



## BOARD OF DIRECTORS MEETING

August 24<sup>th</sup>, 2020 at **3:00 PM**

**By GoToMeeting**

### **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 July 27, 2020
  - b) New Members
  - c) July 2020 – Form 7
  - d) Statement of Operations
  - e) Power & Service Data
  - f) Capital Expenditures by Project
  - g) Cash Flow Projection for 2020
  - h) Status of Funds – Revolving Loan Fund
6. Committee Reports
7. Meetings Attended
  - a) PNGC Monthly Board Meeting – August 4<sup>th</sup> and 5<sup>th</sup>  
David
  - b) DNR Wildland Fire Mitigation Task Force – August  
13<sup>th</sup> - David
8. Meetings to Attend

- a) PNGC Monthly Board Meeting – September 1<sup>st</sup> and 2<sup>nd</sup> - David
- b) DNR Wildland Fire Mitigation Task Force – September 16<sup>th</sup> - David
- c) WRECA Quarterly Board Meeting - September 23<sup>rd</sup> - David

9. General Managers Report (Tab 3)

- a) Office Update
- b) Operations Update
- c) Propane Update

**ITEMS OF BUSINESS**

- 1) Update – OCEC Member “Drive Through” Event
  - a. August 13<sup>th</sup> - Cove
  - b. September 14<sup>th</sup> – The Barn
- 2) Review and Approve – Policy No. 30-420 Net Metering **(Tab 4 Contains the Red-lined Version of Changes)**
- 3) Review and Approve - Policy No. 30 – 425 Renewable Energy Incentive Program – **(Tab 5 Contains the Red-lined Version of Changes)**
- 4) Review and Approve - Policy No. 10 – 016 Legal Counsel Selection and Review **(Tab 6 Contains the Red-lined Version of Changes)**
- 5) Approve – Loan from Revolving Loan Fund to Methow Trails **(Tab 7)**
- 6) GM Evaluation Form and Process Discussion

**OPEN FLOOR FOR BOARD MEMBERS**



BOARD MEETING  
July 27, 2020 via Go To Meeting

Present: President Dale Sekijima, Vice President Michael Murray, Secretary/Treasurer, Alan Watson, Sara Carlberg, John Kirner, Travis Thornton and Cara Godwin.

Attending: David Gottula; General Manager, Glenn Huber; Operations Manager, Tracy McCabe, Propane Manager, and Jessica Dewbrey, Office Staff.

Guests: None

Members: Ray Peterson

**1. MEETING CALLED TO ORDER**

President Dale Sekijima called the meeting of the Board of Directors of Okanogan County Electric Cooperative, Inc. (OCEC) to order at 3:09 pm.

**2. DETERMINATION OF QUORUM**

A quorum was present.

**3. APPROVAL OF AGENDA**

Agenda approved as presented by Board consensus.

**4. MEMBER COMMUNICATIONS**

None.

**5. APPROVAL OF CONSENT AGENDA ITEMS**

Consent Agenda approved as presented by Board consensus.

**6. COMMITTEE REPORT**

Governance Committee: Michael reported the committee is reviewing the current GM performance review process. A thorough discussion was held regarding the current assessment process and possible new processes. The committee is also working on updating the Net Metering and Renewable Energy policies.

- Alan moved to approve a 3.75% COLA pay increase for the General Manager effective July 1, 2020 separate from the evaluation of salary.
- John seconded. A thorough discussion was held.
- Dale called for a vote; the motion failed 5-1.

Finance Committee: Alan Watson reported the committee did not meet, but he did meet with David and reviewed the Ten-Year Financial Plan.

## 7. MEETINGS ATTENDED

- a) NRECA, WRECA and Congressman Dan Newhouse Meeting to Discuss Nationwide Cooperative and Northwest Regional Issues – June 24<sup>th</sup> – David by video conference.

David gave the Congressman an update on the DNR Electric Utilities Wildland Fire Task Force he is on.

- b) DNR Electric Utilities Wildland Fire ask Force – June 25<sup>th</sup> – David by video conference.

David volunteered to work with the Kittitas PUD GM to write up an initial DNR electrical fire investigation process and protocols using certified wildland fire investigators who have experience with electric operations. These consultants would be used to assist DNR when they are investigating a fire that may have been cause by a power line.

- c) PNGC Monthly Board Meeting – July 7<sup>th</sup> – David by video conference.

## 8. MEETINGS TO ATTEND

- a) PNGC Monthly Board Meeting – August 4<sup>th</sup> & 5<sup>th</sup> – David by video conference.
- b) DNR Wildland Fire Mitigation Task Force – August 13<sup>th</sup> – David by video conference.
- c) OCEC Strategic Plan Development – September 14<sup>th</sup> & 15<sup>th</sup>, 2021

David confirmed with the board that this date is acceptable for an offsite meeting. This will last a day and a half.

## 9. GENERAL MANAGERS REPORT

Written report reviewed.

General questions from the report were discussed: Revolving Loan Funds, loan repricing USFS strict liability.

a) Office Update – No update

b) Operations Update

Glenn noted due to the hot and dry weather conditions the outlying reclosures have been set to 1 shot and if there are red flag warnings the substation will be set to 1 shot. The engineering department is still scheduling site visits and the crew is working on new construction installs.

c) OCEI Propane Update – Deferred report to Executive Session.

## ITEMS OF BUSINESS

1. Deferred 2020 Capital Budget: General discussion on the additional parking area project deferral, and deferrals of the Capital Credits and GM Search items.

Sara moved to approve the 5 staff recommended items on the July 2020 Budget Update (Facility Study, Vehicles, Pole Treatment for Fire, Line Sensors and Coordination/Fault Study)

- Alan & Michael seconded.
- Dale called for a vote; the motion passed unanimously.

Retirement amount for Capital credits and the GM Search approval have been deferred until later in the year.

2. Update – 2021 O&M and Capital Budget Schedule

Review draft schedule produced by staff. Alan asked about pushing the November draft date back a few days and Sara noted that the final board approval date should be

December 21<sup>st</sup> to match with the December board meeting date. The 2021 Budget Timeline was deemed acceptable by the board.

3. Update – OCEC Member “Drive Thru” event – September 14<sup>th</sup>, 3pm-5pm, staff is working on a final plan and the event will be advertised in the August and September newsletters. Staff will also pass out energy efficient lightbulb packages to membership in coordination with a Cove Food Bank day.
4. Review and Approve – Resolution 2020-01 OCEC’s Declaration of Compliance with Proclamation 20-23.6.
  - Sara moved to approve Resolution 2020-01 as presented with attachment.
  - John seconded. Discussion included questions on disconnects timing and OCEC actions that have been taken so far.
  - Dale called for a vote; the motion passed unanimously.

OPEN FLOOR FOR BOARD MEMBERS

None.

Meeting adjourned to Executive Session at 4:30 pm.

EXECUTIVE SESSION

1. Subsidiary Update
2. Update – 2020 GM Goals
3. Board Only Discussion

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Alan Watson, Secretary

**New Members OCEC****August 24, 2020****REINSTATE**

1. ANDERSON MARVIN & SUZANNE	119079
2. ATKINSON-BURCH VERONICA	119038
3. MARQUIS VALERIE	118009
4. LEDERER ANDREW W	108058
5. MARCH TRACEY	102023

**NEW MEMBERS**

1. EWART ERICA	120087
2. YOUNG AARON	120088
3. RICHARDS JAMES	120089
4. ROBERTS MATTHEW C	120090
5. LAVERGNE MIKE	120091
6. SANDSTROM CLAIRE	120092
7. FRIENDS OF WINTHROP LIBRARY	120093
8. MCDOWELL ROBIN & DAVID	120094
9. DILLON BRIAN	120095
10. FRIED ROBERT G	120096
11. CRANE KEN	120097
12. BJORNSEN ERIK	120098
13. HAUGLAND CHERYL	120099
14. SPINELLI ALEXANDER & AMY	120100
15. STEELEY SUSAN	120101
16. KLEIDER JR DONALD E JR & TAWNY	120102
17. MEDINA WILLIAM	120103
18. WELLER DAVID & JOCELYNE	120104
19. IZUMI MICHAEL	120105
20. HYND JAMES & ANGELA	120106
21. IMPEL CONSTRUCTION CO INC	120107
22. GOAT CREEK RUN HOA	120108
23. BURT CANDICE	120109
24. DAVIS WENDY L	120110
25. ALLEN CAMILLE	120111
26. MILLER ADAM	120112



<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Okanogan County Electric Coop Inc
	<b>BORROWER DESIGNATION</b>	WA032
	<b>ENDING DATE</b>	7/31/2020

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; align-items: center; justify-content: center;"> <div style="border: 1px solid black; padding: 5px; margin-right: 10px;"> <div style="background-color: red; border-radius: 50%; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">9</div> <p style="margin: 0;">Needs Attention</p> </div> <div style="background-color: yellow; border-radius: 50%; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">6</div> <p style="margin: 0;">Please Review</p> </div> <div style="background-color: green; border-radius: 50%; width: 20px; height: 20px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">3</div> <p style="margin: 0;">Matches</p>	

**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	3,517,097	3,440,679	3,254,291	421,242
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	1,746,947	1,721,183	1,630,733	200,127
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	64,245	65,297	67,770	8,937
7. Distribution Expense - Maintenance	433,568	367,314	373,613	38,436
8. Consumer Accounts Expense	174,748	180,076	182,493	27,272
9. Customer Service and Informational Expense	3,611	4,619	2,030	332
10. Sales Expense	(1,624)	3,325	(750)	1,014
11. Administrative and General Expense	445,248	574,016	480,868	48,580
<b>12. Total Operation &amp; Maintenance Expense (2 thru 11)</b>	<b>2,866,743</b>	<b>2,915,830</b>	<b>2,736,757</b>	<b>324,697</b>
13. Depreciation & Amortization Expense	223,409	221,870	220,773	32,289
14. Tax Expense - Property & Gross Receipts	26,363	25,950	26,038	3,705
15. Tax Expense - Other	108,110	105,997	110,213	13,210
16. Interest on Long-Term Debt	114,303	117,189	116,916	16,598
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
<b>20. Total Cost of Electric Service (12 thru 19)</b>	<b>3,338,928</b>	<b>3,386,835</b>	<b>3,210,697</b>	<b>390,499</b>
<b>21. Patronage Capital &amp; Operating Margins (1 minus 20)</b>	<b>178,170</b>	<b>53,844</b>	<b>43,594</b>	<b>30,743</b>
22. Non Operating Margins - Interest	14,721	17,915	20,619	388
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	8,385	1,628	0	0
25. Non Operating Margins - Other	10,500	20,300	20,300	2,900
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
<b>29. Patronage Capital or Margins (21 thru 28)</b>	<b>211,776</b>	<b>93,687</b>	<b>84,513</b>	<b>34,030</b>

**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	32	36	5. Miles Transmission	0	0
2. Services Retired	5	2	6. Miles Distribution Overhead	303	164
3. Total Services In Place	3,808	3,874	7. Miles Distribution Underground	221	196
4. Idle Services (Exclude Seasonal)	99	97	<b>8. Total Miles Energized (5+6+7)</b>	<b>524</b>	<b>360</b>



<b>NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT</b>	<b>BORROWER NAME</b>	Okanogan County
	<b>BORROWER DESIGNATION</b>	WA032
	<b>ENDING DATE</b>	07/31/2020

PART C. BALANCE SHEET			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	15,173,736	29. Memberships	16,580
2. Construction Work in Progress	(5,929)	30. Patronage Capital	8,087,366
<b>3. Total Utility Plant (1+2)</b>	<b>15,167,807</b>	31. Operating Margins - Prior Years	596,796
4. Accum. Provision for Depreciation and Amort	5,158,527	32. Operating Margins - Current Year	73,387
<b>5. Net Utility Plant (3-4)</b>	<b>10,009,279</b>	33. Non-Operating Margins	20,300
6. Nonutility Property - Net	0	34. Other Margins & Equities	904,716
7. Investment in Subsidiary Companies	912,874	<b>35. Total Margins &amp; Equities (29 thru 34)</b>	<b>9,699,146</b>
8. Invest. in Assoc. Org. - Patronage Capital	379,625	36. Long-Term Debt CFC (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - Other (Net)	3,487,174
10. Invest in Assoc. Org. - Other - Nongeneral Funds	143,158	<b>38. Total Long-Term Debt (36 + 37)</b>	<b>3,487,174</b>
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	<b>41. Total Other Noncurrent Liabilities (39+40)</b>	<b>0</b>
<b>14. Total Other Property &amp; Investments (6 thru 13)</b>	<b>1,449,157</b>	42. Notes Payable	0
15. Cash-General Funds	600,161	43. Accounts Payable	367,920
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	163,413
17. Special Deposits	222,608	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	424,657	48. Other Current & Accrued Liabilities	318,562
21. Accounts Receivable - Net Other	827,862	<b>49. Total Current &amp; Accrued Liabilities (42 thru 48)</b>	<b>849,895</b>
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	328,222	<b>51. Total Liabilities &amp; Other Credits (35+38+41+49+50)</b>	<b>14,036,216</b>
24. Prepayments	33,248	<b>ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION</b>	
25. Other Current & Accrued Assets	966	Balance Beginning of Year	0
<b>26. Total Current &amp; Accrued Assets (15 thru 25)</b>	<b>2,576,183</b>	Amounts Received This Year (Net)	476,187
27. Deferred Debits	1,596	<b>TOTAL Contributions-In-Aid-Of-Construction</b>	<b>476,187</b>
<b>28. Total Assets &amp; Other Debits (5+14+26+27)</b>	<b>14,036,215</b>		

**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**

July 31, 2020

	<b>ANNUAL BUDGET</b>	<b>Y-T-D BUDGET</b>	<b>Y-T-D ACTUAL</b>	<b>MONTH BUDGET</b>	<b>MONTH ACTUAL</b>
OPERATING REVENUE	\$5,654,347	\$3,254,291	\$3,440,679	\$404,693	\$421,242
COST OF POWER	\$2,734,985	\$1,630,733	\$1,721,183	\$186,509	\$200,127
<b>GROSS MARGINS</b>	\$2,919,362	\$1,623,558	\$1,719,496	\$218,184	\$221,115
<b>OPERATING EXPENSES:</b>					
DISTRIBUTION OPERATIONS	\$101,317	\$67,770	\$65,297	\$8,644	\$8,937
DISTRIBUTION MAINTENANCE	\$652,886	\$373,613	\$367,314	\$58,239	\$38,436
CONSUMER ACCOUNTING	\$305,641	\$182,493	\$180,076	\$28,162	\$27,272
CONSUMER SERVICE & INFO	\$3,480	\$2,030	\$4,619	\$290	\$332
SALES EXPENSE	-\$1,500	-\$750	\$3,325	\$0	\$1,014
ADMIN & GENERAL	\$811,948	\$480,868	\$574,016	\$56,599	\$48,580
<i>TOTAL OPERATING EXPENSES</i>	\$1,873,772	\$1,106,024	\$1,194,647	\$151,934	\$124,570
<b>FIXED EXPENSES:</b>					
DEPRECIATION	\$385,564	\$220,773	\$221,870	\$31,741	\$32,289
TAXES-PROPERTY	\$44,640	\$26,038	\$25,950	\$3,720	\$3,705
TAXES-OTHER	\$184,115	\$110,213	\$105,997	\$14,781	\$13,210
INTEREST	\$198,368	\$116,916	\$117,189	\$16,401	\$16,598
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0	\$0
<i>TOTAL FIXED EXPENSES</i>	\$812,686	\$473,940	\$471,005	\$66,643	\$65,802
<b>TOTAL EXPENSES</b>	\$2,686,458	\$1,579,964	\$1,665,652	\$218,577	\$190,372
<b>OPERATING MARGINS</b>	\$232,905	\$43,594	\$53,844	-\$393	\$30,743
<b>NONOPERATING MARGINS:</b>					
INTEREST	\$70,261	\$20,619	\$19,543	\$265	\$388
OTHER	\$34,800	\$20,300	\$20,300	\$2,900	\$2,900
<b>NET MARGINS</b>	\$337,966	\$84,513	\$93,687	\$2,772	\$34,030
<b>T.I.E.R.</b>	2.70	1.72	1.80	1.17	3.05

OKANOGAN COUNTY ELECTRIC COOPERATIVE, INC.

**POWER & SERVICE DATA**  
**July-20**

	April 2020	May 2020	June 2020	July 2020	July 2019
<b>POWER DATA:</b>					
COST OF POWER	\$222,812	\$190,801	\$182,980	<b>\$200,127</b>	\$186,320
KWH PURCHASED	4,105,395	3,736,225	3,579,705	<b>4,408,340</b>	3,986,765
KWH SOLD & OCEC USE	3,928,280	3,322,369	3,343,389	<b>4,021,165</b>	3,748,447
KWH LOST	177,115	413,856	236,316	<b>387,175</b>	238,318
LINE LOSS %	4.31%	11.08%	6.60%	<b>8.78%</b>	5.98%
COST PER KWH	\$0.0543	\$0.0511	\$0.0511	<b>\$0.0454</b>	\$0.0467
<b>BILLING DATA:</b>					
ACCOUNTS BILLED	3,642	3,856	3,869	<b>3,883</b>	3,817
AVG. KWH/CONSUMER	1,079	862	864	<b>1,036</b>	982
BILLING REVENUE	\$398,551	\$380,668	\$378,109	<b>\$420,197</b>	\$396,963
AVERAGE BILL	\$109.43	\$98.72	\$97.73	<b>\$108.21</b>	\$104.00
REVENUE/KWH SOLD	\$0.1015	\$0.1146	\$0.1131	<b>\$0.1045</b>	\$0.1059
<b>SERVICE DATA:</b>					
NEW	0	11	13	<b>12</b>	6
RETIRED	0	0	2	<b>0</b>	0
TOTAL END OF MONTH	3840	3851	3862	<b>3874</b>	3808
IDLE SERVICES	98	97	97	<b>97</b>	99
<b>TRANSPORTATION:</b>					
TOTAL MILES	3,175	5,644	6,684	<b>6,813</b>	4,535
COST OF OPERATION	\$13,851	\$13,712	\$10,361	<b>\$17,188</b>	\$18,963
AVG. COST PER MILE	\$4.362	\$2.429	\$1.550	<b>\$2.523</b>	\$4.182
<b>MATERIALS:</b>					
ISSUES	\$389	\$4,325	\$39,536	<b>\$29,854</b>	\$16,417
INVENTORY	\$288,739	\$321,425	\$335,318	<b>\$328,222</b>	\$241,661

Okanogan County Electric Cooperative Inc  
 Capital Expenditures by Project  
 Jul-20

	Current Month			Year to Date			Annual	Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Balance
Member Requested Facilities	56,212.21	36,306.00	19,906.21	232,524.59	153,863.00	78,661.59	299,085.00	66,560.41
Replacements (Poles & Transformers)	29,966.68	12,202.00	17,764.68	107,746.84	77,410.00	30,336.84	120,114.00	12,367.16
Misc URD/OH Replacement Projects	0.00	0.00	0.00	1,631.25	19,356.00	(17,724.75)	19,356.00	17,724.75
Replace 2500' of urd at Edelweiss - Part 3	18,542.18	31,118.00	(12,575.82)	18,542.18	31,118.00	(12,575.82)	108,914.00	90,371.82
Continued Replacement - Studhorse - Part 3	0.00	14,702.00	(14,702.00)	0.00	57,770.00	(57,770.00)	57,769.00	57,769.00
Replace Davis Lake URD	0.00	0.00	0.00	0.00	0.00	0.00	39,106.00	39,106.00
Replace Liberty Woodlands URD	0.00	0.00	0.00	0.00	0.00	0.00	29,404.00	29,404.00
Mazama Upgrade (second of multiple phases)	0.00	12,202.00	(12,202.00)	0.00	24,058.00	(24,058.00)	48,462.00	48,462.00
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	17,702.00	17,702.00
P and I twelve line monitor sensors	0.00	0.00	0.00	0.00	54,711.00	(54,711.00)	54,711.00	54,711.00
Pole Inspections	11,490.15	0.00	11,490.15	11,490.15	0.00	11,490.15	10,000.00	(1,490.15)
Fire Retardant/Treatment on Poles	5,146.50	0.00	5,146.50	7,060.70	21,711.00	(14,650.30)	21,711.00	14,650.30
Meter Projects (replace CTs)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Front Employee Parking and Irrigation Sys	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
subtotal	121,357.72	106,530.00	14,827.72	378,995.71	439,997.00	(61,001.29)	851,334.00	472,338.29
Un Allocated Overhead	65,771.28			65,771.28	0.00	65,771.28		
<b>Member CIAC</b> CIAC	<b>(99,880.00)</b>	<b>(56,030.00)</b>	<b>(43,850.00)</b>	<b>(476,187.00)</b>	<b>(224,614.00)</b>	<b>(251,573.00)</b>	<b>(374,000.00)</b>	<b>102,187.00</b>
Total less CIAC	87,249.00	50,500.00	36,749.00	(31,420.01)	215,383.00	(246,803.01)	477,334.00	
<b>* \$97,162.02 holding in CIAC 07/31/20</b>								
<b>Meters Purchases</b>	13,805.82	0.00	(13,805.82)	22,504.38	50,000.00	(27,495.62)	50,000.00	27,495.62
<b>Computers &amp; Software Upgrades</b>	1,487.78	0.00	0.00	18,913.07	0.00	18,913.07	18,000.00	(913.07)
<b>Transformers Purchases</b>	0.00	0.00	0.00	149,187.13	100,000.00	49,187.13	150,000.00	812.87
<b>Vehicle Additions and Replacements</b>	0.00	0.00	0.00	0.00	25,000.00	(25,000.00)	195,000.00	195,000.00
<b>New Phone System</b>	0.00	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00
<b>Heated Pressure Washer</b>	0.00	0.00	0.00	0.00	6,000.00	(6,000.00)	6,000.00	6,000.00
<b>Tools/Misc</b>	0.00	0.00	0.00	5,398.67	3,000.00	2,398.67	6,000.00	601.33
<b>Facility Planning Study</b>	0.00	0.00	0.00	0.00	0.00	0.00	45,000.00	45,000.00
Total	15,293.60	0.00	(13,805.82)	196,003.25	184,000.00	12,003.25	480,000.00	232,395.42
<b>Total Capital Budget less CIAC</b>	<b>102,542.60</b>	<b>50,500.00</b>	<b>52,042.60</b>	<b>164,583.24</b>	<b>399,383.00</b>	<b>(234,799.76)</b>	<b>957,334.00</b>	<b>806,920.71</b>

\* Note

	Line Crew Direct Labor	Materials	107.25 Labor	Consultants Contractors	Transportation	Benefits	Total
January	1,805.48	0.00	2,000.00	0.00	1,096.38	1,579.84	6,481.70
February	1,720.27	6,523.26	2,500.00	0.00	791.67	1,190.19	12,725.39
March	9,576.91	7,612.50	10,000.00	0.00	5,711.72	5,833.23	38,734.36
April	4,104.08	0.00	5,000.00	0.00	2,818.79	2,118.52	14,041.39
May	18,931.53	7,258.57	20,000.00	0.00	7,390.76	14,117.26	67,698.12
June	26,138.46	38,200.33	30,800.00	0.00	6,740.31	16,077.93	117,957.03
July	21,149.14	50,639.35	25,000.00	0.00	8,348.00	16,221.23	121,357.72
August							0.00
September							0.00
October							0.00
November							0.00
December							0.00
	83,425.87	110,234.01	95,300.00	0.00	32,897.63	57,138.20	378,995.71

\* 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

Budget Year: 2020

Actual/Forecasted

	Budget year												December	
	2019	Jan - Dec	January	February	March	April	May	June	July	August	September	October		November
Patronage Capital or Margins	\$0	\$337,966	\$45,318	\$56,260	\$37,575	(\$80,551)	(\$8,989)	\$10,045	\$34,030	\$7,540	\$647	(\$3,175)	\$126,963	\$121,474
Plus Depreciation Expense	\$0	\$385,564	\$31,575	\$31,600	\$31,520	\$31,528	\$31,569	\$31,789	\$32,289	\$31,741	\$32,825	\$32,825	\$32,825	\$34,575
Less Capital Credit Allocations	\$0	\$0	(\$1,527)	(\$413)	(\$1,478)	\$0	(\$72)	(\$47)	\$2,794	\$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	\$723,530	\$75,366	\$87,447	\$67,617	(\$49,023)	\$22,508	\$41,787	\$69,113	\$39,282	\$33,472	\$29,650	\$159,788	\$156,049
Cash Construction Funds - Trustee	\$0	\$0												
Special Deposit	\$0	\$53,222	(\$33,608)	(\$6,158)	(\$6,159)	(\$5,220)	(\$3,721)	(\$8,304)	(\$8,017)	(\$5,992)	(\$5,992)	(\$5,992)	(\$5,915)	(\$3,915)
Temporary Investment	\$0	\$0												
Accounts Receivable - Sale of Energy (Net)	\$0	(\$56,886)	(\$63,448)	\$15,834	\$133,820	\$105,313	\$20,552	\$40,357	(\$46,702)	\$597	\$597	\$597	\$597	\$597
Accounts Receivable - Other (Net)	\$0	(\$53,222)	\$33,608	\$6,158	\$18,185	\$5,220	\$3,721	\$18,245	\$8,325	\$5,992	\$5,992	\$5,992	\$5,915	\$3,915
Regulatory Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Debits	\$0	\$0	\$0	\$0	(\$141)	\$141	\$0	\$0	(\$1,596)	\$0	\$0	\$0	\$0	\$0
Prepayments	\$0	\$0	(\$73,146)	\$6,650	\$6,650	\$6,649	\$6,650	\$6,650	\$6,650	\$6,650	\$6,650	\$6,650	\$6,650	\$6,650
Other Current & Accrued Asset	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(Increase)/Decrease in Operating Assets	\$0	\$666,644	(\$61,229)	\$109,931	\$219,971	\$63,080	\$49,710	\$98,735	\$27,773	\$46,528	\$40,718	\$36,896	\$167,034	\$163,295
Notes Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Accounts Payable	\$0	\$0	\$73,387	(\$123,099)	\$85,102	(\$141,229)	(\$23,846)	\$10,785	\$11,846	\$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	(\$55,860)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Current and Accrued Liabilities	\$0	\$0	\$53,367	\$49,279	(\$28,282)	\$21,093	\$31,096	(\$22,778)	\$39,646	\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) in Operating Liabilities	\$0	\$0	\$70,894	(\$73,821)	\$56,821	(\$120,136)	\$7,250	(\$11,993)	\$51,491	\$0	\$0	\$0	\$0	\$0
CASH FROM OPERATING ACTIVITIES	\$0	\$666,644	\$9,666	\$36,110	\$276,792	(\$57,056)	\$56,960	\$86,741	\$79,265	\$46,528	\$40,718	\$36,896	\$167,034	\$163,295
INVESTMENT ACTIVITIES														
Total Utility Plant	\$0	(\$1,309,310)	(\$237,436)	(\$10,071)	(\$131,218)	(\$6,272)	(\$1,845)	(\$27,232)	(\$217,249)	(\$97,443)	(\$97,443)	(\$97,443)	(\$97,443)	(\$97,443)
Cost to Retire Utility Plant	\$0	\$0	(\$13,537)	\$4,664	\$4,783	\$6,731	\$914	(\$1,470)	\$3,295	\$0	\$0	\$0	\$0	\$0
Construction Work-in-Progress	\$0	\$130,488	\$214,281	(\$29,004)	(\$56,543)	(\$16,725)	(\$72,552)	(\$116,731)	\$60,314	(\$7,618)	(\$7,618)	(\$7,618)	(\$7,618)	(\$7,618)
Contributions in aid of construction (CIAC)	\$0	\$416,400	\$42,400	\$32,684	\$35,929	\$86,617	\$71,786	\$106,196	\$99,880	\$75,442	\$52,491	\$35,872	\$27,970	\$0
Total Other Property and Investments	\$0	\$0	\$1,281	\$0	\$161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Materials & Supplies - Electric and Other	\$0	\$0	(\$50,045)	\$16,685	(\$13,257)	(\$40,293)	(\$32,686)	(\$13,893)	\$7,096	\$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	(\$762,422)	(\$43,056)	\$14,957	(\$160,145)	\$30,058	(\$34,384)	(\$53,130)	(\$46,664)	(\$29,619)	(\$52,570)	(\$69,189)	(\$77,091)	(\$105,061)
FINANCING ACTIVITIES														
Margins & Equities	\$0	(\$361,881)							\$0					(\$361,881)
LT Debt - Additional Debt	\$0	\$530,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$170,000	\$360,000
LT Debt - Debt Service Payment		(\$161,676)	\$0	\$0	(\$39,493)	\$0	\$0	(\$40,060)	\$0	\$0	(\$40,701)	\$0	\$0	(\$41,285)
LT Debt - Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LT Debt	\$0	(\$161,676)	\$0	\$0	(\$39,493)	\$0	\$0	(\$40,060)	\$0	\$0	(\$40,701)	\$0	\$0	(\$41,285)
LT Debt - Payments Unapplied	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LT Debt - Current maturities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Consumer Membership	\$0	\$0	(\$10)	\$15	\$25	(\$30)	\$55	\$85	\$45	\$0	\$0	\$0	\$0	\$0
Consumers Deposits	\$0	\$0	\$350	(\$100)	\$300	\$250	\$1,800	\$959	\$293	\$0	\$0	\$0	\$0	\$0
CASH FROM FINANCING ACTIVITIES	\$0	\$6,443	\$340	(\$85)	(\$39,168)	\$220	\$1,855	(\$39,016)	\$338	\$0	(\$40,701)	\$0	\$170,000	(\$43,166)
CASH FROM ALL ACTIVITIES	\$0	(\$89,335)	(\$33,051)	\$50,982	\$77,479	(\$26,778)	\$24,432	(\$5,404)	\$32,939	\$16,909	(\$52,553)	(\$32,292)	\$259,943	\$15,069
TOTAL CASH BEGINNING OF PERIOD	\$581,647	\$479,562	\$479,562	\$446,511	\$497,493	\$574,972	\$548,194	\$572,626	\$567,222	\$600,160	\$617,070	\$564,517	\$532,225	\$792,168
TOTAL CASH END OF PERIOD	\$479,562	\$390,227	\$446,511	\$497,493	\$574,972	\$548,194	\$572,626	\$567,222	\$600,160	\$617,070	\$564,517	\$532,225	\$792,168	\$807,237

**OKANOGAN COUNTY ELECTRIC COOPERATIVE INC**  
**REVOLVING LOAN FUND #1**  
**MONTHLY REPORT**

*For the Month Ending*  
**July 31, 2020**

<b>Beginning RLF Balance</b>		<b>\$64,957.97</b>
<b>LOUP LOUP SKI ED FOUNDATION LOAN #3</b>		\$0.39
<b>PAYOFF OCTOBER 01, 2024</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$441.67	\$30,461.53
ADMINISTRATIVE FEE (1%)	\$25.00	\$2,127.97
PRINCIPLE PAYMENT TO LOAN	\$416.67	\$28,333.56
ORIGINAL AMOUNT OF LOAN		\$50,000.00
BALANCE REMAINING ON LOAN		\$21,666.44
<b>TOWN OF TWISP</b>		
<b>PAYOFF OCTOBER 01, 2020</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$78.29	\$9,412.42
ADMINISTRATIVE FEE (1%)	\$0.77	\$504.27
PRINCIPLE PAYMENT TO LOAN	\$76.75	\$8,902.76
ORIGINAL AMOUNT OF LOAN		\$9,210.00
BALANCE REMAINING ON LOAN		\$307.24
<b>MVSTA LOAN #2</b>		
<b>PAYOFF JULY 01, 2022</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$850.00	\$87,846.26
ADMINISTRATIVE FEE (1%)	\$16.67	\$52,346.59
PRINCIPLE PAYMENT TO LOAN	\$833.33	\$82,499.67
ORIGINAL AMOUNT OF LOAN		\$100,000.00
BALANCE REMAINING ON LOAN		\$17,500.33
<b>TOWN OF WINTHROP</b>		
<b>PAYOFF NOVEMBER 01, 2027</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$855.00	\$27,637.20
ADMINISTRATIVE FEE (1%)	\$63.33	\$2,303.76
PRINCIPLE PAYMENT TO LOAN	\$791.67	\$25,333.44
ORIGINAL AMOUNT OF LOAN		\$95,000.00
BALANCE REMAINING ON LOAN		\$69,666.56
<b>Smiling Woods Yurts</b>		
<b>PAYOFF NOVEMBER 01, 2028</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$363.33	\$7,683.21
ADMINISTRATIVE FEE (1%)	\$30.00	\$683.28
PRINCIPLE PAYMENT TO LOAN	\$333.33	\$6,999.93
ORIGINAL AMOUNT OF LOAN		\$40,000.00
BALANCE REMAINING ON LOAN		\$33,000.07
<b>TwispworksFoundation</b>		
<b>PAYOFF DECEMBER 01, 2028</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$363.33	\$6,943.23
ADMINISTRATIVE FEE (1%)	\$30.00	\$609.96
PRINCIPLE PAYMENT TO LOAN	\$333.33	\$6,333.27
ORIGINAL AMOUNT OF LOAN		\$40,000.00
BALANCE REMAINING ON LOAN		\$33,666.73
<b>TOTAL BALANCE REMAINING ON LOANS</b>		<b>\$175,807.37</b>
<b>ENDING RLF BALANCE</b>		<b>\$68,993.02</b>

**OKANOGAN COUNTY ELECTRIC COOPERATIVE INC**

**REVOLVING LOAN FUND #2**

**MONTHLY REPORT**

*For the Month Ending*  
**July 31, 2020**

<b>Beginning RLF Balance</b>	<b>\$148,633.18</b>	
<b>AERO RESCUE</b>		
<b>PAYOFF NOVEMBER 1, 2020</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$2,020.00	\$247,120.00
ADMINISTRATIVE FEE (1%)	\$20.00	\$14,020.00
PRINCIPLE PAYMENT TO LOAN	\$2,000.00	\$234,000.00
ORIGINAL AMOUNT OF LOAN		\$240,000.00
BALANCE REMAINING ON LOAN		\$6,000.00
<b>TOWN OF WINTHROP LOAN #2</b>		
<b>PAYOFF JUNE 01, 2022</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$174.25	\$17,640.84
ADMINISTRATIVE FEE (1%)	\$3.42	\$1,069.62
PRINCIPLE PAYMENT TO LOAN	\$170.83	\$16,570.51
ORIGINAL AMOUNT OF LOAN		\$20,500.00
BALANCE REMAINING ON LOAN		\$3,929.49
<b>MVSTA LOAN #3</b>		
<b>PAYOFF OCTOBER 01, 2024</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$612.50	\$44,566.54
ADMINISTRATIVE FEE (1%)	\$29.17	\$3,150.12
PRINCIPLE PAYMENT TO LOAN	\$583.33	\$41,416.43
ORIGINAL AMOUNT OF LOAN		\$70,000.00
BALANCE REMAINING ON LOAN		\$28,583.57
<b>PINETOOTH CREATIVE</b>		
<b>PAYOFF July 01, 2026</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$82.70	\$4,025.79
ADMINISTRATIVE FEE (1%)	\$5.41	\$314.89
PRINCIPLE PAYMENT TO LOAN	\$77.29	\$3,710.90
ORIGINAL AMOUNT OF LOAN		\$9,275.00
BALANCE REMAINING ON LOAN		\$5,564.10
<b>EQPD</b>		
<b>PAYOFF February 01, 2027</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$292.50	\$12,109.03
ADMINISTRATIVE FEE (1%)	\$21.66	\$904.61
PRINCIPLE PAYMENT TO LOAN	\$270.84	\$11,104.42
ORIGINAL AMOUNT OF LOAN		\$32,500.00
BALANCE REMAINING ON LOAN		\$21,395.58
<b>Little Star Montessori School</b>		
<b>PAYOFF February 01, 2027</b>	<b>MONTH</b>	<b>TO DATE</b>
PAYMENTS RECEIVED	\$314.79	\$11,533.06
ADMINISTRATIVE FEE (1%)	\$18.96	\$942.69
PRINCIPLE PAYMENT TO LOAN	\$295.83	\$10,587.37
ORIGINAL AMOUNT OF LOAN		\$32,500.00
BALANCE REMAINING ON LOAN		\$21,912.63
<b>TOTAL BALANCE REMAINING ON LOANS</b>		<b>\$87,385.37</b>
<b>ENDING RLF BALANCE</b>		<b>\$152,614.63</b>

## General Manager's Report to the Board – August 2020

### General Discussion:

- A large percentage of our employees have school age children and will be heavily impacted by the change of school education methods due to COVID-19. As a result of this, we will be continuing the four ten-hour day work week at least through October. (Ordinarily we move back to the five eight-hour day work week at the beginning of October.) We will also be flexible with our employees in daily work times as they juggle childcare and education. We will be looking at this on a month-by-month basis in consultation with our employees. As our office is still closed, we do not anticipate much if any impact to our members.
- There is not much change in the COVID-19 situation. We have refined contingency plans for office operations if an employee possibly gets infected or may be infected. We are also waiting for the contractor to complete modifications to the entry way so we can reopen to the public. Before we reopen though, we will also evaluate the spread of the pandemic in the County. We plan to continue keeping the Board room closed to the public for the foreseeable future.
- Staff is starting to think about other options than the traditional OCEC annual meeting format for the upcoming 2021 OCEC Annual Meeting. Events that include a large group of people, inside or outside, in April are currently beginning to look doubtful. Tracy has attended a virtual annual meeting for another cooperative and gave some good feedback on it. Another option is to have “drive-in” annual meeting where members would remain in their cars. Start thinking about what would work for our members.

### Financial Discussion:

- **Discussion of Variances** – Operations and Maintenance expenditure categories are tracking very close to budgeted amounts except for Admin & General. This is the major YTD variance. For July, we made up about \$8k of the variance resulting in a YTD variance of \$94k. While we do expect this variance to grow smaller as the year progresses, we are expecting this variance to remain because of the earlier COVID-19 expenditures.

- We are running around a \$408k higher cash level than budgeted. This is due primarily to the large increase in CIAC so far this year. July was another large CIAC month with a net collection of \$100k. This may preclude us from borrowing money as planned later this year. For the end of July, we have collected 15% more than the total amount budgeted for 2020.