A General Session of the Board of Directors was held on February 27, 2014, at the Lower Valley Energy Jackson office. The meeting was called to order at 9:00 a.m. by Board Chairman, Rod R. Jensen.

BOARD MEMBERS PRESENT: Fred Brog, Peter Cook, Rod R. Jensen, Ted Ladd, Dean S. Lewis, Linda Schmidt, and Nancy Winters.

OTHERS PRESENT: James R. Webb, President/CEO; Steve Duerr, Attorney; Rick Knori, Director of Engineering; Bill Spaulding, Director of Operations; Martell Brower, Director of Gas Operations; Wade Hirschi, CFO; Brian Tanabe, Communications Manager; Gay Petersen, Executive Assistant/HR; Jan Woodmencey, Customer Service Engineer, Joyce Ross, New Member Services and John Edwards, Information Technology and Ben Graham, Jackson Hole News and Guide

Minutes of the December 19, 2013, General Session and the January 30, 2013, Telephonic General Session were accepted as presented.

James R Webb reviewed the current director districts.

A motion was made and seconded to leave the director districts as currently assigned. Motion was adopted. Voting was unanimous.

James R Webb discussed the proposed changes to Board Policy #402 - Bylaws.

A motion was made and seconded to approve the proposed changes to Board Policy #402 - Bylaws. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the 2013 board 1099 fees and expenses.

James R. Webb discussed the President/CEO Report.

A motion was made and seconded to indicate in the NEMS straw poll that Lower Valley Energy is likely to stay a NESC/NEMS member considering the additional flexibility to the membership agreement and removal of the load commitment. Motion was adopted. Voting was unanimous.

A motion was made and seconded to approve the proposed tariffs for the prepaid meter program to be filed with the Wyoming Public Service Commission. Motion was adopted. Voting was unanimous.

The board completed this year’s 990 questionnaire.

Bill Spaulding reviewed the proposed 2014 Maintenance Plan.

James R. Webb discussed the ACSI Survey. Brian Tanabe gave a power point review of how Lower Valley's members rated Lower Valley service.

James R Webb reviewed the natural gas balancing account. He recommended no change to the current rates.

James R. Webb reviewed the propane balancing account. He recommended a 9.22 cents per gallon decrease to the rates.

A motion was made and seconded to approve the proposed propane rate decrease of 9.22 cents per gallon effective March 27, 2014. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the 2013 draft year-end financial statements.
A motion was made and seconded to change booking patronage capital from associate organizations to a cash received basis, not when allocated. Motion was adopted. Voting was unanimous.

A motion was made and seconded to approve changing the depreciation on the natural gas pipeline to 36 years effective 2013 to match the debt payment schedule. Motion was adopted. Voting was unanimous.

Nancy Winters reviewed the Audit Committee meeting held February 25, 2014.

A motion was made and seconded to approve accounts receivable in the amount of $3,840.50 be written off with $1,496.04 in patronage capital credits to be applied towards the bad debt resulting in a net write off of $2,334.46. Motion was adopted. Voting was unanimous.

Discussion was held regarding the Star Valley Medical Center’s request to participate in the USDA revolving loan fund and the recommendation from the revolving loan committee.

A motion was made and seconded to approve Star Valley Medical Center’s request to receive a loan of $200,000 from the USDA revolving loan fund with a 1% administration fee. Motion was adopted. Voting was unanimous.

A motion was made and seconded to approve the proposed changes to the revolving loan fund plan. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the recent Swift Creek meeting held February 6, 2014. He informed the Lower Valley Energy Board of the Swift Creek Board of Director change with JC Inskeep replacing Boyd Eddins.

Bill Spaulding discussed the January 2014 outage report and safety report.

A motion was made and seconded to approve the safety meeting minutes of December 8 & 9, 2013 and the February 11, 2014 meeting. Motion was adopted. Voting was unanimous.

A motion was made and seconded to appoint Fred Brog as Lower Valley Energy's CFC voting delegate with Dean S. Lewis as the alternate. Motion was adopted. Voting was unanimous.

Fred Brog reported on the recent ICUA meeting issues.

James R. Webb reviewed several patronage capital early retirement requests.

A motion was made and seconded to approve the proposed patronage capital retirements in the amount of $249,874.01 after management’s due diligence. Motion was adopted. Voting was unanimous.

Meeting adjourned at 11:55 a.m.

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Rod R. Jensen, Chairman       Nancy Winters, Secretary/Treasurer