



West Central Electric Cooperative

July 2018

Electric News

Special Annual Meeting Issue!

A Touchstone Energy® Cooperative

West Central Electric Cooperative, Inc. ~ Serving our members' needs since 1939

WCE 79th Annual Meeting

Aug. 3, 2018

UCM Multipurpose Building,
Warrensburg, Mo.

Evening Schedule:

5:00 p.m.

- ◆Registration begins. All registered members will receive a \$25 energy credit. Must be present to receive.
- ◆Old-fashioned co-op barbecue of hamburgers, hot dogs, watermelon, chips and cookies, tea & lemonade. Meals will be served to the first 1,300 members and guests in attendance.
- ◆Informational booths and displays open at east end of Multi.

6 p.m. - 8 p.m.

- ◆Swimming for the kids in the Multipurpose Building indoor pool

6:45 p.m.

- ◆Kaylee Henry, Youth Tour delegate to Washington, D.C.

6:50 p.m.

- ◆Introduction of West Central Electric and John & Kathryn English scholars

7:00 p.m.

- ◆Business Meeting -- approval of minutes (located to the right on this page), reports of business, election of directors (profiles on page 3.)

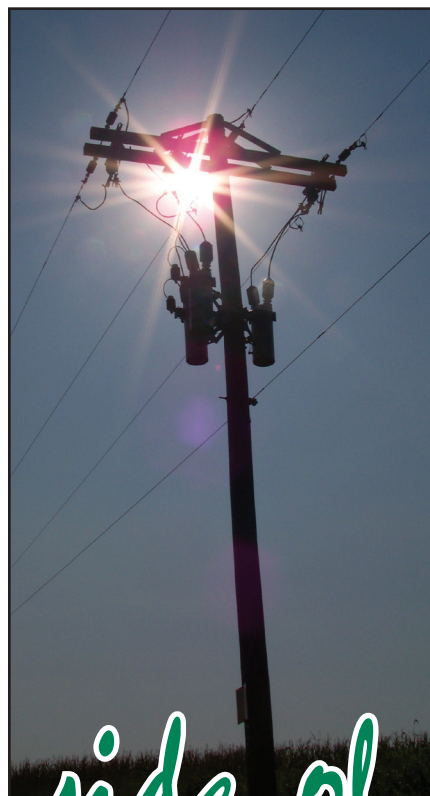
PRIZE DRAWINGS:

- ◆32" Vizio HDTV donated by NW Electric
- ◆\$25, \$50, \$100 energy certificates
- ◆One month FREE electricity! (Residential account only, applies to the bill due in September)
- ◆Kids' prizes: girl's and boy's bike with helmets, stuffed Buddy Bear mascots and more!

INFORMATIONAL BOOTHS:

- ◆Kids' Safety Area with giveaways, safety demonstrations, and meet Rural Missouri's Buddy Bear
- ◆Health screenings from Johnson County Community Health Services
- ◆Meet the WCE linemen
- ◆Glaucoma & macular degeneration screenings by Rehabilitation Services for the Blind
- ◆Operation Round Up booth to learn more about this new co-op program
- ◆Take Control and Save energy-efficiency booth & more!

Business Meeting begins at 7 p.m.



The other side of the meter

In the cooperative world, our job is to provide our members with safe, reliable, affordable electricity. On **the other side of the meter**, however, our mission is to enhance the quality of life for our members, their families and the local communities.

West Central Electric does this in a variety of ways. Providing safe, reliable, affordable electricity is one way, but there are a host of others such as rebate programs; scholarship programs; sponsoring 4-H, FFA and other community events and the new Operation Round-up Program.

The 7th Cooperative Principle is "Concern for Community."

While focusing on member needs, cooperatives work for the sustainable development of communities through policies and programs accepted by the members.

We don't look at that commitment as an option, but rather an expectation that our role as a member-owned cooperative is to look out for the well-being of our members in more ways than just making sure they have electricity on which they can rely and that they can afford.

So, when you think of your local electric cooperative, think of our mission -- which goes well beyond the meter.

ABOVE: (l-r) Operation Round Up Foundation Chairman Dennis Knipmeyer; power pole; Missouri's 2016 YLC representative, WCE Youth Tour delegate Alli Bertz.

West Central Electric Cooperative, Inc.

Minutes of the 2017 Annual Meeting of Members, August 4, 2017

To be approved at August 3, 2018 Annual Meeting of Members

The 78th Annual Meeting of Members of West Central Electric Cooperative, Inc. (hereinafter referred to as "Cooperative"), was held at the Multipurpose Building on the campus of the University of Central Missouri, Warrensburg, Johnson County, State of Missouri, on Friday, August 4, 2017, pursuant to the bylaws of the Cooperative and notice to membership.

Registration began at 5:00 p.m. and a meal was served. Musical entertainment was provided by Ben Nuelle.

BUSINESS MEETING

The business session was called to order by Densil Allen, Jr., President of the Cooperative, at 7:00 pm. Robert Simmons, Secretary of the Cooperative, caused the minutes of the meeting to be kept.

Youth Tour Representative Hannah

Stillwell led the membership in the Pledge of Allegiance. A prayer of invocation was offered by Director Richard Strobel.

President Allen introduced special guests in attendance at the meeting and the Board of Directors.

The President called on Attorney Shawn Battagler to verify the presence of a quorum. Mr. Battagler reported that the quorum formula required the presence of 140 members and 692 members were registered at 6:30 p.m. It was therefore ordered that a quorum was established for the transaction of business.

Mr. Battagler presented the Agenda of the meeting. On motion made, seconded and passed, the Agenda was adopted as printed.

Secretary Simmons presented the Notice

of Meeting and Proof of Mailing. On motion made, seconded and passed, the membership resolved to waive the reading of the Notice of Meeting and Proof of Mailing. He referred attention to the Minutes of the 2016 Annual Meeting printed in the July issue of West Central Electric News with the Notice of Meeting. On motion made, seconded and passed, the membership resolved to approve the 2016 Annual Meeting minutes as printed.

PRESIDENT'S REPORT

President Allen presented the President's Report recounting the business and activities of the Cooperative since the last annual meeting.

TREASURER'S REPORT

Treasurer Dale Jarman presented the

Continued on page 2

Headquarters:
7867 S. Highway 13, P.O. Box 452
Higginsville, MO 64037
816-565-4942 or 1-800-491-3803

District office:
506 N. Broadway
Oak Grove, MO 64075

PAY BY PHONE: 1-855-874-5349

Website:
www.westcentralelectric.coop

24-Hour Number:
1-800-491-3803

General Manager:
Mike Gray

*This institution is an equal
opportunity provider and employer.*

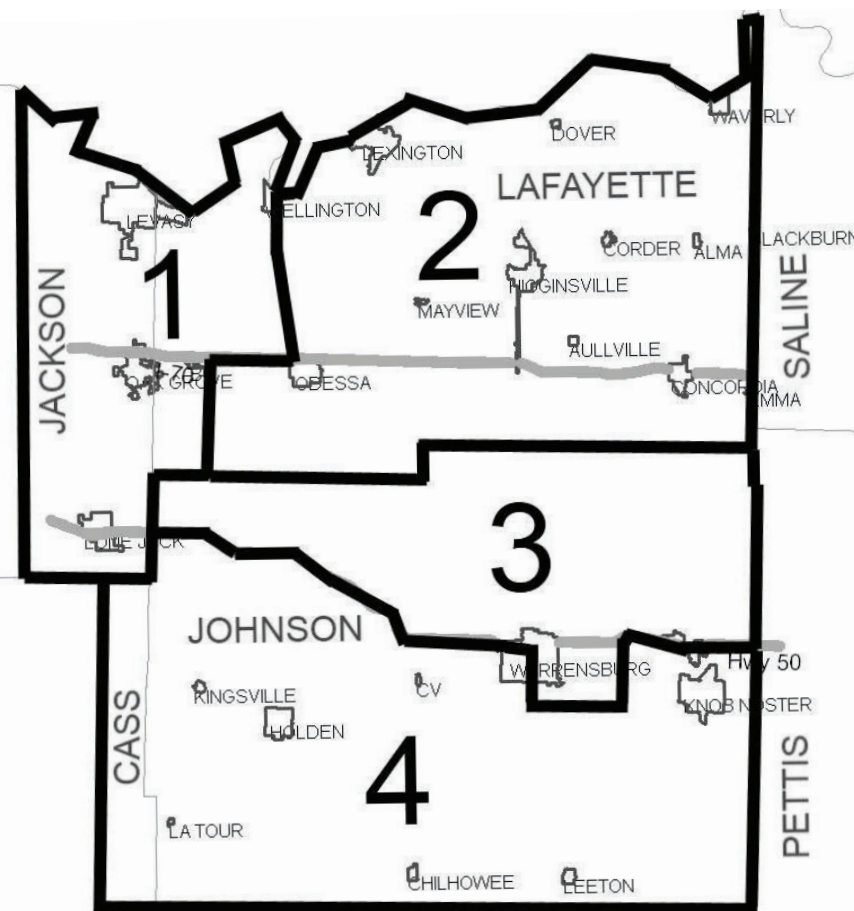
Board of Directors:
Densil Allen, Jr. President
Clark Bredehoeft, Vice-Pres.
Dale Jarman, Treasurer
Robert Simmons, Secretary
Stan Rhodes, Asst. Sect.
Max Swisegood, Director
Richard Strobel, Director
Sandra Streit, Director
Jeremy Ahmann, Director



2018 West Central Electric Nominating Committee

The West Central Electric Cooperative Nominating Committee met in May to nominate candidates for the 2018 board of directors election. The committee consists of the following active WCE members: Front row (l-r): C.F. Hackett, Dennis Knipmeyer, Virginia Haller, and Verna Jenkins. Back row (l-r) Jerry Phoenix, Tim Everet, Walter Hutcherson, Paul Nolte and Kyle Grumke.

West Central Electric Cooperative DISTRICT MAP



LEGEND
County lines ———
District boundaries ———

**District 5 is an "At-Large" district, and therefore encompasses the entire service area.*

2018 Official Notice of Annual Meeting

The 2018 Annual Meeting of members of West Central Electric Cooperative, Inc. will be held: Friday, August 3, 2018 on the campus of the University of Central Missouri, Warrensburg

The meeting will feature:

1. The report of officers, directors and committees,
2. The election of **ONE** director each from District 1, District 2 and District 4 to serve until the third succeeding annual meeting of the members, or until their successors have been elected and shall have qualified. The following members have been nominated for directors:

District 1
Jeremy Ahmann, Odessa, Mo.

District 2
Clark Bredehoeft, Blackburn, Mo.

District 4
Dale Jarman, Holden, Mo.

4. Such other business as may properly come before the meeting or any adjournment thereof.

Robert Simmons, Secretary
July 9, 2018



West Central Electric Cooperative, Inc.

Minutes of the 2017 Annual Meeting of Members, August 4, 2017

To be approved at August 3, 2018 Annual Meeting of Members

From page 1

Treasurer's Report. He directed attention to the financial information contained in the meeting program that was drawn from the audited records of the Cooperative. On motion made, seconded and passed, the membership resolved to approve the Treasurer's Report.

DIRECTOR ELECTION

President Allen called on Walter Hutcherson to present the report of the director Nominating Committee. Mr. Hutcherson affirmed that the committee nominated Robert Simmons and Richard Strobel from District 3; and Densil Allen, Jr. from District 5.

Mr. Battagler conducted the election of Directors. He noted that there were no nominations received by petition. Mr. Battagler noted that since there were two candidates from District 3 and a single candidate for District 5, it was appropriate to elect Mr. Simmons, Mr. Strobel, and Mr. Allen by motion. On motion made, seconded and passed, the membership resolved to elect Robert Simmons and Richard Strobel for District 3 and Densil Allen, Jr. for District 5.

Mr. Battagler introduced the Bylaw Proposition A: "Shall Article VII of the bylaws of West Central Electric Cooperative be amended to permit the discounted early retirement of capital credits to offset member debts owed to the cooperative?"

On motion made and seconded, the proposition was placed before the membership for discussion and debate.

Following debate, members were given instructions regarding voting and collection of ballots.

The members appointed as election judges were identified and called to collect and count bylaw proposition ballots.

MANAGER'S REPORT

Manager Mike Gray presented the Manager's Report updating the membership on operations, maintenance, finances, EPA regulations, right-of-way maintenance programs, and storm outages. He also reminded the membership of the many convenient ways to conduct their business with the Cooperative.

ADJOURNMENT

Mr. Battagler asked for any unfinished or new business. There was none. Steve Moore and employees conducted the drawing and distribution of attendance prizes. On motion made, seconded and passed, the membership meeting was adjourned.

ELECTION RESULTS

Following adjournment, Mr. Battagler returned to the podium to report the election results as follows: Robert Simmons, Richard Strobel, and Densil Allen, Jr. were each elected for a term of 3 years until their successors are elected and qualified.

West Central Electric Cooperative • 2018 Board of Directors Candidates

District 1



Jeremy Ahmann
Odessa, Mo.

Occupation: Farmer; Lewis Hybrids Seed Dealer

Family: Wife, Rachel; Children, Abe (7), Emily (6) and Lauren (4)

Community groups and organizations, church, etc. to which you belong: Grace Lutheran Church, Lexington, MO

Why did you agree to run for re-election to the board of directors? What do you feel qualifies you to serve as a director of the cooperative? I am thankful for the opportunity to have served on the Board for the last three and a half years. I have enjoyed my time and have learned a great deal from the other directors and the staff at the cooperative. There is a great deal to learn both within our service area and across the industry and I look forward to supporting the Cooperative in making the best choices for our members. There's not one specific quality of mine that I feel qualifies me to serve as a director more than any other, but I believe in hard work, good communication and making decisions for the greater good. I feel a strong sense of commitment to the future this cooperative and making sure that the voices and best interests of the members are heard, and I hope I can bring additional skills to the Board in my next term.

What are your goals for your next three-year term? I hope to be able to continue to expand my knowledge of the cooperative and bring strategic ways to provide affordable, reliable electric service to our members. I have learned a great deal in the last three years thanks to the dedicated staff and the willingness of other board members to share their experiences. I would like to continue to expand my knowledge as a Director by attending conferences to learn more about the issues that face the industry and cooperatives like West Central.

In your opinion, what is the biggest issue facing electric cooperatives today, and how do you plan to address that issue? There are always concerns that face a cooperative. Some of those concerns are industry-wide while others are cooperative specific. I hope to be able to serve the members and make decisions that are best suited for the present and the future of the cooperative. I want to ensure that the next generation can benefit from the services of cooperatives like West Central Electric.

Additional comments: Serving the members of West Central Electric has been a privilege. I am thankful for the opportunity to continue to serve its members and help ensure the future viability of the Cooperative.

District 2



Clark Bredehoeft
Blackburn, Mo.

Occupation: Farmer

Family: My wife, Holly, and I have three grown children: Tyler, Jordan and his wife Breanna, and Sydney

Community groups and organizations, church, etc. to which you belong: Trinity Lutheran Church – presently Chairman of the Congregation, Farm Bureau, MU Alumni Association, American Soybean Association, Corn Growers Association, Board of Directors for AMEC – Association of Missouri Electric Cooperatives

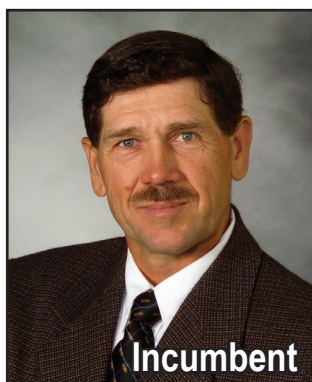
Why did you agree to run for re-election to the board of directors? What do you feel qualifies you to serve as a director of the cooperative? Being on the board of directors is something I have enjoyed and I am willing to devote the time needed to help maintain and promote the business of West Central Electric. Because electricity is a valuable input in my agricultural business, it has always been my desire to help WCE keep costs down and provide the best service possible. My years of service and education while on the board of directors has qualified me to make decisions in the greatest interest of all members. I feel it is important to elect directors who look out for all members. This is what I have always done and will do in the future, if re-elected.

What are your goals for your next three-year term? My goals for the next three years are to provide leadership to maintain the quality of service with the lowest cost possible for our members.

In your opinion, what is the biggest issue facing electric cooperatives today, and how do you plan to address that issue? The changing political environment and government regulations are issues we always face. We as members can help by keeping our legislators informed as much as possible on the important issues that concern our electric cooperatives. Also, it is important to elect officials that support the coop and its members.

Additional comments: It has been a privilege to serve on the cooperative's board of directors and I thank you for your support in the past.

District 4



Dale Jarman
Holden, Mo.

Occupation: Farmer

Family: My wife, Georgia, and I have two sons, Seth and Nathan.

Community groups and organizations, church, etc. to which you belong: I am a member of the Holden United Methodist Church. In addition, I am a trustee of the Blackwater Cemetery Association and a member of the Johnson County Extension Council. I serve on the West Central Electric Scholarship Committee and the John and Kathryn English Scholarship Committee.

Why did you agree to run for re-election to the board of directors? What do you feel qualifies you to serve as a director of the cooperative? My family have been West Central co-op members since service became available to us at our farm near 50 and 131 highways. I am aware of the original mission this co-op held to serve the rural population that the private utility companies found too unprofitable to serve. Co-ops are responsible to the members they serve; and not to profit outside investors. My commitment as a director is to stay true to this mission of service in order to meet the needs of all of our members.

What are your goals for your next three-year term? Our most important goal is to work to provide quality, reliable service at affordable rates.

In your opinion, what is the biggest issue facing electric cooperatives today, and how do you plan to address that issue? Quality service and low rates are at the core of what we do. I feel optimistic about our co-op's future. The co-op model provides an excellent way to provide electricity. Cost of production appears to be fairly stable and more diversified with wind and gas being very competitive. Locally, we need to continue upgrading our power lines and cutting brush.

Additional comments: I have learned a great deal about our co-op over the past few years. I believe I am in a position to help maintain a strong co-op that continues to meet our members' needs. I would appreciate your support in this election.

MAIL-IN BALLOT PROCEDURES

Members who are unable to attend the 79th annual meeting on Friday, Aug. 3, may still participate in the board of directors election by mail-in ballot.

- You must submit a request for a voting packet either by calling the office and requesting a packet to be sent to you, or by mailing in the form that was included with your June bills.

- All requested ballots will be mailed to members after July 9, 2018.

- Once you receive your voting packet, you may cast your vote and follow the instructions to send the ballots to the cooperative's attorney.

- Marked ballots must arrive NO LATER THAN Aug. 2, 2018 at the cooperative attorney's office in order to have the votes included in the count.

- Members who are able to attend the meeting may still vote in person at the meeting and do not have to submit a mail-in ballot.

Questions regarding the mail-in voting procedures may be directed to Member Services Manager Brent Schlotzhauer at 800-491-3803 or 816-565-4942.

Following is the bylaw article which allows voting by mail-in ballot:

Article III

Meetings of Members

Section 5. Voting

Each member shall be entitled to only one vote upon each matter submitted to a vote at a meeting of the members. All questions shall be decided by a vote of a majority of the members voting thereon in person, or by mail-in ballot, in addition to those voting by any other lawful means established by resolution of the Board of Directors of the Cooperative at least sixty (60) days prior to the date of said meeting and specified in the notice of the meeting, except as otherwise provided by law, the Articles of Incorporation or these bylaws.

Section 6. Proxies

Voting by proxy shall not be permitted.

It's time for

Operation Round Up!

FAQs

Q. What is Operation Round Up?

A. Operation Round Up is a program to generate and collect donations that are used to benefit charitable organizations and the communities within the WCE service territory.

Q. How did Round Up begin?

A. The program was created by Palmetto Electric Cooperative in South Carolina in 1989. Since that time, the program has been adopted by more than 200 electric cooperatives nationwide and 18 cooperatives in Missouri.

Q. How does Round Up work?

A. Beginning September 1, 2018, the electric bills of WCE members will be rounded up to the next dollar. For example, if your bill is \$65.50, it would be rounded up to \$66.00. A bill of \$59.99 would be rounded up to \$60.00. The funds collected are placed into the WCE Round Up Foundation and 100% of the funds are donated to charitable organizations through an application process. WCE Round Up Foundation does not keep any of the money collected. On average, a member will donate \$6.00 a year.

Q. Is my donation tax deductible?

A. Yes, all donations are tax deductible.

Q. What if I don't want to participate?

A. WCE members are automatically enrolled in Operation Roundup. However, you can opt out of participation. No members will be forced to contribute. If you wish to opt out of the program, you can do so by contacting us at 1-800-491-3803 and tell us you'd rather not be enrolled. Or, you can complete the form included in your May bill and return it to us with your monthly payment.

Q. How much money could Operation Round Up collect?

A. WCE has over 12,000 members. If 50% of our membership participates in the program, Operation Roundup could potentially raise approximately \$36,000 per year. With 100% of those funds going to charitable organizations within our communities, the possibilities are endless.



OPERATION ROUND UP...West Central Electric Cooperative's Operation Round Up Foundation is set up and ready for board members to begin taking applications this fall. The program will officially kick-off at the 79th Annual Meeting of Members on Friday, Aug. 3, 2018 at the University of Central Missouri Multipurpose Building in Warrensburg. Come hear more about the program and what we hope to accomplish. Members of West Central Electric Cooperative's Round Up Foundation Board include: Front row (l-r) Scott Stewart, LuAnn Stillwell and Oral Glasco. Back row (l-r) Randy Dowell, Margie Storck, Dennis Knipmeyer, Donna Matthews and Sally Davidson. Not pictured: Shelly Drecktrah.

Missouri Electric Cooperatives currently participating in an Operation Round Up program:

Citizens Electric Cooperative
Cuivre River Electric Cooperative
Intercounty Electric Cooperative
North Central Electric Cooperative
Se-Ma-No Electric Cooperative
Webster Electric Cooperative

Co-Mo Electric Cooperative
Farmers' Electric Cooperative
Laclede Electric Cooperative
Osage Valley Electric Co-op
SEMO Electric Cooperative
White River Valley Electric Co-op

Crawford Electric Cooperative
Grundy Electric Cooperative
Macon Electric Cooperative
Sac Osage Electric Co-op
Three Rivers Electric Co-op
West Central Electric Co-op

Applications and awarding of funds procedures

GEOGRAPHIC FOCUS

Applications will be accepted from individuals or entities located geographically within the area served by the Cooperative. Organizations or individuals providing activities, programs, or benefits to people who live in the Cooperative geographic service area are eligible for funding consideration, even though the organization or individual resides outside the Cooperative geographic service area.

APPROVAL OF APPLICATIONS

Quorum will exist with two-thirds of the board members in attendance. Complete applications will be approved with two-thirds majority vote.

FUNDING RESTRICTIONS

Contributions shall not be made for the following:
•Political, lobbying, fraternal, labor organizations.
•Fund-raising dinners, raffles, and

other events.

- Capital fund campaigns.
- National fund drives.
- Advertising.
- Scholarship programs or individual scholarships.



**WEST CENTRAL ELECTRIC
ROUNDUP FOUNDATION**

Proudly Funded by West Central
Electric Cooperative Members

- Uniforms or general sponsorships for league or traveling sports teams.
- Internal payroll expenses of an organization.
- Donations to organizations associated with a school district shall be limited to \$10,000 per calendar year.
- Organizations or individuals located outside the Cooperative geographic service area requesting support for activities occurring outside the Cooperative geographic service area.

EVALUATION FACTORS

The following factors will be considered in the evaluation of all funding requests:

- Potential benefit to the area residents and the entire community; or,
- Level of the community support for the program or project or the organization requesting the funds; or,
- Fiscal and administrative capacity of the organization to deliver on proposed activities; or,
- Available balance of WCEF accounts; or,
- Provide predictable and evaluative results.

MAJOR FUNDING CATEGORIES

(Contact the cooperative for more details on the following:)

- Community Service
- Economic Development
- Education and Youth
- Environment
- Disaster Relief

Memo on seasonal connections...

Members requesting seasonal connections on meters for wells, irrigation systems, etc. are asked to have either the map number or pole number available when they call in. Having one of these pieces of information will help cooperative employees ensure the right meter is being connected at your location. Please direct any questions to WCE at 816-565-4942 or 800-491-3803.

From the Boardroom...

Regular meeting of the Board of Directors held April 26, 2018

The meeting, was called to order by Vice President Clark Bredehoeft. Robert Simmons, Secretary of the Cooperative, caused the minutes of the meeting to be kept. The following directors were present: Max Swisegood, Dale Jarman, Richard Strobel, Stan Rhodes, Sandra Streit and Jeremy Ahmann. Densil Allen Jr. was absent. Also present were General Manager Mike Gray 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 March 22, 2018 expenditures for the month of March 2018; new membership applications; membership terminations and the treasurer's report.

APPROVAL OF REPORTS

The following March 2018 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 March.

NW REPORT

Swisegood presented the NW report for April. He discussed AECl updates, including the Dell Power Plant, the potential new load at New Madrid and the long range plan of AECl, NW outages, financials to date, economic development, and gave an update on a wind farm. He reported that the same Board of Director officers were elected following the annual meeting.

AMEC REPORT

Bredehoeft and Gray gave the AMEC Report for the April meeting which included the lineman's rodeo coming up in September, MECIP, the NRECA report, and pending legislation.

SCHOLARSHIP COMMITTEE REPORT

Jarman reported there were 40 applications and 23 scholarships of \$750.00 each given for a total of \$17,250.00. It was the Committee's recommendation to consider potentially giving more scholarships in 2018. A discussion was held regarding the English scholarship and the requirement to be an active 4-H member.

ANNUAL MEETING DISCUSSION

The Annual Meeting meal options were discussed. It was reported that the Nominating Committee meets on May 17th. June 4th is the deadline for Petitions. A drop box will be provided at the annual meeting for people to drop their ballots in if they do not wish to stay for the meeting. The Round up Foundation will have a table set up and Foundation board members will be at the table.

MANAGER'S REPORT

Gray presented his monthly Manager's Report. Items of interest included: the Missouri Directors Conference, the CFC Statewide Workshop, AECl's Annual Meeting, Audit Report the National Directors Survey and an update on prepaid accounts. He also gave an update on the Oak Grove Building and a facilities update

UNFINISHED BUSINESS

None.

NEW BUSINESS

Strobel discussed his attendance at an annual meeting in Las Vegas.

MEETING ADJOURNED

FINANCIAL REPORT • Statement of Operations • March 2018			
	This month	YTD 2018	YTD 2017
Revenue	\$2,355,624	\$8,702,723	\$7,382,280
Power Bill Expense	1,443,994	4,886,323	4,217,774
Opertion & Maint. Expense	511,257	1,515,039	1,683,102
Depreciation Expense	176,283	529,268	511,640
Interest Expense	112,327	308,727	306,760
Total cost of Srvc. (Total Expense)	2,243,861	7,239,357	6,719,276
Operating Margins (Revenue less Expenses)	111,763	1,463,366	663,004
Other Margins	36,725	60,271	112,472
TOTAL MARGINS	\$148,488	\$1,523,637	\$775,476

Thaller joins WCE's Higginsville location as computer technician

You could say things have come full circle for West Central Electric's new computer technician, Brandon Thaller. After several years in the United States Marine Corps, living in Hawaii and California with deployments to Afghanistan and Japan, and achieving the rank of Sergeant E5, Thaller has come home.

Thaller, a 2009 graduate of Lafayette County C-I High School has now joined the cooperative ranks in WCE's Information Technology department where he works with keeping the company's computer system up and running as well as the outage program and other technology issues.

"It is great to be a part of an organization that gives something back to the community," Thaller said. "I look forward to building new relationships with the great crew here at West Central and becoming part of the team."



Thaller

Thaller lives in Higginsville with his wife, Gina, and their children Kiley and Jude.

Map to UCM Multipurpose Building

