

REGULAR BOARD MEETING MINUTES
2 March 2021

A. CALL TO ORDER

1. The Regular Meeting of Bristol Bay Telephone Cooperative, Inc. Board of Directors was called to order by Board President Courtney Hoiby at 6:01 pm.

B. ROLL CALL

1. Individuals attending the meeting telephonically included Directors Wilton “Ray” Cottle, Matthew “Matt” Niedermeyer, Sharon Wilson, Riel Anderson, and Courtney Hoiby. General Manager/CEO Jeff Fulton, Administration Assistant Victoria Morrison, and Alan Sandar with Wells Fargo Advisors were also present.

BY UNANIMOUS CONSENT, THE RULES WERE SUSPENDED TO MODIFY AGENDA IN ORDER TO ALLOW FINANCIAL ADVISOR ALAN SANDAR WITH WELLS FARGO TO PRESENT.

1. Ray motioned to suspend the rules to allow financial advisor Alan Sandar to present investment options for BBTC from Wells Fargo Advisors. Motion was seconded by Sharon. Motion passed unanimously.
2. Presentation by Alan Sandar began at 6:03 pm and ended at 6:39 pm.

C. PREVIOUS MINUTES

1. Regular Board Meeting Minutes dated 2 February 2021 – Sharon moved to approve the regular board meeting minutes. The motion was seconded by Riel. **Motion passed unanimously.**

D. CORRESPONDENCE

1. Trouble Tickets – Tickets were reviewed.

E. MANAGER’S REPORT

1. Submitted with short discussion. Matt asked if we have enough DSL modems to support the upcoming fishing season. Riel asked what the strategy is going forward this summer season? Is it going to be half days and working from home? Jeff stated that he plans on working full time out of the office to support the fishing season. As far as letting people enter the building, this is dependent on CDC and State guidelines. He also expressed the desire to return to normal as soon as it is safe and practical. He also stated that the supply chain issues from last year are not as pronounced this year and we have sufficient modems on hand and ordered to fulfill our anticipated needs.

F. ADDITIONS TO THE AGENDA

1. Matt motioned to add the following items to the agenda:
 - i. Item I, New Business #2 – Returning to Normal Operations
 - ii. Item I, New Business #3 – Chief Financial OfficerMotion was seconded by Riel. **Motion was passed unanimously.**

G. AUDIENCE PARTICIPATION

1. None

H. OLD BUSINESS

1. Cooperative Investments (remained tabled) – Rules Suspended: Held prior to item B.
 - i. **No motion was made to un-table Item 1 under Old Business. Board decided on keeping this as an agenda item for the April Board Meeting.**

- ii. Presenter Alan Sandar with Wells Fargo. *Alan stated during his presentation that the minimum amount Wells Fargo would work with from BBTC is \$100,000.00 with a goal to increase the amount to \$250,000.00 by December 2022.*
 - iii. Matt asked what are the management fees, investment strategy, and timeframe?
 - iv. Riel asked if \$100,000.00 is a good starting point? Jeff stated that the amount is not unreasonable, and he does not anticipate it putting a hardship on our financial position. However, keep in mind the whole reason for this was to invest money in lieu of retiring capital credits until we have reached the threshold of retiring a full year. *Alan previously stated that short term money is not a wise thing to do and that he is against borrowing against the investments. Investing is for long term money. Alan also stated that this is Cooperative money and it's not unlikely to lose some money in a portfolio and to take that into consideration. Sees some positives with where the market may go. Would see investing the cooperative on the conservative side with 55-60 percent stock and 40-45 percent fixed investments. Historically this makes 6.1% per year on average.*
 - v. Courtney – Stated that she heard two red flags. I heard a lot of what we could not do, instead of this is what we can do, and it didn't sound like he was comfortable with liquidity. Riel – Nothing sounded out of ordinary. The minimum a little high for me. Matt stated he was uncomfortable using the cooperatives money to invest. Riel agreed with Matt's comment stating we do have to take this into consideration that this is Cooperative money and not our personal money. We are seeing the highs right now in the market and it did not sound like it was going to carry us through the lows. Would like to see someone that is a little sounder and more strategic.
2. **Property Acquisition** – Turned over to lawyer Andy Leman with guidance from GM on the pending property acquisition with Bristol Bay Contractor property. Riel stated we should be looking for alternative locations in the meantime for an alternative action. Jeff stated we are looking at alternative locations.
3. **Patronage Capital** –
- i. Matt – suggested that we put 50,000.00 into a CD and when we reach 250,000.00 look at investment advisor. Or open a separate account called patronage capital credits.
 - ii. Matt made a motion to direct the manager to research a Bank that has high-rate savings accounts to move towards putting in \$100,000.00 (\$50,000.00 from approved Patronage Capital from October 2019 and another \$50,000.00 for this year) into a federally insured account. Motion was seconded by Ray.
- Motion carried.**

I. NEW BUSINESS

1. **Annual CPNI Certification** – Jeff asked all board members to read over the CPNI Policy and sign the policy certifying that they have read and understand CPNI Policy by the next board meeting. Tanya is our CPNI lead and can answer any questions.
2. **Returning to Normal Operations** – Matt stated that he would be receiving his second COVID vaccination and we have well over 400 people vaccinated into the community. The State of Alaska's mandates recently went from required to recommended. He would like to see a full 8-hour day at the office even if we do not open to public. Riel asked are our employees able to perform their jobs to the full extent working from home. Jeff stated he is inclined to go with CDC recommendations. Better safe than sorry. Plans on returning to normal operations in a

month or two unless something changes drastically. Courtney stated the discussion is worthy, however the employees are something that we are not managing. The decision is Jeff's and his alone. We need to make sure we are managing Jeff, not the employees.

3. **Chief Financial Officer –**

- i. Matt - Lake and Peninsula, Borough, Clinic, Paugvik, NEA, all have a CFO. He would like to see the Manager research a CFO. A CFO would have all the questions on the audit and can research COVID Relief funding available. Instead of having 50 discrepancies on our audit, a CFO would have helped the company.
- ii. Courtney – Is Tanya pushed to her limit? Jeff stated No. Matt stated the CFO would streamline the operations.
- iii. Riel – This would help with our Board and clarifying any questions. Having a CFO is nothing new to this area. It would be an integral part of our financial strategies.
- iv. Jeff – What are we lacking? Riel – a lot of the companies out here have CFO's. A CFO would help us with our audits and discrepancies. The audit is there to present to the members that the Cooperative is operating on a legal basis.
- v. Courtney asked if the Cooperative had contracted accountants? Jeff stated No, it is all in house. Not opposed to the statement, however this is not a necessary expense at this time. Leave this as a topic for next board meeting.

J. CHECK REGISTERS

1. Ray motioned to approve Check Registers, Bank of America, and Electronic Statement. Sharon seconded the motion. **Motion passed unanimously.**

K. FINANCIAL STATEMENTS

1. Ray motioned to approve Financial Statements and Cash Flow. Motion was seconded by Sharon. **Motion passed unanimously.**

L. EXECUTIVE SESSION

1. None

M. DIRECTOR'S COMMENTS

1. Ray – Learned at his NTCA Board Training that if you have a Board that always agree, you do not have a Board. Appreciates all the discussion. Hope everyone enjoyed today.
2. Riel – At the end of the day we are here to do a job for the betterment of the phone company. When we bring something to the table, let's remember that it encourages discussion and stay on point. Let's keep moving forward and have a great month.
3. Sharon – Thanked Manager on the Alaska Plan clarifications. Appreciates the discussion we had this evening. Wanted to know where we are on the Manager's Evaluation. Was it on hold?
4. Matt – I agree with Riel. The more discussion and difference of opinion we are better off. It's important that we walk out of these meetings knowing that we are making progress.
5. Courtney – Touching base with Andy with the GM evaluation form. Will revisit once I receive new manager evaluation form. Great meeting.

N. ADJOURNMENT

1. Matt motioned to adjourn the meeting at 7:59 pm and was seconded by Ray. **Motion passes Unanimously.**

ARRPOVED BY _____

SEAL