

MINUTES
GENERAL BOARD MEETING, DECEMBER 28, 2022
FERGUS ELECTRIC COOPERATIVE, INC.

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session December 28, 2022, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 10:09 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, TERRY FROST, CATHY KOMBOL, and JASON SWANZ. BOB EVANS attended via conference call. BRETT MAXWELL was absent. Other attendees included GENERAL MANAGER CARSON SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK and CORPORATE COUNSEL KRIS BIRDWELL. The attendees recited the Pledge of Allegiance.
- 2. APPROVAL OF AGENDA.** After reviewing the meeting agenda, JASON SWANZ moved to approve it. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 3. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the December 1, 2022, general meeting and discussing them, CATHY KOMBOL moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 4. PUBLIC COMMENT PERIOD.** No one from the public appeared.
- 5. 2023 BUDGET DISCUSSION.** GENERAL MANAGER CARSON SWEENEY asked the Board for questions regarding the expense and capital budgets, which SWEENEY presented during the Board Meeting held October 27, 2022 and again at the December 1, 2022 Board Meeting. After a period of discussion, TERRY FROST moved to approve the 2023 Expense Budget and 2023 Capital Budget. JASON SWANZ seconded the motion, which carried unanimously.
- 6. FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion. OFFICE MANAGER SALLY HORACEK reviewed the November 30, 2022, Form 7 operating report. PAYROLL ADMINISTRATOR JANINE RIFE DIDIER reviewed the November 30, 2022, ratios report.
- 7. OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT RIKALA reported on the Safety Meeting held December 20th. MECA SAFETY INSTRUCTOR SHAWN HALVERSON discussed Winter Driving, Chainsaw Safety, Voltage Regulator Safety and close calls. T&E SALESMAN SKIP VERWORN, provided OSHA required training on the new Cat skid steer. RIKALA reported that on January 19, 2023, Central Montana Medical Center (CMMC) will conduct the co-op's annual Wellness Day clinic, which is available to anyone covered by the co-op's insurance. RIKALA reported that the co-op has requests for eight new net meter installations, which, when installed, will bring the total net metered accounts to 56. RIKALA said that Rocky Mountain Contractors has 20 more poles to set on the Garneill Water Project. RIKALA reported that the service body is installed on the mechanic's Ford F-350. MECHANIC JASON DEFFINBAUGH will install the communication radios, lights and tools as his schedule allows. RIKALA reported that he has secured a production slot with Altec for March of 2025 for a full-size bucket truck to be built. RIKALA reported on work being completed by the Roundup and Lewistown line crews, i.e., changing poles, patrolling line, completing Priority 2 tickets, building new services to homes and stock wells and trimming trees. RIKALA provided an update on the bid schedule for the new Roundup office. RIKALA said that he was pleased to announce that on Saturday, December 17, 2022, COLLIN SULLIVAN and DANYON RICE each passed the journeyman lineman exam with scores above 90 percent. The exam consisted of three written tests, a test on rope splicing and knots and a field performance test demonstrating climbing, hot stick and general workmanship skills. TRANSFORMER REPAIRMAN MARK SCHWOMEYER had instructed the apprentices throughout the apprenticeship program. RIKALA reviewed the 2022 Fleet Report he prepared for the Board. The Board liked the layout of the report and the information provided and requested it be presented to them on an annual basis. PRESIDENT DESCHEEMAER requested that the Annual Review that the Engineers prepare address completing P1 items found in 2022.



8. INVENTORY OF WORK ORDERS. After reviewing Inventory of Work Orders No. 610-610X for \$35,887.37, dated November 30, 2022, BRAD ARNTZEN moved to affirm them. JASON SWANZ seconded the motion, which carried unanimously.

9. POWER OUTAGE REPORT. LINE SUPERINTENDENT DALE RIKALA reviewed the November 2022 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE.

10. BOARD POLICY 251 – DIVERSITY, EQUITY AND INCLUSION. After reading, reviewing, and allowing time for input and discussion, JASON SWANZ moved to adopt Board Policy 251, Diversity, Equity and Inclusion as presented. TERRY FROST seconded the motion, which carried unanimously.

11. BOARD POLICY REVIEW POSTPONEMENT. MANAGER SWEENEY asked the Board for a three-month hiatus from reviewing board policies to allow time to update and index the documents. The Board approved.

12. REPORT OF CORPORATE COUNSEL. CORPORATE COUNSEL KRIS BIRDWELL reported he had worked on various items of importance for the co-op. BIRDWELL reported that he worked with STAKING ENGINEER MELANIE FORAN, PE and with SENIOR BILLING CLERK ERIKA MATTALIANO on estate capital credits. BIRDWELL told the Board that ERIKA is doing great. MATTALIANO recently acquired the duties previously performed by SUSAN HINKLEY who is nearing retirement.

13. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY reported that he and BRAD ARNTZEN had attended the annual meeting for Mid-West Electric Consumers Association in Denver, Colorado, noting that the event was larger than he had anticipated with hundreds of co-op directors and managers in attendance. The meeting was an excellent opportunity to hear information on Federal Power administrations and investments across the next few years. MANAGER SWEENEY reported that Fergus has asked Basin staff to request three transmission studies from NorthWestern Energy that he feels would provide valuable information to our Operations and Engineering team with options to improve reliability and increase our load growth opportunities. SWEENEY reported that he is working with NRECA on several funding opportunities.

14. MID-WEST ELECTRIC CONSUMERS ASSOCIATION ANNUAL MEETING. BRAD ARNTZEN reported that the meeting he and MANAGER SWEENEY had attended December 6-8, 2022, in Denver, Colorado was good. ARNTZEN recommended board members consider attending in the future.

15. MEMBERS 1ST ANNUAL MEETING, DECEMBER 19. PRESIDENT PAUL DESCHEEMAEKER reported on the Annual Meeting he and MANAGER SWEENEY had attended. JIM COLLINS was elected chairman, PHILIP HABECK was elected vice chairman, and JIM BAUMGARTNER was elected as secretary/treasurer. MANAGER SWEENEY reported that there will be a PRECorp Strategic Planning session in June 2023 that he and Paul will attend.

16. BOARD RESOURCE COMMITTEE UPDATE. MANAGER CARSON SWEENEY reported on the meeting he attended, December 28th.

17. DELINQUENT ACCOUNTS/NEW MEMBERS LIST. The Board reviewed the delinquent accounts showing those that were paid in full and those that were still owing.

18. ESTATE CAPITAL CREDITS. The Board reviewed the list of estate capital credits for December 2022 totaling \$10,943.74, which were prepared by ERIKA MATTALIANO. JASON SWANZ moved to affirm the retirements and BRAD ARNTZEN seconded the motion, which carried unanimously.

19. OTHER BUSINESS.

- i. **LEADERSHIP MONTANA.** MANAGER SWEENEY reported on the Leadership Montana program, which he had attended previously, and which ASSISTANT LINE SUPERINTENDENT BRET NELLERMOE attended recently. SWEENEY is in favor of having individuals, employees and board members alike, attend saying that it is quite a commitment, (eight – three-day sessions, four-day sessions with day of travel), but if someone is interested, please let him know. CORPORATE COUNSEL BIRDWELL suggested, if a board member is interested, the Board act consenting to paying for a board member to participate.
- ii. **RESOLUTION-AMENDMENT OF THE 401(k) PENSION PLAN ADOPTION AGREEMENT “A” AND THE RETIREMENT SECURITY PLAN RUS#: 27015-001.** MANAGER SWEENEY presented the Resolution, which amends the existing Plan to exclude an additional two classifications of employees from participating in the Plan: 1) Interns; and 2) Seasonal Employees. After a period of discussion, BRAD ARNTZEN moved to approve authorizing the Amendment of the 401(k) Pension Plan Adoption Agreement “A” and the Retirement Security Plan RUS #: 27015-001. CATHY KOMBOL seconded the motion, which carried unanimously.


20. FUTURE MEETINGS.

- a. Co-op Day at the Capitol, January 6
- b. Safety Meeting, January 19, (Wellness Clinic, 7:00 a.m.-10:00 a.m.)
- c. FEC Board Committee Meeting, January 31, 9:00 a.m.
- d. FEC Board Meetings, (10:00 a.m.), January 31, March 2 and March 30
- e. NRECA Annual Meeting, Nashville, March 3-8

21. NEWS FROM THE DISTRICTS.

22. ADJOURNMENT. PRESIDENT PAUL DESCHEEMAERKER adjourned the meeting at 2:06 p.m.

SECRETARY



ATTEST: PRESIDENT

