

Budget and Forecast

FY 2020–2025

Finance Committee Meeting

May 14, 2019

Board Meeting

May 28, 2019



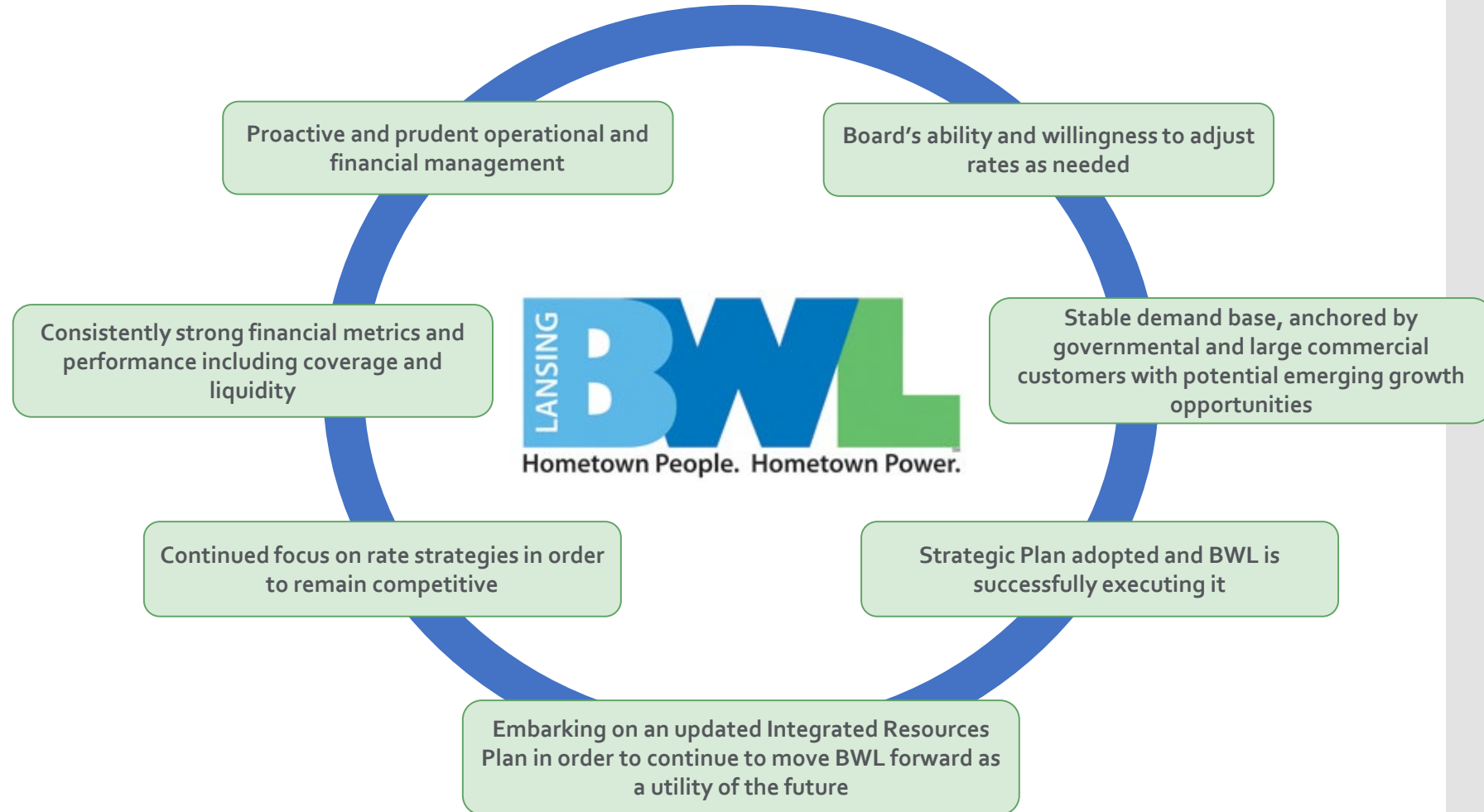
Overview

- BWL Strategic Objectives
- Key Budget and Forecast Assumptions
- Sales Volume History and Forecast by Utility
- Operating Budget and Forecast
- Capital Budget and Forecast
- Next Steps

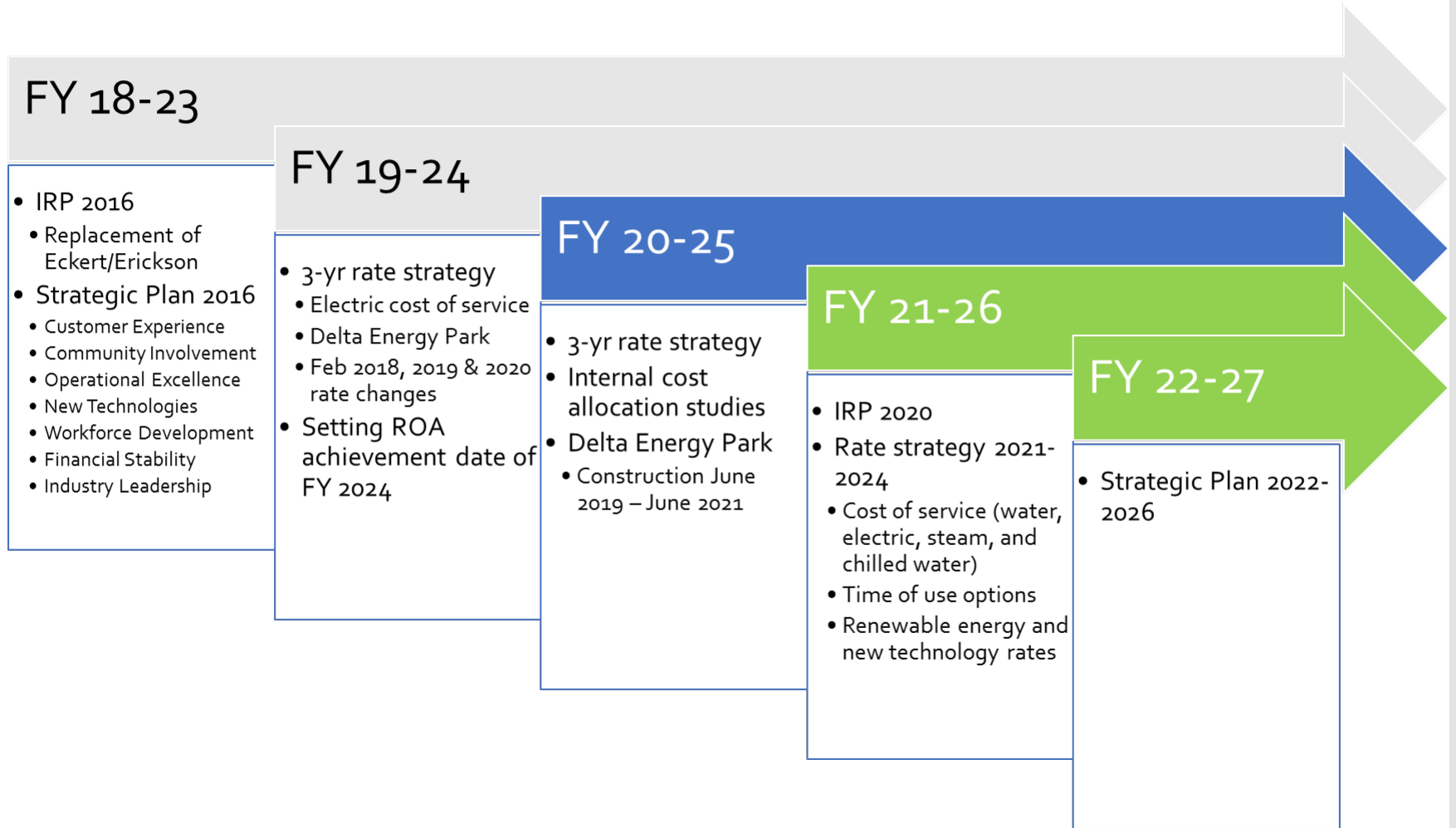
- **BWL Strategic Objectives**

- **Core Competencies**

- Past & Present Budget and Forecast Cycle Focus
- Strategy 6: Financial Stability
- Target Metrics
- Minimum Cash Reserve Requirement Policy



- BWL Strategic Objectives
 - Core Competencies
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- BWL Strategic Objectives

- Core Competencies
- Past & Present Budget and Forecast Cycle Focus

- Strategy 6: Financial Stability

- Target Metrics
- Minimum Cash Reserve Requirement Policy

- **BWL's Strategic Plan, adopted in 2016, details the following goals and objectives:**

- Strategy 6 Goal: Maintain the financial stability of the BWL
 - All of the BWL's ongoing efforts and strategic initiatives require funding. The balance between providing this funding and its impact on rates requires a comprehensive financial plan and rate strategy.
- Strategy 6, Objective 1: Practice good financial stewardship
 - 1) Develop a Financial Plan that includes a rate strategy that provides financing for the BWL's capital program and replacement generation needs while maintaining competitive rates
 - 2) Maintain an above average bond rating for municipal utilities
 - 3) Identify cost savings through process improvement initiatives and return on investments with minimal impact on operations or employees
 - 4) Commit to reviewing and consistently achieving targeted rate of return

- BWL Strategic Objectives
 - Core Competencies
 - Past & Present Budget and Forecast Cycle Focus
 - Strategy 6: Financial Stability
 - Target Metrics
 - Minimum Cash Reserve Requirement Policy

- Maintain High Credit Rating
 - The BWL is currently rated AA- by S&P and Aa3 by Moody's
- Ensure Adequate Liquidity
 - The BWL should have the ability to meet near term obligations when due
 - Minimum Cash Reserve Requirement: **154 Days**
 - Debt Service Coverage Minimum Target: **2.00**
- Return on Assets
 - An adequate return on assets is essential to municipal utilities
 - It ensures that current rate payers are not "kicking the can down the road" or deferring cost recovery to future generations
 - An appropriate return on assets recovers two main items:
 - Interest expense
 - Inflationary increase of infrastructure replacement costs
 - Board of Commissioners approved ROA target calculation according to Resolution 2016-07-08
 - Return on Assets FY 2020-2025 Target: **4.66%**
 - We are projecting to achieve this target return in FY 2024
- Maintain Rate Competitiveness

- BWL Strategic Objectives
 - Core Competencies
 - Past & Present Budget and Forecast Cycle Focus
 - Strategy 6: Financial Stability
 - Target Metrics
 - Minimum Cash Reserve Requirement Policy

- **To ensure adequate liquidity, the Board of Commissioners adopted a Minimum Cash Reserve Requirement Policy in 2018 (Resolution #2018-05-02).**
- The policy bolsters financial strength, situational resilience, fiscal responsibility, and credit quality.
- The minimum cash reserve requirement is determined using a risk-based calculation of the following five key cash requirements:
 - Net O&M Expense
 - Return on Equity to the City
 - Historical Plant in Service
 - Debt Service
 - Six-Year Net Capital Improvement Plan
- Each cash requirement is multiplied by its associated risk factor and summed to determine the minimum cash reserve requirement.
- The calculation is applied to each of the BWL's four utilities individually and then aggregated to determine the overall BWL minimum cash reserve requirement.
- In accordance with this policy, the Board will ensure that the proposed budget and forecast meets the minimum cash reserve requirements as defined in the policy.

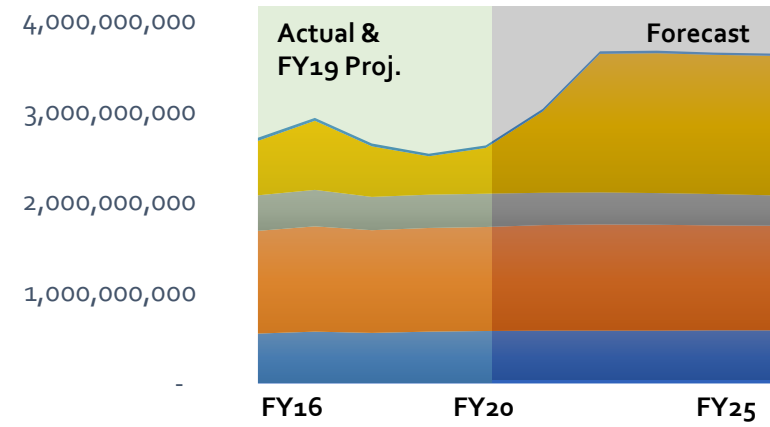
- Key Budget and Forecast Assumptions

- Eckert is not scheduled for operation and is only available for capacity and emergency until complete closure in December 2020.
- Total employee count is budgeted at 742 for FY 2020 and declines in each succeeding year through FY 2026 due to natural attrition.
- Return on Equity to the city remains at 6.1%.
 - The current agreement expires June 30, 2020.
- Expected commercial operation of Delta Energy Park is June 2021.
- Bond interest is capitalized during the plant construction period.
- Major steam customer contract expires October 2022. Forecast assumes contract is renewed at current terms.

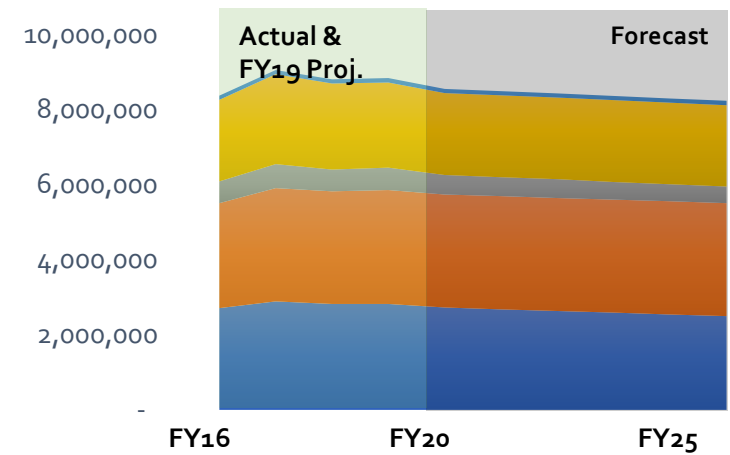
Note: Displayed dollars and percentages may not add due to rounding

- Sales Volume History and Forecast by Utility, FY 16-25

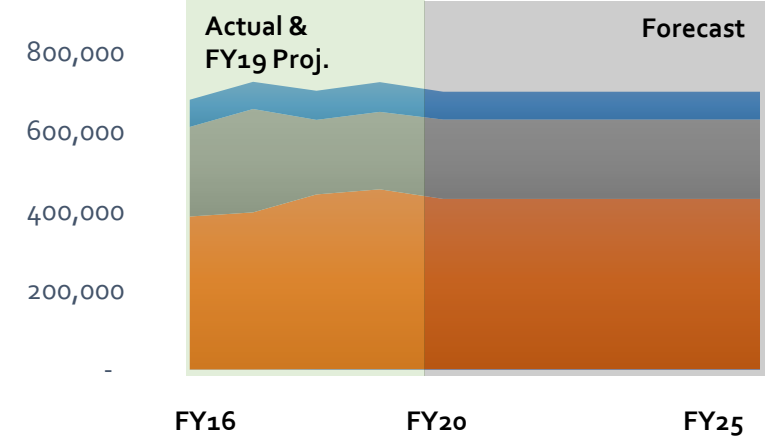
Electric - Consumption Volume (KWH)



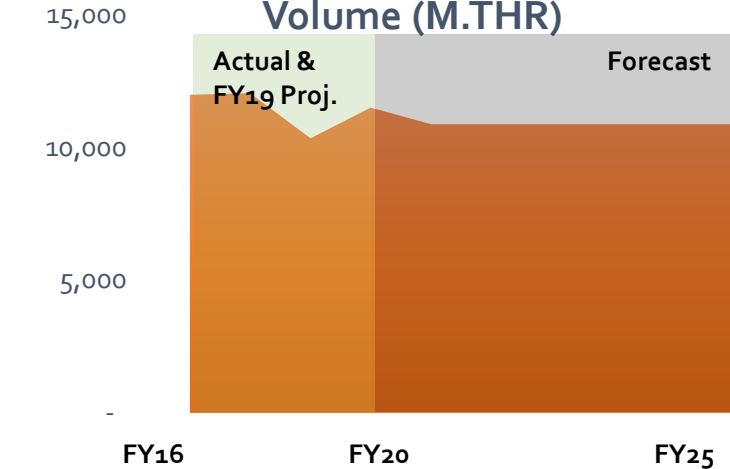
Water - Consumption Volume (CCF)



Steam - Consumption Volume (M.LB)



Chilled Water - Consumption Volume (M.THR)



■ Residential ■ Commercial ■ Industrial ■ Wholesale ■ Other

- Operating Budget and Forecast

- FY 2020 Income Statement

- FY 2020 Operating Expenses by Category

- 6-Year Income Statement

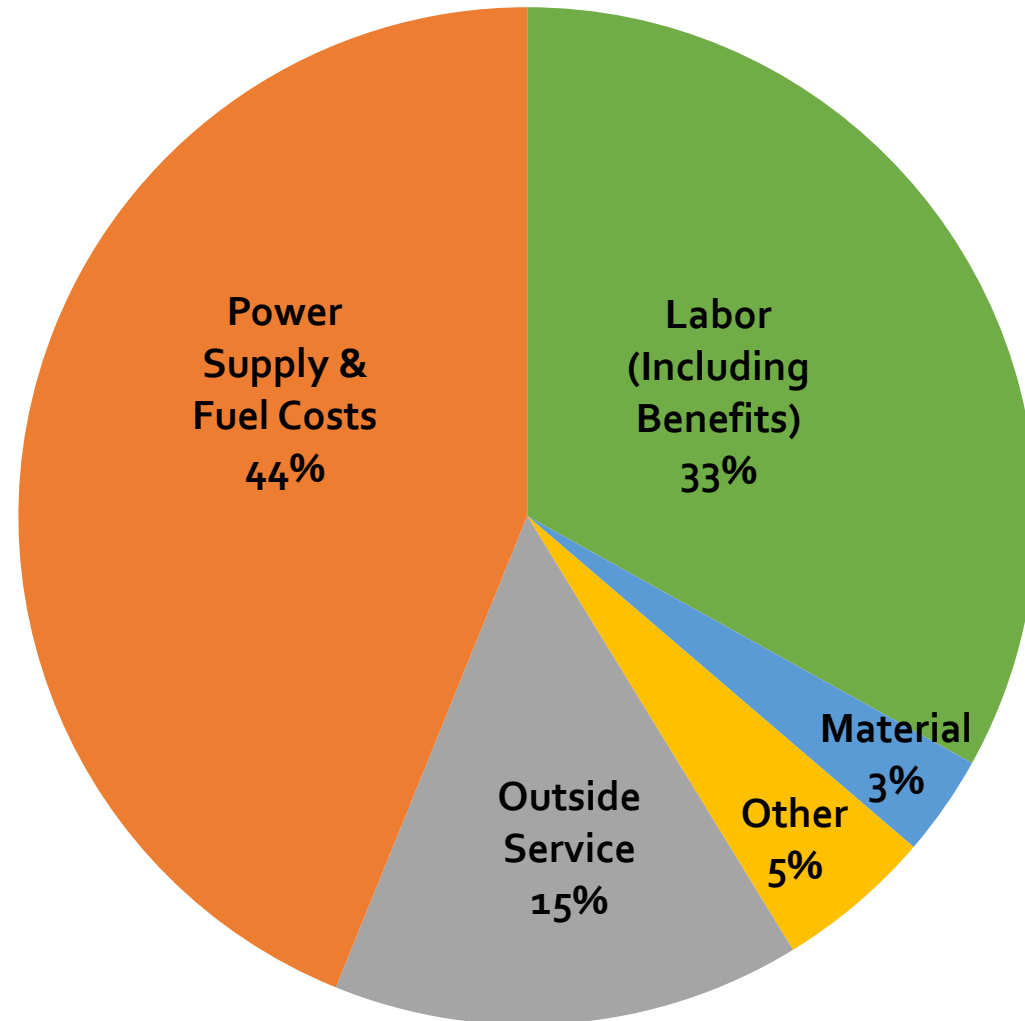
- 6-Year Return on Assets

- 6-Year Cash Flow

FY 2020 Income Statement	Electric	Water	Steam	Chilled Water	Total
Sales (MWh, ccf, Mlb, ton-hrs)	2,623,854,679	8,498,645	701,802	10,864	
Operating Revenue					
Residential	\$ 97,146,288	\$ 18,150,532	\$ 17,565	\$ -	\$ 115,314,385
Commercial	\$ 159,445,743	\$ 15,528,362	\$ 8,472,581	\$ 6,295,907	\$ 189,742,593
Industrial	\$ 44,654,998	\$ 2,116,928	\$ 3,174,091	\$ -	\$ 49,946,018
Wholesale	\$ 19,989,327	\$ 3,733,611	\$ -	\$ -	\$ 23,722,939
Other	\$ 13,136,138	\$ 6,844,898	\$ 1,407,320	\$ -	\$ 21,388,356
Total Operating Revenue	\$ 334,372,495	\$ 46,374,332	\$ 13,071,557	\$ 6,295,907	\$ 400,114,291
Operating Expenses					
Fuel and Purchased Power	\$ (118,817,397)	\$ (5,516,336)	\$ (3,666,562)	\$ -	\$ (128,000,295)
Depreciation	\$ (35,987,342)	\$ (7,866,012)	\$ (3,078,557)	\$ (1,529,719)	\$ (48,461,630)
Other Operating Expenses	\$ (113,234,869)	\$ (32,564,689)	\$ (5,292,196)	\$ (4,245,509)	\$ (155,337,263)
Total Operating Expenses	\$ (268,039,608)	\$ (45,947,037)	\$ (12,037,315)	\$ (5,775,228)	\$ (331,799,187)
Total Operating Income	\$ 66,332,887	\$ 427,295	\$ 1,034,243	\$ 520,679	\$ 68,315,103
Non Operating Income/(Expenses)					
Return on Equity to City	\$ (19,811,394)	\$ (2,741,207)	\$ (779,265)	\$ (377,754)	\$ (23,709,620)
Interest Expense	\$ (25,070,972)	\$ (3,083,546)	\$ (2,476,931)	\$ (898,324)	\$ (31,529,773)
Other Non Operating Income/(Expenses)	\$ 3,736,828	\$ 1,311,591	\$ 110,485	\$ 147,958	\$ 5,306,862
Total Non Operating Income/(Expenses)	\$ (41,145,538)	\$ (4,513,162)	\$ (3,145,711)	\$ (1,128,120)	\$ (49,932,531)
Total Net Income/(Loss)	\$ 25,187,350	\$ (4,085,867)	\$ (2,111,469)	\$ (607,442)	\$ 18,382,572
Approved Rate Increase - Effective 02/01/2020	3.0%	7.5%	7.5%	0.0%	
Return on Assets	6.42%	-0.71%	0.24%	0.68%	2.73%
Target Return on Assets	4.66%	4.66%	4.66%	4.66%	4.66%

- Operating Budget and Forecast
 - FY 2020 Income Statement
 - **FY 2020 Operating Expenses by Category**
 - 6-Year Income Statement
 - 6-Year Return on Assets
 - 6-Year Cash Flow

FY 2020 Operating Expense by Category



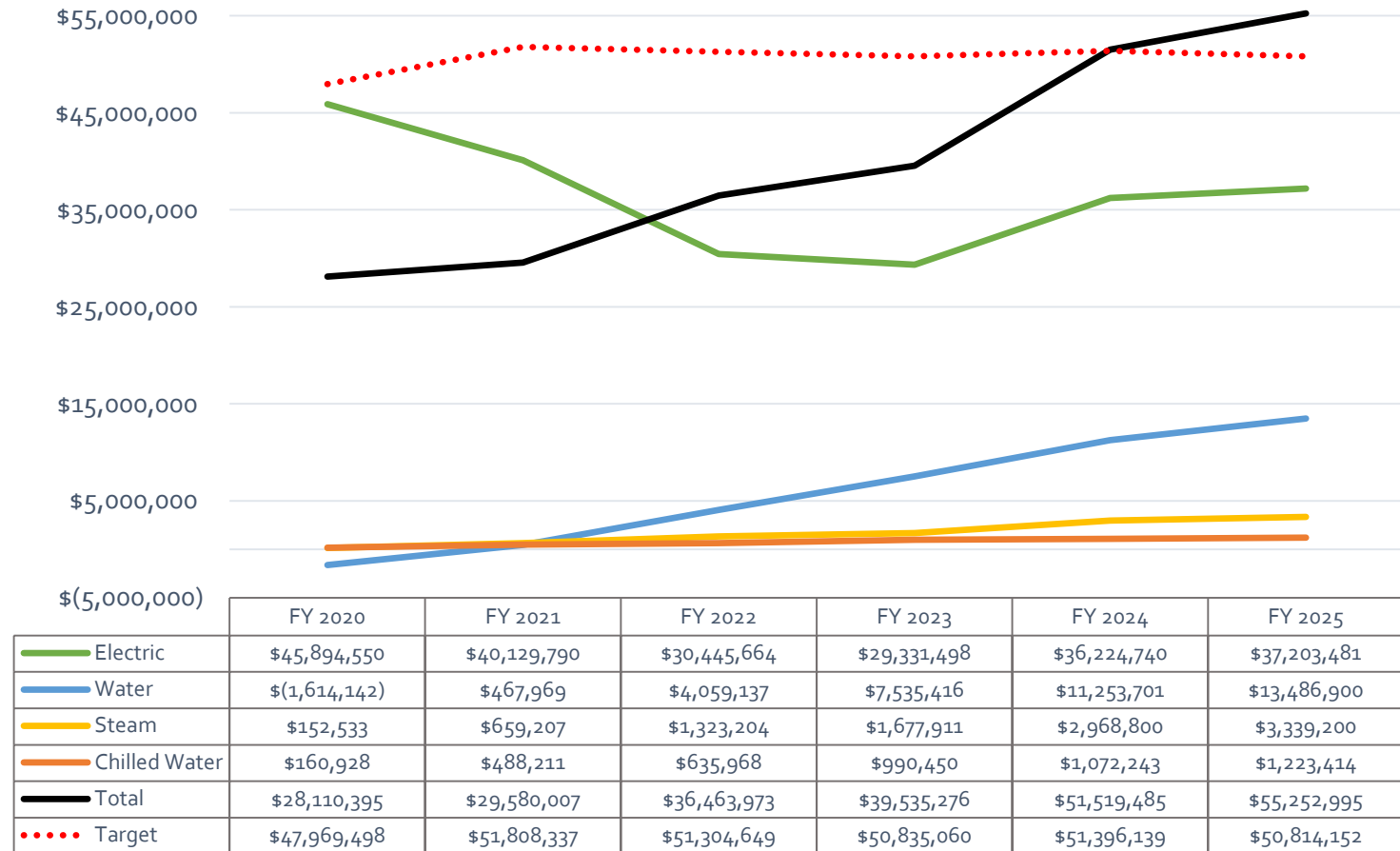
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6-Year Income Statement	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Operating Revenue						
Electric	\$ 334,372,495	\$ 333,721,668	\$ 356,074,112	\$ 362,520,374	\$ 370,333,306	\$ 373,239,334
Water	\$ 46,374,332	\$ 49,927,738	\$ 54,150,683	\$ 58,667,873	\$ 63,572,882	\$ 66,642,366
Steam	\$ 13,071,557	\$ 13,626,027	\$ 14,413,793	\$ 15,128,049	\$ 16,122,261	\$ 16,707,980
Chilled Water	\$ 6,295,907	\$ 6,402,699	\$ 6,683,175	\$ 6,938,292	\$ 7,201,091	\$ 7,358,790
Total Operating Revenue	\$ 400,114,291	\$ 403,678,132	\$ 431,321,763	\$ 443,254,588	\$ 457,229,540	\$ 463,948,469
Operating Expenses						
Fuel and Purchased Power	\$ (128,000,295)	\$ (120,305,973)	\$ (138,835,827)	\$ (142,991,819)	\$ (145,275,486)	\$ (146,088,692)
Depreciation	\$ (48,461,630)	\$ (58,069,667)	\$ (68,659,156)	\$ (70,072,214)	\$ (66,542,685)	\$ (68,607,604)
Other Operating Expenses	\$ (155,337,263)	\$ (159,824,097)	\$ (162,006,532)	\$ (164,582,886)	\$ (166,984,484)	\$ (166,698,123)
Total Operating Expenses	\$ (331,799,187)	\$ (338,199,736)	\$ (369,501,516)	\$ (377,646,919)	\$ (378,802,655)	\$ (381,394,419)
Total Operating Income	\$ 68,315,103	\$ 65,478,396	\$ 61,820,247	\$ 65,607,668	\$ 78,426,885	\$ 82,554,050
Non Operating Income/(Expenses)						
Return on Equity to City	\$ (23,709,620)	\$ (24,038,679)	\$ (25,661,733)	\$ (26,377,852)	\$ (27,212,859)	\$ (27,606,515)
Interest Expense	\$ (31,529,773)	\$ (33,210,745)	\$ (33,196,092)	\$ (32,710,313)	\$ (32,088,234)	\$ (31,362,915)
Other Non Operating Income/(Expenses)	\$ 5,306,862	\$ 3,291,974	\$ 2,815,866	\$ 2,829,716	\$ 2,843,566	\$ 2,857,416
Total Non Operating Income/(Expenses)	\$ (49,932,531)	\$ (53,957,451)	\$ (56,041,960)	\$ (56,258,449)	\$ (56,457,527)	\$ (56,112,014)
Total Net Income	\$ 18,382,572	\$ 11,520,945	\$ 5,778,287	\$ 9,349,219	\$ 21,969,357	\$ 26,442,036

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Return on Assets	2.73%	2.66%	3.31%	3.63%	4.68%	5.07%
Target Return on Assets	4.66%	4.66%	4.66%	4.66%	4.66%	4.66%
Debt Service Coverage Ratio	3.69	2.91	2.46	2.56	2.75	2.90
Days Cash on Hand	178	197	189	200	194	221
Minimum Cash Reserve Requirement	154	158	152	151	162	163
Full Time Employees	742	727	720	714	699	674
Rate Increases	Approved			Forecast		
Electric	3.00%	2.22%	2.22%	2.22%	2.22%	0.00%
Water	7.50%	8.77%	8.77%	8.77%	8.77%	0.00%
Steam	7.50%	7.52%	7.52%	7.52%	7.52%	0.00%
Chilled Water	0.00%	3.84%	3.84%	3.84%	3.84%	0.00%

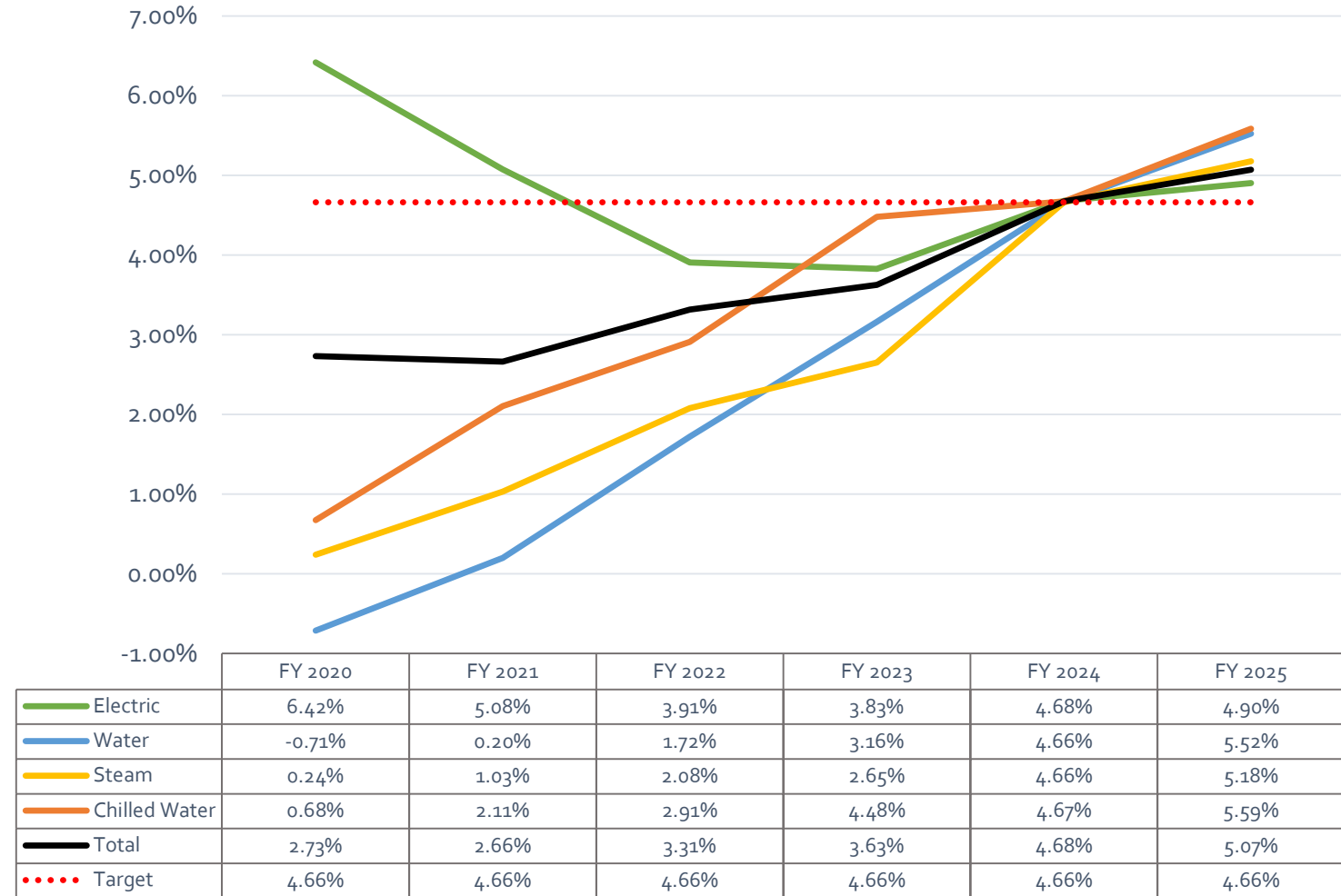
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 - FY 2020 Operating Expenses by Category
 - 6-Year Income Statement
 - **6-Year Return on Assets**
 - 6-Year Cash Flow

6-Year Return on Assets (\$)



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6-Year Return on Assets (%)



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 - 6-Year Cash Flow

6-Year Cash Flow	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Beginning Cash (O&M & Receiving Fund)	\$ 72,000,000	\$ 80,048,721	\$ 80,080,538	\$ 80,041,381	\$ 80,029,152	\$ 80,058,214
Net Income	\$ 18,382,572	\$ 11,520,945	\$ 5,778,287	\$ 9,349,219	\$ 21,969,357	\$ 26,442,036
Depreciation and Loss on Disposal of Assets	\$ 49,875,575	\$ 59,156,996	\$ 69,746,485	\$ 71,159,542	\$ 67,630,014	\$ 69,694,932
DB and VEBA	\$ (826,062)	\$ (2,587,973)	\$ (1,426,066)	\$ (176,340)	\$ (5,500,393)	\$ (6,000,307)
Borrowing	\$ -	\$ 91,559,028	\$ -	\$ -	\$ -	\$ -
Withdrawal from / (Deposit to) Reserve for Future Construction	\$ (10,500,000)	\$ (14,300,000)	\$ (5,000,000)	\$ (14,200,000)	\$ 2,600,000	\$ (25,300,000)
Commodity Cost Adjustment	\$ (12,609,795)	\$ 648,355	\$ 1,795,133	\$ 734,652	\$ (523,175)	\$ (539,322)
Withdrawal from Bond Construction	\$ 271,701,998	\$ 6,884,070	\$ -	\$ -	\$ -	\$ -
Environmental	\$ 807,262	\$ 283,289	\$ (424,142)	\$ (465,794)	\$ (561,000)	\$ (561,000)
Gas Pipeline Payments (Refundable) / Refunded	\$ (17,840,000)	\$ -	\$ -	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000
Total Sources of Cash	\$ 298,991,551	\$ 153,164,709	\$ 70,469,697	\$ 73,401,280	\$ 92,614,803	\$ 70,736,339
Principal Payments on Bonds	\$ (7,145,000)	\$ (10,105,000)	\$ (10,615,000)	\$ (11,150,000)	\$ (11,710,000)	\$ (12,275,000)
Principal Payments on Other Debt (CSO)	\$ (657,988)	\$ (666,536)	\$ (676,276)	\$ (682,232)	\$ (693,330)	\$ (710,508)
Capital Expenditures (Excluding Delta Energy Park)	\$ (58,760,214)	\$ (62,842,220)	\$ (57,859,873)	\$ (60,004,046)	\$ (78,572,450)	\$ (56,129,548)
Capital Expenditures for Delta Energy Park (Excluding Gas Pipeline)	\$ (207,098,523)	\$ (71,813,731)	\$ -	\$ -	\$ -	\$ -
Gas Pipeline Payments (Non-Refundable)	\$ (11,280,000)	\$ (5,720,000)	\$ -	\$ -	\$ -	\$ -
REP/EWR	\$ (1,844,452)	\$ (203,914)	\$ (68,625)	\$ (274,302)	\$ (293,179)	\$ (322,618)
Bond Construction & Designated Fund Income & Deposit	\$ (4,156,653)	\$ (1,781,491)	\$ (1,289,080)	\$ (1,302,930)	\$ (1,316,780)	\$ (1,330,630)
Total Uses of Cash	\$ (290,942,829)	\$ (153,132,892)	\$ (70,508,854)	\$ (73,413,510)	\$ (92,585,740)	\$ (70,768,304)
Net Cash Increase (Decrease)	\$ 8,048,721	\$ 31,817	\$ (39,157)	\$ (12,230)	\$ 29,063	\$ (31,965)
Ending Cash (O&M & Receiving Fund)	\$ 80,048,721	\$ 80,080,538	\$ 80,041,381	\$ 80,029,152	\$ 80,058,214	\$ 80,026,250
Days Cash on Hand	178	197	189	200	194	221
Minimum Cash Reserve Requirement	154	158	152	151	162	163

- Capital Budget and Forecast
 - 6-Year by Utility and Location
 - 6-Year Major Projects
 - 6-Year Minor Projects
 - Budget Adjustments

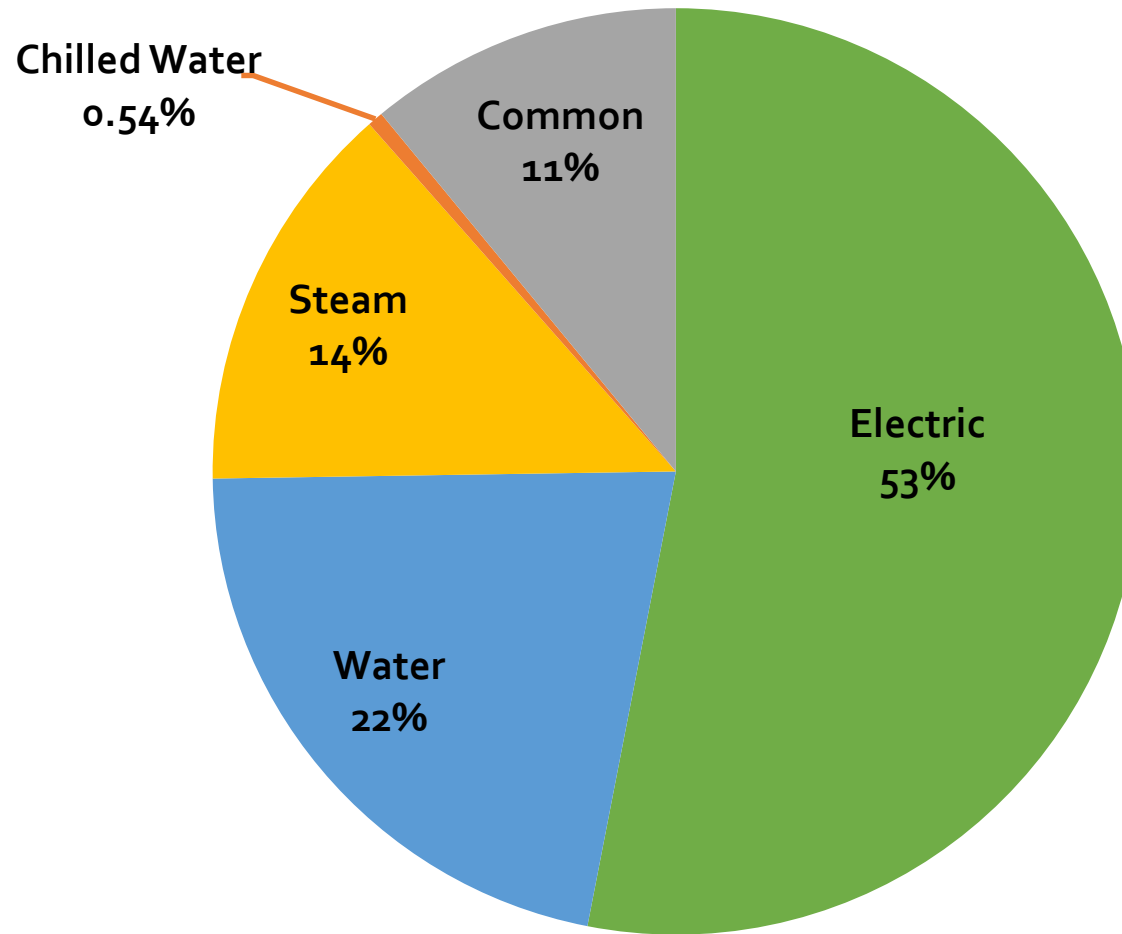
6-Year Capital by Utility and Location	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Forecast Total
Utility							
Electric	\$ 24,757,558	\$ 31,534,214	\$ 38,425,296	\$ 40,760,462	\$ 57,849,391	\$ 34,549,191	\$ 227,876,112
Water	\$ 8,029,882	\$ 9,368,948	\$ 9,569,600	\$ 10,293,900	\$ 10,991,800	\$ 9,828,000	\$ 58,082,130
Steam	\$ 2,999,923	\$ 3,268,850	\$ 2,941,103	\$ 2,970,861	\$ 3,071,917	\$ 3,451,267	\$ 18,703,921
Chilled Water	\$ 450,465	\$ 10,706	\$ 10,952	\$ 1,772,801	\$ 2,412,011	\$ 11,500	\$ 4,668,435
Common	\$ 22,522,386	\$ 18,659,502	\$ 6,912,922	\$ 4,206,022	\$ 4,247,331	\$ 8,289,590	\$ 64,837,753
Capital Budget Excluding Delta Energy Park	\$ 58,760,214	\$ 62,842,220	\$ 57,859,873	\$ 60,004,046	\$ 78,572,450	\$ 56,129,548	\$ 374,168,351
Delta Energy Park	\$ 236,218,523	\$ 77,533,731	\$ -	\$ -	\$ -	\$ -	\$ 313,752,254
Total Capital Budget	\$ 294,978,737	\$ 140,375,951	\$ 57,859,873	\$ 60,004,046	\$ 78,572,450	\$ 56,129,548	\$ 687,920,605
Location							
Eckert	\$ 148,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,000
Erickson	\$ 1,236,546	\$ 618,047	\$ 31,761	\$ 32,492	\$ 33,239	\$ 33,239	\$ 1,985,324
REO Plant	\$ 280,000	\$ -	\$ -	\$ -	\$ 6,000,000	\$ 6,000,000	\$ 12,280,000
T&D	\$ 25,702,562	\$ 35,077,123	\$ 46,509,190	\$ 50,783,035	\$ 62,869,273	\$ 38,748,719	\$ 259,689,902
Dye/Cedar	\$ 2,553,882	\$ 3,288,948	\$ 3,004,600	\$ 3,220,900	\$ 3,021,800	\$ 3,058,000	\$ 18,148,130
Chiller Plant	\$ 562,000	\$ -	\$ -	\$ 1,761,597	\$ 2,400,807	\$ -	\$ 4,724,404
Moore's Park (Hydro)	\$ 1,308,968	\$ 1,098,600	\$ 901,400	\$ -	\$ -	\$ -	\$ 3,308,968
Delta Energy Park	\$ 236,218,523	\$ 77,533,731	\$ -	\$ -	\$ -	\$ -	\$ 313,752,254
Other	\$ 26,968,256	\$ 22,759,502	\$ 7,412,922	\$ 4,206,022	\$ 4,247,331	\$ 8,289,590	\$ 73,883,623
Total Capital Budget	\$ 294,978,737	\$ 140,375,951	\$ 57,859,873	\$ 60,004,046	\$ 78,572,450	\$ 56,129,548	\$ 687,920,605

- Capital Budget and Forecast
 - 6-Year by Utility and Location
 - 6-Year Major Projects
 - 6-Year Minor Projects
 - Budget Adjustments

6-Year Major Capital Projects	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	Forecast Total ⁴
Planned Projects							
Stanley Substation - Construct a New 138K Sub ¹	\$ -	\$ -	\$ 500,000	\$ 4,654,150	\$ 21,817,500	\$ 8,980,300	\$ 35,951,950
Bsmart - CI Replacement ²	\$ 6,275,236	\$ 6,422,991	\$ 1,618,151	\$ -	\$ -	\$ -	\$ 14,316,378
Wise Substation - Rebuild ¹	\$ 250,000	\$ 1,000,000	\$ 12,128,000	\$ -	\$ -	\$ -	\$ 13,378,000
LGR Substation - Construct a New 138kV Sub ¹	\$ -	\$ 250,000	\$ 300,000	\$ 8,428,000	\$ 3,830,000	\$ -	\$ 12,808,000
REO CTG 50,000 Hour Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ 6,000,000	\$ 6,000,000	\$ 12,000,000
AMI - Smart Grid Implementation (AMI) ²	\$ 7,153,788	\$ 4,804,819	\$ -	\$ -	\$ -	\$ -	\$ 11,958,607
Rundle (South) Substation - Construct a New 138kV Sub ¹	\$ -	\$ -	\$ 1,350,000	\$ 3,799,997	\$ 6,000,000	\$ -	\$ 11,149,997
Cedar Street - Sub Cutover and Retirement	\$ -	\$ 1,712,000	\$ 1,724,000	\$ 2,645,000	\$ 2,345,000	\$ -	\$ 8,426,000
South Reinforcement - Transmission Line ¹	\$ 410,796	\$ 1,300,000	\$ 1,500,000	\$ 5,140,171	\$ -	\$ -	\$ 8,350,967
Penn/Hazel - Complex Relocation	\$ 650,000	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 4,650,000
Stanley Substation - Distribution ¹	\$ -	\$ -	\$ -	\$ 60,000	\$ 1,000,000	\$ 3,440,000	\$ 4,500,000
Magnolia Ave - Sub Cutover and Retirement	\$ 1,009,000	\$ 1,281,000	\$ 1,070,000	\$ 1,003,000	\$ -	\$ -	\$ 4,363,000
Peffley Plant - Capacity Upgrade from 7,000 to 10,000 Tons	\$ -	\$ -	\$ -	\$ 1,761,597	\$ 2,400,807	\$ -	\$ 4,162,404
Harvest Park - Solar Array Construction	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
Total Major Planned Projects (Excluding Delta Energy Park)	\$ 15,748,820	\$ 20,770,810	\$ 20,190,151	\$ 27,491,915	\$ 43,393,307	\$ 22,420,300	\$ 150,015,303
Delta Energy Park	\$ 236,218,523	\$ 77,533,731	\$ -	\$ -	\$ -	\$ -	\$ 313,752,254
Annual Projects ³							
Electric	\$ 11,633,349	\$ 11,634,047	\$ 11,634,761	\$ 11,635,492	\$ 11,636,239	\$ 11,636,239	\$ 69,810,127
Water	\$ 5,760,000	\$ 6,145,000	\$ 6,230,000	\$ 7,238,000	\$ 8,135,000	\$ 6,935,000	\$ 40,443,000
Steam	\$ 908,423	\$ 1,298,464	\$ 1,328,944	\$ 1,796,674	\$ 1,897,730	\$ 307,772	\$ 7,538,007
Chilled Water	\$ 10,465	\$ 10,706	\$ 10,952	\$ 11,204	\$ 11,204	\$ 11,500	\$ 66,031
Common	\$ 4,023,183	\$ 4,083,286	\$ 4,144,771	\$ 4,206,022	\$ 4,247,331	\$ 4,289,590	\$ 24,994,183
Total Annual Projects	\$ 22,335,420	\$ 23,171,503	\$ 23,349,428	\$ 24,887,392	\$ 25,927,504	\$ 23,180,101	\$ 142,851,348
¹ These projects support the retirement of Eckert. ² These projects represent 2 of the 5 major BSMART projects. ³ Annual projects have some level of spending each year. ⁴ The forecast total represents 6-year spending. Spending before or after the 6-year period is not reflected in this total.							

- Capital Budget and Forecast
 - 6-Year by Utility and Location
 - 6-Year Major Projects
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 - Budget Adjustments

FY 2020-2025 Minor Planned Capital Projects by Utility



Minor planned projects represent a total of \$81M , or 35%, of the planned capital projects in the forecast.

- Capital Budget and Forecast
 - 6-Year by Utility and Location
 - 6-Year Major Projects
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 - Budget Adjustments

Projects in Progress With Budget Adjustments of Over \$200,000 and 15%					
Project Name	FY 19-24 Project Total	FY 20-24 Project Total	\$ Variance	% Variance	
23186 AMI - Smart Grid Implementation	\$ 30,950,000	\$ 37,187,288	\$ 6,237,288	20%	
24586 ADMS	\$ 3,855,000	\$ 5,635,214	\$ 1,780,214	46%	
24738 Central Sub - Distribution ¹	\$ 1,600,000	\$ 2,440,611	\$ 840,611	53%	
24794 MP - Tainter Gate Trunnion Pin Replacement	\$ 1,123,300	\$ 1,653,565	\$ 530,265	47%	
23085 Dye - Fluoride Tank Replacement	\$ 436,800	\$ 710,000	\$ 273,200	63%	

¹ This budget adjustment was Board approved in March (Resolution #2019-03-01)

• Next Steps

- Finance Committee to accept, as presented, the Operating and Capital Forecast for FY 2020 – 2025 and recommend for Board of Commissioners' approval on May 28, 2019.
- Board of Commissioners to approve, as presented, the FY 2020 annual budget and file with the City Clerk within 10 days of approval.
 - City Charter calls for budget adoption by June 1 and filing with the City Clerk within 10 days of adoption.
- Board of Commissioners to accept, as presented, the Operating and Capital Forecast for FY 2020 – 2025 and submit the Capital Forecast to the Mayor prior to October 1, 2019.
 - City Charter calls for submission of the six year capital improvements plan to the Mayor prior to October 1.