

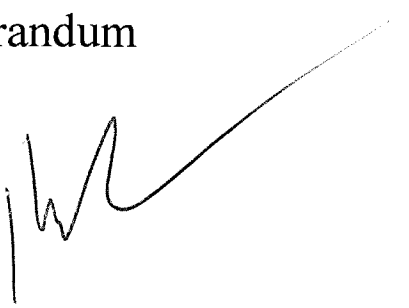
Third Taxing District

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Memorandum

To: TTD Commissioners

From: Kevin Barber – General Manager 

Date: May 24, 2019

Subject: Fiscal Year 2019-2020 Operating and Capital Budgets

Enclosed please find the draft Operating and Capital Budgets for the Third Taxing District Electric Department for the fiscal year 2019-2020. The draft budget is being provided to you in advance of the June 3rd Commission Meeting to provide you with an opportunity to review the budget and ask any questions that you may have.

The format of the budget is the same as last year, with the intent of providing you a clear understanding of the financial picture of the Electric Department as a result of the budget. This budget has been developed using a “status quo” approach relating to the cost of power (CMEEC billable rate) and the power cost adjustment (PCA). I will be reviewing the budget and the inputs used in the budget at the June 3rd Commission Meeting. Based on the discussion, changes can be made to the budget.

The format of the budget is broken down into the following five categories:

- **Operating Budget:** This section contains the Summary Operating Budget that combines the Operating and Capital budgets to provide you with an understanding if we can “afford” this budget. This section also contains a detailed budget comparison with the previous year’s budget and supporting documents for the calculation of the revenue and purchased power components of the budget.
- **Capital Budget:** This section lists the projects being presented for approval for the current fiscal year.
- **Capital Projects:** This section provides the detailed project worksheets for each project presented for approval.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Debra Goldstein	203-252-7214	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Pamela Parkington	203-858-4261	Commissioner	Ed Holowinko	203-858-5750	Treasurer

- **Five Year Operating Budget Forecast:** The five year forecast presents our forecast of the Electric Department's budget for the periods 2019-2020 through 2023-2024. This forecast presents the financial position of the Electric Department for the next five years based on the information currently available.
- **Five Year Capital Budget:** The five year capital budget provides a picture of the capital projects that have been scheduled for the next five years.

Please review the draft budget and let me know if you have any questions or comments. I would be happy to meet individually to review the budget in detail and address any questions or concerns that you may have.

Third Taxing District Electric Department

Fiscal Year 2019-20 Annual Operating & Capital Budgets

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Third Taxing District Electric Department

Proposed - Operating Budget - Summary

Fiscal Year 2019-2020

	2019-2020	2018-2019	Change	% Change
Operating Revenue				
Cervalis Data Center Revenues	267,271	265,000	2,271	0.86%
Residential Sales	4,074,625	4,040,000	34,625	0.86%
Large Commercial Sales	1,069,085	1,060,000	9,085	0.86%
Small Commercial Sales	2,738,269	2,715,000	23,269	0.86%
Water Pollutn Control Plnt Sales	1,053,956	1,045,000	8,956	0.86%
Flat Rate	100,857	100,000	857	0.86%
Miscellaneous Service Revenue	12,000	50,000	-38,000	-76.00%
Purchased Power Adjustment	792,415	785,000	7,415	0.94%
Total Operating Revenue	10,108,479	10,060,000	48,479	0.48%
Operating Expenses				
Purchased Power	4,876,400	4,832,800	43,600	0.90%
Substation Expense	181,800	175,000	6,800	3.89%
Depreciation Expense	860,000	825,000	35,000	4.24%
Taxes	388,818	378,615	10,203	2.69%
Other Power Generation Expense	138,000	138,000	0	0.00%
Distribution System - Operations	258,500	186,000	72,500	38.98%
Distribution System - Maintenance	616,140	605,000	11,140	1.84%
Customer Accounts & Service Expense	351,575	344,000	7,575	2.20%
Administrative Expenses	2,284,825	2,207,380	77,445	3.51%
Total Operating Expense	9,956,058	9,691,795	264,263	2.73%
Net Ordinary Income	152,420	368,205	-215,785	-58.60%
Other Income				
Dividends	50,000	50,000	0	0.00%
Interest Income	7,500	7,500	0	0.00%
Gain/(Loss) on Investments	30,000	45,000	-15,000	-33.33%
Norden Project Income	600,000	475,000	125,000	26.32%
Gain/(Loss) from Sale of Fixed Assets	7,000	7,000	0	0.00%
Energy Conservation Fund Income	145,000	142,130	2,870	2.02%
Miscellaneous Income	38,000	0	38,000	0.00%
Total Other Income	877,500	726,630	150,870	20.76%
Other Expense				
Person To Person	20,000	20,000	0	0.00%
Distribution to "District Fund"	305,773	313,070	-7,297	-2.33%
Interest Expense	0	0	0	0.00%
Miscellaneous items	0	0	0	0.00%
Total Other Expense	325,773	333,070	-7,297	-2.19%
Net Other Income	551,727	393,560	158,167	40.19%
NET INCOME	704,147	761,765	-57,618	-7.56%
Estimated Opening Cash Balance	10,526,400			
Current Years Net Income	704,147			
RSF Projected Additions/Subtractions (+/-)	-344,982			
Previous Years Capital Appropriations to be Spent	-876,000 (1)			
Capital Appropriations	-651,500			
Estimated Ending Cash Balance	9,358,065			

Note:

(1) See FY 2019-20 Capital Projects - Carryover for listing of projects to carryover into FY2019-2020

Third Taxing District Electric Department
Budget Comparison
FY 2020 to FY 2019

	<u>Budget 2020</u>	<u>Budget 2019</u>	<u>Change (\$)</u>	<u>%</u>	<u>Notes</u>
Ordinary Income/Expense					
Income					
443-00 · Cervalis Data Center Revenues	267,271	265,000	2,271	0.86%	
427-00 · Non Operating Income - CMEEC	0	0			
440-00 · Residential Sales	4,074,625	4,040,000	34,625	0.86%	(1)
442-01 · Large Commercial Sales	1,069,085	1,060,000	9,085	0.86%	
442-02 · Small Commercial Sales	2,738,269	2,715,000	23,269	0.86%	
445-01 · Water Pollutn Contrl Plnt Sales	1,053,956	1,045,000	8,956	0.86%	
445-02 · Flat Rate	100,857	100,000	857	0.86%	
451-00 · Miscellaneous Service Revenue	12,000	50,000	-38,000	-76.00%	(2)
557-00 · Purchased Power Adjustment	792,415	785,000	7,415	0.94%	(1)
Total Income	10,108,479	10,060,000	48,479	0.48%	
Cost of Goods Sold					
555-00 · Electrical Power Purchased	4,876,400	4,832,800	43,600	0.90%	(1)
Total COGS	4,876,400	4,832,800	43,600	0.90%	
Gross Profit	5,232,079	5,227,200	4,879	0.09%	
Expense					
904-00 · Substation					
904-15 · Substation Call Time	56,500	55,000	1,500	2.73%	
904-12 · Payroll - Substation	125,300	120,000	5,300	4.42%	
Total 904-00 · Substation	181,800	175,000	6,800	3.89%	
403-00 · Depreciation Expense	860,000	825,000	35,000	4.24%	
408-00 · Taxes					
408-10 · Gross Receipts tax	375,000	365,000	10,000	2.74%	
408-19 · Rebates of G/R Taxes	13,700	13,500	200	1.48%	
408-50 · Taxes - Other	118	115	3	3.00%	
Total 408-00 · Taxes	388,818	378,615	10,203	2.69%	
540-00 · Other Power Generation Expense					
548-00 · Generation Expense	138,000	138,000	0	0.00%	
Total 540-00 · Other Power Generation Expense	138,000	138,000	0	0.00%	
580-00 · Distribution Expenses					
582-00 · Sub-Station Expense	96,000	26,000	70,000	269.23%	(3)
583-00 · Overhead Lines Expense	35,000	40,000	-5,000	-12.50%	
584-00 · Underground Lines Expense	25,000	25,000	0	0.00%	
586-00 · Meter Operations Expense	2,500	5,000	-2,500	-50.00%	
588-00 · Misc Distribution Expense	100,000	90,000	10,000	11.11%	
Total 580-00 · Distribution Expenses	258,500	186,000	72,500	38.98%	
590-00 · Maintenance Expenses					
592-00 · Sub-Stations-Maintenance	25,000	25,000	0	0.00%	
593-00 · Overhead Lines-Maintenance					
593-12 · Payroll - Line Department	416,140	405,000	11,140	2.75%	
593-15 · Payroll - Line Call Time	90,000	90,000	0	0.00%	
593-00 · Overhead Lines-Maintenance - Other	50,000	50,000	0	0.00%	
Total 593-00 · Overhead Lines-Maintenance	556,140	545,000	11,140	2.04%	
597-00 · Meters-Maintenance	5,000	5,000	0	0.00%	
598-00 · Misc Maintenance Expense	0	0	0	0.00%	
598-00 · Misc Maintenance Expense - Other	30,000	30,000	0	0.00%	
Total 598-00 · Misc Maintenance Expense	30,000	30,000	0	0.00%	
Total 590-00 · Maintenance Expenses	616,140	605,000	11,140	1.84%	
900-00 · Customer Accounts & Service					
902-00 · Meter Reading Expense					
902-12 · Payroll - Meter reader	102,750	100,000	2,750	2.75%	
902-13 · Payroll - Meter Reader - Call Time	21,000	21,000	0	0.00%	
Total 902-00 · Meter Reading Expense	123,750	121,000	2,750	2.27%	
903-00 · Customer Recordkeeping Expense					
903-12 · Payroll - Customer Recordkeeping	154,125	150,000	4,125	2.75%	
903-00 · Cust Recordkeeping Expense - Other	23,700	23,000	700	3.04%	
Total 903-00 · Customer Recordkeeping Expense	177,825	173,000	4,825	2.79%	
905-00 · Credit Card Discount Fee	50,000	50,000	0	0.00%	
Total 900-00 · Customer Accounts & Service	351,575	344,000	7,575	2.20%	

**Third Taxing District Electric Department
Budget Comparison
FY 2020 to FY 2019**

	Budget 2020	Budget 2019	Change (\$)	%	Notes
920-00 · Administrative Expenses					
920-05 · Payroll Taxes	98,000	95,000	3,000	3.16%	
920-12 · Payroll - Admin Dept	462,000	430,000	32,000	7.44%	
920-15 · Admin P/R-On Call Time	10,000	7,000	3,000	42.86%	
921-00 · Office Expense					
921-20 · Bank Service Charges	50	50	0	0.00%	
921-30 · Postage	24,000	25,000	-1,000	-4.00%	
921-35 · Office Equipment rental	10,000	20,000	-10,000	-50.00%	
921-40 · Office Supplies	15,000	15,000	0	0.00%	
Total 921-00 · Office Expense	49,050	60,050	-11,000	-18.32%	
923-00 · Outside Services					
923-10 · Computer Services	40,000	48,000	-8,000	-16.67%	
923-20 · Audit Fees & Expenses	23,175	22,500	675	3.00%	
923-30 · Legal Fees	50,000	50,000	0	0.00%	
923-35 · Legal Fees - Labor relations	10,000	10,000	0	0.00%	
923-40 · Pension Plan Actuarial & Legal	23,700	23,000	700	3.04%	
923-45 · Engineering	50,000	50,000	0	0.00%	
923-65 · Outside Accounting Services	50,000	49,000	1,000	2.04%	
923-70 · Office bldg maintenance & repair	45,000	45,000	0	0.00%	
923-80 · Security Monitoring	2,000	2,000	0	0.00%	
923-00 · Outside Services - Other	50,000	50,000	0	0.00%	
Total 923-00 · Outside Services	343,875	349,500	-5,625	-1.61%	
924-00 · Commercial Package Insurance	172,500	162,000	10,500	6.48%	
925-00 · Workman's Comp Insurance	22,000	24,400	-2,400	-9.84%	
925-10 · Long & Short Term Disability	15,000	13,200	1,800	13.64%	
926-00 · Pension & Benefits					
926-10 · Pension contributions	241,400	236,600	4,800	2.03%	
926-20 · Employee Health & Life Insurance	480,000	448,000	32,000	7.14%	(4)
926-30 · Self Insurances					
926-32 · Current Employees	50,000	50,000	0	0.00%	
926-34 · Retired Employees	20,000	20,000	0	0.00%	
Total 926-30 · Self Insurances	70,000	70,000	0	0.00%	
926-90 · Miscellaneous employee benefits	20,000	20,000	0	0.00%	
Total 926-00 · Pension & Benefits	811,400	774,600	36,800	4.75%	
928-00 · Regulatory Expense	18,000	18,000	0	0.00%	
930-00 · General Expense					
930-10 · Conservation Inducements Expense	145,000	142,130	2,870	2.02%	(5)
930-40 · Promotions	45,000	45,000	0	0.00%	
930-45 · Travel & lodging	9,000	8,000	1,000	12.50%	
930-50 · Seminars & training	20,000	20,000	0	0.00%	
930-00 · General Expense - Other	25,000	25,000	0	0.00%	
Total 930-00 · General Expense	244,000	240,130	3,870	1.61%	
940-00 · Truck Expense					
940-10 · Company Autos - GM Vehicle	4,000	1,500	2,500	166.67%	
940-30 · Company Autos - Trucks & Cars	35,000	32,000	3,000	9.38%	
Total 940-00 · Truck Expense	39,000	33,500	5,500	16.42%	
Total 920-00 · Administrative Expenses	2,284,825	2,207,380	77,445	3.51%	
Total Expense	5,079,658	4,858,995	220,663	4.54%	
Net Ordinary Income	152,420	368,205	-215,785	-58.60%	
Other Income/Expense					
Other Income					
418-00 · Dividends	50,000	50,000	0	0.00%	
419-00 · Interest Income	7,500	7,500	0	0.00%	
420-00 · Gain/(Loss) on Investments	0	0	0	0.00%	
420-10 · Unrealized Gain/(Loss)	30,000	45,000	-15,000	-33.3%	
Total 420-00 · Gain/(Loss) on Investments	30,000	45,000	-15,000	0.00%	
421-00 · Norden Project Income	600,000	475,000	125,000	26.32%	(6)
423-00 · Gain/(Loss) from Sale of FA	7,000	7,000	0	0.00%	
424-00 · Energy Conservation Fund Income	145,000	142,130	2,870	2.02%	(7)
425-00 · Miscellaneous Income	38,000	0	38,000	0.00%	(2)
Total Other Income	877,500	726,630	150,870	20.76%	

**Third Taxing District Electric Department
Budget Comparison
FY 2020 to FY 2019**

	<u>Budget 2020</u>	<u>Budget 2019</u>	<u>Change (\$)</u>	<u>%</u>	<u>Notes</u>
Other Expense					
426-30 · Person to Person	20,000	20,000	0	0.00%	
426-10 · Distribution to "District Fund"	305,773	313,070	-7,297	-2.33%	(8)
942-00 · Interest Expense	0	0	0		
990-00 · Miscellaneous items	0	0	0		
Total Other Expense	<u>325,773</u>	<u>333,070</u>	<u>-7,297</u>	<u>-2.19%</u>	
Net Other Income	<u>551,727</u>	<u>393,560</u>	<u>158,167</u>	<u>40.19%</u>	
Net Income	<u><u>704,147</u></u>	<u><u>761,765</u></u>	<u><u>-57,618</u></u>	<u><u>-7.56%</u></u>	

Notes:

- (1) Refined the budget process around the calculation of the operating revenue, Purchased Power Adj (PCA) and purchased power expense to better correlate with the CMEEC All-In-Forecasts
- (2) Miscellaneous Service Revenue and Miscellaneous Income adjusted to reflect a change in accounting procedures. Net affect is \$0.00
- (3) Increase in Substation Expense due to required 6 year testing to maintain compliance obligation for Transmission Owners
- (4) Employee Health Insurance increase based on forecasted yearly increase in premiums
- (5) Conservation Expenses increased to match Energy Conservation Fund Income
- (6) Norden Project Income increased to more accurately reflect the revenue received
- (7) Energy Conservation Fund Income projection refined during the budget process based on CMEEC forecast
- (8) Decrease in Distribution to the District Fund based on the approved District budget

TTD - Purchased Power Analysis - Five Year Forecast

From CMEEC Monthly projection May-2019 Update

Fiscal Year 2020

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Forecast Energy Purchased	6,361	6,088	4,837	4,201	4,559	5,418	5,846	5,312	4,946	4,063	4,325	4,999	60,955
Forecasted Power Cost	\$ 75.35	\$ 74.71	\$ 82.42	\$ 85.40	\$ 84.81	\$ 84.87	\$ 95.10	\$ 98.70	\$ 89.91	\$ 95.13	\$ 90.43	\$ 76.17	
Billable Rate (\$/MWh)	80	80	80	80	80	80	80	80	80	80	80	80	
Actual Power Costs	479,301	454,834	398,666	358,765	386,649	459,826	555,955	524,294	444,695	386,513	391,110	380,774	5,221,382
CMEEC Billed Rate	508,880	487,040	386,960	336,080	364,720	433,440	467,680	424,960	395,680	325,040	346,000	399,920	4,876,400
PCA Rate	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	(344,982)
Fuel Cost - PCA	82,693	79,144	62,881	54,613	59,267	70,434	75,998	69,056	64,298	52,819	56,225	64,987	792,415
Change in Purchases from PY Expected Sales		1%	1%										

Fiscal Year 2021

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Forecast Energy Purchased	6,368	6,095	4,843	4,205	4,563	5,424	5,853	5,145	4,951	4,067	4,329	5,004	60,847
Forecasted Power Cost	\$ 73.98	\$ 73.88	\$ 79.80	\$ 80.36	\$ 80.32	\$ 82.02	\$ 94.74	\$ 101.01	\$ 85.21	\$ 85.23	\$ 78.45	\$ 73.00	
Billable Rate (\$/MWh)	80	80	80	80	80	80	80	80	80	80	80	80	
Actual Power Costs	471,105	450,299	386,471	337,914	366,500	444,876	554,513	519,696	421,875	346,630	339,610	365,292	5,004,782
CMEEC Billed Rate	509,440	487,600	387,440	336,400	365,040	433,920	468,240	411,600	396,080	325,360	346,320	400,320	4,867,760
PCA Rate	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	(137,022)
Fuel Cost - PCA	82,784	79,235	62,959	54,665	59,319	70,512	76,089	66,885	64,363	52,871	56,277	65,052	791,011
Change in Purchases from PY Expected Sales		-0.18%	-0.17%										

Fiscal Year 2022

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Forecast Energy Purchased	6,375	6,102	4,848	4,210	4,568	5,430	5,860	5,151	4,957	4,072	4,333	5,009	60,915
Forecasted Power Cost	\$ 73.55	\$ 76.38	\$ 82.91	\$ 84.45	\$ 74.03	\$ 80.11	\$ 97.71	\$ 104.14	\$ 84.19	\$ 80.32	\$ 74.06	\$ 68.18	
Billable Rate (\$/MWh)	80	80	80	80	80	80	80	80	80	80	80	80	
Actual Power Costs	468,881	466,071	401,948	355,535	338,169	434,997	572,581	536,425	417,330	327,063	320,902	341,514	4,981,415
CMEEC Billed Rate	510,000	488,160	387,840	336,800	365,440	434,400	468,800	412,080	396,560	325,760	346,640	400,720	4,873,200
PCA Rate	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	(108,215)
Fuel Cost - PCA	82,875	79,326	63,024	54,730	59,384	70,590	76,180	66,963	64,441	52,936	56,329	65,117	791,895
Change in Purchases from PY Expected Sales		0.11%	0.11%										

Fiscal Year 2023

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
Forecast Energy Purchased	6,382	6,110	4,854	4,214	4,572	5,436	5,866	5,157	4,963	4,076	4,338	5,014	60,982
Forecasted Power Cost	\$ 70.13	\$ 73.40	\$ 77.69	\$ 79.16	\$ 73.10	\$ 82.42	\$ 97.27	\$ 104.41	\$ 82.61	\$ 77.25	\$ 71.53	\$ 70.12	
Billable Rate (\$/MWh)	80	80	80	80	80	80	80	80	80	80	80	80	
Actual Power Costs	447,570	448,474	377,107	333,580	334,213	448,035	570,586	538,442	409,993	314,871	310,297	351,582	4,884,751
CMEEC Billed Rate	510,560	488,800	388,320	337,120	365,760	434,880	469,280	412,560	397,040	326,080	347,040	401,120	4,878,560
PCA Rate	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	(6,191) add to RSF
Fuel Cost - PCA	82,966	79,430	63,102	54,782	59,436	70,668	76,258	67,041	64,519	52,988	56,394	65,182	792,766
Change in Purchases from PY Expected Sales		0.11%	0.10%										
4 year expected purchase average		0.24%											
4 year expected sale average		0.002248492	use for 5th year sales										

Purchased Power Billable Rate \$80/MWh as per discussion at 6/4/18 Commission Meeting
 PCA Rate .0130/kWh as per discussion at 6/4/18 Commission Meeting

TTD Power Cost Projections FY2019 - FY2023

2019	July	August	September	October	November	December	January	February	March	April	May	June	Annual Cost	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update
Energy (MWh)	6,515	6,671	5,078	4,483	4,722	5,367	5,886	5,057	5,035	4,026	4,320	4,994	62,154	62,293
Fixed Cost Obligation (\$/MWh)	\$ 6.30	\$ 7.43	\$ 6.64	\$ 10.43	\$ 9.12	\$ 10.12	\$ 10.95	\$ 12.31	\$ 9.31	\$ 10.06	\$ 10.45	\$ 7.86	\$ 9.12	\$ 9.37
Generation Service Charge (\$/MWh)	\$ 67.60	\$ 67.07	\$ 74.29	\$ 78.94	\$ 80.01	\$ 84.98	\$ 88.64	\$ 94.63	\$ 82.87	\$ 83.24	\$ 82.49	\$ 69.02	\$ 78.94	\$ 79.13
Transmission (\$/MWh)	\$ (2.03)	\$ (3.57)	\$ (3.26)	\$ (3.38)	\$ (2.56)	\$ (1.69)	\$ (1.91)	\$ (0.10)	\$ (0.28)	\$ (2.75)	\$ (4.24)	\$ (4.92)	\$ (2.53)	\$ (2.47)
ISO & Federal Mandated Costs (\$/MWh)	\$ 1.08	\$ 1.21	\$ 1.67	\$ 1.71	\$ 1.21	\$ 1.15	\$ 0.85	\$ 1.43	\$ 1.28	\$ 2.24	\$ 2.20	\$ 2.25	\$ 1.47	\$ 1.56
Projected/Actual (\$/MWh)	\$ 72.95	\$ 72.14	\$ 79.34	\$ 87.70	\$ 87.78	\$ 94.56	\$ 98.53	\$ 108.27	\$ 93.18	\$ 92.79	\$ 90.90	\$ 74.21	\$ 87.01	\$ 87.59
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	April Update

2020	July	August	September	October	November	December	January	February	March	April	May	June	Annual Cost	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update
Energy (MWh)	6,361	6,088	4,837	4,201	4,559	5,418	5,846	5,312	4,946	4,063	4,325	4,999	60,955	60,513
June 2016 Update														
Fixed Cost Obligation (\$/MWh)	\$ 4.71	\$ 6.29	\$ 7.42	\$ 7.82	\$ 7.42	\$ 5.67	\$ 8.82	\$ 7.92	\$ 7.88	\$ 10.26	\$ 10.37	\$ 8.66	\$ 7.61	\$ 7.60
Generation Service Charge (\$/MWh)	\$ 66.89	\$ 65.79	\$ 70.52	\$ 76.58	\$ 75.26	\$ 76.71	\$ 84.78	\$ 86.26	\$ 79.80	\$ 82.38	\$ 79.86	\$ 67.29	\$ 75.67	\$ 75.85
Transmission (\$/MWh)	\$ 1.77	\$ 0.35	\$ 1.44	\$ (1.80)	\$ 0.33	\$ 0.89	\$ 0.15	\$ 2.36	\$ (0.14)	\$ 0.33	\$ (1.96)	\$ (1.97)	\$ 0.24	\$ 0.23
ISO & Federal Mandated Costs (\$/MWh)	\$ 1.98	\$ 2.28	\$ 3.04	\$ 2.80	\$ 1.80	\$ 1.60	\$ 1.35	\$ 2.16	\$ 2.37	\$ 2.16	\$ 2.16	\$ 2.19	\$ 2.13	\$ 2.13
Projected/Actual (\$/MWh)	\$ 75.35	\$ 74.71	\$ 82.42	\$ 85.40	\$ 84.81	\$ 84.87	\$ 95.10	\$ 98.70	\$ 89.91	\$ 95.13	\$ 90.43	\$ 76.17	\$ 85.66	\$ 85.81
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update

2021	July	August	September	October	November	December	January	February	March	April	May	June	Annual Cost	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Energy (MWh)	6,368	6,095	4,843	4,205	4,563	5,424	5,853	5,145	4,951	4,067	4,329	5,004	60,847	60,160
Fixed Cost Obligation (\$/MWh)	\$ 6.40	\$ 6.80	\$ 7.47	\$ 7.98	\$ 7.75	\$ 5.92	\$ 9.55	\$ 8.72	\$ 8.34	\$ 11.40	\$ 10.93	\$ 9.07	\$ 8.23	\$ 8.19
Generation Service Charge (\$/MWh)	\$ 64.12	\$ 64.65	\$ 67.96	\$ 71.51	\$ 71.22	\$ 74.31	\$ 84.51	\$ 87.31	\$ 75.10	\$ 73.26	\$ 71.11	\$ 63.95	\$ 72.34	\$ 71.20
Transmission (\$/MWh)	\$ 1.56	\$ 0.24	\$ 1.46	\$ (2.00)	\$ (0.49)	\$ 0.15	\$ (0.70)	\$ 2.71	\$ (0.65)	\$ (1.64)	\$ (5.80)	\$ (2.27)	\$ (0.46)	\$ (0.48)
ISO & Federal Mandated Costs (\$/MWh)	\$ 1.90	\$ 2.19	\$ 2.91	\$ 2.87	\$ 1.84	\$ 1.64	\$ 1.38	\$ 2.27	\$ 2.42	\$ 2.21	\$ 2.21	\$ 2.25	\$ 2.14	\$ 2.13
Projected/Actual (\$/MWh)	\$ 73.98	\$ 73.88	\$ 79.80	\$ 80.36	\$ 80.32	\$ 82.02	\$ 94.74	\$ 101.01	\$ 85.21	\$ 85.23	\$ 78.45	\$ 73.00	\$ 82.25	\$ 81.05
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected

2022	July	August	September	October	November	December	January	February	March	April	May	June	Annual Cost	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update
Energy (MWh)	6,375	6,102	4,848	4,210	4,568	5,430	5,860	5,151	4,957	4,072	4,333	5,009	60,915	59,978
Fixed Cost Obligation (\$/MWh)	\$ 6.82	\$ 7.13	\$ 7.73	\$ 8.60	\$ 8.28	\$ 6.47	\$ 9.84	\$ 8.98	\$ 8.65	\$ 11.09	\$ 11.18	\$ 9.32	\$ 8.55	\$ 8.51
Generation Service Charge (\$/MWh)	\$ 61.28	\$ 61.99	\$ 64.41	\$ 67.66	\$ 67.66	\$ 74.78	\$ 86.46	\$ 89.17	\$ 72.87	\$ 67.61	\$ 65.68	\$ 58.07	\$ 69.92	\$ 68.98
Transmission (\$/MWh)	\$ 3.50	\$ 5.02	\$ 7.79	\$ 5.25	\$ (3.80)	\$ (2.82)	-	\$ 3.67	\$ 0.19	\$ (0.65)	\$ (5.06)	\$ (1.51)	\$ 1.11	\$ 1.09
ISO & Federal Mandated Costs (\$/MWh)	\$ 1.95	\$ 2.24	\$ 2.98	\$ 2.94	\$ 1.89	\$ 1.68	\$ 1.41	\$ 2.32	\$ 2.48	\$ 2.27	\$ 2.26	\$ 2.30	\$ 2.20	\$ 2.19
Projected/Actual (\$/MWh)	\$ 73.55	\$ 76.38	\$ 82.91	\$ 84.45	\$ 74.03	\$ 80.11	\$ 97.71	\$ 104.14	\$ 84.19	\$ 80.32	\$ 74.06	\$ 68.18	\$ 81.78	\$ 80.76
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update

2023	July	August	September	October	November	December	January	February	March	April	May	June	Annual Cost	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update
Energy (MWh)	6,382	6,110	4,854	4,214	4,572	5,436	5,866	5,157	4,963	4,076	4,338	5,014	60,982	59,798
Fixed Cost Obligation (\$/MWh)	\$ 7.03	\$ 7.77	\$ 7.43	\$ 8.97	\$ 8.63	\$ 6.75	\$ 9.99	\$ 9.13	\$ 8.80	\$ 11.27	\$ 11.40	\$ 9.46	\$ 8.77	\$ 8.73
Generation Service Charge (\$/MWh)	\$ 57.45	\$ 58.16	\$ 59.23	\$ 61.70	\$ 66.13	\$ 76.60	\$ 85.80	\$ 89.19	\$ 71.04	\$ 64.26	\$ 62.83	\$ 59.77	\$ 67.86	\$ 67.53
Transmission (\$/MWh)	\$ 3.65	\$ 5.18	\$ 7.98	\$ 5.48	\$ (3.59)	\$ (2.65)	\$ 0.03	\$ 3.71	\$ 0.23	\$ (0.60)	\$ (5.02)	\$ (1.47)	\$ 1.23	\$ 1.20
ISO & Federal Mandated Costs (\$/MWh)	\$ 2.00	\$ 2.29	\$ 3.05	\$ 3.01	\$ 1.93	\$ 1.72	\$ 1.45	\$ 2.38	\$ 2.54	\$ 2.32	\$ 2.32	\$ 2.36	\$ 2.25	\$ 2.24
Projected/Actual (\$/MWh)	\$ 70.13	\$ 73.40	\$ 77.69	\$ 79.16	\$ 73.10	\$ 82.42	\$ 97.27	\$ 104.41	\$ 82.61	\$ 77.25	\$ 71.53	\$ 70.12	\$ 80.10	\$ 79.70
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	April Update

Third Taxing District Electric Department

FY 2019-20 Capital Projects - Proposed

Project Title	Description	2019-20	Page #
Replace Oil Circuit Breakers Replacement Schedule: 52 Circuit OCB 18/19-completed 51 Circuit OCB 19/20 50 Circuit OCB's 20/21	This project addresses the replacement of four 34.5Kv oil circuit breakers that are approximately 50 years old. The replacement circuit breakers will eliminate the presence of insulating oil in all substation devices except the main power transformers.	\$ 187,000	CP-1
Transformer Circuit Switchers	This project replaces four Motor Operated Disconnect Switches located at East Avenue and Rowan Street Substations with Circuit Switchers.	\$ 90,000	CP-2
Purchase of Poles	Purchase and installation of poles.	\$ 25,000	CP-3
Overhead Conductor Replacement	This project replaces existing 4kV Overhead conductors that are inadequately insulated or undersized	\$ 137,500	CP-4
Purchase Transformers	A replacement of transformers in the distribution system.	\$ 60,000	CP-5
Purchase Meters	A) Replacement/Upgrade of meters and B) Purchase of meters with remote read capabilities.	\$ 30,000	CP-6
Furniture/Equipment Purchases	Purchase of office furniture/equipment for department facilities.	\$ 4,000	CP-7
Field Equipment	Purchase of equipment/tools required for the operation/maintenance of the distribution system.	\$ 15,000	CP-8
Laboratory Equipment	Various equipment used by the department for testing/calibrating meters.	\$ 3,000	CP-9
Equipment & Services	Computer Infrastructure - Hardware & Software	\$ 25,000	CP-10
Miscellaneous Capital Purchases	Miscellaneous capital equipment purchased by the department.	\$ 75,000	CP-11
TOTAL		\$ 651,500	

Miscellaneous Capital Purchases: Project replaces contingency amounts previously budgeted in the following categories:	
Transmission Plant - Underground Conduits	
Transmission Plant - Underground Conductors	
Distribution Plant - Structures and Improvements	
Distribution Plant - Underground Conduits	
Distribution Plant - Street Lights & Signals	
General Plant - Structures and Improvements	
Other unexpected emergency purchases	
Total - Miscellaneous Capital Purchases	\$ 75,000

Third Taxing District Electric Department

FY 2019-20 Capital Projects - Carryover

Project Title	Description	Previously Approved	Spend To Date	Balance	Notes
Install Trap Rock - East Avenue Substation	Excavation and installation of trap-rock at East Avenue Substation.	\$ 35,000	\$ -	\$ 35,000	1
Rowan Substation Service Transformer	This project replaces the existing station service with a 3 phase service and an automatic Transfer switch.	\$ 45,000	\$ 8,000	\$ 37,000	1
Rowan Substation Protection and Coordination Study	This project enables Automatic Reclosing Relays and fuse coordination on 4,160-volt Circuit Breakers in Rowan Street Substation	\$ 45,000	\$ -	\$ 45,000	1
East Ave Substation Protection and Coordination Study	This project enables Automatic Reclosing Relays and fuse coordination on 4,160-volt Circuit Breakers in East Ave Street Substation	\$ 45,000	\$ 25,000	\$ 20,000	1
Storage Facility	Rowan Storage Facility - Additional Funding	\$ 910,000	\$ 489,000	\$ 421,000	2
Ford F-750 (Bucket)	Upgrade and refurbish existing bucket truck to extend the useful life.	\$ 53,000	\$ -	\$ 53,000	
Altec Bucket Digger Truck	Purchase new Digger truck	\$ 215,000	\$ -	\$ 215,000	3
Cogsdale Upgrade	Upgrade of the Cogsdale billing system	\$ 50,000	\$ -	\$ 50,000	
TOTAL		\$ 1,398,000	\$ 522,000	\$ 876,000	

Notes:

- 1 - Projects delayed due to the delay on the T3 transformer project at the East Avenue Substation.
- 2 - Currently under construction. Delayed due to weather and permitting issues.
- 3 - Truck on order. Expected delivery in 1st Quarter FY2019-20.

THIRD TAXING DISTRICT

VEHICLE FLEET

As of May 2019

SINGLE SPARE PLATES: 243 NEW, 295 NW

<u>VEHICLE MAKE/MODEL</u>	<u>YEAR</u>	<u>VIN #</u>	<u>PLATE #</u>	<u>GVW</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>
CHEVY BOLT (Lease)	2017	1G1FW6509H4186241	C140239	4,467		X			
CHEVY SILVERADO 2500	2015	1GB0KUEG6FZ546706	289 NW	9,500					
FREIGHTLINER (Bucket)	2014	1FVACXDT5EHFJ9621	119 NW	33,000					
BROOKS BROS. TRAILER	2014	1B9CS1228EM274033	257 NW	16,000					
CHEVY SILVERADO	2013	1GC2KVCG4DZ266339	50 NW	9,500			X		
FORD FIESTA	2012	3FADP4BJ8CM101207	54 NW	3,620				X	
CHEVY EQUINOX (Lease)	2015	2GNFLGE39G6164384	AA 54585	5,300				X	
FORD F-750 (Bucket)	2007	3FRXF75HX7V506976	69 NW	33,000		X			
FORD F-450 (Rack Body)	2005	1FDWF37Y35EA44618	23 NW	13,000			X		
FORD F-750(Digger)	2004	3FRXF76424V617870	128 NW	33,000					
Eagle Pole Trailer	1954	V7775	299 NW	3,220					

*Restoration Refurbishment

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation		PROJECT TITLE: Replace Oil Circuit Breakers			
USEFUL LIFE: 25 Yrs.		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT		_X_ REPLACEMENT/REFURBISHMENT			
DESCRIPTION: This project addresses the replacement of four 34.5kV oil circuit breakers that are approximately 50 years old. The replacement of these circuit breakers will eliminate the presence of insulating oil in all substation devices, except the main power transformers.		JUSTIFICATION: Rowan Street and East Avenue substations utilize 34,500-volt (34.5kV) circuit breakers that have insulating oil within the circuit breaker tanks. The circuit breakers average 50 years in age and maintenance parts are becoming expensive and available through specialty suppliers. The elimination of the oil-filled circuit breakers will reduce maintenance and testing requirements for both substations.					
EXPENDITURE SCHEDULE (000's)	Account	Rowan St. 51 2019-2020	East/Rowan 50 2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design	360-20	15,000	20,000				35,000
Site Costs & Acquisition							-
Construction	360-20	20,000	20,000				40,000
Equipment/Furnishings	360-20	135,000	230,000				365,000
Other/Contingency	360-20	17,000	27,000				44,000
TOTAL EXPENDITURES		187,000	297,000	-	-	-	484,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation			PROJECT TITLE: Transformer Circuit Switchers		
USEFUL LIFE: 25 yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT			<u> X </u> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: This project replaces four Motor Operated Disconnect Switches located at East Avenue and Rowan Street Substations with Circuit Switchers.		JUSTIFICATION: The four Main Power Transformers that supply 4,160-volt power to all of the District loads have been connected to Motor Operated Disconnect Switches that utilize air as an insulating medium and three open-pole switches to energize and de-energize their associated transformers. Due to the open-air arrangements, each transformer is subjected to large transient voltages and surges during energization and de-energization. Circuit Switchers utilize Vacuum Interrupters to "Make" and "Break" the electrical circuit to the connected device. The Vacuum Interrupters operate in unison and minimize transient voltage levels and surges. These replacements will extend transformer life of the older substation transformers and insure optimum useful life for any new replacements as well as reducing the arc fault.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design	360-20	25,000	25,000	25,000			75,000
Site Costs & Acquisition							-
Construction	360-20	25,000	30,000	25,000			80,000
Equipment/Furnishings	360-20	30,000	50,000	125,000			205,000
Other/Contingency		10,000	10,000	10,000			30,000
TOTAL EXPENDITURES		90,000	115,000	185,000	-	-	390,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Poles, Towers & Equipment			PROJECT TITLE: Purchase of Replacements		
USEFUL LIFE: 20-30 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Replacement of Poles.		JUSTIFICATION: Replacement and installation of poles and inventory stock.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							0
Site Costs & Acquisition							0
Construction							0
Equipment/Furnishings	360-40	25,000	25,000	25,000	25,000	25,000	125,000
Other/Contingency							-
TOTAL EXPENDITURES		25,000	25,000	25,000	25,000	25,000	125,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Overhead Conductors			PROJECT TITLE: Overhead Conductor Replacement		
USEFUL LIFE: 25 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: This project replaces existing 4kV Overhead conductors that are inadequately insulated.		JUSTIFICATION: This project addresses a long-term problem and provides immediate and long-term benefits. Much of the District's Overhead Electrical System was constructed using non-Hendrix conductors within the Hendrix Spacer system. The Hendrix Spacers support three insulated conductors within an engineered configuration which takes advantage of the conductor insulation in creating an Aerial Cable that is immune to electrical noise production and incidental contact. This system has operated in a compromised state since its original installation and will experience operating problems as loads grow and the system increases in capacity. This project will replace the inadequately-insulated conductors and age/weather-damaged spacers.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design	360-50	10,000	10,000	10,000	10,000	10,000	50,000
Site Costs & Acquisition							-
Construction	360-50	75,000	100,000	100,000	100,000	75,000	450,000
Equipment/Furnishings	360-50	50,000	75,000	75,000	75,000	50,000	325,000
Other/Contingency	360-50	2,500	2,500	2,500	2,500	2,500	12,500
TOTAL EXPENDITURES		137,500	187,500	187,500	187,500	137,500	837,500

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Line Transformers			PROJECT TITLE: Transformers		
USEFUL LIFE: 40 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Replacement of transformers in the distribution system.		JUSTIFICATION: Normal replacement/maintain stock inventory levels.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment	360-80	60,000	60,000	60,000	60,000	60,000	300,000
Other/Contingency							-
TOTAL EXPENDITURES		60,000	60,000	60,000	60,000	60,000	300,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Meters			PROJECT TITLE: Meters		
USEFUL LIFE: 15 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: A) Replacement/Upgrade of meters. B) Purchase of meters with remote read capabilities.		JUSTIFICATION: A) Normal replacement/maintain stock inventory levels. B) Continuation of program to replace hard to read meters in the distribution system (radio-read project).					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment	370-01	30,000	25,000	20,000	15,000	15,000	105,000
Other/Contingency							-
TOTAL EXPENDITURES		30,000	25,000	20,000	15,000	15,000	105,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Office Furniture & Equipment			PROJECT TITLE: Furniture/Equip. Purchase		
USEFUL LIFE: 5 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Purchase of office furniture/equipment for department facilities.		JUSTIFICATION: Normal replacement of office furniture/equipment due to wear and tear, etc.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-01	4,000	4,000	4,000	4,000	4,000	20,000
Other/Contingency							-
TOTAL EXPENDITURES		4,000	4,000	4,000	4,000	4,000	20,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Tools, Shop, Yard			PROJECT TITLE: Field Equipment		
USEFUL LIFE: 10 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Purchase of equipment/tools required for the operation/maintenance of the distribution system.		JUSTIFICATION: Comprehensive pulling system for stringing overhead lines that eliminates the extensive manual labor involved with "tying off" lines on each pole. \$15,000					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-40	15,000	15,000	15,000	15,000	15,000	75,000
Other/Contingency							-
TOTAL EXPENDITURES		15,000	15,000	15,000	15,000	15,000	75,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Laboratory Equipment			PROJECT TITLE: Laboratory Equipment		
USEFUL LIFE: Various		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Various equipment used by the department for testing/calibrating meters.		JUSTIFICATION: Upgrade/Repair of existing and purchase of new meter testing equipment by the meter department.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-50	3,000	3,000	3,000	3,000	3,000	15,000
Other/Contingency							-
TOTAL EXPENDITURES		3,000	3,000	3,000	3,000	3,000	15,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Communication Equipment			PROJECT TITLE: Equipment & Services		
USEFUL LIFE: 5 Yrs.		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Computer Infrastructure - Hardware and Software		JUSTIFICATION: Computer Hardware and Software upgrades projected to be needed in future years.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Communications Equipment	390-70	25,000	10,000	10,000	10,000	10,000	65,000
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings							-
Other/Contingency							-
TOTAL EXPENDITURES		25,000	10,000	10,000	10,000	10,000	65,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Miscellaneous Capital			PROJECT TITLE: Miscellaneous Capital		
USEFUL LIFE: Various		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Miscellaneous capital expenses.		JUSTIFICATION: Purchase of capital equipment and services by the department that was unforeseen or does not fit into any other capital expense category.					
EXPENDITURE SCHEDULE (000's)	Account	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-80	75,000	50,000	50,000	50,000	50,000	275,000
Other/Contingency							-
TOTAL EXPENDITURES		75,000	50,000	50,000	50,000	50,000	275,000

Third Taxing District Electric Department

Five Year Operating Budget Forecast

July 2020 through June 2024

	Budget 20	Budget 21	Budget 22	Budget 23	Budget 24
Ordinary Income/Expense					
Income					
443-00 · Cervalis Data Center Revenues	267,271.21	266,821.34	267,104.61	267,383.71	267,984.92
427-00 · Non Operating Income - CMEEC					
440-00 · Residential Sales	4,074,625.23	4,067,766.78	4,072,085.45	4,076,340.36	4,085,505.98
442-01 · Large Commercial Sales	1,069,084.84	1,067,285.34	1,068,418.46	1,069,534.85	1,071,939.69
442-02 · Small Commercial Sales	2,738,269.18	2,733,660.10	2,736,562.37	2,739,421.80	2,745,581.37
445-01 · Water Pollutn Contrl Plnt Sales	1,053,956.28	1,052,182.25	1,053,299.33	1,054,399.92	1,056,770.73
445-02 · Flat Rate	100,857.06	100,687.30	100,794.19	100,899.51	101,126.39
451-00 · Miscellaneous Service Revenue	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00
557-00 · Purchased Power Adjustment	792,415.00	791,011.00	791,895.00	792,766.00	794,548.53
Total Income	10,108,478.79	10,091,414.11	10,102,159.42	10,112,746.16	10,135,457.61
Cost of Goods Sold					
555-00 · Electrical Power Purchased	4,876,400.00	4,867,760.00	4,873,200.00	4,878,560.00	4,890,106.74
Total COGS	4,876,400.00	4,867,760.00	4,873,200.00	4,878,560.00	4,890,106.74
Gross Profit	5,232,078.79	5,223,654.11	5,228,959.42	5,234,186.16	5,245,350.87
Expense					
904-00 · Substation					
904-15 · Substation Call Time	56,500.00	58,195.00	59,940.85	61,739.08	63,591.25
904-12 · Payroll - Substation	125,300.00	129,059.00	132,930.77	136,918.69	141,026.25
Total 904-00 · Substation	181,800.00	187,254.00	192,871.62	198,657.77	204,617.50
403-00 · Depreciation Expense	860,000.00	885,000.00	910,000.00	935,000.00	960,000.00
408-00 · Taxes					
408-10 · Gross Receipts tax	375,000.00	370,000.00	372,000.00	378,000.00	380,000.00
408-19 · Rebates of G/R Taxes	13,700.00	13,600.00	13,650.00	13,640.00	15,200.00
408-50 · Taxes - Other	118.45	122.00	125.66	129.43	133.32
Total 408-00 · Taxes	388,818.45	383,722.00	385,775.66	391,769.43	395,333.32
540-00 · Other Power Generation Expense					
548-00 · Generation Expense	138,000.00	142,140.00	146,404.20	150,796.33	155,320.22
Total 540-00 · Other Power Generation Expense	138,000.00	142,140.00	146,404.20	150,796.33	155,320.22
580-00 · Distribution Expenses					
582-00 · Sub-Station Expense	96,000.00	98,880.00	101,846.40	104,901.79	108,048.85

Third Taxing District Electric Department

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July 2020 through June 2024

	Budget 20	Budget 21	Budget 22	Budget 23	Budget 24
583-00 · Overhead Lines Expense	35,000.00	36,050.00	37,131.50	38,245.45	39,392.81
584-00 · Underground Lines Expense	25,000.00	25,750.00	26,522.50	27,318.18	28,137.72
586-00 · Meter Operations Expense	2,500.00	2,575.00	2,652.25	2,731.82	2,813.77
588-00 · Misc Distribution Expense	100,000.00	103,000.00	106,090.00	109,272.70	112,550.88
Total 580-00 · Distribution Expenses	258,500.00	266,255.00	274,242.65	282,469.93	290,944.03
590-00 · Maintenance Expenses					
592-00 · Sub-Stations-Maintenance	25,000.00	25,750.00	26,522.50	27,318.18	28,137.72
593-00 · Overhead Lines-Maintenance					
593-12 · Payroll - Line Department	416,140.00	428,624.20	441,482.93	454,727.41	468,369.24
593-15 · Payroll - Line Call Time	90,000.00	92,700.00	95,481.00	98,345.43	101,295.79
593-00 · Overhead Lines-Maintenance - Other	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
Total 593-00 · Overhead Lines-Maintenance	556,140.00	572,824.20	590,008.93	607,709.19	625,940.47
597-00 · Meters-Maintenance	5,000.00	5,150.00	5,304.50	5,463.64	5,627.54
598-00 · Misc Maintenance Expense					
598-00 · Misc Maintenance Expense - Other	30,000.00	30,900.00	31,827.00	32,781.81	33,765.26
Total 598-00 · Misc Maintenance Expense	30,000.00	30,900.00	31,827.00	32,781.81	33,765.26
Total 590-00 · Maintenance Expenses	616,140.00	634,624.20	653,662.93	673,272.81	693,471.00
900-00 · Customer Accounts & Service					
902-00 · Meter Reading Expense					
902-12 · Payroll - Meter reader	102,750.00	105,832.50	109,007.48	112,277.70	115,646.03
902-13 · Payroll - Meter Reader - Call Time	21,000.00	21,630.00	22,278.90	22,947.27	23,635.69
Total 902-00 · Meter Reading Expense	123,750.00	127,462.50	131,286.38	135,224.97	139,281.72
903-00 · Customer Recordkeeping Expense					
903-12 · Payroll - Customer Recordkeepin	154,125.00	158,748.75	163,511.21	168,416.55	173,469.05
903-00 · Customer Recordkeeping Expense - Other	23,700.00	24,411.00	25,143.33	25,897.63	26,674.56
Total 903-00 · Customer Recordkeeping Expense	177,825.00	183,159.75	188,654.54	194,314.18	200,143.60
905-00 · Credit Card Discount Fee	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
Total 900-00 · Customer Accounts & Service	351,575.00	362,122.25	372,985.92	384,175.50	395,700.76
920-00 · Administrative Expenses					
920-05 · Payroll Taxes	98,000.00	100,940.00	103,968.20	107,087.25	110,299.86
920-12 · Payroll - Admin Dept	462,000.00	475,860.00	490,135.80	504,839.87	519,985.07
920-15 · Admin P/R-On Call Time	10,000.00	10,300.00	10,609.00	10,927.27	11,255.09

Third Taxing District Electric Department

Five Year Operating Budget Forecast

July 2020 through June 2024

	Budget 20	Budget 21	Budget 22	Budget 23	Budget 24
921-00 · Office Expense					
921-20 · Bank Service Charges	50.00	51.50	53.05	54.64	56.28
921-30 · Postage	24,000.00	24,720.00	25,461.60	26,225.45	27,012.21
921-35 · Office Equipment rental	10,000.00	10,300.00	10,609.00	10,927.27	11,255.09
921-40 · Office Supplies	15,000.00	15,450.00	15,913.50	16,390.91	16,882.63
Total 921-00 · Office Expense	49,050.00	50,521.50	52,037.15	53,598.26	55,206.21
923-00 · Outside Services					
923-10 · Computer Services	40,000.00	41,200.00	42,436.00	43,709.08	45,020.35
923-20 · Audit Fees & Expenses	23,175.00	23,870.25	24,586.36	25,323.95	26,083.67
923-30 · Legal Fees	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
923-35 · Legal Fees - Labor relations	10,000.00	10,300.00	10,609.00	10,927.27	11,255.09
923-40 · Pension Plan Actuarial & Legal	23,700.00	24,411.00	25,143.33	25,897.63	26,674.56
923-45 · Engineering	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
923-65 · Outside Accounting Services	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
923-70 · Office bldg maintenance & repai	45,000.00	46,350.00	47,740.50	49,172.72	50,647.90
923-80 · Security Monitoring	2,000.00	2,060.00	2,121.80	2,185.45	2,251.02
923-00 · Outside Services - Other	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
Total 923-00 · Outside Services	343,875.00	354,191.25	364,816.99	375,761.50	387,034.34
924-00 · Commercial Package Insurance	172,500.00	189,750.00	208,725.00	229,597.50	252,557.25
925-00 · Workman's Comp Insurance	22,000.00	24,200.00	26,620.00	29,282.00	32,210.20
925-10 · Long & Short Term Disability	15,000.00	15,450.00	15,913.50	16,390.91	16,882.63
926-00 · Pension & Benefits					
926-10 · Pension contributions	241,400.00	256,400.00	271,400.00	286,400.00	301,400.00
926-20 · Employee Health & Life Insuranc	480,000.00	500,000.00	520,000.00	540,000.00	560,000.00
926-30 · Self Insurances					
926-32 · Current Employees	50,000.00	51,500.00	53,045.00	54,636.35	56,275.44
926-34 · Retired Employees	20,000.00	20,600.00	21,218.00	21,854.54	22,510.18
Total 926-30 · Self Insurances	70,000.00	72,100.00	74,263.00	76,490.89	78,785.62
926-90 · Miscellaneous employee benefits	20,000.00	20,600.00	21,218.00	21,854.54	22,510.18
926-00 · Pension & Benefits - Other					
Total 926-00 · Pension & Benefits	811,400.00	849,100.00	886,881.00	924,745.43	962,695.79
928-00 · Regulatory Expense	18,000.00	18,540.00	19,096.20	19,669.09	20,259.16

Third Taxing District Electric Department

Five Year Operating Budget Forecast

July 2020 through June 2024

	Budget 20	Budget 21	Budget 22	Budget 23	Budget 24
930-00 · General Expense					
930-10 · Conservation Inducemnts Expense	145,000.00	149,350.00	153,830.50	158,445.42	163,198.78
930-40 · Promotions	45,000.00	46,350.00	47,740.50	49,172.72	50,647.90
930-45 · Travel & lodging	9,000.00	9,270.00	9,548.10	9,834.54	10,129.58
930-50 · Seminars & training	20,000.00	20,600.00	21,218.00	21,854.54	22,510.18
930-00 · General Expense - Other	25,000.00	25,750.00	26,522.50	27,318.18	28,137.72
Total 930-00 · General Expense	244,000.00	251,320.00	258,859.60	266,625.39	274,624.15
940-00 · Truck Expense					
940-10 · Company Autos - GM Vehicle	4,000.00	4,120.00	4,243.60	4,370.91	4,502.04
940-30 · Company Autos - Trucks & Cars	35,000.00	36,050.00	37,131.50	38,245.45	39,392.81
Total 940-00 · Truck Expense	39,000.00	40,170.00	41,375.10	42,616.35	43,894.84
Total 920-00 · Administrative Expenses	2,284,825.00	2,380,342.75	2,479,037.53	2,581,140.81	2,686,904.60
Total Expense	5,079,658.45	5,241,460.20	5,414,980.51	5,597,282.57	5,782,291.42
Net Ordinary Income	152,420.34	-17,806.09	-186,021.09	-363,096.42	-536,940.55
Other Income/Expense					
Other Income					
418-00 · Dividends	50,000.00	55,000.00	60,000.00	65,000.00	70,000.00
419-00 · Interest Income	7,500.00	8,000.00	8,500.00	9,000.00	9,500.00
420-00 · Gain/(Loss) on Investments					
420-10 · Unrealized Gain/(Loss)	30,000.00	45,000.00	45,000.00	45,000.00	45,000.00
Total 420-00 · Gain/(Loss) on Investments	30,000.00	45,000.00	45,000.00	45,000.00	45,000.00
421-00 · Norden Project Income	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
423-00 · Gain/(Loss) from Sale of FA	7,000.00	7,000.00	7,000.00	7,000.00	7,000.00
424-00 · Energy Conservation Fund Income	145,000.00	145,000.00	145,041.01	144,685.93	144,331.72
425-00 · Miscellaneous Income	38,000.00	38,000.00	38,000.00	38,000.00	38,000.00
Total Other Income	877,500.00	898,000.00	903,541.01	908,685.93	913,831.72
Other Expense					
426-30 · PERSON TO PERSON	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
426-10 · Distribution to "District Fund"	305,773.00	300,000.00	300,000.00	300,000.00	300,000.00
942-00 · Interest Expense					
990-00 · Miscellaneous items					
Total Other Expense	325,773.00	320,000.00	320,000.00	320,000.00	320,000.00

Third Taxing District Electric Department

Five Year Operating Budget Forecast

July 2020 through June 2024

	Budget 20	Budget 21	Budget 22	Budget 23	Budget 24
Net Other Income	551,727.00	578,000.00	583,541.01	588,685.93	593,831.72
Net Income	704,147.34	560,193.90	397,519.92	225,589.52	56,891.17

Cash Projection

Beginning Cash	10,526,400	9,358,065	8,824,737	8,287,043	8,024,441
Plus Current Fiscal Year Operating Net Income	704,147	560,194	397,520	225,590	56,891
Plus Current Fiscal Year RSF Projected Additions/Subtractions	-344,982	-137,022	-108,215	-6,191	-6,206
Less Prior Fiscal Years Approved Capital Projects to be spent	-876,000	0	0	0	0
Less Current Fiscal Year Capital Appropriations	-651,500	-956,500	-827,000	-482,000	-519,500
Ending Cash Projections	9,358,065	8,824,737	8,287,043	8,024,441	7,555,627

Current Year Input Assumptions

Purchased Energy	60,955,000 kWh
Purchased Cost = 90	\$80.00 /MWh
Fuel Cost - PCA	\$0.0130 /kWh

**Third Taxing District Electric Department
FY 2019-20 to FY2023-2024
Five-Year Capital Budget Projects**

Category	Project Title	Description	2019-20	2020-21	2021-22	2022-23	2023-24
Generators	Above Ground Fuel Tank	This project will place 1 above ground fuel tank at Norden.	\$ -	\$ -	\$ 20,000	\$ -	\$ -
Transmission - Structures & Improvements	Backup Generator	Installation of backup generator for Fitch St. Substation.	\$ -	\$ 75,000	\$ -	\$ -	\$ -
Transmission - Structures & Improvements	SCADA	Implementation of SCADA System upgrade and remote access.	\$ -	\$ 35,000	\$ 25,000	\$ 25,000	\$ -
Transmission - Structures & Improvements	Neutral Reactors	Purchase and install grounding reactors on 47R-1X and 47R-2X main power transformers at Fitch Substation.	\$ -		\$ 90,000	\$ -	\$ -
Substation	Replace Oil Circuit Breakers Replacement Schedule: 52 Circuit OCB 18/19-completed 51 Circuit OCB 19/20 50 Circuit OCB's 20/21	This project addresses the replacement of four 34.5Kv oil circuit breakers that are approximately 50 years old. The replacement circuit breakers will eliminate the presence of insulating oil in all substation devices except the main power transformers.	\$ 187,000	\$ 297,000	\$ -	\$ -	\$ -
Substation	T1 Cable Replacement	This project replaces undersized cables that were discovered in East Avenue Substation.	\$ -	\$ -	\$ 45,000	\$ -	\$ -
Substation	T4 Cable Replacement	This project replaces undersized cables that were discovered in Rowan Street Substation in 2010.	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Substation	Battery Testing/Replacement 27kv Substations	This project replaces the substation control battery within the Rowan Street Substation.	\$ -	\$ 55,000	\$ -	\$ -	\$ -
Substation	Tie Circuit Breaker East Avenue	This project installs a Tie Circuit Breaker within the 4,160-volt switchgear in East Avenue Substation.	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Substation	Transformer Circuit Switchers	This project replaces four Motor Operated Disconnect Switches located at East Avenue and Rowan Street Substations with Circuit Switchers.	\$ 90,000	\$ 115,000	\$ 185,000	\$ -	\$ -
Poles, Towers & Equipment	Purchase of Replacements	Replacement of Poles.	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Overhead Conductors	Overhead Conductor Replacement	This project replaces existing 4kV Overhead conductors that are inadequately insulated or undersized	\$ 137,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ 137,500
Underground Conductors	4kV Cable Replacement	This project eliminates all Lead Jacketed cables from the District's Electrical System.	\$ -		\$ 87,500	\$ 87,500	\$ -
Line Transformers	Transformers	A replacement of transformers in the distribution system.	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000
Meters	Meters	A) Replacement/Upgrade of meters and B) Purchase of meters with remote read capabilities.	\$ 30,000	\$ 25,000	\$ 20,000	\$ 15,000	\$ 15,000
Office Furniture & Equipment	Furniture/Equipment Purchases	Purchase of office furniture/equipment for department facilities.	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Tools, Shop, Yard	Field Equipment	Purchase of equipment/tools required for the operation/maintenance of the distribution system.	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Laboratory Equipment	Laboratory Equipment	Various equipment used by the department for testing/calibrating meters.	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Communication Equipment	Equipment & Services	Computer Infrastructure - Hardware & Software	\$ 25,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Miscellaneous Equipment	Miscellaneous Equipment	Miscellaneous capital equipment purchased by the department.	\$ 75,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
TOTAL			\$ 651,500	\$ 956,500	\$ 827,000	\$ 482,000	\$ 519,500