

**PRINCETON PUBLIC UTILITIES COMMISSION**  
**REGULAR MEETING**  
**Mille Lacs Historical Society Amdall Room**  
**101 10<sup>th</sup> Avenue South**  
**Princeton, MN 55371**  
**June 22<sup>nd</sup>, 2022 1:00 P.M.**

- 1. Call to Order – Roll Call**
- 2. Commissioner Edmonds – Oath of Office**
- 3. Approval of Agenda – Additions or Deletions**
- 4. Approval of Minutes**
  - a. Public Utilities Commission – Regular Meeting – May 25<sup>th</sup>, 2022
- 5. Public Comment**

*(This agenda section is for the purpose of allowing customers to address the Commission. Comments are limited to 3 minutes)*
- 6. Certification of Accounts Payable**
- 7. Reports and Presentations**
  - a. SMMPA Reports
    - i. Minutes and Key Metrics
  - b. Financial Reports
    - i. Income Statement, Balance Sheet, Trial Balance, and Cash Reserve
  - c. EV and ACH Reports
- 8. Ongoing Business**
  - a. Audit Presentation (Jason Miller, Smith-Schafer)
  - b. Electric Cap Plan (Andy Koob, DGR Engineering)
    - i. Memo 22-14: Electric Capital Plan – Phase 1 Update
    - ii. Task Order 03 – Phase 1 Electric Distribution Improvements – Amendment #1
    - iii. Task Order 03 – Phase 1 Electric Distribution Improvements
  - c. Joint Meeting Schedule
- 9. Updates**
  - a. Electric Department updates (Linden)
  - b. Water/Power Plant Department Updates (Schmit)
  - c. City of Princeton update (McPherson/Zimmer)
    - i. Chapter XI -Solar Ordinance Rev. 06-07-17
  - d. General Manager’s update (Butcher)
- 10. New Business**
  - a. Commission Meeting Discussion (Schwartz)
- 11. Adjournment**



## Oath of Office for Commissioners

"I, **Jack Edmonds** do solemnly swear to support the Constitution of the United States, the Constitution of the State of Minnesota, and to discharge faithfully the duties of the office of Princeton Public Utilities Commissioner of the City of Princeton, Minnesota, to the best of my judgment and ability."

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Signed

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Date

## **PUBLIC UTILITIES COMMISSION**

### **REGULAR MEETING**

**May 25, 2022, 1:00 P.M.**

Pursuant to due call and notice thereof, the Regular Meeting of the Public Utilities Commission, City of Princeton, was held at the Mille Lacs County Historical Society Depot Museum in the Amdall Room, 202 10<sup>th</sup> Avenue South, on May 25<sup>th</sup>, 2022, at 1:00 P.M.

Present: Chair Richard Schwartz and Commissioners Dan Erickson and Greg Hanson.

Absent: None.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Administrator Michele McPherson, City Councilor Jules Zimmer, Electric Superintendent Jeremy Linden, Water/Power Plant Superintendent Scott Schmit, PUC Customer Jack Edmonds, and Randy Hatch from the Princeton American Legion.

Meeting was called to order by Chair Schwartz at 1:02 P.M.

Mr. Schwartz called for additions or deletions to the agenda. There were none.

Mr. Hanson made a motion to approve the agenda of the May 25, 2022 Regular PUC Commission Meeting. Mr. Erickson seconded. Motion carried unanimously.

Mr. Erickson moved to approve the Minutes for the April 27, 2022 Regular PUC Commission Meeting. Mr. Hanson seconded. Motion carried unanimously.

General Manager Keith Butcher reported during the Public Comments, City Councilor Gerold had requested that the Commission review its regular meeting time. She felt that meeting in the middle of the day may discourage people from applying to be on the Commission and therefore limit participation.

Mr. Erickson made a motion to approve the certification of accounts payable for the period of April 1, 2022 through April 30, 2022. Mr. Hanson seconded. Motion carried unanimously.

#### **6. REPORTS:**

- a. Included in the Commission packets were the May SMMPA Key Metrics worksheet and April 13, 2022 Board Meeting minutes.
- b. Included in the Commission packets were the April 2022 PUC financial reports.
- c. The April 2022 EV and ACH Reports were included in the Commission packets.

## **7. UPDATES:**

- a. Electric Superintendent Jeremy Linden provided the Electric Department update.
- b. Water/Power Plant Superintendent Scott Schmit provided the Water Department update and the Power Plant update.

Mr. Erickson and the entire PPU Commission thanked all involved in the PPU Tours on April 27<sup>th</sup>, 2022. The tours were very informative.

- c. City Administrator Michele McPherson and City Councilor Jules Zimmer provided an update on City activities.
- d. General Manager Keith Butcher provided an update on PPU activities.

## **8. UNFINISHED BUSINESS:**

### **a. ACH DISCUSSION**

General Manager Keith Butcher reported there were not any new updates on ACH. After a discussion, it was the consensus of the Commission to review ACH annually.

## **9. NEW BUSINESS:**

### **a. LEGION DONATION REQUEST FOR JULY 4<sup>TH</sup> FIREWORKS**

Randy Hatch from the Princeton American Legion presented a request to the PPU Commission asking for donations for the 4<sup>th</sup> of July fireworks display. Contributions made by individuals and businesses make this event possible. This year the event will be held on Monday, July 4<sup>th</sup> in partnership with the Mille Lacs County Fair Board. Discussion followed. The consensus of the PPU Commission was to table the discussion until the June 22<sup>nd</sup> Regular PUC Commission Meeting and for General Manager Keith Butcher to request a legal opinion from PPU's attorney.

Randy Hatch left the meeting.

### **b. WSB WATER SYSTEM STUDY PROPOSAL**

General Manager Keith Butcher and Water Superintendent Scott Schmit presented Memo 22-12: Comprehensive Water System Plan along with a proposal from WSB to complete a comprehensive water system plan to determine the needs for the Water department. Discussion followed. Mr. Erickson made a motion to approve the proposal to complete a comprehensive water system study. Mr. Hanson seconded. Motion carried unanimously.

### **c. RENEWABLE ENERGY CREDIT (REC) DISCUSSION**

General Manager Keith Butcher presented Memo 22-13: Renewable Energy Credits (REC). There is more interest from PPU customers regarding actions they can take to minimize their environmental impacts. Through SMMPA, PPU can play a more active role by providing a renewable energy purchase program. The consensus of the PPU Commission was for General Manager Keith Butcher to continue exploring program options.

There being no further business, Mr. Hanson made a motion to adjourn the meeting at 2:33 p.m. Mr. Erickson seconded. Motion carried unanimously.

Richard Schwartz  
Chair

Kathy Ohman  
Secretary

DRAFT

**PRINCETON PUBLIC UTILITIES****Accounts Payable Listing**

For 5/1/2022 to 5/31/2022

	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
1	Amaril Uniform Company	FR Rated Clothing	189.37
2	Aramark	Cleaning Supplies & Services	829.17
3	AT&T Mobility	Monthly Cell Phones & Tablets	2,732.31
4	Border States Elec. Supply	Transformer Keys	37.59
5	Card Services (Coborns)	Supplies	126.20
6	CW Technologies, Inc.	Monthly IT Care Services Agreement	2,291.23
7	Dakota Supply Group	Inventory	3,227.19
8	ECM Publishers, Inc.	Advertising	175.00
9	Finken Water Solutions	Bottled Water	30.95
10	Gopher State One Call	Monthly Locates	105.30
11	Grainger	Batters & Ear Plugs	94.74
12	Innovative Office Solutions	Supplies	240.67
13	Instrumental Research, Inc.	Monthly Water Testing	75.76
14	Marv's True Value	Shipping, Plexi-Glass, Hose, Paint, Weather Stripping	314.33
15	Mayer, Porter & Nelson, LTD.	Accounting Services 2021 Year End	250.00
16	Metering & Technology Solutions	Inventory	8,995.19
17	Midcontinent Communications	Monthly Internet & Telephone	210.16
18	NAPA Central MN	Filters, Hose, Wrenches	226.76
19	Northland Securities, Inc.	Prepare Call Resolution & Redemption Notice	500.00
20	Online Information Services	Monthly Online Credit & ID Checks	75.75
21	Princeton One Stop, LLC	Monthly Vehicle Fuel	989.07
22	Quadient Finance USA, Inc.	Postage for Postage Meter	900.00
23	Tri-Cap	Tour Bus Rental	35.00
24	Verizon Wireless	Monthly Remote Internet & Data	209.25
25	Voyant Communications, LLC	Monthly Telephone	427.90
26	Waste Management	Monthly Trash Service	113.63
27	Water Laboratories, Inc.	Water Testing	34.00
28	WSB	Engineer Fees	1,778.50
29	Ziegler, Inc.	Annual Maint. Inspection Cat. #7	3,130.52
30	North Country Systems	Security Upgrades	3,112.60
31	U.S. Bank Operations Center	2006 Bond Principal, Interest Pymt. & Admin. Fees	103,747.27
32	Northland Trust Services	2008 G.O. Bond Interest Payment	28,887.50
33	Northland Trust Services	2012 Refunding Bond Principal & Interest Payoff	477,609.41
34	SMMPA	April Purchased Power	345,943.66
35	ARC Irrigation	Fertilization & Weed Control	279.46
36	Blake Drilling Company, Inc.	Dewatering for Hydrant Repair	6,447.00
37	Cardmember Service (Mastercard)	Modem, Monitor, Stand, Fan, Filters, Supplies, Lodging	2,314.95
38	Cash Gas, Inc.	#2 Red B5 Diesel Fuel	32,304.62
39	Centerpoint Energy	Monthly Natural Gas	2,620.21
40	City of Princeton	April Sewer Billing & Late Charges	122,734.44
41	Connexus Energy	Monthly Utilities	2,112.64
42	DGR Engineering	Engineer Fees	6,138.00
43	Fastenal Company	Bolts	343.66
44	Ferguson Waterworks	Hydrant Parts	1,737.50
45	Grainger	Suction Cup Lifter, Sump Pump	287.82
46	Hawkins, Inc.	Water Treatment Chemicals	3,660.25
47	HealthPartners	June Health Insurance	23,611.58
48	J W Enterprises, Inc.	Commercial Rebate	1,107.33
49	McGrann Shea Carnival Straughn	Legal Fees	187.50
50	Minuteman Press	Window Envelopes	455.00
51	NCPERS Group Life Insurance	May Life Insurance	80.00
52	Plastic Products Company	Commercial Rebate	28,094.10

**PRINCETON PUBLIC UTILITIES****Accounts Payable Listing**

For 5/1/2022 to 5/31/2022

<b>Vendor</b>	<b>Description</b>	<b>Amount</b>
53 Postmaster	Postage for Monthly Billing	796.62
54 Princeton Public Utilities	Postage, Meetings, Supplies	223.31
55 Princeton Public Utilities	Monthly Utilities	2,287.91
56 Princeton School District	Commercial Rebate	3,760.00
57 Salvation Army Heat Share	April Heat Share	12.00
58 Schweitzer Engineering Laboratories	Relays & Cables	15,133.94
59 Shred-It USA	Shredding Service	97.05
60 Smith, Schafer & Associates	Accounting Services 2021 Year End	6,950.00
61 TASC	COBRA Admin. Fees	15.00
62 The Lincoln National Life Insurance	June Life & Disability Insurance	726.13
63 U.S. Bank Equipment Finance	Monthly Copier Lease Payment	207.09
64 USA Blue Book	Water Testing Supplies	30.54
65 Weschler Instruments	Meter	1,242.10
66 Wex Bank	Monthly Vehicle Fuel	1,114.65
67 Blue 42 LLC`	Annual Website Hosting & Support	2,388.00
68 Complete Merchant Solutions	Monthly Credit Card Fees	1,372.00
69 VeriCheck	Monthly eCheck Fees	132.95
70 Neon Link	Monthly Online Management Fees	480.40
71 Delta Dental	May Dental Insurance	1,050.00
72 PERA	May PERA Contribution	11,373.72
73 Optum	May H S A Contributions	4,833.86
74 TASC	May Flex Account Contributions	173.06
75 MN Dept. of Revenue	March Sales & Use Tax	27,640.00
76 Refunds	Customer Meter Deposits	5,380.62
77 Refunds	Overpayment Refunds on Final Bills	660.98
78 Rebates	Residential Energy Star Rebates	40.00

**TOTAL****1,310,283.97**

**SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY**  
**Minutes of the Board of Directors' Meeting**  
**May 12, 2022**

President Kotschevar called the meeting to order at 9:00 a.m. at the Cook County Courthouse in Grand Marais, Minnesota.

Mr. Roth, Grand Marais City Administrator, introduced Mayor Arrowsmith-DeCoux and Mr. Shane Steele, Grand Marais Sustainability Coordinator.

Mayor Arrowsmith-DeCoux welcomed the members and guests to Grand Marais and expressed appreciation to SMMPA for providing energy to the community and for sustainability energy efforts. Grand Marais has a Climate Action Plan and are reaching a goal for energy production.

**Board Members Present:**

President Mark R. Kotschevar, Rochester; Vice President Bruce A. Reimers, New Prague; Secretary Peter T. Moulton, Saint Peter; Mark E. Nibaur, Austin; James Bakken, Preston; and Chris Rolli, Spring Valley.

**Board Member Present Via Conference Call:**

Treasurer Roger E. Warehime, Owatonna.

**Others Present:**

David P. Geschwind, Executive Director & CEO; Mike Roth, Jay Arrowsmith-DeCoux, Shane Steele, Grand Marais; Michael B. Geers, George N. Baldwin, Litchfield; Keith R. Butcher, Princeton; Charles B. Heins, Redwood Falls; Jeremy Sutton, Rochester; Dave Berg, Dave Berg Consulting; Beth A. Fondell, Naomi A. Goll, Joseph A. Hoffman, and Mark S. Mitchell of the Agency staff.

**Others Present Via Conference Call:**

Jerry M. Mausbach, Blooming Prairie; Troy G. Nemmers, Chris Ziegler, Fairmont; and David Olson, Owatonna.

**#1 Agenda Approval:**

Mr. Moulton moved to approve the agenda, seconded by Mr. Reimers, passed upon a unanimous vote of the board members present.

**#2 Consent Agenda:**

Mr. Nibaur moved to approve the consent agenda, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present.

APPROVED the April 13, 2022 board meeting minutes.



### **#3 Cost of Service Study-Fondell/Berg Consulting:**

Ms. Fondell introduced Mr. Dave Berg, Dave Berg Consulting, LLC.

Mr. Berg presented an overview of the cost of service study. He concluded that the Agency's rate structure generally aligns with overall revenue requirements.

Discussion.

#### **Conclusions and Recommendations**

##### **The future cost basis could be significantly different**

- Sherco 3 retirement
- Debt retirement
- Existing members
- Changing market conditions and supply resources

##### **Power Supply Demand**

- Consider need for continued use of ratchet
- Future assessments of rate levels as debt is retired and Sherco 3 is replaced

##### **Power Supply Energy**

- Assess goals for time-of-use periods and rate differentials
- Consider seasonal rates

##### **Transmission**

- Consider multi-year plan to reduce ratchet (reduces billing units) and raise rate as required

Recommendations from the study will be brought back to the board over the course of the next few months, in preparation for developing the 2023 budget and rates.

### **#4 Investment Policy Update-Fondell:**

Ms. Fondell reported on the Investment Policy, which is reviewed every 3 years by the board.

The policy was last reviewed in March 2022. Ms. Fondell discussed suggested changes to the policy. The proposed changes that are most significant were presented during the March 2022 board meeting. Since then, the Audit Committee has reviewed the details of all proposed changes and supports moving forward with the revised policy.

#### **Proposed Changes**

- Clarify that the Agency is voluntarily and generally complying with MN Statutes Chapter 118A.
- Strengthen ethics and conflict of interest statement.
- Better align suitable and authorized investments and limitations to the senior bond resolution.
- Allow greater investing flexibility based on security risk.
- Expand maximum term for Debt Service Reserve investments from 5 years to 10 years.
- Add section for policy exception handling.
- Allow for more frequent reviews.

Discussion.

Mr. Warehime moved to approve the Investment Policy with suggested changes, seconded by Mr. Rolli, passed upon a unanimous vote of the board members present. (Attachment A.)

After a short break, the board reconvened at 9:36 a.m.

#### **#5 Saint Peter Solar Project-Hoffman:**

Mr. Hoffman reported on the Saint Peter solar project. Saint Peter is interested in developing a 76 kW (AC) solar facility at the Saint Peter Wastewater Treatment Facility.

At the April board meeting, it was mentioned that the proposed use of Agency reserve funds to initially fund the project may be a concern. An alternative funding option to finance capital costs would be the Revolving Credit Agreement (RCA). The payment structure was reviewed.

Pros and cons of the Agency offering this type of project arrangement to the members were addressed.

Discussion.

#### **Next Steps**

- Determine board's interest in this project and potential preference for utilizing either cash reserves or variable-rate debt offered by the RCA to fund the project.
- Once the final details of project structure are formed, the proposal would be brought back to the board for action.

#### **#6 RPU Solar Agreement-Mitchell:**

Mr. Mitchell reported on the Rochester Public Utilities (RPU) Solar Agreement.

RPU has worked with a solar developer to construct a 10 MW (AC) solar facility to connect to the RPU distribution system. The project is slated for commercial operation in July 2022.

RPU and the Agency developed an agreement under which the Agency would purchase output of the facility only when RPU is below their contract rate of delivery (CROD) level of 216 MW. Mr. Mitchell reviewed the key provisions of the agreement.

Discussion.

#### **Next Steps**

- Seek board approval at June board meeting to execute the agreement.

#### **#7 New Quick Start Program-Mitchell:**

Mr. Mitchell reported on the new quick start program.

He provided a summary of a virtual meeting that was held on May 3, 2022 with members to discuss a number of topics including the Agency's long-term capacity needs, a review of installed costs, potential capacity payments, and the possibility of the Agency funding and owning new units installed in member communities.

Mr. Mitchell noted that the MISO planning year 2022-2023 capacity shortfall adds to the urgency to move forward with capacity additions.

Mr. Nibaur departed the meeting at 10:19 a.m.

Discussion.

#### Next Steps

- Explore pricing in light of auction clearing at cost of new entry (CONE) and seek bilateral capacity purchases for next 2-3 years.
- Review member plant transmission rights.
  - Do some members have existing excess rights that will speed process?
  - Can we identify locations that are less likely to have transmission limitations?
  - Likely only need to file transmission service request rather than getting in the generator interconnection queue because interconnection is on member system.
  - Identify member locations and begin MISO TSR study process as soon as possible.
- Permitting.
  - Review member permits to see if some might more easily accommodate an addition.
  - MPCA might want to combine all member units on one permit even if installed at new location.
  - Agency ownership might argue for keeping the permits separate.

#### **#8 Quick Start Capacity and Energy Purchase Agreement Extension-Mitchell:**

Mr. Mitchell reported on the Quick Start Capacity and Energy Purchase Agreement Extension.

Eight members have quick start agreements with the Agency for a 20-year term and one at 25 years with various expiration dates.

The Agency has the right to extend the agreements for successive periods of up to 5 years with a 6 month notice prior to expiration.

The QS Agreement with Redwood Falls is the only agreement expiring in 2022 and it expires on December 31, 2022. Retaining member generation is important for the Agency's capacity needs and the Agency recommends extending the agreements as they approach expiration.

Discussion.

#### Next Steps

- Seek board approval at June board meeting to extend Redwood Falls quick start agreement for five years at current capacity payment of \$3/kW-month.
- Provide formal notice to Redwood Falls.

## **#9 Confidential Board Report Summary-Mitchell:**

Mr. Mitchell summarized the confidential board report.

### **Operations Report-Mitchell:**

Mr. Mitchell reported:

#### **MISO Capacity Auction**

MISO 2022-2023 planning resource auction had capacity shortfalls in the north and central regions. MISO evaluates the total forecasted load plus reserve requirements and losses against capacity offered into the auction. If there is not enough capacity to cover load requirement, the auction will clear at the cost of new entry (CONE). The MISO capacity auction clearing price for all of MISO north and central (including zones 1 and 3 where the Agency's load is located) cleared at CONE at \$7.20/kW-month. The Agency had sufficient capacity to meet its requirements and did not have to purchase any capacity at the clearing price. The Agency sold some excess capacity in the auction.

#### **Sherco 3 Update**

Sherco 3 was not picked up by the MISO market in economic commitment mode in April 2022 and remains offline. Coal conservation operations are required due to limited coal deliveries. The Sherco 3 planned maintenance outage is scheduled for March 4 – April 28, 2023. The cost of forward hedge purchases are extremely high at this time. Working with The Energy Authority to develop a structured hedging plan to replace a portion of the Sherco 3 energy production during the outage.

#### **Owatonna Area Transmission Storm Damage**

On April 12, 2022, strong winds damaged the Agency's South Faribault to West Owatonna 161 kV transmission line. Eighteen of 28 wood poles in a line segment between steel structures were blown down. If the Minnesota Governor signs a disaster declaration for the county where the damage occurred, state emergency management funds could be available to reimburse the Agency 75% of the cost to replace the damaged poles and associated equipment. DGR Engineering inspected the other 10 wood poles and found that six of them no longer meet the National Electric Safety Code requirements and must be replaced. The Agency recommends and plans to rebuild the entire 28-pole line segment between steel structures. Total estimated cost is \$890,000 including 10% for contingencies, before state reimbursement for the damaged poles.

## **Financial Report March 2022-Fondell:**

Ms. Fondell summarized Agency financial results through March as provided in the board book materials.

#### **2021 Financial Statement Reconciliation**

A summary of the significant transactions that were recorded after distribution of the preliminary December 2021 financial statements were reviewed.

#### **SMMPA Financial Metrics**

SMMPA's financial metrics will be presented at the June board meeting.

### Finance and Accounting Department Staffing

Lisa King, Manager of Planning & Analysis, accepted a position with Alexandria Light and Power; Becca Schmitz, Financial & Planning Analyst II, has assumed responsibilities for the budget and forecasts; Heather Schmitz was hired for the Financial & Planning Analyst I position, replacing Becca Schmitz; and Meta Christensen was hired for the Accounting & Billing Analyst position, replacing Cindy Pelowski who retires next month and here last day in the office is June 3, 2022.

### **Government Affairs/Member Services Report-Hoffman:**

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

### EPA Good Neighbor Plan (Ozone Reduction)]

The proposed Federal Implementation Plan regulations to limit NOx emissions are requiring SCR controls to be installed in large coal-fired power plants by 2026. SMMPA is working with a team from Dorsey & Whitney and a Washington, D.C. firm (Crowell & Moring) to draft Agency comments, which are due to the Environmental Protection Agency by June 6, 2022.

### Solar on Schools

Solar on schools grants were awarded to school districts in Austin, Fairmont, Litchfield, Mora, Redwood Falls, Rochester, and Saint Peter. Grant amounts are based on the financial need of the school, with projects receiving between 25-95% of the total project installation costs. SMMPA will contact the members to determine if they need assistance.

### **President's Report:**

Mr. Kotschevar reported:

- SMMPA Board Meetings: Business casual will be the dress code during the summer SMMPA Board meetings.

### **Executive Director & CEO's Report:**

Mr. Geschwind reported:

- OES Arc-Flash Litigation Update: The judge denied the summary judgement motions related to the 2017 OES arc-flash injury litigation. Trial is scheduled for the 3<sup>rd</sup> week in June 2022.
- MISO Capacity Auction Shortfall: Due to possible MISO capacity shortfall, MISO is warning that load shedding may be required this summer.
- Coal Delivery Issues: The Sherco coal plant is in coal conservation mode due to railroad delivery issues. BNSF Railroad has a staffing shortfall and has told Xcel that they cannot put additional trains into service to meet the plant's coal delivery needs. The Agency is consuming financial reserves because of the need to conserve coal now to avoid running

out of coal in the upcoming summer and winter months when electricity prices are expected to be much higher based on current forward transactions. Staff will provide regular updates on this situation.

- Glencoe MPCA Meeting: Mr. Geschwind and Mr. Hoffman attended a meeting with representatives from the MPCA, Glencoe, MMUA, and CMPAS. The purpose of the meeting was to discuss the MPCA's proposed air permit modeling requirements for Glencoe. The Agency is monitoring this situation because of potential impacts on air permits for member-owned generating units.
- Wholesale Electricity Cost Increases: On a recent APPA joint action agency call, various joint action agencies were discussing the cost increases they are experiencing and passing through to their members in wholesale rates through automatic cost pass-through mechanisms. Other joint action agencies are experiencing high natural gas and electricity prices and implementing coal conservation measures, too. Cost increases discussed ranged from 8% to 30% when comparing current costs to last year's costs. SMMPA's wholesale rate structure does not have an automatic cost pass-through mechanism but instead relies on financial reserves to cover unexpected cost increases.

**Member Forum:**

None.

**Other Business:**

There was no other business.

**Adjourn:**

A motion to adjourn the meeting was made by Mr. Rolli, seconded by Mr. Reimers, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 11:31 a.m.

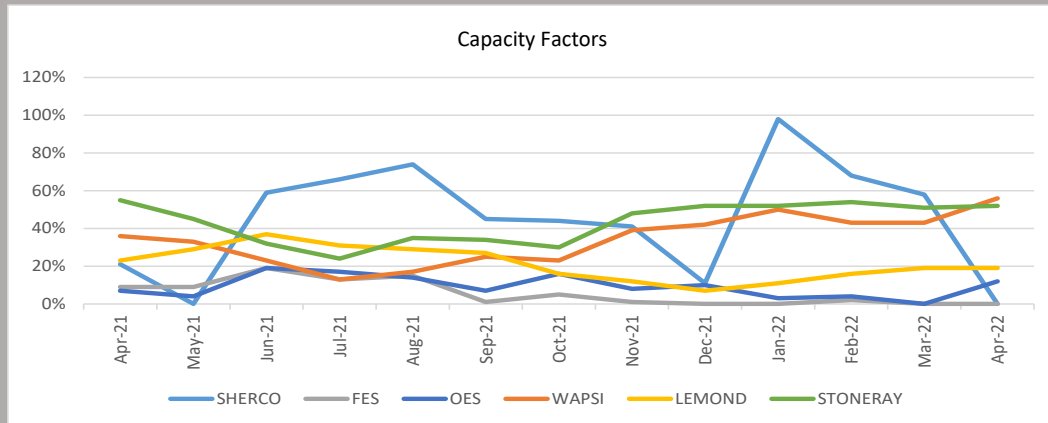
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Secretary

# SMPA Key Metrics

June 2022

## PLANT OPERATIONS Performance Metrics

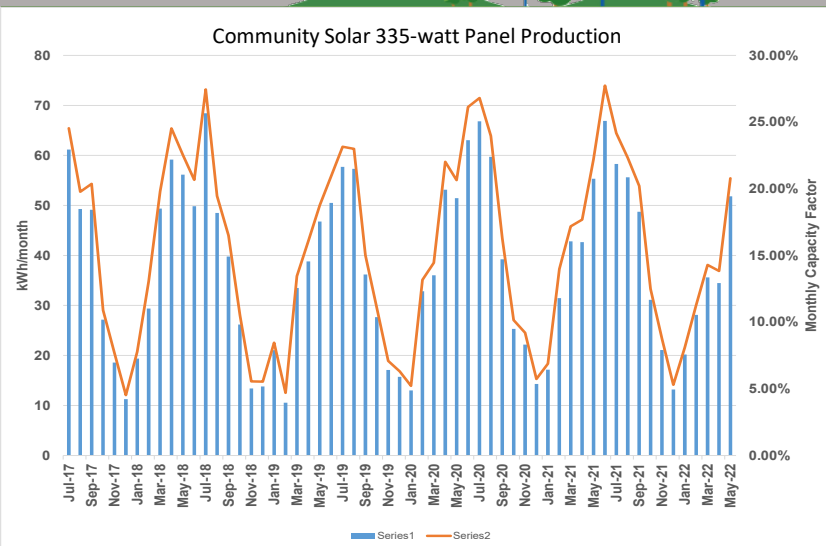


## Availability Metrics

For May 2022

	FES May	OES May	MORA LFG May
Availability	84%	93%	100%
Industry Average Availability	93%	93%	N/A
Forced Outage	16%	6%	98%
Industry Average Forced Outage	7%	7%	N/A

## Solar Production Metrics

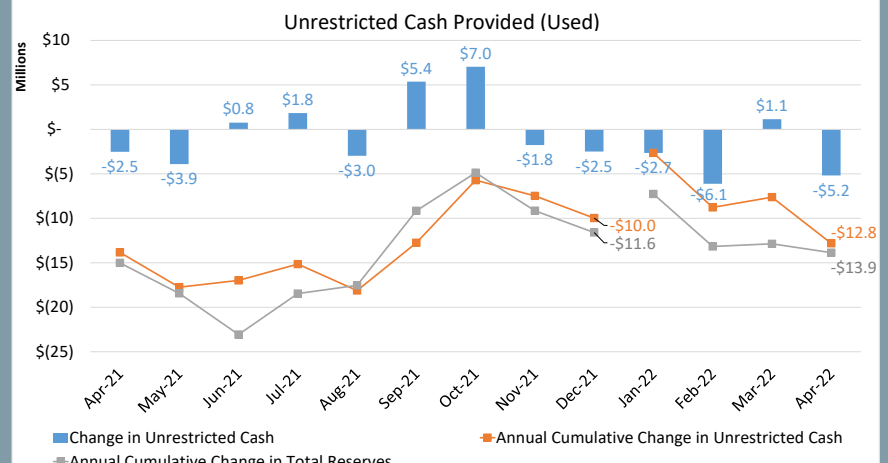
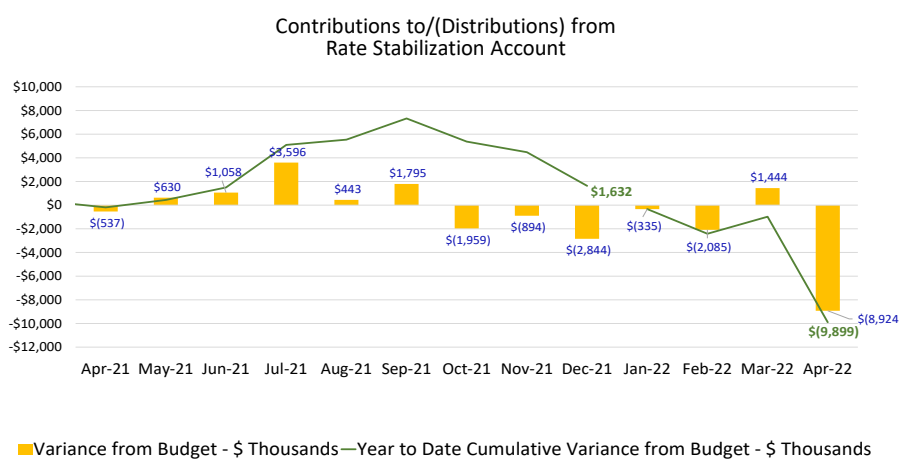
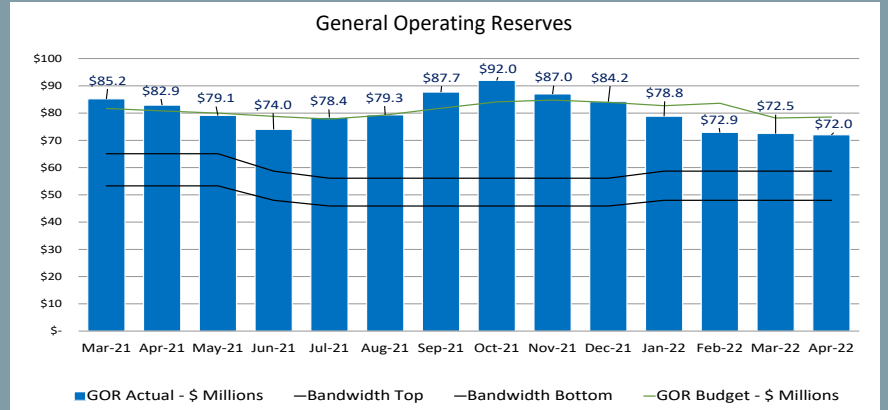
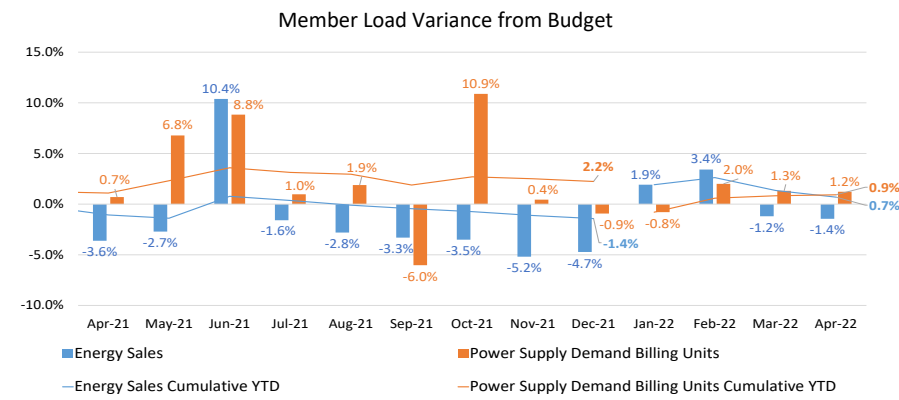


Number of working days since the last last time accident

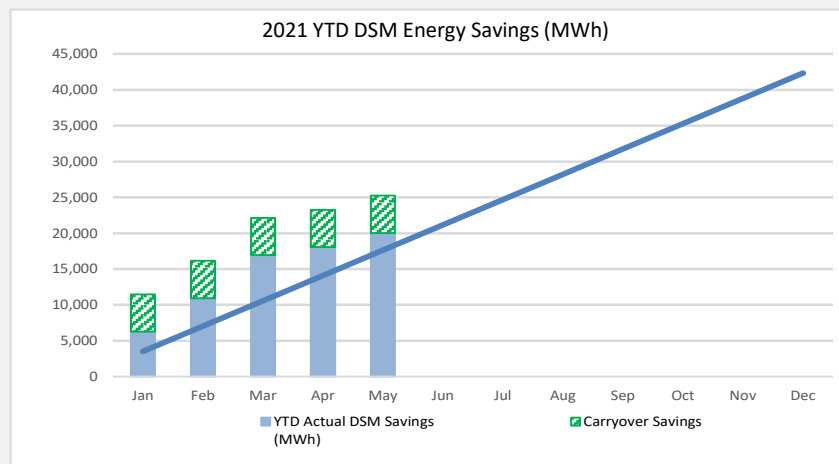
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(through 5/31/22)

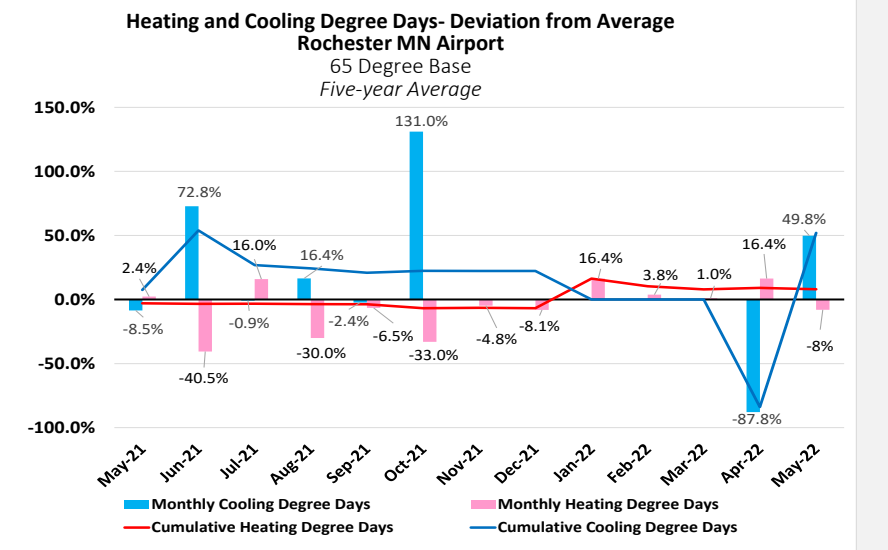
## FINANCIAL Performance Metrics



## ADDITIONAL Metrics



Since 2015, SMPA and its member utilities have been recognized with 16 MMUA awards



**PRINCETON PUBLIC UTILITIES COMMISSION  
INCOME STATEMENT-ELECTRIC DEPARTMENT  
FOR MONTH ENDING: MAY 31, 2022**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
<b>OPERATING REVENUE:</b>				
Residential Electric	172,832.29	1,008,439.41	157,832.87	949,079.24
Residential Solar Energy Credit	(17.16)	(65.48)	(21.24)	(73.92)
Residential ECA	0.00	0.00	0.00	0.00
Small General Service	50,028.27	280,447.26	51,080.01	284,134.08
Small Commercial Solar Energy Credit	(26.78)	(102.24)	(33.14)	(115.31)
Small General ECA	0.00	0.00	0.00	0.00
Large General Service	138,410.82	703,145.40	124,421.46	629,909.82
Large Commercial Solar Energy Credit	(62.73)	(239.47)	(77.64)	(270.09)
Large General ECA	0.00	0.00	0.00	0.00
Large Power Service	144,203.48	698,128.80	137,648.84	626,956.00
Large Power ECA	0.00	0.00	0.00	0.00
Security Lights	1,662.09	8,369.35	1,666.57	8,346.26
Street Light Fees	2,415.00	12,081.00	2,386.00	11,942.00
Service Line Repair Fee	1,769.00	8,833.00	1,750.00	8,755.00
Late Charges	5,816.17	26,451.73	3,296.23	19,591.46
Hook-Up & NSF Charges	2,230.35	4,097.48	696.78	1,066.78
Connection Fees	1,200.00	1,800.00	600.00	600.00
Construction Fees	4,649.47	5,776.47	3,047.60	5,347.33
Rate Stabilization Revenue	0.00	0.00	37,045.00	47,685.00
Operating & Maintenance	42,436.25	181,935.91	29,762.52	152,539.98
Excess Equity	0.00	0.00	0.00	0.00
Quick Start Diesel Payment	14,520.00	72,600.00	14,520.00	72,600.00
Solar Subscriptions	0.00	1,581.36	0.00	1,695.08
Pole Attachment Fee	0.00	0.00	0.00	0.00
Operating Transfers	0.00	0.00	0.00	0.00
Merchandise Sales	713.72	713.72	0.00	18.99
Other Operating Revenue	24,939.49	161,449.64	15,810.61	232,610.36
<b>TOTAL OPERATING REVENUE:</b>	<b>607,719.73</b>	<b>3,175,443.34</b>	<b>581,432.47</b>	<b>3,052,418.06</b>
<b>OPERATING EXPENSES:</b>				
<b>Production Plant:</b>				
Salaries & Supervision	12,904.89	71,406.99	18,283.79	76,807.19
Purchased Power	355,253.09	1,824,929.56	348,753.51	1,648,250.84
Natural Gas	1,694.87	10,648.08	818.79	6,481.76
Lube Oil & Lubricants	0.00	1,780.84	0.00	1,574.24
Chemicals	0.00	2,026.40	8.44	1,421.11
Equipment Repairs	16,528.09	18,955.28	6,116.91	10,301.99
Production Supplies	175.47	929.61	135.23	1,448.17
Plant Shop Supplies	114.56	486.75	28.30	94.08
Small Tools Expense	0.00	86.17	0.00	25.00
Communications Expense	34.30	171.78	34.50	172.28
Scada & Computer Equipment	0.00	0.00	87.59	87.59
Safety Equipment	392.23	581.60	0.00	602.74
Safety & Education Training	613.29	613.29	0.00	0.00
Outside Services	45.00	45.00	0.00	92.50
Insurance Expense	10,016.00	49,408.09	8,557.25	42,265.06
Transportation Fuel & Oil	0.00	79.80	126.45	224.80
Vehicle Repair & Maint.	0.00	0.00	0.00	45.25
Equip. Maint., Inspec. & Serv Agreements	1,579.75	12,168.61	3,025.45	12,870.05
Building & Grounds Maint.	999.10	2,711.63	7,563.59	10,623.45
Misc. Plant Expense	27.80	207.80	0.00	4.30
<b>Total Production Plant:</b>	<b>400,378.44</b>	<b>1,997,237.28</b>	<b>393,539.80</b>	<b>1,813,392.40</b>



**INCOME STATEMENT-ELECTRIC**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
<b>Substation:</b>				
Substation	0.00	0.00	0.00	0.00
Chemicals	0.00	0.00	0.00	0.00
Equipment Repairs	0.00	0.00	0.00	0.00
Equip. Maint. & Inspections	0.00	0.00	0.00	0.00
Building & Grounds Maint.	1,642.64	2,242.64	0.00	600.00
Utilities	0.00	0.00	0.00	0.00
<b>Total Substation:</b>	<b>1,642.64</b>	<b>2,242.64</b>	<b>0.00</b>	<b>600.00</b>
<b>Distribution System:</b>				
Salaries & Supervision	27,504.74	132,130.83	29,169.56	132,932.98
System & Shop Supplies	119.79	404.81	97.15	396.37
Small Tools Expense	23.49	817.72	67.96	527.60
GIS Data & Maintenance Exp.	297.36	2,029.48	599.73	1,997.67
Computer Equip. & Maintenance	0.00	0.00	0.00	0.00
Load Control Expense	0.00	0.00	0.00	0.00
Safety Equip., Testing	19.25	2,031.33	987.09	3,547.05
Education & Safety Training	0.00	300.00	0.00	1,113.40
Outside Services	0.00	230.00	2,779.00	5,573.12
OH Line Expense	693.05	696.63	0.00	2,564.73
UG Line Expense	69.66	312.10	3,194.40	4,527.18
St. Lights & Signal Exp.	1,497.60	4,213.29	8.50	3,376.69
Sec. Light Repair Exp.	191.27	2,114.20	0.00	925.93
Meter Expense	100.74	561.83	8.96	2,703.15
Customer Service Line Repair Exp.	0.00	0.00	0.00	130.47
Customer Owned Service Exp.	1,274.61	3,285.60	360.78	363.78
Transportation Fuel & Oil	675.32	2,653.42	255.81	1,786.76
Vehicle Repair & Maint.	0.00	798.74	4.94	498.97
Equipment Repair & Maint.	0.00	403.75	121.57	938.34
Storm Damage	0.00	0.00	0.00	0.00
Utilities	1,334.03	10,610.43	1,289.54	9,111.16
Building & Grounds Maint.	576.66	1,202.75	230.45	258.31
Line Maintenance/Trimming	0.00	0.00	0.00	25,302.93
Habitat, Right of Way Expense	0.00	0.00	0.00	0.00
Transformer Maintenance	0.00	217.86	0.00	0.00
Misc. Distribution Exp.	0.00	0.00	0.00	0.00
<b>Total Distribution:</b>	<b>34,377.57</b>	<b>165,014.77</b>	<b>39,175.44</b>	<b>198,576.59</b>
<b>Customer Accts Expenses:</b>				
Customer Accts. Salaries	9,150.41	44,490.62	8,529.93	42,422.37
Meter Reading Salaries	29.00	414.00	342.23	1,822.41
Postage Expense	1,425.16	5,721.96	664.64	4,842.71
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	1,193.23	2,698.11	170.76	2,327.57
Communications Expense	319.27	1,938.38	419.40	2,099.40
Uncollectible Accts. Exp.	0.00	0.00	0.00	0.00
<b>Total Customer Acct. Expenses:</b>	<b>12,117.07</b>	<b>55,263.07</b>	<b>10,126.96</b>	<b>53,514.46</b>

**INCOME STATEMENT-ELECTRIC**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
<b>General &amp; Administrative Expenses:</b>				
Salaries & Supervision	9,658.20	46,521.04	7,656.21	39,007.09
Newsads, Website, Subscriptions & Promos	2,005.92	3,596.99	85.00	1,017.06
Office Supplies, Computer Exp., & Sm. Equip	2,240.30	11,198.80	1,856.67	10,901.04
Communications Expense	235.09	2,250.80	278.94	1,394.97
Membership Fees & Dues	0.00	6,018.75	0.00	5,544.25
Maint. Contracts, Licenses, & Permits	173.96	7,427.49	176.03	6,054.88
State & Federal Assessments	0.00	1,603.17	0.00	2,078.91
Professional Fees	7,455.50	11,999.75	814.50	6,320.50
Outside Services	6,959.81	28,989.49	3,008.10	18,251.22
Meals, Travel, & Meetings	170.40	2,562.76	48.74	1,795.12
Prop. & Liab. Insurance	2,327.00	11,635.00	2,012.08	10,060.44
Employee Pensions & Benefits	30,653.76	172,503.39	33,274.90	179,778.30
Education & Safety Training	0.00	6,105.12	0.00	6,247.50
Heat Share Expense	0.00	0.00	12.00	60.00
Sales Tax Expense	226.68	399.74	163.15	395.89
Lighting Rebates	33,001.43	64,698.98	3,439.08	28,644.17
Conservation Improvement Exp	0.00	1,741.24	0.00	1,446.61
Christmas Lighting Expenses	0.00	0.00	0.00	0.00
Transportation Fuel & Oil	57.18	85.43	0.00	42.50
Vehicle Repair & Maint.	0.00	0.00	0.00	45.25
Building & Grounds Maint.	514.91	776.49	0.00	212.50
Service Territory Expense	0.00	1,358.98	647.50	1,572.50
Misc. G&A Expense	541.91	1,473.40	121.34	1,391.99
<b>Total General &amp; Administrative:</b>	<b>96,222.05</b>	<b>382,946.81</b>	<b>53,594.24</b>	<b>322,262.69</b>
Depreciation	58,000.00	290,000.00	58,000.00	290,000.00
<b>TOTAL OPERATING EXPENSES:</b>	<b>602,737.77</b>	<b>2,892,704.57</b>	<b>554,436.44</b>	<b>2,678,346.14</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>4,981.96</b>	<b>282,738.77</b>	<b>26,996.03</b>	<b>374,071.92</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest Income	5,980.38	9,500.72	2,616.12	6,096.14
Change in Fair Value of Investments	254.45	(3,402.70)	0.00	21.60
Misc. Non Oper Income	1,928.97	8,500.64	1,311.75	7,167.62
Gain/(Loss) Disposal of Property	0.00	0.00	0.00	0.00
Gain/(Loss) Sale of Bonds	0.00	0.00	0.00	0.00
Interest Expense	(4.01)	(13.30)	(2.18)	(40.92)
Interest on Long Term Debt	(3,989.96)	(21,989.14)	(5,375.62)	(29,224.40)
Fines & Penalties	0.00	0.00	0.00	0.00
Amortization of Bond Discount	0.00	0.00	0.00	0.00
General Fund Expense	0.00	0.00	0.00	0.00
<b>Total NonOperating Rev(Exp)</b>	<b>4,169.83</b>	<b>(7,403.78)</b>	<b>(1,449.93)</b>	<b>(15,979.96)</b>
<b>NET INCOME/(LOSS)</b>	<b>9,151.79</b>	<b>275,334.99</b>	<b>25,546.10</b>	<b>358,091.96</b>

**PRINCETON PUBLIC UTILITIES COMMISSION  
BALANCE SHEET-ELECTRIC DEPARTMENT  
May 31, 2022**

**ASSETS**

**CURRENT ASSETS:**

Cash	2,787,215.70
Temp Rate Stab Investments	1,334,123.00
Customer Accounts Receivable	615,652.99
Other Accounts Receivable	89,374.27
Sales Tax Receivable	0.00
Accrued Interest Receivable	1,124.54
Inventory	436,681.79
Prepaid Interest	0.00
Prepaid Insurance	151,803.35
Deferred Outflows of Resources	72,379.00

<b>Total Current Assets</b>	<b>5,488,354.64</b>
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**RESTRICTED ASSETS:**

Construction in Progress	0.00
MCMU Construction Fund	0.00
Reserve Fund	85,972.36
MCMU Reserve Fund	248,313.94
Debt Service Fund	0.00
Capital Improvements Fund	<u>1,005,675.85</u>

<b>Total Restricted Assets</b>	<b>1,339,962.15</b>
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**FIXED ASSETS:**

Land & Land Improvements	273,683.84	
Buildings	1,893,374.01	
Generation Plant	6,117,286.73	
Substations	3,838,331.61	
Distribution System	7,948,653.94	
Street Lights & Signals	378,411.18	
Trucks & Vehicles	710,070.77	
Office Furniture & Equipment	171,216.21	
Tools, Shop & Garage Equipment	109,460.92	
Miscellaneous Equipment	<u>370,961.41</u>	21,811,450.62
Less: Accumulated Depreciation		<u>(14,448,946.95)</u>

<b>Total Fixed Assets</b>	<b><u>7,362,503.67</u></b>
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<b>TOTAL ASSETS</b>	<b><u><u>14,190,820.46</u></u></b>
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**PRINCETON PUBLIC UTILITIES COMMISSION  
BALANCE SHEET-ELECTRIC DEPARTMENT  
May 31, 2022**

**LIABILITIES AND FUND EQUITY**

**CURRENT LIABILITIES**

Accounts Payable	387,146.16	
Employee Insurance Payable	(4,370.92)	
Employee Savings & Taxes Payable	(86.41)	
Heat Share Payable	12.00	
Sewer Payable	122,197.26	
City Franchise Fee	13,730.50	
Wind Power	0.00	
Garbage Collections Payable	146.66	
Customer Meter Deposits	264,875.06	
Sales Tax Payable	54,141.43	
Accrued Interest Payable	0.02	
Severance Payable	78,758.40	
Current Bonds Payable	105,000.00	
Accrued Wages Payable	0.00	
Deferred Revenue	0.00	
Deferred Solar	6,882.77	
Net Pension Liability	781,645.00	
Deferred Inflows of Resources	56,954.00	
<b>Total Current Liabilities</b>		<b>1,867,031.93</b>

**NONCURRENT LIABILITIES:**

Contracts Payable		0.00
Revenue Bonds Payable	680,000.00	
Less: Unamortized Bond Discount	<u>0.00</u>	680,000.00
Deferred Rate Stabilization		<u>1,334,123.10</u>
<b>Total NonCurrent Liabilities</b>		<b><u>2,014,123.10</u></b>

**TOTAL LIABILITIES**

3,881,155.03

**FUND EQUITY**

Unappropriated Retained Earnings	9,389,033.06	
Net Income (Loss)	<u>920,632.37</u>	
<b>Total Equity</b>		<b><u>10,309,665.43</u></b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b><u><u>14,190,820.46</u></u></b>

# Trial Balance

## PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0001-1071	Asset	CONSTRUCTION IN PROGRESS					0.00
64-0001-1073	Asset	MCMU CONSTRUCTION FUND					0.00
64-0001-1251	Asset	RESERVE FUND	465,831.77		379,859.41	(379,859.41)	85,972.36
64-0001-1252	Asset	DEBT SERVICE FUND	99,609.76	380,240.00	479,849.76	(99,609.76)	0.00
64-0001-1255	Asset	MCMU RESERVE FUND	248,313.94				248,313.94
64-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	996,484.98	9,190.87		9,190.87	1,005,675.85
64-0001-1301	Asset	PETTY CASH	300.00				300.00
64-0001-1302	Asset	CASH ON HAND	1,835.00				1,835.00
64-0001-1311	Asset	CASH ON DEPOSIT CHECKING	2,716,988.11	1,664,047.61	1,595,955.02	68,092.59	2,785,080.70
64-0001-1361	Asset	TEMP RATE STAB INVESTMENT	1,334,123.00				1,334,123.00
64-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	644,224.62	683,268.87	711,840.50	(28,571.63)	615,652.99
64-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	43,364.16	89,370.40	43,360.29	46,010.11	89,374.27
64-0001-1432	Asset	SALES TAX RECEIVABLE	2,128.74		2,128.74	(2,128.74)	0.00
64-0001-1512	Asset	PLANT MATERIALS & SUPPLIES	435,425.66	4,440.71	3,184.58	1,256.13	436,681.79
64-0001-1520	Fixed Asset	GENERATION PLANT	6,117,286.73				6,117,286.73
64-0001-1525	Fixed Asset	SUBSTATIONS	3,838,331.61				3,838,331.61
64-0001-1530	Fixed Asset	DISTRIBUTION SYSTEM	7,925,714.28	22,939.66		22,939.66	7,948,653.94
64-0001-1531	Fixed Asset	STREET LIGHTS & SIGNALS	378,411.18				378,411.18
64-0001-1540	Fixed Asset	LAND & LAND IMPROVEMENTS	273,683.84				273,683.84
64-0001-1550	Fixed Asset	BUILDINGS	1,893,374.01				1,893,374.01
64-0001-1560	Fixed Asset	OFFICE FURNITURE & EQUIPMENT	171,216.21				171,216.21
64-0001-1571	Fixed Asset	TRUCKS & VEHICLES	710,070.77				710,070.77
64-0001-1580	Fixed Asset	TOOLS, SHOP & GARAGE EQUIP.	109,460.92				109,460.92
64-0001-1590	Fixed Asset	MISCELLANEOUS EQUIPMENT	369,857.71	1,103.70		1,103.70	370,961.41
64-0001-1651	Asset	PREPAID INTEREST					0.00
64-0001-1652	Asset	PREPAID INSURANCE	167,008.96		15,205.61	(15,205.61)	151,803.35
64-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(14,390,946.95)		58,000.00	(58,000.00)	(14,448,946.95)
64-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	3,302.41		2,177.87	(2,177.87)	1,124.54
64-0001-1712	Asset	DEFERRED OUTFLOWS OF RESOURCES	72,379.00				72,379.00
64-0001-2160	Equity	CONTRIBUTED					0.00
64-0001-2161	Equity	BALANCE FROM INCOME STATEMENT					0.00
64-0001-2162	Equity	UNAPPROPRIATED EARNINGS (END)	(9,389,033.06)				(9,389,033.06)
64-0001-2211	Liability	REVENUE BONDS PAYABLE	(870,000.00)	190,000.00		190,000.00	(680,000.00)
64-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT					0.00
64-0001-2281	Liability	SEVERANCE PAYABLE	(78,758.40)				(78,758.40)
64-0001-2311	Liability	CONTRACTS PAYABLE					0.00
64-0001-2315	Liability	CURRENT BONDS PAYABLE	(390,000.00)	475,000.00	190,000.00	285,000.00	(105,000.00)
64-0001-2321	Liability	ACCOUNTS PAYABLE	(360,103.62)	1,170,981.99	1,198,024.53	(27,042.54)	(387,146.16)
64-0001-2322	Liability	EMPLOYEE DEDUCTIONS PAYABLE	4,097.71	3,552.73	3,279.52	273.21	4,370.92
64-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
64-0001-2325	Liability	EMPLOYEE HEALTH SAVINGS PAY	86.43	5,006.92	5,006.94	(0.02)	86.41
64-0001-2340	Liability	HEAT SHARE PAYABLE	(12.00)	12.00	12.00		(12.00)

# Trial Balance

## PRINCETON PUBLIC UTILITIES

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Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0001-2341	Liability	SEWER COLLECTIONS PAYABLE	(124,057.44)	124,294.00	122,433.82	1,860.18	(122,197.26)
64-0001-2343	Liability	CITY PRINCETON FRANCHISE FEE	(6,867.50)		6,863.00	(6,863.00)	(13,730.50)
64-0001-2344	Liability	GARBAGE COLLECTIONS PAYABLE	(97.06)		49.60	(49.60)	(146.66)
64-0001-2351	Liability	CUSTOMER METER DEPOSITS	(266,866.66)	6,811.10	4,819.50	1,991.60	(264,875.06)
64-0001-2361	Liability	MN STATE SALES TAX PAYABLE	(50,526.61)	25,448.01	25,371.51	76.50	(50,450.11)
64-0001-2363	Liability	MLC LOCAL SALES TAX PAYABLE	(3,166.86)	1,600.12	1,593.42	6.70	(3,160.16)
64-0001-2365	Liability	SHERBURNE CTY LOCAL TAX PAY	(530.08)	261.57	262.65	(1.08)	(531.16)
64-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(859.82)	4,849.76	3,989.96	859.80	(0.02)
64-0001-2421	Liability	FEDERAL WITHHOLDING TAX		7,397.00	7,397.00		0.00
64-0001-2422	Liability	STATE WITHHOLDING TAX		3,302.00	3,302.00		0.00
64-0001-2423	Liability	F.I.C.A. PAYABLE		9,313.02	9,313.02		0.00
64-0001-2424	Liability	PERA PAYABLE		11,373.72	11,373.72		0.00
64-0001-2426	Liability	MEDICARE WITHHOLDING		2,178.04	2,178.04		0.00
64-0001-2428	Liability	DEFERRED RATE STABILIZATION	(1,334,123.10)				(1,334,123.10)
64-0001-2429	Liability	DEFERRED REVENUE					0.00
64-0001-2430	Liability	NET PENSION LIABILITY	(781,645.00)				(781,645.00)
64-0001-2431	Liability	DEFERRED INFLOWS OF RESOURCES	(56,954.00)				(56,954.00)
64-0001-2432	Liability	DEFERRED SOLAR	(6,882.77)				(6,882.77)
64-0403-4031	Expense	DEPRECIATION EXPENSE	917,234.71	58,000.00		58,000.00	975,234.71
64-0419-4191	Expense	INTEREST EXPENSE	6.09				6.09
64-0419-4192	Expense	INTEREST PAID ON METER DEPOSIT	308.14	4.01		4.01	312.15
64-0419-4290	Revenue	INTEREST INCOME	(34,089.23)		5,980.38	(5,980.38)	(40,069.61)
64-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	3,534.73		254.45	(254.45)	3,280.28
64-0421-4210	Revenue	MISC. NON OPERATING INCOME	(26,279.30)		1,928.97	(1,928.97)	(28,208.27)
64-0421-4211	Revenue	GAIN/LOSS ON DISPOSAL OF ASSET					0.00
64-0424-4264	Revenue	GAIN OR LOSS RESALE OF BONDS					0.00
64-0426-4263	Expense	FINES & PENALTIES					0.00
64-0427-4271	Expense	INTEREST ON LONG TERM DEBT	82,271.11	3,989.96		3,989.96	86,261.07
64-0428-4281	Expense	AMORTIZATION OF BOND DISCOUNT					0.00
64-0440-4401	Revenue	RESIDENTIAL SALES	(3,337,591.40)		172,832.29	(172,832.29)	(3,510,423.69)
64-0440-4402	Revenue	SECURITY LIGHTS	(26,723.55)		1,662.09	(1,662.09)	(28,385.64)
64-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(28,122.00)		1,769.00	(1,769.00)	(29,891.00)
64-0440-4420	Revenue	SMALL GENERAL SERVICE	(936,203.68)		50,028.27	(50,028.27)	(986,231.95)
64-0440-4422	Revenue	LARGE GENERAL SERVICE	(2,278,656.31)		138,410.82	(138,410.82)	(2,417,067.13)
64-0440-4423	Revenue	LARGE POWER SERVICE	(2,349,349.97)		144,203.48	(144,203.48)	(2,493,553.45)
64-0440-4425	Revenue	RESIDENTIAL SOLAR CREDIT	290.16	17.16		17.16	307.32
64-0440-4426	Revenue	SMALL GENERAL SOLAR CREDIT	452.71	26.78		26.78	479.49
64-0440-4427	Revenue	LARGE GEN/POWER SOLAR CREDIT	1,060.42	62.73		62.73	1,123.15
64-0440-4435	Revenue	STREET LIGHT FEES	(38,418.00)		2,415.00	(2,415.00)	(40,833.00)
64-0440-4493	Revenue	RATE STABILIZATION REVENUE	122,225.00				122,225.00
64-0450-4501	Revenue	LATE CHARGES	(75,099.22)	935.52	6,751.69	(5,816.17)	(80,915.39)
64-0450-4502	Revenue	HOOK-UP & NSF CHECK CHARGES	(8,740.05)		2,230.35	(2,230.35)	(10,970.40)

# Trial Balance

## PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0450-4503	Revenue	CONNECTION FEE	(26,620.00)		1,200.00	(1,200.00)	(27,820.00)
64-0450-4504	Revenue	CONSTRUCTION FEES	(56,222.57)		4,649.47	(4,649.47)	(60,872.04)
64-0450-4506	Revenue	SOLAR SUBSCRIPTIONS	(3,276.44)				(3,276.44)
64-0450-4550	Revenue	OPERATING & MAINTENANCE	(506,366.94)	32,304.62	74,740.87	(42,436.25)	(548,803.19)
64-0450-4561	Revenue	QUICK START DIESEL PAYMENT	(232,320.00)		14,520.00	(14,520.00)	(246,840.00)
64-0450-4563	Revenue	OTHER OPERATING REVENUE	(439,033.74)		24,939.49	(24,939.49)	(463,973.23)
64-0450-4564	Revenue	POLE ATTACHMENT FEE	(3,752.50)				(3,752.50)
64-0450-4565	Revenue	MERCHANDISE SALES	(2,417.99)		713.72	(713.72)	(3,131.71)
64-0540-5461	Expense	PRODUCTION PLANT SALARIES	262,474.11	12,904.89		12,904.89	275,379.00
64-0540-5472	Expense	NATURAL GAS	21,429.82	1,694.87		1,694.87	23,124.69
64-0540-5481	Expense	LUBE OIL & LUBRICANTS	3,355.08				3,355.08
64-0540-5482	Expense	CHEMICALS	5,934.34				5,934.34
64-0540-5501	Expense	PRODUCTION SUPPLIES	3,416.04	175.47		175.47	3,591.51
64-0540-5505	Expense	PLANT SHOP SUPPLIES	966.93	114.56		114.56	1,081.49
64-0540-5510	Expense	SAFETY EQUIPMENT	2,238.75	392.23		392.23	2,630.98
64-0540-5511	Expense	COMMUNICATIONS EXPENSE	548.26	34.30		34.30	582.56
64-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	96.17				96.17
64-0540-5513	Expense	SMALL TOOLS EXPENSE	1,401.53				1,401.53
64-0540-5514	Expense	EDUCATION & SAFETY TRAINING		613.29		613.29	613.29
64-0540-5515	Expense	OUTSIDE SERVICES	154.50	45.00		45.00	199.50
64-0540-5516	Expense	BOILER & MACHINERY INSURANCE	109,945.26	7,450.08		7,450.08	117,395.34
64-0540-5517	Expense	PROP & LIAB INSURANCE	23,130.92	2,565.92		2,565.92	25,696.84
64-0540-5541	Expense	EQUIPMENT REPAIRS	47,625.22	16,528.09		16,528.09	64,153.31
64-0540-5882	Expense	TRANSPORTATION FUEL & OIL	455.08				455.08
64-0540-5883	Expense	VEHICLE REPAIR & EXPENSE	45.25				45.25
64-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	15,370.66	999.10		999.10	16,369.76
64-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	36,530.63	1,579.75		1,579.75	38,110.38
64-0550-5551	Expense	PURCHASED POWER	5,940,801.28	355,253.09		355,253.09	6,296,054.37
64-0550-5571	Expense	MISCELLANEOUS PLANT EXPENSE	246.80	27.80		27.80	274.60
64-0560-5531	Expense	BUILDING & GROUNDS MAINTENANCE	1,399.97	1,642.64		1,642.64	3,042.61
64-0560-5541	Expense	EQUIPMENT REPAIRS					0.00
64-0560-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	25.62				25.62
64-0560-5888	Expense	UTILITIES					0.00
64-0580-5801	Expense	DISTRIBUTION SALARIES	465,257.16	27,504.74		27,504.74	492,761.90
64-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	907.03	119.79		119.79	1,026.82
64-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	10,990.10	19.25		19.25	11,009.35
64-0580-5813	Expense	SMALL TOOLS EXPENSE	1,848.10	23.49		23.49	1,871.59
64-0580-5814	Expense	EDUCATION & SAFETY TRAINING	4,048.40				4,048.40
64-0580-5815	Expense	OUTSIDE SERVICES	25,216.76				25,216.76
64-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	9,382.25	297.36		297.36	9,679.61
64-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.	556.79				556.79
64-0580-5821	Expense	LOAD CONTROL EXPENSE					0.00

# Trial Balance

## PRINCETON PUBLIC UTILITIES

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Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0580-5831	Expense	OVERHEAD LINE EXPENSE	4,251.82	693.05		693.05	4,944.87
64-0580-5841	Expense	UNDERGROUND LINE EXPENSE	19,138.82	69.66		69.66	19,208.48
64-0580-5851	Expense	STREET LIGHTS & SIGNAL EXP.	12,103.17	1,497.60		1,497.60	13,600.77
64-0580-5852	Expense	SEC. LIGHT REPAIR EXPENSE	5,362.10	191.27		191.27	5,553.37
64-0580-5862	Expense	METER EXPENSE	1,324.06	100.74		100.74	1,424.80
64-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR	487.29				487.29
64-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	22,009.34	1,274.61		1,274.61	23,283.95
64-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE	4,058.33				4,058.33
64-0580-5882	Expense	TRANSPORTATION FUEL & OIL	6,965.40	675.32		675.32	7,640.72
64-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	5,276.93				5,276.93
64-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	3,274.35				3,274.35
64-0580-5887	Expense	STORM DAMAGE					0.00
64-0580-5888	Expense	UTILITIES	27,307.17	1,334.03		1,334.03	28,641.20
64-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	2,574.98	576.66		576.66	3,151.64
64-0590-5941	Expense	LINE MAINTENANCE TRIMMING	25,302.93				25,302.93
64-0590-5945	Expense	HABITAT, RIGHT OF WAY EXPENSE					0.00
64-0590-5951	Expense	MAINTENANCE OF TRANSFORMERS	936.62				936.62
64-0902-9021	Expense	METER READING SALARIES	4,275.39	29.00		29.00	4,304.39
64-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	147,417.82	9,150.41		9,150.41	156,568.23
64-0903-9032	Expense	POSTAGE EXPENSE	17,021.43	1,425.16		1,425.16	18,446.59
64-0903-9033	Expense	COLLECTION EXPENSE					0.00
64-0903-9034	Expense	FORMS & SUPPLIES	3,238.94	886.70		886.70	4,125.64
64-0903-9035	Expense	COMMUNICATIONS EXPENSE	6,448.83	319.27		319.27	6,768.10
64-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	5,292.48	306.53		306.53	5,599.01
64-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS	1,918.30				1,918.30
64-0920-9201	Expense	GENERAL & ADMIN. SALARIES	146,399.41	9,658.20		9,658.20	156,057.61
64-0921-9210	Expense	NEWSADS & PROMOTIONS	4,965.91				4,965.91
64-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	34,723.02	1,924.63		1,924.63	36,647.65
64-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	2,260.78	2,005.92		2,005.92	4,266.70
64-0921-9213	Expense	COMMUNICATIONS EXPENSE	6,260.53	235.09		235.09	6,495.62
64-0921-9214	Expense	MEMBERSHIP FEES & DUES	17,128.50				17,128.50
64-0921-9215	Expense	SUPPLIES & EXPENSES	1,027.43	74.87		74.87	1,102.30
64-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	9,120.66	170.40		170.40	9,291.06
64-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	23,299.28	173.96		173.96	23,473.24
64-0921-9218	Expense	LICENSES & PERMITS	1,300.75				1,300.75
64-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	4,653.74				4,653.74
64-0921-9220	Expense	SMALL OFFICE EQUIPMENT	1,017.30	240.80		240.80	1,258.10
64-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	9,672.05	157.50		157.50	9,829.55
64-0923-9232	Expense	AUDITOR EXPENSE	12,875.00	7,098.00		7,098.00	19,973.00
64-0923-9233	Expense	ENGINEERING & CONSULTANTS	1,592.00	200.00		200.00	1,792.00
64-0923-9234	Expense	OUTSIDE SERVICES	59,296.42	5,882.86	20.00	5,862.86	65,159.28
64-0923-9235	Expense	CLEANING SERVICES	6,279.49	1,096.95		1,096.95	7,376.44



# Trial Balance

## PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	698.89	514.91		514.91	1,213.80
64-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	23,666.40	2,327.00		2,327.00	25,993.40
64-0925-9251	Expense	WORKMANS COMP. INSURANCE	29,459.32	1,282.86		1,282.86	30,742.18
64-0926-9260	Expense	FICA INSURANCE	58,958.10	3,396.16		3,396.16	62,354.26
64-0926-9261	Expense	PERA EXPENSE	75,955.89	4,443.56		4,443.56	80,399.45
64-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	342,178.53	20,113.21		20,113.21	362,291.74
64-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	13,343.04	623.72		623.72	13,966.76
64-0926-9264	Expense	EDUCATION & SAFETY TRAINING	18,571.99				18,571.99
64-0926-9265	Expense	MEDICARE EXPENSE	13,788.89	794.25		794.25	14,583.14
64-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
64-0926-9267	Expense	HEAT SHARE EXPENSE	96.00				96.00
64-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	4,013.83	541.91		541.91	4,555.74
64-0930-9303	Expense	SERVICE TERRITORY EXPENSE	7,815.48				7,815.48
64-0930-9304	Expense	GENERAL FUND EXPENSE					0.00
64-0930-9306	Expense	SALES TAX EXPENSE	2,101.60	226.68		226.68	2,328.28
64-0930-9307	Expense	COMMERCIAL REBATES	100,127.83	32,961.43		32,961.43	133,089.26
64-0930-9308	Expense	CONSERVATION IMPROVEMENT EXP	8,177.27				8,177.27
64-0930-9309	Expense	RESIDENTIAL REBATES	4,206.34	40.00		40.00	4,246.34
64-0930-9311	Expense	CHRISTIMAS LIGHTING EXPENSE	2,528.81				2,528.81
64-0933-9034	Expense	FORMS & SUPPLIES					0.00
64-0933-9330	Expense	TRANSPORTATION FUEL & LUBE	207.52	57.18		57.18	264.70
64-0933-9331	Expense	TRANSPORTATION REPAIRS & MAINT	865.93				865.93
			0.00	5,536,082.35	5,536,082.35	0.00	0.00

Report Setup  
 Sort By:  
 Includes only active accounts  
 Includes accounts from 64-0001-1071 to 64-0940-9402  
 Printed for 5/1/2022 to 5/31/2022  
 Printed for all sources.

**PRINCETON PUBLIC UTILITIES COMMISSION  
INCOME STATEMENT-WATER DEPARTMENT  
FOR MONTH ENDING: May 31, 2022**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
<b>OPERATING REVENUE:</b>				
Residential Sales	54,749.44	259,503.85	57,641.35	261,064.80
Commercial Sales	24,194.94	102,378.95	21,205.07	88,859.31
Industrial Sales	9,462.79	44,960.28	11,900.30	46,893.27
Non Metered Sales	1,768.50	1,989.00	993.75	1,130.25
Service Line Repair Fee	1,485.00	7,413.00	1,469.00	7,346.00
Late Charges	1,308.37	4,554.77	790.64	4,373.86
Rent/Lease Income	0.00	22,137.77	0.00	20,828.50
Availability/Connection Fees	4,000.00	16,000.00	4,000.00	16,000.00
Construction Fees	0.00	0.00	0.00	0.00
Trunk Facilities Fees	0.00	0.00	0.00	0.00
Operating Transfers	0.00	0.00	0.00	0.00
Merchandise Sales	4,563.80	6,623.54	0.00	889.40
Other Operating Revenue	0.00	0.00	0.00	0.00
<b>TOTAL OPERATING REVENUE:</b>	<b>101,532.84</b>	<b>465,561.16</b>	<b>98,000.11</b>	<b>447,385.39</b>
<b>OPERATING EXPENSES:</b>				
<b>Production Plant:</b>				
Salaries & Supervision	3,818.13	19,048.22	8,114.30	37,581.14
Power for Pumping	2,557.35	11,793.06	2,521.15	12,105.99
Natural Gas	772.74	4,963.07	503.95	3,506.74
Utilities & Generator Expense	0.00	0.00	0.00	0.00
Lube Oil & Lubricants	0.00	0.00	0.00	0.00
Chemicals	3,660.25	11,038.00	1,734.70	7,509.85
Water Testing	145.40	1,574.77	70.68	1,060.63
Communications Expense	37.86	189.58	38.45	192.03
Scada & Computer Equipment	220.22	1,311.08	220.22	2,459.47
Equipment Repairs	0.00	637.89	0.00	2,876.13
Equip. Maint. & Inspections	0.00	0.00	100.00	1,300.00
Building & Grounds Maint.	98.63	98.63	0.00	564.71
Misc. Plant Expense	0.00	0.00	0.00	15.53
<b>Total Production Plant:</b>	<b>11,310.58</b>	<b>50,654.30</b>	<b>13,303.45</b>	<b>69,172.22</b>
<b>Distribution System:</b>				
Salaries & Supervision	8,820.44	32,451.50	7,908.79	40,877.83
System & Shop Supplies	115.55	126.59	0.00	6.05
Small Tools Expense	0.00	134.78	0.00	142.85
GIS Data & Maintenance Exp.	56.64	819.54	332.31	576.53
Computer Equip. & Maintenance	0.00	0.00	0.00	0.00
Safety Equipment	19.25	2,609.95	82.43	382.15
Education & Safety Training	0.00	1,050.00	0.00	0.00
Outside Services	46.44	150.64	189.42	271.90
Meter Expense	43.17	244.44	0.00	1,177.62
Customer Service Line Repair Exp.	0.00	0.00	0.00	0.00
Customer Owned Service Exp.	0.00	12.70	0.00	95.49
Dist. Repairs & Maintenance	6,564.68	7,511.03	111.52	111.52
Transportation Fuel & Oil	459.75	1,637.31	237.48	1,551.53
Vehicle Repair & Maint.	0.00	80.96	0.00	1,162.87
Equipment Repair & Maint.	0.00	0.00	10.57	223.07
Utilities	661.37	3,784.45	843.47	3,995.20
Building & Grounds Maint.	0.00	9.41	76.81	324.00
Misc. Dist. & Tower Maint. & Exp.	0.00	0.00	0.00	21.76
<b>Total Distribution:</b>	<b>16,787.29</b>	<b>50,623.30</b>	<b>9,792.80</b>	<b>50,920.37</b>

**INCOME STATEMENT-WATER**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year</u> <u>Current</u>	<u>Last Year YTD</u>
<b>Customer Accts. Expenses:</b>				
Customer Accts. Salaries	4,409.96	21,406.36	4,141.14	20,504.39
Meter Reading Salaries	133.00	2,280.81	216.03	1,089.59
Postage Expense	271.46	1,049.82	117.29	859.19
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	227.28	502.67	73.18	427.19
Communications Expense	79.92	744.22	153.16	765.43
Uncollectible Accts. Expense	0.00	0.00	0.00	0.00
<b>Total Customer Acct. Expenses:</b>	<b>5,121.62</b>	<b>25,983.88</b>	<b>4,700.80</b>	<b>23,645.79</b>
<b>General &amp; Administrative Expenses:</b>				
Salaries & Supervision	4,811.81	23,326.82	3,969.45	20,368.77
Newads, Website, Subscriptions & Promos	382.08	588.76	762.50	781.39
Office Supplies, Computer Exp., & Sm. Equip	426.73	2,048.72	347.88	2,562.11
Communications Expense	44.78	449.55	49.23	246.17
Membership Fees & Dues	0.00	350.75	1,891.00	1,969.75
Maint. Contracts, Licenses & Permits	33.13	3,860.84	31.06	3,610.66
State & Federal Assessments	0.00	4,201.00	0.00	4,128.00
Professional Fees	1,382.00	2,059.50	127.50	1,066.50
Outside Services	918.40	2,916.56	765.02	2,678.24
Meals, Travel, Meetings	5.60	429.14	0.00	278.03
Prop. & Liab. Insurance	932.50	4,662.50	732.33	3,661.69
Employee Pensions & Benefits	6,686.00	33,166.59	7,916.02	42,328.04
Education & Safety Training	0.00	1,119.88	0.00	1,102.50
Wellhead Plan Implementation	0.00	3,206.25	0.00	0.00
Sales Tax Expense	0.00	0.00	0.00	0.00
Building & Grounds Maint.	98.08	106.74	0.00	0.00
Misc. G&A Expense	27.06	155.34	0.00	151.43
<b>Total General &amp; Administrative:</b>	<b>15,748.17</b>	<b>82,648.94</b>	<b>16,591.99</b>	<b>84,933.28</b>
Depreciation Expense	34,000.00	170,000.00	32,900.00	164,500.00
<b>TOTAL OPERATING EXPENSES:</b>	<b>82,967.66</b>	<b>379,910.42</b>	<b>77,289.04</b>	<b>393,171.66</b>
<b>OPERATING INCOME /(LOSS)</b>	<b>18,565.18</b>	<b>85,650.74</b>	<b>20,711.07</b>	<b>54,213.73</b>
<b>NONOPERATING REVENUE (EXPENSE)</b>				
Interest Income	0.00	0.00	0.00	0.00
Change in Fair Value of Investments	63.61	(850.68)	0.00	5.40
Misc. Non Oper. Income	2.01	2.01	0.00	125.85
Gain/(Loss) Disposal of Property	0.00	0.00	0.00	0.00
Gain/(Loss) Sale of Bonds	0.00	0.00	0.00	0.00
Interest Expense	(5,247.26)	(26,539.70)	(6,430.81)	(32,580.34)
Fines & Penalties	0.00	0.00	0.00	0.00
Amortization of Bond Discount	0.00	0.00	0.00	0.00
General Fund Expense	0.00	0.00	0.00	0.00
<b>Total NonOperating Rev/(Exp)</b>	<b>(5,181.64)</b>	<b>(27,388.37)</b>	<b>(6,430.81)</b>	<b>(32,449.09)</b>
<b>NET INCOME/(LOSS)</b>	<b>13,383.54</b>	<b>58,262.37</b>	<b>14,280.26</b>	<b>21,764.64</b>

**PRINCETON PUBLIC UTILITIES COMMISSION  
BALANCE SHEET-WATER DEPARTMENT  
May 31, 2022**

**ASSETS**

**CURRENT ASSETS:**

Cash	812,654.82	
Temp Rate Stab Investments	0.00	
Customer Accounts Receivable	93,270.91	
Other Accounts Receivable	3,120.78	
Accrued Interest Receivable	481.94	
Inventory	63,402.45	
Prepaid Interest	0.00	
Prepaid Insurance	8,112.23	
Deferred Outflows of Resources	13,001.00	

**Total Current Assets**

994,044.13

**RESTRICTED ASSETS:**

Construction in Progress	0.00	
MCMU Construction Fund	0.00	
Reserve Fund	0.00	
MCMU Reserve Fund	0.00	
Debt Service Fund	159,999.98	
PFA Debt Service Fund	41,958.46	
Capital Improvements Fund	1,209,329.29	

**Total Restricted Assets**

1,411,287.73

**FIXED ASSETS:**

Land & Land Improvements	8,161.73	
Buildings	29,764.78	
Towers	1,856,019.63	
Wells	558,323.83	
Pumps	12,945.70	
Distribution System	4,912,101.84	
Treatment Plant	4,571,323.78	
Flouridation & Treatment System	124,029.43	
Trucks & Vehicles	74,124.47	
Tools, Shop & Garage Equipment	32,439.25	
Office Furniture & Equipment	30,792.37	
Miscellaneous Equipment	148,613.27	12,358,640.08
Less: Accumulated Depreciation	<u>(6,607,705.11)</u>	

**Total Fixed Assets**

5,750,934.97

**TOTAL ASSETS**

8,156,266.83

**PRINCETON PUBLIC UTILITIES COMMISSION  
BALANCE SHEET-WATER DEPARTMENT  
May 31, 2022**

**LIABILITIES AND FUND EQUITY**

**CURRENT LIABILITIES**

Accounts Payable		13,273.68
Accrued Interest Payable		708.40
Severance Payable		0.00
Current Bonds Payable		375,000.00
Accrued Wages Payable		0.00
Deferred Revenue		0.00
Net Pension Liability		219,598.00
Deferred Inflows of Resources		5,975.00

<b>Total Current Liabilities</b>		<u>614,555.08</u>
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**NONCURRENT LIABILITIES:**

Contracts Payable		3,900.00
Revenue Bonds Payable	1,140,000.00	
Less: Unamortized Bond Discount	<u>0.00</u>	1,140,000.00
PFA Loan Payable		<u>57,000.00</u>

<b>Total NonCurrent Liabilities</b>		<u>1,200,900.00</u>
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<b>TOTAL LIABILITIES</b>		<u>1,815,455.08</u>
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**FUND EQUITY**

Contributed		56,918.09
Unappropriated Retained Earnings		5,803,323.67
Net Income (Loss)		<u>480,569.99</u>
<b>Total Equity</b>		<u>6,340,811.75</u>

<b>TOTAL LIABILITIES &amp; EQUITY</b>		<u><u>8,156,266.83</u></u>
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# Trial Balance

## PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0001-1071	Asset	CONSTRUCTION IN PROGRESS					0.00
61-0001-1073	Asset	MCMU CONSTRUCTION FUND					0.00
61-0001-1251	Asset	RESERVE FUND	97,500.00		97,500.00	(97,500.00)	0.00
61-0001-1252	Asset	DEBT SERVICE FUND	161,447.84	127,511.17	128,959.03	(1,447.86)	159,999.98
61-0001-1253	Asset	PFA DEBT SERVICE FUND	37,139.00	4,819.46		4,819.46	41,958.46
61-0001-1255	Asset	MCMU RESERVE FUND					0.00
61-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	1,204,395.92	4,933.37		4,933.37	1,209,329.29
61-0001-1311	Asset	CASH ON DEPOSIT CHECKING	817,350.06	319,062.30	323,757.54	(4,695.24)	812,654.82
61-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	87,779.13	94,537.46	89,045.68	5,491.78	93,270.91
61-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	1,996.66	1,768.50	644.38	1,124.12	3,120.78
61-0001-1512	Asset	PLANT MATERIALS & SUPPLIES	47,031.80	16,423.29	52.64	16,370.65	63,402.45
61-0001-1513	Fixed Asset	FLOUIDATION & TREATMENT SYSTEM	124,029.43				124,029.43
61-0001-1521	Fixed Asset	WELLS	558,323.83				558,323.83
61-0001-1530	Fixed Asset	DISTRIBUTION SYSTEM	4,912,101.84				4,912,101.84
61-0001-1540	Fixed Asset	LAND & LAND IMPROVEMENTS	8,161.73				8,161.73
61-0001-1550	Fixed Asset	BUILDINGS	29,764.78				29,764.78
61-0001-1555	Fixed Asset	TREATMENT PLANT	4,571,323.78				4,571,323.78
61-0001-1560	Fixed Asset	OFFICE FURNITURE & EQUIPMENT	30,792.37				30,792.37
61-0001-1562	Fixed Asset	TOWERS	1,856,019.63				1,856,019.63
61-0001-1570	Fixed Asset	PUMPS	12,945.70				12,945.70
61-0001-1571	Fixed Asset	TRUCKS & VEHICLES	74,124.47				74,124.47
61-0001-1580	Fixed Asset	TOOLS, SHOP & GARAGE EQUIP.	32,439.25				32,439.25
61-0001-1590	Fixed Asset	MISCELLANEOUS EQUIPMENT	148,613.27				148,613.27
61-0001-1651	Asset	PREPAID INTEREST					0.00
61-0001-1652	Asset	PREPAID INSURANCE	9,271.12		1,158.89	(1,158.89)	8,112.23
61-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(6,573,705.11)		34,000.00	(34,000.00)	(6,607,705.11)
61-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	1,415.31		933.37	(933.37)	481.94
61-0001-1712	Asset	DEFERRED OUTFLOWS OF RESOURCES	13,001.00				13,001.00
61-0001-2160	Equity	CONTRIBUTED	(56,918.09)				(56,918.09)
61-0001-2161	Equity	BALANCE FROM INCOME STATEMENT					0.00
61-0001-2162	Equity	UNAPPROPRIATED EARNINGS (END)	(5,803,323.67)				(5,803,323.67)
61-0001-2211	Liability	REVENUE BONDS PAYABLE	(1,190,000.00)	50,000.00		50,000.00	(1,140,000.00)
61-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT					0.00
61-0001-2281	Liability	SEVERANCE PAYABLE					0.00
61-0001-2311	Liability	CONTRACTS PAYABLE	(3,900.00)				(3,900.00)
61-0001-2315	Liability	CURRENT BONDS PAYABLE	(425,000.00)	100,000.00	50,000.00	50,000.00	(375,000.00)
61-0001-2321	Liability	ACCOUNTS PAYABLE	(9,941.43)	164,106.93	167,439.18	(3,332.25)	(13,273.68)
61-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
61-0001-2330	Liability	PFA LOAN PAYABLE	(57,000.00)				(57,000.00)
61-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(24,420.17)	28,959.03	5,247.26	23,711.77	(708.40)
61-0001-2429	Liability	DEFERRED REVENUE					0.00
61-0001-2430	Liability	NET PENSION LIABILITY	(219,598.00)				(219,598.00)

# Trial Balance

## PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0001-2431	Liability	DEFERRED INFLOWS OF RESOURCES	(5,975.00)				(5,975.00)
61-0403-4031	Expense	DEPRECIATION EXPENSE	524,981.35	34,000.00		34,000.00	558,981.35
61-0419-4191	Expense	INTEREST EXPENSE	97,477.26	5,247.26		5,247.26	102,724.52
61-0419-4290	Revenue	INTEREST INCOME	(9,442.19)				(9,442.19)
61-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	883.69		63.61	(63.61)	820.08
61-0421-4210	Revenue	MISC. NON OPERATING INCOME	(295.05)		2.01	(2.01)	(297.06)
61-0421-4211	Revenue	GAIN/LOSS ON DISPOSAL OF ASSET					0.00
61-0424-4264	Revenue	GAIN OR LOSS RESALE OF BONDS					0.00
61-0426-4263	Expense	FINES & PENALTIES					0.00
61-0428-4281	Expense	AMORTIZATION OF BOND DISCOUNT					0.00
61-0440-4401	Revenue	RESIDENTIAL SALES	(979,035.24)		54,749.44	(54,749.44)	(1,033,784.68)
61-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(23,593.00)		1,485.00	(1,485.00)	(25,078.00)
61-0440-4421	Revenue	COMMERCIAL SALES	(441,262.20)		24,194.94	(24,194.94)	(465,457.14)
61-0440-4431	Revenue	INDUSTRIAL SALES	(159,759.84)		9,462.79	(9,462.79)	(169,222.63)
61-0440-4491	Revenue	NON-METERED SALES	(13,089.00)		1,768.50	(1,768.50)	(14,857.50)
61-0450-4501	Revenue	LATE CHARGES	(14,907.32)	325.35	1,633.72	(1,308.37)	(16,215.69)
61-0450-4503	Revenue	CONNECTION FEE	(82,000.00)		4,000.00	(4,000.00)	(86,000.00)
61-0450-4504	Revenue	CONSTRUCTION FEES					0.00
61-0450-4505	Revenue	TRUNK FACILITIES FEES	(12,748.00)				(12,748.00)
61-0450-4541	Revenue	RENT/LEASE INCOME	(60,204.05)				(60,204.05)
61-0450-4563	Revenue	OTHER OPERATING REVENUE	(1,175.00)	162.48	162.48		(1,175.00)
61-0450-4565	Revenue	MERCHANDISE SALES	(8,881.49)		4,563.80	(4,563.80)	(13,445.29)
61-0540-5461	Expense	PRODUCTION PLANT SALARIES	99,262.54	3,818.13		3,818.13	103,080.67
61-0540-5471	Expense	POWER FOR PUMPING	42,636.75	2,557.35		2,557.35	45,194.10
61-0540-5472	Expense	NATURAL GAS	10,103.95	772.74		772.74	10,876.69
61-0540-5473	Expense	UTILITIES & GENERATOR EXPENSE					0.00
61-0540-5481	Expense	LUBE OIL & LUBRICANTS					0.00
61-0540-5482	Expense	CHEMICALS	26,424.75	3,660.25		3,660.25	30,085.00
61-0540-5483	Expense	WATER TESTING	4,647.55	145.40		145.40	4,792.95
61-0540-5511	Expense	COMMUNICATIONS EXPENSE	609.90	37.86		37.86	647.76
61-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	5,165.95	220.22		220.22	5,386.17
61-0540-5541	Expense	EQUIPMENT REPAIRS	4,145.35				4,145.35
61-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	1,389.18	98.63		98.63	1,487.81
61-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	1,300.00				1,300.00
61-0550-5571	Expense	MISCELLANEOUS PLANT EXPENSE	15.53				15.53
61-0580-5801	Expense	DISTRIBUTION SALARIES	121,519.89	8,820.44		8,820.44	130,340.33
61-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	42.40	115.55		115.55	157.95
61-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	3,004.93	19.25		19.25	3,024.18
61-0580-5813	Expense	SMALL TOOLS EXPENSE	823.25				823.25
61-0580-5814	Expense	EDUCATION & SAFETY TRAINING	2,331.50				2,331.50
61-0580-5815	Expense	OUTSIDE SERVICES	700.37	46.44		46.44	746.81
61-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	2,452.25	56.64		56.64	2,508.89

# Trial Balance

## PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.	519.92				519.92
61-0580-5862	Expense	METER EXPENSE	568.74	43.17		43.17	611.91
61-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR	4,793.20				4,793.20
61-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	1,545.30				1,545.30
61-0580-5872	Expense	DIST. REPAIRS & MAINTENANCE	6,333.65	6,564.68		6,564.68	12,898.33
61-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE					0.00
61-0580-5882	Expense	TRANSPORTATION FUEL & OIL	4,538.55	459.75		459.75	4,998.30
61-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	2,612.76				2,612.76
61-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	219.24				219.24
61-0580-5888	Expense	UTILITIES	14,119.77	661.37		661.37	14,781.14
61-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	492.62				492.62
61-0590-5981	Expense	WATER TOWER MAINT.	21.76				21.76
61-0902-9021	Expense	METER READING SALARIES	5,943.75	133.00		133.00	6,076.75
61-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	71,013.66	4,409.96		4,409.96	75,423.62
61-0903-9032	Expense	POSTAGE EXPENSE	3,152.09	271.46		271.46	3,423.55
61-0903-9033	Expense	COLLECTION EXPENSE					0.00
61-0903-9034	Expense	FORMS & SUPPLIES	506.76	168.90		168.90	675.66
61-0903-9035	Expense	COMMUNICATIONS EXPENSE	2,497.23	79.92		79.92	2,577.15
61-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	953.59	58.38		58.38	1,011.97
61-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS	151.12				151.12
61-0920-9201	Expense	GENERAL & ADMIN. SALARIES	76,349.26	4,811.81		4,811.81	81,161.07
61-0921-9210	Expense	NEWSADS & PROMOTIONS	958.50				958.50
61-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	7,293.93	366.60		366.60	7,660.53
61-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	400.37	382.08		382.08	782.45
61-0921-9213	Expense	COMMUNICATIONS EXPENSE	1,195.03	44.78		44.78	1,239.81
61-0921-9214	Expense	MEMBERSHIP FEES & DUES	2,403.00				2,403.00
61-0921-9215	Expense	SUPPLIES & EXPENSES	180.66	14.26		14.26	194.92
61-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	1,128.50	5.60		5.60	1,134.10
61-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	6,224.88	33.13		33.13	6,258.01
61-0921-9218	Expense	LICENSES & PERMITS	4,682.47				4,682.47
61-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	20,857.00				20,857.00
61-0921-9220	Expense	SMALL OFFICE EQUIPMENT	191.94	45.87		45.87	237.81
61-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	2,652.74	30.00		30.00	2,682.74
61-0923-9232	Expense	AUDITOR EXPENSE	2,275.00	1,352.00		1,352.00	3,627.00
61-0923-9233	Expense	ENGINEERING & CONSULTANTS					0.00
61-0923-9234	Expense	OUTSIDE SERVICES	7,113.69	735.30		735.30	7,848.99
61-0923-9235	Expense	CLEANING SERVICES	671.47	183.10		183.10	854.57
61-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	46.54	98.08		98.08	144.62
61-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	9,038.32	932.50		932.50	9,970.82
61-0925-9251	Expense	WORKMANS COMP. INSURANCE	5,198.68	226.39		226.39	5,425.07
61-0926-9260	Expense	FICA INSURANCE	23,208.72	1,260.35		1,260.35	24,469.07
61-0926-9261	Expense	PERA EXPENSE	27,136.47	1,649.48		1,649.48	28,785.95



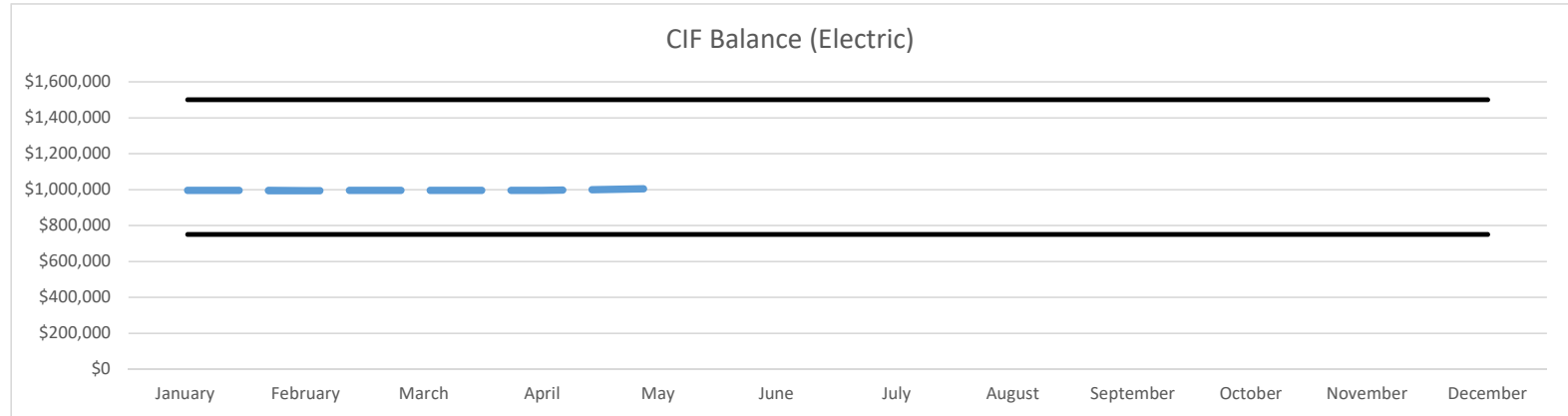
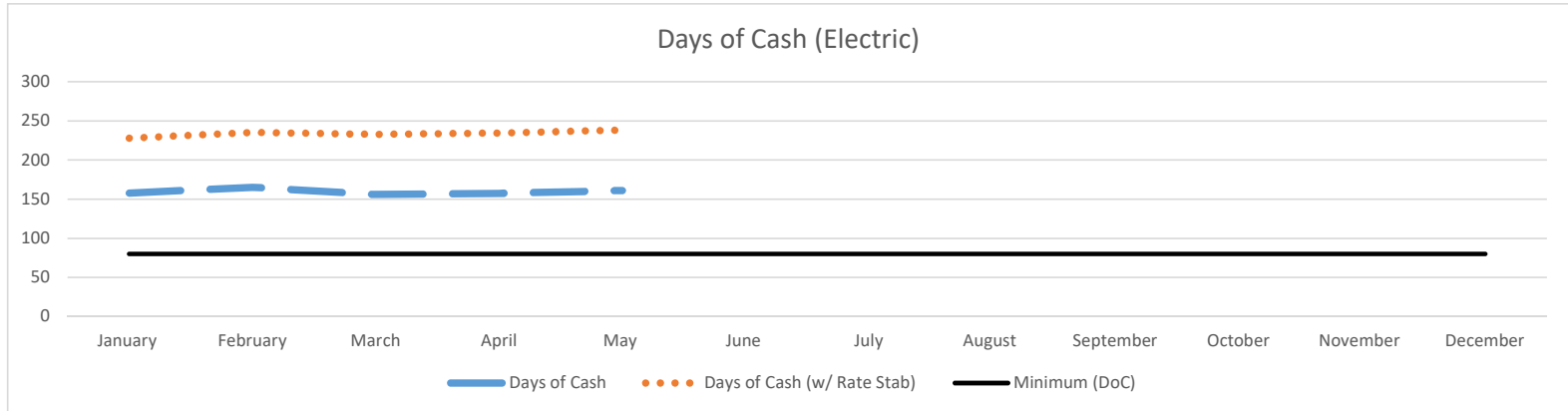
# Trial Balance

## PRINCETON PUBLIC UTILITIES

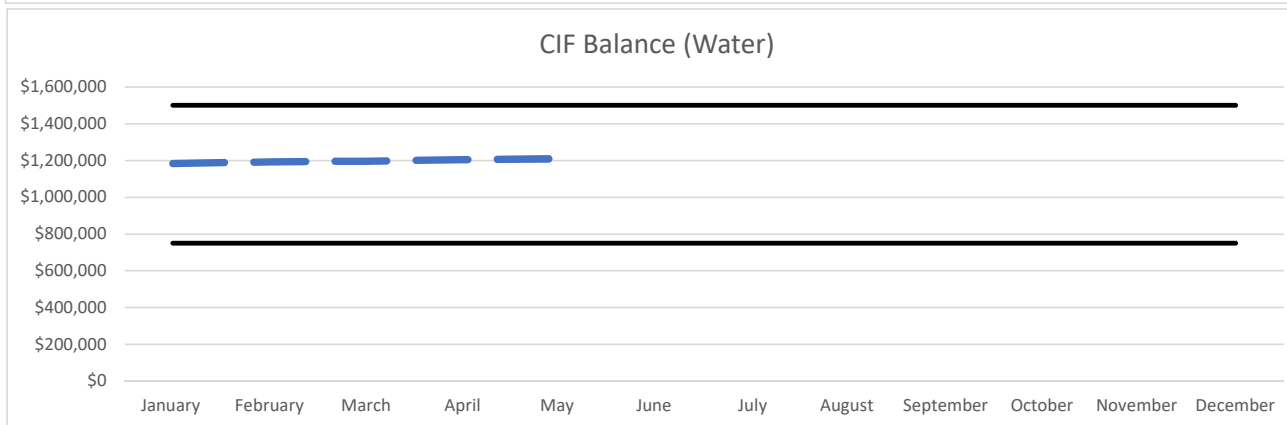
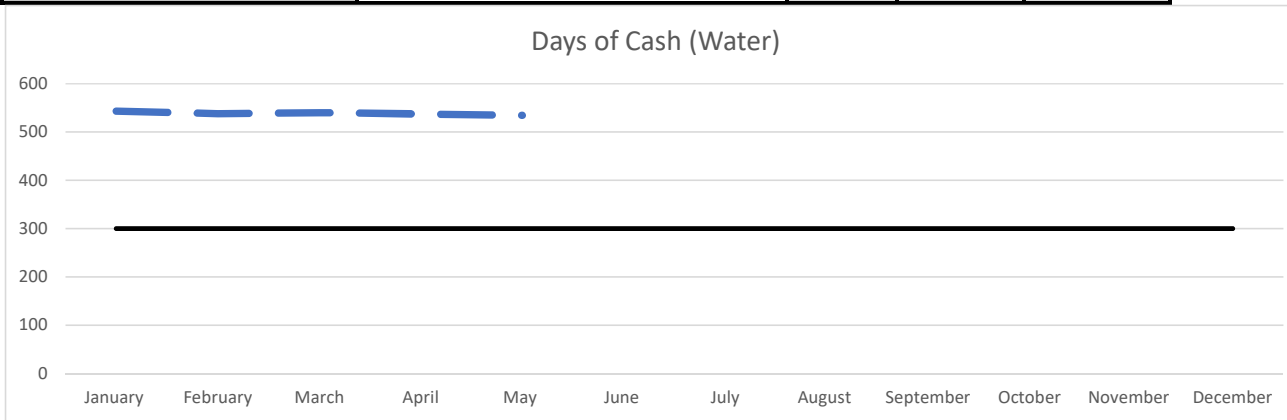
Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	55,712.74	3,152.60		3,152.60	58,865.34
61-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	2,077.44	102.41		102.41	2,179.85
61-0926-9264	Expense	EDUCATION & SAFETY TRAINING	3,315.51				3,315.51
61-0926-9265	Expense	MEDICARE EXPENSE	5,427.82	294.77		294.77	5,722.59
61-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
61-0930-9301	Expense	WELLHEAD PLAN IMPLEMENTATION	3,206.25				3,206.25
61-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	356.95	27.06		27.06	384.01
61-0930-9304	Expense	GENERAL FUND EXPENSE					0.00
61-0930-9306	Expense	SALES TAX EXPENSE					0.00
			0.00	1,000,824.26	1,000,824.26	0.00	0.00

Report Setup  
 Sort By:  
 Includes only active accounts  
 Includes accounts from 61-0001-1071 to 61-0930-9306  
 Printed for 5/1/2022 to 5/31/2022  
 Printed for all sources.

Month	Annual Operating Expenses (2021)	Depreciation (2021)	Electric					Minimum (DoC)	Minimum (CIF)	Maximum (CIF)
			Cash	CIF	Rate Stab	Days of Cash	Days of Cash (w/ Rate Stab)			
January	\$6,997,687	\$685,235	\$2,729,951	\$996,899	\$1,211,898	158	228	80	\$750,000	\$1,500,000
February	\$6,997,687	\$685,235	\$2,856,198	\$994,346	\$1,211,898	165	235	80	750,000	1,500,000
March	\$6,997,687	\$685,235	\$2,695,782	\$996,247	\$1,334,123	156	233	80	750,000	1,500,000
April	\$6,997,687	\$685,235	\$2,719,123	\$996,485	\$1,334,123	157	234	80	750,000	1,500,000
May	\$6,997,687	\$685,235	\$2,787,216	\$1,005,676	\$1,334,123	161	238	80	750,000	1,500,000
June	\$6,997,687	\$685,235						80	750,000	1,500,000
July	\$6,997,687	\$685,235						80	750,000	1,500,000
August	\$6,997,687	\$685,235						80	750,000	1,500,000
September	\$6,997,687	\$685,235						80	750,000	1,500,000
October	\$6,997,687	\$685,235						80	750,000	1,500,000
November	\$6,997,687	\$685,235						80	750,000	1,500,000
December	\$6,997,687	\$685,235						80	750,000	1,500,000

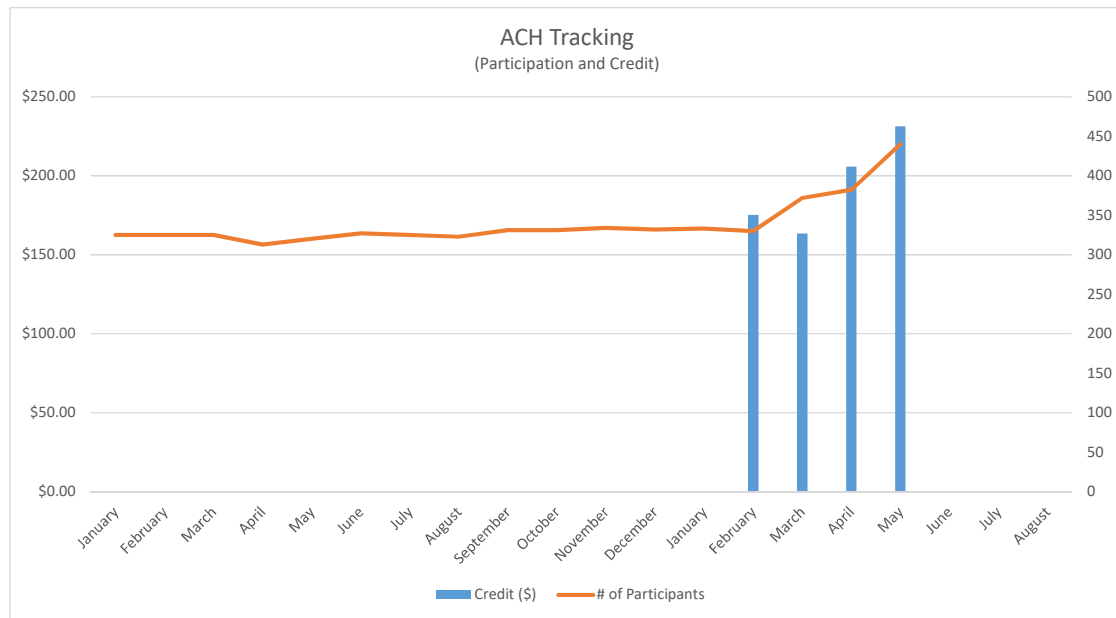


WATER							
Annual Operating Costs (2021)	Depreciation (2021)	Cash	CIF	Days of Cash	Minimum (DoC)	Minimum (CIF)	Maximum (CIF)
\$943,902	\$388,981	\$825,893	\$1,183,601	543	300	\$750,000	\$1,500,000
\$943,902	\$388,981	\$818,445	\$1,192,341	538	300	750,000	1,500,000
\$943,902	\$388,981	\$820,638	\$1,196,396	540	300	750,000	1,500,000
\$943,902	\$388,981	\$817,350	\$1,204,396	538	300	750,000	1,500,000
\$943,902	\$388,981	\$812,655	\$1,209,329	535	300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000
\$943,902	\$388,981				300	750,000	1,500,000





ACH Tracking			
	Total Residential Customers	Credit (\$)	# of Participants
January	2309	\$0.00	325
February	2310	\$0.00	325
March	2311	\$0.00	325
April	2316	\$0.00	313
May	2311	\$0.00	320
June	2318	\$0.00	327
July	2313	\$0.00	325
August	2328	\$0.00	323
September	2324	\$0.00	331
October	2321	\$0.00	331
November	2326	\$0.00	334
December	2330	\$0.00	332
January	2325	\$0.00	333
February	2327	\$175.22	330
March	2328	\$163.48	372
April	2329	\$205.84	382
May	2330	\$231.51	440
June			
July			
August			



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## MEMORANDUM 22-14

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TO: Princeton Public Utilities Commission  
FROM: Keith R. Butcher, General Manager  
SUBJECT: Electric Capital Plan – Phase I Update  
DATE: June 22<sup>nd</sup>, 2022

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### ITEM SUMMARY

DGR has completed work on the electric distribution improvements portion of Phase 1 that included scoping, preliminary engineering work, and planning.

### BACKGROUND INFORMATION

In 2021, Princeton Public Utilities (PPU) began working with DGR to develop a long-term 10-year capital improvement plan for the electric system. The goal of the plan is to preserve reliability and power quality for our customers for years to come. The result of the plan was the creation of a three phase process to complete the voltage conversion of the system, convert large amounts of overhead lines to underground services, and replace major equipment that has reached the end of its useful life.

Since the preliminary cost estimates were developed in December of 2021, the United States has experienced significant supply chain disruptions which has impacted equipment availability and costs. The longer equipment lead times is resulting in utilities ordering equipment much earlier than in the past. The cost increase are affecting every aspect of our industry and this project is no exception.

In December of 2021, the estimated project cost for the Phase 1 Electric Distribution Improvements included in the system study was \$3,854,000 to be started in 2022 and completed in 2024.

### PROJECT UPDATE

In May of 2022, upon completion of more detail engineering work and planning as part of the preliminary design phase, the estimated project cost for Phase 1 was updated to \$6,216,200 with work starting in 2022 and completed in 2025. Most of these costs increases are attributed to material price increases (pad mount transformers and 15 kV cable) since the third quarter of 2021 and due to the fact that many of the existing transformers are not dual voltage. This means that the existing transformers cannot be re-used and will need to be replaced. Salvage value of the existing transformers and removal of old infrastructure is not included in this analysis.

Electric Superintendent Linden and General Manager Butcher reviewed the proposal in detail. In working with DGR, PPU identified several areas for potential cost savings. These include:

1. Instead of contracting out all the work, PPU staff will:
  - a. Set all pad-mount equipment
  - b. Make primary terminations
2. Targeting use of secondary conduit to areas of high importance
3. PPU successfully uses re-manufactured transformers throughout its system at less cost than utilizing new transformers. PPU and DGR will explore this option while ensuring that the project follows all statutory requirements and project bidding guidelines.
4. PPU and DGR will continue to explore all options for additional cost savings as final design progresses.

The results are as follows:

Phase 1 – Estimate (May 2022)	\$6,216,200
Less labor and equipment savings	(\$262,000)
Phase 1 – Revised Estimate (June 2022)	\$5,954,200

Please refer to Amendment #1 to Task Order No. 03.

**RECOMMENDATION**

Staff recommends approval of Amendment #1 to Task Order No. 03 at a cost of \$5,954,200. Staff will continue to work with DGR to minimize costs where possible.

## AMENDMENT # 1

**AGREEMENT:** Master Task Order Agreement between DGR Engineering and Princeton Public Utilities – Princeton, Minnesota dated December 18, 2020.

**AMENDMENT TO TASK ORDER NO. 03**

**ORIGINAL TASK ORDER DATE:** January 26, 2022

**TASK ORDER PROJECT NAME:** Phase 1 Electric Distribution Improvements

**AMENDMENT ITEMS:** The preliminary design phase of the project is complete. This amendment authorizes the final design, bidding, permitting, construction phase, construction staking, and final phase services for the project shown in the attached “Proposed Circuit Diagram” drawings dated “Preliminary – Not for Construction – 5/20/2022”. Specific items that are amended for this Task Order are as follows:

**SCOPE OF WORK:** The following items shall be added to the Scope of Work for the project:

### Hourly Portion:

#### Permitting:

1. Prepare for submittal the required documentation for achieving approval of the project from the Minnesota Department of Transportation and the Minnesota Department of Natural Resources.

#### Construction Phase:

1. Organize and attend a preconstruction conference.
2. Review shop drawings.
3. Assist in construction administration and scheduling.
4. Respond to construction questions as needed.
5. Process progress payments and prepare change orders (if required).
6. Make periodic site visits to observe construction.

#### Construction Staking:

1. Stake and mark equipment locations and property lines as requested by Client.

#### Final Phase:

1. Conduct project walk-throughs and develop a “punch-list”.



2. Develop close-out documents for signatures.
3. Produce record drawings based on field-provided red-lines.

**Lump Sum Portion:**

Final Design Phase:

1. Accomplish the fieldwork necessary to locate/relocate the electric lines and related equipment.
2. Develop staking sheets detailing the required work to be constructed by the Contractor.
3. Complete the design and staking sheet production utilizing digital aerial photography for the construction area.
4. Develop specifications, bidding, and contract documents to allow receiving of bids for the following contracts:
  - a. Owner-Furnished materials (major).
  - b. Owner-Furnished materials (minor).
  - c. Construction (primary/secondary).
  - d. Construction (meter cutover).

Bidding Phase:

1. Provide bidding documents to interested bidders and respond to bidder questions.
2. Assist in receiving bids, attend bid openings, analyze bids, develop spreadsheets detailing bid results, and make a recommendation on the award of the contract(s).

**PROJECT BUDGET:** The project budget has been updated to the following:

<b><u>Phase 1 Electric Distribution Improvements</u></b>	
Owner-Furnished Materials (Major)	\$ 2,350,700
Owner-Furnished Materials (Minor)	\$ 295,100
Construction Contract (Primary/Secondary)	\$ 2,053,200
Construction Contract (Meter Cutover)	\$ 418,200
Contingencies (8%)	\$ 430,300
Engineering	<u>\$ 406,700</u>
<b>Project Total:</b>	<b>\$ 5,954,200</b>

**UPDATED FEE ARRANGEMENT:** This Amendment #1 revises the fee arrangement as follows:

<b>Segment</b>	<b>Original Fee</b>	<b>Fee Changes by this Amendment #1</b>	<b>Revised Fee Established by this Amendment #1</b>	<b>Fee Type</b>
Preliminary Design Phase	\$ 14,500	\$ 2,700	\$ 17,200	Hourly-Estimate
Permitting	\$ 0	\$ 3,500	\$ 3,500	Hourly-Estimate
Construction Phase	\$ 0	\$ 88,900	\$ 88,900	Hourly-Estimate
Construction Staking	\$ 0	\$ 4,600	\$ 4,600	Hourly-Estimate
Final Phase	<u>\$ 0</u>	<u>\$ 5,500</u>	<u>\$ 5,500</u>	Hourly-Estimate
SubTotal – Hourly-Estimate Portion	\$ 14,500	\$ 105,200	\$ 119,700	
Final Design Phase	\$ 0	\$ 263,400	\$ 263,400	Lump Sum
Bidding Phase	<u>\$ 0</u>	<u>\$ 23,600</u>	<u>\$ 23,600</u>	Lump Sum
SubTotal – Lump Sum Portion	\$ 0	\$ 287,000	\$ 287,000	
<b>Total</b>	<b>\$ 14,500</b>	<b>\$ 392,200</b>	<b>\$ 406,700</b>	

All “Lump Sum” and “Hourly” work will be billed as described in the original task order.

Additional work beyond the Scope of Work described herein, or any follow-on work, will be billed at our standard hourly rates in effect at the time the work is done plus expenses.

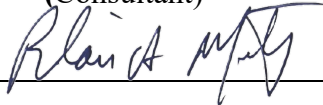
**SPECIAL TERMS AND CONDITIONS:** The following items shall be added:

1. Standard EJCDC (Engineers Joint Contract Documents Committee) contract documents shall be used for the construction bidding packages.
2. Property surveying will not be required, but can be added later if desired. New equipment can be located along the front lot-lines when possible.
3. Soils exploration and easement procurement is not included.
4. Resident observation is not included but can be added later by Amendment if desired.
5. Equipment locations will generally be staked and marked by Client Staff. We have included a total of two (2) trips in our estimate to stake equipment locations and property lines as requested by the Client.

**Princeton Public Utilities**  
**Princeton, Minnesota**  
\_\_\_\_\_  
(Client)

**DeWild Grant Reckert and Associates Company**  
**d/b/a DGR Engineering**  
\_\_\_\_\_  
(Consultant)

By: \_\_\_\_\_

By:  \_\_\_\_\_

Date: \_\_\_\_\_

Date: June 16, 2022 \_\_\_\_\_

**EXHIBIT A  
TASK ORDER**

Task Order No. 03

Effective Date: January 26, 2022

**Task Order Amendment to the  
DGR ENGINEERING  
Master Agreement for Professional Services**

DGR Engineering (Consultant) agrees to provide to: **Princeton Public Utilities – Princeton, Minnesota** (Client), the professional services described below for the Project identified below. The professional services shall be performed in accordance with and shall be subject to the terms and conditions of the Master Agreement for Professional Services executed by and between Consultant and Client on the **18<sup>th</sup>** day of **December, 2020**.

**TASK ORDER PROJECT NAME:** Phase 1 Electric Distribution Improvements

**TASK ORDER PROJECT DESCRIPTION:** In 2021, a System Study & Capital Improvements Plan (CIP) was developed for the Municipal Electric System in Princeton. The project for which the following Scope of Services is developed is for the “Phase 1” distribution improvements work described in the CIP.

The proposed improvements are as follows:

- Convert the existing 4.16 kV Feeders 6 and 7 to 12.47 kV underground, including a new underground feeder from the Power Plant.
- Reconductor the 12.47 kV North Substation – Power Plant Tie with 750 aluminum underground.

**DGR CONTACT PERSON:** Andy Koob, P.E., Project Manager

**CLIENT CONTACT PERSON:** Keith Butcher, General Manager

**SCOPE OF WORK:** Following is a detailed scope of services that we will perform as part of this Task Order:

**Hourly Portion:**

**Preliminary Design Phase:**

1. Meet with Client staff to review the improvements to be made to the Client’s distribution system as identified in the CIP. Determine the final area of the system to be converted.
2. Conduct fieldwork to ascertain the required facilities necessary to develop the circuitry, including development of a work scope definition by all parties.

3. Prepare a preliminary layout of the new 12.47 kV underground primary electric utility, including proposed connections and switching locations for tying the new 12.47 kV underground distribution system to the existing system.
4. Prepare an updated detailed cost estimate for the project.
5. Develop a project schedule for permitting, material procurement, bidding, construction, and energization.
6. Compile the above preliminary design information into correspondence for review by the Client. Proceed to the final design, bidding, and construction phases after review of any comments from Client.

Permitting Phase:

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

Construction Phase:

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

Construction Staking:

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

Final Phase:

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

**Lump Sum Portion:**

Final Design Phase:

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

Bidding Phase:

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

**FEE ARRANGEMENT:** We propose the following fee arrangement for the identified work:

<b>Segment</b>	<b>Fee Amount</b>	<b>Fee Type</b>
Preliminary Design Phase	\$ 14,500	Hourly-Estimate
Permitting Phase	**	Hourly-Estimate
Construction Phase	**	Hourly-Estimate
Construction Staking	**	Hourly-Estimate
Final Phase	**	Hourly-Estimate
Subtotal – Hourly-Estimate Portion	\$ 14,500	
Final Design Phase	**	Lump Sum
Bidding Phase	**	Lump Sum
Subtotal – Lump Sum Portion	**	
<b>Total</b>	<b>\$ 14,500</b>	

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

All “Lump Sum” work is inclusive of personnel, subsistence, travel, computer, and other costs. No billings above the lump sum figure will be made.

All “Hourly” work will be billed at the then-current Hourly Fee Schedule then in effect at the time the work is performed. A copy of the current 2022 Hourly Fee Schedule A is attached as Exhibit B. In addition to the amount relating to the personnel grade of the individuals doing the work, the only other expenses expected to be billed directly are travel-related costs (primarily mileage); subsistence costs if overnight stays are required (food and lodging); and Engineer’s consultant charges (if any).

**SPECIAL TERMS AND CONDITIONS:**

\*\* To be added later by Amendment upon completion of the Preliminary Design Phase

**Princeton Public Utilities**  
**Princeton, Minnesota**

(Client)

By: Keith R. Butcher

Print: Keith R. Butcher

Title: General Manager  
(Authorized signature and Title)

Address: 907 1st Street, P.O. Box 218

City: Princeton, MN 55371

Date: 1/27/2022

**DeWild Grant Reckert and Associates Company**  
**d/b/a DGR Engineering**

(Consultant)

By: Blair A. Metzger

Print: Blair A. Metzger

Title: President  
(Authorized signature and Title)

Address: 1302 South Union Street

City: Rock Rapids, IA 51246

Date: January 21, 2022

**EXHIBIT B**

**DGR ENGINEERING**

JANUARY 2022

**HOURLY FEE SCHEDULE A**

<b>Personnel Grade</b>	<b>Engineer Hourly Rate</b>	<b>Technician Hourly Rate</b>	<b>Administrative Hourly Rate</b>
01	\$100	\$59	\$54
02	\$106	\$64	\$56
03	\$112	\$69	\$60
04	\$118	\$73	\$65
05	\$127	\$78	\$70
06	\$140	\$84	\$75
07	\$152	\$88	\$80
08	\$162	\$94	\$85
09	\$175	\$100	\$90
10	\$187	\$106	\$96
11	\$200	\$112	\$103
12	\$212	\$117	\$118
13	\$226	\$123	\$135
14	\$232	\$132	\$166
15	\$238	\$142	\$219

**Reimbursable Expenses:**

1. Standard vehicle mileage at the IRS standard mileage rate in effect at the time.
2. Survey/staking/heavy duty trucks at \$0.80 per mile.
3. Other travel, subsistence, lodging at actual out-of-pocket cost.
4. GPS Survey Equipment (when used) at \$31.25 per hour.
5. ATV and UTV Equipment (when applicable) at \$12.50 per hour.



## **Chapter XI**

# **SOLAR ENERGY FARMS AND SOLAR ENERGY SYSTEMS**

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### **1. Purpose**

Rev. 06-07-17; Ord. 752

- A. The purpose of this Chapter is to maintain the City’s attractiveness, protect the safety of the people, and to promote the general welfare by providing legislation by which solar facilities can be located within the City of Princeton. These general objectives include, among others, the following:
1. Set forth standards for Solar Energy Farms and Solar Energy Systems for the City of Princeton.
  2. To correct and prevent conditions that adversely affect and are likely to adversely affect the safety, general welfare, and health of nearby property owners.
  3. To preserve the value of land and structures throughout the City.

### **2. Definitions**

The following terms, as used in this section, shall have the meanings stated.

- A. “Community Solar Garden” – means a community solar energy system that generates electricity by means of a ground-mounted or building-integrated solar system and that is supplied to multiple community members or businesses residing or located off-site from the location of the solar energy system under the provisions of Minnesota statutes 216B.1641 or successor statute.

## Chapter XI – Solar Energy

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- B. “Solar Collector” – means a device, structure or a part of a device or structure for which the primary purpose is to capture sunlight and transform it into thermal, mechanical, chemical or electrical energy.
- C. “Solar Energy” – means radiant energy received from the sun that can be collected in the form of heat or light by a solar collector.
- D. “Solar Energy System (Building-Integrated)” – means a solar energy system that is an integral part of a principal or accessory building, replacing or substituting for an architectural or structural component of the building. Building integrated systems include, but are not limited to, photovoltaic or hot water solar energy systems that are contained within or substitute for roofing materials, windows, skylights, awnings and shade devices.
- E. “Solar Energy System (Ground-Mounted)” – means a freestanding solar system mounted directly to the ground using a rack or pole rather than being mounted on a building.
- F. “Solar Energy System (Passive)” – means a system that captures solar light or heat without transforming it to another form of energy or transferring the energy via a heat exchanger.
- G. “Solar Farm” - means a commercial facility that converts sunlight into electricity, whether by photovoltaic (PV), concentrating solar thermal devices (CST), or other conversion technology, for the principal purpose of wholesale sales of generated energy.
- H. “Solar Energy Farms” – means a solar array composed of multiple solar panels on ground-mounted rack or poles which are the primary land use for the parcel on which it is located and is greater than 100 kilowatts direct current (DC) rated capacity.

### **3. Requirements and Standards**

- A. **Solar Energy Farms** - Solar Energy Farms shall be subject to the following performance standards:
  - 1. Solar Energy Farms are composed of multiple solar panels on multiple mounting systems (poles or racks), and generally have a direct current (DC) rated capacity greater than one hundred (100) kilowatts. Solar Energy Farms greater than one hundred (100) kilowatts in all zones and Solar Energy Systems greater than ten (10) kilowatts in all zones except for

## **Chapter XI – Solar Energy**

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General Agriculture (AG) require a Conditional Use Permit. Solar Energy Farms are not allowed in shoreland or residential districts. Solar Energy Farms are allowed up to ten (10) megawatts.

2. Solar Energy Farms in agricultural, commercial, and industrial zoning districts may be up to twenty (20) feet in height at maximum design tilt.
3. Location within Lot: Solar Energy Farms must meet the primary structure setbacks for the zoning district and will be measured from the closest point at maximum orientation.
4. Storm water management shall meet the requirements of the City of Princeton and the State of Minnesota.
5. Erosion and sediment control shall meet the requirements of the City of Princeton and the State of Minnesota.
6. Foundations: The manufacturer's engineer or another qualified engineer shall certify that the foundation and design of the solar panels is within accepted professional standards, given local soil and climate conditions.
7. Other standards and codes: All Solar Energy Farms shall be in compliance with any applicable local, state and federal regulatory standards, including the State of Minnesota Uniform Building Code, as amended; and the National Electric Code, and National Electric Safety Code as amended.
8. Power and communication lines: Power and communication lines running between banks of solar panels and to the point of interconnection of distribution utility or interconnections with buildings shall be buried underground as much as practical. Exemptions may be granted by the Commission in instances where shallow bedrock, water courses, or other elements of the natural landscape interfere with the ability to bury lines.
9. Application requirements: The following information shall be provided to the City of Princeton's Zoning Administrator for application of a Conditional Use Permit required in MN-1, MN-2, and B-3. (This is an allowed use in A-1 and A-2)
10. A site plan of existing applicable conditions showing the following:
  - a. Existing property lines and property lines extending one hundred (100) feet from the exterior boundaries.
  - b. Existing public and private roads and any easements.

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- c. Location and size of any abandoned wells and sewage treatment systems.
  - d. Existing buildings and any impervious surface.
  - e. Topography at two (2) foot intervals and source of contour interval, unless determined otherwise by the Princeton Planning and Zoning Department.
  - f. Existing vegetation.
  - g. Waterways, watercourses, lakes and wetlands.
  - h. The one hundred (100) year flood elevation and Regulatory Flood Protection Elevation, if available.
  - i. Floodway, flood fringe and/or Flood Plain (FP) district boundary, if applicable.
  - j. The shoreland district boundary, if any portion of the project is located in a shoreland district.
  - k. In the shoreland district, the ordinary high water level.
  - l. In the shoreland district, the toe and top of a bluff within the project boundaries.
  - m. Surface water drainage patterns.
11. Site Plan of Proposed Conditions:
- a. Planned location and spacing of solar panels.
  - b. Planned location of access roads.
  - c. Planned location of underground or overhead electric lines connecting the Solar Energy Farm or Solar Energy System to the building, substation or other electric load.
  - d. Planned new electrical equipment other than at the existing building or substation that is the connection point for the Solar Energy Farm.
  - e. Proposed erosion and sediment control measures as required in

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elsewhere in the City of Princeton Zoning Ordinance. If required, the Planning Commission may review the associated land alteration for a Solar Energy Farm or Solar Energy System and issue a Conditional Use Permit for that land alteration as part of the request for the Solar Energy Farm or Solar Energy System Conditional Use Permit.

- f. Proposed storm water management measures.
  - g. Sketch elevation of the premises accurately depicting the proposed
  - h. Solar Energy Farm or Solar Energy System and its relationship to structures on adjacent lots (if any) unless determined otherwise by the City of Princeton Planning and Zoning Department.
12. Specifications and proposed installation methods for all planned major equipment including solar panels, mounting systems and foundations for poles or racks.
  13. The planned number of panels to be installed.
  14. A description of the method of connecting the array to a building or substation.
  15. A copy of the submitted interconnection application with the local electric utility or a written explanation outlining why an interconnection application is not necessary.
  16. A decommissioning plan may be required to ensure that facilities are properly removed after their useful life. Decommissioning of solar panels must occur in the event they are not in use for twelve (12) consecutive months. The plan shall include provisions for removal of all structures and foundations, restoration of soil and vegetation and a plan describing the financial resources that will be available to fully decommission the site. The Commission may require the posting of a bond, letter of credit or the establishment of an escrow during some point of the life of the project to ensure proper decommissioning.
  17. The Conditional Use Permit for Solar Energy Farms shall expire at the same time that the Solar Energy Farm lease expires, but in no case shall exceed thirty years. A new Conditional Use Permit can be applied for and the City may issue a new Conditional Use Permit for an existing Solar Energy Farm under the terms the City of Princeton Zoning Ordinance. The Commission may waive the expiration requirement for Solar Energy Farms located on property owned by the City or the PUC and other unique

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owner operated facilities. Conditional Use Permits for Solar Energy Systems do not expire unless the Solar Energy System is removed.

18. The Commission may require a buffer between Solar Energy Farms or Solar Energy Systems and adjoining properties.
19. The Commission may require a greater setback between adjoining properties if conditions warrant.
20. Payment In Lieu of Taxes. Notwithstanding that Minnesota Statutes Section 272.02, Subdivision 24 (or its successor) classifies real property upon which a solar energy generating system is located that is used primarily for solar energy production (subject to the production tax under Minnesota Statutes Section [272.0295](#)) as class 3a, the City may require the applicant to enter into a Payment In Lieu of Taxes Agreement to compensate the City for any prospective tax revenue that may be lost due to such reclassification.

**B. Solar Energy Systems** - Solar Energy Systems ten (10) kilowatts and under are a permitted accessory use in all zoning districts. Solar Energy Systems over ten (10) kilowatts and not exceeding hundred (100) kilowatts require a Conditional Use Permit.

Solar Energy Systems one hundred (100) kilowatts and under are a permitted accessory use in the General Agricultural (AG) zoning district.

1. Accessory Building Limit: Solar Energy Systems, either roof or ground-mounted, do not count as an accessory building for the purpose of limits on accessory buildings.
2. Height: Solar Energy Systems are subject to the following height requirements:
  - a. Building or roof-mounted Solar Energy Systems shall not exceed the maximum allowed height in any zoning district.
  - b. Ground or pole-mounted Solar Energy Systems shall not exceed fifteen (15) feet in height when oriented at maximum tilt in residential zones and may be allowed up to twenty (20) feet in other zones.
3. Location within Lot: Solar Energy Systems must meet the accessory structure setback for the zoning district and will be measured from the closest point at maximum orientation. If attached to the primary structure the Solar Energy Systems must meet the setbacks for the primary structure.

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4. **Approved Solar Components:** Electric Solar Energy System components must have an Underwriters Laboratory (UL) listing.
  5. **Compliance with State Electric Code:** All Solar Energy Systems shall comply with the Minnesota State Electric Code.
  6. **Utility Notification:** No Solar Energy System shall be installed until evidence has been given to the Department that the owner has notified the utility company of the customer's intent to install an interconnected customer-owned generator. Off-grid systems are exempt from this requirement.
- C. Passive Solar Energy Systems** - Passive solar energy systems are exempt from the requirements of this section and shall be regulated as any other building element.
- D. Ground Mounted/Building Integrated Solar Energy Systems** - Ground-mounted solar energy systems shall not exceed fifteen feet (15') in height. Building-integrated solar energy systems shall not exceed the maximum height permitted in the zoning district.
- E. Solar Panel Glare** - All solar farm and community solar garden facilities shall be designed and located in order to prevent reflective glare toward any inhabited buildings on adjacent properties, as well as adjacent street rights-of-way. Steps to control glare nuisance may include selective placement of the system, screening on the side of the solar array facing the reflectors, reducing use of the reflector system, or other remedies that limit glare.
- F. Safety Measures** - A clearly-visible warning sign concerning voltage must be placed at the base of all pad-mounted transformers and substations. All mechanical equipment, including any structure for batteries or storage cells, shall be completely enclosed by a minimum eight (8) foot high fence with a self-locking gate, and provided with screening in accordance with the landscaping provisions of Princeton's Code.