

EDITED MINUTES OF BOARD MEETING*
ADAMS-COLUMBIA ELECTRIC COOPERATIVE
FRIENDSHIP, WISCONSIN
August 23, 2017

Call to order: Chairperson Kendal Nichols called the regular meeting of the Adams-Columbia Electric Cooperative Board of Directors to order at 9:35 am on Wednesday, August 23, 2017.

Roll Call: Directors Alexander, Becker(Vice-Chairman), Colby, Connolly, Fahey, Gibeaut(Secretary), Link, Nichols(Chairman), and Parr(Treasurer). Employees in attendance for the meeting were CEO Porter and Mohns (Executive Assistant) who served as recording secretary. Other employees in attendance for parts of the meeting were Gessner (Operations Manager), Kerska (Member Services Manager), Reuterskiold (Manager of Sales/Service & Transportation), Roberts (Manager of Support Services) and West (Chief Financial Officer).

Invocation/Safety Message: The meeting began with reciting the Pledge of Allegiance followed by Link's invocation and Becker's safety message on bee stings and school bus safety.

Approval of Agenda: The agenda was approved as sent. Nichols requested that the director expense voucher discussion and approval be held during executive session.

Chairman's Report: Nichols thanked everyone for their participation in the CEO evaluation interviews with ICON and the board will schedule a conference call in the upcoming weeks.

CEO's Report: No report.

Director Reports: Reports were given by Fahey, Link and Connolly.

Financial Committee Review: Financial Committee Review was completed by Connolly, Fahey and Nichols. Motion by Fahey and seconded that the financial review was acceptable.
MOTION CARRIED.

Minutes and Consent Items: Motion by Parr and seconded to approve the July 26, 2017 board minutes and the Consent Agenda Items. MOTION CARRIED.

Board Action Items:

- Motion by Parr and seconded to support the Mayville Gun Club's Crackling Clays Event which benefits Camp LuWiSoMo, employees must use PTO and the cooperative's FYF funds to pay half of the employee's \$150 registration fee. MOTION CARRIED.
- Motion by Parr and seconded to accept the redlined changes to board policy #2-2 Wisconsin Energy Cooperative News with a slight change noted. MOTION CARRIED.
- Motion by Alexander and seconded to accept the redlined changes to board policy #2-7 Youth Leadership Congress. MOTION CARRIED.
- Motion by Parr and seconded to rescind board policy #2-9 ACEC Telephone Service and convert to an administrative policy. MOTION CARRIED.

- Motion by Parr and seconded to accept the redlined changes to board policy #8-4 Unclaimed Capital Credits. MOTION CARRIED.
- Motion by Colby and seconded to accept the redlined changes to board policy #8-12 Retirement of Patronage Capital (General Retirement). MOTION CARRIED.
- The board reviewed the CFC Notice of Meeting, Minutes, Nominating Committee and Delegate Registration card for the upcoming September meeting. Motion by Link and seconded to vote in favor of the proposed nomination committee and vote for D.Tesch as District 5 director in the upcoming election. MOTION CARRIED.
- Motion by Gibeaut and seconded to approve the Declaration of Forfeiture of Unclaimed Patronage Capital and General Fund Checks issued prior to December 2013, which is the necessary authorization to publish and forfeit the funds to the Federated Youth Foundation sixty days after publication of such. MOTION CARRIED.
- Motion by Parr and seconded that the board is confident to move forward with member electronic voting using SBS's services via NISC's SmartHub. (*This motion was postponed until the September board meeting*). After further discussion, motion by Becker and seconded to request proper documentation or a statement in the contract from SBS that the Wisconsin statute requirements for electronic voting are satisfied. MOTION CARRIED.
- Motion by Gibeaut and seconded to sponsor \$1,000 using FYF funds for the MS Golf for a Cure outing on September 5, 2017. MOTION CARRIED.
- West presented a Patronage Capital General Retirement refund, retiring 100% of years 1994, 1995, 1996 and a partial of 1997 for a total of about 2.75% equaling \$1,903.441. After lengthy discussion, another option was requested. West presented the same 2.75% refund but retiring 100% of years 1994 and 1995, and an equal percentage of the next eleven years to reach a total refund of \$1,903.441. Motion by Link and seconded to accept the second option. A roll call vote was taken with all in agreement. MOTION CARRIED. A copy of the roll call vote is included with these minutes.
- West presented an Economic Development Loan Application. Motion by Becker and seconded to provide funding for \$210,000 at 3% interest, with the first six months interest only, requiring auto-draft payments, and first position on real estate/equipment and documentation of the credit union loan. Nichols abstained. MOTION CARRIED.
- Board requested the board expense vouchers added to the monthly agenda as a separate item for approval. Motion by Fahey and seconded to approve the July board expense vouchers. MOTION CARRIED.

Resolutions: None

Departmental Reports: Departmental reports were given by the staff. Porter noted the electronic version of the WECNews will be a pilot program, beginning with a survey of those that are currently utilizing paperless billing to determine if they would like the electronic version of the magazine.

West has submitted the June storm claim application to the Waushara County Emergency Management Director for reimbursement of our storm costs, which total about \$290,000 of which \$244,639 is eligible for reimbursement of expenses. If all costs are approved and reimbursed at 70%, the possible reimbursement is \$171,247 from the Wisconsin Disaster Fund.

Porter reviewed with the board several items that are a work in progress. Becker requested help with writing the guidelines for the accounting of time on the IRS 990 form.

Other reports and updates were shared. Becker noted he is unable to attend the WECA Legislative Committee meeting will be held on October 3, 2017 in Black River Falls, Porter is able to attend. The FYF annual meeting will be held in the afternoon following the WECA annual meeting, Porter is planning on attending.

Connolly and Fahey reported on the BL training: Conversation skills outside the boardroom and suggested if unable to answer a member's inquiry, to obtain member's name and phone number, then contact the appropriate person at ACEC to reply to the member. This course also raised awareness that all conversations might be recorded due to Smart phones so avoid rhetoric or personal comments as they may be taken out of context later.

The board will begin preliminary work on their 2018 budget at the September board meeting. Porter asked Becker to carry two messages to NRECA: the ACRE pin and mailing expense is unnecessary and suggested cutting back on the NRECA annual meeting expenses and provide more funding to the NRECA Regional meetings.

Nichols will contact the directors of the Badger Power Cooperative to explain the dissolution of Badger Power Cooperative and assure them that the Badger Group is still working together for the benefit of the cooperatives involved.

Calendar:

- The next monthly Board Meeting will be Tuesday, September 26, 2017, beginning at 9:30 am. Parr noted he may participate via conference call.
- The Board Tour is scheduled for Wednesday, September 13, beginning at the Wautoma office at 8:30 am. Tour will include Springwater Substation Site, Wild Rose storm area, Heartland Farms, and Sand Valley Golf Course. Colby will be unable to attend and Gibeaut, Nichols and Parr are uncertain if able to attend at this time.
- Operations Safety Meetings are scheduled for Wednesday, September 13 at the Pardeeville Office and Thursday, September 14 at the Friendship Office, no board members will attend. Gibeaut expressed interest in the December safety meeting.
- WECA's upcoming training session BL #958.1 Succession Planning: Developing the Purpose-Driven Organization will be held on October 4, 2017 in Black River Falls; Colby, Gibeaut and possibly Nichols will attend the training. The CCD #2630 Strategic Planning Course will be held on October 17, 2017 in Eau Claire, no board members plan on attending.

- Member Advisory Committee Meetings are scheduled for October 16 at the World War II Building, Wautoma and October 18 at the Best Western, Portage. Agenda items will be the Strategic Imperative #5 Wise Growth in Energy Sales (as a breakout session), RECE, AMI update, member electronic voting option and the board operational policy.

Executive Session: Board went into the Executive Session at 2:25 pm to discuss both board and employee matters. Board came out of executive session at 3:42 pm.

Adjournment: Motion by Parr and seconded to adjourn. MOTION CARRIED. The meeting adjourned at 3:46 pm.

Cheri Gibeaut, Secretary
Board approved on September 26, 2017

**These minutes have been edited to remove any confidential or sensitive information.*

Note: Minutes of the monthly board meeting will not be published until after board approval at the following monthly board meeting.

Roll Call Vote Form

Meeting Date: 08/23/17

Item: Patronage Capital General Retirement = 2.75%

District	Last Name, First Name	Yes	No	P
1	Alexander, Gene	X		
2	Connolly, Patrick	X		
3	Colby, Marjorie	X		
4	Becker, Lawrence	X		
5	Nichols, Kendal	X		
6	Gibeaut, Cheri	X		
7	Link, Scott	X		
At Large	Parr, Scott	X		
At Large	Fahey, Karen	X		
TOTALS		9		