

CHARITON VALLEY ELECTRIC COOPERATIVE

REGULAR MONTHLY BOARD MEETING

April 22, 2021

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 April 22, 2021, at 6:00 p.m. by President Kenny VandenBerg following a tour of the CAMP365 Albia facilities.

Secretary Norm Major reported 8 directors were present as the seat for District 1 remains vacant. Others in attendance included CEO/General Manager Leilani Todd, Finance Manager Trudy Grade, Operations Manager Carson Hodge, Economic Development & Member Services Manager Tod Faris and Executive Assistant Anna Kerber.

Agenda

A motion was made, seconded and carried to accept the final agenda as presented.

Minutes

A motion was made, seconded and carried to approve the minutes of the March 25, 2021, regular business meeting of the Board of Directors.

Special Guest Mike Spratt, BKD CPAs & Advisors

Mike Spratt with the cooperative's auditing firm, BKD, joined the board meeting via Zoom to review the 2020 audited financials with the Board and staff. Mr. Spratt reported a non-qualified audit has been issued for the cooperative and confirmed no discrepancies or concerns were found.

The Board entered an executive session at 6:18 p.m. for a question-and-answer session and returned to regular session at 6:24 p.m. President VandenBerg thanked Mr. Spratt for his time and report and excused him from the meeting.

New Members

The list of applications for cooperative membership was presented to the Board for the month of March 2021. A motion was made, seconded and carried to affix the cooperative seal on all membership applications for the month.

SEE ATTACHED MEMBER LIST

Safety Report

CEO/General Manager Leilani Todd reported there were no safety incidents in the month of March 2021, however, there was a near miss reported. A motion was made, seconded and carried by the Board to accept the March 2021 Safety Report as information.

1st Quarter Board Expense Reports

The Board reviewed the director expense reports for 2021 1st quarter. A motion was made, seconded and carried to accept the report as presented.

1st Quarter CEO/GM Expense Report

The Board reviewed the cooperative's credit card expense reports for 2021 1st quarter. A motion was made, seconded and carried to accept the report as presented.

Financial Report

Finance Manager Trudy Grade presented the cooperative's financials for March 2021. A motion was made, seconded and carried to accept all financials as presented.

Finance Manager Trudy Grade opened the floor for questions regarding her department written report. There were no questions to come from the Board.

2021 Capital Budget Quarterly Update

Finance Manager Trudy Grade discussed and gave an update regarding where the cooperative stands financially based on the 2021 capital budget.

Year-to-Date Community Contribution Update

Finance Manager Trudy Grade discussed the year-to-date community contributions the cooperative has given to five recipients, totaling \$721.01.

Operation Report

Operations Manager Carson Hodge opened the floor for questions regarding his department written report for March. Discussions were held regarding CVEC poles being stored at the Monroe County Fairgrounds, moving fiber line in the Albia Industrial Park and returning member phone calls in a timely manner. There were no further questions to come before the Board.

Economic Development & Member Services Report

Economic Development & Member Services Manager Tod Faris opened the floor for questions regarding his department written report for April. The Board requested to continue to tour CVEC REDGL and RLF loan recipients' facilities to see their progress and efforts. There were no further questions to come before the Board.

AWOL Outdoors Inc. d/b/a Camp 365 RLF

Economic Development & Member Services Manager presented a resolution from the RLF loan committee requesting the Board of Directors approve a newly submitted RLF loan with a 3.3% interest rate (2.3% interest and 1% administration fee) for a term of twelve (12) months in the amount of \$150,000.00 to AWOL Outdoors Inc. d/b/a Camp 365 for their proposed expansion project until an SBA 7a loan is approved, where the RLF loan will then be due in full. Should the SBA 7a loan not be approved, the loan and terms will immediately be renegotiated. Based on the loan terms reviewed and recommended by the RLF Loan Committee, a motion was made, seconded and carried by the Board to accept the resolution as proposed.

SEE ATTACHED RESOLUTION

Break

The Board recessed for a short break at 8:07 p.m., returning to session at 8:16 p.m.

Member Communications

Member outreach efforts for the month of March were shared with the Board along with the most recent statistics for our social media. The information shared the various methods information is shared with the membership. CEO/General Manager Leilani Todd noted that as information is gathered from the newly updated website, analytics will be shared with board to show where individuals are going on the website.

Attorney's Report

No written report was submitted, however, the Board vocalized the importance of seeing this report each month. CEO/General Manager Leilani Todd did share that the Board attorney had worked on the loan closing for M&W Welding throughout the recent month.

CEO/General Manager's Report

CEO/General Manager Leilani Todd provided an update to her written report including an update on the cooperative's Core 5 Goals and ORU's opt-in rate and the number of applications received each quarter. The floor was opened for questions regarding her written report for the month of April. There were no questions to come before the Board.

RC3 Assessment Presentation

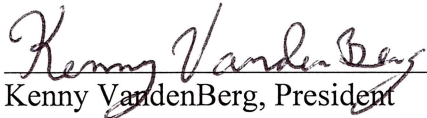
CEO/General Manager Leilani Todd discussed the cooperative's completed RC3 assessment held with Dan Doggendorg, a cybersecurity expert consultant hired by IAEC, of Pro4Six that provided a baseline assessment of our current technology environment. Ms. Todd presented a draft of the report and summarized the findings and recommendations. To ensure business continuity and consistency, CVEC has scheduled another RC3 Tabletop Exercise with IAEC's Safety Group.

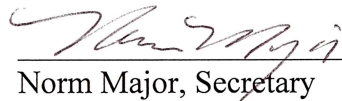
Director Reports for Affiliated Organizations

Directors in attendance at the NEP, IAEC and Iowa Institute of Cooperative's board meetings gave their monthly reports.

Adjournment

As there was no further business to come before the Board, the meeting adjourned at 9:22 p.m., with the next regular business meeting scheduled for May 27, 2021 at 6:00 p.m.


Kenny VandenBerg, President


Norm Major, Secretary