

**KAUKAUNA UTILITIES**  
**ELECTRIC REVENUES/EXPENSES**

	Year End 12/31/2014	Year End 12/31/2015	Year End 12/31/2016	2017 Projected	Budget 12/31/2017	Budget 12/31/2018	2018 to 2017 Budget Variance	
							\$	%
<b>OPERATING REVENUES</b>								
<b>SALES OF ELECTRICITY</b>								
RESIDENTIAL SALES	\$ 13,674,264	\$ 13,607,039	\$ 13,440,113	\$ 12,899,892	\$ 14,335,600	\$ 13,741,600	\$ (594,000)	-4.14%
SMALL COMMERCIAL	3,506,984	3,520,259	3,402,942	3,294,992	3,696,500	3,466,200	(230,300)	-6.23%
LARGE COMMERCIAL	3,264,927	3,258,693	2,993,812	2,636,510	3,423,900	2,938,000	(485,900)	-14.19%
SMALL INDUSTRIAL	8,884,588	8,688,190	8,392,884	7,992,022	8,905,200	8,153,800	(751,400)	-8.44%
LARGE INDUSTRIAL	28,046,326	27,186,089	25,526,300	22,992,837	28,246,100	10,666,700	(17,579,400)	-62.24%
STREET AND HIGHWAY LIGHTING	402,225	406,956	399,924	392,820	408,300	401,400	(6,900)	-1.69%
SALES TO PUBLIC AUTHORITIES	1,426,713	1,581,276	1,597,471	1,899,771	1,753,500	1,997,800	244,300	13.93%
SALES FOR RESALE	1,636,358	1,330,893	1,470,901	1,670,248	1,516,800	1,663,000	146,200	9.64%
<b>TOTAL SALES OF ELECTRICITY</b>	<b>60,842,383</b>	<b>59,579,395</b>	<b>57,224,347</b>	<b>53,779,092</b>	<b>62,285,900</b>	<b>43,028,500</b>	<b>(19,257,400)</b>	<b>-30.92%</b>
<b>OTHER ELECTRIC OPERATING REVENUES</b>	<b>383,135</b>	<b>378,262</b>	<b>325,415</b>	<b>278,873</b>	<b>257,500</b>	<b>260,500</b>	<b>3,000</b>	<b>1.17%</b>
<b>TOTAL ELECTRIC OPERATING REVENUES</b>	<b>61,225,518</b>	<b>59,957,657</b>	<b>57,549,762</b>	<b>54,057,965</b>	<b>62,543,400</b>	<b>43,289,000</b>	<b>(19,254,400)</b>	<b>-30.79%</b>
<b>OPERATION &amp; MAINTENANCE EXPENSES</b>								
<b>GENERATION EXPENSES</b>								
HYDRAULIC POWER GENERATION	1,398,296	1,354,476	1,106,403	1,116,465	1,609,350	1,569,350	(40,000)	-2.49%
GAS TURBINE GENERATION	46,802	71,983	659,081	59,891	71,500	81,000	9,500	13.29%
PURCHASED POWER	43,299,191	42,211,075	39,403,458	38,247,917	44,025,000	25,395,000	(18,630,000)	-42.32%
SYSTEM CONTROL AND LOAD DISPATCH	334,875	350,474	312,836	321,806	374,000	372,000	(2,000)	-0.53%
<b>TOTAL GENERATION EXPENSE</b>	<b>45,079,164</b>	<b>43,988,009</b>	<b>41,481,779</b>	<b>39,745,679</b>	<b>46,079,850</b>	<b>27,417,350</b>	<b>(18,662,500)</b>	<b>-40.50%</b>
DISTRIBUTION EXPENSE	1,609,078	1,475,373	1,830,070	1,543,781	1,740,800	1,771,120	30,320	1.74%
CUSTOMER ACCOUNTS EXPENSE	482,714	546,650	568,800	2,759,626	634,700	574,695	(60,005)	-9.45%
SALES EXPENSE	24,842	51,338	43,912	39,071	57,000	35,000	(22,000)	-38.60%
ADMINISTRATIVE AND GENERAL EXPENSE	2,576,660	2,712,056	2,569,505	2,419,874	2,869,500	2,879,405	9,905	0.35%
<b>TOTAL OPERATION &amp; MAINTENANCE EXPENSES</b>	<b>49,772,459</b>	<b>48,773,427</b>	<b>46,494,066</b>	<b>46,508,031</b>	<b>51,381,850</b>	<b>32,677,570</b>	<b>(18,704,280)</b>	<b>-36.40%</b>

	Year End 12/31/2014	Year End 12/31/2015	Year End 12/31/2016	2017 Projected	Budget 12/31/2017	Budget 12/31/2018	2018 to 2017 Budget Variance	
							\$	%
<b>DEPRECIATION AND TAX EXPENSE</b>								
Deprec Expense - Default	3,417,836	4,167,490	4,235,911	4,327,361	4,700,000	4,991,000	291,000	6.19%
Taxes-PILOT	1,671,517	1,712,079	1,604,278	1,804,795	1,804,800	1,814,600	9,800	0.54%
Taxes-State Taxes	1,260,965	1,231,684	1,217,934	1,131,000	1,131,000	777,000	(354,000)	-31.30%
Taxes-PSC Remaindr Assmnt	61,636	51,405	61,037	-	90,000	80,000	(10,000)	-11.11%
Taxes-FICA	228,794	237,891	242,506	243,571	261,700	264,900	3,200	1.22%
<b>TOTAL DEPRECIATION AND TAX EXPENSE</b>	<b>6,640,748</b>	<b>7,400,548</b>	<b>7,361,666</b>	<b>7,506,727</b>	<b>7,987,500</b>	<b>7,927,500</b>	<b>(60,000)</b>	<b>-0.75%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>56,413,207</b>	<b>56,173,975</b>	<b>53,855,732</b>	<b>54,014,758</b>	<b>59,369,350</b>	<b>40,605,070</b>	<b>(18,764,280)</b>	<b>-31.61%</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>4,812,311</b>	<b>3,783,682</b>	<b>3,694,029</b>	<b>43,207</b>	<b>3,174,050</b>	<b>2,683,930</b>	<b>(490,120)</b>	<b>-15.44%</b>
<b>OTHER INCOME (EXPENSES)</b>								
INCOME FROM NONUTILITY OPERATIONS	36,139	37,596	37,363	46,564	26,000	20,000	(6,000)	-23.08%
INTEREST AND DIVIDEND INCOME	328,501	282,369	356,897	299,748	200,000	250,000	50,000	25.00%
MISCELLANEOUS NONOPERATING INCOME	1,142,485	938,976	900,794	726,275	691,000	715,250	24,250	3.51%
PSC REGULATORY LIABILITY	97,736	97,736	97,736	97,736	97,800	97,800	-	0.00%
OTHER INCOME DEDUCTIONS	(1,085)	(1,439,793)	(46,842)	(19,887)	(10,000)	(10,000)	-	0.00%
DEPRECIATION ON CONTRIBUTED PLANT	(261,065)	(266,416)	(270,916)	(273,648)	(272,000)	(278,000)	(6,000)	2.21%
BOND AND LOAN INTEREST	(3,618,220)	(3,407,262)	(3,092,822)	(3,212,261)	(3,256,400)	(3,150,040)	106,360	-3.27%
AMORTIZATION OF DEBT DISCOUNT (PREMIUM)	(59,705)	(324,512)	28,426	28,426	28,500	28,500	-	0.00%
INTEREST CHARGED TO CONSTRUCTION	-	-	-	-	-	-	-	0.00%
MISCELLANEOUS CREDITS (DEBITS) TO SURPLUS	-	400,054	-	-	-	-	-	0.00%
APPROPRIATIONS	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	-	0.00%
<b>TOTAL OTHER INCOME (EXPENSES)</b>	<b>(2,485,214)</b>	<b>(3,831,253)</b>	<b>(2,139,365)</b>	<b>(2,457,047)</b>	<b>(2,645,100)</b>	<b>(2,476,490)</b>	<b>168,610</b>	<b>-6.37%</b>
<b>NET INCOME(LOSS)</b>	<b>2,327,097</b>	<b>(47,571)</b>	<b>1,554,664</b>	<b>(2,413,840)</b>	<b>528,950</b>	<b>207,440</b>	<b>(321,510)</b>	<b>-60.78%</b>
BOND PROCEEDS	-	12,780,000	-	11,150,000	10,450,000	6,490,000		
BOND PROCEEDS (To Next Year)	-	-	-	(6,490,000)	(3,750,000)	(1,890,000)		
TRANSFER TO RESTRICTED CASH / BOND EXPENSE	-	-	-	-	(450,000)	-		
CITY APPROPRIATION	-	-	-	-	-	-		
MISCELLANEOUS CREDITS (DEBITS) TO SURPLUS	-	(400,054)	-	-	-	-		
DEPRECIATION AND AMORTIZATION EXPENSE	3,738,606	4,758,418	4,478,401	4,572,583	4,943,500	5,240,500		
GAS TURBINE SALES FOR RESALE	(537,278)	(309,265)	(294,719)	(447,505)	(463,800)	(477,000)		
INCOME FROM CONTRIBUTIONS	(217,056)	(117,019)	(178,717)	(123,839)	(20,000)	(50,000)		
PSC REGULATORY LIABILITY	(97,736)	(97,736)	(97,736)	(97,736)	(97,800)	(97,800)		
DEBT PRINCIPAL PAYMENTS	(2,175,000)	(15,505,000)	(2,425,000)	(2,525,000)	(2,525,000)	(2,950,000)		
<b>TOTAL AVAILABLE FUNDS</b>	<b>\$ 3,038,633</b>	<b>\$ 1,061,774</b>	<b>\$ 3,036,894</b>	<b>\$ 3,624,663</b>	<b>\$ 8,615,850</b>	<b>\$ 6,473,140</b>		

**KAUKAUNA UTILITIES**  
**WATER REVENUES/EXPENSES**

	Year End 12/31/2014	Year End 12/31/2015	Year End 12/31/2016	2017 Projected	Budget 12/31/2017	Budget 12/31/2018	2018 to 2017 Budget Variance	
							\$	%
<b>OPERATING REVENUES</b>								
<b>WATER SALES</b>								
Residential Sales	\$ 1,808,321	\$ 1,881,043	\$ 1,860,297	\$ 1,858,297	\$ 1,832,000	\$ 1,843,000	\$ 11,000	0.60%
Multi-Family Residential Sales	109,243	111,484	115,015	110,864	107,000	110,000	3,000	2.80%
Commercial Sales	271,650	294,110	291,430	287,131	290,000	290,000	-	0.00%
Industrial Sales	91,316	89,724	107,079	116,118	90,000	95,000	5,000	5.56%
Private Fire Protection Service	65,907	66,664	69,907	70,920	66,000	67,000	1,000	1.52%
Public Fire Protection Service	920,601	1,055,800	1,076,904	1,088,316	970,000	990,000	20,000	2.08%
Public Authority Sales	68,135	65,893	67,489	72,270	65,000	65,000	-	0.00%
Interdepartmental Sales	75,853	38,759	61,886	56,005	40,000	40,000	-	0.00%
<b>TOTAL WATER SALES</b>	<b>3,409,026</b>	<b>3,583,478</b>	<b>3,650,007</b>	<b>3,659,921</b>	<b>3,460,000</b>	<b>3,500,000</b>	<b>40,000</b>	<b>1.16%</b>
<b>OTHER WATER REVENUE</b>	<b>82,264</b>	<b>88,676</b>	<b>92,329</b>	<b>80,492</b>	<b>83,000</b>	<b>83,000</b>	<b>-</b>	<b>0.00%</b>
<b>TOTAL OPERATING REVENUES</b>	<b>3,491,290</b>	<b>3,672,154</b>	<b>3,742,336</b>	<b>3,740,413</b>	<b>3,543,000</b>	<b>3,583,000</b>	<b>40,000</b>	<b>1.13%</b>
<b>OPERATION AND MAINTENANCE EXPENSE</b>								
SOURCE OF SUPPLY EXPENSE	74,855	69,261	60,984	162,372	66,500	68,000	1,500	2.26%
PUMPING EXPENSE	227,021	229,221	218,822	220,735	234,800	234,800	200	0.09%
WATER TREATMENT EXPENSE	287,363	328,531	291,599	316,223	284,500	289,500	5,000	1.76%
TRANSMISSION AND DISTRIBUTION EXPENSE	574,270	542,333	502,488	463,497	556,850	548,050	(8,800)	-1.58%
CUSTOMER ACCOUNTS EXPENSE	123,183	147,228	141,519	141,574	142,300	145,527	3,227	2.27%
SALES EXPENSE	6,230	9,814	10,963	9,768	14,000	7,500	(6,500)	-46.43%
ADMINISTRATIVE AND GENERAL EXPENSE	630,865	654,350	671,305	586,122	716,600	684,145	(32,455)	-4.53%
<b>TOTAL OPERATION AND MAINTENANCE EXPENSE</b>	<b>1,903,788</b>	<b>1,980,739</b>	<b>1,897,681</b>	<b>1,900,291</b>	<b>2,015,350</b>	<b>1,977,522</b>	<b>(37,828)</b>	<b>-1.88%</b>

	Year End 12/31/2014	Year End 12/31/2015	Year End 12/31/2016	2017 Projected	Budget 12/31/2017	Budget 12/31/2018	2018 to 2017 Budget Variance	
							\$	%
<b>DEPRECIATION &amp; TAX EXPENSE</b>								
Deprec Expense Default	395,218	426,784	451,687	441,348	501,000	535,000	34,000	6.79%
Deprec Exp Kau Sewer	(36,335)	(39,079)	(41,310)	(41,316)	(36,000)	(36,000)	-	0.00%
Taxes Kaukauna Sewer	(18,568)	(20,665)	(20,323)	(20,328)	(20,000)	(20,000)	-	0.00%
Taxes PILOT	482,629	499,514	485,458	533,507	533,600	533,100	(500)	-0.09%
Taxes FICA	58,745	61,668	60,151	62,766	73,400	74,200	800	1.09%
Taxes PSC Remainder Assessment	3,347	2,888	3,717	-	3,000	4,000	1,000	33.33%
<b>TOTAL DEPRECIATION &amp; TAX EXPENSE</b>	<b>885,036</b>	<b>931,109</b>	<b>939,361</b>	<b>975,977</b>	<b>1,055,000</b>	<b>1,090,300</b>	<b>35,300</b>	<b>3.35%</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>2,788,824</b>	<b>2,911,848</b>	<b>2,837,041</b>	<b>2,876,268</b>	<b>3,070,350</b>	<b>3,067,822</b>	<b>(2,528)</b>	<b>-0.08%</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>702,466</b>	<b>760,306</b>	<b>905,294</b>	<b>864,145</b>	<b>472,650</b>	<b>515,178</b>	<b>42,528</b>	<b>9.00%</b>
<b>OTHER INCOME (EXPENSE)</b>								
INTEREST FROM INVESTMENTS & MISCELLANEOUS	1,775	223	15,853	12,234	1,000	2,000	1,000	100.00%
MISCELLANEOUS NON-OPERATING INCOME	14,307	73,443	438,988	-	-	-	-	0.00%
DEPRECIATION ON CONTRIBUTED PLANT	(118,307)	(115,907)	(119,322)	(122,988)	(120,000)	(128,000)	(6,000)	5.00%
INTEREST EXPENSE	(68,442)	(98,295)	(83,648)	(68,615)	(124,100)	(196,900)	(72,800)	58.66%
PSC REGULATORY LIABILITY	19,331	19,331	19,331	19,331	19,400	19,330	(70)	-0.36%
AMORTIZATION OF DEBT DISCOUNT	(2,956)	-	-	-	-	-	-	0.00%
MISCELLANEOUS CREDITS(DEBITS) TO SURPLUS	-	229,906	-	-	-	-	-	0.00%
MERCHANDISING AND JOBBING	-	35	-	-	300	100	(200)	-66.67%
MISCELLANEOUS INCOME	-	-	-	39,044	-	-	-	0.00%
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>(152,292)</b>	<b>108,735</b>	<b>269,204</b>	<b>(120,994)</b>	<b>(223,400)</b>	<b>(301,470)</b>	<b>(78,070)</b>	<b>34.95%</b>
<b>NET INCOME (LOSS)</b>	<b>550,174</b>	<b>869,041</b>	<b>1,174,498</b>	<b>743,151</b>	<b>249,250</b>	<b>213,708</b>	<b>(35,542)</b>	<b>-14.26%</b>
DEPRECIATION AND AMORTIZATION EXPENSE	514,481	542,691	570,989	564,336	621,000	681,000		
INCOME FROM CONTRIBUTIONS	(14,307)	(73,443)	(438,988)	-	-	-		
MISCELLANEOUS INCOME (EXPENSES) NONCASH	(19,331)	(19,331)	(19,331)	(19,331)	(19,400)	(19,330)		
BOND PROCEEDS	2,500,000	-	-	3,950,000	3,500,000	-		
BOND PROCEEDS CARRIED FORWARD	(1,250,000)	1,000,000	250,000	(3,950,000)	(2,600,000)	1,975,000		
DEBT PRINCIPAL (PAYMENTS)	(465,000)	(400,000)	(425,000)	(450,000)	(450,000)	(375,000)		
<b>TOTAL AVAILABLE FUNDS</b>	<b>\$ 1,816,017</b>	<b>\$ 1,918,958</b>	<b>\$ 1,114,168</b>	<b>\$ 838,156</b>	<b>\$ 1,300,850</b>	<b>\$ 2,455,378</b>		