

From the Boardroom...

Regular meeting of the Board of Directors held January 24, 2018

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, Sandra Streit and Jeremy Ahmann. Stan Rhodes was absent. Also present were General Manager Mike Gray, Office Manager Sandy Starke and general counsel Sheri Smiley.

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 Jan. 4, 2018 expenditures for the month of December 2017; new membership applications; membership terminations and the treasurer's report.

APPROVAL OF REPORTS

The following December 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; Treasurer's Report and the written monthly Construction, Retirement, Maintenance and Operations Report.

SAFETY REPORT

Gray gave the safety report for the month of December.

REVIEW AND APPROVE 2018 BUDGET

The 2018 budget was approved as presented.

REVENUE DEFERAL

The board approved a revenue deferral for 2017 as recommended by Gray. Gray recommended that \$750,000.00 be referred. The deferral amounts will be disclosed in the financial statements as follows:

- * Opening balance by year
- * Amount deferred by year
- * Amount recognized to revenue
- * Balance at the end of the year

NW REPORT

Swisegood presented the NW report for January, including AECl updates, NW outages, financial to date and revenue deferral.

APPOINTMENT OF WCE ROUND UP FOUNDATION BOARD

Pursuant to the bylaws of West Central Electric Round Up Foundation, Inc., the following directors were appointed for the following terms: Scott Stewart, 4 years; Donna Matthews, 4 years; Dennis Knipmeyer, 4 years; Luann Stillwell, 3 years; Sally Davidson, 3 years; Margie Storck, 3 years; Randy Dowell 2 years; Orel Glasgow 2 years; Shelly Draecktrah 2 years. Sandra Streit was appointed to serve as the ex-officio member of the Board.

Policy 3.15

Directors passed Board Policy 3.15, which sets out the procedure for opt in and opt out of West Central Electric Round Up Foundation, Inc.

MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included: discussion on the Hwy 13 roadway improvement project, members concerns, and the Spirit Trail.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

MEETING ADJOURNED

Following the executive session, the meeting was adjourned.

FINANCIAL REPORT • *Statement of Operations* • December 2017

	This month	YTD 2017	YTD 2016
Revenue	1,771,646	25,963,152	26,623,091
Power Bill Expense	1,602,439	16,237,184	16,621,520
Operation & Maint. Expense	424,993	2,873,105	2,809,681
Depreciation Expense	176,663	2,082,301	2,002,737
Interest Expense	69,034	1,237,780	1,223,947
Total cost of Srvc. (Total Expense)	2,273,129	22,430,370	22,657,885
Operating Margins (Revenue less Expenses)	(748,628)	210,162	732,967
Other Margins	807,004	1,101,117	947,970
TOTAL MARGINS	58,376	1,311,279	1,680,937