

# From the Boardroom...

Regular meeting of the Board of Directors held May 25, 2017

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: Max Swisegood, Richard Strobel, Jeremy Ahmann, Dale Jarman, Sandra Streit and Stan Rhodes. Absent was Densil Allen Jr. Also present were General Manager, Mike Gray, General Counsel, Shawn Battagler and Administrative Assistant Kim Lewis.

## 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 April 27, 2017, expenditures for the month of April 2017; new membership applications; membership terminations and the treasurer's report.

## APPROVAL OF REPORTS

The following April 2017 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, cash-flow management and KWH sales and the written monthly Construction, Retirement, Maintenance and Operations Report.

## SAFETY REPORT

Gray presented the monthly safety report.

## AMEC REPORT

Bredehoeft reported on his attendance at the Executive Committee meeting of AMEC. Highlights included Amendment II lawsuit; AECL report given by David Tudor; Legislative Report given by Richard Moore; FEMA issues; Rural Missouri Update; training opportunities; new EPA administrator visit to Missouri; committee changes; lineman rodeo; award nominations; and AMEC financials.

## N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Swisegood reported their attendance at the recent board meeting and shared highlights including AECL update; software update proposal; REDLG loan; Brent Stewart legislative update; work at St. Joseph; renewables; managers meeting; territorial agreements; key account recognition discussion; Cleaver BBQ; political activities; financials; outage report; safety; and construction and operations.

## NOMINATING COMMITTEE

Battagler presented the report of the Nominating Committee.

## BYLAWS/POLICY COMMITTEE REPORT

Simmons gave the report of the Bylaw/Policy Committee. The committee presented recommendations for amendments to policies to be considered for approval at a later date. The Board discussed proposals.

## BYLAW AMENDMENT PROPOSAL

The board passed the following proposed bylaw change to be voted on at the Aug. 4, 2017 annual meeting: Article VII, Disposition of Revenues and Receipts, Section 1, paragraph 8, add the following sentence: "In addition, the Board of Directors may annually retire, on a similar discounted present value basis, the capital credit accounts of members who have disconnected from the service lines of the Cooperative, with unpaid accounts of any type . . ."

## OPERATION ROUND-UP

Because of time constraints, the Board decided to discuss Operation Roundup at the June board meeting.

## ANNUAL MEETING DISCUSSION

Gray discussed the annual meeting. Entertainment was discussed. The Board discussed the proposed bylaw amendment, meal options, and other details.

## EXECUTIVE SESSION

The Board entered into executive session, following which they returned to regular session.

## MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included: update on improvements being made at headquarters; discussion regarding passing of former employee; and AECL Annual Meeting.

## UNFINISHED BUSINESS

None.

## NEW BUSINESS

None.

## MEETING ADJOURNED

### FINANCIAL REPORT • *Statement of Operations* • April 2016

	This month	YTD 2017	YTD 2016
<b>Revenue</b>	<b>1,822,067</b>	<b>9,204,347</b>	<b>8,850,886</b>
Power Bill Expense	1,180,381	5,398,154	5,542,237
Operation & Maint. Expense	162,171	1,026,801	792,168
Depreciation Expense	172,077	683,718	658,252
Interest Expense	<u>133,556</u>	<u>440,316</u>	<u>412,600</u>
<b>Total cost of Svcs. (Total Expense)</b>	<b>1,648,185</b>	<b>7,548,989</b>	<b>7,405,257</b>
Operating Margins (Revenue less Expenses)	(131,697)	531,307	374,419
Other Margins	<u>10,008</u>	<u>122,481</u>	<u>69,915</u>
<b>TOTAL MARGINS</b>	<b>(121,689)</b>	<b>653,788</b>	<b>444,334</b>