

**MINUTES  
GENERAL BOARD MEETING  
OCTOBER 27, 2017  
FERGUS ELECTRIC COOPERATIVE, INC.**

1. **GENERAL MEETING CALLED TO ORDER.** The Fergus Electric Cooperative, Inc. Board of Trustees met in general session October 27, 2017 with PRESIDENT BOB EVANS calling the meeting to order at 9:00 a.m. TERRY FROST was secretary and JANINE RIFE DIDIER was scrivener. Other board members present were JASON SWANZ, PAUL DESCHEEMAEKER, BRAD ARNTZEN and CATHY KOMBOL. GENERAL MANAGER SCOTT SWEENEY and OFFICE MANAGER SALLY HORACEK were also present. Effective October 4, 2017, DAVID DOVER resigned his board position. CORPORATE COUNSEL KRIS BIRDWELL, LINE SUPERINTENDENT DALE RIKALA, and VANGIE McCONNELL were not in attendance. 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, BRAD ARNTZEN moved to approve it. PAUL DESCHEEMAEKER seconded the motion, which carried unanimously.
4. **APPROVAL OF MINUTES OF PREVIOUS MEETING.** After reviewing the minutes of the September 29, 2017 general meeting and discussing them, PAUL DESCHEEMAEKER moved their approval. JASON SWANZ seconded the motion, which carried unanimously.
5. **STRATEGIC PLANNING CHECK-UP CONFERENCE CALL.** The Board held a conference call with WILL LUTGEN, facilitator for the November 2-3 strategic planning check-up to review the items, challenges and goals that will be discussed and managed during the session.
6. **EXECUTIVE SESSION.** At 10:00 a.m., TERRY FROST moved to have an executive session in regards to selection and succession planning with WILL LUTGEN, (for discussing personnel). BRAD ARNTZEN seconded the motion, which carried unanimously. The general meeting resumed at 10:55 a.m.
7. **NEW METERING SYSTEM.** MANAGER SWEENEY reported that Fergus Electric Cooperative and PRECorp are continuing to work together on a new metering system. Four metering companies had submitted requests for proposals. Bids are due back November 6. The Board will continue discussion at the December 1 board meeting.
8. **ANNUAL AUDIT.** MANAGER SWEENEY reported that auditors CORY WHEELER and TERESA HALLEY of the auditing firm, Smith, Lange and Halley, P.C. will be here November 20 and 21 to conduct the first of two audits covering the 2017 financials.
9. **TRUCK GARAGE.** LINE SUPERINTENDENT, DALE RIKALA provided an update on plans for the truck garage. Fergus Electric Co-op expects to have the drawings by November 1.
10. **SOLAR DISCUSSION.** JANINE RIFE DIDIER reported that on October 19, she and MELANIE FORAN joined a group of panelists to discuss solar and answer audience questions at a public meeting held at the Lewistown Library. The event was hosted by Central Montana Resource Council. Fergus Electric member LAURIE LOHRER had extended the invitation for Fergus Electric to talk about its Cooperative Solar Program, which was one of several solar projects CMRC featured in a video they presented to the group.
11. **TINTINA REPRESENTATIVES.** MANAGER SWEENEY reported that on October 31, Tintina representatives will be at the co-op to talk about transmission line routing and easements. The Board is invited to attend. Several public information scoping meetings are scheduled to take place in November 2017.

12. **APPROVAL OF WORK ORDERS.** After reviewing Inventory of Work Orders No. 588-588X for \$184,231.70 and 588-588X (A) for \$32,189.29 ending September 30, 2017, TERRY FROST moved their approval. PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
13. **AFFIRMATION OF CAPITAL CREDIT ESTATE RETIREMENTS.** The Board reviewed the October 2017 estate capital credit retirements for \$10,108.22 prepared by SUSAN HINKLEY. JASON SWANZ moved to affirm the retirements and PAUL DESCHEEMAERKER seconded the motion, which carried unanimously.
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 thus seen was the September operating report prepared by OFFICE MANAGER SALLY HORACEK, and the September analysis of operating statistics, prepared by FINANCIAL ANALYST JANINE RIFE DIDIER.
15. **OPERATIONS REPORT.** The Board considered the October 23, 2017 report prepared by LINE SUPERINTENDENT DALE RIKALA outlining operations and maintenance, engineering and safety. RIKALA reported that strong winds resulted in power outages on October 22. Eight new cell tower sites were staked in the Roundup, Roy, Winnett, Grass Range and Lewistown areas. The October 4 safety meeting presented by MECA Safety Director, Gordon McConkey covered dog bite prevention, safety vs. risk and close calls.
16. **POWER OUTAGE REPORT.** MANAGER SWEENEY and the Board reviewed a report covering power interruptions for January through September prepared by VANGIE McCONNELL.
17. **DELINQUENT ACCOUNTS AND NEW MEMBERS.** The Board and Management reviewed a list of past due accounts – 30, 60 and 90 days and a list of new members.
18. **THIRD QUARTER WRITE-OFFS.** TERRY FROST moved to approve writing off \$1,736.93 in bad debt and to continue with collection procedures as outlined in Board Policy. BRAD ARNTZEN seconded the motion, which carried unanimously.
19. **REPORT OF CORPORATE COUNSEL.** CORPORATE COUNSEL KRIS BIRDWELL was not in attendance.
20. **CAPITAL CREDIT DISTRIBUTION.** OFFICE MANAGER SALLY HORACEK presented a report listing the undistributed capital credit balances by year, and requested that the Board consider increasing the total capital credit distribution scheduled for November 2017 to include the year 1986. Upon reviewing the distribution amount of capital credits approved at the September 29, 2017 general board meeting, as well as considering the co-op's current strong financials, BRAD ARNTZEN moved to make the distribution of capital credits for the year 1986 part of the total distribution of capital credits for 2017. TERRY FROST seconded the motion, which carried unanimously. The total capital credit distribution for the remainder of 1984, all of 1985 and all of 1986 is \$1,087,963.54.
21. **INVENTORY.** MANAGER SWEENEY reviewed the results of the 2017 physical inventory count of distribution and transmission materials, and security light materials. SWEENEY reported that the employees did a good job of keeping track of material throughout the year and he commended them on a fine job.
22. **MEMBERS 1<sup>ST</sup> AND PRECORP BOARD.** PAUL DESCHEEMAERKER took part in the meeting via a conference call. SCOTT SWEENEY did not attend the October 19 meeting in Sundance.
23. **MECA ANNUAL/TODAY'S MEMBERS.** The Board reviewed the various sessions they attended during the MECA Annual, October 2-5 and concluded that the meetings were worthwhile.
24. **MECA STANDING COMMITTEE APPOINTMENTS.** After discussion, the board chose the following board members to participate in the MECA Standing Committees: BRAD ARNTZEN–Power Supply, BOB EVANS–Communications, and CATHY KOMBOL–Safety and Loss Control.

25. **NRECA REGION 7 & 9.** BRAD ARNTZEN reported on the Region 9 meeting held October 16-18 in Denver. ARNTZEN met a lot of interesting people and the meetings were good. Meetings included a good safety video, and there was considerable discussion about cybersecurity and electric cars. ARNTZEN was pleased to attend.

26. **FUTURE MEETINGS.**

- a. Tintina Mine in Lewistown with John Shanahan, Jerry Zieg and Bob Jacko - Oct. 31
- b. Members 1<sup>st</sup>/PRECorp, Gillette - Nov. 21
- c. Strategic Planning Check-up and Selection and Succession Planning, Chico - Nov. 2-3
- d. Basin Annual, Bismarck - Nov. 7-9
- e. Safety - In-house training on computer mapping, Excel and other helpful topics, and wellness - Nov. 15
- f. FEC Board - Dec. 1, Dec. 21, Jan. 25, Feb. 22, Mar. 29
- g. Christmas Dinner, Tall Boys, Hobson - Dec. 1

27. **NEWS FROM THE DISTRICTS.** Each board member shared items of interest.

28. **ADJOURN.** PRESIDENT BOB EVANS adjourned the meeting at 3:30 p.m.

SECRETARY

Terry Frost

ATTEST:

PRESIDENT

Robert Evans

