

NOTICE OF BOARD MEETING

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

AGENDA

- I. Harassment Training, virtual 5-6pm
- II. Opening Business:
 - a. Call to Order
 - b. Roll Call - Determination of Quorum
 - c. Adoption of Agenda [packet page 1]
- III. Consent Agenda:
 - a. Minutes of October 24, 2023 Regular Meeting [packet pages 2-4]
 - b. New Memberships [packet page 5]
 - c. Bad Debt Collection Report & Resolution [packet pages 6-7]
 - d. Director Compensation [handout]
 - e. Corporate Calendar [packet page 8]
- IV. Review of Policies:
 - a. Director Compensation Policy [packet pages 9-11]
 - b. Financial Goals and Objectives Policy [packet pages 12-15]
- V. CEO/General Manager John Gasstrom's Report: [packet page 16]
- VI. Verify or certify a voting delegate for the 2024 NRECA Annual Business Meeting
- VII. Report from Finance Committee: [Report from Chair Furgol & CFO Cannizzaro]
- VIII. Resolution:
 - a. General Retirement & Special Retirement [packet pages 17-18]
 - b. Accounting Firm Selection [packet pages 19-21]
- IX. CFO Cannizzaro's Monthly Report:
 - a. October Financials [handout]
 - b. Projection [handout]
- X. COO Sullivan's Monthly Report: [handout]
 - a. Line Extension Policy – Presentation and Discussion
 - b. Service Rules & Regulations Policy – Presentation and Discussion
- XI. Manager of Operations, Safety & Training Small's Monthly Report: [handout]
- XII. Manager of Cooperative Relations Linehan's Monthly Report: [handout]
 - a. Annual Meeting planning update
- XIII. Director/Staff Association Reports:
 - a. RESMA Meeting, Savannah, GA – November 15-17, 2023
 - b. NYSRECA Meeting, Apalachin, NY – November 16, 2023
- XIV. New Business:
- XV. Future Business:
 - a. DCEC Regular Board Meeting, Thursday, December 28, 2023 at 1:00pm
- XVI. Executive Session:
- XVII. Adjournment:

Delaware County Electric Cooperative
Board Meeting Minutes
October 24, 2023

I. Opening Business: The regular monthly meeting of the Board of Directors of the Delaware County Electric Cooperative, Inc. was held October 24, 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 5:51 p.m. by President Pick.

B. Roll Call - Determination of Quorum:

Edward Pick Jr.	P
Jeffrey Russell	P
Laurie Wehmeyer	P
Edward Furgol	P
David Krzyston	Absent
Patrick O'Brien	P
Stephen Oles	P

DCEC staff members that participated in-person were:

CEO/General Manager John Gasstrom

CFO Mark Cannizzaro

COO Ryan Sullivan

Manager of Cooperative Relations Janelle Linehan

Manager of Operations, Safety & Training, James Small

Attorney, Nicholas J. Frandsen, was present

C. Adoption of Agenda: A motion was made by Treasurer Furgol to adoption 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 Secretary Wehmeyer. The motion passed.

III. Policies:

a. Director Compensation Policy

The board discussed and tabled it until the November board meeting.

b. Corporate Credit Card program

A motion was made to approve the policy by Secretary Wehmeyer. The motion was seconded by Treasurer Furgol. The motion passed.

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

CEO discussed government relations and outside organizations, grants, and member engagement.

V. CFO Cannizzaro's Monthly Report:

- a. September Financials – CFO Cannizzaro discussed financials from September and highlighted lines 6, 7, 11 & 27 of the Income Statement and lines 9, 13 & 23 of the Asset side of the Balance Sheet.
- b. Final August financials with changes were provided

VI. COO Sullivan's Monthly Report:

- a. Update on DCBI Attachments
COO discussed assets, facilities, and work plan.

VII. Manager of Operations, Safety & Training Small's Monthly Report:

Manager of Ops, Safety & Training discussed notable outages and occurrences, safety, training, and PPE update. Gave a Tree and Line crew update.

VIII. Manager of Cooperative Relations Linehan's Monthly Report:

- a. Member Advocacy Group – discussed email to be sent out to four interested members.
Erin Coppersmith gave her speech in front of the Board for the NRECA competition.

IX. Director/Staff Association Reports:

- a. NYAPP Annual Meeting, October 3 & 4, 2023 – Cooperstown, NY
CEO Gasstrom and President Pick gave report.
- b. Oneida-Madison Electric Co-op Annual Meeting, October 6, 2023
President Pick gave report.
- c. NEAEC Annual Meeting, October 9-13, 2023 – Newport, RI
Director Russell, Director Oles, Director Wehmeyer, Manager Small, CFO Cannizzaro and CEO Gasstrom gave report.
Director Oles commented that DCEC should look at maximizing CoBank's Sharing Success program for charity donations from \$10,000 - \$20,000 instead of the \$1,000 we give for charity donations at the Annual Meeting.
 - i. Board checks in on October 9, 2023
 - ii. Risk Oversight: The Board's Role in Risk Management 921.1 NRECA training, 10/10/23

X. New Business:

a. NYPA Incremental Power Supply Agreement

CEO Gasstrom presented “Seventh Renewal to the Incremental Power Supply Agreement.” Director Oles made a motion to authorize CEO Gasstrom to execute NYPA agreement. Vice President Russell seconded the motion. The motion passed.

XI. Future Business:

- a. DCEC Board Finance Committee Meeting, November 7, 2023 at 5:00pm
- b. NYSRECA Meeting, November 16, 2023 – Apalachin, New York
- c. DCEC Regular Board Meeting, Tuesday, November 28, 2023 at 5:00pm
- d. NYAPP Meeting, November 17, 2023 – Zoom

XII. Executive Session:

No executive session was held.

XIII. Adjournment: There being no further business on the agenda, President Pick adjourned the meeting at 8:19 pm.

Respectfully submitted,

Secretary, Laurie Wehmeyer

Delaware County Electric Cooperative, Inc.
North Depot Street, P. O. Box 471, Delhi, New York 13753-0471
607-746-2341
NEW MEMBERSHIPS – November 28, 2023

	TOWN	NAME	New/Transfer
1	Delhi	Adam Friedman	transfer
2	Gilboa	Henry Bretts, Jr.	transfer
3	Jefferson	Joseph Schaefer	transfer
4	Davenport	Ethan Tomah	transfer
5	Tompkins	Brittney Jordan	transfer
6	Davenport	Marjorie Mickel	transfer
7	Harpersfield	Bruno Navarro	transfer
8	Masonville	James Belknap	transfer
9	Colchester	Dan Welden	transfer
10	Meredith	Pete Fuson	transfer
11	Meredith	Anderson Oerth	transfer
12	Gilboa	John Pautler	transfer
13	Masonville	Antony Paljusevic	transfer
14	Masonville	Chelsie Baker	transfer
15	Masonville	Tina Campbell	transfer
16	Masonville	Katelynn Curtin	transfer
17	Meredith	Joseph Tedesco	transfer
18	Franklin	Fatemah Shirpour	New Service
19	Bovina	Christine Huang	transfer
20	Jefferson	Ayana Leizear	transfer
21	Davenport	Rebecca Hartenstine	transfer
22	Meredith	Joseph Spohrer	transfer
23	Masonville	Ralph Rahme	transfer
24	Franklin	Kursten Bracchi	transfer
25	Harpersfield	Amelia Piermani	transfer
26	Delhi	Jan Whittaker	transfer
27	Andes	Alexander Schwarz	transfer
28	Tompkins	Tammy Hillman	transfer
29	Kortright	Steve Caldwell	transfer
30	Tompkins	Mark Curato	transfer
31	Jefferson	Tiffany Taylor	transfer
32	Meredith	Rachel Holbert	transfer
33	Davenport	Volneta Stannard	transfer
34	Davenport	Allen Weiss	transfer



Bad Debt Collection

DATE: November 28, 2023

TOTAL RECOVERED: \$ 25.12

* PLEASE NOTE: The amounts below were recovered through capital credit retirements, Southern Tier Credit Center & DCEC through November 28, 2023.

Name	Original Amount Turned Over For Collections	Amount Collected from DCEC	Amount Collected from Capital Credits**	Amount Collected from So. Tier	Commission Paid this Month *	Balance Due
Jessica Connell	\$ 118.31		\$ 14.34			\$ 118.31
April Ferguson	\$ 46.42		\$ 10.78			\$ 46.42
Danielle Vitale	\$ 491.58					\$ 491.58
	\$ 656.31	\$ -	\$ 25.12	\$ -	\$ -	\$ 656.31

* 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

5 N Depot St., P.O. Box 471, Delhi, NY 13753

Telephone: (607) 746-2341 Fax: (607) 746-7548 www.dce.coop



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 **\$757** representing uncollectible accounts for utility customers per the following listing, to accumulated provision for uncollectible accounts.

Date:

Account	Map Location	Member	Service Class	Total
672002	FR 4-13-18	Antonio Longo	2	\$45
7991002	HF 2-33-34	David J. Pick	1	\$92.48
18146001	DA 1-18-2E	James Rifanburg	2	\$268.87
18582001	KO 1-59-6A	Ursula Thompson	2	\$67
9536002	WA 4-21-10A	George Pugni	2	\$283.40
			Total:	\$757

Laurie Wehmeyer
Secretary

5 N Depot St., P.O. Box 471, Delhi, NY 13753

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

Document Type: Board Level Policy	Original Policy Date: March 28, 1961	Latest Revision Date: May 23, 2023
Document Owner: CEO	Document Classification: Internal Use Only	Review Cycle: Annual

SUBJECT: Compensation for Board of Directors

POLICY: Management of the business and affairs of the Cooperative requires talented leadership at the Board level, as well as a significant commitment of time and resources by individual Board members. Section 7 of Article IV of the Cooperative's Bylaws authorizes payment of compensation for Board members. Therefore, consistent with the Cooperative's Bylaws, this policy establishes the standards and methods for paying such compensation and the conditions applying thereto, as follows:

1. Compensation of Board members shall be set as follows:
 - A. Board members shall be paid a fixed sum in the amount of \$300.00 for each day or portion thereof ("per diem compensation") spent on Cooperative Business, which Cooperative Business shall include, but not be limited to, attendance at meetings, conferences, and training programs or performing committee assignments as authorized by the Board.
 - B. In addition to the compensation set forth in paragraph 1(A) above, Board members serving the Cooperative as an officer shall be paid an additional \$25.00 in per diem compensation.
 - C. In addition to the compensation set forth in paragraph 1(A) and, as applicable, paragraph 1(B) above, Board members serving the Cooperative who have received NRECA Cooperative Credentialed Director (CCD) accreditation and who maintain such accreditation, shall be paid an additional \$50.00 in per diem compensation.
 - D. The Board may designate certain director activities as "Short Activities" at their sole discretion and based on any criteria they choose by recording a Board vote in the minutes of any Regular Meeting or Special Meeting of the Board. Board members shall be paid a fixed sum in the amount of \$100.00 ("Short Activity Compensation") for each Short Activity in which he or she participates on behalf of the Cooperative as authorized by the Board. Amounts set forth in paragraphs 1(A), 1(B) and 1(C) shall not apply to Short Activities.

2. In applying this Policy, the following standards will be observed:
 - A. Where travel is required on a day prior or subsequent to a meeting, conference, training program or other authorized activity, a Board member shall be eligible to be paid per diem compensation for each such day of travel in accordance with this Policy Bulletin.
 - B. Although two or more meetings or activities (e.g., the annual meeting of the members and the regular meeting of the Board of Directors immediately following), or a combination of travel and one or more meetings or activities, may occur on a single day, only one per diem compensation for that day will be allowed.
 - C. No per diem compensation shall be provided to any Board member for time spent in preparation for a Board or committee meeting, regardless of whether such preparation occurs on a day other than the one on which the meeting occurs.
3. Payment of the amount provided for in paragraphs 1(A), (B), (C), and (D) above, as applicable, shall be made by the Cooperative directly to the Board member in accordance with the following procedure:
 - A. Payments shall be made quarterly.
 - B. Attendance at Regular Meetings, Special Meetings, and Committee Meetings of the Board shall be recorded in the minutes for such meetings. The attendance record within the minutes for such meetings shall be the basis for paying per diems and "Standard Mileage Reimbursement" to each Director in attendance at the meeting so long as such meetings take place at the Cooperative's headquarters on N. Depot Street in Delhi, NY. Standard Mileage Reimbursement shall consist of reimbursement for the number of miles from the Director's place of residence to the Cooperative's headquarters and back to the Director's place of residence. Expense reports shall not be required for per diem payment or expense reimbursement for Regular Meetings or Special Meetings of the Board so long as those meetings take place at the Cooperative's headquarters.
 - C. For any activity that does not comply with the requirements of paragraph 3(B), an expense report shall be filed by the Director prior to payment of a per diem, Short Activity Payment, or reimbursement of expenses. The expense reports shall be submitted to the CFO and/or the CEO shortly after the completion of occurrence, within one month's time.
4. For attending meetings and otherwise performing duties pursuant to authorization thereof by the Board, Board members shall be advanced or reimbursed their related expenses actually, necessarily and reasonably incurred

and expended by them, in accordance with applicable IRS laws and/or regulations.

5. All compensation paid under this Policy shall, if the total thereof by law requires such, be reported on applicable IRS Forms, including IRS Forms 1099, a copy of the former being timely furnished to each Board member.
6. The compensation structure for Board members as set forth in this policy will be reviewed, including a comparability analysis, on a periodic basis, but in any event upon:
 - A. Any proposed increase in Board member compensation;
 - B. Any material changes in Cooperative business or finances, including any material change in gross annual revenues or in costs; and
 - C. Any material changes in Board member responsibilities.
7. Any deviation from this policy regarding director attendance and/or participation in meetings other than regular board meetings (including travel time), including conference calls, committee meetings, industry conferences and other similar meetings shall be discussed and approved by the Board on a case-by-case basis with the decision documented in minutes to the Board meeting during which the decision is made.

RESPONSIBILITY: BOARD OF DIRECTORS

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.
 Approved by Board of Directors.....Mar 28, 1961
 Revised by Board of Directors.....Jul 21, 1971
 Revised by Board of Directors.....Aug 23, 1983
 Revised by Board of Directors.....Sep 23, 1986
 Revised by Board of Directors.....Jul 25, 1989
 Revised by Board of Directors.....Jan 26, 1993
 Revised by Board of Directors.....Jun 22, 1993
 Reviewed by Board of Directors.....Jan 24, 1995
 Revised by Board of Directors.....May 28, 2002 effective Sept 1, 2002
 Revised by Board of Directors.....Aug 20, 2002
 Reviewed by Board of Directors.....Nov 25, 2003
 Revised by Board of Directors.....Jul 24, 2006 effective July 25, 2006
 Revised by Board of DirectorsMar 27, 2012
 Revised by Board of Directors.....Jan 22, 2013
 Revised by Board of Directors.....Jul 28, 2015
 Reviewed by Board of Directors.....Sep 25, 2017
 Revised by Board of Directors.....March 23, 2021
 Revised by Board of Directors.....May 23, 2023
Revised by Board of Directors.....November 28, 2023

<u>Document Type:</u> <u>Board Level Policy</u>	<u>Original Policy Date:</u> <u>Nov 27, 2012</u>	<u>Latest Revision Date:</u> <u>Nov 28, 2023</u>
<u>Document Owner:</u> <u>CFO</u>	<u>Document Classification:</u> <u>Internal Use Only</u>	<u>Review Cycle:</u> <u>Annual</u>

POLICY

SUBJECT: Financial Goals and Objectives

DEFINITIONS: Capital Credit Allocation: The process by which the electric margin is credited to the capital credit account of each member in proportion to each member's contribution to the electric revenues of the Cooperative for the year. A member's capital credits represent that member's ownership interest in the Cooperative. The Cooperative's annual electric margin is the amount by which electric revenues exceed the cost to provide electric service. Electric margins are treated as capital furnished by the members.

Capital Credit Retirement: The process by which capital previously allocated to members (see Capital Credit Allocation above) is returned to members in the form of payment card, ~~cash~~, check, or bill credit. The timing and amount of Capital Credit Retirements are at the discretion of the board of directors in accordance with New York State Rural Electric Cooperative Law and the Cooperative's Bylaws.

Capital Rotation Cycle: The elapsed time between capital credits being allocated to a member and those same capital credits being retired to the member. Capital credits are allocated to a member on an annual basis based on the member's proportionate share of year-end margins, as determined by the revenue from each member divided by the Cooperative's total revenue. Capital credits are retired to a member by paying those capital credits to the member in the form of a payment card, check, or bill credit.

Equity Ratio: Ratio of member equity to total assets of the Cooperative where member equity consists of unretired capital credits and permanent equity. Permanent equity is created when allocated capital credits are discounted and paid out pursuant to special retirements (non-cycle events), as in the case of the death of a member. Additional permanent equity is created after inactive members cannot be located for purposes of capital credit retirements and after appropriate measures are taken by the Cooperative to find these "lost members" in accordance with the Cooperative's bylaws.

Formulary Rate: Retail electricity rate paid by members for kWh purchased from the Cooperative; guided by a revenue requirement formula based on the Cooperative's financial goals and objectives.

TIER: Times Interest Earned Ratio as defined in the Code of Federal Regulations (7CFR 1710.2)

OTIER: Operating Times Interest Earned Ratio as defined in the Code of Federal Regulations (7CFR 1710.2)

DSC: Debt Service Coverage Ratio as defined in the Code of Federal Regulations (7CFR 1710.2)

ODSC: Operating Debt Service Coverage Ratio as defined in the Code of Federal Regulations (7CFR 1710.2)

MDSC: Modified Debt Service Coverage Ratio as defined by the National Rural Utility Service Cooperative Finance Corporation; a measurement of the Cooperative's ability to generate sufficient operating funds to cover its cash requirement.

POLICY: It shall be the policy of the Cooperative to develop and maintain a prioritized list of financial goals and objectives, which shall include the following:

Financial Goals and Objectives

1. Maintain compliance with all loan covenants and bylaws every year; current ~~requirement targets~~ are
 - a. TIER > 1.25
 - b. OTIER > 1.10
 - c. DSC > 1.25
 - d. ODSC > 1.10
 - e. MDSC > 1.35
 - f. Per Bylaws, Equity Ratio >30%
2. Use formulary rate design to maintain competitive rates, by
 - a. conducting a full cost of service study as warranted by market conditions, but with the time period between full cost of service studies not to exceed 5 years;
 - b. considering all Cooperative financial goals and objectives; and
 - c. engaging the board of directors in the rate setting process.
3. ~~Maintain- Target~~ an Equity Ratio ~~target~~ range of 35% - 40%
4. Annual capital credit retirement:
 - a. ~~Objective not to exceed- Target a~~ 30-year Capital Rotation Cycle such that the Capital Rotation Cycle does not exceed the average life of utility plant assets.
5. Manage cash responsibly
 - a. To the extent practical, keep sufficient liquid cash on hand to handle the expected cash expenditures for 30 days. As used within this financial goal/objective number 6(a), the term “on hand” shall mean available for withdrawal without penalty and without risk of loss of principal.
 - b. When additional cash is available, invest cash in a safe manner that balances the opportunity to earn interest against the desire to have timely access to the funds.



PROCEDURE: The financial goals and objectives shall be reviewed at least three times each year by the Finance Committee, a subcommittee of the Cooperative's board of directors. The Finance Committee shall recommend changes, as they deem appropriate, to the full board of directors. The full board of directors may approve the recommendations, approve the recommendations with amendments by the board, or reject the recommendations. The current version of the financial goals and objectives at any given time shall be communicated to the membership and staff of the Cooperative by posting on the Cooperative's website.

RESPONSIBILITY: The board of directors and its Finance Committee are responsible for regularly reviewing and updating the financial goals and objectives. The CEO/General Manager is responsible for aligning the financial decisions of management and staff of the Cooperative with the version of the financial goals and objectives in effect at any given time.

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors* Nov 27, 2012

Revised by Board of Directors Oct 25, 2016

Revised by Board of Directors Dec 18, 2018

Revised by Board of Directors Nov 23, 2021

Revised by Board of Directors Nov 28, 2023

*The November 27, 2012 version of the financial goals and objectives was created in the form of a board resolution, which was converted to this policy on October 25, 2016.

CEO/GM Report

November 2023

Government Relations and Outside Organizations:

- CEO Gasstrom attended the November Delaware County Chamber of Commerce Board Meeting (11/13), as well as a lunch with “Leaderful Delaware” participants. Lineman Micah Scobie is participating in Leaderful Delaware this year (2023-24).
- CEO Gasstrom and MCR Linehan met with the Beneficial Electrification League about assistance with grant proposals (11/8).
- CEO Gasstrom and MCR Linehan met with Delaware County Fair personnel about Member Appreciation options for the future (11/8).
- CEO Gasstrom attended the Fall RESMA meeting in Savannah, GA (11/15-11/16)
- CEO Gasstrom attended the SUNY-Delhi Electrical Construction program Advisory Board meeting on November 20th
- CEO Gasstrom is scheduled to attend the Delaware County Regional Innovation Council Meeting (11/28 – before the board meeting).

Grants:

- DCEC is working with the ARC on our grant for Lineman Training Program Development
- DCEC is evaluating additional grant opportunities, including a \$3 million capital grant program for workforce development and GRIP Round 2 Infrastructure grant opportunities.

Staffing:

- DCEC’s Staking Technician resigned from the Cooperative on November 13.
- CEO Gasstrom and CFO Cannizzaro are reviewing contractor and employee options for filling Human Resource/Benefits/Payroll Administration needs.

RESOLUTION

November 28, 2023

2023 Capital Credit Retirement

WHEREAS the Bylaws of the Delaware County Electric Cooperative, Inc. (the “Cooperative”) as revised September 10, 2021, Article VII, Section 3, authorize the Board of Directors, upon determining that the financial condition of the Cooperative will not be impaired thereby, to retire in full or in part the capital then credited to members’ accounts; and

WHEREAS the Bylaws require that retirements shall be made in order of priority according to the year in which the capital was furnished and credited, the capital first received by the Cooperative being the first retired; and

WHEREAS the Bylaws require that the retirement shall not reduce the capital of the Cooperative below thirty per cent (30%) of the total assets of the Cooperative; and

WHEREAS the Cooperative’s policy on Capital Credits Applied to Bad Debt provides guidance on the retirement of capital credits; and

WHEREAS DCEC’s policy on Unclaimed Capital Credits and Donated Capital provides guidance on the retirement of capital credits;

NOW, THEREFORE BE IT RESOLVED THAT WE, the Board of Directors of the Delaware County Electric Cooperative, Inc., approves of a 2023 capital credit retirement in the approximate amount listed below:

Retirement Type	Amount
General Retirement (All of 1997)	\$210,835

BE IT FURTHER RESOLVED THAT the Cooperative’s General Manager and Staff are directed to take all actions necessary to implement this resolution, including making changes to the amounts retired due to changes in member status or other unforeseen events.

Such resolution has not been rescinded, modified, or amended and is now in full force and effect.



I, Laurie Wehmeyer, Secretary of Delaware County Electric Cooperative, Inc., do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Board of Directors of Delaware County Electric Cooperative, Inc. hereto referenced below at which a quorum was present and voted.

Dated this _____ day of _____, 20__

(Corporate Seal)

LAURIE WEHMEYER, SECRETARY



RESOLUTION

November 28, 2023

APPOINTMENT OF AUDITOR - 2023

WHEREAS, DCEC seeks a qualified certified public accounting firm to audit DCEC's financial statements for the year ending December 31, 2023; and

WHEREAS, Fiore, Fideli, Snyder, Carothers, LLP (FFSC) has submitted to DCEC an engagement letter and multi-year proposal dated November 15, 2023.

NOW, THEREFORE BE IT RESOLVED THAT DCEC hereby appoints FFSC as DCEC's auditor of record for the year ending December 31, 2023 through December 31, 2025; and

BE IT FURTHER RESOLVED THAT DCEC hereby acknowledges and agrees to the scope of services, audit objectives, management responsibilities, general audit procedures, internal control audit procedures, compliance audit procedures, engagement administration described in FFSC's engagement letter dated November 15, 2023; and

BE IT FURTHER RESOLVED THAT DCEC hereby agrees to pay FFSC's fees as stated in the proposal for each audit year.

Such resolution has not been rescinded, modified or amended and is now in full force and effect.

I, Laurie Wehmeyer, Secretary of Delaware County Electric Cooperative, Inc., do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Board of Directors of Delaware County Electric Cooperative, Inc. hereto referenced below at which a quorum was present and voted.

Dated this _____ day of _____, 20__
(Corporate Seal)

LAURIE WEHMEYER,
SECRETARY

procedures during the program execution stage includes an overall analytical review process, to determine if the results obtained are consistent and reasonable with the Cooperative's activities for the year. As we identify opportunities for improvement and determine appropriate recommendations, we will discuss them with Cooperative personnel.

Phase III - Post Audit Critique and Presentation - After completion of the audit fieldwork, we will prepare the financial statements and the audit report, management letter and other required reports. We will meet with the administration to review the preliminary audit report and management letter and discuss the financial trends of your Cooperative.

The final phase of the audit also includes the presentation of the reports and our letter of recommendations and financial analysis to the Cooperative Board. The presentation will provide the Cooperative Board with information about the year's financial activity compared to past trends and expected results.

Management Letter - Our services to you include a discussion and written summary of required communication and recommendations for improvement on significant matters concerning operations and controls, if any. These recommendations will first be discussed with Cooperative personnel during the program execution stage of the audit. The quality of our letters is one of the factors that differentiate us from other firms; we emphasize good, practical ideas in addition to traditional control comments.

Professional standards require that we provide you with information regarding the auditor's responsibility under generally accepted auditing standards, significant accounting policies, accounting estimates and management judgements, significant audit adjustments, other information in documents containing audited financial statements, disagreements with management, consultation with other accountants, major issues discussed with management prior to retention as auditors and difficulties encountered in performing the audit. We will provide this information in written form via the management letter and will discuss with administration during the review of the preliminary audit report.

Staffing, Timing and Fees

As noted above the principal in charge of auditing services will be Mike Roseberry, CPA, who will act as the primary contact.

Our fixed fees for the audits will be:

Year ending December 31, 2023	\$ 13,750
Year ending December 31, 2024	\$ 14,000
Year ending December 31, 2025	\$ 14,250

Two year option:

Year ending December 31, 2026	\$ 14,250
Year ending December 31, 2027	\$ 14,500

We base our fees on time required at our regular rates for the type of services and personnel assigned plus out-of-pocket costs. We also give consideration to the difficulty and size of the assignment, the degree of skill required, time limitations imposed on us by others, the experience and ability of the personnel assigned, the nature of the project, the level of cooperation by the client's staff, and the value of the services to the client. Invoices are payable upon presentation. We acknowledge that the first year of an audit involves additional time as we learn your operations. We feel that this extra time is an investment in our ongoing relationship and that it will provide efficiencies in later years beneficial to both our organizations; as such our initial year fees are not significantly higher than subsequent years. Our travel expenses are included in fees quoted above.

Should circumstances prevent the Cooperative from providing its information and assistance timely, our timetable and fees may be affected. Assistance to be provided by the Cooperative staff (schedule preparation, reconciliations of control accounts to subsidiary records, retrieving and re-filing documentation for audit tests, etc.) will be discussed and agreed at a later time. However, this is not expected to disrupt normal operations, but merely provide information already available.

Advisory Assistance

We are well qualified to provide other accounting and related services, designed to assist the Cooperative in maintaining an effective accounting system while further developing its usefulness. Each with over twenty years of experience, our partners have assisted many small business, non-profit and governmental entities in these matters.

Basic consulting services (i.e. the occasional question concerning the Cooperative's operations) are considered part of the service we provide and, as such, are covered by the audit fees quoted above. Larger projects that require significant investments of time would be the subject of another engagement letter and would first involve procedures to determine whether such activity would be precluded due to standards regarding independence of auditors.