

Jefferson County PUD No. 1

2025 Preliminary Budget



The proposed budget for 2025 on the following pages shows Staff’s best idea of what money will be coming into the PUD and what money will be going out. This is a guide to the financial path that will allow the PUD to operate day to day as well as complete capital projects.

In 2025, we are budgeting for continuing the buildout of our broadband utility. Most of the budget numbers for broadband are based on the probability of building out our fiber and adding connections as an Internet Service Provider.

As part of the budget packet, Staff has included supplementary pages showing a look back at the actual operating revenues and expenses since 2019. Also, a 10-year forecast is included in the supplementary pages.

2025 Budget Foundation

FCS Group is in the process of reviewing rates and conducting a rate study for Jefferson County PUD. FCS will be recommending rate increases for 2025 which have not been included in the budget

1. Electric Revenues are based on current rates and increased rates effective July 2024. Residential Base Fee is \$28.50 while consumption for TIER 1 is \$0.966.
2. Water Revenues are based on rates that are effective January 2024. Residential Base Fee is \$42.61 while consumption for TIER 1 is \$0.38.
3. Electric and Water Revenues are based on a 4-year historical average for customers and consumption.
4. Broadband Revenues are based on projected connections as well as 2024 revenues.
5. We raised expenses by 3%.
6. We raised our Fleet Expenses by 3% based on new vehicles and personnel.
7. We will be putting more of an emphasis on safety and creating a safety philosophy culture in 2025.
8. We have budgeted for 18 vacant and new positions in 2025.
9. We kept our Purchased Power cost at the same level as 2024 not including the Power Dividend Distribution credit.
10. Included in Electric Distribution Expense—Maintenance is \$1,000,000 for tree trimming.
11. Included in the Administrative and General expenses is \$200,000 available for raises per RCW 54.16.100 and compensation study in progress.
12. Interest on Long-Term Debt is based on the amortization schedules within our loan documents with RUS, USDA Rural Development, and bonds including all new loans.
13. All expenses are based on actual expenses from June 2023 to May 2024.
14. Training Budgets will remain at the same levels as 2024.
15. We have included a COLA increase for Non-Represented Employees and COLAs for Union Employees in their contracts.
16. Property tax revenues have been kept at the same level as last year and 80% of the funds will go toward Broadband while 20% of the funds will go toward Water.
17. Electric Construction Projects are based on the preliminary 4-year work plan, as well as budgetary funds available and current needs.
18. Water Construction Projects are based on budgetary funds availability, current needs, and our 10-year work plan.
19. Broadband Construction Projects are based on previously approved Grant Areas.
20. General Plant capital purchases include warehouse improvements, information technology equipment, fleet, electric tools, communications, and engineering costs.
21. Principal payments on long-term debt are based on the amortization schedules within our loan documents with RUS, USDA Rural Development, and bonds.
22. Added depreciation back into the cash flow as our construction costs should be close to our depreciation rate. We are replenishing our assets at the same rate they are depreciating.

23. We have 4 LUDs paying on assessments. The LUDS are 6 (Triton Cove), 8 (Lazy C), 14 (Marrowstone), and 17 (Shine Plat).
24. We incorporated a 10-year Financial Forecast into the 2025 budget along with a 5-year look back.

EXHIBIT A
2025 PUD Electric, Water, and Broadband Utility Budgets

	<u>Electrical</u> <u>Utility</u>	<u>Water</u> <u>Utility</u>	<u>Broadband</u> <u>Utility</u>	<u>Foundation</u> <u>Points</u>
Operating Revenues	\$48,766,410	\$5,028,828	\$953,298	1,2,3,4
Operating Expenses				5,6,7,8
Power Production Cost	\$0	\$0	\$0	
Cost of Purchased Power	\$16,959,673	\$155,122	\$79,607	9
Transmission Expense	\$132,848	\$0	\$0	
Distribution Expense--Operation	\$2,301,096	\$896,785	\$326,484	
Distribution Expense--Maintenance	\$4,015,780	\$1,041,787	\$148,750	10
Customer Accounts Expense	\$2,046,278	\$171,251	\$83,010	
Customer Service and Informational Expense	\$157,142	\$0	\$0	
Administrative and General Expense	\$7,152,677	\$1,291,945	\$1,419,871	11
Depreciation & Amortization Expense	\$6,330,426	\$1,011,654	\$23,028	
Tax Expense--Property & Gross Receipts	\$789	\$383	\$62	
Tax Expense--Other	\$2,615,077	\$215,470	\$12,356	
Interest on Long-Term Debt	\$2,593,671	\$187,574	\$820	12
Interest Expense--Other	\$0	\$0	\$0	
Other Deductions	\$1,633	\$0	\$0	
Total Operating Expenses	\$44,307,090	\$4,971,971	\$2,093,988	13,14,15
Net Operating Margins (Loss)	\$4,459,320	\$56,857	(\$1,140,690)	
Property Tax Revenue	\$0	\$120,000	\$480,000	16
Non-Operating Margins (Loss)	\$1,867,910	\$259,719	\$11,338,115	
Net Margins (Loss)	\$6,327,230	\$436,576	\$10,677,425	
Cash Flow Budget				
Construction Projects	\$12,725,000	\$3,647,551	\$15,172,062	17,18,19
General Plant Purchases	\$547,500	\$60,000	\$60,000	20
Principal on Long Term Debt	\$3,789,737	\$633,384	\$387,394	21
Add Depreciation & Amortization (non-cash)	(\$6,330,426)	(\$1,011,654)	(\$23,028)	22
Principal & Interest Received on LUDs	\$0	(\$442,966)	\$0	23
Grants and Loan Funds	(\$48,000)	(\$2,677,940)	(\$3,833,947)	
Total Cash Expenditures/Cash Outflow	\$10,683,811	\$208,375	\$11,762,481	24
Net Cash Inflow/(Outflow)	(\$4,356,581)	\$228,201	(\$1,085,056)	
Net TIER (Minimum of 1.25)	3.44			
Net DSC (Minimum of 1.25)	2.39			

**Electric Utility
Expense Changes
2024 Budget to 2025 Budget**

	2024 Budget	2025 Budget	Change
Operating Revenues	\$48,672,105	\$48,766,410	\$94,305
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$16,920,998	\$16,959,673	\$38,675
Transmission Expense	\$120,243	\$132,848	\$12,605
Distribution Expense--Operation	\$2,978,576	\$2,301,096	(\$677,480)
Distribution Expense--Maintenance	\$4,652,100	\$4,015,780	(\$636,320)
Customer Accounts Expense	\$2,107,251	\$2,046,278	(\$60,973)
Customer Service and Informational Expense	\$46,095	\$157,142	\$111,047
Administrative and General Expense	\$5,635,183	\$7,152,677	\$1,517,494
Depreciation & Amortization Expense	\$5,947,771	\$6,330,426	\$382,655
Tax Expense--Property & Gross Receipts	\$0	\$789	\$789
Tax Expense--Other	\$2,292,670	\$2,615,077	\$322,407
Interest on Long-Term Debt	\$2,288,199	\$2,593,671	\$305,472
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$1,633	\$1,633
Total Operating Expenses	\$42,989,086	\$44,307,090	\$1,318,004
Net Operating Margins (Loss)	\$5,683,019	\$4,459,320	(\$1,223,699)
Non-Operating Margins (Loss)	\$2,289,866	\$1,867,910	(\$421,956)
Net Margins (Loss)	\$7,972,885	\$6,327,230	(\$1,645,655)
Cash Flow Budget			
Construction Projects	\$5,725,000	\$12,725,000	\$7,000,000
General Plant Purchases	\$787,500	\$547,500	(\$240,000)
Principal on Long Term Debt	\$3,789,737	\$3,789,737	\$0
Add Depreciation & Amortization (non-cash)	(\$5,947,771)	(\$6,330,426)	(\$382,655)
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	\$0	(\$48,000)	(\$48,000)
Total Cash Expenditures/Cash Outflow	\$4,354,466	\$10,683,811	\$6,329,345
Net Cash Inflow/(Outflow)	\$3,618,419	(\$4,356,581)	(\$7,975,000)
Net TIER (Minimum of 1.25)	4.48	3.44	-1.04
Net DSC (Minimum of 1.25)	2.67	2.39	-0.28

**Electric Utility
Expense Changes
8/16/2024 Draft to 8/26/2024 Draft**

	2025 Budget 8/16/2024	2025 Budget 8/26/2024	Change
Operating Revenues	\$48,766,410	\$48,766,410	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$15,253,651	\$16,959,673	\$1,706,022
Transmission Expense	\$146,992	\$132,848	(\$14,144)
Distribution Expense--Operation	\$2,467,259	\$2,301,096	(\$166,163)
Distribution Expense--Maintenance	\$4,285,211	\$4,015,780	(\$269,431)
Customer Accounts Expense	\$2,218,855	\$2,046,278	(\$172,577)
Customer Service and Informational Expense	\$166,938	\$157,142	(\$9,796)
Administrative and General Expense	\$7,720,458	\$7,152,677	(\$567,781)
Depreciation & Amortization Expense	\$6,330,426	\$6,330,426	\$0
Tax Expense--Property & Gross Receipts	\$789	\$789	\$0
Tax Expense--Other	\$2,615,077	\$2,615,077	\$0
Interest on Long-Term Debt	\$2,593,671	\$2,593,671	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$1,633	\$1,633	\$0
Total Operating Expenses	\$43,800,960	\$44,307,090	\$506,130
Net Operating Margins (Loss)	\$4,965,450	\$4,459,320	(\$506,130)
Non-Operating Margins (Loss)	\$1,867,910	\$1,867,910	\$0
Net Margins (Loss)	\$6,833,360	\$6,327,230	(\$506,130)
Cash Flow Budget			
Construction Projects	\$12,725,000	\$12,725,000	\$0
General Plant Purchases	\$587,500	\$547,500	(\$40,000)
Principal on Long Term Debt	\$3,789,737	\$3,789,737	\$0
Add Depreciation & Amortization (non-cash)	(\$6,330,426)	(\$6,330,426)	\$0
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	\$0	(\$48,000)	(\$48,000)
Total Cash Expenditures/Cash Outflow	\$10,771,811	\$10,683,811	(\$88,000)
Net Cash Inflow/(Outflow)	(\$3,938,451)	(\$4,356,581)	(\$418,130)
Net TIER (Minimum of 1.25)	3.63	3.44	-0.20
Net DSC (Minimum of 1.25)	2.47	2.39	-0.08

**Electric Utility
Expense Changes
8/26/2024 Draft to 9/20/2024 Draft**

	2025 Budget 8/26/2024	2025 Budget 9/20/2024	Change
Operating Revenues	\$48,766,410	\$48,766,410	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$16,959,673	\$16,959,673	\$0
Transmission Expense	\$130,209	\$132,848	\$2,639
Distribution Expense--Operation	\$2,255,161	\$2,301,096	\$45,935
Distribution Expense--Maintenance	\$4,182,606	\$4,015,780	(\$166,826)
Customer Accounts Expense	\$2,006,868	\$2,046,278	\$39,410
Customer Service and Informational Expense	\$154,076	\$157,142	\$3,066
Administrative and General Expense	\$6,949,299	\$7,152,677	\$203,378
Depreciation & Amortization Expense	\$6,330,426	\$6,330,426	\$0
Tax Expense--Property & Gross Receipts	\$789	\$789	\$0
Tax Expense--Other	\$2,615,077	\$2,615,077	\$0
Interest on Long-Term Debt	\$2,593,671	\$2,593,671	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$1,633	\$1,633	\$0
Total Operating Expenses	\$44,179,488	\$44,307,090	\$127,602
Net Operating Margins (Loss)	\$4,586,922	\$4,459,320	(\$127,602)
Non-Operating Margins (Loss)	\$1,867,910	\$1,867,910	\$0
Net Margins (Loss)	\$6,454,832	\$6,327,230	(\$127,602)
Cash Flow Budget			
Construction Projects	\$12,725,000	\$12,725,000	\$0
General Plant Purchases	\$587,500	\$547,500	(\$40,000)
Principal on Long Term Debt	\$3,789,737	\$3,789,737	\$0
Add Depreciation & Amortization (non-cash)	(\$6,330,426)	(\$6,330,426)	\$0
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	\$0	(\$48,000)	(\$48,000)
Total Cash Expenditures/Cash Outflow	\$10,771,811	\$10,683,811	(\$88,000)
Net Cash Inflow/(Outflow)	(\$4,316,979)	(\$4,356,581)	(\$39,602)
Net TIER (Minimum of 1.25)	3.49	3.44	-0.05
Net DSC (Minimum of 1.25)	2.41	2.39	-0.02

**Water Utility
Expense Changes
2024 Budget to 2025 Budget**

	2024	2025	Change
	Budget	Budget	
Operating Revenues	\$4,944,503	\$5,028,828	\$84,325
Operating Expenses			
Power Production Cost	\$3,207	\$0	(\$3,207)
Cost of Purchased Power	\$143,948	\$155,122	\$11,174
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$1,263,927	\$896,785	(\$367,142)
Distribution Expense--Maintenance	\$1,031,572	\$1,041,787	\$10,215
Customer Accounts Expense	\$187,285	\$171,251	(\$16,034)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$820,155	\$1,291,945	\$471,790
Depreciation & Amortization Expense	\$1,003,364	\$1,011,654	\$8,290
Tax Expense--Property & Gross Receipts	\$0	\$383	\$383
Tax Expense--Other	\$223,422	\$215,470	(\$7,952)
Interest on Long-Term Debt	\$128,221	\$187,574	\$59,353
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$31,220	\$0	(\$31,220)
Total Operating Expenses	\$4,836,321	\$4,971,971	\$135,650
Net Operating Margins (Loss)	\$108,182	\$56,857	(\$51,325)
Non-Operating Margins (Loss)	\$302,100	\$379,719	\$77,619
Net Margins (Loss)	\$410,282	\$436,576	\$26,294
Cash Flow Budget			
Construction Projects	\$1,420,000	\$3,647,551	\$2,227,551
General Plant Purchases	\$135,000	\$60,000	(\$75,000)
Principal on Long Term Debt	\$633,384	\$633,384	\$0
Add Depreciation & Amortization (non-cash)	(\$1,003,364)	(\$1,011,654)	(\$8,290)
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	\$0
Grants and Loan Funds	(\$1,100,000)	(\$2,677,940)	(\$1,577,940)
Total Cash Expenditures/Cash Outflow	(\$357,946)	\$208,375	\$566,321
Net Cash Inflow/(Outflow)	\$768,228	\$228,201	(\$540,027)

**Water Utility
Expense Changes
8/16/2024 Draft to 8/26/2024 Draft**

	2025 Budget 8/16/2024	2025 Budget 8/26/2024	Change
Operating Revenues	\$5,028,828	\$5,028,828	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$155,122	\$155,122	\$0
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$1,241,470	\$896,785	(\$344,685)
Distribution Expense--Maintenance	\$1,137,898	\$1,041,787	(\$96,111)
Customer Accounts Expense	\$184,579	\$171,251	(\$13,328)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,455,625	\$1,291,945	(\$163,680)
Depreciation & Amortization Expense	\$1,011,654	\$1,011,654	\$0
Tax Expense--Property & Gross Receipts	\$383	\$383	\$0
Tax Expense--Other	\$215,470	\$215,470	\$0
Interest on Long-Term Debt	\$187,574	\$187,574	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$5,589,775	\$4,971,971	(\$617,804)
Net Operating Margins (Loss)	(\$560,947)	\$56,857	\$617,804
Non-Operating Margins (Loss)	\$342,447	\$379,719	\$37,272
Net Margins (Loss)	(\$218,500)	\$436,576	\$655,076
Cash Flow Budget			
Construction Projects	\$969,611	\$3,647,551	\$2,677,940
General Plant Purchases	\$60,000	\$60,000	\$0
Principal on Long Term Debt	\$633,384	\$633,384	\$0
Add Depreciation & Amortization (non-cash)	(\$1,011,654)	(\$1,011,654)	\$0
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	\$0
Grants and Loan Funds	\$0	(\$2,677,940)	(\$2,677,940)
Total Cash Expenditures/Cash Outflow	\$208,375	\$208,375	\$0
Net Cash Inflow/(Outflow)	(\$426,875)	\$228,201	\$655,076

**Water Utility
Expense Changes
8/26/2024 Draft to 9/20/2024 Draft**

	2025 Budget 8/26/2024	2025 Budget 9/20/2024	Change
Operating Revenues	\$5,028,828	\$5,028,828	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$155,122	\$155,122	\$0
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$877,071	\$896,785	\$19,714
Distribution Expense--Maintenance	\$1,010,845	\$1,041,787	\$30,942
Customer Accounts Expense	\$168,315	\$171,251	\$2,936
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,259,121	\$1,291,945	\$32,824
Depreciation & Amortization Expense	\$1,011,654	\$1,011,654	\$0
Tax Expense--Property & Gross Receipts	\$383	\$383	\$0
Tax Expense--Other	\$215,470	\$215,470	\$0
Interest on Long-Term Debt	\$187,574	\$187,574	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$4,885,555	\$4,971,971	\$86,416
Net Operating Margins (Loss)	\$143,273	\$56,857	(\$86,416)
Non-Operating Margins (Loss)	\$342,447	\$379,719	\$37,272
Net Margins (Loss)	\$485,720	\$436,576	(\$49,144)
Cash Flow Budget			
Construction Projects	\$969,611	\$3,647,551	\$2,677,940
General Plant Purchases	\$60,000	\$60,000	\$0
Principal on Long Term Debt	\$633,384	\$633,384	\$0
Add Depreciation & Amortization (non-cash)	(\$1,011,654)	(\$1,011,654)	\$0
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	\$0
Grants and Loan Funds	\$0	(\$2,677,940)	(\$2,677,940)
Total Cash Expenditures/Cash Outflow	\$208,375	\$208,375	\$0
Net Cash Inflow/(Outflow)	\$277,345	\$228,201	(\$49,144)

**BroadBand Utility
Expense Changes
2024 Budget to 2025 Budget**

	2024	2025	Change
	Budget	Budget	
Operating Revenues	\$130,000	\$953,298	\$823,298
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$23,580	\$79,607	\$56,027
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$470,899	\$326,484	(\$144,415)
Distribution Expense--Maintenance	\$144,760	\$148,750	\$3,990
Customer Accounts Expense	\$88,955	\$83,010	(\$5,945)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$558,437	\$1,419,871	\$861,434
Depreciation & Amortization Expense	\$4,310	\$23,028	\$18,718
Tax Expense--Property & Gross Receipts	\$0	\$62	\$62
Tax Expense--Other	\$0	\$12,356	\$12,356
Interest on Long-Term Debt	\$0	\$820	\$820
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$1,290,941	\$2,093,988	\$803,047
Net Operating Margins (Loss)	(\$1,160,941)	(\$1,140,690)	\$20,251
Non-Operating Margins (Loss)	\$2,486,206	\$11,818,115	\$9,331,909
Net Margins (Loss)	\$1,325,265	\$10,677,425	\$9,352,160
Cash Flow Budget			
Construction Projects	\$0	\$15,172,062	\$15,172,062
General Plant Purchases	\$15,172,062	\$60,000	(\$15,112,062)
Principal on Long Term Debt	\$387,394	\$387,394	\$0
Add Depreciation & Amortization (non-cash)	(\$4,310)	(\$23,028)	(\$18,718)
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	(\$15,879,366)	(\$3,833,947)	\$12,045,419
Total Cash Expenditures/Cash Outflow	(\$324,220)	\$11,762,481	\$12,086,701
Net Cash Inflow/(Outflow)	\$1,649,485	(\$1,085,056)	(\$2,734,541)

**BroadBand Utility
Expense Changes
8/16/2024 Draft to 8/26/2024 Draft**

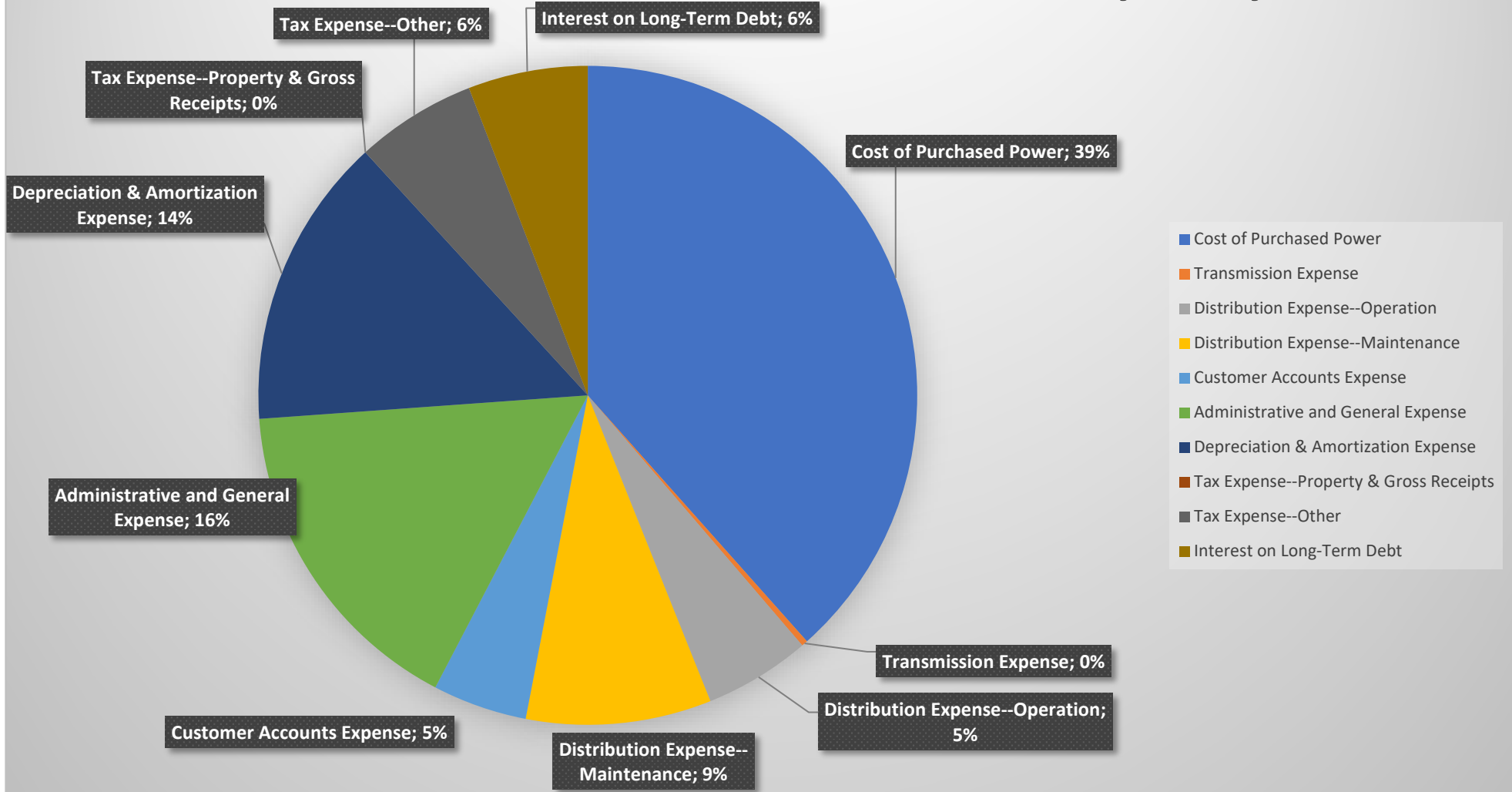
	2025 Budget 8/16/2024	2025 Budget 8/26/2024	Change
Operating Revenues	\$953,298	\$953,298	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$79,607	\$79,607	\$0
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$343,858	\$326,484	(\$17,374)
Distribution Expense--Maintenance	\$157,264	\$148,750	(\$8,514)
Customer Accounts Expense	\$90,719	\$83,010	(\$7,709)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,496,820	\$1,419,871	(\$76,949)
Depreciation & Amortization Expense	\$23,028	\$23,028	\$0
Tax Expense--Property & Gross Receipts	\$62	\$62	\$0
Tax Expense--Other	\$12,356	\$12,356	\$0
Interest on Long-Term Debt	\$820	\$820	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$2,204,534	\$2,093,988	(\$110,546)
Net Operating Margins (Loss)	(\$1,251,236)	(\$1,140,690)	\$110,546
Non-Operating Margins (Loss)	\$11,618,170	\$11,818,115	\$199,945
Net Margins (Loss)	\$10,366,934	\$10,677,425	\$310,491
Cash Flow Budget			
Construction Projects	\$0	\$15,172,062	\$15,172,062
General Plant Purchases	\$15,172,062	\$60,000	(\$15,112,062)
Principal on Long Term Debt	\$387,394	\$387,394	\$0
Add Depreciation & Amortization (non-cash)	(\$23,028)	(\$23,028)	\$0
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	(\$15,172,062)	(\$3,833,947)	\$11,338,115
Total Cash Expenditures/Cash Outflow	\$364,366	\$11,762,481	\$11,398,115
Net Cash Inflow/(Outflow)	\$10,002,568	(\$1,085,056)	(\$11,087,624)

**BroadBand Utility
Expense Changes
8/26/2024 Draft to 9/20/2024 Draft**

	2025 Budget 8/26/2024	2025 Budget 9/20/2024	Change
Operating Revenues	\$953,298	\$953,298	\$0
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$79,607	\$79,607	\$0
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$320,717	\$326,484	\$5,767
Distribution Expense--Maintenance	\$145,755	\$148,750	\$2,995
Customer Accounts Expense	\$81,277	\$83,010	\$1,733
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,366,066	\$1,419,871	\$53,805
Depreciation & Amortization Expense	\$23,028	\$23,028	\$0
Tax Expense--Property & Gross Receipts	\$62	\$62	\$0
Tax Expense--Other	\$12,356	\$12,356	\$0
Interest on Long-Term Debt	\$820	\$820	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$2,029,688	\$2,093,988	\$64,300
Net Operating Margins (Loss)	(\$1,076,390)	(\$1,140,690)	(\$64,300)
Non-Operating Margins (Loss)	\$11,618,170	\$11,818,115	\$199,945
Net Margins (Loss)	\$10,541,780	\$10,677,425	\$135,645
Cash Flow Budget			
Construction Projects	\$15,172,062	\$15,172,062	\$0
General Plant Purchases	\$60,000	\$60,000	\$0
Principal on Long Term Debt	\$387,394	\$387,394	\$0
Add Depreciation & Amortization (non-cash)	(\$23,028)	(\$23,028)	\$0
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	(\$11,338,042)	(\$3,833,947)	\$7,504,095
Total Cash Expenditures/Cash Outflow	\$4,258,386	\$11,762,481	\$7,504,095
Net Cash Inflow/(Outflow)	\$6,283,394	(\$1,085,056)	(\$7,368,450)

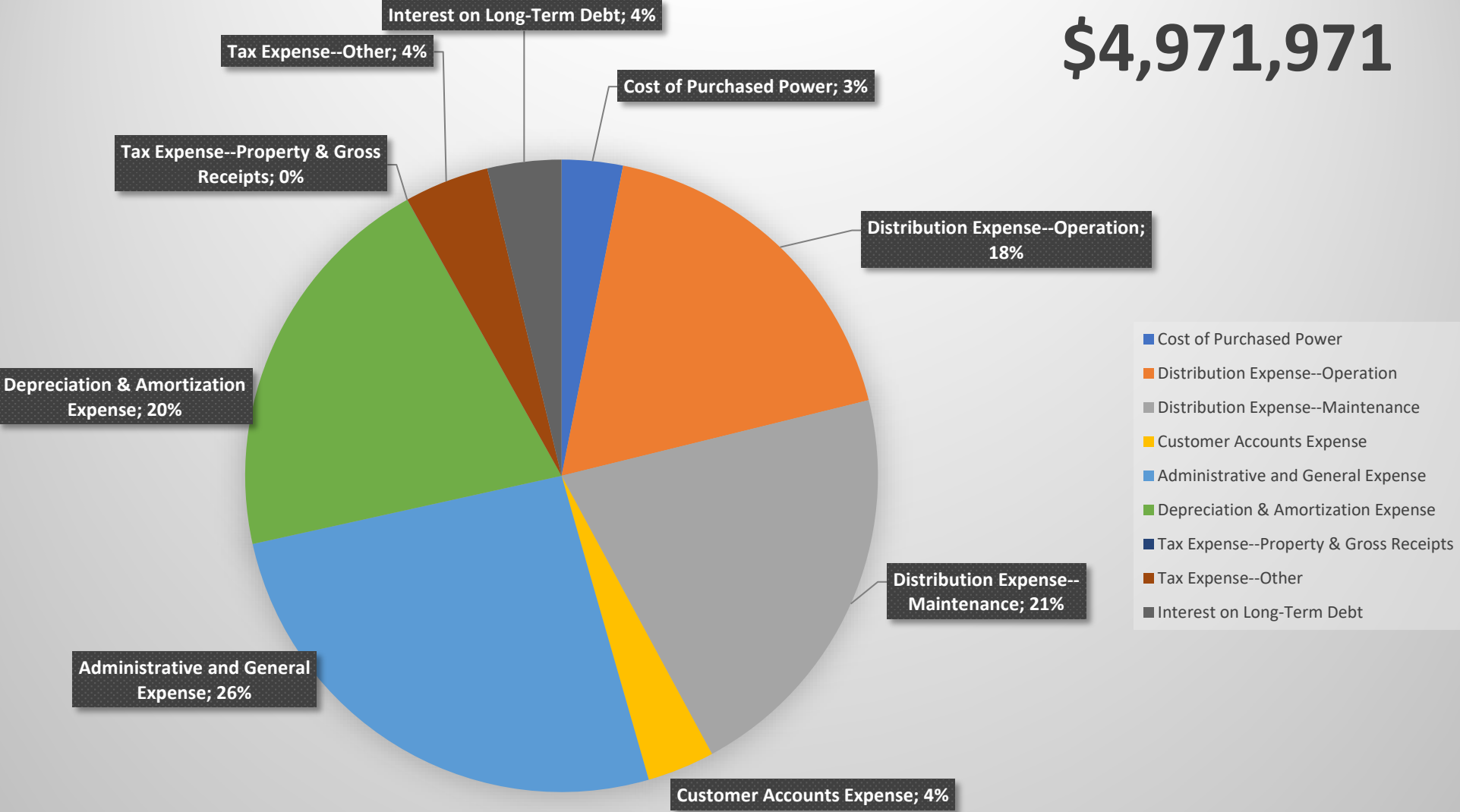
Electric Expenses

\$44,307,091



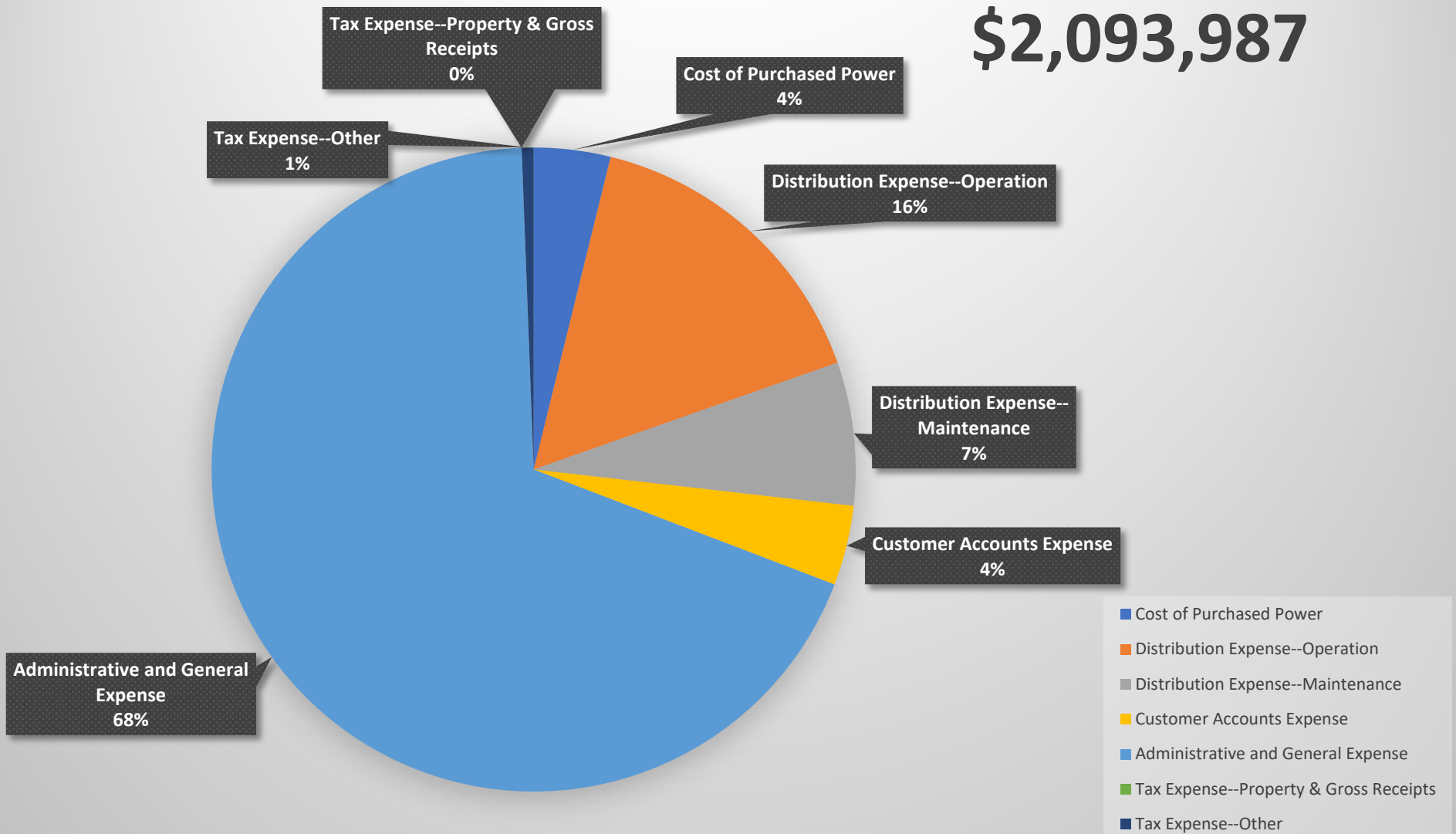
Water Expenses

\$4,971,971



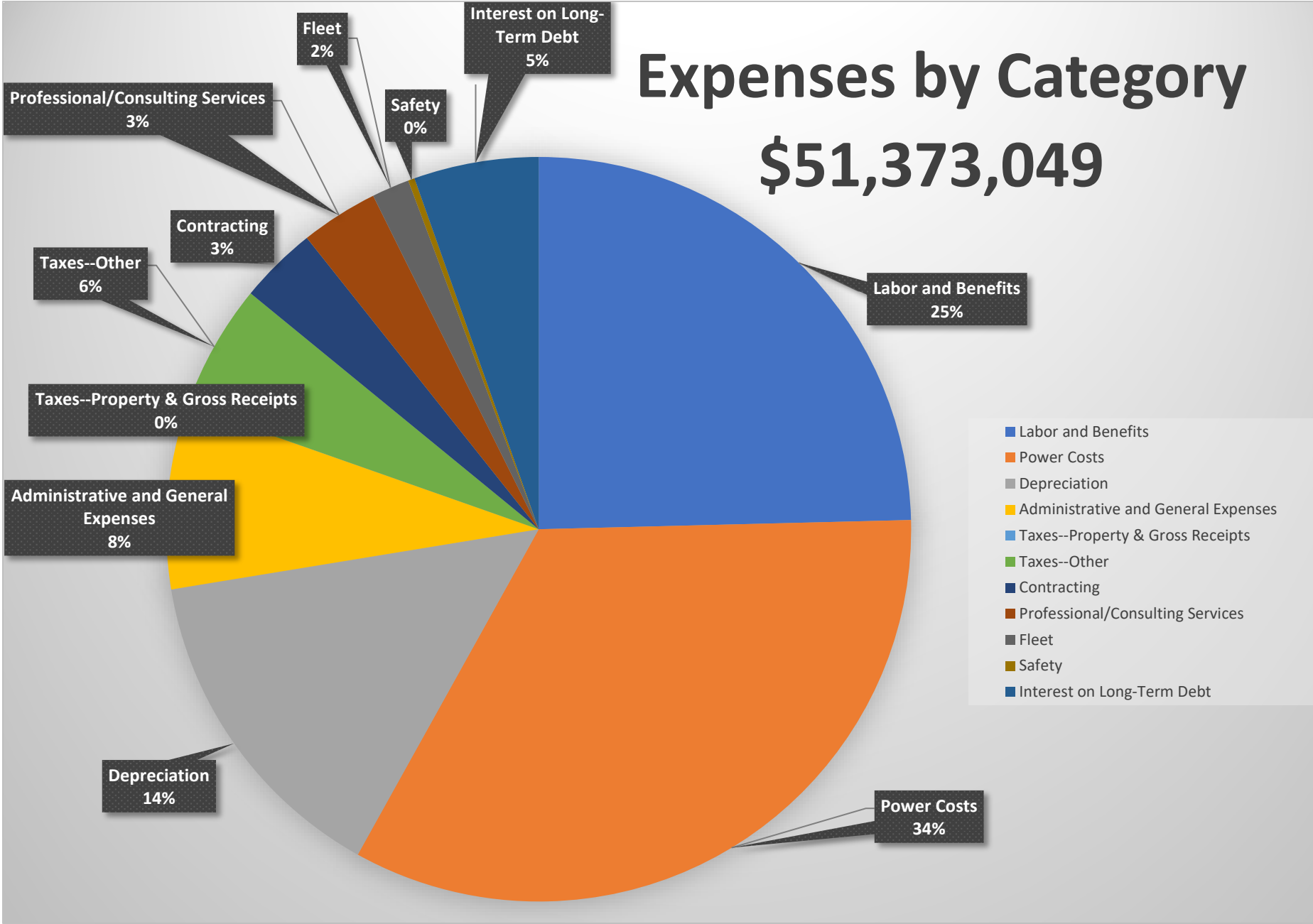
Broadband Expenses

\$2,093,987



Expenses by Category

\$51,373,049



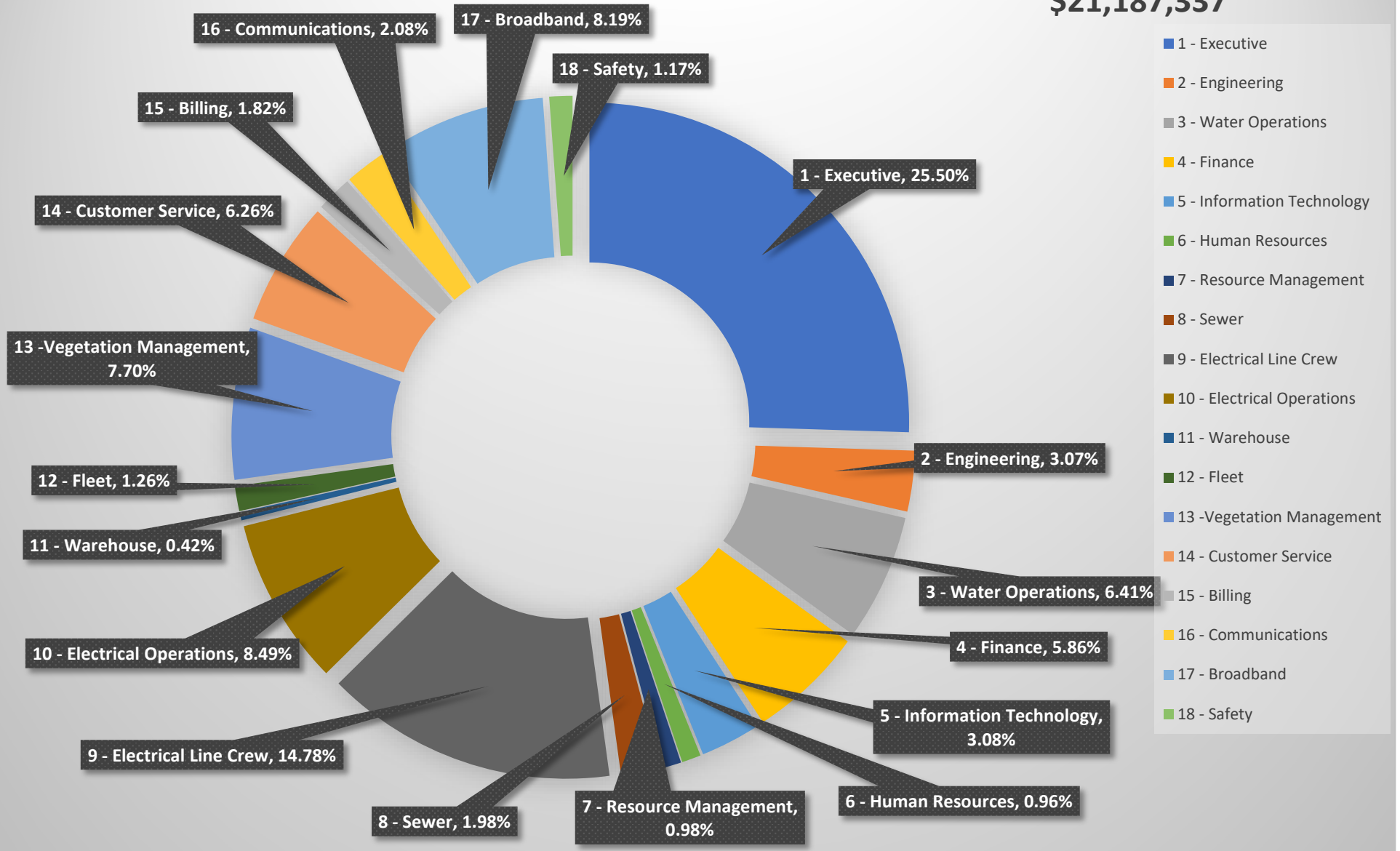
Combined Utility Expenses By Category

Expense Category	Amount	Percentage
Labor and Benefits	\$12,640,551	25%
Power Costs	\$17,194,402	33%
Depreciation	\$7,365,108	14%
Administrative and General Expenses	\$4,096,776	8%
Taxes--Property & Gross Receipts	\$1,234	0%
Taxes--Other	\$2,842,903	6%
Contracting	\$1,736,252	3%
Professional/Consulting Services	\$1,728,664	3%
Fleet	\$839,510	2%
Safety	\$145,585	0%
Interest on Long-Term Debt	\$2,782,065	5%
Total	\$51,373,049	100%

Expense Allocation By Department

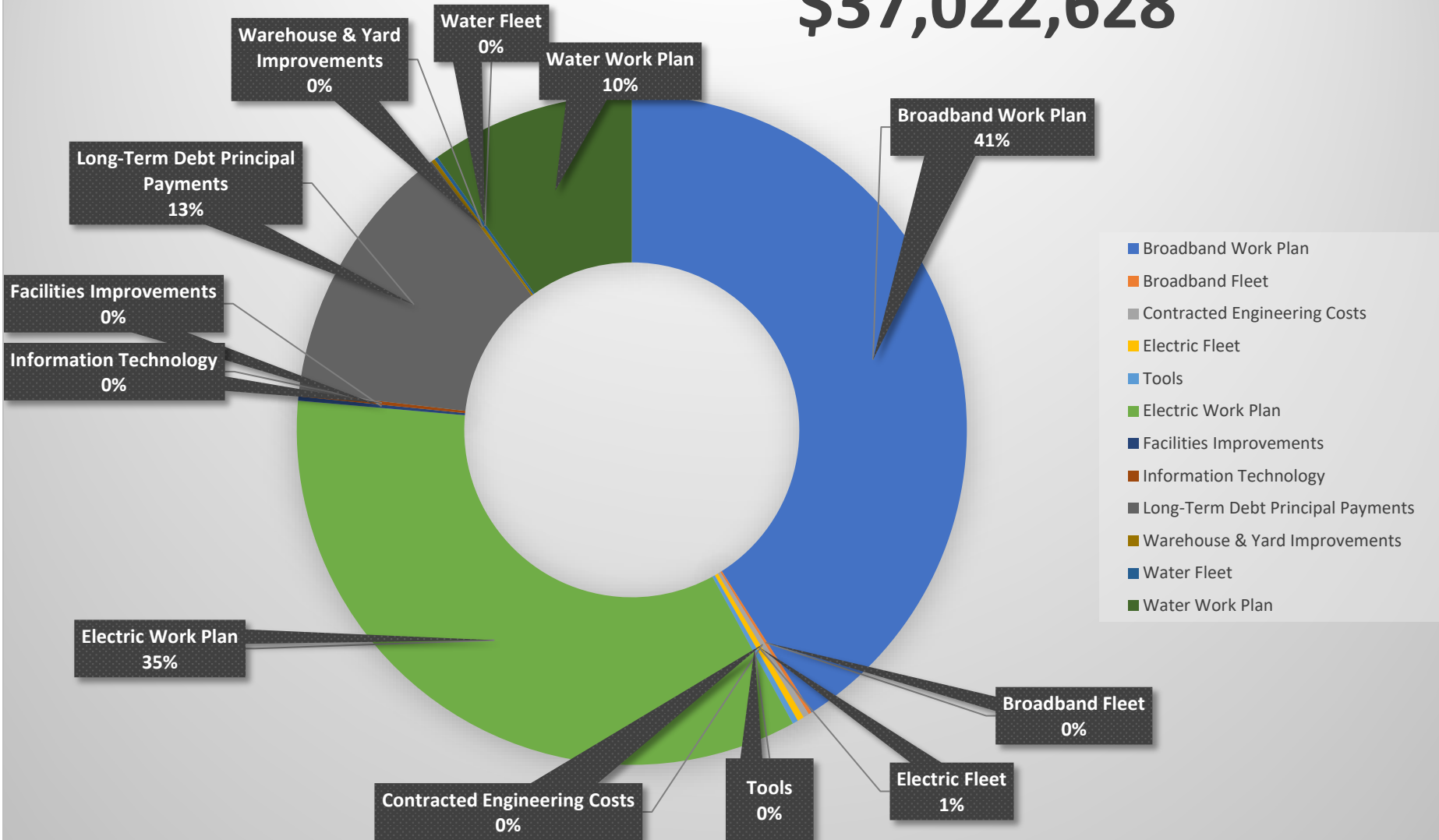
Department	Administrative and			Professional and			Total	Percentage
	Labor and Benefits	General	Contracting	Consulting Services	Fleet	Safety		
1 - Executive	\$3,043,720	\$1,072,422	\$74,585	\$1,116,735	\$93,137	\$1,278	\$5,401,877	25.50%
2 - Engineering	\$289,762	\$114,748	\$9,948	\$229,791	\$3,874	\$1,586	\$649,709	3.07%
3 - Water Operations	\$626,000	\$303,534	\$105,875	\$36,572	\$248,094	\$37,205	\$1,357,280	6.41%
4 - Finance	\$822,907	\$226,133	\$11,544	\$142,753	\$39,184	\$18	\$1,242,539	5.86%
5 - Information Technology	\$458,645	\$180,584	\$5,821	\$6,664	\$0	\$0	\$651,714	3.08%
6 - Human Resources	\$140,550	\$41,958	\$2,875	\$17,182	\$0	\$1,429	\$203,994	0.96%
7 - Resource Management	\$168,137	\$37,163	\$2,414	\$0	\$0	\$0	\$207,714	0.98%
8 - Sewer	\$218,417	\$91,416	\$53,869	\$0	\$54,961	\$392	\$419,054	1.98%
9 - Electrical Line Crew	\$2,192,560	\$575,880	\$183,342	\$14,871	\$85,569	\$80,213	\$3,132,434	14.78%
10 - Electrical Operations	\$1,227,241	\$350,268	\$44,473	\$0	\$160,312	\$16,825	\$1,799,119	8.49%
11 - Warehouse	\$56,348	\$21,803	\$5,472	\$1	\$1,161	\$3,385	\$88,170	0.42%
12 - Fleet	\$230,483	\$32,941	\$2,539	\$0	\$0	\$1,366	\$267,329	1.26%
13 -Vegetation Management	\$133,406	\$265,754	\$1,197,162	\$2,598	\$31,598	\$0	\$1,630,518	7.70%
14 - Customer Service	\$1,045,865	\$237,350	\$17,698	\$25,954	\$0	\$0	\$1,326,867	6.26%
15 - Billing	\$306,478	\$69,814	\$8,844	\$0	\$0	\$0	\$385,136	1.82%
16 - Communications	\$206,002	\$80,683	\$2,773	\$110,679	\$40,876	\$0	\$441,013	2.08%
17 - Broadband	\$1,285,336	\$351,148	\$7,019	\$24,865	\$65,410	\$1,887	\$1,735,666	8.19%
18 - Safety	\$188,692	\$43,177	\$0	\$0	\$15,334	\$0	\$247,203	1.17%
Totals	\$12,640,551	\$4,096,776	\$1,736,252	\$1,728,664	\$839,510	\$145,585	\$21,187,337	

Expense Allocation By Department \$21,187,337



Capital and Debt Principal Costs

\$37,022,628



Capital and Debt Principal Costs By Category

Cost Group	Amount	Percentage
Broadband Work Plan	\$15,172,062	40.98%
Broadband Fleet	\$60,000	0.16%
Contracted Engineering Costs	\$105,000	0.28%
Electric Fleet	\$120,000	0.32%
Tools	\$100,000	0.27%
Electric Work Plan	\$12,725,000	34.37%
Facilities Improvements	\$75,000	0.20%
Information Technology	\$80,000	0.22%
Long-Term Debt Principal Payments	\$4,810,515	12.99%
Warehouse & Yard Improvements	\$67,500	0.18%
Water Fleet	\$60,000	0.16%
Water Work Plan	\$3,647,551	9.85%
Total	\$37,022,628	100%

2025 Electric Work Plan Capital Costs

Item #	Description	Budget Amount
101	Underground Line Extensions and Services	\$400,000
102	Overhead Line Extensions and Services	\$175,000
103	New Subdivisions	\$150,000
201	Underground Feeders out of Irondale Bay 2	\$450,000
202	New Feeder(s) Port Ludlow Substation	\$1,000,000
204	New Feeder(s) Chimacum Substation	\$2,000,000
302	Convert Single Phase OH to UG Olele Point Rd	\$625,000
303	Convert OH Distribution to UG (General Budget)	\$350,000
401	New Substation (Mill RD)	\$3,000,000
504	Quilcene Substation	\$1,500,000
505	Port Ludlow Substation	\$1,500,000
601-1	Install New Pole-Mount Transformers (10 per year)	\$50,000
601-2	Install New Pad-Mount Transformers (10 per year)	\$50,000
601-3	Transformer Replacement of Aging Units	\$25,000
602-1	Install New Three Phase Distribution Reclosers	\$40,000
604	Pole Replacements (20 per year)	\$100,000
605	Replace Aging Conductors	\$200,000
606	Wildlife Protection	\$75,000
700-4	SCADA Field Equipment	\$200,000
700-5	SCADA Master Stations	\$100,000
701	Security and Street Lighting	\$20,000
702	Meters	\$15,000
1001	Move Transmission Poles for Easements	\$60,000
1003	115kV Insulator Replacements (10 poles per year)	\$45,000
1101	Easements and Right-of-Way	\$45,000
1302	Fencing	\$50,000
1303	Laydown Yard Expansion & Building	\$500,000
	Total Electric Capital Costs	\$12,725,000

2025 Water Work Plan Capital Costs

Description	Budget Amount
Bywater Bay Water Main Looping Paradise Bay to Shine Rd	\$183,002
Coyle Distribution Piping Replacement	\$146,402
Quimper Upsizing 2 inch to 6 inch (940 LF) and new 6 inch (2,520 LF)	\$383,382
Snow Creek Well Emergency Power Connections	\$8,784
Pipeline Replacement - Coyle and Others	\$175,683
Well Rehabilitation (cleaning)	\$7,320
Tank Cleaning/Painting	\$7,320
Tank Inspection	\$7,320
Seismic Retrofitting of Tanks	\$14,641
SCADA Upgrades	\$7,320
Retrofit Valves on ATEC Media Filter Systems	\$7,320
Replacement of ATEC Media Filters	\$7,320
Wastewater Capital Work	\$13,800
Coyle Water Main Replacement	\$2,677,940
Total Water Capital Costs	\$3,647,551

2025 Broadband Capital Costs

Description	Budget Amount
Huts/Buildings	\$163,506
Fiber	\$9,655,334
Engineering	\$1,699,975
Core PON	\$210,134
Drops	\$1,527,980
ONTs	\$771,247
Consulting	\$125,529
Contingency	\$1,018,357
Total Broadband Capital Costs	\$15,172,062

2025 Facilities Improvements

Description	Budget Amount
Installation of 8 Dual Head Electric Vehicle Chargers	\$75,000
Total Facilities Improvements Capital Costs	\$75,000

2025 Warehouse and Yard Improvements Capital Costs

Description	Budget Amount
Install utility pole bunks between the asphalt road and storm water drainage pond.	\$30,000
Install concrete base around PUD oil storage facility in the open shed.	\$30,000
Install fencing around Oil containment with two 8' gates.	\$7,500
Total Warehouse and Yard Capital Costs	\$67,500

2025 Information Technology Capital Costs

Description	Budget Amount
NISC Server	\$35,000
Electric Vehicle	\$45,000
Total IT Capital Costs	\$80,000

2025 Electric Fleet Capital Costs

Description	Budget Amount
Pickup Truck	\$60,000
Pickup Truck	\$60,000
Total Electric Fleet Capital Costs	\$120,000

2025 Water Fleet Capital Costs

Description	Budget Amount
Pickup Truck	\$60,000
Total Water Fleet Capital Costs	\$60,000

2025 Broadband Fleet Capital Costs

Description	Budget Amount
Pickup Truck	\$60,000
Total Broadband Fleet Capital Costs	\$60,000

2025 Tools

Description	Budget Amount
Electric Tools	\$50,000
Broadband Tools	\$50,000
Total Electric Tools Capital Costs	\$100,000

2025 Contracted Engineering Capital Costs

Description	Budget Amount
Contracted Electric Engineering	\$25,000
Contracted Broadband Engineering	\$50,000
Contracted Water Engineering	\$30,000
Total Contracted Engineering Capital Costs	\$105,000

**Change in Capital Projects
From 8/16/2024 to 9/20/2024**

Project Name	8/16/2024 Budget	9/20/2024 Budget	Change
Electric Work Plan	\$12,725,000	\$12,725,000	\$0
Water Work Plan	\$969,611	\$3,647,551	\$2,677,940
Broadband	\$15,172,062	\$15,172,062	\$0
Facilities Improvements	\$30,000	\$75,000	\$45,000
Warehouse & Yard Improvements	\$197,500	\$67,500	(\$130,000)
Information Technology	\$35,000	\$80,000	\$45,000
Electric Fleet	\$120,000	\$120,000	\$0
Water Fleet	\$60,000	\$60,000	\$0
Tools	\$100,000	\$100,000	\$0
Contracted Engineering Costs	\$105,000	\$105,000	\$0
Broadband Fleet	\$60,000	\$60,000	\$0
	\$29,574,173	\$32,212,113	\$2,637,940

**2025 Cash Summary
Through June 30, 2024**

Operating Depository Account	\$ 4,941,885
Cash-Jeff Co Treasurer General Account	\$ 127,433
1996 Bond LUD #8 - Jefferson Co. Treasurer	\$ 35,471
1996 Bond LUD #6 - Jefferson Co. Treasurer	\$ 10,204
Working Funds - Petty Cash and CSR Drawers	\$ 1,250
Cash Held in Trust by Property Manager	\$ 150
Cash - 1st Security Bank ACH Account	\$ (43)
Payroll Clearing Account - 1st Security Bank	\$ (753)
Operating Account - Jefferson Co. Treasurer	\$ (158,573)
Cash - 1st Security Bank Warrant Account	\$ (352,858)
Tax Revenue Fund	\$ 2,185,862
Tax Revenue Fund	\$ 922,547
Tax Revenue Fund	\$ 312,895
2024 Ending Unrestricted Cash	\$ 8,025,470
2025 Net Cash Outflow	(\$5,219,436)
2025 Ending Unrestricted Cash	\$ 2,806,034

Restricted Cash

2009 Bond LUD #14 - Jefferson Co. Treasurer	\$ 681,480
2008 Bond LUD #15 - Jefferson Co. Treasurer	\$ 452,883
1999 Bond LUD #11 - Jefferson Co. Treasurer	\$ 3,032
RUS Bond Fund	\$ 4,601,116
Capital Reserves	\$ 94,000
Tri Area Bond Reserve Investment Fund - Jefferson Co. Treasurer	\$ 87,120
Capital Reserves	\$ 6,000
Other Special Funds	\$ 250
2025 Ending Restricted Cash	\$ 5,925,881

2025 Budget Supplementary Pages



Electric Utility
Actuals to Budget
5 Year Look Back Compared to 2025

	2019	2020	2021	2022	2023	2024	2025
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals**	Budget
Operating Revenues	\$38,398,203	\$37,912,318	\$39,287,746	\$42,746,814	\$42,538,198	\$46,860,376	\$49,719,708
Operating Expenses							
Power Production Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Purchased Power	\$15,204,855	\$14,717,058	\$15,242,290	\$14,550,861	\$13,632,041	\$15,559,792	\$17,039,280
Transmission Expense	\$1,883,441	\$1,832,052	\$1,950,421	\$2,125,976	\$1,057,159	\$102,843	\$132,848
Distribution Expense--Operation	\$1,471,987	\$1,574,671	\$1,777,535	\$1,866,907	\$2,272,939	\$3,102,560	\$2,627,580
Distribution Expense--Maintenance	\$2,585,373	\$3,114,151	\$2,768,549	\$2,807,679	\$3,598,083	\$4,608,950	\$4,164,530
Customer Accounts Expense	\$1,465,794	\$1,228,908	\$1,305,362	\$1,461,747	\$1,617,456	\$2,009,966	\$2,129,288
Customer Service and Informational Expense	\$40,874	\$12,433	\$24,808	\$25,633	\$52,228	\$63,852	\$157,142
Administrative and General Expense	\$2,540,211	\$2,672,839	\$3,197,515	\$3,715,635	\$4,856,676	\$6,253,763	\$8,572,548
Depreciation & Amortization Expense	\$5,319,171	\$5,497,554	\$5,538,986	\$5,727,342	\$6,016,566	\$7,063,523	\$6,353,454
Tax Expense--Property & Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$826	\$851
Tax Expense--Other	\$2,198,268	\$2,174,860	\$2,255,905	\$2,423,134	\$2,373,172	\$2,470,124	\$2,627,433
Interest on Long-Term Debt	\$2,782,558	\$2,701,573	\$2,607,298	\$2,503,089	\$2,456,279	\$2,388,975	\$2,594,491
Interest Expense--Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Deductions	\$2,927	\$39	\$0	\$0	\$0	\$1,586	\$1,633
Total Operating Expenses	\$35,495,459	\$35,526,138	\$36,668,669	\$37,208,003	\$37,932,599	\$43,626,760	\$46,401,078
Net Operating Margins (Loss)	\$2,902,744	\$2,386,180	\$2,619,077	\$5,538,811	\$4,605,599	\$3,233,616	\$3,318,630
Non-Operating Margins (Loss)	\$2,621,555	\$1,660,436	\$2,168,111	\$2,115,150	\$5,301,197	\$3,243,210	\$13,686,025
Net Margins (Loss)	\$5,524,299	\$4,046,616	\$4,787,188	\$7,653,961	\$9,906,796	\$6,476,826	\$17,004,655

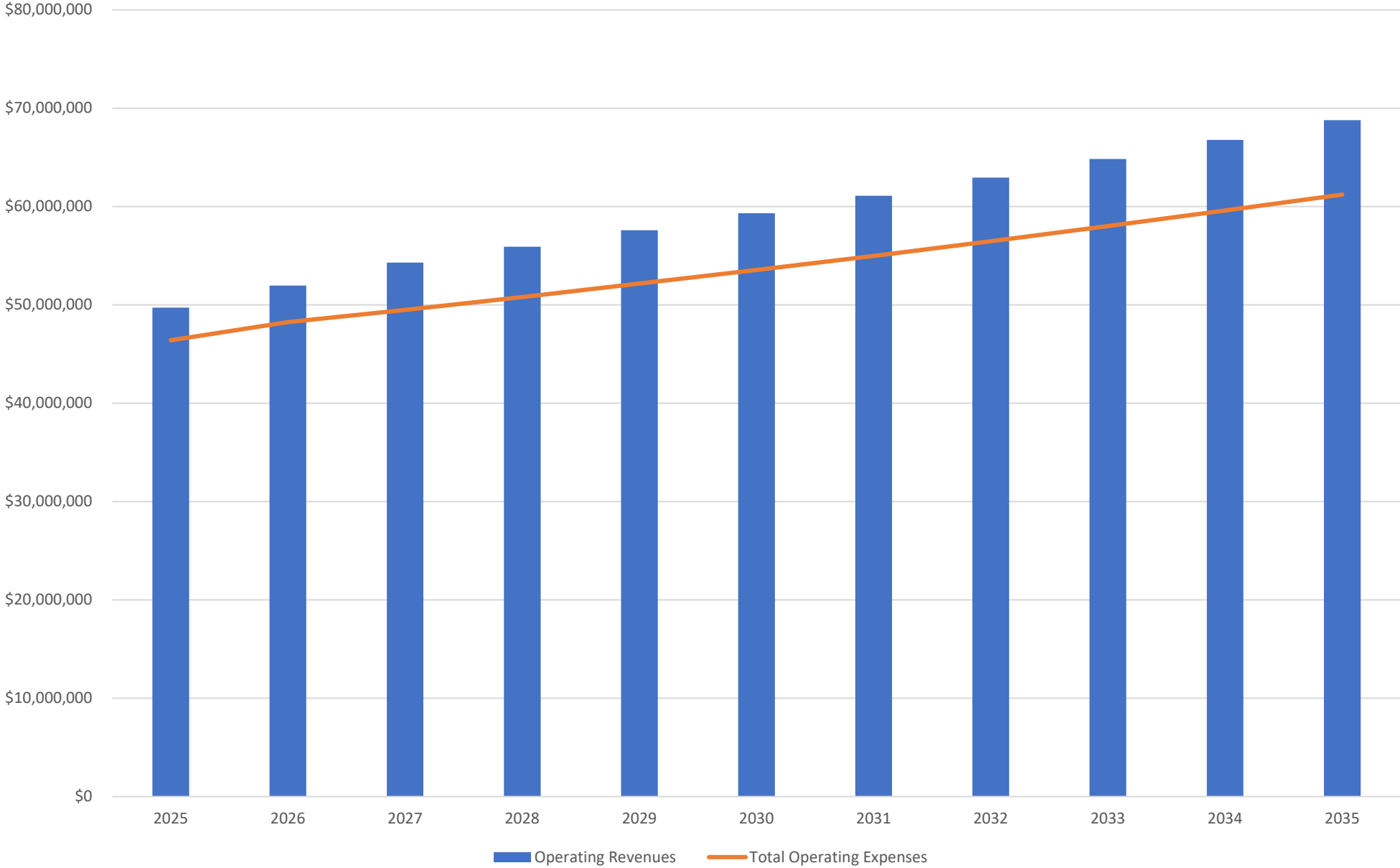
2024 Actuals are actual expenses recorded January through June and budgeted numbers for July through December.

Water Utility
Actuals to Budget
5 Year Look Back Compared to 2024

	2019	2020	2021	2022	2023	2024	2025
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals**	Budget
Operating Revenues	\$2,713,505	\$2,608,999	\$3,020,841	\$3,710,714	\$4,431,890	\$4,772,521	\$5,028,828
Operating Expenses							
Power Production Cost	\$209	\$268	\$1,877	\$2,550	\$518	\$2,665	\$0
Cost of Purchased Power	\$3,885	\$82,473	\$135,288	\$140,275	\$144,893	\$149,059	\$155,122
Transmission Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution Expense--Operation	\$654,726	\$681,484	\$668,170	\$713,508	\$675,443	\$1,057,598	\$896,785
Distribution Expense--Maintenance	\$364,276	\$376,709	\$394,764	\$617,693	\$827,515	\$744,906	\$1,041,787
Customer Accounts Expense	\$134,888	\$226,078	\$255,519	\$144,071	\$162,424	\$165,701	\$171,251
Customer Service and Informational Expense	\$330	\$110	\$0	\$0	\$0	\$0	\$0
Administrative and General Expense	\$699,871	\$893,190	\$1,031,638	\$654,641	\$756,100	\$739,454	\$1,291,945
Depreciation & Amortization Expense	\$701,661	\$696,061	\$774,737	\$829,876	\$1,010,897	\$1,030,937	\$1,011,654
Tax Expense--Property & Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$372	\$383
Tax Expense--Other	\$125,901	\$127,246	\$154,504	\$167,047	\$246,296	\$190,582	\$215,470
Interest on Long-Term Debt	\$261,833	\$236,595	\$225,120	\$188,893	\$179,159	\$158,278	\$187,574
Interest Expense--Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Deductions	\$247	\$0	\$0	\$0	\$29,876	\$0	\$0
Total Operating Expenses	\$2,947,827	\$3,320,214	\$3,641,617	\$3,458,554	\$4,033,121	\$4,239,552	\$4,971,971
Net Operating Margins (Loss)	(\$234,322)	(\$711,215)	(\$620,776)	\$252,160	\$398,769	\$532,969	\$56,857
Non-Operating Margins (Loss)	\$915,474	\$418,689	\$637,966	\$325,044	\$476,906	\$275,891	\$379,719
Net Margins (Loss)	\$681,152	(\$292,526)	\$17,190	\$577,204	\$875,675	\$808,860	\$436,576

2024 Actuals are actual expenses recorded January through June and budgeted numbers for July through December.

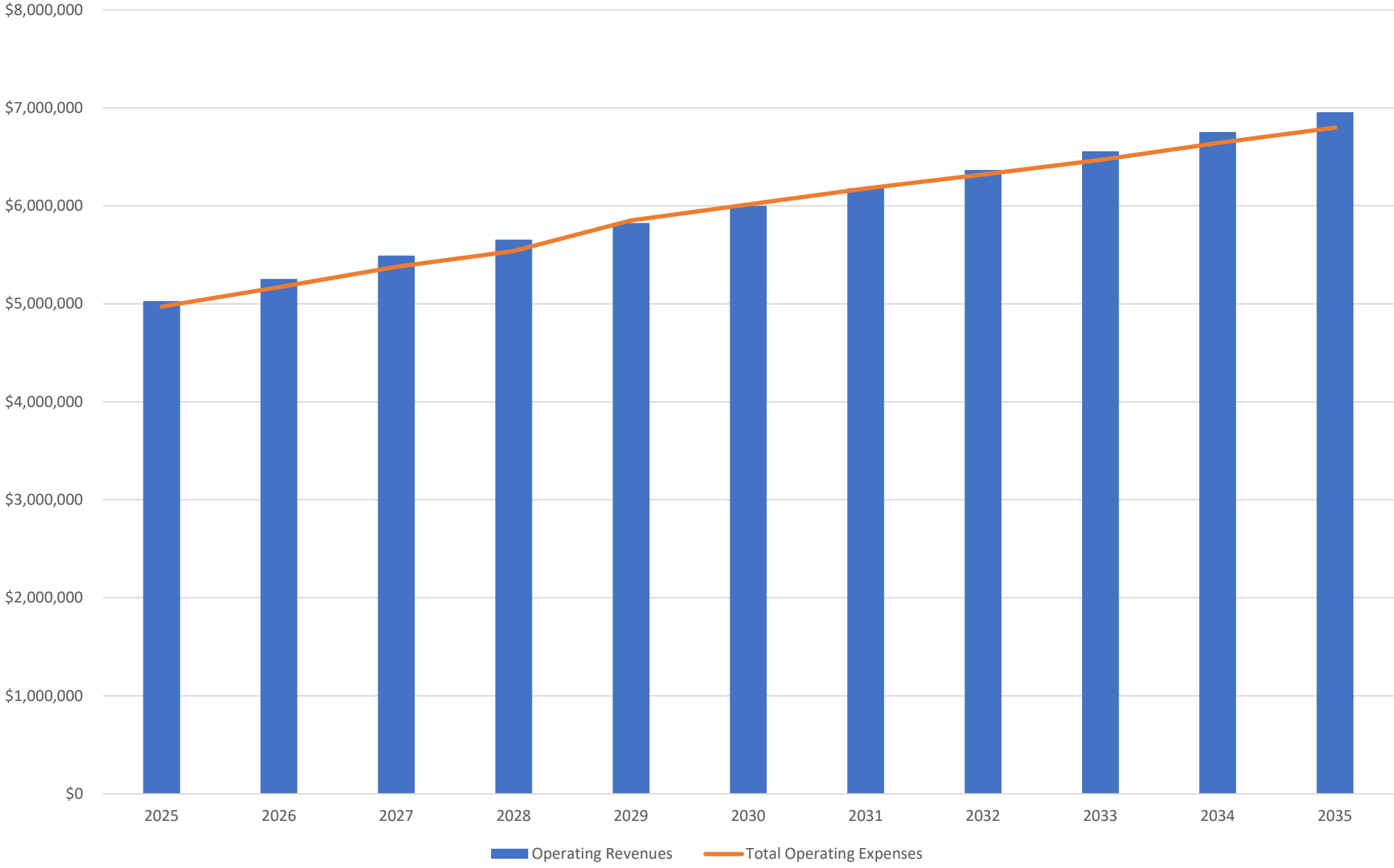
Electric Utility Budget Forecast



Electric Utility
10-Year Forecast
2025 - 2035

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Revenues	\$49,719,708	\$51,957,095	\$54,295,164	\$55,924,019	\$57,601,740	\$59,329,792	\$61,109,686	\$62,942,976	\$64,831,265	\$66,776,203	\$68,779,489
Operating Expenses											
Power Production Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Purchased Power	\$17,039,280	\$17,720,851	\$18,429,685	\$18,982,576	\$19,552,053	\$20,138,615	\$20,742,773	\$21,365,056	\$22,006,008	\$22,666,188	\$23,346,174
Transmission Expense	\$132,848	\$138,162	\$143,688	\$147,999	\$152,439	\$157,012	\$161,723	\$166,574	\$171,571	\$176,719	\$182,020
Distribution Expense--Operation	\$2,627,580	\$2,732,683	\$2,841,991	\$2,927,250	\$3,015,068	\$3,105,520	\$3,198,685	\$3,294,646	\$3,393,485	\$3,495,290	\$3,600,149
Distribution Expense--Maintenance	\$4,164,530	\$4,331,111	\$4,504,356	\$4,639,486	\$4,778,671	\$4,922,031	\$5,069,692	\$5,221,783	\$5,378,436	\$5,539,789	\$5,705,983
Customer Accounts Expense	\$2,129,288	\$2,214,460	\$2,303,038	\$2,372,129	\$2,443,293	\$2,516,592	\$2,592,089	\$2,669,852	\$2,749,948	\$2,832,446	\$2,917,420
Customer Service and Informational Expense	\$157,142	\$163,428	\$169,965	\$175,064	\$180,316	\$185,725	\$191,297	\$197,036	\$202,947	\$209,035	\$215,306
Administrative and General Expense	\$8,572,548	\$8,915,450	\$9,272,068	\$9,550,230	\$9,836,737	\$10,131,839	\$10,435,794	\$10,748,868	\$11,071,334	\$11,403,474	\$11,745,578
Depreciation & Amortization Expense	\$6,353,454	\$6,607,592	\$6,871,896	\$7,078,053	\$7,290,394	\$7,509,106	\$7,734,379	\$7,966,411	\$8,205,403	\$8,451,565	\$8,705,112
Tax Expense--Property & Gross Receipts	\$851	\$885	\$920	\$948	\$976	\$1,006	\$1,036	\$1,067	\$1,099	\$1,132	\$1,166
Tax Expense--Other	\$2,627,433	\$2,732,530	\$2,841,832	\$2,927,086	\$3,014,899	\$3,105,346	\$3,198,506	\$3,294,462	\$3,393,295	\$3,495,094	\$3,599,947
Interest on Long-Term Debt	\$2,594,491	\$2,698,271	\$2,095,249	\$1,993,151	\$1,903,516	\$1,775,891	\$1,661,668	\$1,557,395	\$1,440,911	\$1,332,228	\$1,198,403
Interest Expense--Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Deductions	\$1,633	\$1,698	\$1,766	\$1,819	\$1,874	\$1,930	\$1,988	\$2,048	\$2,109	\$2,172	\$2,237
Total Operating Expenses	\$46,401,078	\$48,257,121	\$49,476,454	\$50,795,791	\$52,170,236	\$53,550,612	\$54,989,631	\$56,485,197	\$58,016,547	\$59,605,133	\$61,219,495
Net Operating Margins (Loss)	\$3,318,630	\$3,699,974	\$4,818,710	\$5,128,228	\$5,431,504	\$5,779,180	\$6,120,054	\$6,457,779	\$6,814,718	\$7,171,071	\$7,559,994
Non-Operating Margins (Loss)	\$13,686,025	\$13,959,746	\$14,238,940	\$14,523,719	\$14,814,194	\$15,110,477	\$15,412,687	\$15,720,941	\$16,035,360	\$16,356,067	\$16,683,188
Net Margins (Loss)	\$17,004,655	\$17,659,719	\$19,057,651	\$19,651,947	\$20,245,698	\$20,889,657	\$21,532,741	\$22,178,720	\$22,850,078	\$23,527,137	\$24,243,182
Cash Flow Budget											
Construction Projects	\$27,897,062	\$5,834,504	\$6,067,884	\$6,249,921	\$6,437,418	\$6,630,541	\$6,829,457	\$7,034,341	\$7,245,371	\$7,462,732	\$7,686,614
General Plant Purchases	\$607,500	\$773,088	\$804,012	\$828,132	\$852,976	\$878,565	\$904,922	\$932,070	\$960,032	\$988,833	\$1,018,498
Principal on Long Term Debt	\$4,177,131	\$3,789,737	\$3,877,464	\$3,979,563	\$4,069,198	\$4,196,823	\$4,311,045	\$4,415,318	\$4,531,803	\$4,640,486	\$4,774,311
Add Depreciation & Amortization (non-cash)	(\$6,353,454)	(\$6,607,592)	(\$6,871,896)	(\$7,078,053)	(\$7,290,394)	(\$7,509,106)	(\$7,734,379)	(\$7,966,411)	(\$8,205,403)	(\$8,451,565)	(\$8,705,112)
Principal & Interest Received on LUDs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants and Loan Funds	(\$3,881,947)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Expenditures/Cash Outflow	\$22,446,292	\$3,789,737	\$3,877,464	\$3,979,563	\$4,069,198	\$4,196,823	\$4,311,045	\$4,415,318	\$4,531,803	\$4,640,486	\$4,774,311
Net Cash Inflow/(Outflow)	(\$5,441,637)	\$13,869,982	\$15,180,186	\$15,672,384	\$16,176,500	\$16,692,834	\$17,221,696	\$17,763,401	\$18,318,275	\$18,886,651	\$19,468,872
Net TIER (Minimum of 1.25)	7.55	7.54	10.10	10.86	11.64	12.76	13.96	15.24	16.86	18.66	21.23
Net DSC (Minimum of 1.25)	3.83	4.16	4.69	4.81	4.93	5.05	5.18	5.31	5.44	5.58	5.72

Water Utility Budget Forecast



**Water Utility
10-Year Forecast
2025 - 2035**

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Revenues	\$5,028,828	\$5,255,125	\$5,491,606	\$5,656,354	\$5,826,045	\$6,000,826	\$6,180,851	\$6,366,276	\$6,557,265	\$6,753,983	\$6,956,602
Operating Expenses											
Power Production Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Purchased Power	\$155,122	\$161,327	\$167,780	\$172,813	\$177,998	\$183,338	\$188,838	\$194,503	\$200,338	\$206,348	\$212,539
Transmission Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution Expense--Operation	\$896,785	\$932,656	\$969,963	\$999,062	\$1,029,033	\$1,059,904	\$1,091,702	\$1,124,453	\$1,158,186	\$1,192,932	\$1,228,720
Distribution Expense--Maintenance	\$1,041,787	\$1,083,458	\$1,126,797	\$1,160,601	\$1,195,419	\$1,231,281	\$1,268,220	\$1,306,266	\$1,345,454	\$1,385,818	\$1,427,392
Customer Accounts Expense	\$171,251	\$178,101	\$185,225	\$190,782	\$196,505	\$202,400	\$208,472	\$214,727	\$221,168	\$227,803	\$234,638
Customer Service and Informational Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative and General Expense	\$1,291,945	\$1,343,623	\$1,397,368	\$1,439,289	\$1,482,467	\$1,526,941	\$1,572,750	\$1,619,932	\$1,668,530	\$1,718,586	\$1,770,144
Depreciation & Amortization Expense	\$1,011,654	\$1,052,120	\$1,094,205	\$1,127,031	\$1,160,842	\$1,195,667	\$1,231,537	\$1,268,483	\$1,306,538	\$1,345,734	\$1,386,106
Tax Expense--Property & Gross Receipts	\$383	\$398	\$414	\$427	\$439	\$453	\$466	\$480	\$495	\$509	\$525
Tax Expense--Other	\$215,470	\$224,089	\$233,052	\$240,044	\$247,245	\$254,663	\$262,302	\$270,172	\$278,277	\$286,625	\$295,224
Interest on Long-Term Debt	\$187,574	\$195,077	\$202,880	\$208,966	\$360,651	\$358,587	\$353,402	\$320,423	\$290,503	\$276,668	\$242,898
Interest Expense--Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$4,971,971	\$5,170,850	\$5,377,684	\$5,539,014	\$5,850,601	\$6,013,234	\$6,177,689	\$6,319,439	\$6,469,489	\$6,641,024	\$6,798,185
Net Operating Margins (Loss)	\$56,857	\$84,275	\$113,922	\$117,340	(\$24,556)	(\$12,408)	\$3,162	\$46,838	\$87,775	\$112,958	\$158,417
Non-Operating Margins (Loss)	\$379,719	\$387,313	\$395,060	\$402,961	\$411,020	\$419,240	\$427,625	\$436,178	\$444,901	\$453,799	\$462,875
Net Margins (Loss)	\$436,576	\$471,589	\$508,982	\$520,301	\$386,464	\$406,832	\$430,787	\$483,015	\$532,676	\$566,758	\$621,293
Cash Flow Budget											
Construction Projects	\$3,647,551	\$896,406	\$932,263	\$960,231	\$989,037	\$1,018,709	\$1,049,270	\$1,080,748	\$1,113,170	\$1,146,565	\$1,180,962
General Plant Purchases	\$60,000	\$155,714	\$161,942	\$166,801	\$171,805	\$176,959	\$182,268	\$187,736	\$193,368	\$199,169	\$205,144
Principal on Long Term Debt	\$633,384	\$689,112	\$765,027	\$692,324	\$743,580	\$614,689	\$2,181,862	\$783,096	\$718,102	\$959,162	\$616,346
Add Depreciation & Amortization (non-cash)	(\$1,011,654)	(\$1,052,120)	(\$1,094,205)	(\$1,127,031)	(\$1,160,842)	(\$1,195,667)	(\$1,231,537)	(\$1,268,483)	(\$1,306,538)	(\$1,345,734)	(\$1,386,106)
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	(\$221,483)	(\$221,483)	(\$221,483)	(\$221,483)	(\$110,742)	(\$110,742)	(\$110,742)	(\$110,742)	(\$55,371)
Grants and Loan Funds	(\$2,677,940)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Expenditures/Cash Outflow	\$208,375	\$246,146	\$543,544	\$470,841	\$522,097	\$393,206	\$2,071,121	\$672,354	\$607,360	\$848,420	\$560,976
Net Cash Inflow/(Outflow)	\$228,201	\$225,443	(\$34,562)	\$49,460	(\$135,633)	\$13,626	(\$1,640,334)	(\$189,339)	(\$74,684)	(\$281,663)	\$60,317

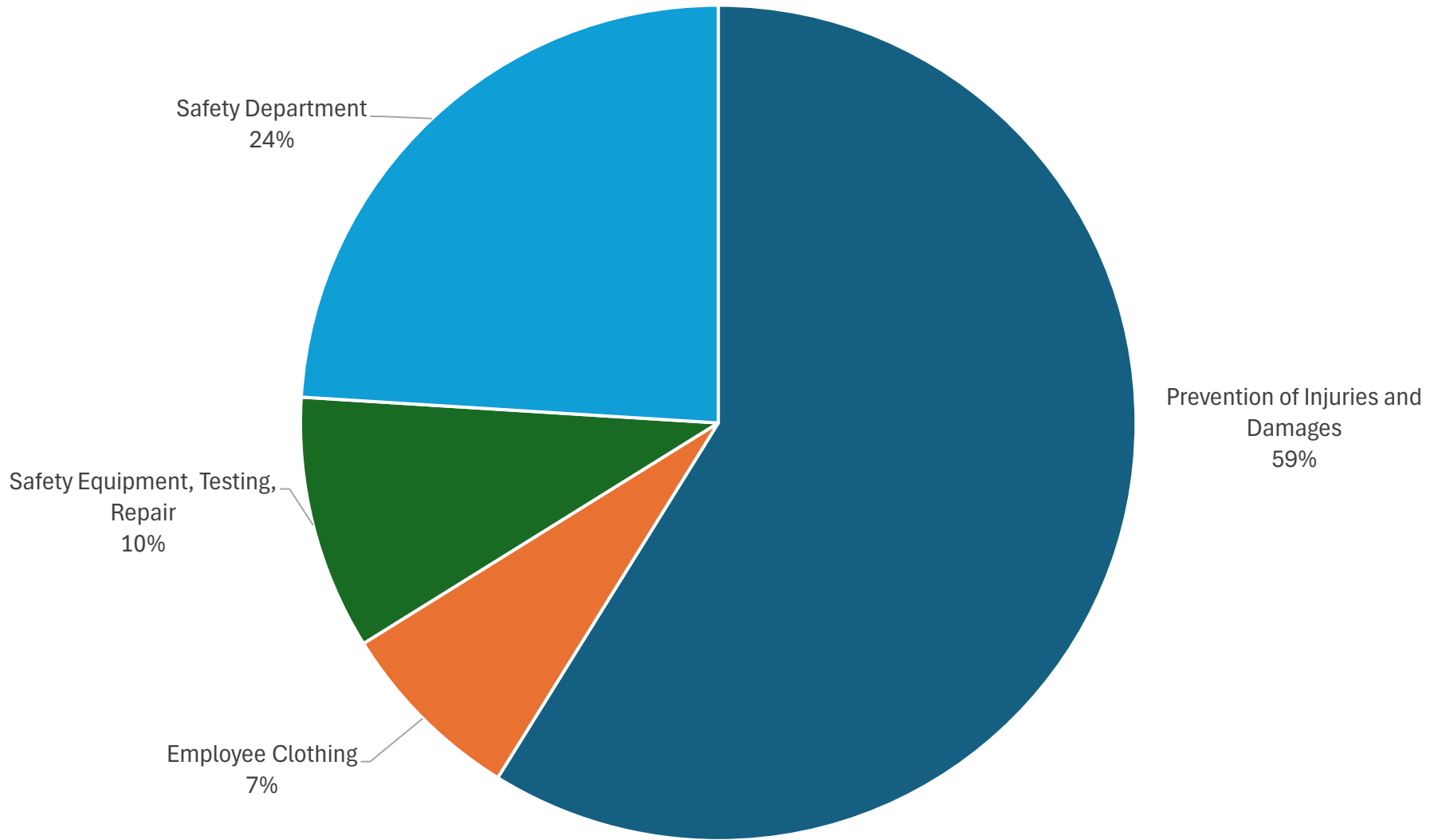
2025 Budget Safety-Related Expenses



In 2025, the PUD is building the foundation of creating a culture around safety and bringing safety related expenses to the forefront. Safety-related expenses have always been included in our budget, but we have not previously put an emphasis on them. Safety is important in all aspects of the PUD and the industry we work in. The PUD wants to keep our employees and the public safe so that everyone can go home at the end of the day.

2025 Budget Total Safety Expnses by Type

\$849,589.85



■ Prevention of Injuries and Damages ■ Employee Clothing ■ Safety Equipment, Testing, Repair ■ Safety Department

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Prevention of Injuries and Damages	\$41,687.56	\$39,528.65	\$41,442.39	\$36,110.98	\$38,072.73	\$51,720.57	\$42,604.75	\$42,028.01	\$38,909.36	\$45,430.70	\$37,907.63	\$44,535.97	\$499,979.30
Employee Clothing	\$7,738.07	\$7,640.47	\$4,828.93	\$6,298.63	\$3,942.14	\$10,489.57	\$5,900.02	\$4,291.72	\$1,330.76	\$2,563.73	\$2,171.88	\$4,794.67	\$61,990.59
Safety Equipment, Testing, Repair	\$6,454.99	\$3,708.57	\$4,601.96	\$7,403.02	\$7,382.46	\$21,102.78	\$6,686.09	\$7,364.75	\$6,911.77	\$2,806.50	\$6,539.78	\$2,631.41	\$83,594.08
Safety Department	\$17,186.69	\$14,765.99	\$16,810.05	\$17,372.85	\$18,630.10	\$16,322.70	\$16,538.48	\$15,306.86	\$16,764.77	\$17,909.62	\$17,514.61	\$18,903.16	\$204,025.88
Total	\$73,067.31	\$65,643.68	\$67,683.33	\$67,185.48	\$68,027.43	\$99,635.62	\$71,729.34	\$68,991.34	\$63,916.66	\$68,710.55	\$64,133.90	\$70,865.21	\$849,589.85