

APPROVED
H-D ELECTRIC COOPERATIVE, INC.
REGULAR MONTHLY BOARD MEETING
February 17, 2023 (Summary)

President Bert Rogness called the meeting to order. The Board delegated Craig D. Evenson the responsibility of preparing minutes.

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

Others in attendance for all or part were General Manager Matthew Hotzler, Project Attorney Craig D. Evenson (zoom), Finance and Administration Manager Annie Aberle, Operations Manager Troy Kwasniewski, and Member Services Manager Tom Lundberg, Member Services Manager.

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

Secretary Bass presented the January 27, 2023, regular Board meeting and Summary minutes. On motion duly made, seconded, and carried, the January 27, 2023, regular Board meeting and the Summary minutes were approved.

Mr. Steven Hansen presented the treasurer's report, including cash receipts and disbursements. After a discussion and questions regarding the report transactions. **Resolution 23-12** 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 23-13** 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. Hotzler discussed the East River MAC Meeting, year-end margin stabilization, the inflation reduction act, East River Energize Forum, Fixed-Fuel capability, SDREA Manager's Meeting, SD Secretary of State Registration issue, and SD DOT purchasing rules.

Hotzler presented the membership activity report. There was discussion regarding the new memberships, assignments, service connections, and non-active memberships. **Resolution 23-14** On motion duly made, seconded, and carried, it was RESOLVED that the January 2023 membership activity report is approved.

Hotzler presented the January 2023 Cooperative Scorecard, the January 2023 Cyber report, and the Basin financial year-to-date summary.

Finance and Administration Manager Aberle presented the January 2023 financials and a written and oral report of department activities. In addition, there was a discussion about different bank account options for higher interest rates.

Operations Manager Kwasniewski presented a written and oral report of department activities, including an outage summary report. In addition, Kwasniewski reviewed the January 31, 2023,

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safety meeting minutes. **Resolution 23-15** On motion duly made, seconded, and carried, it was RESOLVED that the January 31, 2023 safety minutes, as presented, is 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 Board, presented an oral report. Mr. Rogness discussed margin stabilization, the East River budget, the sale of some East River land, the inflation reduction act, the Department of the Interior cyber security test, and the new load tracking system,

Hotzler advised the Board there were two applications for estate retirements of capital credits and no applications for early retirements. He advised the Board that \$49.35 of the capital credits for estate retirements will be retained, and \$148.18 of the estate 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 \$49.35 to be retained by H-D and \$148.18 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. **Resolution 23-16** On motion duly made, seconded, and carried, it was RESOLVED that H-D Electric Cooperative, Inc. pay the capital credits pursuant to the Bylaws, policies, and applications as presented.

Hotzler and Rogness presented a Joint Defense Agreement to deal with the Dakota Energy lawsuit. **Resolution 23-17** On motion duly made, seconded, and carried, it was RESOLVED that the Board authorizes Mr. Bert Rogness, President or Craig D. Evenson, to sign the Joint Defense Agreement.

Hotzler presented a written and oral report regarding Policies 504, 505, and 506. Hotzler discussed each policy with recommendations. Hotzler specifically recommended a further look into Policy 505 and will bring other recommendations to the Board. **Resolution 23-18** On motion duly made, seconded, and carried, it was RESOLVED that Policies 504 and 506, as presented, are approved.

Hotzler discussed the preparations for the 2023 Annual Meeting and the petitions taken out to date with the Board. The Board discussed using bill credits for door prizes in future years.

Kevin nominated Matt Hotzler as the delegate for the NRECA Annual Meeting, Roxanne seconded, on motion duly made, seconded, and carried, nominations ceased, and the Board cast a unanimous ballot.

There was a discussion about the following meetings coming up.

- 1) Coop Day at the Capital, February 21
- 2) NRECA Annual Meeting, Mar 3-8
- 3) H-D Electric Annual Meeting, March 21
- 4) NRECA CCD Workshop, Apr 3-5
- 5) NRECA Legislative Conference, Apr 16-19

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