



Danville Utility Commission Meeting Agenda **4:00 p.m., February 25, 2019**

City Council Chambers, Danville City Hall

- I. Call to Order**
 - A. Roll Call
 - B. Announcements

- II. Discussion/Business Items**
 - A. Minutes of the January 28, 2019 Commission Meeting
 - B. Review of December Financial Statements
 - C. 2019 Biennial Rate Study
 - D. Fiscal Year 2020 Utilities Budget

- 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, March 25, 2019

**City Council Chambers
4th Floor, City Hall**



Commission Item Number: DUC190225 - 1
Utility Commission Meeting: February 25, 2019
Item: II. B. Review of December Financial Statements

Financial Report

December financials will be reviewed.



Commission Item Number: DUC190225 - 2
Utility Commission Meeting: February 25, 2019
Item: II. C. 2019 Biennial Rate Study

2019 Biennial Rate Study

At the December meeting, Jacob Thomas from GDS Associates presented his firm's recommendations for rate adjustments for FY 2020 and 2021. There were additional questions relating to the Electric Worship Sanctuary Service Rate and whether a rate modification is needed. Staff distributed via email a revised rate structure for the Utility Commission's consideration that will be revenue neutral but recover fixed costs based on electric demand. Additional copies will be available at the meeting.

Recommendation: A suggested motion follows:

I move that the Danville Utility Commission recommend the 2019 biennial rate study presented by GDS Associates to City Council for fiscal years 2020/2021 including the various rate adjustments to meet cost of service requirements.



Commission Item Number: DUC190225 - 3
Utility Commission Meeting: February 25, 2019
Item: II. D. Fiscal Year 2020 Utilities Budget

Fiscal Year 2020 Utilities Budget

Preliminary FY 2020 budget proposals were reviewed at the January 28th Commission meeting. All funds are currently balanced. 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 2020 increases and brief the Commission on the matter at the April 22nd meeting.

In order that the City Manager benefit from explicit guidance from the Commission in time to finalize his budget proposals and present them to City Council by March 1st, it is recommended that the Utility Commission endorse the revised FY 2020 budget. A suggested motion follows:

Recommendation:

I move that the Danville Utility Commission approve the the Utility Department's Proposed Fiscal Year 2020 Budget for submission to the City Manager and inclusion in his budget proposal to the City Council, with the Commission's recommendation for its adoption by the Council.

I further move that staff make the budget expenditure adjustments necessary to bring the budgets back into balance and brief the Commission on actions taken at the April 22nd meeting, should on-going evaluations reveal revenue shortfalls.