



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: February 17, 2020

Re: FY 2019 Utility Financials

Executive Summary

Staff is bringing forward a report on the FY 2019 actual (unaudited) Utility financials to Council, with no proposed rate increases for FY 2020.

Discussion

During the June 6, 2019 City Council Retreat and during the FY 2020 Budget Public Hearings staff proposed no longer requesting utility rate changes as part of the fiscal year budget. Staff proposed to evaluate the previous year financials once all revenues and expenses are finalized after the fiscal year is over. This approach will allow staff to have a better financial picture of how the utilities fared to determine whether a rate increase is necessary.

Proposing a rate increase for utilities during the budget process in April/May is complicated by the fact that a majority of the Water and Electric utility revenues are significantly impacted by the summer months (June thru September).

Attached is a presentation of all five City Utility financials for FY 2019.

Fiscal Impact

Short-Term Impact: None

Long-Term Impact: None

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

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

Comprehensive Plan Impacts:

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

Legislative History

Date	Action
N/A	N/A

Suggested Council Action

Report for information only.