\$ 2,059,737	\$ 2,014,005
Other Operating Revenues		
Total Other Operating Revenues	\$ 30,000	\$ 44,460
Total Operating Revenues	\$ 2,089,737	\$ 2,058,465
OPERATING EXPENSES		
O&M	\$ 1,003,256	\$ 950,088
Depreciation	\$ 443,232	\$ 439,704
Taxes	\$ 427,822	\$ 420,996
Total Operating Expenses	\$ 1,874,310	\$ 1,810,788
REGULATORY OPERATING INCOME (LOSS)	\$ 215,427	\$ 247,677

Significant Assumptions:

- Did not factor in actual proposed wage changes	
- 2017 Estimated Labor (Including WRS and FICA)	\$ 448,327
- 2018 Budgeted Labor (Including WRS and FICA)	\$ 464,832
Proposed \$ Increase	\$ 16,505 *
Proposed % Increase	3.68%
Revised ROR	2.53% *

* - This does not include the 2.0% inflationary amount already factored in and amounts recorded to capital accounts.
Actual impact on the ROR would be less than what is shown here.

- 2.0% inflationary factor used for O&M and 1.5% for PILOT.

- Assumed 0% growth in consumption from 2017-2018.

- Assumed similar GASB 68 and tax dividend expense for 2017/2018 as in 2016 as this is nearly impossible to predict at this time.

- Did not factor in proposed increases in consumption related to the new hotel and senior center

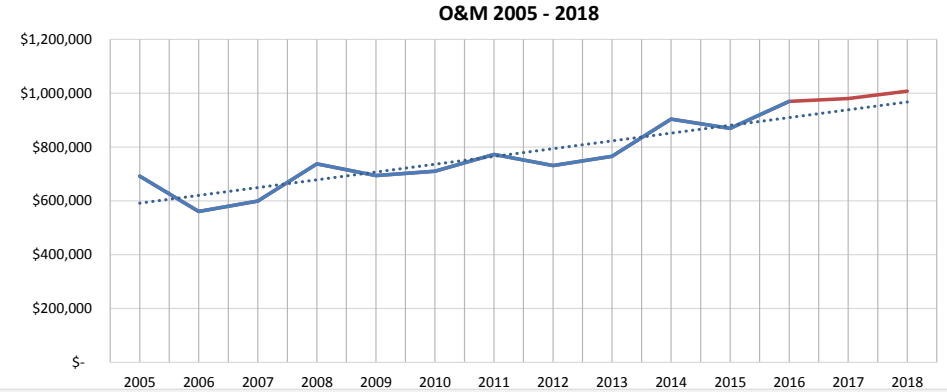
- Estimated Hotel Consumption in Gallons	1,623,000
- Estimated Hotel Revenue	\$ 3,600
- Estimated Senior Center Consumption in Gallons	410,000
- Estimated Senior Center Revenue	\$ 1,225
- Estimated Net Revenue	\$ 4,825

**STOUGHTON WATER UTILITY
EXPLANATION OF MAJOR CHANGES**

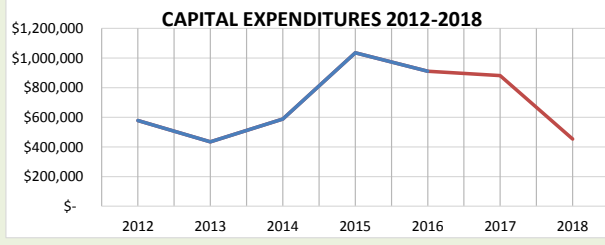
- Source of Supply Expenses	\$ 25,145
- Well #7 Rehab	\$ 25,000
- T & D Expenses - Change From 2016 - 2017	\$ 23,283
- 2017 Meter Chamber Replacement Program Expenses	\$ 18,000
- PILOT Expense - Change From 2016 - 2018	\$ 65,880
- 1/1/2017 Plant Balance	\$ 21,979,504
- Less: 1/1/2017 Plant O/S City Limits Balance	\$ -
- Add: 1/1/2017 CWIP Balance	\$ 80,638
- Add: 1/1/2017 Inventory Balance	\$ 34,812
- Add: 1/1/2017 Future Use Balance	\$ -
	<u>\$ 22,094,954</u>
- 2016 Assessment Ratio	99.5744%
- 2016 Mill Rate * Inflation	19.445662
- 2017 PILOT Estimate	<u>\$ 427,822</u>
- 1/1/2017 Plant Balance	\$ 21,979,504
- Estimated 2018 Plant/CWIP Additions	<u>\$ 1,072,419</u>
- Estimated 1/1/2018 Plant Balance	\$ 23,051,923
- Less: Estimated 1/1/2017 Plant O/S City Limits Balance	\$ -
- Add: Estimated 1/1/2018 Inventory Balance	\$ 35,000
	<u>\$ 23,086,923</u>
- 2016 Assessment Ratio	99.5744%
- 2017 Mill Rate * Inflation	19.737347
- 2017 PILOT Estimate	<u>\$ 453,735</u>
- Miscellaneous Income (Expense)	
- Net Pension (Expense) Income 2015	\$ 1,955
- Net Pension (Expense) Income 2016	\$ (19,979) A
- Tax Dividend 2015	\$ (59)
- Tax Dividend 2016	\$ (2,412) A
- Sum of A 's - Added to Misc. Income (Expense)	<u>\$ (22,391)</u>
Amount used for 2017/2018	
- Interest Expense	
- The decrease from 2016 to 2017 is due to \$47,812 in debt issuance costs	

**STOUGHTON WATER UTILITY
2018 BUDGET**

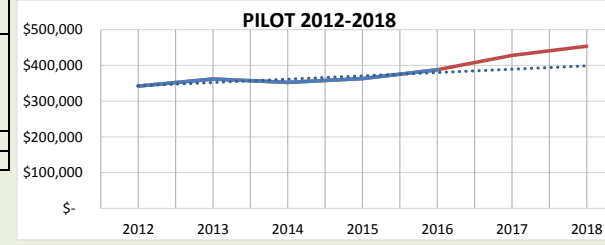
		O&M	\$ Change from Prior Year	% Change from Prior Year	
ACTUAL	2005	\$ 692,278			
	2006	\$ 560,768	\$ (131,510)	-19.00%	
	2007	\$ 599,681	\$ 38,913	6.94%	
	2008	\$ 737,856	\$ 138,175	23.04%	
	2009	\$ 694,227	\$ (43,629)	-5.91%	
	2010	\$ 710,376	\$ 16,149	2.33%	
	2011	\$ 772,586	\$ 62,210	8.76%	
	2012	\$ 731,538	\$ (41,048)	-5.31%	
	2013	\$ 765,381	\$ 33,843	4.63%	
	2014	\$ 903,595	\$ 138,214	18.06%	
	2015	\$ 869,159	\$ (34,436)	-3.81%	
2016	\$ 969,933	\$ 100,774	11.59%		
ESTIMATE	2017	\$ 980,540	\$ 10,607	1.09%	\$18K Meter Chamber Replacement Program \$25K Well #7 rehab and large meter testing
BUDGET	2018	\$ 1,007,618	\$ 27,078	2.76%	
Annual inflation over last five years				5.11%	
Annual inflation over last ten years				7.30%	



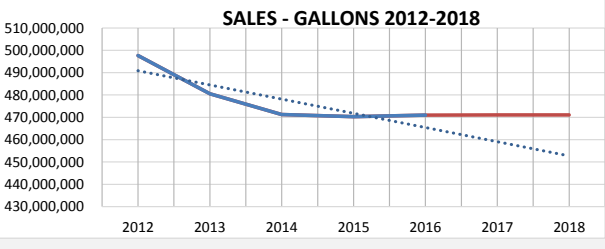
		Capital Expenditures
ACTUAL	2012	\$ 577,893
	2013	\$ 434,301
	2014	\$ 588,494
	2015	\$ 1,035,382
	2016	\$ 911,032
ESTIMATE	2017	\$ 880,900
BUDGET	2018	\$ 453,400



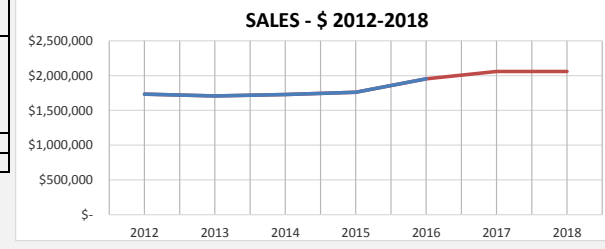
		PILOT
ACTUAL	2012	\$ 342,159
	2013	\$ 361,820
	2014	\$ 352,700
	2015	\$ 363,249
	2016	\$ 387,855
ESTIMATE	2017	\$ 427,822
BUDGET	2018	\$ 453,735



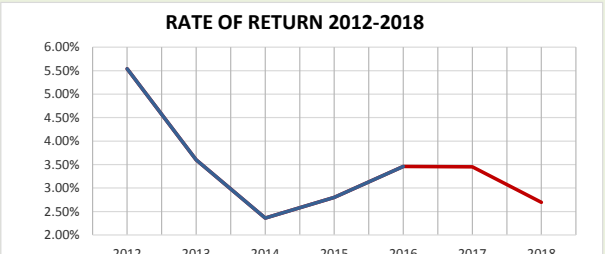
		Sales in Gallons
ACTUAL	2012	497,664,000
	2013	480,521,000
	2014	471,267,000
	2015	470,300,000
	2016	470,982,000
ESTIMATE	2017	471,048,000
BUDGET	2018	471,048,000



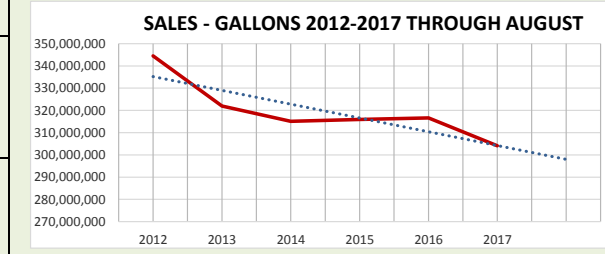
		Sales in \$
ACTUAL	2012	1,733,587
	2013	1,707,683
	2014	1,727,999
	2015	1,761,033
	2016	1,953,826
ESTIMATE	2017	2,059,737
BUDGET	2018	2,059,737



		ROR
ACTUAL	2012	5.54%
	2013	3.60%
	2014	2.36%
	2015	2.80%
	2016	3.46%
ESTIMATE	2017	3.45%
BUDGET	2018	2.70%



		Sales in Gallons
ACTUAL	2012	344,504,000
	2013	321,965,000
	2014	315,055,000
	2015	315,965,000
	2016	316,653,000
2017	304,105,000	
- Through August		



— Actual / Forecasted Forecasted trend based on historical data

**STOUGHTON WASTEWATER UTILITY
OPERATING REVENUES AND EXPENSES
FORECASTED FOR THE YEAR 2018**

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OPERATING REVENUES	Proposed 2018	% Change 2018/2017	Estimated 2017	Actual 2016	Actual 2015	Actual 2014
Sales						
Residential	\$ 1,403,592	0.00%	\$ 1,403,592	\$ 1,405,052	\$ 1,399,906	\$ 1,354,439
Commercial	\$ 434,076	0.00%	\$ 434,076	\$ 434,528	\$ 417,257	\$ 456,341
Industrial	\$ 135,648	0.00%	\$ 135,648	\$ 135,789	\$ 150,898	\$ 180,296
Public Authority (City Buildings)	\$ 23,150	0.00%	\$ 23,150	\$ 23,174	\$ 25,331	\$ 26,590
Total Sales	\$ 1,996,466		\$ 1,996,466	\$ 1,998,543	\$ 1,993,392	\$ 2,017,666
Other Operating Revenues						
Forfeited Discounts (Penalties, NSF, Reconnect)	\$ 4,687	0.00%	\$ 4,687	\$ 4,692	\$ 4,915	\$ 5,116
Other (BOD/Suspended Solids Surcharge)	\$ 80,313	0.00%	\$ 80,313	\$ 32,767	\$ 39,528	\$ 28,103
Total Operating Revenues	\$ 2,081,466		\$ 2,081,466	\$ 2,036,002	\$ 2,037,835	\$ 2,050,885
OPERATING EXPENSES						
Plant (General WWTP Plant Maintenance)	\$ 434,142	2.0%	\$ 425,629	\$ 421,811	\$ 418,655	\$ 411,384
Customer Accounting and Collection	\$ 151,117	2.0%	\$ 148,154	\$ 145,249	\$ 136,974	\$ 116,233
Administrative and General (Salaries, Benefits, Insurance)	\$ 488,414	2.5%	\$ 476,582	\$ 453,238	\$ 486,532	\$ 417,163
Depreciation	\$ 821,731	1.0%	\$ 813,812	\$ 796,285	\$ 777,150	\$ 726,884
Total Operating Expenses	\$ 1,895,404		\$ 1,864,177	\$ 1,816,583	\$ 1,819,311	\$ 1,671,664
OPERATING INCOME	\$ 186,062		\$ 217,289	\$ 219,419	\$ 218,524	\$ 379,221
NON-OPERATING REVENUES (EXPENSES)						
Investment Income	\$ 14,630	-1.7%	\$ 14,881	\$ 2,485	\$ 9,863	\$ 11,559
Interest Expense	\$ (120,232)	-10.9%	\$ (134,977)	\$ (147,663)	\$ (151,995)	\$ (105,611)
Capital Contributions (Developer/Customer Contributions)	\$ -		\$ 204,950	\$ 846,838	\$ 647,528	\$ 37,600
Miscellaneous Income (Expense)	\$ -		\$ -	\$ -	\$ 113,909	\$ -
Total Non-Operating Revenues (Expenses)	\$ (105,602)		\$ 84,854	\$ 701,660	\$ 619,305	\$ (56,452)
NET INCOME	\$ 80,460		\$ 302,143	\$ 921,079	\$ 837,829	\$ 322,769

**STOUGHTON WASTEWATER UTILITY
OPERATING INCOME
2017 ESTIMATED / PRORATED**

OPERATING REVENUES	Estimated	Prorated
Sales	2017	2017
Total Sales	\$ 1,996,466	\$ 1,978,242
Other Operating Revenues		
Total Other Operating Revenues	\$ 85,000	\$ 91,374
Total Operating Revenues	\$ 2,081,466	\$ 2,069,616
OPERATING EXPENSES		
O&M	\$ 1,050,365	\$ 989,459
Depreciation	\$ 813,812	\$ 815,004
Total Operating Expenses	\$ 1,864,177	\$ 1,804,463
OPERATING INCOME (LOSS)	\$ 217,289	\$ 265,153

Significant Assumptions:

- Did not factor in actual proposed wage changes	
- 2017 Estimated Labor (Including WRS and FICA)	\$ 484,398
- 2018 Budgeted Labor (Including WRS and FICA)	\$ 499,352
Proposed \$ Increase	\$ 14,954 *
Proposed % Increase	3.09%

* - This does not include the 2.0% inflationary amount already factored in and amounts recorded to capital accounts.

- 2.0% inflationary factor used for O&M.

- Assumed 0% growth in consumption from 2017-2018.

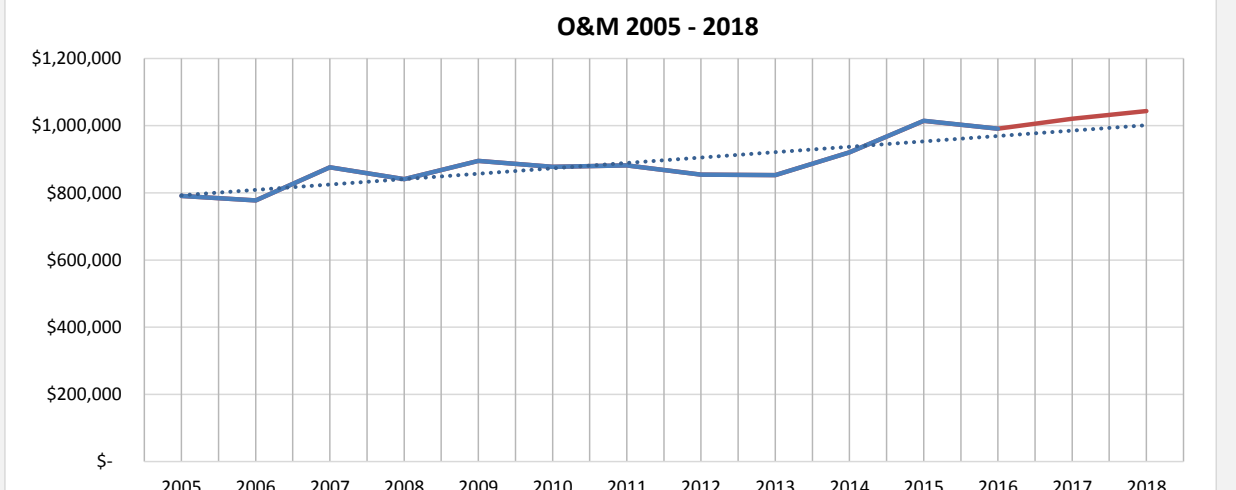
- Assumed similar GASB 68 expense for 2017/2018 as in 2016 as this is nearly impossible to predict at this time.

- Did not factor in proposed increases in consumption related to the new hotel and senior center

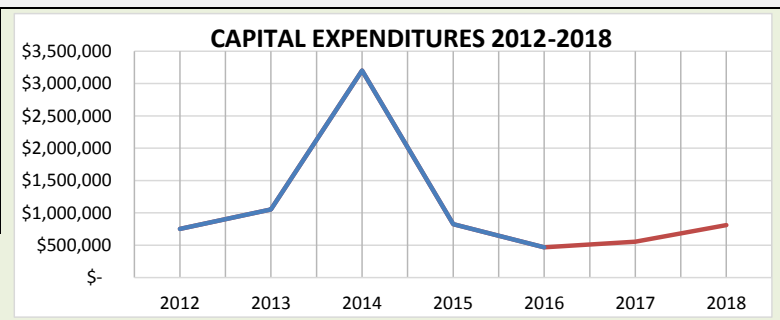
- Estimated Hotel Consumption in Gallons	1,623,000
- Estimated Hotel Revenue	\$ 8,300
- Estimated Senior Center Consumption in Gallons	410,000
- Estimated Senior Center Revenue	\$ 2,000
- Estimated Net Revenue	\$ 10,300

**STOUGHTON WASTEWATER UTILITY
2018 BUDGET**

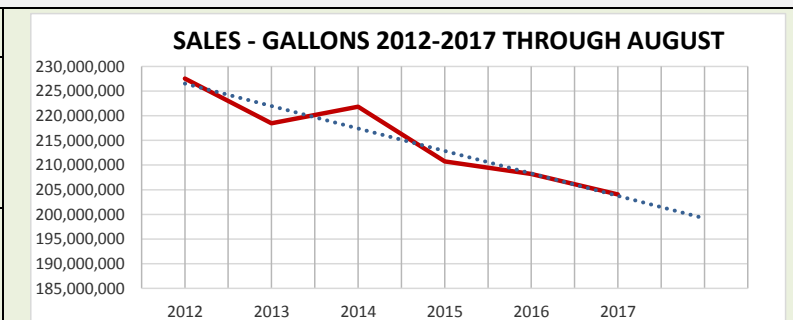
		O&M	\$ Change from Prior Year	% Change from Prior Year
ACTUAL	2005	\$ 790,772		
	2006	\$ 777,451	\$ (13,321)	-1.68%
	2007	\$ 876,213	\$ 98,762	12.70%
	2008	\$ 841,128	\$ (35,085)	-4.00%
	2009	\$ 895,052	\$ 53,924	6.41%
	2010	\$ 877,416	\$ (17,636)	-1.97%
	2011	\$ 881,409	\$ 3,993	0.46%
	2012	\$ 853,923	\$ (27,486)	-3.12%
	2013	\$ 852,874	\$ (1,049)	-0.12%
	2014	\$ 920,411	\$ 67,537	7.92%
ESTIMATE	2015	\$ 1,014,589	\$ 94,178	10.23%
	2016	\$ 991,343	\$ (23,246)	-2.29%
BUDGET	2017	\$ 1,020,831	\$ 29,488	2.97%
BUDGET	2018	\$ 1,043,548	\$ 22,717	2.23%
Annual inflation over last five years				2.49%
Annual inflation over last ten years				2.75%



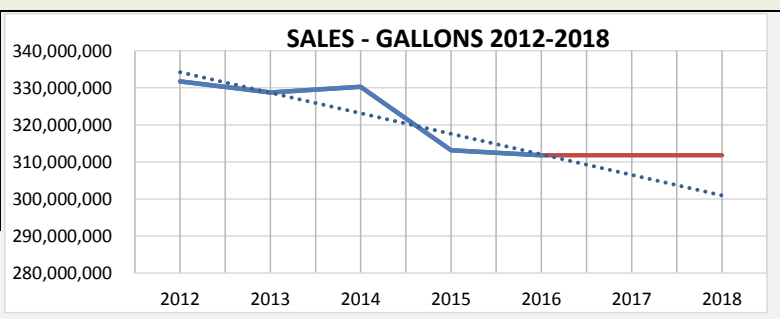
		Capital Expenditures
ACTUAL	2012	\$ 752,227
	2013	\$ 1,053,700
	2014	\$ 3,201,974
	2015	\$ 827,288
	2016	\$ 467,678
ESTIMATE	2017	\$ 555,950
BUDGET	2018	\$ 813,000



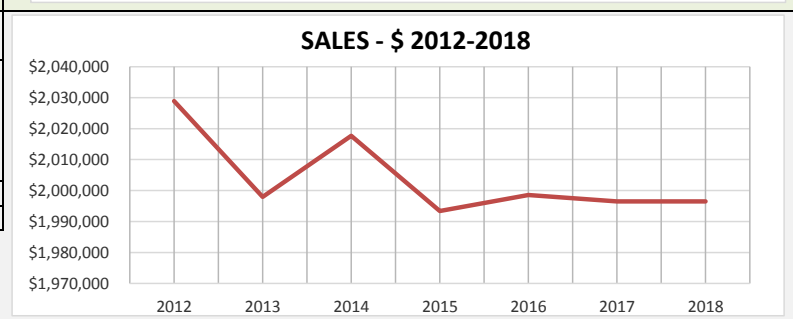
		Sales in Gallons
ACTUAL	2012	227,548,000
	2013	218,474,000
	2014	221,857,000
	2015	210,726,000
	2016	208,213,000
	2017	204,047,000
	- Through August	



		Sales in Gallons
ACTUAL	2012	331,733,000
	2013	328,712,000
	2014	330,258,000
	2015	313,150,000
	2016	311,792,000
ESTIMATE	2017	311,792,000
BUDGET	2018	311,792,000



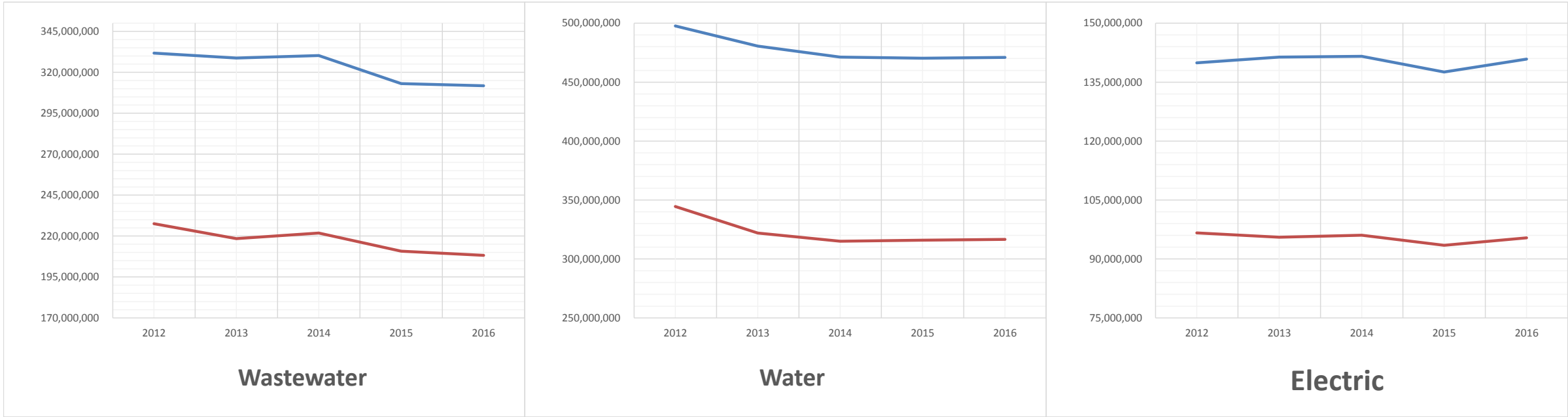
		Sales in \$
ACTUAL	2012	2,028,904
	2013	1,997,981
	2014	2,017,666
	2015	1,993,392
	2016	1,998,543
	ESTIMATE	2017
BUDGET	2018	1,996,466



— Actual / Forecasted Forecasted trend based on historical data

**STOUGHTON UTILITIES
CONSUMPTION THROUGH AUGUST COMPARED TO ANNUAL CONSUMPTION**

The intent of these graphs is to give the readers an idea of how consumption through August corresponds with the ending annual consumption amounts.



— - Consumption through August 2012 - 2016
— - Annual Consumption 2012 - 2016

**STOUGHTON UTILITIES
HISTORICAL ACTUAL VS ESTIMATED 2014 - 2016**

STOUGHTON ELECTRIC UTILITY ACTUAL VS ESTIMATED 2014 - 2016									
OPERATING REVENUES	2016			2015			2014		
	ACTUAL	ESTIMATED	VARIANCE	ACTUAL	ESTIMATED	VARIANCE	ACTUAL	ESTIMATED	VARIANCE
Sales									
Total Sales	\$ 14,980,937	\$ 14,831,019	\$ 149,918	\$ 14,906,357	\$ 15,856,127	\$ (949,770)	\$ 15,419,500	\$ 15,166,726	\$ 252,774
Other Operating Revenues	\$ 135,267	\$ 149,909	\$ (14,642)	\$ 150,671	\$ 189,713	\$ (39,042)	\$ 184,489	\$ 145,728	\$ 38,761
Total Operating Revenues	\$ 15,116,204	\$ 14,980,928	\$ 135,276	\$ 15,057,028	\$ 16,045,840	\$ (988,812)	\$ 15,603,989	\$ 15,312,454	\$ 291,535
OPERATING EXPENSES									
O&M	\$ 13,329,607	\$ 13,214,663	\$ 114,944	\$ 13,261,410	\$ 14,285,306	\$ (1,023,896)	\$ 13,770,271	\$ 13,463,624	\$ 306,647
Depreciation	\$ 996,954	\$ 994,591	\$ 2,363	\$ 965,661	\$ 965,295	\$ 366	\$ 934,151	\$ 941,167	\$ (7,016)
Taxes	\$ 376,785	\$ 388,628	\$ (11,843)	\$ 370,260	\$ 378,849	\$ (8,589)	\$ 366,032	\$ 396,193	\$ (30,161)
Total Operating Expenses	\$ 14,703,346	\$ 14,597,882	\$ 105,464	\$ 14,597,331	\$ 15,629,450	\$ (1,032,119)	\$ 15,070,454	\$ 14,800,984	\$ 269,470
OPERATING INCOME (LOSS)	\$ 412,858	\$ 383,046	\$ 29,812	\$ 459,697	\$ 416,390	\$ 43,307	\$ 533,535	\$ 511,470	\$ 22,065
NON-OPERATING REVENUES (EXPENSES)									
Investment Income	\$ 92,308	\$ 79,245	\$ 13,063	\$ 101,749	\$ 75,071	\$ 26,678	\$ 80,893	\$ 71,424	\$ 9,469
Capital Contributions (Developer/Customer Contributions)	\$ 594,526	\$ 710,000	\$ (115,474)	\$ 220,414	\$ 88,963	\$ 131,451	\$ 80,949	\$ 81,319	\$ (370)
Interest Expense	\$ (248,134)	\$ (138,663)	\$ (109,471)	\$ (130,421)	\$ (145,275)	\$ 14,854	\$ (141,415)	\$ (158,375)	\$ 16,960
Miscellaneous Income (Expense)	\$ (24,293)	\$ (25,000)	\$ 707	\$ (30,221)	\$ (25,000)	\$ (5,221)	\$ (23,125)	\$ (25,600)	\$ 2,475
Total Non-Operating Revenues (Expenses)	\$ 414,407	\$ 625,582	\$ (211,175)	\$ 161,521	\$ (6,241)	\$ 167,762	\$ (2,698)	\$ (31,232)	\$ 28,534
NET INCOME	\$ 827,265	\$ 1,008,628	\$ (181,363)	\$ 621,218	\$ 410,149	\$ 211,069	\$ 530,837	\$ 480,238	\$ 50,599

STOUGHTON WATER UTILITY ACTUAL VS ESTIMATED 2014 - 2016									
OPERATING REVENUES	2016			2015			2014		
	ACTUAL	ESTIMATED	VARIANCE	ACTUAL	ESTIMATED	VARIANCE	ACTUAL	ESTIMATED	VARIANCE
Sales									
Total Sales	\$ 1,953,826	\$ 1,901,666	\$ 52,160	\$ 1,761,033	\$ 1,775,554	\$ (14,521)	\$ 1,727,999	\$ 1,745,108	\$ (17,109)
Other Operating Revenues	\$ 47,298	\$ 25,250	\$ 22,048	\$ 23,383	\$ 23,594	\$ (211)	\$ 22,962	\$ 21,000	\$ 1,962
Total Operating Revenues	\$ 2,001,124	\$ 1,926,916	\$ 74,208	\$ 1,784,416	\$ 1,799,148	\$ (14,732)	\$ 1,750,961	\$ 1,766,108	\$ (15,147)
OPERATING EXPENSES									
O&M	\$ 1,012,205	\$ 947,181	\$ 65,024	\$ 885,770	\$ 833,844	\$ 51,926	\$ 924,261	\$ 827,683	\$ 96,578
Depreciation	\$ 428,084	\$ 425,399	\$ 2,685	\$ 408,632	\$ 401,302	\$ 7,330	\$ 390,653	\$ 396,164	\$ (5,511)
Taxes	\$ 387,855	\$ 397,515	\$ (9,660)	\$ 363,249	\$ 390,576	\$ (27,327)	\$ 352,700	\$ 375,823	\$ (23,123)
Total Operating Expenses	\$ 1,828,144	\$ 1,770,095	\$ 58,049	\$ 1,657,651	\$ 1,625,722	\$ 31,929	\$ 1,667,614	\$ 1,599,670	\$ 67,944
OPERATING INCOME (LOSS)	\$ 172,980	\$ 156,821	\$ 16,159	\$ 126,765	\$ 173,426	\$ (46,661)	\$ 83,347	\$ 166,438	\$ (83,091)
NON-OPERATING REVENUES (EXPENSES)									
Investment Income	\$ 25,029	\$ 11,072	\$ 13,957	\$ 8,608	\$ 11,072	\$ (2,464)	\$ 2,118	\$ 13,350	\$ (11,232)
Interest Expense	\$ (118,861)	\$ (80,315)	\$ (38,546)	\$ (82,856)	\$ (79,492)	\$ (3,364)	\$ (80,004)	\$ (80,277)	\$ 273
Capital Contributions (Developer/Customer Contributions)	\$ 972,176	\$ 526,231	\$ 445,945	\$ 999,352	\$ 522,000	\$ 477,352	\$ 26,500	\$ -	\$ 26,500
Miscellaneous Income (Expense)	\$ (6,692)	\$ (8,000)	\$ 1,308	\$ (4,339)	\$ (8,000)	\$ 3,661	\$ (10,278)	\$ (17,000)	\$ 6,722
Total Non-Operating Revenues (Expenses)	\$ 871,652	\$ 448,988	\$ 422,664	\$ 920,765	\$ 445,580	\$ 475,185	\$ (61,664)	\$ (83,927)	\$ 22,263
NET INCOME	\$ 1,044,632	\$ 605,809	\$ 438,823	\$ 1,047,530	\$ 619,006	\$ 428,524	\$ 21,683	\$ 82,511	\$ (60,828)

**STOUGHTON UTILITIES
HISTORICAL ACTUAL VS ESTIMATED 2014 - 2016**

OPERATING REVENUES	STOUGHTON WASTEWATER UTILITY ACTUAL VS ESTIMATED 2014 - 2016								
	2016			2015			2014		
	ACTUAL	ESTIMATED	VARIANCE	ACTUAL	ESTIMATED	VARIANCE	ACTUAL	ESTIMATED	VARIANCE
Sales									
Total Sales	\$ 1,998,543	\$ 2,006,794	\$ (8,251)	\$ 1,993,392	\$ 2,033,727	\$ (40,335)	\$ 2,017,666	\$ 2,033,490	\$ (15,824)
Other Operating Revenues	\$ 37,459	\$ 44,998	\$ (7,539)	\$ 44,443	\$ 33,883	\$ 10,560	\$ 33,219	\$ 32,044	\$ 1,175
Total Operating Revenues	\$ 2,036,002	\$ 2,051,792	\$ (15,790)	\$ 2,037,835	\$ 2,067,610	\$ (29,775)	\$ 2,050,885	\$ 2,065,534	\$ (14,649)
OPERATING EXPENSES									
O&M	\$ 1,020,298	\$ 1,036,841	\$ (16,543)	\$ 1,042,161	\$ 942,166	\$ 99,995	\$ 944,780	\$ 887,416	\$ 57,364
Depreciation	\$ 796,285	\$ 786,248	\$ 10,037	\$ 777,150	\$ 774,276	\$ 2,874	\$ 726,884	\$ 746,473	\$ (19,589)
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operating Expenses	\$ 1,816,583	\$ 1,823,089	\$ (6,506)	\$ 1,819,311	\$ 1,716,442	\$ 102,869	\$ 1,671,664	\$ 1,633,889	\$ 37,775
OPERATING INCOME (LOSS)	\$ 219,419	\$ 228,703	\$ (9,284)	\$ 218,524	\$ 351,168	\$ (132,644)	\$ 379,221	\$ 431,645	\$ (52,424)
NON-OPERATING REVENUES (EXPENSES)									
Investment Income	\$ 2,485	\$ 28,000	\$ (25,515)	\$ 9,863	\$ 23,770	\$ (13,907)	\$ 11,559	\$ 11,900	\$ (341)
Interest Expense	\$ (147,663)	\$ (150,466)	\$ 2,803	\$ (156,284)	\$ (148,692)	\$ (7,592)	\$ (105,611)	\$ (123,804)	\$ 18,193
Capital Contributions (Developer/Customer Contributions)	\$ 846,838	\$ 252,296	\$ 594,542	\$ 647,528	\$ 348,000	\$ 299,528	\$ 37,600	\$ -	\$ 37,600
Miscellaneous Income (Expense)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Operating Revenues (Expenses)	\$ 701,660	\$ 129,830	\$ 571,830	\$ 501,107	\$ 223,078	\$ 278,029	\$ (56,452)	\$ (111,904)	\$ 55,452
NET INCOME	\$ 921,079	\$ 358,533	\$ 562,546	\$ 719,631	\$ 574,246	\$ 145,385	\$ 322,769	\$ 319,741	\$ 3,028

Stoughton Utilities – Program Summary

Capital Projects Program – 2018-2022

September 18, 2017

Division	2018	2019	2020	2021	2022	Grand Total
Electric Division	\$2,172,000.00	\$1,239,000.00	\$1,283,000.00	\$1,502,900.00	\$1,073,000.00	\$7,269,900.00
Water Division	\$606,500.00	\$985,890.00	\$1,459,016.00	\$587,387.00	\$801,009.00	\$4,439,802.00
Wastewater Division	\$825,500.00	\$1,091,000.00	\$1,480,000.00	\$1,071,000.00	\$3,523,000.00	\$7,990,500.00
Technical Operations Division	\$75,505.00	\$101,807.00	\$90,261.00	\$161,420.00	\$139,878.00	\$568,871.00
Annual Total:	\$3,679,505.00	\$3,417,697.00	\$4,312,277.00	\$3,322,707.00	\$5,536,887.00	\$20,269,073.00

September 18, 2017

Stoughton Utilities – Electric Division*Capital Projects Program – 2018-2022*

Projects:	Funding:	2018	2019	2020	2021	2022	Total:
2017 Distribution: 600A Feed To North Business Park (#4)	Utility Reserve	\$ -	\$ -	\$168,000.00	\$ -	\$ -	\$168,000.00
2017 Distribution: West Sub Dist. Connections (#17)	Revenue Bonds	\$431,000.00	\$ -	\$ -	\$ -	\$ -	\$431,000.00
2018 Distribution: Rebuild USH 138: Aaker to Hauge (#18)	Utility Reserve	\$427,000.00	\$ -	\$ -	\$ -	\$ -	\$427,000.00
2018 Substation: West Construction/Commissioning (#16)	Revenue Bonds	\$754,000.00	\$ -	\$ -	\$ -	\$ -	\$754,000.00
2021 Distribution :Rebuild CTH B: Williams to CTH N (#14)	Utility Reserve	\$ -	\$ -	\$ -	\$203,200.00	\$ -	\$203,200.00
2021 Distribution: Add west tie circuit (#5)	Utility Reserve	\$ -	\$ -	\$ -	\$518,500.00	\$ -	\$518,500.00
2021 Distribution: Rebuild CTH N: USH 51 to CTH B (#15)	Utility Reserve	\$ -	\$ -	\$ -	\$251,200.00	\$ -	\$251,200.00
AMR Enhancements	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$40,000.00	\$40,000.00
Cable Thumper	Utility Reserve	\$ -	\$ -	\$35,000.00	\$ -	\$ -	\$35,000.00
Distribution Capacity/Reconstruction Projects	Utility Reserve	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$2,500,000.00
Distribution relocations for Hwy 138/51 roundabout		\$ -	\$468,000.00	\$ -	\$ -	\$ -	\$468,000.00
East Substation Upgrade		\$ -	\$ -	\$ -	\$ -	\$193,000.00	\$193,000.00
North Business Park 1/0 feed along Glacier Moraine		\$ -	\$104,000.00	\$ -	\$ -	\$ -	\$104,000.00
Street lights along Glacier Moraine		\$ -	\$67,000.00	\$ -	\$ -	\$ -	\$67,000.00
System Study	Utility Reserve	\$ -	\$ -	\$20,000.00	\$ -	\$ -	\$20,000.00
Projects Section Total:		\$2,112,000.00	\$1,139,000.00	\$723,000.00	\$1,472,900.00	\$733,000.00	\$6,179,900.00
Vehicles:	Funding:	2018	2019	2020	2021	2022	Total:
Administrative Car #10 (2011)	Utility Reserve	\$ -	\$ -	\$ -	\$30,000.00	\$ -	\$30,000.00
Administrative Car #11 (2007)	Utility Reserve	\$ -	\$30,000.00	\$ -	\$ -	\$ -	\$30,000.00
Line Bucket Truck #12 (2011)	Utility Reserve	\$ -	\$ -	\$280,000.00	\$ -	\$ -	\$280,000.00
Line Bucket Truck #16 (2010)	Utility Reserve	\$ -	\$ -	\$280,000.00	\$ -	\$ -	\$280,000.00
LIne Chipper (2007)	Utility Reserve	\$ -	\$35,000.00	\$ -	\$ -	\$ -	\$35,000.00
Line Digger Truck #5 (2007)	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$280,000.00	\$280,000.00
Line Dump Truck #4 (2008)	Utility Reserve	\$60,000.00	\$ -	\$ -	\$ -	\$ -	\$60,000.00
Line Service Truck #22 (2012)	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$30,000.00	\$30,000.00
Line Wire Reel Trailers (2003)	Utility Reserve	\$ -	\$25,000.00	\$ -	\$ -	\$ -	\$25,000.00
Planning Service Truck #1 (2012)	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$30,000.00	\$30,000.00
Pole Trailer (1995)	Utility Reserve	\$ -	\$10,000.00	\$ -	\$ -	\$ -	\$10,000.00
Vehicles Section Total:		\$60,000.00	\$100,000.00	\$560,000.00	\$30,000.00	\$340,000.00	\$1,090,000.00
Grand Total:		\$2,172,000.00	\$1,239,000.00	\$1,283,000.00	\$1,502,900.00	\$1,073,000.00	\$7,269,900.00

September 18, 2017

Stoughton Utilities – Water Division

Capital Projects Program – 2018-2022

Projects:	Funding:	2018	2019	2020	2021	2022	Total:
2018 Main replace- Kristi	Utility Reserve	\$90,000.00	\$ -	\$ -	\$ -	\$ -	\$90,000.00
2018 Main replace- Vernon: Academy to Franklin	Utility Reserve	\$101,000.00	\$ -	\$ -	\$ -	\$ -	\$101,000.00
2019 Main replace- Lowell: Monroe to Page (K)	Revenue Bonds	\$ -	\$225,000.00	\$ -	\$ -	\$ -	\$225,000.00
2019 Main replace- Monroe: Main to Lowell (L)	Revenue Bonds	\$ -	\$335,000.00	\$ -	\$ -	\$ -	\$335,000.00
2019 Main replace- Patterson	Revenue Bonds	\$ -	\$130,000.00	\$ -	\$ -	\$ -	\$130,000.00
2020 Main replace- Harrison: Harding to Clyde (M)	Revenue Bonds	\$ -	\$ -	\$140,000.00	\$ -	\$ -	\$140,000.00
2020 Main replace- Johnson: Harding to Clyde (N)	Revenue Bonds	\$ -	\$ -	\$160,000.00	\$ -	\$ -	\$160,000.00
2020 Main replace- Main: Van Buren to Page (J)	Revenue Bonds	\$ -	\$ -	\$410,000.00	\$ -	\$ -	\$410,000.00
2020 Main replace- Prospect: Page to Mckinley (O)	Revenue Bonds	\$ -	\$ -	\$240,000.00	\$ -	\$ -	\$240,000.00
2020 Main replace- Randolph: Page to Summit Ave.	Revenue Bonds	\$ -	\$ -	\$190,000.00	\$ -	\$ -	\$190,000.00
2021 Main replace- Madison: Harding to Clyde (Q)	Utility Reserve	\$ -	\$ -	\$ -	\$145,000.00	\$ -	\$145,000.00
2021 Main replace- Monroe: Harding to Clyde (P)	Utility Reserve	\$ -	\$ -	\$ -	\$145,000.00	\$ -	\$145,000.00
2022 Main replace- Harding: Page to Grant (R)	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$105,000.00	\$105,000.00
2022 Main replace- Wilson: Madison to Taft (S)	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$390,000.00	\$390,000.00
Meters - New and Replacements	Utility Reserve	\$25,000.00	\$25,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$80,000.00
Public Lead Service Replacements	Utility Reserve	\$263,000.00	\$270,890.00	\$279,016.00	\$287,387.00	\$296,009.00	\$1,396,302.00
Tower II - Temperature Gauge (new installation)	Utility Reserve	\$7,500.00	\$ -	\$ -	\$ -	\$ -	\$7,500.00
Well #4 - MCC Upgrade	Utility Reserve	\$70,000.00	\$ -	\$ -	\$ -	\$ -	\$70,000.00
Projects Section Total:		\$556,500.00	\$985,890.00	\$1,429,016.00	\$587,387.00	\$801,009.00	\$4,359,802.00
Vehicles:	Funding:	2018	2019	2020	2021	2022	Total:
Water / Electric Service Truck #8 (2003)	Utility Reserve	\$50,000.00	\$ -	\$ -	\$ -	\$ -	\$50,000.00
Water Service Truck #23 (2010)	Utility Reserve	\$ -	\$ -	\$30,000.00	\$ -	\$ -	\$30,000.00
Vehicles Section Total:		\$50,000.00	\$ -	\$30,000.00	\$ -	\$ -	\$80,000.00
Grand Total:		\$606,500.00	\$985,890.00	\$1,459,016.00	\$587,387.00	\$801,009.00	\$4,439,802.00

Stoughton Utilities – Wastewater Division*Capital Projects Program – 2018-2022*

Projects:	Funding:	2018	2019	2020	2021	2022	Total:
2018 Forrest: Main to Jefferson, Alley (365')	Utility Reserve	\$90,000.00	\$ -	\$ -	\$ -	\$ -	\$90,000.00
2018 Franklin: Vernon to Nelson (G) Spot repair x2	Utility Reserve	\$25,000.00	\$ -	\$ -	\$ -	\$ -	\$25,000.00
2018 Vernon: Academy to Henry (GG)	Utility Reserve	\$268,000.00	\$ -	\$ -	\$ -	\$ -	\$268,000.00
2019 Lowell: Monroe to Page (1140')(J)	Utility Reserve	\$ -	\$245,000.00	\$ -	\$ -	\$ -	\$245,000.00
2019 Monroe: Jefferson to Lowell & south end (WT)(K)	Utility Reserve	\$ -	\$184,000.00	\$ -	\$ -	\$ -	\$184,000.00
2019 Patterson & Monroe (1115')(ST)(WT)	Utility Reserve	\$ -	\$245,000.00	\$ -	\$ -	\$ -	\$245,000.00
2020 Main: Page to Van Buren (ST)(I)	Utility Reserve	\$ -	\$ -	\$448,000.00	\$ -	\$ -	\$448,000.00
2020 Prospect: Page to Grant (WT)(L)	Utility Reserve	\$ -	\$ -	\$130,000.00	\$ -	\$ -	\$130,000.00
2020 Randolph: Summit to Page (641')(ST)	Utility Reserve	\$ -	\$ -	\$132,000.00	\$ -	\$ -	\$132,000.00
2021 Moline: Academy to 1218 Moline (850')	Revenue Bonds	\$ -	\$ -	\$ -	\$175,000.00	\$ -	\$175,000.00
2021 South: Page to Van Buren (1575')(ST)(WT)	Revenue Bonds	\$ -	\$ -	\$ -	\$355,000.00	\$ -	\$355,000.00
2022 Lining: Jefferson, Monroe, Mandt Pkwy	Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$150,000.00	\$150,000.00
Lift station: Eastwood (Pumps, Controls and Building)	Utility Reserve	\$ -	\$280,000.00	\$ -	\$ -	\$ -	\$280,000.00
Lift station: Eighth	Utility Reserve	\$ -	\$ -	\$400,000.00	\$ -	\$ -	\$400,000.00
Permit Reissuance	Utility Reserve	\$2,500.00	\$ -	\$ -	\$ -	\$3,000.00	\$5,500.00
Plant: Facilities studies	Utility Reserve	\$ -	\$ -	\$40,000.00	\$ -	\$ -	\$40,000.00
Plant: LRSP-B Activated Sludge Modifications Project	Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$3,300,000.00	\$3,300,000.00
Plant: LRSP-C Phosphorus Bulk Chemical Storage Projecy	Utility Reserve	\$ -	\$ -	\$225,000.00	\$ -	\$ -	\$225,000.00
Plant: LRSP-E Effluent Reaeration Project	Utility Reserve	\$ -	\$20,000.00	\$ -	\$ -	\$ -	\$20,000.00
Plant: LRSP-F PH adjustment project	Utility Reserve	\$ -	\$ -	\$ -	\$381,000.00	\$ -	\$381,000.00
Plant: MMSD Full Scale Adaptive Management	Utility Reserve	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$50,000.00
Plant: Primary clarifiers 1 & 2: Chains and wear stripes	Utility Reserve	\$ -	\$77,000.00	\$ -	\$ -	\$ -	\$77,000.00
Plant: UV disinfection upgrade	Utility Reserve	\$ -	\$ -	\$ -	\$120,000.00	\$ -	\$120,000.00
Sanitary Sewer Rehab: Replace manholes and mains	Utility Reserve	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$30,000.00	\$150,000.00
Sanitary Sewer System Study	Utility Reserve	\$ -	\$ -	\$30,000.00	\$ -	\$ -	\$30,000.00
Projects Section Total:		\$425,500.00	\$1,091,000.00	\$1,445,000.00	\$1,071,000.00	\$3,493,000.00	\$7,525,500.00
Vehicles:	Funding:	2018	2019	2020	2021	2022	Total:
Jet Vac # 17 (2005)	Utility Reserve	\$400,000.00	\$ -	\$ -	\$ -	\$ -	\$400,000.00
Wastewater Service Truck #7 (2010)	Utility Reserve	\$ -	\$ -	\$35,000.00	\$ -	\$ -	\$35,000.00
Wastewater Service Truck #9 (2012)	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$30,000.00	\$30,000.00
Vehicles Section Total:		\$400,000.00	\$ -	\$35,000.00	\$ -	\$30,000.00	\$465,000.00
Grand Total:		\$825,500.00	\$1,091,000.00	\$1,480,000.00	\$1,071,000.00	\$3,523,000.00	\$7,990,500.00

Stoughton Utilities – Technical Operations Division

Capital Projects Program – 2018-2022

September 18, 2017

Projects:	Funding:	2018	2019	2020	2021	2022	Total:
Administration building roof - 1996, 97, 99	Utility Reserve	\$ -	\$ -	\$ -	\$50,000.00	\$50,000.00	\$100,000.00
Bill stuffing machine	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$8,200.00	\$8,200.00
Physical security - Access control	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$5,000.00	\$5,000.00
Physical security - Video - Admin Office	Utility Reserve	\$ -	\$ -	\$ -	\$5,000.00	\$ -	\$5,000.00
Physical security - Video - WWTP	Utility Reserve	\$ -	\$ -	\$ -	\$5,000.00	\$ -	\$5,000.00
Postage meter upgrade	Utility Reserve	\$ -	\$ -	\$ -	\$ -	\$7,000.00	\$7,000.00
Technology: Computing, networking, licensing, etc.	Utility Reserve	\$45,705.00	\$65,507.00	\$64,761.00	\$77,420.00	\$43,678.00	\$297,071.00
Technology: Conference Room AV	Utility Reserve	\$ -	\$ -	\$6,000.00	\$ -	\$ -	\$6,000.00
Technology: Copy Machine	Utility Reserve	\$ -	\$ -	\$ -	\$24,000.00	\$ -	\$24,000.00
Technology: Phone System Review	Utility Reserve	\$21,000.00	\$ -	\$ -	\$ -	\$ -	\$21,000.00
Technology: Review digital signage system	Utility Reserve	\$ -	\$ -	\$17,000.00	\$ -	\$ -	\$17,000.00
Technology: Review monitors/signage for replacement	Utility Reserve	\$ -	\$18,000.00	\$ -	\$ -	\$ -	\$18,000.00
Technology: Servers, SAN hardware	Utility Reserve	\$8,800.00	\$18,300.00	\$2,500.00	\$ -	\$26,000.00	\$55,600.00
Projects Section Total:		\$75,505.00	\$101,807.00	\$90,261.00	\$161,420.00	\$139,878.00	\$568,871.00

Grand Total:	\$75,505.00	\$101,807.00	\$90,261.00	\$161,420.00	\$139,878.00	\$568,871.00
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**RESOLUTION FROM THE UTILITIES COMMITTEE TO THE
STOUGHTON COMMON COUNCIL**

Authorizing and directing the proper City official(s) to approve the Stoughton Utilities 2018 budget and five year (2018-2022) Capital Improvement Plan (CIP).

Committee Action:

Fiscal Impact: Revenue Neutral

File Number:

Date Introduced:

WHEREAS, in early 2017, Stoughton Utilities staff and consultants initiated the development of the proposed 2018 Stoughton Utilities Budget and five year Capital Improvement Program, and

WHEREAS, the Stoughton Utilities Committee approved and recommended the approval of the proposed 2018 Stoughton Utilities Budget and five year Capital Improvement Plan to the Common Council on September 25, 2017, and

WHEREAS, the Committee of the Whole approved and recommended the approval of the proposed 2018 Stoughton Utilities Budget and five year Capital Improvements Plan to the Common Council on October 5, 2017, now therefore

BE IT RESOLVED by the Common Council of the City of Stoughton that the proper city official(s) approve and adopt the 2018 Stoughton Utilities Budget and five year Capital Improvement Plan.

Council Action: **Adopted** **Failed** **Vote** _____

Mayoral Action: **Accept** **Veto**

Donna Olson, Mayor

Date

Council Action: _____ **Override** **Vote** _____



600 South Fourth Street P.O. Box 383
Stoughton, WI 53589-0383

Serving Electric, Water & Wastewater Since 1886

Date: September 19, 2017

To: Stoughton Utilities Committee

From: Robert P. Kardasz, P.E.
Stoughton Utilities Director

Subject: Utilities Committee Future Agenda Item(s)

This item appears on all agendas of Committees of the City of Stoughton.