



BOARD OF DIRECTORS MEETING

1/25/21 3PM - 5PM OCEC Board -- By **ZOOM**

AGENDA

PRELIMINARY, CONSENT AGENDA AND GM REPORT

1. Meeting Called to Order
2. Determination of Quorum
3. Approval of Agenda
4. Approval of Consent Agenda **(Tab 2)**
 - a. Minutes December 21 & 30, 2020
 - b. New Members
 - c. Form 7
 - d. Statement of Operations
 - e. Power & Service Data
 - f. Capital Expenditures by Project
 - g. Status of Funds Revolving Loan Fund
 - h. Cash Flow Projection for 2020
5. General Managers Report **(Tab 3)**
 - a. Meetings Attended and to attend
 - b. Office Update
 - c. Operations Update
 - d. Propane Update

ITEMS OF BUSINESS

For Discussion

1. 2020 Financial Results - Discussion as needed
2. USDA loan program for Energy Efficiency and EV Chargers **(Tab 4)**
3. Annual Meeting Program – Discussion
4. 2021 All Risk and D&O Insurance Update

For Action

- 1.

MEMBER COMMUNICATION

OPEN FLOOR FOR BOARD MEMBERS

EXECUTIVE SESSION

Board And Staff

1. Personnel Issue
2. 2020 GM Goal Assessment **(By Separate E-mail)**
3. 2021 GM Goal Discussion **(By Separate E-Mail)**
4. 2021 Staffing Status

Board Only

1. Board Self Evaluation



BOARD MEETING
December 21, 2020 via Zoom

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, Glenn Huber Operations Manager, Tracy McCabe Propane Manager, and Jessica Dewbrey Office Staff.

Members: Julie Muyliaert

Guests: Greg Mendonca, PNGC VP of Power Supply

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 2:50 pm.

2. DETERMINATION OF QUORUM

A quorum was present.

3. APPROVAL OF AGENDA

Items of Business Additions:

1. CETA discussion moved to item #1
2. December base rate waiver discussion added

Agenda approved as presented with additions by Board consensus.

4. APPROVAL OF CONSENT AGENDA ITEMS

Sara emailed one word change for the November minutes: Item of Business #1 changed to *Discussion* - Long Term Facility Plan.

Consent Agenda approved by Board consensus.

5. MEETINGS ATTENDED

- a) PNGC Board Meeting and Education Seminar – Attended by: David, Alan, Dale, Sara and Michael.
- b) WRECA Board Meeting – David
- c) Washington State DNR Wildfire Task Force - David

6. MEETINGS TO ATTEND

- a) PNGC November Board Meeting and Education Seminar – January 5th & 6th
- b) 2020 Audit Debrief – Via Zoom Thursday, January 21st – 3pm

7. GENERAL MANAGERS REPORT

Written report reviewed.

Alan requested additional information and clarification on the \$150,000 borrowed and the end of year cash flow projection. David responded.

a) Operations Update

Sara requested clarification on why the Edelweiss Underground project was over budget, Glenn explained there were route changes that added distance to the original line design increasing time and materials used. Sara also asked about the large poles and transformers order, David and Glenn advised the additional stock was also due to new construction needs as well as truckload minimums that needed to be met.

b) Office Update

No report.

c) OCEI Propane Update

No report.

ITEMS OF BUSINESS

1. Approve – CETA Resource Plan recommendation

Greg Mendonca reviewed the PNGC recommended CETA resource plan. Michael asked about the energy efficiency and demand response data provided. Greg responded and offered to send out additional data after the meeting. Michael also asked about the projected load dropping over the 10-year projection. Greg responded with additional clarification. David advised that he would like PNGC to submit the CETA resource plan to Commerce for OCEC.

Alan Watson moved to approve the CETA Resource Plan as presented and have PNGC submit on OCEC's behalf. Michael Murray seconded. Motion passed.

2. Discussion – Facility Planning

The board and staff held a thorough discussion on the Cooperative Building Solutions (CBS) presentation. All board members were asked to comment.

Sara Carlberg moved to move forward with the facility plan and the need for a detailed project plan from the general manager on the CBS facility plan with two phases as presented today. Travis Thornton seconded.

After additional in-depth discussion the motion was withdrawn by Sara.

Sara Carlberg moved to approve the 35% schematic design plan step, up to \$79,500 with CBS. Including a more detailed project plan from the General Manager including omitted items on slide 15 from the presentation being explained in detail. Michael Murray seconded.

Discussion was held.

Motion passed with a vote of 4 yes, 1 no and 2 abstentions.

3. Approve – Waive December Base Rates

Sara Carlberg moved to waive the December base rate for General Services 1 through 4 and 22. Michael Murray seconded.

Discussion was held.

Motion failed with a vote of 1 yes, 5 no and 1 abstention.

The board agreed to close the board meeting tonight due to time constraints and continue with the remaining agenda items at an additional meeting on December 30, 2020 at 4:00pm.

Meeting adjourned at 5:15pm

Executive Session – Board Only

Alan Watson, Secretary



BOARD MEETING
December 30, 2020 via Zoom

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 Jessica Dewbrey Office Staff.

Members: Duncan Bronson & 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 4:05 pm.

2. DETERMINATION OF QUORUM

A quorum was present.

3. APPROVAL OF AGENDA

Agenda approved as presented by Board consensus. With the exception of the 2021 GM goals executive session being moved to January 2021 meeting.

ITEMS OF BUSINESS

1. Approve – 2021 O&M Budget

Alan Watson moved to approve the 2021 O&M Budget as presented. Travis Thornton seconded. Motion Passed.

2. Approve – 2021 Capital Budget

Alan Watson moved to approve the 2021 Capital Budget as presented with the exception that the line items for Facilities Design and EV Consultant (which technically is in the O&M budget) will need additional board approval before committing any funds. Cara Godwin seconded. Discussion followed.

After discussion Dale called for a vote. Motion passed.

It was requested by Alan that the Capital Credits payout projection be increased to 5% per the OCEC Equity Plan. It was pointed out that the Board specifically approves any normal Capital Credit payout in October or November regardless of what is in the budget. The cash flow budget will be modified to show the 5% payout.

3. Discussion – Electric Vehicle (EV Strategy)

Dale referenced his EV Strategy introduction document and the suggestion of creating an Ad-Hoc committee. The suggested Ad-Hoc committee members will be Michael, Travis and Alan.

Dale Sekijima moved that an Ad-Hoc committee be established to conduct research and gather information in the EV space. It will not engage with the community at this stage. Cara Godwin seconded. Discussion followed.

After discussion Dale called for a vote. Motion passed.

4. Action – 2021 Annual Board Meeting Calendar

Sara Carlberg moved to accept the 2021 Board Meeting Calendar as presented with the December meeting changed to Monday December 20th. Michael Murray seconded. Motion passed.

5. Discussion – ARB, D&O and Umbrella Insurance

David gave an update on the status of commercial insurance coverage with Federated. Because of a late arriving proposal for additional umbrella coverage, the ultimate coverage limits have not been finalized. David will present the final 2021 commercial insurance coverage at the January 2021 Board Meeting.

6. Discussion – 2021 Annual Meeting

David presented the proposed 2021 Annual Meeting timeline.

Dale moved to approve the 2021 Annual Meeting date of Monday, April 19th at 7pm on a virtual platform. Motion was approved by consensus.

7. Action – 2021 Nominating Committee

Sara moved to approve the nominating committee members of Duncan Bronson, Ed Surette, Dave Ashcom and Julie Muyallaert for the 2021 Annual Board election. Michael Murray seconded. Motion passed.

8. Action – Rescission of December 21, 2020 motion which approved moving forward with 35% construction documents by CBS based on design presented on December 21.

David stated that the engineering staff has recently been moved into the board room to allow for the propane staff to expand into the old engineering office. David also noted that these office adjustments relieve the immediate need for additional employee space.

There will also be a modular wall installed in the propane office to create a separate office space for the propane manager.

Additionally, the heat pumps in those offices will be upgraded to allow them to bring fresh air into those offices. The main HVAC system already has an outside air intake. David also noted that these office adjustments relieve the immediate need for additional employee space.

David requested the Board look into creating an Ad-Hoc committee to work with staff on a new conceptual facilities plan. Dale responded with a preference for a collaboration between staff and the entire board with the operations staff leading the conversation. This would allow for all Board members questions to be addressed. Staff to bring a proposal to the board in Q1 of 2021 which describes concept mutually agreed upon by staff and board.

Proposal to address:

- a. Description of alternatives considered and benefits/drawbacks of each,
- b. Schematics for preferred alternative,
- c. Description of construction phases and sequencing of phases,
- d. future office improvements,
- e. questions raised by the board,
- f. Bid process description, and
- g. Member communication plan which includes a summary and justification for the facilities upgrades

Sara Carlberg moved to rescind the facilities plan motion that was approved at the board meeting on December 21, 2020. Michael Murray seconded. Motion passed.

MEMBER COMMUNICATION

Ray Peterson asked if the budget narrative would be posted on the website now that it had been approved, David confirmed.

He also requested clarification on the Facilities Plan process that was referenced in the November board meeting minutes.

OPEN FLOOR FOR BOARD MEMBERS

Sara noted her appreciation of the staff and Board's work on the facilities plan process. She also appreciates the staff and operations efforts on a safe and fire-free year.

John requested clarification on continued relationship with CBS, David responded.

Travis noted his appreciation of the additional information provided on the facilities plan process at the beginning of the week by Dale and staff. John agreed.

Michael requested a copy of the WRECA legislative priorities list. David noted that he will send those out to board members. They are also attached for reference in these minutes.

Cara noted her appreciation of the staff working to get the fresh air upgrades the existing heat pumps.

Meeting adjourned at 5:05 pm.

EXECUTIVE SESSION

1. 2021 GM goals moved to January 2021 meeting

Alan Watson, Secretary



WRECA

Washington's Electric Cooperatives

PO Box 7219
Olympia, WA 98507
360.357.6048
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Your Touchstone Energy® Partner 

2021 Legislative Principles and Objectives

1. The Washington Rural Electric Cooperative Association (WRECA) and its member- owned electric cooperatives seek to collaborate with legislators and stakeholders to shape Washington State's energy policy. WRECA supports a Washington State energy policy that:
 - a. Recognizes the value of the Northwest's clean and predominantly carbon-free electricity resources, and avoids shifting the costs of carbon pollution mitigation to cooperatives that do not use carbon emitting resources.
 - b. Recognizes the impacts of policy decisions on the energy costs for Washington's rural families and businesses, and maximize the opportunities to utilize Washington's abundant and inexpensive electric energy.
 - c. Is complementary to existing state energy policy and does not add additional regulatory oversight or reporting burdens that simply add to the cost of providing electric energy.
 - d. Has no negative impacts on the reliability of the electric generation, transmission or distribution system.
 - e. Is technology neutral and provides compliance flexibility for utilities.
 - f. Provides that the timing and scale of investments in new resources and technologies are aligned with each utility's needs for resources.
2. Washington electric cooperatives support the development of safe and affordable generation resources to provide adequate capacity for our consumers' needs.
 - a. The state's public policies must recognize the need for resource adequacy and include a variety of complementary resources needed to avoid blackouts due to extreme weather and other occurrences that place high demands on the electric system.
 - b. Pacific Northwest generation and transmission resources, including those owned and operated by the Bonneville Power Administration, must be operated for the benefit primarily of the electric consumers in the Northwest. WRECA opposes the alliance of the Northwest's generation and transmission resources with any entity that would shift their primary purposes to serving electric consumers outside of the Pacific Northwest.
 - c. WRECA actively supports the creation of a Pacific Northwest-centric regional transmission organization by engaging with legislators, utilities and other stakeholders.
3. Washington electric cooperatives, as consumer-owned utilities, are well governed by those who own them and must remain independent of outside regulation from any state department or agency.

4. WRECA urges the legislature to amend the Washington Administrative Procedure Act (RCW 34.05) to make all state departments and agencies including the Washington Department of Commerce subject to the provisions of RCW 34.05.328.
5. WRECA seeks small utilities exemptions or more cost-effective compliance alternatives for small utilities. We define small utilities as those with two percent or less of the state's total number of electric consumers as reported by the most recent data from the U.S. Energy Information Administration (EIA).
6. WRECA prefers a national effort as the best approach to limiting greenhouse gas (GHG) emissions to avoid duplicative and costly regulations that can harm Washington's competitiveness.
7. WRECA supports the propagation of rural broadband and realizes the successful build-out must be safe and economically sustainable.
8. WRECA supports the electric cooperatives' rights to determine the appropriate safe placement, permitting and rates for the joint use by any third party of any of the cooperative's distribution infrastructure. Due to safety, reliability and cybersecurity concerns, WRECA opposes any legislation or regulation that limits the cooperative's control of its infrastructure or allows third party access to any utility infrastructure without prior authorization from the cooperative and oversight by the cooperative.
9. WRECA supports wildfire mitigation planning and the coordination with forest land owners for the removal of danger trees. Cooperatives must have the right to proactively manage trees that are outside of standard Rights-of-Way or must be granted a waiver from liability arising from wildfires if permissions for danger tree management are not granted.
10. The Clean Energy Transformation Act (RCW 19.405.110) provides that any utility meeting the 2030 emission requirements has no further compliance responsibilities under the Energy Independence Act (RCW 19.285). WRECA opposes amendments to the Energy Independence Act that would increase the requirements for renewable resources, energy efficiency or conservation requirements, or that would require more utilities to comply with the Act.
11. WRECA supports the electric cooperatives' right to eminent domain.
12. WRECA opposes any amendments to the state's net metering statute unless such amendments allow utilities to establish rates and fees to prevent shifting the costs of serving net metered consumers to the consumers who are not net metered.
13. WRECA supports allowing easements on state-owned land for locating renewable generation in perpetuity at no cost.
14. WRECA opposes any carbon-pricing legislation that imposes new regulatory or financial burdens on electric cooperatives. The electric cooperatives are subject to the Clean Energy Transformation Act and are required to provide electric service to their consumers from emission-free generation resources by 2045. Therefore, any carbon-pricing legislation must:
 - a. Provide a carve-out for the electric cooperatives with no regulatory or financial burdens in addition to those required by the Clean Energy Transformation Act, or

- b. Provide that funds raised from any financial burden placed on the electric cooperative's consumers be retained by the electric cooperative to be used to reduce the energy burden of the electric consumers.
- c. Prohibit any funds raised by the carbon-pricing program to be allocated to the state's general fund.



Pre-Audit

NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Okanogan County Electric Coop Inc
	BORROWER DESIGNATION	WA032
	ENDING DATE	12/31/2020

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;"> <div style="margin-right: 10px;"> <div style="border: 1px solid black; border-radius: 50%; width: 20px; height: 20px; background-color: red; margin: 5px; display: flex; align-items: center; justify-content: center;">8</div> <div style="margin: 5px; color: red;">Needs Attention</div> </div> <div style="margin-right: 10px;"> <div style="border: 1px solid black; border-radius: 50%; width: 20px; height: 20px; background-color: yellow; margin: 5px; display: flex; align-items: center; justify-content: center;">6</div> <div style="margin: 5px; color: yellow;">Please Review</div> </div> <div> <div style="border: 1px solid black; border-radius: 50%; width: 20px; height: 20px; background-color: green; margin: 5px; display: flex; align-items: center; justify-content: center;">4</div> <div style="margin: 5px; color: green;">Matches</div> </div> </div>	A. NRECA uses rural electric system data for legislative, regulatory and other purposes. May we provide this report from your system to NRECA?
Signature of Office Manager or Accountant Date <i>[Signature]</i> 1/14/2021		<input checked="" type="radio"/> YES <input type="radio"/> NO
Signature of Manager Date <i>[Signature]</i> 1-14-21		B. Will you authorize CFC to share your data with other cooperatives?
		<input checked="" type="radio"/> YES <input type="radio"/> NO

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	5,901,623	6,065,583	5,654,347	728,479
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	2,905,014	2,940,546	2,734,985	343,801
4. Transmission Expense	0	0	0	0
5. Regional Market Operations Expense	0	0	0	0
6. Distribution Expense - Operation	101,547	102,476	101,317	6,146
7. Distribution Expense - Maintenance	635,828	636,181	652,886	77,905
8. Consumer Accounts Expense	298,012	317,168	305,641	22,644
9. Customer Service and Informational Expense	5,266	6,124	3,480	345
10. Sales Expense	(2,728)	5,779	(1,500)	3,278
11. Administrative and General Expense	742,204	762,658	811,948	54,691
12. Total Operation & Maintenance Expense (2 thru 11)	4,685,142	4,770,931	4,608,757	508,808
13. Depreciation & Amortization Expense	375,897	384,448	385,564	32,977
14. Tax Expense - Property & Gross Receipts	41,508	44,474	44,637	3,705
15. Tax Expense - Other	182,097	152,315	184,118	(13,453)
16. Interest on Long-Term Debt	194,464	196,726	198,372	14,890
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)	5,479,108	5,548,895	5,421,448	546,928
21. Patronage Capital & Operating Margins (1 minus 20)	422,514	516,688	232,899	181,551
22. Non Operating Margins - Interest	27,744	32,239	70,262	2,228
23. Allowance for Funds Used During Construction	0	0	0	0
24. Income (Loss) from Equity Investments	124,988	40,893	0	16,556
25. Non Operating Margins - Other	21,550	34,800	34,800	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)	596,796	624,620	337,961	203,235

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	65	72	5. Miles Transmission	0	0
2. Services Retired	8	4	6. Miles Distribution Overhead	185	175
3. Total Services In Place	3,839	3,908	7. Miles Distribution Underground	243	201
4. Idle Services (Exclude Seasonal)	98	96	8. Total Miles Energized (5+6+7)	428	376



NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION FINANCIAL AND STATISTICAL REPORT	BORROWER NAME	Okanogon County
	BORROWER DESIGNATION	WA032
	ENDING DATE	12/31/2020

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	15,454,032	29. Memberships	16,760
2. Construction Work in Progress	107,487	30. Patronage Capital	7,708,307
3. Total Utility Plant (1+2)	15,561,519	31. Operating Margins - Prior Years	596,796
4. Accum. Provision for Depreciation and Amort	5,291,428	32. Operating Margins - Current Year	589,820
5. Net Utility Plant (3-4)	10,270,091	33. Non-Operating Margins	34,800
6. Nonutility Property - Net	0	34. Other Margins & Equities	926,174
7. Investment in Subsidiary Companies	912,874	35. Total Margins & Equities (29 thru 34)	9,872,657
8. Invest. in Assoc. Org. - Patronage Capital	407,175	36. Long-Term Debt CFC (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	0	37. Long-Term Debt - Other (Net)	3,555,049
10. Invest in Assoc. Org. - Other - Nongeneral Funds	137,958	38. Total Long-Term Debt (36 + 37)	3,555,049
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)	1,471,507	42. Notes Payable	0
15. Cash-General Funds	269,850	43. Accounts Payable	424,674
16. Cash-Construction Funds-Trustee	0	44. Consumers Deposits	164,483
17. Special Deposits	150,364	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	754,567	48. Other Current & Accrued Liabilities	194,803
21. Accounts Receivable - Net Other	881,573	49. Total Current & Accrued Liabilities (42 thru 48)	783,959
22. Renewable Energy Credits	0	50. Deferred Credits	0
23. Materials & Supplies - Electric and Other	274,287	51. Total Liabilities & Other Credits (35+38+41+49+50)	14,211,665
24. Prepayments	0		
25. Other Current & Accrued Assets	966	ESTIMATED CONTRIBUTION-IN-AID-OF-CONSTRUCTION	
26. Total Current & Accrued Assets (15 thru 25)	2,470,067	Balance Beginning of Year	0
27. Deferred Debits	0	Amounts Received This Year (Net)	765,181
28. Total Assets & Other Debits (5+14+26+27)	14,211,665	TOTAL Contributions-In-Aid-Of-Construction	765,181

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

December 31, 2020

	ANNUAL BUDGET	Y-T-D BUDGET	Y-T-D ACTUAL	MONTH BUDGET	MONTH ACTUAL
OPERATING REVENUE	\$5,654,347	\$5,654,347	\$6,065,583	\$687,269	\$728,479
COST OF POWER	\$2,734,985	\$2,734,985	\$2,940,546	\$351,760	\$343,801
GROSS MARGINS	\$2,919,362	\$2,919,362	\$3,125,037	\$335,509	\$384,678
OPERATING EXPENSES:					
DISTRIBUTION OPERATIONS	\$101,317	\$101,317	\$102,476	\$5,523	\$6,146
DISTRIBUTION MAINTENANCE	\$652,886	\$652,886	\$636,181	\$58,223	\$77,905
CONSUMER ACCOUNTING	\$305,641	\$305,641	\$317,168	\$22,000	\$22,644
CONSUMER SERVICE & INFO	\$3,480	\$3,480	\$6,124	\$290	\$345
SALES EXPENSE	-\$1,500	-\$1,500	\$5,779	\$0	\$3,278
ADMIN & GENERAL	\$811,948	\$811,948	\$762,658	\$82,785	\$54,691
<i>TOTAL OPERATING EXPENSES</i>	\$1,873,772	\$1,873,772	\$1,830,385	\$168,821	\$165,007
FIXED EXPENSES:					
DEPRECIATION	\$385,564	\$385,564	\$384,448	\$34,575	\$32,977
TAXES-PROPERTY	\$44,640	\$44,640	\$44,474	\$3,720	\$3,705
TAXES-OTHER	\$184,115	\$184,115	\$152,315	\$14,781	-\$13,453
INTEREST	\$198,368	\$198,368	\$196,726	\$16,218	\$14,890
OTHER DEDUCTIONS	\$0	\$0	\$0	\$0	\$0
<i>TOTAL FIXED EXPENSES</i>	\$812,686	\$812,687	\$777,964	\$69,294	\$38,120
TOTAL EXPENSES	\$2,686,458	\$2,686,459	\$2,608,349	\$238,115	\$203,127
OPERATING MARGINS	\$232,905	\$232,903	\$516,688	\$97,394	\$181,551
NONOPERATING MARGINS:					
INTEREST	\$70,261	\$70,261	\$73,132	\$21,180	\$18,784
OTHER	\$34,800	\$34,800	\$34,800	\$2,900	\$2,900
NET MARGINS	\$337,966	\$337,964	\$624,620	\$121,474	\$203,235
T.I.E.R.	2.70	2.70	4.18	8.49	14.65

OKANOGAN COUNTY ELECTRIC COOPERATIVE, INC.

POWER & SERVICE DATA
December-20

	September 2020	October 2020	November 2020	December 2020	December 2019
POWER DATA:					
COST OF POWER	\$202,054	\$247,820	\$223,729	\$343,801	\$337,416
KWH PURCHASED	3,736,810	5,062,645	7,338,795	9,184,605	8,659,575
KWH SOLD & OCEC USE	3,527,506	4,399,801	7,011,411	8,347,759	8,136,426
KWH LOST	209,304	662,844	327,384	836,846	523,149
LINE LOSS %	5.60%	13.09%	4.46%	9.11%	6.04%
COST PER KWH	\$0.0541	\$0.0490	\$0.0305	\$0.0374	\$0.0390
BILLING DATA:					
ACCOUNTS BILLED	3,897	3,911	3,727	3,720	3,661
AVG. KWH/CONSUMER	905	1,125	1,881	2,244	2,222
BILLING REVENUE	\$391,815	\$450,567	\$631,510	\$727,993	\$573,250
AVERAGE BILL	\$100.54	\$115.21	\$169.44	\$195.70	\$156.58
REVENUE/KWH SOLD	\$0.1111	\$0.1024	\$0.0901	\$0.0872	\$0.0705
SERVICE DATA:					
NEW	6	12	6	1	5
RETIRED	0	0	1	0	1
TOTAL END OF MONTH	3890	3902	3907	3908	3839
IDLE SERVICES	95	96	98	98	98
TRANSPORTATION:					
TOTAL MILES	6,035	8,140	5,200	6,247	5,346
COST OF OPERATION	\$18,508	\$16,468	\$10,808	\$18,262	\$17,801
AVG. COST PER MILE	\$3.067	\$2.023	\$2.078	\$2.923	\$3.330
MATERIALS:					
ISSUES	\$38,166	\$21,502	\$149,974	\$32,755	\$109,956
INVENTORY	\$364,234	\$351,429	\$247,504	\$274,287	\$201,829

Okanogan County Electric Cooperative Inc

Capital Expenditures by Project

Dec-20

	Current Month			Year to Date			Annual	Annual
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Balance
Member Requested Facilities	9,761.17	12,102.00	(2,340.83)	516,157.92	299,085.00	217,072.92	299,085.00	(217,072.92)
Replacements (Poles & Transformers)	38,297.91	8,297.00	30,000.91	286,748.83	120,114.00	166,634.83	120,114.00	(166,634.83)
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	0.00	0.00	0.00	125,336.02	108,913.00	16,423.02	108,914.00	(16,422.02)
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	0.00	0.00	0.00	39,105.00	(39,105.00)	39,106.00	39,106.00
Replace Liberty Woodlands URD	0.00	14,702.00	(14,702.00)	0.00	29,404.00	(29,404.00)	29,404.00	29,404.00
Mazama Upgrade (second of multiple phases)	0.00	0.00	0.00	0.00	48,462.00	(48,462.00)	48,462.00	48,462.00
Cordination Study - Part 1 of 2	0.00	15,000.00	(15,000.00)	0.00	15,000.00	(15,000.00)	15,000.00	15,000.00
Major Storm Damage	0.00	0.00	0.00	0.00	17,702.00	(17,702.00)	17,702.00	17,702.00
P and I twelve line monitor sensors	0.00	0.00	0.00	35,446.80	54,711.00	(19,264.20)	54,711.00	19,264.20
Pole Inspections	0.00	0.00	0.00	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	48,059.08	50,101.00	(2,041.92)	976,968.59	851,333.00	125,635.59	851,334.00	(125,634.59)
Un Allocated Overhead	0.00			0.00	0.00	0.00		
Member CIAC	CIAC	6,359.00	0.00	6,359.00	(765,180.51)	(374,000.00)	(374,000.00)	391,180.51
Total less CIAC	54,418.08	50,101.00	4,317.08	211,788.08	477,333.00	(265,544.92)	477,334.00	
							* \$60914.33 holding in CIAC 12/31/20	
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	18,000.00	913.07	18,000.00	(913.07)
Transformers Purchases	0.00	0.00	0.00	158,544.22	100,000.00	58,544.22	150,000.00	(8,544.22)
Vehicle Additions and Replacements	0.00	0.00	0.00	104,300.32	195,000.00	(90,699.68)	195,000.00	90,699.68
New Phone System	0.00	0.00	0.00	7,500.64	10,000.00	(2,499.36)	10,000.00	2,499.36
Heated Pressure Washer	0.00	0.00	0.00	3,142.52	6,000.00	(2,857.48)	6,000.00	2,857.48
Tools/Misc	0.00	0.00	0.00	5,398.67	6,000.00	(601.33)	6,000.00	601.33
Facility Planning Study	0.00	0.00	0.00	38,816.21	45,000.00	(6,183.79)	45,000.00	6,183.79
Office Furnace Replacement	0.00	0.00	0.00	13,712.60	0.00	13,712.60	0.00	(13,712.60)
Gutters	0.00	0.00	0.00	1,087.47	0.00	1,087.47	0.00	(1,087.47)
Building Lock Replacement/Entry Improvemen	0.00	0.00	0.00	6,560.41	0.00	6,560.41	0.00	(6,560.41)
Total	0.00	0.00	0.00	380,480.51	430,000.00	(70,879.97)	480,000.00	111,237.37
Total Capital Budget less CIAC	54,418.08	50,101.00	4,317.08	592,268.59	907,333.00	(336,424.89)	957,334.00	376,783.29

* 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	24,071.77	27,041.53	34,000.00	0.00	8,912.02	17,301.48	111,326.80
November	20,164.44	175,109.99	25,000.00	0.00	4,797.76	19,392.34	244,464.53
December	13,405.33	13,220.84	8,987.62	0.00	3,069.20	9,376.09	48,059.08
	179,465.05	381,148.44	229,087.62	0.00	64,951.37	129,782.88	984,435.36

* 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 acct #163 material stocking.

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

For the Month Ending
December 31, 2020

Beginning RLF Balance		\$80,473.26
LOUP LOUP SKI ED FOUNDATION LOAN #3		\$0.39
PAYOFF OCTOBER 01, 2024	MONTH	TO DATE
PAYMENTS RECEIVED	\$433.33	\$33,100.24
ADMINISTRATIVE FEE (1%)	\$16.66	\$2,266.66
PRINCIPLE PAYMENT TO LOAN	\$416.67	\$30,833.58
ORIGINAL AMOUNT OF LOAN		\$50,000.00
BALANCE REMAINING ON LOAN		\$19,166.42
TOWN OF TWISP		
PAYOFF OCTOBER 01, 2020	MONTH	TO DATE
PAYMENTS RECEIVED	\$77.52	\$9,716.55
ADMINISTRATIVE FEE (1%)	\$0.77	\$506.55
PRINCIPLE PAYMENT TO LOAN	\$76.75	\$9,210.00
ORIGINAL AMOUNT OF LOAN		\$9,210.00
BALANCE REMAINING ON LOAN		\$0.00
MVSTA LOAN #2		
PAYOFF JULY 01, 2022	MONTH	TO DATE
PAYMENTS RECEIVED	\$850.00	\$92,096.26
ADMINISTRATIVE FEE (1%)	\$16.67	\$52,429.94
PRINCIPLE PAYMENT TO LOAN	\$833.33	\$86,666.32
ORIGINAL AMOUNT OF LOAN		\$100,000.00
BALANCE REMAINING ON LOAN		\$13,333.68
TOWN OF WINTHROP		
PAYOFF NOVEMBER 01, 2027	MONTH	TO DATE
PAYMENTS RECEIVED	\$855.00	\$31,912.20
ADMINISTRATIVE FEE (1%)	\$63.33	\$2,620.41
PRINCIPLE PAYMENT TO LOAN	\$791.67	\$29,291.79
ORIGINAL AMOUNT OF LOAN		\$95,000.00
BALANCE REMAINING ON LOAN		\$65,708.21
Smiling Woods Yurts		
PAYOFF NOVEMBER 01, 2028	MONTH	TO DATE
PAYMENTS RECEIVED	\$363.33	\$9,136.53
ADMINISTRATIVE FEE (1%)	\$30.00	\$803.28
PRINCIPLE PAYMENT TO LOAN	\$333.33	\$8,333.25
ORIGINAL AMOUNT OF LOAN		\$40,000.00
BALANCE REMAINING ON LOAN		\$31,666.75
TwispworksFoundation		
PAYOFF DECEMBER 01, 2028	MONTH	TO DATE
PAYMENTS RECEIVED	\$363.33	\$8,759.88
ADMINISTRATIVE FEE (1%)	\$30.00	\$759.96
PRINCIPLE PAYMENT TO LOAN	\$333.33	\$7,999.92
ORIGINAL AMOUNT OF LOAN		\$40,000.00
BALANCE REMAINING ON LOAN		\$32,000.08
TOTAL BALANCE REMAINING ON LOANS		\$161,875.14
ENDING RLF BALANCE		\$82,925.25

OKANOGAN COUNTY ELECTRIC COOPERATIVE INC

REVOLVING LOAN FUND #2

MONTHLY REPORT

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

Beginning RLF Balance	\$64,207.11	
AERO RESCUE		
PAYOFF NOVEMBER 1, 2020	MONTH	TO DATE
PAYMENTS RECEIVED		\$253,180.00
ADMINISTRATIVE FEE (1%)		\$14,080.00
PRINCIPLE PAYMENT TO LOAN		\$240,000.00
ORIGINAL AMOUNT OF LOAN		\$240,000.00
BALANCE REMAINING ON LOAN		\$0.00
TOWN OF WINTHROP LOAN #2		
PAYOFF JUNE 01, 2022	MONTH	TO DATE
PAYMENTS RECEIVED	\$174.25	\$18,512.09
ADMINISTRATIVE FEE (1%)	\$3.42	\$1,086.72
PRINCIPLE PAYMENT TO LOAN	\$170.83	\$17,424.66
ORIGINAL AMOUNT OF LOAN		\$20,500.00
BALANCE REMAINING ON LOAN		\$3,075.34
MVSTA LOAN #3		
PAYOFF OCTOBER 01, 2024	MONTH	TO DATE
PAYMENTS RECEIVED	\$606.66	\$47,617.36
ADMINISTRATIVE FEE (1%)	\$23.33	\$3,284.29
PRINCIPLE PAYMENT TO LOAN	\$583.33	\$44,333.08
ORIGINAL AMOUNT OF LOAN		\$70,000.00
BALANCE REMAINING ON LOAN		\$25,666.92
PINETOOTH CREATIVE		
PAYOFF July 01, 2026	MONTH	TO DATE
PAYMENTS RECEIVED	\$81.93	\$4,436.98
ADMINISTRATIVE FEE (1%)	\$4.64	\$339.63
PRINCIPLE PAYMENT TO LOAN	\$77.29	\$4,097.35
ORIGINAL AMOUNT OF LOAN		\$9,275.00
BALANCE REMAINING ON LOAN		\$5,177.65
EQPD		
PAYOFF February 01, 2027	MONTH	TO DATE
PAYMENTS RECEIVED	\$292.50	\$13,571.53
ADMINISTRATIVE FEE (1%)	\$21.66	\$1,012.91
PRINCIPLE PAYMENT TO LOAN	\$270.84	\$12,458.62
ORIGINAL AMOUNT OF LOAN		\$32,500.00
BALANCE REMAINING ON LOAN		\$20,041.38
Little Star Montessori School		
PAYOFF February 01, 2027	MONTH	TO DATE
PAYMENTS RECEIVED	\$314.79	\$13,107.01
ADMINISTRATIVE FEE (1%)	\$18.96	\$1,037.49
PRINCIPLE PAYMENT TO LOAN	\$295.83	\$12,066.52
ORIGINAL AMOUNT OF LOAN		\$32,500.00
BALANCE REMAINING ON LOAN		\$20,433.48
MVSTA LOAN #4		
PAYOFF November 01, 2030	MONTH	TO DATE
PAYMENTS RECEIVED	\$916.67	\$916.67
ADMINISTRATIVE FEE (1%)	\$83.34	\$83.34
PRINCIPLE PAYMENT TO LOAN	\$833.33	\$833.33
ORIGINAL AMOUNT OF LOAN		\$100,000.00
BALANCE REMAINING ON LOAN		\$99,166.67
TOTAL BALANCE REMAINING ON LOANS		\$74,394.77
ENDING RLF BALANCE		\$66,438.56

Okanogan County Electric Cooperative Inc

Budget Year: 2020

	2019	Budget year 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	(\$8,206)	\$198,614	\$203,235
Plus Depreciation Expense	\$0	\$385,564	\$31,575	\$31,600	\$31,520	\$31,528	\$31,569	\$31,789	\$32,289	\$32,240	\$32,181	\$32,581	\$32,598	\$32,977
Less Capital Credit Allocations	\$0	\$0	(\$1,527)	(\$413)	(\$1,478)	\$0	(\$72)	(\$47)	\$2,794	(\$1,078)	\$30	\$0	(\$9,305)	(\$347,249)
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	\$24,376	\$221,907	(\$111,037)
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)	(\$6,267)	\$95,977	(\$5,058)
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)	\$96,148	(\$182,787)	(\$122,477)
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	\$6,267	(\$95,977)	\$18,088
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	(\$7,528)	\$7,528
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	\$127,174	\$38,242	(\$206,306)
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	(\$75,937)	\$29,368	\$32,834
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)	(\$66,542)	\$55,613	(\$63,295)
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)	(\$142,479)	\$84,982	(\$30,461)
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	(\$15,306)	\$123,223	(\$236,767)
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)	(\$58,578)	\$5,226	(\$121,971)
Cost to Retire Utility Plant	\$0	\$0	(\$13,537)	\$4,664	\$4,783	\$6,731	\$914	(\$1,470)	\$3,295	(\$5,411)	(\$1,041)	(\$5,344)	(\$12,861)	(\$5,020)
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)	(\$65,547)	(\$204,311)	\$107,874
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	\$57,624	(\$5,665)	(\$6,359)
Total Other Property and Investments	\$0	\$0	\$1,281	\$0	\$161	\$0	\$0	\$0	\$0	\$0	\$154	\$5,200	(\$11,148)	(\$16,556)
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)	\$12,805	\$103,926	(\$26,784)
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)	(\$53,840)	(\$124,833)	(\$68,815)
FINANCING ACTIVITIES														
Margins & Equities	\$0	(\$361,881)								\$0				\$150,000
LT Debt - Additional Debt		\$530,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LT Debt - Debt Service Payment		(\$161,676)	\$0	\$0	(\$39,493)	\$0	\$0	(\$40,060)	\$0	\$0	(\$40,636)	\$0	\$0	(\$41,490)
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	(\$41,490)
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	\$20	\$30
Consumers Deposits	\$0	\$0	\$350	(\$100)	\$300	\$250	\$1,800	\$959	\$293	\$665	\$555	(\$750)	\$300	\$300
CASH FROM FINANCING ACTIVITIES	\$0	\$6,443	\$340	(\$85)	(\$39,168)	\$220	\$1,855	(\$39,016)	\$338	\$730	(\$40,016)	(\$750)	\$320	\$108,840
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)	(\$69,896)	(\$1,289)	(\$196,742)
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	\$467,881	\$466,592
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	\$467,881	\$466,592	\$269,850

General Manager's Report to the Board – January 2021

General Discussion:

- **COVID-19 Update:**
 - OCEC has resumed limited walk-in operations in our office for our members to transact business.
 - Employees have kept safe and we have had no COVID incidents though some employees have quarantined because of possible exposures, all of which turned out to be negative.
 - We continue to conduct daily temperature checks and symptom monitoring. Any employee with a cold or other COVID symptoms is advised to stay home until they are tested.
 - We do have business continuity/contingency plans in case an employee develops COVID.
 - We have completed moving employee work locations to alleviate the crowded conditions.
 - 20% of our employees have received the either the first or both doses of the vaccine. We are working with county officials to have the vaccine available to the other employees ASAP.

- **Four Ten Workweek to Start March 1st** – We will begin the 10 hour a day, four-day workweek on March 1st this year. This is a month earlier than usual. The reasons for this are:
 - This helps the employees as they are still dealing with their children in and out of school.
 - All indications are that construction season will start early this year and this type of schedule facilitates this. We are already receiving requests for cost estimates for this coming year and we still have some outstanding projects to complete from last year.
 - Since we reopened the lobby, member visitation to conduct business is dramatically lower than normal. Members more likely than not will not find this an inconvenience. We will publicize this in the March newsletter and on the website.

- **Meetings attended:**

- PNGC Board Meeting and Education Seminar - Allan, Dale, and David attended.

Items discussed included:

- Approved the return of CTCs.
- Approved PNGC membership for Ravalli Cooperative membership.
- Approved investment plan for UEC termination funds.
- PNGC's "Big 3" Items update
- PNGC Building Update

- **Meetings to Attend:**

- Resource Adequacy (RA) Conference – January 28th and 29th - David, Michael, and Allan
- PNGC January Board Meeting and Education Seminar – February 2nd and 3rd
- WRECA Board Meeting - February 9th - David

Financial Discussion:

- **OCEC** borrowed \$360,000 in January at an effective rate of 2.47%. This is per our Equity Management Plan.

- **Discussion of Variances**

- **Net Margins** – 2020 Operating Margins were 121% above budgeted amounts (\$232k budget versus \$516k actual). The major reason for this is larger gross margins than expected due to:
 - 2020 annual energy sales were 9.8% higher than budgeted.
 - 2020 operating revenues were 7.3% higher than budgeted.
 - In addition, 2020 O&M expenses were 2.9% under budget.

- **O&M Expenses** were generally in line with budgeted amounts. 2020 O&M expenses are 2.9% under budget. The largest variance was in A&G which was 6% under budget.
 - **Capital Expenses** are coming in way under budget due to the large CIAC (Customer Contributions in Aid of Construction). The underground in Edelweiss is the only underground replacement that was worked on as most of capital time went to new customer work and high-priority maintenance.
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- The graph on the next page shows the 20-year trend line for OCEC expenses. (2020 numbers are unaudited.) While power expenses were generally rising through this period, there was a major downturn in O&M expenses in the 2011 to 2013 period during a restructuring period. O&M expenses since 2011/2013 have generally risen with general price increases and are back to 2011 levels.

The “Tier of 2.4 (2020)” line is the required margins to achieve a tier of 2.4 in 2020. This is the minimum margins required per the OCEC Equity Management Plan.

OCEC Cost Structure from 2000 to 2020

