

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
OVERVIEW

HIGHLIGHTS

- \$17.2 million transfer from reserves/debt issuance, which is a \$10.1 million increase over the 2018 adopted budget.
- Revenues cover debt service and operating expenses by \$2.4 million.
- Retail Electric Sales decreased \$336,000 to \$47.5 million.
- Wholesale Electric Sales increased \$657,100 - The increase in sales is due to a more energy available to sell on the market than used when estimating 2018 Wholesale Sales.
- Purchased Power - The largest operating expenditure in the budget decreased \$346,400 to \$23.9 million.
- Capital Outlays account for \$19.6 million - see a summary of Capital Projects below.
- Debt Service Coverage Ratio is estimated at 2.4 times annual debt service payments; bond covenants require 1.25 times.
- Total TIER (times interest earned ratio) is estimated at 1.8; District's target is 1.5 times.

REVENUES of \$55.7 million - Assumptions Used

- **Retail Electric Sales:** Predicting 1% load growth, no change in large loads, 1% weather adj. and a 1.5% 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 estimated 2019 revenue levels.
- **Interest:** Return on investments of between 1.5 and 2.5%, LGIP 2%.
- **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 \$450,000 from BPA, \$629,000 for the Carlton Fire recovery and \$73,000 for Okanogan Fire recovery.

EXPENDITURES \$49.6 million - Assumptions Used

- **Wages:** Two fewer positions in comparison to the 2018 adopted budget. The wages reflect a general wage increase of 3%.
- **Benefits:** Based on July 2017 thru June 2018 actual percentage of wages. Range of 35.8% through 55.9% (ave. 44.2%).
- **Purchased Power:** Wells Project costs effective January 2019 and BPA rates effective October 2018.
- **Other Expenditures:** Other expenses are based on known 2019 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 \$19.6 million - Summary Listing

→ Okanogan-Brewster Transmission Design and Construction	\$4,125,000
→ Enloe Dam	\$4,066,900
→ Tonasket Substation/Transmission Design and Construction	\$3,323,000
→ Chicken Creek Sub, Distribution and Fiber	\$576,000
→ Line Truck Ordered in 2018	\$410,000
→ Ellisforde Sub Transformer Replacement	\$376,000
→ 25 kV Power Transformer 4 MVA Spare	\$250,000
→ Loup/Winthrop Transmission Re-Route	\$175,000
→ Genetec System Additions - Cameras, door controllers, etc.	\$120,000
→ Crazy Rapids UG Circuit	\$100,000
→ New Substation Location Study	\$50,000
→ Sandflat 2nd Feeder Addition	\$35,000
→ (2) Other Capital Renewals, Replacements and Extensions	\$6,014,800

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
BUDGET SUMMARY**

<u>Description</u>	<u>Electric</u>	<u>Broadband</u>	<u>Total</u>
<u>REVENUE</u>			
Sales - Retail	47,513,000		47,513,000
Sales - Electric Wholesale	1,847,500		1,847,500
Sales - Broadband Wholesale		2,500,000	2,500,000
Interest	275,000		275,000
Miscellaneous	1,248,000		1,248,000
Rental Income	110,000		110,000
Construction Contribution	1,057,000		1,057,000
Grant Proceeds	1,152,000	0	1,152,000
Total Revenue	53,202,500	2,500,000	55,702,500
<u>EXPENDITURES</u>			
Wages	8,596,200	385,300	8,981,500
Benefits	3,789,900	168,400	3,958,300
Travel	199,200	18,000	217,200
Training, Tuition and Meeting Fees	148,100	24,000	172,100
Transportation	867,200	62,500	929,700
Insurance	353,500		353,500
Utilities	103,800		103,800
Postage, Printing and Stationery	150,700	800	151,500
Advertising	32,500	600	33,100
Conservation Expenditures	450,000		450,000
Misc. Contractual Services	4,795,300	107,200	4,902,500
Legal Services	243,200	5,000	248,200
Maintenance Contracts	187,200	101,900	289,100
Software Licenses and Support	556,600	70,200	626,800
Permits and Fees	13,400	48,200	61,600
Rents and Leases	97,100	68,100	165,200
Materials and Supplies	581,500	109,200	690,700
Small Tools (under \$1,000)	124,900	9,500	134,400
Miscellaneous	87,000		87,000
Unforeseen Operating Contingency	250,000		250,000
Purchased Power	23,922,600		23,922,600
Taxes	2,870,000	16,000	2,886,000
Total Expenditures	48,419,900	1,194,900	49,614,800
<u>DEBT SERVICE</u>			
Debt Service - Principal	1,715,400	408,800	2,124,200
Debt Service - Interest	1,427,700	107,800	1,535,500
Total Debt Service	3,143,100	516,600	3,659,700
AVAILABLE FOR CAPITAL OUTLAY	1,639,500	788,500	2,428,000
<u>CAPITAL OUTLAY</u>			
Capital - Contractual Services	6,829,400		6,829,400
Capital - Materials and Supplies	10,257,500	603,900	10,861,400
Capital - Meter Purchases	155,000		155,000
Capital - Transformer Purchases	500,000		500,000
Capital - Tools and Equipment	0		0
Capital - Buildings	54,000		54,000
Capital - Equipment (Over \$2,000)	170,500	108,000	278,500
Capital - Vehicles	693,400		693,400
Unforeseen Capital Contingency	250,000		250,000
Total Capital Outlay	18,909,800	711,900	19,621,700
RESERVES/DEBT	(17,270,300)	76,600	(17,193,700)

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
2018 ADOPTED BUDGET COMPARED TO 2019 ADOPTED BUDGET

REVENUE	Electric System				Broadband				Total			
	Adopted 2018	Projected 2018	Adopted 2019	2018 Adopted/ Adopted 2019	Adopted 2018	Projected 2018	Adopted 2019	2018 Adopted/ Adopted 2019	Adopted 2018	Projected 2018	Adopted 2019	2018 Adopted/ Adopted 2019
Sales - Retail	47,849,000	45,426,700	47,513,000	(336,000)	0	0	0	0	47,849,000	45,426,700	47,513,000	(336,000)
Sales - Electric Wholesale	1,190,400	2,997,800	1,847,500	657,100	0	0	0	0	1,190,400	2,997,800	1,847,500	657,100
Sales - Broadband Wholesale	0	0	0	0	2,950,000	2,950,000	2,500,000	(450,000)	2,950,000	2,950,000	2,500,000	(450,000)
Interest	135,000	192,000	275,000	140,000	0	0	0	0	135,000	192,000	275,000	140,000
Miscellaneous	1,220,000	1,035,900	1,248,000	28,000	0	1,500	0	0	1,220,000	1,037,400	1,248,000	28,000
Rental Income	110,000	110,000	110,000	0	0	0	0	0	110,000	110,000	110,000	0
Construction Contribution	692,000	1,106,600	1,057,000	365,000	0	65,300	0	0	692,000	1,171,900	1,057,000	365,000
Grant Proceeds	1,163,900	653,400	1,152,000	(11,900)	0	0	0	0	1,163,900	653,400	1,152,000	(11,900)
Total Revenue	52,360,300	51,522,400	53,202,500	842,200	2,950,000	3,016,800	2,500,000	(450,000)	55,310,300	54,539,200	55,702,500	392,200
EXPENDITURES												
Wages	8,395,000	7,598,100	8,596,200	201,200	358,600	492,400	385,300	26,700	8,753,600	8,090,500	8,981,500	227,900
Benefits	3,566,700	3,319,200	3,789,900	223,200	155,600	214,200	168,400	12,800	3,722,300	3,533,400	3,958,300	236,000
Travel	155,000	107,300	199,200	44,200	18,000	12,500	18,000	0	173,000	119,800	217,200	44,200
Training, Tuition and Meeting Fees	118,100	85,900	148,100	30,000	24,000	6,400	24,000	0	142,100	92,300	172,100	30,000
Transportation	662,700	883,800	867,200	204,500	18,900	48,700	62,500	43,600	681,600	932,500	929,700	248,100
Insurance	352,500	266,900	353,500	1,000	0	0	0	0	352,500	266,900	353,500	1,000
Utilities	107,100	106,100	103,800	(3,300)	0	0	0	0	107,100	106,100	103,800	(3,300)
Postage, Printing and Stationery	155,200	153,100	150,700	(4,500)	800	1,500	800	0	156,000	154,600	151,500	(4,500)
Advertising	31,900	31,900	32,500	600	600	0	600	0	32,500	31,900	33,100	600
Conservation Expenditures	461,700	570,600	450,000	(11,700)	0	0	0	0	461,700	570,600	450,000	(11,700)
Misc. Contractual Services	3,554,800	3,281,100	4,795,300	1,240,500	104,200	64,500	107,200	3,000	3,659,000	3,345,600	4,902,500	1,243,500
Legal Services	232,100	228,400	243,200	11,100	5,000	800	5,000	0	237,100	229,200	248,200	11,100
Maintenance Contracts	227,500	132,900	187,200	(40,300)	113,500	115,000	101,900	(11,600)	341,000	247,900	289,100	(51,900)
Software Licenses and Support	617,100	502,100	556,600	(60,500)	145,300	70,300	70,200	(75,100)	762,400	572,400	626,800	(135,600)
Permits and Fees	11,300	11,300	13,400	2,100	41,000	41,000	48,200	7,200	52,300	52,300	61,600	9,300
Rents and Leases	89,900	79,100	97,100	7,200	68,100	68,100	68,100	0	158,000	147,200	165,200	7,200
Materials and Supplies	530,000	526,000	581,500	51,500	131,700	106,700	109,200	(22,500)	661,700	632,700	690,700	29,000
Small Tools (under \$1,000)	35,700	26,000	124,900	89,200	1,000	1,200	9,500	8,500	36,700	27,200	134,400	97,700
Miscellaneous	97,900	97,900	87,000	(10,900)	0	0	0	0	97,900	97,900	87,000	(10,900)
Unforeseen Operating Contingency	250,000	250,000	250,000	0	0	0	0	0	250,000	250,000	250,000	0
Purchased Power	24,269,000	24,269,000	23,922,600	(346,400)	0	0	0	0	24,269,000	24,269,000	23,922,600	(346,400)
Taxes	2,871,000	2,817,300	2,870,000	(1,000)	15,000	16,100	16,000	1,000	2,886,000	2,833,400	2,886,000	0
Total Expenditures	46,792,200	45,344,000	48,419,900	1,627,700	1,201,300	1,259,400	1,194,900	(6,400)	47,993,500	46,603,400	49,614,800	1,621,300
DEBT SERVICE												
Debt Service - Principal	1,667,000	1,667,000	1,715,400	48,400	392,300	390,300	408,800	16,500	2,059,300	2,057,300	2,124,200	64,900
Debt Service - Interest	1,450,100	1,516,100	1,427,700	(22,400)	124,400	126,200	107,800	(16,600)	1,574,500	1,642,300	1,535,500	(39,000)
Total Debt Service	3,117,100	3,183,100	3,143,100	26,000	516,700	516,500	516,600	(100)	3,633,800	3,699,600	3,659,700	25,900
AVAILABLE FOR CAPITAL OUTLAY	2,451,000	2,995,300	1,639,500	(811,500)	1,232,000	1,240,900	788,500	(443,500)	3,683,000	4,236,200	2,428,000	(1,255,000)
CAPITAL OUTLAY												
Capital - Contractual Services	5,320,600	4,980,600	6,829,400	1,508,800	0	(3,100)	0	0	5,320,600	4,977,500	6,829,400	1,508,800
Capital - Materials and Supplies	3,123,000	2,310,000	10,257,500	7,134,500	584,800	482,600	603,900	19,100	3,707,800	2,792,600	10,861,400	7,153,600
Capital - Meter Purchases	70,000	70,000	155,000	85,000	0	0	0	0	70,000	70,000	155,000	85,000
Capital - Transformer Purchases	400,000	400,000	500,000	100,000	0	0	0	0	400,000	400,000	500,000	100,000
Capital - Tools and Equipment	5,000	5,000	0	(5,000)	0	0	0	0	5,000	5,000	0	(5,000)
Capital - Buildings	279,800	279,800	54,000	(225,800)	0	0	0	0	279,800	279,800	54,000	(225,800)
Capital - Equipment (Over \$2,000)	336,500	170,000	170,500	(166,000)	52,000	32,000	108,000	56,000	388,500	202,000	278,500	(110,000)
Capital - Vehicles	309,000	309,000	693,400	384,400	0	0	0	0	309,000	309,000	693,400	384,400
Capital - Personal Computers	32,200	22,300	0	(32,200)	0	0	0	0	32,200	22,300	0	(32,200)
Unforeseen Capital Contingency	250,000	21,200	250,000	0	0	0	0	0	250,000	21,200	250,000	0
Total Capital Outlay	10,126,100	8,567,900	18,909,800	8,783,700	636,800	511,500	711,900	75,100	10,762,900	9,079,400	19,621,700	8,858,800
RESERVES/DEBT	(7,675,100)	(5,572,600)	(17,270,300)	(9,595,200)	595,200	729,400	76,600	(518,600)	(7,079,900)	(4,843,200)	(17,193,700)	(10,113,800)

PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
EXPENDITURE SUMMARY BY DEPARTMENT

Description	Generation	Power	Const.	Customer				General			BOC	Broadband	Internal Comm.	Total
		Supply	Design	Eng.	Operations	Enviro.	Service	Cons.	Admin.	I.S.				
EXPENDITURES														
010 Wages	252,800	176,300	835,500	363,000	4,199,500	93,500	772,300	103,200	1,144,100	427,000	120,900	385,300	108,100	8,981,500
011 Benefits	95,800	70,900	385,200	157,900	1,810,000	36,800	399,300	57,700	487,400	200,300	43,300	168,400	45,300	3,958,300
020 Travel	41,600	10,000	13,000	13,000	20,000	18,000	4,500	5,000	48,600	10,000	12,000	18,000	3,500	217,200
021 Training, Tuition and Meeting Fees	5,000	2,500	16,500	25,000	30,000	6,000	3,500	5,000	31,000	13,500	2,500	24,000	7,600	172,100
030 Transportation	2,200	1,000	49,300	3,100	759,000	200	36,800	5,600	5,200	1,100		62,500	3,700	929,700
040 Insurance									353,500					353,500
050 Utilities									103,800					103,800
060 Postage, Printing and Stationery		100	500	300	1,500		142,400	300	5,200		100	800	300	151,500
070 Advertising			2,000	3,000	2,000		1,000	23,000	1,500			600		33,100
071 Conservation Expenditures								450,000						450,000
080 Misc. Contractual Services	1,148,200	583,800	400,000	413,000	1,506,000	13,000	93,100	23,000	552,200	63,000		107,200		4,902,500
081 Legal Services									243,200			5,000		248,200
082 Maintenance Contracts					136,000					29,700		101,900	21,500	289,100
083 Software Licenses and Support		157,700								398,900		70,200		626,800
084 Permits and Fees	7,500		2,000	2,000	1,000		200		700			48,200		61,600
085 Rents and Leases	9,900				1,000		5,000		800	43,400		68,100	37,000	165,200
090 Materials and Supplies	53,500	1,000	10,000	1,000	375,000	1,500	20,000	10,000	37,500	10,000	2,000	109,200	60,000	690,700
091 Small Tools (under \$1,000)			9,500	2,000	36,500				2,000	62,900		9,500	12,000	134,400
092 Miscellaneous					10,000		42,700	200	33,100		1,000			87,000
099 Unforeseen Operating Contingency									250,000					250,000
120 Purchased Power		23,922,600												23,922,600
210 Taxes									2,870,000			16,000		2,886,000
Total Expenditures	1,616,500	24,925,900	1,723,500	983,300	8,887,500	169,000	1,520,800	683,000	6,169,800	1,259,800	181,800	1,194,900	299,000	49,614,800
DEBT SERVICE														
810 Debt Service - Principal									1,715,400			408,800		2,124,200
811 Debt Service - Interest									1,427,700			107,800		1,535,500
Total Debt Service	0	0	0	0	0	0	0	0	3,143,100	0	0	516,600	0	3,659,700
CAPITAL OUTLAY														
581 Capital - Contractual Services	3,963,400		1,126,000	1,190,000	550,000									6,829,400
591 Capital - Materials and Supplies	103,500		975,000	7,449,000	1,720,000							603,900	10,000	10,861,400
592 Capital - Meter Purchases					155,000									155,000
593 Capital - Transformer Purchases					500,000									500,000
710 Capital - Tools and Equipment					0				0					0
711 Capital - Buildings					54,000									54,000
712 Capital - Equipment (Over \$2,000)			0		30,000					140,500		108,000	0	278,500
713 Capital - Vehicles					955,000				(261,600)					693,400
901 Unforeseen Capital Contingency									250,000					250,000
Total Capital Outlay	4,066,900	0	2,101,000	8,639,000	3,964,000	0	0	0	(11,600)	140,500	0	711,900	10,000	19,621,700
Total Use of Resources	5,683,400	24,925,900	3,824,500	9,622,300	12,851,500	169,000	1,520,800	683,000	9,301,300	1,400,300	181,800	2,423,400	309,000	72,896,200

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
REVENUE DETAIL**

<u>Div.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>
1		Electric	53,202,500
	001	Sales - Retail	47,513,000
	002	Sales - Wholesale	1,847,500
	003	Interest	275,000
	004	Miscellaneous	1,248,000
	005	Rental Income	110,000
	006	Construction Contributions	1,057,000
	007	Grant Proceeds	1,152,000
2		Broadband	2,500,000
	002	Sales - Wholesale	2,500,000
	004	Miscellaneous	0
	006	Construction Contributions	0
	007	Grant Proceeds	0
		TOTAL REVENUE	55,702,500

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
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		5,683,400	
		010	Wages	252,800	
		011	Benefits	95,800	
		020	Travel	41,600	
		021	Training, Tuition and Meeting Fees	5,000	
		030	Transportation	2,200	
		080	Misc. Contractual Service	1,148,200	
			Misc.	6,500	
			Dam Safety	1,141,700	
		084	Permits and Fees	7,500	
		085	Rent and Leases	9,900	
			Ophir Site Lease	9,900	
		090	Materials and Supplies	53,500	
		581	Capital - Contractual Services	3,963,400	
			Design Build Phase 2	2,000,000	<u>1</u>
			Project Management and Consulting Services	1,178,400	<u>1</u>
			License Compliance	150,000	<u>1</u>
			Legal Service	365,000	<u>1</u>
			Misc. Contractual Services	270,000	<u>1</u>
		591	Capital - Materials and Supplies	103,500	<u>1</u>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
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		24,925,900	
		010	Wages	176,300	
		011	Benefits	70,900	
		020	Travel	10,000	
		021	Training, Tuition and Meeting Fees	2,500	
		030	Transportation	1,000	
		060	Postage, Printing and Stationery	100	
		080	Misc. Contractual Services	583,800	
			Douglas County PUD	414,400	
			PEAK Assessments	35,000	
			Slice Implementation Group	5,000	
			TOP Services - BPA	75,000	
			TP Services - Douglas County PUD	20,000	
			WECC/NERC Assessments	31,500	
			WECC - Unscheduled Flow Mitigation	2,500	
			WREGIS Annual Fee - Green Tags	400	
		083	Software Licenses and Support	157,700	
			Slice Software Support Fee	157,700	
		090	Materials and Supplies	1,000	
		120	Purchased Power	23,922,600	
			BPA - Slice	6,482,100	
			BPA - Block	8,184,300	
			BPA - Transmission	2,692,400	
			Wells	3,853,600	
			Nine Canyon	2,710,200	
			Other - Market Purchases	0	

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
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		3,824,500	
		010	Wages	835,500	
		011	Benefits	385,200	
		020	Travel	13,000	
		021	Training, Tuition and Meeting Fees	16,500	
		030	Transportation	49,300	
		060	Postage, Printing and Stationery	500	
		070	Advertising	2,000	
		080	Misc. Contractual Services	400,000	
			WASDOT Clear Zone Analysis	400,000	
		084	Permits and Fees	2,000	
		090	Materials and Supplies	10,000	
		091	Small Tools (under \$5,000)	9,500	
			Vehicle GPS Units	5,000	
			Misc.	4,500	
		092	Miscellaneous	0	
		581	Capital - Contractual Services	1,126,000	
			Chicken Creek Distribution/Fiber Build	160,000	<u>3</u>
			Chicken Creek Substation - BPA Metering/interchg.	151,000	<u>3</u>
			Crazy Rapids UG Circuit	70,000	<u>3</u>
			Crumbacher Direct Bury Replacement	180,000	<u>2</u>
			Dickson Hill to Riverside Rebuild - Intertie	175,000	<u>2</u>
			Easement/Franchise Updates & Surveys	200,000	<u>2</u>
			Oroville 3000 Rebuild (4 miles)	190,000	<u>2</u>
		591	Capital - Materials and Supplies	975,000	
			25kV Power Transformer 4 MVA Spare	250,000	<u>3</u>
			Chicken Creek Distribution/Fiber Build	215,000	<u>3</u>
			Crazy Rapids UG Circuit	30,000	<u>3</u>
			Crumbacher Direct Bury Replacement	70,000	<u>2</u>
			Dickson Hill to Riverside Rebuild - Intertie	85,000	<u>2</u>
			Oroville 3000 Rebuild (4 miles)	210,000	<u>2</u>
			Padmount Switch Upgrade	65,000	<u>2</u>
			WASDOT Clearzone Fixes	50,000	<u>2</u>

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EXPENDITURE DETAIL**

<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	20	Engineering		9,622,300	
		010	Wages	363,000	
		011	Benefits	157,900	
		020	Travel	13,000	
		021	Training, Tuition and Meeting Fees	25,000	
		030	Transportation	3,100	
		060	Postage, Printing and Stationery	300	
		070	Advertising	3,000	
		080	Misc. Contractual Services	413,000	
			Eng - Sub Drawing Creation, Updates & Corrections	48,000	
			Eng - General Consulting	40,000	
			Foster Creek Tower Inspection	75,000	
			Substation Equipment Testing - (WECC)	250,000	
		084	Permits and Fees	2,000	
		090	Materials and Supplies	1,000	
		091	Small Tools (under \$5,000)	2,000	
		581	Capital - Contractual Services	1,190,000	
			Misc. Property Survey	25,000	<u>2</u>
			Eng - 3-Way Switch PT's & Relay Coordination	15,000	<u>2</u>
			Eng - BR Substation Bus Differential	10,000	<u>2</u>
			Eng - New Substation Location Study	50,000	<u>3</u>
			OK to BR Transmission Line - Design	125,000	<u>1</u>
			Tonasket Substation Transmission Line - Design	30,000	<u>1</u>
			Tonasket Substation Re-build - Design continued	200,000	<u>1</u>
			Tonasket Substation Re-build - Construction	500,000	<u>1</u>
			Ellisforde Power Transformer Replacement - Crane	10,000	<u>1</u>
			Tonasket Power Transformer - Crane	15,000	<u>1</u>
			Sandflat 2nd Feeder Addition - Design	15,000	<u>3</u>
			Loup/Winthrop Trans Line Re-route - Design	10,000	<u>1</u>
			Loup/Winthrop Trans Line Re-route - Construction	125,000	<u>1</u>
			Tonasket Substation Trans Study - BPA	60,000	<u>1</u>
		591	Capital - Materials and Supplies	7,449,000	
			OK to BR Transmission Line - Materials	4,000,000	<u>1</u>
			Chicken Creek Substation - Materials	50,000	<u>3</u>
			Tonasket Substation Transmission Line - Materials	36,000	<u>1</u>
			Tonasket Substation Re-build - Materials	1,750,000	<u>1</u>
			Ellisforde Power Transformer Replacement	366,000	<u>1</u>
			Tonasket Power Transformers	732,000	<u>1</u>
			Sandflat 2nd Feeder Addition - Materials	20,000	<u>3</u>
			Loup/Winthrop Trans Line Re-route - Materials	40,000	<u>1</u>
			3-Way Switch PT's	25,000	<u>2</u>
			SCADA	50,000	<u>2</u>
			OCB, Regulators, Reclosers	300,000	<u>2</u>
			TWACS - Spare Transformer and CPU	70,000	<u>2</u>
			BPA Metering - Omak, Okanogan and East Omak	10,000	<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	21	Operations		12,851,500	
		010	Wages	4,199,500	
		011	Benefits	1,810,000	
		020	Travel	20,000	
		021	Training, Tuition and Meeting Fees	30,000	
		030	Transportation	759,000	
		060	Postage, Printing and Stationery	1,500	
		070	Advertising	2,000	
		080	Misc. Contractual Services	1,506,000	
			CDL Testing Program	7,000	
			Employee Dispatch	120,000	
			Firealarm/Elevator Testing & Firealarm Monitoring	4,000	
			Janitorial Services (All Offices)	66,000	
			Non-PCB Waste Disposal	8,000	
			Okanogan Yard - Sealcoat/Repair	50,000	
			Pole Testing	350,000	
			Safety Training	40,000	
			SPCC Requirements	10,000	
			Tree Trimming	800,000	
			Transformer Repair	35,000	
			Underground Locate Service	4,000	
			Weed Control	12,000	
		082	Maintenance Contracts	136,000	
			Elevator Maintenance	6,000	
			HQ General Maintenance	60,000	
			HVAC Maintenance	45,000	
			Landscape Maintenance	10,000	
			Snowplowing and Sweeping	15,000	
		084	Permits and Fees	1,000	
		085	Rents and Leases	1,000	
			Pole Contacts	1,000	
		090	Materials and Supplies	375,000	
			General	350,000	
			Fire Resistant Clothing	25,000	
		091	Small Tools (under \$5,000)	36,500	
			Small Tools (under \$1,000)	10,000	
			Tools & Equipment (\$1,000 to \$2,000)	10,500	
			Equipment (\$2,000 to \$5,000)	16,000	
		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	1,720,000	
			Normal Replacements and Extensions	1,300,000	<u>2</u>
			Avian Protection	20,000	<u>2</u>
			Overhead Distribution Projects	200,000	<u>2</u>
			Underground Distribution Projects	200,000	<u>2</u>
		592	Capital - Meter Purchases	155,000	
			Metering Unforeseen Projects	30,000	<u>2</u>
			Meters w/ Internal Breakers	120,000	<u>2</u>
			New 4S CT Meters	5,000	<u>2</u>
		593	Capital - Transformer Purchases	500,000	
			Normal Additions/Replacements	500,000	<u>2</u>
		711	Capital - Buildings	54,000	

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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 Truck Shop Door Replacement	17,000			<u>2</u>
			Network Room - Wet/Dry Conversion	20,000			<u>2</u>
			Okanogan Warehouse - Racking	10,000			<u>2</u>
			UPS Upgrade Completion Okanogan	7,000			<u>2</u>
712		Capital - Equipment (Over \$2,000)			30,000		<u>2</u>
713		Capital - Vehicles			955,000		
		Fleet		545,000			<u>2</u>
		Line Truck (previously committed)		410,000			<u>1</u>
		Fleet - 2020 Commitment: Line Truck \$450,000					<u> </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		169,000	
		010	Wages	93,500	
		011	Benefits	36,800	
		020	Travel	18,000	
		021	Training, Tuition and Meeting Fees	6,000	
		030	Transportation	200	
		080	Misc. Contractual Services	13,000	
			SPCC	10,000	
			Hazardous Waste/Dangerous Waste Consulting	3,000	
		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		1,520,800	
		010	Wages	772,300	
		011	Benefits	399,300	
		020	Travel	4,500	
		021	Training, Tuition and Meeting Fees	3,500	
		030	Transportation	36,800	
		060	Postage, Printing and Stationery	142,400	
			Postage and Printing - NISC	112,200	
			Postage - PUD	25,200	
			Printing - Misc.	5,000	
		070	Advertising	1,000	
		080	Misc. Contractual Services	93,100	
			Collection Service - Credit Bureau	3,300	
			Credit Reporting Agency	3,200	
			Electronic Payments Fees	86,600	
		084	Permits and Fees	200	
			Miscellaneous Fees (Notaries, etc.)	200	
		085	Rents and Leases	5,000	
			Office Rent MVCC	5,000	
		090	Materials and Supplies	20,000	
			General	20,000	
		092	Miscellaneous	42,700	
			Miscellaneous Expenses	400	
			Net Account Receivable Writeoffs	42,300	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>	<u>Budget Amount</u>	<u>Capital Category</u>
1	35		Conservation/Consumer Information	683,000	
		010	Wages	103,200	
		011	Benefits	57,700	
		020	Travel	5,000	
		021	Training, Tuition and Meeting Fees	5,000	
		030	Transportation	5,600	
		060	Postage, Printing and Stationery	300	
		070	Advertising	23,000	
		071	Conservation Expenditures	450,000	
		080	Misc. Contractual Services	23,000	
		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		9,301,300	
	010	Wages		1,144,100	
	011	Benefits		487,400	
	020	Travel		48,600	
		General	9,900		
		Accounting and Finance	11,100		
		Human Resource	10,100		
		Leadership	17,500		
	021	Training, Tuition and Meeting Fees		31,000	
		General	2,000		
		Accounting and Finance	6,900		
		Human Resource	3,300		
		Educational Reimbursement	10,000		
		Leadership	8,800		
	030	Transportation		5,200	
	040	Insurance (Property/Liability)		353,500	
	050	Utilities		103,800	
		Cell Phone Service	11,000		
		Electrical Service	9,900		
		Telephone Service	52,100		
		Water/Sewer/Garbage	30,800		
	060	Postage, Printing and Stationery		5,200	
	070	Advertising		1,500	
	080	Misc. Contractual Services		552,200	
		APPA Dues	22,100		
		Audit Costs	77,500		
		Banking Fees	25,700		
		Benefits Administration	12,200		
		Bond Admin Fee	1,100		
		Chamber of Commerce Dues	800		
		CWPU/UIP Expenses	17,400		
		Economic Alliance	6,000		
		Financial Studies	157,500		
		Foundation for Water and Energy	2,000		
		Human Resources Contractual Services	30,500		
		Legislative Consultant	45,300		
		Misc. Services/Consulting	10,000		
		NW Public Power Assoc. Dues/NW Wage & Hour	27,200		
		PPC - Dues	23,400		
		PPC - NW River Partners	12,800		
		Standard and Poors	7,500		
		WA PUD Association Dues	73,200		
	081	Legal Services		243,200	
		General Counsel	213,200		
		Misc. Attorney Fees	30,000		
	084	Permits and Fees		700	
		WA State L&I Right to Know	200		
		Misc.	500		
	085	Rents and Leases		800	
		P.O. Box Rent	800		
	090	Materials and Supplies		37,500	
		General Administration	31,000		
		Human Resources	5,700		
	091	Small Tools (under \$5,000)		2,000	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>	<u>Capital Category</u>
	092	Miscellaneous			33,100	
			Clothing for Identification	1,200		
			Deductibles/Damage Claims	4,000		
			Employee Day	5,000		
			Meeting Expenses	500		
			HR Expenses (Wellness, Interview & Moving Exp)	19,200		
			Service Awards and Costs	3,200		
	099	Unforeseen Operating Contingency			250,000	
	210	Taxes			2,870,000	
	713	Capital - Transportation System Depreciation			-261,600	
	810	Debt Service - Principal			1,715,400	
	811	Debt Service - Interest			1,427,700	
	901	Unforeseen Capital Contingency			250,000	
						<u>2</u>
						<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		1,400,300	
		010	Wages	427,000	
		011	Benefits	200,300	
		020	Travel	10,000	
		021	Training, Tuition and Meeting Fees	13,500	
		030	Transportation	1,100	
		080	Misc. Contractual Services	63,000	
			Misc. Consulting	15,000	
			Complete Security Assessment	37,500	
			Key Card System	2,500	
			Onsite System Optimization - Aclara	8,000	
		082	Maintenance Contracts	29,700	
			APS Security System Monitoring	3,000	
			Branch Office Multi Function Printer	1,500	
			Datacenter Liebert Units	6,000	
			Okanogan Office Multi Function Printer	12,000	
			SCADA - DAC1, DAC2 and Web Server	7,200	
		083	Software Licenses and Support	398,900	
			Aclara - TWACS Support	16,500	
			Cellgate	700	
			Certs SSL	700	
			Domain Name Registration	500	
			Foxit Pro PDF Editor	200	
			Genetec Maintenance	3,000	
			Ivanti Patch Management	1,500	
			Microsoft Software	30,700	
			NISC Custom Programming	5,000	
			NISC Maintenance	130,000	
			NISC Call Capture One Time Fee and Maintenance	29,000	
			ShoreTel Phone System	13,000	
			Soniclear Recording Software	500	
			Social Media Archiving software	3,000	
			SonicWALL	6,000	
			Symantec Software and Support	5,800	
			VEEAM	3,700	
			VMWare Software Support (IS)	5,000	
			Eng/Ops - AutoCad	5,000	
			Eng/Ops - ESRI	10,500	
			Eng/Ops - Futura	30,000	
			Eng/Ops - GeoNav	4,000	
			Eng/Ops - GeoSpacial Innovations, DDS	27,000	
			Eng/Ops - DDS Staker Reporting	10,000	
			Eng/Ops - Mapsight	3,000	
			Eng/Ops - OSI	28,000	
			Eng/Ops - Trimble Field Inspector	1,600	
			Eng/Ops - Allison Transmission Diagnostic Software	1,200	
			Eng/Ops - ShopKey Techworks	3,000	
			Eng/Ops - MSDS On Line	2,700	
			Eng/Ops - Cummins Tool Software	700	
			Eng/Ops - Max Force	900	
			Eng/Ops - Zonar Vehicle Tracking	10,000	
			Environmental - Misc.	1,500	
			Generation - Misc.	5,000	
		085	Rents and Leases	43,400	

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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	4,600		
			Branch Office MFP	16,800		
			Okanogan Office MFP	12,000		
090		Materials and Supplies			10,000	
091		Small Tools (under \$5,000)			62,900	
			AirPrint Printers for Operations	1,600		
			iPads	5,200		
			Misc.	10,000		
			Phone Headsets	1,000		
			Personal Computers	37,300		
			Small Office Printer	1,500		
			Tape Drive	4,500		
			WI-Fi AP's for Operations	1,800		
712		Capital - Equipment (Over \$2,000)			140,500	
			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>
			ShoreTel Switches	20,500		<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	181,800	
		010	Wages	120,900	
		011	Benefits	43,300	
		020	Travel	12,000	
		021	Training, Tuition and Meeting Fees	2,500	
		060	Postage, Printing and Stationery	100	
		090	Materials and Supplies	2,000	
		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		2,423,400	
		010	Wages	385,300	
		011	Benefits	168,400	
		020	Travel	18,000	
		021	Training, Tuition and Meeting Fees	24,000	
		030	Transportation	62,500	
		060	Postage, Printing and Stationery	800	
		070	Advertising	600	
		080	Misc. Contractual Services	107,200	
			Complete Security Assessment	21,000	
			Ivoxy - NetApp Installation	2,000	
			Network Consulting	25,000	
			NoaNet Calea Services	4,200	
			NoaNet Tonasket Generator	30,000	
			Software Development - Portal	25,000	
		081	Legal Services	5,000	
		082	Maintenance Contracts	101,900	
			ADVA Optical	30,000	
			Cambium Networks	1,600	
			Ciena Devices	40,800	
			Cisco Support	1,300	
			Juniper Remote Mgt & Monitoring	15,000	
			Juniper Support	13,200	
		083	Software Licenses and Support	70,200	
			Adobe eSign	1,200	
			Certs SSL	400	
			Checkpoint Demand Generation Software	15,000	
			Ivanti for Servicers	1,000	
			Mapinfo	1,500	
			Server License and Software Upgrades	10,000	
			Solar Winds	30,800	
			Symantec Software and Support	600	
			Telerik for Portal	2,200	
			VEEAM	2,000	
			VMWare	5,500	
		084	Permits and Fees	48,200	
			ARIN ASN & IP Address Allocation	5,000	
			Upstream Internet Bandwidth	43,200	
		085	Rents and Leases	68,100	
			DCPUD Dark Fiber Leases and Co-Location	34,800	
			USEI Co-location	4,800	
			Wireless Site Lease	28,500	
		090	Materials and Supplies	109,200	
			Backup Tapes	500	
			Battery Plant - Maintenance and Replacement	19,300	
			Equipment Calibration/Repair	2,300	
			Fiber Plant Maintenance - Broadband	50,000	
			HVAC Maintenance and Repair	15,000	
			Out of Band Management	5,000	
			Switch/Network HW Upgrades	10,000	
			UPS/Rectifier - Maintenance and Replacement	7,100	
		091	Small Tools (under \$5,000)	9,500	
		210	Taxes	16,000	
		591	Capital - Materials and Supplies	603,900	

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<u>Div.</u>	<u>Dept.</u>	<u>Activity</u>	<u>Description</u>		<u>Budget Amount</u>	<u>Capital Category</u>
			Broadband Node Rework	50,000		<u>2</u>
			Cambium PMP450m Project	150,000		<u>2</u>
			Fiber Distribution Builds	100,000		<u>2</u>
			Network Hardware Replacement - EOL	81,600		<u>2</u>
			Newmar to Vertiv Rectifier Upgrade	17,500		<u>2</u>
			Optics	33,500		<u>2</u>
			Wireless Subscriber Units	171,300		<u>2</u>
712		Capital - Equipment (Over \$2,000)			108,000	
			Broadband Test Equipment	10,000		<u>2</u>
			HVAC Node Replacements	20,000		<u>2</u>
			NetApp SAN	65,000		<u>2</u>
			Switch Replacement - Cisco 3750s	13,000		<u>2</u>
810		Debt Service - Principal			408,800	
			Loan - Electric	252,500		
			Operating Line - Electric	0		
			Loan - ARRA	156,300		
811		Debt Service - Interest			107,800	
			Loan - Electric	25,900		
			Operating Line - Electric	0		
			Loan - ARRA	81,900		

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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		309,000	
		010	Wages	108,100	
		011	Benefits	45,300	
		020	Travel	3,500	
		021	Training, Tuition and Meeting Fees	7,600	
		030	Transportation	3,700	
		060	Postage, Printing and Stationery	300	
		082	Maintenance Contracts	21,500	
			Fire Alarm System	1,500	
			UHF Radio System	20,000	
		085	Rents and Leases	37,000	
			UHF Site Lease - Little Buck Mtn.	2,800	
			UHF Site Lease - Aeneas Mtn.	2,800	
			UHF Site Lease - Goat Mtn.	700	
			UHF Site Lease - Omak Mtn.	4,300	
			UHF Site Lease - McClure Mtn.	1,200	
			UHF Site Lease - Tunk Mtn.	1,200	
			Dark Fiber Lease - Brewster to Wells Dam	24,000	
		090	Materials and Supplies	60,000	
			Fiber Plant Maintenance - Internal and Backbone	50,000	
			General Materials and Supplies	10,000	
		091	Small Tools (under \$5,000)	12,000	
		591	Capital - Materials and Supplies	10,000	<u>2</u>

**PUBLIC UTILITY DIST. NO. 1 OF OKANOGAN COUNTY
2019 ADOPTED BUDGET - DECEMBER 17, 2018
EXPENDITURE DETAIL**

<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				72,896,200	

Capital Outlay Categories:

Committed to Finish (1)	12,475,900
Renewals/Replacements (2)	6,014,800
2019 Additions (3)	<u>1,131,000</u>
Total Capital Outlay	19,621,700