

APPROVED
H-D ELECTRIC COOPERATIVE
REGULAR MONTHLY BOARD MEETING
January 24, 2025 (Summary)

President Rogness called the meeting to order.

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

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

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

Secretary Bass presented the minutes for December 20, 2024, Regular Board and Summary minutes. After discussion a motion duly made, seconded, and carried, December 20, 2024, and Summary minutes were approved.

Treasurer Hansen presented the treasurer's report including cash receipts and disbursements. There were questions and discussion about the transactions. **Resolution 25-01** 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 reported the directors' expenses for the month. **Resolution 25-02** On motion duly made, seconded and carried, it was RESOLVED that the directors' monthly expenses are approved.

General Manager Hotzler presented a written report together with an oral report. Mr. Hotzler reported on the East River MAC Meeting, East River Margins, East River Federal Funding, NRECA's take on President Trump's Executive Orders

Hotzler presented the Cooperative Scorecard and the membership activity report. After discussing the new memberships, assignments, service connections and non-active memberships. **Resolution 25-03**, On motion duly made, seconded and carried, it was RESOLVED that the December 2024, membership activity report is approved.

Hotzler reviewed the December Cyber report.

Finance and Administration Manager Aberle presented a written and oral report on the financials and department activities. Aberle presented the Federated Insurance Subscriber's Agreement for the Board to review. The Board directed a signature on the Subscriber's Agreement and Power of Attorney for Federated.

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Aberle presented the year-end entries and proposed resolutions for the board's consideration. **Resolution 25-04**, On motion duly made, seconded and carried, it was RESOLVED that the 2024 Asset write-offs/adjustments as presented are approved. **Resolution 25-05**, On motion duly made, seconded and carried, it was RESOLVED that the 2024 Margin Stabilization Fund used to meet the MTIER 2.0 rating as presented are approved. **Resolution 25-06**, On motion duly made, seconded and carried, it was RESOLVED that the 2024 allocation of Nonoperating Margins-Other, be moved to permanent equity as presented are approved.

Operations Manager Kwasniewski presented a written and oral report of the department activities including the outage summary. Kwasniewski reviewed the safety meeting minutes from the safety meeting held on December 27, 2024. **Resolution 25-07** On motion duly made, seconded, and carried, it was RESOLVED, that the December 27, 2024, safety meeting be approved.

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

Mr. Bert Rogness, Director of the East River Board, presented an oral report. Mr. Rogness discussed several topics including Basin Financials, Basin Load Forecast,

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

Mr. Craig D. Evenson, project attorney, presented some key takeaways regarding the year's cases and political issues. He discussed one additional consideration with the Tabletop Exercise.

Hotzler advised the board there were three applications for estate retirements of capital credits and one application for early retirement. He advised the board that \$8,806.95 of the capital credits for estate retirements will be retained and \$5,127.02 of the estate retirement will be refunded. He advised the board that \$2,079.19 of the capital credits for early retirements will be retained and \$1,096.73 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 \$10,886.14 to be retained by H-D and \$6,223.75 to be refunded to the members requesting their retirement. The payment of capital credits will not impair the Cooperative's financial condition. **Resolution 25-08** 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 NRECA Governance Video chosen for the month. There was discussion about a safety culture after the video's conclusion.

Hotzler presented a report regarding the RUS 219. **Resolution 25-09** On motion duly made, seconded, and carried, it was RESOLVED, that the RUS 219 for codes 762, 763, and 764 as presented are approved and the President is directed to sign the required forms for submission to RUS.

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Hotzler presented a review of the 400 series of policies and a report on the rates for 2025. There was discussion regarding the 2025 rates and proposed amendments to 400 series of policies.

Resolution 25-10 On motion duly made, seconded, and carried, it was RESOLVED, that the 400 series of policies of H-D Electric, with 402 alternative #1, as presented is approved.

Hotzler presented the results of the Emergency Response Plan Tabletop Exercise

Hotzler gave updates to the H-D Annual Meeting coming up in March.

Bert nominated Matt as delegate and Bert as alternate delegate, Matt seconded. On motion duly made, seconded and carried, nominations ceased, and the board cast a unanimous ballot for the delegates at the NRECA Power Xchange Meeting.

Hotzler presented information from the SDREA Annual Meeting. There was a discussion about the meeting and events.

There was discussion about the following meetings coming up.

- a. East River Energize Forum Feb 5-6
- b. Co-op Day at the Capital Feb 18
- c. NRECA Annual Meeting/Power Exchange March 7-12
- d. H-D Electric Annual Meeting – March 25