

# FROM THE WCE BOARDROOM...

Regular meeting of the Board of Directors held May 28, 2020

A meeting of the board of directors of West Central Electric Cooperative was held at the offices of the Cooperative, in Higginsville, Missouri, at 10 a.m. on Thursday, May 28, 2020, pursuant to the bylaws of the cooperative and previous resolution of the board of directors. 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., Max Swisegood, Clark Bredehoeft, Richard Strobel, Stan Rhodes, Sandra Streit, Dale Jarman, Robert Simmons and Jeremy Ahmann. Also present were General Manager Mike Gray, CFO Michael Newland and general counsel Sheri Smiley.

## APPROVAL OF AGENDA

One addition was made to the Agenda to report on the AMEC District 1 meeting. After discussion, the amended agenda was approved.

## APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of April 23, 2020; expenditures for the month of April 2020; new membership applications and membership terminations.

## APPROVAL OF REPORTS

The following february reports were approved:

**Financing and Treasurer's Report:** CFO Michael Newland presented the April 2020 Operating Report (RUS Form 7) and Comparative Operating Statement. He reviewed the Financial and Statistical Report and Treasurer's 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 and ratios. He reported on April 2020 financials from West Central Services.

**Approval of Audit:** The Audit done by Kevin Kelso was reviewed and had been provided to the board members in their board packets prior to the meeting for their review. No issues were found. A discussion was held on how often to have the auditor come to the board meeting, and the consensus was to have the auditor come every other year to present to the board. The audit was approved as presented.

**Capital Credit Retirement Discussion:** Newland reported there was \$29,524.26 in bad debt write off and that capital credits would be applied to the bad debt. A motion to write off the bad debt and apply capital credits to the bad debt was passed. A discussion was then held regarding retirement of capital credits. Staff presented several retirement options. A motion passed to retire \$1,715,000.00 against 2019 capital credit retirement.

**Operations and Safety Report:** Randy Burkeybile provided a written Operations and Safety Report. His report included the following: outages and the storm on May 4th where they assisted Osage Valley Cooperative, the outage N.W. had on May 6th at the Knob Noster sub that was caused by a bird, construction; pole changeouts; inspections; Safety Committee Report; crew visits; and no lost time accidents.

**Engineering Report:** Dan Disberger provided a written Engineering Report. He reported on the following: staking projects and gave a Right-of-Way report.

**Member Services Report:** Brent Schlotzhauer presented a written Member Services Report. He reported on Operation Round Up and community engagement with COVID-19. He gave an update on the net metering systems and discussed plans to bring back the customer service reps into the office. Gray gave an update on the lineman's schedules.

## NW REPORT

Swisegood presented the NW Report. Items of interest included: outages; margins, and reliability. He gave an update on the helicopter insurance and gave a wind and solar update. He also reported on how NW and AECI are handling staffing due to COVID-19. He reported that AECI will be holding their annual meeting virtually this year.

## NOMINATING COMMITTEE REPORT

Smiley gave the Nominating Committee Report. She reported that the committee met on May 13, 2020, via teleconference due to COVID-19. She reported that a motion



was made and seconded to nominate Robert Simmons for District 3, Richard Strobel for District 3 and Densil Allen, Jr. for District 5. No other names were presented to the committee and no other candidate had shown any interest in being on the ballot.

## ANNUAL MEETING DISCUSSION

The board discussed the options for holding the annual meeting this year and the impact of COVID-19 on those options. Smiley advised the board that the governor of the state of Missouri had suspended the statutory requirement of electric cooperatives holding annual meetings this year due to COVID-19. A lengthy discussion was then held regarding how many would be needed to have a quorum and the safety of the members based on what the board knew at the time concerning COVID-19. The deadline for anyone to run for one of the three director spots expires on June 1. The reports of officers could be done by video and placed on the Facebook and web page for the cooperative. The possibility of having a mail-in ballot attached to the bottom of the June bill was also discussed so that members could return the ballot with their bill. A motion was made to not hold an annual meeting this year, to post videos of the officers reports on social media, and to have a mail-in ballot attached to the billing for any candidates selected by the nominating committee or that had filed by petition on or before June 1. Ballots must be returned by August 22 Simmons, Strobel and Allen abstained from voting as they are up for election. Motion passed.

## LEGAL REPORT

Attorney Sheri Smiley presented a report on legal matters

## MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included: A request made from a local school board and action was taken to respond to the request being made. The lineman's scholarship got three applications and interviews have been scheduled. He also gave a report on how many late accounts there currently are. On July 1, 2020, those late accounts will start being handled as collections. He also discussed a potential savings with the Iowa State Co-op Health Insurance that is being reviewed. He reported that the NRECA fall meetings will all be held virtually due to COVID-19. He gave an update on the Oak Grove and Higginsville buildings and how he is bringing employees back into the office safely.

## AMEC DISTRICT 1 MEETING

Bredehoeft gave an update on the AMEC District 1 meeting held by teleconference on May 20. He announced who was elected to the committees and who received service award nominations.

## UNFINISHED BUSINESS

None.

## NEW BUSINESS

Strobel discussed some COVID-19 concerns.

## EXECUTIVE SESSION

None

## ADJOURNMENT

Meeting adjourned.

## FINANCIAL REPORT • Statement of Operations • April 2020

	This month	YTD 2020	YTD 2019
<b>Revenue</b>	<b>\$2,138,848</b>	<b>\$11,086,205</b>	<b>\$10,914,141</b>
Power Bill Expense	1,283,195	5,904,745	6,280,078
Operation & Maint. Expense	564,583	2,258,712	2,545,933
Depreciation Expense	192,467	766,573	724,858
Interest Expense	117,995	470,115	471,952
<b>Total cost of Srvc. (Total Expense)</b>	<b>2,158,240</b>	<b>9,400,145</b>	<b>10,022,821</b>
Operating Margins (Revenue less Expenses)	(19,392)	1,686,060	891,320
Other Margins	9,890	62,732	119,508
<b>TOTAL MARGINS</b>	<b>\$(9,502)</b>	<b>\$1,748,792</b>	<b>\$1,010,828</b>

