

DEPARTMENTELECTRIC UTILITY
FUND 70**Program Description**

The Slinger Electric Utility was established in 1911. The Village purchases its power and energy through WPPI Energy, Inc. (WPPI) under contract that was recently extended through December 2055. Although the contract has a specified term, it continues in full effect if it is not terminated at the end of the contract term.

The Electric system is maintained by Hartford Utilities personnel as part of an Operating Services and Interconnection Agreement entered into on December 22, 2004. The agreement was extended when it was renewed earlier this year.

History of Electric Sales

<u>Year</u>	<u>Total kWh (000's)</u>	<u>Total Billings</u>
2008	34,636	\$3,490,198
2009	33,132	\$3,502,577
2010	34,504	\$3,935,435
2011	34,729	\$4,075,793
2012	35,536	\$4,297,884
2013	35,760	\$4,342,859
2014	39,931	\$4,450,794

History of Peak Demand

<u>Year</u>	<u>Peak Demand (kW)</u>
2008	78,785
2009	76,732
2010	85,614
2011	78,759
2012	107,289
2013	82,381
2014	93,337

2015 Accomplishments

- Renewed the Slinger-Hartford Electric Services and Interconnection Agreement.
- Completed the TID loop for system reliability for the electric system east of USH-41.
- Made significant progress with the WE Energies/Slinger Electric Territory negotiations.
- Made significant progress with replacing the manual read electric meters with remote read (“drive by”) meters.
- Installed street lighting and electric facilities along Kettle Moraine Drive North and Overlook Drive.
- Reconductored the overhead system along Elm Street, Polk Street and Water Street to improve reliability.
- Reconductored the underground system that feeds the Ace Hardware and St. Vincent DePaul areas to improve reliability.

2016 Objectives

- Continue the WE Energies/Slinger Electric Territory negotiations with the goal of completing this agreement in a timely manner.
- Continue replacing manual read meters with remote read meters as identified during meter reading to reduce time needed for meter reading with efforts being concentrated on the older areas requiring additional expense to complete.
- Complete a downtown loop that will improve reliability and eliminate older, obsolete facilities.

Staffing, Salary and Wage Distributions

The Electric Utility pays 30% of the Administrator’s salary, 20% of the Clerk’s salary, 40% of the Engineer’s salary, and 20% of the Treasurer’s salary under “Admin & General Salaries”. The department also funds 20% of the Deputy Clerk’s wages and 20% of the Deputy Treasurer’s wages under “Accounting & Collect Labor”.

Account Detail

46410-441 – Rural Sales: This is the revenue received from those customers residing outside of the Village.

46411-451 – Miscellaneous Services: This account is for reconnection fees charged to customers who have had service disconnected.

46411-454 – Rent of Property: This is a pole rental fee charged to telephone and cable companies.

46411-456 – Other Operating Income: The majority of this account is trenching fees charged to telephone and cable companies for allowing them to co-locate their services with utility electric lines. 2012 saw an increase in construction activity that generated a significant increase in this account, but 2013 and 2014 saw a more realistic activity. 2015 projects a slightly lower total as well.

53810-545 – Purchased Power: The utility purchases its power from WPPI Energy.

53820-567 – Customer Install Expense: This account covers the cost of converting overhead services to underground lines for any services that are not part of a major infrastructure project. This happens only intermittently.

53820-562 – Distribution Supplies & Expense: This amount includes miscellaneous supplies and Diggers Hotline costs.

53820-569 – Lease Expense: This is the cost of leasing land along the railroad track where utility lines are located.

53830-572 Maintenance of Lines: This pays for all activity associated with maintaining the utility's power lines and includes tree trimming, basic repairs and locate activity. The 2012 and 2013 levels are higher because the utility is now working on upgrades and corrections identified in the recent system inventory report.

53850-921 – Central Services & Building: This account pays the utility's Central Services payment.

53850-923 – Outside Services: This account pays for the utility's annual audit, as well as engineering and legal support costs.

53850-928 – Regulatory Commission Expenses: This account is used to pay for the annual assessments charged to the utility by the Public Service Commission (PSC).

53850-930 – Miscellaneous Expense: This account pays for training, professional memberships and other support items.

**2016 PROPOSED BUDGET
ELECTRIC UTILITY**

	2014 ACTUAL 12/31/2014	2015 ACTUAL 7/31/2015	2015 PROJECTED YEAR-END	2015 AMENDED BUDGET	2016 PROPOSED BUDGET	%CHANGE BUDGET
700-46410-000-440 RESIDENTIAL SALES	2,009,532.61	1,008,558.24	2,017,116.48	1,970,000.00	2,020,000.00	2.54%
700-46410-000-441 RURAL SALES	32,942.50	17,209.98	34,419.96	30,000.00	35,000.00	16.67%
700-46410-000-442 COMMERCIAL SALES	1,083,582.78	703,669.27	1,407,338.54	800,000.00	1,287,000.00	60.88%
700-46410-000-443 LARGE POWER SALES	1,255,047.25	455,734.29	911,468.58	1,600,000.00	1,200,000.00	-25.00%
700-46410-000-444 PUBLIC STREET LIGHT SALES	69,689.34	36,709.60	73,419.20	65,000.00	75,000.00	15.38%
700-46411-000-419 ELECTRIC INTEREST INCOME	379.49	390.96	670.22	300.00	500.00	66.67%
700-46411-000-420 ELECTRIC SPECIAL FUND INTEREST	350.70	174.18	298.59	350.00	350.00	0.00%
700-46411-000-450 FORFEITED DISCOUNTS	15,208.33	6,743.58	13,487.16	13,000.00	13,000.00	0.00%
700-46411-000-451 MISC SERVICES	3,040.00	1,200.00	2,057.14	4,000.00	3,000.00	-25.00%
700-46411-000-454 RENT OF PROPERTY	-	-	1,200.00	1,200.00	1,200.00	0.00%
700-46411-000-456 OTHER OPERATING INCOME	8,773.26	7,252.67	12,433.15	3,000.00	5,000.00	66.67%
700-46412-000-421 CONTRIBUTED CAPITAL	35,762.46	-	-	-	-	n/a
700-46412-000-425 AMORTIZATION PRE 03 A/DEP	12,712.35	12,712.35	12,712.35	-	-	n/a

Total Revenues	4,527,021.07	2,250,355.12	4,486,621.37	4,486,850.00	4,640,050.00	3.41%
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**2016 PROPOSED BUDGET
ELECTRIC UTILITY**

	2014	2015	2015	2015	2016	%CHANGE
	ACTUAL	ACTUAL	PROJECTED	AMENDED	PROPOSED	
	12/31/2014	7/31/2015	YEAR-END	BUDGET	BUDGET	BUDGET
700-53810-000-545 PURCHASED POWER	3,223,806.54	1,599,834.97	3,199,669.94	3,275,100.00	3,375,000.00	3.05%
700-53820-000-561 SUPER. & LABOR	74,493.48	38,625.97	120,533.00	124,872.19	91,807.00	-26.48%
700-53820-000-562 SUPPLIES & EXPENSES	792.40	1,323.24	2,268.41	2,000.00	2,000.00	0.00%
700-53820-000-567 CUSTOMER INSTALL EXP	-	-	-	1,000.00	1,000.00	0.00%
700-53820-000-569 MISC DIST EXP (LEASES ETC)	50.00	50.00	50.00	50.00	50.00	0.00%
700-53830-000-571 MAINT STRUCT & EQUIP	2,817.14	4,972.87	8,524.92	5,000.00	5,000.00	0.00%
700-53830-000-572 MAINT OF LINES	77,076.00	34,624.70	59,356.63	89,000.00	83,000.00	-6.74%
700-53830-000-573 MAINT OF TRANSFORMERS	70,836.68	26,013.81	44,595.10	20,000.00	50,000.00	150.00%
700-53830-000-574 MAINT OF STREET LIGHTS	10,123.46	7,509.02	12,872.61	10,000.00	10,000.00	0.00%
700-53830-000-575 MAINT OF METERS	-	1,593.08	1,593.08	500.00	500.00	0.00%
700-53840-000-902 ACCOUNTING & COLLECTING LABOR	5,252.26	3,053.84	18,029.00	18,678.04	16,284.00	-12.82%
700-53840-000-903 CUST ACCT SUPPLIES & EXP	7,350.86	3,853.55	6,606.09	5,000.00	5,000.00	0.00%
700-53840-000-904 UNCOLLECTIBLE ACCTS	-	2,797.18	2,797.18	500.00	500.00	0.00%
700-53850-000-920 ADMIN. & GENERAL SALARIES	44,877.91	27,119.91	56,751.00	58,794.04	61,042.00	3.82%
700-53850-000-921 CENTRAL SERVICES & BUILDING	47,204.00	23,910.00	47,820.00	47,820.00	47,820.00	0.00%
700-53850-000-923 OUTSIDE SERVICES	5,055.00	12,765.20	21,883.20	12,000.00	25,000.00	108.33%
700-53850-000-924 PROPERTY INSURANCE	2,277.00	-	2,437.00	2,437.00	2,681.00	10.01%
700-53850-000-925 INJURIES & DAMAGE INS	11,381.00	-	12,178.00	12,178.00	13,396.00	10.00%
700-53850-000-926 EMPLOYEE PENSION & BENEFITS	52,623.62	17,096.96	78,865.00	81,704.14	87,423.00	7.00%
700-53850-000-928 REG. COMMISSION EXPENSES	5,463.70	972.54	1,667.21	5,000.00	5,000.00	0.00%
700-53850-000-930 MISC EXP (TRAINING ETC)	2,124.23	3,304.00	5,664.00	3,500.00	3,500.00	0.00%
700-53850-000-933 CENTRAL EQUIPMENT EXPENSE	44,946.00	37,605.00	49,700.00	49,700.00	63,352.00	27.47%
700-53860-000-403 DEPRECIATION EXPENSE	396,484.00	409,927.00	409,927.00	380,000.00	409,927.00	7.88%
700-53860-000-408 TAXES - PAYROLL	5,636.56	3,461.25	14,941.00	15,478.88	15,480.00	0.01%
700-53860-000-409 TAXES - PROPERTY	173,959.00	-	191,675.00	191,675.00	180,195.00	-5.99%
700-53860-000-427 INTEREST EXPENSE	47,045.43	18,230.73	47,704.00	47,704.00	31,704.00	-33.54%
700-53860-000-439 APPR OF INC TO MUNC	18,241.80	-	18,000.00	18,000.00	20,148.00	11.93%
700-53860-000-440 LOSS ON DISPOSAL OF INVENTORY	-	-	-	-	-	n/a
Total Expenses	4,329,918.07	2,278,644.82	4,436,108.36	4,477,691.29	4,606,809.00	2.88%
Excess Revenues over Expenses	156,931.93	(28,289.70)	50,513.01	9,158.71	33,241.00	

