

PRINCETON PUBLIC UTILITIES COMMISSION
REGULAR MEETING
Mille Lacs Historical Society Amdall Room
101 10th Avenue South
Princeton, MN 55371
June 23rd, 2021 1:00 P.M.

- 1. Call to Order – Roll Call**
- 2. Approval of Agenda – Additions or Deletions**
- 3. Approval of Minutes**
 - a. Public Utilities Commission – Regular Meeting – May 25th, 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. AMI
 - b. EVs
 - c. Service Territory / Development
 - d. Hydrant Annual Fee Proposal
 - i. Memo 21-18: Hydrant Annual Fee
 - e. Seasonal Water Service Shut-off Discussion
 - i. Memo 21-19: Seasonal Water Shut-off
- 9. New Business**
 - a. Audit Report
 - b. Credit checks in lieu of deposits
 - i. Memo 21-21: Deposit Credit Check Proposal
 - c. Donation Requests
 - i. Memo 21-22: Legion 4th of July Donation Request
 - d. Meeting Schedule
- 10. Adjournment**

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

May 25, 2021, 10:00 A.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 May 25, 2021, at 10:00 A.M.

Present: Chairman Greg Hanson and Commissioners Dan Erickson and Rick Schwartz.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Councilor Jules Zimmer, City Administrator Michele McPherson, Water Superintendent Scott Daniels, Electric Superintendent Jeremy Linden, Steve Downer from MMUA, Geoffrey Skeim, and Randy Hatch from the Princeton American Legion.

Meeting was called to order by Chairman Hanson at 10:01 A.M.

Chairman Hanson called for additions or deletions to the agenda. There were none.

Mr. Erickson made a motion to approve the agenda of the May 25, 2021 Regular PUC Commission Meeting. Mr. Schwartz seconded. Motion carried unanimously.

Steve Downer from Minnesota Municipal Utilities Association (MMUA) thanked Princeton Public Utilities along with General Manager Keith Butcher and staff for their support in the MMUA Scholarship Program. He went on to state the big difference between public power and other utilities is electricity is a service to be provided rather than a commodity to profit from. This service is best provided locally by those affected and served. Geoffrey Skeim was able to capture this in his essay for the Tom Bovitz Memorial Scholarship. Geoffrey Skeim was the local winner of the scholarship. His application was submitted to MMUA for the state level. Geoffrey Skeim took first place at the state level. Steve Downer congratulated Geoffrey and presented him with his scholarship.

Steve Downer left the meeting following his presentation.

Presented to the PUC Commission for approval were the corrected minutes from the April 27, 2021 Work Study Session, April 28, 2021 Regular PUC Commission Meeting and May 6, 2021 Joint City Council Meeting. There was a discussion on the May 6, 2021 Joint City Council Meeting with corrections being made. Mr. Erickson moved to approve the Minutes for the Corrected April 27, 2021 Work Study Session, the April 28, 2021 Regular PUC Commission Meeting, and the Corrected May 6, 2021 Joint City Council Meeting. Mr. Schwartz seconded. Motion carried unanimously.

Commission Chairman Greg Hanson stated the Public Comments portion of the PPU Commission Meetings is at each and every meeting. Customers have an opportunity at this time for any concerns or questions to be addressed. Comments and questions can either be made in person, e-mailed or by phone call.

Randy Hatch from the Princeton American Legion presented a letter of request to the PUC Commission asking for funding for the 4th of July fireworks display. Contributions made by individuals and businesses make this event possible. This year the event will be held on Sunday, July 4th in partnership with the Mille Lacs County Fair Board.

Mr. Schwartz made a motion to place the discussion of a contribution to the Princeton American Legion on the June 2021 Regular PUC Commission Meeting agenda. Mr. Erickson seconded. Motion carried unanimously.

Randy Hatch left the meeting following his request.

After a discussion, Mr. Schwartz made a motion to approve the certification of accounts payable for the period of April 1, 2021 through April 30, 2021. Mr. Erickson seconded. Motion carried unanimously.

6. REPORTS:

- a. Both the April SMMPA Key Metrics worksheet and April 14th Board Meeting minutes were presented.
- b. The April 2021 PUC financial reports were reviewed along with Cash Reserves. The days of cash on hand as of April 30, 2021 was 131 in the Electric Department and 395 in the Water Department.
- c. General Manager Keith Butcher presented the Minnesota Department of Health Sanitary Survey report on PPU's public water system. After the annual MDH inspections, the survey is sent addressing any deficiencies or recommendations to the PUC. There were no deficiencies in this year's inspection, just reminders of records maintenance and training of staff.

7. UPDATES:

- a. In the Generation Plant, Water Superintendent Scott Daniels reported Ziegler was at the PUC to inspect the Cat. #7 Engine. They sampled the oil chambers which were all fine. Employees are test running Engine #3 after repairs were made to the liner. The filtration arrived for the Jacket Water system and they will be installing that. They are still working on upgrading SCADA system.

In the Electric Department, Electric Superintendent Jeremy Linden reported the line crew has been labeling unique ID numbers on all PUC equipment. There are some small underground projects this year to get rid of overhead lines by Steinbrecher Painting and the Wayne Pike Industrial Park. The blue summer banners have been hung up downtown for the City of Princeton. They have also been working on GIS updates, doing locates and miscellaneous service orders.

- b. In the Water Department, Water Superintendent Scott Daniels reported they continue to work on the actuators at Water Treatment Plant #1. They have finished doing spring hydrant flushing. They have been working on spill containment improvements. They have also been working on installing the rolling gate openers. While they are waiting for more AMI water nodes to arrive, they will be working on lowering valve boxes.
- c. City Administrator Michele McPherson reported the City has been working on their audit. With the multiple changes in personnel at the City, the audit has been rescheduled for a couple weeks. There was a public hearing regarding annexing Sherburne Village into the City of Princeton. Baldwin Township would like to meet with the land owners of the park regarding the annexation. The Industrial Park is moving forward.

City Councilor Jules Zimmer reported on the simulcast project. This project will improve radio communications during all emergency personnel. They are working on a grant process and will be meeting with the counties regarding funding. The park dedication fees are being reviewed by city staff and will be presented to the Park Board.

- d. General Manager Keith Butcher reported the following:
- i. Regulatory updates include the following reports being completed: The Consumer Confident Report has been completed and published. The SMMPA Load Forecast Report has been completed. We have received an updated Notification of Compliance from the MPCA regarding our Air Permit Inspection on May 17th. All engines were found to be compliant. The next reports due is the MnDOC CIP Report, EPA's Risk and Resiliency Report, and the MnDOC Electric Utility Report.
 - ii. General Manager Keith Butcher reported the auditors were at the PUC from May 18th through May 20th. Their estimated completion date is June 9th for inclusion in the City audit. There was a discussion on the auditors presenting the completed audit for the PUC Commission. This will be scheduled. We will be including a bill insert for the City of Princeton in this month's billing. DGR Engineers are planning a meeting for June 8th for the Electric System Study.
 - iii. General Manager Keith Butcher reported PUC employees have been working on a cyber-security training through SMMPA. He has been working to include the City staff in our existing cyber-security training.
 - iv. General Manager Keith Butcher reported he has continued to post pictures of participants in our rebate programs on Facebook and our website.
 - v. General Manager Keith Butcher reported the ECO bill has passed. The bill includes revisions to CIP for fuel switching guidelines, electric vehicle program account, and low income programs.
 - vi. General Manager Keith Butcher reported full disconnects resumed on May 20th. We are continuing to work with customers to help them catch up with arrears.
 - vii. PPU continues to follow CDC and MDH guidelines as it pertains to COVID protocols such as mask wearing and social distancing. We will be re-opening our facilities for tours.

8. UNFINISHED BUSINESS:

a. AMI METERS

With the AMI conversions, the Electric Department is 81.4% complete and the Water Department is 29.8% complete. Water AMI conversions are on hold until the water nodes ordered are received.

b. EV CHARGERS

General Manager Keith Butcher reported the DC Fast Charger usage for the month of April was 21 sessions with 230 kWhs delivered. Funds collected totaled \$148.80. The installation of the two L2 Chargers should be within the next couple days. Host agreements have been filed with Mille Lacs County on May 20, 2021.

c. SERVICES TERRITORY / DEVELOPMENT

General Manager Keith Butcher reported he is continuing negotiations with East Central Energy on the new Industrial Park.

d. UPDATE CREDIT CARD / ACH FEES

After the Joint City Council Meeting on May 6th, Commissioner Dan Erickson would like to include options for a convenience fee with the 2022 budget proposal and fee structure. Until then, they would like to see the option of ACH payments promoted more.

e. WELLHEAD PROTECTION PLAN UPDATE

General Manager Keith Butcher reported progress on the Wellhead Protection Plan update was delayed due to COVID and the retirement of our primary contact with the Minnesota Department of

Health. The 2021 approved budget included \$30,000.00 for contractor work and implementation of the update. The next step will be to have a meeting between General Manager Keith Butcher, Water Superintendent Scott Daniels and the Minnesota Department of Health sometime late June or early July.

9. NEW BUSINESS:

a. COUNTY ROAD 4 / 7TH AVENUE POTENTIAL PROJECT (2022)

General Manager Keith Butcher reported he has been working with the City of Princeton and Mille Lacs County regarding work being done on County Road 4 / 7th Avenue North. There will be discussions on whether to upgrade the sewer and water during that time.

b. HYDRANT ANNUAL FEE PROPOSAL

General Manager Keith Butcher presented Memo 21-18: Hydrant Annual Fee. There has been a situations for using nearby hydrants rather than the one designated for such use. For only non-profit and governmental agencies needing to use hydrants on a regular basis, we could offer limited service. An annual non-refundable fee of \$350.00 could be paid for this service. This fee would be used to replace parts as they wear out from continual use. This service would not be available to private contractors. After a discussion, Mr. Erickson is in favor of implementing the Hydrant Annual Fee.

c. SEASONAL WATER SHUT-OFF DISCUSSION

General Manager Keith Butcher presented Memo 21-19: Seasonal Water Shut-Off. PPU Policy offers shut-off services to residential customers in the fall who are away for extended period of time of one month or more during the heating season. Manager Butcher would like to modify this policy and add that PPU would offer one shut off at the curb stop per heating season. The policy will specify PPU responsibilities along with the customer's responsibilities. The shut off would need to be scheduled one full business day prior to the date required. This service is available to all customers.

d. SPILL PREVENTION, CONTROL, AND COUNTERMEASURE (SPCC) PLAN

General Manager Keith Butcher reported the Spill Prevention, Control, and Countermeasure (SPCC) Plan has been a multi-year effort involving SMMPA, DGR Engineers, and numerous PPU staff. The plan was developed under U.S. Environment Protection Agency rules to prevent the discharges of oil to navigable waters and the environment. PPU is committed to maintain high standards for spill prevention, control and countermeasures. Concerns would be storage tanks and transformers. This plan is to be reviewed every five years. Mr. Schwartz made a motion to accept the Spill Prevention, Control, and Countermeasure (SPCC) Plan. Mr. Erickson seconded. Motion carried unanimously.

e. FIVE MEMBER COMMISSION DISCUSSION

At the Joint City Council Meeting on May 6th, the discussion was brought up regarding changing the Three Member Commission to a Five Member Commission. To change to a Five Member Commission, it would need to be agreed upon by both the PPU and the City of Princeton. Once agreed upon, the next step would be to have it presented to the State of Minnesota Legislation for approval which would be the end of the year at the earliest.

f. PILOT WORKGROUP DISCUSSION

The PILOT workgroup has met one time and had good discussions. PUC Commissioners would like to be kept up to date on discussions.

g. UPDATE MMUA DELEGATION FORM

Manager Keith Butcher presented Memo 21-20: MMU Delegate Form to the PUC Commission to be updated. Currently Keith Butcher is PPU representative with MMUA and Ryan Grant is the alternate. There was a discussion on updating the MMUA Delegate appointment. Mr. Schwartz made a motion to appoint Jeremy Linden, Electric Superintendent as the MMUA alternate delegate. Mr. Erickson seconded. Motion carried unanimously.

h. NEXT MEETINGS

There was a discussion on upcoming meetings being June 23rd and July 28th and how the dates work with summer scheduled. Chairman Greg Hanson will not be in attendance at the June 23rd meeting. There was a discussion to appoint a vice chair to conduct meetings in the absence of the Chairman. Mr. Hanson made a motion to appoint Commissioner Dan Erickson as acting Vice Chair. Mr. Schwartz seconded. Motion carried unanimously. The consensus of the PUC Commission was to move the July 28th Regular PUC Commission Meeting from Wednesday, July 28th at 1:00 PM to Tuesday, July 27th at 10:00 AM.

There being no further business, Mr. Erickson made a motion to adjourn the meeting at 11:44 p.m. Mr. Schwartz seconded. Motion carried unanimously.

Gregory Hanson
Chairman

Kathy Ohman
Secretary

PRINCETON PUBLIC UTILITIES

Accounts Payable Listing

For 5/1/2021 to 5/31/2021

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
1	Aramark	Cleaning Supplies & Services	754.56
2	Brand Mfg.	Flat Bar	13.20
3	CW Technologies, Inc.	Monthly IT Care Services Agreement	2,050.03
4	Finken Water Solutions	Bottled Water	56.40
5	Gopher State One Call	Monthly Locates	160.65
6	Grainger	U Bolts, Brackets, Fuse Molder & Fuses	310.21
7	Innovative Office Solutions	Supplies	277.88
8	Instrumental Research, Inc.	Monthly Water Testing	70.68
9	Kriss Premium Products	Sodium Nitrite	378.91
10	Marv's True Value	Supplies, Shipping, PVC, Couplings, Paint, Elbows, Nuts & Bolts	232.39
11	McGrann Shea Carnival Straughn	Legal Fees	647.50
12	Midcontinent Communications	Monthly Internet & Telephone	210.95
13	Midwest Machinery	Coupler, Fittings, Filters	99.04
14	Mille Lacs County Treasurer	Recording Fees	92.00
15	MN Rural Water Association	Membership Fee	1,670.00
16	MCPA	Hazardous Waste Fee	668.89
17	NAPA Central	Fuel Filter, Shut Off Valve, Clamps, Pliers	61.91
18	O'Reilly Automotive	Heat Shrink, Splice	14.47
19	Plant & Flanged Equipment Co.	Elbow & Gaskets	238.57
20	Princeton One Stop, LLC	Monthly Vehicle Fuel	977.39
21	Quadient Leasing USA, Inc.	2021 Maintenance Agreement, Brush & Sponge Kit	2,148.03
22	Shimmer-N-Shine Maid Service	Office & Shop Cleaning	939.53
23	Verizon Wireless	Monthly Cell Phone	706.40
24	Voyant Communications, LLC	Monthly Telephone	413.94
25	Waste Management	Monthly Trash Service	93.34
26	Wesco	Inventory	4,599.84
27	Ziegler, Inc.	Oil Sample Bottles, Filters, Filter Liners, O-Rings	1,459.86
28	Northland Trust Services	2008 G.O. Bond Interest Payment	34,622.50
29	U.S. Bank Operations Center	2006 Bond Principal, Interest Pymt. & Admin. Fees	99,546.63
30	SMMPA	April Purchased Power	307,455.06
31	Postmaster	Postage for Monthly Billing	781.93
32	Amaril Uniform Company	FR Rated Clothing	520.02
33	Anytime Fitness	Commercial Rebate	2,722.44
34	Blackburn Mfg.	Locate Flags	480.73
35	Cardmember Service (Mastercard)	Laptop Stand & Fuel	81.49
36	Cash Gas, Inc.	#2 Red B5 Diesel Fuel	17,285.66
37	Centerpoint Energy	Monthly Natural Gas	1,380.07
38	City of Princeton	April Sewer Billing & Late Charges	108,776.10
39	City of Princeton	Commercial Rebate	659.68
40	Connexus Energy	Monthly Utilities	1,984.38
41	DGR Engineering	Engineer Fees	2,629.00
42	Exponential Power	Battery Charger	2,656.23
43	Hawkins, Inc.	Water Treatment Chemicals	1,734.70
44	HealthPartners	June Health Insurance	24,361.71
45	Instrumental Research, Inc.	Water Testing	67.00
46	Interstate Testing	Annual RPZ Testing	100.00
47	Knife River Corporation	Concrete	760.22
48	Kriss Premium Products	Stainless Steel Filter, Bags & Rack	3,139.47
49	McMaster-Carr	Pipe Plugs & O-Rings	56.34
50	Menards	Brackets, Sackcrete, Disconnects, Plugs	280.77
51	NCPERS Group Life Insurance	May Life Insurance	96.00
52	Nelson Nursery	Black Dirt	360.78
53	Princeton Area Chamber of Commerce	2021 Rum River Festival Parade Entry Fee	50.00
54	Princeton Public Utilities	Meetings	88.68
55	Princeton Public Utilities	Monthly Utilities	2,613.25
56	Salvation Army Heat Share	April Heat Share & PUC Matching	24.00
57	SEL Engineering Services	SCADA System Upgrade	8,264.31

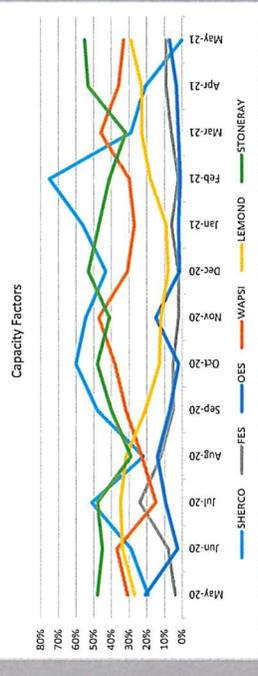
58	Shred-It USA	Shredding Service	86.50
59	Stinson LLP	Legal Fees	850.00
60	Stuart C. Irby Co.	Inventory	1,040.00
61	Sun Life Financial	June Short & Long Term Disability	1,371.99
62	TASC	COBRA Admin. Fees	15.00
63	U.S. Bank Equipment Finance	Monthly Copier Lease Payment	207.09
64	Uline	Wheel Chocks	60.96
65	Unum Life Insurance Company	June Life Insurance	172.13
66	Delta Dental	May Dental Insurance	1,141.85
67	PERA	May PERA Contribution	12,366.41
68	Optum	May H S A Contributions	5,640.26
69	TASC	May Flex Account Contributions	173.06
70	MN Dept. of Revenue	March Sales & Use Tax	28,338.00
71	Credit Card Company	Monthly Credit Card, eCheck Charges	1,955.50
72	Refunds	Customer Meter Deposits	5,546.30
73	Refunds	Overpayment Refunds on Final Bills	885.62
74	Rebates	Residential Energy Star Rebates	50.00
	TOTAL		702,826.39



SMMPA Key Metrics

June 2021

PLANT OPERATIONS Performance Metrics

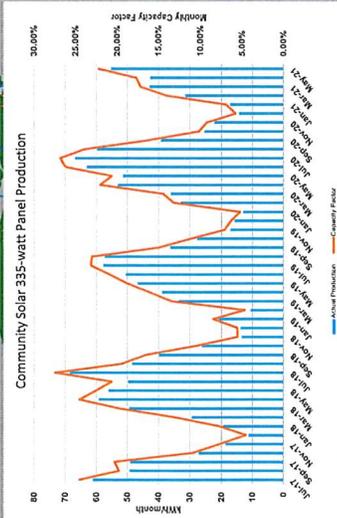


Availability Metrics

For May 2021

	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

Solar Production Metrics



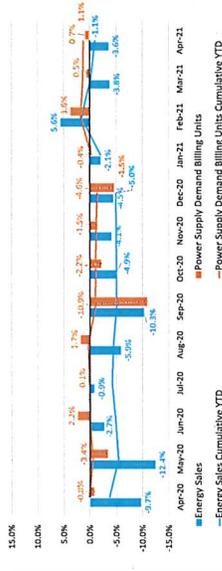
Number of working days since the last time accident

1512

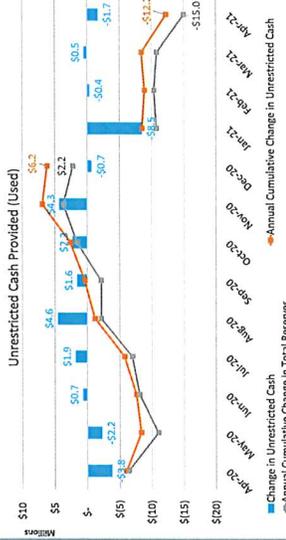
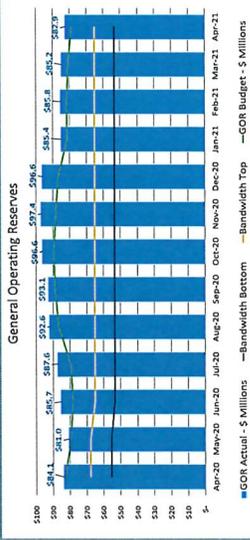
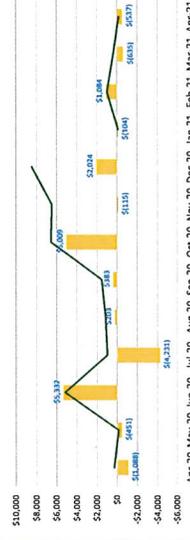
(through 5/31/21)

FINANCIAL Performance Metrics

Member Load Variance from Budget

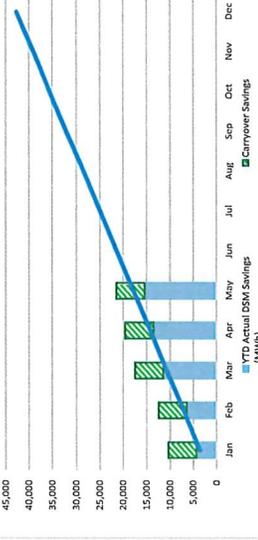


Contributions to/(Distributions) from Rate Stabilization Account



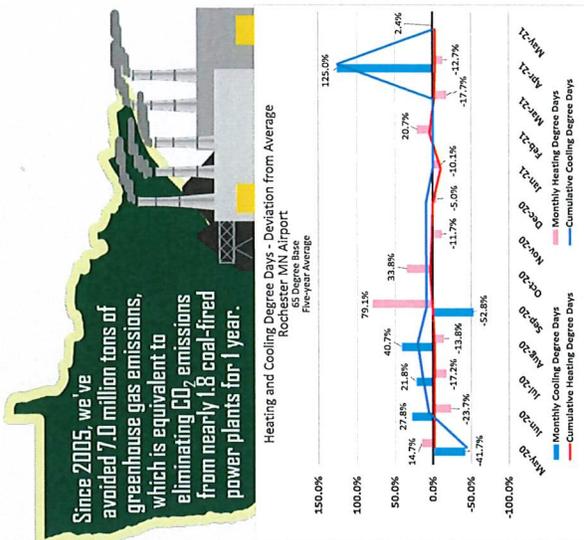
ADDITIONAL Metrics

2021 YTD DSM Energy Savings (MWh)



3rd consecutive year

Governor's SAFETY AWARD Winner



SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
May 12, 2021

President Kotschevar called the meeting to order at 9:00 a.m. via internet meeting service due to the COVID-2019 pandemic.

Board Members Present Via Conference Call:

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

Board Member Absent:

Mark E. Nibaur, Austin.

Others Present Via Conference Call:

David P. Geschwind, Executive Director & CEO; Alex Bumgardner, Austin; Jerry M. Mausbach, Blooming Prairie; Troy G. Nemmers, Chris Ziegler, Fairmont; Mike Roth, Shane Steele, Grand Marais; T. Scott Jensen, Lake City; Michael B. Geers, George Baldwin, Litchfield; David Olson, Owatonna; Keith R. Butcher, Princeton; Charles B. Heins, Redwood Falls; Jeremy Sutton, Rochester; Carl C. Sonnenberg, Waseca; Jeffery D. Amy, Wells; Mike Mitchell, Xcel Energy; Beth A. Fondell, Naomi A. Goll, Lisa A. King, Mark S. Mitchell, and Christopher P. Schoenherr of the Agency staff.

#1 Agenda Approval:

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

#2 Consent Agenda:

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

APPROVED the April 14, 2021 board meeting minutes.

#3 Sherco 3 Operations Report-Mitchell/Mike Mitchell-Xcel Energy:

Mr. Mark Mitchell introduced Mr. Mike Mitchell, Sherco Plant Director.

Mr. Mike Mitchell reported on the Sherco 3 operating performance and indicated that 2020 was a challenging year with the COVID-19 pandemic. Key areas were highlighted.

Reliability Performance

There were no safety events during the planned overhaul outage. The planned outage went 10

days longer than scheduled, primarily due to General Electric's workmanship issues. The plant did not meet Equivalent Unplanned Outage Rate and Equivalent Availability Factor goals. That was due primarily to super-heater tube leaks related to accelerated cool down procedures. Those procedures have been corrected.

Emissions

New air permit became effective September 11, 2020. Unit 3 was in compliance with all permitted limits for pollutants measured by a Continuous Emissions Monitoring System and by stack testing. It was a very good compliance year.

Financial Performance

O&M costs were over budget \$400,000. Capital expenses were under budget by \$1.3 million. O&M costs have declined from over \$70 million a few years ago to about \$43 million. The decline is due to reduced production levels. O&M and capital spending will continue to be closely scrutinized as we get closer to planned retirement.

2023 Unit 3 Outage Projects

The projects to be undertaken in 2023 include distributed control system workstation upgrades, replace 36-1 and 36-2 feedwater heaters, and inverter replacement.

Bottom Ash Ponds

The Environmental Protection Agency coal combustion residual rule required bottom ash pond #1 to cease receiving ash on October 31, 2020. Closure of the bottom ash pond #1 has commenced and is scheduled to be completed in 2025. On October 5, 2020, the plant began pulling ash into the bottom ash pond #2.

Auxiliary Boilers 3 & 4

The new auxiliary boilers are required to provide supplemental heating and to provide for cold start of Unit 3 without Units 1 or 2 operating. The new boilers were included in the September 11, 2020 air permit and construction started on September 15, 2020. The boilers were delivered on December 30, 2020. Anticipate completion in September 2021.

Discussion.

Sherco Combined Cycle Unit

The Sherco combined cycle unit is making progress and the onsite work will occur in late 2022.

#4 Financial Forecast Assumptions-King:

Ms. King reviewed the proposed financial scenarios for the upcoming financial forecast.

Financial Planning Calendar

- June – Five-year forecast to board. Budget begins.
- August – Load forecast summary to board.
- September – 2022 budget and rates previewed. Budget seminar.
- October – 2022 budget and rates for board approval.
- November – Develop long-term forecast.
- December – Long-term forecast to board.

The following financial scenarios were proposed:

- Base Case – Built from 2021 budget and 2020 long-term forecast. Sherco 3 offered into MISO with no must-run minimum.
- Scenario 1 – High LMP and natural gas prices.
- Scenario 2 – Low LMP and natural gas prices.
- Scenario 3 – No load growth.

After discussion, no additional scenarios were proposed, and these scenarios will be used in the five-year forecast, long-term forecast, and 2022 budget.

In July 2021, prior to the budget preview, Public Financial Management will re-evaluate the Financial Reserve Policy for COVID impacts.

#5 SMMPA Financial Metrics-Fondell:

Ms. Fondell reported on the SMMPA financial metrics.

In January 2021, the financial calendar was modified to include a report on SMMPA's financial metrics each May. The Agency has been tracking financial metrics since 2014.

Various financial metrics were reviewed, and the results were compared to the Fitch Ratings methodology, when available.

Discussion.

Next Steps

- Financial metrics will be incorporated into the forecasts.

After a short break, the board reconvened at 10:06 a.m.

#6 Mora 69 kV Line Upgrade Budget Increase-Mitchell:

Mr. Mitchell reported on the Mora 69 kV line upgrade budget increase.

The upgrade project involved replacing nine deteriorated structures that were in the Mora Lake and low-lying areas near the lake on the radial 69 kV line that serves Mora. The line is owned by SMMPA and connected to a Great River Energy (GRE) Substation. GRE provides O&M service on the line.

The initial project was approved by the SMMPA Board in December 2019 for \$310,000 with construction planned in February/March 2020. The project was delayed and moved to February/March 2021. Due to the increased cost of materials and expanded scope, the project budget was increased to \$435,000, which was approved by the SMMPA Board at the September 2020 board meeting.

GRE's project budget assumed they could have the line out of service for two weeks, which would have required Mora Municipal Utilities to run local generation to serve load for the entire time. Running for that long presented reliability and operating costs issues so Mora and

SMMPA coordinated with GRE to reduce the outage period. GRE's revised plan called for two 36-hour outages, but they were actually able to shorten them to 9 hours and 10 hours. Additional costs were incurred to manage construction around the shortened outage, extremely cold weather slowed construction, and several other issues contributed to cost increases. Shortening the 36 hour planned outages saved the Agency about \$80,000 in operating and overtime costs.

As of April 2021, the actual project costs were \$593,035.26 and GRE anticipates a final billing of \$7,579.32, bringing the total project cost to \$600,614.58. Under the agreement with GRE, the Agency is responsible for actual costs. The Agency reviewed the costs and believes they are accurate. The Agency plans to bid work of this scope and scale in the future and use a contract structure that provides better costs visibility and control.

The Mora transmission line is in the GRE pricing zone. This transmission investment will be included in the Agency's Attachment O for cost recovery from the GRE zone.

Discussion.

Recommendation

Mr. Mitchell recommended and requested board approval to increase the authorized spending for this project by \$170,000 for a total project authorization of \$605,000.

Mr. Reimers moved to approve increasing the authorized spending by an additional \$170,000 for the Mora 69 kV line upgrade project for total costs of \$605,000, seconded by Mr. Hoffman, passed upon a unanimous vote of the board members present.

#7 Sherco 3 Retirement Commitment-Mitchell:

Mr. Mitchell reported on the continued Sherco 3 retirement commitment discussions.

There is an Environmental Protection Agency (EPA) requirement that a four-factor analysis be performed regarding the cost and timing of installing Best Available Retrofit Technology to reduce emissions for units identified as emission sources contributing to regional haze. Committing to a Sherco 3 retirement date will avoid the four-factor analysis.

The Minnesota Pollution Control Agency must file a State Implementation Plan with the EPA in July 2021 and is seeking to include formal commitments to the Sherco 3 retirement date in the form of an Administrative Order by Consent.

Xcel Energy (Xcel) is willing to commit to retire Sherco 3 no later than December 31, 2030 subject to approval of their integrated resource plan by the Minnesota Public Utilities Commission.

The Administrative Order would be signed by Xcel Energy as the operating agent of the plant on behalf of the owners. Xcel is seeking commitment by both owners, Xcel and SMMPA, through action by the Sherco 3 Management Committee.

Recommendation

The Agency recommends the SMMPA Board adopt a resolution (included in the board book)

approving the retirement of Sherco 3 no later than December 31, 2030, authorizing the CEO, as the Agency representative on the Sherco 3 Management Committee, to vote in favor of such retirement date, and authorizing Xcel/NSP to enter into the MPCA Administrative Order. If resolution is adopted, the Agency will work with Xcel to convene a Management Committee meeting to address retirement of Sherco 3.

After much discussion, there was board consensus to move forward with approval.

Mr. Warehime moved to adopt the Resolution of the Board of Directors of Southern Minnesota Municipal Power Agency regarding Sherco 3 closure as provided in the board book, seconded by Mr. Moulton, passed upon a unanimous vote of the board members present. (Attachment A.)

Mr. Geschwind indicated he appreciated the discussion and answers to the follow-up questions will be addressed at the June SMMPA Board meeting.

#8 Confidential Board Report Summary-Mitchell:

Mr. Mitchell summarized the confidential board report.

Financial Report March 2021-Fondell:

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

Debt Service Reserve Funds

The freed-up Debt Service Reserve Funds, when the 1994 A series retire, may be used for decommissioning expenses for Sherco 3. In 2026 and 2027, approximately \$60 million will be available for Sherco 3.

SMMPA Accountant

Robin Mechura was hired as the SMMPA Accountant and is responsible for member O&M and fuel accounting duties.

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 2.06% when compared to estimated member sales year-to-date.

Electric Vehicle Charger Installation Update

Eleven members have completed their electric vehicle charger installations and six members are working on the process.

Electric Vehicle Reporting Platform

ZEF Energy has a new charging app available to pay at charging stations. Working through the

details.

Electric Vehicle Transfer of Ownership Documentation

Members were reminded to sign the electric vehicle chargers transfer of ownership document.

Economic Development

Crenlo, Inc. (Rochester) completed the Economic Development Credit Load Retention Application and anticipates receiving the credit effective May 1, 2021.

Geographic Information System (GIS) Software Product Offering

Two SMMPA members are seeking to move forward with the GIS software. mPower will honor the group pricing and leave the option open for about a year for other members to take advantage of the pricing.

Resource Report/Marketing Update-Mitchell:

Sherco 3 Economic Commitment Date

Sherco 3 was offered into the MISO market in economic commitment mode April 1-6, 2021 and April 17-30, 2021. The Agency's analysis indicates that April was approximately an economic break-even. Coordinating with Xcel's marketing group to try to maximize the economic value and the unit and working with the plant to try to shorten startup time (26 hours cold start) to increase economic commitment opportunities of being picked up by the MISO market.

Market Price Update

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

President's Report:

There was no report.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- SMMPA Personnel: Nadine Quam, SMMPA Senior Administrative Assistant, retired on April 30, 2021.

Dave Holland, SMMPA Generation Project Manager, is retiring on June 4, 2021.

Robin Mechura was hired for the SMMPA Accountant position, replacing Kevin Schepp who retired on February 2, 2021.

Tom McNerney was hired as the Fairmont Energy Station Power Plant Operator, replacing Josh Werner.

- APPA Award: SMMPA has been selected to receive the American Public Power Association (APPA) 2021 Energy Innovator Award (EIA) for its project, SMMPA

Member Electric Vehicle Charging Network Implementation, which will be awarded at the APPA National Conference in June 2021. There are two EIA recipients this year.

- SMMPA Website: SMMPA is considering including renewable energy (wind, solar, landfill gas, OWEF) output data on SMMPA's website. There was member interest in receiving this information via the website.
- SMMPA Board Meeting: There was board consensus to return to in-person SMMPA Board meetings starting in June 2021, assuming the Minnesota COVID guidelines allow that to occur.

Member Forum:

None.

Other Business:

Mr. Schoenherr announced that SMMPA received the 2021 Environmental Initiative Honorable Mention Award in the Energy & Climate category for the SMMPA Member Electric Vehicle Charging Network Project.

Adjourn:

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

The meeting was adjourned at 11:42 a.m.

Secretary

6B

PRINCETON PUBLIC UTILITIES COMMISSION
INCOME STATEMENT-ELECTRIC DEPARTMENT
FOR MONTH ENDING: MAY 31, 2021

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
OPERATING REVENUE:				
Residential Electric	157,832.87	949,079.24	158,899.44	942,730.81
Residential Solar Energy Credit	(21.24)	(73.92)	(26.44)	(75.04)
Residential ECA	0.00	0.00	0.00	0.00
Small General Service	51,080.01	284,134.08	41,218.30	267,901.78
Small Commercial Solar Energy Credit	(33.14)	(115.31)	(41.28)	(117.12)
Small General ECA	0.00	0.00	0.00	0.00
Large General Service	124,421.46	629,909.82	147,147.90	809,209.04
Large Commercial Solar Energy Credit	(77.64)	(270.09)	(96.70)	(274.32)
Large General ECA	0.00	0.00	0.00	0.00
Large Power Service	137,648.84	626,956.00	73,012.12	428,839.37
Large Power ECA	0.00	0.00	0.00	0.00
Security Lights	1,666.57	8,346.26	1,677.39	8,386.95
Street Light Fees	2,386.00	11,942.00	2,344.00	11,735.00
Service Line Repair Fee	1,750.00	8,755.00	1,733.00	8,647.00
Late Charges	3,296.23	19,591.46	0.00	13,220.19
Hook-Up & NSF Charges	696.78	1,066.78	0.00	810.00
Connection Fees	600.00	600.00	2,700.00	3,300.00
Construction Fees	3,047.60	5,347.33	3,056.50	6,125.13
Rate Stabilization Revenue	0.00	0.00	(3,575.00)	50,835.00
Operating & Maintenance	29,762.52	152,539.98	34,841.79	161,257.11
Excess Equity	0.00	0.00	0.00	0.00
Quick Start Diesel Payment	14,520.00	72,600.00	14,520.00	72,600.00
Solar Subscriptions	0.00	1,695.08	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	15,810.61	232,610.36	3,677.73	11,147.30
TOTAL OPERATING REVENUE:	544,387.47	3,004,733.06	481,088.75	2,797,971.18
OPERATING EXPENSES:				
Production Plant:				
Salaries & Supervision	18,283.79	76,807.19	17,248.20	80,745.06
Purchased Power	348,753.51	1,648,250.84	298,844.71	1,584,378.56
Natural Gas	818.79	6,481.76	677.95	5,371.40
Lube Oil & Lubricants	0.00	1,574.24	0.00	0.00
Chemicals	8.44	1,421.11	375.02	1,472.44
Equipment Repairs	6,116.91	10,301.99	9,508.44	22,452.45
Production Supplies	135.23	1,448.17	212.98	706.92
Plant Shop Supplies	28.30	94.08	104.80	164.69
Small Tools Expense	0.00	25.00	0.00	325.03
Communications Expense	34.50	172.28	43.58	218.18
Scada & Computer Equipment	87.59	87.59	0.00	0.00
Safety Equipment	0.00	602.74	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	42,265.06	8,022.23	41,559.66
Transportation Fuel & Oil	126.45	224.80	42.11	75.41
Vehicle Repair & Maint.	0.00	45.25	0.00	0.00
Equip. Maint., Inspec. & Serv Agreements	3,025.45	12,870.05	2,184.59	12,309.51
Building & Grounds Maint.	7,563.59	10,623.45	365.55	1,747.88
Misc. Plant Expense	0.00	4.30	0.00	4.00
Total Production Plant:	393,539.80	1,813,392.40	337,630.16	1,753,201.53

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	0.00	0.00
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	0.00	628.99
Distribution System:				
Salaries & Supervision	29,169.56	132,932.98	41,586.09	194,476.25
System & Shop Supplies	97.15	396.37	17.01	387.43
Small Tools Expense	67.96	527.60	0.00	738.27
GIS Data & Maintenance Exp.	599.73	1,997.67	1,102.53	2,400.63
Computer Equip. & Maintenance	0.00	0.00	0.00	568.48
Load Control Expense	0.00	0.00	35.81	181.60
Safety Equip., Testing	987.09	3,547.05	322.22	8,719.22
Education & Safety Training	0.00	1,113.40	0.00	726.54
Outside Services	2,779.00	5,573.12	64.43	304.00
OH Line Expense	0.00	2,564.73	2,196.37	5,243.15
UG Line Expense	3,194.40	4,527.18	6,834.63	8,228.71
St. Lights & Signal Exp.	8.50	3,376.69	754.83	5,181.60
Sec. Light Repair Exp.	0.00	925.93	518.37	3,471.49
Meter Expense	8.96	2,703.15	16.60	184.13
Customer Service Line Repair Exp.	0.00	130.47	283.20	283.20
Customer Owned Service Exp.	360.78	363.78	2,692.45	3,553.96
Transportation Fuel & Oil	255.81	1,786.76	350.06	2,207.19
Vehicle Repair & Maint.	4.94	498.97	4,267.28	5,090.83
Equipment Repair & Maint.	121.57	938.34	1,737.99	2,129.54
Storm Damage	0.00	0.00	0.00	0.00
Utilities	1,289.54	9,111.16	329.37	4,067.12
Building & Grounds Maint.	230.45	258.31	5.50	2,160.98
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	0.00	0.00	1,076.65	1,295.60
Misc. Distribution Exp.	0.00	0.00	435.55	435.55
Total Distribution:	39,175.44	198,576.59	64,626.94	252,035.47
Customer Accts Expenses:				
Customer Accts. Salaries	8,529.93	42,422.37	7,638.27	39,825.29
Meter Reading Salaries	342.23	1,822.41	483.79	2,866.39
Postage Expense	664.64	4,842.71	645.91	4,729.55
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	170.76	2,327.57	289.29	3,530.92
Communications Expense	419.40	2,099.40	392.78	1,893.12
Uncollectible Accts. Exp.	0.00	0.00	0.00	0.00
Total Customer Acct. Expenses:	10,126.96	53,514.46	9,450.04	52,845.27

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	7,656.21	39,007.09	7,331.53	39,147.74
Newsads, Website, Subscriptions & Promos	85.00	1,017.06	2,210.00	7,928.32
Office Supplies, Computer Exp., & Sm. Equip	1,856.67	10,901.04	1,237.49	8,645.31
Communications Expense	278.94	1,394.97	296.91	2,536.37
Membership Fees & Dues	0.00	5,544.25	0.00	5,539.00
Maint. Contracts, Licenses, & Permits	176.03	6,054.88	1,099.90	19,035.79
State & Federal Assessments	0.00	2,078.91	0.00	1,443.95
Professional Fees	814.50	6,320.50	876.77	7,536.17
Outside Services	3,008.10	18,251.22	3,332.34	18,263.07
Meals, Travel, & Meetings	48.74	1,795.12	13.68	293.58
Prop. & Liab. Insurance	2,012.08	10,060.44	1,987.08	9,935.44
Employee Pensions & Benefits	33,274.90	179,778.30	38,513.63	211,960.27
Education & Safety Training	0.00	6,247.50	0.00	6,111.00
Heat Share Expense	12.00	60.00	12.00	170.00
Sales Tax Expense	163.15	395.89	100.14	196.33
Lighting Rebates	3,439.08	28,644.17	545.88	9,691.93
Conservation Improvement Exp	0.00	1,446.61	0.00	2,073.75
Christmas Lighting Expenses	0.00	0.00	0.00	0.00
Transportation Fuel & Oil	0.00	42.50	0.00	98.46
Vehicle Repair & Maint.	0.00	45.25	0.00	0.00
Building & Grounds Maint.	0.00	212.50	0.00	855.87
Service Territory Expense	647.50	1,572.50	0.00	0.00
Misc. G&A Expense	121.34	1,391.99	264.52	687.74
Total General & Administrative:	53,594.24	322,262.69	57,821.87	352,150.09
Depreciation	58,000.00	290,000.00	57,000.00	301,000.00
TOTAL OPERATING EXPENSES:	554,436.44	2,678,346.14	526,529.01	2,711,861.35
OPERATING INCOME/(LOSS)	(10,048.97)	326,386.92	(45,440.26)	86,109.83
NONOPERATING REVENUE (EXPENSE)				
Interest Income	2,616.12	6,096.14	6,667.31	14,257.01
Change in Fair Value of Investments	0.00	21.60	0.00	102.60
Misc. Non Oper Income	1,311.75	7,167.62	2,217.75	8,048.00
Gain/(Loss) Disposal of Property	0.00	0.00	8,500.00	8,500.00
Gain/(Loss) Sale of Bonds	0.00	0.00	0.00	0.00
Interest Expense	(2.18)	(40.92)	(27.78)	(78.94)
Interest on Long Term Debt	(5,375.62)	(29,224.40)	(6,782.09)	(36,036.06)
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)	(1,449.93)	(15,979.96)	10,575.19	(10,457.39)
NET INCOME/(LOSS)	(11,498.90)	310,406.96	(34,865.07)	75,652.44

PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-ELECTRIC DEPARTMENT
May 31, 2021

ASSETS

CURRENT ASSETS:

Cash	2,229,618.25
Temp Rate Stab Investments	1,211,898.00
Customer Accounts Receivable	644,736.43
Other Accounts Receivable	61,591.71
Sales Tax Receivable	0.00
Accrued Interest Receivable	2,430.81
Inventory	421,908.08
Prepaid Interest	0.00
Prepaid Insurance	162,883.97
Deferred Outflows of Resources	72,379.00

Total Current Assets 4,807,446.25

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	61,794.57
Capital Improvements Fund	946,042.09

Total Restricted Assets 1,721,982.37

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	7,749,116.56	
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	21,608,341.77
Less: Accumulated Depreciation		(13,782,695.24)

Total Fixed Assets 7,825,646.53

TOTAL ASSETS 14,355,075.15

**PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-ELECTRIC DEPARTMENT
May 31, 2021**

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts Payable	365,748.66	
Employee Insurance Payable	(4,121.46)	
Employee Savings & Taxes Payable	(86.41)	
Heat Share Payable	12.00	
Sewer Payable	109,520.60	
City Franchise Fee	12,800.00	
Wind Power	0.00	
Garbage Collections Payable	(390.74)	
Customer Meter Deposits	266,836.77	
Sales Tax Payable	48,513.91	
Accrued Interest Payable	3,461.29	
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		2,183,737.03

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>1,211,898.10</u>
Total NonCurrent Liabilities		<u>2,471,898.10</u>

TOTAL LIABILITIES **4,655,635.13**

FUND EQUITY

Unappropriated Retained Earnings	9,389,033.06	
Net Income (Loss)	<u>310,406.96</u>	
Total Equity		<u>9,699,440.02</u>

TOTAL LIABILITIES & EQUITY **14,355,075.15**

**PRINCETON PUBLIC UTILITIES COMMISSION
INCOME STATEMENT-WATER DEPARTMENT
FOR MONTH ENDING: MAY 31, 2021**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
OPERATING REVENUE:				
Residential Sales	57,641.35	261,064.80	55,270.25	261,816.05
Commercial Sales	21,205.07	88,859.31	20,093.43	95,519.55
Industrial Sales	11,900.30	46,893.27	10,145.56	41,794.87
Non Metered Sales	993.75	1,130.25	688.25	740.75
Service Line Repair Fee	1,469.00	7,346.00	1,457.00	7,265.00
Late Charges	790.64	4,373.86	0.00	2,794.33
Rent/Lease Income	0.00	20,828.50	0.00	20,828.50
Availability/Connection Fees	4,000.00	16,000.00	2,000.00	12,000.00
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	0.00	889.40	0.00	905.00
Other Operating Revenue	0.00	0.00	50.00	1,045.36
TOTAL OPERATING REVENUE:	98,000.11	447,385.39	89,704.49	444,709.41
OPERATING EXPENSES:				
Production Plant:				
Salaries & Supervision	8,114.30	37,581.14	3,908.74	31,529.68
Power for Pumping	2,521.15	12,105.99	2,724.45	12,621.19
Natural Gas	503.95	3,506.74	244.73	3,044.17
Utilities & Generator Expense	0.00	0.00	0.00	0.00
Lube Oil & Lubricants	0.00	0.00	0.00	0.00
Chemicals	1,734.70	7,509.85	1,614.98	6,993.79
Water Testing	70.68	1,060.63	83.00	1,444.49
Communications Expense	38.45	192.03	47.53	237.93
Scada & Computer Equipment	220.22	2,459.47	70.12	416.80
Equipment Repairs	0.00	2,876.13	0.00	541.86
Equip. Maint. & Inspections	100.00	1,300.00	0.00	0.00
Building & Grounds Maint.	0.00	564.71	0.00	591.35
Misc. Plant Expense	0.00	15.53	0.00	0.00
Total Production Plant:	13,303.45	69,172.22	8,693.55	57,421.26
Distribution System:				
Salaries & Supervision	7,908.79	40,877.83	11,369.79	48,031.94
System & Shop Supplies	0.00	6.05	72.45	359.54
Small Tools Expense	0.00	142.85	111.80	519.87
GIS Data & Maintenance Exp.	332.31	576.53	2,078.51	2,594.82
Computer Equip. & Maintenance	0.00	0.00	0.00	0.00
Safety Equipment	82.43	382.15	52.36	63.44
Education & Safety Training	0.00	0.00	0.00	765.00
Outside Services	189.42	271.90	55.08	141.48
Meter Expense	0.00	1,177.62	0.00	398.35
Customer Service Line Repair Exp.	0.00	0.00	0.00	0.00
Customer Owned Service Exp.	0.00	95.49	0.00	0.00
Dist. Repairs & Maintenance	111.52	111.52	543.07	1,628.40
Transportation Fuel & Oil	237.48	1,551.53	233.77	1,184.13
Vehicle Repair & Maint.	0.00	1,162.87	0.00	1,135.69
Equipment Repair & Maint.	10.57	223.07	0.00	309.18
Utilities	843.47	3,995.20	592.20	2,708.27
Building & Grounds Maint.	76.81	324.00	0.00	408.27
Misc. Dist. & Tower Maint. & Exp.	0.00	21.76	157.87	746.95
Total Distribution:	9,792.80	50,920.37	15,266.90	60,995.33

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	4,141.14	20,504.39	3,808.45	19,131.98
Meter Reading Salaries	216.03	1,089.59	228.62	1,388.83
Postage Expense	117.29	859.19	113.99	891.83
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	73.18	427.19	51.06	673.78
Communications Expense	153.16	765.43	142.91	713.30
Uncollectible Accts. Expense	0.00	0.00	0.00	0.00
Total Customer Acct. Expenses:	4,700.80	23,645.79	4,345.03	22,799.72
General & Administrative Expenses:				
Salaries & Supervision	3,969.45	20,368.77	3,832.37	20,310.58
Newads, Website, Subscriptions & Promos	762.50	781.39	740.00	1,579.14
Office Supplies, Computer Exp., & Sm. Equip	347.88	2,562.11	217.50	1,554.02
Communications Expense	49.23	246.17	52.39	474.74
Membership Fees & Dues	1,891.00	1,969.75	1,652.90	1,950.90
Maint. Contracts, Licenses & Permits	31.06	3,610.66	194.10	6,012.11
State & Federal Assessments	0.00	4,128.00	4,128.00	8,256.00
Professional Fees	127.50	1,066.50	5,782.73	10,461.83
Outside Services	765.02	2,678.24	779.87	2,680.38
Meals, Travel, Meetings	0.00	278.03	2.41	73.42
Prop. & Liab. Insurance	732.33	3,661.69	727.33	3,636.69
Employee Pensions & Benefits	7,916.02	42,328.04	7,377.76	41,081.04
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	0.00	151.43	0.00	0.00
Total General & Administrative:	16,591.99	84,933.28	25,487.36	100,085.60
Depreciation Expense	32,900.00	164,500.00	32,500.00	162,500.00
TOTAL OPERATING EXPENSES:	77,289.04	393,171.66	86,292.84	403,801.91
OPERATING INCOME /(LOSS)	20,711.07	54,213.73	3,411.65	40,907.50
NONOPERATING REVENUE (EXPENSE)				
Interest Income	0.00	0.00	0.00	0.00
Change in Fair Value of Investments	0.00	5.40	0.00	25.65
Misc. Non Oper. Income	0.00	125.85	0.00	396.00
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	(6,430.81)	(32,580.34)	(7,597.15)	(38,410.66)
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)	(6,430.81)	(32,449.09)	(7,597.15)	(41,489.01)
NET INCOME/(LOSS)	14,280.26	21,764.64	(4,185.50)	(581.51)

PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-WATER DEPARTMENT
May 31, 2021

ASSETS

CURRENT ASSETS:

Cash	645,180.09
Temp Rate Stab Investments	0.00
Customer Accounts Receivable	101,071.75
Other Accounts Receivable	993.75
Accrued Interest Receivable	1,092.11
Inventory	47,360.85
Prepaid Interest	0.00
Prepaid Insurance	7,630.63
Deferred Outflows of Resources	13,001.00

Total Current Assets

816,330.18

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	166,595.82
PFA Debt Service Fund	41,550.00
Capital Improvements Fund	1,115,660.41

Total Restricted Assets

1,421,306.23

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	4,767,558.17
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
Less: Accumulated Depreciation	(6,213,223.76)

Total Fixed Assets

5,999,296.21

TOTAL ASSETS

8,236,932.62

**PRINCETON PUBLIC UTILITIES COMMISSION
BALANCE SHEET-WATER DEPARTMENT
May 31, 2021**

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts Payable		2,862.37
Accrued Interest Payable		1,812.45
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 682,926.22

NONCURRENT LIABILITIES:

Contracts Payable		0.00
Revenue Bonds Payable	1,560,000.00	
Less: Unamortized Bond Discount	<u>0.00</u>	1,560,000.00

PFA Loan Payable 112,000.00

Total NonCurrent Liabilities 1,672,000.00

TOTAL LIABILITIES 2,354,926.22

FUND EQUITY

Contributed		56,918.09
Unappropriated Retained Earnings		5,803,323.67
Net Income (Loss)		21,764.64
Total Equity		<u>5,882,006.40</u>

TOTAL LIABILITIES & EQUITY 8,236,932.62

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	110,063.95	50,375.62	98,645.00	(48,269.38)	61,794.57
64-0001-1255	Asset	MCMU RESERVE FUND	248,299.03				248,299.03
64-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	940,859.23	5,182.86		5,182.86	946,042.09
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	2,181,164.39	819,916.05	773,597.19	46,318.86	2,227,483.25
64-0001-1312	Asset	CASH ON DEPOSIT SAVINGS					0.00
64-0001-1313	Asset	CASH ON DEPOSIT PAYROLL ACCT.					0.00
64-0001-1361	Asset	TEMP RATE STAB INVESTMENT	1,211,898.00				1,211,898.00
64-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	660,479.64	624,981.48	640,724.69	(15,743.21)	644,736.43
64-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	42,375.19	61,591.71	42,375.19	19,216.52	61,591.71
64-0001-1432	Asset	SALES TAX RECEIVABLE	1,973.92		1,973.92	(1,973.92)	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	419,355.11	5,245.04	2,692.07	2,552.97	421,908.08
64-0001-1520	Fixed Asset	GENERATION PLANT	6,101,077.42	8,264.31		8,264.31	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				7,749,116.56
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	177,060.37		14,176.40	(14,176.40)	162,883.97
64-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(13,724,695.24)		58,000.00	(58,000.00)	(13,782,695.24)
64-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	4,527.10		2,096.29	(2,096.29)	2,430.81
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	(545,000.00)	95,000.00		95,000.00	(450,000.00)
64-0001-2321	Liability	ACCOUNTS PAYABLE	(321,035.12)	678,291.11	723,004.65	(44,713.54)	(365,748.66)

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Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0001-2322	Liability	EMPLOYEE DEDUCTIONS PAYABLE	3,841.91		3,354.44	279.55	4,121.46
64-0001-2323	Liability	EMPLOYEE PAYROLL SAVINGS		3,633.99			0.00
64-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
64-0001-2325	Liability	EMPLOYEE HEALTH SAVINGS PAY	86.43	5,813.32	5,813.34	(0.02)	86.41
64-0001-2340	Liability	HEAT SHARE PAYABLE	(12.00)	12.00	12.00		(12.00)
64-0001-2341	Liability	SEWER COLLECTIONS PAYABLE	(110,087.85)	110,329.72	109,762.47	567.25	(109,520.60)
64-0001-2342	Liability	WIND POWER PAYABLE					0.00
64-0001-2343	Liability	CITY PRINCETON FRANCHISE FEE	(6,401.50)		6,398.50	(6,398.50)	(12,800.00)
64-0001-2344	Liability	GARBAGE COLLECTIONS PAYABLE	446.94		56.20	(56.20)	390.74
64-0001-2345	Liability	DUE TO WATER FUND					0.00
64-0001-2351	Liability	CUSTOMER METER DEPOSITS	(267,114.22)	5,544.40	5,266.95	277.45	(266,836.77)
64-0001-2361	Liability	MN STATE SALES TAX PAYABLE	(48,951.93)	26,306.51	22,565.53	3,740.98	(45,210.95)
64-0001-2363	Liability	MLC LOCAL SALES TAX PAYABLE	(3,071.36)	1,659.06	1,405.59	253.47	(2,817.89)
64-0001-2365	Liability	SHERBURNE CTY LOCAL TAX PAY	(490.03)	245.22	240.26	4.96	(485.07)
64-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(1,730.67)	3,645.00	5,375.62	(1,730.62)	(3,461.29)
64-0001-2421	Liability	FEDERAL WITHHOLDING TAX		7,908.00	7,908.00		0.00
64-0001-2422	Liability	STATE WITHHOLDING TAX		3,588.00	3,588.00		0.00
64-0001-2423	Liability	F.I.C.A. PAYABLE		10,127.70	10,127.70		0.00
64-0001-2424	Liability	PERA PAYABLE		12,366.41	12,366.41		0.00
64-0001-2426	Liability	MEDICARE WITHHOLDING		2,368.64	2,368.64		0.00
64-0001-2428	Liability	DEFERRED RATE STABILIZATION	(1,211,898.10)				(1,211,898.10)
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	232,000.00	58,000.00		58,000.00	290,000.00
64-0419-4191	Expense	INTEREST EXPENSE	5.00				5.00
64-0419-4192	Expense	INTEREST PAID ON METER DEPOSIT	33.74	2.18		2.18	35.92
64-0419-4290	Revenue	INTEREST INCOME	(3,480.02)		2,616.12	(2,616.12)	(6,096.14)
64-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	(21.60)				(21.60)
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	(5,855.87)		1,311.75	(1,311.75)	(7,167.62)
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	23,848.78	5,375.62		5,375.62	29,224.40
64-0428-4281	Expense	AMORTIZATION OF BOND DISCOUNT					0.00
64-0440-4401	Revenue	RESIDENTIAL SALES	(791,246.37)		157,832.87	(157,832.87)	(949,079.24)
64-0440-4402	Revenue	SECURITY LIGHTS	(6,679.69)		1,666.57	(1,666.57)	(8,346.26)
64-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(7,005.00)		1,750.00	(1,750.00)	(8,755.00)
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	(233,054.07)		51,080.01	(51,080.01)	(284,134.08)
64-0440-4421	Revenue	COMMERCIAL SALES					0.00
64-0440-4422	Revenue	LARGE GENERAL SERVICE	(505,488.36)		124,421.46	(124,421.46)	(629,909.82)
64-0440-4423	Revenue	LARGE POWER SERVICE	(489,307.16)		137,648.84	(137,648.84)	(626,956.00)
64-0440-4425	Revenue	RESIDENTIAL SOLAR CREDIT	52.68	21.24		21.24	73.92
64-0440-4426	Revenue	SMALL GENERAL SOLAR CREDIT	82.17	33.14		33.14	115.31
64-0440-4427	Revenue	LARGE GEN/POWER SOLAR CREDIT	192.45	77.64		77.64	270.09
64-0440-4435	Revenue	STREET LIGHT FEES	(9,556.00)		2,386.00	(2,386.00)	(11,942.00)
64-0440-4441	Revenue	OPERATING TRANSFERS					0.00
64-0440-4491	Revenue	NON-METERED SALES					0.00
64-0440-4493	Revenue	RATE STABILIZATION REVENUE					0.00
64-0450-4501	Revenue	LATE CHARGES	(16,295.23)	692.99	3,989.22	(3,296.23)	(19,591.46)
64-0450-4502	Revenue	HOOK-UP & NSF CHECK CHARGES	(370.00)		696.78	(696.78)	(1,066.78)
64-0450-4503	Revenue	CONNECTION FEE			600.00	(600.00)	(600.00)
64-0450-4504	Revenue	CONSTRUCTION FEES	(2,299.73)		3,047.60	(3,047.60)	(5,347.33)
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	(122,777.46)	17,285.66	47,048.18	(29,762.52)	(152,539.98)
64-0450-4560	Revenue	EXCESS EQUITY PAYMENT			14,520.00	(14,520.00)	(72,600.00)
64-0450-4561	Revenue	QUICK START DIESEL PAYMENT					0.00
64-0450-4562	Revenue	GASOLINE STATION					0.00
64-0450-4563	Revenue	OTHER OPERATING REVENUE	(216,799.75)	281.00	16,091.61	(15,810.61)	(232,610.36)
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	58,523.40	18,283.79		18,283.79	76,807.19
64-0540-5470	Expense	FUEL OIL					0.00
64-0540-5472	Expense	NATURAL GAS	5,662.97	818.79		818.79	6,481.76
64-0540-5481	Expense	LUBE OIL & LUBRICANTS	1,574.24				1,574.24
64-0540-5482	Expense	CHEMICALS	1,412.67	8.44		8.44	1,421.11
64-0540-5501	Expense	PRODUCTION SUPPLIES	1,312.94	135.23		135.23	1,448.17
64-0540-5505	Expense	PLANT SHOP SUPPLIES	65.78	28.30		28.30	94.08
64-0540-5510	Expense	SAFETY EQUIPMENT	602.74				602.74
64-0540-5511	Expense	COMMUNICATIONS EXPENSE	137.78	34.50		34.50	172.28
64-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP		87.59		87.59	87.59
64-0540-5513	Expense	SMALL TOOLS EXPENSE	25.00				25.00
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	26,591.45	6,778.17		6,778.17	33,369.62
64-0540-5517	Expense	PROP & LIAB INSURANCE	7,116.36	1,779.08		1,779.08	8,895.44

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0540-5541	Expense	EQUIPMENT REPAIRS	4,185.08	6,116.91	6,116.91	10,301.99	
64-0540-5882	Expense	TRANSPORTATION FUEL & OIL	98.35	126.45	126.45	224.80	
64-0540-5883	Expense	VEHICLE REPAIR & EXPENSE	45.25			45.25	
64-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	3,059.86	7,563.59	7,563.59	10,623.45	
64-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	9,844.60	3,025.45	3,025.45	12,870.05	
64-0550-5551	Expense	PURCHASED POWER	1,299,497.33	348,753.51	348,753.51	1,648,250.84	
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	103,763.42	29,169.56	29,169.56	132,932.98	
64-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	299.22	97.15	97.15	396.37	
64-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	2,559.96	987.09	987.09	3,547.05	
64-0580-5813	Expense	SMALL TOOLS EXPENSE	459.64	67.96	67.96	527.60	
64-0580-5814	Expense	EDUCATION & SAFETY TRAINING	1,113.40			1,113.40	
64-0580-5815	Expense	OUTSIDE SERVICES	2,794.12	2,779.00	2,779.00	5,573.12	
64-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	1,397.94	599.73	599.73	1,997.67	
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			2,564.73	
64-0580-5841	Expense	UNDERGROUND LINE EXPENSE	1,332.78	3,194.40	3,194.40	4,527.18	
64-0580-5851	Expense	STREET LIGHTS & SIGNAL EXP.	3,368.19	8.50	8.50	3,376.69	
64-0580-5852	Expense	SEC. LIGHT REPAIR EXPENSE	925.93			925.93	
64-0580-5862	Expense	METER EXPENSE	2,694.19	8.96	8.96	2,703.15	
64-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR	130.47			130.47	
64-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	3.00			363.78	
64-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE				0.00	
64-0580-5882	Expense	TRANSPORTATION FUEL & OIL	1,530.95	255.81	255.81	1,786.76	
64-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	494.03	4.94	4.94	498.97	
64-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	816.77	121.57	121.57	938.34	
64-0580-5887	Expense	STORM DAMAGE				0.00	
64-0580-5888	Expense	UTILITIES	7,821.62	1,289.54	1,289.54	9,111.16	
64-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	27.86	230.45	230.45	258.31	
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	1,480.18	342.23	342.23	1,822.41	
64-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	33,892.44	8,529.93	8,529.93	42,422.37	

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0903-9032	Expense	POSTAGE EXPENSE	4,178.07	664.64		664.64	4,842.71
64-0903-9033	Expense	COLLECTION EXPENSE					0.00
64-0903-9034	Expense	FORMS & SUPPLIES	129.62				129.62
64-0903-9035	Expense	COMMUNICATIONS EXPENSE	1,680.00	419.40		419.40	2,099.40
64-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	2,027.19	170.76		170.76	2,197.95
64-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS					0.00
64-0920-9201	Expense	GENERAL & ADMIN. SALARIES	31,350.88	7,656.21		7,656.21	39,007.09
64-0921-9210	Expense	NEWSADS & PROMOTIONS	884.50	85.00		85.00	969.50
64-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	8,824.33	1,742.53		1,742.53	10,566.86
64-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	47.56				47.56
64-0921-9213	Expense	COMMUNICATIONS EXPENSE	1,116.03	278.94		278.94	1,394.97
64-0921-9214	Expense	MEMBERSHIP FEES & DUES	5,544.25				5,544.25
64-0921-9215	Expense	SUPPLIES & EXPENSES	220.04	114.14		114.14	334.18
64-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	1,746.38	48.74		48.74	1,795.12
64-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	5,878.85	176.03		176.03	6,054.88
64-0921-9218	Expense	LICENSES & PERMITS					0.00
64-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	2,078.91				2,078.91
64-0921-9220	Expense	SMALL OFFICE EQUIPMENT					0.00
64-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	5,506.00	814.50		814.50	6,320.50
64-0923-9232	Expense	AUDITOR EXPENSE					0.00
64-0923-9233	Expense	ENGINEERING & CONSULTANTS					0.00
64-0923-9234	Expense	OUTSIDE SERVICES	13,271.25	2,883.40		2,883.40	16,154.65
64-0923-9235	Expense	CLEANING SERVICES	1,971.87	124.70		124.70	2,096.57
64-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	212.50				212.50
64-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	8,048.36	2,012.08		2,012.08	10,060.44
64-0925-9251	Expense	WORKMANS COMP. INSURANCE	8,109.29	2,027.32		2,027.32	10,136.61
64-0926-9260	Expense	FICA INSURANCE	13,155.96	3,666.45		3,666.45	16,822.41
64-0926-9261	Expense	PERA EXPENSE	17,187.51	4,798.64		4,798.64	21,986.15
64-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	101,103.12	20,596.70		20,596.70	121,699.82
64-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	3,870.62	1,328.31		1,328.31	5,198.93
64-0926-9264	Expense	EDUCATION & SAFETY TRAINING	6,247.50				6,247.50
64-0926-9265	Expense	MEDICARE EXPENSE	3,076.90	857.48		857.48	3,934.38
64-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
64-0926-9267	Expense	HEAT SHARE EXPENSE	48.00	12.00		12.00	60.00
64-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	1,270.65	121.34		121.34	1,391.99
64-0930-9303	Expense	SERVICE TERRITORY EXPENSE	925.00	647.50		647.50	1,572.50
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	232.74	163.15		163.15	395.89
64-0930-9307	Expense	COMMERCIAL REBATES	24,491.81	3,382.12		3,382.12	27,873.93
64-0930-9308	Expense	CONSERVATION IMPROVEMENT EXP	1,446.61				1,446.61
64-0930-9309	Expense	RESIDENTIAL REBATES	713.28	56.96		56.96	770.24

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				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				45.25
64-0940-9402	Expense	EXTRAORDINARY EXPENSE					0.00
			0.00	3,120,602.06	3,120,602.06	0.00	0.00

Report Setup
Sort By:
Includes only active accounts
Includes accounts from 64-0001-1071 to 64-0940-9402
Printed for 5/1/2021 to 5/31/2021
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	163,462.49	37,330.83	34,197.50	3,133.33	166,595.82
61-0001-1253	Asset	PFA DEBT SERVICE FUND	36,700.02	4,849.98		4,849.98	41,550.00
61-0001-1255	Asset	MCMU RESERVE FUND					0.00
61-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	1,110,718.60	4,941.81		4,941.81	1,115,660.41
61-0001-1311	Asset	CASH ON DEPOSIT CHECKING	646,312.26	119,359.51	120,491.68	(1,132.17)	645,180.09
61-0001-1361	Asset	TEMP RATE STAB INVESTMENT					0.00
61-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	88,378.13	95,608.17	82,914.55	12,693.62	101,071.75
61-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	3,566.96	993.75	3,566.96	(2,573.21)	993.75
61-0001-1453	Asset	DUE FROM ELECTRIC FUND					0.00
61-0001-1512	Asset	PLANT MATERIALS & SUPPLIES			111.52	(111.52)	
61-0001-1513	Fixed Asset	FLOUIDATION & TREATMENT SYSTEM	47,472.37				47,360.85
61-0001-1521	Fixed Asset	WELLS	124,029.43				124,029.43
61-0001-1530	Fixed Asset	DISTRIBUTION SYSTEM	558,323.83				558,323.83
61-0001-1540	Fixed Asset	LAND & LAND IMPROVEMENTS	4,767,558.17				4,767,558.17
61-0001-1550	Fixed Asset	BUILDINGS	8,161.73				8,161.73
61-0001-1555	Fixed Asset	TREATMENT PLANT	29,764.78				29,764.78
61-0001-1560	Fixed Asset	OFFICE FURNITURE & EQUIPMENT	4,569,747.34				4,569,747.34
61-0001-1562	Fixed Asset	TOWERS	30,792.37				30,792.37
61-0001-1570	Fixed Asset	PUMPS	1,856,019.63				1,856,019.63
61-0001-1571	Fixed Asset	TRUCKS & VEHICLES	12,945.70				12,945.70
61-0001-1580	Fixed Asset	TOOLS, SHOP & GARAGE EQUIP.	74,124.47				74,124.47
61-0001-1590	Fixed Asset	MISCELLANEOUS EQUIPMENT	32,439.25				32,439.25
61-0001-1651	Asset	PREPAID INTEREST	148,613.27				148,613.27
61-0001-1652	Asset	PREPAID INSURANCE			1,090.09	(1,090.09)	
61-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	8,720.72		32,900.00	(32,900.00)	(6,213,223.76)
61-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	(6,180,323.76)		941.81	(941.81)	1,092.11
61-0001-1712	Asset	DEFERRED OUTFLOWS OF RESOURCES	2,033.92				13,001.00
61-0001-2160	Equity	CONTRIBUTED	13,001.00				(56,918.09)
61-0001-2161	Equity	BALANCE FROM INCOME STATEMENT	(56,918.09)				0.00
61-0001-2162	Equity	UNAPPROPRIATED EARNINGS (END)					(5,803,323.67)
61-0001-2211	Liability	REVENUE BONDS PAYABLE	(5,803,323.67)				(1,560,000.00)
61-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT	(1,560,000.00)				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	(2,506.00)				(2,862.37)
61-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
61-0001-2330	Liability	PFA LOAN PAYABLE		48,527.62	48,883.99	(356.37)	(112,000.00)
61-0001-2348	Liability	DUE TO ELECTRIC FUND	(112,000.00)				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	(29,579.14)	34,197.50	6,430.81	27,766.69	(1,812.45)
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	131,600.00	32,900.00		32,900.00	164,500.00
61-0419-4191	Expense	INTEREST EXPENSE	26,149.53	6,430.81		6,430.81	32,580.34
61-0419-4290	Revenue	INTEREST INCOME					0.00
61-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	(5.40)				(5.40)
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	(203,423.45)		57,641.35	(57,641.35)	(261,064.80)
61-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(5,877.00)		1,469.00	(1,469.00)	(7,346.00)
61-0440-4421	Revenue	COMMERCIAL SALES	(67,654.24)		21,205.07	(21,205.07)	(88,859.31)
61-0440-4431	Revenue	INDUSTRIAL SALES	(34,992.97)		11,900.30	(11,900.30)	(46,893.27)
61-0440-4441	Revenue	OPERATING TRANSFERS					0.00
61-0440-4491	Revenue	NON-METERED SALES	(136.50)		993.75	(993.75)	(1,130.25)
61-0450-4501	Revenue	LATE CHARGES	(3,583.22)	95.08	885.72	(790.64)	(4,373.86)
61-0450-4503	Revenue	CONNECTION FEE	(12,000.00)		4,000.00	(4,000.00)	(16,000.00)
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					0.00
61-0450-4565	Revenue	MERCHANDISE SALES	(889.40)				(889.40)
61-0540-5461	Expense	PRODUCTION PLANT SALARIES	29,466.84	8,114.30		8,114.30	37,581.14
61-0540-5471	Expense	POWER FOR PUMPING	9,584.84	2,521.15		2,521.15	12,105.99
61-0540-5472	Expense	NATURAL GAS	3,002.79	503.95		503.95	3,506.74
61-0540-5473	Expense	UTILITIES & GENERATOR EXPENSE					0.00
61-0540-5481	Expense	LUBE OIL & LUBRICANTS	5,775.15	1,734.70		1,734.70	7,509.85
61-0540-5482	Expense	CHEMICALS	989.95	137.68		70.68	1,060.63
61-0540-5483	Expense	WATER TESTING	153.58	38.45	67.00	38.45	192.03
61-0540-5511	Expense	COMMUNICATIONS EXPENSE	2,239.25	220.22		220.22	2,459.47
61-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	2,876.13				2,876.13
61-0540-5541	Expense	EQUIPMENT REPAIRS	564.71				564.71
61-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	1,200.00	100.00		100.00	1,300.00
61-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	15.53				15.53
61-0550-5571	Expense	MISCELLANEOUS PLANT EXPENSE					
61-0580-5801	Expense	DISTRIBUTION SALARIES	32,969.04	7,908.79		7,908.79	40,877.83
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	299.72	82.43		82.43	382.15
61-0580-5813	Expense	SMALL TOOLS EXPENSE	142.85				142.85
61-0580-5814	Expense	EDUCATION & SAFETY TRAINING					0.00
61-0580-5815	Expense	OUTSIDE SERVICES	82.48	189.42		189.42	271.90
61-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	244.22	332.31		332.31	576.53
61-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.					0.00
61-0580-5862	Expense	METER EXPENSE	1,177.62				1,177.62
61-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR					0.00
61-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	95.49				95.49
61-0580-5872	Expense	DIST. REPAIRS & MAINTENANCE		111.52		111.52	111.52
61-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE					0.00
61-0580-5882	Expense	TRANSPORTATION FUEL & OIL	1,314.05	237.48		237.48	1,551.53
61-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	1,162.87				1,162.87
61-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	212.50	10.57		10.57	223.07
61-0580-5888	Expense	UTILITIES	3,151.73	843.47		843.47	3,995.20
61-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	247.19	76.81		76.81	324.00
61-0590-5981	Expense	WATER TOWER MAINT.	21.76				21.76
61-0902-9021	Expense	METER READING SALARIES	873.56	216.03		216.03	1,089.59
61-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	16,363.25	4,141.14		4,141.14	20,504.39
61-0903-9032	Expense	POSTAGE EXPENSE	741.90	117.29		117.29	859.19
61-0903-9033	Expense	COLLECTION EXPENSE					0.00
61-0903-9034	Expense	FORMS & SUPPLIES	22.88				22.88
61-0903-9035	Expense	COMMUNICATIONS EXPENSE	612.27	153.16		153.16	765.43
61-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	331.13	73.18		73.18	404.31
61-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS					0.00
61-0920-9201	Expense	GENERAL & ADMIN. SALARIES	16,399.32	3,969.45		3,969.45	20,368.77
61-0921-9210	Expense	NEWSADS & PROMOTIONS	10.50	762.50		762.50	773.00
61-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	2,175.40	327.74		327.74	2,503.14
61-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	8.39				8.39
61-0921-9213	Expense	COMMUNICATIONS EXPENSE	196.94	49.23		49.23	246.17
61-0921-9214	Expense	MEMBERSHIP FEES & DUES	78.75	1,891.00		1,891.00	1,969.75
61-0921-9215	Expense	SUPPLIES & EXPENSES	38.83	20.14		20.14	58.97
61-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	278.03				278.03
61-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	1,612.09	31.06		31.06	1,643.15
61-0921-9218	Expense	LICENSES & PERMITS	1,967.51				1,967.51
61-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	4,128.00				4,128.00
61-0921-9220	Expense	SMALL OFFICE EQUIPMENT					0.00
61-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	939.00	127.50		127.50	1,066.50
61-0923-9232	Expense	AUDITOR EXPENSE					0.00
61-0923-9233	Expense	ENGINEERING & CONSULTANTS					0.00
61-0923-9234	Expense	OUTSIDE SERVICES	1,679.68	765.02		765.02	2,444.70
61-0923-9235	Expense	CLEANING SERVICES	233.54				233.54

Trial Balance

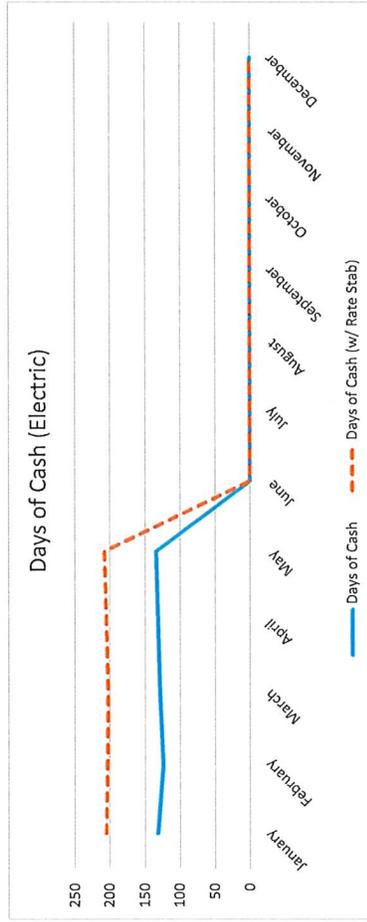
PRINCETON PUBLIC UTILITIES

6/16/2021 10:32:54 AM

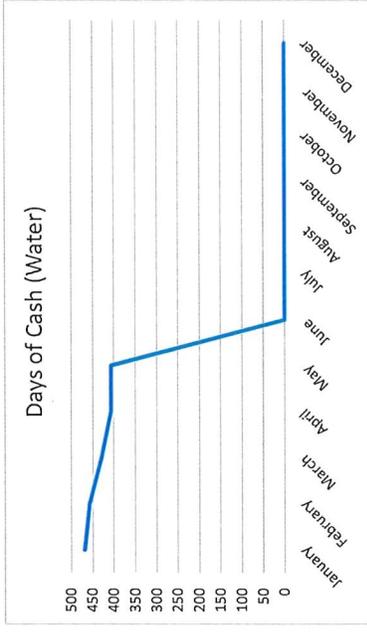
Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	2,929.36	732.33		732.33	3,661.69
61-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	1,431.07	357.76		357.76	1,788.83
61-0925-9251	Expense	WORKMANS COMP. INSURANCE	5,473.34	1,397.40		1,397.40	6,870.74
61-0926-9260	Expense	FICA INSURANCE	7,104.76	1,826.22		1,826.22	8,930.98
61-0926-9261	Expense	PERA EXPENSE	18,417.21	3,791.99		3,791.99	22,209.20
61-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	705.60	215.81		215.81	921.41
61-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	1,102.50				1,102.50
61-0926-9264	Expense	EDUCATION & SAFETY TRAINING	1,280.04	326.84		326.84	1,606.88
61-0926-9265	Expense	MEDICARE EXPENSE					0.00
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				151.43
61-0930-9304	Expense	GENERAL FUND EXPENSE					0.00
61-0930-9306	Expense	SALES TAX EXPENSE					0.00
			0.00	429,691.10	429,691.10	0.00	0.00

Report Setup
 Sort By:
 Includes only active accounts
 Includes accounts from 61-0001-1071 to 61-0930-9306
 Printed for 5/1/2021 to 5/31/2021
 Printed for all sources.

Month	Electric					Days of Cash (w/ Rate Stab)
	Annual Operating Expenses (2020)	Depreciation (2020)	Cash	CIF	Rate Stab	
January	\$6,734,785	\$683,591	\$2,190,508	\$933,823	\$1,211,898	205
February	\$6,734,785	\$683,591	\$2,061,144	\$939,059	\$1,307,198	203
March	\$6,734,785	\$683,591	\$2,137,126	\$940,844	\$1,211,898	202
April	\$6,734,785	\$683,591	\$2,183,299	\$940,859	\$1,211,898	205
May	\$6,734,785	\$683,591	\$2,229,618	\$946,042	\$1,211,898	208
June	\$6,734,785	\$683,591				
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				



Annual Operating Costs (2020)	WATER			Days of Cash
	Depreciation (2020)	Cash	CIF	
\$964,401	\$385,517	\$745,372	\$1,097,540	470
\$964,401	\$385,517	\$726,723	\$1,098,559	458
\$964,401	\$385,517	\$682,110	\$1,098,719	430
\$964,401	\$385,517	\$646,312	\$1,110,719	408
\$964,401	\$385,517	\$645,180	\$1,115,660	407
\$964,401	\$385,517			
\$964,401	\$385,517			
\$964,401	\$385,517			
\$964,401	\$385,517			
\$964,401	\$385,517			
\$964,401	\$385,517			



MEMORANDUM 21-18



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: Hydrant Annual Fee
DATE: May 26th, 2021

ITEM SUMMARY

There are a couple of unique situations that have arisen in which a local organization has an ongoing need for using utility water from a nearby hydrant. Current practice is to direct all usages to the hydrant by the south storage lot to maintain system quality and to reduce wear and tear on the hydrants. There might be other programmatic approaches that would preserve the integrity of the system while still serving an important community need.

BACKGROUND

Currently, needs for large amounts of water are handled through a contractor hydrant located by the South Storage lot. The corresponding hydrant rate is \$10.50 / thousand gallons.

DISCUSSION

In order to serve a couple of local organizations, the idea is as follows:

With the approval of the Princeton Public Utilities Water Superintendent, a local organization may request to periodically draw water from a nearby hydrant. To participate in this offering the local organization must:

- Be a non-profit or government entity
- Specifically identify which hydrant is to be used. This agreement does not provide to the participant the ability to withdraw water from any hydrant at any time.
- Water is to only be drawn during normal Princeton Public Utilities business hours which are 7:00 am to 3:30pm, Monday through Friday.
- Accurately record and pay for all water consumed (either through a hydrant meter or maintain accurate logs of usage) at the utilities standard hydrant rate.
- Pay an annual, non-refundable fee of \$350 due April 1st of each year (for usage from April 1st through October 31st).
- Participants must employ back-flow prevention. Violators will be immediately banned from continued hydrant usage and will be responsible for any and all remediation costs or fines that may be levied.
- Agree to be liable for any damage (either intentional or un-intentional) to the hydrant and/or the surrounding ground for such things as, but not limited to, misuse, accidental damage, incompletely shut-offs, etc...
- The hydrant must be on a primary water main. Hydrants located on dead-ends are not eligible for this program.

The local organization is subject to periodic inspections of its process and usage logs. If the organization is found to be in violation of any of these program terms (including falsification or incomplete tracking of usage) they will immediately be ineligible to continue using that hydrant and all future water purchases must occur at the South Storage lot hydrant. Any ban on future program participation will be in effect for a minimum of two years.

RECOMMENDATION

Staff does not have a recommendation at this time. Staff is merely looking for input from the Commission on whether investigating such an approach would make sense.

MEMORANDUM 21-19



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: Seasonal Water Shut-offs
DATE: May 26th, 2021

ITEM SUMMARY

Princeton Public Utilities has offered shut-off services to residential customers who will be away for extended periods of time during the heating season. The rules for participation in this service were never formalized in our Water Service Rules.

BACKGROUND

This service was provided for those customers that wanted the security of avoiding freezing pipes while they are gone. Last fall, a customer requested seasonal shut-offs multiple times as they traveled back and forth. Given that seasonal shut-offs were never codified, staff is looking for direction from the Commission as to the scope and rules associated with seasonal shut-offs. Proposed language is provided in the next section.

These rules will provide staff with guidance as to the scope of the service, clarity for the customer as to who qualifies and under what conditions, and definition to how it the service will be implemented.

PROPOSAL

The Water Service Rules could be modified to include the following section:

301.2 Residential customers that will be away for an extended period of time (one month or more) during the heating season may request that the PPUC shut-off the water at the curb-stop to help in the prevention of freezing pipes in the home.

- (1) This service is available at no-charge once per heating season (shut-off and turn-on). Additional shut-offs will be billed at standard rates.*
- (2) Shut-offs and turn-ons must be scheduled at least one full business day (ie. at least 24 hours) in advance. The customer does not need to be present for shut-off but must be present during turn-on.*
- (3) Participating customers will still be responsible for paying any and all monthly charges associated with the account.*
- (4) It is recommended that the house be drained to remove the water from the pipes after shut-off. In offering this service, it should not be implied that PPUC is assuming any liability for damage caused by freezing pipes. The customer remains responsible for all maintenance and upkeep of their property.*

RECOMMENDATION

Staff recommends adopting the proposed change to the service rules to provide clarity and guidance.

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.

Instant ID Verification

The screenshot displays a dashboard with the following sections:

- Instant ID Verification:** Two panels showing 'No Bad Debt' with a green checkmark and 'Bad Debt' with a red X.
- Customizable Deposit Decisions:** Two panels showing risk percentages: '68.8% Potential Delinquency Risk' (red circle) and '2.4% Potential Delinquency Risk' (green circle).
- Utility Exchange Results:** A table with utility provider information and status.
- Utility-Specific Debt:** Two panels showing 'No Negative Debt Found' with a green checkmark.

Customizable Deposit Decisions

Utility Exchange Results

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 21-22



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: Legion Fourth of July Donation Request
DATE: June 23rd, 2021

ITEM SUMMARY

The Legion is soliciting donations for the 2021 Fourth of July Fireworks Display from local organizations

BACKGROUND

Princeton Public Utilities does not have a specific grant program or policy. Past donation expenses have been accounted for in the "Newsads & Promotions" category. The budgets for 2021 are \$7,000 for electric and \$1,500 for water. This account covers all newspaper ads (CCR report and job postings), promotional events (Public Power Week and the Holiday Lighting Contest), and community contributions (scholarships and the 2020 banner project).

Expenditures in this account are: \$884.50 for electric and \$10.50 for water (YTD). It is important to note that this budget category incurs most of its expenses in the fourth quarter of the year due to the timing of major promotional events. It is anticipated that expenses will meet budget projections with little to no excess funds.

The request is a non-budgeted item and is therefore not anticipated as an expense item in the currently approved 2021 budget.

OPTIONS

The Commission has the following options:

1. Any amount approved would be an additional expense to the already approved budget. This means that the monies would come out of PPU's cash reserves. If this approach is taken, staff would need to know the amount approved and how to allocate it between electric and water.
2. Table the request until the Commission determines how it wishes to handle unsolicited donation requests.

RECOMMENDATION

Staff do not have a recommendation at this time.