DANVILLE UTILITY COMMISSION AGENDA

CITY COUNCIL CHAMBERS

March 25, 2024

4:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. ITEMS FOR DISCUSSION

1. Minutes of the February 26, 2024 Commission Meeting
2. Review of January Financial Statements
3. Upcoming Economic Development Related Capital Projects

ADJOURN

Next Meeting: April 22, 2024 at 4:00pm

Danville Utility Commission

STAFF REPORT

DATE: March 25, 2024

TO: Danville Utility Commission

FROM: Janet Davis, Key Accounts Manager

RE: Minutes of the February 26, 2024 Commission Meeting

ATTACHMENTS

1. February 26 2024 DUC Minutes

Danville Utility Commission
4:00 p.m. February 26, 2024 Meeting
Council Chambers, City Hall
Minutes

Commission Members Present: Ken Larking, Gary Miller, Sheila Williamson-Branch, Anna Kautzman, Vanessa Cain, Murray Whittle

Commission Members Absent: Helm Dobbins, Mary Williamson, Steven Merricks

Staff Present: Ryan Dodson, Jason Grey, Janet Davis, Michael Adkins, Amy Chandler, Mauricio Rodriguez, Tiffany Swanson-Jones, Henrietta Weaver

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 January 22, 2024 Commission Meeting

Ms. Cain asked for any corrections, deletions, or adjustments to the minutes from January 22, 2024.

Mr. Larking made a motion to approve the minutes and Ms. Kautzman seconded. All members voted in favor, and the motion was carried unanimously.

Review of Utilities' Financial Statements

Ms. Chandler presented the December financial statements for each utility fund.

Follow-up discussion: Fiscal Year 2025 Utilities Budget

Preliminary FY 2025 budget proposals were reviewed at the January 22nd Commission meeting. Should on-going evaluations reveal additional revenue shortfalls; staff will make the budget expenditure adjustments necessary to bring the budgets back into balance without further FY 2025 increases and brief the Commission on the matter at the April 22nd meeting. In order that the City Manager benefits from explicit guidance from the Commission in time to finalize his budget proposals and present them to City Council by March 1st, it was recommended that the Utility Commission endorse the FY 2025 budget.

Dr. Miller asked why projects were being delayed to the next fiscal year. Mr. Larking explained that due to the $10 million bond limit not all projects could be completed and stay under that cap. A request will be brought to City Council to increase that limit in the future.

A motion was made by Ms. Kautzman and seconded by Mr. Larking that the Danville Utility Commission recommend that City Council adopts the Utility Department's Proposed Fiscal Year 2025 Budget. All members voted in favor, and the motion was carried unanimously.

Customer Electric Outage Notification System

Mauricio Rodriguez, Danville Utilities' Energy Advisor, presented an overview of the electric utility's new outage notification system to be completed in March.

Department Discussions

There were no communications from the public, commissioners, or the director.

Adjournment

Chairman Cain stated the next meeting is scheduled for March 25, 2024. Ms. Williamson-Branch made a motion to adjourn the meeting, and the motion was seconded by Mr. Larking. There being no further business, Chairman Cain adjourned the meeting at 4:36 p.m.

Submitted by Janet C. Davis
Secretary to the DUC

March 25, 2024
Date Approved

Chairman
Danville Utility Commission

Danville Utility Commission

STAFF REPORT

DATE: March 25, 2024

TO: Danville Utility Commission

FROM: Amy Chandler, Assistant Director of Finance

RE: Review of January Financial Statements

Review of January Financial Statements

ATTACHMENTS

1. DUC Financial Statements Jan 2024

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF NET ASSETS - UNAUDITED
JANUARY 31, 2024

		WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	JANUARY 31, 2024
ASSETS							
Equity in pooled Cash and Investments	$	7,228,451.93	13,527,050.07	14,323,937.08	21,188,848.08	1,313,352.75	57,581,639.91
Receivables (Net of allowances for Uncollectible):							
Accounts		1,222,479.26	1,160,948.96	2,932,984.97	15,086,152.58	21,221.75	20,423,787.52
Power/Gas Cost Recovery		-	-	169,097.55	(3,111,291.76)	-	(2,942,194.21)
Pension Assets		93,746.00	172,308.00	123,133.00	507,623.00	20,347.00	917,157.00
Inventory of Gas, Materials and Supplies, at Cost		-	1,138,527.11	786,907.01	3,480,174.85	258,811.18	5,664,420.15
Fixed Assets		107,631,061.48	87,651,872.77	72,541,137.28	327,874,569.10	11,299,582.01	606,998,222.64
Accumulated Depreciation		(54,198,783.78)	(45,656,721.76)	(32,098,264.76)	(148,789,420.12)	(4,991,571.05)	(285,734,761.47)
Deferred Outflows - Pension		287,260.00	527,994.00	377,311.00	1,555,480.00	62,346.00	2,810,391.00
TOTAL ASSETS	$	62,264,214.89	58,521,979.15	59,156,243.13	217,792,135.73	7,984,089.64	405,718,662.54
LIABILITIES AND NET ASSETS							
Liabilities							
Accounts Payable	$	236,290.58	307,747.33	1,961,082.54	10,389,972.31	52,243.44	12,947,336.20
Accrued Interest Payable		18,679.85	111,687.88	10,742.85	668,400.51	-	809,511.09
Customer Deposits		-		-	4,187,567.74	-	4,187,567.74
Accrued Vacation, Sick Leave & Workers Comp.		1,440.00	155,673.98	86,380.94	614,499.48	10,973.20	868,967.60
Deferred Gain / Loss - Refunding Bonds		(91,602.10)	(88,594.45)	(47,175.24)	(984,650.97)	-	(1,212,022.76)
Original Issue Premium/Discount (Refunding Bonds)		115,600.57	870,708.76	55,572.99	5,023,065.15	-	6,064,947.47
General Obligation Bonds Payable		1,061,829.37	4,419,070.19	578,613.44	45,416,200.44	-	51,475,713.44
Revenue Bonds Payable		-	3,702,857.14	-	2,777,142.86	-	6,480,000.00
Long-Term Leases, Notes, and Contracts Payable		-	-	-	438,584.85	-	438,584.85
TOTAL LIABILITIES	$	1,342,238.27	9,479,150.83	2,645,217.52	68,530,782.37	63,216.64	82,060,605.63
Net Assets							
Contributed Capital	$	4,128,016.78	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,203,681.40
Retained Earnings:							
Restricted for Investment in Fixed Assets	$	48,218,433.08	28,414,826.45	38,515,350.75	113,131,768.97	5,970,762.37	234,251,141.62
Restricted for Incomplete Projects		7,050,289.13	13,932,760.80	8,347,689.60	8,179,343.30	488,286.40	37,998,369.23
Restricted for Subsequent Expenses		1,738,940.42	62,437.42	45,341.85	1,401,256.09	2,301.65	3,250,277.43
Net Pension Assets		93,746.00	172,308.00	123,133.00	507,623.00	20,347.00	917,157.00
Deferred Outflows - Pension		287,260.00	527,994.00	377,311.00	1,555,480.00	62,346.00	2,810,391.00
Unrestricted		(307,448.79)	1,784,212.73	8,138,999.83	12,319,739.47	1,101,926.99	23,037,430.23
Total Retained Earnings	$	56,793,959.84	44,366,545.40	55,170,515.03	135,539,730.83	7,583,624.41	299,454,375.51
TOTAL NET ASSETS	$	60,921,976.62	49,042,828.32	56,511,025.61	149,261,353.36	7,920,873.00	323,658,056.91
TOTAL LIABILITIES AND NET ASSETS	$	62,264,214.89	58,521,979.15	59,156,243.13	217,792,135.73	7,984,089.64	405,718,662.54

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JANUARY 31, 2024

	WASTEWATER	WATER	GAS	ELECTRIC	TELECOM	JANUARY 31, 2024
Operating revenues:						
Charges for Services	$ 5,355,318.73	5,252,933.00	11,167,499.68	74,706,968.67	509,203.17	96,991,923.25
Operating Expenses:						
Purchased Services	$ -	-	6,986,754.77	55,533,212.86	38,951.64	62,558,919.27
Production	-	-	-	1,524.14	-	1,524.14
Transmission & Treatment	1,857,549.14	1,093,249.67	-	1,124,469.19	-	4,075,268.00
Engineering	-	143,441.23	144,202.34	944,336.89	-	1,231,980.46
Distribution	1,043,259.99	490,410.23	576,844.12	3,366,975.73	-	5,477,490.07
Service	53,959.75	70,358.17	24,726.85	-	-	149,044.77
Meters & Regulators	-	70,434.20	78,217.82	285,371.21	-	434,023.23
Administrative	1,668,601.06	2,110,106.94	2,270,961.96	8,460,332.34	512,362.04	15,022,364.34
Total Operating Expenses	$ 4,623,369.94	3,978,000.44	10,081,707.86	69,716,222.36	551,313.68	88,950,614.28
Operating Income (Loss)	$ 731,948.79	1,274,932.56	1,085,791.82	4,990,746.31	(42,110.51)	8,041,308.97
Non-Operating Revenues (Expenses):						
Jobbing Income (Loss)	20,213.11	95,838.39	175,104.76	835,783.84	13,513.85	1,140,453.95
Interest Income	121,691.76	242,067.44	237,680.93	410,980.23	21,807.52	1,034,227.88
Energy Efficiency Recovery	-	-	-	-	-	-
Gain (Loss) on Disposal of Property	5,250.00	-	20,054.00	14,115.00	-	39,419.00
Recoveries and Rebates	-	-	421.12	(34,718.17)	-	(34,297.05)
Interest Expense	(23,283.84)	(182,939.50)	(13,056.30)	(985,096.29)	-	(1,204,375.93)
Total Non-Operating Revenues (Expenses)	$ 123,871.03	154,966.33	420,204.51	241,064.61	35,321.37	975,427.85
Income (Loss) Before Operating Transfers	$ 855,819.82	1,429,898.89	1,505,996.33	5,231,810.92	(6,789.14)	9,016,736.82
Operating Transfers:						
Transfers In (Out)	(411,693.31)	(563,675.00)	(1,866,275.81)	(6,204,105.81)	(47,250.00)	(9,092,999.93)
Total Operating Transfers	$ (411,693.31)	(563,675.00)	(1,866,275.81)	(6,204,105.81)	(47,250.00)	(9,092,999.93)
Net Income (Loss)	$ 444,126.51	866,223.89	(360,279.48)	(972,294.89)	(54,039.14)	(76,263.11)
Net Assets - July 1, 2023, as restated	60,440,030.93	48,176,604.43	56,871,305.09	150,233,648.25	7,974,912.14	323,696,500.84
Net Income (Loss)	444,126.51	866,223.89	(360,279.48)	(972,294.89)	(54,039.14)	(76,263.11)
Contribution In Aid of Construction	37,819.18	-	-	-	-	37,819.18
Net Assets -June 30, 2024	$ 60,921,976.62	49,042,828.32	56,511,025.61	149,261,353.36	7,920,873.00	323,658,056.91

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2024

WASTEWATER

	ORIGINAL BUDGET 2023-24	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2023-24	JANUARY 2024	PERCENT OF CURRENT BUDGET	JANUARY 2023
OPERATING REVENUE	9,955,550.00		9,955,550.00	5,355,318.73	53.79%	5,267,297.43
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	3,941,690.00	56,981.91	3,998,671.91	1,857,549.14	46.45%	1,709,904.94
ENGINEERING	-	-	-	-		-
DISTRIBUTION	1,908,710.00	189,651.62	2,098,361.62	1,043,259.99	49.72%	944,732.33
SERVICE	160,600.00	-	160,600.00	53,959.75	33.60%	30,664.37
METERS & REGULATORS	-		-	-		-
DEPRECIATION	1,959,530.00	-	1,959,530.00	1,166,649.39	59.54%	1,183,448
BAD DEBT	36,000.00	-	36,000.00	64,566.17	179.35%	61,641.50
GENERAL & ADMINISTRATIVE	749,350.00	-	749,350.00	437,385.50	58.37%	425,699.18
TOTAL OPERATING EXPENSES	8,755,880.00	246,633.53	9,002,513.53	4,623,369.94	51.36%	4,356,090.32
OPERATING INCOME (LOSS)	1,199,670.00	(246,633.53)	953,036.47	731,948.79	76.80%	911,207.11
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	58,640.00		58,640.00	121,691.76	207.52%	125,809.94
RECOVERIES AND REBATES	-		-	-		-
GAIN/LOSS ON DISPOSAL	-		-	5,250.00		-
JOBBING INCOME (LOSS)	35,000.00		35,000.00	20,213.11	57.75%	17,027.06
INTEREST ON LONG TERM INDEBTEDNESS	(43,070.00)		(43,070.00)	(23,283.84)	54.06%	(26,916.83)
NET INCOME (LOSS)	1,250,240.00	(246,633.53)	1,003,606.47	855,819.82	85.27%	1,027,127.28
OPERATING TRANSFERS IN (OUT)	(705,760.00)		(705,760.00)	(411,693.31)	58.33%	(411,693.15)
NET INCOME AFTER TRANSFERS	544,480.00	(246,633.53)	297,846.47	444,126.51	149.11%	615,434.13
CONTRIBUTION IN AID	40,000.00		40,000.00	37,819.18	94.55%	
REGULAR CAPITAL MAINTENANCE	(1,616,990.00)	(4,959.50)	(1,621,949.50)	(54,511.34)	3.36%	
CAPITAL PROJECTS	(3,050,000.00)	(4,515,079.08)	(7,565,079.08)	(1,082,228.11)	14.31%	
DEBT SERVICE	(152,930.00)		(152,930.00)	(140,374.50)	91.79%	
DEPRECIATION	1,959,530.00		1,959,530.00	1,166,649.39	59.54%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2024

WATER

	ORIGINAL BUDGET 2023-24	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2023-24	JANUARY 2024	PERCENT OF CURRENT BUDGET	JANUARY 2023
OPERATING REVENUE	8,929,030.00		8,929,030.00	5,252,933.00	58.83%	4,843,275.87
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	2,177,120.00	7,212.99	2,184,332.99	1,093,249.67	50.05%	1,228,666.29
ENGINEERING	404,550.00	1,220.00	405,770.00	143,441.23	35.35%	138,445.28
DISTRIBUTION	891,480.00	12,521.00	904,001.00	490,410.23	54.25%	455,437.93
SERVICE	260,310.00		260,310.00	70,358.17	27.03%	50,281.62
METERS & REGULATORS	123,310.00		123,310.00	70,434.20	57.12%	55,285.34
DEPRECIATION	1,494,790.00		1,494,790.00	899,516.29	60.18%	968,723.00
BAD DEBT	30,000.00		30,000.00	55,957.45	186.52%	54,826.54
GENERAL & ADMINISTRATIVE	2,023,620.00	10,160.00	2,033,780.00	1,154,633.20	56.77%	1,134,361.16
TOTAL OPERATING EXPENSES	7,405,180.00	31,113.99	7,436,293.99	3,978,000.44	53.49%	4,086,027.16
OPERATING INCOME (LOSS)	1,523,850.00	(31,113.99)	1,492,736.01	1,274,932.56	85.41%	757,248.71
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	69,670.00		69,670.00	242,067.44	347.45%	153,507.03
RECOVERIES AND REBATES	7,000.00		7,000.00	-	0.00%	5,196.58
GAIN/LOSS ON DISPOSAL	7,500.00		7,500.00	-	0.00%	-
JOBBING INCOME (LOSS)	132,000.00		132,000.00	95,838.39	72.60%	98,168.72
INTEREST ON LONG TERM INDEBTEDNESS	(499,580.00)		(499,580.00)	(182,939.50)	36.62%	(25,019.28)
NET INCOME (LOSS)	1,240,440.00	(31,113.99)	1,209,326.01	1,429,898.89	118.24%	989,101.76
OPERATING TRANSFERS IN (OUT)	(966,300.00)		(966,300.00)	(563,675.00)	58.33%	(556,091.85)
NET INCOME AFTER TRANSFERS	274,140.00	(31,113.99)	243,026.01	866,223.89	356.43%	433,009.91
CONTRIBUTION IN AID	-		-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(1,128,280.00)	(375,386.98)	(1,503,666.98)	(756,158.76)	50.29%	
CAPITAL PROJECTS	(680,000.00)	(11,632,968.98)	(12,312,968.98)	(3,127,716.40)	25.40%	
DEBT SERVICE	(242,600.00)		(242,600.00)	(227,510.50)	93.78%	
DEPRECIATION	1,494,790.00		1,494,790.00	899,516.29	60.18%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2024

GAS

	ORIGINAL BUDGET 2023-24	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2023-24	JANUARY 2024	PERCENT OF CURRENT BUDGET	JANUARY 2023
OPERATING REVENUE	27,234,710.00		27,234,710.00	11,167,499.68	41.00%	16,980,047.31
	-					
COST OF SALES	-					
PURCHASED SERVICES	18,221,520.00		18,221,520.00	6,986,754.77	38.34%	12,489,488.70
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	18,221,520.00	-	18,221,520.00	6,986,754.77		12,489,488.70
GROSS PROFIT	9,013,190.00	-	9,013,190.00	4,180,744.91		4,490,558.61
GROSS PROFIT %	33.09%		33.09%	37.44%		26.45%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	-		-	-		-
ENGINEERING	378,230.00		378,230.00	144,202.34	38.13%	135,249.28
DISTRIBUTION	863,640.00	34,521.00	898,161.00	576,844.12	64.23%	360,811.90
SERVICE	258,810.00		258,810.00	24,726.85	9.55%	27,708.56
METERS & REGULATORS	159,230.00		159,230.00	78,217.82	49.12%	83,297.93
DEPRECIATION	1,554,450.00		1,554,450.00	934,184.61	60.10%	986,083.00
BAD DEBT	50,000.00		50,000.00	119,689.60	239.38%	96,749.64
GENERAL & ADMINISTRATIVE	2,205,950.00	19,003.40	2,224,953.40	1,217,087.75	54.70%	1,080,968.14
TOTAL OPERATING EXPENSES	5,470,310.00	53,524.40	5,523,834.40	3,094,953.09	56.03%	2,770,868.45
OPERATING INCOME (LOSS)	3,542,880.00	(53,524.40)	3,489,355.60	1,085,791.82	31.12%	1,719,690.16
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	100,110.00		100,110.00	237,680.93	237.42%	170,765.35
RECOVERIES AND REBATES	-		-	421.12	0.00%	378.35
GAIN/LOSS ON DISPOSAL	-		-	20,054.00	0.00%	-
JOBBING INCOME (LOSS)	115,940.00		115,940.00	175,104.76	151.03%	60,024.21
INTEREST ON LONG TERM INDEBTEDNESS	(23,850.00)		(23,850.00)	(13,056.30)	54.74%	(15,266.98)
NET INCOME (LOSS)	3,735,080.00	(53,524.40)	3,681,555.60	1,505,996.33	40.91%	1,935,591.09
OPERATING TRANSFERS IN (OUT)	(3,199,330.00)		(3,199,330.00)	(1,866,275.81)	58.33%	(1,864,525.65)
NET INCOME AFTER TRANSFERS	535,750.00	(53,524.40)	482,225.60	(360,279.48)	-74.71%	71,065.44

	ORIGINAL BUDGET 2023-24	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2023-24	JANUARY 2024	PERCENT OF CURRENT BUDGET
CONTRIBUTION IN AID			-	-	0.00%
REGULAR CAPITAL MAINTENANCE	(558,860.00)	(111,294.17)	(670,154.17)	(365,298.07)	54.51%
CAPITAL PROJECTS	(1,100,000.00)	(7,412,671.89)	(8,512,671.89)	(469,848.39)	5.52%
DEBT SERVICE	(93,030.00)		(93,030.00)	(90,639.50)	97.43%
DEPRECIATION	1,554,450.00		1,554,450.00	934,184.61	60.10%

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2024

ELECTRIC

	ORIGINAL BUDGET 2023-24	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2023-24	JANUARY 2024	PERCENT OF CURRENT BUDGET	JANUARY 2023
OPERATING REVENUE	132,932,400.00		132,932,400.00	74,706,968.67	56.20%	79,147,340.92
COST OF SALES						
PURCHASED SERVICES	97,843,510.00		97,843,510.00	55,533,212.86	56.76%	61,237,403.69
PRODUCTION	-	-	-	1,524.14		104.95
TOTAL COST OF SALES	97,843,510.00	-	97,843,510.00	55,534,737.00		61,237,508.64
GROSS PROFIT	35,088,890.00	-	35,088,890.00	19,172,231.67		17,909,832.28
GROSS PROFIT %	26.40%		26.40%	25.66%		22.63%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	1,686,950.00	32,875.71	1,719,825.71	1,124,469.19	65.38%	1,104,324.41
ENGINEERING	1,373,980.00	104,816.41	1,478,796.41	944,336.89	63.86%	452,583.98
DISTRIBUTION	5,165,740.00	365,506.45	5,531,246.45	3,366,975.73	60.87%	3,590,618.42
SERVICE	-		-	-		-
METERS & REGULATORS	384,260.00		384,260.00	285,371.21	74.27%	246,809.79
DEPRECIATION	8,104,400.00		8,104,400.00	4,854,820.57	59.90%	5,072,907.00
BAD DEBT	375,000.00		375,000.00	496,054.67	132.28%	567,316.01
GENERAL & ADMINISTRATIVE	5,984,870.00	430,962.21	6,415,832.21	3,109,457.10	48.47%	3,749,032.10
TOTAL OPERATING EXPENSES	23,075,200.00	934,160.78	24,009,360.78	14,181,485.36	59.07%	14,783,591.71
OPERATING INCOME (LOSS)	12,013,690.00	(934,160.78)	11,079,529.22	4,990,746.31	45.04%	3,126,240.57
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	202,680.00		202,680.00	410,980.23	202.77%	494,468.02
RECOVERIES AND REBATES	(100,000.00)		(100,000.00)	(34,718.17)	34.72%	671,341.85
GAIN/LOSS ON DISPOSAL	30,000.00		30,000.00	14,115.00	47.05%	81,956.64
JOBBING INCOME (LOSS)	881,450.00	(421,488.00)	459,962.00	835,783.84	181.71%	357,627.54
INTEREST ON LONG TERM INDEBTEDNESS	(2,374,200.00)		(2,374,200.00)	(985,096.29)	41.49%	(810,741.91)
NET INCOME (LOSS)	10,653,620.00	(1,355,648.78)	9,297,971.22	5,231,810.92	56.27%	3,920,892.71
				.		0.00
OPERATING TRANSFERS IN (OUT)	(10,635,610.00)		(10,635,610.00)	(6,204,105.81)	58.33%	(6,167,355.65)
NET INCOME AFTER TRANSFERS	18,010.00	(1,355,648.78)	(1,337,638.78)	(972,294.89)	72.69%	(2,246,462.94)
CONTRIBUTION IN AID	-		-	-	0.00%	
FEDERAL AID - CAPITAL PROJECTS	-	-	-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(5,002,930.00)	(2,390,905.41)	(7,393,835.41)	(3,313,191.15)	44.81%	
CAPITAL PROJECTS	-	(6,359,647.79)	(6,359,647.79)	(6,167,934.33)	96.99%	
DEBT SERVICE	(3,627,660.00)	-	(3,627,660.00)	(2,573,471.69)	70.94%	
DEPRECIATION	8,104,400.00		8,104,400.00	4,854,820.57	59.90%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JANUARY 31, 2024

TELECOMMUNICATIONS

	ORIGINAL BUDGET 2023-24	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 2023-24	JANUARY 2024	PERCENT OF CURRENT BUDGET	JANUARY 2023
OPERATING REVENUE	679,200.00		679,200.00	509,203.17	74.97%	428,576.06
COST OF SALES						
PURCHASED SERVICES	60,000.00		60,000.00	38,951.64	64.92%	43,991.20
PRODUCTION			-	-		-
TOTAL COST OF SALES	60,000.00	-	60,000.00	38,951.64		43,991.20
GROSS PROFIT	619,200.00	-	619,200.00	470,251.53		384,584.86
GROSS PROFIT %	91.17%		91.17%	92.35%		89.74%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT			-	-		-
ENGINEERING			-	-		-
DISTRIBUTION			-	-		-
SERVICE			-	-		-
METERS & REGULATORS			-	-		-
DEPRECIATION	437,520.00		437,520.00	260,738.26	59.59%	283,276.00
BAD DEBT	-		-	-		619.60
GENERAL & ADMINISTRATIVE	424,900.00	1,000.00	425,900.00	251,623.78	59.08%	229,350.08
TOTAL OPERATING EXPENSES	862,420.00	1,000.00	863,420.00	512,362.04	59.34%	513,245.68
OPERATING INCOME (LOSS)	(243,220.00)	(1,000.00)	(244,220.00)	(42,110.51)	17.24%	(128,660.82)
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	7,150.00		7,150.00	21,807.52	305.00%	12,411.55
RECOVERIES AND REBATES			-	-		-
GAIN/LOSS ON DISPOSAL			-	-		-
JOBBING INCOME (LOSS)	(4,000.00)		(4,000.00)	13,513.85	-337.85%	225.44
INTEREST ON LONG TERM INDEBTEDNESS			-	-		-
NET INCOME (LOSS)	(240,070.00)	(1,000.00)	(241,070.00)	(6,789.14)	2.82%	(116,023.83)
OPERATING TRANSFERS IN (OUT)	(81,000.00)		(81,000.00)	(47,250.00)	58.33%	(47,250.00)
NET INCOME AFTER TRANSFERS	(321,070.00)	(1,000.00)	(322,070.00)	(54,039.14)	16.78%	(163,273.83)
CONTRIBUTION IN AID	-		-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(50,000.00)		(50,000.00)	(53,255.10)	106.51%	
CAPITAL PROJECTS	-	(511,734.11)	(511,734.11)	(20,192.61)	0.00%	
DEPRECIATION	437,520.00		437,520.00	260,738.26	59.59%	

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)	(Independent of Commod) Cum Over (Under) Demand Recovery Current FY	(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	
Jun-23	$ 3.19175	$ 3.19175	$ (0.30000)	$ -		$ 3.68695	$ 3.98695	$ 8,395.30	$361,740.12	$ 485,101.57	$ 123,361.45		$435,993.29	FY FINAL
Jul-23	$ 3.36060	$ 3.36060	$ -	$ -		$ 3.27427	$ 3.27427	$ (199,324.67)	$ 371,556.21	$ 381,198.45	$ 9,642.24		$445,635.53	Final
Aug-23	$ 3.39081	$ 3.39081	$ -	$ -		$ 2.82158	$ 2.82158	$ (407,423.14)	$ 393,815.04	$ 373,957.47	$ (19,857.58)		$425,777.95	Final
Sep-23	$ 2.99052	$ 2.99052	$ -	$ -		$ 2.90941	$ 2.90941	$ (607,494.24)	$ 396,379.89	$ 415,296.14	$ 18,916.25		$444,694.20	Final
Oct-23	$ 3.13574	$ 3.13574	$ -	$ -		$ 3.12898	$ 3.12898	$ (815,550.09)	$ 560,575.63	$ 505,448.59	$ (55,127.05)		$389,567.16	Final
Nov-23	$ 3.44007	$ 3.44007	$ 2.30000	$ -		$ 5.76637	$ 3.46637	$ (784,198.82)	$ 1,017,157.78	$ 809,551.53	$ (207,606.25)		$181,960.91	Final
Dec-23	$ 3.79286	$ 3.79286	$ 2.30000	$ -		$ 6.03701	$ 3.73701	$ (561,584.48)	$ 1,251,812.85	$ 1,113,970.69	$ (137,842.16)		$44,118.75	Final
Jan-24	$ 4.04189	$ 4.04491	$ 2.30000	$ -	$ 0.50000	$ 6.59506	$ 4.29506	$ (192,093.98)	$ 1,566,585.25	$ 1,353,368.96	$ (213,216.29)		($169,097.54)	FInal
Feb-24	$ 3.72527	$ 3.72527	$ 2.30000	$ -	$ (0.50000)	$ 5.52527	$ 3.22527	$ 287,965.67	$ 1,142,482.92	$ 1,342,595.59	$ 200,112.67		$31,015.13	Est
Mar-24	$ 3.86041	$ 3.93115	$ 2.00000	$ -	$ (0.50000)	$ 5.43115	$ 3.43115	$ 436,356.89	$ 851,365.62	$ 951,392.27	$ 100,026.65		$131,041.78	Est
Apr-24	$ 3.48595	$ 3.54815	$ 1.50000	$ -	$ (0.50000)	$ 4.54815	$ 3.04815	$ 425,255.95	$ 493,192.31	$ 754,667.88	$ 261,475.57		$392,517.35	Est
May-24	$ 3.07416	$ 3.07416	$ -	$ -	$ (0.50000)	$ 2.57416	$ 2.57416	$ 217,157.08	$ 430,264.89	$ 482,680.40	$ 52,415.52		$444,932.87	Est
Jun-24	$ 3.19746	$ 3.19746	$ -	$ -	$ (0.50000)	$ 2.69746	$ 2.69746	$ 17,085.59	$383,667.11	$ 430,956.35	$ 47,289.23		$492,222.10	Est

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)**	
Jun-23	$ 7,594,779.01	$ 1,379,311.23	**$ 6,215,467.78**	62,691,519	11,385,600	51,305,919	$0.030000	$0.086200	$0.116200		**$ 5,961,747.79**	$ (253,719.99)		**$ 1,826,200.91**	ACTUAL
Jul-23	$ 8,170,169.04	$ 1,215,225.56	**$ 6,954,943.48**	77,249,233	11,490,000	65,759,233	*$0.010000*	$0.086200	$0.096200		**$ 6,326,038.21**	$ (628,905.27)		**$ 1,197,295.64**	ACTUAL
Aug-23	$ 7,989,142.57	$ 1,070,532.20	**$ 6,918,610.37**	92,141,409	12,346,800	79,794,609	*$0.010000*	$0.086200	$0.096200		**$ 7,676,241.39**	$ 757,631.02		**$ 1,954,926.66**	ACTUAL
Sep-23	$ 7,736,873.95	$ 1,123,666.43	**$ 6,613,207.52**	89,639,427	13,018,800	76,620,627	*$0.020000*	$0.086200	$0.106200		**$ 8,137,110.59**	$ 1,523,903.07		**$ 3,478,829.72**	ACTUAL
Oct-23	$ 7,576,923.46	$ 1,348,678.26	**$ 6,228,245.20**	68,495,099	12,192,000	56,303,099	*$0.035000*	$0.086200	$0.121200		**$ 6,823,935.60**	$ 595,690.40		**$ 4,074,520.12**	ACTUAL
Nov-23	$ 7,671,684.17	$ 1,378,516.74	**$ 6,293,167.43**	67,289,620	12,091,200	55,198,420	*$0.035000*	$0.086200	$0.121200		**$ 6,690,048.50**	$ 396,881.07		**$ 4,471,401.19**	ACTUAL
Dec-23	$ 7,964,523.87	$ 1,236,793.81	**$ 6,727,730.06**	75,969,883	11,797,200	64,172,683	$0.020000	$0.086200	$0.106200		**$ 6,815,138.93**	$ 87,408.87		**$ 4,558,810.06**	ACTUAL
Jan-24	$ 10,044,642.44	$ 1,386,274.86	**$ 8,658,367.58**	86,958,053	12,001,200	74,956,853	*$0.010000*	$0.086200	$0.096200		**$ 7,210,849.26**	$ (1,447,518.32)		**$ 3,111,291.74**	ACTUAL
Feb-24	$ 7,896,318.58	$ 1,002,810.27	**$ 6,893,508.31**	86,679,083	11,008,000	75,671,083	*$0.005000*	$0.086200	$0.091200		**$ 6,901,202.79**	$ 7,694.48		**$ 3,118,986.22**	PROJECTED
Mar-24	$ 7,765,154.39	$ 1,162,478.09	**$ 6,602,676.29**	67,030,744	10,034,800	56,995,944	*$0.010000*	$0.086200	$0.096200		**$ 5,483,009.80**	$ (1,119,666.49)		**$ 1,999,319.73**	PROJECTED
Apr-24	$ 7,576,079.69	$ 1,265,085.05	**$ 6,310,994.64**	65,393,042	10,919,600	54,473,442	*$0.035000*	$0.086200	$0.121200		**$ 6,602,181.17**	$ 291,186.53		**$ 2,290,506.26**	PROJECTED
May-24	$ 6,852,463.14	$ 1,232,257.93	**$ 5,620,205.20**	60,062,169	10,800,800	49,261,369	*$0.045000*	$0.086200	$0.131200		**$ 6,463,091.57**	$ 842,886.37		**$ 3,133,392.63**	PROJECTED
Jun-24	$ 7,872,053.98	$ 1,309,890.38	**$ 6,562,163.60**	68,676,498	11,427,600	57,248,898	*$0.020000*	$0.086200	$0.106200		**$ 6,079,832.98**	$ (482,330.62)		**$ 2,651,062.01**	PROJECTED

Danville Utility Commission

STAFF REPORT

DATE: March 25, 2024

TO: Danville Utility Commission

FROM: Jason Grey, Director of Utilities

RE: Upcoming Economic Development Related Capital Projects

Jason Grey, Director of Utilities, will provide an update on various utility capital projects underway to meet specific economic development projects in-service dates in 2024. New utility customers Tyson Foods and Aerofarms were added in 2023. In 2024, the City expects to add Caesars, Accelerated Training in Defense Manufacturing Facility (IALR), and Dan River Falls. This is in addition to a growing list of residential and commercial development projects that are underway across the electric service territory.

ATTACHMENTS

1. Capital Projects DUC 032524

Upcoming Economic Development Capital Projects

AEP 4th Delivery Point

- **AEP Built**
  - 1.4 mile transmission line
  - 138 kV switchyard
- **Danville Built**
  - 138 kV transformer (West Fork substation)
  - Updated relaying/protection
  - In-service date May 2023

AEP 4th Delivery Point-138 KV Transmission Line

AEP 4th Delivery Point-138 kV Switchyard

City-West Fork Substation

New Cyber Park Substation

- **Accelerated Training in Defense Manufacturing (ATDM)**
  - Fall 2024
  - 1,000+ students/year
  - 6-7 megawatts

- **Cyber Park Substation**
  - 25 mVA transformer (July 2024)
  - Adds electric capacity to Cyber Park
  - Redundancy to neighboring substations

New Cyber Park Substation

DANVILLE UTILITIES

New Cyber Park Substation

Ballou Substation

- **69 kV substation**
  - AEP delivery point
  - Designed to serve Caesars facility
  - Backup to Schoolfield area
  - Completed February 2024

West Main Street Underground Project

- **Bishop Road/West Main Street**
  - Underground all overhead electric and communications
  - Engineering Complete
  - Coordinating with Verizon/Comcast
  - Project bid March 2024
  - Completion September 2024

DANVILLE UTILITIES

New Design Substation (North Danville)

- **New Design Substation (1970)**
  - (2) new transformers ordered March 2023-Delivery October 2024
  - Engineering Completed
  - Project bid June 2024
  - Completion June 2025

Questions?