

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

Minutes

September 20, 2024, 10:00 A.M.

1. Hodges called the regular meeting to order at 10:01
2. Roll Call – Hodges via Teams, Cal Koski, Myhren, Gasperich, Paul Koski (emergency – arrived at 11:30), Gaunt, Lehto. Others Present: Manager Aho, Consultant Tom Sobek, Justin Sironen, Kelsey Preiss, and Attorney Greeley.
3. Mike Urbis Information Request **M/S Gasperich/Gaunt** to release information to Urbis
4. Member comment session – Mike Urbis and Pat Kitzman spoke
5. M/S Gaunt/Myhren to approval the agenda, moving up the executive session to just before the attorney report, all in favor, motion passed.
6. M/S Myhren/Gaunt to approval the Minutes of August 16, 2024 regular meeting, all in favor, motion passed.
7. Executive session called at 10:26, returned to regular session at 10:45
8. Attorney Reports
Worked with staff on the questions and answers. Light month.
9. Operations' Report attached. Gasperich asked for information on how the three-man brushing crew was working out. Reply was very positive, especially with all of the time off taken, never any down time.
10. CEO Report attached. Further discussion on the IT contract with LASCO a Marquette IT support company, was selected for a three-year contract.
11. Financial Report
 - a) Financial Statements for period ended 07/31/2024
 - b) PSCR Over/Under Collection for period ended 08/31/2024
 - c) List of Bills – **August 2024**

M/S Myhren/Gaunt to approve the reports as presented and discussed, all in favor, motion passed.

12. Business Requiring Board Action
 - a) Board Signatures for August 16, 2024 Regular Meeting Minutes
 - b) **M/S Gasperich/Gaunt** for the removal of Mark Urbis as an account signer at Citizens State Bank, all in favor, motion passed.
 - c) **M/S Gasperich/Calvin Koski** to add Kelsey Preiss as an Account signer at Citizens State Bank, all in favor, motion passed.
13. Other Business
 - a) **M/S Gaunt/Gasperich** to approve Bolinger, Segars, Gilbert & Moss LLP – Advisory Services to begin Monday September 16, 2024 as per contract, roll call vote, Gaunt-yes, Gasperich-yes, C Koski-yes, Myhren-yes, Lehto-yes, Hodges-yes, all in favor, motion passed.
 - b) Amanda Seger CFC – Provided the Key Ration Trends Analysis (KRTA) comparing us to other electric cooperatives across the state and the country. She answered many questions and is available to answer others as they come up. Amanda lives in Gladstone and worked with Alger Delta Electric Cooperative as CFO before going to Cooperative Finance Corporation (CFC).

13 Around the Table Discussion

Lehto- reported on the vegetation management crew being in his area and said his sister was happy with the work they accomplished.

Gaunt- nothing

C. Koski-nothing

P Koski- asked about the need to provide fencing at the substation in Ewen, as it is a park and ride location.

Myhren- nothing

Gasperich- Commended the staff and Tom for all of their hard work and showing us how well the team works together. It is a pleasure to see everyone so excited about our future!

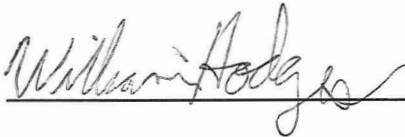
Hodges- Very appreciative of the continuous advances we are making! Good job!

14. Executive Session – moved up to item 7.

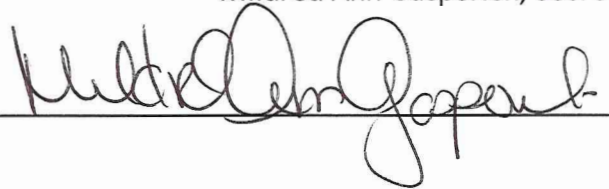
15. Next Meeting Date: October 18, 2024

16. Adjournment Myhren at 12:19 Sine Die

William Hodges, President



Mildred Ann Gasperich, Secretary



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~~

 ~~Sept 20, 2024~~

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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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.