

**MINUTES OF THE DIRECTORS MEETING
CHERRY-TODD ELECTRIC COOPERATIVE, INC.**

June 26, 2018

Roll Call: The meeting was called to order at 10:14 AM with all of the directors being present except director Wooden Knife. Attorney Larson was also unable to attend due to having been subpoenaed to appear as a witness. Secretary Assman took the minutes.

Approval of Minutes: There were no changes or corrections to the minutes of the May meeting. Motion by Stolzenburg to approve second by Valburg. Approved.

Delegation: The board received a delegation seeking assistance for an upgrade to the electrical system for the Rosebud powwow grounds. Motion by director Brickner, seconded by director Valburg to give the manager discretion to assist with the project. Motion approved.

Financial Report: Theresa Benda entered the meeting to present the financial report. Theresa's report included a handout that will be included in all billing statements for the month on how to set up the "Smart Hub" on your personal phone and computer. Beau Westover and Sean Crooks presented additional information on how to make use of the smart hub and made a presentation to the board of how to make use of the application on the phone including a discussion of prepay and other options available. Theresa presented a demonstration of how to use smart hub on a computer. It was decided to make a discussion and presentation of usage of the smart hub a feature at the annual meeting.

i Pads: Sean Crooks also presented a rollout of director iPads during the lunch break.

Legislative Updates: Following lunch there was a discussion of the SDREA legislative update and proposed legislation regarding municipal annexations. The legislative committee has proposed legislation calling for a freeze on future annexations. This is generally not considered to be an issue for Cherry-Todd Electric.

Account Fee Analysis: The Board received a handout from Rosebud Sioux Tribe LIHEAP showing late payment and disconnect fees showing a total of \$1,815,260 paid over the last three years for various later nonpayment fees. There was a general discussion of options available to attempt to bring this number down.

NRECA Region VI Meeting: The regional meeting will be held in Minneapolis on September 18th and 19th. Director Brickner was nominated to be the delegate and director Stolzenburg the alternate. Director Bordeaux indicated that he might possibly be able to attend the meeting and serve as alternate delegate. A poll of the directors indicated that none of the other directors plan to attend.

Fire Dept. Donations: The Board discussed making a donation to the Rosebud volunteer fire department to purchase tires. Following the discussion director Valburg move to donate \$300 to each volunteer fire department in the Cherry-Todd service area. The motion was seconded by _____ and approved. Volunteer fire departments listed included Parmalee, Rosebud, White River, Wood, Mission, Cody, Kilgore, and Valentine.

Idle Service Policy: The Board discussed potential changes to the idle service policy. It was decided to review the new policy adopted by Moreau-Grand to see if their policy would be something that Cherry-Todd would want to adopt.

Load Factor: The Board was presented with a general discussion and handout showing improvements to the Cherry-Todd's load factor through use of DRUs and Water Heater Program.

Line Extension Policy: The board discussed changes to the line extension policy. Options were to delete mobile home language, edit language to have the same rates as permanent housing. Motion by Stolzenburg, seconded by Brickner, to treat mobile and permanent housing the same in the line extension policy. Motion approved.

Farm Bill: There was a general discussion of the potential impact of the farm bill in reducing the interest paid on the cushion of credit to 2.18% down from 5%. Despite the proposed change the Board decided to proceed with the drawdown the current loan funds as approved May meeting.

Rushmore Electric Load Management Handout: The Board was presented with a draft policy on how Rushmore intends to operate its load management policy going forward. The proposed policy appears to be favorable to Cherry-Todd.

Annual Meeting: Beau Westover discussed annual meeting plans with the Board. The meeting is scheduled for Saturday, September 22nd in the White River school gym. The doors will open at 9 AM with the meeting to start at 10 AM. Buches will be catering the food.

Youth Tour: The Board also discussed scholarships for two youth to attend a trip to Washington DC.

Work Orders: The Board approved work order #493 in the amount of \$23,848.77. Motion to approve by Stolzenburg, seconded by Meek, motion approved.

Membership Refunds: Motion by Director Meek seconded by Director Tucker to approve stock wells and capital credit payments as presented in the board packet. Motion approved.

Check Audit: Director Assman presented the check audit report. There were no questions.

Capital Credit Allocation: Manager Grablander presented his recommendation for 2017 capital credit allocations, a copy of which is attached. Director Brickner moved to adopt the recommendation seconded by Director Stolzenburg, motion approved.

Meeting Reports: Director Brickner reported on Rushmore with additional information from manager Grablander.

Adjournment: Director Valburg moved to adjourn the meeting at 3:30 p.m., Director Tucker seconded. Motion approved. Meeting adjourned.

(Seal)

Approved:



President

Attest:

Secretary

