



Danville Utility Commission Meeting Agenda **4:00 p.m., February 26, 2018**

City Council Chambers, Danville City Hall

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

- II. Discussion/Business Items**
 - A. Minutes of the January 22, 2018 Commission Meeting
 - B. Review of December Financial Statements
 - C. Fiscal Year 2019 Utilities Budget
 - D. Nexant-Residential Energy Conservation Best Practices
 - E. Utility Financial Auditing Discussion
 - F. January 2018 High Consumption

- 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 26, 2018

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



Commission Item Number: DUC180226 - 1
Utility Commission Meeting: February 26, 2018
Item: II. B. Review of December Financial Statements

Financial Report

December financials will be reviewed.



Commission Item Number: DUC180226 - 2
Utility Commission Meeting: February 26, 2018
Item: II. C. Fiscal Year 2019 Utilities Budget

Fiscal Year 2019 Utilities Budget

Preliminary FY 2019 budget proposals were reviewed at the January 22nd 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 2019 increases and brief the Commission on the matter at the April 23rd 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 2019 budget. A suggested motion follows:

Recommendation:

I move that the Danville Utility Commission approve the updated version of the Utility Department's Proposed Fiscal Year 2019 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 23rd meeting, should on-going evaluations reveal revenue shortfalls.



Commission Item Number: DUC180226 - 3
Utility Commission Meeting: February 26, 2018
Item: II. D. Nexant-Residential Energy Conservation
Best Practices

Nexant-Residential Energy Conservation Best Practices

Joshua Beeber and Subu Balan from Nexant, the City's energy efficiency consultant, will present tips on how residential customers can improve energy usage during high demand periods. They will provide estimate cost savings for different measures and highlight rebates that are being offered as part of the City's Danville Home\$ave energy efficiency program.



Commission Item Number: DUC180226 - 4
Utility Commission Meeting: February 26, 2018
Item: II. E. Utility Financial Auditing Discussion

Utility Financial Auditing Discussion

Norman Yoder, Audit and Assurance Partner, with Brown Edwards will provide comments on his company's process of auditing the City's utility funds. Brown Edwards is an accounting firm that has a staff of more than 275 professionals serving clients in the Virginia/West Virginia/Tennessee region. They have been serving the City since 2013 and conduct audits for several municipalities and private entities.



Commission Item Number: DUC180226 - 5
Utility Commission Meeting: February 26, 2018
Item: II. F. January 2018 High Consumption

January 2018 High Consumption

Jason Grey, Director of Utilities, will present information on why some electric customers experienced higher utility bills in January due to increased consumption. He will present several recommendations on ways to help offset increasing power costs from January and how to handle them in future years if high consumption/demand were to occur again.

Recommended Motions:

Power Cost Adjustment Pay Down

I move that the Danville Utility Commission recommend to City Council paying down the power cost adjustment balance by \$8 million after June 30, 2018 using the electric unrestricted fund balance.

Modifying Equal Payment Program

I move that the Danville Utility Commission approve modifying the equal payment plan service policy by allowing residential and small general service commercial customers with delinquent balances to pay for their utilities in equal monthly amounts rather than experience the seasonal fluctuations characteristic of normal billing payments.