

2021 ANNUAL BUDGET ADOPTED



ROCHESTER PUBLIC UTILITIES 2021 ANNUAL OPERATING PLAN

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ROCHESTER PUBLIC UTILITIES
ADOPTED

2021 ELECTRIC UTILITY OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2021 OPERATING BUDGET**

INDEX

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**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2021 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: 3.1%
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Anticipated Bonding none
- Change in Full-time Equivalents: 1
- SMMPA Wholesale Power Cost: 0.0% increase
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: Current policy amount \$52,568,700

RETAIL REVENUES / SALES

- Revenue Adjustment: 0.0% proposed
- Electric KWH Sales Forecast: 0.2 % Increase from 2020 Year End Projected Sales
- Total Electric Utility Customers: 0.5% Increase over Year End 2020 Projected Customers
- Forecast Assumes Normal Weather : 525 Cooling Degree Days

WHOLESALE FUEL COSTS

- Estimated Cost of Fuel 2020 \$5.18 / mcf
- Budgeted Cost of Fuel 2019 F2 \$3.28 / mcf

OTHER ITEMS

- In Lieu of Tax forecast decreasing \$2,309 to a total of \$8,616,994.

ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L

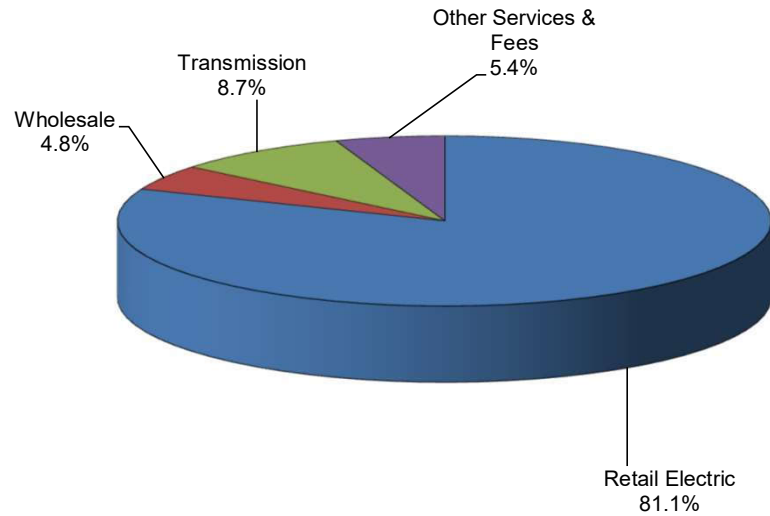
in 000's		Historical Data		2020 F2					
		2018	2019		2021	2022	2023	2024	2025
	RPU Rate Increase	1.5%	1.9%	0.0%	0.0%	3.5%	3.5%	3.5%	3.5%
1	Revenue								
2	Retail Electric	\$151,914	\$147,940	\$147,942	\$144,960	\$149,421	\$154,739	\$158,661	\$165,856
3	Wholesale Electric	\$4,736	\$2,503	\$1,363	\$2,753	\$2,932	\$3,432	\$3,432	\$3,432
4	Wholesale Steam	\$4,322	\$3,810	\$4,578	\$5,422	\$6,213	\$3,743	\$3,743	\$3,743
5	Transmission	\$5,245	\$5,580	\$11,176	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
6	Other Services & Fees	\$3,079	\$5,061	\$3,010	\$3,744	\$3,792	\$3,842	\$3,892	\$3,943
7	Total Revenue	\$169,295	\$164,893	\$168,069	\$162,879	\$168,358	\$171,756	\$175,728	\$182,974
8	Cost of Revenue								
9	Power Supply	\$94,984	\$89,722	\$89,881	\$88,818	\$88,857	\$89,181	\$89,941	\$90,935
10	Generation Fuel	\$5,497	\$3,780	\$3,286	\$4,828	\$5,079	\$3,853	\$3,853	\$3,853
11	Total Cost of Revenue	\$100,481	\$93,502	\$93,167	\$93,646	\$93,936	\$93,034	\$93,794	\$94,788
12	Gross Margin								
13	Retail Electric	\$56,930	\$58,218	\$58,061	\$56,142	\$60,563	\$65,558	\$68,720	\$74,921
14	Wholesale	\$3,561	\$2,532	\$2,656	\$3,347	\$4,066	\$3,322	\$3,322	\$3,322
15	Transmission	\$5,245	\$5,580	\$11,176	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
16	Other Services & Fees	\$3,079	\$5,061	\$3,010	\$3,744	\$3,792	\$3,842	\$3,892	\$3,943
17	TOTAL GROSS MARGIN	\$68,814	\$71,391	\$74,903	\$69,233	\$74,422	\$78,721	\$81,933	\$88,186
18	Controllable Costs								
19	Salaries & Benefits	\$22,673	\$24,151	\$23,577	\$24,702	\$27,497	\$29,141	\$30,480	\$31,897
20	Other Operating Expenses	\$9,605	\$9,149	\$10,089	\$10,270	\$10,513	\$10,741	\$10,943	\$11,202
21	Major Maintenance	\$2,421	\$2,881	\$4,070	\$3,791	\$7,462	\$4,257	\$3,692	\$3,686
22	Non-Bonded Capital Projects	\$8,000	\$11,902	\$17,254	\$23,132	\$17,431	\$14,371	\$15,739	\$22,224
23	TOTAL CONTROLLABLE COSTS	\$42,700	\$48,083	\$54,990	\$61,895	\$62,903	\$58,511	\$60,855	\$69,008
24	Depreciation & Amortization	\$12,969	\$14,005	\$15,052	\$15,045	\$14,993	\$15,587	\$15,902	\$16,324
25	Less Non Bonded Projects (capitalized)	(\$8,000)	(\$11,902)	(\$17,254)	(\$23,132)	(\$17,431)	(\$14,371)	(\$15,739)	(\$22,224)
26	Less Total Internal Costs (capitalized)	(\$4,763)	(\$4,968)	(\$4,184)	(\$7,785)	(\$5,653)	(\$7,505)	(\$8,060)	(\$8,940)
27	Interutility Allocation	(\$1,333)	(\$1,534)	(\$1,655)	(\$1,719)	(\$1,753)	(\$1,788)	(\$1,824)	(\$1,860)
28	Total Operating Expenses	\$41,572	\$43,685	\$46,950	\$44,304	\$53,059	\$50,433	\$51,134	\$52,309
29	Net Operating Income (Loss)	\$27,242	\$27,706	\$27,953	\$24,929	\$21,363	\$28,288	\$30,799	\$35,877
30	Financing & Other Non-Operating Items:								
31	Bond & Interest Related Expenses	(\$5,939)	(\$6,473)	(\$6,423)	(\$6,268)	(\$6,098)	(\$5,912)	(\$5,710)	(\$5,492)
32	Interest Income	\$1,372	\$2,685	\$1,561	\$1,746	\$1,700	\$1,685	\$1,745	\$1,827
33	Misc Non-Operating Income (Expense)	(\$865)	(\$201)	(\$29)	(\$17)	(\$18)	(\$18)	(\$19)	(\$19)
34	Total Financing & Non-Operating Items	(\$5,431)	(\$3,989)	(\$4,890)	(\$4,540)	(\$4,415)	(\$4,245)	(\$3,983)	(\$3,684)
35	Income Before Transfers or Capital Contributions	\$21,811	\$23,717	\$23,063	\$20,390	\$16,948	\$24,043	\$26,816	\$32,193
36	Transfers (In Lieu of Taxes)	(\$8,725)	(\$8,714)	(\$8,619)	(\$8,617)	(\$8,813)	(\$9,057)	(\$9,327)	(\$9,604)
37	Capital Contributions/Intercompany	\$2,060	\$736	\$3,006	\$10,861	\$4,423	\$1,992	\$2,012	\$6,560
38	NET INCOME	\$15,147	\$15,739	\$17,449	\$22,634	\$12,558	\$16,979	\$19,502	\$29,149
39	NET INCOME (Excluding Capital Contributions)			\$14,443	\$11,773	\$8,135	\$14,987	\$17,490	\$22,589
40	TARGET NET INCOME			\$ 14,700	\$ 15,539	\$ 16,417	\$ 17,189	\$ 18,076	\$ 19,332
41	Excess (Deficit) from Target			\$ (257)	\$ (3,766)	\$ (8,282)	\$ (2,202)	\$ (586)	\$ 3,257
42	1/01 Cash Balance	\$ 78,820	\$ 88,728	\$ 85,048	\$ 83,997	\$ 79,973	\$ 82,284	\$ 86,717	
43	Change in Net Assets		15,739	17,449	22,634	12,558	16,979	19,502	29,149
44	Depreciation & Amortization		14,005	15,052	15,045	14,993	15,587	15,902	16,324
45	Capital Additions/Service Territory Comp		(16,870)	(21,438)	(30,917)	(23,084)	(21,876)	(23,799)	(31,164)
46	Bond Principal Payments		(5,725)	(6,015)	(6,315)	(6,625)	(6,955)	(7,310)	(7,605)
47	Bond Proceeds		-	0	-	0	-	-	-
48	Net Change in Other Assets/Liabilities		2,758	(8,729)	(1,497)	(1,866)	(1,423)	138	(1,987)
49	Net Changes in Cash		9,908	(3,680)	(1,051)	(4,024)	2,312	4,432	4,717
50	12/31 Cash Balance	\$ 88,728	\$ 85,048	\$ 83,997	\$ 79,973	\$ 82,284	\$ 86,717	\$ 91,434	
51	Minimum Cash Reserve	\$ 55,603	\$ 57,408	\$ 52,569	\$ 55,011	\$ 55,094	\$ 55,544	\$ 55,906	
52	Excess (Deficit) from Minimum Cash Reserve	\$ 33,125	\$ 27,640	\$ 31,428	\$ 24,962	\$ 27,191	\$ 31,173	\$ 35,529	
53	Debt Service Coverage Ratio		3.2	3.2	3.0	2.7	3.2	3.4	3.8

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

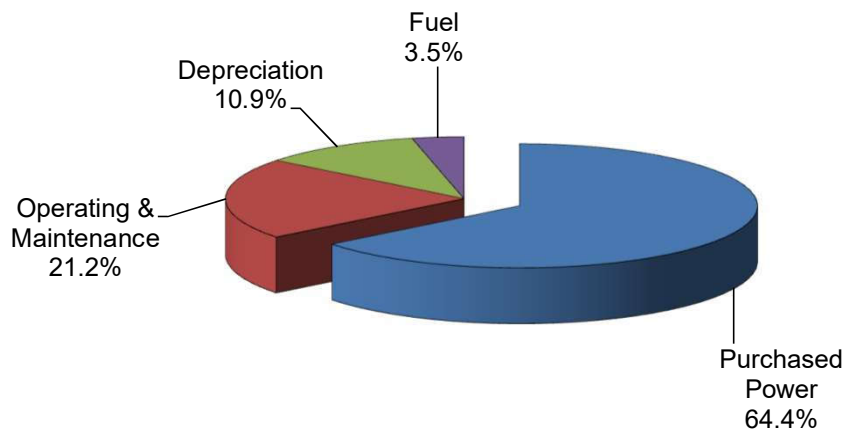
	Historical Data		2020		2021		2021		Variance	%
	2018	2019	Orig Bdgt	2020 F2	2021	(from 2020 COSS)	2021 to Orig Bdgt	Variance		
in 000's										
1 Revenue										
2 Retail Electric	\$151,914	\$147,940	\$152,891	\$147,942	\$144,960	\$157,012	(\$12,052)	-7.7%		
3 Wholesale Electric	\$4,736	\$2,503	\$4,491	\$1,363	\$2,753	\$4,491	(\$1,738)	-38.7%		
4 Wholesale Steam	\$4,322	\$3,810	\$4,548	\$4,578	\$5,422	\$5,427	(\$5)	-0.1%		
5 Transmission	\$5,245	\$5,580	\$5,000	\$11,176	\$6,000	\$5,000	\$1,000	20.0%		
6 Other Services & Fees	\$3,079	\$5,061	\$3,365	\$3,010	\$3,744	\$3,407	\$337	9.9%		
7 Total Revenue	\$169,295	\$164,893	\$170,295	\$168,069	\$162,879	\$175,338	(\$12,459)	-7.1%		
8 Cost of Revenue										
9 Power Supply	\$94,984	\$89,722	\$91,663	\$89,881	\$88,818	\$91,796	(\$2,978)	-3.2%		
10 Generation Fuel	\$5,497	\$3,780	\$5,153	\$3,286	\$4,828	\$5,613	(\$785)	-14.0%		
11 Total Cost of Revenue	\$100,481	\$93,502	\$96,816	\$93,167	\$93,646	\$97,409	(\$3,763)	-3.9%		
12 Gross Margin										
13 Retail Electric	\$56,930	\$58,218	\$61,228	\$58,061	\$56,142	\$65,216	(\$9,074)	-13.9%		
14 Wholesale	\$3,561	\$2,532	\$3,886	\$2,656	\$3,347	\$4,306	(\$958)	-22.3%		
15 Transmission	\$5,245	\$5,580	\$5,000	\$11,176	\$6,000	\$5,000	\$1,000	20.0%		
16 Other Services & Fees	\$3,079	\$5,061	\$3,365	\$3,010	\$3,744	\$3,407	\$337	9.9%		
17 TOTAL GROSS MARGIN	\$68,814	\$71,391	\$73,479	\$74,903	\$69,233	\$77,929	(\$8,696)	-12.2%		
18 Controllable Costs										
19 Salaries & Benefits	\$22,673	\$24,151	\$25,874	\$23,577	\$24,702	\$27,631	(\$2,929)	-10.6%		
20 Other Operating Expenses	\$9,605	\$9,149	\$10,481	\$10,089	\$10,270	\$10,540	(\$270)	-2.6%		
21 Major Maintenance	\$2,421	\$2,881	\$4,010	\$4,070	\$3,791	\$5,380	(\$1,589)	-29.5%		
22 Non-Bonded Capital Projects	\$8,000	\$11,902	\$20,336	\$17,254	\$23,132	\$32,444	(\$9,312)	-28.7%		
23 TOTAL CONTROLLABLE COSTS	\$42,700	\$48,083	\$60,700	\$54,990	\$61,895	\$75,995	(\$14,100)	-18.6%		
24 Depreciation & Amortization	\$12,969	\$14,005	\$14,468	\$15,052	\$15,045	\$14,379	\$665	4.6%		
25 Less Non Bonded Projects (capitalized)	(\$8,000)	(\$11,902)	(\$20,336)	(\$17,254)	(\$23,132)	(\$32,444)	\$9,312	-28.7%		
26 Less Total Internal Costs (capitalized)	(\$4,763)	(\$4,968)	(\$4,748)	(\$4,184)	(\$7,785)	(\$5,457)	(\$2,328)	42.7%		
27 Interutility Allocation	(\$1,333)	(\$1,534)	(\$1,575)	(\$1,655)	(\$1,719)	(\$1,607)	(\$112)	7.0%		
28 Total Operating Expenses	\$41,572	\$43,685	\$48,510	\$46,950	\$44,304	\$50,866	(\$6,563)	-12.9%		
29 Net Operating Income (Loss)	\$27,242	\$27,706	\$24,969	\$27,953	\$24,929	\$27,063	(\$2,133)	-7.9%		
30 Financing & Other Non-Operating Items:										
31 Bond & Interest Related Expenses	(\$5,939)	(\$6,473)	(\$6,421)	(\$6,423)	(\$6,268)	(\$6,268)	\$0	0.0%		
32 Interest Income	\$1,372	\$2,685	\$1,636	\$1,561	\$1,746	\$1,621	\$125	7.7%		
33 Misc Non-Operating Income (Expense)	(\$865)	(\$201)	(\$31)	(\$29)	(\$17)	(\$31)	\$14	-44.0%		
34 Total Financing & Non-Operating Items	(\$5,431)	(\$3,989)	(\$4,816)	(\$4,890)	(\$4,540)	(\$4,678)	\$138	-3.0%		
35 Income Before Transfers or Capital Contributions	\$21,811	\$23,717	\$20,152	\$23,063	\$20,390	\$22,385	(\$1,995)	-8.9%		
36 Transfers (In Lieu of Taxes)	(\$8,725)	(\$8,714)	(\$8,825)	(\$8,619)	(\$8,617)	(\$8,999)	\$382	-4.2%		
37 Capital Contributions/Intercompany	\$2,060	\$736	\$5,276	\$3,006	\$10,861	\$11,198	(\$337)	-3.0%		
38 NET INCOME	\$15,147	\$15,739	\$16,603	\$17,449	\$22,634	\$24,583	(\$1,950)	-7.9%		
39 1/01 Cash Balance	\$ 78,820		\$ 76,827	\$ 88,728	\$ 85,048	\$ 79,892	\$ 5,156	6.5%		
40 Change in Net Assets		15,739	16,603	17,449	22,634	24,583	(1,950)	-7.9%		
41 Depreciation & Amortization		14,005	14,468	15,052	15,045	14,379	665	4.6%		
42 Capital Additions/Service Territory Comp		(16,870)	(25,084)	(21,438)	(30,917)	(37,901)	6,984	-18.4%		
43 Bond Principal Payments		(5,725)	(6,015)	(6,015)	(6,315)	(6,315)	0	0.0%		
44 Bond Proceeds		-	-	0	-	(0)	0	0.0%		
45 Net Change in Other Assets/Liabilities		2,758	3,092	(8,729)	(1,497)	571	(2,068)	-362.2%		
46 Net Changes in Cash		9,908	3,065	(3,680)	(1,051)	(4,683)	3,632	-77.6%		
47 12/31 Cash Balance	\$ 88,728		\$ 79,892	\$ 85,048	\$ 83,997	\$ 75,209	\$ 8,787	11.7%		
48 Minimum Cash Reserve	\$ 55,603		\$ 57,408	\$ 57,408	\$ 52,569	\$ 58,692	\$ (6,123)	-10.4%		
49 Excess (Deficit) from Minimum Cash Reserve	\$ 33,125		\$ 22,484	\$ 27,640	\$ 31,428	\$ 16,518	\$ 14,910	90.3%		

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2021 OPERATING BUDGET**

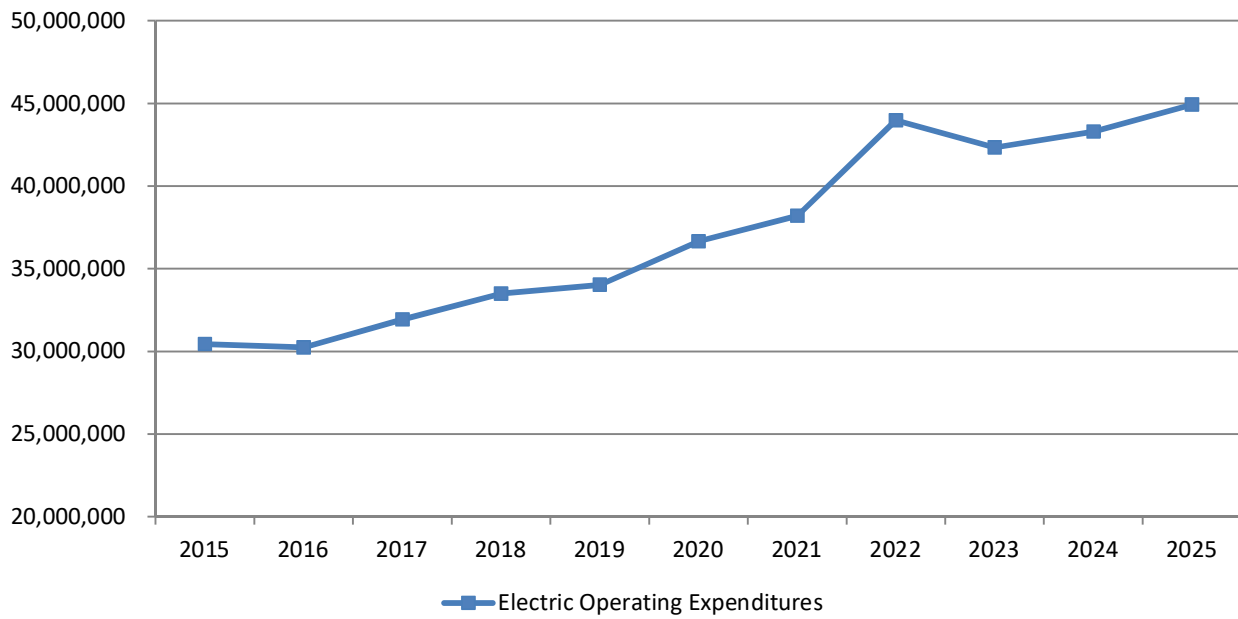
**GROSS MARGIN
\$69,233,093**



**EXPENSE USES
\$137,949,253**



Electric Operating Expenditures



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

	2020 F2	2021	2022	2023	2024	2025
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
3 Self Generation	-	-	-	-	-	-
4 Market	49	51	53	55	58	60
5 Total Peak MW	265	267	269	271	274	276
6 % Change	-6.5%	0.8%	0.8%	0.4%	1.2%	0.9%
7 Retail MWH	1,155,612	1,158,147	1,161,296	1,170,203	1,181,631	1,193,074
8 % Change	-1.6%	0.2%	0.3%	0.8%	1.0%	1.0%
9 Purchased Power MWH						
10 SMMPA	1,192,014	1,176,292	1,179,331	1,188,211	1,199,530	1,210,126
11 Other	3,661	677	810	905	1,146	2,124
12 Total Purchased Power MWH	1,195,675	1,176,969	1,180,141	1,189,116	1,200,676	1,212,250
13 % Change	-0.8%	-1.6%	0.3%	0.8%	1.0%	1.0%
14 Generation MWH						
15 Total Generation MWH	41,928	66,640	66,640	66,640	66,640	66,640
16 % Change	-43.8%	58.9%	0.0%	0.0%	0.0%	0.0%
17 Number of Customers						
18 Residential	51,753	52,026	53,292	54,860	55,719	56,814
19 Small General Service	4,575	4,584	4,654	4,797	4,801	4,868
20 Medium General Service	456	456	464	476	483	493
21 Large General Service	14	14	14	14	14	14
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	56,803	57,085	58,429	60,152	61,022	62,194
26 % Change	0.7%	0.5%	2.4%	2.9%	1.4%	1.9%
27 Blended cost per MWH for retail supply	\$ 75.17	\$ 75.46	\$ 75.29	\$ 75.00	\$ 74.91	\$ 75.01
28 Steam Generation MLBS	464,280	525,600	602,278	362,840	362,840	362,840
29 % Change	28.0%	13.2%	14.6%	-39.8%	0.0%	0.0%

ROCHESTER PUBLIC UTILITIES *ADOPTED*

2021 ELECTRIC UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET



ROCHESTER PUBLIC UTILITIES
ADOPTED

2021 ELECTRIC UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2021 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

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**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY
MAJOR MAINTENANCE
(\$000's)**

	Multi-Year Project Total	2021	2022	2023	2024	2025	5-Yr Total
1 Core Services							
2 Tree Trimming		1,600	1,750	2,000	2,000	2,000	9,350
3 Asbestos Mitigation in Manholes		72	70	70	70	70	352
4 Allocation - New Services		225	215	199	202	206	1,047
5 Transmission Asset Management		45	35	15	15	15	125
6 Distribution Lines & Equipment Maintenance		180	180	184	187	191	922
7 Capacitor Bank Controls Replacement		20	-	-	-	-	20
8 Willow Creek Sub Control Building Improvements		50	-	-	-	-	50
9 Allocation - Substation Asset Management (Maint)		121	73	111	91	50	444
10 Distribution System Planning Study	50	20	30	-	-	-	50
11 ArcFlash Study for Downtown		15	-	-	-	-	15
12 DER Hosting Capacity Study		-	-	150	-	-	150
13 Downtown Duct & Feeder Routing Study	130	30	100	-	-	-	130
14 Transmission LIDAR & Clearance Analysis		-	-	-	100	100	200
15 Drone Inspection Program		15	25	50	-	-	90
16 Work Management Solution		35	-	-	-	-	35
17 Automated Crew Callout Software		5	-	-	-	-	5
18 Total Core Services	180	2,207	2,263	2,579	2,463	2,426	11,937
19 Customer Relations							
20 Customer Experience Mapping		-	160	-	-	-	160
21 Cayenta Post Go Live Maint/Break Fixes		50	-	-	-	-	50
22 Cayenta Application Enhancements		75	-	-	-	-	75
23 Process Workflow Documentation		84	-	-	-	-	84
24 Cayenta Upgrade		234	-	-	-	-	234
25 Total Customer Relations	-	443	160	-	-	-	603
26 Corporate Services							
27 Elec Cost-of-Srvc/Rate Design Study		-	-	83	-	-	83
28 Rates Modeling		45	20	20	20	20	125
29 Budgeting System		62	50	50	50	50	262
30 Utegration (HPC) Support Contract		100	100	100	100	100	500
31 Sharepoint Site		60	-	-	-	-	60
32 ImageNow Upgrade		-	30	-	30	-	60
33 Allocation - Technology		25	45	140	45	55	308
34 Info Risk & Security/City Shared Infrastructure		5	5	5	5	15	33
35 Business Systems/Applications		20	40	135	40	40	275
36 Total Corporate Services		291	245	393	245	225	1,397
37 Compliance and Public Affairs							
38 WES Emissions Testing		-	-	50	-	-	50
39 Total Compliance and Public Affairs		-	-	50	-	-	50
40 Power Resources							
41 SLP Decommissioning		240	350	275	250	250	1,365
42 GT1 Major Overhaul		-	2,050	-	-	-	2,050
43 Silver Lake Dam Ownership		-	1,240	-	-	-	1,240
44 RPU Comprehensive Master Plan		-	200	-	-	-	200
45 Allocation - Power Resources		130	475	480	255	305	1,645
46 Allocation - Facilities		180	180	180	180	180	900
47 Total Power Resources		550	4,495	935	685	735	7,400
48 General Management							
49 Operating Contingency Fund		300	300	300	300	300	1,500
50 Total General Management		300	300	300	300	300	1,500
51 Total Major Maintenance Plan - External Expenditures	180	3,791	7,462	4,257	3,692	3,686	22,887

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY
CAPITAL
(\$000's)**

		Multi-Year					5-Yr Total
	Project Total	2021	2022	2023	2024	2025	
1 Core Services							
2 OSI SCADA Version Upgrade		31	-	175	-	175	381
3 Video Wall Controller & Monitor Replacement		50	-	-	-	135	185
4 Pole Inspection Software		30	-	-	-	-	30
5 Allocation - New Services		952	1,032	1,038	1,032	1,054	5,108
6 New Service Installations		590	625	638	650	663	3,166
7 Distribution Lines & Equipment - Capital		205	240	247	254	261	1,207
8 Property Damage - Repair/Replace		95	95	97	98	100	484
9 T&D Equipment Upgrade/Replace		62	72	57	30	30	251
10 Load Management Installations		8	8	8	8	8	38
11 Substation/Shop Test Equipment Upgrade/Repl		80	40	40	40	40	240
12 Substation Spares and Replacements		20	20	20	20	20	100
13 Web Based Service Application		50	-	-	-	-	50
14 Allocation - Substation Asset Management Capital		185	50	275	120	120	750
15 Metering/Shop Test Equipment Upgrade/Repl		15	45	20	20	20	120
16 TOU Limited Hybrid Smart Metering Transition		4	-	-	-	-	4
17 AMI	1,976	1,000	244	244	244	244	1,976
18 Primary Metering Upgrade WWTP		30	-	-	-	-	30
19 Allocation - Metering		430	1,257	1,257	1,257	1,257	5,459
20 Hydro Line Rebuild		-	-	-	-	200	200
21 Northern Hills 65th St Feeder		-	-	350	-	-	350
22 Feeder 306 Install		-	-	-	-	300	300
23 Feeder 615 Install		-	-	300	-	-	300
24 Feeder 715 Install		-	170	220	-	-	390
25 Feeder 913 Install		-	-	-	300	-	300
26 Feeder 914 Install		-	-	-	-	300	300
27 Feeder 1315 Install		-	-	400	-	-	400
28 Feeder 1602 Install		-	-	-	300	-	300
29 Feeder 1733 Install		-	-	200	-	-	200
30 Feeder 1911 Install		-	66	-	-	-	66
31 Feeder 1912 Install		-	-	260	250	-	510
32 Feeder 1913 Install		-	-	264	-	-	264
33 Feeder 1914 Install		-	-	-	220	-	220
34 Downtown New Duct Systems		-	-	100	1,250	2,600	3,950
35 Downtown New Feeder Extensions		-	-	-	-	900	900
36 65th St - 50th to 60th Ave		400	-	-	-	-	400
37 Q2 Rebuild from Bear Creek - RCTC		-	-	-	-	350	350
38 Q4 Rebuild from BV Sub to Salem Rd		-	-	-	400	400	800
39 Q7 Rebuild to Grade B		-	-	-	400	400	800
40 Q11 W.C. to new St. Bridget Sub - ROW		175	-	-	-	-	175
41 IBM Substation Upgrade		-	-	-	200	200	400
42 Fiber Cascade Creek to Westside		215	-	-	-	-	215
43 Fiber OWEF Splice to Chester		-	-	-	275	-	275
44 Feeder 1401 & 1411 Bifurcation		-	-	-	-	-	-
45 Marion Rd Substation & Feeder Buildout	17,864	9,930	7,934	-	-	-	17,864
46 Hydro Line Reconfig for New Hydro Sub		-	-	-	300	-	300
47 New Padmount Hydro Sub		-	-	-	-	300	300
48 New Mayo Feeders		-	-	1,200	1,200	-	2,400
49 Mayo - Feeders to St. Mary's		-	-	-	500	5,800	6,300
50 Substation Communication		200	-	1,200	-	-	1,400
51 Volt/VAR Optimization		-	-	145	-	-	145
52 LED Roadway Lighting Upgrade		1,732	-	-	-	-	1,732
53 Solar/DER 20+ MW		960	-	-	-	-	960
54 Capacitor Control Replacement		35	35	-	-	-	70
55 Hydro Line Recloser Replacement		60	-	-	-	-	60
56 60th Ave NW Right of Way Purchase		40	-	120	-	-	160

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY
CAPITAL
(\$000's)**

Multi-Year

		Project Total	2021	2022	2023	2024	2025	5-Yr Total
57	Allocation - Distribution Expansion		2,750	2,805	3,810	4,678	4,675	18,717
58	Feeder Extensions		135	300	360	275	825	1,895
59	Feeder Rebuilds		90	100	125	150	150	615
60	Transmission Projects		36	40	40	40	40	196
61	Substation Projects		234	50	105	215	220	824
62	Road Projects		158	100	275	1,025	1,000	2,558
63	Road Projects - DMC		599	400	250	50	50	1,349
64	Manhole Switch Replacements		81	95	100	100	105	481
65	Cable Replacement		315	400	450	500	500	2,165
66	Manhole Repair/Replace		270	300	300	325	350	1,545
67	Substation Switchgear Replacement		-	-	675	700	-	1,375
68	Capacitor Bank Installations		18	50	20	50	50	188
69	Fiber Optic Projects		36	50	60	70	80	296
70	Distribution Transformers		495	575	600	625	650	2,945
71	Overhead to Underground Conversion		248	300	400	500	600	2,048
72	Pole Replacements		36	45	50	53	55	239
73	Survey GPS Replacement		-	-	35	-	-	35
74	Responder/SCADA Integration		45	-	-	-	-	45
75	GIS Utility Network Implementation	215	95	80	40	-	-	215
76	Service Territory Payments		359	355	360	365	370	1,809
77	Service Territory Payments - SMMPA Reimbursement		(180)	(178)	(180)	(183)	(185)	(905)
78	Total Core Services	20,055	19,700	13,963	11,901	13,196	19,683	78,442
82	Corporate Services							
83	NSX Implementation	142	42	100	-	-	-	142
84	Enterprise Software Backup		-	140	-	-	-	140
85	Business Intelligence/Reporting		45	45	45	45	45	225
86	Symantec Replacement	120	60	60	-	-	-	120
87	Allocation - Technology		476	405	514	591	430	2,416
88	Network Management		223	72	71	173	72	611
89	Output Management		16	16	16	16	16	80
90	Server Management		94	144	79	99	84	500
91	Workstation Management		113	93	93	113	93	505
92	Backup/DR		-	-	-	60	35	95
93	Storage Management		-	-	175	-	-	175
94	Operation Technology		30	80	80	130	130	450
95	Total Corporate Services	262	623	750	559	636	475	3,043
96	Power Resources							
97	Allocation - Power Resources		870	940	560	500	585	3,455
98	Replace AHU 1-4		473	-	-	-	-	473
99	A-Wing Renovation		-	360	-	-	-	360
100	Allocation - Facilities		30	30	30	30	30	150
101	Allocation - Fleet		737	688	621	677	751	3,474
102	Total Power Resources	-	2,109	2,018	1,211	1,207	1,366	7,912
103	General Management							
104	Project Contingency Fund		700	700	700	700	700	3,500
105	Total General Management		700	700	700	700	700	3,500
106	Total External Expenditures	20,317	23,132	17,431	14,371	15,739	22,224	92,897
107	Total Internal Expenditures		7,785	5,653	7,505	8,060	8,940	37,943
108	Less Bonding		-	-	-	-	-	-
109	Net Capital Plan	20,317	30,917	23,084	21,876	23,799	31,164	130,840



ROCHESTER PUBLIC UTILITIES
ADOPTED

2021 WATER UTILITY OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2021 OPERATING BUDGET**

INDEX

<u>Title</u>	<u>Pages</u>
Basic Assumptions	1
Forecast by Year 2020 through 2025	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2021 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
- Minimum Cash Reserve Requirement: Policy Amount \$8,529,100

RETAIL REVENUES / SALES

- Revenue Adjustment: 0.0% proposed
- Water CCF Sales Forecast: 1.13% Increase from 2020 Projected Sales
- Total Water Utility Customers: 0.8% Increase over Y/E 2020 Projected Customers
- Forecast Assumes Normal Weather : 525 Cooling Degree Days,
22.1 Inches Summer Rainfall

OTHER ITEMS

- In Lieu of Tax forecast decreasing \$1,696 to a total of \$383,432.

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

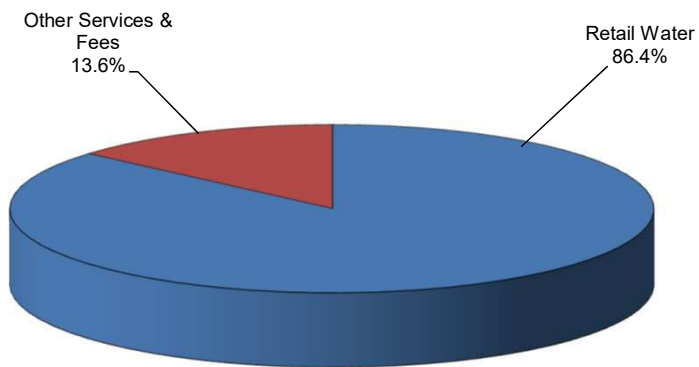
	Historical Data		2020 F2					
	2018	2019		2021	2022	2023	2024	2025
in 000's								
	RPU Rate Increase	6.0%	6.0%	3.5%	0.0%	3.5%	3.5%	3.5%
1 Revenue								
2 Retail Water	\$9,601	\$9,959	\$10,826	\$10,993	\$11,431	\$11,971	\$12,548	\$13,137
3 Other Services & Fees	\$1,217	\$1,698	\$1,430	\$1,449	\$1,476	\$1,503	\$1,530	\$1,558
4 Total Revenue	\$10,817	\$11,657	\$12,256	\$12,442	\$12,907	\$13,473	\$14,078	\$14,695
5 Cost of Revenue								
6 Water Supply	\$1,892	\$1,682	\$1,729	\$1,822	\$1,822	\$1,841	\$1,864	\$1,879
7 Total Cost of Revenue	\$1,892	\$1,682	\$1,729	\$1,822	\$1,822	\$1,841	\$1,864	\$1,879
8 Gross Margin								
9 Retail Water	\$7,709	\$8,277	\$9,096	\$9,171	\$9,610	\$10,129	\$10,684	\$11,258
10 Other Services & Fees	\$1,217	\$1,698	\$1,430	\$1,449	\$1,476	\$1,503	\$1,530	\$1,558
11 TOTAL GROSS MARGIN	\$8,925	\$9,975	\$10,527	\$10,620	\$11,085	\$11,632	\$12,214	\$12,816
12 Controllable Costs								
13 Salaries & Benefits	\$2,593	\$3,026	\$3,140	\$3,108	\$3,451	\$3,619	\$3,866	\$4,009
14 Other Operating Expenses	\$1,313	\$1,310	\$1,204	\$1,281	\$1,306	\$1,332	\$1,358	\$1,385
15 Major Maintenance	\$304	\$323	\$604	\$505	\$455	\$355	\$205	\$540
16 Non-Bonded Capital Projects	\$2,271	\$1,712	\$4,147	\$4,975	\$8,396	\$5,110	\$6,553	\$7,143
17 TOTAL CONTROLLABLE COSTS	\$6,481	\$6,371	\$9,094	\$9,869	\$13,608	\$10,416	\$11,983	\$13,078
18 Depreciation & Amortization	\$2,674	\$2,742	\$2,816	\$2,910	\$3,041	\$3,149	\$3,229	\$3,303
19 Less Non Bonded Projects (capitalized)	(\$2,271)	(\$1,712)	(\$4,147)	(\$4,975)	(\$8,396)	(\$5,110)	(\$6,553)	(\$7,143)
20 Less Total Internal Costs (capitalized)	(\$164)	(\$270)	(\$364)	(\$458)	(\$360)	(\$345)	(\$361)	(\$378)
21 Interutility Allocation	\$1,333	\$1,534	\$1,655	\$1,719	\$1,753	\$1,788	\$1,824	\$1,860
22 Total Operating Expenses	\$8,052	\$8,664	\$9,054	\$9,065	\$9,646	\$9,898	\$10,121	\$10,719
23 Net Operating Income (Loss)	\$873	\$1,311	\$1,472	\$1,555	\$1,439	\$1,734	\$2,093	\$2,097
24 Financing & Other Non-Operating Items:								
25 Bond & Interest Related Expenses	(\$0)	(\$1)	(\$0)	\$0	\$0	\$0	\$0	\$0
26 Interest Income	\$146	\$201	\$239	\$169	\$154	\$142	\$118	\$92
27 Misc Non-Operating Income (Expense)	(\$31)	(\$31)	\$0	\$0	\$0	\$0	\$0	\$0
28 Total Financing & Non-Operating Items	\$114	\$169	\$239	\$169	\$154	\$142	\$118	\$92
29 Income Before Transfers or Capital Contributions	\$988	\$1,480	\$1,711	\$1,724	\$1,593	\$1,876	\$2,211	\$2,189
30 Transfers (In Lieu of Taxes)	(\$368)	(\$358)	(\$385)	(\$383)	(\$391)	(\$404)	(\$418)	(\$431)
31 Capital Contributions	\$1,657	\$891	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
32 Cash Transfers from City/Intercompany	\$0	\$0	\$15	\$85	\$4,030	\$0	\$0	\$1,475
33 NET INCOME	\$2,277	\$2,013	\$2,441	\$2,526	\$6,332	\$2,572	\$2,893	\$4,333
34 NET INCOME (Excluding Contrib & Cash Tfrs from City)			\$1,326	\$1,341	\$1,202	\$1,472	\$1,793	\$1,758
35 TARGET NET INCOME			\$ 3,446	\$ 5,029	\$ 5,300	\$ 5,469	\$ 5,684	\$ 5,917
36 Excess (Deficit) from Target			\$ (2,120)	\$ (3,688)	\$ (4,098)	\$ (3,997)	\$ (3,891)	\$ (4,159)
37 1/01 Cash Balance	\$ 9,335	\$ 10,529	\$ 10,109	\$ 8,878	\$ 8,366	\$ 7,535	\$ 5,642	
38 Change in Net Assets	2,013	2,441	2,526	6,332	2,572	2,893	4,333	
39 Depreciation & Amortization	2,742	2,816	2,910	3,041	3,149	3,229	3,303	
40 Capital Additions	(1,982)	(4,510)	(5,432)	(8,756)	(5,455)	(6,914)	(7,522)	
41 Non-Cash Contributions	(891)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	
42 Debt Principal Payments	-	-	-	-	-	-	-	
43 Debt Proceeds	-	-	-	-	-	-	-	
44 Net Change in Other Assets/Liabilities	(688)	(67)	(135)	(30)	3	-	-	
45 Net Changes in Cash	1,194	(420)	(1,231)	(513)	(831)	(1,892)	(986)	
46 12/31 Cash Balance	\$ 10,529	\$ 10,109	\$ 8,878	\$ 8,366	\$ 7,535	\$ 5,642	\$ 4,656	
47 Minimum Cash Reserve	\$ 7,641	\$ 7,908	\$ 8,529	\$ 8,803	\$ 8,995	\$ 8,945	\$ 9,159	
48 Excess (Deficit) from Minimum Cash Reserve	\$ 2,888	\$ 2,201	\$ 349	\$ (437)	\$ (1,460)	\$ (3,303)	\$ (4,503)	

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

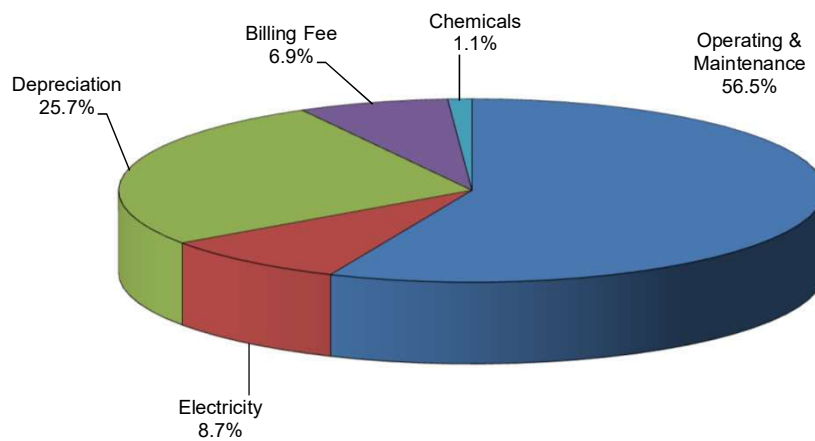
	Historical Data		2020		2021		Variance		%
	2018	2019	Orig Bdgt	2020 F2	2021	2021 Orig Bdgt (from 2019 COSS)	2021 to Orig Bdgt	Variance	
in 000's									
1	<u>Revenue</u>								
2	Retail Water	\$9,601	\$9,959	\$10,560	\$10,826	\$10,993	\$12,180	(\$1,187)	-9.7%
3	Other Services & Fees	\$1,217	\$1,698	\$1,367	\$1,430	\$1,449	\$1,267	\$182	14.4%
4	Total Revenue	\$10,817	\$11,657	\$11,927	\$12,256	\$12,442	\$13,447	(\$1,004)	-7.5%
5	<u>Cost of Revenue</u>								
6	Water Supply	\$1,892	\$1,682	\$1,865	\$1,729	\$1,822	\$1,851	(\$29)	-1.6%
7	Total Cost of Revenue	\$1,892	\$1,682	\$1,865	\$1,729	\$1,822	\$1,851	(\$29)	-1.6%
8	<u>Gross Margin</u>								
9	Retail Water	\$7,709	\$8,277	\$8,695	\$9,096	\$9,171	\$10,328	(\$1,157)	-11.2%
10	Other Services & Fees	\$1,217	\$1,698	\$1,367	\$1,430	\$1,449	\$1,267	\$182	14.4%
11	TOTAL GROSS MARGIN	\$8,925	\$9,975	\$10,062	\$10,527	\$10,620	\$11,595	(\$975)	-8.4%
12	<u>Controllable Costs</u>								
13	Salaries & Benefits	\$2,593	\$3,026	\$3,406	\$3,140	\$3,108	\$3,519	(\$411)	-11.7%
14	Other Operating Expenses	\$1,313	\$1,310	\$1,285	\$1,204	\$1,281	\$1,336	(\$55)	-4.1%
15	Major Maintenance	\$304	\$323	\$553	\$604	\$505	\$392	\$113	28.8%
16	Non-Bonded Capital Projects	\$2,271	\$1,712	\$5,918	\$4,147	\$4,975	\$6,663	(\$1,688)	-25.3%
17	TOTAL CONTROLLABLE COSTS	\$6,481	\$6,371	\$11,162	\$9,094	\$9,869	\$11,910	(\$2,041)	-17.1%
18	Depreciation & Amortization	\$2,674	\$2,742	\$2,883	\$2,816	\$2,910	\$2,866	\$44	1.5%
19	Less Non Bonded Projects (capitalized)	(\$2,271)	(\$1,712)	(\$5,918)	(\$4,147)	(\$4,975)	(\$6,663)	\$1,688	-25.3%
20	Less Total Internal Costs (capitalized)	(\$164)	(\$270)	(\$375)	(\$364)	(\$458)	(\$256)	(\$202)	78.7%
21	Interutility Allocation	\$1,333	\$1,534	\$1,575	\$1,655	\$1,719	\$1,546	\$173	11.2%
22	Total Operating Expenses	\$8,052	\$8,664	\$9,327	\$9,054	\$9,065	\$9,403	(\$337)	-3.6%
23	Net Operating Income (Loss)	\$873	\$1,311	\$735	\$1,472	\$1,555	\$2,192	(\$638)	-29.1%
24	<u>Financing & Other Non-Operating Items:</u>								
25	Bond & Interest Related Expenses	(\$0)	(\$1)	\$0	(\$0)	\$0	\$0	\$0	0.0%
26	Interest Income	\$146	\$201	\$162	\$239	\$169	\$13	\$156	1164.2%
27	Misc Non-Operating Income (Expense)	(\$31)	(\$31)	\$0	\$0	\$0	\$0	\$0	0.0%
28	Total Financing & Non-Operating Items	\$114	\$169	\$162	\$239	\$169	\$13	\$156	1164.2%
29	Income Before Transfers or Capital Contributions	\$988	\$1,480	\$897	\$1,711	\$1,724	\$2,206	(\$482)	-21.8%
30	Transfers (In Lieu of Taxes)	(\$368)	(\$358)	(\$378)	(\$385)	(\$383)	(\$426)	\$43	-10.0%
31	Capital Contributions	\$1,657	\$891	\$1,100	\$1,100	\$1,100	\$1,100	\$0	0.0%
32	Cash Transfers from City	\$0	\$0	\$600	\$15	\$85	\$0	\$85	0.0%
33	NET INCOME	\$2,277	\$2,013	\$2,219	\$2,441	\$2,526	\$2,880	(\$439)	-15.2%
34	1/01 Cash Balance	\$ 9,335	\$ 9,652	\$ 10,529	\$ 10,109	\$ 2,894	\$ 7,216	249.4%	
35	Change in Net Assets		2,013	2,219	2,441	2,526	2,880	(354)	-12.3%
36	Depreciation & Amortization		2,742	2,883	2,816	2,910	2,866	44	1.5%
37	Capital Additions/Service Territory Comp		(1,982)	(6,293)	(4,510)	(5,432)	(6,919)	1,487	-21.5%
38	Non-Cash Contributions		(891)	(1,100)	(1,100)	(1,100)	(1,100)	-	0.0%
39	Debt Principal Payments		-	0	-	-	-	-	0.0%
40	Debt Proceeds		-	0	-	-	-	-	0.0%
41	Net Change in Other Assets/Liabilities		(688)	1,155	(67)	(135)	72	(207)	-286.9%
42	Net Changes in Cash	1,194	(1,135)	(420)	(1,231)	(2,201)	970	-44.1%	
43	12/31 Cash Balance	\$ 10,529	\$ 8,516	\$ 10,109	\$ 8,878	\$ 692	\$ 8,186	1182.1%	
44	Minimum Cash Reserve	\$ 7,641	\$ 7,908	\$ 7,908	\$ 8,529	\$ 6,495	\$ 2,034	31.3%	
45	Excess (Deficit) from Miminum Cash Reserve	\$ 2,888	\$ 608	\$ 2,201	\$ 349	\$ (5,802)	\$ 6,151	-106.0%	

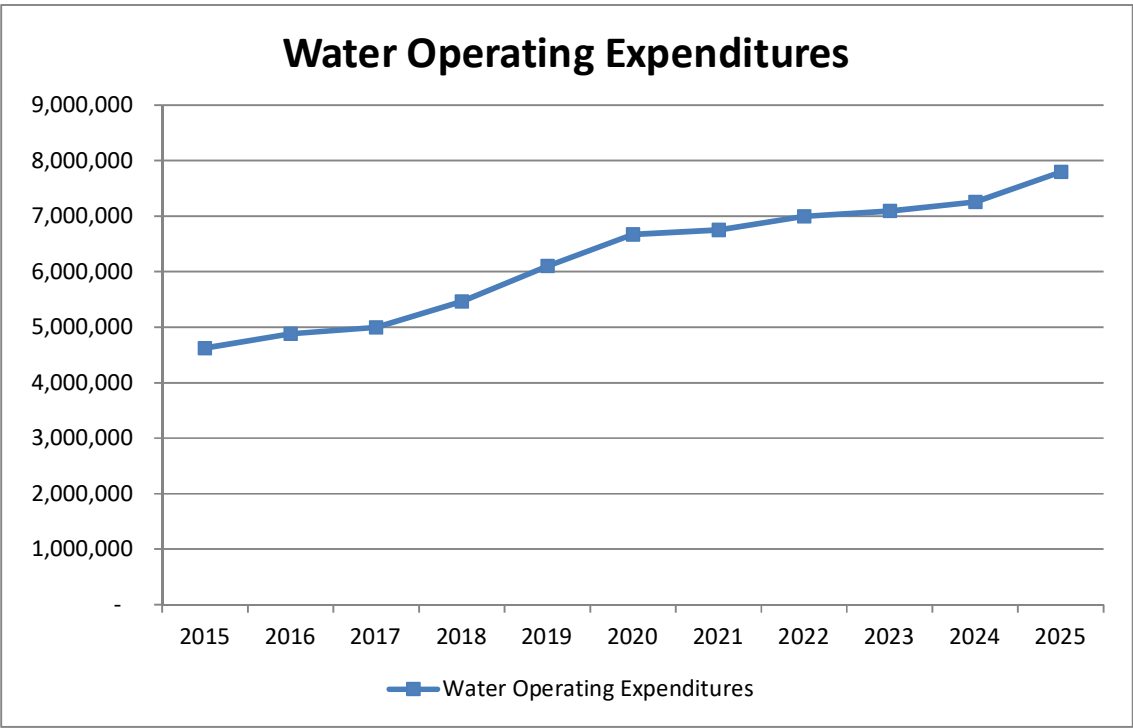
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2021 OPERATING BUDGET**

**GROSS MARGIN
\$10,620,306**



**EXPENSE USES
\$10,887,518**





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

	2020 F2	2021	2022	2023	2024	2025
1 CCF Pumped	5,654,471	5,718,560	5,714,756	5,789,759	5,871,730	5,942,568
2 % Change	-1.8%	1.1%	-0.1%	1.3%	1.4%	1.2%
3 Retail CCF	5,650,283	5,714,325	5,710,524	5,785,471	5,867,381	5,938,167
4 % Change	6.0%	1.1%	-0.1%	1.3%	1.4%	1.2%
5 Number of Customers						
6 Residential	37,339	37,642	38,039	38,393	38,830	39,226
7 Commercial	3,605	3,629	3,677	3,708	3,768	3,814
8 Industrial	31	31	31	31	31	31
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	40,976	41,303	41,748	42,133	42,630	43,072
11 % Change	1.3%	0.8%	1.1%	0.9%	1.2%	1.0%

ROCHESTER PUBLIC UTILITIES *ADOPTED*

2021 WATER UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET



ROCHESTER PUBLIC UTILITIES
ADOPTED

2021 WATER UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2021 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

INDEX

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

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**WATER UTILITY
MAJOR MAINTENANCE
(\$000's)**

		Multi-Year Project Total	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>5-Yr Total</u>
1	<u>Core Services</u>							
2	Allocation - Water Distribution System Maintenance		280	345	275	120	425	1,445
3	Water Storage Facility Painting		280	345	275	120	425	1,445
4	Water Cost-of-Service/Rate Design Study		-	160	164	165	168	657
5	Operating Contingency Fund		75	80	80	85	85	405
6	Total Core Services		355	585	519	370	678	2,507
7	<u>Compliance and Public Affairs</u>							
8	Old Municipal Wells Sealing		30	-	-	-	-	30
9	Well #16 Sealing		105	-	-	-	-	105
10	Well #16 Sealing grant		(105)	-	-	-	-	(105)
11	Olmsted County Well Sealing		100	-	-	-	-	100
12	Water Quality Data Management		20	-	-	-	-	20
13	Total Compliance and Public Affairs		150	-	-	-	-	150
14	Total Major Maintenance Plan - External Expenditures		505	585	519	370	678	2,657

**ROCHESTER PUBLIC UTILITIES
CAPITAL AND MAJOR MAINTENANCE PLAN
MATERIALS, SUPPLIES & SERVICES
5 YEAR PROJECT LIST**

**WATER UTILITY
CAPITAL
(\$000's)**

		Multi-Year Project Total	2021	2022	2023	2024	2025	5-Yr Total
1	Core Services							
2	Well & Booster Station Metering		20	20	21	21	21	102
3	Well House Manual Switchgear		17	-	-	-	-	17
4	Install New AC Units at Wells & Boosters		35	36	37	39	40	188
5	Water AMI Implementation		-	1,404	1,404	1,404	1,404	5,616
6	Allocation - Water Distribution System Replacement		92	160	164	165	168	748
7	Replacement of Pumping Units		55	89	89	90	90	412
8	Well Motor Replacements		19	19	19	19	20	95
9	Installation of Variable Frequency Drive Units		18	18	20	20	20	96
10	Replacement of Booster Pumps		-	35	36	37	38	146
11	Allocation - Water Metering/AMR		313	320	326	332	339	1,630
12	Alloc - Residential Water Metering/AMR		191	195	198	202	206	993
13	Alloc - Commercial Water Metering/AMR		123	125	127	130	133	637
14	New Wells		400	-	440	780	-	1,620
15	Water Utility Contingency Fund		175	175	200	200	200	950
16	New Marion L 1.0MG Reservoir		-	-	-	-	1,475	1,475
17	DMC - 12th Ave SW from Center St W to 2nd St SW		550	-	-	-	-	550
18	1.0MG Baihly High Level Tower	4,115	85	4,030	-	-	-	4,115
19	DMC - Broadway From Civic Center Dr to 13th St N	1,537	795	742	-	-	-	1,537
20	DMC - 1st St NW from Broadway to 1st Ave		120	-	-	-	-	120
21	DMC - Discovery Walk	540	405	135	-	-	-	540
22	DMC - 2nd St SW 11th to 16th Ave		160	-	-	-	-	160
23	DMC - St. Mary's Transit Station		338	-	-	-	-	338
24	DMC - Broadway N, Zumbro River Bridge N to Elton		-	-	-	320	320	640
25	DMC - 3rd Ave SW - 2nd St SW to 4th St SW		-	-	-	160	-	160
26	Allocation - Water Distribution System Expansion		1,090	1,148	2,286	2,952	2,939	10,415
27	T&D City Projects		635	60	160	1,510	1,843	4,208
28	T&D Developer Projects		200	200	200	200	200	1,000
29	T&D RPU Projects		255	888	1,926	1,242	896	5,208
30	Total Core Services	6,192	4,594	8,170	4,878	6,373	6,905	30,921
31	Compliance & Public Affairs							
32	Well #16 Conversion		120	-	-	-	-	120
33	Olmsted County Well Conversion		60	-	-	-	-	60
34	Total Compliance & Public Affairs		180	-	-	-	-	180
35	Power Resources							
36	Pickup - Water Distribution Worker		53	-	-	-	-	53
37	Allocation - Fleet		148	226	232	180	238	1,023
38	Total Power Resources		201	226	232	180	238	1,076
39	Total External Expenditures	6,192	4,975	8,396	5,110	6,553	7,143	32,177
40	Total Internal Expenditures		458	360	345	361	378	1,902
41	Total Contributed Assets		1,100	1,100	1,100	1,100	1,100	5,500
42	Total Capital Plan	6,192	6,532	9,856	6,555	8,014	8,622	39,579



ROCHESTER PUBLIC UTILITIES
ADOPTED

PERSONNEL BUDGET

**ROCHESTER PUBLIC UTILITIES
2021 PERSONNEL BUDGET**

INDEX

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

**ROCHESTER PUBLIC UTILITIES
2021 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>
2021	98,388 ⁽¹⁾	155,443,149 ⁽¹⁾	208 ⁽²⁾	473	747,323
2020	97,779 ⁽¹⁾	158,767,922 ⁽¹⁾	207 ⁽²⁾	472	766,995
2019	96,849	157,899,357	203	477	777,829
2018	95,534	161,514,438	198	482	815,729
2017	93,981	155,900,173	195	482	799,488

NOTES: Numbers include combined water and electric utilities.

For Electric Utilities, APPA 2018 Retail Customers per Non-Power-Generation Employee for customer size class of 20K-50K customers, is 325. RPU comparison using this criteria and 2019 data is 320.

(1) Forecasted

(2) Staff changes:

Five potential reclassifications in 2021

Adding one new position in 2021:

Replacement of Existing Contract Position with FTE

**ROCHESTER PUBLIC UTILITIES
2021 PERSONNEL BUDGET
Regular and Temporary Staffing
Total Costs**

<u>Year</u>	<u>2020 Original budget</u>	<u>2020 Projected</u>	<u>2021 Estimated</u>	<u>Difference 2020 original to 2021</u>	<u>% Change</u>
Regular Employees	\$27,543,832	\$27,056,171	\$28,143,172	\$599,340	2.2%
Limited-Term Employees	\$230,538	\$183,459	\$95,955	-\$134,583	-58.4%
Temporary/Contract Labor	<u>\$965,653</u>	<u>\$602,612</u>	<u>\$859,761</u>	<u>-\$105,892</u>	<u>-11.0%</u>
Total	\$28,740,022	\$27,842,243	\$29,098,887	\$358,865	1.2%

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
ADOPTED

SUPPLEMENTAL DATA CAPITAL/OPERATING BUDGETS

**ROCHESTER PUBLIC UTILITIES
2021 SUPPLEMENTAL DATA
CAPITAL / OPERATING BUDGETS**

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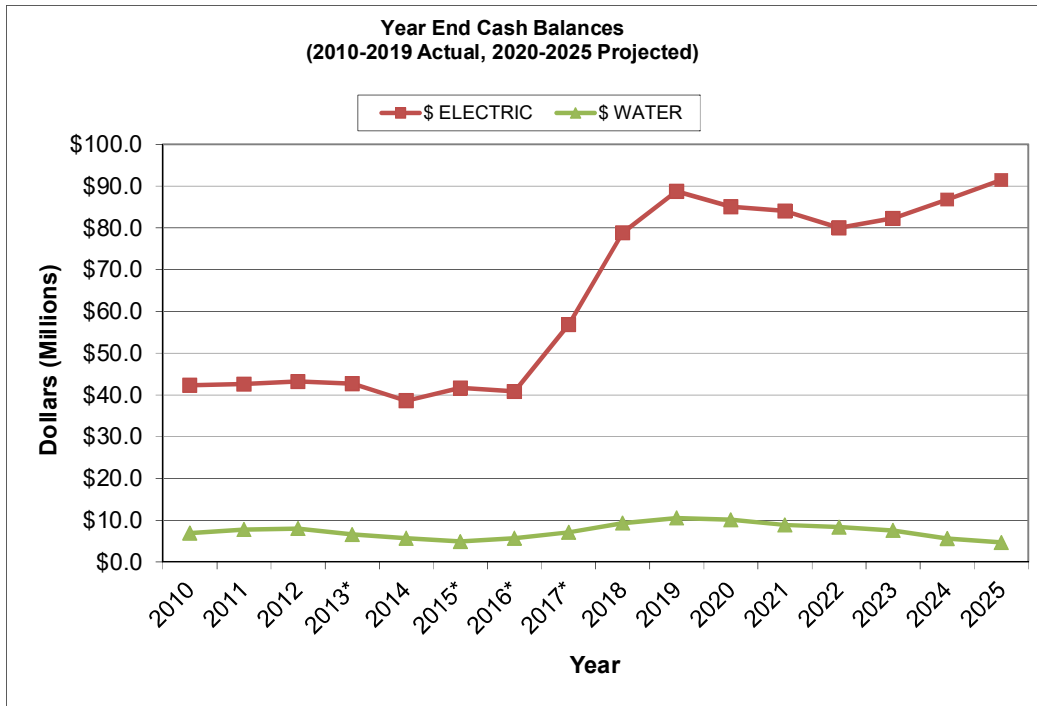
<u>Title</u>	<u>Pages</u>
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RPU Tax and Tax Equivalents	3

**ROCHESTER PUBLIC UTILITIES
2021 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>
2021*	2.0%	0.0%	0.0%	0.0%
2020*	1.3%	0.0%	3.5%	0.0%
2019	1.8%	1.9%	6.0%	-4.0%
2018	2.4%	1.5%	6.0%	0.0%
2017	2.1%	3.7%	6.0%	2.0%
2016	1.3%	1.7%	6.0%	6.0%
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%
2012	2.1%	0.0%	0.0%	0.0%
Annualized Average	1.6%	1.5%	3.2%	0.4%

*Estimated Yearly Values

**ROCHESTER PUBLIC UTILITIES
2021 CAPITAL/OPERATING BUDGETS
YEAR END CASH BALANCES**



Millions of Dollars

Year	YEAR-END REMAINING		\$ WATER
	\$ ELECTRIC	DEBT PROCEEDS ELECTRIC	
2010	42.3		6.9
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	78.8		9.3
2019	88.7		10.5
2020	85.0		10.1
2021	84.0		8.9
2022	80.0		8.4
2023	82.3		7.5
2024	86.7		5.6
2025	91.4		4.7

* 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, and \$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. The Water Utility has had debt financings of \$1.5 million in August 2006. There are no proposed future debt financings.

**ROCHESTER PUBLIC UTILITIES
2021 CAPITAL / OPERATING BUDGETS
RPU ESTIMATED TAX AND TAX EQUIVALENTS**

Utility Licenses, Permits & Penalties	306,624
Water Appropriation Fees	60,724
Payment to General Fund	
Electric	8,616,994
Water	383,432
Total	<u>9,000,426</u>
Sales Tax - Electric & Water	1,329,967
SMMPA Property Taxes (\$9,265,538 x 42%)	<u>3,891,526</u>
Total Tax & Tax Equivalents	<u><u>14,589,267</u></u>
Electric/Water Retail Sales	<u><u>155,952,947</u></u>
% of Electric/Water Retail Sales	9.4%