

From the Boardroom...

Regular meeting of the Board of Directors held May 22, 2014

The meeting was called to order by President Densil Allen. Stan Rhodes, Asst. Secretary of the Cooperative, caused the minutes of the meeting to be kept. The following Directors were present: Max Swisegood, Clark Bredehoeft, Paul Nolte, Dale Jarman, Richard Strobel, Densil Allen, Sandra Streit and Stan Rhodes. Also present were General Manager Mike Gray, and cooperative attorney Rod Widger. Guests were Don McQuitty, Kent Brown and Byron Roach of NW Electric Cooperative. Board member Robert Simmons was absent.

PENSION RESTORATION PLAN

Don McQuitty provided information and explanation of the NRECA Pension Restoration Plan and its beneficial effect for key cooperative personnel. Following the presentation, directors approved the plan.

APPROVAL OF AGENDA

After discussion, the agenda was approved.

APPROVAL OF MINUTES

The unapproved minutes of the regular meeting of the board of directors held April 24, 2014 were approved.

REVIEW OF EXPENDITURES FOR APRIL

An itemized list of expenditures for April was presented to the board, and the payment of the bills was ratified.

APPROVAL OF REPORTS

The following April 2014 reports were approved: Operating Report (RUS Form 7) and Comparative Operating Statement including the Financial Statistical Report with month and budget comparisons and statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, and KWH sales; Treasurer's Report and the written monthly Construction, Retirement, Maintenance and Operations Report.

SAFETY REPORT

Gray reported no lost time accidents during the month. He discussed new OSHA standards for equipment and clothing.

MEMBERSHIPS

The applications submitted for membership in the cooperative were accepted and approved. Directors reviewed a list of requests for termination of membership in the cooperative which, along with their requests that their billings be deducted from their deposits and the remainder, if any, be refunded to them, were accepted and approved.

N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Swisegood reported their attendance at the recent board meeting and shared highlights.

NOMINATING COMMITTEE

Gray presented the work of the 2014 Director Nominating Committee. The committee nominated Robert Simmons, Richard Strobel and Donna Matthews as the candidates for District 3 and Densil Allen, Jr. as the candidate for District 5, At-Large District.

ANNUAL MEETING DISCUSSION

Gray reviewed with the board the viability of conducting a member-survey regarding preferred voting methods. After discussion, the issue was tabled.

MANAGER'S REPORT

Gray provided his Manager's Report for the month. He reported on the following: AMEC barbecue with Representative Emanuel Cleaver, Legislative Conference attendance, State Fair Foundation meeting, scholarship fund account deposit change recommendation, solar net meter installation, Sho-Me Tech payment for joint use and Governance Assessment Proposal from NRECA.

UNFINISHED BUSINESS

None.

NEW BUSINESS

The board entered into executive session for the discussion of personnel, litigation and contractor relationship. Following the closed session, the board returned to open session. The board resolved to appoint cooperative counsel Rod Widger to serve as parliamentarian for the 2014 annual meeting.

MEETING ADJOURNED

FINANCIAL REPORT • Statement of Operations • May 2014

	This month	YTD 2014	YTD 2013
Revenue	1,702,719	11,957,046	11,337,554
Power Bill Expense	1,160,904	6,929,889	6,594,558
Operation & Maint. Expense	140,498	1,688,255	1,255,855
Depreciation Expense	152,593	75,918	735,765
Interest Expense	162,668	555,915	534,667
Total cost of Srvc. (Total Expense)	1,616,663	9,249,977	9,120,845
Operating Margins (Revenue less Expenses)	-229,148	1,392,505	945,743
Other Margins	-5,129	64,942	111,979
TOTAL MARGINS	-234,277	1,457,447	1,057,722