

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY**  
**2015 PROPOSED BUDGET - SEPTEMBER 22, 2014**  
**OVERVIEW**

**HIGHLIGHTS**

- \$13.4 million transfer from reserves, which is a \$817,800 decrease over the 2014 adopted budget.
- Revenues cover debt service and operating expenses by \$4.4 million.
- Retail Electric Sales increased \$1.2 million to \$43.8 million.
- Wholesale Electric Sales increased \$608,700 - The increase in sales is due to a higher estimated market pricing than was used when estimating 2014 Wholesale Sales.
- Purchased Power - The largest operating expenditure in the budget increased \$57,700 to \$23.3 million.
- Capital Outlays account for \$17.9 million - see a summary of Capital Projects below.
- Debt Service Coverage Ratio is estimated at 2.32 times annual debt service payments; bond covenants require 1.25 times.
- Total TIER (times interest earned ratio) is estimated at 4.15; District's target is 1.5 times.

**REVENUES of \$52.4 million - Assumptions Used**

- **Retail Electric Sales:** Predicting a 1% load growth, no added large single load and a July 1st 2% rate increase.
- **Wholesale Electric:** Sales based on a 3/4 to median water year, ten year average wind and previous two years' average market pricing.
- **Wholesale Telecommunications:** Based on current revenue levels.
- **Interest:** Return on investments of between .10%(LGIP) and .20%(CDs).
- **Miscellaneous:** Previous twelve months revenue and Build America Bond reimbursement of \$406,000.
- **Rental Income:** Based on current revenue levels.
- **Construction Contributions:** Estimated using previous two years' average.
- **Grant Proceeds:** Anticipated reimbursements of \$472,400 from BPA and no grant revenue from RUS relating to ARRA.

**EXPENDITURES \$44.3 million - Assumptions Used**

- **Wages:** Three more employees than in the 2014 adopted budget. The wages reflect a general wage increase of 2%.
- **Benefits:** Based on August 2013 thru July 2014 actual percentage of wages. Range of 32.9% through 49.4% (ave. 40.8%).
- **Purchased Power:** Wells Project costs effective September 2014 and BPA rates effective October 2014.
- **Other Expenditures:** Other expenses are based on known 2015 costs. If costs are not specifically known, a 2% increase was estimated.

**DEBT SERVICE \$3.7 million**

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

**CAPITAL OUTLAY \$17.9 million - Summary Listing**

- Methow Transmission Line and Substation \$9.9 million.
- Operations Normal Replacements and Line Extensions of \$2.5 million.
- Enloe Dam \$1.7 million.
- Wholesale Telecommunications Capital of \$443,000.
- Equity Management Capital Projects \$394,000
- Line Truck Replacement \$375,000.
- Warehouse Truck Replacement \$375,000.
- Information Systems \$316,000 (network, phone, access control and surveillance systems).
- Bucket Truck Replacement \$300,000.
- Covered Storage Okanogan or Sandflat Substations \$200,000
- Engineering - Large System Projects \$150,000.
- Backyard Machine \$140,000.
- Service Truck Replacements (2) \$135,000.
- Other capital Items \$940,600.

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY  
2015 PROPOSED BUDGET - SEPTEMBER 22, 2014  
BUDGET SUMMARY**

<u>Description</u>	<u>Electric</u>	<u>Broadband</u>	<u>Total</u>
<b><u>REVENUE</u></b>			
Sales - Retail	43,774,000		43,774,000
Sales - Electric Wholesale	3,443,900		3,443,900
Sales - Broadband Wholesale		2,500,000	2,500,000
Interest	41,000		41,000
Miscellaneous	1,094,000		1,094,000
Rental Income	110,000		110,000
Construction Contribution	997,000		997,000
Grant Proceeds	472,400	0	472,400
<b>Total Revenue</b>	<b>49,932,300</b>	<b>2,500,000</b>	<b>52,432,300</b>
<b><u>EXPENDITURES</u></b>			
Wages	7,481,900	326,800	7,808,700
Benefits	2,986,200	146,400	3,132,600
Travel	141,500	15,000	156,500
Training, Tuition and Meeting Fees	95,500	15,000	110,500
Transportation	823,700	58,000	881,700
Insurance	336,500		336,500
Utilities	100,800		100,800
Postage, Printing and Stationery	152,100	300	152,400
Advertising	24,100		24,100
Conservation Expenditures	472,400		472,400
Misc. Contractual Services	2,307,000	229,200	2,536,200
Legal Services	281,100	10,000	291,100
Maintenance Contracts	233,300	157,500	390,800
Software Licenses and Support	634,000	63,000	697,000
Permits and Fees	16,600	69,800	86,400
Rents and Leases	89,800	68,400	158,200
Materials and Supplies	666,700	95,700	762,400
Small Tools (under \$1,000)	36,800	1,000	37,800
Miscellaneous	66,600		66,600
Unforeseen Operating Contingency	100,000		100,000
Purchased Power	23,285,000		23,285,000
Taxes	2,677,000	13,000	2,690,000
<b>Total Expenditures</b>	<b>43,008,600</b>	<b>1,269,100</b>	<b>44,277,700</b>
<b><u>DEBT SERVICE</u></b>			
Debt Service - Principal	1,482,300	358,600	1,840,900
Debt Service - Interest	1,517,400	355,700	1,873,100
<b>Total Debt Service</b>	<b>2,999,700</b>	<b>714,300</b>	<b>3,714,000</b>
<b>AVAILABLE FOR CAPITAL OUTLAY</b>	<b>3,924,000</b>	<b>516,600</b>	<b>4,440,600</b>
<b><u>CAPITAL OUTLAY</u></b>			
Capital - Contractual Services	10,345,000		10,345,000
Capital - Materials and Supplies	4,198,000	342,100	4,540,100
Capital - Meter Purchases	119,000		119,000
Capital - Transformer Purchases	400,000		400,000
Capital - Tools and Equipment	6,500		6,500
Capital - Buildings	354,000		354,000
Capital - Equipment (Over \$2,000)	467,200	101,100	568,300
Capital - Vehicles	1,409,000		1,409,000
Capital - Personal Computers	26,700		26,700
Unforeseen Capital Contingency	100,000		100,000
<b>Total Capital Outlay</b>	<b>17,425,400</b>	<b>443,200</b>	<b>17,868,600</b>
<b>RESERVES/DEBT</b>	<b>(13,501,400)</b>	<b>73,400</b>	<b>(13,428,000)</b>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY**  
**2015 PROPOSED BUDGET - SEPTEMBER 22, 2014**  
**2014 ADOPTED BUDGET COMPARED TO 2015 PROPOSED BUDGET**

REVENUE	Electric System				Broadband				Total			
	Adopted 2014	Projected 2014	Proposed 2015	2014 Adopted/ 2015 Proposed	Adopted 2014	Projected 2014	Proposed 2015	2014 Adopted/ 2015 Proposed	Adopted 2014	Projected 2014	Proposed 2015	2014 Adopted/ 2015 Proposed
Sales - Retail	42,501,700	42,283,000	43,774,000	1,272,300	0	0	0	0	42,501,700	42,283,000	43,774,000	1,272,300
Sales - Electric Wholesale	2,835,200	4,147,000	3,443,900	608,700	0	0	0	0	2,835,200	4,147,000	3,443,900	608,700
Sales - Broadband Wholesale	0	0	0	0	2,200,000	2,533,000	2,500,000	300,000	2,200,000	2,533,000	2,500,000	300,000
Interest	50,000	37,000	41,000	(9,000)	0	0	0	0	50,000	37,000	41,000	(9,000)
Miscellaneous	1,104,000	9,121,000	1,094,000	(10,000)	0	17,000	0	0	1,104,000	9,138,000	1,094,000	(10,000)
Rental Income	108,000	109,000	110,000	2,000	0	0	0	0	108,000	109,000	110,000	2,000
Construction Contribution	917,000	1,181,000	997,000	80,000	0	0	0	0	917,000	1,181,000	997,000	80,000
Grant Proceeds	472,400	472,000	472,400	0	0	788,000	0	0	472,400	1,260,000	472,400	0
<b>Total Revenue</b>	<b>47,988,300</b>	<b>57,350,000</b>	<b>49,932,300</b>	<b>1,944,000</b>	<b>2,200,000</b>	<b>3,338,000</b>	<b>2,500,000</b>	<b>300,000</b>	<b>50,188,300</b>	<b>60,688,000</b>	<b>52,432,300</b>	<b>2,244,000</b>
<b>EXPENDITURES</b>												
Wages	6,998,100	7,481,000	7,481,900	483,800	281,200	484,000	326,800	45,600	7,279,300	7,965,000	7,808,700	529,400
Benefits	2,920,400	2,822,000	2,986,200	65,800	125,400	198,000	146,400	21,000	3,045,800	3,020,000	3,132,600	86,800
Travel	115,900	73,000	141,500	25,600	10,000	3,000	15,000	5,000	125,900	76,000	156,500	30,600
Training, Tuition and Meeting Fees	69,900	28,000	95,500	25,600	12,000	9,000	15,000	3,000	81,900	37,000	110,500	28,600
Transportation	828,200	955,000	823,700	(4,500)	42,600	52,000	58,000	15,400	870,800	1,007,000	881,700	10,900
Insurance	319,600	340,000	336,500	16,900	0	0	0	0	319,600	340,000	336,500	16,900
Utilities	95,800	86,000	100,800	5,000	0	0	0	0	95,800	86,000	100,800	5,000
Postage, Printing and Stationery	149,400	114,000	152,100	2,700	300	1,000	300	0	149,700	115,000	152,400	2,700
Advertising	18,600	19,000	24,100	5,500	0	0	0	0	18,600	19,000	24,100	5,500
Conservation Expenditures	472,400	472,000	472,400	0	0	0	0	0	472,400	472,000	472,400	0
Misc. Contractual Services	1,791,600	1,744,000	2,307,000	515,400	133,400	7,000	229,200	95,800	1,925,000	1,751,000	2,536,200	611,200
Legal Services	300,000	187,000	281,100	(18,900)	10,000	5,000	10,000	0	310,000	192,000	291,100	(18,900)
Maintenance Contracts	164,700	118,000	233,300	68,600	147,100	147,000	157,500	10,400	311,800	265,000	390,800	79,000
Software Licenses and Support	705,500	349,000	634,000	(71,500)	38,400	26,000	63,000	24,600	743,900	375,000	697,000	(46,900)
Permits and Fees	16,500	2,000	16,600	100	71,500	68,000	69,800	(1,700)	88,000	70,000	86,400	(1,600)
Rents and Leases	80,900	83,000	89,800	8,900	138,900	201,000	68,400	(70,500)	219,800	284,000	158,200	(61,600)
Materials and Supplies	697,500	452,000	666,700	(30,800)	85,500	83,000	95,700	10,200	783,000	535,000	762,400	(20,600)
Small Tools (under \$1,000)	24,000	3,000	36,800	12,800	1,000	1,000	1,000	0	25,000	4,000	37,800	12,800
Miscellaneous	65,000	57,000	66,600	1,600	0	0	0	0	65,000	57,000	66,600	1,600
Unforeseen Operating Contingency	100,000	100,000	100,000	0	0	0	0	0	100,000	100,000	100,000	0
Purchased Power	23,227,300	24,227,000	23,285,000	57,700	0	0	0	0	23,227,300	24,227,000	23,285,000	57,700
Taxes	2,570,000	2,702,000	2,677,000	107,000	11,000	13,000	13,000	2,000	2,581,000	2,715,000	2,690,000	109,000
<b>Total Expenditures</b>	<b>41,731,300</b>	<b>42,414,000</b>	<b>43,008,600</b>	<b>1,277,300</b>	<b>1,108,300</b>	<b>1,298,000</b>	<b>1,269,100</b>	<b>160,800</b>	<b>42,839,600</b>	<b>43,712,000</b>	<b>44,277,700</b>	<b>1,438,100</b>
<b>DEBT SERVICE</b>												
Debt Service - Principal	1,447,200	1,447,000	1,482,300	35,100	354,100	313,000	358,600	4,500	1,801,300	1,760,000	1,840,900	39,600
Debt Service - Interest	1,560,000	1,625,000	1,517,400	(42,600)	396,800	361,000	355,700	(41,100)	1,956,800	1,986,000	1,873,100	(83,700)
<b>Total Debt Service</b>	<b>3,007,200</b>	<b>3,072,000</b>	<b>2,999,700</b>	<b>(7,500)</b>	<b>750,900</b>	<b>674,000</b>	<b>714,300</b>	<b>(36,600)</b>	<b>3,758,100</b>	<b>3,746,000</b>	<b>3,714,000</b>	<b>(44,100)</b>
<b>AVAILABLE FOR CAPITAL OUTLAY</b>	<b>3,249,800</b>	<b>11,864,000</b>	<b>3,924,000</b>	<b>674,200</b>	<b>340,800</b>	<b>1,366,000</b>	<b>516,600</b>	<b>175,800</b>	<b>3,590,600</b>	<b>13,230,000</b>	<b>4,440,600</b>	<b>850,000</b>
<b>CAPITAL OUTLAY</b>												
Capital - Contractual Services	11,165,000	3,160,000	10,345,000	(820,000)	0	76,000	0	0	11,165,000	3,236,000	10,345,000	(820,000)
Capital - Materials and Supplies	3,675,000	1,405,000	4,198,000	523,000	266,900	191,000	342,100	75,200	3,941,900	1,596,000	4,540,100	598,200
Capital - Meter Purchases	70,000	(8,000)	119,000	49,000	0	0	0	0	70,000	(8,000)	119,000	49,000
Capital - Transformer Purchases	400,000	400,000	400,000	0	0	0	0	0	400,000	400,000	400,000	0
Capital - Tools and Equipment	4,500	0	6,500	2,000	0	0	0	0	4,500	0	6,500	2,000
Capital - Buildings	410,000	84,000	354,000	(56,000)	0	0	0	0	410,000	84,000	354,000	(56,000)
Capital - Equipment (Over \$2,000)	441,900	194,000	467,200	25,300	30,000	30,000	101,100	71,100	471,900	224,000	568,300	96,400
Capital - Vehicles	1,219,000	43,000	1,409,000	190,000	0	0	0	0	1,219,000	43,000	1,409,000	190,000
Capital - Personal Computers	37,500	38,000	26,700	(10,800)	0	0	0	0	37,500	38,000	26,700	(10,800)
Unforeseen Capital Contingency	100,000	10,790,000	100,000	0	0	0	0	0	100,000	10,790,000	100,000	0
<b>Total Capital Outlay</b>	<b>17,522,900</b>	<b>16,106,000</b>	<b>17,425,400</b>	<b>(97,500)</b>	<b>296,900</b>	<b>297,000</b>	<b>443,200</b>	<b>146,300</b>	<b>17,819,800</b>	<b>16,403,000</b>	<b>17,868,600</b>	<b>48,800</b>
<b>RESERVES/DEBT</b>	<b>(14,273,100)</b>	<b>(4,242,000)</b>	<b>(13,501,400)</b>	<b>771,700</b>	<b>43,900</b>	<b>1,069,000</b>	<b>73,400</b>	<b>29,500</b>	<b>(14,229,200)</b>	<b>(3,173,000)</b>	<b>(13,428,000)</b>	<b>801,200</b>



**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY  
2015 PROPOSED BUDGET - SEPTEMBER 22, 2014  
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>
<b>EXPENDITURES</b>														
010 Wages	179,800	123,900	780,600	160,100	3,639,700	63,400	717,600	66,400	1,188,300	310,800	107,400	326,800	143,900	7,808,700
011 Benefits	88,800	53,400	309,100	64,500	1,346,700	20,900	350,900	27,500	482,400	139,200	46,700	146,400	56,100	3,132,600
020 Travel	25,000	7,500	6,000	10,000	27,000	6,000	4,500	3,000	26,800	5,000	15,700	15,000	5,000	156,500
021 Training, Tuition and Meeting Fees	7,000	7,500	9,000	15,000	20,000	3,000	2,500	2,000	15,100	6,000	3,400	15,000	5,000	110,500
030 Transportation	1,200	800	40,000	11,400	700,000	500	55,200	4,200	3,800	1,400		58,000	5,200	881,700
040 Insurance									336,500					336,500
050 Utilities					200				100,600					100,800
060 Postage, Printing and Stationery				500	1,500		142,500	3,000	4,300			300	300	152,400
070 Advertising				3,000	1,000			19,200	900					24,100
071 Conservation Expenditures								472,400						472,400
080 Misc. Contractual Services	79,100	447,800		100,000	1,079,000		56,000	20,000	425,600	49,500		229,200	50,000	2,536,200
081 Legal Services									281,100			10,000		291,100
082 Maintenance Contracts					142,200		500		12,000	56,600		157,500	22,000	390,800
083 Software Licenses and Support	5,000	184,600	4,000			1,500	5,200		11,100	417,800		63,000	8,800	701,000
084 Permits and Fees	5,000			500	1,000	100	300		2,700			69,800	3,000	82,400
085 Rents and Leases	9,800				1,000		5,200		10,300	26,800		68,400	36,700	158,200
090 Materials and Supplies	2,500	1,000	15,000	3,000	558,000	1,500	26,000	2,200	36,200	10,000	1,300	95,700	10,000	762,400
091 Small Tools (under \$1,000)			2,000		20,000		1,500		1,300	10,000		1,000	2,000	37,800
092 Miscellaneous				400	10,400		34,500	200	20,700		400			66,600
099 Unforeseen Operating Contingency									100,000					100,000
120 Purchased Power		23,285,000												23,285,000
210 Taxes									2,677,000			13,000		2,690,000
<b>Total Expenditures</b>	<b>403,200</b>	<b>24,111,500</b>	<b>1,165,700</b>	<b>368,400</b>	<b>7,547,700</b>	<b>96,900</b>	<b>1,402,400</b>	<b>620,100</b>	<b>5,736,700</b>	<b>1,033,100</b>	<b>174,900</b>	<b>1,269,100</b>	<b>348,000</b>	<b>44,277,700</b>
<b>DEBT SERVICE</b>														
810 Debt Service - Principal									1,482,300			358,600		1,840,900
811 Debt Service - Interest									1,517,400			355,700		1,873,100
<b>Total Debt Service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,999,700</b>	<b>0</b>	<b>0</b>	<b>714,300</b>	<b>0</b>	<b>3,714,000</b>
<b>CAPITAL OUTLAY</b>														
581 Capital - Contractual Services	1,695,000		7,970,000	180,000	500,000									10,345,000
591 Capital - Materials and Supplies	39,000		2,100,000	419,000	1,625,000							342,100	15,000	4,540,100
592 Capital - Meter Purchases					119,000									119,000
593 Capital - Transformer Purchases					400,000									400,000
710 Capital - Tools and Equipment					4,500				2,000					6,500
711 Capital - Buildings					354,000									354,000
712 Capital - Equipment (Over \$2,000)					127,500					289,700		101,100	50,000	568,300
713 Capital - Vehicles					1,409,000									1,409,000
714 Capital - Personal Computers										26,700				26,700
901 Unforeseen Capital Contingency									100,000					100,000
<b>Total Capital Outlay</b>	<b>1,734,000</b>	<b>0</b>	<b>10,070,000</b>	<b>599,000</b>	<b>4,539,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>102,000</b>	<b>316,400</b>	<b>0</b>	<b>443,200</b>	<b>65,000</b>	<b>17,868,600</b>
<b>Total Use of Resources</b>	<b>2,137,200</b>	<b>24,111,500</b>	<b>11,235,700</b>	<b>967,400</b>	<b>12,086,700</b>	<b>96,900</b>	<b>1,402,400</b>	<b>620,100</b>	<b>8,838,400</b>	<b>1,349,500</b>	<b>174,900</b>	<b>2,426,600</b>	<b>413,000</b>	<b>65,860,300</b>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY  
2015 PROPOSED BUDGET - SEPTEMBER 22, 2014  
REVENUE DETAIL**

<u>Div.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	<b>Electric</b>		<b>49,932,300</b>
	001	Sales - Retail	43,774,000
	002	Sales - Wholesale	3,443,900
	003	Interest	41,000
	004	Miscellaneous	1,094,000
	005	Rental Income	110,000
	006	Construction Contributions	997,000
	007	Grant Proceeds	472,400
2	<b>Broadband</b>		<b>2,500,000</b>
	002	Sales - Wholesale	2,500,000
	004	Miscellaneous	0
	006	Construction Contributions	0
	007	Grant Proceeds	0
		<b>TOTAL REVENUE</b>	<b>52,432,300</b>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY  
2015 PROPOSED BUDGET - SEPTEMBER 22, 2014  
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	10	<b>Generation</b>		<b>2,137,200</b>
		010	Wages	179,800
		011	Benefits	88,800
		020	Travel	25,000
		021	Training, Tuition and Meeting Fees	7,000
		030	Transportation	1,200
		080	Misc. Contractual Service	79,100
		083	Software Licenses and Support	5,000
		084	Permits and Fees	5,000
		085	Rent and Leases	9,800
			Ophir Site Lease	9,800
		090	Materials and Supplies	2,500
		581	Capital - Contractual Services	1,695,000
		591	Capital - Materials and Supplies	39,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY  
2015 PROPOSED BUDGET - SEPTEMBER 22, 2014  
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	11	<b>Power Supply</b>		<b>24,111,500</b>
		010	Wages	123,900
		011	Benefits	53,400
		020	Travel	7,500
		021	Training, Tuition and Meeting Fees	7,500
		030	Transportation	800
		080	Misc. Contractual Services	447,800
			Douglas County PUD	372,800
			Professional Services (compliance/scheduling)	60,000
			Central Washington Power Authority	5,000
			Slice Implementation Group	10,000
		083	Software Licenses and Support	184,600
			Slice Software Support Fee	184,600
		090	Materials and Supplies	1,000
		120	Purchased Power	23,285,000
			BPA - Slice	8,002,400
			BPA - Block	5,495,600
			BPA - Transmission	2,686,300
			Wells	4,220,700
			Nine Canyon	2,722,000
			Other - Market Purchases	158,000



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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	19	<b>Construction Design</b>		<b>11,235,700</b>
		010	Wages	780,600
		011	Benefits	309,100
		020	Travel	6,000
		021	Training, Tuition and Meeting Fees	9,000
		030	Transportation	40,000
		084	Permits and Fees	4,000
			Miscellaneous	4,000
		090	Materials and Supplies	15,000
		091	Small Tools (under \$1,000)	2,000
		581	Capital - Contractual Services	7,970,000
			PT Line Construction	6,000,000
			PT Mitigation/Roads	650,000
			PT Permits	175,000
			PT ROW/Easements	500,000
			Gold Creek Substation	505,000
			LiDAR - Transmission Analysis/Fixes	50,000
			BPA Engineering Studies - Chicken Creek Sub	60,000
			OKPUD Preliminary Study - Chicken Creek Sub	20,000
			Misc. Property Survey	10,000
		591	Capital - Materials and Supplies	2,100,000
			PT Line - Transmission and Distribution Materials	1,250,000
			Gold Creek Substation	400,000
			Twisp Substation Modifications	400,000
			Loup Transmission Line Re-Route into Twisp Sub	50,000

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	20		<b>Engineering</b>	<b>967,400</b>
		010	Wages	160,100
		011	Benefits	64,500
		020	Travel	10,000
		021	Training, Tuition and Meeting Fees	15,000
		030	Transportation	11,400
		060	Postage, Printing and Stationery	500
		070	Advertising	3,000
		080	Misc. Contractual Services	100,000
			BPA Study - WECC De-Registration	50,000
			Protective Relay/Instrument Transformer Testing	50,000
		084	Permits and Fees	500
			Miscellaneous	500
		090	Materials and Supplies	3,000
		092	Miscellaneous	400
		581	Capital - Contractual Services	180,000
			Engineering - Large System Projects	150,000
			Enloe Dam - PFMA (potential failure mode analysis)	30,000
		591	Capital - Materials and Supplies	419,000
			Okanogan 115kv Bus Differential	17,000
			SCADA	52,000
			OCB, Regulators, Reclosers, etc.	320,000
			Battery Replacements Identified by NERC Testing	30,000

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	21	<b>Operations</b>		<b>12,086,700</b>
		010	Wages	3,639,700
		011	Benefits	1,346,700
		020	Travel	27,000
		021	Training, Tuition and Meeting Fees	20,000
		030	Transportation	700,000
		050	Utilities	200
		060	Postage, Printing and Stationery	1,500
		070	Advertising	1,000
		080	Misc. Contractual Services	1,079,000
			CDL Testing Program	6,000
			Employee Dispatch	120,000
			Firealarm Testing and Monitoring	1,500
			Janitorial Services (BR, TO and OR)	9,500
			Janitorial Services (OK and OM)	50,000
			Pole Testing	145,000
			Safety Training	40,000
			Tree Trimming	695,000
			Underground Locate Service	3,000
			Weed Control	9,000
		082	Maintenance Contracts	142,200
			Elevator Maintenance	4,200
			HQ General Maintenance	40,000
			HVAC Maintenance	35,000
			Landscape Maintenance	10,000
			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
		084	Permits and Fees	1,000
			Miscellaneous	1,000
		085	Rents and Leases	1,000
			Pole Contacts	1,000
		090	Materials and Supplies	558,000
			General	500,000
			Fall Protection	21,000
			Fire Resistant Clothing	20,000
			Fire Resistant Raingear	17,000
		091	Small Tools (under \$1,000)	20,000
			Line	14,000
			Telecom	2,000
			Electric Shop	2,000
			Vehicle Shop	2,000
		092	Miscellaneous	10,400
			Lineman Rodeo (Fees, Travel and Supplies)	10,000
			Safety Meeting Refreshments	400
		581	Capital - Contractual Services	500,000
			Contract Labor	100,000
			Underground Replacements	400,000
		591	Capital - Materials and Supplies	1,625,000
			Normal Replacements and Extensions	1,100,000
			Avian Protection	6,000

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>
			Cutout Replacement	125,000	
			TNS-2000: Rebuild Havillah Road Phase 1	106,000	
			TNS-2000: Rebuild Havillah Road Phase 2	114,000	
			WSS-3000: Rebuild Phase 1 from (3215-3300)	76,000	
			MLS-1000: Rebuild towards Ophir Substation	62,000	
			SFS-2000: Reconductor S. Fir; Ridge Dr./Radio Sta.	12,000	
			BWS-5000: Replace UG Brewster Hghts. Subdivision	24,000	
592		Capital - Meter Purchases			119,000
			Metering Special Projects	30,000	
			PME Meter Replacements	40,000	
			Meters w/ Internal Breakers	30,000	
			K Switches	19,000	
593		Capital - Transformer Purchases			400,000
			Normal Additions/Replacements	400,000	
710		Capital - Tools & Equipment (\$1,000 to \$2,000)			4,500
711		Capital - Buildings			354,000
			Headquarters - Emergency Generator Loadbank	8,000	
			Headquarters - Hardwater System	10,000	
			Headquarters - HVAC Digital Control Project	6,000	
			Headquarters - HVAC Roof Mist System Installation	2,000	
			Headquarters - Network Room Gas Fire System	25,000	
			Okanogan or Sandflat Subs - Covered Storage	200,000	
			Oroville - Storage Building, Cover Ceiling	5,000	
			Warehouse - HVAC Replacement	75,000	
			Warehouse - Storage Container	3,000	
			Warehouse - Lighting	20,000	
712		Capital - Equipment (Over \$2,000)			127,500
			Electric Shop - Air Compressor	13,000	
			Electric Shop - Battery Testing Equipment	10,000	
			Electric Shop - Pipe Threading Machine	6,000	
			Electric Shop\Telecom - Battery Storage\Charging	20,000	
			Line - High Voltage Amp Meters	10,000	
			Line - Boot Dryers	4,000	
			Line - Servisavor (2)	10,000	
			Operations - Water Tank, Pump, Hose (slip in)	10,000	
			Telecom - Fiber Splicer	16,000	
			Telecom - OTDR	7,000	
			Telecom - Ruggedized Splicer	7,500	
			Vehicle Shop - Iron Worker Attachments	14,000	
713		Capital - Vehicles			1,409,000
			Bucket Truck - Replacement	300,000	
			Line Truck - Replacement	375,000	
			Warehouse Truck - Replacement	375,000	
			Backhoe Trailer - Replacement	40,000	
			Service Trucks (2) - Replacements	135,000	
			Cab\Chassis - Reuse and Remount Boom	80,000	
			Foreman Truck - Replacement	60,000	
			Pickup Truck - Replacements (3)	92,000	
			Backhoe	80,000	
			Backyard Machine	140,000	
			Boat - Replacement	8,000	
			Less: Transportation System Depreciation	(276,000)	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	22		<b>Environmental</b>	<b>96,900</b>
		010	Wages	63,400
		011	Benefits	20,900
		020	Travel	6,000
		021	Training, Tuition and Meeting Fees	3,000
		030	Transportation	500
		083	Software Licenses and Support	1,500
		084	Permits and Fees	100
		090	Materials and Supplies	1,500

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	30	<b>Customer Service</b>		<b>1,402,400</b>
		010	Wages	717,600
		011	Benefits	350,900
		020	Travel	4,500
		021	Training, Tuition and Meeting Fees	2,500
		030	Transportation	55,200
		060	Postage, Printing and Stationery	142,500
			Postage and Printing - NISC	112,100
			Postage - PUD	19,800
			Printing - Misc.	10,600
		080	Misc. Contractual Services	56,000
			CIS Programming	5,000
			Collection Service - Credit Bureau	4,000
			Credit Reporting Agency	3,200
			Electronic Payments Fees	43,800
		082	Maintenance Contracts	500
		083	Software Licenses and Support	5,200
			RemitPlus Check Scanning and Recognition Support	5,200
		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)	1,500
		092	Miscellaneous	34,500
			Miscellaneous Expenses	600
			Net Account Receivable Writeoffs	33,900

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EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	35		<b>Conservation/Consumer Information</b>	<b>620,100</b>
		010	Wages	66,400
		011	Benefits	27,500
		020	Travel	3,000
		021	Training, Tuition and Meeting Fees	2,000
		030	Transportation	4,200
		060	Postage, Printing and Stationery	3,000
			Miscellaneous	3,000
		070	Advertising	19,200
		071	Conservation Expenditures	472,400
			District Conservation Programs	472,400
		080	Misc. Contractual Services	20,000
			Electric Education Programs	20,000
		090	Materials and Supplies	2,200
		092	Miscellaneous	200

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	40	<b>General Administration</b>		<b>8,838,400</b>
	010	Wages		1,188,300
	011	Benefits		482,400
	020	Travel		26,800
		General	12,700	
		Accounting and Finance	6,300	
		Human Resource	4,300	
		Leadership	3,500	
	021	Training, Tuition and Meeting Fees		15,100
		General	2,900	
		Accounting and Finance	3,600	
		Human Resource	1,600	
		Educational Reimbursement	3,500	
		Leadership	3,500	
	030	Transportation		3,800
	040	Insurance (Property/Liability)		336,500
	050	Utilities		100,600
		Cell Phone Service	8,400	
		Electrical Service	10,800	
		Telephone Service	49,900	
		Water/Sewer/Garbage	31,500	
	060	Postage, Printing and Stationery		4,300
	070	Advertising		900
	080	Misc. Contractual Services		425,600
		APPA Dues	15,100	
		Audit Costs	81,500	
		Banking Fees	47,700	
		Benefits Administration	4,900	
		Bond Admin Fee	1,600	
		Chamber of Commerce Dues	800	
		CWPU/UIP Expenses	14,700	
		Economic Alliance	6,000	
		Financial Studies	50,000	
		Foundation for Water and Energy	2,000	
		Legislative Consultant	37,200	
		Misc. Services/Consulting	16,700	
		NW Public Power Assoc. Dues/NW Wage & Hour	27,600	
		PPC - Dues	26,800	
		PPC - NW River Partners	12,400	
		Standard and Poors	7,700	
		WA PUD Association Dues	72,900	
	081	Legal Services		281,100
		General Counsel	206,100	
		Misc. Attorney Fees	75,000	
	082	Maintenance Contracts		12,000
		Copier Maintenance - HQ Building	12,000	
	083	Software Licenses and Support		11,100
		Performance Review Program (1/2 of cost is start up)	11,100	
	084	Permits and Fees		2,700
		WA State Purchasing Coop	2,000	
		WA State L&I Right to Know	200	
		Misc.	500	



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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
	085	Rents and Leases		10,300
		Copier Lease	9,600	
		P.O. Box Rent	700	
	090	Materials and Supplies		36,200
	091	Small Tools (under \$1,000)		1,300
	092	Miscellaneous		20,700
		Clothing for Identification	1,200	
		Deductibles/Damage Claims	4,000	
		Election Costs	0	
		Employee Day	3,300	
		Meeting Expenses	300	
		Misc. Expenses (Wellness, Interview and Moving Exp)	9,100	
		Service Awards and Costs	2,800	
	099	Unforeseen Operating Contingency		100,000
	210	Taxes		2,677,000
	710	Capital - Tools & Equipment (\$1,000 to \$2,000)		2,000
	713	Capital - Vehicles		0
	810	Debt Service - Principal		1,482,300
	811	Debt Service - Interest		1,517,400
	901	Unforeseen Capital Contingency		100,000

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	41	<b>Information Systems</b>		<b>1,349,500</b>
	010	Wages		310,800
	011	Benefits		139,200
	020	Travel		5,000
	021	Training, Tuition and Meeting Fees		6,000
	030	Transportation		1,400
	080	Misc. Contractual Services		49,500
		Consulting	15,000	
		Security System Monitoring	3,000	
		Key Card System	2,500	
		Eaton Powerware	2,000	
		Origin to WindmilMap Conversion	27,000	
	082	Maintenance Contracts		56,600
		Branch Office Multi Function Printer	1,500	
		Check Scanner - RemitPlus	1,200	
		Datacenter Liebert Units	5,400	
		Eaton Powerware - Datacenter UPS & Monitoring	34,500	
		Eaton Powerware - Omak Network UPS	14,000	
	083	Software Licenses and Support		417,800
		Aclara - TWACS Support	18,000	
		Certs SSL	300	
		Cisco SmartNet	1,000	
		Genetec Maintenance	2,500	
		LANDesk	1,200	
		Microsoft Software	18,200	
		NISC Custom Programming	5,000	
		NISC eBill VM	4,500	
		NISC Maintenance	130,000	
		NISC MDMS Implementation	36,000	
		NISC MDMS Annual Fee	23,200	
		Domain Registrations	600	
		Programming Software	1,200	
		ShoreTel Phone System	16,200	
		SonicWALL - ESA	2,500	
		SonicWALL - NSA	2,200	
		Symantec Software and Support	10,100	
		VMWare Software Support (IS)	5,000	
		Eng/Ops - MS SQL Server	700	
		Eng/Ops - Milsoft WindMilMap	27,000	
		Eng/Ops - AutoCad	2,800	
		Eng/Ops - ESRI	6,000	
		Eng/Ops - Futura	17,500	
		Eng/Ops - GeoNav	3,500	
		Eng/Ops - Itron Staker Maintenance	25,000	
		Eng/Ops - Itron Staker Reporting	10,000	
		Eng/Ops - TL-PRO Design Studio	5,000	
		Eng/Ops - OSI	21,000	
		Eng/Ops - Trimble Field Inspector	1,600	
		Eng/Ops - Allison Transmission Diagnostic Software	800	
		Eng/Ops - Mitchell Diagnostic Software	2,500	
		Eng/Ops - MSDS On Line	2,200	
		Eng/Ops - Cummins Tool Software	700	

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			Eng/Ops - Fastenal Tool Inventory	1,200	
			Eng/Ops - Max Force	600	
			Eng/Ops - Zonar Vehicle Tracking	12,000	
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			10,000
091		Small Tools (under \$1,000)			10,000
712		Capital - Equipment (Over \$2,000)			289,700
			Eaton Powerware - Omak Network Room	19,500	
			Genetec System - Cameras	68,000	
			Genetec System - Readers and Controllers	50,000	
			Genetec System - Video Surveillance Software	15,000	
			Genetec System - Video Conferencing	10,000	
			Mapping Server - Physical	6,000	
			NISC - iVue Server	19,000	
			NISC - eBill Server	5,000	
			NISC - Credit Card Readers	8,000	
			Eng/Ops - Tablet PC's	19,000	
			Eng/Ops - Physical Server SQL Database	6,000	
			Printers	6,500	
			Phone System	8,600	
			Virtual Environment	49,100	
714		Capital - Personal Computers			26,700

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1	50		<b>Commissioners</b>	<b>174,900</b>
		010	Wages	107,400
		011	Benefits	46,700
		020	Travel	15,700
		021	Training, Tuition and Meeting Fees	3,400
		090	Materials and Supplies	1,300
		092	Miscellaneous	400

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
2	60	<b>Broadband</b>		<b>2,426,600</b>
		010	Wages	326,800
		011	Benefits	146,400
		020	Travel	15,000
		021	Training, Tuition and Meeting Fees	15,000
		030	Transportation	58,000
		060	Postage, Printing and Stationery	300
		070	Advertising	0
		080	Misc. Contractual Services	229,200
			Network Consulting	100,000
			NoaNet Calea Services	4,200
			NRC 10G add/drop at Spokane USB	25,000
			Software Development	100,000
		081	Legal Services	10,000
		082	Maintenance Contracts	157,500
			ADVA Optical	25,000
			Cambium Networks	4,600
			Cisco	4,900
			Motorola	57,400
			NetApp	1,300
			WWP Lightning Edge/Ciena Devices	64,300
		083	Software Licenses and Support	63,000
			Ciena	30,000
			MapInfo Professional	3,000
			Microsoft Software	1,800
			NetZoom	2,100
			Server License and Software Upgrades	7,500
			Solar Winds	8,600
			Symantec Software and Support	4,500
			VMWare	5,500
		084	Permits and Fees	69,800
			ARIN ASN & IP Address Allocation	5,000
			Upstream Internet Bandwidth	64,800
		085	Rents and Leases	68,400
			DCPUD Dark Fiber Leases	29,200
			DCPUD Co-location	5,600
			Wireless Site Lease	33,600
		090	Materials and Supplies	95,700
			Backup Tapes	500
			Battery Plant - Maintenance and Replacement	16,300
			Fiber Plant Maintenance - Broadband	50,000
			HVAC Maintenance and Repair	10,000
			Switch/Network HW Upgrades	10,000
			UPS/Rectifier - Maintenance and Replacement	7,100
			Equipment Calibration/Repair	1,800
		091	Small Tools (under \$1,000)	1,000
		210	Taxes	13,000
		591	Capital - Materials and Supplies	342,100
			Node Rework	30,000
			WiFi Sites Omak/Okanogan	75,000
			Fiber Build - SitnBull to Sackman's	5,900
			Fiber Build - Sackman's to Shady Pines	3,200

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			Fiber Distribution Builds	75,000	
			Network Hardware Replacement - EOL	25,800	
			Optics	42,200	
			Wireless Subscriber Units	85,000	
712		Capital - Equipment (Over \$2,000)			101,100
			Door Controller	2,500	
			NetApp Shelf	30,500	
			Tools	5,000	
			Test Equipment	25,000	
			Virtual Server Environment	38,100	
810		Debt Service - Principal			358,600
			Loan - Electric	207,700	
			Operating Line - Electric	0	
			Loan - ARRA	150,900	
811		Debt Service - Interest			355,700
			Loan - Electric	70,700	
			Operating Line - Electric	180,200	
			Loan - ARRA	104,800	

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EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	61	<b>Internal Communications</b>		<b>413,000</b>
		010	Wages	143,900
		011	Benefits	56,100
		020	Travel	5,000
		021	Training, Tuition and Meeting Fees	5,000
		030	Transportation	5,200
		060	Postage, Printing and Stationery	300
		080	Misc. Contractual Services	50,000
			Radio System Coverage Analysis	50,000
		082	Maintenance Contracts	22,000
			Fire Alarm System	3,000
			UHF Radio System	19,000
		083	Software Licenses and Support	8,800
			Cisco Smartnet	300
			MapInfo Software Support	500
			Fiber Mapping Software Support	8,000
		084	Permits and Fees	3,000
			Right of Way - USFS, DOT, etc.	3,000
		085	Rents and Leases	36,700
			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.	3,200
			Dark Fiber Lease - Brewster to Wells Dam	23,000
		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	15,000
			Fiber Rework - 1st and 2nd Avenue Okanogan	15,000
		712	Capital - Equipment (Over \$2,000)	50,000
			UHF Radio System Overhaul - Jackass Butte	50,000

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY  
2015 PROPOSED BUDGET - SEPTEMBER 22, 2014  
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
			<b>TOTAL EXPENDITURES AND CAPITAL OUTLAY</b>	<b>65,860,300</b>