



Brainerd City Council Agenda Request

Requested Meeting Date:

Title of Item:

<input type="checkbox"/> INFORMATION ONLY <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> P&F COMMITTEE <input type="checkbox"/> SPW COMMITTEE <input type="checkbox"/> MAIN AGENDA	Action Requested: <input type="checkbox"/> Approve/Deny Motion <input type="checkbox"/> Adopt Resolution (attach draft) *provide copy of published hearing notice <input type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing* <input type="checkbox"/> Ordinance 1 st Reading
Submitted by:	Department:
Presenter (Name & Title):	Estimated Time Needed:
Summary of Issue:	
Alternatives, Options, Effects on Others/Comments:	
Recommended Action/Motion:	
Financial Impact: Is there a cost associated with this request: <input type="checkbox"/> Yes <input type="checkbox"/> No What is the total cost, with tax and shipping \$ _____ Is this budgeted? <input type="checkbox"/> Yes <input type="checkbox"/> No <u>Please Explain:</u>	

**BRAINERD PUBLIC UTILITIES
POLICY 2003-01**

Adopted March 25, 2003

Revision No. 1 – January 25, 2005

Revision No. 2 – November 24, 2009

Revision No. 3 – November 24, 2015

Revision No. 4 – August 28, 2018

CONTRIBUTION TO CITY POLICY

Brainerd Public Utilities (BPU) will make regular financial contributions to the City of Brainerd (City). These contributions will be made on a monthly basis based on retail sales by the BPU Electric Department. Retail sales by the Electric Department are defined as energy sales expressed in kilowatt-hours (kWh) to BPU retail electric customers. Energy sales to BPU retail electric customers do not include sales to any City facilities or any energy usage by BPU departments. The monthly BPU contribution will be a cash contribution to the City equal to \$0.0045 per kWh based on energy sales to retail electric customers in the previous month. The new contribution rate will be effective January 1st following the date of the most recent revision.

BPU will make no contribution to the City based on operations or sales by the BPU Water or Wastewater Departments. BPU will make no other contributions to the City (cash or services) other than the cash contribution based on retail electric sales.

BPU will bill the City for all utility services (electric, water and wastewater) at regular utility rates as set by the BPU Commission for applicable service to City facilities. The applicable rates for service to City facilities are subject to change as may be determined necessary by the BPU Commission.

**Brainerd Public Utilities
Summary of Contributions to City of Brainerd**

Year	Industrial kWh Sales	All Other kWh Sales	Total kWh Sales	Less: City Sales	Less: BPU Sales	Net kWh Sales	(All Other Customers) Contribution Rate Factor	(Industrial Customers) Contribution Rate Factor	(All Other Customers) Gross Contribution	(Industrial Customers) Gross Contribution	Total Gross Contribution	Hydrant and Street Lighting Tax Settlement	Total Remittance to City	Less: City Utility Bills	Net Benefit to City
2003 (6 Mos)	18,324,451	93,920,021	112,244,472	2,339,808	2,407,340	107,497,324	\$ 0.0035	\$ 0.0035	\$ 312,105	\$ 64,136	\$ 376,241	\$ 121,014	\$ 497,255	\$ 280,052	\$ 217,203
2004	2,901,968	180,442,560	183,344,528	4,643,742	5,599,593	173,101,193	\$ 0.0035	\$ 0.0035	595,697	10,157	605,854	137,742	743,596	599,482	144,114
2005	46,113,000	191,348,689	237,461,689	5,016,106	5,580,749	226,864,834	\$ 0.0035	\$ 0.0010	632,631	46,113	678,744	157,127	835,871	613,086	222,785
2006	52,949,000	194,726,087	247,675,087	5,103,577	5,798,477	236,773,033	\$ 0.0035	\$ 0.0010	643,384	52,949	696,333	178,603	874,936	641,327	233,609
2007	52,499,000	197,496,556	249,995,556	5,268,023	5,623,731	239,103,802	\$ 0.0035	\$ 0.0010	653,117	52,499	705,616	196,803	902,419	716,956	185,463
2008	45,614,974	187,407,814	233,022,788	5,204,151	5,371,319	222,447,318	\$ 0.0035	\$ 0.0010	618,913	45,615	664,528	205,309	869,837	732,911	136,926
2009	40,531,763	180,519,233	221,050,996	4,496,526	5,756,729	210,797,741	\$ 0.0035	\$ 0.0010	595,931	40,532	636,463	2,442	638,905	575,624	63,281
2010	46,526,619	184,230,192	230,756,811	2,652,719	6,015,640	222,088,452	\$ 0.0035	\$ 0.0030	614,466	139,580	754,046	-	754,046	442,592	311,454
2011	48,047,492	186,179,472	234,226,964	2,588,067	7,588,790	224,050,107	\$ 0.0035	\$ 0.0030	616,009	144,142	760,152	-	760,152	442,408	317,744
2012	56,989,115	181,359,145	238,348,260	2,509,672	7,421,086	228,417,502	\$ 0.0035	\$ 0.0030	599,999	170,967	770,967	-	770,967	417,677	353,290
2013	12,749,914	185,784,264	198,534,178	2,533,004	8,385,199	187,615,975	\$ 0.0035	\$ 0.0030	612,031	38,250	650,281	-	650,281	428,317	221,964
2014	-	185,426,656	185,426,656	2,526,240	8,121,918	174,778,498	\$ 0.0035	\$ 0.0030	611,725	-	611,725	-	611,725	418,598	193,127
2015	-	180,256,251	180,256,251	2,532,823	7,282,609	170,440,819	\$ 0.0035	\$ 0.0030	596,543	-	596,543	-	596,543	436,583	159,960
2016	-	180,334,450	180,334,450	2,438,350	7,589,337	170,306,763	\$ 0.0040	\$ 0.0030	681,227	-	681,227	-	681,227	435,915	245,312
2017	-	178,511,228	178,511,228	2,539,028	7,766,530	168,205,670	\$ 0.0040	\$ 0.0030	672,823	-	672,823	-	672,823	470,474	202,349
2018	-	183,243,668	183,243,668	2,580,128	7,842,421	172,821,119	\$ 0.0040	\$ 0.0030	691,284	-	691,284	-	691,284	533,446	157,838
2019	-	178,305,360	178,305,360	2,367,820	7,627,749	168,309,791	\$ 0.0045	\$ 0.0030	757,394	-	757,394	-	757,394	507,492	249,902
2020	-	172,314,667	172,314,667	2,023,971	7,053,108	163,237,588	\$ 0.0045	\$ 0.0030	734,569	-	734,569	-	734,569	471,284	263,285
2021	-	178,609,641	178,609,641	2,078,387	7,386,770	169,144,484	\$ 0.0045	\$ 0.0030	761,150	-	761,150	-	761,150	491,172	269,978
Projected															
2022	123,768,000	178,400,000	302,168,000	2,131,000	7,593,000	292,444,000	\$ 0.0045	\$ 0.00025	759,042	30,942	789,984	-	789,984	505,200	284,784
2023	613,200,000	181,076,000	794,276,000	2,163,000	7,706,000	784,407,000	\$ 0.0045	\$ 0.00025	770,432	153,300	923,732	-	923,732	512,800	410,932

Note: When both crypto electric loads are running at capacity it is anticipated the City would receive an additional \$194,000 in local option sales proceeds on an annual basis.