

**PRINCETON PUBLIC UTILITIES COMMISSION
REGULAR MEETING
Mille Lacs Historical Society Amdall Room
101 10th Avenue South
Princeton, MN 55371
July 27th, 2021 10:00 A.M.**

- 1. Call to Order – Roll Call**
- 2. Approval of Agenda – Additions or Deletions**
- 3. Approval of Minutes**
 - a. Public Utilities Commission – Regular Meeting – June 23rd, 2021
- 4. Public Comment**

*(This agenda section is for the purpose of allowing customers to address the Commission.
Comments are limited to 3 minutes)*
- 5. Certification of Accounts Payable**
- 6. Reports**
 - a. SMMPA Reports
 - i. Minutes and Key Metrics
 - b. Financial Reports
 - i. Income Statement, Balance Sheet, Trial Balance, and Cash Reserve
- 7. Updates**
 - a. Electric Department updates
 - i. Generation Plant (Daniels)
 - ii. Distribution System (Linden)
 - b. Water Department Updates (Daniels)
 - c. City of Princeton update (McPherson/Zimmer)
 - d. General Manager's update (Butcher)
- 8. Ongoing Business**
 - a. Audit Presentation with Keith Porter (Mayer, Porter & Nelson, Ltd.)
 - b. Mid-Year Budget Update
 - i. Memo 21-23: Mid-Year Budget Report
 - c. AMI
 - d. EV
 - e. Service Territory / Development
 - i. 2021 ECE Annexation Letter – Signed.pdf
 - f. Credit checks in lieu of deposits
 - i. Memo 21-21: Deposit Credit Check Proposal
 - g. ACH Discussion
- 9. New Business**
 - a. Donation Policy Discussion
 - b. Addition of a Mini-Manhole Requirement (Daniels)
 - i. Memo 21-24: Mini Manhole Requirement
- 10. Adjournment**

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

June 23, 2021, 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 10th Avenue South, on June 23, 2021, at 1:00 P.M.

Present: Vice-Chairman Dan Erickson and Commissioner Rick Schwartz.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Administrator Michele McPherson, Water Superintendent Scott Daniels, Electric Superintendent Jeremy Linden, and Legion Commander Jack Edmonds.

Meeting was called to order by Vice-Chairman Erickson at 1:00 P.M.

Vice-Chairman Erickson called for additions or deletions to the agenda. Commissioner Rick Schwartz added to the agenda:

Unfinished Business:

f. ACH

Mr. Schwartz made a motion to approve the agenda of the June 23, 2021 Regular PUC Commission Meeting. Mr. Erickson seconded. Motion carried unanimously.

Mr. Schwartz moved to approve the minutes for the May 25, 2021 Regular PUC Commission Meeting. Mr. Erickson seconded. Motion carried unanimously.

There was no Public Comments.

After a discussion, Mr. Schwartz made a motion to approve the certification of accounts payable for the period of May 1, 2021 through May 31, 2021. Mr. Erickson seconded. Motion carried unanimously.

6. REPORTS:

- a. The June SMMPA Key Metrics worksheet and June 9th Board Meeting minutes were presented.
- b. The May 2021 PUC financial reports were presented.

7. UPDATES:

- a. In the Generation Plant, Water Superintendent Scott Daniels reported they were unable to repair the liner in Engine #3 and therefore received a new liner from SMMPA. The jacket water filtration system is installed. Phase 1 of the SCADA system upgrade is completed. The boiler and the ballasts are scheduled for work this summer.

In the Electric Department, Electric Superintendent Jeremy Linden reported a shipment of AMI meters were received on Monday. There are approximately 500 meters left to install. The third gateway device was installed. The house service that was damaged on June 18th was repaired and back running in just under two hours. Underground projects are getting ready to begin. Letters are being mailed to affected customers. They continue working on GIS updates and doing locates. On Monday morning, there was a theft and damaged primary cable at the south storage lot and at the South Substation. A police report has been filed. The loss is estimated at \$4,000.00. Once the thieves noticed that our wire is aluminum and not copper, they abandoned their efforts. Security measures are being re-evaluated.

- b. In the Water Department, Water Superintendent Scott Daniels reported the issues with the new actuators at Water Treatment Plant #1 have been resolved. They have finished work on the spill containment improvements and the gate opener is installed and working. They are working on lowering the curb stops in Fairway Ponds. There was a discussion on replacing them with mini-manholes when curb stops are located in the driveways. There are a couple valve boxes that will be cut open on Tuesday for repairs. They are also working on fire hydrants and making necessary repairs.
- c. City Administrator Michele McPherson reported the City's audit is completed after being rescheduled. The audit will be presented to the City Council on July 8th. The City will receive just over \$0.5 million from American Rescue Plan funds. Half of these funds will be received in 2021 and the other half in 2022. Water projects may be included in this package, electric is not. The focus of the package is on public safety and improving infrastructure. She has met with the Mille Lacs County Engineer regarding the reconstruction of 7th Avenue North. The county has stated that the road is not being fully reconstructed at this time. Options for replacing existing infrastructure on 7th Avenue are being evaluated.
- d. General Manager Keith Butcher reported the following:
 - i. Regulatory updates include the following reports being completed: MnDOC CIP Report. The 2020 CIP report summary includes Energy Savings of 1.9%, Low-Income spending of 1.0%, and total spending of 2.8%. EPA's Risk and Resiliency Report is completed as is the MnDOC Electric Utility Annual Report.
 - ii. General Manager Keith Butcher provided legislative update. ECO (the Energy Conservation and Optimization Act) was passed by the legislature and was signed by the Governor. Discussions are underway to modify the Cold Weather Rule including expanding the duration and increasing reporting requirements.
 - iii. General Manager Keith Butcher reported they met with DGR for Tuesday, June 8th on the Electric System Study. Internally, we continue to streamline and improve operational efficiencies in our monthly billing processes. Cindy Lakeberg, our Customer Service Representative, has announced her retirement. Her last day will be Friday, June 25th.

8. UNFINISHED BUSINESS:

a. AMI METERS

With the AMI conversions, the Electric Department is 81.9% complete and the Water Department is 29.9% complete.

b. EV CHARGERS

General Manager Keith Butcher reported the DC Fast Charger reported usage during the month of May at 15 sessions with 481 kWhs delivered. Installation of the L2 EV Chargers is complete with both units operating and the agreements have been recorded.

c. SERVICES TERRITORY / DEVELOPMENT

General Manager Keith Butcher reported that East Central Energy has agreed to terms with the PUC on the Princeton Business Park Annexation. He is working on drafting up the final formal agreement for the transition of the service territory to PPU. Payment for loss of revenue to East Central Energy is for a 10-year period with a cap at 250,000 kWh per lot. The previous agreement for the acquisition of the Aero Business Park was signed in 2013 will expire in 2023.

d. HYDRANT ANNUAL FEE PROPOSAL

General Manager Keith Butcher presented Memo 21-18: Hydrant Annual Fee. The Hydrant Annual Fee was introduced in May 2021. Based on the proposal, Mr. Erickson made a motion to approve a Hydrant Annual Fee to be charged to non-profit or government entities requesting to periodically draw water from a nearby hydrant. Mr. Schwartz seconded. Motion carried unanimously.

e. SEASONAL WATER SERVICE SHUT-OFF DISCUSSION

General Manager Keith Butcher presented Memo 21-19: Seasonal Water Shut-Offs. The Seasonal Water Shut-Off was introduced in May 2021. Following a discussion, Mr. Erickson made a motion to approve the modification of the Water Service Rules to include Seasonal Water Shut-Offs. Mr. Schwartz seconded. Motion carried unanimously.

f. ACH UPDATES

Commissioner Rick Schwartz started a discussion on how to educate and motivate customers to sign up with the PPU for ACH payment processing. There was a discussion on posting payment information on the PPU website along with Facebook postings, and a pamphlet by the walk up window educating customers on ACH payments. Manager Keith Butcher stated the website has been updated with payment options and a Pay My Bill Online button. There have also been postings on Facebook and bill messaging.

9. NEW BUSINESS:

a. AUDIT REPORT

Keith Porter from Mayer, Porter & Nelson auditing firm will attend the July 2021 PUC Commission Meeting and present the audit's findings.

b. CREDIT CHECK IN LIEU OF DEPOSITS

General Manager Keith Butcher presented Memo 21-21: Deposit Credit Check Proposal. Manager Keith Butcher has reached out to Online Utility Exchange, a contractor who offers an option to use a credit check for determining deposit requirements on new customers moving into the PUC service territory. Online Utility Exchange utilizes Experian for their credit checks. Running a soft credit check with OUE, they would calculate a risk assessment based on the customer's credit scores as well as utility delinquencies. Owatonna Public Utilities is currently utilizing this contractor. OUE also provides a collection service. There would be a monthly charge for the use of the credit check service along with a cost per transaction. There was a discussion on charging an application fee to cover the credit check cost. The implementation of a credit check was favored by Commissioners.

c. DONATION REQUESTS

General Manager Keith Butcher presented Memo 21-22: Legion Fourth of July Donation Request based on the formal request from Randy Hatch from the Princeton American Legion in May 2021. At this time, the PUC does not have a formal procedure for making donations to organizations. There was a discussion on developing such a policy and procedure. Following discussions, Mr. Erickson made a motion to donate \$1,000.00 for the Legion Fourth of July fireworks event. Mr. Schwartz seconded. Motion carried unanimously.

d. MEETING SCHEDULE

Following a discussion, Mr. Schwartz made a motion to move the Regular July PUC Commission Meeting from Wednesday, July 28, 2021 at 1:00 P.M. to Tuesday, July 27, 2021 at 10:00 A.M. Mr. Erickson seconded. Motion carried unanimously.

Commissioner Rick Schwartz suggested having a Work Session on July 13, 2021. After a discussion, no action was taken.

There being no further business, Mr. Schwartz made a motion to adjourn the meeting at 2:50 p.m. Mr. Erickson seconded. Motion carried unanimously.

Dan Erickson
Vice-Chairman

Kathy Ohman
Secretary

PRINCETON PUBLIC UTILITIES

Accounts Payable Listing

For 6/1/2021 to 6/30/2021

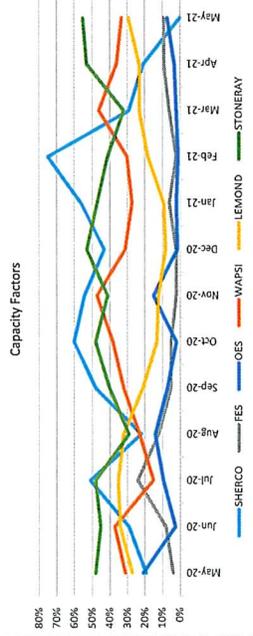
<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
1 American Water Works Assoc.	AWWA Membership	221.00
2 Aramark	Cleaning Supplies & Services	454.93
3 Brand Mfg., Inc.	Flat Steel & Sleeve	32.09
4 Card Services (Coborns)	Supplies	142.20
5 Core & Main, LP	Tees & Fittings	480.44
6 CW Technologies, Inc.	Monthly IT Care Services Agreement	2,050.03
7 Dakota Supply Group	Inventory	1,660.90
8 ECM Publishers, Inc.	Advertising	797.50
9 Fairview Health Services	Random Drug & Alcohol Testing	300.00
10 Finken Water Solutions	Bottled Water	81.00
11 Goodin Company	Elbows, Unions, Nipples	776.81
12 Gopher State One Call	Monthly Locates	98.55
13 Innovative Office Solutions	Supplies	243.94
14 Instrumental Research, Inc.	Monthly Water Testing	70.68
15 Marv's True Value	Supplies, Shipping, Wire, Drill Bits, PVC, Fittings, Couplings	743.24
16 Menards	Tees & Nipples	11.75
17 Midcontinent Communications	Monthly Internet & Telephone	210.95
18 Midwest Machinery Co.	Chain Link, Chain, Filter Element	67.48
19 Mille Lacs County Sheriffs Office	2020 ARMER System Subscriber Agreement	1,100.00
20 MN Dept. of Commerce	Indirect & CIP Assessments	1,302.74
21 MN Dept. of Health	Qrtly. \$9.72 State Water Fee	4,128.00
22 NAPA Central MN	Light Bulbs	4.94
23 Pekarek Utilities Midwest, Inc.	Directional Bore - L2 EV Chargers	1,078.00
24 Princeton One Stop, LLC	Monthly Vehicle Fuel	558.49
25 Princeton Rental	Concrete Tool Rental	35.00
26 Quadient Finance USA Inc.	Postage	900.00
27 Reliable Fire Protection	Service Fire Extinguishers	549.50
28 Rum River Contracting	Blacktop Patch	5,600.00
29 Swantec, Inc.	Repair Maxi-Sneaker Blade	111.00
30 Ulteig Engineers, Inc.	GIS Consulting	1,404.00
31 Verizon Wireless	Monthly Cell Phone	706.44
32 Voyant Communications, LLC	Monthly Telephone	415.75
33 Waste Management	Monthly Trash Service	93.34
34 Wesco Receivables	Inventory	2,544.14
35 U.S. Bank Operations Center	2006 Bond Interest Pymt. & Admin. Fees	4,140.81
36 SMMPA	April Purchased Power	348,753.51
37 Postmaster	Postage for Monthly Billing	776.74
38 Alternative Technologies	Transformer Oil Testing	660.00
39 American Solutions for Business	Accounts Payable Checks	373.38
40 Arc Irrigation	Fertilization & Weed Control	238.00
41 Auto Value Princeton	Battery, Oxygen Sensor, Socket	295.96
42 Cannon Technologies, Inc.	New AMI Metering	71,066.34
43 Cardmember Service (Mastercard)	Photo Eye, Pneumatic Belt Grinder & Belts, Nozzle	380.20
44 Centerpoint Energy	Monthly Natural Gas	337.41
45 Central McGowan, Inc.	Rose Bud Tip & Safety Lenses	99.56
46 City of Princeton	May Sewer Billing & Late Charges	108,208.85
47 City of Princeton	Pollinator Habitats Reimbursement	1,204.12
48 Connexus Energy	Monthly Utilities	3,257.46
49 DGR Engineering	Engineer Fees	3,346.00
50 Grainger	Die Grinder	243.96
51 Gustave A. Larson Company	Valve, Dryer Refrigerant	530.27
52 Hawkins, Inc.	Water Treatment Chemicals	1,867.58
53 HealthPartners	July Health Insurance	24,361.71
54 Herc-U-Lift	Oil Change & Service Forklift	161.23
55 McGrann Shea Carnival Straughn	Legal Fees	970.51
56 Menards	4x6's, Screws, Crack Fill, Square Bit, Bushings, Unions, Lugs	594.20
57 Metro Sales Incorporated	Maint. Contract & Usage Charges Copier	945.13

58	NCPERS Group Life Insurance	June Life Insurance	96.00
59	Commercial Customer	Refund Construction Fees to go Underground	1,118.60
60	Olsen Chain & Cable, Inc.	Straps & Shackels	137.67
61	Princeton Public Utilities	Meetings, Key, Nitrogen, Gas, Brazing Rod	80.09
62	Princeton Public Utilities	Monthly Utilities	3,424.04
63	Quadient Leasing USA, Inc.	Postage Meter Rental	455.07
64	Quality Tire & Rim	8 Tires & Mounting on Trailer	880.00
65	Salvation Army Heat Share	May Heat Share & PUC Matching	24.00
66	Shred-It USA	Shredding Service	86.50
67	Stinson LLP	Legal Fees	170.50
68	Stuart C. Irby Co.	Annual Testing of Trucks, Line Hoses, Blankets, Cover Ups	3,032.10
69	Sun Life Financial	July Short & Long Term Disability	952.39
70	TASC	COBRA Admin. Fees	15.00
71	U.S. Bank Equipment Finance	Monthly Copier Lease Payment	207.09
72	Unum Life Insurance Company	July Life Insurance	172.13
73	USA Blue Book	Water Testing Supplies	529.64
74	TASC	2021/2022 Flex Plan Admin. Fees	491.44
	Delta Dental	June Dental Insurance	1,141.85
	PERA	June PERA Contribution	11,977.31
	TASC	June Flex Account Contributions	173.06
	MN Dept. of Revenue	April Sales & Use Tax, May Est. Sales & Use Tax	48,877.00
	Credit Card Company	Monthly Credit Card, eCheck Charges	2,071.95
	Refunds	Customer Meter Deposits	4,025.05
	Refunds	Overpayment Refunds on Final Bills	7,787.92
	Rebates	Residential Energy Star Rebates	25.00
	TOTAL		689,739.16

SMPA Key Metrics

June 2021

PLANT OPERATIONS Performance Metrics

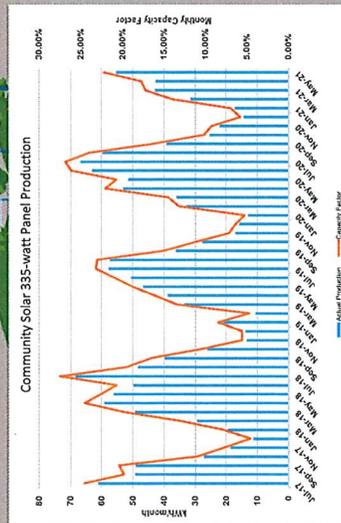


	FES	OES	MORA LFG
Availability	68%	85%	90%
Industry Average Availability	93%	93%	N/A
Forced Outage	11%	4%	4%
Industry Average Forced Outage	7%	7%	N/A

Availability Metrics

For May 2021

Solar Production Metrics



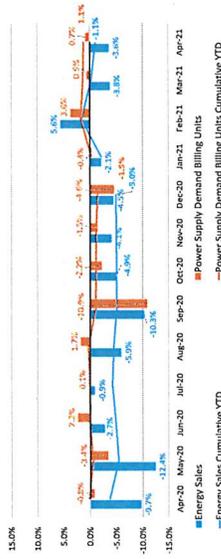
Number of working days since the last time the last time accident

1512

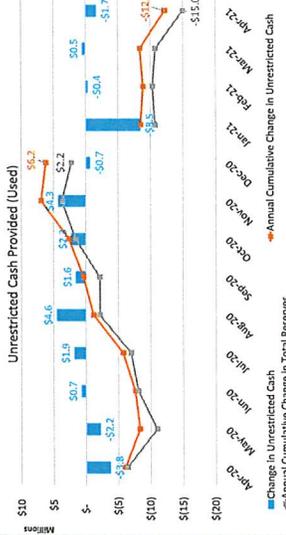
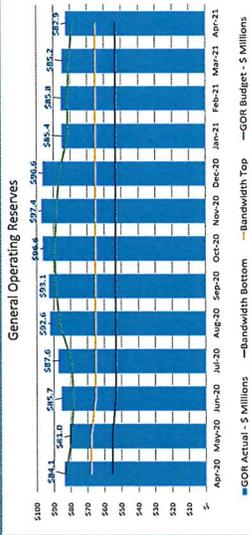
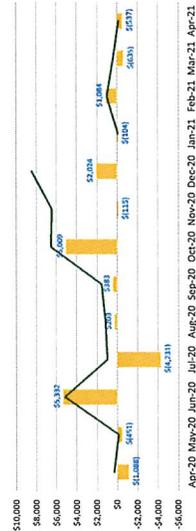
(through 5/31/21)

FINANCIAL Performance Metrics

Member Load Variance from Budget

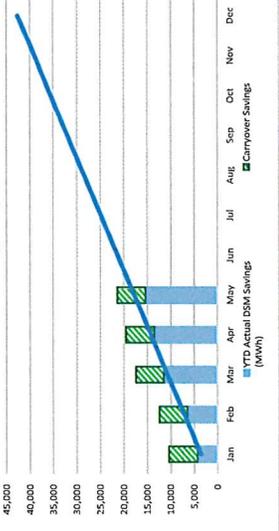


Contributions to/(Distributions) from Rate Stabilization Account



ADDITIONAL Metrics

2021 YTD DSM Energy Savings (MWh)

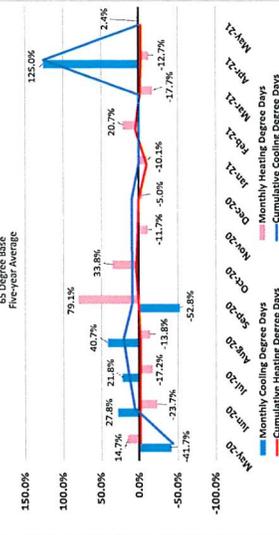


3rd consecutive year

Governor's SAFETY AWARD Winner

Since 2005, we've avoided 7.0 million tons of greenhouse gas emissions, which is equivalent to eliminating CO₂ emissions from nearly 1.8 coal-fired power plants for 1 year.

Heating and Cooling Degree Days - Deviation from Average Rochester MN Airport 65 Degree Base Five-year Average



SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
June 9, 2021

President Kotschevar called the meeting to order at 9:00 a.m. at the Lake City Sportsman's Club in Lake City, Minnesota.

Mr. Jensen, Lake City Utilities Director of Public Works, welcomed the members to Lake City.

Board Members Present:

President Mark R. Kotschevar, Rochester; Vice President Bruce A. Reimers, New Prague; Secretary Peter T. Moulton, Saint Peter; Treasurer Roger E. Warehime, Owatonna; Mark E. Nibaur, Austin; Joseph A. Hoffman, Preston; and Chris Rolli, Spring Valley.

Others Present:

David P. Geschwind, Executive Director & CEO; Jerry M. Mausbach, Blooming Prairie; T. Scott Jensen, Lake City; Michael B. Geers, Litchfield; Scott Hautala, North Branch; Keith R. Butcher, Princeton; Charles B. Heins, Redwood Falls; Beth A. Fondell, Naomi A. Goll, Lisa A. King, Mark S. Mitchell, and Christopher P. Schoenherr of the Agency staff.

Others Present Via Conference Call:

Troy G. Nemmers, Chris Ziegler, Fairmont; and Shane Steele, Grand Marais.

#1 Agenda Approval:

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

#2 Consent Agenda:

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

APPROVED the May 12, 2021 board meeting minutes.

#3 Five-Year Forecast-King:

Ms. King presented on the five-year forecast.

The forecast and assumptions were reviewed. Projected general operating reserve balances include a 4% rate decrease in 2022 and a 10% decrease in 2026.

Financial Sensitivities

- **Base Case:** Based on 2021 approved budget. Sherco 3 offered into MISO based on economics versus the must-run basis at minimum output. Updated LMPs built from

the latest forecast from TEA and generation fuel costs based on projected pricing.

- **Sensitivity 1:** No Load Growth. Member energy and peak demand inputs are held flat to 2021 through the forecast period.
- **Sensitivity 2:** High LMPs and Natural Gas Prices. LMPs and natural gas prices used in the base case are adjusted upward by 50%.
- **Sensitivity 3:** Low LMPs and Natural Gas Prices. LMPs and natural gas prices used in the base case are adjusted downward by 25%.

Discussion.

There was a suggestion for SMMPA staff to provide a cash distribution scenario to reach the bandwidth sooner.

#4 Asset Retirement Obligation Funding-Fondell:

Ms. Fondell reported on the asset retirement obligation (ARO) funding.

At the March SMMPA Board meeting, four options for developing a funding strategy for the Agency's asset retirement obligations were reviewed.

There are two types of Agency assets with AROs: Sherco 3 and Agency-owned wind turbines.

The Sherco 3 liability relates to environmental remediation (ash landfill, radiation sources, monitoring wells, and small steam tanks). The Agency-owned wind turbines ARO relates to the contractual removal obligations.

After discussing four potential options for funding the AROs, there was board consensus to earmark funds within the rate stabilization account for the Agency-owned wind turbines ARO and use freed-up debt service reserve dollars in 2026/2027 to fund the Sherco 3 ARO.

Mr. Warehime moved to approve Option 2 (Earmark Funds) for the Agency-owned wind turbines and Option 4 (Use debt service reserve) for Sherco 3, seconded by Mr. Moulton, passed upon a unanimous vote of the board members present.

After a short break, the board reconvened at 10:09 a.m.

#5 New Litchfield Quick-Start Generation Agreement-Mitchell:

Mr. Mitchell reported on the new Litchfield Quick-Start Generation Agreement.

Litchfield recently completed installation of two Caterpillar C175 diesel engine/generators (2825 kW each, 5650 kW total) that the Agency plans to contract for under a new Quick-Start Generation Agreement.

Mr. Mitchell reviewed the terms of the agreement. The agreement has a 20-year term (from commercial operation in 2021 through December 13, 2041). The units are expected to be granted accredited capacity by MISO beginning in June 2022. During the period from the commercial operation date until SMMPA first receives credit from MISO for the creditable

capacity, SMMPA shall pay to Litchfield a 50% share of net MISO revenues, whether positive or negative, resulting from MISO operation of the new units.

Mr. Reimers moved to authorize executing the Quick Start Capacity and Energy Purchase Agreement dated as of _____, 2021 by and between the City of Litchfield, Minnesota and Southern Minnesota Municipal Power Agency in substantially the form provided to the board and with such changes thereto as the Executive Director and Chief Executive Officer deems necessary or appropriate in SMMPA's best interest, such approval to be conclusively evidenced by such officer's execution and delivery thereof, seconded by Mr. Warehime, passed upon a unanimous vote of the board members present.

#6 Sherco 3 Retirement Commitment Follow-up-Mitchell:

Mr. Mitchell reported on the Sherco 3 retirement commitment follow-up.

At the May SMMPA Board meeting, the board adopted the resolution approving the retirement of Sherco 3 no later than December 31, 2030. A number of questions were raised and discussed at that meeting.

The Agency forwarded the questions from the May board meeting to Xcel Energy. At the June board meeting, Mr. Mitchell reviewed with the board the answers provided by Xcel.

#7 Member Retail Customer Renewable Options-Schoenherr:

Mr. Schoenherr reported on the member retail customer renewable options.

Retail customers in SMMPA member communities are increasingly interested in renewable energy and sustainability.

Products and services SMMPA could offer to assist members' customers achieve their sustainability goals include:

- Sale of Renewable Energy Credits.
- Community Solar - expand the current program or modify to a price/kWh option rather than upfront payment.
- Contracts may reflect shorter-term opportunities to help commercial and industrial customers.
- SMMPA ownership of small facilities at member customers' locations. This could take the form of a cost pass-through or a fixed price PPA between SMMPA and the member and eventually between the member and the retail customer.

Other Potential Considerations

Grid Access Fees

- Option of implementing grid access fees for distributed energy resources under 40 kW.
- Fee Structure:
 - 3.5 kW and below are generally exempt.
 - Monthly per nameplate kW charge up to a maximum dollar amount.
 - Generally applied on a going-forward basis for new installations.
- Many cooperatives, and a few municipal utilities, have implemented such fees.

Standby Service Tariffs

- Traditionally in place for commercial and industrial customers with on-site fossil-fueled generation.
- Becoming a consideration for on-site non-dispatchable generation like solar.

Hormel Austin

Hormel is exploring renewable energy options for small solar on land next to the Murphy Creek Substation, Austin, Minnesota.

Discussion.

A Standby Service Tariffs Webinar with Dave Berg Consulting will be scheduled this summer.

Novel Energy Solutions

Discussing potential member solar projects with Novel Energy Solutions on June 10, 2021.

Financial Report April 2021-Fondell:

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

Government Affairs/Member Services Report-Schoenherr:

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

Demand Side Management (DSM)

DSM savings levels, based on information currently available, are at 1.81% when compared to estimated member sales year-to-date.

Electric Vehicles

ZEF Energy Support Team is working to resolve the inaccurate ChargeHub and PlugShare listings. The lack of port assignments is challenging to change pricing on the members' charging station portals. ZEF Energy will be providing a weekly status update to SMMPA.

Electric Vehicle Article

The Star Tribune interviewed SMMPA on electric vehicles and charging stations installed. The article will be sent to the members.

Electric Vehicle Test Drive

Tesla announced the possibility of providing customers the opportunity to test drive an electric vehicle by parking an electric vehicle car in SMMPA's parking lot. More details to follow. A suggestion was made to see if Tesla would be willing to make the vehicle available in other SMMPA member communities.

eReliability

SMMPA will share the APPA eReliability Report, containing individual members' data, with all members.

Pollinator Activity

Members interested in ordering plants or seed packets to create habitat for monarch butterflies were asked to contact Mr. Schoenherr by June 15, 2021.

Resource Report/Marketing Update-Mitchell:

Sherco 3 Economic Commitment Update

While offered for economic commitment, Sherco 3 was called on by MISO to start on June 3, 2021. There were some challenges in starting up that delayed getting online, but the issues were addressed. MISO is responsible for paying the start-up costs and since this is a multi-date commitment, MISO will pay make whole payments to SMMPA when LMPs don't cover operating costs until MISO issues a stop order. Sherco 3 expects to run at least until June 9, 2021 and possibly through the next weekend.

Market Price Update

A graph of recent natural gas and on-peak electricity prices was discussed.

President's Report:

Mr. Kotschevar reported:

- APPA National Conference: Members were reminded of the APPA National Conference in Orlando, Florida, June 20-23, 2021. Mr. Geschwind was congratulated on his nomination to the APPA Board of Directors as a Regional Representative.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- SMMPA Logo Clothing Order: SMMPA will offer the members a choice of a logo clothing item. More information will be sent to the members.
- SMMPA Employees: All SMMPA employees will return to the office on June 14, 2021 for a 2-month trial period. SMMPA is considering whether regular work-from-home options will work for certain positions.
- SMMPA's Renewable Generation Chart: A chart showing a 7-day trend of SMMPA's renewable generation was added to the SMMPA website.
- SMMPA Coincident Peak: The Agency recorded a coincident peak of 525 MW on June 8, 2021, the highest June peak since 2010, not all-time peak.
- SMMPA Board Retreat: The SMMPA Board Retreat is being planned and an email will be sent to get a date scheduled.
- APPA's Position on Clean Energy for America Act: The American Public Power Association (APPA) CEO Climate Change Task Force is working to develop APPA's

position on potential CO2 legislation with legislators. Mr. Geschwind identified a few areas of concern with draft legislation.

Member Forum:

Mr. Hautala expressed appreciation toward Mr. Mitchell and Mr. Schoenherr for their presentation at the June 2, 2021 North Branch Commission meeting. The North Branch City Council is discussing possible disbanding of the Commission and turning services over to the City. Members and SMMPA staff were thanked for their efforts assisting North Branch.

Other Business:

None.

Adjourn:

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

The meeting was adjourned at 11:39 a.m.

Secretary

**PRINCETON PUBLIC UTILITIES COMMISSION
INCOME STATEMENT-ELECTRIC DEPARTMENT
FOR MONTH ENDING: JUNE 30, 2021**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
OPERATING REVENUE:				
Residential Electric	253,290.24	1,202,369.48	208,344.51	1,151,075.32
Residential Solar Energy Credit	(27.56)	(101.48)	(25.64)	(100.68)
Residential ECA	0.00	0.00	0.00	0.00
Small General Service	68,814.57	352,948.65	53,561.41	321,463.19
Small Commercial Solar Energy Credit	(43.00)	(158.31)	(39.98)	(157.10)
Small General ECA	0.00	0.00	0.00	0.00
Large General Service	168,199.01	798,108.83	197,767.80	1,006,976.84
Large Commercial Solar Energy Credit	(100.70)	(370.79)	(93.65)	(367.97)
Large General ECA	0.00	0.00	0.00	0.00
Large Power Service	191,993.96	818,949.96	86,609.44	515,448.81
Large Power ECA	0.00	0.00	0.00	0.00
Security Lights	1,671.04	10,017.30	1,677.39	10,064.34
Street Light Fees	2,400.00	14,342.00	2,350.00	14,085.00
Service Line Repair Fee	1,754.00	10,509.00	1,735.00	10,382.00
Late Charges	2,544.48	22,135.94	0.00	13,220.19
Hook-Up & NSF Charges	1,530.00	2,596.78	60.00	870.00
Connection Fees	600.00	1,200.00	1,490.00	4,790.00
Construction Fees	2,979.40	8,326.73	3,592.00	9,717.13
Rate Stabilization Revenue	8,080.00	55,765.00	77,745.00	128,580.00
Operating & Maintenance	28,081.47	180,621.45	29,351.33	190,608.44
Excess Equity	0.00	0.00	0.00	0.00
Quick Start Diesel Payment	14,520.00	87,120.00	14,520.00	87,120.00
Solar Subscriptions	0.00	1,695.08	0.00	1,692.98
Pole Attachment Fee	0.00	0.00	0.00	0.00
Operating Transfers	0.00	0.00	0.00	0.00
Merchandise Sales	0.00	18.99	0.00	0.00
Other Operating Revenue	13,380.12	245,990.48	5,897.85	17,045.15
TOTAL OPERATING REVENUE:	759,667.03	3,812,085.09	684,542.46	3,482,513.64
OPERATING EXPENSES:				
Production Plant:				
Salaries & Supervision	27,578.41	104,385.60	17,477.68	98,222.74
Purchased Power	475,532.65	2,123,783.49	394,386.39	1,978,764.95
Natural Gas	254.09	6,735.85	470.49	5,841.89
Lube Oil & Lubricants	0.00	1,574.24	0.00	0.00
Chemicals	419.85	1,840.96	97.92	1,570.36
Equipment Repairs	2,290.32	12,592.31	2,664.30	25,116.75
Production Supplies	187.31	1,635.48	134.51	841.43
Plant Shop Supplies	334.61	428.69	138.83	303.52
Small Tools Expense	180.05	205.05	0.00	325.03
Communications Expense	34.36	206.64	44.20	262.38
Scada & Computer Equipment	0.00	87.59	0.00	0.00
Safety Equipment	137.67	740.41	0.00	234.34
Safety & Education Training	0.00	0.00	0.00	1,395.00
Outside Services	0.00	92.50	0.00	41.00
Insurance Expense	8,557.25	50,822.31	8,022.23	49,581.89
Transportation Fuel & Oil	72.91	297.71	0.00	75.41
Vehicle Repair & Maint.	0.00	45.25	0.00	0.00
Equip. Maint., Inspec. & Serv Agreements	1,579.75	14,449.80	2,024.17	14,333.68
Building & Grounds Maint.	1,027.24	11,650.69	3,326.17	5,074.05
Misc. Plant Expense	0.00	4.30	0.00	4.00
Total Production Plant:	518,186.47	2,331,578.87	428,786.89	2,181,988.42

INCOME STATEMENT-ELECTRIC

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
Substation:				
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	296.28	296.28
Building & Grounds Maint.	0.00	600.00	0.00	628.99
Utilities	0.00	0.00	0.00	0.00
Total Substation:	0.00	600.00	296.28	925.27
Distribution System:				
Salaries & Supervision	41,841.53	174,774.51	32,957.38	227,433.63
System & Shop Supplies	0.00	396.37	674.76	1,062.19
Small Tools Expense	164.38	691.98	1,236.57	1,974.84
GIS Data & Maintenance Exp.	2,771.48	4,769.15	2,183.28	4,583.91
Computer Equip. & Maintenance	0.00	0.00	0.00	568.48
Load Control Expense	0.00	0.00	36.21	217.81
Safety Equip., Testing	1,204.00	4,751.05	1,619.01	10,338.23
Education & Safety Training	0.00	1,113.40	0.00	726.54
Outside Services	3,346.00	8,919.12	64.43	368.43
OH Line Expense	198.67	2,763.40	88.67	5,331.82
UG Line Expense	6,022.91	10,550.09	916.94	9,145.65
St. Lights & Signal Exp.	8.50	3,385.19	(413.52)	4,768.08
Sec. Light Repair Exp.	0.00	925.93	0.00	3,471.49
Meter Expense	(1,902.46)	800.69	292.86	476.99
Customer Service Line Repair Exp.	0.00	130.47	0.00	283.20
Customer Owned Service Exp.	761.11	1,124.89	4,977.72	8,531.68
Transportation Fuel & Oil	496.17	2,282.93	376.35	2,583.54
Vehicle Repair & Maint.	2,361.55	2,860.52	7,927.37	13,018.20
Equipment Repair & Maint.	1,325.07	2,263.41	87.47	2,217.01
Storm Damage	0.00	0.00	0.00	0.00
Utilities	1,615.47	10,726.63	569.71	4,636.83
Building & Grounds Maint.	622.24	880.55	388.46	2,549.44
Line Maintenance/Trimming	0.00	25,302.93	0.00	0.00
Habitat, Right of Way Expense	0.00	0.00	0.00	0.00
Transformer Maintenance	677.39	677.39	74.74	1,370.34
Misc. Distribution Exp.	3.21	3.21	0.00	435.55
Total Distribution:	61,517.22	260,093.81	54,058.41	306,093.88
Customer Accts Expenses:				
Customer Accts. Salaries	12,533.59	54,955.96	8,742.33	48,567.62
Meter Reading Salaries	499.09	2,321.50	296.41	3,162.80
Postage Expense	1,425.23	6,267.94	642.99	5,372.54
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	317.37	2,644.94	296.94	3,827.86
Communications Expense	377.57	2,476.97	395.29	2,288.41
Uncollectible Accts. Exp.	0.00	0.00	0.00	0.00
Total Customer Acct. Expenses:	15,152.85	68,667.31	10,373.96	63,219.23

INCOME STATEMENT-ELECTRIC

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
General & Administrative Expenses:				
Salaries & Supervision	11,731.06	50,738.15	7,819.51	46,967.25
Newsads, Website, Subscriptions & Promos	1,204.12	2,221.18	0.00	7,928.32
Office Supplies, Computer Exp., & Sm. Equip	3,739.86	14,640.90	3,487.88	12,133.19
Communications Expense	1,179.98	2,574.95	297.90	2,834.27
Membership Fees & Dues	0.00	5,544.25	0.00	5,539.00
Maint. Contracts, Licenses, & Permits	1,366.20	7,421.08	541.51	19,577.30
State & Federal Assessments	276.20	2,355.11	213.88	1,657.83
Professional Fees	282.93	6,603.43	9,467.94	17,004.11
Outside Services	3,474.75	21,725.97	3,628.40	21,891.47
Meals, Travel, & Meetings	630.00	2,425.12	13.68	307.26
Prop. & Liab. Insurance	2,012.08	12,072.52	1,987.08	11,922.52
Employee Pensions & Benefits	38,218.41	217,996.71	32,060.59	244,020.86
Education & Safety Training	0.00	6,247.50	0.00	6,111.00
Heat Share Expense	12.00	72.00	12.00	182.00
Sales Tax Expense	243.80	639.69	211.12	407.45
Lighting Rebates	31.50	28,675.67	3,650.88	13,342.81
Conservation Improvement Exp	1,026.54	2,473.15	1,365.75	3,439.50
Christmas Lighting Expenses	0.00	0.00	0.00	0.00
Transportation Fuel & Oil	0.00	42.50	36.50	134.96
Vehicle Repair & Maint.	824.22	869.47	0.00	0.00
Building & Grounds Maint.	0.00	212.50	0.00	855.87
Service Territory Expense	832.50	2,405.00	0.00	0.00
Misc. G&A Expense	193.18	1,585.17	64.35	752.09
Total General & Administrative:	67,279.33	389,542.02	64,858.97	417,009.06
Depreciation	58,000.00	348,000.00	57,000.00	358,000.00
TOTAL OPERATING EXPENSES:	720,135.87	3,398,482.01	615,374.51	3,327,235.86
OPERATING INCOME/(LOSS)	39,531.16	413,603.08	69,167.95	155,277.78
NONOPERATING REVENUE (EXPENSE)				
Interest Income	6,194.53	12,290.67	8,608.47	22,865.48
Change in Fair Value of Investments	63.00	84.60	16.20	118.80
Misc. Non Oper Income	1,567.32	8,734.94	5,069.37	13,117.37
Gain/(Loss) Disposal of Property	0.00	0.00	0.00	8,500.00
Gain/(Loss) Sale of Bonds	0.00	0.00	0.00	0.00
Interest Expense	(1.79)	(42.71)	(31.31)	(110.25)
Interest on Long Term Debt	(5,055.00)	(34,279.40)	(6,478.34)	(42,514.40)
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	(5,250.00)
Total NonOperating Rev(Exp)	2,768.06	(13,211.90)	7,184.39	(3,273.00)
NET INCOME/(LOSS)	42,299.22	400,391.18	76,352.34	152,004.78

PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-ELECTRIC DEPARTMENT
June 30, 2021

ASSETS

CURRENT ASSETS:

Cash	2,271,060.72	
Temp Rate Stab Investments	1,211,898.00	
Customer Accounts Receivable	762,107.07	
Other Accounts Receivable	42,689.83	
Sales Tax Receivable	0.00	
Accrued Interest Receivable	0.00	
Inventory	416,044.23	
Prepaid Interest	0.00	
Prepaid Insurance	148,707.57	
Deferred Outflows of Resources	72,379.00	
Total Current Assets		4,924,886.42

RESTRICTED ASSETS:

Construction in Progress	0.00	
MCMU Construction Fund	0.00	
Reserve Fund	465,846.68	
MCMU Reserve Fund	248,299.03	
Debt Service Fund	109,358.51	
Capital Improvements Fund	955,133.32	
Total Restricted Assets		1,778,637.54

FIXED ASSETS:

Land & Land Improvements	273,683.84	
Buildings	1,893,374.01	
Generation Plant	6,109,341.73	
Substations	3,838,331.61	
Distribution System	7,826,598.29	
Street Lights & Signals	375,915.18	
Trucks & Vehicles	710,070.77	
Office Furniture & Equipment	171,216.21	
Tools, Shop & Garage Equipment	109,460.92	
Miscellaneous Equipment	377,830.94	21,685,823.50
Less: Accumulated Depreciation		(13,840,695.24)
Total Fixed Assets		7,845,128.26

TOTAL ASSETS

14,548,652.22

**PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-ELECTRIC DEPARTMENT
June 30, 2021**

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts Payable	493,389.14	
Employee Insurance Payable	(2,723.79)	
Employee Savings & Taxes Payable	25,714.59	
Heat Share Payable	12.00	
Sewer Payable	113,654.42	
City Franchise Fee	19,219.50	
Wind Power	0.00	
Garbage Collections Payable	(311.74)	
Customer Meter Deposits	271,652.67	
Sales Tax Payable	35,853.77	
Accrued Interest Payable	5,191.91	
Severance Payable	84,379.28	
Current Bonds Payable	450,000.00	
Accrued Wages Payable	0.00	
Deferred Revenue	0.00	
Deferred Solar	8,464.13	
Net Pension Liability	781,645.00	
Deferred Inflows of Resources	56,954.00	
Total Current Liabilities		2,343,094.88

NONCURRENT LIABILITIES:

Contracts Payable		0.00
Revenue Bonds Payable	1,260,000.00	
Less: Unamortized Bond Discount	<u>0.00</u>	1,260,000.00
Deferred Rate Stabilization		<u>1,156,133.10</u>
Total NonCurrent Liabilities		<u>2,416,133.10</u>

TOTAL LIABILITIES **4,759,227.98**

FUND EQUITY

Unappropriated Retained Earnings	9,389,033.06	
Net Income (Loss)	<u>400,391.18</u>	
Total Equity		<u>9,789,424.24</u>

TOTAL LIABILITIES & EQUITY **14,548,652.22**

**PRINCETON PUBLIC UTILITIES COMMISSION
INCOME STATEMENT-WATER DEPARTMENT
FOR MONTH ENDING: JUNE 30, 2021**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
OPERATING REVENUE:				
Residential Sales	92,734.93	353,799.73	76,435.40	338,251.45
Commercial Sales	50,437.82	139,297.13	45,287.14	140,806.69
Industrial Sales	13,422.91	60,316.18	12,544.82	54,339.69
Non Metered Sales	1,418.55	2,548.80	756.60	1,497.35
Service Line Repair Fee	1,471.00	8,817.00	1,461.00	8,726.00
Late Charges	657.36	5,031.22	0.00	2,794.33
Rent/Lease Income	0.00	20,828.50	0.00	20,828.50
Availability/Connection Fees	8,000.00	24,000.00	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	130.00	1,019.40	1,923.75	2,828.75
Other Operating Revenue	0.00	0.00	0.00	1,045.36
TOTAL OPERATING REVENUE:	168,272.57	615,657.96	142,408.71	587,118.12
OPERATING EXPENSES:				
Production Plant:				
Salaries & Supervision	10,314.88	47,896.02	5,816.26	37,345.94
Power for Pumping	3,639.45	15,745.44	2,979.40	15,600.59
Natural Gas	83.32	3,590.06	98.00	3,142.17
Utilities & Generator Expense	0.00	0.00	0.00	0.00
Lube Oil & Lubricants	0.00	0.00	0.00	0.00
Chemicals	1,867.58	9,377.43	1,724.81	8,718.60
Water Testing	600.32	1,660.95	102.36	1,546.85
Communications Expense	38.31	230.34	48.15	286.08
Scada & Computer Equipment	220.22	2,679.69	295.24	712.04
Equipment Repairs	24.96	2,901.09	924.53	1,466.39
Equip. Maint. & Inspections	0.00	1,300.00	0.00	0.00
Building & Grounds Maint.	84.00	648.71	190.14	781.49
Misc. Plant Expense	0.00	15.53	0.00	0.00
Total Production Plant:	16,873.04	86,045.26	12,178.89	69,600.15
Distribution System:				
Salaries & Supervision	10,481.78	51,359.61	9,132.14	57,164.08
System & Shop Supplies	0.00	6.05	45.23	404.77
Small Tools Expense	348.06	490.91	0.00	519.87
GIS Data & Maintenance Exp.	505.56	1,082.09	401.76	2,996.58
Computer Equip. & Maintenance	0.00	0.00	0.00	0.00
Safety Equipment	0.00	382.15	377.90	441.34
Education & Safety Training	0.00	0.00	0.00	765.00
Outside Services	37.80	309.70	53.46	194.94
Meter Expense	(828.13)	349.49	679.03	1,077.38
Customer Service Line Repair Exp.	0.00	0.00	0.00	0.00
Customer Owned Service Exp.	659.92	755.41	0.00	0.00
Dist. Repairs & Maintenance	1,049.77	1,161.29	0.00	1,628.40
Transportation Fuel & Oil	330.97	1,882.50	211.98	1,396.11
Vehicle Repair & Maint.	141.99	1,304.86	0.00	1,135.69
Equipment Repair & Maint.	0.00	223.07	55.89	365.07
Utilities	1,425.65	5,420.85	887.90	3,596.17
Building & Grounds Maint.	86.32	410.32	68.55	476.82
Misc. Dist. & Tower Maint. & Exp.	0.00	21.76	143.87	890.82
Total Distribution:	14,239.69	65,160.06	12,057.71	73,053.04

INCOME STATEMENT-WATER

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
Customer Accts. Expenses:				
Customer Accts. Salaries	6,129.98	26,634.37	4,028.17	23,160.15
Meter Reading Salaries	239.81	1,329.40	120.67	1,509.50
Postage Expense	251.51	1,110.70	113.47	1,005.30
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	56.01	483.20	41.65	715.43
Communications Expense	153.42	918.85	144.43	857.73
Uncollectible Accts. Expense	0.00	0.00	0.00	0.00
Total Customer Acct. Expenses:	6,830.73	30,476.52	4,448.39	27,248.11
General & Administrative Expenses:				
Salaries & Supervision	6,393.97	26,762.74	4,005.04	24,315.62
Newads, Website, Subscriptions & Promos	0.00	781.39	0.00	1,579.14
Office Supplies, Computer Exp., & Sm. Equip	1,147.10	3,709.21	616.32	2,170.34
Communications Expense	249.40	495.57	52.57	527.31
Membership Fees & Dues	0.00	1,969.75	0.00	1,950.90
Maint. Contracts, Licenses & Permits	241.09	3,851.75	95.56	6,107.67
State & Federal Assessments	4,128.00	8,256.00	0.00	8,256.00
Professional Fees	25.58	1,092.08	2,313.81	12,775.64
Outside Services	432.19	3,110.43	506.31	3,186.69
Meals, Travel, Meetings	0.00	278.03	2.41	75.83
Prop. & Liab. Insurance	732.33	4,394.02	727.33	4,364.02
Employee Pensions & Benefits	9,480.88	51,808.92	7,478.90	48,559.94
Education & Safety Training	0.00	1,102.50	0.00	1,164.00
Wellhead Plan Implementation	0.00	0.00	0.00	738.75
Sales Tax Expense	0.00	0.00	0.00	0.00
Building & Grounds Maint.	0.00	0.00	0.00	112.00
Misc. G&A Expense	13.49	164.92	0.00	0.00
Total General & Administrative:	22,844.03	107,777.31	15,798.25	115,883.85
Depreciation Expense	32,900.00	197,400.00	32,500.00	195,000.00
TOTAL OPERATING EXPENSES:	93,687.49	486,859.15	76,983.24	480,785.15
OPERATING INCOME /(LOSS)	74,585.08	128,798.81	65,425.47	106,332.97
NONOPERATING REVENUE (EXPENSE)				
Interest Income	0.00	0.00	0.00	0.00
Change in Fair Value of Investments	15.75	21.15	4.05	29.70
Misc. Non Oper. Income	0.00	125.85	52.50	448.50
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	(6,430.83)	(39,011.17)	(7,597.17)	(46,007.83)
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	(3,500.00)
Total NonOperating Rev/(Exp)	(6,415.08)	(38,864.17)	(7,540.62)	(49,029.63)
NET INCOME/(LOSS)	68,170.00	89,934.64	57,884.85	57,303.34

PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-WATER DEPARTMENT
June 30, 2021

ASSETS

CURRENT ASSETS:

Cash	650,149.89	
Temp Rate Stab Investments	0.00	
Customer Accounts Receivable	154,475.70	
Other Accounts Receivable	1,670.55	
Accrued Interest Receivable	0.00	
Inventory	46,310.26	
Prepaid Interest	0.00	
Prepaid Insurance	6,540.54	
Deferred Outflows of Resources	13,001.00	
Total Current Assets		872,147.94

RESTRICTED ASSETS:

Construction in Progress	0.00	
MCMU Construction Fund	0.00	
Reserve Fund	97,500.00	
MCMU Reserve Fund	0.00	
Debt Service Fund	203,926.67	
PFA Debt Service Fund	46,399.98	
Capital Improvements Fund	1,124,752.52	
Total Restricted Assets		1,472,579.17

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	4,767,619.29	
Treatment Plant	4,569,747.34	
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	12,212,581.09
Less: Accumulated Depreciation		(6,246,123.76)
Total Fixed Assets		5,966,457.33

TOTAL ASSETS		8,311,184.44
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**PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-WATER DEPARTMENT
June 30, 2021**

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts Payable		2,513.36
Accrued Interest Payable		8,243.28
Severance Payable		23,678.40
Current Bonds Payable		429,000.00
Accrued Wages Payable		0.00
Deferred Revenue		0.00
Net Pension Liability		219,598.00
Deferred Inflows of Resources		5,975.00

Total Current Liabilities		689,008.04
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NONCURRENT LIABILITIES:

Contracts Payable		0.00
Revenue Bonds Payable	1,560,000.00	
Less: Unamortized Bond Discount	0.00	1,560,000.00
PFA Loan Payable		112,000.00

Total NonCurrent Liabilities		1,672,000.00
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TOTAL LIABILITIES		2,361,008.04
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FUND EQUITY

Contributed		56,918.09
Unappropriated Retained Earnings		5,803,323.67
Net Income (Loss)		89,934.64

Total Equity		5,950,176.40
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TOTAL LIABILITIES & EQUITY		8,311,184.44
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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	465,846.68				465,846.68
64-0001-1252	Asset	DEBT SERVICE FUND	61,794.57	50,888.32	3,324.38	47,563.94	109,358.51
64-0001-1255	Asset	MCMU RESERVE FUND	248,299.03				248,299.03
64-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	946,042.09	9,091.23		9,091.23	955,133.32
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	2,227,483.25	861,378.27	819,935.80	41,442.47	2,268,925.72
64-0001-1312	Asset	CASH ON DEPOSIT SAVINGS					0.00
64-0001-1313	Asset	CASH ON DEPOSIT PAYROLL ACCT.	1,211,898.00				0.00
64-0001-1361	Asset	TEMP RATE STAB INVESTMENT	644,736.43	864,211.85	746,841.21	117,370.64	1,211,898.00
64-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	61,591.71	42,671.24	61,573.12	(18,901.88)	762,107.07
64-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE					42,689.83
64-0001-1432	Asset	SALES TAX RECEIVABLE					0.00
64-0001-1451	Asset	DUE FROM WATER FUND					0.00
64-0001-1511	Asset	FUEL STOCKS					0.00
64-0001-1512	Asset	PLANT MATERIALS & SUPPLIES	421,908.08	941.50	6,805.35	(5,863.85)	416,044.23
64-0001-1520	Fixed Asset	GENERATION PLANT	6,109,341.73				6,109,341.73
64-0001-1525	Fixed Asset	SUBSTATIONS	3,838,331.61				3,838,331.61
64-0001-1530	Fixed Asset	DISTRIBUTION SYSTEM	7,749,116.56	77,481.73		77,481.73	7,826,598.29
64-0001-1531	Fixed Asset	STREET LIGHTS & SIGNALS	375,915.18				375,915.18
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	377,830.94				377,830.94
64-0001-1651	Asset	PREPAID INTEREST					0.00
64-0001-1652	Asset	PREPAID INSURANCE	162,883.97		14,176.40	(14,176.40)	148,707.57
64-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(13,782,695.24)		58,000.00	(58,000.00)	(13,840,695.24)
64-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	2,430.81		2,430.81	(2,430.81)	0.00
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	(1,260,000.00)				(1,260,000.00)
64-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT					0.00
64-0001-2281	Liability	SEVERANCE PAYABLE	(84,379.28)				(84,379.28)
64-0001-2311	Liability	CONTRACTS PAYABLE					0.00
64-0001-2315	Liability	CURRENT BONDS PAYABLE	(450,000.00)				(450,000.00)
64-0001-2321	Liability	ACCOUNTS PAYABLE	(365,748.66)	693,130.56	820,771.04	(127,640.48)	(493,389.14)

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0001-2322	Liability	EMPLOYEE DEDUCTIONS PAYABLE	4,121.46	3,633.99	5,031.66	(1,397.67)	2,723.79
64-0001-2323	Liability	EMPLOYEE PAYROLL SAVINGS					0.00
64-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
64-0001-2325	Liability	EMPLOYEE HEALTH SAVINGS PAY	86.41	173.06	8,720.01	(8,546.95)	(8,460.54)
64-0001-2340	Liability	HEAT SHARE PAYABLE	(12.00)	12.00	12.00	(12.00)	(12.00)
64-0001-2341	Liability	SEWER COLLECTIONS PAYABLE	(109,520.60)	109,552.75	113,686.57	(4,133.82)	(113,654.42)
64-0001-2342	Liability	WIND POWER PAYABLE					0.00
64-0001-2343	Liability	CITY PRINCETON FRANCHISE FEE	(12,800.00)		6,419.50	(6,419.50)	(19,219.50)
64-0001-2344	Liability	GARBAGE COLLECTIONS PAYABLE	390.74		79.00	(79.00)	311.74
64-0001-2345	Liability	DUE TO WATER FUND					0.00
64-0001-2351	Liability	CUSTOMER METER DEPOSITS	(266,836.77)	4,093.39	8,909.29	(4,815.90)	(271,652.67)
64-0001-2361	Liability	MN STATE SALES TAX PAYABLE	(45,210.95)	45,214.39	33,430.65	11,783.74	(33,427.21)
64-0001-2363	Liability	MLC LOCAL SALES TAX PAYABLE	(2,817.89)	2,818.14	2,107.35	710.79	(2,107.10)
64-0001-2365	Liability	SHERBURNE CITY LOCAL TAX PAY	(485.07)	485.07	319.46	165.61	(319.46)
64-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(3,461.29)	3,324.38	5,055.00	(1,730.62)	(5,191.91)
64-0001-2421	Liability	FEDERAL WITHHOLDING TAX		7,566.00	11,292.00	(3,726.00)	(3,726.00)
64-0001-2422	Liability	STATE WITHHOLDING TAX		3,418.00	5,093.00	(1,675.00)	(1,675.00)
64-0001-2423	Liability	F.I.C.A. PAYABLE		9,783.06	14,602.16	(4,819.10)	(4,819.10)
64-0001-2424	Liability	PERA PAYABLE		11,977.31	17,884.18	(5,906.87)	(5,906.87)
64-0001-2426	Liability	MEDICARE WITHHOLDING	(1,164,213.10)	2,287.98	3,415.06	(1,127.08)	(1,127.08)
64-0001-2428	Liability	DEFERRED RATE STABILIZATION		8,080.00		8,080.00	(1,156,133.10)
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	(8,464.13)				(8,464.13)
64-0403-4031	Expense	DEPRECIATION EXPENSE	290,000.00	58,000.00		58,000.00	348,000.00
64-0419-4191	Expense	INTEREST EXPENSE	5.00				5.00
64-0419-4192	Expense	INTEREST PAID ON METER DEPOSIT	35.92	1.89	0.10	1.79	37.71
64-0419-4290	Revenue	INTEREST INCOME	(6,096.14)		6,194.53	(6,194.53)	(12,290.67)
64-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	(21.60)		63.00	(63.00)	(84.60)
64-0420-4201	Revenue	MAINTENANCE INCOME					0.00
64-0420-4202	Revenue	STREET LIGHTING INCOME					0.00
64-0421-4210	Revenue	MISC. NON OPERATING INCOME	(7,167.62)		1,567.32	(1,567.32)	(8,734.94)
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	29,224.40	5,055.00		5,055.00	34,279.40
64-0428-4281	Expense	AMORTIZATION OF BOND DISCOUNT					0.00
64-0440-4401	Revenue	RESIDENTIAL SALES	(949,079.24)		253,290.24	(253,290.24)	(1,202,369.48)
64-0440-4402	Revenue	SECURITY LIGHTS	(8,346.26)		1,671.04	(1,671.04)	(10,017.30)
64-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(8,755.00)		1,754.00	(1,754.00)	(10,509.00)
64-0440-4410	Revenue	RESIDENTIAL ECA					0.00

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0440-4412	Revenue	SMALL GENERAL ECA					0.00
64-0440-4413	Revenue	LARGE GENERAL ECA					0.00
64-0440-4414	Revenue	LARGE POWER ECA					0.00
64-0440-4420	Revenue	SMALL GENERAL SERVICE	(284,134.08)		68,814.57	(68,814.57)	(352,948.65)
64-0440-4421	Revenue	COMMERCIAL SALES					0.00
64-0440-4422	Revenue	LARGE GENERAL SERVICE	(629,909.82)		168,199.01	(168,199.01)	(798,108.83)
64-0440-4423	Revenue	LARGE POWER SERVICE	(626,956.00)		191,993.96	(191,993.96)	(818,949.96)
64-0440-4425	Revenue	RESIDENTIAL SOLAR CREDIT	73.92	27.56		27.56	101.48
64-0440-4426	Revenue	SMALL GENERAL SOLAR CREDIT	115.31	43.00		43.00	158.31
64-0440-4427	Revenue	LARGE GEN/POWER SOLAR CREDIT	270.09	100.70		100.70	370.79
64-0440-4435	Revenue	STREET LIGHT FEES	(11,942.00)		2,400.00	(2,400.00)	(14,342.00)
64-0440-4441	Revenue	OPERATING TRANSFERS					0.00
64-0440-4491	Revenue	NON-METERED SALES					0.00
64-0440-4493	Revenue	RATE STABILIZATION REVENUE	(47,685.00)		8,080.00	(8,080.00)	(55,765.00)
64-0450-4501	Revenue	LATE CHARGES	(19,591.46)	122.20	2,666.68	(2,544.48)	(22,135.94)
64-0450-4502	Revenue	HOOK-UP & NSF CHECK CHARGES	(1,066.78)	50.00	1,580.00	(1,530.00)	(2,596.78)
64-0450-4503	Revenue	CONNECTION FEE	(600.00)		600.00	(600.00)	(1,200.00)
64-0450-4504	Revenue	CONSTRUCTION FEES	(5,347.33)	1,118.60	4,098.00	(2,979.40)	(8,326.73)
64-0450-4506	Revenue	SOLAR SUBSCRIPTIONS	(1,695.08)				(1,695.08)
64-0450-4541	Revenue	RENT/LEASE INCOME					0.00
64-0450-4550	Revenue	OPERATING & MAINTENANCE	(152,539.98)		28,081.47	(28,081.47)	(180,621.45)
64-0450-4560	Revenue	EXCESS EQUITY PAYMENT					0.00
64-0450-4561	Revenue	QUICK START DIESEL PAYMENT	(72,600.00)		14,520.00	(14,520.00)	(87,120.00)
64-0450-4562	Revenue	GASOLINE STATION					0.00
64-0450-4563	Revenue	OTHER OPERATING REVENUE	(232,610.36)		13,380.12	(13,380.12)	(245,990.48)
64-0450-4564	Revenue	POLE ATTACHMENT FEE					0.00
64-0450-4565	Revenue	MERCHANDISE SALES	(18.99)				(18.99)
64-0540-5461	Expense	PRODUCTION PLANT SALARIES	76,807.19	27,578.41		27,578.41	104,385.60
64-0540-5470	Expense	FUEL OIL					0.00
64-0540-5472	Expense	NATURAL GAS	6,481.76	254.09		254.09	6,735.85
64-0540-5481	Expense	LUBE OIL & LUBRICANTS	1,574.24				1,574.24
64-0540-5482	Expense	CHEMICALS	1,421.11	419.85		419.85	1,840.96
64-0540-5501	Expense	PRODUCTION SUPPLIES	1,448.17	187.31		187.31	1,635.48
64-0540-5505	Expense	PLANT SHOP SUPPLIES	94.08	334.61		334.61	428.69
64-0540-5510	Expense	SAFETY EQUIPMENT	602.74	137.67		137.67	740.41
64-0540-5511	Expense	COMMUNICATIONS EXPENSE	172.28	34.36		34.36	206.64
64-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	87.59				87.59
64-0540-5513	Expense	SMALL TOOLS EXPENSE	25.00	180.05		180.05	205.05
64-0540-5514	Expense	EDUCATION & SAFETY TRAINING					0.00
64-0540-5515	Expense	OUTSIDE SERVICES	92.50				92.50
64-0540-5516	Expense	BOILER & MACHINERY INSURANCE	33,369.62	6,778.17		6,778.17	40,147.79
64-0540-5517	Expense	PROP & LIAB INSURANCE	8,895.44	1,779.08		1,779.08	10,674.52

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0540-5541	Expense	EQUIPMENT REPAIRS	10,301.99	2,290.32		2,290.32	12,592.31
64-0540-5882	Expense	TRANSPORTATION FUEL & OIL	224.80	72.91		72.91	297.71
64-0540-5883	Expense	VEHICLE REPAIR & EXPENSE	45.25				45.25
64-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	10,623.45	1,027.24		1,027.24	11,650.69
64-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	12,870.05	1,579.75		1,579.75	14,449.80
64-0550-5551	Expense	PURCHASED POWER	1,648,250.84	475,532.65		475,532.65	2,123,783.49
64-0550-5571	Expense	MISCELLANEOUS PLANT EXPENSE	4.30				4.30
64-0560-5482	Expense	CHEMICALS					0.00
64-0560-5531	Expense	BUILDING & GROUNDS MAINTENANCE	600.00				600.00
64-0560-5541	Expense	EQUIPMENT REPAIRS					0.00
64-0560-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC					0.00
64-0560-5888	Expense	UTILITIES					0.00
64-0580-5801	Expense	DISTRIBUTION SALARIES	132,932.98	41,841.53		41,841.53	174,774.51
64-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	396.37				396.37
64-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	3,547.05	1,204.00		1,204.00	4,751.05
64-0580-5813	Expense	SMALL TOOLS EXPENSE	527.60	164.38		164.38	691.98
64-0580-5814	Expense	EDUCATION & SAFETY TRAINING	1,113.40				1,113.40
64-0580-5815	Expense	OUTSIDE SERVICES	5,573.12	3,346.00		3,346.00	8,919.12
64-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	1,997.67	2,771.48		2,771.48	4,769.15
64-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.					0.00
64-0580-5821	Expense	LOAD CONTROL EXPENSE					0.00
64-0580-5831	Expense	OVERHEAD LINE EXPENSE	2,564.73	198.67		198.67	2,763.40
64-0580-5841	Expense	UNDERGROUND LINE EXPENSE	4,527.18	6,022.91		6,022.91	10,550.09
64-0580-5851	Expense	STREET LIGHTS & SIGNAL EXP.	3,376.69	8.50		8.50	3,385.19
64-0580-5852	Expense	SEC. LIGHT REPAIR EXPENSE	925.93				925.93
64-0580-5862	Expense	METER EXPENSE	2,703.15	29.85	1,932.31	(1,902.46)	800.69
64-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR	130.47				130.47
64-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	363.78	761.11		761.11	1,124.89
64-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE		3.21		3.21	3.21
64-0580-5882	Expense	TRANSPORTATION FUEL & OIL	1,786.76	496.17		496.17	2,282.93
64-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	498.97	2,361.55		2,361.55	2,860.52
64-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	938.34	1,325.07		1,325.07	2,263.41
64-0580-5887	Expense	STORM DAMAGE					0.00
64-0580-5888	Expense	UTILITIES	9,111.16	1,615.47		1,615.47	10,726.63
64-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	258.31	622.24		622.24	880.55
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					0.00
64-0590-5961	Expense	STREET LIGHT & SIGNALS					0.00
64-0590-5971	Expense	METER MAINTENANCE					0.00
64-0902-9021	Expense	METER READING SALARIES	1,822.41	499.09		499.09	2,321.50
64-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	42,422.37	12,533.59		12,533.59	54,955.96

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0903-9032	Expense	POSTAGE EXPENSE	4,842.71	1,425.23		1,425.23	6,267.94
64-0903-9033	Expense	COLLECTION EXPENSE					0.00
64-0903-9034	Expense	FORMS & SUPPLIES	129.62	317.37		317.37	446.99
64-0903-9035	Expense	COMMUNICATIONS EXPENSE	2,099.40	377.57		377.57	2,476.97
64-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	2,197.95				2,197.95
64-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS					0.00
64-0920-9201	Expense	GENERAL & ADMIN. SALARIES	39,007.09	11,731.06		11,731.06	50,738.15
64-0921-9210	Expense	NEWSADS & PROMOTIONS	969.50	1,204.12		1,204.12	2,173.62
64-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	10,566.86	3,674.84		3,674.84	14,241.70
64-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	47.56				47.56
64-0921-9213	Expense	COMMUNICATIONS EXPENSE	1,394.97	1,179.98		1,179.98	2,574.95
64-0921-9214	Expense	MEMBERSHIP FEES & DUES	5,544.25				5,544.25
64-0921-9215	Expense	SUPPLIES & EXPENSES	334.18	65.02		65.02	399.20
64-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	1,795.12	630.00		630.00	2,425.12
64-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	6,054.88	1,366.20		1,366.20	7,421.08
64-0921-9218	Expense	LICENSES & PERMITS					0.00
64-0921-9219	Expense	STATE & FED ASSES./REQUIRE.	2,078.91	276.20		276.20	2,355.11
64-0921-9220	Expense	SMALL OFFICE EQUIPMENT					0.00
64-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	6,320.50	282.93		282.93	6,603.43
64-0923-9232	Expense	AUDITOR EXPENSE					0.00
64-0923-9233	Expense	ENGINEERING & CONSULTANTS					0.00
64-0923-9234	Expense	OUTSIDE SERVICES	16,154.65	3,340.47		3,320.47	19,475.12
64-0923-9235	Expense	CLEANING SERVICES	2,096.57	154.28		154.28	2,250.85
64-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	212.50				212.50
64-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	10,060.44	2,012.08		2,012.08	12,072.52
64-0925-9251	Expense	WORKMANS COMP. INSURANCE	10,136.61	2,027.32		2,027.32	12,163.93
64-0926-9260	Expense	FICA INSURANCE	16,822.41	5,372.38		5,372.38	22,194.79
64-0926-9261	Expense	PERA EXPENSE	21,986.15	7,063.79		7,063.79	29,049.94
64-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	121,699.82	21,539.98		21,539.98	143,239.80
64-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	5,198.93	958.50		958.50	6,157.43
64-0926-9264	Expense	EDUCATION & SAFETY TRAINING	6,247.50				6,247.50
64-0926-9265	Expense	MEDICARE EXPENSE	3,934.38	1,256.44		1,256.44	5,190.82
64-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
64-0926-9267	Expense	HEAT SHARE EXPENSE	60.00	12.00		12.00	72.00
64-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	1,391.99	193.18		193.18	1,585.17
64-0930-9303	Expense	SERVICE TERRITORY EXPENSE	1,572.50	832.50		832.50	2,405.00
64-0930-9304	Expense	GENERAL FUND EXPENSE					0.00
64-0930-9305	Expense	REAL ESTATE TAXES					0.00
64-0930-9306	Expense	SALES TAX EXPENSE	395.89	243.80		243.80	639.69
64-0930-9307	Expense	COMMERCIAL REBATES	27,873.93				27,873.93
64-0930-9308	Expense	CONSERVATION IMPROVEMENT EXP	1,446.61	1,026.54		1,026.54	2,473.15
64-0930-9309	Expense	RESIDENTIAL REBATES	770.24	31.50		31.50	801.74

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0930-9311	Expense	CHRISTIMAS LIGHTING EXPENSE					0.00
64-0933-9034	Expense	FORMS & SUPPLIES					0.00
64-0933-9330	Expense	TRANSPORTATION FUEL & LUBE	42.50				42.50
64-0933-9331	Expense	TRANSPORTATION REPAIRS & MAINT	45.25	824.22		824.22	869.47
64-0940-9402	Expense	EXTRAORDINARY EXPENSE					0.00
			0.00	3,540,821.35	3,540,821.35	0.00	0.00

Report Setup
 Sort By:
 Includes only active accounts
 Includes accounts from 64-0001-1071 to 64-0940-9402
 Printed for 6/1/2021 to 6/30/2021
 Printed for all sources.

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
61-0001-1252	Asset	DEBT SERVICE FUND	166,595.82	37,330.85		37,330.85	203,926.67
61-0001-1253	Asset	PFA DEBT SERVICE FUND	41,550.00	4,849.98		4,849.98	46,399.98
61-0001-1255	Asset	MCMU RESERVE FUND					0.00
61-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	1,115,660.41	9,092.11		9,092.11	1,124,752.52
61-0001-1311	Asset	CASH ON DEPOSIT CHECKING	645,180.09	108,322.99	103,353.19	4,969.80	650,149.89
61-0001-1361	Asset	TEMP RATE STAB INVESTMENT					0.00
61-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	101,071.75	163,040.40	109,636.45	53,403.95	154,475.70
61-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	993.75	1,418.55	741.75	676.80	1,670.55
61-0001-1453	Asset	DUE FROM ELECTRIC FUND					0.00
61-0001-1512	Asset	PLANT MATERIALS & SUPPLIES	47,360.85		1,050.59	(1,050.59)	46,310.26
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	4,767,558.17	61.12		61.12	4,767,619.29
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	4,569,747.34				4,569,747.34
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	7,630.63		1,090.09	(1,090.09)	6,540.54
61-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(6,213,223.76)		32,900.00	(32,900.00)	(6,246,123.76)
61-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	1,092.11		1,092.11	(1,092.11)	0.00
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	(1,560,000.00)				(1,560,000.00)
61-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT					0.00
61-0001-2281	Liability	SEVERANCE PAYABLE	(23,678.40)				(23,678.40)
61-0001-2311	Liability	CONTRACTS PAYABLE					0.00
61-0001-2315	Liability	CURRENT BONDS PAYABLE	(429,000.00)				(429,000.00)
61-0001-2321	Liability	ACCOUNTS PAYABLE	(2,862.37)				(2,513.36)
61-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
61-0001-2330	Liability	PFA LOAN PAYABLE	(112,000.00)				(112,000.00)
61-0001-2348	Liability	DUE TO ELECTRIC FUND		19,663.64	19,314.63	349.01	0.00

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(1,812.45)		6,430.83	(6,430.83)	(8,243.28)
61-0001-2429	Liability	DEFERRED REVENUE					0.00
61-0001-2430	Liability	NET PENSION LIABILITY	(219,598.00)				(219,598.00)
61-0001-2431	Liability	DEFERRED INFLOWS OF RESOURCES	(5,975.00)				(5,975.00)
61-0403-4031	Expense	DEPRECIATION EXPENSE	164,500.00	32,900.00		32,900.00	197,400.00
61-0419-4191	Expense	INTEREST EXPENSE	32,580.34	6,430.83		6,430.83	39,011.17
61-0419-4290	Revenue	INTEREST INCOME			15.75		0.00
61-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	(5.40)			(15.75)	(21.15)
61-0420-4201	Revenue	MAINTENANCE INCOME					0.00
61-0421-4210	Revenue	MISC. NON OPERATING INCOME	(125.85)				(125.85)
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	(261,064.80)		92,734.93	(92,734.93)	(353,799.73)
61-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(7,346.00)		1,471.00	(1,471.00)	(8,817.00)
61-0440-4421	Revenue	COMMERCIAL SALES	(88,859.31)		50,437.82	(50,437.82)	(139,297.13)
61-0440-4431	Revenue	INDUSTRIAL SALES	(46,893.27)		13,422.91	(13,422.91)	(60,316.18)
61-0440-4441	Revenue	OPERATING TRANSFERS					0.00
61-0440-4491	Revenue	NON-METERED SALES	(1,130.25)		1,418.55	(1,418.55)	(2,548.80)
61-0450-4501	Revenue	LATE CHARGES	(4,373.86)	27.74	685.10	(657.36)	(5,031.22)
61-0450-4503	Revenue	CONNECTION FEE	(16,000.00)		8,000.00	(8,000.00)	(24,000.00)
61-0450-4504	Revenue	CONSTRUCTION FEES					0.00
61-0450-4505	Revenue	TRUNK FACILITIES FEES					0.00
61-0450-4541	Revenue	RENT/LEASE INCOME	(20,828.50)				(20,828.50)
61-0450-4563	Revenue	OTHER OPERATING REVENUE			130.00		0.00
61-0450-4565	Revenue	MERCHANDISE SALES	(889.40)			(130.00)	(1,019.40)
61-0540-5461	Expense	PRODUCTION PLANT SALARIES	37,581.14	10,314.88		10,314.88	47,896.02
61-0540-5471	Expense	POWER FOR PUMPING	12,105.99	3,639.45		3,639.45	15,745.44
61-0540-5472	Expense	NATURAL GAS	3,506.74	83.32		83.32	3,590.06
61-0540-5473	Expense	UTILITIES & GENERATOR EXPENSE					0.00
61-0540-5481	Expense	LUBE OIL & LUBRICANTS					0.00
61-0540-5482	Expense	CHEMICALS	7,509.85	1,867.58		1,867.58	9,377.43
61-0540-5483	Expense	WATER TESTING	1,060.63	600.32		600.32	1,660.95
61-0540-5511	Expense	COMMUNICATIONS EXPENSE	192.03	38.31		38.31	230.34
61-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	2,459.47	220.22		220.22	2,679.69
61-0540-5541	Expense	EQUIPMENT REPAIRS	2,876.13	24.96		24.96	2,901.09
61-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	564.71	84.00		84.00	648.71
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	40,877.83	10,481.78		10,481.78	51,359.61
61-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	6.05				6.05

Trial Balance

PRINCETON PUBLIC UTILITIES

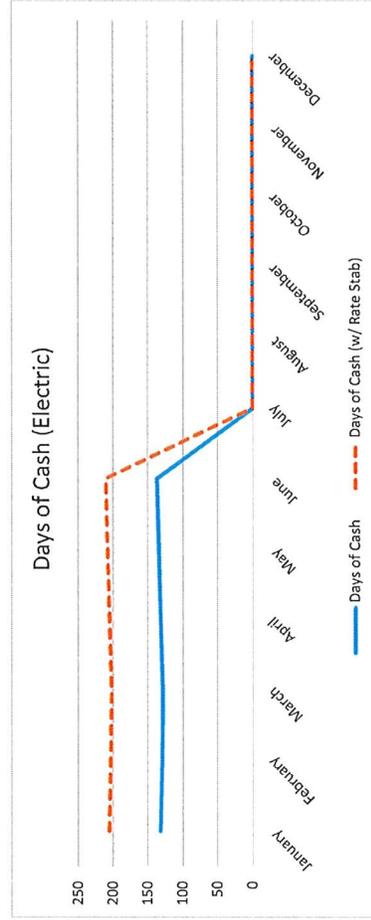
Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	382.15				382.15
61-0580-5813	Expense	SMALL TOOLS EXPENSE	142.85	348.06		348.06	490.91
61-0580-5814	Expense	EDUCATION & SAFETY TRAINING					0.00
61-0580-5815	Expense	OUTSIDE SERVICES	271.90	37.80		37.80	309.70
61-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	576.53	505.56		505.56	1,082.09
61-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.					0.00
61-0580-5862	Expense	METER EXPENSE	1,177.62		828.13	(828.13)	349.49
61-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR					0.00
61-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	95.49	659.92		659.92	755.41
61-0580-5872	Expense	DIST. REPAIRS & MAINTENANCE	111.52	1,049.77		1,049.77	1,161.29
61-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE					0.00
61-0580-5882	Expense	TRANSPORTATION FUEL & OIL	1,551.53	330.97		330.97	1,882.50
61-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	1,162.87	141.99		141.99	1,304.86
61-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	223.07				223.07
61-0580-5888	Expense	UTILITIES	3,995.20	1,425.65		1,425.65	5,420.85
61-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	324.00	86.32		86.32	410.32
61-0590-5981	Expense	WATER TOWER MAINT.	21.76				21.76
61-0902-9021	Expense	METER READING SALARIES	1,089.59	239.81		239.81	1,329.40
61-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	20,504.39	6,129.98		6,129.98	26,634.37
61-0903-9032	Expense	POSTAGE EXPENSE	859.19	251.51		251.51	1,110.70
61-0903-9033	Expense	COLLECTION EXPENSE					0.00
61-0903-9034	Expense	FORMS & SUPPLIES	22.88	56.01		56.01	78.89
61-0903-9035	Expense	COMMUNICATIONS EXPENSE	765.43	153.42		153.42	918.85
61-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	404.31				404.31
61-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS					0.00
61-0920-9201	Expense	GENERAL & ADMIN. SALARIES					0.00
61-0921-9210	Expense	NEWSADS & PROMOTIONS	20,368.77	6,393.97		6,393.97	26,762.74
61-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	773.00				773.00
61-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	2,503.14	1,135.63		1,135.63	3,638.77
61-0921-9213	Expense	COMMUNICATIONS EXPENSE	8.39				8.39
61-0921-9214	Expense	MEMBERSHIP FEES & DUES	246.17	249.40		249.40	495.57
61-0921-9215	Expense	SUPPLIES & EXPENSES	1,969.75				1,969.75
61-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	58.97	11.47		11.47	70.44
61-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	278.03				278.03
61-0921-9218	Expense	LICENSES & PERMITS	1,643.15	241.09		241.09	1,884.24
61-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	1,967.51				1,967.51
61-0921-9220	Expense	SMALL OFFICE EQUIPMENT	4,128.00	4,128.00		4,128.00	8,256.00
61-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES					0.00
61-0923-9232	Expense	AUDITOR EXPENSE	1,066.50	25.58		25.58	1,092.08
61-0923-9233	Expense	ENGINEERING & CONSULTANTS					0.00
61-0923-9234	Expense	OUTSIDE SERVICES	2,444.70	432.19		432.19	2,876.89
61-0923-9235	Expense	CLEANING SERVICES	233.54				233.54

Trial Balance

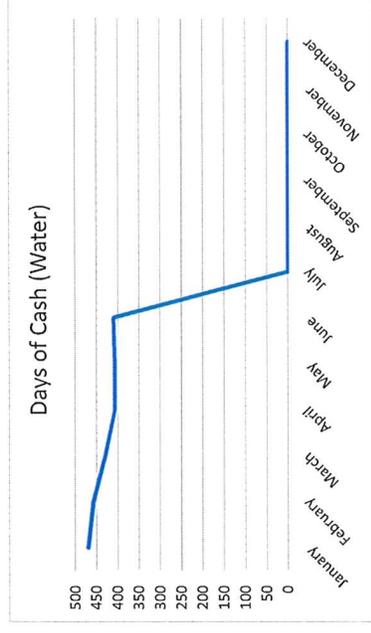
Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE		732.33		732.33	0.00
61-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	3,661.69	357.76		357.76	4,394.02
61-0925-9251	Expense	WORKMANS COMP. INSURANCE	1,788.83	1,928.70		1,928.70	2,146.59
61-0926-9260	Expense	FICA INSURANCE	6,870.74	2,517.04		2,517.04	8,799.44
61-0926-9261	Expense	PERA EXPENSE	8,930.98	4,060.27		4,060.27	11,448.02
61-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	22,209.20	166.02		166.02	26,269.47
61-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	921.41				1,087.43
61-0926-9264	Expense	EDUCATION & SAFETY TRAINING	1,102.50				1,102.50
61-0926-9265	Expense	MEDICARE EXPENSE	1,606.88	451.09		451.09	2,057.97
61-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
61-0930-9301	Expense	WELLHEAD PLAN IMPLEMENTATION					0.00
61-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	151.43	13.49		13.49	164.92
61-0930-9304	Expense	GENERAL FUND EXPENSE					0.00
61-0930-9306	Expense	SALES TAX EXPENSE					0.00
			0.00	444,753.83	444,753.83	0.00	0.00

Report Setup
 Sort By:
 Includes only active accounts
 Includes accounts from 61-0001-1071 to 61-0930-9306
 Printed for 6/1/2021 to 6/30/2021
 Printed for all sources.

Month	Electric						Days of Cash (w/ Rate Stab)
	Annual Operating Expenses (2020)	Depreciation (2020)	Cash	ClF	Rate Stab	Days of Cash	
January	\$6,734,785	\$683,591	\$2,190,508	\$933,823	\$1,211,898	132	205
February	\$6,734,785	\$683,591	\$2,156,444	\$939,059	\$1,211,898	130	203
March	\$6,734,785	\$683,591	\$2,137,126	\$940,844	\$1,211,898	129	202
April	\$6,734,785	\$683,591	\$2,183,299	\$940,859	\$1,211,898	132	205
May	\$6,734,785	\$683,591	\$2,229,618	\$946,042	\$1,211,898	134	208
June	\$6,734,785	\$683,591	\$2,271,061	\$955,133	\$1,211,898	137	210
July	\$6,734,785	\$683,591					
August	\$6,734,785	\$683,591					
September	\$6,734,785	\$683,591					
October	\$6,734,785	\$683,591					
November	\$6,734,785	\$683,591					
December	\$6,734,785	\$683,591					



Month	WATER				Days of Cash
	Annual Operating Costs (2020)	Depreciation (2020)	Cash	ClF	
January	\$964,401	\$385,517	\$745,372	\$1,097,540	470
February	\$964,401	\$385,517	\$726,723	\$1,098,559	458
March	\$964,401	\$385,517	\$682,110	\$1,098,719	430
April	\$964,401	\$385,517	\$646,312	\$1,110,719	408
May	\$964,401	\$385,517	\$645,180	\$1,115,660	407
June	\$964,401	\$385,517	\$650,150	\$1,124,753	410
July	\$964,401	\$385,517			
August	\$964,401	\$385,517			
September	\$964,401	\$385,517			
October	\$964,401	\$385,517			
November	\$964,401	\$385,517			
December	\$964,401	\$385,517			



MEMORANDUM 21-23



TO: Princeton Public Utilities Commission
 FROM: Scott Daniels
 SUBJECT: Mid-Year Budget Update
 DATE: July 27th, 2021

ITEM SUMMARY

Mid-Year Budget Report

INFORMATION

The tables below provide a mid-year snapshot of our 2021 Actuals versus 2021 Budget.

YTD 6/30/2021	Electric			Water		
	YTD Budget	YTD Actual	% Change	YTD Budget	YTD Actual	% Change
Operating Revenues	\$3,759,228	\$3,802,558	1.15%	\$640,440	\$615,658	-3.87%
Operating Expenses	\$3,300,282	\$3,050,482	-7.57%	\$350,016	\$289,459	-17.30%

RECOMMENDATION

No recommendation at this time



PRINCETON PUBLIC UTILITIES

Electricity — Water

907 FIRST STREET / PO BOX 218 / PRINCETON, MN 55371-0218
TEL: 763-389-2252 / FAX: 763-389-2273

ELECTRIC SERVICE TERRITORY AGREEMENT

This agreement (“Agreement”), made and entered into effective the _____ day of _____, 2021, by and between Princeton Public Utilities, a municipal utility duly organized and existing under the laws of the State of Minnesota (the “Municipal”) and East Central Energy, a rural electric cooperative duly organized and existing under the laws of the State of Minnesota (“Cooperative”), individually or collectively referred to as a “Party” or “Parties.”

RECITALS

WHEREAS, the laws of the State of Minnesota, namely Minnesota Statutes §§ 216B.37-216B.47, provide the terms and conditions under which the Municipal may extend retail electric service throughout the corporate limits of the city, as well as authorize and permit electric utilities to define and revise their electric service territories by their written consent and agreement;

WHEREAS, the Municipal seeks to provide exclusive electric service to an area of approximately 41 acres owned and developed by the City of Princeton, located within the city limits, and known as the new industrial park, which is located within the electric service territory assigned to the Cooperative, described in greater detail in the map (outlined in green) and legal description attached hereto as Exhibit A (“Affected Area”);

WHEREAS, the Parties have negotiated a mutual settlement and wish to avoid litigation regarding compensation for such electric service territory transfer; and

WHEREAS, by entering this Agreement the Parties desire to continue the successful and cooperative relationship between the utilities, to conduct prudent utility planning and practices, and to better serve and benefit the Parties’ customers.

NOW, THEREFORE in consideration of the premises and of the mutual covenants contained herein, the Parties agree as follows:

Article I: Transfer of Electric Service Territory Rights

1.1 The exclusive right and obligation to provide permanent electric service to the Affected Area shall automatically transfer to the Municipal on the effective date of the Agreement (the “Transfer Date”).

Article II: Settlement Payments

2.1 **Loss-of-Revenue Payments.** As settlement payment and in consideration of the covenants, releases, and representations made by the Cooperative herein, the Municipal agrees to make the following loss-of-revenue payments to the Cooperative. Subject to section 2.2, the Municipal shall annually pay the Cooperative an amount equal to the result of multiplying one cent (\$0.01) times each kilowatt hour of electric energy sold by the Municipal to each customer to whom the Municipal provides retail electric service in the Affected Area, provided that the Municipal's payments shall not exceed a total of two hundred fifty thousand (250,000) kilowatt hours of usage per customer in the Affected Area. The loss-of-revenue payment period shall be for a period of ten (10) years commencing on the Transfer Date.

2.2 **Municipal Facilities.** The loss-of-revenue payments under Section 2.1 shall not apply to facilities owned by the Municipal for providing city services, including, but not limited to, streetlights.

2.3 **No Other Payments.** The Parties acknowledge and agree that except as provided in Section 2.1, no other payments (including, but not limited to, payment for purchasing facilities of the Cooperative, integration expenses, or other appropriate factors) shall be due for the transfer of the Affected Area under the terms of this Agreement.

2.4 **Payment Process.** The calculation of any amount due under Section 2.1 shall be made for the period concluding on December 31st of each year under consideration and payment of the annual amount so determined will be made by the Municipal by February 15th of the following year. The Municipal's sales shall be calculated on the basis of its meter readings, as made in the ordinary course of its utility business. With its annual payment, the Municipal shall provide a written report to the Cooperative, certified as true and correct by the General Manager of the Municipal, summarizing for the Affected Area the kilowatt hours sold by the Municipal and the basis for the calculation of the compensation due the Cooperative.

The Municipal shall also provide the Cooperative copies of such additional supporting data as the Cooperative may reasonably request, at the Cooperative's expense, including metering data that reflects kilowatt hours sold, but, pursuant to Minn. Stat. § 13.685, may not contain any data that could identify any customer (e.g., by name, address, phone, or social security number). Any dispute concerning amounts due under this Article 2 shall be governed by Article 7 of this Agreement.

Article 3: Filings

3.1 Promptly after the execution of this Agreement, the Cooperative consents and authorizes, and the Municipal agrees, that Municipal shall file the Parties' joint request, under Minn. Stat. § 216B.39, subd. 3, legally describing and depicting the Affected Area that the MPUC modify the service territory boundary and recognize the service territory transfer. Notice and a copy thereof shall be provided by the Municipal to the Cooperative not less than ten (10) days before filing with the MPUC. If the service territory boundary modification procedure described in this Section materially changes in the law, the Parties will follow the process provided by law.

3.2 If the MPUC or the Department of Commerce raises any question or challenges any provision of the boundary adjustment, this Agreement, or the due performance thereof, the Parties shall each, at their own expense, exercise any and all lawful efforts reasonable and necessary to respond to said questions and to assure the transfer of service territory. If for any reason the MPUC refuses to recognize any service territory transfer described in Article 1, the Cooperative shall return any payments made by the Municipal pursuant to Article 2, upon demand by the Municipal.

Article 4: Representations and Warranties

4.1 The Municipal and the Cooperative hereby mutually represent and warrant, each to the other, as follows:

(a) Each is duly organized and existing in good standing under the laws of the State of Minnesota and each has all requisite power and authority to own, lease and operate its electric service facilities;

(b) Each has the power and authority to execute, deliver and carry out the terms and provisions of this Agreement and has taken all the necessary corporate action to authorize the execution, delivery and performance of this Agreement; and

(c) This Agreement constitutes a valid and binding obligation of each Party enforceable in accordance with its terms.

Article 5: Mutual Waiver and Release of Claims

5.1 The Parties do hereby each unconditionally release and waive any and all claims, known or unknown, which they may now have or have in the future arising from any action or omission of the Parties or any fact or circumstance first occurring prior to the date hereof, whether or not continuing in nature, which relate to or arise from the right of either Party to provide electric service to any particular third party, area, facility or site by reason of the electric service territory laws of the State of Minnesota, now or hereafter in effect, or any prior agreement of the parties, oral or written. Provided, however, the foregoing provisions of this Article 5 do not waive or release any claim that either Party may have for any breach of any covenants or any misrepresentations contained in this Agreement.

5.2 Each Party will be responsible for its own acts or omissions and the results thereof to the extent authorized by law and shall not be responsible for the acts or omissions of any others and the results thereof. Nothing in this Agreement limits or waives the rights or limits provided to the Municipal in Minnesota Statutes Chapter 466, and it is intended in this Agreement that unless explicitly provided otherwise, the Municipal shall have the maximum benefits and rights accorded to it under Chapter 466 and applicable law.

Article 6: Term and Scope of Agreement

6.1 This Agreement (including exhibits hereto) constitutes the entire Agreement and, with respect to the specific subject matter hereof, supersedes all prior agreements and understandings, oral and written, between the Parties hereto.

6.2 The Parties acknowledge that this Agreement is the result of arm's length negotiations between the Parties, each taking into consideration the costs and risks of litigation otherwise required to resolve the matters addressed in this Agreement. This Agreement does not

reflect the position of either the Party as to the appropriate application of the law determining electric service territory rights or compensation in such matters. For any electric service territory matters between the Parties not governed by this Agreement, the Agreement shall not act as precedent in the determination of compensation, if any be due.

Article 7: Alternative Dispute Resolution

7.1 In the event that a dispute arises between the Parties as to the interpretation or performance of this Agreement, then upon written request of either Party, representatives with settlement authority for each Party shall meet in person and confer in good faith to resolve the dispute. If the Parties are unable to resolve the dispute, they shall make every effort to settle the dispute through mediation or other alternative dispute resolution methods. If the Parties are unable to resolve the dispute through these methods, either Party may commence an action in the District Court for the county in which the service territory is located. The Transfer Date is not affected by any dispute or action to determine compensation.

Article 8: General Terms and Conditions

8.1 Any notice permitted or required by this Agreement shall be made in writing by letter, electronic mail, personal service, facsimile, or other documentary form and shall be deemed given upon actual receipt by the Party to which such notice is given.

8.2 This Agreement will inure to the benefit of the Parties hereto and shall be binding on them and their respective legal representatives, successors and assigns. Provided, however, neither Party hereto may assign any of its rights herein to any person without the prior written consent of the other Party.

8.3 Each of the Parties acknowledges that the adjustment of electric service territory boundaries provided for herein is unique in that neither Party will have an adequate remedy at law if the other Party fails to perform any of its obligations hereunder. In such event, either Party shall have the right, in addition to any other rights it may have, to petition for and obtain specific performance of this Agreement in the District Court for the county in which the service territory is located.

8.4 This Agreement may be amended only in writing.

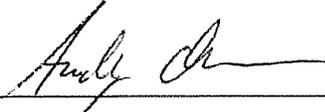
8.5 Headings are for convenience and are not a part of this Agreement.

8.6 This Agreement may be executed in counterpart copies by the Parties and each counterpart, when taken together with the other, shall be deemed one and the same executed Agreement.

8.7 By executing this Agreement, the Parties acknowledge that they: (a) enter into this Agreement knowingly, voluntarily and freely; (b) have had an opportunity to consult an attorney before signing this Agreement; and (c) have not relied upon any representation or statement not set forth herein.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first above written.

EAST CENTRAL ENERGY:

By: 

Its: VP / COO

PRINCETON PUBLIC UTILITIES:

By: _____
Its: General Manager

EXHIBIT A: MAP AND LEGAL DESCRIPTION OF AFFECTED AREA

The Southeast Quarter of the Northwest Quarter, except the East 300 feet thereof, and the North 500 feet of the Northeast Quarter of the Southwest Quarter, except the East 300 feet thereof, all in Section 32, Township 36, Range 26, according to the United States Government Survey thereof and situate in Mille Lacs County, Minnesota.

EXCEPT: That part of the West 150.00 feet of the East 450.00 feet of the North 500.00 feet of the Northeast Quarter of the Southwest Quarter and that part of the West 150.00 feet of the East 450.00 feet of the Southeast Quarter of the Northwest Quarter, both in Section 32, Township 36, Range 26, which lies South of the Westerty extenslon of the North line of Lot 8, Block 1, Aero Business Park First Addllion, said Mille Lacs County, Minnesota.



MEMORANDUM 21-21



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: Deposit Credit Check Proposal
DATE: June 23rd, 2021

ITEM SUMMARY

The Commission instructed staff to investigate options for basing deposit requirements on credit scores.

BACKGROUND

Princeton Public Utilities has been researching options for basing deposit requirements on credit scores. During our investigation, we identified that fellow SMMPA member, Owatonna Public Utilities, currently employs such a strategy. After consultation with them, Owatonna directed us to their contractor, Online Utility Exchange (OUE).

Staff reached out to OUE and participated in a webinar on their services. OUE utilizes Experian for their credit checks. Although they don't provide a credit score, they do calculate a risk assessment based on credit scores as well as utility delinquencies.

OUE's default risk assessment is

GREEN: 0 – 10% Potential Delinquency Risk (approx. 680 credit score or higher)

YELLOW: 10% - 25% Potential Delinquency Risk (approx. 575 – 680 credit score)

RED: 25%+ Potential Delinquency Risk (approx. 575 credit score or lower)

Staff noted the following benefits.

- ID Verification using SSNs
- Risk Determination (which can be modified to our own specifications)
- Checks all applicants for one account in one search
- Provides known utility delinquencies from other OUE members (if reported). In addition to OPU, we know other Minnesota electric utilities that contract with OUE including Connexus, Elk River, Meeker, and Wright-Hennepin.
- Notes utility delinquencies from the credit report
- Quick response (2-3 seconds typically)
- Automatically generated form letters that can be immediately printed and given to the customer which explains the reason for the decision. If the customer wants to contest the finding, they would need to contact OUE to resolve. This would help eliminate customers trying to debate utility staff or claiming that PPU decisions are arbitrary.
- It is considered a "soft hit" so it does not impact customer's credit scores.
- OUE can also help with collections. They have staff specifically trained in collections for the utility industry. Rates are the same, if not better than our current collection agency.

EXAMPLE



Your Total Solution for Eliminating Bad Debt!



The ONLINE Utility Exchange offers a total approach to eliminating your bad debt at the point of service application. By utilizing ONLINE's Utility Exchange, you will know your applicant is who they say they are, and you can accurately assess their payment risk.

The screenshot displays a web interface for the ONLINE Utility Exchange. It features a header with the company logo and contact information for two locations: JURY, MISSOURI and MAINE, MAINE. The main content area is divided into several sections:

- Instant ID Verification:** A section with a blue checkmark icon and the text "Good Risk".
- Customizable Deposit Decisions:** A section showing two risk levels: "66.6% Potential Delinquency Risk" (marked with a red flag) and "2.4% Potential Delinquency Risk" (marked with a green flag).
- Utility Exchange Results:** A section with a red flag icon and the text "No Exchange Funds Paid".
- Utility-Specific Debt:** A section with a green checkmark icon and the text "No Negative Debt Found".

Arrows point from these sections to descriptive labels: "Instant ID Verification", "Customizable Deposit Decisions", "Utility Exchange Results", and "Utility-Specific Debt".

Red Flag Compliance

The ONLINE Utility Exchange is a cost-effective solution to prevent fraud and comply with Red Flag requirements while leveraging the most extensive, up-to-date identity information available.

Interested in learning more about the ONLINE Utility Exchange?
Give us a call at (866) 630-6400 • Sales@ONLINEUtilityExchange.com • www.ONLINEUtilityExchange.com

COSTS

OUE bills a monthly access charge of \$30/month and \$3.05 for each credit check performed. Assuming that PPU has about two dozen applications a month, the average cost is about \$4.30 per applicant. We do expect that this will save us on labor costs due to the following:

- Time does not need to be spent collecting historical utility data on customers
- We ensure that correct information is collected at the time of application which will make future potential collections easier
- The deposit decision making process is clear and absolute thereby eliminating customer confusion

In addition, OUE offers collection services for a 35% flat fee in which the delinquency occurred within the last year. No fee is charged for charity payments or if the customer returns as a utility customer within five months. For delinquencies aged over 1 year, the fee is 50%. We currently pay a 50% fee to our collection agency for all collection services.

OPTIONS

If the Commission decides to move forward, staff would like direction on the following:

1. Will this new process replace or add to the current manual request of 12 months of on-time utility payments?
2. Given the costs, does the Commission wish to institute an application fee?

RECOMMENDATION

Staff does not have a recommendation at this time, however staff does request that the Commission implement only one process or policy. Multiple processes and procedures can become a significant administrative burden causing uncertainty and increased risk.

MEMORANDUM 21-24



TO: Princeton Public Utilities Commission
FROM: Scott Daniels
SUBJECT: Mini Manhole Cover Requirement
DATE: July 27th, 2021

ITEM SUMMARY

Curb Stops located in Driveways and sidewalks

BACKGROUND

Curb stops located in driveways or sidewalks have always been an issue raising up thru a freeze thaw cycle and not returning to grade causing them to be damaged from plowing.

PROPOSAL

Mandating that all curb stops located in driveways and sidewalks be placed inside of a 8" mini manhole cover to prevent damage to the curb stop. I think it would be a good idea that we say they have to be purchased from us that way we do not end up with multiple different types that could end up requiring different tooling that we have. I propose the following language added to section 103.1

The property owner is responsible for the cost of installing a mini manhole over the curb stop if it falls within the driveway or if it will be encased in blacktop or concrete. The mini manholes are required and must be purchased from Princeton Public Utilities.

BUDGET AND TIMELINE

We would order 6 mini manhole covers to have on hand in inventory, we could start right away upon commission approval. We anticipate the cost to be \$125.00

RECOMMENDATION

I recommend we mandate the use of these mini manhole covers and we mandate they must be bought from us.