

BOARD OF DIRECTORS MEETING

March 25, 2019 at **3:00 PM**



AGENDA

1. Meeting Called to Order
2. Determination of Quorum
3. Approval of Agenda
4. Member Communications
5. Approval of Consent Agenda (**Tab 2**)
 - a) Minutes from February 25, 2019
 - b) New Members
 - c) February 2019 – Form 7
 - d) Statement of Operations
 - e) Cash Flow
 - f) Capital Expenditures by Project
 - g) Power & Service Data
6. Committee Reports
Finance Committee
7. Meetings Attended
 - a) PNGC Monthly Board Meeting, Portland, March 5rd – David and Dale
 - b) NRECA and CFC Annual Meetings, NRECA Tech Advantage Trade Show, Orlando, Florida, March 10th- 14th - David
 - c) Washington State Emergency Management - Wildfire and Energy Infrastructure Meeting – Ellensburg March 21st – David and Deanna
8. Meetings to Attend

- a) PNGC Monthly Board Meeting, Portland, April 2nd – David
 - b) WRECA General Manager's Meeting – Prosser – April 11 – David
 - c) EES Consulting COSA Training - May 20 - 11:30 AM - Before the May Board Meeting
9. General Managers Report
- a) Office Update
 - b) Operations Update
 - c) Propane Update

ITEMS OF BUSINESS

- 1) Annual Meeting Update
- 2) 2019 Budget Approval (Tab 3)
- 3) 2018 Audit Report Approval
- 4) Discussion of RFP for Audit Services

EXECUTIVE SESSION

- 1. 2019 GM Goals



BOARD MEETING
February 25, 2019

Present: Curtis Edwards, Sara Carlberg, Dale Sekijima, Ray Peterson, John Kirner, and Alan Watson.

Absent: Michael Murray

Attending: David Gottula; General Manager, Lynn Northcott; CFO/Office Manager, Glenn Huber; OP Manager, Tracy McCabe; OCEI Propane Manager, and Teri Parker; Office Staff.

Members in Attendance: No members attended the meeting.

PRELIMINARY

1. MEETING CALLED TO ORDER

President Curtis Edwards called the meeting of the Board of Directors of Okanogan County Electric Cooperative, Inc. (OCEC) to order at 3:05 pm.

2. DETERMINATION OF QUORUM

A quorum was present.

3. APPROVAL OF AGENDA

Agenda approved by Board Consensus.

4. MEMBER COMMUNICATION

None.

5. APPROVAL OF CONSENT AGENDA ITEMS

Consent Agenda approved by Board Consensus

6. COMMITTEE REPORT

None.

7. MEETINGS ATTENDED

- a. PNGC Monthly Board Meeting – Portland – Feb 5th – Michael & Dale

Dale reported on the meeting: The PNGC Board continued working on the general goals of the proposed Direct Market Access product for cooperative members that have over 10 MW loads.

- b. WRECA Board Meeting and Legislative Visits – Olympia – Feb 11-13th – David

Due to weather, David attended via conference call while in Olympia. He attended several meetings on proposed legislation.

Kent Lopez, WRECA, has asked David to be available and on standby to lobby for Co-ops in the near future in Olympia if needed.

8. MEETINGS TO ATTEND

- a. PNGC Monthly Board Meeting – Portland – March 5th – David by conference call.

David noted that OCEC and OCEI have training on March 6th & 7th that he will also be attending.

- b. NRECA and CFC Annual Meetings; NRECA Tech Advantage Trade Show – Orlando FL – March 10-14th - David

9. GENERAL MANAGERS REPORT

Reviewed.

David reported that he and Ellen Lamiman are continuing work on solar projects at the Liberty Bell School campus for Classroom in Bloom and a separate one at Liberty Woodlands in Mazama.

A Memorandum of Understanding (MOU) and other contracts are being drafted for the project for the Classroom in bloom project. These will be reviewed by OCEC legal counsel.

The Colville Tribe is considering a proposal to buy Nespelem Valley Electric.

David reported that Lynn Northcott's patience and persistence has resulted in a \$174,000.00 payment from FEMA.

a) Office Update

Lynn Northcott reported the \$174,000.00 payment from FEMA has been received and booked.

She reported that the budget should be ready to forward to the Finance Committee, with David's narrative, by tomorrow. Once the Finance Committee has reviewed the budget it will be sent to the remainder of the Board for review before the March Board meeting.

b) Operations Update

Glenn Huber reported:

- Material is being received for 2019 projects; wire, transformers, etc.
- The Line Crew and Engineering staff are attending a PUD sponsored Fire Shelter Training Program this week.
- On March 5th there will be a demonstration by Aclara for new Line Monitoring Devices.
- Tree trimming is almost completed from Mazama to Lost River.

c) OCEI Propane Update

Tracy reported the crew is still very busy with propane fills and service calls.

ITEMS OF BUSINESS

1. Nomination Committee Update

David reported the deadline for nominations to the committee has passed. There are three open positions on the Board in 2019: John Kirner; Incumbent, and Chris

Legler; Nominee – both running for a three-year term. Michael Murray, Incumbent is running for a two-year term for the position he was appointed to.

2. Results of 2018 Residential End-Use Survey

PNGC sent one-thousand (1,000) surveys to OCEC customer/members. Of those, three-hundred and eighty seven (387) responses were received.

The Board reviewed the results and comments, paying attention to programs offered and discussed trends and comparisons.

Sara asked about being able to offer home audits. After discussion, Lynn offered to check with the PUD to see if they are using in-house staff or a contractor and what the costs are to the utility.

3. Propose Changing the May Board Meeting to May 20th

Ray Peterson moved to change the May 27th Board meeting to May 20th. Seconded. Motion carried.

David noted that PNGC Consultants are scheduled on May 20th for COSA training.

On a side note, PNGC CEO Roger Gray is scheduled to attend the June OCEC Board meeting.

4. 2019 Budget Discussion

By Board consensus when the budget is ready for review it will go to the Finance Committee for additional review. From the Finance Committee the budget will then go to the rest of the Board for review before the March board meeting.

It is anticipated that the Board will have two to three weeks to review the budget before the March meeting.

5. OCEC – OCEI Relationship

Dale Sekijima presented a white paper report to the Board to outline and clarify the relationship between Okanogan County Electric Cooperative, Inc. (OCEC) and Okanogan County Energy Inc. (OCEI).

Reviewed was the Organizational Structure of both Corporations, Business Practices affecting Tax Exemption Status, and Takeaways from Legal Counsel Discussion.

Board consensus is the memo as presented is informative and useful for both current Directors and new Directors.

Meeting adjourned at 4:00 pm.

EXECUTIVE SESSION

1. Subsidiary Update

Alan Watson, Secretary

New Members OCEC

March 25, 2019

REINSTATE

1.

NEW MEMBERS

- | | |
|---|---------------|
| 1. DAYS, JACOB | 119010 |
| 2. MOORE, ADRIANNE | 119011 |
| 3. BAKER, KATIE & SIGLER, ROBERT M | 119012 |
| 4. WHEELER, BEN & GILDA | 119013 |



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Okanogan County Electric Coop Inc
	BORROWER DESIGNATION	WA032
	ENDING DATE	2/28/2019

Submit one electronic copy and one signed hard copy to CFC. Round all numbers to the nearest dollar.

CERTIFICATION	BALANCE CHECK RESULTS	AUTHORIZATION CHOICES
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. <div style="display: flex; justify-content: space-between;"> <div style="width: 40%;"> <p><i>[Signature]</i> 3/13/19 Signature of Office Manager or Accountant Date</p> <p><i>[Signature]</i> 3-15-19 Signature of Manager Date</p> </div> <div style="width: 15%; text-align: center;"> <div style="border: 1px solid black; border-radius: 50%; width: 30px; height: 30px; margin: 5px auto; background-color: #c00000; color: white; display: flex; align-items: center; justify-content: center; font-weight: bold;">8</div> <p style="color: red; font-weight: bold;">Needs Attention</p> <div style="border: 1px solid black; border-radius: 50%; width: 30px; height: 30px; margin: 5px auto; background-color: #ffff00; color: black; display: flex; align-items: center; justify-content: center; font-weight: bold;">6</div> <p style="color: orange; font-weight: bold;">Please Review</p> <div style="border: 1px solid black; border-radius: 50%; width: 30px; height: 30px; margin: 5px auto; background-color: #008000; color: white; display: flex; align-items: center; justify-content: center; font-weight: bold;">4</div> <p style="color: green; font-weight: bold;">Matches</p> </div> </div>	<p style="text-align: center; font-weight: bold;">AUTHORIZATION CHOICES</p> <p style="color: red; font-weight: bold;">A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?</p> <div style="display: flex; justify-content: center; gap: 20px;"> <input checked="" type="radio"/> YES <input type="radio"/> NO </div> <p style="font-weight: bold;">B. Will you authorize CFC to share your data with other cooperatives?</p> <div style="display: flex; justify-content: center; gap: 20px;"> <input checked="" type="radio"/> YES <input type="radio"/> NO </div>	

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	1,265,043	1,413,760	1,383,537	724,308
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	671,053	706,187	663,400	372,787
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	10,986	10,738	12,514	4,794
7. Distribution Expense - Maintenance	133,150	155,897	155,043	66,580
8. Consumer Accounts Expense	44,606	48,166	55,851	24,999
9. Customer Service and Informational Expense	3,168	514	514	257
10. Sales Expense	471	(2,988)	(2,988)	0
11. Administrative and General Expense	145,976	161,353	161,894	53,732
12. Total Operation & Maintenance Expense (2 thru 11)	1,009,408	1,079,867	1,046,229	523,149
13. Depreciation & Amortization Expense	63,456	65,056	65,042	32,535
14. Tax Expense - Property & Gross Receipts	7,394	7,532	7,151	3,766
15. Tax Expense - Other	38,061	43,635	35,544	22,182
16. Interest on Long-Term Debt	36,271	32,835	32,836	16,418
17. Interest Charged to Construction (Credit)	0	0	0	0
18. Interest Expense - Other	0	0	0	0
19. Other Deductions	0	0	0	0
20. Total Cost of Electric Service (12 thru 19)	1,154,591	1,228,926	1,186,802	598,051
21. Patronage Capital & Operating Margins (1 minus 20)	110,451	184,835	196,735	126,258
22. Non Operating Margins - Interest	1,442	1,405	1,384	385
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	1,148	0	0	0
25. Non Operating Margins - Other	3,000	3,000	3,000	1,500
26. Generation & Transmission Capital Credits	0	0	0	0
27. Other Capital Credits & Patronage Dividends	0	0	0	0
28. Extraordinary Items	0	0	0	0
29. Patronage Capital or Margins (21 thru 28)	116,041	189,240	201,119	128,143

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	0	3	5. Miles Transmission	0	0
2. Services Retired	3	2	6. Miles Distribution Overhead	302	303
3. Total Services In Place	3,732	3,783	7. Miles Distribution Underground	212	221
4. Idle Services (Exclude Seasonal)	106	101	8. Total Miles Energized (5+6+7)	514	524



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Okanogan County
	BORROWER DESIGNATION	WA032
	ENDING DATE	02/28/2019

PART C. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	14,089,254	29. Memberships	16,180
2. Construction Work in Progress	200,269	30. Patronage Capital	8,039,040
3. Total Utility Plant (1+2)	14,289,523	31. Operating Margins - Prior Years	834,473
4. Accum. Provision for Depreciation and Amort	4,780,663	32. Operating Margins - Current Year	186,240
5. Net Utility Plant (3-4)	9,508,860	33. Non-Operating Margins	3,000
6. Nonutility Property - Net	0	34. Other Margins & Equities	479,853
7. Investment in Subsidiary Companies	827,067	35. Total Margins & Equities (29 thru 34)	9,558,785
8. Invest. in Assoc. Org. - Patronage Capital	350,874	36. Long-Term Debt CFC (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - Other (Net)	3,367,225
10. Invest in Assoc. Org. - Other - Nongeneral Funds	144,438	38. Total Long-Term Debt (36 + 37)	3,367,225
11. Investments in Economic Development Projects	0	39. Obligations Under Capital Leases - Non current	0
12. Other Investments	13,500	40. Accumulated Operating Provisions - Asset Retirement Obligations	0
13. Special Funds	0	41. Total Other Noncurrent Liabilities (39+40)	0
14. Total Other Property & Investments (6 thru 13)	1,335,879	42. Notes Payable	0
15. Cash-General Funds	947,577	43. Accounts Payable	587,457
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	151,455
17. Special Deposits	48,864	45. Current Maturities Long-Term Debt	0
18. Temporary Investments	138,460	46. Current Maturities Long-Term Debt-Economic Dev.	0
19. Notes Receivable - Net	0	47. Current Maturities Capital Leases	0
20. Accounts Receivable - Net Sales of Energy	775,822	48. Other Current & Accrued Liabilities	270,258
21. Accounts Receivable - Net Other	906,418	49. Total Current & Accrued Liabilities (42 thru 48)	1,009,170
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	222,776	51. Total Liabilities & Other Credits (35+38+41+49+50)	13,935,180
24. Prepayments	49,558	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
25. Other Current & Accrued Assets	966	Balance Beginning of Year	0
26. Total Current & Accrued Assets (15 thru 25)	3,090,441	Amounts Received This Year (Net)	431
27. Deferred Debits	0	TOTAL Contributions-In-Aid-Of-Construction	431
28. Total Assets & Other Debits (5+14+26+27)	13,935,180		

PART D. THE SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.

OKANOGAN COUNTY ELECTRIC COOPERATIVE, INC.

STATEMENT OF OPERATIONS

February 28, 2019

	ANNUAL BUDGET	Y-T-D BUDGET	Y-T-D ACTUAL	MONTH BUDGET	MONTH ACTUAL
OPERATING REVENUE	\$5,891,986	\$1,383,537	\$1,413,760	\$694,373	\$724,308
COST OF POWER	\$2,831,793	\$663,400	\$706,187	\$330,000	\$372,787
GROSS MARGINS	\$3,060,193	\$720,137	\$707,573	\$364,373	\$351,521
OPERATING EXPENSES:					
DISTRIBUTION OPERATIONS	\$93,080	\$12,514	\$10,738	\$6,570	\$4,794
DISTRIBUTION MAINTENANCE	\$593,844	\$155,043	\$155,897	\$65,726	\$66,580
CONSUMER ACCOUNTING	\$305,739	\$55,851	\$48,166	\$32,684	\$24,999
CONSUMER SERVICE & INFO	\$3,687	\$514	\$514	\$257	\$257
SALES EXPENSE	-\$2,988	-\$2,988	-\$2,988	\$0	\$0
ADMIN & GENERAL	\$631,819	\$161,894	\$161,353	\$54,274	\$53,732
<i>TOTAL OPERATING EXPENSES</i>	\$1,625,181	\$382,829	\$373,680	\$159,512	\$150,362
FIXED EXPENSES:					
DEPRECIATION	\$391,573	\$65,042	\$65,056	\$32,521	\$32,535
TAXES-PROPERTY	\$41,344	\$7,151	\$7,532	\$3,385	\$3,766
TAXES-OTHER	\$175,255	\$35,544	\$43,635	\$14,091	\$22,182
INTEREST	\$194,329	\$32,836	\$32,835	\$16,418	\$16,418
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0	\$0
<i>TOTAL FIXED EXPENSES</i>	\$802,502	\$140,573	\$149,059	\$66,415	\$74,901
TOTAL EXPENSES	\$2,427,682	\$523,402	\$522,739	\$225,927	\$225,264
OPERATING MARGINS	\$632,511	\$196,735	\$184,835	\$138,446	\$126,258
NONOPERATING MARGINS:					
INTEREST	\$72,523	\$1,384	\$1,405	\$364	\$385
OTHER	\$18,000	\$3,000	\$3,000	\$1,500	\$1,500
NET MARGINS	\$723,034	\$201,119	\$189,240	\$140,310	\$128,143
T.I.E.R.	4.72	7.12	6.76	9.55	8.81

Okanogan County Electric Cooperative Inc
Budget Year: 2019

	2018	Budget year		Forecasted											
		Jan - Dec	Actual January	February	March	April	May	June	July	August	September	October	November	December	
Patronage Capital or Margins	\$0	\$723,035	\$61,097	\$128,143	\$16,483	\$516	\$60,747	\$18,624	\$11,409	\$1,309	\$41,149	\$17,627	\$99,710	\$254,342	
Plus Depreciation Expense	\$0	\$391,571	\$32,521	\$32,535	\$32,521	\$32,521	\$32,521	\$32,521	\$32,521	\$32,785	\$32,785	\$32,785	\$32,785	\$32,785	
Less Capital Credit Allocations	\$0	\$0	(\$3,435)	(\$1,702)	\$0	\$0	\$0	\$0	(\$25,000)	\$0	\$0	\$0	\$0	\$0	
Plus FAS 158 Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total (Funds From Operations)	\$0	\$1,114,606	\$90,183	\$158,976	\$49,004	\$33,037	\$93,268	\$51,145	\$18,930	\$34,094	\$73,934	\$50,412	\$132,495	\$287,127	
Cash Construction Funds - Trustee	\$0	\$0													
Special Deposit	\$0	(\$89,275)	(\$7,862)	(\$7,333)	(\$7,604)	(\$7,604)	(\$7,604)	(\$7,604)	(\$7,604)	(\$7,604)	(\$7,111)	(\$7,111)	(\$7,111)	(\$7,111)	
Temporary Investment	\$0	\$0													
Accounts Receivable - Sale of Energy (Net)	\$0	(\$88,132)	(\$103,691)	(\$57,136)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	(\$6,131)	
Accounts Receivable - Other (Net)	\$0	\$89,275	\$7,991	\$7,333	\$7,604	\$7,604	\$7,604	\$7,604	\$7,604	\$7,604	\$7,111	\$7,111	\$7,111	\$7,111	
Regulatory Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Deferred Debits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Prepayments	\$0	\$0	(\$54,513)	\$4,955	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Current & Accrued Asset	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(Increase)/Decrease in Operating Assets	\$0	\$1,026,474	(\$67,892)	\$106,795	\$42,873	\$26,906	\$87,137	\$45,014	\$12,799	\$27,963	\$67,803	\$44,281	\$126,363	\$280,995	
Notes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Accounts Payable	\$0	\$0	\$135,626	\$104,102	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Accumulated Operating Provisions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Regulatory Liabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Deferred Credits	\$0	\$0	(\$53,905)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other Current and Accrued Liabilities	\$0	\$0	\$51,791	\$35,845	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Increase/(Decrease) in Operating Liabilities	\$0	\$0	\$133,513	\$139,947	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
CASH FROM OPERATING ACTIVITIES	\$0	\$1,026,474	\$65,621	\$246,742	\$42,873	\$26,906	\$87,137	\$45,014	\$12,799	\$27,963	\$67,803	\$44,281	\$126,363	\$280,995	
INVESTMENT ACTIVITIES															
Total Utility Plant	\$0	(\$1,233,860)	(\$221,241)	(\$6,978)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	(\$112,848)	
Cost to Retire Utility Plant	\$0	\$0	(\$984)	(\$46,715)	\$7,238	\$7,238	\$7,238	\$7,238	\$7,238	\$7,238	\$7,238	\$7,238	\$7,238	\$7,238	
Construction Work-in-Progress	\$0	\$174,000	\$188,906	\$99,244	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Contributions in aid of construction (CIAC)	\$0	\$340,000	(\$2,742)	\$3,173	\$20,000	\$25,000	\$35,000	\$35,000	\$50,000	\$48,350	\$40,000	\$40,000	\$30,000	\$10,000	
Total Other Property and Investments	\$0	\$0	\$264	\$2,201	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Materials & Supplies - Electric and Other	\$0	\$0	(\$9,669)	(\$19,383)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Notes Receivable (Net)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
CASH FROM INVESTMENT ACTIVITIES	\$0	(\$719,860)	(\$45,466)	\$31,540	(\$85,611)	(\$80,611)	(\$70,611)	(\$70,611)	(\$55,611)	(\$57,261)	(\$65,611)	(\$65,611)	(\$75,611)	(\$95,611)	
FINANCING ACTIVITIES															
Margins & Equities	\$0	(\$300,000)							\$0					(\$275,000)	
LT Debt - Additional Debt		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
LT Debt - Debt Service Payment		(\$125,567)	\$0	\$0	(\$30,678)	\$0	\$0	(\$31,149)	\$0	\$0	(\$31,627)	\$0	\$0	(\$32,113)	
LT Debt - Other		\$0													
Total LT Debt	\$0	(\$125,567)	\$0	\$0	(\$30,678)	\$0	\$0	(\$31,149)	\$0	\$0	(\$31,627)	\$0	\$0	(\$32,113)	
LT Debt - Payments Unapplied	\$0	\$0	\$0	\$0											
LT Debt - Current maturities	\$0	\$0	\$0	\$0											
Consumer Membership	\$0	\$0	\$5	(\$30)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Consumers Deposits	\$0	\$0	\$1,100	(\$2,450)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
CASH FROM FINANCING ACTIVITIES	\$0	(\$425,567)	\$1,105	(\$2,481)	(\$30,678)	\$0	\$0	(\$31,149)	\$0	\$0	(\$31,627)	\$0	\$0	(\$307,113)	
CASH FROM ALL ACTIVITIES	\$0	(\$118,953)	\$21,260	\$275,801	(\$73,416)	(\$53,705)	\$16,526	(\$56,746)	(\$42,812)	(\$29,298)	(\$29,435)	(\$21,330)	\$50,753	(\$121,728)	
TOTAL CASH BEGINNING OF PERIOD	\$570,393	\$650,516	\$650,516	\$671,776	\$947,577	\$874,161	\$820,456	\$836,982	\$780,236	\$737,424	\$708,126	\$678,691	\$657,361	\$708,114	
TOTAL CASH END OF PERIOD	\$570,393	\$531,563	\$671,776	\$947,577	\$874,161	\$820,456	\$836,982	\$780,236	\$737,424	\$708,126	\$678,691	\$657,361	\$708,114	\$586,385	

Okanogan County Electric Cooperative Inc
 Capital Expenditures by Project
 Feb-19

	Current Month			Year to Date			Annual	Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Balance
Member Requested Facilities	1,326.38	0.00	(1,326.38)	1,326.38	0.00	(1,326.38)	288,855.00	287,528.62
Replacements (Poles & Transformers)	4,122.65	11,244.00	7,121.35	8,461.80	16,418.00	7,956.20	65,925.00	57,463.20
Misc URD/OH Replacement Projects	0.00	0.00	0.00	0.00	0.00	0.00	72,685.00	72,685.00
Replace 2500' of URD at Stud Horse - Part 2	0.00	0.00	0.00	0.00	0.00	0.00	56,609.00	56,609.00
Replace 2500' of URD at Edelweiss - Part 2	0.00	0.00	0.00	0.00	0.00	0.00	123,217.00	123,217.00
Mazama Upgrade (first of multiple phases)	0.00	0.00	0.00	0.00	0.00	0.00	51,897.00	51,897.00
Complete URD loop at Sky Ranch	0.00	0.00	0.00	0.00	0.00	0.00	37,739.00	37,739.00
Cordination Study - Part 1 of 2	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00	15,000.00
Major Storm Damage	0.00	0.00	0.00	0.00	0.00	0.00	16,264.00	16,264.00
Raise level of Garage Door to match others	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
Pole Inspections	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
Fire Retardant/Treatment on Poles	0.00	0.00	0.00	0.00	0.00	0.00	20,739.00	20,739.00
Meter Projects (replace CTs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase Pole Tamper and other tools	0.00	0.00	0.00	0.00	0.00	0.00	18,000.00	18,000.00
Purchase Phase Tracker	0.00	0.00	0.00	0.00	0.00	0.00	6,000.00	6,000.00
Roof Extension on Back Walkway	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
subtotal	5,449.03	11,244.00	5,794.97	9,788.18	16,418.00	6,629.82	802,930.00	793,141.82
Un Allocated Overhead	55,277.69			55,277.69		(55,277.69)		
Member CIAC	CIAC	(3,173.00)	(5,000.00)	1,827.00	*	(430.60)	(6,650.00)	6,219.40
Total less CIAC	57,553.72			64,635.27			462,930.00	
							* \$38,255.93 holding in CIAC 2/28/19	
Meters Purchases	0.00	0.00	0.00	16,987.40	0.00	(16,987.40)	35,000.00	18,012.60
Computers & Software Upgrades	0.00	0.00	0.00	0.00	0.00	0.00	18,000.00	18,000.00
Transformers Purchases	81,705.07	0.00	(81,705.07)	81,705.07	0.00	(81,705.07)	130,000.00	48,294.93
FEMA Reimbursement	(176,982.17)	0.00	176,982.17	(176,985.17)	0.00	176,985.17	(174,000.00)	2,985.17
Vehicle Replacement	0.00	0.00	0.00	0.00	0.00	0.00	220,000.00	220,000.00
Total	(93,001.07)	6,244.00		(68,935.12)	9,768.00		229,000.00	307,292.70
							Total Capital Budget less CIAC	
							691,930.00	760,865.12

* Note

	Line Crew Direct Labor	Materials	107.25 Labor	Consultants Contractors	Transportation	Benefits	Total
January	1,196.50	60.00	1,200.00	0.00	775.28	1,107.37	4,339.15
February	692.40	2,192.47	1,500.00	0.00	534.46	529.70	5,449.03
March							0.00
April							0.00
May							0.00
June							0.00
July							0.00
August							0.00
September							0.00
October							0.00
November							0.00
December							0.00
	1,888.90	2,252.47	2,700.00	0.00	1,309.74	1,637.07	9,788.18

* Note: 107.25 is Capitalized Labor that includes: cost estimates, line staking, development & research for construction projects that no work order has been established. Along with Stores account 163.00 material stocking.

OKANOGAN COUNTY ELECTRIC COOPERATIVE, INC.

POWER & SERVICE DATA
February-19

	November 2018	December 2018	January 2019	February 2019	February 2018
POWER DATA:					
COST OF POWER	\$172,451	\$332,298	\$333,400	\$372,787	\$360,427
KWH PURCHASED	6,025,725	8,389,405	8,465,310	8,785,370	7,309,665
KWH SOLD & OCEC USE	5,625,132	7,862,788	7,943,835	8,359,180	6,859,122
KWH LOST	400,593	526,617	521,475	426,190	450,543
LINE LOSS %	6.65%	6.28%	6.16%	4.85%	6.16%
COST PER KWH	\$0.0286	\$0.0396	\$0.0394	\$0.0424	\$0.0493
BILLING DATA:					
ACCOUNTS BILLED	3,588	3,586	3,588	3,581	3,536
AVG. KWH/CONSUMER	1,568	2,193	2,214	2,334	1,940
BILLING REVENUE	\$527,697	\$548,801	\$687,138	\$721,796	\$613,212
AVERAGE BILL	\$147.07	\$153.04	\$191.51	\$201.56	\$173.42
REVENUE/KWH SOLD	\$0.0938	\$0.0698	\$0.0865	\$0.0863	\$0.0894
SERVICE DATA:					
NEW	2	2	3	0	0
RETIRED	0	1	2	0	1
TOTAL END OF MONTH	3781	3782	3783	3783	3732
IDLE SERVICES	101	101	101	101	106
TRANSPORTATION:					
TOTAL MILES	5,446	4,800	5,497	4,194	6,224
COST OF OPERATION	\$19,680	\$15,969	\$18,359	\$16,331	\$18,958
AVG. COST PER MILE	\$3.614	\$3.327	\$3.340	\$3.894	\$3.046
MATERIALS:					
ISSUES	\$10,407	\$129,974	\$16,224	\$2,542	\$113
INVENTORY	\$306,812	\$193,724	\$203,393	\$222,776	\$248,346

PART A. STATEMENT OF OPERATIONS

	Budget Jan	Budget Feb	Budget Mar	Budget Apr	Budget May	Budget Jun	Budget Jul	Budget Aug	Budget Sep	Budget Oct	Budget Nov	Budget Dec	Pro forma Total	Budget Total	\$ Variance	% Variance
1. Operating Revenue and Patronage Capital	689,164	694,373	439,859	392,144	415,520	388,471	407,983	420,834	392,811	404,152	543,548	703,127	5,584,791	5,891,986	307,195	5.50%
2. Power Production Expense (500 - 554)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
3. Cost of Purchased Power (555 - 567)	333,400	330,000	235,852	214,917	165,123	188,303	211,018	199,490	191,320	213,331	251,254	297,785	2,707,600	2,831,793	124,193	4.59%
4. Transmission Expense (560-573)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
5. Distribution Expense - Operation (580s)	5,944	6,570	6,849	7,331	7,461	7,726	7,578	8,308	7,484	8,836	10,464	8,526	88,646	93,078	4,432	5.00%
6. Distribution Expense - Maintenance (590s)	89,317	65,726	52,121	44,862	63,222	38,445	43,118	41,943	42,413	32,616	27,005	53,056	551,055	593,844	42,789	7.76%
7. Consumer Accounts Expense (901-905)	23,167	32,685	23,722	26,082	26,411	24,645	22,111	27,385	27,243	20,622	24,960	26,707	291,181	305,740	14,559	5.00%
8. Customer Service and Informational Expense (907-910)	257	257	257	257	860	257	257	257	257	257	257	257	5,785	3,687	(2,098)	(36.27%)
9. Sales Expense (911-916)	(2,988)	0	0	0	0	0	0	0	0	0	0	0	7,164	(2,988)	(10,152)	(141.71%)
10. Administrative and General Expense (920-935)	107,620	54,274	49,778	35,796	27,413	50,765	48,301	77,687	48,012	48,462	65,595	18,116	554,082	631,819	77,737	14.03%
11. Total Operation & Maintenance Expense (2 thru 10)	556,717	489,512	368,580	329,244	290,489	310,141	332,384	355,071	316,729	324,123	379,536	404,447	4,205,513	4,456,973	251,461	5.98%
12. Depreciation & Amortization Expense	32,521	32,521	32,521	32,521	32,521	32,521	32,521	32,785	32,785	32,785	32,785	32,785	374,079	391,571	17,492	4.68%
13. Tax Expense - Property	3,766	3,385	3,385	3,385	3,385	3,385	3,442	3,442	3,442	3,442	3,442	3,442	45,054	41,346	(3,708)	(8.23%)
14. Tax Expense - Other	21,453	14,091	13,971	13,971	13,971	13,971	13,971	13,971	13,971	13,971	13,971	13,971	173,425	175,255	1,830	1.06%
15. Interest on Long-Term Debt: Option 1 - Manually Entered	16,418	16,418	16,418	16,270	16,270	16,270	16,120	16,120	16,120	15,968	15,968	15,968	201,716	194,329	(7,387)	(3.66%)
16. Interest Charged to Construction (Credit)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
17. Interest Expense - Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
18. Other Deductions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
19. Total Cost of Electric Service (11 thru 18)	630,875	555,927	434,875	395,392	356,637	376,289	398,438	421,389	383,047	390,289	445,702	470,613	4,999,786	5,259,474	259,688	5.19%
20. Patronage Capital & Operating Margins (1 minus 19)	58,289	138,446	4,984	(3,248)	58,883	12,182	9,545	(555)	9,764	13,863	97,846	232,514	585,005	632,512	47,507	8.12%
21. Non Operating Margins - Interest	1,020	364	4,999	2,264	364	4,942	364	364	4,886	2,264	364	4,828	24,149	27,023	2,874	11.90%
22. Allowance for Funds Used During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
23. Income (Loss) from Equity Investments	0	0	5,000	0	0	0	0	0	25,000	0	0	15,500	207,317	45,500	(161,817)	(78.05%)
24. Non Operating Margins - Other	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000	18,000	0	0.00%
25. Generation & Transmission Capital Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
26. Other Capital Credits & Patronage Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
27. Extraordinary Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
28. Patronage Capital or Margins (20 thru 27)	60,809	140,310	16,483	516	60,747	18,624	11,409	1,309	41,149	17,627	99,710	254,342	834,471	723,035	(111,436)	(13.35%)