

FROM THE WCE BOARDROOM...

Regular meeting of the Board of Directors held Aug. 27, 2020

A meeting of the board of directors of West Central Electric Cooperative was held at the offices of the Cooperative, in Higginsville, Missouri, at 10 a.m. on Thursday, Aug. 27, 2020, 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. Stan Rhodes, asst. secretary of the cooperative, caused the minutes of the meeting to be kept. The following directors were present: Densil Allen Jr., Max Swisegood, Clark Bredehoeft, Richard Strobel, Stan Rhodes, Sandra Streit, Dale Jarman and Jeremy Ahmann. Robert Simmons was absent. Also present were General Manager Mike Gray, CFO Michael Newland and general counsel Sheri Smiley.

RURAL UTILITIES SERVICE

Bryan Bacon of RUS gave the financial forecast presentation for the Cooperative. He discussed a potential loan of \$12 million dollars to the Cooperative and went through the assumptions that were done to service the debt. He also discussed equity, how this would impact operating margins, net margins and cash margins. He then left the meeting.

APPROVAL OF AGENDA

After discussion, upon motion made by Swisegood seconded by Strobel and passed, the amended agenda was approved.

APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of July 23, 2020; expenditures for the month of July 2020; new membership applications and membership terminations.

APPROVAL OF REPORTS

The following July reports were approved:

Financing and Treasurer's Report: Newland presented the July 2020 Operating Report (RUS Form 7) and Comparative Operating Statement. He reviewed the Financial and Statistical Report and Treasurer's 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 and ratios. He reported on July 2020 financials from West Central Services and discussed the loan from RUS. A motion was made and seconded to approve the \$12 million dollar loan from RUS.

Review of Audit RFPs and Selection of Auditor: Newland presented four RFP's that had been received for audit services. After review of all of the audits the board approved staying with Kevin Kelso as the auditor.

Review and Approve Round Up Foundation Bylaw Change:

Tabled until next month.

Operations and Safety Report: Randy Burkeybile provided a written Operations and Safety Report. His report included the following: a crew update, outages on Aug. 10 and Aug. 15 from storms, and a report on fleet maintenance. He also reported on safety meetings, crew visits and safety audits of the trucks. Gray discussed the poten-



tial of sending crews to Louisiana for hurricane relief.

Engineering Report: Dan Disberger provided a written Engineering Report. He reported on the following: staking projects and gave a Right of Way report.

Member Services Report: Brent Schlotzhauer presented a written Member Services Report. He reported on Operation Round Up, gave an update on scholarships, discussed billing reports and gave net metering reports. He also gave an update on Energy in Today's Classroom.

NW REPORT

Swisegood presented the NW Report. Items of interest included: outages, margins, solar, and reliability. He discussed deferred revenue and the building facilities. No lost time accidents had been reported. He discussed a wage and salary study that had been completed and gave an update on AECI and their margins.

ANNUAL MEETING

Gray reported that 735 ballots had been returned by mail. The final count for directors was: 561 for Densil Allen, Jr., 543 for Robert Simmons, and 520 for Richard Strobel. The board will discuss if a reorganization meeting will be held at the next meeting.

NRECA ANNUAL MEETING REPORT

Ahmann, Bredehoeft, and Rhodes gave a report on the meeting that they had attended in the spring prior to COVID-19.

LEGAL REPORT

Smiley presented a report on legal matters.

MANAGER'S REPORT

Gray presented his monthly Manager's Report. He announced that the Wage and Salary Committee would meet Sept. 17.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

Executive session was called at 11:55 a.m. and was dismissed at 12:12 p.m.

ADJOURNMENT

Meeting adjourned.

FINANCIAL REPORT • Statement of Operations • July 2020

	This month	YTD 2020	YTD 2019
Revenue	\$2,685,026	\$17,848,878	\$17,354,423
Power Bill Expense	1,550,230	10,144,464	10,443,944
Operation & Maint. Expense	523,059	4,112,143	4,568,473
Depreciation Expense	194,874	1,348,795	1,279,413
Interest Expense	117,686	833,292	828,842
Total cost of Srvc. (Total Expense)	2,385,849	16,438,694	17,120,672
Operating Margins (Revenue less Expenses)	299,177	1,410,184	233,751
Other Margins	7,990	88,966	163,707
TOTAL MARGINS	\$307,167	\$1,499,150	\$397,458

