

From the Boardroom...

Regular meeting of the Board of Directors held May 26, 2016

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, Richard Strobel, Jeremy Ahmann, Dale Jarman, Sandra Streit and Stan Rhodes. Also present were General Manager, Mike Gray and General Counsel, Shawn Battagler.

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 April 28, 2016 were approved.

REVIEW OF EXPENDITURES FOR APRIL

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

APPROVAL OF REPORTS

The following April 2016 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 on safety issues, personnel issues and updated the board on his attendance at the MECIP conference.

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

Bredehoeft reported on his attendance at the AMEC meeting. Highlights included an update on the initiative petition, assessment to members and a FEMA update.

N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Swisegood reported their attendance at the recent board meeting and shared highlights.

NOMINATING COMMITTEE

Battagler presented the report of the Nominating Committee.

FACILITIES DISCUSSION

Gray presented information on ideas from staff for updating facilities and presented written reports.

MANAGER'S REPORT

Gray provided his Manager's Report for the month. He reported on the following: The regular board meeting for June will be June 28 rather than June 23 and an update on annual meeting notices and preparations.

MEMBER REQUEST

Gray presented a request from Holden FFA to waive their service availability fee for 12 months. The board approved the request.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

MEETING ADJOURNED

FINANCIAL REPORT • *Statement of Operations* • April 2016

	This month	YTD 2016	YTD 2015
Revenue	1,818,961	8,850,886	9,609,828
Power Bill Expense	1,188,870	5,542,237	5,672,542
Operation & Maint. Expense	225,432	789,235	1,042,352
Depreciation Expense	165,527	658,252	628,879
Interest Expense	<u>102,701</u>	<u>412,600</u>	<u>448,776</u>
Total cost of Srvc. (Total Expense)	1,682,530	7,402,324	7,792,549
Operating Margins (Revenue less Expenses)	(131,769)	<u>377,352</u>	738,975
Other Margins	<u>6,755</u>	<u>69,915</u>	<u>83,751</u>
TOTAL MARGINS	(125,014)	447,267	822,726