

FROM THE WCE BOARDROOM

Regular meeting of the Board of Directors held May 30, 2024

A meeting of the board of directors of West Central Electric Cooperative was held at the office of the Cooperative, in Higginsville, Missouri, at 9 a.m. on Thursday, May 30, 2024, pursuant to the bylaws of the cooperative and previous resolution of the board of directors. The meeting was called to order by President Densil Allen Jr. Cooperative Attorney Sheri Smiley caused the minutes of the meeting to be kept. The following directors were present: Allen, Robert Simmons, Clark Bredehoeft, Stan Rhodes, Dale Jarman, Richard Strobel, Colby Dowell, Jeremy Ahmann and Elizabeth Houtsma. The board members present constituted a quorum of the members of the board. Also present at the meeting was Michael Newland, General Manager.

APPROVAL OF AGENDA

The agenda was approved.

AUDIT

Kevin Kelso, CPA, presented the 2023 Audit. He reviewed the audit process and reported the internal control structure was good, no instances of fraud were found, and all laws and regulations are in compliance. He reported all debt covenants were being met and no adjustments were made so an unmodified audit opinion was given. He reviewed margins, expenses, sales, fleet, income, capital credits, depreciation, debt, equity and the pension plan. The board entered into executive session at 10:11 a.m. and the meeting reconvened at 10:28 a.m. The audit was accepted.

APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of April 25, 2024; expenditures for the month of April 2024; new membership applications and membership terminations.

APPROVAL OF REPORTS

The following April reports were approved:

Financing and Treasurer's Report: Accounting Manager Rebecca Hoefflicker presented the April 2024 Operating Report (RUS Form 7) and Comparative Operating Statement. She reviewed the Financial and Statistical Report and Treasurer's Report with monthly and annual budget comparisons; gave the investment report; presented and reviewed statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, cash flow management, and KWH sales and ratios and reported on the timing of expenses, and the RUS loan draw that was taken.

Operations Report: Operations Manager Scott Gard provided an oral report to supplement his written Operations Report. He reported on crews and pole inspections that are starting; gave an update on staffing and the education crews had received during the month; reported on outages and causes for the month; gave a machine and fleet report and reported on brush crews and right-of-way work being done.

Safety and Engineering Report: Engineering Manager Pete Nelson provided an oral report to supplement his written Safety and Engineering Report. As of April 30, 2024, employees have worked 545 days without a lost-time accident. Co-op employees drove a total of 45,210 miles as of the end of April without a serious accident. The SCADA system was reported on. He reported on safety meetings, crew visits and training. An engineering/staking report was given.

Member Services Report: Brent Schlotzhauer provided an oral report to supplement his written Member Services Report. His report included RoundUp enrollment and RoundUp updates. Scholarship certificates are being given to students who received scholarships. School demonstrations and chamber meetings attended were reported. Incentive rebates, the annual meeting and the front window were also reported on. Two teachers have applied for the statewide Energy in Today's Classroom program.

ANNUAL MEETING DISCUSSION

Newland and Administrative Assistant Kim Lewis led a discussion on the annual meeting. Scholarship students were discussed. The board consensus was that they will continue to be invited to attend the annual meeting. Meal options with pricing were



discussed. The board consensus was to offer the same meal as the prior year with an extra dessert.

APPOINT AMEC ANNUAL MEETING VOTING DELEGATE

Bredehoeft was appointed the voting delegate and Simmons was named as the alternate.

APPOINT AMEC BOARD MEMBER AND ALTERNATE

Bredehoeft was appointed as the AMEC board member and Newland was named as the alternate.

AMEC REPORT

Bredehoeft reported that the AMEC board meeting would be held the next week.

NW ELECTRIC REPORT

Newland and Simmons reported on the May NW Board meeting. They reported on work being done and the audit that was presented.

AECI ANNUAL MEETING REPORT

Directors who attended the meeting reported on the speakers.

NOMINATING COMMITTEE REPORT

Smiley reported the Nominating Committee met May 16, 2024 and nominated Bredehoeft, Jarman and Ahmann to be on the 2024 ballot. No petitions have been received. A discussion was held regarding whether or not to list the uncontested races on the ballot with the proposed bylaw change. The board consensus was to only have the bylaw changes on the ballot this year.

DISCUSS BYLAW AMENDMENTS

Smiley led the discussion on the proposed bylaw amendments from the committee. A motion passed to present the proposed bylaw amendments to the membership for vote.

FIDUCIARY DUTY POLICY EXECUTION OF POLICY

Smiley presented the policy on fiduciary duty for signature that had been approved last month. The Board reviewed and signed the policy.

LEGAL REPORT

Smiley gave a legal report.

MANAGER'S REPORT

Newland presented the monthly Manager's Report. He reported that CFC will do a rate study. AMEC provided information on the current EPA lawsuit for members.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

Executive Session was called at 11:45 a.m. and adjourned at 12:35 p.m.

ADJOURNMENT

Meeting adjourned.

FINANCIAL REPORT • Statement of Operations • April 2024

	This month	YTD 2024	YTD 2023
Revenue	\$2,597,446	\$12,004,338	\$11,685,995
Power Bill Expense	1,678,007	7,086,581	6,289,511
Operation & Maintenance Expense	697,221	2,646,405	2,285,713
Depreciation Expense	208,854	832,150	885,386
Interest Expense	130,818	512,514	482,811
Total Cost of Service (Total Expense)	2,714,900	11,077,650	9,943,421
Operating Margins (Revenue less Expenses)	(117,454)	926,688	1,742,574
Other Margins	28,280	105,523	94,801
TOTAL MARGINS	\$(89,174)	\$1,032,211	\$1,837,375

