

July Board Summary

The board of directors of Dakota Energy Cooperative met on Wednesday, July 20, 2011, with all directors present. Also present were Manager Ken Gates and staff members Jodene Decker, Chad Felderman, Lynn Kruse and Mike Moncur.

Manager Gates in his report reviewed with the board the following items:

- Reported on the revised NRECA Safety Achievement Program and Dakota Energy's commitment and upcoming achievement process.
- Reviewed the Employee Quality Improvement Council improvements to the cooperative's website.
- Reported on East River's proposed legislative changes to the gross receipt tax based on kilowatt hour sales versus the current revenue based.
- Updated the Board on the status of new rendering plant, Da Pro, which plans to be operational this fall.
- Reported the purchase of a new lawn mower for the Huron office.
- Reported that Basin Electric Power Cooperative will raise the cost of power beginning in September.
- Reported that Western Area Power Association will keep their drought adder rate the same due to the record water run-off. However, this will be monitored on a continuing basis.
- Reported that the funds from the RUS loan are now available for the 2011-2014 construction work plan.
- Reported that Minnesota Valley Tree Trimmers have finished their work. The cooperative has received many compliments on their work.

In addition to his written report, Operations Manager Lynn Kruse reported on the status of storm repair being done in Hand and Hyde Counties. He also reported on the installation of a blocker for a dairy service.

Manager of Member Services Chad Felderman reviewed his written report and updated the Board on member owned wind turbine projects. He also reported on the ER Manager's meeting he attended.

In addition to his written report, Manager of Finance and Administration Mike Moncur reported that Dakota Energy's audit completed by EideBailly has been certified by the federal government. He also reported that Bryan Huber has been hired as a 1,000 hour position in the Miller office. Moncur also reviewed the CFC 2010 Key Ratio Trend Analysis Report with the board.

Moncur reviewed the Cooperative's financial packet for the month of May 2011.

Board members considered and/or acted upon the following matters:

- Accepted the financial reports as presented.
- Accepted the management reports as presented.

- Approved a Board Resolution and Safety Policy as presented.
- Approved Dakota Energy's delegate to the South Dakota Association of Cooperatives annual meeting in September.

Director David Allen reviewed the East River Electric Cooperative monthly board meeting activities.

Director Garry Dearborn reviewed the South Dakota Rural Electric Association board meeting activities.

The next regular monthly meeting will be held on Wednesday, August 17, 2011 at Dakota Provisions office building in Huron.