



Town of Huntersville

FY 2020 Proposed Budget and Project Detail

April 12, 2019



MAJOR CAPITAL PROJECTS FY20

Description Location	Cost
Commerce Station Substation Feeders	\$500,000
Main Street Town Center	\$300,000
Bryton	\$250,000
Vermillion	\$150,000
115 North Apartments	\$150,000
Caldwell Station	\$150,000
Huntersville Concord Bulk Feeder	\$100,000
Highway 73 Bulk Feeder	\$100,000
North Brook	\$100,000
Additional Projects	\$650,000
Vehicles	\$150,000
Total	\$2,600,000



System Planning-Cost of Service Study

- **Complete 10 Year System Study**- Determine Current and Future(10 Year)System Requirements, Constraints, and Needs. Develop Capital Requirements to Meet Future System Needs
- **Cost of Service Study**
 - Preliminary Study Previously Started
 - Update with System Study Capital Requirements
 - Develop Fund Balance Minimum and Target Levels
 - Determine if Existing Rates are Properly Recovering Costs
 - Review if Rates can be Adjusted to Cost Basis
 - Project Rate Path/Financing to Meet Future Requirements



Budget Highlights



- 3% Increase in Electric Sales Revenues from Load Growth
- No Retail Rate Increase
- 9.3% Increase in Labor Due to Anticipated Full Staffing, Merit Increases, Promotions
- 6.4% Increase in Purchased Power Cost Due to Wholesale Rate Change and Growth
- Significant Refund of Working Capital From NCMAPA#1
- \$700K plus Addition to Fund Balance



Town of Huntersville Future Considerations

- **Wholesale Cost to Increase Approximately 4% on Average Next 5 Years with Load Growth of 3.5%**
- **Capital of \$1+M per Year for New Developments**
- **\$700,000 Per Year for System Renewals**
- **Fund Balance – Capital Financing Decisions**
- **All Putting Pressure on Retail Rates**

QUESTIONS ?