

From the Boardroom...

Regular meeting of the Board of Directors held December 30, 2014

The meeting was called to order by President Densil Allen. 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, Densil Allen, Sandra Streit, Jeremy Ahmann and Robert Simmons. Also present were General Manager Mike Gray and general counsel Shawn Battagler. Director Stan Rhodes was absent.

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 Nov. 25, 2014, were approved.

REVIEW OF EXPENDITURES FOR NOVEMBER

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

APPROVAL OF REPORTS

The following November 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 also discussed suggestions regarding modifications to facilities at Oak Grove.

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.

AMEC REPORT

Gray and Bredehoeft reported on their attendance and reported highlights including discussions regarding election results, the Thomas Hill Power Plant tour with legislators, legislative initiatives, regulatory issues and a Rural Missouri update.

N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Swisegood reported their attendance at the NW board meeting and reported highlights including operations and financials of N.W. and AECl, discussions regarding extension of all requirements contracts, the status of the Chamois Power Plant and the manager's report.

NRECA, CFC AND NRTC VOTING DELEGATES

Voting delegates appointed included: NRECA: Bredehoeft -- delegate, Simmons -- alternate; CFC: Simmons -- delegate, Allen -- alternate; NRTC: Allen -- delegate, Strobel -- alternate.

AMECPAC CORPORATE DONATION

Directors approved a \$500 donation to AMECPAC.

RUS LOANS

Gray presented information on options for refinancing some of the cooperative's RUS loans. After discussion, the board voted to refinance RUS loans through CFC consistent with the terms package recommended by management.

MANAGER'S REPORT

Gray provided his Manager's Report for the month. He reported on the following: The agenda for the Board Retreat, holiday activities, employee recognition banquet planning, phone issues at the headquarters office and the NRECA annual meeting. Directors approved permitting four directors to attend the NRECA annual meeting.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

Directors adjourned into executive session, followed by reconvening to the regular meeting.

MEETING ADJOURNED

FINANCIAL REPORT • *Statement of Operations* • November 2014

	This month	YTD 2014	YTD 2013
Revenue	2,120,946	23,937,709	23,373,372
Power Bill Expense	1,377,777	14,474,835	14,019,893
Operation & Maint. Expense	191,366	2,305,766	244,302
Depreciation Expense	154,928	1,680,687	1,629,395
Interest Expense	<u>107,634</u>	<u>1,231,345</u>	<u>1,251,857</u>
Total cost of Srv. (Total Expense)	1,831,705	19,692,633	17,145,447
Operating Margins (Revenue less Expenses)	26,678	1,326,103	1,144,133
Other Margins	<u>3,599</u>	<u>117,485</u>	<u>190,283</u>
TOTAL MARGINS	30,277	1,443,588	1,334,416