

# FROM THE WCE BOARDROOM...

Regular meeting of the Board of Directors held March 25, 2021

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

## 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 February 2021; expenditures for the month of February 2021; new membership applications and membership terminations.

## APPROVAL OF REPORTS

The following february reports were approved:

**Financing and Treasurer's Report:** Newland presented the February 2021 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 discussed the top loads for the co-op for the past year and reported on February 2021 financials from West Central Services.

## RATE INCREASE DISCUSSION

Gray and Newland had provided the board with rate proposal discussion material prior to the meeting that was based on the updated cost-of-service study done by Toth and Associates. It included comparisons of the current rate and proposed rate increases in all rate classes. The service availability charge was also considered as well as the impacts on revenue depending on when the rate increase would go into effect. The winter demands were considered for 2020 and the demand discounts that will go away from AECl due to the polar vortex. A motion was made and passed following discussion to use Option 3 for the Farm and Home Rate 101 for the first year only, and to amend the rate classes for 501 and 503 rates as suggested by Toth and Associates with an effective date of June 1.

## DISCUSS CAPITAL CREDIT REPORT

Newland provided the past year's general retirement and the 2021 management recommendations of retiring 100% of 1999, 100% of 2000 and 80% of 2001 of the West Central, NW, and CFC Capital Credits for a total of \$1,753,836.08. The motion passed.

**Operations and Safety Report:** Randy Burkeybile provided a written Operations Report. His report included the following: a crew update, outages for the month from the high winds, brush crews will begin work at the Centerview Substation, and right-of-way reports. Gray reported on a retirement of a mechanic and how that position will be filled.

**Safety and Engineering Report:** Pete Nelson provided a written Safety and Engineering Report. He reported on the following: safety meetings and crew visits; staking projects, pole inspections, new services and change services. He reported that Federated had completed their audit.



**Member Services Report:** Brent Schlotzhauer presented a written Member Services Report. He reported on Operation Round Up, gave an update on Youth Tour and that the live finals will be held on April 7, winners of the English scholarships will be announced March 31. An update on the Co-op Connections card was given. Following the polar vortex there have been many requests for in-home energy audits to be performed. He also reported on net metering. Gray reported on a dust to dawn light issue that a member had.

## NW REPORT

Swisegood and Gray reported on the March board meeting. They provided the mid-month AECl report, and reported on outages, wind, and solar. No lost-time accidents were reported. An update on the Kearney interchange was given. They reported on the cost of service study and on how AECl's systems reacted during the February storm. The power bill from AECl and NW was discussed.

## APPOINT NOMINATING COMMITTEE

The following people were appointed to the 2021 Nominating Committee: District 1 -- Donald Fore, Adam Heater; District 2 -- Lance Tieman, Paul Nolte; District 3 -- Virginia Haller, Jeremy Sanders; District 4 -- Verna Jenkins, William Grauberger and District 5 -- Stephanie Othick.

## POLICY 23.1

Gray presented the policy regarding changes on EV charger rebates. Staff-recommended changes were approved.

## LEGAL REPORT

Attorney Sheri Smiley presented a report on legal matters.

## MANAGER'S REPORT

Gray presented his monthly Manager's Report. He gave a COVID update for the office. An all-employee meeting will be held April 23. AMEC is having their first live meeting in April. The CFC meeting for June was discussed. Each cooperative can have one person attend. Gray will be the representative for WCE.

## UNFINISHED BUSINESS

None

## NEW BUSINESS

None

## ADJOURNMENT

Meeting adjourned.

## FINANCIAL REPORT • Statement of Operations • February 2021

	This month	YTD 2021	YTD 2020
<b>Revenue</b>	<b>\$3,357,702</b>	<b>\$6,294,142</b>	<b>\$6,527,306</b>
Power Bill Expense	1,825,604	3,486,923	3,247,785
Operation & Maint. Expense	525,575	1,081,773	1,110,759
Depreciation Expense	198,928	397,160	382,151
Interest Expense	<u>104,877</u>	<u>220,252</u>	<u>226,489</u>
<b>Total cost of Srvc. (Total Expense)</b>	<b>2,654,984</b>	<b>5,186,108</b>	<b>4,967,184</b>
Operating Margins (Revenue less Expenses)	702,718	1,108,034	1,560,122
Other Margins	<u>5,379</u>	<u>12,345</u>	<u>18,688</u>
<b>TOTAL MARGINS</b>	<b>\$708,097</b>	<b>\$1,120,379</b>	<b>\$1,578,810</b>

