

MINUTES
GENERAL BOARD MEETING, JANUARY 9, 2024
FERGUS ELECTRIC COOPERATIVE, INC.

- 1. GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session January 9, 2024, with PRESIDENT PAUL DESCHEEMAER calling the meeting to order at 10:11 a.m. JANINE RIFE DIDIER was scrivener. Board members in attendance were BRAD ARNTZEN, TERRY FROST, CATHY KOMBOL, JASON SWANZ and BRETT MAXWELL. Other attendees included GENERAL MANAGER CARSON SWEENEY, LINE SUPERINTENDENT DALE RIKALA, OFFICE MANAGER SALLY HORACEK, and CORPORATE COUNSEL KRIS BIRDWELL. BOB EVANS attended via speaker telephone. The attendees recited the Pledge of Allegiance.
- 2. APPROVAL OF AGENDA.** After reviewing the meeting agenda, BRAD ARNTZEN moved to approve it. JASON SWANZ seconded the motion, which carried unanimously.
- 3. MINUTES APPROVAL.**
 - a. APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the December 1, 2023, general meeting and discussing them, BRETT MAXWELL moved their approval. BRAD ARNTZEN seconded the motion, which carried unanimously.
- 4. PUBLIC COMMENT PERIOD.** No one from the public appeared.
- 5. PLANNING.**
 - a. NEW RATE STRUCTURE - EFFECTIVE 01/01/2024.** MANAGER CARSON SWEENEY reported that two board directors and a handful of employees and another member volunteered to participate in testing the mechanics of the new rate structure to be sure everything was set up accurately in our software program. The new heat rate is being used and benefiting those members who use it. Smart Hub will recognize the new rate structure and the graph will have an additional line for demand.
 - b. STRATEGIC PLANNING SESSION REVIEW.** MANAGER CARSON SWEENEY has compiled the Strategic Planning Session notes, taken by the four teams during a breakaway session, to create a list of Goals and Objectives. SWEENEY asked the board to review the list and offer their changes and suggestions and SWEENEY will have an updated list at the next board meeting. The board discussed equity management and the power supplier's infrastructure improvements.
 - c. BYLAW COMMITTEE.** MANAGER CARSON SWEENEY suggested that he, CORPORATE COUNSEL KRIS BIRDWELL and two board directors assemble to study the Bylaws point by point and compile a list of changes to consider. TERRY FROST and BRETT MAXWELL volunteered to be on the bylaw committee. SWEENEY said that two one-hour meetings should suffice.
 - d. SUMMER MECA MEETING - LEWISTOWN.** MANAGER SWEENEY reported that Fergus Electric Cooperative will host the Summer MECA Meeting scheduled for July 9-11, 2024, at the Yogo Inn. SWEENEY offered several dinner locations and special activity suggestions. As many as 120 people may attend. SWEENEY will check the costs and availability of the proposed meal and entertainment venues.
- 6. FINANCIAL AND OTHER MONTHLY REPORTS.** Financial and other monthly reports were presented to the Board for discussion.
 - a. OPERATING AND RATIOS REPORTS.** OFFICE MANAGER SALLY HORACEK reviewed the November 30, 2023, Form 7 operating report. MANAGER SWEENEY reported that going forward, the meter readings will go from the first of the month to the first of the month for all members. When the co-op receives the billing from Basin Electric Co-op on or around the 15th, the co-op will bill the coal mine. PAYROLL ADMINISTRATOR JANINE RIFE DIDIER reviewed the November 30, 2023, ratios report.

- b. **OPERATIONS AND SAFETY REPORT.** LINE SUPERINTENDENT DALE RIKALA reported that the December 21 safety meeting included Fergus Electric line crews' annual testing of grounds, hot sticks, and chains/slides. The safety committee met and prepared a rough draft of the 2024 safety meetings agenda. RIKALA reported that ASSISTANT LINE SUPERINTENDENT BRET OPHUS replaced him as Chairman of the Safety Committee and METER TECHNICIAN BRIAN GODBEY was elected by the crews to replace FOREMAN LOUIE HOULD, whose four-year term had ended. RIKALA reported that the Wednesday, January 10 safety meeting will include the co-op's Annual Wellness Screening conducted by CMMC. Red Rock Power have set 360 of the 472 total poles. RIKALA provided an update on the work being done by the engineers and line crews. RIKALA reported that the new Roundup facility is expected to be completed in approximately three weeks.
 - c. **INVENTORY OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 622-622X for \$25,291.38 dated November 30, 2023, JASON SWANZ moved to affirm them. CATHY KOMBOL seconded the motion, which carried unanimously.
 - d. **POWER OUTAGE REPORT.** LINE SUPERINTENDENT DALE RIKALA reviewed the November 2023 Outage Report prepared by STAKING ENGINEER MELANIE FORAN, PE.
7. **POLICIES – REVIEW.**
- a. **BOARD POLICY 249 – PARENTAL LEAVE.** The board reviewed board policy 249. No changes were made.
 - b. **BOARD POLICY 250 – LUCK OF THE DRAW SCHOLARSHIP.** After a period of review, the board agreed to table the policy for further discussion.
8. **REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL reported he had worked on various items of importance for the co-op.
9. **MANAGER'S REPORT.** GENERAL MANAGER CARSON SWEENEY reported that FERGUS ELECTRIC COOPERATIVE and NORVAL MANAGER GRETCHEN BOARDMAN finalized the material purchase agreement to pay one-third in 2023, one-third in 2024, and one-third in 2025. LINE SUPERINTENDENT DALE RIKALA will be managing the details of transport and physical inventory of the material from NorVal. SWEENEY reported that the co-op is modifying a few accounting procedures in 2024 to improve transparency, accuracy, and reporting. Accounting for operations training and meetings account numbers have been simplified. Vehicle maintenance expenses will be spread throughout the year instead of just one month. The Form 7 reporting will be improved with a schedule change of the software processes, so that all member electric usage and revenue falls within the same billing period. Payables, including ACH payments and wire transfers, that were formerly entered into the system's general ledger module as journal entries, will be entered in accounts payable to improve transparency.
10. **MEETING REPORTS.**
- a. **MECA Winter Meeting.** VICE PRESIDENT TERRY FROST reported on the December 5-6 meeting he attended.
 - b. **MECA Strategic Planning.** VICE PRESIDENT TERRY FROST reviewed the strategic planning session.
 - c. **MEMBERS 1ST.** PRESIDENT PAUL DESCHEEMAER and MANAGER SWEENEY reported on the December 18 meeting they attended.

11. EXECUTIVE SESSION.

- a. **MOTION.** At 1:37 p.m., JASON SWANZ moved to go into executive session. BRAD ARNTZEN seconded the motion, which carried unanimously.
- b. **GENERAL SESSION RESUMES.** At 2:34 p.m., CATHY KOMBOL moved to return to general session. BRAD ARNTZEN seconded the motion, which carried unanimously.
- c. **DELINQUENT ACCOUNTS/NEW MEMBERS LIST.** The Board reviewed the delinquent accounts showing accounts paid in full and accounts still owing.
- d. **ESTATE CAPITAL CREDITS.** The Board reviewed the list of estate capital credits for December 2023 totaling \$11,290.96, which were prepared by SENIOR BILLING CLERK ERIKA MATTALIANO. BRAD ARNTZEN moved to affirm the retirements and BRETT MAXWELL seconded the motion, which carried unanimously.

12. OTHER BUSINESS. OFFICE MANAGER SALLY HORACEK reminded the board to get names for nominating committee members.

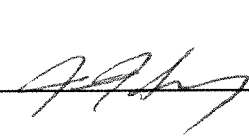
13. FUTURE MEETINGS.

- a. Safety Meetings:
 - i. January 10
- b. FEC Board Meetings:
 - i. January 30 - 10:00 a.m.
 - ii. February 29 - 10:00 a.m.
 - iii. March 28 - 10:00 a.m.
 - iv. May 2 - 10:00 a.m.
- c. NRECA PowerXchange: San Antonio, TX; March 1-6, 2024
- d. NRECA Legislative Conference: Washington, DC; April 21-24, 2024
 - i. Both chambers out of session
- e. CFC Forum: Indianapolis, IN; June 17-19, 2024

14. NEWS FROM THE DISTRICTS.

ADJOURNMENT. PRESIDENT PAUL DESCHEEMAEEKER adjourned the meeting at 3:07 p.m.

SECRETARY



ATTEST: PRESIDENT

