

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
BARTON COUNTY ELECTRIC COOPERATIVE, INC.
February 24, 2016**

A regular meeting of the Board of Directors of Barton County Electric Cooperative, Inc., (hereinafter referred to as "Cooperative") was held on February 24, 2016, at the offices of the Cooperative pursuant to previous Board resolution.

The meeting was called to order at 9:00 a.m. by President Douglas Haile. The following Directors were present: Douglas Haile, Kenny Owen, Max Walters, Barbara Barley, Jerry Thieman, David Stump, Joel Maneval, Kevin Taffner, and Tom Williams. Directors absent: none. Also present were Russell McCorkle, CEO/General Manager; Rod Widger, General Counsel; and staff members Chuck Wolfe, Tara Littlejohn, Shawna Phipps, Sharla Wilkerson, and Jeff Hull.

A prayer of invocation was offered by Tom Williams. Jerry Thieman led the Board in a recitation of the Pledge of Allegiance.

The agenda of the February 24 meeting was presented. On motion made by Barbara Barley, seconded by Jerry Thieman and passed, the agenda was approved.

Minutes of the meeting of January 27, 2016 were presented. On motion made by Tom Williams, seconded by Barbara Barley and passed, the minutes were approved as presented.

CEO McCorkle presented a list of 26 applications for membership. On motion made by Joel Maneval, seconded by David Stump and passed, the Board resolved to approve the memberships.

The Board reviewed the list of January disbursements. After questions and discussion, on motion made by Barbara Barley, seconded by Jerry Thieman and passed, the Board resolved to accept the report of disbursements and Manager expense report.

**CALL TO ORDER
ROLL CALL**

INVOCATION AND PLEDGE

AGENDA APPROVED

MINUTES APPROVED

NEW MEMBERS

DISBURSEMENTS

The Board reviewed written staff reports. Department leaders answered questions about department activities. On motion made by Kevin Taffner, seconded by Max Walters and passed, the Board resolved to accept the staff reports.

STAFF REPORTS

The Board reviewed the written Safety Report for January operations. CEO McCorkle answered questions. On motion made by Kevin Taffner, seconded by Kenny Owen and passed, the Board resolved to accept the Safety Report.

SAFETY REPORT

Staff members Shawna Phipps, Sharla Wilkerson, and Jeff Hull left the meeting.

Warren Grigsby of the Cooperative's audit firm entered the meeting to present the 2015 Annual Audit. His presentation included a period of time in Executive Session with the Board of Directors. Following that session, on motion made by Barbara Barley, seconded by Kenny Owen and passed, the Board resolved to approve and accept the 2015 Audit. Mr. Grigsby left the meeting.

AUDIT PRESENTATION

Clint Satterlee of AECI and Ted Hilmes of KAMO entered the meeting. Each made a presentation detailing the assets and facilities that support the cooperative generation and transmission system. Following their presentations, Mr. Satterlee and Mr. Hilmes left the meeting.

KAMO/AECI PRESENTATION

Director Walters reported his attendance to the meeting of KAMO Power. Items of interest included: January resource allocation; legislative report; transmission agreement discussions; GRDA issues; cyber security; and litigation report.

KAMO

Director Owen reported his attendance the meeting of AMEC. Items of interest included: Legislative Conference; net metering initiative; and rural broadband funding.

AMEC

Tara Littlejohn presented the Financial Report for January operations which included the general ledger report of income and expenses year-to-date compared to budget. She also spoke about: Form 7 data; analysis of controllable expenses; capital budget items

FINANCIAL REPORT

expended; new employee; status of cost of service study; and key financial ratios.

Chuck Wolfe presented the monthly Operations Report. Items of interest included: new services; service upgrades; Jasper project; contractor pole change outs; ROW projects; office printers; payroll software; equipment deliveries; safety meeting; employee training; irate landowner; GPS project status; vehicle bay construction; and re-conductoring project. Following his presentation, on motion made by Max Walters, seconded by Jerry Thieman and passed, the Financial and Operations Reports were accepted.

CEO McCorkle presented his monthly report and answered questions. Items of interest included: AMEC Board meeting; action regarding solar net metering initiative; and AMEC special assessment for countering the net metering initiative. On motion made by Max Walters, seconded by Tom Williams and passed, the Board resolved to ratify the Cooperative's commitment to the special AMEC assessment for opposition to any net metering initiative petition effort. Mr. McCorkle continued his report regarding the following: member request for capital credits; employee interviews; NRECA Annual Meeting; Tech Advantage assignment; new employee; municipal inquiry; and line extension easements. On motion made by Barbara Barley, seconded by Tom Williams and passed, the Board resolved to approve the CEO Report.

CEO McCorkle presented policies that have been reviewed, amended, and recommended for affirmation. On motion made by Tom Williams, seconded by Jerry Thieman and passed, the Board resolved to approve Policy 205, Director Expenses; Policy 210, Delegation Authority; Policy 211, CEO Succession Management; Policy 215, Offers to Acquire Assets; and Policy 300, Member Security Deposits as revised, reviewed, and presented to the meeting.

OPERATIONS REPORT

CEO REPORT

SPECIAL AMEC ASSESSMENT

POLICY REVIEW

The Board considered bylaw amendments for recommendation to the membership meeting. After full discussion, on motion made by Jerry Thieman, seconded by Max Walters and passed, the Board resolved to propose a revised definition of joint membership as recommended by counsel.

BYLAW AMENDMENT

There was no call for Executive Session.

EXECUTIVE SESSION

Following Executive Session, there being no further business to come before the Board, on motion made by Tom Williams, seconded by Kenny Owen and passed, the meeting was adjourned at 2:55 p.m.

ADJOURNMENT

Secretary

Approved:

Chairman