

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 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. Area 1 which includes properties along Industrial Drive and Info Highway, will be transferred to the Village's electric system by the end of the September and the transfer of Areas 2 and 3, the St. Paul Subdivision and East Washington Street near STH 60, will follow shortly thereafter. The Utility has negotiated a service agreement with WE Energies that will ultimately allow for Slinger Utilities to provide electric service to all Village properties.

History of Electric Sales

<u>Year</u>	<u>Total kWh (000's)</u>	<u>Total Billings</u>
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
2016	35,840	\$4,378,368
2017	36,016	\$4,331,276
2018	38,776	\$4,382,885

2019 Accomplishments

- Reconductored the St. Paul Subdivision. This was one of the three areas purchased from WE Energies last year. The project also included installing street lighting within the subdivision.
- Evaluated and selected an automatic switching system that should automatically restore power lost during power disruptions within the village's system. Design parameters of this system were evaluated and refined in 2019 and the system should be installed in 2020 and 2021.
- Tested the oil in the switch fuse units throughout the system and verified that the oil indicates the units are within acceptable operating parameters. Replaced four oil-filled switchgears with air-insulated units this year. Replacements are preliminarily scheduled at four per year for the next few years until all oil-filled units are replaced.
- Completed the separation of the electric service to the DPW building, library, and police department/village hall as part of the public works building expansion project.
- Replaced the overhead electric service line with an underground service to the emergency warning siren along Parkview Lane when the electric system for the 4th phase of the Farmstead Creek Subdivision was constructed.

2020 Objectives

- Continue with the oil-insulated switch fuse unit replacement project to eliminate aging and troublesome equipment.
- Implement the first phase of a two year project to provide automated system that will allow the utility personnel to restore outages quicker.
- Reconductor the Hartford Road and Howard Avenue areas in coordination with the reconstruction project scheduled for Hartford Road. Part of the project will include improving the street lighting in the area.
- Begin scheduling the replacement and relocation of the electric system located between the library and village hall. This project will simplify the overall system, eliminate the overhead lines in this area, and relocated the system around possible future expansion of the village hall campus.

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. These accounts will be transferred to WE Energies during one of the later phases of implementation of the territory acquisition agreement reached with WE Energies.

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.

53820-561 – Supervision & Labor: This account tracks the costs associated with work performed by Hartford Electric staff on behalf of the Utility.

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.

53820-569 – 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.

**PROPOSED 2020 BUDGET
ELECTRIC UTILITY FUND 70 - REVENUES**

	2018 ACTUAL	2019 ACTUAL	PROJECTED	2019	2020	
	7/31/2018	7/31/2019	YEAR-END	AMENDED	PROPOSED	% CHANGE
				BUDGET	BUDGET	
700-46410-000-440 RESIDENTIAL SALES	966,542.66	955,588.73	1,911,177.46	1,972,000.00	1,925,000.00	-2.38%
700-46410-000-441 RURAL SALES	16,105.02	15,023.23	30,046.46	32,000.00	30,000.00	-6.25%
700-46410-000-442 COMMERCIAL SALES	668,657.60	813,628.55	1,627,257.10	1,450,000.00	1,500,000.00	3.45%
700-46410-000-443 LARGE POWER SALES	378,055.40	366,940.44	733,880.88	900,000.00	750,000.00	-16.67%
700-46410-000-444 PUBLIC STREET LIGHT SALES	34,259.71	36,403.54	72,807.08	72,000.00	70,000.00	-2.78%
700-46411-000-415 JOBBING REVENUE	653.62	-	-	-	-	
700-46411-000-419 ELECTRIC INTEREST INCOME	4,815.68	8,913.09	17,826.18	8,000.00	10,000.00	25.00%
700-46411-000-420 ELECTRIC SPECIAL FUND INTEREST	1,346.75	1,769.70	3,539.40	2,000.00	2,000.00	0.00%
700-46411-000-450 FORFEITED DISCOUNTS	5,734.71	5,230.44	10,460.88	13,000.00	13,000.00	0.00%
700-46411-000-451 MISC SERVICES	720.00	960.50	1,646.57	2,000.00	2,000.00	0.00%
700-46411-000-454 RENT OF PROPERTY	1,348.00	-	1,348.00	1,348.00	1,348.00	0.00%
700-46411-000-456 OTHER OPERATING INCOME	13,383.36	24,222.10	25,000.00	5,000.00	5,000.00	0.00%
700-46412-000-421 CONTRIBUTED CAPITAL	12,995.93	3,773.39	3,773.39	-	-	
700-48125-000-000 GAIN ON INVESTMENTS	(0.94)	(211.11)	(211.11)	-	-	
700-48130-000-000 UNREALIZED GAIN ON INVESTMENTS	(2,126.90)	3,310.15	3,310.15	-	-	
TOTAL FUND REVENUE	2,102,490.60	2,235,552.75	4,441,862.44	4,457,348.00	4,308,348.00	-3.34%

**PROPOSED 2020 BUDGET
ELECTRIC UTILITY FUND 70 - EXPENDITURES**

	2018 ACTUAL	2019 ACTUAL	PROJECTED	2019	2020	
	7/31/2018	7/31/2019	YEAR-END	AMENDED	PROPOSED	% CHANGE
				BUDGET	BUDGET	
700-53810-000-545 PURCHASED POWER	1,436,798.91	1,494,440.91	2,988,881.82	3,150,000.00	3,000,000.00	-4.76%
700-53820-000-561 SUPER. & LABOR	-	51,550.15	88,371.69	71,000.00	71,000.00	0.00%
700-53820-000-562 SUPPLIES & EXPENSES	-	692.00	1,186.29	2,500.00	2,500.00	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	-	2,168.77	3,717.89	5,000.00	5,000.00	0.00%
700-53830-000-572 MAINT OF LINES	69,766.15	52,348.13	89,739.65	87,000.00	88,000.00	1.15%
700-53830-000-573 MAINT OF TRANSFORMERS	66,457.19	22,481.44	38,539.61	80,000.00	70,000.00	-12.50%
700-53830-000-574 MAINT OF STREET LIGHTS	383.39	5,430.72	9,309.81	7,500.00	7,500.00	0.00%
700-53830-000-575 MAINT OF METERS	-	1,863.68	3,194.88	1,500.00	1,500.00	0.00%
700-53840-000-902 ACCOUNTING & COLLECTING LABOR	9,854.02	9,700.74	16,629.84	18,010.20	18,000.00	-0.06%
700-53840-000-903 CUST ACCT SUPPLIES & EXP	4,650.13	5,916.97	10,143.38	15,000.00	15,000.00	0.00%
700-53840-000-904 UNCOLLECTIBLE ACCTS	700.11	-	-	-	-	
700-53850-000-920 ADMIN.& GENERAL SALARIES	53,802.39	52,359.04	89,758.35	74,388.63	75,000.00	0.82%
700-53850-000-921 CENTRAL SERVICES & BUILDING	25,255.00	24,264.50	48,529.00	48,529.00	48,529.00	0.00%
700-53850-000-923 OUTSIDE SERVICES	27,381.67	31,273.20	40,000.00	40,000.00	40,000.00	0.00%
700-53850-000-924 PROPERTY INSURANCE	-	2,409.92	2,409.92	2,707.00	2,707.00	0.00%
700-53850-000-925 INJURIES & DAMAGE INS	-	9,813.26	9,813.26	11,023.00	11,023.00	0.00%
700-53850-000-926 EMPLOYEE PENSION & BENEFITS	19,829.39	20,066.84	34,400.30	39,192.16	39,192.16	0.00%
700-53850-000-928 REG. COMMISSION EXPENSES	446.05	1,523.91	2,612.42	10,000.00	10,000.00	0.00%
700-53850-000-930 MISC EXP (TRAINING ETC)	3,430.25	3,397.61	5,824.47	4,000.00	4,000.00	0.00%
700-53850-000-933 CENTRAL EQUIPMENT EXPENSE	35,000.00	35,700.00	71,400.00	71,400.00	71,400.00	0.00%
700-53860-000-403 DEPRECIATION EXPENSE	448,122.00	495,412.00	495,412.00	448,122.00	448,122.00	0.00%
700-53860-000-408 TAXES - PAYROLL	4,925.05	4,724.04	8,098.35	12,205.81	12,205.81	0.00%
700-53860-000-409 TAXES - PROPERTY	-	-	164,306.00	164,306.00	164,306.00	0.00%
700-53860-000-427 INTEREST EXPENSE	11,674.38	51,880.70	82,136.95	82,136.95	82,136.95	0.00%
700-53860-000-439 APPR OF INC TO MUNC	-	-	11,578.00	11,578.00	11,578.00	0.00%
TOTAL FUND EXPENDITURES	2,218,526.08	2,379,468.53	4,316,043.88	4,457,148.75	4,298,749.92	-3.55%
NET REVENUE OVER EXPENDITURES	(116,035.48)	(143,915.78)	125,818.57	199.25	9,598.08	