

CHARITON VALLEY ELECTRIC COOPERATIVE  
REGULAR MONTHLY BOARD MEETING

May 27, 2021

A meeting of the Chariton Valley Electric Cooperative, Inc. (CVEC) Board of Directors was called to order at the Cooperative office in Albia, Iowa, on May 27, 2021, at 6:18 p.m. by President Kenny VandenBerg following a tour of the Monroe County Hospital and Clinic.

Secretary Norm Major reported 7 directors were present as the seat for District 1 remains vacant and Director Durian absent. Others in attendance included CEO/General Manager Leilani Todd, Finance Manager Trudy Grade, Operations Manager Carson Hodge, Economic Development & Member Services Manager Tod Faris and Executive Assistant Anna Kerber.

Special Guest Rand Fisher, Iowa Area Development Group

Rand Fisher with Iowa Area Development Group presented Chariton Valley Electric Cooperative, Inc. with an Impact Award that recognizes the cooperatives outstanding commitment, contribution and participation in business development projects and local community initiatives.

President VandenBerg thanked Mr. Fisher for his time and recognition and excused him from the meeting.

Agenda

A motion was made, seconded and carried to accept the final agenda as presented.

Minutes

A motion was made, seconded and carried to approve the minutes of the April 22, 2021, regular business meeting of the board of directors.

New Members

The list of applications for cooperative membership was presented to the board for the month of April 2021. A motion was made, seconded and carried to affix the cooperative seal on all membership applications for the month.

SEE ATTACHED MEMBER LIST

CFC Annual Membership Meeting Delegate

Upon a motion made, seconded and carried, Director Welsh was appointed as CVEC's voting delegate, with Director Gottschalk serving as the alternate voting delegate for the upcoming CFC Annual Membership Meeting.

Safety Report

CEO/General Manager Leilani Todd reported Mike Gibler, the cooperative's Safety and Material Coordinator will continue to submit a written report each month to keep the board abreast of all safety activities happening within the cooperative. She also gave a brief overview of the Rural Electric Safety Achievement Program (RESAP) inspection that was recently completed by the IAEC. This program utilizes a framework for continuous improvement to improve safety performance & culture, while also helping set benchmarks and identify quantifiable safety goals. A motion was made, seconded and carried to accept the April 2021 Safety Report as information.

Financial Report

Finance Manager Trudy Grade presented the cooperative's financials for April 2021. A motion was made, seconded and carried to accept all financials as presented.

Finance Manager Trudy Grade opened the floor for questions regarding her department written report. There were no questions to come from the board.

Finance Manager Trudy Grade reported the cooperative's net margins for 2020 totaled \$731,334.69. After allowance for reserve for depreciation, in accordance with utility accounting requirements and in accordance with the Articles of Incorporation and By-Laws this amount shall be distributed. A motion was made, seconded and carried, to approve the 2020 Margin Allocations Resolution as presented where the sum of \$545,334.69 will be allocated to Deferred Patronage Dividends and added to the revolving fund and credited on the books of the cooperative to each patron in the proportion his or her patronage bears to the total electric reserves of the cooperative for the year 2020.

SEE ATTACHED RESOLUTION

Operation Report

Operations Manager Carson Hodge opened the floor for questions regarding his department written report for April 2021. Discussions were held regarding project updates and chemical spraying/treating vegetation. There were no further questions to come before the board.

Economic Development & Member Services Report

Economic Development & Member Services Manager Tod Faris opened the floor for questions regarding his department written report. Questions and a discussion were held regarding the benefits and plans for CJ3 as a recipient of a Sharing Success Grant. He also discussed a recent visit from Representative Mariannette Miller-Meeks at the Albia Chamber of Commerce where they discussed small businesses and their efforts to recover from COVID-19. There were no further questions to come before the board.

IT & Member Communications

Nathan Norton, the cooperative's IT Contractor submitted a written report summarizing the information technology activities for the month of April. Member outreach efforts for the month of April were also shared with the board along with the most recent statistics for the cooperative's social media page. The 2021 scholarship recipients were shared with the Board.

Attorney's Report

CEO/General Manager Leilani Todd opened the floors regarding the Attorney's Report. A discussion was held regarding who pays for the legal fees associated with drafting the economic development loan documents; CVEC charges the loan recipient a flat fee to cover for these fees. Further discussion was held regarding the board conducting exit interviews with management level staff if they see fit.

CEO/General Manager's Report

CEO/General Manager Leilani Todd opened the floor for questions regarding her written report for the month. There were no questions to come before the board.

Cooperative Systems Integrity Fund

CEO/General Manager Leilani Todd encouraged the board provide a financial contribution to the CFC Integrity Fund that supports cooperative systems across the nation in resisting threats to their service territories, their right to offer non-electric energy services to consumers and other challenges that

threaten the cooperative existence. A motion was made, seconded and carried to deduct five <sup>4812</sup>percent from the cooperative's 2020 CFC patronage capital refund.

Executive Session


The Board entered an executive session at 7:54 p.m., returning to regular session at 8:18 p.m.

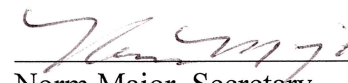
Director Reports for Affiliated Organizations

Directors in attendance at the NEP, IAEC and Iowa Institute of Cooperative's board meetings gave their monthly reports.

Adjournment

As there was no further business to come before the board, the meeting adjourned at 8:41 p.m., with the next regular business meeting scheduled for June 24, 2021, at 6:00 p.m.

  
Kenny Vandenberg, President

  
Norm Major, Secretary