

## CHARITON VALLEY ELECTRIC COOPERATIVE

## REGULAR MONTHLY BOARD MEETING

MAY 25, 2023

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 May 25, 2023, at 5:00 p.m. by President Michael Miller.

Secretary Norm Major reported all directors were present in person. Other attendees included General Manager Troy Amoss; Finance Manager Trudy Grade; Economic Development & Community Relations Manager Tod Faris; Communications Coordinator/Executive Assistant Anna See. The Cooperative's attorney Dennis Puckett 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 April 27, 2023 regular business meeting minutes; and the April 2023 New and Disconnected Member Lists.

SEE ATTACHED MEMBER LIST

Operations Report

- a) General Activity – General Manager Troy Amoss noted the board packet included a written report concerning operations. In addition, he reported on outages, updated the Board on construction projects, discussed Moravia poles and maintenance, updated the Board on C.R. Environmental right of way work, and noted the Numa job is complete. He noted his on-going communications with a potential bitcoin load and stated that work is continuing on the large equipment budget. Work will begin on the Moravia tap soon with Northeast Power work commencing in August or September. A question was asked regarding the operations manager position, and it was noted that a posting or advertisement for the position has not yet been made.
- b) Safety – The board packet included a safety report. A motion was made, seconded, and carried to accept the April 2023 Safety Report and the statistics information that was included in the board packet.

Economic Development and Community Relations

At this time Tod Faris presented his report on economic development and community relations, including the following items:

- a) Rebates – Tod Faris indicated that there had been 46 rebates issued year to date.
- b) Loan Closings – Tod Faris noted that the Papo's Pumpkin patch loan was closed, and the Honey Creek Resort by Achieva Enterprises will be closed tomorrow.
- c) CoBank Sharing Success Grant – Tod Faris reported on plans for presenting the grant to the Monroe County Little League for new bleachers, dugouts, and other renovations.

- d) Housing – Tod Faris responded to questions about Hometown Housing-USA's progress on rural housing development.

#### Member Communications and Engagement

Anna See provided a report on member communications and engagement. Her report also included a discussion of the work she has been doing and reviewed the plans for the Annual Meeting. She solicited input on who will be attending the CoBank Sharing Success meeting.

#### Human Resources

A written report on Human Resources was included in the board packet.

#### IT/Cybersecurity

The board packet included information on IT and Cybersecurity and Troy Amoss asked if the directors had any questions.

#### Finance Report

Finance Manager Trudy Grade presented the financial report, including the following items:

- a) Financial Statements – The board packet included a list of April 2023 activities, financial ratios, revenue and expense items for the month compared to budget, and a listing of checks. Trudy Grade noted this was the first month with the rate increase in place. Revenues for the month were about \$970,000. She responded to questions about the impact of the rate increase on budget billing. Trudy Grade noted the Cooperative had received its \$1.5 million advance from RUS and paid off the Line of Credit. She indicated that cash management issues were being impacted by increases in prices compared to the estimates included in the work plan. She offered to answer any questions concerning the report. Following discussion, a motion was made, seconded and carried to approve the financial reports as presented.
- b) Credit Cards – A motion was also made, seconded and carried to approve the Cooperative's credit card and CEO/GM expenses for the month of April.
- c) Margin Allocation – The board packet included a resolution providing for the allocation of the 2022 net margins of \$795,205.55 and the same was reviewed. Following discussion, a motion was made, seconded and carried to adopt the resolution.

#### SEE ATTACHED RESOLUTION

- d) 2023 Patronage Retirement – Finance Manager Trudy Grade reviewed a proposal to retire \$250,000 of previously allocated patronage dividends. Following discussion, a motion was made, seconded and carried to approve the retirement of \$250,000 in previously allocated patronage dividends as presented.
- e) RUS Advance – It was previously reported that RUS advanced \$1.5 million on the FFB construction loan and the same was presented to the Board for approval. A motion was then made, seconded and carried to approve the advance.

## SEE ATTACHED TRANSFER CONFIRMATION

Old or Unfinished Business

- a) Policy A-105 & Procedures – the Board reviewed Board Policy A-105 and a question was posed concerning the definition of close relative. The definition includes nieces and nephews; but not aunts and uncles. A motion was made, seconded and carried to approve amending the policy to add aunts and uncles in the definition of close relatives.
- b) CFC Forum – It was noted the CFC forum is scheduled for June 19-21, 2023.

New Business

- c) Board Expense Report – The Board Expense Report was reviewed. Following review, a motion was made, seconded and carried to approve the report as presented to this meeting.
- d) Board Policies A-106 through A-111 and Table of Contents – The board packet included updated Board Policies A-106 through A-111 and an update to the table of contents. The same was reviewed and following discussion, a motion was made, seconded and carried to approve the recommended revisions.

## SEE ATTACHED POLICIES

- e) NRECA Regional Meeting – It was noted the NRECA Regional 5 & 6 Meeting will be held September 12-14 in Des Moines. Plans for those expecting to attend were discussed.

Executive Session

Chairman Miller recessed the meeting into executive session and all directors and Attorney Puckett participated in the executive session. Following the executive session, the meeting resumed in regular session with all board members, General Manager Amoss, and Attorney Puckett participating.

Legal Report

Attorney Puckett reported on the work he has done for the Cooperative during the last month, including work on economic development loans, DG interconnection agreements, collection letters, and matters related to the change in General Manager. He also reported on matters affecting the electric utility industry, including an IUB inquiry on utility preparedness for load peaks this summer.

Northeast Power Report

Mike Miller reported on the Northeast Power Board meeting and noted the board approved some economic development loans. He also reported on the status of some construction projects.

IAEC Report

The board packet included a written report concerning the IAEC activities. Director VandenBerg noted the Board met on May 3, 2023. He reported on the passing of Jack Runge, a long-time



Midland Power Cooperative director. He also reported on CIPCO's selection of Andrew St. John as its next CEO.

Iowa Institute of Cooperatives

Director Vandenberg noted the next meeting of the Iowa Institute of Cooperative's Board meeting is set for June 9, 2023.

Open Discussion Items


Chairman Miller asked if there were other items to discuss and there was a discussion about a member issue on a transfer of service, an ITC switching station, and an employee matter.

Calendar of Events

The board packet included a calendar of events and the same was reviewed. The next board meeting will be held on June 29, 2023 at 5:00 p.m.

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 7:10 p.m.



Michael Miller, President



Norm Major, Secretary