

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013 OVERVIEW

HIGHLIGHTS

- \$11.6 million transfer from reserves, which is a \$3.1 million decrease over the 2013 adopted budget.
- Revenues, not including Grant Proceeds, cover debt service and operating expenses by \$2 million.
- Retail Electric Sales increased \$3.6 million to \$42.5 million.
- Wholesale Electric Sales increased \$475,000 - The increase in sales is due to a higher estimated market pricing than was used when estimating 2013 Wholesale Sales.
- Grant Proceeds decreased \$3.4 million to \$425,000 - Decrease due to the ARRA Project ending in 2013.
- Purchased Power - The largest operating expenditure in the budget decreased \$150,000 to \$23.2 million.
- Capital Outlays account for \$14.1 million - see a summary of Capital Projects below.
- Rate Stabilization Fund - The funding for the budget includes a \$1.1 million transfer from the Rate Stabilization Fund.
- Debt Service Coverage Ratio is estimated at 2.76 times annual debt service payments; bond covenants require 1.25 times.
- Total TIER (times interest earned ratio) is estimated at 5.13; District's target is 1.5 times.

REVENUES of \$50.1 million - Assumptions Used

- **Retail Electric Sales:** Predicting a 0% load growth, 1 Mwa for new industrial customer and no rate adjustments in 2014.
- **Wholesale Electric:** Sales based on a 3/4 to median water year, ten year average wind and previous three years' average market pricing.
- **Wholesale Telecommunications:** Based on current revenue levels.
- **Interest:** Return on investments of between .12%(LGIP) and .20%(CDs).
- **Miscellaneous:** Previous twelve months revenue and Build America Bond reimbursement of \$439,500.
- **Rental Income:** Based on current revenue levels.
- **Construction Contributions:** Estimated using previous two years' average.
- **Grant Proceeds:** Anticipated reimbursements of \$425,000 from BPA and no grant revenue from RUS relating to ARRA.

EXPENDITURES \$43.9 million - Assumptions Used

- **Wages:** Three more employees than in the 2013 adopted budget and overall average wage increase of .6%.
The average wage increase only includes current bargaining agreement step increases and no general wage increase.
- **Benefits:** Based on August 2012 thru July 2013 actual percentage of wages. Range of 39% through 50.5% (ave. 42.1%).
Includes a 2% increase in employer PERS contributions rates effective July 2013.
- **Purchased Power:** Wells Project costs effective September 2013 and anticipated BPA rates effective October 2013.
- **Other Expenditures:** Other expenses are based on known 2014 costs. If costs are not specifically known, a 2% increase was estimated, except transportation which was estimated using a 5% increase.

DEBT SERVICE \$3.8 million

- **Principal and Interest:** Per debt service schedules and ARRA estimated debt service.

CAPITAL OUTLAY \$14.1 million - Summary Listing

- Enloe Dam \$5.4 million.
- Methow Transmission Line and Substation \$3 million.
- Operations Normal Replacements and Line Extensions of \$1.7 million.
- Wholesale Telecommunications Capital of \$414,000.
- Line Truck Replacement \$375,000.
- Warehouse Truck Replacement \$375,000.
- Regulator and Switch Purchases \$320,000.
- Information Systems \$308,000 (network, phone, access control and surveillance systems).
- Underground Replacements \$300,000.
- Bucket Truck Replacement \$300,000.
- Twisp Substation Modifications \$250,000.
- Covered Storage Okanogan or Sandflat Substations \$200,000
- Engineering - Large System Projects \$150,000.
- Cutout Replacement Program \$125,000.
- Pickup Truck Replacements (4) \$120,000.
- Other capital Items \$763,000.

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
BUDGET SUMMARY

<u>Description</u>	<u>Electric</u>	<u>Broadband</u>	<u>Total</u>
<u>REVENUE</u>			
Sales - Retail	42,501,700		42,501,700
Sales - Wholesale	2,835,200	2,200,000	5,035,200
Interest	50,000		50,000
Miscellaneous	1,104,000		1,104,000
Rental Income	108,000		108,000
Construction Contribution	917,000		917,000
Grant Proceeds	425,000	0	425,000
Total Revenue	47,940,900	2,200,000	50,140,900
<u>EXPENDITURES</u>			
Wages	7,503,100	305,200	7,808,300
Benefits	3,126,200	136,100	3,262,300
Travel	155,100	25,000	180,100
Training, Tuition and Meeting Fees	117,900	25,000	142,900
Transportation	852,500	43,900	896,400
Insurance	319,600		319,600
Utilities	95,800		95,800
Postage, Printing and Stationery	149,400	300	149,700
Advertising	18,600		18,600
Conservation Expenditures	425,000		425,000
Misc. Contractual Services	1,813,200	158,400	1,971,600
Legal Services	328,800	10,000	338,800
Maintenance Contracts	164,700	147,100	311,800
Software Licenses and Support	751,300	60,900	812,200
Permits and Fees	16,500	71,500	88,000
Rents and Leases	80,900	134,100	215,000
Materials and Supplies	702,500	85,500	788,000
Small Tools (under \$1,000)	45,100	1,000	46,100
Miscellaneous	78,100		78,100
Unforeseen Operating Contingency	100,000		100,000
Purchased Power	23,227,300		23,227,300
Taxes	2,570,000	11,000	2,581,000
Total Expenditures	42,641,600	1,215,000	43,856,600
<u>DEBT SERVICE</u>			
Debt Service - Principal	1,447,200	354,100	1,801,300
Debt Service - Interest	1,560,000	396,800	1,956,800
Total Debt Service	3,007,200	750,900	3,758,100
AVAILABLE FOR CAPITAL OUTLAY	2,292,100	234,100	2,526,200
<u>CAPITAL OUTLAY</u>			
Capital - Contractual Services	8,472,500		8,472,500
Capital - Materials and Supplies	2,582,000	368,900	2,950,900
Capital - Meter Purchases	70,000		70,000
Capital - Transformer Purchases	400,000		400,000
Capital - Tools and Equipment	4,500		4,500
Capital - Buildings	330,000		330,000
Capital - Equipment (Over \$2,000)	491,900	45,000	536,900
Capital - Vehicles	1,219,000		1,219,000
Capital - Personal Computers	37,500		37,500
Unforeseen Capital Contingency	100,000		100,000
Total Capital Outlay	13,707,400	413,900	14,121,300
RESERVES/DEBT	(11,415,300)	(179,800)	(11,595,100)

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
2013 ADOPTED BUDGET COMPARED TO 2014 PROPOSED BUDGET

REVENUE	Electric System				Broadband				Total			
	Adopted 2013	Projected 2013	Proposed 2014	2013 Adopted/ 2014 Proposed	Adopted 2013	Projected 2013	Proposed 2014	2013 Adopted/ 2014 Proposed	Adopted 2013	Projected 2013	Proposed 2014	2013 Adopted/ 2014 Proposed
Sales - Retail	38,889,900	37,112,000	42,501,700	3,611,800			0	0	38,889,900	37,112,000	42,501,700	3,611,800
Sales - Wholesale	2,360,300	4,516,000	2,835,200	474,900	2,200,000	2,184,000	2,200,000	0	4,560,300	6,700,000	5,035,200	474,900
Interest	68,000	59,000	50,000	(18,000)			0	0	68,000	59,000	50,000	(18,000)
Miscellaneous	1,052,000	1,052,000	1,104,000	52,000			0	0	1,052,000	1,052,000	1,104,000	52,000
Rental Income	118,000	118,000	108,000	(10,000)			0	0	118,000	118,000	108,000	(10,000)
Construction Contribution	1,104,000	869,000	917,000	(187,000)			0	0	1,104,000	869,000	917,000	(187,000)
Grant Proceeds	480,000	480,000	425,000	(55,000)	3,388,000	3,388,000	0	(3,388,000)	3,868,000	3,868,000	425,000	(3,443,000)
Total Revenue	44,072,200	44,206,000	47,940,900	3,868,700	5,588,000	5,572,000	2,200,000	(3,388,000)	49,660,200	49,778,000	50,140,900	480,700
EXPENDITURES												
Wages	7,377,500	6,847,000	7,503,100	125,600	266,500	498,000	305,200	38,700	7,644,000	7,345,000	7,808,300	164,300
Benefits	2,831,700	2,709,000	3,126,200	294,500	106,300	210,000	136,100	29,800	2,938,000	2,919,000	3,262,300	324,300
Travel	141,500	86,000	155,100	13,600	12,500	6,000	25,000	12,500	154,000	92,000	180,100	26,100
Training, Tuition and Meeting Fees	90,700	33,000	117,900	27,200	20,000	7,000	25,000	5,000	110,700	40,000	142,900	32,200
Transportation	800,000	781,000	852,500	52,500	43,100	51,000	43,900	800	843,100	832,000	896,400	53,300
Insurance	312,400	300,000	319,600	7,200	0	0	0	0	312,400	300,000	319,600	7,200
Utilities	88,900	79,000	95,800	6,900	0	0	0	0	88,900	79,000	95,800	6,900
Postage, Printing and Stationery	150,800	111,000	149,400	(1,400)	300	1,000	300	0	151,100	112,000	149,700	(1,400)
Advertising	23,000	15,000	18,600	(4,400)	0	0	0	0	23,000	15,000	18,600	(4,400)
Conservation Expenditures	480,000	480,000	425,000	(55,000)	0	0	0	0	480,000	480,000	425,000	(55,000)
Misc. Contractual Services	1,974,400	1,692,000	1,813,200	(161,200)	89,400	11,000	158,400	69,000	2,063,800	1,703,000	1,971,600	(92,200)
Legal Services	319,500	258,000	328,800	9,300	10,000	10,000	10,000	0	329,500	268,000	338,800	9,300
Maintenance Contracts	239,100	185,000	164,700	(74,400)	98,900	98,900	147,100	48,200	338,000	283,900	311,800	(26,200)
Software Licenses and Support	624,400	359,000	751,300	126,900	54,500	34,000	60,900	6,400	678,900	393,000	812,200	133,300
Permits and Fees	13,500	6,000	16,500	3,000	77,000	59,000	71,500	(5,500)	90,500	65,000	88,000	(2,500)
Rents and Leases	86,900	68,000	80,900	(6,000)	185,400	221,000	134,100	(51,300)	272,300	289,000	215,000	(57,300)
Materials and Supplies	644,400	644,400	702,500	58,100	110,000	110,000	85,500	(24,500)	754,400	754,400	788,000	33,600
Small Tools (under \$1,000)	47,300	9,000	45,100	(2,200)	1,000	1,000	1,000	0	48,300	10,000	46,100	(2,200)
Miscellaneous	72,500	36,000	78,100	5,600	0	0	0	0	72,500	36,000	78,100	5,600
Unforeseen Operating Contingency	100,000	139,000	100,000	0	0	0	0	0	100,000	139,000	100,000	0
Purchased Power	23,376,800	23,376,800	23,227,300	(149,500)	0	0	0	0	23,376,800	23,376,800	23,227,300	(149,500)
Taxes	2,360,200	2,381,000	2,570,000	209,800	10,200	11,000	11,000	800	2,370,400	2,392,000	2,581,000	210,600
Total Expenditures	42,155,500	40,595,200	42,641,600	486,100	1,085,100	1,328,900	1,215,000	129,900	43,240,600	41,924,100	43,856,600	616,000
DEBT SERVICE												
Debt Service - Principal	1,411,600	1,411,600	1,447,200	35,600	305,400	305,400	354,100	48,700	1,717,000	1,717,000	1,801,300	84,300
Debt Service - Interest	1,624,200	1,624,200	1,560,000	(64,200)	347,700	347,700	396,800	49,100	1,971,900	1,971,900	1,956,800	(15,100)
Total Debt Service	3,035,800	3,035,800	3,007,200	(28,600)	653,100	653,100	750,900	97,800	3,688,900	3,688,900	3,758,100	69,200
AVAILABLE FOR CAPITAL OUTLAY	(1,119,100)	575,000	2,292,100	3,411,200	3,849,800	3,590,000	234,100	(3,615,700)	2,730,700	4,165,000	2,526,200	(204,500)
CAPITAL OUTLAY												
Capital - Contractual Services	6,442,500	4,207,000	8,472,500	2,030,000	30,000	5,033,000	0	(30,000)	6,472,500	9,240,000	8,472,500	2,000,000
Capital - Materials and Supplies	2,208,000	1,417,000	2,582,000	374,000	5,686,400	683,400	368,900	(5,317,500)	7,894,400	2,100,400	2,950,900	(4,943,500)
Capital - Meter Purchases	90,000	39,000	70,000	(20,000)	0	0	0	0	90,000	39,000	70,000	(20,000)
Capital - Transformer Purchases	225,000	225,000	400,000	175,000	0	0	0	0	225,000	225,000	400,000	175,000
Capital - Tools and Equipment	9,500	9,500	4,500	(5,000)	0	0	0	0	9,500	9,500	4,500	(5,000)
Capital - Buildings	685,000	107,000	330,000	(355,000)	0	0	0	0	685,000	107,000	330,000	(355,000)
Capital - Equipment (Over \$2,000)	1,171,100	571,100	491,900	(679,200)	88,000	88,000	45,000	(43,000)	1,259,100	659,100	536,900	(722,200)
Capital - Vehicles	634,000	129,000	1,219,000	585,000	0	0	0	0	634,000	129,000	1,219,000	585,000
Capital - Personal Computers	54,200	54,200	37,500	(16,700)	0	0	0	0	54,200	54,200	37,500	(16,700)
Unforeseen Capital Contingency	100,000	40,000	100,000	0	0	0	0	0	100,000	40,000	100,000	0
Total Capital Outlay	11,619,300	6,798,800	13,707,400	2,088,100	5,804,400	5,804,400	413,900	(5,390,500)	17,423,700	12,603,200	14,121,300	(3,302,400)
RESERVES/DEBT	(12,738,400)	(6,223,800)	(11,415,300)	1,323,100	(1,954,600)	(2,214,400)	(179,800)	1,774,800	(14,693,000)	(8,438,200)	(11,595,100)	3,097,900

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE SUMMARY BY DEPARTMENT

<u>Description</u>	<u>Generation</u>	<u>Power Supply</u>	<u>Const. Design</u>	<u>Eng.</u>	<u>Operations</u>	<u>Enviro.</u>	<u>Customer Service</u>	<u>Cons.</u>	<u>General Admin.</u>	<u>I.S.</u>	<u>BOC</u>	<u>Broadband</u>	<u>Internal Comm.</u>	<u>Total</u>
EXPENDITURES														
010 Wages	272,300	114,400	560,000	279,700	3,759,000	62,100	657,200	119,700	1,136,100	296,700	108,600	305,200	137,300	7,808,300
011 Benefits	113,800	49,800	239,700	119,700	1,488,600	28,500	331,200	46,700	465,800	131,700	54,800	136,100	55,900	3,262,300
020 Travel	25,000	10,000	4,000	10,000	15,000	8,000	4,800	4,000	35,300	10,000	19,000	25,000	10,000	180,100
021 Training, Tuition and Meeting Fees	7,000	2,500	7,500	15,000	35,000	4,500	2,500	2,500	12,900	10,000	2,300	25,000	16,200	142,900
030 Transportation	6,200	1,600	23,400	11,700	753,200	500	40,100	6,600	2,600	1,600		43,900	5,000	896,400
040 Insurance									319,600					319,600
050 Utilities					200				95,600					95,800
060 Postage, Printing and Stationery		100		500	3,000		137,600	3,000	4,900			300	300	149,700
070 Advertising				300	1,000				17,000					18,600
071 Conservation Expenditures								425,000						425,000
080 Misc. Contractual Services	82,100	364,000			646,100	6,500	52,200	20,000	510,300	57,000		158,400	75,000	1,971,600
081 Legal Services									328,800			10,000		338,800
082 Maintenance Contracts					94,000		500		13,900	35,300		147,100	21,000	311,800
083 Software Licenses and Support	5,000	190,000	4,000			2,000	5,000			538,000		60,900	11,300	816,200
084 Permits and Fees	5,000			500	1,000		300		2,700			71,500	3,000	84,000
085 Rents and Leases	9,000				1,000		5,200		9,500	26,800		134,100	29,400	215,000
090 Materials and Supplies	5,500	200		15,000	582,000	5,000	26,000	2,200	40,600	15,000	1,000	85,500	10,000	788,000
091 Small Tools (under \$1,000)			2,000		15,500		3,000		2,600	20,000		1,000	2,000	46,100
092 Miscellaneous				400	10,400		34,500	200	32,300		300			78,100
099 Unforeseen Operating Contingency									100,000					100,000
120 Purchased Power		23,227,300												23,227,300
210 Taxes									2,570,000			11,000		2,581,000
Total Expenditures	530,900	23,959,900	840,600	452,800	7,405,000	117,100	1,300,100	646,900	5,683,800	1,142,100	186,000	1,215,000	376,400	43,856,600
DEBT SERVICE														
810 Debt Service - Principal									1,447,200			354,100		1,801,300
811 Debt Service - Interest									1,560,000			396,800		1,956,800
Total Debt Service	0	0	0	0	0	0	0	0	3,007,200	0	0	750,900	0	3,758,100
CAPITAL OUTLAY														
581 Capital - Contractual Services	5,189,500		2,733,000	150,000	400,000									8,472,500
591 Capital - Materials and Supplies	165,000		757,000	410,000	1,225,000							368,900	25,000	2,950,900
592 Capital - Meter Purchases					70,000									70,000
593 Capital - Transformer Purchases					400,000									400,000
710 Capital - Tools and Equipment					2,500									4,500
711 Capital - Buildings					330,000				2,000					330,000
712 Capital - Equipment (Over \$2,000)					84,000					307,900		45,000	100,000	536,900
713 Capital - Vehicles					1,219,000									1,219,000
714 Capital - Personal Computers										37,500				37,500
901 Unforeseen Capital Contingency									100,000					100,000
Total Capital Outlay	5,354,500	0	3,490,000	560,000	3,730,500	0	0	0	102,000	345,400	0	413,900	125,000	14,121,300
Total Use of Resources	5,885,400	23,959,900	4,330,600	1,012,800	11,135,500	117,100	1,300,100	646,900	8,793,000	1,487,500	186,000	2,379,800	501,400	61,736,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
REVENUE DETAIL**

<u>Div.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	Electric		47,940,900
	001	Sales - Retail	42,501,700
	002	Sales - Wholesale	2,835,200
	003	Interest	50,000
	004	Miscellaneous	1,104,000
	005	Rental Income	108,000
	006	Construction Contributions	917,000
	007	Grant Proceeds	425,000
2	Broadband		2,200,000
	002	Sales - Wholesale	2,200,000
	004	Miscellaneous	0
	006	Construction Contributions	0
	007	Grant Proceeds	0
		TOTAL REVENUE	50,140,900

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	10	Generation		5,885,400
		010	Wages	272,300
		011	Benefits	113,800
		020	Travel	25,000
		021	Training, Tuition and Meeting Fees	7,000
		030	Transportation	6,200
		080	Misc. Contractual Service	82,100
		083	Software Licenses and Support	5,000
		084	Permits and Fees	5,000
		085	Rent and Leases	9,000
			Ophir Site Lease	9,000
		090	Materials and Supplies	5,500
		092	Miscellaneous	0
		581	Capital - Contractual Services	5,189,500
		591	Capital - Materials and Supplies	165,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	11	Power Supply		23,959,900
		010	Wages	114,400
		011	Benefits	49,800
		020	Travel	10,000
		021	Training, Tuition and Meeting Fees	2,500
		030	Transportation	1,600
		060	Postage, Printing and Stationery	100
		080	Misc. Contractual Services	364,000
			Douglas County PUD	350,000
			Professional Services (compliance/scheduling)	3,000
			Central Washington Power Authority	1,000
			Slice Implementation Group	10,000
		083	Software Licenses and Support	190,000
			Slice Software Support Fee	190,000
		090	Materials and Supplies	200
		120	Purchased Power	23,227,300
			BPA - Slice	7,937,400
			BPA - Block	5,828,600
			BPA - Transmission	2,672,900
			Wells	4,025,600
			Nine Canyon	2,762,800

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	19	Construction Design		4,330,600
		010	Wages	560,000
		011	Benefits	239,700
		020	Travel	4,000
		021	Training, Tuition and Meeting Fees	7,500
		030	Transportation	23,400
		084	Permits and Fees	4,000
			Miscellaneous	4,000
		091	Small Tools (under \$1,000)	2,000
		581	Capital - Contractual Services	2,733,000
			PT Line Construction	703,000
			PT Mitigation/Roads	650,000
			PT Permits	175,000
			PT ROW/Easements	500,000
			Gold Creek Substation	505,000
			LiDAR - Transmission Fixes	50,000
			BPA Engineering Studies - Chicken Creek Substation	60,000
			OKPUD Preliminary Study - Chicken Creek Substation	15,000
			Okanogan-Brewster Transmission Rebuild	65,000
			Misc. Property Survey	10,000
		591	Capital - Materials and Supplies	757,000
			PT Line - Transmission and Distribution Materials	147,000
			Gold Creek Substation	320,000
			Twisp Substation Modifications	250,000
			Loup Transmission Line Re-Route into Twisp Substation	40,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	20	Engineering		1,012,800
		010	Wages	279,700
		011	Benefits	119,700
		020	Travel	10,000
		021	Training, Tuition and Meeting Fees	15,000
		030	Transportation	11,700
		060	Postage, Printing and Stationery	500
		070	Advertising	300
		080	Misc. Contractual Services	0
		083	Software Licenses and Support	0
		084	Permits and Fees	500
			Miscellaneous	1,000
		090	Materials and Supplies	15,000
		092	Miscellaneous	400
		581	Capital - Contractual Services	150,000
			Engineering - Large System Projects	150,000
		591	Capital - Materials and Supplies	410,000
			Okanogan 115kv Bus Differential	10,000
			SCADA	50,000
			OCB, Regulators, Reclosers, etc.	320,000
			Battery Replacements Identified by NERC Testing	30,000

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	21	Operations		11,135,500
		010	Wages	3,759,000
		011	Benefits	1,488,600
		020	Travel	15,000
		021	Training, Tuition and Meeting Fees	35,000
		030	Transportation	753,200
		050	Utilities	200
		060	Postage, Printing and Stationery	3,000
		070	Advertising	1,000
		080	Misc. Contractual Services	646,100
			CDL Testing Program	6,000
			Employee Dispatch	9,600
			Janitorial Services (BR, TO and OR)	8,500
			Pole Testing	115,000
			Safety Training	40,000
			Tree Trimming	455,000
			Underground Locate Service	3,000
			Weed Control	9,000
		082	Maintenance Contracts	94,000
			HVAC Maintenance	32,000
			Landscape Maintenance	9,000
			Snowplowing and Sweeping	15,000
			Omak Office - Asphalt Repair, Seal and Stripe	10,000
			Okanogan Office - Asphalt, Seal and Stripe	20,000
			Brewster Office - Exterior Repair and Paint	8,000
		083	Software Licenses and Support	0
		084	Permits and Fees	1,000
			Miscellaneous	1,000
		085	Rents and Leases	1,000
			Pole Contacts	1,000
		090	Materials and Supplies	582,000
			General	550,000
			Fire Resistant Clothing	24,500
			Fire Resistant Raingear	7,500
		091	Small Tools (under \$1,000)	15,500
			Brewster	2,500
			Okanogan	7,500
			Oroville	2,500
			Vehicle Shop/Electric Shop	3,000
		092	Miscellaneous	10,400
			Lineman Rodeo (Fees, Travel and Supplies)	10,000
			Safety Meeting Refreshments	400
		099	Unforeseen Operating Contingency	0
		581	Capital - Contractual Services	400,000
			Contract Labor	100,000
			Underground Replacements	300,000
		591	Capital - Materials and Supplies	1,225,000
			Normal Replacements and Extensions	1,100,000
			Cutout Replacement	125,000
		592	Capital - Meter Purchases	70,000
			Metering Special Projects	30,000
			PME Meter Replacements	40,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
	593	Capital - Transformer Purchases		400,000
		Normal Additions/Replacements	400,000	
	710	Capital - Tools & Equipment (\$1,000 to \$2,000)		2,500
	711	Capital - Buildings		330,000
		Headquarters - Emergency Generator Loadbank	8,000	
		Okanogan or Sandflat Subs - Covered Storage	200,000	
		Headquarters - Hardwater System	9,000	
		Warehouse - HVAC Replacement	75,000	
		Warehouse - Storage Container	3,000	
		Warehouse - Lights	35,000	
	712	Capital - Equipment (Over \$2,000)		84,000
		Electric Shop - Oil Filtration System	14,000	
		Electric Shop - Portable Oil Test Set	12,000	
		Electric Shop - Pipe Threading Machine	6,000	
		Electric Shop\Telecom - Air Compressor	12,000	
		Electric Shop\Telecom - Battery Storage\Charging	20,000	
		Vehicle Shop - Parts Washer	5,500	
		Vehicle Shop - Iron Worker Attachments	14,500	
	713	Capital - Vehicles		1,219,000
		Bucket Truck - Replacement	300,000	
		Line Truck - Replacement	375,000	
		Warehouse Truck - Replacement	375,000	
		Backhoe Trailer - Replacement	35,000	
		Service Trucks (2) - Replacements	90,000	
		Cab\Chassis - Reuse and Remount Boom	80,000	
		Foreman Truck - Replacement	90,000	
		Pickup Truck - Replacements (4)	120,000	
		Large SUV	30,000	
		Less: Transportation System Depreciation	(276,000)	

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	22		Environmental	117,100
		010	Wages	62,100
		011	Benefits	28,500
		020	Travel	8,000
		021	Training, Tuition and Meeting Fees	4,500
		030	Transportation	500
		080	Misc. Contractual Services	6,500
			Miscellaneous	6,500
		083	Software Licenses and Support	2,000
		090	Materials and Supplies	5,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	30		Customer Service	1,300,100
		010	Wages	657,200
		011	Benefits	331,200
		020	Travel	4,800
		021	Training, Tuition and Meeting Fees	2,500
		030	Transportation	40,100
		060	Postage, Printing and Stationery	137,600
			Postage and Printing - NISC	108,800
			Postage - PUD	19,200
			Printing - Misc.	9,600
		080	Misc. Contractual Services	52,200
			CIS Programming	5,000
			Collection Service - Credit Bureau	4,000
			Credit Reporting Agency	3,200
			Electronic Payments Fees	40,000
		082	Maintenance Contracts	500
		083	Software Licenses and Support	5,000
			RemitPlus Check Scanning and Recognition Support	5,000
		084	Permits and Fees	300
			Miscellaneous Fees (Notaries, etc.)	300
		085	Rents and Leases	5,200
			Office Rent MVCC	4,900
			Miscellaneous	300
		090	Materials and Supplies	26,000
			General	26,000
		091	Small Tools (under \$1,000)	3,000
		092	Miscellaneous	34,500
			Miscellaneous Expenses	600
			Net Account Receivable Writeoffs	33,900
		099	Unforeseen Operating Contingency	0

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	35		Conservation/Consumer Information	646,900
		010	Wages	119,700
		011	Benefits	46,700
		020	Travel	4,000
		021	Training, Tuition and Meeting Fees	2,500
		030	Transportation	6,600
		060	Postage, Printing and Stationery	3,000
			Miscellaneous	3,000
		070	Advertising	17,000
		071	Conservation Expenditures	425,000
			District Conservation Programs	425,000
		080	Misc. Contractual Services	20,000
			Electric Education Programs	20,000
		090	Materials and Supplies	2,200
		092	Miscellaneous	200

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	40	General Administration		8,793,000
	010	Wages		1,136,100
	011	Benefits		465,800
	020	Travel		35,300
		General	19,500	
		Accounting and Finance	8,300	
		Human Resource	4,000	
		Leadership	3,500	
	021	Training, Tuition and Meeting Fees		12,900
		General	2,600	
		Accounting and Finance	5,200	
		Human Resource	1,600	
		Leadership	3,500	
	030	Transportation		2,600
	040	Insurance (Property/Liability)		319,600
	050	Utilities		95,600
		Cell Phone Service	8,600	
		Electrical Service	8,700	
		Telephone Service	48,100	
		Water/Sewer/Garbage	30,200	
	060	Postage, Printing and Stationery		4,900
	070	Advertising		300
	080	Misc. Contractual Services		510,300
		APPA Dues	13,700	
		Audit Costs	74,400	
		Banking Fees	51,800	
		Benefits Administration	11,300	
		Bond Admin Fee	1,600	
		Chamber of Commerce Dues	800	
		CWPU/UIP Expenses	27,500	
		Economic Alliance	6,000	
		Financial Studies	50,000	
		Fire Alarm Monitoring	400	
		Foundation for Water and Energy	2,000	
		Janitorial Services (OK and OM)	49,500	
		Legislative Consultant	37,200	
		Misc. Services/Consulting	23,500	
		NW Public Power Assoc. Dues/NW Wage & Hour	28,600	
		PPC - Dues	27,400	
		PPC - NW River Partners	12,400	
		PPC - NW River Partners Additional	10,400	
		Standard and Poors	7,700	
		WA PUD Association Dues	74,100	
	081	Legal Services		328,800
		General Counsel	253,800	
		Misc. Attorney Fees	75,000	
	082	Maintenance Contracts		13,900
		Copier Maintenance - HQ Building	10,000	
		Elevator Maintenance	3,900	
	083	Software Licenses and Support		0
	084	Permits and Fees		2,700
		WA State Purchasing Coop	2,000	

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>
			WA State L&I Right to Know	300	
			Misc.	400	
085		Rents and Leases			9,500
			Copier Lease	8,800	
			P.O. Box Rent	700	
090		Materials and Supplies			40,600
091		Small Tools (under \$1,000)			2,600
092		Miscellaneous			32,300
			Clothing for Identification	1,200	
			Deductibles/Damage Claims	4,000	
			Election Costs	4,100	
			Employee Day	3,300	
			Meeting Expenses	1,800	
			Misc. Expenses (Wellness, Interview and Moving Exp)	16,700	
			Service Awards and Costs	1,200	
099		Unforeseen Operating Contingency			100,000
210		Taxes			2,570,000
710		Capital - Tools & Equipment (\$1,000 to \$2,000)			2,000
713		Capital - Vehicles			0
810		Debt Service - Principal			1,447,200
811		Debt Service - Interest			1,560,000
901		Unforeseen Capital Contingency			100,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	41	Information Systems		1,487,500
	010	Wages		296,700
	011	Benefits		131,700
	020	Travel		10,000
	021	Training, Tuition and Meeting Fees		10,000
	030	Transportation		1,600
	080	Misc. Contractual Services		57,000
		Network Consulting	15,000	
		SharePoint Consulting	5,000	
		Webpage Consulting	5,000	
		Security System Monitoring	3,000	
		Phone Server Migration	2,000	
		Origin to WindmilMap Conversion	27,000	
	082	Maintenance Contracts		35,300
		Branch Office Multi Function Printer	1,500	
		Datacenter Liebert Units	5,400	
		Eaton Powerware - Datacenter UPS & Monitoring	0	
		Eaton Powerware - Omak Network UPS	0	
		NetApp SAN Hardware/Software - Current	25,000	
		SonicWall	0	
		Server Hardware Maintenance	3,400	
	083	Software Licenses and Support		538,000
		3rd Party Patch Management	4,500	
		Aclara - TWACS Support	18,000	
		Aclara - Upgrade to new iiDEAS	10,000	
		Certs SSL	1,500	
		LocalTel Phone System - Maintenance	13,500	
		LocalTel Phone System - Licenses	3,300	
		Microsoft Software	20,200	
		NISC Custom Programming	5,000	
		NISC Maintenance	130,000	
		NISC MDMS Implementation	36,000	
		NISC MDMS Annual Fee	23,200	
		Domain Registrations	600	
		OCR for RICOH Scanner	40,000	
		Programming Software	500	
		SonicWALL - ESA	2,200	
		Symantec Software and Support	14,700	
		VMWare Software Support (IS)	6,000	
		MS SQL Server	700	
		Milsoft - WindMilMap	27,000	
		AutoCad	2,500	
		ESRI	6,200	
		Futura	16,000	
		GeoNav	3,000	
		Itron Engineering Analysis	78,500	
		Itron Engineering Analysis - Maintenance	4,500	
		Itron Staker	20,000	
		Itron Staker - Reporting	10,000	
		TL-PRO Design Studio	5,000	
		OSI	19,500	
		Trimble Field Inspector	1,400	

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>
			Allison Transmission Diagnostic Software	800	
			Mitchell Diagnostic Software	1,500	
			MSDS On Line	2,200	
			Cummins Tool Software	700	
			Fastenal Tool Inventory	1,200	
			Max Force	600	
			Zonar Vehicle Tracking	7,500	
085		Rents and Leases			26,800
			Okanogan Mailing Equipment	13,000	
			Branch Office Mailing Equipment	3,000	
			Branch Office MFP	10,800	
090		Materials and Supplies			15,000
091		Small Tools (under \$1,000)			20,000
099		Unforeseen Operating Contingency			0
712		Capital - Equipment (Over \$2,000)			307,900
			Virtual Environment	105,000	
			HP Autoloader LTO5	5,500	
			SQL Server - Operations	6,000	
			Trimble Field Inspection Unit - Operations	4,300	
			Network Switch	1,500	
			SIEM - Log Management	15,000	
			Phone System	5,600	
			Keycard Systems - Readers and Controllers	50,000	
			Video Systems - Hardware	20,000	
			Video Surveillance Software/Licenses	15,000	
			Video System Cameras - Subs, Yards & Fence Lines	60,000	
			Video System Cameras - Branch Offices	10,000	
			Video Conferencing	10,000	
714		Capital - Personal Computers			37,500

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	50		Commissioners	186,000
		010	Wages	108,600
		011	Benefits	54,800
		020	Travel	19,000
		021	Training, Tuition and Meeting Fees	2,300
		090	Materials and Supplies	1,000
		092	Miscellaneous	300

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
2	60	Broadband		2,379,800
		010	Wages	305,200
		011	Benefits	136,100
		020	Travel	25,000
		021	Training, Tuition and Meeting Fees	25,000
		030	Transportation	43,900
		060	Postage, Printing and Stationery	300
		070	Advertising	0
		080	Misc. Contractual Services	158,400
			NoaNet Calea Services	8,400
			Network Consulting	75,000
			Software Development	50,000
			NRC 10G add/drop at Spokane USB	25,000
		081	Legal Services	10,000
		082	Maintenance Contracts	147,100
			Motorola - New Access Points	54,700
			Cambium Networks	4,600
			Cisco SmartNet	10,200
			WWP Lightning Edge/Ciena Devices	57,600
			ADVA Optical	20,000
		083	Software Licenses and Support	60,900
			NetZoom	2,100
			Microsoft Software	1,700
			Symantec Software and Support	4,500
			VMWare	4,000
			Ciena	30,000
			Solar Winds	8,100
			MapInfo Professional	3,000
			Server License and Software Upgrades	7,500
		084	Permits and Fees	71,500
			Upstream Internet Bandwidth	66,500
			ARIN ASN & IP Address Allocation	5,000
		085	Rents and Leases	134,100
			DCPUD Dark Fiber Leases	29,200
			DCPUD Co-location	5,600
			Protect Path Ring	75,300
			Wireless Site Lease	24,000
		090	Materials and Supplies	85,500
			HVAC Maintenance and Repair	10,000
			Switch/Network HW Upgrades	10,000
			Fiber Plant Maintenance - Broadband	50,000
			Battery Plant - Maintenance and Replacement	6,100
			UPS/Rectifier - Maintenance and Replacement	7,100
			Backup Tapes	500
			Equipment Calibration	1,800
		091	Small Tools (under \$1,000)	1,000
		210	Taxes	11,000
		581	Capital - Contractual Services	0
		591	Capital - Materials and Supplies	368,900
			PACEN Node Rework	10,000
			BRHSP Node Rework	10,000
			TOUSB Node Rework	10,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>
			WiFi Sites	75,000	
			Fiber Build - Berney Ranch to SitnBull	18,500	
			Fiber Build - SitnBull to Sackman's	5,900	
			Fiber Build - Sackman's to Shady Pines	3,200	
			Network Hardware Replacement - EOL	34,900	
			Optics	46,400	
			Fiber Distribution Builds	75,000	
			Wireless Subscriber Units	80,000	
712		Capital - Equipment (Over \$2,000)			45,000
			Tools	5,000	
			Test Equipment	25,000	
			Server Hardware Upgrades/Replacements	15,000	
810		Debt Service - Principal			354,100
			Loan - Electric	197,800	
			Operating Line - Electric	0	
			Loan - ARRA	156,300	
811		Debt Service - Interest			396,800
			Loan - Electric	80,500	
			Operating Line - Electric	186,600	
			Loan - ARRA	129,700	

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	61	Internal Communications		501,400
	010	Wages		137,300
	011	Benefits		55,900
	020	Travel		10,000
	021	Training, Tuition and Meeting Fees		16,200
	030	Transportation		5,000
	060	Postage, Printing and Stationery		300
	080	Misc. Contractual Services		75,000
		Radio System Coverage Analysis	75,000	
	082	Maintenance Contracts		21,000
		Fire Alarm System	2,000	
		UHF Radio System	19,000	
	083	Software Licenses and Support		11,300
		Cisco Smartnet	300	
		MapInfo Software Support	3,000	
		Fiber Mapping Software Support	8,000	
	084	Permits and Fees		3,000
		Right of Way - USFS, DOT, etc.	3,000	
	085	Rents and Leases		29,400
		UHF Site Lease - Little Buck Mtn.	2,500	
		UHF Site Lease - Aeneas Mtn.	2,500	
		UHF Site Lease - Goat Mtn.	600	
		UHF Site Lease - Omak Mtn.	2,500	
		UHF Site Lease - McClure Mtn.	2,400	
		UHF Site Lease - Tunk Mtn.	1,200	
		Dark Fiber Lease - Brewster to Wells Dam	17,700	
	090	Materials and Supplies		10,000
		General Materials and Supplies	10,000	
	091	Small Tools (under \$1,000)		2,000
	591	Capital - Materials and Supplies		25,000
		Fiber Rework - 1st and 2nd Avenue Okanogan	15,000	
		Miscellaneous	10,000	
	712	Capital - Equipment (Over \$2,000)		100,000
		UHF Radio System Overhaul - Jackass Butte	50,000	
		Miscellaneous Contingencies	50,000	

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2014 PROPOSED BUDGET - SEPTEMBER 10, 2013
EXPENDITURE DETAIL

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
			TOTAL EXPENDITURES AND CAPITAL OUTLAY	61,736,000