



City of Hillsdale

City Council Agenda

May 1, 2017
7:00 p.m.

City Council Chambers
97 N. Broad Street
Hillsdale, MI 49242

- I. Call to Order and Pledge of Allegiance**
- II. Roll Call**
- III. Approval of Agenda**
- IV. Public Comments on Agenda Items**
- V. Consent Agenda**
 - A. Approval of Bills
 1. City Claims of April 21, 2017: \$49,367.58
 2. BPU Claims of April 21, 2017: \$122,175.13
 3. Payroll of April 20, 2017: \$153,980.97
 - B. City Council Minutes
 1. April 17, 2017 Regular Meeting
 2. April 18, 2017 Special Meeting
 3. April 24, 2017 Special Meeting
 - C. EDC Minutes of February 16, 2017
- VI. Communications/Petitions**
 - A. Partnership with Child Safety of America
- VII. Introduction and Adoption of Ordinance/Public Hearing**
- VIII. Unfinished Business**
- IX. Old Business**
- X. New Business**
 - A. A recommendation to schedule a public hearing on May 15, 2017 in regards to the installation of a new wireless communications tower on city property located at 60 W. Fayette St.
 - B. Approval of Hillsdale BPU Cost of Service Study and Rate Design
 - C. Approval of Airport Apron Bid Award
- XI. Miscellaneous Reports**
 - A. Appointment to Boards/Commissions
 1. Mr. John Condon to the Economic Development Corporation (EDC)
- XII. City Manager's Report**
- XIII. General Public Comment**
- XIV. Council Comment**
- XV. Adjournment**

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 77186							
640-444.000-726.000	SUPPLIES	1ST AYD CORPORTATION	BRAKE PARTS CLEANER	PSI107616	04/21/17	212.13	77186
						<u>212.13</u>	
Total For Check 77186							
Check 77187							
101-265.000-930.000	REPAIRS & MAINTENANCE	AMERICAN COPPER AND B	DELTA RPL HANDLE, SS BALL, S.KNOB,	17INV014973	04/21/17	33.24	77187
101-756.000-930.000	REPAIRS & MAINTENANCE	AMERICAN COPPER AND B	DELTA RPL HANDLE, SS BALL, S.KNOB,	17INV014571	04/21/17	23.62	77187
271-790.000-930.000	REPAIRS & MAINTENANCE	AMERICAN COPPER AND B	DELTA RPL HANDLE, SS BALL, S.KNOB,	17INV015820	04/21/17	83.15	77187
						<u>140.01</u>	
Total For Check 77187							
Check 77188							
101-215.000-726.000	SUPPLIES	ARROW SWIFT PRINTING	2500 WINDOW ENVELOPES	142206	04/21/17	222.60	77188
101-301.000-900.000	PRINTING	ARROW SWIFT PRINTING	BUSINESS CARDS FOR SGT. STEVEN PRA	142257	04/21/17	25.50	77188
						<u>248.10</u>	
Total For Check 77188							
Check 77189							
101-265.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	RUGS FOR CITY HALL	14-999126	04/21/17	13.45	77189
101-336.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	CONTRACTUAL LINEN SERVICE	15-506314	04/21/17	20.10	77189
101-441.000-742.000	CLOTHING / UNIFORMS	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-991949	04/21/17	22.60	77189
101-441.000-742.000	CLOTHING / UNIFORMS	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-999125	04/21/17	22.60	77189
101-441.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-991949	04/21/17	32.31	77189
101-441.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-999125	04/21/17	32.31	77189
588-588.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	MAT & LINEN SERVICE	14-994814	04/21/17	32.04	77189
640-444.000-742.000	CLOTHING / UNIFORMS	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-991949	04/21/17	10.52	77189
640-444.000-742.000	CLOTHING / UNIFORMS	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-999125	04/21/17	10.52	77189
640-444.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-991949	04/21/17	16.81	77189
640-444.000-801.000	CONTRACTUAL SERVICES	ARROW UNIFORM	RUGS / UNIFORMS - DPS	14-999125	04/21/17	16.81	77189
						<u>230.07</u>	
Total For Check 77189							
Check 77190							
588-588.000-925.000	TELEPHONE	AT&T LONG DISTANCE	LONG DISTANCE - DART	829553719	04/21/17	30.30	77190
						<u>30.30</u>	
Total For Check 77190							
Check 77191							
101-441.000-801.000	CONTRACTUAL SERVICES	BECKER & SCRIVENS	SAW BLADE, LASER REPAIR, CONCRETE	73657	04/21/17	150.00	77191
202-460.000-726.000	SUPPLIES	BECKER & SCRIVENS	SAW BLADE, LASER REPAIR, CONCRETE	73620	04/21/17	85.00	77191
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	BECKER & SCRIVENS	SAW BLADE, LASER REPAIR, CONCRETE	73657	04/21/17	147.50	77191
						<u>382.50</u>	
Total For Check 77191							
Check 77192							
101-172.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	27.60	77192
101-215.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	123.35	77192
101-219.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	55.20	77192
101-301.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	POLICE DENTAL/VISION FOR MAY 2017	7003454-0000	04/21/17	731.66	77192
101-301.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	150.95	77192
101-336.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	FIREFIGHTER DENTAL/VISION FOR MAY	7003454-0001	04/21/17	164.02	77192
101-336.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	95.75	77192
101-400.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	95.75	77192
101-441.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	150.95	77192
208-751.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	55.20	77192
271-790.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	55.20	77192
582-543.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	55.20	77192
588-588.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	DENTAL/VISION FOR MAY 2017 - TEAMS	7003454-0006	04/21/17	99.16	77192
588-588.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	55.20	77192
640-444.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	DENTAL/VISION FOR MAY 2017 - TEAMS	7003454-0006	04/21/17	85.92	77192

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 77192							
640-444.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	27.60	77192
699-441.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	DENTAL/VISION FOR MAY 2017 - TEAMS	7003454-0006	04/21/17	282.54	77192
699-441.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	NON UNION DENTAL & VISION	7003454-0002	04/21/17	27.60	77192
Total For Check 77192						2,338.85	
Check 77193							
101-265.000-925.000	TELEPHONE	BOARD OF PUBLIC UTILI	TELEPHONE SERVICES FOR MARCH 2017	MARCH 2017	04/21/17	1,288.28	77193
208-751.000-925.000	TELEPHONE	BOARD OF PUBLIC UTILI	TELEPHONE SERVICES FOR MARCH 2017	MARCH 2017	04/21/17	31.78	77193
247-900.000-920.000	UTILITIES	BOARD OF PUBLIC UTILI	UTILITIES - KEEFER/DAWN	MARCH 2017	04/21/17	79.73	77193
271-790.000-925.000	TELEPHONE	BOARD OF PUBLIC UTILI	TELEPHONE SERVICES FOR MARCH 2017	MARCH 2017	04/21/17	260.62	77193
Total For Check 77193						1,660.41	
Check 77194							
101-276.000-801.000	CONTRACTUAL SERVICES	CARL ALLEN BARNETT	STUMP REMOVING	304295	04/21/17	100.00	77194
202-470.000-801.000	CONTRACTUAL SERVICES	CARL ALLEN BARNETT	STUMP REMOVING	304295	04/21/17	200.00	77194
203-470.000-801.000	CONTRACTUAL SERVICES	CARL ALLEN BARNETT	STUMP REMOVING	304295	04/21/17	50.00	77194
Total For Check 77194						350.00	
Check 77195							
271-790.000-982.000	BOOKS	CENTER POINT LARGE PR	LARGE PRINT BOOKS	1465839	04/21/17	1,425.83	77195
Total For Check 77195						1,425.83	
Check 77196							
101-301.000-726.000	SUPPLIES	CMP DISTRIBUTOR, INC	3V LITHIUM BATTERIES 123CR	51278	04/21/17	136.50	77196
101-301.000-726.000	SUPPLIES	CMP DISTRIBUTOR, INC	3V LITHIUM BATTERIES 123CR	51278	04/21/17	8.00	77196
101-301.000-742.000	CLOTHING / UNIFORMS	CMP DISTRIBUTOR, INC	HANDCUFF POUCHES/UNIVERSAL RADIO C	51276	04/21/17	94.50	77196
101-301.000-742.000	CLOTHING / UNIFORMS	CMP DISTRIBUTOR, INC	HANDCUFF POUCHES/UNIVERSAL RADIO C	51276	04/21/17	75.75	77196
101-301.000-742.000	CLOTHING / UNIFORMS	CMP DISTRIBUTOR, INC	HANDCUFF POUCHES/UNIVERSAL RADIO C	51276	04/21/17	14.00	77196
Total For Check 77196						328.75	
Check 77197							
101-301.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTI	PENS/CORRECTION TAPE/MEMO BOOKS	584729	04/21/17	32.06	77197
101-301.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTI	PENS/CORRECTION TAPE/MEMO BOOKS	584729	04/21/17	7.30	77197
101-301.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTI	PENS/CORRECTION TAPE/MEMO BOOKS	584729	04/21/17	21.58	77197
101-336.000-726.000	SUPPLIES	CURRENT OFFICE SOLUTI	BROTHER MFC-L5700DW PRINTER/COPIER	585123	04/21/17	479.98	77197
Total For Check 77197						540.92	
Check 77198							
101-174.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	140.36	77198
101-209.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	73.74	77198
101-215.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	165.05	77198
101-372.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	15.77	77198
101-400.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	15.77	77198
101-441.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	111.73	77198
208-751.000-801.000	CONTRACTUAL SERVICES	CURRENT OFFICE SOLUTI	COPIER LEASES	284874	04/21/17	58.15	77198
Total For Check 77198						580.57	
Check 77199							
101-441.000-801.000	CONTRACTUAL SERVICES	DENA KAYE BERGER	OFFICE COVERAGE DURING VACATION	APRIL 2017	04/21/17	552.00	77199
Total For Check 77199						552.00	
Check 77200							
633-000.000-111.000	INVENTORY - MAT. AND SUP	DETROIT SALT CO	ROAD SALT	65714	04/21/17	2,646.17	77200
633-000.000-111.000	INVENTORY - MAT. AND SUP	DETROIT SALT CO	ROAD SALT	65733	04/21/17	2,692.31	77200

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 77200							
Total For Check 77200						5,338.48	
Check 77201							
202-460.000-726.000	SUPPLIES	FAMILY FARM & HOME	OIL DRY	13/W	04/21/17	33.27	77201
203-460.000-726.000	SUPPLIES	FAMILY FARM & HOME	OIL DRY	13/W	04/21/17	33.27	77201
640-444.000-726.000	SUPPLIES	FAMILY FARM & HOME	OIL DRY	13/W	04/21/17	33.26	77201
Total For Check 77201						99.80	
Check 77202							
101-441.000-726.000	SUPPLIES	FASTENAL	SMOKERS UM FOR DPS FACILITY	63602	04/21/17	130.12	77202
Total For Check 77202						130.12	
Check 77203							
101-441.000-726.000	SUPPLIES	FORESTRY SUPPLIERS IN	MARKING PAINT - WHITE	153905	04/21/17	175.20	77203
Total For Check 77203						175.20	
Check 77204							
588-588.000-801.000	CONTRACTUAL SERVICES	JASON SCOTT FOUST	CHECK OUT DART STORAGE HEATER	9362	04/21/17	85.00	77204
Total For Check 77204						85.00	
Check 77205							
101-265.000-930.000	REPAIRS & MAINTENANCE	STEPHEN FRENCH	DEPOSIT FOR VACUUM REPAIR	REIMBURSEMENT	04/21/17	20.00	77205
Total For Check 77205						20.00	
Check 77206							
101-265.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	TOILEPAPER ROLLER/KORKY TANK BALL	C235291	04/21/17	6.68	77206
101-265.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	CONNECTOR/TOILET REPAIR KIT FOR MR	A140657	04/21/17	13.97	77206
101-265.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PLUMBING SUPPLIES FOR FIRE STATION	C234976	04/21/17	12.79	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	END PLATE/CENER PLATE/JOINT TAPE/J	A140803	04/21/17	5.78	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	END PLATE/CENER PLATE/JOINT TAPE/J	A140803	04/21/17	2.89	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	END PLATE/CENER PLATE/JOINT TAPE/J	A140803	04/21/17	2.37	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	END PLATE/CENER PLATE/JOINT TAPE/J	A140803	04/21/17	2.49	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	END PLATE/CENER PLATE/JOINT TAPE/J	A140803	04/21/17	7.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	RETURNS	C235353	04/21/17	(5.78)	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	RETURNS	C235353	04/21/17	(2.89)	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CAULK/TOGGLE WALL PLATES FPR FORE	C235353	04/21/17	1.49	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CAULK/TOGGLE WALL PLATES FPR FORE	C235353	04/21/17	1.49	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CAULK/TOGGLE WALL PLATES FPR FORE	C235353	04/21/17	3.49	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	4.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	28.47	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	3.56	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	2.94	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	2.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	2.89	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	4.79	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	4.59	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	5.79	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	1.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	1.89	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	CORNER GURARD/OULETS/PLATES/DRILL	A140831	04/21/17	1.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	OUTLETS/BULBS/PAINT/ACCENT LIGHT/B	C235662	04/21/17	0.89	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	OUTLETS/BULBS/PAINT/ACCENT LIGHT/B	C235662	04/21/17	0.59	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	OUTLETS/BULBS/PAINT/ACCENT LIGHT/B	C235662	04/21/17	4.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	OUTLETS/BULBS/PAINT/ACCENT LIGHT/B	C235662	04/21/17	5.29	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	OUTLETS/BULBS/PAINT/ACCENT LIGHT/B	C235662	04/21/17	7.49	77206

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Check 77206							
101-336.000-726.000	SUPPLIES	GELZER & SON INC	OUTLETS/BULBS/PAINT/ACCENT LIGHT/B	C235662	04/21/17	11.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	PAINTING SUUPPLIES FOR FIRE STATIO	A141254	04/21/17	2.18	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	PAINTING SUUPPLIES FOR FIRE STATIO	A141254	04/21/17	0.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	PAINTING SUUPPLIES FOR FIRE STATIO	A141254	04/21/17	3.99	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	PAINTING SUUPPLIES FOR FIRE STATIO	A141254	04/21/17	3.98	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	FASTENERS/ANCHORS FOR FIRE STATION	C236127	04/21/17	1.19	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	FASTENERS/ANCHORS FOR FIRE STATION	C236127	04/21/17	1.79	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	FASTENERS/ANCHORS FOR FIRE STATION	C236127	04/21/17	1.32	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	FASTENERS/ANCHORS FOR FIRE STATION	C236127	04/21/17	4.79	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	ROUNDUP/MINI TRIM COVERS	C236570	04/21/17	14.97	77206
101-336.000-726.000	SUPPLIES	GELZER & SON INC	ROUNDUP/MINI TRIM COVERS	C236570	04/21/17	2.99	77206
101-336.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	M. ACID/TOILET SPUD FOR FIRE STATI	C236147	04/21/17	14.76	77206
101-336.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PLUMBING SUPPLIES FOR FIRE STATION	C234976	04/21/17	18.58	77206
101-336.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	SILICONE SEALANT FOR FIRE STATION	A140585	04/21/17	19.33	77206
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	GELZER & SON INC	PRIMER/PAINT FOR DP	A140218	04/21/17	10.37	77206
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	GELZER & SON INC	HITCH PIN/R CLIP FOR FLEET REPAIRS	C234951	04/21/17	11.05	77206
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	GELZER & SON INC	CHECK VALVE/BUSHING/HOSE FOR FLEET	A141224	04/21/17	32.95	77206
640-444.000-730.301	POLICE VEH/EQUP MAINT SU	GELZER & SON INC	KEYS/TAGS W/SWIVELS	C236148	04/21/17	17.94	77206
640-444.000-730.301	POLICE VEH/EQUP MAINT SU	GELZER & SON INC	KEYS/TAGS W/SWIVELS	C236148	04/21/17	2.58	77206
Total For Check 77206						316.63	
Check 77208							
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	GODFREY BROTHERS, INC	HYD OIL	S23238	04/21/17	72.50	77208
Total For Check 77208						72.50	
Check 77209							
101-265.000-930.000	REPAIRS & MAINTENANCE	GRIFFITHS MECHANICAL	BOILER SERVICE/REPAIR @ CITY HALL	47797	04/21/17	3,298.00	77209
Total For Check 77209						3,298.00	
Check 77210							
101-265.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER	WATER DELIVERY	104005	04/21/17	28.50	77210
101-295.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER	WATER DELIVERY	104005	04/21/17	4.75	77210
101-441.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER	WATER DELIVERY	104005	04/21/17	23.75	77210
271-790.000-726.000	SUPPLIES	HEFFERNAN SOFT WATER	WATER DELIVERY	104005	04/21/17	9.50	77210
Total For Check 77210						66.50	
Check 77211							
101-172.000-862.000	LODGING AND MEALS	HILLSDALE CHAMBER OF	LEADERSHIP LUNCH - D MACKIE	E1163	04/21/17	15.00	77211
Total For Check 77211						15.00	
Check 77212							
101-174.000-801.000	CONTRACTUAL SERVICES	HILLSDALE POLICY GROU	MONTHLY ECONOMIC DEVELOPMENT - PER MARCH 2017		04/21/17	6,125.89	77212
Total For Check 77212						6,125.89	
Check 77213							
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	JACKSON TRUCK SERVICE	FILTERS	1291518	04/21/17	63.66	77213
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	JACKSON TRUCK SERVICE	FILTERS	1291352	04/21/17	19.40	77213
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	JACKSON TRUCK SERVICE	FILTERS	1291083	04/21/17	47.28	77213
640-444.000-730.336	FIRE VEH/EQUIP MAINT SUP	JACKSON TRUCK SERVICE	FILTERS	1291518	04/21/17	19.78	77213
Total For Check 77213						150.12	
Check 77214							
101-756.000-726.000	SUPPLIES	JACOB HAMMEL	REIMBURSE AQUA STRIPS - WATER TES	4-17-17	04/21/17	18.00	77214
Total For Check 77214						18.00	

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 77215							
101-756.000-726.000	SUPPLIES	JONESVILLE LUMBER	DECK SCREWS, POWER BIT FOR DOCK	757023	04/21/17	19.05	77215
						<u>19.05</u>	
Total For Check 77215							
Check 77216							
101-756.000-726.000	SUPPLIES	JONESVILLE LUMBER	TREATED DECKING	757957	04/21/17	9.09	77216
						<u>9.09</u>	
Total For Check 77216							
Check 77217							
101-441.000-726.000	SUPPLIES	KSS ENTERPRISES	ROLL TOWELS, T. PAPER, HAND SOAP,	1031680	04/21/17	224.23	77217
101-756.000-726.000	SUPPLIES	KSS ENTERPRISES	ROLL TOWELS, T. PAPER, HAND SOAP,	1031680	04/21/17	199.79	77217
202-460.000-726.000	SUPPLIES	KSS ENTERPRISES	ROLL TOWELS, T. PAPER, HAND SOAP,	1031680	04/21/17	136.41	77217
						<u>560.43</u>	
Total For Check 77217							
Check 77218							
101-172.000-860.000	TRANSPORTATION AND MILEA	DAVID MACKIE	MILEAGE REIMBURSEMENT - MAPSI/IEDC	APRIL 2017	04/21/17	224.76	77218
101-172.000-862.000	LODGING AND MEALS	DAVID MACKIE	MILEAGE REIMBURSEMENT - MAPSI/IEDC	APRIL 2017	04/21/17	9.85	77218
						<u>234.61</u>	
Total For Check 77218							
Check 77219							
101-441.000-801.000	CONTRACTUAL SERVICES	MANPOWER OF LANSING	TEMP EMPLOYEES W/E 4/9/17	31291138	04/21/17	602.40	77219
202-460.000-801.000	CONTRACTUAL SERVICES	MANPOWER OF LANSING	TEMP EMPLOYEES W/E 4/9/17	31291138	04/21/17	263.55	77219
202-460.500-801.000	CONTRACTUAL SERVICES	MANPOWER OF LANSING	TEMP EMPLOYEES W/E 4/9/17	31291138	04/21/17	15.06	77219
203-460.000-801.000	CONTRACTUAL SERVICES	MANPOWER OF LANSING	TEMP EMPLOYEES W/E 4/9/17	31291138	04/21/17	323.79	77219
						<u>1,204.80</u>	
Total For Check 77219							
Check 77220							
101-175.000-806.000	LEGAL SERVICES	MARCOUX ALLEN	MARCH 2017 LEGAL SERVCIES	MARCH 2017	04/21/17	2,550.00	77220
						<u>2,550.00</u>	
Total For Check 77220							
Check 77221							
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	24.36	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	8.98	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	3.39	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	1.69	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	8.49	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	7.19	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	4.59	77221
101-301.000-726.000	SUPPLIES	MARKET HOUSE	KLEENEX/GLASS CLEANER/409 CLEANER/	104700	04/21/17	21.96	77221
						<u>80.65</u>	
Total For Check 77221							
Check 77222							
101-301.000-862.000	LODGING AND MEALS	BRAD MARTIN	MEAL REIMBURSEMENT/PRISONER P/UP I	4/10/17	04/21/17	10.15	77222
						<u>10.15</u>	
Total For Check 77222							
Check 77223							
101-301.000-861.000	TRAINING & SEMINARS	MICH STATE POLICE	REG FEE SCOTT HEPHNER - 2017 GREAT	551-485124	04/21/17	300.00	77223
						<u>300.00</u>	
Total For Check 77223							
Check 77224							
271-790.000-726.000	SUPPLIES	MICHAEL ALEX MOSSEY L	LOST DVD REPLACEMENT	287	04/21/17	32.00	77224
271-790.000-726.000	SUPPLIES	MICHAEL ALEX MOSSEY L	LOST DVD REPLACEMENT	292	04/21/17	31.00	77224
271-790.000-726.000	SUPPLIES	MICHAEL ALEX MOSSEY L	LOST DVD REPLACEMENT	291	04/21/17	9.00	77224
271-790.000-726.000	SUPPLIES	MICHAEL ALEX MOSSEY L	LOST DVD REPLACEMENT	290	04/21/17	15.00	77224
271-790.000-726.000	SUPPLIES	MICHAEL ALEX MOSSEY L	LOST DVD REPLACEMENT	289	04/21/17	15.00	77224
271-790.000-726.000	SUPPLIES	MICHAEL ALEX MOSSEY L	LOST DVD REPLACEMENT	288	04/21/17	15.00	77224

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Check 77224							
						Total For Check 77224	117.00
Check 77225							
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	NEFCO	PINS FOR #21.4	171739	04/21/17	119.55	77225
						Total For Check 77225	119.55
Check 77226							
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	NORM'S TIREMAN	REFUND OF SALES TAX	5200034488	04/21/17	(19.02)	77226
640-444.000-801.000	CONTRACTUAL SERVICES	NORM'S TIREMAN	SERVICE CALL/RPL LOADER TIRE	5200036492	04/21/17	1,085.40	77226
						Total For Check 77226	1,066.38
Check 77227							
247-900.000-806.000	LEGAL SERVICES	PARKER, HAYES & LOVIN	LEGAL SERVICES - RFP KEEFER HOUSE	3-29-17	04/21/17	150.00	77227
						Total For Check 77227	150.00
Check 77228							
640-444.000-801.301	POLICE VEHICLE REPAIR	PARNEY'S CAR CARE	OIL CHANGE - UNIT 2-4 (2014 EXPLOR	60855	04/21/17	18.95	77228
640-444.000-801.301	POLICE VEHICLE REPAIR	PARNEY'S CAR CARE	OIL CHANGE - UNIT 2-4 (2014 EXPLOR	60855	04/21/17	8.50	77228
640-444.000-801.301	POLICE VEHICLE REPAIR	PARNEY'S CAR CARE	OIL CHANGE - UNIT 2-4 (2014 EXPLOR	60855	04/21/17	10.02	77228
640-444.000-801.301	POLICE VEHICLE REPAIR	PARNEY'S CAR CARE	OIL CHANGE - UNIT 2-2 (2017 EXPLOR	60878	04/21/17	18.95	77228
640-444.000-801.301	POLICE VEHICLE REPAIR	PARNEY'S CAR CARE	OIL CHANGE - UNIT 2-2 (2017 EXPLOR	60878	04/21/17	7.25	77228
640-444.000-801.301	POLICE VEHICLE REPAIR	PARNEY'S CAR CARE	OIL CHANGE - UNIT 2-2 (2017 EXPLOR	60878	04/21/17	4.00	77228
						Total For Check 77228	67.67
Check 77229							
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	SCREW DRIVE - FIRE	1-1207539	04/21/17	27.95	77229
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	GREEN TAPE/ARTIST BRUSH SET - FIRE	1-1209572	04/21/17	6.59	77229
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	GREEN TAPE/ARTIST BRUSH SET - FIRE	1-1209572	04/21/17	4.39	77229
101-336.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	PUTTY KNIFE	1-1209657	04/21/17	1.99	77229
588-588.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HEADLIGHT	1-1210122	04/21/17	22.98	77229
640-444.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	INFLATOR GAUGE	1-1209373	04/21/17	125.49	77229
640-444.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	TIE DOWNS	1-1209037	04/21/17	21.77	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	CREDIT	1-1208705	04/21/17	(16.60)	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	CREDIT	1-1208583	04/21/17	(187.98)	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	SWITCHE FOR SILVERADO	1-1208537	04/21/17	204.58	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HEATER HOSE FOR #34.4	1-1209931	04/21/17	11.94	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HYD HOSE, & FITTINGS FOR #34.4	1-1210028	04/21/17	52.85	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HYD HOSE, & FITTINGS FOR #34.4	1-1209808	04/21/17	199.45	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HYD HOSE, & FITTINGS FOR #20	1-1209681	04/21/17	37.14	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	FILTER FOR #30	1-1209616	04/21/17	13.39	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	BATTERY FOR #71	1-1209257	04/21/17	80.49	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	BATTERY CORE RETURN	1-1209258	04/21/17	(8.00)	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	DEF FLUID FOR #21	1-1208833	04/21/17	26.82	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HOSE CLAMPS FOR #34.4	1-1210230	04/21/17	15.80	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	FUEL LINE FOR #34.4	1-1210272	04/21/17	13.90	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	HOSE MENDER FOR #34.4	1-1210255	04/21/17	3.69	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	TAIL LIGHT FOR #8	1-1210470	04/21/17	43.99	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	RETURN BRAKE PADS/CALIPERS	1-1208832	04/21/17	(107.33)	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	CALIPERS/BRAKE PADS FOR #39.10	1-1208789	04/21/17	159.82	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	FILTERS/FUEL PUMP FOR #39..07	1-1210795	04/21/17	16.87	77229
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	PERFORMANCE AUTOMOTIV	FUEL PUMP FOR #39.07	1-1210758	04/21/17	66.27	77229
						Total For Check 77229	838.25
Check 77231							

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Check 77231							
640-444.000-801.000	CONTRACTUAL SERVICES	PURITY CYLINDER GASES	CYLINDER RENTALS	289800	04/21/17	44.88	77231
			Total For Check 77231			44.88	
Check 77232							
101-295.000-801.000	CONTRACTUAL SERVICES	REPUBLIC SERVICES OF	DUMPSTER @ AIRPORT	0249-005451369	04/21/17	154.67	77232
101-441.000-801.000	CONTRACTUAL SERVICES	REPUBLIC SERVICES OF	4 YARD DUMPSTER - DPS	0249-005451406	04/21/17	197.76	77232
			Total For Check 77232			352.43	
Check 77233							
588-588.000-955.588	MISC. - CDL LICENSING/TE	MARY ANN RIVERA	MDOT CDL RENEWAL - BALANCE DUE	4-20-17	04/21/17	6.50	77233
			Total For Check 77233			6.50	
Check 77234							
208-000.000-653.001	YOUTH PROGRAM FEES	RYAN LANIUS	PEE WEE SOFTBALL REFUND - MOVING O	4-20-17	04/21/17	55.00	77234
			Total For Check 77234			55.00	
Check 77235							
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	262.00	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	42.36	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	147.75	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	13.74	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	144.00	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	164.73	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	28.80	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	203.50	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	14.08	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	84.99	77235
640-444.000-801.301	POLICE VEHICLE REPAIR	STILLWELL FORD MERCUR	REPLACED SPARK PLUGS/COIL ASSEMBLY	6212	04/21/17	15.00	77235
			Total For Check 77235			1,120.95	
Check 77236							
101-301.000-861.000	TRAINING & SEMINARS	TACTICAL EDGE PROTECT	3 DAY RENTAL OF FATS (FIREARMS TRA	2780	04/21/17	2,200.00	77236
			Total For Check 77236			2,200.00	
Check 77237							
208-751.000-726.000	SUPPLIES	TEAM SPORTS, INC	VOLLEYBALLS	312797/1	04/21/17	239.94	77237
208-751.000-726.000	SUPPLIES	TEAM SPORTS, INC	VOLLEYBALLS	312797/1	04/21/17	11.36	77237
			Total For Check 77237			251.30	
Check 77238							
101-175.000-806.000	LEGAL SERVICES	TRAVELERS INSURANCE C	ACCT# 5438R6149 - POLICY# 14T91194	518544	04/21/17	409.25	77238
			Total For Check 77238			409.25	
Check 77239							
633-000.000-111.000	INVENTORY - MAT. AND SUP	UNIQUE PAVING MATERIA	COLD PATCH	263147	04/21/17	2,717.74	77239
			Total For Check 77239			2,717.74	
Check 77240							
271-790.000-860.000	TRANSPORTATION AND MILEA	LESLIE WARREN	MILEAGE REIMBUSEMENT - HUDSON LIBR	4-12-17	04/21/17	18.19	77240
			Total For Check 77240			18.19	
Check 77241							
101-336.000-740.000	FUEL AND LUBRICANTS	WATKINS OIL COMPANY	MARCH 2017 FUEL USAGE	MARCH 2017	04/21/17	392.24	77241
588-588.000-740.000	FUEL AND LUBRICANTS	WATKINS OIL COMPANY	MARCH 2017 FUEL USAGE	MARCH 2017	04/21/17	1,524.15	77241
640-444.000-740.000	FUEL AND LUBRICANTS	WATKINS OIL COMPANY	MARCH 2017 FUEL USAGE	MARCH 2017	04/21/17	1,633.27	77241

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Check 77241							
640-444.000-740.301	FUEL AND LUBRICANTS-POLI	WATKINS OIL COMPANY	MARCH 2017 FUEL USAGE	MARCH 2017	04/21/17	1,471.35	77241
						<u>1,471.35</u>	
Total For Check 77241						5,021.01	
Check 77242							
101-276.000-726.000	SUPPLIES	WEST MICH FLAGS	12X18 MOUNTED FLAGS	3202	04/21/17	826.56	77242
101-276.000-726.000	SUPPLIES	WEST MICH FLAGS	12X18 MOUNTED FLAGS	3202	04/21/17	59.56	77242
						<u>886.12</u>	
Total For Check 77242						886.12	
Check 77243							
101-336.000-726.000	SUPPLIES	WHITES WELDING SERVIC	ALUMINIUM FLOOR PLATE FOR ENTRY DO	82867	04/21/17	30.00	77243
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	WHITES WELDING SERVIC	ANGLE IRON	82835	04/21/17	15.00	77243
640-444.000-730.000	VEH./EQUIP. MAINT. SUPPL	WHITES WELDING SERVIC	STEEL	82871	04/21/17	25.00	77243
						<u>70.00</u>	
Total For Check 77243						70.00	
Check 77244							
101-276.000-801.000	CONTRACTUAL SERVICES	CRAIG WICKHAM	TREE TRIMMING & REMOVAL	4-12-17	04/21/17	250.00	77244
202-470.000-801.000	CONTRACTUAL SERVICES	CRAIG WICKHAM	TREE TRIMMING & REMOVAL	4-12-17	04/21/17	1,500.00	77244
203-470.000-801.000	CONTRACTUAL SERVICES	CRAIG WICKHAM	TREE TRIMMING & REMOVAL	4-12-17	04/21/17	1,950.00	77244
						<u>3,700.00</u>	
Total For Check 77244						3,700.00	
Check 77245							
101-301.000-955.221	MISC - PHYSICAL EXAMINAT	WORKHEALTH-QUINCY, PL	M. KRAUS PRE-EMPLOYMENT PHYS & D/S	4258	04/21/17	53.00	77245
101-301.000-955.221	MISC - PHYSICAL EXAMINAT	WORKHEALTH-QUINCY, PL	M. KRAUS PRE-EMPLOYMENT PHYS & D/S	4258	04/21/17	35.00	77245
101-301.000-955.222	MISC - SHOTS & TRAINING	WORKHEALTH-QUINCY, PL	D. SIMS MEDICAL CERTIFICATION FOR	4211	04/21/17	148.20	77245
						<u>236.20</u>	
Total For Check 77245						236.20	
Check 85							
101-441.000-801.000	CONTRACTUAL SERVICES	SPOK, INC	PAGER RENTAL - DPS	A7385433P	04/21/17	18.70	85
						<u>18.70</u>	
Total For Check 85						18.70	

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			Fund Totals:				
			Fund 101 GENERAL FUND			24,652.71	
			Fund 202 MAJOR ST./TRUNKLINE FUND			2,233.29	
			Fund 203 LOCAL ST. FUND			2,357.06	
			Fund 208 RECREATION FUND			451.43	
			Fund 247 TAX INCREMENT FINANCE ATH.			229.73	
			Fund 271 LIBRARY FUND			1,969.49	
			Fund 582 ELECTRIC FUND			55.20	
			Fund 588 DIAL-A-RIDE FUND			1,855.33	
			Fund 633 PUBLIC SERVICES INV. FUND			8,056.22	
			Fund 640 REVOLVING MOBILE EQUIP. FUN			7,196.98	
			Fund 699 DPS LEAVE AND BENEFITS FUND			310.14	
			Total For All Funds:			<hr/>	49,367.58

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Check 3							
582-544.000-726.800	SUPPLIES - OPERATIONS	JONESVILLE LUMBER	TREATED 2 X 10	755430	04/20/17	7.73	3
						<u>7.73</u>	
Total For Check 3							
Check 67702							
582-175.000-930.000	REPAIRS & MAINTENANCE	A CLEAN START	OFFICE CLEANING	192145	04/20/17	61.50	67702
582-544.000-930.000	REPAIRS & MAINTENANCE	A CLEAN START	OFFICE CLEANING	192145	04/20/17	13.50	67702
590-175.000-930.000	REPAIRS & MAINTENANCE	A CLEAN START	OFFICE CLEANING	192145	04/20/17	31.25	67702
590-546.000-801.000	CONTRACTUAL SERVICES	A CLEAN START	OFFICE CLEANING	192145	04/20/17	6.25	67702
591-175.000-930.000	REPAIRS & MAINTENANCE	A CLEAN START	OFFICE CLEANING	192145	04/20/17	31.25	67702
591-544.000-801.000	CONTRACTUAL SERVICES	A CLEAN START	OFFICE CLEANING	192145	04/20/17	6.25	67702
						<u>150.00</u>	
Total For Check 67702							
Check 67703							
582-175.000-810.000	DUES AND SUBSCRIPTIONS	ACD	MONTHLY FIBER LEASE	42187-110	04/20/17	202.00	67703
						<u>202.00</u>	
Total For Check 67703							
Check 67704							
590-547.000-727.500	SUPPLIES - CHLORINE	ALEXANDER CHEMICAL CO	CREDIT RETURN	SLS 10050444	04/20/17	(700.30)	67704
590-547.000-727.500	SUPPLIES - CHLORINE	ALEXANDER CHEMICAL CO	FLUORIDE, CHLORINE GAS, SO2	SLS 10057428/SL	04/20/17	700.30	67704
590-547.000-727.700	SUPPLIES - DIOXIDE	ALEXANDER CHEMICAL CO	CREDIT RETURN	SCL 10016278	04/20/17	(400.00)	67704
590-547.000-727.700	SUPPLIES - DIOXIDE	ALEXANDER CHEMICAL CO	FLUORIDE, CHLORINE GAS, SO2	SLS 10057428/SL	04/20/17	508.50	67704
590-547.000-727.700	SUPPLIES - DIOXIDE	ALEXANDER CHEMICAL CO	FLUORIDE, CHLORINE GAS, SO2	SLS 10057428/SL	04/20/17	250.00	67704
591-545.000-727.300	SUPPLIES - FLOURIDE	ALEXANDER CHEMICAL CO	FLUORIDE, CHLORINE GAS, SO2	SLS 10057428/SL	04/20/17	1,320.00	67704
591-545.000-727.300	SUPPLIES - FLOURIDE	ALEXANDER CHEMICAL CO	FLUORIDE, CHLORINE GAS, SO2	SLS 10057428/SL	04/20/17	270.00	67704
591-545.000-727.300	SUPPLIES - FLOURIDE	ALEXANDER CHEMICAL CO	CREDIT DEPOSIT REFUND	SCL 10016300	04/20/17	(180.00)	67704
						<u>1,768.50</u>	
Total For Check 67704							
Check 67705							
582-544.000-726.800	SUPPLIES - OPERATIONS	ALTEC, INC	TOOL BOARDS AND IMPACT HOLDER	10732072	04/20/17	432.40	67705
582-544.000-726.800	SUPPLIES - OPERATIONS	ALTEC, INC	TOOL BOARDS AND IMPACT HOLDER	10732072	04/20/17	150.38	67705
582-544.000-726.800	SUPPLIES - OPERATIONS	ALTEC, INC	TOOL BOARDS AND IMPACT HOLDER	10732072	04/20/17	51.34	67705
						<u>634.12</u>	
Total For Check 67705							
Check 67706							
582-175.000-726.200	OFFICE SUPPLIES	AMERICAN COPPER AND B	FILTERS AND LIGHTBULBS FOR THE OFF	17INV013906/140	04/20/17	18.95	67706
582-175.000-726.200	OFFICE SUPPLIES	AMERICAN COPPER AND B	FILTERS AND LIGHTBULBS FOR THE OFF	17INV013906/140	04/20/17	51.50	67706
582-543.000-930.000	REPAIRS & MAINTENANCE	AMERICAN COPPER AND B	FILTERS AND LIGHTBULBS FOR THE OFF	17INV013906/140	04/20/17	1.39	67706
582-543.000-930.000	REPAIRS & MAINTENANCE	AMERICAN COPPER AND B	FILTERS AND LIGHTBULBS FOR THE OFF	17INV013906/140	04/20/17	33.55	67706
590-547.000-930.000	REPAIRS & MAINTENANCE	AMERICAN COPPER AND B	CREDIT RETURN	17SCM000726	04/20/17	(5.51)	67706
						<u>99.88</u>	
Total For Check 67706							
Check 67707							
582-000.000-110.000	INVENTORY	ANIXTER POWER SOLUTIO	INVENTORY	3530822-00	04/20/17	77.50	67707
582-000.000-110.000	INVENTORY	ANIXTER POWER SOLUTIO	INVENTORY	3530822-00	04/20/17	48.00	67707
582-000.000-110.000	INVENTORY	ANIXTER POWER SOLUTIO	INVENTORY	3530822-00	04/20/17	54.50	67707
						<u>180.00</u>	
Total For Check 67707							
Check 67708							
582-175.000-925.000	TELEPHONE	AT&T	PRI LINES	517R21057604	04/20/17	701.32	67708
590-175.000-925.000	TELEPHONE	AT&T	PRI LINES	517R21057604	04/20/17	350.67	67708
591-175.000-925.000	TELEPHONE	AT&T	PRI LINES	517R21057604	04/20/17	350.66	67708
						<u>1,402.65</u>	
Total For Check 67708							
Check 67709							
582-175.000-801.000	CONTRACTUAL SERVICES	BATTERY SOLUTIONS	36" RECYCLING TUBE	A140679	04/20/17	84.80	67709

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 67709							
						84.80	
Total For Check 67709							
Check 67710							
582-543.000-801.050-1	CONTRACTUAL SERV. - ENGI	BEAVER RESEARCH COMPA	COOLING TOWER CHEMICAL INJECTION	0259635-IN	04/20/17	625.00	67710
582-543.000-801.050-1	CONTRACTUAL SERV. - ENGI	BEAVER RESEARCH COMPA	CONTROLER AND PUMP FOR COOLING TOW	0598303-IN	04/20/17	2,515.00	67710
582-543.000-801.060-1	CONTRACTUAL SERV. - ENGI	BEAVER RESEARCH COMPA	COOLING TOWER CHEMICAL INJECTION	0259635-IN	04/20/17	715.00	67710
582-543.000-801.060-1	CONTRACTUAL SERV. - ENGI	BEAVER RESEARCH COMPA	CONTROLER AND PUMP FOR COOLING TOW	0598303-IN	04/20/17	855.00	67710
Total For Check 67710						4,710.00	
Check 67711							
582-175.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	50.92	67711
582-175.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS/DENTAL & VISION	043017	04/20/17	233.38	67711
582-544.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	403.96	67711
590-175.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	25.46	67711
590-175.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS/DENTAL & VISION	043017	04/20/17	116.72	67711
590-546.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS/DENTAL & VISION	043017	04/20/17	140.09	67711
590-547.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS/DENTAL & VISION	043017	04/20/17	75.46	67711
591-175.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	25.46	67711
591-175.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS/DENTAL & VISION	043017	04/20/17	116.67	67711
591-543.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	34.11	67711
591-544.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	136.48	67711
591-545.000-715.000	HEALTH AND LIFE INSURANC	BLUE CROSS & BLUE SHI	PREMIUMS /DENTAL & VISION	050117	04/20/17	56.85	67711
Total For Check 67711						1,415.56	
Check 67712							
582-175.000-801.200	COMPUTER	BUSINESS CARD	BLUE WAVE COMPUTING, IPAD & SHIPPI	547415135352 92	04/20/17	74.50	67712
582-544.000-925.000	TELEPHONE	BUSINESS CARD	BLUE WAVE COMPUTING, IPAD & SHIPPI	547415135352 92	04/20/17	16.89	67712
582-544.000-930.000	REPAIRS & MAINTENANCE	BUSINESS CARD	BLUE WAVE COMPUTING, IPAD & SHIPPI	547415135352 92	04/20/17	152.57	67712
590-175.000-801.200	COMPUTER	BUSINESS CARD	BLUE WAVE COMPUTING, IPAD & SHIPPI	547415135352 92	04/20/17	37.25	67712
591-175.000-801.200	COMPUTER	BUSINESS CARD	BLUE WAVE COMPUTING, IPAD & SHIPPI	547415135352 92	04/20/17	37.25	67712
591-544.000-930.000	REPAIRS & MAINTENANCE	BUSINESS CARD	BLUE WAVE COMPUTING, IPAD & SHIPPI	547415135352 92	04/20/17	13.90	67712
Total For Check 67712						332.36	
Check 67713							
582-175.000-930.000	REPAIRS & MAINTENANCE	CEM SUPPLY, INC	FAN MOTOR BACK BATHROOM	78379/1	04/20/17	125.00	67713
Total For Check 67713						125.00	
Check 67714							
582-175.000-955.000	MISCELLANEOUS	CHRISTOPHER MCARTHUR	NOTARY FEE COUNTY CLERK	193963	04/20/17	10.00	67714
Total For Check 67714						10.00	
Check 67715							
582-175.000-930.000	REPAIRS & MAINTENANCE	CINTAS CORPORATION	RUGS, MATS & TOWELS	306612552	04/20/17	112.66	67715
582-175.000-930.000	REPAIRS & MAINTENANCE	CINTAS CORPORATION	MATS, RUGS & TOWELS	306609636	04/20/17	110.12	67715
582-543.000-726.000	SUPPLIES	CINTAS CORPORATION	RUGS	306612553	04/20/17	137.44	67715
582-543.000-726.000	SUPPLIES	CINTAS CORPORATION	RUGS	306609637	04/20/17	137.44	67715
582-544.000-726.800	SUPPLIES - OPERATIONS	CINTAS CORPORATION	RUGS, MATS & TOWELS	306612552	04/20/17	112.66	67715
582-544.000-726.800	SUPPLIES - OPERATIONS	CINTAS CORPORATION	MATS, RUGS & TOWELS	306609636	04/20/17	110.12	67715
590-175.000-930.000	REPAIRS & MAINTENANCE	CINTAS CORPORATION	RUGS, MATS & TOWELS	306612552	04/20/17	56.33	67715
590-175.000-930.000	REPAIRS & MAINTENANCE	CINTAS CORPORATION	MATS, RUGS & TOWELS	306609636	04/20/17	55.07	67715
590-546.000-726.800	SUPPLIES - OPERATIONS	CINTAS CORPORATION	RUGS, MATS & TOWELS	306612552	04/20/17	56.34	67715
590-546.000-726.800	SUPPLIES - OPERATIONS	CINTAS CORPORATION	MATS, RUGS & TOWELS	306609636	04/20/17	55.07	67715
591-175.000-930.000	REPAIRS & MAINTENANCE	CINTAS CORPORATION	RUGS, MATS & TOWELS	306612552	04/20/17	56.33	67715
591-175.000-930.000	REPAIRS & MAINTENANCE	CINTAS CORPORATION	MATS, RUGS & TOWELS	306609636	04/20/17	55.06	67715

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Check 67715							
591-544.000-726.800	SUPPLIES - OPERATIONS	CINTAS CORPORATION	RUGS, MATS & TOWELS	306612552	04/20/17	56.33	67715
591-544.000-726.800	SUPPLIES - OPERATIONS	CINTAS CORPORATION	MATS, RUGS & TOWELS	306609636	04/20/17	55.07	67715
Total For Check 67715						1,166.04	
Check 67716							
582-175.000-820.000	PILOT	CITY OF HILLSDALE	APRIL PILOT	041917	04/20/17	63,037.17	67716
590-175.000-820.000	PILOT	CITY OF HILLSDALE	APRIL PILOT	041917	04/20/17	9,549.24	67716
591-175.000-820.000	PILOT	CITY OF HILLSDALE	APRIL PILOT	041917	04/20/17	5,697.51	67716
Total For Check 67716						78,283.92	
Check 67717							
582-175.000-955.000	MISCELLANEOUS	COMMUNITY ACTION AGEN	BOARD MEMBERS DONATIONS	041117	04/20/17	50.00	67717
590-175.000-955.000	MISCELLANEOUS	COMMUNITY ACTION AGEN	BOARD MEMBERS DONATIONS	041117	04/20/17	25.00	67717
591-175.000-955.000	MISCELLANEOUS	COMMUNITY ACTION AGEN	BOARD MEMBERS DONATIONS	041117	04/20/17	25.00	67717
Total For Check 67717						100.00	
Check 67718							
582-175.000-726.200	OFFICE SUPPLIES	CURRENT OFFICE SOLUTI	LEASE	285022	04/20/17	87.50	67718
582-175.000-726.200	OFFICE SUPPLIES	CURRENT OFFICE SOLUTI	OFFICE SUPPLIES	584882-00	04/20/17	10.49	67718
590-175.000-726.200	OFFICE SUPPLIES	CURRENT OFFICE SOLUTI	LEASE	285022	04/20/17	43.75	67718
590-175.000-726.200	OFFICE SUPPLIES	CURRENT OFFICE SOLUTI	OFFICE SUPPLIES	584882-00	04/20/17	5.25	67718
591-175.000-726.200	OFFICE SUPPLIES	CURRENT OFFICE SOLUTI	LEASE	285022	04/20/17	43.75	67718
591-175.000-726.200	OFFICE SUPPLIES	CURRENT OFFICE SOLUTI	OFFICE SUPPLIES	584882-00	04/20/17	5.25	67718
Total For Check 67718						195.99	
Check 67719							
590-546.000-861.000	TRAINING & SEMINARS	D HILL ENVIRONMENTAL	B AND A WASTEWATER CERITIFICATION	1193	04/20/17	150.00	67719
Total For Check 67719						150.00	
Check 67720							
582-175.000-801.200	COMPUTER	DOBERMAN TECHNOLOGIES	PARTS	CW-6083	04/20/17	285.00	67720
590-175.000-801.200	COMPUTER	DOBERMAN TECHNOLOGIES	COMPUTER	CW-6082	04/20/17	140.00	67720
590-175.000-801.200	COMPUTER	DOBERMAN TECHNOLOGIES	PARTS	CW-6083	04/20/17	142.50	67720
591-175.000-801.200	COMPUTER	DOBERMAN TECHNOLOGIES	PARTS	CW-6083	04/20/17	142.50	67720
Total For Check 67720						710.00	
Check 67721							
591-544.000-930.000	REPAIRS & MAINTENANCE	DUBOIS TRUCKING AND E	SAND AND PROCESS GRAVEL	QB957/958/959	04/20/17	290.00	67721
591-544.000-930.000	REPAIRS & MAINTENANCE	DUBOIS TRUCKING AND E	SAND AND PROCESS GRAVEL	QB957/958/959	04/20/17	172.50	67721
591-544.000-930.000	REPAIRS & MAINTENANCE	DUBOIS TRUCKING AND E	SAND AND PROCESS GRAVEL	QB957/958/959	04/20/17	116.00	67721
591-544.000-930.000	REPAIRS & MAINTENANCE	DUBOIS TRUCKING AND E	SAND AND PROCESS GRAVEL	QB957/958/959	04/20/17	60.00	67721
Total For Check 67721						638.50	
Check 67722							
591-545.000-727.400	SUPPLIES - PHOSPHATE	ENVIRONMENTAL MANAGEM	CARUS 8700 PHOSPHATE	16201	04/20/17	3,902.80	67722
Total For Check 67722						3,902.80	
Check 67723							
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	4.79	67723
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	3.29	67723
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	1.29	67723
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	3.29	67723
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	6.99	67723
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	6.49	67723
590-547.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	CREDIT - RETURN	ST5405	04/20/17	(2.49)	67723

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Check 67723							
591-544.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	GT BOW RAKE	032217	04/20/17	10.99	67723
591-544.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	GRASS SEED	540003\	04/20/17	119.50	67723
591-545.000-930.000	REPAIRS & MAINTENANCE	FAMILY FARM & HOME	MISC. PIPE FITTINGS, CASTOR, SHOP	11/54	04/20/17	79.99	67723
Total For Check 67723						234.13	
Check 67724							
591-544.000-930.000	REPAIRS & MAINTENANCE	FASTENAL	STAINLESS COTTER PINS	MIJON63515	04/20/17	9.37	67724
591-544.000-930.000	REPAIRS & MAINTENANCE	FASTENAL	STAINLESS COTTER PINS	MIJON63515	04/20/17	7.99	67724
Total For Check 67724						17.36	
Check 67725							
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	82.98	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	87.98	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	19.99	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	9.87	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	0.89	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	0.99	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	3.49	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	6.97	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	6.98	67725
590-547.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	4.97	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	3.97	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	2.29	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	0.45	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	22.99	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	2.85	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	0.61	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	0.13	67725
591-544.000-930.000	REPAIRS & MAINTENANCE	GELZER & SON INC	PAINT, TOOLS, HARDWARE	C234578	04/20/17	0.40	67725
Total For Check 67725						258.80	
Check 67726							
590-547.000-726.900	SUPPLIES - LABORATORY	HEFFERNAN SOFT WATER	DISTILLED WATER FOR WWTP LABORATOR	103838	04/20/17	8.75	67726
590-547.000-726.900	SUPPLIES - LABORATORY	HEFFERNAN SOFT WATER	DISTILLED WATER FOR WWTP LABORATOR	103838	04/20/17	8.75	67726
590-547.000-726.900	SUPPLIES - LABORATORY	HEFFERNAN SOFT WATER	DISTILLED WATER FOR WWTP LABORATOR	103838	04/20/17	8.75	67726
590-547.000-726.900	SUPPLIES - LABORATORY	HEFFERNAN SOFT WATER	DISTILLED WATER FOR WWTP LABORATOR	103838	04/20/17	17.50	67726
Total For Check 67726						43.75	
Check 67727							
582-544.000-801.000	CONTRACTUAL SERVICES	HILLSDALE TOWNSHIP FI	RESPONDED TO DOWN POWERLINE	16059	04/20/17	175.00	67727
Total For Check 67727						175.00	
Check 67728							
591-544.000-801.000	CONTRACTUAL SERVICES	HYDROCORP	MONTHLY CROSS CONNECTION PROGRAM F	0042378-IN	04/20/17	1,333.00	67728
Total For Check 67728						1,333.00	
Check 67729							
582-000.000-110.000	INVENTORY	IRBY CO	INVENTORY	S010125040.001	04/20/17	74.40	67729
582-000.000-110.000	INVENTORY	IRBY CO	INVENTORY	S010125040.001	04/20/17	4.50	67729
Total For Check 67729						78.90	
Check 67730							
582-543.000-930.000	REPAIRS & MAINTENANCE	KENDALL ELECTRIC	ENGINE COOLING WATER	S105668572.002	04/20/17	11.24	67730
Total For Check 67730						11.24	

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Check 67731							
590-547.000-726.900	SUPPLIES - LABORATORY	MARKET HOUSE	BLEACH FOR WWTP LABORATORY	104624	04/20/17	5.94	67731
						<u>5.94</u>	
Total For Check 67731							
Check 67732							
582-543.000-930.000	REPAIRS & MAINTENANCE	MCMASTER - CARR	ENGINE WATER SYSTEM	24595201	04/20/17	461.98	67732
582-543.000-930.000	REPAIRS & MAINTENANCE	MCMASTER - CARR	ENGINE WATER SYSTEM	24595201	04/20/17	84.00	67732
582-543.000-930.000	REPAIRS & MAINTENANCE	MCMASTER - CARR	ENGINE WATER SYSTEM	24595201	04/20/17	16.77	67732
						<u>562.75</u>	
Total For Check 67732							
Check 67733							
590-547.000-801.000	CONTRACTUAL SERVICES	MERIT LABORATORIES	BEF COMP	80025	04/20/17	755.00	67733
590-547.000-801.000	CONTRACTUAL SERVICES	MERIT LABORATORIES	BEF COMP	80025	04/20/17	119.38	67733
590-547.000-801.000	CONTRACTUAL SERVICES	MERIT LABORATORIES	WWTP DEWATERING, BEF COMPLIANCE	79726	04/20/17	238.76	67733
590-547.000-801.000	CONTRACTUAL SERVICES	MERIT LABORATORIES	WWTP DEWATERING, BEF COMPLIANCE	79726	04/20/17	188.75	67733
590-547.000-801.000	CONTRACTUAL SERVICES	MERIT LABORATORIES	WWTP DEWATERING, BEF COMPLIANCE	79726	04/20/17	450.00	67733
						<u>1,751.89</u>	
Total For Check 67733							
Check 67734							
582-175.000-955.000	MISCELLANEOUS	MICH DEPT OF STATE	NOTARY APPLICATION FEE	041217	04/20/17	10.00	67734
						<u>10.00</u>	
Total For Check 67734							
Check 67735							
582-175.000-920.400	UTILITIES - GAS	MICH GAS UTILITIES	37 MONORE GEN SET	17949688913-000	04/20/17	53.87	67735
590-175.000-920.400	UTILITIES - GAS	MICH GAS UTILITIES	37 MONORE GEN SET	17949688913-000	04/20/17	26.94	67735
591-175.000-920.400	UTILITIES - GAS	MICH GAS UTILITIES	37 MONORE GEN SET	17949688913-000	04/20/17	26.94	67735
						<u>107.75</u>	
Total For Check 67735							
Check 67736							
582-543.000-920.400	UTILITIES - GAS	MICHIGAN SOUTH CENTRA	MARCH NATURAL GAS	H 03-17	04/20/17	2,702.80	67736
582-543.000-930.000	REPAIRS & MAINTENANCE	MICHIGAN SOUTH CENTRA	ENGINE COOLING WATER	340	04/20/17	86.80	67736
582-543.000-930.000	REPAIRS & MAINTENANCE	MICHIGAN SOUTH CENTRA	ENGINE COOLING WATER	340	04/20/17	538.98	67736
582-543.000-930.000	REPAIRS & MAINTENANCE	MICHIGAN SOUTH CENTRA	ENGINE COOLING WATER	340	04/20/17	8.46	67736
						<u>3,337.04</u>	
Total For Check 67736							
Check 67737							
582-544.000-920.500	UTILITIES - REFUSE	MODERN WASTE SYSTEMS	TRASH PICK UP @ WAREHOUSE	54387	04/20/17	82.00	67737
590-546.000-801.000	CONTRACTUAL SERVICES	MODERN WASTE SYSTEMS	MONTHLY SERVICE WWTP 4/1-4/30	54431	04/20/17	85.00	67737
590-546.000-920.500	UTILITIES - REFUSE	MODERN WASTE SYSTEMS	TRASH PICK UP @ WAREHOUSE	54387	04/20/17	41.00	67737
591-544.000-920.500	UTILITIES - REFUSE	MODERN WASTE SYSTEMS	TRASH PICK UP @ WAREHOUSE	54387	04/20/17	41.00	67737
						<u>249.00</u>	
Total For Check 67737							
Check 67738							
590-547.000-726.900	SUPPLIES - LABORATORY	NORTH CENTRAL LABORAT	WWTP LABORATORY SUPPLIES	387272	04/20/17	72.40	67738
590-547.000-726.900	SUPPLIES - LABORATORY	NORTH CENTRAL LABORAT	WWTP LABORATORY SUPPLIES	387272	04/20/17	202.60	67738
590-547.000-726.900	SUPPLIES - LABORATORY	NORTH CENTRAL LABORAT	WWTP LABORATORY SUPPLIES	387272	04/20/17	17.06	67738
						<u>292.06</u>	
Total For Check 67738							
Check 67739							
582-175.000-726.200	OFFICE SUPPLIES	OFFICE 360	OFFICE SUPPLIES	830686	04/20/17	6.87	67739
590-175.000-726.200	OFFICE SUPPLIES	OFFICE 360	OFFICE SUPPLIES	830686	04/20/17	3.44	67739
591-175.000-726.200	OFFICE SUPPLIES	OFFICE 360	OFFICE SUPPLIES	830686	04/20/17	3.43	67739
						<u>13.74</u>	
Total For Check 67739							
Check 67740							
582-543.000-930.000	REPAIRS & MAINTENANCE	PARNEY'S CAR CARE	TUBES FOR LAWN MOWER TIRES	60808	04/20/17	49.98	67740

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 67740							
582-543.000-930.000	REPAIRS & MAINTENANCE	PARNEY'S CAR CARE	TUBES FOR LAWN MOWER TIRES	60808	04/20/17	20.00	67740
						<u>69.98</u>	
Check 67741							
582-543.000-726.000	SUPPLIES	PERFORMANCE AUTOMOTIV	GAS CANS FOR MOWERS	1-1210390	04/20/17	50.00	67741
582-544.000-726.800	SUPPLIES - OPERATIONS	PERFORMANCE AUTOMOTIV	SHOP SUPPLIES	1-1208947/1-120	04/20/17	21.18	67741
582-544.000-726.800	SUPPLIES - OPERATIONS	PERFORMANCE AUTOMOTIV	SHOP SUPPLIES	1-1208947/1-120	04/20/17	7.29	67741
						<u>78.47</u>	
Check 67742							
582-000.000-110.000	INVENTORY	POWERLINE SUPPLY	INVENTORY	556134120	04/20/17	99.84	67742
582-000.000-110.000	INVENTORY	POWERLINE SUPPLY	INVENTORY	56132204	04/20/17	99.84	67742
582-000.000-110.000	INVENTORY	POWERLINE SUPPLY	INVENTORY	56132204	04/20/17	510.30	67742
582-000.000-110.000	INVENTORY	POWERLINE SUPPLY	INVENTORY	56132204	04/20/17	61.50	67742
582-000.000-110.000	INVENTORY	POWERLINE SUPPLY	INVENTORY	56132204	04/20/17	220.00	67742
						<u>991.48</u>	
Check 67743							
582-543.000-930.000	REPAIRS & MAINTENANCE	PROFESSIONAL PLASTICS	POLYCARBONATE WINDOW COVERING	DU1006780	04/20/17	547.20	67743
582-543.000-930.000	REPAIRS & MAINTENANCE	PROFESSIONAL PLASTICS	POLYCARBONATE WINDOW COVERING	DU1006780	04/20/17	150.00	67743
						<u>697.20</u>	
Check 67744							
582-543.000-742.000	CLOTHING / UNIFORMS	RANDY GAY	REIMBURSEMENT	032617	04/20/17	100.00	67744
582-543.000-920.300	UTILITIES - ELECTRIC	RANDY GAY	REIMBURSEMENT	041217	04/20/17	23.45	67744
						<u>123.45</u>	
Check 67745							
591-544.000-970.000	CAPITAL OUTLAY	SLC METER LLC	4" BADGER COMPOUND METER, REGISTER	247940/248213	04/20/17	3,250.95	67745
591-544.000-970.000	CAPITAL OUTLAY	SLC METER LLC	4" BADGER COMPOUND METER, REGISTER	247940/248213	04/20/17	185.38	67745
591-544.000-970.000	CAPITAL OUTLAY	SLC METER LLC	4" BADGER COMPOUND METER, REGISTER	247940/248213	04/20/17	12.32	67745
591-544.000-970.000	CAPITAL OUTLAY	SLC METER LLC	4" BADGER COMPOUND METER, REGISTER	247940/248213	04/20/17	27.84	67745
591-544.000-970.000	CAPITAL OUTLAY	SLC METER LLC	4" BADGER COMPOUND METER, REGISTER	247940/248213	04/20/17	7.84	67745
591-544.000-970.000	CAPITAL OUTLAY	SLC METER LLC	4" BADGER COMPOUND METER, REGISTER	247940/248213	04/20/17	86.46	67745
						<u>3,570.79</u>	
Check 67746							
582-544.000-726.800	SUPPLIES - OPERATIONS	SPRATT'S	CHAIN AND BAR	156674	04/20/17	31.95	67746
582-544.000-726.800	SUPPLIES - OPERATIONS	SPRATT'S	CHAIN AND BAR	156674	04/20/17	20.99	67746
						<u>52.94</u>	
Check 67747							
582-175.000-925.000	TELEPHONE	SPRINT	SPRINT CELLS/IPAD ALLOCATION	893827215-114	04/20/17	13.63	67747
582-544.000-925.000	TELEPHONE	SPRINT	SPRINT CELLS/IPAD ALLOCATION	893827215-114	04/20/17	469.82	67747
590-175.000-925.000	TELEPHONE	SPRINT	SPRINT CELLS/IPAD ALLOCATION	893827215-114	04/20/17	6.81	67747
590-175.000-925.000	TELEPHONE	SPRINT	SPRINT CELLS/IPAD ALLOCATION	893827215-114	04/20/17	84.62	67747
590-547.000-925.000	TELEPHONE	SPRINT	SPRINT CELLS/IPAD ALLOCATION	893827215-114	04/20/17	60.16	67747
591-544.000-925.000	TELEPHONE	SPRINT	SPRINT CELLS/IPAD ALLOCATION	893827215-114	04/20/17	41.13	67747
						<u>676.17</u>	
Check 67748							
582-543.000-801.000	CONTRACTUAL SERVICES	STATE OF MICHIGAN MDE	STORMWATER ANNUAL PERMIT FEE	761-8165121	04/20/17	260.00	67748
						<u>260.00</u>	

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
Check 67749							
582-175.000-726.200	OFFICE SUPPLIES	STOCKHOUSE CORPORATIO	SUPPLIES	55760	04/20/17	345.57	67749
590-175.000-726.200	OFFICE SUPPLIES	STOCKHOUSE CORPORATIO	SUPPLIES	55760	04/20/17	172.78	67749
591-175.000-726.200	OFFICE SUPPLIES	STOCKHOUSE CORPORATIO	SUPPLIES	55760	04/20/17	172.79	67749
Total For Check 67749						691.14	
Check 67750							
582-175.000-955.000	MISCELLANEOUS	SUMNAR SCHOLL INSURAN	NOTARY BOND PREMIUM	38512	04/20/17	50.00	67750
Total For Check 67750						50.00	
Check 67751							
590-547.000-930.000	REPAIRS & MAINTENANCE	SUPERIOR INDUSTRIAL S	HOSE END COUPLER FOR AIR COMPRESSO	420470	04/20/17	23.50	67751
Total For Check 67751						23.50	
Check 67752							
582-544.000-730.000	VEH./EQUIP. MAINT. SUPPL	TEREX SERVICES	REPAIRS TO 39-09	90829079	04/20/17	2,944.65	67752
Total For Check 67752						2,944.65	
Check 67753							
582-175.000-806.000	LEGAL SERVICES	TRAVELERS INSURANCE C	LEGAL FEES	000518544	04/20/17	204.62	67753
590-175.000-806.000	LEGAL SERVICES	TRAVELERS INSURANCE C	LEGAL FEES	000518544	04/20/17	102.31	67753
591-175.000-806.000	LEGAL SERVICES	TRAVELERS INSURANCE C	LEGAL FEES	000518544	04/20/17	102.32	67753
Total For Check 67753						409.25	
Check 67754							
582-543.000-801.000	CONTRACTUAL SERVICES	TYCO INTEGRATED SECUR	ALARM SYSTEM - WAREHOUSE	28051849	04/20/17	1,756.76	67754
582-543.000-801.000	CONTRACTUAL SERVICES	TYCO INTEGRATED SECUR	POWER PLANT ALARM SYSTEM	28405489	04/20/17	1,640.00	67754
590-546.000-801.000	CONTRACTUAL SERVICES	TYCO INTEGRATED SECUR	ALARM SYSTEM - WAREHOUSE	28051849	04/20/17	878.39	67754
591-543.000-801.000	CONTRACTUAL SERVICES	TYCO INTEGRATED SECUR	ALARM SYSTEM - WAREHOUSE	28051849	04/20/17	878.38	67754
Total For Check 67754						5,153.53	
Check 67755							
590-546.000-726.800	SUPPLIES - OPERATIONS	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	37.98	67755
590-546.000-726.800	SUPPLIES - OPERATIONS	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	53.95	67755
590-546.000-726.800	SUPPLIES - OPERATIONS	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	162.95	67755
590-546.000-726.800	SUPPLIES - OPERATIONS	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	16.77	67755
590-546.000-726.800	SUPPLIES - OPERATIONS	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	87.90	67755
590-546.000-726.800	SUPPLIES - OPERATIONS	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	26.91	67755
590-547.000-726.900	SUPPLIES - LABORATORY	USABLUEBOOK	LABORATORY SUPPLIES, SAFETY EQUIPM	209851/209447/2	04/20/17	69.38	67755
590-547.000-930.000	REPAIRS & MAINTENANCE	USABLUEBOOK	MUNI-BALL PLUG AND EXTENSION HOSE	223616	04/20/17	322.04	67755
590-547.000-930.000	REPAIRS & MAINTENANCE	USABLUEBOOK	MUNI-BALL PLUG AND EXTENSION HOSE	223616	04/20/17	61.01	67755
590-547.000-930.000	REPAIRS & MAINTENANCE	USABLUEBOOK	MUNI-BALL PLUG AND EXTENSION HOSE	223616	04/20/17	26.49	67755
Total For Check 67755						865.38	
Check 67756							
590-546.000-930.970	REPIARS & MINAT. - MANHO	WHITES WELDING SERVIC	WELD MANHOLE HOOK	82848	04/20/17	20.00	67756
590-547.000-930.000	REPAIRS & MAINTENANCE	WHITES WELDING SERVIC	2 CONTACT CHAMBER PANEL GATES	82863	04/20/17	400.00	67756
590-547.000-930.000	REPAIRS & MAINTENANCE	WHITES WELDING SERVIC	2 CONTACT CHAMBER PANEL GATES	82863	04/20/17	200.00	67756
Total For Check 67756						620.00	
Check 67757							
582-175.000-801.000	CONTRACTUAL SERVICES	WORKHEALTH-QUINCY, PL	PRE PX	4150	04/20/17	116.50	67757
590-175.000-801.000	CONTRACTUAL SERVICES	WORKHEALTH-QUINCY, PL	PRE PX	4150	04/20/17	14.25	67757
591-175.000-801.000	CONTRACTUAL SERVICES	WORKHEALTH-QUINCY, PL	PRE PX	4150	04/20/17	14.25	67757
Total For Check 67757						145.00	

04/21/2017 05:56 PM
User: BTEW
DB: Hillsdale

INVOICE GL DISTRIBUTION REPORT FOR CITY OF HILLSDALE
EXP CHECK RUN DATES 04/07/2017 - 04/20/2017
BOTH JOURNALIZED AND UNJOURNALIZED PAID
BANK CODE: BPUAP

GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
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GL Number	GL Desc	Vendor	Invoice Desc.	Invoice	Chk Date	Amount	Check
			Fund Totals:				
			Fund 582 ELECTRIC FUND			86,090.92	
			Fund 590 SEWER FUND			16,741.67	
			Fund 591 WATER FUND			19,342.54	
			Total For All Funds:			<hr/>	122,175.13

CITY COUNCIL MINUTES

City of Hillsdale

April 17, 2017

7:00 P.M.

Regular Meeting

Call to Order and Pledge of Allegiance

Mayor Scott Sessions opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Scott Sessions called the meeting to order.

Council Members present:	Scott M. Sessions, Mayor Adam Stockford, Ward 1 Timothy Dixon, Ward 2 William Morrissey, Ward 2 Bruce Sharp, Ward 3 William Zeiser, Ward 3 Matthew Bell, Ward 4 Patrick Flannery, Ward 4
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Council Members absent:	Brian Watkins, Ward 1
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Also present were: City Manager David Mackie, City Clerk Stephen M. French, City Attorney John Lovinger, City Attorney Tom Thompson, Bonnie Tew (Finance), Scott Hephner (HCPD/HCFD), Jake Hammel (DPS), Mike Barber (BPU), Chris McArthur (BPU), Scott Pienta (Hillsdale TV), Penny Swan, Dennis Wainscott, and Ray Briner.

Council Member Excused

Mayor Sessions reported Council Member Watkins would not be at the meeting due to work obligations.

Council Member Bell, seconded by Council Member Flannery, moved to excuse the absence of Council Member Watkins from the meeting. By a voice vote, the motion passed unanimously.

Approval of Agenda

City Manager Mackie requested the agenda be amended to include correspondence from Ms. Jociel Prendergast, Executive Director of the Hillsdale Housing Commission, announcing her retirement

effective May 31, 2017.

City Manager Mackie also requested the appointment of Mr. John Condon to the Economic Development Association (EDC) be removed from the meeting agenda.

Council Member Morrissey, seconded by Council Member Flannery, moved to amend the April 17, 2017 agenda as requested by City Manager Mackie. By a voice vote, the motion carried unanimously.

Council Member Bell, seconded by Council Member Morrissey, moved to approve the April 17, 2017 agenda as amended. By a voice vote, the motion carried unanimously.

Public Comment

Ms. Penny Swan, 192 S. West Street, questioned to the amount paid to Beckett & Raeder for the TIFA Placemaking Study. Ms. Swan stated the amount paid to the consulting firm could be allocated for higher-prioritized projects.

Mr. Dennis Wainscott, 34 Garden Street, agreed with Ms. Swan and stated the amount paid for the Placemaking Study could have been allocated to more pressing needs of the city.

Consent Agenda

- A. Approval of Bills
 - 1. City Claims of April 7, 2017: \$110,456.40
 - 2. BPU Claims of April 7, 2017: \$118,726.92
 - 3. Payroll of April 6, 2017: \$159,213.66
- B. City Council Minutes of April 3, 2017
- C. Financial Reports for period ending March 31, 2017
- D. March 2017 Code Enforcement Report
- E. March 2017 Hillsdale Policy Group Report

Council Member Flannery, seconded by Council Member Dixon, moved to approve the Consent Agenda as presented.

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 8-0.

Communications/Petitions

- A. Headwaters Recreational Authority Meeting Notice
- B. Jackson College Early/Middle College Correspondence
- C. City-wide Garage Sales Flyer
- D. Temporary Traffic Control Orders (Information Only)
- E. A.P.P.A. System Reliability Report - BPU
- F. Retirement Notice of Ms. Jociel Prendergast

Introduction and Adoption of Ordinance/Public Hearing

A. **Resolution 3306:** A Resolution to Change the Regular Election for City Offices from the Odd Year November Regular Election to the Even Year General Election and the Even Year Primary Election Pursuant To MCL 168.642a

Mayor Sessions opened a public hearing at 7:08 p.m. to receive public comment regarding a proposal to change the regular election for city offices from the odd year November regular election to the even year general election and the even year primary election pursuant to MCL 168.642a.

No comments were offered during the public hearing.

Mayor Sessions closed the public hearing at 7:09 p.m.

Council Member Stockford voiced approval for the change to even-year elections for city offices, but objected to extending the term of the four, current Council Members by one year. Council Member Stockford recommended Council approve a special election in 2019 and 2021 for one-year terms, which would then allow for local offices to be elected in the even-numbered years.

Council Member Bell voiced support for the staff recommendation, as the change would save the city thousands of dollars in election expenses.

Council Member Zeiser encouraged staff to present a draft ordinance in the upcoming weeks that would provide clarification language which would be attached to the City Charter to reference the change approved by Council.

Council Member Flannery, seconded by Council Member Dixon, moved to adopt **Resolution 3306:** “A Resolution to Change the Regular Election for City Offices from the Odd Year November Regular Election to the Even Year General Election and the Even Year Primary Election Pursuant To MCL 168.642a”

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye

Council Member Flannery	Aye
Council Member Morrissey	Aye
Council Member Sharp	Aye
Council Member Stockford	No
Council Member Zeiser	Aye
Mayor Sessions	Aye

Motion passed 7-1.

Unfinished Business

There was no Unfinished Business on the agenda.

Old Business

A. **Resolution 3307:** A Resolution Establishing City of Hillsdale Neighborhood Enterprise Zone #3 Pursuant To P.A. 147 Of 1992

Council Member Bell voiced support for the resolution, as the NEZ would provide incentives for property owners who wished to rehabilitate blighted homes.

Council Member Sharp also spoke in favor of the resolution that would benefit property owners in Ward 1.

Council Member Morrissey, seconded by Council Member Flannery, moved to adopt “**Resolution 3307:** A Resolution Establishing City of Hillsdale Neighborhood Enterprise Zone #3 Pursuant To P.A. 147 of 1992.”

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 8-0.

New Business

A. **Resolution 3308:** A Resolution Adopting Changes to City of Hillsdale, Michigan, 457 Deferred Compensation Plan

City Manager Mackie provided detail on the staff recommendation, which would match the city’s deferred compensation plan to the options available with the BPU’s plan.

Responding to a question from Council Member Zeiser, City Manager Mackie noted the proposed changes would not create any expenses to the City of Hillsdale.

City Manager Mackie also noted the city staff continued to review the city’s unfunded pension liabilities and hybrid pension plans that would reduce the city’s pension costs.

Council Member Zeiser, seconded by Council Member Flannery, moved to adopt **Resolution 3308:** “A Resolution Adopting Changes to City of Hillsdale, Michigan, 457 Deferred Compensation Plan”

Roll call:	Council Member Bell	Aye
	Council Member Dixon	Aye
	Council Member Flannery	Aye
	Council Member Morrissey	Aye
	Council Member Sharp	Aye
	Council Member Stockford	Aye
	Council Member Zeiser	Aye
	Mayor Sessions	Aye

Motion passed 8-0.

Miscellaneous

There were no miscellaneous items on the meeting agenda.

City Manager’s Report

City Manager Mackie reported:

1. Mr. Scott Pienta from Hillsdale TV was introduced and asked to address Council later in the meeting.
2. City Council budget work-sessions were scheduled for Tuesday, April 18 and Monday April 24 at 6:00 p.m.
3. A public hearing would be scheduled for May 15, 2017 in regards to an application to construct a new cell phone tower on city-owned property.

BPU Director Barber provided information on the “Excellence in Reliability Award” that the BPU had received from the American Public Power Association.

Council Member Sharp requested staff respond to the questions raised by Ms. Swan earlier in the meeting regarding the TIFA payment to Beckett & Raeder. City Clerk French stated the Michigan Economic Development Corporation (MEDC) had awarded a grant to TIFA for the recent Placemaking Study. City Clerk French stated the grant paid 50% of the approximate \$30,000 project costs.

Council Member Zeiser discussed the need for a new tower to improve cell service in the area.

Council Member Stockford noted NEZ districts could be used for economic development and to entice township property owners to support annexation into the city.

General Public Comment

Mr. Jack McLain, 1440 Bunn Road, stated the condition of city streets would hinder any efforts of the city to annex adjacent township properties.

Ms. Penny Swan encouraged the city to improve the audio quality in the Council Chambers and stated it was hard to hear what was being said throughout the meeting.

Mr. Pienta, 41 Highland Avenue, introduced himself and provided information on Hillsdale TV. Mr. Pienta stated that although he was an employee of Hillsdale College, the college had no connection or involvement with Hillsdale TV.

Chief Hephner reported the Fire Department had been notified that the Weatherwax Corporation had approved a grant request for the department to purchase a new, battery-operated Jaws of Life extrication tool. Chief Hephner also reported the department had submitted additional grant requests for the purchase of new medical equipment and fire hose for the new engine.

Council Comments

Council Member Flannery, with Finance Committee member's consensus, announced the Finance Committee would be held at 5:40 p.m. on Monday, April 24th instead of the noticed starting time of 5:15 p.m.

Council Member Stockford congratulated Council Member Bell and his wife on the birth of a new child to their family.

Council Member Bell commended Chief Hephner and city staff on their efforts to secure grant funding for equipment for the police and fire departments.

Mayor Sessions also thanked Chief Hephner for obtain grant funding for the new equipment. Mayor Sessions also reminded everyone of the upcoming budget meetings and encouraged Council Members to return their City Manager evaluations by April 21, 2017 at 4:00 p.m.

Adjournment

Council Member Bell, seconded by Council Member Flannery, moved to adjourn the meeting. By a voice vote, the motion passed unanimously.

The meeting adjourned at 7:40 p.m.

Scott M. Sessions, Mayor

Stephen M. French, City Clerk

CITY COUNCIL MINUTES

City of Hillsdale
City Council Chambers
April 18, 2017
6:00 P.M.

Special Meeting

Call to Order and Pledge of Allegiance

Mayor Scott Sessions opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Scott Sessions called the meeting to order.

Council Members present: Scott M. Sessions, Mayor
 Timothy Dixon, Ward 2
 William Morrissey, Ward 2
 Bruce Sharp, Ward 3
 William Zeiser, Ward 3
 Patrick Flannery, Ward 4

Council Members absent: Adam Stockford, Ward 1
 Brian Watkins, Ward 1
 Matthew Bell, Ward 4

Also present were: City Manager David Mackie, City Clerk Stephen M. French, Finance Director Bonnie Tew, Recreation Director Michelle Loren, BPU Director Mike Barber, BPU Deputy Director Chris McArthur, and Public Services Director Jake Hammel.

Budget Presentations

1. Recreation/Field of Dreams

Recreation Director Loren reviewed the programs being offered by the department including baseball, softball, football, basketball, and volleyball team sports. Ms. Loren also discussed the increasing park system opportunities at Sandy Beach, dock rentals, and Mrs. Stock's Park. Ms. Loren stated staff had created and distributed new informational flyers that highlighted park events, and had increased the use of social media to promote the recreation department.

Council Member Sharp noted the number of employees at Sandy Beach may need to be increased, especially during the busiest times of the summer.

2. Board of Public Utilities

BPU Director Barber reviewed the proposed FY2018 budget, which had been estimated using the new BS&A Software system. Mr. Barber stated the BPU continued to work to integrate the utility with the new software program, as well as integrating human resource and finance functions with City Hall.

Director Barber reviewed the proposed revenue for the wastewater, water, and electric funds expected in the upcoming fiscal year and discussed the proposed 2% increase in electric rates beginning in January 2018, which would be presented to Council for final approval in the upcoming weeks.

Finance Director Tew stated she would continue to monitor the estimated net income of the water fund, which was unusually low in comparable to previous years. Ms. Tew stated the reduction in the level of net income may be due to unrecognized data migration errors between the previous software system at BPU and the new BS&A Software.

Responding to a question from Council Member Flannery, BPU Director Barber stated the utility continued to work with ACD.net in regards to the installation of a new fiber optic system for faster Internet connection.

City Manager Mackie provided Council with an update on the shared services between the BPU and city government that included human resource and finance administration. City Manager Mackie stated the city continued to review any changes that would save public funds, while improving service delivery to the BPU customers.

3. Department of Public Services (DPS)

DPS Director Hammel presented the proposed DPS budget that included major and local streets, parks maintenance, parking lots, cemeteries, building & grounds, and the Revolving Mobile Equipment Fund.

Director Hammel reported a number of projects had been included within the proposed FY2018 maintenance budget including:

1. \$1,000 for on-going maintenance to the HVAC system at City Hall
2. \$1,500 for plaster, paint, and window sealing repair at City Hall
3. \$2,000 for audio-visual repair and improvements in the Council Chambers
4. Funding for routine building maintenance at the fire station, which had been historically performed by fire department staff

Director Hammel stated the department would expand the use of growth retardant spray in the cemeteries to reduce the expenses for mowing and trimming near the headstones. Mr. Hammel stated the city received approximately \$20,000 per year from the cemetery Perpetual Care Funds, although the total, city expenses for the cemeteries exceeded \$120,000 per year.

Director Hammel noted a slight increase within the “Parking Lots” budget due to the increase in the grass mowing contract, which may be re-bid in the next year or two. Director Hammel stated additional funds may be necessary for parking lot improvements, based on the implementation of the “Placemaking Study” requested by TIFA.

Director Hammel reported the Street Lighting Budget was increased by approximately 15%, as the department anticipated the replacement of certain mercury-vapor street lights with energy-saving LED fixtures, when appropriate.

Director Hammel then reviewed the maintenance costs for the city parks that included lawn mowing, weed control, parking lot repairs at Fields of Dreams, and the rehabilitation of playground equipment at Cold Springs Park. Director Hammel stated the city had received a grant from the Exchange Club to partially fund the installation of a new drinking-water fountain at Fields of Dreams.

Director Hammel publically commended the members of the Hillsdale College Track Team who helped with the spring clean-up of Oak Grove Cemetery. Director Hammel stated the team did an outstanding job in cleaning branches, leaves, and dead flowers that had accumulated during the winter.

4. Dial-a-Ride (DART)

Finance Director Tew presented the FY2018 DART budget that was a combination of federal funding sources (18.5%), state funds (38%), city General Fund dollars (25.5%), and rider’s fares (18%). Finance Director Tew stated the city had submitted a grant application for the purchase of two, new buses in the upcoming fiscal year.

Finance Director Tew stated city staff continued to look for ways to increase ridership and to promote revenue opportunities to the program. Ms. Tew noted that only 11% of the riders paid the full fare (\$3.00), as senior citizens and the handicapped paid a reduced rate of \$1.50.

Responding to a question from Council Member Zeiser, Ms. Tew explained DART would most likely have to hire additional drivers and purchase more buses to realize their increased ridership goals.

5. Revolving Mobile Equipment Fund (RMEF)

DPS Director Hammel reviewed the RMEF budget which included the capital purchase of a new plow truck in the amount of \$145,000. Mr. Hammel stated the new front-end loader had been received and was being used by city staff.

Director Hammel stated the purchase of a new pickup truck from the RMEF fund may be presented to Council prior to the end of the current fiscal year due to the overwhelming need for the new vehicle.

6. DPS Inventory

DPS Director Hammel stated the FY2018 budget included the allocation of \$80,000 to contract for concrete and asphalt crushing that had accumulated at the DPS property. Mr. Hammel stated this amount would be increased dramatically if the waste from the Garden-Vine-Mead-Rippon Street project was brought to the DPS yard.

7. Streets Maintenance

DPS Director Hammel reviewed the road maintenance funding for FY2018 that included 2.0 miles of chip seal & fog at a cost of \$46,000 and 4.6 miles of full-depth spot replacement and crack fill at a cost of \$250,000. Mr. Hammel stated the chip seal & fog application would be contracted through the Hillsdale County Road Commission.

8. Capital Projects

DPS Director Hammel and Finance Director Tew reported on the proposed capital projects that included:

1. Replacement of the sea-wall at Sandy Beach (\$32,000)
2. Drain improvements on South Howell (\$45,000)
3. Mill Pond Dam Repair (\$50,000)
4. Purchase of a new telephone system for all city offices (\$40,000)
5. Improvements to Mrs. Stock's Park (\$15,200)
6. New apron at the Airport (\$1,205,500)

9. Miscellaneous

City Manager Mackie reported the FY2018 proposed budget included the implementation of a 3.0 mil sinking fund as recommended by the Funding Alternatives Identification & Recommendation (F.A.I.R.) Committee. City Manager Mackie stated the debt service revenues would create \$360,000 in annual funding that would be used for road improvement projects.

City Manager Mackie also noted the BPU Board of Directors had already recommended approval of their annual budget at their previous board meeting.

City Manager Mackie then reviewed the nearly \$2.3 million in grant funding the city had received in the past fiscal year. City Manager Mackie stated the grant funds were vital in the purchase of new city equipment, road improvement projects, and public service initiatives.

Public Comment

No public comments were offered.

Adjournment

Council Member Zeiser, seconded by Council Member Flannery, moved to adjourn the meeting. By a voice vote, the motion passed unanimously.

The meeting adjourned at 8:20 p.m.

Scott M. Sessions, Mayor

Stephen M. French, City Clerk

CITY COUNCIL MINUTES

City of Hillsdale
City Council Chambers
April 24, 2017
6:00 P.M.

Special Meeting

Call to Order and Pledge of Allegiance

Mayor Pro-Tem Patrick Flannery opened the meeting with the Pledge of Allegiance.

Roll Call

Mayor Pro-Tem Flannery called the meeting to order.

Council Members present: Mayor Pro Tem Patrick Flannery
Timothy Dixon, Ward 2
William Morrissey, Ward 2
Bruce Sharp, Ward 3
William Zeiser, Ward 3

Council Members absent: Scott M. Sessions, Mayor
Adam Stockford, Ward 1
Brian Watkins, Ward 1
Matthew Bell, Ward 4

Also present were: City Manager David Mackie, City Clerk Stephen M. French, Chief Scott Hephner (HCPD & HCFD), Bonnie Tew (Finance Director), Kim Thomas (Assessing), Alan Beeker (Zoning), and Jason Walters (Patriot Aviation).

Council Member Excused

Mayor Pro-Tem Flannery reported Mayor Sessions would not be in attendance at the meeting due to a family emergency.

Council Member Morrissey, seconded by Council Member Zeiser, moved to excuse the absence of Mayor Sessions from the meeting. By a voice vote, the motion passed unanimously.

Approval of Agenda

Council Member Zeiser, seconded by Council Member Morrissey, moved to approve the April 24, 2017 special meeting agenda as submitted. By a voice vote, the motion carried unanimously.

Budget Presentations

1. Assessing/Planning/Code Enforcement

Assessor Kim Thomas presented the budget for the department and detailed the changes from previous year's budgets. Ms. Thomas stated the city had no tax tribunal cases pending, which would allow a reduction in the "Administrative Services-Legal Services – Tax Cases" line-item from \$15,000 in FY2017 to \$2,500 in FY2018. Ms. Thomas also reported the Code Enforcement section of the budget had been amended to include only those costs directed attributed to the enforcement and remediation of city code violations.

Council Member Morrissey inquired on the number of tax tribunal cases that the city had been involved in throughout the past few years. Assessor Thomas stated her first year at the city in 2013, there were 11 on-going tax tribunal appeals; in 2016, the city had only 2 appeals to the tax tribunal.

Assessor Thomas also reported staff continued to review the current fee schedule for city services and permits, and proposed changes to the schedule would be presented to Council in the near future.

2. TIFA/EDC

Zoning Administrator Beeker presented the Economic Development Corporation (EDC) budget, which was identical to the FY2017 budget. Mr. Beeker stated the EDC would continue to market the six remaining lots in Phase I of the Three Meadows subdivision by increasing advertising and by clearing overgrowth and weeds from the open sites. Council engaged in general discussion regarding the plan to construct a roadway from Three Meadows to Bacon Road to further market the development.

Responding to a question from Council Member Dixon, City Manager Mackie stated the properties that are being advertised for sale by the EDC would be soon placed on the Multiple Listing Service (MLS) to further promote the developments.

Council Member Morrissey questioned the upcoming programs of the Rising Tide Initiative. Zoning Administrator Beeker stated the next steps would be to finalize the city's Economic Development Strategy, accept and implement the proposed branding strategy, and develop the city's marketing campaign.

Zoning Administrator Beeker then presented the Tax Increment Financing Authority (TIFA) budget, which was slightly less than the previous fiscal year due to a reduction in tax capture receipts. Mr. Beeker stated the Business Attraction Program budget would be reduced, while the façade grant program would remain the same. Mr. Beeker also reported Capital Improvement expenses for FY2018 would include the purchase of the liquor license and the matching grant funds for improvements to the Dawn Theatre.

3. Airport

Mr. Jason Walters of Patriot Aviation presented the FY2018 budget for the Hillsdale Municipal Airport. Mr. Walters noted the proposed budget was the first, complete budget for the airport following the most recent expansion of the airport property. Mr. Walters provided extensive information on the on-going improvements to the airport that included a new fuel truck, hangar maintenance, and a recent “Make-A-Wish” event. Mr. Walters also distributed a spreadsheet that detailed the costs of the airport, as compared to comparable airports in the area. Mr. Walters reported the construction of the new apron at the airport would be presented to Council in the upcoming weeks for contract award and finalization.

4. Public Safety – Police and Fire

Chief Hephner provided the proposed budget for the police and fire departments and discussed the changes from previous year’s budgets that included costs associated with the new body cameras, Lexipol training software, increases to health insurance & pension costs, and savings from a new records management software contract. Chief Hephner stated the department continued to research the possibility of submitting insurance claims for certain fire department responses to create revenue for equipment sustainability costs.

Responding to a question from Council Member Morrissey, Chief Hephner stated the department continued to stress the importance of the departments interacting with the youth in the community and schools.

Chief Hephner reported the department was staffed by eight (8) patrol officers, three (3) sergeants, one detective, a department secretary, and himself. Chief Hephner noted the proposed budget included the promotion of the part-time dispatcher to a full-time position.

5. Library

Finance Director Tew presented the library budget, as the Director’s position at the library was vacant due to the resignation of Ms. LeAnn Beckwith. Ms. Tew reported the library’s revenue was comprised of:

1. 1-mil property tax levy (44% of the revenue totals)
2. Penal Fines (22%)
3. Ordinance Fines (2%)
4. Contracts with Jefferson & Hillsdale Townships (5%)
5. Miscellaneous/State grants/Donations, etc... (27%)

Finance Director Tew reported the library’s budget included funding for two, full-time employees and six, part-time employees. Ms. Tew stated the budget had no major increases from previous years, although some increases were included for necessary building maintenance issues and computer upgrades.

6. City Clerk's Office

City Clerk French presented the City Clerk's Office budget for FY2018 to the City Council. Mr. French discussed the goals and priorities for the office including the August and November 2017 elections and a continued review of the city's records management program. City Clerk French noted new election equipment would be used in August 2018, which would necessitate a budget increase in next year's capital budget.

7. City Council

Finance Director Tew reviewed the City Council budget and noted the expenses were very similar from previous years.

8. Administrative Services

Finance Director Tew reviewed the Administrative Services budget, which covered general expenses such as elevator maintenance at City Hall, legal services, computer maintenance contracts, bike path leases, and the like. Ms. Tew noted the FY2018 budget included a total of \$8,000 to be used towards the development of a new city website.

9. City Manager's Office

City Manager Mackie presented the City Manager's Office budget, which included expenses for the City Manager's Office and the city's Human Resources Director. City Manager Mackie noted a slight increase in personnel costs, but also a decrease in the training line-item.

10. Economic Development

Finance Director Tew presented the Economic Development budget that included costs for the Hillsdale Police Group and city advertising. Ms. Tew noted the budget may require amendments if the city obtained grant funding for the renovations of the Dawn Theatre and/or the Keefer House.

11. Treasurer

Finance Director Tew presented the City Treasurer's budget that included a slight increase to the Treasurer's wages due to increased work responsibilities. Ms. Tew stated the City Treasurer, Julie Beeker, had accepted some additional duties, including the administration of accounts payable.

12. Finance

Finance Director Tew reviewed the Finance Office budget, which had been reduced from FY2017. Ms. Tew reported that 50% of her wages and fringe benefits would be paid by the BPU, due to her responsibilities at the utility.

12. Miscellaneous Funds

Finance Director Tew reviewed the Special Revenue Funds (Police OWI Enforcement & Drug Forfeiture Funds) and the Fiduciary Funds (Cemetery Care, RL Owen Park Memorial, and Mrs. Stock's Park Perpetual Maintenance).

Adjournment

Council Member Morrissey moved, seconded by Council Member Zeiser, to adjourn the meeting. By a voice vote, the motion passed unanimously.

The meeting adjourned at 7:45 p.m.

Patrick Flannery, Mayor Pro-Tem

Stephen M. French, City Clerk

CITY OF HILLSDALE



Economic Development Corporation

97 North Broad Street
Hillsdale, Michigan 49242-1695
(517) 437-6449

EDC MINUTES **REGULAR MEETING** **CITY HALL, 97 N. BROAD ST., 2ND FLOOR** **February 16, 2017 at 7:30 am**

A. Call to Order 7:32 am

Members Present: Barry Hill, Matt Granata, Dean Affholter, Ed Sumnar, Gary Wolfram, Amanda Janes, J.J. Hodshire

Members Absent: David Loader, David Foulke, Victoria Bergen

Others Present: David Mackie, City Manager, Alan Beeker, Zoning & Planning Administrator, Kelly LoPresto, Administrative Assistant, Mary Wolfram, Economic Development, Sue Smith, Economic Development Partnership of Hillsdale County

B. Consent Items/Communications

1. Approval of Minutes: Regular EDC Meeting December 15, 2016
2. Approval of Minutes: Architectural Control Committee Meeting February 7, 2017
3. Financial Statements as of January 31, 2017

Dean Affholter moved to accept consent agenda items, Ed Sumnar seconded. Motion passed

C. Public Comment on Agenda Items

No Public Comment

D. New Business

No New Business at this time.

E. Old Business

1. Land West of Transfer Stanton – Alan advised Stanton Associates has given EDC permission to plant trees, landscape, and remove existing trees. They are not interested in selling the land at this time. Republic sign is on City property. Members asked Alan to look at zoning for signs at that location as well as cost of removing Republic sign. Mr. Mackie advised the lease between Republic and City of Hillsdale is up and a RFP will be renewed.
2. Local Development Finance Authority (LDFA) – all committee member bio forms have been received, forwarded, and recommended to council to be appointed to LDFA board.

F. Committee Reports

1. Three Meadows/Architectural Control Committee –

- a. **ISD Lot Purchase Agreement** – ISD is interested in purchasing Lot N ½ 7, 8, N 2/3 6, & S1/2 7 in the amount of \$2.00. Hillsdale ISD will submit to school board for approval at March 2017 meeting.
- b. **Annual Assessment Update** – annual assessment notices were sent out to Three Meadows property owners. A separate account has been set up and the City of Hillsdale Treasurer will receive and receipt fees. EDC will need to pay \$50 per vacant lot they still own (EDC owns 8). EDC members advised Alan Beeker to make sure funds are transferred in the amount of \$400.
- c. Other –
 - a. Trees still need to be planted at Three Meadows.
 - b. There was discussion on maybe changing the size of homes allowed.
 - c. New for sale lot signs on lots.
 - d. Three Meadow information has been updated on City of Hillsdale website.

2. Manufacturing & Technology Park Committee –

- a. Update on Workforce Development – Dean Affholter offered EDC’s support to Ronna Steel and Shawn Vondra. Mr. Mackie advised Matt Duff is going to be teaching the Criminal Justice class.
- b. A group from Hillsdale College is interested in helping students to job shadow with local businesses.
- c. Early Middle College – 5th year – Amanda Janes discussed how the program works.
- d. Hillsdale High School Robotics team is interested in presenting at an EDC meeting. A staff member will invite the team to an EDC meeting. EDC maybe interested in sponsoring Hillsdale High School Robotics team. This should be discussed at the next meeting.
- e. Manufacturing Park Sign Update – EDC members asked Alan Beeker to get prices on lot for sale signs and bring back to committee. They asked for the flyer to be updated and brought back to committee as well. When researching signs make sure includes a flyer/brochure holder.
- f. 221 Industrial Update – building has been purchased and in the owner is in the process of fixing it up. No invoices have been submitted to EDC for DEQ vapor intrusion testing. EDC members advised to make sure original documents for environmental survey are submitted. Mrs. Wolfram advised no documents have been received.
- g. Paragon/Hartzell Update – Paragon is still on track and working with MEDC. The plan is to create 50 new jobs.

3. **Business Review Committee/Other Projects** – Nothing to report at this time.

G. Board Round Table/Economic Development Update

1. Rising Tide Project Update – Project Rising Tide Economic Development Strategy – February 28th at 7 p.m., Hillsdale Community Library. Once completed a marketing plan will be presented to City of Hillsdale.
2. EDP Update –reports were included in packet.
3. A suggestion was made to include City of Hillsdale strategic plan and Economic Development Plan as a standing agenda item for review.

Adjournment at 9:00 am – Dean Affholter moved to adjourn, Ed Sumnar seconded, motion passed.

Next Meeting: 7:30 am, April 20, 2017



City of Hillsdale Agenda Item Summary

Meeting Date: May 1, 2017
Agenda Item: Communication
Subject: Partnership with Child Safety of America (Safety Pup Program)

BACKGROUND

The Hillsdale City Police Department is partnering with Child Safety of America to provide age specific safety and educational material to our area youth. Materials include stickers, coloring books, and pamphlets regarding drug abuse, bullying, online safety, sexual assault, human trafficking and senior safety. Additional materials including wrist bands are available.

Child Safety Specialist KC Wilkinson will be contacting local businesses regarding sponsorships to pay for the material. I have signed letters which he will present on our behalf to all potential donors.

Feel free to contact me if you wish to see samples of the material.

RECOMMENDATION

I respectfully request the support of the Hillsdale City Council, Mayor, and Manager for this partnership as it builds upon our Youth Engagement goals and strategies.

Scott A. Hephner
Chief of Police



City of Hillsdale Agenda Item Summary

Meeting Date: May 1, 2017

Agenda Item: New Business

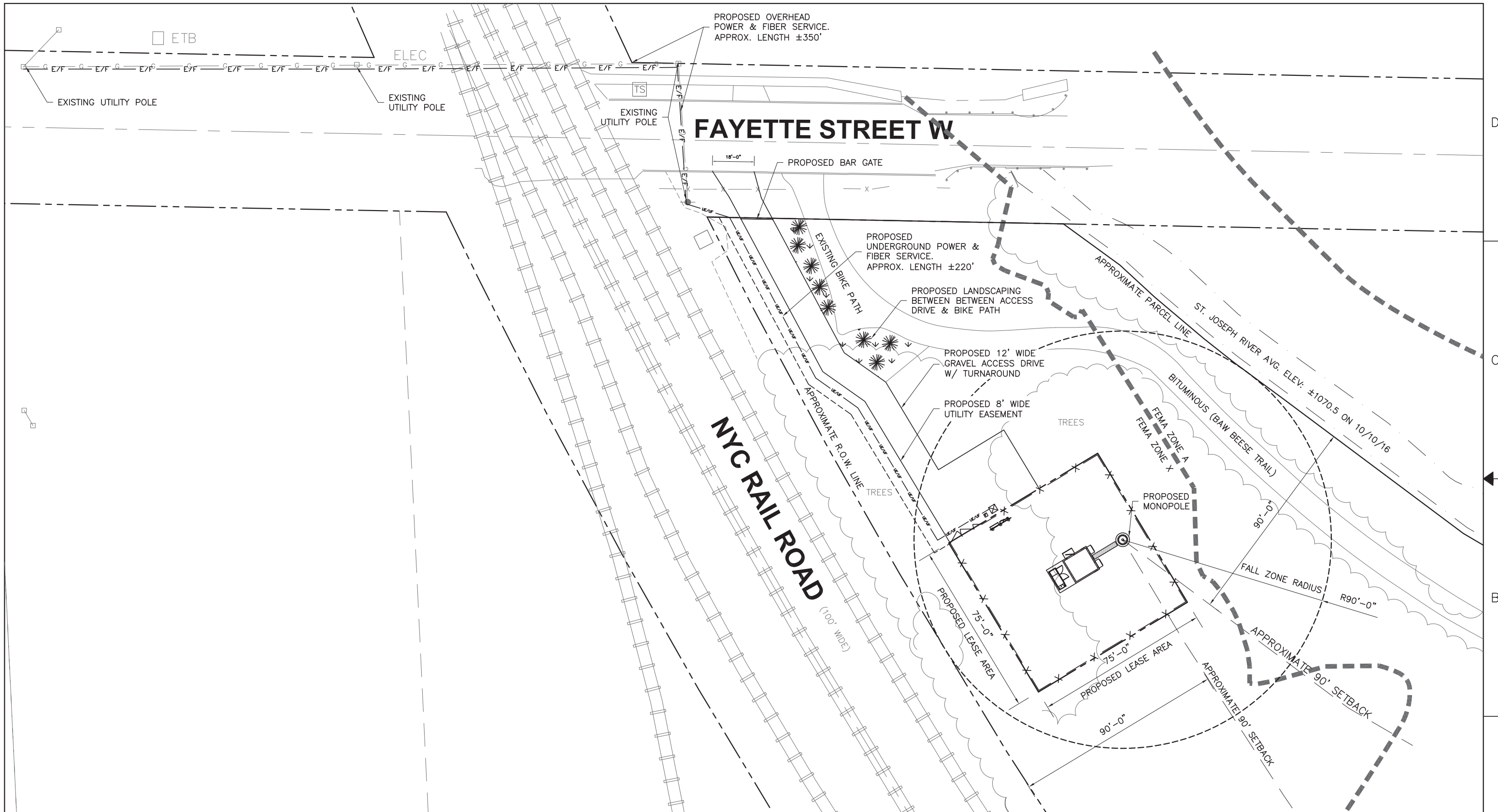
SUBJECT: AT&T Wireless Communications Tower

BACKGROUND PROVIDED BY STAFF: Alan Beeker

The Mastec Corporation, on behalf of AT&T, has submitted plans to the City Planning Commission to build a new wireless communications tower on city property located at 60 W. Fayette St. The Planning Commission has reviewed the project and found that it meets the guidelines set forth in Chapter 36 of the Hillsdale Municipal Code. Since the project is proposed to be constructed on City property, Council will need to schedule a public hearing prior to granting permission to build.

RECOMMENDATION

The Zoning Administrator is requesting that a public hearing be scheduled for the regular Council meeting to be held on May 15, 2017 at 7:00 pm.



1 OVERALL SITE PLAN
SCALE: 1"=40'-0"

MasTec
Network Solutions
1351 E. Irving Park Rd
Itasca, IL 60143

Apex Engineers, Inc.
Structural & Civil Engineers
500 East 22nd Street, Suite B
Lombard, Illinois 60148
Ph. (630) 627-1800
Fax. (630) 627-1165
APEX JOB No. NS16-515

GRANMI0574
SITE NO. GRANMI0574
SITERRA NO. TBD
FAYETTE STREET W
HILLSDALE, MI 49242



NO.	DATE	REVISIONS	BY	CHK	APP'D
B	01/16/17	REVISED ACCESS EASEMENT	RD	SP	RG
A	10/27/16	90% ISSUED FOR REVIEW	RD	SP	RG
SCALE: AS SHOWN		DESIGNED BY:	DRAWN BY:		

AT&T MOBILITY	
OVERALL SITE PLAN	
DRAWING NUMBER	REV
GRANMI0574-C01	B

6

5

4

3

2

1

11 x 17 "B" SIZE



AT&T

GRANMIO574

FAYETTE STREET W
HILLSDALE, MI 49242

PHOTO SIMULATIONS
12-22-2016

GRANMI0574

NORTHWEST ELEVATION BEFORE



APEX ENGINEERS, INC. - 500 EAST 22ND STREET SUITE B, LOMBARD, IL 60148
PH (630)627-1800 FAX (630)627-1165 EMAIL: APEX@APEXENGINEERS.US

GRANM10574

NORTHWEST ELEVATION AFTER



APEX ENGINEERS, INC. - 500 EAST 22ND STREET SUITE B, LOMBARD, IL 60148
PH (630)627-1800 FAX (630)627-1165 EMAIL: APEX@APEXENGINEERS.US

GRANMIO574

NORTHWEST ELEVATION BEFORE



APEX ENGINEERS, INC. - 500 EAST 22ND STREET SUITE B, LOMBARD, IL 60148
PH (630)627-1800 FAX (630)627-1165 EMAIL: APEX@APEXENGINEERS.US

GRANM10574

NORTHWEST ELEVATION AFTER



APEX ENGINEERS, INC. - 500 EAST 22ND STREET SUITE B, LOMBARD, IL 60148
PH (630)627-1800 FAX (630)627-1165 EMAIL: APEX@APEXENGINEERS.US



City of Hillsdale Agenda Item Summary

MEETING DATE: May 1, 2017

AGENDA ITEM: New Business

SUBJECT: Hillsdale BPU Cost of Service Study and Rate Design

BACKGROUND PROVIDED BY STAFF (Michael Barber, BPU Director)

At the November meetings of the Board and Council it was approved for SSOE Group of Toledo to do an Electric Cost of Service and Rate Design Study. The results of the Study have been included in your packet for your review. Tom Fitzpatrick, PE from SSOE will be in attendance to present the report to you.

RECOMMENDATION

It is the recommendation of the Hillsdale Board of Public Utilities that the City Council approve the Electric Cost of Service Study and Rate Design as presented by SSOE Group.



SSOE GROUP

Hillsdale Board of Public Utilities
Electric Cost of Service & Rate Study
Presented to City Council
May 1, 2017

 **SSOE**

Today's Agenda



- 1 | System Characteristics
- 2 | Methodology
- 3 | Results
- 4 | Factors Influencing Rates
- 5 | Proposed Rates
- 6 | Forecast of Operations

System Characteristics



- Annual Usage - 128,372,565 KWH
- Annual Sales - 121,797,647 KWH
- Peak - 28,000 KW
- Load Factor - 52.3%
- Losses - 5.1%
- 18% of power is from hydro
- 0.4% of power is from HBPU power plant

Methodology



- Cost categorization
- Test year adjustments
 - PILOT set at 6% of sales
 - Economic development expense eliminated
 - Pension expense increased \$100,000
 - One-time write-off of MSCPA eliminated
- Costs allocated to rate classes
- Determine return on rate base

Results



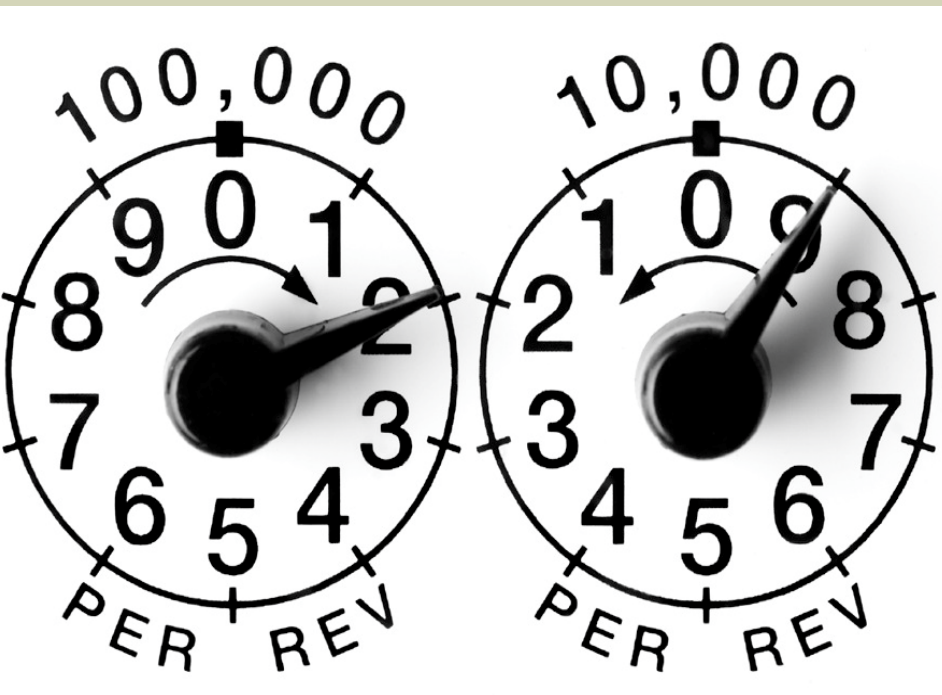
- Current rates provide a 2% return on rate base
- Customer classes have a wide range in return on rate base
 - Excess / (Subsidy)
- Recommend 4% return on rate base
 - Equates to a 2% increase in revenues from base rates
- Recommend changing PCA base value to reflect cost of power
 - Current 8.548 cents / KWH sold
 - Proposed 7.083 cents / KWH sold

Factors Influencing Rates



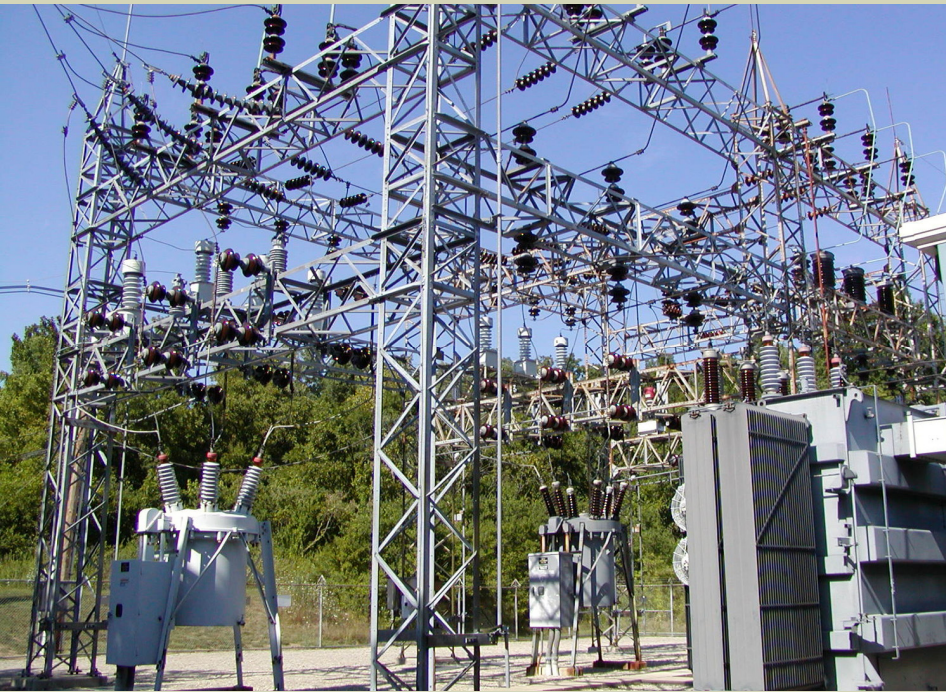
- Distributed Energy Resources (DER)
 - Expect increased interest in DER
Could result in lower KWH sales
- Michigan Senate Bill 438
 - Requires HBPU to offer a green rate
- Economic development
 - Remaining competitive with other utilities

Proposed Rates



- 2% increase in revenue from base rates
 - Includes large increases in monthly charges
- Residential all electric (R-2)
 - 2 cents / KWH discount > 600 KWH / month
- Green rate
 - Adder of 2.932 cents / KWH for 100% hydro
- Economic Development Rate – 10%
Discount - 3 Years - New Loads > 150 KW

Forecast



- 2% rate increase at start of FYE 2018
- Maintains positive net change in position
- Maintains positive cash flow
- Cash reserve policy
 - Forecast a 2.5% rate increase needed in FYE 2020
 - Cash reserve requirements met in FYE 2021

Comparison of Average Rates in Cents per KWH for Various Utilities Located in Michigan February 1, 2017

RESIDENTIAL			
KW			
KWH	250	500	1,000
CONSUMERS ENERGY	17.37	15.78	14.98
DTE ELECTRIC	17.77	16.38	16.44
HILLSDALE EXISTING RATES			
R-1	13.86	12.23	11.41
R-2	14.61	12.98	12.16
HILLSDALE PROPOSED RATES			
R-1	14.81	12.81	11.81
R-2	14.81	12.81	11.01
COLDWATER BOARD OF PUBLIC UTILITIES			
A	13.61	12.11	11.36
MARSHALL ELECTRIC UTILITIES			
A	14.81	13.36	12.64
A-1	14.81	13.36	11.04
LS	12.61	11.76	11.34
STURGIS ELECTRIC DEPARTMENT			
A	16.50	13.50	12.00
B	19.12	15.12	13.12

Comparison of Average Rates in Cents per KWH for Various Utilities Located in Michigan February 1, 2017

SMALL COMMERCIAL		
KW	5	25
KWH	1,000	5,000
CONSUMERS ENERGY		
	15.83	14.17
DTE ELECTRIC		
	13.73	12.84
HILLSDALE EXISTING RATES		
B-1	11.67	10.61
B-3	14.05	11.08
C-1	14.06	12.02
C-3	16.70	12.62
HILLSDALE PROPOSED RATES		
B-1	12.16	10.96
B-3	14.70	11.47
C-1	15.05	12.65
C-3	17.66	13.26
COLDWATER BOARD OF PUBLIC UTILITIES		
B	13.59	12.71
C	14.34	12.90
D		12.48
MARSHALL ELECTRIC UTILITIES		
B	13.29	12.05
B-1	9.29	8.05
C	14.55	13.31
D		14.68
STURGIS ELECTRIC DEPARTMENT		
C	17.38	14.90
CAE	17.78	14.98

Comparison of Average Rates in Cents per KWH for Various Utilities Located in Michigan February 1, 2017

LARGE COMMERCIAL				
KW		100	100	100
KWH		21,600	26,800	36,000
CONSUMERS ENERGY				
		14.39	13.23	12.54
DTE ELECTRIC				
		12.23	12.19	10.97
HILLSDALE EXISTING RATES				
	C-2	12.38	11.05	9.63
	I	12.20	10.86	9.43
HILLSDALE PROPOSED RATES				
	C-2	13.02	11.61	10.12
	I	12.83	11.42	9.92
COLDWATER BOARD OF PUBLIC UTILITIES				
	D	11.09	10.09	9.03
MARSHALL ELECTRIC UTILITIES				
	C	12.66	11.67	10.62
	D	12.80	11.89	10.92
	D-2			
STURGIS ELECTRIC DEPARTMENT				
	C	14.43	14.40	14.37
	CAE	12.27	12.11	11.95
	D	15.43	13.85	12.16
	LPP	15.13	13.45	11.67
	PP	15.23	13.55	11.76

Comparison of Average Rates in Cents per KWH for Various Utilities Located in Michigan February 1, 2017

INDUSTRIAL	
KW	1,000
KWH	432,000
CONSUMERS ENERGY	
	9.37
DTE ELECTRIC	
	8.33
HILLSDALE EXISTING RATES	
I	8.48
HILLSDALE PROPOSED RATES	
I	8.92
COLDWATER BOARD OF PUBLIC UTILITIES	
D	8.38
MARSHALL ELECTRIC UTILITIES	
D-2	10.24
STURGIS ELECTRIC DEPARTMENT	
D	11.16
LPP	10.34
PP	10.44



THANKS FOR LISTENING

REPORT
ON
ELECTRIC COST OF SERVICE & RATE STUDY
FOR
HILLSDALE BOARD OF PUBLIC UTILITIES
HILLSDALE, MICHIGAN

SSOE, Inc
Project No. 016-01668-00

April 2017



**REPORT
ON
ELECTRIC COST OF SERVICE & RATE STUDY
FOR
HILLSDALE BOARD OF PUBLIC UTILITIES
HILLSDALE, MICHIGAN**

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**REPORT
ON
ELECTRIC COST OF SERVICE & RATE STUDY
FOR
HILLSDALE BOARD OF PUBLIC UTILITIES
HILLSDALE, MICHIGAN**

SECTION 1

INTRODUCTION

SSOE Group (SSOE) of Toledo, Ohio was retained by the Hillsdale Board of Public Utilities (HBPU) in Hillsdale, Michigan to perform a cost-of-service and rate study for the electric utility. The "cost-of-service" analysis identifies the contribution of each customer class to operating revenues as compared to that customer class' appropriate share of the net revenue requirements. Results of the cost-of-service analysis provide information on the appropriate increase or decrease in rates necessary for each customer class in order to attain the HBPU's overall revenue requirements while maintaining a prudent cash reserve. The proposed increases and decreases in revenue requirements are then used to develop proposed rates that will return the revenue requirements needed to operate the electric utility.

The procedures used in performing the cost of service study are as follows:

- Review of electric revenues, expenses, and load data
- Development of electric expenses for a normalized year.
- Allocation of expenses to cost components and customer classes
- Forecast of revenues and expenses for the five (5) fiscal year ending (FYE) period 2017-2021.
- Calculation of recommended cash reserves.

The report contains the following sections:

- Section 2 outlines the methodologies used in performing the cost-of-service analysis along with various tables summarizing the analysis.
- Section 3 presents a forecast of revenues and expenses for the period FYE 2017 – 2021 and analyzes cash reserve requirements.
- Section 4 reviews existing and proposed rates along with industry factors that will effect rate design both now and in the future.

SECTION 2 COST OF SERVICE ANALYSIS

In performing the cost-of-service analysis, operating revenues of the classes of service are compared with allocated operating expenses. The various elements of operating expenses are first separated by cost components and then allocated to the classes of service. Results are then determined for each class of service which measures the adequacy of the present rates to cover the cost of serving those customer classes.

HBPU's operating and financial data were used as the basic data sources for the cost-of-service analysis. Customer demand data was estimated from billing data and engineering judgment.

2.1 COST CATEGORIZATION

The first step in a cost-of-service study is to review available financial data and to choose an appropriate test year. SSOE reviewed both FYE 2016 actual results and the budget for FYE 2017. For the purposes of this study, the HBPU's fiscal year ending June 30, 2016 financial results, was chosen as the financial test year. Adjustments to the financial test year data are made to create a normalized year. These adjustments are made to account for abnormal conditions or extraordinary items. Adjustments are also made when significant increases or decreases in operating expenses are anticipated in the immediate future. Adjustments made to FYE 2016 cost data to arrive at the test year are as follows:

1. Economic development expense account 11 92105 was reduced from \$30,947 to \$0. Starting in FYE 2017 economic development expenses will be paid directly by the City of Hillsdale.
2. Payment in Lieu of Taxes (PILOT) expense account 11 92700 was increased from \$399,589 to \$749, 490. Starting in FYE 2017 the City requires that PILOT equal 6% of KWH sales.
3. Miscellaneous General expense account 11 93020 was decreased from \$5,118,841 to \$3,238. HBPU is a member of the Michigan South Central Power Agency (MSCPA). MSCPA is a joint action agency formed in the late 1970s for the primary purpose of building, owning and operating the 55,000 Kilowatt (KW) coal fired Endicott Generating Station. This decrease of \$5,115,603 is a onetime expense associated with the permanent closure of the Endicott Generating Station.
4. Purchased power cost was set at \$0.0672/KWH. This value is based on a twelve (12) month forecast provided by MSCPA and is less than the lowest six (6) month rolling average forecasted by MSCPA. Setting the cost of power as such should lessen the likelihood of having negative power cost adjustment (PCA) values.
5. Whereas State Sales Tax is a pass through expense the State Sales Tax was set to \$0 for the purposes of determining revenue requirements.

6. Pension Expense account 11 92601 was increased by \$100,000 from \$147,864 to \$247,864.

The HBPU expense accounts and asset accounts are broken down into the following eight (8) functional categories:

1. Production
2. Purchased Power
3. Distribution Operations
4. Distribution Maintenance
5. Customer Account
6. Customer Service
7. Administrative and General
8. Depreciation and Miscellaneous

SSOE did not make any changes in the way that expense accounts and asset accounts are categorized by function.

Electrical usage and purchase power data was also reviewed for the twelve months ending November 2016. Data provided by MSCPA shows that HBPU used a total of 128,372,565 KWH over this twelve (12) month period. Included within this KWH total are 496,761 KWH generated by HBPU's diesel engine generating plant. The diesel engine generating plant provided approximately 0.4% of the HBPU's total power supply.

For the twelve (12) months ending November 2016, HBPU had an electrical system peak of 28,000 KW resulting in a system load factor of 52.3%. Our experience indicates that most municipal electric systems have load factors in the 50% - 60% range. HBPU's load factor is within the typical range for municipal electric utilities.

Electric sales for the twelve (12) month period ending November 2016 totaled 121,797,647 KWH. This sales level indicates that 5.1% of power purchases are unaccounted for due to system losses. SSOE's experience is that system losses for municipal electric utilities are in the range of 4% - 7%. HBPU's system loss is within the range normally exhibited by municipal electric utilities. HBPU does have a few distribution circuits that distribute power at 4.16 kilovolts (KV). Conversion of the remaining 4.16 KV circuits to a higher voltage would decrease system losses.

After developing the normalized-year operating expenses, the next step is to categorize the adjusted operating expenses and assets into the various cost-of-service components. For purposes of this study, costs have been allocated to five (5) general categories:

- Demand
- Energy
- Customer
- Direct Assignment
- Electric Revenue

DEMAND COSTS are those costs associated with the maximum rate of flow of electricity measured in terms of KW of demand required to meet the demands of the customers of the HBPU electric system. Demand Costs are generally those costs which can be expected to vary with the maximum demand for electricity imposed on the system by its customers. The majority of these costs are categorized as fixed costs associated with purchased power charges, capital improvements and certain operating expenses.

ENERGY COSTS are those costs associated with the supply of energy necessary to meet the KWH usage requirements of HBPU customers. These costs can generally be expected to vary directly with the amount of KWH consumed.

CUSTOMER COSTS are those costs associated with the number of customers on the electric system. These costs typically vary directly in proportion to an increase or decrease in customers for each class of service. Meters and billing is considered a sub-set of customer costs and these costs are allocated to a standalone category

DIRECT ASSIGNMENTS are those costs which are directly attributable to one or more customer class. Direct assignments for the HBPU consist of costs associated with Street Lighting.

ELECTRIC REVENUES are costs which are expected to be proportional to the amount of electric sales in dollars.

2.2 COST ALLOCATIONS

Following the categorizing of costs and assets to one of the five (5) components discussed in Section 2.1, an assignment, or allocation of each cost component is made to each customer class. HBPU has a total of five (5) general customer classes and twelve (12) separate rate schedules. The customer classes and related rate schedules are as follows:

- Regular Residential Service R-1
- Regular Residential All Electric Service R-2
- Business – Small General Secondary Service – Single Phase B-1
- Business – Small General Secondary Service – Three Phase B-3
- Commercial – Medium General Secondary Service – Single Phase – C-1
- Commercial – Medium General Secondary Service – Three Phase – C-3
- Commercial – Alternate Medium General Secondary Service – Single Phase – C-1A
- Commercial – Alternate Medium General Secondary Service – Three Phase – C-3A
- Commercial – Large General Secondary Service – C-2
- Commercial – Alternate Large General Secondary Service – C-2A
- General Primary Service – I
- Street Lighting - SL

DEMAND

There are several traditional methods of allocating demand costs to the various classes of service. Regardless of the method used, it is required that the demands of the various classes and their interrelationship with the system demand be estimated.

The most commonly used methods to allocate demand costs to the various classes of service are: 1) average/excess, 2) peak responsibility, 3) non-coincident peak, and 4) twelve (12) month coincident peak (12 CP). For the purpose of this study, the average and excess demand (AED) method was used. The AED method considers demand requirements as well as energy consumption of customer classes of service in allocating demand costs. It attempts to consider class of service demands as well as the extent to which the classes use the facilities installed for service. The average demand of a customer class, associated with its consumption of energy, is allocated on the basis of class load factor while excess demand is allocated in proportion to the differences between the class's maximum demand and its average demand.

ENERGY

Energy costs are allocated to the various customer classes based on their pro rata share of energy purchased and generated.

CUSTOMER

Customer costs are allocated based on the number of customers in a class and a weighting factor. The product of the two (2) results in a weighted number of customers for each class. Customer costs are then allocated based on their pro rata share of the total weighted number of customers. The weighting factors were chosen based on industry experience and engineering judgment.

DIRECT ASSIGNMENT

Street Lighting costs are directly assigned to the Street Lighting Customer Class.

REVENUES

Revenue expenses for HBPU were allocated based on the revenues brought in by the respective customer class during the test year.

2.3 DETERMINATION OF EXCESS/(SUBSIDY)

The cost allocation results in both expenses and assets being allocated to the various customer classes. Non-metered sales revenues are subtracted from the expenses to determine Total Metered Sales Required. A return on rate base is then determined for the system as a whole and for each rate class using the following formula:

$$\text{Return on Rate Base} = \frac{(\text{Total Allocated Metered Sales} - \text{Test Year Metered Sales Required})}{\text{Allocated Rate Base}}$$

The system-wide return on rate base for the test year is estimated to be 2.02%. The return on rate base for the various customer classes varies above and below the 2.02% figure. If all customer classes were paying their “fair share”, then each customer class would have a return on rate base of 2.02%. The customer classes that have rates of return below the system-wide average are being subsidized by those customers whose rate of return is above the system-wide average. It is typical for municipal electric utilities to have some customers subsidizing other customers. This is referred to as an excess/(subsidy) situation. It is also common for municipal electric utilities to move toward cost-of-service based rates by gradually, over time, reducing the interclass level of excess/(subsidy).

SSOE proposes a rate of return of 4.0%. The 4.0% figure is approximately 1% greater than the current yield on US Treasury Thirty (30) year bonds and results in a 2.0% increase in revenues being required. A five (5) year financial forecast for the 2.0% revenue increase is presented in Section.3.

2.4 COST OF SERVICE TABLES

The results of the analysis are presented in the following tables, located at the end of this section.

Table No. 1:	Functionalization and Classification of Assets
Table No. 2:	Functionalization and Classification of Labor Expenses
Table No. 3:	Functionalization and Classification of Expenses
Table No. 4:	Functionalization and Classification of Total Metered Sales Requirements
Table No. 5:	Test Year KWH Sale
Table No. 6:	Test Year Estimated Non-Coincident Peak
Table No. 7:	Determination of Energy Allocation Factors
Table No. 8:	Determination of Demand and Energy Factors – Primary Level
Table No. 9:	Determination of Demand and Energy Factors – Secondary Level
Table No. 10:	Determination of Metering Allocation Factors
Table No. 11:	Determination of Customer Services Allocation Factors
Table No. 12:	Determination of Revenues Allocation Factors
Table No. 13:	Allocation of Total Metered Sales Requirements to Customer Classes

Table No. 14: Allocation of Total Plant in Service to Customer Classes

Table No. 15: Determination of Excess/(Subsidy) in Existing Rates and Proposed Rate Changes – 4.0% Return on Rate Base And No Reduction in Excess/(Subsidy).

Table No. 1

Hillsdale Board of Public Utilities
Electric Cost of Service and Rate Study

Functionalization and Classification of Assets

Account No.	Description	Actual Cost	Accumulated Depreciation	Book Value	Basis of Allocation	Production		Transmission			Distribution				Street Lights			
						Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy		Customer	Metering	
PRODUCTION																		
34000	LAND	\$106,411	\$0	\$106,411	PROD-D	\$106,411												
34050	STRUCTURES/IMPROVE-PRODUCTION	\$1,013,774	\$698,070	\$315,704	PROD-D	\$315,704												
34100	FUEL HOLDERS	\$714,998	\$529,120	\$185,878	PROD-D	\$185,878												
34200	ENGINES	\$5,666,204	\$5,563,450	\$102,754	PROD-D	\$102,754												
34250	PRODUCTION ACCESSORY EQUIP	\$2,869,947	\$2,527,984	\$341,963	PROD-D	\$341,963												
34300	MISC POWER PLANT EQUIP	\$1,480,294	\$1,441,666	\$38,628	PROD-D	\$38,628												
	PRODUCTION SUBTOTAL	\$11,851,629	\$10,760,290	\$1,091,339		\$1,091,339	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TRANSMISSION																		
	TRANSMISSION SUBTOTAL	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
DISTRIBUTION																		
36000	DISTRIBUTION LAND	\$32,225	\$0	\$32,225	DIST-D						\$32,225							
36050	STRUCTURES/IMPROV-DISTRIBUTION	\$63,981	\$58,303	\$5,678	DIST-D							\$5,678						
36100	SUBSTATIONS	\$4,026,469	\$966,704	\$3,059,765	DIST-D						\$3,059,765							
36200	POLES, TOWERS & FIXTURES	\$2,043,655	\$1,488,421	\$555,234	COST ANALYSIS						\$313,147				\$242,087			
36250	O/H CONDUCT/DEVICES-DISTRIBUTION	\$10,412,332	\$6,155,494	\$4,256,838	COST ANALYSIS						\$2,400,821				\$1,856,017			
36300	URD CONDUIT/DEVICES-DISTRIBUTION	\$1,121,259	\$112,462	\$1,008,797	COST ANALYSIS	\$22,361									\$430,094			
36350	LINE TRANSFORMERS	\$2,011,927	\$809,310	\$1,202,617	COST ANALYSIS							\$556,341			\$119,633			
36400	SERVICES	\$52,490	\$8,079	\$44,411	COST ANALYSIS							\$1,082,984			\$13,910			
36450	METERS	\$568,017	\$305,053	\$262,964	METERING											\$262,964		
36500	INSTALL ON CUST PREMISE	\$2,081	\$434	\$1,646	DIST-CUST											\$1,646		
36550	STREET LIGHT & SIGNALS	\$113,185	\$31,291	\$81,893	DIRECT											\$81,893		
	DISTRIBUTION SUBTOTAL	\$20,447,620	\$9,935,551	\$10,512,069		\$22,361	\$0	\$0	\$0	\$0	\$5,805,958	\$1,675,504	\$0	\$2,663,388	\$262,964	\$81,893		
	DISTRIBUTION FACTOR 1										73.2%		0.0%	26.0%		0.8%		
	DISTRIBUTION FACTOR 2											73.2%	0.0%	26.0%		0.8%		
	DISTRIBUTION FACTOR 3										56.8%	16.4%	0.0%	26.0%		0.8%		
	DISTRIBUTION FACTOR 6						0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	55.2%	15.9%	0.0%	25.3%	2.5%	0.8%
TOTAL PRODUCTION, TRANSMISSION & DISTRIBUTION (PT&D)						\$1,113,700	\$0	\$0	\$0	\$0	\$5,805,958	\$1,675,504	\$0	\$2,663,388	\$262,964	\$81,893		
	PT&D FACTOR					9.6%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	14.4%	0.0%	23.0%	2.3%	0.7%	
GENERAL PLANT																		
39000	GENERAL LAND	\$25,005	\$0	\$25,005	PT&D FACTOR	\$2,400	\$0	\$0	\$0	\$0	\$0	\$12,512	\$3,611	\$0	\$5,740	\$567	\$176	
39050	STRUCTURES/IMPROV-GENERAL	\$734,239	\$540,768	\$193,471	PT&D FACTOR	\$18,569	\$0	\$0	\$0	\$0	\$0	\$96,806	\$27,937	\$0	\$44,408	\$4,385	\$1,365	
39100	OFFICE FURNITURE/EQUIP	\$73,675	\$44,245	\$29,430	PT&D FACTOR	\$2,825	\$0	\$0	\$0	\$0	\$0	\$14,726	\$4,250	\$0	\$6,755	\$667	\$208	
39150	TRANSPORTATION EQUIP	\$1,032,238	\$771,538	\$260,699	PT&D FACTOR	\$25,022	\$0	\$0	\$0	\$0	\$0	\$130,445	\$37,644	\$0	\$59,840	\$5,908	\$1,840	
39300	LABORATORY EQUIPMENT	\$38,508	\$38,508	\$0	PT&D FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
39400	COMMUNICATION EQUIP	\$60,486	\$44,079	\$16,407	PT&D FACTOR	\$1,575	\$0	\$0	\$0	\$0	\$0	\$8,209	\$2,369	\$0	\$3,766	\$372	\$116	
39450	MISCELLANEOUS EQUIPMENT	\$852,469	\$667,783	\$184,686	PT&D FACTOR	\$17,726	\$0	\$0	\$0	\$0	\$0	\$92,411	\$26,668	\$0	\$42,392	\$4,185	\$1,303	
	GENERAL PLANT SUBTOTAL	\$2,816,620	\$2,106,922	\$709,698		\$68,117	\$0	\$0	\$0	\$0	\$355,109	\$102,479	\$0	\$162,900	\$16,084	\$5,009		
TOTAL PLANT IN SERVICE (TPIS)						\$1,181,817	\$0	\$0	\$0	\$0	\$6,161,067	\$1,777,983	\$0	\$2,826,288	\$279,047	\$86,902		
	TPIS FACTOR					9.6%	0.0%	0.0%	0.0%	0.0%	0.0%	50.0%	14.4%	0.0%	23.0%	2.3%	0.7%	

Table No. 2

Hillsdale Board of Public Utilities
Electric Cost of Service and Rate Study

Functionalization and Classification of Labor Expenses

Account Title	2016 Expense	Adjust.	Test Year	Labor	Production			Transmission			Distribution				Metering & Billing	Street Lights	Sales
					Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer			
PRODUCTION																	
PROD OPERATION-SUPERVISION	\$36,257	\$0	\$36,257	\$36,257	\$36,257	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROD OPERATION-SUPERVISION	\$24,654	\$0	\$24,654	\$24,654	\$24,654	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUEL OIL - ENGINE #2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUEL OIL - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUEL OIL - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUEL OIL - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FUEL OIL - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NATURAL GAS - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NATURAL GAS - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NATURAL GAS - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NATURAL GAS - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$12	\$0	\$12	\$12	\$12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$20,408	\$0	\$20,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$1,620	\$0	\$1,620	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$20,285	\$0	\$20,285	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$9,033	\$0	\$9,033	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATING EXPENSE	\$48,344	\$0	\$48,344	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY EXPENSE - PRODUCTION	\$26	\$0	\$26	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY EXPENSE - PRODUCTION	\$59,575	\$0	\$59,575	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY EXPENSE - PRODUCTION	\$4,473	\$0	\$4,473	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY EXPENSE - PRODUCTION	\$7,783	\$0	\$7,783	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY EXPENSE - PRODUCTION	\$1,579	\$0	\$1,579	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY EXPENSE - PRODUCTION	\$28	\$0	\$28	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY & TRAINING EXPENSE	\$2,038	\$0	\$2,038	\$2,038	\$2,038	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY & TRAINING EXPENSE	\$918	\$0	\$918	\$918	\$918	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY & TRAINING EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNIFORMS/FOOTWARE	\$667	\$0	\$667	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROD MAINT - SUPERVISION	\$35,507	\$0	\$35,507	\$35,507	\$35,507	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROD MAINT - SUPERVISION	\$24,497	\$0	\$24,497	\$24,497	\$24,497	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE STRUCTURES	\$2,378	\$0	\$2,378	\$2,378	\$2,378	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE STRUCTURES	\$802	\$0	\$802	\$802	\$802	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE STRUCTURES	\$2,504	\$0	\$2,504	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE STRUCTURES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table No. 2

Hillsdale Board of Public Utilities
Electric Cost of Service and Rate Study

Functionalization and Classification of Labor Expenses

Account Title	2016 Expense	Adjust.	Test Year	Labor	Production			Transmission			Distribution				Metering & Billing	Street Lights	Sales
					Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer			
MAINTENANCE - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINTENANCE - ENGINE #6	\$984	\$0	\$984	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISCELLANEOUS MAINT EXP	\$9,422	\$0	\$9,422	\$9,422	\$9,422	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISCELLANEOUS MAINT EXP	\$1,686	\$0	\$1,686	\$1,686	\$1,686	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PRODUCTION SUBTOTAL	\$315,477	\$0	\$315,477	\$138,169	\$138,169	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PURCHASED POWER																	
PURCHASED POWER	\$8,849,913	(\$223,277)	\$8,626,636	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GAIN/LOSS - MSCPA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PURCHASED POWER SUBTOTAL	\$8,849,913	(\$223,277)	\$8,626,636	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION OPERATIONS																	
DISTRIBUTION OPER-SUPERVIS	\$31,790	\$0	\$31,790	\$31,790	\$0	\$0	\$0	\$0	\$0	\$0	\$17,432	\$5,589	\$0	\$8,195	\$322	\$252	\$0
DISTRIBUTION OPER-SUPERVIS	\$22,138	\$0	\$22,138	\$22,138	\$0	\$0	\$0	\$0	\$0	\$0	\$12,139	\$3,892	\$0	\$5,707	\$224	\$175	\$0
OPER SUBS & TRANSFORMER	\$504	\$0	\$504	\$504	\$0	\$0	\$0	\$0	\$0	\$0	\$369	\$0	\$0	\$131	\$0	\$4	\$0
OPER SUBS & TRANSFORMER	\$227	\$0	\$227	\$227	\$0	\$0	\$0	\$0	\$0	\$0	\$166	\$0	\$0	\$59	\$0	\$2	\$0
OPER SUBS & TRANSFORMER	\$692	\$0	\$692	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SUBS & TRANSFORMER	\$58	\$0	\$58	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SUBS & TRANSFORMER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SUBS & TRANSFORMER	\$3,842	\$0	\$3,842	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER O/H PRIMARY-CITY	\$3,547	\$0	\$3,547	\$3,547	\$0	\$0	\$0	\$0	\$0	\$0	\$2,595	\$0	\$0	\$924	\$0	\$28	\$0
OPER O/H PRIMARY-CITY	\$1,695	\$0	\$1,695	\$1,695	\$0	\$0	\$0	\$0	\$0	\$0	\$1,240	\$0	\$0	\$441	\$0	\$14	\$0
OPER O/H PRIMARY-CITY	\$7	\$0	\$7	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER O/H PRIMARY-CITY	\$2,812	\$0	\$2,812	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER O/H PRIMARY-RURAL	\$1,793	\$0	\$1,793	\$1,793	\$0	\$0	\$0	\$0	\$0	\$0	\$1,311	\$0	\$0	\$467	\$0	\$14	\$0
OPER O/H PRIMARY-RURAL	\$659	\$0	\$659	\$659	\$0	\$0	\$0	\$0	\$0	\$0	\$482	\$0	\$0	\$172	\$0	\$5	\$0
OPER O/H PRIMARY-RURAL	\$513	\$0	\$513	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER URD PRIMARY-CITY	\$703	\$0	\$703	\$703	\$0	\$0	\$0	\$0	\$0	\$0	\$514	\$0	\$0	\$183	\$0	\$6	\$0
OPER URD PRIMARY-RURAL	\$213	\$0	\$213	\$213	\$0	\$0	\$0	\$0	\$0	\$0	\$156	\$0	\$0	\$55	\$0	\$2	\$0
OPER URD PRIMARY-RURAL	\$61	\$0	\$61	\$61	\$0	\$0	\$0	\$0	\$0	\$0	\$45	\$0	\$0	\$16	\$0	\$0	\$0
OPER URD PRIMARY-RURAL	\$13	\$0	\$13	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$9	\$0	\$0	\$3	\$0	\$0	\$0
OPER URD PRIMARY-RURAL	\$237	\$0	\$237	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER URD PRIMARY-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-CITY	\$407	\$0	\$407	\$407	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$407	\$0	\$0
OPERATION METERS-CITY	\$267	\$0	\$267	\$267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$267	\$0	\$0
OPERATION METERS-CITY	\$100	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-CITY	\$1,630	\$0	\$1,630	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATION METERS-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SECONDARY - CITY	\$1,556	\$0	\$1,556	\$1,556	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,139	\$0	\$405	\$0	\$12	\$0
OPER SECONDARY - CITY	\$911	\$0	\$911	\$911	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$666	\$0	\$237	\$0	\$7	\$0
OPER SECONDARY - CITY	\$60	\$0	\$60	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SECONDARY - RURAL	\$1,362	\$0	\$1,362	\$1,362	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$997	\$0	\$355	\$0	\$11	\$0

Table No. 2

Hillsdale Board of Public Utilities
Electric Cost of Service and Rate Study

Functionalization and Classification of Labor Expenses

Account Title	2016 Expense	Adjust.	Test Year	Labor	Production			Transmission			Distribution				Metering & Billing	Street Lights	Sales
					Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer			
OPER SECONDARY - RURAL	\$879	\$0	\$879	\$879	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$643	\$0	\$229	\$0	\$7	\$0
OPER SECONDARY - RURAL	\$187	\$0	\$187	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - CITY	\$1,488	\$0	\$1,488	\$1,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,089	\$0	\$388	\$0	\$12	\$0
OPER SERVICES - CITY	\$833	\$0	\$833	\$833	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$609	\$0	\$217	\$0	\$7	\$0
OPER SERVICES - CITY	\$77	\$0	\$77	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - CITY	\$1,135	\$0	\$1,135	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - RURAL	\$952	\$0	\$952	\$952	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$696	\$0	\$248	\$0	\$8	\$0
OPER SERVICES - RURAL	\$569	\$0	\$569	\$569	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$417	\$0	\$148	\$0	\$5	\$0
OPER SERVICES - RURAL	\$759	\$0	\$759	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER SERVICES - RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	\$7,813	\$0	\$7,813	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	\$8,748	\$0	\$8,748	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	(\$6)	\$0	(\$6)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	\$8,451	\$0	\$8,451	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPER OF MISC DIST PLANT	\$23,432	\$0	\$23,432	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAPPING & ENGINEERING	\$44,859	\$0	\$44,859	\$44,859	\$0	\$0	\$0	\$0	\$0	\$0	\$25,467	\$7,349	\$0	\$11,683	\$0	\$359	\$0
MAPPING & ENGINEERING	\$29,751	\$0	\$29,751	\$29,751	\$0	\$0	\$0	\$0	\$0	\$0	\$16,890	\$4,874	\$0	\$7,748	\$0	\$238	\$0
MAPPING & ENGINEERING	\$654	\$0	\$654	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAPPING & ENGINEERING	\$232	\$0	\$232	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAPPING & ENGINEERING	\$491	\$0	\$491	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$164	\$0	\$164	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$13,429	\$0	\$13,429	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$182	\$0	\$182	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$364	\$0	\$364	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$1,380	\$0	\$1,380	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$6,586	\$0	\$6,586	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UTILITY SERVICES - DIST	\$924	\$0	\$924	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATE SUPPLIES	\$1,771	\$0	\$1,771	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATE SUPPLIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATE SUPPLIES	\$10,624	\$0	\$10,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATE SUPPLIES	\$3,568	\$0	\$3,568	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATE SUPPLIES	\$375	\$0	\$375	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC OPERATE SUPPLIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURGE PROTECTION PROG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURGE PROTECTION PROG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURGE PROTECTION PROG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURGE PROTECTION PROG	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURGE PROTECTION PROG	(\$3,180)	\$0	(\$3,180)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY & TRAINING EXPENSE	\$9,166	\$0	\$9,166	\$9,166	\$0	\$0	\$0	\$0	\$0	\$0	\$5,204	\$1,502	\$0	\$2,387	\$0	\$73	\$0
SAFETY & TRAINING EXPENSE	\$6,222	\$0	\$6,222	\$6,222	\$0	\$0	\$0	\$0	\$0	\$0	\$3,532	\$1,019	\$0	\$1,620	\$0	\$50	\$0
SAFETY & TRAINING EXPENSE	\$28,477	\$0	\$28,477	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY & TRAINING EXPENSE	\$554	\$0	\$554	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNIFORMS & FOOTWARE	\$1,329	\$0	\$1,329	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION OPERATIONS SUBTOTAL	\$291,029	\$0	\$291,029	\$162,563	\$0	\$0	\$0	\$0	\$0	\$0	\$87,550	\$30,481	\$0	\$42,019	\$1,220	\$1,292	\$0
DISTRIBUTION MAINTENANCE																	
DISTRIBUTION MAINT-SUPERVISION	\$31,790	\$0	\$31,790	\$31,790	\$0	\$0	\$0	\$0	\$0	\$0	\$16,942	\$5,962	\$0	\$8,154	\$337	\$395	\$0
DISTRIBUTION MAINT-SUPERVISION	\$22,138	\$0	\$22,138	\$22,138	\$0	\$0	\$0	\$0	\$0	\$0	\$11,798	\$4,151	\$0	\$5,678	\$235	\$275	\$0
MAINT OF DIST SYSTEM	\$6,737	\$0	\$6,737	\$6,737	\$0	\$0	\$0	\$0	\$0	\$0	\$3,825	\$1,104	\$0	\$1,755	\$0	\$54	\$0
MAINT OF DIST SYSTEM	\$4,845	\$0	\$4,845	\$4,845	\$0	\$0	\$0	\$0	\$0	\$0	\$2,751	\$794	\$0	\$1,262	\$0	\$39	\$0
MAINT OF DIST SYSTEM	\$17	\$0	\$17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT OF DIST SYSTEM	\$13	\$0	\$13	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT OF DIST SYSTEM	\$51,909	\$0	\$51,909	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-CITY	\$34,556	\$0	\$34,556	\$34,556	\$0	\$0	\$0	\$0	\$0	\$0	\$25,280	\$0	\$0	\$9,000	\$0	\$277	\$0

Table No. 2

Hillsdale Board of Public Utilities
Electric Cost of Service and Rate Study

Functionalization and Classification of Labor Expenses

Account Title	2016 Expense	Adjust.	Test Year	Labor	Production			Transmission			Distribution				Metering & Billing	Street Lights	Sales
					Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer			
MAINT O/H PRIMARY-CITY	\$21,418	\$0	\$21,418	\$21,418	\$0	\$0	\$0	\$0	\$0	\$0	\$15,669	\$0	\$0	\$5,578	\$0	\$172	\$0
MAINT O/H PRIMARY-CITY	\$439	\$0	\$439	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-CITY	\$5,447	\$0	\$5,447	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-CITY	\$70,942	\$0	\$70,942	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-RURAL	\$29,529	\$0	\$29,529	\$29,529	\$0	\$0	\$0	\$0	\$0	\$0	\$21,602	\$0	\$0	\$7,690	\$0	\$236	\$0
MAINT O/H PRIMARY-RURAL	\$20,399	\$0	\$20,399	\$20,399	\$0	\$0	\$0	\$0	\$0	\$0	\$14,923	\$0	\$0	\$5,313	\$0	\$163	\$0
MAINT O/H PRIMARY-RURAL	\$1,718	\$0	\$1,718	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-RURAL	\$5,592	\$0	\$5,592	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-RURAL	\$30,982	\$0	\$30,982	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H PRIMARY-RURAL	\$59,857	\$0	\$59,857	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H SECONDARY-CITY	\$8,636	\$0	\$8,636	\$8,636	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,318	\$0	\$2,249	\$0	\$69	\$0
MAINT O/H SECONDARY-CITY	\$5,564	\$0	\$5,564	\$5,564	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,071	\$0	\$1,449	\$0	\$45	\$0
MAINT O/H SECONDARY-CITY	\$970	\$0	\$970	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H SECONDARY-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H SECONDARY-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H SECONDARY-RURAL	\$5,616	\$0	\$5,616	\$5,616	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,109	\$0	\$1,463	\$0	\$45	\$0
MAINT O/H SECONDARY-RURAL	\$3,583	\$0	\$3,583	\$3,583	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,621	\$0	\$933	\$0	\$29	\$0
MAINT O/H SECONDARY-RURAL	\$662	\$0	\$662	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H SECONDARY-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT O/H SECONDARY-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT SERVICES - CITY	\$24,544	\$0	\$24,544	\$24,544	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,956	\$0	\$6,392	\$0	\$197	\$0
MAINT SERVICES - CITY	\$5,842	\$0	\$5,842	\$5,842	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,274	\$0	\$1,522	\$0	\$47	\$0
MAINT SERVICES - CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT SERVICES - CITY	\$173	\$0	\$173	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT SERVICES - CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT SERVICES - CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT SERVICES - RURAL	\$44,037	\$0	\$44,037	\$44,037	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,216	\$0	\$11,469	\$0	\$353	\$0
MAINT SERVICES - RURAL	\$3,596	\$0	\$3,596	\$3,596	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,631	\$0	\$937	\$0	\$29	\$0
MAINT SERVICES - RURAL	\$400	\$0	\$400	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT SERVICES - RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT OF FIBER SYSTEM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT OF FIBER SYSTEM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT OF FIBER SYSTEM	\$8	\$0	\$8	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT URD PRIMARY-CITY	\$1,529	\$0	\$1,529	\$1,529	\$0	\$0	\$0	\$0	\$0	\$0	\$1,118	\$0	\$0	\$398	\$0	\$12	\$0
MAINT URD PRIMARY-CITY	\$1,125	\$0	\$1,125	\$1,125	\$0	\$0	\$0	\$0	\$0	\$0	\$823	\$0	\$0	\$293	\$0	\$9	\$0
MAINT URD PRIMARY-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT URD PRIMARY-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT URD PRIMARY-RURAL	\$281	\$0	\$281	\$281	\$0	\$0	\$0	\$0	\$0	\$0	\$206	\$0	\$0	\$73	\$0	\$2	\$0
MAINT URD PRIMARY-RURAL	\$182	\$0	\$182	\$182	\$0	\$0	\$0	\$0	\$0	\$0	\$133	\$0	\$0	\$47	\$0	\$1	\$0
MAINT URD PRIMARY-RURAL	\$17	\$0	\$17	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT URD PRIMARY-RURAL	\$45	\$0	\$45	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT URD SECONDARY - CITY	\$249	\$0	\$249	\$249	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$182	\$0	\$65	\$0	\$2	\$0
MAINT URD SECONDARY - CITY	\$153	\$0	\$153	\$153	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112	\$0	\$40	\$0	\$1	\$0
MAINT URD SECONDARY - RURAL	\$76	\$0	\$76	\$76	\$0	\$0	\$0	\$0	\$0	\$0	\$56	\$0	\$0	\$20	\$0	\$1	\$0
MAINT TRANSFORMERS-CITY	\$5,211	\$0	\$5,211	\$5,211	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,812	\$0	\$1,357	\$0	\$42	\$0
MAINT TRANSFORMERS-CITY	\$472	\$0	\$472	\$472	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$345	\$0	\$123	\$0	\$4	\$0
MAINT TRANSFORMERS-CITY	\$93	\$0	\$93	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT TRANSFORMERS-CITY	\$5	\$0	\$5	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT TRANSFORMERS-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT TRANSFORMERS-RURAL	\$1,683	\$0	\$1,683	\$1,683	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,231	\$0	\$438	\$0	\$13	\$0
MAINT TRANSFORMERS-RURAL	\$1,145	\$0	\$1,145	\$1,145	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$838	\$0	\$298	\$0	\$9	\$0
MAINT TRANSFORMERS-RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT TRANSFORMERS-RURAL	\$6	\$0	\$6	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT STREET LIGHTS	\$515	\$0	\$515	\$515	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$515	\$0
MAINT STREET LIGHTS	\$281	\$0	\$281	\$281	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$281	\$0
MAINT STREET LIGHTS	\$272	\$0	\$272	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT STREET LIGHTS	\$1,951	\$0	\$1,951	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table No. 2

Hillsdale Board of Public Utilities
Electric Cost of Service and Rate Study

Functionalization and Classification of Labor Expenses

Account Title	2016 Expense	Adjust.	Test Year	Labor	Production			Transmission			Distribution				Metering & Billing	Street Lights	Sales
					Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer			
MAINT METERS-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT METERS-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT METERS-CITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT METERS - RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT METERS - RURAL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT METERS - RURAL	\$7,056	\$0	\$7,056	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STORM DAMAGE	\$14,642	\$0	\$14,642	\$14,642	\$0	\$0	\$0	\$0	\$0	\$0	\$8,313	\$2,399	\$0	\$3,813	\$0	\$117	\$0
STORM DAMAGE	\$10,403	\$0	\$10,403	\$10,403	\$0	\$0	\$0	\$0	\$0	\$0	\$5,906	\$1,704	\$0	\$2,709	\$0	\$83	\$0
STORM DAMAGE	\$6,090	\$0	\$6,090	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STORM DAMAGE	\$3,247	\$0	\$3,247	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STORM DAMAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STORM DAMAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
STORM DAMAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT MISC DISTRIBUTION	\$94,597	\$0	\$94,597	\$94,597	\$0	\$0	\$0	\$0	\$0	\$0	\$53,705	\$15,498	\$0	\$24,636	\$0	\$758	\$0
MAINT MISC DISTRIBUTION	\$50,128	\$0	\$50,128	\$50,128	\$0	\$0	\$0	\$0	\$0	\$0	\$28,459	\$8,213	\$0	\$13,055	\$0	\$401	\$0
MAINT MISC DISTRIBUTION	\$4,660	\$0	\$4,660	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT MISC DISTRIBUTION	\$1,542	\$0	\$1,542	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT MISC DISTRIBUTION	\$11,617	\$0	\$11,617	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT MISC DISTRIBUTION	(\$2,915)	\$0	(\$2,915)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MAINT MISC DISTRIBUTION	\$297	\$0	\$297	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION MAINTENANCE SUBTOTAL	\$718,616	\$0	\$718,616	\$455,504	\$0	\$0	\$0	\$0	\$0	\$0	\$211,508	\$120,539	\$0	\$118,208	\$573	\$4,675	\$0
	\$0																
CUSTOMER ACCOUNTS																	
METER READING-CITY	\$488	\$0	\$488	\$488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$488	\$0	\$0	\$0
METER READING-CITY	\$363	\$0	\$363	\$363	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$363	\$0	\$0	\$0
METER READING-CITY	\$217	\$0	\$217	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
METER READING-RURAL	\$49	\$0	\$49	\$49	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$49	\$0	\$0	\$0
METER READING-RURAL	\$217	\$0	\$217	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER RECORDS/COLLECTION	\$82,584	\$0	\$82,584	\$82,584	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$82,584	\$0	\$0	\$0
CUSTOMER RECORDS/COLLECTION	\$60,945	\$0	\$60,945	\$60,945	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$60,945	\$0	\$0	\$0
CUSTOMER RECORDS/COLLECTION	\$19,868	\$0	\$19,868	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER RECORDS/COLLECTION	(\$113,848)	\$0	(\$113,848)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER RECORDS/COLLECTION	\$26,592	\$0	\$26,592	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CASH OVER/SHORT	\$67	\$0	\$67	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
UNCOLLECTIBLE ACCOUNTS	\$333	\$0	\$333	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER ACCOUNTS SUBTOTAL	\$77,876	\$0	\$77,876	\$144,430	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$144,430	\$0	\$0	\$0
CUSTOMER SERVICE																	
CUSTOMER ASSISTANCE EXP	\$17,848	\$0	\$17,848	\$17,848	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,848	\$0	\$0	\$0	\$0
CUSTOMER ASSISTANCE EXP	\$13,095	\$0	\$13,095	\$13,095	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,095	\$0	\$0	\$0	\$0
INFORM/INSTRUCT ADV	\$7,593	\$0	\$7,593	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC CUST SERVICE & INFO	\$229	\$0	\$229	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC CUST SERVICE & INFO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEMO/SELLING EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEMO/SELLING ADV EXP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CUSTOMER SERVICE SUBTOTAL	\$38,765	\$0	\$38,765	\$30,943	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,943	\$0	\$0	\$0
TOTAL BEFORE A&G	\$10,291,677	(\$223,277)	\$10,068,400	\$931,608	\$138,169	\$0	\$0	\$0	\$0	\$0	\$299,059	\$151,021	\$0	\$191,170	\$146,222	\$5,967	\$0
LABOR FACTOR					14.8%	0.0%	0.0%	0.0%	0.0%	0.0%	32.1%	16.2%	0.0%	20.5%	15.7%	0.6%	0.0%

Table No. 3

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Functionalization and Classification of Expenses

Account Dept No.	Sub Work Acct Order	Account Title	2016 Expense	Adjust.	Test Year	Basis of Allocation	Production			Transmission			Distribution			Metering & Billing	Street Lights	Sales
							Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy			
PRODUCTION																		
11	54601	1	PROD OPERATION-SUPERVISION	\$36,256.50			PROD-D	\$36,257										
11	54601	2	PROD OPERATION-SUPERVISION	\$24,653.59			PROD-D	\$24,654										
11	54602	1	OPERATION - ENGINE #2				PROD-D	\$0										
11	54602	2	OPERATION - ENGINE #2				PROD-D	\$0										
11	54603	1	OPERATION - ENGINE #3				PROD-D	\$0										
11	54603	2	OPERATION - ENGINE #3				PROD-D	\$0										
11	54603	4	OPERATION - ENGINE #3				PROD-D	\$0										
11	54604	1	OPERATION - ENGINE #4				PROD-D	\$0										
11	54604	2	OPERATION - ENGINE #4				PROD-D	\$0										
11	54604	4	OPERATION - ENGINE #4				PROD-D	\$0										
11	54605	1	OPERATION - ENGINE #5				PROD-D	\$0										
11	54605	2	OPERATION - ENGINE #5				PROD-D	\$0										
11	54605	3	OPERATION - ENGINE #5				PROD-D	\$0										
11	54605	4	OPERATION - ENGINE #5				PROD-D	\$0										
11	54606	1	OPERATION - ENGINE #6				PROD-D	\$0										
11	54606	2	OPERATION - ENGINE #6				PROD-D	\$0										
11	54606	3	OPERATION - ENGINE #6				PROD-D	\$0										
11	54606	4	OPERATION - ENGINE #6				PROD-D	\$0										
11	54702	4	FUEL OIL - ENGINE #2				PROD-E		\$0									
11	54703	4	FUEL OIL - ENGINE #3				PROD-E		\$0									
11	54704	4	FUEL OIL - ENGINE #4				PROD-E		\$0									
11	54705	4	FUEL OIL - ENGINE #5				PROD-E		\$0									
11	54706	4	FUEL OIL - ENGINE #6				PROD-E		\$0									
11	54713	3	NATURAL GAS - ENGINE #3				PROD-E		\$0									
11	54714	3	NATURAL GAS - ENGINE #4				PROD-E		\$0									
11	54715	3	NATURAL GAS - ENGINE #5				PROD-E		\$0									
11	54716	3	NATURAL GAS - ENGINE #6				PROD-E		\$0									
11	54800	1	MISC OPERATING EXPENSE	\$12.00			PROD-D	\$12										
11	54800	2	MISC OPERATING EXPENSE				PROD-D	\$0										
11	54800	3	MISC OPERATING EXPENSE	\$20,408.21			PROD-D	\$20,408										
11	54800	5	MISC OPERATING EXPENSE	\$1,619.53			PROD-D	\$1,620										
11	54800	6	MISC OPERATING EXPENSE	\$20,285.35			PROD-D	\$20,285										
11	54800	7	MISC OPERATING EXPENSE	\$9,032.92			PROD-D	\$9,033										
11	54800	8	MISC OPERATING EXPENSE	\$48,343.86			PROD-D	\$48,344										
11	54802	3	UTILITY EXPENSE - PRODUCTION	\$25.63			PROD-D	\$26										
11	54802	51	UTILITY EXPENSE - PRODUCTION	\$59,575.00			PROD-D	\$59,575										
11	54802	52	UTILITY EXPENSE - PRODUCTION	\$4,473.00			PROD-D	\$4,473										
11	54802	54	UTILITY EXPENSE - PRODUCTION	\$7,782.76			PROD-D	\$7,783										
11	54802	55	UTILITY EXPENSE - PRODUCTION	\$1,578.98			PROD-D	\$1,579										
11	54802	56	UTILITY EXPENSE - PRODUCTION	\$28.01			PROD-D	\$28										
11	54804	1	SAFETY & TRAINING EXPENSE	\$2,037.62			PROD-D	\$2,038										
11	54804	2	SAFETY & TRAINING EXPENSE	\$917.67			PROD-D	\$918										
11	54804	3	SAFETY & TRAINING EXPENSE				PROD-D	\$0										
11	54805	3	UNIFORMS/FOOTWARE	\$666.67			PROD-D	\$667										
11	55100	1	PROD MAINT - SUPERVISION	\$35,506.50			PROD-D	\$35,507										
11	55100	2	PROD MAINT - SUPERVISION	\$24,497.03			PROD-D	\$24,497										
11	55200	1	MAINTENANCE STRUCTURES	\$2,377.89			PROD-D	\$2,378										
11	55200	2	MAINTENANCE STRUCTURES	\$802.20			PROD-D	\$802										
11	55200	3	MAINTENANCE STRUCTURES	\$2,503.82			PROD-D	\$2,504										
11	55200	7	MAINTENANCE STRUCTURES				PROD-D	\$0										
11	55402	1	MAINTENANCE - ENGINE #2				PROD-D	\$0										
11	55402	2	MAINTENANCE - ENGINE #2				PROD-D	\$0										
11	55402	7	MAINTENANCE - ENGINE #2				PROD-D	\$0										
11	55403	1	MAINTENANCE - ENGINE #3				PROD-D	\$0										
11	55403	2	MAINTENANCE - ENGINE #3				PROD-D	\$0										
11	55403	3	MAINTENANCE - ENGINE #3				PROD-D	\$0										
11	55403	7	MAINTENANCE - ENGINE #3				PROD-D	\$0										
11	55404	1	MAINTENANCE - ENGINE #4				PROD-D	\$0										
11	55404	2	MAINTENANCE - ENGINE #4				PROD-D	\$0										
11	55404	3	MAINTENANCE - ENGINE #4				PROD-D	\$0										
11	55404	7	MAINTENANCE - ENGINE #4				PROD-D	\$0										
11	55405	1	MAINTENANCE - ENGINE #5				PROD-D	\$0										
11	55405	2	MAINTENANCE - ENGINE #5				PROD-D	\$0										
11	55405	3	MAINTENANCE - ENGINE #5				PROD-D	\$0										
11	55405	4	MAINTENANCE - ENGINE #5				PROD-D	\$0										
11	55405	7	MAINTENANCE - ENGINE #5				PROD-D	\$0										
11	55406	1	MAINTENANCE - ENGINE #6				PROD-D	\$0										
11	55406	2	MAINTENANCE - ENGINE #6				PROD-D	\$0										
11	55406	3	MAINTENANCE - ENGINE #6				PROD-D	\$0										
11	55406	4	MAINTENANCE - ENGINE #6				PROD-D	\$0										
11	55406	7	MAINTENANCE - ENGINE #6	\$984.00			PROD-D	\$984										
11	55700	1	MISCELLANEOUS MAINT EXP	\$9,422.12			PROD-D	\$9,422										
11	55700	2	MISCELLANEOUS MAINT EXP	\$1,685.87			PROD-D	\$1,686										
PRODUCTION SUBTOTAL								\$315,477	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Table No. 3

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Functionalization and Classification of Expenses

Account Dept No.	Sub Work Acct Order	Account Title	2016 Expense	Adjust.	Test Year	Basis of Allocation	Production			Transmission			Distribution			Metering & Billing	Street Lights	Sales
							Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy			
PURCHASED POWER																		
11 55500	3	PURCHASED POWER	\$8,849,913.42	(\$223,277)	\$8,626,636	INVOICES	\$4,766,046	\$3,860,591										
11 55501	3	GAIN/LOSS - MISCPA	\$0	\$0	\$0	INVOICES	\$0	\$0										
PURCHASED POWER SUBTOTAL							\$4,766,046	\$3,860,591	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION OPERATIONS																		
11 58001	1	DISTRIBUTION OPER-SUPERVIS	\$31,790.32		\$31,790	DIST F4			\$17,432	\$5,589	\$0	\$8,195	\$322	\$252				
11 58001	2	DISTRIBUTION OPER-SUPERVIS	\$22,137.66		\$22,138	DIST F4			\$12,139	\$3,892	\$0	\$5,707	\$224	\$175				
11 58200	1	OPER SUBS & TRANSFORMER	\$504.10		\$504	DIST F1			\$369	\$0	\$0	\$131	\$0	\$4				
11 58200	2	OPER SUBS & TRANSFORMER	\$227.18		\$227	DIST F1			\$166	\$0	\$0	\$59	\$0	\$2				
11 58200	3	OPER SUBS & TRANSFORMER	\$691.56		\$692	DIST F1			\$506	\$0	\$0	\$180	\$0	\$6				
11 58200	4	OPER SUBS & TRANSFORMER	\$57.73		\$58	DIST F1			\$42	\$0	\$0	\$15	\$0	\$0				
11 58200	7	OPER SUBS & TRANSFORMER			\$0	DIST F1			\$0	\$0	\$0	\$0	\$0	\$0				
11 58200	8	OPER SUBS & TRANSFORMER	\$3,842.28		\$3,842	DIST F1			\$2,811	\$0	\$0	\$1,001	\$0	\$31				
11 58310	1	OPER O/H PRIMARY-CITY	\$3,546.87		\$3,547	DIST F1			\$2,595	\$0	\$0	\$924	\$0	\$28				
11 58310	2	OPER O/H PRIMARY-CITY	\$1,694.84		\$1,695	DIST F1			\$1,240	\$0	\$0	\$441	\$0	\$14				
11 58310	3	OPER O/H PRIMARY-CITY	\$6.72		\$7	DIST F1			\$5	\$0	\$0	\$2	\$0	\$0				
11 58310	4	OPER O/H PRIMARY-CITY	\$2,812.22		\$2,812	DIST F1			\$2,057	\$0	\$0	\$732	\$0	\$23				
11 58320	1	OPER O/H PRIMARY-RURAL	\$1,792.63		\$1,793	DIST F1			\$1,311	\$0	\$0	\$467	\$0	\$14				
11 58320	2	OPER O/H PRIMARY-RURAL	\$658.93		\$659	DIST F1			\$482	\$0	\$0	\$172	\$0	\$5				
11 58320	4	OPER O/H PRIMARY-RURAL	\$512.60		\$513	DIST F1			\$375	\$0	\$0	\$133	\$0	\$4				
11 58410	1	OPER URD PRIMARY-CITY	\$702.70		\$703	DIST F1			\$514	\$0	\$0	\$183	\$0	\$6				
11 58410	2	OPER URD PRIMARY-CITY	\$212.92		\$213	DIST F1			\$156	\$0	\$0	\$55	\$0	\$2				
11 58420	1	OPER URD PRIMARY-RURAL	\$61.02		\$61	DIST F1			\$45	\$0	\$0	\$16	\$0	\$0				
11 58420	2	OPER URD PRIMARY-RURAL	\$12.73		\$13	DIST F1			\$9	\$0	\$0	\$3	\$0	\$0				
11 58420	4	OPER URD PRIMARY-RURAL	\$236.61		\$237	DIST F1			\$173	\$0	\$0	\$62	\$0	\$2				
11 58420	6	OPER URD PRIMARY-RURAL			\$0	DIST F1			\$0	\$0	\$0	\$0	\$0	\$0				
11 58610	1	OPERATION METERS-CITY	\$406.62		\$407	METERING								\$407				
11 58610	2	OPERATION METERS-CITY	\$266.95		\$267	METERING								\$267				
11 58610	3	OPERATION METERS-CITY	\$100.12		\$100	METERING								\$100				
11 58610	4	OPERATION METERS-CITY	\$1,630.22		\$1,630	METERING								\$1,630				
11 58610	7	OPERATION METERS-CITY			\$0	METERING								\$0				
11 58620	1	OPERATION METERS-RURAL			\$0	METERING								\$0				
11 58620	2	OPERATION METERS-RURAL			\$0	METERING								\$0				
11 58620	3	OPERATION METERS-RURAL			\$0	METERING								\$0				
11 58620	4	OPERATION METERS-RURAL			\$0	METERING								\$0				
11 58710	1	OPER SECONDARY - CITY	\$1,556.28		\$1,556	DIST F2			\$0	\$1,139	\$0	\$405	\$0	\$12				
11 58710	2	OPER SECONDARY - CITY	\$910.72		\$911	DIST F2			\$0	\$666	\$0	\$237	\$0	\$7				
11 58710	4	OPER SECONDARY - CITY	\$59.61		\$60	DIST F2			\$0	\$44	\$0	\$16	\$0	\$0				
11 58720	1	OPER SECONDARY - RURAL	\$1,362.99		\$1,362	DIST F2			\$0	\$997	\$0	\$355	\$0	\$11				
11 58720	2	OPER SECONDARY - RURAL	\$879.26		\$879	DIST F2			\$0	\$643	\$0	\$229	\$0	\$7				
11 58720	4	OPER SECONDARY - RURAL	\$187.28		\$187	DIST F2			\$0	\$137	\$0	\$49	\$0	\$1				
11 58730	1	OPER SERVICES - CITY	\$1,488.04		\$1,488	DIST F2			\$0	\$1,089	\$0	\$388	\$0	\$12				
11 58730	2	OPER SERVICES - CITY	\$833.00		\$833	DIST F2			\$0	\$609	\$0	\$217	\$0	\$7				
11 58730	3	OPER SERVICES - CITY	\$76.74		\$77	DIST F2			\$0	\$56	\$0	\$20	\$0	\$1				
11 58730	4	OPER SERVICES - CITY	\$1,134.87		\$1,135	DIST F2			\$0	\$830	\$0	\$296	\$0	\$9				
11 58730	6	OPER SERVICES - CITY			\$0	DIST F2			\$0	\$0	\$0	\$0	\$0	\$0				
11 58730	7	OPER SERVICES - CITY			\$0	DIST F2			\$0	\$0	\$0	\$0	\$0	\$0				
11 58740	1	OPER SERVICES - RURAL	\$951.51		\$952	DIST F2			\$0	\$696	\$0	\$248	\$0	\$8				
11 58740	2	OPER SERVICES - RURAL	\$569.37		\$569	DIST F2			\$0	\$417	\$0	\$148	\$0	\$5				
11 58740	3	OPER SERVICES - RURAL	\$758.52		\$759	DIST F2			\$0	\$555	\$0	\$198	\$0	\$6				
11 58740	4	OPER SERVICES - RURAL			\$0	DIST F2			\$0	\$0	\$0	\$0	\$0	\$0				
11 58740	6	OPER SERVICES - RURAL			\$0	DIST F2			\$0	\$0	\$0	\$0	\$0	\$0				
11 58800	1	OPER OF MISC DIST PLANT			\$0	DIST F3			\$0	\$0	\$0	\$0	\$0	\$0				
11 58800	2	OPER OF MISC DIST PLANT			\$0	DIST F3			\$0	\$0	\$0	\$0	\$0	\$0				
11 58800	3	OPER OF MISC DIST PLANT	\$7,812.69		\$7,813	DIST F3			\$4,435	\$1,280	\$0	\$2,035	\$0	\$63				
11 58800	5	OPER OF MISC DIST PLANT	\$8,747.66		\$8,748	DIST F3			\$4,966	\$1,433	\$0	\$2,278	\$0	\$70				
11 58800	6	OPER OF MISC DIST PLANT	-\$5.60		(\$6)	DIST F3			-\$3	-\$1	\$0	-\$1	\$0	\$0				
11 58800	7	OPER OF MISC DIST PLANT	\$8,451.12		\$8,451	DIST F3			\$4,798	\$1,385	\$0	\$2,201	\$0	\$68				
11 58800	8	OPER OF MISC DIST PLANT	\$23,431.50		\$23,432	DIST F3			\$13,303	\$3,839	\$0	\$6,102	\$0	\$188				
11 58801	1	MAPPING & ENGINEERING	\$44858.6		\$44,859	DIST F3			\$25,467	\$7,349	\$0	\$11,683	\$0	\$359				
11 58801	2	MAPPING & ENGINEERING	\$29750.95		\$29,751	DIST F3			\$16,890	\$4,874	\$0	\$7,748	\$0	\$238				
11 58801	3	MAPPING & ENGINEERING	\$653.74		\$654	DIST F3			\$371	\$107	\$0	\$170	\$0	\$5				
11 58801	5	MAPPING & ENGINEERING	\$231.7		\$232	DIST F4			\$132	\$38	\$0	\$60	\$0	\$2				
11 58801	55	MAPPING & ENGINEERING	\$490.7		\$491	DIST F5			\$279	\$80	\$0	\$128	\$0	\$4				
11 58801	3	UTILITY SERVICES - DIST	\$163.64		\$164	DIST F6			\$93	\$27	\$0	\$43	\$0	\$1				
11 58810	51	UTILITY SERVICES - DIST	\$13,429.40		\$13,429	DIST F3			\$7,624	\$2,200	\$0	\$3,497	\$0	\$108				
11 58810	52	UTILITY SERVICES - DIST	\$181.80		\$182	DIST F3			\$103	\$30	\$0	\$47	\$0	\$1				
11 58810	53	UTILITY SERVICES - DIST	\$363.60		\$364	DIST F3			\$206	\$60	\$0	\$95	\$0	\$3				
11 58810	54	UTILITY SERVICES - DIST	\$1,379.93		\$1,380	DIST F3			\$783	\$226	\$0	\$359	\$0	\$11				
11 58810	55	UTILITY SERVICES - DIST	\$6,585.59		\$6,586	DIST F3			\$3,739	\$1,079	\$0	\$1,715	\$0	\$53				
11 58810	56	UTILITY SERVICES - DIST	\$924.00		\$924	DIST F3			\$525	\$151	\$0	\$241	\$0	\$7				
11 58811	0	MISC OPERATE SUPPLIES	\$1,771.21		\$1,771	DIST F3			\$1,006	\$290	\$0	\$461	\$0	\$14				
11 58811	2	MISC OPERATE SUPPLIES			\$0	DIST F3			\$0	\$0	\$0	\$0	\$0	\$0				

Table No. 3

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Functionalization and Classification of Expenses

Account Dept No.	Sub Work Acct Order	Account Title	2016 Expense	Adjust.	Test Year	Basis of Allocation	Production			Transmission			Distribution			Metering & Billing	Street Lights	Sales
							Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy			
11 58811	3	MISC OPERATE SUPPLIES	\$10,623.60		\$10,624	DIST F3						\$6,031	\$1,741	\$0	\$2,767	\$0	\$85	
11 58811	5	MISC OPERATE SUPPLIES	\$3,568.29		\$3,568	DIST F3						\$2,026	\$585	\$0	\$929	\$0	\$29	
11 58811	6	MISC OPERATE SUPPLIES	\$375.00		\$375	DIST F3						\$213	\$61	\$0	\$98	\$0	\$3	
11 58811	7	MISC OPERATE SUPPLIES			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 58812	1	SURGE PROTECTION PROG			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 58812	2	SURGE PROTECTION PROG			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 58812	3	SURGE PROTECTION PROG			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 58812	4	SURGE PROTECTION PROG			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 58812	6	SURGE PROTECTION PROG	-\$3,180.00		(\$3,180)	DIST F3						-\$1,805	-\$521	\$0	-\$828	\$0	-\$25	
11 58821	1	SAFETY & TRAINING EXPENSE	\$9,165.74		\$9,166	DIST F3						\$5,204	\$1,502	\$0	\$2,387	\$0	\$73	
11 58821	2	SAFETY & TRAINING EXPENSE	\$6,221.78		\$6,222	DIST F3						\$3,532	\$1,019	\$0	\$1,620	\$0	\$50	
11 58821	3	SAFETY & TRAINING EXPENSE	\$28,476.54		\$28,477	DIST F3						\$16,167	\$4,665	\$0	\$7,416	\$0	\$228	
11 58821	7	SAFETY & TRAINING EXPENSE	\$553.50		\$554	DIST F3						\$314	\$91	\$0	\$144	\$0	\$4	
11 58822	3	UNIFORMS & FOOTWARE	\$1,329.33		\$1,329	DIST F3						\$755	\$218	\$0	\$346	\$0	\$11	
DISTRIBUTION OPERATIONS SUBTOTAL			\$291,029	\$0	\$291,029							\$159,579	\$51,167	\$0	\$75,025	\$2,951	\$2,307	\$0
DISTRIBUTION FACTOR 4												0.0%	0.0%	0.0%	25.8%	1.0%	0.8%	0.0%
DISTRIBUTION MAINTENANCE																		
11 59001	1	DISTRIBUTION MAINT-SUPERVISION	\$31,790.32		\$31,790	DIST F5						\$16,942	\$5,962	\$0	\$8,154	\$337	\$395	
11 59001	2	DISTRIBUTION MAINT-SUPERVISION	\$22,137.66		\$22,138	DIST F5						\$11,798	\$4,151	\$0	\$5,678	\$235	\$275	
11 59210	1	MAINT OF DIST SYSTEM	\$6,737.13		\$6,737	DIST F3						\$3,825	\$1,104	\$0	\$1,755	\$0	\$54	
11 59210	2	MAINT OF DIST SYSTEM	\$4,845.03		\$4,845	DIST F3						\$2,751	\$794	\$0	\$1,262	\$0	\$39	
11 59210	3	MAINT OF DIST SYSTEM	\$16.66		\$17	DIST F3						\$9	\$3	\$0	\$4	\$0	\$0	
11 59210	5	MAINT OF DIST SYSTEM	\$12.98		\$13	DIST F3						\$7	\$2	\$0	\$3	\$0	\$0	
11 59210	7	MAINT OF DIST SYSTEM	\$51,908.65		\$51,909	DIST F3						\$29,470	\$8,504	\$0	\$13,519	\$0	\$416	
11 59310	1	MAINT O/H PRIMARY-CITY	\$34,556.17		\$34,556	DIST F1						\$25,280	\$0	\$0	\$9,000	\$0	\$277	
11 59310	2	MAINT O/H PRIMARY-CITY	\$21,418.49		\$21,418	DIST F1						\$15,669	\$0	\$0	\$5,578	\$0	\$172	
11 59310	3	MAINT O/H PRIMARY-CITY	\$439.15		\$439	DIST F1						\$321	\$0	\$0	\$114	\$0	\$4	
11 59310	4	MAINT O/H PRIMARY-CITY	\$5,447.23		\$5,447	DIST F1						\$3,985	\$0	\$0	\$1,419	\$0	\$44	
11 59310	6	MAINT O/H PRIMARY-CITY			\$0	DIST F1						\$0	\$0	\$0	\$0	\$0	\$0	
11 59310	7	MAINT O/H PRIMARY-CITY			\$0	DIST F1						\$0	\$0	\$0	\$0	\$0	\$0	
11 59310	9	MAINT O/H PRIMARY-CITY	\$70,942.38		\$70,942	DIST F1						\$51,899	\$0	\$0	\$18,476	\$0	\$568	
11 59320	1	MAINT O/H PRIMARY-RURAL	\$29,529.30		\$29,529	DIST F1						\$21,602	\$0	\$0	\$7,690	\$0	\$236	
11 59320	2	MAINT O/H PRIMARY-RURAL	\$20,399.25		\$20,399	DIST F1						\$14,923	\$0	\$0	\$5,313	\$0	\$163	
11 59320	3	MAINT O/H PRIMARY-RURAL	\$1,718.37		\$1,718	DIST F1						\$1,257	\$0	\$0	\$448	\$0	\$14	
11 59320	4	MAINT O/H PRIMARY-RURAL	\$5,591.51		\$5,592	DIST F1						\$4,091	\$0	\$0	\$1,456	\$0	\$45	
11 59320	5	MAINT O/H PRIMARY-RURAL	\$30,981.77		\$30,982	DIST F1						\$22,665	\$0	\$0	\$8,069	\$0	\$248	
11 59320	9	MAINT O/H PRIMARY-RURAL	\$59,856.55		\$59,857	DIST F1						\$43,789	\$0	\$0	\$15,589	\$0	\$479	
11 59330	1	MAINT O/H SECONDARY-CITY	\$8,636.09		\$8,636	DIST F2						\$0	\$6,318	\$0	\$2,249	\$0	\$69	
11 59330	2	MAINT O/H SECONDARY-CITY	\$5,564.48		\$5,564	DIST F2						\$0	\$4,071	\$0	\$1,449	\$0	\$45	
11 59330	4	MAINT O/H SECONDARY-CITY	\$969.50		\$970	DIST F2						\$0	\$709	\$0	\$252	\$0	\$8	
11 59330	6	MAINT O/H SECONDARY-CITY			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59330	7	MAINT O/H SECONDARY-CITY			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59340	1	MAINT O/H SECONDARY-RURAL	\$5,616.28		\$5,616	DIST F2						\$0	\$4,109	\$0	\$1,463	\$0	\$45	
11 59340	2	MAINT O/H SECONDARY-RURAL	\$3,582.55		\$3,583	DIST F2						\$0	\$2,621	\$0	\$933	\$0	\$29	
11 59340	4	MAINT O/H SECONDARY-RURAL	\$662.36		\$662	DIST F2						\$0	\$485	\$0	\$173	\$0	\$5	
11 59340	6	MAINT O/H SECONDARY-RURAL			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59340	7	MAINT O/H SECONDARY-RURAL			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59350	1	MAINT SERVICES - CITY	\$24,544.47		\$24,544	DIST F2						\$0	\$17,956	\$0	\$6,392	\$0	\$197	
11 59350	2	MAINT SERVICES - CITY	\$5,842.19		\$5,842	DIST F2						\$0	\$4,274	\$0	\$1,522	\$0	\$47	
11 59350	3	MAINT SERVICES - CITY			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59350	4	MAINT SERVICES - CITY	\$172.96		\$173	DIST F2						\$0	\$127	\$0	\$45	\$0	\$1	
11 59350	6	MAINT SERVICES - CITY			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59350	7	MAINT SERVICES - CITY			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59360	1	MAINT SERVICES - RURAL	\$44,037.18		\$44,037	DIST F2						\$0	\$32,216	\$0	\$11,469	\$0	\$353	
11 59360	2	MAINT SERVICES - RURAL	\$3,596.30		\$3,596	DIST F2						\$0	\$2,631	\$0	\$937	\$0	\$29	
11 59360	4	MAINT SERVICES - RURAL	\$400.08		\$400	DIST F2						\$0	\$293	\$0	\$104	\$0	\$3	
11 59360	7	MAINT SERVICES - RURAL			\$0	DIST F2						\$0	\$0	\$0	\$0	\$0	\$0	
11 59370	1	MAINT OF FIBER SYSTEM			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 59370	2	MAINT OF FIBER SYSTEM			\$0	DIST F3						\$0	\$0	\$0	\$0	\$0	\$0	
11 59370	4	MAINT OF FIBER SYSTEM	\$7.99		\$8	DIST F3						\$5	\$1	\$0	\$2	\$0	\$0	
11 59410	1	MAINT URD PRIMARY-CITY	\$1,528.60		\$1,529	DIST F1						\$1,118	\$0	\$0	\$398	\$0	\$12	
11 59410	2	MAINT URD PRIMARY-CITY	\$1,124.64		\$1,125	DIST F1						\$823	\$0	\$0	\$293	\$0	\$9	
11 59410	3	MAINT URD PRIMARY-CITY			\$0	DIST F1						\$0	\$0	\$0	\$0	\$0	\$0	
11 59410	4	MAINT URD PRIMARY-CITY			\$0	DIST F1						\$0	\$0	\$0	\$0	\$0	\$0	
11 59420	1	MAINT URD PRIMARY-RURAL	\$281.08		\$281	DIST F1						\$206	\$0	\$0	\$73	\$0	\$2	
11 59420	2	MAINT URD PRIMARY-RURAL	\$181.74		\$182	DIST F1						\$133	\$0	\$0	\$47	\$0	\$1	
11 59420	3	MAINT URD PRIMARY-RURAL	\$17.34		\$17	DIST F1						\$13	\$0	\$0	\$5	\$0	\$0	
11 59420	4	MAINT URD PRIMARY-RURAL	\$45.23		\$45	DIST F1						\$33	\$0	\$0	\$12	\$0	\$0	
11 59430	1	MAINT URD SECONDARY - CITY	\$249.46		\$249	DIST F2						\$0	\$182	\$0	\$65	\$0	\$2	
11 59430	2	MAINT URD SECONDARY - CITY	\$153.04		\$153	DIST F2						\$0	\$112	\$0	\$40	\$0	\$1	
11 59440	1	MAINT URD SECONDARY - RURAL	\$76.00		\$76	DIST F1						\$56	\$0	\$0	\$20	\$0	\$1	
11 59510	1	MAINT TRANSFORMERS-CITY	\$5,210.52		\$5,211	DIST F2						\$0	\$3,812	\$0	\$1,357	\$0	\$42	
11 59510	2	MAINT TRANSFORMERS-CITY	\$471.50		\$472	DIST F2						\$0	\$345	\$0	\$123	\$0	\$4	
11 59510	3	MAINT TRANSFORMERS-CITY	\$92.90		\$93	DIST F2						\$0	\$68	\$0	\$24	\$0	\$1	
11 59510	4	MAINT TRANSFORMERS-CITY	\$5.14		\$5	DIST F2						\$0	\$4	\$0	\$1	\$0	\$0	

Table No. 3

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Functionalization and Classification of Expenses

Account Dept No.	Sub Work Acct Order	Account Title	2016 Expense	Adjust.	Test Year	Basis of Allocation	Production		Transmission		Distribution			Metering & Billing	Street Lights	Sales		
							Demand	Energy	Demand	Energy	Customer	Primary - D	Secondary - D				Energy	Customer
11 59510	7	MAINT TRANSFORMERS-CITY			\$0	DIST F2					\$0	\$0	\$0	\$0	\$0	\$0		
11 59520	1	MAINT TRANSFORMERS-RURAL	\$1,683.23		\$1,683	DIST F2					\$0	\$1,231	\$0	\$438	\$0	\$13		
11 59520	2	MAINT TRANSFORMERS-RURAL	\$1,144.87		\$1,145	DIST F2					\$0	\$838	\$0	\$298	\$0	\$9		
11 59520	3	MAINT TRANSFORMERS-RURAL			\$0	DIST F2					\$0	\$0	\$0	\$0	\$0	\$0		
11 59520	4	MAINT TRANSFORMERS-RURAL	\$5.52		\$6	DIST F2					\$0	\$4	\$0	\$1	\$0	\$0		
11 59600	1	MAINT STREET LIGHTS	\$514.57		\$515	STREET LIGHTS										\$515		
11 59600	2	MAINT STREET LIGHTS	\$280.92		\$281	STREET LIGHTS										\$281		
11 59600	3	MAINT STREET LIGHTS	\$272.47		\$272	STREET LIGHTS										\$272		
11 59600	4	MAINT STREET LIGHTS	\$1,951.31		\$1,951	STREET LIGHTS										\$1,951		
11 59710	1	MAINT METERS-CITY			\$0	METERING										\$0		
11 59710	2	MAINT METERS-CITY			\$0	METERING										\$0		
11 59710	3	MAINT METERS-CITY			\$0	METERING										\$0		
11 59720	1	MAINT METERS - RURAL			\$0	METERING										\$0		
11 59720	2	MAINT METERS - RURAL			\$0	METERING										\$0		
11 59720	4	MAINT METERS - RURAL	\$7,056.34		\$7,056	METERING										\$7,056		
11 59730	1	STORM DAMAGE	\$14,641.86		\$14,642	DIST F3					\$8,313	\$2,399	\$0	\$3,813	\$0	\$117		
11 59730	2	STORM DAMAGE	\$10,403.46		\$10,403	DIST F3					\$5,906	\$1,704	\$0	\$2,709	\$0	\$83		
11 59730	3	STORM DAMAGE	\$6,089.56		\$6,090	DIST F3					\$3,457	\$998	\$0	\$1,586	\$0	\$49		
11 59730	4	STORM DAMAGE	\$3,247.33		\$3,247	DIST F3					\$1,844	\$532	\$0	\$846	\$0	\$26		
11 59730	6	STORM DAMAGE			\$0	DIST F3					\$0	\$0	\$0	\$0	\$0	\$0		
11 59730	7	STORM DAMAGE			\$0	DIST F3					\$0	\$0	\$0	\$0	\$0	\$0		
11 59730	9	STORM DAMAGE			\$0	DIST F3					\$0	\$0	\$0	\$0	\$0	\$0		
11 59800	1	MAINT MISC DISTRIBUTION	\$94,596.95		\$94,597	DIST F3					\$53,705	\$15,498	\$0	\$24,636	\$0	\$758		
11 59800	2	MAINT MISC DISTRIBUTION	\$50,128.43		\$50,128	DIST F3					\$28,459	\$8,213	\$0	\$13,055	\$0	\$401		
11 59800	3	MAINT MISC DISTRIBUTION	\$4,659.73		\$4,660	DIST F3					\$2,645	\$763	\$0	\$1,214	\$0	\$37		
11 59800	4	MAINT MISC DISTRIBUTION	\$1,541.60		\$1,542	DIST F3					\$875	\$253	\$0	\$401	\$0	\$12		
11 59800	5	MAINT MISC DISTRIBUTION	\$11,617.14		\$11,617	DIST F3					\$6,595	\$1,903	\$0	\$3,025	\$0	\$93		
11 59800	6	MAINT MISC DISTRIBUTION	-\$2,915.03		(\$2,915)	DIST F3					-\$1,655	-\$478	\$0	-\$759	\$0	-\$23		
11 59800	7	MAINT MISC DISTRIBUTION	\$297.25		\$297	DIST F3					\$169	\$49	\$0	\$77	\$0	\$2		
DISTRIBUTION MAINTENANCE SUBTOTAL			\$718,616	\$0	\$718,616						\$382,982	\$134,759	\$0	\$184,315	\$7,629	\$8,932	\$0	
DISTRIBUTION FACTOR 5											0.0%	0.0%	0.0%	0.0%	1.1%	1.2%	0.0%	
CUSTOMER ACCOUNTS																		
11 90210	1	METER READING-CITY	\$488.16		\$488	METERING										\$488		
11 90210	2	METER READING-CITY	\$363.48		\$363	METERING										\$363		
11 90210	5	METER READING-CITY	\$217.24		\$217	METERING										\$217		
11 90220	1	METER READING-RURAL	\$49.00		\$49	METERING										\$49		
11 90220	5	METER READING-RURAL	\$217.24		\$217	METERING										\$217		
11 90300	1	CUSTOMER RECORDS/COLLECTION	\$2584.05		\$82,584	METERING										\$82,584		
11 90300	2	CUSTOMER RECORDS/COLLECTION	\$6944.82		\$60,945	METERING										\$60,945		
11 90300	3	CUSTOMER RECORDS/COLLECTION	\$1987.75		\$19,868	METERING										\$19,868		
11 90300	6	CUSTOMER RECORDS/COLLECTION	-\$113847.82		(\$113,848)	METERING										-\$113,848		
11 90300	7	CUSTOMER RECORDS/COLLECTION	\$26591.76		\$26,592	METERING										\$26,592		
11 90301	3	CASH OVER/SHORT	\$67.25		\$67	METERING										\$67		
11 90400	3	UNCOLLECTIBLE ACCOUNTS	\$333.14		\$333	SALES											\$333	
CUSTOMER ACCOUNTS SUBTOTAL			\$77,876	\$0	\$77,876						\$0	\$0	\$0	\$0	\$77,543	\$0	\$333	
CUSTOMER SERVICE																		
11 90800	1	CUSTOMER ASSISTANCE EXP	\$17,848.12		\$17,848	CUST										\$17,848		
11 90800	2	CUSTOMER ASSISTANCE EXP	\$13,094.65		\$13,095	CUST										\$13,095		
11 90900	3	INFORM/INSTRUCT ADV	\$7,593.27		\$7,593	CUST										\$7,593		
11 91000	3	MISC CUST SERVICE & INFO	\$229.38		\$229	CUST										\$229		
11 91000	7	MISC CUST SERVICE & INFO			\$0	CUST										\$0		
11 91200	3	DEMO/SELLING EXPENSE			\$0	CUST										\$0		
11 91300	3	DEMO/SELLING ADV EXP			\$0	CUST										\$0		
CUSTOMER SERVICE SUBTOTAL			\$38,765	\$0	\$38,765						\$0	\$0	\$0	\$38,765	\$0	\$0		
TOTAL BEFORE A&G			\$10,291,677	(\$223,277)	\$10,068,400	\$0					\$5,081,522	\$3,860,591	\$0	\$0	\$298,106	\$88,123	\$11,238	\$333
A&G FACTOR											50.5%	38.3%	0.0%	0.0%	0.0%	0.9%	0.1%	0.0%
ADMINISTRATIVE AND GENERAL																		
11 92000	1	ADMINISTRATION SALARIES	\$76,156.53		\$76,157	A&G FACTOR	\$38,436	\$29,201	\$0	\$0	\$0	\$4,104	\$1,406	\$0	\$2,255	\$667	\$85	\$3
11 92000	2	ADMINISTRATION SALARIES	\$47,480.98		\$47,481	A&G FACTOR	\$23,964	\$18,206	\$0	\$0	\$0	\$2,559	\$877	\$0	\$1,406	\$416	\$53	\$2
11 92100	3	OFFICE SUPPLIES	\$5,429.55		\$5,430	A&G FACTOR	\$2,740	\$2,082	\$0	\$0	\$0	\$293	\$100	\$0	\$161	\$48	\$6	\$0
11 92101	51	UTILITY SERVICES-ADMIN	\$2,584.40		\$2,584	A&G FACTOR	\$1,304	\$991	\$0	\$0	\$0	\$139	\$48	\$0	\$77	\$23	\$3	\$0
11 92101	52	UTILITY SERVICES-ADMIN	\$46.15		\$46	A&G FACTOR	\$23	\$18	\$0	\$0	\$0	\$2	\$1	\$0	\$1	\$0	\$0	\$0
11 92101	53	UTILITY SERVICES-ADMIN	\$230.75		\$231	A&G FACTOR	\$116	\$88	\$0	\$0	\$0	\$12	\$4	\$0	\$7	\$2	\$0	\$0
11 92101	54	UTILITY SERVICES-ADMIN	\$802.19		\$802	A&G FACTOR	\$405	\$308	\$0	\$0	\$0	\$43	\$15	\$0	\$24	\$7	\$1	\$0
11 92101	55	UTILITY SERVICES-ADMIN	-\$2,103.45		(\$2,103)	A&G FACTOR	-\$1,062	-\$807	\$0	\$0	\$0	-\$113	-\$39	\$0	-\$62	-\$18	-\$2	\$0
11 92101	56	UTILITY SERVICES-ADMIN			\$0	A&G FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 92102	3	OFFICE EQUIPMENT	\$4,912.66		\$4,913	A&G FACTOR	\$2,479	\$1,884	\$0	\$0	\$0	\$265	\$91	\$0	\$145	\$43	\$5	\$0
11 92102	7	OFFICE EQUIPMENT			\$0	A&G FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 92103	3	COMPUTER	\$64,885.46		\$64,885	A&G FACTOR	\$32,748	\$24,879	\$0	\$0	\$0	\$3,497	\$1,198	\$0	\$1,921	\$568	\$72	\$2
11 92103	6	COMPUTER	-\$6,989.64		(\$6,990)	A&G FACTOR	-\$3,528	-\$2,680	\$0	\$0	\$0	-\$377	-\$129	\$0	-\$207	-\$61	-\$8	\$0
11 92103	7	COMPUTER	\$47,960.00		\$47,960	A&G FACTOR	\$24,205	\$18,390	\$0	\$0	\$0	\$2,584	\$886	\$0	\$1,420	\$420	\$54	\$2

Table No. 3

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Functionalization and Classification of Expenses

Account Dept No.	Sub Work Acct Order	Account Title	2016 Expense	Adjust.	Test Year	Basis of Allocation	Production			Transmission			Distribution			Metering & Billing	Street Lights	Sales			
							Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy				Customer		
11	92104	3	DUES & SUBSCRIPTIONS	\$13,455.74		\$13,456	A&G FACTOR	\$6,791	\$5,159	\$0	\$0	\$0	\$0	\$0	\$725	\$248	\$0	\$398	\$118	\$15	\$0
11	92105	1	ECONOMIC DEVELOPMENT			\$0	A&G FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	92105	2	ECONOMIC DEVELOPMENT			\$0	A&G FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	92105	3	ECONOMIC DEVELOPMENT	\$30,947.16	(\$30,947)	\$0	A&G FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	92105	7	ECONOMIC DEVELOPMENT			\$0	A&G FACTOR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	92106	1	COMMUNITY SERVICE	\$17,182.14		\$17,182	A&G FACTOR	\$8,672	\$6,588	\$0	\$0	\$0	\$0	\$926	\$317	\$0	\$509	\$150	\$19	\$1	
11	92106	2	COMMUNITY SERVICE	\$4,051.77		\$4,052	A&G FACTOR	\$2,045	\$1,554	\$0	\$0	\$0	\$0	\$218	\$75	\$0	\$120	\$35	\$5	\$0	
11	92106	3	COMMUNITY SERVICE	\$1,614.30		\$1,614	A&G FACTOR	\$815	\$619	\$0	\$0	\$0	\$0	\$87	\$30	\$0	\$48	\$14	\$2	\$0	
11	92106	4	COMMUNITY SERVICE	\$59.34		\$59	A&G FACTOR	\$30	\$23	\$0	\$0	\$0	\$0	\$3	\$1	\$0	\$2	\$1	\$0	\$0	
11	92106	6	COMMUNITY SERVICE	\$650.00		\$650	A&G FACTOR	\$328	\$249	\$0	\$0	\$0	\$0	\$35	\$12	\$0	\$19	\$6	\$1	\$0	
11	92107	1	MOVIE EXPENSE	\$91.53		\$92	A&G FACTOR	\$46	\$35	\$0	\$0	\$0	\$0	\$5	\$2	\$0	\$3	\$1	\$0	\$0	
11	92107	2	MOVIE EXPENSE	\$68.15		\$68	A&G FACTOR	\$34	\$26	\$0	\$0	\$0	\$0	\$4	\$1	\$0	\$2	\$1	\$0	\$0	
12	92108		TRANSFER OUT TO CITY	\$68,917.30	\$0	\$68,917	SALES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$68,917
11	92300	3	OUTSIDE SERVICE-ADMIN OPER	\$28,167.96		\$28,168	A&G FACTOR	\$14,216	\$10,801	\$0	\$0	\$0	\$1,518	\$520	\$0	\$834	\$247	\$31	\$1	\$1	
11	92300	7	OUTSIDE SERVICE-ADMIN OPER	\$355.00		\$355	A&G FACTOR	\$179	\$136	\$0	\$0	\$0	\$0	\$19	\$7	\$0	\$11	\$3	\$0	\$0	
11	92400	2	PROPERTY INSURANCE	-\$287.00		-\$287	TPIS	-\$28	\$0	\$0	\$0	\$0	-\$144	-\$41	\$0	-\$66	-\$7	-\$2	\$0	\$0	
11	92400	8	PROPERTY INSURANCE	\$23,100.90		\$23,101	TPIS	\$2,217	\$0	\$0	\$0	\$0	\$11,559	\$3,336	\$0	\$5,302	\$524	\$163	\$0	\$0	
11	92402	8	PUBLIC OFFICIAL LIABILITY			\$0	TPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	92601	2	PENSION	\$147,863.84	\$100,000	\$247,864	LABOR	\$36,761	\$0	\$0	\$0	\$0	\$0	\$79,568	\$40,181	\$0	\$50,863	\$38,904	\$1,588	\$0	\$0
11	92602	0	GROUP & LIFE INSURANCE	-\$50,893.55		-\$50,894	LABOR	-\$7,548	\$0	\$0	\$0	\$0	-\$16,338	-\$8,250	\$0	-\$10,444	-\$7,988	-\$326	\$0	\$0	
12	92602	2	GROUP & LIFE INSURANCE	\$158,491.41		\$158,491	LABOR	\$23,506	\$0	\$0	\$0	\$0	\$50,878	\$25,693	\$0	\$32,523	\$24,876	\$1,015	\$0	\$0	
11	92603	3	EDUCATION	\$2,479.26		\$2,479	A&G FACTOR	\$1,251	\$951	\$0	\$0	\$0	\$134	\$46	\$0	\$73	\$22	\$3	\$0	\$0	
11	92604	1	COMPENSATED ABSENCE	\$26,914.54		\$26,915	LABOR	\$3,992	\$0	\$0	\$0	\$0	\$8,640	\$4,363	\$0	\$5,523	\$4,224	\$172	\$0	\$0	
11	92604	2	COMPENSATED ABSENCE	\$7,649.23		\$7,649	LABOR	\$1,134	\$0	\$0	\$0	\$0	\$2,456	\$1,240	\$0	\$1,570	\$1,201	\$49	\$0	\$0	
11	92605	1	SICK LEAVE	\$25,936.60		\$25,937	LABOR	\$3,847	\$0	\$0	\$0	\$0	\$8,326	\$4,205	\$0	\$5,522	\$4,071	\$166	\$0	\$0	
11	92605	2	SICK LEAVE	\$6,432.91		\$6,433	LABOR	\$954	\$0	\$0	\$0	\$0	\$2,065	\$1,043	\$0	\$1,320	\$1,010	\$41	\$0	\$0	
11	92606	1	VACATION LEAVE	\$57,683.44		\$57,683	LABOR	\$8,555	\$0	\$0	\$0	\$0	\$18,517	\$9,351	\$0	\$11,837	\$9,054	\$369	\$0	\$0	
11	92606	2	VACATION LEAVE	\$15,734.88		\$15,735	LABOR	\$2,334	\$0	\$0	\$0	\$0	\$5,051	\$2,551	\$0	\$3,229	\$2,470	\$101	\$0	\$0	
11	92607	1	PERSONAL LEAVE	\$10,045.63		\$10,046	LABOR	\$1,490	\$0	\$0	\$0	\$0	\$3,225	\$1,628	\$0	\$2,061	\$1,577	\$64	\$0	\$0	
11	92607	2	PERSONAL LEAVE	\$5,045.19		\$5,045	LABOR	\$748	\$0	\$0	\$0	\$0	\$1,620	\$818	\$0	\$1,035	\$792	\$32	\$0	\$0	
11	92608	1	HOLIDAY LEAVE	\$244.08		\$244	LABOR	\$36	\$0	\$0	\$0	\$0	\$78	\$40	\$0	\$50	\$38	\$2	\$0	\$0	
11	92609	1	TENURE	\$16,580.00		\$16,580	LABOR	\$2,459	\$0	\$0	\$0	\$0	\$5,322	\$2,688	\$0	\$3,402	\$2,602	\$106	\$0	\$0	
11	92610	2	WORKERS COMP INSURANCE	\$4,925.54		\$4,926	LABOR	\$731	\$0	\$0	\$0	\$0	\$1,581	\$798	\$0	\$1,011	\$773	\$32	\$0	\$0	
11	92611	2	UNEMPLOYMENT COMP INS	\$80.54		\$81	LABOR	\$12	\$0	\$0	\$0	\$0	\$26	\$13	\$0	\$17	\$13	\$1	\$0	\$0	
11	92612	1	ON-CALL PAY	\$15,465.90		\$15,466	LABOR	\$2,294	\$0	\$0	\$0	\$0	\$4,965	\$2,507	\$0	\$3,174	\$2,427	\$99	\$0	\$0	
11	92612	2	ON-CALL PAY	\$5,984.35		\$5,984	LABOR	\$888	\$0	\$0	\$0	\$0	\$1,921	\$970	\$0	\$1,228	\$939	\$38	\$0	\$0	
11	92613	0	BONUS	\$375		\$375	LABOR	\$501	\$0	\$0	\$0	\$0	\$1,083	\$547	\$0	\$693	\$530	\$22	\$0	\$0	
11	92613	1	BONUS	-\$327		-\$327	LABOR	-\$493	\$0	\$0	\$0	\$0	-\$1,068	-\$539	\$0	-\$683	-\$522	-\$21	\$0	\$0	
11	92700	3	PILOT	\$399,589.94	\$350,000	\$749,590	TPIS	\$71,946	\$0	\$0	\$0	\$0	\$375,070	\$108,239	\$0	\$172,057	\$16,988	\$5,290	\$0	\$0	
11	92900	2	CONTRA (CREDIT) FRINGE	-\$607,308.58		-\$607,309	LABOR	-\$90,071	\$0	\$0	\$0	\$0	-\$194,954	-\$98,449	\$0	-\$124,623	-\$95,321	-\$3,890	\$0	\$0	
11	93010	3	GENERAL ADVERTISING	\$1,059.01		\$1,059	A&G FACTOR	\$534	\$406	\$0	\$0	\$0	\$57	\$20	\$0	\$31	\$9	\$1	\$0	\$0	
11	93020	3	MISC GENERAL EXPENSE	\$5,118.841	(\$5,115,603)	\$3,238	A&G FACTOR	\$1,634	\$1,242	\$0	\$0	\$0	\$174	\$60	\$0	\$96	\$28	\$4	\$0	\$0	
11	93500	1	MAINT ADMIN BUILDING	\$7,181.87		\$7,182	A&G FACTOR	\$3,625	\$2,754	\$0	\$0	\$0	\$387	\$133	\$0	\$213	\$63	\$8	\$0	\$0	
11	93500	2	MAINT ADMIN BUILDING	\$5,181.58		\$5,182	A&G FACTOR	\$2,615	\$1,987	\$0	\$0	\$0	\$279	\$96	\$0	\$153	\$45	\$6	\$0	\$0	
11	93500	3	MAINT ADMIN BUILDING	\$22,832.67		\$22,833	A&G FACTOR	\$11,524	\$8,755	\$0	\$0	\$0	\$1,230	\$422	\$0	\$676	\$200	\$25	\$1	\$0	
11	93500	4	MAINT ADMIN BUILDING	\$5.27		\$5	A&G FACTOR	\$3	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
1	93500	7	MAINT ADMIN BUILDING	\$693.09		\$693	A&G FACTOR	\$350	\$266	\$0	\$0	\$0	\$37	\$13	\$0	\$21	\$6	\$1	\$0	\$0	
11	99999		SUSPENSE ACCOUNT	\$17,875.20		\$17,875	A&G FACTOR	\$9,022	\$6,854	\$0	\$0	\$0	\$963	\$330	\$0	\$529	\$156	\$20	\$1	\$0	
11	40801	0	TAXES - FICA	\$81,440		\$81,440	LABOR	\$12,079	\$0	\$0	\$0	\$0	\$26,143	\$13,202	\$0	\$16,712	\$12,783	\$522	\$0	\$0	
11	41910	0	INVESTMENT FEES	\$3,833		\$3,833	A&G FACTOR	\$1,934	\$1,470	\$0	\$0	\$0	\$207	\$71	\$0	\$113	\$34	\$4	\$0	\$0	
ADMIN & GENERAL SUBTOTAL			\$5,937,705	(\$4,696,550)	\$1,241,155		\$265,823	\$142,436	\$0	\$0	\$0	\$0	\$415,608	\$122,991	\$0	\$194,113	\$25,208	\$6,048	\$68,930	\$0	\$0
DEPRECIATION & MISC																					
11	40301	0	DEPRECIATION EXP-PROD	\$160,504		\$160,504	PROD-D	\$160,504	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	40303	0	DEPRECIATION EXP-DIST	\$461,580		\$461,580	DIST F1	\$982	\$0	\$0	\$0	\$0	\$254,937	\$73,571	\$0	\$116,948	\$11,547	\$3,596	\$0	\$0	\$0
11	40304	0	DEPRECIATION EXP-ADMIN	\$78,248		\$78,248	TPIS	\$7,510	\$0	\$0	\$0	\$0	\$39,153	\$11,299	\$0	\$17,961	\$1,773	\$552	\$0	\$0	\$0
11	42000	0	INVENTORY ADJUSTMENT	-\$1,106		-\$1,106	TPIS	-\$106	\$0	\$0	\$0	\$0	-\$553	-\$160	\$0	-\$254	-\$25	-\$8	\$0	\$0	\$0
11	42102	0	LOSS ON SALE OF PROPERTY	\$0		\$0	TPIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEPRECIATION & MISC SUBTOTAL			\$699,226	\$0	\$699,226		\$168,890	\$0	\$0	\$0	\$0	\$293,536	\$84,710	\$0	\$134,655	\$13,295	\$4,140	\$0	\$0	\$0	\$0
TOTAL EXPENSES			\$5,162,608	(\$4,919,827)	\$12,008,781		\$5,516,236	\$4,003,026	\$0	\$0	\$0	\$0	\$1,251,705	\$393,626	\$0	\$626,873	\$126,625	\$21,426	\$69,263	\$0	\$0

Table No. 4

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Functionalization and Classification of Total Metered Sales Requirements

	2016 Expense	Adjust.	Test Year	Basis of Allocation	Production			Transmission			Distribution			Metering & Billing	Street Lights	Sales	
					Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy				Customer
TOTAL REVENUE REQUIREMENTS	\$16,928,608	(\$4,919,827)	\$12,008,781		\$5,516,236	\$4,003,026	\$0	\$0	\$0	\$0	\$1,251,705	\$393,626	\$0	\$626,873	\$126,625	\$21,426	\$69,263
Factor TRR					45.9%	33.3%	0.0%	0.0%	0.0%	0.0%	10.4%	3.3%	0.0%	5.2%	1.1%	0.2%	0.6%
LESS NON KWH SALES INCOME																	
INTEREST INCOME	\$19,349	\$2,651	\$22,000	FACTOR TRR	\$10,106	\$7,334	\$0	\$0	\$0	\$0	\$2,293	\$721	\$0	\$1,148	\$232	\$39	\$127
FEDERAL GRANT	\$20,000	-\$20,000	\$0	FACTOR TRR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISC NON OPERATING INCOME	\$121,893	-\$57,693	\$64,200	FACTOR TRR	\$29,490	\$21,401	\$0	\$0	\$0	\$0	\$6,692	\$2,104	\$0	\$3,351	\$677	\$115	\$370
OTHER INTEREST/EXPENSE	-\$72,825	\$21,825	-\$51,000	FACTOR TRR	-\$23,427	-\$17,000	\$0	\$0	\$0	\$0	-\$5,316	-\$1,672	\$0	-\$2,662	-\$538	-\$91	-\$294
SUBTOTAL	\$88,417	-\$53,217	\$35,200		\$16,169	\$11,734	\$0	\$0	\$0	\$0	\$3,669	\$1,154	\$0	\$1,837	\$371	\$63	\$203
TOTAL METERED SALES REQUIREMENTS	\$16,840,191	(\$4,866,611)	\$11,973,581		\$5,500,066	\$3,991,292	\$0	\$0	\$0	\$0	\$1,248,036	\$392,473	\$0	\$625,036	\$126,254	\$21,364	\$69,060

Table No. 5
Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Test Year KWH Sales

Year Month	2015 Dec	2016 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Total
Residential R-1	3,021,598	3,364,063	3,397,994	2,920,771	2,795,030	2,459,565	3,074,968	3,545,711	4,171,979	3,679,785	2,782,420	2,680,073	37,893,957
Residential All Electric R-2	28,108	37,173	35,626	26,073	24,427	17,305	17,431	17,663	20,938	17,301	16,602	19,383	278,030
Total Residential	3,049,706	3,401,236	3,433,620	2,946,844	2,819,457	2,476,870	3,092,399	3,563,374	4,192,917	3,697,086	2,799,022	2,699,456	38,171,987
Business													
Single Phase B-1	598,210	655,801	679,481	620,738	610,622	557,943	622,482	679,226	738,561	726,065	632,811	597,780	7,719,720
Three Phase B-3	321,853	367,823	396,180	340,644	350,128	311,778	334,777	373,282	405,064	391,828	325,366	315,515	4,234,238
Total Business	920,063	1,023,624	1,075,661	961,382	960,750	869,721	957,259	1,052,508	1,143,625	1,117,893	958,177	913,295	11,953,958
Commercial C-1	154,240	170,831	179,709	162,348	162,581	157,010	191,481	194,671	207,447	213,546	188,142	178,715	2,160,721
Commercial C-1A	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial C-2	1,240,940	1,204,960	1,266,740	1,272,860	1,264,220	1,372,380	1,434,780	1,538,560	1,704,880	1,740,320	1,685,520	1,422,940	17,149,100
Commercial C-2A	18,380	19,560	25,880	25,800	23,620	21,540	25,180	20,320	19,380	16,980	23,740	31,880	272,260
Commercial C-3	1,090,664	1,174,369	1,232,353	1,121,642	1,131,619	1,089,872	1,195,927	1,327,345	1,468,211	1,396,642	1,327,937	1,145,425	14,702,006
Commercial C3A	12,347	14,325	15,660	12,980	15,020	13,780	25,415	31,533	30,602	29,131	19,066	21,407	241,266
Total Commercial	2,516,571	2,584,045	2,720,342	2,595,630	2,597,060	2,654,582	2,872,783	3,112,429	3,430,520	3,396,619	3,244,405	2,800,367	34,525,353
General Primary Service - I	2,784,092	2,801,387	2,753,404	2,726,342	3,180,409	3,068,080	3,131,337	3,373,633	3,444,019	3,366,369	3,137,809	2,812,540	36,579,421
Street Lighting	47,244	47,244	47,244	47,244	47,244	47,244	47,244	47,244	47,244	47,244	47,244	47,244	566,928
Monthly Totals	9,317,676	9,857,536	10,030,271	9,277,442	9,604,920	9,116,497	10,101,022	11,149,188	12,258,325	11,625,211	10,186,657	9,272,902	121,797,647

Table No. 6

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Test Year - Estimated Non Coincident Peak - KW

Year Month	2015 Dec	2016 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Total
Residential R-1	6,006	6,608	5,720	5,834	4,804	7,158	9,595	9,393	11,428	11,241	5,191	5,017	87,996
Residential All Electric R-2	70	90	74	62	53	66	73	63	78	72	41	47	789
Total Residential	6,076	6,698	5,794	5,896	4,857	7,223	9,668	9,457	11,506	11,313	5,232	5,065	88,786
Business													
Single Phase B-1	1,135	1,231	1,089	1,175	991	1,525	1,849	1,726	1,956	2,117	1,108	1,053	16,954
Three Phase B-3	585	659	605	617	540	813	952	906	1,027	1,096	549	534	8,885
Total	1,721	1,891	1,695	1,792	1,531	2,338	2,801	2,632	2,982	3,213	1,657	1,587	25,839
Commercial Single Phase Small	503	506	498	479	473	506	641	607	615	637	594	530	6,590
Commercial Single Phase Alt	0	0	0	0	0	0	0	0	0	0	0	0	0
Commercial Large	2,948	2,669	2,803	2,833	2,905	2,957	3,207	3,700	3,775	3,921	3,811	3,531	39,060
Commercial Large Alternate	44	43	57	57	54	46	56	49	43	38	54	79	621
Commercial Three Phase Medium	3,016	2,956	2,834	3,004	2,878	3,088	3,523	3,687	4,041	3,787	4,216	3,101	40,131
Commercial Three Phase Alternate	34	36	36	35	38	39	75	88	84	79	61	58	662
Total Commercial	6,545	6,210	6,229	6,408	6,349	6,637	7,502	8,130	8,559	8,463	8,736	7,299	87,066
General Primary Service - I	5,892	6,041	5,913	6,079	6,180	6,348	6,638	7,456	6,826	6,656	6,321	6,136	76,485
Street Lighting	129	129	129	129	129	129	129	129	129	129	129	129	1,553
Total Non Coincident Demand	20,363	20,969	19,760	20,304	19,047	22,675	26,738	27,805	30,003	29,774	22,076	20,217	279,728

Table No. 7

**Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study**

Determination of Energy Allocation Factors

	KWH			Fraction of Total KWH		
	Secondary	Primary	Transmission	Secondary	Primary	Transmission
Estimated Losses						
Residential R-1	37,893,957	39,629,740	40,595,923	0.4447	0.3162	0.3162
Residential All Electric R-2	278,030	290,766	297,854	0.0033	0.0023	0.0023
Total Residential	38,171,987	39,920,505	40,893,777	0.4479	0.3186	0.3186
Business						
Single Phase B-1	7,719,720	8,036,520	8,232,452	0.0906	0.0641	0.0641
Three Phase B-3	4,234,238	4,408,001	4,515,470	0.0497	0.0352	0.0352
Total Business	11,953,958	12,444,521	12,747,922	0.1403	0.0993	0.0993
Commercial C-1	2,160,721	2,239,182	2,293,774	0.0254	0.0179	0.0179
Commercial C-1A	0	0	0	0.0000	0.0000	0.0000
Commercial C-2	17,149,100	17,771,825	18,205,106	0.2012	0.1418	0.1418
Commercial C-2A	272,260	282,146	289,025	0.0032	0.0023	0.0023
Commercial C-3	14,702,006	15,235,871	15,607,325	0.1725	0.1216	0.1216
Commercial C3A	241,266	250,027	256,123	0.0028	0.0020	0.0020
Total Commercial	34,525,353	35,779,051	36,651,353	0.4051	0.2855	0.2855
General Primary Service - I		36,579,421	37,471,236	0.0000	0.2919	0.2919
Street Lighting	566,928	592,897	607,352	0.0067	0.0047	0.0047
Total	85,218,226	125,316,395	128,371,640	1.0000	1.0000	1.0000

Table No. 8

**Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study**

Determination of Demand and Energy Allocation Factors

Primary Level

	Energy KWH	Energy Factor	Average KW	Max NCP KW	Excess KW	Excess Factor	Average/Excess Demand Factor
Residential R-1	39,629,740	0.3162	4,524	11,428	6,904	0.4072	0.3635
Residential All Electric R-2	290,766	0.0023	33	90	57	0.0034	0.0029
Total Residential	39,920,505	0.3186	4,557	11,519	6,961	0.4105	0.3663
Business Single Phase B-1	8,036,520	0.0641	917	2,117	1,200	0.0708	0.0676
Business Three Phase B-3	4,408,001	0.0352	503	1,096	593	0.0349	0.0351
Total Business	12,444,521	0.0993	1,421	3,213	1,792	0.1057	0.1026
Commercial C-1	2,239,182	0.0179	256	641	386	0.0227	0.0204
Commercial C-1A	0	0.0000	0	0	0	0.0000	0.0000
Commercial C-2	17,771,825	0.1418	2,029	3,921	1,893	0.1116	0.1261
Commercial C-2A	282,146	0.0023	32	79	47	0.0028	0.0025
Commercial C-3	15,235,871	0.1216	1,739	4,216	2,477	0.1461	0.1343
Commercial C3A	250,027	0.0020	29	88	59	0.0035	0.0028
Total Commercial	35,779,051	0.2855	4,084	8,946	4,861	0.2867	0.2861
General Primary Service - I	36,579,421	0.2919	4,176	7,456	3,281	0.1935	0.2408
Street Lighting	592,897	0.0047	68	129	62	0.0036	0.0042
Total	125,316,395	1.0000	14,306	31,263	16,957	1.0000	1.0000

Table No. 9

**Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study**

Determination of Demand and Energy Allocation Factors

Secondary Level

	Energy KWH	Energy Factor	Average KW	Max NCP KW	Excess KW	Excess Factor	Average/Excess Demand Factor
Residential R-1	37,893,957	0.4447	4,326	11,428	7,103	0.5045	0.4799
Residential All Electric R-2	278,030	0.0033	32	90	58	0.0042	0.0038
Total Residential	38,171,987	0.4479	4,358	11,519	7,161	0.5087	0.4837
Business Single Phase B-1	7,719,720	0.0906	881	2,117	1,236	0.0878	0.0889
Business Three Phase B-3	4,234,238	0.0497	483	1,096	612	0.0435	0.0460
Total Business	11,953,958	0.1403	1,365	3,213	1,848	0.1313	0.1350
Commercial C-1	2,160,721	0.0254	247	641	395	0.0280	0.0269
Commercial C-1A	0	0.0000	0	0	0	0.0000	0.0000
Commercial C-2	17,149,100	0.2012	1,958	3,921	1,964	0.1395	0.1649
Commercial C-2A	272,260	0.0032	31	79	48	0.0034	0.0033
Commercial C-3	14,702,006	0.1725	1,678	4,216	2,538	0.1803	0.1771
Commercial C3A	241,266	0.0028	28	88	60	0.0043	0.0037
Total Commercial	34,525,353	0.4051	3,941	8,946	5,004	0.3555	0.3759
General Primary Service - I	0	0.0000	0	0	0	0.0000	0.0000
Street Lighting	566,928	0.0067	65	129	65	0.0046	0.0054
Total	85,218,226	1.0000	9,728	23,806	14,078	1.0000	1.0000

Table No. 10

**Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study**

Determination of Metering Allocation Factors

Customer Class	Customer Count	Weighting Factor	Weighted No. of Customers	Meter Allocation Factor
Residential R-1	60,016	1.00	60,016	0.8402
Residential All Electric R-2	259	1.00	259	0.0036
Total Residential	60,275	1.00	60,275	0.8438
Business Single Phase B-1	7,141	1.00	7,141	0.1000
Three Phase B-3	1,992	1.00	1,992	0.0279
Total Business	9,133	1.00	9,133	0.1279
Commercial C-1	263	1.00	263	0.0037
Commercial C-1A	12	1.00	12	0.0002
Commercial C-2	205	1.00	205	0.0029
Commercial C-2A	26	1.00	26	0.0004
Commercial C-3	1,114	1.00	1,114	0.0156
Commercial C3A	83	1.00	83	0.0012
Total Commercial	1,703		1,703	0.0238
General Primary Service - I	278	1.00	278	0.0039
Street Lighting	216	0.20	43	0.0006
Total	71,605		71,432	1.0000

Table No. 11

**Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study**

Determination of Customer Services Allocation Factors

Customer Class	Average No. of Customers Per Month	Peak KW Per Unit	Weighting Factor	Weighted No. of Units	Customer Service Factor
Residential R-1	5,001	2.3	1.000	5,001	0.6607
Residential All Electric R-2	22	4.1	1.420	31	0.0041
Total Residential	5,023	2.3		5,032	0.6649
Business Single Phase B-1	595	3.6	1.304	776	0.1025
Three Phase B-3	166	6.6	1.890	314	0.0414
Total Business	761	4.2		1,090	0.1440
Commercial C-1	22	29.1	4.607	101	0.0134
Commercial C-1A	1	0.0	0.000	0	0.0000
Commercial C-2	17	230.7	15.938	271	0.0358
Commercial C-2A	2	39.6	5.533	11	0.0015
Commercial C-3	93	45.3	6.005	558	0.0738
Commercial C3A	7	12.5	2.774	19	0.0026
Total Commercial	142	63.0		961	0.1270
General Primary Service - I	23	324.2	19.549	450	0.0594
Street Lighting	18	7.2	1.989	36	0.0047
Total	5,967			7,569	1.0000

Table No. 12

**Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study**

Determination of Revenues Allocation Factors

Customer Class	Test Year Sales	Sales Allocation Factor
Residential R-1	\$4,403,359	0.3603
Residential All Electric R-2	\$32,686	0.0027
Total Residential	\$4,436,044	0.3630
Business Single Phase B-1	\$870,685	0.0712
Three Phase B-3	\$498,958	0.0408
Total Business	\$1,369,644	0.1121
Commercial C-1	\$219,992	0.0180
Commercial C-1A	\$0	0.0000
Commercial C-2	\$1,584,610	0.1297
Commercial C-2A	\$38,315	0.0031
Commercial C-3	\$1,449,521	0.1186
Commercial C3A	\$36,562	0.0030
Total Commercial	\$3,329,000	0.2724
General Primary Service - I	\$3,033,104	0.2482
Street Lighting	\$54,035	0.0044
Total	\$12,221,827	1.0000

Table No. 13

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Allocation of Total Metered Sales Requirements to Customer Classes

	Total	Production			Transmission			Distribution				Metering & Billing	Street Lights	Sales
		Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer			
Total Metered Sales Requirements	\$11,973,581	\$5,500,066	\$3,991,292	\$0	\$0	\$0	\$0	\$1,248,036	\$392,473	\$0	\$625,036	\$126,254	\$21,364	\$69,060
Allocation of Total Metered Sales Requirements by Customer Class														
Residential R-1	\$4,447,162	\$1,999,068	\$1,262,196	\$0	\$0	\$0	\$0	\$453,614	\$188,335	\$0	\$412,991	\$106,076		\$24,881
Residential All Electric R-2	\$33,278	\$15,737	\$9,261	\$0	\$0	\$0	\$0	\$3,571	\$1,486	\$0	\$2,580	\$458		\$185
Total Residential	\$4,480,439	\$2,014,805	\$1,271,457	\$0	\$0	\$0	\$0	\$457,185	\$189,821	\$0	\$415,571	\$106,534	\$0	\$25,066
Business Single Phase B-1	\$828,473	\$371,642	\$255,961	\$0	\$0	\$0	\$0	\$84,330	\$34,908	\$0	\$64,090	\$12,621		\$4,920
Business Three Phase B-3	\$427,269	\$192,806	\$140,394	\$0	\$0	\$0	\$0	\$43,750	\$18,072	\$0	\$25,906	\$3,521		\$2,819
Total Business	\$1,255,742	\$564,448	\$396,355	\$0	\$0	\$0	\$0	\$128,081	\$52,980	\$0	\$89,997	\$16,142	\$0	\$7,739
Commercial C-1	\$229,603	\$112,185	\$71,317	\$0	\$0	\$0	\$0	\$25,456	\$10,567	\$0	\$8,369	\$465		\$1,243
Commercial C-1A	\$21	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21		\$0
Commercial C-2	\$1,513,575	\$693,719	\$566,028	\$0	\$0	\$0	\$0	\$157,414	\$64,723	\$0	\$22,376	\$362		\$8,954
Commercial C-2A	\$28,461	\$13,852	\$8,986	\$0	\$0	\$0	\$0	\$3,143	\$1,304	\$0	\$914	\$46		\$216
Commercial C-3	\$1,517,305	\$738,658	\$485,258	\$0	\$0	\$0	\$0	\$167,611	\$69,499	\$0	\$46,119	\$1,969		\$8,191
Commercial C3A	\$30,035	\$15,220	\$7,963	\$0	\$0	\$0	\$0	\$3,454	\$1,442	\$0	\$1,603	\$147		\$207
Total Commercial	\$3,319,000	\$1,573,633	\$1,139,553	\$0	\$0	\$0	\$0	\$357,078	\$147,535	\$0	\$79,380	\$3,010	\$0	\$18,811
General Primary Service - I	\$2,844,569	\$1,324,270	\$1,165,044	\$0	\$0	\$0	\$0	\$300,494	\$0	\$0	\$37,131	\$491	\$0	\$17,139
Street Lighting	\$73,830	\$22,910	\$18,884	\$0	\$0	\$0	\$0	\$5,198	\$2,136	\$0	\$2,957	\$76	\$21,364	\$305
Total	\$11,973,581	\$5,500,066	\$3,991,292	\$0	\$0	\$0	\$0	\$1,248,036	\$392,473	\$0	\$625,036	\$126,254	\$21,364	\$69,060

Table No. 14

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Allocation of Total Plant in Service to Customer Classes

	Total	Production			Transmission			Distribution				Metering & Billing	Street Lights
		Demand	Energy	Customer	Demand	Energy	Customer	Primary - D	Secondary - D	Energy	Customer		
Total Plant in Service	\$12,313,105	\$1,181,817	\$0	\$0	\$0	\$0	\$0	\$6,161,067	\$1,777,983	\$0	\$2,826,288	\$279,047	\$86,902
Allocation of Total Plant by Customer Class													
Residential R-1	\$5,623,973	\$429,546	\$0	\$0	\$0	\$0	\$0	\$2,239,317	\$853,197	\$0	\$1,867,463	\$234,450	
Residential All Electric R-2	\$40,420	\$3,382	\$0	\$0	\$0	\$0	\$0	\$17,629	\$6,732	\$0	\$11,666	\$1,012	
Total Residential	\$5,664,394	\$432,928	\$0	\$0	\$0	\$0	\$0	\$2,256,945	\$859,929	\$0	\$1,879,129	\$235,462	\$0
Business Single Phase B-1	\$972,002	\$79,856	\$0	\$0	\$0	\$0	\$0	\$416,306	\$158,139	\$0	\$289,805	\$27,896	
Business Three Phase B-3	\$464,201	\$41,429	\$0	\$0	\$0	\$0	\$0	\$215,978	\$81,871	\$0	\$117,142	\$7,782	
Total Business	\$1,436,203	\$121,285	\$0	\$0	\$0	\$0	\$0	\$632,284	\$240,010	\$0	\$406,947	\$35,678	\$0
Commercial C-1	\$236,516	\$24,106	\$0	\$0	\$0	\$0	\$0	\$125,667	\$47,871	\$0	\$37,844	\$1,027	
Commercial C-1A	\$47	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47	
Commercial C-2	\$1,321,338	\$149,062	\$0	\$0	\$0	\$0	\$0	\$777,090	\$293,207	\$0	\$101,178	\$801	
Commercial C-2A	\$28,633	\$2,976	\$0	\$0	\$0	\$0	\$0	\$15,516	\$5,907	\$0	\$4,132	\$102	
Commercial C-3	\$1,513,886	\$158,718	\$0	\$0	\$0	\$0	\$0	\$827,431	\$314,846	\$0	\$208,539	\$4,352	
Commercial C3A	\$34,426	\$3,270	\$0	\$0	\$0	\$0	\$0	\$17,049	\$6,533	\$0	\$7,250	\$324	
Total Commercial	\$3,134,845	\$338,132	\$0	\$0	\$0	\$0	\$0	\$1,762,754	\$668,365	\$0	\$358,942	\$6,653	\$0
General Primary Service - I	\$1,936,956	\$284,550	\$0	\$0	\$0	\$0	\$0	\$1,483,421	\$0	\$0	\$167,899	\$1,086	\$0
Street Lighting	\$140,706	\$4,923	\$0	\$0	\$0	\$0	\$0	\$25,663	\$9,678	\$0	\$13,372	\$169	\$86,902
Total	\$12,313,105	\$1,181,817	\$0	\$0	\$0	\$0	\$0	\$6,161,067	\$1,777,983	\$0	\$2,826,288	\$279,047	\$86,902

Table No. 15

Hillsdale Board of Public Utilities
Electric Cost of Service And Rate Study

Determination of Excess/(Subsidy) in Existing Rates and Proposed Rate Changes
4.0% Return on Rate Base and No Reduciton in Excess/(Subsidy)

	Total	Residential		Business		Commercial					General Primary	Street	
		R-1	R-2	B-1	B-3	C-1	C-1A	C-2	C-2A	C-3	C-3A	Service - I	Lighting
Metered Sales Using Existing Rates - \$	\$12,221,827	\$4,403,359	\$32,686	\$870,685	\$498,958	\$219,992	\$0	\$1,584,610	\$38,315	\$1,449,521	\$36,562	\$3,033,104	\$54,035
Total Metered Sales Required - \$	\$11,973,581	\$4,447,162	\$33,278	\$828,473	\$427,269	\$229,603	\$21	\$1,513,575	\$28,461	\$1,517,305	\$30,035	\$2,844,569	\$73,830
Pro Forma Net - \$	\$248,246	(\$43,803)	(\$592)	\$42,212	\$71,690	(\$9,611)	(\$21)	\$71,035	\$9,854	(\$67,784)	\$6,527	\$188,535	(\$19,795)
Plant In Service - \$	\$12,313,105	\$5,623,973	\$40,420	\$972,002	\$464,201	\$236,516	\$47	\$1,321,338	\$28,633	\$1,513,886	\$34,426	\$1,936,956	\$140,706
Current Pro Forma Rate of Return - %	2.02%	-0.78%	-1.47%	4.34%	15.44%	-4.06%	-45.24%	5.38%	34.41%	-4.48%	18.96%	9.73%	-14.07%
Excess/(Subsidy) - \$	\$0	(\$157,189)	(\$1,407)	\$22,616	\$62,331	(\$14,379)	(\$22)	\$44,395	\$9,276	(\$98,305)	\$5,833	\$149,484	(\$22,632)
Reduction in Excess/(Subsidy) Revenues	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proposed Rate of Return	4.00%												
Allocated Rate Increase - \$	\$244,278	\$111,573	\$802	\$19,283	\$9,209	\$4,692	\$1	\$26,214	\$568	\$30,034	\$683	\$38,427	\$2,791
Proposed Total Metered Sales Revenues - \$	\$12,466,105	\$4,514,932	\$33,487	\$889,969	\$508,168	\$224,684	\$1	\$1,610,823	\$38,883	\$1,479,555	\$37,245	\$3,071,531	\$56,827
Proposed Percent Change In Total Metered Sales - %	2.00%	2.5%	2.5%	2.2%	1.8%	2.1%		1.7%	1.5%	2.1%	1.9%	1.3%	5.2%

SECTION 3 FORECAST OF REVENUES AND EXPENSES & CASH RESERVE POLICY

This section presents a discussion of a multiyear forecast of revenues along with an analysis of HBPU's existing cash reserve policy.

3.1 FORECASTED REVENUES AND EXPENSES

A forecast of revenues and expenses was developed for the period FYE 2017 through FYE 2021. Some of the major assumptions used in developing this forecast are as follows:

1. A 2% increase in revenue from the base rates take effect at the start of FYE 2018 and a 2.5% increase takes effect at the start of FYE 2020.
2. The base cost of power used in calculating the PCA is decreased from its current value of \$0.08548/KWH sold to \$0.07083/KWH sold.
3. The analysis assumes no growth in KWH sales from the test year values.
4. The cost of purchased power for FYE 2017 and FYE 2018 are based on information provided by MSCPA. It is assumed that the cost of purchased power increases 2% in FYE 2019, FYE 2020 and FYE 2021.
5. For FYE 2017 non purchased power expenses are set equal to the FYE 2017 budget. For FYE 2018 non purchased power expenses are set equal to the test year values. For future years non purchased power expenses are expected to increase in accordance with the Department of Energy forecast of the All Urban Consumer Price Index as published in the 2016 Annual Energy Outlook. The percent increases are listed below:

FYE 2019	2.7%
FYE 2020	2.6%
FYE 2021	2.7%

6. Payment in Lieu of Taxes is equal to 6% of KWH sales revenues.
7. HBPU's forecast of capital expenditures for the years FYE 2017 through FYE 2019 is as follows

FYE 2017	\$1,165,000
FYE 2018	\$865,000
FYE 2019	\$815,000

The capital improvements budgets for FYE 2020 and FYE 2021 are not yet finalized. For the purposes of this analysis they were set equal to the average of FYE 2017 through FYE 2019 at \$950,000 per year.

The forecast is presented in Table No. 16. This forecast does show a positive Change in Net Position and positive cash flow for each of the years FYE 2018 through FYE 2021. However, it is not until FYE 2021 that the level of cash is in compliance with HBPU's cash reserve policy.

3.2 CASH RESERVE POLICY

HBPU's existing cash reserve policy was developed in 2013. Table No. 17 presents a calculation of cash reserve requirements using test year data. This analysis shows a cash reserve requirement of approximately \$2,724,901. Cash at the end of FYE 2016 was \$2,221,211. This shows a shortfall of \$503,690.

Table No. 17 Summary of Cash Reserve Policy			
Cash Flow Criteria	Percentage of Item to be held as Cash or Cash Equivalent	Test Year Value	Test Year Cash Reserve Required
Annual Non Fuel and Annual Non Purchased Power Expenses	12.3%	\$2,292,868	\$282,023
Annual Purchased Power Cost including Debt	4.7%	\$8,626,636	\$405,452
Historical Value of Assets	3.0%	\$36,280,868	\$1,088,426
Annual Debt Payments Not Included in Purchased Power	0.0%	0	\$0
Five Year Capital Plan Not Funded by Debt	20.0%	\$4,745,000	\$949,000
Total Cash Reserve Requirements			\$2,724,901

The five (5) year forecast presented in Tables Nos. 16 includes a comparison of cash to cash reserve requirement. As stated above, it is not until FYE 2021 that the level of cash is forecasted to comply with HBPU's cash reserve policy. The need to comply with the cash reserve policy is the main driver in recommending the 2.5% increase in base rate revenues in FYE 2020.

**TABLE NO. 16
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY**

**OPERATIONS FORECAST
BASED ON 2.0% INCREASE IN BASE RATE REVENUES IN FYE 2018**

FISCAL YEAR ENDING	TEST YEAR	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021
KWH PURCHASED AND GENERATED	128,372,565	128,372,565	128,372,565	128,372,565	128,372,565	128,372,565
KWH SALES						
Residential R-1	37,893,957	37,893,957	37,893,957	37,893,957	37,893,957	37,893,957
Residential All Electric R-2	278,030	278,030	278,030	278,030	278,030	278,030
Business - Single Phase B-1	7,719,720	7,719,720	7,719,720	7,719,720	7,719,720	7,719,720
Business - Three Phase B-3	4,234,238	4,234,238	4,234,238	4,234,238	4,234,238	4,234,238
Commercial C-1	2,160,721	2,160,721	2,160,721	2,160,721	2,160,721	2,160,721
Commercial C-1A	0	0	0	0	0	0
Commercial C-2	17,149,100	17,149,100	17,149,100	17,149,100	17,149,100	17,149,100
Commercial C-2A	272,260	272,260	272,260	272,260	272,260	272,260
Commercial C-3	14,702,006	14,702,006	14,702,006	14,702,006	14,702,006	14,702,006
Commercial C3A	241,266	241,266	241,266	241,266	241,266	241,266
General Primary Service - I	36,579,421	36,579,421	36,579,421	36,579,421	36,579,421	36,579,421
Street Lighting	566,928	566,928	566,928	566,928	566,928	566,928
Total	121,797,647	121,797,647	121,797,647	121,797,647	121,797,647	121,797,647
PERCENT INCREASE IN ELECTRIC RATES			2.0%	0.0%	2.5%	0.0%
AVERAGE RATES						
Residential R-1	0.1185	0.1162	0.1185	0.1185	0.1215	0.1215
Residential All Electric R-2	0.1199	0.1176	0.1199	0.1199	0.1229	0.1229
Business - Single Phase B-1	0.1150	0.1128	0.1150	0.1150	0.1179	0.1179
Business - Three Phase B-3	0.1202	0.1178	0.1202	0.1202	0.1232	0.1232
Commercial C-1	0.1038	0.1018	0.1038	0.1038	0.1064	0.1064
Commercial C-1A	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Commercial C-2	0.0942	0.0924	0.0942	0.0942	0.0966	0.0966
Commercial C-2A	0.1435	0.1407	0.1435	0.1435	0.1471	0.1471
Commercial C-3	0.1006	0.0986	0.1006	0.1006	0.1031	0.1031
Commercial C3A	0.1546	0.1515	0.1546	0.1546	0.1585	0.1585
General Primary Service - I	0.0846	0.0829	0.0846	0.0846	0.0867	0.0867
Street Lighting	0.0972	0.0953	0.0972	0.0972	0.0996	0.0996
Total	0.1023	0.1012	0.1102	0.1118	0.1159	0.1176
Charges for Services						
Residential R-1	\$4,490,434	\$4,403,359	\$4,490,434	\$4,490,434	\$4,602,695	\$4,602,695
Residential All Electric R-2	\$33,336	\$32,686	\$33,336	\$33,336	\$34,169	\$34,169
Business - Single Phase B-1	\$887,768	\$870,685	\$887,768	\$887,768	\$909,962	\$909,962
Business - Three Phase B-3	\$508,955	\$498,958	\$508,955	\$508,955	\$521,679	\$521,679
Commercial C-1	\$224,283	\$219,992	\$224,283	\$224,283	\$229,890	\$229,890
Commercial C-1A	\$0	\$0	\$0	\$0	\$0	\$0
Commercial C-2	\$1,615,445	\$1,584,610	\$1,615,445	\$1,615,445	\$1,655,831	\$1,655,831
Commercial C-2A	\$39,069	\$38,315	\$39,069	\$39,069	\$40,046	\$40,046
Commercial C-3	\$1,479,022	\$1,449,521	\$1,479,022	\$1,479,022	\$1,515,997	\$1,515,997
Commercial C3A	\$37,300	\$36,562	\$37,300	\$37,300	\$38,232	\$38,232
General Primary Service - I	\$3,094,619	\$3,033,104	\$3,094,619	\$3,094,619	\$3,171,984	\$3,171,984
Street Lighting	\$55,105	\$54,035	\$55,105	\$55,105	\$56,483	\$56,483
PCA	0	Included	\$956,842	\$1,148,511	\$1,344,014	\$1,543,427
2017 PCA Adjustment		\$106,609				
Total	\$12,465,336	\$12,328,435	\$13,422,178	\$13,613,847	\$14,120,984	\$14,320,397
Other Revenue	\$35,200	\$35,200	\$35,200	\$35,200	\$35,200	\$35,200
Total Revenue	\$12,500,536	\$12,363,635	\$13,457,378	\$13,649,047	\$14,156,184	\$14,355,597
Expenses						
Purchased Power Cost	\$8,626,636	\$9,284,923	\$9,583,478	\$9,775,148	\$9,970,651	\$10,170,064
Production Expenses	\$315,477	\$251,000	\$315,477	\$324,087	\$332,564	\$341,562
Distribution Expense	\$1,009,645	\$788,750	\$1,009,645	\$1,037,201	\$1,064,329	\$1,093,126
Administrative and General Expense	\$607,101	\$511,300	\$607,101	\$623,670	\$639,983	\$657,298
Depreciation	\$700,332	\$672,700	\$700,000	\$700,000	\$700,000	\$700,000
Payment in Lieu of Taxes	\$749,590	\$741,818	\$807,443	\$818,943	\$849,371	\$861,336
Total Expenses	\$12,008,781	\$12,250,491	\$13,023,143	\$13,279,049	\$13,556,897	\$13,823,385
Change in Net Position	\$491,756	\$113,144	\$434,235	\$369,999	\$599,287	\$532,212

**TABLE NO. 16
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY**

**OPERATIONS FORECAST
BASED ON 2.0% INCREASE IN BASE RATE REVENUES IN FYE 2018**

FISCAL YEAR ENDING	TEST YEAR	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021
Net Position at Start of Year		\$21,316,717	\$21,429,861	\$21,864,096	\$22,234,095	\$22,833,382
Net Position at End of Year		\$21,429,861	\$21,864,096	\$22,234,095	\$22,833,382	\$23,365,593
Cash Flow From Operations	\$1,192,088	\$785,844	\$1,134,235	\$1,069,999	\$1,299,287	\$1,232,212
Capital Improvements						
Bucket Truck		\$40,000				
Distribution Automation		\$50,000				
Pad Mount Transformers		\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Line Extensions		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Circuit Between HCHC and Hi-rise		\$350,000				
Repair Engines		\$400,000	\$400,000			
LED Street Light Conversion		\$75,000	\$75,000	\$75,000		
Compressor Room Roof		\$10,000				
277 Upgrades Phase I		\$200,000	\$200,000	\$200,000		
Underground Installation			\$100,000	\$50,000	\$50,000	\$50,000
Upgrade 4.16 KV			\$50,000	\$50,000	\$50,000	\$50,000
Replace Aging Substation Transformers				\$200,000	\$200,000	
Replace Digger Truck				\$200,000		
Other					\$610,000	\$810,000
Total Capital Improvements		\$1,165,000	\$865,000	\$815,000	\$950,000	\$950,000
Net Cash Flow		-\$379,156	\$269,235	\$254,999	\$349,287	\$282,212

CALCULATION OF CASH RESERVE REQUIREMENTS

FISCAL YEAR ENDING	TEST YEAR	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021
Operating Expenses Excluding Depreciation, and Purchased Power	\$2,292,868	\$2,292,868	\$2,739,665	\$2,803,901	\$2,886,246	\$2,953,322
Purchased Power	\$8,626,636	\$9,284,923	\$9,583,478	\$9,775,148	\$9,970,651	\$10,170,064
Historical Value of Assets	\$36,280,868	\$36,280,868	\$37,145,868	\$37,960,868	\$38,910,868	\$39,860,868
Existing Debt	\$0	\$0	\$0	\$0	\$0	\$0
Five Year Planned Capital Improvements	\$4,745,000	\$4,745,000	\$4,745,000	\$4,745,000	\$4,745,000	\$4,745,000
Applicable Percentages						
Operating Expenses Excluding Depreciation, and Purchased Power	12.3%	12.3%	12.3%	12.3%	12.3%	12.3%
Purchased Power	4.7%	4.7%	4.7%	4.7%	4.7%	4.7%
Historical Value of Assets	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Existing Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Five Year Planned Capital Improvements	20.0%	20.0%	20.0%	20.0%	20.0%	20.0%
Recommended Cash Reserve						
Operating Expenses Excluding Depreciation, and Purchased Power	\$282,023	\$282,023	\$336,979	\$344,880	\$355,008	\$363,259
Purchased Power	\$405,452	\$436,391	\$450,423	\$459,432	\$468,621	\$477,993
Historical Value of Assets	\$1,088,426	\$1,088,426	\$1,114,376	\$1,138,826	\$1,167,326	\$1,195,826
Existing Debt	\$0	\$0	\$0	\$0	\$0	\$0
Five Year Planned Capital Improvements	\$949,000	\$949,000	\$949,000	\$949,000	\$949,000	\$949,000
Total Recommended Cash Reserve	\$2,724,901	\$2,755,840	\$2,850,778	\$2,892,138	\$2,939,955	\$2,986,078
Predicted Cash and Cash Equivalents						
Cash at Start of Year		\$2,221,211	\$1,842,055	\$2,111,290	\$2,366,289	\$2,715,576
Cash at End of Year		\$1,842,055	\$2,111,290	\$2,366,289	\$2,715,576	\$2,997,787

SECTION 4 RATE ANALYSIS

This section presents a discussion of existing and proposed rates along with factors that will affect the HBPU's' electric rates both now and in the future.

4.1 EXISTING RATES AND CUSTOMER DATA

A summary of customer data for the twelve (12) month period ending November 2016 is presented in Table No. 18.

Table No. 18 Customer Data December 2015 – November 2016					
Customer Class	Average No. of Customers	Annual KWH	Average KWH Per Month Per Customer	Revenue	Average \$/KWH
Residential R-1	5,001	37,893,957	631	\$4,403,359	0.1162
Residential All Electric R-2	22	278,030	1,053	\$32,686	0.1176
Business Single Phase B-1	595	7,719,720	1,081	\$870,685	0.1128
Business Three Phase B-3	166	4,234,238	2,126	\$498,958	0.1178
Commercial C-1	22	2,160,721	8,185	\$219,992	0.1018
Commercial C-1A	1	0	0	\$0	
Commercial C-2	17	17,149,100	84,064	\$1,584,610	0.0924
Commercial C-2A	2	272,260	11,344	\$38,315	0.1407
Commercial C-3	93	14,702,006	13,174	\$1,449,521	0.0986
Commercial C3A	7	241,266	2,872	\$36,562	0.1515
General Primary Service - I	23	36,579,421	132,534	\$3,033,104	0.0829
Street Lighting	18	566,928	2,625	\$54,035	0.0953
Total	5,967	121,797,647	1,701	\$12,221,827	0.1003

Table No. 19 presents a summary of the existing rate charges. Some of the key characteristics of the existing rates are as follows.

- Each of the customer classes has a monthly customer charge.
- Energy charges do not vary depending on the amount of usage.
- Except for Street Lighting and Commercial Classes C-1A, C-2A and C-3A, the energy charges (\$/KWH) have been unbundled into three (3) charges: Distribution, Generation & Transmission and Transition.
- The Transition charge is the same for all applicable customer classes at 0.0195 \$/KWH

- Commercial classes C-1, C-2 and C-3 and the General Primary Service class each have a demand charge. The demand charges have been unbundled into Distribution and Generation & Transmission.

Table No. 19 Existing Electric Rates						
Customer Class	Customer Charge \$/Month	Energy Charges \$/KWH			Demand Charges \$/KW	
		Distribution	G&T (1)	Transition	Distribution	G&T(1)
Residential R-1	8.16	0.02280	0.07293	0.01950		
Residential All Electric R-2	8.16	0.02329	0.07993	0.01950		
Business Single Phase B-1	13.26	0.02311	0.07004	0.01950		
Business Three Phase B-3	37.08	0.02311	0.07004	0.01950		
Commercial C-1	25.50	0.01042	0.04033	0.01950	2.81	8.00
Commercial C-1A	25.00	0.14679				
Commercial C-2	61.20	0.00928	0.03537	0.01950	4.28	10.00
Commercial C-2A	61.20	0.14698				
Commercial C-3	51.00	0.01042	0.04003	0.01950	3.06	8.00
Commercial C3A	51.00	0.14679				
General Primary Service - I	122.40	0.00613	0.03624	0.01950	3.27	10.50
Street Lighting	9.69	0.10891				

Note (1) – G&T – Generation and Transmission

4.2 DISTRIBUTED ENERGY RESOURCES

Distributed Energy Resources (DER) consists of electrical generation equipment located either behind the meter on the customer's premises or connected to the utility's distribution system. DER

can come in various forms including wind turbines, solar panels and engine generators. At this time SSOE understands that none of HBPU's customers have DER, however, at least one customer (Hillsdale College) recently considered installing a DER installation and had approached HBPU about such an installation. The installation of DER is increasing throughout the country and it is likely that in the future additional customers will approach HBPU about installing DER. There are a number of issues for HBPU to consider in preparing for DER. These issues include:

- How much and what type of DER will be allowed?
- What will be the technical interconnection requirements?
- What will be the commercial requirements?
- Are there ordinances that need to be passed?

American Municipal Power Inc. (AMP) has developed a tool kit that can help HBPU work through many of these issues. HBPU has a policy in place to address DER installations up to 30 KW in size and is in the process of developing a policy to address DER installations larger than 30 KW. However, the issue at this point is what steps should HBPU take as part of this study to prepare for DER. SSOE recommends that as a minimum two (2) steps be taken.

First, the electric rates should remain unbundled. The supply of electricity can be thought of as consisting of generation of the power, transmission of the power to HBPU and then the distribution of the power to the customer. As discussed in Section 4.1, there are only four (4) customer classes whose rates are not unbundled: SSOE does not see a need to unbundle these rates. If a customer of one of the commercial classes whose rates are not unbundled wants to put in a DER installation then this customer should be required to switch to the corresponding unbundled rate. As an example, a C-1A customer wanting to put in a DER installation would switch to the C-1 rate class.

With the rates unbundled, HBPU has flexibility on how it addresses, from a billing standpoint, customers that install DER. There are numerous approaches being used today. Below is a description of two (2) of the more common possible approaches:

1. Option 1 – The DER customer is billed based on the net metered amount. As an example, if the customer uses 100 KWH with 40 KWH being generated by their DER and 60 KWH being provided by the utility then the customer's bill is based on the 60 KWH provided by the utility. The bill would include generation and transmission, distribution and the monthly charge based on the 60 KWH. If the customer produces more than it uses then the utility will have to decide if it wants to compensate the customer for this excess power and at what rate it should be compensated. Some utilities do not compensate the customer but rather carry the excess KWH as a credit to the next month's bill with any excess at the end of the year not being carried over to the next year.
2. Option 2 – the DER customer saves money based on the amount of KWH generated and the utility's cost of generation and transmission. As an example, if the customer uses a total of 100 KWH with 40 KWH being generated by their DER and 60 KWH being provided by the utility then the customer's bill is based on 60 KWH of generation and transmission charges, 100 KWH of distribution charges and the monthly charge. The

theory behind this approach is that the utility has invested in its distribution system, has to be prepared to provide distribution services for the full load of the customer and realizes very little if any decrease in distribution costs when a customer has a DER system.

Option 1 is commonly referred to as “Net Metering” while Option 2 is a modified version of Net Metering.

HBPU’s existing policy for DER installations less than 30 KW is set up based upon the traditional Net Metering i.e. Option 1.. Some of the key points of HBPU’s Net Metering Policy for installations less than 30 KW are as follows:

1. Must use renewable source of energy – solar, wind, geothermal, biomass.
2. Total DER installation on HBPU system cannot exceed 1% of peak load.
3. Net metering approach is used. However, if the customer generates more than is used the customer is given a credit on next month’s bill. The customer is not directly paid for providing power to HBPU. At the end of the year any excess generation credits do not carry over to the next year.

If HBPU maintains the current policy of limiting DER installations to less than 1% of the system peak then the existing Net Metering policy is acceptable. Although in using the traditional Net Metering approach HBPU will experience some monetary loss, the impact should not be significant since total DER is limited to no more than 1% of system load. However, if HBPU allows DER installations to exceed 1% of system load then SSOE would recommend that HBPU use the modified Net Metering approach described in Option 2 above for DER installations greater than 30 KW.

The second step that the HBPU should consider is significantly increasing its monthly charges. Increasing the monthly charge will assure a higher level of revenue certainty and help the HBPU cover more of its costs, especially if the Net Metering approach of Option 1 is maintained.

4.3 PROPOSED RATES

Based upon the Cost of Service Analysis presented in Section 2 and the multi-year forecast presented in Section 3, SSOE is recommending that base rate revenues from the sale of electricity increase by approximately 2.0%. A set of unbundled rates has been developed and is presented in Table No. 20. This table shows the revenues that will be generated by the proposed rates based on test year demand and energy usage. The proposed rates include significant increases in the monthly charges for all classes.

The proposed rates result in a 2% increase in revenue from the base rates for all customers except Residential All Electric R-2. The existing R-2 rates are set up such that the all-electric residential customer pays more for electricity than does the standard residential (R-1) customer. It is SSOE’s experience that the rates for all electric residential customers will either be equal to or less than the standard residential customer rate. SSOE proposes a 0.02 \$/KWH discount for the R-2 customers for electric usage greater than 600 KWH per month. The proposed rates accomplish this by setting the R-2 rates for the first 600 KWH per month equal to the R-1 rates. For electric usage greater than

**TABLE NO. 20
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY**

COMPARISON OF CURRENT AND PROPOSED ELECTRIC RATES
 0.00% REDUCTION IN EXCESS/(SUBSIDY)
 4.00% RETURN ON RATE BASE
 2.00% INCREASE FOR EACH CUSTOMER CLASS

CUSTOMER CLASS	BILLING UNITS	CURRENT RATE		CURRENT BASE REVENUES	REVENUE REQUIREMENTS	PROPOSED RATE	PROPOSED REVENUE	PERCENT CHANGE
Residential R-1								
Customer Charge	60,016	8.16	\$/Month	\$489,731		10.00	\$600,160	
Energy Charges								
Distribution Delivery	37,893,957	0.02280	\$/KWH	\$863,982		0.03069	\$1,162,966	
Generation & Transmission	37,893,957	0.07293	\$/KWH	\$2,763,606		0.07200	\$2,728,365	
Transition	37,893,957	0.01950	\$/KWH	\$738,932		0.00000	\$0	
Power Cost Adjustment				<u>-\$452,893</u>				
Total				\$4,403,359	\$4,491,369		\$4,491,490	2.0%
Residential All Electric R-2								
Customer Charge	259	8.16	\$/Month	\$2,113		10.00	\$2,590	
Base Energy Charges								
Distribution Delivery	186,038	0.02329	\$/KWH	\$4,333		0.03069	\$5,710	
Generation & Transmission	186,038	0.07993	\$/KWH	\$14,870		0.07200	\$13,395	
Transition	186,038	0.01950	\$/KWH	\$3,628		0.00000	\$0	
Energy Charges > 600 KWH/Month October through April								
Distribution Delivery	91,992	0.02329	\$/KWH	\$2,142		0.02069	\$1,903	
Generation & Transmission	91,992	0.07993	\$/KWH	\$7,353		0.06200	\$5,704	
Transition	91,992	0.01950	\$/KWH	\$1,794		0.00000	\$0	
Power Cost Adjustment				<u>-\$3,547.78</u>				
Total				\$32,686	\$33,339		\$29,301	-10.4%
Business								
Single Phase B-1								
Customer Charge	7,141	13.26	\$/Month	\$94,690		15.00	\$107,115	
Energy Charges								
Distribution Delivery	7,719,720	0.02311	\$/KWH	\$178,403		0.02947	\$227,500	
Generation & Transmission	7,719,720	0.07004	\$/KWH	\$540,689		0.07170	\$553,504	
Transition	7,719,720	0.01950	\$/KWH	\$150,535		0.00000	\$0	
Power Cost Adjustment				<u>-\$93,631</u>				
Total				\$870,685	\$888,088		\$888,119	2.0%
Business								
Three Phase B-3								
Customer Charge	1,992	37.08	\$/Month	\$73,863		40.44	\$80,553	
Energy Charges								
Distribution Delivery	4,234,238	0.02311	\$/KWH	\$97,853		0.02947	\$124,783	
Generation & Transmission	4,234,238	0.07004	\$/KWH	\$296,566		0.07170	\$303,595	
Transition	4,234,238	0.01950	\$/KWH	\$82,568		0.00000	\$0	
Power Cost Adjustment				<u>-\$51,892</u>				
Total				\$498,958	\$508,931		\$508,931	2.0%
Commercial C-1								
Customer Charge	263	25.50	\$/Month	\$6,707		30.00	\$7,890	
Energy Charges								
Distribution Delivery	2,160,721	0.01042	\$/KWH	\$22,515		0.01807	\$39,041	
Generation & Transmission	2,160,721	0.04033	\$/KWH	\$87,142		0.04084	\$88,242	
Transition	2,160,721	0.01950	\$/KWH	\$42,134		0.00000	\$0	
Demand Charges								
Distribution Delivery	7,940	2.81	\$/KW	\$22,311		2.94	\$23,315	
Generation & Transmission	7,940	8.00	\$/KW	\$63,519		8.30	\$65,901	
Power Cost Adjustment				<u>-\$24,336</u>				
Total				\$219,992	\$224,389		\$224,389	2.0%
Commercial C-1A								
Customer Charge	12	25.00	\$/Month	\$300		27.50	\$330	
Energy Charges	0	0.14679	\$/KWH	\$0		0.13565	\$0	
Power Cost Adjustment				<u>\$0</u>				
Total				\$300	\$0		\$330	10.0%

**TABLE NO. 20
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY**

COMPARISON OF CURRENT AND PROPOSED ELECTRIC RATES
0.00% REDUCTION IN EXCESS/(SUBSIDY)
4.00% RETURN ON RATE BASE
2.00% INCREASE FOR EACH CUSTOMER CLASS

CUSTOMER CLASS	BILLING UNITS	CURRENT RATE	CURRENT BASE REVENUES	REVENUE REQUIREMENTS	PROPOSED RATE	PROPOSED REVENUE	PERCENT CHANGE
Commercial C-2							
Customer Charge	205	61.20	\$/Month	\$12,546	65.00	\$13,325	
Energy Charges							
Distribution Delivery	17,149,100	0.00928	\$/KWH	\$159,144	0.00978	\$167,792	
Generation & Transmission	17,149,100	0.03537	\$/KWH	\$606,564	0.04252	\$729,256	
Transition	17,149,100	0.01950	\$/KWH	\$334,407	0.00000	\$0	
Demand Charges							
Distribution Delivery	47,061	4.28	\$/KW	\$201,419	4.50	\$211,773	
Generation & Transmission	47,061	10.00	\$/KW	\$470,606	10.50	\$494,136	
Power Cost Adjustment				<u>-\$200,077</u>			
Total				<u>\$1,584,610</u>	\$1,616,281	<u>\$1,616,281</u>	2.0%
Commercial C-2A							
Customer Charge	26	61.20	\$/Month	\$1,591	65.00	\$1,690	
Energy Charges	272,260	0.14698	\$/KWH	\$40,017	0.13733	\$37,391	
Power Cost Adjustment				<u>-\$3,293</u>			
Total				<u>\$38,315</u>	\$39,081	<u>\$39,081</u>	2.0%
Commercial C-3							
Customer Charge	1,114	51.00	\$/Month	\$56,814	55.00	\$61,270	
Energy Charges							
Distribution Delivery	14,702,006	0.01042	\$/KWH	\$153,195	0.01437	\$211,262	
Generation & Transmission	14,702,006	0.04003	\$/KWH	\$588,521	0.04404	\$647,505	
Transition	14,702,006	0.01950	\$/KWH	\$286,689	0.00000	\$0	
Demand Charges							
Distribution Delivery	48,351	3.06	\$/KW	\$147,955	3.25	\$157,141	
Generation & Transmission	48,351	8.00	\$/KW	\$386,810	8.30	\$401,315	
Power Cost Adjustment				<u>-\$170,462</u>			
Total				<u>\$1,449,521</u>	\$1,478,493	<u>\$1,478,493</u>	2.0%
Commercial C3A							
Customer Charge	83	51.00	\$/Month	\$4,233	55.00	\$4,565	
Energy Charges	241,266	0.14679	\$/KWH	\$35,415	0.13565	\$32,728	
Power Cost Adjustment				<u>-\$3,086</u>			
Total				<u>\$36,562</u>	\$37,293	<u>\$37,293</u>	2.0%
General Primary Service - I							
Customer Charge	278	122.40	\$/Month	\$34,027	130.00	\$36,140	
Energy Charges							
Distribution Delivery	36,579,421	0.00613	\$/KWH	\$224,232	0.00673	\$246,308	
Generation & Transmission	36,579,421	0.03624	\$/KWH	\$1,325,638	0.04328	\$1,583,267	
Transition	36,579,421	0.01950	\$/KWH	\$713,299	0.00000	\$0	
Demand Charges							
Distribution Delivery	84,984	3.27	\$/KW	\$277,896	3.45	\$293,193	
Generation & Transmission	84,984	10.50	\$/KW	\$892,327	11.00	\$934,819	
Power Cost Adjustment				<u>-\$434,315</u>			
Total				<u>\$3,033,104</u>	\$3,093,727	<u>\$3,093,727</u>	2.0%
Street Lighting							
Customer Charge	216	9.69	\$/Month	\$2,093	\$12.00	\$2,592	
Energy Charges	566,928	0.10891	\$/KWH	\$61,744	0.09265	\$52,523	
Power Cost Adjustment				<u>-\$9,802</u>			
Total				<u>\$54,035</u>	\$55,115	<u>\$55,115</u>	2.0%
Total				<u>\$12,222,127</u>	\$12,466,105	<u>\$12,462,550</u>	2.0%

600 KWH per month the R-2 Distribution and Generation & Transmission rates are set \$0.01/KWH lower than R-1 rates.

4.4 POWER COST ADJUSTMENT

The existing and proposed rates include a power cost adjustment (PCA) schedule. The PCA makes monthly adjustments to the electric rates depending on the cost of generation and transmission. The PCA is in units of \$/KWH and is applied to those KWH sales that are subject to the PCA. The PCA allows HBPU to pass on charges for which it has little or no control over. The PCA is calculated by HBPU on a monthly basis. In general the process for determining the monthly \$/KWH PCA adjustment consists of comparing the actual cost of power to the base cost of power included in the existing electric rates. HBPU uses a six (6) month averaging period to calculate the monthly PCA. HBPU also has an annual true up to account for over/under recovery of power supply costs. Some municipal electric systems will utilize a three (3) month averaging period while others will only use one (1) month of data for calculating the PCA. Using a six (6) month averaging period will result in less fluctuations in the monthly PCA value compared to the one or three month method. SSOE has reviewed HBPU's process and does not recommend any changes in the process. Using a one, three or six month average for calculating PCA will each result in HBPU recovering its power supply cost. Choosing between one of these three (3) methods is a matter of preference and how much price fluctuation HBPU thinks its customers are willing to accept. SSOE does not see any need to change the PCA averaging period.

However, the current PCA includes a base power supply cost of 0.08548 \$/KWH Sold. With the current cost of KWH sold is in the range of \$0.075/KWH, using the base cost of 0.08548 \$/KWH has consistently resulted in the PCA being a negative value.

This cost of service study and associated rates include a power supply cost of \$0.07083/KWH Sold. It is recommended that if new rates are implemented based upon this cost of service study that the base PCA value be adjusted to \$0.07083/KWH Sold at the same time that the new rates are implemented. Whether future PCA values are negative or positive will depend on the future cost of power supply.

4.5 GREEN RATE

In December 2016, Governor Snyder signed into law Senate Bill 438, the "Clean and Renewable Energy and Energy Waste Reduction Act". Subpart B of Senate Bill 438, titled "Customer Requested Renewable Energy", requires each utility (public or investor owned) in the state to offer its customers the opportunity to participate in a voluntary green pricing program under which the customer may specify, from the options made available by the utility, the amount of electricity attributable to the customer that will be renewable energy. The customer is responsible for any additional costs incurred and shall accrue any additional savings realized by the utility as a result of the customer's participation in the program. Consumers Energy has various green energy programs for its customers one of which costs an additional 0.01 \$/KWH to have 100% green power for a residential customer.

During the twelve (12) months ending November 2016, approximately 18% of HBPU's power came from five (5) hydroelectric plants. Electricity generated by a hydroelectric power plant that was built before October 6, 2008 is considered to be renewable energy. Under Senate Bill 438 electricity from a hydroelectric plant built after October 6, 2008 may also be renewable energy provided that the dam is a repair or replacement of one in existence on October 6, 2008. All of the electricity provided by the five (5) hydroelectric facilities providing power to HBPU are considered to be renewable energy as defined by Senate Bill 438.

Recent cost data provided by MSCPA shows the average cost of electricity from hydroelectric facilities supplying power to MSCPA members is approximately \$0.09562/KWH. As stated previously, the cost of power included in this study is \$0.0672/KWH purchased. The average cost of hydroelectric power is \$0.02932/KWH higher than HBPU's average cost of power. SSOE recommends that in order to meet the Green Rate required by Senate Bill 438 that HBPU offer an adder of \$0.02932/KWH for all rates. The cost of hydroelectric power will fluctuate and it is therefore recommended that this rate be evaluated at least once per year.

4.6 ECONOMIC DEVELOPMENT RATE

SSOE was requested to develop an economic development rate as part of this study. The purpose of an economic development rate is to provide an incentive for new customers to move into the HBPU territory and for existing customers to increase load. An economic development rate needs to be competitive with economic development rates being offered by other utilities in the area and it needs to cover HBPU's incremental cost.

Table No. 21 presents a comparison of economic development rates being offered by Coldwater, Lansing, Marshall and Indiana & Michigan Power (I&M). SSOE also researched the availability of economic rates for the City of Sturgis, Consumers Energy and DTE but could not find rates available in the public domain. Key points for the economic development rates shown in Table No. 21 are as follows:

1. The minimum size load that qualifies for an economic development rate varies from 100 KW to 500 KW
2. The term of the economic development rate is three (3) years for Coldwater and I&M and six (6) years for Lansing. Marshall's term is to be negotiated.
3. Coldwater offers between a 10% - 12% savings on both energy and capacity charges. I&M and Lansing offer savings on their capacity charges only. Marshall's level of savings is to be negotiated.

Table No. 22 analyzes the incremental cost of adding a new load. Three (3) levels of incremental cost were considered 0%, 50% and 100%. An incremental cost factor of 0% means that adding a new load will not increase the associated expense while an incremental cost of 100% means that the increase in cost associated with the new load will be in direct proportion to the size of the new load. SSOE would expect that a new load would have little or no impact on the overall cost of Production, Customer Services or Depreciation. Therefore the incremental cost factor for these

categories is set to 0%. SSOE does expect that the following categories will experience an increase costs in direct proportion to size of the new load: Purchased Power, Distribution, Customer Accounts, and Payment in Lieu of Taxes. These categories have an incremental cost factor of 100%. The last remaining category is Other Administrative & General expense. SSOE would expect that there will be some increase in these costs, however, it is difficult to predict how much. For the purpose of this analysis SSOE assumes a 50% incremental cost factor for the Other Administrative & General expense category. Using the factors discussed above, Table No. 22 indicates that HBPU can offer a 10% discount on a customer's overall bill and still cover its incremental cost.

Therefore, based on our research and analysis, SSOE recommends that if HBPU decides to implement an economic development rate that the rate should incorporate the following basic parameters

1. A term of three (3) years
2. Minimum new or additional load of 150 KW
3. Applies to all rates except residential.
4. Offers a 10% discount on demand and energy charges.
5. No discount on the monthly customer charge.

4.7 RATE COMPARISON

Table No. 23 provides the average cost of power in Cents/KWH for HBPU's existing and proposed rates as compared to investor owned utilities (IOU) serving customers in Michigan along with the cities of Coldwater, Marshall and Sturgis. The IOU data is from the Michigan Public Service Commission (MPSC) web site and represents costs as of February 1, 2017. Rates and power cost adjustments for Coldwater, Marshall and Sturgis were directly obtained from each of the respective cities. In developing the HBPU costs, it is assumed that the power supply costs equals the FYE 2017 forecasted value of 0.07623 \$/KWH Sold. This results in a PCA of -0.00925 \$/KWH for the existing rates and +0.0054 \$/KWH for the proposed rates.

**TABLE NO. 21
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY**

COMPARISON OF EXISTING ECONOMIC DEVELOPMENT RATES

Utility	Coldwater	Coldwater	I&M	Lansing	Marshall
Minimum New Load - KW	100	500	250	150	200
Term - Years	3	3	3	6	To Be Negotiated
Applicable Rates	Primary D Existing Loads >25 KW	Primary D-2 Existing Loads >2500 KW	Loads >100 KW	Loads >15 KW	Loads Served at 2400 volts or greater
Discounts	12% on both Capacity and Energy Charges	10% on both Capacity and Energy Charges	Billing Demand KW above minimum discounted between 15% and 20% depending on various factors	Capacity charge 50% - Years 1&2 30% - Years 3&4 10% - Years 5&6	To Be Negotiated

Note: Sturgis, Consumers Energy and Detroit Edison did not have any economic development rate listed on their web sites
Consumers Energy and Detroit Edison did verbally indicate that they would probably negotiate an economic development rate

**TABLE NO. 22
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY**

DEVELOPMENT OF DISCOUNTS FOR ECONOMIC DEVELOPMENT RATES

	TEST YEAR	EXISTING GENERATION & TRANSMISSION CHARGES	EXISTING MONTHLY & DISTRIBUTION CHARGES	INCREMENTAL COST FACTOR	ECONOMIC DEVELOPMENT GENERATION & TRANSMISSION CHARGES	ECONOMIC DEVELOPMENT MONTHLY & DISTRIBUTION CHARGES
Operating Expenses						
Purchased Power Cost	\$8,626,636	\$8,626,636		100.0%	\$8,626,636	
Production Expenses	\$315,477		\$315,477	0.0%		\$0
Distribution Expenses						
Operations	\$291,029		\$291,029	100.0%		\$291,029
Maintenance	\$718,616		\$718,616	100.0%		\$718,616
Administrative and General Expense						
Customer Accounts	\$77,876		\$77,876	100.0%		\$77,876
Customer Service	\$38,765		\$38,765	0.0%		\$0
Payment in Lieu of Taxes	\$749,590		\$749,590	100.0%		\$749,590
Other A&G Accounts	\$490,459		\$490,459	50.0%		\$245,230
Depreciation	\$700,332		\$700,332	0.0%		\$0
Total	\$12,008,781	\$8,626,636	\$3,382,144		\$8,626,636	\$2,082,341

CALCULATED DISCOUNTS

GENERATION & TRANSMISSION CHARGES

0.0%

MONTHLY & DISTRIBUTION CHARGES

38.4%

OVERALL

10.8%

**TABLE NO. 23
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY
COMPARISON OF AVERAGE RATES IN CENTS PER KWH
FOR VARIOUS UTILITIES LOCATED IN MICHIGAN
FEBRUARY 1, 2017**

	RESIDENTIAL			SMALL COMMERCIAL		LARGE COMMERCIAL			INDUSTRIAL	
	KW KWH	250	500	1,000	5 1,000	25 5,000	100 21,600	100 26,800	100 36,000	1,000 432,000
<u>INVESTOR OWNED UTILITY</u>										
ALPENA POWER		14.48	13.29	12.69	13.00	12.15	12.49	11.21	10.32	8.45
CONSUMERS ENERGY		17.37	15.78	14.98	15.83	14.17	14.39	13.23	12.54	9.37
DTE ELECTRIC		17.77	16.38	16.44	13.73	12.84	12.23	12.19	10.97	8.33
AEP (I&M) COMBINED		14.68	12.36	11.23	13.67	11.66	10.77	9.96	9.47	8.37
NORTHERN STATES POWER		15.33	13.39	12.42	12.55	11.51	12.70	11.52	10.82	10.53
UPPER PENINSULAR POWER		27.01	24.01	22.51	18.58	16.89	12.08	11.53	11.20	10.26
UPPER PENINSULAR POWER IRON RIVER		26.11	23.11	22.42	18.58	16.89	12.08	11.53	11.20	10.26
UMERC (FORMERLY WEPCO)		18.34	16.35	15.36	17.36	15.20	14.84	14.80	12.62	10.99
UMERC (FORMERLY WPSC)		15.28	12.89	11.69	13.58	11.32	11.05	10.96	10.91	9.01
INVESTOR OWNED UTILITY AVERAGE		18.48	16.39	15.53	15.21	13.62	12.52	11.88	11.12	9.51
HILLSDALE EXISTING RATES										
R-1		13.86	12.23	11.41						
R-2		14.61	12.98	12.16						
B-1					11.67	10.61				
B-3					14.05	11.08				
C-1					14.06	12.02				
C-3					16.70	12.62				
C-2							12.38	11.05	9.63	
I							12.20	10.86	9.43	8.48
HILLSDALE PROPOSED RATES										
R-1		14.81	12.81	11.81						
R-2		14.81	12.81	11.01						
B-1					12.16	10.96				
B-3					14.70	11.47				
C-1					15.05	12.65				
C-3					17.66	13.26				
C-2							13.02	11.61	10.12	
I							12.83	11.42	9.92	8.92
COLDWATER BOARD OF PUBLIC UTILITIES EXISTING RATES										
A		13.61	12.11	11.36						
B					13.59	12.71				
C					14.34	12.90				
D						12.48	11.09	10.09	9.03	8.38
D-2										

**TABLE NO. 23
HILLSDALE BOARD OF PUBLIC UTILITIES
ELECTRIC COST OF SERVICE AND RATE STUDY
COMPARISON OF AVERAGE RATES IN CENTS PER KWH
FOR VARIOUS UTILITIES LOCATED IN MICHIGAN
FEBRUARY 1, 2017**

	KW KWH	RESIDENTIAL			SMALL COMMERCIAL		LARGE COMMERCIAL			INDUSTRIAL
		250	500	1,000	5 1,000	25 5,000	100 21,600	100 26,800	100 36,000	1,000 432,000
MARSHALL ELECTRIC UTILITIES										
EXISTING RATES										
A		14.81	13.36	12.64						
A-1		14.81	13.36	11.04						
LS		12.61	11.76	11.34						
B					13.29	12.05				
B-1					9.29	8.05				
C					14.55	13.31	12.66	11.67	10.62	
D						14.68	12.80	11.89	10.92	
D-2										10.24
STURGIS ELECTRIC DEPARTMENT										
EXISTING RATES										
A		16.50	13.50	12.00						
B		19.12	15.12	13.12						
C					17.38	14.90	14.43	14.40	14.37	
CAE					17.78	14.98	12.27	12.11	11.95	
D							15.43	13.85	12.16	11.16
LPP							15.13	13.45	11.67	10.34
PP							15.23	13.55	11.76	10.44



City of Hillsdale Agenda Item Summary

MEETING DATE: May 1, 2017

AGENDA ITEM: New Business

SUBJECT: Airport Apron Bid Award

BACKGROUND PROVIDED BY: David Mackie, City Manager

New Airport Apron Construction: Approval of this project includes Recommendation to Award the construction contract to Kalin Construction Company, low bidder for base bid and bid alternate No. 1, in the amount of \$1,057,477.60 and the approval of RS&H Construction Phase Services in the amount of \$108,800. The overall Project Budget (Kalin Construction, RS&H and MDOT Aero Administration Fee) is \$1,172,278. The project will be funded by Fiscal Year 2016 and 2017 Federal Entitlement Funds, State Entitlement Funding, State Discretionary Funding and local funds. The federal funding will be made available to the City at two times (May 2017 for the FY 2016 funds and September 2017 for the FY 2017 funds). The total local cost associated with the project is programmed at \$102,267.

RECOMMENDATION

Award Kalin Construction, low bidder, construction of the Hillsdale Municipal Airport's new apron contingent upon MDOT AERO's grant execution scheduled for May 24, 2017.



827 Willow Run Airport
Second Floor
Ypsilanti, Michigan 48198

☎ 734-484-0962
F 800-898-4387
rsandh.com

March 6, 2017

City of Hillsdale
ATTN: David E. Mackie
City Manager
97 N. Broad St
Hillsdale, Michigan 49242

**RE: Hillsdale Municipal Airport
New Apron
Bid Tabulation and Recommendation of Award**

Dear Mr. Mackie,

We have reviewed the bids for the above referenced project. Attached find a copy of the Bid Tabulation for the bid opening held February 24, 2017. After reviewing the bids we found mathematical errors by multiple bidders, which have been identified in the Bid Summary Sheet.

The low bidder for both the base bid and bid alternate No. 1 is Kalin Construction Company Inc. RS&H does not recommend proceeding with bid alternate No. 2. It is recommended that Kalin Construction Company Inc. be awarded the contract for this project, subject to legal review, City approval, and the procurement of funding.

If the City wishes to proceed with the base bid construction only, we recommend award of the project in the amount of \$933,086.20 to Kalin Construction Company Inc. If the City wishes to proceed with the base bid and bid alternate No. 1 construction, we recommend award of the project in the amount of \$1,057,477.60 to Kalin Construction Company Inc.

Prior to award of contract, Kalin Construction Company Inc. shall provide completed Proposal Forms P-4 and P-8 to the City. If you have any questions, please contact us at your convenience.

Regards,

RS&H MICHIGAN, INC,

Nicholas J. Patterson, PE, LEED AP
Project Manager

Attachment

HILLSDALE MUNICIPAL AIRPORT - NEW APRON

MDOT Number FM 130-04-C18

RS&H Michigan, Inc.

Date Prepared: February 27, 2017

Prepared By: NJP/RE

RS&H Project No. 210-3512-001

File Name: Hillsdale New Apron Bid Tab 02-24-17.xls

Bid Tabulation Summary

BIDDER	BASE BID	BID ALT NO. 1	BID ALT NO. 2				TOTAL
Engineer's Estimate	\$ 931,560.00	\$ 127,795.00	\$ 19,140.00				\$ 1,078,495.00
Bidder No. 1 - Kalin Construction	\$ 933,086.20	\$ 124,391.40	\$ 79,626.00				\$ 1,137,103.60
Bidder No. 2 - Miller Brothers Const.	\$ 934,562.77	\$ 128,034.50	\$ 62,447.00				\$ 1,125,044.27
Bidder No. 3 - Brick Paver Construction	\$ 1,010,854.38	\$ 150,092.62	\$ 76,105.20				\$ 1,237,052.20
Bidder No. 4 - Toebe Construction	\$ 1,037,423.00	\$ 122,473.40	\$ 113,851.60				\$ 1,273,748.00
Bidder No. 5 - Kamminga & Roodvoets	\$ 1,076,123.80	\$ 150,341.40	\$ 93,192.00				\$ 1,319,657.20
Bidder No. 6 - Hoffman Brothers, Inc.	\$ 1,085,053.40	\$ 137,884.87	\$ 71,420.40				\$ 1,294,358.67
Bidder No. 7 - DuBois Trucking	\$ 1,123,201.00	\$ 173,784.05	\$ 89,882.10				\$ 1,386,867.15
Bidder No. 8 - C&D Hughes, Inc.	\$ 1,195,313.00	\$ 161,235.00	\$ 36,862.00				\$ 1,393,410.00

Bid Tabulation Errors

BIDDER	TABULATION ERRORS	NET EFFECT ON GRAND TOTALS
Bidder No. 1 - Kalin Construction	None	None
Bidder No. 2 - Miller Brothers Const.	None	None
Bidder No. 3 - Brick Paver Construction	Error in Base Bid Tabulation. Base Bid Total is off by \$3,136. Actual Total is \$1,010,854.38.	(\$3,136.00)
Bidder No. 4 - Toebe Construction	None	None
Bidder No. 5 - Kamminga & Roodvoets	None	None
Bidder No. 6 - Hoffman Brothers, Inc.	None	None
Bidder No. 7 - DuBois Trucking	Error in Base Bid Tabulation. Base Bid Total is off by \$2,264.73. Actual Total is \$1,123,201.00.	\$2,264.73
Bidder No. 8 - C&D Hughes, Inc.	None	None

DRAFT EXHIBIT 1

**HILLSDALE MUNICIPAL AIRPORT
HILLSDALE, MICHIGAN**

Project No. B-26-0044-2616
Contract No. FM 30-04-C18

March 23, 2017

	Federal	State	Local	Total
<u>ADMINISTRATION</u>	<u>\$450</u>	<u>\$25</u>	<u>\$25</u>	<u>\$500</u>
DEPARTMENT-AERO	\$450	\$25	\$25	\$500
<u>PLANNING</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>DESIGN</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>CONSTRUCTION</u>	<u>\$149,550</u>	<u>\$808,308</u>	<u>\$213,920</u>	<u>\$1,171,778</u>
Construct Apron - future terminal area	\$46,680	\$2,593	\$2,594	\$51,867
Construct Apron - future terminal area (State/Local)	\$0	\$800,000	\$88,889	\$888,889
Construct Apron - future terminal area (Local)	\$0	\$0	\$116,722	\$116,722
AERO - Construction	\$4,950	\$275	\$275	\$5,500
CONSULTANT - Construction	\$97,920	\$5,440	\$5,440	\$108,800
<u>CONTINGENCIES</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Construction Contingencies	\$0	\$0	\$0	\$0
TOTAL PROJECT BUDGET	\$150,000	\$808,333	\$213,945	\$1,172,278

Federal Billing Breakdown:

Bill #1 \$150,000 SBGP 9616 Grant Award Date: 8/22/16

Period of Performance End Date: 8/21/19

MAC Approval: 5/24/17

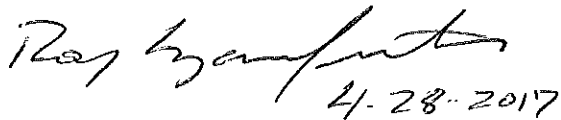
Airport Advisory Committee
1727 Airport Road
Hillsdale, MI 49242

City Council
Hillsdale City Hall
97 North Broad Street
Hillsdale, MI 49242

Members of Hillsdale City Council:

The Airport Advisory Committee voted in support of moving forward with the Apron project. The motion was made at the April 9th meeting, and passed unanimously. The Airport Advisory Committee would like to further congratulate the City of Hillsdale for raising the funds needed through grants and entitlements. Excellent Work!

Regards,



Roy Szarafinski
4-28-2017

Roy Szarafinski
Airport Advisory Committee Chairman
Hillsdale Municipal Airport



CITY OF HILLSDALE

97 NORTH BROAD STREET
HILLSDALE, MICHIGAN 49242-1695
(517) 437-6442 FAX: (517) 437-6448
cityofhillsdale.org

Name: John R. Condon

Address: 3411 N. Hillsdale Road Hillsdale 49242
Street City Zip

Phone: Home [REDACTED] Work [REDACTED]

E-Mail [REDACTED]

Are you a resident of City of Hillsdale? Yes _____ No _____

Occupation: (if retired, former occupation) Business owner (Hillsdale Terminal), Engineer

Please check the expertise and skills you can contribute:

- Accounting
- Fund Raising
- Marketing
- Advocacy
- Human Resources
- Planning
- Computers
- Knowledge of the Cause
- Public Relations
- Legal
- Community Relations
- Public Speaking
- Finance
- Management
- Other _____

Brief Educational Background:

Hillsdale High School Graduate 1976. Related Trade Instruction: Tool & Die Jackson Community College 1976-1981
Self taught CAD/CAM, Computer Networking. Computer Servers, PLC programming.

What charitable or community activities have you **actively** participated in? Please describe any leadership role(s) you have (had) in the organization(s):

On what other volunteer boards/committees have you served? _____

Hillsdale EDP 4 years
Advisory Committee for Hillsdale Workforce Development Center 10 years

Describe any previous activities related to government: _____

Please explain why you would be interested in serving on the council or committee: _____

I want to see the city Hillsdale grow and prosper, I think the first step is bringing in good jobs to the community. I have lived in Hillsdale 50 years I have seen the effect of losing some jobs to other countries over the years , I would like to see those jobs returned to the US, and there is no better place for those jobs than in Hillsdale Michigan.

Please explain your understanding of the City of Hillsdale: _____

Hillsdale City is the county seat of Hillsdale County and as such I would like to see it grow. The city has much to offer with the Hospital and the College. I would like to also see the City be the center for Industrial growth too. The Industrial Park has much room to attract new business. I think out Industrial Park has a well diversified group of businesses and I believe this will help in the long run for stable job opportunities. I would like to see even more diverse businesses move into the City Industrial park.

Additional comments: My family has created a business that is World Class and World Competitive. I think I can share my success story with anyone interested in moving a business into the Hillsdale Community. We have always been proud to say we are located in Hillsdale Michigan when talking with our potential or current customers.

Please send your completed application to City of Hillsdale, City Manager at 97 North Broad Street, Hillsdale, MI 49242.

John R. Condon

Applicant Signature

Digitally signed by John R. Condon
DN: cn=John R. Condon, o=Hillsdale Terminal, ou=Engineering, email=john@hillsdalterminal.com, c=US
Date: 2017.04.04 13:57:51 -0400

04/04/2017

Date

(OVER)

2

ECONOMIC DEVELOPMENT CORPORATIONS ACT
Act 338 of 1974

125.1604 Economic development corporation; incorporation; application; notice; hearing; approval; board of directors; appointment, qualifications, terms, and compensation of directors; public meetings; directors as public officers; expiration; vacancy; removal; disclosure of interest; planning commission of certain municipalities serving as board of directors.

Sec. 4. (2) The board of directors of the corporation shall consist of not less than 9 persons, not more than 3 of whom shall be an officer or employee of the municipality. The chief executive officer and any member of the governing body of the municipality may serve on the board of directors. These directors shall be appointed for terms of 6 years, except of the directors first appointed, 4 shall be appointed for 6 years, 1 for 5 years, 1 for 4 years, 1 for 3 years, 1 for 2 years, and 1 for 1 year. The corporation shall notify the chief executive officer of the municipality in writing upon the corporation's designation of the project area as provided in section 8(1), and there shall be appointed promptly after that notice 2 additional directors of the corporation who shall serve only in respect to that project and shall be representative of neighborhood residents and business interests likely to be affected by the project proposed by the corporation and who shall cease to serve when the project for which they are appointed is either abandoned or, if undertaken, is completed in accordance with the project plan. Directors shall serve without salary, but may be reimbursed their actual expenses incurred in the performance of their official duties, and may receive a per diem of not more than \$50.00. The meetings of the board of directors shall be public. Directors shall be public officers. The rules of procedure or the by-laws of the corporation may permit a person to be appointed to the board in his or her capacity as a public official, whether appointed or elected. The rules of procedure or the by-laws of the corporation may also provide that a member's term on the board shall expire upon expiration of the member's service as a public official. The expiration of service as a public official shall be defined to also include the public official's resignation or removal from the position as a public official.