

**RESOLUTION NO. 1734**

**A Resolution of the Public Utility District No. 1 of Okanogan County  
Transferring Funds from the Rate Stabilization Reserve Fund to the Revenue Fund to  
Mitigate Rate Impact to Customers Together with a Plan for Repayment**

WHEREAS, Under District Resolution No. 1697, the District maintains a Rate Stabilization Fund in order to maintain stable retail rates for its customers in the event of unexpected power supply costs, variations in revenue from electric energy sales, or to fund other obligations determined by the District's Board of Commissioners to be in the best interest of its customers; and

WHEREAS, Due to the COVID-19 pandemic emergency, the District drew \$622,455.00 from the Rate Stabilization Fund under Resolution No. 1727 in order to replace the 2020 District Budget shortfall resulting from the District's suspension of an approved two percent (2%) revenue increase; and

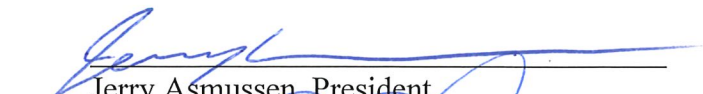
WHEREAS, In order to minimize rate impact to its customers in fiscal years 2021 and 2022, the District desires to draw installments in the amount of \$803,286.01 in 2021 and \$804,711.02 in 2022 from the Rate Stabilization Fund to make principal and interest payments on the District's 2016 Key Bank Note; and

WHEREAS, Beginning in January 2023, the District desires to repay the Rate Stabilization Fund through a monthly transfer in the amount of \$75,000.00 from the Revenue Fund to the Rate Stabilization Fund until the Fund balance reaches the District's target amount of \$6,000,000.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Public Utility District No. 1 hereby directs the District Treasurer to transfer \$803,286.01 in January of 2021 and \$804,711.02 in January of 2022 from the District's Rate Stabilization Reserve Fund to the District's Revenue Fund to make principal and interest payments on the District's 2016 Key Bank Note.

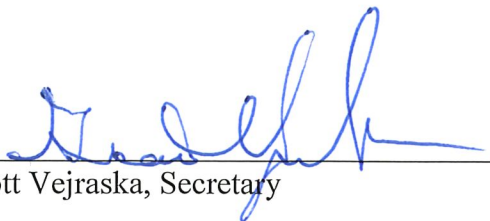
BE IT FURTHER RESOLVED that beginning in January of 2023; the District Treasurer is directed to transfer \$75,000.00 per month from the District's Revenue Fund to the District's Rate Stabilization fund until the balance of the Rate Stabilization Fund reaches \$6,000,000.00.

DATED this 7th day of December 2020.

  
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Jerry Asmussen, President

  
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William C. Colyar, Vice President

ATTEST:



Scott Vejraska, Secretary

APPROVED as to form:



Heidi E. Appel, General Counsel