

FROM THE WCE BOARDROOM...

Regular meeting of the Board of Directors held Oct. 31, 2019

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: Max Swisegood, Clark Bredehoeft, Dale Jarman, Richard Strobel, Stan Rhodes, Sandra Streit and Jeremy Ahmann. Also present were General Manager Mike Gray, general counsel Sheri Smiley, office staff of WCE and Kevin Kelso, CPA.

AUDIT

Kelso gave the audit presentation for 2018. He discussed margins, gave a labor breakdown, discussed operating expenses, plant, the balance sheet, current ratios, equity percentages, and distribution equity percentage. The board entered executive session at 10:25 a.m. and came out to report that no issues were found in the audit.

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 Sept. 26, 2019; expenditures for the month of September 2019; new membership applications and membership terminations.

APPROVAL OF REPORTS

The following September 2019 reports were approved:

Financing and Treasurer's Report: Michael Newland presented the September 2019 Operating Report (RUS Form 7) and Comparative Operating Statement. He reviewed the Financial and Statistical 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. A discussion was held on equity management and margins. .

Operations and Safety Report: The board was referred to the written operations and safety reports.

Engineering Report: The board was referred to the written engineering report.

Member Services Report: The board was referred to the written member services report.

NW REPORT

Swisegood gave the NW update. He reported on margins, finances, outages and causes and work projects. He also reported on a potential discount on the December bill from NW.

AMEC REPORT

Bredehoeft and Gray gave the AMEC report. They reported on the



CFC line of credit, AMEC dues that were increased, Rural Missouri Magazine, Touchstone Energy, license plates and new board officers.

NRECA REGION 8 -10 MEETING REPORT

Streit gave an update from the meeting she attended.

SCHOLARSHIP COMMITTEE REPORT

Jarman gave an update on the scholarship committee. He discussed transcripts and that the English scholarship interviews are being extended.

ROUNDUP FOUNDATION REPORT

Streit gave an update on the Oct. 14 meeting. She reported they had awarded \$37,150.00 to charitable organizations and discussed terms of the directors.

LEGAL COUNSEL REPORT

Smiley gave the legal report.

REVIEW OF STANDING COMMITTEES

The board reviewed the standing committees for 2020.

MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included a bill dispute with a member, recording phone calls, accounts in names of cities that cannot be paid until approved by the city council, a policy regarding late charges on these accounts, an Oak Grove update, a crew truck that had been hit causing minor damage to the truck and no injury, and the co-op employee who was chosen to go to Guatemala. The board retreat will be held Jan. 27-28. He also discussed a potential new load.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

MEETING ADJOURNED

Following the executive session, the meeting was adjourned.

FINANCIAL REPORT • *Statement of Operations* • September 2019

| | This month | YTD 2019 | YTD 2018 |
|--|--------------------|---------------------|---------------------|
| Revenue | \$2,273,995 | \$22,122,982 | \$22,724,292 |
| Power Bill Expense | 1,193,776 | 13,089,635 | 13,500,353 |
| Operation & Maint. Expense | 442,828 | 5,671,178 | 4,688,895 |
| Depreciation Expense | 187,612 | 1,654,155 | 1,595,822 |
| Interest Expense | 121,733 | 1,067,406 | 984,924 |
| Total cost of Srvc. (Total Expense) | 1,945,949 | 21,482,374 | 20,769,994 |
| Operating Margins (Revenue less Expenses) | 328,046 | 640,608 | 1,954,298 |
| Other Margins | 62,823 | 235,790 | 295,297 |
| TOTAL MARGINS | \$390,869 | \$876,398 | \$2,249,595 |

