



**Mason County Public Utility District No. 1**  
Board of Commissioners Regular Board Meeting  
August 25, 2020 Potlatch, Washington

**Present:**

Ron Gold, President (Online)  
Mike Sheetz, Vice President (Online)  
Jack Janda, Board Secretary (Online)  
Kristin Masteller, General Manager (Online)  
Darin Hall, Director of Operations (Online)  
Katie Arnold, District Treasurer (Online)  
Julie Gray, Executive Assistant (Online)  
Rob Johnson, Legal Counsel (Online)

**Visitors:**

No visitors on phone.

**APPROVAL OF CONSENT AGENDA:**

**Minutes:** August 11, 2020 Regular Board Meeting

**Disbursements:**

<u>Accounts Payable Check Register</u>	
Accounts Payable Wire	\$ 80,960.61
Check Nos. 119016-119090	\$ 181,720.49
<b>A/P Total</b>	<b>\$ 262,681.10</b>
<u>Payroll Expense</u>	
Payroll Wire	\$ 49,286.63
<b>Grand Total</b>	<b>\$ 311,967.73</b>

Mike made a motion to approve the consent agenda as presented, Jack seconded the motion, It passed unanimously.

**PUBLIC COMMENT:** No public on phone.

**BUSINESS AGENDA:**

**Approval of Energy Resource Plan** – Mike made a motion to approve the Energy Resource Plan as presented, Jack seconded the motion. Motion carried.

**Nomination for Public Power Council Executive Committee** –Dave Ward announced his retirement. This topic will be tabled for another meeting.

**July 2020 Financials** – Katie reported the gross revenue was \$835,211.92 for July 2020, and the gross expenditures were \$751,370.91. Due to COVID, the District’s cash on hand remains down approximately \$60,000 due to delayed account payments, late fees etc., and \$109,357 overall from delaying the electric rate increase. To help offset the decreased cash, we transferred \$55,000 to the general fund in May, when we applied customer deposits against account



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balances. As of July 31<sup>st</sup> there were 105 electric accounts and 54 water accounts that were 90 days or more past due for a total of \$33,297. Katie said that while the budget to actuals are showing on track for the year, it's important to note that these reports are based on the amount billed to customers, not necessarily what they've paid. So, while the District's revenue and expenditures are within budget, the customer accounts receivable account is carrying a higher balance due to either lack of payment altogether, or smaller account payments. This affects the District's cash flow. We have requested CARES Act funding through both Mason & Jefferson Counties to assist customers with paying their bills and continue to encourage customers to contact the Community Action Council to determine if they're eligible for utility assistance.

<b>Financial Metrics as Compared with Prior Year:</b>	<b>July 2020</b>	<b>July 2019</b>
Total General Cash and Investments	\$1,047,738	\$881,884
Current Ratio (Current Assets/Current Liabilities)	4.82 to 1	4.16 to 1
Debt Service Coverage (O&M/ Debt Service)	2.72	3.07
Long-Term Debt to Net Plant	42%	45%
Total Debt to Equity Ratio (Total Liabilities/Total Equity)	56%	61%
Long Term Debt to Equity Ratio (Long Term Debt / Total Equity)	52%	58%
Times Interest Earned Ratio (Earnings before Interest & Taxes/Total Interest)	4.40	4.88
Cash on Hand (Total Available Cash/Average Daily Costs)	45 Days (General) 184 Days (All Funds)	45 Days (General) 184 Days (All Funds)

**Staff Reports:**

**General Manager** – Kristin reported that she and staff completed their strategic plan meeting and will have the new plan ready for the commissioners in September. She also reported that the neon sign is currently being refurbished. She and Rob will be meeting this afternoon with the PUD's water attorney to go over the MOA with the Squaxin tribe.

**Director of Operations** – Darin reported that customer service work is at an all-time high. There is a lot of new construction happening in the district. The water crew is still working on changing captive air tanks out to bladder tanks in the pump houses. The last safety meeting was vault rescue. Both Water and Electric crews attended. There have been no accidents or near misses.

**Director of Business Services** – No further report.

**Correspondence:** Correspondence included another press release for the passing of Michael Ferrier and an article from NWPPA's Line Weekly featuring James Reyes.



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**Board Reports:**

**Ron Gold:** Ron reported that he will call into the WPAG meeting on Thursday, August 27.

**Mike Sheetz:** No report.

**Jack Janda:** No report.

**PUBLIC COMMENT** – No public comment.

**EXECUTIVE SESSION** – No executive session.

**Adjournment:** 1:35 pm

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**Ron Gold, President**

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**Mike Sheetz, Vice President**

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**Jack Janda, Secretary**