

From the WCE boardroom

Regular meeting of the Board of Directors held Jan. 22, 2026.

A meeting of the board of directors of West Central Electric Cooperative was held at the offices of the cooperative, in Higginsville, Missouri, at 9:30 a.m. Jan. 22, 2026, 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. Attorney Sheri Smiley caused the minutes of the meeting to be kept. The following directors were present: Allen Jr., Clark Bredehoeft, Richard Strobel, Dale Jarman, Robert Simmons, Jeremy Ahmann, Colby Dowell and Elizabeth Houtsma. Stan Rhodes was absent. Also present was General Manager Michael Newland.

APPROVAL OF AGENDA

The agenda was approved.

APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting on Dec. 18, 2025; expenditures for the month of December 2025; new membership applications and membership terminations, and the treasurer's report.

FINANCING AND TREASURER'S REPORT

Newland reported on margins that NW announced the day before. CFO Rebecca Hoefflcker presented the December 2025 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. She also gave the investment report. She presented and reviewed statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, cash flow management, and KWH sales and ratios. She reported on interest rates, the impact of large loads on the budget and projections for January, gave updated budget numbers, reviewed investments, provided updated reports based on the announcement of the NW margins and reported on the borrowing payments made on the line of credit. She gave a list of the top members by revenue. New services connected were reported on. The financial reports were accepted as presented.

ADOPTION OF REVENUE DEFERRAL PLAN

Hoefflcker reported on revenue. She presented two revenue deferral plans which were adopted.

APPROVAL OF STAFF REPORTS

The following staff reports were approved:

Operations Report

Operations Manager Scott Gard provided an oral report to supplement his written operations report. He reported on crews, outages and causes. He also reported on the new Holden Rural Substation. A brush crew and right-of-way report was given. He discussed how the co-op was preparing for the upcoming predicted storm.

Safety and Engineering Report: Engineering Manager Pete Nelson provided an oral report to supplement his written safety and engineering report. A mobile sub will be brought in for the Holden substation. Lines over I-70 were raised. Potential subdivisions were reported on.

Member Services Report: Member Services Manager Brent Schlotzhauer provided a written member services report. He provided updates on Operation RoundUp, the communication department activities including Youth Tour presentations, the website and publications. He reported on net metered solar systems and rebates, Vanilla Direct Cash Payments and chamber meetings attended. He reported on 2025 rebate totals. School "reality check" programs were participated in and discussed. The electronic member handbook and bill redesign were discussed. Publication of service rules and regulations was discussed.

PRESENTATION BY MOORE DEVELOPMENT PARTNERS

Matt and Robin Moore gave a presentation on the REDLG loan and grant program offered by the USDA.

REVIEW AND APPROVE 2026 BUDGET

Hoefflcker reviewed the 2026 budget. She went through assumptions, the organizational chart, 2024 and 2025 comparisons, deferred revenues, budget classifications, cost of purchase power and projected kWh sales, expenses, rebates, depreciation, taxes, interest, long-term debt, capital investment and the construction work plan. She also discussed projected cash flows. The board raised questions throughout. The budget was approved as presented.

RATE ADJUSTMENT REVIEW

Newland announced that staff recommended no rate increase at this time.

NW BOARD REPORT

Simmons and Newland gave the NW board report. They reported on substations, Lone Jack, margins, deferred revenue, equity and the AECl report. Potential con-



demnations and strategic planning were also discussed.

REVIEW AND APPROVE POLICY 2.6, AND 2.16

Policy 2.6 and Policy 2.16 from the policy committee were tabled.

REVIEW AND APPROVE POLICY 2.15

Policy 2.15 was reviewed. No suggested changes. Policy affirmed.

REVIEW POLICY 3.17

Smiley discussed the board policy on fiduciary duties of the board of directors. The board signed and returned the policy stating they had reviewed and understood it.

REVIEW AND APPROVE SECTION 8

Staff recommended changes to Section 8. The board approved the recommended changes.

REVIEW AND APPROVE SECTION 16

Staff recommended changes to Section 16. The board approved the recommended changes.

REVIEW AND APPROVE SECTION 23

Staff recommended changes to Section 23 to reflect the change in AECl rebates. The board approved the recommended changes.

REVIEW AND APPROVE THE AGREEMENT WITH N.W. ELECTRIC POWER COOPERATIVE FOR LONE JACK UNDERBUILD

Newland presented an agreement with NW Electric Power Cooperative for the Lone Jack underbuild. The board approved entering into the agreement.

REVIEW AND APPROVE UNDERGROUND DISTRIBUTION BIDS

Newland and Nelson presented a resolution regarding the bid for underground distribution work. The resolution was passed. Dowell abstained from voting.

APPOINT 2026 NOMINATING COMMITTEE

The following were appointed to the 2026 nominating committee:

Kyle Grumke	Blane Beissenherz	Paul Nolte
Jeremy Sanders	Laura Smith	Will Grauberger
Stephanie Othic	Virginia Howell	

ROUNDUP FOUNDATION REPORT

Dowell gave an update on the RoundUp Foundation including a list of awards given. The bylaws for the foundation will be reviewed at the board retreat. Mark Wesley was appointed to the foundation board.

LEGAL REPORT

Smiley gave the legal report for the month.

MANAGERS REPORT

Newland gave the manager's report. He provided a written report to the board prior to the meeting. Bill credits will be discussed at a later date. The annual meeting date was discussed. UCM has a conflict with renting the gymnasium on Aug. 7, so the annual meeting will need to be moved to July 31.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

No new business was brought forward.

EXECUTIVE SESSION

Executive Session was called at 12:55 p.m. and was out at 1:10 p.m.

ADJOURNMENT

Meeting adjourned.

FINANCIAL REPORT

December 2025 Statement of Operations

	This month	YTD 2025	YTD 2024
Revenue	\$2,655,328	\$41,137,171	\$36,902,132
Power Bill Expense	2,484,293	26,251,496	21,944,035
Operation & Maintenance Expense	713,863	9,036,139	8,545,823
Depreciation Expense	225,679	2,637,437	2,530,744
Interest Expense	<u>144,254</u>	<u>1,659,069</u>	<u>1,601,451</u>
Total cost of Service (Total Expenses)	3,568,089	39,584,141	34,622,053
Operating Margins (Revenue less Expenses)	(912,761)	1,553,030	2,280,079
Other Margins	<u>2,382,749</u>	<u>2,827,687</u>	<u>1,309,401</u>
TOTAL MARGINS	\$1,469,988	\$4,380,717	\$3,589,480