

From the WCE boardroom

Regular meeting of the Board of Directors held January 22, 2025

A meeting of the board of directors of West Central Electric Cooperative was held at 8 a.m. Jan. 22, 2025 at the Hilton Garden Inn located in Independence, 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. Attorney Sheri Smiley caused the minutes of the meeting to be kept. The following directors were present: Allen Jr., Clark Bredehoeft, Richard Strobel, Dale Jarman, Robert Simmons, Colby Dowell, Stan Rhodes, Jeremy Ahmann and Elizabeth Houtsma. Also present was General Manager Michael Newland.

APPROVAL OF AGENDA

One addition was made to add policy 3.18.

APPROVAL OF CONSENT AGENDA

The board approved its consent agenda consisting of the minutes of the regular meeting of Dec. 19, 2024; expenditures for the month of December 2024; new membership applications and membership terminations and the Treasurer's Report for December 2024.

FINANCING AND TREASURER'S REPORT

CFO Rebecca Hoeflicker presented the December 2024 Operating Report (RUS Form 7) and Comparative Operating Statement. She reviewed the Financial and Statistical Report and Treasurer's Report with monthly and annual budget comparisons. She also gave the investment report. She presented and reviewed statistical data pertaining to operating revenue, expenses, margins, assets, liabilities, cash flow management, and KWH sales and ratios. She reported on interest rates and the impact of large loads on the budget and projections for January margins. The year-to-date income statement and deferred revenue was reported on. She also reported on year-end numbers. The financial reports were accepted as presented.

APPROVAL OF STAFF REPORTS

Operations Report

Operations Manager Scott Gard provided an oral report to supplement his written Operations Report. He reported on crews and outages and causes for the month, including a report on the recent ice storm. He gave a mechanic and fleet report. He also gave a brush crew and right-of-way report and reported on the contract signed with Asplundh.

Safety and Engineering Report: Engineering Manager Pete Nelson provided an oral report to supplement his written Safety and Engineering Report. As of December 31, 2024, employees have worked 790 days without a lost time accident. Co-op employees drove a total of 31,721 miles as of the end of December without a serious accident. He reported on safety meetings, crew visits, and gave an engineering/staking department report. He reported on the widening of public roads right-of-way and poles to be moved. Meters with low usage to no usage were discussed. He reported on the contract with Stella Jones that was not signed regarding poles.

Member Services Report: Member Services Manager Brent Schlotzhauer provided his written Member Services Report. His report included RoundUp enrollment and RoundUp updates. He reported how impacts of the winter storm were relayed to the members on Facebook. He gave a net metering report. Chamber meetings attended were reported on. A District 1 Member Services meeting was attended at NW Electric. The electric vehicle was discussed.

IT Report

Tim Bowler gave an IT report. He gave an update on the dispatch center and reported it was performing well. He discussed the plan for SCADA and reporting on security breaches in the United States that are ongoing.

NW REPORT

Simmons and Newland gave the NW Report. They discussed margins, a copper theft, outages, sub-contractors and the demand discount.

APPOINT 2025 NOMINATING COMMITTEE

The 2025 Nominating Committee was appointed consisting of: Adam Heater, Stephanie Othic, Virginia Haller, Laura Smith, Jeremy Sanders, William Grauberger, Lance Thieman, Blaine Beissenherz, and Paul Nolte.

APPOINT NRECA VOTING DELEGATE AND ALTERNATE

Simmons was named the NRECA voting delegate and Newland as the alternate.

REVIEW AND APPROVE POLICY 2.6

Policy 2.6 was approved as presented.

REVIEW OF CONFLICT OF INTEREST POLICY

Smiley reviewed the policy and it was approved,



REVIEW AND EXECUTE FIDUCIARY DUTY POLICY 3.17

Smiley reviewed the policy it was executed by all board members.

REVIEW AND APPROVE POLICY 3.18

Newland presented Policy 3.18 and it was approved.

DISCUSS AND APPROVE REVENUE DEFERRAL

Hoeflicker presented a resolution on revenue deferral which was adopted by the board.

REVIEW AND APPROVE 2025 BUDGET

Hoeflicker presented the 2025 budget. She reviewed assumptions, different scenarios including rate increases, the operating budget, the cost of purchased power, projected revenue, expenses, debts, capital investment, potential metering equipment to be purchased and historical data. The budget was approved as presented.

REVIEW AND APPROVE RATE INCREASE

Newland presented the Cost-of-Service Study and discussed different scenarios, the budget, projected sales and deferred revenue. The board approved a 6.5% rate increase beginning May 1, 2025.

ROUNDUP FOUNDATION REPORT/DISCUSS OPEN ROUNDUP SEATS

Dowell reported on what was awarded by the foundation and on the board members who have termed out of their positions on the board.

LEGAL REPORT

Smiley gave the legal report for the month.

MANAGER'S REPORT

Newland presented the monthly Manager's Report. He received a request for large power at the Dover Substation for 300 kW to 700 kW which would qualify for the incentive rate at NW. He will ask for NW to approve the rate at their next board meeting.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

EXECUTIVE SESSION

Executive Session was called at 11:48 a.m. and was out at 12:01 p.m.

ADJOURNMENT

Meeting adjourned.

Special meeting

Special called meeting of the Board of Directors held Jan. 29, 2025

A special called meeting of the board of directors of West Central Electric Cooperative was held at the offices of the cooperative, in Higginsville, Missouri, at 6 p.m. on Jan. 29, 2025 pursuant to the bylaws of the cooperative and previous resolution of the board of directors. The meeting was called to order by Robert Simmons. Attorney Sheri Smiley was present by phone and caused the minutes of the meeting to be kept. The following directors were present: Simmons, Richard Strobel, Dale Jarman, Colby Dowell, Stan Rhodes, Jeremy Ahmann and Elizabeth Houtsma. Densil Allen Jr. and Clark Bredehoeft were present by phone. Also present was General Manager Michael Newland.

EXECUTIVE SESSION

The board entered into executive session at 6:05 p.m. and exited at 7:25 p.m.

ADJOURNMENT

Meeting adjourned.

FINANCIAL REPORT

December 2024 Statement of Operations

	This month	YTD 2024	YTD 2023
Revenue	\$3,175,956	\$36,902,132	\$32,952,911
Power Bill Expense	1,231,861	21,944,035	19,197,477
Operation & Maintenance Expense	628,633	8,545,823	7,586,394
Depreciation Expense	215,208	2,530,744	2,695,089
Interest Expense	138,094	1,601,451	1,490,532
Total cost of Service (Total Expenses)	2,213,796	34,622,053	30,969,492
Operating Margins (Revenue less Expenses)	962,160	2,280,079	1,983,419
Other Margins	994,176	1,309,401	1,510,723
TOTAL MARGINS	\$1,956,336	\$3,589,480	\$3,494,142