



DANVILLE UTILITY COMMISSION AGENDA

CITY COUNCIL CHAMBERS

April 27, 2026

4:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. ITEMS FOR DISCUSSION

1. Minutes of the March 24, 2025 Commission Meeting
2. Review of February Financial Statements
3. Utilities Public Information Presentation (PCA, Energy Assessments/Assistance, Neighbors Helping Neighbors)

D. PUBLIC COMMENT

Members of the public who desire to speak on any item not on the agenda will be heard during this period. The Chairman/Vice Chairman of the Commission may restrict the number of speakers and limit the length of public comment to three minutes for individuals and five minutes for groups. The group must be present and have a single speaker to be eligible for the five-minute comment period. Sign up shall be in-person and closes when the meeting starts. Comments shall be limited to the provision of information to the Commission and not for the answering of questions.

E. COMMUNICATIONS

A. Commission Members

B. Director

ADJOURN

Next Meeting: Monday, June 22, 2026 at 4:00pm



**Danville Utility
Commission**

STAFF REPORT

DATE: April 27, 2026
TO: Danville Utility Commission
FROM: Janet Davis, Key Accounts Manager
RE: Minutes of the March 24, 2025 Commission Meeting

March 24, 2026 DUC Minutes

ATTACHMENTS

1. March 23 2026 DUC Minutes



Commission Members Present: Helm Dobbins, Ken Larking, Anna Kautzman, Mary Williamson, Gary Miller, Vanessa Cain, Murray Whittle, Steven Merricks, Fred Shanks

Commission Members Absent:

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

Others Present: Roger Arnold, Hazen & Sawyer

Call to Order

Chairman Kautzman 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 February 23, 2026 Commission Meeting

Ms. Kautzman asked for any corrections, deletions, or adjustments to the minutes from February 23, 2026.

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

Review of Utilities' Financial Statements

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

EPA/VDH Lead Service Line Inventory and Replacement Project

Roger Arnold, Associate, Hazen and Sawyer, provided an overview of the EPA/VDH Lead Service Line (LSL) requirements that the City and water utilities nationwide are required to satisfy by 2037. The City has undertaken LSL-related activities since 2022 and has developed a plan to meet applicable state and federal requirements for identifying public and private water service line materials.

Dr. Miller asked what happens if a customer refuses services towards identifying and replacing lead service lines. Mr. Grey answered that customers were incentivized to participate in the test

holes to verify the material. He stated that more unknowns need to be researched and staff will ramp up and get the word out to residents to make sure all requirements are met.

Mr. Shanks asked for clarification on the notification to customers. Mr. Grey responded that notices are sent out by the end of each calendar year, yearly, until all lines have been identified or replaced.

Ms. Kautzman asked if there were about 4,500 customers who have unknown pipe, what should those people who do not know what that line is take as far as next steps in the process. Mr. Grey said that there is a survey online to assist with finding out what is inside the house.

Mr. Dobbins asked if the unknowns are due to sampling. Mr. Grey responded that it is the results of predictive modeling.

Department Discussions and Public Comment

There were three people from the public who signed up to speak. Two were in attendance and voiced their concerns regarding utility rates.

Mr. Larking shared information from the City's utilities budget to assist residents to understand the budget recommendations including energy efficiency assistance.

Mr. Grey said that Danville Utilities has staff on hand to assist customers identify their high energy consumption and to please contact the utility for further assistance.

Dr. Miller asked about energy use through phantom energy. Mr. Grey responded that unplugging appliances that aren't used daily could save \$20 a year.

Ms. Kautzman asked about the identification of faulty equipment remotely and how to identify that. Mr. Grey responded that Mauricio Rodriguez is available to schedule an appointment with to identify those problems with energy use.

There were no comments from Commissioners or staff.

Adjournment

Ms. Kautzman stated the next meeting is scheduled for April 27, 2026. Mr. Shanks made a motion to adjourn. Mr. Dobbins seconded. There being no further business, Ms. Kautzman adjourned the meeting at 4:56 p.m.

Submitted by Janet C. Davis
Secretary to the DUC

April 27, 2026

Date Approved

Chairman
Danville Utility Commission



**Danville Utility
Commission**

STAFF REPORT

DATE: April 27, 2026
TO: Danville Utility Commission
FROM: Amy Chandler, Director of Finance
RE: Review of February Financial Statements

February financials will be reviewed.

ATTACHMENTS

1. Feb 2026 Utility Financial Statements

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF NET ASSETS - UNAUDITED
FEBRUARY 28, 2026

	<u>WASTEWATER</u>	<u>WATER</u>	<u>GAS</u>	<u>ELECTRIC</u>	<u>TELECOM</u>	<u>FEBRUARY 28, 2026</u>
ASSETS						
Equity in pooled Cash and Investments	\$ 8,830,337.13	6,524,774.86	12,342,172.96	(1,954,168.58)	1,579,045.35	27,322,161.72
Receivables (Net of allowances for Uncollectible):						
Accounts	1,502,442.84	1,665,117.32	4,035,157.05	21,822,721.90	44,006.51	29,069,445.62
Power/Gas Cost Recovery	-	-	(397,332.21)	4,761,327.94	-	4,363,995.73
Pension Assets	23,633.00	39,746.00	31,704.00	117,494.00	5,222.00	217,799.00
Inventory of Gas, Materials and Supplies, at Cost	-	957,557.20	716,466.18	3,547,340.59	250,708.57	5,472,072.54
Fixed Assets	111,304,028.34	104,394,464.99	74,845,657.86	365,783,677.13	11,491,441.60	667,819,269.92
Accumulated Depreciation	(57,901,880.57)	(48,574,517.07)	(35,237,075.04)	(165,179,976.38)	(5,874,617.24)	(312,768,066.30)
Deferred Outflows - Pension	171,684.00	288,743.00	230,324.00	853,564.00	37,935.00	1,582,250.00
	<u>63,930,244.74</u>	<u>65,295,886.30</u>	<u>56,567,074.80</u>	<u>229,751,980.60</u>	<u>7,533,741.79</u>	<u>423,078,928.23</u>
TOTAL ASSETS	\$					
LIABILITIES AND NET ASSETS						
Liabilities						
Accounts Payable	\$ 436,745.20	702,523.84	1,768,497.30	12,853,296.69	37,413.02	15,798,476.05
Accrued Interest Payable	12,260.01	170,383.57	6,792.10	777,156.85	-	966,592.53
Customer Deposits	-	-	-	3,878,894.64	-	3,878,894.64
Accrued Vacation, Sick Leave & Workers Comp.	-	164,805.88	150,636.46	661,652.75	16,130.35	993,225.44
Deferred Gain / Loss - Refunding Bonds	(66,134.29)	(65,148.58)	(32,417.34)	(781,571.11)	-	(945,271.32)
Original Issue Premium/Discount (Refunding Bonds)	85,531.34	1,253,742.74	38,660.62	6,034,800.05	-	7,412,734.75
General Obligation Bonds Payable	1,333,341.50	5,685,196.34	378,181.59	44,859,373.05	-	52,256,092.48
Revenue Bonds Payable	-	6,140,400.00	-	11,034,600.00	-	17,175,000.00
Long-Term Leases, Notes, and Contracts Payable	-	51,421.09	51,421.10	1,265,347.96	-	1,368,190.15
	<u>1,801,743.76</u>	<u>14,103,324.88</u>	<u>2,361,771.83</u>	<u>80,583,550.88</u>	<u>53,543.37</u>	<u>98,903,934.72</u>
TOTAL LIABILITIES	\$					
Net Assets						
Contributed Capital	\$ 4,254,482.78	4,676,282.92	1,340,510.58	13,721,622.53	337,248.59	24,330,147.40
Retained Earnings:						
Restricted for Investment in Fixed Assets	\$ 47,794,926.44	38,078,053.41	37,832,226.27	125,734,876.23	5,279,575.77	254,719,658.12
Restricted for Incomplete Projects	7,698,871.14	16,689,107.70	16,349,141.85	2,204,409.40	487,255.85	43,428,785.94
Restricted for Subsequent Expenses	1,288,573.21	34,025.34	14,958.41	1,132,516.22	1,098.89	2,471,172.07
Net Pension Assets	23,633.00	39,746.00	31,704.00	117,494.00	5,222.00	217,799.00
Deferred Outflows - Pension	171,684.00	288,743.00	230,324.00	853,564.00	37,935.00	1,582,250.00
Unrestricted	1,068,014.41	(8,324,653.95)	(1,363,238.14)	6,257,511.34	1,369,797.32	(992,569.02)
	<u>57,874,018.20</u>	<u>46,516,278.50</u>	<u>52,864,792.39</u>	<u>135,446,807.19</u>	<u>7,142,949.83</u>	<u>299,844,846.11</u>
Total Retained Earnings	\$					
TOTAL NET ASSETS	\$	62,128,500.98	51,192,561.42	54,205,302.97	149,168,429.72	324,174,993.51
TOTAL LIABILITIES AND NET ASSETS	\$	63,930,244.74	65,295,886.30	56,567,074.80	229,751,980.60	7,533,741.79
		<u>423,078,928.23</u>				<u>423,078,928.23</u>

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED FEBRUARY 28, 2026

	<u>WASTEWATER</u>	<u>WATER</u>	<u>GAS</u>	<u>ELECTRIC</u>	<u>TELECOM</u>	<u>FEBRUARY 28, 2026</u>
Operating revenues:						
Charges for Services	\$ 6,572,176.05	6,618,350.09	15,299,135.85	106,602,893.61	531,541.91	135,624,097.51
Operating Expenses:						
Purchased Services	\$ -	-	10,234,971.20	83,652,985.55	32,057.32	93,920,014.07
Production	-	-	-	4,390.89	-	4,390.89
Transmission & Treatment	2,691,790.26	1,465,750.65	-	1,201,806.93	-	5,359,347.84
Engineering	-	185,980.65	200,817.04	766,904.43	-	1,153,702.12
Distribution	1,297,624.50	849,365.68	848,547.96	5,575,422.13	-	8,570,960.27
Service	71,016.57	132,806.93	62,402.97	-	-	266,226.47
Meters & Regulators	-	101,725.53	122,468.52	436,555.02	-	660,749.07
Administrative	1,811,213.97	2,800,661.99	2,752,631.86	10,356,862.90	641,183.68	18,362,554.40
Total Operating Expenses	\$ 5,871,645.30	5,536,291.43	14,221,839.55	101,994,927.85	673,241.00	128,297,945.13
Operating Income (Loss)	\$ 700,530.75	1,082,058.66	1,077,296.30	4,607,965.76	(141,699.09)	7,326,152.38
Non-Operating Revenues (Expenses):						
Jobbing Income (Loss)	24,847.92	321,990.38	741,440.35	1,171,574.89	13,604.52	2,273,458.06
Interest Income	175,398.72	157,210.83	262,151.02	132,554.06	31,768.93	759,083.56
Energy Efficiency Recovery	-	-	-	-	-	-
Gain (Loss) on Disposal of Property	1,374.50	115.00	580.00	25,248.69	-	27,318.19
Recoveries and Rebates	-	-	-	9,413.44	-	9,413.44
Federal and State Grants	-	50,472.00	142,729.78	786,386.14	-	979,587.92
Interest Expense	(23,314.33)	(298,953.32)	(13,367.79)	(1,295,048.94)	-	(1,630,684.38)
Total Non-Operating Revenues (Expenses)	\$ 178,306.81	230,834.89	1,133,533.36	830,128.28	45,373.45	2,418,176.79
Income (Loss) Before Operating Transfers	\$ 878,837.56	1,312,893.55	2,210,829.66	5,438,094.04	(96,325.64)	9,744,329.17
Operating Transfers:						
Transfers In (Out)	(506,620.00)	(691,646.64)	(1,417,666.64)	(4,425,186.64)	(88,780.00)	(7,129,899.92)
Total Operating Transfers	\$ (506,620.00)	(691,646.64)	(1,417,666.64)	(4,425,186.64)	(88,780.00)	(7,129,899.92)
Net Income (Loss)	\$ 372,217.56	621,246.91	793,163.02	1,012,907.40	(185,105.64)	2,614,429.25
Net Assets - July 1, 2025, as restated	61,714,579.42	50,571,314.51	53,412,139.95	148,155,522.32	7,665,304.06	321,518,860.26
Net Income (Loss)	372,217.56	621,246.91	793,163.02	1,012,907.40	(185,105.64)	2,614,429.25
Contribution In Aid of Construction	41,704.00	-	-	-	-	41,704.00
Net Assets -June 30, 2026	\$ 62,128,500.98	51,192,561.42	54,205,302.97	149,168,429.72	7,480,198.42	324,174,993.51

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED FEBRUARY 28, 2026

WASTEWATER						
	ORIGINAL BUDGET 25-26	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 25-26	FEBRUARY 2026	PERCENT OF CURRENT BUDGET	FEBRUARY 2025
OPERATING REVENUE	9,387,520.00		9,387,520.00	6,572,176.05	70.01%	6,565,685.48
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	4,405,190.00	32,618.55	4,437,808.55	2,691,790.26	60.66%	2,645,370.67
ENGINEERING	-		-	-		-
DISTRIBUTION	2,003,630.00		2,003,630.00	1,297,624.50	64.76%	1,277,093.63
SERVICE	184,920.00		184,920.00	71,016.57	38.40%	78,142.90
METERS & REGULATORS	-		-	-		-
DEPRECIATION	1,670,190.00		1,670,190.00	1,113,460.00	66.67%	1,311,580.00
BAD DEBT	40,000.00		40,000.00	59,584.82	148.96%	52,343.40
GENERAL & ADMINISTRATIVE	1,035,250.00		1,035,250.00	638,169.15	61.64%	562,228.49
TOTAL OPERATING EXPENSES	9,339,180.00	32,618.55	9,371,798.55	5,871,645.30	62.65%	5,926,759.09
OPERATING INCOME (LOSS)	48,340.00	(32,618.55)	15,721.45	700,530.75	4455.89%	638,926.39
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	54,200.00		54,200.00	175,398.72	323.61%	115,143.69
RECOVERIES AND REBATES	-		-	-	0.00%	-
GAIN/LOSS ON DISPOSAL	-		-	1,374.50	0.00%	1,451.00
JOBBING INCOME (LOSS)	36,050.00		36,050.00	24,847.92	68.93%	29,300.18
FEDERAL AND STATE GRANTS	-		-	-	0.00%	-
INTEREST ON LONG TERM INDEBTEDNESS	(127,780.00)		(127,780.00)	(23,314.33)	18.25%	(31,212.83)
NET INCOME (LOSS)	10,810.00	(32,618.55)	(21,808.55)	878,837.56	-4029.78%	753,608.43
OPERATING TRANSFERS IN (OUT)	(742,540.00)	-	(742,540.00)	(506,620.00)	68.23%	(470,506.64)
NET INCOME AFTER TRANSFERS	(731,730.00)	(32,618.55)	(764,348.55)	372,217.56	-48.70%	283,101.79
CONTRIBUTION IN AID	70,000.00		70,000.00	41,704.00	59.58%	
REGULAR CAPITAL MAINTENANCE	(1,540,820.00)	(590,830.75)	(2,131,650.75)	(357,553.57)	16.77%	
CAPITAL PROJECTS	-	(6,151,344.26)	(6,151,344.26)	(826,570.30)	13.44%	
DEBT SERVICE	(169,520.00)		(169,520.00)	(155,587.50)	91.78%	
DEPRECIATION	1,670,190.00		1,670,190.00	1,113,460.00	66.67%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED FEBRUARY 28, 2026

WATER						
	ORIGINAL BUDGET 25-26	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 25-26	FEBRUARY 2026	PERCENT OF CURRENT BUDGET	FEBRUARY 2025
OPERATING REVENUE	9,264,850.00	-	9,264,850.00	6,618,350.09	71.44%	6,285,929.64
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	2,385,490.00	18,415.43	2,403,905.43	1,465,750.65	60.97%	1,365,524.83
ENGINEERING	391,490.00	16,506.25	407,996.25	185,980.65	45.58%	169,560.04
DISTRIBUTION	1,441,430.00	-	1,441,430.00	849,365.68	58.93%	723,943.86
SERVICE	223,640.00	-	223,640.00	132,806.93	59.38%	135,423.33
METERS & REGULATORS	159,440.00	-	159,440.00	101,725.53	63.80%	85,975.73
DEPRECIATION	1,442,130.00	-	1,442,130.00	961,419.92	66.67%	1,013,240.08
BAD DEBT	30,000.00	-	30,000.00	54,652.83	182.18%	42,318.81
GENERAL & ADMINISTRATIVE	2,845,125.00	76,617.63	2,921,742.63	1,784,589.24	61.08%	1,612,673.85
TOTAL OPERATING EXPENSES	8,918,745.00	111,539.31	9,030,284.31	5,536,291.43	61.31%	5,148,660.53
OPERATING INCOME (LOSS)	346,105.00	(111,539.31)	234,565.69	1,082,058.66	461.30%	1,137,269.11
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	103,300.00		103,300.00	157,210.83	152.19%	208,514.86
RECOVERIES AND REBATES	6,000.00		6,000.00	-	0.00%	-
GAIN/LOSS ON DISPOSAL	3,400.00		3,400.00	115.00	3.38%	-
JOBGING INCOME (LOSS)	744,365.00		744,365.00	321,990.38	43.26%	168,856.98
FEDERAL AND STATE GRANTS	2,920,000.00	2,604,620.00	5,524,620.00	50,472.00	0.91%	85,746.00
INTEREST ON LONG TERM INDEBTEDNESS	(571,580.00)		(571,580.00)	(298,953.32)	52.30%	(262,666.09)
NET INCOME (LOSS)	3,551,590.00	2,493,080.69	6,044,670.69	1,312,893.55	21.72%	1,337,720.86
OPERATING TRANSFERS IN (OUT)	(1,020,080.00)		(1,020,080.00)	(691,646.64)	67.80%	(644,200.00)
NET INCOME AFTER TRANSFERS	2,531,510.00	2,493,080.69	5,024,590.69	621,246.91	12.36%	693,520.86
CONTRIBUTION IN AID	-		-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(961,510.00)	(5,560.86)	(967,070.86)	(420,402.87)	43.47%	
CAPITAL PROJECTS	-	(9,546,074.09)	(9,546,074.09)	(3,000,014.38)	31.43%	
DEBT SERVICE	(516,610.00)		(516,610.00)	(305,162.50)	59.07%	
DEPRECIATION	1,442,130.00		1,442,130.00	961,419.92	66.67%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED FEBRUARY 28, 2026

GAS						
	ORIGINAL BUDGET 25-26	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 25-26	FEBRUARY 2026	PERCENT OF CURRENT BUDGET	FEBRUARY 2025
OPERATING REVENUE	19,864,170.00	-	19,864,170.00	15,299,135.85	77.02%	13,361,844.08
COST OF SALES						
PURCHASED SERVICES	12,875,000.00		12,875,000.00	10,234,971.20	79.49%	7,910,666.39
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	12,875,000.00	-	12,875,000.00	10,234,971.20		7,910,666.39
GROSS PROFIT	6,989,170.00	-	6,989,170.00	5,064,164.65		5,451,177.69
GROSS PROFIT %	35.18%		35.18%	33.10%		40.80%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	-		-	-		-
ENGINEERING	396,830.00	9,736.41	406,566.41	200,817.04	49.39%	194,437.34
DISTRIBUTION	1,400,310.00	-	1,400,310.00	848,547.96	60.60%	733,519.98
SERVICE	146,230.00	-	146,230.00	62,402.97	42.67%	38,473.10
METERS & REGULATORS	186,670.00	-	186,670.00	122,468.52	65.61%	97,766.67
DEPRECIATION	1,589,130.00	-	1,589,130.00	1,059,420.00	66.67%	1,052,066.72
BAD DEBT	60,000.00	-	60,000.00	91,116.41	151.86%	54,952.38
GENERAL & ADMINISTRATIVE	2,583,600.00	-	2,583,600.00	1,602,095.45	62.01%	1,539,787.71
TOTAL OPERATING EXPENSES	6,362,770.00	9,736.41	6,372,506.41	3,986,868.35	62.56%	3,711,003.90
OPERATING INCOME (LOSS)	626,400.00	(9,736.41)	616,663.59	1,077,296.30	174.70%	1,740,173.79
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	114,700.00		114,700.00	262,151.02	228.55%	191,479.92
RECOVERIES AND REBATES	-		-	-	0.00%	180.08
GAIN/LOSS ON DISPOSAL	-		-	580.00	0.00%	3,570.00
JOBGING INCOME (LOSS)	283,780.00		283,780.00	741,440.35	261.27%	402,220.58
FEDERAL AND STATE GRANTS	-	10,052,738.00	10,052,738.00	142,729.78	1.42%	-
INTEREST ON LONG TERM INDEBTEDNESS	(46,580.00)		(46,580.00)	(13,367.79)	28.70%	(18,319.00)
NET INCOME (LOSS)	978,300.00	10,043,001.59	11,021,301.59	2,210,829.66	20.06%	2,319,305.37
OPERATING TRANSFERS IN (OUT)	(2,109,110.00)		(2,109,110.00)	(1,417,666.64)	67.22%	(5,132,886.64)
NET INCOME AFTER TRANSFERS	(1,130,810.00)	10,043,001.59	8,912,191.59	793,163.02	8.90%	(2,813,581.27)
CONTRIBUTION IN AID						
REGULAR CAPITAL MAINTENANCE	(418,790.00)	(70,156.51)	(488,946.51)	(368,617.09)	75.39%	
CAPITAL PROJECTS	-	(14,398,618.23)	(14,398,618.23)	(628,805.80)	4.37%	
DEBT SERVICE	(103,110.00)		(103,110.00)	(100,462.50)	97.43%	
DEPRECIATION	1,589,130.00		1,589,130.00	1,059,420.00	66.67%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED FEBRUARY 28, 2026

ELECTRIC

	<u>ORIGINAL BUDGET 25-26</u>	<u>ADJUSTMENTS AND CARRYFORWARDS</u>	<u>CURRENT BUDGET 25-26</u>	<u>FEBRUARY 2026</u>	<u>PERCENT OF CURRENT BUDGET</u>	<u>FEBRUARY 2025</u>
OPERATING REVENUE	139,117,080.00	-	139,117,080.00	106,602,893.61	76.63%	97,030,612.09
COST OF SALES						
PURCHASED SERVICES	104,894,010.00	-	104,894,010.00	83,652,985.55	79.75%	74,233,867.32
PRODUCTION	-	-	-	4,390.89		-
TOTAL COST OF SALES	<u>104,894,010.00</u>	<u>-</u>	<u>104,894,010.00</u>	<u>83,657,376.44</u>		<u>74,233,867.32</u>
GROSS PROFIT	34,223,070.00	-	34,223,070.00	22,945,517.17		22,796,744.77
GROSS PROFIT %	24.60%		24.60%	21.52%		23.49%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	2,060,660.00	67,251.00	2,127,911.00	1,201,806.93	56.48%	1,215,606.71
ENGINEERING	1,317,370.00	43,740.95	1,361,110.95	766,904.43	56.34%	867,621.80
DISTRIBUTION	6,750,560.00	992,758.05	7,743,318.05	5,575,422.13	72.00%	4,011,596.11
METERS & REGULATORS	599,180.00	-	599,180.00	436,555.02	72.86%	369,198.19
DEPRECIATION	8,150,650.00	-	8,150,650.00	5,433,766.64	66.67%	5,471,260.00
BAD DEBT	400,000.00	-	400,000.00	467,691.42	116.92%	404,385.15
GENERAL & ADMINISTRATIVE	<u>6,786,690.00</u>	<u>768,587.86</u>	<u>7,555,277.86</u>	<u>4,455,404.84</u>	<u>58.97%</u>	<u>3,952,068.43</u>
TOTAL OPERATING EXPENSES	26,065,110.00	1,872,337.86	27,937,447.86	18,337,551.41	65.64%	16,291,736.39
OPERATING INCOME (LOSS)	<u>8,157,960.00</u>	<u>(1,872,337.86)</u>	<u>6,285,622.14</u>	<u>4,607,965.76</u>	<u>73.31%</u>	<u>6,505,008.38</u>
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	500,000.00	-	500,000.00	132,554.06	26.51%	339,782.32
RECOVERIES AND REBATES	(10,000.00)	5,023.48	(4,976.52)	9,413.44	-189.16%	2,135,178.24
GAIN/LOSS ON DISPOSAL	25,000.00	-	25,000.00	25,248.69	100.99%	2,175.00
JOBGING INCOME (LOSS)	2,888,190.00	(12,155.48)	2,876,034.52	1,171,574.89	40.74%	1,580,546.39
FEDERAL AND STATE GRANTS	-	-	-	786,386.14	0.00%	-
INTEREST ON LONG TERM INDEBTEDNESS	<u>(2,557,070.00)</u>	<u>-</u>	<u>(2,557,070.00)</u>	<u>(1,295,048.94)</u>	<u>50.65%</u>	<u>(1,202,679.75)</u>
NET INCOME (LOSS)	<u>9,004,080.00</u>	<u>(1,879,469.86)</u>	<u>7,124,610.14</u>	<u>5,438,094.04</u>	<u>76.33%</u>	<u>9,360,010.58</u>
OPERATING TRANSFERS IN (OUT)	<u>(6,620,390.00)</u>	<u>-</u>	<u>(6,620,390.00)</u>	<u>(4,425,186.64)</u>	<u>66.84%</u>	<u>(7,090,406.64)</u>
NET INCOME AFTER TRANSFERS	<u><u>2,383,690.00</u></u>	<u><u>(1,879,469.86)</u></u>	<u><u>504,220.14</u></u>	<u><u>1,012,907.40</u></u>	<u><u>200.89%</u></u>	<u><u>2,269,603.94</u></u>
CONTRIBUTION IN AID	-	-	-	-	0.00%	
FEDERAL AID - CAPITAL PROJECTS	-	-	-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(6,057,980.00)	(1,127,781.63)	(7,185,761.63)	(2,708,833.10)	37.70%	
CAPITAL PROJECTS	(26,910.00)	(5,666,400.73)	(5,693,310.73)	(8,509,272.61)	149.46%	
DEBT SERVICE	(4,540,970.00)	-	(4,540,970.00)	(3,062,511.12)	67.44%	
DEPRECIATION	8,150,650.00	-	8,150,650.00	5,433,766.64	66.67%	

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED FEBRUARY 28, 2026

TELECOMMUNICATIONS

	ORIGINAL BUDGET 25-26	ADJUSTMENTS AND CARRYFORWARDS	CURRENT BUDGET 25-26	FEBRUARY 2026	PERCENT OF CURRENT BUDGET	FEBRUARY 2025
OPERATING REVENUE	853,270.00		853,270.00	531,541.91	62.29%	574,209.14
COST OF SALES						
PURCHASED SERVICES	70,000.00		70,000.00	32,057.32	45.80%	42,355.36
PRODUCTION	-		-	-		-
TOTAL COST OF SALES	70,000.00	-	70,000.00	32,057.32		42,355.36
GROSS PROFIT	783,270.00	-	783,270.00	499,484.59		531,853.78
GROSS PROFIT %	91.80%		91.80%	93.97%		92.62%
OPERATING EXPENSES						
TRANSMISSION & TREATMENT	-		-	-		-
ENGINEERING	-		-	-		-
DISTRIBUTION	-		-	-		-
SERVICE	-		-	-		-
METERS & REGULATORS	-		-	-		-
DEPRECIATION	445,170.00	-	445,170.00	296,780.00	66.67%	293,693.36
BAD DEBT	-		-	-		-
GENERAL & ADMINISTRATIVE	517,530.00	265.54	517,795.54	344,403.68	66.51%	332,751.86
TOTAL OPERATING EXPENSES	962,700.00	265.54	962,965.54	641,183.68	66.58%	626,445.22
OPERATING INCOME (LOSS)	(179,430.00)	(265.54)	(179,695.54)	(141,699.09)	78.86%	(94,591.44)
NON-OPERATING REVENUE (EXPENSE)						
INTEREST INCOME ON INVESTMENTS	9,900.00	-	9,900.00	31,768.93	320.90%	21,836.22
RECOVERIES AND REBATES	-	-	-	-	0.00%	-
GAIN/LOSS ON DISPOSAL	-	-	-	-	0.00%	-
JOBGING INCOME (LOSS)	700.00	-	700.00	13,604.52	1943.50%	4,783.95
FEDERAL AND STATE GRANTS	-	-	-	-	0.00%	-
INTEREST ON LONG TERM INDEBTEDNESS	-	-	-	-	0.00%	-
NET INCOME (LOSS)	(168,830.00)	(265.54)	(169,095.54)	(96,325.64)	56.97%	(67,971.27)
OPERATING TRANSFERS IN (OUT)	(115,780.00)		(115,780.00)	(88,780.00)	76.68%	(54,000.00)
NET INCOME AFTER TRANSFERS	(284,610.00)	(265.54)	(284,875.54)	(185,105.64)	64.98%	(121,971.27)
CONTRIBUTION IN AID	-		-	-	0.00%	
REGULAR CAPITAL MAINTENANCE	(115,000.00)	-	(115,000.00)	(25,189.16)	21.90%	
CAPITAL PROJECTS	-	(479,576.76)	(479,576.76)	(82,131.75)	0.00%	
DEPRECIATION	445,170.00	-	445,170.00	296,780.00	66.67%	

Future months (still in blue) show projections.

Mo Rate						After PGA's are calculated, hard code them before reconciling the month		DEMAND Recovery	COMMODITY - Rolling Recovery			Commodity Recovery Balance Over (Under)	
	WACOG		Demand Rate	Demand Rate	Adjustments	PGA (f)	PGA (i)	(Independent of Commod) Cum Over (Under) Demand Recovery	(Does not include Demand Recovery)				
	Applied WACOG	Plus Losses	Firm	Interruptible	Current FY			Monthly Commodity Cost	Monthly Commodity Recovered	Monthly Commodity Over (Under) Recovery	+/- \$2,000,000		
Jun-25	\$ 4.38519	\$ 4.38519	\$ 2.15000	\$ -		\$ 5.17432	\$ 3.02432	\$ 10,273.69	\$ 305,994.68	\$ 414,687.01	\$ 108,692.34	\$ 1,558,813.40	Final
Jul-25	\$ 3.96358	\$ 3.96358	\$ -	\$ -	\$ -	\$ 3.46063	\$ 3.46063	\$ (310,169.04)	\$ 312,672.57	\$ 332,764.84	\$ 20,092.26	\$ 1,578,905.66	Final
Aug-25	\$ 4.09117	\$ 4.09262	\$ 0.25000	\$ -	\$ -	\$ 3.91448	\$ 3.66448	\$ (623,057.37)	\$ 319,778.92	\$ 415,523.43	\$ 95,744.51	\$ 1,674,650.17	Final
Sep-25	\$ 3.64752	\$ 3.64752	\$ 0.35000	\$ -	\$ -	\$ 3.65003	\$ 3.30003	\$ (920,163.32)	\$ 303,929.61	\$ 379,033.79	\$ 75,104.18	\$ 1,749,754.35	Final
Oct-25	\$ 3.85406	\$ 3.85406	\$ 0.45000	\$ -	\$ -	\$ 4.27733	\$ 3.82733	\$ (1,223,756.60)	\$ 484,576.38	\$ 428,722.20	\$ (55,854.18)	\$ 1,693,900.16	Final
Nov-25	\$ 3.76503	\$ 3.76503	\$ 3.35000	\$ -	\$ -	\$ 6.29894	\$ 2.94894	\$ (1,202,805.60)	\$ 765,660.18	\$ 612,060.63	\$ (153,599.55)	\$ 1,540,300.61	Final
Dec-25	\$ 4.21419	\$ 4.22405	\$ 3.50000	\$ -	\$ -	\$ 7.01885	\$ 3.51885	\$ (845,832.52)	\$ 1,493,218.53	\$ 1,097,969.69	\$ (395,248.84)	\$ 1,145,051.77	Final
Jan-26	\$ 7.61255	\$ 7.63215	\$ 3.00000	\$ -	\$ -	\$ 7.27312	\$ 4.27312	\$ (368,897.15)	\$ 2,618,721.53	\$ 1,254,934.15	\$ (1,363,787.37)	\$ (218,735.60)	Final
Feb-26	\$ 5.15473	\$ 5.21631	\$ 2.00000	\$ -	\$ -	\$ 7.40641	\$ 5.40641	\$ 57,588.18	\$ 1,435,367.43	\$ 2,051,435.24	\$ 616,067.82	\$ 397,332.21	Final
Mar-26	\$ 3.29854	\$ 3.29854	\$ 5.00000	\$ -	\$ -	\$ 8.29854	\$ 3.29854	\$ 703,327.41	\$ 379,331.94	\$ 759,450.90	\$ 380,118.97	\$ 777,451.18	Est
Apr-26	\$ 3.91257	\$ 3.91257	\$ 3.00000	\$ -	\$ -	\$ 6.91257	\$ 3.91257	\$ 715,275.08	\$ 176,065.67	\$ 608,909.36	\$ 432,843.69	\$ 1,210,294.87	Est
May-26	\$ 3.90491	\$ 3.90491	\$ 3.00000	\$ -	\$ -	\$ 6.90491	\$ 3.90491	\$ 555,466.31	\$ 78,098.17	\$ 377,854.71	\$ 299,756.54	\$ 1,510,051.41	Est
Jun-26	\$ 4.14690	\$ 4.14690	\$ 3.00000	\$ -	\$ -	\$ 7.14690	\$ 4.14690	\$ 357,359.97	\$ 41,468.98	\$ 343,867.17	\$ 302,398.19	\$ 1,812,449.59	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	NON-HLF POWER COST RECOVERED	NON-HLF POWER COST OVER / (UNDER) RECOVERY	ADJUST MTS	CUMULATIVE POWER COST RECOVERY NON-HLF CUSTOMERS (+ / - \$4,000,000)
Jun-25	\$ 10,042,672.32	\$ 1,844,404.57	\$ 8,198,267.75	77,394,378	14,214,000	63,180,378	\$0.020000	\$0.086200	\$0.106200	\$ 6,709,756.14	\$ (1,488,511.61)		\$ 21,136.92 ACTUAL
Jul-25	\$ 10,374,088.11	\$ 1,462,760.64	\$ 8,911,327.47	99,777,754	14,068,800	85,708,954	\$0.010000	\$0.086200	\$0.096200	\$ 8,245,201.37	\$ (666,126.10)		\$ (644,989.19) ACTUAL
Aug-25	\$ 8,911,168.27	\$ 1,263,006.37	\$ 7,648,161.90	102,886,433	14,582,400	88,304,033	\$0.020000	\$0.086200	\$0.106200	\$ 9,377,888.30	\$ 1,729,726.40		\$ 1,084,737.21 ACTUAL
Sep-25	\$ 9,209,528.44	\$ 1,514,267.73	\$ 7,695,260.71	85,980,136	14,137,200	71,842,936	\$0.025000	\$0.086200	\$0.111200	\$ 7,988,934.48	\$ 293,673.77		\$ 1,378,410.98 ACTUAL
Oct-25	\$ 9,036,030.30	\$ 1,508,834.34	\$ 7,527,195.96	74,294,026	12,405,600	61,888,426	\$0.035000	\$0.086200	\$0.121200	\$ 7,500,877.23	\$ (26,318.73)		\$ 1,352,092.25 ACTUAL
Nov-25	\$ 8,172,131.72	\$ 1,420,841.78	\$ 6,751,289.94	72,366,792	12,582,000	59,784,792	\$0.045000	\$0.086200	\$0.131200	\$ 7,843,764.71	\$ 1,092,474.77		\$ 2,444,567.02 ACTUAL
Dec-25	\$ 10,256,355.71	\$ 1,436,356.00	\$ 8,819,999.71	82,224,732	11,515,200	70,709,532	\$0.045000	\$0.086200	\$0.131200	\$ 9,277,090.60	\$ 457,090.89		\$ 2,901,657.91 ACTUAL
Jan-26	\$ 16,109,207.32	\$ 1,946,018.32	\$ 14,163,189.00	90,217,334	10,898,400	79,318,934	\$0.010000	\$0.086200	\$0.096200	\$ 7,630,481.45	\$ (6,532,707.55)		\$ (3,631,049.64) ACTUAL
Feb-26	\$ 11,584,475.68	\$ 1,274,102.86	\$ 10,310,372.82	107,219,578	11,792,400	95,427,178	\$0.010000	\$0.086200	\$0.096200	\$ 9,180,094.52	\$ (1,130,278.30)		\$ (4,761,327.94) ACTUAL
Mar-26	\$ 8,319,695.41	\$ 1,350,223.59	\$ 6,969,471.81	71,924,488	11,672,800	60,251,688	\$0.070000	\$0.086200	\$0.156200	\$ 9,411,313.66	\$ 2,441,841.85		\$ (2,319,486.09) PROJECTED
Apr-26	\$ 8,156,353.70	\$ 1,456,433.70	\$ 6,699,920.00	69,319,562	12,378,000	56,941,562	\$0.070000	\$0.086200	\$0.156200	\$ 8,894,271.98	\$ 2,194,351.98		\$ (125,134.11) PROJECTED
May-26	\$ 8,141,408.57	\$ 1,492,932.70	\$ 6,648,475.87	65,197,463	11,955,600	53,241,863	\$0.070000	\$0.086200	\$0.156200	\$ 8,316,379.00	\$ 1,667,903.13		\$ 1,542,769.02 PROJECTED
Jun-26	\$ 9,396,665.95	\$ 1,670,518.80	\$ 7,726,147.14	72,566,982	12,900,800	59,666,182	\$0.020000	\$0.086200	\$0.106200	\$ 6,336,548.53	\$ (1,389,598.61)		\$ 153,170.41 PROJECTED

\$ (682,804.12)

*PCA was revised so the adjustment for Feb should only be \$682,804.12



**Danville Utility
Commission**

STAFF REPORT

DATE: April 27, 2026
TO: Danville Utility Commission
FROM: Jason Grey, Director of Utilities
RE: Utilities Public Information Presentation (PCA, Energy Assessments/Assistance, Neighbors Helping Neighbors)

Jason Grey will present on the uses for the power cost adjustment, the City's energy assessment efforts, and energy assistance programs like Neighbors Helping Neighbors.

ATTACHMENTS

1. Danville_Utility_Commission_Power_Cost_and_Assistance_April_27_2026 1



Power Cost Adjustment & Customer Assistance Programs

April 27, 2026-Danville Utility Commission

Purpose of the Presentation

Power Cost Adjustment Overview

Explains the purpose of PCA and its impact on customer electric bills enhancing transparency and affordability.

Energy Assessments Success

Highlights utility's success in helping customers reduce energy use and manage costs through assessments.

Energy Assistance Programs

Describes support programs aiding customers with temporary financial hardships and local program coordination.

Community Support Initiatives

Showcases Neighbors Helping Neighbors program as community-driven effort for accessible essential utility services.





What Is the Power Cost Adjustment?

Definition of PCA

PCA is a rate mechanism adjusting electric bills based on actual power supply costs to reflect market changes.

Cost Components Included

Includes wholesale energy, fuel, transmission, and market-related costs that fluctuate over time.

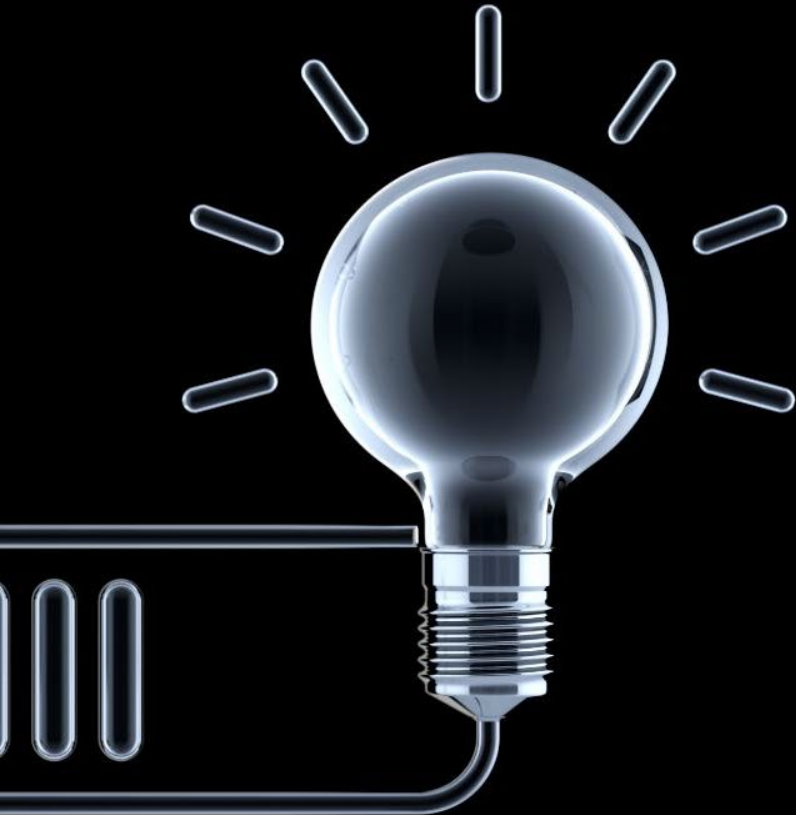
Purpose and Benefits

PCA stabilizes long-term rates and ensures customers pay a fair share of power costs transparently.

Variable Rate Adjustments

PCA values can increase or decrease based on market conditions and power supply expenses periodically.

Why the PCA Matters to Customers



Transparency in Pricing

PCA enables customers to see how market changes affect their electricity bills by separating supply costs from base rates.

Prevents Large Adjustments

The mechanism prevents large future rate adjustments by avoiding significant over- or under-collection of costs.

Protects Rate Stability

Base rates reflect long-term system costs while short-term market volatility is managed separately to maintain stability.

Balances Fairness and Financial Health

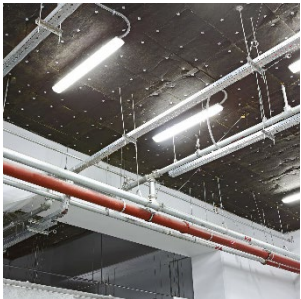
PCA is a practical tool balancing fairness, transparency, and financial stability for customers and utilities alike.

Success in Performing Energy Assessments



Community-Based Assessments

Local utility staff conduct energy assessments using their knowledge of community housing and business characteristics.



Focus on Cost-Effective Measures

Assessments emphasize practical improvements like insulation, lighting upgrades, HVAC efficiency, and behavioral changes.



Personalized Recommendations

Customers receive tailored advice to reduce energy use while maintaining comfort and lowering bills.

Value and Benefits of Energy Assessments

Customer Energy Savings

Energy assessments help customers identify waste and suggest improvements for long-term savings and comfort.

Utility System Efficiency

Reduced energy demand from assessments supports utility efficiency and peak load management.

Educational Benefits

Assessments educate customers on how daily choices impact energy use and costs.

System Reliability and Affordability

Energy assessments help reduce infrastructure strain and promote affordable, reliable electric service.



Available Energy Assistance Programs

Financial Assistance Programs

State and federal programs offer bill payment assistance to customers facing financial hardship.

Weatherization Support

Weatherization programs help improve home energy efficiency to reduce utility costs and increase comfort.

Energy Efficiency Upgrades

Upgrades like efficient appliances and insulation promote responsible energy use and cost savings.

Collaborative Support

Danville Utilities partners with agencies to coordinate referrals and guide customers to resources.





City of Danville – Neighbors Helping Neighbors



Support for Utility Customers

Neighbors Helping Neighbors assists utility customers facing temporary financial difficulties to prevent service disruptions.

Community-Funded Program

The program is funded through community donations and administered locally to provide timely support to those in need.

Bridge for Immediate Support

It serves as a critical bridge for customers who do not qualify for traditional programs but need immediate utility assistance.

Reinforcing Community Well-being

By ensuring essential utility services remain available, the program strengthens the city's commitment to mutual support and well-being.



Questions?

Thank you for your time and attention