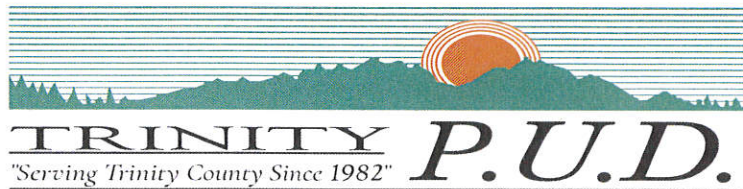


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***FISCAL YEAR 2021/2022***  
***BUDGET***

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P.O. Box 1216

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Weaverville, CA 96093

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# **TRINITY PUBLIC UTILITIES DISTRICT**

## **FY 21-22 BUDGET**

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# Trinity Public Utilities District

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## Memorandum

**To:** Trinity P.U.D. Board of Directors  
**From:** Paul Hauser, General Manager  
**Date:** June 10, 2021  
**Re:** Fiscal Year 21/22 Budget

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The Fiscal Year 21/22 Budget estimates Operating Receipts to be \$15,324,179. The Budget also includes \$13,558,246 for Operating Expenses and \$5,612,928 for Capital Expenditures. With the County's annual loan repayment of \$150,000 the Budget reflects a \$3,696,995 decrease to reserves. The District is currently pursuing a \$6.0 million ten-year bank loan to offset this decrease to reserves for a net increase to reserves of \$2,303,005. The Capital Expenditures include \$3,756,000 in Distribution Improvements and Replacements. Other Capital expenditures include replacing the 2003 Tucker Sno-Cat (\$225,000), replacing the 1998 Caterpillar Forklift (\$75,000), purchasing/replacing four pick-up trucks for Field staff (\$225,000), Radio Repeater Project costs (\$200,000), second year of three year Right of Way Widening Project (\$555,600) as well as on-going maintenance of the System to comply with the District's Wildfire Mitigation Plan.

The current Fiscal Year is expected to end with reserve balances that are approximately \$0.597 million greater than projected in the Fiscal Year 20/21 Budget. The main reason for the better than expected reserve balance is that FY 20/21 revenues have been better than budgeted.

Fiscal Year 21/22 should begin with nearly \$2.3 million in Contingency Reserves. This reserve is forecast to increase to \$4.4 million due to the anticipation of securing a \$6.0 million ten-year bank loan to fund not only the capital improvements required by the Fire Mitigation Plan but also the infrastructure improvements required to serve the District's customers.

The current water year is a critically dry water year due to the return of drought conditions. The Five-Year Financial Forecast assumes that the Drought Relief Surcharge will remain for all future years.

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 in electric sales over the past year, it remains to be seen whether recent load growth trends will continue. The Mill, which represents approximately 10% of the District's load is doing well but is subject to outside market forces and potential regulatory actions

that can impact their operations. Of course, weather variations can also have significant year-to-year impacts on electric sales.

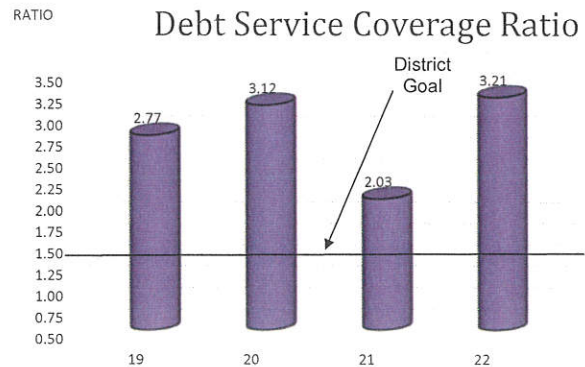
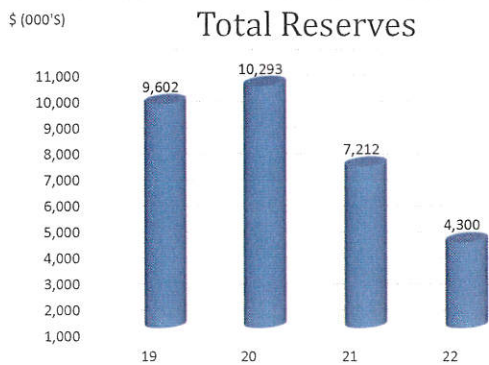
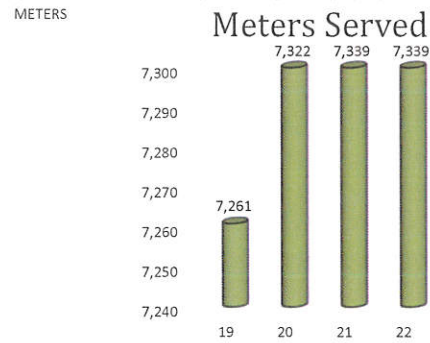
Without some combination of significantly increased load growth and/or permanently reduced power costs, a rate increase will be necessary in order to maintain operations and maintenance of the District's infrastructure.

The District also has to self-insure for wildfire liability risk since no carrier will write a policy for us given the current strict liability standard in California. This is uncharted territory for the District and will require us to take significant steps to protect from fire danger in order to preserve the financial viability of the utility.

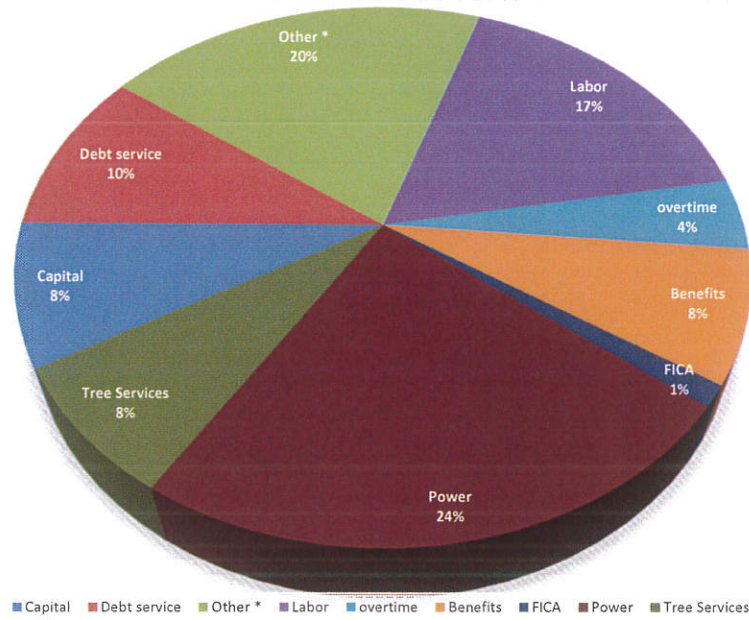
The District's Standard and Poor's rating of A- was reduced to a BBB+ Moody's A2 rating was reduced to Baa1 due to the District being located in the highest fire risk area of California. It should be noted that any number of events, particularly legislative or regulatory mandates can alter the financial 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 in California for many years into the future.

## Trinity Public Utilities District Budget Overview FY 21/22 Budget

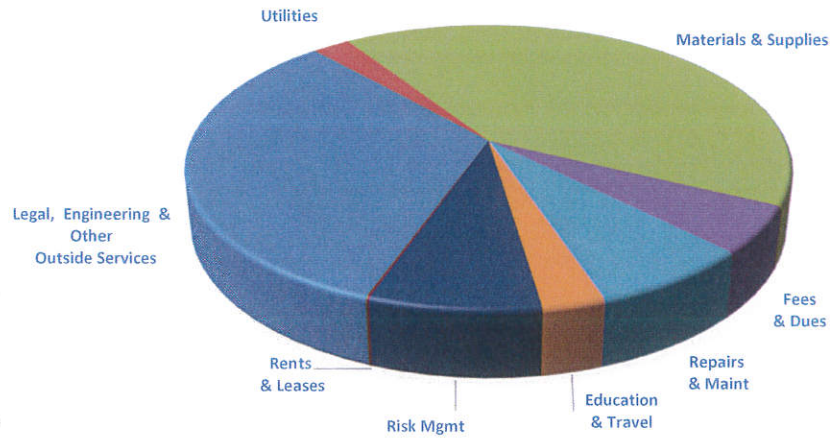
	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
Operating receipts	13,215,548	13,507,342	2.2%	15,523,989	14.9%	15,324,179	-1.3%
Operating expenditures	9,892,536	11,290,100	14.1%	12,060,318	6.8%	13,558,246	12.4%
<b>Available for capital</b>	<b>3,323,012</b>	<b>2,217,242</b>	<b>-33.3%</b>	<b>3,463,671</b>	<b>56.2%</b>	<b>1,765,933</b>	<b>-49.0%</b>
County/MCMS transactions	145,704	148,982	2.2%	150,000	0.7%	150,000	0.0%
Capital outlay	2,777,207	5,447,659	96.2%	6,524,345	19.8%	5,612,928	-14.0%
Bond/loan proceeds	-	-	-	-	-	6,000,000	-
<b>Change in reserves</b>	<b>691,509</b>	<b>(3,081,435)</b>	<b>-545.6%</b>	<b>(2,910,674)</b>	<b>-5.5%</b>	<b>2,303,005</b>	<b>-179.1%</b>
<b>Reserves balances (end of year)</b>							
Restricted	606,171	30,794	-94.9%	32,000	3.9%	26,000	-18.8%
Encumbered	599,710	1,594,858	165.9%	753,096	-52.8%	1,227,601	63.0%
Customer funds	419,737	673,729	60.5%	860,534	27.7%	843,827	-1.9%
Dedicated	297,000	442,407	49.0%	386,667	-12.6%	75,000	-80.6%
<b>Total other reserves</b>	<b>1,922,618</b>	<b>2,741,788</b>	<b>42.6%</b>	<b>2,032,297</b>	<b>-25.9%</b>	<b>2,172,428</b>	<b>6.9%</b>
<b>Contingency reserves</b>	<b>8,370,668</b>	<b>4,470,063</b>	<b>-46.6%</b>	<b>2,267,875</b>	<b>-49.3%</b>	<b>4,430,749</b>	<b>95.4%</b>
<b>Total reserves</b>	<b>10,293,286</b>	<b>7,211,851</b>	<b>-29.9%</b>	<b>4,300,172</b>	<b>-40.4%</b>	<b>6,603,177</b>	<b>53.6%</b>
<b>Debt service coverage ratio</b>							
	3.12	2.03		3.21		1.93	



## Trinity Public Utilities District Costs by Activities FY 21/22 Budget



### OTHER ACTIVITIES\*





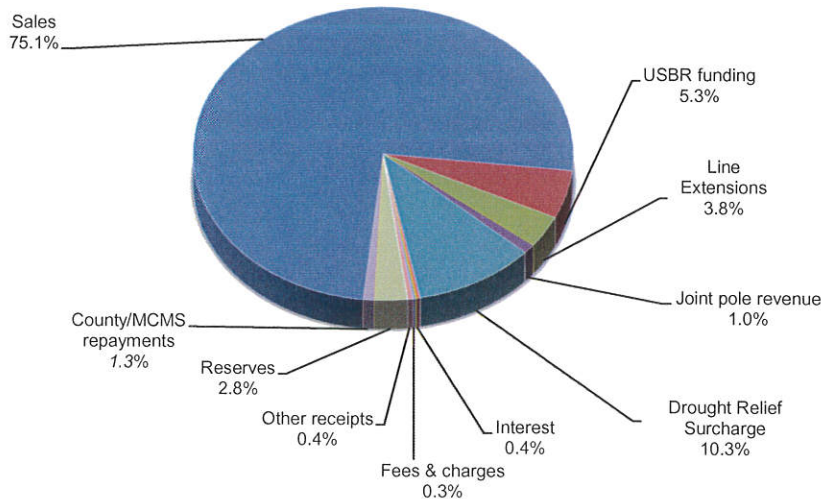
## Trinity Public Utilities District Budget Summary FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Revenues</b>							
Energy sales	9,817,175	10,526,750	7.2%	11,950,498	13.5%	11,950,497	0.0%
Surcharge receipts	1,181,284	205,894	-82.6%	1,537,825	646.9%	1,635,784	6.4%
Other receipts	2,217,089	2,774,698	25.2%	2,035,666	-26.6%	1,737,899	-14.6%
<b>Total</b>	<b>13,215,548</b>	<b>13,507,342</b>	<b>2.2%</b>	<b>15,523,989</b>	<b>14.9%</b>	<b>15,324,179</b>	<b>-1.3%</b>
<b>Expenses</b>							
Power acquisition	2,656,541	3,177,941	19.6%	3,514,199	10.6%	4,693,193	33.5%
Operations & maintenance	3,495,026	3,673,874	5.1%	4,656,842	26.8%	4,375,727	-6.0%
Customer accounts	708,997	882,214	24.4%	937,769	6.3%	792,399	-15.5%
Administrative & general	1,409,236	1,330,768	-5.6%	1,320,643	-0.8%	1,730,454	31.0%
Debt & financing	1,622,736	2,225,303	37.1%	1,630,864	-26.7%	1,966,473	20.6%
<b>Total</b>	<b>9,892,536</b>	<b>11,290,100</b>	<b>14.1%</b>	<b>12,060,318</b>	<b>6.8%</b>	<b>13,558,246</b>	<b>12.4%</b>
<b>Available for capital</b>	<b>3,323,012</b>	<b>2,217,242</b>	<b>-33.3%</b>	<b>3,463,671</b>	<b>56.2%</b>	<b>1,765,933</b>	<b>-49.0%</b>
<b>Capital outlay</b>							
Distribution/Transmission	2,190,299	4,326,091	97.5%	5,853,488	35.3%	5,236,652	-10.5%
Substations	104,445	796,635	662.7%	189,879	-76.2%	-	-
Customer accounts	472,532	216,421	-54.2%	405,979	87.6%	316,276	-22.1%
Property and facilities	9,931	108,512	992.7%	75,000	-30.9%	60,000	-20.0%
<b>Total</b>	<b>2,777,207</b>	<b>5,447,659</b>	<b>96.2%</b>	<b>6,524,345</b>	<b>19.8%</b>	<b>5,612,928</b>	<b>-14.0%</b>
<b>Bond/Loan proceeds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,000,000</b>	<b>-</b>
County/MCMS transactions	145,704	148,982	2.2%	150,000	0.7%	150,000	0.0%
<b>Change in reserves</b>	<b>691,509</b>	<b>(3,081,435)</b>	<b>-545.6%</b>	<b>(2,910,674)</b>	<b>-5.5%</b>	<b>2,303,005</b>	<b>-179.1%</b>
<b>Reserves balances (end of year)</b>							
Restricted	606,171	30,794	-94.9%	32,000	3.9%	26,000	-18.8%
Encumbered	599,710	1,594,858	165.9%	753,096	-52.8%	1,227,601	63.0%
Customer funds	419,737	673,729	60.5%	860,534	27.7%	843,827	-1.9%
Dedicated	297,000	442,407	49.0%	386,667	-12.6%	75,000	-80.6%
Contingency	8,370,668	4,470,063	-46.6%	2,267,875	-49.3%	4,430,749	95.4%
<b>Total reserves</b>	<b>10,293,286</b>	<b>7,211,851</b>	<b>-29.9%</b>	<b>4,300,172</b>	<b>-40.4%</b>	<b>6,603,177</b>	<b>53.6%</b>

## Trinity Public Utilities District Fund Sources and Uses Summary FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Fund Sources</b>							
<b>Receipts</b>							
Energy sales	9,817,175	10,526,750	7.2%	11,950,498	13.5%	11,950,497	0.0%
Other receipts	3,398,373	2,980,592	-12.3%	3,573,491	19.9%	3,373,682	-5.6%
<b>Total</b>	<b>13,215,548</b>	<b>13,507,342</b>	<b>2.2%</b>	<b>15,523,989</b>	<b>14.9%</b>	<b>15,324,179</b>	<b>-1.3%</b>
<b>Reserves/proceeds</b>							
County/MCMS repayments	145,704	148,982	2.2%	150,000	0.7%	150,000	0.0%
Bond/Loan proceeds	-	-	-	-	-	6,000,000	-
Line extension loans	-	-	-	-	-	-	-
Restricted reserves	573,124	-	-	-	-	-	-
Dedicated reserves	40,000	42,000	-	331,667	-	445,000	-
<b>Total</b>	<b>758,828</b>	<b>190,982</b>	<b>-74.8%</b>	<b>481,667</b>	<b>152.2%</b>	<b>6,595,000</b>	<b>1269.2%</b>
<b>Total sources</b>	<b>13,974,376</b>	<b>13,698,324</b>	<b>-2.0%</b>	<b>16,005,656</b>	<b>16.8%</b>	<b>21,919,179</b>	<b>36.9%</b>
<b>Fund Uses</b>							
Operating expenditures	9,892,536	11,290,100	14.1%	12,060,318	6.8%	13,558,246	12.4%
Capital outlay	2,777,207	5,447,659	96.2%	6,524,345	19.8%	5,612,928	-14.0%
County/MCMS funding	-	-	-	-	-	-	-
Fund transfers	488,904	861,170	76.1%	(376,819)	-143.8%	585,131	-255.3%
<b>Total uses</b>	<b>13,158,647</b>	<b>17,598,929</b>	<b>33.7%</b>	<b>18,207,844</b>	<b>3.5%</b>	<b>19,756,305</b>	<b>8.5%</b>
Change in contingency reserves	815,729	(3,900,605)	-578.2%	(2,202,188)	-43.5%	2,162,874	-

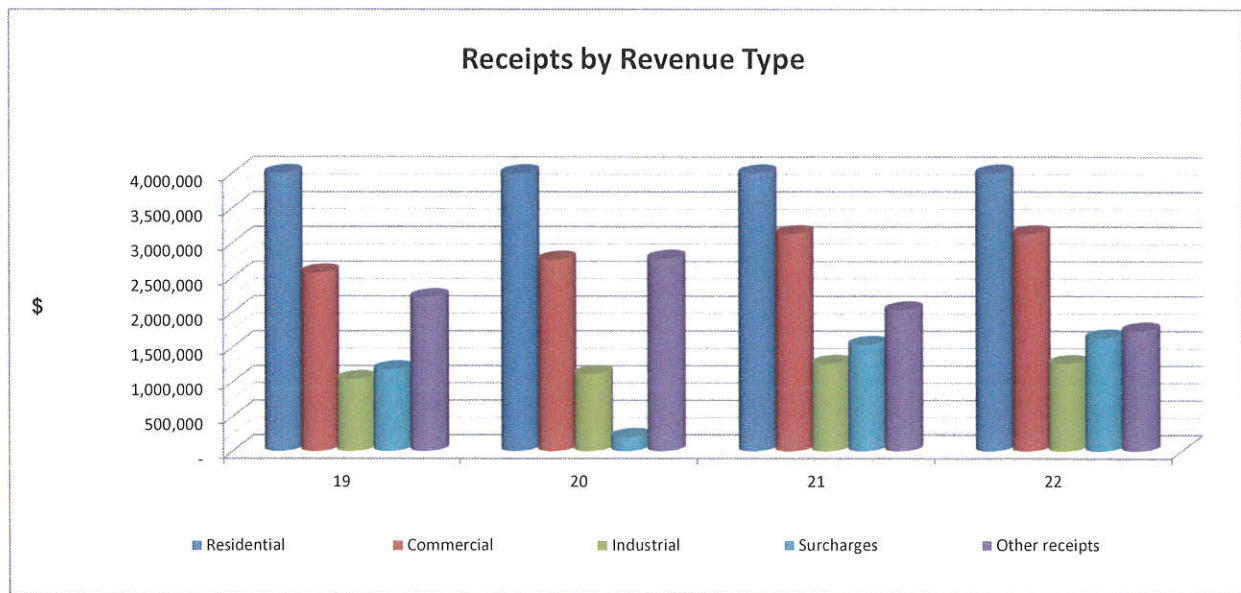
### Sources FY 20/21





## Trinity Public Utilities District Receipts Summary FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Sales</b>							
Zone A	4,831,947	4,949,015	2.4%	5,245,334	6.0%	5,245,334	0.0%
Zone B	4,985,228	5,577,735	11.9%	6,705,164	20.2%	6,705,163	0.0%
<b>Total Sales</b>	<b>9,817,175</b>	<b>10,526,750</b>	<b>7.2%</b>	<b>11,950,498</b>	<b>13.5%</b>	<b>11,950,497</b>	<b>0.0%</b>
<b>Surcharges</b>							
Drought Relief surcharge	1,181,284	205,894	100.0%	1,537,825	646.9%	1,635,784	6.4%
	<b>1,181,284</b>	<b>205,894</b>	<b>-82.6%</b>	<b>1,537,825</b>	<b>646.9%</b>	<b>1,635,784</b>	<b>6.4%</b>
<b>Other receipts</b>							
Fees and charges	40,622	75,742	86.5%	164,545	117.2%	41,036	-75.1%
Line extensions	240,996	661,051	174.3%	563,047	-14.8%	563,059	0.0%
Line extension amortizations	-	-	0.0%	876	0.0%	-	-
Interest	171,850	163,106	-5.1%	46,193	-71.7%	56,418	22.1%
USBR funding	786,897	804,512	2.2%	814,028	1.2%	841,397	3.4%
Joint pole/pole contact income	292,873	222,775	-23.9%	166,257	-25.4%	166,257	0.0%
Other misc. income	683,851	924,810	35.2%	303,457	-67.2%	96,023	-68.4%
Uncollectibles	-	(77,298)	0.0%	(22,737)	0.0%	(26,291)	-
<b>Total</b>	<b>2,217,089</b>	<b>2,774,698</b>	<b>25.2%</b>	<b>2,035,666</b>	<b>-26.6%</b>	<b>1,737,899</b>	<b>-14.6%</b>
<b>Total</b>	<b>13,215,548</b>	<b>13,507,342</b>	<b>2.2%</b>	<b>15,523,989</b>	<b>14.9%</b>	<b>15,324,179</b>	<b>-1.3%</b>
Bond/Loan proceeds	-	-	-	-	-	6,000,000	-
<b>Total receipts</b>	<b>13,215,548</b>	<b>13,507,342</b>	<b>2.2%</b>	<b>15,523,989</b>	<b>14.9%</b>	<b>21,324,179</b>	<b>37.4%</b>

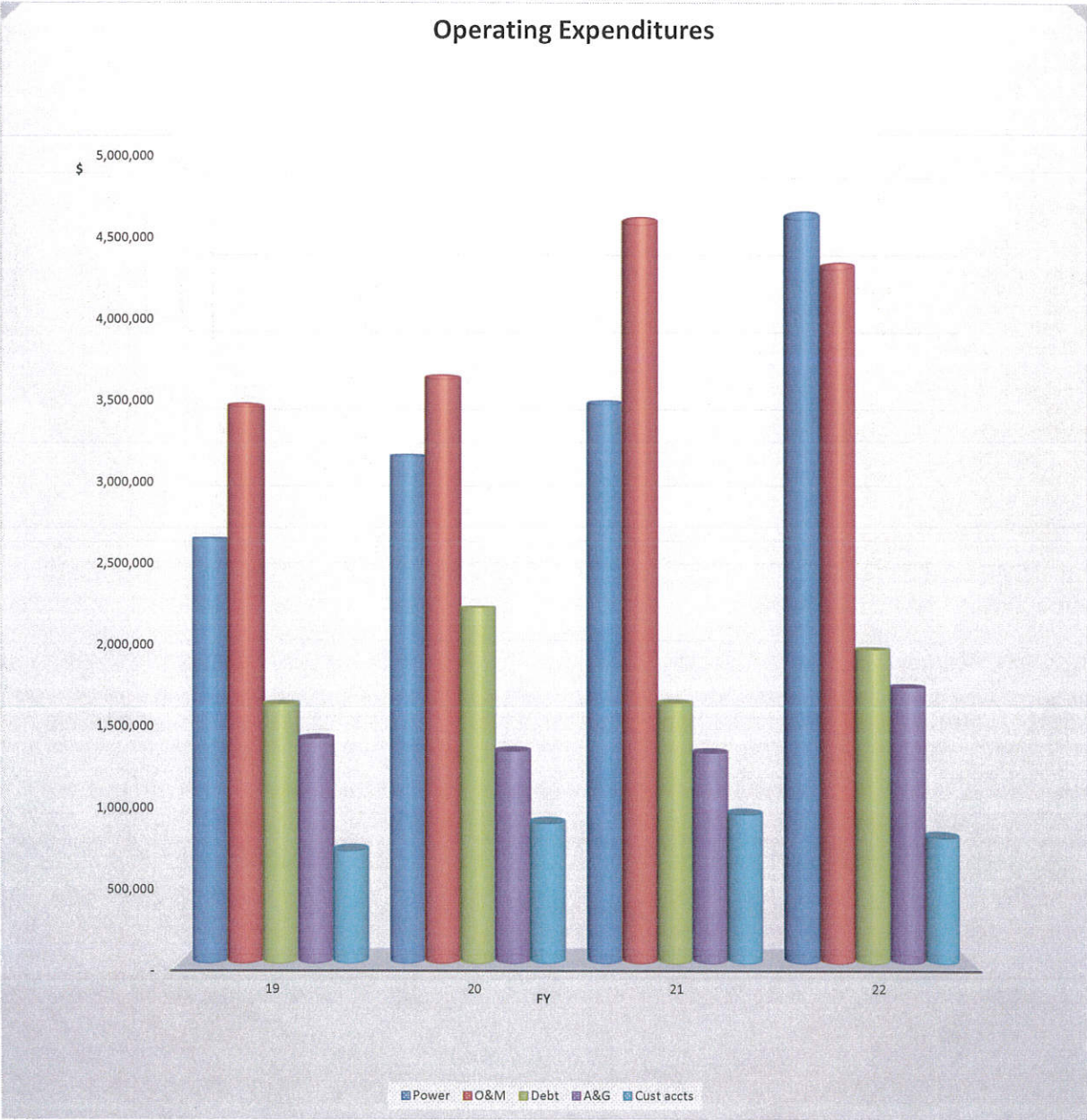


FY 21/22 Budget - Approved  
June 10, 2021

## Trinity Public Utilities District Operating Expenditures Summary FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Power acquisition</b>							
Purchased power	2,419,632	2,936,470	21.4%	3,290,039	12.0%	4,474,630	36.0%
Other	236,909	241,471	1.9%	224,161	-7.2%	218,563	-2.5%
<b>Total</b>	<b>2,656,541</b>	<b>3,177,941</b>	<b>19.6%</b>	<b>3,514,199</b>	<b>10.6%</b>	<b>4,693,193</b>	<b>33.5%</b>
<b>Operations &amp; maintenance</b>							
System	102,123	79,189	-22.5%	258,092	225.9%	257,269	-0.3%
Overhead distribution	3,259,407	3,452,090	5.9%	4,090,696	18.5%	3,793,761	-7.3%
Transmission & UG distribution	27,442	34,779	26.7%	80,860	132.5%	58,684	-27.4%
Lighting	8,491	3,213	-62.2%	4,608	43.4%	27,068	100%
Buildings/property	16,815	19,521	16.1%	17,860	-8.5%	38,042	113.0%
Other	80,748	85,082	5.4%	204,727	140.6%	200,903	-1.9%
<b>Total</b>	<b>3,495,026</b>	<b>3,673,874</b>	<b>5.1%</b>	<b>4,656,842</b>	<b>26.8%</b>	<b>4,375,727</b>	<b>-6.0%</b>
<b>Customer accounts</b>							
Account maintenance	609,851	766,482	25.7%	829,032	8.2%	658,595	-20.6%
Meter reading/turtle maint.	35,153	48,418	37.7%	42,495	-12.2%	59,114	39.1%
Customer relations	63,993	67,314	5.2%	66,243	-1.6%	59,690	-9.9%
Other	-	-	-	-	0.0%	15,000	0.0%
<b>Total</b>	<b>708,997</b>	<b>882,214</b>	<b>24.4%</b>	<b>937,769</b>	<b>6.3%</b>	<b>792,399</b>	<b>-15.5%</b>
<b>Administrative and general</b>							
Utilities	80,873	89,372	10.5%	91,789	2.7%	104,500	13.8%
Accounting	251,800	272,635	8.3%	293,293	7.6%	289,808	-1.2%
Risk management	217,751	317,373	45.8%	340,205	7.2%	383,422	12.7%
Community investment	-	133	0.0%	-	0.0%	20,000	
Dues and publications	130,655	100,018	-23.4%	166,335	66.3%	154,530	-7.1%
Education and travel	96,897	59,882	-38.2%	2,119	-96.5%	110,000	5091.9%
Supervision	186,153	146,484	-21.3%	153,491	4.8%	115,627	-24.7%
Planning	95,667	94,119	-1.6%	87,937	-6.6%	81,375	-7.5%
Legal	188,065	120,729	-35.8%	72,479	-40.0%	239,521	230.5%
Economic Development	70,780	36,842	-47.9%	35,005	-5.0%	139,521	298.6%
Misc. outside services	35,500	39,635	11.6%	30,409	-23.3%	28,750	-5.5%
Other	55,095	53,546	-2.8%	47,580	-11.1%	63,400	33.2%
<b>Total</b>	<b>1,409,236</b>	<b>1,330,768</b>	<b>-5.6%</b>	<b>1,320,643</b>	<b>-0.8%</b>	<b>1,730,454</b>	<b>31.0%</b>
<b>Debt and financing</b>							
Interest	717,428	686,905	-4.3%	646,300	-5.9%	675,080	4.5%
Principal	850,000	1,475,000	73.5%	920,000	-37.6%	1,225,034	33.2%
Other	55,308	63,398	14.6%	64,564	1.8%	66,359	2.8%
<b>Total</b>	<b>1,622,736</b>	<b>2,225,303</b>	<b>37.1%</b>	<b>1,630,864</b>	<b>-26.7%</b>	<b>1,966,473</b>	<b>20.6%</b>
<b>Total operating expenditures</b>	<b>9,892,536</b>	<b>11,290,100</b>	<b>14.1%</b>	<b>12,060,318</b>	<b>6.8%</b>	<b>13,558,246</b>	<b>12.4%</b>

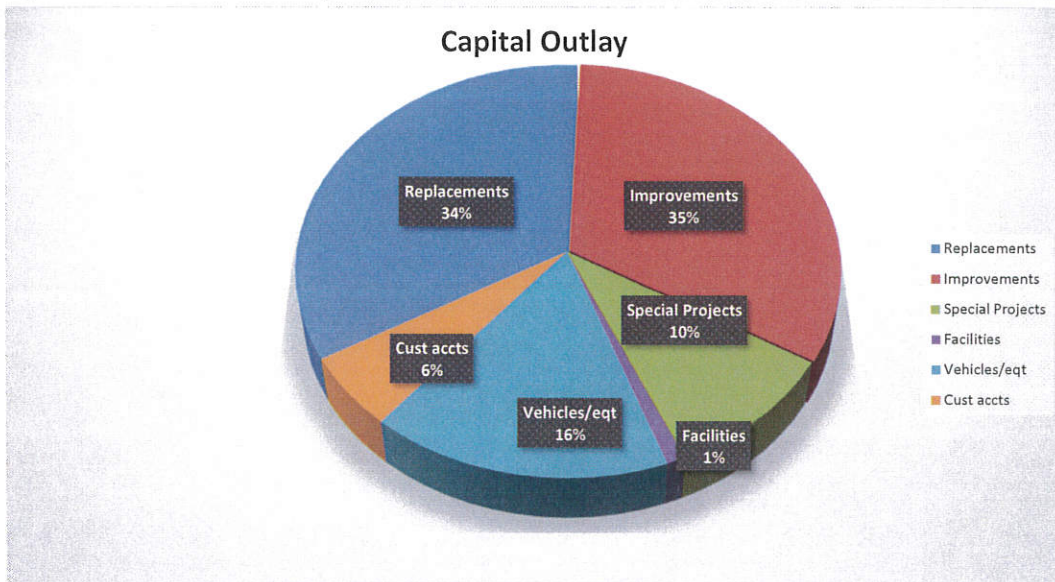
### Trinity Public Utilities District





## Trinity Public Utilities District Capital Expenses FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Distribution/Transmission</b>							
Replacements	1,488,674	1,431,449	-3.8%	2,396,008	67.4%	1,911,770	-20.2%
Improvements	539,259	1,171,813	117.3%	1,207,921	3.1%	1,844,324	52.7%
CIP	-	-	-	-	-	-	-
Right of Way Project	-	818,209	-	1,951,333	-	555,557	-
#34 - 2020 F-550 Trouble truck	-	-	-	152,581	-	-	-
#14 - 2020 Ford F250	-	-	-	-	-	50,000	-
#15 - 2020 Ford F250	-	-	-	-	-	50,000	-
#17 - 2011 Ford F-150	-	-	-	-	-	50,000	-
#27- 2004 Chevy 1 ton flatbed	-	-	-	-	-	75,000	-
#67 - 2017 Tucker-Terra Snocat	-	-	-	-	-	225,000	-
#23 - 2019 Ram 1500 4x4 Pickup	38,562	-	-	-	-	-	-
#45 - 2015 Freightliner line truck	-	-	-	-	-	-	-
#44 - 2020 Freightliner line truck	-	279,875	-	-	-	-	-
#68 - 2018 Polaris	23,186	-	-	-	-	-	-
#28 - 2020 F-350 4x4 Pick-up Truck	-	-	-	45,644	-	-	-
#37 - 2019 Freightliner LG bucket truck	15,191	239,972	-	-	-	-	-
#38 - 2014 International bucket truck	-	236,273	-	-	-	-	-
#69 - 2018 Excavator	56,980	-	-	-	-	-	-
#60 - 1998 Catpillar Fork Lift	-	-	-	-	-	75,000	-
Radio Equipment - Repeater	-	-	-	-	-	200,000	-
Other/Previous years	28,447	148,500	-	100,000	-	200,000	-
<b>Total</b>	<b>2,190,299</b>	<b>4,326,091</b>	<b>97.5%</b>	<b>5,853,488</b>	<b>35.3%</b>	<b>5,236,652</b>	<b>-10.5%</b>
<b>Substations</b>							
CIP/Other	104,445	796,635	-	189,879	-	-	-
<b>Total</b>	<b>104,445</b>	<b>796,635</b>	-	<b>189,879</b>	<b>-76.2%</b>	<b>-</b>	<b>-100.0%</b>
<b>Customer accounts</b>							
Data processing/computers	52,067	115,869	122.5%	103,804	-10.4%	170,000	63.8%
Automated meter reading/turtles	325,014	58,768	-18.1%	30,357	-48.3%	10,000	-67.1%
Mapping system	95,451	38,594	-40.4%	33,817	-12.4%	136,276	303.0%
Other	-	3,190	100.0%	203,000	-	-	-
<b>Total</b>	<b>472,532</b>	<b>216,421</b>	<b>-45.8%</b>	<b>405,979</b>	<b>87.6%</b>	<b>316,276</b>	<b>-22.1%</b>
<b>Property/facilities</b>							
Yard	9,931	108,512	992.7%	75,000	-30.9%	10,000	-86.7%
Facilities	-	-	-	-	-	50,000	-
<b>Total</b>	<b>9,931</b>	<b>108,512</b>	<b>992.7%</b>	<b>75,000</b>	<b>-30.9%</b>	<b>60,000</b>	<b>-20.0%</b>
<b>Total capital outlay</b>	<b>2,777,207</b>	<b>5,447,659</b>	<b>96.2%</b>	<b>6,524,345</b>	<b>19.8%</b>	<b>5,612,928</b>	<b>-14.0%</b>





FY 21/22 Budget - Approved  
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## Trinity Public Utilities District

### Reserves Summary

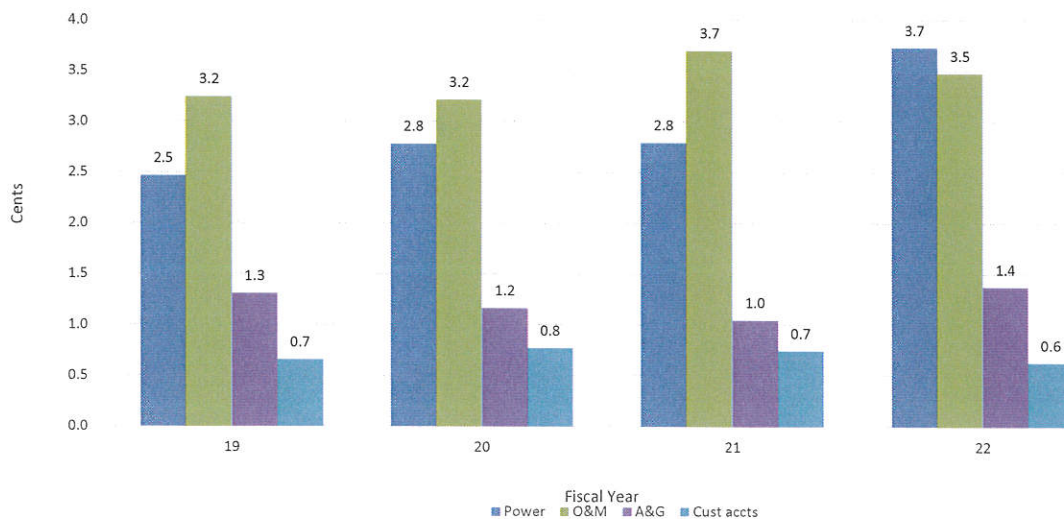
#### FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	% Growth	21/22 (Budgeted)	Change
<b>Restricted</b>							
Bond/loan reserves	573,124	-	-100.0%	-		-	
Cafeteria plan	33,047	30,794	-6.8%	32,000	3.9%	26,000	-18.8%
<b>Total</b>	<b>606,171</b>	<b>30,794</b>	<b>-94.9%</b>	<b>32,000</b>	<b>3.9%</b>	<b>26,000</b>	<b>-18.8%</b>
<b>Encumbered</b>							
Payables	599,710	1,594,858	165.9%	753,096	-52.8%	1,227,601	63.0%
Line extension loan fund	-	-		-		-	
<b>Total</b>	<b>599,710</b>	<b>1,594,858</b>	<b>165.9%</b>	<b>753,096</b>	<b>-52.8%</b>	<b>1,227,601</b>	<b>63.0%</b>
<b>Customer funds</b>							
Security deposits	245,519	345,148	40.6%	531,953	54.1%	531,953	0.0%
Construction advances	165,218	319,581	93.4%	319,581	0.0%	302,874	-5.2%
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>419,737</b>	<b>673,729</b>	<b>60.5%</b>	<b>860,534</b>	<b>27.7%</b>	<b>843,827</b>	<b>-1.9%</b>
<b>Dedicated</b>	<b>297,000</b>	<b>442,407</b>	<b>49.0%</b>	<b>386,667</b>	<b>-12.6%</b>	<b>75,000</b>	<b>-80.6%</b>
<b>Contingency</b>	<b>8,370,668</b>	<b>4,470,063</b>	<b>-46.6%</b>	<b>2,267,875</b>	<b>-49.3%</b>	<b>4,430,749</b>	<b>95.4%</b>
<b>Total reserves</b>	<b>10,293,286</b>	<b>7,211,851</b>	<b>-29.9%</b>	<b>4,300,172</b>	<b>-40.4%</b>	<b>6,603,177</b>	<b>53.6%</b>

## Trinity Public Utilities District Performance Factors FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Average rate (cents/kWh)</b>	9.28	8.46	-8.8%	9.55	12.9%	9.62	0.7%
<b>Growth</b>							
Demand (mw)	24,176	25,037	3.6%	28,332	13.2%	28,332	0.0%
KWh purchased	118,555,727	126,855,279	7.0%	141,260,389	11.4%	141,260,389	0.0%
KWh sold	107,665,663	114,245,057	6.1%	125,829,464	10.1%	125,829,464	0.0%
Energy losses (%)	9.19%	9.94%	8.2%	10.92%	9.9%	10.92%	0.0%
<b>Meters</b>							
Meters served	7,261	7,322	0.8%	7,339	0.2%	7,339	0.0%
Costs (\$/meter)							
Customer accounts	98	120	23.4%	128	6.1%	108	-15.5%
Labor	651	756	16.2%	788	4.3%	794	0.8%
Operating expenditures	1,362	1,542	13.2%	1,643	6.6%	1,847	12.4%
Expenditures including capital	1,745	2,286	31.0%	2,532	10.8%	2,612	3.2%
<b>Distribution</b>							
Miles of distribution line	567	601	6.0%	602	0.2%	603	0.2%
O&M cost including labor/mile	6,164	6,113	-0.8%	7,736	26.5%	7,257	-6.2%
Labor/mile	2,573	2,427	-5.7%	2,423	-0.2%	2,460	1.5%
<b>Costs/kWh sold (cents/kWh)</b>							
Power acquisition	2.5	2.8	12.7%	2.8	0.4%	3.7	33.5%
Operations & maintenance	3.2	3.2	-0.9%	3.7	15.1%	3.5	-6.0%
Customer accounts	0.7	0.8	17.3%	0.7	-3.5%	0.6	-15.5%
Administrative & general	1.3	1.2	-11.0%	1.0	-9.9%	1.4	31.0%
Debt & financing	1.5	1.9	29.2%	1.3	-33.5%	1.6	20.6%
<b>Uncollectible sales (\$)</b>	21,598	23,159	7.2%	26,291	13.5%	26,291	0.0%
<b>Debt service coverage ratio</b>	3.12	2.03	-35.1%	3.21	58.5%	1.93	-39.9%
<b>Committed/mandated costs</b> (debt service, power, mandated O&M req.)	4,922,974	6,074,621	23.4%	6,011,868	-1.0%	7,468,452	24.2%
<b>Discretionary/variable costs</b> (all other operating expenses, capital outlay)	7,746,769	10,663,138	37.6%	12,572,795	17.9%	11,702,722	-6.9%
<b>Capital replacements, System</b>	1,488,674	1,431,449	-3.8%	2,396,008	67.4%	1,911,770	-20%

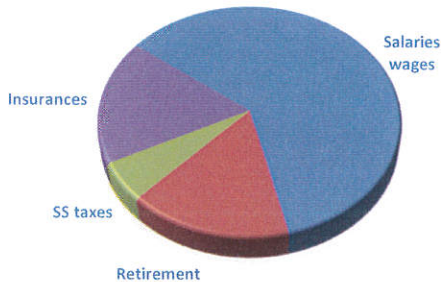
Costs in Cents per kWh



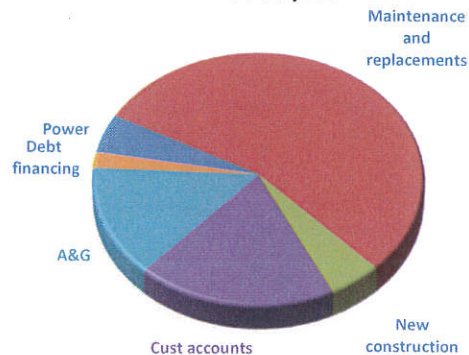
## Trinity Public Utilities District Labor Factors FY 21/22 Budget

	18/19 (Actual)	19/20 (Actual)	Change	20/21 (Preliminary)	Change	21/22 (Budgeted)	Change
<b>Labor components</b>							
Salaries and wages	3,238,242	3,993,942	23.3%	4,162,198	4.2%	4,082,275	-1.9%
Retirement	632,846	534,297	-15.6%	629,853	17.9%	716,566	13.8%
Social Security taxes	202,235	205,815	1.8%	228,336	10.9%	241,758	5.9%
Insurance	650,221	798,520	22.8%	760,962	-4.7%	785,752	3.3%
<b>Total</b>	<b>4,723,544</b>	<b>5,532,574</b>	<b>17.1%</b>	<b>5,781,349</b>	<b>4.5%</b>	<b>5,826,350</b>	<b>0.8%</b>
<b>Labor distribution</b>							
Power acquisition	236,177	276,629	17.1%	289,067	4.5%	291,318	0.8%
Maintenance/replacements	2,597,949	3,042,916	17.1%	3,179,742	4.5%	3,204,493	0.8%
New construction	236,177	276,629	17.1%	289,067	4.5%	291,318	0.8%
Customer accounts	897,473	1,051,189	17.1%	1,098,456	4.5%	1,107,007	0.8%
Administrative & general	661,296	774,560	17.1%	809,389	4.5%	815,689	0.8%
Debt & financing	94,471	110,651	17.1%	115,627	4.5%	116,527	0.8%
<b>Total</b>	<b>4,723,544</b>	<b>5,532,574</b>	<b>17.1%</b>	<b>5,781,349</b>	<b>4.5%</b>	<b>5,826,350</b>	<b>0.8%</b>
<b>Labor costs per:</b>							
Mile of line	8,331	9,206	10.5%	9,604	4.3%	9,662	0.6%
KWh sold (cents)	4.39	4.84	10.4%	4.59	-5.1%	4.63	0.8%
Meter (\$)	651	756	16.2%	788	4.3%	794	0.8%
<b>Percent of total receipts</b>	<b>35.7%</b>	<b>41.0%</b>	<b>14.6%</b>	<b>37.2%</b>	<b>-9.1%</b>	<b>38.0%</b>	<b>2.1%</b>

**BREAKDOWN OF LABOR DOLLAR  
FY 21/22**



**LABOR BY COST CENTER  
FY 21/22**



FY 21/22 Budget - Approved  
June 10, 2021

## Trinity Public Utilities District

### Projected Costs By Activity

FY 20/21 Budget

<b>Power acquisition</b>	
Purchased power	4,474,630
BANC Costs	25,000
	<u>4,499,630</u>
<b>Labor</b>	
Wages and salaries	3,235,933
Health insurance	753,413
Cafeteria plan	32,339
Retirement	716,566
Overtime and standby pay	748,986
Social Security taxes	241,758
Workers compensation	69,906
Meals/per diem	27,450
	<u>5,826,350</u>
<b>Materials and supplies</b>	
Operation supplies	45,000
System materials	1,264,700
Billing and Office supplies	15,000
Postage	35,000
Fuel	115,000
Tires	40,000
Small tools	40,000
Construction eqt	40,000
	<u>1,594,700</u>
<b>Outside services</b>	
Tree trimming/pole clearing	1,370,000
Road maint/right of way clearing	100,000
Hazardous waste disposal	20,000
Training	10,000
Storm assistance	200,000
Engineering, systems testing/routine maint	260,000
Power acquisition consulting	25,000
Human resources/consulting	4,000
Economic Development/consulting	100,000
Legal	250,000
Backhoes and excavators	100,000
All others	107,450
Auditing	50,000
Bill processing, collections	60,500
Janitorial	12,000
Computer programming	65,000
	<u>2,733,950</u>



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## Trinity Public Utilities District Projected Costs By Activity

### FY 20/21 Budget

<b>Utilities</b>	
Electric	18,000
Water	2,500
Telephone	56,000
Garbage	12,000
Propane	500
Sewer	2,500
	<u>91,500</u>
 <b>Rents and leases</b>	
Facilities rents	1,000
Equipment rents	4,700
	<u>5,700</u>
 <b>Education and travel</b>	<u>110,000</u>
 <b>Fees and permits</b>	
Land use permits	30,000
Pole contact fees	20,000
Dues and subscriptions	154,530
	<u>204,530</u>
 <b>Risk management</b>	
Liability insurance	232,000
Damages	12,000
Safety	46,500
Wellness/cafeteria program	8,300
	<u>298,800</u>
 <b>Repairs and maintenance</b>	
Repairs	125,000
Licensing agreements	120,000
Maintenance agreements	37,000
	<u>282,000</u>
 <b>Debt service</b>	
Principal	1,225,034
Interest	675,080
Issuance costs	3,900
	<u>1,904,014</u>
 <b>Capital outlay</b>	
Real property/facilities	60,000
Equipment	535,000
Capital projects	500,000
Vehicles	525,000
	<u>1,620,000</u>
 <b>Total</b>	<u><u>19,171,174</u></u>

## Fiscal Year 2021/2022 Budget Notes

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### Receipts

#### **Sales:**

Retail kWh sales are estimated to increase 10.1% from FY 19/20 to FY 20/21. Retail Sales revenue is estimated to increase 13.5%. Staff is forecasting a 0.0% kWh sales growth factor for FY 21/22. A 0.0% kWh sales growth factor is projected for future years.

#### **Surcharge:**

In April 2021, the Department of Water Resources declared the current water year a critically dry water year. In accordance with District policy, the Drought Relief Surcharge was implemented previously with the May 2020 billing cycle. The Surcharge will remain.

### Operating Expenses

#### **Power Acquisition:**

The District's costs to purchase power increased 12.0% during FY 19/20 to FY 20/21. This increase follows the 21.4% increase from FY 18/19 to FY 19/20. Purchased power costs have fluctuated between \$1.361 million to \$3.290 million over the last four years.

For FY 21/22, the District is forecasting purchased power costs to increase 36.0%. Western's calculation of the District's First Preference Percentage (FPP) increased 43% (4.00% to 5.72%). Western's Power Revenue Requirement (PRR) did not change but the District's new FPP is applied retroactively to October 2020.

"Other Power Acquisition Costs" of \$220,000 include legislative advocacy (\$50,000), Staff labor (\$120,000), legal costs (\$50,000) associated with general wholesale power issues and costs associated with the Balancing Authority of Northern California.

#### **Operations and Maintenance:**

Operations & Maintenance costs increased from FY 19/20 to FY 20/21 by approximately 26.8%, which is mainly due to increased system maintenance including pole inspections and ordering and installation of hardware for Wildfire safety. The Budget for FY 21/22 is factoring in a 6.0% decrease from FY 20/21 mainly due to a more sufficient supply of overhead and underground materials/supplies.

#### **Customer Accounts:**

Customer Accounts are anticipated to increase by approximately 6.3% from FY 19/20 to FY 20/21 mainly due to more staff time focusing on Account Maintenance after the installation of the new meter system was completed. The Budget for FY 20/21 is factoring in a 15.5% decrease from FY 20/21 mainly due to Staff time being directed back towards capital projects, including fire mitigation efforts.

## Fiscal Year 2021/2022 Budget Notes

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### **Administrative and General:**

Administrative & General costs are expected to decrease 0.8% from FY 19/20 to FY 20/21 due mainly to Covid 19. There was significantly less travel and training opportunities. The FY 21/22 Budget projects a 31.0% increase to A&G costs as business gets back to normal. Increases to insurance and legal costs as well as increases to costs of memberships to various organizations that continue to lobby for the benefits of public power are anticipated.

### **Debt and Financing:**

The District's long-term debt was refinanced in October 2017. The loan from the California Infrastructure & Economic Development Bank (\$5.2 million) and 2010 Electric Utility Revenue Bonds (\$15.9 million) were refinanced through three partially taxable, predominately non-taxable bond issues. FY 19/20 was the final payment for two of the issues (2010 Electric Revenue Bonds and 2017 Series B Electric Revenue Bonds) and was also the highest debt payment year. FY 21/22 debt consists of the 2017 Series A Electric Revenue Bonds.

The District is anticipating borrowing \$6.0 million during FY 21/22 from a local bank in order to finance unfunded state fire mandates as well as necessary infrastructure upgrades.

### **Capital Outlay**

During FY 20/21 capital expenditures consisted of many replacements and improvements in accordance with the District's Wildfire Mitigation Plan. The District also replaced the 2014 Trouble Truck and replaced one Ford F350 for Field Staff.

The FY 21/22 Budget reflects the following:

- Nonrecurring Capital Costs for FY 21/22 include replacing the 2002 Tucker Terra Snocat [\$225,000], replacing the 1998 Caterpillar Fork Lift [\$75,000], replace the 2004 Chevy Flatbed Truck and three field staff trucks [\$225,000] (previously scheduled for purchase during FY 20/21), Other Equipment – wire puller and reel dolly [\$200,000], Radio Repeater Project [\$200,000];
- The FY 21/22 Budget includes the second year of the three year Right of Way Widening Project [\$555,557].

## Trinity Public Utilities District Financial Forecast Overview

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
Operating receipts	13,215,548	13,507,342	15,523,989	8.7%	15,324,179	15,307,587	15,327,149	15,347,187	15,373,670
Operating expenditures	9,892,536	11,290,100	12,060,318	11.0%	13,558,246	13,516,257	13,639,620	13,773,923	13,920,177
<b>Available for capital</b>	<b>3,323,012</b>	<b>2,217,242</b>	<b>3,463,671</b>	<b>2.1%</b>	<b>1,765,933</b>	<b>1,791,330</b>	<b>1,687,529</b>	<b>1,573,264</b>	<b>1,453,493</b>
Capital outlay	2,777,207	5,447,659	6,524,345	67.5%	5,612,928	4,522,435	4,679,622	4,072,666	4,131,581
Bond/loan proceeds	-	-	-	-	6,000,000	-	-	-	-
Net County/MCMS repayments	145,704	148,982	150,000	1.5%	150,000	150,000	-	-	-
<b>Change in total reserves</b>	<b>691,509</b>	<b>(3,081,435)</b>	<b>(2,910,674)</b>	<b>-260.5%</b>	<b>2,303,005</b>	<b>(2,581,105)</b>	<b>(2,992,093)</b>	<b>(2,499,403)</b>	<b>(2,678,088)</b>

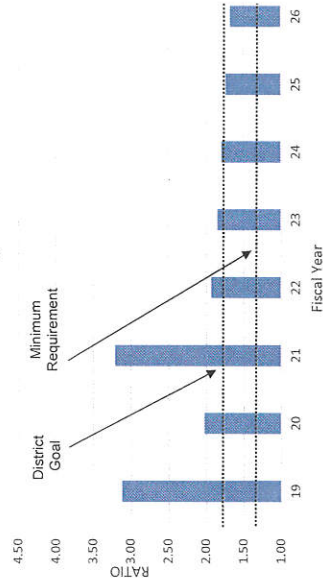
**Reserves balances (end of year)**

	18/19	19/20	20/21	18-20 % Growth	21/22	22/23	23/24	24/25	25/26
Other reserves	1,922,618	2,741,788	2,032,297	2.9%	2,172,428	2,099,082	2,103,868	2,111,839	2,120,102
Contingency reserves	8,370,668	4,470,063	2,267,875	-36.5%	4,430,749	1,922,990	(1,073,890)	(3,581,263)	(6,267,614)
Total reserves	10,293,286	7,211,851	4,300,172	-29.1%	6,603,177	4,022,072	1,029,979	(1,469,424)	(4,147,512)

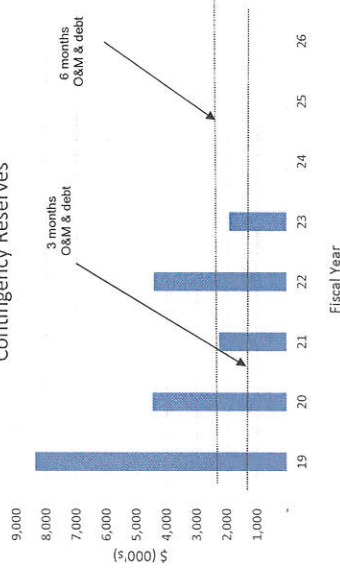
**Debt service coverage ratio**

	18/19	19/20	20/21
Debt service coverage ratio	3.12	2.03	3.21

**Debt Service Coverage Ratio**



**Contingency Reserves**





## Trinity Public Utilities District Forecast Summary

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
<b>Revenues</b>									
Energy sales	9,817,175	10,526,750	11,950,498	10.9%	11,950,497	11,950,497	11,950,497	11,950,497	11,950,497
Surcharge receipts	1,181,284	205,894	1,537,825	15.1%	1,635,784	1,635,784	1,635,784	1,635,784	1,635,784
Other receipts	2,217,089	2,774,698	2,035,666	-4.1%	1,737,899	1,740,868	1,740,868	1,760,906	1,787,390
<b>Total</b>	<b>13,215,548</b>	<b>13,507,342</b>	<b>15,523,989</b>	<b>8.7%</b>	<b>15,324,179</b>	<b>15,307,587</b>	<b>15,327,149</b>	<b>15,347,187</b>	<b>15,373,670</b>
<b>Expenses</b>									
Power acquisition	2,656,541	3,177,941	3,514,199	16.1%	4,693,193	4,385,389	4,390,598	4,395,963	4,401,489
Operations & maintenance	3,495,026	3,673,874	4,656,842	16.6%	4,375,727	4,446,199	4,517,873	4,590,771	4,664,916
Customer accounts	708,997	882,214	937,769	16.1%	792,399	804,285	816,350	828,595	841,024
Administrative & general	1,409,236	1,330,768	1,320,643	-3.1%	1,730,454	1,765,916	1,782,267	1,819,531	1,857,732
Debt & financing	1,622,736	2,225,303	1,650,864	0.3%	1,966,473	2,114,467	2,132,533	2,139,064	2,155,016
<b>Total</b>	<b>9,892,536</b>	<b>11,290,100</b>	<b>12,060,318</b>	<b>11.0%</b>	<b>13,558,246</b>	<b>13,516,257</b>	<b>13,639,620</b>	<b>13,773,923</b>	<b>13,920,177</b>
<b>Available for capital</b>	<b>3,323,012</b>	<b>2,217,242</b>	<b>3,463,671</b>	<b>2.1%</b>	<b>1,765,933</b>	<b>1,791,330</b>	<b>1,687,529</b>	<b>1,573,264</b>	<b>1,453,493</b>
Capital outlay	2,777,207	5,447,659	6,524,345	67.5%	5,612,928	4,522,435	4,679,622	4,072,666	4,131,581
Bond/Loan proceeds	-	-	-	-	6,000,000	-	-	-	-
County/MCMS funding	-	-	-	-	-	-	-	-	-
County/MCMS repayments	145,704	148,982	150,000	1.5%	150,000	150,000	-	-	-
<b>Change in total reserves</b>	<b>691,509</b>	<b>(3,081,435)</b>	<b>(2,910,674)</b>	<b>-260.5%</b>	<b>2,303,005</b>	<b>(2,581,105)</b>	<b>(2,992,093)</b>	<b>(2,499,403)</b>	<b>(2,678,088)</b>
<b>Reserves balances (end of year)</b>									
Encumbered	599,710	1,594,858	753,096	12.8%	1,227,601	1,238,898	1,257,312	1,275,895	1,294,755
Restricted Reserves	606,171	30,794	32,000	-47.4%	26,000	26,619	27,252	27,901	28,565
Customer funds	419,737	673,729	860,594	52.5%	843,827	833,566	819,304	806,043	796,782
Dedicated	297,000	442,407	386,667	15.1%	75,000	-	-	-	-
<b>Total other reserves</b>	<b>1,922,618</b>	<b>2,741,788</b>	<b>2,032,297</b>	<b>2.9%</b>	<b>2,172,428</b>	<b>2,099,082</b>	<b>2,103,868</b>	<b>2,111,839</b>	<b>2,120,102</b>
<b>Contingency fund</b>	<b>8,370,668</b>	<b>4,470,063</b>	<b>2,267,875</b>	<b>-36.5%</b>	<b>4,430,749</b>	<b>1,922,990</b>	<b>(1,073,890)</b>	<b>(3,581,263)</b>	<b>(6,267,614)</b>
<b>Total reserves</b>	<b>10,293,286</b>	<b>7,211,851</b>	<b>4,300,172</b>	<b>-29.1%</b>	<b>6,603,177</b>	<b>4,022,072</b>	<b>1,029,979</b>	<b>(1,469,424)</b>	<b>(4,147,512)</b>

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

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
<b>Fund Sources</b>									
<b>Receipts</b>									
Energy sales	9,817,175	10,526,750	11,950,498	10.9%	11,950,497	11,950,497	11,950,497	11,950,497	11,950,497
Surcharge receipts	1,181,284	205,894	1,537,825	15.1%	1,635,784	1,635,784	1,635,784	1,635,784	1,635,784
Other receipts	2,217,089	2,774,698	2,035,666	-4.1%	1,737,899	1,721,307	1,740,868	1,760,906	1,787,390
<b>Total</b>	<b>13,215,548</b>	<b>13,507,342</b>	<b>15,523,989</b>	<b>8.7%</b>	<b>15,324,179</b>	<b>15,307,587</b>	<b>15,327,149</b>	<b>15,347,187</b>	<b>15,373,670</b>
<b>Reserves/proceeds</b>									
County/MCMS repayments	145,704	148,982	150,000	1.5%	150,000	150,000	-	-	-
Bond/Loan proceeds	-	-	-	-	6,000,000	-	-	-	-
Line extension loans	-	-	-	#DIV/0!	-	-	-	-	-
Restricted reserves	573,124	-	-	-	-	-	-	-	-
Dedicated reserves	40,000	42,000	331,667	-	445,000	75,000	-	-	-
<b>Total</b>	<b>758,828</b>	<b>190,982</b>	<b>481,667</b>	<b>-18.3%</b>	<b>6,595,000</b>	<b>225,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total sources</b>	<b>13,974,376</b>	<b>13,698,324</b>	<b>16,005,656</b>	<b>7.3%</b>	<b>21,919,179</b>	<b>15,532,587</b>	<b>15,327,149</b>	<b>15,347,187</b>	<b>15,373,670</b>
<b>Fund Uses</b>									
Operating expenditures	9,892,536	11,290,100	12,060,318	11.0%	13,558,246	13,516,257	13,639,620	13,773,923	13,920,177
Capital outlay	2,777,207	5,447,659	6,524,345	67.5%	5,612,928	4,522,435	4,679,622	4,072,666	4,131,581
County/MCMS funding	-	-	-	-	-	-	-	-	-
Fund transfers	488,904	861,170	(376,819)	-88.5%	585,131	1,654	4,786	7,971	8,263
<b>Total uses</b>	<b>13,158,647</b>	<b>17,598,929</b>	<b>18,207,844</b>	<b>19.2%</b>	<b>19,756,305</b>	<b>18,040,346</b>	<b>18,324,028</b>	<b>17,854,560</b>	<b>18,060,021</b>
<b>Change in contingency reserves</b>	<b>815,729</b>	<b>(3,900,605)</b>	<b>(2,202,188)</b>	<b>-185.0%</b>	<b>2,162,874</b>	<b>(2,507,759)</b>	<b>(2,996,880)</b>	<b>(2,507,373)</b>	<b>(2,686,351)</b>

Trinity Public Utilities District  
Forecast of Capital Outlay

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
<b>Distribution/Transmission</b>									
Replacements	1,488,674	1,431,449	2,396,008	30.5%	1,911,770	1,940,447	1,969,553	1,999,097	2,029,083
Improvements	539,259	1,171,813	1,207,921	62.0%	1,844,324	1,871,989	1,900,069	1,928,570	1,957,498
Right of Way Project	-	818,209	1,951,333	-	555,557	500,000	-	-	-
#44 - 2020 Freightliner line truck	-	279,875	-	-	-	-	-	-	-
#441 - 2010 Freightliner Line Truck	-	-	-	-	-	275,000	-	-	-
#21 - 2016 Chevy Silverado	-	-	-	-	-	-	-	-	-
#34 - 2020 F-550 Trouble truck	-	-	152,581	-	-	-	-	-	-
#18 - 2010 Ford F350 4x4 Pickup	-	-	-	-	-	-	-	-	-
#52 - 2001 Wells Cargo trailer	-	-	-	-	75,000	-	-	-	-
#60 - 1998 Caterpillar Fork Lift	-	-	-	-	-	-	-	-	-
#20 - 2012 Ford F-350 4x4 Pickup	-	-	-	-	-	-	-	-	-
#59 - 2007 Butler Pole Trailer	-	-	-	-	-	-	65,000	-	-
#56 - 2003 Big Tex utility trailer	-	-	-	-	-	-	-	-	-
#67 - 2017 Tucker-Terra Snocat	-	-	-	-	225,000	-	-	-	-
#25 - 2015 Ford F-350 4x4 Utility truck	-	-	-	-	-	65,000	-	-	-
#57 - 2003 Maxi-tilt snowcat trailer	-	-	-	-	-	-	75,000	-	-
#23 - 2019 Ram 1500 4x4 Pickup	38,562	-	-	-	-	-	-	-	-
#17 - 2011 Ford F-150	-	-	-	-	50,000	-	-	-	-
#27 - 2004 Chevy 1 ton flatbed	-	-	-	-	75,000	-	-	-	-
#28 - 2020 F-350 4x4 Pick-up Truck	-	-	-	-	-	-	-	-	-
#14 - 2020 Ford F250	-	-	-	-	50,000	-	-	-	-
#15 - 2020 Ford F250	-	-	-	-	50,000	-	-	-	-
#22 - 2019 Ford F250	41,862	41,862	-	-	-	-	-	-	-
#26 - 2019 Ford F250	49,709	49,709	45,644	-	-	-	-	-	-
#28 - 2020 F-350 4x4 Pick-up Truck	-	-	-	-	-	-	-	-	-
#37 - 2019 Freightliner LG bucket truck	-	239,972	-	-	-	-	-	-	-
#38 - 2014 International bucket truck	-	236,273	-	-	-	-	-	-	-
Future large field vehicle replacement	-	-	-	-	-	-	250,000	-	-
#68 - 2018 Polaris	23,186	-	-	-	-	-	-	-	-
#69 - 2018 Excavator	56,980	-	-	-	-	-	-	-	-
Other	43,638	56,929	100,000	-	400,000	-	-	-	-
<b>Total</b>	<b>2,190,299</b>	<b>4,326,091</b>	<b>5,853,488</b>	<b>83.6%</b>	<b>5,236,652</b>	<b>4,377,435</b>	<b>4,534,622</b>	<b>3,927,666</b>	<b>3,986,581</b>
<b>Substations</b>	<b>104,445</b>	<b>796,635</b>	<b>189,879</b>						
<b>Customer accounts</b>									
Data processing/computers	52,067	115,869	103,804	49.7%	170,000	60,000	60,000	60,000	60,000
Office machinery	-	-	35,000	-	-	-	-	-	-
Automated meter reading/turtles	325,014	58,768	30,357	-	10,000	10,000	10,000	10,000	10,000
Mapping system	95,451	38,594	33,817	-	136,276	65,000	65,000	65,000	65,000
NISC CIS software conversion	-	-	-	-	-	-	-	-	-
Other	-	3,190	203,000	-	-	-	-	-	-
<b>Total</b>	<b>472,532</b>	<b>216,421</b>	<b>405,979</b>	<b>-7.0%</b>	<b>316,276</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>	<b>135,000</b>
<b>Property/facilities</b>	<b>9,931</b>	<b>108,512</b>	<b>75,000</b>	<b>327.6%</b>	<b>60,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>Total capital outlay</b>	<b>2,777,207</b>	<b>5,447,659</b>	<b>6,524,345</b>	<b>67.5%</b>	<b>5,612,928</b>	<b>4,522,435</b>	<b>4,679,622</b>	<b>4,072,666</b>	<b>4,131,581</b>

**Trinity Public Utilities District  
Forecast of Reserves**

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
<b>Restricted</b>									
Bond/loan reserves	573,124	-	-	-50.0%	-	-	-	-	-
Cafeteria plan	33,047	30,794	32,000	-1.6%	26,000	26,619	27,252	27,901	28,565
<b>Total</b>	<b>606,171</b>	<b>30,794</b>	<b>32,000</b>	<b>-47.4%</b>	<b>26,000</b>	<b>26,619</b>	<b>27,252</b>	<b>27,901</b>	<b>28,565</b>
<b>Encumbered</b>									
Line extension loan fund	-	-	-	-	-	-	-	-	-
Payables	599,710	1,594,858	753,096	12.8%	1,227,601	1,238,898	1,257,312	1,275,895	1,294,755
<b>Total</b>	<b>599,710</b>	<b>1,594,858</b>	<b>753,096</b>	<b>12.8%</b>	<b>1,227,601</b>	<b>1,238,898</b>	<b>1,257,312</b>	<b>1,275,895</b>	<b>1,294,755</b>
<b>Customer funds</b>									
Security deposits	245,519	345,148	531,953	58.3%	531,953	531,953	531,953	531,953	531,953
Construction advances	165,218	319,581	319,581	46.7%	302,874	291,613	280,351	269,090	257,829
Community investments	2,000	2,000	2,000	0.0%	2,000	3,000	-	-	-
Maintenance agreements	7,000	7,000	7,000	0.0%	7,000	7,000	7,000	7,000	7,000
<b>Total</b>	<b>419,737</b>	<b>673,729</b>	<b>860,534</b>	<b>52.5%</b>	<b>843,827</b>	<b>833,566</b>	<b>819,304</b>	<b>808,043</b>	<b>796,782</b>
<b>Dedicated</b>	<b>297,000</b>	<b>442,407</b>	<b>386,667</b>	<b>15.1%</b>	<b>75,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Contingency fund</b>									
Contingency	8,370,668	4,470,063	2,267,875	-36.5%	4,430,749	1,922,990	(1,073,890)	(3,581,263)	(6,267,614)
<b>Total</b>	<b>8,370,668</b>	<b>4,470,063</b>	<b>2,267,875</b>	<b>-36.5%</b>	<b>4,430,749</b>	<b>1,922,990</b>	<b>(1,073,890)</b>	<b>(3,581,263)</b>	<b>(6,267,614)</b>
<b>Total reserves</b>	<b>10,293,286</b>	<b>7,211,851</b>	<b>4,300,172</b>	<b>-29.1%</b>	<b>6,603,177</b>	<b>4,022,072</b>	<b>1,029,979</b>	<b>(1,469,424)</b>	<b>(4,147,512)</b>

### Trinity Public Utilities District Forecast of Performance Factors

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
<b>Average rate (cents/kWh)</b>	9.28	8.46	9.55	1.5%	9.62	9.62	9.62	9.62	9.62
<b>Growth</b>									
Demand (mw)	24,176	25,037	28,332	8.6%	28,332	28,332	28,332	28,332	28,332
KWh purchased (000's)	118,556	126,855	141,260	9.6%	141,260	141,260	141,260	141,260	141,260
KWh sold (000's)	107,866	114,245	125,829	8.4%	125,829	125,829	125,829	125,829	125,829
Energy losses (%)	9.19%	9.94%	10.92%	9.5%	10.92%	10.92%	10.92%	10.92%	10.92%
<b>Meters</b>									
Meters served	7,261	7,322	7,339	0.5%	7,339	7,339	7,339	7,339	7,339
Costs (\$/meter)	98	120	128	15.4%	108	110	111	113	115
Customer accounts	651	756	788	10.5%	794	851	856	862	867
Labor									
<b>Distribution</b>									
Miles of distribution line	567	601	602	3.1%	603	604	605	606	607
O&M cost including labor/mile	6,164	6,113	7,736	12.7%	7,257	7,361	7,468	7,576	7,685
Labor/mile	2,573	2,427	2,423	-2.9%	2,460	2,456	2,452	2,448	2,444
<b>Costs/kWh sold (cents/kWh)</b>									
Power acquisition	2.5	2.8	2.8	6.6%	3.7	3.5	3.5	3.5	3.5
Operations & maintenance	3.2	3.2	3.7	7.0%	3.5	3.5	3.6	3.6	3.7
Customer accounts	0.7	0.8	0.7	6.6%	0.6	0.6	0.6	0.7	0.7
Administrative & general	1.3	1.2	1.0	-9.9%	1.4	1.4	1.4	1.4	1.5
Debt & financing	1.5	1.9	1.3	-7.0%	1.6	1.7	1.7	1.7	1.7
<b>Uncollectible sales (\$)</b>	21,598	23,159	26,291	10.9%	26,291	26,291	26,291	26,291	26,291
<b>Debt service coverage ratio</b>	3.12	2.03	3.21	1.5%	1.93	1.85	1.79	1.74	1.68
<b>Capital replacements, System</b>	1,488,674	1,431,449	2,396,008	30.5%	1,911,770	1,940,447	1,969,553	1,999,097	2,029,083



### Trinity Public Utilities District Forecast of Labor Factors

	18/19 (Actual)	19/20 (Actual)	20/21 (Preliminary)	18-20 % Growth	21/22 (Budgeted)	22/23 (Projected)	23/24 (Projected)	24/25 (Projected)	25/26 (Projected)
<b>Labor components</b>									
Salaries and wages	3,238,242	3,993,942	4,162,198	14.3%	4,082,275	4,422,505	4,439,088	4,456,003	4,473,257
Retirement	632,846	534,297	629,853	-0.2%	716,566	750,145	747,354	744,507	741,603
Social Security taxes	202,235	205,815	228,336	6.5%	241,758	261,907	262,889	263,891	264,912
Insurance	650,221	798,520	760,962	8.5%	785,752	809,324	833,604	858,612	884,370
<b>Total</b>	<b>4,723,544</b>	<b>5,532,574</b>	<b>5,781,349</b>	<b>11.2%</b>	<b>5,826,350</b>	<b>6,243,881</b>	<b>6,282,935</b>	<b>6,323,013</b>	<b>6,364,142</b>
<b>Labor distribution</b>									
Power acquisition	236,177	276,629	289,067	11.2%	291,318	312,194	314,147	316,151	318,207
Maintenance/replacements	2,597,949	3,042,916	3,179,742	11.2%	3,204,493	3,434,135	3,455,614	3,477,657	3,500,278
New construction	236,177	276,629	289,067	11.2%	291,318	312,194	314,147	316,151	318,207
Customer accounts	897,473	1,051,189	1,098,456	11.2%	1,107,007	1,186,337	1,193,758	1,201,372	1,209,187
Administrative & general	661,296	774,560	809,389	11.2%	815,689	874,143	879,611	885,222	890,980
Debt & financing	94,471	110,651	115,627	11.2%	116,527	124,878	125,659	126,460	127,283
<b>Total</b>	<b>4,723,544</b>	<b>5,532,574</b>	<b>5,781,349</b>	<b>11.2%</b>	<b>5,826,350</b>	<b>6,243,881</b>	<b>6,282,935</b>	<b>6,323,013</b>	<b>6,364,142</b>
<b>Labor costs per:</b>									
Mile of line	8,331	9,206	9,604	7.6%	9,662	10,338	10,385	10,434	10,485
KWh sold (cents)	4	5	5	2.4%	5	5	5	5	5
Meter (\$)	651	756	788	10.5%	794	851	856	862	867
<b>Percent of total receipts</b>	<b>35.7%</b>	<b>41.0%</b>	<b>37.2%</b>	<b>2.1%</b>	<b>38.0%</b>	<b>40.8%</b>	<b>41.0%</b>	<b>41.2%</b>	<b>41.4%</b>

**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 The District purchases its power from Western Area Power and is 100% carbon-free hydro power. The weather drives power costs with a 1-2 year lag. Power Costs are forecasted to remain at the current level for purposes of the Five-Year Forecast. Actual annual costs could swing by minus \$1 million to plus \$2 million depending on rainfall as witnessed over the last three years.
4. Capital Expense The forecasted Capital Improvements include replacement of various vehicles, 2003 Snocat and the 2010 large bucket truck. The Five-Year Financial Forecast includes two years of a three year Right of Way Widening Plan as well as a Radio Repeater project. Field staff time is expected to be spent on Wildfire Mitigation efforts which include capital replacements and improvements. Staff has commissioned an engineering firm to prepare a Five-Year Capital Improvements Plan. Until that Plan is received, there are no other new projects planned until Staff catches up with previously slated projects.
5. Interest Earnings Rate Reserves 1.00%
6. Restricted Funds Consists of accrued costs not yet paid, at an amount of approximately \$1,241,000 per year. The Budget is cash based. Inclusion of the Encumbered Funds and restriction 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 and load growth, 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 (FY 2012-2016 and FY 2019-2021). For example, an increase to the tree trimming budget is necessary due to numerous dead or dying trees threatening the District's power lines.

- 8. Revenue                      Average System Rate of \$0.0955 per kWh which is forecasted to increase to \$0.0962 in FY 21/22 with the continued application of the Drought Relief Surcharge and the increase to the High Impact Load Customers.
  
- 9. 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 Mountain Communities Healthcare District. 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.
  
- 10. Drought Relief Surcharge                      The Surcharge was implemented in May 2020 due to a critically dry water year. The Surcharge is included in the Five-Year Financial Forecast.

## **DISTRICT GOALS FY 21-22**

### **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**

#### **1. 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.

#### **OBJECTIVES:**

1. Work with Western Area Power Administration (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 and support Economic Development and new jobs in Trinity County;
8. Support creation of street light districts.

#### **2. GOAL:**

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

#### **OBJECTIVES:**

1. Continue to maintain maximum right-of-ways for protection of District power lines while advocating at the Federal and State level for enhanced forest management practices along the District's rights-of-way.
2. Reduce District liability exposure for safety and environmental issues, including wildfire mitigation.
3. 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.

4. Minimize impact to District customers from changes in Trinity River water transfers; ensure that decision-makers and customers are aware of such impacts.

3. **GOAL:**

1. Improve system reliability and efficiency.

**OBJECTIVES:**

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

4. **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.

5. **GOAL:**

1. Maintain Reserves in the amount of 6-months or more of Operations and Maintenance Expenses, excluding power costs.

**OBJECTIVES:**

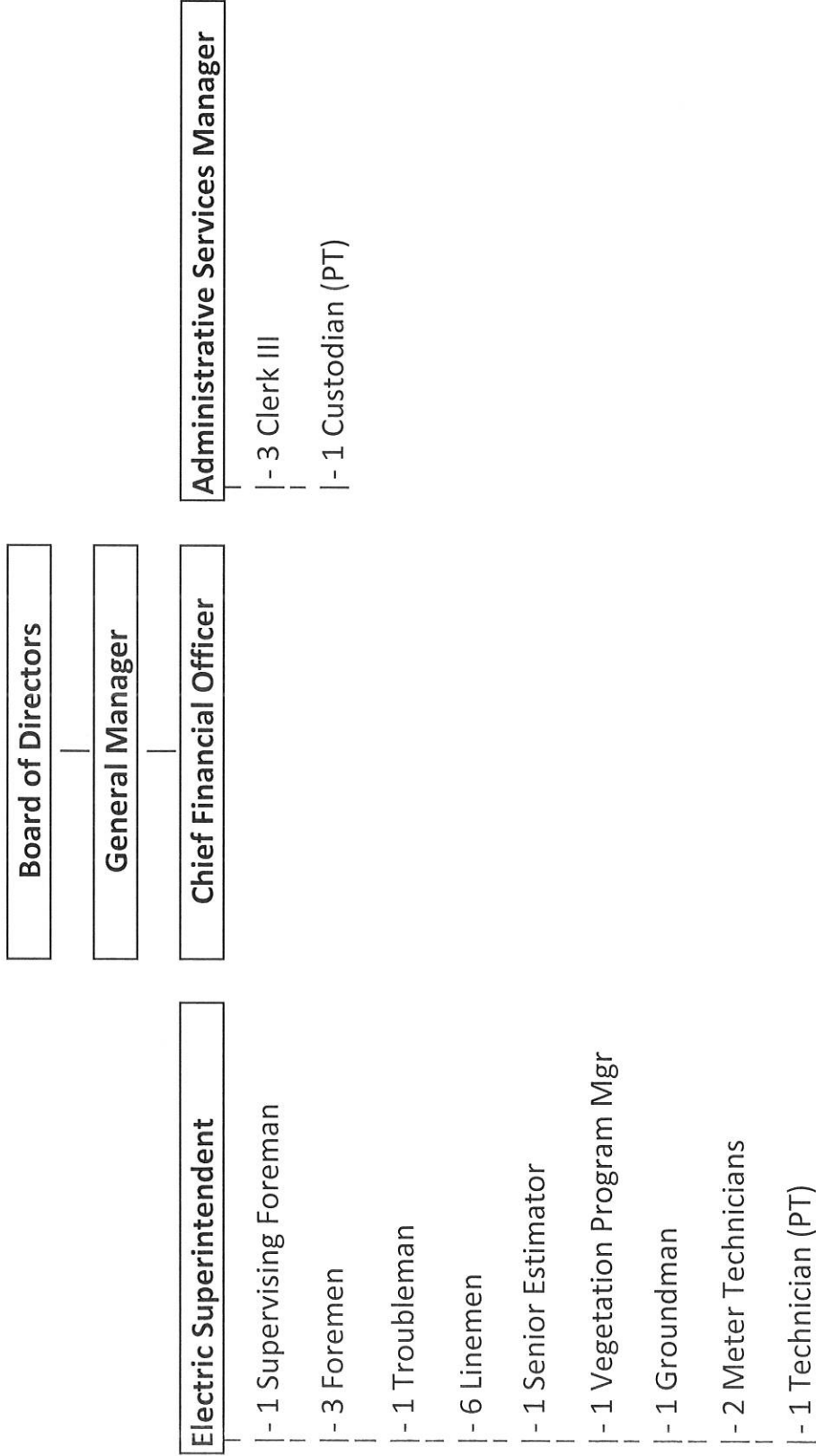
1. Maintain Reserves in the amount of 6 months or more of Operations and Maintenance Expenses, excluding power costs.



Michael Rourke, President



**TRINITY PUD**  
**ORGANIZATIONAL CHART**  
**June 30, 2021**



23 Full-time Positions  
 2 Part-time Positions

**Trinity Public Utilities District  
Other Financial Information**

	FY16-17 ACTUAL	FY17-18 ACTUAL	FY18-19 ACTUAL	FY19-20 ACTUAL	FY20-21 (ESTIMATED)
<b>Energy Sales and Customers</b>					
<b>Customers (average)</b>					
Residential	6,120	6,058	6,070	5,968	5,990
Commercial	1,199	1,187	1,190	1,353	1,358
Industrial	1	1	1	1	1
<b>Total</b>	<b>7,320</b>	<b>7,246</b>	<b>7,261</b>	<b>7,322</b>	<b>7,349</b>
<b>Energy Hours Sold (MWh)</b>					
Residential	66,945	67,561	66,322	65,184	71,794
Commercial	38,407	33,218	32,357	37,825	41,661
Industrial	3,325	8,898	8,987	11,236	12,375
<b>Total</b>	<b>108,677</b>	<b>109,676</b>	<b>107,666</b>	<b>114,245</b>	<b>125,829</b>
<b>Sales of Electric Energy (\$000's)</b>					
Residential	\$ 6,069	\$ 6,134	\$ 6,087	\$ 6,026	\$ 7,189
Commercial	3,490	3,196	3,161	3,811	3,709
Industrial	230	564	569	690	697
<b>Total</b>	<b>\$ 9,789</b>	<b>\$ 9,893</b>	<b>\$ 9,817</b>	<b>\$ 10,527</b>	<b>\$ 11,594</b>
<b>System Average Base Rate (per kWh)</b>					
	<b>\$ 0.0901</b>	<b>\$ 0.0902</b>	<b>\$ 0.0912</b>	<b>\$ 0.0921</b>	<b>\$ 0.0921</b>
<b>Power purchased (MWh X 1,000)</b>					
Energy Purchased from:					
Western Area Power Administration (Western)	120.4	120.6	118.6	126.9	141.3
<b>Energy Disposition (MWh X 1,000)</b>					
Total Energy Sales	108.7	109.7	107.7	114.2	125.8
Total Power Loss	11.7	10.9	10.9	12.6	15.4
<b>Peak Demand (MW)</b>					
Winter	24.3	24.3	24.2	25.0	28.3
Summer	20.2	21.7	21.2	22.6	26.2
<b>Energy Expenses (000's)</b>					
Purchased Power Expense	\$ 3,020	\$ 1,361	\$ 2,409	\$ 2,928	\$ 3,290
<b>Other Electric Statistics</b>					
Utility Plant (less accumulated depreciation (000's))	\$ 30,378	\$ 31,996	\$ 32,837	\$ 35,553	\$ 35,728
Distribution					
Overhead Circuit Miles	425.0	425.0	458.0	600.0	600.0
Underground Circuit Miles	85.0	85.0	143.0	150.0	150.0
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>FY21-22</b>	<b>FY22-23</b>	<b>FY23-24</b>	<b>FY24-25</b>	<b>FY25-26</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)	28.3	28.3	28.3	28.3	28.3
Energy (MWh)	141,260	141,260	141,260	141,260	141,260

**Trinity Public Utilities District  
Other Financial Information**

Electric Rate Comparison Residential Monthly Bill (1,000 kWh)		FY16-17 ACTUAL	FY17-18 ACTUAL	FY18-19 ACTUAL	FY19-20 ACTUAL	FY20-21 ESTIMATED
Pacific Gas & Electric	Summer	\$ 292.71	\$ 267.10	\$ 263.61	\$ 284.57	\$ 313.38
	Winter	\$ 255.20	\$ 261.23	\$ 258.77	\$ 279.52	\$ 309.49
Sacramento Municipal Utility District	Summer	\$ 153.64	\$ 155.89	\$ 197.93	\$ 342.53	\$ 342.53
	Winter	\$ 136.87	\$ 138.93	\$ 136.04	\$ 173.86	\$ 173.86
Lassen Municipal Utility District	Summer	\$ 154.57	\$ 154.57	\$ 159.72	\$ 164.86	\$ 164.86
	Winter	\$ 154.57	\$ 154.57	\$ 159.72	\$ 164.86	\$ 164.86
City of Redding	Summer	\$ 172.87	\$ 172.87	\$ 172.88	\$ 172.88	\$ 172.88
	Winter	\$ 172.87	\$ 172.87	\$ 172.88	\$ 172.88	\$ 172.88
City of Shasta Lake	Summer	\$ 180.17	\$ 186.14	\$ 186.15	\$ 186.15	\$ 186.85
	Winter	\$ 180.17	\$ 186.14	\$ 186.15	\$ 186.15	\$ 186.85
The District - Zone B	Summer	\$ 118.79	\$ 118.79	\$ 105.43	\$ 118.80	\$ 118.80
	Winter	\$ 118.79	\$ 118.79	\$ 105.43	\$ 118.80	\$ 118.80
The District - Zone A	Summer	\$ 95.42	\$ 95.42	\$ 82.01	\$ 95.38	\$ 95.38
	Winter	\$ 95.42	\$ 95.42	\$ 82.01	\$ 95.38	\$ 95.38

*\$ amounts reported above include revenues from any applicable taxes or surcharges*