

**EDITED MINUTES OF BOARD BUDGET and MONTHLY MEETING**  
**ADAMS-COLUMBIA ELECTRIC COOPERATIVE**  
**FRIENDSHIP, WISCONSIN**  
**December 19, 2018**

**Call to Order:**

Chairperson Larry Becker called the regular meeting of the Adams-Columbia Electric Cooperative Board of Directors to order at 9:35 am on Wednesday, December 19, 2018.

**Roll Call:** Directors Alexander, Becker, Colby, Connolly, Fahey(Secretary), Gibeaut(Vice-Chairperson), Link(Treasurer), Nichols and Vedder. 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 Kerska (Manager-Member Services), Phelps (Technology Director), Roberts (Manager-Support Services), West (CFO) and Pokszyk (Records Associate).

**Invocation/Safety Message:** The meeting began with reciting the Pledge of Allegiance followed by Becker's invocation and Vedder's safety message on lithium batteries, use of salt to extinguish battery fires and disposal of batteries.

**Approval of Agenda:** The agenda was approved as sent.

**Chairman's Report:** Becker noted that several items will be discussed in executive session: Gibeaut will take the lead on the board evaluation, the format of minutes and member meetings.

**CEO's Report:** Porter noted Alliant's willingness to share safety programs with ACEC.

**Director Reports:** Vedder noted a member interaction regarding Smarthub and renewables, a meeting will be held in January with the member and strategic account representative Gatterman. Colby noted a request from a local hospital to increase ACEC's annual donation and she explained how we donate to all hospitals in our service territory.

**Financial Review Committee:** The Financial Review was completed by Becker, Link and Vedder. No further review of the financials was deemed necessary by the committee.

**Minutes and Consent Items:** Motion by Nichols and seconded to approve the November 27, 2018 Board Budget/Work plan and Regular meeting minutes and the consent agenda items.  
MOTION CARRIED.

**Board Action Items:**

- Motion by Connolly and seconded to approve some additional changes to board policy #4-15 Employment. MOTION CARRIED.
- Motion by Colby and seconded to accept all the changes and approve board policy #4-15. MOTION CARRIED.
- West presented information for reducing the membership fee to \$0.00, effective January 1, 2019. Motion by Link and seconded to approve. MOTION CARRIED.
- Motion by Link and seconded to add \$1 million to the 2019 technology budget for the cost of fiber to our outer service centers and several substations. MOTION CARRIED.

- West presented data on changing the patronage capital special retirement for inactive members. The Board finds the concept interesting and is in favor of continuing the discussion with more information on potential effects on equity, patronage accounts and retirements, administrative costs, and community and charitable projects. West will move forward and continue to provide projections and crafting bylaw language changes that would need to be brought to the membership at the annual meeting for this implementation of returning money to former members.
- Motion by Gibeaut and seconded to accept the discounting rate of the estate patronage capital retirements effective January 1, 2019. (Table A of board policy #8-2) MOTION CARRIED.
- Motion by Alexander and seconded to participate in ATC's Notice of First Call for Voluntary Additional Capital Contributions with a payment of \$30,863. MOTION CARRIED.
- Motion by Link and seconded to approve the 2019 WECA committee appointments as: Education/Mohns, JT&S/Gessner, JT&S Rules/Congdon and Legislative & Regulatory/Porter. MOTION CARRIED.
- Motion by Alexander and seconded to deny a donation to the Ralph Morris Foundation. MOTION CARRIED.
- Roberts presented several changes to the Rules & Regulations effective January 1, 2019. Motion by Colby and seconded to approve the changes. MOTION CARRIED.
  - 7.4.2.2 removing *excepting irrigation line extensions through the 2018 construction season* and adjusting the charge for installation of service from \$1,000 to \$1,150.
  - Appendix 3- Extension Policy: *Irrigation credits removed and cost of \$8/ trench fee per foot.*
  - Appendix 4 – Special charges, other fees, rates: *membership fee to \$0, other verbiage changes.*
- Motion by Gibeaut and seconded to accept the board expense vouchers and authorize payment. MOTION CARRIED.

**Departmental Reports:** No departmental reports were given this month, so time could be utilized to discuss other items.

After lengthy discussion and some noted changes to board policy #8-6 Financial policy, the policy will be added to the January agenda. The board suggested the budget review in November of each year with the budget approval at the December meeting. Staff was asked to include prior year's budget and itemize their budget categories with cost breakdowns.

Board suggested agenda items for the spring advisory committee meetings: electric vehicles/charging stations, bylaw change for the patronage capital, annual meeting advisory resolutions (if any are submitted), renewables, solar, batteries and presentation of long-term budget.

Board will hold director candidate open forums prior to the spring advisory committee meetings in the first week of April 2019. Mohns will secure locations in Wautoma and Westfield.

Becker shared other legislative, NRECA and WECA updates. WECA's upcoming spring strategic planning will include the CEO and a director from each cooperative and will be done by districts, Becker asked the board for ideas/topics.

**Resolutions:** N/A

**Calendar:**

- The next board meeting will be Wednesday, January 30, 2019 at 9:30 am at the Friendship office. The 2019 board meeting dates were reviewed, and the June meeting was changed to Friday, June 28, 2019.
- The January 2019 departmental safety meetings will be January 10, 2019 and January 24, 2019. Vedder will attend on January 24, 2019.
- Bauman Associates will conduct the annual audit on February 4 and 5, 2019 and Becker will meet with the auditors in the afternoon of February 4, 2019.
- WECA Education & Lobby Days are March 26-27, 2019: the board, Porter and three employees will attend.
- Colby will attend the January training: NRECA BLC #905.1: Assessing Governance. Gibeaut and Link requested hotel reservations for the training.

**Executive Session:** The board went into executive session at 1:50 pm and came out of executive session at 2:25.

**Adjournment:** Motion by Connolly and seconded to adjourn. MOTION CARRIED. The meeting adjourned at 2:50 pm.

Karen Fahey, Secretary  
Board approved on January 30, 2019

**\*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.**