Stoughton Utilities

Financial Summary

November 2010 - YTD

Highlights-Comparison to prior month

I have no concerns with the utility's financial status. The following items are meant to illustrate significant changes in the financial summary from prior periods.

Electric and water rate of return calculations are as expected for year to date November 30, 2010.

Electric rates were approved with an effective date of January 3, 2011.

Wastewater revenue requirements were reviewed by staff.
No rate changes are expected for 2011 unless permit requirements necessitate immediate improvements to the WWTP.

Submitted by:
Kim M. Jennings, CPA

Stoughton Utilities
Income Statement
November 2010 - YTD

	Electric	Water	Wastewater	Total
Operating Revenue:				
Sales	$ 11,605,519	$ 1,261,982	$ 1,664,808	$ 14,532,310
Unbilled Revenue	1,147,249	134,120	$ 157,242	1,438,611
Other	140,775	45,921	74,212	260,908
Total Operating Revenue:	**$ 12,893,543**	**$ 1,442,024**	**$ 1,896,262**	**$ 16,231,829**
Operating Expense:				
Purchased Power	$ 9,972,166	$ -	$ -	$ 9,972,166
Expenses	1,022,249	580,014	753,919	2,356,183
Taxes	401,439	236,640	22,430	660,509
Depreciation	742,500	320,837	600,413	1,663,750
Total Operating Expense:	**$ 12,138,354**	**$ 1,137,491**	**$ 1,376,763**	**$ 14,652,608**
Operating Income	**$ 755,189**	**$ 304,533**	**$ 519,499**	**$ 1,579,221**
Non-Operating Income	101,017	55,270	52,350	208,638
Non-Operating Expense	(405,352)	(99,322)	(130,636)	(635,309)
Net Income	**$ 450,854**	**$ 260,481**	**$ 441,213**	**$ 1,152,549**

Stoughton Utilities
Rate of Return
November 2010 - YTD

		Electric		Water
Operating Income (Regulatory)	$	755,189	$	304,533
Average Utility Plant in Service		20,704,095		9,271,197
Average Accumulated Depreciation		(8,149,261)		(3,298,226)
Average Materials and Supplies		132,078		35,237
Average Regulatory Liability		(321,324)		(496,310)
Average Net Rate Base	$	12,365,588	$	5,511,898
Actual Rate of Return		**6.11%**		**5.53%**
Authorized Rate of Return		**6.50%**		**6.50%**

Stoughton Utilities
Summary of Reserve Funds
Electric Utility

Fund	Balance as of 11/30/10	Additions to or Subtractions From by the end of 2010	Estimated 12/31/10 Balance	Year of Expenditure
Capital Equipment and Replacements				
Substation - Transrupter Addition	$ 502,000	$ (200,000)	$ 302,000	2010-2011
Digger Derrick	$ 280,000		$ 280,000	2011
Hybrid Bucket Truck	$ 150,000	$ (150,000)	$ -	
Replace reclosers and regulators	$ 338,900	$ -	$ 338,900	2012, 2014
Substation equipment replacement	$ 295,300	$ -	$ 295,300	2012, 2014
Bucket Truck	$ 280,000	$ -	$ 280,000	2013
Total Capital Equipment and Replacements	$ 1,846,200	$ (350,000)	$ 1,496,200	
Restricted Bond Funds				
Redemption Fund	$ 281,472	$ 58,000	$ 339,472	
Reserve Fund	$ 1,046,094	$ -	$ 1,046,094	
Depreciation Fund	$ 25,000	$ -	$ 25,000	
Total Restricted Bond Funds	$ 1,352,567	$ 58,000	$ 1,410,567	
Post Retirement Sick Leave Reserve	$ 158,539	$ 7,000	$ 165,539	
Self Insurance Reserve	$ 50,000	$ -	$ 50,000	
Water Utility Interfund Loan	$ 1,000,000	$ (500,000)	$ 500,000	
Unrestricted Reserve *	$ 2,514,307	$ (251,483)	$ 2,262,823	
Total Cash and Investments	**$ 6,921,612**	**$ (1,036,483)**	**$ 5,885,129**	

* Unrestricted Reserve equals 2 months of electric utility operating expenditures.

Stoughton Utilities
Summary of Reserve Funds
Water Utility

Fund	Balance as of 11/30/10	Additions to or Subtractions From by the end of 2010	Estimated 12/31/10 Balance	Year of Expenditure
Capital Equipment and Replacements				
Main Street Project (RR to Henry) - Borrowed	$ -	$ -	$ -	2011
SCADA System Upgrade	$ 185,000	$ -	$ 185,000	2011
Total Capital Equipment and Replacements	$ 185,000	$ -	$ 185,000	
Restricted Bond Funds				
Redemption Fund	$ 93,331	$ 18,500	$ 111,831	
Reserve Fund	$ 349,660	$ -	$ 349,660	
Depreciation Fund	$ 25,000	$ -	$ 25,000	
Total Restricted Bond Funds	$ 467,991	$ 18,500	$ 486,491	
Post Retirement Sick Leave Reserve	$ 73,672	$ 3,000	$ 76,672	
Self Insurance Reserve	$ 50,000	$ -	$ 50,000	
Unrestricted Reserve *	$ 726,273	$ (71,771)	$ 654,502	
Total Cash and Investments	**$ 1,502,935**	**$ (50,271)**	**$ 1,452,664**	

* Unrestricted Reserve equals 5 1/2 months of water utility operating expenditures.

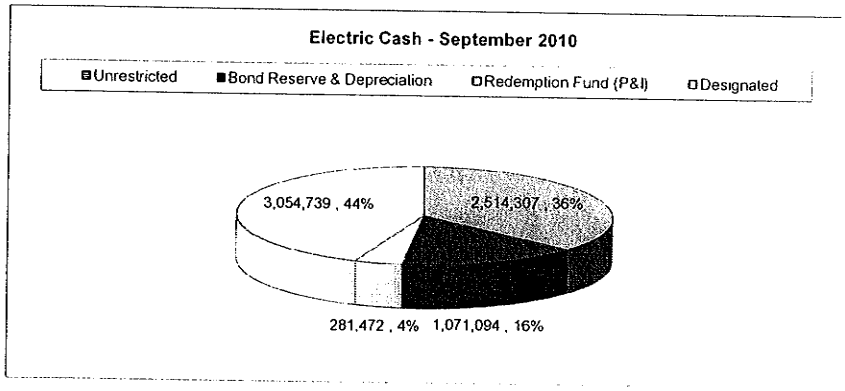
Stoughton Utilities
Summary of Reserve Funds
Wastewater Utility

Fund	Balance as of 11/30/10	Additions to or Subtractions From by the end of 2010	Estimated 12/31/10 Balance	Year of Expenditure
Capital Equipment and Replacements				
Main Street Project (RR to Henry)	$ 465,735	$ -	$ 465,735	2011
Lift Station - Eighth Street	$ 250,000	$ -	$ 250,000	2015
SCADA System Upgrade	$ 186,430	$ -	$ 186,430	2011
Total Capital Equipment and Replacements	$ 902,165	$ -	$ 902,165	
Restricted Bond Funds				
Redemption Fund	$ 365,516	$ 61,500	$ 427,016	
DNR Replacement Fund	$ 1,058,600	$ 15,000	$ 1,073,600	
Depreciation Fund	$ 33,283	$ -	$ 33,283	
Total Restricted Bond Funds	$ 1,457,399	$ 76,500	$ 1,533,899	
Post Retirement Sick Leave Reserve	$ 82,000	$ 4,000	$ 86,000	
Self Insurance Reserve	$ 50,000	$ -	$ 50,000	
Unrestricted Reserve *	$ 773,654	$ (10,727)	$ 762,928	
Total Cash and Investments	**$ 3,265,219**	**$ 69,773**	**$ 3,334,992**	

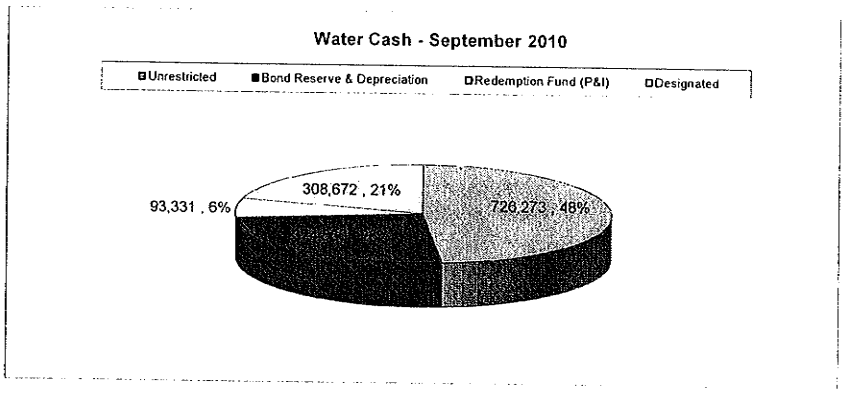
* Unrestricted Reserve equals 5 1/2 months of wastewater utility operating expenditures.

Stoughton Utilities
Cash & Investments

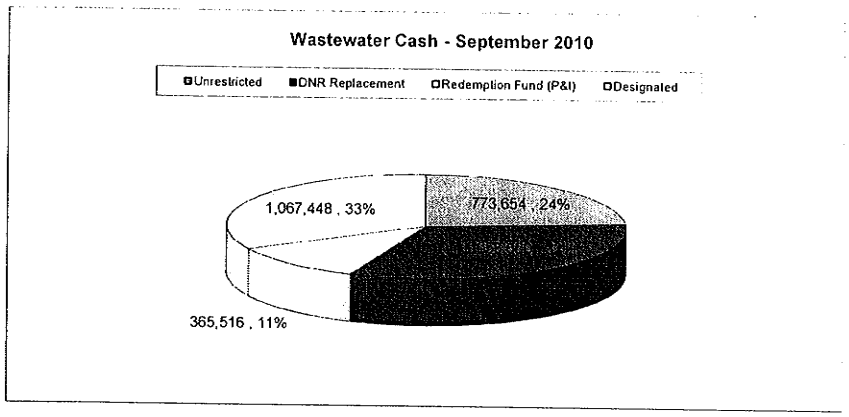
Electric	Sep-10
Unrestricted	2,514,307
Bond Reserve & Depreciation	1,071,094
Redemption Fund (P&I)	281,472
Designated	3,054,739
Total	**6,921,612**



Water	Sep-10
Unrestricted	726,273
Bond Reserve & Depreciation	374,660
Redemption Fund (P&I)	93,331
Designated	308,672
Total	**1,502,935**



Wastewater	Sep-10
Unrestricted	773,654
DNR Replacement	1,058,600
Redemption Fund (P&I)	365,516
Designated	1,067,448
Total	**3,265,219**



Stoughton Utilities
Balance Sheet
November 2010 - YTD

Assets		**Electric**		**Water**		**WW**		**Total**
Cash & Investments	$	6,921,612	$	1,502,935	$	3,265,219	$	11,689,766
Customer A/R		1,340,402		168,554		150,665		1,659,620
Other A/R		40,285		8,230		61,342		109,857
Other Current Assets		313,356		177,097		6,155		496,608
Plant in Service		21,627,774		9,637,323		21,672,743		52,937,840
Accumulated Depreciation		(8,908,107)		(3,265,954)		(7,205,645)		(19,379,706)
Plant in Service - CIAC		2,424,216		5,406,105		-		7,830,321
Accumulated Depreciation-CIAC		(521,624)		(1,267,111)		-		(1,788,736)
Construction Work in Progress		730,049		1,687,998		182,804		2,600,851
Total Assets	**$**	**23,967,963**	**$**	**14,055,175**	**$**	**18,133,283**	**$**	**56,156,421**
Liabilities + Net Assets								
A/P	$	1,047,361	$	5,758	$	(27)	$	1,053,093
Taxes Accrued		256,663		218,163		-		474,826
Interest Accrued		53,763		16,519		6,702		76,985
Other Current Liabilities		212,869		125,236		102,924		441,030
Long-Term Debt		6,788,539		3,274,799		4,795,454		14,858,792
Net Assets		15,608,766		10,414,700		13,228,230		39,251,696
Total Liabilities + Net Assets	**$**	**23,967,963**	**$**	**14,055,175**	**$**	**18,133,283**	**$**	**56,156,421**