

**PUBLIC UTILITY DISTRICT NO. 1  
OF  
JEFFERSON COUNTY, WASHINGTON**

**RESOLUTION NO. 2016-016**

A RESOLUTION Adopting a Budget for the Calendar Year 2017

WHEREAS, in accordance with RCW 54.16.070 and RCW 84.52.020, the Board of Commissioners of Public Utility District No.1 of Jefferson County, Washington has prepared a budget for the projected financial transactions of the District for the calendar year 2017 and conducted a series of Public Hearings; and

WHEREAS, the Board of Commissioner of the District have set goals for the establishment of PUD Reserves; and

WHEREAS, the PUD is has completed a new Cost of Service and Rate Study; and

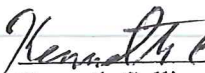
WHEREAS, the Board of Commissioners of the District did meet on Monday, 3 October 2016 and held a Public Hearing on the proposed 2017 budget starting at 5:00 p.m. in the District Office at 230 Chimacum Road, Port Hadlock, Washington; and

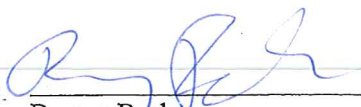
WHEREAS, the Public Hearing was continued and reconvened at the subsequent regularly scheduled PUD BOC meetings, as announced publicly by the Board of Commissioners; and


WHEREAS, the Public Hearing was continued and closed by the PUD Board of Commissioners on the 1<sup>st</sup> of November 2016; and

NOW, THEREFORE, BE IT RESOLVED that the Commission, after taking public testimony and consideration of all the evidence and information provided by the staff, hereby adopts the budgets identified on attached Exhibit "A" and Exhibit "B"

ADOPTED by the Board of Commissioners of Public Utility District No. 1 of Jefferson County, Washington, at a regular open public meeting held this 1<sup>st</sup> day of November 2016.

  
Kenneth Collins  
President

  
Barney Burke  
Vice President

  
Wayne G. King  
Secretary

## EXHIBIT A

### 2017 GENERAL FUND BUDGET

	2017
<b>Operating Revenues</b>	
Real Property taxes	500,000
Timber Harvest Tax	20,000
Leaseholder excise tax	13,000
Interest income	5,924
Miscellaneous Revenues	204
total Operating Revenues	539,128
<b>Operating Expenses</b>	
Wages (BOC)	
Employee taxes and benefits (BOC)	
County IT Services	
State Auditor	70000
Communicaitons - Phones,network	
Debt & principle Service	175000
capital outlay - computer equipment	
Telecom system support	220000
PUD Dues, Memberships	
Preliminary Work for new PUD office	25000
Repair/ Remodel PUD Admin Office	35000
Board Minutes	14,000
 Total General Fund expenditures	 539000
 Revenues in Excess of Expenditures	 128

Exhibit " A " to Resolution 2016-016

Approved 1 November 2016

**EXHIBIT B**  
**2017 PUD Electric and Water Utility Budgets**

	Electrical Utility	Water Utility
<b>Operating Revenues</b>		
Operating Revenues	\$34,163,505	\$2,154,878
Rate adjustment	\$2,073,195	
<b>Operating Expenses</b>		
Cost of Purchased Power	\$14,032,759	\$119,771
Transmission Expense	\$1,910,034	
Distribution Expense - Operation	\$986,669	\$473,371
Distribution Expense - Maintenance	\$2,674,162	\$238,346
Customer Accounts Expense	\$1,248,986	\$164,404
Customer Service and Informational Expense	\$133,002	\$28,452
Administrative and General Expense	\$1,939,345	\$413,622
Depreciation & Amortization Expense	\$4,666,900	\$670,153
Tax Expense - Other	\$1,918,186	\$108,747
Interest on Long-Term Debt	\$2,950,620	\$281,091
Other Deductions (low income)	\$500,000	
<b>Total Operating Expenses</b>	<b>\$32,960,663</b>	<b>\$2,497,957</b>
<b>Net Operating Margins (Loss)</b>	<b>\$1,202,842</b>	<b>-\$343,079</b>
<b>Non-Operating Margins (Loss)</b>	<b>\$371,244</b>	<b>\$214,116</b>
<b><u>Net Margins (Loss)</u></b>	<b><u>\$1,574,086</u></b>	<b><u>-\$128,963</u></b>
<b><i>Cash Flow Budget</i></b>		
Less Construction Projects	\$3,747,760	\$255,000
Less General Plant Purchases	\$960,700	\$65,000
Less Principal on Long Term Debt	\$3,157,438	\$722,372
Add'l Interest Paid on Long Term Debt	\$1	\$3,161
Add Depreciation (non-cash)	-\$4,666,900	-\$670,153
Principal & Intest Received on LUDs		-\$509,474
<b><u>Total Cash Expenditures/Cash Outflow</u></b>	<b><u>\$3,198,999</u></b>	<b><u>-\$134,094</u></b>
<b><u>Net Cash Inflow/(Outflow)</u></b>	<b><u>-\$1,624,913</u></b>	<b><u>5,131</u></b>
TIER (Goal of 1.25)	1.53	
DSC (Goal of 1.25)	1.50	

Exhibit " B " to Resolution 2016-016  
Approved 1 November 2016