

**APPROVED**

**H-D ELECTRIC COOPERATIVE, INC.  
REGULAR MONTHLY BOARD MEETING  
June 21, 2024 (Summary)**

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

Secretary Bass called the Roll. Present were: Steve Hansen, Todd Moritz, Bert Rogness, Calvin Musch, Roxanne Bass, Dale Williams, Kevin DeBoer and Terry Strohfus. Absent: Casper Niemann.

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

The agenda was approved on a motion duly made, seconded, and carried.

Secretary Bass presented the May 16, 2024 Regular Board and Summary minutes. After a discussion on the duly made, seconded and carried motion, the May 16, 2024 Regular Board and Summary minutes were approved.

Treasurer Hansen presented the treasurer's report, including cash receipts and disbursements. After questions and discussion about the report transactions. **Resolution 24-44** On motion duly made, seconded, and carried, it was RESOLVED that the treasurer's report be received and placed on file subject to audit. Hansen presented the Director's expenses for the month. **Resolution 24-45** On motion duly made, seconded, and carried, it was RESOLVED that the Director's monthly expenses are approved.

General Manager Hotzler presented a written and oral report on various H-D Electric activities and meetings he had attended.

Hotzler presented the May 2024 Cooperative Scorecard and the membership activity report. After discussion about the new memberships, assignments, service connections, and non-active memberships. **Resolution 24-46**. On motion duly made, seconded, and carried, it was RESOLVED that the May 2024 membership activity report is approved.

Hotzler reviewed the May 2024 Cyber report and the YTD Basin financials through May 2024. There was a discussion about the financials.

Finance and Administration Manager Aberle presented a written and oral report. Aberle discussed a corporate resolution to set up bank accounts. After going through each part of the resolution.

**Resolution 24-47**, On motion duly made, seconded and carried

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Operations Manager Kwasniewski presented a written and oral report on the department's activities, including the outage summary report. Kwasniewski reviewed the May 21, 2024 safety meeting minutes. **Resolution 24-48** On motion duly made, seconded, and carried, it was RESOLVED, that the safety report for the May 21, 2024 safety meeting, as presented, be approved.

Member Services Manager Lundberg presented a written and oral report of department activities, including the May 2024 service order breakdown report, the Load Management Update, and the service order backlog report.

Bert Rogness, Director of the East River Board, presented an oral report. Rogness discussed several topics, including Basin Financials, a 1,400 MW natural gas plant, East River statistics, including loads, load management savings, financial audit, storm damage and FEMA reimbursement, and a FERC case update.

Steven Hansen, Director of the SDREA Board, presented an oral report. Hansen discussed the last SDREA bulletin, possible upcoming legislation talks, PUC regulations, MN 811 added safety features, IM 28 sales tax proposal, and upcoming legislative session.

Project Attorney Evenson discussed some information from the SD State Bar Convention regarding AI (large language models).

Hotzler advised the Board there was four applications for estate retirements of capital credits and four applications for early retirement. He advised the Board that \$1,093.58 of the capital credits for estate retirements will be retained and \$1,143.66 of the estate retirement will be refunded. He advised that \$3,727.54 of the capital credits for early retirements will be retained and \$2,317.24 of the early retirements will be refunded. Pursuant to Article 9, Section 2 of the by-laws and Policy No. 205 for H-D Electric Cooperative, Inc., the total retirement results in \$4,821.12 to be retained by H-D and \$3,460.90 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 49** 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 discussed the decision of the administrative law judge and a decision summary. The Board asked questions about the summary and what it means for H-D Electric Cooperative.

Evenson discussed the update for the RUS Loan.

Hotzler discussed alternative to starting policy reviews with the Board. There was discussion regarding the NRECA videos for board education topics that could take place of the policy review for now.

Hotzler discussed the East River Annual Meeting. There was discussion regarding the need for a delegate and alternate.

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Kevin nominated Calvin and Todd seconded to appoint Calvin as the delegate. On motion duly made, seconded and carried, nominations ceased, and the Board cast a unanimous ballot.

Roxanne nominated Kevin and Todd seconded to appoint Kevin as the alternate. On motion duly made, seconded and carried, nominations ceased, and the Board cast a unanimous ballot.

Mr. Hotzler said the Board needed to vote for the South Dakota Manager for the RESCO Board Election. They chose to vote for Matthew Hotzler.

There was discussion about the following meetings coming up.

- a. Military Appreciation Night, Crystal Springs Rodeo, June 29, 2024
- b. CoBank Energy Director Conference, July 17-19, 2024
- c. Basin Electric Annual Meeting, August 13-14, 2024
  1. Steve nominated Todd and Roxanne seconded for Todd to be the delegate. On motion duly made, seconded and carried, nominations ceased, and the Board cast a unanimous ballot.
  2. Roxanne nominated Steve and Todd seconded for Steve to be the delegate. On motion duly made, seconded and carried, nominations ceased, and the Board cast a unanimous ballot.
- d. SDREA Board Leadership Summit, August 25-26, 2024
- e. H-D Electric Basin Tour, August 26-27, 2024

The meeting was adjourned