

CHARITON VALLEY ELECTRIC COOPERATIVE
REGULAR MONTHLY BOARD MEETING
SEPTEMBER 28, 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 September 28, 2023, at 4:57 p.m. by President Kenny VandenBerg.

Secretary Norm Major reported all directors were present in person. Other attendees included General Manager Troy Amoss; Finance Manager Trudy Grade; Communications Coordinator/Executive Assistant Anna See, and Line Superintendent Jared Shaw. The Cooperative's attorney Dennis Puckett participated remotely by video conference. Special guest Darrin Lynch from CFC was also present.

2022 KRTA

Darrin Lynch from CFC was introduced and gave a presentation concerning the Cooperative's 2022 KRTA (Key Ratio Trend Analysis). He explained the KRTA and its ability to show trends and comparisons. The report utilizes form 7 data for 811 cooperatives, 31 of which are in Iowa. 97 of the cooperatives are comparable size to CVEC, 8 are in the same G&T group, and 155 have a similar plant growth rate as CVEC. Darrin reviewed various ratios and explained the same. He discussed target equity levels and ways to increase equity. He noted the full report includes data for a 20 year period. He offered to answer questions from the Board and staff throughout his presentation. After his presentation, Darrin Lynch left the meeting.

Consent Agenda

A motion was made, seconded, and carried to accept the consent agenda items as follows: the agenda; the August 24, 2023 regular business meeting minutes; and the August 2023 New Member List.

SEE ATTACHED MEMBER LIST

Human Resources Report

Troy Amoss noted the report on HR matters was included in the board packet and he offered to answer any questions.

Operations Report

At this time, Jared Shaw presented the operations report. He provided an update on the Trail Substation, noted a recent house move, and indicated that crews were replacing a number of transformers. Following his report, Jared Shaw left the meeting.

Safety Report

The board packet included a safety report. A motion was made, seconded, and carried to accept the August 2023 Safety Report and the statistics information that was included in the board packet.

Reliability Plan, Inspection and Maintenance Plan, and Meter Testing Plan Review

The board packet included an update and report on the Cooperative's reliability plan, inspection and maintenance plan, and meter testing program. The Board was given an opportunity to ask questions concerning the information.

Economic Development and Community Relations Report

The board packet included an economic development report, and it was noted that Papo's Pumpkin Patch, who received an RLF loan from the Cooperative, is doing very well. There were no questions regarding the report.

Member Communications and Engagement Report

The board packet included a written report from Anna See, Communications Coordinator/Executive Assistant. Anna offered to answer any questions concerning her report. Positive comments were provided concerning a video that had been posted.

IT/Cyber Security Report

The board packet included a written report from Network Administrator Nathan Norton. General Manager Amoss offered to answer any questions regarding the report.

Finance Report

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

- a) Financial Statements – The board packet included a list of August 2023 activities, financial ratios, revenue and expense items for the month compared to budget, various charts, and a listing of checks. It was noted August revenue was about \$1.2 million, which is closer to budget. Trudy noted she did draw \$300,000 on the line of credit. Work plan activity was reviewed. A discussion was also held concerning Chariton Valley Services and whether the subsidiary is required. Trudy Grade offered to answer questions about the reports. The monthly checks were reviewed, beginning with check #59083 and ending with check #59164. 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. Questions were addressed. A motion was made, seconded and carried to approve the Cooperative's credit card and CEO/GM expenses for the month of August.

CEO/General Manager Report

CEO/General Manager Troy Amoss presented his report to the Board. His report included information about Rise Broadband and the communications building on the Cooperative's property, Honey Creek Resort sponsorship request, potential new loads, and new 1,000 hour employees. Amoss also solicited input from the Board concerning the use of a summer intern for various tasks and the consensus was to proceed as discussed. He also reported on volunteer and community support work done by the Cooperative in the past month. Following the presentation, Trudy Grade left the meeting.

Old or Unfinished Business

- a) NRECA Regional Meeting, September 12-13 – The NRECA Region V Meeting was held September 12-13 in Des Moines, Iowa. Those who attended provided comments on the meeting.
- b) CFC District 5 Meeting, September 13 – The CFC District 5 meeting was held in conjunction with the NRECA Regional Meeting and the Cooperative's voting representative reported on said meeting.
- c) RESCO Annual Meeting, September 13 – The RESCO Annual Meeting was held in conjunction with the NRECA Regional Meeting and the Cooperative's voting representative reported on said meeting.
- d) NRECA Fall Legislative Fly-in, September 25-27 – The NRECA Fall Legislative Fly-in was held September 25-27 in Washington, D.C. Directors Welsh and Major attended and reported on the event.

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 D-111 to D-116 – The board packet included updated Board Policies D-111 through D-116, with D-116 being renumbered as D-102. Policies D-111 through D-115 are FEMA related policies and legal counsel had recommended no changes to said policies. Policy D-116, which will become D-102, is related to expenditures and disbursements. The proposed edits were discussed. It was consensus to retain the portion of the policy requiring beginning and ending check numbers be reflected in the monthly minutes. Following discussion, a motion was made, seconded and carried to approve the recommended revisions.
- c) Annual Meeting Format and Location – The Board discussed the 2024 Annual Meeting format and location. Following discussion, a motion was made, seconded and carried to hold a drive-through meeting similar to what was done this year. Most supported holding the meeting at the Cooperative and the consensus was to utilize the same vendor for food.
- d) IAEC Annual Meeting/Director Training – The IAEC Annual Meeting will be held in Des Moines and various director training options are available. Anna See requested the directors to indicate which trainings they wanted to attend.
- e) Thomas Hill Power Plant Tours – It was noted that Associated Electric Cooperative is making its Thomas Hill power plant tour available to more participants on November 14-15, 2023. Director VandenBerg and Director Heffron requested to attend.

Executive Session

Chairman VandenBerg recessed the meeting into executive session at 7:52 p.m. and all directors and Attorney Puckett participated in the executive session. Following the executive session, the

meeting resumed in regular session at 8:11 p.m., with all board members General Manager Amoss, and Attorney Puckett participating. Anna See left the meeting at this time.

Legal Report

Attorney Puckett reported on the work he has done for the Cooperative during the last month and offered to answer any questions.

Northeast Power Report

Richard Welsh reported on the Northeast Power Board meeting and indicated that work was being done on the 2024 budget.

Iowa Association of Electric Cooperatives Report

The board packet included a written report concerning the Iowa Association of Electric Cooperative's (IAEC) activities. Director Vandenberg noted the IAEC Board held a strategic planning session on September 6-7, 2023. At the strategic planning meeting, Executive Director Soderberg indicated he would be retiring in July of 2024.

Iowa Institute for Cooperatives

Director Vandenberg noted the board met September 8, 2023 and approved 13 scholarships of \$2,000 each. He also noted that Don Miller was approved for the Cooperative Hall of Fame. The Annual Meeting will be held November 21, 2023.

Discussion Items

It was noted that directors need to be diligent to avoid any computer hackers or scammers. A possible donation to the food bank from the directors was also discussed.

Calendar of Events

The board packet included a calendar of events and the same was reviewed. The next board meeting will be held on October 26, 2023 at 1:00 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 8:28 p.m.


Kenny Vandenberg, President


Norm Major, Secretary