

CHERRY-TODD ELECTRIC COOPERATIVE, INC  
MINUTES OF THE BOARD OF DIRECTORS.  
June 25, 2019

The Regular Meeting of the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated was held June 25, 2019, at 10:08 am CST, at the Cooperative office in Mission, South Dakota.

CALL TO ORDER: The meeting was called to order at 10:08 am by President Shawn Bordeaux.

ROLL CALL: Present: President Shawn Bordeaux, Sandy Tucker, Whitney Meek, Dan Valburg, Justin Brickner, Bud Stolzenburg, and Dave Assman. Absent: Kathleen Woodenknife. Also, in attendance were Manager Timothy Grablander and Administration and Operation support Manager Steve Tilton.

AGENDA: Whitney motioned, seconded by Valburg, that the agenda be approved. Motion carried.

MINUTES: Brickner motioned, seconded by Stolzenburg, to accept the minutes of May 25, 2019. Motion carried

Attorney Dave Larson entered the meeting at 10:12 am followed by Office Manager Theresa Benda and Member Service Beau Westover at 10:14 am.

Benda presented the draft report from Eide Bailly.

FINANCIAL/MANAGER'S REPORT: Office Manager Theresa Benda present the financial report.

Westover informed the board that the arrangements for the annual meeting had been set. He also stated that we did not receive any interest from high school seniors for the Washington D.C. trip. The Board wished to have more advertising to promote this next year.

Grablander informed the Board that Director Kathleen Woodenknife resigned her seat as a Director for Cherry-Todd Electric Inc.

Tucker motioned to nominate Rob Bordeaux to fill the vacant position seconded by Meek. After a long discussion both Tucker and Meek withdrew the motion.

Tucker motioned, seconded by Brickner to accept the resignation of Director Woodenknife. Motion carried.

The Board discussed the best practice to fill the vacancy. It was decided to place a notice in each county's newspaper that the At-Large position is to be filled for the remainder of the term. If a member has interest in the position, they are to contact a Cherry-Todd Electric Board member. The Board will appoint the replacement at the July 30<sup>th</sup> meeting.

Tilton reported that he would like to order matching shirts for the staff to wear at the annual meeting. The board agreed that uniformity would be nice to have at the meeting.

Benda went over the annual audit and showed that liabilities and assets matched. Next Benda went over the Allocation of 2018 Year End Margins

BE IT RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the margin of income over expenses for the year 2018 in the amount of \$1,645,519.26 representing margin of \$515,723.40 from the Cooperative and \$1,129,795.86 in the G & T capital credits, be allocated to the patrons in accordance with the by-law. Stolzenburg motioned, seconded by Meek to accept the Allocation of 2018 Year End Margins. Motion carried.

BE IT RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the following six-month memberships refunds be refunded or applied to the accounts of, the person named: See attachment. Brickner motioned, seconded by Valburg to accept the Resolution. Motion carried.

Brickner motioned, seconded by Assman to accept the Pre-Pay Policy and Prepaid Service Agreement as amended. Motioned carried. See attachment.

There were three donation requests presented to the Board. Assman motioned, seconded by Meek to donate \$500 to Rosebud Sioux Tribal Fair and Wacipi. Motion carried. Valburg motioned, seconded by Stolzenburg to donate \$200 to Cherry County Agricultural Society. Motion carried. Brickner motioned, seconded by Stolzenburg to donate \$200 to SDSU Extension 4-H. Motion carried.

Stolzenburg motioned, seconded by Valburg to accept the below stated Resolution of new memberships, canceled memberships plus refunds of said membership fees, refund capital credits allocated on the books to heirs or legatees of deceased patrons, stock well, and irrigation contracts. Motion carried.

**Resolution**

BE IT RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the following applications for membership in the Cooperative shall be and the same are hereby approved and that the person named shall forthwith become a member of the Cooperative:

**New Membership**

Emily Barnett Mission, SD 57555	Candice Cronin Valentine, NE 69201	Aiden Redday Mission, SD 57555
Tate Bird In Ground Rosebud, SD 57570	Laurell Eagle Deer Okreek, SD 57563	Kelsey Small Bear Mission, SD 57555
Charles E. Bordeaux Mission, SD 57555	Kel-lee Gregg Saint Francis, SD 57572	Sonja Small Bear Mission, SD 57555
Jamie Boyles Murdo, SD 57559	Shayle Guerue Mission, SD 57555	Joy Stewart Mission, SD 57555
David J. Collins Wood, SD 57585	MAE Properties LLC. White River, SD 57579	Jeremiah Swalley Mission, SD 57555

Valentino G. White Hat  
 Saint Francis, SD 57572

BE IT FURTHER RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the following memberships be canceled and that the membership fees be refunded to, or applied to the accounts of, the person named:

**To be Refunded**

Bernice Grace  
 C/O Tate Bird In Ground  
 Rosebud, SD 57570

Sheldon Presser  
 Aberdeen, SD 57401

Dennis Spotted Tail  
 Parmelee, SD 57566

**To be Applied**

Janice Menard  
 Mission, SD 57555

BE IT FURTHER RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the refund of capital credits allocated on the books of the Cooperative to the heirs or legatees of the following deceased patron be approved.

NAME	TOTAL DUE	FULL PAYMENT	DISC. PYT.
Priscilla Black Spotted Horse	\$ 9.87		\$ 8.29
Bernice Grace	\$ 1,740.14		\$ 765.33
Janice Menard	\$ 979.39		\$ 341.93
Dennis Spotted Tail	\$ 1,928.88		\$ 878.67

BE IT FURTHER RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the Cooperative enter into the following Stock Water Well Service Contracts with the following patrons of the Cooperative.

NAME & ADDRESS	FOOTAGE	Annual Minimum
James Doyle 29706 274 <sup>th</sup> Ave. Loc 33-31-02	0-1400 ft	\$ 247.20
Rick & Missy Weber 271 West Ridge Rd. Valentine, NE 69201 Loc 79-29-02	0-1400 ft	\$ 247.20
Loc 79-28-01	1401-3000 ft	\$ 386.40
Loc 79-21-01	3001-6000 ft	\$ 584.90

BE IT FURTHER RESOLVED by the Board of Directors of Cherry-Todd Electric Cooperative, Incorporated, that the Cooperative enter into the following irrigation well Service Contracts with the following patrons of the Cooperative.

NAME & ADDRESS	LOC:	HORSEPOWER	ANNUAL MINIMUM
Daniel Gudgel 29712 286 <sup>th</sup> Ave. Valentine, NE 69201	41-35-03	125 HP	\$ 3,218.75
	49-25-01	75 HP	\$ 1,931.25
	50-08-05	60 HP	\$ 1,545.00
	50-08-06	75 HP	\$ 1,931.25
	50-09-03	75 HP	\$ 1,931.25
	50-23-04	60 HP	\$ 1,545.00
	50-31-02	75 HP	\$ 1,931.25
	50-32.03	75 HP	\$ 1,931.25
	56-22-01	75 HP	\$ 1,931.25
	58-07-04	75 HP	\$ 1,931.25
	58-07-05	75 HP	\$ 1,931.25
	58-14-02	60 HP	\$ 1,545.00
	41-34-02	75 HP	\$ 1,931.25
David & Nina Nelson 38301 S. Crookston RD. Crookston, NE 69212	77-35-02	125 HP	\$3,218.75

ATTORNEY'S REPORT: Attorney Larson read the 457(b) plan resolution to the Board. Brickman motioned, seconded by Assman to adopt the new 457 (b) plan resolution. Motioned carried.

Larson gave an updates regarding the arbitration matter and discussions with the Rosebud Sioux Tribe.

Larson presented proposals for bylaw amendments for member voting at the upcoming annual meeting to the Board for approval. Brickman motioned, Seconded by Tucker to accept proposed bylaw amendment Article IV, Section 2 as attached. Motion carried

Brickman motioned, Seconded by Stolzenburg to accept proposed bylaw amendment Article III as attached. Motion carried.

OTHER REPORTS AND BUSINESS: Brickner gave a report on the attendance of Rushmore Electrics Board Meeting and the TUC Forum held in Rosebud.

Valburg motioned, seconded by Stolzenburg to adjourn the meeting. Motion carried. Meeting adjourned at 3:25 pm.

(Seal) Approved:  
\_\_\_\_\_  
President

Attest:  
  
\_\_\_\_\_  
Secretary

**ARTICLE IV  
DIRECTORS**

SECTION 2. Director Zones. For the purpose of election and qualification of Directors, the area comprising the Cherry-Todd Electric Cooperative, Incorporated, service territory shall be divided into three zones from which Directors of the Cooperative shall be elected as follows:

- (a) Zone 1, shall consist of all of Mellette County, South Dakota, and shall be entitled to two (2) Directors;
- (b) Zone 2, shall consist of all of Todd County, South Dakota, and shall be entitled to four (4) Directors;
- (c) Zone 3, shall consist of all the territory served by said Cooperative in Cherry County, Nebraska, and shall be entitled to two (2) Directors.

**ARTICLE III  
MEETINGS OF THE MEMBERS**

**SECTION 1. Annual Meeting.** Except as provided herein, beginning as of the year 2015, the Annual Meeting of the members shall be held during the months of September or October of each year in the Counties of Todd and Mellette, State of South Dakota, and in the County of Cherry, State of Nebraska, according to the following schedule:

**YEAR    ANNUAL MEETING LOCATION**

2015	Mellette County, South Dakota
2016	Todd County, South Dakota
2017	Cherry County, Nebraska

The Annual Meeting location, beginning with the year 2018 and thereafter, to be rotated among the Counties of Todd and Mellette, State of South Dakota, and the County of Cherry, State of Nebraska, according to the sequence of the above schedule; provided however that the Board of Directors may provide for the Annual Meeting to be held in Cherry County to be held at the Rosebud Casino located just across the Cherry County line. The time and place of the Annual Meeting shall be designated in the Notice of the Meeting. The purpose of the Annual Meeting shall be to elect Directors, to pass upon reports of the previous fiscal year and to transact such other business as may lawfully come before the meeting. It shall be the responsibility of the Board of Directors to make adequate plans and preparations for the Annual Meeting. Failure to hold the Annual Meeting at the designated time shall not work as a forfeiture or dissolution of the Cooperative.