



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2022 ANNUAL OPERATING PLAN

# ROCHESTER PUBLIC UTILITIES 2022 ANNUAL OPERATING PLAN

## CONTENTS

	<b>SECTION</b>
ELECTRIC UTILITY – OPERATING BUDGET	<b>1</b>
<hr/>	
ELECTRIC UTILITY – CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET	<b>2</b>
<hr/>	
WATER UTILITY – OPERATING BUDGET	<b>3</b>
<hr/>	
WATER UTILITY – CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET	<b>4</b>
<hr/>	
PERSONNEL BUDGET – TOTAL RPU	<b>5</b>
<hr/>	
SUPPLEMENTAL DATA – CAPITAL/OPERATING BUDGETS	<b>6</b>
<hr/>	



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2022 ELECTRIC UTILITY OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 OPERATING BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Basic Assumptions	1
Forecast by Year 2021 through 2026	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 OPERATING BUDGET**

**BASIC ASSUMPTIONS**

- Cost center budgets and non-bonded projects set at level used in cost-of-service study
- Other than specifically identified projects, no assumptions have been made with regards to DMC
- Interest Earnings Rate: 1.80%
- Average Salary Expense Change: 3.5%  
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Anticipated Bonding \$18,000,000 in 2023 (AMI)
- Change in Full-time Equivalents: 1 incremental, 2 contract conversions
- SMMPA Wholesale Power Cost: 0.0% increase
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: Current policy amount \$52,102,400

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 1.5% proposed
- Electric KWH Sales Forecast: 1.0 % Increase from 2021 Year End Projected Sales
- Total Electric Utility Customers: 1.6% Increase over Year End 2021 Projected Customers
- Forecast Assumes Normal Weather : 30 Yr Average Heating/Cooling Degree Days per Year

**WHOLESALE FUEL COSTS**

- Estimated Cost of Fuel 2022 \$3.61 / mcf
- Budgeted Cost of Fuel 2021 F2 \$4.77 / mcf

**OTHER ITEMS**

- In Lieu of Tax forecast increasing \$303,803 to a total of \$9,009,578.

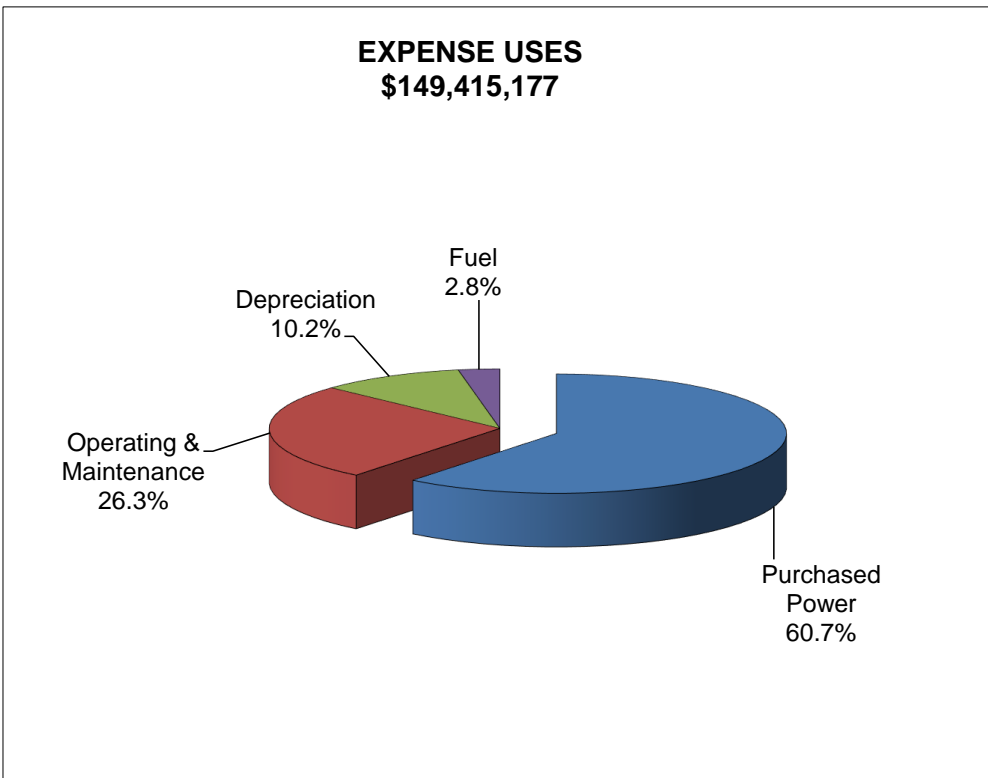
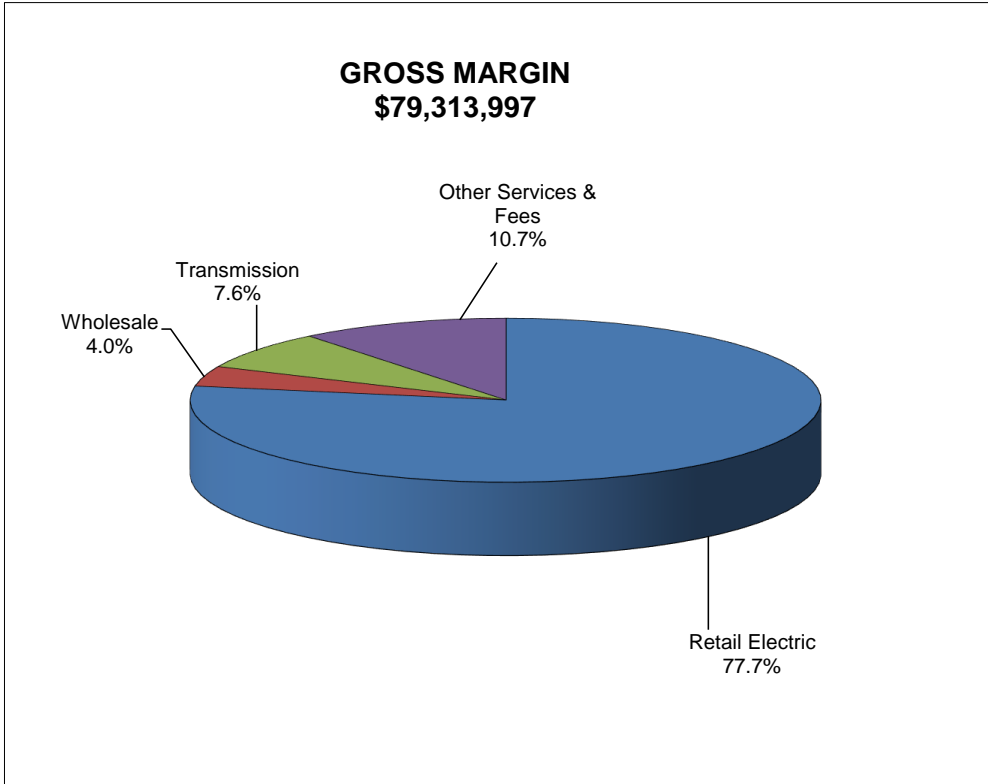
**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

in 000's		Historical Data		2021 F2					
		2019	2020		2022	2023	2024	2025	2026
	RPU Rate Increase	1.9%	0.0%	0.0%	1.5%	2.5%	2.5%	2.5%	2.5%
1	<b>Revenue</b>								
2	Retail Electric	\$147,940	\$143,975	\$151,713	\$152,326	\$155,871	\$160,831	\$164,729	\$168,723
3	Wholesale Electric	\$2,503	\$1,939	\$3,880	\$3,310	\$3,856	\$3,856	\$3,856	\$3,856
4	Wholesale Steam	\$3,810	\$4,812	\$5,951	\$4,167	\$3,824	\$3,824	\$3,824	\$3,824
5	Transmission	\$5,580	\$11,152	\$6,148	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
6	Other Services & Fees	\$5,061	\$7,315	\$3,543	\$8,512	\$5,257	\$5,305	\$5,353	\$5,402
7	<b>Total Revenue</b>	<b>\$164,893</b>	<b>\$169,193</b>	<b>\$171,236</b>	<b>\$174,315</b>	<b>\$174,808</b>	<b>\$179,816</b>	<b>\$183,763</b>	<b>\$187,806</b>
8	<b>Cost of Revenue</b>								
	SMMPA Rate Increase (Decrease)	(4.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Power Supply	\$89,722	\$85,673	\$90,253	\$90,673	\$91,248	\$91,870	\$92,379	\$92,849
10	Generation Fuel	\$3,780	\$3,784	\$6,187	\$4,328	\$4,179	\$4,163	\$4,166	\$4,170
11	<b>Total Cost of Revenue</b>	<b>\$93,502</b>	<b>\$89,456</b>	<b>\$96,440</b>	<b>\$95,001</b>	<b>\$95,427</b>	<b>\$96,033</b>	<b>\$96,546</b>	<b>\$97,019</b>
12	<b>Gross Margin</b>								
13	Retail Electric	\$58,218	\$58,302	\$61,460	\$61,653	\$64,623	\$68,960	\$72,350	\$75,874
14	Wholesale	\$2,532	\$2,967	\$3,645	\$3,150	\$3,502	\$3,518	\$3,514	\$3,511
15	Transmission	\$5,580	\$11,152	\$6,148	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
16	Other Services & Fees	\$5,061	\$7,315	\$3,543	\$8,512	\$5,257	\$5,305	\$5,353	\$5,402
17	<b>TOTAL GROSS MARGIN</b>	<b>\$71,391</b>	<b>\$79,737</b>	<b>\$74,795</b>	<b>\$79,314</b>	<b>\$79,382</b>	<b>\$83,783</b>	<b>\$87,217</b>	<b>\$90,787</b>
18	<b>Controllable Costs</b>								
19	Salaries & Benefits	\$24,151	\$24,042	\$24,660	\$28,023	\$29,495	\$30,790	\$31,857	\$33,314
20	Other Operating Expenses	\$9,149	\$8,859	\$10,379	\$10,951	\$11,042	\$11,070	\$11,327	\$11,532
21	Major Maintenance	\$2,881	\$3,112	\$4,606	\$7,549	\$6,489	\$4,414	\$4,445	\$4,151
22	Non-Bonded Capital Projects	\$11,902	\$12,441	\$17,722	\$32,477	\$22,983	\$10,415	\$11,226	\$17,920
23	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$48,083</b>	<b>\$48,453</b>	<b>\$57,366</b>	<b>\$79,000</b>	<b>\$70,010</b>	<b>\$56,689</b>	<b>\$58,854</b>	<b>\$66,917</b>
24	Depreciation & Amortization	\$14,005	\$14,959	\$15,353	\$15,176	\$15,367	\$15,450	\$16,098	\$16,336
25	Less Non Bonded Projects (capitalized)	(\$11,902)	(\$12,441)	(\$17,722)	(\$32,477)	(\$22,983)	(\$10,415)	(\$11,226)	(\$17,920)
26	Less Total Internal Costs (capitalized)	(\$4,968)	(\$3,696)	(\$6,406)	(\$5,423)	(\$6,389)	(\$6,146)	(\$5,850)	(\$6,745)
27	Interutility Allocation	(\$1,534)	(\$1,737)	(\$1,875)	(\$1,862)	(\$1,899)	(\$1,937)	(\$1,976)	(\$2,016)
28	<b>Total Operating Expenses</b>	<b>\$43,685</b>	<b>\$45,538</b>	<b>\$46,716</b>	<b>\$54,414</b>	<b>\$54,107</b>	<b>\$53,641</b>	<b>\$55,900</b>	<b>\$56,573</b>
29	<b>Net Operating Income (Loss)</b>	<b>\$27,706</b>	<b>\$34,199</b>	<b>\$28,079</b>	<b>\$24,900</b>	<b>\$25,275</b>	<b>\$30,141</b>	<b>\$31,317</b>	<b>\$34,214</b>
30	<b>Financing &amp; Other Non-Operating Items:</b>								
31	Bond & Interest Related Expenses	(\$6,473)	(\$6,421)	(\$5,677)	(\$5,494)	(\$5,325)	(\$6,017)	(\$5,748)	(\$5,459)
32	Interest Income	\$2,685	\$2,180	\$1,490	\$1,965	\$1,982	\$2,101	\$2,221	\$2,332
33	Misc Non-Operating Income (Expense)	(\$201)	(\$6)	(\$17)	(\$24)	(\$24)	(\$25)	(\$25)	(\$26)
34	<b>Total Financing &amp; Non-Operating Items</b>	<b>(\$3,989)</b>	<b>(\$4,248)</b>	<b>(\$4,204)</b>	<b>(\$3,552)</b>	<b>(\$3,367)</b>	<b>(\$3,941)</b>	<b>(\$3,552)</b>	<b>(\$3,152)</b>
35	<b>Income Before Transfers or Capital Contributions</b>	<b>\$23,717</b>	<b>\$29,951</b>	<b>\$23,876</b>	<b>\$21,347</b>	<b>\$21,908</b>	<b>\$26,200</b>	<b>\$27,765</b>	<b>\$31,062</b>
36	Transfers (In Lieu of Taxes)	(\$8,714)	(\$8,370)	(\$8,706)	(\$9,010)	(\$9,240)	(\$9,476)	(\$9,711)	(\$9,948)
37	Capital Contributions/Intercompany	\$736	\$2,363	\$6,566	\$14,204	\$11,843	\$366	\$377	\$3,138
38	<b>NET INCOME</b>	<b>\$15,739</b>	<b>\$23,944</b>	<b>\$21,735</b>	<b>\$26,542</b>	<b>\$24,511</b>	<b>\$17,091</b>	<b>\$18,431</b>	<b>\$24,253</b>
39	<b>NET INCOME (Excluding Capital Contributions)</b>			<b>\$15,170</b>	<b>\$12,338</b>	<b>\$12,668</b>	<b>\$16,725</b>	<b>\$18,054</b>	<b>\$21,115</b>
40	<b>TARGET NET INCOME</b>			<b>\$ 15,539</b>	<b>\$ 15,415</b>	<b>\$ 16,675</b>	<b>\$ 18,865</b>	<b>\$ 19,723</b>	<b>\$ 20,992</b>
41	<b>Excess (Deficit) from Target</b>			<b>\$ (369)</b>	<b>\$ (3,077)</b>	<b>\$ (4,007)</b>	<b>\$ (2,140)</b>	<b>\$ (1,669)</b>	<b>\$ 123</b>
42	<b>1/01 Cash Balance</b>		<b>\$ 88,728</b>	<b>\$ 90,413</b>	<b>\$ 98,117</b>	<b>\$ 97,275</b>	<b>\$ 100,009</b>	<b>\$ 106,262</b>	<b>\$ 113,428</b>
43	Change in Net Assets		23,944	21,735	26,542	24,511	17,091	18,431	24,253
44	Depreciation & Amortization		14,959	15,353	15,176	15,367	15,450	16,098	16,336
45	Capital Additions/Service Territory Comp		(16,138)	(24,128)	(37,900)	(32,356)	(22,283)	(22,105)	(26,315)
46	Bond Principal Payments		(6,015)	(6,515)	(7,085)	(7,395)	(9,195)	(9,536)	(9,905)
47	Bond Proceeds		-	0	-	18,000	0	0	(0)
48	Net Change in Other Assets/Liabilities		(15,065)	1,259	2,425	(15,392)	5,189	4,278	972
49	<b>Net Changes in Cash</b>		<b>1,685</b>	<b>7,704</b>	<b>(842)</b>	<b>2,735</b>	<b>6,252</b>	<b>7,166</b>	<b>5,342</b>
50	<b>12/31 Cash Balance</b>		<b>\$ 90,413</b>	<b>\$ 98,117</b>	<b>\$ 97,275</b>	<b>\$ 100,009</b>	<b>\$ 106,262</b>	<b>\$ 113,428</b>	<b>\$ 118,771</b>
51	<b>Minimum Cash Reserve</b>		<b>\$ 57,408</b>	<b>\$ 52,569</b>	<b>\$ 52,102</b>	<b>\$ 52,834</b>	<b>\$ 53,074</b>	<b>\$ 53,479</b>	<b>\$ 53,175</b>
52	<b>Excess (Deficit) from Minimum Cash Reserve</b>		<b>\$ 33,005</b>	<b>\$ 45,548</b>	<b>\$ 45,172</b>	<b>\$ 47,175</b>	<b>\$ 53,188</b>	<b>\$ 59,949</b>	<b>\$ 65,596</b>
53	<b>Debt Service Coverage Ratio</b>		<b>3.6</b>	<b>3.4</b>	<b>3.1</b>	<b>2.7</b>	<b>3.0</b>	<b>3.1</b>	<b>3.3</b>

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

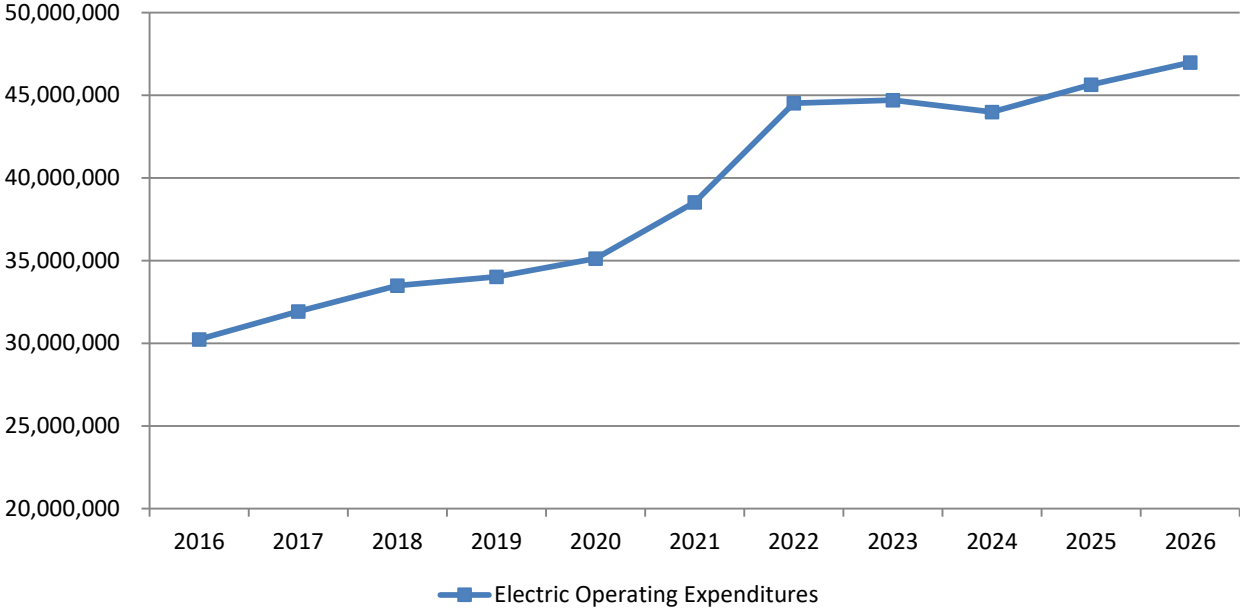
	Historical Data		2021		2022		Variance	%	
	2019	2020	Orig Bdgt	2021 F2	2022	Orig Bdgt	2022 to Orig Bdgt	Variance	
in 000's									
1	<b>Revenue</b>								
2	Retail Electric	\$147,940	\$143,975	\$144,960	\$151,713	\$152,326	\$149,421	\$2,905	1.9%
3	Wholesale Electric	\$2,503	\$1,939	\$2,753	\$3,880	\$3,310	\$2,932	\$378	12.9%
4	Wholesale Steam	\$3,810	\$4,812	\$5,422	\$5,951	\$4,167	\$6,213	(\$2,046)	-32.9%
5	Transmission	\$5,580	\$11,152	\$6,000	\$6,148	\$6,000	\$6,000	\$0	0.0%
6	Other Services & Fees	\$5,061	\$7,315	\$3,744	\$3,543	\$8,512	\$3,792	\$4,720	124.4%
7	<b>Total Revenue</b>	<b>\$164,893</b>	<b>\$169,193</b>	<b>\$162,879</b>	<b>\$171,236</b>	<b>\$174,315</b>	<b>\$168,358</b>	<b>\$5,957</b>	<b>3.5%</b>
8	<b>Cost of Revenue</b>								
9	Power Supply	\$89,722	\$85,673	\$88,818	\$90,253	\$90,673	\$88,857	\$1,816	2.0%
10	Generation Fuel	\$3,780	\$3,784	\$4,828	\$6,187	\$4,328	\$5,079	(\$751)	-14.8%
11	<b>Total Cost of Revenue</b>	<b>\$93,502</b>	<b>\$89,456</b>	<b>\$93,646</b>	<b>\$96,440</b>	<b>\$95,001</b>	<b>\$93,936</b>	<b>\$1,065</b>	<b>1.1%</b>
12	<b>Gross Margin</b>								
13	Retail Electric	\$58,218	\$58,302	\$56,142	\$61,460	\$61,653	\$60,563	\$1,089	1.8%
14	Wholesale	\$2,532	\$2,967	\$3,347	\$3,645	\$3,150	\$4,066	(\$916)	-22.5%
15	Transmission	\$5,580	\$11,152	\$6,000	\$6,148	\$6,000	\$6,000	\$0	0.0%
16	Other Services & Fees	\$5,061	\$7,315	\$3,744	\$3,543	\$8,512	\$3,792	\$4,720	124.4%
17	<b>TOTAL GROSS MARGIN</b>	<b>\$71,391</b>	<b>\$79,737</b>	<b>\$69,233</b>	<b>\$74,795</b>	<b>\$79,314</b>	<b>\$74,422</b>	<b>\$4,892</b>	<b>6.1%</b>
18	<b>Controllable Costs</b>								
19	Salaries & Benefits	\$24,151	\$24,042	\$24,702	\$24,660	\$28,023	\$27,497	\$526	1.9%
20	Other Operating Expenses	\$9,149	\$8,859	\$10,270	\$10,379	\$10,951	\$10,513	\$438	4.2%
21	Major Maintenance	\$2,881	\$3,112	\$3,815	\$4,606	\$7,549	\$7,462	\$87	1.2%
22	Non-Bonded Capital Projects	\$11,902	\$12,441	\$26,108	\$17,722	\$32,477	\$17,431	\$15,046	86.3%
23	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$48,083</b>	<b>\$48,453</b>	<b>\$64,895</b>	<b>\$57,366</b>	<b>\$79,000</b>	<b>\$62,903</b>	<b>\$16,097</b>	<b>25.6%</b>
24	Depreciation & Amortization	\$14,005	\$14,959	\$15,045	\$15,353	\$15,176	\$14,993	\$184	1.2%
25	Less Non Bonded Projects (capitalized)	(\$11,902)	(\$12,441)	(\$26,108)	(\$17,722)	(\$32,477)	(\$17,431)	(\$15,046)	86.3%
26	Less Total Internal Costs (capitalized)	(\$4,968)	(\$3,696)	(\$8,100)	(\$6,406)	(\$5,423)	(\$5,653)	\$230	-4.1%
27	Interutility Allocation	(\$1,534)	(\$1,737)	(\$1,719)	(\$1,875)	(\$1,862)	(\$1,753)	(\$109)	6.2%
28	<b>Total Operating Expenses</b>	<b>\$43,685</b>	<b>\$45,538</b>	<b>\$44,013</b>	<b>\$46,716</b>	<b>\$54,414</b>	<b>\$53,059</b>	<b>\$1,355</b>	<b>2.6%</b>
29	<b>Net Operating Income (Loss)</b>	<b>\$27,706</b>	<b>\$34,199</b>	<b>\$25,220</b>	<b>\$28,079</b>	<b>\$24,900</b>	<b>\$21,363</b>	<b>\$3,537</b>	<b>16.6%</b>
30	<b>Financing &amp; Other Non-Operating Items:</b>								
31	Bond & Interest Related Expenses	(\$6,473)	(\$6,421)	(\$6,268)	(\$5,677)	(\$5,494)	(\$6,098)	\$604	-9.9%
32	Interest Income	\$2,685	\$2,180	\$1,746	\$1,490	\$1,965	\$1,700	\$265	15.6%
33	Misc Non-Operating Income (Expense)	(\$201)	(\$6)	(\$17)	(\$17)	(\$24)	(\$18)	(\$6)	33.2%
34	<b>Total Financing &amp; Non-Operating Items</b>	<b>(\$3,989)</b>	<b>(\$4,248)</b>	<b>(\$4,540)</b>	<b>(\$4,204)</b>	<b>(\$3,552)</b>	<b>(\$4,415)</b>	<b>\$863</b>	<b>-19.5%</b>
35	<b>Income Before Transfers or Capital Contributions</b>	<b>\$23,717</b>	<b>\$29,951</b>	<b>\$20,680</b>	<b>\$23,876</b>	<b>\$21,347</b>	<b>\$16,948</b>	<b>\$4,399</b>	<b>26.0%</b>
36	Transfers (In Lieu of Taxes)	(\$8,714)	(\$8,370)	(\$8,617)	(\$8,706)	(\$9,010)	(\$8,813)	(\$197)	2.2%
37	Capital Contributions/Intercompany	\$736	\$2,363	\$10,861	\$6,566	\$14,204	\$4,423	\$9,781	221.1%
38	<b>NET INCOME</b>	<b>\$15,739</b>	<b>\$23,944</b>	<b>\$22,924</b>	<b>\$21,735</b>	<b>\$26,542</b>	<b>\$12,558</b>	<b>\$13,984</b>	<b>111.4%</b>
39	<b>1/01 Cash Balance</b>		<b>\$ 88,728</b>	<b>\$ 85,048</b>	<b>\$ 90,413</b>	<b>\$ 98,117</b>	<b>\$ 83,997</b>	<b>\$ 14,120</b>	<b>16.8%</b>
40	Change in Net Assets		23,944	22,924	21,735	26,542	12,558	13,984	111.4%
41	Depreciation & Amortization		14,959	15,045	15,353	15,176	14,993	184	1.2%
42	Capital Additions/Service Territory Comp		(16,138)	(34,208)	(24,128)	(37,900)	(23,084)	(14,816)	64.2%
43	Bond Principal Payments		(6,015)	(6,315)	(6,515)	(7,085)	(6,625)	(460)	6.9%
44	Bond Proceeds		-	-	0	-	0	(0)	0.0%
45	Net Change in Other Assets/Liabilities		(15,065)	1,503	1,259	2,425	(1,866)	4,291	-230.0%
46	Net Changes in Cash		1,685	(1,051)	7,704	(842)	(4,024)	3,182	-79.1%
47	<b>12/31 Cash Balance</b>		<b>\$ 90,413</b>	<b>\$ 83,997</b>	<b>\$ 98,117</b>	<b>\$ 97,275</b>	<b>\$ 79,973</b>	<b>\$ 17,302</b>	<b>21.6%</b>
48	<b>Minimum Cash Reserve</b>		<b>\$ 57,408</b>	<b>\$ 52,569</b>	<b>\$ 52,569</b>	<b>\$ 52,102</b>	<b>\$ 55,011</b>	<b>\$ (2,909)</b>	<b>-5.3%</b>
49	<b>Excess (Deficit) from Minimum Cash Reserve</b>		<b>\$ 33,005</b>	<b>\$ 31,428</b>	<b>\$ 45,548</b>	<b>\$ 45,172</b>	<b>\$ 24,962</b>	<b>\$ 20,210</b>	<b>81.0%</b>

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 OPERATING BUDGET**





# Electric Operating Expenditures



**ROCHESTER PUBLIC UTILITIES  
PRODUCTION & SALES STATISTICS FORECAST  
ELECTRIC UTILITY**

	<b>2021 F2</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
3 Self Generation	-	-	-	-	-	-
4 Market	54	59	61	62	64	66
5 Total Peak MW	270	275	277	278	280	282
6 % Change	1.9%	1.6%	0.7%	0.6%	0.6%	0.6%
7 Retail MWH	1,178,107	1,190,420	1,196,939	1,203,386	1,209,093	1,214,274
8 % Change	4.4%	1.0%	0.5%	0.5%	0.5%	0.4%
9 Purchased Power MWH						
10 SMMPA	1,192,067	1,203,977	1,210,388	1,216,732	1,222,292	1,227,326
11 Other	3,661	2,426	2,698	2,962	3,251	3,528
12 Total Purchased Power MWH	1,195,728	1,206,404	1,213,085	1,219,694	1,225,543	1,230,853
13 % Change	3.8%	0.9%	0.6%	0.5%	0.5%	0.4%
14 Generation MWH						
15 Total Generation MWH	59,180	68,749	68,749	68,749	68,749	68,749
16 % Change	-10.2%	16.2%	0.0%	0.0%	0.0%	0.0%
17 Number of Customers						
18 Residential	53,382	54,292	55,209	56,126	57,043	57,959
19 Small General Service	4,663	4,709	4,756	4,804	4,852	4,902
20 Medium General Service	479	487	495	503	511	520
21 Large General Service	13	13	13	13	13	13
22 Large Industrial Service	1	1	1	1	1	1
23 Street & Hwy Lightings	3	3	3	3	3	3
24 Interdepartmental	1	1	1	1	1	1
25 Total Customers	58,542	59,506	60,478	61,451	62,424	63,399
26 % Change	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
27 Blended cost per MWH for retail supply	\$ 75.48	\$ 73.78	\$ 73.73	\$ 73.83	\$ 73.89	\$ 73.95
28 Steam Generation MLBS	487,711	490,221	449,884	449,884	449,884	449,884
29 % Change	-2.1%	0.5%	-8.2%	0.0%	0.0%	0.0%



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2022 ELECTRIC UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
5 Year Project List:	
Major Maintenance Projects	1
Capital Projects	2 - 3

**Rochester Public Utilities  
Electric Utility  
2022 - 2026 Major Maintenance Plan**

	A	B	C	D	E	F	G	H
	Description	Multi Year Project Total	2022	2023	2024	2025	2026	Total
4	Compliance							
6	152 - Compliance							
7	WESEmissionsTesting	-	-	66,900	-	-	71,000	137,900
8	<b>152 - Compliance Total</b>	-	-	<b>66,900</b>	-	-	<b>71,000</b>	<b>137,900</b>
9	Compliance Total	-	-	66,900	-	-	71,000	137,900
10	Core Services							
11	113 - Construction, Maintenance and Field Operations							
12	Tree Trimming	-	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	8,500,000
13	Asbestos Manhole Mitigation	-	70,000	85,000	85,000	85,000	85,000	410,000
14	<b>113 - Construction, Maintenance and Field Operations Total</b>	-	<b>1,770,000</b>	<b>1,785,000</b>	<b>1,785,000</b>	<b>1,785,000</b>	<b>1,785,000</b>	<b>8,910,000</b>
15	114 - Technical Services							
17	Capacitor Bank Controls Replacement	-	10,000	-	-	-	-	10,000
19	<b>114 - Technical Services Total</b>	-	<b>10,000</b>	-	-	-	-	<b>10,000</b>
20	116 - Engineering							
21	Distribution System Planning Study	-	60,000	-	-	-	-	60,000
23	DER Hosting Capacity Study	-	-	100,000	-	-	-	100,000
24	Downtown Duct & Feeder Routing Study	90,000	30,000	60,000	-	-	-	90,000
25	DER Software Portal	-	-	-	50,000	-	-	50,000
26	Transmission LIDAR and Clearance Analysis	-	-	-	100,000	100,000	-	200,000
27	PLS-CAD Model of K1	-	40,000	-	-	-	-	40,000
28	Pole Attachment & Clearance Violation Survey	-	-	50,000	-	-	-	50,000
29	Stray Voltage Survey	-	-	40,000	-	-	-	40,000
30	Downtown Electric Reconfiguration Study	-	70,000	-	-	-	-	70,000
31	<b>116 - Engineering Total</b>	<b>90,000</b>	<b>200,000</b>	<b>250,000</b>	<b>150,000</b>	<b>100,000</b>	-	<b>700,000</b>
32	119 - Metering							
33	AMI-Timing Study	-	514,733	-	-	-	-	514,733
34	<b>119 - Metering Total</b>	-	<b>514,733</b>	-	-	-	-	<b>514,733</b>
35	113 - Allocation							
36	Alloc-Transmission Asset Management	-	45,000	45,000	45,000	45,000	45,000	225,000
37	Alloc-Distribution Lines & Equipment	-	250,003	257,500	265,250	196,685	202,595	1,172,033
38	<b>113 - Allocation Total</b>	-	<b>295,003</b>	<b>302,500</b>	<b>310,250</b>	<b>241,685</b>	<b>247,595</b>	<b>1,397,033</b>
39	114 - Allocation	-	169,400	167,000	167,000	167,000	167,000	837,400
40	Core Services Total	90,000	2,959,136	2,504,500	2,412,250	2,293,685	2,199,595	12,369,166
41	Corporate Services							
42	138 - Finance & Accounting							
43	Electric Cost-of-Srvc/Rate Design Study	-	-	83,000	-	-	83,000	166,000
44	Rates Modeling	-	20,000	20,000	20,000	20,000	20,000	100,000
45	Budgeting System	-	75,000	50,000	50,000	50,000	50,000	275,000
46	<b>138 - Finance &amp; Accounting Total</b>	-	<b>95,000</b>	<b>153,000</b>	<b>70,000</b>	<b>70,000</b>	<b>153,000</b>	<b>541,000</b>
47	144 - Information Technology							
48	SCADA Pen Test	-	25,000	25,000	25,000	25,000	25,000	125,000
49	Utegration(HPC) Support Contract	-	75,000	75,000	75,000	75,000	75,000	375,000
50	SAP Technical Upgrade	-	-	100,000	-	-	100,000	200,000
53	ImageNow Upgrade	-	30,000	-	30,000	-	30,000	90,000
54	Symantec Replacement	-	60,000	-	-	-	-	60,000
55	<b>144 - Information Technology Total</b>	-	<b>190,000</b>	<b>200,000</b>	<b>130,000</b>	<b>100,000</b>	<b>230,000</b>	<b>850,000</b>
56	144 - Allocation Information Technology							
57	Alloc-Info Risk & Security/City Shared Infra	-	4,500	4,500	4,500	14,500	4,500	32,500
58	Alloc-Business Systems / Applications	-	40,000	40,000	40,000	40,000	40,000	200,000
59	<b>144 - Allocation Information Technology Total</b>	-	<b>44,500</b>	<b>44,500</b>	<b>44,500</b>	<b>54,500</b>	<b>44,500</b>	<b>232,500</b>
60	Corporate Services Total	-	329,500	397,500	244,500	224,500	427,500	1,623,500
61	Customer Relations							
62	137 - Marketing							
63	Customer Experience Mapping	-	160,000	-	-	-	-	160,000
65	DSM - EV TOU Rate	-	126,127	90,845	111,168	127,300	164,906	620,346
66	DSM - DLC Smart Thermostat Program	-	147,851	142,880	164,606	186,998	210,089	852,424
67	<b>137 - Marketing Total</b>	-	<b>433,978</b>	<b>233,725</b>	<b>275,774</b>	<b>314,298</b>	<b>374,995</b>	<b>1,632,770</b>
68	150 - Customer Care							
69	Data Lake	-	35,640	-	-	-	-	35,640
70	RPU Program Changes	-	50,000	106,400	51,000	52,020	53,060	312,480
71	SEW Modifications	-	73,900	75,378	76,886	78,423	79,992	384,579
74	Cayenta-Bill Redesign	-	150,000	-	-	-	-	150,000
76	Cayenta Upgrade	-	-	-	250,000	-	-	250,000
77	Allocation Cayenta Application Enhancements	-	172,000	175,440	178,949	182,528	186,178	895,095
78	<b>150 - Customer Care Total</b>	-	<b>481,540</b>	<b>357,218</b>	<b>556,835</b>	<b>312,971</b>	<b>319,230</b>	<b>2,027,794</b>
79	Customer Relations Total	-	915,518	590,943	832,609	627,269	694,225	3,660,564
80	Power Resources							
81	108 - Power Production							
82	SLP Decommissioning	-	100,000	480,000	175,000	450,000	250,000	1,455,000
83	GT1 Major Overhaul	-	2,500,000	-	-	-	-	2,500,000
84	Silver Lake Dam Ownership	-	-	1,240,000	-	-	-	1,240,000
85	<b>108 - Power Production Total</b>	-	<b>2,600,000</b>	<b>1,720,000</b>	<b>175,000</b>	<b>450,000</b>	<b>250,000</b>	<b>5,195,000</b>
86	111 - Allocation Power Production	-	245,000	710,000	285,000	345,000	120,000	1,705,000
87	147 - Allocation Facilities	-	200,000	199,600	164,292	204,077	88,958	856,927
88	Power Resources Total	-	3,045,000	2,629,600	624,292	999,077	458,958	7,756,927
89	General Manager							
90	134 - Electric Operating Contingency	-	300,000	300,000	300,000	300,000	300,000	1,500,000
91	General Manager Total	-	300,000	300,000	300,000	300,000	300,000	1,500,000
92	<b>Total Major Maintenance - External Expenditures</b>	<b>90,000</b>	<b>7,549,154</b>	<b>6,489,443</b>	<b>4,413,651</b>	<b>4,444,531</b>	<b>4,151,278</b>	<b>27,048,056</b>

**Rochester Public Utilities  
Electric Utility  
2022 - 2026 Capital Improvement Plan**

	A	B	C	D	E	F	G	H
4	Description	Multi Year Project	2022	2023	2024	2025	2026	Total
5	Core Services							
6	107 - System Operations & Transmission							
7	OSI SCADA Version Upgrade	-	-	-	100,000	-	300,000	400,000
9	<b>107 - System Operations &amp; Transmission Total</b>	-	-	-	<b>100,000</b>	-	<b>300,000</b>	<b>400,000</b>
10	113 - Construction, Maintenance and Field Operations							
13	Alloc-New Service Installations	-	625,000	643,750	663,055	682,950	703,400	3,318,155
14	Alloc-Distribution Lines & Equipment Capital	-	240,000	247,200	254,620	262,260	270,125	1,274,205
15	Alloc-Property Damage - Repair/Replace	-	110,000	113,300	116,700	120,205	123,805	584,010
16	Alloc-T&D Equipment Upgrade/Replace	-	75,000	55,000	50,000	50,000	50,000	280,000
17	<b>113 - Construction, Maintenance and Field Operations Total</b>	-	<b>1,050,000</b>	<b>1,059,250</b>	<b>1,084,375</b>	<b>1,115,415</b>	<b>1,147,330</b>	<b>5,456,370</b>
18	114 - Technical Services							
19	Load Management Installations - Res&Comm	-	7,500	7,500	7,500	7,500	7,500	37,500
20	Substation/Shop Test Equip Upgr & Repl	-	90,000	70,000	40,000	40,000	40,000	280,000
21	Substation Spares and Replacements	-	33,000	20,000	20,000	20,000	20,000	113,000
22	Web-Based Service Application	-	10,000	-	-	-	-	10,000
23	Northern Hills Circuit Breaker Replacement	-	90,000	-	-	-	-	90,000
24	Zumbro River Sub Control Bldg Improvements	-	50,000	-	-	-	-	50,000
25	Magne Blast Breaker Replacement	-	290,000	290,000	290,000	-	-	870,000
26	<b>114 - Technical Services Total</b>	-	<b>570,500</b>	<b>387,500</b>	<b>357,500</b>	<b>67,500</b>	<b>67,500</b>	<b>1,450,500</b>
27	114 - Allocation Technical Services							
28	Alloc-Substation Asset Management Capital	-	130,000	150,000	120,000	120,000	120,000	640,000
29	<b>114 - Allocation Technical Services Total</b>	-	<b>130,000</b>	<b>150,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>	<b>640,000</b>
30	116 - Engineering							
31	48th St NE Feeder Ext	600,000	350,000	250,000	-	-	-	600,000
32	60th Ave NW Right of Way Purchase	-	50,000	50,000	50,000	-	100,000	250,000
33	Capacitor Control Replacement (10 controlers/yr)	-	35,000	-	-	-	-	35,000
36	NorthernHills 65th St Feeder	-	-	-	-	-	550,000	550,000
37	Feeder 306 Install	-	-	-	-	-	300,000	300,000
38	Feeder 615 Install	-	-	-	350,000	-	-	350,000
39	Feeder 715 Install	490,000	340,000	150,000	-	-	-	490,000
40	Feeder 913 Install	-	-	-	-	300,000	-	300,000
41	Feeder 914 Install	-	-	-	-	-	300,000	300,000
42	Feeder 1315 Install	-	-	-	400,000	-	-	400,000
43	Feeder 1602 Install	-	-	-	-	300,000	-	300,000
44	Feeder 1733 Install	-	-	-	200,000	-	-	200,000
45	Feeder 1911 Install	-	-	-	140,000	-	-	140,000
46	Feeder 1912 Install	-	-	500,000	500,000	-	-	1,000,000
47	Feeder 1913 Install	-	-	-	-	-	1,000,000	1,000,000
48	Downtown New Duct Systems	-	-	-	-	560,000	1,100,000	1,660,000
49	Downtown New Feeder Extensions	-	-	-	-	-	2,000,000	2,000,000
50	65th St - 50th Ave To 60th Ave	-	510,000	-	-	-	-	510,000
51	65th St - 34th To 50th AveNW	-	-	900,000	-	-	-	900,000
52	Q2-Rebuild From Bear Creek - RCTC	-	-	-	-	-	350,000	350,000
53	Q4-Rebuild From BV Sub To Salem Rd	-	-	-	450,000	450,000	-	900,000
54	Q7-Rebuild To Grade B	-	-	-	-	400,000	400,000	800,000
55	Q11-W.C.To New St.Bridget Sub ROW	-	260,000	-	-	-	-	260,000
56	IBM Substation Upgrade	-	-	-	-	200,000	200,000	400,000
58	Fiber OWEF Splice To Chester	-	-	-	-	300,000	-	300,000
59	Small Cell Antennas	-	-	100,000	-	-	-	100,000
61	Marion Rd Substation & Feeder Buildout	30,625,806	20,298,869	10,326,937	-	-	-	30,625,806
62	Hydro Line Reconfig For New Hydro Sub	-	-	-	-	-	200,000	200,000
63	New Padmount Hydro Sub	-	-	-	-	300,000	-	300,000
64	New Mayo Feeders	2,700,000	200,000	2,500,000	-	-	-	2,700,000
65	Mayo-Feeders To St.Mary's	-	-	-	-	-	2,000,000	2,000,000
66	Substation Communication	-	1,250,000	-	-	-	-	1,250,000
67	Volt/VAR Optimization	-	-	-	-	200,000	200,000	400,000
69	Solar DER Feeder Interconnections	-	50,000	-	-	-	-	50,000
70	BRT Charging Stations	-	-	200,000	300,000	-	-	500,000
71	Substation Capacitor Bank Bamber Valley	-	-	-	-	150,000	-	150,000
72	PLS-CAD Distribution Modeling Software	-	-	50,000	-	-	-	50,000
73	<b>116 - Engineering Total</b>	<b>34,415,806</b>	<b>23,343,869</b>	<b>15,026,937</b>	<b>2,390,000</b>	<b>3,160,000</b>	<b>8,700,000</b>	<b>52,620,806</b>
74	116 - Allocation Engineering							
75	Alloc-Feeder Extensions	-	278,600	50,000	56,000	275,000	575,000	1,234,600
76	Alloc-Feeder Rebuilds	-	130,000	145,000	275,000	145,000	190,000	885,000
77	Alloc-Transmission Projects	-	40,000	40,000	45,000	45,000	50,000	220,000
78	Alloc-Substation Projects	-	75,000	110,000	145,000	215,000	220,000	765,000
79	Alloc-Road Projects	-	225,000	200,000	450,000	425,000	550,000	1,850,000
80	Alloc-Road Projects DMC	-	600,000	750,000	500,000	450,000	550,000	2,850,000
81	Alloc-Manhole Switch Replacement	-	90,000	95,000	100,000	100,000	105,000	490,000
82	Alloc-Cable Replacement	-	250,000	250,000	400,000	450,000	500,000	1,850,000
83	Alloc-Manhole Repair/Replacement	-	275,000	300,000	300,000	325,000	350,000	1,550,000
84	Alloc-Capacitor Bank Installations	-	20,000	20,000	50,000	20,000	50,000	160,000
85	Alloc-FiberOptic Projects	-	115,000	90,000	90,000	90,000	90,000	475,000
86	Alloc-Distribution Transformers	-	650,000	675,000	700,000	725,000	750,000	3,500,000
87	Alloc-Overhead To Underground Conversions	-	325,000	375,000	475,000	400,000	450,000	2,025,000
88	Alloc-Pole Replacements	-	44,000	48,000	53,000	60,000	70,000	275,000
89	<b>116 - Allocation Engineering Total</b>	-	<b>3,117,600</b>	<b>3,148,000</b>	<b>3,639,000</b>	<b>3,725,000</b>	<b>4,500,000</b>	<b>18,129,600</b>
90	117 - GIS							
91	Dual Sensor Drone	-	-	30,000	-	-	-	30,000
92	Survey GPS Replacement	-	-	40,000	-	-	-	40,000
94	GIS Utility Network Implementation	-	80,000	-	-	-	-	80,000
95	<b>117 - GIS Total</b>	-	<b>80,000</b>	<b>70,000</b>	-	-	-	<b>150,000</b>
96	119 - Metering							
98	AMI - Bond Funded	-	-	2,985,004	5,721,868	5,028,342	1,650,000	15,385,214
99	Metering/Shop Test Equip Upgr & Repl	-	15,000	25,000	20,000	55,000	20,000	135,000
100	Allocation-Electric Metering	-	146,200	130,000	20,000	20,000	100,000	416,200
101	<b>119 - Metering Total</b>	-	<b>161,200</b>	<b>3,140,004</b>	<b>5,761,868</b>	<b>5,103,342</b>	<b>1,770,000</b>	<b>15,936,414</b>
102	135 - Director							
103	Service Territory Payments	-	233,360	225,000	229,500	234,090	238,772	1,160,722
104	Service Territory Payments-SMMPA Reimb	-	(116,185)	(112,500)	(114,750)	(117,045)	(119,386)	(579,866)
105	<b>135 - Director Total</b>	-	<b>117,175</b>	<b>112,500</b>	<b>114,750</b>	<b>117,045</b>	<b>119,386</b>	<b>580,856</b>

**Rochester Public Utilities  
Electric Utility  
2022 - 2026 Capital Improvement Plan**

	A	B	C	D	E	F	G	H
4	Description	Multi Year Project	2022	2023	2024	2025	2026	Total
106	<b>Core Services Total</b>	<b>34,415,806</b>	<b>28,570,344</b>	<b>23,094,191</b>	<b>13,567,493</b>	<b>13,408,302</b>	<b>16,724,216</b>	<b>95,364,546</b>
107	Corporate Services							
108	141 - Inventory Management							
109	Racking Replacement In Stockyard	-	-	20,000	20,000	-	-	40,000
110	<b>141 - Inventory Management Total</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>40,000</b>
111	144 - Information Technology							
112	Change Management Tool	50,000	25,000	25,000	-	-	-	50,000
113	NSX Implementation	142,000	42,000	100,000	-	-	-	142,000
114	Business Intelligence/Reporting	-	45,000	45,000	45,000	45,000	45,000	225,000
115	Phone System - PRI to SIP	-	-	50,000	-	-	-	50,000
116	<b>144 - Information Technology Total</b>	<b>192,000</b>	<b>112,000</b>	<b>220,000</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>	<b>467,000</b>
117	144 - Allocation Information Technology							
118	Alloc-Backup/DR	-	50,000	-	-	35,000	-	85,000
119	Alloc-Network Management	-	96,000	127,000	197,000	110,000	89,000	619,000
120	Alloc-Output Management	-	18,000	16,000	16,000	16,000	16,000	82,000
121	Alloc-Server Management	-	196,000	111,000	61,000	61,000	196,000	625,000
122	Alloc-Workstation Management	-	138,000	138,000	148,000	128,000	128,000	680,000
123	Alloc-Storage Management	-	-	-	-	175,000	-	175,000
124	Alloc-Operation Technology	-	80,000	80,000	180,000	130,000	240,000	710,000
125	<b>144 - Allocation Information Technology Total</b>	<b>-</b>	<b>578,000</b>	<b>472,000</b>	<b>602,000</b>	<b>655,000</b>	<b>669,000</b>	<b>2,976,000</b>
126	Corporate Services Total	192,000	690,000	712,000	667,000	700,000	714,000	3,483,000
127	Customer Relations							
128	150 - Customer Care							
130	Payment Kiosk	-	50,800	-	-	-	-	50,800
131	<b>150 - Customer Care Total</b>	<b>-</b>	<b>50,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,800</b>
132	Customer Relations Total	-	50,800	-	-	-	-	50,800
133	Power Resources							
134	108 - Power Production							
135	GT2 Controls Upgrade	-	500,000	-	-	-	-	500,000
137	<b>108 - Power Production Total</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>
138	111 - Allocation Power Production							
139	Allocation-Power Resources Capital	-	550,000	535,000	325,000	495,000	750,000	2,655,000
140	<b>111 - Allocation Power Production Total</b>	<b>-</b>	<b>550,000</b>	<b>535,000</b>	<b>325,000</b>	<b>495,000</b>	<b>750,000</b>	<b>2,655,000</b>
141	146 - Fleet							
142	Allocation-Fleet	-	694,848	631,624	677,364	751,250	651,286	3,406,372
143	Pickup - T&D Lead Lineman	-	50,000	-	-	-	-	50,000
144	Pickup-SLPI & C	-	82,682	-	-	-	-	82,682
145	Underground Tool Truck/Trailer	-	-	65,000	-	-	-	65,000
146	TSE Cable Puller	-	195,000	-	-	-	-	195,000
147	3-Reel Cable Trailer	-	135,000	-	-	-	-	135,000
148	<b>146 - Fleet Total</b>	<b>-</b>	<b>1,157,530</b>	<b>696,624</b>	<b>677,364</b>	<b>751,250</b>	<b>651,286</b>	<b>3,934,054</b>
149	147 - Facilities							
151	A-Wing Renovation	-	228,340	200,000	170,000	170,000	-	768,340
152	Allocation-Facilities Capital	-	30,000	30,000	30,000	30,000	30,000	150,000
153	<b>147 - Facilities Total</b>	<b>-</b>	<b>258,340</b>	<b>230,000</b>	<b>200,000</b>	<b>200,000</b>	<b>30,000</b>	<b>918,340</b>
154	Power Resources Total	-	2,465,870	1,461,624	1,202,364	1,446,250	1,431,286	8,007,394
155	General Manager	-	700,000	700,000	700,000	700,000	700,000	3,500,000
156	<b>Total External Expenditures</b>	<b>34,607,806</b>	<b>32,477,014</b>	<b>25,967,815</b>	<b>16,136,857</b>	<b>16,254,552</b>	<b>19,569,502</b>	<b>110,405,740</b>
157								
158	Less: Bonding		-	(2,985,004)	(5,721,868)	(5,028,342)	(1,650,000)	(15,385,214)
159	Less: Contribution in Aid of Construction		(14,204,097)	(11,843,346)	(366,015)	(377,000)	(3,138,290)	(29,928,748)
160								
161	<b>Net Capital External Expenditures (Rate Funded)</b>		<b>18,272,917</b>	<b>11,139,465</b>	<b>10,048,974</b>	<b>10,849,210</b>	<b>14,781,212</b>	<b>65,091,778</b>
162								
163	<b>Total Internal Expenditures (Capital Labor)</b>		<b>5,423,293</b>	<b>6,388,557</b>	<b>6,146,306</b>	<b>5,850,423</b>	<b>6,745,117</b>	<b>30,553,696</b>
164								
165	<b>Net Capital Expenditures</b>		<b>23,696,210</b>	<b>17,528,022</b>	<b>16,195,280</b>	<b>16,699,633</b>	<b>21,526,329</b>	<b>95,645,474</b>



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2022 WATER UTILITY OPERATING BUDGET



**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 OPERATING BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Basic Assumptions	1
Forecast by Year 2021 through 2026	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 OPERATING BUDGET**

**BASIC ASSUMPTIONS**

- Interest Earnings Rate: 1.80%
- Average Salary Expense Change: 3.1%  
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Change in Full-time Equivalents: 0
- Anticipated Bonding: \$12,150,000 - 2023 (AMI)
- Minimum Cash Reserve Requirement: Policy Amount \$6,473,800

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 2.5% proposed
- Water CCF Sales Forecast: 4.87% Decrease from 2021 Projected Sales
- Total Water Utility Customers: 1.0% Increase over Y/E 2021 Projected Customers
- Forecast Assumes Normal Weather : 530 Cooling Degree Days,  
20.6 Inches Summer Rainfall

**OTHER ITEMS**

- In Lieu of Tax forecast decreasing \$26,656 to a total of \$369,480.

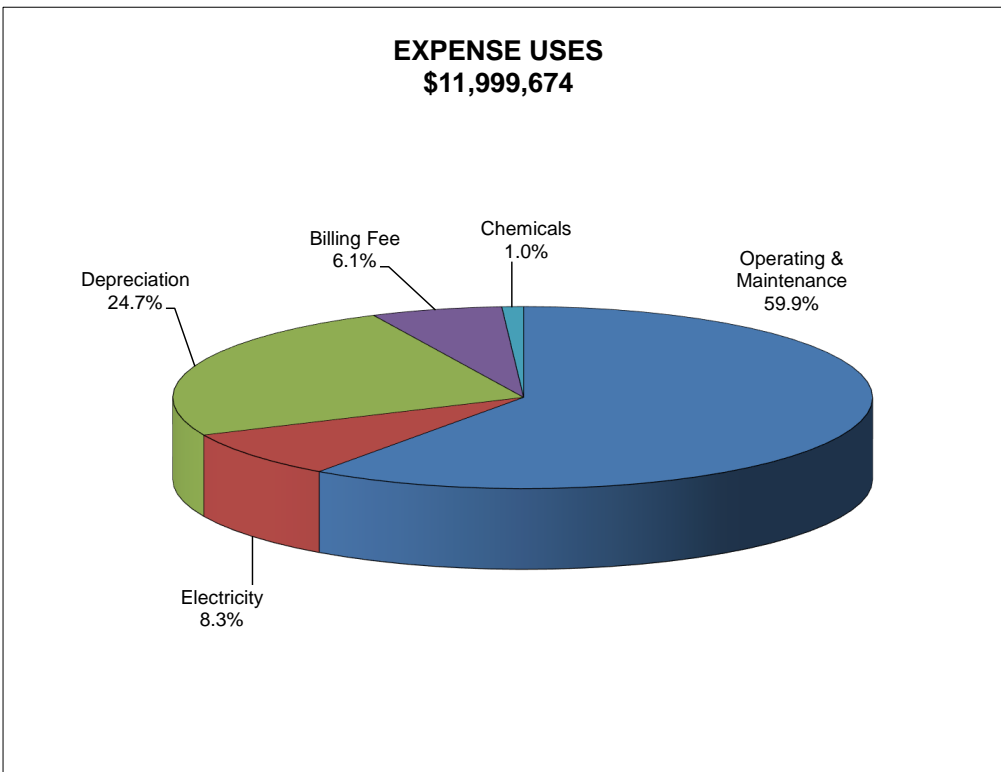
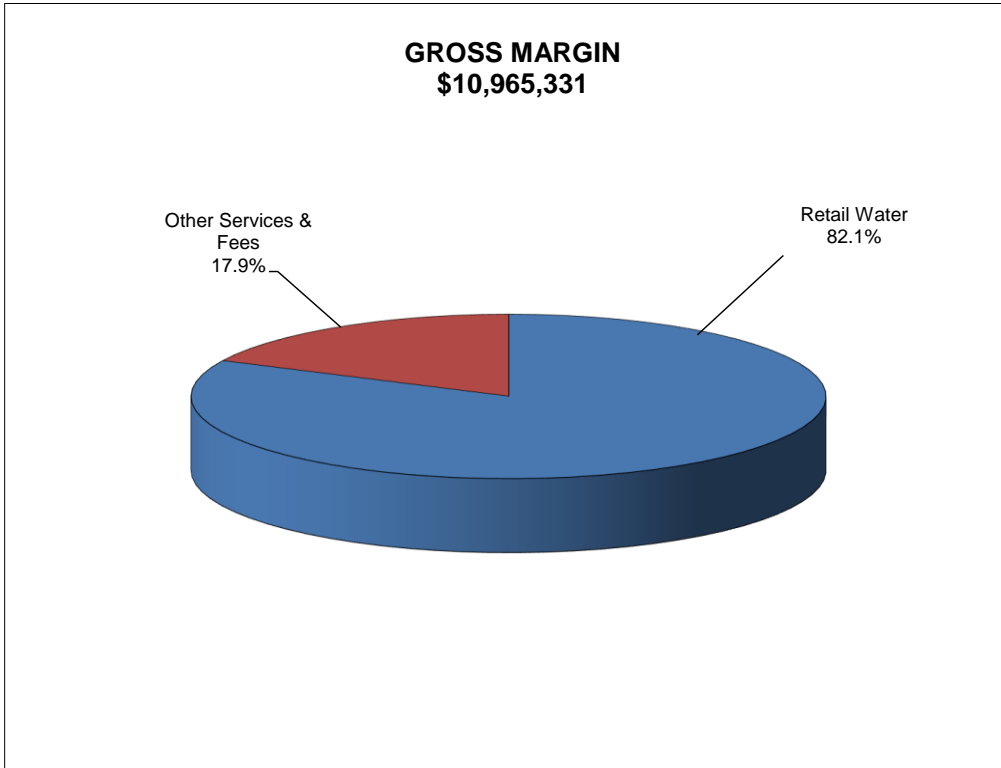
**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

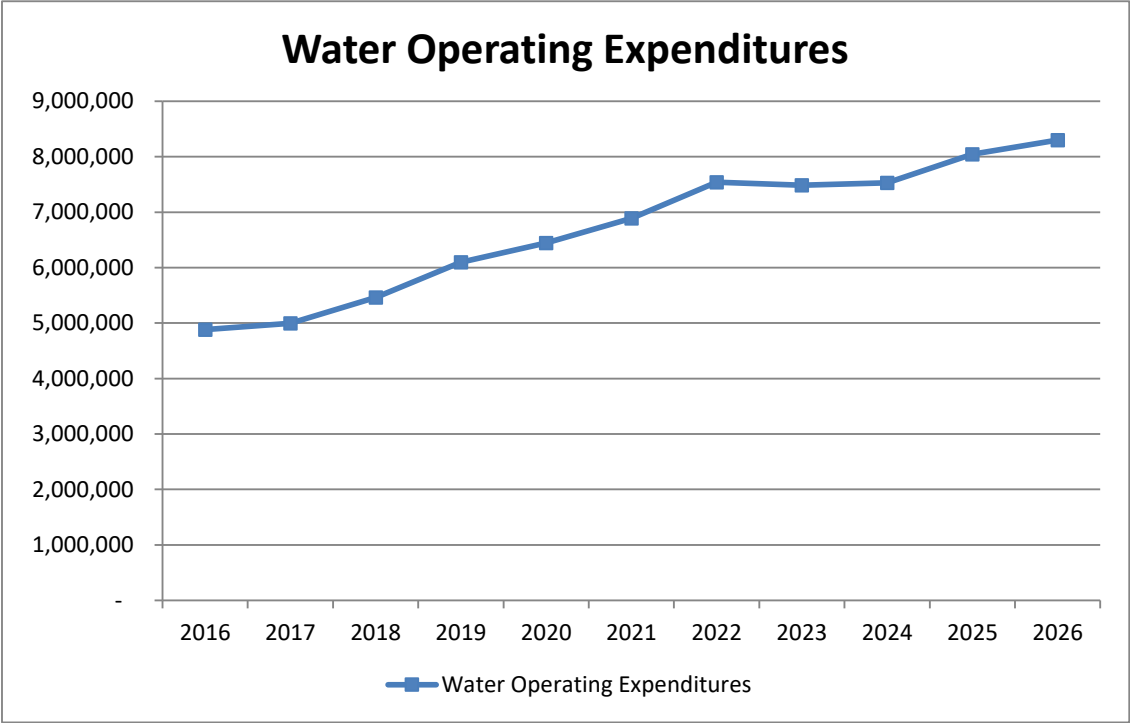
in 000's		Historical Data		2021 F2					
		2019	2020	2021 F2	2022	2023	2024	2025	2026
	RPU Rate Increase	6.0%	3.5%	0.0%	2.5%	6.5%	6.5%	6.5%	6.5%
1	<b>Revenue</b>								
2	Retail Water	\$9,959	\$10,665	\$11,083	\$10,854	\$11,653	\$12,481	\$13,370	\$14,271
3	Other Services & Fees	\$1,698	\$1,423	\$1,440	\$1,959	\$1,991	\$2,023	\$2,056	\$2,090
4	<b>Total Revenue</b>	<b>\$11,657</b>	<b>\$12,088</b>	<b>\$12,523</b>	<b>\$12,812</b>	<b>\$13,643</b>	<b>\$14,504</b>	<b>\$15,426</b>	<b>\$16,361</b>
5	<b>Cost of Revenue</b>								
6	Water Supply	\$1,682	\$1,758	\$1,928	\$1,847	\$1,889	\$1,925	\$1,962	\$1,988
7	<b>Total Cost of Revenue</b>	<b>\$1,682</b>	<b>\$1,758</b>	<b>\$1,928</b>	<b>\$1,847</b>	<b>\$1,889</b>	<b>\$1,925</b>	<b>\$1,962</b>	<b>\$1,988</b>
8	<b>Gross Margin</b>								
9	Retail Water	\$8,277	\$8,908	\$9,155	\$9,007	\$9,764	\$10,556	\$11,408	\$12,283
10	Other Services & Fees	\$1,698	\$1,423	\$1,440	\$1,959	\$1,991	\$2,023	\$2,056	\$2,090
11	<b>TOTAL GROSS MARGIN</b>	<b>\$9,975</b>	<b>\$10,331</b>	<b>\$10,595</b>	<b>\$10,965</b>	<b>\$11,754</b>	<b>\$12,579</b>	<b>\$13,464</b>	<b>\$14,372</b>
12	<b>Controllable Costs</b>								
13	Salaries & Benefits	\$3,026	\$3,065	\$3,200	\$3,364	\$3,631	\$3,751	\$3,959	\$4,100
14	Other Operating Expenses	\$1,310	\$1,145	\$1,355	\$1,587	\$1,597	\$1,628	\$1,652	\$1,689
15	Major Maintenance	\$323	\$521	\$374	\$745	\$410	\$255	\$460	\$495
16	Non-Bonded Capital Projects	\$1,712	\$2,441	\$5,765	\$3,437	\$7,435	\$3,722	\$3,553	\$4,680
17	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$6,371</b>	<b>\$7,172</b>	<b>\$10,695</b>	<b>\$9,133</b>	<b>\$13,073</b>	<b>\$9,357</b>	<b>\$9,624</b>	<b>\$10,964</b>
18	Depreciation & Amortization	\$2,742	\$2,745	\$2,861	\$2,968	\$3,077	\$3,176	\$3,229	\$3,377
19	Less Non Bonded Projects (capitalized)	(\$1,712)	(\$2,441)	(\$5,765)	(\$3,437)	(\$7,435)	(\$3,722)	(\$3,553)	(\$4,680)
20	Less Total Internal Costs (capitalized)	(\$270)	(\$426)	(\$578)	(\$374)	(\$301)	(\$355)	(\$340)	(\$288)
21	Interutility Allocation	\$1,534	\$1,737	\$1,875	\$1,862	\$1,899	\$1,937	\$1,976	\$2,016
22	<b>Total Operating Expenses</b>	<b>\$8,664</b>	<b>\$8,788</b>	<b>\$9,088</b>	<b>\$10,153</b>	<b>\$10,313</b>	<b>\$10,392</b>	<b>\$10,936</b>	<b>\$11,389</b>
23	<b>Net Operating Income (Loss)</b>	<b>\$1,311</b>	<b>\$1,543</b>	<b>\$1,507</b>	<b>\$813</b>	<b>\$1,442</b>	<b>\$2,187</b>	<b>\$2,528</b>	<b>\$2,983</b>
24	<b>Financing &amp; Other Non-Operating Items:</b>								
25	Bond & Interest Related Expenses	(\$1)	(\$1)	(\$0)	\$0	\$0	(\$547)	(\$502)	(\$456)
26	Interest Income	\$201	\$223	\$203	\$200	\$206	\$238	\$237	\$249
27	Misc Non-Operating Income (Expense)	(\$31)	(\$5)	\$0	\$0	\$0	\$0	\$0	\$0
28	<b>Total Financing &amp; Non-Operating Items</b>	<b>\$169</b>	<b>\$218</b>	<b>\$203</b>	<b>\$200</b>	<b>\$206</b>	<b>(\$309)</b>	<b>(\$266)</b>	<b>(\$206)</b>
29	<b>Income Before Transfers or Capital Contributions</b>	<b>\$1,480</b>	<b>\$1,761</b>	<b>\$1,710</b>	<b>\$1,013</b>	<b>\$1,647</b>	<b>\$1,878</b>	<b>\$2,262</b>	<b>\$2,777</b>
30	Transfers (In Lieu of Taxes)	(\$358)	(\$385)	(\$396)	(\$369)	(\$379)	(\$387)	(\$394)	(\$398)
31	Capital Contributions	\$891	\$1,283	\$1,106	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
32	Cash Transfers from City/Intercompany	\$0	\$0	\$0	\$90	\$4,010	\$0	\$0	\$1,550
33	<b>NET INCOME</b>	<b>\$2,013</b>	<b>\$2,660</b>	<b>\$2,420</b>	<b>\$1,834</b>	<b>\$6,378</b>	<b>\$2,592</b>	<b>\$2,968</b>	<b>\$5,028</b>
34	<b>NET INCOME (Excluding Contrib &amp; Cash Tfrs from City)</b>			<b>\$1,314</b>	<b>\$644</b>	<b>\$1,268</b>	<b>\$1,492</b>	<b>\$1,868</b>	<b>\$2,378</b>
35	<b>TARGET NET INCOME</b>			<b>\$ 5,029</b>	<b>\$ 5,159</b>	<b>\$ 5,399</b>	<b>\$ 5,525</b>	<b>\$ 5,646</b>	<b>\$ 5,800</b>
36	<b>Excess (Deficit) from Target</b>			<b>\$ (3,715)</b>	<b>\$ (4,515)</b>	<b>\$ (4,131)</b>	<b>\$ (4,034)</b>	<b>\$ (3,778)</b>	<b>\$ (3,422)</b>
37	<b>1/01 Cash Balance</b>	<b>\$ 10,529</b>	<b>\$ 11,975</b>	<b>\$ 11,975</b>	<b>\$ 11,283</b>	<b>\$ 11,194</b>	<b>\$ 11,866</b>	<b>\$ 11,511</b>	<b>\$ 11,682</b>
38	Change in Net Assets		2,659	2,420	1,834	6,378	2,592	2,968	5,028
39	Depreciation & Amortization		2,745	2,861	2,968	3,077	3,176	3,229	3,377
40	Capital Additions		(2,866)	(6,343)	(3,811)	(7,881)	(10,018)	(8,308)	(4,968)
41	Non-Cash Contributions		(1,283)	(1,106)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
42	Debt Principal Payments		-	(0)	0	-	(989)	(1,033)	(1,080)
43	Debt Proceeds		-	(0)	0	12,150	-	-	0
44	Net Change in Other Assets/Liabilities		191	1,476	20	(11,953)	5,984	4,415	-
45	<b>Net Changes in Cash</b>		<b>1,446</b>	<b>(693)</b>	<b>(88)</b>	<b>672</b>	<b>(355)</b>	<b>171</b>	<b>1,257</b>
46	<b>12/31 Cash Balance</b>	<b>\$ 11,975</b>	<b>\$ 11,283</b>	<b>\$ 11,283</b>	<b>\$ 11,194</b>	<b>\$ 11,866</b>	<b>\$ 11,511</b>	<b>\$ 11,682</b>	<b>\$ 12,939</b>
47	<b>Minimum Cash Reserve</b>	<b>\$ 7,908</b>	<b>\$ 8,529</b>	<b>\$ 8,529</b>	<b>\$ 6,474</b>	<b>\$ 6,449</b>	<b>\$ 6,326</b>	<b>\$ 6,321</b>	<b>\$ 6,417</b>
48	<b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 4,067</b>	<b>\$ 2,753</b>	<b>\$ 2,753</b>	<b>\$ 4,720</b>	<b>\$ 5,417</b>	<b>\$ 5,185</b>	<b>\$ 5,361</b>	<b>\$ 6,522</b>

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

	Historical Data		2021		2022		Variance	%	
	2019	2020	Orig Bdgt	2021 F2	2022	Orig Bdgt	2022 to Orig Bdgt	Variance	
in 000's									
1	<b>Revenue</b>								
2	Retail Water	\$9,959	\$10,665	\$10,993	\$11,083	\$10,854	\$11,431	(\$578)	-5.1%
3	Other Services & Fees	\$1,698	\$1,423	\$1,449	\$1,440	\$1,959	\$1,476	\$483	32.7%
4	<b>Total Revenue</b>	<b>\$11,657</b>	<b>\$12,088</b>	<b>\$12,442</b>	<b>\$12,523</b>	<b>\$12,812</b>	<b>\$12,907</b>	<b>(\$94)</b>	<b>-0.7%</b>
5	<b>Cost of Revenue</b>								
6	Water Supply	\$1,682	\$1,758	\$1,822	\$1,928	\$1,847	\$1,822	\$25	1.4%
7	<b>Total Cost of Revenue</b>	<b>\$1,682</b>	<b>\$1,758</b>	<b>\$1,822</b>	<b>\$1,928</b>	<b>\$1,847</b>	<b>\$1,822</b>	<b>\$25</b>	<b>1.4%</b>
8	<b>Gross Margin</b>								
9	Retail Water	\$8,277	\$8,908	\$9,171	\$9,155	\$9,007	\$9,610	(\$603)	-6.3%
10	Other Services & Fees	\$1,698	\$1,423	\$1,449	\$1,440	\$1,959	\$1,476	\$483	32.7%
11	<b>TOTAL GROSS MARGIN</b>	<b>\$9,975</b>	<b>\$10,331</b>	<b>\$10,620</b>	<b>\$10,595</b>	<b>\$10,965</b>	<b>\$11,085</b>	<b>(\$120)</b>	<b>-1.1%</b>
12	<b>Controllable Costs</b>								
13	Salaries & Benefits	\$3,026	\$3,065	\$3,108	\$3,200	\$3,364	\$3,451	(\$87)	-2.5%
14	Other Operating Expenses	\$1,310	\$1,145	\$1,281	\$1,355	\$1,587	\$1,306	\$281	21.5%
15	Major Maintenance	\$323	\$521	\$528	\$374	\$745	\$455	\$290	63.7%
16	Non-Bonded Capital Projects	\$1,712	\$2,441	\$6,808	\$5,765	\$3,437	\$8,396	(\$4,959)	-59.1%
17	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$6,371</b>	<b>\$7,172</b>	<b>\$11,725</b>	<b>\$10,695</b>	<b>\$9,133</b>	<b>\$13,608</b>	<b>(\$4,475)</b>	<b>-32.9%</b>
18	Depreciation & Amortization	\$2,742	\$2,745	\$2,910	\$2,861	\$2,968	\$3,041	(\$73)	-2.4%
19	Less Non Bonded Projects (capitalized)	(\$1,712)	(\$2,441)	(\$6,808)	(\$5,765)	(\$3,437)	(\$8,396)	\$4,959	-59.1%
20	Less Total Internal Costs (capitalized)	(\$270)	(\$426)	(\$484)	(\$578)	(\$374)	(\$360)	(\$13)	3.7%
21	Interutility Allocation	\$1,534	\$1,737	\$1,719	\$1,875	\$1,862	\$1,753	\$109	6.2%
22	<b>Total Operating Expenses</b>	<b>\$8,664</b>	<b>\$8,788</b>	<b>\$9,063</b>	<b>\$9,088</b>	<b>\$10,153</b>	<b>\$9,646</b>	<b>\$507</b>	<b>5.3%</b>
23	<b>Net Operating Income (Loss)</b>	<b>\$1,311</b>	<b>\$1,543</b>	<b>\$1,558</b>	<b>\$1,507</b>	<b>\$813</b>	<b>\$1,439</b>	<b>(\$626)</b>	<b>-43.5%</b>
24	<b>Financing &amp; Other Non-Operating Items:</b>								
25	Bond & Interest Related Expenses	(\$1)	(\$1)	\$0	(\$0)	\$0	\$0	\$0	0.0%
26	Interest Income	\$201	\$223	\$169	\$203	\$200	\$154	\$47	30.3%
27	Misc Non-Operating Income (Expense)	(\$31)	(\$5)	\$0	\$0	\$0	\$0	\$0	0.0%
28	<b>Total Financing &amp; Non-Operating Items</b>	<b>\$169</b>	<b>\$218</b>	<b>\$169</b>	<b>\$203</b>	<b>\$200</b>	<b>\$154</b>	<b>\$47</b>	<b>30.3%</b>
29	<b>Income Before Transfers or Capital Contributions</b>	<b>\$1,480</b>	<b>\$1,761</b>	<b>\$1,727</b>	<b>\$1,710</b>	<b>\$1,013</b>	<b>\$1,593</b>	<b>(\$580)</b>	<b>-36.4%</b>
30	Transfers (In Lieu of Taxes)	(\$358)	(\$385)	(\$383)	(\$396)	(\$369)	(\$391)	\$21	-5.5%
31	Capital Contributions	\$891	\$1,283	\$1,100	\$1,106	\$1,100	\$1,100	\$0	0.0%
32	Cash Transfers from City	\$0	\$0	\$85	\$0	\$90	\$4,030	(\$3,940)	-97.8%
33	<b>NET INCOME</b>	<b>\$2,013</b>	<b>\$2,660</b>	<b>\$2,529</b>	<b>\$2,420</b>	<b>\$1,834</b>	<b>\$6,332</b>	<b>(\$558)</b>	<b>-8.8%</b>
34	<b>1/01 Cash Balance</b>	<b>\$ 10,529</b>	<b>\$ 10,109</b>	<b>\$ 11,975</b>	<b>\$ 11,975</b>	<b>\$ 11,283</b>	<b>\$ 8,878</b>	<b>\$ 2,404</b>	<b>27.1%</b>
35	Change in Net Assets		2,659	2,529	2,420	1,834	6,332	(4,498)	-71.0%
36	Depreciation & Amortization		2,745	2,910	2,861	2,968	3,041	(73)	-2.4%
37	Capital Additions/Service Territory Comp		(2,866)	(7,292)	(6,343)	(3,811)	(8,756)	4,945	-56.5%
38	Non-Cash Contributions		(1,283)	(1,100)	(1,106)	(1,100)	(1,100)	-	0.0%
39	Debt Principal Payments		-	0	(0)	0	-	0	0.0%
40	Debt Proceeds		-	0	(0)	0	-	0	0.0%
41	Net Change in Other Assets/Liabilities		191	980	1,476	20	(30)	50	-168.9%
42	<b>Net Changes in Cash</b>		<b>1,446</b>	<b>(1,973)</b>	<b>(693)</b>	<b>(88)</b>	<b>(513)</b>	<b>424</b>	<b>-82.8%</b>
43	<b>12/31 Cash Balance</b>	<b>\$ 11,975</b>	<b>\$ 11,975</b>	<b>\$ 8,136</b>	<b>\$ 11,283</b>	<b>\$ 11,194</b>	<b>\$ 8,366</b>	<b>\$ 2,828</b>	<b>33.8%</b>
44	<b>Mimumum Cash Reserve</b>	<b>\$ 7,908</b>	<b>\$ 7,908</b>	<b>\$ 8,529</b>	<b>\$ 8,529</b>	<b>\$ 6,474</b>	<b>\$ 8,803</b>	<b>\$ (2,329)</b>	<b>-26.5%</b>
45	<b>Excess (Deficit) from Mimumum Cash Reserve</b>	<b>\$ 4,067</b>	<b>\$ 4,067</b>	<b>\$ (393)</b>	<b>\$ 2,753</b>	<b>\$ 4,720</b>	<b>\$ (437)</b>	<b>\$ 5,158</b>	<b>-1179.4%</b>

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 OPERATING BUDGET**





**ROCHESTER PUBLIC UTILITIES  
PRODUCTION & SALES STATISTICS FORECAST  
WATER UTILITY**

	<b>2021 F2</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
1 CCF Pumped	5,543,343	5,273,552	5,303,331	5,302,905	5,302,013	5,253,743
2 % Change	-5.6%	-4.9%	0.6%	0.0%	0.0%	-0.9%
3 Retail CCF	5,539,237	5,269,646	5,299,403	5,298,978	5,298,086	5,249,852
4 % Change	-1.0%	-4.9%	0.6%	0.0%	0.0%	-0.9%
5 Number of Customers						
6 Residential	37,586	37,969	38,355	38,745	39,139	39,537
7 Commercial	3,660	3,690	3,720	3,751	3,783	3,815
8 Industrial	23	23	23	23	23	23
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	41,270	41,683	42,099	42,520	42,946	43,376
11 % Change	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2022 WATER UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET



**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
5 Year Project List:	
Major Maintenance	1
Capital	2

**Rochester Public Utilities  
Water Utility  
2022 - 2026 Major Maintenance Plan**

	A	B	C	D	E	F	G	H
4	Row Labels	Multi Year Project Total	2022	2023	2024	2025	2026	Total
5	Water Compliance							
6	124 - Water Compliance							
7	Old Municipal Wells Sealing Project		30,000	30,000	30,000	30,000	-	120,000
8	Olmsted County Well Sealing		100,000	-	-	-	-	100,000
10	<b>124 - Water Compliance Total</b>		<b>130,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>220,000</b>
11	<b>Water Compliance Total</b>		<b>130,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>220,000</b>
12	Water Core Services							
13	127 - Allocation Water Distribution System							
14	Alloc-Water Storage Facility Painting		355,000	295,000	135,000	300,000	400,000	1,485,000
15	<b>127 - Allocation Water Distribution System Total</b>		<b>355,000</b>	<b>295,000</b>	<b>135,000</b>	<b>300,000</b>	<b>400,000</b>	<b>1,485,000</b>
16	128 - Water Engineering							
17	Water Cost-of-Service/Rate Design Study		35,000	-	-	35,000	-	70,000
18	Water Utility Operation Contingency Fund		80,000	85,000	90,000	95,000	95,000	445,000
20	Communication Study		125,000	-	-	-	-	125,000
21	<b>128 - Water Engineering Total</b>		<b>240,000</b>	<b>85,000</b>	<b>90,000</b>	<b>130,000</b>	<b>95,000</b>	<b>640,000</b>
22	<b>Water Core Services Total</b>		<b>595,000</b>	<b>380,000</b>	<b>225,000</b>	<b>430,000</b>	<b>495,000</b>	<b>2,125,000</b>
23	Water Power Resources							
24	123 - Allocation Water Facilities							
25	Alloc-Facilities Maintenance Water		20,000	-	-	-	-	20,000
26	<b>123 - Allocation Water Facilities Total</b>		<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>
27	<b>Water Power Resources Total</b>		<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>
28	<b>Total Major Maintenance - External Expenditures</b>		<b>745,000</b>	<b>410,000</b>	<b>255,000</b>	<b>460,000</b>	<b>495,000</b>	<b>2,365,000</b>

**Rochester Public Utilities  
Water Utility  
2022 - 2026 Capital Improvement Plan**

Row Labels	Multi Year Project Total	2022	2023	2024	2025	2026	Total
<b>Water Compliance</b>							
124 - Water Compliance							
Well 16 Conversion		75,000	-	-	-	-	75,000
Olmsted County Well Conversion		-	80,000	-	-	-	80,000
<b>124 - Water Compliance Total</b>		<b>75,000</b>	<b>80,000</b>	-	-	-	<b>155,000</b>
<b>Water Compliance Total</b>		<b>75,000</b>	<b>80,000</b>	-	-	-	<b>155,000</b>
<b>Water Core Services</b>							
127 - Allocation Water Distribution System							
Alloc-Replacement Of Pumping Units		88,800	90,800	92,000	92,900	94,700	459,200
Alloc-Well Motor Replacements		13,875	19,000	19,500	19,500	20,000	91,875
Alloc-Install Variable Frequency Drive Units		22,650	19,650	19,700	15,250	16,800	94,050
Alloc-Replacement Of Booster Pumps		17,250	23,000	23,000	23,000	23,000	109,250
Alloc-Residential Water Metering/AMR		145,965	198,500	202,500	206,500	210,500	963,965
Alloc-Commercial Water Metering/AMR		93,750	127,500	130,000	132,500	135,250	619,000
<b>127 - Allocation Water Distribution System Total</b>		<b>382,290</b>	<b>478,450</b>	<b>486,700</b>	<b>489,650</b>	<b>500,250</b>	<b>2,337,340</b>
127 - Water Distribution System							
Install New AC Units at Wells and Boosters		36,225	37,493	38,805	40,164	41,569	194,256
Water AMI Implementation		67,291	144,845	5,940,026	4,732,708	-	10,884,870
Well & Booster Station Metering		10,900	11,300	11,675	12,100	12,500	58,475
Chlorine Sensor Replacement		23,801	24,633	-	-	-	48,434
<b>127 - Water Distribution System Total</b>		<b>138,217</b>	<b>218,271</b>	<b>5,990,506</b>	<b>4,784,972</b>	<b>54,069</b>	<b>11,186,035</b>
128 - Water Engineering							
Marion Rd Duct Project		-	580,000	-	-	-	580,000
Center ST to 11th Ave E		-	-	1,084,750	-	-	1,084,750
Center St to 16th Ave West		-	-	-	-	640,000	640,000
New Wells		635,000	-	480,000	750,000	-	1,865,000
Water Utility Project Contingency Fund		175,000	180,000	180,000	185,000	185,000	905,000
New Marion IL1.0MG Reservoir		-	-	-	-	1,550,000	1,550,000
Building Replacement-Well #26		100,000	-	-	-	-	100,000
1.0MG Baihly High Level Tower	4,100,000	90,000	4,010,000	-	-	-	4,100,000
Willow Heights High Level Booster Station		330,000	-	-	-	-	330,000
<b>128 - Water Engineering Total</b>	<b>4,100,000</b>	<b>1,330,000</b>	<b>4,770,000</b>	<b>1,744,750</b>	<b>935,000</b>	<b>2,375,000</b>	<b>11,154,750</b>
128 - Allocation Water Engineering							
Alloc-T&D City Projects		251,000	154,000	200,000	385,000	200,000	1,190,000
Alloc-T&D Developer Projects		100,000	200,000	200,000	200,000	200,000	900,000
Alloc-T&D RPU Projects		200,000	400,000	200,000	800,000	1,000,000	2,600,000
<b>128 - Allocation Water Engineering Total</b>		<b>551,000</b>	<b>754,000</b>	<b>600,000</b>	<b>1,385,000</b>	<b>1,400,000</b>	<b>4,690,000</b>
128 - DMC Water Engineering							
DMC-Discovery Walk	630,500	480,000	150,500	-	-	-	630,500
DMC-Broadway N, Zumbro River Bridge North to Elton Hills Dr		-	-	350,000	350,000	-	700,000
DMC-6th St SE Bridge Construction		-	-	-	-	210,000	210,000
DMC-3rd Ave SW From 2nd To 4th St SW		-	-	160,000	-	-	160,000
DMC-Block 6 Ramp Water Main		221,000	-	-	-	-	221,000
DMC-Rochester Rapid Transit 2nd St SW Recon		-	880,000	150,000	-	-	1,030,000
<b>128 - DMC Water Engineering Total</b>	<b>630,500</b>	<b>701,000</b>	<b>1,030,500</b>	<b>660,000</b>	<b>350,000</b>	<b>210,000</b>	<b>2,951,500</b>
<b>Water Core Services Total</b>	<b>4,730,500</b>	<b>3,102,507</b>	<b>7,251,221</b>	<b>9,481,956</b>	<b>7,944,622</b>	<b>4,539,319</b>	<b>32,319,625</b>
<b>Water Power Resources</b>							
125 - Water Fleet		259,440	248,459	180,480	23,808	141,000	853,187
<b>Total External Expenditures</b>	<b>4,730,500</b>	<b>3,436,947</b>	<b>7,579,680</b>	<b>9,662,436</b>	<b>7,968,430</b>	<b>4,680,319</b>	<b>33,327,812</b>
<b>Total Internal Expenditures</b>		<b>373,711</b>	<b>301,479</b>	<b>355,225</b>	<b>339,954</b>	<b>287,748</b>	<b>1,658,117</b>
<b>Total Contributed Assets</b>		<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>5,500,000</b>
<b>Less: Water Accessibility Funds</b>		<b>(90,000)</b>	<b>(4,010,000)</b>	<b>-</b>	<b>-</b>	<b>(1,550,000)</b>	<b>(5,650,000)</b>
<b>Less: Bond Funded</b>		<b>-</b>	<b>(144,845)</b>	<b>(5,940,026)</b>	<b>(4,415,129)</b>	<b>-</b>	<b>(10,500,000)</b>
<b>Total Net Capital Expenditures</b>		<b>4,820,658</b>	<b>4,826,314</b>	<b>5,177,635</b>	<b>4,993,255</b>	<b>4,518,067</b>	<b>24,335,929</b>



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# PERSONNEL BUDGET

**ROCHESTER PUBLIC UTILITIES  
2022 PERSONNEL BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Permanent Staff Per Customer Served/Retail Sales	1
Permanent and Temporary Staffing Comparison	2

**ROCHESTER PUBLIC UTILITIES  
2022 PERSONNEL BUDGET  
Regular Staff Per Customer Served  
And Dollars of Retail Sales**

<u>Year</u>	<u>Total Service Points</u>	<u>Retail Sales \$'s</u>	<u>Authorized Number of Utility Employees</u>	<u># Customers Served Per Employee</u>	<u>\$'s of Retail Sales Per Employee</u>
2022	101,189 <sup>(1)</sup>	163,179,434 <sup>(1)</sup>	211 <sup>(2)</sup>	480	773,362
2021	99,812 <sup>(1)</sup>	162,796,574 <sup>(1)</sup>	208 <sup>(2)</sup>	480	782,676
2020	98,503	154,640,308	207	476	747,055
2019	96,849	157,899,357	203	477	777,829
2018	95,534	161,514,438	198	482	815,729

NOTES: Numbers include combined water and electric utilities.

For Electric Utilities, APPA 2019 Retail Customers per Non-Power-Generation Employee for customer size class of 50K-100K customers, is 220. RPU comparison using this criteria and 2020 data is 365.

(1) Forecasted

(2) Staff changes:

Four potential reclassifications in 2022

Adding one new position in 2022:

Customer Care Lead

Replacement of two Existing Contract Positions with FTEs (dollar neutral)

**ROCHESTER PUBLIC UTILITIES  
2022 PERSONNEL BUDGET  
Regular and Temporary Staffing  
Total Costs**

<u>Year</u>	<u>2021 Original budget</u>	<u>2021 Projected</u>	<u>2022 Estimated</u>	<u>Difference 2021 original to 2022</u>	<u>% Change</u>
Regular Employees	\$28,143,172	\$27,866,466	\$30,333,271	\$2,190,099	7.8%
Limited-Term Employees	\$95,955	\$115,869	\$162,918	\$66,963	69.8%
Temporary/Contract Labor	<u>\$859,761</u>	<u>\$720,806</u>	<u>\$730,025</u>	<u>-\$129,736</u>	<u>-15.1%</u>
<b>Total</b>	<b>\$29,098,887</b>	<b>\$28,703,141</b>	<b>\$31,226,214</b>	<b>\$2,127,327</b>	<b>7.3%</b>

NOTE: Estimated cost include base salaries, salary increases, overtime, RPU's share of employee pensions, payroll taxes, and benefits. Excludes accrual adjustment for unfunded PERA liability.



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# **SUPPLEMENTAL DATA CAPITAL/OPERATING BUDGETS**



**ROCHESTER PUBLIC UTILITIES  
2022 SUPPLEMENTAL DATA  
CAPITAL / OPERATING BUDGETS**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Electric & Water Rate Increases vs. Inflation	1
Year End Cash Balances	2
RPU Tax and Tax Equivalents	3

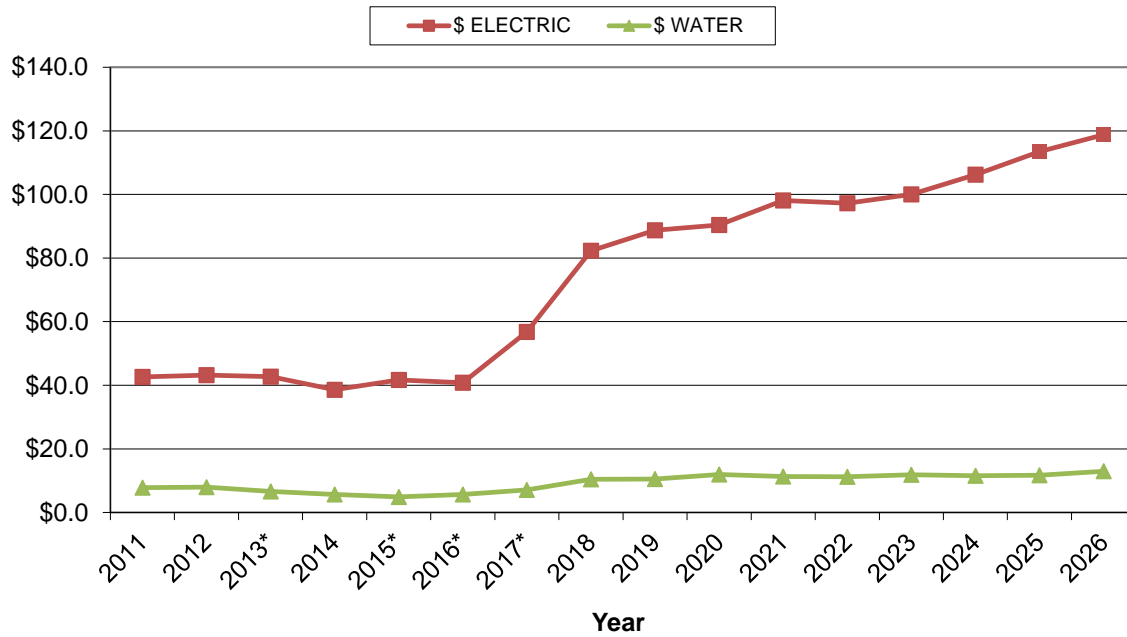
**ROCHESTER PUBLIC UTILITIES  
2022 CAPITAL / OPERATING BUDGETS  
ELECTRIC AND WATER REVENUE CHANGE  
VERSUS INFLATION**

<u>Year</u>	<u>Inflation %</u>	<u>Electric Rates %</u>	<u>Water Rates %</u>	<u>SMMPA Rates %</u>
2022*	2.0%	1.5%	2.5%	0.0%
2021*	5.5%	0.0%	0.0%	0.0%
2020	1.2%	0.0%	3.5%	-4.0%
2019	1.8%	1.9%	6.0%	0.0%
2018	2.4%	1.5%	6.0%	2.0%
2017	2.1%	3.7%	6.0%	6.0%
2016	1.3%	1.7%	6.0%	0.0%
2015	0.1%	3.5%	3.5%	0.0%
2014	1.6%	3.0%	1.5%	0.0%
2013	1.5%	0.0%	0.0%	0.0%
<b>Annualized Average</b>	1.9%	1.7%	3.5%	0.4%

\*Estimated Yearly Values

**ROCHESTER PUBLIC UTILITIES  
2022 CAPITAL/OPERATING BUDGETS  
YEAR END CASH BALANCES**

**Year End Cash Balances  
(2011-2020 Actual, 2021-2026 Projected)**



Millions of Dollars

Year	YEAR-END REMAINING		YEAR-END REMAINING	
	<u>\$ ELECTRIC</u>	<u>DEBT PROCEEDS ELECTRIC</u>	<u>\$ WATER</u>	<u>DEBT PROCEEDS WATER</u>
2011	42.6		7.8	
2012	43.2		8.0	
2013*	42.7	25.9	6.6	
2014	38.6	15.7	5.7	
2015*	41.7	3.1	4.9	
2016*	40.8		5.7	
2017*	56.8	23.1	7.1	
2018	82.3		10.4	
2019	88.7		10.5	
2020	90.4		12.0	
2021	98.1		11.3	
2022	97.3		11.2	
2023	100.0	15.5	11.9	10.4
2024	106.3	9.8	11.5	4.4
2025	113.4	4.8	11.7	
2026	118.8		12.9	

\* The Electric Utility has had debt financings of \$34 million in December 2000, \$9.9 million in August 2002, \$5.7 million in March 2005, \$76.7 million in March 2007 which included an advance refunding of the 2000 bond issue in the amount of \$30.2 million, \$6.7 million in September 2009, \$4.0 million in February 2013 to refinance the remaining 2002 issue, \$38.4 million in May 2013, \$39.97 in November 2015 to advance refund the new money portion of the 2007C bond issue, a \$25.0 million temporary borrowing in April 2016, \$108.3 in February 2017, which included \$23.6 million to refund the remaining portion of the 2007C bond issue and \$20.9 million to pay off the 2016 temporary borrowing, and \$37.17 in February 2021 to advance refund the 2013B bond issue. The Water Utility has had debt financings of \$1.5 million in August 2006. There are proposed future debt financings in 2023 of \$18.0 million for the Electric Utility and \$12.15 million for the Water Utility for AMI.

**ROCHESTER PUBLIC UTILITIES  
2022 CAPITAL / OPERATING BUDGETS  
RPU ESTIMATED TAX AND TAX EQUIVALENTS**

Utility Licenses, Permits & Penalties	421,851
Water Appropriation Fees	61,939
Payment to General Fund	
Electric	9,009,578
Water	<u>369,480</u>
Total	<u>9,379,058</u>
Sales Tax - Electric & Water	1,307,094
SMMPA Property Taxes (\$9,265,538 x 42%)	<u>3,891,526</u>
Total Tax & Tax Equivalents	<u>15,061,468</u>
Electric/Water Retail Sales	<u>163,179,434</u>
% of Electric/Water Retail Sales	9.2%