

CHARITON VALLEY ELECTRIC COOPERATIVE
REGULAR MONTHLY BOARD MEETING

March 1, 2022

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 January 25, 2022, at 5:25 p.m. by President Michael Miller.

Secretary Norm Major reported all 9 directors were present. Others in attendance included CEO/General Manager Leilani Todd, Finance Manager Trudy Grade, Economic Development & Community Relations Manager Tod Faris, Operations Manager Troy Amoss, Joe Wilkinson of Associated Electric Cooperative, Inc., and Cooperative Attorney Denny Puckett who 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 January 25, 2022, regular business meeting minutes and the January 2022 New and Disconnected Member Lists.

SEE ATTACHED MEMBER LIST

Special Guest – Joe Wilkinson, AECI

Joe Wilkinson, Senior Vice President/Chief Member Relations Officer of Associated Electric Cooperative, Inc. (AECI), was introduced and provided information about AECI's generation assets and carbon footprint. He presented AECI's Environmental, Social and Governance (ESG) report. He indicated that the report did not set forth any goals; but rather focused on where AECI was in terms of its resources. He indicated that reductions in carbon should happen naturally without any mandates. He reviewed AECI's highlights for 2021, discussed challenges facing AECI, and announced that AECI's credit rating had been reaffirmed. The AECI Annual meeting will be in person in 2022. He reviewed what is ahead for AECI in 2022, including expanding the fleet capacity through pursuit of additional gas facilities and a 100 MW solar facility. Following his presentation, he answered questions from the Board and thanked them for the opportunity to present. Following the presentation, Joe Wilkinson left the meeting.

Special Guest - Tiffany Johansen, HR Solutions Pro

At this time Tiffany Johansen of HR Solutions Pro entered the meeting by video conference. She was introduced by CEO/General Manager Leilani Todd and explained the work she had been doing for the cooperative. Tiffany Johansen reviewed the employee cultural survey and focus group results with the Board and discussed what she felt would be appropriate next steps. She reviewed the leadership action steps that had been identified, including employee coaching and frequent check-ins. She indicated that communication and transparency were key areas to address. The Board was given an opportunity to ask questions throughout the report.

Executive Session

At 6:30 p.m. a motion was made by Director VandenBerg, seconded by Director Brown and carried to go into executive session. The Chairman then recessed the meeting into executive session, with all Board members, Tiffany Johansen, and attorney Puckett participating in the executive session. The meeting

resumed in regular session at 7:12 p.m., with all those present as were present prior to the executive session, except Tiffany Johansen who left the meeting.

Management/ Staff / Department Written Reports

The Board packet included written reports from the CEO/General Manager, Operations, Economic Development/Community Relations, Member Communications and Engagement and Information Technology and Cyber Security. CEO/General Manager Todd noted that in addition to the written materials, the cooperative was informed that FERC had issued a favorable ruling in the ITC Midwest Declaratory Order matter that should help with approval of the Northeast Missouri Electric Power Cooperative Moravia Tap project. CEO/General Manager Todd asked if there were any questions on the reports. Operations Manager Troy Amoss discussed January outages and supply chain issues on vehicles and equipment. Economic Development & Community Relations Manager Tod Faris informed the Board of an opportunity to contribute to the ACRE/FORE political action committee. He also discussed legislative issues, REC Day on the Hill scheduled for March 22, and a legislative forum scheduled for March 19th in Appanoose County. Questions were asked about Honey Creek Resort. It was noted that there was nothing to highlight regarding Member Communications & Engagement and CEO/General Manager Todd discussed the cameras that had been ordered and would be installed to enhance physical security.

Attorney's Report

A written legal report was included in the monthly board packet and attorney Puckett provided additional information. It was noted that he was also assisting with preparation of an independent contractor agreement. Questions were asked and answered concerning bidding work and contract documentation.

Safety Report

A motion was made, seconded and carried to accept the January 2022 Safety Report and statistics as information that was included in the Board packet.

Finance Report

Finance Manager Trudy Grade presented the Financial Report that was included in the Board packet. The report included a list of December 2021 and January 2022 activities, the Financial and Statistical Report for calendar year 2021, and January financial statements. She reported on the financial ratios and indicated that the cooperative had met all required ratios for 2021. The impact of the December bill credit was discussed. The budget to actual comparisons were reviewed, as well as information about a Northeast Power billing correction. Some work orders were closed out in January. Following presentation of the financials, a motion was made, seconded and carried to approve the same.

Old or Unfinished Business

There was no old or unfinished business.

At this time the staff left the meeting, with the exception of CEO/General Manager Todd.

Board Expense Reports

The Board reviewed the director expense report for January 2022. A motion was duly made, seconded and carried to accept the report as presented.

2022 Board Meeting Dates

The Calendar of Events provided in the Board packet included proposed dates for Board meetings for the months of March through February 2023. The dates were reviewed, and modifications were made as appropriate to avoid conflicts with other meetings and holidays.

Board Policy 04 - Board Meetings - Director Fees and Expenses

The Board packet included a copy of Board Policy 04 concerning Board Meetings - Director Fees and Expenses. The proposed revisions were reviewed, and following review, a motion was duly made, seconded and carried to approve the policy revisions as presented.

SEE ATTACHED POLICY

NRECA PowerXchange (Annual Meeting)

CEO/General Manager Leilani Todd noted that Director Vandenberg is the voting delegate and Director Brown is the cooperative's alternate representative at the upcoming NRECA Annual Meeting scheduled for March 4-9, 2022. Information was provided concerning the meeting.

Youth Tour

The Board packet included a copy of the updated Iowa Youth Tour 2022 COVID 19 Protocol and Waiver form that had been revised as discussed at the prior meeting.

IAEC Political Actions Update

CEO/General Manager Todd provided an update on legislative matters.

Operation Round Up®

CEO/General Manager Leilani Todd noted that the Board packet included a copy of Board Policy 34, with changes as presented at the January Board meeting. Following discussion, a motion was duly made, seconded and carried to approve the revisions to Board Policy 34 as presented.

SEE ATTACHED POLICY

It was noted that a new delegate at large will need to be appointed by the Board to replace Brad Gray. Mindy Stalzer had been previously suggested as a candidate. There were no other suggestions, and a motion was then made, seconded and carried to appoint Mindy Stalzer as an at large representative on the CVEC Foundation Board.

Linemen Appreciation Breakfast and Administrative Professionals Luncheon

Plans were reviewed for the Lineman Appreciation Breakfast scheduled for April 11th and the Administrative Professionals Luncheon scheduled for April 27th.

Director Reports for Affiliated Organizations

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

Committee Reports

It was noted there were no committee reports.

Discussion Items

The Board discussed rate philosophy, the need to communicate to the membership that the cooperative was holding prices down during these high inflation times and a member high bill complaint.

Calendar of Events.

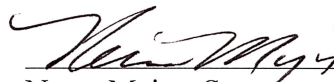
The Board packet included a calendar of events, and it was noted that the next regular board meeting would be held March 24, 2022, with the Risk Management Committee meeting prior to the Board meeting on that day.

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 9:03 p.m.



Mike Miller, President



Norm Major, Secretary