

## CHARITON VALLEY ELECTRIC COOPERATIVE

### REGULAR MONTHLY BOARD MEETING

JULY 27, 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 July 27, 2023, at 1:00 p.m. by President Michael Miller.

Secretary Norm Major reported all directors were present in person. Other attendees included General Manager Troy Amoss; Finance Manager Trudy Grade; Economic Development & Community Relations Manager Tod Faris; Communications Coordinator/Executive Assistant Anna See, and Line Superintendent Jared Shaw. Special guests Olivia Hathcock and Jordyn Hafer were also present in person. The Cooperative's attorney Dennis Puckett participated remotely by video conference.

#### Special Guests - Youth Tour Representatives

Olivia Hathcock and Jordyn Hafer attended the NRECA Youth Tour event in Washington, D.C. as the Cooperative's representatives. Olivia and Jordyn were introduced, and gave a brief presentation concerning their trip, showing slides and pictures. Both thanked the Board and the Cooperative for the opportunity. Following their presentation, Olivia and Jordyn left the meeting.

#### Consent Agenda

A motion was made, seconded, and carried to accept the consent agenda items as follows: the agenda; the June 29, 2023 regular business meeting minutes; and the June 2023 New Member List.

#### SEE ATTACHED MEMBER LIST

#### Operations Report

- a) General Activity – General Manager Troy Amoss introduced Jared Shaw and informed the Board of his new role, assisting with tasks previously handled by Troy when he was the Manager of Operations. Troy Amoss then reviewed the outage report, updated the Board on construction projects and maintenance activities, reviewed the R.O.W. clearing work of the contractors, and discussed the storm damage from June 29, 2023. He also updated the Board on the potential bitcoin load and large equipment purchases for 2023 and 2024.
- b) Safety – The board packet included a safety report. A motion was made, seconded, and carried to accept the June 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) Camp 365 – Tod Faris reported on the status of the Camp 365 loans. The previously approved deferrals ended on June 30, 2023 and the Borrower did not make the payments

that were due July 1, 2023. The Borrower requested an additional deferral period, where interest payments would be deferred for 3 months, and principal payments would be deferred for 6 months. After 6 months, full payments would resume. Discussion followed.

#### Executive Session

Mike Miller recessed the meeting into executive session at 1:34 p.m. All Board members and Attorney Puckett participated in the executive session. The meeting resumed in regular session at 1:58 p.m., with all those present as were present prior to the recess.

#### Camp 365 Deferral Request

A motion was made, seconded and carried to approve the deferral request submitted by Camp 365 and Attorney Puckett was directed to prepare the appropriate paperwork and communicate with the Borrower, as well as co-lenders.

#### Member Communications and Engagement

Anna See offered to answer any questions concerning her report and also reviewed plans for the upcoming Annual Meeting of the Members, including directions for the directors.

#### 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. A discussion was held concerning fiber and meter communications.

#### Finance Report

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

- a) Financial Statements – The board packet included a list of June 2023 activities, financial ratios, revenue and expense items for the month compared to budget, and a listing of checks. Trudy Grade noted that margins for the month were about \$124,000; however, year to date margins are still about 13.7% below budget. Patronage checks will be mailed out the week of August 7, 2023. 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. A motion was made, seconded and carried to approve the Cooperative's credit card and CEO/GM expenses for the month of June.
- c) Capital Plant Additions – The board packet included information about capital plant additions as of June 30, 2023 and the same was reviewed by the Board.
- d) CVEC Donations – The board packet included information about CVEC's donations year to date, and the same was reviewed by the Board. Questions were asked about the process of evaluating donation requests.

### 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 C-101 through C-102 and D-101 through D-104 – The board packet included updated Board Policies C-101 and C-102, as well as Policies D-101 through D-104. 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) Northeast Power Director Appointment – It was noted that Director Mike Miller will not be seeking re-election to the CVEC Board, and his term will end at the CVEC Annual meeting to be held August 7, 2023. Mike also serves on the NEP Board and will no longer be eligible to represent CVEC on said board following August 7, 2023. It was noted it would be appropriate for the CVEC Board to nominate someone to succeed Mike Miller on the NEP Board. The NEP Board will need to take action to fill the vacancy following Mike's ineligibility; but the NEP Board will look to CVEC to nominate a candidate. Ballots were collected from the Directors and there were 8 nominations for Norm Major and 1 nomination for John Houser. A discussion followed concerning whether or not both nominees should be presented to NEP or just one. A motion was then made, seconded and carried to only present 1 nominee, and Norm Major having received the highest number of nominations was selected. Director Houser asked questions about the proper interpretation of NEP's policies on filling vacancies and Attorney Puckett offered to follow-up with NEP's counsel to confirm the proper process to be followed.
- d) NRECA Fall Legislative Conference – The dates for the Fall Legislative Fly-in to D.C. were noted, and Directors Welsh and Brown indicated they would likely attend.

### Executive Session

Chairman Miller recessed the meeting into executive session at 2:55 p.m. and all Directors, General Manager Amoss, and Attorney Puckett participated in the executive session. Following the executive session, the meeting resumed in regular session at 3:00 p.m., with all board members General Manager Amoss, Communications Coordinator/Executive Assistant Anna See, and Attorney Puckett participating.

### Legal Report

Attorney Puckett reported on the work he has done for the Cooperative during the last month, including work on policy review, collection letters, and the Camp 365 default notices. He also noted an IUB proceeding concerning rate issues.



Northeast Power Report

Mike Miller reported on the Northeast Power board meeting and offered to answer any questions.

Iowa Association of Electric Cooperatives Report

The board packet included a written report concerning the Iowa Association of Electric Cooperatives activities. Director VandenBerg offered to answer any questions.

Iowa Institute for Cooperatives

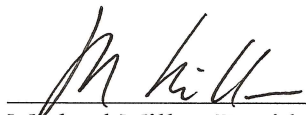
Director VandenBerg noted the Annual Meeting was scheduled for November.

Calendar of Events

The board packet included a calendar of events and the same was reviewed. The next board meeting will be held on August 24, 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 3:06 p.m.

  
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Michael Miller, President

  
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Norm Major, Secretary