

SUMMARY - APPROVED
H-D ELECTRIC COOPERATIVE, INC.
REGULAR MONTHLY BOARD MEETING
August 19, 2022 (Summary)

The meeting was called to order by the president, Bert Rogness.

Roxanne Bass called roll Present: Steve Hansen, Dale Williams, Casper Niemann, Todd Moritz, Bert Rogness, Kevin DeBoer, Terry Strohfus, Laurie Seefeldt, and Roxanne Bass.

Others in attendance for all or part were General Manager Matthew Hotzler and project attorney Craig D. Evenson, Ms. Annie Aberle, Financial Administrative Manager, Troy Kwasniewski, Operations Manager, and Tom Lundberg, Member Services Manager.

On motion duly made, seconded, and carried, the agenda was approved.

Secretary Bass presented the minutes for the regular monthly meeting of the Board of Directors on July 15, 2022. On motion duly made, seconded, and carried, the July minutes of the regular monthly minutes and the summary were approved.

Treasurer Hansen presented the treasurer's report which included cash receipts and disbursements. **Resolution 22-66** On motion duly made, seconded, and carried, it was RESOLVED that the treasurer's report be received and placed on file subject to audit.

The Board considered director expenses. **Resolution 22-67** On motion duly made, seconded, and carried, it was resolved that the director expenses as presented are approved.

General Manager Hotzler presented a written report together with an oral report on several topics including the pandemic, EPA Supreme Court Ruling, East River Carpenter substation, Shooting incident near East River headquarters, NRECA policies, SDREA RESAP, large crypto, Holiday Pay, Budget Schedule, and Basin Manager conference. Hotzler presented the SDREA RESAP report and the July 2022 cooperative scorecard.

Hotzler presented the membership activity report of new memberships, assignments, service connections, and non-active memberships. **Resolution 22-68** On motion duly made, seconded, and carried, it was RESOLVED, that the July 2022 membership activity report is approved.

Hotzler reviewed the July 2022 Cyber report and reviewed the Basin financials summary YTD.

Finance and Administration Manager Aberle presented July financials and a written and oral report of department activities.

Operations Manager Kwasniewski presented a written and oral report of department activities including an outage summary report. Kwasniewski reviewed the July 26 safety meeting minutes **Resolution 22-69** On motion duly made, seconded, and carried, it was RESOLVED, that the safety report for the July 26, 2022, safety meeting, as presented is approved.

SUMMARY - APPROVED

Member Services Manager Lundberg presented a written and oral report of department activities including the service order breakdown report, the service order backlog report, and a load management update.

Mr. Bert Rogness, Director on the East River Electric board, presented an oral report. Mr. Rogness discussed multiple topics including the new directors on the East River Board, Dakota Pipeline, Wholestone Farms processing plant project in Sioux Falls and the petition in opposition to that project being located inside the Sioux Falls city limits, Bob Sahr's acceptance as the new CEO, electric vehicles, insurance renewal, inflation impacts, Basin's plane use and the 1 mill rate decrease happening in January 2023.

Mr. Steve Hansen, Director on the SDREA Board presented an oral report. Hansen discussed the new executive search committee and hiring date plans, the SDWEA meeting, Mitchell Technical School, and the legislative meeting.

Mr. Craig D. Evenson, project attorney, presented a report on the Board Attendance Policy. There was discussion about the report and whether the board should adopt a particular policy or not.

Hotzler advised the board there was one application for estate retirements of capital credits and two applications for early retirement. He advised the board that \$2,760.04 of the capital credits for the estate retirements will be retained and \$1,572.15 of the early retirements will be refunded. He advised the board that \$803.48 of the capital credits for early retirements will be retained and \$896.17 of the early retirements will be refunded. Pursuant to Article 9, Section 2 of the bylaws and Policy No. 205 for H-D Electric Cooperative, Inc., the total retirement results in \$3,563.52 to be retained by H-D and \$2,468.32 to be refunded to the members requesting their retirement. The financial condition of the cooperative will not be impaired by the payment of capital credits. Mr. Terry Strohfus abstained from this vote. **Resolution 22-70** On motion duly made, seconded and carried, it was RESOLVED that H-D Electric Cooperative, Inc. pay the capital credits pursuant to the By-laws, policies, and applications as presented.

Hotzler presented a Summer Construction project update with a PowerPoint presentation and an oral report.

Hotzler presented an oral report regarding the territory agreement with Sioux Valley and determining if they have the interest to serve a service in H-D territory since Sioux Valley has closer lines and may be able to build less line. Any agreement would only be for this isolated service while it is connected and is single-phase. **Resolution 22-71** On motion duly made, seconded and carried, it was RESOLVED that H-D Electric Cooperative, Inc. approves Sioux Valley to serve the member requesting service and authorizes Mr. Matthew Hotzler, general manager, to negotiate and complete the contract with Sioux Valley Electric and the SD PUC.

Policy 202 Cash Disbursement – There was a discussion about the recommendations proposed for the policy.

Policy 203 Depreciation Rates – There was a discussion about the recommendations proposed for the policy.

Policy 204 Loans – There was a discussion about the recommendations proposed for the policy.

Resolution 22-72 On motion duly made, seconded and carried, it was RESOLVED that policies 202, 203, and 204, as presented, are approved.

SUMMARY - APPROVED

Hotzler advised the Board that delegates for the Region VI meetings including CFC, NRECA, and Federated Insurance. The delegates and alternates were duly elected

Hotzler advised the Board that there was an opportunity to vote for a COBANK Board member. The Board considered the candidates. On motion duly made, seconded, and carried, it was RESOLVED, that no vote for COBANK Board members will be made

There was a discussion about the following upcoming meetings.

- A. East River Annual Meeting
- B. NRECA Region VI Meeting

There was a discussion about the BLC training.

No Further business coming before the meeting, on motion duly made, seconded, and carried, the meeting was adjourned.