

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
August 16, 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 1:05 p.m. on August 16, 2022.

ROLL CALL

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

Brooke Price	Joneal Young
Aaron Gebauer	Robert Bledsoe
Freeman Morris	Larry Winger

Manager Trent Loutensock and Attorney Bryson Fredregill were also present. Attorney Fredregill recorded the minutes of the meeting. Directors Roger Schenk, Stuart Travis, and Craig Lambley were absent.

AGENDA APPROVED

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

PUBLIC COMMENT

Members of the Akron Volunteer Fire Department addressed the board to request donation of a discounted water heater or funding for a replacement water heater. The donation request was considered later in the meeting.

INTRODUCTION OF NEW EMPLOYEES

Manager Loutensock introduced new employees Brandon Baker and Larry Banaka.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of the July 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 2-7 Loans to Employees
- d. Policy 2-8 Employee Expense Reimbursement
- e. Capital credit refunds for estates of deceased members

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

LATE DEVELOPING ITEMS THAT REQUIRE ATTENTION

Paul Estrada and Cami Mehring entered the meeting.

Paul Estrada of Federated Insurance provided a summary of Y-WEA's current coverage, policy limits, and exclusions. He discussed available coverage.

It was properly moved, seconded, and carried to go into executive session to discuss potential litigation matters with all the directors, Manager Loutensock, Attorney Fredregill, Mr. Estrada, and Ms. Mehring present. It was properly moved, seconded, and carried to exit executive session.

Estrada and Mehring exited the meeting

JULY BILLS

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

FINANCIAL REPORT

Brandee Bullard entered the meeting.

Brandee Bullard presented the June Investments, June Statement of Operations, Loan Rate Comparison as of August 6, 2022, June Form 7, Operating Forecast, Two-Year Expense Report, Five-Year Equity Report, and Consumer Sales and Revenue Report. Manager Loutensock reported on anticipated variations to forecasted Generation and Transmission capital credits. Bullard presented the July Capitalized Costs Report and the June General Ledger.

Loutensock presented the August 10, 2022, Tri-State bill, and graphs of demand, energy, and cost per kWh through July 2022.

WRITE OFFS

Bullard presented the Write Off Report and requested that \$1,424.76 be approved for write off. It was properly moved, seconded, and carried to approve the write offs as presented.

CFC KEY RATIO TREND ANALYSIS

Manager Loutensock presented the results of the 2021 CFC Key Ratio Trend Analysis. Loutensock discussed Y-WEA's placement among other electric

cooperatives with respect to long term debt per consumer, total operating revenue per consumer, and long-term debt per kWh sold.

Bullard exited the meeting.

MANAGER REPORT

Manager Loutensock presented his written report. He presented the delinquent accounts.

President Young recessed the meeting at 3:03 p.m. and reconvened the meeting at 3:13 p.m.

MANAGER REPORT CONTINUED

Manager Loutensock continued his report. He presented thank you notes. Loutensock discussed the Plains Telco Joint Use Agreement, Y-WEA participation in the Family and Medical Leave Insurance Program, and NRECA Annual Meeting attendance. Loutensock provided a detailed update on the investigation into substation copper theft. Some of the stolen material has been recovered from salvage yards.

GENERATOR REPORTS

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

GENERATOR INTERCONNECTION RULES AND REGULATIONS

James Ziebarth entered the meeting.

Ziebarth gave a presentation discussing Y-WEA's obligation to file an informational interconnection tariff with the Colorado Public Utilities Commission and his recommended single tariff approach. A single tariff approach would generate long tariff that aggregates all necessary information related to Y-WEA interconnections. Ziebarth discussed the net metering obligations of Colorado electric cooperative associations.

Ziebarth exited the meeting.

RUS FORM 87

Manager Loutensock presented RUS Form 87 Request for mail list data. It was properly moved, seconded, and carried to approve the form as presented.

RUS FORM 675

Manager Loutensock presented RUS Form 675 and a Resolution of the Board of Directors authorizing execution of RUS Forms 595 and 675. It was properly moved, seconded, and carried to approve the resolution as presented.

DELEGATE SELECTION - NRECA REGION 7 AND 9

It was properly moved, seconded, and carried to appoint Trent Loutensock and Stuart Travis as Y-WEA's delegate and alternate, respectively, for the NRECA Region 7 and 9 Meeting.

POLICY 2-6 MEMBERSHIP IN CIVIC AND SERVICE ORGANIZATIONS

Manager Loutensock presented Policy 2-6, revised to account for 8- and 10-hour workdays. It was properly moved, seconded, and carried to approve the policy as presented.

DONATION REQUESTS

Manager Loutensock presented a donation request from the Ian McBeth Foundation. The board took no action.

Manager Loutensock presented a donation request from the Old Threshers Group of Yuma. The board took no action.

The board resumed consideration of the request made earlier in the meeting by the Akron Volunteer Fire Department for a new water heater, either in the form of acquisition funding or a discounted water heater. A motion to donate a Marathon water heater made by Director Gebauer and duly seconded by Director Price failed for lack of a majority. It was properly moved, seconded, and carried to provide a \$500.00 discount to the Akron Volunteer Fire Department for a new water heater sold by Y-WEA.

ANNUAL MEETING DATE/LOCATION

Andy Molt entered the meeting.

Andy Molt proposed moving the 2023 Y-WEA Annual Meeting to June, with the date to be determined at a later meeting. It was properly moved, seconded, and carried to move the 2023 Y-WEA Annual Meeting to June.

Molt discussed the possibility of acquiring a Ford F-150 Lightning and associated grant opportunities. The board directed Molt to include the purchase of an F-150 Lightning in the 2023 budget.

Molt exited the meeting.

WESTERN UNITED

The board reviewed the Western United Sales and Financial Report for July 2022. Director Bledsoe reported that Western United is doing well.

MIDWEST ELECTRIC

Manager Loutensock presented the agenda for the upcoming Mid-West Electric Consumers Association Resolutions and Board Meetings.

TRI-STATE

Manager Loutensock presented the Tri-State Board Report for August. Loutensock discussed the generation and renewable budget, wind development, and member sales. Loutensock presented Tri-States updated asset retirement obligations and discussed the anticipated effect on Tri-State member rates. Tri-State anticipates using \$70 million in deferred revenue for 2022.

UPCOMING MEETINGS

The Board discussed attendance at upcoming meetings.

LATE DEVELOPING ITEMS

It was properly moved, seconded, and carried to appoint Craig Lambley and Trent Loutensock as delegate and alternate, respectively, for the CFC District 7 Meeting.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 5:11 p.m.

SECRETARY

PRESIDENT