

CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number 111

ELECTRIC FUND-INCOME STATEMENT

| | Actual <u>2015-16</u> | Actual <u>2016-17</u> | Estimate <u>2017-18</u> | Budget <u>2017-18</u> | Budget <u>2018-19</u> | \$ Change <u>Col. 5-Col. 4</u> | % Change <u>Col. 5-Col. 4</u> |
|--|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|-----------------------------------|----------------------------------|
| Operating Revenues | 13,824,094 | 13,375,073 | 12,761,500 | 13,533,441 | 12,966,820 | (567,621) | -4.19% |
| Less: Operating Expenditures | 13,423,170 | 12,505,271 | 13,079,264 | 13,272,040 | 13,321,989 | 49,949 | 0.38% |
| Net Operating Income | 400,924 | 869,802 | (317,764) | 261,401 | (356,169) | (617,570) | -236.25% |
| Plus: Interest Earnings | 240,593 | 302,601 | 150,000 | 240,000 | 200,000 | (40,000) | -16.67% |
| Gain/(Loss) on Investments | 230,770 | (346,694) | 0 | 0 | 0 | 0 | 0.00% |
| Insurance Recovery | 2,003,270 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Less: Contributions to Other Funds | 463,624 | 882,290 | 765,790 | 765,790 | 765,790 | 0 | 0.00% |
| Change in Market Value of Inventory/Asset Impairment | 89,674 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| NET INCOME | 2,322,259 | (56,581) | (933,554) | (264,389) | (921,959) | (657,570) | 248.71% |

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2018-2019 Electric Fund Budget Request Workpaper

Fund Number 111

ELECTRIC FUND-OPERATING REVENUES

| | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Budget 2018-19 | \$ Change Col. 5-Col. 4 | % Change Col. 5-Col. 4 |
|--|-------------------|-------------------|---------------------|-------------------|-------------------|----------------------------|---------------------------|
| Residential Sales | 3,878,859 | 3,906,179 | 3,870,000 | 4,107,953 | 4,050,027 | (57,926) | -1.41% |
| Hot Water Sales | 25,829 | 25,408 | 27,000 | 27,449 | 27,854 | 405 | 1.48% |
| Heating Sales | 24,559 | 28,059 | 28,000 | 25,202 | 28,165 | 2,963 | 11.76% |
| Dusk to Dawn Sales | 51,438 | 49,557 | 50,000 | 51,000 | 50,000 | (1,000) | -1.96% |
| Commercial Sales | 3,422,834 | 3,395,517 | 3,280,000 | 3,494,981 | 3,340,631 | (154,350) | -4.42% |
| Industrial Sales | 5,147,245 | 4,894,221 | 4,450,000 | 4,780,627 | 4,409,090 | (371,537) | -7.77% |
| Municipal Sales | 514,481 | 511,319 | 530,000 | 518,229 | 538,053 | 19,824 | 3.83% |
| Street Lighting Sales | 166,403 | 161,183 | 160,000 | 165,000 | 160,000 | (5,000) | -3.03% |
| Energy Optimization Surcharge (State Mandated) | 238,884 | 244,944 | 240,000 | 245,000 | 240,000 | (5,000) | -2.04% |
| Renewable Energy Surcharge (State Mandated) | 1,441 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Interchange Revenues | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| MISO SSR Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Connection Charges | 18,686 | 22,433 | 22,000 | 20,000 | 20,000 | 0 | 0.00% |
| Penalties on Utility Collections | 41,347 | 38,369 | 38,000 | 41,000 | 40,000 | (1,000) | -2.44% |
| Total Revenues from Sales | 13,532,006 | 13,277,189 | 12,695,000 | 13,476,441 | 12,903,820 | (572,621) | -4.25% |
| Pole Rentals | 49,735 | 50,824 | 51,500 | 49,500 | 52,000 | 2,500 | 5.05% |
| Miscellaneous Revenues | 242,353 | 47,060 | 15,000 | 7,500 | 10,000 | 2,500 | 33.33% |
| TOTAL OPERATING REVENUES | 13,824,094 | 13,375,073 | 12,761,500 | 13,533,441 | 12,965,820 | (567,621) | -4.19% |

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2018-2019 Electric Fund Budget Request Workpaper

Fund Number

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Activity Number

100

REQUEST FOR OPERATING EXPENSES-TOTAL ELECTRIC FUND

| Description of Request | Actual | Actual | Estimate | Budget | Request | Recommended | Final | \$ Change | % Change |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|---------------|---------------|
| | 2015-16 | 2016-17 | 2017-18 | 2017-18 | 2018-19 | 2018-19 | 2018-19 | Col. 7-Col. 4 | Col. 7-Col. 4 |
| REQUEST FOR GENERAL ADMINISTRATIVE | 1,362,078 | 1,457,968 | 1,579,400 | 1,562,685 | 1,666,432 | 1,664,047 | 1,664,047 | 101,362 | 6.49% |
| REQUEST FOR PRODUCTION EXPENSE | 10,664,620 | 9,399,225 | 9,916,308 | 10,074,017 | 9,997,938 | 9,997,938 | 9,997,938 | (76,079) | -0.76% |
| REQUEST FOR TRANSMISSION AND DISTRIBUTION | 435,299 | 613,682 | 480,500 | 524,052 | 531,589 | 531,589 | 531,589 | 7,537 | 1.44% |
| REQUEST FOR CUSTOMER SERVICE EXPENSE | 21,398 | 35,767 | 33,000 | 25,314 | 33,277 | 33,277 | 33,277 | 7,963 | 31.46% |
| REQUEST FOR OTHER EXPENSE | 939,775 | 998,629 | 1,070,056 | 1,085,972 | 1,095,138 | 1,095,138 | 1,095,138 | 9,166 | 0.84% |
| TOTAL OPERATING EXPENSES | 13,423,170 | 12,505,271 | 13,079,264 | 13,272,040 | 13,324,374 | 13,321,989 | 13,321,989 | 49,949 | 0.38% |

CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number 111 Activity Number 000
 REQUEST FOR CAPITAL EXPENDITURES

| Description of Request | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 6-Col. 4 |
|--|-------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| Solar Facility | | | | 0 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | NEW |
| 536-136 -000 Structures and Improvements | 0 | 0 | 0 | 0 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | NEW |
| Sub-Station Batteries | | | | 20,000 | 20,000 | 20,000 | 20,000 | 0 | 0.00% |
| Westside Sub-Station Improvements | | | | 150,000 | 150,000 | 150,000 | 150,000 | 0 | 0.00% |
| North Shore Sub-Station Improvements | | | | 1,500,000 | 150,000 | 150,000 | 150,000 | (1,350,000) | -90.00% |
| 537-140 -605 Station Equipment | 133,143 | 8,515 | 1,000,000 | 1,670,000 | 320,000 | 320,000 | 320,000 | (1,350,000) | -80.84% |
| Normal New Business-Salaries and Wages | | | | 22,760 | 21,166 | 21,166 | 21,166 | (1,594) | -7.00% |
| Normal New Business-Materials | | | | 30,000 | 30,000 | 30,000 | 30,000 | 0 | 0.00% |
| Pole Replacement-Salaries and Wages | | | | 39,948 | 46,410 | 46,371 | 46,371 | 6,423 | 16.08% |
| Pole Replacement-Materials | | | | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| Pole Replacement Contractor | | | | 200,000 | 200,000 | 200,000 | 200,000 | 0 | 0.00% |
| 538-159 -004 Poles, Towers, Fixtures | 380,089 | 333,593 | 350,000 | 332,708 | 337,576 | 337,537 | 337,537 | 4,829 | 1.45% |
| Normal New Business-Salaries and Wages | | | | 12,025 | 10,818 | 10,818 | 10,818 | (1,207) | -10.04% |
| Normal New Business-Materials | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| Reconductor Existing Circuits-Salaries and Wages | | | | 5,985 | 5,693 | 5,693 | 5,693 | (292) | -4.88% |
| Reconductor Existing Circuits-Materials | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| 538-159 -005 Overhead Conductors | 406,528 | 12,553 | 50,000 | 28,010 | 26,511 | 26,511 | 26,511 | (1,499) | -5.35% |
| Normal New Business-Salaries and Wages | | | | 16,994 | 18,192 | 18,192 | 18,192 | 1,198 | 7.05% |
| Normal New Business-Materials | | | | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.00% |
| U.G. Line Conversions-Salaries and Wages | | | | 7,164 | 7,554 | 7,554 | 7,554 | 390 | 5.44% |
| U.G. Line Conversions-Materials | | | | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0.00% |
| 538-159 -006 Underground Conduits | 48,879 | 33,220 | 30,000 | 36,158 | 37,746 | 37,746 | 37,746 | 1,588 | 4.39% |
| Normal New Business-Materials | | | | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.00% |
| Replace Cable-Ford River-Salaries/Wages | | | | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| Replace Cable-Ford River-Materials | | | | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| 538-159 -007 Underground Conductors | 40,440 | 60,938 | 80,000 | 90,000 | 90,000 | 90,000 | 90,000 | 0 | 0.00% |

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Fund Number 111 Activity Number 000
REQUEST FOR CAPITAL EXPENDITURES

| Description of Request | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 6-Col. 4 |
|---|-------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| Power Plant Substation Improvements | | | | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Add Capacitors to System | | | | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Add Gang Switches for Sectionalizing | | | | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 539-140 -605 Station Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Digger/Derrick Truck | | | | 250,000 | 250,000 | 250,000 | 250,000 | 0 | 0.00% |
| Double Bucket Truck | | | | 250,000 | 250,000 | 250,000 | 250,000 | 0 | 0.00% |
| Meter Truck | | | | 0 | 40,000 | 40,000 | 40,000 | 40,000 | NEW |
| 539-140 -606 Transportation Equipment | 30,967 | 0 | 0 | 500,000 | 540,000 | 540,000 | 540,000 | 40,000 | 8.00% |
| Metering Equipment | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| 539-140 -608 Laboratory Equipment | 9,968 | 0 | 1,000 | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| Miscellaneous Equipment | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| Line Construction Tools | | | | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.00% |
| Portable Compressor | | | | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.00% |
| Mobile Generator | | | | 100,000 | 100,000 | 100,000 | 100,000 | 0 | 0.00% |
| 539-140 -609 Miscellaneous Equipment-Tools | 11,622 | 42,540 | 10,000 | 125,000 | 125,000 | 125,000 | 125,000 | 0 | 0.00% |
| Computer | | | | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0.00% |
| 539-146 -100 Office Furniture and Equipment | 0 | 0 | 0 | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0.00% |
| TOTAL CAPITAL OUTLAY | 1,190,960 | 714,597 | 1,692,000 | 4,272,603 | 4,541,227 | 4,541,188 | 4,541,188 | 268,585 | 6.29% |

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CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number

111

Activity Number

600

REQUEST FOR OPERATING EXPENSES-GENERAL ADMINISTRATIVE

| | | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 7-Col. 4 |
|----------|--------------------------------|-------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| | Description of Request | | | | | | | | | |
| | Superintendent | | | | <u>73,462</u> | <u>74,934</u> | <u>74,934</u> | <u>74,934</u> | 1,472 | 2.00% |
| 702 -000 | Salaries and Wages | 75,120 | 81,327 | 75,000 | 73,462 | 74,934 | 74,934 | 74,934 | 1,472 | 2.00% |
| | Engineer | | | | 56,769 | 61,132 | 59,379 | 59,379 | 2,610 | 4.60% |
| | Office Clerk | | | | <u>22,784</u> | <u>33,818</u> | <u>33,818</u> | <u>33,818</u> | 11,034 | 48.43% |
| 702 -100 | Salaries and Wages-Other | 66,686 | 68,644 | 82,000 | 79,553 | 94,950 | 93,197 | 93,197 | 13,644 | 17.15% |
| 703 -200 | Holiday Leave | 27,369 | 29,774 | 38,000 | 31,781 | 33,578 | 33,500 | 33,500 | 1,719 | 5.41% |
| 703 -300 | Sick Leave | 21,748 | 8,644 | 13,000 | 23,320 | 24,157 | 24,157 | 24,157 | 837 | 3.59% |
| 703 -400 | Vacation Pay | 50,160 | 52,749 | 50,000 | 48,412 | 51,101 | 50,983 | 50,983 | 2,571 | 5.31% |
| 703 -500 | Longevity Pay | 3,091 | 2,100 | 3,100 | 3,100 | 3,100 | 3,100 | 3,100 | 0 | 0.00% |
| 703 -600 | Family Leave | 15,958 | 4,612 | 2,000 | 4,230 | 4,376 | 4,376 | 4,376 | 146 | 3.45% |
| 703 -700 | Workers' Disability | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 704 -100 | Inventory Management | 14,673 | 16,153 | 18,000 | 20,247 | 21,041 | 21,041 | 21,041 | 794 | 3.92% |
| | Pension and Social Security | | | | <u>419,905</u> | <u>470,074</u> | <u>469,689</u> | <u>469,689</u> | 49,784 | 11.86% |
| 712 -000 | Overhead on Salaries and Wages | 343,445 | 349,769 | 408,000 | 419,905 | 470,074 | 469,689 | 469,689 | 49,784 | 11.86% |
| | Health/Rx/Dental/Vision/Life | | | | 274,645 | 255,073 | 255,073 | 255,073 | (19,572) | -7.13% |
| | Co-Pay | | | | <u>(46,934)</u> | <u>(47,465)</u> | <u>(47,465)</u> | <u>(47,465)</u> | (531) | 1.13% |
| 713 -000 | Life and Hospital Insurance | 195,927 | 202,371 | 240,000 | 227,711 | 207,608 | 207,608 | 207,608 | (20,103) | -8.83% |
| 725 -100 | Bank Charges | 34,005 | 30,691 | 35,000 | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| 726 -000 | Supplies-Miscellaneous | 837 | 187 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |

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Activity Number

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REQUEST FOR OPERATING EXPENSES-GENERAL ADMINISTRATIVE

| | | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 7-Col. 4 |
|----------|-------------------------------------|-------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| 727 -000 | Office Supplies | 1,771 | 2,039 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0.00% |
| 740 -000 | Building Supplies | 1,870 | 2,242 | 2,500 | 3,000 | 3,000 | 3,000 | 3,000 | 0 | 0.00% |
| 744 -000 | Clothing Supplies | 3,425 | 8,214 | 6,000 | 5,000 | 6,000 | 6,000 | 6,000 | 1,000 | 20.00% |
| | Assessment of Power Supply Options | | | | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| | Legal Fees-Power Purchases | | | | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| | Rate Study | | | | 0 | 25,000 | 25,000 | 25,000 | 25,000 | NEW |
| 801 -000 | Professional Services | 60,156 | 106,783 | 70,000 | 80,000 | 105,000 | 105,000 | 105,000 | 25,000 | 31.25% |
| 801 -200 | Special Services | 330 | 230 | 300 | 500 | 500 | 500 | 500 | 0 | 0.00% |
| 803 -000 | Miss Dig | 33,434 | 41,909 | 40,000 | 40,000 | 40,000 | 40,000 | 40,000 | 0 | 0.00% |
| | Building | | | | 3,000 | 5,500 | 5,500 | 5,500 | 2,500 | 83.33% |
| | Cell Phone for Service Truck | | | | 500 | 500 | 500 | 500 | 0 | 0.00% |
| 850 -000 | Telephones | 3,185 | 5,116 | 6,000 | 3,500 | 6,000 | 6,000 | 6,000 | 2,500 | 71.43% |
| 860 -000 | Travel Expenses, Auto Allow | 2,523 | 4,449 | 5,000 | 3,000 | 5,000 | 5,000 | 5,000 | 2,000 | 66.67% |
| | Chamber of Commerce Dues | | | | 2,800 | 2,800 | 2,800 | 2,800 | 0 | 0.00% |
| | Holiday Decorations | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| | D.C. Economic Development Alliance | | | | 20,000 | 20,000 | 20,000 | 20,000 | 0 | 0.00% |
| | School Promotion Supplies | | | | 200 | 200 | 200 | 200 | 0 | 0.00% |
| 881 -000 | Sales Promotion | 25,538 | 25,119 | 28,000 | 28,000 | 28,000 | 28,000 | 28,000 | 0 | 0.00% |
| 881 -001 | Energy Conservation/Optimization Pl | 217,604 | 267,416 | 300,000 | 245,000 | 261,080 | 261,080 | 261,080 | 16,080 | 6.56% |

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Activity Number

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REQUEST FOR OPERATING EXPENSES-GENERAL ADMINISTRATIVE

| | | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 7-Col. 4 |
|----------|--------------------------------------|-------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| 900 -000 | Printing & Publishing | 395 | 870 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0.00% |
| 910 -000 | Insurance and Bonds | 10,414 | 14,313 | 16,000 | 15,000 | 16,000 | 16,000 | 16,000 | 1,000 | 6.67% |
| 920 -100 | Utilities-Electric | 15,876 | 14,958 | 13,000 | 16,000 | 16,000 | 16,000 | 16,000 | 0 | 0.00% |
| 920 -200 | Utilities-Gas | 4,094 | 4,470 | 5,000 | 6,000 | 6,000 | 6,000 | 6,000 | 0 | 0.00% |
| | Salaries and Wages | | | | 17,320 | 18,000 | 18,000 | 18,000 | 680 | 3.93% |
| | Equipment Rental | | | | 4,000 | 4,000 | 4,000 | 4,000 | 0 | 0.00% |
| | Repair and Paint Inside Bldg. | | | | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> | <u>10,000</u> | 0 | 0.00% |
| 931 -000 | Repairs/Maint of Structures | 41,021 | 30,145 | 30,000 | 31,320 | 32,000 | 32,000 | 32,000 | 680 | 2.17% |
| | Salaries and Wages | | | | 4,888 | 5,080 | 5,080 | 5,080 | 192 | 3.93% |
| | SCADA System Support | | | | 4,500 | 4,500 | 4,500 | 4,500 | 0 | 0.00% |
| | Synergee Software Support | | | | <u>3,000</u> | <u>3,000</u> | <u>3,000</u> | <u>3,000</u> | 0 | 0.00% |
| 932 -000 | Repairs/Maint of Equipment | 7,000 | 4,921 | 10,000 | 12,388 | 12,580 | 12,580 | 12,580 | 192 | 1.55% |
| 943 -000 | Rental of Equipment | 5,325 | 5,180 | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 | 0 | 0.00% |
| 950 -000 | Uncollectible Accounts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| | APPA Service Fee | | | | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.00% |
| | Mich. Municipal Electric Association | | | | 14,000 | 14,000 | 14,000 | 14,000 | 0 | 0.00% |
| | NERC Fees | | | | <u>8,000</u> | <u>8,000</u> | <u>8,000</u> | <u>8,000</u> | 0 | 0.00% |
| 958 -000 | Membership and Dues | 29,822 | 31,240 | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 | 0 | 0.00% |
| | Salaries and Wages | | | | 17,756 | 18,853 | 18,802 | 18,802 | 1,046 | 5.89% |
| | Safety Training and Upgrade Training | | | | 20,000 | 20,000 | 20,000 | 20,000 | 0 | 0.00% |
| | MMEA Fall Conference | | | | 0 | <u>20,000</u> | <u>20,000</u> | <u>20,000</u> | <u>20,000</u> | NEW |
| 960 -000 | Education and Training | 47,406 | 38,907 | 38,000 | 37,756 | 58,853 | 58,802 | 58,802 | 21,046 | 55.74% |

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Activity Number

600

REQUEST FOR OPERATING EXPENSES-GENERAL ADMINISTRATIVE

| | <u>Actual</u> | <u>Actual</u> | <u>Estimate</u> | <u>Budget</u> | <u>Request</u> | <u>Recommended</u> | <u>Final</u> | <u>\$ Change</u> | <u>% Change</u> |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|------------------|----------------------|----------------------|
| <u>Description of Request</u> | <u>2015-16</u> | <u>2016.17</u> | <u>2017-18</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2018-19</u> | <u>2018-19</u> | <u>Col. 7-Col. 4</u> | <u>Col. 7-Col. 4</u> |
| 962 -000 Damage to Private Property | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 976 -000 Capital Outlay-Building & Land | 1,320 | 477 | 1,000 | 20,000 | 1,000 | 1,000 | 1,000 | (19,000) | -95.00% |
| 977 -000 Capital Outlay-Equipment | 394 | 1,484 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| 979 -000 Books, Magazines, Periodicals | 156 | 465 | 500 | 500 | 500 | 500 | 500 | 0 | 0.00% |
| | <u>1,362,078</u> | <u>1,457,968</u> | <u>1,579,400</u> | <u>1,562,685</u> | <u>1,666,432</u> | <u>1,664,047</u> | <u>1,664,047</u> | <u>101,362</u> | <u>6.49%</u> |

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Activity Number

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REQUEST FOR OPERATING EXPENSES-PRODUCTION

| Description of Request | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 7-Col. 4 |
|--|-------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| Plant Operations | 209,490 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Plant Maintenance | 3,126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Fuel Costs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Economy / MISO Power Purchases | (62) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| Capacity Purchases | 167,507 | 150,655 | 384,000 | 384,000 | 384,000 | 384,000 | 384,000 | 0 | 0.00% |
| Renewable Energy Credits | 12,696 | 7,179 | 10,000 | 1,000 | 10,000 | 10,000 | 10,000 | 9,000 | 900.00% |
| SSR Expenses (All Units) | 12,878 | 0 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 0 | 0.00% |
| UPPCo Payments - Prior Years | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 815 -000 Power Costs | 405,635 | 157,834 | 494,000 | 485,000 | 494,000 | 494,000 | 494,000 | 9,000 | 1.86% |
| 815 -003 Nextera Contract Power Purchases | 8,304,339 | 7,455,622 | 7,598,922 | 7,905,046 | 7,657,938 | 7,657,938 | 7,657,938 | (247,108) | -3.13% |
| 815 -004 Monthly MISO Customer Charge | 430,989 | 418,742 | 480,000 | 420,000 | 490,000 | 490,000 | 490,000 | 70,000 | 16.67% |
| 815 -005 Transmission Charge | 1,318,651 | 1,330,610 | 1,318,386 | 1,233,971 | 1,326,000 | 1,326,000 | 1,326,000 | 92,029 | 7.46% |
| 815 -100 Management Fees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 815 -200 Dispatching Fees | 55,669 | 24,097 | 25,000 | 30,000 | 30,000 | 30,000 | 30,000 | 0 | 0.00% |
| 815 -300 Production Expense | 147,996 | 12,320 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 931 -000 City Crews-Power Plant Repairs/Maint. of Power Plant | 613 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 943 -000 City Crews-Power Plant Rental of Equipment | 728 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| TOTAL PRODUCTION EXPENSE | 10,664,620 | 9,399,225 | 9,916,308 | 10,074,017 | 9,997,938 | 9,997,938 | 9,997,938 | (76,079) | -0.76% |

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CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number

111

Activity Number

620

REQUEST FOR OPERATING EXPENSES-TRANSMISSION AND DISTRIBUTION

| | | Actual | Actual | Estimate | Budget | Request | Recommended | Final | \$ Change | % Change |
|----------|--------------------------------------|---------|---------|----------|---------|---------|-------------|---------|---------------|---------------|
| | Description of Request | 2015-16 | 2016-17 | 2017-18 | 2017-18 | 2018-19 | 2018-19 | 2018-19 | Col. 7-Col. 4 | Col. 7-Col. 4 |
| 726 -000 | Supplies-Miscellaneous | 308 | 0 | 0 | 500 | 500 | 500 | 500 | 0 | 0.00% |
| | Salaries and Wages | | | | 85,379 | 90,943 | 90,943 | 90,943 | 5,564 | 6.52% |
| | Equipment Rental | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| | Supplies | | | | 20,000 | 20,000 | 20,000 | 20,000 | 0 | 0.00% |
| | Tree Trimming Contractor | | | | 25,000 | 25,000 | 25,000 | 25,000 | 0 | 0.00% |
| 761 -000 | Operation of Lines | 126,854 | 140,791 | 140,000 | 135,379 | 140,943 | 140,943 | 140,943 | 5,564 | 4.11% |
| | Salaries and Wages | | | | 7,971 | 8,441 | 8,441 | 8,441 | 470 | 5.90% |
| | Supplies | | | | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| 762 -000 | Service on Customer Premises | 5,468 | 4,426 | 8,000 | 8,971 | 9,441 | 9,441 | 9,441 | 470 | 5.24% |
| | Salaries and Wages | | | | 17,112 | 21,260 | 21,260 | 21,260 | 4,148 | 24.24% |
| | Equipment Rental | | | | 2,500 | 2,500 | 2,500 | 2,500 | 0 | 0.00% |
| | Supplies | | | | 1,500 | 1,500 | 1,500 | 1,500 | 0 | 0.00% |
| 766 -000 | Distribution Station Equipment | 14,184 | 23,085 | 25,000 | 21,112 | 25,260 | 25,260 | 25,260 | 4,148 | 19.65% |
| | Salaries and Wages | | | | 91,903 | 97,047 | 97,047 | 97,047 | 5,144 | 5.60% |
| | Equipment Rental | | | | 5,000 | 5,000 | 5,000 | 5,000 | 0 | 0.00% |
| | Cutouts, Arrestors, Connectors, etc. | | | | 25,000 | 25,000 | 25,000 | 25,000 | 0 | 0.00% |
| | Pole Testing Contractor | | | | 28,000 | 15,000 | 15,000 | 15,000 | (13,000) | -46.43% |
| 768 -000 | Overhead Conductors | 113,783 | 118,230 | 130,000 | 149,903 | 142,047 | 142,047 | 142,047 | (7,856) | -5.24% |
| | Salaries and Wages | | | | 24,871 | 27,074 | 27,074 | 27,074 | 2,203 | 8.86% |
| | Equipment Rental | | | | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0.00% |
| | Supplies | | | | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| 769 -000 | Underground Conductors | 14,384 | 32,909 | 15,000 | 27,871 | 30,074 | 30,074 | 30,074 | 2,203 | 7.90% |

CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number

111

Activity Number

620

REQUEST FOR OPERATING EXPENSES-TRANSMISSION AND DISTRIBUTION

| | Actual 2015-16 | Actual 2016-17 | Estimate 2017-18 | Budget 2017-18 | Request 2018-19 | Recommended 2018-19 | Final 2018-19 | \$ Change Col. 7-Col. 4 | % Change Col. 7-Col. 4 |
|----------|-------------------------------|-------------------|---------------------|-------------------|--------------------|------------------------|------------------|----------------------------|---------------------------|
| | Description of Request | | | | | | | | |
| | | | | 10,782 | 11,544 | 11,544 | 11,544 | 762 | 7.07% |
| | | | | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| | | | | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| 770 -000 | 7,057 | 125,055 | 5,000 | 12,782 | 13,544 | 13,544 | 13,544 | 762 | 5.96% |
| | | | | | | | | | |
| | | | | 37,386 | 52,983 | 52,983 | 52,983 | 15,597 | 41.72% |
| | | | | 4,000 | 4,000 | 4,000 | 4,000 | 0 | 0.00% |
| | | | | 8,000 | 8,000 | 8,000 | 8,000 | 0 | 0.00% |
| 771 -000 | 47,053 | 66,366 | 80,000 | 49,386 | 64,983 | 64,983 | 64,983 | 15,597 | 31.58% |
| | | | | | | | | | |
| | | | | 28,244 | 29,981 | 29,981 | 29,981 | 1,737 | 6.15% |
| | | | | 4,000 | 4,000 | 4,000 | 4,000 | 0 | 0.00% |
| | | | | 6,000 | 6,000 | 6,000 | 6,000 | 0 | 0.00% |
| | | | | 3,000 | 3,000 | 3,000 | 3,000 | 0 | 0.00% |
| 772 -000 | 43,653 | 37,852 | 30,000 | 41,244 | 42,981 | 42,981 | 42,981 | 1,737 | 4.21% |
| | | | | | | | | | |
| | | | | 5,638 | 5,989 | 5,989 | 5,989 | 351 | 6.23% |
| | | | | 500 | 500 | 500 | 500 | 0 | 0.00% |
| | | | | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| 774 -000 | 4,018 | 16,556 | 5,000 | 7,138 | 7,489 | 7,489 | 7,489 | 351 | 4.92% |
| | | | | | | | | | |
| | | | | 43,766 | 33,327 | 33,327 | 33,327 | (10,439) | -23.85% |
| | | | | 4,000 | 4,000 | 4,000 | 4,000 | 0 | 0.00% |
| | | | | 10,000 | 10,000 | 10,000 | 10,000 | 0 | 0.00% |
| 775 -000 | 56,822 | 45,410 | 40,000 | 57,766 | 47,327 | 47,327 | 47,327 | (10,439) | -18.07% |
| 775 -001 | 88 | 608 | 0 | 10,000 | 5,000 | 5,000 | 5,000 | (5,000) | -50.00% |
| 920 -000 | 0 | 1,374 | 1,500 | 0 | 1,500 | 1,500 | 1,500 | 1,500 | NEW |
| 931 -000 | 387 | 0 | 0 | 500 | 500 | 500 | 500 | 0 | 0.00% |

CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number 111

Activity Number

620

REQUEST FOR OPERATING EXPENSES-TRANSMISSION AND DISTRIBUTION

| | <u>Actual</u> | <u>Actual</u> | <u>Estimate</u> | <u>Budget</u> | <u>Request</u> | <u>Recommended</u> | <u>Final</u> | <u>\$ Change</u> | <u>% Change</u> |
|--|----------------|----------------|-----------------|----------------|----------------|--------------------|----------------|----------------------|----------------------|
| <u>Description of Request</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2018-19</u> | <u>2018-19</u> | <u>Col. 7-Col. 4</u> | <u>Col. 7-Col. 4</u> |
| 932 -000 Repairs/Maintenance to Equipment | 1,213 | 1,020 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 0 | 0.00% |
| 943 -000 Rental of Equipment | 27 | 0 | 0 | 500 | 500 | 500 | 500 | 0 | 0.00% |
| TOTAL TRANSMISSION AND DISTRIBUTION | 435,299 | 613,682 | 480,500 | 524,052 | 531,589 | 531,589 | 531,589 | 7,537 | 1.44% |

CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number

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Activity Number

630

REQUEST FOR OPERATING EXPENSES-CUSTOMER SERVICE

| | <u>Actual</u> <u>2015-16</u> | <u>Actual</u> <u>2016-17</u> | <u>Estimate</u> <u>2017-18</u> | <u>Budget</u> <u>2017-18</u> | <u>Request</u> <u>2018-19</u> | <u>Recommended</u> <u>2018-19</u> | <u>Final</u> <u>2018-19</u> | <u>\$ Change</u> <u>Col. 7-Col. 4</u> | <u>% Change</u> <u>Col. 7-Col. 4</u> |
|---------------------------------------|---------------------------------|---------------------------------|-----------------------------------|---------------------------------|----------------------------------|--------------------------------------|--------------------------------|--|---|
| 702 -501 Labor-Metering & Servicing | 5,844 | 8,948 | 9,000 | 9,136 | 9,670 | 9,670 | 9,670 | 534 | 5.85% |
| 702 -503 Labor-Service to Customers | 14,463 | 22,709 | 20,000 | 15,178 | 19,607 | 19,607 | 19,607 | 4,429 | 29.18% |
| 943 -000 Rental of Equipment | 1,091 | 4,110 | 4,000 | 1,000 | 4,000 | 4,000 | 4,000 | 3,000 | 300.00% |
| TOTAL CUSTOMER SERVICE EXPENSE | 21,398 | 35,767 | 33,000 | 25,314 | 33,277 | 33,277 | 33,277 | 7,963 | 31.46% |

CITY OF ESCANABA

2018-2019 Electric Fund Budget Request Workpaper

Fund Number

111

Activity Number

640/999

REQUEST FOR OPERATING EXPENSES-OTHER

| | <u>Actual</u> | <u>Actual</u> | <u>Estimate</u> | <u>Budget</u> | <u>Request</u> | <u>Recommended</u> | <u>Final</u> | <u>\$ Change</u> | <u>% Change</u> |
|--|----------------|----------------|------------------|------------------|------------------|--------------------|------------------|----------------------|----------------------|
| <u>Description of Request</u> | <u>2015-16</u> | <u>2016-17</u> | <u>2017-18</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2018-19</u> | <u>2018-19</u> | <u>Col. 7-Col. 4</u> | <u>Col. 7-Col. 4</u> |
| 968 -100 Depreciation Expense-Dist. System | 380,212 | 404,479 | 465,000 | 470,000 | 490,000 | 490,000 | 490,000 | 20,000 | 4.26% |
| 968 -200 Depreciation Expense-Power Plant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 999 -100 Overhead to Utilities | 559,563 | 594,150 | 605,056 | 615,972 | 605,138 | 605,138 | 605,138 | (10,834) | -1.76% |
| TOTAL OTHER EXPENSES | 939,775 | 998,629 | 1,070,056 | 1,085,972 | 1,095,138 | 1,095,138 | 1,095,138 | 9,166 | 0.84% |