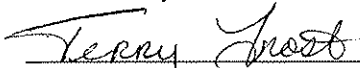


MINUTES
GENERAL BOARD MEETING - DECEMBER 18, 2015
FERGUS ELECTRIC COOPERATIVE, INC.

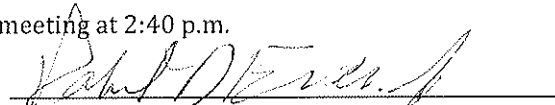
1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative Board of Trustees met in general session December 18, 2015 with PRESIDENT BOB EVANS calling the meeting to order at 10 a.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAERKER, DAVID DOVER, JASON SWANZ, GENERAL MANAGER SCOTT SWEENEY, OFFICE MANAGER SALLY HORACEK, FINANCIAL ANALYST JANINE RIFE DIDIER and CORPORATE COUNSEL KRIS BIRDWELL were also present. The Pledge of Allegiance was recited.
2. **PUBLIC COMMENT PERIOD.** The Board noted the regular time for member input relative to any issue of interest or importance to them. No member appeared.
3. **APPROVAL OF AGENDA.** After reviewing the meeting agenda, DAVID DOVER moved to approve it. BRAD ARNTZEN seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the December 4, 2015 general meeting, PAUL DESCHEEMAERKER moved to approve them. JASON SWANZ seconded the motion, which carried unanimously.
5. **EXECUTIVE SESSION - MANAGERS'S ANNUAL REVIEW.** JASON SWANZ moved to go into an executive session for MANAGER SWEENEY'S annual review. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
6. **RATIFY DISCUSSION DURING EXECUTIVE SESSION.** BRAD ARNTZEN moved to approve the salary offered to GENERAL MANAGER SCOTT SWEENEY for the forthcoming year. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
7. **ANNUAL MEETING DISCUSSION.** One of the topics coming out of the strategic planning retreat is how to attract younger members to the co-op's annual meeting. One suggestion is to move the meeting from Thursday to Saturday. After considerable discussion, the Board agreed to that change. The 2016 annual meeting is scheduled for Sat. June 11. A committee including BRAD ARNTZEN, DAVID DOVER and JASON SWANZ was appointed to work with staff to consider meeting enhancements.
8. **STRATEGIC THINKING AND PLANNING, NOV. 17, 18 & 19, 2015, CHICO RESORT.** MANAGER SWEENEY and the Board discussed topics that were addressed at the retreat. SWEENEY will be in touch with the consultants and asked for comments from the Board that will be addressed in the final report.
9. **SOUTHERN BOARD - DEC. 16, 2015.** DAVID DOVER, JASON SWANZ, TERRY FROST and SCOTT SWEENEY reported on agenda items covered at the Billings meeting. The HGS Trust and land issues will soon conclude.
10. **SME BOARD - DEC.16, 2015.** PRESIDENT DAVID DOVER noted that a vote was taken to disband and that ATTORNEY JOHN PAUL had prepared a list of steps to be taken to dissolve SME.
11. **PRECORP BOARD, SHERIDAN, DEC. 17, 2015.** PAUL DESCHEEMAERKER and MANAGER SWEENEY attended the board meeting while STAKING ENGINEER MONTE OBERT visited with PRECorp engineers about their mapping system. SWEENEY also noted that Fergus Electric, PRECorp and Tongue River will continue to meet to discuss ideas for sharing services.

12. **RESOLUTION IN SUPPORT OF WHOLESALE POWER CONTRACT BETWEEN POWDER RIVER ENERGY CORPORATION AND FERGUS ELECTRIC COOPERATIVE, INC.** After reviewing a Fergus resolution in support of wholesale power purchases through PRECorp, DAVID DOVER moved to sign the resolution. TERRY FROST seconded the motion, which carried unanimously. A copy is attached.
13. **BOARD POLICIES 201 AND 202.** Policy 201 - Financial Management and Policy 202 - Consultants were reviewed. TERRY FROST moved to approve Policy 201 with changes and PAUL DESCHEEMAERKER seconded the motion, which carried unanimously. Policy 202 was reviewed.
14. **FINANCIAL AND OTHER MONTHLY REPORTS.** GENERAL MANAGER SCOTT SWEENEY presented financial and other monthly reports to the Board for discussion. Included in the items seen were the November operating report prepared by OFFICE MANAGER SALLY HORACEK and the November analysis of operating statistics prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
15. **OPERATIONS REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that, to date, 65 new meters have been installed, 394 new poles have been added with 362 retired of which 339 were junked. The Dec. 17 safety meeting included First Aid, CPR and AED training provided by MIKE DAVIS of the Lewistown Fire Department.
16. **SIGNAL PEAK, LLC AND EXPRESS PIPELINE.** The combined load factor for the 50kV and 100kV Signal Peak substations for Nov. was 49.6% and Express Pipeline had a total load factor of 50.6%.
17. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 570-570X for \$83,787.10 and 570-570X (A) for \$2,209.19 ending November 30, 2015, JASON SWANZ moved to approve them. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
18. **REPORT OF CORPORATE COUNSEL.** ATTORNEY KRIS BIRDWELL reviewed Board Policy 110 - Capital Credits with the Board. He also discussed the Atna Resources bankruptcy (CR Kendall Corp.) and accounted for the hours he worked for Fergus Electric in 2015.
19. **CAPITAL CREDIT RETIREMENTS.** The Board reviewed the Dec. 17, 2015 estate capital credit retirements of \$5,761.34 prepared by SUSAN HINKLEY. PAUL DESCHEEMAERKER moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which passed unanimously.
20. **DELINQUENT ACCOUNTS/NEW MEMBERS LIST.** The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owed. A list of new members was also reviewed.
21. **NRECA ANNUAL - NEW ORLEANS - FEB. 15-17, 2016.** PAUL DESCHEEMAERKER moved to appoint DAVID DOVER as Fergus Electric's delegate to the NRECA Annual Meeting. JASON SWANZ seconded the motion, which carried unanimously.
22. **FUTURE MEETINGS.**
 - a. PRECorp Board, Sundance, Jan. 19; SME and Southern Boards, Billings, Jan. 20; Safety - Wellness Day, Jan. 27; FEC Board, Jan. 29 - 10 a.m., Feb. 25 - 9 a.m., Mar. 31 - 9 a.m., Apr. 28 - 9 a.m.
23. **NEWS FROM THE DISTRICTS.**
24. **ADJOURN.** PRESIDENT BOB EVANS adjourned the meeting at 2:40 p.m.



 Secretary

Attest:



 President