

HARRISON COUNTY RURAL ELECTRIC COOPERATIVE
MEETING OF BOARD OF DIRECTORS

Page 1299

Woodbine, IA
March 27, 2024

The meeting of the Board of Directors of Harrison County Rural Electric Cooperative was held at the office of the Cooperative on Wednesday, February 28th at 8:04 am.

The following Directors were present for the meeting:

Kent Kersten	Brenda Lundergard	Tom Bothwell
Randy Koenig	Randy Mitchell	Doug Pitt
Larry Ramsey	Curtis Lee	Bill Hutcheson

Others present were CEO Joe Farley, CFO Lori Barry, Director of Operations Shadon Blum, Director of Member Relations Tim Plumb, and Director of Communications and IT Kristi Travis.

The meeting was called to order by President Bothwell with Secretary Lundergard keeping the minutes.

The agenda, which had been provided in advance of the meeting, was reviewed. Treasurer Kersten moved to approve the agenda, Director Koenig seconded, and the motion was carried.

The selection of upcoming meeting dates was discussed. The next regular meetings of the board will be Wednesday, April 24th and Wednesday May 29th.

Consent agenda

The consent agenda material was provided in advance of the meeting. The following items were included in the consent agenda for the meeting:

Minutes of Previous Meeting	Check and Payroll Registries
Membership Applications and Refunds	Cash Receipts Report
Work Order Report	Interest Rate Summary
Safety Meeting Minutes	Final Bills with Balances
Vehicle Report	Donation List
Outage Summary	Written Staff Reports

A motion was made by Director Ramsey, seconded by Director Pitt, and carried that the remainder of the consent agenda be approved.

Farley presented his monthly managers' report and update.

Staff reports were then presented and reviewed by Blum, Plumb, Barry, and Travis. During her staff report, Travis asked that the board vote to open Harrison County REC's youth tour spot to include applicants who may be non-members as we have not had any member applicants for two years. This would also allow for the local schools to help promote the program and provide the opportunity for students who may have an interest in the industry. Secretary Lundergard made a motion to allow both member and nonmember students that qualify for the opportunity to be eligible to apply. Motion seconded by Director Mitchell and carried.

The property, equipment, and finance committee had met prior to the meeting to finalize the decision to purchase a new utility pickup truck. Motion was made by Director Koenig to approve the purchase of a 2024 Ford F-550 truck with a steel utility bed at a cost of \$112,625 or less to replace the current 2008 Ford F-250 truck. Director Lee seconded the motion and the motion carried.

CEO Farley refreshed the board about the Cost-of-Service study and suggested that a rate adjustment was going to be necessary. After some discussion, Director Koenig moved to start the process to adjust rates subject to a final review with the consultant from C.H. Guernsey and Co. before finalizing. A brief review with the board will be provided at the April meeting. The motion was seconded by Director Ramsey. The motion carried with a vote 7 in favor and Vice President Hutcheson voting no.

The board entered into executive session at 10:41am and reconvened the regular session at 11:20am.

Blum provided the annual "Report of Reliability" as required by the Iowa Utility code. Once reviewed and accepted, the report will be filed with the Iowa Utilities board by March 31st. Director Koenig moved to accept the report of reliability with support from Treasurer Kersten. Motion carried.

Barry shared the annual "Report of Compliance" regarding loan covenants from the Cooperative Finance Corporation. The report is required to be completed and shared with the cooperative directors prior to April 1st of each year. A motion was made by Director Koenig to accept the report with a second from Director Lee. Motion carried.

Secretary Lundergard provided a brief report on NIPCO and Basin Electric activities. There was no "new" news, but more discussion about challenges at Basin Electric with pending rate pressure. Also, the CEO from Basin will be attending the upcoming NIPCO annual meeting.

Barry provided the financial report. She reviewed the financial dashboard and shared details on the financial performance for the year to date and the month of January. A motion was made by Treasurer Kersten to accept the financial report with a second from Vice President Hutcheson. Motion carried. There were no Energy Resource Conservation (ERC) loan requests this month.

Barry provided a summary of proposals for the Allocation of Margins for the operating year of 2023. Several options were reviewed and discussed. Motion was made by Director Koenig to approve option #6 as presented. Motion was seconded by Treasurer Kersten and carried. The allocations will be made accordingly. (Copy attached).

Director Lee provided a brief report on his attendance at the most recent employee safety meeting.

Travis reviewed the broadband survey results and further discussion was held on fiber/broadband involvement. Discussion will be continued.

With no further business to come before the meeting, a motion was made by Treasurer Kersten to adjourn. The motion was seconded by consensus and carried. The meeting was adjourned at 12:43 p.m.

Attest:

Secretary

President