

CHARITON VALLEY ELECTRIC COOPERATIVE
REGULAR MONTHLY BOARD MEETING
JUNE 25, 2024

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 25, 2024, at 1:00 p.m. by President Kenny VandenBerg.

Secretary Norm Major reported all directors were present, except Jerry Durian who was not present. Jerry Durian joined the meeting in progress at about 1:30 p.m. Other attendees included General Manager Troy Amoss; Finance Manager Trudy Grade; Communications Coordinator/Executive Assistant Anna See; Economic Development/Community Relations Manager Tod Faris; Human Resource Coordinator/Administrative Assistant Ashley Tratchel; and Line Superintendent Jared Shaw. The cooperative's attorney Dennis L. 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 30, 2024 regular business meeting minutes; and the May 2024 New Member List.

SEE ATTACHED MEMBER LIST

Human Resources Report

Ashley Tratchel, Human Resource Coordinator/Administrative Assistant, provided updates on employee-related matters. She reported the completion of the emergency response plan update and shared her plans to attend NRECA's Interact conference in Nashville to learn more about 401K and pension plans. Additionally, she mentioned her participation in the Albia High School mock interviews. Following her presentation, Ashley left the meeting.

Operations Report

At this time, Line Superintendent Jared Shaw presented the Operations Report. He discussed the outage report and provided details on the ongoing work by the crews. He provided an update on the J3T line rebuild and the work at Honey Creek. Additionally, he reported the new bucket truck was delivered. Jared then offered to answer any questions regarding the written report included in the board packet.

Safety Report

The board packet included a safety report. A motion was made, seconded, and carried to accept the May 2024 Safety Report and the accompanying statistics. It was noted the cooperative has achieved 3,718 safe working days since March 27, 2014 and a brief discussion was held regarding the last lost time incident.

Following the Safety Report, Jared Shaw left the meeting.

Economic Development and Community Relations Report

Tod Faris, Economic Development/Community Relations Manager, presented his report to the Board. He noted that the Kaster Fabrication loan had not yet closed due to a delay in obtaining the

borrower's attorney opinion. To provide additional protection for the cooperative, the borrower agreed to a personal guarantee. The SEDES group received its SHPO letter, which was sent to USDA last week, allowing the company to proceed with closing its loan this fall. Tod offered to answer any questions regarding his written report, and when asked about housing, he indicated there was nothing new to report. Following his report, Tod Faris left the meeting.

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 about her report and discussed the annual meeting attendance gift. She noted that the annual meeting booklet would be mailed out on July 8th. A discussion then followed regarding the meal serving process at the annual meeting.

IT/Cyber Security Report

The board packet included a written report from Network Administrator Nathan Norton on IT Updates. General Manager Amoss asked if there were any questions and there were none.

Finance Report

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

- a) Financial Statements – The board packet included May 2024 financial activities and statements, and the same were reviewed by Trudy. She noted there was a loss of about \$14,224.00 in May, which is not uncommon for the shoulder months. The year-to-date margin is above budget and above the prior year. Trudy reviewed significant activity for the month, including loan payments. She indicated that she was still waiting on some tree trimming invoices. The financial ratios were all within board policy and above RUS minimums. Equity is about 35% with economic development loans, and about 41.7% without those loans. Trudy noted no significant items on the balance sheet. Patronage refunds for 2023 and 2024 were noted. An update can be provided once all costs are known. A discussion followed concerning the process of distributing patronage. The check register was reviewed, beginning with check number 59650 and continuing through check number 59702. The ACH transactions were also reviewed. A motion was made, seconded and carried to approve the May 2024 Financial Statements 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 May.
- c) Energy Account Write-Offs – The energy accounts scheduled for write-off on May 31, 2024 were reviewed. The amounts were compared with prior years. The total for the year ending May 31, 2024 was \$19,474.80. A discussion was held concerning the collection process and the security deposit requirements. CEO Troy Amoss indicated he will be reviewing the collection process with the goal of improving collections. Following discussion, a motion was made, seconded and carried to approve the write-offs for the year ending May 31, 2024, as presented.

CEO/General Manager Report

CEO/General Manager Troy Amoss presented his report to the board. He noted that the IUB Tariff update was complete and ready for approval. The Union Contract has also been completed and signed, incorporating the changes previously approved by the Board and the Union. The employee handbook is currently under review and will be an agenda item for next month.

Troy highlighted the donation work done this month, including the removal of old poles at the sports complex. He also noted that Camp 365 had been reconnected at both buildings. Truck #3, ordered in April 2022, has finally arrived. Chariton Valley crews provided storm assistance to Southwest Iowa REC and a cooperative in Arkansas this past month.

Additionally, Honey Creek had requested a service relocation and was advised of the cost; they may pursue other alternatives.

At this time, Trudy left the meeting.

Old or Unfinished Business

The Chairman asked for any old or 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) Tariff Approval – The Tariff as updated was included in the board packet. Following discussion, a motion was made, seconded and carried to approve the electric tariff as presented.
- c) Iowa Association of Electric Cooperative's (IAEC) District Meeting – It was noted that the IAEC District meeting will be held August 9, 2024, in Coralville, Iowa. Following discussion, a motion was made, seconded and carried to designate Karla Heffron as the voting delegate at said meeting and Richard Welsh as the alternate voting delegate.

Executive Session

At this time, the Chairman recessed the meeting into executive session, with all board members, CEO Amoss, and Attorney Puckett participating in the executive session. The attorney legal report was provided during executive session. The executive session adjourned, and a motion was made, seconded and carried to resume the regular session at 3:00 p.m. When the meeting resumed, all those present during the executive session were in attendance and Anna See also rejoined the meeting.

Northeast Power Report

A written report on activities at Northeast Power was distributed to the directors. The board members serving on the Northeast Power Board offered to answer any questions concerning the report.

Iowa Association of Electric Cooperatives Report

The board packet included a written report on the Iowa Association of Electric Cooperative's (IAEC) board meeting held on May 29, 2024. Director Vandenberg also provided an update to the board on the Executive Vice-President search at the Iowa Association of Electric Cooperatives.

Iowa Institute for Cooperatives

Director Vandenberg noted that the Iowa Institute for Cooperatives has selected Laura Bloom of Ashland Ag Enterprises to assist with the executive director search. He also noted that Michael Lombardi would be the annual meeting speaker.

Discussion Items

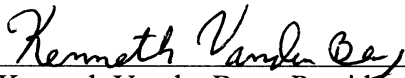
Discussion items included the NRECA Regional Meeting in Minneapolis, scheduled for September 16-18, and the mode of transportation. The cooperative has previously chartered a bus for the event; however, the consensus of the board was to carpool this year.

Meeting Dates/Calendar of Events

Chairman Vandenberg noted the calendar of events included in the board packet. It was noted that RAGBRAI will be passing through Albia on July 25th, with volunteer opportunities available. The next board meeting will be held on July 30, 2024, at 3:00 p.m. The August board meeting was rescheduled to August 27th 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 3:22 p.m.



Kenneth Vandenberg, President



Norm Major, Secretary