Danville Utility Commission Meeting Agenda
4:00 p.m., June 28, 2021

City Council Chambers, Danville City Hall

I. Call to Order

A. Roll Call

II. Discussion/Business Items

A. Minutes of the May 24, 2021 Commission Meeting

B. Review of Utilities' Financial Statements

C. Proposed Energy Efficiency rebate measures for FY22 and FY23

D. West Fork Substation Property Acquisition-AEP 4th Delivery Point

E. AMP Scholarship Award Presentation

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, August 23, 2021

City Council Chambers
4th Floor, City Hall

	Danville Utility Commission 4:00 p.m. May 24, 2021 Meeting Council Chambers, City Hall **Minutes**

Commission Members Present: Ken Larking, Helm Dobbins, Sheila Williamson-Branch, Paul Liepe, Vanessa Cain, Bert Eades, Anna Kautzman, Gary Miller

Commission Members Absent: Vic Ingram

Staff Present: Ryan Dodson, Michael Adkins, Jason Grey, Janet Davis

Others Present:

Call to Order

Chairman Cain opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order.

Discussion/Business Items

Minutes of April 26, 2021 Commission Meeting
Chairman Cain asked for any corrections, deletions, or adjustments to the minutes of April 26, 2021.

Mr. Dobbins made a motion to approve the minutes. Mr. Eades seconded, all members voted in favor, and the motion carried unanimously.

Review of Utilities' Financial Statements
Mr. Adkins reviewed the utilities financial statements and addressed questions from the commissioners.

Dr. Miller asked what the under recovery was due to non-payment during the Covid shut-off moratorium. Mr. Adkins responded that last year about $700,000 had been billed. This year there were only about $230,000. So there is about a $500,000 revenue difference between the last year and this year.

Dr. Miller asked how this difference could be made up. Mr. Adkins responded that there is no way to make it up.

Dr. Miller asked if Cares funding could be used to repay the missing revenue from the moratorium. Mr. Adkins responded that there is currently no guidance on being able to use Cares funds for that particular loss of revenue.

Ms. Williamson-Branch asked with the loss of revenue in general administrative expenses and operating income expenses from March of last year and March of this year, has there been any kind of analysis to figure out why it keeps being in the negative. Mr. Adkins responded that he would look into this and let the Commission know.

Utility Rate Schedules and Electric Net Metering Interconnection Agreement Updates
Jason Grey presented the recommended updates to the Electric Net Metering Interconnection Agreement and various utility rate schedules and riders.

Mr. Larking made a motion to accept the proposed changes to the Rates and Riders as presented. Ms. Kautzman seconded, all members voted in favor, and the motion carried

Department Discussions
There were no additional comments from Commissioners, Utilities staff, or the public.

Adjournment

Chairman Cain stated the next meeting is scheduled for June 28, 2021. There being no further business, Mr. Dobbins made a motion to close that was seconded by Mr. Eades. Ms. Cain adjourned the meeting at 4:20 p.m.

June 28, 2021
Date Approved

Submitted by Janet C. Davis
Secretary to the DUC

Chairman
Danville Utility Commission

Commission Item Number: DUC210628 - 1
Utility Commission Meeting: June 28, 2021
Item: II. B. <u>Review of Utilities' Financial Statements</u>

Financial Report

April financials will be reviewed.

UTILITY FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED APRIL 30, 2021 (YTD)
UNAUDITED

	WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	TOTAL	CURRENT 20-21 BUDGET	LAST YEAR TO DATE
OPERATING REVENUE	7,379,458.03	7,014,809.29	17,525,182.00	97,547,553.61	549,460.81	130,016,463.74	169,322,180.00	131,773,935.98
COST OF SALES								
PURCHASED SERVICES	-	-	10,629,864.00	75,341,492.57	53,670.07	86,025,026.64	109,277,060.00	86,181,720.31
PRODUCTION	-	-	-	439,685.68	-	439,685.68	1,135,002.34	559,458.39
TOTAL COST OF SALES	-	-	10,629,864.00	75,781,178.25	53,670.07	86,464,712.32	110,412,062.34	86,741,178.70
GROSS PROFIT	7,379,458.03	7,014,809.29	6,895,318.00	21,766,375.36	495,790.74	43,551,751.42	58,910,117.66	45,032,757.28
GROSS PROFIT %	100.00%	100.00%	39.35%	22.31%	90.23%	33.50%	34.79%	34.17%
OPERATING EXPENSES								
TRANSMISSION & TREATMENT	2,063,479.03	1,511,502.47	-	1,131,960.96	-	4,706,942.46	6,851,796.06	4,345,204.07
ENGINEERING	-	180,027.36	181,017.10	669,080.28	-	1,030,124.74	1,848,319.95	1,062,914.76
DISTRIBUTION	2,063,513.22	674,381.42	504,751.43	10,654,698.42	-	13,897,344.49	17,415,554.40	13,616,455.33
SERVICE	93,664.61	47,174.78	38,433.91	-	-	179,273.30	382,580.00	95,055.66
METERS & REGULATORS	-	65,104.32	72,410.34	286,704.16	445.04	424,663.86	699,846.14	437,815.96
GENERAL & ADMINISTRATIVE	1,458,369.24	2,758,225.38	2,839,512.98	4,245,399.75	696,975.59	11,998,482.94	15,792,518.82	12,238,668.21
TOTAL OPERATING EXPENSES	5,679,026.10	5,236,415.73	3,636,125.76	16,987,843.57	697,420.63	32,236,831.79	42,990,615.37	31,796,113.99
OPERATING INCOME (LOSS)	1,700,431.93	1,778,393.56	3,259,192.24	4,778,531.79	(201,629.89)	11,314,919.63	15,919,502.29	13,236,643.29
NON-OPERATING REVENUE (EXPENSE)								
INTEREST INCOME ON INVESTMENTS	99,404.77	94,118.48	106,727.03	274,514.13	7,458.57	582,222.98	951,800.00	1,171,176.26
ENERGY EFFICIENCY RECOVERY	-	-	-	-	-	-	(110,160.09)	(275,346.88)
RECOVERIES AND REBATES	3,864.12	9,016.28	316.47	(80,310.30)	-	(67,113.43)	(122,050.00)	20,154.94
GAIN/LOSS ON DISPOSAL	-	-	22,667.00	5,279,011.07	-	5,301,678.07	5,017,732.50	30,137.14
JOBBING INCOME (LOSS)	28,548.15	66,634.29	17,909.72	(348,493.57)	(1,767.30)	(237,168.71)	495,850.00	672,130.19
INTEREST ON LONG TERM INDEBTEDNESS	(86,107.29)	(85,577.11)	(41,557.84)	(1,730,668.66)	-	(1,943,910.90)	(1,774,700.00)	(1,940,568.49)
NET INCOME (LOSS)	1,746,141.68	1,862,585.50	3,365,254.62	8,172,584.46	(195,938.62)	14,950,627.64	20,377,974.70	12,914,326.45
OPERATING TRANSFERS IN(OUT)	(588,133.30)	(791,916.70)	(2,655,275.00)	(8,691,341.70)	(67,500.00)	(12,794,166.70)	(15,353,000.00)	(12,794,166.70)
NET INCOME AFTER TRANSFERS	1,158,008.38	1,070,668.80	709,979.62	(518,757.24)	(263,438.62)	2,156,460.94	5,024,974.70	120,159.75
NET ASSETS JULY 1, AS RESTATED	62,156,573.90	47,244,511.09	56,214,191.52	170,688,476.88	8,647,107.61	344,950,861.00		
NET INCOME AFTER TRANSFERS	1,158,008.38	1,070,668.80	709,979.62	(518,757.24)	(263,438.62)	2,156,460.94		
FEDERAL GRANT	-	-	-	-	-	-		
CONTRIBUTION IN AID	51,343.00	-	-	-	-	51,343.00		
NET ASSETS APRIL 2021	63,365,925.28	48,315,179.89	56,924,171.14	170,169,719.64	8,383,668.99	347,158,664.94		
NET ASSETS								
CONTRIBUTED CAPITAL - FIXED ASSETS	3,974,274.44	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,049,939.06		
RESTRICTED FOR INVESTMENT IN FIXED ASSETS	46,671,137.69	30,853,064.66	38,870,304.57	110,036,919.84	6,901,497.69	233,332,924.45		
RESTRICTED FOR PROJECTS IN PROGRESS	7,370,440.79	9,190,895.75	5,710,735.13	16,680,972.03	543,975.52	39,497,019.22		
RESTRICTED FOR ENCUMBRANCES	952,889.73	39,420.82	59,375.96	639,331.05	14,078.60	1,705,096.16		
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	4,231,609.63	3,221,800.74	10,656,036.90	27,931,966.19	550,932.59	46,592,346.05		
TOTAL NET ASSETS	63,365,925.28	48,315,179.89	56,924,171.14	170,169,719.64	8,383,668.99	347,158,664.94		

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF NET ASSETS - UNAUDITED
APRIL 30, 2021

		WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	APRIL 30, 2021
ASSETS							
Equity in pooled Cash and Investments	$	11,487,719.99	11,650,544.40	14,526,837.90	40,981,246.39	909,264.47	79,555,613.15
Receivables (Net of allowances for Uncollectible):							
Accounts		1,091,501.36	165,583.45	1,917,773.04	14,876,480.82	10,555.58	18,061,894.25
Power/Gas Cost Recovery		-	-	(80,205.32)	(6,454.43)	-	(86,659.75)
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		-	493,861.38	738,971.33	1,897,620.44	189,178.75	3,319,631.90
Fixed Assets		101,391,568.94	78,658,974.80	72,445,398.12	319,531,272.29	11,044,749.06	583,071,963.21
Accumulated Depreciation		(49,005,010.36)	(41,446,691.09)	(31,333,067.98)	(145,344,198.63)	(3,806,002.78)	(270,934,970.84)
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	$	65,336,389.93	50,269,245.94	58,858,580.09	234,530,013.88	8,428,183.08	417,422,412.92
LIABILITIES AND NET ASSETS							
Liabilities							
Accounts Payable	$	194,785.80	119,069.39	950,357.89	8,145,556.57	33,907.66	9,443,677.31
Accrued Interest Payable		34,532.40	33,632.09	17,610.92	620,360.67	-	706,136.08
Customer Deposits		-		-	4,008,452.39	-	4,008,452.39
Accrued Vacation, Sick Leave & Workers Comp.		-	118,428.44	64,925.15	552,506.27	10,606.43	746,466.29
Deferred Gain / Loss - Refunding Bonds		(129,803.08)	(123,763.30)	(69,312.09)	(1,286,972.30)	-	(1,609,850.77)
Original Issue Premium/Discount (Refunding Bonds)		160,704.43	156,720.87	80,941.41	4,933,413.80	-	5,331,780.51
General Obligation Bonds Payable		1,710,245.27	1,649,978.56	889,885.67	46,782,089.79	-	51,032,199.29
Revenue Bonds Payable		(0.17)	-	-	-	-	(0.17)
Long-Term Leases, Notes, and Contracts Payable		-	-	-	604,887.05	-	604,887.05
TOTAL LIABILITIES	$	1,970,464.65	1,954,066.05	1,934,408.95	64,360,294.24	44,514.09	70,263,747.98
Net Assets							
Contributed Capital	$	3,974,274.44	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,049,939.06
Retained Earnings:							
Restricted for Investment in Fixed Assets	$	46,671,137.69	30,853,064.66	38,870,304.57	110,036,919.84	6,901,497.69	233,332,924.45
Restricted for Incomplete Projects		7,370,440.79	9,190,895.75	5,710,735.13	16,680,972.03	543,975.52	39,497,019.22
Restricted for Subsequent Expenses		952,889.73	39,420.82	59,375.96	639,331.05	14,078.60	1,705,096.16
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		4,231,609.63	3,221,800.74	10,656,036.90	27,931,966.19	550,932.59	46,592,346.05
Total Retained Earnings	$	59,391,650.84	43,638,896.97	55,583,660.56	156,448,097.11	8,046,420.40	323,108,725.88
TOTAL NET ASSETS	$	63,365,925.28	48,315,179.89	56,924,171.14	170,169,719.64	8,383,668.99	347,158,664.94
TOTAL LIABILITIES AND NET ASSETS	$	65,336,389.93	50,269,245.94	58,858,580.09	234,530,013.88	8,428,183.08	417,422,412.92

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED APRIL 30, 2021

		WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	APRIL 30, 2021
Operating revenues:							
Charges for Services	$	7,379,458.03	7,014,809.29	17,525,182.00	97,547,553.61	549,460.81	130,016,463.74
Operating Expenses:							
Purchased Services	$	-	-	10,629,864.00	75,341,492.57	53,670.07	86,025,026.64
Production		-	-	-	439,685.68	-	439,685.68
Transmission & Treatment		2,063,479.03	1,511,502.47	-	1,131,960.96	-	4,706,942.46
Engineering		-	180,027.36	181,017.10	669,080.28	-	1,030,124.74
Distribution		2,063,513.22	674,381.42	504,751.43	10,654,698.42	-	13,897,344.49
Service		93,664.61	47,174.78	38,433.91	-	-	179,273.30
Meters & Regulators		-	65,104.32	72,410.34	286,704.16	445.04	424,663.86
Administrative		1,458,369.24	2,758,225.38	2,839,512.98	4,245,399.75	696,975.59	11,998,482.94
Total Operating Expenses	$	5,679,026.10	5,236,415.73	14,265,989.76	92,769,021.82	751,090.70	118,701,544.11
Operating Income (Loss)	$	1,700,431.93	1,778,393.56	3,259,192.24	4,778,531.79	(201,629.89)	11,314,919.63
Non-Operating Revenues (Expenses):							
Jobbing Income (Loss)		28,548.15	66,634.29	17,909.72	(348,493.57)	(1,767.30)	(237,168.71)
Interest Income		99,404.77	94,118.48	106,727.03	274,514.13	7,458.57	582,222.98
Energy Efficiency Recovery		-	-	-	-	-	-
Gain (Loss) on Disposal of Property		-	-	22,667.00	5,279,011.07	-	5,301,678.07
Recoveries and Rebates		3,864.12	9,016.28	316.47	(80,310.30)	-	(67,113.43)
Interest Expense		(86,107.29)	(85,577.11)	(41,557.84)	(1,730,668.66)	-	(1,943,910.90)
Total Non-Operating Revenues (Expenses)	$	45,709.75	84,191.94	106,062.38	3,394,052.67	5,691.27	3,635,708.01
Income (Loss) Before Operating Transfers	$	1,746,141.68	1,862,585.50	3,365,254.62	8,172,584.46	(195,938.62)	14,950,627.64
Operating Transfers:							
Transfers In (Out)		(588,133.30)	(791,916.70)	(2,655,275.00)	(8,691,341.70)	(67,500.00)	(12,794,166.70)
Total Operating Transfers	$	(588,133.30)	(791,916.70)	(2,655,275.00)	(8,691,341.70)	(67,500.00)	(12,794,166.70)
Net Income (Loss)	$	1,158,008.38	1,070,668.80	709,979.62	(518,757.24)	(263,438.62)	2,156,460.94
Net Assets - July 1, 2020, as restated		62,156,573.90	47,244,511.09	56,214,191.52	170,688,476.88	8,647,107.61	344,950,861.00
Net Income (Loss)		1,158,008.38	1,070,668.80	709,979.62	(518,757.24)	(263,438.62)	2,156,460.94
Contribution In Aid of Construction		51,343.00	-	-	-	-	51,343.00
Net Assets - April 30, 2021	$	63,365,925.28	48,315,179.89	56,924,171.14	170,169,719.64	8,383,668.99	347,158,664.94

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED APRIL 30, 2021

WASTEWATER - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	APRIL 2021	PERCENT OF CURRENT BUDGET	APRIL 2020
OPERATING REVENUE	9,118,040.00		9,118,040.00	7,379,458.03	80.93%	7,380,333.72
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	3,088,200.00	27,977.16	3,116,177.16	2,063,479.03	66.22%	1,771,147.47
ENGINEERING	-		-	-		-
DISTRIBUTION	2,509,070.00	127,017.58	2,636,087.58	2,063,513.22	78.28%	1,695,191.37
SERVICE	140,230.00		140,230.00	93,664.61	66.79%	10,146.82
METERS & REGULATORS	-		-	-		-
BAD DEBT	36,000.00		36,000.00	27,315.67	75.88%	28,385.39
GENERAL & ADMINISTRATIVE	1,808,530.00		1,808,530.00	1,431,053.57	79.13%	1,451,084.78
TOTAL OPERATING EXPENSES	7,582,030.00	154,994.74	7,737,024.74	5,679,026.10	73.40%	4,955,955.83
OPERATING INCOME (LOSS)	1,536,010.00	(154,994.74)	1,381,015.26	1,700,431.93	123.13%	2,424,377.89
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	118,200.00		118,200.00	99,404.77	84.10%	176,010.06
RECOVERIES AND REBATES	-		-	3,864.12		7,895.60
GAIN/LOSS ON DISPOSAL	-		-	-		-
JOBBING INCOME (LOSS)	48,500.00		48,500.00	28,548.15	58.86%	24,973.80
INTEREST ON LONG TERM INDEBTEDNESS	(78,250.00)		(78,250.00)	(86,107.29)	110.04%	(118,551.41)
NET INCOME (LOSS)	1,624,460.00	(154,994.74)	1,469,465.26	1,746,141.68	118.83%	2,514,705.94
OPERATING TRANSFERS IN (OUT)	(705,760.00)		(705,760.00)	(588,133.30)	83.33%	(588,133.30)
NET INCOME AFTER TRANSFERS	918,700.00	(154,994.74)	763,705.26	1,158,008.38	151.63%	1,926,572.64
CONTRIBUTION IN AID	38,000.00		38,000.00	51,343.00	135.11%	
REGULAR CAPITAL MAINTENANCE	(126,300.00)	(236,178.50)	(362,478.50)	(250,280.50)	69.05%	
CAPITAL PROJECTS	(4,150,000.00)		(4,150,000.00)	(2,334,241.06)	56.25%	
DEBT SERVICE	(333,340.00)		(333,340.00)	(333,333.48)	100.00%	
DEPRECIATION	2,145,750.00		2,145,750.00	1,643,150.20	76.58%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED APRIL 30, 2021

WATER - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	APRIL 2021	PERCENT OF CURRENT BUDGET	APRIL 2020
OPERATING REVENUE	8,473,100.00		8,473,100.00	7,014,809.29	82.79%	7,209,843.26
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,897,720.00	58,994.85	1,956,714.85	1,511,502.47	77.25%	1,386,340.33
ENGINEERING	309,270.00	7,233.25	316,503.25	180,027.36	56.88%	175,883.47
DISTRIBUTION	662,080.00	148,840.63	810,920.63	674,381.42	83.16%	450,462.80
SERVICE	124,940.00		124,940.00	47,174.78	37.76%	56,134.37
METERS & REGULATORS	140,980.00		140,980.00	65,104.32	46.18%	67,459.83
BAD DEBT	31,000.00		31,000.00	22,270.64	71.84%	23,460.17
GENERAL & ADMINISTRATIVE	3,557,220.00	1,045.18	3,558,265.18	2,735,954.74	76.89%	2,573,275.52
TOTAL OPERATING EXPENSES	6,723,210.00	216,113.91	6,939,323.91	5,236,415.73	75.46%	4,733,016.49
OPERATING INCOME (LOSS)	1,749,890.00	(216,113.91)	1,533,776.09	1,778,393.56	115.95%	2,476,826.77
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	190,000.00		190,000.00	94,118.48	49.54%	182,362.03
RECOVERIES AND REBATES	17,980.00		17,980.00	9,016.28	50.15%	10,551.53
GAIN/LOSS ON DISPOSAL	1,970.00		1,970.00	-	0.00%	8,525.00
JOBBING INCOME (LOSS)	105,180.00		105,180.00	66,634.29	63.35%	20,798.38
INTEREST ON LONG TERM INDEBTEDNESS	(77,440.00)		(77,440.00)	(85,577.11)	110.51%	(122,332.83)
NET INCOME (LOSS)	1,987,580.00	(216,113.91)	1,771,466.09	1,862,585.50	105.14%	2,576,730.88
OPERATING TRANSFERS IN (OUT)	(950,300.00)		(950,300.00)	(791,916.70)	83.33%	(791,916.70)
NET INCOME AFTER TRANSFERS	1,037,280.00	(216,113.91)	821,166.09	1,070,668.80	130.38%	1,784,814.18
CONTRIBUTION IN AID	2,500,000.00		2,500,000.00	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(926,490.00)	(204,980.91)	(1,131,470.91)	(775,394.35)	68.53%	
CAPITAL PROJECTS	(4,500,000.00)	145,047.93	(4,354,952.07)	(1,191,299.95)	27.36%	
DEBT SERVICE	(359,710.00)		(359,710.00)	(359,700.33)	100.00%	
DEPRECIATION	1,752,540.00		1,752,540.00	1,339,697.90	76.44%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED APRIL 30, 2021

GAS - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	APRIL 2021	PERCENT OF CURRENT BUDGET	APRIL 2020
OPERATING REVENUE	22,389,840.00		22,389,840.00	17,525,182.00	78.27%	17,561,058.25
COST OF SALES						
PURCHASED SERVICES	12,730,400.00		12,730,400.00	10,629,864.00	83.50%	10,552,237.08
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	12,730,400.00	-	12,730,400.00	10,629,864.00		10,552,237.08
GROSS PROFIT	9,659,440.00	-	9,659,440.00	6,895,318.00		7,008,821.17
GROSS PROFIT %	43.14%		43.14%	39.35%		39.91%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	-			-		-
ENGINEERING	398,510.00	36,339.88	434,849.88	181,017.10	41.63%	256,815.93
DISTRIBUTION	668,480.00	1,818.86	670,298.86	504,751.43	75.30%	528,735.23
SERVICE	117,410.00		117,410.00	38,433.91	32.73%	28,774.47
METERS & REGULATORS	171,960.00	(673.86)	171,286.14	72,410.34	42.27%	98,243.07
BAD DEBT	57,000.00		57,000.00	36,050.71	63.25%	37,317.74
GENERAL & ADMINISTRATIVE	3,651,460.00	5,644.37	3,657,104.37	2,803,462.27	76.66%	3,077,118.96
TOTAL OPERATING EXPENSES	5,064,820.00	43,129.25	5,107,949.25	3,636,125.76	71.19%	4,027,005.40
OPERATING INCOME (LOSS)	4,594,620.00	(43,129.25)	4,551,490.75	3,259,192.24	71.61%	2,981,815.77
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	177,900.00		177,900.00	106,727.03	59.99%	208,898.35
RECOVERIES AND REBATES	(20,000.00)		(20,000.00)	316.47	-1.58%	225.52
GAIN/LOSS ON DISPOSAL	2,000.00		2,000.00	22,667.00	1133.35%	-
JOBBING INCOME (LOSS)	148,610.00		148,610.00	17,909.72	12.05%	55,582.24
INTEREST ON LONG TERM INDEBTEDNESS	(38,180.00)		(38,180.00)	(41,557.84)	108.85%	(51,415.58)
NET INCOME (LOSS)	4,864,950.00	(43,129.25)	4,821,820.75	3,365,254.62	69.79%	3,195,106.30
OPERATING TRANSFERS IN (OUT)	(3,186,330.00)		(3,186,330.00)	(2,655,275.00)	83.33%	(2,655,275.00)
NET INCOME AFTER TRANSFERS	1,678,620.00	(43,129.25)	1,635,490.75	709,979.62	43.41%	539,831.30
CONTRIBUTION IN AID	-		-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(845,400.00)	(176,319.77)	(1,021,719.77)	(446,214.72)	43.67%	
CAPITAL PROJECTS	(3,500,000.00)		(3,500,000.00)	(797,462.34)	22.78%	
DEBT SERVICE	(123,160.00)		(123,160.00)	(123,149.17)	99.99%	
DEPRECIATION	1,542,230.00		1,542,230.00	1,303,213.40	84.50%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED APRIL 30, 2021

ELECTRIC - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	APRIL 2021	PERCENT OF CURRENT BUDGET	APRIL 2020
OPERATING REVENUE	128,714,030.00		128,714,030.00	97,547,553.61	75.79%	99,112,552.14
COST OF SALES						
PURCHASED SERVICES	96,489,660.00		96,489,660.00	75,341,492.57	78.08%	75,587,860.64
PRODUCTION	978,580.00	156,422.34	1,135,002.34	439,685.68		559,458.39
TOTAL COST OF SALES	97,468,240.00	156,422.34	97,624,662.34	75,781,178.25		76,147,319.03
GROSS PROFIT	31,245,790.00	(156,422.34)	31,089,367.66	21,766,375.36		22,965,233.11
GROSS PROFIT %	24.28%		24.15%	22.31%		23.17%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,511,680.00	267,224.05	1,778,904.05	1,131,960.96	63.63%	1,187,716.27
ENGINEERING	1,044,490.00	52,476.82	1,096,966.82	669,080.28	60.99%	630,215.36
DISTRIBUTION	13,492,900.00	(194,652.67)	13,298,247.33	10,654,698.42	80.12%	10,942,065.93
SERVICE	-		-	-		-
METERS & REGULATORS	383,580.00	4,000.00	387,580.00	286,704.16	73.97%	272,113.06
BAD DEBT	310,000.00		310,000.00	330,089.22	106.48%	372,365.60
GENERAL & ADMINISTRATIVE	5,315,840.00	91,066.77	5,406,906.77	3,915,310.53	72.41%	3,914,018.05
TOTAL OPERATING EXPENSES	22,058,490.00	220,114.97	22,278,604.97	16,987,843.57	76.25%	17,318,494.27
OPERATING INCOME (LOSS)	9,187,300.00	(376,537.31)	8,810,762.69	4,778,531.79	54.24%	5,646,738.84
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	452,100.00		452,100.00	274,514.13	60.72%	587,198.75
ENERGY EFFICIENCY RECOVERY	-	(110,160.09)	(110,160.09)	-	0.00%	(275,346.88)
RECOVERIES AND REBATES	(120,030.00)		(120,030.00)	(80,310.30)	66.91%	1,482.29
GAIN/LOSS ON DISPOSAL	45,000.00	4,968,762.50	5,013,762.50	5,279,011.07	105.29%	21,612.14
JOBBING INCOME (LOSS)	185,640.00		185,640.00	(348,493.57)	-187.73%	569,284.74
INTEREST ON LONG TERM INDEBTEDNESS	(1,580,830.00)		(1,580,830.00)	(1,730,668.66)	109.48%	(1,648,268.67)
NET INCOME (LOSS)	8,169,180.00	4,482,065.10	12,651,245.10	8,172,584.46	64.60%	4,902,701.21
OPERATING TRANSFERS IN (OUT)	(10,429,610.00)		(10,429,610.00)	(8,691,341.70)	83.33%	(8,691,341.70)
NET INCOME AFTER TRANSFERS	(2,260,430.00)	4,482,065.10	2,221,635.10	(518,757.24)	-23.35%	(3,788,640.49)
CONTRIBUTION IN AID			-		0.00%	
FEDERAL AID - CAPITAL PROJECTS			-		0.00%	
REGULAR CAPITAL MAINTENANCE	(3,306,680.00)	(162,422.50)	(3,469,102.50)	(2,848,171.80)	82.10%	
CAPITAL PROJECTS	-	-	-	(3,819,076.61)	100.00%	
DEBT SERVICE	(3,152,550.00)		(3,152,550.00)	(3,183,337.37)	100.98%	
DEPRECIATION	8,871,610.00		8,871,610.00	7,092,802.90	79.95%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED APRIL 30, 2021

TELECOMMUNICATIONS - FINAL

	ORIGINAL BUDGET 2020-21	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2020-21	APRIL 2021	PERCENT OF CURRENT BUDGET	APRIL 2020
OPERATING REVENUE	627,170.00		627,170.00	549,460.81	87.61%	510,148.61
COST OF SALES						
PURCHASED SERVICES	57,000.00		57,000.00	53,670.07	94.16%	41,622.59
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	57,000.00	-	57,000.00	53,670.07		41,622.59
GROSS PROFIT	570,170.00	-	570,170.00	495,790.74		468,526.02
GROSS PROFIT %	90.91%		90.91%	90.23%		91.84%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT			-	-		-
ENGINEERING			-	-		-
DISTRIBUTION			-	-		-
SERVICE			-	-		-
METERS & REGULATORS			-	-		-
BAD DEBT			-	445.04		(340.08)
GENERAL & ADMINISTRATIVE	926,650.00	1,062.50	927,712.50	696,975.59	75.13%	761,982.08
TOTAL OPERATING EXPENSES	926,650.00	1,062.50	927,712.50	697,420.63	75.18%	761,642.00
OPERATING INCOME (LOSS)	(356,480.00)	(1,062.50)	(357,542.50)	(201,629.89)	56.39%	(293,115.98)
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	13,600.00		13,600.00	7,458.57	54.84%	16,707.07
RECOVERIES AND REBATES	-		-	-		-
GAIN/LOSS ON DISPOSAL	-		-	-		-
JOBBING INCOME (LOSS)	7,920.00		7,920.00	(1,767.30)	-22.31%	1,491.03
INTEREST ON LONG TERM INDEBTEDNESS	-		-	-		-
NET INCOME (LOSS)	(334,960.00)	(1,062.50)	(336,022.50)	(195,938.62)	58.31%	(274,917.88)
OPERATING TRANSFERS IN (OUT)	(81,000.00)		(81,000.00)	(67,500.00)	83.33%	(67,500.00)
NET INCOME AFTER TRANSFERS	(415,960.00)	(1,062.50)	(417,022.50)	(263,438.62)	63.17%	(342,417.88)
CONTRIBUTION IN AID	-		-		0.00%	
REGULAR CAPITAL MAINTENANCE	(25,000.00)		(25,000.00)	(48,135.92)	192.54%	
CAPITAL PROJECTS	(250,000.00)		(250,000.00)	(123,708.29)	49.48%	
DEPRECIATION	482,230.00		482,230.00	366,538.20	76.01%	
CONTINGENCY	-		-		0.00%	

GAS OPERATING STATISTICS
YTD April 2021 and 2020

	YTD 2021	YTD 2020	YTD Change	YTD % Change
NUMBER OF CUSTOMERS:				
Residential	13,201	13,100	101	0.7710%
Commercial	1,496	1,499	-3	-0.2001%
Small Firm Industrial	14	14	0	0.0000%
Municipal	52	53	-1	-1.8868%
Large Firm Industrial	5	5	0	0.0000%
Interruptible Industrial	6	6	0	0.0000%
Industrial Transportation	6	8	-2	-25.0000%
Interruptible Commercial	1	1	0	0.0000%
Commercial Transportation	-	8	-8	-100.0000%
TOTAL CUSTOMERS	14,781	14,694	87	0.5921%
NATURAL GAS SALES-DEKATHERMS:				
Residential	755,663	680,287	75,376	11.0800%
Commercial	393,281	375,272	18,009	4.7989%
Small Firm Industrial	30,921	34,610	-3,689	-10.6588%
Municipal	20,011	17,990	2,021	11.2340%
Large Firm Industrial	59,415	29,257	30,158	103.0796%
Interruptible Industrial	1,389,650	1,245,069	144,581	11.6123%
Industrial Transportation	186,591	201,080	-14,489	-7.2056%
Interruptible Commercial	93,440	91,482	1,958	2.1403%
Commercial Transportation	-	5,180	-5,180	-100.0000%
TOTAL DEKATHERMS	2,928,972	2,680,227	248,745	9.2807%

ELECTRIC OPERATING STATISTICS
YTD April 2021 and 2020

	YTD 2021	YTD 2020	YTD Change	YTD % Change
NUMBER OF CUSTOMERS:				
Residential	37,159	36,868	291	0.7893%
Commercial	4,760	4,732	28	0.5917%
Industrial	16	17	-1	-5.8824%
High Load Factor	7	8	-1	-12.5000%
Municipal	284	282	2	0.7092%
Outdoor Lighting	6,038	5,929	109	1.8384%
TOTAL CUSTOMERS	48,264	47,836	428	0.8947%
KILOWATT HOURS SALES:				
Residential	396,468,028	384,742,289	11,725,739	3.0477%
Commercial	215,015,626	223,980,892	-8,965,266	-4.0027%
Industrial	9,637,660	17,635,350	-7,997,690	-45.3503%
High Load Factor	105,184,800	114,475,200	-9,290,400	-8.1156%
Municipal	18,564,279	18,606,531	-42,252	-0.2271%
Outdoor Lighting	12,005,119	12,282,579	-277,460	-2.2590%
TOTAL KILOWATT HOURS	756,875,512	771,722,841	-14,847,329	-1.9239%

KEY IN YELLOW CELLS ONLY. TWEAK THE PCA IN COLUMN "L" TO ACHIEVE THE DESIRED RECOVERY.

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)**	
Dec-20	$ 7,999,851.10	$ 1,152,113.92	**$ 6,847,737.18**	68,208,652	9,823,200	58,385,452	$0.020000	$0.086200	$0.106200		**$ 6,200,534.99**	$ (647,202.19)		**$ (2,773,432.44)**	ACTUAL
Jan-21	$ 7,234,071.46	$ 836,839.71	**$ 6,397,231.75**	82,873,214	9,586,800	73,286,414	$0.010000	$0.086200	$0.096200		**$ 7,050,152.98**	$ 652,921.23		**$ (2,120,511.21)**	ACTUAL
Feb-21	$ 7,339,294.36	$ 857,199.03	**$ 6,482,095.33**	87,475,721	10,216,800	77,258,921	$0.012500	$0.086200	$0.098700		**$ 7,625,455.47**	$ 1,143,360.14		**$ (977,151.07)**	ACTUAL
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	$ 8,087,498.11	$ 1,472,777.87	**$ 6,614,720.24**	63,734,484	11,606,400	52,128,084	$0.040000	$0.086200	$0.126200		**$ 6,578,564.25**	$ (36,155.99)		**$ (29,701.56)**	PROJECTED
Jun-21	$ 8,392,169.97	$ 1,292,282.69	**$ 7,099,887.28**	77,648,257	11,956,800	65,691,457	**$0.020000**	$0.086200	$0.106200		**$ 6,976,432.71**	$ (123,454.57)		**$ (153,156.13)**	PROJECTED
Jul-21	$ 8,253,116.06	$ 1,122,765.43	**$ 7,130,350.63**	84,971,195	11,559,600	73,411,595	$0.012500	$0.086200	$0.098700		**$ 7,245,724.44**	$ 115,373.81		**$ (37,782.32)**	PROJECTED
Aug-21	$ 7,926,626.84	$ 1,047,004.47	**$ 6,879,622.37**	89,790,810	11,860,200	77,930,610	$0.012500	$0.086200	$0.098700		**$ 7,691,751.23**	$ 812,128.86		**$ 774,346.54**	PROJECTED
Sep-21	$ 6,928,675.74	$ 947,444.98	**$ 5,981,230.76**	88,177,364	12,057,600	76,119,764	*$0.012500*	$0.086200	$0.098700		**$ 7,513,020.69**	$ 1,531,789.93		**$ 2,306,136.47**	PROJECTED
Oct-21	$ 7,071,861.36	$ 1,094,973.07	**$ 5,976,888.29**	72,654,022	11,249,400	61,404,622	*$0.012500*	$0.086200	$0.098700		**$ 6,060,636.15**	$ 83,747.86		**$ 2,389,884.33**	PROJECTED
Nov-21	$ 7,155,167.80	$ 1,197,850.20	**$ 5,957,317.60**	65,777,237	11,011,800	54,765,437	*$0.012500*	$0.086200	$0.098700		**$ 5,405,348.64**	$ (551,968.96)		**$ 1,837,915.37**	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	
Dec-20	$ 3.53976	$ 3.53976	$ 1.98533	$ -	$ (0.03345)	$ 5.49867	$ 3.51334	$ (339,857.63)	$ 1,296,269.44	$ 999,801.08	$ (296,468.36)		$ (603,446.82)	Final
Jan-21	$ 3.44575	$ 3.44575	$ 2.08883	$ -	$ (0.01765)	$ 5.63961	$ 3.55078	$ (70,976.12)	$ 1,418,068.77	$ 1,261,729.84	$ (156,338.93)		$ (759,785.75)	Final
Feb-21	$ 3.38518	$ 3.38518	$ 2.23230	$ -		$ 6.61821	$ 4.38591	$ 334,442.18	$ 1,349,027.07	$ 1,826,980.79	$ 477,953.72		$ (281,832.03)	Final
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		$ (75,938.54)	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		$ 80,205.32	Final
May-21	$ 2.66557	$ 2.66557	$ (0.25000)	$ -		$ 2.48557	$ 2.73557	$ 237,357.21	$ 452,827.75	$ 494,447.27	$ 41,619.52		$ 121,824.84	Est
Jun-21	**$ 2.77308**	**$ 2.77308**	**$ (0.25000)**	**$ -**	$ -	**$ 2.52308**	**$ 2.77308**	$ 31,846.21	$435,909.96	$ 437,859.64	$ 1,949.69		$ 123,774.53	Est
Jul-21	$ 2.79231	$ 2.79231	$ -	$ -	$ -	$ 2.79231	$ 2.79231	$ (172,877.43)	$ 395,462.28	$ 405,822.15	$ 10,359.88		$ 134,134.40	Est
Aug-21	$ 2.79716	$ 2.79716	$ -	$ -	$ -	$ 2.79716	$ 2.79716	$ (377,601.07)	$ 388,088.20	$ 440,856.85	$ 52,768.64		$ 186,903.05	Est
Sep-21	$ 2.80808	$ 2.80808	$ -	$ -	$ -	$ 2.80808	$ 2.80808	$ (574,406.21)	$ 409,424.08	$ 440,162.86	$ 30,738.79		$ 217,641.83	Est
Oct-21	$ 2.82116	$ 2.82116	$ -	$ -	$ -	$ 2.82116	$ 2.82116	$ (779,129.85)	$ 527,114.66	$ 483,473.37	$ (43,641.29)		$ 174,000.54	Est
Nov-21	$ 2.78489	$ 2.78489	$ 2.12150	$ -	$ -	$ 4.90639	$ 2.78489	$ (771,413.65)	$ 796,029.81	$ 660,395.70	$ (135,634.11)		$ 38,366.43	Est

Commission Item Number: DUC210628 - 2
Utility Commission Meeting: June 28, 2021
Item: II. C. <u>Proposed Energy Efficiency rebate measures for FY22 and FY23</u>

Proposed Energy Efficiency rebate measures for FY22 and FY23

Janet Davis, Key Accounts Manager, and a representative from Nexant will present the proposed new and modified energy efficiency measures for fiscal years 2022 and 2023.

Recommendation: A suggested motion follows:

I move that the Danville Utility Commission approve the changes presented for the FY2022 and FY2023 residential energy efficiency Home$ave program.

Danville Utilities

Energy Efficiency
New 2021 Measures

Prepared for Danville Utilities

Nexant
Reimagine tomorrow.

June 28, 2021

Confidential

Measure Updates

- HVAC Tune-Up: Increase Rebate from $55 to $75
  - Tune-up submissions lagged in 2020
    - 20 submitted in 2020 compared to 67 in 2019
  - Increased rebate will give contractors incentive to perform tune-ups and submit the paperwork
  - Tune-ups very important to keeping HVAC systems running efficiently
  - Tune-up costs to customers have increased since the initial rebate was put in place

New Measures

- Electric Vehicle Chargers: $200 per charger
  - Start date of July 1, 2022 to align with TOU rate
  - Level 2 Charger
  - Scheduling capabilities (allows customer to easily opt-in to the TOU rate in 2022)
    - Chargers with scheduling capabilities cost $200 more on average, so this encourages the customer to purchase one with scheduling
- Dual-Fuel Heat Pumps with Natural Gas Furnace: $1500 & $1650 for Tier-1 and 2, respectively
  - Electric heat pump with natural gas backup
  - Allow customers to take advantage of the energy efficiency of heat pumps, while using more comfortable gas heat at lower temperatures.
  - Avoid electric peaking during the coldest winter temperatures

Optional Measures

- Natural Gas Furnace: $450 per unit
  - Replace an electric heating source with a natural gas furnace
  - Reduces electric peaking during the winter months
  - Less expensive for customers to switch from electric heat to natural gas heat

Commission Item Number: DUC210628 - 3
Utility Commission Meeting: June 28, 2021
Item: II. D. <u>West Fork Substation Property Acquisition-AEP 4th Delivery Point</u>

West Fork Substation Property Acquisition-AEP 4th Delivery Point

Phillip Haley, Division Director of Power and Light, will describe the property needed to add a fourth delivery point from AEP. Staff is requesting to purchase 42.85 acres adjacent to the substation for $180,000 plus closing costs to allow for the substation expansion and new AEP transmission line and substation.

Recommendation:

I move that the Danville Utility Commission recommend to City Council purchasing 42.85 acres adjacent to West Fork substation for $180,000 to expand the substation footprint to include a new delivery point from AEP.

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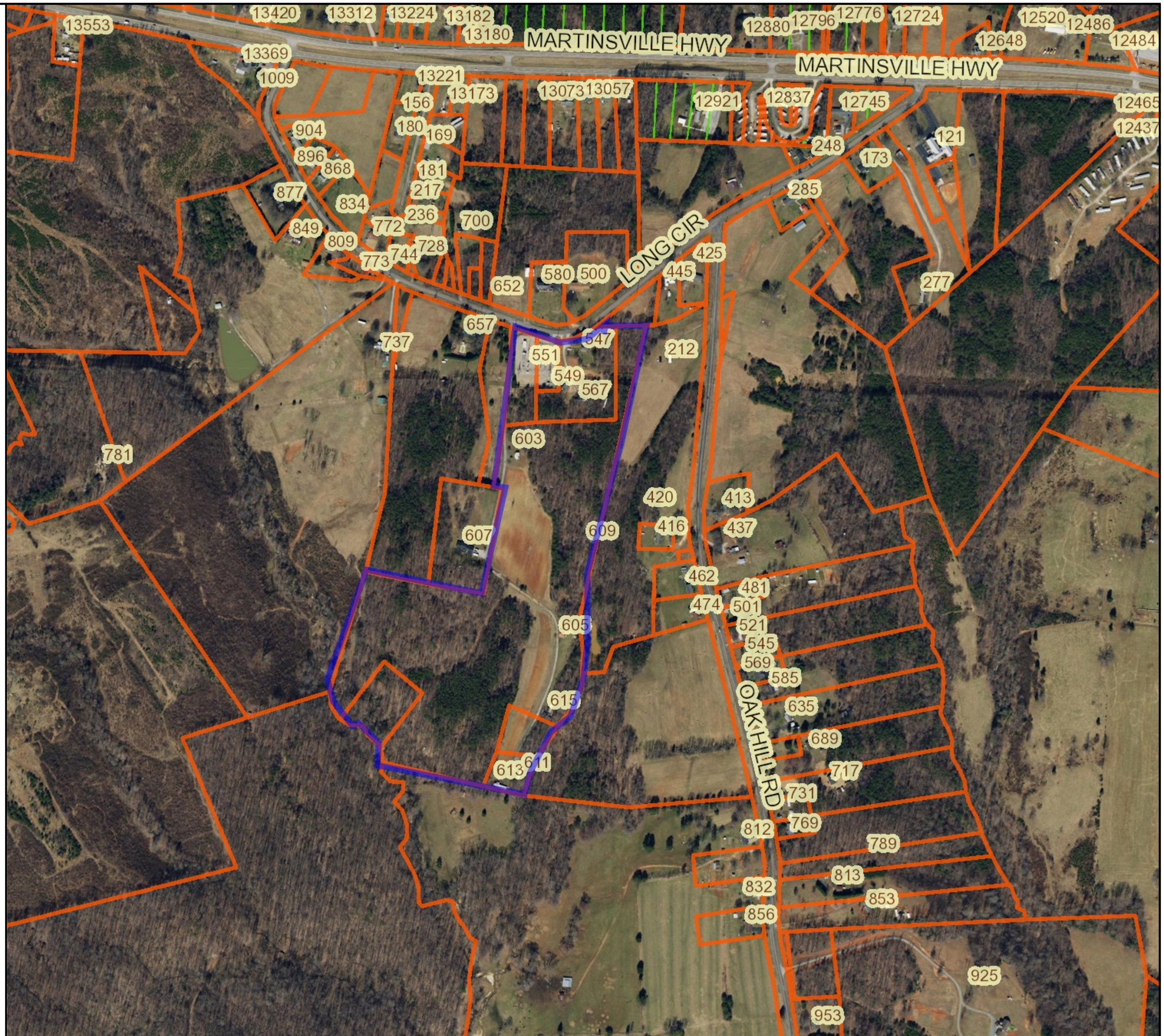
Legend

- Assessed Parcels
- Parcels
- County Boundary



Title: fourth delivery point

Date: 6/15/2021

Feet

0 200 400 600 800

1:9,028 / 1"=752 Feet

DISCLAIMER: This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and Pittsylvania County is not responsible for its accuracy or how current it may be.

Commission Item Number: DUC210628 - 4
Utility Commission Meeting: June 28, 2021
Item: II. E. AMP Scholarship Award Presentation

AMP Scholarship Award Presentation

Harry Phillips, AMP's Director of Marketing and Member Relations, will recognize Dylan Aron as one of five Richard H. Gorsuch Scholarship recipients. The Richard H. Gorsuch Scholarship is awarded to a student whose parent or guardian is an employee of an AMP member. Dylan is the son of Mark Aron, the City's Multimedia Manager.