

Y-W ELECTRIC ASSOCIATION, INC.
REGULAR MEETING OF THE BOARD OF DIRECTORS
February 20, 2024

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 February 20, 2024.

ROLL CALL

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

Bob Bledsoe	Freeman Morris
Roger Schenk	Aaron Gebauer
Stuart Travis	Larry Hill
Brooke Price	Joneal Young

Director Larry Winger was absent. General Manager Trent Loutensock and Attorney Levi Williamson were also present in person. Attorney Williamson recorded the minutes of the meeting.

AGENDA APPROVED

The agenda was adopted as presented.

PUBLIC COMMENT

John Horn and George Reese requested a donation on behalf of the Akron Elks Poker Run. They reviewed the 2023 event and plans for the 2024 event. It was properly moved, seconded, and carried to donate \$400 to the Akron Elks Poker Run. Horn left the meeting.

Keith Damrow and George Reese requested a donation for the Akron Car Show. They reviewed the 2023 event and plans for the 2024 event. It was properly moved, seconded, and carried to donate \$300 to the Akron Car Show. Reese and Damrow left the meeting.

CONSENT AGENDA

The Consent Agenda contained the following items:

- a. Minutes of January 16, 2024, Y-W Board of Directors Meeting
- b. List of persons to be accepted into membership in Y-W Electric Association, Inc.
- c. Policy 1-9 Member Access to Cooperative Information
- d. Policy 1-10 Director Voting Elections

e. Estate Refunds

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

CREA UPDATE

Kent Singer updated the Board on Colorado legislative matters and CREA matters. He answered questions from the directors.

JANUARY BILLS

General Manager Loutensock and the Board reviewed the list of bills paid by the Association in the month of January 2024.

FINANCIAL REPORT

Brandee Bullard entered the meeting.

Bullard and General Manager Loutensock presented the Y-WEA financials. They presented the Investments Report, December Statement of Operations, Loan Rate Comparison as of February 14, 2024, December Form 7, December Operating Forecast, Two-Year Expense Report, Five-Year Equity Report, and Consumer Sales and Revenue Report. Bullard presented the January Capitalized Costs Report and the December General Ledger.

Loutensock presented the February 7, 2024, Tri-State Invoice, and graphs of demand, energy, and cost per kWh.

WRITE-OFFS

Brandee Bullard presented the past due accounts for write-off. It was properly moved, seconded, and carried to write-off the past due accounts as presented.

ATTORNEY REPORT

Attorney Williamson reported that he has a conflict of interest regarding an estate capital credit request. He discussed the conflict with the Board and presented a consent to conflict of interest. It was properly moved, seconded, and carried to approve the consent to conflict as presented.

MANAGER REPORT

Manager Loutensock presented his written report. He presented the list of delinquent accounts and "thank you" notes. James Ziebarth presented information regarding Y-W's process for interconnection of distributed generation. Andy Hase provided an update on the Wray warehouse construction project.

Loutensock presented Tri-State's calculation of each Tri-State member's contract termination payment. He reported on the status of Y-W's intervention in Tri-State's FERC transmission filing and La Plata Electric Association's lawsuit against Tri-State. Loutensock reported on the status of the Eckley franchise renewal. After discussion, it was decided that Y-W will not invite Tri-State to speak at the Y-W Annual Meeting. Loutensock presented the Federated January 2024 Member Update, the CoBank 2024 director election notice, an invitation to the Eckley Volunteer Fire Department appreciation supper, a thank-you letter from a Y-W scholarship recipient, and the CFC newsletter.

GENERATOR REPORT

General Manager Loutensock presented the Wray Wind Generation Report, and EV Charging Station Financial Summary through January 2024.

POLICY 2-1 EMPLOYEE RELATIONS

Loutensock presented revised Policy 2-1 Employee Relations. It was properly moved, seconded, and carried to adopt the policy as presented.

POLICY 3-16 IDENTITY THEFT PREVENTION

Loutensock presented Policy 3-16 Identity Theft Prevention with no revisions. He reported on identity theft prevention training provided to employees. It was properly moved, seconded, and carried to adopt the policy as presented.

President Young recessed the meeting at 3:59 p.m. and reconvened at 4:10 p.m.

Kent Singer left the meeting.

SCHOLARSHIP COMMITTEE

The scholarship committee will meet at 8:00 a.m. Thursday February 22, 2024.

DEFERRED REVENUE

Brandee Bullard presented information regarding Y-W's deferred revenue plan. She presented three options for deferred revenue. She presented resolutions for options 2 and 3. It was properly moved, seconded, and carried to approve the resolution for option 3.

DONATION REQUEST

Manager Loutensock presented a donation request from Baby Bear Hugs. The Board did not take action.

EXECUTIVE SESSION

It was properly moved, seconded, and carried to go into executive session for confidential discussion regarding potential litigation and member energy diversion, with all directors, Manager Loutensock, Attorney Williamson, and Cami Mehring present. Mehring was present for discussion regarding potential litigation. It was properly moved, seconded, and carried to exit executive session.

Attorney Williamson left the meeting.

CREA

Stuart Travis reported that Dennis Herman was elected to the NRECA Board of Directors as Colorado's representative.

TRI-STATE

Director Schenk reported on his attendance at the Regular Meeting of the Tri-State Board of Directors. Tri-State employee Barry Ingold will retire in June. The Tri-State asset retirement obligation was reversed by the FERC. Tri-State anticipates \$29 million margins for 2023. Tri-State has \$32 million in deferred revenue going into 2024.

MIDWEST ELECTRIC

Stuart Travis reported on his conversations with Tri-State chair of the Board of Directors, Tim Rabon, regarding Midwest Electric. Roger Schenk reported on communications from Rabon regarding the conversation.

MEETING ATTENDANCE

The Board discussed attendance at upcoming meetings.

It was properly moved, seconded, and carried to appoint Stuart Travis as Y-W's delegate to the Tri-State Annual Meeting and Brooke Price as the alternate.

EXECUTIVE SESSION

It was properly moved, seconded, and carried to go into executive session to discuss Manager Loutensock's performance evaluation and goals for 2024, with the directors in attendance present. It was properly moved, seconded and carried to exit executive session.

It was properly moved, seconded, and carried to increase Manager Loutensock's salary in the amount discussed in executive session.

Manager Loutensock re-entered the meeting.

The Board reviewed Loutensock's goals for 2024.

ADJOURNMENT

There being no further business to come before the meeting, the meeting was adjourned at 6:20 p.m.

SECRETARY

PRESIDENT