

NOTICE OF BOARD MEETING

The regular meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. will be held **Tuesday, March 28, 2023, at 5:00 pm**
Location is Room 121 at the Co-op's office, 5 North Depot Street, Delhi, New York 13753 to act on the following agenda.

AGENDA

- I. Opening Business:
 - a. Call to Order
 - b. Roll Call - Determination of Quorum
 - c. Adoption of Agenda [packet page 1]
- II. Consent Agenda:
 - a. Minutes of February 28, 2023 Regular Meeting [packet pages 2-5]
 - b. New Memberships [packet page 6]
 - c. Bad Debt Collection Report & Resolution [packet pages 7-8]
 - d. Director Compensation [packet page 9]
 - e. Corporate Calendar [packet page 10]
- III. Review of Policies:
 - a. Procurement, Receiving & Disbursement – clean [packet pages 11-12]
 - b. Procurement, Receiving & Disbursement – marked-up [packet pages 13-16]
 - c. Estate Capital Credits [packet pages 17-18]
 - d. Diversity, Equity, Inclusion and Social Responsibility Policy [packet pages 19-20]
- IV. Announcement of Upcoming Policies to be Reviewed:
 - a. April 2023: Insurance and Fidelity Coverage, Safety Committee and Incident Investigation Policy
- V. Grant Discussion
- VI. Executive Session
- VII. CEO/General Manager John Gasstrom's Report: [packet page 21]
- VIII. CFO Cannizzaro's Monthly Report: [handout]
 - a. January Financials [handout]
 - b. February Financials [handout]
- IX. Operations Manager Sullivan's Monthly Report: [packet page 22]
 - a. Quarterly Tree Crew Update [presentation]
- X. Manager of System Planning, Job Training & Safety Small's Monthly Report: [packet page 23]
- XI. CSA Linehan's Monthly Report: [packet page 24]
- XII. Director/Staff Association Reports:
 - a. NYSRECA Government Relations Committee Meeting, March 3, 2023 @1:30pm – Zoom
 - b. NRECA Annual Meeting, March 5-8, 2023 – Nashville, TN
 - c. NYAPP Monthly Meeting, March 17, 2023 – Zoom
 - d. Strategic Planning Meeting with Board, **Tuesday, 03/21/2023 @ 5pm**
 - i. Interview Youth Delegate candidate
 - ii. Strategic Planning Meeting
 - e. UUS Board Meeting, March 20, 2023 – Virtual
- XIII. New Business:
- XIV. Future Business:
 - a. Rural Resources Fair, March 29, 2023 – Albany, NY
 - b. NYAPP Conference, April 11-13, 2023 – Saratoga Springs, NY
 - c. Legislative Conference, April 16-19, 2023 – Washington DC
 - d. NYAPP Monthly Meeting, April 21, 2023 – Zoom
 - e. DCEC Finance Committee Meeting & Regular Board Meeting, **Tuesday, 04/25/2023 @ 4pm**
 - i. Fleet report to Board
 - f. NYSRECA Meeting & Advocacy Day, May 7-9, 2023 – Albany, NY
 - g. CFC Forum, June 19-21, 2023 – Seattle, WA
 - h. NYSRECA Annual Meeting, July 27, 2023 – location TBD
 - i. NRECA Regional Meetings 1&4, September 6-8, 2023 – Richmond, VA
 - j. DCEC's 79th Annual Meeting, September 15, 2023 – Delaware Academy, Delhi, NY
 - k. NEAEC Annual Meeting, October 9-13, 2023 – Newport, RI
 - i. Board checks in on October 9, 2023
 - ii. Risk Oversight, The Board's Role in Risk Management 921.1 NRECA training, October 10, 2023
- XV. Executive Session:
- XVI. Adjournment:

The aim of Delaware County Electric Cooperative, Inc., is to make electric energy and related services available to members at the lowest cost consistent with sound economy and good management.

Cooperative Stakeholders

- Members
- Employees
- Community
- Business Partners
 - Suppliers
 - RUS
 - CFC
 - Federated
 - Other cooperatives
 - NYSERDA
- Government
- Regulators

Delaware County Electric Cooperative
Board Meeting Minutes
February 28, 2023

I. Opening Business: The regular monthly meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. was held February 28, 2023 at the Co-op's office, 5 North Depot Street, Delhi, New York.

A. Call to Order: The meeting was called to order at 5:08 p.m. by President Pick.

B. Roll Call - Determination of Quorum:

Stephen Oles	P
Edward Pick Jr.	P
Paul Menke	P
Laurie Wehmeyer	P
Steve Burnett	P
Jeffrey Russell	P
Edward Furgol	P

DCEC staff members that participated in-person were, CEO/General Manager John Gasstrom, Operations Manager Ryan Sullivan, and CSA Janelle Linehan. DCEC's Legal Counsel Jeffrey Clark from Livingston Associates participated via phone conference.

D. Adoption of Agenda: A motion was made by Director Burnett to adopt the agenda. The motion was seconded by Secretary Wehmeyer. The motion passed.

II. Consent Agenda: A motion was made to approve the consent agenda as presented by Vice President Russell. The motion was seconded by Treasurer Menke. The motion passed.

III. Policies:

- a. Energy Conservation & Efficiency
 - i. Current Energy Efficiency Programs

A motion was made to approve the policy by Director Burnett. The motion was seconded by Vice President Russell. The motion passed.

V. CEO/General Manager John Gasstrom's Report:

CEO Gasstrom discussed government relations and outside organizations, cooperative relations, staffing and employee relations, grants, rates, and community interaction.

VI. One Card Presentation:

CSA Linehan presented the benefits of the One Card program and made a recommendation to establish a corporate credit card program under the terms and conditions of the "One Card Program" through CFC and US Bank on behalf of the cooperative and to authorize Board President Pick to execute the appropriate documents to establish this program.

A motion was made to approve the adoption of the One Card program by Secretary Wehmeyer. The motion was seconded by Treasurer Menke. The motion passed.

(Attached: Certified Copy of Minutes Authorizing National Rural Utilities Cooperative Finance Corporation One Card Program Reimbursement Agreement)

VII. CFO Cannizzaro's Monthly Report:

In absence of CFO, financials were not available. CEO discussed preliminary results from audit. CFO will provide January financials as time allows.

VIII. Operations Manager Sullivan's Monthly Report:

a. Quarterly Line Crew Update

Operations Manager Sullivan discussed notable outages and occurrences and updates on special projects.

IX. Manager of System Planning, Job Training & Safety Small's Monthly Report:

CEO Gasstrom reviewed report.

X. CSA Linehan's Monthly Report:

CSA Linehan gave oral report. President Pick suggested more discussion around the Climate Act (CLCPA) to be addressed in the newsletter.

XI. Director/Staff Association Reports:

a. NYAPP Monthly Zoom Call, 2/17/23 –

CEO Gasstrom and President Pick gave report from meeting.

XII. New Business:

Board reviewed Youth Delegate program and suggested adjustments to qualification criteria.

XIII. Future Business:

- a. NYSRECA Government Relations Committee Meeting, March 3, 2023 @1:30pm, Zoom
- b. NRECA Annual Meeting, March 5-8, 2023, Nashville, TN
- c. Strategic Planning Meeting with Board, Tuesday, 03/21/2023 @ 5pm
 - a. Interview Youth Delegate candidates
 - b. Strategic Planning Meeting
- d. DCEC Regular Board Meeting, Tuesday, 03/28/2023 @ 5pm
 - a. Tree report to Board
- e. Legislative Conference, April 16-19, 2023, Washington DC

XIV. Executive Session:

A motion was made at 6:49pm to enter Executive Session by Director Burnett. The motion was seconded by Secretary Wehmeyer. DCEC staff CEO/General Manager John Gasstrom was invited to stay. Operations Manager Ryan Sullivan, and CSA Janelle Linehan were excused. A motion was made to exit executive session at 7:22pm by Director Menke. The motion was seconded by Director Burnett.

XV. Adjournment: There being no further business on the agenda, President Pick adjourned the meeting at 7:51pm.

Respectfully submitted,

Secretary, Laurie Wehmeyer

CERTIFIED COPY OF MINUTES AUTHORIZING
National Rural Utilities Cooperative Finance Corporation
One Card Program Reimbursement Agreement

I, Laurie Wehmeyer, do hereby certify that: I am the Secretary of Delaware County Electric Cooperative, Inc. (the "Cooperative") and further certify as follows:

The following is a true and correct copy of excerpts from the minutes of a meeting of the Board of Directors of the Cooperative held on February 28, 2023, as they appear in the Minutes Book of the Cooperative; the meeting was duly and properly called, with a quorum present and acting throughout; said resolutions were duly adopted thereat; and said resolutions have not been modified or rescinded:

"RESOLVED, that the Cooperative establish or continue its participation in a corporate credit card program under the terms, conditions and provisions of the One Card Program Reimbursement Agreement (the "Agreement"), and to reimburse CFC, together with interest, for any amounts that CFC is required to pay U.S. BANK on behalf of the Cooperative pursuant to the terms of the Agreement; and,

RESOLVED, that the Board President of the Cooperative be and is hereby
(Insert Title of Appropriate Official)
authorized to execute the Agreement on behalf of the Cooperative, to execute any future amendments to said Agreement as such individual may deem appropriate, and to execute such further documents as may be necessary or appropriate in order to comply with CFC's or U.S. Bank's requirements; and,

RESOLVED, that it is the intent of the Board that upon execution and delivery of the Agreement to CFC, and when executed by CFC, the Agreement shall constitute a valid and binding agreement between CFC and the Cooperative, enforceable in accordance with its terms; and

RESOLVED, that the appropriate officers are authorized to take all other actions they deem advisable to carry out the purpose of these resolutions."

IN WITNESS WHEREOF I have hereunto set my hand as of the date shown below.

Laurie J. Wehmeyer
Secretary

Date: Feb. 28, 2023

5 North Depot Street, P. O. Box 471, Delhi, New York 13753-0471
607-746-2341

[illegible]



March 28, 2023

BAD DEBT COLLECTION

* **PLEASE NOTE:** The amounts below were recovered through capital credit retirements,
Southern Tier Credit Center & DCEC through February, 2023
Total recovered: \$294.73

Original Amount Turned Over For Collections	Name	**Amount Collected CC to UA	Amount Collected from So. Tier	Amount Collected from DCEC	Commission Paid this Month *	Balance Due
\$564.30	Yvonne Rheel	\$0.86				\$ 564.30
\$205.23	Fred Ballard*****	\$0.00	\$0.00	\$205.23		\$0.00
\$89.50	Karen Mercaldo			\$89.50		\$0.00

* Commission is 30% of the total amount collected last month. 50% if legal services are required. If payment is made directly to us, the commission will be the following month.

** Under \$30.00 does not get reported to Southern Tier Credit Center.

*** Billing department did a small balance write off for the balance due amount.

**** Capital credits are applied on a discounted basis towards outstanding debt per the Capital Credits Applied to Bad Debt Policy.

***** Paid directly to DCEC prior to turning over to Southern Tier for Collections

RESOLUTION

BE IT RESOLVED, THAT WE, The Board of Directors of the Delaware County Electric Cooperative, Inc., 5 N. Depot St., Delhi, NY 13753, do hereby authorize the transfer of \$99.12 representing uncollectible accounts for utility customers per the following listing, to accumulated provision for uncollectible accounts.

<u>ACCOUNT</u>	<u>Map Location</u>	<u>CUSTOMER</u>	<u>SEASONAL</u>	<u>RESIDENTIAL</u>
18416001	MA 3-23-19B	Sarah Marzulla Barber		\$99.12

March 28, 2023

Laurie Wehmeyer
SECRETARY

Director Compensation Report

2023 Director Compensation Report				Report Date:		21-Mar-2023					
<u>Director</u>	<u>Officer</u>	<u>CCD</u>	<u>Per Diem</u>	<u>Pers Mileage*</u>		<u>Comp YTD**</u>	<u>Mileage YTD</u>	<u>TOTAL YTD</u>	<u>Balance Due (YTD)</u>		
1 Burnett	No	Yes	\$ 350	17	\$ 11.14	\$ 1,400.00	\$ 44.56	\$ 1,444.56	\$ 1,444.56		
2 Furgol	No	No	\$ 300	9	\$ 5.90	\$ 1,200.00	\$ 23.60	\$ 1,223.60	\$ 1,223.60		
3 Menke	Yes	Yes	\$ 375	15	\$ 9.83	\$ 1,500.00	\$ 39.32	\$ 1,539.32	\$ 1,539.32		
4 Oles	No	Yes	\$ 350	14	\$ 9.17	\$ 1,400.00	\$ 36.68	\$ 1,436.68	\$ 1,436.68		
5 Pick	Yes	Yes	\$ 375	44	\$ 28.82	\$ 1,500.00	\$ 115.28	\$ 1,615.28	\$ 1,615.28		
6 Russell	Yes	Yes	\$ 375	44	\$ 28.82	\$ 1,500.00	\$ 86.46	\$ 1,586.46	\$ 1,586.46		
8 Wehmeyer	Yes	Yes	\$ 375	52	\$ 34.06	\$ 1,500.00	\$ 136.24	\$ 1,636.24	\$ 1,636.24		
TOTAL:						\$ 10,000.00	\$ 482.14	\$ 10,482.14	\$ 10,482.14		
NOTES:		1) Board policy identifies \$300 per diem compensation + \$25 for officers + \$50 for CCD directors.									
	*	2) Mileage to/from regular meetings @ IRS per mile rates of.....									
	**	3) Compensation YTD reflects total taxable amount earned (excludes reimburseable expenses such as mileage)									
		4) Compensation for co-op-related "Short Activities" @ \$100 per meeting (per Jan2013 Board Resolution)									

DIV	ACTIVITY	M	A	M	J	J	A	S	O	N	D	J	F
BOARD	Nominating (Director Search) Committee Meeting	1											
BOARD	Annual Meeting Kick-off Planning (incl consideration of Bylaw changes)	1											
BOARD	Legislative Youth Tour Interviews/Selection	1											
BOARD	Board decision/approval of proposed bylaw changes (for Annual Meeting)	1											
BOARD	NYSRECA Legislative Conference (tbd)	1											
BOARD	Finance Committee Meeting		1			1			1				
BOARD	Organization & Staffing Committee Meeting			1		1					1		
BOARD	NEAEC Annual Meeting			1									
BOARD	Board Self-Evaluation Survey (odd years only, next 2023)					1							
BOARD	NYSRECA Annual Meeting					1							
BOARD	OEC Annual Meeting						1						
BOARD	CEO Goals & Objectives Mid-Year Review						1						
BOARD	NRECA Survey - Directors, Attorneys, Auditors							1					
BOARD	Cooperative Officers Job Descriptions Review							1					
BOARD	Organizational Meeting of Board (incl. Committee appointments)							1					
BOARD	NRECA Region 1 Annual Meeting							1					
BOARD	Kick-off Budgeting Process (prelim capital budget)								1				
BOARD	Annual Sexual Harassment Training								1				
BOARD	Capital Credit retirement - decision by Board								1				
BOARD	Re-instatement of Accounting/Audit Firm (resolution)								1				
BOARD	Oneida-Madison EC Annual Meeting								1				
BOARD	Steuben REC Annual Meeting								1				
BOARD	CEO Performance Review – kick off & plan Jan O&S Committee Mtg								1				
BOARD	Approve Holiday Gift for Board/Staff/Employees										1		
BOARD	NRECA Annual Meeting											1	
BOARD	Board appoints Nominating Committee (Directors identify members)											1	1
BOARD	Consider GM contract renewal/update										1		
MGMT	Line Extension Policy Rate Review	1											
MGMT	DEC Pesticide Business/Agency Registration (April/May, tri-annual, next in 2022)	1											
MGMT	Update Standard Costs	1											
MGMT	NYS ORPS Equalization & Assessment report (4/15)	1											
MGMT	Strategic Plan Review		1					1			1	1	
MGMT	ROW & Line-Inspection contracting Bid		1										
MGMT	Semi-annual review of Corporate Calendar			1							1		
MGMT	Renew Purchase of TCCs with NYISO/NYPA			1									
MGMT	CFC Annual Forum					1							
MGMT	ROW & Line-Inspection contracting Awards/ Contract Bid Report to Board for Budget						1						
MGMT	Self-Eval to Board						1						
MGMT	DCEC Annual Meeting							1					
MGMT	Year-End Financial Projection (Capital Credit Retirement Assessment)								1				
MGMT	Review DPS Data for Annual Member Deposit Rate Effective 1/1								1				
MGMT	All-Employee Meeting (last week October)								1				
MGMT	Order Holiday Gift Cards for Board/Staff/Employees								1				
MGMT	Year-end Financial Projection (Formulary Rate Planning)									1			
MGMT	Operating Plan/Budget Presented									1			
MGMT	Capital Credit Retirement (if applicable)									1			
MGMT	Employee Performance Reviews – prep										1		
MGMT	Operating Plan/Budget Approved										1		
MGMT	Christmas Party										1		
MGMT	Update PPAC “System Loss Factor” based on prior year analysis											1	
MGMT	Exempt Employee Salary Action											1	
MGMT	Employee Performance Reviews											1	
MGMT	NYSRECA Meeting											1	
MGMT	Year-End Accomplishments Review / Goals & Objectives Approval											1	
MGMT	Legislative Youth Delegate kick-off (interviews/selection by late March)											1	

POLICY

SUBJECT: Procurement, Receiving & Disbursement

POLICY: It shall be the policy of the Board to outline practices and authorities to ensure financial stewardship of the Cooperative. This policy specifically outlines those procedures and practices that shall be followed relating to procurement, receiving and disbursement processes.

Purchase Orders & Purchasing: It shall be the policy of the Cooperative that all purchases of materials, supplies, and services be accomplished through a purchase order process unless purchased via credit card or a regular bill of the Cooperative. A regular bill of the Cooperative shall be defined as cost incurred by the Cooperative as a regular course of business. It shall further be the policy of the Cooperative that, wherever applicable, those purchases of high value be made only after a competitive bidding process administered by the Cooperative.

The Board authorizes the CEO/General Manager to have a Level of Signature Authority (LOSA) of **\$50,000** and to approve purchase orders up to this LOSA. The Board further authorizes the CEO/General Manager to set appropriate LOSA's for staff as needed to conduct the regular business of the cooperative. In addition, the CEO/General Manager may approve purchase orders for Regular Bills of the Cooperative in any amount or for specific purchases in an amount approved by the Board in the Cooperative's budget. The CEO/General Manager must receive approval from the Board of Directors before approving purchase orders over his/her LOSA that are not Regular Bills of the Cooperative or specific budgeted purchases.

Contracts: The Board authorizes the CEO/General Manager to enter into contracts with vendors in such instances that the total annual contract expenditures with that vendor does not exceed his/her LOSA and the contract is for a period of one year or less.

Credit Cards: The Board authorizes the CEO/General Manager to maintain one or more credit cards in the Cooperative's name. The combined credit limit of all such cards shall be set at a level appropriate for the Cooperative to conduct its regular business, but shall not exceed \$100,000 in aggregate without further Board approval. The CEO/General Manager shall be authorized to issue cards to employees and directors as needed to conduct the business of the cooperative. Cooperative employees and directors shall have the authority to make purchases with the use of the Cooperative's credit card(s) when necessary, the amount of such credit card purchases not to exceed the employee's or director's LOSA.

The CEO/General Manager is authorized and shall be expected to maintain a procedure which ensures internal controls and minimizes the opportunities for abuse of the credit card(s).

Disbursements: Accounts payable disbursements shall be made by the Cooperative through "paper" check or electronic payment. The CEO/General Manager, the Operations Manager and CFO, shall have the authority to authorize payment for disbursements up to \$50,000. The CEO/General Manager and Operations Manager will sign checks up to this

threshold. Disbursements >\$50,000 require authorization by the CEO/General Manager and an officer of the Board of Directors. Regardless of amount, the CEO/General Manager shall review a statement of all disbursements (check and electronic) on a weekly basis.

Exceptions to the disbursement authorization limits described herein include the following:

- Disbursements for regular bills of the Cooperative via ACH may be made in any amount.
- Transfers to lenders may be made in any amount.

RESPONSIBILITY: CEO/General Manager and CFO shall administer this policy.

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Jan 25, 2011
Revised by Board of Directors	October 25, 2012
Revised by Board of Directors	January 28, 2014
Revised by Board of Directors	April 26, 2016
Revised by Board of Directors	February 20, 2018
Revised by Board of Directors	September 24, 2019
Revised by Board of Directors	October 27, 2020
Reviewed by Board of Directors	March 22, 2022
Revised by Board of Directors	April 26, 2022
Revised by Board of Directors	March 28, 2023



POLICY

SUBJECT: Procurement, Receiving & Disbursement

POLICY: It shall be the policy of the Board to outline practices and authorities to ensure financial stewardship of the Cooperative. This policy specifically outlines those procedures and practices that shall be followed relating to procurement, receiving and disbursement processes.

PROCEDURE:

Purchase Orders & Purchasing: It shall be the policy of the Cooperative that all purchases of materials, supplies, and services be accomplished through a purchase order process unless purchased via credit card or a regular bill of the Cooperative. A regular bill of the Cooperative shall be defined as cost incurred by the Cooperative as a regular course of business. It shall further be the policy of the Cooperative that, wherever applicable, those purchases of high value be made only after a competitive bidding process administered by the Cooperative.

~~The Operations Clerk/Field Planner and the General Clerk, shall be the primary staff members to create electronic purchase orders in the Cooperative's enterprise software system or, in their absence, members of the Cooperative's management staff shall be so authorized.~~

Commented [A1]: These sections to be moved to Procedure document.

~~The Cooperative shall issue purchase orders with unique reference numbers and, unless otherwise specified, shall issue purchase orders referencing the Cooperative's standard terms & conditions of purchase.~~

~~Upon the creation of the purchase order, the purchase order must be approved prior to being released to a vendor. The following individuals shall have the authority to approve individual purchase orders.~~

Operations Clerk/Field Planner	up to \$4001,000
General Clerk	up to \$4001,000
Billing Specialist/Assistant	up to \$100250
Line Foreman	up to \$8001,500
Tree Foreman	up to \$8001,500
Chief Financial Officer	up to \$40010,000
Operations/Engineering Managers	up to \$25,000
CEO/General Manager	See paragraph below

~~The Board authorizes the CEO/General Manager to have a Level of Signature Authority (LOSA) of \$50,000 and is authorized to approve purchase orders up to \$50,000 this LOSA. The Board further authorizes the CEO/General Manager to set appropriate LOSA's for staff as needed to conduct the regular business of the cooperative. In addition, the CEO/General Manager may approve purchase orders for Regular Bills of the Cooperative in any amount or for specific purchases in an amount approved by the Board in the Cooperative's budget. The CEO/General Manager must receive approval from the Board of Directors before approving purchase orders over~~



~~his/her LOSA that are not Regular Bills of the Cooperative or specific budgeted purchases. Examples of purchase orders that are not Regular Bills of the Cooperative include right of way clearing contracts, vehicle purchases, and facilities improvements.~~

~~Contracts: The Board authorizes the CEO/General Manager to enter into contracts with vendors in such instances that the total annual contract expenditures with that vendor does not exceed his/her LOSA and the contract is for a period of one year or less.~~

~~Exceptions to the Purchase Order Process: Credit Cards: The Board authorizes the CEO/General Manager to maintain one or more credit cards in the Cooperative's name. The combined credit limit of all such cards shall be set at a level appropriate for the Cooperative to conduct its regular business, but shall not exceed \$100,000 in aggregate without further Board approval. The CEO/General Manager shall be authorized to issue cards to employees and directors as needed to conduct the business of the cooperative. Cooperative employees and directors shall have the authority to make purchases with the use of the Cooperative's credit card(s) when necessary, the amount of such credit card purchases not to exceed the employee's or director's LOSA.~~

~~The CEO/General Manager is authorized and shall be expected to maintain a procedure which ensures internal controls and minimizes the opportunities for abuse of the credit card(s).~~

~~Credit Card Purchases on the Cooperative's Main Credit Card: The Cooperative shall maintain a credit card account with a \$30,000 limit. This credit card is known as the Cooperative's "main credit card." The CEO/General Manager shall determine the number of physical cards associated with the Cooperative's main credit card account, and all cards shall be stored in the Cooperative's safe when not in use. Cooperative employees may make authorized purchases with the Cooperative's credit card as follows: 1) Cooperative staff members shall have the authority to make purchases with the use of the Cooperative's credit card when necessary, the amount of such credit card purchases not to exceed the staff member's purchase order authorization limit; and 2) purchases may be made by any employee, and by Cooperative staff members in excess of their purchase order authorization limit, upon the written approval from a staff member with a purchase order authorization limit at least as high as the purchase amount. Board meeting minutes, e-mail messages, and signed hand-written notes shall all be considered acceptable forms of written approval. Written approvals shall be provided by the purchasing staff member to the CFO at the time of purchase. The CFO shall review the monthly credit card statement and reconcile each line item with a written approval as appropriate. Due to the liability, risk, and cost to the Cooperative associated with undocumented purchases on credit cards, employees who repeatedly fail to turn in itemized receipts for credit card purchases will have their authorization to use the Cooperative's main credit card rescinded by the CEO/General Manager. In such cases, employees without credit card authorization will be provided cash per diems when required to travel in the interest of the Cooperative. The CEO/General Manager shall review the monthly credit card statements to ensure that purchases made with the credit card are valid and appropriate.~~

~~Credit Card Purchases on the Cooperative's On-Call Credit Card: The Cooperative shall maintain a credit card account with a \$2,000 limit. This credit card is known as the Cooperative's "on-call credit card." The Cooperative shall maintain four (4) physical~~

~~cards associated with the Cooperative's on-call credit card account. The Cooperative's on-call employees may make purchases of fuel and outage meals only, up to the available limit on the on-call credit card. The on-call employee making the purchase shall retain itemized receipts for all purchases on the on-call credit card and shall submit itemized receipts to the Operations Manager or CFO. Due to the liability, risk, and cost to the Cooperative associated with undocumented purchases on credit cards, employees who repeatedly fail to turn in itemized receipts for credit card purchases will have their authorization to use the on-call credit card rescinded by the CEO/General Manager.~~

~~Fleet Repair and Maintenance Purchases Under \$1,500: The repair and maintenance of vehicles in the Cooperative's fleet regularly require the Cooperative's Fleet Mechanic to make independent decisions as to the appropriateness of purchases of goods and services. For this reason, the Fleet Mechanic shall have the authority to order goods and services up to \$1,500 directly from vendors without prior approval through the purchase order creation process. The Fleet Mechanic's authorization to order goods and services shall be limited to those goods and services needed for the maintenance and repair of the Cooperative's fleet.~~

~~Purchases by Operations Staff on Store Credit Under \$100: During the regular course of business, members of the operations staff may need to immediately purchase small items to avoid an interruption of the smooth and efficient work of the crews. For example, a Lineman or a member of the Tree Crew may need some nuts and bolts, a hand tool, degreaser, replacement blades, a drill bit, or blade sharpening. For this reason, members of the operations staff shall have the authority to purchase goods and services up to an aggregate of \$100 on store credit at local stores where the Cooperative has established a line of credit. If a member of the operations staff needs to make a purchase on store credit for more than \$100 in aggregate, prior approval from the Operations Manager is required. The CEO/General Managers may also grant such approval in the absence of the Operations Manager. The Operations Clerk shall review the monthly store credit statements and reconcile each line item with a written approval as appropriate.~~

~~Receiving/Approval of Invoices: The above individuals who are authorized for creation of purchase orders shall also be responsible for receiving such materials, supplies and services and in ensuring that the delivered goods and services are consistent with the requirements of the purchase order.~~

~~Invoices issued by vendors shall be approved for payment by those individuals who perform the receiving. Approved invoices will be marked accordingly and provided to the Cooperative's finance department for processing of payment.~~

~~In cases where the materials and/or services received are noncompliant with the Cooperative's purchase order, or where there are other material inconsistencies between the Cooperative's purchase order and vendor performance, invoices shall not be approved, and the responsible staff shall have the responsibility of communicating with the vendor to resolve the inconsistency and/or dispute. Personnel responsible for the purchase order(s) shall escalate issues to appropriate management staff as necessary.~~

~~**Disbursements:** Disbursements made by the Cooperative for accounts payable, employee payroll and for reimbursement for qualified expenses (e.g., business travel costs and certain benefits).~~



Accounts payable disbursements shall be made by the Cooperative through “paper” check or electronic payment. The CEO/General Manager, the Operations Manager and CFO, shall have the authority to authorize payment for ~~(and sign checks as applicable)~~ disbursements up to \$~~2550~~,000. The CEO/General Manager and Operations Manager will sign checks up to this threshold. Disbursements >\$~~2550~~,000 require authorization by the CEO/General Manager and an officer of the Board of Directors. Regardless of amount, the CEO/General Manager shall review a statement of all disbursements (check and electronic) on a weekly basis.

~~For the sake of clarity, it is noted that CFO’s disbursement limit is \$25,000 whereas his or her purchase order approval limit is only \$ 400. This is because the CFO is required to regularly make electronic payments on behalf of the Cooperative for purchase orders approved by others or regular bills of the Cooperative as defined within this policy. The other members of the management team with disbursement authorization have disbursement authorization limits that match their purchase order approval limits.~~

Exceptions to the disbursement authorization limits described herein include the following:

- Disbursements for regular bills of the Cooperative via ACH may be made in any amount.
- Transfers to lenders may be made in any amount.

Commented [A2]: Shall keep so that a regular bill doesn't violate the limit

~~PROCEDURE: This policy shall be used as the general practice for DCEC internal control procedures.~~

RESPONSIBILITY: CEO/General Manager and CFO shall administer this policy ~~and practice.~~

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Jan 25, 2011
Revised by Board of Directors	October 25, 2012
Revised by Board of Directors	January 28, 2014
Revised by Board of Directors	April 26, 2016
Revised by Board of Directors	February 20, 2018
Revised by Board of Directors	September 24, 2019
Revised by Board of Directors	October 27, 2020
Reviewed by Board of Directors	March 22, 2022
Revised by Board of Directors	April 26, 2022
<u>Revised by Board of Directors</u>	<u>March 28, 2023</u>

POLICY

SUBJECT: Estate Capital Credits

POLICY: It is the policy of the Cooperative to refund estate capital credits, upon request from an authorized representative of the deceased member's estate, on the following terms and conditions:

1. If the authorized representative is an executor/administrator, the same shall submit to the Cooperative a notarized affidavit attesting that he/she is the right and true executor/administrator of the deceased member's estate. If formal estate proceedings are not required, the request may be made by a person submitting a notarized non-probated estate affidavit.
2. Estate capital credits will be paid on a discounted basis. The discount period is equal to the time between the actual payment date and the normal expected retirement date of those capital credits. For purposes of this paragraph, normal expected retirement date shall be established by the Billing Specialist based on the then current schedule by which the Cooperative is retiring capital credits;
3. The discount rate is equal to the prime rate quoted in the Wall Street Journal by a reputable banking source (such as JPMorgan Chase & Co or equivalent) effective on the first day of business in the month in which refunded, plus 3% (a percentage adder).
4. The total amount of estate capital credits paid to a single deceased member's estate under this policy shall not exceed \$10,000.00 annually in any event. In circumstances where estate capital credits exceed \$10,000, the balance of the payment may be made in the following year(s) on a first earned, first retired basis;
5. Estate capital credits will not be paid until after the closing and final financial reports have been issued for the fiscal year in which the deceased member had an active account.
6. Notwithstanding the above, capital credits shall in all instances be distributed only in accordance with applicable state, federal and local law, currently including but not limited to New York State Rural Electric Cooperative Law §60, and further shall be distributed only in instances in which, in the Board of Directors discretion, such distribution shall not impair or adversely affect the financial condition of the Cooperative or violate any financial obligations or other covenants of the Cooperative.

RESPONSIBILITY: Billing Specialist

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors	Sep 28, 1993
Revised by Board of Directors	Aug 27, 1996
Revised by Board of Directors	Dec 17, 2001
Revised by Board of Directors	May 27, 2002
Revised by Board of Directors	Jul 6, 2004
Revised by Board of Directors	Aug 23, 2011

Revised by Board of Directors	Nov 27, 2012
Revised by Board of Directors	Mar 2, 2015
Revised by Board of Directors	Feb 23, 2016
Revised by Board of Directors	Mar 7, 2017
Reviewed by Board of Directors	Feb 26, 2019
Reviewed by Board of Directors	Feb 25, 2020
Reviewed Revised by Board of Directors	Reviewed Mar 28, 2023



POLICY

SUBJECT: Diversity, Equity, Inclusion and Social Responsibility

POLICY:

Delaware County Electric Cooperative, Inc. (the “Company”) is committed to doing business such that all our activities positively affect the social, economic, and environmental systems and communities in which we operate. This means that we shall strictly adhere to all legislative standards to which we are subject, as well as set and maintain standards of ethical business conduct, cooperation, and respect where we are not expressly directed.

Human Resources

To meet Company expectations of providing excellence in all that we do, acquiring, training, and retaining a loyal and productive staff is critical. That includes the hiring, retaining, and promoting of a workforce built upon the principles of diversity, equity, inclusion, and accessibility. Meaningful skillsets are represented in employees of various backgrounds, ethnicities, races, orientations, and physical capacities. Company policies which set expectations for all who work here to contribute their efforts to maintaining an environment that supports the unique talents of each individual are set forth in the Company’s employee handbook. These policies deal not only with basic human rights to work free from discrimination and intimidation, but also with all aspects of health and safety. They include provisions for fair wages, fundamental benefits, and development. The policies apply to all, regardless of title, function, or status.

Member Care

Our member-owners are our livelihood. The degree of care we provide to our workforce should be the expectation of all with whom we come in contact through our professional relationships. Our member-owners must receive our best attention in the form of safe business practices, work quality that meets or exceeds all industry standards, strict compliance with all applicable laws, and respect for member-owner policies and processes that are important to them. Our success and their success should always be the desired outcome of any undertaking.

Supplier Standards

The Company is committed to requiring all our suppliers and vendors to conduct their business in accordance with all responsible business practices, whether required by law or conscience. We will only use those who provide products or services representative of the standards we require of our own work.

Protecting the Environment

The Company makes its living in the soil, water and air that encompass, and are integrated into, each project. They are elements of construction that are as valuable to us, and the community we serve, as the materials, labor and technology that allow us to build the infrastructure of essential services upon which our community depends. We are committed to protect these essential elements of construction, as they are the essential elements of our livelihood. This includes the building and maintaining of infrastructure for the supply of energy upon which our community depends. We understand the finite character of our carbon-based resources and seek to protect from waste their transport for use, as well as our own use of these resources to perform our labors.



Community Engagement

The Company considers itself to be a responsible citizen, supporting the local economy through using our physical resources, such as land and materials in support of farming and municipal projects, the use of renewable energy to power our operations, our participation in civic organizations and programs, and our charitable contributions.

RESPONSIBILITY: The Board of Directors, CEO/General Manager, Department Managers, and Supervisors are responsible for the administration of this Policy.

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors

March 28, 2023

CEO/GM Report

March 2023

Government Relations and Outside Organizations:

- CEO Gasstrom, CSA Linehan, and Directors Pick, Russell, Menke, and Wehmeyer attended the NRECA Annual Meeting – Power Xchange in Nashville. Staff and Directors attended sessions on topics such as New Technology Trends, Communications, Member Service/Satisfaction, Electric Vehicles, Cyber Security, Safety, Battery Storage, and Grants (among others).
- CEO Gasstrom and President Pick attended NYAPP virtual meeting on 3/17.

Cooperative Relations:

- The four coop CEOs have been in close contact during the recent March storms.

Staffing and Employee Relations:

- DCEC currently has all positions filled. New additions to the line and tree crew are coming along nicely.

Grants:

- DCEC is currently constructing or considering grant proposals for several grant opportunities with different agencies, such as:
 - US Dept of Energy
 - US Appalachian Regional Commission
 - US Department of Labor - Employment and Training Administration
 - NY State Office of Strategic Workforce Development
 - NY State Energy Research and Development Authority

Rates:

- A kickoff meeting was held to discuss the process of analyzing different structures for electric rates. These efforts and analysis will be continuing through the coming months.

Community Interaction:

- CEO Gasstrom attended Chamber of Commerce meeting in Hancock to network with other local business leaders.
- DCEC has had one applicant for the Youth Legislative Tour

Operations Manager Update

Engineering & Operations:

- Notable Outages and Occurrences: Winter storms on 3/10/23 and 3/13-3/15/23 hit area. Crews worked extensively over the course of those 5 days 86 different outages affecting 1622 members. Daily SAIDI numbers 3/10/23 .55102, 3/11/23 27.60251, 3/14/23 42.73205, 3/15/23 .09975.
- Disconnections: Door knockers place and payment arrangements made.
- Right of Way Crew: In house data not available at time of report will be relayed at meeting. Asplundh working along CR 33 and adjacent roads in Kortright.
- Headquarters: No activity currently.
- Special Projects: Working on workplan with PSE and Paul De Andrea.
- Fleet Concerns: Committed to purchase a bucket truck to replace existing truck #72.

Safety Report:

- Injury Report: Two incidents since last report. As of now none are lost time.
- Safety Committee Activity: Committee meeting not yet scheduled.

Respectfully submitted Ryan Sullivan 3/17/23

System planning, job training and safety update.

Jay Small

- **Rubber gloves** are still out for testing and past our standard 30-day window. The sleeves have arrived at the test lab for testing and are in process. UPDATE: Gloves have made it back to the shop from IRBY test lab. We lost 13 gloves...6 pairs plus one and single. Said it was the worst gloves they have tested at their facility with violent failures. Betty was looking into ordering replacement gloves for all of the failures. There is a supply chain issue with these...so we ordered as quickly as we could.
- Talked about tri city and the radio work that is being done to help with the interference on Delhi tower.
- Steve Little talked about the accidental **pressing of the emergency button** while out in the field. Talked about the length of time the button stays active and having to call the office when that occurs to update office staff as to the safety of individuals on the crew.
- Mike Pietrantonio brought up talking about **the Pardee Road** incident, at pt R3, where the member had moved a downed conductor before our crews had arrived. A fuse has been installed to possibly help with that single location. Jay brought up that he had entered in a near miss on DCECs behalf with federated. Mike mentioned that it should be mentioned in the newsletter repeatedly if the wire is down DO NOT TOUCH!!
- Talked about the **crew inspection** on the Tree crew employees and that it went well. Talked about how the line crew can expect the same thing over the upcoming year.
- **Fire Extinguishers-** Discussed the new fire extinguishers and that fact they cannot be used until they are tagged. We lost four extinguishers due to rust and failed inspections. We do have spares on loan from ABC and that should be suitable to get us through until they come to do another inspection. UPDATE: ABC extinguisher came down and tagged all new fire extinguishers, they are now ready for use by all staff.
- **Had a safety meeting on fatigue-** Brought forward three examples of accidents caused by fatigue. Discussed high mortality rates among line workers. Talked about watching out and helping each other and being involved in everyone's personal wellbeing. 20 hours on the job without sleep is like being drunk. Talked about health issues, what causes fatigue, what occurs when you are fatigued and how to prevent it. Discussed two motor vehicle accidents both line related and 6 incidents from all the Cooperatives last year.

CSA Report

February 28, 2023 – March 21, 2023

Member Engagement:

- March/April newsletter is focused on ROW tree planting, UDig, and educating to members to always assume that a downed line is energized and is dangerous.
- Began “Member’s Corner” in February bill insert to address member questions.
 - Will continue to utilize different channels of communication (newsletter, bill inserts, website, and social media) to encourage member engagement.

Social Media:

- Storm coverage on 3/11 and 3/14 with John’s short videos and updates were quite well received by our members. Continuing to build DCEC’s social media presence.
- Facebook reach is up 10.4% over the past month (increase from 1,779 to 1,788 followers).
- Instagram reach is up 53% (increase from 161 to 164 followers).
- Talking to SUNY Delhi about public relations/social media strategy for donation to SUNY Delhi’s Electrical Construction and Utilities Operations Program.

Other:

- Attended a Heat Pump informational session at the Bushel Collective in Delhi on March 9th. A few members were there and were looking for information as to the difference between what is available for DCEC rebates compared to NYSERDA.
 - Interest from other organizations to further understand how the NY Co-ops work.
- One Youth Delegate applicant for the Youth Legislative Conference.
- Continue to work on Federal and State grant opportunities.