

FROM THE WCE BOARDROOM...

Regular meeting of the Board of Directors held June 25, 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, June 25, 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. Robert Simmons, 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, Robert Simmons and Jeremy Ahmann. Also present were General Manager Mike Gray, CFO Michael Newland and general counsel Sheri Smiley.

APPROVAL OF AGENDA

After discussion, upon motion made by Max Swisegood seconded by Richard 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 May 28, 2020; expenditures for the month of May 2020; new membership applications and membership terminations.

APPROVAL OF REPORTS

The following february reports were approved:

Financing and Treasurer's Report: CFO Michael Newland reviewed the audit results from Kevin Kelso. He reported that the cooperative is in compliance with the debt covenants and gave an overview of West Central Electric and West Central Services. He presented the May 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 May 2020 financials from West Central Services. He discussed the CD bank rates for the scholarship fund. The scholarship committee will meet again at the end of the year. A discussion was then held regarding the audit services for the next year. Proposals will be brought back to the board to consider. Newland also discussed overdue bills since COVID-19. After lengthy discussion, the consensus of the Board was that on the pre-pays the co-op will send a letter after the capital credits have been applied and will tell them that they are going back to normal billing and collection procedures with a billing deadline to be set by management. On the regular accounts the co-op will send a letter encouraging they call and set up a payment plan, and stating that normal collections will begin on Sept. 1. The board approved giving up to nine months to repay any arrearage if the member contacts the cooperative to arrange a payment plan. Only accounts in arrears greater than \$25 can request the payment plan.

Engineering Report: Dan Disberger provided a written Engineering Report. He reported on the following: staking projects and gave a right-of-way report. He also gave a solar installation update.



Operations and Safety Report: Randy Burkeybile provided a written Operations and Safety Report. His report included the following: crews started coming back to the cooperative on June 1 with staggered times to reduce the exposure to each other as a safety precaution for the employees from COVID-19. On June 22 the crews moved back to the normal start time. He gave an update on the outage that occurred on June 24 due to a storm.

Member Services Report: Brent Schlotzhauer presented a written Member Services Report. He reported on Operation Round Up. He gave an update on going back to normal for billing procedures. He gave an update on the net metering systems and rebates approved. He also gave an update on energy audits.

NW REPORT

Swisegood presented the NW Report. The meeting was held via conference call due to COVID-19. Items of interest included: outages; margins, and reliability. He gave an update on a MODOT project and he gave an update on plans being considered for the 2021 annual meeting.

LEGAL REPORT

Attorney Sheri Smiley presented a report on legal matters.

MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included: an update on how the inside staff is working and COVID-19 precautions being taken. He also reported on fiber auctions that are soon occurring. **AMEC DISTRICT 1 MEETING**

Bredehoeft gave an update on the AMEC District 1 meeting held by teleconference on May 20. He announced who was elected to the committees and who received service award nominations.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

Executive session was called at 11:40 a.m. and was dismissed at 12:05 p.m.

ADJOURNMENT

Meeting adjourned.

FINANCIAL REPORT • Statement of Operations • May 2020

| | This month | YTD 2020 | YTD 2019 |
|--|--------------------|---------------------|---------------------|
| Revenue | \$1,878,369 | \$12,964,574 | \$12,829,655 |
| Power Bill Expense | 1,240,576 | 7,145,322 | 7,546,273 |
| Operation & Maint. Expense | 700,603 | 2,959,317 | 3,105,593 |
| Depreciation Expense | 193,569 | 960,143 | 908,613 |
| Interest Expense | 119,471 | 589,585 | 589,865 |
| Total cost of Srvc. (Total Expense) | 2,254,219 | 11,654,367 | 12,150,344 |
| Operating Margins (Revenue less Expenses) | (375,850) | 1,310,207 | 679,311 |
| Other Margins | 9,637 | 72,372 | 135,173 |
| TOTAL MARGINS | \$(366,213) | \$1,382,579 | \$814,484 |

