

Electric

Fiscal Year 2023

Revenue

Charges for Services

Revenues are forecasted based upon our 2021 Rate Study data provided by our rate consultant and further adjusted for noted changes in consumption patterns. In total, our forecasted 2023 Charges for Services decreased by \$943,260 from Charges for Services budgeted for FY 2022. The projection for gross revenue from customers in FY 2023 is \$122,974,470.

Expenditures

Administration Services: Increase of \$145,150 due to an increase in maintenance service contracts offset by a decrease in general liability insurance

Engineering: Increase of \$17,600 due to an increase in contractor expenses offset by decreases in salaries and repairs and maintenance supplies

Distribution: Increase of \$155,210 due to increases in salaries and benefits

Meters: Increase of \$4,360 due to increases in salaries and benefits

Substations: Decrease of \$33,050 due primarily to decreases in contractor expenses

Generators: Decrease of \$51,500 due to an increase in diesel fuel expense offset by all other line items

Utility Administrative Services: Increase of \$62,610 due to increases in salaries and benefits

Support Services: Increase of \$35,050 due to an increase in salaries and benefits

Debt Service: Decrease of \$163,060 represents principal payment on general obligation bonds

Source of Supply: Purchased Power costs are projected to decrease by \$3,602,290

Capital Expenses:

Regular Capital

Purchase of Transformers	\$1,000,000
Existing capital leases	\$177,533

New capital leases	\$73,000
Purchase of electric meters and sockets	\$138,770

Projects

We included \$8.25 million in Capital Improvement Projects:

Underground Electric Distribution Conversion	\$1,500,000
New Design Substation Upgrade	\$3,000,000
Airside Substation Expansion	\$1,250,000
AEP Fourth Delivery Point – West Fork Substation	\$1,000,000
Ballou Substation	\$1,500,000

Adopted Budget - FY 2023

Electric

Calculation of Contribution to(from) Fund Balance/General Fund

	Adopted Budget FY 2022	Adopted Budget FY 2023
Estimated Revenue		
Rev-Use Money/Property	1,393,940	1,180,820
Charges for Services	122,341,910	121,398,650
Miscellaneous Revenue	455,000	390,000
Recovered Cost	5,000	5,000
Non-Revenue Receipts	0	0
Total Estimated Revenue	124,195,850	122,974,470
Operating Expenses		
Administration Services	6,535,880	6,924,180
Utility Administrative Services	1,362,920	1,425,530
Support Services	320,670	355,720
Engineering	1,018,860	1,092,950
Distribution	104,127,340	100,420,050
Meters	392,130	396,490
Transmissions	191,000	116,000
Substations	1,584,300	1,551,250
Hydro-Electric Plant	0	0
Generators	125,000	73,500
Customer Services	0	0
Capital Expenses	3,638,070	3,171,090
Capital Projects	551,240	0
Total Operating Expenses	119,847,410	115,526,760
Net Operating Income (Loss)	4,348,440	7,447,710
Add:		
Depreciation	8,980,360	8,696,410
Deduct:		
Debt Service Principal	3,354,780	3,191,720
Capital Expenditures from Current Operating Funds	0	0
Contribution to City's General Fund	10,572,610	10,572,610
Contribution To(From) Retained Earnings	(598,590)	2,379,790

Revenue categories for this fund are as follows:

REVENUE – USE OF MONEY/PROPERTY: This revenue category includes: **Interest on Investments** - All of the City’s funds are invested in secured accounts in an attempt to earn the highest possible return. Investments earnings are a function of the money marketplace and swings in the revenues reflect higher or lower interest rates.

Other sources include: **Rental Income** that is offset by vehicle and equipment charges to the divisions for daily and monthly usage and a warehouse administration fee charged to each utility division. **Sale-Salvage and Surplus Property** - This revenue represents the sale of surplus vehicles and equipment and funds received from the sale of scrap metal. Also included are income for the lease of real property and pole attachment fees charged to other utility companies for permitting attachment of their utility lines to poles owned and maintained by the City of Danville.

CHARGES FOR SERVICES: This revenue category include consumer fees and is the major revenue source for the Electric Fund. The residential category is the largest part of that revenue stream, representing 37,117 customers. The commercial base represents 4,701 customers and the industrial base has 31 customers. Lighting revenue represents off-street and security lighting sales as well as municipal street lighting. The municipal class represents electricity sold to the City for its municipal facilities. Other revenues in this category include penalties for non-payment and reconnection fees and charges. In FY23, power costs are projected to be slightly lower than in FY22 due to the forecasted improved production at the AMP Hydro Projects and lower PJM Capacity pricing. However, increases to AEP’s transmission rate look to offset a large portion of any potential power supply savings.

MISCELLANEOUS REVENUE: Miscellaneous revenue includes charges to customers who request alternation or expansion of their existing services and for amounts billed to third parties for damages to equipment and infrastructure.

RECOVERED COST: This revenue includes insurance reimbursements and restitution from third parties.

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Revenues:					
Revenue-Use Money & Property	\$ 1,822,015	\$ (5,736,940)	\$ 1,393,940	\$ 1,180,820	\$ (213,120)
Charges for Services	116,984,952	114,493,673	122,341,910	121,398,650	(943,260)
Miscellaneous Rev	868,683	391,721	455,000	390,000	(65,000)
Loan Proceeds	1,482	-	5,000	5,000	-
Totals	\$119,677,132	\$109,148,454	\$ 124,195,850	\$ 122,974,470	\$ (1,221,380)

Description

The mission of the Electric Fund is to provide reliable and affordable electric service to its customers. The Electric Fund includes the Division of Power and Light and functions as the cost allocation center for the Utilities Department's Administration, Customer Accounts, and Support Services Divisions that serve the Electric, Gas, Water, Wastewater, and Telecommunications Funds.

Expenditures

The majority of the increase in Cost Allocation represents the Electric Funds reimbursement to the General Fund for Customer Services costs. This division of the Electric Fund has been transferred to the Finance Department, Customer Accounting Division in the amount of \$1,370,590. The increase in Purchased Services is due to a SCADA system upgrade.

Cost of the minimum wage adjustments and Pay-for-Performance are posted to this account to be distributed to operations after final approval of the budget.

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 162,286	\$ 418,947	\$ 175,420	\$ 327,750	\$ 152,330
Employee Benefits	(119,741)	194,329	179,940	230,790	50,850
Purchased Services	402,353	792,019	417,810	664,390	246,580
Internal Service	85,003	80,172	75,590	94,560	18,970
Other Operating Exp	925,913	915,104	916,770	906,410	(10,360)
Cost Allocation	2,758,562	2,657,947	2,705,390	2,797,140	91,750
Capital Outlay	-	3,300	-	-	-
Depreciation	205,918	217,582	251,470	227,730	(23,740)
Debt Service	1,577,720	1,674,449	1,470,020	1,457,210	(12,810)
Transfer Out	10,429,610	10,429,610	10,697,610	10,572,610	(125,000)
Totals	\$ 16,427,624	\$ 17,383,459	\$ 16,890,020	\$ 17,278,590	\$ 388,570

Personnel

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
DIVISION DIR OF POWER & LIGHT	1.000	1.000	1.000	1.000
Total	1.000	1.000	1.000	1.000

Description

Electric engineering is responsible for engineering capital and maintenance projects, distribution upgrades, commercial and residential installations and any form of customer service request. The division also assists electric line crews with power restoration.

The increase in Purchase Services for FY23 is due to moving the system reliability services from capital to the operating budget. These services include pole inspections, radio frequency hardware problem identification, and infrared scanning of transformers and substations.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 474,887	\$ 519,580	\$ 636,440	\$ 626,180	\$ (10,260)
Employee Benefits	58,162	68,086	83,780	79,080	(4,700)
Purchased Services	135,769	108,085	134,420	283,530	149,110
Internal Service	40,949	41,231	490	500	10
Other Operating Exp	82,315	82,596	163,730	100,430	(63,300)
Capital Outlay	1,614	3,307	-	3,230	3,230
Totals	\$ 793,696	\$ 822,885	\$ 1,018,860	\$ 1,092,950	\$ 74,090

Personnel

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
SENIOR SECRETARY	0.500	0.500	0.500	0.500
ELECTRIC ENGINEERING AIDE		1.000		1.000
SR ELEC GIS/CAD TECHNICIAN	1.000	1.000	1.000	1.000
ELECTRIC ENGINEERING TECH	2.000	2.000	3.000	2.000
ELECTRIC SR ENGINEERING TECH	2.000	2.000	3.000	2.000
ELEC ENG TECH/ COMPLIANCE COOR	1.000	2.000	1.000	1.000
SENIOR ELECTRIC ENGINEER		1.000	1.000	1.000
ELECTRIC ENGINEER	2.000	1.000	1.000	1.000
ELCTRC DRAFTING/GIS TECH	1.000	1.000		
ENGINEERING TECH MANAGER	2.000		1.000	1.000
Total	11.500	11.500	11.500	10.500

Description

The Electric Distribution Department installs and repairs streetlights and outdoor customer lights, repairs and replaces overhead and underground primary, repairs and replaces poles, conductors, switches and fuses and responds to customer outages twenty four hours per day. The Electric Distribution Department is also responsible for right of way clearing.

The electric distribution system covers approximately 500 square miles including the City and portions of three adjacent counties. Service is provided to approximately 42,000 customer locations through 1,400 miles of 12,470/7,200 volt distribution lines.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 1,477,725	\$ 1,604,067	\$ 1,349,090	\$ 1,445,860	\$ 96,770
Employee Benefits	168,858	197,778	172,210	571,550	399,340
Purchased Services	2,640,984	2,504,105	2,239,520	2,232,250	(7,270)
Internal Service	143,547	114,217	24,700	25,000	300
Other Operating Exp	430,575	373,066	471,820	432,220	(39,600)
Source of Supply	89,954,446	89,436,078	90,841,110	87,238,820	(3,602,290)
Capital Outlay	5,180	8,250	-	5,670	5,670
Depreciation	8,080,257	8,078,530	8,728,890	8,468,680	(260,210)
Totals	\$ 102,901,572	\$ 102,316,091	\$ 103,827,340	\$ 100,420,050	\$ (3,407,290)

Personnel

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
DISPATCHER	1.000	1.000	1.000	1.000
CREW SUPERVISOR				
ELECTRIC GROUNDWORKER	0.420	0.420		0.840
ELECT LINE OH/UG EQUIP OPER	0.840	0.570	0.840	0.840
ELECTRIC LINE TECHNICIAN I	0.420	2.100	2.520	1.260
ELECTRIC LINE TECHNICIAN II	4.210	2.940	1.260	2.100
ELECTRIC LINE TECHNICIAN III	3.780	3.780	5.460	5.040
ELECTRIC LINE CREW SUPERVISOR	2.100	2.100	2.100	2.080
ELECTRIC VEGETATION ROW SUPER	0.420	0.420		
ELECTRC DSTRBTN SUPERINTENDENT	1.000	1.000	1.000	1.000
ELECTRIC RIGHT OF WAY TRIMMER	1.170	1.260	1.260	1.260
INSPECTOR-CONTRACTOR MANAGER	1.000	2.000	2.000	2.000
Total	16.360	17.590	17.440	17.420

Description

Electric substations budgets and accounts for the maintenance, operation, and repair of seventeen substations, twenty-one regulator sites and the electronic systems and devices associated with them. Substations' responsibilities also include the systems and software that monitor the electric system and dispatch personnel for maintenance and restoration services within the electric distribution territory. Additionally, electric substations tests and inspects substations and related facilities.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 755,434	\$ 756,214	\$ 772,550	\$ 819,540	\$ 46,990
Employee Benefits	83,404	92,974	100,010	101,520	1,510
Purchased Services	320,214	234,385	509,970	403,840	(106,130)
Internal Service	115,672	144,638	105,460	127,440	21,980
Other Operating Expen	130,710	110,665	221,310	172,410	(48,900)
Capital Outlay	1,263	-	-	-	-
Totals	\$ 1,406,697	\$ 1,338,876	\$ 1,709,300	\$ 1,624,750	\$ (84,550)

Personnel

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
IT SCADA SYSTEMS ANALYST	1.000	1.000	1.000	1.000
ELECTRIC GROUNDWORKER	0.010	0.010		0.020
ELECT LINE OH/UG EQUIP OPER	0.020	0.020	0.020	0.020
ELECTRIC LINE TECHNICIAN I	0.010	0.050	0.060	0.030
ELECTRIC LINE TECHNICIAN II	0.100	0.070	0.030	0.050
ELECTRIC LINE TECHNICIAN III	0.090	0.090	0.130	0.120
ELECTRIC LINE CREW SUPERVISOR	0.050	0.050	0.050	0.070
ELECTRIC VEGETATION ROW SUPER	0.010	0.010		
ELECTRIC SUBSTATION TECHNICIAN	3.000	3.000	4.000	4.000
UTILITY OPERATIONS SUPERVISOR			0.600	1.000
UTILITY OPERATOR	4.800	5.400	4.200	4.200
ELCTRC SUBSTN SUPERVISOR	1.000	1.000	1.000	1.000
ELCTRC SUBSTN SUPERINTENDENT	1.000			
ELECTRIC RIGHT OF WAY TRIMMER	0.030	0.030	0.030	0.030
Total	11.120	10.730	11.120	11.540

Description

The electric metering division is responsible for the maintenance and operation of the automated meter reading information and the physical meters. The team tests, calibrates and removes or installs any meter assigned within the 500 square miles of the system. Additionally, the group is responsible for meter disconnects and reconnects and investigations for meter tampering.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 232,843	\$ 251,988	\$ 268,500	\$ 273,120	\$ 4,620
Employee Benefits	28,396	33,359	36,260	35,120	(1,140)
Purchased Services	8,720	14,289	12,390	12,390	-
Internal Service	28,260	32,618	30,000	32,000	2,000
Other Operating Expen	27,508	18,224	44,980	40,080	(4,900)
Capital Outlay	6,420	4,074	-	3,780	3,780
Totals	\$ 332,147	\$ 354,552	\$ 392,130	\$ 396,490	\$ 4,360

Personnel

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
AMI SUPPORT TECHNICIAN	1.000	1.000	1.000	1.000
ELECTRIC METER TECHNICIAN I			1.000	1.000
ELECTRIC METER TECHNICIAN II	1.000	1.000	1.000	1.000
ELECTRIC METER TECHNICIAN III	2.000	1.000	1.000	1.000
ELECTRIC METER SUPERVISOR	1.000	1.000	1.000	1.000
Total	5.000	4.000	5.000	5.000

Description

Electric Hydro section provides 10 MW of peaking power to the City of Danville power distribution grid. This is accomplished by operating hydro-electric generators and related equipment, and inspecting and maintaining facilities, dams, pipeline and reservoirs. Hydro Electric follows the guidelines, policies and regulations set by the Federal Energy Regulatory Commission. The Hydro facility was sold in FY 21 to Northbrook Energy. Operational costs will not continue in future budgets however, purchased power costs will increase due to the need to purchase power from Northbrook Energy.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 318,165	\$ 221,669	\$ -	\$ -	\$ -
Employee Benefits	35,556	25,170	-	-	-
Purchased Services	232,790	161,310	-	-	-
Internal Service	20,030	9,244	-	-	-
Other Operating Expen	60,255	22,951	-	-	-
Capital Outlay	-	-	-	-	-
Totals	\$ 666,796	\$ 440,344	\$ -	\$ -	\$ -

Personnel

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
HYDRO-ELECTRIC ATTENDENT	1.000	1.000		
HYDRO-ELECTRIC OPERATOR	4.000	4.000		
HYDRO-ELECTRIC MAINTENANCE TEC	1.000	1.000		
HYDRO-ELECTRIC SUPERINTENDENT	1.000	1.000		
Total	7.000	7.000		

Description

Electric transmission budgets and accounts for maintenance of the transmission line from the Pinnacles Hydro generation facility to the Westfork substation. Taxes on electric infrastructure and facilities located outside of the City of Danville are also included in electric transmission.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Purchased Services	\$ 12,118	\$ -	\$ 75,000	\$ -	\$ (75,000)
Other Operating Expen	116,451	109,400	116,000	116,000	-
Totals	\$ 128,569	\$ 109,400	\$ 191,000	\$ 116,000	\$ (75,000)

Personnel

There are no employees specifically assigned to electric transmission. Hourly employees may charge a portion of their time to electric transmission through the work order system.

Description

The purpose of the Capital Improvement Program is to ensure the orderly expansion or modification to the electric system for improved customer reliability, to allow future growth, and improve operational efficiency. This is accomplished by construction and/ or modifications to the distribution system, transmission system, and substations and implementation of computer applications.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 797,960	\$ 684,493	\$ 1,105,360	\$ 1,168,450	\$ 63,090
Employee Benefits	93,329	87,527	151,920	150,070	(1,850)
Purchased Services	7,058,083	3,206,799	790,000	40,000	(750,000)
Internal Service	132,008	106,860	-	-	-
Other Operating Exp	5,549,361	4,769,476	1,347,920	1,562,030	214,110
Capital Outlay	124,668	176,682	4,000	-	(4,000)
Capital Projects	-	-	551,240	-	(551,240)
Debt Service	146,086	145,286	238,870	250,540	11,670
Totals	\$ 13,901,495	\$ 9,177,123	\$ 4,189,310	\$ 3,171,090	\$ (1,018,220)

Personnel

While there are no employees exclusively or specifically assigned to capital projects, hourly power and light employees are accounted for within capital projects through our work order system. Full-time Equivalents as budgeted are listed below.

Position Title	FY 2020 FTEs	FY 2021 FTEs	FY 2022 FTEs	FY 2023 FTEs
ELECTRIC GROUNDWORKER	0.570	0.570		1.140
ELECT LINE OH/UG EQUIP OPER	1.140	1.140	1.140	1.140
ELECTRIC LINE TECHNICIAN I	0.570	2.850	3.420	1.710
ELECTRIC LINE TECHNICIAN II	5.700	3.990	1.710	2.850
ELECTRIC LINE TECHNICIAN III	5.130	5.130	7.410	6.840
ELECTRIC LINE CREW SUPERVISOR	2.850	2.850	2.850	2.850
ELECTRIC VEGETATION ROW SUPER	0.570	0.570		
ELECTRIC RIGHT OF WAY TRIMMER	1.710	1.710	1.710	1.710
Total	18.240	18.810	18.240	18.240

Description

Electric debt service budgets and accounts for the retirement of principal for general obligation bonds for the treatment division of the Electric fund.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Debt Service	\$ 3,041,336	\$ 3,183,337	\$ 3,354,780	\$ 3,191,720	\$ (163,060)
Totals	\$ 3,041,336	\$ 3,183,337	\$ 3,354,780	\$ 3,191,720	\$ (163,060)

Description

Electric Non-Capital accounts for Home\$ave, Danville Utilities' residential energy efficiency rebate program and Custom\$ave, Danville Utilities' commercial and industrial energy efficiency rebate program. In addition, to rebates, advertising, promotion and contractor expenses are accounted for within Electric Non-Capital. In Fiscal 2019, funding for the program was sourced from unexpended balances of closed capital projects.

Starting in fiscal year 2021, funding for the energy efficiency programs is budgeted in the Key Accounts section of the Electric budget.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Purchased Services	\$ 186,809	\$ -	\$ -	\$ -	\$ -
Other Operating Exp	287	-	-	-	-
Debt Service	182,556	-	-	-	-
Totals	\$ 369,652	\$ -	\$ -	\$ -	\$ -

Personnel

There are no employees accounted for within "Electric Non-Capital" however the Key Accounts Manager administers Home\$ave and Custom\$ave, our energy efficiency programs.

Description

Utilities administration is responsible managing and providing leadership to all five utilities. Additional responsibilities include leveraging opportunities to make improvements to the City's water, wastewater treatment, natural gas, electric and telecommunication systems to benefit all ratepayers.

Expenditures

	FY 2020 Actual	FY 2021 Actual	FY 2022 Adopted	FY 2023 Adopted	Increase/ (Decrease)
Expenditures					
Personnel Services	\$ 840,860	\$ 798,971	\$ 914,230	\$ 991,020	\$ 76,790
Employee Benefits	105,540	117,318	158,730	132,990	(25,740)
Purchased Services	357,104	565,724	752,550	790,700	38,150
Internal Service	60,487	35,443	40,480	39,010	(1,470)
Other Operating Expen	94,061	(7,323)	122,320	129,500	7,180
Cost Allocation	(307,490)	(280,000)	(297,000)	(295,000)	2,000
Capital Outlay	471	510	2,250	2,730	480
Debt Service	-	113,776	158,500	158,500	-
Reimbursement	50,000	50,000	50,000	50,000	-
Totals	\$ 1,201,033	\$ 1,394,419	\$ 1,902,060	\$ 1,999,450	\$ 97,390

Personnel

Position Title	FY 2020	FY 2021	FY 2022	FY 2023
	FTEs	FTEs	FTEs	FTEs
PUBLIC INFORMATION OFFICER	1.000	1.000	1.000	1.000
ASSISTANT CITY ATTORNEY I			0.500	0.500
APPLICATIONS SPECIALIST IV	1.500	1.000	1.000	1.000
APPLICATIONS SPECIALIST I			0.500	0.500
SENIOR SECRETARY	1.000	1.000	1.000	1.000
IT SCADA SYSTEMS ANALYST		0.500		
KEY ACCOUNTS MANAGER	1.000	1.000	1.000	1.000
UTILITIES ENERGY ADVISOR			1.000	1.000
DIRECTOR OF UTILITIES	1.000	1.000	1.000	1.000
SENIOR ACCOUNT CLERK	2.000	2.000	2.000	2.000
ACCOUNTANT II	1.000	1.000	1.000	1.000
TRAINING & SAFETY MANAGER	1.000	1.000	1.000	1.000
CUSTODIAN				1.000
WAREHOUSE STOCK CLERK	3.000	3.000	3.000	3.000
FLEET & FACILITIES MANAGER		1.000		
UTILITIES WAREHOUSE MANAGER	1.000	1.000	1.000	1.000
DIVISN DIR OF SUPPORT SERVICES	1.000	1.000	1.000	1.000
Total	14.500	15.500	16.000	17.000