



WATER & POWER
Serving Central California since 1887



2021 DRAFT BUDGET PRESENTATION

December 1, 2020

Key Dates

- 12/1/20 – Preliminary Budget Discussion
 - Water Resources Administration, Electrical Engineering Operations Administration, and Misc. Rates
- 12/1/20 – Budget Adoption
 - WECA, TWPA
- 12/15/20 – TID Budget and Rates Adoption

Today's Presentation

- Overview of District Budget
- Water Resources Administration
- Electrical Engineering & Operations Administration
- Miscellaneous Rates
- Next steps

Assumptions

- Revenue growth relatively flat.
- No rate increase in the 2021 Budget numbers.
- Wholesale Market is comparable to 2019 Actual and 2020 Forecast.
- More wind generation utilized for TID's needs reducing Wholesale Wind Revenue.
- Pension contribution of \$15.2 million, same as 2020.
- Revenue Financed Capital of \$59 million net of CIAC.
- Public Benefits Revenue and Expenses of \$8.0 million.
- Rate Stabilization transfer \$9.5 million to cash fund capital projects in 2021, in lieu of debt.

Draft Budget

(x\$1,000)	2019 Actual	2020 Budget	2020 Projected	2021 Budget <i>Draft</i>	
District Operating Revenues:					
Retail Electric	\$ 291,232	\$ 289,000	\$ 298,355	\$ 290,700	
Wholesale Electric	49,990	50,500	44,972	54,100	
Wholesale Wind Revenue	4,376	2,900	1,940	3,000	
BABs Revenue	3,448	3,400	3,439	3,400	
Other	14,680	12,900	11,717	9,300	
Water Operating Revenues	15,998	14,500	14,000	14,500	
Total Operating Revenues	379,724	373,200	374,423	375,000	
Power Supply (Purchase Power & Fuel)	202,249	224,500	198,028	214,500	
O&M Expense	76,045	77,500	73,838	80,400	
	278,294	302,000	271,866	294,900	
Cash Generated from Operations	101,430	71,200	102,557	80,100	
Interest Income-Net	6,723	4,500	6,000	3,000	
Total Cash Available	108,153	75,700	108,557	83,100	A
Total TID Debt Serv.	(38,000)	(38,000)	(38,000)	(33,600)	B
Cash Available for Capital	70,153	37,700	70,557	49,500	C
Revenue Financed Capital Expenditure	(26,373)	(55,300) *	(52,559)	(59,000)	D
Net Cash Generated	\$ 43,780	\$ (17,600)	\$ 17,998	\$ (9,500)	C+D
TID Debt/Service Coverage-(X)	2.85	1.99	2.86	2.47	=A/(-B)
Rate Stabilization Transfer Capital	\$ 9,570	\$ 16,000	\$ -	\$ 9,500	

* Original budget plus amendments.

2021 Revenue Capital Forecast

Revenue Financed Capital, net of contributions		2021
Administration		Proposed Budget
		Amount
General Manager		\$ 3,770,000
Financial Services Administration		7,834,000
Water Resources Administration		6,158,000
Engineering & Operations Administration		22,948,000
Power Supply Administration		4,797,750
Don Pedro Joint Accounts		18,101,500
Don Pedro Recreation Agency		433,500
Less CIAC		(3,200,000)
Grant Funding		(517,000)
Less Insurance Proceeds		(1,350,000)
	Total	\$ 58,975,750
Debt Financed Capital, net of contributions		
Gas Reserves		\$ 4,400,000
WEC Overhaul		(1,200,000)
		(3,200,000)
	Total	\$ -
Grand Total		\$ 58,975,750

O&M Summary by Administration

	2019 Actual	2020 Budget	2020 Projected	2021 Draft Budget	2020 to 2021 Comparision
GM	9,149,000	10,631,000	10,650,000	12,587,000	18.4%
FSA	16,245,000	17,904,000	16,492,000	18,025,000	0.7%
WRA*	21,066,000	21,288,000	21,699,000	20,607,000	-3.2%
EEOA	22,501,000	24,077,000	23,113,000	24,853,000	3.2%
PSA**	93,813,000	91,150,000	89,545,000	92,568,000	1.6%
TOTAL	\$ 162,774,000	\$ 165,050,000	\$ 161,499,000	\$ 168,640,000	2.2%
		A		C	(C-A)/A

* Includes Accounts from Fund 2 & all of Fund 3

** Includes Accounts from Fund 2 & net of BAB revenue

Proposed Staffing by Business Unit 2020 vs. 2021

	2020	2020	2021	2021
	Allocation	Temporary Over Allocation	Allocation	Temporary Over Allocation
GM	58	11	60	4
FSA	62	3	72	2
WRA	125	1	124	0
EEOA	132	0	121	0
PSA	79	1	79	1
TOTAL	456	16	456	7



Water Resources Administration

WRA – Operations & Maintenance Budget

	2019 Actual	2020 Budget	2020 Projected	2021 Draft Budget	2020 to 2021 Comparison
Administration	\$ 1,053,000	\$ 1,278,000	\$ 1,014,000	\$ 1,229,000	
Water Planning Department	277,000	398,000	360,000	404,000	
Hydrology	1,803,000	1,720,000	1,634,000	1,778,000	
Civil Engineering	2,480,000	2,403,000	2,428,000	2,435,000	
Construction & Maintenance	8,775,000	8,500,000	8,254,000	8,308,000	
Water Distribution	7,652,000	7,435,000	8,374,000	7,364,000	
OH Clearings	(2,711,000)	(2,961,000)	(2,817,000)	(3,111,000)	
La Grange/DPRA net of contributions	1,737,000	2,515,000	2,452,000	2,200,000	
TOTAL	\$ 21,066,000	\$ 21,288,000	\$ 21,699,000	\$ 20,607,000	-3.2%
FT Employees				124	
		A		C	(C-A)/A

Water Resources Administration– 2021 Proposed Capital

Description	Amount
Meikle Building - Fire Alarm System Replacement	\$ 200,000
Broadway Yard Covered Parking	125,000
Broadway Yard Asphalt Repair/ Seal	75,000
Broadway Employee Parking Lot Seal/Stripe	30,000
Office Furniture Replacement	40,000
COVID-19 Facility Improvements	100,000
Rental Housing Improvements	25,000
Welding Shop Roof Coating	100,000
Harding Nielson Fish Barriers***	550,000
Irrigation Capital	2,500,000
UMC Rehabilitation Phase 1	150,000
Sustainable Groundwater Management Act	150,000
Domestic Water	1,363,000
Turlock Lake Dam Rehabilitation	750,000
	6,158,000
Grant Funding***	(517,000)
Total Water Resources Admin	\$ 5,641,000



Electrical Engineering & Operations Administration

Electrical Engineering & Operations Administration – Operations & Maintenance Budget

	2019 Actual	2020 Budget	2020 Projected	2021 Draft Budget	2020 to 2021 Comparision
Administration	\$ 6,287,000	\$ 6,163,000	\$ 6,057,000	\$ 5,920,000	
Line Dept	14,062,000	13,078,000	13,154,000	13,763,000	
Maintenance & Operation	8,781,000	10,130,000	10,452,000	10,996,000	
Control Center Operations	6,454,000	6,038,000	6,260,000	6,715,000	
Less Clearings					
Control Center	(6,454,000)	(6,038,000)	(6,299,000)	(6,715,000)	
Supervision & Engineering	(6,629,000)	(5,294,000)	(6,511,000)	(5,826,000)	
TOTAL	\$ 22,501,000	\$ 24,077,000	\$ 23,113,000	\$ 24,853,000	3.2%
FT Employees				121	
		A		C	(C-A)/A

Electrical Engineering & Operations Administration – 2021 Proposed Capital

Description	Amount	Description	Amount
Energy Imbalance Market Implementation	\$ 1,912,000	Intelligent Electronic Device Management System	\$ 136,000
Routine Expan. - Trans & Dist	1,180,000	TWP TCS SCADA Network Equipment Replacement	33,000
Routine Expan. - Transformers	2,000,000	Electronic Tools & Test Equipment	35,000
Routine Expan. - Services	2,225,000	Substation Tools & Test Equipment	110,000
Routine Expan. - Meters	820,000	Upgrade/Replace RTUs	66,000
Routine Expan. - St. Lighting	175,000	Outage Management System	1,000,000
Joint 230 kV Trans. & Switchyard Upgrades	250,000	Upgrade Trans & Dist Lines - Gov't	500,000
Fiber Optic System Expansion	75,000	Upgrade Trans & Dist Lines - EOL	3,100,000
DA Wireless System Expansion	100,000	Underground Cable Replacement	1,200,000
Upgrade Substations - Priority B	520,000	Pole Test and Replacement	1,200,000
Upgrade Substations - Priority C	125,000	230 kV Pole Painting & Refurbishment	2,000,000
Line Dept. Tools	48,000	Fairground-College-Geer 69kV Line Reconductor	2,005,000
Meter Tools and Test Equipment	41,000	Microwave System Overbuild	2,000,000
Revenue Meter Replacement	57,000		
Communications Equipment	35,000		
			22,948,000
		Less CIAC	(3,200,000)
		Total Engineering & Operations Administration	\$ 19,748,000



Miscellaneous Rates & Fees



Misc. Rates

- **Electric service Schedule of Charges**
 - Fees collected for routine expansion. Represents Contributions in Aid of Construction (CIAC) Revenue, \$2.6 Million through 10/31/20.
- **Materials and Service Schedule of Charges**
 - Material Management updated inventory prices based on weighted average.
 - Updated Schedule of charges to be consistent with new C2M process.
- **Hourly Rates, Worked Billed to Others (WBO)**
 - Rates adjusted to reflect current wages and benefits.
 - Through 9/30/20, 193 WBO events.
- **Equipment Rates**
 - No change to the Transportation and Facilities rates.
- **Damaged Meter Charges**
 - No changes.

Next Steps

- Incorporate any changes as necessary
- 12/15/20 – TID Budget and Rates Adoption