

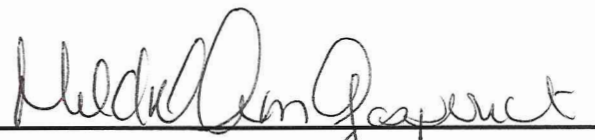
A REGULAR MEETING OF THE ONTONAGON COUNTY R.E.A.  
BOARD OF DIRECTORS WAS HELD AT 500 JAMES K PAUL STREET  
ONTONAGON MICHIGAN

Minutes  
August 16, 2024, 9:30 A.M.

1. Hodges called the regular meeting to order at 9:32.
  2. Roll Call – Hodges, C Koski, Myhren, Gasperich, P Koski, Gaunt, and Lehto excused. Others Present: CEO Aho, Attorney Greeley, and Tom Soback.
  3. **M/S Gaunt/Myhren** to provide information requested by Mike Urbis, during the July member comment session, all in favor, passed.
  4. Member comment session: 1<sup>st</sup> Mike and Cathy Urbis, thanked the board for the documents provided, suggested our vision has been impaired, and submitted another list of questions to be complete for the September meeting. 2<sup>nd</sup> Pat Kitzman was at the session on behalf of ‘my people.’ He asked questions pertaining to ongoing personnel matters. Due to the nature of the matter, no comment or answer was or can be provided.
  5. **M/S Myhren/Gaunt** to approval the agenda, with the correction of an item under other business regarding training held in December of 2023, not 2024, move up our special guest Diana Torola to 10:00 am, and add the MECA Update. All in favor, motion passed.
  6. **M/S C Koski/Gaunt** to approval the Minutes of July 19<sup>th</sup> regular meeting correction of Myhre to Myhren. All in favor, motion passed.
  7. Attorney Reports – Attorney Greeley verified that each of us has read Policy 200-4, Directors Duties, Responsibilities, Standards of Conduct, and Professional Development and asked if we had any questions or discussion point, now was the time. He also asked if we had any comments or discussion regarding 1000-1 Policy on Privacy, Confidentiality, Conflict of Interest.
  8. Operations’ Report was provided by Justin Sironen. Update to the report include both pieces of equipment in item 2, are back up and running. Gasperich asked where the KNG line was that is being repolled and reconstructed is on the North end.
  9. CEO Report is attached.
  10. Financial Report
    - a) Financial Statements were presented for period ended 06/30/2024;
    - b) PSCR Over/Under Collection report was presented for period ended 07/31/2024;
    - c) RUS Form 219, ‘none for this month’;
    - d) List of Bills – were presented for **July 2024**
- M/S Myhren/Gaunt** To approve the reports as presented and discussed. All in favor, motion passed.
11. Business Requiring Board Action
    - a) Board Signatures for July 19, 2024 Regular Meeting Minutes
  12. Other Business
    - a) Diana Torola Youth Tour Presentation – Provided an excellent synopsis of her trip to Washington DC with the Michigan contingent of REA Cooperatives to the nationwide event. She will be our guest speaker at the Annual Meeting in June of 2025.
    - b) Strategic Planning – Hodges lead the Financial Review discussion from the training in December 2023. The items listed include developing a long-range rate plan, COMPLETE with rate increase implemented in February, strategic planning, developing long range goals and understanding capital credits are the remainder of the items on the list.
    - c) RESCO Update Rural Electric Supply Cooperative has been contacted to find out pricing and services offered as it is also a cooperative.
    - d) IT Vendor – RFP Update was provided in the CEO report, (out for RFP)
    - e) Board Policy Update: 200-4 Director Duties, Responsibilities, Standards of Conduct, and Professional Development along with 1000-1, Policy on Privacy, Confidentiality, Conflict of Interest, Directors acknowledged the review of these policies by endorsing them.
    - f) MECA Special meeting – Craig Bohr is retiring in March of 2025. A national search has begun. A Management and leadership program will be started through MECA. Dallas and Justin are both encouraged to attend. (The NRECA training approved in July, was already full when CEO AHO called after the board approval.)
  13. Around the Table Discussion – Gasperich was the only director with comments

Gasperich – Expressed she has heard from members that they are frustrated with the increase in our rates. Her most often asked question is the \$30.00 service fee. It is not a new fee. It is to maintain our existing electrical infrastructure. In the past, the fee was \$25.00. It is an increase of \$5.00 per month. She also wanted to verify her attendance at the Director Education class, Financial Decision Making in Eau Claire in October. It was reiterated to her by a **Motion/Second by Gaunt/Myhren** to go to the class and complete your certification. All in favor, motion passed.

- 14. Executive Session was called by Hodges at 12:40 and returned at 12:58.
- 15. Next Meeting Date: September 20, 2024
- 16. Adjournment by Myhren at 12:58 Sine Die

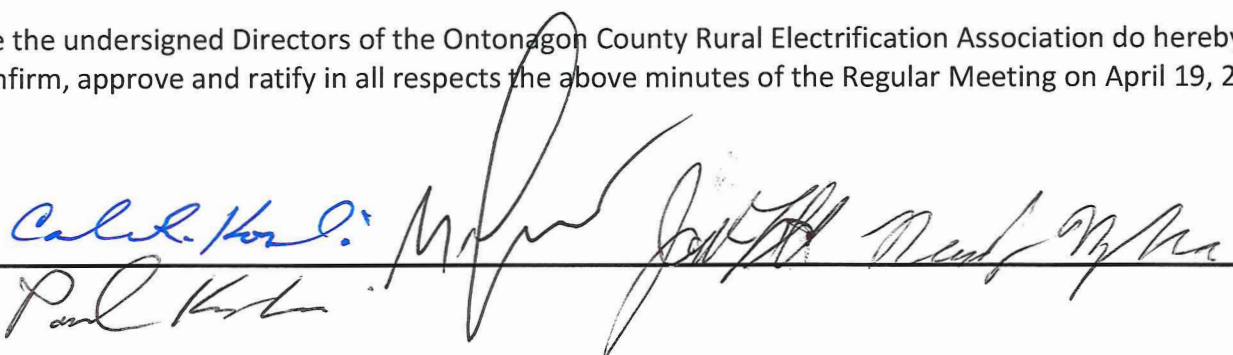


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Mildred Ann Gasperich, Secretary

William Hodges, President

We the undersigned Directors of the Ontonagon County Rural Electrification Association do hereby confirm, approve and ratify in all respects the above minutes of the Regular Meeting on April 19, 2024.



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A REGULAR MEETING OF THE ONTONAGON COUNTY R.E.A.  
BOARD OF DIRECTORS WILL BE HELD AT 500 JAMES K PAUL STREET  
ONTONAGON MICHIGAN

AGENDA

September 20, 2024 10:00 A.M.

1. Call regular meeting to order
2. Roll Call
3. Mike Urbis – Information Request
4. Member Comment Session
5. Approval of the Agenda
6. Executive Session
7. Approve Minutes of the August 16, Regular Board Meeting
8. Attorney Report
9. Operations Report
10. CEO Report
11. Financial Report
  - a) Financial Statements for period ended 7/31/2024
  - b) PSCR Over/Under Collection for period ended 08/31/2024
  - c) List of Bills – August 2024
12. Business Requiring Board Action
  - a) Board Signatures for August 16, Regular Meeting Minutes
  - b) Removal of Mark Urbis as an Account Signer at Citizens State Bank
  - c) Add Kelsey Preiss as an Account Signer at Citizens State Bank
13. Other Business
  - a) Bolinger, Segars, Gilbert & Moss, LLP – Advisory Services
  - b) Amanda Seger CFC – KRTA Presentation
14. Around the Table Discussion
15. Next Meeting Date: October 18, 2024
16. Adjournment



# THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

## CEO Report – September 2024

### 1. Miscellaneous Business Updates

- 1.1 Signed a technology services agreement with LASCO out of Marquette, MI.
- 1.2 Signed a 12-month service agreement with Verizon Connect to be our GPS fleet management provider.
- 1.3 Tom completed an initial assessment and found some areas of initial emphasis. Accounting and financial reporting along with the (PSCR) rate are in need of review. Bauman Associates are willing to review current operations and provide a scope of work and estimate of costs.
- 1.4 Bolinger, Segars, Gilbert & Moss, LLP – Advisory Services provided a quote for accounting services.
- 1.5 Completed and filed missing 941/940 tax forms from 2022/2023.

### 2. Staffing Updates

- 2.1 Kelsey Preiss accepted the Administrative Assistant position with a start date of 9/3/2024.

### 3. Times Interest Earned Ratio (TIER) and Margins Update

1.1 TIER – Operating	Target Range: >1.1	Actual: 8.29
1.2 TIER – Net	Target Range: >1.25	Actual: 8.92
1.3 TIER – Modified	Target Range: >1.35	Actual: 8.31
1.4 Current Assets to Current Liabilities	Target Range: 1 to 1	Actual: 1.74 to 1
1.5 Margins and Equities to Total Assets	Target Range: > 30%	Actual: 30.12%
1.6 Long-Term Debt to Total Utility Plant	Target Range: > 50%	Actual: 45.81%

500 J.K. Paul Street - Ontonagon, Michigan 49953 - (906) 884-4151

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Ontonagon REA

## THE ONTONAGON COUNTY RURAL ELECTRIFICATION ASSOCIATION

### 2024 September Operations Report

#### 1. Safety

- 1.1 There were 2 accidents and zero near misses reported in August.
- 1.2 The MECA Safety Meeting was held on 28th. The safety meeting included Hazard Recognition and conducting safety audits.
- 1.3 The September MECA Safety Meeting will be held on September 25th.

#### 2. Trucks and Equipment

- 2.1 Tree Bucket #21 was in the shop to have boom rebuilt. It is back on the ROW.
- 2.2 Bucket truck #4 was in the body shop for deer collision repair.

#### 3. Service Interruptions

- 3.1 In the month of August, we had 39 outages with a total duration of 931 minutes.

#### 4. Vegetation Management

- 4.1 Tree Crew: Mowed 136 spans Trimmed 14 Spans. Removed 478 Trees.

#### 5. Miscellaneous Items

- 5.1 Crews are working on completing new services.
- 5.2 Pat wheeler came to discuss/review work plan projects and load forecast
- 5.3 Current total of 4,009 new vision meters installed. +12 from July
- 5.4 All of the projected steel metering poles have been set. Working with communication companies to get them online.

#### 6. Maintenance

- 6.1 OCR, Regulator, and Substation Inspections continue each month.
- 6.2 Crews are working on work plan jobs/line upgrades in between new services.

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