

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
OVERVIEW

HIGHLIGHTS

- \$9.3 million transfer from reserves, which is a \$2.6 million decrease over the 2016 adopted budget.
- Revenues cover debt service and operating expenses by \$3.2 million.
- Retail Electric Sales decreased \$1.3 million \$44.6 million.
- Wholesale Electric Sales decreased \$80,600 - The decrease in sales is due to a lower estimated market pricing than was used when estimating 2016 Wholesale Sales.
- Purchased Power - The largest operating expenditure in the budget decreased \$169,700 to \$23.9 million.
- Capital Outlays account for \$12.6 million - see a summary of Capital Projects below.
- Debt Service Coverage Ratio is estimated at 2.33 times annual debt service payments; bond covenants require 1.25 times.
- Total TIER (times interest earned ratio) is estimated at 2.12; District's target is 1.5 times.

REVENUES of \$53.4 million - Assumptions Used

- **Retail Electric Sales:** Predicting a 1% load growth, loss of veneer mill load, 0% weather adjustment and no 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 .49%(LGIP) and .40%(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 \$488,000 from BPA, \$483,000 for the Carlton Fire recovery and \$652,000 for Okanogan Fire recovery.

EXPENDITURES \$46.6 million - Assumptions Used

- **Wages:** Two more employees than in the 2016 adopted budget. The wages reflect a general wage increase of 2%.
- **Benefits:** Based on August 2015 thru July 2016 actual percentage of wages. Range of 34.5% through 48.4% (ave. 40.6%).
- **Purchased Power:** Wells Project costs effective September 2016 and BPA rates effective October 2016.
- **Other Expenditures:** Other expenses are based on known 2017 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 \$12.6 million - Summary Listing

- Enloe Dam \$2,870,000.
- Methow Transmission Line \$2,250,000.
- Bucket Truck \$350,000.
- Fire Restoration \$50,000.
- Capital Renewals, Replacements and Extensions \$4,518,200.
- Capital 2-3 Year Timeline \$1,534,500.
- Capital 3-5 Year Timeline \$700,000.
- Capital As Funds Allow \$280,000.

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
BUDGET SUMMARY**

<u>Description</u>	<u>Electric</u>	<u>Broadband</u>	<u>Total</u>
<u>REVENUE</u>			
Sales - Retail	44,598,000		44,598,000
Sales - Electric Wholesale	1,859,200		1,859,200
Sales - Broadband Wholesale		2,700,000	2,700,000
Interest	70,600		70,600
Miscellaneous	1,229,000		1,229,000
Rental Income	110,000		110,000
Construction Contribution	1,250,000		1,250,000
Grant Proceeds	1,622,800	0	1,622,800
Total Revenue	50,739,600	2,700,000	53,439,600
<u>EXPENDITURES</u>			
Wages	8,265,900	329,500	8,595,400
Benefits	3,331,300	146,600	3,477,900
Travel	139,800	10,500	150,300
Training, Tuition and Meeting Fees	101,500	22,800	124,300
Transportation	839,800	23,200	863,000
Insurance	347,600		347,600
Utilities	96,800		96,800
Postage, Printing and Stationery	160,700	300	161,000
Advertising	37,000		37,000
Conservation Expenditures	488,100		488,100
Misc. Contractual Services	2,743,000	136,700	2,879,700
Legal Services	278,900	10,000	288,900
Maintenance Contracts	200,200	110,700	310,900
Software Licenses and Support	605,300	87,100	692,400
Permits and Fees	14,900	29,000	43,900
Rents and Leases	88,700	73,200	161,900
Materials and Supplies	737,300	116,200	853,500
Small Tools (under \$1,000)	47,000	1,000	48,000
Miscellaneous	91,800		91,800
Unforeseen Operating Contingency	250,000		250,000
Purchased Power	23,900,800		23,900,800
Taxes	2,682,000	14,000	2,696,000
Total Expenditures	45,448,400	1,110,800	46,559,200
<u>DEBT SERVICE</u>			
Debt Service - Principal	1,637,500	365,100	2,002,600
Debt Service - Interest	1,445,400	202,000	1,647,400
Total Debt Service	3,082,900	567,100	3,650,000
AVAILABLE FOR CAPITAL OUTLAY	2,208,300	1,022,100	3,230,400
<u>CAPITAL OUTLAY</u>			
Capital - Contractual Services	7,165,000		7,165,000
Capital - Materials and Supplies	2,541,000	538,000	3,079,000
Capital - Meter Purchases	95,000		95,000
Capital - Transformer Purchases	400,000		400,000
Capital - Tools and Equipment	5,000		5,000
Capital - Buildings	620,000		620,000
Capital - Equipment (Over \$2,000)	221,200	39,000	260,200
Capital - Vehicles	628,000		628,000
Capital - Personal Computers	50,500		50,500
Unforeseen Capital Contingency	250,000		250,000
Total Capital Outlay	11,975,700	577,000	12,552,700
RESERVES/DEBT	(9,767,400)	445,100	(9,322,300)

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
2016 ADOPTED BUDGET COMPARED TO 2017 ADOPTED BUDGET

REVENUE	Electric System				Broadband				Total			
	Adopted 2016	Projected 2016	Adopted 2017	2016 Adopted/ Adopted 2017	Adopted 2016	Projected 2016	Adopted 2017	2016 Adopted/ Adopted 2017	Adopted 2016	Projected 2016	Adopted 2017	2016 Adopted/ Adopted 2017
Sales - Retail	45,909,000	45,189,000	44,598,000	(1,311,000)	0	0	0	0	45,909,000	45,189,000	44,598,000	(1,311,000)
Sales - Electric Wholesale	1,939,800	1,884,000	1,859,200	(80,600)	0	0	0	0	1,939,800	1,884,000	1,859,200	(80,600)
Sales - Broadband Wholesale	0	0	0	0	2,640,000	2,670,000	2,700,000	60,000	2,640,000	2,670,000	2,700,000	60,000
Interest	41,000	56,200	70,600	29,600	0	0	0	0	41,000	56,200	70,600	29,600
Miscellaneous	1,208,000	1,208,000	1,229,000	21,000	0	0	0	0	1,208,000	1,208,000	1,229,000	21,000
Rental Income	110,000	110,000	110,000	0	0	0	0	0	110,000	110,000	110,000	0
Construction Contribution	1,345,600	829,000	1,250,000	(95,600)	0	10,000	0	0	1,345,600	839,000	1,250,000	(95,600)
Grant Proceeds	4,675,700	4,675,700	1,622,800	(3,052,900)	0	0	0	0	4,675,700	4,675,700	1,622,800	(3,052,900)
Total Revenue	55,229,100	53,951,900	50,739,600	(4,489,500)	2,640,000	2,680,000	2,700,000	60,000	57,869,100	56,631,900	53,439,600	(4,429,500)
EXPENDITURES												
Wages	8,243,000	7,134,000	8,265,900	22,900	345,200	400,000	329,500	(15,700)	8,588,200	7,534,000	8,595,400	7,200
Benefits	3,339,100	3,050,000	3,331,300	(7,800)	156,700	182,000	146,600	(10,100)	3,495,800	3,232,000	3,477,900	(17,900)
Travel	134,800	89,000	139,800	5,000	15,000	5,000	10,500	(4,500)	149,800	94,000	150,300	500
Training, Tuition and Meeting Fees	98,800	33,000	101,500	2,700	15,000	7,000	22,800	7,800	113,800	40,000	124,300	10,500
Transportation	933,900	874,000	839,800	(94,100)	50,400	36,000	23,200	(27,200)	984,300	910,000	863,000	(121,300)
Insurance	337,600	252,000	347,600	10,000	0	0	0	0	337,600	252,000	347,600	10,000
Utilities	97,900	97,900	96,800	(1,100)	0	0	0	0	97,900	97,900	96,800	(1,100)
Postage, Printing and Stationery	152,700	152,700	160,700	8,000	300	300	300	0	153,000	153,000	161,000	8,000
Advertising	34,800	34,800	37,000	2,200	0	1,400	0	0	34,800	36,200	37,000	2,200
Conservation Expenditures	214,900	325,000	488,100	273,200	0	0	0	0	214,900	325,000	488,100	273,200
Misc. Contractual Services	3,966,400	2,393,000	2,743,000	(1,223,400)	104,200	77,000	136,700	32,500	4,070,600	2,470,000	2,879,700	(1,190,900)
Legal Services	283,800	245,000	278,900	(4,900)	10,000	10,000	10,000	0	293,800	255,000	288,900	(4,900)
Maintenance Contracts	193,000	93,000	200,200	7,200	112,700	140,000	110,700	(2,000)	305,700	233,000	310,900	5,200
Software Licenses and Support	557,900	458,000	605,300	47,400	72,300	72,300	87,100	14,800	630,200	530,300	692,400	62,200
Permits and Fees	14,900	3,000	14,900	0	80,600	47,000	29,000	(51,600)	95,500	50,000	43,900	(51,600)
Rents and Leases	91,100	89,000	88,700	(2,400)	73,200	85,000	73,200	0	164,300	174,000	161,900	(2,400)
Materials and Supplies	709,300	527,000	737,300	28,000	98,800	70,000	116,200	17,400	808,100	597,000	853,500	45,400
Small Tools (under \$1,000)	34,000	15,000	47,000	13,000	1,000	0	1,000	0	35,000	15,000	48,000	13,000
Miscellaneous	64,500	98,000	91,800	27,300	0	0	0	0	64,500	98,000	91,800	27,300
Unforeseen Operating Contingency	250,000	10,000	250,000	0	0	0	0	0	250,000	10,000	250,000	0
Purchased Power	24,070,500	24,716,000	23,900,800	(169,700)	0	0	0	0	24,070,500	24,716,000	23,900,800	(169,700)
Taxes	2,793,000	2,789,000	2,682,000	(111,000)	13,000	14,000	14,000	1,000	2,806,000	2,803,000	2,696,000	(110,000)
Total Expenditures	46,615,900	43,478,400	45,448,400	(1,167,500)	1,148,400	1,147,000	1,110,800	(37,600)	47,764,300	44,625,400	46,559,200	(1,205,100)
DEBT SERVICE												
Debt Service - Principal	1,536,900	1,536,900	1,637,500	100,600	360,400	359,000	365,100	4,700	1,897,300	1,895,900	2,002,600	105,300
Debt Service - Interest	1,563,900	1,646,000	1,445,400	(118,500)	235,500	220,000	202,000	(33,500)	1,799,400	1,866,000	1,647,400	(152,000)
Total Debt Service	3,100,800	3,182,900	3,082,900	(17,900)	595,900	579,000	567,100	(28,800)	3,696,700	3,761,900	3,650,000	(46,700)
AVAILABLE FOR CAPITAL OUTLAY	5,512,400	7,290,600	2,208,300	(3,304,100)	895,700	954,000	1,022,100	126,400	6,408,100	8,244,600	3,230,400	(3,177,700)
CAPITAL OUTLAY												
Capital - Contractual Services	10,805,800	7,746,000	7,165,000	(3,640,800)	0	9,000	0	0	10,805,800	7,755,000	7,165,000	(3,640,800)
Capital - Materials and Supplies	5,006,000	3,227,000	2,541,000	(2,465,000)	375,000	253,000	538,000	163,000	5,381,000	3,480,000	3,079,000	(2,302,000)
Capital - Meter Purchases	95,000	64,000	95,000	0	0	0	0	0	95,000	64,000	95,000	0
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	5,000	5,000	5,000	0	0	0	0	0	5,000	5,000	5,000	0
Capital - Buildings	382,000	113,000	620,000	238,000	0	0	0	0	382,000	113,000	620,000	238,000
Capital - Equipment (Over \$2,000)	564,500	304,000	221,200	(343,300)	161,000	116,000	39,000	(122,000)	725,500	420,000	260,200	(465,300)
Capital - Vehicles	260,000	260,000	628,000	368,000	0	0	0	0	260,000	260,000	628,000	368,000
Capital - Personal Computers	30,100	30,100	50,500	20,400	0	0	0	0	30,100	30,100	50,500	20,400
Unforeseen Capital Contingency	250,000	250,000	250,000	0	0	(1,000)	0	0	250,000	249,000	250,000	0
Total Capital Outlay	17,798,400	12,399,100	11,975,700	(5,822,700)	536,000	377,000	577,000	41,000	18,334,400	12,776,100	12,552,700	(5,781,700)
RESERVES/DEBT	(12,286,000)	(5,108,500)	(9,767,400)	2,518,600	359,700	577,000	445,100	85,400	(11,926,300)	(4,531,500)	(9,322,300)	2,604,000

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
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	203,400	142,400	791,100	254,400	3,977,000	66,400	771,000	87,200	1,286,300	417,600	115,800	329,500	153,300	8,595,400
011 Benefits	79,900	62,900	360,000	113,500	1,463,500	24,900	373,200	30,100	531,200	192,500	44,700	146,600	54,900	3,477,900
020 Travel	20,000	10,000	11,000	8,000	20,000	8,500	4,500	3,500	21,800	10,000	19,000	10,500	3,500	150,300
021 Training, Tuition and Meeting Fees	5,000	5,000	14,000	10,000	20,000	4,000	2,500	3,100	13,800	13,500	3,000	22,800	7,600	124,300
030 Transportation	1,500	300	60,000	8,000	700,000	200	28,600	1,700	2,600	700		23,200	36,200	863,000
040 Insurance									347,600					347,600
050 Utilities					200				96,600					96,800
060 Postage, Printing and Stationery			500	300	1,500		152,900	200	5,000			300	300	161,000
070 Advertising			3,000	5,000	2,000		1,000	23,000	3,000					37,000
071 Conservation Expenditures								488,100						488,100
080 Misc. Contractual Services	6,500	556,100	45,000	250,000	1,254,000	13,000	77,100	20,000	490,800	20,500		136,700	10,000	2,879,700
081 Legal Services									278,900			10,000		288,900
082 Maintenance Contracts					130,000					48,700		110,700	21,500	310,900
083 Software Licenses and Support		195,600								409,700		87,100		692,400
084 Permits and Fees	7,500		2,000	0	1,500	100	300		500			29,000	3,000	43,900
085 Rents and Leases	9,900				1,000		5,000		800	35,300		73,200	36,700	161,900
090 Materials and Supplies	2,500	1,000	12,000	2,000	570,000	1,500	24,700	10,000	37,500	10,000	1,100	116,200	65,000	853,500
091 Small Tools (under \$1,000)			4,500	2,000	10,000		0		0	28,500		1,000	2,000	48,000
092 Miscellaneous				0	10,000		54,800	200	25,800		1,000			91,800
099 Unforeseen Operating Contingency									250,000					250,000
120 Purchased Power		23,900,800												23,900,800
210 Taxes									2,682,000			14,000		2,696,000
Total Expenditures	336,200	24,874,100	1,303,100	653,200	8,160,700	118,600	1,495,600	667,100	6,074,200	1,187,000	184,600	1,110,800	394,000	46,559,200
DEBT SERVICE														
810 Debt Service - Principal									1,637,500			365,100		2,002,600
811 Debt Service - Interest									1,445,400			202,000		1,647,400
Total Debt Service	0	0	0	0	0	0	0	0	3,082,900	0	0	567,100	0	3,650,000
CAPITAL OUTLAY														
581 Capital - Contractual Services	2,465,000		3,710,000	440,000	550,000									7,165,000
591 Capital - Materials and Supplies	65,000		250,000	455,000	1,746,000							538,000	25,000	3,079,000
592 Capital - Meter Purchases					95,000									95,000
593 Capital - Transformer Purchases					400,000									400,000
710 Capital - Tools and Equipment					3,000				2,000					5,000
711 Capital - Buildings			200,000		420,000									620,000
712 Capital - Equipment (Over \$2,000)			40,900							170,300		39,000	10,000	260,200
713 Capital - Vehicles					628,000									628,000
714 Capital - Personal Computers										50,500				50,500
901 Unforeseen Capital Contingency									250,000					250,000
Total Capital Outlay	2,530,000	0	4,200,900	895,000	3,842,000	0	0	0	252,000	220,800	0	577,000	35,000	12,552,700
Total Use of Resources	2,866,200	24,874,100	5,504,000	1,548,200	12,002,700	118,600	1,495,600	667,100	9,409,100	1,407,800	184,600	2,254,900	429,000	62,761,900

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
REVENUE DETAIL**

<u>Div.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1	Electric		50,739,600
	001	Sales - Retail	44,598,000
	002	Sales - Wholesale	1,859,200
	003	Interest	70,600
	004	Miscellaneous	1,229,000
	005	Rental Income	110,000
	006	Construction Contributions	1,250,000
	007	Grant Proceeds	1,622,800
2	Broadband		2,700,000
	002	Sales - Wholesale	2,700,000
	004	Miscellaneous	0
	006	Construction Contributions	0
	007	Grant Proceeds	0
		TOTAL REVENUE	53,439,600

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	10	Generation		2,866,200	
		010	Wages	203,400	
		011	Benefits	79,900	
		020	Travel	20,000	
		021	Training, Tuition and Meeting Fees	5,000	
		030	Transportation	1,500	
		080	Misc. Contractual Service	6,500	
		084	Permits and Fees	7,500	
		085	Rent and Leases	9,900	
			Ophir Site Lease	9,900	
		090	Materials and Supplies	2,500	
		092	Miscellaneous	0	
		581	Capital - Contractual Services	2,465,000	
			Misc. Contractual Services - Engineering Support	100,000	<u>1</u>
			Misc. Contractual Services - Engineering/Permitting	240,000	<u>1</u>
			Misc. Contractual Services - License	2,125,000	<u>1</u>
		591	Capital - Materials and Supplies	65,000	<u>1</u>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	11	Power Supply		24,874,100	
		010	Wages	142,400	
		011	Benefits	62,900	
		020	Travel	10,000	
		021	Training, Tuition and Meeting Fees	5,000	
		030	Transportation	300	
		080	Misc. Contractual Services	556,100	
			Douglas County PUD	419,900	
			Professional Services - Comp. Studies	15,000	
			Slice Implementation Group	5,000	
			TOP Services - BPA	55,000	
			WECC/NERC Assessments	30,000	
			PEAK Assessments	30,000	
			WREGIS Annual Fee - Green Tags	1,200	
		083	Software Licenses and Support	195,600	
			Slice Software Support Fee	195,600	
		090	Materials and Supplies	1,000	
		120	Purchased Power	23,900,800	
			BPA - Slice	8,477,600	
			BPA - Block	5,601,800	
			BPA - Transmission	2,634,300	
			Wells	4,302,300	
			Nine Canyon	2,679,900	
			Other - Market Purchases	204,900	

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2017 ADOPTED BUDGET - DECEMBER 19, 2016
EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	19	Construction Design		5,504,000	
		010	Wages	791,100	
		011	Benefits	360,000	
		020	Travel	11,000	
		021	Training, Tuition and Meeting Fees	14,000	
		030	Transportation	60,000	
		060	Postage, Printing and Stationery	500	
		070	Advertising	3,000	
		080	Misc. Contractual Services	45,000	
			Foster Crk 115KV Tower Inspection	45,000	
		084	Permits and Fees	2,000	
		090	Materials and Supplies	12,000	
		091	Small Tools (under \$1,000)	4,500	
			GPS - Truck Units	4,500	
		581	Capital - Contractual Services	3,710,000	
			PT Line Construction	2,000,000	<u>1</u>
			WASDOT Clear Zone Analysis	400,000	<u>3</u>
			LiDAR - Transmission Analysis/Fixes	50,000	<u>3</u>
			Preliminary Studies	100,000	<u>3</u>
			Misc. Property Survey	10,000	<u>2</u>
			Okanogan Fire Restoration - Distribution and Fiber	50,000	<u>1</u>
			Brewster Transmission - EIS, Design, Permitting, etc.	500,000	<u>4</u>
			Okanogan-Ophir Transmission - Design	300,000	<u>3</u>
			Tonasket Substation - Design	300,000	<u>3</u>
		591	Capital - Materials and Supplies	250,000	
			PT Line - Transmission and Distribution Materials	150,000	<u>1</u>
			Twisp Substation Modifications	20,000	<u>1</u>
			Loup Transmission Line Re-Route into Twisp Sub	80,000	<u>1</u>
		711	Capital - Buildings	200,000	
			Property Purchases - Ophir sub and PT Tap	200,000	<u>4</u>
		712	Capital - Equipment (Over \$2,000)	40,900	
			Handheld Staking GPS's	40,900	<u>2</u>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	20	Engineering		1,548,200	
		010	Wages	254,400	
		011	Benefits	113,500	
		020	Travel	8,000	
		021	Training, Tuition and Meeting Fees	10,000	
		030	Transportation	8,000	
		060	Postage, Printing and Stationery	300	
		070	Advertising	5,000	
		080	Misc. Contractual Services	250,000	
			Enloe Dam Dewatering - BLM SF299 Process	50,000	
			Substation Equipment Testing	100,000	
			System Studies	100,000	
		090	Materials and Supplies	2,000	
		091	Small Tools (under \$1,000)	2,000	
		581	Capital - Contractual Services	440,000	
			Engineering - Large System Projects	100,000	<u>2</u>
			Enloe Dam - On Call Engineering Support	100,000	<u>1</u>
			Enloe Dam - Engineering/Permitting	240,000	<u>1</u>
		591	Capital - Materials and Supplies	455,000	
			OCB, Regulators, Reclosers, etc.	380,000	<u>2</u>
			SCADA	50,000	<u>3</u>
			Brewster Bus Diff Project	25,000	<u>3</u>

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	21	Operations		12,002,700	
		010	Wages	3,977,000	
		011	Benefits	1,463,500	
		020	Travel	20,000	
		021	Training, Tuition and Meeting Fees	20,000	
		030	Transportation	700,000	
		050	Utilities	200	
		060	Postage, Printing and Stationery	1,500	
		070	Advertising	2,000	
		080	Misc. Contractual Services	1,254,000	
			CDL Testing Program	7,000	
			Employee Dispatch	120,000	
			Firealarm Testing and Monitoring	2,000	
			Janitorial Services (All Offices)	66,000	
			Non-PCB Waste Disposal	8,000	
			Pole Testing	245,000	
			Safety Training	40,000	
			SPCC Requirements	50,000	
			Tree Trimming	700,000	
			Underground Locate Service	4,000	
			Weed Control	12,000	
		082	Maintenance Contracts	130,000	
			Elevator Maintenance	5,000	
			HQ General Maintenance	60,000	
			HVAC Maintenance	40,000	
			Landscape Maintenance	10,000	
			Snowplowing and Sweeping	15,000	
		084	Permits and Fees	1,500	
			Miscellaneous	1,500	
		085	Rents and Leases	1,000	
			Pole Contacts	1,000	
		090	Materials and Supplies	570,000	
			General	500,000	
			Fire Resistant Clothing	20,000	
			3 Phase TWACS Pucks	50,000	
		091	Small Tools (under \$1,000)	10,000	
		092	Miscellaneous	10,000	
		581	Capital - Contractual Services	550,000	
			Contract Labor	150,000	<u>2</u>
			Underground Replacements	400,000	<u>2</u>
		591	Capital - Materials and Supplies	1,746,000	
			Normal Replacements and Extensions	1,200,000	<u>2</u>
			Avian Protection	15,000	<u>2</u>
			Cutout Replacement	125,000	<u>2</u>
			TNS-2000: Rebuild Havillah Road Phase 1	106,000	<u>2</u>
			Overhead Distribution Projects	100,000	<u>2</u>
			Underground Distribution Projects	200,000	<u>2</u>
		592	Capital - Meter Purchases	95,000	
			Metering Special Projects	40,000	<u>2</u>
			Meters w/ Internal Breakers	50,000	<u>2</u>
			New Meters	5,000	<u>2</u>
		593	Capital - Transformer Purchases	400,000	
			Normal Additions/Replacements	400,000	<u>2</u>
		710	Capital - Tools & Equipment (\$1,000 to \$2,000)	3,000	<u>2</u>
		711	Capital - Buildings	420,000	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>	<u>Capital Category</u>
			Brewster Warehouse - Enclose	30,000		<u>5</u>
			Headquarters - Warehouse Area Retaining Wall	250,000		<u>5</u>
			Okanogan Sub - Covered Storage	140,000		<u>3</u>
	713	Capital - Vehicles			628,000	
			Fleet	500,000		<u>2</u>
			Fleet - 2017 Commitment: Bucket Truck \$350,000	350,000		<u>1</u>
			Fleet - 2018 Commitment: Line Truck \$350,000			
			Less: Transportation System Depreciation	(222,000)		<u>2</u>

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	22	Environmental		118,600	
		010	Wages	66,400	
		011	Benefits	24,900	
		020	Travel	8,500	
		021	Training, Tuition and Meeting Fees	4,000	
		030	Transportation	200	
		080	Misc. Contractual Services	13,000	
		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>	<u>Capital Category</u>
1	30	Customer Service		1,495,600	
		010	Wages	771,000	
		011	Benefits	373,200	
		020	Travel	4,500	
		021	Training, Tuition and Meeting Fees	2,500	
		030	Transportation	28,600	
		060	Postage, Printing and Stationery	152,900	
			Postage and Printing - NISC	125,900	
			Postage - PUD	25,200	
			Printing - Misc.	1,800	
		070	Advertising	1,000	
		080	Misc. Contractual Services	77,100	
			CIS Programming	700	
			Collection Service - Credit Bureau	3,100	
			Credit Reporting Agency	3,000	
			Electronic Payments Fees	60,300	
			iVue Connect Implementation	10,000	
		084	Permits and Fees	300	
			Miscellaneous Fees (Notaries, etc.)	300	
		085	Rents and Leases	5,000	
			Office Rent MVCC	5,000	
		090	Materials and Supplies	24,700	
			General	24,700	
		092	Miscellaneous	54,800	
			Miscellaneous Expenses	200	
			Net Account Receivable Writeoffs	54,600	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	35		Conservation/Consumer Information	667,100	
		010	Wages	87,200	
		011	Benefits	30,100	
		020	Travel	3,500	
		021	Training, Tuition and Meeting Fees	3,100	
		030	Transportation	1,700	
		060	Postage, Printing and Stationery	200	
			Miscellaneous	200	
		070	Advertising	23,000	
		071	Conservation Expenditures	488,100	
			District Conservation Programs	488,100	
		080	Misc. Contractual Services	20,000	
			Electric Education Programs	20,000	
		090	Materials and Supplies	10,000	
		092	Miscellaneous	200	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	40	General Administration		9,409,100	
	010	Wages		1,286,300	
	011	Benefits		531,200	
	020	Travel		21,800	
		General	7,800		
		Accounting and Finance	6,200		
		Human Resource	4,300		
		Leadership	3,500		
	021	Training, Tuition and Meeting Fees		13,800	
		General	1,700		
		Accounting and Finance	5,000		
		Human Resource	1,600		
		Educational Reimbursement	2,000		
		Leadership	3,500		
	030	Transportation		2,600	
	040	Insurance (Property/Liability)		347,600	
	050	Utilities		96,600	
		Cell Phone Service	8,200		
		Electrical Service	10,000		
		Telephone Service	49,100		
		Water/Sewer/Garbage	29,300		
	060	Postage, Printing and Stationery		5,000	
	070	Advertising		3,000	
	080	Misc. Contractual Services		490,800	
		APPA Dues	18,300		
		Audit Costs	82,800		
		Banking Fees	46,200		
		Benefits Administration	12,500		
		Bond Admin Fee	1,600		
		Chamber of Commerce Dues	300		
		CWPU/UIP Expenses	12,100		
		Economic Alliance	6,000		
		Financial Studies	100,000		
		Foundation for Water and Energy	2,000		
		Human Resources Consulting Services	14,900		
		Legislative Consultant	42,800		
		Misc. Services/Consulting	10,000		
		NW Public Power Assoc. Dues/NW Wage & Hour	27,200		
		PPC - Dues	22,000		
		PPC - NW River Partners	13,100		
		Standard and Poors	7,500		
		WA PUD Association Dues	71,500		
	081	Legal Services		278,900	
		General Counsel	203,900		
		Misc. Attorney Fees	75,000		
	084	Permits and Fees		500	
		WA State L&I Right to Know	200		
		Misc.	300		
	085	Rents and Leases		800	
		P.O. Box Rent	800		
	090	Materials and Supplies		37,500	
		General Administration	34,500		
		Human Resources	3,000		
	092	Miscellaneous		25,800	
		Clothing for Identification	1,200		

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
			Deductibles/Damage Claims	4,000	
			Employee Day	5,400	
			Meeting Expenses	300	
			Misc. Expenses (Wellness, Interview & Moving Exp)	11,700	
			Service Awards and Costs	3,200	
099			Unforeseen Operating Contingency	250,000	
210			Taxes	2,682,000	
710			Capital - Tools & Equipment (\$1,000 to \$2,000)	2,000	<u>2</u>
810			Debt Service - Principal	1,637,500	
811			Debt Service - Interest	1,445,400	
901			Unforeseen Capital Contingency	250,000	<u>2</u>

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	41	Information Systems		1,407,800	
		010	Wages	417,600	
		011	Benefits	192,500	
		020	Travel	10,000	
		021	Training, Tuition and Meeting Fees	13,500	
		030	Transportation	700	
		080	Misc. Contractual Services	20,500	
			Consulting	15,000	
			Key Card System	2,500	
			Security System Monitoring	3,000	
		082	Maintenance Contracts	48,700	
			Branch Office Multi Function Printer	1,500	
			Okanogan Office Multi Function Printer	12,000	
			Datacenter Liebert Units	6,000	
			Eaton Powerware - Omak Network UPS	11,000	
			NetApp SAN Hardware/Software	17,000	
			Tape Drive	1,200	
		083	Software Licenses and Support	409,700	
			Aclara - TWACS Support	16,000	
			Certs SSL	1,000	
			Genetec Maintenance	3,000	
			Kayako Helpdesk Maintenance	500	
			LANDesk Patch Management	1,400	
			Microsoft Software	38,700	
			NISC Custom Programming	5,000	
			NISC Maintenance	130,000	
			Network Domain Registrations	700	
			Nagios	1,500	
			ShoreTel Phone System	13,000	
			SIEM	30,000	
			Sonicclear	400	
			SonicWALL	7,500	
			Symantec Software and Support	9,800	
			VMWare Software Support (IS)	5,000	
			Eng/Ops - Symantec for SCADA Servers	800	
			Eng/Ops - SmartNet for SCADA	1,200	
			Eng/Ops - AutoCad	3,300	
			Eng/Ops - ESRI	8,900	
			Eng/Ops - Futura	37,500	
			Eng/Ops - GeoNav	4,000	
			Eng/Ops - Itron Staker Maintenance	27,000	
			Eng/Ops - Itron Staker Reporting	10,000	
			Eng/Ops - Mapsight	3,000	
			Eng/Ops - OSI	22,500	
			Eng/Ops - Trimble Field Inspector	1,600	
			Eng/Ops - Allison Transmission Diagnostic Software	800	
			Eng/Ops - Mitchell Diagnostic Software	3,000	
			Eng/Ops - MSDS On Line	2,700	
			Eng/Ops - Cummins Tool Software	700	
			Eng/Ops - Max Force	700	
			Eng/Ops - Zonar Vehicle Tracking	12,000	
			Envrnmental - Misc.	1,500	
			Generation - Misc.	5,000	
		085	Rents and Leases	35,300	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>	<u>Capital Category</u>
			Okanogan Mailing Equipment	10,000		
			Branch Office Mailing Equipment	3,000		
			Branch Office MFP	10,300		
			Okanogan Office MFP	12,000		
090		Materials and Supplies			10,000	
091		Small Tools (under \$1,000)			28,500	
		Misc.		10,000		
		Apple iPads		4,000		
		Eng/Ops - iPads		14,500		
712		Capital - Equipment (Over \$2,000)			170,300	
		Aclara - iiDEAS		16,000		<u>2</u>
		Dell - Replace BEXP		6,000		<u>2</u>
		Eaton Powerware - Omak		11,000		<u>2</u>
		Genetec System - Cameras (Subs, yards & fences)		60,000		<u>3</u>
		Genetec System - Readers and Controllers		40,000		<u>3</u>
		Genetec System - Video Surveillance Software		10,000		<u>3</u>
		Genetec System - Video Conferencing		10,000		<u>3</u>
		NISC - RemitPlus Server		2,700		<u>2</u>
		Eng/Ops - Physical Server SQL Database		6,500		<u>2</u>
		Printers		5,000		<u>2</u>
		Phone System		3,100		<u>2</u>
714		Capital - Personal Computers			50,500	<u>2</u>

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	50		Commissioners	184,600	
		010	Wages	115,800	
		011	Benefits	44,700	
		020	Travel	19,000	
		021	Training, Tuition and Meeting Fees	3,000	
		090	Materials and Supplies	1,100	
		092	Miscellaneous	1,000	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
2	60	Broadband		2,254,900	
		010	Wages	329,500	
		011	Benefits	146,600	
		020	Travel	10,500	
		021	Training, Tuition and Meeting Fees	22,800	
		030	Transportation	23,200	
		060	Postage, Printing and Stationery	300	
		080	Misc. Contractual Services	136,700	
			Network Consulting	50,000	
			NoaNet Calea Services	4,200	
			NoaNet Generator TOHUT (50% cost share)	32,500	
			Software Development	50,000	
		081	Legal Services	10,000	
		082	Maintenance Contracts	110,700	
			ADVA Optical	35,000	
			Cambium Networks	4,600	
			Cisco	2,100	
			Juniper support	11,800	
			Motorola	4,700	
			WWP Lightning Edge/Ciena Devices	52,500	
		083	Software Licenses and Support	87,100	
			Adobe eSign	1,200	
			Ciena	30,000	
			Certs SSL	400	
			Kayako Helpdesk	300	
			FiberBase	8,000	
			Mapinfo	500	
			Microsoft Software	8,800	
			NetZoom	2,100	
			Server License and Software Upgrades	7,500	
			Solar Winds	15,700	
			Symantec Software and Support	5,700	
			Telerik	1,400	
			VMWare	5,500	
		084	Permits and Fees	29,000	
			ARIN ASN & IP Address Allocation	5,000	
			Upstream Internet Bandwidth	24,000	
		085	Rents and Leases	73,200	
			DCPUD Dark Fiber Leases	29,200	
			DCPUD Co-location	5,600	
			USEI Co-location	4,800	
			Wireless Site Lease	33,600	
		090	Materials and Supplies	116,200	
			Backup Tapes	500	
			Battery Plant - Maintenance and Replacement	16,300	
			Equipment Calibration/Repair	2,300	
			Fiber Plant Maintenance - Broadband	50,000	
			HVAC Maintenance and Repair	30,000	
			Switch/Network HW Upgrades	10,000	
			UPS/Rectifier - Maintenance and Replacement	7,100	
		091	Small Tools (under \$1,000)	1,000	
		210	Taxes	14,000	
		591	Capital - Materials and Supplies	538,000	
			Fiber Distribution Builds	40,000	<u>2</u>
			Legacy Wireless Site Upgrades	165,000	<u>2</u>

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>	<u>Capital Category</u>
			Network Hardware Replacement - EOL	86,800		<u>2</u>
			Node Rework	30,000		<u>2</u>
			Optics	23,700		<u>2</u>
			Wireless Subscriber Units	192,500		<u>2</u>
712		Capital - Equipment (Over \$2,000)			39,000	
			BEX Backup Server	6,500		<u>2</u>
			Office Partitions - Bullpen	14,500		<u>3</u>
			Switch Replacement Cisco 3750s	13,000		<u>2</u>
			Tools	5,000		<u>2</u>
810		Debt Service - Principal			365,100	
			Loan - Electric	229,000		
			Operating Line - Electric	0		
			Loan - ARRA	136,100		
811		Debt Service - Interest			202,000	
			Loan - Electric	49,400		
			Operating Line - Electric	51,600		
			Loan - ARRA	101,000		

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	61	Internal Communications		429,000	
		010	Wages	153,300	
		011	Benefits	54,900	
		020	Travel	3,500	
		021	Training, Tuition and Meeting Fees	7,600	
		030	Transportation	36,200	
		060	Postage, Printing and Stationery	300	
		080	Misc. Contractual Services	10,000	
		082	Maintenance Contracts	21,500	
			Fire Alarm System	1,500	
			UHF Radio System	20,000	
		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	65,000	
			Fiber Plant Maintenance - Internal and Backbone	50,000	
			General Materials and Supplies	15,000	
		091	Small Tools (under \$1,000)	2,000	
		591	Capital - Materials and Supplies	25,000	
			Fiber Rework - 1st and 2nd Avenue Okanogan	15,000	<u>3</u>
			Misc.	10,000	<u>3</u>
		712	Capital - Equipment (Over \$2,000)	10,000	<u>3</u>

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<u>Div.</u> <u>Dept.</u> <u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
TOTAL EXPENDITURES, DEBT SERVICE AND CAPITAL OUTLAY		62,761,900	

Capital Outlay Categories:

Committed to Finish (1)	5,520,000
Renewals/Replacements (2)	4,518,200
2-3 Year Timeline (3)	1,534,500
3-5 Year Timeline (4)	700,000
As Funds Allow (5)	<u>280,000</u>
Total Capital Outlay	12,552,700