



ARIZONA POWER AUTHORITY



FIVE YEAR STRATEGIC PLAN FY2020-FY2024

Ed Gerak
Executive Director

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COMMISSION

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Russell L. Jones
Vice Chairman
Stephen M. Brophy
Lawrence V. Robertson Jr.
John F. Sullivan



Arizona Power Authority
1810 W. Adams St. Phoenix, AZ 85007
Tel (602) 368-4265 Fax (602) 253-7970

STAFF

Ed Gerak
Executive Director
Heather J. Cole
Executive Secretary

August 15, 2018

**I hereby present the Five Year Strategic Plan for the Arizona Power Authority.
This Strategic Plan covers Fiscal Years 2020 through 2024.**

The Authority remains dedicated to its mission to deliver affordable, reliable clean electric power to its customers throughout Arizona from Hoover Dam. Given the rapid pace of change occurring in the power sector today, Arizona Power Authority is proud to help manage such a reliable, renewable, pollution-free, low-cost energy for our state. It is an important role that will help provide stability for years to come. With the doubling of our current customer base, the Authority is embarking on a customer service program that will help educate our new customers, encourage existing customers and enhance staff to be better resources in the future. As technology is reshaping the energy market, we will monitor this evolving landscape and make sure Arizona, the Authority and its customers are ready for what lies ahead.

Thank you,

A handwritten signature in black ink that reads 'Ed Gerak'. The signature is written in a cursive, flowing style.

**Ed Gerak
Executive Director**

ARIZONA POWER AUTHORITY

DESCRIPTION OF BUSINESS

The Arizona Power Authority (the “Authority”) is a body, corporate and politic, without taxing power, established by the Arizona Legislature on May 27, 1944 by the Power Authority Act. Under the Power Authority Act, the Authority is directed to obtain electric power developed from the mainstream of the Colorado River and sell such power to certain qualified purchasers. The Power Authority Act provides that the Authority must be a self-supporting agency and prohibits the Authority from incurring any obligation, which would be binding upon the State of Arizona.

The Authority supplies capacity and energy on a wholesale basis to certain power purchasers in the State of Arizona. The Authority’s primary source of power and energy is the Hoover Power Plant at Hoover Dam, located approximately 25 miles from Las Vegas, Nevada. Hoover Dam was dedicated in 1935 and the first generator of the Hoover Power Plant was in full operation in October 1936 and has been in continuous operation since. Power and energy from the Hoover Power Plant is transmitted to load centers in Arizona, California and Nevada. The Authority first contracted for Arizona’s share of Hoover power in 1952 (approximately 20%) and has continuously provided power and energy to its customers since that time.

The Authority is governed by a commission of five members appointed by the Governor and approved by the State Senate (the “Commission”). The term of office for each member is six years and the members select a chairman and vice-chairman from among its membership for two-year terms.

Pursuant to Arizona law, the Commission serves as the Authority’s regulatory body with the exclusive authority to establish electric prices for the capacity and energy generated at Hoover Dam and sold in Arizona. The Authority is a public nonprofit body, operates as an exempt, independent agency, and is required to follow Open Meeting Laws regarding public notice requirements and public meetings. It also has the authority to implement changes in electric price schedules, as needed.

ARIZONA POWER AUTHORITY MISSION

To responsibly administrate the Hoover Power allocation to the State of Arizona. In fulfilling this responsibility, the Power Authority strives to be an active leader in managing electric resources in a safe and environmentally prudent manner, and to provide active representation on behalf of the State of Arizona at federal, state, and local forums on issues that impact the public power community as a whole and issues that specifically involve Arizona and the Power Authority's power resources.

STRATEGIC ISSUES

STRATEGIC ISSUE #1: *Fiscal Responsibility*

Manage resources for APA customers at the lowest possible rates consistent with sound business principles. Review expenditures, scheduled maintenance, additions, improvements and other cost of service factors affecting power generation costs at Hoover Dam.

	FY2018 (actual)	FY2019 (estimate)	FY2020 (estimate)	FY2021 (estimate)	FY2022 (estimate)	FY2023 (estimate)	FY2024 (estimate)
Hoover Annual Revenue Requirements (in thousands)	76,910	73,971	77,143	82,517	73,794	74,597	76,394

STRATEGIC ISSUE #2: *New Contract Implementation*

With the allocation out of the way, we have focused on the transition to a new contract that took place on October 1st, 2017. With new contracts comes new opportunities and challenges. This includes relinquishing transmission contracts and transferring the dynamic signal over to our customers. It also has included negotiating 3 separate scheduling entity agreements, implementing a formal power pooling program, and finalizing the strategic mission for the Authority.

STRATEGIC ISSUE #3: *Resource Focused*

The electrical power industry is going through radical changes today, coupled with the complexities of the Colorado River, and makes the APA a good resource for our customers. It is important that the APA understands the Water-Power-Agriculture nexus, works with fellow state agencies and NGOs in arenas vital to the betterment of Arizona, APA's customers and Public Power as a whole.

ARIZONA POWER AUTHORITY GOALS

2020 through 2024

GOAL #1: *To be a leader for Hoover, Arizona, the Colorado River and Public Power as a whole.*

OBJECTIVES: Be actively engaged in Hoover management, especially with Engineering and Operations Committee, Technical Review Committee and annual budgeting. Be a resource for all of our 63 customers. Develop and enhance relationships with state and federal legislators and federal staff.

GOAL #2: *Strive for Operational Excellence.*

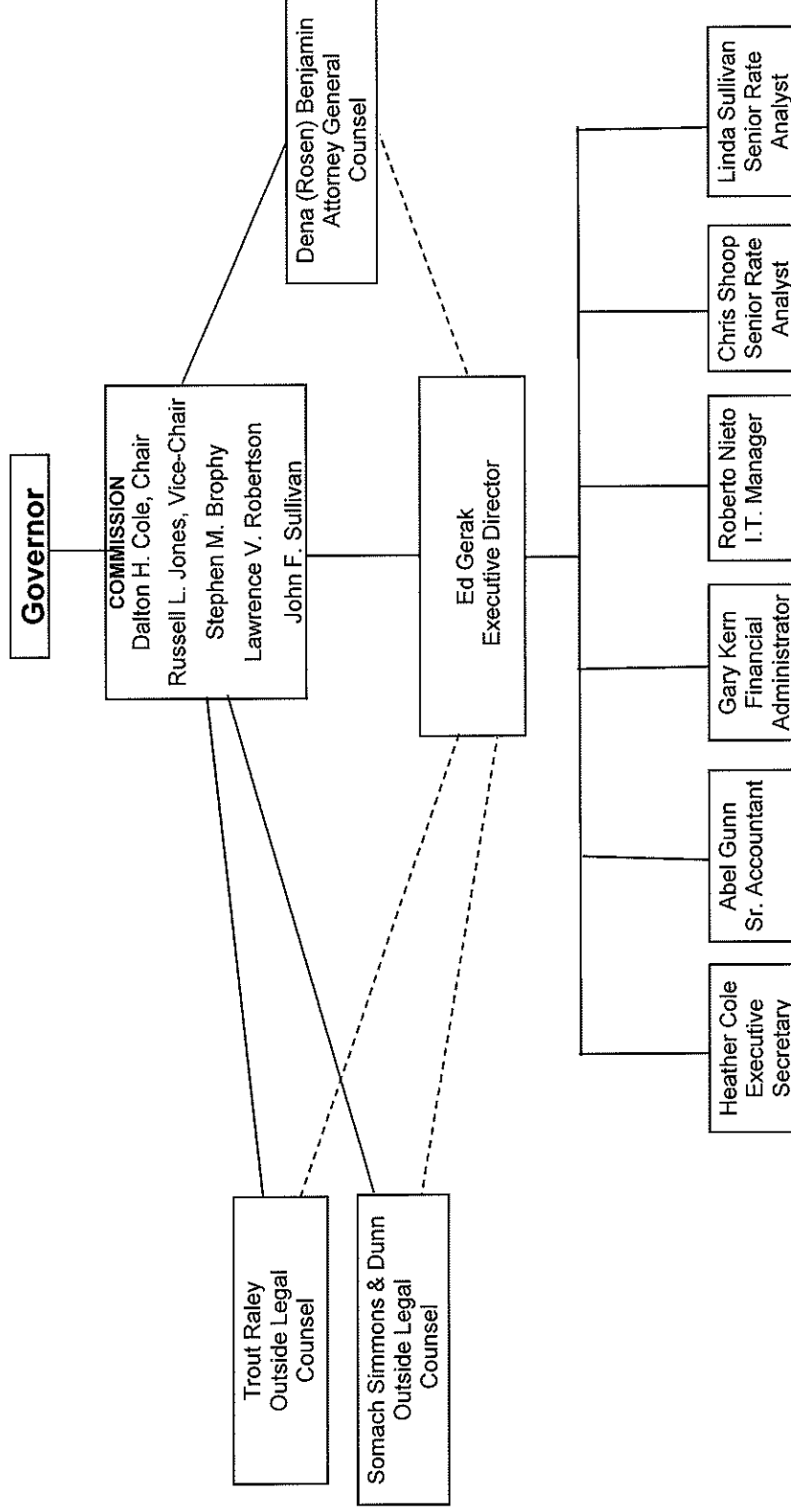
OBJECTIVES: Evaluate, educate, enhance and encourage our existing and potential staff. Establish proper staffing for expected workload, provide training for existing staff, and control or reduce costs.

GOAL #3: *To Create a Culture of Customer Service.*

OBJECTIVES: Build constructive relationships with our customers. Have regular meeting with them at the APA and at their place of business. Create a 3rd place environment at the APA for customers, with flex workspace, so customers can interact and engage with staff. Provide quarterly/monthly training for customers/staff and legislators.

NOTE: Hoover power contracts expired on 9/30/2017. The number of customers who will have contracts with APA for Hoover power after that date is 63.

Arizona Power Authority as of June, 2018



Administrative Costs

Agency: Power Authority

Administrative Costs Summary

Common Administrative Area	FY 2020
Personal Services	697.3
ERE	216.4
All Other	718.9
Administrative Costs Total:	1,632.6

Administrative Cost / Total Expenditure Ratio

	Request	Admin %
FY 2020	27,114.1	6.0%

Summary of Expenditure and Budget Request for Selected Funds

Agency:	Power Authority
Fund:	1112 Interest Income (Non-Appropriated)

	FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
Cost Center/Program:				
1 Arizona Power Authority	104.6	60.0	0.0	60.0
	104.6	60.0	0.0	60.0
Expenditure Categories				
Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	104.6	60.0	0.0	60.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:	104.6	60.0	0.0	60.0
Fund Total:	104.6	60.0	0.0	60.0

Summary of Expenditure and Budget Request for Selected Funds

Agency:	Power Authority
Fund:	1113 Fund Deposits (Non-Appropriated)

		FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
Cost Center/Program:					
1	Arizona Power Authority	23,928.8	21,442.6	0.0	21,442.6
		23,928.8	21,442.6	0.0	21,442.6
Expenditure Categories					
	FTE	7.0	7.0	0.0	7.0
	Personal Services	658.5	697.3	0.0	697.3
	Employee Related Expenses	206.1	216.4	0.0	216.4
	Professional and Outside Services	506.6	486.9	0.0	486.9
	Travel In-State	16.9	20.0	0.0	20.0
	Travel Out of State	18.8	24.0	0.0	24.0
	Food	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
	Other Operating Expenses	20,572.6	18,220.5	0.0	18,220.5
	Equipment	49.9	41.1	0.0	41.1
	Capital Outlay	0.0	0.0	0.0	0.0
	Debt Service	1,899.4	1,736.4	0.0	1,736.4
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		23,928.8	21,442.6	0.0	21,442.6
Fund Total:		23,928.8	21,442.6	0.0	21,442.6

Summary of Expenditure and Budget Request for Selected Funds

Agency:	Power Authority
Fund:	9506 APA - General Fund (Non-Appropriated)

		FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
Cost Center/Program:					
1	Arizona Power Authority	6,348.1	5,611.5	0.0	5,611.5
		6,348.1	5,611.5	0.0	5,611.5
Expenditure Categories					
	Personal Services	0.0	0.0	0.0	0.0
	Employee Related Expenses	0.0	0.0	0.0	0.0
	Professional and Outside Services	0.0	0.0	0.0	0.0
	Travel In-State	0.0	0.0	0.0	0.0
	Travel Out of State	0.0	0.0	0.0	0.0
	Food	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
	Other Operating Expenses	6,347.0	5,602.5	0.0	5,602.5
	Equipment	0.0	0.0	0.0	0.0
	Capital Outlay	1.1	9.0	0.0	9.0
	Debt Service	0.0	0.0	0.0	0.0
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		6,348.1	5,611.5	0.0	5,611.5
Fund Total:		6,348.1	5,611.5	0.0	5,611.5

Summary of Expenditure and Budget Request for Selected Funds

Agency:	Power Authority
Fund:	9506 APA - General Fund (Non-Appropriated)

	FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request			
Agency Total for Selected Funds	30,381.5	27,114.1	0.0	27,114.1			

Summary of Expenditure and Budget Request for All Funds

Agency: **Power Authority**

Non-Appropriated

		FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
Cost Center/Program:					
1	Arizona Power Authority	30,381.5	27,114.1	0.0	27,114.1
		30,381.5	27,114.1	0.0	27,114.1
Expenditure Categories					
	FTE	7.0	7.0	0.0	7.0
	Personal Services	658.5	697.3	0.0	697.3
	Employee Related Expenses	206.1	216.4	0.0	216.4
	Professional and Outside Services	506.6	486.9	0.0	486.9
	Travel In-State	16.9	20.0	0.0	20.0
	Travel Out of State	18.8	24.0	0.0	24.0
	Food	0.0	0.0	0.0	0.0
	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
	Other Operating Expenses	27,024.2	23,883.0	0.0	23,883.0
	Equipment	49.9	41.1	0.0	41.1
	Capital Outlay	1.1	9.0	0.0	9.0
	Debt Service	1,899.4	1,736.4	0.0	1,736.4
	Cost Allocation	0.0	0.0	0.0	0.0
	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		30,381.5	27,114.1	0.0	27,114.1

Summary of Expenditure and Budget Request
for All Funds

Agency: Power Authority

Agency Total for All Funds:	30,381.5	27,114.1	0.0	27,114.1			
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Arizona Power Authority**Fund 1113 Justification:**

Future revenue which will be deposited into the Fund Deposit Fund (Power Authority) are primarily based upon Western Area Power Administration's projection of energy and capacity from Hoover Dam, debt service, and administration costs.

Fund 9506 Justification:

The primary component is supplemental requested by our customers and is treated as a pass through. Revenues which are deposited in the APA - General Fund are estimated from the anticipated customer needs for the coming year.

Program Expenditure Schedule

Agency:	Power Authority
Program:	Arizona Power Authority

	FY 2018 Actual	FY 2019 Expd. Plan
FTE	7.0	7.0
Expenditure Category Total	7.0	7.0
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	7.0	7.0
Fund Source Total	7.0	7.0
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Personal Services	655.0	694.3
Boards and Commissions	3.5	3.0
Expenditure Category Total	658.5	697.3
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	658.5	697.3
Fund Source Total	658.5	697.3
<hr/>		
Employee Related Expenses	206.1	216.4
Expenditure Category Total	206.1	216.4
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	206.1	216.4
Fund Source Total	206.1	216.4
<hr/>		
Professional and Outside Services		486.9
External Prof/Outside Serv Budg And Appn	0.0	
External Investment Services	11.5	
Other External Financial Services	72.2	
Attorney General Legal Services	0.0	
External Legal Services	83.0	
External Engineer/Architect Cost - Exp	0.0	
External Engineer/Architect Cost- Cap	0.0	
Other Design	0.0	
Temporary Agency Services	0.0	
Hospital Services	0.0	
Other Medical Services	0.0	
Institutional Care	0.0	
Education And Training	12.8	
Vendor Travel	0.0	
Professional & Outside Services Excluded from Cost Alloca	0.0	
Vendor Travel - Non Reportable	0.0	
External Telecom Consulting Services	0.0	
Costs related to those in custody of the State	0.0	
Non - Confidential Specialist Fees	0.0	
Confidential Specialist Fees	0.0	
Outside Actuarial Costs	0.0	
Other Professional And Outside Services	327.1	

Program Expenditure Schedule

Agency:	Power Authority
Program:	Arizona Power Authority

	FY 2018 Actual	FY 2019 Expd. Plan
Expenditure Category Total	506.6	486.9
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	506.6	486.9
Fund Source Total	506.6	486.9
Travel In-State	16.9	20.0
Expenditure Category Total	16.9	20.0
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	16.9	20.0
Fund Source Total	16.9	20.0
Travel Out of State	18.8	24.0
Expenditure Category Total	18.8	24.0
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	18.8	24.0
Fund Source Total	18.8	24.0
Food	0.0	0.0
Expenditure Category Total	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0
Expenditure Category Total	0.0	0.0
Other Operating Expenses		23,883.0
Other Operating Expenditures Budg Approp	0.0	
Other Operating Expenditures Excluded from Cost Allocati	0.0	
Risk Management Charges To State Agency	27.3	
Risk Management Deductible - Indemnity	0.0	
Risk Management Deductible - Legal	0.0	
Risk Management Deductible - Medical	0.0	
Risk Management Deductible - Other	0.0	
Gen Liab- Non Physical-Taxable- Self Ins	0.0	
Gross Proceeds Payments To Attorneys	0.0	
General Liability- Non-Taxable- Self Ins	0.0	
Medical Malpractice - Self-Insured	0.0	
Automobile Liability - Self Insured	0.0	
General Property Damage - Self- Insured	0.0	
Automobile Physical Damage-Self Insured	0.0	
Liability Insurance Premiums	0.0	
Property Insurance Premiums	0.0	
Workers Compensation Benefit Payments	0.0	
Self Insurance - Administrative Fees	0.0	
Self Insurance - Premiums	0.0	
Self Insurance - Claim Payments	0.0	
Self Insurance - Pharmacy Claims	0.0	
Premium Tax On Altcs	0.0	

Program Expenditure Schedule

Agency:	Power Authority
Program:	Arizona Power Authority

	<u>FY 2018 Actual</u>	<u>FY 2019 Expd. Plan</u>
Other Insurance-Related Charges	0.0	
Internal Service Data Processing	0.0	
Internal Service Data Proc- Pc/Lan	0.0	
External Programming-Mainframe/Legacy	0.0	
External Programming- Pc/Lan/Serv/Web	0.0	
External Data Entry	0.0	
Othr External Data Proc-Mainframe/Legacy	0.0	
Othr External Data Proc-Pc/Lan/Serv/Web	0.0	
Pmt for AFIS Development & Usage	0.0	
Internal Service Telecommunications	0.0	
External Telecom Long Distance-In-State	0.0	
External Telecom Long Distance-Out-State	0.0	
Other External Telecommunication Service	12.5	
Electricity	18.6	
Sanitation Waste Disposal	1.3	
Water	0.0	
Gas And Fuel Oil For Buildings	0.0	
Other Utilities	0.0	
Building Rent Charges To State Agencies	0.0	
Priv Lease To Own Bld Rent Chrgs To Agy	0.0	
Cert Of Part Bld Rent Chrgs To Agy	0.0	
Rental Of Land And Buildings	0.0	
Rental Of Computer Equipment	0.0	
Rental Of Other Machinery And Equipment	0.0	
Miscellaneous Rent	0.0	
Interest On Overdue Payments	0.0	
All Other Interest Payments	0.0	
Internal Acct/Budg/Financial Svcs	0.0	
Other Internal Services	0.0	
Repair And Maintenance - Buildings	61.9	
Repair And Maintenance - Vehicles	0.0	
Repair And Maint - Mainframe And Legacy	0.0	
Repair And Maint-Pc/Lan/Serv/Web	0.0	
Repair And Maintenance - Other Equipment	0.0	
Other Repair And Maintenance	0.0	
Software Support And Maintenance	0.0	
Uniforms	0.0	
Inmate Clothing	0.0	
Security Supplies	0.0	
Office Supplies	4.6	
Computer Supplies	0.0	
Housekeeping Supplies	0.0	
Bedding And Bath Supplies	0.0	
Drugs And Medicine Supplies	0.0	
Medical Supplies	0.0	
Dental Supplies	0.0	
Automotive And Transportation Fuels	0.0	
Automotive Lubricants And Supplies	0.0	
Rpr And Maint Supplies-Not Auto Or Build	0.0	
Repair And Maintenance Supplies-Building	0.0	
Other Operating Supplies	0.0	

Program Expenditure Schedule

Agency:	Power Authority
Program:	Arizona Power Authority

	<u>FY 2018 Actual</u>	<u>FY 2019 Expd. Plan</u>
Publications	0.0	
Aggregate Withheld Or Paid Commissions	0.0	
Lottery Prizes	0.0	
Lottery Distribution Costs	0.0	
Material for Further Processing	0.0	
Other Resale Supplies	25,901.4	
Loss On Sales Of Capital Assets	0.0	
Loss on Sales of Investments	0.0	
Employee Tuition Reimbursement-Graduate	0.0	
Employee Tuition Reimb Under-Grad/Other	0.0	
Conference Registration-Attendance Fees	11.9	
Other Education And Training Costs	0.8	
Advertising	0.0	
Sponsorships	0.0	
Internal Printing	1.9	
External Printing	0.0	
Photography	0.0	
Postage And Delivery	0.6	
Document shredding and Destruction Services	0.0	
Translation and Sign Language Services	0.0	
Distribution To State Universities	0.0	
Other Intrastate Distributions	0.0	
Awards	0.0	
Entertainment And Promotional Items	0.0	
Dues	0.0	
Books- Subscriptions And Publications	0.0	
Costs For Digital Image Or Microfilm	0.0	
Revolving Fund Advances	0.0	
Credit Card Fees Over Approved Limit	0.0	
Relief Bill Expenditures	0.0	
Surplus Property Distr To State Agencies	0.0	
Security Services	0.0	
Judgments - Damages	0.0	
ICA Payments to Claimants Confidential	0.0	
Jdgmnt-Confidential Restitution To Indiv	0.0	
Judgments - Non-Confidential Restitution	0.0	
Judgments - Punitive And Compensatory	0.0	
Pmts Made to Resolve/Disputes/Avoid Costs of Litigation	0.0	
Pmts For Contracted State Inmate Labor	0.0	
Payments To State Inmates	0.0	
Bad Debt Expense	0.0	
Interview Expense	0.0	
Employee Relocations-Nontaxable	0.0	
Employee Relocations-Taxable	0.0	
Non-Confidential Invest/Legal/Law Enf	0.0	
Conf/Sensitive Invest/Legal/Undercover	0.0	
Fingerprinting, Background Checks, Etc.	0.0	
Other Miscellaneous Operating	981.4	

Program Expenditure Schedule

Agency:	Power Authority
Program:	Arizona Power Authority

	FY 2018 Actual	FY 2019 Expd. Plan
Expenditure Category Total	27,024.2	23,883.0
Non-Appropriated		
1112-N Interest Income (Non-Appropriated)	104.6	60.0
1113-N Fund Deposits (Non-Appropriated)	20,572.6	18,220.5
9506-N APA - General Fund (Non-Appropriated)	6,347.0	5,602.5
	27,024.2	23,883.0
Fund Source Total	27,024.2	23,883.0
Current Year Expenditures		41.1
Capital Equipment Budget And Approp	0.0	
Vehicles Capital Purchase	0.0	
Vehicles Capital Leases	0.0	
Furniture Capital Purchase	0.0	
Depreciable Works Of Art & Hist Treas/Coll Capital Purcha	0.0	
Non Depr Works Of Art & Hist Treas/Coll Cap Purchase	0.0	
Furniture Capital Leases	0.0	
Computer Equipment Capital Purchase	0.0	
Computer Equipment Capital Lease	0.0	
Telecommunication Equip-Capital Purchase	0.0	
Telecommunication Equip-Capital Lease	0.0	
Other Equipment Capital Purchase	0.0	
Other Equipment Capital Leases	0.0	
Purchased Or Licensed Software-Website	0.0	
Internally Generated Software-Website	0.0	
Development in Progress	0.0	
Right-Of-Way/Easement/Extraction Rights	0.0	
Oth Int Assets purchased, licensed or internally generate	0.0	
Other intangible assets acquired by capital lease	0.0	
Other Capital Asset Purchases	0.0	
Leasehold Improvement-Capital Purchase	0.0	
Other Capital Asset Leases	0.0	
Non-Capital Equip Budget And Approp	0.0	
Vehicles Non-Capital Purchase	0.0	
Vehicles Non-Capital Leases	0.0	
Furniture Non-Capital Purchase	0.0	
Works Of Art And Hist Treas-Non Capital	0.0	
Furniture Non-Capital Leases	0.0	
Computer Equipment Non-Capital Purchase	0.0	
Computer Equipment Non-Capital Lease	37.4	
Telecomm Equip Non-Capital Purchase	0.0	
Telecomm Equip Non-Capital Leases	0.0	
Other Equipment Non-Capital Purchase	0.0	
Weapons Non-Capital Purchase	0.0	
Other Equipment Non-Capital Lease	0.0	
Purchased Or Licensed Software/Website	12.5	
Internally Generated Software/Website	0.0	
LICENSES AND PERMITS	0.0	
Right-Of-Way/Easement/Extraction Exp	0.0	
Other Intangible Assets - Purchased, Licensed or Internall	0.0	
Noncapital Software/Web By Capital Lease	0.0	
Other Intangible Assets Acquired by Capital Lease	0.0	

Program Expenditure Schedule

Agency:	Power Authority
Program:	Arizona Power Authority

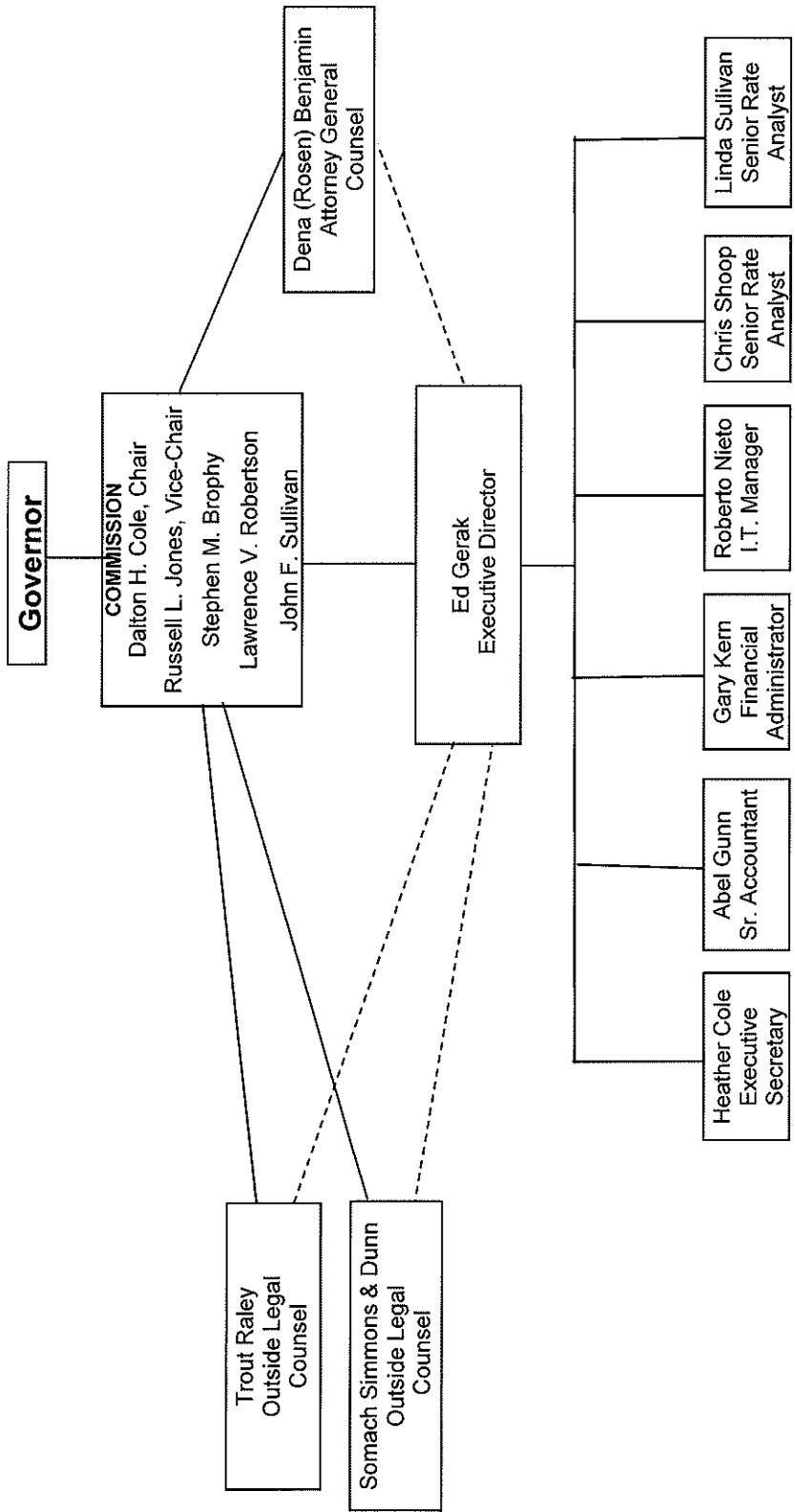
	FY 2018 Actual	FY 2019 Expd. Plan
Other Long Lived Tangible Assets to be Expenses	0.0	
Non-Capital Equipment Excluded from Cost Allocation	0.0	
Expenditure Category Total	49.9	41.1
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	49.9	41.1
Fund Source Total	49.9	41.1
<hr/>		
Capital Outlay	1.1	9.0
Expenditure Category Total	1.1	9.0
Non-Appropriated		
9506-N APA - General Fund (Non-Appropriated)	1.1	9.0
Fund Source Total	1.1	9.0
<hr/>		
Debt Service	1,899.4	1,736.4
Expenditure Category Total	1,899.4	1,736.4
Non-Appropriated		
1113-N Fund Deposits (Non-Appropriated)	1,899.4	1,736.4
Fund Source Total	1,899.4	1,736.4
<hr/>		
Cost Allocation	0.0	0.0
Expenditure Category Total	0.0	0.0
<hr/>		
Transfers	0.0	0.0
Expenditure Category Total	0.0	0.0

Employee Retirement Coverage			
Retirement System	FTE	Personal Services	Fund#
Arizona State Retirement System	7.0	694.3	1113-N

Combined Regular & Elected Positions At/Above FICA Maximum of \$127,200

Total FTE	Personal Services	FTE's not eligible for Health, Dental & Life
1.0	144.6	0.0

Arizona Power Authority as of June, 2018



Program Budget Unit Summary of Expenditures and Budget Request for Selected Funds

Agency: Power Authority

FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
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Program: Arizona Power Authority

Fund: 1112-N Interest Income Fund

Non-Appropriated

6000 Personal Services	0.0	0.0	0.0	0.0
6100 Employee Related Expenses	0.0	0.0	0.0	0.0
6200 Professional and Outside Services	0.0	0.0	0.0	0.0
6500 Travel In-State	0.0	0.0	0.0	0.0
6600 Travel Out of State	0.0	0.0	0.0	0.0
6700 Food	0.0	0.0	0.0	0.0
6800 Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000 Other Operating Expenses	104.6	60.0	0.0	60.0
8000 Equipment	0.0	0.0	0.0	0.0
8100 Capital Outlay	0.0	0.0	0.0	0.0
8600 Debt Service	0.0	0.0	0.0	0.0
9000 Cost Allocation	0.0	0.0	0.0	0.0
9100 Transfers	0.0	0.0	0.0	0.0
Non-Appropriated Total:	104.6	60.0	0.0	60.0
Fund Total:	104.6	60.0	0.0	60.0
Program Total For Selected Funds:	104.6	60.0	0.0	60.0

Program Budget Unit Summary of Expenditures and Budget Request for All Funds

Agency:	Power Authority
Program:	Arizona Power Authority

Expenditure Categories		FY 2018	FY 2019	FY 2020	FY 2020
		Actual	Expd. Plan	Fund. Issue	Total Request
0000	FTE	7.0	7.0	0.0	7.0
6000	Personal Services	658.5	697.3	0.0	697.3
6100	Employee Related Expenses	206.1	216.4	0.0	216.4
6200	Professional and Outside Services	506.6	486.9	0.0	486.9
6500	Travel In-State	16.9	20.0	0.0	20.0
6600	Travel Out of State	18.8	24.0	0.0	24.0
6700	Food	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	27,024.2	23,883.0	0.0	23,883.0
8000	Equipment	49.9	41.1	0.0	41.1
8100	Capital Outlay	1.1	9.0	0.0	9.0
8600	Debt Service	1,899.4	1,736.4	0.0	1,736.4
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		30,381.5	27,114.1	0.0	27,114.1

Fund Source					
Non-Appropriated Funds					
1112-N	Interest Income (Non-Appropriated)	104.6	60.0	0.0	60.0
1113-N	Fund Deposits (Non-Appropriated)	23,928.8	21,442.6	0.0	21,442.6
9506-N	APA - General Fund (Non-Appropriated)	6,348.1	5,611.5	0.0	5,611.5
		30,381.5	27,114.1	0.0	27,114.1
Fund Source Total:		30,381.5	27,114.1	0.0	27,114.1

Program Group Summary of Expenditures and Budget Request for Selected Funds

Agency:	Power Authority
Program:	Arizona Power Authority

	FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
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Fund:	1112-N	Interest Income (Non-Appropriated)
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Program Expenditures

COST CENTER/PROGRAM BUDGET UNIT

1-1	Arizona Power Authority	104.6	60.0	0.0	60.0
	Total	104.6	60.0	0.0	60.0

Non-Appropriated Funding

Expenditure Categories

Personal Services	0.0	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0	0.0
Professional and Outside Services	0.0	0.0	0.0	0.0
Travel In-State	0.0	0.0	0.0	0.0
Travel Out of State	0.0	0.0	0.0	0.0
Food	0.0	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
Other Operating Expenses	104.6	60.0	0.0	60.0
Equipment	0.0	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0	0.0
Transfers	0.0	0.0	0.0	0.0

Expenditure Categories Total:	104.6	60.0	0.0	60.0
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Fund 1112-N Total:	104.6	60.0	0.0	60.0
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Program 1 Total:	104.6	60.0	0.0	60.0
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Program Summary of Expenditures and Budget Request

Agency:	Power Authority
Program:	Arizona Power Authority

		FY 2018 Actual	FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Request
Program Summary					
1-1	Arizona Power Authority	30,381.5	27,114.1	0.0	27,114.1
Program Summary Total:		30,381.5	27,114.1	0.0	27,114.1
Expenditure Categories					
0000	FTE Positions	7.0	7.0	0.0	7.0
6000	Personal Services	658.5	697.3	0.0	697.3
6100	Employee Related Expenses	206.1	216.4	0.0	216.4
6200	Professional and Outside Services	506.6	486.9	0.0	486.9
6500	Travel In-State	16.9	20.0	0.0	20.0
6600	Travel Out of State	18.8	24.0	0.0	24.0
6700	Food	0.0	0.0	0.0	0.0
6800	Aid to Organizations and Individuals	0.0	0.0	0.0	0.0
7000	Other Operating Expenses	27,024.2	23,883.0	0.0	23,883.0
8000	Equipment	49.9	41.1	0.0	41.1
8100	Capital Outlay	1.1	9.0	0.0	9.0
8600	Debt Service	1,899.4	1,736.4	0.0	1,736.4
9000	Cost Allocation	0.0	0.0	0.0	0.0
9100	Transfers	0.0	0.0	0.0	0.0
Expenditure Categories Total:		30,381.5	27,114.1	0.0	27,114.1
Fund Source					
Non-Appropriated Funds					
1112-N	Interest Income (Non-Appropriated)	104.6	60.0	0.0	60.0
1113-N	Fund Deposits (Non-Appropriated)	23,928.8	21,442.6	0.0	21,442.6
9506-N	APA - General Fund (Non-Appropriated)	6,348.1	5,611.5	0.0	5,611.5
Fund Source Total:		30,381.5	27,114.1	0.0	27,114.1

Revenue Schedule

Agency: Power Authority

Fund: 1112 Interest Income Fund

AFIS Code	Category of Receipt and Description	FY 2018	FY 2019	FY 2020
4111	TRANSACTION PRIVILEGE TAX	0.0	0.0	0.0
4631	TREASURERS INTEREST INCOME	54.7	50.0	50.0
4634	OTHER INVESTMENT INCOME	49.9	10.0	10.0
Fund Total:		104.6	60.0	60.0

Revenue Schedule

Agency: Power Authority

Fund: 1113 Fund Deposits Fund (Power Authority)

AFIS Code	Category of Receipt and Description	FY 2018	FY 2019	FY 2020
4379	OTHER CHARGES FOR GOODS	23,564.2	21,442.6	21,442.6
4699	MISCELLANEOUS RECEIPTS	2.7	0.0	0.0
4911	FEDERAL TRANSFERS IN	361.9	0.0	0.0
Fund Total:		23,928.8	21,442.6	21,442.6

Revenue Schedule

Agency:	Power Authority
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Fund:	9506 APA - General Fund
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AFIS Code	Category of Receipt and Description	FY 2018	FY 2019	FY 2020
4339	OTHER FEES AND CHARGES FOR SERVICES	0.3	0.0	0.0
4379	OTHER CHARGES FOR GOODS	6,566.0	5,600.0	5,600.0
4631	TREASURERS INTEREST INCOME	46.2	50.0	50.0
4699	MISCELLANEOUS RECEIPTS	1.6	13.5	13.5
Fund Total:		6,614.1	5,663.5	5,663.5

Sources and Uses of Funds

Agency:	Power Authority
Fund:	1112 Interest Income Fund

Cash Flow Summary	Actual FY 2018	Estimate FY 2019	Estimate FY 2020
Balance Forward from Prior Year	0.0	0.0	0.0
Revenue (From Revenue Schedule)	104.6	60.0	60.0
Total Available	104.6	60.0	60.0
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	104.6	60.0	60.0
Balance Forward to Next Year	0.0	0.0	0.0

Non-Appropriated Expenditure	Actual FY 2018	Estimate FY 2019	Estimate FY 2020
Expenditure Categories			
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	104.6	60.0	60.0
Equipment	0.0	0.0	0.0
Capital Outlay	0.0	0.0	0.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	104.6	60.0	60.0
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	104.6	60.0	60.0
Non-Appropriated FTE:	0.0	0.0	0.0

Fund Description

OSP: Interest Income is received from investments with the Arizona State Treasurer and from investments in the Debt Service accounts. This income is used for the operating expenses of the Power Authority.

Sources and Uses of Funds

Agency:	Power Authority
Fund:	1113 Fund Deposits Fund (Power Authority)

Cash Flow Summary	Actual FY 2018	Estimate FY 2019	Estimate FY 2020
Balance Forward from Prior Year	0.0	0.0	0.0
Revenue (From Revenue Schedule)	23,928.8	21,442.6	21,442.6
Total Available	23,928.8	21,442.6	21,442.6
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	23,928.8	21,442.6	21,442.6
Balance Forward to Next Year	0.0	0.0	0.0

Non-Appropriated Expenditure	Actual FY 2018	Estimate FY 2019	Estimate FY 2020
Expenditure Categories			
Personal Services	658.5	697.3	697.3
Employee Related Expenses	206.1	216.4	216.4
Prof. And Outside Services	506.6	486.9	486.9
Travel - In State	16.9	20.0	20.0
Travel - Out of State	18.8	24.0	24.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	20,572.6	18,220.5	18,220.5
Equipment	49.9	41.1	41.1
Capital Outlay	0.0	0.0	0.0
Debt Service	1,899.4	1,736.4	1,736.4
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	23,928.8	21,442.6	21,442.6
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	23,928.8	21,442.6	21,442.6
Non-Appropriated FTE:	7.0	7.0	7.0

Fund Description

OSP: Revenues in this fund are a result of the sale of Hoover power and related transmission. These funds are used to pay for the operating expenses of the Power Authority.

Sources and Uses of Funds

Agency:	Power Authority
Fund:	9506 APA - General Fund

Cash Flow Summary	Actual FY 2018	Estimate FY 2019	Estimate FY 2020
Balance Forward from Prior Year	3,687.7	3,953.7	4,005.7
Revenue (From Revenue Schedule)	6,614.1	5,663.5	5,663.5
Total Available	10,301.8	9,617.2	9,669.2
Total Appropriated Disbursements	0.0	0.0	0.0
Total Non-Appropriated Disbursements	6,348.1	5,611.5	5,611.5
Balance Forward to Next Year	3,953.7	4,005.7	4,057.7

Non-Appropriated Expenditure

Expenditure Categories	Actual FY 2018	Estimate FY 2019	Estimate FY 2020
Personal Services	0.0	0.0	0.0
Employee Related Expenses	0.0	0.0	0.0
Prof. And Outside Services	0.0	0.0	0.0
Travel - In State	0.0	0.0	0.0
Travel - Out of State	0.0	0.0	0.0
Food	0.0	0.0	0.0
Aid to Organizations and Individuals	0.0	0.0	0.0
Other Operating Expenses	6,347.0	5,602.5	5,602.5
Equipment	0.0	0.0	0.0
Capital Outlay	1.1	9.0	9.0
Debt Service	0.0	0.0	0.0
Cost Allocation	0.0	0.0	0.0
Transfers	0.0	0.0	0.0
Expenditure Categories Total:	6,348.1	5,611.5	5,611.5
Cap Transfer due to Fund Balance	0.0	0.0	0.0
Prior Commitments or Obligated Expenditures	0.0	0.0	0.0
Non Appropriated 27th Pay Roll	0.0	0.0	0.0
Non-Appropriated Expenditure Total:	6,348.1	5,611.5	5,611.5
Non-Appropriated FTE:	0.0	0.0	0.0

Fund Description

OSPB: The revenues in this fund are derived from the sale of supplemental energy and capacity to customers. The revenues are used to purchase supplemental energy or capacity that is then sold to customers, and are also used for Commission expenditures.

State of Arizona Budget Request

State Agency
Power Authority

A.R.S. Citation: Title 30, Ch. 1

Governor DUCEY:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2020.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: Ed Gerak

Title: Executive Director

Non-Appropriated Funds

Total Amount Planned:

FY 2019 Expd. Plan	FY 2020 Fund. Issue	FY 2020 Total Budget
27,114.1	0.0	27,114.1
60.0	0.0	60.0
21,442.6	0.0	21,442.6
5,611.5	0.0	5,611.5

Interest Income Fund
Fund Deposits Fund (Power Authority)
APA - General Fund

Ed Gerak 8/15/2018

(signature)

Phone: (602) 368-4265

Prepared By: Gary Kern

Email Address: gary@powerauthority.org

Date Prepared: Wednesday, August 15, 2018

Total: 27,114.1 0.0 27,114.1