

BADGER METER INC
Form 11-K
June 15, 2018

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2017

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-06706

A. Full title of the Plan and the address of the Plan, if different from that of the issuer named below:

Badger Meter Employee Savings and Stock Ownership Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Badger Meter, Inc.
4545 W. Brown Deer Road
Milwaukee, WI 53223

REQUIRED INFORMATION

The Badger Meter Employee Savings and Stock Ownership Plan (“the Plan”) is subject to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA). Attached hereto is a copy of the most recent financial statements and schedules of the Plan prepared in accordance with the financial reporting requirements of ERISA.

Badger Meter Employee Savings and Stock Ownership Plan

Financial Statements and Supplemental Schedules

December 31, 2017 and 2016

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Report of Independent Registered Public Accounting Firm

Audit and Compliance Committee of the Board of Directors of Badger Meter, Inc.
Badger Meter Employee Savings and Stock Ownership Plan
Milwaukee, WI

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of Badger Meter Employee Savings and Stock Ownership Plan (“the Plan”) as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017 and the related notes and schedule (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits for the year ended December 31, 2017 in conformity with accounting principles generally accepted in the United States.

Basis for Opinion

These financial statements are the responsibility of the Plan’s management. Our responsibility is to express an opinion on the Plan’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The Schedule H, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental information is the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Wipfli LLP

We have served as the Plan's auditor since 2004.

Milwaukee, Wisconsin

June 15, 2018

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Badger Meter Employee Savings and Stock Ownership Plan

Statement of Net Assets Available for Benefits

December 31, 2017

	Unallocated	Allocated	Total
Assets:			
Investments, at fair value	\$3,951,561	\$103,835,024	\$107,786,585
Fully benefit-responsive investment contract at contract value	—	20,230,008	20,230,008
Company contributions receivable	—	2,835,082	2,835,082
Employee contributions receivable	—	127,350	127,350
Pending trades	—	242,772	242,772
Interest and dividends receivable	28	8,570	8,598
Notes receivable from participants	—	1,315,039	1,315,039
Total assets	3,951,589	128,593,845	132,545,434
Liabilities:			
Notes payable	(460,811)	—	(460,811)
Benefits payable	—	(389,285)	(389,285)
Net assets available for benefits	\$3,490,778	\$128,204,560	\$131,695,338

See accompanying notes to financial statements.

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Badger Meter Employee Savings and Stock Ownership Plan

Statement of Net Assets Available for Benefits

December 31, 2016

	Unallocated	Allocated	Total
Assets:			
Investments, at fair value	\$3,784,523	\$85,309,632	\$89,094,155
Fully benefit-responsive investment contract at contract value	—	21,911,529	21,911,529
Company contributions receivable	—	2,726,868	2,726,868
Interest and dividends receivable	12	6,383	6,395
Notes receivable from participants	—	1,309,961	1,309,961
Total assets	3,784,535	111,264,373	115,048,908
Liability:			
Notes payable	(614,415)	—	(614,415)
Net assets available for benefits	\$3,170,120	\$111,264,373	\$114,434,493

See accompanying notes to financial statements.

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Badger Meter Employee Savings and Stock Ownership Plan

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2017

	Unallocated	Allocated	Total
Additions:			
Investment income:			
Net appreciation in fair value of investments	\$ 919,861	\$17,566,964	\$18,486,825
Interest	151	645,352	645,503
Dividends	40,095	1,250,269	1,290,364
Total investment income	960,107	19,462,585	20,422,692
Contributions:			
Company	169,622	2,835,082	3,004,704
Roll overs	—	816,343	816,343
Participants	—	4,409,382	4,409,382
Total contributions	169,622	8,060,807	8,230,429
Interest income on notes receivable from participants	—	44,175	44,175
Total additions	1,129,729	27,567,567	28,697,296
Deductions:			
Benefits paid to participants	—	11,417,934	11,417,934
Interest expense	16,017	—	