

Rooted

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.

Rooted
CHARITON VALLEY ELECTRIC COOPERATIVE

BOARD PRESIDENT & CEO/GENERAL MANAGER'S MESSAGE

As we reflect on the past year, we are inspired to draw a parallel between our electric cooperative and the enduring qualities of a tree. Like a tree, our organization embodies toughness, resilience, commitment, adaptability, and an unwavering spirit. These characteristics have not only defined us over the years but have also guided us through many challenges and opportunities.

Our cooperative's toughness is mirrored in the sturdy trunk of a tree, standing firm against the winds of change and adversity. This year, we faced unprecedented demands on our infrastructure and resources. Yet, like a tree that withstands the harshest storms, we remained steadfast, ensuring the reliability of electricity to our community. This toughness is a testament to the dedication of

our team and the robust distribution system we have cultivated over the years.

Resilience and commitment are seen in a tree's ability to grow, sometimes against all odds, reaching towards the sky while firmly rooted in the ground. Our cooperative has demonstrated resilience by bouncing back from setbacks, learning from each experience, and emerging stronger. Our commitment to our members and to the sustainability of our operations has driven us to innovate and improve continuously, ensuring that we not only survive but thrive.

Adaptability and an unwavering spirit are perhaps best illustrated by a tree's ability to bend in the breeze and adapt to the seasons, all the while staying true to its core purpose. This past year, we have

embraced change, adapting our strategies and operations to meet the evolving needs of our members and to address the challenges related to federal energy policies. Yet, our unwavering spirit has kept us focused on our core mission to provide safe, reliable, and affordable electricity, even as we explore new technologies.

As we look to the future, let us continue to grow, adapt, and stand strong together, rooted in our mission and reaching ever upwards towards our goals. Let us take inspiration from the enduring qualities of a tree and be tough in the face of



Kenneth Vandenberg
KENNETH VANDENBERG
Board President

challenges, resilient in our recovery, committed to our values, adaptable to change, and unwavering in our pursuit of excellence. Together, we will continue to grow and strengthen our cooperative, ensuring a brighter, more sustainable future for all our members.

In this annual report, you will learn of the achievements, challenges, and the steps we are taking to ensure that our cooperative remains a strong, resilient, and adaptable pillar in our community. Like a tree that stands

tall through the seasons, we remain focused on our long-term vision of a brighter, more sustainable future for all.



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 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



KENNETH VANDENBERG

District 5
President

kvandenberg@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



KARLA HEFFRON
District 4
kheffron@cvrec.com



JOHN HOUSER
District 1
jhouser@cvrec.com



RICHARD WELSH
District 5
rwelsh@cvrec.com

In Recognition

OF WES GREEN'S DEDICATED SERVICE TO CVEC'S MEMBERS.



After serving 4 terms, totaling 12 years, district 3 director representative, Wesley Green, will complete his time on the Board of Directors of Chariton Valley Electric Cooperative on August 5, 2024.

Director Green's approach to leadership, always rooted in seeking consensus and promoting open dialogue, has not only facilitated smooth operations but also fostered a culture of mutual respect and collaboration among board members and the cooperative's staff. His approach to leadership and governance has often been a reflection of his confidence in the operational capabilities of the cooperative and its management team. Wes' ability to listen, observe, and provide guidance when necessary has been a stabilizing force for the organization. Under his tenure, the cooperative has navigated through various challenges, including technological advancements, regulatory changes, and the ever-evolving needs of the communities we serve.

As Director Green steps into retirement, his legacy within Chariton Valley Electric Cooperative is one of quiet confidence and unwavering commitment. His approach to leadership, focused more on the collective success of the organization rather than individual accolades, sets a commendable example for future directors. The Board of Directors and employees of CVEC thank Wes for his invaluable contributions and dedication throughout his 12 years of service and wish him well in retirement.

OUR TEAM

Chariton Valley Electric Cooperative is fortunate to employ many hard-working people who manage the day-to-day operations of the cooperative and keep your lights on. CVEC's team is committed to powering the lives of our cooperative members every day through dedication and a commitment to excellence.

We are proud to be locally owned and managed and because of that, we can provide the best possible service to you, our members.

TROY AMOSS
CEO/General Manager

MISSY BAYER
Operations Assistant

SUZZANNE BRIGGS
Billing Coordinator

STEPHEN CONLEY
Apprentice Lineman

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
Journeyman Lineman

WYATT MCCARTY
Apprentice Lineman

KILE OVERMYER
Line Foreman

MAKAINÉ RINEHART
Journeyman Lineman

RYAN ROMANCO
Journeyman Lineman

TIM SCOTT
Journeyman Lineman

ANNA SEE
Communications
Coordinator/Executive
Assistant

JARED SHAW
Line Superintendent

BRANDON SHINN
Summer Intern

MARC SMIAROWSKI
Staking & Field Technician

AUSTIN SMITHBERG
Apprentice Lineman

ASHLEY TRACHEL
Human Resource/
Administrative Assistant



OFFICIAL ANNUAL MEETING NOTICE

CHARITON VALLEY ELECTRIC COOPERATIVE NOTICE OF ANNUAL MEETING OF THE MEMBERS

The 77th Annual Meeting of the Members of Chariton Valley Electric Cooperative will be held by means of a drive-through from 4:00 p.m. - 6:30 p.m. at the cooperative's headquarters located at 2090 Highway 5 Albia, Iowa 52531 on August 5, 2024. The annual business meeting will follow at 7:00 p.m. 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 director pursuant to the Bylaws.


THREE-YEAR TERM (Three to be Elected)

District 1: John Houser
District 3: Dale Clark
District 5: Norm Major

The meeting will be held 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 6th day of JULY 2024.


Norm Major, Secretary



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 6:30 p.m. on Monday, August 5, 2024, for your vote to be counted. This year's election will be conducted by mail-in and drop-off balloting. Members may return their ballot in the enclosed business reply envelope through the U.S. postal system, drop it off at the cooperative's office, or hand-deliver 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.

MAIL-IN BALLOT PRIZES!

Return your ballot in the enclosed envelope by August 5, 2024 at 4:00 p.m. and be entered into a drawing for a chance to win a \$250 energy credit or one of five \$50 energy credits!

PREVIOUS MEETING MINUTES 2023

CHARITON VALLEY ELECTRIC COOPERATIVE, INC. ANNUAL MEETING OF MEMBERS AUGUST 7, 2023

The 76th Annual Meeting of the Members of Chariton Valley Electric Cooperative, Inc. was held by means of a drive-through at the Cooperative's headquarters located at 2090 Highway 5, Albia, Iowa, with the business meeting commencing at 7:40 P.M. on the 7th day of August 2023.

The meeting was called to order by Michael Miller, President of the Cooperative, who presided. Secretary Norm 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. Thad DeMoss gave the invocation.

Mike Miller welcomed guests.

General Manager Troy Amoss presented his report, focusing on the need to maintain reliable electric service. He noted the cooperative prioritizes affordability, even though cost increases required a rate increase earlier this year.

It was reported that the members present or registering during the drive-through portion of the meeting had been checked and that a quorum was present for the transaction of business. It was also noted that the Notice of the Annual Meeting of Members was mailed to all members of the Cooperative.

The Secretary noted that copies of the minutes of the Annual Meeting of the Members held August 1, 2022, had been previously distributed to each of the members and approval of the same was included on the ballot.

The annual reports of President Michael Miller, General Manager Troy Amoss, and Treasurer Marchelle Brown were included in the annual meeting material distributed to the members.

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

District No. 2: Randy Gottschalk
District No. 4: Karla Heffron
District No. 5: Richard Welsh

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 2022 Annual Meeting. A Certificate of Inspectors of Election is attached to these minutes.

The Chairman had previously appointed the following members as Tellers/Inspectors of Election: Henry Williams, Joan Williams - District 2; Nikki Hermann, Debra Pfeifer - District 4; and Kim Huguen, Jennifer Grinstead - District 5.

It was then declared that Randy Gottschalk, Karla Heffron and Richard Welsh 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

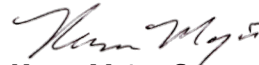
2022 Annual Meeting Minutes would be approved as distributed.

General Manager Troy Amoss recognized retiring Director Mike Miller for his years of service on the Board. He was presented with a framed Resolution of Appreciation and a meter light. Mike offered comments.

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

The Chairman declared the meeting adjourned.

Prizes were awarded by lot.



Norm Major, Secretary



Michael Miller, Chairman

You can vote to approve the 2023 meeting minutes on the official ballot included with this mailing.

Mail in your completed ballot to be registered to win!

MAIL-IN GRAND PRIZE: \$250 ENERGY BILL CREDIT

MAIL-IN ADDITIONAL PRIZES: 5 - \$50 ENERGY BILL CREDITS

Meet the 2024 DIRECTOR CANDIDATES

District 1: John Houser along with his wife Linda, has been a dedicated member of CVEC for 37 years, residing on their 100-acre farm in rural Moravia. They are proud parents of three children: Marla, Shaun, and Derek.



John brings a wealth of experience and a strong work ethic to his continued candidacy for the board as a retired electric utility senior field engineer with an impressive 46-year career. His extensive knowledge in substation and electric utility construction, coupled with his expertise in budget management and project oversight, make him a valuable asset to the board. Outside of serving on the board, John keeps busy as an independent real estate agent.

In addition to his professional background, John has a history of service to his community. He has previously served on the Moravia School Board and as chief of the Moravia Fire Department/First Responders. John is also a U.S. Army veteran, having served in Washington, D.C., and South Korea.

John's commitment to the utility industry is unwavering. When asked about his motivation to continue serving as a director at Chariton Valley Electric, he stated, "I have a deep interest in the utility industry and believe my experience can continue to greatly benefit the board of directors and CVEC. My goals are to enhance our electric system, manage spending efficiently, and improve employee retention."

District 3: Dale Clark and his wife Joetta have been dedicated cooperative members in Corydon for 26 years. They are proud parents of four children: Daniel, Jeffrey, Joshua, and Kyle.



Dale retired from Wayne County Hospital after a distinguished 28-year career, where he served as a plant operations and maintenance specialist, as well as the safety director. In these roles, he developed strong business management, budget, and accounting skills, which he further honed through the ownership of two rental properties.

Dale's commitment to community service is evident through his active participation on numerous boards and committees, including the Iowa Archaeology Society, Prairie Trails Museum, Wayne County Pioneer Cemetery Commission, and as a South Fork Township Wayne County Trustee.

When asked about the critical issues the cooperative board should address, Dale emphasized the importance of focusing on renewable energy, maintaining existing infrastructure, and upgrading components to meet today's energy demands.

District 5: Norm Major

alongside his wife Sandy, has been a dedicated member of CVEC for 34 years, residing in Albia. They are proud parents to two children, Jacob and Taylor and grandparents to Penelope and Henrey.



A Monroe County native, Norm graduated from Indian Hills Community College with a degree in Business and Management. For 46 years, he was a valued employee at Pella Windows and Doors, where he retired as an Engineering Specialist. Norm is also deeply embedded in his community, actively participating in various boards and his church. His commitment to service extends to organizing and running

the annual golf tournament for the Welcome Home Soldier Memorial.

Through the National Rural Electric Cooperative Association (NRECA), Norm has earned the prestigious Cooperative Credentialed Director distinction, Board Leadership Certificate, and Director Gold Credential by taking over 30 classes. These achievements reflect his dedication to continuous learning and effective decision-making for CVEC members.

When asked about his motivation for continuing to serve on the CVEC board, Norm stated, "My commitment is to ensure that every member benefits from affordable, reliable electricity. I am dedicated to addressing our community's concerns about rates, service reliability, and safety. Being actively involved allows me to represent our members' voices and work towards a brighter, more efficient future for all."

INTERESTED IN BECOMING A DIRECTOR?

As an electric cooperative board member, you are responsible for setting policies and approving strategic plans for the cooperative's operation. Directors must attend monthly board meetings, special sessions, and educational seminars to stay informed on the evolving electric utility industry.

CONTACT CVEC TO LEARN MORE!

TREASURER'S REPORT & FINANCIAL STATISTICS



Trudy Grade
TRUDY GRADE
Finance Manager



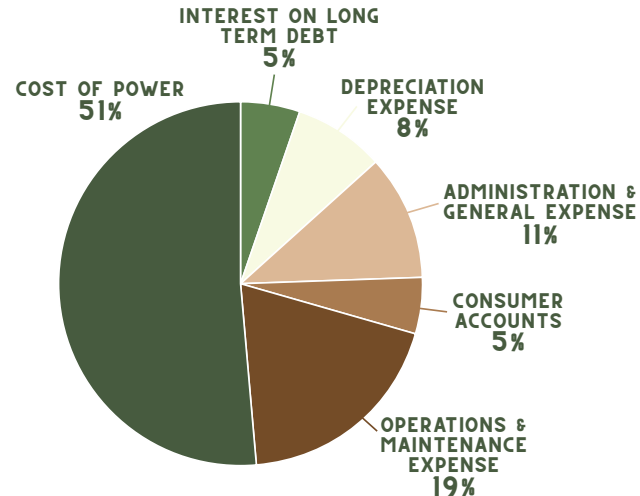
Marchelle Brown
MARCHELLE BROWN
Board Treasurer

Chariton Valley Electric Cooperative has never forgotten the value of a hard-earned dollar. The need for affordable electricity in rural Iowa is what sparked the cooperative's founding more than 75 years ago. Today, Chariton Valley Electric's vision to provide safe and reliable electricity at a competitive rate continues to drive the cooperative.

This past year continued to present real challenges to energy affordability, yet your cooperative worked hard to control local costs, leveraged its financial strength to find solutions, absorbed costs and kept rates affordable for our members. A major component of our budget is the cost of power, which represents 51 percent of the total cost of providing you with electrical service. While the cost of most goods and services has increased twenty-fold or more over the past 75 years, electricity continues to remain very affordable.

For 2023, total equity was at a strong 36.85 percent and overall audited net margins totaled \$1,284,366.00. Because we are member owned, our members build equity in the cooperative each year based on their electric use. Surplus capital is then

TOTAL COST OF ELECTRIC SERVICE



returned back to our members over time when the board determines it is financially feasible. CVEC is pleased to report that your cooperative is refunding capital credits for the 41st year in a row in the amount of \$250,000. This is the cooperative difference that sets us apart from other utilities.

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

- Greater than or equal to \$50 – a check will be mailed to your address on file mid-July, 2024.
- Less than \$50 – your active account at CVEC will be credited.

Our annual independent financial audit, performed by Forvis LLP of Des Moines, was completed in April 2024 and presented to the Board of Directors on April 25, 2024, where it was approved to officially close the 2023 books.

COMPARATIVE FINANCIAL STATISTICS

Assets	2022	2023
Total Utility Plant	39,035,391	40,850,857
Less Depreciation	-11,012,797	-11,498,980
Net Utility Plant	28,022,594	29,351,877
Patronage Capital	5,157,219	5,501,934
Investments	5,948,559	5,122,945
Cash/Temp Investments	855,931	693,060
Accounts Receivable	2,380,022	2,417,469
Other	869,571	798,267
Total	\$43,233,896	\$43,885,552

Liabilities	2022	2023
Member Patronage	15,191,799	16,172,964
Long Term Debt	25,346,385	25,263,703
Notes/Accounts Payable	1,218,432	1,024,250
Consumer Deposits	139,093	137,262
Other Liabilities	1,338,187	1,287,373
Total	\$43,233,896	\$43,885,552

Revenues & Expenses	2022	2023
Total Revenue	12,763,588	13,308,907
Cost of Power	6,151,907	6,520,121
Operations/Maintenance	2,499,504	2,386,955
Consumer Accounts	578,832	598,600
Administration/General	1,495,838	1,415,821
Depreciation	971,836	1,014,108
Interest on Long Term Debt	611,658	649,597
Other Expenses	6,671	102,227
Total Expenses	\$12,316,246	\$12,687,429

Margins	2022	2023
Operating Margins	447,342	621,478
Non-Operating Margins	134,497	88,075
G & T Co-op Capital Credits	180,588	522,435
Other Org. Capital Credits	32,777	52,378
Net Margins	\$795,204	\$1,284,366

2023 CAPITAL CREDITS RETURNED TO MEMBERS

\$250,000

UNDERSTANDING CAPITAL CREDITS

Because electric co-ops operate at cost, any excess revenues are returned to member-owners, like you, in the form of capital credits.

Your cooperative tracks how much electricity you have used and purchased throughout the year.



At the end of the calendar year, your cooperative's finances are evaluated to determine if there is excess revenue.



Your cooperative's excess funds are allocated as "Capital Credits" to members based on how much electricity each member used and purchased for the year.



If the financial conditions allow, your cooperative's Board of Directors may choose to retire capital credits resulting in a payment back to members.

The Value of ELECTRICITY

WHILE THE COST OF MOST GOODS AND SERVICES HAS INCREASED TWENTY-FOLD OR MORE OVER THE PAST 75 YEARS, ELECTRICITY CONTINUES TO REMAIN VERY AFFORDABLE.

1947

CVEC's RATE
PER kWh

\$.05



GALLON
OF MILK

\$.78



DOZEN
EGGS

\$.56



POSTAGE
STAMP

\$.03



GASOLINE PER
GALLON

\$.023



NOW



Since 1947 the average cost of electricity per kilowatt hour (kWh) has only doubled.





Annual Meeting Information

DRIVE-THROUGH AT CVEC HEADQUARTERS

MONDAY, AUGUST 5, 2024
DRIVE-THROUGH 4:00 P.M. TO 6:30 P.M.

2090 HIGHWAY 5 SOUTH
ALBIA, IOWA

Enjoy a to-go meal prepared by **CATER 2 U 2**,
and pick up your annual meeting gift!

A brief business meeting will be held at 7:00 p.m.,
following the drive-through event at CVEC headquarters.

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

GRAND PRIZE: \$500 BILL CREDIT
ADDITIONAL PRIZES: 10 - \$100 BILL CREDITS

