

EDITED MINUTES OF BOARD BUDGET and MONTHLY MEETING
ADAMS-COLUMBIA ELECTRIC COOPERATIVE
FRIENDSHIP, WISCONSIN
January 30, 2019

Call to Order: Chairperson Becker called the regular meeting of the Adams-Columbia Electric Cooperative Board of Directors to order at 9:30 am on Wednesday, January 30, 2019.

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 Gessner (Manager-Operations), Kerska (Manager-Member Services), Phelps (Technology Director), Reuterskiold (Manager-Sales & Transportation), Roberts (Manager-Support Services) and West (CFO). Attorney Niles Berman joined the meeting mid-morning.

Invocation/Safety Message: The meeting began with reciting the Pledge of Allegiance followed by Vedder's invocation and Alexander's safety message video on safe practices for downed power lines and automobile accidents.

Approval of Agenda: The agenda was approved as sent.

Chairman's Report: No report.

CEO's Report: No report.

Director Reports: Member interaction: appreciation for the memorial scholarship for former employee (Fahey) and member's renewable communication with metering meeting including a staff member (Vedder). Nichols noted a new Baraboo business tax incentive and Gibeaut's regarding J. Plumer's (Wisconsin Representative - 42nd District) contact regarding available broadband grants and loan.

Financial Review Committee: The Financial Review was completed by Alexander, Connolly and Fahey. No further review of the financials was deemed necessary by the committee.

Minutes and Consent Items: Motion by Fahey and seconded to approve the December 19, 2018 Board regular meeting minutes and the consent agenda items. MOTION CARRIED.

Board Action Items:

- Motion by Link and seconded to approve the redlined changes to board policy #8-6 Financial Policy. MOTION CARRIED.
- P. Gatterman presented an economic development loan. Motion by Fahey and seconded to approve a \$250,000.00 loan at 3% with a 5-year balloon and 20-year amortization and best position on collateral. MOTION CARRIED.
- Motion by Gibeaut and seconded to approve the three-year reappointment of Operation Round-Up board members: D. Gerzmehle, G. Joyce and R. Wormet. MOTION CARRIED.

- Motion by Link and seconded to approve the substantial as presented changes to the bylaws and present to the membership at the annual meeting on May 11, 2019. MOTION CARRIED.
- Motion by Colby and seconded to support the NRECA International Project proposed by WECA with \$1,000 using FYF funds and encourages WECA to pursue the CoBank matching grant of \$5,000. MOTION CARRIED.
- Motion by Connolly and seconded to approve board policies #2-23 Code of Ethics/Conflict of Interest and #2-24 Whistleblower Complaint Procedure & Anti-Retaliation. MOTION CARRIED.
- Motion by Link and seconded to accept the board expense vouchers and authorize payment. MOTION CARRIED.

Departmental Reports: Attorney Berman presented a PowerPoint on Directors' Fiduciary Duty and Cooperative Governance to the board and management. An exercise on the Board/Management relationship for today: *where are we now?* and for the future: *where should we be?* was conducted and discussed.

Departmental reports were given by staff. Advisory committee will continue to receive \$10 when they attend a meeting. Several board members requested the NRTC report on broadband. Porter noted he is waiting for a bid for a solar array for the ten acres adjacent to the Friendship office. Kerska noted the low participation of the RENEW NOW program and possible plans to discontinue it. Board requested the agenda timeline for the annual meeting. West will provide several options for the allocation of margins and the impact on the 10-year financial forecast.

Resolutions: Motion by Connolly and seconded to approve an employee's resolution of appreciation on his retirement. MOTION CARRIED.

Calendar:

- The next board meeting will be Wednesday, February 27, 2019 at 9:30 am at the Friendship office.
- Alexander, Colby, Connolly, Fahey and Nichols plan on attending the CFC Statewide Workshop on February 13, 2019 and Alexander, Colby and Nichols will attend the Legal Seminar for Directors and Employees on February 14, 2019.
- Candidate forum and member advisory committee meetings will be held on April 3 and 4, 2019 beginning at 5 pm. The meetings will be videotaped and added to the website for members to view.
- Voting delegates for the upcoming annual meetings to be held during the NRECA 2019 annual meeting will be:
 - NISC: Delegate Connolly and Alternate Alexander
 - NRTC: Delegate Alexander and Alternate Connolly
 - CFC: Delegate Link and Alternate Becker
 - NRECA: Delegate Link and Alternate Becker
 - Federated Rural Insurance: Delegate Alexander and Alternate Connolly

Executive Session: The board went into executive session at 2:20 pm. Attorney Berman provided guidance as the board discussed issues regarding employment and employment contracts. Executive session concluded at 3:30 pm.

Colby suggested a letter of support for Becker's candidacy for the Wisconsin NRECA board election.

Adjournment: Motion by Colby and seconded to adjourn. MOTION CARRIED. The meeting adjourned at 3:41 pm.

Karen Fahey, Secretary
Board approved on February 27, 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.