The background of the slide is a photograph of a serene landscape. It shows a calm lake in the foreground, reflecting the sky and the surrounding environment. In the middle ground, there is a dense forest of evergreen trees. Behind the forest, a large, rocky mountain rises against a clear blue sky with a few wispy clouds. The overall scene is peaceful and natural.

NEVADA IRRIGATION DISTRICT

OPERATING & CAPITAL BUDGET WORKSHOP

**FOR THE FISCAL
YEAR 2022**

**Board of Directors
December 8, 2021**

Budget Principles

- Conservative revenue estimates
 - Does not include rate increase
 - Revenues generally flat
 - Distributes investment revenue by fund balance
 - Capital programs intentionally kept light
 - Staffing reduced
 - Employee contract increases included

Major Budget Changes

- Addition of Capital Funds
- Addition of Internal Services Fund
- Distribution of Investment Revenue By Fund Balance
- Presentation of Fund Balance
- Presentation of Reserves Separately
- Operating and Capital

Overview of Funds

Fund	Name
10	Water Operations
12	Capacity Fees
15	Water Capital
21	Cement Hill
22	Rodeo Flat
30	Recreation Operations
35	Recreation Capital
50	Hydroelectric Operations
55	Hydroelectric Capital
70	Cost Allocation

Staffing

Department	2021 FTE	2022 FTE
Administration	12	15.75
Engineering	19	17
Finance	15	12
Human Resources	3	3
Hydroelectric	35	30.25
Maintenance	73	67
Recreation	9	7
Water Operations	54	53
Total	220	205

Revenue Fund 10 Water

Revenues						
Fund	Fund Name	Revenue Source	2020	2021	2021	2022
			<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
10	Water		<u>45,079,575</u>	<u>42,786,388</u>	<u>47,515,000</u>	<u>47,620,100</u>
		Treated Water Sales	18,721,988	18,380,826	20,000,000	20,200,000
		Raw Water Sales	7,221,430	8,086,841	9,000,000	9,090,000
		Reimb/Fees/Other	2,370,976	770,564	2,500,000	2,550,000
		Grants	654,276	700,000	900,000	0
		New Connections/Install	1,354,008	159,236	370,000	377,400
		Rents and Leases	93,626	99,972	150,000	153,000
		Property Taxes	13,452,475	13,738,778	13,900,000	14,178,000
		Investment Revenue	1,132,741	700,000	525,000	900,000
		Standby	78,055	150,171	170,000	171,700

Revenue Fund 30 Recreation

Fund	Fund Name	Revenue Source	2020	2021	2021	2022
			<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
30	Recreation		<u>1,503,251</u>	<u>2,330,838</u>	<u>2,200,000</u>	<u>2,207,208</u>
		Scotts Flat	655,105	1,074,628	930,000	953,250
		Long Ravine	372,948	540,092	523,000	536,075
		Orchard Springs	219,093	347,461	355,000	372,750
		Peninsula	35,776	194,496	160,000	164,000
		Jackson Meadows	154,162	97,756	164,500	98,700
		Greenhorn	33,054	39,878	33,700	34,543
		Combie	33,113	36,527	33,800	34,645
		Interest Income				13,245

Revenue Fund 50 Hydroelectric

Fund	Fund Name	Revenue Source	2020	2021	2021	2022
			<u>Actual</u>	<u>Budget</u>	<u>Forecast</u>	<u>Budget</u>
50	Hydroelectric Operations		<u>24,149,988</u>	<u>23,586,962</u>	<u>23,518,000</u>	<u>24,833,811</u>
		Chicago Park	10,465,264	9,944,153	9,950,000	10,103,007
		Rollins	5,807,549	5,524,529	5,845,000	5,621,163
		Dutch Flat	5,800,114	5,524,529	5,750,000	5,583,034
		Bowman	1,118,961	1,104,906	1,150,000	1,111,063
		Combie South	228,854	290,544	200,000	290,544
		Scotts Flat	467,468	250,000	400,000	250,000
		Combie North	134,073	150,000	100,000	150,000
		Bowman TL	127,705	0	123,000	100,000
		Deer Creek	-	798,301	-	250,000
		Interest Income				1,350,000
		SSWD Support Services			32,000	25,000

Fund Summary

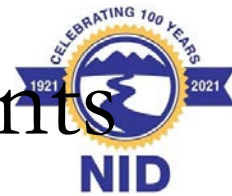
Fund	Name	Projected Beginning Fund Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	Projected FYE Balance
		1-Jan-22							
10	Water Operations	\$50,419,022	\$47,620,100	\$1,139,835	\$48,759,935	\$29,648,190	\$36,661,224	\$66,309,414	\$32,869,543
12	Capacity Fees	\$9,450,000	\$1,500,000	\$0	\$1,500,000	\$103,000	\$0	\$10,847,000	\$10,847,000
15	Water Capital	\$0	\$0	\$28,858,000	\$6,858,000	\$6,858,000	\$0	\$6,858,000	\$22,000,000
21	Cement Hill	\$199,000	\$355,000	\$0	\$355,000	\$392,622	\$0	\$392,622	\$161,378
22	Rodeo Flat	\$121,300	\$47,500	\$0	\$47,500	\$47,000	\$0	\$47,000	\$121,800
30	Recreation Operations	\$999,990	\$2,207,208	\$167,577	\$2,374,785	\$2,342,561	\$989,572	\$3,332,133	\$42,642
35	Recreation Capital	\$0	\$0	\$650,000	\$650,000	\$150,000	\$0	\$150,000	\$500,000
50	Hydroelectric Operations	\$64,617,198	\$24,833,811	\$0	\$24,833,811	\$4,625,000	\$0	\$72,468,739	\$16,982,270
55	Hydroelectric Capital	\$0	\$0	\$54,625,000	\$54,625,000	\$4,625,000	\$0	\$0	\$50,000,000
70	Cost Allocation	\$0	\$0	\$12,192,537	\$12,192,537	\$12,192,537	\$0	\$12,192,537	\$0

Fund 10 Water Operations

- Reserves
- Includes
 - Cashiering
 - Customer Service
 - Engineering
 - Water Operations
 - Maintenance
 - Vegetation
- OPEB Payment Included
- UAL not included

Water Operations Reserve Requirements

Policy 3040



- Operations Reserve – 6 months operating expenses
- Water Stabilization Reserve – No set amount
- Community Investment – Maximum \$1.5M
- Insurance & Catastrophic Reserve – Min \$5m – Max 10M. Split with Hydro
- Watershed Stewardship Reserve - \$500K
- Accrued Leave Reserve - \$250K

Name	Beginning Balance	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	FYE Unassigned Fund Balance	FYE Fund Balance w/ Reserves
	1-Jan-22	Minus Reserve								
Water Operations	\$50,419,022	\$26,943,315	\$47,620,100	\$1,139,835	\$48,759,935	\$29,648,190	\$36,661,224	\$66,309,414	\$9,393,836	\$32,869,543
Operating Reserve	\$18,725,707									
Water Rate Stabilization Reserve	\$0									
Community Investment Stabilization Reserve	\$1,500,000									
Insurance and Catastrophic Reserve	\$2,500,000									
Watershed Stewardship Reserve	\$500,000									
Accrued Leave Reserve	\$250,000									
Fund 50 Hydro Engineering				\$749,890						
Fund 30 Recreation Engineering				\$374,945						
Fund 70 Cost Allocation							\$7,803,224			
Fund 15 Capital Reserve							\$22,000,000			
Fund 15 Capital Funding							\$6,858,000			

Fund 10 Transfers

Transfer In	
Fund 50 Hydro Engineering	\$759,890
Fund 30 Recreation Engineering	\$379,945
Total	\$1,139,835
Transfer Out	
Fund 70 Cost Allocation	\$7,803,224
Fund 15 Capital Reserve	\$22,000,000
Fund 15 Capital Funding	\$6,858,000
Total	\$36,661,224

Expense Summary

	10131	10133	10151	10171	10191	10192
Account Category	Cashiering	Customer Service	Engineering	Water Operations	Maintenance	Vegetation
Salary Total	\$113,197	\$565,936	\$1,865,872	\$4,259,562	\$4,161,361	\$448,323
Benefits Total	\$86,102	\$377,199	\$1,174,977	\$2,892,475	\$2,831,547	\$312,619
Materials and Supplies Total	\$6,500	\$111,000	\$77,700	\$1,042,550	\$1,670,000	\$305,500
Water Purchase Total	\$0	\$0	\$0	\$890,000	\$0	\$0
Consultant Fees Total	\$0	\$7,000	\$653,000	\$155,500	\$52,000	\$6,000
Fees Total	\$0	\$0	\$0	\$430,400	\$20,000	\$3,000
Contractor Fee Total	\$0	\$140,000	\$2,900	\$25,250	\$60,000	\$5,000
Debt Service Total	\$0	\$0	\$0	\$3,966,855	\$0	\$0
Other O&M Total	\$0	\$230,000	\$25,000	\$1,588,400	\$221,500	\$3,800
Division Totals	\$205,799	\$1,431,135	\$3,799,449	\$15,250,992	\$9,016,408	\$1,084,242

Engineering Allocation

		Fund 10	Fund 50	Fund 30	Total
10151 Engineering Split		2,659,614.30	759,889.80	379,944.90	3,799,449.00

Fund 15 Water CIP

- New Fund
- Beginning Fund Balance \$0
- Programmatic Programs Removed
- Equipment Included in CIP
- Hemphill fully funded with no grant funds
- Reserves Funded

Fund 15 Reserve Requirements

- Policy 3040.4.4
 - \$22M

Fund 15 Summary

Name	Beginning Balance	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	FYE Unassigned Fund Balance	FYE Fund Balance w/ Reserves	Comments
	1-Jan-22	Minus Reserve									
Water Capital	\$0	\$0	\$0	\$28,858,000	\$6,858,000	\$6,858,000	\$0	\$6,858,000	\$0	\$22,000,000	
CIP	\$0			\$22,000,000							\$22,000,000
Annual CIP	\$0			\$6,858,000							Transfer In to Fund Capital

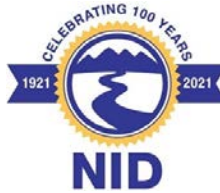
Fund 15 Transfer Summary

Fund 15 Transfer Summary	
Transfer In	
Fund 10 Capital Reserve	\$22,000,000
Fund 10 Capital Funding	\$6,858,000
Total	\$28,858,000
Transfer Out	\$0
Total	\$0

Fund 15 Water Capital Improvement Projects		
Project #	Project	2022 Budget Amount
2322	David Way Pump Station	\$ 75,000.00
2568	Lake Wildwood Treatment Plant	\$ 350,000.00
7032	Hemphill Diversion Structure	\$ 4,025,000.00
2603	Banner Tank Isolation Valves	\$ 60,000.00
2504	Main Office Ramp Repairs	\$ 80,000.00
6962	Christian Life way Pipeline	\$ 500,000.00
2602	DS Canal Shotgun Culverts	\$ 80,000.00
2182	North Day Road Pipeline	\$ 80,000.00
2373	Pet Hill Extension	\$ 120,000.00
2550	Sugarloaf Reservoir	\$ 200,000.00
2604	Alta Hill Reservoir	\$ 150,000.00
*	5 Yard Dump Truck (2)	\$ 320,000.00
*	Water Storage Tank Restoration	\$ 400,000.00
*	Loader Replacement	\$ 250,000.00
*	Cascade Pipe Intake Screen	\$ 120,000.00
*	Chemical Storage Tank	\$ 48,000.00
	Total 2022 Project Budget	\$ 6,858,000.00
* Project Number not yet created.		

Fund 21 Cement Hill

Fund 22 Rodeo



Name	Beginning Balance	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	FYE Unassigned Fund Balance	FYE Fund Balance w/ Reserves
	1-Jan-22	Minus Reserve								
Cement Hills	\$199,000	\$199,000	\$355,000	\$0	\$355,000	\$392,622	\$0	\$392,622	\$161,378	\$161,378
Rodeo Flats	\$121,300	\$121,300	\$47,500	\$0	\$47,500	\$47,000	\$0	\$47,000	\$121,800	\$121,800

Fund 12 Capacity Fees

Fund 12 Capacity Fees										
Fund	Name	Reserved Amount	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	Projected FYE Balance
			1-Jan-22							
12	Capacity Fees*	NA	\$9,450,000	\$1,500,000	\$0	\$1,500,000	\$103,000	\$0	\$103,000	\$10,847,000
*subaccount to Fund 10										

Fund 12 Expenditures

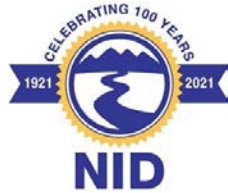
Fund 12 Capacity Fees		
Acct. No.	Account Category	Capacity Fees
52603	Consultant Fees	\$90,000
52604	Legal Fees	\$13,000
	Division Totals	\$103,000

Fund 30 and 35 Recreation

- Running Deficit
- Does not include funds for USFS
- Reserves not fully funded
- CIP and Operational Subsidy from Hydro

Recreation Reserve Requirements

Policy 3040



- Operations Reserve – 6 months operating expenses
 - Only included 3 months
- Accrued Absences – 50% of annual liability
- Capital - \$500,000

Fund 30 and 35 Summary

Name	Beginning Balance	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	Projected FYE Unassigned Fund Balance	Projected FYE Fund Balance with Reserves
	1-Jan-22	Minus Reserves								
Recreation Operations	\$999,990	\$389,350	\$2,207,208	\$167,577	\$2,374,785	\$2,342,561	\$989,572	\$3,332,133	-\$567,999	\$42,642
Recreation Operational Reserve	\$585,640									
Recreation Accrued Absences	\$25,000									
Recreation Capital	\$0	\$0	\$0	\$650,000	\$650,000	\$150,000	\$0	\$150,000	\$650,000	\$500,000
Recreation Capital Reserve				\$500,000						
Transfer In from Fund 50 CIP				\$150,000						

Fund 30 and 35 Transfers

Transfer Summary Fund 30		
Transfer In		
	Hydro Subsidy	\$167,577
Total		\$167,577
Transfer Out		
	To Fund 70 Cost Allocation	\$609,627
	To Fund 10 Engineering	\$379,945
Total		\$989,572
Transfer Summary Fund 35		
Transfer In		
	From Fund 50 Hydro CIP Subsidy	\$150,000
	From Fund 50 CIP Reserve	\$500,000
Total		\$650,000
Transfer Out		\$0
Total		\$0

Fund 30 Expenses

Fund 30 General Recreation 30250		
Acct. No.	Account Category	General Recreation
	Salary Total	\$797,899
	Benefits Total	\$417,862
	Materials and Supplies	\$314,500
	Other O&M	\$812,300
	Division Totals	\$2,342,561

Fund 35 CIP

Fund 35 Recreation Capital Improvement Projects		
Project #	Project	2022 Budget Amount
	Long Ravine Boat Ramp Upgrade	\$ 40,000.00
	Recreation Road and Campsite Pad Restoration	\$ 50,000.00
	Recreation Store and Marina Roof Replacement	\$ 60,000.00
	Total Recreation 2022 CIP Budget	\$ 150,000.00

Fund 50 Hydroelectric Operations

- Added Fund 55 CIP
- OPEB Payment
- Recreation Subsidy
- Fully Funded Reserves

Fund 50 Reserves

Policy 3040

- Operations Reserve – 6 months operating expenses
- Insurance & Catastrophic Reserve – Min \$5m – Max 10M. Split with Water
- Accrued Leave Reserve – 50% of Annual Liability
- CIP Reserve - \$15M
- FERC Capital Reserve - \$35M

Name	Beginning Balance	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	FYE Unassigned Fund Balance	FYE Balance w/Reserves
	1-Jan-22	Minus Reserve								
Hydroelectric Operations	\$64,617,198	\$53,395,328	\$24,833,811	\$0	\$24,833,811	\$12,486,586	\$59,982,153	\$72,468,739	\$5,760,400	\$16,982,270
Operating Reserve	\$8,671,870									
Insurance and Catastrophic Reserve	\$2,500,000									
Accrued Leave Reserve	\$50,000									
Fund 70 Cost Allocation							\$3,779,686			
Fund 10 Engineering							\$759,890			
Fund 30 Recreation Subsidy							\$167,577			
Fund 35 Rec CIP							\$150,000			
Fund 35 Rec CIP Reserve							\$500,000			
Fund 55 Hydro CIP							\$4,625,000			
Fund 55 Hydro Reserves							\$50,000,000			

Fund 50 Expenses

Hydroelectric Department Fund 50 Expenditures				
Acct.	Account	50112	50161	50167
No.	Category	Hydro Administration	Hydro Operations	Hydro Maintenance
	Salary Total	\$811,841	\$1,204,389	\$1,534,040
	Benefits Total	\$1,566,314	\$638,365	\$814,148
	Materials and Supplies Total	\$167,000	\$270,200	\$536,870
	Consultant Fees Total	\$1,445,000	\$31,824	\$195,100
	Fees Total	\$1,131,524	\$0	\$0
	Contractor Fees Total	\$52,336	\$148,947	\$489,188
	Other O&M	\$1,090,500	\$56,000	\$303,000
	Division Totals	\$6,264,515	\$2,349,725	\$3,872,346
	Department Total			\$12,486,586

Fund 50 Transfer Summary

Fund 50 Transfer Summary	
Transfer In	0
Total	-
Transfer Out	
Fund 70 Cost Allocation	\$3,779,686
Fund 10 Engineering	\$759,890
Fund 30 Recreation Subsidy	\$167,577
Fund 35 Rec CIP	\$150,000
Fund 35 Rec CIP Reserve	\$500,000
Fund 55 Hydro CIP	\$4,625,000
Fund 55 Hydro Reserves	\$50,000,000
Total	\$59,982,153
Fund 55 Transfer Summary	
Transfer In	
Fund 50 Hydro Operations	\$4,625,000
From Fund 50 CIP Reserves	\$50,000,000
Total	\$54,625,000
Transfer Out	0
Total	0

Fund 55 Summary

Name	Beginning Balance	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	FYE Unassigned Fund Balance	FYE Balance w/Reserves
	1-Jan-22	Minus Reserve								
Hydroelectric Capital	\$0	\$0	\$0	\$54,625,000	\$54,625,000	\$4,625,000	\$0	\$4,625,000	\$0	\$50,000,000
Annual CIP				\$4,625,000		\$4,625,000				
Capital Reserve				\$15,000,000						\$15,000,000
FERC Capital Reserve				\$35,000,000						\$35,000,000

Fund 55 Hydroelectric Capital Improvement Projects		
Project #	Project	2022 Budget Amount
2094	Scotts Flat Spillway Repair & Upgrades	\$1,000,000
2362	CPPH Transformer Replacement	\$150,000
2353	CPPH Turbine Overhaul	\$150,000
2595	Scotts Flat Dam Wave Erosion Protection	\$75,000
2339	Rucker Creek Spill Gate Replacement	\$250,000
2383	CPPH Rewind	\$150,000
2392	Rollins Powerhouse Governor Replacement	\$150,000
2599	Christmas Tree Spillgate Replacement	\$50,000
2359	Bowman North Dam Upstream Lining Repair	\$100,000
2394	Rollins Powerhouse Relay Protection Upgrade	\$250,000
2596	Sawmill Dam Outlet Pipe Rehabilitation	\$100,000
2404	Fall Creek Flume Improvements	\$150,000
2581	Combie North Capacitor Bank Upgrade	\$75,000
2598	CPPH RTU Replacement	\$200,000
2455	Dutch Flat #2 PH Cooling Water Upgrade	\$75,000
2597	Jackson Lake Dam Toe Slope Protection	\$20,000
2576	Fall Creek Diversion Flume Improvements	\$100,000
2600	Bowman Spaulding Canal Lining Repair Boxcar	\$400,000
2405	Hydroelectric Field Office Radio Tower	\$350,000
2240	Dutch Flat #2 PH Fire Suppression Upgrade	\$250,000
6943	Combie South Access Road	\$200,000
2432	New Hydroelectric Office Design	\$250,000
*	Acoustic Doppler Current Profiler	\$35,000
*	Snow Fox Snow Measurement Equipment	\$25,000
*	Truck Half Ton	\$45,000
*	Utility Terrain Vehicle	\$25,000
	Total Hydroelectric 2022 CIP Budget	\$4,625,000
*Project added after workshop.		

Fund 70

- New Fund
- Should “Zero Out” Each Year
- New Positions
 - IT Network Administrator
 - Accountant II
- No Reserves Needed

Fund 70 Internal Services

- Directors
- Management
- Watershed
- HR
- IT
- Safety
- Communications
- Accounting
- Purchasing
- Shop Operations

Cost Allocation Bases

- Fund 10 - 64%
- Fund 30 – 5%
- Fund 50 – 31%
- Blended Formula
 - Revenue
 - Full Time Equivalents
- Recommend Completion of Full Cost Allocation Study

Fund 70 Summary

Name	Reserved Amount	Beginning Balance	Revenue	Transfer In	Total Inflows	Expenditures	Transfer Out	Total Outflows	Projected FYE Balance
		1-Jan-22							
Internal Services	\$0	\$0	\$0	\$12,192,537	\$12,192,537	\$12,192,537	\$0	\$12,192,537	\$0

Fund 70 Transfer Summary	
Transfer In	
Fund 10	7,803,223.68
Fund 30	609,626.85
Fund 50	3,779,686.47
Total	12,192,537.00

	10113	10115	10116	10117	10118	10119	10120	10135	10193	10195
	Directors	Management	Watershed	HR	IT	Safety	Comm	Accounting	Purchasing	Shop Operations
Account Category	Directors	Management	Watershed	HR	IT	Safety	Comm	Accounting	Purchasing	Shop Operations
Salary Total	\$74,280	\$779,822	\$187,197	\$276,173	\$517,000	\$166,563	\$92,180	\$779,256	\$286,402	\$254,711
Benefits Total	\$86,244	\$1,729,680	\$116,972	\$182,376	\$212,505	\$112,553	\$75,179	\$439,313	\$194,455	\$184,784
Materials and Supplies Total	\$6,500	\$38,100	\$2,500	\$0	\$331,810	\$11,000	\$5,000	\$3,000	\$138,550	\$387,500
Consultant Fees Total	\$20,000	\$457,500	\$248,000	\$26,500	\$125,000	\$50,000	\$50,000	\$245,000	\$0	\$0
Fees Total	\$48,000	\$66,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Temp Labor and Contractors	\$0	\$0	\$1,832,000	\$0	\$35,000	\$0	\$0	\$175,000	\$110,000	\$1,000
Other Operating Expenses	\$22,350	\$657,900	\$1,000	\$17,570	\$236,012	\$15,300	\$17,000	\$42,350	\$9,100	\$10,350
Division Totals	\$257,374	\$3,729,002	\$2,390,669	\$502,619	\$1,457,327	\$355,416	\$239,359	\$1,683,919	\$738,507	\$838,345
Department Total										12,192,537

Recommendations

- Focus on OPEB and UAL
- Full Cost Allocation Study
- Five Year CIP
- Recreation Operations
- Evaluate SYC Budgetary Needs
 - Will need amendment

Thank You and Questions