

CHARITON VALLEY ELECTRIC COOPERATIVE

REGULAR MONTHLY BOARD MEETING

JUNE 29, 2023

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 June 29, 2023, at 5:00 p.m. by President Michael Miller.

Secretary Norm Major reported all directors were present in person, except Randy Gottschalk who was absent. Other attendees included General Manager Troy Amoss; Finance Manager Trudy Grade; Economic Development & Community Relations Manager Tod Faris; and Communications Coordinator/Executive Assistant Anna See. The Cooperative's attorney Dennis Puckett participated remotely by video conference.

Consent Agenda

A motion was made, seconded, and carried to accept the consent agenda items as follows: the agenda; the May 25, 2023 regular business meeting minutes; and the May 2023 New Member List.

SEE ATTACHED MEMBER LIST

Operations Report

- a) General Activity – General Manager Troy Amoss noted the board packet included a written report concerning operations. In addition, he reported on outages, updated the Board on construction projects, discussed tree trimming, and updated the Board on the new fiber as part of Alliant's tower project. He also noted his on-going communications with a potential bitcoin load. He stated he would like to propose a change in the large equipment budget by substituting those items planned for 2024 with those planned for 2023. Supply chain issues are preventing the 2023 items from being available. Following discussion, a motion was made, seconded and carried to swap the 2023 and 2024 large equipment purchases as noted in agenda item 2.1.1 and explained in the board packet. Troy Amoss also responded to questions about an incident at the fairgrounds on the customer side of the meter.
- b) Safety – The board packet included a safety report. A motion was made, seconded, and carried to accept the May 2023 Safety Report and the statistics information that was included in the board packet.

Economic Development and Community Relations

At this time Tod Faris presented his report on economic development and community relations, including the following items:

- a) Loan Application – Tod Faris indicated the Monroe County Hospital loan applications were submitted to USDA for approval.
- b) Government Relations – Tod Faris noted a campaign event in Ottumwa and indicated that tickets were available through the IAEC.

- c) Camp 365 – Tod Faris reported on the status of the Camp365 loans. The previously approved deferrals end on June 30, 2023. Faris indicated the Borrower has expressed interest in an additional deferral; but no formal request has been submitted. The Board decided to wait and see if the payments due July 1, 2023 were made and then respond accordingly.

Member Communications and Engagement

Anna See offered to answer any questions concerning her report and there were none.

Human Resources

A written report on Human Resources was included in the board packet and Troy Amoss offered to answer any questions.

IT/Cybersecurity

The board packet included information on IT and Cybersecurity and Troy Amoss asked if the directors had any questions.

Finance Report

Finance Manager Trudy Grade presented the financial report, including the following items:

- a) Financial Statements – The board packet included a list of May 2023 activities, financial ratios, revenue and expense items for the month compared to budget, and a listing of checks. Trudy Grade noted that revenues were a little over \$1 million for the month; but they were still under budget for the year by about 11.2%. She noted the revenues are still behind due to the delay in the rate increase. The line of credit has been paid down. The monthly checks were reviewed. Following discussion, a motion was made, seconded and carried to approve the financial reports as presented.
- b) Credit Cards – The credit card expenses were reviewed. The Board requested additional explanations to be provided in future months on the expenses. A motion was made, seconded and carried to approve the Cooperative's credit card and CEO/GM expenses for the month of May.
- c) Debt Write-off – The board packet included debt write-offs as of May 31, 2023. The bad debt represents less than 1% of revenue. Following discussion, a motion was made, seconded and carried to approve the write-offs as presented.

Old or Unfinished Business

The Chairman asked for any old and unfinished business and there was none.

New Business

- a) Director Expense Report – The Board Expense Report was reviewed. Following review, a motion was made, seconded and carried to approve the report as presented to this meeting.
- b) Board Policies B-101 through B-107 – The board packet included updated Board Policies B-101 through B-107. The policies were reviewed by Anna See and Attorney Puckett.

Following discussion, a motion was made, seconded and carried to approve the recommended revisions.

SEE ATTACHED POLICIES

- c) IAEC District Meeting – It was noted the IAEC District Meeting would be held August 4 in Coralville, Iowa. Directors planning to attend were noted.
- d) NRECA Regional Meeting – It was noted the NRECA Regional meeting will be held September 12-14 in Des Moines. Plans for those intending to attend were discussed.
- e) NRECA Legislative Conference – The dates for the Fall Legislative Fly-in to D.C. were noted, and Director Brown and Tod Faris indicated that they would likely attend.

Executive Session

Chairman Miller recessed the meeting into executive session and all directors who were present prior to the recess and Attorney Puckett participated in the executive session. Following the executive session, the meeting resumed in regular session with all board members who were present during executive session, General Manager Amoss, and Attorney Puckett participating.

Legal Report

Attorney Puckett reported on the work that he has done for the Cooperative during the last month, including work on economic development loans, collection letters, board minutes, policy reviews, and addressed questions on electrical inspections. He also reviewed a recent Iowa Supreme Court decision and two Iowa Utilities Board decisions.

Northeast Power Report

Mike Miller reported on the Northeast Power Board meeting and discussed risks related to generation shortfalls.

IAEC Report

The board packet included a written report concerning the IAEC activities. Director Vandenberg offered to answer any questions.

CFC Forum

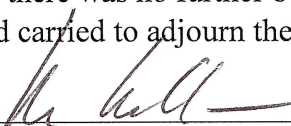
Directors Welsh and Major attended the CFC Forum and reported on their meeting.

Calendar of Events

The board packet included a calendar of events and the same was reviewed. The next board meeting will be held on July 27, 2023 at 5:00 p.m.

Adjournment

As there was no further business to come before the board, a motion was duly made, seconded and carried to adjourn the meeting at 7:15 p.m.



Michael Miller, President



Norm Major, Secretary