

MINUTES
GENERAL BOARD MEETING, JUNE 28, 2023
FERGUS ELECTRIC COOPERATIVE, INC.

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session May 25, 2023, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 9:02 a.m. SECRETARY/TREASURER JASON SWANZ was scrivener. Board members in attendance were BRAD ARNTZEN, BOB EVANS, TERRY FROST, CATHY KOMBOL, and BRETT MAXWELL. Other attendees included GENERAL MANAGER CARSON SWEENEY, and LINE SUPERINTENDENT DALE RIKALA. OFFICE MANAGER SALLY HORACEK, JANINE RIFE DIDIER and CORPORATE COUNSEL KRIS BIRDWELL were not in attendance. The attendees recited the Pledge of Allegiance.
- 2. APPROVAL OF AGENDA.** After reviewing the meeting agenda, BRAD ARNTZEN moved to approve it. BRETT MAXWELL seconded the motion, which carried unanimously.
- 3. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the May 25, 2023, general meeting and discussing them, TERRY FROST moved their approval. BOB EVANS seconded the motion, which carried unanimously.
- 4. APPROVAL OF REORGANIZATION MEETING OF THE BOARD OF DIRECTORS.** After reviewing the minutes of the June 8, 2023, reorganization meeting and discussing them, BRETT MAXWELL moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 5. PUBLIC COMMENT PERIOD.** No one from the public appeared.
- 6. REVIEW OF GUINN/KNEDLER AND STRAND RANCH ESTATE CAPITAL CREDIT DONATIONS.** Thirty-two scholarships have been credited to the Guinn/Knedler account with a balance of \$43,000 remaining. Since 2017, the allocations of capital credits to the Strand Ranch donated to Fergus Electric for scholarships est. \$3,000 more. The Guinn/Knedler account scholarship donations are in addition to the annual ten Luck of the Draw scholarships Fergus Electric Cooperative has donated.
- 7. COST OF SERVICE ANALYSIS – NEW RATE STRUCTURE.** MANAGER CARSON SWEENEY developed a five-year plan to phase in rates. SWEENEY showed the impact of the changes and discussed creating possibly 5-6 new rate classes.
- 8. CHECKING ACCOUNT – STOCKMAN BANK.** MANAGER SWEENEY reported that the account is earning four percent interest.
- 9. STRATEGIC PLANNING SESSION.** MANAGER CARSON SWEENEY recommended that the Board of Directors and Management staff begin considering a date and location for the next strategic planning session.
- 10. FEDERATED OPEN BOARD SEAT – REGION 9.** MANAGER SWEENEY reported that Federated Rural Electric Insurance Exchange Region 9 board seat is open.
- 11. FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion. GENERAL MANAGER CARSON reviewed the May 31, 2023, Form 7 operating report.
- 12. OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT DALE RIKALA reported on the Safety Meeting held June 14. BILL VEJTASA, with the National Forest Service provided instruction on proper tree cutting and chainsaw safety, with classroom instruction in the morning and a field demonstration in the afternoon. RIKALA reported that he and the other Safety Committee members ERIKA MATTALIANO, SCOTT OLSON, LOUIE HOULD and BRET OPHUS met the afternoon of June 14th to review and update the remaining meetings on the 2023 Safety Meeting Agenda and to discuss the rotation of committee members. ANDREW REUTERSKIOLD was not present.

RIKALA reported on the work being completed in Roundup and Lewistown and provided a progress report on the construction of the new Roundup facility. RIKALA said that on June 6th and 7th he joined three other Rural Electric Safety Achievement Program (RESAP) observers at Park Electric Cooperative to inspect their office, warehouse, truck garage, two substations and to observe a crew on the job. RIKALA reported that LINEMAN COLLIN SULLIVAN resigned. SULLIVAN and his wife, BROOKE, are relocating to California. RIKALA reported that 1,538 poles fed from the Winnett Substation have been tested with a 6.1% rejection rate.

13. INVENTORY OF WORK ORDERS. After reviewing Inventory of Work Orders No. 616-616X for \$13,913.36 dated May 31, 2023, TERRY FROST moved to affirm them. BRETT MAXWELL seconded the motion, which carried unanimously.

14. POWER OUTAGE REPORT. LINE SUPERINTENDENT DALE RIKALA reviewed the May 2023 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE.

15. RATE CODE 1001 – MONTHLY SINGLE-PHASE SERVICE. MANAGER SWEENEY reported that 6,503 active meters are classified as rate code 1001. Rate 1001 includes most of our members and is comprised of some businesses and irrigators as well.

16. RATE CODE 1004 – MONTHLY SINGLE-PHASE SERVICE 400-AMP SERVICE AND LARGER. MANAGER SWEENEY reported that 14 active meters are classified as rate code 1004.

17. RATE CODE 1002/1005/1006 – MONTHLY SINGLE-PHASE OFF-PEAK HEATING SERVICE. MANAGER SWEENEY reported that 63 active meters are classified as rate codes 1002/1005/1006.

18. 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 had worked on contracts and mortgage releases with MANAGER CARSON SWEENEY and on assorted issues with staff members.

19. MANAGER'S REPORT. GENERAL MANAGER CARSON SWEENEY reported that he started a journal to document travel experiences with the new company electric vehicle. SWEENEY reported that the manager group met in Helena June 14-15 and PATRICK BARKEY Director of the Bureau of Business and Economic Research gave an excellent presentation on power reliability across the state of Montana. SWEENEY reported that he appreciated the opportunity to attend the CFC annual meeting and forum. Approximately 1,400 people attended the session. SWEENEY attended sessions on rate design, nuclear energy, and energy supply cost spikes. ACTOR GARY SINISE gave an enjoyable talk during the lunch session describing his experience with veterans throughout the last 30 years.

20. MEMBERS 1ST / BASIN UPDATE. MANAGER SWEENEY reported on the Members 1st/Basin Update meeting he attended.

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

22. ESTATE CAPITAL CREDITS. The Board reviewed the list of estate capital credits for June 2023 totaling \$33,747.69, which were prepared by SENIOR BILLING CLERK ERIKA MATTALIANO. BRETT MAXWELL moved to affirm the retirements and CATHY KOMBOL seconded the motion, which carried unanimously.

23. CFC FORUM. PRESIDENT PAUL DESCHEEMAER and GENERAL MANAGER reported that the CFC Annual Meeting and Forum they attended in Seattle, Washington was well attended and provided good information, fine speakers and had a great class on financials.

24. OTHER BUSINESS.

25. NEWS FROM THE DISTRICTS.

26. FUTURE MEETINGS.

- a. MECA Summer Board Meeting: Miles City; July 11-13
 - a. Attending: Paul, Cathy, Carson
- b. Basin Manager Meeting: Deadwood, SD; July 19-21
- c. Safety Meetings:
 - a. July 20
 - b. August 16
- d. FEC Board Meetings
 - a. July 31 – 9:00 a.m.
 - b. August 30 – 9:00 a.m.
- e. Basin Annual Meeting: Bismarck, ND; August 15-17
- f. NRECA Region 7/9 Meeting: Omaha, NE; September 25-28
- g. MECA Annual Meeting: Great Falls, MT; October 2-4
- h. CFC IBES: Savannah, GA; November 12-15

27. ADJOURNMENT. PRESIDENT PAUL DESCHEEMAEKER adjourned the meeting at 2:38 p.m.

SECRETARY _____

ATTEST: PRESIDENT _____