



Grand Rapids Public Utilities

Commission Work Session – Grand Rapids, MN

July 24, 2024

AGENDA

1. Mid-Year Financial and Policy Review

Finance - Operations

OPERATIONS THROUGH JUNE 2024			
			Annual
	Actual	Budget	Budget
Water			
Revenue	\$1,099,481	\$1,105,887	\$ 2,199,884
Expenses	\$ 942,181	\$1,081,368	\$ 2,160,414
Net Income (Loss)	\$ 157,300	\$ 24,519	\$ 39,470
WW Collection			
Revenue	\$1,022,875	\$1,025,342	\$ 2,090,082
Expenses	\$ 738,980	\$ 832,740	\$ 1,683,620
Net Income (Loss)	\$ 283,895	\$ 192,602	\$ 406,462
Electric			
Revenue	\$8,874,609	\$9,119,373	\$18,060,465
Expenses	\$7,853,729	\$7,487,585	\$15,123,714
Net Income (Loss)	\$1,020,880	\$1,631,788	\$ 2,936,751
WW TRMT			
Net Income(Loss)	\$ (681,223)	\$ (12,121)	\$ (1,620,000)

Finance - Capital

CAPITAL THROUGH JUNE 2024		
		Annual
	Actual	Budget
Electric	\$ 495,961	\$ 2,212,246
Water	\$ 536,068	\$ 5,772,000
Domestic Wastewater Coll	\$ 28,993	\$ 1,760,500
Wastewater Treatment	\$ 75,272	\$ 2,683,500
Service Center & Technolo	\$ 115,251	\$ 1,459,650
TOTAL	\$ 1,251,544	\$13,887,896

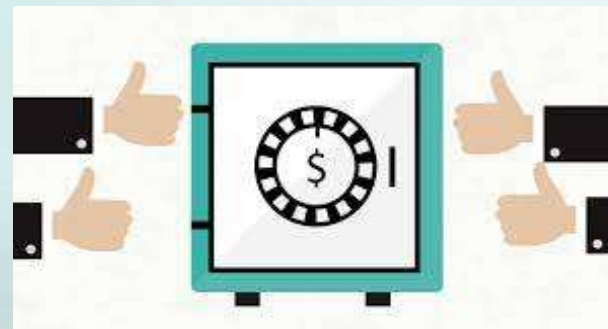
Impact of Legionella and Chlorination (Thru June 30, 2024)

- Financial Impact:
 - Operations Cost: \$259,167
 - Capital Expenditure: \$379,263
 - **Total: \$638,430**



Operating Reserve Policy

- Accumulated Operating Reserve target of 50% for each utility
- 50% target calculated on previous year's audited annual expenses
- Amounts over 50% transfer to Asset Replacement account →
- Fall below 50% target present plan to meet 50% operating reserve



ERP Collaboration with the City

➤ Project Benefits

- Same chart of accounts – Tall Timber Days
- Cross training
- Financial roll-up
- Capital asset planning
- Interfund (City and PU) and Intrafund (PU utilities) efficiencies



➤ Future Collaborative efforts once ERP is operational is Asset Management

- Know what you own and where it is
- Current condition & useful life
- Prioritization of capital needs
- Funding - change viewpoint of infrastructure from cost to investment
“Investing in what we have is generational work”



Impact of City Partnership - Information Technology

If our City partnership with IT support ends, the following will be impacted:

- ERP Benefits
- Schedule
- Financial



SpryPoint

ORACLE

NetSuite

Questions / Comments

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The next Regular Work Session is scheduled for Wednesday, August 14, 2024 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Meeting of the Commission is scheduled for Wednesday, August 28, 2024 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.



**GRAND RAPIDS
PUBLIC UTILITIES**
Service is Our Nature