

PRIORITIZING

Reliability & Affordability

CHARITON VALLEY ELECTRIC COOPERATIVE



Our mission at Chariton Valley Electric Cooperative is to **safely** deliver **reliable** power and **innovative** services at **competitive** rates while providing **superior** member service.

Our vision is to power the lives of our members while improving the quality of life in the communities in which they live.

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PRESIDENT & CEO/GENERAL MANAGER'S MESSAGE

In today's world, electricity is essential. Every day our members rely on electricity to heat and cool their homes, wash their clothes, cook their meals, charge their phones and connect to the world. Lights are expected to turn on when we flip a switch and our phones to charge when we plug them in, and Chariton Valley Electric Cooperative must meet these expectations and ensure that our members have access to safe, reliable and affordable electricity.

The key measure of reliable electric service in the eyes of our members is the number of times their lights go out. Although our electrical system totals roughly 1,350 miles of line

and covers seven counties, Chariton Valley Electric Cooperative provided reliable electric service to our members 99.99% of the time in 2022.

System reliability is a daily focus for our employees. Educated and experienced employees build and manage our distribution system so that you can work from home, prepare dinner and relax at the end of the day while watching your favorite programs.

While we hold ourselves accountable to deliver reliable power that everyone can truly depend on, we also prioritize affordability. Although the cooperative found it necessary to adjust rates

earlier in the year, we are still committed to finding solutions and working diligently to keep costs as low as possible for our membership.

Maintaining reliable service at a competitive price remains the cornerstone of our business. Our members can rest assured that their cooperative will not compromise on these priorities, now, or in the future.

CVEC, its directors and its employees will continue to do our best to protect the safe, reliable and competitively priced power you have come to expect. As a cooperative, it's in our DNA, and it's our privilege to serve you.



Michael Miller
Michael Miller
Board President



Troy Amoss
Troy Amoss
CEO/General Manager

BOARD OF DIRECTORS

Chariton Valley Electric Cooperative is owned by the members we serve and democratically governed by the same. As a member yourself, you have a voice in the operation of the cooperative through your member-elected board of directors.

The cooperative's board is comprised of nine individuals with varied skill sets, perspectives, experience, expertise and views to create a well-rounded group that can represent the full spectrum of members and communities we serve. They range from farmers and business owners, to corporate employees and community members just like you. These individuals are entrusted to give strategic direction, make informed decisions on long-term

priorities and investments and uphold the vitality of the cooperative through good governance practices.

The cooperative's territory is divided into five districts, represented by the proportional number of board seats for each district. Director terms are staggered in a set three-year rotation, where directors are nominated by petition, placed on the official ballot and elected at-large each year by the membership at the Chariton Valley Electric Cooperative Annual Meeting in August.

- **District 1 includes:** Appanoose County
- **District 2 includes:** Monroe, Davis & Wapello Counties
- **District 3 includes:** Wayne County
- **District 4 includes:** Lucas & Marion Counties
- **District 5 includes:** Albia City Limits



Michael Miller

District 4
President
mmiller@cvrec.com



Randy Gottschalk

District 2
Vice President
rgottschalk@cvrec.com



Marchelle Brown

District 1
Treasurer
mbrown@cvrec.com



Norm Major

District 5
Secretary
nmajor@cvrec.com



Jerry Durian

District 2

jdurian@cvrec.com



Wesley Green

District 3

wgreen@cvrec.com



John Houser

District 1

jhouser@cvrec.com



Kenneth Vandenberg

District 5

kvandenberg@cvrec.com



Richard Welsh

District 5

rwelsh@cvrec.com

In recognition of Mike Miller's dedicated service to CVEC's members

After serving 11 terms, totaling 33 years, district 4 director representative, Michael Miller, will complete his tenure on the Board of Directors of Chariton Valley Electric Cooperative on August 7, 2023.

Over the past 33 years as a director, Miller has faithfully and admirably served the membership and the cooperative through strong leadership, hard work and dedication. He has generously given his time and energy to his duties, making thoughtful contributions, while always acting in the highest tradition of service.

CVEC takes great pleasure in recognizing the significant achievements of Mike. He has served and represented CVEC on the Northeast Power Board of Directors for nearly 11 years. He has also served as CVEC's Board President for a total of 6 years, as well as Vice President and Treasurer.

The Board of Directors and employees of CVEC commend and thank Mike for his invaluable contributions and dedication throughout his 33 years of service and wish him well in retirement.



OUR TEAM

CVEC's team is committed to powering the lives of our cooperative members every day. Our mission and vision drive our 26 employees and the way they operate and make decisions, both individually and as a cohesive team.

Each demonstrates dedication and commitment to excellence, while also committing their careers to the cooperative and investing time and energy in learning new skills and growing professionally to better serve our members.

Troy Amoss
CEO/General Manager &
Manager of Operations

Missy Bayer
Operations Assistant

Suzanne Briggs
Billing Coordinator

Thad DeMoss
Line Foreman

Tod Faris
Economic Development
& Community Relations
Manager

Mike Gibler
Safety & Material
Coordinator

Jonathan Giesken
Apprentice Lineman

Trudy Grade
Finance Manager

Lance Henderson
GIS Coordinator

Felicia Hill
Accounting Assistant

Tina Jewett
Member Service
Representative

Kyle Kirchner
Lineman

Wyatt McCarty
Apprentice Lineman

Chelsea Nicholson
Network Technician
(Shared Services)

Nathan Norton
Network Administrator
(Shared Services)

Kile Overmyer
Lineman

Makaine Rinehart
Lineman

Ryan Romanco
Lineman

Tim Scott
Lineman

Anna See
Communications
Coordinator/Executive
Assistant

Jared Shaw
Line Foreman

Marc Smiarowski
Staking & Field
Technician

Kalie Strife
Member Service
Representative

Ivy Swarthout
Staff Accountant

Ashley Tratchel
Human Resource/
Administrative
Assistant

Mark Waechter
Lineman

OFFICIAL ANNUAL MEETING NOTICE

CHARITON VALLEY ELECTRIC COOPERATIVE NOTICE OF ANNUAL MEETING OF MEMBERS

The 76th Annual Meeting of the Members of Chariton Valley Electric Cooperative will be held by means of a drive-through at the cooperative's headquarters located at 2090 Highway 5 Albia, IA 52531 on August 7, 2023, from 4:30-7:30 p.m. A brief business meeting will be held at the cooperative at the conclusion of the drive-through event to act upon the following matters:

1. The reports of officers, directors, and committees;
2. The election of three (3) directors of the cooperative for a term of three years each;
3. All other business which may legally come before the meeting or any adjournment or adjournments thereof.

In connection with the election of directors scheduled for this meeting, the following members have submitted qualified petitions seeking nomination for a director pursuant to the Bylaws.

THREE-YEAR TERM

(Three to be Elected)

District 2: Randy Gottschalk

District 4: Karla Heffron

District 5: Richard Welsh

In an effort to meet our members' expectations and allow for maximum member participation, the board has decided to hold the meeting in a drive-through format, which will allow members to register; drop-off their ballot at the meeting location (if they have not already voted by mail); pick-up their annual meeting gift; and receive a to-go meal.

You are encouraged to review the reports, vote for directors, participate in the event and communicate with the cooperative should you have any issues or concerns.

DATED this 10th day of JULY 2023.



Norman Major, Secretary

PREVIOUS MEETING MINUTES 2022

CHARITON VALLEY ELECTRIC COOPERATIVE, INC. ANNUAL MEETING OF MEMBERS AUGUST 1, 2022

The 75th Annual Meeting of the Members of Chariton Valley Electric Cooperative, Inc. was held at the King Opera House, 115 Benton Avenue East in Albia, Iowa, at 6:30 P.M. on the 1st day of August 2022.

The meeting was called to order by Michael Miller, President of the cooperative, who presided. Secretary Norman Major acted as Secretary of the meeting and kept the minutes thereof.

Chairman Miller asked everyone to stand for the National Anthem and the Pledge of Allegiance. Hannah Anderson, a recent graduate of Albia Community High School, sang the National Anthem. Marc Smiarowski, Chariton Valley Electric's Staking and Field Technician, then gave the invocation. CEO/General Manager Leilani Todd extended a thank you to Marc Smiarowski and proceeded to offer welcoming remarks.

The Secretary stated that the members who had voted by mail had been checked, and that a quorum was present for the transaction of business. A list of the members who voted will be retained by the cooperative and will be used in lieu of roll call.

The Secretary noted the Notice of the Annual Meeting of the Members had been mailed to all members and presented the proof of the due mailing of said Notice. The Notice will stand as mailed.

The Secretary noted the minutes of the Annual Meeting of the Members held August 2, 2021, were distributed to the members and approval of the same was included on the ballot.

The annual reports of President Miller, CEO/General Manager Leilani Todd, and Treasurer Marchelle Brown were recorded and played on the screen prior to the meeting.

The Chairman stated the next order of business was the election of three (3) directors for a term of three years each. Attorney Dennis Puckett was introduced and described the process of being placed on the ballot through the petition process. There were three candidates that submitted valid petitions as follows:

Three-Year Term (One to be elected from each district)

District No. 1:	Marchelle Brown
District No. 2:	Jerry Durian
District No. 5:	Kenneth VandenBerg

The director candidates were introduced, and the director petition packets received were to be identified by the Secretary and annexed to the minutes of the meeting.

The Chairman had previously appointed the following members as Tellers/Inspectors of Election: Sherri Parker; Debra "Debbie" Zaputil; Becky DeTar; Vicki Gardner; Jayce Reed; and Tava Hoffman.

A vote was taken by ballot and each of the candidates received the highest number of votes in their district. The members also voted to approve the minutes of the 2021 Annual Meeting. A Certificate of Inspectors of Election is attached to these minutes.

It was then declared that Marchelle Brown, Jerry Durian and Kenneth VandenBerg had been elected to hold office for a term of three years, and until their successors shall have been elected and qualified. It was further declared that the 2021 Annual Meeting Minutes would be approved as distributed.

The Chairman called for any old or new business and there was none.

There being no further business to come before the meeting, upon a motion duly made, seconded and unanimously carried, the meeting adjourned.



Norm Major, Secretary



Michael Miller, Chairman

You can vote to approve the 2022 meeting minutes on the official ballot included with this mailing.

Every member has a voice

The best part about being a member of CVEC is just that – it is your electric cooperative. You have a say in how your cooperative is run because membership also equals ownership. Being locally owned, operated and democratically run means you can trust your cooperative to focus on members' needs, local priorities and decisions that are best for your community.

The official ballot is included in this mailing. All ballots must be received by **7:30 p.m. on Monday, August 7, 2023**, for your vote to be counted. This year's election will be conducted by mail-in balloting and drop-off balloting. Members may return their ballot in the enclosed business reply envelope through the U.S. postal system or by hand delivering it at the drive-through portion of the Annual Meeting. **Note: Ballots will not be distributed during the drive-through portion of the Annual Meeting.**

Return your ballot in the enclosed envelope by **August 7, 2023, at 7:30 p.m.** and be entered into a drawing for a chance to win a \$500 energy credit!

TREASURER'S REPORT/FINANCIAL STATISTICS



Trudy Grade
Finance Manager

The Board of Directors of Chariton Valley Electric Cooperative is elected by you, the membership, to ensure the cooperative remains financially stable. Annually, the board approves an operational, construction work improvement and capital investment budget. Every month your directors review the current financial statements and compare them with the annual business plan and financial position of the previous year.

also providing safe and reliable services. The board approved the year-end audit report to officially close the 2022 books.

For 2022, total equity was at a strong 35.14 percent and overall audited net margins totaled \$795,204. Capital credits, also referred to as net margins, include any earnings left after expenses. These margins are then allocated back to members. CVEC is pleased to report that your cooperative is refunding capital credits for the 40th year in a row. This year we are refunding a total of \$250,000, and since 2003, your cooperative has refunded over 4 million dollars. This is the cooperative difference that sets us apart from other utilities.



Marchelle Brown
Treasurer

Our annual independent financial audit, performed by Forvis LLP of Des Moines, was completed in April 2023 and presented to the Board of Directors on April 27, 2023. The Board of Directors and staff work diligently to ensure costs are kept competitive while

Operation Round Up Statistics As of 05/31/2023

73.65%

MEMBERS
PARTICIPATING


\$81,098.10

TOTAL PROGRAM
CONTRIBUTIONS


23

NUMBER OF
GRANTS AWARDED


\$75,757.11

TOTAL AMOUNT GRANTED
TO ORGANIZATIONS

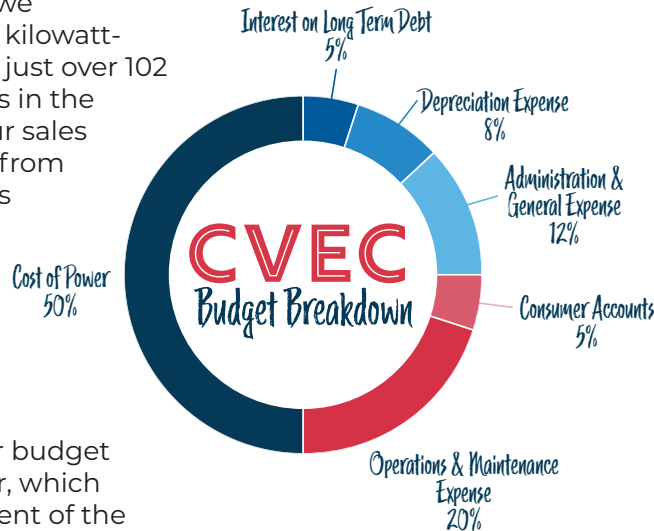

Note: If you qualify to receive a capital credit check:

- Greater than or equal to \$25 – a check will be mailed to your address on file after August 7, 2023.
- Less than \$25 – your active account at CVEC will be credited.

Even though our members continue to become more energy conscious, we maintained strong kilowatt-hour (kwh) sales of just over 102 million kwh sold. As in the past, the bulk of our sales (59 percent) come from our residential class members, with the remaining 41 percent from our commercial classes.

One of the major components of our budget is the cost of power, which represents 50 percent of the

total cost of providing you with electrical service. Our power supplier, Northeast Missouri Electric Power Cooperative (Northeast Power), provides us with the power that we then distribute to our members. The graph below depicts this expense in relation to the cooperative's other expenses.



Comparative Financial Statistics

Assets	2021	2022
Total Utility Plant	\$37,863,636	\$39,035,391
Less Depreciation	(10,780,364)	(11,012,797)
Net Utility Plant	27,083,272	28,022,594
Patronage Capital	5,168,284	5,157,219
Investments	6,849,849	5,948,559
Cash/Temp Investments	1,725,352	855,931
Accounts Receivable	1,896,961	2,380,022
Other	849,810	869,571
Total	\$43,573,528	\$43,233,896
Liabilities	2021	2022
Member Patronage	\$14,693,990	\$15,191,799
Long Term Debt	26,140,936	25,346,385
Notes/Accounts Payable	1,082,033	1,218,432
Consumer Deposits	142,534	139,093
Other Liabilities	1,514,035	1,338,187
Total	\$43,573,528	\$43,233,896
Revenues & Expenses	2021	2022
Total Revenue	\$11,915,174	\$12,763,588
Cost of Power	5,873,764	6,151,907
Operations/Maintenance	2,022,452	2,499,504
Consumer Accounts	571,701	578,832
Administration/General	1,215,897	1,495,838
Depreciation	938,936	971,836
Interest on Long Term Debt	616,512	611,658
Other Expenses	11,285	6,671
Total Expenses	\$11,250,547	\$12,316,246
Margins	2021	2022
Operating Margins	\$664,627	\$447,342
Non-Operating Margins	13,875	134,497
G & T Co-op Capital Credits	366,770	180,588
Other Org. Capital Credits	29,923	32,777
Net Margins	\$1,075,195	\$795,204

MEET THE 2023 DIRECTOR CANDIDATES



District 2: Randy Gottschalk, incumbent, and his wife Janet have lived in rural Lovilia for nearly 20 years where they hobby farm as well as operate several real estate investments. They have two children, Brandi of San Carlos, CA (including two grandkids Jones-9 and Harvey-6) and Devon of Brighton, MA.

Randy has served on the Chariton Valley Electric Board of Directors for a total of 9 years, earning his CCD, BLC and Director Gold accreditations, which involve completing over 20 eight-hour classes related to the legal and operating aspects of a cooperative's operation - demonstrating his commitment to being a director. Randy knows a director's responsibility is to act as a fiduciary on the members' behalf and is committed to fulfilling that obligation. Randy's business experience of owning and operating the Kentucky Fried Chicken in Ottumwa for nearly 20 years brings the knowledge of business operations to Chariton Valley Electric.

When asked what important issues the cooperative board needs to focus on in the near future, Randy replied, "to keep liabilities low, keep employee turnover

to a minimum, keep costs down and to continue providing electric service with little, to no interruptions."



District 4: Karla Heffron, candidate, resides in Melrose and has been a cooperative member for 27 years. She and her husband Steve have two children, Ryley and Nicholas.

Heffron has financial and business management skills she would bring to the board from being self-employed, managing and operating Becks Hybrid Seed, farming 450 acres of row crop, hay and cattle and previously working at Hy-Vee for 25 years. Heffron has also served on many boards and committees including Monroe County 4H as a leader, JDRF, Chariton Rotary Club and Chariton girls recreational softball league.

When asked what important issues she believes the cooperative board needs to focus on in the near future, Karla replied, "the cooperative needs to focus on keeping up with the changing technology and also recruiting and retaining a skilled work force."



District 5: Richard Welsh, incumbent, resides in the city of Albia, is a lifelong resident of Monroe County and a proud member of the REC for over 50 years. He and his wife Kathy have four children, nine grandchildren, one great grandson and one great granddaughter.

For 20 years, Richard farmed a row crop and livestock operation west of Lovilia. He is now retired after spending close to 30 years working in the livestock feed services industry.

Richard has served on the CVEC board for 22 years, where he has held numerous executive officer positions throughout the years. He also currently serves on CVEC's transmission cooperative Northeast Power's Board. He has completed the necessary educational courses to earn his CCD, BLC and Director Gold accreditation. He is an active member of St. Mary's Catholic Church in Albia and formerly served on the Monroe County Extension Council for 11 years.

When asked what important issues the cooperative board needs to focus on in the near future, Richard replied, "we have many challenges ahead of us with tougher emissions regulations coming and the cost pressures that go along with it. As a cooperative, we need to work on ways to keep costs down, but also continue providing the excellent service and availability that you have come to expect."

Annual Meeting Information

MONDAY, AUGUST 7, 2023

4:30 P.M. - 7:30 P.M.

Drive-through at CVEC Headquarters

2090 Highway 5 South, Albia, Iowa

Attend the drive-through event and be registered to win a

\$1,500 ENERGY BILL CREDIT

Enjoy a to-go meal catered by
Thelma Saxton-Cater 2 U
and pick up your annual meeting gift!

A brief business meeting will be held at the conclusion of the drive-through event at CVEC headquarters.

PRIORITIZING Reliability & Affordability



**Chariton Valley
Electric Cooperative, Inc.**

Your Touchstone Energy® Cooperative 

2090 Highway 5 South
PO Box 486
Albia, IA 52531