



Mason County PUD No. 1
Regular Board Meeting
February 28, 2023
1:00 p.m.

Join Zoom Meeting
<https://us02web.zoom.us/j/85869053743>

Meeting ID: 858 6905 3743
1 (253) 215-8782

1:00 p.m. Regular Board Meeting

- 1) **Public Comment-** *Members of the public wishing to comment may request permission to do so during the Public Comment portion of the agenda. Comments shall be limited to no more than 5 minutes per speaker. There will be no action or discussion of public comment items, although the board may defer to PUD management for any necessary response.*

2) **Consent Agenda**

Minutes: Regular Board Meeting February 14, 2023

Disbursements:	Accounts Payable Wire	\$ 69,289.26
	Check Nos. 122898-122950	\$ 180,073.18
	Payroll Wire	\$ 86,800.74
	Paper Payroll Check – 122930	\$ 5,930.13
	Grand Total	\$ 342,093.31

3) **Business Agenda**

- Approve the General Manager to sign the Amended Interlocal Agreement with Jefferson County PUD No. 1 for Telecommunications Services
- December 2022 and Year End Financials
- Award the Generator Bid for Harstene Retreat and Canyonwood Beach
- Approve Write-Off of Delinquent Accounts to Collection

4) **Staff Reports**

- General Manager
- District Treasurer
- Water Resource Manager
- Legal Counsel

5) **Correspondence**

6) **Board Comments**

7) **Other Business/Public Comment**

8) **Executive Session** may be held as authorized by the Open Public Meetings Act (RCW 42.30.110)

9) **Adjournment**

2023 Calendar

Feb 27-March 1	WPUDA/APPA Leg Rally	Washington DC
March 15-17	WPUDA	Zoom Meeting
March 30	WPAG	Virtual
March 30	WPUDA	Location TBA
April 12-14	WPUDA	Olympia
April 27	WPAG	Virtual
April-May (TBA)	WPUDA	Location TBA
May 3-5	PNW-AWWA Conference	Kennewick
May 11-12	Manager's Committee	Spokane (Davenport Historic)
May 10-11	Telecom Workshop	Spokane (Davenport Historic)
May 14-17	NWPPA Annual Conf.	Anchorage Alaska
May 25	WPAG	Beijing Rm, SeaTac Airport
June 11-14	AWWA National Conf.	Toronto, Canada
June 16-21	APPA National Conf.	Seattle
June TBA	Strategic Plan Comm.	WPUDA, Olympia
June 29	Water Committee	Olympia
June 29	WPAG	Virtual
July 12-14	WPUDA	Location TBA
July 20	WPAG	Virtual
August 31	WPAG	Beijing Rm, SeaTac Airport
Sept. 13-15	WPUDA	Location TBA
Sept. 27-29	Water Workshop	Leavenworth (Enzian Inn)
Sept. 28	WPAG	Virtual
October TBA	Admin/Finance/HR	Location TBA
October TBA	Energy NW PP Forum	Tri-Cities area
October 26	WPAG	London Rm, SeaTac Airport
November 15-17	WPUDA	Location TBA
November	PPC Annual Mtg.	Portland, OR
Nov/Dec (TBA)	WAPAG	Virtual
Nov. 29-Dec 1	WPUDA Annual Conf.	Location TBA



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
February 14, 2023, Potlatch, Washington

Present:

Mike Sheetz, President
Jack Janda, Vice President
Ron Gold, Board Secretary
Kristin Masteller, General Manager
Katie Arnold, District Treasurer
Brandy Milroy, Water Resource Manager
Julie Gray, Executive Assistant
Rob Johnson, Legal Counsel

Visitors:

Loren & Sandy Tabasinske

CALL TO ORDER: Jack called the Regular Board Meeting to order at 1:00 p.m.

PUBLIC COMMENT: Mr. & Mrs. Tabasinske attended the meeting to submit a claim for water damage to the foundation at their residence at Holiday Beach. Following public comment and attorney recommendation, the board asked Kristin to submit the claim to Federated.

APPROVAL OF CONSENT AGENDA:

Minutes: Regular Board Meeting January 24, 2023

Disbursements:	<u>Accounts Payable Check Register</u>	
	Accounts Payable Wire	\$ 760,003.01
	Check Nos. 122790-122897	\$ 612,700.40
	A/P Sub Total	\$1,372,703.41
	<u>Payroll Expense</u>	
	Payroll Wire	\$ 84,807.82
	Grand Total	\$ 1,457,511.23

Ron made a motion to approve the consent agenda as presented, Mike seconded the motion. Motion carried.

BUSINESS AGENDA:

Approve the Director of Business Services to sign the FEMA Grant Contract HMGP DR-4539-07 R

Ron made a motion to approve the Director of Business Services to sign the FEMA Grant Contract HMGP DR-4539-07 R, Mike seconded the motion. Motion carried.

Approve the General Manager to sign the Jefferson County ARPA Contract – Ron made a motion to approve the General Manager to sign the Jefferson County ARPA Contract, Mike seconded the motion. Motion carried.



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
February 14, 2023, Potlatch, Washington

Approve the General Manager to sign the Mt. View Location and Marking LLC Contract for Electric Locates – Ron made a motion to approve the General Manager to sign the Mt. View Location and Marking LLC Contract for Electric Locates, Mike seconded the motion. Motion carried.

Staff Reports –

General Manager – Kristin reported that the last samples taken from the abandoned pole yard came back good. She is hoping to be able to get a 'No Further Action' letter from DOE by the end of this year. She reported that she will be attending the WPAG meeting at SeaTac next week. She also reported that she is trying to set a meeting with Ryan from WPAG on follow up questions. She reported that she presented at the Salish Sea Rotary club this week. She reported that she will be attending the WPUDA Managers meeting and a Day on the Hill at the Capitol this week. She reported that she is meeting with Grays Harbor, Jefferson County and Clallam County PUD's at Representative Tharinger's office of the 24th District to discuss funding and budget for the Duckabush project. She is also working with Meguire Whitney on requests to Senators Murray and Cantwell for engineer support for Jorstad substation and with Representative Kilmer's office for the Manzanita sub.

Director of Business Services – Katie reported that she and Jack attended the Exit Conference for the 2020 & 2021 audit. The State Auditors reported that the audits went well, and they were pleased with the PUD's communication and the processes during the audit. The audit reports are now published on the state's website. Katie also reported that because of the grant funding the PUD brought in in 2022, the Financial Audit will take place this summer instead of at the end of the year. We will also have a Federal Single Audit. The accountability audit for 2022 will take place with 2023's audit in 2024.

Water Resource Manager – Brandy reported that she attended two WASWD meetings last week. She is now on the Small District and Finance committee. She reported that the PUD closed on the Totten/Bay East property this week. It is a small piece of property, approximately 1/3 of an acre. All 3 wells have a 100 ft radius. She also reported that the Lake Arrowhead manganese treatment project went out to bid. The bid opening will be March 10th. She reported that the revised Phase 2 bid for the Agate Beach Reservoir and Booster Station is ready for bid.

Legal Counsel – None.

Correspondence – None.

Board Reports –

Mike – Mike reported that he will attend the WPUDA meetings this week.

Jack – None.

Ron – Ron reported that he will attend the Day on the Hill meetings.



Mason County Public Utility District No. 1
Board of Commissioners Regular Board Meeting
February 14, 2023, Potlatch, Washington

PUBLIC COMMENT – None.
EXECUTIVE SESSION – None.

Adjournment: 2:11 p.m.

Jack Janda, President

Ron Gold, Vice President

Mike Sheetz, Secretary

02/23/2023 2:39:04 PM

Accounts Payable Check Register

Page 1

02/10/2023 To 02/23/2023

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
793 02/16/2023	WIRE	IRS	WEST COAST BANK	FEDERAL TAX LIABILITY	38,327.28
794 02/16/2023	WIRE	WASH 1	WA DEPT OF RETIREMENT SYS	STATE RETIREMENT - PLAN 2	19,058.69
795 02/16/2023	WIRE	WASH 7	WA STATE TREAS-MS: PO-11	DEFERRED COMPENSATION	8,695.25
796 02/16/2023	WIRE	HRA	HRA VEBA TRUST CONTRIBUTI	VEBA MEDICAL SAVINGS	3,208.04
122898 02/10/2023	CHK	CORIROSSI, COL	COLE CORIROSSI	TRAVEL PER DIEM-ERWOW ANNUAL CONF	155.00
122899 02/10/2023	CHK	40	ERIC JOHNSON	TRAVEL PER DIEM-ERWOW ANNUAL CONF	155.00
122900 02/10/2023	CHK	OGG, GARET	GARET OGG	TRAVEL PER DIEM-ERWOW ANNUAL CONF	155.00
122901 02/15/2023	CHK	ALTEC	ALTEC INDUSTRIES INC	STELLAR RR-185 TRAILER-SHORT PAID TAX	15,104.54
122902 02/15/2023	CHK	BRUFF	BARNEY BRUFF	REIMBURSE-DOT PHYSICAL EXAM	150.00
122903 02/15/2023	CHK	CENTUR	CENTURYLINK	TELEPHONE CHARGES ACCT#206-Z05-0016 020	1,524.12VOID
122904 02/15/2023	CHK	GENPAC	GENERAL PACIFIC INC	(4)MILBANK 13TERM METER SOCKETS	1,707.79
122905 02/15/2023	CHK	GRAY	GRAY & OSBORNE, INC	AGATE BEACH WATER SYSTEM IMPROVEMENTS	57,116.58
122906 02/15/2023	CHK	HARB 1	HARBOR SAW & SUPPLY INC.	VEHICLE #73-REPLACED CARB & FUEL LINE	151.21
122907 02/15/2023	CHK	HDFOWL	HD FOWLER COMPANY	WATER NON INVENTORY - STRAPS	6,754.46
122908 02/15/2023	CHK	HOOD CANAL	HOOD CANAL MARKET FRESH	(2) DRILL/DRIVER COMPACT	218.23
122909 02/15/2023	CHK	JEFF 1	JEFFERSON COUNTY	UTILITY PERMIT-DOSEWALLIPS RD	300.00
122910 02/15/2023	CHK	LILLIWAUP FAL	LILLIWAUP FALLS GENERATING COMP	JANUARY POWER USAGE	32,998.62
122911 02/15/2023	CHK	MARSH	MARSH MUNDORF PRATT & SUL	MONTHLY WPAG SERVICES	400.67
122912 02/15/2023	CHK	MASON7	MASON COUNTY AUDITOR	(9) ELECTRIC EASEMENT RECORDINGS	1,840.50
122913 02/15/2023	CHK	MAS 15	MASON COUNTY SOLID WASTE	TIGER LAKES WATER	90.91
122914 02/15/2023	CHK	NISC	NISC	JANUARY 2023 RECURRING INVOICE	14,094.79
122915 02/15/2023	CHK	NWPPA	NWPPA	LABOR & EMPLOYEE RELATIONS CONF-KATIE	960.00
122916 02/15/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS VEHICLES	3,944.52
122917 02/15/2023	CHK	PUD#3	PUD #3 OF MASON COUNTY	ELECTRIC NON INVENTORY PARTS	199.36
122918 02/15/2023	CHK	JOHN 3	ROBERT W. JOHNSON	JANUARY RETAINER FEE	3,815.51
122919 02/15/2023	CHK	RWC GROUP	RWC GROUP	200GALLONS OF DEFBULK	761.60

02/23/2023 2:39:04 PM

Accounts Payable Check Register

Page 2

02/10/2023 To 02/23/2023

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
122920 02/15/2023	CHK	SCOTT MCLEND	SCOTT MCLENDON'S HARDWARE #2	TIGER LAKES WATER-SUPPLIES	142.06
122921 02/15/2023	CHK	STATE	STATE AUDITOR'S OFFICE	ACCOUNTABILITY & FINANCIAL AUDIT	4,364.80
122922 02/15/2023	CHK	TOZIER	TOZIER BROS, INC	FORKLIFT-PROPANE	43.37
122923 02/15/2023	CHK	VALLEY, LANCE	LANCE VALLEY	DOT PHYSICAL	150.00
122924 02/15/2023	CHK	WPUDA	WASHINGTON PUD ASSOC.	COMMISSIONER TRAINING-LUNCH	20.00
122925 02/15/2023	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	VEHICLE #59-ALTERNATOR & CORE DEPOSIT	393.68
122926 02/15/2023	CHK	WHITEWOLF EN	WHITEWOLF ENGINEERING SERVICES	BALANCE OWING ON INV# MAS_112022	3,397.50
122927 02/15/2023	CHK	2	CHRISTEL MORITZ	REFUND PAYMENT-PUD #3 CUSTOMER	300.00
122928 02/15/2023	CHK	2	LANA A MURPHY	CUSTOMER CANELLED PROJECT-REFUND TEMP FE	100.00
122929 02/15/2023	CHK	2	ANDREW C WATTS	REPLACE CK#122811 DONALD WATTS CUST 1639	4,213.10
122931 02/16/2023	CHK	IBEW	IBEW LOCAL UNION #77	UNION DUES	992.57
122932 02/16/2023	CHK	PUDEMP	PUD #1 EMPLOYEE FUND	EMPLOYEE FUND	250.00
122933 02/22/2023	CHK	ASPECT CONSU	ASPECT CONSULTING LLC	UNION REGIONAL WATER SYTEM CONSOLIDATION	8,598.00
122934 02/22/2023	CHK	CENTUR	CENTURYLINK	TELEPHONE CHARGES ACCT#206-Z05-0016 020	1,524.12
122935 02/22/2023	CHK	CENTURYLINK	CENTURYLINK	LONG DISTANCE & OUTBOAND CHARGES(21)LINE	210.91
122936 02/22/2023	CHK	CINTAS CORP	CINTAS CORPORATION	SAFETY SUPPLIES	257.71
122937 02/22/2023	CHK	DAY	DAY WIRELESS SYSTEMS	VEHICLE #80-MISC HARDWARE	402.61
122938 02/22/2023	CHK	GENPAC	GENERAL PACIFIC INC	VINYL ELECTRICAL TAPE	2,960.97
122939 02/22/2023	CHK	HDFOWL	HD FOWLER COMPANY	WATER INVENTORY PARTS	938.61
122940 02/22/2023	CHK	HOOD CANAL	HOOD CANAL MARKET FRESH	BATTERIES	28.19
122941 02/22/2023	CHK	L.G.	L. G. ISAACSON CO. INC.	(2)SHOVELS & STEP MAT	95.11
122942 02/22/2023	CHK	MASON7	MASON COUNTY AUDITOR	RECORD ELECTRIC EASEMENTS	1,431.50
122943 02/22/2023	CHK	SHEL 2	MASON COUNTY JOURNAL	LAKE ARROWHEAD WATER-PUBLIC NOTICE AD	868.00
122944 02/22/2023	CHK	NWPPA	NWPPA	HR WORKSHOP-BRANDY & KATIE	1,100.00
122945 02/22/2023	CHK	PARSON	PARSONS DIESEL & STEAM	SERVICE VARIOUS TRUCKS	1,984.47
122946 02/22/2023	CHK	RWC GROUP	RWC GROUP	VEHICLE #60-SURGE TANK & RADIATOR CAP	664.38

02/23/2023 2:39:04 PM

Accounts Payable Check Register

Page 3

02/10/2023 To 02/23/2023

Bank Account: 4 - COLUMBIA BANK - DISTRICT

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
122947 02/22/2023	CHK	SCOTT MCLEND	SCOTT MCLENDON'S HARDWARE #2	TIGER LAKES WATER-CONCRETE	49.80
122948 02/22/2023	CHK	VERIZO	VERIZON WIRELESS	ISLAND LAKE MANOR,BEL AIRE, & SHADOWOOD	150.14
122949 02/22/2023	CHK	NAPA AUTO PA	WESTBAY NAPA AUTO PARTS	VEHICLE 71-BRAKES	1,743.17
122950 02/23/2023	CHK	2	LANA A MURPHY	INACTIVE REFUND	100.00
Total Payments for Bank Account - 4 :					(55) 247,838.32
Total Voids for Bank Account - 4 :					(1) 1,524.12
Total for Bank Account - 4 :					(56) 249,362.44
Grand Total for Payments :					(55) 247,838.32
Grand Total for Voids :					(1) 1,524.12
Grand Total :					(56) 249,362.44

02/23/2023 2:39:04 PM

Accounts Payable Check Register

Page 4

PARAMETERS ENTERED:**Check Date:** 02/10/2023 To 02/23/2023**Bank:** All**Vendor:** All**Check:****Journal:** All**Format:** Summary**Extended Reference:** No**Sort By:** Check/Transaction**Voids:** Current**Payment Type:** All**Group By Payment Type:** No**Minimum Amount:** 0.00**Authorization Listing:** No**Credit Card Charges:** No

02/23/2023 2:11:23 PM

GENERAL LEDGER
TRANSACTION DETAIL

Page: 1

FEB 2023 To FEB 2023

Date	Journal Description	Actv BU Project	Mod	Jrnl Reference Code	
Account: 0 131.2 CASH-GENERAL FUND (DISTRICT)			Department:	0	Beginning Balance:
02/16/23	72730 Check Print	0	PL	2 PAYROLL	86,800.74

PARAMETERS ENTERED:

Division: All

Accounts: 0 131.2

Department: All

Activity: All

Sort By: Div/Acct

Date Selection: Period

Period: FEB 2023 To FEB 2023

Module: PL

Journal Activity: All

Accounts With No Transactions: Yes

Extended Reference: No

Interface Detail: No

Group by Department: Yes

51217

/pro/rpttemplate/acct/2.55.1/gl/GL_TRANS_DETAIL.xml.rpt

Karnold

02/23/2023 2:17:48 PM

Payroll/Labor

Page 1

Check Register

Pay Date: 02/16/2023 To 02/16/2023

Empl Name	Pay Date	Dir Dep/Check	Net Pay	Type
135 TIMOTHY BROWN	02/16/2023	122930	5,930.13	CHK

Grand Total:

Pay Date: 02/16/2023 To 02/16/2023
Check/Direct Deposit: All
Employee: 135
Journal: 0

PARAMETERS ENTERED:

Division: All
Format: Summary By Check
Sort By: Check/Direct Deposit

Karnold

**1st Amendment to Telecommunications Service Interlocal Agreement between
Public Utility District No. 1 of Mason County
and
Jefferson County Public Utility District No. 1**

This Amendment is made between Public Utility District No. 1 of Mason County (Mason County PUD)` and Jefferson County Public Utility District No. 1 (“Jefferson County PUD”) on the last date signed below.

AGREEMENT

- 1.The parties entered into an Agreement Regarding Telecommunications Service Interlocal Agreement on November 17, 2021 (“Agreement”).
- 2.The parties to the Agreement agree to amend the Agreement to provide for the following:
 - Jefferson County PUD shall contribute \$30,000 to Mason County PUD in support of its grant to extend certain broadband services to residents located in the Brinnon area of Jefferson County, where Jefferson County PUD provides water services and Mason County PUD provides electric service to Jefferson County, Washington residents; and
 - Jefferson County PUD shall also contribute certain fiberoptic cables that have been determined to be excess to its operations; and
 - Jefferson County PUD shall also contribute engineering services to assist with the deployment of the broadband facilities in the Brinnon area of Jefferson County.
3. The Agreement is hereby amended to include the above provisions. Except for what is included in this Amendment, the Agreement shall remain in full force and effect.

PUBLIC UTILITY DISTRICT NO. 1
OF MASON COUNTY

JEFFERSON COUNTY PUD NO. 1

By:_____

Kristin Masteller, General Manager

By:_____

Kevin Streett, General Manager

Dated:_____, 2023

Dated:_____, 2023



PUD1 – Executive Summary – December 2022

This report summarizes information on the current financial status of Mason County PUD No. 1 for the month of December 2022:

- **Work in Progress:**
 - Grant Applications – Ongoing
 - 2020 / 2021 Audit
- **Completed Projects:**
 - 2023 Budget
 - Resource Plan Update – Due September 3, 2022
 - Hazard Mitigation Grants – Due June 3, 2022
 - Feasibility Study Grants – Due June 30, 2022
 - 2021 Form 7 – Due March 31, 2022
 - 2021 Privilege Tax Return
 - FEMA Grant Applications (Due April 14, 2022)
 - 2021 Annual Report (State Auditors Office) – Due May 30, 2022
- **Planned Key Milestones, Activities and / or Events:**
 - Long range financial and budgetary planning – ongoing.

Financial Highlights:

- Revenue – Gross Revenue was \$1,625,804 for the month of December 2022.
- Expenditures – Gross expenditures were \$1,308,085 for the month of December 2022.
- As of December 31 the PUD has \$847,013 in grant reimbursements outstanding for ongoing projects.

Financial Metrics as Compared with Prior Year:	December 2022	December 2021
Total General Cash and Investments	\$1,168,374	\$1,000,462
Current Ratio (Current Assets/Current Liabilities)	2.05 to 1	2.39 to 1
Debt Service Coverage (O&M/ Debt Service)	2.91	2.39
Long-Term Debt to Net Plant	32%	36%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	42%	49%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	37%	45%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.86	3.94
Cash on Hand (Total Available Cash/Average Daily Costs)	60 Days (General) 172 Days (All Funds)	43 Days (General) 196 Days (All Funds)



Mason County PUD No 1

Budget Summary by Division For the Month Ended December 31, 2022

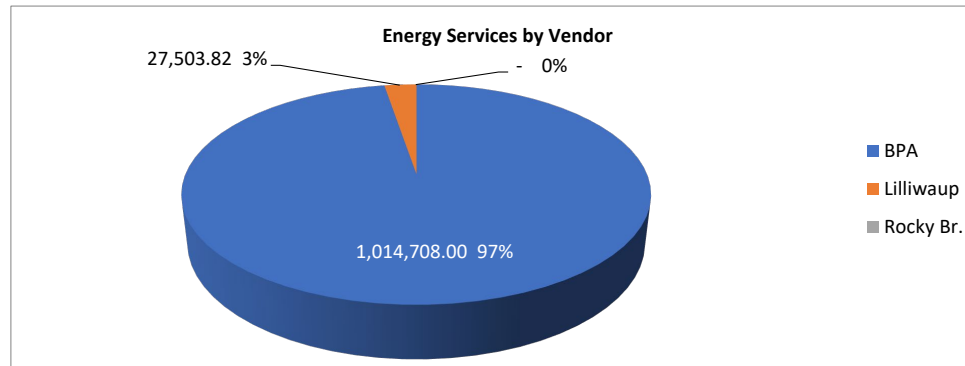
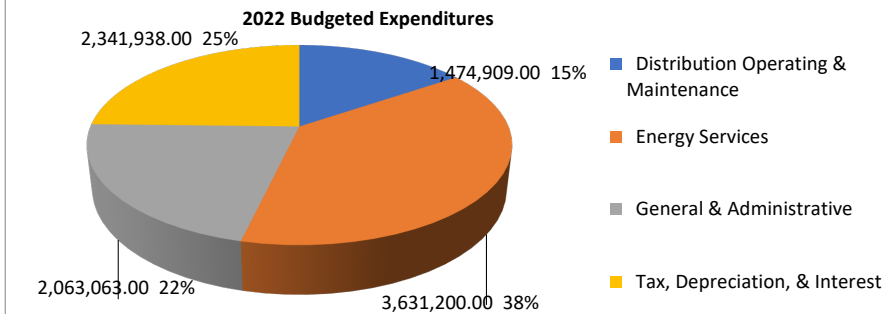
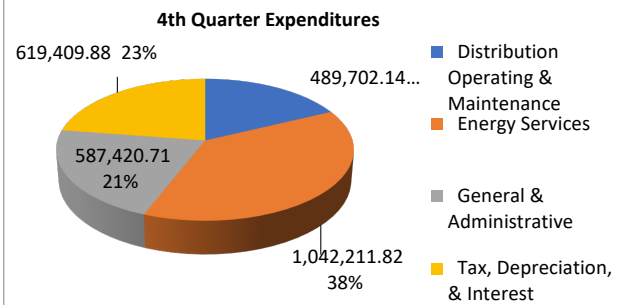
	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Totals</u>
Total Revenue	\$ 1,425,884.93	\$ 198,881.83	\$ 1,037.08	\$ 1,625,803.84
Budgeted	<u>\$ 1,102,258.01</u>	<u>\$ 192,485.00</u>	<u>\$ 903.75</u>	<u>\$ 1,295,646.76</u>
Difference (-/+)	\$ 323,626.92	\$ 6,396.83	\$ 133.33	\$ 330,157.08
% of Budget	129%	103%	115%	125%
 Total Expenditures	 \$ 1,108,007.24	 \$ 197,379.37	 \$ 2,698.35	 \$ 1,308,084.96
Budgeted	<u>\$ 872,703.27</u>	<u>\$ 182,602.71</u>	<u>\$ 1,754.51</u>	<u>\$ 1,057,060.49</u>
Difference (-/+)	\$ 235,303.97	\$ 14,776.66	\$ 943.84	\$ 251,024.47
% of Budget	127%	108%	154%	124%
 Net Operating Margins	 \$ 317,877.69	 \$ 1,502.46	 \$ (1,661.27)	 \$ 317,718.88
Budgeted	<u>\$ 229,554.74</u>	<u>\$ 9,882.29</u>	<u>\$ (850.76)</u>	<u>\$ 238,586.27</u>
Difference (-/+)	\$ 88,322.95	\$ (8,379.83)	\$ (810.51)	\$ 79,132.61
% of Budget	138%	15%	195%	133%

Mason County PUD No. 1

Status of Budget
As of December 31, 2022

ELECTRIC DIVISION

	4th Quarter 2022	4th Quarter Budget	% of 4th Qtr Budget	2022 Actuals	2022 Budget	% of Annual Budget
Revenue	2,980,533.59	2,535,837.03	118%	11,047,045.98	9,867,493.00	112%
<u>Expenditures</u>						
Distribution Operating & Maintenance	489,702.14	489,037.39	100%	1,341,473.03	1,474,909.00	91%
Energy Services	1,042,211.82	959,500.00	109%	3,789,316.02	3,631,200.00	104%
General & Administrative	587,420.71	569,725.41	103%	2,085,267.11	2,063,063.00	101%
Tax, Depreciation, & Interest	619,409.88	588,601.40	105%	2,292,172.87	2,341,938.00	98%
TOTAL EXPENDITURES	\$ 2,738,744.55	\$ 2,606,864.20	105%	9,508,229.03	\$ 9,511,110.00	100%
NET OPERATING MARGINS	\$ 241,789.04	\$ (71,027.17)	-340%	1,538,816.95	\$ 356,383.00	432%



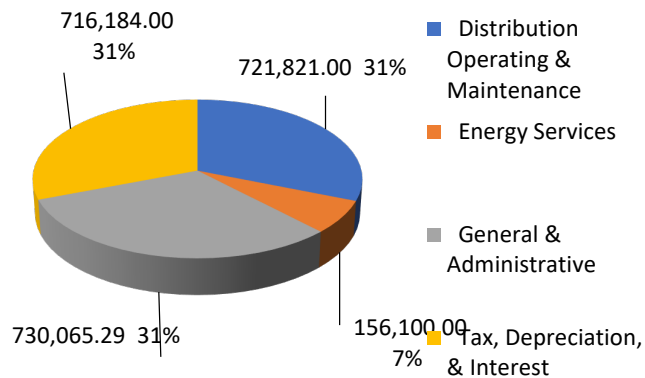
Mason County PUD No. 1

Status of Budget
As of December 31, 2022

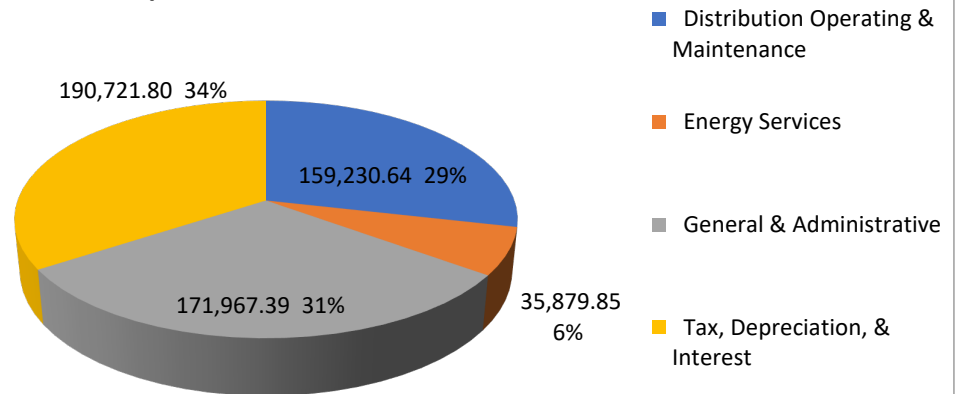
WATER DIVISION

	4th Quarter 2022	4th Quarter Budget	% of 4th Qtr Budget	2022 Actuals	2022 Budget	% of Annual Budget
Revenue	703,428.60	582,555.00	121%	2,766,973.98	2,559,920.00	108%
Expenditures						
Distribution Operating & Maintenance	159,230.64	170,413.68	93%	709,641.67	721,821.00	98%
Energy Services	35,879.85	37,100.00	97%	163,327.10	156,100.00	105%
General & Administrative	171,967.39	195,810.45	88%	688,832.95	730,065.29	94%
Tax, Depreciation, & Interest	190,721.80	168,999.96	113%	755,832.14	716,184.00	106%
TOTAL EXPENDITURES	\$ 557,799.68	\$ 572,324.09	97%	2,317,633.86	\$ 2,324,170.29	100%
NET OPERATING MARGINS	\$ 145,628.92	\$ 10,230.91	1423%	449,340.12	\$ 235,749.71	191%

2022 Budgeted Expenditures



4th Quarter Expenditures



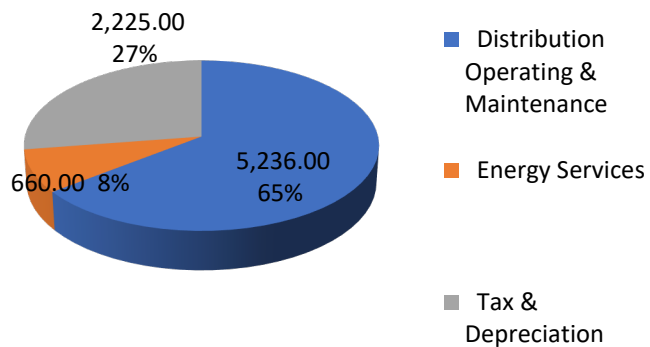
Mason County PUD No. 1

Status of Budget
As of December 31, 2022

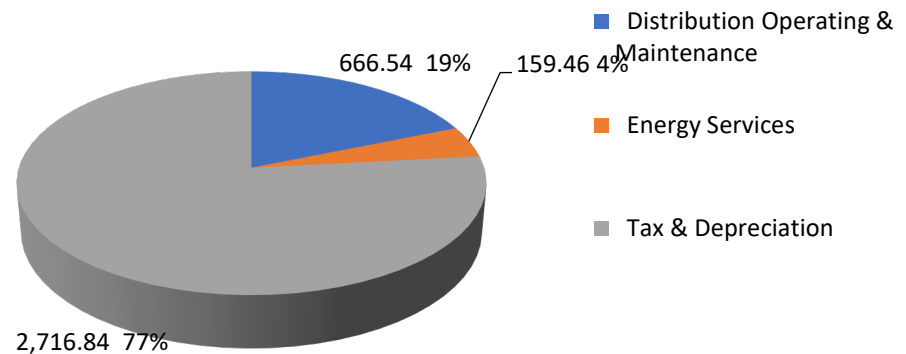
SEWER DIVISION

	4th Quarter 2022	4th Quarter Budget	% of 4th Qtr Budget	2022 Actuals	2022 Budget	% of Annual Budget
Revenue	3,058.55	2,711.25	113%	11,608.21	11,124.00	104%
Expenditures						
Distribution Operating & Maintenance	666.54	3,036.72	22%	3,994.94	5,236.00	76%
Energy Services	159.46	165.00	97%	639.39	660.00	97%
Tax & Depreciation	2,716.84	2,714.71	100%	3,037.39	2,225.00	137%
TOTAL EXPENDITURES	\$ 3,542.84	\$ 5,916.43	60%	\$ 7,671.72	\$ 8,121.00	94%
NET OPERATING MARGINS	\$ (484.29)	\$ (3,205.18)	15%	\$ 3,936.49	\$ 3,003.00	131%

2022 Budgeted Expenditures



4th Quarter Expenditures



Mason County PUD No. 1
Treasurer's Report to Commission
December 31, 2022

12/31/2022

General Electric Cash	71,824.92
General Water Cash	89,776.32
General Sewer Cash	4,195.20
Investments	1,001,977.49
Petty and Register	600.00
General Funds Total	1,168,373.93

Designated Reserves

Commerical Liability Fund	130,580.29
Computer Replacement Fund	113,156.63
Pole Yard	104,786.47
Privilege Tax Fund	166,791.06
Replacement Equipment Fund	704,417.62
Substation Fund	1,690,193.28
Water Regulatory Fund	101,904.13
System Development Fee	202,685.61
Designated Reserves Total	\$ 3,214,515.09

Restricted Funds

Customer Deposits	96,555.08
Electric Revenue Bond '18	114,902.63
Electric Revenue Bond Reserve '18	507,683.09
Electric System Revenue Bond 2014	122,806.97
Electric System Bond Reserve '14	309,022.17
Public Works Trust Fund	116,517.28
RUS Treasury Bond	289,915.34
US Treasury Reserves	235,946.79
Water System Revenue Bond '18	21,553.85
Restricted Funds Total	1,814,903.20
TOTAL ALL FUNDS	6,197,792.22

Long-Term Debt

	Beginning Balance	Principle Payments	Ending Balance
Electric Revenue Bond 2014	2,510,000.00	(270,132.50)	2,239,867.50
Electric Revenue Bond 2018	6,025,000.00	(255,000.00)	5,770,000.00
PWTF	622,093.84	(78,019.68)	544,074.16
RUS Long Term Debt	2,745,846.30	(119,384.60)	2,626,461.70
Water Bond '18	2,296,000.00	(180,000.00)	2,116,000.00
Total Long Term Debt	14,198,940.14	(902,536.78)	13,296,403.36

Mason County PUD No. 1
LGIP Investment Activity 4th Qtr 2022

	<u>9/30/2022</u>	Transfer In	Interest Earned	Transfers Out	<u>9/30/2022</u>
General Investments	955,266.46	38,100.00	8,611.03		1,001,977.49
Designated Reserves					
Commerical Liability Fund	97,454.86	32,250.00	875.43		130,580.29
Computer Replacement Fund	112,145.23		1,011.40		113,156.63
Pole Yard	103,849.89		936.58		104,786.47
Privilege Tax Fund	120,707.30	45,000.00	1,083.76		166,791.06
Replacement Equipment Fund	683,566.60	75,000.00	5,756.38	(59,905.36)	704,417.62
Substation Fund	1,407,055.87	266,097.59	17,039.82		1,690,193.28
Water Regulatory Fund	100,993.32		910.81		101,904.13
Sysyem Development Fund	176,101.12	24,999.00	1,585.49		202,685.61
Designated Reserves Total	2,801,874.19	443,346.59	29,199.67	(59,905.36)	3,214,515.09
Restricted Funds					
Electric Revenue Bond '18	356,189.00	128,013.00	725.63	(370,025.00)	114,902.63
Electric Revenue Bond Reserve '18	503,145.43		4,537.66		507,683.09
Electric System Revenue Bond 2014	268,390.22	78,375.00	909.25	(224,867.50)	122,806.97
Electric System Bond Reserve '14	306,260.13		2,762.04		309,022.17
Public Works Trust Fund	79,745.09	36,000.00	772.19		116,517.28
RUS Treasury Bond	461,588.92	60,000.00	4,273.21		525,862.13
Water System Revenue Bond '18	174,167.63	66,000.00	877.42	(219,491.20)	21,553.85
Restricted Funds Total	2,149,486.42	368,388.00	14,857.40	(814,383.70)	1,718,348.12
TOTAL ALL FUNDS	5,906,627.07	849,834.59	52,668.10	(874,289.06)	5,934,840.70

Mason County Public Utility District #1
Overview of the Status of Budget
2022

<i>Status of Budget</i> As of December 31, 2022			
	2022 Actuals	2022 Budget	% of Annual Budget
Revenue	13,825,628.00	12,438,582.00	111%
<u>Expenditures</u>			
Distribution Operating & Maintenance	2,055,110.00	2,201,966.00	93%
Energy Services	3,953,283.00	3,787,960.00	104%
General & Administrative	2,774,100.00	2,793,128.00	99%
Tax, Depreciation, & Interest	3,051,042.00	3,060,347.00	100%
TOTAL EXPENDITURES	11,833,535.00	11,843,401.00	100%
NET OPERATING MARGINS	1,992,093.00	595,181.00	335%

The District's total revenue was 11% higher, collecting \$1,387,046 more than what was budgeted for 2022. A few key factors that played into the additional revenue collected include the following components:

1. Kilowatt hour sales (kWh) increased substantially from 2021 to 2022. In 2021, the total kWh sales were just over 81.7 million, while in 2022, total sales were just over 86.3 million, for an overall increase of just at 4.6 million kWh. The District continued to have growth in 2022, with a total of 129 new services connected in 2022. The weather also played a role in the increased kWh sales in 2022, with a warmer than expected summer, and the cold snaps in January / February 2022, as well as November and December 2022.
2. The PUD received grant income to assist with various electric and water projects, as well as assistance with customer arrearages due to COVID related hardships. The total amount of grant funding received in 2022 was \$220,000.
3. Other non-operating revenues increased due to continued growth in the water department's system development fees collected for new water system connections. The LGIP investment rate also increased substantially in 2022. At the beginning of the year, the average monthly rate was just over .02% and at the end of the year, it was just over 4.12%.

The District's operating expenses include purchased power, transmission and distribution, customer services, and administrative and general expenses. The Distribution Operating & Maintenance ended the year just over 1% of what was budgeted for 2021. The Energy Services (purchased power costs) was 10% higher than the 2021 budget. With the growth in new services, as well as the above average weather-related events, power costs increased as the customer's energy consumption increased. The General & Administrative expenses ended the year right at budget.

How is the Net Operating Margin Allocated?

The Net Operating Margin for 2022 ended at \$1.99 million, which is \$1.39 million higher than the 2022 budget. It's important for the District's commission and customers to understand what the Net Operating Margin is used for. The income statement does not include the principal portion of the District's debt service, or any of the designated reserve funding approved through the budget. It also only includes a portion of the capitalized construction work plan, which is depreciated over a period of time. Here are the key components of how the Net Operating Margin is allocated:

1. At the end of 2022, the District invested just over \$4.2 million in capital assets. The investment includes land, distribution, general plant, and equipment. The total increase in the District's investment from 2021 to 2022 was 7%.
2. The District plans to construct the Manzanita Substation in 2025, without adding additional debt to the District's portfolio. Because the District plans to pay for the substation through general cash flow, and not debt, the District has determined that it needs to fund a designated reserve with \$342,000 each year. As of the end of 2022, the balance in the fund is just under \$1.8 million.
3. At the end of 2022, the District had \$13.5 million in outstanding debt, an overall decrease of \$923,659. With the 2022 budget, the District approved 1% of the overall rate increase to go specifically towards paying down long-term debt. With that 1%, the District was able to fund \$183,965 into the debt reserves fund. With the 1% funding of the reserves each year, in conjunction with the interest earned on the balance of the funds, being invested in the LGIP, the District plans to be able to pay off its debt by 2030, which is five to ten years earlier than the debt tables shows.
4. The District has a policy goal to reach 90 days general cash on hand, not including the designated reserves, by 2025. To reach this goal, the District budgeted to fund five days a year, which equates to approximately \$152,000 annually that is set aside. Cash on Hand is a savings account, of sorts, that ensures that the District can continue to make payroll and cover operating expenses if there is a catastrophic event or severe economic downturn that limits the PUD's ability to collect revenue. In this case, the board-set policy goal is to be able to cash flow operations for up to three months.

Requests for Information

This financial synopsis is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the

information provided in this report should be directed Katie Arnold, District Treasurer at N. 21971 Hwy. 101, Shelton, WA 98584 or (360) 877-5249.

Mason County PUD 1 Generator Installation 2023

Bid Due Date: February 16, 2023 4:30 PM



	Legacy Power Systems	Battery Power Solution LLC	Henden Electric, Inc	Reliable Electric	
Harstene Retreat					
Generator Install	45 kW 240V	45 kW	25 kW	25 kW 240V	
Subtotal	\$ 65,761.42	\$ 104,005.75	\$ 41,800.00	\$ 41,200.00	
Tax	\$ 6,108.98	\$ 8,840.49	\$ 3,553.00	\$ 3,502.00	
Total	\$ 71,870.40	\$ 112,846.24	\$ 45,353.00	\$ 44,702.00	
Canyonwood Beach					
Generator Install	36 kW 240V	36 kW	30 kW	25 kW 240V	
Subtotal	\$ 65,761.42	\$ 98,901.39	\$ 41,800.00	\$ 42,290.00	
Tax	\$ 6,108.984	\$ 8,406.62	\$ 3,553.00	\$ 3,594.65	
	\$ 71,870.40	\$ 107,308.01	\$ 45,353.00	\$ 45,884.65	
Bid Bond	Yes	Yes	Yes	Yes	
Completion Date	N/A	50-55 weeks	40-48 weeks	EOY	
Attended Pre-Bid Walkthrough	Yes	Yes	Yes	Yes	
Total	\$ 143,740.80	\$ 220,154.25	\$ 90,706.00	\$ 90,586.65	

Reliable Electric was the lowest apparent Bidder. After vetting the company, the District has chosen to award the bid for the 2023 Generator Installation to Reliable Electric, INC. Reliable Electric offers satisfactory generator configuration and services that will be implemented at the Harstene Retreat and Canyonwood Beach Water Systems

February 27, 2023

These accounts are being written off to Collection

Account	Provider	Sort Name	Disconn Dt	Reason	Total AR	Contact Note	Misc Note
6516902	PUDEL	LIGHTLE TRAVIS	6/1/2022	Moved	\$ 248.06	9/26 left vm to call office	
8085303	PUDEL	RUDICK LARRY	7/12/2022	DNP Cutoff	\$ 405.98	No phone	
8086101	PUDEL	SHANNON JENNA	5/3/2022	Moved	\$ 157.53	9/27 left vm to call office, emailed billing 9/27	
20153101	PUDEL	SHANNON JENNA	5/3/2022	Moved	\$ 41.59	9/27 left vm to call office, emailed billing 9/27	
8834407	PUDEL	LARDAS NIKKI	8/15/2022	Moved	\$ 373.77	9/27 left vm to call office	
8834408	PUDEL	LARDAS NIKKI	8/23/2022	Moved	\$ 7.70	9/27 left vm to call office	
9691703	PUDEL	ALTI SOURCE SOLUTIONS INC	6/2/2022	Moved ?	\$ 56.22		
9692503	PUDEL	ALTI SOURCE SOLUTIONS INC	6/7/2022	Moved ?	\$ 157.16		
10578301	PUDEL	HANNICK MARY	6/13/2022	DNP Cutoff	\$ 444.71	No phone	
10787005	PUDEL	LEON FRANK R	8/10/2022	DNP Cutoff	\$ 712.14	10/14 left vm to call office	
11434809	PUDEL	THOMAS BARBARA	11/2/2021	Moved	\$ 300.92	9/20 cust made pymt arrg but broke it	9/20/22 arrg 10/13/22 broke arrg & VM is full sent email 10/13/22
11696207	PUDEL	DICKSON SKYLER Q	8/9/2022	Moved	\$ 267.92	10/14 dead broke - call again next month	moved to Kansas and has no money - send to collections she said
11696207	PUDWA	DICKSON SKYLER Q	8/5/2022	Moved	\$ 82.19	10/14 dead broke - call again next month	
12446101	PUDEL	WARD ADAM	5/17/2022	Moved	\$ 217.62	10/14 left vm to call office	
20006700	PUDEL	PRUNEDA VIDAL	6/13/2022	DNP Cutoff	\$ 776.88	No phone	
20006700	PUDWA	PRUNEDA VIDAL	6/13/2022	DNP Cutoff	\$ 787.33	No phone	
20050603	PUDEL	KEMMERER TERRANCE	3/31/2022	Moved	\$ 706.32	Bad phone & Bad address	
20080104	PUDEL	RUSTAD KENDRICK	4/29/2022	Moved	\$ 95.66	10/14 left vm to call office	
20104002	PUDEL	QUICK MICKIE	6/2/2022	Moved	\$ 109.45	10/14 left vm to call office	
20250204	PUDWA	WHEELER MELANIE	5/11/2022	Moved	\$ 102.42	10/14 vm full	
20270800	PUDWA	STEWART KEVIN	6/13/2022	DNP Cutoff	\$ 3,780.59	10/18 left vm	\$1,250 diversion
20282900	PUDWA	FAULKNER CHARLOTTE	7/29/2022	Moved	\$ 95.69	No phone	
20289502	PUDWA	SALAZAR LUKAS	7/12/2022	DNP Cutoff	\$ 309.05	10/18 message can't accept calls	
					\$10,236.90	Grand Total proposed to go to collections	
242800	PUDEL	MCCONKEY B J	8/2/2022	Deceased	\$ 489.53	9/26 & 10/18 left vm to call office	Deceased - Estate
10875306	PUDEL	WITTENBERG THOMAS	8/5/2022	Deceased	\$ 115.01	10/14 VM full	Deceased - Estate - wife was not on the account
					\$ 604.54	Grand Total proposed to write off due to Deceased	
Count							
					\$10,236.90	Proposed to go to Collections	
Electric					\$ 604.54	Proposed to Write Off (Deceased)	
Water					\$10,841.44	Grand Total	
Count							
				PUDEL	\$ 5,684.17	Electric	
				PUDWA	\$ 5,157.27	Water	
					\$ 10,841.44	Total	
						Description	
					\$ 433.66	Average	
					\$ 7.70	Minimum	
					\$ 3,780.59	Maximum	
				Percent	Count	Reason	
				64%	16	Moved	
				28%	7	Cutoff - Non Pay Disconnect	
				8%	2	Deceased	
					25		