

From the Boardroom...

Regular meeting of the Board of Directors held June 22, 2017

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

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 May 25, 2017; expenditures for the month of May 2017; new membership applications; membership terminations and the treasurer's report.

APPROVAL OF REPORTS

The following May 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, and KWH sales; and the written monthly Construction, Retirement, Maintenance and Operations Report.

SAFETY REPORT

Gray presented the safety report for the month of May 2017.

RESTATEMENT OF R&S AND 401(K) PLANS

The board approved a resolution authorizing Gray to execute all necessary documents and to take actions necessary to carry out the amendment and restatement of the RS Plan and 401(k) Plan.

AMEC REPORT

Bredehoeft and Gray reported on their attendance at the AMEC board meeting. Highlights included equipment testing and the resignation of Richard Moore.

N.W. ELECTRIC POWER COOPERATIVE, INC. REPORT

Gray and Swisegood reported on their attendance at the N.W. meeting. Highlights included an AECL update, and information on wind farms, solar, storm damage, REDLG loan, compensation study and FEMA training.

AECL ANNUAL MEETING REPORT

Board members reported on their attendance at AECL's annual meeting. Highlights included information on renewable energy and power production issues, regulatory issues and coal and gas issues.

AMEC BOARD MEMBER AND ALTERNATE

Bredehoeft was appointed as the cooperative's AMEC board member, and Gray was named alternate.

AMEC ANNUAL MEETING VOTING DELEGATE

Bredehoeft was appointed the cooperative's AMEC annual meeting voting delegate, and Simmons was named alternate.

NRECA VOTING DELEGATE

Bredehoeft was appointed the cooperative's NRECA voting delegate and Gray was named alternate.

OPERATION ROUND-UP CHARITY

The board continued discussions regarding setting up a charitable foundation based on the Operation Round-Up model. The board created a committee of Simmons, Streit, Swisegood and Strobel to explore the options, scope and structure available.

CFC INTEGRITY FUND

The board agreed to donate \$250 to the CFC Integrity Fund.

ANNUAL MEETING DISCUSSION

Gray discussed annual meeting preparations, entertainment and other details. Meeting notices were reviewed.

MANAGER'S REPORT

Gray provided his Manager's Report for the month which included an update on improvements being made at the headquarters, road widening and a turn lane, discussion regarding Democratic Rules of Order and personnel issues.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

MEETING ADJOURNED

FINANCIAL REPORT • *Statement of Operations* • May 2017

	This month	YTD 2017	YTD 2016
Revenue	1,848,226	11,052,573	10,585,526
Power Bill Expense	1,196,263	6,594,417	6,749,153
Operation & Maint. Expense	195,289	1,222,092	1,044,726
Depreciation Expense	172,625	856,342	824,353
Interest Expense	103,195	543,511	514,765
Total cost of Srvcs. (Total Expense)	1,667,372	9,216,362	9,132,997
Operating Margins (Revenue less Expenses)	(94,973)	436,335	113,112
Other Margins	10,562	133,042	76,433
TOTAL MARGINS	(84,411)	569,377	189,545