

**IOWA LAKES ELECTRIC COOPERATIVE**  
**Board of Directors Meeting**  
**January 25, 2024**

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**ONLINE MINUTES**

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The meeting of the Iowa Lakes Electric Cooperative Board of Directors was called to order at 10 a.m. by Board Chair Jerry Beck on January 25, 2024, at the Cooperative's headquarters in Estherville, Iowa.

The following directors were present either in person or by video conference: Bruce Amundson, Ben Ashland, Jerry Beck, Chad Boysen, Craig Deim, Dave Friedrich, Neal Heldt, Alan Madden, Crystal Pluth, Gary Rouse, Mark Tuttle, Trent Will, Roger Williamson and Dan Winterhof.

Also present for the meeting were President/CEO Ryan Craig, Vice President of Operations and Engineering Aaron Ruschy, Vice President of Finance/CFO Shelly Tredway, Vice President of Customer and Corporate Relations Jen Sievert, Executive Assistant Amy Howard and Cooperative Attorney Scot Bauermeister.

**AGENDA**

Board Chair Beck asked if there were any additions to the Board Agenda. Being none, the agenda was approved.

**MINUTES**

Board Chair Beck asked if there were any changes or corrections to the December 28, 2023, minutes as provided. Being none, it was moved and seconded to approve the minutes.

Board Chair Beck declared the meeting duly organized for the transaction of Cooperative business.

**UNFINISHED BUSINESS**

None

**NEW BUSINESS**

**Memberships for Approval (Action)**

It was moved by and seconded to approve the memberships as presented. Motion carried.

**Northwest Iowa Power Cooperative (NIPCO) Board Representative (Action)**

Board Chair Beck stated a director representative for the NIPCO Board of Directors from the Cooperative will need to be nominated and elected for a three-year term at the upcoming NIPCO annual meeting to be held April 2, 2024.

Following discussion, it was moved and seconded to nominate Director Will to serve a fourth term as the Cooperative's NIPCO Board Representative to begin April 2, 2024, for a three-year term. Motion carried.

**Operations & Engineering 2024 Work Plan (Action)**

Board Chair Beck called upon Vice President Ruschy to present Operations/Engineering/IT/Renewable Energy Services 2024 Work Plan.

Ruschy presented the Operations & Engineering Work Plan. The 2024 budget for the Operations and Engineering is \$6,813,573.

Ruschy continued his presentation with the 2024 Information Technology (IT) Work Plan. The 2024 budget for Information Technology is \$598,397.

Vice President Ruschy continued his presentation with the Renewable Energy Services work plan section highlighting 2023 results and proposed future generation production and budget projections for 2024. The budget for Renewable Energy Services is \$1,344,630.

The 2024 Operations Department total work plan budget is \$8,756,600.

Following discussion, it was moved and seconded to approve the 2024 Operations & Engineering Department work plan as presented. Motion carried.

### **Customer and Corporate Relations 2024 Work Plan (Action)**

Board Chair Beck called upon, Jen Sievert, Vice President of Customer and Corporate Relations, to present her 2024 Work Plan.

Following her presentation, Vice President Sievert stated the 2024 budget for the Customer and Corporate Relations department is \$1,243,842.

Vice President Sievert reviewed the ILDC 2024 work plan budget of \$53,900.

Following discussion, it was moved and seconded to approve the 2024 Customer and Corporate Relations work plan as presented. Motion carried.

### **Policy 403 – Director’s Meeting – Attendance and Expenses (Action)**

Board Chair Beck reviewed the Boards current per diems, the proposed per diems and per diem comparisons among other Iowa Cooperatives. Executive Assistant Howard explained the Board meeting per diem has not been changed since 2019.

Following discussion, it was moved by Director Madden and seconded by Director Williamson to increase the Board per diem amount to \$400 from \$350 and add a new per diem for remote video of \$350, effective Feb. 1, 2024. Motion carried with 12 in favor and 1 against.

### **Policy 302 – General Employee Policies - Vacation Accrual (Action)**

Board Chair Beck called upon President & CEO Craig to present information as it pertains to proposed changes in Policy #302 and the Cooperative’s vacation accrual policy with an effective date of February 1, 2024. Craig reviewed the current policy, an industry comparison and the proposed new vacation accrual model.

Following discussion, it was moved and seconded to approve the changes as presented. Motion carried.

### **Preliminary December 2023 Financials**

Board Chair Beck called upon Vice President Tredway to present the preliminary December 2023 year-end financials. Discussion followed.

### **2023 Margin Rebates and Credits (Action)**

Board Chair Beck called upon Vice President Tredway to provide a recommendation for an electric margin rebate and load management rebate.

Tredway proposed the Cooperative return \$1,230,000 to the membership as a bill credit. This includes an electric margin rebate of \$1 million and a \$230,000 Load Management rebate.

Following discussion, it was moved and seconded to approve a total margin rebate of \$1,230,000 which includes a load management rebate not to exceed \$45 per controlled account with the provision the total load management rebate will be approximately \$230,000. These rebates will be applied as a bill credit to the membership and would apply to all current accounts with 2023 revenue using the margin rebate methodology set forth in Tariff Section 28.18. Motion carried.

### **Deferred Revenue Resolution (Action)**

Vice President Tredway provided information to the Board as it relates to the Board's ability as regulators to establish a revenue deferral plan. Tredway provided a history of the Cooperative's electric and wind revenue deferral plans.

Following discussion, it was moved and seconded to approve not deferring funds of electric revenue to future years and recognize \$810,000 in previously deferred wind revenue. Motion carried.

### **ILEC Charitable Foundation Board Member Approval (Action)**

Board Chair Beck called upon Vice President Sievert to present the names of three board members for the Iowa Lakes Electric Cooperative Charitable Foundation for a three-year term according to the Foundation bylaws. The following members were presented for approval:

1. Janet Diem, Swea City
2. Jarrett Smith, Spencer
3. Lynn Winterhof, Aurelia

Following discussion, it was moved and seconded to approve the ILEC Charitable Foundation Board Members as presented. Motion carried.

### **Lakes Business Park – Lot 7 Sale (Action)**

Board Chair Beck called upon Vice President Sievert to present the sale proposal of Lot 7 in the Lakes Business Park.

Following discussion, it was moved and seconded to accept the offer of \$50,000 for the sale of Lot 7 in the Lakes Business Park with the stipulations the lot must be developed within 24 months as commercial space, not as condo storage units. Motion carried.

### **Staff and G&T Reports**

Vice President Ruschy reviewed his monthly report.

Vice President Sievert reviewed her monthly report.

### **President/CEO Report**

President/CEO Craig reviewed his monthly report which included a review of the crew visits and the meetings he recently attended.

President/CEO Craig gave an overview of the International Project through Iowa and Minnesota Statewide Associations. A group of linemen from the two states will travel to San Marcos, Guatemala June 3-21, 2024, to bring electricity to two remote villages. The preliminary project cost is \$250,000. Iowa Association of Electric Cooperatives is asking distribution cooperatives to consider a financial contribution to offset the 2024 project costs.

Following discussion, it was moved and seconded to approve a contribution of \$2,500 from Iowa Lakes Electric Cooperative to the International Project with the Cooperative to apply for matching funds through Basin's Electric Member Matching Charitable Giving Program. Motion carried.

### **G&T Reports**

Basin – The Board of Directors viewed the video: January 2024 Basin Board Report. Board Chair Beck provided a Basin report.

Corn Belt Power Cooperative – President/CEO Craig provided a Corn Belt report.

NIPCO – President/CEO Craig provided a NIPCO report.

IAEC – Director Amundson provided an IAEC report.

Heartland Security Services (HSS) – President/CEO Craig stated financials have been posted.

### **Director Meeting and Training Reports**

Director Pluth gave a report on the NRECA Course BLC 979.1 ESG and the Cooperative Difference she attended virtually this month.

### **MISCELLANEOUS**

Board Chair Beck reminded everyone in attendance the next regularly scheduled Board of Directors meeting would be held on Thursday, Feb. 29, 2024, at 9 a.m.

Board Chair Beck requested any miscellaneous items be brought before the Board of Directors for discussion and attention at this time.

Board Treasurer Winterhof reviewed the journal of checks and master credit card statements issued for the month of December 2023 prior to the meeting.

Board Treasurer Winterhof and Board Secretary Will reviewed and approved the director per diem forms for the month of January 2024.

### **ADJOURNMENT**

There being no further business to be brought before the Board of Directors, it was moved and seconded to adjourn. Motion carried.

Approved Feb. 29, 2024

Trent A. Will, Secretary

**Notice – Summary Version of ILEC Board Minutes**

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*Every effort has been made to ensure the integrity of these minutes and the online summary provided is not to be considered the “official text” of the Cooperative’s Board of Director’s meeting and may contain differences to the approved “official text”.*

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