

# From the Boardroom...

Regular meeting of the Board of Directors held March 28, 2019

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, general counsel Sheri Smiley and WCE office staff.

## APPROVAL OF AGENDA

After discussion, the agenda was approved.

## APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of Feb. 28, 2019 expenditures for the month of February 2019; new membership applications; membership terminations and the treasurer's report.

## APPROVAL OF REPORTS

The following February 2019 reports were approved:

**Financing and Treasurer's Report:** Michael Newland presented the February 2019 Operating Report (RUS Form 7) and Comparative Operating Statement. He reviewed the Financial Statistical Report with monthly and annual budget comparisons. He also gave the investment report. He presented and reviewed statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, cash flow management, and KWH sales. He discussed line loss calculations and sales comparisons year-to-date. He gave the final numbers for the January snow storms and he discussed bad debt write off and application of capital credits to the bad debt. The amount for bad debt write off was \$38,515.54. A motion was made to write off the bad debt pursuant to the application of the capital credits to the bad debt write off. Newland also gave the Treasurer's Report. He reported that RUS had completed their audit for 2018 and issued a clean audit.

**Capital Credit Retirement:** Gray and Newland discussed the capital credit retirement for 2018. Staff's recommendation to retire \$1,499,972.90 was approved.

**Engineering Report:** Dan Disberger gave the engineering report which included a report on construction, retirement, maintenance and operations. He reported on new services, outages, pole change outs and maintenance as well as right-of-way crews. He gave a staking report, discussed pole inspection results and rejection rates. He also discussed solar questions that had been raised and will report back to the board on possibly putting a solar panel up at the cooperative for educational purposes.

**Operations and Safety Report:** Randy Burkeybile gave the operations and safety report. He discussed crew work and outages in February, gave the construction retirement, maintenance and operations report, and discussed new services built. He also gave the safety report including safety meetings, crew visits and training for the month for employees.

**Member Services Report:** Brent Schlotzhauer presented the member services report. He included a report on Operation Roundup, Youth Tour finals April 4 and Oak Grove High School's career day. He reported on teachers that had applied for the Teacher Education Program as well as the theft of service and discussed a member's concerns on smart meters.

## NW REPORT

Swisegood presented the NW report for March. He discussed AECl updates, outages, the solar and wind report and margins and expenses. He gave an update on the floods and damage done to NW substations. He also gave an update on the AMEC District I meeting he attended and potential changes to AMEC Bylaws that were proposed.

## NRECA ANNUAL MEETING REPORT

Strobel and Simmons reported on the meeting they attended and gave updates.

## MANAGER'S REPORT

Gray gave his monthly Manager's Report. Items of interest included member comments. He gave an update on the NW Annual meeting and an update on RUS revenue deferral. He also gave an update on the Oak Grove building

## 2019 NOMINATING COMMITTEE APPOINTED

The following names were provided by the Board and approved by the Board to be on the 2018 Nominating Committee:

- District I: Donald Fore, Kyle Grumke
- District II: Dennis Knipmeyer, Paul Nolte
- District III: Virginia Haller, Jeremy Sanders
- District IV: Verna Jenkins, William Grauberger
- District V: Stephanie Othic

## ENGLISH SCHOLARSHIP REPORT

Dale Jarman reported that \$11,500.00 had been awarded in Scholarships for 2019.

## COST OF THREE-PHASE ACCOUNTS

Gray led the discussion on three phase accounts and the cost of service. Staff recommended having Toth do a cost of service study for three-phase rates. No objections were raised to moving forward with the cost of service study

## ANNUAL MEETING DISCUSSION

Gray led the discussion on the current meeting plans. A committee consisting of Richard Simmons, Dale Jarman, Max Swisegood and Densil Allen, Jr., was appointed to study ideas for the 2020 annual meeting. The committee will report back to the Board.

## UNFINISHED BUSINESS

None.

## NEW BUSINESS

None.

## 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> • February 2019			
	This month	YTD 2019	YTD 2018
Revenue	\$3,300,681	\$6,176,416	\$6,347,098
Power Bill Expense	1,708,730	3,483,549	3,442,329
Operation & Maint. Expense	661,529	1,388,302	1,003,782
Depreciation Expense	180,667	360,921	352,985
Interest Expense	107,805	226,123	196,399
<b>Total cost of Srvc.</b> (Total Expense)	<b>2,658,731</b>	<b>5,458,895</b>	<b>4,995,495</b>
Operating Margins (Revenue less Expenses)	641,950	717,521	1,351,603
Other Margins	16,960	52,877	23,546
<b>TOTAL MARGINS</b>	<b>\$658,910</b>	<b>\$770,398</b>	<b>\$1,375,149</b>