

DOES RMU REALLY NEED A 10% INCREASE...

or do they just need to end the kickbacks to city hall?

<i>RMU Operations:</i>	<i>UE</i>	<i>UE</i>	<i>UE</i>	<i>MoPEP</i>	<i>MoPEP</i>	<i>MoPEP</i>	<i>Wholesale power suppliers</i>
<i>Power & Water Depts. combined</i>	1998	1999	2000	2001	2002*	2003*	<i>2001 Bought diesel generators from MPUA</i>
1. Revenue	15,103,784	\$15,584,031	\$15,832,841	\$16,817,932	\$16,996,748	\$17,795,487	17.8% increase in rev. '98-'03
2. Expenses*	14,045,453	13,779,327	14,285,132	15,703,107	16,207,352	16,697,428	18.8% increase in exp. '98-'03
*(Diesel Generator losses)				(-\$799,103)	(-178,672)	(-80,657)	Loss from new "Power Production Department"
3. Net Revenue	1,058,331	1,804,704	1,547,709	1,114,825	789,396	1,098,059	Total of 1 minus 2.
4. Other revenue	507,269	419,992	689,503	584,712	351,574	315,729	Interest and "other" income
5. Net Revenue before "transfers"	1,565,600	2,224,697	2,237,212	1,699,537	1,140,970	1,413,788	Total of 3 and 4.
6. "Transfer" to City	-\$760,000	-616,772	-607,338	-564,103	-558,665	-564,252	Annual "in-lieu-of-franchise fee" paid to city by RMU.
"Transfer" to RTI	-200,000						Total profits given away in 1998= \$960,000
7. Net-net* Revenue	805,600	1,607,924	1,629,874	1,135,434	582,305	849,536	**"Net-net," i.e. after all giveaways or "transfers"
8. Cash Reserves	?	?	\$7,532,321	8,417,201	7,502,985	6,980,901	Reserve fund for all operations:
<i>RMU Water Dept: New Income</i>	1998	1999	2000	2001	2002	2003*	<i>*Estimated collections the first year.</i>
1. New Water Meter "Service Fee"						\$458,208	\$6 per mo. "service fee" for water meters (not for meter reading)
2. New 25¢ Increase in water rate						\$215,565	\$1.75 per 1000 gallon increased to \$2.00 - a 12.5% increase.
3. new water income						\$673,773	Est. new revenues

- *Estimated budgeted amounts, all others actual. Source: RMU annual reports

RMU's sudden drain on profits started in '2001 with their new MoPEP supplier contract, the diesel generator folly and the 'need' to continue the giveaways or "transfers" to city hall. Their previous wholesale power contract with UE, and their high retail rates since 1988, comfortably accommodated wholesale market fluctuations and still left millions in excess cash to give away. Since they joined the *Missouri Public Utility Alliance (MPUA)*, a corporate consortium of small municipal utilities and now buy power from MoPEP (MPUA's purchasing arm) they have raised electric rates 10% and water rates 12.5%. **Total kickback to the city from profits in the last 11 years - \$8,164,242;** money that should have been refunded to ratepayers, used to reduce rates, used to upgrade the system to prevent chronic power failures, or all three.