



AGENDA

REGULAR MEETING

October 13, 2020

7:00 P.M. BPU Board Room

45 Monroe St. Hillsdale, MI

- I. CALL TO ORDER**
- II. APPROVAL OF AGENDA WITH ANY ADDITIONS**
- III. PUBLIC COMMENTS ON AGENDA ITEMS**-Public comment shall be limited to no more than five minutes. Please state your name for the record.
- IV. PREVIOUS BOARD MINUTES**
 - A. Regular Meeting of September 8, 2020
- V. REVIEW OF UTILITY BILLS/FINANCIALS:**
 - A. September 2020 bills in the amount of \$379,500.43
 - B. MSCPA bill for July 2020 in the amount of \$810,711.02
 - C. August Finance Report
- VI. DIRECTOR'S REPORT**
- VII. ACTION ITEMS**
 - A. Water Treatment Plant Pressure Relief Valve Replacement
 - B. Electronic Payment Provider
 - C. Repair of Well Pump #5
- VIII. DEPARTMENT AND PROJECT REPORTS**
 - A. Water & Wastewater
 - B. Electric Utility
 - C. Safety
- IX. OTHER BUSINESS**
- X. MISCELLANEOUS**
 - A. MSCPA General Information
 - B. MSCPA Audit Report
 - C. MSCPA Minutes
 1. Revised Regular Board Meeting of August 6, 2020
 2. Regular Board Meeting of September 3, 2020
 - D. City Council Minutes
 1. August 3, 2020
 2. August 17, 2020
 3. September 21, 2020
 - E. Community Action Agency
 1. September 2020
- XI. OPPORTUNITY FOR GENERAL PUBLIC TO ADDRESS THE BOARD**

XII. BOARD MEMBER ROUNDTABLE

XIII. ADJOURNMENT

Hillsdale Board of Public Utilities
Regular Meeting

September 8, 2020

The regular Hillsdale Board of Public Utilities meeting was called to order at the BPU Offices, 45 Monroe Street, Hillsdale, Michigan at 7:00 p.m. by Mr. Bob Batt, President to the Board.

Board Members Present: Mr. Bob Batt
 Ms. Lois Howard
 Mr. Eric Hoffman
 Mr. Pete Becker

Board Members Absent: Mr. Chris Sumnar

Others present: Chris McArthur, BPU Director; Chad Culbert, Electrical Distribution Superintendent; Bill Briggs, Water and Waste Water Superintendent; Bonnie Tew, Finance Director; Amy Bayer, Acting Secretary to the Board.

APPROVAL OF AGENDA WITH ANY ADDITIONS

Mr. Hoffman, supported by Mr. Becker moved to approve the agenda. Motion carried unanimously by voice vote.

PUBLIC COMMENTS ON AGENDA ITEMS

None.

PREVIOUS BOARD MINUTES

Mr. Hoffman, supported by Ms. Howard moved to approve the August 11, 2020 Board minutes as presented. Motion carried unanimously by voice vote.

Mr. Becker, supported by Mr. Hoffman moved to approve the August 26, 2020 Electric Committee minutes as presented. Motion carried unanimously by voice vote.

REVIEW OF UTILITY BILLS/FINANCIALS

Mr. Hoffman, supported by Mr. Becker moved to approve the August 2020 bills in the amount of \$508,706.02. Motion carried unanimously by voice vote.

Mr. Hoffman, supported by Ms. Howard moved to approve the MSCPA bill for July 2020 in the amount of \$972,480.95. Motion carried unanimously by voice vote.

Mr. Hoffman, supported by Mr. Becker moved to approve the July Finance Report. Motion carried unanimously by voice vote.

DIRECTOR'S REPORT

Michigan South Central Power Update

AFEC performance during the month of July was above projections with a capacity factor of 76.0%, a utilization factor of 91.4%.

Hydro generation combined electric production for the month of July 2020 was below projections for the month primarily due to Ohio River low flow conditions. However, Smithland at the lower end of the Ohio River achieved higher than projected production due to favorable river conditions. Greenup Unit 3 experienced an electrical exciter failure on June 5th and remains offline with repairs in process; unit anticipated to return to service late fall 2020.

AMP and MPPA are holding monthly coordination meetings on the Coldwater Peaking project. Based on Board approval last month Kiewit is performing a review and evaluation of the latest cost proposal for the construction of the Coldwater Peaking Project. Kiewit's evaluation is expected to be completed in September.

Voltage Upgrade

On review of the received bids multiple bidders either did not submit the required legal forms or did not include all required equipment. Since this limited the number of bidders the decision was made that it was in the City of Hillsdale's best interest to reject all bids. This project will be reassessed and rebid at a future date and expected to be in this calendar year.

Discussion with the Electric Committee and the Attorney led to the decision to re-bid. Work is ongoing on the Geotech survey and sight prep in order to bid the project out with the equipment contract being bid and the construction contract soon after. The reason for the change is to make sure that the price for construction is within the budget amount.

Water Service Potholing

Completed 76 in 4 days, production is slower than what they expected due to debris in the ground and truck issues. They are ramping up and starting to increase their production as they work through initial growing pains. They have completed the Hillcrest Sub area and are on Marion Street. They are generally working in the area East of Oak and North of Bacon.

PubWorks Work Order Software Install

Software installation is ongoing.

Lead Line Service Replacement

The following work has been completed as of 9/2/2020 by RJT in the 7 days of work time, production on these has been approx. 3/day. They will be out of town and back on 9/21 and working on Fayette Street at that time:

Complete line replacements (Main to House):	2
Partial LL Replacements (Shutoff to House):	18
Remaining Full Line Replacements:	3
Remaining Partial Replacements:	53
No Contact from Owners on Outstanding Agreements:	12

Water Treatment Plant Media Replacement

The work on filter #1 is complete, painted, up and running. Filter #3 is in the process of having the old media removed and an inspection performed on 9/4/2020. Upon completion of the inspection, sand blasting of the interior will commence.

Industrial Water Tower Reconditioning

Nothing to report.

Significant Dates

Council Meeting 7:00pm	September 21, 2020
MSCPA Board Meeting 10:00 AM	September 30, 2020
Council Meeting 7:00pm	October 5, 2020
BPU Board Meeting	October 13, 2020

ACTION ITEMS

Tertiary VFD Controls

Included in the Capital budget for FY2021 was an item to add VFD controls to the Tertiary pumps at the WWTP. Currently the pumps are controlled with a float system, so they are either “on” or “off”. This is a minor issue due to the chlorine system being always on. With the Tertiary pumps on VFDs they would ramp up and down with the flow, preventing a slug of chlorine being pumped toward the river. The cost used for budgetary purposes was \$43,000. The actual quote from UIS is \$41,210. Allen Bradley does price increases every October and therefore we would ask for approval now before prices increase. With approval in September the cost could be locked in before an additional increase in October.

Recommendation: Staff recommends approving the amount of \$41,210 for UIS to add the VFD drives on the tertiary pumps.

Ms. Howard, supported by Mr. Hoffman moved to approve having UIS add the VFD drives on the tertiary pumps for the amount of \$41,210. Motion carried unanimously by voice vote.

Replacement of Digger Derrick Truck 39-03

We have our line trucks on a 12 year rotation. With four trucks in the rotation we are replacing a truck every 3 years. The digger derrick truck that is being replaced in this budget is a 2007 model year. Crews have been happy with our most recent trucks from Altec. MIDEAL purchasing program allows us to purchase this truck from Altec at a guaranteed low price. The 2021 budget included \$325,000 for this purchase. The MIDEAL price of \$308,320 is within our budget and the truck will meet our needs into the future.

Recommendation: Staff recommends purchasing the truck from Altec Corporation in the amount of \$308,320, as they have a guaranteed low price through the MIDEAL purchase program.

Mr. Hoffman, supported by Mr. Becker moved to approve purchasing the truck from Altec Corporation through the MIDEAL purchase program in the amount of \$308,320. Motion carried unanimously by voice vote.

DEPARTMENT AND PROJECT REPORTS

Mr. Briggs reported on sewer backups reported in August. No limit exceedances reported for the month of August. Mr. Briggs reported a significant water leak was repaired at the Medical Care Facility along with other water leaks in town. Mr. Briggs also reported a new meter was installed at the new Hillsdale Commons property.

Mr. Culbert reported, crews extended underground secondary for a new home on Woodland Trail. Line Clearance continued on Bankers Rd. Power quality recordings are being performed for a couple manufacturers. Crews rebuilt several spans of overhead line in Pittsford in order to eliminate multiple spans of line that was inaccessible.

Mr. Culbert reported 6 outage events in August and 69 customers total were affected by the interruptions.

Mr. Culbert Reported the new air compressor was delivered by TMI. Clark Electric installed a new disconnect and wired the compressor. Crews are awaiting initial start-up and in service by TMI. Wiring involving the chemical pumps and water meters for the power plant was replaced. EGLE inspection was completed on the 26th.

Mr McArthur Reported the Safety Department instituted daily fogging of restrooms and breakrooms with disinfectant spray each night to help reduce the potential of Covid-19 outbreak. Monitor latest information on the pandemic and provide information and guidance to employees to insure we are compliant with the requirements as directed. Maintaining inventories of PPE (Personal Protective Equipment) to meet our demands. Provided training to Customer facing employees on expectations and requirements on dealing with the public. Made sure they understand that masks are required to receive services. Put together a safety equipment hand out with special attention given to those requirements due to the Covid-19 pandemic so everyone knows what is required to be employed by the City of Hillsdale and the BPU. Continued to maintain and update Covid-19 timeline. Monthly safety training focused on Arc Flash dangers and PPE requirements to protect yourself. Paying extra attention to those tasks that we do on a daily basis and not to let our guard down, as those are the ones where most accidents occur. Reviewing and Up-dating our Written Safety Programs to ensure that they are up to date and easily understood.

OTHER BUSINESS

None.

MISCELLANEOUS

- A. MSCPA General Information
- B. MSCPA Minutes
 - 1. Regular Board Meeting of August 6, 2020
- C. Community Action Agency
 - 1. August 2020

PUBLIC COMMENT

No comment

BOARD MEMBER ROUNDTABLE

None.

AJOURNMENT

Mr. Hoffman, supported by Mr. Becker moved to adjourn the meeting at 7:40 p.m. The motion carried unanimously by voice vote.

Chris McArthur-Director

User: gkeasal

POST DATES 09/01/2020 - 09/30/2020

DB: Hillsdale

JOURNALIZED PAID

BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: 96 N HOWELL HILLSDALE LLC			
09/22/2020	UB refund for account: 025635	51.74	73207
TOTAL VENDOR 96 N HOWELL HILLSDALE LLC		51.74	
VENDOR NAME: ACD			
42187-150	MONTHLY FIBER LEASE	245.12	73164
11061-108	POTS -PP	138.50	73164
TOTAL VENDOR ACD		383.62	
VENDOR NAME: ADKINS AUTOMOTIVE LLC			
75305	REPAIR TO PICKUP	10.60	73165
TOTAL VENDOR ADKINS AUTOMOTIVE LLC		10.60	
VENDOR NAME: AMAZON CAPITAL SERVICES, INC			
1WPK-Q7CD-7WXR	790T MAPPING PRINTER PRINT HEADS BPU	54.44	73166
1MDQ-9VCG-N1PF	PAPER TOWELS, TRASH BAGS	158.92	73166
1Y4V-M1JC-H9Q7	MAGNETIC LOCATOR, MEASURING WHEEL, RELA	994.96	73124
1GMY-4KMT-D3RN	SWIVEL HOOK AND CLEVIS	44.57	73124
TOTAL VENDOR AMAZON CAPITAL SERVICES, INC		1,252.89	
VENDOR NAME: AMERICAN COPPER AND BRASS, LLC			
20INV028700	ELECTRICAL HARDWARE	6.63	73125
20INV33574	SUMP PUMP	148.15	73167
20INV032543	THERMOSTAT WIRE PP	20.02	73167
TOTAL VENDOR AMERICAN COPPER AND BRASS, LLC		174.80	
VENDOR NAME: ANGEL, JOEY A			
09/22/2020	UB refund for account: 026567	202.43	73208
TOTAL VENDOR ANGEL, JOEY A		202.43	
VENDOR NAME: ANIXTER POWER SOLUTIONS, LLC			
4696258-00	BATTERIES	199.56	73168
TOTAL VENDOR ANIXTER POWER SOLUTIONS, LLC		199.56	
VENDOR NAME: ARNOLD, FLORENCE M			
09/22/2020	UB refund for account: 026416	118.60	73209
TOTAL VENDOR ARNOLD, FLORENCE M		118.60	
VENDOR NAME: ARROW SWIFT PRINTING			
152881	ENVELOPE	543.38	73169
152851	WINDOW ENVELOPES	448.00	73169
152795	PAPER	188.00	73126
TOTAL VENDOR ARROW SWIFT PRINTING		1,179.38	
VENDOR NAME: BECKER & SCRIVENS			
86942	SAND	19.44	73127
TOTAL VENDOR BECKER & SCRIVENS		19.44	
VENDOR NAME: BIOTECH AGRONOMICS			
2581	BIOSOLIDS TESTING	880.00	73170
TOTAL VENDOR BIOTECH AGRONOMICS		880.00	
VENDOR NAME: BISHER, BRANDEN W			
09/22/2020	UB refund for account: 022657	21.00	73210
TOTAL VENDOR BISHER, BRANDEN W		21.00	
VENDOR NAME: BLUE CROSS & BLUE SHIELD OF MI			
016298/015453	DENTAL & VISION INSURANCE GROUP 0070034	1,814.87	73242
TOTAL VENDOR BLUE CROSS & BLUE SHIELD OF MI		1,814.87	
VENDOR NAME: BRIDGESTONE AMERICAS, INC			
612038	MONTHLY PROCESSING	2,137.83	73128
TOTAL VENDOR BRIDGESTONE AMERICAS, INC		2,137.83	
VENDOR NAME: BSB COMMUNICATIONS INC			
154696-BPU	ETHERFAX MONTHLY CHARGES	56.00	73129
TOTAL VENDOR BSB COMMUNICATIONS INC		56.00	

User: gkeasal

POST DATES 09/01/2020 - 09/30/2020

DB: Hillsdale

JOURNALIZED PAID

BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: BUSINESS CARD			
FS4323398-SO	EAR PLUG DISPENSER REFILL	63.34	132
069781	DRINKING WATER CERTIFICATION RENEWAL	95.00	132
09.16.2020	MSCPA LUNCH	76.53	132
09.16.2020	TRAINING - GARETT ADAMS	878.69	132
TOTAL VENDOR BUSINESS CARD		1,113.56	
VENDOR NAME: BUTLER JR, WILLIAM H			
09/22/2020	UB refund for account: 024405	68.01	73211
TOTAL VENDOR BUTLER JR, WILLIAM H		68.01	
VENDOR NAME: CAULKINS, TODD L			
09/22/2020	UB refund for account: 016482	21.00	73212
TOTAL VENDOR CAULKINS, TODD L		21.00	
VENDOR NAME: CDW-G COMPUTER CENTERS			
ZVH2933	2 WD 4TB GOLD SATA HDD FOR BACK UP SERV	298.04	73130
TOTAL VENDOR CDW-G COMPUTER CENTERS		298.04	
VENDOR NAME: CE & A PROFESSIONAL SERVICES, INC			
017692	DOT DRUG TEST FLAUGHER	63.42	73171
017692	DOT DRUG TEST	63.42	73171
TOTAL VENDOR CE & A PROFESSIONAL SERVICES, INC		126.84	
VENDOR NAME: CINTAS CORPORATION			
4060286755	MATT'S	40.00	73131
4061060367	MATT'S	40.00	73172
4061644489	MATT'S	40.00	73172
4059716063	MATT'S	40.00	73131
TOTAL VENDOR CINTAS CORPORATION		160.00	
VENDOR NAME: CINTAS FIRST AIDE			
5030191724	WWTP SAFETY CABINET	54.67	73173
TOTAL VENDOR CINTAS FIRST AIDE		54.67	
VENDOR NAME: CITY OF HILLSDALE			
08.26.2020	TRUCK MAINT	2,946.68	73132
TOTAL VENDOR CITY OF HILLSDALE		2,946.68	
VENDOR NAME: CLARK ELECTRIC INC.			
15696-2	NORTH ST UNDERGROUND PROJECT	36,985.72	73133
TOTAL VENDOR CLARK ELECTRIC INC.		36,985.72	
VENDOR NAME: COX, TERRY			
09/22/2020	UB refund for account: 017879	75.00	73213
TOTAL VENDOR COX, TERRY		75.00	
VENDOR NAME: CURRENT OFFICE SOLUTIONS			
648570-00	CLIP BINDERS, CORRECTION TAPE, SHARPIES	74.97	73134
323250	LEASE/COPIES	651.02	73134
TOTAL VENDOR CURRENT OFFICE SOLUTIONS		725.99	
VENDOR NAME: DEBACKER, DELORES			
09/22/2020	UB refund for account: 020247	212.59	73214
TOTAL VENDOR DEBACKER, DELORES		212.59	
VENDOR NAME: DUBOIS TRUCKING AND EXCAVATION			
QB1731	TOPSOIL	69.00	73176
QB1726	TOPSOIL	46.00	73176
QB1719	REPLACE WATER SERVICE DUE TO LCR 400 N	1,838.00	73135
TOTAL VENDOR DUBOIS TRUCKING AND EXCAVATION		1,953.00	
VENDOR NAME: DUSTIN WHEELER			
09.01.2020	EGLE VIRTUAL TRAINING FOR CECS	80.00	73177
TOTAL VENDOR DUSTIN WHEELER		80.00	
VENDOR NAME: EAST 2 WEST ENTERPRISES, INC			
9037	CLEANING FOR AUG- 8/3, 8/17 AND 8/31.	210.00	73136

User: gkeasal
DB: Hillsdale

POST DATES 09/01/2020 - 09/30/2020

JOURNALIZED PAID

BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: EAST 2 WEST ENTERPRISES, INC			
	TOTAL VENDOR EAST 2 WEST ENTERPRISES, INC	210.00	
VENDOR NAME: ENVIRONMENTAL MANAGEMENT & DEVELOP 19320 CARUS 8700 PHOSPHATE			
	TOTAL VENDOR ENVIRONMENTAL MANAGEMENT & DEVELOP	4,197.60	73178
VENDOR NAME: ENVIRONMENTAL SYSTEMS RESEARCH INST 93889262 2020 ANNUAL ESRI LICENSE MAPPING SOFTWA			
	TOTAL VENDOR ENVIRONMENTAL SYSTEMS RESEARCH INST	10,000.00	73137
VENDOR NAME: ETNA S103476100.001 AFC 8 FLG CHECK VLV W/LEVER & WGT			
	TOTAL VENDOR ETNA	3,950.00	73179
VENDOR NAME: FAMILY FARM & HOME 716/54 HOLE SAWS 695/54 FLY CATCHER, BRAKE CLEANER			
	TOTAL VENDOR FAMILY FARM & HOME	27.98 13.99	73180 73138
VENDOR NAME: FIESER, ANDREAS W 09/22/2020 UB refund for account: 009916			
	TOTAL VENDOR FIESER, ANDREAS W	60.00	73215
VENDOR NAME: FOULKE CONSTRUCTION 20020 NEW DOORS			
	TOTAL VENDOR FOULKE CONSTRUCTION	17,500.00	73181
VENDOR NAME: GARRETT ADAMS 09.05.2020 REIMBURSEMENT FOR MEALS & MILEAGE			
	TOTAL VENDOR GARRETT ADAMS	705.55	73182
VENDOR NAME: GAUDET, LANE T 09/22/2020 UB refund for account: 035281			
	TOTAL VENDOR GAUDET, LANE T	4.72	73216
VENDOR NAME: GELZER & SON INC C386970 TOOLS C385899 TOOLS C385843 TOOLS B26487 FOGGER, ENGINE CLEANER, CEMENT, FASENTERS C387788 FOGGER, ENGINE CLEANER, CEMENT, FASENTERS B24684 FOGGER, ENGINE CLEANER, CEMENT, FASENTERS C385219 FOGGER, ENGINE CLEANER, CEMENT, FASENTERS B24513 INSECT FOGGER, PAINT EQUIPMENT, SAWZALL B23770 INSECT FOGGER, PAINT EQUIPMENT, SAWZALL C381829 INSECT FOGGER, PAINT EQUIPMENT, SAWZALL C381209 INSECT FOGGER, PAINT EQUIPMENT, SAWZALL C383941 RAKE			
	TOTAL VENDOR GELZER & SON INC	3.49 10.28 32.98 29.48 4.20 24.99 19.08 13.79 36.71 269.98 22.49 10.97	73183 73183 73183 73183 73183 73183 73183 73139 73139 73139 73139 73139
VENDOR NAME: GREENSTONE FARM CREDIT SERVICE 09/22/2020 UB refund for account: 010680			
	TOTAL VENDOR GREENSTONE FARM CREDIT SERVICE	478.44	
VENDOR NAME: HAVILAND PRODUCTS COMPNAY 366399 CHLORINE GAS, SULFUR DIOXIDE			
	TOTAL VENDOR HAVILAND PRODUCTS COMPNAY	111.10	73217
VENDOR NAME: HEFFERNAN SOFT WATER SERVICE 431 DISTILLED WATER WWTP LAB 64212 WATER MONROE ST 15602 WATER MONROE ST 470 DISTILLED WATER WWTP LAB 50842 BOTTLED WATER			
	TOTAL VENDOR HEFFERNAN SOFT WATER SERVICE	1,330.04	73140
VENDOR NAME: HUFFMAN, REBECCA J 09/22/2020 UB refund for account: 010891			
	TOTAL VENDOR HUFFMAN, REBECCA J	17.50 49.20 12.50 8.75 5.40	73141 73141 73141 73184 73184
	TOTAL VENDOR HUFFMAN, REBECCA J	42.00	73218

User: gkeasal
DB: Hillsdale

POST DATES 09/01/2020 - 09/30/2020

JOURNALIZED PAID
BANK CODE: BUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	CHECK NUMBER
VENDOR NAME: HUFFMAN, REBECCA J			
	TOTAL VENDOR HUFFMAN, REBECCA J	42.00	
VENDOR NAME: HYDROCORP			
0058453-IN	CROSS CONNECTION CONTROLL PROGRAM SERVI	1,333.00	73142
	TOTAL VENDOR HYDROCORP	1,333.00	
VENDOR NAME: JEFFERSON TOWNSHIP			
204	WIRES DOWN RESPONSE	750.00	73185
	TOTAL VENDOR JEFFERSON TOWNSHIP	750.00	
VENDOR NAME: JONESVILLE HEALTH CARE PLLC			
08.31.2020	DOT PHYSICAL	100.00	73186
	TOTAL VENDOR JONESVILLE HEALTH CARE PLLC	100.00	
VENDOR NAME: KEISER, DENNIS			
09/22/2020	UB refund for account: 017350	47.20	73219
	TOTAL VENDOR KEISER, DENNIS	47.20	
VENDOR NAME: KEISER, DENNIS B			
09/22/2020	UB refund for account: 010154	44.59	73220
	TOTAL VENDOR KEISER, DENNIS B	44.59	
VENDOR NAME: KIES, JOSH C			
09/22/2020	UB refund for account: 009915	129.20	73221
	TOTAL VENDOR KIES, JOSH C	129.20	
VENDOR NAME: KSS ENTERPRISES			
1243556	PAPER TOWEL	132.16	73143
	TOTAL VENDOR KSS ENTERPRISES	132.16	
VENDOR NAME: LOU'S GLOVES, INC			
036898	NITRILE GLOVES FOR COVID-19 PPE	149.00	73188
	TOTAL VENDOR LOU'S GLOVES, INC	149.00	
VENDOR NAME: MAYSTEAD, ERIC W			
09/22/2020	UB refund for account: 026454	75.17	73222
	TOTAL VENDOR MAYSTEAD, ERIC W	75.17	
VENDOR NAME: MCKIBBIN MEDIA GROUP			
131-00079-0006	ADS	182.31	73189
131-00074-0007	ADS	194.00	73189
	TOTAL VENDOR MCKIBBIN MEDIA GROUP	376.31	
VENDOR NAME: MERIT LABORATORIES			
16510	BEF COMP TESTING, LOW LEVEL MERC., AMR,	286.50	73144
16826	BEF COMP TESTING, LOW LEVEL MERC., AMR,	286.50	73144
16743	BEF COMP TESTING, LOW LEVEL MERC., AMR,	286.50	73144
16640	BEF COMP TESTING, LOW LEVEL MERC., AMR,	286.50	73144
16594	BEF COMP TESTING, LOW LEVEL MERC., AMR,	286.50	73144
16445	BEF COMP TESTING, LOW LEVEL MERC., AMR,	168.25	73144
16513	BEF COMP TESTING, LOW LEVEL MERC., AMR,	584.50	73144
16516	BEF COMP TESTING, LOW LEVEL MERC., AMR,	543.25	73144
16442	BEF COMP TESTING, LOW LEVEL MERC., AMR,	210.00	73144
16593	BEF COMP TESTING, LOW LEVEL MERC., AMR,	49.00	73144
16740	BEF COMP TESTING, LOW LEVEL MERC., AMR,	49.00	73144
16827	BEF COMP TESTING, LOW LEVEL MERC., AMR,	49.00	73144
16642	BEF COMP TESTING, LOW LEVEL MERC., AMR,	98.00	73144
16917	BEF COMPLIANCE TESTING, LEAD AND COPPER	286.50	73190
16869	BEF COMPLIANCE TESTING, LEAD AND COPPER	286.50	73190
17025	BEF COMPLIANCE TESTING, LEAD AND COPPER	286.50	73190
17114	BEF COMPLIANCE TESTING, LEAD AND COPPER	226.50	73190
17211	BEF COMPLIANCE TESTING, LEAD AND COPPER	226.50	73190
17051	BEF COMPLIANCE TESTING, LEAD AND COPPER	226.50	73190
16916	BEF COMPLIANCE TESTING, LEAD AND COPPER	49.00	73190
17482	BEF COMP TESTING, LOW LEVEL MERCURY,	286.50	73260
	TOTAL VENDOR MERIT LABORATORIES	5,058.00	
VENDOR NAME: MERIT NETWORK INC			
85151-BPU	MERIT CONTRACTED BANDWIDTH 70 MBPS 2020	2,793.00	73145

User: gkeasal

POST DATES 09/01/2020 - 09/30/2020

DB: Hillsdale

JOURNALIZED PAID

BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: MERIT NETWORK INC			
TOTAL VENDOR MERIT NETWORK INC		2,793.00	
VENDOR NAME: MICH GAS UTILITIES			
3006171026	GAS USAGE FOR JULY	1,164.69	73146
3024668427	GAS USAGE FOR JULY	39.08	73146
3023419631	GAS USAGE FOR JULY	39.08	73146
3025223366	NATURAL GAS UTILITY	47.32	73146
3014294920	NATURAL GAS UTILITY	46.16	73146
3035232244	NATURAL GAS UTILITY - WAREHOUSE	93.83	73146
3034858300	NATURAL GAS UTILITY - WTP	51.25	73146
3035443730	NATURAL GAS - WWTP	86.10	73146
590547000920400	NATURAL GAS UTILITY - WWTP	1,354.22	73146
3035887921	NATURAL GAS UTILITY - WWTP	68.24	73146
3044119486	GAS USE FOR AUGUST	13,226.61	73191
3043624761	GAS USE FOR AUGUST	42.53	73191
3043710604	GAS USE FOR AUGUST	42.53	73191
3035459230	NATURAL GAS UTILITY - 37 MONROE	84.58	73191
3034563851	NATURAL GAS UTILITY	94.27	73191
TOTAL VENDOR MICH GAS UTILITIES		16,480.49	
VENDOR NAME: MICHIGAN PIPE & VALVE			
JO23516	12" VALVE, PIPE LUBE, MARKING PAINT	2,142.78	73192
JO23428	6" VLAVE, 6" MEGA LUG, 6" BOLT PACK, 6"	1,646.95	73147
TOTAL VENDOR MICHIGAN PIPE & VALVE		3,789.73	
VENDOR NAME: MICHIGAN PUBLIC POWER AGENCY			
20200910013	PEAKING CAPACITY COMMITTEE	92.19	133
TOTAL VENDOR MICHIGAN PUBLIC POWER AGENCY		92.19	
VENDOR NAME: MIKE SIMONS			
08.18.2020	REIMBURSEMENT FOR WASTEWATER LICENSE RE	95.00	73148
TOTAL VENDOR MIKE SIMONS		95.00	
VENDOR NAME: MILLER, MARSHALL			
09/22/2020	UB refund for account: 012002	51.83	73223
09/22/2020	UB refund for account: 012003	53.30	73224
09/22/2020	UB refund for account: 012004	62.40	73225
09/22/2020	UB refund for account: 012005	109.25	73226
09/22/2020	UB refund for account: 012006	207.95	73227
09/22/2020	UB refund for account: 012007	52.25	73228
TOTAL VENDOR MILLER, MARSHALL		536.98	
VENDOR NAME: MUNGER, CANDACE D			
09/22/2020	UB refund for account: 026368	100.09	73229
TOTAL VENDOR MUNGER, CANDACE D		100.09	
VENDOR NAME: NORM'S TIRE SERVICE			
2645	TRUCK TIRES	718.78	73149
2650	TRUCK TIRES	13.61	73149
TOTAL VENDOR NORM'S TIRE SERVICE		732.39	
VENDOR NAME: ONLINE INFORMATION SERVICES			
1014872	MONTHLY PROCESSING	165.00	73150
TOTAL VENDOR ONLINE INFORMATION SERVICES		165.00	
VENDOR NAME: PERFORMANCE AUTOMOTIVE			
10284-1332680	MISC FUEL HOSE AND SUPPLIES	94.43	73193
10284-1335356	HOSECLAMPS, ELECTRICAL	26.37	73193
10284-1335902	HOSECLAMPS, ELECTRICAL	0.98	73193
10284-1332908	BATTERY, SOCKETS, SOLENOID	178.99	73151
10284-1332812	BATTERY, SOCKETS, SOLENOID	5.18	73151
10284-1331687	BATTERY, SOCKETS, SOLENOID	75.29	73151
10284-1332912	BATTERY, SOCKETS, SOLENOID	(18.00)	73151
10284-1333147	BATTERY, SOCKETS, SOLENOID	(75.29)	73151
10284-1335300	BATTERIES	135.99	73193
10284-1335301	BATTERIES	2.09	73193
TOTAL VENDOR PERFORMANCE AUTOMOTIVE		426.03	
VENDOR NAME: PFEFFER, DEBORAH A			
09/22/2020	UB refund for account: 025439	30.00	73230

User: gkeasal
DB: Hillsdale

POST DATES 09/01/2020 - 09/30/2020

JOURNALIZED PAID

BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: PFEFFER, DEBORAH A			
	TOTAL VENDOR PFEFFER, DEBORAH A	30.00	
VENDOR NAME: PITNEY BOWES GLOBAL FIANANCIAL SERV			
3311870094	LEASE	811.86	134
	TOTAL VENDOR PITNEY BOWES GLOBAL FIANANCIAL SERV	811.86	
VENDOR NAME: POWERLINE SUPPLY			
56496315	INVENTORY	1,893.33	73194
56495400	INVENTORY	1,207.88	73194
56496314	INVENTORY	172.56	73194
56498672	INVENTORY	847.50	73194
56501729	REGULATOR CONTROLS RECLOSER CORD	6,489.00	73194
56498710	INVENTORY	760.50	73194
56498605	INVENTORY	82.30	73194
56498296	REGULATOR CONTROLS RECLOSER CORD	664.00	73152
56494230	INVENTORY	602.70	73152
56492190	INVENTORY	586.46	73152
56498717	INVENTORY	1,019.34	73194
	TOTAL VENDOR POWERLINE SUPPLY	14,325.57	
VENDOR NAME: POWERS CLOTHING, INC.			
62928	UNIFORM REPAIR	10.00	73195
	TOTAL VENDOR POWERS CLOTHING, INC.	10.00	
VENDOR NAME: PRASSER, CALEDON R			
09/22/2020	UB refund for account: 011205	105.00	73231
	TOTAL VENDOR PRASSER, CALEDON R	105.00	
VENDOR NAME: PRIORITY HEALTH			
202590000684	HEALTH INSURANCE GROUP 791487	29,144.60	73241
	TOTAL VENDOR PRIORITY HEALTH	29,144.60	
VENDOR NAME: QUADIENT LEASING USA, INC			
N8469826	LEASING	1,274.94	73196
	TOTAL VENDOR QUADIENT LEASING USA, INC	1,274.94	
VENDOR NAME: RAUCH, ADDISON A			
09/22/2020	UB refund for account: 035174	170.00	73232
	TOTAL VENDOR RAUCH, ADDISON A	170.00	
VENDOR NAME: RJT CONSTRUCTION			
2538	LEAD SERVICE LINE REPLACEMENTS	27,204.80	73197
2539	LEAD SERVICE LINE REPLACEMENTS	2,300.00	73197
	TOTAL VENDOR RJT CONSTRUCTION	29,504.80	
VENDOR NAME: RUPERT'S CULLIGAN			
22006	WATER - OFFICE	20.00	73198
	TOTAL VENDOR RUPERT'S CULLIGAN	20.00	
VENDOR NAME: SAWYER, DALE			
09/22/2020	UB refund for account: 010598	142.34	73233
	TOTAL VENDOR SAWYER, DALE	142.34	
VENDOR NAME: SHAWN MULLALY			
612632296937	REIMBURSEMENT - BOOT ALLOWANCE	150.00	73199
	TOTAL VENDOR SHAWN MULLALY	150.00	
VENDOR NAME: SHERWIN-WILLIAMS			
4540-9	TAPE AND PAINT FOR PP	66.69	73153
	TOTAL VENDOR SHERWIN-WILLIAMS	66.69	
VENDOR NAME: SONIT SYSTEMS, LLC			
6140-BPU	NETADMIN - AUGUST 2020	1,194.38	73154
	TOTAL VENDOR SONIT SYSTEMS, LLC	1,194.38	
VENDOR NAME: SOUTHERN COMPUTER WAREHOUSE			
IN-000652794	BPU OFFICE NVR RECORDER	286.96	73155

User: gkeasal
DB: Hillsdale

POST DATES 09/01/2020 - 09/30/2020

JOURNALIZED PAID

BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: SOUTHERN COMPUTER WAREHOUSE			
	TOTAL VENDOR SOUTHERN COMPUTER WAREHOUSE	286.96	
VENDOR NAME: SPRANG, CAROLYN J			
09/22/2020	UB refund for account: 024782	26.00	73234
	TOTAL VENDOR SPRANG, CAROLYN J	26.00	
VENDOR NAME: SPRATT'S			
164250	BAR OIL	12.50	73200
164100	BAR OIL	13.98	73200
	TOTAL VENDOR SPRATT'S	26.48	
VENDOR NAME: SPRING MEADOWS APARTMENTS			
09/22/2020	UB refund for account: 026789	16.54	73235
	TOTAL VENDOR SPRING MEADOWS APARTMENTS	16.54	
VENDOR NAME: SUN LIFE ASSURANCE COMPANY			
0020894-BPU	INSURANCE CLIENT 020894	1,002.75	135
	TOTAL VENDOR SUN LIFE ASSURANCE COMPANY	1,002.75	
VENDOR NAME: SUPERIOR INDUSTRIAL SALES & SERVICE			
473074	GENERATOR MAINTENANCE WWTP	662.81	73201
473072	GENERATOR MAINTENANCE WWTP	1,300.62	73201
472976	GENERATOR SERVICE	310.00	73157
472978	GENERATOR SERVICE	645.00	73157
	TOTAL VENDOR SUPERIOR INDUSTRIAL SALES & SERVICE	2,918.43	
VENDOR NAME: SWARTZ, TYLER J			
09/22/2020	UB refund for account: 026316	83.08	73236
	TOTAL VENDOR SWARTZ, TYLER J	83.08	
VENDOR NAME: THE BANK OF NEW YORK MELLON, NA			
08.10.2020	LONG TERM DEBT AND INTEREST	91,625.00	73158
	TOTAL VENDOR THE BANK OF NEW YORK MELLON, NA	91,625.00	
VENDOR NAME: THE MOUSE HOUSE			
325	PEST SERVICE	931.00	73159
	TOTAL VENDOR THE MOUSE HOUSE	931.00	
VENDOR NAME: THOMPSON CONSTRUCTION CO., LLC			
2019-00227	BPU OFFICE PARKINGLOT AND SIDEWALK REPL	34,934.00	73202
	TOTAL VENDOR THOMPSON CONSTRUCTION CO., LLC	34,934.00	
VENDOR NAME: TIME COMPRESSED AIR SYSTEMS, INC			
0002741	40 HP COMPRESSOR PP	37,760.92	73203
	TOTAL VENDOR TIME COMPRESSED AIR SYSTEMS, INC	37,760.92	
VENDOR NAME: TRENTON MORRILL			
8475	REIMBURSEMENT - BOOT ALLOWANCE	125.63	73160
	TOTAL VENDOR TRENTON MORRILL	125.63	
VENDOR NAME: TRUBEY, EDWARD A			
09/22/2020	UB refund for account: 026630	26.62	73237
	TOTAL VENDOR TRUBEY, EDWARD A	26.62	
VENDOR NAME: UNIVAR SOLUTIONS USA INC			
T0913158	SODIUM HYPOCHLORITE	1,705.00	73204
	TOTAL VENDOR UNIVAR SOLUTIONS USA INC	1,705.00	
VENDOR NAME: USABBLUEBOOK			
346386	CHLORINE PUMP	1,512.15	73205
312972	LAB SUPPLIES WWTP	5.90	73161
	TOTAL VENDOR USABBLUEBOOK	1,518.05	
VENDOR NAME: UTILITY SOLUTIONS			
20204027	9-1-2020 MILSOFT IVR SUPPORT	507.47	73162
20203828	9-1-2020 DISPATCH SUPPORT MILSOFT	666.67	73162

User: gkeasal
 DB: Hillsdale

POST DATES 09/01/2020 - 09/30/2020

JOURNALIZED PAID
 BANK CODE: BPUAP

INVOICE NUMBER	DESCRIPTION	AMOUNT	PAID BY CHECK NUMBER
VENDOR NAME: UTILITY SOLUTIONS			
	TOTAL VENDOR UTILITY SOLUTIONS	1,174.14	
VENDOR NAME: VANBOEKEL, ALYSSA M			
09/22/2020	UB refund for account: 014269	61.00	73238
	TOTAL VENDOR VANBOEKEL, ALYSSA M	61.00	
VENDOR NAME: VERIZON WIRELESS			
9861937630	CELL PHONE	972.08	73206
	TOTAL VENDOR VERIZON WIRELESS	972.08	
VENDOR NAME: VERMEER OF MICHIGAN, INC			
P83191	2"BALLVALVE	58.21	73163
	TOTAL VENDOR VERMEER OF MICHIGAN, INC	58.21	
VENDOR NAME: WATKINS OIL COMPANY			
000090-2024401	FUEL PURCHASES	1,844.20	73239
	TOTAL VENDOR WATKINS OIL COMPANY	1,844.20	
GRAND TOTAL:		379,500.43	



MICHIGAN SOUTH CENTRAL POWER AGENCY

168 DIVISION STREET
COLDWATER, MICHIGAN 49036
PHONE (517) 279-6961
FAX (517) 279-6969

INVOICE MONTH: August, 2020
INVOICE DATE: 9/15/2020
DUE DATE: 9/30/2020
TOTAL AMOUNT DUE: \$810,711.02

HILLSDALE BOARD OF PUBLIC UTILITIES
45 MONROE STREET
HILLSDALE, MICHIGAN 49242
ATTN: DAVID MACKIE

MSCPA Member Power Billing - August, 2020

Total Power Charges:	\$665,949.58
Transmission / Capacity / Ancillary Services:	\$118,553.76
Total Other Charges:	\$10,722.33
Total Miscellaneous Charges:	\$15,485.36

TOTAL CHARGES **\$810,711.02**

NOTE: PLEASE SEE ENCLOSED BACKUP FOR ADDITIONAL DETAIL

* Any amounts due and not paid by the due date shall bear interest at the rate of 1% per month until paid

Notes:

DETAIL INFORMATION OF POWER CHARGES August , 2020
Hillsdale

FOR THE MONTH OF:	August, 2020	Total Metered Load kWh:	12,648,284
TIME OF AGENCY PEAK:	08/27/2020 @ H.E. 13:00	AGENCY PEAK kW:	138,867
		MEMBER SHARE OF AGENCY PEAK kW:	27,674
TIME OF MUNICIPAL PEAK:	08/27/2020 @ H.E. 16:00	MUNICIPAL PEAK kW:	27,961
TIME OF TRANSMISSION PEAK (CONS)	8/10/2020 @ H.E. 16:00	AGENCY TRANSMISSION PEAK kW:	125,095
		MEMBER SHARE OF CONS TRANS PEAK kW:	27,684

Hillsdale Resources

Menominee Hydro				
Energy Charge:	\$0.049000	/ kWh *	623,763 kWh =	\$30,564.37
Demand Charge				\$515.90
Subtotal	\$0.049827	/ kWh *	623,763 kWh =	\$31,080.27
Oconto Falls Hydro				
Energy Charge:	\$0.047000	/ kWh *	479,490 kWh =	\$22,536.02
Demand Charge				\$213.44
Subtotal	\$0.047445	/ kWh *	479,490 kWh =	\$22,749.46
AMP Hydro CSW				
Demand Charge:	\$5.191286	/ kW *	3,398 kW =	\$17,639.99
Energy Charge:	\$0.000159	/ kWh *	1,831,246 kWh =	\$290.53
Capacity Credit:	\$0.804300	/ kW *	-3,398 kW =	-\$2,733.01
REC Credit (Estimate)				-\$10,987.47
Debt Service				\$202,340.52
Rate Levelization				\$14,792.67
Subtotal	\$0.120870	/ kWh *	1,831,246 kWh =	\$221,343.22
AMP Fremont Energy Center				
Demand Charge:	\$4.689761	/ kW *	9,519 kW =	\$44,639.75
Energy Charge:	\$0.022640	/ kWh *	4,298,911 kWh =	\$97,327.60
Capacity Credit:	\$2.267900	/ kW *	-9,519 kW =	-\$21,587.13
Debt Service				\$47,215.40
Subtotal	\$0.038986	/ kWh *	4,298,911 kWh =	\$167,595.62
Settlement of AFEC at Fremont Bus LMP (PJM)				
Energy Charge:	\$0.026061	/ kWh *	-4,298,911 kWh =	-\$112,031.83
Subtotal	\$0.026061	/ kWh *	-4,298,911 kWh =	-\$112,031.83
Meldahl Hydro				
Demand Charge:	\$5.865937	/ kW *	731 kW =	\$4,288.00
Energy Charge:	-\$0.000988	/ kWh *	325,476 kWh =	-\$321.54
Capacity Credit:	\$3.906881	/ kW *	-731 kW =	-\$2,855.93
REC Credit (Estimate)				-\$1,952.86
Debt Service				\$25,392.49
Rate Levelization				\$1,826.17
Subtotal	\$0.081039	/ kWh *	325,476 kWh =	\$26,376.33
Settlement of Meldahl Hydro at Meldahl Bus LMP (PJM)				
Energy Charge:	\$0.021314	/ kWh *	-325,476 kWh =	-\$6,937.28
Subtotal	\$0.021314	/ kWh *	-325,476 kWh =	-\$6,937.28
Greenup Hydro				
Demand Charge:	\$7.035365	/ kW *	479 kW =	\$3,369.94
Energy Charge:	\$0.003378	/ kWh *	188,846 kWh =	\$637.90
Capacity Credit:	\$1.510271	/ kW *	-479 kW =	-\$723.42
REC Credit (Estimate)				-\$1,133.08
Debt Service				\$9,878.09
Rate Levelization				\$353.91
Subtotal	\$0.065574	/ kWh *	188,846 kWh =	\$12,383.34
Settlement of Greenup Hydro at Greenup Bus LMP (PJM)				
Energy Charge:	\$0.024005	/ kWh *	-188,846 kWh =	-\$4,533.34
Subtotal	\$0.024005	/ kWh *	-188,846 kWh =	-\$4,533.34
Contract 1 (BP 2018-2020 5x16 AD Hub)				
Energy Charge:	\$0.034000	/ kWh *	296,974 kWh =	\$10,097.11
Subtotal	\$0.034000	/ kWh *	296,974 kWh =	\$10,097.11
Contract 2 (EDF 2018-2025 5x16 AD Hub)				
Energy Charge:	\$0.036100	/ kWh *	593,947 kWh =	\$21,441.50
Subtotal	\$0.036100	/ kWh *	593,947 kWh =	\$21,441.50
Contract 3 (CITI 2018-2030 5x16 AD Hub)				
Energy Charge:	\$0.041700	/ kWh *	296,974 kWh =	\$12,383.80
Subtotal	\$0.041700	/ kWh *	296,974 kWh =	\$12,383.80
Settlement of Contract Power at AD Hub (PJM)				
Energy Charge:	\$0.029386	/ kWh *	-1,187,895 kWh =	-\$34,907.08
Subtotal	\$0.029386	/ kWh *	-1,187,895 kWh =	-\$34,907.08
Plus Actual Municipal Generation				
Energy Charge:			50,227 kWh	
Subtotal	\$0.000000	/ kWh *	50,227 kWh =	\$0.00
Generation Deviation from Schedule (RT Sale)				
Energy Charge:	\$0.037906	/ kWh *	-50,227 kWh =	-\$1,903.92

DETAIL INFORMATION OF POWER CHARGES August, 2020
Hillsdale

<i>Subtotal</i>	\$0.037906	/ kWh *	-50,227 kWh =	-\$1,903.92
MISO Market Power				
On Peak Energy Charge: (M-F HE 08-23 EDT)	\$0.036612	/ kWh *	5,376,491 kWh =	\$196,843.48
Off Peak Energy Charge:	\$0.023971	/ kWh *	4,337,294 kWh =	\$103,968.89
<i>Subtotal</i>	\$0.030968	/ kWh *	9,713,786 kWh =	\$300,812.37
Total Demand Charges:				\$42,038.19
Total Energy Charges:				\$623,911.39
Total Power Charges:			12,648,283.70 kWh	\$665,949.58
TRANSMISSION / CAPACITY / ANCILLARY SERVICES:				
MISO Transmission Charges (breakdown attached)				\$61,118.45
MISO Capacity Charges (breakdown attached)				\$31,559.30
MISO ancillary services, ARRs and FTRs (breakdown attached)				\$25,876.01
<i>TRANSMISSION / CAPACITY / ANCILLARY SERVICES TOTAL:</i>				\$118,553.76
OTHER CHARGES:				
AMP Dispatch Center Charges:	\$0.000294	/ kWh *	12,648,284 kWh =	\$3,716.95
AMP Service Fee Part A,				
Based on Annual Municipal Sales	\$0.000229	/ kWh *	129,044,476 kWh 1/12 =	\$2,462.60
AMP Service Fee Part B,				
Energy Purchases	\$0.000580	/ kWh *	7,832,374 kWh =	\$4,542.78
<i>TOTAL OTHER CHARGES:</i>				\$10,722.33
MISCELLANEOUS CHARGES:				
MSCPA Administration Charges (breakdown attached)				\$15,485.36
<i>TOTAL MISCELLANEOUS CHARGES:</i>				\$15,485.36
GRAND TOTAL POWER INVOICE:	\$0.06410	/ kWh *	12,648,284 kWh =	\$810,711.02

MEMO

Hillsdale Board of Public Utilities

TO: Chris McArthur, Director
BPU Board Members

FROM: Bonnie Tew, Finance Director

DATE: October 13, 2020

SUBJECT: August 2020 Financials

The remote audit work has begun while we are still submitting documentation to them for both the BPU and the City. I am charting new territory through this remote audit process as have all of us this past year.

The operational year-to-date net income for all three funds at the end of August was \$499,757.79 or 26% below the same period last year. Revenues were up 2.7% but expenditures were also up 2.7%. This increased in expenditures is directly linked to the \$208,684.67 increase in purchased power costs to date in 2020 over the same period in 2019.

Fund 582 ELECTRIC FUND

GL Number	Description	Balance
*** Assets ***		
582-000.000-010.000	RECEIVING FUND-CHECKING	3,224,164.22
582-000.000-012.000	OPERATIONS & MAINTENANCE-CHECKING	138,053.12
582-000.000-014.000	CASH DRAWER & PETTY CASH	300.00
582-000.000-025.000	INVESTMENTS - HUNTINGTON	5,799,017.24
582-000.000-040.000	ACCOUNTS RECEIVABLE	1,246,158.94
582-000.000-040.001	OTHER ACCOUNTS RECEIVABLE	14,395.89
582-000.000-041.000	PROVISION FOR BAD DEBTS	(4,984.37)
582-000.000-084.590	DUE FROM SEWER	250,000.00
582-000.000-110.000	INVENTORY	306,768.61
582-000.000-110.001	POWER PLANT INVENTORY - POWER PLA	58,702.55
582-000.000-123.000	PREPAID EXPENSES	74,918.01
582-000.000-123.100	PREPAID EXPENSES - DARK FIBER LEA	180,463.43
582-000.000-125.000	INVESTMENT IN MSCPA	3,592,846.00
582-000.000-125.001	INVESTMENT IN MSCPA - RATE STABIL	494,029.00
582-000.000-126.000	INVESTMENT - AMP HYDROELECTRIC PR	32,141.00
582-000.000-130.000	LAND	181,108.27
582-000.000-139.000	PLANT, SYSTEMS, AND EQUIPMENT	39,114,497.72
582-000.000-150.000	ACCUMULATED DEPRECIATON	(25,844,377.16)
582-000.000-158.000-191006	CONSTRUCTION WORK IN PROGRESS	11,787.54
582-000.000-158.000-201001	CONSTRUCTION WORK IN PROGRESS	9,761.81
582-000.000-158.000-201002	CONSTRUCTION WORK IN PROGRESS	8,355.46
582-000.000-158.000-201008	CONSTRUCTION WORK IN PROGRESS	11,714.62
582-000.000-158.000-204002	CONSTRUCTION WORK IN PROGRESS	1,475.00
582-000.000-160.000	DEFERRED OUTFLOW - PENSION	393,643.00
Total Assets		29,294,939.90
*** Liabilities ***		
582-000.000-202.000	ACCOUNTS PAYABLE	127,649.09
582-000.000-202.100	ACCOUNTS PAYABLE-UB REFUNDS	56.00
582-000.000-214.101	DUE TO GENERAL FUND	24,097.59
582-000.000-228.100	DUE TO MMERS - RETIREMENT CONT. B	0.06
582-000.000-248.000	ENERGY OPTIMIZE	(107,007.18)
582-000.000-255.000	CUSTOMER DEPOSITS	116,951.34
582-000.000-262.000	ACCRUED EXPENSES	810,711.02
582-000.000-343.000	ACCRUED VAC/SICK	118,479.68
582-000.000-350.000	DEFERRED INFLOW - PENSION	69,909.00
582-000.000-355.000	NET PENSION LIABILITY	1,455,296.00
Total Liabilities		2,616,142.60
*** Fund Balance ***		
582-000.000-396.000	NET POSITION - UNRESTRICTED	26,142,505.24
Total Fund Balance		26,142,505.24
Beginning Fund Balance - 19-20		26,142,505.24
Net of Revenues VS Expenditures - 19-20		343,807.59
*19-20 End FB/20-21 Beg FB		26,486,312.83
Net of Revenues VS Expenditures - Current Year		192,484.47
Ending Fund Balance		26,678,797.30
Total Liabilities And Fund Balance		29,294,939.90

* Year Not Closed

Fund 590 SEWER FUND

GL Number	Description	Balance
*** Assets ***		
590-000.000-010.000	RECEIVING FUND-CHECKING	306,619.04
590-000.000-012.000	OPERATIONS & MAINTENANCE-CHECKING	72,941.58
590-000.000-016.101	RESTRICTED FUNDS- DEBT SERVICE	599,516.34
590-000.000-016.102	RESTRICTED FUNDS - BOND RESERVES	603,893.28
590-000.000-040.000	ACCOUNTS RECEIVABLE	157,718.83
590-000.000-040.001	OTHER ACCOUNTS RECEIVABLE	5,705.02
590-000.000-041.000	PROVISION FOR BAD DEBTS	(4,310.88)
590-000.000-110.000	INVENTORY	3,552.64
590-000.000-123.000	PREPAID EXPENSES	26,420.27
590-000.000-130.000	LAND	122,902.00
590-000.000-139.000	PLANT, SYSTEMS, AND EQUIPMENT	24,254,455.53
590-000.000-150.000	ACCUMULATED DEPRECIATION	(10,922,073.55)
590-000.000-158.000-183001	CONSTRUCTION WORK IN PROGRESS	532,683.81
590-000.000-158.000-204002	CONSTRUCTION WORK IN PROGRESS	437.50
590-000.000-160.000	DEFERRED OUTFLOW - PENSION	196,822.00
Total Assets		15,957,283.41
*** Liabilities ***		
590-000.000-202.000	ACCOUNTS PAYABLE	14,502.63
590-000.000-214.101	DUE TO GENERAL FUND	12,048.80
590-000.000-214.582	DUE TO ELECTRIC	250,000.00
590-000.000-250.000	BONDS PAYABLE - CURRENT	350,000.00
590-000.000-250.100	MUNICIPAL FINANCING - CURRENT	39,349.63
590-000.000-251.000	ACCRUED INTEREST	77,162.82
590-000.000-255.000	CUSTOMER DEPOSITS	9,064.50
590-000.000-300.000	BONDS PAYABLE - LONG TERM	6,980,000.00
590-000.000-343.000	ACCRUED VAC/SICK	27,670.71
590-000.000-350.000	DEFERRED INFLOW - PENSION	34,955.00
590-000.000-355.000	NET PENSION LIABILITY	727,637.00
Total Liabilities		8,522,391.09
*** Fund Balance ***		
590-000.000-396.000	NET POSITION - UNRESTRICTED	6,409,669.23
Total Fund Balance		6,409,669.23
Beginning Fund Balance - 19-20		6,409,669.23
Net of Revenues VS Expenditures - 19-20		845,988.79
*19-20 End FB/20-21 Beg FB		7,255,658.02
Net of Revenues VS Expenditures - Current Year		179,234.30
Ending Fund Balance		7,434,892.32
Total Liabilities And Fund Balance		15,957,283.41

* Year Not Closed

User: BTEW

Period Ending 08/31/2020

DB: Hillsdale

Fund 591 WATER FUND

GL Number	Description	Balance
*** Assets ***		
591-000.000-010.000	RECEIVING FUND-CHECKING	160,981.38
591-000.000-012.000	OPERATIONS & MAINTENANCE-CHECKING	63,623.24
591-000.000-025.000	INVESTMENTS - HUNTINGTON	726,080.04
591-000.000-040.000	ACCOUNTS RECEIVABLE	121,330.22
591-000.000-040.001	OTHER ACCOUNTS RECEIVABLE	1,956.19
591-000.000-041.000	PROVISION FOR BAD DEBTS	(4,222.41)
591-000.000-110.000	INVENTORY	80,442.81
591-000.000-123.000	PREPAID EXPENSES	23,514.68
591-000.000-130.000	LAND	49,613.00
591-000.000-139.000	PLANT, SYSTEMS, AND EQUIPMENT	11,829,527.73
591-000.000-150.000	ACCUMULATED DEPRECIATION	(7,329,137.16)
591-000.000-158.000-182001	CONSTRUCTION WORK IN PROGRESS	542,697.88
591-000.000-158.000-203001	CONSTRUCTION WORK IN PROGRESS	434,009.17
591-000.000-158.000-204002	CONSTRUCTION WORK IN PROGRESS	437.50
591-000.000-160.000	DEFERRED OUTFLOW - PENSION	196,823.00
Total Assets		6,897,677.27
*** Liabilities ***		
591-000.000-202.000	ACCOUNTS PAYABLE	18,966.59
591-000.000-214.101	DUE TO GENERAL FUND	12,048.80
591-000.000-250.100	MUNICIPAL FINANCING - CURRENT	39,349.64
591-000.000-251.000	ACCRUED INTEREST	808.64
591-000.000-255.000	CUSTOMER DEPOSITS	9,644.50
591-000.000-343.000	ACCRUED VAC/SICK	14,705.21
591-000.000-350.000	DEFERRED INFLOW - PENSION	34,955.00
591-000.000-355.000	NET PENSION LIABILITY	727,637.00
Total Liabilities		858,115.38
*** Fund Balance ***		
591-000.000-396.000	NET POSITION - UNRESTRICTED	5,532,202.31
Total Fund Balance		5,532,202.31
Beginning Fund Balance - 19-20		5,532,202.31
Net of Revenues VS Expenditures - 19-20		382,106.57
*19-20 End FB/20-21 Beg FB		5,914,308.88
Net of Revenues VS Expenditures - Current Year		125,253.01
Ending Fund Balance		6,039,561.89
Total Liabilities And Fund Balance		6,897,677.27

* Year Not Closed

User: BTEW

PERIOD ENDING 08/31/2020

DB: Hillsdale

% Fiscal Year Completed: 16.99

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDDT USED
Fund 591 - WATER FUND								
Revenues								
591-000.000-426.000	INTERDEPARTMENTAL REVENUE	11,022.35	12,000.00	2,145.68	642.10	942.58	9,854.32	17.88
591-000.000-529.000	FEDERAL GRANT	106,204.87	0.00	0.00	0.00	0.00	0.00	0.00
591-000.000-660.000	RESIDENTIAL SALES	652,636.77	747,100.00	126,455.99	109,311.56	65,062.07	620,644.01	16.93
591-000.000-661.000	BUSINESS SALES	144,039.34	173,700.00	33,121.33	29,548.00	17,724.45	140,578.67	19.07
591-000.000-662.000	COMMERCIAL SALES	277,096.26	339,300.00	59,689.42	52,806.08	31,979.31	279,610.58	17.59
591-000.000-663.000	INDUSTRY SALES	171,109.08	192,000.00	38,467.18	29,685.55	21,365.42	153,532.82	20.03
591-000.000-665.000	INTEREST	14,603.68	15,000.00	533.33	2,228.22	266.12	14,466.67	3.56
591-000.000-665.100	CHANGE IN INVESTMENTS	2,495.06	1,570.00	(264.55)	1,049.85	(127.20)	1,834.55	(16.85)
591-000.000-668.000	APARTMENT SALES	243,681.07	279,200.00	45,019.62	41,388.09	23,902.29	234,180.38	16.12
591-000.000-669.000	LATE CHARGES	2,923.70	4,100.00	497.17	848.87	316.83	3,602.83	12.13
591-000.000-673.001	GAIN ON SALE OF PROPERTY	2,858.01	0.00	0.00	0.00	0.00	0.00	0.00
591-000.000-691.000	INVENTORY ADJUSTMENT	(3,729.44)	0.00	2,628.53	0.00	(641.99)	(2,628.53)	100.00
591-000.000-692.001	OTHER REVENUE - MISC OPERATIN	25,615.01	18,500.00	4,769.58	3,171.40	3,745.00	13,730.42	25.78
591-000.000-693.000	MISC NON-OPERATING INCOME	3,391.14	4,000.00	924.87	470.19	380.88	3,075.13	23.12
591-000.000-693.001	MISC NON-OPERATING INCOME-WEL	3,072.50	4,000.00	0.00	0.00	0.00	4,000.00	0.00
TOTAL REVENUES		1,657,019.40	1,790,470.00	313,988.15	271,149.91	164,915.76	1,476,481.85	17.54
Expenditures								
175.000	ADMINISTRATIVE SERVICES	436,606.42	561,295.00	60,467.78	55,076.44	41,472.32	500,827.22	10.77
543.000	PRODUCTION	80,733.77	92,310.00	14,794.70	13,456.58	8,458.96	77,515.30	16.03
544.000	DISTRIBUTION	450,756.94	474,740.00	63,371.06	67,255.33	34,119.95	411,368.94	13.35
545.000	PURIFICATION	295,439.34	385,155.00	48,776.84	42,265.74	24,933.75	336,378.16	12.66
TOTAL EXPENDITURES		1,263,536.47	1,513,500.00	187,410.38	178,054.09	108,984.98	1,326,089.62	12.38
TOTAL REVENUES		1,657,019.40	1,790,470.00	313,988.15	271,149.91	164,915.76	1,476,481.85	17.54
TOTAL EXPENDITURES		1,263,536.47	1,513,500.00	187,410.38	178,054.09	108,984.98	1,326,089.62	12.38
NET OF REVENUES & EXPENDITURES		393,482.93	276,970.00	126,577.77	93,095.82	55,930.78	150,392.23	45.70
TOTAL REVENUES - ALL FUNDS								
TOTAL EXPENDITURES - ALL FUNDS								
TOTAL REVENUES - ALL FUNDS		16,712,210.37	17,290,250.00	3,223,811.32	3,139,159.84	1,638,454.32	14,066,438.68	18.65
TOTAL EXPENDITURES - ALL FUNDS		14,636,904.74	16,404,322.00	2,724,053.53	2,461,949.95	1,416,097.01	13,680,268.47	16.61
NET OF REVENUES & EXPENDITURES		2,075,305.63	885,928.00	499,757.79	677,209.89	222,357.31	386,170.21	56.41

PERIOD ENDING 08/31/2020

% Fiscal Year Completed: 16.99

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE	2020-21	YTD BALANCE	ACTIVITY FOR	AVAILABLE	% BGD	USED
		06/30/2020	AMENDED BUDGET	08/31/2020	MONTH 08/31/20	BALANCE		
		NORM (ABNORM)		NORM (ABNORM)	INCR (DECR)	NORM (ABNORM)		
Fund 582 - ELECTRIC FUND								
Dept 000.000								
Revenues								
582-000.000-426.000	INTERDEPARTMENTAL REVENUE	226,475.84	231,000.00	41,412.93	19,730.01	189,587.07	17.93	
582-000.000-660.000	RESIDENTIAL SALES	4,660,831.68	4,675,680.00	1,001,352.93	503,593.60	3,674,432.07	21.42	
582-000.000-661.000	BUSINESS SALES	1,322,493.86	1,346,910.00	244,477.79	281,676.63	1,102,432.21	18.15	
582-000.000-662.000	COMMERCIAL SALES	3,041,503.42	3,267,060.00	570,760.63	291,919.85	2,696,299.37	17.47	
582-000.000-663.000	INDUSTRY SALES	3,081,084.19	3,112,275.00	603,146.78	303,313.57	2,509,128.22	19.38	
582-000.000-664.000	STREET LIGHT SALES	53,308.56	52,900.00	8,929.54	4,464.77	43,970.46	16.88	
582-000.000-665.000	INTEREST	136,550.39	130,000.00	6,053.23	333.74	123,946.77	4.66	
582-000.000-665.100	CHANGE IN INVESTMENTS	34,502.37	42,500.00	(926.86)	(1,072.87)	43,426.86	(2.18)	
582-000.000-669.000	LATE CHARGES	21,679.37	31,650.00	4,170.16	2,401.97	27,479.84	13.18	
582-000.000-673.001	GAIN ON SALE OF PROPERTY	9,918.40	0.00	0.00	0.00	0.00	0.00	
582-000.000-692.001	OTHER REVENUE - MISC OPERATIN	85,874.34	130,500.00	31,409.56	13,168.99	99,090.44	24.07	
582-000.000-693.000	MISC NON-OPERATING INCOME	44,244.67	35,500.00	2,001.55	1,072.87	33,498.45	5.64	
582-000.000-694.000	CASH OVER & (SHORT)	(112.82)	0.00	49.77	49.89	(49.77)	100.00	
TOTAL REVENUES		12,718,354.27	13,055,975.00	2,512,838.01	1,265,070.29	10,543,136.99		19.25
Net - Dept 000.000		12,718,354.27	13,055,975.00	2,512,838.01	1,265,070.29	10,543,136.99		
Dept 175.000 - ADMINISTRATIVE SERVICES								
Expenditures								
582-175.000-702.000	WAGES	280,574.99	334,600.00	44,796.79	27,214.29	289,803.21	13.39	
582-175.000-703.000	OVERTIME PAY	12,155.19	3,000.00	435.94	200.94	2,564.06	14.53	
582-175.000-704.000	SICK TIME PAY	24,547.74	34,475.00	2,559.37	1,484.34	31,915.63	7.42	
582-175.000-705.000	VACATION TIME PAY	63,252.99	66,980.00	10,244.44	5,298.69	56,735.56	15.29	
582-175.000-706.000	PERSONAL TIME PAY	11,263.11	12,925.00	406.75	61.80	12,518.25	3.15	
582-175.000-707.000	LONGEVITY PAY	8,780.00	9,060.00	0.00	0.00	9,060.00	0.00	
582-175.000-710.000	HOLIDAY AND OTHER PAY	38,482.68	42,215.00	4,089.00	369.36	38,126.00	9.69	
582-175.000-715.000	HEALTH AND LIFE INSURANCE	183,684.06	167,000.00	33,333.52	16,666.76	133,666.48	19.96	
582-175.000-716.000	RETIREMENT	138,017.21	189,300.00	25,792.14	13,206.84	163,507.86	13.63	
582-175.000-717.000	WORKERS' COMPENSATION	7,262.20	14,880.00	1,027.40	513.70	13,852.60	6.90	
582-175.000-718.000	UNEMPLOYMENT INSURANCE	2,500.00	0.00	0.00	0.00	0.00	0.00	
582-175.000-720.000	EMPLOYER'S FICA	30,190.26	38,500.00	4,143.54	2,469.21	34,356.46	10.76	
582-175.000-721.000	DISABILITY INSURANCE	4,470.27	5,425.00	819.30	394.65	4,605.70	15.10	
582-175.000-725.100	MISCELLANEOUS FRINGE EXPENSE	(302,100.17)	(319,420.00)	(49,819.49)	(23,890.88)	(269,600.51)	15.60	
582-175.000-726.000	SUPPLIES	14,511.07	13,500.00	185.21	76.07	13,314.79	1.37	
582-175.000-726.200	OFFICE SUPPLIES	51.98	0.00	0.00	0.00	0.00	0.00	
582-175.000-726.202	SUPPLIES - COMPUTER	464.73	9,800.00	164.46	0.00	9,635.54	1.68	
582-175.000-801.000	CONTRACTUAL SERVICES	65,249.43	70,000.00	7,524.82	3,371.84	62,475.18	10.75	
582-175.000-801.200	COMPUTER	31,318.28	56,950.00	5,548.97	3,768.49	50,906.03	9.83	
582-175.000-806.000	LEGAL SERVICES	737.50	5,000.00	28.13	28.13	4,971.87	0.56	
582-175.000-808.000	AUDITING SERVICES	6,037.50	7,500.00	0.00	0.00	7,500.00	0.00	
582-175.000-810.000	DUES AND SUBSCRIPTIONS	26,252.48	30,000.00	3,357.20	1,660.73	26,642.80	11.19	
582-175.000-820.000	PILOT	732,462.41	750,000.00	145,720.06	145,720.06	604,279.94	19.43	
582-175.000-850.000	INSURANCE	22,272.51	22,100.00	4,006.14	2,701.50	18,093.86	18.13	
582-175.000-852.000	COMPUTER	0.00	0.00	0.00	0.00	0.00	0.00	
582-175.000-860.000	TRANSPORTATION AND MILEAGE	12.18	0.00	0.00	0.00	0.00	0.00	
582-175.000-861.000	TRAINING & SEMINARS	5,676.96	11,500.00	691.25	691.25	10,808.75	6.01	
582-175.000-861.100	TRAINING & SEMINARS - TEC SER	325.38	3,000.00	0.00	0.00	3,000.00	0.00	
582-175.000-862.000	LODGING AND MEALS	150.76	0.00	112.00	112.00	(112.00)	100.00	
582-175.000-920.300	UTILITIES - ELECTRIC	0.00	0.00	0.00	0.00	0.00	0.00	
582-175.000-920.400	UTILITIES - GAS	2,227.47	1,000.00	51.12	0.00	948.88	5.11	

PERIOD ENDING 08/31/2020

& Fiscal Year Completed: 16.99

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	\$ BGD USED
Fund 582 - ELECTRIC FUND								
Expenditures								
582-175.000-921.000	INTERDEPARTMENTAL EXPENSE	6,788.50	8,000.00	1,253.50	72.00	628.50	6,746.50	15.67
582-175.000-925.000	TELEPHONE	14,398.00	4,000.00	1,862.54	761.36	904.52	2,137.46	46.56
582-175.000-930.000	REPAIRS & MAINTENANCE	5,401.33	15,000.00	1,340.00	230.00	1,300.00	13,660.00	8.93
582-175.000-955.000	MISCELLANEOUS	(11.59)	0.00	0.00	0.00	0.00	0.00	0.00
582-175.000-963.000	WRITE OFF BAD DEBT(S)	96,577.70	0.00	0.00	0.00	0.00	0.00	0.00
582-175.000-968.000	DEPRECIATION	95,610.24	110,000.00	12,761.99	17,002.80	6,381.02	97,238.01	11.60
582-175.000-995.000	DEBT SERVICE - INTEREST	3,913.79	0.00	0.00	2,609.18	0.00	0.00	0.00
582-175.000-995.101	TRANSFER OUT TO CITY	61,654.61	104,515.00	0.00	0.00	0.00	104,515.00	0.00
TOTAL EXPENDITURES		1,695,162.75	1,820,310.00	262,436.09	249,238.82	210,595.38	1,557,873.91	14.42
Net - Dept 175.000 - ADMINISTRATIVE SERVICES		(1,695,162.75)	(1,820,310.00)	(262,436.09)	(249,238.82)	(210,595.38)	(1,557,873.91)	
Dept 543.000 - PRODUCTION								
Expenditures								
582-543.000-702.000	WAGES	48,108.30	41,100.00	4,418.47	6,332.84	2,512.95	36,681.53	10.75
582-543.000-703.000	OVERTIME PAY	1,309.14	3,000.00	866.25	915.71	0.00	2,133.75	28.88
582-543.000-704.000	SICK TIME PAY	560.88	0.00	24.50	180.88	0.00	(24.50)	100.00
582-543.000-705.000	VACATION TIME PAY	962.64	0.00	392.00	180.88	196.00	(392.00)	100.00
582-543.000-706.000	PERSONAL TIME PAY	389.76	0.00	0.00	0.00	0.00	0.00	0.00
582-543.000-710.000	HOLIDAY AND OTHER PAY	3,285.80	0.00	196.00	180.88	0.00	(196.00)	100.00
582-543.000-720.000	EMPLOYER'S FICA	3,863.76	3,370.00	391.61	529.58	185.09	2,978.39	11.62
582-543.000-725.100	MISCELLANEOUS FRINGE EXPENSE	24,127.87	25,555.00	2,901.38	3,653.31	1,134.50	22,653.62	11.35
582-543.000-726.000	SUPPLIES	2,480.07	3,000.00	0.00	163.28	0.00	3,000.00	0.00
582-543.000-739.000	PURCHASED POWER	8,324,831.77	8,769,720.00	1,783,191.97	1,574,507.30	810,711.02	6,986,528.03	20.33
582-543.000-740.000	FUEL AND LUBRICANTS	904.22	2,000.00	93.70	44.77	93.70	1,906.30	4.69
582-543.000-740.100	FUEL OIL - ENGINE #5	1,843.93	7,000.00	1,655.58	854.65	573.04	5,344.42	23.65
582-543.000-740.200	FUEL OIL - ENGINE #6	2,354.77	10,000.00	2,715.87	838.66	791.35	7,284.13	27.16
582-543.000-740.300	NATURAL GAS - ENGINE #5	4,380.55	7,000.00	0.00	1,277.88	0.00	7,000.00	0.00
582-543.000-740.400	NATURAL GAS - ENGINE #6	5,412.11	10,000.00	0.00	1,330.04	0.00	10,000.00	0.00
582-543.000-742.000	CLOTHING / UNIFORMS	1,555.77	1,150.00	150.00	639.99	150.00	1,000.00	13.04
582-543.000-771.000	INVENTORY ADJUSTMENT	(5,412.58)	0.00	0.00	0.00	0.00	0.00	0.00
582-543.000-801.000	CONTRACTUAL SERVICES	36,943.36	25,000.00	1,763.00	1,763.00	0.00	23,237.00	7.05
582-543.000-850.000	INSURANCE	64,755.78	68,250.00	11,344.96	10,240.24	5,672.48	56,905.04	16.62
582-543.000-861.000	TRAINING & SEMINARS	188.72	1,000.00	0.00	0.00	0.00	1,000.00	0.00
582-543.000-920.400	UTILITIES - GAS	9,633.15	10,000.00	0.00	0.00	0.00	10,000.00	0.00
582-543.000-921.000	INTERDEPARTMENTAL EXPENSE	39,570.00	40,000.00	5,947.00	7,111.00	2,769.00	34,053.00	14.87
582-543.000-925.000	TELEPHONE	789.23	0.00	0.00	0.00	0.00	0.00	0.00
582-543.000-930.000	REPAIRS & MAINTENANCE	10,539.73	10,000.00	206.69	358.23	86.92	9,793.31	2.07
582-543.000-930.050	REPAIRS & MAINT. - ENGINE #5	4,313.55	15,000.00	0.00	0.00	0.00	15,000.00	0.00
582-543.000-930.060	REPAIRS & MAINT. - ENGINE #6	4,153.00	15,000.00	0.00	0.00	0.00	15,000.00	0.00
582-543.000-968.000	DEPRECIATION	178,228.99	180,000.00	29,646.76	23,762.92	14,823.36	150,353.24	16.47
TOTAL EXPENDITURES		8,770,074.27	9,247,145.00	1,845,905.74	1,640,866.04	839,699.41	7,401,239.26	19.96
Net - Dept 543.000 - PRODUCTION		(8,770,074.27)	(9,247,145.00)	(1,845,905.74)	(1,640,866.04)	(839,699.41)	(7,401,239.26)	
Dept 544.000 - DISTRIBUTION								

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BGD USED
Fund 582 - ELECTRIC FUND								
Expenditures								
582-544.000-702.000	WAGES	281,410.13	372,300.00	50,068.10	32,152.10	32,701.35	322,231.90	13.45
582-544.000-703.000	OVERTIME PAY	42,030.00	35,000.00	6,111.54	13,802.65	3,611.88	28,888.46	17.46
582-544.000-704.000	SICK TIME PAY	0.00	0.00	243.32	0.00	243.32	(243.32)	100.00
582-544.000-705.000	VACATION TIME PAY	1,106.00	0.00	176.96	0.00	176.96	(176.96)	100.00
582-544.000-710.000	HOLIDAY AND OTHER PAY	398.16	0.00	176.96	0.00	0.00	(176.96)	100.00
582-544.000-720.000	EMPLOYER'S FICA	23,009.09	31,160.00	4,044.13	3,327.00	2,621.04	27,115.87	12.98
582-544.000-725.100	MISCELLANEOUS FRINGE EXPENSE	182,385.54	293,865.00	38,427.83	21,011.18	18,354.92	255,437.17	13.08
582-544.000-726.800	SUPPLIES - OPERATIONS	20,881.57	32,000.00	1,275.09	3,367.00	1,219.09	30,724.91	3.98
582-544.000-730.000	VEH./EQUIP. MAINT. SUPPLIES	26,316.22	36,000.00	2,641.07	3,168.03	2,641.07	33,358.93	7.34
582-544.000-740.000	FUEL AND LUBRICANTS	14,981.88	16,000.00	2,015.27	1,974.33	2,015.27	13,984.73	12.60
582-544.000-742.000	CLOTHING / UNIFORMS	10,105.66	12,500.00	0.00	0.00	0.00	12,500.00	0.00
582-544.000-771.000	INVENTORY ADJUSTMENT	13,637.04	0.00	0.00	0.00	0.00	0.00	0.00
582-544.000-801.000	CONTRACTUAL SERVICES	31,951.51	20,000.00	4,095.41	5,882.93	2,217.11	15,904.59	20.48
582-544.000-801.200	COMPUTER	8,675.36	0.00	0.00	1,983.58	0.00	0.00	0.00
582-544.000-801.300	TREE TRIMMING	196,367.79	200,000.00	0.00	20,452.70	0.00	200,000.00	0.00
582-544.000-850.000	INSURANCE	34,064.64	36,750.00	5,907.80	5,447.04	2,953.90	30,842.20	16.08
582-544.000-861.000	TRAINING & SEMINARS	10,204.20	20,000.00	0.00	375.00	0.00	20,000.00	0.00
582-544.000-920.600	UTILITIES - OTHER	518.00	0.00	0.00	0.00	0.00	0.00	0.00
582-544.000-921.000	INTERDEPARTMENTAL EXPENSE	8,888.00	8,500.00	1,095.00	1,047.00	568.00	7,405.00	12.88
582-544.000-930.000	REPAIRS & MAINTENANCE	53,105.29	70,000.00	9,309.61	4,625.56	6,091.92	60,590.39	13.30
582-544.000-968.000	DEPRECIATION	463,263.10	470,000.00	85,243.95	76,109.08	42,621.96	384,756.05	18.14
582-544.000-970.000	CAPITAL OUTLAY	0.00	0.00	0.00	3,500.00	0.00	0.00	0.00
TOTAL EXPENDITURES		1,423,299.18	1,654,075.00	210,832.04	198,225.18	118,037.79	1,443,242.96	12.75
Net - Dept 544.000 - DISTRIBUTION		(1,423,299.18)	(1,654,075.00)	(210,832.04)	(198,225.18)	(118,037.79)	(1,443,242.96)	
TOTAL REVENUES		12,718,354.27	13,055,975.00	2,512,838.01	2,507,903.55	1,265,070.29	10,543,136.99	19.25
TOTAL EXPENDITURES		11,888,536.20	12,721,530.00	2,319,173.87	2,088,330.04	1,168,332.58	10,402,356.13	18.23
NET OF REVENUES & EXPENDITURES		829,818.07	334,445.00	193,664.14	419,573.51	96,737.71	140,780.86	57.91

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BGD USED
Fund 590 - SEWER FUND								
Dept 000.000								
Revenues								
590-000.000-426.000	INTERDEPARTMENTAL REVENUE	6,078.42	4,500.00	1,042.76	742.10	523.83	3,457.24	23.17
590-000.000-529.000	FEDERAL GRANT	178,430.23	0.00	0.00	0.00	0.00	0.00	0.00
590-000.000-660.000	RESIDENTIAL SALES	904,345.09	1,010,500.00	170,068.83	149,278.68	86,827.31	840,431.17	16.83
590-000.000-661.000	BUSINESS SALES	164,721.09	198,100.00	26,260.42	28,298.00	13,527.37	171,839.58	13.26
590-000.000-662.000	COMMERCIAL SALES	364,901.38	438,830.00	56,742.84	57,344.19	29,818.21	382,087.16	12.93
590-000.000-663.000	INDUSTRY SALES	296,376.37	323,225.00	65,629.69	51,118.33	36,476.64	257,595.31	20.30
590-000.000-665.000	INTEREST	1,608.40	1,700.00	234.03	231.42	116.93	1,465.97	13.77
590-000.000-668.000	APARTMENT SALES	343,446.37	385,900.00	63,866.63	58,124.76	33,905.99	322,033.37	16.55
590-000.000-669.000	LATE CHARGES	4,207.26	5,850.00	728.05	1,217.61	474.10	5,121.95	12.45
590-000.000-673.001	GAIN ON SALE OF PROPERTY	100.80	0.00	0.00	0.00	0.00	0.00	0.00
590-000.000-691.000	INVENTORY ADJUSTMENT	56.63	0.00	0.00	0.00	286.78	0.00	0.00
590-000.000-692.001	OTHER REVENUE - MISC OPERATIN	66,530.53	68,000.00	11,967.06	12,236.11	6,370.24	56,032.94	17.60
590-000.000-693.000	MISC NON-OPERATING INCOME	6,034.13	7,200.00	444.85	1,515.18	140.87	6,755.15	6.18
TOTAL REVENUES		2,336,836.70	2,443,805.00	396,985.16	360,106.38	208,468.27	2,046,819.84	16.24
Net - Dept 000.000		2,336,836.70	2,443,805.00	396,985.16	360,106.38	208,468.27	2,046,819.84	
Dept 175.000 - ADMINISTRATIVE SERVICES								
Expenditures								
590-175.000-702.000	WAGES	122,190.86	167,630.00	12,361.69	15,380.06	7,237.47	155,268.31	7.37
590-175.000-703.000	OVERTIME PAY	773.96	1,500.00	102.24	323.26	81.63	1,397.76	6.82
590-175.000-704.000	SICK TIME PAY	7,183.58	14,560.00	521.35	1,411.09	268.03	14,038.65	3.58
590-175.000-705.000	VACATION TIME PAY	15,223.79	28,020.00	5,005.10	4,944.06	3,525.18	23,014.90	17.86
590-175.000-706.000	PERSONAL TIME PAY	3,561.71	5,460.00	416.58	528.51	106.24	5,043.42	7.63
590-175.000-707.000	LONGEVITY PAY	2,620.00	3,520.00	0.00	0.00	0.00	3,520.00	0.00
590-175.000-710.000	HOLIDAY AND OTHER PAY	16,417.02	24,605.00	1,589.81	1,635.82	159.85	23,015.19	6.46
590-175.000-715.000	HEALTH AND LIFE INSURANCE	79,975.73	79,275.00	12,630.25	13,114.80	7,219.92	66,644.75	15.93
590-175.000-716.000	RETIREMENT	50,496.03	71,945.00	9,551.75	4,106.17	4,749.47	62,393.25	13.28
590-175.000-717.000	WORKERS' COMPENSATION	2,009.72	5,060.00	563.92	335.00	281.96	4,496.08	11.14
590-175.000-718.000	UNEMPLOYMENT INSURANCE	650.00	0.00	0.00	0.00	0.00	0.00	0.00
590-175.000-720.000	EMPLOYER'S FICA	11,645.62	18,765.00	1,275.69	1,608.24	788.77	17,489.31	6.80
590-175.000-721.000	DISABILITY INSURANCE	1,431.31	3,593.00	292.30	276.54	146.15	3,300.70	8.14
590-175.000-725.100	MISCELLANEOUS FRINGE EXPENSE	(111,360.59)	(107,020.00)	(19,772.43)	(16,931.30)	(10,776.86)	(87,247.57)	18.48
590-175.000-726.000	SUPPLIES	7,259.62	7,000.00	92.60	1,487.77	38.03	6,907.40	1.32
590-175.000-726.200	OFFICE SUPPLIES	0.00	0.00	0.00	5.50	0.00	0.00	0.00
590-175.000-726.202	SUPPLIES - COMPUTER	79.98	4,000.00	82.24	0.00	0.00	3,917.76	2.06
590-175.000-730.039	BPU VEHICLE MAINT/SUPPLIES	1,176.74	2,000.00	0.00	0.00	0.00	2,000.00	0.00
590-175.000-801.000	CONTRACTUAL SERVICES	26,421.11	37,500.00	2,033.09	2,476.81	1,222.24	35,466.91	5.42
590-175.000-801.200	COMPUTER	15,818.72	24,230.00	2,790.38	1,016.29	1,729.96	21,439.62	11.52
590-175.000-806.000	LEGAL SERVICES	346.26	2,000.00	14.06	187.50	14.06	1,985.94	0.70
590-175.000-808.000	AUDITING SERVICES	3,018.75	3,500.00	0.00	0.00	0.00	3,500.00	0.00
590-175.000-810.000	DUES AND SUBSCRIPTIONS	11,209.75	10,000.00	337.04	980.32	178.83	9,662.96	3.37
590-175.000-820.000	PILOT	124,466.86	141,000.00	22,954.10	20,649.84	22,954.10	118,045.90	16.28
590-175.000-850.000	INSURANCE	10,497.03	11,050.00	1,789.96	1,708.96	894.98	9,260.04	16.20
590-175.000-860.000	TRANSPORTATION AND MILEAGE	6.09	0.00	0.00	0.00	0.00	0.00	0.00
590-175.000-861.000	TRAINING & SEMINARS	1,685.59	3,000.00	(134.37)	110.89	20.63	3,134.37	(4.48)
590-175.000-861.100	TRAINING & SEMINARS - TEC SER	162.69	1,500.00	0.00	0.00	0.00	1,500.00	0.00
590-175.000-862.000	LODGING AND MEALS	47.38	200.00	0.00	0.00	0.00	200.00	0.00
590-175.000-905.000	PUBLISHING / NOTICES	278.95	250.00	0.00	0.00	0.00	250.00	0.00
590-175.000-920.100	UTILITIES - SEWER	0.00	0.00	0.00	643.75	0.00	0.00	0.00

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE		2020-21		YTD BALANCE		YTD BALANCE		ACTIVITY FOR		AVAILABLE	
		06/30/2020	NORM (ABNORM)	AMENDED BUDGET	NORM (ABNORM)	08/31/2020	NORM (ABNORM)	08/31/2019	NORM (ABNORM)	MONTH 08/31/20	INCR (DECR)	BALANCE	%
Fund 590 - SEWER FUND													
Expenditures													
590-175.000-920.400	UTILITIES - GAS	1,113.75		500.00		25.56		(111.80)		0.00		474.44	5.11
590-175.000-921.000	INTERDEPARTMENTAL EXPENSE	3,178.25		3,500.00		590.75		0.00		296.23		2,909.25	16.88
590-175.000-925.000	TELEPHONE	6,318.95		2,000.00		585.23		380.68		325.59		1,414.77	29.26
590-175.000-930.000	REPAIRS & MAINTENANCE	1,629.48		7,500.00		670.00		115.00		650.00		6,830.00	8.93
590-175.000-955.000	MISCELLANEOUS	(169.00)		0.00		0.00		0.00		0.00		0.00	0.00
590-175.000-963.000	WRITE OFF BAD DEBT(S)	6,823.43		0.00		0.00		0.00		0.00		0.00	0.00
590-175.000-968.000	DEPRECIATION	15,736.29		17,000.00		1,343.94		2,736.19		671.98		15,656.06	7.91
590-175.000-995.000	DEBT SERVICE - INTEREST	189,149.28		180,975.00		30,721.38		30,497.04		15,360.69		150,253.62	16.98
590-175.000-995.101	TRANSFER OUT TO CITY	30,827.31		52,260.00		0.00		0.00		0.00		52,260.00	0.00
TOTAL EXPENDITURES		659,902.00		827,878.00		88,434.21		89,616.99		58,145.15		739,443.79	10.68
		(659,902.00)		(827,878.00)		(88,434.21)		(89,616.99)		(58,145.15)		(739,443.79)	
Net - Dept 175.000 - ADMINISTRATIVE SERVICES													
Dept 546.000 - OPERATIONS													
Expenditures													
590-546.000-702.000	WAGES	57,573.03		79,600.00		5,703.81		5,068.72		3,146.58		73,896.19	7.17
590-546.000-703.000	OVERTIME PAY	7,048.04		10,000.00		83.84		421.52		83.84		9,916.16	0.84
590-546.000-720.000	EMPLOYER'S FICA	4,653.33		6,854.00		414.17		401.78		233.43		6,439.83	6.04
590-546.000-725.100	MISCELLANEOUS FRINGE EXPENSE	35,126.58		37,600.00		4,912.65		3,344.93		2,621.66		32,687.35	13.07
590-546.000-726.800	SUPPLIES - OPERATIONS	1,373.80		2,300.00		397.28		87.88		183.29		1,902.72	17.27
590-546.000-730.039	BPU VEHICLE MAINT/SUPPLIES	3,493.57		4,000.00		0.00		43.91		0.00		4,000.00	0.00
590-546.000-742.000	CLOTHING / UNIFORMS	3,056.49		3,000.00		0.00		0.00		0.00		3,000.00	0.00
590-546.000-771.000	INVENTORY ADJUSTMENT	698.78		0.00		286.78		0.00		286.78		(286.78)	100.00
590-546.000-801.000	CONTRACTUAL SERVICES	2,943.43		5,000.00		368.73		747.00		237.82		4,631.27	7.37
590-546.000-850.000	INSURANCE	14,178.30		15,250.00		2,454.28		2,271.70		1,227.14		12,795.72	16.09
590-546.000-861.000	TRAINING & SEMINARS	709.20		1,500.00		0.00		0.00		0.00		1,500.00	0.00
590-546.000-920.500	UTILITIES - REFUSE	0.00		3,000.00		0.00		0.00		0.00		3,000.00	0.00
590-546.000-921.000	INTERDEPARTMENTAL EXPENSE	6,856.00		8,000.00		798.00		806.00		397.00		7,202.00	9.98
590-546.000-930.000	REPAIRS & MAINTENANCE	11,256.68		15,000.00		0.00		808.38		0.00		15,000.00	0.00
590-546.000-930.950	REPAIRS & MAINT. - LIFT STATI	7,454.29		8,000.00		11.00		0.00		11.00		7,989.00	0.14
590-546.000-930.960	REPAIRS & MAINT. - SEWER MAIN	5,792.73		330,000.00		0.00		310.00		0.00		330,000.00	0.00
590-546.000-930.970	REPAIRS & MAINT. - MANHOLES	1,455.14		5,000.00		26.98		435.81		0.00		4,973.02	0.54
590-546.000-930.980	REPAIRS & MAINT. - SERVICE LI	66.55		0.00		0.00		0.00		0.00		0.00	0.00
590-546.000-968.000	DEPRECIATION	71,708.33		71,000.00		11,695.11		12,814.74		5,847.55		59,304.89	16.47
TOTAL EXPENDITURES		235,444.27		605,104.00		27,152.63		27,562.37		14,276.09		577,951.37	4.49
		(235,444.27)		(605,104.00)		(27,152.63)		(27,562.37)		(14,276.09)		(577,951.37)	
Net - Dept 546.000 - OPERATIONS													
Dept 547.000 - TREATMENT													
Expenditures													
590-547.000-702.000	WAGES	117,549.21		124,550.00		13,942.98		17,947.23		8,772.22		110,607.02	11.19
590-547.000-703.000	OVERTIME PAY	20,516.75		25,000.00		2,896.11		3,493.54		1,227.84		22,103.89	11.58
590-547.000-720.000	EMPLOYER'S FICA	9,652.72		11,440.00		1,112.21		1,486.49		682.98		10,327.79	9.72
590-547.000-725.100	MISCELLANEOUS FRINGE EXPENSE	76,234.01		69,420.00		14,859.78		13,586.37		8,155.20		54,560.22	21.41
590-547.000-726.900	SUPPLIES - LABORATORY	17,770.97		25,000.00		16,530.30		14,148.76		16,489.13		8,469.70	66.12
590-547.000-727.500	SUPPLIES - CHLORINE	3,805.03		5,000.00		0.00		0.00		0.00		5,000.00	0.00

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDTG USED
Fund 590 - SEWER FUND								
Expenditures								
590-547.000-727.600	SUPPLIES - FERROUS CHLORIDE	8,623.09	10,000.00	2,894.05	0.00	2,894.05	7,105.95	28.94
590-547.000-727.700	SUPPLIES - DIOXIDE	3,060.18	3,000.00	0.00	0.00	0.00	3,000.00	0.00
590-547.000-727.800	SUPPLIES - MISC. CHEMICALS	315.00	1,500.00	0.00	315.00	0.00	1,500.00	0.00
590-547.000-730.039	BPU VEHICLE MAINT/SUPPLIES	2,562.88	1,000.00	0.00	0.00	0.00	1,000.00	0.00
590-547.000-740.000	FUEL AND LUBRICANTS	2,358.75	3,000.00	150.09	693.09	150.09	2,849.91	5.00
590-547.000-742.000	CLOTHING / UNIFORMS	280.17	500.00	0.00	0.00	0.00	500.00	0.00
590-547.000-801.000	CONTRACTUAL SERVICES	78,269.96	110,000.00	7,913.16	4,167.41	4,861.66	102,086.84	7.19
590-547.000-801.200	COMPUTER	1,194.37	0.00	0.00	358.46	0.00	0.00	0.00
590-547.000-850.000	INSURANCE	14,178.35	14,400.00	2,454.28	2,271.72	1,227.14	11,945.72	17.04
590-547.000-861.000	TRAINING & SEMINARS	355.00	1,500.00	0.00	220.00	0.00	1,500.00	0.00
590-547.000-920.400	UTILITIES - GAS	9,538.29	12,000.00	4,549.73	0.00	4,507.13	7,450.27	37.91
590-547.000-920.500	UTILITIES - REFUSE	0.00	2,000.00	0.00	0.00	0.00	2,000.00	0.00
590-547.000-921.000	INTERDEPARTMENTAL EXPENSE	72,795.00	0.00	14,445.00	0.00	7,077.00	(14,445.00)	100.00
590-547.000-930.000	REPAIRS & MAINTENANCE	49,643.66	35,000.00	492.81	3,435.63	492.81	34,507.19	1.41
590-547.000-930.900	REPAIRS & MAINT - LABORATORY	2,760.29	2,000.00	0.00	200.00	0.00	2,000.00	0.00
590-547.000-968.000	DEPRECIATION	98,022.12	280,000.00	19,641.94	16,062.76	9,820.96	260,358.06	7.01
TOTAL EXPENDITURES		589,485.80	736,310.00	101,882.44	78,386.46	66,358.21	634,427.56	13.84
Net - Dept 547.000 - TREATMENT		(589,485.80)	(736,310.00)	(101,882.44)	(78,386.46)	(66,358.21)	(634,427.56)	
TOTAL REVENUES		2,336,836.70	2,443,805.00	396,985.16	360,106.38	208,468.27	2,046,819.84	16.24
TOTAL EXPENDITURES		1,484,832.07	2,169,292.00	217,469.28	195,565.82	138,779.45	1,951,822.72	10.02
NET OF REVENUES & EXPENDITURES		852,004.63	274,513.00	179,515.88	164,540.56	69,688.82	94,997.12	65.39

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BGD USED
Fund 591 - WATER FUND								
Dept 000.000								
Revenues								
591-000.000-426.000	INTERDEPARTMENTAL REVENUE	11,022.35	12,000.00	2,145.68	642.10	942.58	9,854.32	17.88
591-000.000-529.000	FEDERAL GRANT	106,204.87	0.00	0.00	0.00	0.00	0.00	0.00
591-000.000-660.000	RESIDENTIAL SALES	652,636.77	747,100.00	126,455.99	109,311.56	65,062.07	620,644.01	16.93
591-000.000-661.000	BUSINESS SALES	144,039.34	173,700.00	33,121.33	29,548.00	17,724.45	140,578.67	19.07
591-000.000-662.000	COMMERCIAL SALES	277,096.26	339,300.00	59,689.42	52,806.08	31,979.31	279,610.58	17.59
591-000.000-663.000	INDUSTRY SALES	171,109.08	192,000.00	38,467.18	29,685.55	21,365.42	153,532.82	20.43
591-000.000-665.000	INTEREST	14,603.68	15,000.00	533.33	2,228.22	266.12	14,466.67	3.56
591-000.000-665.100	CHANGE IN INVESTMENTS	2,495.06	1,570.00	(264.55)	1,049.85	(127.20)	1,834.55	(16.85)
591-000.000-668.000	APARTMENT SALES	243,681.07	279,200.00	45,019.62	41,388.09	23,902.29	234,180.38	16.12
591-000.000-669.000	LATE CHARGES	2,923.70	4,100.00	497.17	848.87	316.83	3,602.83	12.13
591-000.000-673.001	GAIN ON SALE OF PROPERTY	2,858.01	0.00	0.00	0.00	0.00	0.00	0.00
591-000.000-691.000	INVENTORY ADJUSTMENT	(3,729.44)	0.00	2,628.53	0.00	(641.99)	(2,628.53)	100.00
591-000.000-692.001	OTHER REVENUE - MISC OPERATIN	25,615.01	18,500.00	4,769.58	3,171.40	3,745.00	13,730.42	25.78
591-000.000-693.000	MISC NON-OPERATING INCOME	3,391.14	4,000.00	924.87	470.19	380.88	3,075.13	23.12
591-000.000-693.001	MISC NON-OPERATING INCOME-WEL	3,072.50	4,000.00	0.00	0.00	0.00	4,000.00	0.00
TOTAL REVENUES		1,657,019.40	1,790,470.00	313,988.15	271,149.91	164,915.76	1,476,481.85	17.54
Net - Dept 000.000		1,657,019.40	1,790,470.00	313,988.15	271,149.91	164,915.76	1,476,481.85	
Dept 175.000 - ADMINISTRATIVE SERVICES								
Expenditures								
591-175.000-702.000	WAGES	120,368.19	167,630.00	17,588.73	15,246.03	10,396.85	150,041.27	10.49
591-175.000-703.000	OVERTIME PAY	773.04	2,000.00	102.19	323.07	81.59	1,897.81	5.11
591-175.000-704.000	SICK TIME PAY	5,670.70	10,460.00	876.79	413.55	446.61	9,583.21	8.38
591-175.000-705.000	VACATION TIME PAY	11,450.27	15,540.00	3,816.70	3,099.81	1,867.01	11,723.30	24.56
591-175.000-706.000	PERSONAL TIME PAY	4,224.95	3,935.00	0.00	47.42	0.00	3,935.00	0.00
591-175.000-707.000	LONGEVITY PAY	1,880.00	1,300.00	0.00	0.00	0.00	1,300.00	0.00
591-175.000-710.000	HOLIDAY AND OTHER PAY	16,496.31	15,000.00	1,579.17	1,367.44	197.66	13,420.83	10.53
591-175.000-715.000	HEALTH AND LIFE INSURANCE	67,479.57	77,825.00	12,676.97	10,459.72	5,433.69	65,148.03	16.29
591-175.000-716.000	RETIREMENT	45,121.47	53,160.00	8,176.07	3,471.92	3,822.82	44,983.93	15.38
591-175.000-717.000	WORKERS' COMPENSATION	5,635.16	16,410.00	729.64	416.00	364.82	15,680.36	4.45
591-175.000-718.000	UNEMPLOYMENT INSURANCE	1,050.00	0.00	0.00	0.00	0.00	0.00	0.00
591-175.000-720.000	EMPLOYER'S FICA	11,096.04	16,515.00	1,654.33	1,400.72	930.81	14,860.67	10.02
591-175.000-721.000	DISABILITY INSURANCE	1,325.40	2,660.00	201.90	183.80	100.95	2,458.10	7.59
591-175.000-725.100	MISCELLANEOUS FRINGE EXPENSE	(90,133.11)	(116,400.00)	(16,796.31)	(11,017.20)	(7,249.98)	(99,603.69)	14.43
591-175.000-726.000	SUPPLIES	6,889.52	7,000.00	92.57	1,487.73	38.01	6,907.43	1.32
591-175.000-726.200	OFFICE SUPPLIES	0.00	0.00	0.00	5.50	0.00	0.00	0.00
591-175.000-726.202	SUPPLIES - COMPUTER	79.98	4,000.00	93.95	0.00	0.00	3,906.05	2.35
591-175.000-726.591	SUPPLIES-WELLHEAD PROTECTION	1,646.67	0.00	0.00	823.33	0.00	0.00	0.00
591-175.000-730.039	BEU VEHICLE MAINT/SUPPLIES	2,287.76	3,000.00	129.04	0.00	0.00	2,870.96	4.30
591-175.000-801.000	CONTRACTUAL SERVICES	30,145.33	44,500.00	2,892.24	3,825.32	1,655.26	41,607.76	6.50
591-175.000-801.200	COMPUTER	15,074.19	24,475.00	2,790.39	1,016.29	1,729.96	21,684.61	11.40
591-175.000-806.000	LEGAL SERVICES	196.24	2,000.00	14.06	37.50	14.06	1,985.94	0.70
591-175.000-808.000	AUDITING SERVICES	3,018.75	3,500.00	0.00	0.00	0.00	3,500.00	0.00
591-175.000-810.000	DUES AND SUBSCRIPTIONS	6,517.73	7,500.00	337.04	980.32	178.83	7,162.96	4.49
591-175.000-820.000	PILOT	89,512.25	103,000.00	18,165.21	15,764.36	18,165.21	84,834.79	17.64
591-175.000-850.000	INSURANCE	7,246.03	7,875.00	1,095.60	1,319.68	547.80	6,779.40	13.91
591-175.000-860.000	TRANSPORTATION AND MILEAGE	6.09	0.00	0.00	0.00	0.00	0.00	0.00
591-175.000-861.000	TRAINING & SEMINARS	2,039.91	2,500.00	20.62	110.89	20.62	2,479.38	0.82
591-175.000-861.100	TRAINING & SEMINARS - TEC SER	162.71	1,500.00	0.00	0.00	0.00	1,500.00	0.00

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDDT USED
Fund 591 - WATER FUND								
Expenditures								
591-175.000-862.000	LODGING AND MEALS	79.38	200.00	0.00	0.00	0.00	200.00	0.00
591-175.000-905.000	PUBLISHING / NOTICES	570.87	750.00	0.00	0.00	0.00	750.00	0.00
591-175.000-920.200	UTILITIES - WATER	0.00	0.00	0.00	643.75	0.00	0.00	0.00
591-175.000-920.400	UTILITIES - GAS	1,113.60	500.00	71.14	(111.79)	45.59	428.86	14.23
591-175.000-921.000	INTERDEPARTMENTAL EXPENSE	3,178.25	3,500.00	590.75	0.00	296.25	2,909.25	16.88
591-175.000-925.000	TELEPHONE	5,894.40	2,000.00	771.63	380.67	419.99	1,228.37	38.58
591-175.000-930.000	REPAIRS & MAINTENANCE	2,467.82	7,500.00	1,178.43	115.00	1,158.43	6,321.57	15.71
591-175.000-955.000	MISCELLANEOUS	162.00	0.00	0.00	0.00	0.00	0.00	0.00
591-175.000-963.000	WRITE OFF BAD DEBT(S)	7,148.55	0.00	0.00	0.00	0.00	0.00	0.00
591-175.000-968.000	DEPRECIATION	16,387.64	16,600.00	1,439.23	2,911.01	719.63	15,160.77	8.67
591-175.000-995.000	DEBT SERVICE - INTEREST	1,515.45	1,100.00	179.70	354.60	89.85	920.30	16.34
591-175.000-995.101	TRANSFER OUT TO CITY	30,827.31	52,260.00	0.00	0.00	0.00	52,260.00	0.00
TOTAL EXPENDITURES		436,606.42	561,295.00	60,467.78	55,076.44	41,472.32	500,827.22	10.77
Net - Dept 175.000 - ADMINISTRATIVE SERVICES		(436,606.42)	(561,295.00)	(60,467.78)	(55,076.44)	(41,472.32)	(500,827.22)	
Dept 543.000 - PRODUCTION								
Expenditures								
591-543.000-702.000	WAGES	5,048.47	7,000.00	801.58	563.39	304.65	6,198.42	11.45
591-543.000-703.000	OVERTIME PAY	2,247.17	3,000.00	278.89	238.41	129.24	2,721.11	9.30
591-543.000-720.000	EMPLOYER'S FICA	510.61	765.00	78.80	56.62	29.92	686.20	10.30
591-543.000-725.100	MISCELLANEOUS FRINGE EXPENSE	4,133.64	6,985.00	746.08	432.62	214.98	6,238.92	10.68
591-543.000-801.000	CONTRACTUAL SERVICES	5,022.02	4,000.00	0.00	2,285.00	0.00	4,000.00	0.00
591-543.000-850.000	INSURANCE	6,334.35	7,560.00	943.60	1,167.80	471.80	6,616.40	12.48
591-543.000-861.000	TRAINING & SEMINARS	188.22	1,000.00	0.00	0.00	0.00	1,000.00	0.00
591-543.000-921.000	INTERDEPARTMENTAL EXPENSE	29,453.00	30,000.00	4,974.00	4,322.00	2,532.00	25,026.00	16.58
591-543.000-930.000	REPAIRS & MAINTENANCE	1,451.82	5,000.00	2,581.00	0.00	2,581.00	2,419.00	51.62
591-543.000-968.000	DEPRECIATION	26,344.47	27,000.00	4,390.75	4,390.74	2,195.37	22,609.25	16.26
TOTAL EXPENDITURES		80,733.77	92,310.00	14,794.70	13,456.58	8,458.96	77,515.30	16.03
Net - Dept 543.000 - PRODUCTION		(80,733.77)	(92,310.00)	(14,794.70)	(13,456.58)	(8,458.96)	(77,515.30)	
Dept 544.000 - DISTRIBUTION								
Expenditures								
591-544.000-702.000	WAGES	88,243.51	90,350.00	14,451.13	12,918.96	9,038.27	75,898.87	15.99
591-544.000-703.000	OVERTIME PAY	13,029.05	20,000.00	1,361.13	2,391.48	932.72	18,638.87	6.81
591-544.000-710.000	HOLIDAY AND OTHER PAY	999.96	0.00	166.66	166.66	83.33	(166.66)	100.00
591-544.000-720.000	EMPLOYER'S FICA	7,340.96	8,440.00	1,193.08	1,118.93	723.16	7,246.92	14.14
591-544.000-725.100	MISCELLANEOUS FRINGE EXPENSE	55,711.71	74,500.00	10,236.58	8,881.05	4,821.48	64,263.42	13.74
591-544.000-726.800	SUPPLIES - OPERATIONS	4,675.07	10,000.00	3,546.90	67.51	986.87	6,453.10	35.47
591-544.000-730.039	BPV VEHICLE MAINT/SUPPLIES	2,209.79	2,000.00	121.79	13.62	91.79	1,878.21	6.09
591-544.000-740.000	FUEL AND LUBRICANTS	4,717.42	6,500.00	441.08	201.12	441.08	6,058.92	6.79
591-544.000-742.000	CLOTHING / UNIFORMS	1,897.72	2,200.00	0.00	0.00	0.00	2,200.00	0.00
591-544.000-771.000	INVENTORY ADJUSTMENT	2,760.69	0.00	0.00	0.00	0.00	0.00	0.00
591-544.000-801.000	CONTRACTUAL SERVICES	18,483.50	30,000.00	4,462.00	3,323.50	2,660.00	25,538.00	14.87
591-544.000-801.200	COMPUTER	1,732.05	0.00	0.00	358.46	0.00	0.00	0.00

*NOTE: Available Balance / Pct Budget Used does not reflect amounts encumbered.

GL NUMBER	DESCRIPTION	END BALANCE 06/30/2020 NORM (ABNORM)	2020-21 AMENDED BUDGET	YTD BALANCE 08/31/2020 NORM (ABNORM)	YTD BALANCE 08/31/2019 NORM (ABNORM)	ACTIVITY FOR MONTH 08/31/20 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BGD USED
Fund 591 - WATER FUND								
Expenditures								
591-544.000-850.000	INSURANCE	14,142.76	15,750.00	2,317.60	2,396.62	1,158.80	13,432.40	14.71
591-544.000-861.000	TRAINING & SEMINARS	1,360.00	2,000.00	(320.00)	0.00	0.00	2,320.00	(16.00)
591-544.000-920.400	UTILITIES - GAS	310.65	0.00	0.00	0.00	0.00	0.00	0.00
591-544.000-921.000	INTERDEPARTMENTAL EXPENSE	2,246.00	2,500.00	245.00	315.00	159.00	2,255.00	9.80
591-544.000-930.000	REPAIRS & MAINTENANCE	104,092.82	75,000.00	3,347.63	14,056.99	2,123.20	71,652.37	4.46
591-544.000-968.000	DEPRECIATION	126,803.28	135,500.00	21,800.48	21,045.43	10,900.25	113,699.52	16.09
TOTAL EXPENDITURES		450,756.94	474,740.00	63,371.06	67,255.33	34,119.95	411,368.94	13.35
Net - Dept 544.000 - DISTRIBUTION		(450,756.94)	(474,740.00)	(63,371.06)	(67,255.33)	(34,119.95)	(411,368.94)	
Dept 545.000 - PURIFICATION								
Expenditures								
591-545.000-702.000	WAGES	45,181.09	46,400.00	7,330.01	2,379.33	4,061.09	39,069.99	15.80
591-545.000-703.000	OVERTIME PAY	8,175.86	5,000.00	899.04	687.59	410.36	4,100.96	17.98
591-545.000-720.000	EMPLOYER'S FICA	3,704.59	3,935.00	597.39	217.57	310.02	3,337.61	15.18
591-545.000-725.100	MISCELLANEOUS FRINGE EXPENSE	30,287.76	34,920.00	5,813.65	1,703.53	2,213.82	29,106.35	16.65
591-545.000-726.000	SUPPLIES	761.49	0.00	0.00	0.00	0.00	0.00	0.00
591-545.000-727.100	SUPPLIES - POTASSIUM PERMAGAN	3,564.99	14,000.00	3,564.99	0.00	3,564.99	10,435.01	25.46
591-545.000-727.200	SUPPLIES - SODIUM HYPOCHLORIT	15,862.70	15,000.00	3,436.35	1,425.00	1,550.00	11,563.65	22.91
591-545.000-727.300	SUPPLIES - FLOURIDE	4,084.24	5,000.00	0.00	0.00	0.00	5,000.00	0.00
591-545.000-727.400	SUPPLIES - PHOSPHATE	21,052.42	17,000.00	0.00	0.00	0.00	17,000.00	0.00
591-545.000-801.000	CONTRACTUAL SERVICES	2,488.29	2,000.00	0.00	0.00	0.00	2,000.00	0.00
591-545.000-850.000	INSURANCE	6,334.33	8,400.00	943.60	1,167.80	471.80	7,456.40	11.23
591-545.000-920.400	UTILITIES - GAS	2,362.86	0.00	0.00	0.00	0.00	0.00	0.00
591-545.000-921.000	INTERDEPARTMENTAL EXPENSE	74,607.00	143,500.00	15,387.00	22,573.00	6,868.00	128,113.00	10.72
591-545.000-930.000	REPAIRS & MAINTENANCE	14,874.39	15,000.00	312.52	1,677.84	237.53	14,687.48	2.08
591-545.000-968.000	DEPRECIATION	62,097.33	75,000.00	10,492.29	10,434.08	5,246.14	64,507.71	13.99
TOTAL EXPENDITURES		295,439.34	385,155.00	48,776.84	42,265.74	24,933.75	336,378.16	12.66
Net - Dept 545.000 - PURIFICATION		(295,439.34)	(385,155.00)	(48,776.84)	(42,265.74)	(24,933.75)	(336,378.16)	
TOTAL REVENUES								
TOTAL EXPENDITURES								
NET OF REVENUES & EXPENDITURES								
TOTAL REVENUES		1,657,019.40	1,790,470.00	313,988.15	271,149.91	164,915.76	1,476,481.85	17.54
TOTAL EXPENDITURES		1,263,536.47	1,513,500.00	187,410.38	178,054.09	108,984.98	1,326,089.62	12.38
NET OF REVENUES & EXPENDITURES		393,482.93	276,970.00	126,577.77	93,095.82	55,930.78	150,392.23	45.70
TOTAL REVENUES - ALL FUNDS								
TOTAL EXPENDITURES - ALL FUNDS								
NET OF REVENUES & EXPENDITURES								
TOTAL REVENUES - ALL FUNDS		16,712,210.37	17,290,250.00	3,223,811.32	3,139,159.84	1,638,454.32	14,066,438.68	18.65
TOTAL EXPENDITURES - ALL FUNDS		14,636,904.74	16,404,322.00	2,724,053.53	2,461,949.95	1,416,097.01	13,680,268.47	16.61
NET OF REVENUES & EXPENDITURES		2,075,305.63	885,928.00	499,757.79	677,209.89	222,357.31	386,170.21	56.41

10/09/2020 REVENUE AND EXPENDITURE REPORT FOR CITY OF HILLSDALE
 PERIOD ENDING 08/31/2020

MONTH ACTIVITY JULY 2020 MONTH ACTIVITY AUGUST 2020 YTD BALANCE 08/31/2020

GL NUMBER	DESCRIPTION	MONTH ACTIVITY JULY 2020	MONTH ACTIVITY AUGUST 2020	YTD BALANCE 08/31/2020
Fund 582 - ELECTRIC FUND				
Revenues				
582-000.000-426.000	INTERDEPARTMENTAL REVENUE	21,682.92	19,730.01	41,412.93
582-000.000-660.000	RESIDENTIAL SALES	497,759.33	503,593.60	1,001,352.93
582-000.000-661.000	BUSINESS SALES	118,379.88	126,097.91	244,477.79
582-000.000-662.000	COMMERCIAL SALES	278,840.78	291,919.85	570,760.63
582-000.000-663.000	INDUSTRY SALES	299,833.21	303,313.57	603,146.78
582-000.000-664.000	STREET LIGHT SALES	4,464.77	4,464.77	8,929.54
582-000.000-665.000	INTEREST	5,719.49	333.74	6,053.23
582-000.000-665.100	CHANGE IN INVESTMENTS	150.02	(1,076.88)	(926.86)
582-000.000-669.000	LATE CHARGES	1,768.19	2,401.97	4,170.16
582-000.000-673.001	GAIN ON SALE OF PROPERTY	0.00	0.00	0.00
582-000.000-692.001	OTHER REVENUE - MISC OPERATING RE	18,240.57	13,168.99	31,409.56
582-000.000-693.000	MISC NON-OPERATING INCOME	928.68	1,072.87	2,001.55
582-000.000-694.000	CASH OVER & (SHORT)	(0.12)	49.89	49.77
TOTAL REVENUES		1,247,767.72	1,265,070.29	2,512,838.01
Expenditures				
175.000	ADMINISTRATIVE SERVICES	51,840.71	210,595.38	262,436.09
543.000	PRODUCTION	1,006,206.33	839,699.41	1,845,905.74
544.000	DISTRIBUTION	92,794.25	118,037.79	210,832.04
TOTAL EXPENDITURES		1,150,841.29	1,168,332.58	2,319,173.87
TOTAL REVENUES		1,247,767.72	1,265,070.29	2,512,838.01
TOTAL EXPENDITURES		1,150,841.29	1,168,332.58	2,319,173.87
NET OF REVENUES & EXPENDITURES		96,926.43	96,737.71	193,664.14

10/09/2020 REVENUE AND EXPENDITURE REPORT FOR CITY OF HILLSDALE
 PERIOD ENDING 08/31/2020

GL NUMBER	DESCRIPTION	MONTH ACTIVITY		YTD BALANCE
		JULY 2020	AUGUST 2020	
Fund 590 - SEWER FUND				
Revenues				
590-000.000-426.000	INTERDEPARTMENTAL REVENUE	518.93	523.83	1,042.76
590-000.000-529.000	FEDERAL GRANT	0.00	0.00	0.00
590-000.000-660.000	RESIDENTIAL SALES	83,241.52	86,827.31	170,068.83
590-000.000-661.000	BUSINESS SALES	12,733.05	13,527.37	26,260.42
590-000.000-662.000	COMMERCIAL SALES	26,924.63	29,818.21	56,742.84
590-000.000-663.000	INDUSTRY SALES	29,153.05	36,476.64	65,629.69
590-000.000-665.000	INTEREST	117.10	116.93	234.03
590-000.000-668.000	APARTMENT SALES	29,960.64	33,905.99	63,866.63
590-000.000-669.000	LATE CHARGES	253.95	474.10	728.05
590-000.000-691.000	INVENTORY ADJUSTMENT	(286.78)	286.78	0.00
590-000.000-692.001	OTHER REVENUE - MISC OPERATING RE	5,596.82	6,370.24	11,967.06
590-000.000-693.000	MISC NON-OPERATING INCOME	303.98	140.87	444.85
TOTAL REVENUES		188,516.89	208,468.27	396,985.16
Expenditures				
175.000	ADMINISTRATIVE SERVICES	30,289.06	58,145.15	88,434.21
546.000	OPERATIONS	12,876.54	14,276.09	27,152.63
547.000	TREATMENT	35,524.23	66,358.21	101,882.44
TOTAL EXPENDITURES		78,689.83	138,779.45	217,469.28
TOTAL REVENUES		188,516.89	208,468.27	396,985.16
TOTAL EXPENDITURES		78,689.83	138,779.45	217,469.28
NET OF REVENUES & EXPENDITURES		109,827.06	69,688.82	179,515.88

10/09/2020 REVENUE AND EXPENDITURE REPORT FOR CITY OF HILLSDALE
 PERIOD ENDING 08/31/2020

GL NUMBER	DESCRIPTION	MONTH ACTIVITY JULY 2020	MONTH ACTIVITY AUGUST 2020	YTD BALANCE 08/31/2020
Fund 591 - WATER FUND				
Revenues				
591-000.000-426.000	INTERDEPARTMENTAL REVENUE	1,203.10	942.58	2,145.68
591-000.000-660.000	RESIDENTIAL SALES	61,393.92	65,062.07	126,455.99
591-000.000-661.000	BUSINESS SALES	15,396.88	17,724.45	33,121.33
591-000.000-662.000	COMMERCIAL SALES	27,710.11	31,979.31	59,689.42
591-000.000-663.000	INDUSTRY SALES	17,101.76	21,365.42	38,467.18
591-000.000-665.000	INTEREST	267.21	266.12	533.33
591-000.000-665.100	CHANGE IN INVESTMENTS	(137.35)	(127.20)	(264.55)
591-000.000-668.000	APARTMENT SALES	21,117.33	23,902.29	45,019.62
591-000.000-669.000	LATE CHARGES	180.34	316.83	497.17
591-000.000-691.000	INVENTORY ADJUSTMENT	3,270.52	(641.99)	2,628.53
591-000.000-692.001	OTHER REVENUE - MISC OPERATING RE	1,024.58	3,745.00	4,769.58
591-000.000-693.000	MISC NON-OPERATING INCOME	543.99	380.88	924.87
TOTAL REVENUES		149,072.39	164,915.76	313,988.15
Expenditures				
175.000	ADMINISTRATIVE SERVICES	18,995.46	41,472.32	60,467.78
543.000	PRODUCTION	6,335.74	8,458.96	14,794.70
544.000	DISTRIBUTION	29,251.11	34,119.95	63,371.06
545.000	PURIFICATION	23,843.09	24,933.75	48,776.84
TOTAL EXPENDITURES		78,425.40	108,984.98	187,410.38
TOTAL REVENUES		149,072.39	164,915.76	313,988.15
TOTAL EXPENDITURES		78,425.40	108,984.98	187,410.38
NET OF REVENUES & EXPENDITURES		70,646.99	55,930.78	126,577.77

10/09/2020 REVENUE AND EXPENDITURE REPORT FOR CITY OF HILLSDALE
 PERIOD ENDING 08/31/2020

GL NUMBER	DESCRIPTION	MONTH ACTIVITY		YTD BALANCE
		JULY 2020	AUGUST 2020	

TOTAL REVENUES - ALL FUNDS		1,585,357.00	1,638,454.32	3,223,811.32
TOTAL EXPENDITURES - ALL FUNDS		1,307,956.52	1,416,097.01	2,724,053.53
NET OF REVENUES & EXPENDITURES		277,400.48	222,357.31	499,757.79

**Hillsdale Board of Public Utilities
Capital Projects
Electric Fund (582)
August 31, 2020**

FYE 2020	Project #	Budget	Encumbered	Spent	Balance
Distribution Automation and Monitoring	191002	50,000.00			50,000.00
Voltage Upgrade	191006	500,000.00		11,787.54	488,212.46
Distribution Expansion & Upgrade	201001	50,000.00		9,761.81	40,238.19
Substation Equipment Updates	201002	2,059,500.00	7,153.00	8,355.46	2,043,991.54
Pole Condition Survey/Testing	201008	140,000.00		11,714.62	128,285.38
New Storage/Equipment Building		110,000.00			110,000.00
Relace Digger Truck 39-03		325,000.00			325,000.00
BPU Office Sidewalk & Parking Lot	204002	28,400.00	30,000.00	1,475.00	(3,075.00)
		3,262,900.00	37,153.00	43,094.43	3,182,652.57

Cash/Investments Availability

Electric Fund (582)

Checking	\$ 3,362,720.40
Huntington Capital Investments	\$ 5,799,017.25
MSCPA Rate Stabilization Fund	<u>\$ 494,029.00</u>
Total Cash/Investments	<u>\$ 9,655,766.65</u>
Reserve Requirement	\$ (2,720,124.35)
Cash available for Capital Projects at 8-31-2020	<u>\$ 6,935,642.30</u>

Electric Cash Reserve Requirements:		Based FYE 2019 Audit Figures	
Cash Flow Criteria	Percentage of item to be held as Cash or Cash equivalent	Yearly Value	Cash Reserve Required
Annual Non Fuel and Annual Non Purchased Power Expenses less depreciation	12.3%	\$ 2,175,058.00	267,532.13
Annual Purchased Power Cost Including Debt	4.7%	\$ 8,607,248.00	404,540.66
Historical Value of Assets	3.0%	\$ 28,683,814.00	860,514.42
Annual Debt Payments Not Included in Purchased Power	100.0%	\$ 226,737.14	226,737.14
Five Year Capital Plan Not Funded By Debt	20.0%	\$ 4,804,000.00	960,800.00
Total Cash Reserve Requirements			2,720,124.35

**BPU
Capital Projects
Water Fund (591)
August 31, 2020**

FYE 2020	Project #	Budget	Encumbered	Spent	Balance
Replace Media in Two Water Filters	213001	455,500.00		434,009.17	21,490.83
Well Maintenance	213002	26,000.00			26,000.00
Replacement PLC at WTP	213003	87,000.00	98,945.00		(11,945.00)
AMI Water Meter Node Replacement	213004	22,000.00	25,255.20		(3,255.20)
Uran Street Water Tower Maintenance		700,000.00			700,000.00
Replace High Service Pump VFD's		32,100.00			32,100.00
Replacement of Water Main on Arbor Ct & Elm Ct		200,000.00			200,000.00
BPU Office Sidewalk & Parking Lot	204002	14,200.00	15,000.00	437.50	(1,237.50)
		1,522,600.00	124,200.20	434,009.17	964,390.63

Cash/Investments Availability

Water FUND (591)

Checking	\$ 224,604.62
Huntington Capital Improvement Investment	<u>726,080.04</u>
Total Cash/Investments	<u>\$ 950,684.66</u>
Reserve Requirement	\$ (638,270.22)
Cash available for Capital Projects at 8-31-2020	<u>\$ 312,414.44</u>

Water Cash Reserve Requirements:		Based FYE 2019 Audit Figures	
Cash Flow Criteria	Percentage of Item to be held as Cash or Cash equivalent	Yearly Value	Cash Reserve Required
Annual operating expenses less depreciation	12.30%	\$ 1,020,705.00	\$ 125,546.72
Historical Value of Assets	0.50%	\$ 6,579,101.00	\$ 32,895.51
Annual debt payments	100%	\$ 40,428.00	\$ 40,428.00
Five Year Capital Plan Not Funded By Debt	20%	\$ 2,197,000.00	\$ 439,400.00
			\$ -
Total Cash Reserve Requirements			\$ 638,270.22

**Hillsdale Board of Public Utilities
Capital Projects
Sewer Fund (590)
August 31, 2020**

FYE 2020	Project #	Budget	Encumbered	Spent	Balance
North Clarifier Sweep Replacement	212001	37,000.00	36,705.02		294.98
MCC Panel Replacement WWTP		20,000.00			20,000.00
Replace Sewer Line - Elm Court		66,763.00			66,763.00
Tertiary VFD Controls		43,000.00			
Aerator Gear Box		7,000.00			
Manhole Repair & Replacement		20,000.00			
BPU Office Sidewalk & Parking Lot	204002	14,200.00	15,000.00	437.50	(1,237.50)
		<u>207,963.00</u>	<u>51,705.02</u>	<u>437.50</u>	<u>85,820.48</u>

Cash/Investments Availability

Sewer Fund (590)

Checking	\$ 379,560.62
Sewer SRF Checking	-
Debt Service	599,516.34
Bond Reserve	603,893.28
Total Cash/Investments	<u>\$ 1,582,970.24</u>
Reserve Requirement	\$ (1,153,774.06)
Cash available for Capital Projects at 8-31-2020	<u>\$ 429,196.18</u>

Sewer Cash Reserve Requirements:		Based FYE 2019 Audit Figures	
Cash Flow Criteria	Percentage of item to be held as Cash or Cash equivalent	Yearly Value	Cash Reserve Required
Annual operating expenses less depreciation	12.30%	\$ 1,250,788.00	\$ 153,846.92
Historical Value of Assets	0.50%	\$ 15,654,828.00	\$ 78,274.14
Annual debt payments	100%	\$ 566,253.00	\$ 566,253.00
Five Year Capital Plan Not Funded By Debt	20%	\$ 1,777,000.00	\$ 355,400.00
			\$ -
Total Cash Reserve Requirements			\$ 1,153,774.06

Hillsdale Board of Public Utilities
Accounts Receivable Aging Report
August 31, 2020

	<u>Amount</u>	<u>Number of Accounts</u>
Current	\$1,182,366.52	4224
Less than 30 Days	\$151,119.24	824
30 Days	\$22,497.24	297
60 Day	\$10,270.69	142
90 Day	\$16,984.26	123
180 + Days	\$141,716.98	593
Total Accounts Receivable	<u>\$1,524,954.93</u>	<u>6203</u>

Directors Report

October 13, 2020

Board Meeting

Michigan South Central Power Update

AFEC

AFEC performance during the month of August was above projections with a capacity factor of 63.0%, a utilization factor of 74.2%.

Hydroelectric

Hydro generation combined electric production for the month of August 2020 was slightly above projections for the month. Production at Willow was below projections due to river low flow. However, Meldahl, Cannelton and Smithland at the lower end of the Ohio River achieved higher than projected production due to favorable river conditions. Smithland set a record production month with 91% capacity factor. Greenup Unit 3 remained offline due to an electrical exciter failure on June 5th; unit anticipated to return to service by October 2020.

Coldwater Peaking Project

AMP and MPPA are holding monthly coordination meetings on the project. Based on Board approval Kiewit is performing a review and evaluation of the latest cost proposal for the construction of the Coldwater Peaking Project and Total Care Service Agreement. Kiewit has completed their draft report. There is a 6-8 week delay in the MISO Que for the study of this project.

Capacity

MSCPA Staff plans to have a discussion in closed session during the November Board meeting on capacity resource options.

Audit

MSCPA has completed its annual audit with no issues to disclose. The report is in the packet.

Voltage Upgrade

The engineer is working on construction drawings of the project. BPU staff is organizing the surveying services for the site along with the geotechnical evaluation services. Once these services are approved we can expect a report in approximately two months.

Water Service Potholing

As of 10/7 we had completed potholing on 389 addresses with 70 not being accessible as they were under concrete or asphalt.

Of these 204 completed the following was found:

City Side (Lead/Galvanized):	14
Customer Side (Lead/Galvanized):	56
<u>Both Sides (Lead/Galvanized):</u>	<u>27</u>
Total Lead/Galvanized:	97

Percentage found (Lead/Galvanized): 30.4%

PubWorks Work Order Software Install

Software installation is ongoing.

Lead Line Service Replacement

We have completed 40 partial and full replacements with 34 remaining to be completed. Our original bid was for 63 services and this number has grown to 75 with others we found that needed to be addressed, including some leaking services in town that RJT has helped us with. We are consistently completing about 10 per week and expect to be completed mid to late November. We still have 5 owners that have made no contact with us for permissions to complete this work, we will continue to attempt to contact them.

Water Treatment Plant Media Replacement

As of 10/8/2020, Filter #3 has completed paint on the interior with a final coat on the exterior and inspection of the exterior 10/8. Media has begun to be added, with completion early week of 10/12.

That leaves filling, backwashing, and BacT samples before it comes on line, hopefully by the end of the week 10/12. Then we will drain Filter #2 so the exterior can be sandblasted and painted by the week of 10/19. That will complete the Filter Project for the Water Treatment Plant.

Industrial Water Tower Reconditioning

This project is currently out for bid, bids are due back on October 22, 2020 at 2:00pm. These will then be reviewed and it is anticipated these will be on the Boards Nov. agenda for award. Maintenance work is planned to begin on or after April 1, 2021 with substantial completion slated for June 30, 2021. The tank is anticipated to be out of service for approximately 55 days to complete the maintenance work on the tower.

Light Contest

Staff was approached by local radio provider WCSR and was asked to partner this year in their Christmas Tree Decorating contest. Staff discussed and decided to partner with WCSR and forego our annual Christmas light contest. The cost is \$500 plus a gift for a winner, the gift for the winner from the BPU will be a \$100 credit for a customer's utility bill. BPU will receive ads and promotion on the radio. Listeners will send pictures of their decorated tree into WCSR which will be judged and a winner will be picked and will then be able to pick a gift from under the tree.

Personnel Committee Meeting

Staff would like to schedule a personnel committee meeting to discuss staffing and succession planning for the future.

Significant Dates

Council Meeting 7:00pm	October 19, 2020
Council Meeting 7:00pm	November 2, 2020
MSCPA Board Meeting 10:00 AM	November 10, 2020
BPU Board Meeting 7:00pm	November 10, 2020

Action Items
October 13, 2020
Board Meeting

Water Treatment Plant Pressure Relief Valve Replacement

After completion of the installation of new media in two of the water filters it was discovered, through testing, that water is coming through the pressure relief valve and bypassing the filters. This water is un-filtered and therefore is not receiving any iron or manganese removal. Due to the age and inoperability of the pressure relief valve, it requires replacement. The butterfly valve that isolates the treated water from the untreated water in the system is in need of replacement as well. Artesian of Pioneer has provided a quote to replace both valves and hardware. The cost of replacing the pressure relief valve and required hardware is \$9300.00. The cost of the 10" isolation butterfly valve and hardware is \$5900.00.

Recommendation: Staff recommends Artesian of Pioneer replace both valves at the water treatment plant for the amount of \$15,200.

Electronic Payment Provider

The City of Hillsdale has been looking to improve the way our citizens and customers can pay utility bills and tax payments online and by phone. We have had several complaints from customers that the current platform is hard to use and isn't user friendly. The City currently uses the company Point & Pay for electronic and phone payments. Two vendors were compared, City Insight and Invoice Cloud. With the City wanting to provide a user friendly platform, we would recommend partnering with Invoice Cloud for our utility and tax payments. Invoice Cloud provides a user friendly online platform that can be customized by the end user to set up text message reminders, emails, pay by text features, reoccurring payment options, and the ability to pay by phone using the IVR option. Invoice Cloud has integrated with over sixty municipalities who use the same billing software as the City. With Invoice Cloud having integrations already in place with our billing vendor, there will be no setup or installation costs to the City. The current rate paid by our customers for using credit cards as a payment method is 3%, this will be the same with Invoice Cloud. Tax payments made with credit cards will be at a rate of 3.5%. Invoice Cloud will charge the utility \$100 per month for support of its services. The City can add payment options for permits, police tickets, and recreation payments at a rate of \$25 per month for each item.

Recommendation: Staff recommends moving our online payment provider to Invoice Cloud

Repair of Well Pump #5

We have Northern Pump and Well evaluate our wells and high service pumps for flow and output. They have recommended to refurbish /repair well #5. The quote for all materials and labor for removal, repair, and installation is \$13,804.25. We have budgeted \$26,000 for well maintenance this fiscal year. Northern is the company we employ to work on our well pumps.

Recommendation: Staff would recommend approving the expenditure of \$13,804.25 to have well #5 repaired and re-installed.



Phone 419.737.2352
Fax 419.737.2364
P.O. Box 247
Pioneer, OH 43554

To: Bill Briggs
City of Hillsdale, MI

Quotation No. HD-0911220-Q

Subject: Valve Upgrades

Date: September 11, 2020

QUOTATION

We are pleased to present to you the following quotation for your consideration. AOP proposes to supply to the owner materials and labor for replacing the plant bypass valve and the existing pressure relief valve:

Bypass Valve

- (1) 10" Bypass Butterfly Valve
- Hardware
- Installation

Total \$ 5,900.00

Pressure Relief Valve

- 6" Pressure Relief Valve - ClaVal
- 6" Butterfly Valve
- Bolts, Nuts and Gaskets
- New Strut for Support
- Installation

Total \$ 9,300.00

NOTES:

1. This quote does not include anything else not specifically mentioned above.
2. Customer and AOP shall agree to a schedule to perform work.
3. Water Plant will have to be shut down while work takes place.
4. AOP to reuse existing fittings for the installation of new pressure relief valve.
5. No tax added (If applicable)
6. This quote is valid for 30 days from the above date.

Quoted By _____
Ryan Burt

InvoiceCloud™

**The Next Generation of
Online Experience-
Invoice Cloud and
BS&A**

**The City of
HILLSDALE
MICHIGAN**

9/11/2020 Proposal Valid for 90 days.

Kevin Xiong
Account Executive

608-442-5061

kxiong@paymentservicenetwork.com
www.invoicecloud.com

Table of Contents

- I. **Introduction**2
 - Highlights
 - Company Mission and Objectives
- II. **Keys to Success**.....3
 - Keys to Success
- III. **The Invoice Cloud Platform**.....7
- IV. **Add-on Services**.....9
- V. **Analysis**.....11
- VI. **Pricing**..... Error! Bookmark not defined.

Introduction

Invoice Cloud is pleased to provide the City of Hillsdale with a comprehensive proposal for **electronic bill presentment and payment services**. Invoice Cloud's value proposition covers a wide spectrum. We specialize in being able to take a payment for anything online, via a mobile phone, over the counter, or over the phone (IVR). Invoice Cloud's end user experience is state of the art, and the administrative tools for reporting and reconciliation available for your staff are second to none. **As a trusted Partner of BS&A**, Invoice Cloud is uniquely well positioned to provide the City of Hillsdale and its customers the payment and e-billing experience they desire.

Highlights

- 15,000+ clients in all 50 states
- Focus on utility and municipal market
- True Cloud-based solution
- Management with deep experience in:
 - Secure payment processing, gateways
 - Billing software and integrations to CIS systems

Company Mission and Objectives

Improve **customer and client experiences** through industry focused **innovation** in vertical market software, **customer communications** and **integrated e-payments**

- **Provide a Customer Engagement e-billing platform** that lets customers see their bill and balance due and pay how they want, when they want – integrated with clients' billing software
- **Drive customer self-service conversion** from paper to electronic payments through targeted reminders and design of the platform
- **Continually deliver the latest payment technology** through our Software as a Service (SaaS) platform, so our clients are always technology leaders
- **Increase operational efficiency and decrease costs**
- for the billing organization

Keys to Success

Invoice Cloud is uniquely positioned to provide **the City of Hillsdale** EBPP services based on our experience integrating with over 100 billing platforms. These integrations are a key component of providing what you are requesting for your long term objectives. Our expertise is integrating with billing software platforms to provide the best e-billing and online payments (EBPP) solutions for local government and utility clients. Electronic Bill Presentment and Payment (EBPP) is all Invoice Cloud does and we make it VERY simple for the Customer. Integrating to the BS&A software and/or any other department's software in the future is part of the Invoice Cloud service and is done at no cost to the City of Hillsdale. This will give the city the ability to expand the platform with other bills and statements in the future.

A quick list of some of the unique qualifiers that Invoice Cloud possesses are:

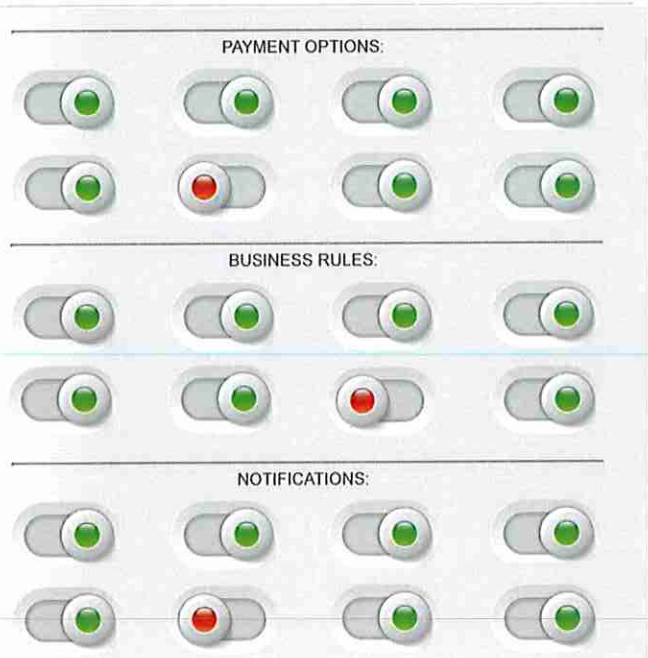
- A. **Customer Communication** – We have 29 email templates built into the engine and you have control over editing all of them. Unlike our competition, no “tickets” need to be opened for changes to the email message content – it’s all self-service.
- B. **Support** – Since Invoice Cloud is the only true SaaS provider (single instance, multi-tenant) in this space, there is no need to upload patches and upgrades to each individual client site. When Invoice Cloud provides an enhancement to the system, everyone gets it automatically and can elect to use it or not.
- C. **Account Linking** – automatic linking of Customer accounts which are registered by customers who use the same email address. This means payments can be made on several bills at once and email communications are consolidated for all bills with the same due date.
- D. **Built-in IVR**, integrated directly with Invoice Cloud so payments automatically update TBS. This is an option that many of our clients find valuable.
- E. **Mobile Optimization** – Best in class mobile experience without having to download an app. Payment screens are easy to navigate on a smart phone, giving an app-like user experience.
- F. **Pay by Text** – This new feature was released this past fall and lets payers opt to receive notices, alerts and reminders by text message. They will be able to view bills from a link in reminder notices or simply type “Pay” to pay a bill if they have a card or bank account on file.

Keys to Success

SaaS Technology: Secure Cloud Based

SaaS

Software as a Service and the *Single Instance Multi-tenant Platform* allows Invoice Cloud to be a leader in delivering features

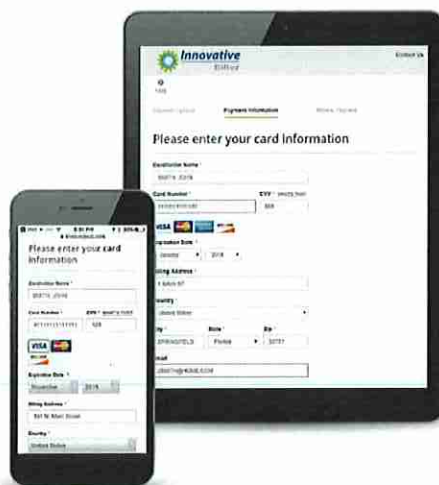


PCI Level 1 Security

Double Data Encryption — the highest level of security



Mobile: Responsive Design



e-Billing: Enhanced with 29 event driven emails

Innovative Biller

You have a new invoice from **Innovative Biller!** [View Invoice or Pay Now](#)

Dear Steven L. Smith,

Account Information

Account Number: 9999
 Invoice Number: BMV-0688
 Invoice Due Date: 10/27/2017
 Balance Due: \$191.59

FINAL NOTICE

Your payment has not been received and this invoice is still pending. If you have already paid this invoice, please disregard this email.

This is the last email notice that you will receive regarding making an on-time payment. Your invoice is available to view and pay online.

It is very easy to access your invoice, just click on the **View Invoice or Pay Now** button or log on to our Customer Portal at <https://www.invoicecloud.com/jsmithtest>.

To access your invoice, please click the **View Invoice or Pay Now** button or log on to our Customer Portal at <https://www.invoicecloud.com/jsmithtest>.

You may also access your invoice via our Customer Portal at <https://www.invoicecloud.com/jsmithtest>.

UPCOMING EVENTS

10/27/2017
 Balance Due: \$191.59

E-mail Reminders

- Up to **3** reminders per bill
- Up to **29** branded e-mails based on events

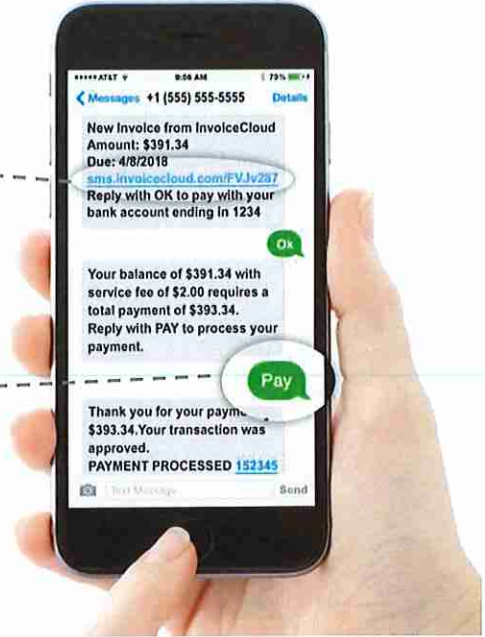
Pay By Text & Text Reminders

Pay By Text

Customers access the **mobile optimized payment** channel by clicking on the link

OR

Registered customers with **stored remittance information** can Pay By Text by responding to the text with "Pay"



Pay by Phone

IVR

Get your **balance and pay** with *Interactive Voice Response* – works with voice or keypad



The Invoice Cloud Platform

BS&A has partnered with Invoice Cloud to provide an easy to use, secure web based electronic invoice presentment and payment solution that reduces costs and significantly increases online payments.

The City of Hillsdale and its residents would receive the following benefits from implementing Invoice Cloud Electronic Bill Presentment & Payment platform:

- **Extensive Customer Portal to view and/or pay bills:**
 - View 24 months of billing and payment history (no registration required)
 - Store bank account and/or credit card information on the Invoice Cloud secure site for future payments, scheduled payments, or auto-pay
 - Sign up for auto-pay, schedule a single payment, or create their own 'budget' payment schedule
 - Payers can view payment history online, even if their payments were made in cash at the window because we synchronize with your billing software. **Improves 24/7 customer self-serve options.**
- **Improve communications with payers by offering a comprehensive, automated e-mail communication platform:**
 - Invoice Cloud provides 29 e-mail templates branded as the biller, each sent to their payers based on certain events. Here are a few examples:
 - 3 e-mail reminders per bill (crucial for driving e-adoption—online payments and paperless); once a payment is made once, payer will get an e-mail reminder next bill run even if not signed up for paperless.
 - Payment confirmation receipt
 - Auto-Pay/Scheduled payment reminder
 - Credit Card expiration notification (if the credit card on file is expiring)
 - ACH Reject notification
- **Extensive Web and Mobile payment options—all self-serve between Invoice Cloud and your payers:**
 - 'One-time pay'—no registration required: **this is CRITICAL for driving online payment adoption**
 - Scheduled Payments – schedule a single payment for a *future* date
 - Auto-Pay – recurring monthly payments paid on a date determined by the Biller
 - Flex-Pay – payers create their own 'budget' payment schedule within a billing cycle
 - **Account Linking:** pay multiple bills at once for multiple properties, plus manage all accounts through one registration
- **Accept payments in any manner - Online, Over the Counter, Mobile, IVR - through a single provider:**
 - Using Invoice Cloud will give you a single source of reconciliation on the back end for all invoice and payment types
 - Go to one location to see a real time log of all payments made so far for the day

- **Significantly improve your e-adoption rates:**
 - We strive for 35% + payment adoption with our monthly billers within 2 years and 15-20% paperless registration in that same time frame.
 - The average Invoice Cloud monthly biller achieves or exceeds these numbers.
- **Mobile Responsive Site Design:**
 - Responsive design provides ‘app-like’ experience without downloading an app.
 - **48% of Invoice Cloud’s payments are made through mobile devices (smartphones and tablets)**
- **Pay by Text:**
 - Residents may opt to receive communications by text as well as by email.
 - Texts messages for bill reminders will have a link for viewing and paying bills.
 - A customer that has a card or bank account on file may pay a bill simply by typing “OK”, then “Pay”.
 - A customer may opt out of receiving text messages by typing “Stop”.
- **Pay-by-Phone IVR:**
 - Cloud-based payment IVR with toll-free number, real-time account balance look-up, and credit/debit and e-check payment options.
- **Cloud Store™:**
 - The IC Cloud Store platform allows our Billers to take payments online for non-invoiced or low volume payments, such as Utility Deposits, Permits and Licensing.
- **Extensive Biller Portal for administration and reconciliation:**
 - **The Biller Portal combines the Administrative and CSR tools of our e-billing platform with ACH and Credit Card processing data.** With role-based permissions, Admin Users have the ability to:
 - See all payments through Invoice Cloud payment channels in real time
 - View daily statistics for Auto-Pay, Paperless and Registration adoption
 - Create customized reports or access multiple “canned” reports for various activities – with export to Excel files
 - Log-in as the customer to help with customer service issues (take payments, password re-set, re-send email receipts or e-bill notifications, etc.)
 - Void payments, issue credits, process new payments with previously used payment method
 - Extensive reconciliation reporting with ACH Reject & Credit Card Chargeback reporting, Deposit Reconciliation reporting all built into advanced platform
 - View and e-mail an exact copy of the bill anytime
 - Self-service to edit content, add hyper-links, add variable fields, and send test emails for all email notifications

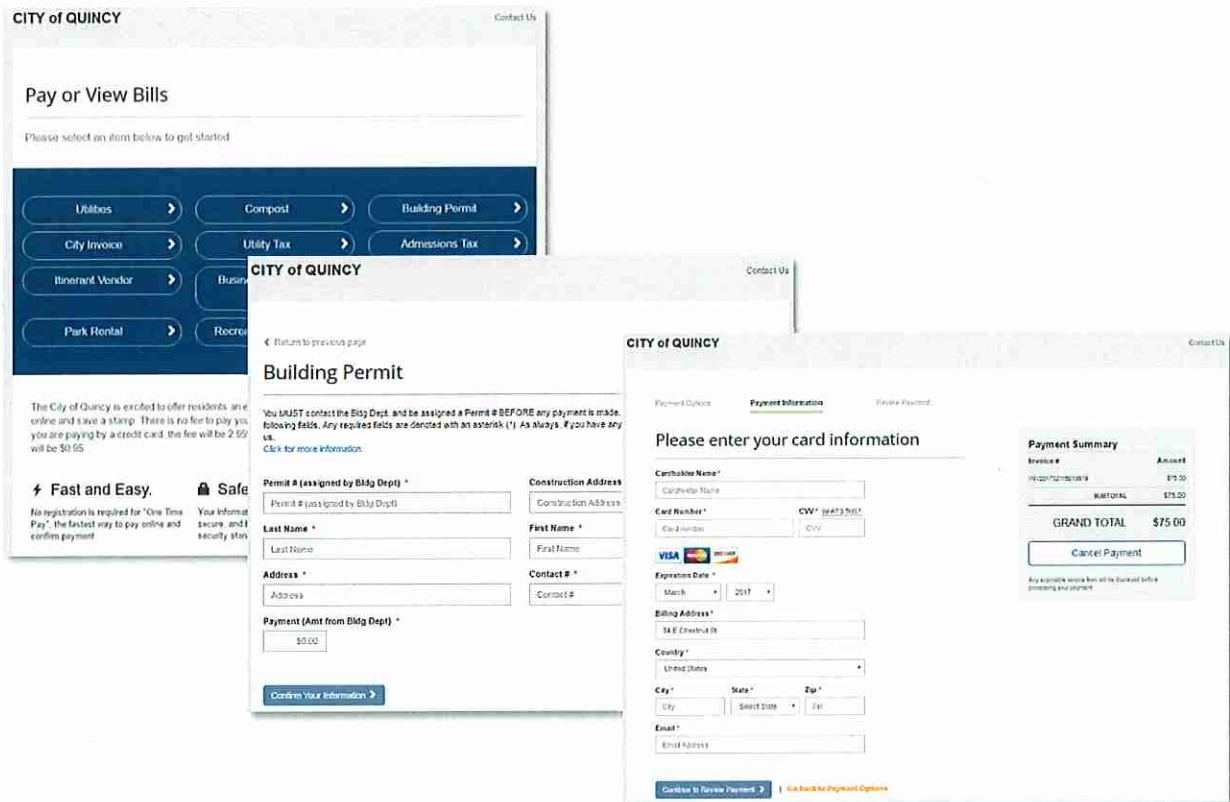
Add-on Services

IC Cloud Store™

The IC Cloud Store allows Billers to accept payments for non-invoiced services like airport fees, library services, fire, police, building permits, or activity programs. IC Cloud Store is also available for Utility Billing for one-time payments when an integration with the billing software is not available or feasible. Cloud Store Billers will have access to the same reporting functionality in our Biller Portal.

The following options are available with IC Cloud Store:

- Accept one-time electronic check and or credit/debit card payments.
- Payer receives immediate email confirmation of payment.
- Department receives email notification of purchase event for instant fulfillment services.
- Ability to apply convenience fees, if required.
- Reporting by service type.
- Linked to County branded payment portal.
- Each service type can have its own online registration form.
- Payment and form data is available for search and export into an Excel file.
- Can be setup to accept payments over the counter with credit/debit card readers.



IC Online Bank Direct

Benefits of registered billers with online banks:

- Customer payments are **electronically deposited**
- Payments are **reported next day** and **deposited within 48 hours**
- Paper **checks are eliminated**
- Spend **less time matching electronic payments with open invoices**. View OBD match suggestions in a simple interface where CSRs verify the right matches with a click — then are **“remembered” and matched automatically next time**.



- OBD payment file is uploaded to the biller portal
- Payments are auto-matched by the system
- Pending payments are matched by a CSR

Payment File

Pay

APRIL DEFINA Form: ALL/2018

Please select an invoice to apply this Payment to from the list of invoices below. If you do not select an invoice and do not upload the Payment file, you continue to be prompted until you upload your Payment file.

Invoice #	Invoice #	Inv. Date	Amount	Customer	Inv. Amt.	App. Inv. Options
010712	010712	01/1/2018	100.00	APRIL DEFINA	\$100.00	AP
010713	010713	01/01/2017	100.00	APRIL DEFINA	\$100.00	AP
010714	010714	01/01/2017	100.00	APRIL DEFINA	\$100.00	AP
010715	010715	01/01/2017	100.00	APRIL DEFINA	\$100.00	AP

APRIL DEFINA Form: ALL/2018

This Payment will be applied to the amount of \$100.00.

Please select an invoice you would like to apply this Payment to. If applicable, you have pre-selected Payment. If this is intended, please select the correct invoice. You may also search for other invoices by clicking on the search icon.

Invoice #	Invoice #	Inv. Date	Amount	Customer
010712	010712	01/01/2018	100.00	APRIL DEFINA
010713	010713	01/01/2017	100.00	APRIL DEFINA
010714	010714	01/01/2017	100.00	APRIL DEFINA
010715	010715	01/01/2017	100.00	APRIL DEFINA

Analysis

We believe that Invoice Cloud is uniquely qualified to provide the **City of Hillsdale** and its residents with a highly secure online payment processing system that makes it easy and convenient for residents to pay their utility and tax bills in a great variety of ways while saving time and effort for the billing staff.

Adoption of electronic payments will be achieved through the communication engine that Invoice Cloud provides along with the features that make it simple for payers to get started paying online and registering if they want to for paperless billing, AutoPay and other options. Our marketing team will also be available to assist you in getting the word out. We have consistently seen adoption much higher than industry averages even when payers are charged a convenience fee.

Web pages that are easy to access and navigate on any device with self-service features tend to reduce customer calls into the office. Customer service tools built into the Invoice Cloud Biller Portal will enable you to handle customer calls quickly and efficiently for those that may still need assistance.

The tight integration between Invoice Cloud and BS&A will save the town staff time by eliminating, automating or facilitating some of the processes that are normally done manually.

The optional Online Bank Direct option could be a time-saver for processing payments residents make through third party banking websites. It also gets the funds in your bank much sooner than waiting for paper bank-issued checks to come in the mail.

The IC Cloud Store option could be used to let residents pay online for permits, licenses and other fees.

The Invoice Cloud AutoPay system would save you from having to collect paper forms and voided checks and sending files to the bank. It also relieves the town of the security risks involved in storing individuals' bank account numbers in your office or on your computers. If you would prefer to maintain your own AutoPay system for those already using it, however, you may choose to do so.

The fees proposed to be charged by Invoice Cloud are detailed on the following page.

Invoice Cloud Fee Schedule for the City of Hillsdale, MI – Utility Payments Using Chase Paymentech as credit card processor	
Description	Fee
Integration, Deployment and Training	
Integration with BS&A Online, deployment, and training	No Charge
Account Access	
Monthly Access Fee for Branded Customer Portal and Biller Portal <i>Note: The monthly access fee covers maintenance, support, upgrades and full access to the Invoice Cloud service for the Biller and its customers.</i>	\$100.00 / month
HelpDesk Support	
Access to Invoice Cloud HelpDesk and Client Services team	No Charge
Marketing Support	
Access to Invoice Cloud’s Marketing Team to assist the Township achieve the industry’s highest payment and paperless adoption rates.	No Charge
Electronic Payment Fees – Convenience Fee Model	
Credit/Debit Cards: VISA, MasterCard, Discover and AMEX – fee per transaction paid by the customer/payer. Debit card processed as a credit card.	3.00% / per transaction \$125,000 cap/limit
E-Check – paid by the customer/payer	\$2.95 / each \$125,000 cap/limit
ACH AutoPay – paid by the customer/payer	\$0.95/ each \$125,000 cap/limit
Other Merchant Services Fees	
Credit Card Chargeback Fee – i.e. if a card is stolen and the person that owns the card disputes the charge; rarely occurs	\$15.00
ACH Reject Fee – i.e. bounced check, usually the Biller has their own fee when there is an ACH Reject which would re-coup this cost	\$15.00
IVR (Payments over the phone) *OPTIONAL*	
IVR Tech integration provided at no charge; this fee is in addition to credit card fee (paid by customer/payer) and ACH fee (paid by customer/payer); IVR fee is paid by the customer/payer.	\$.95 / per transaction
Paperless	
Fee each time an invoice does not get mailed.	\$.15 / each
Credit Card Readers *OPTIONAL*	
Intended for point of sale processing. <i>The Invoice Cloud credit card readers are intended to work with the BS&A Cash Receipting module.</i>	One included for free \$30/month for each additional
Online Bank Direct *OPTIONAL*	
Turns paper checks, which are mailed to the Township from the customer’s bank, into an electronic file that gets uploaded to the Invoice Cloud Biller Portal.	\$50.00 per month \$0.25 per matched check
Cloud Store *OPTIONAL*	
Accepts payments for rentals, parking tickets, miscellaneous receivables and business licenses, etc.	\$25 per month 3.50% per transaction(\$2.50 minimum) \$2.95 ACH

Invoice Cloud Fee Schedule for the City of Hillsdale, MI – Tax Payments	
Description	Fee
Integration, Deployment and Training	
Integration with BS&A Online, deployment, and training	No Charge
Account Access	
Monthly Access Fee for Branded Customer Portal and Biller Portal <i>Note: The monthly access fee covers maintenance, support, upgrades and full access to the Invoice Cloud service for the Biller and its customers.</i>	Included in monthly fee for utility payments
HelpDesk Support	
Access to Invoice Cloud HelpDesk and Client Services team	No Charge
Marketing Support	
Access to Invoice Cloud's Marketing Team to assist the Township achieve the industry's highest payment and paperless adoption rates.	No Charge
Electronic Payment Fees – Convenience Fee Model	
Credit/Debit Cards: VISA, MasterCard, Discover and AMEX – fee per transaction paid by the customer/payer. Debit card processed as a credit card.	3.50% / per transaction \$2.95 minimum
E-Check – paid by the customer/payer	\$2.95 / each
ACH AutoPay – paid by the customer/payer.	\$0.95 / each
Other Merchant Services Fees	
Credit Card Chargeback Fee – i.e. if a card is stolen and the person that owns the card disputes the charge; rarely occurs	\$15.00
ACH Reject Fee – i.e. bounced check, usually the Biller has their own fee when there is an ACH Reject which would re-coup this cost	\$15.00
IVR (Payments over the phone) *OPTIONAL*	
IVR Tech integration provided at no charge; this fee is in addition to credit card fee (paid by customer/payer) and ACH fee (paid by customer/payer); IVR fee is paid by the customer/payer.	\$.95 / per transaction
Online Bank Direct *OPTIONAL*	
Turns paper checks, which are mailed to the Township from the customer's bank, into an electronic file that gets uploaded to the Invoice Cloud Biller Portal.	\$50.00 per month \$0.25 per matched check



Abess Makki
(313) 903-0586
abess@cityinsight.com
www.cityinsight.com

ATTN: Chris McArthur, Director

Quote Hillsdale BPU—001

Client: Hillsdale Board of Public Utilities

November 20, 2019

Address: 45 Monroe St.
Hillsdale, MI 49242

About CityInsight

CityInsight is a citizen experience company, bringing real-time technology to municipal government. Technology is no longer an operational enabler in the public sector. Technology has moved to the heart of strategy as a means to generate revenue, increase productivity, and drive citizen services. Our Minimum Viable Product (MVP) approach enables counties to leverage existing investments and orchestrate vendors through one state-of-the-art platform. The MVP methodology gives the Hillsdale Board of Public Utilities (BPU) the flexibility to adapt over time with shifting citizen and utility needs. As a collaboration, the Hillsdale BPU and CityInsight can make iterations to the citizen portal over time to further drive citizen services and foster digital engagement. As a result of our commitment to bring innovation to municipal government, we were named a 2018 World Changing Idea by *Fast Company* magazine. Earlier this year, CityInsight was named a GovTech100 company by *Government Technology* magazine for the second year in a row.

Framework: CityInsight utilizes Phoenix, a web framework written in Elixir, built specifically for telecommunications flexibility and scalability. Phoenix leverages the Erlang virtual machine, capable of handling millions of connections at once. The Phoenix framework comes with built-in commands and architecture that increase developer productivity. Elixir is fault tolerant, insulating users from any third-party issues or external system resources. Thus, only a single connection will be taken down if anything fails. Known for availability, these features are most important in government technology because we offer fundamental services that must be available to citizens at all times.

Security

As a part of our commitment to our clients and their citizens, CityInsight has incorporated industry-leading security features to keep the solution and its ecosystem safe. A robust security model is essential to enable the citizen portal to thrive while it supports a high volume of traffic and features. We utilize private cloud computing services to support our dedication to a secure environment.

Architecture: Within our solution architecture, we have created security groups that dictate which privileges are available and to which users. We utilize firewalls within our Virtual Private Cloud (VPC) to control traffic at the subnetwork level. Using an Application Load Balancer to route traffic based on content, we auto-scale for excess traffic to accommodate a large volume of simultaneous connections while improving Distributed Denial of Service resilience. We have enabled alerts for system events to stay up-to-date on activity.

Testing: Through penetration testing, we are able to identify and document any vulnerabilities in the environment. This process aides us in remediating any potential security soft spots. Beyond manual penetration tests, security assessments automatically check for additional vulnerabilities and deviations from best practices. To further audit the security of the web application, we perform black-box scans, crawling the webpages to look for vulnerabilities where data can be injected. As these areas are identified, we will employ fuzz testing by inputting irregular data to test whether the app is actually susceptible.

Web Server: Within our VPC, we have implemented inbound and outbound filtering, along with traffic controls for specific ports. All data is encrypted at rest within the cloud, including server-side encryption for the transmission of sensitive data and dedicated, hardware-based cryptographic key storage. Data is stored in highly secure data centers with a week of backups and disaster recovery that enables rapid recovery of infrastructure and data.

Success Stories

Detroit Water and Sewerage Department: Since launching in Detroit on August 27, 2017, the DWSD Customer Self-Service Portal has established itself as the most convenient channel for customers to interact with the department.

In the first six months after launching:

- Collection rate increased from 77% to 92% (\$60M increase)
- Customer traffic decreased 67% (leading to Saturday service hour shutdown)
- Call wait times decreased 70%
- Customer assistance programs achieved 90% success rate
- Online users increased 400%
- Web payments increased 60%

As of November 14, 2019, there are over 51,000 registered users, accounting for an adoption rate upwards of 31 percent. More than 811,000 payments have been made, totaling almost \$140 million. Our work in Detroit garnered media attention from *Forbes*, *The Wall Street Journal*, Yahoo! Finance, and more.

City of Harper Woods: Immediately after launching in January 2019, Harper Woods residents flocked to the citizen portal. With little promotion, the portal became an accessible, intuitive method of making payments and tracking usage.

In just one billing cycle:

- 560 *registered* users (10% adoption rate)
- \$65,000 in payments made
- 650 total transactions

Scope of Work

Project Goal: This responsive web application is intended to reduce costs and enable the City to service more customers by shifting towards higher usage of phone and web channels. This web application can be accessed from a mobile device, tablet, and computer. The Hillsdale BPU Citizen Portal will foster digital engagement and promote the Hillsdale BPU as a leader among innovative communities.

CityInsight will develop a mobile-first web application citizen portal for Hillsdale BPU customers to transact with the City. CityInsight will also provide an administrative portal for designated BPU personnel to manage the portal.

The MVP will offer the following functionality:

- 1. Account Management**
 - a. User preferences
 - b. Update profile
 - c. Enroll in autopay
 - d. Enroll in paperless billing
 - e. Link/unlink accounts
- 2. Account Details**
 - a. Usage history (compare across cycles)
 - b. Charges/Fee breakdown
- 3. Social Media Feed**
 - a. Twitter, Facebook, etc.
- 4. Contact Hillsdale BPU**
 - a. Customer support
- 5. Billing**
 - a. Make and schedule payments
 - b. Update payment methods
 - c. Account History
 - i. Billing history (view past bills)
 - ii. Payment history across channels
 - d. Guest payments
- 6. Administrative Portal**
 - a. Manage users/payments
 - i. Reverse payments
 - b. Data analytics
 - c. System events (Payout created, account totals import, etc.)

Implementation Plan and Timeline

This section provides estimated timing for the project once a start date is established. The start date is dependent on final approval of the Scope of Work between the Hillsdale BPU and CityInsight. Go-live is contingent on the satisfaction of Hillsdale BPU staff. The following table describes the Implementation Plan for the Hillsdale BPU Citizen Portal:

Task	12-Week Timeline												Party Responsible	
	1	2	3	4	5	6	7	8	9	10	11	12		
Project kicoff and requirements review	X	X												Collaboration
UI Design Approval, Discovery		X	X											CityInsight
Server setup and coding				X	X	X								CityInsight
Integration testing						X	X							CityInsight
Admin training							X							Collaboration
Internal testing								X	X					CityInsight
Bug fixes and quality assurance									X	X				CityInsight
Product preparation											X			CityInsight
Go-Live												X		CityInsight

Pricing

CityInsight is proposing a **three-year licensing agreement with a two-year option** to the Hillsdale BPU. Pricing below includes: Project Management and Support, Quality Assurance and Testing, Discovery Phase, Server Setup and Configuration, and Staff Training.

One-Time Integration and Installment: \$5,000.00

Annual Licensing, Hosting, Maintenance, and Technical Support: \$7,500.00 (\$625.00/month)

Payment Schedule:

- 10 days after public go-live, following execution of sign-off document*

*Sign-off document will include actual dates for the licensing agreement.

Total First-Year Fee: \$12,500.00

In addition to the fees to be paid by the Hillsdale BPU, CityInsight will be entitled to assess a **2.9% transaction fee** on credit/debit card transactions plus a **\$0.50 processing fee** for each payment transaction by an End User using the Software. For ACH payments, CityInsight will assess a **1% transaction fee capped at \$8.00**. These fees are able to be absorbed by the City, passed to the payer, or a combination of the two. These fees may be passed on to the customer, absorbed by the Hillsdale BPU, or a combination of the two.

Additional development fees may apply for features not outlined in the Scope of Work, to be billed at a rate of **\$195 per hour** or to be negotiated with the Hillsdale BPU.

Support Services

Client Services: CityInsight's internal support team is available at all times to answer questions from staff and customers. We serve as a direct resource to Hillsdale BPU staff, and we work in conjunction with the Hillsdale BPU to answer customer questions regarding accounts, registration, billing, and payments. CityInsight provides staff and customer assistance at all times at no charge, and we check in at our clients' desired frequency in our efforts to assume full responsibility for quality assurance.

Maintenance: CityInsight regularly checks updates within AWS. We regularly update versions of Elixir and Phoenix, including dependencies within the frameworks. With the Phoenix WebSocket integration, we can make real-time user interface updates. In addition, maintenance includes regular technical fixes.

Technical Support: At CityInsight, we pride ourselves on our customer service and responsiveness. Included in the Annual Technical Support Fee, CityInsight will address timeouts, software version fixes, bug fixes, and updates at no charge for up to two hours of work. For longer, more involved and extensive updates, CityInsight will charge at the above hourly rate.

CityInsight will use commercially reasonable efforts to respond to all Errors reported by Customer or by a Customer End-User within the following times and guidelines:

- **Priority 1** - Total software outages or major system functionality errors: Vendor will respond within 4 business hours after receipt of notification and shall work continuously until a remedy for the Error is implemented.
- **Priority 2** - Moderate errors with Software functionality; response time degradation: Vendor will respond within 24 hours after receipt of notification and shall work to implement a remedy for the Error prior to the next scheduled update or release of the Software.
- **Priority 3** – Other errors: Vendor will respond within 2 Business Days after receipt of notification and the parties shall discuss the nature of Error and determine a commercially reasonable course of action and time frame for the resolution of the Error.

*Commercially reasonable may mean Vendors next scheduled update or release of the Software.



6837 West Grand River Ave
Lansing, Michigan 48906

Hillsdale Board of Public Utilities
Attn: Bill Briggs
45 Monroe Street
Hillsdale, Michigan 49242

Proposal

Date	Proposal #
10/7/2020	20-Q2151A

Description	Qty	Rate	Total
Thank you for the opportunity to present you with this quote for the repair of your pump for Well #5.			
** Price is in addition to \$4,050.00 from quote 20-Q2051 **			
30 HP Motor Repair, Clean and Check Bearings	1	1,375.00	1,375.00
Sand Blast Clean and paint head	1	250.00	250.00
Stuffing box repair 3 1/2" x 1 1/2" Bronze	1	180.75	180.75
8" x 4'11-1/4" Top Column	1	445.50	445.50
8" x 9'11-1/4" Inter Column	4	517.50	2,070.00
8" x 4'11-1/4" Bottom Column	1	445.50	445.50
8" x 10' Suction Pipe	1	460.50	460.50
1" SST Shaft Head w/coupling	1	231.00	231.00
1" x 10' SST Shaft w/sleeve & coupling	4	231.00	924.00
1" x 5' SST Shaft w/coupling	1	168.00	168.00
8" x 2" DropIn BRZ Spiders	5	142.50	712.50
Pump Bowl Repair, SST Shaft, New Bronze Bowl Bushings, New Bronze Wear Rings	1	2,250.00	2,250.00
1/4 inch air line	52	1.00	52.00
1 inch Stilling Tube, SDR21 PVC, per ft	50	1.00	50.00
Pressure gauge and fittings	1	47.25	47.25
Air line gauge and fittings	1	47.25	47.25
Bolts, Air Line Fittings, Paint and Miscellaneous suppl	1	225.00	225.00
Labor - Shop, reassemble pump, paint, prep pump assembly	6	75.00	450.00
Labor, Mobilization, Demobilization, Set Pump, Chlorinate well, Run a post efficiency well and pump test, Pull one bacti sample. * Estimated hours, actual hours charged. *	18	190.00	3,420.00
<p>Note: Should conditions change and additional work be required, beyond the original scope of this project, our standard hourly rates will apply. If this occurs, Northern Pump & Well shall consult with you prior to the additional work being performed.</p> <p>Signature: _____ Date: _____</p> <p>Purchase Order No. (if required): _____</p> <p>* If this proposal meets your approval, please sign / date and return to fax number: 1-517-322-0135</p>			
If you have any question please feel free to call 877-477-1757 or 517-242-8949		Total	\$13,804.25

Hillsdale BPU Water Distribution / Wastewater Collections / WWTP

Bill Briggs, Superintendent

Water License: D2,S1 #15686

Wastewater License: B,C,D #18359

Incident Report

September 2020

Significant Events Wastewater Collections

Camera storm for DPS

Significant Events Wastewater Treatment

No limit exceedences

Significant Events Water Distribution

Removed lead service and installed new 1" service at 86 W St Joe

Replaced leaking 12" valve at well #8

Replaced curb stop and reconnected service line on Marion.

Repaired a leaking valve at Carleton and Union

Replaced 2 valves at Fayette and N West St

Replaced a valve at Manning and River

Repair leaking service on State St

Began flushing hydrants

Main Break on Elm at Lynwood.

After Hour Call Outs:

Marion curb stop.

No water on Fayette. Leaking water heater.

AMI Meter Exchange

Installed meters an the new Hillsdale Commons on Bacon.

Wastewater Department Operations Report

	2020/2021	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD	%	2019/2020
Treated (Gal)		38935000	34325000	33626000										35628667	AVG	38727250
Max. Treated (gal/day)		1671000	1307000	1584000										1671000	MAX	2780000
Avg. Treated (gal/day)		1256000	1107000	1121000										1161333	AVG	1274250
Precipitation (in)		2.84	3.37	3.61										9.82	TOTAL	44.93
Raw SS (mg/l)		167	173	188										176	AVG	129
Final SS (mg/l)		2.6	5.1	1.8										3.2	AVG	1.4
Permit SS (mg/l)		20	20	20	20	20	30	30	30	30	30	20	20		MO. AVG	
% Removal		98	97	99										98	AVG	99
Raw CBOD (mg/l)		155.3	210.5	164.5										177	AVG	109
Final CBOD (mg/l)		1.98	1.32	1.35										1.6	AVG	1.5
Permit CBOD (mg/l)		4	4	4	4	4	15	15	15	18	18	4	4		MO. AVG	
% Removal		99	99	99										99	AVG	99
Raw Phosphorus (mg/l)		2.9	3.2	3.3										3.1	AVG	4.1
Final Phosphorus (mg/l)		0.7	0.8	0.7										0.73	AVG	0.63
Permit Phosphorus (mg/l)		1	1	1	1	1	1	1	1	1	1	1	1		MO. AVG	
% Removal		76	75	79										77	AVG	84
Raw Ammonia (mg/l)		13.6	18	19.5										17.0	AVG	20.4
Final Ammonia (mg/l)		0.1	0.1	0.03										0.1	AVG	0.3
Permit Ammonia (mg/l)		0.5	0.5	0.5	0.5	0.5	8.6	8.6	8.6	9.1	9.1	0.5	0.5		MO. AVG	
% Removal		99	99	100										100	AVG	99
Final Mercury (ng/l)		0.97	0.61	0.57										0.72	12 Mo. AVG	0.78
Permit Mercury (ng/l)		2	2	2	2	2	2	2	2	2	2	2	2		12 Mo. AVG	
Sludge - Digest (gal)		28311	25425	36421										90157	AVG	1012831
Sludge - Land (gal)		0	0	0										0	TOTAL	1851000
Sludge - Dry Tons		0	0	0										0	TOTAL	184.9
Ferrous Chlor. (gal/Mgal)		34.9	39.3	55.3										43.2	AVG	48.4
CL2 (lb/Mgal)		15.4	15.9	15.5										15.6	AVG	16.8
SO2 (lb/Mgal)		5.2	5.8	6.1										5.7	AVG	5.0

Water Department Operational Report

	2020/2021	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD	2019/2020
RawWater Pump(Gal)	54971000	46070000	44022000											48354333	Avg. 44954750
Treated Water (Gal)	48782000	41671000	38835000											43096000	Avg. 40343833
Max. Daily (Gal)	2114000	1887000	1906000											2114000	Peak 2088000
Avg. Daily (Gal)	1626000	1344000	1295000											1421667	Avg. 1327417
Backwash (Gal)	920000	826666	2046000											1264222	Avg. 1431250
Water Sold (Gal)	23941003	26301002	25904000											25382002	Avg. 20502769
% Treated Sold	50.0	64.4	70.4											61.6	Avg. 52.8
% Loss	50.0	35.6	29.6											38.4	Avg.
Raw Iron (mg/l)	3.23	3.4	3.33											3.32	Avg. 3.50
Finished Iron (mg/l)	0.31	0.29	0.28											0.293333	Avg. 0.13
SDWA Stand. (mg/l)	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.3	Avg. 0.30
% Removal	0.90	0.91	0.92											0.91	Avg. 0.96
Raw Mang. (mg/l)	0.26	0.27	0.25											0.26	Avg. 0.25
Finished Mang. (mg/l)	0.21	0.24	0.07											0.173333	Avg. 0.06
SDWA Stand. (mg/l)	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	Avg. 0.05
% Removal	19	11	72											0.33	Avg. 76
Chlorine (lb/Mgal)	26.7	31.2	67.1											41.7	Avg. 20.1
Phosphate (lb/Mgal)	12.6	13.1	11.1											12.3	Avg. 14.6
Pot. Perm. (lb/Mgal)	7.2	4.5	0.0											3.9	Avg. 10.0
Flouride (lb/Mgal)	2.8	3.2	3.2											3.1	Avg. 3.8

City of Hillsdale Electric Utility Report

September

10/7/2020
HILLSDALE BOARD OF PUBLIC UTILITIES
Electric Distribution Superintendent
Chad Culbert



PUBLIC POWER

AN AMERICAN TRADITION THAT WORKS

Operations Report for September 2020

- Crews installed underground lines for homes on Fayette St between Union and N Hillsdale St. This line needed rebuilt due to expansion of load in the area.
- Line Clearance continues on rural lines.
- New underground line installed on Bankers Rd to supply a new home.
- Several poles were replaced on Bankers Rd

Incident Report for September 2020

- A large tree came down on Edgewood Dr. causing significant damage to the poles and lines in the area on 9-18-2020
- 9-30-2020 Wolcott substation suffered partial power after a brief thunderstorm. No damage was found and the fuse was replaced. This affected 228 customers for nearly 90 minutes
- 12 outages for the month

Production Report for September 2020

- The new air compressor is in service and personnel began disconnecting and preparing the old compressor for relocation into the main building next to the new unit.
- Water lines were repaired on engine 5
- Annual boiler inspection was completed
- Plant personnel assisted line crews with brush mowing and flagging several days

Upcoming Field Projects

- Voltage upgrade field work
- Continue pole replacements
- Tree clearance

Monthly Outage Numbers

<u>September IEEE Results</u>		<u>Yearly IEEE Results</u>
ASAI	99.9897 %	99.9924 %
CAIDI	92.336 min	62.559 min
SAIDI	4.297 min	29.608 min
SAIFI	0.0465	.473

Production & Operating Report

September

Unit	Total KW	On Gas	Test Hours	Fuel Consumption		
				Gas (MCF)	Oil(Gals)	Eng Hrs
5	0	0	0	0	0	0
6	0	0	0	0	0	0
Stand By			2		14	2
Boiler				1.7		
Total	0	0	0	1.7	0	0

Year-to-Date Totals, January 1st thru December 31st

Unit	Total KW	On Gas	Test Hours	Fuel Consumption		
				Gas (MCF)	Oil(Gals)	Eng Hrs
5	154392.49	149408.37		1255	984	29.2
6	159288.26	154914.38		1281	1675	27.5
Stand By			6		42	8
Boiler				1018.6		
Total	313680.75	304322.75	0	3554.6	2659	56.7

Measurement

Fuel Tank Level SEPTEMBER 2020

3.850 24,838.66 Gallons

Gas Usage this Month%

Unit 5 0%
 Unit6 0%
 Boiler 100%

Fuel Usage this Month%

Unit 5 #DIV/0!
 Unit6 #DIV/0!



Month of September Safety Department Highlights

Continue to monitor and advise on Covid-19 requirements. Everyone is doing a good job under difficult conditions. Developed a WWTP lab safety packet, utilizing several resources. Required Personnel Protection Equipment, (PPE) for Water/Sewer Dept. written and given to supervision for distribution.

Worked with City of Hillsdale Fire Department to provide hands on training for Fire Extinguishers. All city employees had to view a computer program presentation on using fire extinguishers. Everyone except for office personnel attended the hands on training with excellent feedback from all involved.

Developed an updated version of the City Safety Rules and Regulation, which is provided to all DPS employees. Will utilize this for BPU employees also with some changes.

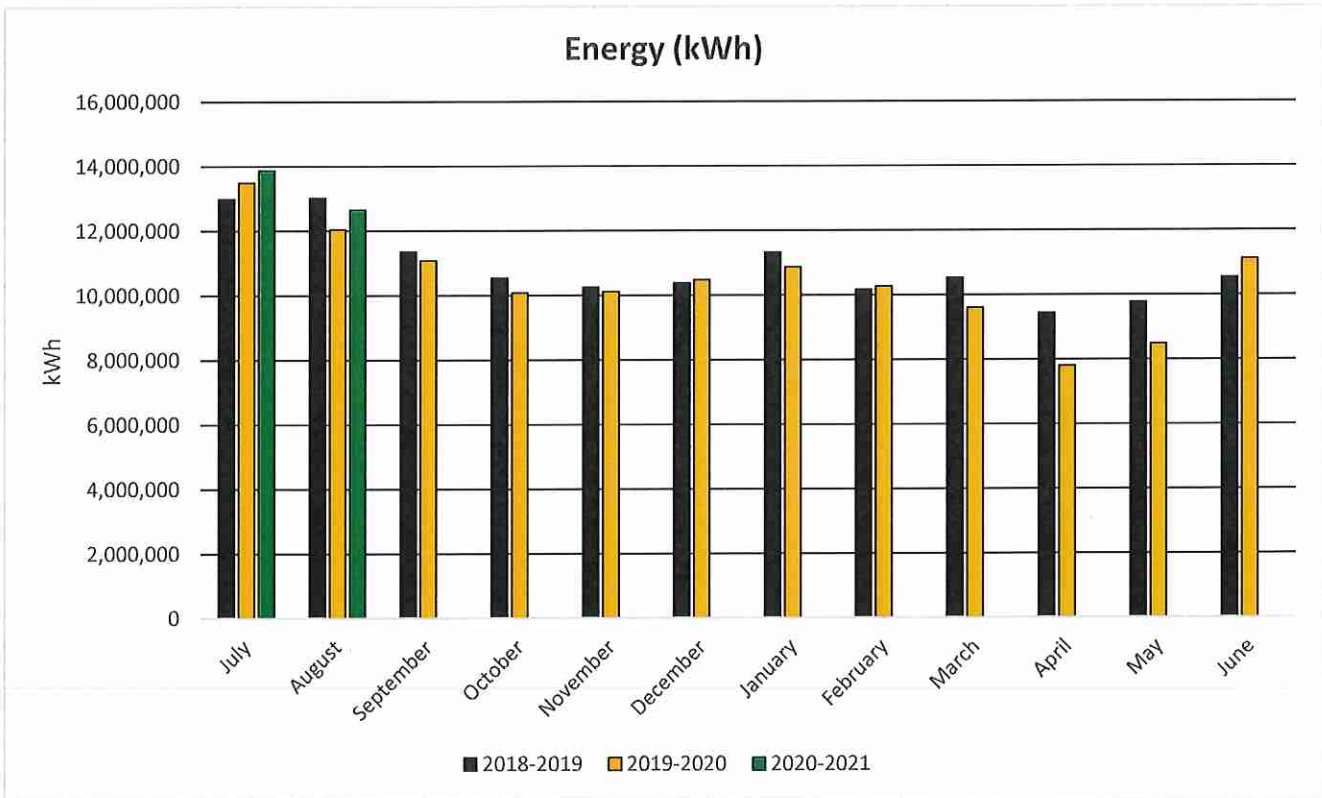
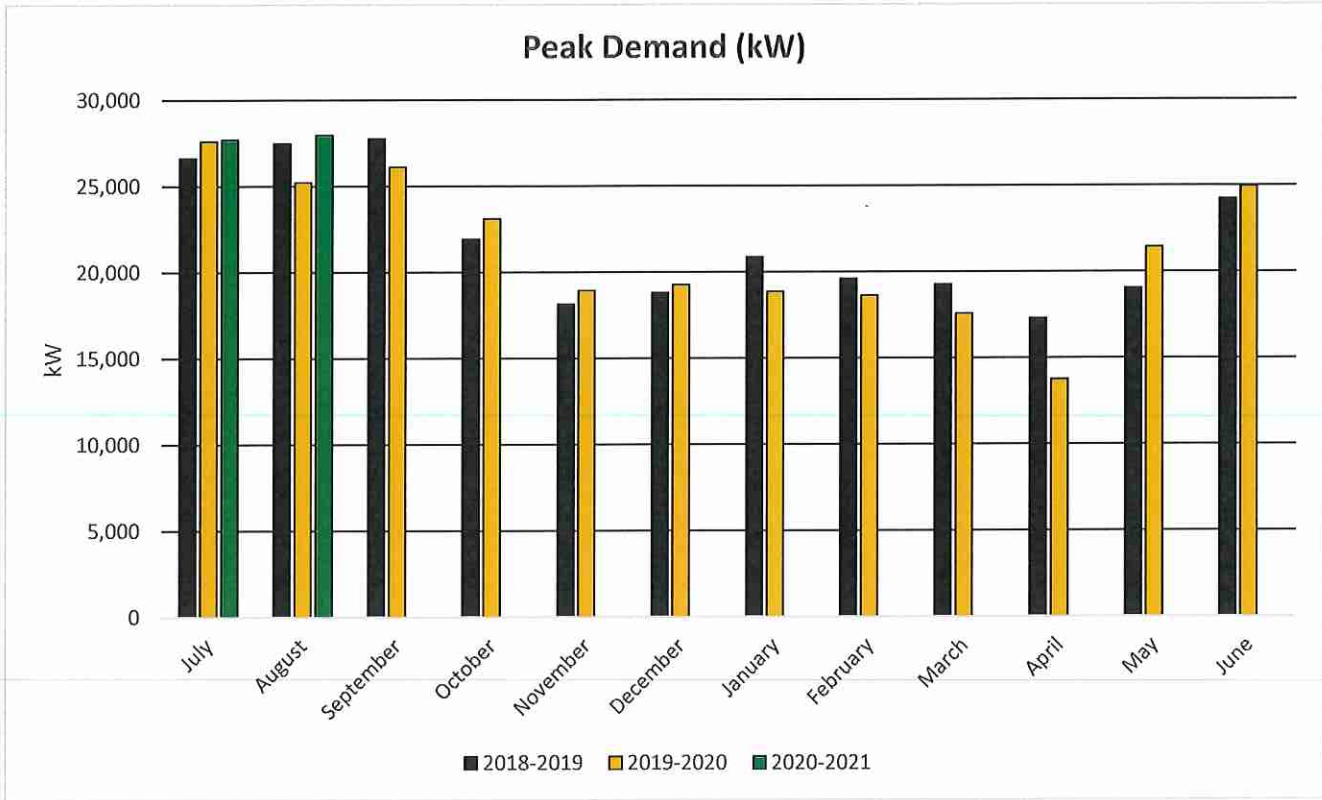
Had Fire Extinguisher signs installed at City Hall and Library to help meet fire code requirements.

Put together a New Hire training folder to cover safety requirements for the tasks they are being hired for.

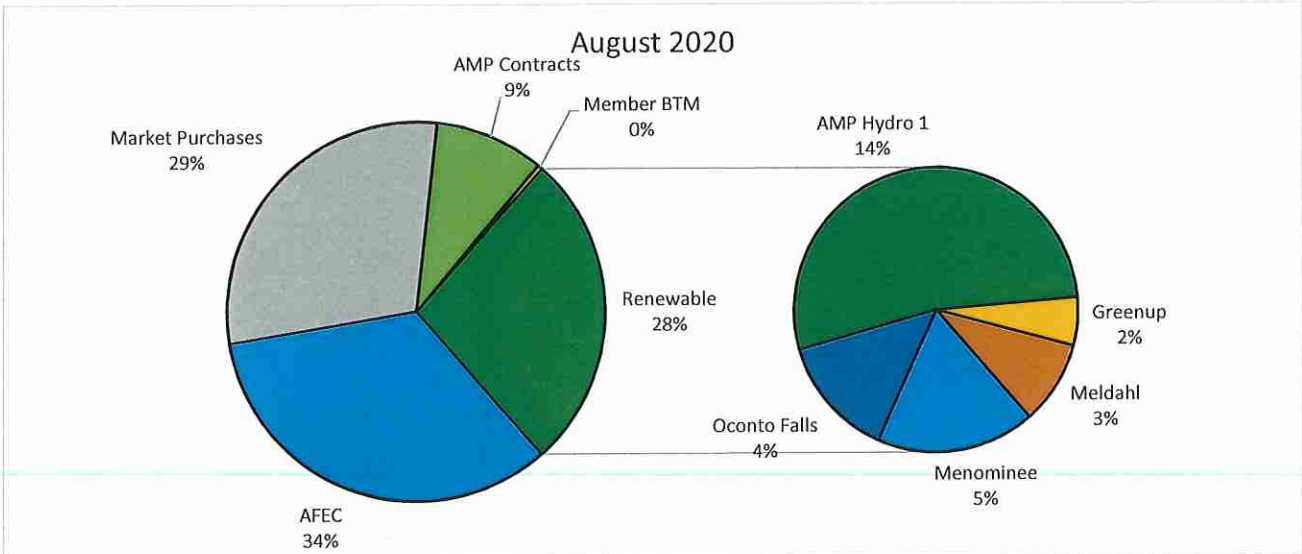
Updated Safety and Health Program Statement and Personal Protective Equipment Policy as needed.

Electrical Line workers completed "Pole Top and Bucket Rescue" which is a requirement, we did film two linemen performing the Pole Top rescue and will be placing this on the Cities Facebook page.

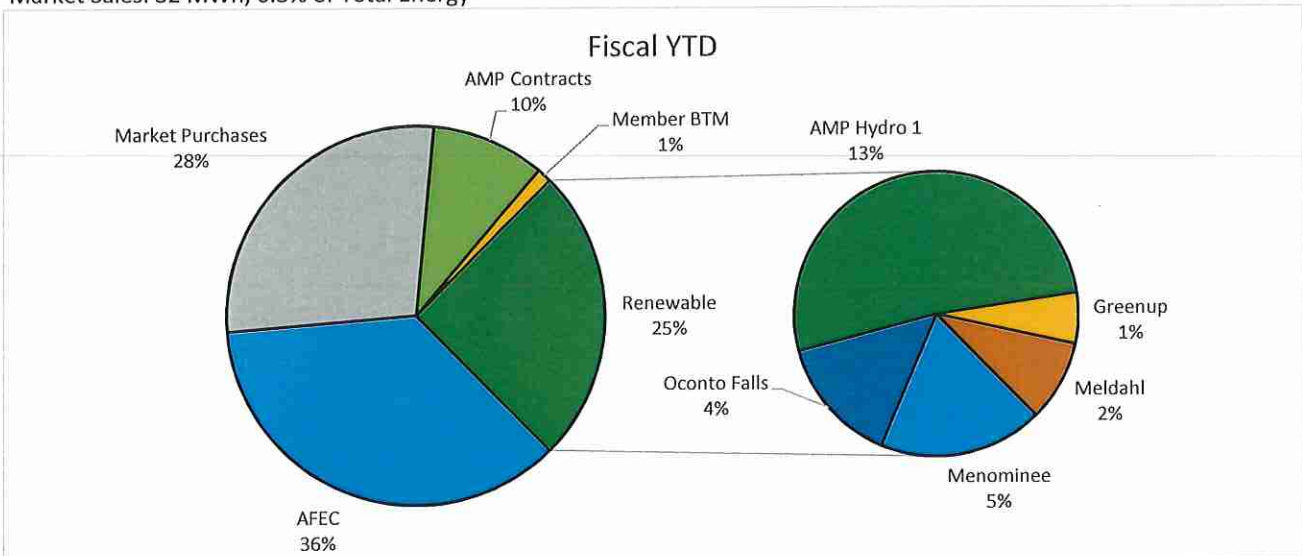
Hillsdale - Demand and Energy History



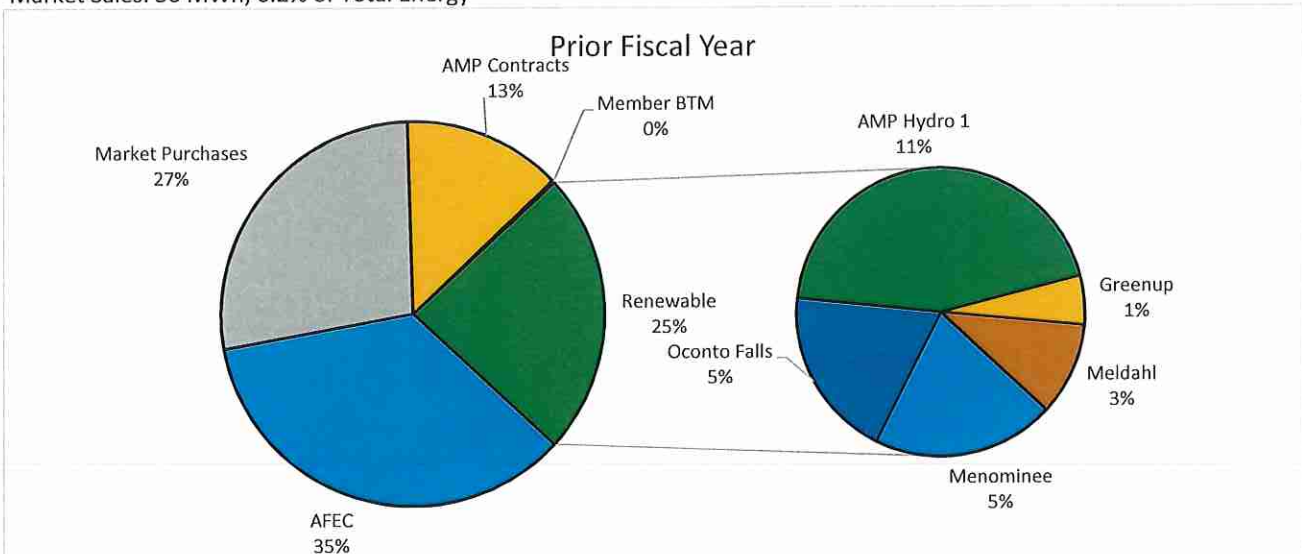
Hillsdale Energy Resource Mix



Market Sales: 32 MWh, 0.3% of Total Energy



Market Sales: 50 MWh, 0.2% of Total Energy



Market Sales: 3,863 MWh, 3.0% of Total Energy

MISO Market Summary
August-20

<u>MISO Energy and Administration Expenses</u>	Current Month \$	Year To-Date \$
MISO S7 & S14 Energy Expenses	\$1,615,693.50	\$4,227,435.61
MISO S55 & S105 Energy Expenses (meter recon)	\$0.00	\$28,278.64
FTR's allocated based on substation load	\$93,377.25	\$70,156.05
PJM Charges (unaccounted and bookouts)	-\$223.34	\$96.28
Net MISO Administrative Expenses	\$43,727.30	\$65,971.45
Subtotal	\$1,752,574.71	\$4,426,901.62

MISCPA PY20-21 Capacity Breakdown

MISO Capacity Charge-Base Auction	101,752.27	203,504.54
MISO Capacity UP Hydro Zone 2	39,173.67	78,347.33
MISO Capacity Prairie State Zone 4	76,811.25	153,622.50
MISO Capacity AMP Hydro 1 Zone 6	72,970.58	145,941.17
AMP Bilateral Capacity Charge	124,908.17	249,816.34
AMP Solar Capacity Charge	5,483.00	10,966.00
AMP Prairie State Capacity Zone 4	1,521.00	3,042.00
AMP Hydro 1 Capacity Zone 6	1,444.79	2,889.58
Spare Capacity Charge Line	-	-
Subtotal	424,064.73	848,129.46

Costs Allocated to Members

	Clinton	Goldwater	Hillsdale	Marshall	Union City	Total
MISO Substation Load %	3.59%	57.85%	18.87%	17.02%	2.66%	100.00%
MISO Base and AMP Bi-Lateral Capacity %	5.32%	59.40%	1.19%	32.42%	1.66%	100.00%
MISO/AMP Capacity UP Hydro Zone 2 % (P1)	6.50%	40.00%	25.50%	24.00%	4.00%	100.00%
MISO/AMP Capacity Prairie State Zone 4 %	0.00%	83.34%	0.00%	16.66%	0.00%	100.00%
MISO/AMP Capacity AMP Hydro 1 Zone 6 %	5.23%	48.51%	25.37%	20.89%	0.00%	100.00%
AMP Capacity Solar Phase II %	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%

Capacity Charges by Member

	Clinton	Goldwater	Hillsdale	Marshall	Union City	Total
MISO Base Capacity	\$ 5,416.42	\$ 60,443.45	\$ 1,206.84	\$ 32,992.06	\$ 1,693.49	\$ 101,752.26
MISO UP Hydro Capacity Zone 2	\$ 2,546.29	\$ 15,669.46	\$ 9,989.29	\$ 9,401.68	\$ 1,566.95	\$ 39,173.67
MISO Prairie State Capacity Zone 4	\$ -	\$ 64,011.52	\$ -	\$ 12,799.73	\$ -	\$ 76,811.25
MISO AMP Hydro 1 Capacity Zone 6	\$ 3,814.17	\$ 35,395.52	\$ 18,515.09	\$ 15,245.80	\$ -	\$ 72,970.58
AMP Bilateral Capacity Zone 7	\$ 6,649.04	\$ 74,198.65	\$ 1,481.49	\$ 40,500.11	\$ 2,078.88	\$ 124,908.17
AMP Solar Phase II Capacity Zone 7	\$ -	\$ 5,483.00	\$ -	\$ -	\$ -	\$ 5,483.00
AMP Prairie State Capacity Zone 4	\$ -	\$ 1,267.54	\$ -	\$ 253.46	\$ -	\$ 1,521.00
AMP Hydro 1 Capacity Zone 6	\$ 75.52	\$ 700.82	\$ 366.59	\$ 301.86	\$ -	\$ 1,444.79
Subtotal	\$ 18,501.44	\$ 257,169.96	\$ 31,559.30	\$ 111,494.70	\$ 5,339.32	\$ 424,064.72

MISO ancillary services, ARRs and FTRs:

Other MISO Expenses (MISO Substation Load %)	\$ 4,926.94	\$ 79,314.44	\$ 25,876.01	\$ 23,335.68	\$ 3,651.47	\$ 137,104.54
--	-------------	--------------	--------------	--------------	-------------	---------------

**Transmission Summary
August-20**

Transmission Expenses	Current	Year	Allocation Basis
	Month	To-Date	
	\$	\$	
Clinton Wholesale Distribution Service	\$ 16,405.35	\$ 29,137.53	Charged to Clinton
MISO Transmission Charges	205,657.35	414,890.17	Calculated CONS Load %
MISO Transmission 121.5 MW less Actual Entitlement Used	35,999.97	65,485.05	121.5MW less Used %
MISO Transmission Excess over 121.5 MW	19,191.56	62,390.63	Excess Load %
MISO Transmission Adjustments	4,131.54	6,800.54	Calculated CONS Load %
MISO Schedule 26 A	105,076.05	211,763.04	MISO Substation Load %
MISO Schedule 26 A Adjustments	-	-	MISO Substation Load %
Deferred GFA MISO Payback Allocation	-	-	P1 plus Need %
ARR MISO Allocation	(9,274.92)	(18,549.67)	Total Energy %
EHV Maintenance	2,713.40	3,832.64	Project 1%
NERC Expenses	-	-	MISO CONS Load%
Total Transmission Expenses	\$ 379,900.31	\$ 775,749.92	

Costs Allocated to Members

	Clinton	Coldwater	Hillsdale	Marshall	Union City	Total
MISO Calculated CONS Load %	0.00%	47.00%	26.77%	22.44%	3.78%	100.00%
MISO 121.5MW less Actual Entitlement Used %	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%
MISO Excess Load % (above 121.5MW)	0.00%	100.00%	0.00%	0.00%	0.00%	100.00%
MISO Substation Load %	3.59%	57.85%	18.87%	17.02%	2.66%	100.00%
MISO Deferred GFA %	4.70%	53.96%	21.72%	17.24%	2.38%	100.00%
ARR Total Energy %	3.59%	57.85%	18.87%	17.02%	2.66%	100.00%
MISO CONS Load %	0.00%	51.16%	24.73%	20.62%	3.49%	100.00%
Project 1 %	6.50%	40.00%	25.50%	24.00%	4.00%	100.00%

Transmission Expenses Allocated by Member

	Clinton	Coldwater	Hillsdale	Marshall	Union City	Total
Clinton Wholesale Distribution Service	\$ 16,405.35	\$ -	\$ -	\$ -	\$ -	\$ 16,405.35
MISO Transmission based on Calculated CONS Load %	\$ -	\$ 96,662.91	\$ 55,063.04	\$ 46,151.05	\$ 7,780.35	\$ 205,657.35
MISO 121.5 MW less Actual Entitlement Used %	\$ -	\$ 35,999.97	\$ -	\$ -	\$ -	\$ 35,999.97
MISO above 121.5 MW Transmission on MISO Excess Load %	\$ -	\$ 19,191.56	\$ -	\$ -	\$ -	\$ 19,191.56
MISO 121.5 MW excess allocation adjustment (internal)	\$ (19,844.91)	\$ 45,481.80	\$ (8,287.27)	\$ (14,966.95)	\$ (2,382.67)	\$ -
MISO Transmission Adjustments on Calculated CONS Load%	\$ -	\$ 1,941.90	\$ 1,106.19	\$ 927.15	\$ 156.30	\$ 4,131.54
MISO Schedule 26 A on MISO Substation Load %	\$ 3,775.98	\$ 60,786.08	\$ 19,831.21	\$ 17,884.32	\$ 2,798.46	\$ 105,076.05
MISO Schedule 26 A Adjustment on MISO Substation Load%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISO Deferred GFA on Deferred GFA %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MISO ARR Allocation based on MISO Total Energy %	\$ (333.30)	\$ (5,365.51)	\$ (1,750.47)	\$ (1,578.62)	\$ (247.02)	\$ (9,274.92)
NERC based on MISO CONS Load%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenses based on Project 1 %	\$ 176.37	\$ 1,085.36	\$ 691.92	\$ 651.22	\$ 108.54	\$ 2,713.41
Total Transmission Expenses	\$ 179.49	\$ 255,784.07	\$ 66,654.62	\$ 49,068.17	\$ 8,213.96	\$ 379,900.31
Prior month transmission adjustments	\$ (15,615.99)	\$ 29,673.66	\$ (5,536.17)	\$ (7,676.25)	\$ (845.24)	\$ -
Transmission Expenses 31.5 MW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Transmission Costs	\$ (15,436.51)	\$ 285,457.73	\$ 61,118.45	\$ 41,391.91	\$ 7,368.73	\$ 379,900.31

MISO Monthly Transmission Split

CONS only-does not apply to Clinton

	Clinton	Coldwater	Hillsdale	Marshall	Union City	Total	Cost Per MW
CONS Load & HE (8/10/2020 @ H.E. 16:00)		55,151	26,652	22,223	3,766	107,792	
Loss Factor	3.8739%	2,136	1,032	861	146	4,175	
CONS with Losses		57,287	27,684	23,084	3,912	111,967	
MISO Adjustment		-	-	-	-	-	
BTM Load		13,008	-	120	-	13,127	
Load Billed		70,294	27,684	23,204	3,912	125,094	
1st 121.5 MW Entitlement	7,898	48,600	30,983	29,160	4,860	121,500	
Excess > 121.5 MW Entitlement	-	21,694	-	-	-	21,694	

Billing:

1st Allocation-Entitlement used:							
Actual 121.5 MW Entitlement used		48,600	27,684	23,204	3,912	103,400	
Calculated Load %		47.00%	26.77%	22.44%	3.78%	100.00%	
Actual used Cost Allocation	A	\$ 96,662.92	\$ 55,063.04	\$ 46,151.05	\$ 7,780.35	\$ 205,657.35	\$ 1,988.95
2nd Allocation--121.5 MW less used:							
121.5 MW less Actual Entitlement Used		18,100	-	-	-	18,100	
Excess Calculated Load %		100.00%	0.00%	0.00%	0.00%	100.00%	
121.5 MW less Actual Used Cost	B	\$ 35,999.97	\$ -	\$ -	\$ -	\$ 35,999.97	\$ 1,988.95
3rd Allocation-Excess usage over 121.5MW:							
Excess over 121.5 MW		3,594	-	-	-	3,594	
Excess Calculated Load %		100.00%	0.00%	0.00%	0.00%	100.00%	
Excess over 121.5 MW Cost	C	\$ 19,191.56	\$ -	\$ -	\$ -	\$ 19,191.56	\$ 5,339.36

MISO Transmission Charges A + B + C \$ 151,854.45 \$ 55,063.04 \$ 46,151.05 \$ 7,780.35 \$ 260,848.89

Cost Per MW Used \$ 2,160.27 \$ 1,988.95 \$ 1,988.95 \$ 1,988.95 \$ 2,085.22

Transmission Adjustment Calculation

	Clinton	Coldwater	Hillsdale	Marshall	Union City	Total
Transmission load (actual)	-	70,294	27,684	23,204	3,912	125,094
Transmission entitlement of 121.5MW (PI allocation)	7,898	48,600	30,983	29,160	4,860	121,500
MW unused entitlement	7,898	-	3,298	5,956	948	18,100
% unused entitlement	43.63%	0.00%	18.22%	32.91%	5.24%	100.00%
Transmission adjustment charge	\$ -	\$ 45,481.80	\$ -	\$ -	\$ -	\$ 45,481.80
Transmission adjustment credit	\$ (19,844.91)	\$ -	\$ (8,287.27)	\$ (14,966.95)	\$ (2,382.67)	\$ (45,481.80)

MISO Transmission Charges and Credits

Transmission Charges	\$0.00	\$151,854.45	\$55,063.04	\$46,151.05	\$7,780.35	\$260,848.89
Transmission Adjustment subtotal	-\$19,844.91	\$45,481.80	-\$8,287.27	-\$14,966.95	-\$2,382.67	\$0.00

	Clinton	Coldwater	Hillsdale	Marshall	Union City	Total
Charge	\$ -	\$ 45,481.80	\$ -	\$ -	\$ -	\$ 45,481.80
Credit	-\$19,844.91	\$0.00	-\$8,287.27	-\$14,966.95	-\$2,382.67	\$ (45,481.80)
Net	-\$19,844.91	\$45,481.80	-\$8,287.27	-\$14,966.95	-\$2,382.67	\$0.00

Adjustment Calculation (75% of avoided trans costs)

Excess MW over entitlement	18.10 MW
MISO METC transmission rate	\$5,339.36 / MW
MISO MSCPA rate (under 121.5)	\$1,988.95 / MW
Portion of the rate avoided	\$3,350.41 / MW
75% of the avoided portion	\$2,512.81 / MW
Total Adjustment Dollars	\$45,481.80 (allocated based on % of unused entitlement)

MSCPA July transmission credit adjustment	Clinton	Coldwater	Hillsdale	Marshall	Union City	Total
Actual transmission credit billed (July)	-\$4,469.97	\$8,493.88	-\$1,584.69	-\$2,197.28	-\$241.94	\$0.00
Should have billed (July transmission)	-\$20,085.97	\$38,167.54	-\$7,120.86	-\$9,873.53	-\$1,087.18	\$0.00
July adjustment on August invoice	-\$15,615.99	\$29,673.66	-\$5,536.17	-\$7,676.25	-\$845.24	\$0.00

**Administration
August-20**

<u>Administration Expenses</u>	<u>Current Month</u> \$	<u>Year To-Date</u> \$	<u>Annual Budget</u> \$	<u>% YTD to Budget</u>		<u>Allocation Basis</u>
Outside Consultants (65% AMP Fee)	\$11,750.00	\$23,500.00	\$141,000.00	16.67%	A	Prior Year Energy Avg
Outside Consultants (35% AMP Fee)	\$6,250.00	\$12,500.00	\$75,000.00	16.67%	B	Even Split
Outside Consultants (non-AMP)	\$525.00	\$1,050.00	\$21,600.00	4.86%	C	Even Split
Regulatory Commission Expense	\$0.00	\$0.00	\$33,000.00	0.00%	D	Prior Year Energy Avg
Memberships and Dues	\$0.00	\$0.00	\$1,250.00	0.00%	E	Even Split
Investment Management Fees	\$688.80	\$1,377.60	\$12,000.00	11.48%	F	Even Split
Audit & Financial Fees	\$0.00	\$0.00	\$25,000.00	0.00%	G	Even Split
Supplies and Maintenance Expense	\$909.90	\$1,659.73	\$11,220.00	14.79%	I	Prior Year Energy Avg
Building Lease	\$900.00	\$1,800.00	\$10,800.00	16.67%	J	Prior Year Energy Avg
Insurance	\$4,518.67	\$9,037.35	\$87,700.00	10.30%	K	Prior Year Energy Avg
MIRECS Compliance Expense (direct bill)	\$0.00	\$0.00	\$40,000.00	0.00%	L	Direct Bill
Defined Benefit Pension	\$37,500.00	\$75,000.00	\$450,000.00	16.67%	M	Project I
Member Cyber Insurance (direct bill)	\$0.00	\$0.00	\$44,000.00	0.00%	N	Direct Bill
Legal/Other (transmission)	\$5,597.50	\$8,972.50	\$30,000.00	29.91%	O	Transmission Entitlement
Legal/Other (non-transmission)	\$0.00	\$0.00	\$30,000.00	0.00%	P	Prior Year Energy Avg
Legal/Other (direct bill)	\$330.00	\$10,824.99	\$0.00	0.00%	Q	Direct Bill
Miscellaneous Expenses	\$0.00	\$0.00	\$0.00	0.00%	R	
Total Administrative Costs	\$68,969.87	\$145,722.17	\$1,012,570.00	14.39%		

Costs Allocated to Members

	<u>Clinton</u>	<u>Coldwater</u>	<u>Hillsdale</u>	<u>Marshall</u>	<u>Union City</u>	<u>Total</u>
Prior Year Energy Average	3.06%	63.71%	16.61%	14.33%	2.28%	100.00%
Project 1	6.50%	40.00%	25.50%	24.00%	4.00%	100.00%
Even Split	20.00%	20.00%	20.00%	20.00%	20.00%	100.00%

Admin Expenses Allocated by Member

	<u>Clinton</u>	<u>Coldwater</u>	<u>Hillsdale</u>	<u>Marshall</u>	<u>Union City</u>	<u>Total</u>
Outside Consultants (65% AMP Fee)	\$360.11	\$7,486.10	\$1,951.60	\$1,684.03	\$268.15	\$11,750.00
Outside Consultants (35% AMP Fee)	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$1,250.00	\$6,250.00
Outside Consultants (non-AMP)	\$105.00	\$105.00	\$105.00	\$105.00	\$105.00	\$525.00
Regulatory Commission Expense	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Memberships and Dues	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Investment Management Fees	\$137.76	\$137.76	\$137.76	\$137.76	\$137.76	\$688.80
Audit & Financial Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Supplies and Maintenance Expense	\$27.89	\$579.71	\$151.13	\$130.41	\$20.77	\$909.90
Building Lease	\$27.58	\$573.40	\$149.48	\$128.99	\$20.54	\$900.00
Insurance	\$138.49	\$2,878.92	\$750.52	\$647.62	\$103.12	\$4,518.67
MIRECS Compliance Expense (direct bill)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Defined Benefit Pension	\$2,437.50	\$15,000.00	\$9,562.50	\$9,000.00	\$1,500.00	\$37,500.00
Member Cyber Insurance (direct bill)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal/Other (transmission)	\$363.84	\$2,239.00	\$1,427.36	\$1,343.40	\$223.90	\$5,597.50
Legal/Other (non-transmission)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Legal/Other (direct bill)	\$0.00	\$0.00	\$0.00	\$0.00	\$330.00	\$330.00
Miscellaneous Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Administrative Costs	\$4,848.17	\$30,249.89	\$15,485.36	\$14,427.21	\$3,959.24	\$68,969.87

Actual Administrative Percentage	7.0%	43.9%	22.5%	20.9%	5.7%	100.0%
---	-------------	--------------	--------------	--------------	-------------	---------------



**MICHIGAN SOUTH CENTRAL
POWER AGENCY**

Coldwater, Michigan

FINANCIAL STATEMENTS

Including Independent Auditors' Report

As of and for the Years Ended June 30, 2020 and 2019

MICHIGAN SOUTH CENTRAL POWER AGENCY

TABLE OF CONTENTS As of and for the Years Ended June 30, 2020 and 2019

Independent Auditors' Report	1 – 2
Required Supplementary Information	
Management's Discussion and Analysis	3 – 9
Financial Statements	
Balance Sheets	10 – 11
Statements of Revenues, Expenses and Changes in Net Position	12
Statements of Cash Flows	13 – 14
Notes to Financial Statements	15 – 37
Required Supplementary Information	
Schedule of Changes in the Net Pension Liability (Asset)	38
Schedule of Employer Contributions	39
Note to Required Supplementary Information	39



INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Michigan South Central Power Agency
Coldwater, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of Michigan South Central Power Agency, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Michigan South Central Power Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Michigan South Central Power Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Michigan South Central Power Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Michigan South Central Power Agency as of June 30, 2020 and 2019, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Baker Tilly US, LLP

Baker Tilly US, LLP (formerly known as Baker Tilly Virchow Krause, LLP)
Madison, Wisconsin
September 28, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2020 and 2019 UNAUDITED

The management of the Michigan South Central Power Agency (the "Agency") offers all persons interested in the Agency's financial position this narrative overview and analysis of the Agency's financial performance during the years ending June 30, 2020 and 2019. Please read this narrative in conjunction with the accompanying financial statements and the accompanying notes to financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

Michigan South Central Power Agency is a public body politic and corporate of the State of Michigan. The Agency was organized on March 21, 1978, under the authority of Michigan Public Act 448 of 1976, to supply electricity to member municipalities in South Central Michigan. The Agency has five members: the Cities of Coldwater, Hillsdale, and Marshall, and also the Villages of Clinton and Union City.

This annual report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. These statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Agency uses the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission.

The Balance Sheet reports year end assets, deferred outflows, liabilities, deferred inflows and net position balances based on the original cost adjusted for any depreciation, amortization or unrealized gains/losses as appropriate. The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Agency's net position changed due to the Agency's business activity. The Statement of Cash Flows reports the cash provided and used for operating activities, as well as other cash sources such as investment income and cash payments for capital additions.

AGENCY FINANCIAL ANALYSIS

Fiscal year 2020 was a busy year, operationally and financially. This year marked the fifteenth full year of Agency operations as a "Market Participant" in the Midcontinent Independent System Operator (MISO) Midwest Market Initiative energy market. This market, which commenced on April 1, 2005, is meant to coordinate the provision of reliable, cost-effective energy.

Late in fiscal year 2004, the Agency began a relationship with American Municipal Power (AMP) in order to facilitate the Agency's MISO market participation. For approximately \$172,000 in fiscal year 2020 annual fees, the Agency is able to utilize the services of AMP's energy control center. This arrangement has allowed the Agency to avoid creating and staffing its own control center.

The relationship with AMP has broadened to include the acceptance of the Agency's members as full AMP members in July of 2006 and services such as power supply planning and resource management, including the Agency's members participation in a 44 MW share of the American Municipal Power Fremont Energy Center (AFEC), a 12 MW share of the Prairie State Energy Campus, 18.7 MW of two AMP Hydro projects consisting of five hydro generation locations on existing lock and dam facilities located on the Ohio River. Regarding the hydro units, 13.4 MW of the hydro generation was in service by the end of fiscal 2018, the remaining 5.3 MW of hydro generation were placed in service during the summer of 2017. The Agency also receives 1.2 MW of power from an AMP Solar Project that was completed during Fiscal 2020.

See accompanying independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2020 and 2019 UNAUDITED

AGENCY FINANCIAL ANALYSIS (cont.)

The Agency has entered into multiple fixed price purchase power agreements through AMP. The Agency has secured contracts for 5 MW on-peak starting January 1, 2019 through December 31, 2020, 10 MW on-peak starting January 1, 2018 through December 31, 2025 and for 5 MW on-peak starting January 1, 2018 through December 31, 2030.

Beginning in fiscal 2014, the Agency entered into purchase power agreements with N.E.W. Hydro, LLC to secure long-term hydro power supply for a twenty-year term. The agreements are for 5.75 MW from two hydro units located on the Menominee River and another 3.64 MW from two hydro units located in Oconto Falls on the Oconto River in Wisconsin.

On February 10, 2014, the Agency entered into Project IV, consisting of agreements to purchase and install three natural gas generators and facilities capable of producing 13 MW of power. The purchase and installation cost was \$16.6 million dollars and was completed the summer of 2016. \$16 million was funded with a floating rate bond with an option to fix the rate if desired in the future.

On April 17, 2019, the Agency submitted a Generator Interconnection Application to MISO to obtain the right to gain the ability to potentially build a 50 MW generating facility. The application will go through several milestones before the Agency can consider if it wants to pursue this facility. The Agency is recording these costs in a preliminary survey account until the final status of the project is determined.

On June 1, 2020, the City of Coldwater purchased Project IV from the Agency. The purchase price, \$11.5 million, was the remaining balance on the Power Supply Revenue Bonds on the purchase date. Project IV had a net book value of \$14.8 million. This resulted in a net loss of \$3.3 million being recorded in June 2020.

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2020 and 2019 UNAUDITED

AGENCY FINANCIAL ANALYSIS (cont.)

An analysis of the Agency's financial position begins with the review of the Balance Sheet, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows report information. A summary of the Agency's Balance Sheet is presented in Table 1. The Statement of Revenues, Expenses and Changes in Net Position are summarized in Table 2 and Table 3 presents a summary of the Statement of Cash Flows.

**Table 1
Condensed Balance Sheets**

	2020	2019	2018
Current assets	\$ 23,081,699	\$ 18,838,313	\$ 20,377,566
Noncurrent assets	1,581,269	8,203,292	12,694,260
Utility plant	4,658,916	20,056,764	20,390,922
Total Assets	29,321,884	47,098,369	53,462,748
 Deferred Outflow of Resources	598,615	1,350,086	571,899
Total Assets and Deferred Outflows of Resources	\$ 29,920,499	\$ 48,448,455	\$ 54,034,647
 Current liabilities	\$ 3,582,792	\$ 5,422,551	\$ 5,033,424
Noncurrent liabilities	-	12,187,752	12,466,296
Total Liabilities	3,582,792	17,610,303	17,499,720
 Deferred Inflows of Resources	7,507,235	7,924,107	11,824,655
 Net Position			
Net Investment in capital assets	4,658,916	7,646,764	7,060,922
Restricted for debt service	-	543,137	500,234
Restricted for pensions	262,314	-	485,736
Unrestricted	13,909,242	14,724,144	16,663,380
Total Net Position	18,830,472	22,914,045	24,710,272
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 29,920,499	\$ 48,448,455	\$ 54,034,647

See accompanying independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Years Ended June 30, 2020 and 2019
UNAUDITED

AGENCY FINANCIAL ANALYSIS (cont.)

Table 2
Condensed Statements of Revenues, Expenses and Changes in Net Position

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 49,415,564	\$ 52,454,104	\$ 50,272,122
Operating Expenses			
Depreciation expense	488,615	529,175	535,159
Other operating expenses	<u>48,092,707</u>	<u>50,980,156</u>	<u>47,645,439</u>
Total Operating Expenses	<u>48,581,322</u>	<u>51,509,331</u>	<u>48,180,598</u>
Operating Income	<u>834,242</u>	<u>944,773</u>	<u>2,091,524</u>
Nonoperating Revenue (Expenses)			
Investment and miscellaneous income	112,761	263,893	819,410
Net increase (decrease) in fair value of investments	126,325	249,553	(188,465)
Interest and amortization expense	(356,202)	(496,100)	(413,644)
Member equity refund	(1,500,000)	(2,758,346)	(1,495,756)
Other income and (expense)	<u>(3,300,699)</u>	<u>-</u>	<u>2,473,591</u>
Total Nonoperating Revenue (Expenses)	<u>(4,917,815)</u>	<u>(2,741,000)</u>	<u>1,195,136</u>
Change in Net Position	(4,083,573)	(1,796,227)	3,286,660
NET POSITION – Beginning of Year	<u>22,914,045</u>	<u>24,710,272</u>	<u>21,423,612</u>
NET POSITION - END OF YEAR	<u>\$ 18,830,472</u>	<u>\$ 22,914,045</u>	<u>\$ 24,710,272</u>

See accompanying independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2020 and 2019 UNAUDITED

AGENCY FINANCIAL ANALYSIS (cont.)

Table 3
Condensed Statements of Cash Flows

	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Received sales to members and others	\$ 48,325,197	\$ 53,243,463	\$ 50,373,937
Paid to suppliers for goods and services	(48,274,207)	(49,743,569)	(48,184,379)
Paid to employees for services	(481,210)	(678,822)	(761,983)
Net Cash Flows from Operating Activities	<u>(430,220)</u>	<u>2,821,072</u>	<u>1,427,575</u>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES			
Deferred rate stabilization withdrawal	-	(4,085,645)	(1,000,000)
Member equity draw	(1,500,000)	(2,758,346)	-
Cash Flows from Noncapital Financial Activities	<u>(1,500,000)</u>	<u>(6,843,991)</u>	<u>(1,000,000)</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital expenditures for utility plant	-	(412,495)	(110,364)
Debt retired	(12,410,000)	(920,000)	(905,000)
Proceeds received from Project IV	11,608,533	-	-
Cost of removal of property retired	-	-	(200,000)
Proceeds from the sale of property	-	-	314,174
Interest payments on long term debt	(393,749)	(497,953)	(405,884)
Cash Flows from Capital and Related Financing Activities	<u>(1,195,216)</u>	<u>(1,830,448)</u>	<u>(1,307,074)</u>
Cash Flows from Investing Activities	<u>10,250,901</u>	<u>2,525,511</u>	<u>600,940</u>
Net Change in Cash and Cash Equivalents	7,125,465	(3,327,856)	(278,559)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>9,615,007</u>	<u>12,942,863</u>	<u>13,221,422</u>
CASH AND CASH EQUIVALENTS- END OF YEAR	\$ <u>16,740,472</u>	\$ <u>9,615,007</u>	\$ <u>12,942,683</u>
NONCASH INVESTING ACTIVITY			
Unrealized gains (losses) on investments	<u>\$ 72,066</u>	<u>\$ 257,533</u>	<u>\$ (186,205)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES			
Gain on sale of assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,524,613</u>
Loss on sale of assets	<u>\$ (3,300,699)</u>	<u>\$ -</u>	<u>\$ (1,051,022)</u>
Member equity (draw) to rate stabilization	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,495,756</u>

See accompanying independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2020 and 2019 UNAUDITED

BALANCE SHEETS

"Current assets" increased by \$4.2 million during fiscal year 2020, with unrestricted cash increasing \$4.6 million primarily due to conversion of maturing investments to cash of \$6.9 million partially offset by equity refunds of \$1.5 million, accounts receivable increasing \$.7 million and regulatory assets decreased by \$.9 million. Prepaid items and other current assets increased \$.5 million. Current assets" decreased by \$1.5 million during fiscal year 2019 with unrestricted cash decreasing \$1.2 million primarily due to member rate stabilization withdrawals of \$4.1 million and equity refunds of \$2.8 million, accounts receivable decreasing \$.2 million and regulatory assets increasing \$.2 million. Prepaid items and other current assets decreased \$.4 million primarily due a decrease in funds held at MISO.

"Noncurrent assets" decreased by \$6.6 million in total during fiscal 2020 due to maturing long-term investments decreasing by \$6.9 million, preliminary survey was flat and pension assets increasing by \$.3 million. "Noncurrent assets" increased by \$4.5 million in total during fiscal 2019 due to long-term investments decreasing by \$4.2 million, preliminary survey increasing by \$.2 million due to a survey for a future power supply/capacity asset and pension assets decreasing by \$.5 million.

The decrease in fiscal 2020's utility plant number of \$15.4 million is primarily due to the book value sale of assets of Project IV of \$14.8 million and \$.5 million of depreciation recorded for the year. The increase in fiscal 2019's utility plant number of \$.3 million is primarily due to projects capitalized (including construction in progress) during the year, offset by \$.5 million of depreciation recorded for the year.

Deferred Outflows of Resources decreased by \$.8 million during fiscal 2020 due the current year impact of GASB 68 on pension activities. Deferred Outflows of Resources increased by \$.8 million during fiscal 2019 due the current year impact of GASB 68 on pension activities

Total Liabilities decreased by \$14.0 million during fiscal 2020 primarily due to extinguishing \$12.4 million in debt (\$.9 million current portion of long term debt and \$11.5 million of long term debt). Other changes include accounts payable decreasing \$.4 million, compensation and related accruals decreased \$.4 million and the pension liability decreasing by \$.2 million from current year impact of GASB 68 on pension activities. Total Liabilities increased by \$.1 million during fiscal 2019. Accounts payable was flat, compensation and related accruals increased \$.3 million as any severance payments due to the ending of employment contracts or terminations not yet paid have been accrued into the financial statements, noncurrent accrued liabilities increased \$.7 million primarily due to the pension liability increasing by \$.7 million from current year impact of GASB 68 on pension activities and long-term debt decreased by \$.9 million.

Deferred Inflows of Resources decreased \$.4 million during fiscal 2020, primarily due to member rate stabilization funds which increased by \$.2 million, deferred transmission utilization decreased by \$.6 million and current year GASB 68 pension activities were flat. Deferred Inflows of Resources decreased \$3.9 million during fiscal 2019, primarily due to member rate stabilization funds which decreased by \$3.5 million, due to a member refunds of \$4.1 million, contributions of \$1.1 million added by the members, \$.2 million of interest, offset by \$0.7 million drawn for member usage and a decrease of \$.4 million from current year GASB 68 pension activities.

MICHIGAN SOUTH CENTRAL POWER AGENCY

MANAGEMENT'S DISCUSSION AND ANALYSIS As of and for the Years Ended June 30, 2020 and 2019 UNAUDITED

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Fiscal 2020 operating revenues decreased by 5.8 percent and expenses decreased by 5.7 percent versus fiscal 2019. Fiscal 2020 operating revenues and expenses were lower than fiscal 2019 primarily due to lower Member loads resulting in lower third-party purchases.

Operating income decreased slightly by \$.1 million in Fiscal 2020.

"Investment and miscellaneous income" decreased \$.2 million for Fiscal 2020 primarily due to maturing investments that were either reinvested or held in short-term investments.

"Net decrease in the fair market of investments" of \$.1 million in Fiscal 2020 was due to unrealized losses of the market value of investments held at June 30, 2020. The Agency has continued its policy of holding investments to maturity so as minimize the effect of mark to market changes.

"Loss on sale of assets" of \$3.3 million for fiscal 2020 was primarily due to the loss on sale of Project IV assets.

"Member equity refund" of \$1.5 million for fiscal 2020 were refunds of prior years' equity that were distributed to the members during the year. "Member equity refund" of \$2.8 million for fiscal 2019 were refunds of prior years' equity that were distributed to the members during the year.

STATEMENTS OF CASH FLOWS

"Cash and cash equivalents" are defined as investments which mature in 90 days or less, plus immediately accessible bank accounts. For fiscal 2020, the "Cash and cash equivalents" amount increased by \$7.1 million primarily due to Proceeds from sales and maturities of investments of \$10.2 million offset by member equity withdrawals of \$1.5 million and net cash inflow from other activities of \$1.6 million. For fiscal 2019, the "Cash and cash equivalents" amount decreased by \$3.3 million.

DEBT SERVICE COVERAGE

The Agency's bond documents required the Agency to maintain certain restrictive financial covenants, the most restrictive being the requirement that net revenues must equal at least 110% of the aggregate bond service for the year. The Agency met or exceeded all bond covenants for the year ended June 30, 2019. Further details can be found in the Footnotes to the Financial Statements, under "Aggregate Bond Service Coverage."

CONTACTING AGENCY MANAGEMENT

This financial report is designed to provide our members, investors, and creditors with a general overview of Michigan South Central Power Agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Michigan South Central Power Agency, 168 Division Street, Coldwater, MI 49036.

MICHIGAN SOUTH CENTRAL POWER AGENCY

BALANCE SHEETS
As of June 30, 2020 and 2019

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2020	2019
CURRENT ASSETS		
Unrestricted cash and investments	\$ 17,640,068	\$ 12,998,637
Restricted cash and investments	-	580,684
Accounts receivable	4,432,949	3,749,634
Interest receivable	-	62,759
Prepayments and other current assets	1,008,682	546,344
Regulatory assets	-	900,255
Total Current Assets	23,081,699	18,838,313
NONCURRENT ASSETS		
Unrestricted investments	1,101,476	7,985,814
Preliminary survey and investigation	217,479	217,478
Net pension asset	262,314	-
Total Noncurrent Assets	1,581,269	8,203,292
CAPITAL ASSETS		
Utility plant (including construction work in progress)	8,692,996	25,484,091
Accumulated depreciation	(4,034,080)	(5,427,327)
Total Net Capital Assets	4,658,916	20,056,764
Total Assets	29,321,884	47,098,369
DEFERRED OUTFLOWS OF RESOURCES RELATED TO PENSIONS	598,615	1,350,086
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 29,920,499	\$ 48,448,455

**LIABILITIES, DEFERRED INFLOWS OF
RESOURCES, AND NET POSITION**

	2020	2019
CURRENT LIABILITIES		
Accounts payable	\$ 3,554,902	\$ 3,985,850
Compensation and related amounts	27,890	464,154
Current Liabilities Payable from Restricted Assets		
Current portion of long-term debt	-	935,000
Accrued interest payable	-	37,547
Total Current Liabilities	3,582,792	5,422,551
NONCURRENT LIABILITIES		
Long-term debt	-	11,475,000
Net pension liability		684,861
Supplemental retirement obligation	-	27,891
Total Noncurrent Liabilities	-	12,187,752
 Total Liabilities	 3,582,792	 17,610,303
DEFERRED INFLOWS OF RESOURCES		
Deferred rate stabilization	7,397,304	7,224,961
Deferred transmission utilization	-	579,395
Deferred inflows related to pensions	109,931	119,751
Total Deferred Inflows of Resources	7,507,235	7,924,107
NET POSITION		
Net investment in capital assets	4,658,916	7,646,764
Restricted for debt service	-	543,137
Restricted for pensions	262,314	-
Unrestricted	13,909,242	14,724,144
Total Net Position	18,830,472	22,914,045
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	 \$ 29,920,499	 \$ 48,448,455

See accompanying notes to financial statements and independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION For the Years Ended June 30, 2020 and 2019

	2020	2019
OPERATING REVENUES		
Sales to members	\$ 49,054,950	\$ 52,523,941
Sales to others	426,033	278,159
Other income	-	47,500
Net rate stabilization application (deferral)	(65,419)	(395,496)
Total Operating Revenues	49,415,564	52,454,104
OPERATING EXPENSES		
Operations	45,953,617	48,941,379
Maintenance	20,530	41,045
Administration and general	2,118,560	1,997,732
Depreciation	488,615	529,175
Total Operating Expenses	48,581,322	51,509,331
Operating Income	834,242	944,773
NONOPERATING REVENUES (EXPENSES)		
Investment and miscellaneous income	112,761	263,893
Net increase (decrease) in the fair value of investments	126,325	249,553
Interest expense on long-term debt	(356,202)	(496,100)
Loss on sale of assets	(3,300,699)	-
Member equity refund	(1,500,000)	(2,758,346)
Total Nonoperating Expenses	(4,917,815)	(2,741,000)
CHANGE IN NET POSITION	(4,083,573)	(1,796,227)
NET POSITION - Beginning of Year	22,914,045	24,710,272
NET POSITION - END OF YEAR	\$ 18,830,472	\$ 22,914,045

See accompanying notes to financial statements and independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

STATEMENTS OF CASH FLOWS For the Years Ended June 30, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from sales to members and others	\$ 48,325,197	\$ 53,243,463
Paid to suppliers for goods and services	(48,274,207)	(49,743,569)
Paid to employees for services	(481,210)	(678,822)
Net Cash Flows from Operating Activities	(430,220)	2,821,072
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Deferred rate stabilization withdrawal	-	(4,085,645)
Member equity draw	(1,500,000)	(2,758,346)
Cash Flows from Noncapital Financing Activities	(1,500,000)	(6,843,991)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital expenditures for utility plant	-	(412,495)
Debt retired	(12,410,000)	(920,000)
Proceeds received from the sale of Project IV	11,608,533	-
Interest payments on long-term debt	(393,749)	(497,953)
Cash Flows from Capital and Related Financing Activities	(1,195,216)	(1,830,448)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	10,206,289	2,277,675
Purchases of investments	(185,167)	-
Interest received	229,779	247,836
Cash Flows from Investing Activities	10,250,901	2,525,511
Net Change in Cash and Cash Equivalents	7,125,465	(3,327,856)
CASH AND CASH EQUIVALENTS – Beginning of Year	9,615,007	12,942,863
CASH AND CASH EQUIVALENTS – END OF YEAR	\$ 16,740,472	\$ 9,615,007
NONCASH INVESTING ACTIVITY		
Unrealized gains on investments	\$ 72,066	\$ 257,233
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Loss on sale of assets	\$ (3,300,699)	\$ -
Member equity (draw) refund to rate stabilization	\$ -	\$ 2,758,346

	2020	2019
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 834,242	\$ 944,773
Noncash items included in operating income		
Depreciation	488,615	529,175
Changes in assets, deferred outflows, liabilities, and deferred inflows		
Accounts receivable	(683,315)	210,719
Prepayments and other current assets	(462,338)	418,145
Pension related deferrals and liabilities	(205,524)	(1,132)
Accounts payable	469,307	(163,550)
Compensation and related amounts	(436,264)	332,708
Postemployment retirement benefit	(27,891)	(28,405)
Deferred inflows of resources	(407,052)	578,639
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (430,220)	\$ 2,821,072
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET		
Current unrestricted cash and investments	\$ 17,640,068	\$ 12,998,637
Restricted cash and investments	-	580,684
Noncurrent unrestricted investments	1,101,476	7,985,814
Total Cash and Investments	18,741,544	21,565,135
Less: Noncash equivalents	(2,001,072)	(11,950,128)
CASH AND CASH EQUIVALENTS	\$ 16,740,472	\$ 9,615,007

See accompanying notes to financial statements and independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS

The financial statements of Michigan South Central Power Agency (the Agency) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to enterprise funds of governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The significant accounting principles and policies utilized by the Agency are described below.

REPORTING ENTITY

The Agency is a public body politic and corporate of the State of Michigan, organized on March 21, 1978, under the authority of Michigan Public Act 448 of 1976 (the Act), to supply electricity to member municipalities in south central Michigan. The Act provides that the Agency will establish rates and charges so as to produce revenues sufficient to cover costs (excluding depreciation) including debt service, but it may not operate its projects for profit, except insofar as any such profit will insure to the benefit of the public.

The Agency's member municipalities are the Cities of Coldwater, Hillsdale and Marshall and the Villages of Clinton and Union City. Each member is a municipal corporation, organized under the laws of the State of Michigan, which owns and operates a municipal electric system. The member municipalities presently supply their customers with power purchased from the Agency. The Agency's power supply comes with multiple sources including the Agency's Project IV generators, power purchased from the MISO Market, power purchase agreements from other utility companies and from the individual members existing generation facilities. Project IV consists of three natural gas fired peaking units capable of producing 13 megawatts of power. Coldwater is the only participant in Project IV. During June 2020, the Agency transferred the net book value of the Project IV assets to the City of Coldwater. In addition, the City of Coldwater issued revenue bonds for the purposes of paying off the outstanding 2014 Agency revenue bonds. After the transaction, the Agency no longer has any ownership or operation requirements for the project or any outstanding financial obligations related to the project.

Each member municipality has entered into the following agreements with the Agency:

- > Economic Dispatch Agreement, which provides for the dispatch by the Agency of power and energy from certain existing generating facilities of the member municipalities on an economic basis and the member municipalities are required to sell to the Agency power generated by their facilities, defined as dedicated capacity.
- > The Power Sales Contract, which requires the Agency to provide, and the member municipalities to purchase from the Agency, all of the members' bulk power supply, as defined in the contracts.
- > The Substation Agreement requires the Agency to provide, and the municipalities to purchase, services of the municipalities' substation facilities for transmission, transformation and delivery of electric power and energy from the Agency to the municipalities.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (cont.)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Agency's accounts are maintained in accordance with the Uniform System of Accounts of the Federal Energy Regulatory Commission, as required by the Power Sales Contracts with the member municipalities, and in conformity with accounting principles generally accepted in the United States of America. A separate set of plant accounts is maintained for each of the Agency's projects.

USE OF ESTIMATES

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include; checking accounts, savings accounts and institutional liquid assets, with initial maturities of three months or less from the date of acquisition.

Investments

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Fair values may have changed significantly after year end.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are stated at the amount billed to members and non-members. Allowance for doubtful accounts is not considered necessary as the Agency has not historically experienced delays in payments for service rendered.

Prepayments and Other Current Assets

These balances represent payments in the current year that will benefit future periods, the net cash surrender value of key retired employees' life insurance, renewable energy credits and deposits made to MISO. The balance of the deposit made to MISO as of June 30, 2020 and 2019 was \$900,323 and \$500,000, respectively.

Regulatory Assets

The Agency has adopted the provisions for regulatory accounting as outlined in GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre - November 30, 1989 FASB and other AICPA Pronouncements*. This statement provides for the deferral of costs and revenues which will be recognized through future rate adjustments. See Notes 5, 6, and 7 for details.

Preliminary Survey and Investigation

The balance represents initial exploration costs related to purchasing additional capacity. The balance will be capitalized upon commencement of the project.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time. Deferred outflows relate to the net pension liability (asset). Details of the account are included in Note 10.

Capital Assets – Utility Plant

The Agency capitalizes assets with an original cost of \$5,000 or more and a useful life of at least two years. The cost of utility plant includes direct and overhead costs. Interest incurred during construction is reflected in the capitalized value of assets, net of interest earned on the invested proceeds over the same period. There were no interest charges to construction for the years ended June 30, 2020 and 2019.

When property subject to depreciation is retired or otherwise disposed of in the normal course of business, its cost, together with the cost of removal, less salvage, is charged to accumulated depreciation.

The cost of maintenance, repairs and replacements of minor items of property is charged to maintenance expense. The cost of replacements of property is charged to utility plant accounts.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Capital Assets – Utility Plant (cont.)

Utility plant in service is depreciated using the straight-line method over the following useful lives:

	<u>Years</u>
Transmission facilities (composite)	55
Buildings	10 – 50
Transportation equipment	3 – 5
Furniture and fixtures	5 – 10
Project IV structure	50
Project IV equipment	40
Menominee/Oconto equipment	5

Pensions

For purposes of measuring the net pension (asset) liability, deferred outflows of resources, deferred inflows of resources, and pension expense, information about the fiduciary net position of the Municipal Employees Retirement System of Michigan (MERS) and additions to/deductions from MERS' fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time. See Notes 6, 7 and 10 for details.

Compensation and Related Amounts

Under terms of employment, full-time employees accrue paid time off (PTO) on a bi-weekly basis determined by years of service. Unused PTO may be accumulated annually to a maximum of 240 hours. One time annually, any accumulated hours in excess of 240 hours will be calculated at the employees' current hourly rate and contributed to their health care savings plan. Upon termination, all remaining PTO hours will be calculated at the employees' hourly rate in effect as of the termination date and contributed to the employees' health care savings plan. PTO benefits earned but not yet taken have been recorded in the financial statements. Any severance amounts due to ending of employment contracts or termination not yet paid have been accrued in the financial statements. As of June 30, 2020, the Agency no longer has any employees and all earned payroll, earned PTO or severance amounts have been paid out to employees prior to year end.

The current portion of the supplemental retirement obligation, detailed in Note 10, is included with compensation and related amounts on the balance sheet.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (cont.)

ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION (cont.)

Long-term Obligations

Long-term debt and other obligations are reported as liabilities.

REVENUES AND EXPENSES

The Agency distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering electric service in connection with the Agency's principal ongoing operations. The principal operating revenues of the Agency are charges to members for sales and services. Operating expenses for the Agency include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Agency billings are rendered and recorded monthly based on month end metered usage. No accrual for unbilled service is necessary. As all payments are received from Agency members for current service, no allowance for doubtful accounts is considered necessary.

TAXES

The Agency is exempt from State and Federal income taxes.

COMPARATIVE DATA

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following statements:

- > Statement No. 84, *Fiduciary Activities*
- > Statement No. 87, *Leases*
- > Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- > Statement No. 90, *Majority Equity Interests*
- > Statement No. 91, *Conduit Debt Obligations*
- > Statement No. 92, *Omnibus*
- > Statement No. 93, *Replacement of Interbank Offered Rates*

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF OPERATIONS (cont.)

EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS (cont.)

- > Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- > Statement No. 96, *Subscription-Based Information Technology Arrangements*
- > Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87 which was postponed by one and a half years.

NOTE 2 – CASH AND INVESTMENTS

The Agency may make investments in U.S. Government and Federal Agency obligations, investment grade bonds, commercial paper rated at the highest classification established by at least two standard rating services, money market mutual funds, repurchase agreements, and pooled investment funds. The Agency's investment policy follows Michigan Public Act 20.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest and noninterest bearing accounts). The difference between the bank balance and carrying amount is due to outstanding checks, deposits in transit and/or fair value adjustments.

Michigan Cooperative Liquid Assets Securities System (MI CLASS) reports the fair value of its underlying assets annually. Participants in the MI CLASS have the right to withdraw their funds in total upon notice. At June 30, the fair value of the MI CLASS' assets were substantially equal to the Agency's share. As of June 30, 2020 and 2019, the Agency held a balance of \$7,617,860 and \$2,574,286 in MI CLASS, respectively. MI CLASS is rated AAAM by Standard and Poor's.

FAIR VALUE

The Agency categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 2 – CASH AND INVESTMENTS (cont.)

FAIR VALUE (cont.)

The valuation methods for recurring fair value measurements as of June 30, 2020 are as follows:

- > Market approach – asset- class- based matrix

Investment Type	Total	Level 1	Level 2	Level 3
U.S. Government Agency Securities	\$ 717,038	\$ -	\$ 717,038	\$ -
Governmental Money Market	4,336,980	-	4,336,980	-
Municipal Bonds	283,783	-	283,783	-
Totals	\$ 5,337,801	\$ -	\$ 5,337,801	\$ -

The valuation methods for recurring fair value measurements as of June 30, 2019 are as follows:

- > Market approach – asset- class- based matrix

Investment Type	Total	Level 1	Level 2	Level 3
U.S. Government Agency Securities	\$ 7,475,715	\$ -	\$ 7,475,715	\$ -
Governmental Money Market	78,190	-	78,190	-
Municipal Bonds	1,516,882	-	1,516,882	-
Totals	\$ 9,070,787	\$ -	\$ 9,070,787	\$ -

The investment in the Fidelity Money Market Government Portfolio – Class II is measured at net asset value (NAV) per share of ownership. As of June 30, 2020 and 2019 the fair value of the investment was \$4,771,637 and 6,861,032, respectively. The investment in the Fidelity Money Market Government Portfolio operates like a money market account and can be drawn upon request.

CUSTODIAL CREDIT RISK

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Agency's deposits may not be returned to the Agency.

Of the Agency's total bank balances, \$1,020,252 and \$2,977,905 as of June 30, 2020 and 2019 \$3,194 and \$0, respectively, were known to be individually exposed to custodial credit risk.

To minimize risk, the Agency's investment policy states, the Agency may only utilize depositories that have been authorized in the Banking and Depository Resolution.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 2 – CASH AND INVESTMENTS (cont.)

CUSTODIAL CREDIT RISK (cont.)

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of June 30, 2020 and 2019, no investments were exposed to custodial credit risk.

The Agency's investment policy limits investing to security types that have been authorized by the Board and in compliance with the Michigan Public Act 20 as amended.

CREDIT RISK

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations.

As of June 30, 2020 and 2019, the Agency's investments were rated as follows:

<u>Investment Type</u>	<u>Standard & Poor's</u>	<u>Moody's</u>
U.S. Government Agency Securities	AA+	Aaa
Municipal Bonds	N/R - AA	N/R – Aa1
Michigan CLASS	AAAm	N/R

The Agency's investment policy limits investing to security types that have been authorized by the Board and in compliance with the Michigan Public Act 20 as amended.

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At June 30, 2020 and 2019, the investment portfolio was concentrated as follows:

<u>Investment Type</u>	<u>Issuer</u>	<u>Percentage of Investment Portfolio</u>	
		<u>2020</u>	<u>2019</u>
U.S. Government Agency Securities	Federal Home Loan Bank	-	14%
U.S. Government Agency Securities	Federal Farm Credit Bank	-	16%
U.S. Government Agency Securities	Federal Home Loan Mortgage Corp	-	10%

This Agency's investment policy specifies that no single issuer shall comprise greater than 25% of the overall portfolio, excluding securities collateralizing the repurchase agreement, when measured at the last investment purchase date. No noncompliance with the policy was noted as of June 30, 2020 or 2019. Securities which are explicitly backed by the full faith and credit of the United States Government shall not be aggregated when measuring portfolio concentration.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 2 – CASH AND INVESTMENTS (cont.)

INTEREST RATE RISK

Interest rate risk is the risk changes in interest rates will adversely affect the fair value of an investment.

As of June 30, 2020, the Agency's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	
		<u>Less than 1 Year</u>	<u>1 – 5 Years</u>
U.S. Government Agency Securities	\$ 717,038	\$ -	\$ 717,038
Municipal Bonds	283,783	151,096	132,687
Totals	<u>\$ 1,000,821</u>	<u>\$ 151,096</u>	<u>\$ 849,725</u>

As of June 30, 2019, the Agency's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	
		<u>Less than 1 Year</u>	<u>1 – 5 Years</u>
U.S. Government Agency Securities	\$ 7,475,715	\$ 994,340	\$ 6,481,375
Municipal Bonds	1,516,882	1,236,115	280,767
Totals	<u>\$ 8,992,597</u>	<u>\$ 2,230,455</u>	<u>\$ 6,762,142</u>

This Agency's investment policy specifies operating funds shall be maintained in liquid investments such as money market funds, municipal investment pools, and savings accounts. Investments greater than five years are not allowed, however, upon the recommendation and approval of funds held for capital purposes, not expected to be paid within five years, may be invested in securities which mature in ten years or less.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 3 – RESTRICTED ASSETS

RESTRICTED ACCOUNTS

Certain proceeds of the Agency's debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited. The following accounts are reported as restricted assets:

Bond Service Fund - Used to pay the current portion of the bond principal and interest

The outstanding 2014 revenue bonds were satisfied as of June 30, 2020, therefore no assets were reported to be restricted for debt service.

NET PENSION ASSET

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

RESTRICTED NET POSITION

The following calculation supports the restricted net position:

	2020	2019
Restricted Assets		
Bond Service Fund	\$ -	\$ 580,684
Net Pension Asset	262,314	-
Current Liabilities Payable from Restricted Assets	-	(37,547)
Total Restricted Net Position	\$ 262,314	\$ 543,137

The purpose of the restricted net position is as follows:

	2020	2019
Debt Service	\$ -	\$ 543,137
Net Pension Asset	262,314	-
Total Restricted Net Position	\$ 262,314	\$ 543,137

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 4 – CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets for 2020 and 2019 follows:

	2020			Balance 6/30/20
	Balance 7/1/19	Additions/ Reclassifications	Deletions/ Reclassifications	
Capital assets, not being depreciated				
Land	\$ 979,296	\$ -	\$ -	\$ 979,296
Capital assets being depreciated				
Transmission Facilities	7,493,041	-	-	7,493,041
Project IV	16,602,440	-	16,602,440	-
General Plant	396,155	-	188,655	207,500
Menominee/Oconto	13,159	-	-	13,159
Total Capital Assets Being Depreciated	<u>24,504,795</u>	<u>-</u>	<u>16,791,095</u>	<u>7,713,700</u>
Total Capital Assets	<u>25,484,091</u>	<u>-</u>	<u>16,791,095</u>	<u>8,692,996</u>
Less: Accumulated depreciation				
Transmission Facilities	3,711,867	123,168	-	3,835,035
Project IV	1,497,152	350,397	1,847,549	-
General Plant	205,149	14,147	33,410	185,886
Menominee/Oconto	13,159	-	-	13,159
Total Accumulated Depreciation	<u>5,427,327</u>	<u>487,712</u>	<u>1,880,959</u>	<u>4,034,080</u>
Net Capital Assets	<u>\$ 20,056,764</u>			<u>\$ 4,658,916</u>

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 4 – CHANGES IN CAPITAL ASSETS (cont.)

	2019			
	Balance 7/1/18	Additions/ Reclassifications	Deletions/ Reclassifications	Balance 6/30/19
Capital assets, not being depreciated				
Land	\$ 979,296	\$ -	\$ -	\$ 979,296
Construction work in progress	39,107	195,017	234,124	-
Total Capital Assets, Not Being Depreciated	<u>1,018,403</u>	<u>195,017</u>	<u>234,124</u>	<u>979,296</u>
Capital assets being depreciated				
Transmission Facilities	7,378,417	114,624	-	7,493,041
Project IV	16,602,440	-	-	16,602,440
General Plant	276,655	119,500	-	396,155
Menominee/Oconto	13,159	-	-	13,159
Total Capital Assets Being Depreciated	<u>24,270,671</u>	<u>234,124</u>	<u>-</u>	<u>24,504,795</u>
Total Capital Assets	<u>25,289,074</u>	<u>429,140</u>	<u>234,123</u>	<u>25,484,091</u>
Less: Accumulated depreciation				
Transmission Facilities	3,590,592	121,275	-	3,711,867
Project IV	1,114,900	382,252	-	1,497,152
General Plant	182,571	22,578	-	205,149
Menominee/Oconto	10,089	3,070	-	13,159
Total Accumulated Depreciation	<u>4,898,152</u>	<u>529,175</u>	<u>-</u>	<u>5,427,327</u>
Net Capital Assets	<u>\$ 20,390,922</u>			<u>\$ 20,056,764</u>

NOTE 5 – REGULATORY ASSETS

Regulatory assets consist of costs incurred by the Agency which were not billed to the member municipalities during the period in which they were incurred.

Certain costs incurred during fiscal 2019 were deferred until the appropriate allocation between members was determined.

GAAP allows these items to be removed from the statements of revenues, expenses and changes in net position, and recorded as an asset, liability or deferred inflow of resources in the year in which they were incurred. These items are then recognized in future years when the items are included as allowable costs for rate-making purposes.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 5 – REGULATORY ASSETS (cont.)

The components of the regulatory assets as of June 30, 2020 and 2019 are as follows:

	2020	2019
Regulatory Assets		
Cost to be billed once allocation is determined	\$ -	\$ 900,255

The change in the components of regulatory assets for the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Accrued vacation, sick leave and severance costs	\$ (320,860)	\$ 238,657
ITC KVAR estimate	-	(31,835)
MISO back billed transmission cost estimate	(580,169)	-
Net Increase (Decrease) in Regulatory Costs	(900,255)	206,822
Balance at Beginning of Year	900,255	693,433
Balance at End of Year	\$ -	\$ 900,255

NOTE 6 – DEFERRED RESOURCES FOR TRANSMISSION UTILIZATION

Based on various known circumstances the Board approves the accumulation of funds in advance of a major future operating expense. No additional resources were accumulated in fiscal 2020.

During fiscal 2018, the Board approved the accumulation of funds in advance of payment related to an estimated expense of MISO transmission costs under a revised tariff agreement. These resources were recognized into revenue during fiscal 2020.

GAAP allows these resources to be deferred, recorded on the balance sheet when collected and recognized as revenues in a future period when the operating costs are incurred.

The change in deferred inflows of resources related to future operating expenses for the years ended June 30, 2020 and 2019 is as follows:

	2020	2019
Balance at Beginning of Year	\$ 579,385	\$ 579,385
Resources accumulated	-	-
Resources recognized	(579,385)	-
Balance at End of Year	\$ -	\$ 579,385

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 7 – DEFERRED RATE STABILIZATION

Management of the Agency has implemented a rate stabilization plan to provide its members with rate relief in future periods, through the withdrawal of members' accumulated resources. The balance is shown as a deferred inflow of resources on the balance sheets.

During fiscal 2019, members including Hillsdale, Marshall and Union City requested distributions from accumulated resources of \$4,085,645.

The Agency anticipates the member contributions will be distributed to its members in an indeterminable period in the future out of currently available unrestricted funds. Accordingly, the Agency has established a deferred inflow of resources as follows:

Fiscal Year	Balance 7/1	Contributions	Interest Accrued	Distributions	Balance 6/30
2020	\$ 7,224,961	\$ 1,454,467	\$ 93,599	\$ 1,375,723	\$ 7,397,304
2019	10,731,967	1,312,861	182,153	5,002,020	7,224,961

NOTE 8 – LONG-TERM OBLIGATIONS

MSCPA has issued the following revenue bonds which were satisfied in full as of June 20, 2020:

Date	Purpose	Final Maturity	Interest Rates	Original Issue	Outstanding 6/30/20
February 10, 2014	Project IV	February 1, 2021	Variable	\$ 16,000,000	\$ -

Long-term obligation activity for the year ended June 30, 2020 is as follows:

	Balance 7/1/19	Additions	Retirements	Balance 6/30/20	Due Within One Year
Long-term debt	\$ 12,410,000	\$ -	\$ 12,410,000	\$ -	\$ -
Supplemental retirement obligation	56,930	-	29,040	27,890	27,890
Total Long-term Obligations	\$ 12,466,930	\$ -	\$ 12,439,040	\$ 27,890	\$ 27,890

Long-term obligation activity for the year ended June 30, 2019 is as follows:

	Balance 7/1/18	Additions	Retirements	Balance 6/30/19	Due Within One Year
Long-term debt	\$ 13,330,000	\$ -	\$ 920,000	\$ 12,410,000	\$ 935,000
Supplemental retirement obligation	85,335	634	29,039	56,930	29,039
Total Long-term Obligations	\$ 13,415,335	\$ 634	\$ 949,039	\$ 12,466,930	\$ 964,039

In addition to the liabilities above, information on the net pension liability (asset) is provided in Note 10.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 9 – NET POSITION

GASB No. 34 requires the classification of net position into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, then unrestricted resources as they are needed.

The following calculation supports the net investment in capital assets:

	<u>2020</u>	<u>2019</u>
Capital Assets		
Utility plant in service and work in progress	\$ 8,692,996	\$ 25,484,091
Allowance for depreciation	(4,034,080)	(5,427,327)
Sub-totals	<u>4,658,916</u>	<u>20,056,764</u>
Less: Capital related debt	<u>-</u>	<u>(12,410,000)</u>
Total Net Investment in Capital Assets	<u>\$ 4,658,916</u>	<u>\$ 7,646,764</u>

NOTE 10 – EMPLOYEE RETIREMENT PLAN

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS)

The Agency contributes to two pension plans administered by the Municipal Employees Retirement System of Michigan (MERS), a public employee retirement system that acts as a common investment and administrative agent for municipalities. Employees hired prior to January 1, 2014 are enrolled in the Agency's defined benefit multiple-employer plan. Employees hired after January 1, 2014 are enrolled in the Agency's defined contribution plan.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS) (cont.)

Agent Defined Benefit Multiple-Employer Plan (cont.)

Agent Defined Benefit Multiple-Employer Plan

Plan Description. The employer’s defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The employer participates in the MERS. MERS is an agent multiple employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the MERS website at www.mersofmich.com.

Benefits Provided. Benefits provided include plans with a multiplier of 2.0%. Vesting periods are 10 years for all divisions. Normal retirement age is 60 with reduced early retirement options at 50 with 25 years of service or at age 55 with 15 years of service. The union also has an unreduced early retirement option at age 55 with 30 years of service. Final average compensation is calculated based on 5 years. Members do not contribute to the plan.

Employees Covered by Benefit Terms. At the December 31, 2020 and 2019 valuation date, the following employees were covered by the benefit terms:

	2020	2019
Inactive employees or beneficiaries currently receiving benefits	40	34
Inactive employees entitled to but not yet receiving benefits	25	24
Active employees	0	5
Totals	65	63

The pension plan is closed to new employees.

Contributions. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees.

Net Pension Liability (Asset). The employer’s Net Pension Liability (Asset) was measured as of December 31, 2019 and 2018. The total pension liability used to calculate the Net Pension Liability (Asset) was determined by an annual actuarial valuation as of those dates.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS) (cont.)

Agent Defined Benefit Multiple-Employer Plan (cont.)

Actuarial Assumptions. The total pension liability in the December 31, 2019 and 2018 annual actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- > Inflation: 3.75% 2019: 3.00% 2018
- > Salary Increases: 3.00% 2019: 3.75% 2018 in the long-term and projected to remain constant.
- > Investment rate of return: 7.35% 2019: 7.00% 2018, net of investment expense, including inflation. Although no specific price inflation assumptions are needed for the valuation, the 3.00% long-term wage inflation assumption would be consistent with a price inflation of 3%-4%.
- > The mortality table used to project the mortality experience of non-disabled plan members is a 50% Male – 50% Female blend of the following tables:
 1. The RP-2014 Healthy Annuitant Mortality Tables, with rates multiplied by 105%
 2. The RP- 2014 Employee Mortality Tables

The Mortality table used to project the mortality experience of disabled plan members is a 50% Male – 50% Female blend of the RP-2014 Disabled Retiree Mortality Tables.

These Mortality Tables were first used for the December 31, 2015 actuarial valuations.

- > The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study in 2015. The actuarial experience study covered the period from January 1, 2009, through December 31, 2013.
- > The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	55.5%	5.02%
Global Fixed Income	18.5%	2.18%
Real Assets	13.5%	4.23%
Diversifying Strategies	12.5%	6.56%

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS) (cont.)

Agent Defined Benefit Multiple-Employer Plan (cont.)

Discount Rate. The discount rate used to measure the total pension liability is 7.35% as of the December 31, 2019 and 2018 actuarial reports. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability (Asset)

Calculating Net Pension Liability (Asset) 2020

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/19	\$ 13,949,226	\$ 13,264,365	\$ 684,861
Changes for the Year			
Service cost	-	-	-
Interest on total pension liability	989,924	-	989,924
Changes in benefits	-	-	-
Difference between expected and actual experience	(75,425)	-	(75,425)
Changes in assumptions	544,240	-	544,240
Employer contributions	-	732,784	(732,784)
Employee contributions	-	-	-
Net investment income	-	1,791,503	(1,791,503)
Benefit payments, including employee refunds	(961,750)	(961,750)	-
Administrative expense	-	(30,829)	30,829
Other changes	87,544	-	87,544
Net Changes	584,533	1,531,708	(947,175)
Balance as of 12/31/2020	\$ 14,533,759	\$ 14,796,073	\$ (262,314)

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS) (cont.)

Agent Defined Benefit Multiple-Employer Plan (cont.)

Calculating Net Pension Liability (Asset) 2019

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/18	\$ 13,724,279	\$ 14,210,015	\$ (485,736)
Changes for the Year			
Service cost	43,663	-	43,663
Interest on total pension liability	1,030,977	-	1,030,977
Changes in benefits	-	-	-
Difference between expected and actual experience	3,410	-	3,410
Changes in assumptions	-	-	-
Employer contributions	-	518,926	(518,926)
Employee contributions	-	-	-
Net investment income	-	(550,778)	550,778
Benefit payments, including employee refunds	(886,362)	(886,362)	-
Administrative expense	-	(27,436)	27,436
Other changes	33,259	-	33,259
Net Changes	<u>224,947</u>	<u>(945,650)</u>	<u>1,170,597</u>
Balance as of 12/31/2019	<u>\$ 13,949,226</u>	<u>\$ 13,264,365</u>	<u>\$ 684,861</u>

Note: Immaterial differences may occur due to rounding.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 7.60%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower (6.60%) or 1% higher (8.60%) than the current rate.

Sensitivity to Changes in Discount Rate 2020

	1% Decrease	Current Discount Rate	1% Increase
Total Pension Liability (a)	\$ 16,330,867	\$ 14,533,759	\$ 13,499,808
Fiduciary Net Position (b)	<u>14,796,073</u>	<u>14,796,073</u>	<u>14,796,073</u>
Net Pension Liability (Asset) (a-b)	<u>\$ 1,534,794</u>	<u>\$ (262,314)</u>	<u>\$ (1,296,265)</u>

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS) (cont.)

Agent Defined Benefit Multiple-Employer Plan (cont.)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate (cont.)

The following presents the Net Pension Liability (Asset) of the employer, calculated using the discount rate of 8.00%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is 1 percentage point lower (7.00%) or 1% higher (9.00%) than the current rate.

Sensitivity to Changes in Discount Rate 2019

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total Pension Liability (a)	\$ 14,738,980	\$ 13,949,226	\$ 12,014,214
Fiduciary Net Position (b)	<u>13,264,365</u>	<u>13,264,365</u>	<u>13,264,365</u>
Net Pension Liability (Asset) (a-b)	<u>\$ 1,474,615</u>	<u>\$ 684,861</u>	<u>\$ (1,250,151)</u>

Note: The discount rate shown for GASB 68 purposes differs from the MERS assumed rate of return. This is because for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes it is net of administrative expenses.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The employer recognized pension expense of \$807,369 and \$450,922 as of June 30, 2020 and 2019, respectively. The employer reported deferred outflows and inflows of resources related to pensions from the following sources:

	<u>2020</u>		<u>2019</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences in experience	\$ -	\$ 59,876	\$ -	\$ 119,751
Differences in assumptions	93,259	-	186,520	-
Net difference between projected and actual investment earnings	-	50,055	938,319	-
Contributions subsequent to the measurement date*	<u>505,356</u>	<u>-</u>	<u>225,247</u>	<u>-</u>
Totals	<u>\$ 598,615</u>	<u>\$ 109,931</u>	<u>\$ 1,350,086</u>	<u>\$ 119,751</u>

* The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as reduction (increase) in the Net Pension Liability (Asset) for the subsequent fiscal year.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

MUNICIPAL EMPLOYEES RETIREMENT SYSTEM OF MICHIGAN (MERS) (cont.)

Agent Defined Benefit Multiple-Employer Plan (cont.)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (cont.)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30</u>	<u>Net Deferred Outflows and Inflows of Resources</u>
2020	\$ (34,548)
2021	20,972
2022	162,128
2023	<u>(165,224)</u>
Totals	<u>\$ (16,672)</u>

For calendar years 2020 and 2019, the Agency's annual pension cost of \$732,784 and \$518,926, respectively, for the MERS was equal to the Agency's required and actual contributions.

The 2020 required contribution was determined as part of the December 31, 2019 actuarial valuation using the entry age normal cost method. This method seeks to provide a level pattern of cost as a percentage of salary throughout an employee's working lifetime. The actuarial assumptions included: (a) 7.35 % investment rate of return in 2019; (b) projected salary increases of 3.00% in 2019; and (c) additional projected salary increases ranging from 0% to 11.0% in 2019 depending on age, attributable to seniority and merit. A level percentage of payroll amortization is used, with an amortization period not to exceed 30 years.

The 2019 required contribution was determined as part of the December 31, 2018 actuarial valuation using the entry age normal cost method. This method seeks to provide a level pattern of cost as a percentage of salary throughout an employee's working lifetime. The actuarial assumptions included: (a) 7.75% investment rate of return in 2018; (b) projected salary increases of 3.75% in 2018; and (c) additional projected salary increases ranging from 0% to 11.0% in 2018 depending on age, attributable to seniority and merit. A level percentage of payroll amortization is used, with an amortization period not to exceed 30 years.

DEFINED CONTRIBUTION PLAN

All full time employees hired after January 1, 2014, excluding the General Manager, are entered into the defined contribution plan administered by MERS. The MERS Defined Contribution Plan is a qualified retirement plan under Section 401(a) of the Internal Revenue Code. Employee and employer contributions are deposited into the employee's individual account and invested under their direction. Participants of the plan can make payments into the plan as desired. The Agency contributes 8% of the participant's wages. The Agency made contributions to the plan of \$3,911 and \$8,786 in 2020 and 2019, respectively.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 10 – EMPLOYEE RETIREMENT PLAN (cont.)

SUPPLEMENTAL RETIREMENT PLAN

The Agency has entered into a supplemental retirement plan with a key employee to provide defined cash benefits for fifteen years after retirement, or specified benefits to a designated beneficiary in the event of death. This plan was approved by the Board of Commissioners, who has the authority to negotiate any changes in benefits. This plan is funded on a pay as you go basis by the Agency and is ultimately financed by a key employee life insurance policy payable to the Agency. The key employee retired on June 30, 2006 and began collecting benefits on July 1, 2006.

<u>Fiscal Year End</u>	<u>Annual Pension Cost</u>	<u>Annual Payments</u>	<u>Net Pension Obligation</u>	<u>Payments as a Percentage of Annual Pension Cost</u>
June 30, 2018	\$ 444	\$ 29,039	\$ 85,335	6,481.9%
June 30, 2019	634	29,039	56,930	4,581.8%
June 30, 2020	1,149	29,039	29,039	2,527.3%

The net pension obligation is calculated at year-end based on the present value of future cash flows. The assumptions include the known fixed future payments and five year average investment return of 1.26% and 1.34% for the years ended June 30, 2020 and 2019, respectively. There are no separately issued statements or reports on this plan.

NOTE 11 – LONG-TERM SUPPLY AGREEMENTS

The Agency and its Members have entered into multiple development agreements with AMP to secure long-term power supply for the future. Completed projects include one base load coal generation facility and a gas generation project and two hydro generation projects. Additionally, one solar generation project was completed during Fiscal 2019.

Unit 1 of the Prairie State coal facility became operational in June 2012; unit 2 became operational near the end of 2012. The AMP Fremont Energy Center (AFEC) gas generation became operational in January 2012 with the Agency acquiring 42.59 MW of this project. The Agency secured an additional 580 KW in June 2016, bringing the cumulative total of 43.54 MW in this project. The hydro generation projects consist of five hydro generation facilities on existing lock and dam facilities located on the Ohio River, with the last facility completed in Fiscal 2018. The Agency and its Members have entered into long-term capacity and power purchase agreements with AMP for a total of 12 MW of the base load coal project, 43.54 MW of the gas project, 18.7 MW of the hydro projects and 1.2 MW of the solar project.

The Agency has entered into several fixed price purchase power agreements to meet increasing load demands. Currently, the Agency has secured fixed-priced contracts for 5 MW on-peak starting in January 2018 and ending in December 2020, 10 MW on-peak starting in January 2018 and ending in December 2025 and 5 MW on-peak starting in 2018 and ending in December 2030. The Agency has also secured an additional 5 MW on-peak starting January 2018 and ending in December 2018, additionally, the counterparty has retained the right to put another 5 MW on-peak to the Agency for calendar year 2020.

MICHIGAN SOUTH CENTRAL POWER AGENCY

NOTES TO FINANCIAL STATEMENTS As of and for the Years Ended June 30, 2020 and 2019

NOTE 11 – LONG-TERM SUPPLY AGREEMENTS (cont.)

The Agency has also entered into purchase power agreements with N.E.W. Hydro, LLC to secure long-term hydro power supply for a twenty year term beginning in fiscal 2014. The agreements are for 5.75 MW from two hydro units located on the Menominee River and another 3.64 MW from two hydro units located in Oconto Falls on the Oconto River in Wisconsin.

NOTE 12 – RISK MANAGEMENT

The Agency is exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets, errors and omissions, workers compensation, and health care of its employees. These risks are covered through the purchase of commercial insurance with minimal deductibles. Settled claims have not exceeded the commercial liability in any of the past three years. There were no significant reductions in coverage compared to the prior year.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

From time to time, the Agency is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Agency's legal counsel that the likelihood of a material adverse effect on the Agency's financial position or results of operations is remote.

NOTE 14 – SIGNIFICANT CUSTOMERS

The Agency has three members who are considered significant customers. These members accounted for 95% of operating revenues for years ended June 30, 2020 and 2019.

REQUIRED SUPPLEMENTARY INFORMATION

MICHIGAN SOUTH CENTRAL POWER AGENCY

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) - GASB STATEMENT NO. 68
As of June 30, 2020

	2020	2019	2018	2017	2016	2015
Total Pension Liability						
Service cost	\$ -	\$ 43,663	\$ 40,721	\$ 49,447	\$ 215,708	\$ 251,719
Interest	989,924	1,030,977	1,011,978	1,118,927	1,113,807	1,048,428
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(75,425)	3,410	(20,360)	(2,240,529)	(359,251)	-
Changes of assumptions	544,240	-	-	-	559,563	-
Benefit payments including employee refunds	(961,750)	(886,362)	(756,243)	(1,388,901)	(546,321)	(449,023)
Other	87,544	33,259	32,645	770,492	34,805	32,764
Net Change in Total Pension Liability	584,533	224,947	308,741	(1,690,664)	1,018,311	883,888
Total Pension Liability beginning	13,949,226	13,724,279	13,415,538	15,106,202	14,087,891	13,204,003
Total Pension Liability ending	\$ 14,533,759	\$ 13,949,226	\$ 13,724,279	\$ 13,415,538	\$ 15,106,202	\$ 14,087,891
Plan Fiduciary Net Position						
Contributions-employer	\$ 732,784	\$ 518,926	\$ 664,832	\$ 758,929	\$ 716,430	\$ 715,363
Contributions-employee	-	-	-	-	-	-
Net investment income	1,791,503	(550,778)	1,681,314	1,345,778	(185,247)	707,308
Benefit payments including employee refunds	(961,750)	(886,362)	(756,243)	(1,388,901)	(546,321)	(449,023)
Administrative expense	(30,829)	(27,436)	(26,590)	(26,517)	(26,658)	(26,134)
Net Change in Plan Fiduciary Net Position	1,531,708	(945,650)	1,563,313	689,289	(41,796)	947,514
Plan Fiduciary Net Position beginning	13,264,365	14,210,015	12,646,702	11,957,413	11,999,209	11,051,695
Plan Fiduciary Net Position ending	\$ 14,796,073	\$ 13,264,365	\$ 14,210,015	\$ 12,646,702	\$ 11,957,413	\$ 11,999,209
Employer Net Pension Liability (Asset)	\$ (262,314)	\$ 684,861	\$ (485,736)	\$ 768,836	\$ 3,148,789	\$ 2,088,682
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	101.8%	95.1%	103.5%	94.3%	79.2%	85.2%
Covered Employee Payroll	403,455	545,545	694,398	1,909,529	3,347,364	3,582,831
Employer's Net Pension Liability (Asset) as a percentage of covered employee payroll	-65.0%	125.5%	-70.0%	40.3%	94.1%	56.3%

Notes to schedule:

Above data is based on measurement date of December 31, which does not tie to the fiscal year.

See independent auditors' report.

MICHIGAN SOUTH CENTRAL POWER AGENCY

SCHEDULE OF EMPLOYER CONTRIBUTIONS -
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF MICHIGAN
For the Year Ended June 30, 2020

Fiscal Year Ending	Actuarially Required Contributions*	Contributions in Relation to the Actuarially Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
6/30/15	\$ 355,363	\$ 704,740	\$ (349,377)	\$ 3,437,851	20%
6/30/16	356,430	733,197	(376,767)	3,160,330	23%
6/30/17	373,847	763,138	(389,291)	870,444	88%
6/30/18	291,139	588,657	(297,518)	592,631	99%
6/30/19	135,641	415,138	(279,497)	517,539	80%
6/30/20	50,489	1,012,893	(962,404)	134,690	752%

NOTES TO SCHEDULE
For the Year Ended June 30, 2020

Actuarial cost method	Entry Age
Amortization method	Level percentage of payroll, open
Remaining amortization period	25 years
Asset valuation method	5 year smoothed
Inflation	3.8%
Salary Increases	3.0%
Investment rate of return	7.35%
Retirement age	60
Mortality	50% Female/50% Male RP-2014 Annuity Mortality Table

* Actuarially Determined Contribution is found in the actuarial valuation in Table 5 for the plan year ended December 31 during the fiscal year.

Change in assumptions.

Amounts reported in 2020 reflect an adjustment of inflation to 3.75%, salary increases of 3.0% and an adjustment of investment rate of return to 7.35%.

For amounts reported in 2015 and later, the expectation of retired life mortality was based on RP-2014 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used to determine amounts reported prior to 2015.

Amounts reported in 2015 reflect an adjustment of investment rate of return to more closely reflect actual experience.

For amounts reported in 2016 and later, the asset valuation method used is 5 years rather than the 10 years used to determine amounts reported prior to 2016.

See independent auditors' report.

MINUTES OF THE MICHIGAN SOUTH CENTRAL POWER AGENCY
BOARD OF COMMISSIONERS REGULAR MEETING

August 6, 2020
10:00 a.m.

One Grand Street, Coldwater, MI 49036
& via Zoom Webinar

NOTICE OF MEETING

A public notice had been posted in accordance with Open Meetings Act No. 267, Public Acts of Michigan, 1976.

COMMISSIONERS PRESENT	
<u>IN PERSON</u>	<u>VIA ZOOM</u>
Jeff Budd, Coldwater Kevin Cornish, Clinton Tom Tarkiewicz, Marshall David Mackie, Hillsdale	Chris Mathis, Union City
ALTERNATE COMMISSIONERS PRESENT	
<u>IN PERSON</u>	<u>VIA ZOOM</u>
Chris McArthur, Hillsdale Ed Rice, Marshall	
OTHERS PRESENT	
<u>IN PERSON</u>	<u>VIA ZOOM</u>
Pam Sullivan, AMP	Scott Kiesewetter, AMP Tom Sillasen, AMP Craig Kleinhenz, AMP Tyler Wolford, The Energy Authority Gregory Labbe, The Energy Authority

1. CALL TO ORDER:

Chairman Tarkiewicz called the meeting to order at 10:05 a.m.

2. APPROVAL OF AGENDA WITH ANY ADDITIONS:

Moved Commissioner Budd, supported Commissioner Mackie, to approve the agenda with the addition of October Meeting discussion under item 8. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

3. PUBLIC COMMENTS ON AGENDA ITEMS:

No public comment.

4. APPROVAL OF MINUTES:

Moved Commissioner Mackie, supported Commissioner Cornish, to approve the minutes of the July 2, 2020 Regular Board Meeting. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

5. FINANCIAL:

A. Approval of June 2020 Financial Statements and Investment Reports

Moved Commissioner Cornish, supported Commissioner Mathis, to receive and place on file the June 2020 Financial Statements and Investment Reports as presented. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

B. Approval of June 2020 Invoices

Moved Commissioner Cornish, supported Commissioner Mathis, to approve the June 2020 amended invoices as presented. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

6. GENERAL MANAGER REPORT:

Pam Sullivan provided update. Nothing significant to report.

7. ACTION ITEMS:

A. Coldwater Peaking Project Update – Kiewit Engineering Proposal

Moved Commissioner Budd, supported Commissioner Cornish, to approve Kiewit's Proposal not to exceed \$35,392 and split the cost among the three communities of Clinton, Coldwater, and Hillsdale. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

B. Marshall Energy Center Update

Ed Rice reported the project is continuing and still on track.

C. Bierl Life Insurance Policy Discussion

Moved Commissioner Mathis, supported Commissioner Cornish, to authorize the use of the surrender value of \$8,000 to pay the policy and not to renew the life insurance policy after that point. On a roll call vote: Ayes: Mackie, Mathis, Budd, Cornish and Tarkiewicz. Nays: None. **MOTION CARRIED.**

D. Moore Road METC/MSCPA Asset Improvement

Moved Commissioner Cornish, supported Commissioner Budd, to approve not selling the breaker 35M9 and associated equipment to METC/ITC and pay the MSCPAs share of the upgrade costs, estimated at \$122,000. MSCPAs will continue to explore other options going forward. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

8. Other Business

A. October Meeting

Due to conflict with the MMEA Conference, consensus of the board is to hold the October Board meeting on September 30th at 10:00 a.m.

COMMISSIONER COMMENTS AND MEMBER'S MUNICIPALITY UPDATE:

Union City: Road project is underway as well as the watermain project.

Clinton: The US12 project is completed.

Hillsdale: Happy the primary election is completed. Currently street projects and water projects are underway.

Coldwater: Fiber project is going well and under budget.

Marshall: Michigan Avenue project started, the brush millage passed, and the vehicle charging stations are being installed downtown.

CLOSED SESSION

Moved Commissioner Budd, supported Commissioner Mackie, to enter into Closed Session under section 8 (h) of PA267 of 1976 to consider material exempt from discussion or disclosure by state or federal statute. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

Enter into Closed Session at 11:10 a.m.

Return to Open Session at 12:35 p.m.

Moved Commissioner Budd, supported Commissioner Cornish to authorize the General Manager to approve ongoing energy and congestion hedging strategies for the Agency. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

Adjourned at 12:40.

Thomas Tarkiewicz, Chairman

Chris Mathis, Secretary

**MINUTES OF THE MICHIGAN SOUTH CENTRAL POWER AGENCY
BOARD OF COMMISSIONERS REGULAR MEETING**

**September 3, 2020
10:00 a.m.**

**One Grand Street, Coldwater, MI 49036
& via Zoom Webinar**

NOTICE OF MEETING

A public notice had been posted in accordance with Open Meetings Act No. 267, Public Acts of Michigan, 1976.

COMMISSIONERS PRESENT	
<u>IN PERSON</u>	<u>VIA ZOOM</u>
Jeff Budd, Coldwater Kevin Cornish, Clinton David Mackie, Hillsdale Tom Tarkiewicz, Marshall	Chris Mathis, Union City
ALTERNATE COMMISSIONERS PRESENT	
<u>IN PERSON</u>	<u>VIA ZOOM</u>
Chris McArthur, Hillsdale Ed Rice, Marshall Jim Odneal, Coldwater	
OTHERS PRESENT	
<u>IN PERSON</u>	<u>VIA ZOOM</u>
	Pam Sullivan, AMP Scott Kiesewetter, AMP Tom Sillasen, AMP Mike Migliore, AMP

1. CALL TO ORDER:

Chairman Tarkiewicz called the meeting to order at 10:00 a.m.

2. APPROVAL OF AGENDA WITH ANY ADDITIONS:

Moved Commissioner Cornish, supported Commissioner Mackie, to approve the September 3, 2020 agenda. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

3. PUBLIC COMMENTS ON AGENDA ITEMS:

No public comment.

4. APPROVAL OF MINUTES:

Moved Commissioner Budd, supported Commissioner Cornish, to approve the minutes of the August 6, 2020 Regular Board Meeting with one correction indicating Pam Sullivan

attended in person. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

5. FINANCIAL:

- A. Approval of July 2020 Financial Statements, Investment Reports, and Invoices

Moved Commissioner Budd, supported Commissioner Cornish, to receive and place on file the July 2020 Financial Statements and Investment Reports and approve the July 2020 invoices. On a roll call vote: Ayes: Budd, Cornish, Mackie, Mathis, and Tarkiewicz, Nays: None. **MOTION CARRIED.**

6. GENERAL MANAGER REPORT:

Pam Sullivan provided update. Nothing significant to report.

7. ACTION ITEMS:

- A. Coldwater Peaking Project Update – Kiewit Engineering Proposal

Progress report was provided to the Board.

- B. Marshall Energy Center Update

The project is continuing and still on track with work to hopefully begin in the Spring 2021. Currently working on the lay down area land purchase

- C. Recommended Energy Hedges

A recommendation will be brought back to a future meeting.

- D. Review of MERS Annual Actuarial Valuation Report

Tom Sillasen spoke regarding the Actuarial Report and answered questions from Board Members.

8. Other Business

- A. November Meeting

The November meeting will take place on November 10, 2020 at 10:00 a.m.

9. PUBLIC COMMENTS ON NON-AGENDA ITEMS:

No public comment.

10. COMMISSIONER COMMENTS AND MEMBER'S MUNICIPALITY UPDATE:

Union City: Water main project is completed and roads projects.

Clinton: Nothing new. Finishing up normal summer projects.

Hillsdale: Kick-off of Small Urban Road Project in September.

Coldwater: Substation should be wrapped up in October/November.

Marshall: Electric Vehicle charging stations are installed. Pedestrian Bridge project is underway and working on the future development of the golf course property.

Adjourned at 11:34 a.m.

Thomas Tarkiewicz, Chairman

Chris Mathis, Secretary

CITY COUNCIL MINUTES

City of Hillsdale
August 3, 2020
7:00 P.M.

Regular Meeting
Electronic Meeting (COVID-19)

Call to Order and Pledge of Allegiance

Mayor Adam Stockford opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Adam Stockford called the meeting to order. Clerk Price took roll call.

Council Members present: Adam Stockford, Mayor
Tony Vear, Ward 1
William Morrissey, Ward 2
Cynthia Pratt, Ward 2
Bruce Sharp, Ward 3
William Zeiser, Ward 3
Matthew Bell, Ward 4
Raymond Briner, Ward 4

Council Members absent: R. Greg Stuchell, Ward 1

Present: David Mackie (City Manager), Attorney Tom Thompson, Katy Price (City Clerk), Russell Picsek, Terri Picsek, David Hambleton, Penny Swan, Ruth Brown, Dennis Wainscott, Richard Smith.

Present electronically: Jake Hammel (DPS Director), Scott Hephner (Police/Fire Chief).

Approval of Agenda

Motion by Council Member Morrissey, seconded by Council Member Bell to approve the agenda as presented.

Roll call:	Mayor Stockford	Aye
	Council Member Vear	Aye
	Council Member Morrissey	Aye
	Council Member Zeiser	Aye
	Council Member Sharp	Aye
	Council Member Pratt	Aye
	Council Member Bell	Aye
	Council Member Briner	Aye

Motion passed 8-0.

Public Comment

Ruth Brown, County Commissioner District #1, 45 Apple Run Lane, commented on the MERS 2019 Annual Valuation. Brown stated that the numbers MERS submitted to the County commissioners were off and urged the Council to be cautious of numbers.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of July 9, 2020: \$99,154.05
 - 2. BPU Claims of July 9, 2020: \$164,936.91
 - 3. Payroll of July 9, 2020: \$190,182.93
- B City Council Minutes of July 20, 2020

- C. TIFA Board Minutes of May 19, 2020
- D. Dawn Theater Governance Board Minutes of May 26, 2020
- E. Finance Minutes of June 29, 2020, July 13, 2020 and July 27, 2020
- F. Board of Review Minutes of July 21, 2020
- G. Quarterly Investment Report
- H. SMB&T Banking Resolution
- J. Title VI Non-Discrimination Plan Update

Council Member Bell requested information on the Title VI Non-Discrimination Plan specifically the update.

The update was uncertain. City Manager Mackie suggested looking into the update and adding the next agenda.

Motion by Council Member Zeiser, seconded by Council Member Bell to remove item J. Title VI Non-Discrimination Plan Update from the consent agenda.

By a voice vote, the motion passed unanimously.

Motion by Council Member Bell, seconded by Council Member Morrissey to approve the Consent agenda as amended.

Roll call:	Mayor Stockford	Aye
	Council Member Vear	Aye
	Council Member Morrissey	Aye
	Council Member Zeiser	Aye
	Council Member Sharp	Aye
	Council Member Pratt	Aye
	Council Member Bell	Aye
	Council Member Briner	Aye

Motion passed 8-0.

Communications/Petitions

- A. Voice Your Vision Public Input Meeting
- B. Fall 2020 Newsletter
- C. Smith Letter to Governor
- D. American Legion's Running for Heroes 5k –David Hambleton

Mr. David Hambleton presented the American Legion's Running for Heroes 5k race.

The items of communications were received for informational purposes only.

Introduction and Adoption of Ordinances/Public Hearings

Old Business

New Business

- A. Annual Bow Hunt

Motion by Council Member Sharp, seconded by Council Member Bell to approve the 2020 Archery deer hunt within city limits.

Roll call:	Mayor Stockford	Aye
	Council Member Vear	Aye
	Council Member Morrissey	Aye
	Council Member Zeiser	Aye

Council Member Sharp	Aye
Council Member Pratt	Aye
Council Member Bell	Aye
Council Member Briner	Aye

Motion passed 8-0.

B. MERS 2019 Annual Valuation- Discussion

City Manager Mackie discussed the retirement plan, amounts and percentages for the underfunded plan. Mackie mentioned that over the next ten years city administration will increase the plan's funding ratio. He stated that staff has applied for CARES act funds that will help in some of the funding issues for public safety and police if the city was selected to receive the funds.

Further council discussion ensued.

No action taken.

C Hillsdale College Freshman Convocation Street Sidewalk Closure

Motion by Council Member Bell, seconded by Council Member Morrisey to approve the Hillsdale College Freshman Convocation Street sidewalk closure.

Roll call:	Mayor Stockford	Aye
	Council Member Vear	Aye
	Council Member Morrisey	Aye
	Council Member Zeiser	Aye
	Council Member Sharp	Aye
	Council Member Pratt	Aye
	Council Member Bell	Aye
	Council Member Briner	Aye

Motion passed 8-0.

Miscellaneous Reports

- A. Proclamation – None
- B. Appointments- None
- C. Other – None

General Public Comment

Scott Hephner, Chief of Police/Fire, commented on the American Legion's 5k and stated that the department has all the proper paperwork and will review with Jake Hammel, DPS director.

Richard Smith, 63 S. Broad Street, stated he was representing the American Legion and stated the legion is holding a raffle to install a memorial flag pole at the airport as they currently do not have one. He also commented on his letter under communications and appreciated that it was being addressed. He mentioned the tree needs cut down on Broad Street.

City Manager's Report

City Manager Mackie, stated the air conditioner in council chambers is currently up and working. Parts came in today and get it going.

Mr. Mackie stated staff applied for CARES Act funds application for public safety and providing hazard pay for police and fire officers through the state.

City Manager Mackie mentioned two executive orders were recently published one to not supply services to the public without wearing a face covering this goes for government offices as well as businesses. The second order was for an extension for electronic meetings as an option for the public and staff to participate in meetings.

City Manager Mackie mentioned the State Primary Election is tomorrow and encouraged all to vote. Mackie reviewed a report the city clerk submitted on absent ballot numbers, sent out 794 ballots went out and over 630 ballots were received as of Monday night.

City Manager Mackie stated that the second and third floor is under construction.

City Manager Mackie thanked Police department and Chief Hephner has been working with the Hillsdale Schools to transition students for the new school year.

City Manager Mackie thanked the Board of Public Utilities for assisting Hillsdale High School for the senior graduation as they used their outdoor projector to make the event happen.

Council Comments

Council Member Morrissey stated he was pleased to see the public turnout on the debate at the library for the state representative position last week. He also mentioned that the Planning Commission is working on the masterplan and stated the format has been unclear in the past. The Commission is currently working on changing the format to an outline layout so it may become clearer to understand as well as including costs into the masterplan.

Adjournment

Council Member Sharp, seconded by Council Member Bell moved to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting adjourned at 7: 42 p.m.

Adam L. Stockford, Mayor

Katy Price, City Clerk

CITY COUNCIL MINUTES

City of Hillsdale
August 17, 2020
7:00 P.M.

Regular Meeting
Electronic Meeting (COVID-19)

Call to Order and Pledge of Allegiance

Mayor Adam Stockford opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Adam Stockford called the meeting to order. Clerk Price took roll call.

Council Members present: Adam Stockford, Mayor
R. Greg Stuchell, Ward 1
William Morrisey, Ward 2
Bruce Sharp, Ward 3
William Zeiser, Ward 3
Matthew Bell, Ward 4
Raymond Briner, Ward 4

Council Members absent: Anthony Vear, Ward 1
Cynthia Pratt, Ward 2

Present: David Mackie (City Manager), Attorney Tom Thompson, Katy Price (City Clerk), David Hambleton, Penny Swan, Ruth Brown and Mike Prince.

Present electronically: Jake Hammel (DPS Director), Scott Hephner (Police/Fire Chief), Chris McArthur (BPU Director), Alan Beeker (Planning/Zoning Administrator), Bonnie Tew (Finance Director) and Dennis Waincott.

Approval of Agenda

City Manager Mackie requested Old Business D. Right of Way Plantings (verbal update) added to the agenda.

Motion by Council Member Zeiser, seconded by Council Member Morrisey to add Old Business item D. Right of Way Plantings to the agenda.

By a voice vote, the motion passed unanimously.

Motion by Council Member Morrisey, seconded by Council Member Bell to approve the agenda as amended.

By a voice vote, the motion passed unanimously.

Public Comment

None.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of July 23, 2020: \$140,493.62
 - 2. BPU Claims of July 23, 2020: \$172,480.20
 - 3. Payroll of July 23, 2020: \$193,203.87
- B. City Council Minutes of August 3, 2020
- C. Cemetery Minutes of August 12, 2020
- D. Noise Variance for Hillsdale College Welcome Party

- E. Street Closure for Hillsdale College Homecoming Activities
- F. Noise Variance for Hillsdale College Homecoming Activities
- G. American League 5k Heroes Run
- H. BPU: AMI Water Meter Node Replacement
- I. BPU: PLC Replacement at Water Treatment Plant

Motion by Council Member Morrisey, seconded by Council Member Bell to approve the Consent agenda as amended.

Roll call:	Mayor Stockford	Aye
	Council Member Stuchell	Aye
	Council Member Morrisey	Aye
	Council Member Zeiser	Aye
	Council Member Sharp	Aye
	Council Member Bell	Aye
	Council Member Briner	Aye

Motion passed 7-0.

Communications/Petitions

- A. Certificate of Completion of Michigan CDBG Program
- B. 2020 Census: Door to Door Visits
- C. MML Annual Meeting

The items of communications were received for informational purposes only.

Introduction and Adoption of Ordinances/Public Hearings

Old Business

- A. The Dawn Theater – Verbal Update

City Manager Mackie discussed the project updates with Council. Mackie mentioned that construction is moving along very well. The facility inside is down to the trusses and building it back up. The roof will begin soon and façade work will take place soon as well.

Alan Becker, Planning Administrator added to the discussion as he mentioned the trusses were in more disrepair than originally anticipated because of that the trusses are being replaced. Becker stated that everything is moving along fairly quickly.

- B. Fayette Street Project – Verbal Update

Jake Hammel, DPS Director stated that the city was awarded a small urban aid grant from the state. Hoffman Brothers were awarded the bid for the project. Contractors are anticipating completing the road work to be done this fall providing all paperwork comes through from the state.

- C. 65 & 69 Westwood Street Properties – Verbal Update

Alan Becker, Planning Administrator/Code Enforcement stated Council approved 69 Westwood Street a public nuisance on July 6, 2020 giving the owner 60 days to abate or demolish the property. Once deadline has passed Council can decide if they want to take action and look at demolishing both structures at the same time.

- D. Right of Way Plantings – Verbal Update

David Mackie, City Manager reported that council sent the item back to the Public Services committee to review and approve changes from the proposed policy. Residents will be able to obtain a permit if they choose to plant in the right of way after reviewing the rules and reviewing the specific information and instruction.

Further Council discussion ensued on regulations and irrigation concerns.

No action taken.

New Business

A. Title VI Non-Discrimination Plan Update

Motion by Council Member Stuchell, seconded by Council Member Sharp to approve the changes in the Title VI Non-Discrimination Plan.

Roll call:	Mayor Stockford	No
	Council Member Morrisey	Aye
	Council Member Zeiser	Aye
	Council Member Sharp	Aye
	Council Member Stuchell	Aye
	Council Member Bell	No
	Council Member Briner	Aye

Motion passed 5-2.

Miscellaneous Reports

A. Proclamation – None

B. Appointments- Airport Advisory Committee – David Hambleton

Motion by Council Member Bell, seconded by Council Member Briner to approve David Hambleton to the Airport Advisory Committee.

By a voice vote, the motion passed unanimously.

C. Other – None

General Public Comment

Mike Prince, 1 Heathcliff Drive, Fayette Street project inquired about the construction meeting for those residents affected.

City Manager's Report

City Manager Mackie, stated that once city staff knows more about the project time from state the residents will be informed and invite those affected.

Mr. Mackie stated the State Primary election voter turnout was 32% up from previous primary election in 2018 by 10%. The City of Hillsdale received 791 absentee ballots during the 2020 State Primary election up from 413 during the 2018 State Primary election. Mackie thanked City Clerk Price and all the election inspectors for their hard work on processing and running a smooth election.

City Manager Mackie mentioned the library is back open 11:00 a.m.-5:00 p.m. on Monday, Wednesday and Fridays and 12:00 p.m.-6:00 p.m. on Tuesday, Thursdays.

Council Comments

Council Member Morrisey stated he was pleased that city engineer Bauer was going to have a meeting and suggested it be located at Pastor Prince's church on N. West Street.

Council Member Briner added that any residents affected by the Fayette Street project would be a good idea to invite those residents as well. Briner also stated that the leaves are starting to turn/fall and requested the fall collection time be published on the website and Facebook.

August 17, 2020

City Council Minutes

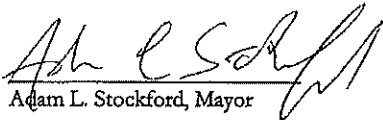
Mayor Stockford thanked Council Member Stuchell's wife and daughters for their beautiful mural artwork on the bridges on Manning and West Street.

Adjournment

Council Member Bell, seconded by Council Member Sharp moved to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting adjourned at 7: 43 p.m.


Adam L. Stockford, Mayor


Katy Rice, City Clerk

CITY COUNCIL MINUTES

City of Hillsdale
September 21, 2020
7:00 P.M.

Regular Meeting
Electronic Meeting (COVID-19)

Call to Order and Pledge of Allegiance

Mayor Adam Stockford opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Adam Stockford called the meeting to order. Clerk Price took roll call.

Council Members present: Adam Stockford, Mayor
R. Greg Stuchell, Ward 1
Anthony Vear, Ward 1
William Morrisey, Ward 2
Cynthia Pratt, Ward 2
William Zeiser, Ward 3
Raymond Briner, Ward 4

Council Members absent: Bruce Sharp, Ward 3
Matthew Bell, Ward 4

Present: David Mackie (City Manager), Attorney Tom Thompson, Katy Price (City Clerk), Scott Hephner (HCPS/HCFD), Chris McArthur (BPU Director), Corey Murray (HDN), David Hambleton, Penny Swan, Jan Hutchins, Jenny German, Jan Nagaldinger, Cullan Wilkerson, Namrata Carolan, Joseph Hendee, Renee Goshan, Dawn Hoover, Brock Goshorn, Gerald Wentz, Dennis Wainscott, Russ Picck, Terri Picck, James Galloway, Doug Ingles and Heather Hutcherson.

Present electronically: Jake Hammel (DPS Director), Alan Beeker (Planning/Zoning Administrator), Kristin Bauer (City Engineer), Jason Blake (DPS Foreman), Lucy Moye and Peg Williams.

Approval of Agenda

City Manager Mackie requested Consent item K. Hillsdale College Noise Variance Garden Party and Communication items Hillsdale County Board of Commissioner letter for assessing district be added to the agenda.

Motion by Council Member Morrisey, seconded by Council Member Zeiser to add consent item K. Hillsdale College Noise Variance Garden Party and communication items Hillsdale County Board of Commissioner letter for assessing district to agenda.

By a voice vote, the motion passed unanimously.

Motion by Council Member Morrisey, seconded by Council Member Vear to approve the agenda as amended.

Roll call: Mayor Stockford Aye
Council Member Stuchell Aye
Council Member Morrisey Aye
Council Member Zeiser Aye
Council Member Vear Aye
Council Member Pratt Aye
Council Member Briner Aye

Motion passed 7-0.

Public Comment

Jan Nagaldinger, Brach County Human Society, commented on the feral cat issue on the agenda. She would like to see the cats spade and neutered and mentioned there are a lot of services and resources available in the area and stated that not feeding the cats would not solve the issue.

Jenny German, 86 Wright Street, Coldwater, MI, stated that she heads up the snip now spade program, and stated she has a lot of experience with cats and doing the trap neuter return program for community cats, she holds workshops and offers tools.

Jan Hutchins, Branch County Rescue Coalition, commented on the feral cat item. Offered the Coalition's services in aiding the city's cat issue.

Heather Hutcherson, Branch County Human Society, commented that she has been proactive with helping fix cats. She mentioned that not feeding the cats is not going to solve the heavy population in the city.

Dennis Wainscott, 34 Garden Street, commented that not feeding the cats is not correct. He plants gardens and allows the wildlife to eat it if they choose so. He fed cats in his neighborhood in the past. He doesn't think that issuing a citation for feeding cats is the right avenue to take.

Steven, Hillsdale County resident, stated he feeds feral cats and all his cats are wild and will continue to feed them.

Joseph Hendee, 181 Rea Street, commented on the Dawn Theater and TIFA request for a loan for further construction costs.

Brock Goshorn, Hillsdale County, commented that has numerous cats on his property. Stated that not feeding the cats is the issue. He mentioned that the city should work with some of the great organizations with the trap neuter return program.

Renee Goshan, Kat Snips organization, commented on the feral cat item. Suggests the city utilize the resources to help spade and neuter the cats.

David Hambleton, 67 S. Howell Street, commented he has six rescued cats.

Penny Swan, 8 S. Manning Street, commented that it is inhumane and unethical to stop feeding the cats in the city. She also mentioned that the Wayfinding signs as it's a good idea should be held off because of lack of funds in the budget.

Mayor Stockford read aloud a letter from River street residents on the feral cats issue in the community asking the city for help in reducing the population of cats.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of August 6, 2020: \$126,767.67
City Claims of August 20, 2020: \$134,556.21
City Claims of September 3, 2020: \$166,696.92
 - 2. BPU Claims of August 6, 2020: \$95,816.52
BPU Claims of August 20, 2020: \$412,334.43
BPU Claims of September 3, 2020: \$226,576.05
 - 3. Payroll of August 6, 2020: \$ 188,400.41
Payroll of August 20, 2020: \$187,110.56
Payroll of September 3, 2020: \$185,449.64
- B. City Council Minutes of August 17, 2020
- C. Finance Minutes of August 10, 2020, August 24, 2020 and September 8, 2020
- D. EDC Minutes of June 18, 2020
- E. Planning Commission Minutes of July 21, 2020
- F. TIFA Targeted Development Minutes of July 28, 2020
- G. BPU: Tertiary VFD Controls
- H. BPU: Replacement of Digger Derrick Truck 39-03
- I. Pub n Grub Outdoor Dining Extension

- J. Public Safety Minutes of September 16, 2020
- K. Hillsdale College Noise Variance Garden Party

Motion by Council Member Morrisey, seconded by Council Member Zeiser to approve the Consent agenda as amended.

Roll call:	Mayor Stockford	Aye
	Council Member Stuchell	Aye
	Council Member Morrisey	Aye
	Council Member Zeiser	Aye
	Council Member Vear	Aye
	Council Member Pratt	Aye
	Council Member Briner	Aye

Motion passed 7-0.

Communications/Petitions

- A. Code Enforcement Report: 69 Westwood Abatement Update
- B. Temporary Traffic Control Order 2020-30
- C. Water Outage/Boil Water Notice
- D. Press Release: Workplaces Violating Covid-19 Safety Procedures
- E. Hillsdale County Board of Commissioner letter for Assessing District

The items of communications were received for informational purposes only.

Introduction and Adoption of Ordinances/Public Hearings

Old Business

- A. The Dawn Theater – Verbal Update

Alan Beeker Planning administrator stated the project is moving along per plan. The only issue was the trusses need replaced as they are completely unsalvageable and unsafe. There was allowance for minimal repair but will need to be completely replaced. This has caused TIFA to need some additional financial assistance.

City Manager Mackie discussed interdepartmental loan options to continue the roof portion of the project.

- B. Fayette Street and Other Road Projects – Verbal Update

Kristin Bauer, City Engineer updated the Fayette Street project she stated the project is moving along very well, finished most of the storm sewer and other items. She mentioned that the concrete curb and gutter is tentative to be done sometime next week.

Jake Hammel, DPS Director stated that the city chip seal project went well across Fayette, Howell South, Wildlife, State streets and Three Meadows as it was completed today. Fog Seal will take place Wednesday to Friday.

New Business

- A. Wayfinding Sign System Plan Resolution

City Manager Mackie updated council on the Phase 1 EDC Wayfinding Sign System as this is the EDC project and will be paid for from their funding.

Motion by Council Member Stuchell, seconded by Council Member Vear to approve the Wayfinding sign system plan. Resolution 3427.

Roll call:	Mayor Stockford	Aye
	Council Member Stuchell	Aye
	Council Member Morrissey	Aye
	Council Member Zeiser	Aye
	Council Member Vear	Aye
	Council Member Pratt	Aye
	Council Member Briner	Aye

Motion passed 7-0.

B. Dial-A-Ride Title VI Program Revisions

Motion by Council Member Briner, seconded by Council Member Morrissey to approve the Dial-A-Ride Title VI Program Revisions. Resolution 3428.

Roll call:	Mayor Stockford	Aye
	Council Member Stuchell	Aye
	Council Member Morrissey	Aye
	Council Member Zeiser	Aye
	Council Member Vear	Aye
	Council Member Pratt	Aye
	Council Member Briner	Aye

Motion passed 7-0.

C. Feral Cat Feeding

City Manager Mackie updated council on the concern from residents on the population of feral cats and asked council to come up with a direction on how the city should address the situation.

Many council members mentioned to utilize the available organizations to help aid the cat population and use the trap neuter release program.

Further council discussion ensued.

No action taken.

D. 2020 Halloween Trick or Treating Discussion

Mayor Stockford stated that the city does not set Halloween it is a national holiday the city holds suggested hours of 6:00 p.m. to 8:00 p.m. for trick or treating. The city doesn't have the authority to cancel Halloween but does suggest all be safe and cautious.

No action taken.

Miscellaneous Reports

A. Proclamation – Fetal Alcohol Syndrome Awareness Month

Mayor Stockford read the proclamations aloud.

- B. Appointments- Brownfield Redevelopment Authority– Tim Dixon, Rachel Lott
- Planning Commission- Kerry Laycock
- TIFA- Mary Margaret Spiteri, Lance Lashaway

Motion by Council Member Vear, seconded by Council Member Briner to approve all the appointments as presented.

By a voice vote, the motion passed unanimously.

C. Other – None

General Public Comment

Jan Nagaldinger, Branch County Human Society, stated the cost for spade and neutering is between \$25 and \$46 per cat through organizations. Some businesses that the human society deals with will sponsor cats.

Jenny German, 86 Wright Street, Coldwater, MI, stated the difference between a feral cat and a wild cat and mentioned there are programs for adoption and other options.

Namrata Carolan, Hillsdale County Commissioner District 5, thanked council and the mayor for working with law enforcement. She is in support of law enforcement, the constitution and the president of the United States.

Doug Burley, Hillsdale City resident, inquired about the leaf collection schedule and asked if anything was changed from last year as the bagging system didn't work well.

Lance Lashaway, Hillsdale County resident, thanked city police for their help with a situation he had recently.

Heather Hutcherson, Brach County Human Society, thanked council for looking at a trap neuter and release option.

Corey Murray, HDN, stated that there will be a Halloween Trick or Treat Drive Thru at the fairgrounds on October 31, 2020 from 2:00 p.m. to 5:00 p.m. and invited all to come out. He thanked the many organizations involved in making the event happen.

David Hambleton, 67 S. Howell Street, thanked the city police and council for the support of the American legion 5k run for veterans.

Joseph Hendee, 181 Rea Street, thanked city manager Mackie for clarification on the TIFA loan options.

Jack McClain, Hillsdale County resident, stated the city has social discrimination. He mentioned the wayfinding signs and asked why Hillsdale Beauty College wasn't considered as part of the signage. He suggested that the Mayor thank groups as a whole and not individuals when they are doing good things or projects around the city.

City Manager's Report

City Manager Mackie, stated the census numbers are at 69.4% within the city and the state is at 70.7%, Hillsdale County is at 65%.

Mr. Mackie stated the city submitted for Cares act funds through the state for public safety a few months ago. The City received notification of receiving \$88,000 and also a notification for hazard pay reimbursement for police and fire in the amount of \$34,000.

City Manager Mackie mentioned that the city promotes positive things going on within the city. But staff doesn't see everything and asked anyone to mention it to city staff so we can share the information.

Council Comments

Council Member Briner mentioned the Hillsdale county fairgrounds are doing a fair food drive thru October 1-3, 2020.

Council Member Stuchell stated the Hillsdale Civil Air Patrol has a 2nd cadet receiving the Mitchell Award. There are 25,000 cadets around the United States and 15% of cadets received that award.

Mayor Stockford commended the city police and local law enforcement for all their hard working with an increase of incidents recently.

Adjournment


September 21, 2020

City Council Minutes

Council Member Briner, seconded by Council Member Pratt moved to adjourn the meeting.

By a voice vote, the motion passed unanimously.

The meeting adjourned at 8: 53 p.m.



Adam L. Stockford, Mayor



Katy Pitt, City Clerk



Community Action Agency

PROMOTING SELF-SUFFICIENCY

BPU Monthly Report – September 2020

Total Number of Households Served = 5

Allocation – \$5,765.48

Revenue – \$2,597.21 July

Balance in Account - \$16,516.89

Thank you

Sherry Bernklau
Information and Evaluation Manager
Community Action Agency
Phone: 517-437-3346 ex 3232
Fax: 517-437-3480

• **Jackson**

1214 Greenwood
Jackson, MI 49203
(517) 784-4800
(800) 491-0004
Fax: (517) 784-5188
www.caajlh.org

• **Lenawee**

400 W. South St.
Adrian, MI 49221
(517) 263-7861
(800) 438-1845
Fax: (517) 263-6531
www.caajlh.org

• **Hillsdale**

55 Barnard Street
Hillsdale, MI 49242
(517) 437-3346
(800) 750-9300
Fax: (517) 437-3480
www.caajlh.org

TDD: (800) 649-3777

