

Y-W ELECTRIC ASSOCIATION, INC.  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
May 17, 2022

A regular meeting of the Board of Directors of Y-W Electric Association, Inc. was held at the headquarters of the Association, located at 26862 US Highway 34 in Akron, Colorado, at 1:00 p.m. on May 17, 2022.

ROLL CALL

President Joneal Young called the meeting to order. Directors present were:

Roger Schenk	Joneal Young
Aaron Gebauer	Robert Bledsoe
Freeman Morris	Larry Winger
Brooke Price	Stuart Travis

Manager Trent Loutensock and Attorney Bryson Fredregill were also present. Attorney Fredregill recorded the minutes of the meeting. Director Craig Lambley was absent.

AGENDA APPROVED

It was properly moved, seconded, and carried that the agenda be approved as presented.

PUBLIC COMMENT

Member Keith Damrow entered the meeting.

Director Larry Winger entered the meeting.

Damrow requested Y-WEA's support for the 9<sup>th</sup> Annual Akron Car Show. It was properly moved, seconded, and carried to donate \$275.00 to the 9<sup>th</sup> Annual Akron Car Show.

Damrow exited the meeting

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the April 19, 2022, Regular Meeting of the Board of Directors.
- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 1-4 Delegations from the Board of Directors

- d. Policy 1-6 Board Committees
- e. Capital credit refunds for estates of deceased members

It was properly moved, seconded, and carried to approve the Consent Agenda as presented.

#### APRIL BILLS

General Manager Loutensock and the board reviewed the list of bills paid by the Association in the month of April 2022.

Brandee Bullard entered the meeting.

#### FINANCIAL REPORT

Brandee Bullard presented the March Statement of Operations, Loan Rate Comparison as of May 2, March Form 7, and Operating Forecast. Bullard presented a graph of monthly expenses through April and the 5-Year Equity Report.

Loutensock presented the March Consumer Sales and Revenue Data Report, the Expense Capitalization Report, General Ledger, Balance Sheet, Income Statement, and Cash Flow Statement. Loutensock also presented the May 6, 2022, Tri-State bill, and graphs of demand, energy, and cost per kWh through April 2022.

#### WRITE-OFFS

Bullard presented the list of proposed write-offs for accounts disconnected prior to February 14, 2022, with a total requested write-off amount of \$3,859.51. It was properly moved, seconded, and carried to approve the write-offs as presented.

#### RUS AUDIT REVIEW

Loutensock presented the results the USDA Loan Fund and Accounting Review (LFAR) for the period from December 31, 2014, to March 30, 2022. Loutensock discussed the results, significant findings, and recommended actions. Loutensock reported that implementation of the recommended actions would not affect Y-WEA's current AP8 loan. It was properly moved, seconded, and carried to authorize implementation of the LFAR recommendations.

Bullard exited the meeting.

#### ANNUAL MEETING REVIEW

Andy Molt entered the meeting.

Molt reported on the extensive lead times to procure items for the member gifts at the 2023 Annual Meeting. Molt presented several gift options. Molt recommended that Y-WEA order the 2023 gifts early to ensure timely arrival. It was properly moved, seconded, and carried to order extension cords for the 2023 Annual Meeting.

### WIND STORM REPORT

It was properly moved, seconded, and carried to go into executive session for confidential discussions and to receive privileged legal advice regarding the wind storm damages, with the following in attendance during such executive session: all Directors present at the meeting, Manager Loutensock, and Attorney Fredregill. Andy Molt was present for the start of executive session but exited before the close of executive session. Andy Hase entered the meeting during executive session. It was properly moved, seconded, and carried to exit executive session.

Andy Hase exited the meeting.

President Young recessed the meeting at 3:30 p.m. and reconvened at 3:40 p.m.

### MANAGER REPORT

Manager Loutensock presented his written report. He presented the delinquent accounts and CREA CARE donation request. Loutensock reported on the status of joint use agreement negotiations with Plains Telephone Co-op.

Schenk reviewed the process for revision and implementation of the recent amendments to Policy 2-1: Employee Relations.

Loutensock presented the CFC newsletter. He also discussed overtime tracking, fuel usage tracking, and recent copper theft.

### GENERATOR REPORTS

Manager Loutensock presented the Wray Wind Generation Report, EV Charging Station Financial Summary, and Net Metering Analysis through April 2022.

### DONATION REQUESTS

Manager Loutensock presented donation requests from the Yuma Count Fair PRCA Rodeo, Colorado State University Extension Crops Testing Program, Akron Crazy Dayz Festival, and Akron FBLA. The board took no action.

### COBANK 2022 PROXY BALLOT

Loutensock presented the CoBank 2022 Proxy Ballot and Form, which included questions with respect to Capitalization Bylaw Amendments and Governance Bylaw Amendments. It was properly moved, seconded, and carried to authorize the General Manger to review information with respect to the proposed amendments, determine the best interests of Y-WEA, and vote on behalf of Y-WEA in alignment with such best interests.

#### CFC VOTING MEMBER

Loutensock presented a memorandum from National Rural Utilities Cooperative Finance Corporation regarding the 2022 CFC Annual Membership meeting.

#### RESOLUTION TO AMEND AND RESTATE THE RS AND 401(K) PENSION PLAN

Loutensock presented the Resolution of the Board of Directors Authorizing the Amendment and Restatement of the Retirement Security and/or 401(k) Pension Plan. It was properly moved, seconded, and carried by majority to approve the resolution as presented.

#### POLICY 1-7: QUALIFICATIONS FOR DIRECTORSHIP

Loutensock presented a revised Policy 1-7, Qualifications for Directorship. It was properly moved, seconded, and carried to approve the policy as presented.

#### WESTERN UNITED

Director Bob Bledsoe reported that Western United continues to enjoy record sales.

#### CREA

Director Stuart Travis reported on his attendance at the regular meeting of the CREA board of directors. He reported that CORE provided CREA with notice of its intent to withdraw from CREA and NRECA.

#### MIDWEST ELECTRIC

Stuart Travis reported that he anticipates Missouri River Basin water reports to have improved at next month's meeting.

#### TRI-STATE

Roger Schenk reported on his attendance at the regular meeting of the Tri-State Board of Directors. He reported that United Power gave Tri-State an unconditional notice of withdrawal after the FERC ruling on the impropriety of conditional withdrawal notices. Schenk provided a financial update through

March 2022. He reported that Tri-State has realized \$7.8 million in deferred revenue and reported on projected realizations for 2022. He also discussed the quarterly audit report, Tri-State real property ownership in Colorado, the Department of Commerce solar investigation, and renewable generation. Schenk presented several graphs depicting the impacts of load factor on rate structure.

UPCOMING MEETINGS

The Board discussed attendance at upcoming meetings.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 5:16 p.m.

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SECRETARY

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PRESIDENT