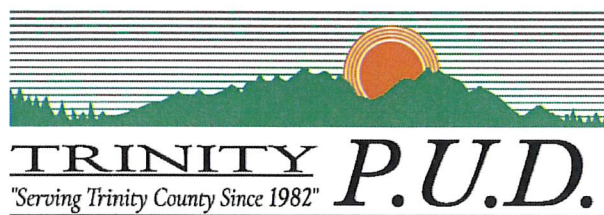


TRINITY PUBLIC UTILITIES DISTRICT



FISCAL YEAR 2023/2024 BUDGET

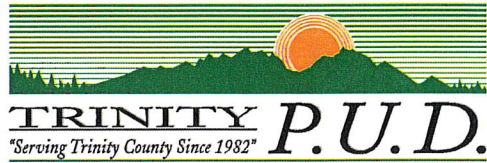


TRINITY PUBLIC UTILITIES DISTRICT

FY 23-24 BUDGET

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- IV. Mission Statement and Goals
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Trinity Public Utilities District

Memorandum

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

From: Paul Hauser, General Manager

PH

Date: June 8, 2023

Re: Fiscal Year 23/24 Budget

The Fiscal Year 23/24 Budget estimates Operating Receipts to be \$15,701,209. The Budget also includes \$14,080,421 for Operating Expenses and \$6,470,780 for Capital Expenditures, resulting in a \$4,849,992 decrease to reserves. During FY 21/22, the District took out a \$9.0 million ten-year bank loan (Loan) to finance capital projects and improvements that were presented to the Board in the 2022-2026 System Improvement Plan. At the end of FY 22/23 the Loan balance is approximately \$5.0 million. Capital Expenditures include \$4,512,046 in Distribution Improvements and Replacements. Other Capital expenditures include replacing one Freightliner Line Truck (\$275,000), replacement of desktop computers (\$35,000), Reconductoring Projects (\$200,000), Right of Way Widening Project (\$600,000), Substation Upgrades (\$400,000), purchase of three additional Drones (\$30,000), yard improvements (\$140,000) 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 \$0.945 million less than projected in the Fiscal Year 22/23 Budget. The main reason for the less than expected reserve balance is due to a series of winter storms that cost the District over \$3.0 million of unbudgeted expenses. Staff is currently working with Federal Emergency Management Agency (FEMA) and California Office of Emergency Services (CalOES) to recover as much of these costs as possible. The timing and amount of recovery is uncertain, therefore is not included in the Budget or Five-Year Forecast.

The current water year has been declared a wet water year and per District policy, the Drought Relief Surcharge has been removed from customer's bills beginning with the May 2023 bills. The District implemented a four-year rate restructuring (restructuring) at the end of FY 21/22. The restructuring included an increase to the Drought Relief Surcharge (Surcharge) of \$0.04 per kWh. Without this revenue stream, the District's reserves will continue to decline until the cost of power declines.

The relationship between the weather, water year declarations, power costs and the Surcharge is a dynamic one. A wet water year will result in decreased Power Costs through favorable true-ups from previous years as well as an expected decrease to the District's First Preference Percentage. These decreases however, could take a year to occur and are virtually impossible to estimate accurately. Conversely, should California

suffer a drought year, the Surcharge would be implemented and revenues will increase. Again, it could take a year for this to occur. Due to the unpredictable future, the Five-Year Forecast does not include potential increases to reserves.

The most sensitive aspect of the Budget is the Projected Load. There are many moving pieces driving load that are difficult to predict. The District saw a decrease in electric sales over the past year mainly due to a decrease to the High Impact customer base. The District continues to receive requests for system upgrades from this customer base so it remains to be seen whether recent load trends will continue. The Mill, which represents approximately 9% 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.

The District also must 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.

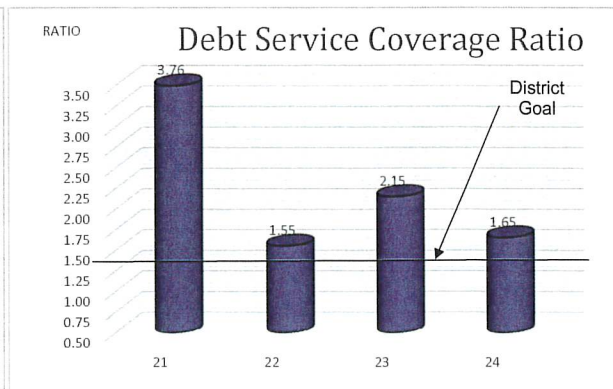
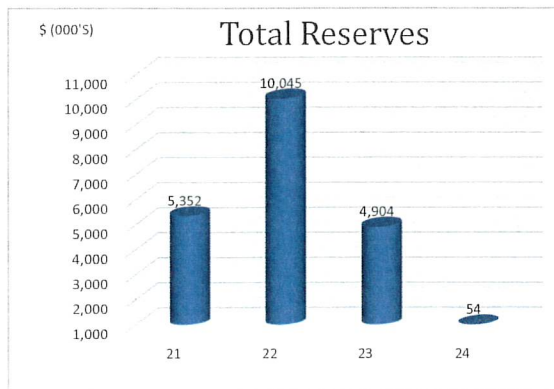
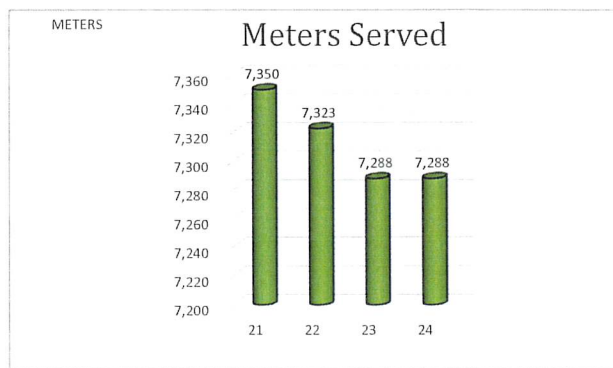
The District's Standard and Poor's rating of BBB+ was reduced to a BB+ due to the District being located in the highest fire risk area of California. It should be noted that any number of events, particularly legislative or regulatory mandates can alter the financial outlook. Nevertheless, the District 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 23/24 Budget

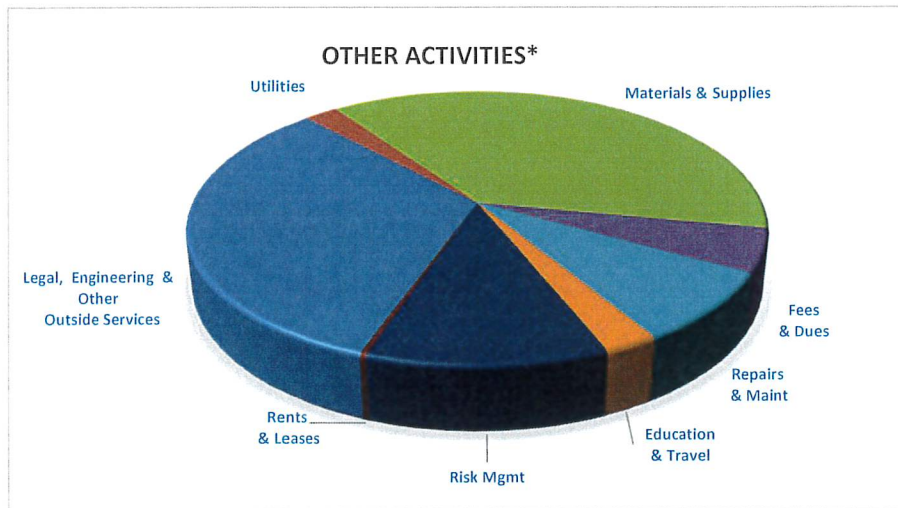
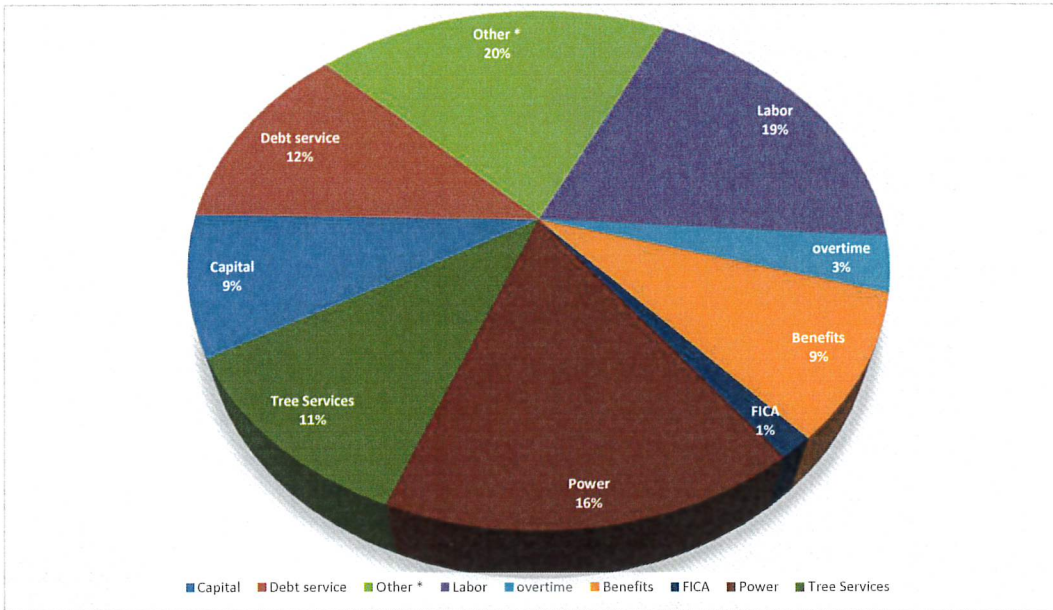
	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Operating receipts	15,763,689	15,820,536	0.4%	17,669,529	11.7%	15,701,209	-11.1%
Operating expenditures	11,442,519	14,525,887	26.9%	14,813,355	2.0%	14,080,421	-4.9%
Available for capital	4,321,169	1,294,649	-70.0%	2,856,173	120.6%	1,620,788	-43.3%
County/MCMS transactions	143,638	168,227	17.1%	97,187	-42.2%	-	-100.0%
Capital outlay	6,324,646	5,710,089	-9.7%	8,094,614	41.8%	6,470,780	-20.1%
Bond/loan proceeds	-	8,940,400	-	-	-	-	-
Change in reserves	(1,859,839)	4,693,187	-352.3%	(5,141,253)	-209.5%	(4,849,992)	-5.7%
Reserves balances (end of year)							
Restricted	55,247	8,719,967	15683.6%	5,083,384	-41.7%	66,179	-98.7%
Encumbered	1,185,720	690,400	-41.8%	390,045	-43.5%	1,313,249	236.7%
Customer funds	1,167,026	916,130	-21.5%	913,991	-0.2%	896,076	-2.0%
Dedicated	386,667	75,000	-80.6%	-	-100.0%	-	-
Total other reserves	2,794,660	10,401,497	272.2%	6,387,420	-38.6%	2,275,504	-64.4%
Contingency reserves	2,557,352	(356,297)	-113.9%	(1,483,473)	316.4%	(2,221,548)	49.8%
Total reserves	5,352,012	10,045,200	87.7%	4,903,947	-51.2%	53,956	-98.9%

Debt service coverage ratio

3.76 1.55 2.15 1.65



Trinity Public Utilities District Costs by Activities FY 23/24 Budget



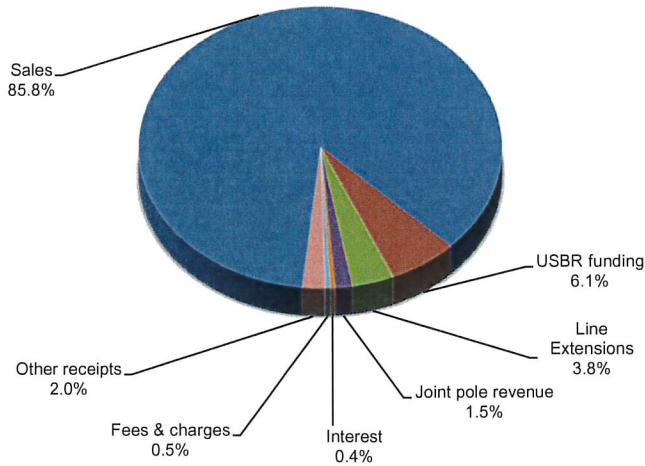
Trinity Public Utilities District Budget Summary FY 23/24 Budget

	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Revenues							
Energy sales	11,865,205	12,167,458	2.5%	12,224,233	0.5%	13,464,319	10.1%
Surcharge receipts	1,525,030	1,673,534	9.7%	1,639,793	-2.0%	-	-100.0%
Other receipts	2,373,454	1,979,544	-16.6%	3,805,503	92.2%	2,236,890	-41.2%
Total	15,763,689	15,820,536	0.4%	17,669,529	11.7%	15,701,209	-11.1%
Expenses							
Power acquisition	3,221,280	5,152,873	60.0%	4,218,257	-18.1%	3,547,849	-15.9%
Operations & maintenance	4,407,884	4,495,731	2.0%	5,309,299	18.1%	5,038,126	-5.1%
Customer accounts	925,935	718,497	-22.4%	742,868	3.4%	824,238	11.0%
Administrative & general	1,258,362	1,672,324	32.9%	1,982,996	18.6%	2,097,985	5.8%
Debt & financing	1,629,058	2,486,462	52.6%	2,559,934	3.0%	2,572,224	0.5%
Total	11,442,519	14,525,887	26.9%	14,813,355	2.0%	14,080,421	-4.9%
Available for capital	4,321,169	1,294,649	-70.0%	2,856,173	120.6%	1,620,788	-43.3%
Capital outlay							
Distribution/Transmission/Reconductor	5,925,463	5,343,590	-9.8%	7,768,111	45.4%	5,587,046	-28.1%
Substations	149,748	-	-100.0%	-	-	400,000	-
Customer accounts	223,252	309,073	38.4%	286,503	-7.3%	318,734	11.2%
Property and facilities	26,183	57,426	119.3%	40,000	-30.3%	165,000	312.5%
Total	6,324,646	5,710,089	-9.7%	8,094,614	41.8%	6,470,780	-20.1%
Bond/Loan proceeds	-	8,940,400	-	-	-	-	-
County/MCMS transactions	143,638	168,227	17.1%	97,187	-42.2%	-	-100.0%
Change in reserves	(1,859,839)	4,693,187	-352.3%	(5,141,253)	-209.5%	(4,849,992)	-5.7%
Reserves balances (end of year)							
Restricted	55,247	8,719,967	15683.6%	5,083,384	-41.7%	66,179	-98.7%
Encumbered	1,185,720	690,400	-41.8%	390,045	-43.5%	1,313,249	236.7%
Customer funds	1,167,026	916,130	-21.5%	913,991	-0.2%	896,076	-2.0%
Dedicated	386,667	75,000	-80.6%	-	-100.0%	-	-
Contingency	2,557,352	(356,297)	-113.9%	(1,483,473)	316.4%	(2,221,548)	49.8%
Total reserves	5,352,012	10,045,200	87.7%	4,903,947	-51.2%	53,956	-98.9%

Trinity Public Utilities District Fund Sources and Uses Summary FY 23/24 Budget

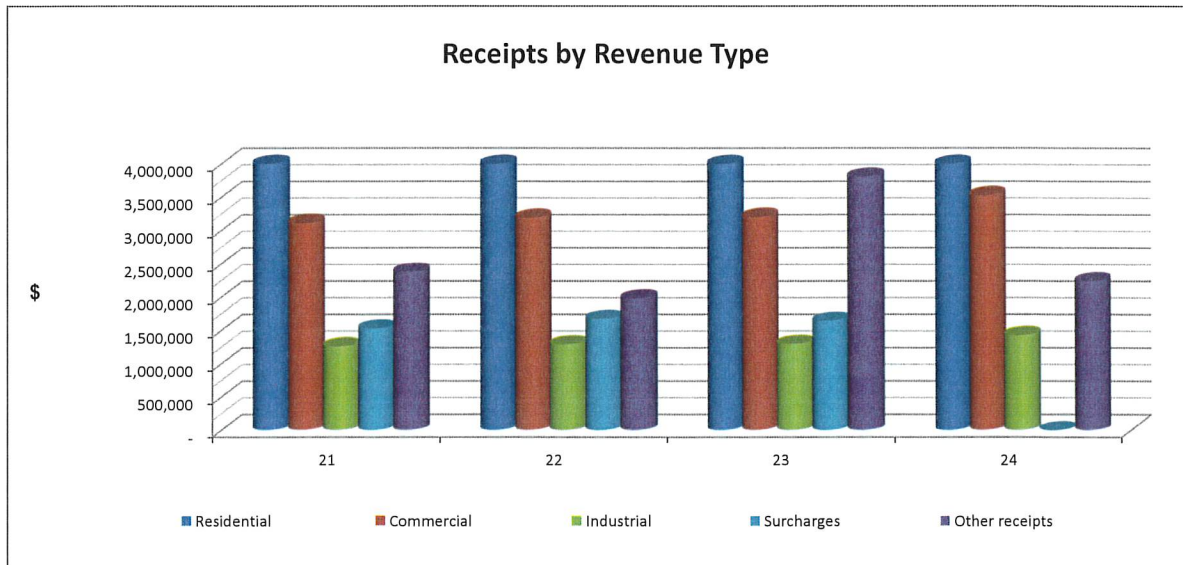
	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Fund Sources							
Receipts							
Energy sales	11,865,205	12,167,458	2.5%	12,224,233	0.5%	13,464,319	10.1%
Other receipts	3,898,484	3,653,078	-6.3%	5,445,296	49.1%	2,236,890	-58.9%
Total	15,763,689	15,820,536	0.4%	17,669,529	11.7%	15,701,209	-11.1%
Reserves/proceeds							
County/MCMS repayments	143,638	168,227	17.1%	97,187	-42.2%	-	-100.0%
Bond/Loan proceeds	-	8,940,400	-	-	-	-	-
Restricted reserves	-	-	-	-	-	-	-
Dedicated reserves	386,667	75,000	-80.6%	-	-	-	-
Total	530,305	9,183,627	1631.8%	97,187	-98.9%	-	-100.0%
Total sources	16,293,994	25,004,163	53.5%	17,766,716	-28.9%	15,701,209	-11.6%
Fund Uses							
Operating expenditures	11,442,519	14,525,887	26.9%	14,813,355	2.0%	14,080,421	-4.9%
Capital outlay	6,324,646	5,710,089	-9.7%	8,094,614	41.8%	6,470,780	-20.1%
County/MCMS funding	-	-	-	-	-	-	-
Fund transfers	439,539	7,681,837	1647.7%	(4,014,077)	-152.3%	(4,111,916)	2.4%
Total uses	18,206,705	27,917,813	53.3%	18,893,892	-32.3%	16,439,284	-13.0%
Change in contingency reserves	(1,912,711)	(2,913,650)	52.3%	(1,127,176)	-61.3%	(738,075)	-

Sources FY 23/24



Trinity Public Utilities District Receipts Summary FY 23/24 Budget

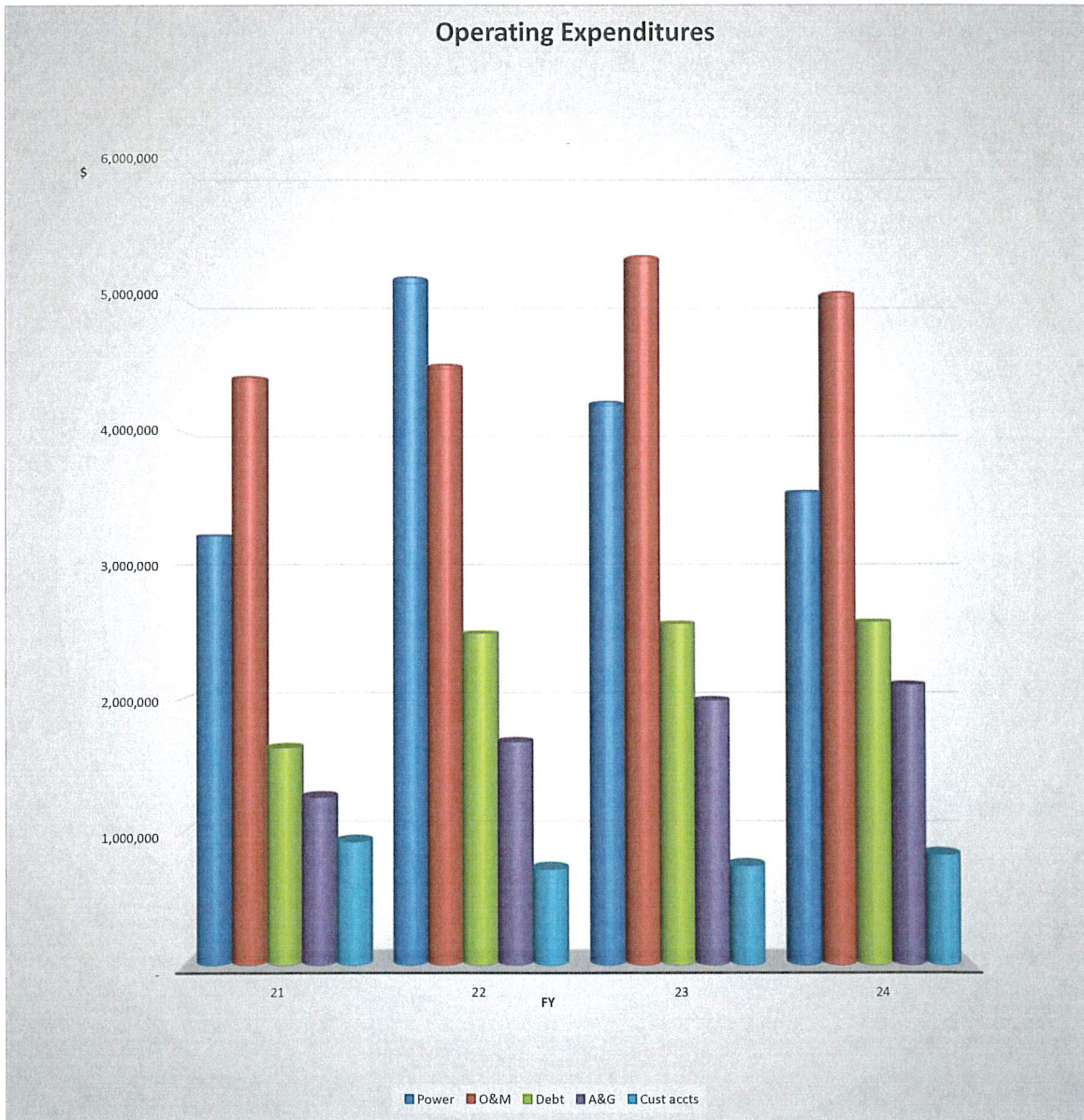
	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Sales							
Zone A	5,228,129	5,428,473	3.8%	5,790,930	6.7%	6,581,224	13.6%
Zone B	6,637,076	6,738,985	1.5%	6,433,303	-4.5%	6,883,095	7.0%
Total Sales	11,865,205	12,167,458	2.5%	12,224,233	0.5%	13,464,319	10.1%
Surcharges							
Drought Relief surcharge	1,525,030	1,673,534	100.0%	1,639,793	-2.0%	-	-100.0%
	1,525,030	1,673,534	9.7%	1,639,793	-2.0%	-	-100.0%
Other receipts							
Fees and charges	183,704	173,495	-5.6%	180,877	4.3%	80,902	-55.3%
Line extensions	688,995	350,130	-49.2%	587,468	67.8%	587,480	0.0%
Line extension amortizations	-	-	0.0%	876	0.0%	876	
Interest	32,982	12,154	-63.1%	121,606	900.5%	60,548	-50.2%
USBR funding	814,028	866,346	6.4%	933,448	7.7%	954,616	2.3%
Joint pole/pole contact income	279,136	310,949	11.4%	239,667	-22.9%	239,667	0.0%
Other misc. income	391,733	268,018	-31.6%	1,739,694	549.1%	339,694	-80.5%
Uncollectibles	(17,123)	(1,548)	0.0%	1,867	0.0%	(26,893)	-1540.5%
Total	2,373,454	1,979,544	-16.6%	3,805,503	92.2%	2,236,890	-41.2%
Total	15,763,689	15,820,536	0.4%	17,669,529	11.7%	15,701,209	-11.1%
Bond/Loan proceeds	-	8,940,400		-		-	
Total receipts	15,763,689	24,760,936	57.1%	17,669,529	-28.6%	15,701,209	-11.1%



Trinity Public Utilities District Operating Expenditures Summary FY 23/24 Budget

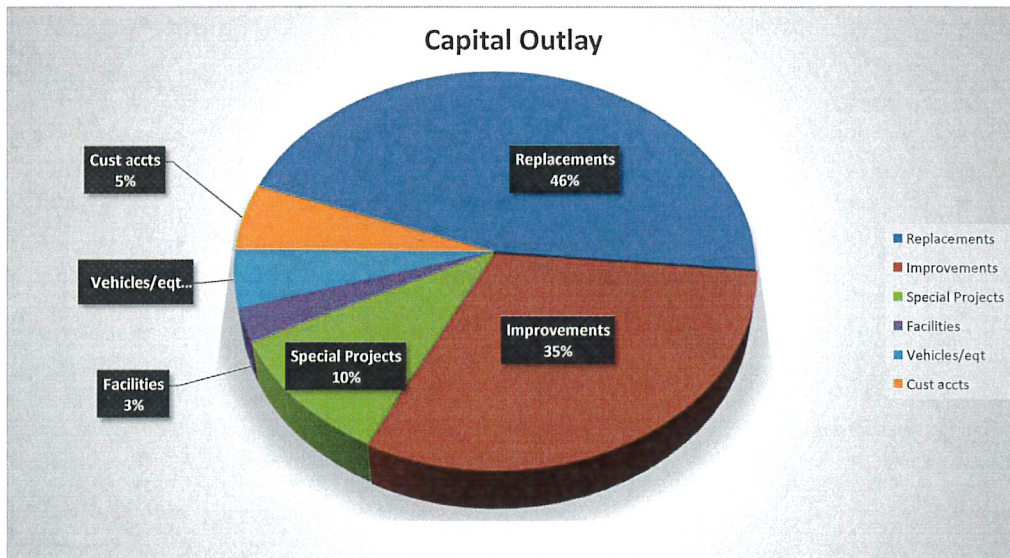
	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Power acquisition							
Purchased power	3,020,571	4,955,027	64.0%	3,999,347	-19.3%	3,296,772	-17.6%
Other	200,709	197,846	-1.4%	218,910	10.6%	251,076	14.7%
Total	3,221,280	5,152,873	60.0%	4,218,257	-18.1%	3,547,849	-15.9%
Operations & maintenance							
System	283,513	192,240	-32.2%	150,000	-22.0%	297,890	98.6%
Overhead distribution	3,899,928	4,107,876	5.3%	4,922,046	19.8%	4,397,459	-10.7%
Transmission & UG distribution	69,223	44,861	-35.2%	33,037	-26.4%	76,352	131.1%
Lighting	7,129	6,101	-14.4%	-	-100.0%	14,578	#DIV/0!
Buildings/property	15,850	45,598	187.7%	19,393	-57.5%	38,185	96.9%
Other	132,241	99,055	-25.1%	184,823	86.6%	213,663	15.6%
Total	4,407,884	4,495,731	2.0%	5,309,299	18.1%	5,038,126	-5.1%
Customer accounts							
Account maintenance	815,746	627,444	-23.1%	616,549	-1.7%	707,257	14.7%
Meter reading/turtle maint.	44,197	34,737	-21.4%	74,647	114.9%	46,900	-37.2%
Customer relations	65,992	56,316	-14.7%	51,672	-8.2%	62,581	21.1%
Other	-	-	-	-	0.0%	7,500	
Total	925,935	718,497	-22.4%	742,868	3.4%	824,238	11.0%
Administrative and general							
Utilities	89,112	84,324	-5.4%	85,907	1.9%	90,500	5.3%
Accounting	277,208	297,685	7.4%	307,243	3.2%	370,309	20.5%
Risk management	285,783	373,139	30.6%	460,006	23.3%	589,176	28.1%
Community investment	-	11,216	0.0%	27,961	0.0%	20,000	-28.5%
Dues and publications	139,424	154,214	10.6%	163,404	6.0%	170,350	4.3%
Education and travel	3,387	61,709	1722.1%	71,433	15.8%	110,000	54.0%
Supervision	146,652	186,150	26.9%	196,735	5.7%	131,636	-33.1%
Planning	87,943	94,703	7.7%	92,003	-2.9%	91,830	-0.2%
Legal	85,435	247,704	189.9%	298,487	20.5%	281,275	-5.8%
Economic Development	35,660	36,409	2.1%	86,823	138.5%	95,359	9.8%
Misc. outside services	20,745	51,018	145.9%	106,237	108.2%	53,450	-49.7%
Other	87,013	74,053	-14.9%	86,759	17.2%	94,100	8.5%
Total	1,258,362	1,672,324	32.9%	1,982,996	18.6%	2,097,985	5.8%
Debt and financing							
Interest	646,300	664,196	2.8%	758,557	14.2%	704,027	-7.2%
Principal	920,000	1,692,193	83.9%	1,727,408	2.1%	1,787,938	3.5%
Other	62,758	130,073	107.3%	73,969	-43.1%	80,259	8.5%
Total	1,629,058	2,486,462	52.6%	2,559,934	3.0%	2,572,224	0.5%
Total operating expenditures	11,442,519	14,525,887	26.9%	14,813,355	2.0%	14,080,421	-4.9%

Trinity Public Utilities District



Trinity Public Utilities District Capital Expenses FY 23/24 Budget

	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Distribution/Transmission/Reconductor							
Replacements	2,286,567	3,543,903	55.0%	4,501,277	27.0%	2,694,719	-40.1%
Improvements	878,187	774,405	-11.8%	1,567,124	102.4%	1,817,327	16.0%
CIP	-	-	-	-	-	-	-
Reconductor Projects	-	297,911	-	782,967	-	200,000	-
Right of Way Project	2,108,703	543,107	-74.2%	560,527	3.2%	600,000	7.0%
#115 - 2022 Ford F-250 XL	-	-	-	39,049	-	-	-
#113 - 2022 Ford F-250 XL	-	-	-	39,484	-	-	-
#116 - 2022 Ford F-250 XL	-	-	-	38,637	-	-	-
#117 - 2022 Ram 2500 Crew Cab	-	-	-	75,000	-	-	-
#114 - 2022 Ford F-350 XL Flatbed	-	-	-	43,565	-	-	-
#31 - 2020 F-550 Trouble truck	152,149	-	-	-	-	-	-
#21 - 2016 Chevy Silverado	-	-	-	-	-	-	-
#112 - 2020 Ford F-350 Foreman truck	45,644	-	-	-	-	-	-
#44 - 2020 Freightliner line truck	-	-	-	-	-	275,000	-
#45 - 2015 Freightliner line truck	-	-	-	-	-	-	-
#22 - 2019 Ford F250	-	-	-	-	-	-	-
#26 - 2019 Ford F250	-	-	-	-	-	-	-
#39 - 2020 Freightliner Bucket truck	-	-	-	-	-	-	-
#38 - 2014 International bucket truck	-	-	-	-	-	-	-
Radio Equipment - Repeater	318,977	-	-	-	-	-	-
Other/Previous years	135,236	184,263	36.3%	120,481	-10.0%	-	-100.0%
Total	5,925,463	5,343,590	-9.8%	7,768,111	45.4%	5,587,046	-28.1%
Substations							
CIP/Other	149,748	-	-100.0%	-	-	400,000	-
Total	149,748	-	-100.0%	-	-	400,000	-
Customer accounts							
Data processing/computers	104,366	97,402	-6.7%	108,317	11.2%	145,000	33.9%
Office machinery	23,184	-	-	100,000	-	-	-
Automated meter reading/turtles	41,545	57,207	37.7%	-	-100.0%	10,000	-
Mapping system	54,157	124,113	129.2%	78,185	-37.0%	133,734	71.0%
Other	-	30,351	100.0%	-	-	30,000	-
Total	223,252	309,073	38.4%	286,503	-7.3%	318,734	11.2%
Property/facilities							
Yard	26,183	30,420	16.2%	40,000	31.5%	165,000	312.5%
Facilities	-	27,006	-	-	-	-	-
Total	26,183	57,426	119.3%	40,000	-30.3%	165,000	312.5%
Total capital outlay	6,324,646	5,710,089	-9.7%	8,094,614	41.8%	6,470,780	-20.1%



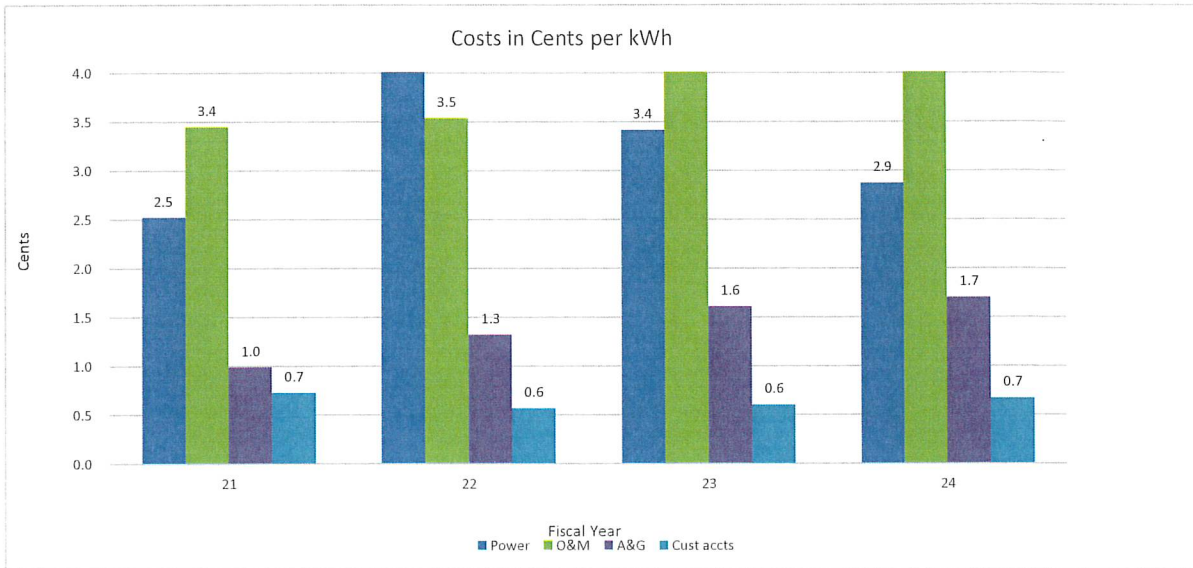
Trinity Public Utilities District

Reserves Summary FY 23/24 Budget

	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	% Growth	23/24 (Budgeted)	Change
Restricted							
Bond/loan reserves	-	8,650,181		5,000,000	-42.2%	4,359	-99.9%
Cafeteria plan	55,247	69,786	26.3%	83,384	19.5%	61,820	-25.9%
Total	55,247	8,719,967	15683.6%	5,083,384	-41.7%	66,179	-98.7%
Encumbered							
Payables	1,185,720	690,400	-41.8%	390,045	-43.5%	1,313,249	236.7%
Line extension loan fund	-	-		-		-	
	1,185,720	690,400	-41.8%	390,045	-43.5%	1,313,249	236.7%
Customer funds							
Security deposits	555,120	630,444	13.6%	630,444	0.0%	630,444	0.0%
Construction advances	602,906	274,547	-54.5%	274,547	0.0%	256,632	-6.5%
Community investments	2,000	4,139	107.0%	2,000	-51.7%	2,000	0.0%
Maintenance agreements	7,000	7,000	0.0%	7,000	0.0%	7,000	0.0%
Total	1,167,026	916,130	-21.5%	913,991	-0.2%	896,076	-2.0%
Dedicated	386,667	75,000	-80.6%	-	-100.0%	-	
Contingency	2,557,352	(356,297)	-113.9%	(1,483,473)	316.4%	(2,221,548)	49.8%
Total reserves	5,352,012	10,045,200	87.7%	4,903,947	-51.2%	53,956	-98.9%

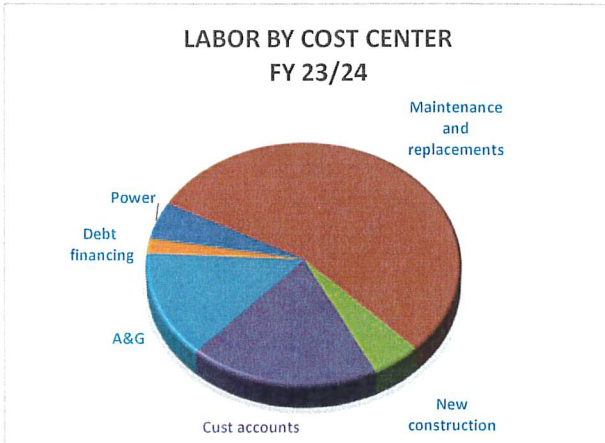
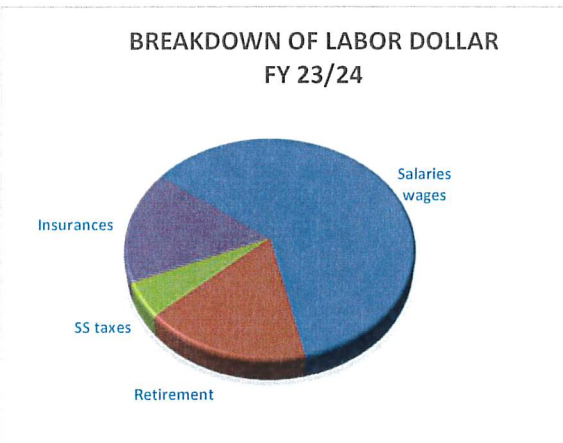
Trinity Public Utilities District Performance Factors FY 23/24 Budget

	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Average rate (cents/kWh)	9.33	9.84	5.5%	11.21	13.9%	10.89	-2.9%
Growth							
Demand (mw)	28,332	27,883	-1.6%	27,451	-1.5%	27,451	0.0%
KWh purchased	143,569,351	140,657,113	-2.0%	136,445,463	-3.0%	136,445,463	0.0%
KWh sold	127,947,935	127,316,866	-0.5%	123,694,902	-2.8%	123,694,902	0.0%
Energy losses (%)	10.88%	9.48%	-12.8%	9.34%	-1.5%	9.34%	0.0%
Meters							
Meters served	7,350	7,323	-0.4%	7,288	-0.5%	7,288	0.0%
Costs (\$/meter)							
Customer accounts	126	98	-22.1%	102	3.9%	113	11.0%
Labor	814	868	6.7%	892	2.7%	925	3.8%
Operating expenditures	1,557	1,984	27.4%	2,033	2.5%	1,932	-4.9%
Expenditures including capital	2,417	2,763	14.3%	3,143	13.7%	2,820	-10.3%
Distribution							
Miles of distribution line	602	750	24.6%	750	0.0%	750	0.0%
O&M cost including labor/mile	7,322	5,994	-18.1%	7,079	18.1%	6,718	-5.1%
Labor/mile	2,295	1,873	-18.4%	1,873	0.0%	1,873	0.0%
Costs/kWh sold (cents/kWh)							
Power acquisition	2.5	4.0	60.8%	3.4	-15.7%	2.9	-15.9%
Operations & maintenance	3.4	3.5	2.5%	4.3	21.6%	4.1	-5.1%
Customer accounts	0.7	0.6	-22.0%	0.6	6.4%	0.7	11.0%
Administrative & general	1.0	1.3	33.6%	1.6	22.0%	1.7	5.8%
Debt & financing	1.3	2.0	53.4%	2.1	6.0%	2.1	0.5%
Uncollectible sales (\$)	26,103	26,768	2.5%	26,893	0.5%	29,622	10.1%
Debt service coverage ratio	3.76	1.55	-58.8%	2.15	38.7%	1.65	-23.2%
Committed/mandated costs (debt service, power, mandated O&M req.)	5,669,157	8,408,408	48.3%	7,766,082	-7.6%	7,047,439	-9.3%
Discretionary/variable costs (all other operating expenses, capital outlay)	12,098,009	11,827,567	-2.2%	15,141,887	28.0%	13,503,762	-10.8%
Capital replacements, System	2,286,567	3,543,903	55.0%	4,501,277	27.0%	2,694,719	-40%



Trinity Public Utilities District Labor Factors FY 23/24 Budget

	20/21 (Actual)	21/22 (Actual)	Change	22/23 (Preliminary)	Change	23/24 (Budgeted)	Change
Labor components							
Salaries and wages	4,298,806	4,527,575	5.3%	4,483,878	-1.0%	4,618,394	3.0%
Retirement	636,460	701,188	10.2%	854,166	21.8%	928,835	8.7%
Social Security taxes	231,709	236,744	2.2%	277,120	17.1%	285,433	3.0%
Insurance	815,738	893,684	9.6%	883,000	-1.2%	909,490	3.0%
Total	5,982,713	6,359,191	6.3%	6,498,163	2.2%	6,742,152	3.8%
Labor distribution							
Power acquisition	299,136	317,960	6.3%	324,908	2.2%	337,108	3.8%
Maintenance/replacements	3,290,492	3,497,555	6.3%	3,573,990	2.2%	3,708,184	3.8%
New construction	299,136	317,960	6.3%	324,908	2.2%	337,108	3.8%
Customer accounts	1,136,715	1,208,246	6.3%	1,234,651	2.2%	1,281,009	3.8%
Administrative & general	837,580	890,287	6.3%	909,743	2.2%	943,901	3.8%
Debt & financing	119,654	127,184	6.3%	129,963	2.2%	134,843	3.8%
Total	5,982,713	6,359,191	6.3%	6,498,163	2.2%	6,742,152	3.8%
Labor costs per:							
Mile of line	9,938	8,479	-14.7%	8,664	2.2%	8,990	3.8%
KWh sold (cents)	4.68	4.99	6.8%	5.25	5.2%	5.45	3.8%
Meter (\$)	814	868	6.7%	892	2.7%	925	3.8%
Percent of total receipts	38.0%	40.2%	5.9%	36.8%	-8.5%	42.9%	16.8%



Trinity Public Utilities District

Projected Costs By Activity

FY 23/24 Budget

Power acquisition	
Purchased power	3,296,772
Transmission	-
Legal/admin costs	-
Metering	-
BANC Costs	25,000
	<u>3,321,772</u>
Labor	
Wages and salaries	3,753,507
Health insurance	881,614
Cafeteria plan	1,386
Retirement	854,166
Overtime and standby pay	612,910
Social Security taxes	277,120
Workers compensation	90,910
Meals/per diem	26,550
	<u>6,498,163</u>
Materials and supplies	
Operation supplies	45,000
System materials	1,205,600
Billing and Office supplies	15,000
Postage	35,000
Fuel	200,000
Tires	40,000
Small tools	30,000
Construction eqt	35,000
	<u>1,605,600</u>
Outside services	
Tree trimming/pole clearing	1,850,000
Road maint/right of way clearing	350,000
Hazardous waste disposal	30,000
Training	10,000
Storm assistance	350,000
Engineering, systems testing/routine maint	255,000
Power acquisition consulting	25,000
Human resources/consulting	6,000
Economic Development/consulting	50,000
Legal	265,000
Backhoes and excavators	50,000
All others	135,650
Auditing	75,000
Bill processing, collections	38,000
Janitorial	12,000
Computer programming	80,000
	<u>3,581,650</u>

FY 23/24 Budget - Approved
 June 8, 2023

Trinity Public Utilities District Projected Costs By Activity

FY 23/24 Budget

Utilities	
Electric	18,000
Water	2,500
Telephone	56,000
Garbage	12,000
Propane	2,500
Sewer	2,500
	<u>93,500</u>
Rents and leases	
Facilities rents	1,500
Equipment rents	11,600
	<u>13,100</u>
Education and travel	
	<u>110,000</u>
Fees and permits	
Land use permits	35,000
Pole contact fees	15,000
Dues and subscriptions	170,350
	<u>220,350</u>
Risk management	
Liability insurance	400,000
Damages	12,000
Safety	65,000
Wellness/cafeteria program	8,000
	<u>485,000</u>
Repairs and maintenance	
Repairs	147,500
Licensing agreements	112,000
Maintenance agreements	86,700
	<u>346,200</u>
Debt service	
Principal	1,787,938
Interest	704,027
Issuance costs	3,900
	<u>2,495,865</u>
Capital outlay	
Real property/facilities	165,000
Equipment	140,000
Capital projects	1,200,000
Vehicles	275,000
	<u>1,780,000</u>
Total	<u><u>20,551,201</u></u>

Fiscal Year 2023/2024 Budget Notes

Receipts

Sales:

Retail kWh sales are estimated to decrease 2.8% from FY 21/22 to FY 22/23. Retail Sales revenue is estimated to increase 0.5%. Staff is forecasting a 0.0% kWh sales growth factor for FY 23/24 but a 10.1% increase to retail sales revenue due to third year of the four-year rate restructure.

Surcharge:

In April 2023, the Department of Water Resources declared the current water year a wet water year. This follows a critically dry water year in 2022. In accordance with District policy, the Drought Relief Surcharge was removed with the May 2023 billing cycle.

Operating Expenses

Total Operating Expenses are budgeted to decrease 4.9% in total consisting of the following:

Power Acquisition:

The District's costs to purchase power increased 64% (\$1.9 million) during FY 20/21 to FY 21/22. This increase was followed by a 19.3% decrease from FY 21/22 to FY 22/23. The decrease was due to Western's mid-year true-up (decrease) to the District's First Preference Percentage (FPP) and a decrease to Western's Power Revenue Requirement (PRR). Purchased power costs have fluctuated between \$3.021 million to \$4.955 million over the last three years.

With the changes to the District's FPP and Western's PRR, the FY 23/24 purchased power costs are forecasted to decrease 17.6% more.

"Other Power Acquisition Costs" of \$251,000 include legislative advocacy (\$65,000), Staff labor (\$136,000), 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 21/22 to FY 22/23 by approximately 18.1%, which is due in part to purchasing materials to allow continued maintenance of the District's overhead system by Field Staff. The increase is also a result of increased focus on adhering to State and Federal unfunded mandates to reduce fire risk. The Budget for FY 23/24 is factoring in a 5.1% decrease from FY 22/23 as purchasing slows down.

Customer Accounts:

Customer Accounts are anticipated to increase by approximately 3.4% from FY 21/22 to FY 22/23 mainly due to replenishing the backup supply of meters.

The Budget for FY 23/24 is factoring in an 11.0% increase from FY 22/23 mainly due to Meter Technician time redirected towards Customer Account Maintenance.

Fiscal Year 2023/2024 Budget Notes

Administrative and General:

Administrative & General costs are expected to increase 18.6% from FY 21/22 to FY 22/23 due mainly to a return to normal after the Pandemic. The District also faced the second significant increase to its Property & Liability insurance even without fire insurance. The FY 22/23 Budget projects a 5.8% increase to A&G costs as business continues to get 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 Green Bonds and 2017 Series B Electric Revenue Green Bonds) and was also the highest debt payment year.

The District borrowed \$9.0 million during FY 21/22 from a local bank (at the time of the transaction) in order to finance unfunded state fire mandates as well as necessary infrastructure upgrades. The loan was structured as a tax-free financing.

FY 23/24 debt expense consists of the 2017 Series A Electric Revenue Green Bonds and the Bank Loan repayment.

Capital Outlay

During FY 22/23 capital expenditures consisted of many replacements and improvements in accordance with the District's Wildfire Mitigation Plan and its Capital Improvement Plan. The District also experienced a series of significant winter windstorms and snowstorms that required replacement of damaged infrastructure. The winter storms were declared a disaster by the Federal government and Staff is working to recover a majority of the storm expenses.

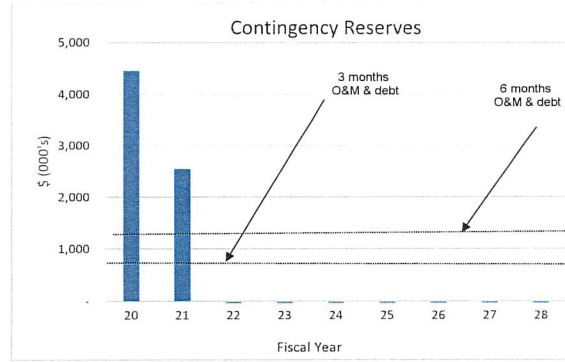
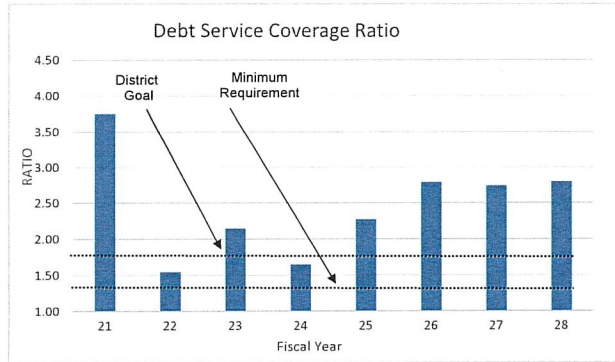
The District received the four pick-up trucks ordered October 2021 but delayed due to the supply chain issues created by the Pandemic. Replacement of the 2015 Foreman Utility truck was accelerated by three months due to the truck failing during the winter snowstorms. Field Staff completed the Weaverville T-1 reconductoring project and anticipate completing the Junction City 1102 reconductoring by the end of August 2023.

The FY 23/24 Budget reflects the following:

- The only nonrecurring capital cost in the budget is replacement of the 2015 Freightliner Line Truck (\$275,000).
- Field Staff time is allocated to capital improvements and replacements which include reconductoring projects discussed in the 2022-2026 System Improvement Plan as well as pole replacements required by the District's Wildfire Mitigation Plan.

Trinity Public Utilities District Financial Forecast Overview

	20/21 (Actual)	21/22 (Actual)	22/23 (Preliminary)	21-23 % Growth	23/24 (Budgeted)	24/25 (Projected)	25/26 (Projected)	26/27 (Projected)	27/28 (Projected)
Operating receipts	15,763,689	15,820,536	17,669,529	6.0%	15,701,209	17,448,540	18,892,075	18,922,176	18,952,966
Operating expenditures	11,442,519	14,525,887	14,813,355	14.7%	14,080,421	14,275,977	14,424,634	14,574,200	14,629,890
Available for capital	4,321,169	1,294,649	2,856,173	-17.0%	1,620,788	3,172,563	4,467,441	4,347,976	4,323,076
Capital outlay	6,324,646	5,710,088	8,094,614	14.0%	6,470,780	5,144,727	5,713,423	5,383,149	5,153,921
Bond/loan proceeds	-	8,940,400	-		-	-	-	-	-
Net County/MCMS repayments	143,638	168,227	97,187	-16.2%	-	-	-	-	-
Change in total reserves	(1,859,839)	4,693,188	(5,141,253)	88.2%	(4,849,992)	(1,972,164)	(1,245,982)	(1,035,173)	(830,845)
Reserves balances (end of year)									
Other reserves	2,794,660	10,401,497	6,387,420	64.3%	2,275,504	2,235,564	2,244,103	2,252,943	2,262,091
Contingency reserves	2,557,352	(356,297)	(1,483,473)	-79.0%	(2,221,548)	(4,398,902)	(5,903,422)	(6,697,436)	(7,287,429)
Total reserves	5,352,012	10,045,200	4,903,947	-4.2%	53,956	(2,163,338)	(3,659,320)	(4,444,493)	(5,025,338)
Debt service coverage ratio	3.76	1.55	2.15		1.65	2.28	2.79	2.75	2.80



FY 23/24 Budget - Approved
June 8, 2023

**Trinity Public Utilities District
Forecast Summary**

	20/21	21/22	22/23	21-23	23/24	24/25	25/26	26/27	27/28
	(Actual)	(Actual)	(Preliminary)	% Growth	(Budgeted)	(Projected)	(Projected)	(Projected)	(Projected)
Revenues									
Energy sales	11,865,205	12,167,458	12,224,233	1.5%	13,464,319	15,235,896	16,653,188	16,653,188	16,653,188
Surcharge receipts	1,525,030	1,673,534	1,639,793	3.8%	-	-	-	-	-
Other receipts	2,373,454	1,979,544	3,805,503	30.2%	2,236,890	2,212,644	2,238,887	2,268,988	2,299,778
Total	15,763,689	15,820,536	17,669,529	6.0%	15,701,209	17,448,540	18,892,075	18,922,176	18,952,966
Expenses									
Power acquisition	3,221,280	5,152,873	4,218,257	15.5%	3,547,849	3,710,040	3,715,790	3,721,712	3,727,812
Operations & maintenance	4,407,884	4,495,731	5,309,299	10.2%	5,038,126	5,118,957	5,201,159	5,284,757	5,369,776
Customer accounts	925,935	718,497	742,868	-9.9%	824,238	836,601	849,150	861,887	874,316
Administrative & general	1,258,362	1,672,324	1,982,996	28.8%	2,097,985	2,121,714	2,166,519	2,212,428	2,259,471
Debt & financing	1,629,058	2,486,462	2,559,934	28.6%	2,572,224	2,488,665	2,492,016	2,493,416	2,398,016
Total	11,442,519	14,525,887	14,813,355	14.7%	14,080,421	14,275,977	14,424,634	14,574,200	14,629,890
Available for capital	4,321,169	1,294,649	2,856,173	-17.0%	1,620,788	3,172,563	4,467,441	4,347,976	4,323,076
Capital outlay	6,324,646	5,710,088	8,094,614	14.0%	6,470,780	5,144,727	5,713,423	5,383,149	5,153,921
Bond/Loan proceeds	-	8,940,400	-	-	-	-	-	-	-
County/MCMS funding	-	-	-	-	-	-	-	-	-
County/MCMS repayments	143,638	168,227	97,187	-16.2%	-	-	-	-	-
Change in total reserves	(1,859,839)	4,693,188	(5,141,253)	88.2%	(4,849,992)	(1,972,164)	(1,245,982)	(1,035,173)	(830,845)
Reserves balances (end of year)									
Encumbered	1,185,720	690,400	390,045	-33.6%	1,313,249	1,352,646	1,372,640	1,392,930	1,413,520
Restricted Reserves	55,247	8,719,967	5,083,384	4550.6%	66,179	12,341	12,635	12,935	13,243
Customer funds	1,167,026	916,130	913,991	-10.8%	896,076	870,577	858,828	847,078	835,328
Dedicated	386,667	75,000	-	-50.0%	-	-	-	-	-
Total other reserves	2,794,660	10,401,497	6,387,420	64.3%	2,275,504	2,235,564	2,244,103	2,252,943	2,262,091
Contingency fund	2,557,352	(356,297)	(1,483,473)	-79.0%	(2,221,548)	(4,398,902)	(5,903,422)	(6,697,436)	(7,287,429)
Total reserves	5,352,012	10,045,200	4,903,947	-4.2%	53,956	(2,163,338)	(3,659,320)	(4,444,493)	(5,025,338)

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

Fund Sources	20/21	21/22	22/23	21-23	23/24	24/25	25/26	26/27	27/28
Receipts	(Actual)	(Actual)	(Preliminary)	% Growth	(Budgeted)	(Projected)	(Projected)	(Projected)	(Projected)
Energy sales	11,865,205	12,167,458	12,224,233	1.5%	13,464,319	15,235,896	16,653,188	16,653,188	16,653,188
Surcharge receipts	1,525,030	1,673,534	1,639,793	3.8%	-	-	-	-	-
Other receipts	2,373,454	1,979,544	3,805,503	30.2%	2,236,890	2,212,644	2,238,887	2,268,988	2,299,778
Total	15,763,689	15,820,536	17,669,529	6.0%	15,701,209	17,448,540	18,892,075	18,922,176	18,952,966
Reserves/proceeds									
County/MCMS repayments	143,638	168,227	97,187	-16.2%	-	-	-	-	-
Bond/Loan proceeds	-	8,940,400	-	-	-	-	-	-	-
Line extension loans	-	-	-	-	-	-	-	-	-
Restricted reserves	-	-	-	-	-	-	-	-	-
Dedicated reserves	386,667	75,000	-	-50.0%	-	-	-	-	-
Total	530,305	9,183,627	97,187	-40.8%	-	-	-	-	-
Total sources	16,293,994	25,004,163	17,766,716	4.5%	15,701,209	17,448,540	18,892,075	18,922,176	18,952,966
Fund Uses									
Operating expenditures	11,442,519	14,525,887	14,813,355	14.7%	14,080,421	14,275,977	14,424,634	14,574,200	14,629,890
Capital outlay	6,324,646	5,710,088	8,094,614	14.0%	6,470,780	5,144,727	5,713,423	5,363,149	5,153,921
County/MCMS funding	-	-	-	-	-	-	-	-	-
Fund transfers	439,539	7,681,837	(4,014,077)	-506.6%	(4,111,916)	(44,810)	8,538	8,841	9,148
Total uses	18,206,705	27,917,812	18,893,892	1.9%	16,439,284	19,375,894	20,146,595	19,966,190	19,792,959
Change in contingency reserves	(1,912,711)	(2,913,649)	(1,127,176)	-20.5%	(738,075)	(1,927,354)	(1,254,520)	(1,044,014)	(839,993)

FY 23/24 Budget - Approved
June 8, 2023

**Trinity Public Utilities District
Forecast of Capital Outlay**

	20/21	21/22	22/23	21-23	23/24	24/25	25/26	26/27	27/28
Distribution/Transmission/Recor	(Actual)	(Actual)	(Preliminary)	% Growth	(Budgeted)	(Projected)	(Projected)	(Projected)	(Projected)
Replacements	2,286,567	3,543,903	4,501,277	48.4%	2,694,719	2,735,140	2,776,167	2,817,810	2,860,077
Improvements	878,187	774,405	1,567,124	39.2%	1,817,327	1,844,587	1,872,256	1,900,340	1,928,845
Reconductoring Projects	-	297,911	782,967		200,000	-	-	-	-
Right of Way Project	2,108,703	543,107	560,527		600,000	-	-	-	-
#115 - 2022 Ford F-250 XL			39,049		-	-	-	-	-
#113 - 2022 Ford F-250 XL			39,484		-	-	-	-	-
#116 - 2022 Ford F-250 XL			38,637		-	-	-	-	-
#117 - 2022 Ram 2500 Crew Cab			75,000		-	-	-	-	-
#114 - 2022 Ford F-350 XL Flatbed			43,565		-	-	-	-	-
#31 - 2020 F-550 Trouble truck	152,149						275,000		
#21 - 2016 Chevy Silverado									
#112 - 2020 Ford F-350 Foreman truck	45,644								
#44 - 2020 Freightliner line truck									
#45 - 2015 Freightliner line truck					275,000				
#60 - 1998 Catepillar Fork Lift							75,000		
#117 - 2022 Ram 2500 Crew Cab									
#23 - 2019 Ram 1500 4x4 Pickup							75,000		
#22 - 2019 Ford F250							75,000		
#26 - 2019 Ford F250							75,000		
#28 - 2020 F-350 4x4 Pick-up Truck									
#39 - 2020 Freightliner Bucket truck								300,000	
#38 - 2014 International bucket truck						300,000			
#61 - 2002 Terra SnoCat							275,000		
Future large field vehicle replacement									
#68 - 2018 Polaris						50,000			
#69 - 2018 Excavator									
Other	454,213	184,263	120,481		-				
Total	5,925,463	5,343,589	7,768,111	15.5%	5,587,046	4,929,727	5,498,423	5,268,149	5,038,921
Substations	149,748	-	-		400,000	100,000	100,000	-	-
Customer accounts									
Data processing/computers	104,366	97,402	108,317	1.9%	145,000	-	-	-	-
Office machinery	23,184	-	100,000		-	-	-	-	-
Automated meter reading/turtles	41,545	57,207	-		10,000	10,000	10,000	10,000	10,000
Mapping system	54,157	124,113	78,185		133,734	65,000	65,000	65,000	65,000
NISC CIS software conversion	-	-	-		-	-	-	-	-
Other	-	30,351	-		30,000	-	-	-	-
Total	223,252	309,073	286,503	14.2%	318,734	75,000	75,000	75,000	75,000
Property/facilities	26,183	57,426	40,000	26.4%	165,000	40,000	40,000	40,000	40,000
Total capital outlay	6,324,646	5,710,088	8,094,614	14.0%	6,470,780	5,144,727	5,713,423	5,383,149	5,153,921

FY 23/24 Budget - Approved
June 8, 2023

**Trinity Public Utilities District
Forecast of Reserves**

	20/21 (Actual)	21/22 (Actual)	22/23 (Preliminary)	21-23 % Growth	23/24 (Budgeted)	24/25 (Projected)	25/26 (Projected)	26/27 (Projected)	27/28 (Projected)
Restricted									
Bond/loan reserves	-	8,650,181	5,000,000		4,359	-	-	-	-
Cafeteria plan	55,247	69,786	83,384	25.5%	61,820	12,341	12,635	12,935	13,243
Total	55,247	8,719,967	5,083,384	4550.6%	66,179	12,341	12,635	12,935	13,243
Encumbered									
Line extension loan fund	-	-	-		-	-	-	-	-
Payables	1,185,720	690,400	390,045	-33.6%	1,313,249	1,352,646	1,372,640	1,392,930	1,413,520
Total	1,185,720	690,400	390,045	-33.6%	1,313,249	1,352,646	1,372,640	1,392,930	1,413,520
Customer funds									
Security deposits	555,120	630,444	630,444	6.8%	630,444	630,444	630,444	630,444	630,444
Construction advances	602,906	274,547	274,547	-27.2%	256,632	233,133	221,384	209,634	197,884
Community investments	2,000	4,139	2,000	0.0%	2,000	-	-	-	-
Maintenance agreements	7,000	7,000	7,000	0.0%	7,000	7,000	7,000	7,000	7,000
Total	1,167,026	916,130	913,991	-10.8%	896,076	870,577	858,828	847,078	835,328
Dedicated	386,667	75,000	-	-50.0%	-	-	-	-	-
Contingency fund									
Contingency	2,557,352	(356,297)	(1,483,473)	-79.0%	(2,221,548)	(4,398,902)	(5,903,422)	(6,697,436)	(7,287,429)
Total	2,557,352	(356,297)	(1,483,473)	-79.0%	(2,221,548)	(4,398,902)	(5,903,422)	(6,697,436)	(7,287,429)
Total reserves	5,352,012	10,045,200	4,903,947	-4.2%	53,956	(2,163,338)	(3,659,320)	(4,444,493)	(5,025,338)

**Trinity Public Utilities District
Forecast of Performance Factors**

	20/21 (Actual)	21/22 (Actual)	22/23 (Preliminary)	21-23 % Growth	23/24 (Budgeted)	24/25 (Projected)	25/26 (Projected)	26/27 (Projected)	27/28 (Projected)
Average rate (cents/kWh)	9.33	9.84	11.21	10.1%	10.89	12.32	13.46	13.46	13.46
Growth									
Demand (mw)	28,332	27,883	27,451	-1.6%	27,451	27,451	27,451	27,451	27,451
KWh purchased (000's)	143,569	140,657	136,445	-2.5%	136,445	136,445	136,445	136,445	136,445
KWh sold (000's)	127,948	127,317	123,695	-1.7%	123,695	123,695	123,695	123,695	123,695
Energy losses (%)	10.88%	9.48%	9.34%	-7.1%	9.34%	9.34%	9.34%	9.34%	9.34%
Meters									
Meters served	7,350	7,323	7,288	-0.4%	7,288	7,288	7,288	7,288	7,288
Costs (\$/meter)									
Customer accounts	126	98	102	-9.5%	113	115	117	118	120
Labor	814	868	892	4.8%	925	952	979	1,008	1,037
Distribution									
Miles of distribution line	602	750	750	12.3%	750	750	750	750	750
O&M cost including labor/mile	7,322	5,994	7,079	-1.7%	6,718	6,825	6,935	7,046	7,160
Labor/mile	2,295	1,873	1,873	-9.2%	1,873	1,873	1,873	1,873	1,873
Costs/kWh sold (cents/kWh)									
Power acquisition	2.5	4.0	3.4	17.7%	2.9	3.0	3.0	3.0	3.0
Operations & maintenance	3.4	3.5	4.3	12.3%	4.1	4.1	4.2	4.3	4.3
Customer accounts	0.7	0.6	0.6	-8.5%	0.7	0.7	0.7	0.7	0.7
Administrative & general	1.0	1.3	1.6	31.5%	1.7	1.7	1.8	1.8	1.8
Debt & financing	1.3	2.0	2.1	31.3%	2.1	2.0	2.0	2.0	1.9
Uncollectible sales (\$)	26,103	26,768	26,893	1.5%	29,622	33,519	36,637	36,637	36,637
Debt service coverage ratio	3.76	1.55	2.15	-21.4%	1.65	2.28	2.79	2.75	2.80
Capital replacements, System	2,286,567	3,543,903	4,501,277	48.4%	2,694,719	2,735,140	2,776,167	2,817,810	2,860,077

**Trinity Public Utilities District
Forecast of Labor Factors**

	20/21	21/22	22/23	21-23	23/24	24/25	25/26	26/27	27/28
	(Actual)	(Actual)	(Preliminary)	% Growth	(Budgeted)	(Projected)	(Projected)	(Projected)	(Projected)
Labor components									
Salaries and wages	4,298,806	4,527,575	4,483,878	2.2%	4,618,394	4,750,037	4,885,491	5,024,867	5,168,281
Retirement	636,460	701,188	854,166	17.1%	928,835	956,700	985,401	1,014,963	1,045,412
Social Security taxes	231,709	236,744	277,120	9.8%	285,433	293,569	301,941	310,555	319,418
Insurance	815,738	893,684	883,000	4.1%	909,490	936,774	964,877	993,824	1,023,638
Total	5,982,713	6,359,191	6,498,163	4.3%	6,742,152	6,937,081	7,137,710	7,344,209	7,556,750
Labor distribution									
Power acquisition	299,136	317,960	324,908	4.3%	337,108	346,854	356,886	367,210	377,838
Maintenance/replacements	3,290,492	3,497,555	3,573,990	4.3%	3,708,184	3,815,394	3,925,741	4,039,315	4,156,213
New construction	299,136	317,960	324,908	4.3%	337,108	346,854	356,886	367,210	377,838
Customer accounts	1,136,715	1,208,246	1,234,651	4.3%	1,281,009	1,318,045	1,356,165	1,395,400	1,435,783
Administrative & general	837,580	890,287	909,743	4.3%	943,901	971,191	999,279	1,028,189	1,057,945
Debt & financing	119,654	127,184	129,963	4.3%	134,843	138,742	142,754	146,884	151,135
Total	5,982,713	6,359,191	6,498,163	4.3%	6,742,152	6,937,081	7,137,710	7,344,209	7,556,750
Labor costs per:									
Mile of line	9,938	8,479	8,664	-6.4%	8,990	9,249	9,517	9,792	10,076
KWh sold (cents)	5	5	5	6.2%	5	6	6	6	6
Meter (\$)	814	868	892	4.8%	925	952	979	1,008	1,037
Percent of total receipts	38.0%	40.2%	36.8%	-1.5%	42.9%	39.8%	37.8%	38.8%	39.9%

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 four years.
4. Capital Expense The forecasted Capital Improvements include replacement of various vehicles and bucket truck on a five year cycle. Field staff time is expected to be spent on Wildfire Mitigation efforts which include capital replacements and improvements. Field staff is also focusing time on multiple reconductoring projects as well as substation improvements in accordance with the District's 2022-2026 Capital Improvements Plan.
5. Interest Earnings Rate Reserves 1.00%
6. Restricted Funds Consists of Loan Reserves and Cafeteria Plan Reserves. Encumbered funds are also considered restricted as these funds consist of accrued costs not yet paid, at an amount of approximately \$1.4 million 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 2019-2022). 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 \$0.1016 per kWh which is forecasted to decrease to \$0.0987 in FY 23/24 along with the discontinued application of the Drought Relief Surcharge.

9. Drought Relief
Surcharge

The Surcharge was removed in May 2023 due to a wet water year. The Surcharge is not included in the Five-Year Financial Forecast.

DISTRICT GOALS FY 23-24

MISSION STATEMENT

Trinity Public Utilities District delivers 100% carbon-free electricity to our customers in a safe, reliable, and sustainable manner. We are a great place to work and respect the diversity of our customers and employees. Trinity PUD takes pride in supporting our community and building a trusted organization that can serve current and future generations.

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 management; 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.

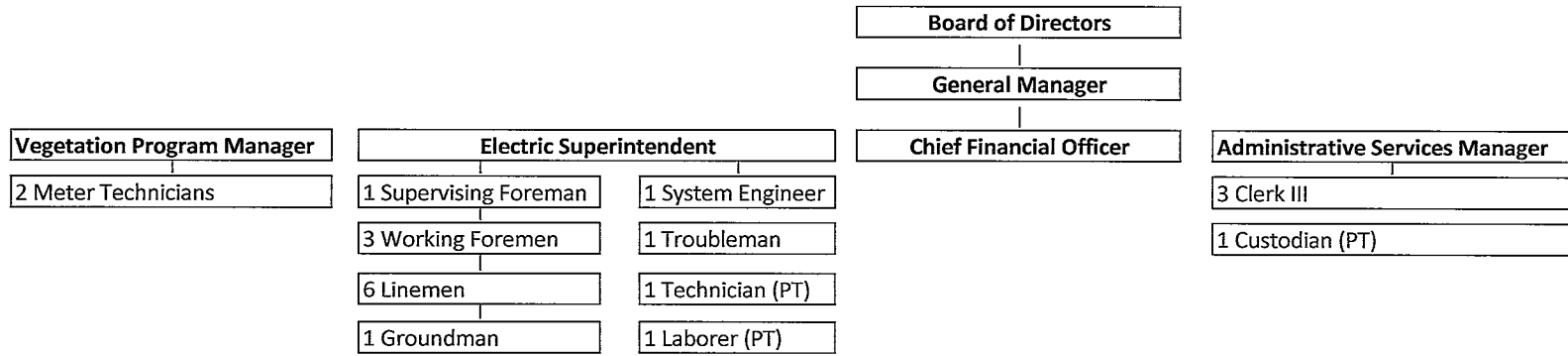
OBJECTIVES:

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



Michael Rourke, President

June 30, 2023



23 Full-time Positions
3 Part-time Positions

**Trinity Public Utilities District
Other Financial Information**

	FY18-19 ACTUAL	FY19-20 ACTUAL	FY20-21 ACTUAL	FY21-22 ACTUAL	FY 22-23 ESTIMATED
Energy Sales and Customers					
Customers (average)					
Residential	6,070	5,968	5,899	5,838	5,834
Commercial	1,190	1,353	1,445	1,484	1,472
Industrial	1	1	1	1	1
Total	7,261	7,322	7,345	7,323	7,307
Energy Hours Sold (MWh)					
Residential	66,322	65,184	69,273	66,107	70,024
Commercial	32,357	37,825	47,361	50,625	45,834
Industrial	8,987	11,236	11,314	10,585	11,459
Total	107,666	114,245	127,948	127,317	127,317
Sales of Electric Energy (\$000's)					
Residential	\$ 6,087	\$ 6,026	\$ 6,324	\$ 6,156	\$ 6,148
Commercial	3,161	3,811	4,922	5,429	5,422
Industrial	569	690	691	655	665
Total	\$ 9,817	\$ 10,527	\$ 11,937	\$ 12,240	\$ 12,224
System Average Base Rate (per kWh)					
	\$ 0.0912	\$ 0.0921	\$ 0.0933	\$ 0.0961	\$ 0.0960
Power purchased (MWh X 1,000)					
Energy Purchased from:					
Western Area Power Administration (Western)	118.6	126.9	143.6	140.7	136.4
Energy Disposition (MWh X 1,000)					
Total Energy Sales	107.7	114.2	127.9	127.3	123.7
Total Power Loss	10.9	12.6	15.6	13.3	12.8
Peak Demand (MW)					
Winter	24.2	25.0	28.3	27.9	27.5
Summer	21.2	22.6	26.2	25.7	25.7
Energy Expenses (000's)					
Purchased Power Expense	\$ 2,409	\$ 2,928	\$ 3,193	\$ 4,948	\$ 3,999
Other Electric Statistics					
Utility Plant (less accumulated depreciation (000's))	\$ 32,837	\$ 35,553	37,204	\$ 40,022	\$ 40,022
Distribution					
Overhead Circuit Miles	458.0	600.0	600.0	600.0	600.0
Underground Circuit Miles	143.0	150.0	150.0	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	--	--	--	--	--
(PROJECTED)					
	FY23-24 (PROJECTED)	FY24-25 (PROJECTED)	FY25-26 (PROJECTED)	FY26-27 (PROJECTED)	FY27-28 (PROJECTED)
Energy and Demand Requirements					
Peak Demand (MW)	27.5	27.5	27.5	27.5	27.5
Energy (MWh)	136.4	136.4	136.4	136.4	136.4

**Trinity Public Utilities District
Other Financial Information**

Electric Rate Comparison Residential Monthly Bill (1,000 kWh)		FY18-19 ACTUAL	FY19-20 ACTUAL	FY20-21 ACTUAL	FY21-22 ACTUAL	FY22-23 Estimated
Pacific Gas & Electric						
	Summer	\$ 263.61	\$ 284.57	\$ 313.38	\$ 341.16	\$ 341.81
	Winter	\$ 258.77	\$ 279.52	\$ 309.49	\$ 336.96	\$ 337.61
Sacramento Municipal Utility District						
	Summer	\$ 197.93	\$ 342.53	\$ 354.31	\$ 354.31	\$ 361.71
	Winter	\$ 136.04	\$ 173.86	\$ 177.30	\$ 177.30	\$ 183.58
Lassen Municipal Utility District						
	Summer	\$ 159.72	\$ 164.86	\$ 175.15	\$ 175.15	\$ 226.57
	Winter	\$ 159.72	\$ 164.86	\$ 175.15	\$ 175.15	\$ 226.57
City of Redding						
	Summer	\$ 172.88	\$ 172.88	\$ 172.88	\$ 171.10	\$ 174.10
	Winter	\$ 172.88	\$ 172.88	\$ 172.88	\$ 171.10	\$ 174.10
City of Shasta Lake						
	Summer	\$ 186.15	\$ 186.15	\$ 187.67	\$ 188.49	\$ 188.49
	Winter	\$ 186.15	\$ 186.15	\$ 187.67	\$ 188.49	\$ 188.49
The District - Zone B						
	Summer	\$ 105.43	\$ 118.80	\$ 118.80	\$ 122.91	\$ 122.91
	Winter	\$ 105.43	\$ 118.80	\$ 118.80	\$ 122.91	\$ 122.91
The District - Zone A						
	Summer	\$ 82.01	\$ 95.38	\$ 95.38	\$ 105.35	\$ 111.20
	Winter	\$ 82.01	\$ 95.38	\$ 95.38	\$ 105.35	\$ 111.20

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