

CHARITON VALLEY ELECTRIC COOPERATIVE
REGULAR MONTHLY BOARD MEETING
SEPTEMBER 23, 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 September 23, 2024, at 9:00 a.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; Human Resource Coordinator/Administrative Assistant Ashley Tratchel; and Line Superintendent Jared Shaw. Attorney Dennis L. Puckett of Sullivan & Ward, P.C. participated remotely.

Consent Agenda

The consent agenda items were reviewed. A motion was then made, seconded, and carried to accept the consent agenda items as follows: the agenda; the August 27, 2024 regular business meeting minutes; and the August 2024 New Member List.

SEE ATTACHED MEMBER LIST

Human Resources Report

Ashley Tratchel, Human Resource Coordinator/Administrative Assistant, provided an update on employee matters. She discussed the ongoing progress of the Employee Handbook update and shared information about open enrollment for employee benefit plans. Additionally, she reported on member rebates for the month. Following her presentation, Ashley left the meeting.

Operations Report

Line Superintendent Jared Shaw presented the Operations Report, noting that crews have completed the J3T line rebuild project and are currently working on pole changeouts in the Honey Creek area. The Sundown Lake line rebuild is still pending. He also reported that C.R. Environmental, the cooperative's vegetation management contractor, is spraying the right-of-way in the Honey Creek and Numa substation areas. Brandon Shinn, the cooperative's summer intern, has completed his term, and a high school student will be assisting in the shop throughout the school year. Jared concluded by offering to answer any questions regarding his report.

Safety Report

The board reviewed the safety report included in the packet. A motion was made, seconded, and carried to accept the August 2024 Safety Report, along with the accompanying statistical information.

Following the safety report, Jared Shaw 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 regarding her report. She

highlighted the National Rural Electric Cooperative Association (NRECA) training available in conjunction with the Iowa Association of Electric Cooperative (IAEC) Annual Meeting and identified relevant classes for each director to attend. She also noted that two students from CVEC's service territory have signed up to participate in this year's Youth Leadership Academy hosted by IAEC. Additionally, Anna reported that Operation Round Up received \$1,789.44 in August, with 71.13% of CVEC members participating. To increase participation, postcards are being prepared for distribution.

IT/Cyber Security Report

The board packet included a written report from Network Administrator Nathan Norton detailing 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, covering the following items:

- a) Financial Statements – The board reviewed the August 2024 financial activities and statements included in the board packet. Trudy noted that the Cooperative had positive margins of approximately \$57,000 for the month, which exceeded the budgeted amount due in part to invoice timing. She also mentioned that patronage from Northeast Power was received this month. A summary comparing CVEC's patronage payments and processing costs for 2023 and 2024 was provided, highlighting cost savings from using bill credits instead of issuing checks for current members. Year-to-date margins were reported at \$424,686.00. Trudy also reviewed financial ratios, including the TIER ratio.

The check register, covering checks numbered 59821 through 59903, as well as the ACH transactions, were also reviewed. Questions were raised and address regarding payments to Verizon and US Cellular, rebates, rotary dues and the South Central Iowa Cap energy audit.

After thorough discussion, a motion was made, seconded and carried to approve the August 2024 Financial Statements as presented.

- b) Credit Cards – The board reviewed the credit card expenses. A motion was made, seconded and carried to approve the Cooperative's credit card and CEO/GM expenses for August 2024.
- c) Form 990 – The 2023 Form 990 was included in the board reading materials, and Trudy offered to address any questions regarding the filing.

Following her presentation, Trudy left the meeting.

CEO/General Manager Report

CEO/General Manager Troy Amoss presented his report to the board. He noted that a system tour was being planned for later this fall and mentioned the successful closing of the Kaster Fabrication loan, with the company offering to provide a tour for the board at a future date. An update was given on the school intern employee.

Troys indicated his intention to collaborate with CFC on the strategic plan for 2025, with a strategic planning session for the board to be held late next summer. He also mentioned that he is currently working on the budget for 2025, though several uncertainties remain at this stage. Additionally, it was reported that Northeast Power experienced an issue with its after-hours phone system on September 5th, resulting in CVEC handling its own after-hours calls on that date.

Troy concluded by offering to answer any questions regarding his report.

NRECA Video

An NRECA video was shown featuring Jim Matheson, who discussed how NRECA is preparing for the upcoming election season and a presidential transition, whether it be to Trump or Harris.

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 the review, a motion was made, seconded and carried to approve the report as presented at this meeting.
- b) Annual Meeting Format and Location – Chairman VandenBerg emphasized the need to make decisions regarding the 2025 Annual Meeting. Board members shared their feedback on the 2024 meeting, noting that the drive-through format was popular among members. The results of the member survey were reviewed, and the board reached a consensus to continue with the drive-through format and to utilize Cater 2 U 2 for food.

A discussion ensued about the meeting location and member attendance gifts, with a suggestion to use insulated bags as in 2023. After thorough discussion, a motion was made, seconded, and carried to approve the drive-through format at the cooperative office for the 2025 Annual Meeting.

- c) IAEC Annual Meeting and Director Training – Those wanting to attend the IAEC Annual Meeting were noted, along with those wanting to participate in director training that week.

Executive Session

At this time, the Chairman asked if there was a need for an executive session and there was none.

Legal Report

Attorney Puckett presented a legal report to the board. He reported on a decision in the IPL rate case and a decision that was issued in an ITC transmission line case involving a dispute over the ability of utilities to use the road right-of-way without compensating that adjoining landowner. The Iowa Utilities Commission ruled in favor of ITC Midwest; but it is likely the decision will be appealed. He noted the Iowa Supreme Court was scheduled to hear oral arguments in a survey access case involving Summit Carbon on October 7th. An issue has developed between Northeast Power and ITC Midwest concerning the provision of emergency transmission service at the Moravia Substation. A petition for injunction may need to be filed in Appanoose County to prevent

ITC Midwest from removing its facilities that would be utilized for such emergency service. Attorney Puckett also reported on Camp 365, which has been served with the collection lawsuit; but they have not yet filed an answer or responsive pleading. He also reported on other work he has completed for the cooperative during the month.

Director Reports

Directors provided updates on Northeast Power, the Iowa Association of Electric Cooperatives, and the Iowa Institute for Cooperatives. It was announced that the Iowa Institute for Cooperatives has selected its next Executive Director, with further details to be shared soon.

Discussion Items

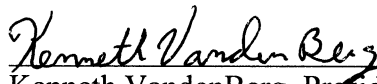
Director Vandenberg asked if there were any discussion items and there were none.

Meeting Dates/Calendar of Events

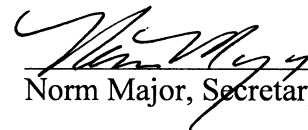
Chairman Vandenberg noted the calendar of events included in the board packet. The next board meeting is scheduled for October 21, 2024, at 1:00 p.m. A discussion also took place regarding the dates for the annual holiday party.

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 11:07 a.m.



Kenneth Vandenberg, President



Norm Major, Secretary