

APPROVED

**H-D ELECTRIC COOPERATIVE, INC.
REGULAR MONTHLY BOARD MEETING
September 20, 2024 (Summary)**

President Rogness called the meeting to order.

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

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.

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

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

Treasurer Hansen presented the treasurer's report, including cash receipts and disbursements. There were questions and discussions about the transactions in the report. **Resolution 24-60** 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 24-61** On motion duly made, seconded, and carried, it was RESOLVED that the Director's monthly expenses are approved.

General Manager Hotzler presented written and oral reports on various H-D Electric activities and meeting he attended. Hotzler report included the topics of the East River MAC Meeting, Elmira Township discovery process, Dakota Energy annual meeting election, Carpenter Substation Attack arrest, Basin FERC dockets, Basin's rate, Basin ERA Grant, H-D future Loads, RUS Loan status, SDREA's Steve Barnett visit to H-D Electric and meeting with area General Managers and legislative candidates and the NRECA Regional Meeting.

Hotzler presented the August Cooperative Scorecard and the membership activity. After discussing the new memberships, assignments, service connections, and non-active memberships. **Resolution 24-62**, On motion duly made, seconded, and carried, it was RESOLVED that the August 2024 membership activity report is approved.

Hotzler reviewed and discussed the August Cyber report and the Basin financials through August 2024.

Finance and Administration Manager Aberle presented a written and oral report of the financials and department activities. Aberle discussed the load control receiver (LCR) project and the options of expensing or capitalizing the new LCRs. Ms. Aberle and Mr. Hotzler recommended capitalizing the costs, which the Board agreed.

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Operations Manager Kwasniewski presented a written and oral report on the department's activities, including the outage summary. Kwasniewski reviewed the August 19, 2024, safety meeting minutes. **Resolution 24-63** On motion duly made, seconded, and carried, it was RESOLVED, that the safety report for the August 19, 2024 safety meeting, as presented, are approved.

Member Services Manager Lundberg presented a written report and oral report of the department activities, including the 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, new board representatives at East River, Crow Creek Tribe issues, Dakota Energy's Annual Meeting, where East River reps were able to answer questions for about 90 minutes, DGC current operations, Dakota Coal generation, wind generation, FERC Regulation and legal costs, increasing costs from East River, more sales to Big Watt than expected, the GEVO fuel plant and continued growth in SPP.

Steven Hansen, Director of the SDREA Board, presented an oral report. Mr. Hansen discussed the last SDREA meeting, including personnel changes.

Hotzler advised the Board that there was one application for estate retirement of capital credits and one for early retirement. He advised the Board that \$75.40 of the capital credits for estate retirements will be retained and \$64.59 of the estate retirement will be refunded. He advised that \$905.37 of the capital credits for early retirements will be retained and \$266.16 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 \$980.77 to be retained by H-D and \$330.75 to be refunded to the members requesting their retirement. The payment of capital credits will not impair the cooperative's financial condition. **Resolution 24-64** 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 the selection for the NRECA Board Education video regarding Artificial Intelligence. The Board watched the short educational video.

Hotzler presented Board self-surveys for the H-D Electric Cooperative Board. The Board discussed the surveys amongst themselves.

Hotzler reviewed the General Manager's duties from policy 113 and other activities he completes. There was discussion about his responsibilities as noted in the policy and as reported. The Board entered an executive session to discuss the manager's annual survey and 2025 Pay Plan at 11:01 a.m. **Resolution 24-65** on motion duly made, seconded, and carried, it was RESOLVED that the 2025 pay plan resulting in an average 4.11% wage and benefits increase year over year is approved as presented.

There was discussion and reporting on the previous month's meetings, including the East River Annual Meeting and NRECA Regional VI meeting.

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There was a discussion about the following meetings coming up.

- a. NRECA Board Leadership Course – November 28-29, 2024
- b. Mid-West Annual Meeting – December 12-14, 2024

Meeting was adjourned.