Danville Utility Commission Meeting Agenda
4:00 p.m., September 27, 2021

City Council Chambers, Danville City Hall

I. Call to Order

A. Roll Call

II. Discussion/Business Items

A. Minutes of the August 23, 2021 Commission Meeting

B. Review of Utilities' Financial Statements

C. Update on Capital Projects-All funds

III. Communications

A. City Manager

B. Utilities Staff

C. Commission Members

D. Public Comments

E. Director's Report

IV. Adjournment

Next Utility Commission Meeting

4:00 p.m. Monday, October 25, 2021

City Council Chambers
4th Floor, City Hall

Danville Utility Commission
4:00 p.m. August 23, 2021 Meeting
Council Chambers, City Hall
Minutes

Commission Members Present:	Sheila Williamson-Branch, Gary Miller, Ken Larking, Paul Liepe, Vanessa Cain, Steven Merricks
Commission Members Absent:	Vic Ingram, Helm Dobbins
Staff Present:	Ryan Dodson, Jason Grey, Janet Davis, Jennifer Holley, Michael Adkins
Others Present:	

Call to Order

City attorney Ryan Dodson opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order.

Mr. Dodson continued the meeting, requesting nominations for Chairman and Vice Chairman. Mr. Liepe nominated Ms. Cain for Chairman. All commissioners voted in favor. Mr. Liepe then nominated Mr. Dobbins for Vice Chairman. All commissioners voted in favor.

Discussion/Business Items

Minutes of June 28, 2021 Commission Meeting

Ms. Cain asked for any corrections, deletions, or adjustments to the minutes from June 28, 2021.

Mr. Liepe requested that the minutes be amended to replace “legislature” with “legislation”. Mr. Larking made a motion to accept the minutes as amended. Ms. Williamson-Branch seconded, all members voted in favor, and the motion carried unanimously.

Review of Utilities’ Financial Statements

Ms. Holley presented the utility financial statements for June for each utility fund.

Introduction of New Utility Commissioner - Steven Merricks

Mr. Grey introduced Steven Merricks as the new Utility Commissioner. Mr. Merricks will serve in the non-city designated commissioner seat

Power Supply Update

Mr. Grey provided information on the City's 2021/2022 power supply. A summary was provided on the City's generation projects and a forecast was shared on expected transmission and capacity charges.

Dr. Miller asked where the raw materials for the batteries will come from for the battery storage project.

Mr. Grey responded that many of the batteries come from China.

Department Discussions

Mr. Grey mentioned that there are storm preparation guides available on the website and numerous locations throughout the city.

There was no further communication from staff, commission members or the public.

Adjournment

Ms. Cain stated the next meeting is scheduled for September 27, 2021. A motion was made by Mr. Liepe and seconded by Ms. Kautzman to adjourn. All voted in favor. Ms. Cain adjourned the meeting at 4:40 p.m.

September 27, 2021
Date Approved

Submitted by Janet C. Davis
Secretary to the DUC

Chairman
Danville Utility Commission

Commission Item Number: DUC210927 - 1
Utility Commission Meeting: September 27, 2021
Item: II. B. Review of Utilities' Financial Statements

Financial Report

July financials will be reviewed.

UTILITY FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JULY 31, 2021 (YTD)
UNAUDITED

	WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	TOTAL	CURRENT 21-22 BUDGET	LAST YEAR TO DATE
OPERATING REVENUE	737,564.42	730,867.06	1,064,391.20	10,331,948.49	56,383.66	12,921,154.83	160,918,330.00	12,968,065.71
COST OF SALES								
PURCHASED SERVICES	-	-	737,958.88	7,659,414.58	6,146.91	8,403,520.37	101,883,430.00	8,697,020.97
PRODUCTION	-	-	-	-	-	-	158,866.34	27,154.85
TOTAL COST OF SALES	-	-	737,958.88	7,659,414.58	6,146.91	8,403,520.37	102,042,296.34	8,724,175.82
GROSS PROFIT	737,564.42	730,867.06	326,432.32	2,672,533.91	50,236.75	4,517,634.46	58,876,033.66	4,243,889.89
GROSS PROFIT %	100.00%	100.00%	30.67%	25.87%	89.10%	34.96%	36.59%	32.73%
OPERATING EXPENSES								
TRANSMISSION & TREATMENT	37,484.25	156,375.04	-	96,910.71	-	290,770.00	7,034,140.34	295,471.58
ENGINEERING	-	23,385.12	25,412.49	49,667.72	-	98,465.33	1,867,567.11	106,497.89
DISTRIBUTION	185,682.60	57,843.16	52,389.23	1,008,605.84	-	1,304,520.83	17,371,190.84	1,239,891.62
SERVICE	2,005.42	6,220.98	4,076.91	-	-	12,303.31	406,010.00	7,726.57
METERS & REGULATORS	-	6,842.37	9,741.17	32,512.55	-	49,096.09	592,750.00	48,924.54
GENERAL & ADMINISTRATIVE	145,764.42	275,954.95	285,177.98	423,374.42	67,920.42	1,198,192.19	15,836,566.06	1,082,874.16
TOTAL OPERATING EXPENSES	370,936.69	526,621.62	376,797.78	1,611,071.24	67,920.42	2,953,347.75	43,108,224.35	2,781,386.36
OPERATING INCOME (LOSS)	366,627.73	204,245.44	(50,365.46)	1,061,462.67	(17,683.67)	1,564,286.71	15,767,809.31	1,462,503.53
NON-OPERATING REVENUE (EXPENSE)								
INTEREST INCOME ON INVESTMENTS	4,124.17	4,562.47	5,401.89	13,224.70	360.26	27,673.49	271,390.00	70,242.69
ENERGY EFFICIENCY RECOVERY	-	-	-	-	-	-	-	(2,477.50)
RECOVERIES AND REBATES	-	-	187.69	(4,059.62)	-	(3,871.93)	(157,500.00)	(5,325.15)
GAIN/LOSS ON DISPOSAL	-	-	-	7,628.00	-	7,628.00	46,500.00	685.50
JOBBING INCOME (LOSS)	3,404.13	15,833.87	(3,034.31)	(1,672.20)	(822.42)	13,709.07	797,730.00	(11,266.86)
INTEREST ON LONG TERM INDEBTEDNESS	-	-	-	(2,450.00)	-	(2,450.00)	(1,620,130.00)	(258,531.33)
NET INCOME (LOSS)	374,156.03	224,641.78	(47,810.19)	1,074,133.55	(18,145.83)	1,606,975.34	15,105,799.31	1,255,830.88
OPERATING TRANSFERS IN(OUT)	(58,813.33)	(79,441.67)	(266,360.83)	(881,050.83)	(6,750.00)	(1,292,416.66)	(16,009,000.00)	(1,279,416.67)
NET INCOME AFTER TRANSFERS	315,342.70	145,200.11	(314,171.02)	193,082.72	(24,895.83)	314,558.68	(903,200.69)	(23,585.79)
NET ASSETS JULY 1, AS RESTATED	63,118,048.62	47,499,871.92	55,985,021.69	160,561,285.54	8,386,424.74	335,550,652.51		
NET INCOME AFTER TRANSFERS	315,342.70	145,200.11	(314,171.02)	193,082.72	(24,895.83)	314,558.68		
FEDERAL GRANT	-	-	-	-	-	-		
CONTRIBUTION IN AID	3,702.00	-	-	-	-	3,702.00		
NET ASSETS JULY 2021	63,437,093.32	47,645,072.03	55,670,850.67	160,754,368.26	8,361,528.91	335,868,913.19		
NET ASSETS								
CONTRIBUTED CAPITAL - FIXED ASSETS	3,990,324.44	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,065,989.06		
RESTRICTED FOR INVESTMENT IN FIXED ASSETS	48,688,018.87	30,173,097.65	38,714,452.32	103,528,243.74	6,824,921.25	227,928,733.83		
RESTRICTED FOR PROJECTS IN PROGRESS	5,915,734.02	4,417,163.56	2,116,146.67	4,316,190.57	66,580.49	16,831,815.31		
RESTRICTED FOR ENCUMBRANCES	2,561,396.72	136,613.29	87,194.74	660,115.65	16,590.68	3,461,911.08		
RESTRICTED FOR ENERGY EFFICIENCY	-	-	-	-	-	-		
NET PENSION ASSETS	165,573.00	333,715.00	287,208.00	1,158,908.00	35,936.00	1,981,340.00		
DEFERRED OUTFLOWS - PENSION	205,037.00	413,258.00	355,665.00	1,435,139.00	44,502.00	2,453,601.00		
UNRESTRICTED	2,116,046.27	7,908,199.61	13,125,338.36	37,369,287.77	1,080,251.90	61,599,123.91		
TOTAL NET ASSETS	63,437,093.32	47,645,072.03	55,670,850.67	160,754,368.26	8,361,528.91	335,868,913.19		

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF NET ASSETS - UNAUDITED
JULY 31, 2021

		WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	JULY 31, 2021
ASSETS							
Equity in pooled Cash and Investments	$	9,272,931.50	11,830,122.64	13,739,139.52	37,342,734.86	916,695.00	73,101,623.52
Receivables (Net of allowances for Uncollectible):							
Accounts		1,213,849.31	100,271.66	1,604,829.70	16,268,881.83	36,678.40	19,224,510.90
Power/Gas Cost Recovery		-	-	(94,304.21)	(794,930.62)	-	(889,234.83)
Pension Assets		165,573.00	333,715.00	287,208.00	1,158,908.00	35,936.00	1,981,340.00
Inventory of Gas, Materials and Supplies, at Cost		-	462,972.71	589,725.13	1,995,576.70	215,959.19	3,264,233.73
Fixed Assets		103,896,887.64	78,309,383.80	69,130,555.95	296,165,948.45	11,052,500.02	558,555,275.86
Accumulated Depreciation		(49,479,698.84)	(41,779,368.26)	(28,175,155.25)	(128,749,733.41)	(3,890,330.18)	(252,074,285.94)
Deferred Outflows - Pension		205,037.00	413,258.00	355,665.00	1,435,139.00	44,502.00	2,453,601.00
TOTAL ASSETS	$	65,274,579.61	49,670,355.55	57,437,663.84	224,822,524.81	8,411,940.43	405,617,064.24
LIABILITIES AND NET ASSETS							
Liabilities							
Accounts Payable	$	69,849.56	183,761.23	773,866.41	8,220,723.18	38,066.91	9,286,267.29
Accrued Interest Payable		28,791.24	27,588.01	15,263.09	613,263.31	-	684,905.65
Customer Deposits		-		-	3,973,093.87	-	3,973,093.87
Accrued Vacation, Sick Leave & Workers Comp.		-	133,299.31	77,245.87	601,669.40	12,344.61	824,559.19
Deferred Gain / Loss - Refunding Bonds		(117,069.42)	(112,040.35)	(61,933.14)	(1,188,148.12)	-	(1,479,191.03)
Original Issue Premium/Discount (Refunding Bonds)		145,669.81	142,696.76	72,485.27	4,638,344.76	-	4,999,196.60
General Obligation Bonds Payable		1,710,245.27	1,649,978.56	889,885.67	46,716,152.13	-	50,966,261.63
Revenue Bonds Payable		(0.17)	-	-	-	-	(0.17)
Long-Term Leases, Notes, and Contracts Payable		-	-	-	493,058.02	-	493,058.02
TOTAL LIABILITIES	$	1,837,486.29	2,025,283.52	1,766,813.17	64,068,156.55	50,411.52	69,748,151.05
Net Assets							
Contributed Capital	$	3,990,324.44	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,065,989.06
Retained Earnings:							
Restricted for Investment in Fixed Assets	$	48,688,018.87	30,173,097.65	38,714,452.32	103,528,243.74	6,824,921.25	227,928,733.83
Restricted for Incomplete Projects		5,915,734.02	4,417,163.56	2,116,146.67	4,316,190.57	66,580.49	16,831,815.31
Restricted for Subsequent Expenses		2,561,396.72	136,613.29	87,194.74	660,115.65	16,590.68	3,461,911.08
Net Pension Assets		165,573.00	333,715.00	287,208.00	1,158,908.00	35,936.00	1,981,340.00
Deferred Outflows - Pension		205,037.00	413,258.00	355,665.00	1,435,139.00	44,502.00	2,453,601.00
Unrestricted		2,116,046.27	7,908,199.61	13,125,338.36	37,369,287.77	1,080,251.90	61,599,123.91
Total Retained Earnings	$	59,446,768.88	42,968,789.11	54,330,340.09	147,032,745.73	8,024,280.32	311,802,924.13
TOTAL NET ASSETS	$	63,437,093.32	47,645,072.03	55,670,850.67	160,754,368.26	8,361,528.91	335,868,913.19
TOTAL LIABILITIES AND NET ASSETS	$	65,274,579.61	49,670,355.55	57,437,663.84	224,822,524.81	8,411,940.43	405,617,064.24

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JULY 31, 2021

		WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	JULY 31, 2021
Operating revenues:							
Charges for Services	$	737,564.42	730,867.06	1,064,391.20	10,331,948.49	56,383.66	12,921,154.83
Operating Expenses:							
Purchased Services	$	-	-	737,958.88	7,659,414.58	6,146.91	8,403,520.37
Production		-	-	-	-	-	-
Transmission & Treatment		37,484.25	156,375.04	-	96,910.71	-	290,770.00
Engineering		-	23,385.12	25,412.49	49,667.72	-	98,465.33
Distribution		185,682.60	57,843.16	52,389.23	1,008,605.84	-	1,304,520.83
Service		2,005.42	6,220.98	4,076.91	-	-	12,303.31
Meters & Regulators		-	6,842.37	9,741.17	32,512.55	-	49,096.09
Administrative		145,764.42	275,954.95	285,177.98	423,374.42	67,920.42	1,198,192.19
Total Operating Expenses	$	370,936.69	526,621.62	1,114,756.66	9,270,485.82	74,067.33	11,356,868.12
Operating Income (Loss)	$	366,627.73	204,245.44	(50,365.46)	1,061,462.67	(17,683.67)	1,564,286.71
Non-Operating Revenues (Expenses):							
Jobbing Income (Loss)		3,404.13	15,833.87	(3,034.31)	(1,672.20)	(822.42)	13,709.07
Interest Income		4,124.17	4,562.47	5,401.89	13,224.70	360.26	27,673.49
Energy Efficiency Recovery		-	-	-	-	-	-
Gain (Loss) on Disposal of Property		-	-	-	7,628.00	-	7,628.00
Recoveries and Rebates		-	-	187.69	(4,059.62)	-	(3,871.93)
Interest Expense		-	-	-	(2,450.00)	-	(2,450.00)
Total Non-Operating Revenues (Expenses)	$	7,528.30	20,396.34	2,555.27	12,670.88	(462.16)	42,688.63
Income (Loss) Before Operating Transfers	$	374,156.03	224,641.78	(47,810.19)	1,074,133.55	(18,145.83)	1,606,975.34
Operating Transfers:							
Transfers In (Out)		(58,813.33)	(79,441.67)	(266,360.83)	(881,050.83)	(6,750.00)	(1,292,416.66)
Total Operating Transfers	$	(58,813.33)	(79,441.67)	(266,360.83)	(881,050.83)	(6,750.00)	(1,292,416.66)
Net Income (Loss)	$	315,342.70	145,200.11	(314,171.02)	193,082.72	(24,895.83)	314,558.68
Net Assets - July 1, 2021, as restated		63,118,048.62	47,499,871.92	55,985,021.69	160,561,285.54	8,386,424.74	335,550,652.51
Net Income (Loss)		315,342.70	145,200.11	(314,171.02)	193,082.72	(24,895.83)	314,558.68
Contribution In Aid of Construction		3,702.00	-	-	-	-	3,702.00
Net Assets - July 31, 2021	$	63,437,093.32	47,645,072.03	55,670,850.67	160,754,368.26	8,361,528.91	335,868,913.19

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2021

WASTEWATER - FINAL

	ORIGINAL BUDGET 2021-22	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2021-22	JULY 2021	PERCENT OF CURRENT BUDGET	JULY 2020
OPERATING REVENUE	8,861,030.00		8,861,030.00	737,564.42	8.32%	722,616.83
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	3,087,770.00	107,845.36	3,195,615.36	37,484.25	1.17%	49,137.40
ENGINEERING	-		-	-		-
DISTRIBUTION	2,557,570.00	40,939.97	2,598,509.97	185,682.60	7.15%	173,033.76
SERVICE	145,590.00		145,590.00	2,005.42	1.38%	532.34
METERS & REGULATORS	-		-	-		-
BAD DEBT	36,000.00		36,000.00	5,372.70	14.92%	1,008.11
GENERAL & ADMINISTRATIVE	1,726,320.00		1,726,320.00	140,391.72	8.13%	134,802.67
TOTAL OPERATING EXPENSES	7,553,250.00	148,785.33	7,702,035.33	370,936.69	4.82%	358,514.28
OPERATING INCOME (LOSS)	1,307,780.00	(148,785.33)	1,158,994.67	366,627.73	31.63%	364,102.55
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	35,300.00		35,300.00	4,124.17	11.68%	12,113.68
RECOVERIES AND REBATES	-		-	-		-
GAIN/LOSS ON DISPOSAL	-		-	-		-
JOBBING INCOME (LOSS)	42,640.00		42,640.00	3,404.13	7.98%	1,703.23
INTEREST ON LONG TERM INDEBTEDNESS	(60,380.00)		(60,380.00)	-	0.00%	(28,469.06)
NET INCOME (LOSS)	1,325,340.00	(148,785.33)	1,176,554.67	374,156.03	31.80%	349,450.40
OPERATING TRANSFERS IN (OUT)	(830,760.00)		(830,760.00)	(58,813.33)	7.08%	(58,813.33)
NET INCOME AFTER TRANSFERS	494,580.00	(148,785.33)	345,794.67	315,342.70	91.19%	290,637.07
CONTRIBUTION IN AID	40,000.00		40,000.00	3,702.00	9.26%	
REGULAR CAPITAL MAINTENANCE	(811,920.00)	(114,972.59)	(926,892.59)	(16,158.57)	1.74%	
CAPITAL PROJECTS	(3,550,000.00)		(3,550,000.00)	-	0.00%	
DEBT SERVICE	(362,730.00)		(362,730.00)	-	0.00%	
DEPRECIATION	2,048,820.00		2,048,820.00	165,213.10	8.06%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2021

WATER - FINAL

	ORIGINAL BUDGET 2021-22	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2021-22	JULY 2021	PERCENT OF CURRENT BUDGET	JULY 2020
OPERATING REVENUE	9,053,710.00		9,053,710.00	730,867.06	8.07%	728,231.21
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,910,090.00	93,188.64	2,003,278.64	156,375.04	7.81%	141,619.84
ENGINEERING	343,080.00	31,926.56	375,006.56	23,385.12	6.24%	16,733.18
DISTRIBUTION	673,400.00	1,582.27	674,982.27	57,843.16	8.57%	51,596.66
SERVICE	133,580.00		133,580.00	6,220.98	4.66%	4,684.25
METERS & REGULATORS	83,870.00		83,870.00	6,842.37	8.16%	6,467.63
BAD DEBT	31,000.00		31,000.00	4,415.70	14.24%	763.32
GENERAL & ADMINISTRATIVE	3,442,340.00		3,442,340.00	271,539.25	7.89%	262,287.25
TOTAL OPERATING EXPENSES	6,617,360.00	126,697.47	6,744,057.47	526,621.62	7.81%	484,152.13
OPERATING INCOME (LOSS)	2,436,350.00	(126,697.47)	2,309,652.53	204,245.44	8.84%	244,079.08
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	39,100.00		39,100.00	4,562.47	11.67%	11,649.06
RECOVERIES AND REBATES	16,000.00		16,000.00	-	0.00%	-
GAIN/LOSS ON DISPOSAL	1,500.00		1,500.00	-	0.00%	-
JOBBING INCOME (LOSS)	67,900.00		67,900.00	15,833.87	23.32%	6,321.29
INTEREST ON LONG TERM INDEBTEDNESS	(58,140.00)		(58,140.00)	-	0.00%	(24,846.10)
NET INCOME (LOSS)	2,502,710.00	(126,697.47)	2,376,012.53	224,641.78	9.45%	237,203.33
OPERATING TRANSFERS IN (OUT)	(1,078,300.00)		(1,078,300.00)	(79,441.67)	7.37%	(79,191.67)
NET INCOME AFTER TRANSFERS	1,424,410.00	(126,697.47)	1,297,712.53	145,200.11	11.19%	158,011.66
CONTRIBUTION IN AID	-		-		0.00%	
REGULAR CAPITAL MAINTENANCE	(1,944,070.00)	(102,281.25)	(2,046,351.25)	(44,936.28)	2.20%	
CAPITAL PROJECTS	(2,544,260.00)	-	(2,544,260.00)	(128,511.41)	5.05%	
DEBT SERVICE	(392,670.00)		(392,670.00)	-	0.00%	
DEPRECIATION	1,673,710.00		1,673,710.00	132,330.59	7.91%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2021

GAS - FINAL

	ORIGINAL BUDGET 2021-22	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2021-22	JULY 2021	PERCENT OF CURRENT BUDGET	JULY 2020
OPERATING REVENUE	19,630,430.00		19,630,430.00	1,064,391.20	5.42%	722,296.99
	-					
COST OF SALES	-					
PURCHASED SERVICES	10,984,320.00		10,984,320.00	737,958.88	6.72%	623,050.59
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	10,984,320.00	-	10,984,320.00	737,958.88		623,050.59
GROSS PROFIT	8,646,110.00	-	8,646,110.00	326,432.32		99,246.40
GROSS PROFIT %	44.04%		44.04%	30.67%		13.74%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT				-		-
ENGINEERING	373,050.00	55,730.73	428,780.73	25,412.49	5.93%	16,860.18
DISTRIBUTION	680,510.00	1,582.27	682,092.27	52,389.23	7.68%	42,944.16
SERVICE	126,840.00		126,840.00	4,076.91	3.21%	2,509.98
METERS & REGULATORS	116,750.00		116,750.00	9,741.17	8.34%	7,568.76
BAD DEBT	90,000.00		90,000.00	13,679.56	15.20%	2,340.15
GENERAL & ADMINISTRATIVE	3,587,350.00	9,546.28	3,596,896.28	271,498.42	7.55%	226,484.84
TOTAL OPERATING EXPENSES	4,974,500.00	66,859.28	5,041,359.28	376,797.78	7.47%	298,708.07
OPERATING INCOME (LOSS)	3,671,610.00	(66,859.28)	3,604,750.72	(50,365.46)	-1.40%	(199,461.67)
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	53,110.00		53,110.00	5,401.89	10.17%	14,029.91
RECOVERIES AND REBATES	(20,000.00)		(20,000.00)	187.69	-0.94%	83.03
JOBBING INCOME (LOSS)	119,800.00		119,800.00	(3,034.31)	-2.53%	(1,958.66)
INTEREST ON LONG TERM INDEBTEDNESS	(31,590.00)		(31,590.00)	-	0.00%	(18,382.41)
NET INCOME (LOSS)	3,792,930.00	(66,859.28)	3,726,070.72	(47,810.19)	-1.28%	(205,689.80)
OPERATING TRANSFERS IN (OUT)	(3,321,330.00)		(3,321,330.00)	(266,360.83)	8.02%	(265,527.50)
NET INCOME AFTER TRANSFERS	471,600.00	(66,859.28)	404,740.72	(314,171.02)	-77.62%	(471,217.30)
CONTRIBUTION IN AID			-		0.00%	
REGULAR CAPITAL MAINTENANCE	(813,510.00)	(101,196.85)	(914,706.85)	(12,350.18)	1.35%	
CAPITAL PROJECTS	(1,213,790.00)		(1,213,790.00)	-	0.00%	
DEBT SERVICE	(132,210.00)		(132,210.00)	-	0.00%	
DEPRECIATION	1,573,910.00		1,573,910.00	132,422.35	8.41%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2021

ELECTRIC - FINAL

	ORIGINAL BUDGET 2021-22	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2021-22	JULY 2021	PERCENT OF CURRENT BUDGET	JULY 2020
OPERATING REVENUE	122,710,850.00		122,710,850.00	10,331,948.49	8.42%	10,723,981.53
COST OF SALES						
PURCHASED SERVICES	90,841,110.00		90,841,110.00	7,659,414.58	8.43%	8,068,815.04
PRODUCTION	-	158,866.34	158,866.34	-		27,154.85
TOTAL COST OF SALES	90,841,110.00	158,866.34	90,999,976.34	7,659,414.58		8,095,969.89
GROSS PROFIT	31,869,740.00	(158,866.34)	31,710,873.66	2,672,533.91		2,628,011.64
GROSS PROFIT %	25.97%		25.84%	25.87%		24.51%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,775,300.00	59,946.34	1,835,246.34	96,910.71	5.28%	104,714.34
ENGINEERING	1,018,860.00	44,919.82	1,063,779.82	49,667.72	4.67%	72,904.53
DISTRIBUTION	13,411,230.00	4,376.33	13,415,606.33	1,008,605.84	7.52%	972,317.04
SERVICE	-		-	-		-
METERS & REGULATORS	392,130.00		392,130.00	32,512.55	8.29%	34,888.15
BAD DEBT	350,000.00		350,000.00	70,407.69	20.12%	15,258.02
GENERAL & ADMINISTRATIVE	5,386,780.00	226,221.78	5,613,001.78	352,966.73	6.29%	379,537.31
TOTAL OPERATING EXPENSES	22,334,300.00	335,464.27	22,669,764.27	1,611,071.24	7.11%	1,579,619.39
OPERATING INCOME (LOSS)	9,535,440.00	(494,330.61)	9,041,109.39	1,061,462.67	11.74%	1,048,392.25
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	135,000.00		135,000.00	13,224.70	9.80%	31,502.56
ENERGY EFFICIENCY RECOVERY	-		-	-	#DIV/0!	(2,477.50)
RECOVERIES AND REBATES	(153,500.00)		(153,500.00)	(4,059.62)	2.64%	(5,408.18)
GAIN/LOSS ON DISPOSAL	45,000.00		45,000.00	7,628.00	16.95%	685.50
JOBBING INCOME (LOSS)	570,830.00		570,830.00	(1,672.20)	-0.29%	(17,129.59)
INTEREST ON LONG TERM INDEBTEDNESS	(1,470,020.00)		(1,470,020.00)	(2,450.00)	0.17%	(186,833.76)
NET INCOME (LOSS)	8,662,750.00	(494,330.61)	8,168,419.39	1,074,133.55	13.15%	868,731.28
OPERATING TRANSFERS IN (OUT)	(10,697,610.00)		(10,697,610.00)	(881,050.83)	8.24%	(869,134.17)
NET INCOME AFTER TRANSFERS	(2,034,860.00)	(494,330.61)	(2,529,190.61)	193,082.72	-7.63%	(402.89)
CONTRIBUTION IN AID	-		-		0.00%	
FEDERAL AID - CAPITAL PROJECTS	-	-	-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(3,638,070.00)	(354,024.10)	(3,992,094.10)	(178,313.10)	4.47%	
CAPITAL PROJECTS	(551,240.00)		(551,240.00)	(43,350.39)	7.86%	
DEBT SERVICE	(3,354,780.00)	-	(3,354,780.00)	(70,000.00)	2.09%	
DEPRECIATION	8,980,360.00		8,980,360.00	681,882.80	7.59%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2021

TELECOMMUNICATIONS - FINAL

	ORIGINAL BUDGET 2021-22	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2021-22	JULY 2021	PERCENT OF CURRENT BUDGET	JULY 2020
OPERATING REVENUE	662,310.00		662,310.00	56,383.66	8.51%	70,939.15
COST OF SALES						
PURCHASED SERVICES	58,000.00		58,000.00	6,146.91	10.60%	5,155.34
PRODUCTION			-	-		-
TOTAL COST OF SALES	58,000.00	-	58,000.00	6,146.91		5,155.34
GROSS PROFIT	604,310.00	-	604,310.00	50,236.75		65,783.81
GROSS PROFIT %	91.24%		91.24%	89.10%		92.73%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT			-	-		-
ENGINEERING			-	-		-
DISTRIBUTION			-	-		-
SERVICE			-	-		-
METERS & REGULATORS			-	-		-
BAD DEBT			-	-		(8.80)
GENERAL & ADMINISTRATIVE	937,420.00	13,588.00	951,008.00	67,920.42	7.14%	60,401.29
TOTAL OPERATING EXPENSES	937,420.00	13,588.00	951,008.00	67,920.42	7.14%	60,392.49
OPERATING INCOME (LOSS)	(333,110.00)	(13,588.00)	(346,698.00)	(17,683.67)	5.10%	5,391.32
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	8,880.00		8,880.00	360.26	4.06%	947.48
RECOVERIES AND REBATES			-	-		-
GAIN/LOSS ON DISPOSAL			-	-		-
JOBBING INCOME (LOSS)	(3,440.00)		(3,440.00)	(822.42)	23.91%	(203.13)
INTEREST ON LONG TERM INDEBTEDNESS			-	-		-
NET INCOME (LOSS)	(327,670.00)	(13,588.00)	(341,258.00)	(18,145.83)	5.32%	6,135.67
OPERATING TRANSFERS IN (OUT)	(81,000.00)		(81,000.00)	(6,750.00)	8.33%	(6,750.00)
NET INCOME AFTER TRANSFERS	(408,670.00)	(13,588.00)	(422,258.00)	(24,895.83)	5.90%	(614.33)
CONTRIBUTION IN AID	-		-		0.00%	
REGULAR CAPITAL MAINTENANCE	(25,000.00)		(25,000.00)	(2,906.19)	11.62%	
CAPITAL PROJECTS	(50,000.00)		(50,000.00)	(5,513.32)	11.03%	
DEPRECIATION	479,950.00		479,950.00	37,135.64	7.74%	

GAS OPERATING STATISTICS
YTD July 2021 and 2020

	YTD 2021	YTD 2020	YTD Change	YTD % Change
NUMBER OF CUSTOMERS:				
Residential	13,250	13,124	126	0.9601%
Commercial	1,504	1,499	5	0.3336%
Small Firm Industrial	14	14	0	0.0000%
Municipal	52	52	0	0.0000%
Large Firm Industrial	4	5	-1	-20.0000%
Interruptible Industrial	6	6	0	0.0000%
Industrial Transportation	6	7	-1	-14.2857%
Interruptible Commercial	1	1	0	0.0000%
Commercial Transportation	-	-	0	0.0000%
TOTAL CUSTOMERS	14,837	14,708	129	0.8771%
NATURAL GAS SALES-DEKATHERMS:				
Residential	11,346	12,245	-899	-7.3418%
Commercial	14,686	13,621	1,065	7.8188%
Small Firm Industrial	158	146	12	8.2192%
Municipal	287	388	-101	-26.0309%
Large Firm Industrial	1,353	778	575	73.9075%
Interruptible Industrial	144,885	109,806	35,079	31.9463%
Industrial Transportation	13,995	13,497	498	3.6897%
Interruptible Commercial	5,778	5,636	142	2.5195%
Commercial Transportation	-	-	0	0.0000%
TOTAL DEKATHERMS	192,488	156,117	36,371	23.2973%

ELECTRIC OPERATING STATISTICS
YTD July 2021 and 2020

	YTD 2021	YTD 2020	YTD Change	YTD % Change
NUMBER OF CUSTOMERS:				
Residential	37,381	36,980	401	1.0844%
Commercial	4,792	4,757	35	0.7358%
Industrial	16	16	0	0.0000%
High Load Factor	8	8	0	0.0000%
Municipal	280	284	-4	-1.4085%
Outdoor Lighting	6,084	5,986	98	1.6372%
TOTAL CUSTOMERS	48,561	48,031	530	1.1035%
KILOWATT HOURS SALES:				
Residential	41,877,089	42,644,532	-767,443	-1.7996%
Commercial	23,941,172	22,261,678	1,679,494	7.5443%
Industrial	1,249,210	879,340	369,870	42.0622%
High Load Factor	11,071,200	11,226,000	-154,800	-1.3789%
Municipal	1,873,914	1,914,503	-40,589	-2.1201%
Outdoor Lighting	1,171,823	1,219,168	-47,345	-3.8834%
TOTAL KILOWATT HOURS	81,184,408	80,145,221	1,039,187	1.2966%

BILLING MONTH	TOTAL POWER COST	HLF POWER COST	**NON-HLF POWER COST**	TOTAL kWh SALES	HLF kWh SALES	NON-HLF kWh SALES	PCA / kWh	POWER COST / kWh RECOVERED IN BASE RATE	TOTAL POWER COST / kWh RECOVERED	HLF STRANDED COSTS RECOVERED	**NON-HLF POWER COST RECOVERED**	NON-HLF POWER COST OVER / (UNDER) RECOVERY	ADJUSTMTS	**CUMULATIVE POWER COST RECOVERY NON-HLF CUSTOMERS (+ / - $4,000,000)**	
Mar-21	$ 7,413,945.11	$ 970,270.32	**$ 6,443,674.79**	72,327,719	9,465,600	62,862,119	$0.018000	$0.086200	$0.104200		**$ 6,550,232.75**	$ 106,557.96		**$ (870,593.11)**	ACTUAL
Apr-21	$ 6,796,503.62	$ 1,125,083.39	**$ 5,671,420.23**	64,748,662	10,718,400	54,030,262	$0.035000	$0.086200	$0.121200		**$ 6,548,467.77**	$ 877,047.54		**$ 6,454.43**	ACTUAL
May-21	$ 6,938,272.35	$ 1,258,770.23	**$ 5,679,502.12**	59,952,324	10,876,800	49,075,524	$0.040000	$0.086200	$0.126200		**$ 6,193,331.14**	$ 513,829.02		**$ 520,283.45**	ACTUAL
Jun-21	$ 7,273,606.98	$ 1,155,204.85	**$ 6,118,402.13**	70,108,915	11,134,800	58,974,115	$0.020000	$0.086200	$0.106200		**$ 6,263,051.05**	$ 144,648.92		**$ 664,932.37**	ACTUAL
Jul-21	$ 7,659,414.58	$ 1,044,522.12	**$ 6,614,892.46**	81,184,409	11,071,200	70,113,209	$0.010000	$0.086200	$0.096200		**$ 6,744,890.71**	$ 129,998.25		**$ 794,930.62**	ACTUAL
Aug-21	$ 7,928,486.84	$ 1,079,126.28	**$ 6,849,360.56**	89,790,810	12,221,200	77,569,610	$0.010000	$0.086200	$0.096200		**$ 7,462,196.51**	$ 612,835.95		**$ 1,407,766.57**	PROJECTED
Sep-21	$ 6,930,475.74	$ 984,223.00	**$ 5,946,252.74**	88,177,364	12,522,400	75,654,964	*$0.010000*	$0.086200	$0.096200		**$ 7,278,007.52**	$ 1,331,754.78		**$ 2,739,521.35**	PROJECTED
Oct-21	$ 7,073,721.36	$ 1,144,156.13	**$ 5,929,565.23**	72,654,022	11,751,600	60,902,422	*$0.015000*	$0.086200	$0.101200		**$ 6,163,325.06**	$ 233,759.83		**$ 2,973,281.18**	PROJECTED
Nov-21	$ 7,156,967.80	$ 1,239,127.94	**$ 5,917,839.86**	65,777,237	11,388,400	54,388,837	*$0.015000*	$0.086200	$0.101200		**$ 5,504,150.32**	$ (413,689.54)		**$ 2,559,591.63**	PROJECTED
Dec-21	$ 7,156,485.54	$ 1,012,408.66	**$ 6,144,076.88**	74,567,057	10,548,800	64,018,257	$0.010000	$0.086200	$0.096200		**$ 6,158,556.37**	$ 14,479.49		**$ 2,574,071.12**	PROJECTED
Jan-22	$ 8,441,192.66	$ 1,071,451.50	**$ 7,369,741.16**	79,873,132	10,138,400	69,734,732	$0.007500	$0.086200	$0.093700		**$ 6,534,144.41**	$ (835,596.75)		**$ 1,738,474.38**	PROJECTED
Feb-22	$ 7,542,164.03	$ 993,426.27	**$ 6,548,737.76**	84,630,348	11,147,200	73,483,148	$0.007500	$0.086200	$0.093700		**$ 6,885,370.95**	$ 336,633.19		**$ 2,075,107.57**	PROJECTED

Future months (still in blue) show projections.

After PGA's are calculated, hard code them before reconciling the month

Mo Rate Applied	WACOG	WACOG Plus Losses	Demand Rate Firm	Demand Rate Interruptible	Adjustments	PGA (f)	PGA (i)	DEMAND Recovery (Independent of Commod) Cum Over (Under) Demand Recovery Current FY	COMMODITY - Rolling Recovery (Does not include Demand Recovery) Monthly Commodity Cost	Monthly Commodity Recovered	Monthly Commod Over (Under) Recovery	Adjustments	Commodity Recovery Balance Over (Under) +/- $2,000,000	
Mar-21	$ 3.33766	$ 3.33766	$ 2.10200	$ -	$ -	$ 5.43061	$ 3.32861	$ 524,148.13	$ 954,398.83	$ 1,160,292.31	$ 205,893.48		($82,258.71)	Final
Apr-21	$ 2.28891	$ 2.28891	$ 1.03670	$ -	$ 0.10374	$ 3.60865	$ 2.57195	$ 455,729.44	$ 552,732.68	$ 708,876.54	$ 156,143.86		$73,885.15	Final
May-21	$ 2.57610	$ 2.57610	$ (0.25000)	$ -		$ 2.48557	$ 2.73557	$ 235,735.41	$ 504,923.12	$ 554,566.82	$ 49,643.70		$123,528.85	Final
Jun-21	$ 2.35182	$ 2.35182	$ (0.25000)	$ -	$ -	$ 2.52308	$ 2.77308	$ 29,440.17	$ 460,947.25	$ 478,240.28	$ 17,293.03		$140,821.88	FY FINAL
Jul-21	$ 2.98505	$ 2.98505	$ -	$ -	$ -	$ 3.10384	$ 3.10384	$ (174,922.49)	$ 543,004.22	$ 496,486.56	$ (46,517.67)		$94,304.22	Final
Aug-21	$ 3.24731	$ 3.24731	$ -	$ -	$ -	$ 3.23195	$ 3.23195	$ (379,285.23)	$ 484,808.10	$ 542,934.17	$ 58,126.07		$152,430.29	Est
Sep-21	**$ 3.66043**	**$ 3.66043**	**$ -**	**$ -**	$ -	**$ 3.66043**	**$ 3.66043**	$ (575,749.21)	$ 557,069.10	$ 594,053.33	$ 36,984.23		$189,414.52	Est
Oct-21	$ 3.69867	$ 3.69867	$ -	$ -	$ -	$ 3.69867	$ 3.69867	$ (780,111.95)	$ 707,497.02	$ 650,281.06	$ (57,215.95)		$132,198.56	Est
Nov-21	$ 3.70163	$ 3.70163	$ 2.08224	$ -	$ -	$ 5.78387	$ 3.70163	$ (775,839.35)	$ 1,074,667.27	$ 894,384.64	$ (180,282.63)		($48,084.06)	Est
Dec-21	$ 3.73223	$ 3.73223	$ 2.08224	$ -	$ -	$ 5.81447	$ 3.73223	$ (553,807.72)	$ 1,433,024.13	$ 1,317,330.11	$ (115,694.02)		($163,778.08)	Est
Jan-22	$ 3.75882	$ 3.75882	$ 2.08224	$ -	$ -	$ 5.84106	$ 3.75882	$ (256,450.85)	$ 1,654,933.48	$ 1,403,014.80	$ (251,918.68)		($415,696.77)	Est
Feb-22	$ 3.68554	$ 3.68554	$ 2.08224	$ -	$ -	$ 5.76778	$ 3.68554	$ 124,017.52	$ 1,256,584.85	$ 1,599,804.55	$ 343,219.70		($72,477.06)	Est

Commission Item Number: DUC210927 - 2
Utility Commission Meeting: September 27, 2021
Item: II. C. <u>Update on Capital Projects-All Funds</u>

Update on Capital Projects-All Funds

Jason Grey will provide an update on the department's 2021/2022 capital improvement projects. A summary of each fund's projects will be included based the FY22 budget.

FY2022 UTILITIES CAPITAL PROJECTS UPDATE

Danville Utility Commission

September 27, 2021

WASTEWATER CIP

Project	FY22
1. DEQ Stormwater Mitigation Projects-Eliminate Outfalls	$100,000
2. Replace Bar Screens	$200,000
3. Primary Clarifier Upgrade	$200,000
4. Replace Southside Wastewater pump upgrades/replacements	$100,000
5. Cane Creek Pumping State-Pump replacement	$100,000
8. Demo of chlorine contact tank	$35,000
9. Cane Creek Pumping Station-Addition Pump for new economic development load	$100,000
Totals	$835,000

WATER TREATMENT CIP

Project	FY22
1. Westover Pumping Station Upgrade-new variable speed pumps and backup generator	$300,000
2. Caustic Tank replacement-Water Plant	$100,000
Totals	$400,000

Industrial Processed Water Plant CIP

Project	FY19
1. Replace and increase output of finish pump #1	$80,000
2. Install backup generator for finish water pumps to supply clarified water during power outages.	$20,000
Total	$100,000

Dan River Reservior

20 MG storage

Project Estimate-$3M

FY22 WATER DISTRIBUTION PROJECTS

Waterline Reconstruction Distribution Mains

Streetscape Projects
Wilson: Bridge St-Lynn St, 800’
400 Block of Craghead: Wilson south 250’

Economic Development Projects
600 Block of Craghead, 1500’
Caesars related replacements,
Browder, Wood, Bishop- ~3400’

Others totaling 4,830’
Includes 670’ on Westmoreland Court

Phase 20B-In conjunction with Gas Cast Iron replacement project
Betts, Broadnax, Smith, Davis, Warren, Foster, 7,455’

MASTER PLAN UPDATE DELIVERABLES

Hydraulic model update

- Recommend improvements
- Age of water analysis and solutions
- Confirm Fire-flow capabilities
- Project capacity to serve in 2032
- Create the first phase of a Unidirectional Flushing plan (UDF)

Use Asset Management Software with updated model results to develop initial replacement priorities based on funding

FY 22 GAS C.I.P.

Gas System Expansion Project

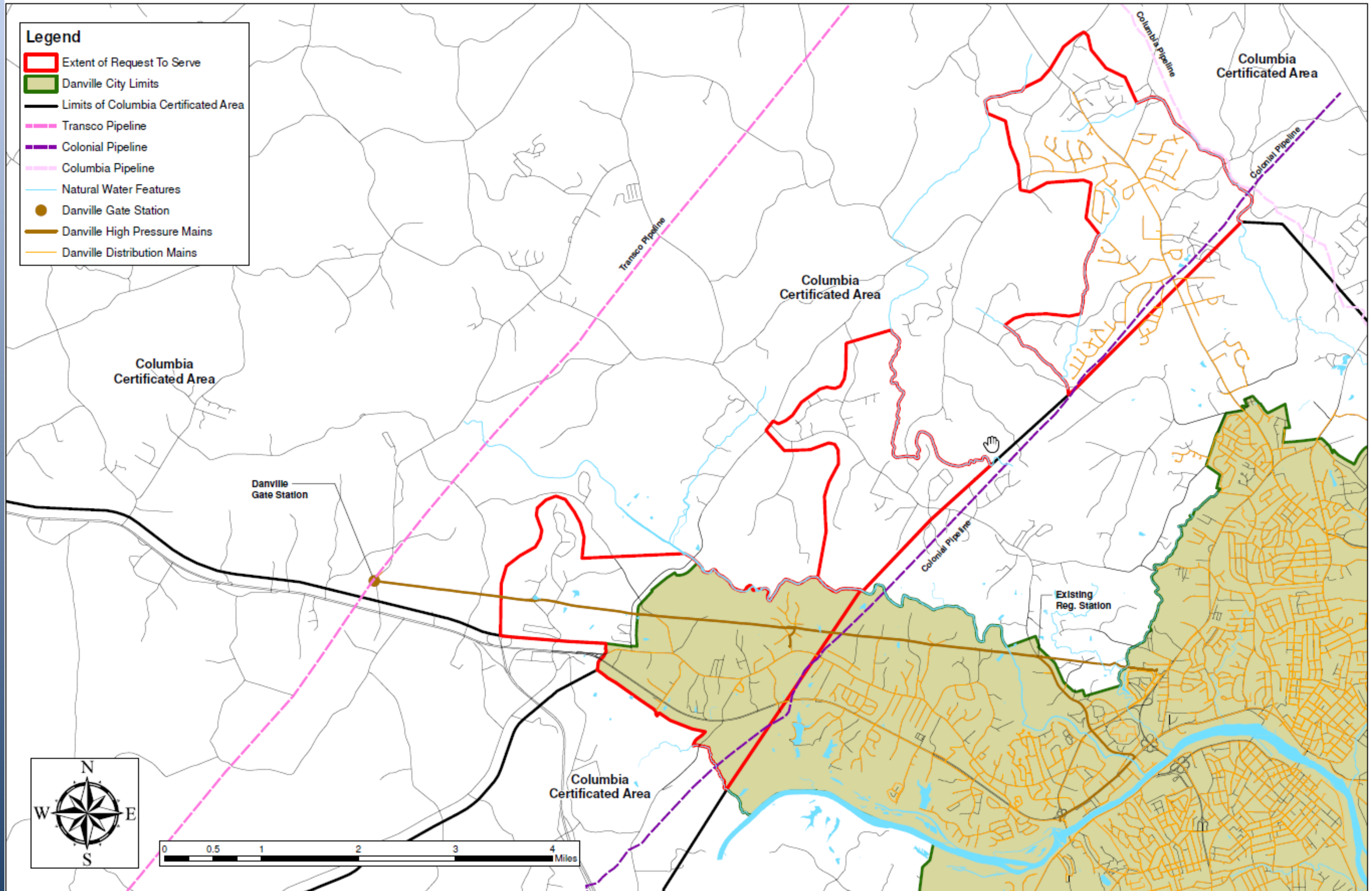
- **City areas already already served by water**
  - 20,000’ of gas main to 273 parcels
  - 50% complete as of 9/1

- **Expansion to serve Pittsylvania county customers is in design phase and will begin with the area to the north because it is denser**
  - 36,700’ of gas main to 274 parcels
  - Design 3-4 months; Construction 6-8 months

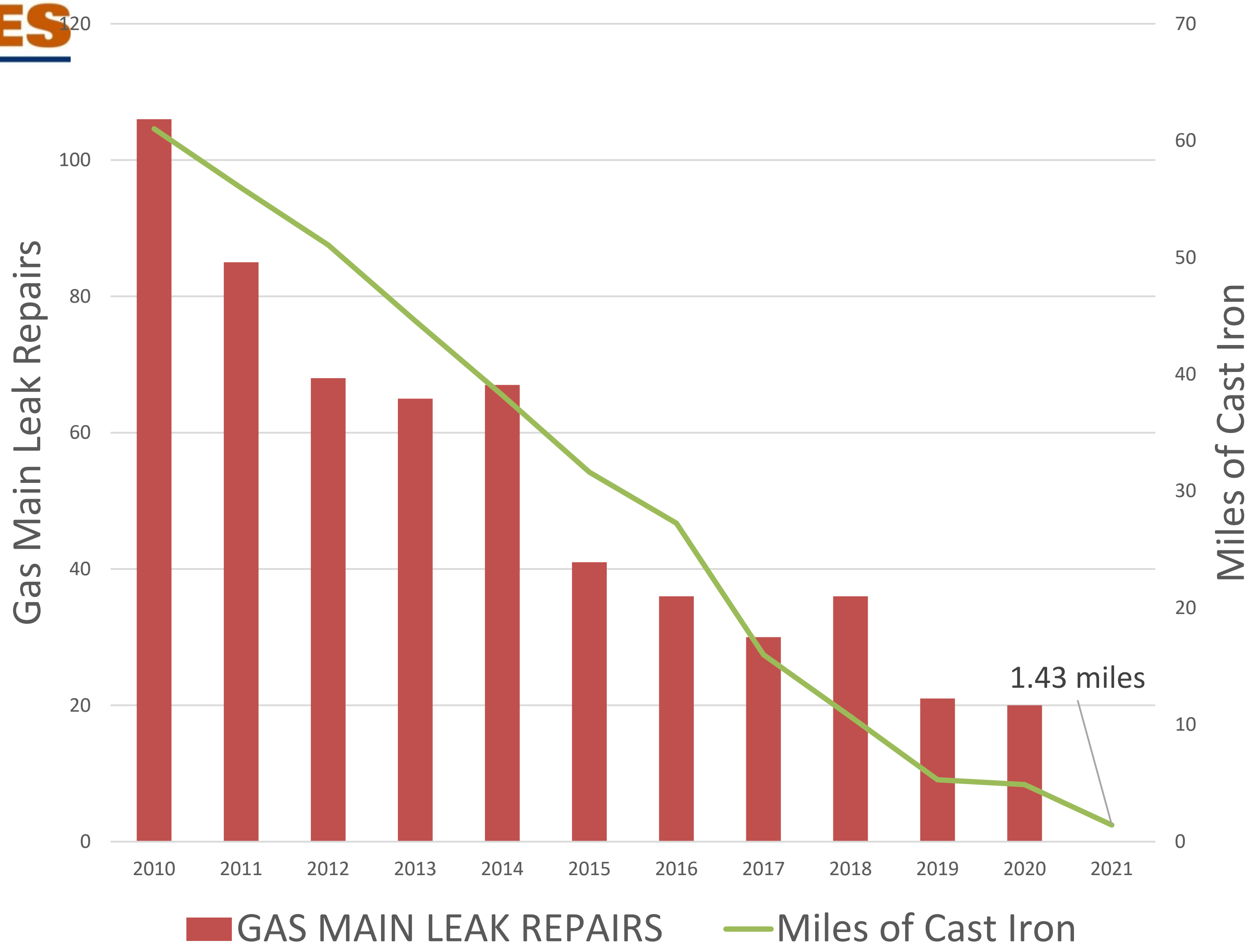
Cast Iron Replacement

- Last large phase, 20B, is 7,060’ of cast iron replacement
- Relocate regulator station / abandon 330’ of 6” cast iron
- Ductile Iron is next priority, ~ 5.35 miles

GAS EXPANSION



CAST IRON REPLACEMENT RESULTS



Kentuck Substation

Complete upgrade of Station
Including replacing 1969 transformer
Scheduled in service October2021

WHITMELL SUBSTATION

COMPLETE UPGRADE OF STATION

REPLACES A 1972 TRANSFORMER

IN SERVICE SCHEDULED NOVEMBER 2021

White Oak Substation

Upgrades:

Breakers
Relay panels
Switches
Insulators

Completion Spring 2022

SOUTHSIDE & WESTOVER SUBSTATION

COMPLETE UPGRADE OF BOTH STATION

REPLACING A 1973 TRANSFORMERS

ADDING 2ND TRANSFORMER AT EACH STATION

PLANNED IN SERVICE BY JUNE 2022

AEP 4TH DELIVERY POINT @ WESTFORK

Project Planned for FY2023

Preliminary work to begin in FY2022

* *Engineering*
* *Property acquisition*
* *Surveying*
* *Zoning*
* *Grading*

BALLOU SUBSTATION AEP DELIVERY POINT @ CAESARS

Project Planned for FY2023

Preliminary work to begin in FY2022

* *Engineering*
* *Surveying*
* *Equipment Procurement*
* *Grading*

Substations Upgrade Project
Summary

17 Substations with Transformer Manufacturer Dates

Southside	**(Upgrade 2022)**	1973
Westover	**(Upgrade 2022)**	1975
White Oak	**(Upgrade 2022)**	1997
AEP 4th Delivery Point (2023)		
Ballou Substation (2023)		
Schoolfield	***In service***	**2020**
Riverside	***In service***	**2020**
Kentuck	***In service***	**2021**
Whitmell	***In service***	**2021**
New Design (2023)		1970, 1972
Piney Forest(Inspect 2021)		1979, 2008
Westfork (Inspect 2020)		1997
Brantley		1978(138-69), 2014
Airside (Inspect 2020)		1990
Bridge Street		2004
Tunstall		2006
Cain Creek		2009
Rocksprings		2011(138-69), 1993, 2003

Questions?