

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WHITE RIVER ELECTRIC ASSOCIATION, INC.

December 20, 2023

The meeting of the Board of Directors of White River Electric Association, Inc. (WREA) was held on December 20, 2023, at 2:50 P.M. with the following Directors present:

Pearce, Dearman, Ducey, Rogers, Sheridan, Hilkey, and Phelan.

Directors Absent: None

President Pearce called the meeting to order.

Dale Dunbar was appointed as Recording Secretary.

- Agenda The directors reviewed the December 2023 agenda as presented and upon motion, properly seconded, approved it.
- Public Comment None.
- Guests Visitors present included Manager Michalewicz, Staff Members Dunbar, Tupy, Berthelson, Reidinger, and Attorney Sarah Abbott.
- Minutes The minutes of the regular meeting of November 16, 2023, had been posted to Boardpaq. There was a small correction to the minutes. Upon motion, properly seconded, the Directors adopted the meeting minutes as corrected.
- Bills and Checks The bills and checks for the month of November 2023 were reviewed by the Directors. Upon motion, properly seconded, the Directors approved the checks, with Director Ducey abstaining.
- The bank balances and investments were also reviewed by the Directors.
- Safety Operations Manager Berthelson presented the Safety Report. The Directors reviewed the information from the December 11, 2023, Safety Committee meeting. RESAP, fire alarm & extinguisher checks, first aid & bloodborne pathogen kit checks, and the safety data was presented. Upon motion by Director Dearman, seconded by Director Ducey, the safety report was approved unanimously.
- Donations There were no donations for the month.
- Chamber The board discussed membership in the Meeker Chamber of Commerce. Upon motion by Director Dearman, seconded by Director Hilkey, the board unanimously approved membership at the Platinum Level.
- Cowboy Shootout The board reviewed the participation in the recently held Cowboy Shootout basketball tournaments held at Meeker High School. After discussion, and upon motion by Director Rogers, seconded by Director Hilkey, the board unanimously approved to sponsor the basketball tournaments in 2024.
- Audit Report Kevin Kelso with Kelso Lynch CPAs presented the audit report via Teams to the Board of Directors during the WRE meeting held immediately prior to the WREA meeting.. Kelso went in depth with an explanation about the audit for the board. After presentation, Kelso stated that the findings were a "Clean Audit" for 2023. Upon motion by Director Hilkey, seconded by Director Dearman, the board unanimously approved the audit report.
- NRTC Delegates President Pearce appointed Director Sheridan and Director Phelan as voting delegate and alternate to NRTC.
- Manager's**
Cyber Penetration tests are done, and a new server has been installed. Other items were also briefly discussed for the board.
- Renewables Contacted by a firm to put a large solar farm in Yampa Valley territory. The contact was sent to Yampa Valley Electric and Holy Cross Electric.
- Power Bill Manager Michalewicz reported on the operations of the Association for the month of November 2023. The power bill for the month of November was \$3,214,987.63. There were 48,699,312 worth of kWh purchased, the demand was 72,023 Kw, the cost per kilowatt-hour was 66.0171 mills per Kwh. The member system billing load factor was 93.9116. The Directors reviewed the statistical information for the month of October.
- Other
- Manager Michalewicz noted a vacancy on the NRECA Board of Directors and that names were being accepted for the replacement for the position.
 - Short discussion on the CTP.

Thank You's Several thank you notes were passed around for the Directors to review.

Executive Upon motion by Director Dearman, seconded by Director Rogers, the Board unanimously approved entering an executive session to discuss confidential regulatory and other privileged and confidential legal matters.

Upon motion by Director Rogers, seconded by Director Dearman, the Board unanimously approved reconvening the public portion of the regular meeting.

Attorney Report The attorney gave a presentation on the Board Policy Book and the Employee Handbook.

Policy Book Final review will be done in the January meeting.

EE Handbook Upon motion, properly seconded, the revised WREA Handbook was approved unanimously as presented during executive session, with the addition of a conflicts of interest form to be signed annually by employees and the artificial intelligence policy with the limited use option.

Securian Manager Michalewicz reported on the Actuarial Valuation report received by Securian Retirement. In the report was a paragraph regarding lump sum distributions for the upcoming plan year. With the amount of recent retirements at WREA lump sum distributions may be limited if assets do not cover 110% of the remaining liabilities. Upon motion by Director Phelan, seconded by Director Rogers, it was unanimously approved to contribute an additional \$600,000 to the pension account, and to see if future monthly contributions need to be increased.

Travel There was no travel out of the ordinary necessary for approval.

Pole Trailer Operations Manager Berthelson presented a request to purchase a new pole trailer. The board reviewed his proposals. Upon motion by Director Sheridan, seconded by Director Dearman, it was unanimously approved to purchase a pole trailer in the amount of \$26,625 from White's Trailers.

WUESC/
CREA Director Rogers and Director Pearce were selected to be the Delegate and Alternate voting delegates at the UESC & CREA Annual meetings.

2024 Pen. Test The 2024 Penetration Test of the WREA computer system was discussed. If signed up for now would be a significant cost savings for the work done in 2024. Upon motion by Director Dearman, seconded by Director Rogers, it was unanimously approved to purchase this now.

Audio/Visual Presentation was made to upgrade the audio /visual equipment in the boardroom. VLCM has made a proposal that includes equipment for meetings with state-of-the-art cameras and dual monitors. Upon motion by Director Dearman, seconded by Director Rogers, it was unanimously approved to purchase the new system for the amount of \$15,188.37.

Christmas Upon motion by Director Rogers, seconded by Director Ducey, it was unanimously approved to grant each employee a \$1,000 Christmas bonus.

Associated Director Rogers gave an update on CREA.

Director Rogers also gave an update on Western United Electric Supply.

Director Hilkey submitted his report and other items to Boardpaq, and then highlighted some of the issues. Items presented briefly were E&O items, land transaction, and solar farm activities.

With no further business appearing before the Board, the meeting was adjourned.


Bryce R. Ducey, Secretary