



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: September 18, 2017

Re: Supplemental Memo - FY 18 Electric Utility Budget Expense Reductions.

Executive Summary

At the September 5th, 2017 City Council meeting, Council requested additional items be identified for budget expense reduction in the FY18 Budget. In the discussion section of this memo is a list of expense reductions currently in the FY18 Amendment Sheet and additional expense reductions for consideration.

Discussion

Electric Fund Impacts	\$
Revenues - reduce operating rate increase from 1% to 0%	(\$1,301,000)
Current Amendment Sheet	
Electric expenses - reduce operating rate increase from 1% to 0%	(\$6,317)
Expenses - decrease PILOT transfer to the general fund	(\$91,000)
Expenses - CIP project - Mercury Vapor Streetlight Replacement E00182 - move out to FY 2019	(\$100,000)
Expenses - CIP project - Downtown Streetlights E0180 - move out to FY 2019	(\$100,000)
Expenses - CIP project - Future Substation Transformer E0184 - move out to FY 2019	(\$200,000)
Expenses - Reduce commercial/industrial refund program	(\$100,000)
Expenses - Reduce residential solar rebates program	(\$70,000)
Expenses - Reduce commercial/industrial customer solar rebates program	(\$30,000)
Expenses - Eliminate 1.00 FTE Engineering Specialist/Engineer approved in supplemental	(\$100,946)
Expenses - Postpone replacement of #529 2007 C8500 Digger Derrick	(\$330,000)
Expenses - Postpone replacement of south condensate storage tank	(\$190,000)
Total	(\$1,318,263)
Additional Options	
Expenses - Postpone replacement of #469 2008 Chevy 2500 4X4	(\$55,000)
Expenses - Postpone replacement of #472 2009 Colorado	(\$55,000)
Expenses - Postpone replacement of #422 2009 Dodge Dakota	(\$55,000)
Expenses - Postpone replacement of #435 Crew Cab 4X4 Pickup 1 Ton	(\$90,000)
Expenses - Postpone replacement of #509 Crew Cab 4X4 Pickup 1 ton	(\$90,000)
Expenses - Postpone replacement of #279 Dump Truck C8500	(\$140,000)
Expenses - Postpone replacement of #444 Ford F750 Small Bucket Truck	(\$258,425)
Expenses - CIP project E0107 Maintenance on existing underground electric system - Reduce	(\$100,000)
Expenses - CIP project E0116 New electric lines in new residential developments. - Reduce	(\$100,000)
Expenses - CIP project E0117 New electric lines in new commercial developments. - Reduce	(\$100,000)
Expenses - CIP project E0021 Purchase of transformers and capacitors - Reduce	(\$100,000)
Expenses - CIP project E0053 New electric services. - Reduce	(\$200,000)
Expenses - CIP project E0118 Replace poles and conductors of existing overhead - Reduce	(\$100,000)
Total	(\$1,443,425)



Fiscal Impact

Short-Term Impact: NA

Long-Term Impact: NA

Strategic & Comprehensive Plan Impacts

Strategic Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
None	None

Suggested Council Action

NA