

MINUTES OF THE BOARD OF DIRECTORS
OF BARRON ELECTRIC COOPERATIVE
October 25, 2023

Call to Order

The regular meeting of the Board of Directors of Barron Electric Cooperative was held at the cooperative headquarters on October 25, 2023. The meeting was called to order at 9:30 a.m. by President Cook. Board members present included Baker, Bol, Cook, Effertz, Kessler, Kuhl, Mandel, Olson, and Warwick.

Others present were General Manager Torud, and Staff Members Beaudette, Steines & Straw.

Approval of Agenda

The agenda was approved as presented.

Safety Message

Director Warwick gave a safety message.

Minutes of Last Meeting

The minutes of the Regular Board Meeting, September 27, 2023, were approved as written with a change to attendees in Other Business. Director Effertz will be attending the Annual Safety Audit on November 13, 2023, in place of Director Bol.

Treasurer's Report

A report of vouchers for the month was presented as part of the board packet as follows: #102290 through #102415 from CCF Bank in the amount of \$578,542 and capital credit estate checks in the amount of \$0. Total receipts in the office - \$2,620,258; total receipts by wire and ACH - \$421,090; disbursements by ACH, EFT, wire - \$1,731,998; transfer of funds was made for payroll - \$209,756 and power bill paid on October 25, 2023, in the amount of \$2,229,591.

Voucher Review

A list of vouchers was reviewed by the board.

Membership List

A membership list of 74 was presented and accepted without objection.

Other Meetings Attended

Director Baker reported on the Dairyland Board Meetings he attended on October 17 & 18, 2023. Directors Cook, Kessler, Mandel & Olson discussed the DPC & JPM tour they attended on September 29, 2023. Director Bol discussed the Safety Meeting he attended on October 12, 2023. Directors Bol, Effertz, Kessler & Mandel discussed the BLC course they attended on October 17, 2023 and Directors Bol, Cook, Kessler & Kuhl discussed the BCL course they attended on October 18, 2023. The directors reviewed the Monthly Safety Report from Denise Fox, Compliance Safety and Training Officer.

Reports

Reports listed in the board packet were reviewed for the month of September included the power bill, department statistics, fleet management and budget month-to-date.

Inventory of Work Orders

Inventory of Work Orders summarizing construction activity for the month of September in the amount of \$168,011.17 was presented for approval and included new services - \$38,692.45; change jobs - \$7,065.95; Other Work Order Projects - \$122,252.77 and 0 retirements. The Inventory of Work Orders stood approved as presented.

Manager and Staff Reports

General Manager Torud and Staff members Beaudette, Steines & Straw presented written and oral reports of their activities for the month.

Outage and Overtime

Outages year-to-date stand at 56,590.46 consumer hours off, which is 25.98% below 2022 hours of 76,453.52. Overtime year-to-date is 2,762.25 hours, which is 7.69% below 2022 hours of 2,565.00.

2024 WECA Education & Lobby Days

The 2024 WECA Education & Lobby Days is scheduled during the regular board meeting date of January 31, 2024. An option was proposed that the directors meet January 29, 2024 and schedule a Special Meeting of the Board of Directors for February 1, 2024. Director Kuhl moved, and Director Effertz seconded, to approve the option as presented. Motion carried.

Federated Youth Foundation (FYF) Member Renewal Application

The board reviewed the Federated Youth Foundation (FYF) memo and Member Renewal Application. Director Kessler moved, Director Mandel seconded, to select Option A, which is to contribute 100 percent to the member's account to be held and disbursed upon the member's request. Motion carried. Signatures to be affixed and the document will be returned to FYF for future reference.

Electric Vehicle Purchase

Director of Member Services Beaudette presented information to the board regarding options to purchase a 2022 Ford Lightning or a 2023 Ford Mustang Mach-E. The 2023 Budget allows \$51,500 to replace the Equinox. Director Kuhl moved, Director Mandel seconded, to approve the purchase of a 4-door, ½ ton combustion powered truck to be placed in the 2024 budget. Motion carried.

DPC Cooperative Contributions Program

The board revisited the DPC Cooperative Contributions Program which allows \$1,000 to be donated within a Cooperative's service area if the requirements are met per their policy. Requests must be submitted by October 31, 2023. Donation opportunities were listed and reviewed. The DPC donation request can only be used on one entity and cannot be split between more than one recipient. Director Effertz moved, Director Mandel seconded, to use the \$1,000 from DPC Cooperative Contributions Program for the Rice Lake Marshfield Clinic Hospice program. Motion carried.

Liberty RNG LLC Service Agreement

The board reviewed the Liberty RNG LLC Service Agreement & Schedule A. Director Kessler moved, Director Effertz seconded, to approve the Service Agreement & Schedule A for Liberty RNG, LLC as presented. Motion carried.

Pre-Approval to the 2024 Budget – Spooner Forklift

Director of Operations Steines presented information to the board regarding options for replacing the Spooner forklift. Steines requested pre-approval to the 2024 budget for the purchase of a 2023 Doosan 7,000-pound forklift at a cost of \$44,000. Director Olson moved, Director Baker seconded, to pre-approve the purchase of the forklift as presented to the 2024 Budget. Motion carried.

Pre-Approval to the 2024 Budget – Transformers

Director of Operations Steines presented information to the board regarding the purchase of underground transformers. Steines requested pre-approval to the 2024 budget to purchase \$208,540 in underground transformers from RESCO. Director Bol moved, Director Kuhl seconded, to pre-approve the purchase of underground transformers as presented to the 2024 Budget. Motion carried.

DPC RVA, PCA & Business Development Fund

Director of Finance Straw presented information to the board regarding DPC Power Cost Adjustment (PCA), Revenue Volatility Adjustment (RVA) and the Business Development Fund (BDF) and how it affects our Distribution Equity and margins. Director Kessler moved, Director Warwick seconded, to retain the PCA, RVA, and BDV to improve equity. Motion carried.

OTIER – Policy No. 501

Director of Finance Straw presented information to the board regarding Policy No. 501 – Financial Policy and OTIER. Director Kessler moved, Director Bol seconded, to change the policy to read as for II. Content, B. Financial Goals and Parameters, 3. Coverage Ratios paragraph 3: *The cooperative shall maintain an Operating Times Interest Earned Ratio (OTIER) minimum of 1.8.* Motion carried.

Staff Dismissed

11:51 AM

General Manager Torud and Director of Finance Straw were asked to stay for discussion with the board.

Equity

The board, along with Torud & Straw, discussed equity. Straw was dismissed, and the board continued their discussion on equity.

Other Business

The WECA Annual Meeting is scheduled for November 8-9, 2023, in Eau Claire.

The Directors Effertz & Warwick will participate in the Annual Safety Audit scheduled for November 13, 2023.

The Budget Scope is scheduled for November 20, 2023 at 9:30 a.m.

The office is closed November 23-24, 2023, in observance of Thanksgiving.

The Board Meeting is scheduled for November 29, 2023.

Director Warwick is scheduled to attend the Safety Meeting on December 13, 2023.

The Final Budget presentation is tentatively scheduled for December 18, 2023 at 10:00 a.m.

The December Board Meeting and All Employee & Director Lunch is scheduled for December 20, 2023.

The office is closed December 25, 2023, in observance of Christmas.

The meeting adjourned at 12:24 PM

Scott Warwick, Secretary