

MUPB budgeted for a total of approximately \$14.2 million in revenues and \$13.7 million in expenses for the year ended June 30, 2022. Overall, this resulted in a variance in budgeted revenues in the amount of about \$2.7 million more than budgeted. Water and sewer revenues were both slightly more than budget (\$260,000 together,) however since gas revenue is calculated from gas cost plus a fixed margin, the most significant impact to the revenues were \$1.6 million of gas revenue over budget due to the volatile, much higher per unit gas costs. In addition, there were \$810,000 of grants not budgeted. In the analysis of budgeted expenses there is a net variance in operating expenses of about \$1,724,000 (12.8%) more than is budgeted. The majority of that variance is the gas cost referenced above which is very relative to the revenue. Otherwise most of the departmental expenses were at or below budget especially when evaluating without the added pension accruals.

CAPITAL ASSETS

MUPB has a total of \$109.2 million invested in capital assets used in providing utility services including buildings, land, utility treatment plants, utility distribution systems, vehicles, and equipment. This represents an increase of \$5.3 million (5.1%) from the prior year.

Table A-4

Capital Assets at Year End Without Depreciation

	Business-Type		
	FYE 6-30-2022	FYE 6-30-2021	Change
Land	\$ 754,467	\$ 748,967	\$ 5,500
Buildings	1,055,789	1,005,789	0
Gas, water and sewer systems	97,062,358	95,635,161	1,427,197
Equipment	4,720,227	4,027,989	692,238
Construction in progress	<u>5,573,880</u>	<u>2,402,089</u>	<u>3,171,791</u>
Total Capital Assets	<u>\$ 109,166,721</u>	<u>\$ 103,819,995</u>	<u>\$ 5,346,726</u>

MUPB budgeted about \$1.8 million in capital outlay for departments for the year ended June 30, 2022 and there were substantial debt funded projects in process that additional funds were spent during this fiscal year. The most significant capital project (being funded through KIA) is the new water plant with the current budgeted portion at over \$28 million.

DEBT

MUPB closed the year with \$17.1 million in short and long-term debt outstanding. There are three ongoing loans with advances during the year totaling \$8.17 million. Normal debt retirement was made during the year in the amount of about \$930,000. Scheduled retirements for the next five years average \$985,000 thousand per year.