

MINUTES
GENERAL BOARD MEETING – DECEMBER 4, 2015
FERGUS ELECTRIC COOPERATIVE, INC.

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative Board of Trustees met in general session December 4, 2015 with PRESIDENT BOB EVANS calling the meeting to order at 1 p.m. TERRY FROST was secretary and VANGIE McCONNELL was scrivener. Other board members present were BRAD ARNTZEN, PAUL DESCHEEMAER, DAVID DOVER, JASON SWANZ, and MIKE VLASTELIC. 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, TERRY FROST moved to approve it. MIKE VLASTELIC seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the October 29, 2015 general meeting, JASON SWANZ moved to approve them. PAUL DESCHEEMAER seconded the motion, which carried unanimously.
5. **BASIN ANNUAL MEETING.** BOB EVANS reported on the Nov. 3 – 5 meeting in Bismarck. He said the Basin family was very welcoming towards Fergus Electric's future membership in Basin Electric Cooperative.
6. **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.
7. **SOUTHERN BOARD – NOV. 20, 2015.** DAVID DOVER, JASON SWANZ and SCOTT SWEENEY reported on agenda items covered at the Billings meeting.
8. **BOARD POLICIES 110 AND 111 REVIEWED.** Policy 110 – Duties and Responsibilities of the Board of Trustees and Policy 111 – Trustee Duties and Standards of Conduct were reviewed. DAVID DOVER moved to approve Policy 110 with changes and PAUL DESCHEEMAER seconded the motion. JASON SWANZ moved to approve Policy 111 with changes and MIKE VLASTELIC seconded the motion. Copies of the approved policies are attached.
9. **CAPITAL CREDITS GENERAL RETIREMENT.** OFFICE MANAGER SALLY HORACEK reviewed with the Board dollar amounts for a general retirement of capital credits. After discussion, JASON SWANZ moved to pay out in Dec. 2015 a general retirement of approximately \$500,000 (balance of 1982 and half of 1983). DAVID DOVER seconded the motion, which carried unanimously.
10. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 569-569X for \$23,762.95 and 569-569X(A) for \$14,633.10 ending October 31, 2015, TERRY FROST moved to approve them. BRAD ARNTZEN seconded the motion, which carried unanimously.
11. **REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reviewed Board Policy 220 – Vesting and Retirement of Capital Credits. The Board spent considerable time on the topic. ATTORNEY BIRDWELL and Staff are continuing to examine Policy 220, which will be presented to the Board at a future meeting. He also covered the Atna Resources bankruptcy.

12. **COBANK LINE OF CREDIT.** The Board was amicable to procuring a line of credit with CoBank and directed MANAGER SWEENEY to proceed with arrangements.
13. **CORPORATE RESOLUTION AND SECRETARY'S CERTIFICATE AUTHORIZING FERGUS ELECTRIC TO BORROW FROM THE FEDERAL FINANCING BANK.** MIKE VLASTELIC moved to sign a board resolution authorizing Fergus Electric to borrow from the Federal Financing Bank (RUS) an amount not to exceed \$10,000,000.00. BRAD ARNTZEN seconded the motion which carried unanimously. A copy is attached.
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 October operating report prepared by OFFICE MANAGER SALLY HORACEK and the October 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, 390 new poles have been added with 359 retired of which 336 were junked. The Nov. 12 safety meeting included a wellness presentation entitled "Move Smart" by VANGIE McCONNELL. JOE ECKHARDT with Edward Jones gave a power point presentation on investing tips.
16. **SIGNAL PEAK, LLC AND EXPRESS PIPELINE.** The combined load factor for the 50kV and 100kV Signal Peak substations for Oct. was 47.1% and Express Pipeline had a total load factor of 55.6%.
17. **MECA WINTER BOARD - GREAT FALLS.** MIKE VLASTELIC, Fergus Electric's representative on the MECA Board, reported on the Dec. 1-2 meeting. He noted that membership dues would not increase for 2016. He also noted that standing committee appointments were approved. Fergus Electric's representatives are: Audit - PAUL DESCHEEMAERKER, Communication - DAVID DOVER, Education and Training - VANGIE McCONNELL, Legislative - JASON SWANZ, Power Supply - BOB EVANS, Resolution - TERRY FROST, and Safety & Loss Control - MIKE VLASTELIC.
19. **CAPITAL CREDIT RETIREMENTS.** The Board reviewed the Dec. 2015 estate capital credit retirements of \$4,238.71 prepared by SUSAN HINKLEY. TERRY FROST 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. **FACEBOOK.** Some discussion covered the possibility of establishing a Fergus Electric Facebook page.
22. **FUTURE MEETINGS.**
 - a. Christmas Dinner, Pine Meadows, Dec. 4, social - 5:30, Dinner - 6:30
 - b. SME and Southern Boards, Billings, Dec.16
 - c. PRECorp Board, Sheridan, Dec. 17
 - d. Safety - First Aid/CPR/Bloodborne Pathogens, AED - Dec. 17
 - e. FEC Board, Dec. 18, Fri. 10 a.m., 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 4:50 p.m.

Terry Frost
Secretary/Treasurer
Bob Evans
President