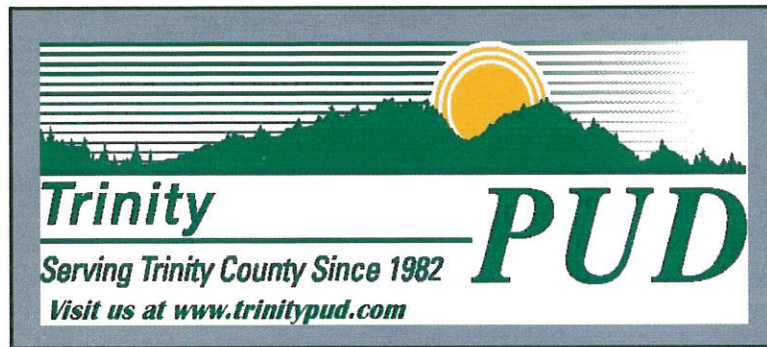


# FISCAL YEAR 2016/2017 BUDGET



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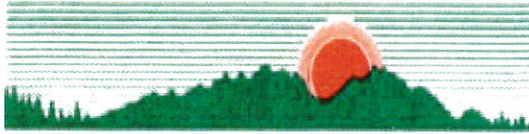
# **TRINITY PUBLIC UTILITIES DISTRICT**

## **FY 16/17 BUDGET**

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# **BUDGET MEMORANDUM**



# Trinity Public Utilities District

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## Memorandum

**To:** Trinity P.U.D. Board of Directors

**From:** Paul Hauser

**Date:** June 09, 2016

**Re:** Fiscal Year 16/17 Budget

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The Fiscal Year (FY) 16/17 Budget estimates operating receipts to be \$12,206,565 or approximately 3% more than last year's operating receipts of \$11,853,703. This year's Budget includes \$10,474,474 for Operating Expenses and \$3,342,811 for Capital Expenditures. \$1,460,720 from Reserves and the County's annual loan repayment \$150,000 are necessary in order to balance the Budget. The Budget includes the carryover of the continued/extended Capital/System Improvement Plan (\$255,837) as well as replacing the radio repeater (\$50,000) and one large vehicle (\$225,000). There are also two planned vehicle and trailer purchases as well as on-going maintenance of the System.

The current Fiscal Year will end with reserve balances that are approximately \$334,500 more than projected in the FY 15/16 Budget. Reserve balances for the current Fiscal Year were budgeted to drop \$2.256 million. The largest reason for the reduction to reserves not being as great as forecasted is that capital projects and purchases anticipated in FY 15/16 have been delayed in to FY 16/17.

FY 16/17 should begin with nearly \$5.4 million in Contingency Reserves. However, this reserve will fall unless the District increases its rates to be in line with inflationary spending.

The current water year is not an above average water year even with all of the rain and snow we experienced this winter. The Five Year Financial Forecast assumes that the Drought Relief Surcharge will remain.

The most sensitive aspect of the Budget is the Projected Load Growth. There are many moving pieces driving load growth that are difficult to predict. While the District saw an increase to electric consumption over the past year, it is still below pre-drought growth. The Trinity River Lumber Mill has fully recovered from the fire and appears to be doing well, however the proposed increase to the spotted owl's critical habitat could negatively impact future mill operations causing reduced electric consumption. Of course, normal weather variations have a significant year-to-year influence on customer's electric usage.

The 16/17 budgeted Total Labor Costs continue to provide for overtime wages due to normal weather conditions. The weather conditions over the previous two years have been very mild; therefore the Budget has been conservative. It is also assumed that there will be no raises for District personnel in FY 16/17.

The significant non-recurring Capital Expenses for FY 16/17 are:

1. Scheduled replacement of the 2003 Tucker-Terra Boom Snowcat (\$225,000);
2. Continued work on System Improvements (\$256,000);

Without some combination of exceptional load growth and significantly reduced power costs, a rate increase will be necessary in order to maintain operations and maintenance of the District's infrastructure. Any combination of decreased electric consumption and continued drought will hasten the need for a rate increase to prevent reserves from falling too low or having the District's debt service coverage ratio decrease below the minimum requirement.

The District should be able to maintain its Standard and Poor's rating of AA- and Moody's A2 rating. However, it should be noted that any number of events, particularly legislative or regulatory mandates, can alter the financial outlook. Nevertheless, the District is in little danger of losing its favorable comparison of rates with other California utilities. Staff expects that the total price the District's customers pay for their electric service will remain among the lowest, if not be the lowest, in California for many years into the future.

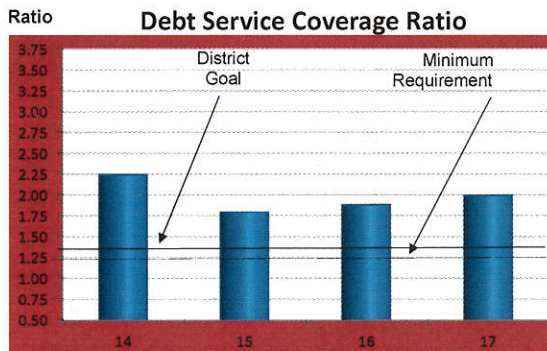
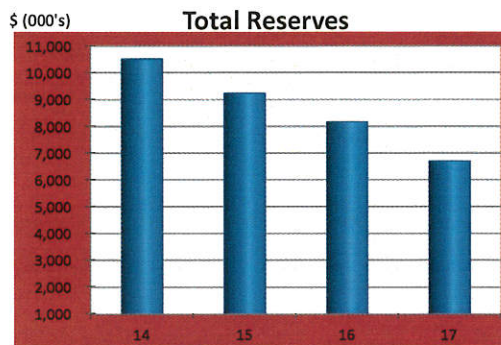
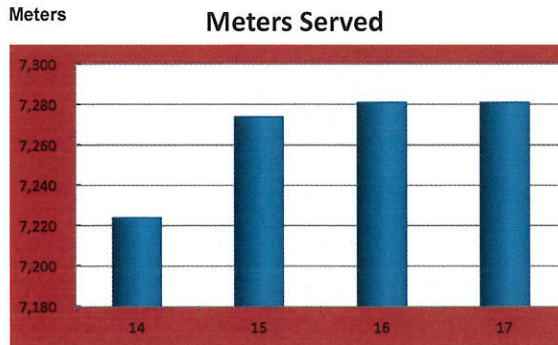
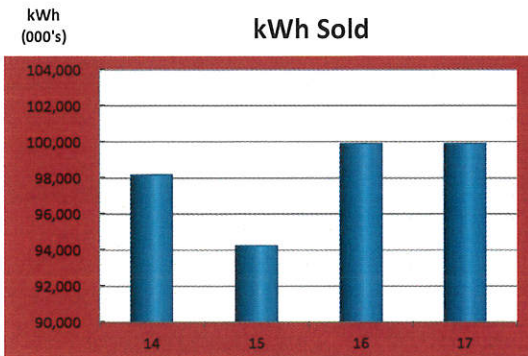
**BUDGET**  
**FY 16/17**

## Trinity Public Utilities District

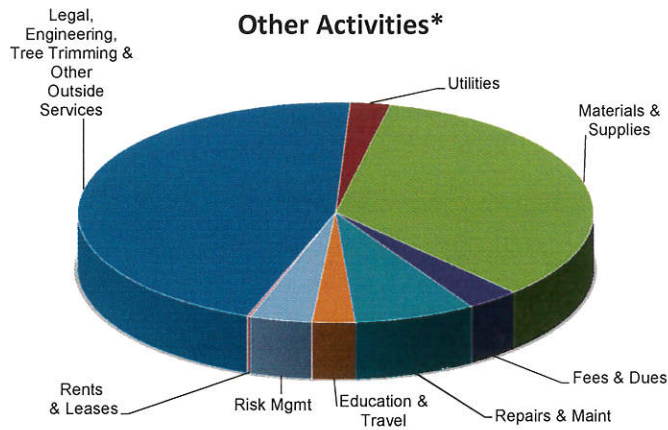
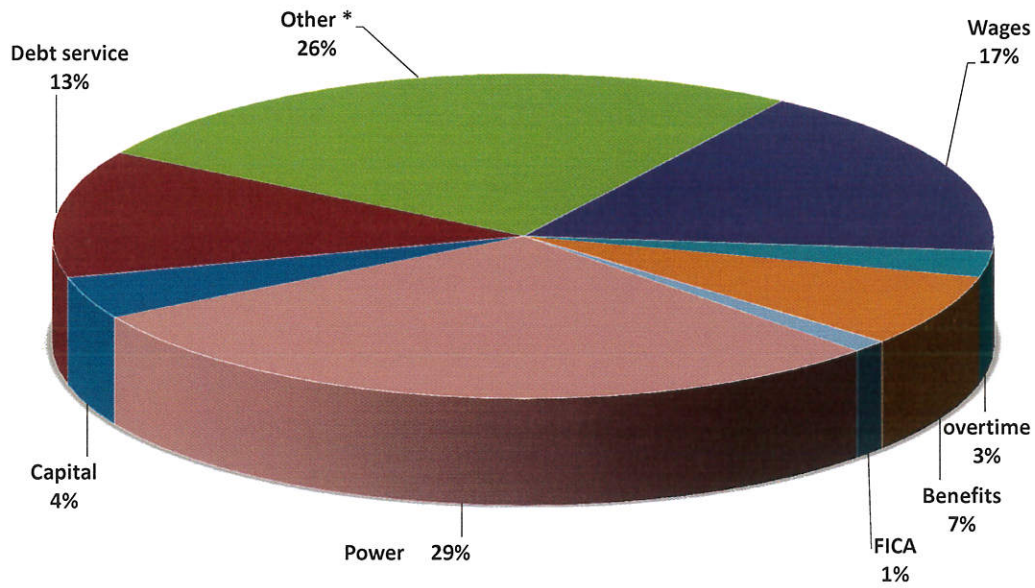
### Budget Overview

#### FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
Operating receipts	11,400,166	10,674,404	-6.4%	11,853,703	11.0%	12,206,565	3.0%
Operating expenditures	8,909,967	9,290,496	4.3%	10,314,090	11.0%	10,474,474	1.6%
<b>Available for capital</b>	<b>2,490,199</b>	<b>1,383,908</b>	<b>-44.4%</b>	<b>1,539,613</b>	<b>11.3%</b>	<b>1,732,091</b>	<b>12.5%</b>
County/MCMS transactions	146,772	150,509	2.5%	150,000	-0.3%	150,000	0.0%
Capital outlay	2,242,217	2,809,928	25.3%	2,759,747	-1.8%	3,342,811	21.1%
Bond/loan proceeds	(5,740,000)	-	-	-	-	-	-
<b>Change in reserves</b>	<b>(5,345,246)</b>	<b>(1,275,511)</b>	<b>-76.1%</b>	<b>(1,070,134)</b>	<b>-16.1%</b>	<b>(1,460,720)</b>	<b>36.5%</b>
<b>Reserves balances (end of year)</b>							
Restricted	1,773,534	1,777,528	0.2%	1,788,574	0.6%	1,772,370	-0.9%
Encumbered	1,090,096	857,873	-21.3%	592,836	-30.9%	1,283,445	116.5%
Customer funds	94,449	198,529	110.2%	203,035	2.3%	197,969	-2.5%
Dedicated	208,333	100,334	-51.8%	194,778	94.1%	248,852	27.8%
<b>Total other reserves</b>	<b>3,166,413</b>	<b>2,934,264</b>	<b>-7.3%</b>	<b>2,779,222</b>	<b>-5.3%</b>	<b>3,502,636</b>	<b>26.0%</b>
<b>Contingency reserves</b>	<b>7,348,550</b>	<b>6,305,188</b>	<b>-14.2%</b>	<b>5,390,095</b>	<b>-14.5%</b>	<b>3,205,962</b>	<b>-40.5%</b>
<b>Total reserves</b>	<b>10,514,963</b>	<b>9,239,452</b>	<b>-12.1%</b>	<b>8,169,318</b>	<b>-11.6%</b>	<b>6,708,597</b>	<b>-17.9%</b>
<b>Debt service coverage ratio</b>	<b>2.24</b>	<b>1.79</b>	<b>-20.0%</b>	<b>1.88</b>	<b>-16.1%</b>	<b>2.00</b>	<b>6.0%</b>



## Trinity Public Utilities District Costs by Activities FY 16/17 Budget





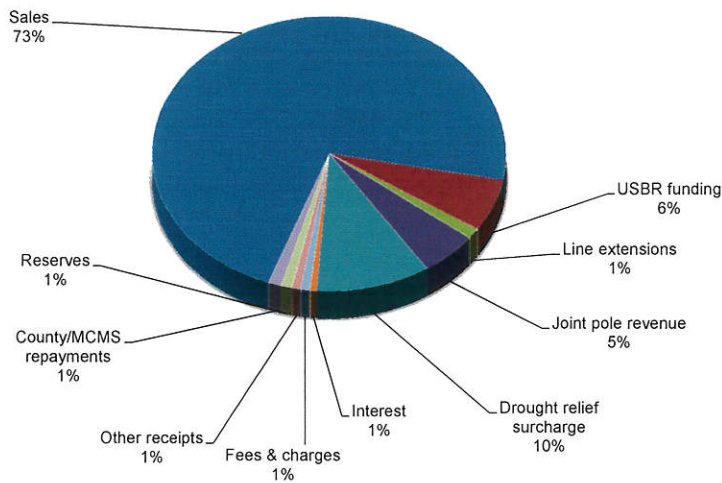
## Trinity Public Utilities District Budget Summary FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Revenues</b>							
Energy sales	7,421,540	7,110,762	-4.2%	9,009,941	26.7%	9,063,195	0.6%
Surcharge receipts	2,571,116	2,452,531	-4.6%	1,321,809	-46.1%	1,305,801	-1.2%
Other receipts	1,407,510	1,111,111	-21.1%	1,521,952	37.0%	1,837,568	20.7%
<b>Total</b>	<b>11,400,166</b>	<b>10,674,404</b>	<b>-6.4%</b>	<b>11,853,703</b>	<b>11.0%</b>	<b>12,206,565</b>	<b>3.0%</b>
<b>Expenses</b>							
Power acquisition	2,634,067	3,537,064	34.3%	4,202,849	18.8%	4,207,078	0.1%
Operations & maintenance	2,371,399	2,168,556	-8.6%	2,485,094	14.6%	2,543,586	2.4%
Customer accounts	811,823	780,340	-3.9%	829,949	6.4%	733,354	-11.6%
Administrative & general	1,033,031	1,005,315	-2.7%	993,363	-1.2%	1,188,999	19.7%
Debt & financing	2,059,647	1,799,221	-12.6%	1,802,835	0.2%	1,801,457	-0.1%
<b>Total</b>	<b>8,909,967</b>	<b>9,290,496</b>	<b>4.3%</b>	<b>10,314,090</b>	<b>11.0%</b>	<b>10,474,474</b>	<b>1.6%</b>
<b>Available for capital</b>	<b>2,490,199</b>	<b>1,383,908</b>	<b>-44.4%</b>	<b>1,539,613</b>	<b>11.3%</b>	<b>1,732,091</b>	<b>12.5%</b>
<b>Capital outlay</b>							
Distribution/Transmission	1,975,412	1,915,453	-3.0%	1,890,983	-1.3%	2,858,974	51.2%
Substations	16,443	754,065		754,065		255,837	
Customer accounts	179,505	124,656	-30.6%	113,701	-8.8%	198,000	74.1%
Property and facilities	70,857	15,754		998		30,000	2906.0%
<b>Total</b>	<b>2,242,217</b>	<b>2,809,928</b>	<b>25.3%</b>	<b>2,759,747</b>	<b>-1.8%</b>	<b>3,342,811</b>	<b>21.1%</b>
<b>Bond proceeds</b>	<b>(5,740,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
County/MCMS transactions	146,772	150,509		150,000		150,000	
<b>Change in reserves</b>	<b>(5,345,246)</b>	<b>(1,275,511)</b>	<b>-76.1%</b>	<b>(1,070,134)</b>	<b>-16.1%</b>	<b>(1,460,720)</b>	<b>36.5%</b>
<b>Reserves balances (end of year)</b>							
Restricted	1,773,534	1,777,528	0.2%	1,788,574	0.6%	1,772,370	-0.9%
Encumbered	1,090,096	857,873	-21.3%	592,836	-30.9%	1,283,445	116.5%
Customer funds	94,449	198,529	110.2%	203,035	2.3%	197,969	-2.5%
Dedicated	208,333	100,334	-51.8%	194,778	94.1%	248,852	27.8%
Contingency	7,348,550	6,305,188	-14.2%	5,390,095	-14.5%	3,205,962	-40.5%
<b>Total reserves</b>	<b>10,514,963</b>	<b>9,239,452</b>	<b>-12.1%</b>	<b>8,169,318</b>	<b>-11.6%</b>	<b>6,708,597</b>	<b>-17.9%</b>

## Trinity Public Utilities District Fund Sources and Uses Summary FY 16/17 Budget

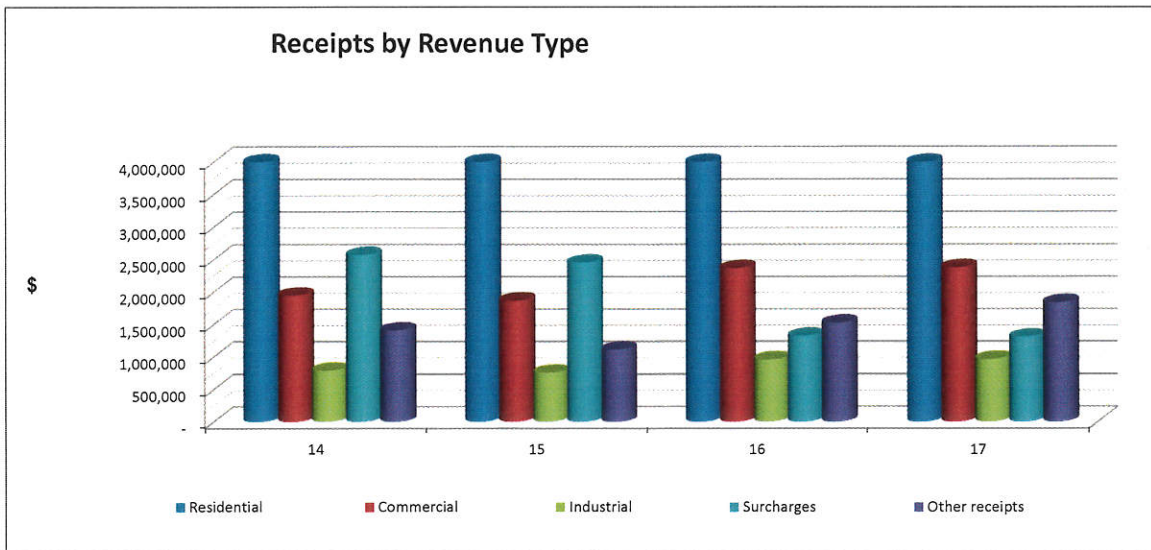
	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Fund Sources</b>							
<b>Receipts</b>							
Energy sales	7,421,540	7,110,762	-4.2%	9,009,941	26.7%	9,063,195	0.6%
Other receipts	3,978,626	3,563,642	-10.4%	2,843,761	-20.2%	3,143,370	10.5%
<b>Total</b>	<b>11,400,166</b>	<b>10,674,404</b>	<b>-6.4%</b>	<b>11,853,703</b>	<b>11.0%</b>	<b>12,206,565</b>	<b>3.0%</b>
<b>Reserves/proceeds</b>							
County/MCMS repayments	143,114	150,510	5.2%	150,000	-0.3%	150,000	0.0%
Bond/Loan proceeds	-	-	-	-	-	-	-
Line extension loans	15,346	17,995	17.3%	23,534	30.8%	5,349	-77.3%
Restricted reserves	-	-	-	-	-	-	-
Dedicated reserves	42,500	100,334	136.1%	383,000	281.7%	124,333	-67.5%
<b>Total</b>	<b>200,960</b>	<b>268,839</b>	<b>33.8%</b>	<b>556,534</b>	<b>107.0%</b>	<b>279,682</b>	<b>-49.7%</b>
<b>Total sources</b>	<b>11,601,126</b>	<b>10,943,243</b>	<b>-5.7%</b>	<b>12,410,237</b>	<b>7.0%</b>	<b>12,486,247</b>	<b>0.6%</b>
<b>Fund Uses</b>							
Operating expenditures	8,909,967	9,290,496	4.3%	10,314,090	11.0%	10,474,474	1.6%
Capital outlay	2,242,217	2,809,928	25.3%	2,759,747	-1.8%	3,342,811	21.1%
County/MCMS funding	-	-	-	-	-	-	-
Fund transfers	3,781,635	(113,820)	-103.0%	251,493	-321.0%	853,096	239.2%
<b>Total uses</b>	<b>14,933,819</b>	<b>11,986,605</b>	<b>-19.7%</b>	<b>13,325,330</b>	<b>11.2%</b>	<b>14,670,381</b>	<b>10.1%</b>
<b>Change in contingency reserves</b>	<b>(3,332,693)</b>	<b>(1,043,362)</b>	<b>-68.7%</b>	<b>(915,093)</b>	<b>-12.3%</b>	<b>(2,184,134)</b>	<b>138.7%</b>

**Sources  
FY 16/17**



## Trinity Public Utilities District Receipts Summary FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Sales</b>							
Zone A	3,841,705	3,687,036	-4.0%	4,691,355	27.2%	4,743,826	1.1%
Zone B	3,579,835	3,423,726	-4.4%	4,318,587	26.1%	4,319,369	0.0%
<b>Total Sales</b>	<b>7,421,540</b>	<b>7,110,762</b>	<b>-4.2%</b>	<b>9,009,941</b>	<b>26.7%</b>	<b>9,063,195</b>	<b>0.6%</b>
<b>Surcharges</b>							
Deregulation surcharge	1,385,173	1,321,131	-4.6%	104,877	-92.1%	-	-100.0%
Drought Relief surcharge	1,185,943	1,131,400	100.0%	1,216,932	7.6%	1,305,801	7.3%
	<b>2,571,116</b>	<b>2,452,531</b>	<b>-4.6%</b>	<b>1,321,809</b>	<b>-46.1%</b>	<b>1,305,801</b>	<b>-1.2%</b>
<b>Other receipts</b>							
Fees and charges	123,639	104,916	-15.1%	97,991	-6.6%	104,396	6.5%
Line extensions	175,998	188,930	7.3%	211,322	11.9%	150,636	-28.7%
Line extension amortizations	-	-	0.0%	3,842	0.0%	5,349	
Interest	33,785	23,725	-29.8%	22,615	-4.7%	76,204	237.0%
USBR funding	953,062	760,874	-20.2%	788,570	3.6%	770,346	-2.3%
Joint pole/pole contact income	18,904	18,904	0.0%	277,683	1368.9%	650,460	134.2%
Other misc. income	102,122	13,762	-86.5%	140,216	918.9%	100,000	-28.7%
Uncollectibles	-	-	0.0%	(20,286)	0.0%	(19,822)	
<b>Total</b>	<b>1,407,510</b>	<b>1,111,111</b>	<b>-21.1%</b>	<b>1,521,952</b>	<b>37.0%</b>	<b>1,837,568</b>	<b>20.7%</b>
<b>Total</b>	<b>11,400,166</b>	<b>10,674,404</b>	<b>-6.4%</b>	<b>11,853,703</b>	<b>11.0%</b>	<b>12,206,565</b>	<b>3.0%</b>
Bond/Loan proceeds	(5,740,000)	-		-		-	
<b>Total receipts</b>	<b>5,660,166</b>	<b>10,674,404</b>	<b>88.6%</b>	<b>11,853,703</b>	<b>11.0%</b>	<b>12,206,565</b>	<b>3.0%</b>



## Trinity Public Utilities District

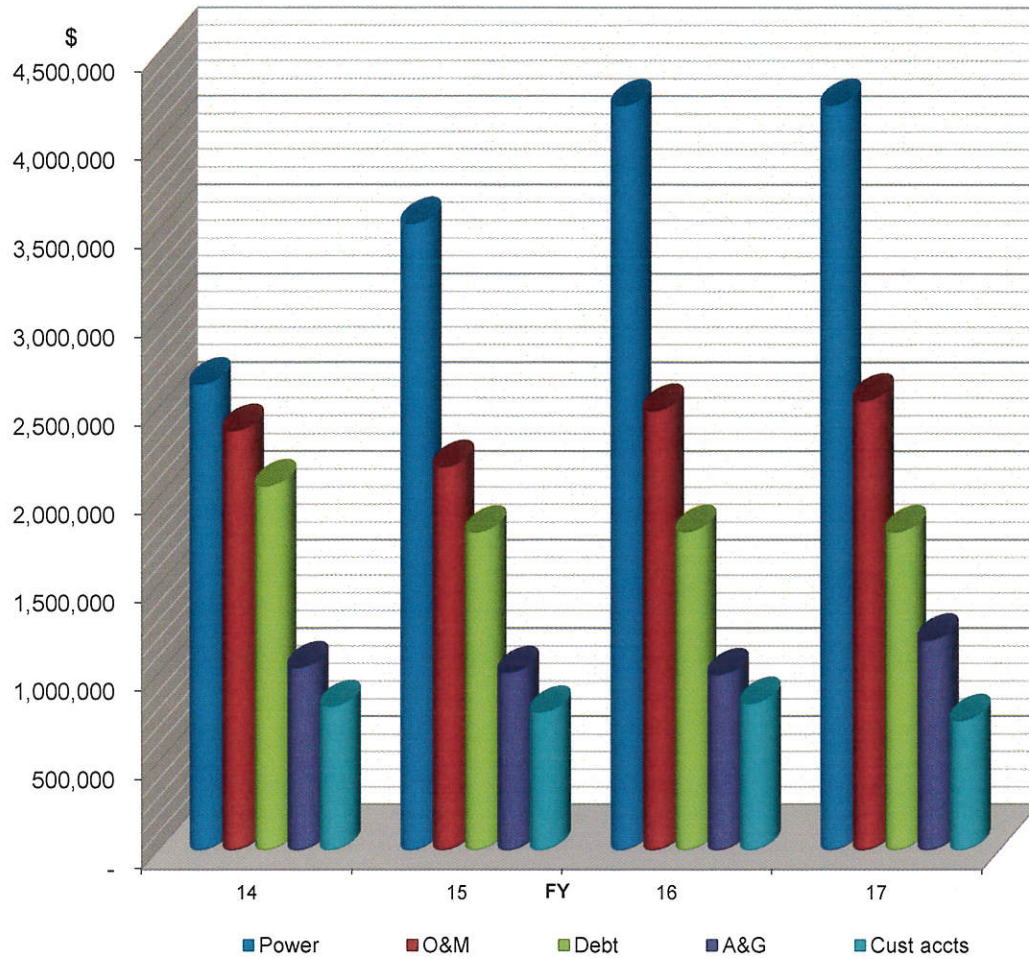
### Operating Expenditures Summary

FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Power acquisition</b>							
Purchased power	2,429,523	3,318,857	36.6%	3,972,613	19.7%	4,009,115	0.9%
Transmission	-	-		-	0.0%	-	0.0%
USBR/WAPA O&M	-	-		-	0.0%	-	0.0%
Revenue adjustment clause	-	-		-	0.0%	-	0.0%
Other	204,544	218,207	6.7%	230,236	5.5%	197,962	-14.0%
<b>Total</b>	<b>2,634,067</b>	<b>3,537,064</b>	<b>34.3%</b>	<b>4,202,849</b>	<b>18.8%</b>	<b>4,207,078</b>	<b>0.1%</b>
<b>Operations &amp; maintenance</b>							
System	70,381	67,608	-3.9%	66,052	-2.3%	230,964	249.7%
Overhead distribution	2,213,491	1,969,056	-11.0%	2,279,702	15.8%	2,069,009	-9.2%
Transmission & UG distribution	30,262	18,188	-39.9%	35,143	93.2%	47,136	34.1%
Lighting	5,000	2,911	-41.8%	4,000	37.4%	25,305	100%
Buildings/property	7,900	5,150	-34.8%	8,096	57.2%	32,211	297.9%
Other	44,365	105,643	138.1%	92,101	-12.8%	138,961	50.9%
<b>Total</b>	<b>2,371,399</b>	<b>2,168,556</b>	<b>-8.6%</b>	<b>2,485,094</b>	<b>14.6%</b>	<b>2,543,586</b>	<b>2.4%</b>
<b>Customer accounts</b>							
Account maintenance	580,614	546,297	-5.9%	569,939	4.3%	536,052	-5.9%
Meter reading/turtle maint.	170,304	171,714	0.8%	196,289	14.3%	133,138	-32.2%
Customer relations	60,455	62,329	3.1%	63,721	2.2%	62,163	-2.4%
Other	450	-		-	0.0%	2,000	0.0%
<b>Total</b>	<b>811,823</b>	<b>780,340</b>	<b>-3.9%</b>	<b>829,949</b>	<b>6.4%</b>	<b>733,354</b>	<b>-11.6%</b>
<b>Administrative and general</b>							
Utilities	51,237	63,097	23.1%	68,003	7.8%	83,800	23.2%
Accounting	174,705	181,727	4.0%	188,756	3.9%	205,154	8.7%
Risk management	255,477	195,195	-23.6%	214,335	9.8%	221,662	3.4%
Community investment	20,000	2,175	-89.1%	20,000	0.0%	20,000	0.0%
Dues and publications	49,586	56,182	13.3%	39,755	-29.2%	60,825	53.0%
Education and travel	65,665	95,055	44.8%	66,636	-29.9%	90,000	35.1%
Supervision	128,000	165,854	29.6%	156,712	-5.5%	115,616	-26.2%
Planning	91,082	90,004	-1.2%	93,844	4.3%	93,079	-0.8%
Legal	109,209	57,155	-47.7%	45,601	-20.2%	84,382	85.0%
Economic Development	16,067	45,079	180.6%	47,164	100.0%	159,382	237.9%
Misc. outside services	34,456	27,988	-18.8%	33,113	18.3%	22,400	-32.4%
Other	37,567	25,804	-31.3%	19,444	-24.6%	32,700	68.2%
<b>Total</b>	<b>1,033,031</b>	<b>1,005,315</b>	<b>-2.7%</b>	<b>993,363</b>	<b>-1.2%</b>	<b>1,188,999</b>	<b>19.7%</b>
<b>Debt and financing</b>							
Interest	1,349,884	1,055,558	-21.8%	1,024,901	-2.9%	992,718	-3.1%
Principal	653,838	686,595	5.0%	719,616	4.8%	747,908	3.9%
Other	55,925	57,068	2.0%	58,318	2.2%	60,831	4.3%
<b>Total</b>	<b>2,059,647</b>	<b>1,799,221</b>	<b>-12.6%</b>	<b>1,802,835</b>	<b>0.2%</b>	<b>1,801,457</b>	<b>-0.1%</b>
<b>Total operating expenditures</b>	<b>8,909,967</b>	<b>9,290,496</b>	<b>4.3%</b>	<b>10,314,090</b>	<b>11.0%</b>	<b>10,474,474</b>	<b>1.6%</b>

# Trinity Public Utilities District

## Operating Expenditures

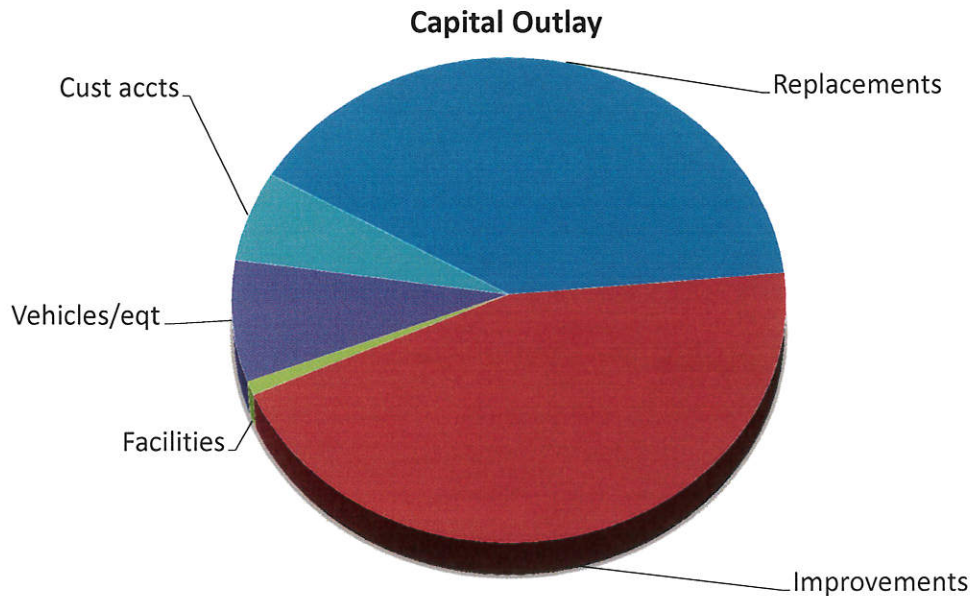


## Trinity Public Utilities District

### Capital Expenses

#### FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Distribution/Transmission</b>							
Replacements	1,019,599	1,060,384	4.0%	930,172	-12.3%	1,318,247	41.7%
Improvements	469,411	501,330	6.8%	483,753	-3.5%	1,207,727	149.7%
CIP	-	-	-	-	-	-	-
Direct Western tie	-	-	-	-	-	-	-
Lewiston generation	20,533	-	-100.0%	-	-	-	-
Long Canyon Project	117,922	298,778	-	212,448	-	-	-
#19 - 2007 Chevy Silverado	-	-	-	-	-	40,000	-
#24 - 2014 Ford Utility	-	54,961	-	264,609	-	-	100.0%
#61 - 2002 Tucker-Terra Snocat	-	-	-	-	-	-	-
#57 - 2003 Maxi-tilt snowcat trailer	-	-	-	-	-	-	-
#65 - 2003 Tucker-Terra boom Snowcat	-	-	-	-	-	225,000	-
#59 - 2007 Butler pole trailer	-	-	-	-	-	-	-
#66 - 2007 Polaris 4x4 OHV	-	-	-	-	-	18,000	100.0%
#18 - 2010 Ford F350 4x4 Pickup	-	-	-	-	-	-	-
#37 - 2010 Freightliner LG bucket truck	260,993	-	-	-	-	-	-
#34 - 2014 F-550 Trouble truck	79,797	-	-	-	-	-	-
Radio Equipment - Repeater	-	-	-	-	-	50,000	-
Other/Previous years	7,157	-	-100.0%	-	-	-	-
<b>Total</b>	<b>1,975,412</b>	<b>1,915,453</b>	<b>-3.0%</b>	<b>1,890,983</b>	<b>-1.3%</b>	<b>2,858,974</b>	<b>51.2%</b>
<b>Substations</b>							
CIP/Other	16,443	754,065	-	754,065	-	255,837	100.0%
<b>Total</b>	<b>16,443</b>	<b>754,065</b>	<b>0.0%</b>	<b>754,065</b>	<b>0.0%</b>	<b>255,837</b>	<b>100.0%</b>
<b>Customer accounts</b>							
Data processing/computers	61,527	55,519	-9.8%	52,872	-4.8%	140,000	164.8%
Office machinery	-	-	100.0%	-	-	-	-
Automated meter reading/turtles	-	-	-	-	-	6,000	100.0%
NISC CIS software conversion	-	-	-	-	-	-	-
Mapping system	116,446	69,137	-40.6%	60,829	-12.0%	52,000	-14.5%
Other	1,532	-	100.0%	-	-	-	-
<b>Total</b>	<b>179,505</b>	<b>124,656</b>	<b>-30.6%</b>	<b>113,701</b>	<b>-8.8%</b>	<b>198,000</b>	<b>74.1%</b>
<b>Property/facilities</b>							
Yard	70,857	15,754	-77.8%	998	-93.7%	30,000	2906.0%
Facilities	-	-	-	-	-	-	100.0%
<b>Total</b>	<b>70,857</b>	<b>15,754</b>	<b>-77.8%</b>	<b>998</b>	<b>-93.7%</b>	<b>30,000</b>	<b>2906.0%</b>
<b>Total capital outlay</b>	<b>2,242,217</b>	<b>2,809,928</b>	<b>25.3%</b>	<b>2,759,747</b>	<b>-1.8%</b>	<b>3,342,811</b>	<b>21.1%</b>



## Trinity Public Utilities District Reserves Summary

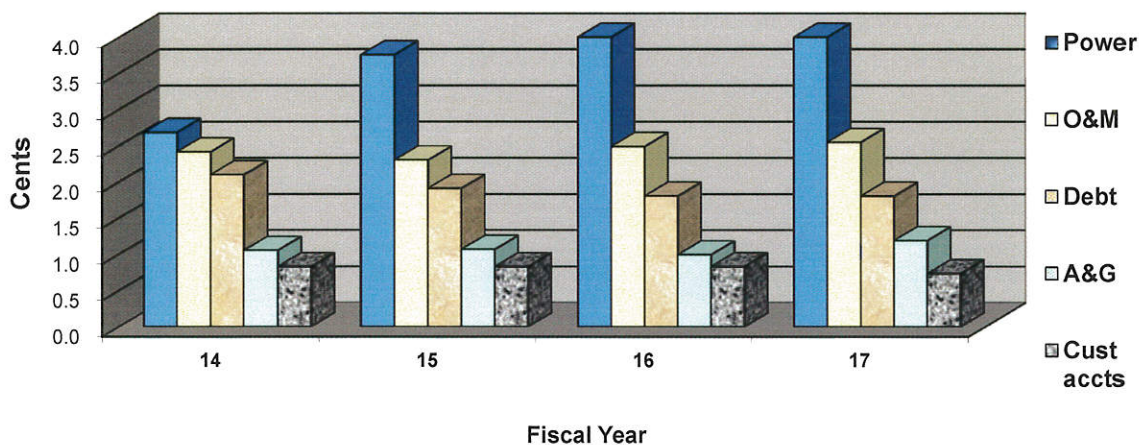
### FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	% Growth	16/17 (Budgeted)	Change
<b>Restricted</b>							
Bond/loan reserves	1,751,105	1,752,606	0.1%	1,752,690	0.0%	1,752,690	0.0%
Cafeteria plan	22,429	24,922	11.1%	35,884	44.0%	19,680	-45.2%
<b>Total</b>	<b>1,773,534</b>	<b>1,777,528</b>	<b>0.2%</b>	<b>1,788,574</b>	<b>0.6%</b>	<b>1,772,370</b>	<b>-0.9%</b>
<b>Encumbered</b>							
Payables	793,389	560,579	-29.3%	295,600	-47.3%	984,760	233.1%
Line extension loan fund	296,707	297,294	0.2%	297,236	0.0%	298,685	0.5%
	<b>1,090,096</b>	<b>857,873</b>	<b>-21.3%</b>	<b>592,836</b>	<b>-30.9%</b>	<b>1,283,445</b>	<b>116.5%</b>
<b>Customer funds</b>							
Security deposits	71,369	108,577	52.1%	113,083	4.2%	113,153	0.1%
Construction advances	14,080	80,952	474.9%	80,952	0.0%	75,816	-6.3%
Community investments	2,000	2,000	0.0%	2,000	0.0%	2,000	0.0%
Maintenance agreements	7,000	7,000	0.0%	7,000	0.0%	7,000	0.0%
<b>Total</b>	<b>94,449</b>	<b>198,529</b>	<b>110.2%</b>	<b>203,035</b>	<b>2.3%</b>	<b>197,969</b>	<b>-2.5%</b>
<b>Dedicated</b>	<b>208,333</b>	<b>100,334</b>	<b>-51.8%</b>	<b>194,778</b>	<b>94.1%</b>	<b>248,852</b>	<b>27.8%</b>
<b>Contingency</b>	<b>7,348,550</b>	<b>6,305,188</b>	<b>-14.2%</b>	<b>5,390,095</b>	<b>-14.5%</b>	<b>3,205,962</b>	<b>-40.5%</b>
<b>Total reserves</b>	<b>10,514,963</b>	<b>9,239,452</b>	<b>-12.1%</b>	<b>8,169,318</b>	<b>-11.6%</b>	<b>6,708,597</b>	<b>-17.9%</b>

## Trinity Public Utilities District Performance Factors FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Average rate (cents/kWh)</b>	9.23	9.15	-0.8%	9.57	4.6%	9.60	0.4%
<b>Growth</b>							
Demand (mw)	24,175	20,694	-14.4%	22,060	6.6%	22,060	0.0%
KWh purchased	108,306,613	104,516,781	-3.5%	108,000,000	3.3%	108,000,000	0.0%
KWh sold	98,181,828	94,241,352	-4.0%	99,900,000	6.0%	99,900,000	0.0%
Energy losses (%)	6.66%	7.09%	6.4%	7.50%	5.8%	7.50%	0.0%
<b>Meters</b>							
Meters served	7,224	7,274	0.7%	7,281	0.1%	7,281	0.0%
Costs (\$/meter)							
Customer accounts	112	107	-4.5%	114	6.3%	101	-11.6%
Labor	523	524	0.3%	550	4.9%	564	2.5%
Operating expenditures	1,233	1,277	3.6%	1,417	10.9%	1,439	1.6%
Expenditures including capital	1,544	1,664	7.8%	1,796	7.9%	1,898	5.7%
<b>Distribution</b>							
Miles of distribution line	573	575	0.3%	577	0.3%	579	0.3%
O&M cost including labor/mile	4,139	3,771	-8.9%	4,307	14.2%	4,393	2.0%
Labor/mile	1,768	1,761	-0.3%	1,755	-0.3%	1,749	-0.3%
<b>Costs/kWh sold (cents/kWh)</b>							
Power acquisition	2.7	3.8	39.9%	4.2	12.1%	4.2	0.1%
Operations & maintenance	2.4	2.3	-4.7%	2.5	8.1%	2.5	2.4%
Customer accounts	0.8	0.8	0.1%	0.8	0.3%	0.7	-11.6%
Administrative & general	1.1	1.1	1.4%	1.0	-6.8%	1.2	19.7%
Debt & financing	2.1	1.9	-9.0%	1.8	-5.5%	1.8	-0.1%
<b>Uncollectible sales (\$)</b>							
	16,327	15,644	-4.2%	19,822	26.7%	19,939	0.6%
<b>Debt service coverage ratio</b>							
	2.24	1.79	-20.0%	1.88	4.9%	2.00	6.0%
<b>Committed/mandated costs</b> (debt service, power, mandated O&M req.)							
	5,112,069	5,712,928	11.8%	6,444,385	12.8%	6,456,421	0.2%
<b>Discretionary/variable costs</b> (all other operating expenses, capital outlay)							
	6,040,115	6,387,496	5.8%	6,629,452	3.8%	7,360,864	11.0%
<b>Capital replacements, System</b>							
	1,019,599	1,060,384	4.0%	930,172	-12.3%	1,318,247	42%

### Costs in Cents per kWh

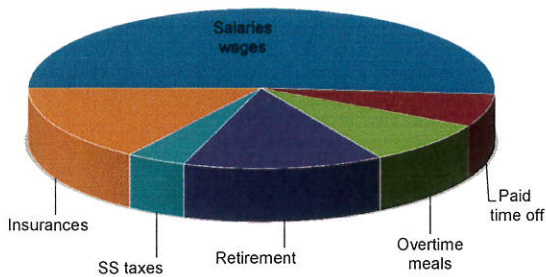




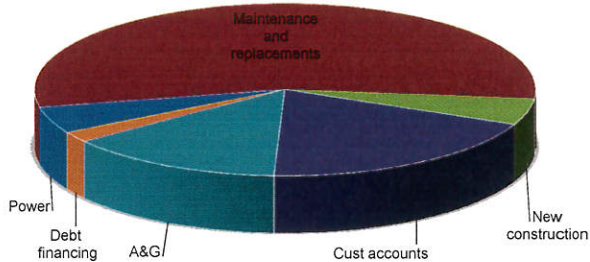
## Trinity Public Utilities District Labor Factors FY 16/17 Budget

	13/14 (Actual)	14/15 (Actual)	Change	15/16 (Preliminary)	Change	16/17 (Budgeted)	Change
<b>Labor components</b>							
Salaries and wages	2,079,731	1,931,045	-7.1%	2,119,799	9.8%	2,099,954	-0.9%
Paid time off	156,539	245,509	56.8%	272,562	11.0%	272,562	0.0%
Overtime/meals/standby	171,935	263,235	53.1%	243,085	-7.7%	359,138	47.7%
Retirement	604,057	606,252	0.4%	607,236	0.2%	566,413	-6.7%
Social Security taxes	145,714	153,915	5.6%	158,318	2.9%	171,108	8.1%
Insurance	620,366	615,149	-0.8%	603,632	-1.9%	634,938	5.2%
<b>Total</b>	<b>3,778,342</b>	<b>3,815,105</b>	<b>1.0%</b>	<b>4,004,631</b>	<b>5.0%</b>	<b>4,104,112</b>	<b>2.5%</b>
<b>Labor distribution</b>							
Power acquisition	188,917	190,755	1.0%	200,232	5.0%	205,206	2.5%
Maintenance/replacements	2,078,088	2,098,308	1.0%	2,202,547	5.0%	2,257,262	2.5%
New construction	188,917	190,755	1.0%	200,232	5.0%	205,206	2.5%
Customer accounts	717,885	724,870	1.0%	760,880	5.0%	779,781	2.5%
Administrative & general	528,968	534,115	1.0%	560,648	5.0%	574,576	2.5%
Debt & financing	75,567	76,302	1.0%	80,093	5.0%	82,082	2.5%
<b>Total</b>	<b>3,778,342</b>	<b>3,815,105</b>	<b>1.0%</b>	<b>4,004,631</b>	<b>5.0%</b>	<b>4,104,112</b>	<b>2.5%</b>
<b>Labor costs per:</b>							
Mile of line	6,594	6,635	0.6%	6,940	4.6%	7,088	2.1%
KWh sold (cents)	3.85	4.05	5.2%	4.01	-1.0%	4.11	2.5%
Meter (\$)	523	524	0.3%	550	4.9%	564	2.5%
<b>Percent of total receipts</b>	<b>33.1%</b>	<b>35.7%</b>	<b>7.8%</b>	<b>33.8%</b>	<b>-5.5%</b>	<b>33.6%</b>	<b>-0.5%</b>

**Breakdown of Labor Dollar  
FY 16/17**



**Labor by Cost Center  
FY 16/17**



## Trinity Public Utilities District

### Projected Costs By Activity

<b>Power acquisition</b>	
Purchased power	4,009,115
Transmission	-
USBR O&M funding	-
Metering	-
BANC Costs	25,000
	<u>4,034,115</u>
<b>Labor</b>	
Wages and salaries	2,324,229
Health insurance	633,588
Cafeteria plan	1,350
Retirement	566,413
Overtime and standby pay	315,783
Social Security taxes	161,448
Workers compensation	76,593
Retirement annuity	9,659
Meals/per diem	15,048
	<u>4,104,112</u>
<b>Materials and supplies</b>	
Operation supplies	30,000
System materials	812,500
Billing and Office supplies	15,000
Postage	35,000
Fuel	120,000
Tires	45,000
Small tools	30,000
Construction eqt	65,000
	<u>1,152,500</u>
<b>Outside services</b>	
Tree trimming/pole clearing	485,000
Road maint/right of way clearing	55,000
Hazardous waste disposal	15,000
Training	8,000
Storm assistance	220,000
Engineering, systems testing/routine maint	275,000
Power acquisition consulting	40,000
Human resources/consulting	5,000
Economic Development/consulting	125,000
Legal	75,000
Backhoes and excavators	50,000
All others	61,400
Auditing	30,000
Bill processing, collections	36,000
Janitorial	14,640
Computer programming	20,000
	<u>1,515,040</u>

## Trinity Public Utilities District

### Projected Costs By Activity

<b>Utilities</b>	
Electric	20,000
Water	2,500
Telephone	44,000
Garbage	12,000
Propane	2,000
Sewer	2,500
	<u>83,000</u>
<b>Rents and leases</b>	
Facilities rents	1,000
Equipment rents	6,500
	<u>7,500</u>
<b>Education and travel</b>	<u>90,000</u>
<b>Fees and permits</b>	
Land use permits	30,000
Pole contact fees	20,000
Dues and subscriptions	60,825
	<u>110,825</u>
<b>Risk management</b>	
Liability insurance	80,000
Damages	10,000
Safety	35,000
Wellness/cafeteria program	4,000
	<u>129,000</u>
<b>Repairs and maintenance</b>	
Repairs	149,000
Licensing agreements	82,000
Maintenance agreements	21,500
	<u>252,500</u>
<b>Debt service</b>	
Principal	747,908
Interest	992,718
Issuance costs	17,066
	<u>1,757,692</u>
<b>Capital outlay</b>	
Real property/facilities	30,000
Equipment	168,000
Capital projects	100,000
Vehicles	283,000
	<u>581,000</u>
<b>Total</b>	<u><u>13,817,285</u></u>

## Fiscal Year 2016/2017 Budget Notes

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### Receipts

#### **Sales:**

Retail kWh sales are estimated to increase 6.0% from FY 14/15 to FY 15/16. Retail Sales revenue is estimated to increase 8.0%. Staff is forecasting a 0.0% kWh sales growth factor for FY 16/17 which is realistically an increase of 1.75% to the 13/14 base year. A 0.0% kWh sales growth factor is predicted for future years.

#### **Other Receipts:**

Joint Pole income reflects approximately \$500,000 of nonrecurring billings. The forecast reflects normal annual revenue from Joint Pole.

#### **Surcharges:**

In April 2016, the Department of Water Resources declared that the current water year was a Normal Water Year. District policy requires two consecutive Normal Water Years before the Drought Relief Surcharge can be removed. Accordingly, the Drought Relief Surcharge has been factored in to the 16/17 Budget Year.

In May, 2015 the District's Board approved a rate restructure in order to simplify the billing structure and to make it easier for customers to understand their bills. Staff calculated a flat charge and revenue neutral rate for each Rate Schedule that rolled the Deregulation Surcharge into the kWh rate. This resulted in a lower per kWh rate for each Rate Schedule.

### Operating Expenses

#### **Power Acquisition:**

The District's costs to purchase power increased 19.7% FY 14/15 to FY 15/16. This increase follows the 36.6% increase from FY 13/14 to FY 14/15. This is a total of 63.5% increase over the last two years. Originally the District forecasted an increase of 0.3%, however Western increased the District's First Preference Percentage and applied the percentage to the original Power Revenue Requirement base which resulted in higher than forecasted power costs.

For FY 16/17, the District is forecasting power costs to remain stable. Western's calculation of the District's First Preference Percentage (FPP) increased 12.18% from 4.76% to 5.34% beginning October 2015. The increase to the FPP is primarily due to consecutive years of below average hydro generation. The increased FPP is also applied to an increased Power Revenue Requirement which results in the large percentage increase to power costs.

"Other Power Acquisition Costs" include \$198,000 for legislative advocacy (\$35,000), labor (\$108,000), energy consulting (\$5,000), legal costs (\$25,000) associated with general wholesale power issues and costs associated with the Balancing Authority of Northern California (\$25,000).

## Fiscal Year 2016/2017 Budget Notes

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### **Operations and Maintenance:**

O&M costs increased from FY 14/15 to FY 15/16 by approximately 14.6%, which follows a 8.6% decrease from FY 13/14 to FY 14/15. Therefore, it is a 4.8% increase from FY 13/14 to FY 15/16 which reflects inflation. The Budget for FY 16/17 is factoring in a conservative 2.4% increase from 15/16 to FY 16/17 mainly due to lingering costs associated with the four-year drought.

### **Customer Accounts:**

Customer Accounts are projected to decrease by approximately 11.6% mainly due to a projected decrease in Meter reading and turtle maintenance. During FY 15/16 the District purchased as many automated turtle units and turtle ready meters as possible since production for the units ceased in 2015. Therefore, the District will not be purchasing any automated meters until the metering system is replaced.

### **Administrative and General:**

The projected 23.4% increase to costs from FY 14/15 to 15/16 is now amounting to a 1.2% decrease mainly due to amounts budgeted for Economic Development not spent. The FY 16/17 Budget includes a 19.7% increase mainly due to the anticipation of Economic Development and legal costs associated with completing the land exchange transaction. The transaction did not occur in FY 12/13, 13/14, 14/15 or 15/16 and therefore the budgeted amount has been carried forward resulting in the large percentage increase.

### **Debt and Financing:**

The 2003 Certificates of Participation were refunded during FY 13/14 (\$5,740,000). This reduces the debt service by approximately \$743,000 annually. The District's long-term debt consists of a loan from the California Infrastructure & Economic Development Bank (\$5.7 million) and 2010 Electric Utility Revenue Bonds (\$18.5 million).

### **Capital Outlay**

The FY 16/17 Budget reflects the following:

- The Lewiston Hydroelectric Project (Lewiston Project) was formally cancelled during FY 13/14 and therefore not included in the FY 16/17 Budget;
- System Replacements and Improvements including pole and distribution line replacements as well as system upgrades pursuant to a Capital Project Improvement Plan, which will be partially funded through money originally earmarked for the Lewiston Project;
- Nonrecurring Capital Costs for FY 16/17 many that have been previously included in dedicated funds are the purchase of a new Tucker-Terra Boom Snowcat (\$225,000), Superintendent Vehicle (\$40,000), Polaris 4x4 (\$18,000) and installing a Repeater for the Radios (\$50,000) (the latter two carried forward from FY 15/16);

## Fiscal Year 2016/2017 Budget Notes

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- The Long Canyon Project commenced in FY 13/14 and is considered completed during FY 15/16. No costs have been budgeted although line extensions are expected to continue.

# **FIVE-YEAR FINANCIAL FORECAST**

Trinity Public Utilities District

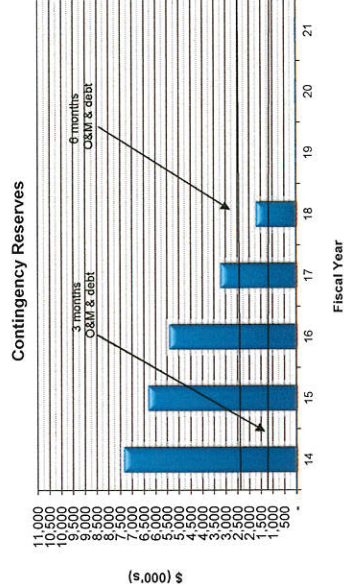
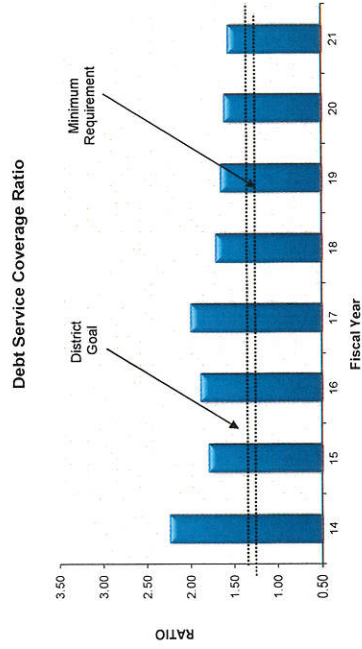
Financial Forecast Overview

	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
Operating receipts	11,400,166	10,674,404	11,853,703	12,206,565	11,717,397	11,724,924	11,776,540	11,831,645	-0.8%
Operating expenditures	8,909,967	9,290,496	10,314,090	10,474,474	10,490,163	10,591,434	10,713,962	10,843,339	0.9%
Available for capital	2,490,199	1,383,908	1,539,613	1,732,091	1,227,234	1,133,490	1,062,578	988,306	-10.7%
Capital outlay	2,242,217	2,809,928	2,759,747	3,342,811	3,016,503	3,107,629	2,971,392	3,142,635	-1.5%
Bond/loan proceeds	(5,740,000)	-	-	-	-	-	-	-	-
Net County/MCMS repayments	146,772	150,509	150,000	150,000	150,000	150,000	150,000	150,000	0.0%
Change in total reserves	(5,345,246)	(1,275,511)	(1,070,134)	(1,460,720)	(1,639,269)	(1,824,139)	(1,758,814)	(2,004,529)	9.3%

Reserves balances (end of year)	3,166,413	2,934,264	2,779,222	3,502,636	3,368,656	3,334,958	3,280,229	3,289,651	-2%
Other reserves									

Contingency reserves	7,348,550	6,305,188	5,390,095	3,205,962	1,700,673	(89,768)	(1,793,853)	(3,807,804)	-54.7%
Total reserves	10,514,963	9,239,452	8,169,318	6,708,597	5,069,329	3,245,190	1,486,376	(518,154)	-26.9%

Debt service coverage ratio	2.24	1.79	1.88	2.00	1.71	1.65	1.61	1.57	-5.4%
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## Trinity Public Utilities District Forecast Summary

	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	14-16 % Growth	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
<b>Revenues</b>										
Energy sales	7,421,540	7,110,762	9,009,941	10.7%	9,063,195	9,063,195	9,108,959	9,156,086	9,156,086	0.3%
Surcharge receipts	2,571,116	2,452,531	1,321,809	-24.3%	1,305,801	1,305,801	1,305,801	1,305,801	1,305,801	0.0%
Other receipts	1,407,510	1,111,111	1,521,952	4.1%	1,837,568	1,348,400	1,355,927	1,361,779	1,369,747	-6.4%
<b>Total</b>	<b>11,400,166</b>	<b>10,674,404</b>	<b>11,853,703</b>	<b>2.0%</b>	<b>12,206,565</b>	<b>11,717,397</b>	<b>11,724,924</b>	<b>11,776,540</b>	<b>11,831,645</b>	<b>-6.1%</b>
<b>Expenses</b>										
Power acquisition	2,634,067	3,537,064	4,202,849	29.8%	4,207,078	4,188,625	4,233,824	4,279,583	4,325,908	0.7%
Operations & maintenance	2,371,399	2,188,596	2,485,094	2.4%	2,543,986	2,586,067	2,629,315	2,673,346	2,718,174	1.7%
Customer accounts	811,823	780,340	829,949	1.1%	733,354	744,354	755,519	766,852	778,355	1.5%
Administrative & general	1,033,031	1,005,315	993,363	-1.9%	1,188,999	1,211,628	1,214,822	1,238,594	1,262,961	1.6%
Debt & financing	2,059,647	1,799,221	1,802,835	-6.2%	1,801,457	1,759,488	1,757,954	1,755,587	1,757,940	-0.6%
<b>Total</b>	<b>8,909,967</b>	<b>9,290,496</b>	<b>10,314,090</b>	<b>7.9%</b>	<b>10,474,474</b>	<b>10,490,163</b>	<b>10,591,434</b>	<b>10,713,962</b>	<b>10,843,339</b>	<b>0.9%</b>
<b>Available for capital</b>	<b>2,490,199</b>	<b>1,383,908</b>	<b>1,539,613</b>	<b>-19.1%</b>	<b>1,732,091</b>	<b>1,227,234</b>	<b>1,133,490</b>	<b>1,062,578</b>	<b>988,306</b>	<b>-10.7%</b>
Capital outlay	2,242,217	2,809,928	2,759,747	11.5%	3,342,811	3,016,503	3,107,629	2,971,392	3,142,835	-1.5%
Bond proceeds	(5,740,000)	-	-	-	-	-	-	-	-	-
County/MCMS funding	-	-	-	-	-	-	-	-	-	-
County/MCMS repayments	146,772	150,509	150,000	1.1%	150,000	150,000	150,000	150,000	150,000	0.0%
<b>Change in total reserves</b>	<b>(5,345,246)</b>	<b>(1,275,511)</b>	<b>(1,070,134)</b>	<b>-40.0%</b>	<b>(1,460,720)</b>	<b>(1,639,269)</b>	<b>(1,824,139)</b>	<b>(1,758,814)</b>	<b>(2,004,529)</b>	<b>9.3%</b>
<b>Reserves balances</b>										
(end of year)										
Encumbered	1,090,096	857,873	592,836	-22.8%	1,283,445	1,295,074	1,306,703	1,318,471	1,330,380	0.9%
Restricted Reserves	1,773,534	1,777,528	1,788,574	0.4%	1,772,370	1,773,330	1,774,312	1,774,826	1,775,353	0.0%
Customer funds	94,449	198,529	203,035	57.5%	197,969	195,956	189,943	186,931	183,918	-1.8%
Dedicated	208,333	100,334	194,778	-3.3%	248,852	104,296	64,000	-	-	-25.0%
<b>Total other reserves</b>	<b>3,166,413</b>	<b>2,934,264</b>	<b>2,779,222</b>	<b>-6.1%</b>	<b>3,502,636</b>	<b>3,368,656</b>	<b>3,334,958</b>	<b>3,280,229</b>	<b>3,289,651</b>	<b>-1.5%</b>
<b>Contingency fund</b>	<b>7,348,550</b>	<b>6,305,188</b>	<b>5,390,095</b>	<b>-13.3%</b>	<b>3,205,962</b>	<b>1,700,673</b>	<b>(89,768)</b>	<b>(1,793,853)</b>	<b>(3,807,804)</b>	<b>-54.7%</b>
<b>Total reserves</b>	<b>10,514,963</b>	<b>9,239,452</b>	<b>8,169,318</b>	<b>-11.2%</b>	<b>6,708,597</b>	<b>5,069,329</b>	<b>3,245,190</b>	<b>1,486,376</b>	<b>(518,154)</b>	<b>-26.9%</b>

## Trinity Public Utilities District Forecast of Fund Sources and Uses

Fund Sources	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	14-16 % Growth	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
<b>Receipts</b>										
Energy sales	7,421,540	7,110,762	9,009,941	10.7%	9,063,195	9,063,195	9,063,195	9,108,959	9,156,096	0.3%
Surcharge receipts	2,571,116	2,452,531	1,321,809	-24.3%	1,305,801	1,305,801	1,305,801	1,305,801	1,305,801	0.0%
Other receipts	1,407,510	1,111,111	1,521,952	4.1%	1,537,568	1,348,400	1,353,927	1,361,779	1,369,747	-6.4%
<b>Total</b>	<b>11,400,166</b>	<b>10,674,404</b>	<b>11,853,703</b>	<b>2.0%</b>	<b>12,206,565</b>	<b>11,717,397</b>	<b>11,724,924</b>	<b>11,776,540</b>	<b>11,831,645</b>	<b>-0.8%</b>
<b>Reserves/proceeds</b>										
County/MCMS repayments	143,114	150,510	150,000	2.4%	150,000	150,000	150,000	150,000	150,000	0.0%
Bond/Loan proceeds	-	-	-	-	-	-	-	-	-	-
Line extension loans	15,346	17,995	23,534	26.7%	5,349	8,961	8,958	8,955	8,952	16.8%
Restricted reserves	-	-	-	-	-	-	-	-	-	-
Dedicated reserves	42,500	100,334	383,000	400.6%	124,333	40,000	56,296	64,000	-	-25.0%
<b>Total</b>	<b>200,960</b>	<b>268,839</b>	<b>556,534</b>	<b>88.5%</b>	<b>279,682</b>	<b>198,961</b>	<b>215,254</b>	<b>222,955</b>	<b>158,952</b>	<b>-10.8%</b>
<b>Total sources</b>	<b>11,601,126</b>	<b>10,943,243</b>	<b>12,410,237</b>	<b>3.5%</b>	<b>12,486,247</b>	<b>11,916,357</b>	<b>11,940,178</b>	<b>11,999,495</b>	<b>11,990,597</b>	<b>-1.0%</b>
<b>Fund Uses</b>										
Operating expenditures	8,909,967	9,290,496	10,314,090	7.9%	10,474,474	10,490,163	10,591,434	10,713,962	10,843,339	0.9%
Capital outlay	2,242,217	2,809,928	2,759,747	11.5%	3,342,811	3,016,503	3,107,629	2,971,392	3,142,835	-1.5%
County/MCMS funding	-	-	-	-	-	-	-	-	-	-
Fund transfers	3,781,635	(113,820)	251,493	-46.7%	853,096	(85,019)	31,556	18,226	18,376	-24.5%
<b>Total uses</b>	<b>14,933,819</b>	<b>11,986,605</b>	<b>13,325,330</b>	<b>-5.4%</b>	<b>14,670,381</b>	<b>13,421,646</b>	<b>13,730,619</b>	<b>13,703,580</b>	<b>14,004,550</b>	<b>-1.1%</b>
<b>Change in contingency reserves</b>	<b>(3,332,693)</b>	<b>(1,043,362)</b>	<b>(915,093)</b>	<b>-36.3%</b>	<b>(2,184,134)</b>	<b>(1,505,289)</b>	<b>(1,790,441)</b>	<b>(1,704,084)</b>	<b>(2,013,953)</b>	<b>-1.9%</b>

## Trinity Public Utilities District Forecast of Capital Outlay

	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	14-16 % Growth	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
<b>Distribution/Transmission</b>										
Replacements	1,019,599	1,060,384	930,172	-4.4%	1,318,247	1,351,401	1,365,388	1,420,231	1,455,950	2.6%
Improvements	469,411	501,330	483,753	1.5%	1,207,727	1,238,102	1,269,240	1,301,161	1,333,886	2.6%
CIP	-	-	-	-	-	-	-	-	-	-
Direct Western tie	-	-	-	-	-	-	-	-	-	-
Transmission										
Lewis generation	20,533	-	-	-50.0%	-	-	-	-	-	0.0%
Long Canyon Project	117,922	298,778	212,448	-	-	-	-	-	-	-
#44 - 2010 Freightliner line truck	-	-	-	-	-	-	245,000	-	-	-
#11 - 1999 Chrysler sedan	-	-	-	-	-	-	-	-	-	-
#34 - 2014 F-550 Trouble truck	79,797	-	-	-	-	-	-	42,000	-	-
#18 - 2010 Ford F350 4x4 Pickup	-	-	-	-	-	-	-	-	-	-
#52 - 2001 Wells Cargo trailer	-	-	-	-	-	-	-	-	-	-
#60 - 1998 Caterpillar Forklift	-	-	-	-	-	-	-	-	-	-
#24 - 2014 Ford Utility	-	54,961	264,609	-	-	-	-	-	-	-
#54 - 2002 Big Tex utility trailer	-	-	-	-	-	-	-	-	-	-
#56 - 2003 Big Tex utility trailer	-	-	-	-	-	-	-	-	225,000	-
#61 - 2002 Tucker-Terra Snocat	-	-	-	-	-	20,000	-	-	-	-
#14 - 2012 Ford F-350 4x4 Utility truck	-	-	-	-	-	30,000	-	-	-	-
#57 - 2003 Maxi-tilt snowcat trailer	-	-	-	-	225,000	-	-	-	-	-
#65 - 2003 Tucker-Terra boom Snowcat	-	-	-	-	-	24,000	-	-	-	-
#53 - 1985 Altec pole trailer	-	-	-	-	-	-	-	40,000	-	-
#16 - 2013 Ford F-150	-	-	-	-	-	-	-	40,000	-	-
#17 - 2013 Ford F-150	-	-	-	-	-	-	-	-	-	-
#27 - 2004 Chevy 1 ton flatbed	-	-	-	-	-	-	40,000	-	-	-
#14 - 2012 Ford F250	-	-	-	-	-	-	40,000	-	-	-
#15 - 2012 Ford F250	-	-	-	-	-	-	-	-	-	-
#43 - 2015 Freightliner line truck	-	-	-	-	-	-	-	-	-	-
#19 - 2007 Chevy Silverado	260,993	-	-	-	40,000	-	-	-	-	-
#37 - 2010 Freightliner LG bucket truck	-	-	-	-	18,000	225,000	-	-	-	-
#66 - 2007 Polaris 4x4 OHV	-	-	-	-	-	-	-	-	-	-
Future large field vehicle replacement	-	-	-	-	50,000	-	-	-	-	-
Other	7,157	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,975,412</b>	<b>1,915,453</b>	<b>1,890,983</b>	<b>-2.1%</b>	<b>2,858,974</b>	<b>2,888,503</b>	<b>2,979,629</b>	<b>2,843,392</b>	<b>3,014,835</b>	<b>1.4%</b>
<b>Substations</b>	<b>16,443</b>	<b>754,065</b>	<b>754,065</b>		<b>255,837</b>					<b>0.0%</b>
<b>Customer accounts</b>										
Data processing/computers	61,527	55,519	52,872	-7.0%	140,000	60,000	60,000	60,000	60,000	-14.3%
Office machinery	-	-	-	-	-	-	-	-	-	-
Automated meter reading/turtles	-	-	-	-	6,000	6,000	6,000	6,000	6,000	0.0%
Mapping system	116,446	69,137	60,829	-23.9%	52,000	52,000	52,000	52,000	52,000	0.0%
NISC CIS software conversion	-	-	-	-	-	-	-	-	-	-
Other	1,532	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>179,505</b>	<b>124,656</b>	<b>113,701</b>	<b>-18.3%</b>	<b>198,000</b>	<b>118,000</b>	<b>118,000</b>	<b>118,000</b>	<b>118,000</b>	<b>-10.1%</b>
<b>Property/facilities</b>	<b>70,857</b>	<b>15,754</b>	<b>998</b>	<b>-49.3%</b>	<b>30,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>-16.7%</b>
<b>Total capital outlay</b>	<b>2,242,217</b>	<b>2,809,928</b>	<b>2,759,747</b>	<b>11.5%</b>	<b>3,342,811</b>	<b>3,016,503</b>	<b>3,107,629</b>	<b>2,971,392</b>	<b>3,142,835</b>	<b>-1.5%</b>

**Trinity Public Utilities District  
Forecast of Reserves**

	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	14-16 % Growth	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
<b>Restricted</b>										
Bond/loan reserves	1,751,105	1,752,606	1,752,690	0.0%	1,752,690	1,752,690	1,752,690	1,752,690	1,752,690	0.0%
Contingency	22,429	24,922	35,884	30.0%	19,660	20,640	21,622	22,136	22,663	3.8%
<b>Total</b>	<b>1,773,534</b>	<b>1,777,528</b>	<b>1,788,574</b>	<b>0.4%</b>	<b>1,772,370</b>	<b>1,773,330</b>	<b>1,774,312</b>	<b>1,774,826</b>	<b>1,775,353</b>	<b>0.0%</b>
<b>Encumbered</b>										
Line extension loan fund	296,707	297,294	297,236	0.1%	298,665	298,595	298,506	298,416	298,327	0.0%
Payables	793,389	560,579	295,600	-31.4%	964,760	996,478	1,008,197	1,020,055	1,032,053	1.2%
<b>Total</b>	<b>1,090,096</b>	<b>857,873</b>	<b>592,836</b>	<b>-22.8%</b>	<b>1,283,445</b>	<b>1,295,074</b>	<b>1,306,703</b>	<b>1,318,471</b>	<b>1,330,380</b>	<b>0.9%</b>
<b>Customer funds</b>										
Security deposits	71,369	108,577	113,083	29.2%	113,153	113,153	113,153	113,153	113,153	0.0%
Construction advances	14,080	80,952	80,952	237.5%	75,816	72,803	69,790	66,778	63,765	-4.0%
Community investments	2,000	2,000	2,000	0.0%	2,000	3,000	-	-	-	-25.0%
Maintenance agreements	7,000	7,000	7,000	0.0%	7,000	7,000	7,000	7,000	7,000	0.0%
<b>Total</b>	<b>94,449</b>	<b>198,529</b>	<b>203,035</b>	<b>57.5%</b>	<b>197,969</b>	<b>195,956</b>	<b>189,943</b>	<b>186,931</b>	<b>183,918</b>	<b>-1.8%</b>
<b>Dedicated</b>	<b>206,333</b>	<b>100,334</b>	<b>194,778</b>	<b>-3.3%</b>	<b>248,852</b>	<b>104,296</b>	<b>64,000</b>	<b>-</b>	<b>-</b>	<b>-25.0%</b>
<b>Contingency fund</b>										
Contingency	7,348,550	6,305,188	5,390,095	-13.3%	3,205,962	1,700,673	(89,768)	(1,793,853)	(3,807,804)	-54.7%
<b>Total</b>	<b>7,348,550</b>	<b>6,305,188</b>	<b>5,390,095</b>	<b>-13.3%</b>	<b>3,205,962</b>	<b>1,700,673</b>	<b>(89,768)</b>	<b>(1,793,853)</b>	<b>(3,807,804)</b>	<b>-54.7%</b>
<b>Total reserves</b>	<b>10,514,963</b>	<b>9,239,452</b>	<b>8,169,318</b>		<b>6,708,597</b>	<b>5,069,329</b>	<b>3,245,190</b>	<b>1,486,376</b>	<b>(518,154)</b>	

Trinity Public Utilities District

Forecast of Performance Factors

	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	14-16 % Growth	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
<b>Average rate (cents/kWh)</b>	9.23	9.15	9.57	1.8%	9.60	9.60	9.60	9.64	9.69	0.2%
<b>Growth</b>										
Demand (mw)	24,175	20,694	22,060	-4.4%	22,060	22,060	22,060	22,060	22,060	0.0%
KWh purchased (000's)	108,307	104,517	108,000	-0.1%	108,000	108,000	108,000	108,000	108,000	0.0%
KWh sold (000's)	98,182	94,241	99,900	0.9%	99,900	99,900	99,900	99,900	99,900	0.0%
Energy losses (%)	6.66%	7.09%	7.50%	6.3%	7.50%	7.50%	7.50%	7.50%	7.50%	0.0%
<b>Meters</b>										
Meters served	7,224	7,274	7,281	0.4%	7,281	7,281	7,281	7,281	7,281	0.0%
Costs (\$/meter)	112	107	114	0.7%	101	102	104	105	107	1.5%
Customer accounts	523	524	550	2.6%	564	558	575	593	611	2.1%
Labor										
<b>Distribution</b>										
Miles of distribution line	573	575	577	0.3%	579	581	583	585	587	0.3%
O&M cost including labor/mile	4,139	3,771	4,307	2.0%	4,393	4,451	4,510	4,570	4,631	1.4%
Labor/mile	1,768	1,761	1,755	-0.3%	1,749	1,743	1,737	1,731	1,725	-0.3%
<b>Costs/kWh sold (cents/kWh)</b>										
Power acquisition	2.7	3.8	4.2	28.4%	4.2	4.2	4.2	4.3	4.3	0.7%
Operations & maintenance	2.4	2.3	2.5	1.5%	2.5	2.6	2.6	2.7	2.7	1.7%
Customer accounts	0.8	0.8	0.7	0.2%	0.7	0.7	0.8	0.8	0.8	1.5%
Administrative & general	1.1	1.1	1.0	-2.7%	1.2	1.2	1.2	1.2	1.3	1.6%
Debt & financing	2.1	1.9	1.8	-7.0%	1.8	1.8	1.8	1.8	1.8	-0.6%
<b>Uncollectible sales (\$)</b>	16,327	15,644	19,822	10.7%	19,939	19,939	19,939	20,040	20,143	0.3%
<b>Debt service coverage ratio</b>	2.24	1.79	1.88	-8.0%	2.00	1.71	1.65	1.61	1.57	-5.4%
<b>Capital replacements, System</b>	1,019,599	1,060,384	930,172	-4.4%	1,318,247	1,351,401	1,385,388	1,420,231	1,455,950	2.6%

## Trinity Public Utilities District Forecast of Labor Factors

	13/14 (Actual)	14/15 (Actual)	15/16 (Preliminary)	14-16 % Growth	16/17 (Budgeted)	17/18 (Projected)	18/19 (Projected)	19/20 (Projected)	20/21 (Projected)	17-21 % Growth
<b>Labor components</b>										
Salaries and wages	2,079,731	1,931,045	2,119,799	1.0%	2,099,954	2,099,954	2,162,952	2,227,841	2,294,676	2.3%
Paid time off	156,539	245,509	272,562	37.1%	272,562	272,562	280,739	289,161	297,836	2.3%
Overtime/meals/standby	171,935	263,235	243,085	20.7%	359,138	359,138	369,912	381,009	392,439	2.3%
Retirement	604,057	606,252	607,236	0.3%	566,413	527,088	542,901	559,188	575,964	0.4%
Social Security taxes	145,714	153,915	158,318	4.3%	171,108	171,108	176,241	181,528	186,974	2.3%
Insurance	620,366	615,149	603,632	-1.3%	634,938	634,938	655,161	676,028	697,560	2.5%
<b>Total</b>	<b>3,778,342</b>	<b>3,815,105</b>	<b>4,004,631</b>	<b>3.0%</b>	<b>4,104,112</b>	<b>4,064,787</b>	<b>4,187,906</b>	<b>4,314,755</b>	<b>4,445,448</b>	<b>2.1%</b>
<b>Labor distribution</b>										
Power acquisition	188,917	190,755	200,232	3.0%	205,206	203,239	209,395	215,738	222,272	2.1%
Maintenance/replacements	2,078,088	2,098,308	2,202,547	3.0%	2,257,262	2,235,633	2,303,348	2,373,115	2,444,997	2.1%
New construction	188,917	190,755	200,232	3.0%	205,206	203,239	209,395	215,738	222,272	2.1%
Customer accounts	717,885	724,870	760,880	3.0%	779,781	772,310	795,702	819,803	844,635	2.1%
Administrative & general	528,968	534,115	560,648	3.0%	574,576	569,070	586,307	604,066	622,363	2.1%
Debt & financing	75,567	76,302	80,093	3.0%	82,082	81,296	83,758	86,295	88,909	2.1%
<b>Total</b>	<b>3,778,342</b>	<b>3,815,105</b>	<b>4,004,631</b>	<b>3.0%</b>	<b>4,104,112</b>	<b>4,064,787</b>	<b>4,187,906</b>	<b>4,314,755</b>	<b>4,445,448</b>	<b>2.1%</b>
<b>Labor costs per:</b>										
Mile of line	6,594	6,635	6,940	2.6%	7,088	6,996	7,183	7,376	7,573	1.7%
KWh sold (cents)	4	4	4	2.1%	4	4	4	4	4	2.1%
Meter (\$)	523	524	550	2.6%	564	558	575	593	611	2.1%
<b>Percent of total receipts</b>	<b>33.1%</b>	<b>35.7%</b>	<b>33.8%</b>	<b>1.0%</b>	<b>33.6%</b>	<b>34.7%</b>	<b>35.7%</b>	<b>36.6%</b>	<b>37.6%</b>	<b>2.9%</b>

## Fiscal Year 2016/2017 Financial Forecast Notes

### Assumptions

The following assumptions were used to prepare the Forecast:

1. Inflation 3.0% per year.
2. Load Growth 0.0% each year.
3. Western Rates Power Acquisition Costs increased 19.7% from FY 14/15 to FY 15/16. Power costs are expected to remain stable from FY 15/16 to FY 16/17 due to the expiration of Western's favorable true-up (\$252,406) of FY 13/14 power costs. Staff is projecting power costs to increase 1% annually for purposes of the Five-Year Forecast. Actual annual costs could swing by minus \$1 million to plus \$2 million depending on rainfall and Trinity River water diversions.
4. Capital Expend The forecasted Capital Improvements include a five year System Improvement Plan that identifies major system improvements along with routine and ordinary improvements. The System Improvements are to be funded by the monies originally earmarked for the Lewiston Hydro Project; all remaining Capital Improvements are to be funded by net revenues. There are no new projects planned until Staff catches up with previously slated projects.
5. Interest Earnings Rate

Bond Reserves	1.00%
CIEDB Reserves	1.00%
Line Ext. Fund	7.26%
Remaining Funds	1.00%
6. Restricted Funds Consists of Bond and Loan Reserves of \$1,752,700 and accrued costs not yet paid, at an amount of approximately \$985,000 per year. The available reserve for Line Extension loans is \$299,000. The Budget is cash based. Inclusion of the Encumbered Funds and exclusion of Accrued Revenues provides a safety margin in the Budget.
7. Remaining Expenses With few exceptions, expenses are projected to either grow at the rate of inflation, or a compounding of inflation, depending on whether the expense is a factor of the level of sales/number of customers. The few exceptions are expenses directly impacted by the extended drought.
8. Revenue Average System Rate of \$0.096 per kWh.

**Fiscal Year 2016/2017 Financial Forecast Notes**

- 9. Deregulation Surcharge      The Deregulation Surcharge was rescinded effective July 2015 and a revenue neutral System Access Charge was implemented.
  
- 10. County Surcharge      The County is currently paying a \$0.0815 per kWh Surcharge, which is projected to generate \$150,000 annually for the repayment of District Reserves advanced to MCMS. Surcharge payments are projected as the only source of funds received as repayment of District Reserves from the County. The County Surcharge is projected to be paid off in 2023.



**MISSION  
STATEMENT AND  
GOALS**

## DISTRICT GOALS

FY 16/17

### MISSION STATEMENT

To exceed our customer expectations in terms of costs, reliability, safety, customer convenience, and satisfaction.

### GENERAL POLICY STATEMENT

Due to changing conditions, the following goals may be achieved, partially achieved, modified, or abandoned. Nevertheless, the goals act as a compass to guide individual, discreet actions and decisions toward meeting the District's Mission.

### GOALS/OBJECTIVES

#### GOAL:

1. Rate parity and stability-more closely align District rates with District costs.
2. Reduce the rate differential between different parts of the District's service area.
3. Reduce the rate differential between residential and commercial accounts.

#### OBJECTIVES:

1. Work with Western to minimize our average cost of power.
2. Improve operational efficiencies.
3. Encourage strategic load growth of at least 1% per year.
4. Reduce distribution losses to 6%.
5. Maintain uncollectibles to less than 0.4% of revenue.
6. Convert District customer thermal energy use to Trinity River renewable.
7. Promote Economic Development and new jobs in Trinity County; development of Biomass Electric Generation, development of District land, and development of small Hydroelectric projects.
8. Support creation of street light districts.

#### GOAL:

1. Protect and preserve the energy future for the District's customer.

#### OBJECTIVES:

1. Reduce District liability exposure for safety and environmental issues.
2. Protect and improve the District's position in Federal and State Regulations.
  - a) Federal:
    - Maintain and protect First Preference Rights.
    - Support alternative Control Areas and oppose mandatory Regional Transmission Organization's (RTO).
    - Defend against Power Marketing Administration (PMA) transfers or sales at "market rates."
    - Defend the continuation of the Balancing Authority of Northern California (BANC).
    - Defend against Deregulation legislation or regulations that increase costs.
    - Support a return to cost based services and obligation to serve.

b) State:

- Defend against attempts to mandate that the District replace its clean renewable hydroelectric power with any other form of power.
- Defend against attempts to transfer control of the District from our local Board to the State, particularly when such action diminishes the value of our First Preference Rights.
- Develop a standard "Trinity Exemption" clause to exempt the District from State legislation that is not appropriate for the District.
- Minimize the transfer of Deregulation costs to District customers.
- Support a return to cost-based services and obligation to serve.

3. Minimize impact to District customers from changes in Trinity River water transfers; ensure that decision-makers and customers are aware of such impacts.
4. Increase grassroots support for the District; develop informational newsletters and brochures.
5. Reduce District liability exposure for safety and environmental issues

**GOAL:**

1. Improve system reliability and efficiency.

**OBJECTIVES:**

1. Continue assertive vegetation line clearing practices.
2. Improve customer satisfaction.
3. Consider providing electric service to properties within the District boundaries that are currently off the grid.

**GOAL:**

1. Distribute benefits from the 1955 Trinity River Division (TRD) Act to the balance of the County.

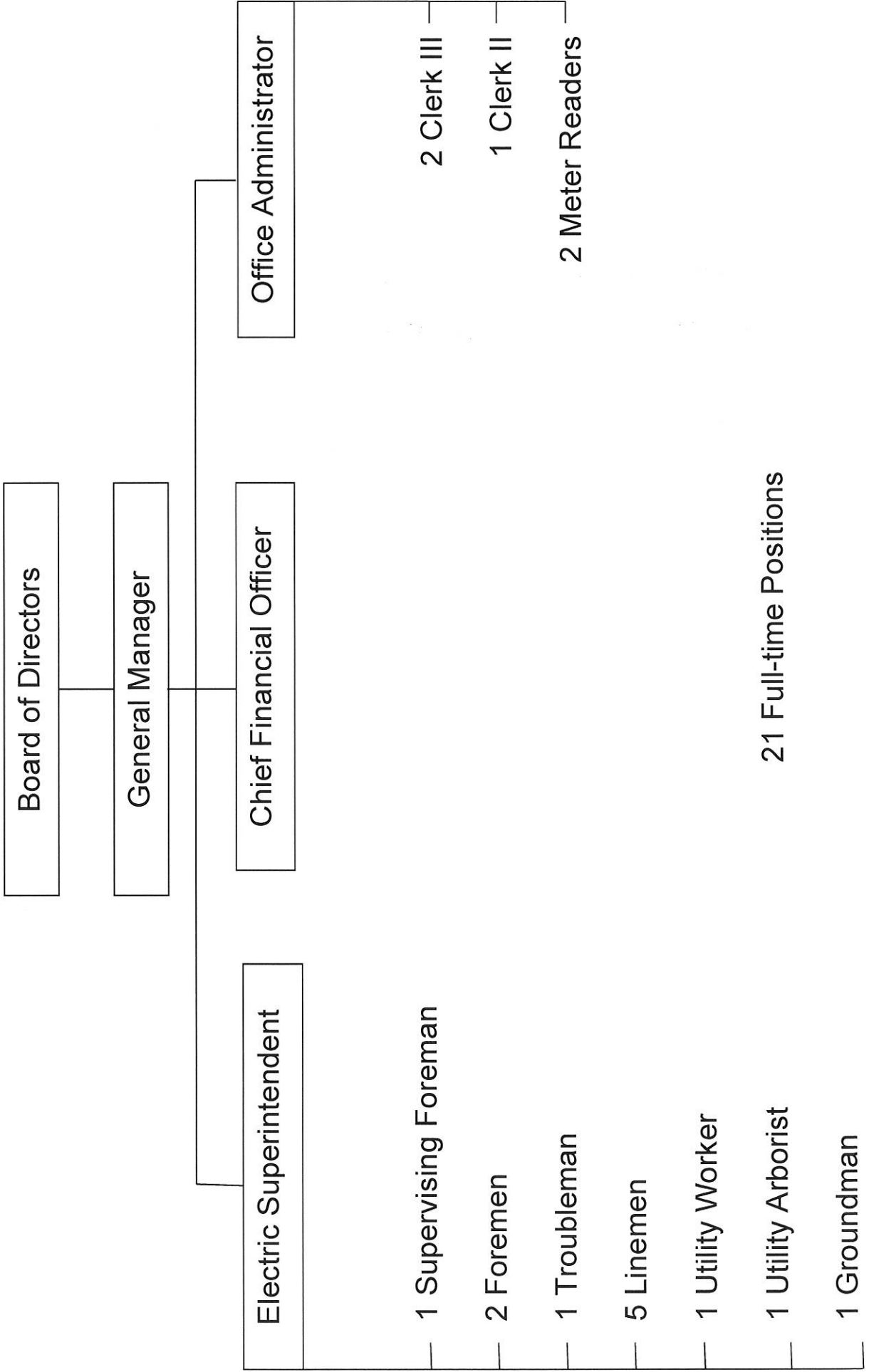
**OBJECTIVES:**

1. Assist in Community Choice Aggregation District formation when requested by Trinity County citizens served by PG&E.
2. Develop economical means to connect existing Trinity County citizens to the grid.

  
Richard L. Morris, President

# ORGANIZATIONAL CHART

**TRINITY PUD  
ORGANIZATIONAL CHART  
June 2016**



# **OTHER FINANCIAL INFORMATION**

**Trinity Public Utilities District  
Other Financial Information**

	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 ACTUAL	FY15-16 (ESTIMATED)
<b>Energy Sales and Customers</b>					
<b>Customers (average)</b>					
Residential	6,045	6,051	6,039	6,081	6,087
Commercial	1,185	1,186	1,184	1,192	1,193
Industrial	1	1	1	1	1
<b>Total</b>	<b>7,231</b>	<b>7,238</b>	<b>7,224</b>	<b>7,274</b>	<b>7,281</b>
<b>Energy Hours Sold (MWh)</b>					
Residential	60,520	60,397	60,480	58,053	61,538
Commercial	30,281	29,185	29,066	27,466	29,552
Industrial	7,446	8,465	8,636	8,722	8,810
<b>Total</b>	<b>98,246</b>	<b>98,047</b>	<b>98,182</b>	<b>94,241</b>	<b>99,900</b>
<b>Sales of Electric Energy (\$000's)</b>					
Residential	\$ 4,515	\$ 4,523	\$ 4,584	\$ 4,410	\$ 5,652
Commercial	2,281	2,225	2,263	2,150	2,906
Industrial	486	547	547	552	558
<b>Total</b>	<b>\$ 7,282</b>	<b>\$ 7,296</b>	<b>\$ 7,394</b>	<b>\$ 7,113</b>	<b>\$ 9,115</b>
<b>System Average Base Rate (per kWh)</b>					
	<b>\$ 0.0741</b>	<b>\$ 0.0744</b>	<b>\$ 0.0753</b>	<b>\$ 0.0755</b>	<b>\$ 0.0912</b>
<b>Power purchased (MWh X 1,000)</b>					
Energy Purchased from:					
Western Area Power Administration (Western)	107.7	108.2	108.3	104.5	108.0
<b>Energy Disposition (MWh X 1,000)</b>					
Total Energy Sales	98.2	98.0	98.2	94.2	99.9
Total Power Loss	9.5	10.1	10.1	10.3	8.1
<b>Peak Demand (MW)</b>					
Winter	22.2	22.9	21.3	20.6	21.2
Summer	17.2	16.9	18.7	18.7	18.6
<b>Energy Expenses (000's)</b>					
Purchased Power Expense	\$ 2,131	\$ 2,480	\$ 2,430	\$ 3,319	\$ 3,973
<b>Other Electric Statistics</b>					
Utility Plant (less accumulated depreciation (000's))	\$ 29,041	\$ 29,253	\$ 29,438	\$ 29,624	\$ 29,812
Distribution					
Overhead Circuit Miles	511.5	513.5	515.5	517.5	519.5
Underground Circuit Miles	57.5	57.5	57.5	57.5	57.5
Transformer Capacity (kVA)					
220 kV to 69 kV	0.0	0.0	0.0	0.0	0.0
60 kV to 12 kV	34.5	34.5	34.5	34.5	34.5
12 kV to Customer	--	--	--	--	--
<b>(PROJECTED)</b>					
	<b>FY16-17</b>	<b>FY17-18</b>	<b>FY18-19</b>	<b>FY19-20</b>	<b>FY20-21</b>
	<b>(PROJECTED)</b>	<b>(PROJECTED)</b>	<b>(PROJECTED)</b>	<b>(PROJECTED)</b>	<b>(PROJECTED)</b>
<b>Energy and Demand Requirements</b>					
Peak Demand (MW)	22.060	22.060	22.060	22.060	22.060
Energy (MWh)	108,000	108,000	108,000	108,000	108,000

**Trinity Public Utilities District  
Other Financial Information**

<b>Electric Rate Comparison Residential Monthly Bill (1,000 kWh)</b>		<b>FY11-12</b>	<b>FY12-13</b>	<b>FY13-14</b>	<b>FY14-15</b>	<b>FY15-16</b>
		<b>ACTUAL<sup>1</sup></b>	<b>ACTUAL<sup>1</sup></b>	<b>ACTUAL<sup>1</sup></b>	<b>ACTUAL<sup>2</sup></b>	<b>ESTIMATED<sup>2</sup></b>
Pacific Gas & Electric	Summer	\$ 268.13	\$ 277.44	\$ 284.46	\$ 286.87	311.91
	Winter	\$ 243.87	\$ 252.37	\$ 258.93	\$ 264.65	287.97
Sacramento Municipal Utility District	Summer	\$ 126.02	\$ 122.53	\$ 106.10	\$ 135.70	\$ 135.70
	Winter	\$ 125.23	\$ 123.32	\$ 96.80	\$ 121.80	\$ 121.80
Lassen Municipal Utility District	Summer	\$ 130.00	\$ 130.00	\$ 130.00	\$ 145.00	\$ 150.00
	Winter	\$ 130.00	\$ 130.00	\$ 130.00	\$ 145.00	\$ 150.00
City of Redding	Summer	\$ 142.80	\$ 153.90	\$ 165.80	\$ 165.80	\$ 167.80
	Winter	\$ 142.80	\$ 153.90	\$ 165.80	\$ 165.80	\$ 167.80
City of Shasta Lake	Summer	\$ 157.70	\$ 164.90	\$ 169.20	\$ 169.59	\$ 169.59
	Winter	\$ 157.70	\$ 164.90	\$ 169.20	\$ 169.59	\$ 169.59
The District - Zone B	Summer	\$ 85.60	\$ 85.60	\$ 85.60	\$ 114.68	\$ 114.68
	Winter	\$ 85.60	\$ 85.60	\$ 85.60	\$ 114.68	\$ 114.68
The District - Zone A	Summer	\$ 60.30	\$ 60.30	\$ 60.30	\$ 91.31	\$ 91.31
	Winter	\$ 60.30	\$ 60.30	\$ 60.30	\$ 91.31	\$ 91.31

*\$ amounts reported above exclude revenues from any applicable taxes or surcharges<sup>1</sup>*

*\$ amounts reported above include revenues from any applicable taxes or surcharges<sup>2</sup>*



**Historical/Forecasted Debt Service  
Coverage and Accumulated Surplus  
(Fiscal Year Ending June 30)**

	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>
<b>OPERATING REVENUES<sup>1</sup></b>					
Electric Sales	\$ 7,275,129	\$ 7,421,540	\$ 7,110,762	\$ 9,009,941	\$ 9,063,195
Drought surcharge	\$ 170,842	\$ 1,185,943	\$ 1,131,400	\$ 1,216,932	\$ 1,305,801
Dereg surcharge	\$ 1,388,858	\$ 1,385,173	\$ 1,321,131	\$ 104,877	\$ -
Lewiston generation income	\$ -	\$ -	\$ -	\$ -	\$ -
Other Income <sup>2</sup>	970,922	1,373,725	1,087,386	1,499,338	1,761,364
Interest Income <sup>3</sup>	48,661	33,785	23,725	22,615	76,204
<b>Total Revenues</b>	<b>\$ 9,854,412</b>	<b>\$ 11,400,166</b>	<b>\$ 10,674,404</b>	<b>\$ 11,853,703</b>	<b>\$ 12,206,565</b>
<b>OPERATION AND MAINTENANCE EXPENSES<sup>4</sup></b>					
Purchased power	\$ 2,480,251	\$ 2,429,523	\$ 3,318,857	\$ 3,972,613	\$ 4,009,115
Transmission (CAISO)	(1,838)	-	-	-	-
Other	184,515	204,544	218,207	230,236	197,962
<b>Total Purchased Power</b>	<b>\$ 2,662,928</b>	<b>\$ 2,634,067</b>	<b>\$ 3,537,064</b>	<b>\$ 4,202,849</b>	<b>\$ 4,207,078</b>
Operations and Maintenance	2,472,493	2,371,399	2,168,556	2,485,094	2,543,586
Customer Accounts	784,822	811,823	780,340	829,949	733,354
Administrative and General	837,158	1,088,956	1,062,383	1,051,681	1,249,830
<b>Total Other</b>	<b>\$ 4,094,473</b>	<b>\$ 4,272,178</b>	<b>\$ 4,011,279</b>	<b>\$ 4,366,724</b>	<b>\$ 4,526,770</b>
<b>Total Expenses</b>	<b>\$ 6,757,401</b>	<b>\$ 6,906,245</b>	<b>\$ 7,548,343</b>	<b>\$ 8,569,573</b>	<b>\$ 8,733,848</b>
<b>NET REVENUES</b>	<b>\$ 3,097,011</b>	<b>\$ 4,493,921</b>	<b>\$ 3,126,061</b>	<b>\$ 3,284,130</b>	<b>\$ 3,472,717</b>
Lewiston financing	\$ -	\$ -	\$ -	\$ -	\$ -
2010 PG&E	94,538	907,019	1,300,406	1,302,906	1,299,156
FareCAL refi	-	-	-	-	-
2003 COPs	746,045	265,187	-	-	-
CIEDB Installment sale	442,005	441,879	441,747	441,611	441,470
<b>TOTAL DEBT SERVICE</b>	<b>1,282,588</b>	<b>1,614,084</b>	<b>1,742,153</b>	<b>1,744,517</b>	<b>1,740,626</b>
<b>TOTAL DEBT SERVICE COVERAGE</b>	<b>2.41</b>	<b>2.78</b>	<b>1.79</b>	<b>1.88</b>	<b>2.00</b>
<b>SR DEBT SERVICE COVERAGE</b>	<b>3.68</b>	<b>3.83</b>	<b>2.40</b>	<b>2.52</b>	<b>2.67</b>
<b>BEGINNING RESERVES</b>	<b>\$ 15,985,371</b>	<b>\$ 15,854,858</b>	<b>\$ 10,899,249</b>	<b>\$ 9,623,738</b>	<b>\$ 8,553,604</b>
Surplus Revenues	1,814,423	2,879,837	1,383,908	1,539,613	1,732,091
Capital Outlays	(2,092,567)	(2,242,217)	(2,809,928)	(2,759,747)	(3,342,811)
County/MCMS Funding	147,630	146,772	150,509	150,000	150,000
Bond/Loan Proceeds	-	(5,740,000)	-	-	-
<b>Net Surplus</b>	<b>(130,513)</b>	<b>(4,955,608)</b>	<b>(1,275,511)</b>	<b>(1,070,134)</b>	<b>(1,460,720)</b>
<b>TOTAL RESERVES</b>	<b>\$ 15,854,858</b>	<b>\$ 10,899,249</b>	<b>\$ 9,623,738</b>	<b>\$ 8,553,604</b>	<b>\$ 7,092,884</b>
Debt Reserves	(4,429,904)	(1,751,105)	(1,752,606)	(1,752,690)	(1,752,690)
<b>BALANCE AVAILABLE for Capital Outlays or Other Purposes<sup>5</sup></b>	<b>11,424,954</b>	<b>9,148,144</b>	<b>7,871,132</b>	<b>6,800,914</b>	<b>5,340,194</b>
<i>contingency, payables &amp; lxt fund</i>	<i>11,265,246</i>	<i>8,438,646</i>	<i>7,163,061</i>	<i>5,982,931</i>	<i>4,489,406</i>

<sup>1</sup> Reflects all gross income and revenue received

<sup>2</sup> Includes Fees and charges, Joint pole/contact inllaneous transactions

<sup>3</sup> Interest earned on surplus District funds and on

<sup>4</sup> Excludes depreciation, amortizations, accruals as

<sup>5</sup> Excludes funds held for Reserves on Debt

**LEGISLATED  
ANNUAL  
REPORTING**

**LEGISLATED ANNUAL REPORTING REQUIREMENTS  
For Calendar Year 2015**

- Expenditures for renewable energy resource development – \$59,313<sup>1</sup>
- Expected and actual renewable energy used - 100% hydro energy<sup>1</sup>
- Expenditures Energy Efficiency and Demand reduction - \$ 26,924
- Description of programs for Energy in Energy Efficiency and Demand reduction –

The Affordable Comfort Program provides incentives to encourage the construction and use of more energy efficient buildings and appliances

Expected<sup>2</sup> and actual results from Energy Efficiency and Demand reduction -

2011	2012	2013	2014	2015
138,844kWh	140,192kWh	148,954kWh	157,042kWh	167,826kWh

- Solar photovoltaic watts installed - 77.025kW
- Number of solar photovoltaic systems - 16
- Percent of solar photovoltaic goal reached :
  - Capacity – 7%
  - Funding – 8%

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<sup>1</sup> Under the TRD act of 1955, the District has statutory rights to enough large hydro generation to meet its load for many decades to come. The same Act prevents the District from selling any of the power that could be offset if the District were to develop other renewable resources. This makes purchasing new renewable resources vastly more cost prohibitive for the District than for any other utility in the State.

<sup>2</sup> Actual not verified.