

Jefferson County PUD No. 1

2024 Budget



The proposed budget for 2024 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 2024, 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 2018. Also, a 10-year forecast is included in the supplementary pages.

Electric Summary (cash basis)

	2024
Revenues	Budget
Sales	\$48,672,105
Other	\$753,142
Interest	\$19,920
Customer Contributions	\$1,516,804
Grant/Loan Proceeds	\$0
	<u>\$50,961,971</u>

Expenses	
Purchased Resources	\$16,920,998
Operations & Maintenance	\$7,750,919
Customer Related	\$2,153,346
Administrative and General	\$5,635,183
Taxes	\$2,292,670
Debt	\$6,077,936
Capital	\$6,512,500
	<u>\$47,343,552</u>

Net Change in Op. Reserves \$ 3,618,419

Broadband Summary (cash basis)

	2024
Revenues	Budget
Sales	\$130,000
Other	\$2,281,206
Interest	\$0
Customer Contributions	\$205,000
Grant/Loan Proceeds	\$15,879,366
	<u>\$18,495,572</u>

Expenses	
Purchased Resources	\$23,580
Operations & Maintenance	\$615,659
Customer Related	\$88,955
Administrative and General	\$558,437
Taxes	\$0
Debt	\$387,394
Capital	\$15,172,062
	<u>\$16,846,087</u>

Net Change in Op. Reserves \$ 1,649,485

Water Summary (cash basis)

	2024
Revenues	Budget
Sales	\$4,676,088
Other	\$ 466,024
Interest	\$100,387
Customer Contributions	\$157,435
Grant/Loan Proceeds	\$1,100,000
	<u>\$6,499,934</u>

Expenses	
Purchased Resources	\$137,044
Operations & Maintenance	\$1,826,737
Customer Related	\$174,130
Administrative and General	\$ 791,574
Taxes	\$207,729
Debt	\$ 710,067
Capital	\$1,500,000
	<u>\$5,347,281</u>

Net Change in Op. Reserves \$ 1,152,653

Sewer Summary (cash basis)

	2024
Revenues	Budget
Sales	\$268,415
Other	\$1,742
Interest	\$7,584
Customer Contributions	\$11,894
Grant/Loan Proceeds	\$0
	<u>\$289,635</u>

Expenses	
Purchased Resources	\$10,111
Operations & Maintenance	\$468,762
Customer Related	\$13,155
Administrative and General	\$ 59,801
Taxes	\$15,693
Debt	\$51,538
Capital	\$55,000
	<u>\$674,060</u>

Net Change in Op. Reserves \$ (384,425)

2024 Budget Foundation

1. Electric Revenues are based on current rates and increased rates effective July 2024. Residential Base Fee is \$26.00 and \$28.50 while consumption for TIER 1 is \$0.936 and \$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 3-year historical average for customers and consumption.
4. Broadband Revenues are based on projected connections as well as 2023 revenues.
5. We raised expenses by 4.5%.
6. We raised our Fleet Expenses by 4.5% based on new vehicles and personnel.
7. We have budgeted for 13 new positions in 2024. The positions may include 1 Assistant General Manager, 1 Network Project Manager, 1 Water Superintendent, 1 IT Support Tech, 1 Lineman, 3 Summer Interns, 1 Water Distribution Manager, 1 Customer Service Rep, 1 Broadband Customer Service Rep, 3 Broadband Techs, 1 Line Helper, and 1 Custodian.
8. We kept our Purchased Power cost at the same level as 2023 but there will be a slight increase due to a change in accounting methods for the transmission portion of the Bonneville Power Administration (BPA) invoices.
9. Electric Transmission Expense has been reduced slightly due to how we are accounting for the transmission portion of the Bonneville Power Administration (BPA) invoice. The account will only include expenses (labor, materials, fleet) associated with maintaining our transmission lines.
10. Included in Electric Distribution Expense—Maintenance is \$1,000,000 for tree trimming.
11. Included in the Administrative and General expenses is \$175,000 available for raises per RCW 54.16.100.
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. Labor, Benefits, Fleet, and Inventory Expenses are based on historical information including salary increases that took effect in December 2022 and early 2023.
14. All expenses are based on actual expenses from June 2022 to May 2023.
15. Training Budgets will remain at the same levels as 2023.
16. We have included a COLA increase for Non-Represented Employees and COLAs for Union Employees in their contracts. We have included a COLA increase for Commissioners based on the State of Washington mandates (laws).
17. Property tax revenues have been kept at the same level as last year and 90% of the funds will go toward Broadband while 10% of the funds will go toward Water.
18. Electric Construction Projects are based on staff recommendations which will become part of the 4-year work plan brought before the Board for approval.
19. Water Construction Projects are based on budgetary funds availability, current needs, and our 10-year work plan.

20. Broadband Construction Projects are based on previously approved Grant Areas and timelines.
21. General Plant capital purchases include warehouse improvements, information technology equipment, fleet, electric tools, communications, and engineering costs.
22. Principal payments on long-term debt are based on the amortization schedules within our loan documents with RUS, USDA Rural Development, and bonds.
23. 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.
24. We still have some LUDs that are paying on assessments which the Treasurer's Office collects and then we pay the bond payments. The process of invoicing LUDS may change if we make changes to how Treasury Duties are handled.
25. We incorporated a 10-year Financial Forecast into the 2024 budget along with a 5-year look back.

EXHIBIT A
2024 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	\$48,672,105	\$4,944,503	\$130,000	1,2,3,4
Operating Expenses				5,6,7
Power Production Cost	\$0	\$3,207	\$0	
Cost of Purchased Power	\$16,920,998	\$143,948	\$23,580	8
Transmission Expense	\$120,243	\$0	\$0	9
Distribution Expense--Operation	\$2,978,576	\$1,263,927	\$470,899	
Distribution Expense--Maintenance	\$4,652,100	\$1,031,572	\$144,760	10
Customer Accounts Expense	\$2,107,251	\$187,285	\$88,955	
Customer Service and Informational Expense	\$46,095	\$0	\$0	
Administrative and General Expense	\$5,635,183	\$820,155	\$558,437	11
Depreciation & Amortization Expense	\$5,947,771	\$1,003,364	\$4,310	
Tax Expense--Other	\$2,292,670	\$223,422	\$0	
Interest on Long-Term Debt	\$2,288,199	\$128,221	\$0	12
Interest Expense--Other	\$0	\$0	\$0	
Other Deductions	\$0	\$31,220	\$0	
Total Operating Expenses	\$42,989,086	\$4,836,321	\$1,290,941	13,14,15,16
Net Operating Margins (Loss)	\$5,683,019	\$108,182	(\$1,160,941)	
Property Tax Revenue	\$0	\$60,000	\$540,000	17
Non-Operating Margins (Loss)	\$2,289,866	\$242,100	\$1,946,206	
Net Margins (Loss)	\$7,972,885	\$410,282	\$1,325,265	
Cash Flow Budget				
Construction Projects	\$5,725,000	\$1,420,000	\$0	18,19
General Plant Purchases	\$787,500	\$135,000	\$15,172,062	20,21
Principal on Long Term Debt	\$3,789,737	\$633,384	\$387,394	22
Add Depreciation & Amortization (non-cash)	(\$5,947,771)	(\$1,003,364)	(\$4,310)	23
Principal & Interest Received on LUDs	\$0	(\$442,966)	\$0	24
Grants and Loan Funds	\$0	(\$1,100,000)	(\$15,879,366)	
Total Cash Expenditures/Cash Outflow	\$4,354,466	(\$357,946)	(\$324,220)	25
Net Cash Inflow/(Outflow)	\$3,618,419	\$768,228	\$1,649,485	
Net TIER (Minimum of 1.25)	4.48			
Net DSC (Minimum of 1.25)	2.67			

**Electric Utility
Expense Changes
2023 Budget to 2024 Budget**

	2023 Budget	2024 Budget	Change
Operating Revenues	\$46,009,532	\$48,672,105	\$2,662,573
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$17,095,180	\$16,920,998	(\$174,182)
Transmission Expense	\$2,404,654	\$120,243	(\$2,284,411)
Distribution Expense--Operation	\$3,116,911	\$2,978,576	(\$138,335)
Distribution Expense--Maintenance	\$4,778,863	\$4,652,100	(\$126,763)
Customer Accounts Expense	\$2,075,683	\$2,107,251	\$31,568
Customer Service and Informational Expense	\$23,166	\$46,095	\$22,929
Administrative and General Expense	\$5,132,534	\$5,635,183	\$502,649
Depreciation & Amortization Expense	\$5,605,637	\$5,947,771	\$342,134
Tax Expense--Other	\$2,554,821	\$2,292,670	(\$262,151)
Interest on Long-Term Debt	\$2,756,315	\$2,288,199	(\$468,116)
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$45,543,764	\$42,989,086	(\$2,554,678)
Net Operating Margins (Loss)	\$465,768	\$5,683,019	\$5,217,251
Non-Operating Margins (Loss)	\$1,575,886	\$2,289,866	\$713,980
Net Margins (Loss)	\$2,041,654	\$7,972,885	\$5,931,231
Cash Flow Budget			
Construction Projects	\$6,044,500	\$5,725,000	(\$319,500)
General Plant Purchases	\$789,118	\$787,500	(\$1,618)
Principal on Long Term Debt	\$4,121,058	\$3,789,737	(\$331,321)
Add Depreciation & Amortization (non-cash)	(\$5,605,637)	(\$5,947,771)	(\$342,134)
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	(\$5,530,555)	\$0	\$5,530,555
Total Cash Expenditures/Cash Outflow	(\$181,516)	\$4,354,466	\$4,535,982
Net Cash Inflow/(Outflow)	\$2,223,170	\$3,618,419	\$1,395,249
Net TIER (Minimum of 1.25)	1.74	4.48	2.74
Net DSC (Minimum of 1.25)	1.51	2.67	1.15

**Water Utility
Expense Changes
2023 Budget to 2024 Budget**

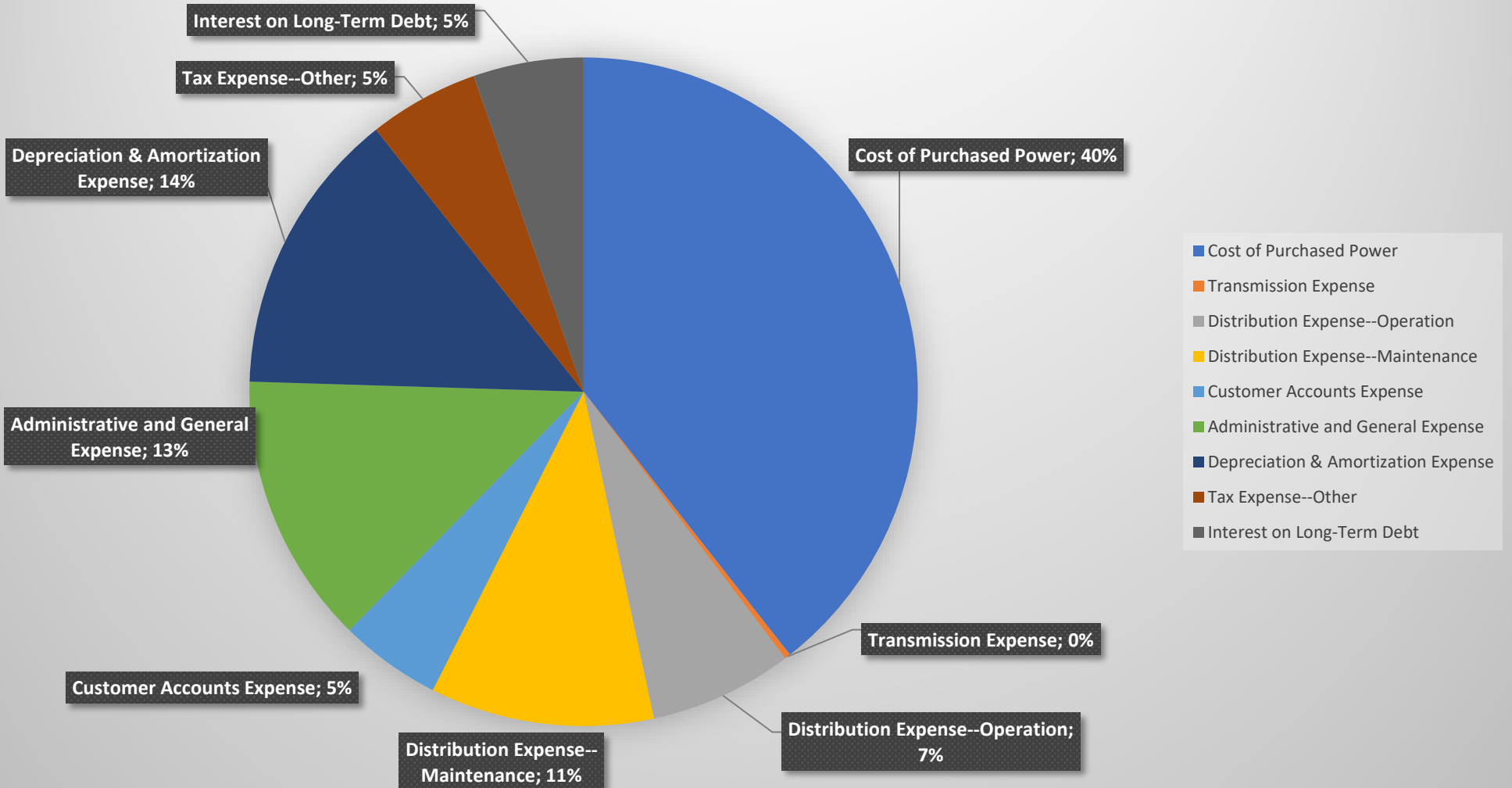
	2023	2024	Change
	Budget	Budget	
Operating Revenues	\$4,915,051	\$4,944,503	\$29,452
Operating Expenses			
Power Production Cost	\$2,027	\$3,207	\$1,180
Cost of Purchased Power	\$151,012	\$143,948	(\$7,064)
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$1,412,908	\$1,263,927	(\$148,981)
Distribution Expense--Maintenance	\$608,771	\$1,031,572	\$422,801
Customer Accounts Expense	\$280,113	\$187,285	(\$92,828)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$1,352,069	\$820,155	(\$531,914)
Depreciation & Amortization Expense	\$388,013	\$1,003,364	\$615,351
Tax Expense--Other	\$181,796	\$223,422	\$41,626
Interest on Long-Term Debt	\$182,692	\$128,221	(\$54,471)
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$31,220	\$31,220
Total Operating Expenses	\$4,559,401	\$4,836,321	\$276,920
Net Operating Margins (Loss)	\$355,650	\$108,182	(\$247,468)
Non-Operating Margins (Loss)	\$719,525	\$302,100	(\$417,425)
Net Margins (Loss)	\$1,075,175	\$410,282	(\$664,893)
Cash Flow Budget			
Construction Projects	\$3,477,419	\$1,420,000	(\$2,057,419)
General Plant Purchases	\$110,000	\$135,000	\$25,000
Principal on Long Term Debt	\$662,361	\$633,384	(\$28,977)
Add Depreciation & Amortization (non-cash)	(\$388,013)	(\$1,003,364)	(\$615,351)
Principal & Interest Received on LUDs	(\$442,966)	(\$442,966)	\$0
Grants and Loan Funds	(\$2,577,016)	(\$1,100,000)	\$1,477,016
Total Cash Expenditures/Cash Outflow	\$841,785	(\$357,946)	(\$1,199,731)
Net Cash Inflow/(Outflow)	\$233,390	\$768,228	\$534,838

**BroadBand Utility
Expense Changes
2023 Budget to 2024 Budget**

	2023 Budget	2024 Budget	Change
Operating Revenues	\$828,070	\$130,000	(\$698,070)
Operating Expenses			
Power Production Cost	\$0	\$0	\$0
Cost of Purchased Power	\$15,819	\$23,580	\$7,761
Transmission Expense	\$0	\$0	\$0
Distribution Expense--Operation	\$440,469	\$470,899	\$30,430
Distribution Expense--Maintenance	\$806,690	\$144,760	(\$661,930)
Customer Accounts Expense	\$149,528	\$88,955	(\$60,573)
Customer Service and Informational Expense	\$0	\$0	\$0
Administrative and General Expense	\$550,003	\$558,437	\$8,434
Depreciation & Amortization Expense	\$0	\$4,310	\$4,310
Tax Expense--Other	\$16,048	\$0	(\$16,048)
Interest on Long-Term Debt	\$0	\$0	\$0
Interest Expense--Other	\$0	\$0	\$0
Other Deductions	\$0	\$0	\$0
Total Operating Expenses	\$1,978,557	\$1,290,941	(\$687,616)
Net Operating Margins (Loss)	(\$1,150,487)	(\$1,160,941)	(\$10,454)
Non-Operating Margins (Loss)	\$805,000	\$2,486,206	\$1,681,206
Net Margins (Loss)	(\$345,487)	\$1,325,265	\$1,670,752
Cash Flow Budget			
Construction Projects	\$0	\$0	\$0
General Plant Purchases	\$15,172,062	\$15,172,062	\$0
Principal on Long Term Debt	\$387,394	\$387,394	\$0
Add Depreciation & Amortization (non-cash)	\$0	(\$4,310)	(\$4,310)
Principal & Interest Received on LUDs	\$0	\$0	\$0
Grants and Loan Funds	(\$15,879,366)	(\$15,879,366)	\$0
Total Cash Expenditures/Cash Outflow	(\$319,910)	(\$324,220)	(\$4,310)
Net Cash Inflow/(Outflow)	(\$25,577)	\$1,649,485	\$1,675,062

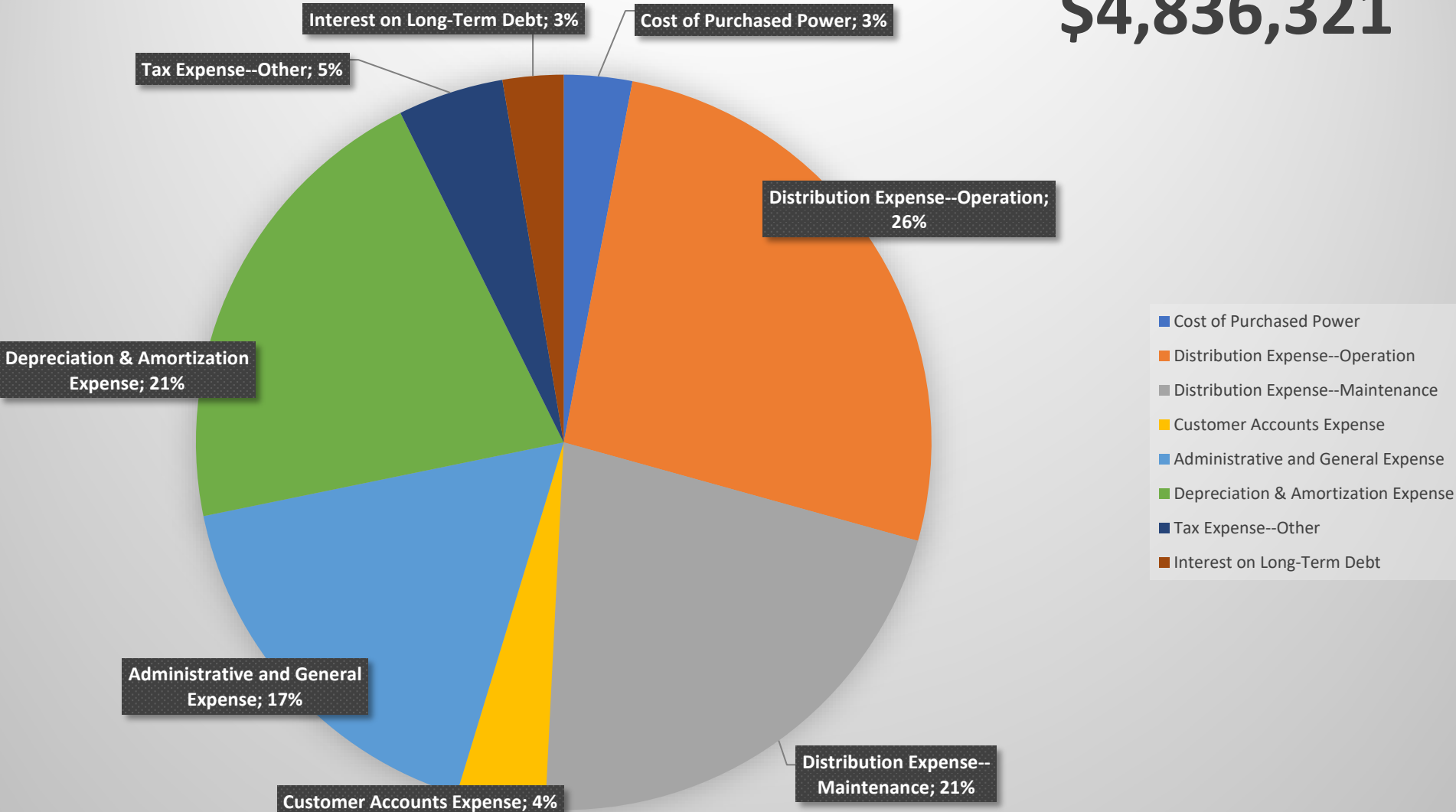
Electric Expenses

\$42,989,086



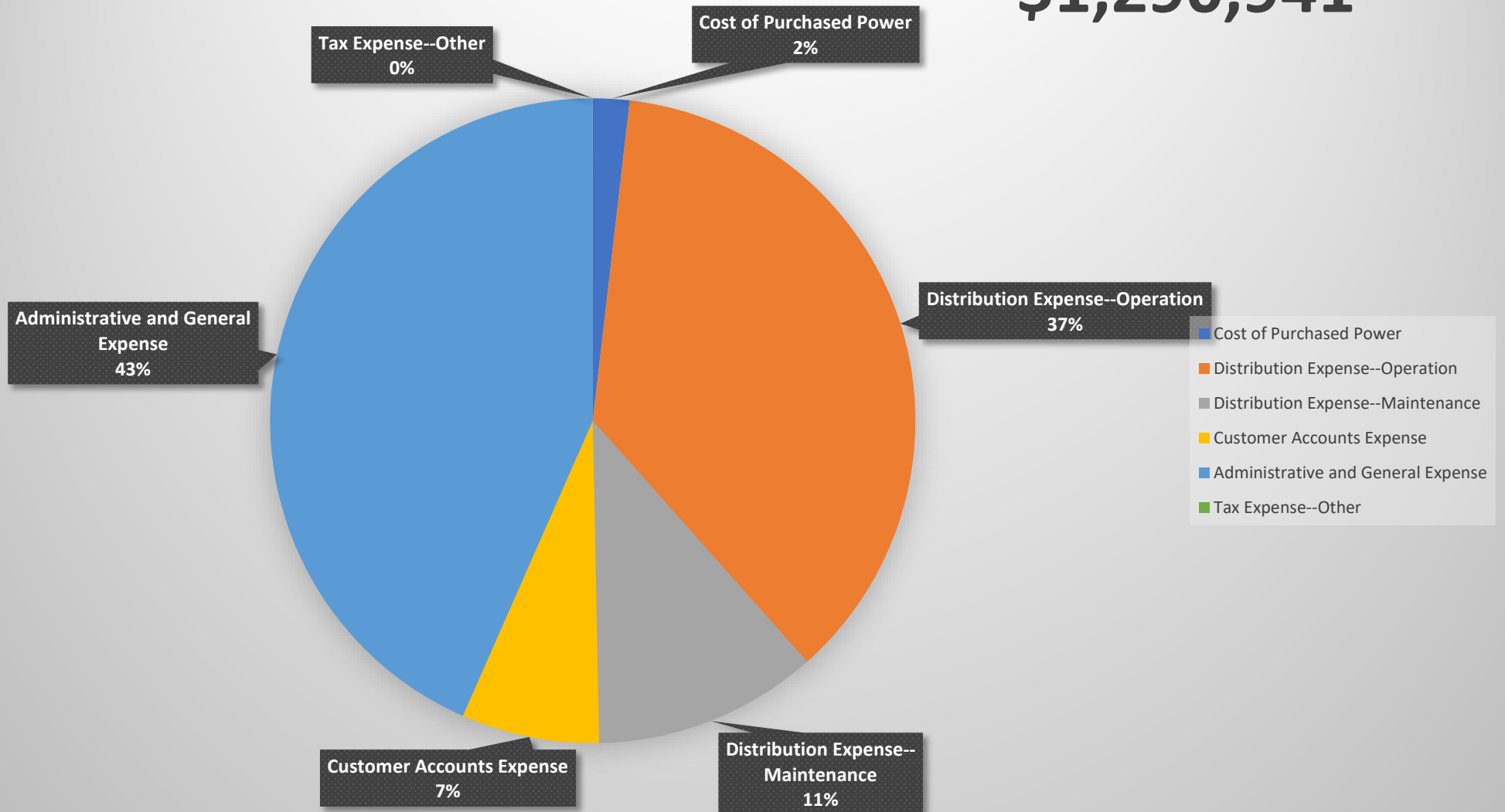
Water Expenses

\$4,836,321



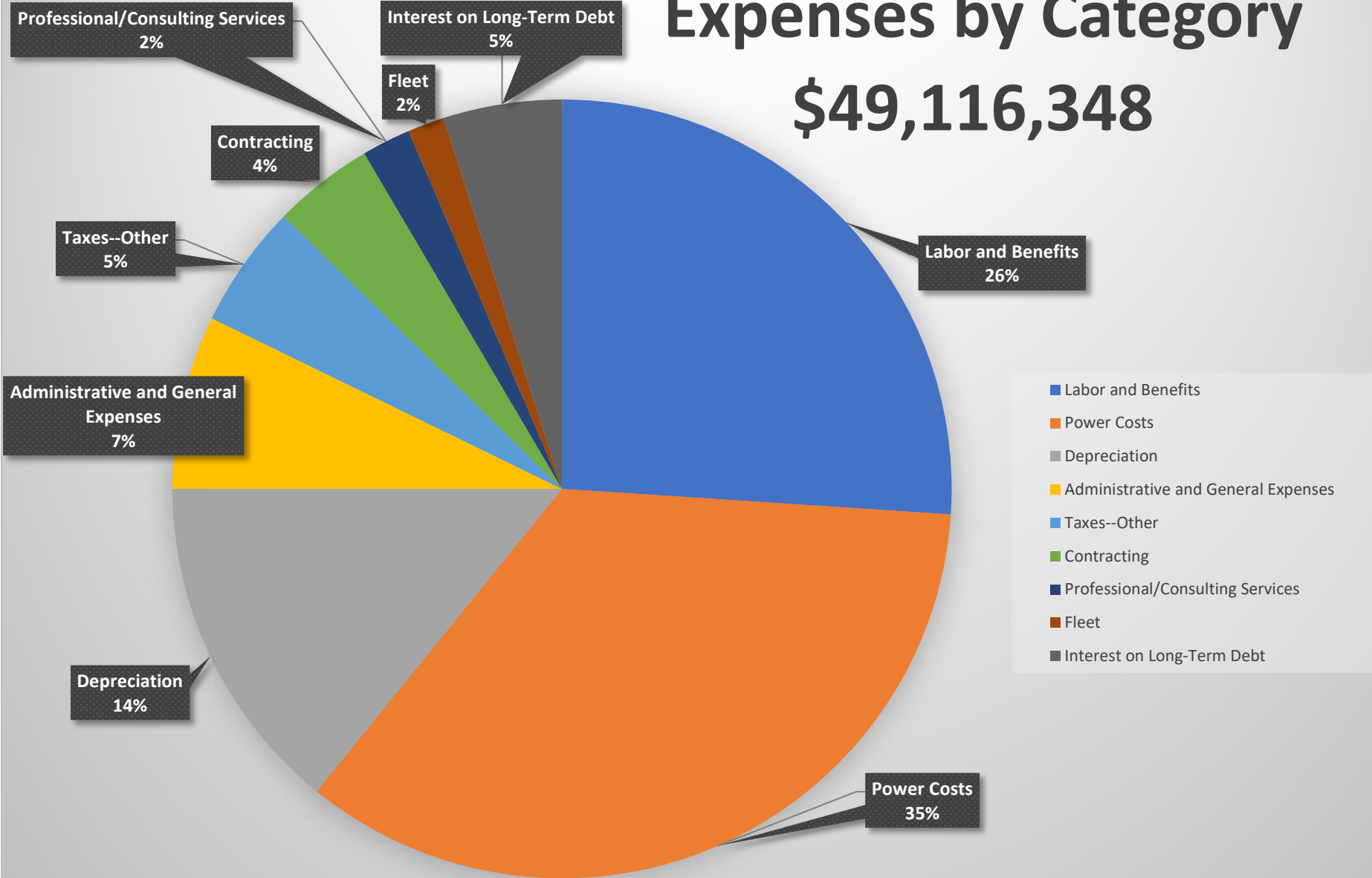
Broadband Expenses

\$1,290,941



Expenses by Category

\$49,116,348



Combined Utility Expenses By Category

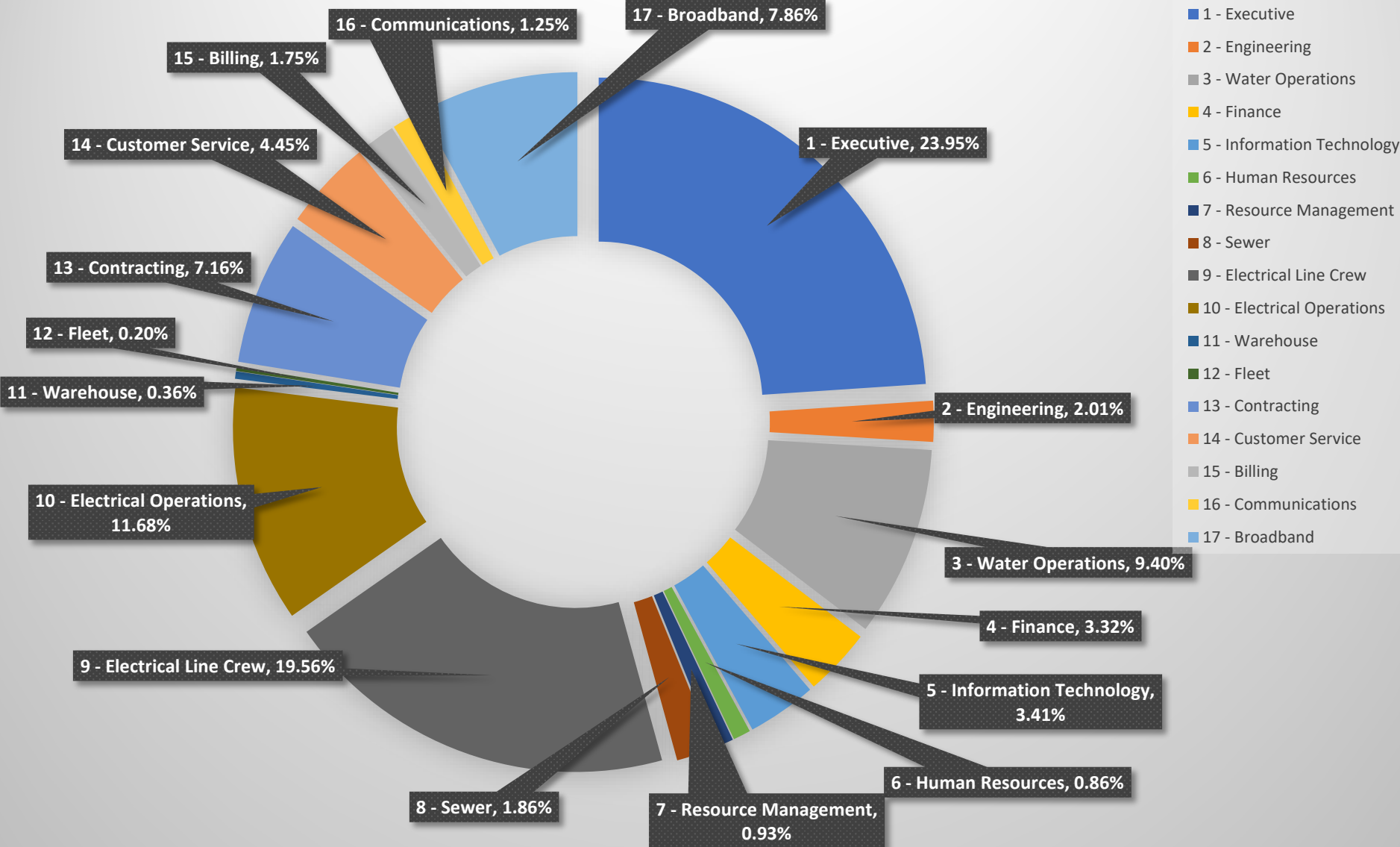
Expense Category	Amount	Percentage
Labor and Benefits	\$12,792,093	26%
Power Costs	\$17,091,733	35%
Depreciation	\$6,955,445	14%
Administrative and General Expenses	\$3,542,909	7%
Taxes--Other	\$2,516,092	5%
Contracting	\$2,054,227	4%
Professional/Consulting Services	\$997,944	2%
Fleet	\$749,485	2%
Interest on Long-Term Debt	\$2,416,420	5%
Total	\$49,116,348	100%

Expense Allocation By Department

Department	Administrative and			Professional and		Total	Percentage
	Labor and Benefits	General	Contracting	Consulting Services	Fleet		
1 - Executive	\$2,572,662	\$1,361,163	\$78,316	\$741,195	\$68,766	\$4,822,102	23.95%
2 - Engineering	\$286,507	\$69,697	\$4,155	\$37,811	\$6,151	\$404,321	2.01%
3 - Water Operations	\$1,030,099	\$373,595	\$256,400	\$3,749	\$228,401	\$1,892,246	9.40%
4 - Finance	\$582,969	\$60,182	\$3,421	\$22,105	\$799	\$669,476	3.32%
5 - Information Technology	\$517,419	\$162,350	\$3,910	\$2,822	\$44	\$686,544	3.41%
6 - Human Resources	\$142,045	\$28,178	\$1,140	\$1,749	\$0	\$173,112	0.86%
7 - Resource Management	\$182,905	\$2,995	\$1,140	\$0	\$0	\$187,040	0.93%
8 - Sewer	\$204,587	\$86,211	\$25,310	\$0	\$57,805	\$373,913	1.86%
9 - Electrical Line Crew	\$3,130,548	\$448,834	\$191,599	\$41,382	\$126,846	\$3,939,209	19.56%
10 - Electrical Operations	\$1,407,126	\$662,836	\$39,887	\$2,677	\$239,414	\$2,351,939	11.68%
11 - Warehouse	\$30,778	\$36,600	\$3,810	\$0	\$1,881	\$73,069	0.36%
12 - Fleet	\$34,298	\$5,478	\$1,140	\$0	\$0	\$40,916	0.20%
13 - Contracting	\$0	\$6,006	\$1,427,577	\$7,731	\$0	\$1,441,314	7.16%
14 - Customer Service	\$841,703	\$28,463	\$6,841	\$18,626	\$0	\$895,634	4.45%
15 - Billing	\$333,899	\$14,414	\$3,421	\$0	\$0	\$351,734	1.75%
16 - Communications	\$149,580	\$38,075	\$5,155	\$58,239	\$0	\$251,050	1.25%
17 - Broadband	\$1,344,968	\$157,832	\$1,005	\$59,857	\$19,378	\$1,583,040	7.86%
Totals	\$12,792,093	\$3,542,909	\$2,054,227	\$997,944	\$749,485	\$20,136,658	

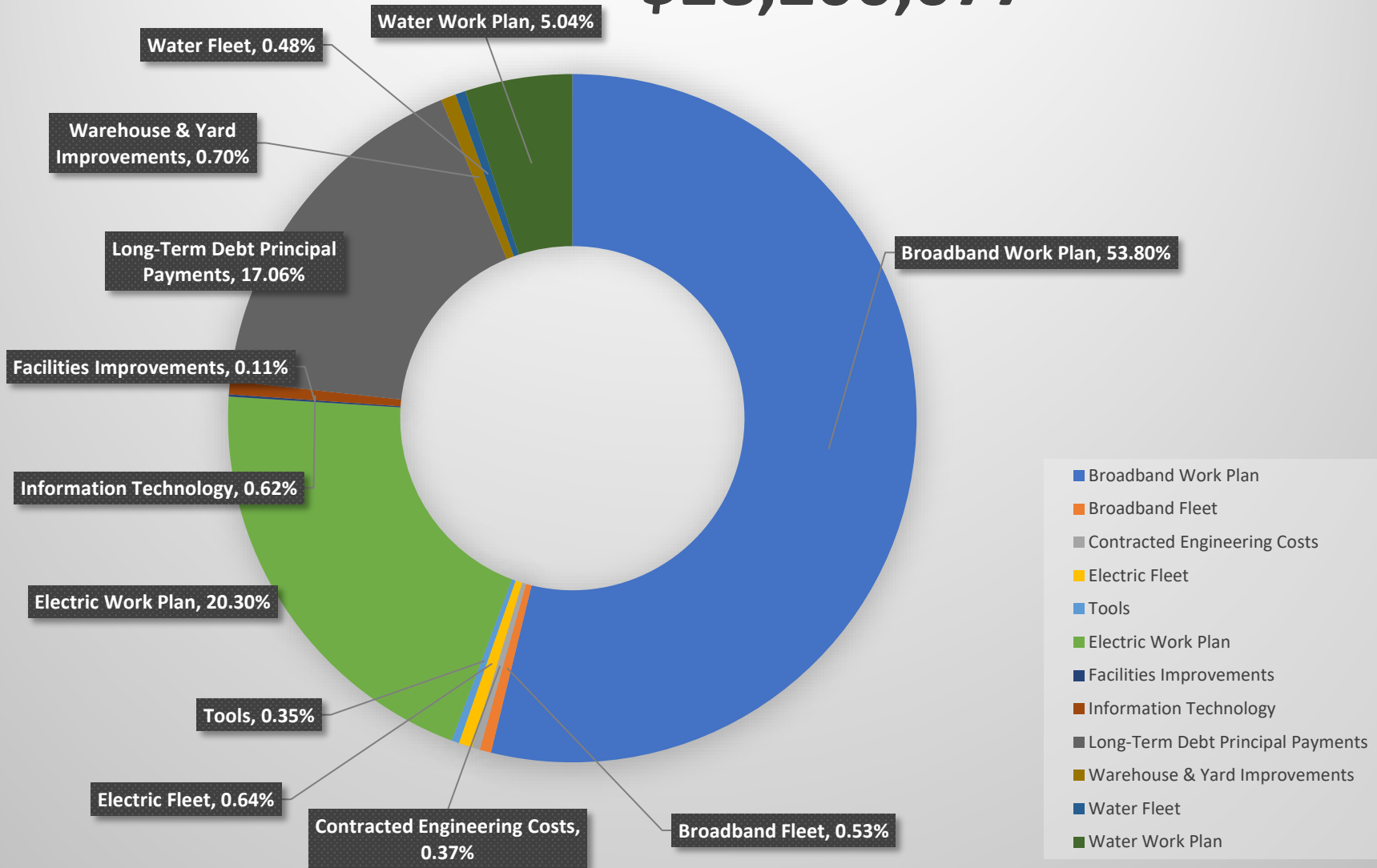
Expense Allocation By Department

\$20,136,658



Capital and Debt Principal Costs

\$28,200,077



Capital and Debt Principal Costs By Category

Cost Group	Amount	Percentage
Broadband Work Plan	\$15,172,062	53.80%
Broadband Fleet	\$150,000	0.53%
Contracted Engineering Costs	\$105,000	0.37%
Electric Fleet	\$180,000	0.64%
Tools	\$100,000	0.35%
Electric Work Plan	\$5,725,000	20.30%
Facilities Improvements	\$30,000	0.11%
Information Technology	\$175,000	0.62%
Long-Term Debt Principal Payments	\$4,810,515	17.06%
Warehouse & Yard Improvements	\$197,500	0.70%
Water Fleet	\$135,000	0.48%
Water Work Plan	\$1,420,000	5.04%
Total	\$28,200,077	100%

2024 Electric Work Plan Capital Costs

Item #	Description	Budget Amount
1	115 Undergrounding	\$750,000
2	Quilcene Substation Engineering	\$850,000
3	Quilcene Substation Transformer	\$1,100,000
4	New Outgoing Feeders Port Ludlow Substation Engineering	\$225,000
5	Rebuilt Transformer Port Ludlow Substation	\$525,000
6	New Outgoing Feeders Port Ludlow Substation Phase 1	\$800,000
7	Hastings Substation Upgrade Engineering	\$325,000
8	Hastings Substation Upgrade Construction Phase 1	\$650,000
9	Overhead to Underground Conversions	\$250,000
10	Underground Replacement	\$250,000
	Total Electric Capital Costs	\$5,725,000

2024 Water Work Plan Capital Costs

Description	Budget Amount
Upgrade Aging Infrastructure	\$175,000
New Fire Hydrants	\$60,000
SCADA and New Equipment in Well Houses	\$85,000
Coyle Water Line Replacement	\$1,100,000
Total Water Capital Costs	\$1,420,000

2024 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

2024 Facilities Improvements

Description	Budget Amount
Installation of 4 Dual Head Electric Vehicle Chargers	\$30,000
Total Facilities Improvements Capital Costs	\$30,000

2024 Warehouse and Yard Improvements Capital Costs

Description	Budget Amount
Log, clear area at 310 Four Corners for new fiber lay yard. Costs are from fencing and County requirements.	\$130,000
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	\$197,500

2024 Information Technology Capital Costs

Description	Budget Amount
Network Servers	\$175,000
Total IT Capital Costs	\$175,000

2024 Electric Fleet Capital Costs

Description	Budget Amount	
Ford F-150 Lightning	\$60,000	On order
Administration Vehicle	\$60,000	
Pickup Truck	\$60,000	
Total Electric Fleet Capital Costs	\$180,000	

2024 Water Fleet Capital Costs

Description	Budget Amount
Vehicle--Sewer	\$45,000
Vehicle--Water	\$45,000
Vehicle--Water	\$45,000
Total Water Fleet Capital Costs	\$135,000

2024 Broadband Fleet Capital Costs

Description	Budget Amount
Broadband Van	\$50,000
Broadband Van	\$50,000
Broadband Van	\$50,000
Total Broadband Fleet Capital Costs	\$150,000

2024 Tools

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

2024 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
2023 to 2024**

Project Name	2023 Budget	2024 Budget	Change
Electric Work Plan	\$6,044,500	\$5,725,000	(\$319,500)
Water Work Plan	\$3,477,419	\$1,420,000	(\$2,057,419)
Broadband	\$15,172,062	\$15,172,062	\$0
Facilities Improvements	\$238,150	\$30,000	(\$208,150)
Warehouse & Yard Improvements	\$197,500	\$197,500	\$0
Information Technology	\$30,000	\$175,000	\$145,000
Electric Fleet	\$164,000	\$180,000	\$16,000
Water Fleet	\$110,000	\$135,000	\$25,000
Tools	\$50,000	\$100,000	\$50,000
Contracted Engineering Costs	\$55,000	\$105,000	\$50,000
Broadband Fleet	\$0	\$150,000	\$150,000
	\$25,538,631	\$23,389,562	(\$2,149,069)

**2024 Cash Summary
Through June 30, 2023**

Cash-Operating Depository	\$ 783,969
Cash-Jefferson County Treasurer General	\$ 1,678,169
Cash-Payroll Clearing-1st Security Payroll Clearing	\$ 18
Working Funds	\$ 1,400
Cash-1996 Bond LUD #6	\$ 9,700
Cash-1996 Bond LUD #8	\$ 34,730
Temp Invest Jefferson County Treasurer Gen	\$ 163,303
Tax Revenue Fund	\$ 2,749,382
Tax Revenue Fund Investment	\$ 1,186,794
Operating Account - Jefferson County Treasurer	\$ 127,433
Cash - 1st Security Bank ACH Account	\$ 235
2023 Ending Unrestricted Cash	\$ 6,735,133
2024 Net Cash Outflow	\$6,036,132
2024 Ending Unrestricted Cash	\$ 12,771,265

Restricted Cash

Other Special Funds	\$ 250
Tri Area Bond Investment	\$ 85,164
Capital Reserves	\$ 100,000
Cash-2009 Bond LUD #14	\$ 3,952
Cash-2008 Bond LUD #15	\$ 1,831
Cash-1999 Bond LUD #11	\$ 3,032
LUD #14 Bond Investment	\$ 839,091
LUD #15 Bond Investment	\$ 440,196
Meter Replacment--2024 Work	\$ -
2024 Ending Restricted Cash	\$ 1,473,516

2024 Budget Supplementary Pages



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

	2018	2019	2020	2021	2022	2023	2024
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals**	Budget
Operating Revenues	\$36,934,122	\$38,398,203	\$37,912,318	\$39,287,746	\$42,746,814	\$45,572,988	\$48,802,105
Operating Expenses							
Power Production Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Purchased Power	\$14,933,122	\$15,204,855	\$14,717,058	\$15,242,290	\$14,550,861	\$14,314,206	\$16,944,578
Transmission Expense	\$1,825,877	\$1,883,441	\$1,832,052	\$1,950,421	\$2,125,976	\$1,923,566	\$120,243
Distribution Expense--Operation	\$1,114,352	\$1,471,987	\$1,574,671	\$1,777,535	\$1,866,907	\$2,901,711	\$3,449,475
Distribution Expense--Maintenance	\$2,412,616	\$2,585,373	\$3,114,151	\$2,768,549	\$2,807,679	\$4,285,528	\$4,796,860
Customer Accounts Expense	\$1,320,922	\$1,465,794	\$1,228,908	\$1,305,362	\$1,461,747	\$1,928,936	\$2,196,206
Customer Service and Informational Expense	\$83,750	\$40,874	\$12,433	\$24,808	\$25,633	\$46,892	\$46,095
Administrative and General Expense	\$2,500,497	\$2,540,211	\$2,672,839	\$3,197,515	\$3,715,635	\$5,293,666	\$6,193,620
Depreciation & Amortization Expense	\$5,202,894	\$5,319,171	\$5,497,554	\$5,538,986	\$5,727,342	\$5,814,308	\$5,952,081
Tax Expense--Other	\$2,112,640	\$2,198,268	\$2,174,860	\$2,255,905	\$2,423,134	\$2,155,607	\$2,292,670
Interest on Long-Term Debt	\$2,856,256	\$2,782,558	\$2,701,573	\$2,607,298	\$2,503,089	\$2,542,960	\$2,288,199
Interest Expense--Other	\$1,352	\$0	\$0	\$0	\$0	\$0	\$0
Other Deductions	\$256	\$2,927	\$39	\$0	\$0	\$0	\$0
Total Operating Expenses	\$34,364,534	\$35,495,459	\$35,526,138	\$36,668,669	\$37,208,003	\$41,207,380	\$44,280,027
Net Operating Margins (Loss)	\$2,569,588	\$2,902,744	\$2,386,180	\$2,619,077	\$5,538,811	\$4,365,608	\$4,522,078
Non-Operating Margins (Loss)	\$2,621,555	\$1,660,436	\$2,168,111	\$2,115,150	\$3,873,349	\$8,196,145	\$4,776,072
Net Margins (Loss)	\$5,191,143	\$4,563,180	\$4,554,291	\$4,734,227	\$9,412,160	\$12,561,753	\$9,298,150

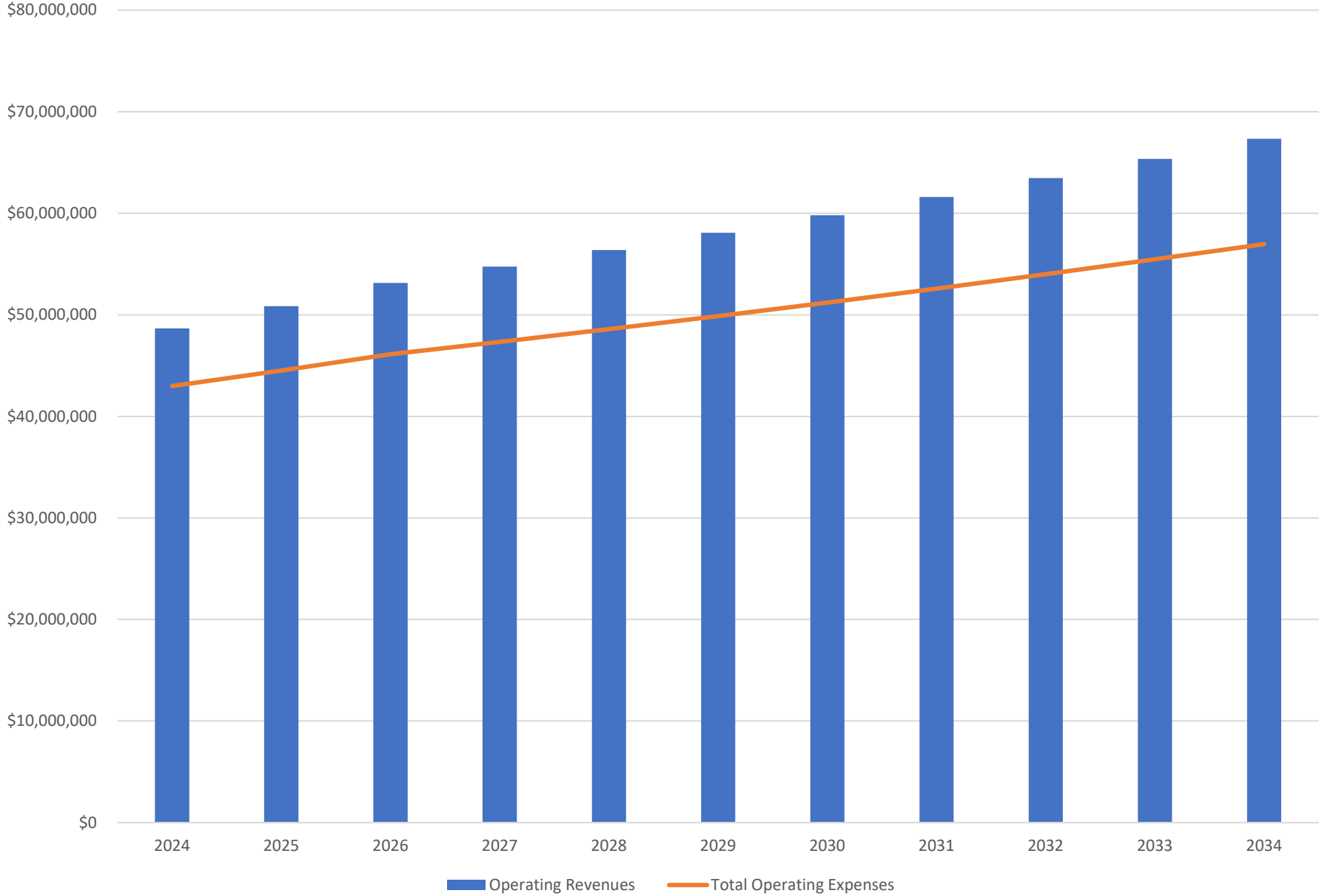
2023 Actuals are actual expenses recorded January through July and budgeted numbers for August through December.

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

	2018	2019	2020	2021	2022	2023	2024
	Actuals	Actuals	Actuals	Actuals	Actuals	Actuals**	Budget
Operating Revenues	\$2,472,823	\$2,713,505	\$2,608,999	\$3,020,841	\$3,710,714	\$4,573,703	\$4,944,503
Operating Expenses							
Power Production Cost	\$757	\$209	\$268	\$1,877	\$2,550	\$1,226	\$3,207
Cost of Purchased Power	\$126,840	\$3,885	\$82,473	\$135,288	\$140,275	\$147,514	\$143,948
Transmission Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution Expense--Operation	\$583,854	\$654,726	\$681,484	\$668,170	\$713,508	\$995,943	\$1,263,927
Distribution Expense--Maintenance	\$351,711	\$364,276	\$376,709	\$394,764	\$617,693	\$798,449	\$1,031,572
Customer Accounts Expense	\$146,842	\$134,888	\$226,078	\$255,519	\$144,071	\$232,759	\$187,285
Customer Service and Informational Expense	\$2,684	\$330	\$110	\$0	\$0	\$0	\$0
Administrative and General Expense	\$511,852	\$699,871	\$893,190	\$1,031,638	\$654,641	\$1,082,976	\$820,155
Depreciation & Amortization Expense	\$710,798	\$701,661	\$696,061	\$774,737	\$829,876	\$741,251	\$1,003,364
Tax Expense--Other	\$119,954	\$125,901	\$127,246	\$154,504	\$167,047	\$213,007	\$223,422
Interest on Long-Term Debt	\$289,115	\$261,833	\$236,595	\$225,120	\$188,893	\$185,078	\$128,221
Interest Expense--Other	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0
Other Deductions	\$0	\$247	\$0	\$0	\$0	\$29,876	\$31,220
Total Operating Expenses	\$2,846,907	\$2,947,827	\$3,320,214	\$3,641,617	\$3,458,554	\$4,428,079	\$4,836,321
Net Operating Margins (Loss)	(\$374,084)	(\$234,322)	(\$711,215)	(\$620,776)	\$252,160	\$145,624	\$108,182
Non-Operating Margins (Loss)	\$372,474	\$915,474	\$418,689	\$637,966	\$325,044	\$462,076	\$302,100
Net Margins (Loss)	(\$1,610)	\$681,152	(\$292,526)	\$17,190	\$577,204	\$607,700	\$410,282

2023 Actuals are actual expenses recorded January through July and budgeted numbers for August through December.

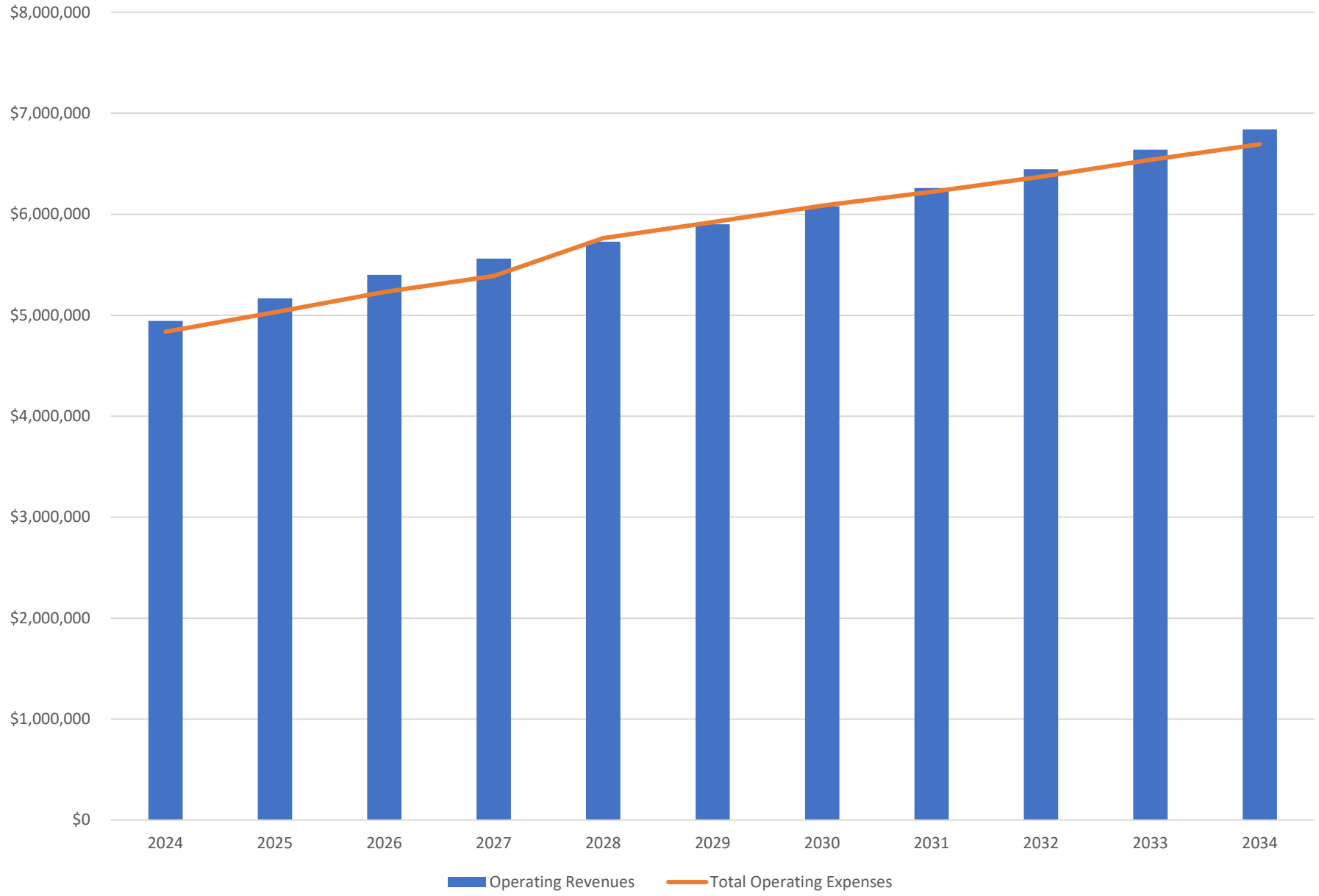
Electric Utility Budget Forecast



Electric Utility
10-Year Forecast
2024-2034

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Revenues	\$48,672,105	\$50,862,350	\$53,151,155	\$54,745,690	\$56,388,061	\$58,079,703	\$59,822,094	\$61,616,757	\$63,465,259	\$65,369,217	\$67,330,294
Operating Expenses											
Power Production Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cost of Purchased Power	\$16,920,998	\$17,597,838	\$18,301,751	\$18,850,804	\$19,416,328	\$19,998,818	\$20,598,782	\$21,216,746	\$21,853,248	\$22,508,846	\$23,184,111
Transmission Expense	\$120,243	\$125,053	\$130,055	\$133,956	\$137,975	\$142,114	\$146,378	\$150,769	\$155,292	\$159,951	\$164,750
Distribution Expense--Operation	\$2,978,576	\$3,097,719	\$3,221,628	\$3,318,277	\$3,417,825	\$3,520,360	\$3,625,970	\$3,734,750	\$3,846,792	\$3,962,196	\$4,081,062
Distribution Expense--Maintenance	\$4,652,100	\$4,838,184	\$5,031,711	\$5,182,663	\$5,338,143	\$5,498,287	\$5,663,235	\$5,833,133	\$6,008,127	\$6,188,370	\$6,374,021
Customer Accounts Expense	\$2,107,251	\$2,191,541	\$2,279,203	\$2,347,579	\$2,418,006	\$2,490,546	\$2,565,263	\$2,642,221	\$2,721,487	\$2,803,132	\$2,887,226
Customer Service and Informational Expense	\$46,095	\$47,939	\$49,856	\$51,352	\$52,893	\$54,479	\$56,114	\$57,797	\$59,531	\$61,317	\$63,157
Administrative and General Expense	\$5,635,183	\$5,860,590	\$6,095,014	\$6,277,864	\$6,466,200	\$6,660,186	\$6,859,992	\$7,065,792	\$7,277,765	\$7,496,098	\$7,720,981
Depreciation & Amortization Expense	\$5,947,771	\$6,185,682	\$6,433,109	\$6,626,102	\$6,824,885	\$7,029,632	\$7,240,521	\$7,457,737	\$7,681,469	\$7,911,913	\$8,149,270
Tax Expense--Other	\$2,292,670	\$2,384,377	\$2,479,752	\$2,554,144	\$2,630,769	\$2,709,692	\$2,790,983	\$2,874,712	\$2,960,953	\$3,049,782	\$3,141,275
Interest on Long-Term Debt	\$2,288,199	\$2,182,977	\$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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$42,989,086	\$44,511,899	\$46,117,329	\$47,335,892	\$48,606,540	\$49,880,006	\$51,208,907	\$52,591,050	\$54,005,576	\$55,473,833	\$56,964,256
Net Operating Margins (Loss)	\$5,683,019	\$6,350,450	\$7,033,827	\$7,409,798	\$7,781,521	\$8,199,697	\$8,613,187	\$9,025,706	\$9,459,683	\$9,895,384	\$10,366,037
Non-Operating Margins (Loss)	\$2,289,866	\$2,335,663	\$2,382,377	\$2,430,024	\$2,478,625	\$2,528,197	\$2,578,761	\$2,630,336	\$2,682,943	\$2,736,602	\$2,791,334
Net Margins (Loss)	\$7,972,885	\$8,686,114	\$9,416,203	\$9,839,822	\$10,260,146	\$10,727,894	\$11,191,948	\$11,656,042	\$12,142,626	\$12,631,986	\$13,157,371
Cash Flow Budget											
Construction Projects	\$5,725,000	\$5,461,957	\$5,680,435	\$5,850,848	\$6,026,374	\$6,207,165	\$6,393,380	\$6,585,181	\$6,782,737	\$6,986,219	\$7,195,806
General Plant Purchases	\$787,500	\$723,725	\$752,674	\$775,254	\$798,512	\$822,467	\$847,141	\$872,555	\$898,732	\$925,694	\$953,465
Principal on Long Term Debt	\$3,789,737	\$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)	(\$5,947,771)	(\$6,185,682)	(\$6,433,109)	(\$6,626,102)	(\$6,824,885)	(\$7,029,632)	(\$7,240,521)	(\$7,457,737)	(\$7,681,469)	(\$7,911,913)	(\$8,149,270)
Principal & Interest Received on LUDs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grants and Loan Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Expenditures/Cash Outflow	\$4,354,466	\$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)	\$3,618,419	\$4,896,377	\$5,538,739	\$5,860,259	\$6,190,948	\$6,531,071	\$6,880,903	\$7,240,724	\$7,610,824	\$7,991,500	\$8,383,061
Net TIER (Minimum of 1.25)	4.48	4.98	5.49	5.94	6.39	7.04	7.74	8.48	9.43	10.48	11.98
Net DSC (Minimum of 1.25)	2.67	2.86	3.00	3.09	3.18	3.27	3.36	3.46	3.56	3.66	3.77

Water Utility Budget Forecast



**Water Utility
10-Year Forecast
2024-2034**

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
	Proposed	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Operating Revenues	\$4,944,503	\$5,167,006	\$5,399,521	\$5,561,507	\$5,728,352	\$5,900,202	\$6,077,208	\$6,259,525	\$6,447,310	\$6,640,730	\$6,839,952
Operating Expenses											
Power Production Cost	\$3,207	\$3,335	\$3,469	\$3,573	\$3,680	\$3,790	\$3,904	\$4,021	\$4,142	\$4,266	\$4,394
Cost of Purchased Power	\$143,948	\$149,706	\$155,694	\$160,365	\$165,176	\$170,131	\$175,235	\$180,492	\$185,907	\$191,484	\$197,229
Transmission Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Distribution Expense--Operation	\$1,263,927	\$1,314,484	\$1,367,063	\$1,408,075	\$1,450,318	\$1,493,827	\$1,538,642	\$1,584,801	\$1,632,345	\$1,681,316	\$1,731,755
Distribution Expense--Maintenance	\$1,031,572	\$1,072,835	\$1,115,748	\$1,149,221	\$1,183,697	\$1,219,208	\$1,255,785	\$1,293,458	\$1,332,262	\$1,372,230	\$1,413,397
Customer Accounts Expense	\$187,285	\$194,776	\$202,567	\$208,644	\$214,904	\$221,351	\$227,991	\$234,831	\$241,876	\$249,132	\$256,606
Customer Service and Informational Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administrative and General Expense	\$820,155	\$852,961	\$887,080	\$913,692	\$941,103	\$969,336	\$998,416	\$1,028,368	\$1,059,219	\$1,090,996	\$1,123,726
Depreciation & Amortization Expense	\$1,003,364	\$1,043,499	\$1,085,239	\$1,117,796	\$1,151,330	\$1,185,869	\$1,221,445	\$1,258,089	\$1,295,832	\$1,334,706	\$1,374,748
Tax Expense--Other	\$223,422	\$232,359	\$241,653	\$248,903	\$256,370	\$264,061	\$271,983	\$280,142	\$288,547	\$297,203	\$306,119
Interest on Long-Term Debt	\$128,221	\$133,350	\$138,684	\$142,844	\$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	\$31,220	\$32,469	\$33,768	\$34,781	\$35,824	\$36,899	\$38,006	\$39,146	\$40,320	\$41,530	\$42,776
Total Operating Expenses	\$4,836,321	\$5,029,774	\$5,230,965	\$5,387,894	\$5,763,052	\$5,923,059	\$6,084,809	\$6,223,772	\$6,370,953	\$6,539,531	\$6,693,647
Net Operating Margins (Loss)	\$108,182	\$137,232	\$168,556	\$173,613	(\$34,700)	(\$22,857)	(\$7,601)	\$35,752	\$76,357	\$101,198	\$146,304
Non-Operating Margins (Loss)	\$302,100	\$308,142	\$314,305	\$320,591	\$327,003	\$333,543	\$340,214	\$347,018	\$353,958	\$361,037	\$368,258
Net Margins (Loss)	\$410,282	\$445,374	\$482,861	\$494,204	\$292,302	\$310,686	\$332,613	\$382,770	\$430,316	\$462,236	\$514,563
Cash Flow Budget											
Construction Projects	\$1,420,000	\$889,061	\$924,623	\$952,362	\$980,933	\$1,010,361	\$1,040,672	\$1,071,892	\$1,104,048	\$1,137,170	\$1,171,285
General Plant Purchases	\$135,000	\$154,438	\$160,615	\$165,434	\$170,397	\$175,509	\$180,774	\$186,197	\$191,783	\$197,537	\$203,463
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)	(\$1,003,364)	(\$1,043,499)	(\$1,085,239)	(\$1,117,796)	(\$1,151,330)	(\$1,185,869)	(\$1,221,445)	(\$1,258,089)	(\$1,295,832)	(\$1,334,706)	(\$1,374,748)
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	(\$1,100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cash Expenditures/Cash Outflow	(\$357,946)	\$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)	\$768,228	\$199,228	(\$60,683)	\$23,363	(\$229,794)	(\$82,520)	(\$1,738,508)	(\$289,584)	(\$177,044)	(\$386,185)	(\$46,413)