A General Session of the Board of Directors was held on October 25, 2013, at the Lower Valley Energy Jackson office. The meeting was called to order at 11:00 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; Wade Hirschi, CFO; Brian Tanabe, Communications Manager; Gay Petersen, Executive Assistant/HR; Ben Graham, Jackson Hole News and Guide.

Minutes of the August 26, 2013, General Session were accepted as presented.

James R. Webb reviewed the President/CEO report.

Nancy Winters, Lower Valley Energy Audit Committee Chairman, presented a summary of the Audit Committee Meeting held on October 3, 2013.

A motion was made and seconded that accounts receivable in the amount of $21,713.00 be written off with $6,837.69 in patronage capital credits applied towards the bad debt resulting in a net write off of $14,875.31. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the September 2013 financial statements.

A motion was made and seconded to acknowledge receipt of the 2013 September financial statements. Motion was adopted. Voting was unanimous.

James R Webb reviewed the gas balancing accounts. He recommended leaving the natural gas rates as they are and increasing propane rates by 3% effective December 1, 2013.

A motion was made and seconded to approve a 3% propane rate increase effective December 1, 2013. Motion was adopted. Voting was unanimous.

Wade Hirschi reviewed the 2013 Key Ratio Trend Analysis.

James R. Webb discussed the proposed 2012 patronage capital allocation.

A motion was made and seconded to approve the proposed 2012 patronage capital allocation in the amount of $3,316,788.78. Motion was adopted. Voting was unanimous.

James R. Webb discussed the projected 2013 patronage capital payments (75% of 1996 margins).

A motion was made and seconded to approve the proposed 2013 patronage capital general retirement payments (75% of 1996 margins) in the amount of $3,180,030.21. Motion was adopted. Voting was unanimous.

Bill Spaulding reviewed the proposed 2014 Vehicle Budget.

A motion was made and seconded to approve the proposed 2014 vehicle budget to include the option to add CNG vehicles. Motion was adopted. Voting was unanimous.

James R. Webb and Bill Spaulding reviewed the Swift Creek meeting minutes of October 10, 2013.
James R. Webb discussed the proposed changes to Administrative Procedure #602 - Annual Leave.

A motion was made and seconded to approve the proposed changes to Administrative Procedure #602 - Annual Leave. Motion was adopted. Voting was unanimous.

James R. Webb reviewed the proposed changes to Administrative Procedure #614 - Employee Performance Appraisal.

A motion was made and seconded to approve the proposed changes to Administrative Procedure #614 - Employee Performance Appraisal. Motion was adopted. Voting was unanimous.

James R. Webb discussed the proposed changes to Board Policy #206 - Cooperative Attorney.

A motion was made and seconded to approve the proposed changes to Board Policy #206 - Cooperative Attorney as amended. Motion was adopted. Voting was unanimous.

James R. Webb informed the Board that Lower Valley's Medical insurance renewal will need to be locked in before the next board meeting. It was the consensus of the Board to authorize management to renew the Lower Valley Energy medical insurance plan.

Bill Spaulding reviewed the outage and safety report.

A motion was made and seconded to accept the August 20-21, 2013, and October 8, 2013, safety meeting minutes. Motion was adopted. Voting was unanimous.

The Board reviewed the ICUA dues in the amount of $1,103.04.

Nancy Winters discussed ICUA issues and future meetings.

Linda Schmidt reported on the recent WREA meeting and issues.

The Board reviewed the NRECA dues in the amount of $38,657.00.

Linda Schmidt reviewed the recent Region IX and VII meeting classes and information.

James R. Webb discussed the early retirement patronage capital request from District Auto in the amount of $1,172.95.

A motion was made and seconded to approve the patronage capital retirement request in the amount of $1,172.95 from District Auto. Motion was adopted. Voting was unanimous.

Meeting adjourned at 2:20 p.m.

Rod R. Jensen, Chairman

Nancy Winters, Secretary/Treasurer