



A Touchstone Energy® Cooperative

West Central Electric News

West Central Electric Cooperative, Inc. ~ Serving our members' needs since 1939

Gray discusses finances, rates and operations in manager's report

WCE General Manager Mike Gray brought positive financial news to co-op members during his address at the 72nd Annual Meeting of Members Aug. 5.

"Financially, 2010 was a solid year," Gray reported. "Expenses were up, but revenues increased even



Gray

more. We finished 2010 with margins of more than \$2 million. So far in 2011, revenues and expenses are in line with our budget."

Gray also stressed that the cooperative's leaders are continuously looking at ways to be more efficient and lower expenses whenever possible. He outlined several steps taken by the co-op over the last year that have done just that.

"We realized significant savings recently by closing our Warrensburg Service Center and utilizing First Central Bank as a payment drop location," he said. "This change alone will save us \$30,000 a year."

Gray also outlined enhancements to the WCE website that allow members to sign up for service rather than having to visit one of the area

Continued on page 3



Austen Miller, 8, of Warrensburg, is fascinated with the display of transformers at the WCE annual meeting Aug. 5 in Warrensburg. Among the displays was an area where visitors could meet West Central's linemen, learn about electrical safety and hear a description about how a power outage is located and repaired.

Co-op members elect directors, approve by-law changes at 72nd annual meeting

The usual large crowd was in attendance for West Central Electric Cooperative's 72nd annual meeting Friday, Aug. 5, with 605 registered members and more than 1,000 in attendance.

During the business meeting, members considered and passed a bylaw revision designed to update the bylaw wording and to bring the bylaws in line with the current needs and practices of the cooperative. (For example abolishing the paper membership certificate given to members when they establish service with the cooperative.)

Members also participated in the election of directors. Four candidates were nominated for three openings on the board. Incumbent Robert Simmons

and newcomers Densil Allen and Richard Strobel defeated incumbent-Matthews for three-year terms on the board. (See related story on page 2.)

Also during the business meeting, Board President Donna Matthews addressed members concerning holding down co-op expenses, the cooperative's youth programs and peak alerts.

"You gave us the indication at last year's meeting that we needed to hold down expenses, so instead of the traditional meal, we had the all-American meal (hamburgers and hot dogs) tonight," she said. "Instead of a bag of giveaways, you are getting a \$35 credit on your electric bill. Instead of mailing capital credit checks, they were applied to your electric bill. We also closed the

Warrensburg Service Center and added a drop box at First Central Bank. All of these things have saved thousands of dollars," she said.

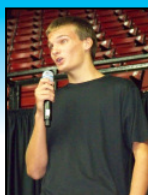
Matthews also highlighted the cooperative youth programs including the Rural Electric Youth Tour, safety programs, involvement with area 4-H and FFA programs, and the cooperative's three scholarship programs. She recognized the cooperative's newest linemen Josh Conner and Jesse Underwood, both of whom were recipients of the WCE/Linn State Technical College Electrical Distribution Scholarship, and have begun their lineman careers at the co-op.

Matthews urged members to read

Continued on page 3



WCE members elect directors during cooperative's 72nd annual meeting...page 2



2011 Youth Tour delegate Dakota Ross delivers the speech that got him to Washington, D.C....page 4



Charles Baile retires from WCE Board of Directors after 33 years of service...page 4

Headquarters:
7867 S. Highway 13, P.O. Box 452
Higginsville, MO 64037
1-660-584-2131 or 1-800-491-3803

District office:
506 N. Broadway
Oak Grove, MO 64075
1-816-625-8211

Website:
www.WestCentralElectric.coop

24-Hour Number:
1-800-491-3803

General Manager:
Mike Gray

Board of Directors:
Max Swisegood, Vice-Pres.
Paul Nolte, Treasurer
Robert Simmons, Secretary
Dale Jarman, Asst. Sect.
Clark Bredehoeft, Director
Ron Steelman, Director
Stan Rhodes, Director
Densil Allen, Director
Richard Strobel, Director

(Right) Youth Tour delegates Kaylee Herring (left) and Courtney Welch lead members in the Pledge of Allegiance and National Anthem during the 72nd annual meeting of members Aug. 5 in Warrensburg.



Amber Summitt, 1 1/2, of Centerview is not quite sure what to think of the bike she won at the WCE annual meeting Aug. 5 in Warrensburg. With her is her daddy, James.



Ryan Freund, 3, of Concordia is still in shock that his name was called as the winner of the boys' bicycle at the WCE annual meeting.



Simmons



Allen



Strobel

Members re-elect Simmons, give nod to Allen and Strobel as newcomers

West Central Electric members re-elected District 3 incumbent Robert Simmons during the Aug. 5 annual meeting at the University of Central Missouri in Warrensburg. Members also elected newcomers Densil Allen of Warrensburg and Richard Strobel of

Concordia to the other two available District 3 seats.

Four candidates, including incumbent Donna Matthews, were nominated by the Nominating Committee.

Officers will be elected during the August board meeting.



Directors elected for a three-year term include (l-r) Densil Allen, Robert Simmons and Richard Strobel.



WCE Linemen Matt Schellman gives Rance Wright, 9, of Odessa, a lift in the bucket truck.

Gray discusses, finances, rates and operations

Cooperative finances are solid, steps taken over the past year have lowered expenses significantly in some areas

From page 1
offices.

Significant savings were also realized with the decision to apply capital credits to members' accounts rather than mailing checks.

"This change saved us more than \$6,000 in postage expenses," Gray said.

On the legislative front, Gray assured members that staff at the Association of Missouri Electric Cooperatives and the National Rural Electric Cooperative Association have been working hard to promote co-op interests in Jefferson City and Washington, D.C.

"Current legislation at the state level would allow investor-owned utilities to recover the cost of a site permit for a new nuclear reactor, while also providing consumer protection," he said.

"More importantly, this legislation would preserve the option for a second unit to be added at Ameren's existing Callaway Plant in Central Missouri."

He added that WCE supports this legislation as environmental pressures

continue to increase on coal-based generation.

"Missouri electric cooperatives feel this is a prudent first step to keeping nuclear energy as an option for our future members. The cooperatives have partnered with major power companies in Missouri to support this legislation."

Gray reported that new services continue to lag behind past years' levels, much of which can be attributed to the slow housing market. In 2010, only 115

new services were added, and this year only 30 have been built. Those numbers are well below those seen before the 2008-09 recession when new services numbered 300-400 per year.

Gray also informed members that rates

will be on the rise once again in 2012.

"At last year's meeting, I told you that rates would remain constant through 2011," he said. "Rates will remain steady through April 2012, but at that time, WCE will incur a significant increase in our wholesale power cost from Associated Electric."

Gray said the increase is partly to cover the cost of new generation built

by AECEI to keep up with member demand,

"I can assure you that management and your board is going to do everything we can to keep this increase minimal."

--Mike Gray, General Manager
on the pending rate increase in wholesale power costs set for April 2012

and also to keep in compliance with increasingly stringent environmental standards implemented by the EPA. He said the cooperative will be notified of the increase this fall, and at that time it will be known just how much the increase

will impact WCE members. Members will be made aware of those final numbers through the West Central Electric News newsletter.

Gray informed members that all co-ops in Missouri will be seeing similar increases, but that the good news is the increases look like they will be less than anticipated.

"I can assure you that management and your board is going to do everything we can to keep this increase minimal," he said.

Gray concluded his annual address on a positive note, praising employees and board members, and reiterating that WCE remains in good shape.

"Our reliability continues to improve each year, and financially we are solid," he said. "Our statewide and national organizations are promoting our political interests, and your board of directors is constantly working with management to bring you the best possible service at the lowest cost possible."

Members elect directors, approve by-law changes

From page 1
their West Central Electric News pages in Rural Missouri Magazine to keep



Donna Matthews gives the President's Report during the annual meeting.

abreast of cooperative issues, as well as listen to their local radio stations for peak alert announcements.

"These peak situations directly affect our power costs, so at this time we ask you to turn off major appliances during peak hours," she said. "It is a small sacrifice for large rewards."

Matthews also recognized retiring board member Charly Baile, who had served 33 years on the board.

"He has served with distinction, and has dedicated himself wholeheartedly and remained devoted to his goal of providing excellent service and reliable power to our members," she said.

Other highlights of the meeting included the informational booths where members could have their blood pressure checked, learn about gardening and insulation and how to make their homes the most energy-efficient they can be.

WCE linemen were on hand to give live demonstrations on electrical safety and how power outages are located and repaired.

Members could receive information on the WCE rebate program and WildBlue and DIRECTV satellite services, as well as see demonstrations on how to use the online billing system and Rural Missouri Magazine's new



(Above) Member Carol Stock of Warrensburg (foreground) joins other members in following along with Board Treasurer Paul Nolte (bottom right) as he discusses the cooperative's financial statement during the business meeting.



digital online feature.

Upon arrival, members were registered for prizes, including a JVC LCD television with built-in DVD player donated by NW Electric Power Cooperative, (won by Kenneth Mieser of Concordia), and one free month of electricity (won by Billy Johnson of Higginsville.)



WCE lineman Brandon Heck (left) presents Billy Johnson of Higginsville with the grand prize of the evening -- a free month's worth of electricity.

Annual Meeting Prize Winners

One Free Month of Electricity
Flat screen TV/DVD
\$50 Free Electricity

\$25 Free Electricity

\$100 bill from Scobee Const.

18-qt. roaster
Gift Card from Graybar

Girls' Bicycle & Helmet
Boys' Bicycle & Helmet
McDonald's gift card

Stuffed Buddy Bear

Plant

Billy Johnson
Kenneth Mieser
Donald Hillsman
Vernon Elliott, Jr.
Gary Ford
Gerald Stockton
Marlon Bone
Mike Friend
Lanora McKay
Larry Hill
William Hutcheson, Jr.
Nancy Friel
Jerry Harper
Lonnie Dillard
Karen Foley
Harlan Mifflin
Mike Dorrell
Ellis McIntyre
Brenda Corbin
Paul Phillips
Paul Freund
Mike Hutchko
Amber Summitt
Ryan Freund
Haley Peal
Noran Gill
Emma Gill
Mark Young
Michael Goolsby
Rance White
Laura Edwards
Jeremy Fields
Curtis Burns
Michael Friend

Ross's Electro Man targets inefficiency

"It was a warm summer day with a breeze coming directly from the southeast. I was dressed in my pink superhero outfit with my long, silk cape and my symbol, which if you haven't had an encounter with me yet, is a house with a lightning bolt placed directly in front of it. I, of course, had on my black eye mask so no one could tell my true identity. It was a typical day for me. I was out patrolling suburban homes and giving people helpful tips to save electricity when I ran into the mother lode of all electricity hogs," he began.

With his award-winning Youth Tour essay, Ross's mission was to entertain and to educate while making people aware that the way they live their daily lives not only affects their electricity costs, but those of their entire electric cooperative.

"It was like an evil empire of bad energy habits," he said. "I mean, it was a nightmare. I was unsure even I could tackle this one."

Ross went on to describe porch lights left on in broad daylight, incandescent lighting, blinds raised and a window wide open in 98-degree heat. Inside the home he found the thermostat set at 65 degrees, old energy-wasting appliances, unsealed air conditioning vents and appliances on when not in use.

"After about three hours, I had successfully made a list of all the horrible electricity problems

with this house, and I left it on the counter with my signature for the homeowner to fix," he said.

"If you know some problems you can fix to save electricity around your home, even if they are small things, I urge you to do them, or else you will hear from me, Electro Man, the most knowledgeable, electricity-saving super hero!"



2011 Rural Electric Youth Tour winner Dakota Ross of Kingsville educates members on energy efficiency as "Electro Man."

Charly Baile retires from WCE board after 33 years of service

After 33 years in the WCE boardroom, 12 years at its helm as president, Charly Baile has retired from the cooperative's board of directors.

"The generation, transmission and distribution of electricity has been a big part of my life for more than three decades," he said. "But as time passes, you realize there comes a point when it is right to change your focus in life."

It was 1978 when Charly made the decision to let his voice be heard as a member of his rural electric cooperative. The membership responded by electing him to the board that year, and 10 more times after that.

The past three decades have been filled with ups and downs; rate increases, rate decreases, the issue of deregulation of the electric indus-

try and strict environmental requirements that would take a toll on service and rates.

"My main concern has always been providing our members with reliable electric service at the lowest rate possible," he said. "Balancing the issues of environmental compliance and energy efficiency, with the issues of providing for the needs of our members and ensuring adequate power generation for the future has also been a vitally important challenge."

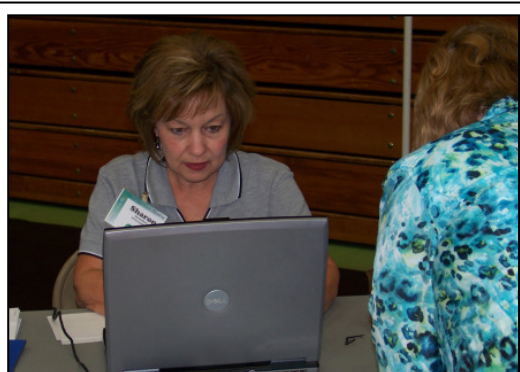
During his time on the board, Charly served as the co-op's representative on the NW Electric Power Cooperative Board of Directors as well as the treasurer of the Associated Electric Cooperative Board of Directors. In addition, Baile was a member of the Association of Missouri Electric Cooperatives Board of Directors, and he also served a two-year term on the AMEC Executive Committee. In 2011 he received the AMEC Distinguished Service Award.

Looking back at his many accomplishments within the co-op world, Charly said he is most proud of two things: "In all of those years, I had two priorities; that was the needs of the members and the welfare of the employees."

Baile and his wife, Virginia, live in rural Warrensburg and have two daughters, JoBeth and Terri and three grandchildren.



Baile



WCE Billing Supervisor Sharon Rinnesigns members up for automatic bill pay during the annual meeting Aug. 5.

Chester Meeker of Holden receives his annual meeting program and election ballots at registration. The 72nd Annual Meeting of Members was held at the University of Central Missouri Multipurpose Building Aug. 5.



WCE Board President Donna Matthews presents Charly with a gift honoring his 33 years of service to West Central Electric and the rural electric cooperative system. Charly was honored during the board's July meeting.

