

# From the Boardroom...

Regular meeting of the Board of Directors held Aug. 23 2018

The meeting, was called to order by President Densil Allen Jr. Robert Simmons, Secretary of the Cooperative, caused the minutes of the meeting to be kept. The following directors were present: Max Swisegood, Clark Bredehoeft, Dale Jarman, Richard Strobel, Stan Rhodes, Jeremy Ahmann and Sandra Streit. Also present were General Manager Mike Gray and general counsel Sheri Smiley.

## APPROVAL OF AGENDA

After discussion, the agenda was approved.

## OAK GROVE RENOVATIONS

Jon Frandsen of Septagon Construction discussed renovations for the Oak Grove facility. District Operations Supervisor Pete Nelson and Operations Manager Randy were also present for the presentation. Frandsen gave preliminary budget numbers to add a new building, a new sewer line, a storm shelter, and discussed the requirements for paving. He explained that to proceed engineers and a designer would be consulted for final completion and then a final estimate could be given. A motion was made to continue exploring the project for a final estimate that will be presented to the Board for consideration.

## APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of July 26, 2018; expenditures for the month of July 2018; new membership applications; membership terminations and the treasurer's report.

## APPROVAL OF REPORTS

The following July 2018 reports were approved: Operating Report (RUS Form 7) and Comparative Operating Statement including the Financial Statistical Report with month and budget comparisons and statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, and KWH sales; Treasurer's Report and the written monthly Construction, Retirement, Maintenance and Operations Report.

## SAFETY REPORT

Gray gave the safety report for the month of July.

## AMEC REPORT

Gray and Bredehoeft reported on filling the position currently held by Barry Hart, budgets and salary increases.

## AMEC BOARD DELEGATE

Bredehoeft was elected to be the AMEC Board delegate, and Gray was elected alternate.

## REVIEW AND UPDATE BOARD COMMITTEES

The board voted to remove the Operation Round Up and the Building Standing committees. Strobel was added to the Strategic Planning Committee. All other committees and members will remain the same.

## NW REPORT

Swisegood presented the NW report for July. He discussed AECE updates, outages, the solar and wind report and margins and expenses. Gray discussed the upcoming NW Board Retreat to be held in September. Also discussed were the service awards that will be given away at NW's annual meeting.

## DIRECTORS' CONFERENCE REPORT

Directors that attended the 2018 AMEC Directors conference discussed the classes they attended. Items of interest were equity levels and electric charging stations.

## ANNUAL MEETING DISCUSSION

Gray gave updates on feedback received on the annual meeting. Consideration will be given to moving the time of the business meeting up to 6:30 p.m. The Scholarship Committee will discuss requiring recipients of the scholarships to attend the annual meeting.

## MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included member comments, the Board retreat on January 22 and 23, 2019, updated information from AMEC including board composition and opposition to the NRECA task force.

## UNFINISHED BUSINESS

None.

## NEW BUSINESS

Streit announced that the Operation Round Up Foundation Board was scheduled to meet Sept. 4. Swisegood and Strobel reported on their attendance at the CFC workshop.

## EXECUTIVE SESSION

The board entered into executive session.

## MEETING ADJOURNED

Following the executive session, the meeting was adjourned.

FINANCIAL REPORT • <i>Statement of Operations</i> • July 2018			
	This month	YTD 2018	YTD 2017
Revenue	\$2,548,518	\$17,929,640	\$15,649,457
Power Bill Expense	1,534,532	10,640,499	9,434,079
Operation & Maint. Expense	505,674	3,564,962	3,624,647
Depreciation Expense	178,300	1,238,318	1,203,654
Interest Expense	<u>115,468</u>	<u>745,554</u>	<u>751,743</u>
<b>Total cost of Srvc. (Total Expense)</b>	<b>2,333,974</b>	<b>16,189,333</b>	<b>15,014,123</b>
Operating Margins (Revenue less Expenses)	214,544	1,740,307	635,334
Other Margins	<u>9,873</u>	<u>96,396</u>	<u>175,048</u>
<b>TOTAL MARGINS</b>	<b>\$224,417</b>	<b>\$1,836,703</b>	<b>\$810,382</b>