

WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
Thursday, February 21, 2019

President, Tostenson called the regular meeting to order at 8:08 AM at the Cooperative Headquarters, Milbank, SD.

Directors Present: Tostenson, Strasser, Atyeo-Gortmaker, Jensen, Berens, Nelson

Directors Absent: Adler, Niedert

Staff Present: Page, Barlund, Christensen

Others Present:

Agenda:

- With the addition of a resolution to the agenda for Commitment to Zero Contacts, a motion to approve the agenda was seconded and carried.

Minutes:

- A motion to approve the minutes of the January 17, 2019 regular meeting was seconded and carried.

The Consent Agenda included:

Loss Control Report, Estate & Special Capital Credit Retirements, New Members, Tenant Changes, Check Listing, Credit Card statement and Cash Flow.

- A motion to approve the consent agenda was seconded and carried.

Management Reports:

Operations Manager, Jon Christensen submitted a written reported and discussed activities of the line department. He discussed the challenges that high snow is presenting for tree trimming and other line patrol activities. Christensen presented a bid from Banner Associates, Inc. to survey and redesign the cooperative's outside storage area to improve water drainage and storage standards.

Member Service financials were submitted and Manager Page reported on current activities including the annual inventory count and ongoing jobs of the service department. Page also reported on meetings with key accounts to review electric billing and explore energy saving objectives.

Office Manager, Gail Barlund submitted a written report and discussed current activities of the office department. Barlund led a discussion of the schedule of events for the annual membership meeting. She also presented the proposed retirement of capital credits for 2019 in accordance with Policy Bulletin 60-7 and the uncollectable write-off report for 2018.

- A motion to approve the Management Staff reports was seconded and carried.

A motion to approve the contract with Banner Associates, Inc. to survey and redesign the cooperative's outside storage area was seconded and carried.

A motion to approve the write-off of uncollectable accounts for 2018 totaling \$666.85 was seconded and carried.

A motion to approve the retirement of allocated capital credits in 2019 totaling \$202,271.98 was seconded and carried.

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General Manager, Page submitted a written report and discussed issues being addressed by East River Electric, Basin Electric and NRECA. Page reported on current legislative issues and PUC proceedings affecting electric cooperatives. Page updated the Board on the Co-op's 2018 financial performance ratios. He reported that G&T allocations of \$966,961 and Basin Capital Patronage retirements of \$162,458 were recognized in 2018. He also reported that \$180,000 in excess 2018 margins had been deferred as approved and recorded in 2019 as operating revenue.

- A motion to approve the General Manager's report was seconded and carried.

Meeting Reports:

Several Board member reported on items addressed at the East River Energize Forum including future industry changes from electric vehicles and other disrupters.

Reports:

East River Strasser provided a report on activities of East River.

SDREA Tostenson reported on the activities of SDREA.

Executive Session:

At 12:30 pm a motion to enter executive session was seconded and carried.

At 1:06 pm a motion to exit executive session was seconded and carried.

Other Business:

The review of Policies 10-3 and 30-1 were deferred until next month.

A motion to approve the Resolution for Commitment to Zero Contacts Initiative was seconded and carried.

A motion to approve the Resolution authorizing Dave Page and Gail Barlund to act as Certifier and Administrator respectively for the submission of data to the USDA, Rural Utilities Service was seconded and carried.

A motion to approve the 2019 contract agreement with Dalager Engineering for engineering services was seconded and carried.

Adjournment:

- A motion to adjourn was made, seconded and carried.

Next Regular Board Meeting: Thursday, March 21, 2019 8:00 AM Coop Board Room

President

Secretary