

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION

Minutes of the Regular Meeting of the Board of Directors

January 18, 2023

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on January 18, 2023.

Call to Order and Roll Call:

The meeting was called to order by President Lawless at 12:57 p.m. EST.

Directors present: District 1-Darryl Small, District 2-Karen Alholm, District 3-Mike Lawless, District 4-Vacant, District 5-Wery, District 6-Jesse Betters, District 7-Kirk Bruno, District 8-Don Johnson, District 9- Vacant.

Directors absent: None

Also present were (General Manager) Mike Furmanski, (Finance Manager) Lynn Labadie, (Operations Manager) Troy Tiernan.

Approve the Agenda:

Moved by Director Alholm to approve the agenda with the addition of adopting mission statement to new business, support by Director Small. Motion carried.

Member Comments: None

Minutes:

Moved by Director Alholm to approve minutes of December 14, 2022 regular meeting, support by Director Wery. Motion carried.

Approve the Administrative Items:

Motion to approve November check register in the amount of \$1,403,695.12 by Director Bruno with support by Director Johnson. Motion carried.

Motion to approve the administrative items (membership applications, director's expenses, manager's expenses, and estate retirements) as submitted in the board packet was made by Director Johnson, with support by Director Wery. Motion carried.

Old Business:

- Safety Update
 - A safety meeting was held yesterday.
 - Tiernan realized no one knew about the fire doors between garages and they will be brought up at the next employee meeting.
 - Tiernan would like to ask Gladstone Public Safety to do a walk through.
- Gold Resources
 - Smaller footprint submitted to State.

- Doing another feasibility study so still have a ways to go.
- Aclara updatw
 - Good for a while then lose a few.
 - Furmanski received notice they have a new engineer involved.
 - The new RF guy has been very helpful.
- Office Back-up Generator
 - Was all hooked up on the 27th.

New Business:

- Mission Statement
 - **Moved by Director Better to adopt the Mission Statement, support by Director Johnson. Motion carried.**
- Director Positions
 - There were ten applications for Hiawatha and seven for Palestine.
 - Executive Committee narrowed each down to four.
 - Interviews will be conducted before the February meeting.
 - Decision will be made during the board meeting.
- 2023 Budget
 - Labadie provided a draft budget based on 2022 figures and included power cost adjustment.
 - WPPI's estimated power cost for 2023 was used with 2022 used kWh.
 - Labadie also provided a budget assumption list.
 - **Moved by Director Johnson to adopt the 2023 Budget as presented, support by Director Wery. Motion carried.**
- Rates Timeline
 - Decision to wait to see what CFC says was made.
 - Rates discussion notification in May.
- Annual Agenda-Director Elections
 - Petitions for the three districts up for election are due by 4:00 pm on February 1, 2023.

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - River Road upgrade is completed.
 - Hoping to start the Deerton-Autrain Tie line Spring of 2023.
- Maintenance Items
 - AD Crew continue to work on reject poles and service upgrades.
- Vegetation Crews
 - Vegetation crews have been moved to Cedar River and Loma Farms.
- Warehouse/Facilities

- We continue to work on warehouse improvements in preparation for RESAP.
- Safety
 - Tiernan attended a safety conference in Huntsville.
- Equipment
 - Received our new 2022 F550 bucket truck.

Office Manager Report-Priebe

- Tech/IT
 - Lobby-Outage screen
 - NISC-AppSuite-work through auto close out/outages, reset app latest version.
 - CRC-2023 updated on-call schedule.
 - Vault Server-Issue with IP address in network, lost patch to server with upgrade.
 - Landis & Gyr-Migrating to cloud-based hosting.
 - DSTech/open firewall-update Ips/
 - Aclara One-AO 1.17.1 SQL not at requirement-DSTech ordering SQL licencing.
- Outages
 - Total billed meters December:10435.
 - Total estimated: 24-14 Aclara/10 Ts2
 - Billables/member caused outages: 2
- Social Media Recap
 - Holiday puzzle
 - Saving tips
 - Storm notices
 - View Facebook page for more.
- Expense Report
 - Provided link to expense report.
- Service/Work orders
 - December 2022 processed service orders-170.
 - December 2022 disconnected services-2.
 - December 2022 new connects-13, transfers-41.
 - December 2022 tree tickets-19.

Finance Report-Labadie

- 2023 Budget
 - Revenue-used 2022 figures and plugged in estimated PCA for Jan-June 2023.
 - Cost of purchased power-used WPPI's estimated power cost for 2023 and kWh used in 2022.
 - Based budget from 2022 and added in the 2023 Budget Assumptions.

- Typically want margin to be 4-7% of Total Margins & Equity. Our budget=2.6%.
- 4-7% of Equity as of 11/2022: \$720,851.87 to \$1,261,490.80
- CFC Rate Study
 - Kickoff meeting held 1/17/23.
- November Financials
 - Final numbers for November 2022 can be found on the dashboard.
 - Outage Management Report was provided.
 - Bottom line came in at \$168,819.95: proforma showed \$144,597.35. Currently working on December financials.
- 2022 Proforma Income Statement
 - Updated the proforma after final numbers for November.
 - PRELIMINARY margin-\$652,560.38.
- 2022 Power Cost Adjustment
 - Through 1/1/23 billing (billed for 12/1-12/31/22) collected the majority of the PCA.
- Director's Webinar
 - First webinar is scheduled for 9:30 am to 10:45 am EST tomorrow.
- IRS Mileage Rate-2023
 - New rate=\$.655.

General Manager-Furmanski

Power supply-September-December were below 2021.

- Attended the NRECA CEO Close-Up.
- Five Energy Optimization applications have been submitted.
- Continue working with Cloverland on a tie line for Isabella.
- Youth Tour application period is now through February 28th.
- Continue working with MBLP at the Pineau Substation.
- Summer schedule will have 5 days of coverage.
- RESCO terminated our Alliance Agreement

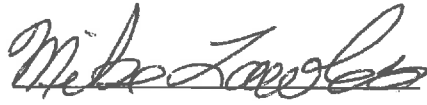
Committee Reports & Agendas- None

Executive Session

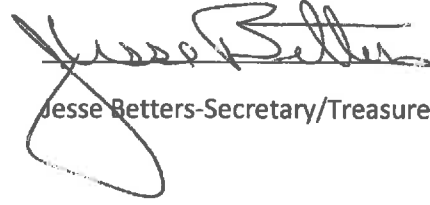
- Topic of discussion – Strategic Planning
- ***Moved by Director Alholm to move into executive session, support by Director Johnson. Motion carried.***
- Board entered Executive session at 2:55 p.m.
- ***Moved by Director Johnson to leave executive session, support by Director Wery. Motion carried.***
- Board exited Executive session at 3:35 p.m.

Adjourn:

- **Moved by Director Alholm to adjourn, support by Director Wery. Motion carried.**
- Meeting adjourned at 3:38 p.m. EST.



Mike Lawless - President



Jesse Betters-Secretary/Treasurer