

ALGER DELTA COOPERATIVE ELECTRIC ASSOCIATION
Minutes of the Regular Meeting of the Board of Directors

January 17, 2024

A regular meeting of the Board of Directors of Alger Delta Cooperative Electric Association was held on January 17, 2024.

Call to Order and Roll Call:

The meeting was called to order by Chair Lawless at 1:00 p.m. EST.

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

Directors absent: None

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

Approve the Agenda:

Moved by Director Dausey to approve the agenda as presented, support by Director Wery. Motion carried.

Member Comments: None

Minutes:

Moved by Director Johnson to approve minutes of December 20, 2023 regular meeting, support by Director Small. Motion carried.

Approve the Administrative Items:

Motion to approve December check register in the amount of \$1,310,854.98 by Director Alholm 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 Bruno, with support by Director Alholm. Motion carried.

Old Business:

- Safety Update
 - No lost time accidents or injuries in 2023.
 - First in-house meeting is next week.
- Gold Resources
 - Nothing to report.

New Business:

- 2024 Budget/Finance Committee Report
 - Finance & Rates Committee met earlier today.
 - Furmanski presented a Budget Message 2024.
 - Committee would like a further understanding of PCA with WPPI, Alger Delta, and customers reported to the Board.
 - Committee recommends approving the proposed budget with the realization that ratio & margins need to be addressed before next year.
 - **Moved by Director Bruno to accept the 2024 budget as presented, support by Director Alholm. Motion carried.**
 - Furmanski stated the big things coming up are the Isabella sub and old copper wire that needs to be replaced.
- Capital Credits
 - 1993 is up with \$530,000 in credits.
 - Would have to borrow to pay them.
 - Would like to be more stable before paying them out.
 - Will look at them again in August/September.
 - Director Bruno would like to be at 25 years.
- 2023 Audit Engagement
 - **Moved by Director Bruno to engage Eide Bailly as the audit firm as proposed, support by Director Alholm. Motion carried.**

Staff Reports:

Operations Manager Report-Tiernan

- Work Plan Projects
 - Continue to work on the Isabella Tie Line.
 - Curt/Jeanne are staking rebuilds in the White Rapids area
- Maintenance Items
 - Crews continue to work on reject poles and system upgrades.
- Vegetation Crews
 - Crews are working in Grand Marais & Stonington.
 - Contacting members in south Cedar River for tree trimming.
- Warehouse/Facilities
 - There was water/sewage damage in the basement.
- Safety
 - We will be starting our in-house safety meetings Jan. 25th 2024.
- Equipment
 - Continue to work on the fleet budget

Office Manager Report-Priebe

- Meter Exchanges -LaBranch complete.
- Director Email-See Priebe to install on iPad.
- Business Continuity-Work with DSTech and staff to complete.

- SmartHub-NISC-working through “glitches” with their redesign-fix has been applied.
 - Autopay & notifications
- L&H/DSTech-issues with Windows update-Automatic Reads-Working to resolve ongoing issues.
- Bugle-Assist the vegetation management team to notify members in the Grand Marais area.
- Safeelectric.com-Membership provides us with new materials-
 - Safety meetings
 - Social media
 - Education
- Work Order Completion-As-built/Final inspection
- Paperless Billing Campaign-First 150 members to enroll receive \$20 bill credit.
 - Currently around 40% enrolled.
- Billing/Outages/Events
 - Total members billed December 2023: 10490.
 - Total estimated-5
- Link to Country Lines Magazine was provided.
- Link to new updated Board of Directors time card was provided.
- Social Media Recap
 - Outage preparations-storm 1/13/24
 - Youth tour candidates
 - Board of Directors-Elections-District 4, District 2, District 3-Packets due by February 1, 2024
 - 2023 Christmas parades
 - 2024 Happy New Year
- Service/Work orders
 - December 2023 processed service orders-191.
 - December 2023 new meters/services-32.
 - December 2023 transfers-32.

Finance Report-Labadie

- 2023 Year End
 - Working on closing out December, completing year-end reports and 1099s.
 - W-2s done 1/12/24
- WPPI Rate Study
 - Received email with data requirements 1/10/24.
- 2023 Power Cost Adjustment
 - Total PCA collected for 2023=\$144,967.90.
 - Six months collect PCA (Jan, Feb, July, Aug, Sept) and six months PCA credit.
- IRS Mileage Rate-2024
 - New rate=\$.67

- 2023 Audit
 - Received preliminary email to get started on the 2023 audit.

General Manager-Furmanski

Power Costs-Lower since February.

Power Sales-Have held pretty steady.

- Continue working with Cloverland on a tie line for Isabella.
- Continue working with MBPL and ATC at the Pineau Substation.
 - Board consensus to sign the agreement with the understanding they can't start construction until the other two interconnections are settled.
- Director elections coming up soon.
- Recently attended the CEO Close-Up
- First in-house safety meeting next week.
- There were two applicants for the Youth Tour but one did not qualify as they, nor their parents, nor their grandparents are members.

Committee Reports & Agendas

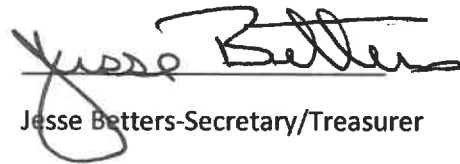
- Finance & Rates Committee-see New Business/2024 Budget.

Adjourn:

- ***Moved by Director Betters to adjourn, support by Director Johnson. Motion carried.***
- Meeting adjourned at 3:23 p.m. EST.



Mike Lawless - President



Jesse Betters-Secretary/Treasurer