

From the Boardroom...

Regular meeting of the Board of Directors held July 23, 2015

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., Clark Bredehoeft, Max Swisegood, Dale Jarman, Robert Simmons, Sandra Streit, Jeremy Ahmann and Richard Strobel. Director Stan Rhodes was absent. Also present were General Manager Mike Gray, Office Manager Sandy Starke and Administrative Assistant Kim Lewis.

AUDITOR'S REPORT

Following a report from Larry Lane of Schmidt & Company, LLC, the audit report was approved.

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 June 25, 2015 were approved.

REVIEW OF EXPENDITURES FOR JUNE

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

APPROVAL OF REPORTS

The following June 2015 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 for the month of June.

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.

NRECA REGION 8-10 MEETING DELEGATE

Mike Gray was appointed as a delegate for the NRECA Region VIII meeting.

N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Swisegood reported on their attendance at the N.W. meeting. Highlights included financial updates, lake levels, coal supplies and natural gas prices.

DIRECTOR CONFERENCE REPORT

Simmons, Swisegood, Bredehoeft and Jarman reported on their attendance at the Director Conference and gave highlights of presentations and programs.

ANNUAL MEETING DISCUSSION

Directors approved the distribution of an annual meeting survey to be distributed at the annual meeting Aug. 21. Attorney Rod Widger was appointed parliamentarian for the annual meeting.

MANAGER'S REPORT

Gray provided his Manager's Report for the month which included a request for proposal for auditing firms.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

MEETING ADJOURNED

FINANCIAL REPORT • *Statement of Operations* • June 2015

	This month	YTD 2015	YTD 2014
Revenue	1,935,737	13,117,820	13,904,081
Power Bill Expense	1,340,936	8,191,242	8,176,876
Operation & Maint. Expense	263,302	1,581,202	1,240,773
Depreciation Expense	159,951	948,195	909,741
Interest Expense	<u>21,107</u>	<u>558,207</u>	<u>675,489</u>
Total cost of Srvc. (Total Expense)	1,785,296	11,278,846	11,002,879
Operating Margins (Revenue less Expenses)	(30,532)	332,010	1,314,318
Other Margins	<u>6,778</u>	<u>96,801</u>	<u>70,378</u>
TOTAL MARGINS	(23,754)	428,811	1,384,696