



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: April 26, 2022
AGENDA ITEM: Review Financial Reporting
PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

Financial reporting is critical to monitoring the GRPU financial plan and budget. Attached are some draft financial information and graphics. This is only the beginning. Financial reporting has some base principals and then needs to be designed specifically for the decision making of the governing body.

Some discussion points to ponder:

- What type of key performance indicators (KPIs) need to be analyzed
- What to link statistical data to operations (Income Statement)
- What to link capital expenditures to financial position (Balance Sheet)

I welcome your thoughts and comments.

RECOMMENDATION:

Discussion and review of draft financial reporting.

Some key financial points for the EOY 2021 financial reporting:

1. Electric utility is projecting a net loss
 - a. July 26 storm costs were approximately \$415,000 of which \$332,479 was reimbursed through a MN Department of Homeland Security grant.
 - b. Solar project cost over \$400,000 of which \$230,000 grant funds from IRRR and \$45,000 was capitalized
 - c. Increase in total revenues due to purchase power pass through to customer for increased cost of purchased power
 - d. Increase in total expenses due to increase cost in purchased power
2. Water utility operated at a net income
3. Wastewater collection utility operated at a net income
4. Wastewater Treatment utility operated at a net income