

# CHARITON VALLEY ELECTRIC COOPERATIVE

## REGULAR MONTHLY BOARD MEETING

OCTOBER 26, 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 October 26, 2023, at 1:01 p.m. by President Kenny Vandenberg.

Secretary Norm Major reported all directors were present in person. Other attendees included General Manager Troy Amoss; Finance Manager Trudy Grade; Communications Coordinator/Executive Assistant Anna See, Economic Development/Community Relations Manager Tod Faris, and HR Coordinator/Administrative Assistant Ashley Tratchel. The Cooperative's attorney Dennis Puckett participated remotely by video conference. Special guest Brian Allen from Homestead Funds was also present by video conference.

### Homestead Funds

Brian Allen from Homestead Funds, a low-cost investment advisor that is a subsidiary of NRECA, was introduced and provided an overview of the company. The Cooperative invested \$214,878.65 in bond funds through Homestead Funds on August 4, 2022. As of September 20, 2023, the fund has a balance of approximately \$211,000.00. The funds are invested in short and intermediate term bond funds. The funds have been invested for a 36 month term. While the bond funds have faced some headwinds, Brian Allen indicated he was still comfortable with the allocation. He offered to answer questions from the Board. Following the presentation, Brian Allen left the meeting at 1:23 p.m.

### Consent Agenda

A motion was made, seconded, and carried to accept the consent agenda items as follows: the agenda; the September 28, 2023 regular business meeting minutes; and the September 2023 New Member List.

SEE ATTACHED MEMBER LIST

### Human Resources Report

Ashley Tratchel noted she was working part-time. She indicated that two new 1,000 hour employees had started, and she was recruiting for the open member-services position. She also indicated the open-enrollment period for the benefit plans is beginning and she is better informed about the benefit plans and can be a better resource for the employees. Following her presentation, Ashley left the meeting.

### Operations Report

At this time, General Manager Troy Amoss presented the Operations Report. He indicated that Jared Shaw and Mike Gibler were in Des Moines at an IAEC meeting. He reviewed the projects being completed and the benefit of the new building. He stated that Northeast Power would likely start work on the Moravia Tap in December.

### Safety Report

The board packet included a safety report. A motion was made, seconded, and carried to accept the September 2023 Safety Report and the statistics information that was included in the board packet.

### Economic Development and Community Relations Report

Tod Faris noted the board packet included an economic development report and he offered to answer any questions concerning the written report. A discussion was held concerning Camp 365, and Attorney Puckett indicated he would provide an update on those loans during his legal report. He also provided an update on work with Hometown Housing. Additionally, the loan to Monroe County Hospital was noted. Following his report, Tod Faris left the meeting.

### Member Communications and Engagement Report

The board packet included a written report from Anna See, Communications Coordinator/Executive Assistant. Anna provided information about a "fill the bucket" food drive to be held November 18<sup>th</sup> from 9 a.m. to 1 p.m. at two grocery store parking lots. A discussion followed concerning where to donate the food and support was provided for the Wayne County food pantry and Helping Hands' food pantry in Albia. A Salvation Army bell ringing opportunity was noted for December 1, 2023 from 1 - 7 p.m. The annual Christmas party will be held at Golf 22 on December 22, 2023 for board members, staff, and significant others. Turkeys and hams will be available for board members and staff prior to Thanksgiving at the Cooperative.

### IT/Cyber Security Report

The board packet included a written report from Network Administrator Nathan Norton. General Manager Amoss offered to answer any questions regarding the report.

### Finance Report

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

- a) Financial Statements – The board packet included a list of September 2023 activities, financial ratios, revenue and expense items for the month compared to budget, various charts, and a listing of checks. Trudy Grade noted revenues were good for September; but the income statement reflected a small loss for the month of \$2,344.02 due to a timing on some tree trimming billing. She noted that other expenses were fairly consistent with expectations. The Cooperative is close to budget on margins year to date; but below the prior year. The balance sheet reflected the quarterly loan payments having been made. She noted that \$21,450 had been received from the sale of the mini hoe through Purple Wave. The monthly checks were reviewed, beginning with check #59165 and ending with check #59224. Following discussion, a motion was made, seconded and carried to approve the financial reports as presented.
- b) Audit Engagement Letter – The 2023 Audit Engagement Letter was included in the board packet, along with a proposed Board Resolution approving the use of FORVIS, LLP for audit services. Following discussion, a motion was made, seconded and carried to approve the resolution included in the board packet.

- c) Credit Cards – The credit card expenses were reviewed. Questions were addressed. A motion was made, seconded and carried to approve the Cooperative's credit card and CEO/GM expenses for the month of September.

#### CEO/General Manager Report

CEO/General Manager Troy Amoss presented his report to the Board. He noted Truck 5 had been shipped on October 11<sup>th</sup>. He provided an update on discussions with Rise Broadband concerning a second internet connection and the potential for them to occupy Alliant's old building by the tower on CVEC property. He discussed the new member services position and also noted that work had begun on the 2024 budget. He offered to answer any questions concerning his report. He also noted that Northeast Power may be looking at another rate increase.

#### Old or Unfinished Business

The Chairman asked for any old or unfinished business and there was none.

#### New Business

- a) Director 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.
- b) Board Policies E-101 to E-104 – The board packet included updated Board Policies E-101 through E-104. Proposed revisions to the policies were reviewed by Anna See and Attorney Puckett. Following discussion, a motion was made, seconded and carried to approve the recommended revisions.
- c) Chariton Valley Services – The Board discussed the subsidiary Chariton Valley Services Company. It was noted the subsidiary had no active operations. Attorney Puckett noted that the company could go into a dormant status, distributing any assets to the Cooperative and having all board members resign. The company could remain active with the secretary of state in case it was necessary to resurrect it in the future; but in the meantime, since it would have no income or operations, it would not be necessary to file tax returns or include it in the audit. Following discussion, a motion was made, seconded and carried to place the subsidiary in a dormant status as discussed and all members of the Chariton Valley Services Company resigned their board and officer positions with said company.

#### Executive Session

Chairman VandenBerg recessed the meeting into executive session at 3:02 p.m. and all Directors and Attorney Puckett participated in the executive session. Following the executive session, the meeting resumed in regular session at 3:20 p.m., with all board members General Manager Amoss, Communications Coordinator/Executive Assistant Anna See, and Attorney Puckett participating.

#### Legal Report

Attorney Puckett reported on the work that he has done for the Cooperative during the last month and offered to answer any questions. He also provided an update on the Camp 365 loans.



#### Northeast Power Report

Richard Welsh reported on the Northeast Power board meeting and indicated that work was being done on the 2024 budget.

#### Iowa Association of Electric Cooperatives Report

The board packet included a written report concerning the Iowa Association of Electric Cooperative's (IAEC) activities. Director VandenBerg noted that the IAEC Board would be meeting next week and would be considering proposals for the general manager search.

#### Iowa Institute for Cooperatives

Director VandenBerg noted the Annual Meeting for the Institute will be held November 21, 2023.

#### Discussion Items

Chairman VandenBerg asked for any additional discussion items and there were none.

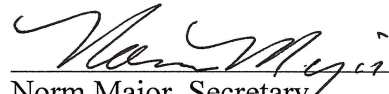
#### Calendar of Events

The board packet included a calendar of events and the same was reviewed. The next board meeting will be held on November 30, 2023 at 1:00 p.m. A request was made to consider moving the January and February board meetings. The January meeting will remain on January 25, 2024; but it was agreed to move the February meeting to February 27, 2024 at 1:00 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 3:41 p.m.

  
Kenneth VandenBerg, President

  
Norm Major, Secretary