



**TRUCKEE DONNER  
PUBLIC UTILITY DISTRICT**

**FY20 & FY21  
BUDGET**

**November 6, 2019  
Resolution 2019-26**

## TABLE OF CONTENTS

<b><i>Executive Summary</i></b>	<b>1</b>
<b><i>Part I - Mission Statement and Goals</i></b>	<b>4</b>
<b><i>Part II – Operating, Repair, and Maintenance Plan – Electric Utility</i></b>	<b>7</b>
<b><i>Electric Operations Introduction</i></b>	<b>8</b>
<b><i>Electric Operations Revenue Statement</i></b>	<b>9</b>
<b><i>Summary of Electric Revenues and Expenses</i></b>	<b>10</b>
<b><i>Electric Expenditure Detail:</i></b>	
<b><i>Board of Directors</i></b>	<b>11</b>
<b><i>General Management</i></b>	<b>13</b>
<b><i>Administrative Services</i></b>	<b>15</b>
<b><i>Conservation</i></b>	<b>17</b>
<b><i>Electric Operations</i></b>	<b>20</b>
<b><i>Information Technology (IT)</i></b>	<b>22</b>
<b><i>Part III – Operating, Repair, and Maintenance Plan – Water Utility</i></b>	<b>24</b>
<b><i>Water Operations Introduction</i></b>	<b>25</b>
<b><i>Water Operations Revenue Statement</i></b>	<b>26</b>
<b><i>Summary of Water Revenues and Expenses</i></b>	<b>27</b>
<b><i>Water Expenditure Detail:</i></b>	
<b><i>Board of Directors</i></b>	<b>28</b>
<b><i>General Management</i></b>	<b>30</b>
<b><i>Administrative Services</i></b>	<b>32</b>
<b><i>Conservation</i></b>	<b>34</b>
<b><i>Water Operations</i></b>	<b>36</b>
<b><i>Information Technology (IT)</i></b>	<b>38</b>

**TABLE OF CONTENTS Continued:**

<b><i>Part IV – Capital Improvement Plan – Electric and Water Utilities</i></b>	<b>40</b>
<b><i>Part V – Appendices:</i></b>	<b>45</b>
<b><i>Appendix 1 Interdepartmental Rent</i></b>	<b>46</b>
<b><i>Appendix 2 Budgeted Positions by Department</i></b>	<b>48</b>
<b><i>Appendix 3 Labor Overhead</i></b>	<b>50</b>
<b><i>Appendix 4 Transportation Overhead</i></b>	<b>52</b>
<b><i>Appendix 5 Administrative Overhead</i></b>	<b>54</b>
<b><i>Appendix 6 Construction Overhead</i></b>	<b>56</b>
<b><i>Appendix 7 Electric Debt Schedule</i></b>	<b>58</b>
<b><i>Appendix 8 Water Debt Schedule</i></b>	<b>59</b>
<b><i>Appendix 9 Vehicle Replacement Schedule</i></b>	<b>60</b>

## EXECUTIVE SUMMARY

Truckee Donner Public Utility District (District) provides electric power to 13,887 customers and water to 13,085 customers. This service, along with capital replacements, is paid by rates. Expanding electric and water systems in response to growth in the community is paid by developer fees.

The District compiles a two-year budget (FY20 and FY21) for the years ending December 31, 2020 and 2021. The budget reflects past performance, current requirements, future opportunities, and risks. The FY20 and FY21 Budget is a balanced budget for both the District's Electric Utility and Water Utility. That is to say, the revenue and transfers from reserves are equal to the sum of expenses, debt service, capital projects, and transfers to reserves.

The budget includes a scheduled 2.7% and 3.0% electric rate increase for the FY20 and FY21 budget respectfully, and a scheduled 3% water rate increase for FY20 and assumes a 3% increase for FY21. The Electric Utility power supply continues along the path of a balanced, diversified portfolio, including increased carbon free energy purchases. Operations continue to concentrate efforts on development work and system maintenance while also responding to new regulations and Wildfire risk mitigation measures. The Water Utility continues with operations and maintenance programs, system replacement and capital projects to reduce water loss and unaccounted water. Both utilities are improving the reliability of the District's SCADA and communication systems. The District continues to emphasize return on equity for all programs, resulting in stable rates and improvements in the District's and customers' bottom lines.

This budget consists of five distinct parts.

Part I	Mission Statement
Part II	Electric Utility's operations, maintenance and repairs
Part III	Water Utility's operations, maintenance and repairs
Part IV	Capital budget for the electric and water systems
Part V	Appendices

The following table is a comparison of the FY20 and FY21 Budget to the FY19 Budget:

	FY19 Budget			FY20 Budget			FY21 Budget			FY20 vs FY19 % Variance			FY21 vs FY20 % Variance		
	Electric	Water	Total	Electric	Water	Total	Electric	Water	Total	Elec	Water	Total	Elec	Water	Total
Revenue	\$25,526	\$13,216	\$38,742	\$27,293	\$13,897	\$41,190	\$28,073	\$14,309	\$42,382	7%	5%	6%	3%	3%	3%
Expenses	22,120	8,492	30,612	23,928	9,505	33,434	24,168	9,795	33,963	8%	12%	9%	1%	3%	2%
Income	\$ 3,406	\$ 4,724	\$ 8,130	\$ 3,365	\$ 4,391	\$ 7,756	\$ 3,905	\$ 4,514	\$ 8,419						
Plus:															
From Funds	\$ 2,380	\$ 1,914	\$ 4,294	\$ 4,238	\$ 1,439	\$ 5,677	\$ 3,715	\$ 1,878	\$ 5,593	78%	-25%	32%	-12%	31%	-1%
Less:															
Debt Service	600	3,228	3,828	621	3,243	3,864	643	3,088	3,730	4%	0%	1%	4%	-5%	-3%
Capital Projects	4,827	3,220	8,047	6,773	2,413	9,186	6,505	2,009	8,514	40%	-25%	14%	-4%	-17%	-7%
To Reserves	359	190	549	208	175	383	472	1,296	1,768	-42%	-8%	-30%	127%	642%	362%
Surplus (Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						

## Budget Assumptions

The key assumptions used in the FY20 and FY21 Budget include:

- 3% inflation;
- No new debt;
- Budgeted Electric Revenue includes 2.7% scheduled rate increase for FY20 and 3% for FY21;
- Budgeted Water Revenue includes the maximum potential rate increase of 3% for FY30 and 3% assumption for FY21; and
- Labor cost increase of 3% budgeted for FY20 and FY21 for all employee classes.

## **Overall Budget**

The Electric Utility budget is balanced with revenue collections, Carbon Cap & Trade (AB32) proceeds, and use of reserve funds. The Water Utility budget is balanced with revenue collections and the use of reserve funds.

The Electric Utility revenue is projected to increase 7% in FY20 due to increased usage combined with a 2.7% rate increase compared to the FY19 budget. The Water revenue is projected to have a 5% increase in FY20 due to increased usage combined with a 3% rate increase. The 3% projected Electric and Water revenue increases in FY21 are due to 3% rate assumptions in that year compared to FY20.

The Electric Utility is projecting a 8% increase in expenses in FY20 compared to FY19. The primary drivers being additional costs associated with the General Manager's transition, continued increase in unfunded mandates in operations including significant increased vegetation management for wildfire mitigation, and increased staffing and operating expenses for Information Technology.

The Water Utility is projecting a 12% increase in expenses in FY20 compared to FY19. The primary drivers being the General Manager's transition, in addition to an increase in expenses to comply with unfunded regulatory compliance measures for meter maintenance operations and maintenance of distribution lines.

## **Electric Utility**

The utility continues to focus on system maintenance, tree trimming and a high level of Renewable Portfolio Standards. The capital projects include; District Administration Offices Remodel, Substation Projects, Maintenance and Distribution Replacement and Improvement Projects, and additional projects included in the Electric Master Plan.

## **Water Utility**

The utility continues to focus on repair and maintenance of District facilities and equipment. Capital projects include the continuation of the SCADA Replacement Project, Facilities Metering Improvements, and Pump Station and Well Maintenance Projects.

***PART I***

***THE FY20 & FY21 BUDGET***

***MISSION STATEMENT***

## MISSION STATEMENT

*The mission of Truckee Donner Public Utility District is to provide reliable, high quality water and electrical power services while meeting customer demand, and to manage District resources in a safe, open, responsible, environmentally sound manner at the lowest practical cost.*

### 1.05.020 Objectives:

1. Responsibly serve the public.
2. Provide a healthy and safe work environment for all District employees.
3. Provide reliable and high quality water supply and distribution system to meet current and future needs.
4. Provide reliable and high quality electric supply and distribution system to meet current and future needs.
5. Manage the District in an environmentally sound manner.
6. Manage the District in an effective, efficient, and fiscally responsible manner.

### 1.05.030 Goals:

1. Responsibly serve the public.
  - 1.1 Conduct the District's business in a legal, ethical, open, and transparent manner.
  - 1.2 Implement a proactive public outreach program.
  - 1.3 Promote communication and cooperation with other public and private agencies.
  - 1.4 Develop and implement high standards of customer service.
  - 1.5 Develop and implement high operational standards, procedures, and Codes of Conduct.
2. Provide a healthy and safe work environment for all District employees.
  - 2.1 Reduce the OSHA reportable injury frequency and severity rates relative to previous reporting year.
  - 2.2 Comply with all State and Federal regulations regarding worker safety.
  - 2.3 Maintain the District's wellness program.
  - 2.4 Reduce employee injuries by maintaining an active and effective safety program.
3. Provide reliable and high quality water supply and distribution system to meet current and future needs.
  - 3.1 Maintain and implement a current Urban Water Management Plan which includes current and future projections of water quality, demand, and supply.
  - 3.2 Maintain and implement a current Water Master Plan, including the required facilities to meet current and future demand and supply.
  - 3.3 Secure the necessary water rights and other legally required documentation.
  - 3.4 Conduct effective and efficient operations, maintenance, and replacement programs.

4. Provide reliable and high quality electric supply and distribution system to meet current and future needs.
  - 4.1 Develop and implement Risk Management Policy that considers quality and quantity of all energy supply and transmission contracts and facilities.
  - 4.2 Maintain and implement a long-term energy and load forecast consistent with Risk Management Policy.
  - 4.3 Procure and contract for low cost electric power supplies to reliably meet current and future loads, consistent with the Renewable Portfolio Standards and Risk Management Policy.
  - 4.4 Maintain and implement an Electric System Master Plan, including the required facilities to meet the current and future demand and reliable supply.
  - 4.5 Provide effective and efficient maintenance and replacement programs.
  - 4.6 Provide an effective, efficient, and safe operations program.
  
5. Manage the District in an environmentally sound manner.
  - 5.1 Seek power supply from a resource mix that satisfies its Renewable Portfolio Standard.
  - 5.2 Develop and implement a program of water and electric power use efficiency and conservation.
  - 5.3 Support a program of distributed generation within the District's service area.
  - 5.4 Conduct District business in an environmentally lawful manner.
  - 5.5 Minimize negative impact of District operations on the environment.
  - 5.6 Provide key leadership in the stewardship of the District's aquifer, watershed, and natural infrastructure.
  
6. Manage the District in an effective, efficient and fiscally responsible manner.
  - 6.1 Utilize modern, cost effective work methods and equipment.
  - 6.2 Employ a qualified and productive workforce.
  - 6.3 Provide safe work conditions and procedures that encourage employee growth, productivity and retention.
  - 6.4 Control the growth of the District's discretionary-operational spending to a rate less than the rate of inflation.
  - 6.5 Review and update the Financial Goals policy to achieve a stable financial condition to include planning, revenue, debt, and reserve goals.
  - 6.6 Develop appropriate financial procedures to assure responsible financial management.

***PART II***

***THE FY20 & FY21 BUDGET***

***OPERATING, MAINTENANCE, AND REPAIR***

***ELECTRIC UTILITY***

## **ELECTRIC OPERATING, MAINTENANCE & REPAIR PLAN INTRODUCTION**

The Electric budget projects total operating expenditures and transfers to reserve funds for FY20 and FY21 in the amounts of \$24,757,770 and \$25,282,855 respectively. Capital expenditures are budgeted for FY20 and FY21 in the amounts of \$7,743,497 and \$7,504,686 respectively. Total operating revenues and transfers from various reserve funds total \$31,531,058 and \$31,787,842. Of the \$7,743,497 for FY20 capital expenditures, \$3,969,692 is paid by operating funds. Of the \$7,504,686 for FY21 capital expenditures, \$4,209,900 is paid by operating funds. The remaining projects are funded by reserves and customer contributions. The Electric budget includes a 2.7% electric rate increase in FY20 and a 3% increase in FY21 as previously approved by the Board and achieves an overall balanced budget.

During FY20 and FY21, the District continues along the path of a balanced, diversified power supply, including increased carbon free energy purchases.

In FY20 and FY21, we continue to commit resources to improving reliability in our service area and addressing increasing unfunded regulatory mandates and wildfire mitigation measures.

No new debt will be acquired.

## ELECTRIC OPERATIONS REVENUE STATEMENT

OPERATING REVENUE	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<i>Residential Sales</i>	\$13,347,313	\$13,661,469	\$14,290,594	\$943,281	7%	\$14,705,571	\$414,977	3%
<i>Commercial Sales</i>	9,821,805	9,888,947	10,366,563	544,758	6%	10,677,560	310,997	3%
<i>Interdepartmental Sales</i>	1,237,009	1,234,390	1,295,816	58,807	5%	1,308,775	12,958	1%
<i>Miscellaneous Operating Revenue</i>	167,217	193,446	168,889	1,672	1%	170,578	1,689	1%
<i>Standby Revenue</i>	20,884	20,040	18,789	(2,096)	-10%	18,225	(564)	-3%
<i>Pole Replacements and Contacts</i>	262,000	497,640	264,620	2,620	1%	267,266	2,646	1%
<i>Interdepartmental Rent</i>	542,329	467,967	506,843	(35,486)	-7%	536,536	29,693	6%
<b>TOTAL OPERATING REVENUE</b>	<b>\$25,398,558</b>	<b>\$25,963,899</b>	<b>\$26,912,115</b>	<b>\$1,513,557</b>	<b>6%</b>	<b>\$27,684,511</b>	<b>\$772,396</b>	<b>3%</b>
<i>Interest Income</i>	127,500	398,575	381,090	253,590	199%	388,712	7,622	2%
<i>Transfer in from Vehicle Reserve Fund</i>	0	456,674	445,000	445,000	-	450,000	5,000	1%
<i>Transfer in from Capital Reserve Fund</i>	1,205,775	2,476,702	1,388,324	182,549	15%	1,772,658	384,334	28%
<i>Transfer in from Facility Fees Fund</i>	0	0	970,273	970,273	-	72,428	(897,845)	-93%
<i>Transfer in from overhead to cover CalPers sidefund interest payment</i>	48,106	54,600	34,256	(13,850)	-29%	19,532	(14,724)	-43%
<i>Transfer in from AB32 Reserve Fund</i>	1,126,330	1,196,093	1,400,000	273,670	24%	1,400,000	0	0%
<b>TOTAL ELECTRIC REVENUE &amp; TRANSFERS</b>	<b>\$27,906,269</b>	<b>\$30,546,543</b>	<b>\$31,531,058</b>	<b>\$3,624,789</b>	<b>13%</b>	<b>\$31,787,842</b>	<b>\$256,784</b>	<b>1%</b>

## SUMMARY OF ELECTRIC REVENUES AND EXPENSES

RECAP REVENUES LESS EXPENSES	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>ELECTRIC REVENUES &amp; TRANSFERS</b>	\$27,906,269	\$30,546,543	\$31,531,058	\$3,624,789	13%	\$31,787,842	\$256,784	1%
<b>LESS EXPENSES:</b>								
<i>Board of Directors</i>	148,344	119,014	275,812	127,468	86%	166,110	(109,702)	-40%
<i>General Management</i>	801,281	778,936	787,784	(13,497)	-2%	902,536	114,752	15%
<i>Administrative Services</i>	1,466,221	1,275,612	1,433,057	(33,164)	-2%	1,417,121	(15,935)	-1%
<i>Conservation</i>	938,112	644,995	946,279	8,167	1%	817,370	(128,909)	-14%
<i>Electric Operations</i>	4,763,503	5,221,530	5,785,319	1,021,816	21%	5,979,295	193,976	3%
<i>Information Technology (IT)</i>	701,955	763,993	1,486,077	784,122	112%	1,529,658	43,582	3%
<i>Purchased Power</i>	12,784,886	10,957,184	12,787,524	2,638	0%	12,915,399	127,875	1%
<i>Building Maintenance (managed by Water Ops)</i>	515,352	430,904	426,555	(88,797)	-17%	440,391	13,836	3%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$22,119,654</b>	<b>\$20,192,168</b>	<b>\$23,928,406</b>	<b>\$1,808,752</b>	<b>8%</b>	<b>\$24,167,880</b>	<b>\$239,474</b>	<b>1%</b>
<i>Debt Service (Appendix VIII)</i>	600,106	589,812	621,056	20,950	3%	642,933	21,877	4%
<i>Transfer to Vehicle Reserve</i>	202,239	202,239	208,307	6,068	3%	214,556	6,249	3%
<i>Transfer to Electric Rate Reserve Fund</i>	157,271	157,271	0	(157,271)	-100%	0	0	-
<i>Transfer to Electric Capital Fund</i>	0	0	0	0	0%	257,486	257,486	0%
<b>TOTAL EXPENSES &amp; TRANSFERS</b>	<b>23,079,270</b>	<b>21,141,490</b>	<b>24,757,770</b>	<b>1,678,500</b>	<b>7%</b>	<b>25,282,855</b>	<b>525,086</b>	<b>2%</b>
<b>NET AVAILABLE FOR CAPITAL</b>	<b>\$4,826,999</b>	<b>\$9,405,053</b>	<b>\$6,773,289</b>	<b>\$1,946,290</b>	<b>40%</b>	<b>\$6,504,986</b>	<b>(\$268,302)</b>	<b>-4%</b>

## **BOARD OF DIRECTORS (Electric Budget)**

The Board of Directors consists of five publically elected members who serve four-year terms. The Truckee Donner Public Utility District is a multi-county agency; including Nevada and Placer counties. The Board generally meets twice each month on the first and third Wednesdays. The Board conducts its business in a legal, ethical, open, and transparent manner.

The Directors of the District represent customer interests, set policies and rates, study and assess implications of new legislation and alternatives. The Board of Directors are responsible for District policies, governance, and decision making for the District. The Board evaluates and provides direction and guidance on District business. The Board reviews and takes action on the overall District performance and performance reviews with the General Manager.

The Board's adopted Mission Statement and Statement of Objectives and Goals, were used to guide the FY20 and FY21 budget process.

Staff continues with their commitments, at the Board's direction, as it relates to public outreach, increase in efficiencies, cooperation, collaboration, and setting a high standards of ethical conduct. Meetings of the Board continue to be televised and live streamed in compliance with the Board's dedication to transparency. All Board meetings meet and exceed the requirements set forth in the Ralph M. Brown Act.

All of these actions help manage the District in an effective, efficient and fiscally responsible manner.

**ELECTRIC EXPENDITURE DETAIL**

<b>BOARD OF DIRECTORS</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.19</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b>Outside Services Employed</b>	<b>\$25,750</b>	<b>\$12,505</b>	<b>\$25,750</b>	<b>\$0</b>	<b>0%</b>	<b>\$26,523</b>	<b>\$773</b>	<b>3%</b>
<p>This account is utilized to reflect costs associated with the District's general counsel attendance at board meetings and his performance of research on legal issues presented at the board level.</p>								
<b>Miscellaneous General Expenses</b>	<b>122,594</b>	<b>106,509</b>	<b>250,062</b>	<b>127,468</b>	<b>104%</b>	<b>139,588</b>	<b>(110,474)</b>	<b>-44%</b>
<p>This account covers compensation and benefits paid to directors, election, annual employee recognition dinner, training and conferences attended by directors, minor office supplies and equipment.</p>								
<b>TOTAL</b>	<b>\$148,344</b>	<b>\$119,014</b>	<b>\$275,812</b>	<b>\$127,468</b>	<b>86%</b>	<b>\$166,110</b>	<b>(\$109,702)</b>	<b>-40%</b>

## **GENERAL MANAGEMENT (Electric Budget)**

The District's General Management Department consists of the General Manager; District Clerk, support staff, and the Public Information Officer/ Strategic Affairs Director. The General Manager is the administrative head of the District with responsibility for managing the day-by-day affairs of the organization. The District Clerk manages the General Managers office and is responsible for all legislative actions for the Board of Directors, serves as the custodian of records and Election Officer for the District, ensures compliance with laws and regulations as it relates to the Clerk's office, provides high level administrative duties to the General Manager and Board of Directors. As well as, acts as the District's real property representative, LAFCo, and oversees the District complex facilities. The Public Information Officer/Strategic Affairs Director is responsible for continued public outreach on all affairs of the District ensuring communication and collaboration with the community and ensuring compliance on strategic, legislative, and regulatory affairs of the District.

The primary role of the General Manager is to lead the District and serve as the primary contact between the elected Board and District staff. This includes overall fiscal responsibility, negotiating with the Union, operations, process, procedures, controls, staffing, and ensuring that the District is meeting its goals and objectives. The General Manager ensures certain matters appearing on the agenda are adequately researched and presented to the Board of Directors.

The main District goals for FY20 and FY21 are:

- 6.1 Utilize modern, cost effective work methods and equipment;
- 6.2 Employ a qualified and productive workforce;
- 6.3 Provide safe work conditions and procedures that encourage employee growth, productivity and retention;
- 6.4 Control the growth of the District's discretionary-operational spending to a rate less than the rate of inflation; and
- 6.5 Ensure that the Districts various capital projects are implemented in a smooth and cost effective manner.

In order to maintain the improved reporting relationship between the General Manager and the Board of Directors, the General Manager will continue to hold semi-annual performance reviews with the Board.

The District's remains committed to the safe and healthy work environment to all District employees.

## ELECTRIC EXPENDITURE DETAIL

<b>GENERAL MANAGEMENT</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.2019</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b>Public Information</b>	<b>\$103,768</b>	<b>\$90,451</b>	<b>\$102,362</b>	<b>(\$1,406)</b>	<b>-1%</b>	<b>\$90,685</b>	<b>(\$11,676)</b>	<b>-11%</b>
This account includes the activities of the PIO plus the website and newsletter.								
<b>Legislature &amp; Regulations</b>	<b>78,476</b>	<b>80,587</b>	<b>92,899</b>	<b>14,423</b>	<b>18%</b>	<b>96,082</b>	<b>3,183</b>	<b>3%</b>
This account is for legislation and regulation tracking labor.								
<b>Administrative &amp; General - Salaries</b>	<b>365,882</b>	<b>378,311</b>	<b>276,429</b>	<b>(89,453)</b>	<b>-24%</b>	<b>411,319</b>	<b>134,889</b>	<b>49%</b>
This account is used to charge general administrative staff time other than safety and board related activities.								
<b>Office Supplies &amp; Expenses</b>	<b>47,535</b>	<b>74,262</b>	<b>50,505</b>	<b>2,970</b>	<b>6%</b>	<b>77,020</b>	<b>26,515</b>	<b>53%</b>
This account is used to cover cell phone use, computer expenses, dues & memberships including LAFCO and NCPA, industry meetings, office supplies, postage, training, assessment, personnel expenses and safety .								
<b>Outside Services Employed</b>	<b>74,813</b>	<b>34,807</b>	<b>128,450</b>	<b>53,637</b>	<b>72%</b>	<b>64,581</b>	<b>(63,869)</b>	<b>-50%</b>
This account is used to charge the costs of general counsel to review contracts and agreements, property issues, insurance claims, bid issues, capital contract issues and union matters.								
<b>Injuries &amp; Damages</b>	<b>18,647</b>	<b>18,511</b>	<b>1,564</b>	<b>(17,083)</b>	<b>-92%</b>	<b>2,305</b>	<b>742</b>	<b>47%</b>
This account includes labor for department safety meetings and training and the organization's wellness program.								
<b>General Advertising Expenses</b>	<b>50,537</b>	<b>36,344</b>	<b>69,074</b>	<b>18,537</b>	<b>37%</b>	<b>91,861</b>	<b>22,787</b>	<b>33%</b>
This account is used for the cost of publishing ordinances, surplus material, and other legal ad requirements.								
<b>Misc General Expenses</b>	<b>61,624</b>	<b>65,663</b>	<b>66,501</b>	<b>4,877</b>	<b>8%</b>	<b>68,683</b>	<b>2,181</b>	<b>3%</b>
This account is used to perform board related activities such as preparing meeting minutes, resolutions and ordinances; it is also charged with dues and memberships in electric utility organizations.								
<b>TOTAL</b>	<b>\$801,282</b>	<b>\$778,936</b>	<b>\$787,784</b>	<b>(\$13,498)</b>	<b>-2%</b>	<b>\$902,536</b>	<b>\$114,752</b>	<b>15%</b>

## **ADMINISTRATIVE SERVICES (Electric Budget)**

The Administrative Services Department supports both the Electric and Water utilities and is organized into two primary functional areas: Customer Service and Finance and Accounting. These functional areas include responsibility for the District's customer services, conservation, collections, billing, meter reading, accounting, finance, and purchasing. It is staffed by 19 people co-managed by the Human Resources/Business Operations Manager and Finance and Accounting Manager.

Administrative Services will continue to utilize technology to increase customer engagement efficiently and accurately. The continued development of the District's web-based portal, called, "Smart Hub," enables customers to have easy, remote access to their power and water consumption, in addition to the already existing capability of paying bills on-line and establishing automatic recurring payments. The Department continues to integrate significant advancements in technology with the existing suite of electronic tools available to support advancements available to our customers including the data from the new electric meter system. Staff will continue to optimize these and other tools to minimize costs and still maximize customer engagement.

Staff will continue to take advantage of opportunities to lower costs and improve internal controls and operating procedures for billing, accounting, and computer operations.

Staff will continue to be trained and developed to provide safe work conditions and encourage employee growth, productivity and retention.

The District's financial goals will be reviewed annually to achieve a stable financial condition including planning, revenue, debt, and reserve goals.

## ELECTRIC EXPENDITURE DETAIL

ADMINISTRATIVE SERVICES	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>Meters/Services Operations Expenses</b>	<b>\$53,893</b>	<b>\$44,443</b>	<b>\$0</b>	<b>(\$53,893)</b>	<b>-100%</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
This account is used by the meter readers to charge their time to perform meter connects, disconnects and service transfers.								
<b>Customer Installation Expense</b>	<b>787</b>	<b>918</b>	<b>0</b>	<b>(787)</b>	<b>-100%</b>	<b>0</b>	<b>0</b>	<b>-</b>
This account includes charges for GO165 inspections for the electric department as well as investigations of energy diversion.								
<b>Customer Account Operations Expense-Salaries</b>	<b>89,731</b>	<b>96,925</b>	<b>147,619</b>	<b>57,888</b>	<b>65%</b>	<b>155,783</b>	<b>8,164</b>	<b>6%</b>
This account includes the management staff supervision of the customer service and billing functions.								
<b>Meter Reading Expense</b>	<b>52,596</b>	<b>48,404</b>	<b>8,592</b>	<b>(44,004)</b>	<b>-84%</b>	<b>8,850</b>	<b>258</b>	<b>3%</b>
This account is used to charge meter reading expenses which includes meter reader labor, overheads, and the hardware and software that supports the meter readers; it also includes their clothing allowance, uniform expenses, vehicle expenses and training.								
<b>Customer Records &amp; Collections Expense</b>	<b>512,292</b>	<b>429,569</b>	<b>575,604</b>	<b>63,312</b>	<b>12%</b>	<b>551,863</b>	<b>(23,742)</b>	<b>-4%</b>
This account includes the major expenses involved in serving our customers. Included are answering and directing phone calls, answering customer questions, customer account setup expenses, taking and processing customer payments, creating connect, disconnect and transfer paperwork for the crews, creating and reviewing bills, expenses related to the printing and mailing of the bills, account collection expense, billing software and hardware support, standby billing expenses, billing equipment maintenance expenses, printed billing and collection forms, billing postage and customer service staff training.								
<b>Customer Records &amp; Collections - Meter Readers</b>	<b>23,338</b>	<b>17,919</b>	<b>18,946</b>	<b>(4,392)</b>	<b>-19%</b>	<b>19,636</b>	<b>690</b>	<b>4%</b>
This account includes the meter readers labor and overheads to deliver 48 hour notices and perform disconnect and reconnects relating to non-payment of utility bills.								
<b>Provision for Bad Debts</b>	<b>18,760</b>	<b>0</b>	<b>12,851</b>	<b>(5,909)</b>	<b>-31%</b>	<b>12,851</b>	<b>0</b>	<b>0%</b>
This account represents the amount of uncollectable bills for the year.								
<b>Administrative &amp; Operations General-Salaries</b>	<b>481,449</b>	<b>382,062</b>	<b>470,287</b>	<b>(11,162)</b>	<b>-2%</b>	<b>462,481</b>	<b>(7,806)</b>	<b>-2%</b>
This account includes most of the labor for the administration department except meter reading and customer account related expenses. It includes preparation of the budget and financial statements, accounts payable and payroll, construction accounting, cash management activities and processing the daily mail.								
<b>Office Supplies &amp; Expenses</b>	<b>77,004</b>	<b>73,004</b>	<b>64,229</b>	<b>(12,775)</b>	<b>-17%</b>	<b>66,156</b>	<b>1,927</b>	<b>3%</b>
This account includes bank charges, answering service charges, phone charges, computer and network operating expenses, software maintenance and support for the accounting system, printed forms and material, office equipment leases and equipment maintenance expenses.								
<b>Outside Services Employed</b>	<b>32,418</b>	<b>30,778</b>	<b>13,843</b>	<b>(\$18,576)</b>	<b>-57%</b>	<b>14,258</b>	<b>\$415</b>	<b>3%</b>
This account includes any professional services hired from the outside such as audit or accounting services, trust services for our certificates of participation and community facilities districts and arbitrage calculation services for the same.								
<b>Insurance</b>	<b>117,681</b>	<b>142,921</b>	<b>103,638</b>	<b>(14,043)</b>	<b>-12%</b>	<b>106,747</b>	<b>3,109</b>	<b>3%</b>
This account Includes annual insurance premiums for property, liability, umbrella liability, directors & officers liability, difference in conditions, boiler & machinery coverage insurance.								
<b>Injuries &amp; Damages (Safety)</b>	<b>6,272</b>	<b>8,669</b>	<b>17,447</b>	<b>11,176</b>	<b>178%</b>	<b>18,496</b>	<b>1,049</b>	<b>6%</b>
This account Includes costs for safety training, Department of Transportation Drug and Alcohol training, worker's compensation expenses for employees who have been injured and safety related equipment.								
<b>TOTAL</b>	<b>\$1,466,221</b>	<b>\$1,275,612</b>	<b>\$1,433,057</b>	<b>(\$33,164)</b>	<b>-2%</b>	<b>\$1,417,121</b>	<b>(\$15,935)</b>	<b>-1%</b>

## **CONSERVATION (Electric Budget)**

This section will describe specific electric conservation objectives within the FY20 and FY21 budgets.

The Conservation Department is responsible for providing energy and water conservation services, supporting the State's carbon reduction goals, and management of the District's State-mandated Public Benefits Programs.

The Department was physically integrated into the Administrative Services department in the FY17 in order to provide customers enhanced and more efficient customer service. The integration has included the cross training of Customer Service Representatives (CSRs), which has improved the promotion and adoption of the District's programs and eliminated the need to pass customers between departments to have their questions answered. The knowledge of conservation programs has also provided CSRs with options to help customers as they answer high bill, leak and/or shutoff questions, which has further enabled the District to be customers' trusted energy provider.

The Department has had a very successful portfolio of energy efficiency and conservation programs. Significant progress has been made developing the District's energy conservation programs with a continued emphasis on return on investment. Historically, the District's energy efficiency programs have focused on the most cost effective end use loads to target which have been residential lighting and commercial retrofit projects. Lighting has dominated the strong evaluation, measurement and verification (EM&V) results and has been serviced by product giveaways, rebates, and holiday LED lights. The portfolio has also had strong emphasis on helping commercial customers reduce energy usage through lighting retrofits, refrigeration upgrades, and custom projects. Residential lighting and commercial retrofit projects account for almost 70% of the District's Conservation portfolio's energy savings. In addition, the District offers appliances rebates and education programs through the Residential Energy Survey as well as with the Tahoe Truckee Unified School District.

However, annual program participation has been steadily declining. The majority of low-cost improvements have already been upgraded and the next tier of conservation upgrades are significantly more expensive to replace. Also, some of the District's most successful programs are being phased out by new regulatory standards. For example, driven by changes to the building code (Title 24), 2019 will be the last year the District will be able to claim LED lighting savings. The combination of program saturation plus regulatory changes will require new programs to continue the District's successful support of conservation.

While the District has and will continue to support and expand our energy and water conservation programs, customer programs have been expanding to serve emerging customer needs. For FY20 & FY 21, conservation programs will focus

on developing new programs and services that leverage our new AMI equipment, electrification, and increasing engagement with our commercial programs.

Prepaid Metering will be the most significant program to be launched in FY20, and is a priority due to the customer and utility advantages that have been demonstrated by other utilities that have implemented the program. Customers will benefit from reduced deposits/fees, no credit checks, and better energy usage management through more awareness of account balance and energy usage alerts. The ability for customers to proactively manage their energy usage and account balances benefits the District by reducing delinquencies, disconnects, and lower average final bills and write-offs.

Solar and local Distributed Energy Resources is another investment area for the upcoming budget cycle. Funds have been allocated to support the District's Solar Awning project in development. In addition, the California Title 24 Building Code starting in 2020 will require all new residential buildings to have solar. The code allows for the requirement to be met through a Community Solar installation, so the District will investigate how a utility scale installation can reduce the cost of compliance and better serve the power needs of our customers.

Lastly, the District will be looking for opportunities within the Water Department to support water conservation efforts that drive energy savings. The team will utilize new sensors and monitoring equipment to detect leaks, and analyze SCADA and AMI data to identify opportunities more efficient equipment upgrades. These efforts will be in support of the upcoming AB 1668 and SB 606 mandates.

The budget also reflects decrease of spending in certain program areas due to continued saturation of some of the District's energy conservation programs. FY19 is the last year the District will support lighting programs.

## ELECTRIC EXPENDITURE DETAIL

CONSERVATION	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>Public Benefits - Conservation</b>	<b>\$412,470</b>	<b>\$247,418</b>	<b>\$204,541</b>	<b>(\$207,930)</b>	<b>-50%</b>	<b>\$207,530</b>	<b>\$2,989</b>	<b>1%</b>
The account includes general energy conservation and efficiency programs and wire to water.								
<b>Public Benefits - Research &amp; Development</b>	<b>13,586</b>	<b>13,950</b>	<b>97,648</b>	<b>84,062</b>	<b>619%</b>	<b>103,156</b>	<b>5,508</b>	<b>6%</b>
This account includes energy conservation and efficiency R&D activities.								
<b>Public Benefits - Income-Qualified</b>	<b>84,382</b>	<b>23,725</b>	<b>54,100</b>	<b>(30,282)</b>	<b>-36%</b>	<b>55,954</b>	<b>1,854</b>	<b>3%</b>
This account includes income-qualified programs.								
<b>Public Benefits - Renewable Power</b>	<b>152,637</b>	<b>182,478</b>	<b>300,000</b>	<b>147,363</b>	<b>97%</b>	<b>150,000</b>	<b>(150,000)</b>	<b>-50%</b>
This account includes renewable purchases and programs.								
<b>Public Benefits - Rebates</b>	<b>244,448</b>	<b>131,560</b>	<b>222,589</b>	<b>(21,859)</b>	<b>-9%</b>	<b>230,609</b>	<b>8,020</b>	<b>4%</b>
This account includes energy conservation and efficiency rebates.								
<b>Admin &amp; General Salaries</b>	<b>5,080</b>	<b>3,685</b>	<b>26,456</b>	<b>21,375</b>	<b>421%</b>	<b>27,947</b>	<b>1,491</b>	<b>6%</b>
This account includes the administrative salaries to perform various administrative								
<b>Office Supplies &amp; Expenses</b>	<b>22,138</b>	<b>17,033</b>	<b>15,783</b>	<b>(6,356)</b>	<b>-29%</b>	<b>16,256</b>	<b>473</b>	<b>3%</b>
This account includes office supplies, dues, memberships and meeting and training expenses.								
<b>General Advertising</b>	<b>684</b>	<b>15,261</b>	<b>18,164</b>	<b>17,480</b>	<b>2557%</b>	<b>18,709</b>	<b>545</b>	<b>3%</b>
This account includes TDPUD marketing and media activities.								
<b>Misc General Expense</b>	<b>2,686</b>	<b>9,885</b>	<b>7,000</b>	<b>4,314</b>	<b>161%</b>	<b>7,210</b>	<b>210</b>	<b>3%</b>
This account includes support of community activities such as sponsorship of the Truckee Home Show, Chamber activities, etc.								
<b>TOTAL</b>	<b>\$938,112</b>	<b>\$644,995</b>	<b>\$946,279</b>	<b>\$8,167</b>	<b>1%</b>	<b>\$817,370</b>	<b>(\$128,909)</b>	<b>-14%</b>

## **ELECTRIC OPERATIONS**

The Electric Operations is responsible for operating, maintaining, repairing, and expanding the District's electric distribution system. The primary responsibility is to provide effective and efficient maintenance and replacement programs and provide an effective, efficient, and safe operations program.

The FY20 and FY21 budget staffs the Department with an Electric Utility Director, an Electric Engineering Manager, an Electric Operations Manager, an Assistant Electric Operations Manager, two Electric System Engineers, three Electrician / Meter Technicians, one Meter Reader Coordinator/Utility Worker, one Foreman Electrician, three Electric Foremen, a Lead Lineman, a Substation Lineman, eight Lineman, two Apprentice Lineman and a Vehicle Maintenance Foreman.

Electric Operations provides work conditions and procedures that encourage employee safety, growth, productivity, and retention. Apprentices are trained both internally and externally. Journeymen are trained to utilize approved rubber gloving practices. Employees are trained on underground practices and materials, as the District increasingly transitions to underground utility facilities.

During FY19, District customer growth continued to increase at a modest pace. This modest growth is forecasted to continue in FY20 and FY21. The department will concentrate efforts on development work and system maintenance projects. Approximately sixty poles have been identified for replacement each year. Vegetation management (tree trimming) operations are a high priority due to recent regulatory changes affecting the District including the requirement to develop and implement a Wildfire Mitigation Plan.

Capital improvements will be implemented as identified in the Electric System Master Plan.

## ELECTRIC EXPENDITURE DETAIL

ELECTRIC OPERATIONS	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>Operations/PM Sup &amp; Engineering</b>	\$1,224,189	\$1,352,339	\$1,081,876	(\$142,314)	-12%	\$1,147,465	\$65,590	6%
This account is utilized by the electric superintendent and electric engineer for supervision, engineering and management of District electric operations and electric projects. It also includes design and engineering labor of District electric projects.								
<b>Substation Operations/PM</b>	180,364	190,097	216,845	36,481	20%	218,472	1,626	1%
This account Includes all work done on, and within, substations including snow removal, maintenance, repairs and associated materials and employee training.								
<b>Distribution Operations/PM</b>	1,395,589	1,655,567	2,301,220	905,632	65%	2,365,482	64,262	3%
This account Includes all maintenance work such as mandated programs, pole testing, tree trimming, pole clearing, small tools and employee training.								
<b>Security/Street Light Operations/PM</b>	1,279	1,371	1,443	164	13%	1,489	46	3%
This account Includes the purchase and installation of street and security lights throughout the District.								
<b>Meter Operations/PM</b>	95,799	152,782	217,647	121,848	127%	210,658	(6,989)	-3%
This account includes connecting and disconnecting meters, checking the operation of demand meters, meter audits where we verify the wiring and accuracy of commercial meter installations, rebuilding of old commercial meter installations and training of meter technicians.								
<b>Customer Installation Operations/PM</b>	256,862	262,793	228,759	(28,103)	-11%	236,065	7,305	3%
This account primarily includes the inspection of new residential services including checks of wiring code compliance. It is also used to do field investigations of customer high bill complaints, voltage irregularities and energy diversion.								
<b>Misc General Operations/PM</b>	516,539	548,340	558,427	41,888	8%	579,762	21,335	4%
This account includes testing of transformer oil to determine PCB content, GIS mapping of the electric system, SCADA repairs and maintenance, cell phones and pagers. It also includes computer hardware and software maintenance, clothing allowance, DMV physicals, meals, uniforms, land fill charges, meeting expenses, advertising, new employee testing, employee development and training, and Underground Service Alert marking of utilities.								
<b>Maintenance of Station Equipment</b>	20,600	7,654	3,352	(17,248)	-84%	3,457	105	3%
This account Includes labor and material to maintain the reclosers and regulators within the substations.								
<b>Maintenance of Distribution Lines</b>	478,081	603,134	701,844	223,762	47%	724,927	23,083	3%
This account primarily includes labor and material material for recloser repair, distribution line repair, damage tree clearing, standby labor and storm damage repair.								
<b>Maintenace of Security/Street Lights</b>	1,728	3,988	5,550	3,822	221%	5,748	198	4%
This account includes labor, materials and supplies (replacement bulbs, photocells and fixtures) for the maintenance and repair of security and street lights.								
<b>Professional Services</b>	218,034	144,071	150,000	(68,034)	-31%	154,500	4,500	3%
This account includes payments to Energy Source and Power Supply consultants. It also includes UAMPS expenditures.								
<b>Injuries &amp; Damages (Safety)</b>	252,433	252,971	260,726	8,293	3%	270,919	10,193	4%
This account Includes labor for safety meetings, safety equipment and safety meeting/training expenses.								
<b>Regulatory Commission Expense</b>	122,005	46,423	57,629	(64,376)	-53%	60,351	2,722	5%
This account includes staff labor and legal fees for any FERC activity.								
<b>TOTAL</b>	<b>\$4,763,503</b>	<b>\$5,221,530</b>	<b>\$5,785,319</b>	<b>\$1,021,816</b>	<b>21%</b>	<b>\$5,979,295</b>	<b>\$193,976</b>	<b>3%</b>

## **INFORMATION TECHNOLOGY (IT) (Electric Budget)**

The Information Technology (IT) Department is headed by the Chief Information Officer / IT Director and also includes the Systems Engineer, SCADA Engineer, Cyber Security & Applications Engineer, GIS Coordinator, and Data Analyst & Administrator positions. The IT Department is responsible for networks, servers, communications, operations technology, physical and cyber security, geographic information systems, databases, systems integration, business intelligence, AML and desktops. Internal IT staff helps reduce outside contractor costs for the District's data and technology needs, increase IT knowledge of systems security, and provide additional accountability and redundancy.

The IT Department implements technology strategies that optimize the operations of the District by providing tools that enable the District to operate faster, better, and more cost efficiently, while providing secure access to critical control, mapping, and information systems. Information Technology's aim is to provide timely, relevant, and accurate information, when and where it is needed, to support sound decisions that improve the quality, efficiency, cost, safety, and environmental footprint of the products and services the District delivers and uses.

To achieve the goals and implement the strategies in the IT Master Plan, the IT Department utilizes the following guiding principles below focusing on leadership and excellence through quality of service, responsiveness, innovation, professionalism, and teamwork. These principles require commitment not only from the District's IT professionals, but from all District employees.

1. Consult and advise department heads to drive IT initiatives according to business needs, goals, and objectives, and developing a sound business case before making any new investment.
2. View IT from the perspective of the entire District and not from the perspective of individual departments.
3. Acquire, manage, and use technology resources economically and efficiently through standardized information technology selection and implementation processes.
4. Securely hold and manage technology assets to protect private information.
5. Develop mechanisms and processes to share information easily within the organization and with customers and partners.
6. Understand that availability and access to technology is a given, and design and build systems accordingly.
7. Aggregate, where feasible, to reduce duplication, and employ information technology that is flexible and interoperable to respond quickly and efficiently to changing business needs.
8. Devise strategies to leverage investments in the District's existing technology.
9. Train the workforce in the skills needed to effectively use IT systems and the information they contain.

## ELECTRIC EXPENDITURE DETAIL

<b>INFORMATION TECHNOLOGY (IT)</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.2019</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b>Engineering &amp; SCADA Operations</b>	<b>\$66,580</b>	<b>\$91,538</b>	<b>\$175,258</b>	<b>\$108,678</b>	<b>163%</b>	<b>\$185,610</b>	<b>\$10,352</b>	<b>6%</b>
This account is for the operational use of SCADA, Outage Management and Engineering support.								
<b>GIS/Engineering Operations</b>	<b>158,830</b>	<b>123,142</b>	<b>246,108</b>	<b>87,278</b>	<b>55%</b>	<b>255,619</b>	<b>9,511</b>	<b>4%</b>
This account is for the maintenance of software and data that supports engineering and SCADA.								
<b>Meter Reading</b>	<b>12,416</b>	<b>51,789</b>	<b>150,655</b>	<b>138,239</b>	<b>1113%</b>	<b>156,022</b>	<b>5,367</b>	<b>4%</b>
This account is for the maintenance of software and data that supports meter technology and AMI.								
<b>Customer Records</b>	<b>125,117</b>	<b>124,915</b>	<b>164,241</b>	<b>39,124</b>	<b>31%</b>	<b>151,309</b>	<b>(12,932)</b>	<b>-8%</b>
This account is for the maintenance of software and data that supports Customer Information and Customers.								
<b>Administrative &amp; General IT Ops</b>	<b>285,458</b>	<b>338,196</b>	<b>677,281</b>	<b>391,823</b>	<b>137%</b>	<b>706,064</b>	<b>28,783</b>	<b>4%</b>
This account is for the maintenance of hardware and software infrastructure that supports data transport, storage and security.								
<b>Office Supplies &amp; Expenses</b>	<b>23,201</b>	<b>26,840</b>	<b>16,543</b>	<b>(6,659)</b>	<b>-29%</b>	<b>17,039</b>	<b>496</b>	<b>3%</b>
This account includes office supplies, dues, memberships, meeting and training expenses.								
<b>Outside Services Employed</b>	<b>28,840</b>	<b>4,152</b>	<b>40,000</b>	<b>11,160</b>	<b>39%</b>	<b>41,200</b>	<b>1,200</b>	<b>3%</b>
This account is for outside professional services contracted to maintain hardware, software and data.								
<b>Safety</b>	<b>1,513</b>	<b>3,421</b>	<b>15,991</b>	<b>14,478</b>	<b>957%</b>	<b>16,796</b>	<b>805</b>	<b>5%</b>
This account includes department labor for safety meetings, safety equipment and training expenses.								
<b>TOTAL</b>	<b>\$701,955</b>	<b>\$763,993</b>	<b>\$1,486,077</b>	<b>\$784,122</b>	<b>112%</b>	<b>\$1,529,658</b>	<b>\$43,582</b>	<b>3%</b>

***PART III***

***THE FY20 & FY21 BUDGET***

***OPERATING, MAINTENANCE, AND REPAIR***

***WATER UTILITY***

## **WATER OPERATIONS INTRODUCTION**

The Water budget projects total operating expenditures and transfers to reserve funds for FY20 and FY21 in the amount of \$12,923,028 and \$14,177,852 respectively. The Water budget also forecasts capital expenditures for FY20 and FY21 in the amount of \$2,412,868 and \$2,008,954 respectively. For capital expenditures, \$2,252,867 and \$1,738,954 will be paid by rates each year. The remaining costs will be paid from reserve funds. Operating revenues and transfers from various reserve funds total \$15,335,896 for FY20 and \$16,186,807 for FY21. The water budget proposes a 3% rate increase in FY20, achieving an overall balanced budget. The District plans to implement a cost of service and rate study in 2020 to evaluate potential rate increase for 2021.

The mechanics and hydraulics of water utility service is very complex in a mountain environment. The majority of the District's water supply comes from the Martis Valley Aquifer in the southeast portion of the service territory. The customer base is spread over forty six square miles and covers an elevation change from 5,700 feet to 7,500 feet. The system currently consists of 13 wells, 230 miles of pipeline, 36 storage tanks, and 24 pump stations. The complexity of the system and challenges associated with an alpine environment impact the overall fiscal requirements to operate, maintain, repair and replace key infrastructure. One of the primary goals of the water utility is to control the operating costs and minimize future rate increases.

During FY20 and FY21, the Water Utility will continue with operations and maintenance programs, system replacement and capital projects, the SCADA replacement project and various on-going projects to reduce water loss and unaccounted water. These projects are in alignment with the key components of the District's mission to maintain a sustainable and reliable potable water service.

## WATER OPERATIONS REVENUE STATEMENT

OPERATING REVENUE	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<i>Residential Sales</i>	\$11,060,382	\$10,932,423	\$11,742,532	\$682,150	6%	\$12,094,808	\$352,276	3%
<i>Commercial Sales</i>	1,623,946	1,566,860	1,613,548	(10,398)	-1%	1,661,919	48,371	3%
<i>Misc. Operating Revenue</i>	253,978	223,734	241,738	(12,240)	-5%	252,578	10,841	4%
<i>Miscellaneous Rents</i>	70,121	75,223	75,518	5,397	8%	76,651	1,133	1%
<i>Standby Revenue</i>	129,437	123,280	123,280	(6,157)	-5%	119,582	(3,698)	-3%
<b>TOTAL OPERATING REVENUE</b>	<b>\$13,137,864</b>	<b>\$12,921,520</b>	<b>\$13,796,616</b>	<b>\$658,752</b>	<b>5%</b>	<b>\$14,205,538</b>	<b>408,922</b>	<b>3%</b>
<i>Interest Income</i>	77,633	126,693	100,000	22,367	29%	103,000	3,000	3%
<i>Transfer in from Facilities Fees &amp; Reserve - Debt - 2006 COP</i>	355,324	355,804	357,617	2,293	1%	356,179	(1,438)	0%
<i>Transfer in from DLAD surcharge for debt payment</i>	800,852	800,852	800,852	0	0%	800,852	0	0%
<i>Transfer in from DLAD billing surcharge - 2006 COPs</i>	100,207	98,504	97,973	(2,234)	-2%	96,216	(1,757)	-2%
<i>Transfer in from Meter Reserve Fund</i>	196,319	0	0	(196,319)	-100%	0	0	-
<i>Transfer in from Vehicle Reserve Fund</i>	429,838	0	160,000	(269,838)	-63%	270,000	110,000	100%
<i>Transfer in from overhead to cover CalPers sidefund interest payment</i>	32,070	36,399	22,838	(9,232)	100%	13,022	(9,816)	-43%
<i>Transfer in from Prop 55 reserve for final debt payment</i>	0	0	0	0	100%	342,000	342,000	-
<b>TOTAL WATER REVENUE &amp; TRANSFERS</b>	<b>\$15,130,107</b>	<b>\$14,339,771</b>	<b>\$15,335,896</b>	<b>\$205,789</b>	<b>1%</b>	<b>\$16,186,807</b>	<b>\$850,911</b>	<b>6%</b>

## SUMMARY OF WATER REVENUES AND EXPENSES

RECAP REVENUES LESS EXPENSES	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>WATER REVENUES &amp; TRANSFERS</b>	\$15,130,107	\$14,339,771	\$15,335,896	\$205,789	1%	\$16,186,807	\$850,911	6%
<b>LESS EXPENSES</b>								
<i>Board of Directors</i>	148,344	116,415	275,812	127,468	86%	166,110	(109,702)	-40%
<i>General Management</i>	717,413	687,694	677,706	(39,706)	-6%	798,223	120,517	18%
<i>Administrative Services</i>	1,374,588	1,202,291	1,444,943	70,355	5%	1,429,134	(15,809)	-1%
<i>Conservation</i>	118,978	93,559	100,659	(18,319)	-15%	104,752	4,093	4%
<i>Water Operations</i>	4,963,125	5,202,263	5,750,469	787,344	16%	5,991,979	241,510	4%
<i>Information Technology (IT)</i>	627,662	651,177	749,045	121,383	19%	767,900	18,855	3%
<i>Interdepartmental Rent (Appendix I)</i>	542,329	483,225	506,843	(35,486)	-7%	536,536	29,693	6%
<b>TOTAL OPERATING EXPENSES</b>	\$8,492,439	\$8,436,624	\$9,505,478	\$1,013,038	12%	\$9,794,634	\$289,157	3%
<i>Debt Service (Appendix IX)</i>	3,228,003	3,215,064	3,242,842	14,839	0%	3,087,521	(155,321)	-5%
<i>Transfer to Vehicle Reserve Fund</i>	169,620	169,620	174,709	5,089	3%	279,950	105,241	60%
<i>Transfer to Capital Reserve</i>	20,000	20,000	0	(20,000)	-100%	1,015,747	1,015,747	-
<b>TOTAL EXPENSES &amp; TRANSFERS</b>	\$11,910,062	\$11,841,308	\$12,923,028	\$1,012,966	9%	\$14,177,852	\$1,254,824	10%
<b>NET AVAILABLE FOR CAPITAL</b>	\$3,220,045	\$2,498,463	\$2,412,868	(\$807,177)	-25%	\$2,008,954	(\$403,913)	-17%

## **BOARD OF DIRECTORS (Water Budget)**

The Board of Directors consists of five publically elected members who serve four-year terms. The Truckee Donner Public Utility District is a multi-county agency; including Nevada and Placer counties. The Board generally meets twice each month on the first and third Wednesdays. The Board conducts its business in a legal, ethical, open, and transparent manner.

The Directors of the District represent customer interests, set policies and rates, study and assess implications of new legislation and alternatives. The Board of Directors are responsible for District policies, governance, and decision making for the District. The Board evaluates and provides direction and guidance on District business. The Board reviews and takes action on the overall District performance and performance reviews with the General Manager.

The Board's adopted Mission Statement and Statement of Objectives and Goals, were used to guide the FY20 and FY21 budget process.

Staff continues with their commitments, at the Board's direction, as it relates to public outreach, increase in efficiencies, cooperation, collaboration, and setting a high standards of ethical conduct. Meetings of the Board continue to be televised and live streamed in compliance with the Board's dedication to transparency. All Board meetings meet and exceed the requirements set forth in the Ralph M. Brown Act.

All of these actions help manage the District in an effective, efficient and fiscally responsible manner.

## WATER EXPENDITURE DETAIL

<b>BOARD OF DIRECTORS</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.2019</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b><i>Outside Services Employed</i></b>	<b>\$25,750</b>	<b>\$12,505</b>	<b>\$25,750</b>	<b>\$0</b>	<b>0%</b>	<b>\$26,523</b>	<b>\$773</b>	<b>3%</b>
This account is utilized to reflect costs associated with the District's general counsel attendance at Board meetings and his performance of research on legal issues presented at the Board level.								
<b><i>Miscellaneous General Expenses</i></b>	<b>122,594</b>	<b>103,910</b>	<b>250,062</b>	<b>127,468</b>	<b>104%</b>	<b>139,588</b>	<b>(\$110,474)</b>	<b>-44%</b>
This account covers compensation and benefits paid to Directors, election, annual employee recognition dinner, training and conferences attended by Directors, minor office supplies and equipment.								
<b><u>TOTAL</u></b>	<b><u>\$148,344</u></b>	<b><u>\$116,415</u></b>	<b><u>\$275,812</u></b>	<b><u>\$127,468</u></b>	<b><u>86%</u></b>	<b><u>\$166,110</u></b>	<b><u>(\$109,702)</u></b>	<b><u>-40%</u></b>

## **GENERAL MANAGEMENT (Water Budget)**

The District's General Management Department consists of the General Manager; District Clerk, support staff, and the Public Information Officer/ Strategic Affairs Director. The General Manager is the administrative head of the District with responsibility for managing the day-by-day affairs of the organization. The District Clerk manages the General Managers office and is responsible for all legislative actions for the Board of Directors, serves as the custodian of records and Election Officer for the District, ensures compliance with laws and regulations as it relates to the Clerk's office, provides high level administrative duties to the General Manager and Board of Directors. As well as, acts as the District's real property representative, LAFCo, and oversees the District complex facilities. The Public Information Officer/Strategic Affairs Director is responsible for continued public outreach on all affairs of the District ensuring communication and collaboration with the community and ensuring compliance on strategic, legislative, and regulatory affairs of the District.

The primary role of the General Manager is to lead the District and serve as the primary contact between the elected Board and District staff. This includes overall fiscal responsibility, negotiating with the Union, operations, process, procedures, controls, staffing, and ensuring that the District is meeting its goals and objectives. The General Manager ensures certain matters appearing on the agenda are adequately researched and presented to the Board of Directors.

The main District goals for FY20 and FY21 are:

- 6.1 Utilize modern, cost effective work methods and equipment;
- 6.2 Employ a qualified and productive workforce;
- 6.3 Provide safe work conditions and procedures that encourage employee growth, productivity and retention;
- 6.4 Control the growth of the District's discretionary-operational spending to a rate less than the rate of inflation; and
- 6.5 Ensure that the Districts various capital projects are implemented in a smooth and cost effective manner.

In order to maintain the improved reporting relationship between the General Manager and the Board of Directors, the General Manager will continue to hold semi-annual performance reviews with the Board. An end-of-year performance review is scheduled February 2018 to review all of the General Manager's accomplishments over the past year.

The District's remains committed to the safe and healthy work environment to all District employees.

## WATER EXPENDITURE DETAIL

<b>GENERAL MANAGEMENT</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.2019</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b>Public Information</b>	<b>\$103,768</b>	<b>\$95,394</b>	<b>\$102,362</b>	<b>(\$1,407)</b>	<b>-1%</b>	<b>\$90,685</b>	<b>(\$11,676)</b>	<b>-11%</b>
This account includes the activities of the PIO plus the website and newsletter.								
<b>Legislature &amp; Regulations</b>	<b>55,635</b>	<b>39,649</b>	<b>44,722</b>	<b>(10,913)</b>	<b>-20%</b>	<b>46,256</b>	<b>1,534</b>	<b>3%</b>
This account is for legislation and regulation tracking labor.								
<b>Administrative &amp; General - Salaries</b>	<b>365,882</b>	<b>373,708</b>	<b>276,429</b>	<b>(89,452)</b>	<b>-24%</b>	<b>411,319</b>	<b>134,889</b>	<b>49%</b>
This account is used to charge general administrative staff time other than safety and board related activities.								
<b>Office Supplies &amp; Expenses</b>	<b>47,535</b>	<b>72,258</b>	<b>50,505</b>	<b>2,971</b>	<b>6%</b>	<b>77,020</b>	<b>26,515</b>	<b>53%</b>
This account is used to cover cell phone use, computer expenses, dues & memberships including LAFCO, industry meetings, office supplies, postage, training, assessment, personnel expenses and safety .								
<b>Outside Services Employed</b>	<b>62,813</b>	<b>23,098</b>	<b>115,050</b>	<b>52,238</b>	<b>83%</b>	<b>60,049</b>	<b>(55,001)</b>	<b>-48%</b>
This account is used to charge the costs of general counsel to review contracts and agreements, property issues, insurance claims, bid issues, capital contract issues and union matters.								
<b>Injuries &amp; Damages (Safety)</b>	<b>18,647</b>	<b>17,765</b>	<b>1,564</b>	<b>(17,083)</b>	<b>-92%</b>	<b>2,305</b>	<b>742</b>	<b>47%</b>
This account includes labor for department safety meetings and training and the organization's wellness program.								
<b>General Advertising Expenses</b>	<b>23,757</b>	<b>18,601</b>	<b>42,774</b>	<b>19,017</b>	<b>80%</b>	<b>64,772</b>	<b>21,998</b>	<b>51%</b>
This account is used for the cost of publishing ordinances, surplus material, and other legal ad requirements.								
<b>Misc General Expenses</b>	<b>39,376</b>	<b>47,221</b>	<b>44,301</b>	<b>4,925</b>	<b>13%</b>	<b>45,817</b>	<b>1,515</b>	<b>3%</b>
This account is used to perform board related activities such as preparing meeting minutes, resolutions and ordinances; it is also charged with dues and memberships in electric utility industry organizations.								
<b>TOTAL</b>	<b>\$717,413</b>	<b>\$687,694</b>	<b>\$677,707</b>	<b>(\$39,705)</b>	<b>-6%</b>	<b>\$798,223</b>	<b>\$120,516</b>	<b>18%</b>

## **ADMINISTRATIVE SERVICES (Water Budget)**

This section will describe specific water considerations within the FY20 and FY21 Budget. The narrative contained in the electric section of the budget describes the general function and organization of Administrative Services, which also apply to the Water Utility.

Beginning in FY09, residential water meters were installed. Over 98% of all customers have a meter and are being billed volumetrically. The remaining 2% will be complete no later than FY24, as they are in areas that will be coordinated with mainline replacements.

The residential water meters identify continuous flow including malfunctioning stop-and-drain valves. The District is continuing to advance technology and continues to maintain an automatic customer notification system to contact customers who have possible leaks so that they may quickly identify and correct problems. This continues to be a coordinated implementation of custom software called the "Water Tool" that allows customers to view their own water consumption through Smarthub on the internet to help identify leaks and monitor water conservation efforts. This tool provides customers a visual target to aid in achieving overall water conservation and stewardship.

## WATER EXPENDITURE DETAIL

ADMINISTRATIVE SERVICES	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>Meters/Services Operations Expenses</b>	\$2,836	\$0	\$0	(\$2,836)	-100%	\$0	\$0	-
This account is used by the meter readers to charge their time to perform meter connects, disconnects and service transfers. It is also used for investigating customer high bill complaints.								
<b>Customer Account Operations Expense-Salaries</b>	89,731	97,060	147,619	57,888	65%	155,783	8,164	6%
This account includes the management staff supervision of the customer service and billing functions.								
<b>Meter Reading Expense</b>	1,889	1,848	939	(950)	-50%	967	28	3%
This account is used to charge meter reading expenses which includes meter reader labor, overheads, and the hardware and software that supports the meter readers; it also includes their clothing allowance, uniform expenses, vehicle expenses and training.								
<b>Customer Records &amp; Collections Expense</b>	512,292	375,494	575,604	63,312	12%	551,863	(23,742)	-4%
This account includes the major expenses involved in serving our customers. Included are answering and directing phone calls, answering customer questions, customer account setup expenses, taking and processing customer payments, creating connect, disconnect and transfer paperwork for the crews, creating and reviewing bills, expenses related to the printing and mailing of the bills, account collection expense, billing software and hardware support, standby billing expenses, billing equipment maintenance expenses, printed billing and collection forms, billing postage and customer service staff training.								
<b>Provision for Bad Debts</b>	9,240	0	5,249	(3,991)	-43%	5,249	0	0%
This account represents the amount of uncollectable bills for the year.								
<b>Administrative &amp; Operations General-Salaries</b>	481,449	433,194	470,287	(11,162)	-2%	462,481	(7,806)	-2%
This account includes most of the labor for the administration department except meter reading and customer account related expenses. It includes preparation of the budget and financial statements, accounts payable and payroll, construction accounting, cash management activities, processing the daily mail.								
<b>Office Supplies &amp; Expenses</b>	77,004	70,517	69,043	(7,961)	-10%	71,114	2,071	3%
This account includes bank charges, answering service charges, phone charges, computer and network operating expenses, software maintenance and support for the accounting system, printed forms and material, office equipment leases and equipment maintenance expenses.								
<b>Outside Services Employed</b>	48,311	47,601	26,398	(\$21,914)	-45%	27,189	792	3%
This account includes any professional services hired from the outside such as audit or accounting services, trust services for our certificates of participation and community facilities districts and arbitrage calculation services for the same.								
<b>Insurance</b>	148,756	169,274	136,191	(12,565)	-8%	140,277	4,086	3%
This account includes annual insurance premiums for property, liability, umbrella liability, directors & officers liability, difference in conditions, boiler & machinery coverage insurance.								
<b>Injuries &amp; Damages (Safety)</b>	3,079	7,303	13,613	10,534	342%	14,211	598	4%
This account includes costs for safety training, Department of Transportation Drug and Alcohol training, worker's compensation expenses for employees who have been injured and safety related equipment.								
<b>TOTAL</b>	<b>\$1,374,588</b>	<b>\$1,202,291</b>	<b>\$1,444,943</b>	<b>\$70,355</b>	<b>5%</b>	<b>\$1,429,134</b>	<b>(\$15,809)</b>	<b>-1%</b>

## **CONSERVATION (Water Budget)**

This section will describe specific water conservation objectives within the FY20 and FY21 budgets.

The District is facing significant change regarding the Legislative and Regulatory environment at State levels. The upcoming AB1668/SB606 mandates will require significant savings from residential and commercial customers to meet the District's usage limits.

The District has been successful at delivering water conservation programs, including an automated process to inform customers electronically if the District detects continuous flow of water; a potential leak situation. This allows the District to proactively contact customers and effectively address potential water waste situations. In addition, staff has continued to support the Water Efficient Toilet Rebate, Water Efficient Toilet Exchange, Customer Water Leak Repair Rebate, and Green Partners Water programs along with the Patricia S. Sutton Conversation Garden.

However new programs and campaigns must be developed to drive a further reduction in water use. The priority for FY20 and FY21 will be a combination of data analysis and pilot programs to determine the best end uses and customer segments to target to reduce water use prior to the law taking effect in FY22. Rebates and proactive engagement have been successful with some customers, but the restrictive nature of the upcoming regulations will require a balance of punitive measures as well. The roll out of these programs will require careful coordination with the Public Information Officer to maintain customer satisfaction while still meeting the District's legal obligations.

## WATER EXPENDITURE DETAIL

<b>CONSERVATION</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.2019</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b>Water Conservation</b> This account includes water conservation & efficiency programs.	<b>\$111,387</b>	<b>\$73,070</b>	<b>\$74,252</b>	<b>(37,134)</b>	<b>-33%</b>	<b>\$77,282</b>	<b>3,030</b>	<b>4%</b>
<b>Admin &amp; General Salaries</b> This account includes the administrative salaries to perform various administrative projects.	<b>2,177</b>	<b>1,564</b>	<b>8,858</b>	<b>6,681</b>	<b>307%</b>	<b>9,395</b>	<b>536</b>	<b>6%</b>
<b>Office Supplies &amp; Expenses</b> This account includes office supplies, dues, memberships and meeting and training expenses.	<b>3,970</b>	<b>7,848</b>	<b>6,764</b>	<b>2,794</b>	<b>70%</b>	<b>6,967</b>	<b>203</b>	<b>3%</b>
<b>General Advertising</b> This account includes TDPUD marketing and media activities.	<b>293</b>	<b>6,961</b>	<b>7,784</b>	<b>7,491</b>	<b>2557%</b>	<b>8,018</b>	<b>234</b>	<b>3%</b>
<b>Misc General Expense</b> This account includes support of community activities such as sponsorship of the Truckee Home Show, Chamber activities, etc.	<b>1,151</b>	<b>4,116</b>	<b>3,000</b>	<b>1,849</b>	<b>161%</b>	<b>3,090</b>	<b>90</b>	<b>3%</b>
<b>TOTAL</b>	<b>\$118,978</b>	<b>\$93,559</b>	<b>\$100,659</b>	<b>(\$18,319)</b>	<b>-15%</b>	<b>\$104,752</b>	<b>\$4,093</b>	<b>4%</b>

## **WATER OPERATIONS**

The mission for Water Utility Operations and Maintenance is to provide a reliable, high quality water supply and distribution system to meet current and future customer demand in a manner that is safe as well as environmentally and fiscally responsible. The objective will be accomplished through the implementation of the approved Water Master Plan, including the day to day operation of critical facilities and effective long term infrastructure maintenance and replacement programs.

The Water Department is organized into three operational groups:

1. Distribution system operations, maintenance and repairs;
2. Facilities operation, maintenance and repair, including water supply and quality; and
3. System engineering and planning.

The FY20 and FY21 budget includes staffing of a Water Utility Director (the Assistant Water Utility Director position will be vacated during the General Manager Transition Plan in 2020), a Water System Engineer, a Water Operations Manager, a Senior Water Quality Technician/Inspector, an Operations Foreman, an Operations Leadman, a Distribution Foreman, a Distribution Leadman, and 7 Water Service Technicians.

The Water Department's operations, distribution, and engineering staff are licensed by the California State Water Resources Control Board for the operation and maintenance of the District's public water system. This requires staff to participate regularly in continuing education and training to ensure compliance with current Best Management Practices and renewal of Water System Operator certifications. Staff is also trained in water utility safety procedures and OSHA standards on an annual basis. This training ensures the workforce is qualified and productive with an uncompromising emphasis on safety. Embracing these values encourage employee retention, growth, and productivity.

The primary challenges for the Water Utility Operations group in FY20 and FY21 will be striking a balance between the continued goal of building capital reserves and effectively managing the District's long term maintenance and capital improvement needs. Staff will continue to progress toward completing the District's Water SCADA replacement project, administer annual infrastructure maintenance programs, and rehabilitate aging pumping and storage facilities. An additional challenge continuing to develop in the FY20 and FY21 for public water systems across the State of California will be meeting the expanding regulatory requirements and unfunded mandates associated with the State Water Resource Control Boards Water Use Performance Standards.

## WATER EXPENDITURE DETAIL

WATER OPERATIONS	BUDGET FY19	PRIOR 12 MOS ENDING 3.2019	BUDGET FY20	\$ BUDGET CHANGE	% BUDGET CHANGE	BUDGET FY21	\$ BUDGET CHANGE	% BUDGET CHANGE
<b>Operations Supervision &amp; Engineering</b>	\$332,760	\$369,488	\$351,526	\$18,766	6%	\$383,476	\$31,950	9%
This account is utilized by the water manager, superintendent and engineer for supervision, engineering and management of District water system.								
<b>Facilities Operations</b>	844,927	1,058,562	819,687	(25,240)	-3%	889,761	70,074	9%
This account includes the operation of wells, pump stations, water treatment, water quality, DHS reports and fees and water quality reports. It also includes snow removal and related employee training.								
<b>Power Supply</b>	1,244,781	1,297,021	1,319,957	75,176	6%	1,333,468	13,511	1%
This account includes the cost of electrical power for the operation of the wells and pump stations.								
<b>Distribution Operations/PM</b>	670,772	712,619	559,652	(111,120)	-17%	563,891	4,239	1%
This account includes the labor and materials to operate the water distribution system.								
<b>Misc General Operations/PM</b>	351,001	456,410	419,486	68,485	20%	442,803	23,317	6%
This account includes a variety of items such as environmental compliance, GIS mapping of the water system, SCADA repairs and maintenance, cell phones, pagers, computer hardware and software, clothing allowance, DMV physicals, meals, uniforms, land fill charges, meeting expenses, advertising and testing for new employees, training, and Underground Service Alert marking of utilities and associated fees and costs.								
<b>Meters/Service Operation</b>	160,258	133,453	486,178	325,920	203%	508,956	22,778	5%
<b>Maintenance of Operations Sup &amp; Engineering</b>	132,395	170,335	200,511	68,116	51%	221,355	20,844	10%
Used by water manager, superintendent and engineer for supervision, engineering and management of District water system.								
<b>Maintenance of Sources</b>	744,284	651,963	821,218	76,934	10%	844,156	22,938	3%
This account includes the maintenance and repair of pumps, motors, electrical control equipment and building repair.								
<b>Maintenance of Distribution Lines</b>	401,856	274,035	689,858	288,002	72%	718,575	28,718	4%
This account includes the maintenance and repair of distribution line leaks, broken fire hydrants, etc.								
<b>Injuries &amp; Damages</b>	80,091	78,377	82,397	2,306	3%	85,537	3,140	4%
This account includes labor for safety meetings, equipment and training expenses.								
<b>Maintenance of District Office Building (Div 1)</b>	515,352	453,633	426,555	(88,797)	-17%	440,391	13,836	3%
<b>TOTAL</b>	<b>\$5,478,477</b>	<b>\$5,655,896</b>	<b>\$6,177,024</b>	<b>698,547</b>	<b>13%</b>	<b>\$6,432,370</b>	<b>\$255,345</b>	<b>4%</b>

## **INFORMATION TECHNOLOGY (IT) (Water Budget)**

The Information Technology (IT) Department is headed by the Chief Information Officer / IT Director and also includes the positions Systems Engineer, SCADA Engineer, Cyber Security & Applications Engineer, GIS Coordinator, and Data Analyst & Administrator positions, responsible for networks, servers, communications, operations technology, physical and cyber security, geographic information systems, databases, systems integration, business intelligence, AMI and desktops. Internal IT staff helps reduce outside contractor costs for the District's data and technology needs, increase IT knowledge of systems security, and provide additional accountability and redundancy.

Information Technology is to implement technology strategies that optimize the operations of the District by providing tools that enable the District to operate faster, better, and more cost efficiently, while providing secure access to critical control, mapping, and information systems. Information Technology's aim is to provide timely, relevant, and accurate information, when and where it is needed, to support sound decisions that improve the quality, efficiency, cost, safety, and environmental footprint of the products and services the District delivers and uses.

To achieve the goals and implement the strategies in the IT Master Plan, utilizing the guiding principles below focusing on leadership and excellence through quality of service, responsiveness, innovation, professionalism, and teamwork. These principles require commitment not only from the District's IT professionals, but from all District employees.

1. Consult and advise department heads to drive IT initiatives according to business needs, goals, and objectives, and developing a sound business case before making any new investment.
2. View IT from the perspective of the entire District and not from the perspective of individual departments.
3. Acquire, manage, and use technology resources economically and efficiently through standardized information technology selection and implementation processes.
4. Securely hold and manage technology assets to protect private information.
5. Develop mechanisms and processes to share information easily within the organization and with customers and partners.
6. Understand that availability and access to technology is a given, and design and build systems accordingly.
7. Aggregate, where feasible, to reduce duplication, and employ information technology that is flexible and interoperable to respond quickly and efficiently to changing business needs.
8. Devise strategies to leverage investments in the District's existing technology.
9. Train the workforce in the skills needed to effectively use IT systems and the information they contain.

## WATER EXPENDITURE DETAIL

<b>INFORMATION TECHNOLOGY (IT)</b>	<b>BUDGET FY19</b>	<b>PRIOR 12 MOS ENDING 3.2019</b>	<b>BUDGET FY20</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>	<b>BUDGET FY21</b>	<b>\$ BUDGET CHANGE</b>	<b>% BUDGET CHANGE</b>
<b>Engineering &amp; SCADA Operations</b>	<b>\$97,032</b>	<b>\$118,536</b>	<b>\$112,333</b>	<b>\$15,301</b>	<b>16%</b>	<b>\$117,822</b>	<b>\$5,490</b>	<b>5%</b>
This account is for the operational use of SCADA, Outage Management and Engineering support.								
<b>GIS/Engineering Operations</b>	<b>93,281</b>	<b>82,415</b>	<b>89,245</b>	<b>(4,036)</b>	<b>-4%</b>	<b>92,927</b>	<b>3,682</b>	<b>4%</b>
This account is for the maintenance of software and data that supports engineering and SCADA.								
<b>Meter Reading</b>	<b>14,871</b>	<b>15,656</b>	<b>38,385</b>	<b>23,514</b>	<b>158%</b>	<b>39,819</b>	<b>1,434</b>	<b>4%</b>
This account is for the maintenance of software and data that supports meter technology and AMI.								
<b>Customer Records</b>	<b>111,677</b>	<b>99,535</b>	<b>109,494</b>	<b>(2,183)</b>	<b>-2%</b>	<b>100,873</b>	<b>(8,622)</b>	<b>-8%</b>
This account is for the maintenance of software and data that supports Customer Information and Customers.								
<b>Administrative &amp; General IT Ops</b>	<b>260,994</b>	<b>307,782</b>	<b>364,690</b>	<b>103,696</b>	<b>40%</b>	<b>380,188</b>	<b>15,499</b>	<b>4%</b>
This account is for the maintenance of hardware and software infrastructure that supports data transport, storage and security.								
<b>Office Supplies &amp; Expenses</b>	<b>20,574</b>	<b>23,515</b>	<b>8,908</b>	<b>(11,667)</b>	<b>-57%</b>	<b>9,175</b>	<b>267</b>	<b>3%</b>
This account includes office supplies, dues, memberships, meeting and training expenses.								
<b>Outside Services Employed</b>	<b>27,810</b>	<b>453</b>	<b>10,000</b>	<b>(17,810)</b>	<b>-64%</b>	<b>10,300</b>	<b>300</b>	<b>3%</b>
This account is for outside professional services contracted to maintain hardware, software and data.								
<b>Safety</b>	<b>1,423</b>	<b>3,285</b>	<b>15,991</b>	<b>14,568</b>	<b>1024%</b>	<b>16,796</b>	<b>805</b>	<b>5%</b>
This account includes department labor for safety meetings, safety equipment and training expenses.								
<b>TOTAL</b>	<b>\$627,662</b>	<b>\$651,177</b>	<b>\$749,045</b>	<b>\$121,383</b>	<b>19%</b>	<b>\$767,900</b>	<b>\$18,855</b>	<b>3%</b>

***PART IV***  
***THE FY20 & FY21 BUDGET***  
***CAPITAL IMPROVEMENT PLAN***  
***ELECTRIC UTILITY***

## ELECTRIC UTILITY CAPITAL PLAN

<u>SOURCE OF FUNDS</u>		<u>SOURCE OF FUNDS</u>	<u>BUDGET FY20</u>	<u>BUDGET FY21</u>
Operations (OP)	OP	\$	3,969,692	\$ 4,209,900
Customer Contributions (CC)	CC		970,208	999,700
Facility Fees (FF)	FF		970,273	72,428
Capital Reserve (CR)	CR		1,388,324	1,772,658
Vehicle Reserve (VR)	VR		445,000	450,000
Total Source of Funds			\$7,743,497	\$7,504,686

### USE OF FUNDS

#### **ELECTRIC OPERATIONS:**

			<u>SOURCE OF FUNDS</u>	<u>BUDGET FY20</u>	<u>BUDGET FY21</u>
New Services - BWO	CC	\$		28,330	\$ 29,185
Commercial Services - BWO	CC			7,277	7,498
Meter Test & Purchase - BWO	CC			94,148	92,511
Purchase & Ins. Transformers - BWO	CC			74,800	77,113
Development Agreements - BWO	CC			692,535	717,792
Flat Fee Construction - BWO	CC			46,591	48,271
Secondary Poles & Conductors - BWO	CC			15,035	15,492
Conduit & Boxes - BWO	CC			11,491	11,838
Line Extension & Upgrades	OP			482,651	500,583
Pole Replacements	OP			554,254	574,324
Various District Projects	CR/OP			266,798	275,011
Electric Master Plan Projects	OP			705,212	1,370,095
Reclosers & Regs - Field Scada	OP			188,402	195,014
Distribution Repl & Improvement	OP			450,506	466,110
Truckee Substation Rebuild	FF			970,273	72,428
SCADA Reliability Phase 5 & 6	OP			875,153	103,232
Electric Operations Building	CR			121,526	1,222,658
Electric SCADA Update	OP			87,036	79,388
Vehicles	VR			445,000	450,000
Subtotal				\$6,117,018	\$6,308,543

## ELECTRIC UTILITY CAPITAL PLAN

**BUILDING MAINTENANCE:**

	SOURCE OF FUNDS	BUDGET FY20	BUDGET FY21
<i>Upstairs Remodel</i>	CR	\$ 550,000	\$ 550,000
<i>District Building Exterior Paint</i>	CR	100,000	-
<i>Ashpalt and Drainage System for Back 40</i>	CR	350,000	-
<i>Subtotal</i>		\$1,000,000	\$550,000

**INFORMATION TECHNOLOGY (IT):**

	SOURCE OF FUNDS	BUDGET FY20	BUDGET FY21
<i>Network Infrastructure Improvement</i>	OP	\$ 431,379	\$ 445,160
<i>Various IT Supported Department Projects</i>	OP	195,100	200,983
<i>Subtotal</i>		\$626,479	\$646,143

<b><i>Total Capital Projects &amp; Equipment</i></b>	<b>\$7,743,497</b>	<b>\$7,504,686</b>
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***PART IV***  
***THE FY20 & FY21 BUDGET***  
***CAPITAL IMPROVEMENT PLAN***  
***WATER UTILITY***

## WATER CAPITAL PLAN

### SOURCE OF FUNDS

<u>SOURCE OF FUNDS</u>		<u>BUDGET FY20</u>		<u>BUDGET FY21</u>
Operations (OP)	OP	\$ 2,252,867	\$	1,738,954
Vehicle Reserve Fund (VR)	VR	160,000		270,000
Operating Reserve Fund (OR)	OR	-		-
<b>Total Source of Funds</b>		<b>\$2,412,867</b>		<b>\$2,008,954</b>

### USE OF FUNDS

<u>SOURCE OF FUNDS</u>		<u>BUDGET FY20</u>		<u>BUDGET FY21</u>
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#### WATER OPERATIONS:

Facilities Metering Improvements	OP	\$ 999,330	\$	-
Water SCADA Replacement Project	OP	645,133		670,110
Martis Woods Pump Station Replacement	OP	-		537,895
Sanders Well Rehabilitation	OP	-		76,696
Control Valve Rehabilitation Project	OP	104,801		99,746
Fiberboard Well Rehabilitation Project	OP	59,764		-
Water Tank Coatings	OP	114,244		115,500
Water Production Meter Replacement	OP	42,585		46,061
Southside Well #1 Rehabilitation	OP	41,336		-
Airport Well	OP	-		45,081
Glenshire Drive Discharge Assembly	OP	102,292		-
Vehicles	VR	160,000		270,000
<b>Subtotal</b>		<b>\$2,269,484</b>		<b>\$1,861,089</b>

#### INFORMATION TECHNOLOGY (IT):

Network Infrastructure Improvements	OP	88,355		91,177
Various IT Projects	OP	55,028		56,687
		<b>\$143,383</b>		<b>\$147,865</b>

**Total Capital Projects & Equipment**

**\$2,412,867**

**\$2,008,954**

***PART V***  
***THE FY20 & FY21 BUDGET***  
***APPENDICES***

**2020 APPENDIX 1**  
**INTERDEPARTMENTAL RENT**

**DISTRICT HEADQUARTERS:**

<i>Building operation/PM/repair</i>	420,885
<i>Depreciation of jointly used assets</i>	<u>592,801</u>
<b>TOTAL COSTS</b>	<u><u>\$1,013,686</u></u>

*The Electric Utility owns the district headquarters.*

*The Water Utility pays the Electric Utility rent for the use of the District headquarters and jointly used assets.*

*The rent is calculated as 50% of the above costs, which is \$506,843 through a monthly rental charge of \$42,237.*

**2021 APPENDIX 1  
INTERDEPARTMENTAL RENT**

***DISTRICT HEADQUARTERS:***

<i>Building operation/PM/repair</i>	433,606
<i>Depreciation of jointly used assets</i>	<u>639,467</u>
<b><i>TOTAL COSTS</i></b>	<b><u><u>\$1,073,073</u></u></b>

*The Electric Utility owns the district headquarters.*

*The Water Utility pays the Electric Utility rent for the use of the District headquarters and jointly used assets.*

*The rent is calculated as 50% of the above costs, which is \$536,536 through a monthly rental charge of \$44,711.*

**APPENDIX 2  
BUDGETED POSITIONS BY DEPARTMENT**

<b>POSITION</b>	<b>BUDGET FY20</b>	<b>BUDGET FY21</b>
<b><u>ADMINISTRATION</u></b>		
General Manager (January to July)	\$177,181	\$278,512
General Manager (July to December)	135,200	-
Public Information & Strategic Affairs Director	181,228	186,665
Executive Secretary	100,913	103,940
Contract Administrator - most dollars in cc6 and cc7	88,073	90,715
Record Coordinator/Tech	60,736	65,686
Administrative Tech	-	<u>67,621</u>
	<u>\$743,332</u>	<u>\$793,139</u>
<b><u>ADMINISTRATIVE SERVICES</u></b>		
Business Operations Manager, HR & Risk Manager	\$145,465	\$157,321
Finance & Accounting Manager	160,368	165,179
Senior Accountant/Accounting Analyst	122,660	126,339
Accounting/Computer Operations Supervisor	88,073	90,715
Work Order Accounting Supervisor	88,073	79,880
Work Order Succession (Jun - Dec 2020, transitioned 2021)	36,930	-
Work Order Clerk	72,413	74,585
Payroll and Accounts Payable Clerk	72,413	74,585
Buyer/Clerk	76,076	78,358
Warehouse/Utility Worker	74,212	76,438
Customer Services Manager	125,661	129,430
Customer Billing and CSR Supervisor	81,819	84,273
Billing Clerk	72,413	74,585
Conservation Specialist	76,034	78,316
Administrative/Community Outreach Coordinator	76,034	-
Customer Service Representatives (4)	266,277	287,980
Overtime	<u>22,488</u>	<u>23,209</u>
	<u>\$1,657,412</u>	<u>\$1,601,193</u>
<b><u>CONSERVATION</u></b>		
Program Manager, CSR & Conservation	<u>\$105,961</u>	<u>\$114,598</u>
	\$105,961	\$114,598
<b><u>ELECTRIC OPERATIONS</u></b>		
Electric Utility Director	\$214,918	\$232,434
Electric Operations Manager	176,812	182,116
Assistant Electric Operations Manager	152,741	165,189
Electric Engineering Manager	176,815	182,119
Electric Engineers (2)	291,275	307,147

**APPENDIX 2  
BUDGETED POSITIONS BY DEPARTMENT**

<b>POSITION</b>	<b>BUDGET FY20</b>	<b>BUDGET FY21</b>
Foreman, Power Services (2)	253,876	261,493
Foreman, Service Crew (1)	126,938	130,747
Foreman, Electricians(1)	126,938	130,747
Electrician/Meter Technician (4)	469,735	483,829
Substation Lineman/Inspector	126,938	130,747
Lead Lineman	120,896	124,523
Journeyman Linemen (7)	826,018	850,799
Apprentice Linemen (3)	269,701	286,428
Standby/Overtime	<u>300,112</u>	<u>309,116</u>
	\$3,633,714	\$3,777,435
 <b><u>IT/GIS</u></b>		
IT Director/CIO	\$194,896	\$200,743
IT/SCADA Engineer	134,846	138,892
GIS Coordinator	122,660	126,339
Network & System Administrator	128,804	132,669
Data Analyst & Administrator	105,968	114,604
IT Security & Applications Manager	<u>145,459</u>	<u>157,312</u>
	\$832,632	\$870,559
 <b><u>WATER OPERATIONS</u></b>		
Water Utility Director	\$160,372	\$165,183
Water System Engineer	181,228	186,665
Water Superintendent	58,411	126,341
Water Quality Inspector	115,132	118,587
Water Foremen (2)	230,264	237,174
Water Leadmen (2)	203,915	210,034
Water Service Technicians - (5)	473,574	487,781
Water Service Technicians - in Training (2)	167,729	176,975
Facilities Maintenance Coordinator	85,910	88,487
Mechanic	107,035	110,246
Standby/Overtime	<u>194,742</u>	<u>200,585</u>
	\$1,978,313	\$2,108,059
 <b>TOTAL</b>	 <b><u>\$8,951,365</u></b>	 <b><u>\$9,264,983</u></b>

**2020 APPENDIX 3  
LABOR OVERHEAD**

**VALUE OF BENEFITS**

<i>Medical /Dental insurance</i>	\$2,666,384
<i>Vision insurance</i>	65,564
<i>Long term disability</i>	38,054
<i>Life insurance</i>	62,182
<i>Longevity</i>	17,840
<i>FICA</i>	556,473
<i>Fed Med</i>	130,143
<i>Worker's compensation insurance</i>	300,082
<i>Pension</i>	2,224,671
<i>Other Post Employment Benefits</i>	110,000
<i>Value of non-productive labor (vacation, sick leave, holiday)</i>	1,264,966

**TOTAL VALUE OF BENEFITS**

**\$7,436,358**

**PRODUCTIVE LABOR**

<i>Recommended labor (Appendix 2)</i>	\$8,951,365
<i>Less value of non-productive labor</i>	<u>(1,264,966)</u>

**TOTAL PRODUCTIVE LABOR**

**\$7,686,399**

**PAYROLL OVERHEAD**

*(Value of benefits/productive labor)*

**96.75%**

**2021 APPENDIX 3  
LABOR OVERHEAD**

**VALUE OF BENEFITS**

<i>Medical /Dental insurance</i>	\$2,719,708
<i>Vision insurance</i>	67,531
<i>Long term disability</i>	39,399
<i>Life insurance</i>	64,392
<i>Longevity</i>	19,570
<i>FICA</i>	575,917
<i>Fed Med</i>	134,690
<i>Worker's compensation insurance</i>	308,441
<i>Pension</i>	2,525,170
<i>Other Post Employment Benefits</i>	113,300
<i>Value of non-productive labor (vacation, sick leave, holiday)</i>	1,256,225

**TOTAL VALUE OF BENEFITS**

**\$7,824,343**

**PRODUCTIVE LABOR**

<i>Recommended labor (Appendix 2)</i>	\$9,264,983
<i>Less value of non-productive labor</i>	<u>(1,256,225)</u>

**TOTAL PRODUCTIVE LABOR**

**\$8,008,758**

**PAYROLL OVERHEAD**

*(Value of benefits/productive labor)*

**97.70%**

**2020 APPENDIX 4  
TRANSPORTATION OVERHEAD**

*This appendix assumes that the cost of operating, maintaining and replacing District vehicles and equipment will be recognized as an overhead charged against direct labor that uses the vehicles.*

**TRANSPORTATION & EQUIPMENT EXPENSE**

<i>Vehicle operation, repair, fuels &amp; misc expenses</i>	\$560,631
<i>Insurance</i>	28,150
<i>Replacement (depreciation expense)</i>	<u>369,721</u>
<b>TOTAL TRANSPORTATION EXPENSE</b>	<u><u>\$958,502</u></u>

**DIRECT LABOR HOURS**

<i>General Manager</i>	3,927
<i>Administrative Services</i>	185
<i>Conservation</i>	334
<i>Electric Operations</i>	44,255
<i>Water Operations</i>	33,625
<i>Power Supply</i>	<u>2,320</u>
<b>TOTAL DIRECT LABOR HOURS</b>	<u><u>84,646</u></u>

**TRANSPORTATION/EQUIPMENT OVERHEAD PER HOUR COST**

**\$11.32**

**2021 APPENDIX 4  
TRANSPORTATION OVERHEAD**

*This appendix assumes that the cost of operating, maintaining and replacing District vehicles and equipment will be recognized as an overhead charged against direct labor that uses the vehicles.*

**TRANSPORTATION & EQUIPMENT EXPENSE**

<i>Vehicle operation, repair, fuels &amp; misc expenses</i>	\$578,545
<i>Insurance</i>	28,995
<i>Replacement (depreciation expense)</i>	<u>380,812</u>
<b>TOTAL TRANSPORTATION EXPENSE</b>	<b><u><u>\$988,352</u></u></b>

**DIRECT LABOR HOURS**

<i>General Manager</i>	5,445
<i>Administrative Services</i>	185
<i>Conservation</i>	334
<i>Electric Operations</i>	44,255
<i>Water Operations</i>	34,595
<i>Power Supply</i>	<u>2,320</u>
<b>TOTAL DIRECT LABOR HOURS</b>	<b><u><u>87,134</u></u></b>

**TRANSPORTATION/EQUIPMENT OVERHEAD PER HOUR COST**

**\$11.34**

**2020 APPENDIX 5  
ADMINISTRATIVE OVERHEAD**

**COMMON SUPPLY COSTS:**

***Purchasing/Warehousing of Common Supplies***

<i>Labor</i>	\$136,479
<i>Accounts Payable</i>	43,792
<i>Overhead:</i>	
<i>Labor</i>	123,800
<i>Administrative</i>	6,701
	<hr/> 310,772

***Warehousing Operating Costs***

<i>Utilities &amp; Building Maintenance</i>	25,005
<i>Miscellaneous (insurance)</i>	6,500
<i>Subtotal</i>	<hr/> 31,505

**TOTAL PURCHASING/WAREHOUSING/COMMON SUPPLIES** \$342,276

**TOTAL PRODUCTIVE LABOR** \$7,686,399

**ADMINISTRATIVE OVERHEAD** **4.45%**

**2021 APPENDIX 5  
ADMINISTRATIVE OVERHEAD**

**COMMON SUPPLY COSTS:**

***Purchasing/Warehousing of Common Supplies***

<i>Labor</i>	\$140,577
<i>Accounts Payable</i>	45,106
<i>Overhead:</i>	
<i>Labor</i>	127,518
<i>Administrative</i>	6,902
	<hr/> 320,103

***Warehousing Operating Costs***

<i>Utilities &amp; Building Maintenance</i>	25,760
<i>Miscellaneous (insurance)</i>	6,695
<i>Subtotal</i>	<hr/> 32,455

**TOTAL PURCHASING/WAREHOUSING/COMMON SUPPLIES** \$352,558

**TOTAL PRODUCTIVE LABOR** \$8,008,758

**ADMINISTRATIVE OVERHEAD** **4.40%**

**2020 APPENDIX 6  
CONSTRUCTION OVERHEAD**

**General direction and general construction costs from budget:**

Electric Operations	\$137,583
Water Operations	93,045
<b>Total</b>	<u><u>\$230,629</u></u>

**Determine capitalized labor as a percent of total labor:**

$$\frac{\text{Capitalized Labor}}{\text{Total Electric \& Water Labor}} = \frac{\$1,456,779}{\$5,120,231} = 28.45\%$$

**Determine construction overhead to be capitalized:**

Total General direction & construction costs	\$230,629	
% of labor to be capitalized	<u>28.45%</u>	
General direction & construction costs to capitalize	\$65,617	
Construction accounting costs to capitalize	<u>185,227</u>	
	<u>\$250,844</u>	

**Calculate construction overhead to be applied to capital improvements:**

$$\frac{\text{Capital Overhead}}{\text{Capital Labor}} = \frac{\$250,844}{\$1,456,779} = 17.22\%$$

**CONSTRUCTION OVERHEAD = 17.22%**

**2021 APPENDIX 6  
CONSTRUCTION OVERHEAD**

**General direction and general construction costs from budget:**

<i>Electric Operations</i>	\$143,307
<i>Water Operations</i>	114,409
<b>Total</b>	<u><u>\$257,716</u></u>

**Determine capitalized labor as a percent of total labor:**

$$\frac{\text{Capitalized Labor}}{\text{Total Electric \& Water Labor}} = \frac{\$1,526,321}{\$5,333,595} = 28.62\%$$

**Determine construction overhead to be capitalized:**

<i>Total General direction &amp; construction costs</i>	\$257,716
<i>% of labor to be capitalized</i>	<u>28.62%</u>
<i>General direction &amp; construction costs to capitalize</i>	\$73,751
<i>Construction accounting costs to capitalize</i>	<u>184,880</u>
	\$258,630

**Calculate construction overhead to be applied to capital improvements:**

$$\frac{\text{Capital Overhead}}{\text{Capital Labor}} = \frac{\$258,630}{\$1,526,321} = 16.94\%$$

**CONSTRUCTION OVERHEAD = 16.94%**

**APPENDIX 7**  
**ELECTRIC DEBT SCHEDULE**  
**Principal and Interest Payments**

<b>YEAR</b>	<b>Refinanced Pension Liability</b>	<b>TOTAL</b>
2020	1,035,094	1,035,094
2021	1,071,555	1,071,555
2022	545,657	545,657
	<u>2,652,305</u>	<u>2,652,305</u>

**Loan Descriptions :**

*In 2011, an existing pension liability was refinanced saving the District more than \$1 million over the term.*

**Debt Payments:**

*Funded by electric and water rates.*

**APPENDIX 8**  
**WATER DEBT SCHEDULE**  
*Principal and Interest Payments*

<b>YEAR</b>	<b>Pipeline COP Rates</b>	<b>Pipeline COP FF</b>	<b>Pipeline COP Assmt</b>	<b>DWR-SRF DONNER LAKE Assmt</b>	<b>DWR PROP 55 Rates</b>	<b>TOTAL</b>
2020	1,265,881	357,617	97,973	800,852	306,481	2,828,804
2021	1,252,412	356,179	96,216	800,852	153,241	2,658,899
2022	576,869	358,008	99,060	800,852		1,834,790
2023	577,228	358,672	97,837	800,852		1,834,590
2024	573,008	359,233	100,297	800,852		1,833,390
2025	576,529	360,884	97,925	800,852		1,836,190
2026	573,196	359,005	99,736			1,031,938
2027	575,581	359,806	97,150			1,032,538
2028	574,322	358,474	99,142			1,031,938
2029	570,555	360,101	100,444			1,031,100
2030	575,893	359,147	97,360			1,032,400
2031	574,705	359,524	98,421			1,032,650
2032	573,333	357,313	100,104			1,030,750
2033	575,711	359,424	101,490			1,036,625
2034	574,484	359,309	97,207			1,031,000
2035		306,800				306,800
	9,989,706	5,689,499	1,480,360	4,805,112	459,721	22,424,398

**Loan Descriptions :**

*Pipeline COP - Water system improvements and Donner Lake financing*

*DWR/SRF - Replacement of Donner Lake Water System*

*DWR/Prop 55 - Water system improvement projects*

**Debt Payments:**

*The Water debt payments are funded by development (FF), current customers (rates) and special assessm*

*The method of payment for the water debt is listed in the column headings.*

**APPENDIX 9  
VEHICLE REPLACEMENT SCHEDULE**

<b>UNIT #</b>	<b>DESCRIPTION</b>	<b>DEPARTMENT</b>	<b>AGE</b>	<b>REPLACEMENT</b>
281	93 Fleming Spool Trailer	Electric	26	2019
203	06 Chevy Silverado 1500	Electric	13	2019
369	05 Freight liner/ Mudd Dog	Water	14	2019
580	01 Trackless Snowblower	Support Services	18	2020
200	06 Chevy Silverado	Electric	13	2020
228	08 GMC 2500HD	Electric	11	2020
	New 2500 Truck	Electric	0	2020
373	98 Dump Trailer	Water	21	2020
301	06 Chevy Silverado 3500	Water	13	2020
201	08 GMC 3500 HD	Electric	11	2020
503	06 Chevy Silverado 3500	Support Services	13	2020
324	11 Ford F-550	Water	8	2020
216	07 Int'l SC-45 Bucket Truck 4WD	Electric	12	2021
378	89 Backhoe Transport Trailer	Water	30	2021
343	08 Chevy Silverado 3500	Water	11	2021
323	11 Ford F-550	Water	8	2021
325	11 Ford F-550	Water	8	2021
379	06 Halmark Leak Trailer	Water	13	2021
206	10 Chrvy Silverado 2500 HD	Electric	9	2022
501	07 Chevy Silverado 1500	Support Services	12	2022
136	08 Chevy Colorado	Electric	11	2022
135	07 Chevy Colorado	Admin	12	2022
106	13 Ford Escape	Admin	6	2023
295	08 John Deer 35D	Electric	11	2023
306	13 GMC Sierra 2500hd	Water	6	2023
307	13 GMC Sierra 2500hd	Water	6	2023
314	08 John Deer 410 J	Water	11	2023
288	04 Underground wire puller/tugger	Electric	15	2024
289	04 SnowCat	Electric	15	2024
107	14 Jeep Cherokee	Admin	5	2024
123	14 Chevy Van	Admin	5	2024
109	15 Jeep Cherokee	Admin	4	2025
110	15 Jeep Cherokee	Admin	4	2025
207	13 GMC Sierra 2500HD	Electric	6	2025
230	18 Chevrolet K1500	Electric	1	2025

**APPENDIX 9  
VEHICLE REPLACEMENT SCHEDULE**

<b>UNIT #</b>	<b>DESCRIPTION</b>	<b>DEPARTMENT</b>	<b>AGE</b>	<b>REPLACEMENT</b>
231	18 Chevrolet K1500	Electric	1	2025
108	15 Jeep Cherokee	Admin	4	2025
111	15 Jeep Cherokee	Admin	4	2025
320	10 International Dump Truck	Water	9	2025
205	06 Chevy Silverado 3500	Electric	13	2026
210	11 International/ Altec 3050A	Electric	8	2026
326	16 Ford F-550	Water	3	2026
399	12 New Holland	Water	7	2027
283	72 Small Spool Trailer	Electric	47	2028
208	18 Chevy 2500	Electric	1	2028
308	18 Chevy K1500	Water	1	2028
309	18 Chevy K1500	Water	1	2028
310	18 Chevy K1500	Water	1	2028
330	13 International Dump Truck	Water	6	2028
285	14 Overhead Wire Puller	Electric	5	2029
290	04 Trailer, Snowcat	Electric	15	2029
291	04 Dump Trailer	Electric	15	2029
121	19 Jeep Grand Cherokee	Electric	0	2029
233	19 Chevrolet K2500	Electric	0	2029
235	19 Chevrolet K2500	Electric	0	2029
237	19 Chevrolet K2500	Electric	0	2029
223	14 Int'l 7500 Bucket Trucke 4WD	Electric	5	2029
389	14 EH Wachs Trailer	Water	5	2029
315	15 John Deere 410 L	Water	4	2030
360	15 Caterpillar 926M	Water	4	2030
292	06 Spool Trailer	Electric	13	2031
219	16 Ford Mini Bucket F550	Electric	3	2031
225	16 International /Navistar 7400	Electric	3	2031
395	16 Compact Excavator Caterpillar 305.5E2	Water	3	2031
385	16 HALLMARK Trailer	Water	3	2031
293	06 Pole Trailer	Electric	13	2032