

BOARD OF DIRECTORS MEETING

October 26th, 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 September 28th, 2020
 - b) New Members
 - c) September 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 – RLF
6. Committee Reports
7. Meetings Attended
 - a) PNGC Annual Meeting and October Board Meeting – October 6th - David (**Tab 3**)
8. Meetings to Attend
 - a) PNGC November Board Meeting – November 3rd - David

b) Cooperative Building Solutions - Presentation -
November 17th - 1:30 PM (Before Board Meeting)

9. General Managers Report (Tab 3)

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

ITEMS OF BUSINESS

1. Update - 2021 All Risk Blanket Liability, Officers and Directors Liability, and Umbrella Insurance **(Tab 4)**
2. Approve - 2020 Capital Credit Retirement
3. Approve - 2021 Capital Budget **(Tab 5)**
4. Discussion – Electric Vehicle Recommendations **(Document sent by Email)**
5. Discussion - USDA Loan Program for Energy Efficiency and EV Chargers **(Tab 6)**
6. Approval - Network Operating Agreement Between BPA and OCEC **(Tab 7)** (Note – Exhibit A is still in the Process of Being Revised)
7. Discussion – Draft Policy for GM Evaluation and Compensation **(Tab 8)**

OPEN FLOOR FOR BOARD MEMBERS

EXECUTIVE SESSION

- Subsidiary Update
- 3rd Quarter GM Goals Review **(Document sent by Email)**
- Review GM Review Process **(Document sent by Email)**
- Board Only Discussion



BOARD MEETING

September 28, 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, Lynn Northcott; CFO, Tracy McCabe, Propane Manager, and Teri Parker, Office Staff.

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 3:45 pm.

2. DETERMINATION OF QUORUM

A quorum was present.

3. APPROVAL OF AGENDA

Sara noted Item No. 5 Discussion – Draft Policy for GM Evaluation and Compensation, should be removed from the agenda. The draft policy is not ready at this time.

Sara also had changes to the minutes that she had emailed in.

- Page 2, item G. Committee Report: change Policy's to policies
- Page 4, item 3: change to Cara Godwin

Agenda approved as amended by Board consensus.

4. MEMBER COMMUNICATIONS

None.

5. APPROVAL OF CONSENT AGENDA ITEMS

Consent Agenda approved as presented by Board consensus.

6. COMMITTEE REPORT

Finance Committee: Alan Watson noted the committee met and reviewed the draft Capital Budget. The capital budget will be preliminarily approved at the October 2020 Board meeting.

Governance Committee: Michael Murray reported there will be a discussion during Executive Session regarding General Manager Evaluation and Compensation planning.

7. MEETINGS ATTENDED

a) PNGC Monthly Board Meeting – September 1st – David

David Reported that UEC (Umatilla Electric Cooperative) will be leaving PNGC at the end of September. Their fees have been paid in full.

b) DNR Wildland Fire Mitigation Taskforce – September 16th - David

David reported the DNR Wildfire Mitigation Taskforce is moving forward with a model agreement that can be used as a basis for formal agreements between electric utilities and DNR concerning the cutting of danger trees outside of ROWs that cross DNR land. The Taskforce is also working on having experts assist DNR in investigating fires where electric lines may be involved. A legislative report from the taskforce to the legislature is the first of December. The Taskforce may keep meeting to 2021 to finish these items.

c) WRECA Quarterly Board Meeting – September 23rd - David

David noted two (2) items to report:

1. The Governor's order to halt Utility Disconnects for non-payment is set to expire on October 15, 2020. There is discussion that the deadline could be extended to April 15,

2021. There is a lobbying group in Olympia that is pushing to have no more disconnects for non-payment at all.

2. WRECA is working on getting more funding for LIEHEAP (Low Income Home Energy Assistance Program). OCEC's local LIEHEAP is located in Okanogan and helps qualifying members pay their electric & propane bills.

8. MEETINGS TO ATTEND

- a) DNR Wildland Mitigation Taskforce – October - TBD
- b) PNGC Annual Meeting and October Board Meeting – October 6th - David
- c) NRECA, CFC, Federated Regional Meetings – October 12th & 13th – David

9. GENERAL MANAGERS REPORT

Written report reviewed.

David reported that the OCEC line crew is back from Nespelem Valley Energy Co-op (NVEC). Our crew spent eight (8) days helping to rebuild lines through mutual aid agreements. OCEC will bill NVEC for crew time and material provided. NVEC is likely facing costs around \$4-million dollars and will qualify for FEMA help.

Sara commented on the cash flow amount in the managers' report vs. the actual amount in the financials, it appears that OCEC will likely borrow funds by the end of 2020 but not as much as budgeted.

David is on the Methow Valley Broadband Action Committee. He reviewed a final report from the contracted consultants regarding fiber installation in the Methow Valley. The Committee is working on getting the PUD to apply for upcoming grants to help fund a proposed fiber run between Twisp and the Lost River area. The cost of this project is in the \$2 million range.

David informed the Board that he is retiring in the summer of 2021. His last day in the office would be June 30, 2021 and then he will be on vacation from then on until it runs out. He could extend his stated last date in the office if needed.

a) Office Update

Lynn reported that we are waiting on the contractor to finish the OCEC lobby area so we can re-open the lobby only to the public. We may go ahead and make temporary modifications and re-open if it looks like the contractor is going to take too long.

Methow Trails has signed the lien agreement for the snow cat and will wait until November 2020 to receive the funds.

c) OCEI Propane Update

Tracy reported OCEI is heavy on service work and they are scheduling appointments 2-weeks out. She expects deliveries to begin picking up soon.

“Duty to Warn” brochures were mailed to all customers of OCEI today. This is a required annual mailing for a propane company.

ITEMS OF BUSINESS

1. Approve – Move November Board Meeting to Tuesday November 17th at 3 PM in person

A discussion was held regarding whether in-person meeting, Zoom meeting or a hybrid of the two (2) should be considered. One consideration for attending in-person is the Facility Consultants will be here in person to present their plan(s) to the Board. David noted the meeting will be held in the heated warehouse to allow for social distancing and other protocols.

Michael Murray motioned to move the November 23rd Board meeting to Tuesday November 17th beginning at 2:00 PM with a choice of attending in-person or via Go-To Meeting. Seconded. Motion carried.

2. Update – OCEC Member “Drive Through” Event

- a. August 13th – Cove
- b. September 14th – The Barn

David reported a very successful event, with all Energy Efficient packages being given out within 1-hour.

3. Discussion – 2021 Capital Budget – *Preliminary Approval of Capital Budget is Not Scheduled Until October’s Board Meeting*

The preliminary budget was reviewed and discussed.

David encouraged the Directors to contact him with any questions or concerns before the scheduled approval vote at October’s meeting.

4. Approve Resolution 2020-02 PNGC Director nomination & Designated Membership Representative or Alternate

Sara moved to approve Resolution 2020-02 nominating David Gottula as a Director of the Pacific Northwest Generating Cooperative.

A discussion was held regarding whether the alternate position should be rotated among Directors to increase PNGC knowledge base. David noted he will provide the monthly meeting information to all Directors and anyone is welcome to attend the monthly meetings.

Sara amended her motion to include approving the Certificate of Designated Membership Representative or Alternate, naming David Gottula as the designated membership representative of the cooperative and Dale Sekijima, OCEC President, as the designated alternate. Alan Watson seconded. Motion carried.

OPEN FLOOR FOR BOARD MEMBERS

None.

Meeting adjourned to Executive Session at 4:58 pm.

EXECUTIVE SESSION

1. GM Evaluation and Compensation

Alan Watson, Secretary



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Okanogan County Electric Coop Inc
	BORROWER DESIGNATION	WA032
	ENDING DATE	9/30/2020

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.		A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA? <input checked="" type="radio"/> YES <input type="radio"/> NO
 Signature of Office Manager or Accountant Date 10/13/20		B. Will you authorize CFC to share your data with other cooperatives? <input checked="" type="radio"/> YES <input type="radio"/> NO
 Signature of Manager Date 10-13-20		

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	4,280,839	4,253,677	4,030,803	392,835
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	2,111,661	2,125,196	1,999,561	202,054
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	78,817	80,858	80,377	6,647
7. Distribution Expense - Maintenance	512,610	456,440	484,140	33,267
8. Consumer Accounts Expense	221,379	242,083	235,940	36,061
9. Customer Service and Informational Expense	4,125	5,199	2,610	290
10. Sales Expense	4,294	(5,219)	(750)	(1,063)
11. Administrative and General Expense	557,674	584,919	600,668	(46,498)
12. Total Operation & Maintenance Expense (2 thru 11)	3,490,561	3,489,475	3,402,546	230,757
13. Depreciation & Amortization Expense	283,297	286,291	285,339	32,181
14. Tax Expense - Property & Gross Receipts	33,895	33,360	33,478	3,705
15. Tax Expense - Other	131,855	131,131	139,775	12,046
16. Interest on Long-Term Debt	146,386	149,338	149,718	15,551
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)	4,085,994	4,089,595	4,010,856	294,240
21. Patronage Capital & Operating Margins (1 minus 20)	194,845	164,083	19,947	98,594
22. Non Operating Margins - Interest	19,970	27,605	46,652	9,427
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	22,143	13,189	0	11,561
25. Non Operating Margins - Other	13,500	26,100	26,100	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
29. Patronage Capital or Margins (21 thru 28)	250,458	230,977	92,699	122,482

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	43	53	5. Miles Transmission	0	0
2. Services Retired	6	3	6. Miles Distribution Overhead	303	185
3. Total Services In Place	3,819	3,890	7. Miles Distribution Underground	221	243
4. Idle Services (Exclude Seasonal)	98	95	8. Total Miles Energized (5+6+7)	524	428



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Okanogan County
	BORROWER DESIGNATION	WA032
	ENDING DATE	09/30/2020

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	15,278,708	29. Memberships	16,710
2. Construction Work in Progress	(8,896)	30. Patronage Capital	8,076,919
3. Total Utility Plant (1+2)	15,269,812	31. Operating Margins - Prior Years	596,796
4. Accum. Provision for Depreciation and Amort	5,216,496	32. Operating Margins - Current Year	204,877
5. Net Utility Plant (3-4)	10,053,316	33. Non-Operating Margins	26,100
6. Nonutility Property - Net	0	34. Other Margins & Equities	914,116
7. Investment in Subsidiary Companies	912,874	35. Total Margins & Equities (29 thru 34)	9,835,518
8. Invest. in Assoc. Org. - Patronage Capital	379,471	36. Long-Term Debt CFC (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - Other (Net)	3,446,538
10. Invest in Assoc. Org. - Other - Nongeneral Funds	143,158	38. Total Long-Term Debt (36 + 37)	3,446,538
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)	1,449,003	42. Notes Payable	0
15. Cash-General Funds	537,777	43. Accounts Payable	438,408
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	164,633
17. Special Deposits	235,016	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	545,451	48. Other Current & Accrued Liabilities	269,026
21. Accounts Receivable - Net Other	809,951	49. Total Current & Accrued Liabilities (42 thru 48)	872,068
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	364,234	51. Total Liabilities & Other Credits (35+38+41+49+50)	14,154,124
24. Prepayments	19,949	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)	2,651,804	Amounts Received This Year (Net)	719,580
27. Deferred Debits	0	TOTAL Contributions-In-Aid-Of-Construction	719,580
28. Total Assets & Other Debits (5+14+26+27)	14,154,124		

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

September 30, 2020

	ANNUAL BUDGET	Y-T-D BUDGET	Y-T-D ACTUAL	MONTH BUDGET	MONTH ACTUAL
OPERATING REVENUE	\$5,654,347	\$4,030,803	\$4,253,677	\$375,927	\$392,835
COST OF POWER	\$2,734,985	\$1,999,561	\$2,125,196	\$182,530	\$202,054
GROSS MARGINS	\$2,919,362	\$2,031,242	\$2,128,481	\$193,397	\$190,781
OPERATING EXPENSES:					
DISTRIBUTION OPERATIONS	\$101,317	\$80,377	\$80,858	\$5,820	\$6,647
DISTRIBUTION MAINTENANCE	\$652,886	\$484,140	\$456,440	\$56,251	\$33,267
CONSUMER ACCOUNTING	\$305,641	\$235,940	\$242,083	\$27,177	\$36,061
CONSUMER SERVICE & INFO	\$3,480	\$2,610	\$5,199	\$290	\$290
SALES EXPENSE	-\$1,500	-\$750	-\$5,219	\$0	-\$1,063
ADMIN & GENERAL	\$811,948	\$600,668	\$584,919	\$64,154	-\$46,498
<i>TOTAL OPERATING EXPENSES</i>	\$1,873,772	\$1,402,985	\$1,364,279	\$153,692	\$28,703
FIXED EXPENSES:					
DEPRECIATION	\$385,564	\$285,339	\$286,291	\$32,825	\$32,181
TAXES-PROPERTY	\$44,640	\$33,478	\$33,360	\$3,720	\$3,705
TAXES-OTHER	\$184,115	\$139,775	\$131,131	\$14,781	\$12,046
INTEREST	\$198,368	\$149,718	\$149,338	\$16,401	\$15,551
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0	\$0
<i>TOTAL FIXED EXPENSES</i>	\$812,686	\$608,310	\$600,120	\$67,727	\$63,483
TOTAL EXPENSES	\$2,686,458	\$2,011,295	\$1,964,399	\$221,419	\$92,186
OPERATING MARGINS	\$232,905	\$19,947	\$164,083	-\$28,022	\$98,594
NONOPERATING MARGINS:					
INTEREST	\$70,261	\$46,652	\$40,794	\$25,768	\$20,987
OTHER	\$34,800	\$26,100	\$26,100	\$2,900	\$2,900
NET MARGINS	\$337,966	\$92,699	\$230,977	\$646	\$122,482
T.I.E.R.	2.70	1.62	2.55	1.04	8.88

OKANOGAN COUNTY ELECTRIC COOPERATIVE, INC.

POWER & SERVICE DATA
September-20

	June 2020	July 2020	August 2020	September 2020	September 2019
POWER DATA:					
COST OF POWER	\$182,980	\$200,127	\$201,959	\$202,054	\$185,532
KWH PURCHASED	3,579,705	4,408,340	4,422,285	3,736,810	3,504,995
KWH SOLD & OCEC USE	3,343,389	4,021,165	4,029,051	3,527,506	3,165,203
KWH LOST	236,316	387,175	393,234	209,304	339,792
LINE LOSS %	6.60%	8.78%	8.89%	5.60%	9.69%
COST PER KWH	\$0.0511	\$0.0454	\$0.0457	\$0.0541	\$0.0529
BILLING DATA:					
ACCOUNTS BILLED	3,869	3,883	3,893	3,897	3,823
AVG. KWH/CONSUMER	864	1,036	1,035	905	828
BILLING REVENUE	\$378,109	\$420,197	\$418,982	\$391,815	\$363,237
AVERAGE BILL	\$97.73	\$108.21	\$107.62	\$100.54	\$95.01
REVENUE/KWH SOLD	\$0.1131	\$0.1045	\$0.1040	\$0.1111	\$0.1148
SERVICE DATA:					
NEW	13	12	11	6	5
RETIRED	2	0	1	0	0
TOTAL END OF MONTH	3862	3874	3884	3890	3819
IDLE SERVICES	97	97	95	95	98
TRANSPORTATION:					
TOTAL MILES	6,684	6,813	11,750	6,035	7,322
COST OF OPERATION	\$10,361	\$17,188	\$22,006	\$18,508	\$13,223
AVG. COST PER MILE	\$1.550	\$2.523	\$1.873	\$3.067	\$1.806
MATERIALS:					
ISSUES	\$39,536	\$29,854	\$15,521	\$38,166	\$11,450
INVENTORY	\$335,318	\$328,222	\$351,237	\$364,234	\$262,051

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

	Current Month			Year to Date			Annual	Annual	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Balance	
Member Requested Facilities	49,035.18	36,306.00	12,729.18	329,452.68	214,374.00	115,078.68	299,085.00	(30,367.68)	
Replacements (Poles & Transformers)	12,030.67	12,202.00	(171.33)	163,352.90	101,814.00	61,538.90	120,114.00	(43,238.90)	
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	30,511.34	31,118.00	(606.66)	74,810.35	93,354.00	(18,543.65)	108,914.00	34,103.65	
Continued Replacement - Studhorse - Part 3	0.00	0.00	0.00	0.00	57,770.00	(57,770.00)	57,769.00	57,769.00	
Replace Davis Lake URD	0.00	13,035.00	(13,035.00)	0.00	13,035.00	(13,035.00)	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	36,260.00	(36,260.00)	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	8,851.00	(8,851.00)	17,702.00	17,702.00	
P and I twelve line monitor sensors	35,446.80	0.00	35,446.80	35,446.80	54,711.00	(19,264.20)	54,711.00	19,264.20	
Pole Inspections	(657.45)	0.00	(657.45)	4,587.07	10,000.00	(5,412.93)	10,000.00	5,412.93	
Fire Retardant/Treatment on Poles	0.00	0.00	0.00	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	10,000.00	(10,000.00)	10,000.00	10,000.00	
subtotal	126,366.54	104,863.00	21,503.54	616,341.75	641,236.00	(24,894.25)	851,334.00	234,992.25	
Un Allocated Overhead	59,705.08			59,705.08	0.00	59,705.08			
Member CIAC	CIAC	(106,775.00)	(52,491.00)	(54,284.00)	(719,580.00)	(352,648.00)	(366,932.00)	(374,000.00)	345,580.00
Total less CIAC	79,296.62	52,372.00	26,924.62	(43,533.17)	288,588.00	(332,121.17)	477,334.00		
* \$194,780.97 holding in CIAC 09/30/20									
Meters Purchases	0.00	0.00	0.00	22,504.38	50,000.00	(27,495.62)	50,000.00	27,495.62	
Computers & Software Upgrades	0.00	0.00	0.00	18,913.07	0.00	18,913.07	18,000.00	(913.07)	
Transformers Purchases	8,945.17	0.00	(8,945.17)	149,187.13	100,000.00	49,187.13	150,000.00	812.87	
Vehicle Additions and Replacements	0.00	0.00	0.00	104,300.32	90,000.00	14,300.32	195,000.00	90,699.68	
New Phone System	0.00	10,000.00	10,000.00	0.00	10,000.00	(10,000.00)	10,000.00	10,000.00	
Heated Pressure Washer	0.00	0.00	0.00	0.00	6,000.00	(6,000.00)	6,000.00	6,000.00	
Tools/Misc	0.00	0.00	0.00	5,398.67	3,000.00	2,398.67	6,000.00	601.33	
Facility Planning Study	14,108.95	0.00	(14,108.95)	0.00	0.00	0.00	45,000.00	45,000.00	
Total	23,054.12	10,000.00	(13,054.12)	300,303.57	259,000.00	41,303.57	480,000.00	128,095.10	
Total Capital Budget less CIAC	102,350.74	62,372.00	39,978.74	256,770.40	547,588.00	(290,817.60)	957,334.00	708,667.35	

* 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	21,162.73	24,086.29	40,800.00	0.00	10,367.75	14,562.73	110,979.50
September	17,234.91	31,455.78	25,000.00	0.00	4,907.01	12,012.04	90,609.74
October							0.00
November							0.00
December							0.00
	121,823.51	165,776.08	161,100.00	0.00	48,172.39	83,712.97	580,584.95

* 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												Actual/Forecasted	
	2019	Jan - Dec	January	February	March	April	May	June	July	August	September	October	November	December
Patronage Capital or Margins	\$0	\$337,966	\$45,318	\$56,260	\$37,575	(\$80,551)	(\$8,989)	\$10,045	\$34,030	\$14,808	\$122,482	(\$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	\$32,240	\$32,181	\$32,825	\$32,825	\$34,575
Less Capital Credit Allocations	\$0	\$0	(\$1,527)	(\$413)	(\$1,478)	\$0	(\$72)	(\$47)	\$2,794	(\$1,078)	\$30	\$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	\$45,970	\$154,692	\$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)	(\$6,183)	(\$6,225)	(\$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)	\$4,862	(\$125,656)	\$597	\$597	\$597
Accounts Receivable - Other (Net)	\$0	(\$53,222)	\$33,608	\$6,158	\$18,185	\$5,220	\$3,721	\$18,245	\$8,325	\$6,183	\$11,728	\$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)	\$1,596	(\$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	\$59,078	\$41,188	\$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	\$41,023	\$29,465	\$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	\$19,035	(\$68,571)	\$0	\$0	\$0
Increase/(Decrease) in Operating Liabilities	\$0	\$0	\$70,894	(\$73,821)	\$56,821	(\$120,136)	\$7,250	(\$11,993)	\$51,491	\$60,058	(\$39,106)	\$0	\$0	\$0
CASH FROM OPERATING ACTIVITIES	\$0	\$666,644	\$9,666	\$36,110	\$276,792	(\$57,056)	\$56,960	\$86,741	\$79,265	\$119,136	\$2,083	\$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)	(\$78,755)	(\$26,218)	(\$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	(\$5,411)	(\$1,041)	\$0	\$0	\$0
Construction Work-in-Progress	\$0	\$130,488	\$214,281	(\$29,004)	(\$56,543)	(\$16,725)	(\$72,552)	(\$116,731)	\$60,314	(\$118,783)	(\$124,768)	(\$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	\$139,742	\$106,775	\$35,872	\$27,970	\$0
Total Other Property and Investments	\$0	\$0	\$1,281	\$0	\$161	\$0	\$0	\$0	\$0	\$0	\$154	\$0	\$0	\$0
Materials & Supplies - Electric and Other	\$0	\$0	(\$50,045)	\$16,685	(\$13,257)	(\$40,293)	(\$32,686)	(\$13,893)	\$7,096	(\$23,016)	(\$12,997)	\$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)	(\$86,222)	(\$58,094)	(\$69,189)	(\$77,091)	(\$105,061)
FINANCING ACTIVITIES														
Margins & Equities	\$0	(\$361,881)								\$0				(\$361,881)
LT Debt - Additional Debt		\$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	(\$40,636)	\$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	(\$40,636)	\$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	\$65	\$65	\$0	\$0	\$0
Consumers Deposits	\$0	\$0	\$350	(\$100)	\$300	\$250	\$1,800	\$959	\$293	\$665	\$555	\$0	\$0	\$0
CASH FROM FINANCING ACTIVITIES	\$0	\$6,443	\$340	(\$85)	(\$39,168)	\$220	\$1,855	(\$39,016)	\$338	\$730	(\$40,016)	\$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	\$33,644	(\$96,027)	(\$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	\$633,804	\$537,777	\$505,484	\$765,428
TOTAL CASH END OF PERIOD	\$479,562	\$390,227	\$446,511	\$497,493	\$574,972	\$548,194	\$572,626	\$567,222	\$600,160	\$633,804	\$537,777	\$505,484	\$765,428	\$780,496

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

For the Month Ending
September 30, 2020

Beginning RLF Balance		\$71,778.10
LOUP LOUP SKI ED FOUNDATION LOAN #3		\$0.39
PAYOFF OCTOBER 01, 2024	MONTH	TO DATE
PAYMENTS RECEIVED	\$441.67	\$31,344.87
ADMINISTRATIVE FEE (1%)	\$25.00	\$2,177.97
PRINCIPLE PAYMENT TO LOAN	\$416.67	\$29,208.60
ORIGINAL AMOUNT OF LOAN		\$50,000.00
BALANCE REMAINING ON LOAN		\$20,791.40
TOWN OF TWISP		
PAYOFF OCTOBER 01,2020	MONTH	TO DATE
PAYMENTS RECEIVED	\$77.52	\$9,568.23
ADMINISTRATIVE FEE (1%)	\$0.77	\$505.81
PRINCIPLE PAYMENT TO LOAN	\$76.75	\$9,056.26
ORIGINAL AMOUNT OF LOAN		\$9,210.00
BALANCE REMAINING ON LOAN		\$153.74
MVSTA LOAN #2		
PAYOFF JULY 01, 2022	MONTH	TO DATE
PAYMENTS RECEIVED	\$850.00	\$89,546.26
ADMINISTRATIVE FEE (1%)	\$16.67	\$52,379.93
PRINCIPLE PAYMENT TO LOAN	\$833.33	\$84,166.33
ORIGINAL AMOUNT OF LOAN		\$100,000.00
BALANCE REMAINING ON LOAN		\$15,833.67
TOWN OF WINTHROP		
PAYOFF NOVEMBER 01, 2027	MONTH	TO DATE
PAYMENTS RECEIVED	\$855.00	\$29,347.20
ADMINISTRATIVE FEE (1%)	\$63.33	\$2,430.42
PRINCIPLE PAYMENT TO LOAN	\$791.67	\$26,916.78
ORIGINAL AMOUNT OF LOAN		\$95,000.00
BALANCE REMAINING ON LOAN		\$68,083.22
Smiling Woods Yurts		
PAYOFF NOVEMBER 01, 2028	MONTH	TO DATE
PAYMENTS RECEIVED	\$363.33	\$8,409.87
ADMINISTRATIVE FEE (1%)	\$30.00	\$743.28
PRINCIPLE PAYMENT TO LOAN	\$333.33	\$7,666.59
ORIGINAL AMOUNT OF LOAN		\$40,000.00
BALANCE REMAINING ON LOAN		\$32,333.41
TwispworksFoundation		
PAYOFF DECEMBER 01, 2028	MONTH	TO DATE
PAYMENTS RECEIVED	\$363.33	\$7,669.89
ADMINISTRATIVE FEE (1%)	\$30.00	\$669.96
PRINCIPLE PAYMENT TO LOAN	\$333.33	\$6,999.93
ORIGINAL AMOUNT OF LOAN		\$40,000.00
BALANCE REMAINING ON LOAN		\$33,000.07
TOTAL BALANCE REMAINING ON LOANS		\$170,195.51
ENDING RLF BALANCE		\$74,604.88

OKANOGAN COUNTY ELECTRIC COOPERATIVE INC

REVOLVING LOAN FUND #2

MONTHLY REPORT

**For the Month Ending
September 30, 2020**

Beginning RLF Balance	\$156,012.75	
AERO RESCUE		
PAYOFF NOVEMBER 1, 2020	MONTH	TO DATE
PAYMENTS RECEIVED	\$2,020.00	\$251,160.00
ADMINISTRATIVE FEE (1%)	\$20.00	\$14,060.00
PRINCIPLE PAYMENT TO LOAN	\$2,000.00	\$238,000.00
ORIGINAL AMOUNT OF LOAN		\$240,000.00
BALANCE REMAINING ON LOAN		\$2,000.00
TOWN OF WINTHROP LOAN #2		
PAYOFF JUNE 01, 2022	MONTH	TO DATE
PAYMENTS RECEIVED	\$174.25	\$17,989.34
ADMINISTRATIVE FEE (1%)	\$3.42	\$1,076.46
PRINCIPLE PAYMENT TO LOAN	\$170.83	\$16,912.17
ORIGINAL AMOUNT OF LOAN		\$20,500.00
BALANCE REMAINING ON LOAN		\$3,587.83
MVSTA LOAN #3		
PAYOFF OCTOBER 01, 2024	MONTH	TO DATE
PAYMENTS RECEIVED	\$612.50	\$45,791.54
ADMINISTRATIVE FEE (1%)	\$29.17	\$3,208.46
PRINCIPLE PAYMENT TO LOAN	\$583.33	\$42,583.09
ORIGINAL AMOUNT OF LOAN		\$70,000.00
BALANCE REMAINING ON LOAN		\$27,416.91
PINETOOTH CREATIVE		
PAYOFF July 01, 2026	MONTH	TO DATE
PAYMENTS RECEIVED	\$81.93	\$4,189.65
ADMINISTRATIVE FEE (1%)	\$4.64	\$324.17
PRINCIPLE PAYMENT TO LOAN	\$77.29	\$3,865.48
ORIGINAL AMOUNT OF LOAN		\$9,275.00
BALANCE REMAINING ON LOAN		\$5,409.52
EQPD		
PAYOFF February 01, 2027	MONTH	TO DATE
PAYMENTS RECEIVED	\$292.50	\$12,694.03
ADMINISTRATIVE FEE (1%)	\$21.66	\$947.93
PRINCIPLE PAYMENT TO LOAN	\$270.84	\$11,646.10
ORIGINAL AMOUNT OF LOAN		\$32,500.00
BALANCE REMAINING ON LOAN		\$20,853.90
Little Star Montessori School		
PAYOFF February 01, 2027	MONTH	TO DATE
PAYMENTS RECEIVED	\$314.79	\$12,162.64
ADMINISTRATIVE FEE (1%)	\$18.96	\$980.61
PRINCIPLE PAYMENT TO LOAN	\$295.83	\$11,179.03
ORIGINAL AMOUNT OF LOAN		\$32,500.00
BALANCE REMAINING ON LOAN		\$21,320.97
TOTAL BALANCE REMAINING ON LOANS		\$80,589.13
ENDING RLF BALANCE		\$159,410.87

General Manager's Report to the Board – October 2020

General Discussion:

- OCEC has resumed limited walk-in operations in our office for our members to transact business. Normal COVID-19 restrictions such as one member at a time in the lobby and requiring masks are in place. We plan to continue keeping the Board room closed to the public for the foreseeable future. Also, we will resume a Monday to Friday, 8AM to 4:30 PM schedule in our office on November 1st.
- For the Clean Energy Transformation Act (CETA), we are in the process of finishing up the first required information request to the Department of Commerce. The information request deals with our current energy assistance programs for low income members.
- For the capital budget, we have wrapped up our subdivision underground replacement work for the year. We are focusing on CIAC projects and will fill in with parts of the Mazama project. We are current in getting power to new members that are ready for power. We have around 30 open projects that are not ready for our crews. We will work on these as they become ready until the construction season is shut down by snow.

Financial Discussion:

- **Discussion of Variances** – Because our crews helped with the restoration of power for Nespelem Valley Electric, our O&M expenses for September were much lower than budgeted. Also, we received payment from BPA for the LED light bulbs. (As part of the EE program, we receive more from BPA for the LED light bulbs than we spend). YTD we are now approximately \$38K under budget for Operating Expenses. All the O&M operating categories are now very close to budget.
- In September we received approximately \$107k in CIAC. YTD, we have received \$719k in CIAC. This is almost twice the amount that was budgeted.

- Primarily because of the large amount of CIAC received this year, we are running around a \$381k higher cash level than budgeted. In addition, in October we received the large receivable for approximately \$160k out for the fire restoration work so this will add to the high cash levels. We are closely monitoring our cash levels as the year ends.
- We repriced a 6.2% OCEC loan with CFC. The new rate is 3.51% before discounts, after discounts 2.935%. The balance on the loan is \$126k.