

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

TRUCKEE, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020



PREPARED BY THE
ACCOUNTING AND
FINANCE DEPARTMENT



The **Mission** of the Truckee Donner Public Utility District is to provide reliable, high quality utility and customer services while managing District resources in a safe, open, responsible, and environmentally sound manner at the lowest practical cost.

Truckee Donner Public Utility District's **VALUES**

Safety – Safety is our way

Safety is our first priority. We are committed to the health and safety of our employees, customers, and community through the continuous practice of prevention, education, and awareness.

Communication – Send and receive

Foster positive engagement by creating a strong communicative environment that includes; active listening, transparency, clear, concise, and the timely transmission of information, with empathy and respect. This also includes providing and receiving honest feedback.

Integrity – Honest and ethical

Highest quality service to the public and employees, utilizing honest and ethics as our base principles.

Accountability – Own it

A strong performing team with the obligation and willingness to accept responsibility for our actions, maintaining a sense of humility and inclusiveness.

Timeliness – Meet our goals and commitments

A highly effective agency and responsive organization meeting goals and expectations in a timely manner.

Mission and Values of District, as adopted by Board of Directors May 19, 2021

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INTRODUCTORY SECTION





Brian C. Wright, General Manager
Executive Leadership Team
Joe Horvath, Electric Utility Director/ AGM
vacant, Water Utility Director
Shanna Kuhlemier, District Clerk
Steven Poncelet, PIO & Strategic Affairs Director
Michael R. Salmon, Chief Financial Officer

Board of Directors
Joseph Aguera
Jeff Bender
Christa Finn
Tony Laliotis
Kim Harris

June 18, 2021

Dear Board of Directors and Customers of the District,

The staff of Truckee Donner Public Utility District (District) is pleased to submit to you the Comprehensive Annual Financial Report (Report) for the year ended December 31, 2020. The Report provides an assessment of the District's financial condition, informs readers about the District's services, give details of infrastructure replacement projects, discusses current issues and provides financial and demographic trend information. This is the first Report produced for the District and will be submitted to Government Finance Officers Association's (GFOA) Certificate of Achievement of Excellence in Financial Reporting program for review and award consideration. We deem the Report an important step in increasing financial transparency for the District.

The Report consists of management's representations of the finances and other information of and for the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established internal controls that are designed to protect the District's assets from loss, theft or misuse and to compile sufficient reliable information to prepare the District's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The cost of internal controls should not outweigh their benefits. Therefore the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The District's financial statements have been audited by Moss Adams LLP, an independent firm of licensed certified professional accountants. The goal of the audit is to provide reasonable assurance that the financial statements of the District for the year ended December 31, 2020 are free of material misstatement. The independent auditor concluded based upon the audit that there was a reasonable basis for rendering an unmodified or clean opinion that the District's financial statements are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found in the finance section immediately following the report of the independent auditors.

District Overview

In 1927, the District was formed by and continues to operate under the State of California Public Utility District Act. The District provides electric and water utility services with a service territory of 45.5 square miles, beginning four miles from the northern border just beyond Alder Creek Road, south to Placer County, and 11 miles from just beyond the western shore of Donner Lake eastward to the rim of Boca Dam and the Hirschdale community. As of December 31, 2020 the District served 14,268 electric utility customer accounts and 13,325 water utility customer accounts.

The District's service territory is predominately within the town borders of the Town the Truckee (Truckee). Truckee's historical downtown flourished as a railroad station town and gateway to Lake Tahoe. Truckee is generally considered a resort town or bed base for resort and outdoor recreation activities. Truckee's stated population of 16,735 (2019) varies widely throughout the seasons of the year due to tourism and seasonal residence. Winter months are busy with alpine skiing and other winter activities vacationers, summer is robust with hiking, biking, boating and other summer activities, while the shoulder seasons are less busy with primary residents predominately.

While Truckee's downtown base elevation is 5,817 feet (1,773 meters), the District's service territory elevations range from 5,745 feet (1,751 meters) to 7,370 (2,246 meters). This wide range of elevation creates utility service challenges, explained in detail later in this letter.

The District is governed by five elected at-large, Board members. Each elected Board member serves four-year staggered terms. The five Board of Directors serve as the governing body with respect to policy and fiduciary responsibility. The General Manager reports to the Board of Directors and all other District employees report up through or directly to the General Manager. An organization chart is provided after this letter to provide additional insights.

The District's electric utility (Electric) sold 159 MWh of energy to customers in 2020. Electric's system is a transmission-dependent, non-energy producing, distribution electric utility. Electric services the over 14,000 accounts across 233 miles of distribution lines; 135 miles of overhead pole lines and 98 miles of underground lines. For energy sources, Electric has aggressively pursued renewable power sources and currently has approximately 65% renewable power procurement. The winter months are harsh, with extreme cold and an average snowfall of over 400 inches. The summer months consists of high daytime heat, cool night time temperatures, low humidity, nominal precipitation and high winds; creating extreme fire danger. Despite these often harsh conditions, Electric has a long history of reliable power and was in March 2021 awarded RP3 Diamond Level (highest level) by American Public Power Association's Reliable Public Power Provider program which recognizes utilities that demonstrate high proficiency in reliability, safety, workforce development, and system improvement.

The District's water utility (Water) sold 1,328 million gallons of water to customers in 2020. Water's system is a 100% wells sourced water system and potable water production capacity is 10,250 gallons per minute or 14.8 million gallons per day. Water services the over 13,000 accounts by a system of 13 active water wells, 32 active storage tanks (9.4mg), 25 pumping stations, 47 pressure zones, and 220 miles of pipeline. The harsh conditions discussed in the previous paragraph, as well as, the 1,625 feet (495 meters) elevation variance across the service territory present water service challenges. Water reliability of supply and quality are paramount to any potable water utility system. The Water system wells access an aquifer which has been extensively studied and tested; determining the aquifer adequate for current and forecasted demand, and further, is not meaningfully impacted by drought cycles. The Water system quality is routinely tested (over 700 tests performed annually) and is consistently below federal and state regulated maximum contaminant levels (MCL) for all regulated contaminants. The District consistently advises and educates customers on matters affecting their water supply and water quality. The District prepares an annual Consumer Confidence Report (CCR) that explains critical drinking water information. Current and prior CCRs are available on the District's website, www.tdpud.org.

In addition to core Electric and Water utilities, the District's blended component units include two Community Facilities Districts (CFD), Old Greenwood and Grey's Crossing. In order to finance various public improvements needed to develop property within the Town of Truckee, California, the District formed Community Facilities Districts (CFD), which issued Special Tax Bonds pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. Accordingly, the Bonds are special obligations of the respective Community Facilities Districts and are payable solely from revenues derived from taxes levied on and collected from the owners of the taxable land within the respective Community Facilities Districts.

These Special Tax Bonds are not general or special obligations of the District. The Board of Directors of the District is the legislative body of the Communities Facilities Districts and as such they approve the rates and method of apportionment of the special taxes. As improvements were completed, the infrastructure was donated in the form of a capital contribution to the Town of Truckee, the Truckee Sanitary District, Southwest Gas, and the District

Local Economic Conditions

Truckee and the greater regional area known as Lake Tahoe, is a very popular summer and winter vacation destination, due in part to the relatively close proximity to the Bay Area region of Northern California. Truckee's location near Lake Tahoe causes Truckee to be a gateway bedbase for the tourism economy, but also has a small town local economy with it's population of over 16,000 residents. The District's Electric customers are categorized between primary residential of 40% and secondary (second home) residential of 60%.

With the pandemic in March 2020, while the tourism business essentially stopped, Truckee saw a mass influx of second homes utilization, a combination of both the owner of the second homes and short-term rentals of the second homes. Compared to 2019, in 2020 the District realized a slight dip in services demand in April and May, followed by steadily increasing demand for services the remaining months of 2020.

In 2020 and to date in 2021, Truckee residential and commercial real estate development has been robust, as has the real estate market. Truckee real estate as of May 2021 indicates a Median Sale Price of \$980,000, up 41% year-over-year, with number of homes sold of 75, up 83% year-over-year (source Redfin). The May 2021 Zillow Home Value Index for Truckee region of \$905,260 is up 32% year-over-year.

As California and the nation continue to drive toward net zero carbon emissions and the resulting electrification of the state and country, the District is well positioned for the short-term to meet these service needs and has included these impacts in the District's long-term planning.

District in 2020 Financial Information and Policies

The Total Net Position of the District was \$106.6 million as of December 31, 2020, increasing \$6.3 million or 6.3% compared to December 31, 2019. Operating income of \$2.9 million driven by strong electricity demand and favorable wholesale electricity cost in 2020 accounts for 46% of the Total Net Position increase. The FY 2020 operating income of \$2.9 million represents a margin of 6.9% of operating revenues, which compares to a FY 2019 margin of 7.5%. For 2020 compared to 2019, operating revenues increased 6.1% and operating expenses increased 6.7%, with notable expense increase in wildfire mitigations costs (\$1.4 million in 2020 versus \$0.6 million in 2019). Total non-operating revenue and expenses net to revenue of \$1.4 million and contributed assets of \$2.0 million account for the remainder of the Total Net Position increase.

Total Cash, Cash Equivalents, and Investments was \$40.8 million as of December 31, 2020, increasing \$4.1 million or 11.2% compared to December 31, 2019. The increase was primarily the result of pandemic driven lower capital expenditures in 2020. Refer to Financial Section's Consolidated Statements of Cash Flows and Note 2 of Notes to Financial Statements for additional information regarding components of cash, cash equivalents, and investments.

The Management's Discussion and Analysis in the Financial Section provides additional information on the FY 2020 financial results and financial condition of the District.

The District reviewed numerous new GAAP accounting policies and there were no financial impacts on 2020 as a result of these policies. Refer to Financial Section, Note 1 of Notes to Financial Statements for additional information regarding all the key financial policies of the District and details on new accounting policies.

Budgetary Controls

As a public agency, the Board and District embrace the fiduciary responsibility and stewardship of the District's financial resources. District staff works with the Board of Directors in workshop meetings and public hearing meetings to develop a biennial budget before Board adoption. The budget serves as a management tool to set appropriate service rates, allocate available resources, and includes a ten-year financial master plan.

The legal level of budgetary control is maintained the fund, department, and object account level. Key budgetary control is provided in District Code Title 3 Finance and Accounting, which includes extensive financial, budget, accounting, purchasing, reserves, investments, and other internal control policies.

Board level budgetary controls include approval thresholds for expenditures and personnel additions, as well as, Board semi-annual review of financial statements and monthly review of disbursements and reserve fund balances. Management budgetary controls include monthly financial statement and budget report review, as well as, financial policies and procedures in accordance with aforementioned District Code.

Long Term Financial Planning, Public Outreach and Initiatives

In 2020, the District adopted a ten year Water Capital Improvement Plan and a ten year Electric Capital Improvement Plan, and is well underway in 2021. These plans provide valuable short and long term information to assist with resource planning for both the FY 2022 and FY 2023 budget cycle, as well as, the ten year financial master plan.

A comprehensive cost of service analysis report and resulting revenue requirements and customer rate changes was completed in 2020 for Water and is being prepared for Electric in 2021. The review of these analyses is held in open/noticed Board meetings, as well as, noticed Public Hearings.

In May 2021, the District completed an extensive strategic planning process, which included significant community outreach. Community participation exceeded the District's expectations and provided valuable feedback for not only the strategic plan, but also perceptions and insights into the District as a whole as part of our community. The District sincerely thanks the community for their valued engagement with the district.

The Board adopted 2021-2024 Strategic Plan includes the following four key initiatives:

- Community Broadband
- Utility Undergrounding
- 100% Clean Renewable Energy
- Local Clean Generation

More information on the strategic plan can be found on the District website (tdpud.org).

The District conducts regular Board meetings, generally on the first and second Wednesdays of each month, which are noticed and open to the public. The dates of upcoming meetings and an archive of past meetings can be found on the District's website (tdpud.org).

Closing Comments

We would like to thank the many staff involved in preparing this Report, a true team effort. And lastly, with the pandemic finally waning, we would like to thank all our valued employees for their service and dedication to the District and the community during these unique and challenging times.

Respectfully submitted,



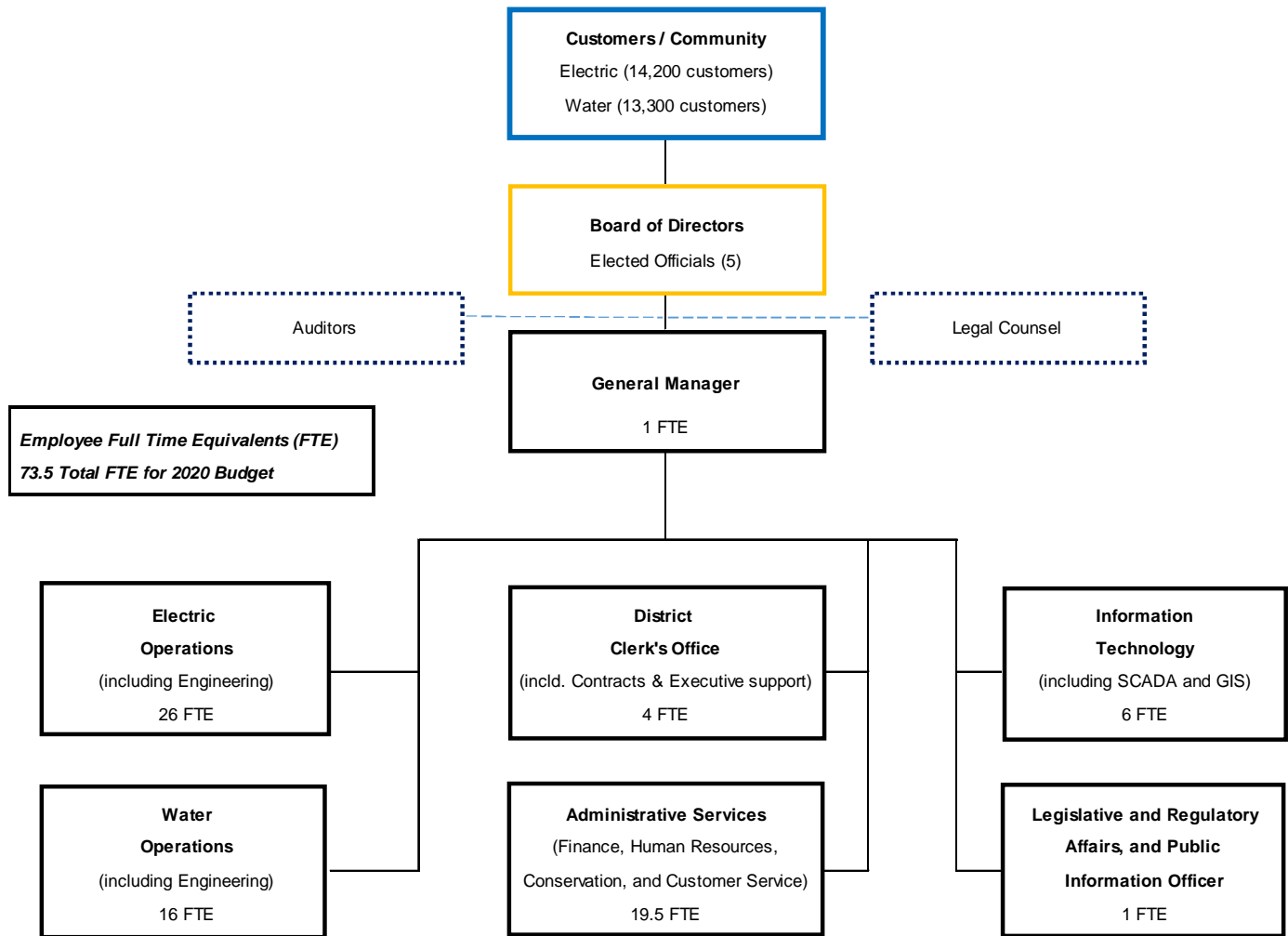
Brian C. Wright
General Manager



Michael R. Salmon
Chief Financial Officer

Truckee Donner Public Utility District

Organization Chart for 2020



List of Elected and Appointed Officials

Elected Officials	FY 2020 (Term)	FY '2021 (Term)
Board President	Jeff Bender (2020-2024)	Christa Finn (2018-2022)
Vice President	Christa Finn (2018-2022)	Tony Laliotis (2018-2022)
Board of Director	Tony Laliotis (2018-2022)	Jeff Bender (2020-2024)
Board of Director	Joe Aguera (2020-2024)	Joe Aguera (2020-2024)
Board of Director	Bob Ellis (2016-2020)	Kim Harris (2020-2024)

Terms for directors run December of starting year through December of even years, four year terms.

Appointed Officials - for both 2020 and 2021

Treasurer Michael R. Salmon
 District Clerk Shanna Kuhlemier
 General Manager Brian Wright

FINANCIAL SECTION



The American Public Power Association’s Reliable Public Power Provider program recognizes utilities that demonstrate high proficiency in reliability, safety, workforce development, and system improvement. Truckee Donner Public Utility District received the highest level RP3 award designation in March 2021 for three years.



DIAMOND AWARD RECIPIENT MARCH 2021

**TRUCKEE DONNER
PUBLIC UTILITY DISTRICT**

CONSOLIDATED FINANCIAL STATEMENTS

Including Report of Independent Auditors

December 31, 2020 and 2019

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Report of Independent Auditors

The Board of Directors
Truckee Donner Public Utility District

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Truckee Donner Public Utility District (the "District"), which comprise the consolidated statements of net position as of December 31, 2020 and 2019, and the related consolidated statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Truckee Donner Public Utility District as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the accompanying management's discussion and analysis on pages 16 through 20, the schedule of the District's proportionate share of the net pension liability on page 69, the schedule of contributions on page 70, the schedule of the District's change in the net OPEB liability and related ratios on page 71, the schedule of the District's OPEB contributions on page 72, and the schedule of investment returns on page 72, be presented to supplement the consolidated financial statements. Such information, although not a part of the consolidated financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures in the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the consolidated financial statements, and other knowledge we obtained during our audit of the consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the District's consolidated financial statements. The accompanying consolidating statements of net position, and the related consolidating statements of revenues, expenses and changes in net position and cash flows as of and for the year ended December 31, 2020 on pages 76 through 81, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements (collectively, the supplementary information). The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as described above, is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements that collectively comprise the District's financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Moss Adams LLP

Portland, Oregon

June 18, 2021

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020 and 2019

Management's Discussion and Analysis

As financial management of the Truckee Donner Public Utility District (the District), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the District for the years ended December 31, 2020 and 2019. This discussion and analysis is designed to assist the reader in focusing on the significant financial topics, provide an overview of the District's financial activity and identify changes in the District's financial position.

We encourage readers to consider the information presented here in conjunction with that presented within the basic financial statements. The reader should take time to read and evaluate all sections of this report, including the footnotes and other supplementary information that is provided, in addition to this management discussion and analysis.

FINANCIAL HIGHLIGHTS

The District's current assets increased \$5.1 million (10.5%) from \$48.5 million at December 31, 2019 to \$53.6 million at December 31, 2020, predominantly due to lower capital expenditures in 2020.

The District's total net position increased \$6.3 million (6.3%) from \$100.3 million at December 31, 2019, to \$106.6 million at December 31, 2020. The total increase in net position from operating activities was \$2.9 million, primarily due Electric Utility revenues higher than anticipated and purchased power costs lower than anticipated.

Total operating revenues were \$41.7 million in 2020, \$39.3 million in 2019, and \$37.7 million in 2018. Electric revenues increased 6.0% in 2020 compared to 2019. A 3% rate increase in 2020 along with a pandemic driven increase in electricity usage can be attributed to the increase. Water revenues increased 6.0% in 2020; a 3% water rate increase also occurred in 2020 and drier than average conditions in 2020 drove an increase in irrigation patterns by consumers compared to the prior year.

Operating expenses of the District increased \$2.4 million (8.5%) from \$36.4 million in 2019 to \$38.8 million in 2020. The Electric Utility had an 8.5% increase in operating expenses due to wildfire mitigation costs 3.2%, purchased power costs 2.2%, internal labor shifting from capital to operations 2.0%, and all other costs net increase of 1.1%. The Water Utility had a 3.4% increase in operating expenses primarily due to impact of rate of pay increases on compensation costs. In addition the District as a whole experienced increased insurance, regulatory and maintenance material costs.

Non-operating revenues decreased 5.0% at \$4.2 million in 2020 compared to \$4.5 million in 2019 due primarily to a decrease in investment income of \$465,000 or 44% partially offset by a net gain in disposal of assets change of \$225,000. Non-operating expenses increased 3.1% from \$2.7 million in 2019 to \$2.8 million in 2020 primarily due to a \$197,000 loss on tax sale parcels in the Gray's Crossing Mello-Roos Community Facilities District partially offset by a decrease in interest expense of \$117,000 or 4.4%.

No new debt was incurred in 2020 or 2019.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020 and 2019

OVERVIEW OF THE FINANCIAL STATEMENTS

This report includes Management's Discussion and Analysis, Report of Independent Auditors, the Basic Financial Statements, (which includes the notes to the financial statements), Required Supplementary Information and additional Supplementary Information.

REQUIRED FINANCIAL STATEMENTS

The financial statements of the District are designed to provide readers with a broad overview of the District's finances similar to a private-sector business. They have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under this basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred, regardless of the timing of related cash flows. These statements offer short-term and long-term financial information about the District's activities.

The reporting entity consists of the primary government, which provides two utilities (electric utility and water utility), and the blended component units. Further details about the component units are provided in note 1(A).

The **Consolidated Statement of Net Position** presents information on all of the District's assets, deferred outflows of resources and liabilities, and deferred inflows of resources and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the District, and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are reported in the **Consolidated Statements of Revenues, Expenses, and Changes in Net Position**. This statement provides a measurement of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its rates and other charges.

The **Consolidated Statement of Cash Flows** provides relevant information about the District's cash receipts and cash payments during the reporting period. This statement reports cash receipts and cash payments resulting from operating, non-capital financing, capital and related financing, and investing activities. When used with related disclosures and information in the other financial statements, the statement of cash flows should provide insight into (a) the District's ability to generate future net cash flows, (b) the District's ability to meet its obligations as they come due, (c) the District's needs for external financing, (d) the reasons for differences between operating income and associated cash receipts and payments, and (e) the effects on the District's financial position of both its cash and its non-cash investing, capital, and financing transactions during the period. The changes in cash balances are an important indicator of the District's liquidity and financial condition.

The **Notes to the Financial Statements** provide additional information that is essential to a full understanding of the data provided in the basic financial statements. This includes but is not limited to, significant accounting policies, significant financial statement balances and activities, material risks, commitments and obligations, and subsequent events, as applicable.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020 and 2019

DISTRICT HIGHLIGHTS

The condensed financial statements at December 31, 2020, 2019, and 2018 are presented below.

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2020	2019	2018	Increase (Decrease) 2020 - 2019
Current assets	\$ 53,640,347	\$ 48,544,973	\$ 45,472,272	\$ 5,095,374
Non-current assets:				
Capital assets, net	132,031,519	133,812,252	130,173,550	(1,780,733)
Restricted assets	1,674,293	1,730,450	1,753,275	(56,157)
Other long-term assets	970,414	1,811,627	2,605,968	(841,213)
Total Assets	188,316,573	185,899,302	180,005,065	2,417,271
Deferred outflows of resources	6,255,727	3,529,595	3,270,661	2,726,132
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 194,572,300	\$ 189,428,897	\$ 183,275,726	\$ 5,143,403
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current liabilities	\$ 9,822,138	\$ 9,852,426	\$ 9,734,621	\$ (30,288)
Non-current Liabilities				
Long-term debt, net of current portion	50,401,520	54,997,965	59,647,062	(4,596,445)
Net pension liability	14,023,172	12,872,646	11,742,137	1,150,526
OPEB liability	5,975,587	4,328,352	4,408,729	1,647,235
Unearned revenues	6,845,107	6,252,705	6,569,632	592,402
Total Liabilities	87,067,524	88,304,094	92,102,181	(1,236,570)
Deferred inflows of resources	868,870	849,728	259,666	19,142
NET POSITION				
Net investment in capital assets	77,558,680	74,841,974	66,843,642	2,716,706
Restricted for debt service	11,439,913	11,052,666	9,742,741	387,247
Unrestricted	17,637,313	14,380,435	14,327,496	3,256,878
Total Net Position	106,635,906	100,275,075	90,913,879	6,360,831
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 194,572,300	\$ 189,428,897	\$ 183,275,726	\$ 5,143,403

In 2020, the District's current assets increased \$5.1 million, predominantly due to increased cash reserves associated with the Electric Utility \$3.6 million and Water Utility of \$1.5 million. The District's capital expenditures of \$6.3 million were down \$3.3 million compared to 2019. This decrease was due to the timing of projects, as well as, the pandemic driven pause of expenditures to conserve cash reserves due to significant uncertainty as to the pandemic's impact on the District at the time. Net Long Term debt decreased \$4.6 million, due to annual reduction of existing debt. In 2019, the District's current assets increased \$3.1 million, predominantly due to increased cash reserves associated with the Electric Utility. In 2019, Net Long Term debt decreased \$4.6 million, due to annual reduction of existing debt. See note 5 for details on remaining debt.

"Restricted for debt service" represents amounts restricted for payments related to outstanding revenue bonds.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020 and 2019

DISTRICT HIGHLIGHTS (Continued)

The District had income before capital contributions of \$4.3 million, \$4.7 million, and \$4.8 million for the years ended December 31, 2020, 2019, and 2018, respectively. Changes in the District's net position can be determined by reviewing the following Condensed Revenues, Expenses, and Changes in Net Position.

	2020	2019	2018	Increase (Decrease) 2020 - 2019
Sales to consumers	\$ 38,988,024	\$ 37,029,653	\$ 35,486,412	\$ 1,958,371
Other operating revenues	2,754,003	2,303,918	2,198,605	450,085
Total Operating Revenues	41,742,027	39,333,571	37,685,017	2,408,456
Operating expenses	38,847,181	36,383,962	34,092,086	2,463,219
Operating Income	2,894,846	2,949,609	3,592,931	(54,763)
Non-operating revenues (expenses)	1,422,190	1,728,488	1,162,050	(306,298)
Income before capital contributions	4,317,036	4,678,097	4,754,981	(361,061)
Capital contributions, net	2,043,795	4,683,099	4,652,720	(2,639,304)
Change in net position	6,360,831	9,361,196	9,407,701	(3,000,365)
Net Position, Beginning of Year	100,275,075	90,913,879	81,506,178	9,361,196
NET POSITION, END OF YEAR	\$ 106,635,906	\$ 100,275,075	\$ 90,913,879	\$ 6,360,831

Total operating revenues were \$41.7 million in 2020, \$39.3 million in 2019, and \$37.7 million in 2018. Electric revenues increased 6.0% in 2020 compared to 2019. A 3% rate increase in 2020 along with a pandemic driven increase in electricity usage can be attributed to the increase. Water revenues increased 6.0% in 2020; a 3% water rate increase also occurred in 2020 and drier than average conditions in 2020 drove an increase in irrigation patterns by consumers compared to the prior year. Electric revenues increased 4.9% in 2019 compared to 2018. A 3% rate increase in 2019 along with a colder winter can be attributed to the increase. Water revenues increased 2.6% in 2019 largely due to a 3% rate increase slightly offset by the colder winter resulting in later irrigation patterns.

Total operating expenses were \$38.8 million in 2020, \$36.4 million in 2019, and \$34.1 million in 2018. In 2020 compared to 2019, the Electric Utility had an 8.5% increase in operating expenses due to wildfire mitigation costs 3.2%, purchased power costs 2.2%, internal labor shifting from capital to operations 2.0%, and all other costs net increase of 1.1%. The Water Utility had a 3.4% increase in operating expenses primarily due to impact of rate of pay increases on compensation costs. In 2019, the increased operating expenses to 2018 can be attributed to increased tree trimming costs to reduce the risk of wildfire along with increased maintenance material costs. In addition, in both 2020 and 2019, the District as a whole experienced increased insurance and regulatory costs compared to the prior year.

In 2020 compared to 2019, non-operating revenues and expenses decreased \$0.3 million due primarily to a decrease in investment income of \$0.5 million, a loss of tax receivables due to tax sale of Grey's Crossing parcels of \$0.2 million, net gain on sale of assets increase of \$0.2 million, and a decrease in interest expense of \$0.1 million. In 2019 compared to 2018, non-operating revenues and expenses increased \$0.6 million due to an increase in investment income coupled by a decrease in interest expense in 2019.

LONG-TERM DEBT

Long-term debt includes revenue bonds and installment loans. At December 31, 2020, 2019, and 2018, the District had \$55.0 million, \$59.5 million, and \$63.9 million, respectively, in long-term debt outstanding. No new debt was issued in 2020 or 2019.

See accompanying auditors' report.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2020 and 2019

CAPITAL ASSETS

As of December 31, 2020, 2019, and 2018, the District had \$132.0 million, \$133.8 million, and \$130.2 million, respectively, invested in a variety of capital assets, net of accumulated depreciation. A summary of capital assets is reflected in the following schedule.

	CAPITAL ASSETS		
	2020	2019	2018
Plant Balances			
Electric distribution	\$ 71,894,379	\$ 67,692,718	\$ 64,204,691
Water distribution	121,483,082	120,131,130	116,378,593
General plant	19,316,645	18,450,144	16,513,295
Total	212,694,106	206,273,992	197,096,579
Accumulated Depreciation			
Electric distribution	(21,385,441)	(19,454,296)	(19,488,505)
Water distribution	(52,339,068)	(48,269,854)	(44,232,073)
General plant	(11,522,788)	(10,851,668)	(10,372,265)
Total	(85,247,298)	(78,575,819)	(74,092,843)
Plant Sub-Total			
Electric distribution	50,508,937	48,238,422	44,716,186
Water distribution	69,144,014	71,861,276	72,146,520
General plant	7,793,857	7,598,476	6,141,030
Total	127,446,808	127,698,173	123,003,736
Construction work in progress	4,584,711	6,114,079	7,169,814
Net capital assets	\$ 132,031,519	\$ 133,812,252	\$ 130,173,550

Net capital assets (additions, less retirements and depreciation) decreased \$1.8 million. The District ended 2020 with decreased construction work in progress of \$4.6 million compared to \$6.1 million in 2019; this includes the overhead pole replacement project, Truckee substation project, transformer project, and the SCADA reliability phase 5 project.

ECONOMIC FACTORS AND NEXT YEARS BUDGETS AND RATES

The District operates on a two year budget. The FY20 & FY21 Board approved Budget includes an assumption for customer growth in fiscal year 2020 and 2021 of 1%, consistent with what the District experienced in recent prior years. Revenue projections for fiscal year 2020 and 2021 include rate increases each year of 3% for both Electric and Water. For 2020 and 2021, Electric's rate increase was 3.0%, Water's rate increase was 3.0% for 2020 and 8.7% for 2021. Rates by rate class can be found on the District's website at www.tdpud.org. Expenditures for Electric and Water excluding debt service, were projected to increase approximately 3% compared to fiscal year 2019 budgeted expenditures for both 2020 and 2021. Overall, the pandemic's impact financially on the District has not been material, with certain cost increases, an increased in unpaid billings, more than offset by an increase in energy demands due to increased occupancies.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide readers with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact:

Truckee Donner Public Utility District
Attn: Treasurer
11570 Donner Pass Road
Truckee, CA 9616

See accompanying auditors' report.

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FINANCIAL STATEMENTS

TRUCKEE DONNER PUBLIC UTILITY DISTRICT
CONSOLIDATED STATEMENTS OF NET POSITION
December 31, 2020 and 2019

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2020	2019
CURRENT ASSETS		
Cash Funds		
Operating	\$ 14,989,131	\$ 12,969,107
Designated	14,498,107	12,635,745
Restricted	9,659,770	9,355,602
Total Cash Funds	39,147,008	34,960,454
Accounts receivable, net	9,615,637	9,024,044
Unbilled revenues	3,111,640	2,945,446
Accrued interest receivable	60,620	110,486
Materials and supplies	906,547	736,544
Prepaid expenses	671,824	643,240
Other	127,071	124,759
Total Current Assets	53,640,347	48,544,973
NON-CURRENT ASSETS		
Other Non-Current Assets		
Restricted investment fund	1,674,293	1,730,450
Special assessments receivable	783,721	1,562,702
Other	186,693	248,925
Total Other Non-Current Assets	2,644,707	3,542,077
CAPITAL ASSETS		
Utility plant	212,694,105	206,273,992
Accumulated depreciation	(85,247,297)	(78,575,819)
Construction work in progress	4,584,711	6,114,079
Total Capital Assets	132,031,519	133,812,252
DEFERRED OUTFLOWS OF RESOURCES		
Pension	2,914,246	2,350,006
OPEB	2,822,218	600,263
Unamortized loss on refunding	478,372	511,174
Unamortized redemption premium	40,891	68,152
Total Deferred Outflows of Resources	6,255,727	3,529,595
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 194,572,300	\$ 189,428,897

The accompanying notes are an integral part of these consolidated financial statements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT
CONSOLIDATED STATEMENTS OF NET POSITION
December 31, 2020 and 2019

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (Continued)	2020	2019
CURRENT LIABILITIES		
Other Liabilities		
Accounts payable	\$ 2,880,841	\$ 3,111,240
Customer deposits	440,865	454,959
Other	1,183,100	995,795
Total Other Liabilities	4,504,806	4,561,994
Current Liabilities Payable From Restricted Assets		
Current portion of long-term debt	4,574,633	4,508,430
Accrued interest payable	742,699	782,002
Total Current Liabilities Payable from Restricted Assets	5,317,332	5,290,432
Total Current Liabilities	9,822,138	9,852,426
NON-CURRENT LIABILITIES		
Long-term debt, net of discounts and premiums	50,376,578	54,973,023
Net pension liability	14,023,172	12,872,646
Net OPEB liability	5,975,587	4,328,352
Installment loans	24,942	24,942
Unearned revenues	6,845,107	6,252,705
Total Non-Current Liabilities	77,245,386	78,451,668
Total Liabilities	87,067,524	88,304,094
DEFERRED INFLOWS OF RESOURCES		
Pension	537,295	544,868
OPEB	331,575	304,860
Total Deferred Inflows of Resources	868,870	849,728
NET POSITION		
Net investment in capital assets	77,558,680	74,841,974
Restricted for debt service	11,439,913	11,052,666
Unrestricted	17,637,313	14,380,435
Total Net Position	106,635,906	100,275,075
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 194,572,300	\$ 189,428,897

The accompanying notes are an integral part of these consolidated financial statements.

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TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

December 31, 2020 and 2019

	2020	2019
OPERATING REVENUES		
Sales to customers	\$ 38,988,024	\$ 37,029,653
Standby fees	133,470	137,580
Cap and trade proceeds	1,444,498	1,503,495
Other	1,176,035	662,843
Total Operating Revenues	41,742,027	39,333,571
OPERATING EXPENSES		
Purchased power	11,285,537	10,754,898
Operations and maintenance	11,340,451	9,768,460
Consumer services	2,080,714	2,667,957
Administration and general	6,165,611	5,772,396
Depreciation	7,974,868	7,420,251
Total Operating Expenses	38,847,181	36,383,962
Operating Income	2,894,846	2,949,609
NON-OPERATING REVENUE (EXPENSES)		
Special tax revenue	3,375,327	3,352,289
Investment income	573,668	1,038,582
Interest expense	(2,530,616)	(2,647,817)
Amortization	(38,250)	(38,250)
Other non-operating revenues	41,766	48,096
Other non-operating expenses	(238,590)	(38,160)
Gain (loss) on disposition of assets	238,885	13,748
Total Non-Operating Revenue (Expenses)	1,422,190	1,728,488
Income Before Contributions	4,317,036	4,678,097
CAPITAL & OTHER CONTRIBUTIONS	2,043,795	4,683,099
CHANGE IN NET POSITION	6,360,831	9,361,196
Net Position - Beginning of Year	100,275,075	90,913,879
NET POSITION - END OF YEAR	<u>\$ 106,635,906</u>	<u>\$ 100,275,075</u>

The accompanying notes are an integral part of these consolidated financial statements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF CASH FLOWS

December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Received from customers	\$ 41,002,317	\$ 39,359,150
Paid to suppliers for goods and services	(22,164,412)	(19,921,223)
Paid to employees for services	(8,367,200)	(7,090,512)
Net Cash Flows from Operating Activities	10,470,705	12,347,415
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Principal payments on long-term debt	(1,000,803)	(920,000)
Interest payments on long-term debt	(57,094)	(80,177)
Net Cash Flows from Noncapital Financing Activities	(1,057,897)	(1,000,177)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital expenditures for utility plant	(6,308,208)	(9,589,498)
Cost of disposal of property net of salvage	48,537	(170,589)
Capital contributions, connection and facility fees	2,480,190	2,540,734
Special assessments receipts	778,982	732,107
Special tax receipts	3,117,313	2,976,560
Principal payments on long-term debt	(3,534,645)	(3,489,293)
Interest payments on long-term debt	(2,485,807)	(2,571,679)
Cash Flows From Capital and Related Financing Activities	(5,903,638)	(9,571,658)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income received	565,848	926,371
Cash Flows from Investing Activities	565,848	926,371
Net Change in Cash and Cash Equivalents	4,075,018	2,701,951
CASH AND CASH EQUIVALENTS – Beginning of Year	34,908,470	32,206,519
CASH AND CASH EQUIVALENTS – END OF YEAR	\$ 38,983,488	\$ 34,908,470
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Developer and customer added capital assets	\$ 150,874	\$ 1,762,711
Recognition of prior period unearned revenues	\$ 855,354	\$ 5,688,114

The accompanying notes are an integral part of these consolidated financial statements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF CASH FLOWS

December 31, 2020 and 2019

(Continued)

	2020	2019
	<u> </u>	<u> </u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income	\$ 2,894,846	\$ 2,949,609
Noncash items included in operating income		
Depreciation and amortization	7,974,868	7,420,251
Depreciation charged to other accounts	455,294	477,592
Changes in assets and liabilities		
Accounts receivable	(725,616)	19,591
Materials and supplies	(170,003)	147,694
Prepaid expenses	(28,585)	41,575
Accounts payable	(196,892)	(62,698)
Customer deposits	(14,094)	5,991
Deferred Pension Contributions - GASB 68	30,709	1,367,347
Deferred OPEB Contributions - GASB 75	-	(46,149)
Other current liabilities	250,178	26,612
	<u> </u>	<u> </u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 10,470,705</u>	<u>\$ 12,347,415</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET		
Operating	\$ 14,989,131	\$ 12,969,107
Designated	14,498,107	12,635,745
Restricted funds - current	9,659,770	9,355,602
Restricted funds - non-current	1,674,293	1,730,450
Total Cash and Investments	<u>40,821,301</u>	<u>36,690,904</u>
Less: Long-term investments	(1,698,880)	(1,698,880)
Mark to market adjustments	(138,933)	(83,554)
	<u> </u>	<u> </u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 38,983,488</u>	<u>\$ 34,908,470</u>

The accompanying notes are an integral part of these consolidated financial statements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ORGANIZATION

The Truckee Donner Public Utility District (the District) was formed and operates under the State of California Public Utility District Act. The District is governed by a board of directors which consists of five elected members. The District provides electric and water service to portions of Nevada and Placer Counties described as Truckee. The electric and water service operations are separately maintained and operated. These financial statements reflect the combined electric and water operations of the District. All significant transactions between electric and water operations have been eliminated. These eliminations include power purchases and rent for shared facilities.

The District's blended component units consist of organizations whose respective governing boards are comprised entirely of the members of the District's Board of Directors. These organizations are reported as if they are a part of the District's operations. The entities are legally separate, however, in the case of the Truckee Donner Public Utility District Financing Corporation, financial support has been pledged and financial and operational policies may be significantly influenced by the District. The following is a description of the District's blended component units:

Truckee Donner Public Utility District Financing Corporation is a legal entity that was created to issue and administer Certificates of Participation on behalf of the District. (See note 5).

Truckee Donner Public Utility District Community Facilities District No. 03-1 (Old Greenwood) is a legal entity created to issue special tax bonds to finance various public improvements needed to develop property located within Old Greenwood. (See note 7).

Truckee Donner Public Utility District Community Facilities District No. 04-1 (Gray's Crossing) is a legal entity created to issue special tax bonds to finance various public improvements needed to develop property located within Gray's Crossing. (See note 7).

Separate standalone financial statements are not available for the blended component units described above. Unless noted, disclosures relating to the component units are the same as for the District.

B. ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities, that are a result of exchange and exchange like transactions, are recognized when the exchange takes place.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. USE OF ESTIMATES

Preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

D. CASH AND CASH EQUIVALENTS

For the purpose of the accompanying statement of cash flows, the District considers all highly liquid instruments with original maturities of three months or less when purchased to be cash equivalents and are shown in the financial statements as “Cash Funds”.

E. INVESTMENTS

The District pools cash and investments. The District’s investment policy allows for investments in instruments permitted by the California Government Code and/or the investments permitted by the trust agreements on District financing. The District’s investment policy contains provisions intended to limit the District’s exposure to interest rate risk, credit risk, and concentration of credit risk. Investment income from pooled investments is allocated to all funds in the pool. Interest is allocated on the basis of month end cash amounts for each fund as a percentage of the total balance.

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an assets fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 3 inputs.

F. DESIGNATED ASSETS

The board has designated certain resources for future capital projects, replacements, and operational needs.

G. RESTRICTED ASSETS

Restricted assets are assets restricted by the covenants of long-term financial arrangements or other third party legal restrictions. Restricted assets are used in accordance with their requirements and where both restricted and unrestricted resources are available for use, restricted resources are used first and then unrestricted as they are needed.

H. ACCOUNTS RECEIVABLE AND ALLOWANCES FOR DOUBTFUL ACCOUNTS

Accounts receivable are recorded at the invoiced amount and are reported net of allowances for doubtful accounts of \$41,200 and \$13,100 for 2020 and 2019, respectively. Receivables are considered past due after 30 days and routine collection efforts begin. District Code allows for the Treasurer to write off delinquent account balances up to 0.17% of the amounts billed. This write off process occurs semi-annually.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. MATERIALS AND SUPPLIES

Materials and supplies are recorded at average cost.

J. DEBT PREMIUM, BOND ISSUANCE COSTS, AND DISCOUNTS

Original issue and reacquired bond premiums and discounts relating to revenue bonds are amortized over the terms of the respective bond issues using the effective interest method. Debt issuance costs are expensed in the period incurred.

K. SPECIAL ASSESSMENT RECEIVABLE

Special assessment receivable represent amounts due from property owners within the Donner Lake Assessment District for improvements made by the District pursuant to an agreement with the property owners to improve their water quality as discussed in note 8.

L. AMORTIZED EXPENSES

In 2003, the District entered into a broadband dark fiber maintenance agreement with Sierra Pacific Communications (SPC) which is included in the line item “other non-current assets” in the accompanying Statement of Net Position. SPC subsequently assigned the agreement to AT&T. The agreement is expected to provide benefit to the District over the estimated 20-year life of the agreement. (See note 3).

M. CAPITAL ASSETS

Capital assets are generally defined by the District as assets with an initial, individual cost of more than \$10,000 and an estimated useful life of at least two years.

Capital assets of the District are stated at the lower of cost or the acquisition value at the time of contribution to the District. Major outlays for plant are capitalized as projects are constructed. Depreciation on capital assets is calculated using the straight-line method over the estimated useful lives of the assets, which are as follows:

Distribution Plant	
Electric	23 – 35 years
Water	15 – 40 years
Computer software and hardware	3 – 7 years
Building and improvements	20 – 33 years
Equipment and furniture	4 – 10 years

It is the District's policy to capitalize interest paid on debt incurred for significant construction projects while those projects are under construction, less any interest earned on related unspent debt proceeds. No new debt related to capital assets was issued in 2020 and 2019; no interest was capitalized in 2020 or in 2019.

N. COMPENSATED ABSENCES

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Vested vacation and sick leave pay is accrued when earned in the financial statements. The liability is liquidated from general operating revenues of the utility.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. REVENUE RECOGNITION

Unbilled revenues, representing estimated consumer usage for the period between the last meter reading and the end of the period, are accrued in the period of consumption. Water customers without meters are billed on a flat-rate basis, and revenues are recorded as billed. Revenues from connection fees are recognized upon completion of the connection. Income that the District has earned through investing its excess cash is reflected within income from investments when earned.

P. REVENUE AND EXPENSE CLASSIFICATION

The District distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. Operating revenues and expenses generally result from providing electric and water services in connection with the District's principal ongoing operations. The principal operating revenues are sales to customers. The District's operating expenses include power purchases, labor, materials, services, and other expenses related to the delivery of electric and water services. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses, or capital contributions and other.

Q. POWER PURCHASES AND TRANSMISSION

In 1999, the District entered into an agreement with Sierra Pacific Power Company dba NV Energy (SPPC), whereby SPPC will provide transmission services to the District through December 31, 2027. The District uses this transmission service to import energy over SPPC's transmission system to serve District load. In addition, the District purchases scheduling services from Utah Municipal Power Systems (UAMPS) and the scheduling services are included in the monthly power billings from UAMPS. The purchase of transmission services from SPPC represented 8.7% and 10.9% of total purchased power costs in 2020 and 2019, respectively.

In December of 2005, the District entered into an agreement with UAMPS. Subsequently, the District entered into several pooling appendices for power capacity and energy that relate to various time periods from January 2008 through March 2028. Also in 2009, the District signed an agreement with UAMPS for approximately 5 MW of the Nebo natural gas generation plant capacity. In August 2012, the Horse Butte Wind project began commercial operation and the District owns approximately 15 MW of nameplate capacity that generates about 5 MW on average. The District has also invested in the Veyo Heat Recovery project that came on line in mid-2016. The District receives about 1.7 MW of carbon-free generation from this resource. In September 2019 the District entered into 25-year Purchase Power Agreement with UAMPS for a 6MW share of the Red Mesa Solar Project. The Project is being developed by UAMPS and the Navajo Tribal Utility Authority for use by UAMPS members. It is scheduled to be online by June 1, 2022. The Red Mesa Solar Project price for energy is among the lowest wholesale price paid by the District for any resource. It is estimated that a 6MW share equates to about 10 percent of total annual District energy requirements.

In August of 2007, the District entered into an agreement with Western Area Power Administration (WAPA) for the delivery of Stampede Dam Hydroelectric generation. In accordance with this agreement, the District is entitled to a portion of the power generated by Stampede Dam. This generation is dependent upon the amount of water that is made available to the generator. This agreement is effective through 2024.

In 2018 and 2019, the UAMPS contract, along with its appendices, and the WAPA contract for Stampede Dam Hydroelectric generation comprised the majority of a diversified power portfolio that balanced risk and costs for the District.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. CAP AND TRADE PROGRAM PROCEEDS

California Assembly Bill 32 (AB32) is an effort by the State of California to set a 2020 greenhouse gas (GHG) emissions reduction goal into law. AB32 requires California to lower greenhouse gas emissions to 1990 levels by 2020. Central to this initiative is the implementation of a cap and trade program, which covers major sources of GHG emissions in the State including power plants. The California Cap and Trade Program is designed to achieve cost-effective emissions reductions across the capped sectors. The program sets maximum statewide GHG emissions for all covered sectors each year ("cap"), and allows covered entities to sell off allowances ("trade"). An allowance is a tradable permit that allows the emission of one metric ton of CO₂. The California carbon price is driven by allowance trading. The District is subject to AB32 and has excess allowances due to reducing carbon-based generation in its power portfolio.

In 2020 and 2019, the District sold its excess allowances in the program auctions and the proceeds were recorded as \$1,444,498 and \$1,503,495 operating revenue for the respective years. The auction proceeds are held in a restricted fund and are used to purchase qualified renewable power. (See note 2)

S. INCOME TAXES

As a government agency, the District is exempt from payment of federal and state income taxes.

T. TAX REVENUES

Beginning in 2004, the District levied ad valorem property tax on all the taxable property within the Old Greenwood District in an amount sufficient to pay the yearly principal and interest on the Special Assessment District Tax Bonds. (See notes 5 and 7). The District had revenues of \$782,954 in 2020 and \$749,609 in 2019.

On January 28, 2014, refunding bonds were sold to a private investment firm and the proceeds were used to call the 2003 Old Greenwood bonds on March 1, 2014. The 2014 refunding bonds have the same rate and method of apportionment conditions on the Old Greenwood properties as the original 2003 bonds.

Beginning in 2005, the District levied ad valorem property tax on all taxable property within the Gray's Crossing District in an amount sufficient to pay the yearly principal and interest on the Special Assessment District Tax Bonds. (See notes 5 and 7). The District had revenues of \$2,592,373 in 2020 and \$2,602,680 in 2019.

Taxes are assessed based on the county tax year ending June 30, resulting in unearned revenues for each of the community facility districts. (See note 6).

U. CONTRIBUTED CAPITAL ASSETS

A portion of the District's capital assets have been obtained through amounts charged to developers for plant constructed by the District; direct contributions of capital assets from developers and other parties; as well as assessments of local property owners. These items are recognized within capital assets as construction is completed for plant constructed by the District based on the cost of the items, when received for contributed capital assets based on the actual or estimated fair value of the contributed items, or upon completion of the related project for development agreements. The District records amounts received within capital contributions when a legally enforceable claim is established. Until the District meets the criteria to record the amounts described above as capital contributions, any amounts received are recorded within unearned revenues on the Statement of Net Position.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. OTHER – PENSION SIDEFUND

As a result of implementing GASB Statement No. 68, the pension side-fund payoff that occurred in 2011 and which had been reported in the financial statements as an asset was written off due to the District's participation in CalPERS cost-sharing multi-employer retirement benefit plan. However, the liability for the payoff remains until paid in full thru 2022. The intercompany fund transfers for the principal portion of the debt service between the electric and water utility is included as "other."

W. PENSION

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employee's Retirement System (CalPERS) plans (Plans) and the additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

X. RECENT ACCOUNTING PRONOUNCEMENTS IMPLEMENTED BY THE DISTRICT

GASB Statement No. 84, *Fiduciary Activities*, addresses identifying fiduciary activities of all state and local governments. The general focus of the criteria is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify component units and postemployment benefit arrangements that are fiduciary activities. The District has determined that this pronouncement has no changes in financial reporting of the District.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans*, is intended to improve the consistency of the reporting of fiduciary component units and enhance the comparability in the application of accounting and financial reporting requirements for deferred compensation plans. The District has determined that this pronouncement has no changes in financial reporting of the District.

Y. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred Outflows of Resources: This separate financial statement element represents consumption of net position or fund balance that applies to future period(s) and so will not be recognized until that time.

Deferred Inflows of Resources: This separate financial statement element represents an acquisition of net position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources until that time.

Z. UNAMORTIZED LOSS ON BOND REFUNDING

For current and advanced refunding results in defeasance of debt, the difference between the reacquisition price and the net carrying amount of the old debt (Gain or loss) is deferred and amortized as a component of interest expense over the remaining life of the old debt or the new debt, whichever is shorter. These amounts are reported as deferred outflow on the statements of net position.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AA. ACCOUNTING PRONOUNCEMENTS TO BE IMPLEMENTED IN UPCOMING YEARS

GASB Statement No. 87, *Leases*, addresses accounting and financial reporting for leases by governments. This Statement increases the usefulness of financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases by establishing a single model of lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about leasing activities. The District has not determined what impact, if any, this pronouncement will have on the financial statements. This statement is effective for the District fiscal year ending December 31, 2022.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, addresses interest costs incurred before the end of a construction period to be recorded as an expenditure in the applicable period. As a result, interest costs incurred before the end of a construction period will not be included in the historical cost of a capital asset reported. The District has not determined what impact this pronouncement will have on the financial statements. Application of this statement is effective for the District's fiscal year ending December 31, 2021.

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS

Cash, cash equivalents and investments are recorded in accounts as either restricted or unrestricted as required by the District's certificates of participation indentures or other third-party legal restrictions. Restricted assets represent funds that are restricted by certificates of participation covenants or third party contractual agreements. Assets that are allocated by resolution of the Board of Directors are considered to be Board designated assets. Board designated assets are a component of unrestricted assets as their use may be redirected at any time by approval of the Board. Upon Board approval, assets from board designated accounts may be used to pay for selected capital projects. Such accounts have been designated by the Board for the following purposes:

Electric Capital Replacement

Starting in 2009, the Board set aside funds designated for future electric infrastructure replacement.

Electric Vehicle Reserve

Beginning in 2009, the Board set aside funds designated for future electric utility vehicle replacements.

Electric Rate Reserve

In compliance with Board rules, the District created an electric rate stabilization fund in anticipation of future costs. During both 2020 and 2019, there was no utilization of these funds to offset increased power costs in lieu of raising electric rates.

Water Vehicle Reserve

Beginning in 2009, the Board set aside funds designated for future Water Utility vehicle replacements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Prepaid Connection Fees

In compliance with Board rules, the District has set aside prepaid connection fees to cover installation costs of water services.

Debt Service Coverage and Operating Reserve Fund

Effective 2007, the Board has voluntarily set aside funds to improve the District's cash-to-debt-service ratio. In 2020 no funds were used.

Donner Lake Assessment District Surcharge Fund

The District established a monthly billing surcharge in the amount of \$6.65 applicable to customers in the Donner Lake area to provide revenue to pay the remainder of the cost of reconstruction effective October 2006.

Deferred Liabilities Reserve

Starting in 2017, the Board established a reserve to protect the District from volatility in pension, other post-employment benefits, and worker's compensation premiums.

As of December 31, Board designated accounts at fair value consisted of the following:

	<u>2020</u>	<u>2019</u>
Electric capital replacement fund	\$ 3,649,736	\$ 2,419,674
Electric vehicle reserve	626,347	402,741
Electric rate reserve	5,973,501	5,852,452
Electric deferred liabilities reserve	2,085,918	2,053,044
Water vehicle reserve	197,987	-
Prepaid connection fees	77,788	76,837
Debt service & operating reserve fund	1,632,667	1,592,690
Donner Lake Assessment District surcharge fund	147,937	133,379
Water deferred liabilities reserve	106,226	104,928
Totals	<u>\$ 14,498,107</u>	<u>\$ 12,635,745</u>

Certain assets have been restricted by bond covenants or third party contractual agreements for the following purposes:

Certificates of Participation

Prepayments to the Trustee from the District for upcoming debt payments.

Special Tax Bonds: Gray's Crossing

The terms of the special tax bonds issued for the Mello-Roos Community Facilities Districts (CFD) require reserve funds as security for each principal and interest payment as they come due. Reserve funds are set aside as prescribed in the loan documents. These reserve funds are held by Bank of New York Mellon Trust Company.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

Facilities Fees

The District charges facilities fees to applicants for new service to cover the costs of infrastructure needed to meet their systems demand. The use of such funds is restricted by California state law.

Department of Water Resources (DWR) Prop 55 Reserve Fund

Regulations relating to the Department of Water Resources loan require the accumulation of a reserve fund as security for each principal and interest payment as they come due. Annual payments into the fund were required for each of the first ten years beginning April 1, 1996. The total reserve fund equals two semi-annual payments and was fully funded during 2006. These funds are set aside for the life of the borrowed amount. All of the reserve funds are invested in the State of California Local Agency Investment Fund.

Donner Lake Special Assessment District Improvement and Reserve Fund

The District established the Donner Lake Special Assessment District (DLAD) Improvement Fund to account for all funds received from the Special Assessment Receivable, which will be used to pay the debt service costs related to the Donner Lake Water System project. The DLAD Improvement Fund also has a reserve fund as required by the California – Safe Drinking Water – State Revolving Fund (SRF). This fund is required to set aside \$40,043 semi-annually for ten years beginning in 2006. The reserve fund was fully funded as of December 31, 2016.

AB32 Cap and Trade Auction Fund

The District electric utility is identified as an “Electric Distribution Utility” under the Cap and Trade regulations and is therefore eligible to receive a direct allocation of allowances that can be sold in an auction. The proceeds from quarterly allowance auctions are held in this restricted fund and are used to purchase qualified renewable power. These funds are intended to mitigate the burden on the consumer without impacting a carbon price signal.

Other (Area Improvement Funds)

The District received funds from the County of Nevada, which are to be used only for improvements to specific areas within the District’s boundaries in Nevada County. These areas include various Nevada County assessment districts.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

As of December 31, restricted cash and cash equivalents and investments at fair value consisted of the following:

	2020	2019
Certificates of Participation	\$ 571,993	\$ 557,673
Special tax bonds	2,539,730	2,658,411
Facilities fees	2,587,322	2,349,620
DWR-Prop 55 reserve fund	340,762	336,596
Donner Lake Special Assessment District improvement	2,804,343	2,767,820
Donner Lake Special Assessment District reserve fund	826,526	821,579
AB 32 Cap and Trade Auction fund	1,606,959	1,538,615
Other (area improvement funds)	56,428	55,738
Total Restricted Cash and Cash		
Equivalents and Investments	\$ 11,334,063	\$ 11,086,052

Cash and investments are comprised of the following cash and cash equivalents and investments as of December 31:

	2020	2019
Cash and cash equivalents	\$ 39,147,008	\$ 34,960,454
Investments – government bonds	1,674,293	1,730,450
Totals	\$ 40,821,301	\$ 36,690,905

Cash and cash equivalents and investments were \$40,821,301 and \$36,690,905 at December 31, 2020 and 2019, respectively. Cash equivalents substantially consist of deposits in the state pooled fund, Placer County pooled fund, money market funds and investments.

Adjustments necessary to record investments at fair market value are recorded in the operating statement as increases or decreases in investment income. Market values may have changed significantly after year end.

FAIR VALUE MEASUREMENT

The District applies the provisions of Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, which requires governmental entities, to report certain investments at fair value on the Statements of Net Position.

Investments are valued at fair value at December 31. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices for identical instruments in active markets. Level 2 inputs are quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model derived valuations in which all significant inputs are observable. Level 3 inputs are valuations derived from valuation techniques in which significant inputs are unobservable.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

FAIR VALUE MEASUREMENT (Continued)

The District classifies its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The District has the following fair value measurements as of December 31, 2020:

- US Government bonds are valued using observable inputs (Level 2 inputs).

INVESTMENTS AUTHORIZED BY THE DISTRICT'S INVESTMENT POLICY

The District adopted an investment policy in 2006 which allowed for investments in instruments permitted by the California Government Code and/or the investments permitted by the trust agreements on District financing, including investments in the local government investment fund pool administered by the State of California (LAIF), Placer County Treasurer's Investment Portfolio (PCTIP) pooled investment and Utah Public Treasurers' Investment Fund (UPTIF). The District's investment policy contains provisions intended to limit the District's exposure to interest rate risk, credit risk, and concentration of credit risk. At December 31, 2020 and 2019 the District's deposits and investments at fair value were held as follows:

	2020	2019
Cash on hand	\$ 2,400	\$ 2,400
Deposits	3,073,483	1,287,103
LAIF	17,525,627	15,260,179
PCTIP	8,459,694	8,271,436
UPTIF	8,866,958	8,856,197
Money Market Funds	1,218,846	1,283,139
Government Bonds	1,674,293	1,730,450
Totals	\$ 40,821,301	\$ 36,690,905

DISCLOSURES RELATING TO INTEREST RATE RISK

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater is the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the District's investments by maturity for 2020 and 2019:

Investments and Deposits	Maturity
LAIF	3 months or less
PCTIP	3 months or less
UPTIF	3 months or less
Federated U.S. Treasury Cash Reserve	3 months or less
Morgan Stanley Treasury	3 months or less
Fidelity Money Market Government Portfolio 57	3 months or less
Dreyfus Treasury Securities	3 months or less
Federal Farm Credit Banks	3 months or less

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

DISCLOSURES RELATING TO CREDIT RISK

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF, PCTIF and UPTIF do not have a rating provided by a nationally recognized statistical rating organization. The Morgan Stanley Treasury is rated AAAM by S&P and Aaa-mf by Moody's. The Federated U.S. Treasury Cash Reserve is rated AAAM by S&P and Aaa-mf by Moody's. Federal Farm Credit Banks is rated AA+ by S&P and Aaa by Moody's. The Dreyfus Treasury Securities is rated Aaa-mf by Moody's and AAAM by S&P. The Fidelity Money Market is rated AAA-mf by Moody's and AAAM by S&P.

CUSTODIAL CREDIT RISK

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless waived by the government unit). The market value of pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

As of December 31, 2020 and 2019 bank deposits exceeded FDIC insurance coverage as of December 31, 2020 and 2019 by \$2,524,887 and \$1,007,581, respectively.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker/dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or governmental investment pools (such as LAIF).

DEPOSIT IN STATE INVESTMENT POOL

The District is a voluntary participant in the Local Agency Investment Fund (LAIF). This investment fund has an equity interest in the State of California's (State's) Pooled Money Investment Account (PMIA). PMIA funds are on deposit with the State's Centralized Treasury System and are managed in compliance with the California Government Code according to a statement of investment policy which sets forth permitted investment vehicles, liquidity parameters, and maximum maturity of investments. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the LAIF, which are recorded on an amortized cost basis.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 2 – CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued)

DEPOSIT IN PLACER COUNTY TREASURER INVESTMENT POOL

The District is a voluntary participant in the Placer County Investment Portfolio (PCTIP). The District is eligible to participate in PCTIP because a portion of the District's service area is in Placer County. Investments are on deposit with the Placer County Treasurer and are managed in compliance with the California Government Code according to a statement of investment policy which sets forth permitted investment vehicles, liquidity parameters, and maximum maturity of investments. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by Placer County Treasurer for the entire PCTIP (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by the Placer County Treasurer, which are recorded on an amortized cost basis.

DEPOSIT IN UTAH PUBLIC TREASURERS' INVESTMENT FUND

The District is a voluntary participant in the Utah Public Treasurers' Investment Fund (UPTIF). The District is eligible to participate in (UPTIF) through its membership with Utah Associated Municipal Power Systems (UAMPS). Investments are on deposit with State of Utah public treasury and investments are restricted to those authorized by the Utah Money Management Act and rules of the Money Management Council of Utah. The fair value of the District's investments in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by UPTIF through UAMPS Member Retention Fund.

NOTE 3 – TELECOMMUNICATION SERVICES

In 1999, the District initiated a project to expand its basic service offerings to include internet access, cable television and voice delivered over fiber optic networks (the broadband project). The District completed the broadband design project and obtained the necessary regulatory approvals and franchises needed to construct and launch the broadband project. A local cable television service provider filed an objection in September 2004 with the Nevada County Local Agency Formation Commission (LAFCO), the entity responsible for providing regulatory approval for the broadband project. After denying the cable television provider's request for a reconsideration of their approval of the District's project, the cable television provider filed a lawsuit against LAFCO. The District was not named in the lawsuit. A ruling on the lawsuit was received in January 2006. LAFCO prevailed on all portions of the cable television provider's claim. The cable television provider filed an appeal; however, in June of 2007, the Court ruled in favor of LAFCO, upholding the initial ruling.

Since 2009, the District has been exploring options to sell or lease the existing infrastructure to provide a return on investment in the project. Expenses incurred by the District to date on the broadband project total \$2,834,079, of which \$496,990 was expensed in 2014 for legal fees and preliminary feasibility studies. In 2020 and 2019 there were no material expenditures for this project.

In 2018, The District signed a Memorandum of Understanding with Plumas Sierra Telecommunications to offer services utilizing these four fibers from Reno to Sacramento in future years.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 4 – CAPITAL ASSETS

Capital assets consist of the following at December 31, 2020 and 2019:

	January 1, 2020	Additions	Reductions	December 31, 2020
Plant Balances				
Electric distribution	\$ 67,692,719	\$ 4,429,790	(\$228,130)	\$ 71,894,379
Water distribution	120,131,130	2,161,608	(809,656)	121,483,082
General plant	18,450,143	1,397,052	(530,551)	19,316,644
Total	206,273,992	7,988,450	(1,568,337)	212,694,105
Accumulated Depreciation				
Electric distribution	(19,454,296)	(2,350,811)	419,666	(21,385,441)
Water distribution	(48,269,854)	(4,879,104)	809,890	(52,339,068)
General plant	(10,851,669)	(1,156,262)	485,143	(11,522,788)
Total	(78,575,819)	(8,386,177)	1,714,699	(85,247,297)
Plant Sub-Total				
Electric distribution	48,238,423	2,078,979	191,536	50,508,938
Water distribution	71,861,276	(2,717,496)	234	69,144,014
General plant	7,598,474	240,790	(45,408)	7,793,856
Total	127,698,173	(397,727)	146,362	127,446,808
Construction work in progress	6,114,079	6,853,869	(8,383,237)	4,584,711
Totals	\$ 133,812,252	\$ 6,456,142	\$ (8,236,875)	\$ 132,031,519
	January 1, 2019	Additions	Reductions	December 31, 2019
Plant Balances				
Electric distribution	\$ 64,204,692	\$ 5,482,262	\$ (1,994,235)	\$ 67,692,719
Water distribution	116,378,593	4,138,345	(385,808)	120,131,130
General plant	16,513,294	2,787,341	(850,492)	18,450,143
Total	197,096,579	12,407,948	(3,230,535)	206,273,992
Accumulated Depreciation				
Electric distribution	(19,488,505)	(2,159,666)	2,193,875	(19,454,296)
Water distribution	(44,232,073)	(4,423,754)	385,973	(48,269,854)
General plant	(10,372,265)	(1,199,000)	719,596	(10,851,669)
Total	(74,092,843)	(7,782,420)	3,299,444	(78,575,819)
Plant Sub-Total				
Electric distribution	44,716,187	3,322,596	199,640	48,238,423
Water distribution	72,146,520	(285,409)	165	71,861,276
General plant	6,141,029	1,588,341	(130,896)	7,598,474
Total	123,003,736	4,625,528	68,909	127,698,173
Construction work in progress	7,169,814	10,013,133	(11,068,868)	6,114,079
Totals	\$ 130,173,550	\$ 14,638,661	\$ (10,999,959)	\$ 133,812,252

As of December 31, 2020 and 2019, the plant in service included land and land rights of \$3,318,346 which are not being depreciated.

A portion of the plant has been contributed to the District. When replacement is needed, the District replaces the contributed plant with District-financed plant.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 5 – LONG-TERM DEBT

Long-term debt consisted of the following at December 31, 2020:

	January 1, 2020	Additions	Reductions	December 31, 2020	Due within one year
Pension Obligation Bonds					
Electric, 2.47%					
due semi-annually to 2022	\$ 2,556,000	\$ -	\$ (978,000)	\$ 1,578,000	\$ 1,039,000
State Revolving Fund Loan –					
Water, 2.34%, due semi-annually					
beginning in 2006 to 2026	4,803,024	-	(692,489)	4,110,535	708,788
Special Tax Bonds – Mello					
Roos, 4.18%, due					
serially to 2032	8,793,600	-	(408,500)	8,385,100	444,800
Special Tax Bonds – Mello					
Roos, 3.25% to 5.8%,					
due serially to 2035 (net					
unamortized discounts of \$68,693)	13,171,620	-	(370,313)	12,801,307	420,000
Special Tax Bonds – Mello					
Roos, 3.50% to 5.30%,					
due serially to 2035 (net					
unamortized discounts of \$7,590)	16,091,892	-	(484,482)	15,607,410	530,000
Certificates of Participation –					
Water, 1.54%					
due serially to 2021					
refinanced in 2016	1,331,000	-	(667,000)	664,000	605,000
Certificates of Participation –					
Water, 2.00% to 4.00%,					
due serially to 2035 (net					
premiums of \$394,005)	12,266,023	-	(612,018)	11,654,005	664,000
Department of Water Resources,					
3.18%, due semiannually to					
2021, secured by real					
and personal property	445,491	-	(294,638)	150,854	150,854
Installment loan, 4.58%					
due serially to 2023	47,745	-	(22,803)	24,942	12,191
Totals	<u>\$ 59,506,395</u>	<u>\$ -</u>	<u>\$ (4,530,243)</u>	<u>\$ 54,976,153</u>	<u>\$ 4,574,633</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 5 – LONG-TERM DEBT (Continued)

Long-term debt consisted of the following at December 31, 2019:

	January 1, 2019	Additions	Reductions	December 31, 2019	Due within one year
Pension Obligation Bonds					
Electric, 2.47% due semi-annually to 2022	\$ 3,476,000	\$ -	\$ (920,000)	\$ 2,556,000	\$ 978,000
State Revolving Fund Loan –					
Water, 2.34%, due semi-annually beginning in 2006 to 2026	5,479,589	-	(676,565)	4,803,024	692,489
Special Tax Bonds – Mello					
Roos, 4.18%, due serially to 2032	9,164,800	-	(371,200)	8,793,600	408,500
Special Tax Bonds – Mello					
Roos, 3.25% to 5.8%, due serially to 2035 (net unamortized discounts of \$73,380)	13,556,933	-	(385,313)	13,171,620	375,000
Special Tax Bonds – Mello					
Roos, 3.50% to 5.30%, due serially to 2035 (net unamortized discounts of \$8,108)	16,606,374	-	(514,482)	16,091,892	485,000
Certificates of Participation –					
Water, 4.00% to 5.00% due serially to 2021 refinanced in 2016	1,990,000	-	(659,000)	1,331,000	667,000
Certificates of Participation –					
Water, 2.00% to 4.00%, due serially to 2035 (net premiums of \$421,023)	12,858,041	-	(592,018)	12,266,023	585,000
Department of Water Resources, 3.18%, due semiannually to 2021, secured by real and personal property	731,001	-	(285,510)	445,491	294,638
Installment loan, 4.58% due serially to 2023	47,745	-	-	47,745	22,803
Totals	<u>\$ 63,910,483</u>	<u>\$ -</u>	<u>\$ (4,404,088)</u>	<u>\$ 59,506,395</u>	<u>\$ 4,508,430</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 5 – LONG-TERM DEBT (Continued)

During April 2004, the District obtained financing in the form of a State Revolving Fund Loan, the proceeds of which were utilized in the replacement of the Donner Lake water system. The District submitted expenditures to the State for reimbursement of \$12,732,965. The semi-annual principal and interest payments are \$400,426 and commenced in 2006. In 2004, the remaining balance of \$12,227,122 was used to pay off the temporary lines of credit obtained in 2001 and 2002 to fund the Donner Lake project. (See note 8).

During December 2003, the Old Greenwood Community Facilities District issued \$12,445,000 of Special Tax Bonds, the net proceeds of which were utilized to finance various public improvements for property within Old Greenwood. (See note 7). The terms of the Special Tax Bonds call for debt service payments to be provided solely by taxes levied on and collected from the owners of the taxable land within Old Greenwood. The bonds are secured by land located within Old Greenwood.

In January 2014, the original 2003 bonds issued for the Old Greenwood Community Facilities District were refunded (refinanced) by issuing 2014 bonds to a private investment firm at a lower rate, saving the property owners in Old Greenwood over \$3 million over the term of the bonds. The 2014 bonds did not require a reserve fund. Therefore the reserve fund of the 2003 bonds was utilized to reduce the principal. The 2014 bonds have similar terms and have the same rate and method of apportionment for the Old Greenwood parcel owners as the original 2003 bonds.

During 2005 and 2004 respectively, the Gray's Crossing Community Facilities District issued \$15,375,000 and \$19,155,000 of Special Tax Bonds, the net proceeds of which were utilized to finance various public improvements for property within Gray's Crossing. (See note 7). The terms of the Special Tax Bonds call for debt service payments to be provided solely by taxes levied on and collected from the owners of the taxable land within Gray's Crossing. The bonds are secured by land located within Gray's Crossing.

On October 12, 2006, through the Truckee Donner Public Utility District Financing Corporation on behalf of the District issued \$26,570,000 of Certificates of Participation to refund 100% of the outstanding balance of Certificates issued in 1996, complete the funding of the Donner Lake Assessment District water system, and fund water system capital improvements. The refunding portion of the 2006 COP's, totaling \$8,465,000, has an average interest rate of 4.10%. The refunded 1996 COP's had an average interest rate of 5.41%. The net proceeds of \$7,500,557 (after payment of \$63,733 in underwriting fees, insurance and other issuance costs) plus an additional \$1,315,194 of reserve fund monies were used to prepay the outstanding debt service requirements on the 1996 COP's. The terms of the Certificates call for payments to be made only from the net revenues of the Water Division and the debt is secured by this revenue. These revenues are required to be at least equal to 125% of the debt service for each year.

In 2015, a portion of the 2006 COP was refunded. Since a portion of the 2006 COP was used for advance refunding of previous COP, that portion could not be advance refunded at the time of the refunding. The new 2015 refunding did not require a reserve fund. The reserve fund was liquidated and applied towards reducing the debt principal. The estimated net present value savings were \$1,600,000 or 10% over the remaining life of issuance.

In 2016, the remaining portion of the 2006 COP was refunded. Due to the refunding an estimated net present value savings of \$222,000 was achieved.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 5 – LONG-TERM DEBT (Continued)

Under the Safe Drinking Water Bond Law of 1986, the Department of Water Resources provided a \$5,000,000 loan to the District in 1993. The loan was to finance capital improvements to the public water supply and to reduce water quality hazards. The terms of the loan call for payments to be made only from the net revenues of the Water Division, which are required to be sufficient to pay the debt service for each year.

In June 2011, the District refunded (refinanced) an existing \$7.8 million pension side fund obligation for its participation in CalPERS. Prior to 2011, the annual side fund payments were expensed and described in the Notes to Financial Statements. The pension side fund liability was amortized through June 2022 with a 7.75% rate. This liability was not required to be reported on the District's Statement of Net Position, but the future pension expense was included in budget and rate calculations. The new refunding rate of 5% reduced the District's annual pension costs by almost \$100,000 through 2022. In 2016, the District refunded the pension side fund again earning the District annual savings of \$30,000 or \$164,000 in total.

As a normal part of its operations, the District finances the acquisition of certain assets through the use of installment loans. These loans have been used to finance the purchase of vehicles, equipment, and certain water system improvements. There were no additional installment loans in 2020 or in 2019.

Scheduled payments on debt are:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 4,574,633	\$ 2,479,049	\$ 7,053,682
2022	3,441,721	2,331,982	5,773,703
2023	3,075,746	2,205,289	5,281,035
2024	3,280,323	2,076,955	5,357,278
2025	3,889,807	8,207,185	12,096,992
2026-2030	16,876,100	3,894,715	20,770,815
2031-2035	19,520,100	186,265	19,706,365
	<u>\$ 54,658,430</u>	<u>\$ 21,381,440</u>	<u>\$ 76,039,870</u>
Plus: Unamortized premiums	394,005		
Less: Unamortized discounts	(76,282)		
	<u>\$ 54,976,153</u>		

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 6 – UNEARNED REVENUES

Transactions that have not yet met revenue recognition requirements are recorded as a non-current liability and reflected in the accompanying Statement of Net Position. As of December 31, 2020 and 2019, unearned revenues consist of unearned special assessment revenues, development agreement deposits, connection fees, and other deposits.

Unearned revenues consisted of the following at December 31, 2020 and 2019:

	January 1, 2020	Additions	Reductions	December 31, 2020
Unearned tax revenues	\$ 1,677,418	\$ 1,727,290	\$ (1,706,805)	\$ 1,697,903
Development agreement deposits	3,210,661	907,627	(233,369)	3,884,919
Connection fees and other deposits	1,364,626	1,405,210	(1,507,551)	1,262,285
Totals	\$ 6,252,705	\$ 4,040,127	\$ (3,447,725)	\$ 6,845,107

	January 1, 2019	Additions	Reductions	December 31, 2019
Unearned tax revenues	\$ 1,614,691	\$ 1,706,804	\$ (1,644,077)	\$ 1,677,418
Development agreement deposits	3,727,796	2,051,670	(2,568,805)	3,210,661
Connection fees and other deposits	1,227,145	1,612,713	(1,475,232)	1,364,626
Totals	\$ 6,569,632	\$ 5,371,187	\$ (5,688,114)	\$ 6,252,705

NOTE 7 – COMMUNITY FACILITIES DISTRICTS

In order to finance various public improvements needed to develop property within the Town of Truckee, California, the District formed Community Facilities Districts (CFD), which issued Special Tax Bonds pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. Accordingly, the Bonds are special obligations of the respective Community Facilities Districts and are payable solely from revenues derived from taxes levied on and collected from the owners of the taxable land within the respective Community Facilities Districts. These Special Tax Bonds are not general or special obligations of the District. The Board of Directors of the District is the legislative body of the Communities Facilities Districts and as such they approve the rates and method of apportionment of the special taxes. As improvements were completed, the infrastructure was donated in the form of a capital contribution to the Town of Truckee, the Truckee Sanitary District, Southwest Gas, and the District.

In December 2003, the Community Facilities District No. 03-1 (Old Greenwood) was formed and issued \$12,445,000 in Special Tax Bonds (the 03-1 Bonds). In January 2014, the original 2003 bonds were refunded (refinanced) by issuing 2014 bonds to a private investment firm at a lower rate, saving the property owners in Old Greenwood over \$3 million over the term of the bonds. The 2014 bonds have similar terms and have the same rate and method of apportionment for the Old Greenwood parcel owners as the original 2003 bonds.

During 2020 and 2019 respectively, taxes of \$790,384 and \$775,524 were levied by Old Greenwood. Of these amounts, \$395,192 and \$387,762 relate to 2020 and 2019 respectively, and accordingly are included in tax revenues in the accompanying Statement of Revenues, Expenses, and Changes in Net Position. The remaining amount will be recognized in future periods and are included in unearned revenues on the accompanying Statement of Net Position.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 7 – COMMUNITY FACILITIES DISTRICTS (Continued)

In September 2004, the Community Facilities District No. 04-1 (Gray's Crossing) was formed and issued \$15,375,000 in Special Tax Bonds (the 04-1 Bonds). In 2005, an additional \$19,155,000 (2005 Series) in Special Tax Bonds was issued for the Gray's Crossing CFD. During the county tax roll for 2020 and 2019, taxes of \$2,605,427 and \$2,579,317 respectively were levied by Gray's Crossing. Of this amount, \$1,302,713 and \$1,298,658 relate to 2020 and 2019 respectively, and accordingly, are included in tax revenues. The remaining levied amount through the county tax roll will be recognized in future periods and is included in unearned revenues on the accompanying Statement of Net Position.

Due to consistently high tax levy payment delinquencies, the Gray's Crossing made unscheduled reserve fund draws to fund debt payments of \$132,640 and \$238,694, for 2020 and 2019 respectively. Gray's Crossing Reserve Fund balance as of year-end December 31 was \$2,536,011 and \$2,654,709, for 2020 and 2019 respectively.

The official statements and continuing disclosures may be viewed on the web site of Electronic Municipal Market Access (EMMA) of the Municipal Securities Rulemaking Board (MSRB), <http://emma.msrb.org/>. The Committee on Uniform Securities Identification Procedures number (CUSIP) for these special tax bonds is CUSIP 897817.

NOTE 8 – DONNER LAKE WATER COMPANY ACQUISITION

In 2001, the District acquired the Donner Lake Water Company by initiating an eminent domain lawsuit. As a part of the takeover, the District replaced the entire water system, which cost approximately \$15.6 million and was completed in 2006. The District initially estimated the replacement cost to be \$13 million. The Donner Lake property owners agreed to reimburse the District for the full costs of the replacement. Therefore, an assessment was placed on each Donner Lake homeowner's property for a pro-rata share of the \$13 million payable immediately or with an option to pay over 20 years. The assessment is collected by Nevada County and Placer County on behalf of the District and is secured by the Donner Lake property owners. A monthly \$6.65 water system upgrade surcharge is paid by the Donner Lake customers to reimburse the District for the \$2.6 million cost incurred in excess of the assessment.

In April 2004, the District obtained financing in the form of a State Revolving Fund Loan for \$12,732,965 at a rate of 2.34%. The District is required to fund a reserve account by making semi-annual reserve payments in the amount of \$40,043 for a 10-year period. The reserve fund was fully funded as of December 31, 2016.

As of December 31, 2020 and 2019, the assessment receivable from the property owners was \$783,721 and \$1,562,702. These amounts are shown as Special Assessments Receivable in the Statement of Net Position. The proceeds of the assessment and surcharge are placed in the Donner Lake Special Assessment District Improvement Fund and used to pay the debt service for the water system improvements.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS

A. PENSION PLANS

Plan Description – All qualified permanent and probationary employees are eligible to participate in the District’s Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual costs of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefits is Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The 2.7% at 55 Miscellaneous Plan is closed to new entrants.

The plans’ provisions and benefits in effect at December 31, 2020 are summarized as follows:

Hire Date	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2% @ 62
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50 and Up	52 and Up
Monthly Benefits, as a % of eligible compensation	2.0% - 2.7%	1.0% to 2.5%
Required Employee Contributions Rates	8%	6.75%
Required Employer Contributions Rates	12.514%	6.985%

Contributions – Section 208149(c) of the California Public Employee’s Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Contributions shown below are for the fiscal year of July 1, 2019 through June 30, 2020.

Hire Date	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2% @ 62
2020 Employer Contributions	\$1,498,521	\$213,336
2019 Employer Contributions	\$1,248,232	\$160,568

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS

As of December 31, 2020, the District reported net pension liabilities for its proportionate shares of the net pension liability as follows:

Proportionate Share of Net Pension Liability	
Fiscal Year Ending	
<u>June 30, 2020</u>	<u>June 30, 2019</u>
\$14,023,172	\$12,872,646

The District's net pension liability is measured as a proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the Plan for the measurement date of June 30, 2020 and June 30, 2019 is as follows:

<u>Measurement Date</u>	Percentage Share of Risk Pool		<u>Change</u>
	<u>June 30, 2020</u>	<u>June 30, 2019</u>	
Percentage of Plan NPL	0.33245%	0.32145%	0.01100%

At December 31, 2020 and 2019 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 100,019
Differences between expected and actual experience	722,656	-
Differences between projected and actual investment earnings	416,581	-
Differences between employer's contributions and proportionate share of contributions	-	437,276
Change in employer's proportion	470,436	-
Pension contributions made subsequent to the measurement date	1,304,573	-
Total	\$ 2,914,246	\$ 537,295

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS *(Continued)*

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 396,231	\$ -
Differences between expected and actual experience	824,788	-
Differences between projected and actual investment earnings	-	225,054
Differences between employer's contributions and proportionate share of contributions	-	319,814
Change in employer's proportion	348,223	-
Pension contributions made subsequent to the measurement date	780,764	-
Total	\$ 2,350,006	\$ 544,868

\$1,304,573 is reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31	Amount
2021	\$162,936
2022	400,786
2023	308,852
2024	199,804
	\$1,072,378

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS (*Continued*)

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous 2020
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality (1)	Derived using CalPERS membership data for all funds

(1) The mortality table used was developed based on CalPERS' specific data. The Table includes 15 years of mortality improvements using 90 percent of Scale MP 2016 published by the Society of Actuaries. For more details on this table, please refer to the 2017 experience study report.

All underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2019 valuation were based on results of a December 2017 CalPERS Experience Study and Review of Actuarial Assumptions. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate - The discount rate used to measure the total pension liability as of June 30, 2020 was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate used is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

B. PENSION LIABILITIES, PENSION EXPENSES AND DEFERRED OUTFLOWS/INFLOWS OF RESOURCES RELATED TO PENSIONS *(Continued)*

(first 10 years) and the long term (11 + years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown below was adopted by CalPERS’ Board effective on July 1, 2018.

Asset Class	New Strategic Allocation
Global Equity	50.0%
Private Equity	8.0%
Fixed Income	28.0%
Real Assets	13.0%
Liquidity	1.0%
Total	100.0%

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

Miscellaneous	
Measurement Date	June 30,2020
1% Decrease	6.15%
Net Pension Liability	\$21,690,021
Current Discount Rate	7.15%
Net Pension Liability	\$14,023,172
1% Increase	8.15%
Net Pension Liability	\$7,688,295

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

C. PAYABLE TO THE PENSION PLAN

At December 31, 2020 and 2019 respectively the District did not report a payable for outstanding required contributions to the pension plan

D. DEFERRED COMPENSATION PLAN

The District maintains two deferred compensation plans: a 401(a) and a 457 plan, (the Plans) for certain qualified employees. The District matches 6.78% of eligible employee contributions. In 2020 the total match was \$195,156 compared to \$162,913 in 2019. The District has no liability for losses under the Plans, but does have the duty of due care that would be required of an ordinary prudent investor. The District has not reflected the Plans' assets and corresponding liabilities (if any) on the accompanying Statement of Net Position.

E. OTHER POST EMPLOYMENT BENEFITS (OPEB)

General Information - As discussed in Note 1, beginning with the year ended December 31, 2018, the District adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The District's retiree Benefits Plan (the Plan) recognizes benefit payments when due and payable in accordance with the benefit terms. The Plan's fiduciary net position has been determined on the same basis as is reported by the Plan in calculating the fiduciary net position (Net OPEB Liability), deferred outflows of resources and deferred inflows of resource and associated OPEB expense.

The District administers a single-employer defined-benefit post-employment healthcare plan. Dependents are eligible to enroll.

Benefits Provided – Retirees are eligible for a District contribution towards premiums for the retiree health plans(s) if they have 10+ years of District service. The maximum District contribution is based on years of service. The Retiree is eligible for 50% of the following maximums, with a minimum of 10 years of service, plus 5% for each year of service over 10 years: \$475 per person enrolled in the plan, if not eligible for Medicare, and \$375 per person enrolled, if eligible for Medicare.

Employees Covered – At December 31, 2019 (the valuation date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Active Employees	64
Inactive Empoloyes, spouses, or beneficiaries currently receiving payments(s)	65
Inactive employees entitled to but not yet receiving benefit payment(s)	-
Total	<u>129</u>

Contributions – The District pays benefits as they come due and contributes additionally to the Trust annually. The District's annual contribution to the Trust as of December 31, 2020 and 2019 was \$110,006 and \$100,000, respectively.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability – The District's net OPEB liability was measured as of December 31, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019.

Actuarial Assumptions

The total OPEB Liability in the December 31, 2019 measurement was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation: 2.50%

Salary Increases: Base salary increases in year one: 2.750%. Additional merit-based increases based on CalPERS.

Investment Rate of Return: 7.33%

Healthcare cost trend rates: 7.00% in the first year, trending down to 4.04% over 55 years

Mortality Rates: Based on CalPERS tables

The discount rate used to measure the total OPEB liability was 7.33%. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Changes in the Net OPEB Liability – The changes in the net OPEB liability for the Plan are as follows:

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c) = (a) -(b)
Balance as of Report Date December 31, 2019	\$ 6,473,886	\$ 2,145,534	\$ 4,328,352
Changes for the year:			
Service Cost	168,811	-	168,811
Interest	476,373	-	476,373
Differences between Expected and Actual Experience	1,814,336	-	1,814,336
Changes of Assumptions	306,886		306,886
Contributions			-
Employer - District's Contribution	-	376,674	(376,674)
Employer - Implicit Subsidy	-	270,562	(270,562)
Net Investment Income	-	473,144	(473,144)
Benefit Payments	(276,678)	(276,678)	-
Implicit Rate Subsidy Credit	(270,562)	(270,562)	-
Administrative Expenses	-	(1,209)	1,209
Net Changes	2,219,166	571,931	1,647,235
Balance as of Report Date December 31, 2020	\$ 8,693,052	\$ 2,717,465	\$ 5,975,587

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

	Increases (Decreases)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c) = (a) - (b)
Balance as of Report Date December 31, 2018	\$ 6,615,140	\$ 2,206,411	\$ 4,408,729
Changes for the year:			
Service Cost	178,856	-	178,856
Interest	457,563	-	457,563
Differences between Expected and Actual Experience	(29,828)	-	(29,828)
Changes of Assumptions	(233,084)		(233,084)
Contributions	-	-	-
Employer - District's Contribution	-	294,698	(294,698)
Employer - Implicit Subsidy	-	270,061	(270,061)
Net Investment Income	-	(110,318)	110,318
Benefit Payments	(244,700)	(244,700)	
Implicit Rate Subsidy Credit	(270,061)	(270,061)	-
Administrative Expenses	-	(557)	557
Net Changes	(141,254)	(60,877)	(80,377)
Balance as of Report Date December 31, 2019	\$ 6,473,886	\$ 2,145,534	\$ 4,328,352

Sensitivity of the net OPEB liability to changes in the discount rate - The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.33%) or one percentage point higher (8.33%) is as follows:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	6.33%	7.33%	8.33%
Net OPEB Liability	\$ 6,700,987	\$ 5,975,587	\$ 5,341,808

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.00%) or one percentage point higher (8.00%) than current healthcare cost trend rates is as follows:

	<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
	6.00%	7.00%	8.00%
	Decreasing to	Decreasing to	Decreasing to
	3.04%	4.04%	5.04%
Net OPEB Liability	\$5,560,334	\$5,975,587	\$6,448,417

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

OPEB Plan Fiduciary Net Position – CERBT issues a publicly available financial report for the overall OPEB plan’s fiduciary net position which may be obtained from CalPERS at PO Box 942709, Sacramento, Ca. 94229-2709.

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB – For the year ended December 31, 2020, the District recognized an OPEB expense of \$390,679. At December 31, 2020 and 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the follow sources:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,622,453	\$ 21,304
Changes of assumptions	261,082	232,745
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	77,526
District contributions made subsequent to the measurement date	938,683	-
Total	\$ 2,822,218	\$ 331,575

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ 25,566
Changes of assumptions	-	279,294
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	212,101	-
District contributions made subsequent to the measurement date	388,162	-
Total	\$ 600,263	\$ 304,860

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 9 – EMPLOYEE BENEFIT PLANS (Continued)

E. OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

The \$938,683 reported as deferred outflows of resources related to contributions subsequent to the December 31, 2019 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended	
<u>December 31</u>	<u>Amount</u>
2021	\$272,331
2022	\$272,335
2023	\$276,098
2024	\$220,250
2025	\$279,641
remaining	<u>\$231,305</u>
	\$1,551,960

NOTE 10 – SELF FUNDED INSURANCE

The District has a self-funded vision insurance program and claims were processed by and on behalf of the District. The District did not maintain a claim liability; rather claims were expensed as paid. The amount of claims paid for each of the past three years have not been material.

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TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 11 – SEGMENT DISCLOSURE

The District has issued revenue bonds to finance electric and water distribution facilities. The District also issued special tax bonds secured by tax revenues from Mello-Roos Community Facilities Districts. Each project has an external requirement to be reported separately, and investors in the revenue bonds and special tax bonds rely solely on the revenue generated by the individual projects for repayment. Summary financial information for each project is presented on the following pages for the years ending December 31, 2020 and 2019.

STATEMENT OF NET POSITION

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	December 31, 2020					
	Electric	Water	Gray's Crossing	Old Greenwood	Eliminations	Grand Total
	Current assets	\$ 31,018,878	\$ 12,283,958	\$ 9,270,967	\$ 1,119,867	\$ (53,323)
Non-current assets:						
Capital assets, net	59,492,672	72,538,847	-	-	-	132,031,519
Restricted assets	-	2,458,014	-	-	-	2,458,014
Other long term assets	186,693	-	-	-	-	186,693
Total Noncurrent Assets	59,679,365	74,996,861	-	-	-	134,676,226
Deferred outflows of resources						
Pension	1,748,548	1,165,698	-	-	-	2,914,246
OPEB	1,693,331	1,128,887	-	-	-	2,822,218
Unamortized loss on refunding	-	478,372	-	-	-	478,372
Unamortized redemption premium	40,891	-	-	-	-	40,891
Total Deferred Outflows of Resources	3,482,770	2,772,957	-	-	-	6,255,727
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 94,181,013	\$ 90,053,776	\$ 9,270,967	\$ 1,119,867	\$ (53,323)	\$ 194,572,300
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities	\$ 4,995,944	\$ 2,793,029	\$ 1,471,533	\$ 614,955	\$ (53,323)	\$ 9,822,138
Non-current Liabilities						
Long-term debt, net of current portion	551,751	14,450,752	27,458,717	7,940,300	-	50,401,520
Net pension liability	8,413,903	5,609,269	-	-	-	14,023,172
OPEB liability	3,585,352	2,390,235	-	-	-	5,975,587
Unearned revenues	3,996,087	1,151,117	1,302,713	395,190	-	6,845,107
Total Noncurrent Liabilities	16,547,093	23,601,373	28,761,430	8,335,490	-	77,245,386
Total Liabilities	21,543,037	26,394,402	30,232,963	8,950,445	(53,323)	87,067,524
Deferred inflows of resources						
Pension	322,377	214,918	-	-	-	537,295
OPEB	198,945	132,630	-	-	-	331,575
Total Deferred Inflows of Resources	521,322	347,548	-	-	-	868,870
Net Position						
Net investment in capital assets	57,914,672	56,437,825	(28,408,717)	(8,385,100)	-	77,558,680
Restricted for debt service	2,354,515	6,273,747	2,811,651	-	-	11,439,913
Unrestricted	11,847,467	600,254	4,635,070	554,522	-	17,637,313
Total Net Position	72,116,654	63,311,826	(20,961,996)	(7,830,578)	-	106,635,906
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 94,181,013	\$ 90,053,776	\$ 9,270,967	\$ 1,119,867	\$ (53,323)	\$ 194,572,300

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 11 – SEGMENT DISCLOSURE (Continued)

	December 31, 2019					
	Electric	Water	Gray's Crossing	Old Greenwood	Eliminations	Grand Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current assets	\$ 27,392,285	\$ 10,812,929	\$ 9,297,427	\$ 1,046,154	\$ (3,822)	\$ 48,544,973
Non-current assets:						
Capital assets, net	58,755,925	75,056,327	-	-	-	133,812,252
Restricted assets	-	1,730,450	-	-	-	1,730,450
Other long-term assets	248,925	1,562,702	-	-	-	1,811,627
Total Noncurrent Assets	59,004,850	78,349,479	-	-	-	137,354,329
Deferred outflows of resources						
Pension	1,410,003	940,003	-	-	-	2,350,006
OPEB	360,158	240,105	-	-	-	600,263
Unamortized loss on refunding	-	511,174	-	-	-	511,174
Unamortized redemption premium	68,152	-	-	-	-	68,152
	1,838,313	1,691,282	-	-	-	3,529,595
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 88,235,448	\$ 90,853,690	\$ 9,297,427	\$ 1,046,154	\$ (3,822)	\$ 189,428,897
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities	\$ 5,083,892	\$ 2,838,642	\$ 1,402,690	\$ 531,024	\$ (3,822)	\$ 9,852,426
Non-current Liabilities						
Long-term debt, net of current portion	1,602,942	16,606,411	28,403,512	8,385,100	-	54,997,965
Net pension liability	7,723,588	5,149,058	-	-	-	12,872,646
OPEB liability	2,597,011	1,731,341	-	-	-	4,328,352
Unearned revenues	3,431,825	1,143,462	1,289,656	387,762	-	6,252,705
Total Noncurrent Liabilities	15,355,366	24,630,272	29,693,168	8,772,862	-	78,451,668
Total Liabilities	20,439,258	27,468,914	31,095,858	9,303,886	(3,822)	88,304,094
Deferred inflows of resources						
Pension	326,921	217,947	-	-	-	544,868
OPEB	182,916	121,944	-	-	-	304,860
Total Deferred Inflows of Resources	509,837	339,891	-	-	-	849,728
Net Position						
Net investment in capital assets	56,177,122	56,721,963	(29,263,512)	(8,793,600)	-	74,841,973
Restricted for debt service	2,455,343	5,803,021	2,794,303	-	-	11,052,667
Unrestricted	8,653,888	519,901	4,670,778	535,868	-	14,380,435
Total Net Position	67,286,353	63,044,885	(21,798,431)	(8,257,732)	-	100,275,075
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 88,235,448	\$ 90,853,690	\$ 9,297,427	\$ 1,046,154	\$ (3,822)	\$ 189,428,897

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 11 – SEGMENT DISCLOSURE (Continued)

STATEMENTS OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION

	Year ended December 31, 2020					
	Electric	Water	Gray's		Eliminations	Grand Total
			Crossing	Greenwood		
Operating Revenues						
Sales to consumers	\$ 25,451,966	\$ 13,536,058	\$ -	\$ -	\$ -	\$ 38,988,024
Other operating revenues	4,019,447	470,799	-	-	(1,736,243)	2,754,003
Operating expenses	(23,009,999)	(9,598,557)	-	-	1,736,243	(30,872,313)
Depreciation	(3,012,752)	(4,962,116)	-	-	-	(7,974,868)
Non-operating revenues (expenses)	312,226	(153,625)	836,435	427,154	-	1,422,190
Income (loss) before capital & other contributions	3,760,888	(707,441)	836,435	427,154	-	4,317,036
Capital contributions, net	1,069,413	974,382	-	-	-	2,043,795
CHANGE IN NET POSITION	4,830,301	266,941	836,435	427,154	-	6,360,831
Net Position, Beginning	67,286,353	63,044,885	(21,798,431)	(8,257,732)	-	100,275,075
NET POSITION, ENDING	\$ 72,116,654	\$ 63,311,826	\$ (20,961,996)	\$ (7,830,578)	\$ -	\$ 106,635,906

	Year ended December 31, 2019					
	Electric	Water	Gray's		Eliminations	Grand Total
			Crossing	Greenwood		
Operating Revenues						
Sales to consumers	\$ 24,239,706	\$ 12,789,947	\$ -	\$ -	\$ -	\$ 37,029,653
Other operating revenues	3,568,272	417,479	-	-	(1,681,833)	2,303,918
Operating expenses	(21,093,225)	(9,552,319)	-	-	1,681,833	(28,963,711)
Depreciation	(2,893,711)	(4,526,540)	-	-	-	(7,420,251)
Non-operating revenues (expenses)	572,803	(266,838)	1,071,715	350,808	-	1,728,488
Income (loss) before capital & other contributions	4,393,845	(1,138,271)	1,071,715	350,808	-	4,678,097
Capital contributions, net	2,472,463	2,210,636	-	-	-	4,683,099
CHANGE IN NET POSITION	6,866,308	1,072,365	1,071,715	350,808	-	9,361,196
Net Position, Beginning	60,420,045	61,972,520	(22,870,146)	(8,608,540)	-	90,913,879
NET POSITION, ENDING	\$ 67,286,353	\$ 63,044,885	\$ (21,798,431)	\$ (8,257,732)	\$ -	\$ 100,275,075

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 11 – SEGMENT DISCLOSURE (Continued)

STATEMENTS OF CASH FLOWS

	Year ended December 31, 2020					
	Electric	Water	Gray's	Old	Eliminations	Grand Total
			Crossing	Greenwood		
NET CASH PROVIDED BY (USED IN)						
Operating activities	\$ 6,300,565	\$ 4,120,639	\$ (3,821)	\$ 53,322	\$ -	\$ 10,470,705
Noncapital financing activities	(1,057,897)	-	-	-	-	(1,057,897)
Capital and related financing activities	(2,694,747)	(3,080,659)	(131,911)	3,679	-	(5,903,638)
Investing activities	312,748	212,708	33,708	6,684	-	565,848
Net increase (decrease) in cash and cash equivalents	2,860,669	1,252,688	(102,024)	63,685	-	4,075,018
Cash and Cash Equivalents, Beginning	23,175,596	8,712,363	2,772,301	248,210	-	34,908,470
CASH AND CASH EQUIVALENTS, ENDING	\$ 26,036,265	\$ 9,965,051	\$ 2,670,277	\$ 311,895	\$ -	\$ 38,983,488
	Year ended December 31, 2019					
	Electric	Water	Gray's	Old	Eliminations	Grand Total
			Crossing	Greenwood		
NET CASH PROVIDED BY (USED IN)						
Operating activities	\$ 8,270,006	\$ 4,073,587	\$ 3,822	\$ -	\$ -	\$ 12,347,415
Noncapital financing activities	(1,000,177)	-	-	-	-	(1,000,177)
Capital and related financing activities	(6,146,527)	(3,088,182)	(281,398)	(55,551)	-	(9,571,658)
Investing activities	499,432	343,857	72,287	10,795	-	926,371
Net increase (decrease) in cash and cash equivalents	1,622,734	1,329,262	(205,289)	(44,756)	-	2,701,951
Cash and Cash Equivalents, Beginning	21,552,862	7,383,101	2,977,590	292,966	-	32,206,519
CASH AND CASH EQUIVALENTS, ENDING	\$ 23,175,596	\$ 8,712,363	\$ 2,772,301	\$ 248,210	\$ -	\$ 34,908,470

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 12 – MARTIS VALLEY GROUNDWATER MANAGEMENT EFFORTS

The Martis Valley aquifer underlies about 35,000 acres in both Placer and Nevada counties, near the Town of Truckee. It is the main groundwater supply for numerous public and private entities. This area has seen significant growth in the last few decades with more planned for the future. Maintaining an adequate water supply and protecting water quality are critical for the region's future.

The Truckee Donner Public Utility District (TDPUD), Northstar Community Services District (NCSD) and Placer County Water Agency (PCWA) are the three primary public water agencies with jurisdiction in the Martis Valley Groundwater Basin (MVGB). Together, the TDPUD, NCSD and PCWA (Partnership Agencies) partnered to submit a Groundwater Management Plan and to help develop a groundwater model for the Martis Valley basin.

The Martis Valley Groundwater Management Plan (GMP) was prepared in 2013 to reflect current water resources planning in the region and to incorporate the latest information and understanding of the underlying groundwater basin. This collaborative effort provided the guidance necessary to align groundwater policy. In addition to the GMP, a computer model of the groundwater basin was developed by the Desert Research Institute, which incorporated available data and enhanced understanding of the groundwater basin. A climate change modeling component out to the end of the century was part of the overall Federal study effort.

Partner agencies each adopted the GMP in February 2012 and the model and associated report was completed in 2015. The total cost of the project was approximately \$1,000,000, which includes federal funding of approximately \$500,000 from the U.S. Bureau of Reclamation and \$250,000 from the Lawrence Livermore National Laboratory; and contributions of \$150,000 from TDPUD and \$100,000 from the other members of the Partnership Agencies.

In mid-2016, the California Sustainable Groundwater Management Act of 2014 (SGMA) took effect for which the District was the submitting agency of a SGMA Alternate Submittal in December, 2016 on behalf of the Town of Truckee, Placer County, Nevada County, PCWA, and Northstar CSD (Local SGMA Agencies). The SGMA Alternative Submittal was intended to comply with the new regulations. There was an adopted MOA amongst the six local agencies for this compliance project which covers the time period for preparation of the SGMA Alternative Submittal, possible conditional acceptance of the plan by DWR, and submittal of a first-year annual report. DWR had two years by statute to review the SGMA Alternative Submittal.

In 2018, DWR was required to undergo groundwater basin prioritization which is the basis for compliance obligation for SGMA. The MVGB had previously been prioritized as medium priority. DWR's final Determination was to re-prioritize MVGB to low priority. This was a significant act that resulted in a direct reduction in regulatory burden and future regulatory costs that would be required for groundwater management. To ensure continued stewardship and management of the MVGB, the District and its local partners have agreed to return to the 2013 GMP framework which was never fully implemented due to SGMA. There was a kick-off meeting for the GMP in 2019 and the three local water agencies have hired a hydrogeologic consultant to prepare the first annual report as required by the GMP. The consultant's report was presented to the GMP Stakeholder Working Group at the annual meeting in the summer of 2020.

NOTE 13 – CLAIMS AND JUDGMENTS

From time to time, the utility is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the utility's legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the utility's financial position or results of operations.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

NOTE 14 – RISK MANAGEMENT

The utility is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. These risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial liability in any of the past three years. There were no significant reductions in coverage compared to the prior year.

On March 11, 2020, the World Health Cooperative assessed the novel coronavirus (COVID-19) outbreak and characterized it as a pandemic. Subsequent to the declaration of a pandemic, a variety of federal, state and local governments have taken actions in response to the pandemic, which have ranged by jurisdiction, and the pandemic resulted in a variety of negative economic consequences. To date, the pandemic's resulting impact to the District has not been material. Future potential negative financial impacts to the District related to the pandemic cannot be accurately estimated, however, based on current trends the impact is not forecasted to be material.

NOTE 15 – SUBSEQUENT EVENT

Subsequent to year end, on June 2, 2021 the Board of Directors approved the early extinguishment of the Donner Lake Assessment District related State Revolving Fund Loan debt on July 1, 2021 in the amount of \$3.8 million, saving \$202,000 in interest expense compared to scheduled loan pay down through 1/1/2026. The District has accumulated sufficient restricted cash funds available to make this early loan pay off due to the March 2021 maturity of a long-term investment made in 2007 related to the Donner Lake Assessment District restricted funds, as well as, the timing of assessments in advance of scheduled loan payments.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NOTES TO FINANCIAL STATEMENTS

December 31, 2020 and 2019

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REQUIRED SUPPLEMENTARY INFORMATION

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020 and 2019

COST SHARING DEFINED BENEFIT PENSION PLANS

Schedule of the District's Proportionate Share of the Net Pension Liability

Cost Sharing Defined Benefit Plans

As of June 30

Last Ten Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Portion of Net Pension Liability	0.33245%	0.32145%	0.31157%	0.30379%	0.29837%	0.29209%	0.09982%
Proportionate Share of The Net Pension Liability	\$14,023,172	\$12,872,646	\$11,742,137	\$11,975,655	\$10,250,329	\$8,013,400	\$6,210,985
Covered - Employee Payroll	\$7,619,022	\$7,602,120	\$7,375,933	\$7,108,563	\$6,670,248	\$6,162,431	\$6,278,545
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	184.05%	169.33%	159.20%	168.47%	153.67%	130.04%	98.92%
Plan's Fiduciary Net Position	\$43,589,560	\$40,367,745	\$29,308,590	\$27,244,095	\$30,950,578	\$30,725,516	\$30,386,101
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	75.66%	75.82%	75.26%	73.31%	75.12%	79.31%	89.17%

* Fiscal year 2014 was the 1st year of implementation, therefore only seven years are shown

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020 and 2019

COST SHARING DEFINED BENEFIT PENSION PLANS - CONTINUED

	Schedule of Contributions						
	Cost Sharing Defined Benefit Plans						
	December 31						
	Last Ten Years*						
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution (Actuarially Determined)	\$1,711,857	\$1,408,800	\$1,246,476	\$1,138,758	\$1,011,908	\$950,147	\$943,118
Contributions in Relation to the Actuarially Determined Contributions	<u>\$1,711,857</u>	<u>\$1,408,800</u>	<u>\$1,246,476</u>	<u>\$1,138,758</u>	<u>\$1,048,897</u>	<u>\$949,634</u>	<u>\$943,118</u>
Contribution deficiency (excess)	\$0	(\$0)	\$0	\$0	(\$36,989)	\$513	\$0
Covered - Employee Payroll	\$7,619,022	\$7,602,120	\$7,375,933	\$7,108,563	\$6,670,248	\$6,162,431	\$6,278,545
Contributions as a percentage of covered-employee payroll	22%	19%	17%	16%	16%	15%	15%

* Fiscal year 2014 was the 1st year of implementation, therefore only seven years are shown

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020 and 2019

Schedule of Changes in The District's Net OPEB Liability and Related Ratios

Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
Report Date:	December 31, 2020	December 31, 2019	December 31, 2018
<u>Total OPEB Liability</u>			
Service Cost	\$168,811	\$178,856	\$170,473
Interest	476,373	457,563	448,374
Changes in Benefit Terms	0	0	0
Differences Between Expected and Actual Experience	1,814,336	(29,828)	0
Changes of Assumptions	306,886	(233,084)	0
Benefit Payments	(276,678)	(244,700)	(214,280)
Implicit Rate Subsidy Credit	(270,562)	(270,061)	(254,930)
	<hr/>	<hr/>	<hr/>
Net Change in Total OPEB Liability	\$2,219,166	(\$141,254)	\$149,637
Total OPEB Liability - Beginning of Year	6,473,886	6,615,140	6,465,503
Total OPEB Liability - End of Year (a)	\$8,693,052	\$6,473,886	\$6,615,140
<u>Plan Fiduciary Net Position</u>			
Net Investment Income	\$473,144	(\$110,318)	\$167,459
Contributions			
Employer - District's Contribution	376,674	294,698	256,280
Employer - Implicity Subsidy	270,562	270,061	254,930
Benefit Payments, Including Refunds of Employee Contributions	(276,678)	(244,700)	(214,280)
Implicit Rate Subsidy Fulfilled	(270,562)	(270,061)	(254,930)
Administrative Expense	(1,209)	(557)	(519)
	<hr/>	<hr/>	<hr/>
Net Change in Plan Fiduciary Net Position	571,931	(60,877)	208,940
Plan Fiduciary Net Position - Beginning of Year	2,145,534	2,206,411	1,997,471
Plan Fiduciary Net Position - End of Year (b)	2,717,465	2,145,534	2,206,411
District's Net OPEB liability - End of Year = (a) -(b)	\$5,975,587	\$4,328,352	\$4,408,729
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	31.3%	33.1%	33.4%
Covered Employee Payroll	\$7,604,103	\$7,400,587	\$7,202,518
District's Net OPEB Liability as a Percentage of Covered-Employee Payroll	78.58%	58.49%	61.21%

Notes to Schedule: The District adopted GASB 75 for the fiscal Year Ending December 31,2018

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020 and 2019

Other Post Employment Benefits - Schedule of Investment Returns

	Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
	Report Date:	December 31, 2020	December 31, 2019	December 31, 2018
Annual Money-Weighted Rate of Return, Net of Investment Expense		21.56%	-4.94%	8.30%

The annual money-weighted rate of return, net of investment expenses, is the net investment income for the year divided by the average net position for the year (less investment expenses).

Notes to Schedule: The District adopted GASB 75 for the fiscal Year Ending December 31, 2018

Other Post Employment Benefits - Schedule of Contributions

	Measurement Date:	December 31, 2019	December 31, 2018	December 31, 2017
	Report Date:	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Actuarially Determined Contribution		\$532,225	\$614,761	\$569,210
Less: Actual Contributions		647,236	564,759	511,210
Contribution Deficiency (Excess)		<u>(\$115,011)</u>	<u>\$50,002</u>	<u>\$58,000</u>
Covered - Employee Payroll		\$7,604,103	\$7,400,587	\$7,202,518
Contributions as a Percentage of Covered-Employee Payroll		8.51%	7.63%	7.10%

Notes to Schedule: The District adopted GASB 75 for the fiscal Year Ending December 31, 2018

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2020 and 2019

Other Post Employment Benefits - Actuarial Assumptions

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2020 were from the December 21, 2019 valuation.

Methods and assumptions used to determine contributions:

Assumptions and Methods

Actuarial Cost Method	Entry age normal, level percent of pay
Amortization Method	Closed period, level percent of pay
Amortization Period	20 years
Inflation	2.50%
Assumed Payroll Growth Year 1	2.750%
Healthcare Trend Rates	7.00%, trending down to 4.04% over 55 years
Rate of Return on Assets	7.33%
Mortality Rate	CalPERS Rates utilizing the decrement table Mort and Disb Rates_PA Misc from the CalPERS OPEB assumption model revised May 14, 2018.
Retirement Rates	CalPERS Rates based on CalPERS assumption model revised May 14, 2018 for the periods 1997 through 2017.

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SUPPLEMENTARY INFORMATION

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2020

CONSOLIDATING STATEMENT OF NET POSITION – PAGE 1 OF 2

As of December 31, 2020

			Component Units		Eliminations	Totals
	Electric Operations	Water Operations	Gray's Crossing	Old Greenwood		
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
CURRENT ASSETS						
Funds						
Operating	\$ 11,441,611	\$ 3,105,078	\$ 130,547	\$ 311,895	\$ -	\$ 14,989,131
Designated	12,335,503	2,162,604	-	-	-	14,498,107
Restricted	2,355,089	4,764,951	2,539,730	-	-	9,659,770
Total Funds	26,132,203	10,032,633	2,670,277	311,895	-	39,147,008
Accounts receivable, net	1,497,143	771,965	6,595,971	803,881	(53,323)	9,615,637
Unbilled revenues	2,230,001	881,639	-	-	-	3,111,640
Accrued interest receivable	18,715	33,095	4,719	4,091	-	60,620
Materials and supplies	713,566	192,981	-	-	-	906,547
Prepaid expenses	365,912	305,912	-	-	-	671,824
Other	61,338	65,733	-	-	-	127,071
Total Current Assets	31,018,878	12,283,958	9,270,967	1,119,867	(53,323)	53,640,347
NON-CURRENT ASSETS						
Other Non-Current Assets						
Restricted funds	-	1,674,293	-	-	-	1,674,293
Special assessments receivable	-	783,721	-	-	-	783,721
Other	186,693	-	-	-	-	186,693
Total Other Non-Current Assets	186,693	2,458,014	-	-	-	2,644,707
CAPITAL ASSETS						
Utility plant	86,608,800	126,085,305	-	-	-	212,694,105
Accumulated depreciation	(30,582,586)	(54,664,711)	-	-	-	(85,247,297)
Construction work in progress	3,466,458	1,118,253	-	-	-	4,584,711
Total capital assets	59,492,672	72,538,847	-	-	-	132,031,519
DEFERRED OUTFLOWS OF RESOURCES						
Pension	1,748,548	1,165,698	-	-	-	2,914,246
OPEB	1,693,331	1,128,887	-	-	-	2,822,218
Unamortized loss on refunding	-	478,372	-	-	-	478,372
Unamortized redemption premium	40,891	-	-	-	-	40,891
Total deferred outflows of resources	3,482,770	2,772,957	-	-	-	6,255,727
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 94,181,013	\$ 90,053,776	\$ 9,270,967	\$ 1,119,867	\$ (53,323)	\$ 194,572,300

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2020

CONSOLIDATING STATEMENT OF NET POSITION – PAGE 2 OF 2

As of December 31, 2020

	Component Units					Eliminations	Totals
	Electric Operations	Water Operations	Gray's	Crossing	Old Greenwood		
NET POSITION AND LIABILITIES							
CURRENT LIABILITIES							
Other liabilities							
Accounts payable	\$ 2,793,899	\$ 86,942	\$ -	\$ -	\$ 53,323	\$ (53,323)	\$ 2,880,841
Customer deposits	352,705	88,160	-	-	-	-	440,865
Other	797,578	385,522	-	-	-	-	1,183,100
Total other liabilities	<u>3,944,182</u>	<u>560,624</u>	<u>-</u>	<u>-</u>	<u>53,323</u>	<u>(53,323)</u>	<u>4,504,806</u>
Current liabilities payable from restricted assets:							
Current portion of long-term debt	1,051,191	2,128,642	950,000	444,800	-	-	4,574,633
Accrued interest payable	571	103,763	521,533	116,832	-	-	742,699
Total Current Liabilities Payable from Restricted Assets	<u>1,051,762</u>	<u>2,232,405</u>	<u>1,471,533</u>	<u>561,632</u>	<u>-</u>	<u>-</u>	<u>5,317,332</u>
Total Current Liabilities	<u>4,995,944</u>	<u>2,793,029</u>	<u>1,471,533</u>	<u>614,955</u>	<u>(53,323)</u>	<u>-</u>	<u>9,822,138</u>
NON-CURRENT LIABILITIES							
Long-term debt, net of discounts and premiums	526,809	14,450,752	27,458,717	7,940,300	-	-	50,376,578
Net pension liability	8,413,903	5,609,269	-	-	-	-	14,023,172
OPEB liability	3,585,352	2,390,235	-	-	-	-	5,975,587
Installment loans	24,942	-	-	-	-	-	24,942
Unearned revenues	3,996,087	1,151,117	1,302,713	395,190	-	-	6,845,107
Total non-current liabilities	<u>16,547,093</u>	<u>23,601,373</u>	<u>28,761,430</u>	<u>8,335,490</u>	<u>-</u>	<u>-</u>	<u>77,245,386</u>
Total Liabilities	<u>21,543,037</u>	<u>26,394,402</u>	<u>30,232,963</u>	<u>8,950,445</u>	<u>(53,323)</u>	<u>-</u>	<u>87,067,524</u>
DEFERRED INFLOWS OF RESOURCES							
Pension	322,377	214,918	-	-	-	-	537,295
OPEB	198,945	132,630	-	-	-	-	331,575
Total deferred inflow s of resources	<u>521,322</u>	<u>347,548</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>868,870</u>
NET POSITION							
Net investment in capital assets	57,914,672	56,437,825	(28,408,717)	(8,385,100)	-	-	77,558,680
Restricted for debt service	2,354,515	6,273,747	2,811,651	-	-	-	11,439,913
Unrestricted	11,847,467	600,254	4,635,070	554,522	-	-	17,637,313
Total Net Position	<u>72,116,654</u>	<u>63,311,826</u>	<u>(20,961,996)</u>	<u>(7,830,578)</u>	<u>-</u>	<u>-</u>	<u>106,635,906</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 94,181,013</u>	<u>\$ 90,053,776</u>	<u>\$ 9,270,967</u>	<u>\$ 1,119,867</u>	<u>\$ (53,323)</u>	<u>\$ -</u>	<u>\$ 194,572,300</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2020

CONSOLIDATING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Year Ended December 31, 2020

	Component Units					Eliminations	Totals
	Electric Operations	Water Operations	Gray's Crossing	Old Greenwood			
OPERATING REVENUES							
Sales to customers	\$ 25,451,966	\$ 13,536,058	\$ -	\$ -	\$ -	\$ -	\$ 38,988,024
Interdepartmental sales	1,226,706	2,693	-	-	(1,229,399)	-	-
Standby fees	18,670	114,800	-	-	-	-	133,470
Cap and trade proceeds	1,444,498	-	-	-	-	-	1,444,498
Other	1,329,573	353,306	-	-	(506,844)	-	1,176,035
Total Operating Revenues	<u>29,471,413</u>	<u>14,006,857</u>	<u>-</u>	<u>-</u>	<u>(1,736,243)</u>	<u>-</u>	<u>41,742,027</u>
OPERATING EXPENSES							
Purchased power	11,285,537	-	-	-	-	-	11,285,537
Operations and maintenance	6,748,580	5,821,270	-	-	(1,229,399)	-	11,340,451
Consumer services	1,340,108	740,606	-	-	-	-	2,080,714
Administration and general	3,635,774	3,036,681	-	-	(506,844)	-	6,165,611
Depreciation	3,012,752	4,962,116	-	-	-	-	7,974,868
Total Operating Expenses	<u>26,022,751</u>	<u>14,560,673</u>	<u>-</u>	<u>-</u>	<u>(1,736,243)</u>	<u>-</u>	<u>38,847,181</u>
Operating Income	<u>3,448,662</u>	<u>(553,816)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,894,846</u>
NON-OPERATING REVENUE (EXPENSES)							
Special tax revenue	-	-	2,592,373	782,954	-	-	3,375,327
Investment income	352,203	177,155	36,217	8,093	-	-	573,668
Interest expense	(2,247)	(574,350)	(1,592,138)	(361,881)	-	-	(2,530,616)
Amortization	(27,261)	(5,784)	(5,205)	-	-	-	(38,250)
Other non-operating revenues	-	-	37,353	4,413	-	-	41,766
Other non-operating expenses	-	-	(232,165)	(6,425)	-	-	(238,590)
Gain (loss) on disposition of assets	(10,469)	249,354	-	-	-	-	238,885
Total Non-Operating Expenses	<u>312,226</u>	<u>(153,625)</u>	<u>836,435</u>	<u>427,154</u>	<u>-</u>	<u>-</u>	<u>1,422,190</u>
Income Before Contributions	3,760,888	(707,441)	836,435	427,154	-	-	4,317,036
CAPITAL & OTHER CONTRIBUTIONS, net							
Capital Contributions	707,553	1,336,242	-	-	-	-	2,043,795
Intercompany Debt Service - Pension Sidefund	361,860	(361,860)	-	-	-	-	-
Total Capital and Other Contributions, net	<u>1,069,413</u>	<u>974,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,043,795</u>
CHANGE IN NET POSITION	4,830,301	266,941	836,435	427,154	-	-	6,360,831
NET POSITION - Beginning of Year	<u>67,286,353</u>	<u>63,044,885</u>	<u>(21,798,431)</u>	<u>(8,257,732)</u>	<u>-</u>	<u>-</u>	<u>100,275,075</u>
NET POSITION - END OF YEAR	<u>\$ 72,116,654</u>	<u>\$ 63,311,826</u>	<u>\$ (20,961,996)</u>	<u>\$ (7,830,578)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,635,906</u>

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TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2020

CONSOLIDATING STATEMENT OF CASH FLOWS – PAGE 1 OF 2

For the Year Ended December 31, 2020

	Component Units					Total
	Electric Operations	Water Operations	Gray's Crossing	Old Greenwood	Eliminations	
CASH FLOWS FROM OPERATING ACTIVITIES						
Received from customers	\$ 29,251,280	\$ 13,487,280	\$ -	\$ -	\$ (1,736,243)	\$ 41,002,317
Paid to suppliers for goods and services	(17,511,627)	(6,438,529)	(3,821)	53,322	1,736,243	(22,164,412)
Paid to employees for services	(5,439,088)	(2,928,112)	-	-	-	(8,367,200)
Net Cash Flows from Operating Activities	<u>6,300,565</u>	<u>4,120,639</u>	<u>(3,821)</u>	<u>53,322</u>	<u>-</u>	<u>10,470,705</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Principal payments on long-term debt	(1,000,803)	-	-	-	-	(1,000,803)
Interest payments on long-term debt	(57,094)	-	-	-	-	(57,094)
Net Cash Flows from Noncapital Financing Activities	<u>(1,057,897)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,057,897)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital expenditures for utility plant	(3,754,601)	(2,553,607)	-	-	-	(6,308,208)
Cost of disposal of property net of salvage	(200,817)	249,354	-	-	-	48,537
Capital contributions, connection and facility fees	1,207,440	1,272,750	-	-	-	2,480,190
Special assessments receipts	-	778,982	-	-	-	778,982
Special tax receipts	-	-	2,337,562	779,751	-	3,117,313
Principal payments on long-term debt	-	(2,266,145)	(860,000)	(408,500)	-	(3,534,645)
Interest payments on long-term debt	53,231	(561,993)	(1,609,473)	(367,572)	-	(2,485,807)
Cash Flows From Capital and Related Financing Activities	<u>(2,694,747)</u>	<u>(3,080,659)</u>	<u>(131,911)</u>	<u>3,679</u>	<u>-</u>	<u>(5,903,638)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income received	312,748	212,708	33,708	6,684	-	565,848
Cash Flows from Investing Activities	<u>312,748</u>	<u>212,708</u>	<u>33,708</u>	<u>6,684</u>	<u>-</u>	<u>565,848</u>
Net Change in Cash and Cash Equivalents	2,860,669	1,252,688	(102,024)	63,685	-	4,075,018
CASH AND CASH EQUIVALENTS – Beginning of Year	<u>23,175,596</u>	<u>8,712,363</u>	<u>2,772,301</u>	<u>248,210</u>	<u>-</u>	<u>34,908,470</u>
CASH AND CASH EQUIVALENTS – END OF YEAR	<u>\$ 26,036,265</u>	<u>\$ 9,965,051</u>	<u>\$ 2,670,277</u>	<u>\$ 311,895</u>	<u>\$ -</u>	<u>\$ 38,983,488</u>

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

SUPPLEMENTARY INFORMATION

December 31, 2020

CONSOLIDATING STATEMENT OF CASH FLOWS – PAGE 2 OF 2

For the Year Ended December 31, 2020

	Component Units						Total
	Electric Operations	Water Operations	Gray's Crossing	Old Greenwood	Eliminations		
RECONCILIATION OF OPERATING INCOME TO NET CASH							
FLOWS FROM OPERATING ACTIVITIES							
Operating income	\$ 3,448,662	\$ (553,816)	\$ -	\$ -	\$ -	\$ -	\$ 2,894,846
Noncash items included in operating income							
Depreciation and amortization	3,012,752	4,962,116	-	-	-	-	7,974,868
Depreciation charged to other accounts	259,825	195,469	-	-	-	-	455,294
Intercompany Transfer	361,860	(361,860)	-	-	-	-	-
Accounts receivable	(578,090)	(147,526)	-	-	-	-	(725,616)
Materials and supplies	(153,003)	(17,000)	-	-	-	-	(170,003)
Prepaid expenses	4,623	(33,208)	-	-	-	-	(28,585)
Accounts payable	(253,906)	7,513	(3,821)	53,322	-	-	(196,892)
Customer deposits	(3,903)	(10,191)	-	-	-	-	(14,094)
Deferred Pension Contributions - GASB 68	18,424	12,285	-	-	-	-	30,709
Other current liabilities	183,321	66,857	-	-	-	-	250,178
	<u>183,321</u>	<u>66,857</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,178</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 6,300,565</u>	<u>\$ 4,120,639</u>	<u>\$ (3,821)</u>	<u>\$ 53,322</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,470,705</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE BALANCE SHEET							
Operating	11,441,611	3,105,078	130,547	311,895	\$ -	\$ -	\$ 14,989,131
Designated	12,335,503	2,162,604	-	-	-	-	14,498,107
Restricted bond funds - current	2,355,089	4,764,951	2,539,730	-	-	-	9,659,770
Restricted bond funds - non-current	-	1,674,293	-	-	-	-	1,674,293
Total Cash and Investments	<u>26,132,203</u>	<u>11,706,926</u>	<u>2,670,277</u>	<u>311,895</u>	<u>-</u>	<u>-</u>	<u>40,821,301</u>
Less: Long-term investments	-	(1,698,880)	-	-	-	-	(1,698,880)
Mark to market adjustment	(95,938)	(42,995)	-	-	-	-	(138,933)
	<u>(95,938)</u>	<u>(42,995)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(138,933)</u>
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 26,036,265</u>	<u>\$ 9,965,051</u>	<u>\$ 2,670,277</u>	<u>\$ 311,895</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,983,488</u>

STATISTICAL SECTION



Deconstruction of Red Mountain Tank – Fall 2020

STATISTICAL SECTION
INTRODUCTION AND CONTENTS INDEX

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Contents	Page Range
Financial Trends Information trends to help the reader understand how the District's financial performance and condition have changed over time.	84 - 85
Revenue Capacity Information trends to help the reader understand the District's revenue sources.	86 - 88
Debt Capacity Current and past trends regarding the level of debt existing and the Debt capacity of the District.	89 - 90
Demographic and Economic Information These schedules help the reader understand the environment within which the District's financial activities occur.	91 - 92
Operating Information Service and infrastructure information to help the reader understand the District's customers and operational impacts on financial information.	93 - 94

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

10-Years Ended December 31,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPERATING REVENUES										
Sales to customers	\$ 38,988,024	\$ 37,029,653	\$ 35,486,412	\$ 34,462,146	\$ 33,026,587	\$ 30,818,856	\$ 30,331,953	\$ 30,810,370	\$ 30,383,363	\$ 31,053,129
Water meter surcharge (1)	-	-	-	-	-	-	-	703,982	741,209	746,759
Standby fees	133,470	137,580	143,320	154,970	160,670	169,010	174,250	182,580	191,625	186,520
Cap and trade proceeds	1,444,498	1,503,495	1,186,320	1,140,372	1,172,306	965,402	836,193	620,403	-	-
Other	1,176,035	662,843	868,965	2,577,865	1,244,146	1,023,729	1,286,200	1,345,476	1,444,528	1,497,686
Total Operating Revenues	<u>41,742,027</u>	<u>39,333,571</u>	<u>37,685,017</u>	<u>38,335,353</u>	<u>35,603,709</u>	<u>32,976,997</u>	<u>32,628,596</u>	<u>33,662,811</u>	<u>32,760,725</u>	<u>33,484,094</u>
OPERATING EXPENSES										
Purchased power	11,285,537	10,754,898	11,001,858	11,327,300	11,511,308	11,348,241	11,414,498	12,306,311	10,571,359	11,342,992
Operations and maintenance	11,340,451	9,768,460	9,056,263	10,241,955	6,951,273	6,804,271	6,762,174	7,190,676	6,953,992	6,548,249
Consumer services	2,080,714	2,667,957	2,152,817	2,593,005	2,130,422	2,159,522	2,318,900	2,563,012	2,543,376	2,753,561
Administration and general	6,165,611	5,772,396	5,002,288	5,008,231	4,331,827	4,054,439	3,976,027	3,798,842	3,603,644	3,422,302
Pension expense (2)					1,220,591	565,373	806,399			
OPEB expense (2)					719,218					
Depreciation	7,974,868	7,420,251	6,878,860	6,531,640	6,237,033	5,960,520	5,601,301	5,427,377	5,073,871	5,216,956
Total Operating Expenses	<u>38,847,181</u>	<u>36,383,962</u>	<u>34,092,086</u>	<u>35,702,131</u>	<u>33,101,672</u>	<u>30,892,366</u>	<u>30,879,299</u>	<u>31,286,218</u>	<u>28,746,242</u>	<u>29,284,060</u>
Operating Income	<u>2,894,846</u>	<u>2,949,609</u>	<u>3,592,931</u>	<u>2,633,222</u>	<u>2,502,037</u>	<u>2,084,631</u>	<u>1,749,297</u>	<u>2,376,593</u>	<u>4,014,483</u>	<u>4,200,034</u>
NON-OPERATING REVENUE (EXPENSES)										
Special tax revenue	3,375,327	3,352,289	3,268,849	3,342,077	3,290,186	3,306,080	3,356,052	3,407,806	3,310,837	3,293,878
Investment income	573,668	1,038,582	694,432	420,490	390,310	393,002	510,962	110,423	463,893	539,017
Interest expense	(2,530,616)	(2,647,817)	(2,753,906)	(2,868,084)	(3,060,079)	(3,141,758)	(3,568,730)	(3,834,332)	(4,116,599)	(4,381,426)
Amortization	(38,250)	(38,250)	(38,250)	(38,250)	(17,804)	10,150	26,297	25,092	20,230	(105,797)
Other non-operating revenues	41,766	48,096	21,332	42,057	63,008	34,126	60,066	58,063	61,502	38,656
Other non-operating expenses	(238,590)	(38,160)	(31,691)	(26,377)	(150,000)	(251,753)	(344,353)	(75,062)	(121,466)	(41,928)
Gain (loss) on disposition of assets	238,885	13,748	1,284	7,538	(1,514)	30,990	(93,925)	4,892	(353,176)	777,808
Total Non-Operating Revenue (Expenses)	<u>1,422,190</u>	<u>1,728,488</u>	<u>1,162,050</u>	<u>879,451</u>	<u>514,107</u>	<u>380,837</u>	<u>(53,631)</u>	<u>(303,118)</u>	<u>(734,781)</u>	<u>120,208</u>
Income Before Contributions	4,317,036	4,678,097	4,754,981	3,512,673	3,016,144	2,465,468	1,695,666	2,073,475	3,279,703	4,320,242
CAPITAL & OTHER CONTRIBUTIONS	<u>2,043,795</u>	<u>4,683,099</u>	<u>4,652,720</u>	<u>2,096,828</u>	<u>1,699,110</u>	<u>1,430,510</u>	<u>994,056</u>	<u>824,714</u>	<u>391,325</u>	<u>2,597,582</u>
CHANGE IN NET POSITION	6,360,831	9,361,196	9,407,701	5,609,501	4,715,254	3,895,978	2,689,722	2,898,189	3,671,028	6,917,824
Net Position - Beginning of Year, before adjustment	100,275,075	90,913,879	84,857,643	79,248,142	74,532,888	70,636,910	82,235,941	79,337,752	77,285,121	70,367,297
Less: Restatement for change in accounting principal (3) (4) (5)	-	-	(3,351,465)	-	-	-	(14,288,753)	-	(1,618,397)	-
Net Position - Beginning of Year, as adjusted	<u>100,275,075</u>	<u>90,913,879</u>	<u>81,506,178</u>	<u>79,248,142</u>	<u>74,532,888</u>	<u>70,636,910</u>	<u>67,947,188</u>	<u>79,337,752</u>	<u>75,666,724</u>	<u>70,367,297</u>
NET POSITION - END OF YEAR	<u>\$ 106,635,906</u>	<u>\$ 100,275,075</u>	<u>\$ 90,913,879</u>	<u>\$ 84,857,643</u>	<u>\$ 79,248,142</u>	<u>\$ 74,532,888</u>	<u>\$ 70,636,910</u>	<u>\$ 82,235,941</u>	<u>\$ 79,337,752</u>	<u>\$ 77,285,121</u>

(1) District implemented a water meter surcharge of \$5 per month per customer, effective 2009 through 2013, to fund cost of regulatory California Assembly Bill 2572 mandate which required all water meters be replaced.

(2) Pension and OPEB costs separately stated in 2015 and 2016. For all other years, these costs are included Operations and maintenance, Consumer services, and Administration and general categories, as applicable.

(3) In 2018, the District adopted GASB Statement No 75, Accounting and Financial Reporting for Postemployment Benefits other than Pensions. The beginning of year net position was adjusted for this change.

(4) In 2014, the District adopted GASB Statement No 68, Accounting and Financial Reporting for Pensions. The beginning of year net position was adjusted for this change.

(5) In 2012, the District adopted GASB Statement No 65, Items Previously Reported as Assets and Liabilities, which impacted debt issuances cost accounting. The beginning of year net position was adjusted for this change.

TRUCKEE DONNER PUBLIC UTILITY DISTRICT

NET POSITION BY COMPONENT AND SEGMENT

10-Years as of December 31,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
NET POSITION by COMPONENT, as of December 31,										
Net investment in capital assets	\$ 77,558,680	\$ 74,841,974	\$ 66,843,642	\$ 55,267,086	\$ 52,052,148	\$ 47,043,317	\$ 39,661,738	\$ 42,944,031	\$ 40,485,105	\$ 42,160,866
Restricted for debt service	11,439,913	11,052,666	9,742,741	9,288,950	8,773,009	8,569,701	10,521,661	11,096,122	14,667,929	16,187,007
Unrestricted	<u>17,637,313</u>	<u>14,380,435</u>	<u>14,327,496</u>	<u>20,301,607</u>	<u>18,422,985</u>	<u>18,919,870</u>	<u>20,453,511</u>	<u>28,195,788</u>	<u>24,184,718</u>	<u>18,937,248</u>
Net Position, Total	<u>\$ 106,635,906</u>	<u>\$ 100,275,075</u>	<u>\$ 90,913,879</u>	<u>\$ 84,857,643</u>	<u>\$ 79,248,142</u>	<u>\$ 74,532,888</u>	<u>\$ 70,636,910</u>	<u>\$ 82,235,941</u>	<u>\$ 79,337,752</u>	<u>\$ 77,285,121</u>

CHANGE IN NET POSITION to PRIOR YEAR, Amount

Net investment in capital assets	\$ 2,716,706	\$ 7,998,332	\$ 11,576,556	\$ 3,214,938	\$ 5,008,831	\$ 7,381,579	\$ (3,282,293)	\$ 2,458,926	\$ (1,675,761)	\$ 1,915,061
Restricted for debt service	387,247	1,309,925	453,791	515,941	203,308	(1,951,960)	(574,461)	(3,571,807)	(1,519,078)	418,699
Unrestricted	<u>3,256,878</u>	<u>52,939</u>	<u>(5,974,111)</u>	<u>1,878,622</u>	<u>(496,885)</u>	<u>(1,533,641)</u>	<u>(7,742,277)</u>	<u>4,011,070</u>	<u>5,247,470</u>	<u>4,584,064</u>
Total Change in Net Position from Prior Year	<u>\$ 6,360,831</u>	<u>\$ 9,361,196</u>	<u>\$ 6,056,236</u>	<u>\$ 5,609,501</u>	<u>\$ 4,715,254</u>	<u>\$ 3,895,978</u>	<u>\$ (11,599,031)</u>	<u>\$ 2,898,189</u>	<u>\$ 2,052,631</u>	<u>\$ 6,917,824</u>

CHANGE IN NET POSITION to PRIOR YEAR, Percentage

Net investment in capital assets	3.6%	12.0%	20.9%	6.2%	10.6%	18.6%	-7.6%	6.1%	-4.0%	4.8%
Restricted for debt service	3.5%	13.4%	4.9%	5.9%	2.4%	-18.6%	-5.2%	-24.4%	-9.4%	2.7%
Unrestricted	<u>22.6%</u>	<u>0.4%</u>	<u>-29.4%</u>	<u>10.2%</u>	<u>-2.6%</u>	<u>-7.5%</u>	<u>-27.5%</u>	<u>16.6%</u>	<u>27.7%</u>	<u>31.9%</u>
Total Change in Net Position from Prior Year	<u>6.3%</u>	<u>10.3%</u>	<u>7.1%</u>	<u>7.1%</u>	<u>6.3%</u>	<u>5.5%</u>	<u>-14.1%</u>	<u>3.7%</u>	<u>2.7%</u>	<u>9.8%</u>

For more information on the change in Net Position; refer to next page for 10 Years of CONSOLIDATED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NET POSITION, BY COMPONENT, BY SEGMENT, as of December 31 :

Net investment in capital assets

Electric Operations	\$ 57,914,672	\$ 56,177,123	\$ 50,048,040	\$ 43,501,844	\$ 42,500,995	\$ 41,484,835	\$ 37,197,945	\$ 42,526,857	\$ 41,375,462	\$ 40,978,938
Water Operations	56,437,825	56,721,963	56,123,709	52,216,044	50,920,550	47,786,674	45,415,680	45,039,457	44,229,305	45,788,507
Gray's Crossing CFD	(28,408,717)	(29,263,512)	(30,163,307)	(30,948,102)	(31,557,897)	(32,137,692)	(32,607,487)	(33,012,283)	(33,354,662)	(32,984,719)
Old Greenwood CFD	<u>(8,385,100)</u>	<u>(8,793,600)</u>	<u>(9,164,800)</u>	<u>(9,502,700)</u>	<u>(9,811,500)</u>	<u>(10,090,500)</u>	<u>(10,344,400)</u>	<u>(11,610,000)</u>	<u>(11,765,000)</u>	<u>(11,621,860)</u>
Net investment in capital assets, total	<u>\$ 77,558,680</u>	<u>\$ 74,841,974</u>	<u>\$ 66,843,642</u>	<u>\$ 55,267,086</u>	<u>\$ 52,052,148</u>	<u>\$ 47,043,317</u>	<u>\$ 39,661,738</u>	<u>\$ 42,944,031</u>	<u>\$ 40,485,105</u>	<u>\$ 42,160,866</u>

Restricted for debt service

Electric Operations	\$ 2,354,515	\$ 2,455,342	\$ 1,777,693	\$ 1,842,553	\$ 1,316,355	\$ 944,929	\$ 1,109,740	\$ 1,161,905	\$ 4,441,721	\$ 5,793,876
Water Operations	6,273,747	5,803,021	5,114,785	4,576,780	4,695,114	4,817,195	6,659,078	6,172,282	6,461,573	6,645,790
Gray's Crossing CFD	2,811,651	2,794,303	2,850,263	2,869,617	2,761,540	2,807,577	2,752,843	2,746,567	2,747,811	2,737,118
Old Greenwood CFD	-	-	-	-	-	-	-	<u>1,015,368</u>	<u>1,016,824</u>	<u>1,010,223</u>
Restricted for debt service, total	<u>\$ 11,439,913</u>	<u>\$ 11,052,666</u>	<u>\$ 9,742,741</u>	<u>\$ 9,288,950</u>	<u>\$ 8,773,009</u>	<u>\$ 8,569,701</u>	<u>\$ 10,521,661</u>	<u>\$ 11,096,122</u>	<u>\$ 14,667,929</u>	<u>\$ 16,187,007</u>

Unrestricted

Electric Operations	\$ 11,847,467	\$ 8,653,888	\$ 8,594,312	\$ 10,762,466	\$ 7,920,940	\$ 5,912,854	\$ 6,528,260	\$ 9,954,448	\$ 5,434,118	\$ 790,686
Water Operations	600,254	519,901	734,026	4,682,775	5,875,984	8,770,727	10,054,081	14,481,503	15,392,902	15,097,511
Gray's Crossing CFD	4,635,070	4,670,778	4,442,898	4,256,091	3,976,683	3,561,565	3,193,320	2,827,987	2,459,789	2,177,777
Old Greenwood CFD	<u>554,522</u>	<u>535,868</u>	<u>556,260</u>	<u>600,275</u>	<u>649,378</u>	<u>674,724</u>	<u>677,850</u>	<u>931,850</u>	<u>897,909</u>	<u>871,274</u>
Unrestricted, total	<u>\$ 17,637,313</u>	<u>\$ 14,380,435</u>	<u>\$ 14,327,496</u>	<u>\$ 20,301,607</u>	<u>\$ 18,422,985</u>	<u>\$ 18,919,870</u>	<u>\$ 20,453,511</u>	<u>\$ 28,195,788</u>	<u>\$ 24,184,718</u>	<u>\$ 18,937,248</u>

Truckee Donner Public Utility District
Electric and Water - Customer Mix and Rates
Last 11 Years

Electric Utility

Year	Average Number of Customers				Residential Non-Residential Mix	Typical Residential Average Monthly Bill		Average Monthly Bill		Average Rate Increase Prim. Sec. (5)
	Residential Primary	Residential Secondary	Non- Residential	Total		Primary @ 500 KwH (3)	Secondary @ 500 KwH (3)	Primary @ 785 KwH (4)	Secondary @ 420 KwH (4)	
	(1)	(1)	(2)							
2020	4,898	7,659	1,619	14,176	89% 11%	\$82.33	\$91.83	\$120.04	\$79.73	1.8% 2.7%
2019	4,810	7,565	1,585	13,960	89% 11%	\$80.25	\$89.75	\$117.96	\$77.65	2.4% 3.7%
2018	4,798	7,462	1,558	13,818	89% 11%	\$77.50	\$87.00	\$115.20	\$74.89	1.9% 3.0%
2017	4,784	7,389	1,535	13,708	89% 11%	\$75.35	\$84.85	\$113.05	\$72.74	1.7% 2.6%
2016	4,738	7,303	1,527	13,568	89% 11%	\$73.51	\$83.01	\$111.21	\$70.90	0.0% 0.0%
2015	4,642	7,235	1,512	13,389	89% 11%	\$73.51	\$83.01	\$111.21	\$70.90	0.0% 0.0%
2014	4,646	7,157	1,517	13,320	89% 11%	\$73.51	\$83.01	\$111.21	\$70.90	0.0% 0.0%
2013	4,611	7,116	1,517	13,244	89% 11%	\$73.51	\$83.01	\$111.21	\$70.90	0.0% 0.0%
2012	4,611	7,060	1,520	13,191	88% 12%	\$73.51	\$83.01	\$111.21	\$70.90	0.0% 0.0%
2011	4,656	6,983	1,526	13,165	88% 12%	\$73.51	\$83.01	\$111.21	\$70.90	0.0% 0.0%
2010	4,694	6,912	1,535	13,141	88% 12%	\$73.51	\$83.01	\$111.21	\$70.90	N/A
(A) :										
5yr CAGR	1.1%	1.1%	1.4%	1.1%	NA	2.3%	2.0%	1.5%	2.4%	N/A
10yr CAGR	0.4%	1.0%	0.5%	0.8%	NA	1.1%	1.0%	0.8%	1.2%	N/A

Water Utility

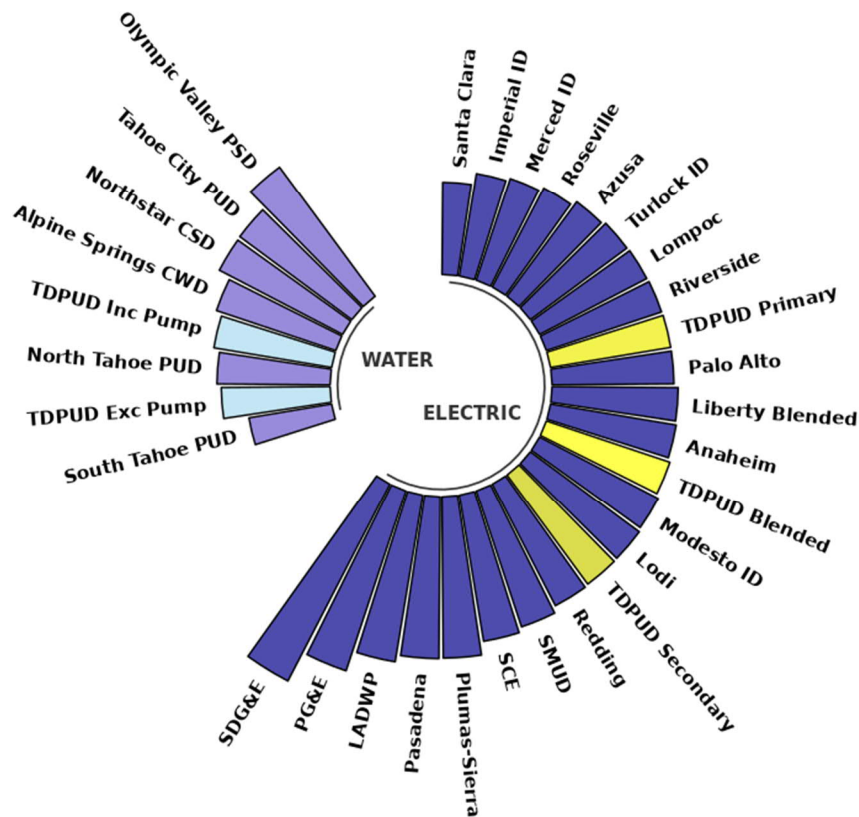
Year	Average Number of Customers				Residential Non-Residential Mix	Typical Residential Average Monthly Bill - 5000 Gallons of Use		Average Monthly Bill - 5000 Gallons of Use		Annual Increase Including PZC
	Residential	column not used	Non- Residential	Total		Excluding PumpZone Charge (7)	Including PumpZone Charge (PZC) (7)	column not used	column not used	
	(6)		(2)							
2020	12,505		748	13,253	94% 6%	\$73.56	\$78.58			3.3%
2019	12,261		865	13,126	93% 7%	\$71.44	\$76.05			3.5%
2018	12,317		709	13,026	95% 5%	\$69.32	\$73.51			3.4%
2017	12,218		706	12,924	95% 5%	\$67.30	\$71.07			5.3%
2016	12,121		706	12,827	94% 6%	\$64.12	\$67.47			5.8%
2015	12,012		704	12,716	94% 6%	\$60.78	\$63.75			4.8%
2014	11,915		699	12,614	94% 6%	\$58.40	\$60.84			3.0%
2013	11,809		706	12,515	94% 6%	\$56.95	\$59.04			0.0%
2012	11,753		706	12,459	94% 6%	\$56.95	\$59.04			0.0%
2011	11,763		657	12,420	95% 5%	\$56.95	\$59.04			1.8%
2010	11,700		871	12,571	93% 7%	\$55.90	\$57.99			N/A
(A) :										
5yr CAGR	0.8%		1.2%	0.8%	NA	3.9%	4.3%			N/A
10yr CAGR	0.7%		-1.5%	0.5%	NA	2.8%	3.1%			N/A

Source: Truckee Donner Public Utility District records

Notes:

- (1) Two main residential rate categories; Primary(P) and Secondary(S); with mix currently 39%P and 61%S from 10 years ago 40%P and 60%S. Also see (6).
- (2) Non-Residential customer type includes commercial businesses and governmental agencies.
Commercial average monthly bills are not presented, as commercial customers monthly bills vary widely by customer based on meter size and usage.
- (3) Average for Primary and Secondary residential, at same KwH usage. Amounts for (3) and (4) include Public Benefit and Solar California mandates.
- (4) Average for Primary and Secondary residential, at 3 year average KwH usage for the customer type P and S. Also see 2nd half of note (3).
- (5) Average annual rate increase for P | S based on (4) usage averages.
- (6) The average number of customer is annual average for the year, the number of customers each month varies.
- (7) Residential average includes Monthly Service Fee, Usage Fee based on Volume, and Pump Zone charge based on elevation zone. Pump Zone 1 charge is zero. Customers are in 1 of 7 pump zones of District, based on elevation. The Including Pump Zone average is weighted average based on number of customers per zone.
- (A) Compounded Annual Growth Rate (CAGR) metrics for 2020 compared to respective number of years(yr) prior

Electric and Water Utilities - FY 2020 Regional Average Monthly Residential Bill Comparison



* TDPUD compiled this information from a review of each respective District's website for applicable ordinances/rates information. Monthly bills assume a typical customer consumption of 500 kWh per month in electricity and 5,000 gallons per month in water.

Electric Utility	Typical Monthly Bill *	Water Utility	Typical Monthly Bill *
Santa Clara	\$62.66	South Tahoe PUD	\$56.64
Imperial ID	\$70.45	TDPUD Exc Pump (4)	\$73.56
Merced ID	\$72.70	North Tahoe PUD	\$76.49
Roseville	\$75.60	TDPUD Inc Pump (5)	\$80.69
Azusa	\$79.34	Alpine Springs CWD	\$85.05
Turlock ID	\$81.14	Northstar CSD	\$93.87
Lompoc	\$81.66	Tahoe City PUD	\$94.16
Riverside	\$82.09	Olympic Valley PSD	\$108.78
TDPUD Primary(1)	\$82.33		
Palo Alto	\$82.39		
Liberty	\$85.26		
Anaheim	\$86.10		
TDPUD Blended(3)	\$88.03	(1) Primary residence accounts 39%	
Modesto ID	\$90.35	(2) Second home residence accounts 61%	
Lodi	\$91.57	(3) Weighted average of (1) and (2)	
TDPUD Secondary (2)	\$91.83	Note - Second homes average kWh usage is historically 54% of Primary homes kWh average usage	
Redding	\$92.55		
SMUD	\$96.74	(4) Excluding Pump Zone charge	
SCE	\$99.96	(5) Including Pump Zone charge, the weighted average of the 7 pump zones Pump zone charges are based on water elevation zones of service territory.	
Plumas-Sierra	\$108.89		
Pasadena	\$109.24		
LADWP	\$113.95		
PG&E	\$127.87		
SDG&E	\$149.55		

**Truckee Donner Public Utility District
Ten Largest Customers and Sales Mix
Current Year and Nine Years Ago**

Electric Utility	2020			2011		
	Customer Revenue	Rank	% of Total Revenue	Customer Revenue	Rank	% of Total Revenue
Customer (1) (2)						
Tahoe Forest Hospital	\$ 1,012,185	1	4.0%	\$ 702,788	2	3.3%
Tahoe Truckee Sanitation Agency	862,633	2	3.4%	1,065,678	1	5.0%
Tahoe Truckee Unified School District	438,591	3	1.7%	387,288	3	1.8%
Private Company, A	301,314	4	1.2%	302,297	4	1.4%
Private Company, B	299,669	5	1.2%			0.0%
Private Company, C	296,940	6	1.2%	240,299	7	1.1%
Private Company, D	277,419	7	1.1%	290,573	5	1.4%
Town of Truckee	240,300	8	0.9%	132,378	10	0.6%
Private Company, E	220,186	9	0.9%	251,719	6	1.2%
Truckee Donner Recreaton and Park District	209,325	10	0.8%			0.0%
Private Company, F				201,890	8	
Private Company, G				185,368	9	
Total, Top 10 Customers	\$ 4,158,562		16.3%	\$ 3,760,278		17.8%
Total Sales to Customers	\$ 25,451,966		100.0%	\$ 21,106,358		100.0%
<i>Sales Mix</i>	<i>Residential</i>			\$ 15,181,166		57.4%
	<i>Commercial</i>			\$ 6,847,740		28.4%
	<i>Public Authorities</i>			\$ 3,423,060		14.2%

Water Utility	2020			2011		
	Customer Revenue	Rank	% of Total Revenue	Customer Revenue	Rank	% of Total Revenue
Customer (1)						
Private Company, D	\$ 168,176	1	1.2%	\$ 122,794	1	1.2%
Private Company, C	121,126	2	0.9%	85,099	2	0.9%
Truckee Donner Recreaton and Park District	78,262	3	0.6%	50,818	3	0.5%
Private Company, H	60,626	4	0.4%	32,483	6	0.3%
Tahoe Truckee Unified School District	57,402	5	0.4%	38,446	4	0.4%
Tahoe Forest Hospital	56,224	6	0.4%	35,347	5	0.4%
Private Company, I	38,616	7	0.3%	28,757	9	0.3%
Private Company, J	37,771	8	0.3%	30,197	7	0.3%
Town of Truckee	34,308	9	0.3%			0.0%
Private Company, K	33,269	10	0.2%	29,334	8	0.3%
Private Company, L				22,927	10	
Total, Top 10 Customers	\$ 685,780		5.1%	\$ 476,202		4.8%
Total Sales to Customers	\$ 13,536,058		100.0%	\$ 9,946,771		100.0%
<i>Sales Mix</i>	<i>Residential Potable</i>			\$ 11,884,156		87.6%
	<i>Non-Residential Potable</i>			\$ 1,495,277		11.1%
	<i>Nonpotable</i>			\$ 195,624		1.3%

(1) To preserve confidentiality, private company customer names are not disclosed.

(2) Electric Utility table excludes internal customer, Water Utility, with Revenue of \$1.2 million in both years presented. The Electric Utility revenue from Water Utility is eliminated on a Consolidated Financial Statement basis.

**Truckee Donner Public Utility District
Debt Coverage
Last 10 Years**

Dollars in Thousands except for Coverage Ratio

Electric Utility					
Year	A Total Revenues (1)	B Total Expenses (2)	A - B = C Net Revenues Available For Debt Service	D Debt Service Requirement (3)	C / D Coverage Ratio
2020	30,409	23,010	7,399	1,058	6.99
2019	29,258	21,093	8,165	1,000	8.16
2018	27,782	20,237	7,545	1,429	5.28
2017	28,337	22,108	6,228	468	13.32
2016	25,628	20,223	5,405	1,000	5.40
2015	24,322	18,944	5,378	895	6.01
2014	23,611	19,495	4,116	863	4.77
2013	23,859	20,107	3,753	4,118	0.91
2012	23,151	18,011	5,140	3,986	1.29
2011	23,742	18,753	4,989	3,787	1.32

Water Utility					
Year	A Total Revenues (1)	B Total Expenses (2)	A - B = C Net Revenues Available For Debt Service	D Debt Service Requirement (3)	C / D Coverage Ratio
2020	15,106	9,599	5,508	2,024	2.72
2019	14,419	9,552	4,867	2,018	2.41
2018	13,770	8,662	5,107	2,016	2.53
2017	12,909	8,775	4,134	2,341	1.77
2016	12,909	8,171	4,737	2,389	1.98
2015	11,401	7,461	3,940	2,431	1.62
2014	11,329	7,437	3,891	2,517	1.55
2013	11,426	7,363	4,063	2,512	1.62
2012	11,339	7,290	4,049	2,510	1.61
2011	11,538	6,885	4,653	2,447	1.90

- (1) Includes interest income, facilities fees, and connection fees; Water excludes Donner Lake Assessment District special tax (assessment) revenues
- (2) Excludes depreciation, interest and amortization expense
- (3) Includes principal and interest of bond (certificates of participation, and other types) debt, parity and subordinate; Water excludes Donner Lake Assessment District SRF loan debt; includes credit offset for interest on parity debt reserve funds; excludes refunding activities

**Truckee Donner Public Utility District
Total Long-Term Debt per Customer and Ratios
Last 10 Years**

as of year ended December 31,		2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Electric Utility											
Total Debt (\$000s)	(1)	\$ 1,603	\$ 2,604	\$ 3,524	\$ 4,803	\$ 5,218	\$ 5,662	\$ 6,265	\$ 6,808	\$ 10,630	\$ 14,254
Number of Customers		14,176	13,960	13,818	13,708	13,568	13,389	13,320	13,244	13,191	13,165
Debt per Customer		\$ 113	\$ 187	\$ 255	\$ 350	\$ 385	\$ 423	\$ 470	\$ 514	\$ 806	\$ 1,083
Debt to Total Revenue		5%	9%	13%	17%	20%	23%	27%	29%	46%	60%
Debt to Net Capital Assets		3%	4%	7%	10%	11%	12%	14%	16%	26%	35%
Water Utility											
Total Debt (\$000s)	(2)	\$ 16,579	\$ 18,846	\$ 21,059	\$ 23,217	\$ 25,631	\$ 27,857	\$ 31,118	\$ 33,208	\$ 35,125	\$ 37,059
Number of Customers		13,253	13,126	13,026	12,924	12,827	12,716	12,614	12,515	12,459	12,420
Debt per Customer		\$ 1,251	\$ 1,436	\$ 1,617	\$ 1,796	\$ 1,998	\$ 2,191	\$ 2,467	\$ 2,653	\$ 2,819	\$ 2,984
Debt to Total Revenue (2)		104%	124%	145%	169%	187%	228%	257%	272%	289%	300%
Debt to Net Capital Assets		23%	25%	27%	31%	34%	37%	41%	43%	45%	46%
Grey's Crossing CFD											
Total Debt (\$000s)	(3)	\$ 28,409	\$ 29,264	\$ 30,163	\$ 30,948	\$ 31,558	\$ 32,138	\$ 32,607	\$ 33,012	\$ 33,080	\$ 33,350
Number of Parcels	(5)	407	408	413	413	415	415	416	416	416	416
Debt per Parcel		\$ 69,800	\$ 71,724	\$ 73,035	\$ 74,935	\$ 76,043	\$ 77,440	\$ 78,383	\$ 79,356	\$ 79,520	\$ 80,168
Old Greenwood CFD											
Total Debt (\$000s)	(4)	\$ 8,385	\$ 8,794	\$ 9,165	\$ 9,503	\$ 9,812	\$ 10,091	\$ 10,344	\$ 11,610	\$ 11,670	\$ 11,793
Number of Parcels	(5)	1,254	1,238	1,238	1,231	1,231	1,231	1,231	1,231	1,231	1,231
Debt per Parcel		\$ 6,687	\$ 7,103	\$ 7,403	\$ 7,719	\$ 7,970	\$ 8,197	\$ 8,403	\$ 9,431	\$ 9,480	\$ 9,580
(\$000s)											
Total Utility Debt		\$ 18,182	\$ 21,449	\$ 24,582	\$ 28,021	\$ 30,849	\$ 33,520	\$ 37,383	\$ 40,016	\$ 45,755	\$ 51,313
Total CFD Debt		\$ 36,794	\$ 38,057	\$ 39,328	\$ 40,451	\$ 41,369	\$ 42,228	\$ 42,952	\$ 44,622	\$ 44,750	\$ 45,143
Total Debt, Consolidated		\$ 54,976	\$ 59,506	\$ 63,910	\$ 68,472	\$ 72,218	\$ 75,748	\$ 80,334	\$ 84,638	\$ 90,505	\$ 96,456

(1) Electric Total Debt includes Pension Obligation Bonds, Installment Loan, and Certificates of Participation debt.

(2) Water Total Debt includes Certificates of Participation debt, CA Dept. of Water Resources loan, Installment loans, and Donner Lake Assessment District (DLAD) related State Revolving Fund (SRF) loan. Total Revenue for this report's Water Debt to Total Revenue includes DLAD tax assessment proceeds which applies the DLAD's SRF loan debt service of \$800,852 for each year presented.

(3) Grey's Crossing Community Facilities District (CFD) Debt is Special Tax Bonds - Mello Roos.

(4) Old Greenwood Community Facilities District (CFD) Debt is Special Tax Bonds - Mello Roos.

(5) Number of parcels subject to CFD Special Tax Mello Roos Bonds varies by year due to full pre-payments and parcel splits, and represents special tax assessment parcels. Old Greenwood number of parcels for 2011-2014 has been estimated.

Truckee Donner Public Utility District Demographic and Economic Information Last 11 Years

Town of Truckee (1)

Year	Labor Force (2)	Unemployment (2)	Population (3)	Per Capita Personal Income (4)	Personal Income (5)	TTUSD School Enrollment (6)
2020	9,190	3.2%	16,735	\$46,295	\$774,746,825	4,193
2019	9,860	1.3%	16,434	\$46,280	\$760,565,520	4,168
2018	10,370	2.6%	16,309	\$45,706	\$745,419,154	4,133
2017	10,490	3.0%	16,277	\$43,898	\$714,527,746	4,153
2016	10,110	3.9%	16,231	\$42,439	\$688,827,409	4,010
2015	10,700	5.3%	16,184	\$40,414	\$654,060,176	3,978
2014	10,010	6.4%	16,191	\$37,117	\$600,961,347	3,950
2013	10,040	7.9%	16,132	\$37,058	\$597,819,656	3,917
2012	10,060	9.6%	16,100	\$35,891	\$577,845,100	3,838
2011	10,180	10.9%	16,009	\$32,526	\$520,708,734	3,909
2010	10,180	11.6%	16,164	\$31,238	\$504,931,032	3,949
(A) :						
5yr CAGR	-3.0%	-9.6%	0.7%	2.8%	3.4%	1.1%
10yr CAGR	-1.0%	-12.1%	0.3%	4.0%	4.4%	0.6%

Sources and Legend:

- (1) The Town of Truckee boundaries comprise approximately 95% of the District's service territory.
- (2) California Employment Development Department
- (3) Town of Truckee 2020 and 2019 Comprehensive Annual Financial Reports (cited source California Department of Finance Projections and Town of Truckee)
- (4) Town of Truckee 2020 and 2019 Comprehensive Annual Financial Reports (cited source United States Census Data adjusted for inflation and Town of Truckee)
- (5) Personal Income calculated as Population (3) multiplied by Per Capital Income (4)
- (6) California Ed-Data Partnership; Tahoe-Truckee Unified School District (TTUSD), Census Day Enrollment for school district's fiscal year

(A) Compounded Annual Growth Rate (CAGR) metrics for 2020 compared to respective number of years(yr) prior

Truckee Donner Public Utility District
Principal Employers
Current Year and Prior Year

Employer Name	2020		2019	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Tahoe Forest Hospital District	1,020	11.1%	577	5.9%
Tahoe-Truckee Unified School District	285	3.1%	238	2.4%
Tahoe Donner Association	259	2.8%		
Northstar Lodge (Welk Resorts)			180	1.8%
Safeway	150	1.6%	150	1.5%
Town of Truckee	129	1.4%	128	1.3%
Mountain Hardware & Truckee Rents	88	1.0%		
New Moon Natural Foods	80	0.9%		
Truckee Donner Public Utility District	70	0.8%	70	0.7%
Mark Tanner Construction			65	0.7%
Tahoe Truckee Sanitation Agency	51	0.6%		
Truckee-Donner Recreation & Park District	50	0.5%	31	0.3%
Save Mart			42	0.4%
Bar of America			22	0.2%
Top 10 Employers, total	2,182	23.7%	1,503	15.2%
Labor Force	9,190	100.0%	9,860	100.0%

Sources and Comments:

Source of Top 10 employers is Town of Truckee's 2020 Comprehensive Annual Financial Report, and 2019 was the first year information provided and is based on direct inquiries to employers.

Other than above from Town, specific employer information is not publicly available to the District.

Labor Force is from prior page.

**Truckee Donner Public Utility District
Operating Information
Last 11 Years**

Year	IRS W-2s (1)	FTEs (2)	Electric Utility			Water Utility		
			Number of Customers (Average)	KwH Billed (000s)	Capital Assets, Net (\$000s) (3)	Number of Customers (Average)	Production in Millions of Gallons	Capital Assets, Net (\$000s) (3)
2020	82	68	14,176	159,134	\$59,493	13,253	1,484	\$72,539
2019	89	73	13,960	156,714	\$58,756	13,126	1,300	\$75,056
2018	86	72	13,818	151,944	\$53,535	13,026	1,501	\$76,638
2017	77	74	13,708	156,562	\$48,258	12,924	1,471	\$74,857
2016	78	72	13,568	151,527	\$47,660	12,827	1,460	\$75,942
2015	83	73	13,389	140,819	\$47,079	12,716	1,381	\$75,338
2014	78	71	13,320	142,584	\$43,384	12,614	1,682	\$75,938
2013	75	69	13,244	147,389	\$42,536	12,515	1,846	\$77,378
2012	78	66	13,191	146,014	\$41,434	12,459	1,857	\$78,317
2011	79	65	13,165	149,978	\$41,036	12,420	1,727	\$80,883
2010	74	67	13,141	147,647	\$40,084	12,571	1,786	\$81,988
(A) :								
5yr CAGR	-0.2%	-1.3%	1.1%	2.5%	4.8%	0.8%	1.4%	-0.8%
10yr CAGR	1.0%	0.1%	0.8%	0.8%	4.0%	0.5%	-1.8%	-1.2%

Sources and Legend:

- (1) Number of Internal Revenue Service payroll W-2 forms issued for calendar/tax year
- (2) Full Time Equivalents (FTEs) calculated as payroll paid hours (work regular and overtime, vacation, sick, other) for year divided by 2080
- (3) Capital Assets, Net as of year end is comprised of Gross Fixed Assets, less Accumulated Depreciation, plus Construction Work in Progress, presented as dollars in thousands (\$000s)
- (A) Compounded Annual Growth Rate (CAGR) metrics for 2020 compared to respective number of years(yr) prior

**Truckee Donner Public Utility District
Capital Assets by Function
Last 10 Years**

Balance as of December 31,	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Plant Balances										
Electric distribution	\$ 71,894,379	\$ 67,692,719	\$ 64,204,691	\$ 60,416,920	\$ 58,345,690	\$ 54,721,615	\$ 51,524,863	\$ 49,307,043	\$ 48,284,640	\$ 46,895,993
Water distribution	121,483,082	120,131,130	116,378,593	112,596,747	108,860,825	107,005,578	103,049,122	101,559,249	101,010,796	102,184,801
General plant	19,316,644	18,450,143	16,513,295	15,782,620	15,062,278	13,887,881	12,816,635	12,613,090	11,962,706	11,709,867
Total	212,694,105	206,273,992	197,096,579	188,796,288	182,268,793	175,615,074	167,390,620	163,479,382	161,258,142	160,790,661
Accumulated Depreciation										
Electric distribution	(21,385,441)	(19,454,296)	(19,488,505)	(18,789,114)	(17,045,716)	(15,975,929)	(14,842,504)	(13,605,356)	(12,897,455)	(11,798,438)
Water distribution	(52,339,068)	(48,269,854)	(44,232,073)	(40,260,086)	(37,643,873)	(34,248,569)	(32,462,147)	(29,301,292)	(26,259,778)	(24,407,300)
General plant	(11,522,788)	(10,851,669)	(10,372,265)	(9,514,034)	(8,683,151)	(7,817,950)	(7,171,096)	(7,108,863)	(6,944,771)	(6,494,241)
Total	(85,247,297)	(78,575,819)	(74,092,843)	(68,563,235)	(63,372,739)	(58,042,448)	(54,475,747)	(50,015,511)	(46,102,004)	(42,699,979)
Plant Sub-Total										
Electric distribution	50,508,938	48,238,423	44,716,186	41,627,806	41,299,974	38,745,686	36,682,359	35,701,687	35,387,185	35,097,555
Water distribution	69,144,014	71,861,276	72,146,520	72,336,661	71,216,952	72,757,009	70,586,975	72,257,957	74,751,018	77,777,501
General plant	7,793,856	7,598,474	6,141,030	6,268,586	6,379,127	6,069,931	5,645,539	5,504,227	5,017,935	5,215,626
Total	127,446,808	127,698,173	123,003,736	120,233,053	118,896,054	117,572,626	112,914,873	113,463,871	115,156,138	118,090,682
Construction work in progress	4,584,711	6,114,079	7,169,814	2,881,021	4,706,276	4,844,042	6,407,589	6,449,688	4,594,466	3,827,711
TOTALS	\$ 132,031,519	\$ 133,812,252	\$ 130,173,550	\$ 123,114,074	\$ 123,602,330	\$ 122,416,668	\$ 119,322,462	\$ 119,913,559	\$ 119,750,604	\$ 121,918,393
Change to Prior Year										
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Change in Plant										
Electric distribution	\$ 4,201,660	\$ 3,488,028	\$ 3,787,771	\$ 2,071,230	\$ 3,624,075	\$ 3,196,752	\$ 2,217,820	\$ 1,022,403	\$ 1,388,647	\$ 4,000,758
Water distribution	1,351,952	3,752,537	3,781,846	3,735,922	1,855,247	3,956,456	1,489,873	548,453	(1,174,005)	10,557,158
General plant	866,501	1,936,848	730,675	720,342	1,174,397	1,071,246	203,545	650,384	252,839	(329,869)
Total	6,420,113	9,177,413	8,300,291	6,527,495	6,653,719	8,224,454	3,911,238	2,221,240	467,481	14,228,047
Change in Accumulated Depreciation										
Electric distribution	(1,931,145)	34,209	(699,391)	(1,743,399)	(1,069,787)	(1,133,424)	(1,237,149)	(707,901)	(1,099,017)	(1,396,915)
Water distribution	(4,069,214)	(4,037,781)	(3,971,987)	(2,616,213)	(3,395,304)	(1,786,422)	(3,160,855)	(3,041,514)	(1,852,478)	(3,368,534)
General plant	(671,119)	(479,404)	(858,231)	(830,884)	(865,200)	(646,854)	(62,233)	(164,092)	(450,530)	45,013
Total	(6,671,478)	(4,482,976)	(5,529,608)	(5,190,496)	(5,330,291)	(3,566,701)	(4,460,236)	(3,913,507)	(3,402,025)	(4,720,437)
Change in Plant Sub-Total										
Electric distribution	2,270,515	3,522,237	3,088,380	327,831	2,554,288	2,063,328	980,671	314,502	289,630	2,603,843
Water distribution	(2,717,262)	(285,244)	(190,141)	1,119,709	(1,540,057)	2,170,034	(1,670,982)	(2,493,061)	(3,026,483)	7,188,624
General plant	195,382	1,457,444	(127,556)	(110,542)	309,197	424,392	141,312	486,292	(197,691)	(284,856)
Total	(251,365)	4,694,437	2,770,683	1,336,999	1,323,428	4,657,753	(548,998)	(1,692,267)	(2,934,544)	9,507,610
Change in Construction work in progress	(1,529,368)	(1,055,735)	4,288,793	(1,825,255)	(137,766)	(1,563,547)	(42,099)	1,855,222	766,755	(9,660,853)
Change in Total Capital Assets	\$ (1,780,733)	\$ 3,638,702	\$ 7,059,475	\$ (488,256)	\$ 1,185,662	\$ 3,094,206	\$ (591,097)	\$ 162,955	\$ (2,167,789)	\$ (153,243)

END OF REPORT
THANK YOU FOR READING



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TDPUD.ORG