

From the Boardroom...

Regular meeting of the Board of Directors held May 23, 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 and general counsel Sheri Smiley, and WCE office staff

APPROVAL OF AGENDA

After discussion, the agenda was approved.

THREE-PHASE RATE CLASS DISCUSSION

Craig Woycheese presented the study he conducted on the commercial accounts. He discussed daily service, demand and energy charges. He also discussed consumers with kVA greater than 100 kVA and he made recommendations to the board to expand the capacity requirement in Rate class 503. Following his presentation and recommendations a motion was made to change rate 503 Character of Service to "0 to 300 Kva" and rate 501 Character of Service to "301 KVA to 1499 KVA" which was passed after discussion. Mr. Woycheese then left the meeting.

APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of April 19, 2019; expenditures for the month of April 2019; new membership applications; membership terminations and the treasurer's report.

APPROVAL OF REPORTS

The following April 2019 reports were approved:

Financing and Treasurer's Report: Michael Newland presented the April 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, 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 also gave the Treasurer's report and presented a Resolution from RUS which was adopted.

Operations and Safety Report: Randy Burkeybile gave the operations and safety report. He discussed crew work and outages in April. He gave the construction retirement, maintenance and operations report and reported on new services built. He also gave the safety report including safety meetings, crew visits and training for the month for employees. He reported on the results of the RESAP audit and the MECIP audit and reported no issues were found. He also reported on the underground inspections being done as well as an Altec truck recall.

Engineering Report: Gray 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 and a staking report.

Member Services Report: Brent Schlotzhauer presented the member services report. He included a report on Operation Round Up and gave a report on the scholarship presentations made. He also reported that the co-op had purchased an electric vehicle. He gave net metering information and reported on the rebates given. He also gave an update on the Capitol Fish Fry.

NW REPORT

Swisegood presented the NW report for May. 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 and reported that demand forgiveness will be given to Atchison-Holt Electric Cooperative who was hit the hardest by the flood.

NOMINATING COMMITTEE REPORT

Smiley gave the Nominating Committee Report. She reported that the positions up for election will be unopposed.

ANNUAL MEETING DISCUSSION

Gray led the discussion on the current meeting plans. A discussion was held regarding a possible survey to give to the members.

MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included the signs on the building and he said that the existing sign will be refurbished. He reported on the Guatemala project and one lineman who had volunteered. He discussed the lineman's rodeo. He gave an update on the medical marijuana seminar that was given. He also reported on member comments and gave an Oak Grove building update and reported that there may be a July opening.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

MEETING ADJOURNED

FINANCIAL REPORT • *Statement of Operations* • April 2019

	This month	YTD 2019	YTD 2018
Revenue	\$1,986,675	\$10,914,141	\$11,001,695
Power Bill Expense	1,239,179	6,280,078	6,277,001
Operation & Maint. Expense	495,440	2,545,934	2,013,741
Depreciation Expense	182,240	724,858	705,755
Interest Expense	<u>126,963</u>	<u>471,952</u>	<u>414,885</u>
Total cost of Srvc. (Total Expense)	2,043,822	10,022,822	9,411,382
Operating Margins (Revenue less Expenses)	(57,147)	891,319	1,590,313
Other Margins	<u>26,887</u>	<u>119,509</u>	<u>70,006</u>
TOTAL MARGINS	\$(30,260)	\$1,010,828	\$1,660,319