

DEPARTMENT ELECTRIC 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 a 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 in November 2014.

The Slinger Electric Utility and WE Energies have obtained approval of a territory agreement from the Wisconsin Public Service Commission. This agreement is the result of multiple years of negotiations between the two organizations and represents a major accomplishment for the Village of Slinger. This was the first step in acquiring all electric service territory located within the boundaries of the Village.

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	35,628	\$4,450,794
2015	36,850	\$4,470,356

History of Peak Demand

<u>Year</u>	<u>Peak Demand (kW)</u>	<u>Year</u>	<u>Peak Demand (kW)</u>
2008	78,785	2012	107,289
2009	76,732	2013	82,381
2010	85,614	2014	93,337
2011	78,759	2015	88,698

2016 Accomplishments

- Made significant progress with the WE Energies/Slinger Electric Territory negotiations, as mentioned earlier.
- Continued making progress with replacing the manual read electric meters with remote read (“drive by”) meters.
- Completed the downtown loop that improved reliability and eliminated older facilities.

2017 Objectives

- Begin the acquisition of Areas 1, 2 and 3 as included in the WE Energies/Slinger Electric Territory Agreement.
- 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.
- Prepare a switching overview map for Slinger’s 4 KV electric system. Use the mapping to document any system deficiencies and to plan system improvements.
- Review and verify the 600 Amp system map and verify that the map is correctly shown and includes the system updates installed since the last mapping effort in 2009 and 2010.

Staffing, Salary and Wage Distributions

The Electric Utility pays 30% of the Administrator’s salary, 20% of the Clerk’s salary, 30% of the Engineer’s salary, 20% of the Utilities Superintendent’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.

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 – Supplies & Expense: This amount includes miscellaneous supplies.

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, Diggers Hotline fees and other locate activity.

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.

**2017 PROPOSED BUDGET
ELECTRIC UTILITY - FUND 70**

	2015 ACTUAL 12/31/2015	2016 ACTUAL 7/31/2016	2016 PROJECTED YEAR-END	2016 AMENDED BUDGET	2017 PROPOSED BUDGET	%CHANGE BUDGET
700-46410-000-440 RESIDENTIAL SALES	2,022,850.25	943,359.94	2,020,000.00	2,020,000.00	2,055,000.00	1.73%
700-46410-000-441 RURAL SALES	35,179.48	16,401.93	35,000.00	35,000.00	36,000.00	2.86%
700-46410-000-442 COMMERCIAL SALES	1,427,709.69	648,720.24	1,400,000.00	1,287,000.00	1,450,000.00	12.67%
700-46410-000-443 LARGE POWER SALES	859,926.23	430,014.42	860,028.84	1,200,000.00	873,000.00	-27.25%
700-46410-000-444 PUBLIC STREET LIGHT SALES	73,503.61	35,567.52	73,500.00	75,000.00	75,000.00	0.00%
700-46411-000-419 ELECTRIC INTEREST INCOME	2,036.56	2,775.77	5,551.54	500.00	2,500.00	400.00%
700-46411-000-420 ELECTRIC SPECIAL FUND INTEREST	786.11	919.39	1,838.78	350.00	2,000.00	471.43%
700-46411-000-450 FORFEITED DISCOUNTS	12,791.49	6,299.40	12,598.80	13,000.00	13,000.00	0.00%
700-46411-000-451 MISC SERVICES	2,555.00	1,020.00	2,040.00	3,000.00	2,500.00	-16.67%
700-46411-000-454 RENT OF PROPERTY	-	1,072.90	2,145.80	1,200.00	1,200.00	0.00%
700-46411-000-456 OTHER OPERATING INCOME	16,134.39	9,404.95	10,000.00	5,000.00	8,000.00	60.00%
700-46412-000-421 CONTRIBUTED CAPITAL	401,454.09	-	-	-	-	
700-46412-000-425 AMORTIZATION PRE 03 A/DEP	12,712.35	12,712.35	12,712.35	-	-	
700-48125-000-000 GAIN ON INVESTMENTS	-	(0.94)	(1.88)	-	-	
700-48130-000-000 UNREALIZED GAIN ON INVESTMENTS	-	2,251.80	4,503.60	-	-	
TOTAL REVENUES	4,867,639.25	2,110,519.67	4,439,917.83	4,640,050.00	4,518,200.00	-2.63%

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	2015 ACTUAL 12/31/2015	2016 ACTUAL 7/31/2016	2016 PROJECTED YEAR-END	2016 AMENDED BUDGET	2017 PROPOSED BUDGET	%CHANGE BUDGET	
700-53810-000-545	PURCHASED POWER	3,135,401.81	1,487,005.50	3,250,000.00	3,375,000.00	3,300,000.00	-2.22%
700-53820-000-561	SUPER. & LABOR	70,361.96	20,956.46	61,912.92	94,027.80	71,000.00	-24.49%
700-53820-000-562	SUPPLIES & EXPENSES	1,996.04	351.37	602.35	2,000.00	2,000.00	0.00%
700-53820-000-567	CUSTOMER INSTALL EXP	-	1,341.30	1,341.30	1,000.00	1,500.00	50.00%
700-53820-000-569	MISC DIST EXP (LEASES ETC)	50.00	50.00	50.00	50.00	50.00	0.00%
700-53830-000-510	UNREALIZED LOSS ON INVESTMENTS	-	-	-	-	-	
700-53830-000-571	MAINT STRUCT & EQUIP	5,809.92	1,270.93	5,000.00	5,000.00	5,000.00	0.00%
700-53830-000-572	MAINT OF LINES	175,737.67	37,265.66	83,000.00	83,000.00	85,000.00	2.41%
700-53830-000-573	MAINT OF TRANSFORMERS	60,403.90	23,537.32	50,000.00	50,000.00	58,370.00	16.74%
700-53830-000-574	MAINT OF STREET LIGHTS	17,499.69	5,388.88	9,238.08	10,000.00	10,000.00	0.00%
700-53830-000-575	MAINT OF METERS	1,712.08	-	500.00	500.00	500.00	0.00%
700-53840-000-902	ACCOUNTING & COLLECTING LABOR	5,300.39	9,786.99	16,777.70	17,516.81	17,517.00	0.00%
700-53840-000-903	CUST ACCT SUPPLIES & EXP	7,293.34	3,676.07	6,301.83	5,000.00	15,000.00	200.00%
700-53840-000-904	UNCOLLECTIBLE ACCTS	4,109.21	-	-	-	-	
700-53850-000-920	ADMIN. & GENERAL SALARIES	47,012.18	46,378.80	61,042.00	61,042.00	67,205.00	10.10%
700-53850-000-921	CENTRAL SERVICES & BUILDING	47,820.00	23,910.00	47,820.00	47,820.00	49,638.00	3.80%
700-53850-000-923	OUTSIDE SERVICES	13,940.20	5,411.15	25,000.00	25,000.00	35,000.00	40.00%
700-53850-000-924	PROPERTY INSURANCE	2,227.32	2,681.00	2,681.00	2,681.00	2,950.00	10.03%
700-53850-000-925	INJURIES & DAMAGE INS	11,130.22	11,396.00	11,396.00	13,396.00	14,736.00	10.00%
700-53850-000-926	EMPLOYEE PENSION & BENEFITS	42,816.38	18,442.55	31,615.80	87,650.94	37,459.00	-57.26%
700-53850-000-928	REG. COMMISSION EXPENSES	4,959.31	1,127.65	5,000.00	5,000.00	10,000.00	100.00%
700-53850-000-930	MISC EXP (TRAINING ETC)	3,304.00	3,291.00	3,500.00	3,500.00	3,500.00	0.00%
700-53850-000-933	CENTRAL EQUIPMENT EXPENSE	50,140.00	31,676.00	63,352.00	63,352.00	67,928.00	7.22%
700-53860-000-403	DEPRECIATION EXPENSE	418,856.00	428,416.00	428,416.00	409,927.00	428,416.00	4.51%
700-53860-000-408	TAXES - PAYROLL	6,024.11	4,079.86	6,994.05	15,744.20	11,747.00	-25.39%
700-53860-000-409	TAXES - PROPERTY	176,347.00	178,113.00	178,113.00	180,195.00	178,113.00	-1.16%
700-53860-000-427	INTEREST EXPENSE	39,087.09	14,897.40	31,703.76	31,704.00	25,502.00	-19.56%
700-53860-000-439	APPR OF INC TO MUNC	20,148.40	18,479.00	18,479.00	20,148.00	18,479.00	-8.28%
700-53860-000-440	LOSS ON DISPOSAL OF INVENTORY	-	-	-	-	-	
700-53860-000-505	LOSS ON INVESTMENTS	29.15	-	-	-	-	
700-53860-000-510	UNREALIZED LOSS ON INVESTMENTS	894.51	-	-	-	-	
TOTAL EXPENDITURES		4,370,411.88	2,378,929.89	4,399,836.79	4,610,254.75	4,516,610.00	-2.03%
REVENUES OVER EXPENDITURES		497,227.37	(268,410.22)	40,081.04	29,795.25	1,590.00	