

RECORD OF MINUTES

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

April 20, 2017

Chair Rickey D. Johnson called the meeting to order at 9:00 a.m. in the Board Room. Eight of the nine directors were present in person, being Rickey D. Johnson, Georglyn L. Diehl, James F. Fender, Thaine J. Michie, Steven D. Anderson, Ronald G. Sutherland, Roger Alexander, Jack R. Schneider, and Jan K. Peterson was absent. Also attending were President and CEO Jeffrey Wadsworth, CFO Lisa Wright, Member Relations Manager David White and IT / Strategy Manager Joshua Noel; and General Legal Counsel Randolph W. Starr and Michael A. Westbrook.

Agenda Item 1—Call the Meeting to Order: Chair Johnson called the April 20, 2017, Board meeting to order.

Agenda Item 2—Pledge of Allegiance: Mr. Wadsworth led the pledge of allegiance to the flag. [09:00]

Agenda Item 3—Additions to Agenda: Additional subject matters were added to the agenda. None. [09:00]

Agenda Item 4—Public Participation: Chair Johnson asked for comment from the public. As there were no members present there were no comments. [09:00]

Agenda Item 5—Items for Review and Consideration of Approval: Upon motion duly made, seconded and unanimously carried, the following matters were adopted and approved by the Board:

- A. Minutes of the Board Meeting on March 28, 2017.
- B. Minutes of the Annual Member Meeting on April 8, 2017.
- C. Minutes of the Annual Board Meeting on April 8, 2017.
- D. Completed Work Orders (March 2017) in the amount of \$ 261,890.47.
- E. Estate capital credits discounted payment for March, 2017 in the total amount of: \$ 766.27.
- F. Accounts listed on the attached sheet (January, 2017) in the total amount of \$ 2,780.94 were declared as uncollectible and will be deducted from the accounts receivable of the Association in accordance with Board policy.
- G. Allocation of 2016 Capital Credits. The allocation to members of the Association of the 2016 margins to patronage capital in accordance with the Articles of Incorporation, Bylaws, Policies, Rules and Regulations of the Association in the amount of \$ 9,376,817 [PVREA \$ 6,772,715*, and Tri-State \$ 2,604,102] as shown on the materials provided to the Board prior to the meeting was approved. * Includes \$5M 2016 revenue deferral. [09:02]

Agenda Item 7—Staff Reports / Presentations: Staff reports were presented as follows:

A. Safety Report: President and CEO Wadsworth reviewed the contents of the April 3, 2017, safety report in detail. The written safety report had been sent to the Board prior to the meeting. During the report director Peterson entered the Board room. Upon motion duly made, seconded and unanimously carried the safety report was accepted. [09:11]

B. President~CEO and Staff Written Reports:

President and CEO Wadsworth gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [09:32]

CFO Wright gave a verbal update to her written presentation that had been sent to the Board prior to the meeting. [09:39]

President and CEO Wadsworth gave an update to COO John Bowerfind's written presentation that had been sent to the Board prior to the meeting. [09:48]

A short break was taken. [09:48 to 09:57]

Manager Noel gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [10:01]

Agenda Item 6—2016 Audit Report Presentation: At this time Mr. Kevin Kelso, CPA, of Kevin Kelso, P.C., P.A. was called by speaker phone into the Board room and he gave an oral report to the Board about the 2016 financial audit conducted by him for the Association. A copy of the audit report was provided to the Board prior to the meeting. Questions about the report were asked by board members and CEO Wadsworth. Upon motion duly made, seconded and unanimously carried the audit was accepted. [10:55]

Manager White gave a verbal update to his written presentation that had been sent to the Board prior to the meeting. [11:15]

Upon motion duly made, seconded and unanimously carried the staff reports were accepted. [11:15]

C. Financial Report: CFO Wright gave a verbal and PowerPoint® report on various financial matters for March, 2017. Upon motion duly made, seconded and unanimously carried the report was accepted. [11:26]

D. Strategy Map Update: President and CEO Wadsworth gave an update on the status of the extensive list of items in the Strategy Map that had been sent to the Board prior to the meeting. [11:33]

Agenda Item 8—Attorney Report: Attorney Starr reported that outside legal defense counsel for Poudre Valley had filed an answer to the damage claim filed in Weld County District Court. [11:37]

Agenda Item 9—Director Reports / Items:

A. Western United Report: Director Fender reported on WUESC matters. A written report on WUESC had been distributed prior to the meeting. [11:42]

B. Tri-State Report: Director Michie reported on Tri-State matters. A written report on Tri-State had been distributed prior to the meeting. President and CEO Wadsworth made additional comments. [11:45]

C. CREA Report: Director Schneider reported on CREA matters. A written report on CREA had been distributed prior to the meeting. [11:48]

E. Annual Meeting Debrief: Manager White gave an update and the board discussed the Annual Meeting of Members and suggestions were made for alterations for next year. [12:02]

A lunch break was taken. [12:02; reconvene 12:41] At this time all staff members left the Board room.

D. Tri-State Member Survey: Director Michie and President and CEO Wadsworth reported on Tri-State member survey. [13:13]

F. Discussion on NRECA Directors Conference: Those Board members who attended the NRECA Directors Conference reported on their attendance. [13:16]

G. Discussion on Tri-State Annual Meeting: The Board provided a brief update on the Tri-State Annual Meeting. [13:18]

H. Director Emergency Contact Information: The Board members updated their emergency contact information. [13:18]

Agenda Item 10—Discussion of Utility Industry and PVREA Topics if Needed:

A. Member Correspondence and General Correspondence.

i. various correspondence was sent to the Board prior to the meeting.

B. Other. [13:21]

Agenda Item 11—Review Upcoming Events/Meeting Dates:

A. NRECA Legislative Conference April 23-26 in Washington, D.C.

B. Jim Park Hydro Tour May 24, 2017 east of Kersey. [meet at PV at 8:00 a.m., tour solar generation facilities, and tour of Park hydro]

C. PVREA Board Meeting May 30, 2017.

D. PVREA Scholarship Dinner June 7, 2017 at the headquarters.

E. CFC Forum June 11 to June 14, 2017, at JW Marriott San Antonio Hill Country, San Antonio, TX.

F. CoBank Energy Conference June 27 to June 29, 2017, at The Broadmoor, Colorado Springs, Colorado.

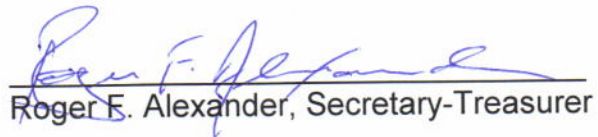
G. CFC Director Financial Workshop August 28 to August 30, 2017, at the Vail Marriott, Vail, Colorado.

H. Strategic Planning Session September 5, 2017 at a location to be determined.
[13:42]

Agenda Item 12—Consider Board, Attorney and President~CEO's Expenses: Each of the Board members, legal counsel and the President and CEO reported on the contents of their respective expense billing sheets as reported. Upon motion duly made, seconded and unanimously carried, the director, President and CEO and legal expense reports were approved. [13:45]


Agenda Item 13—Executive Session if Needed: None. [13:45]

Agenda Item 14—Adjourn: There being no further business to come before the meeting, upon motion duly made, seconded and unanimously carried, the meeting was adjourned. The next regular Board meeting will be held on **May 30, 2017**. [13:47]



Roger F. Alexander, Secretary-Treasurer

ATTEST:



Rickey D. Johnson, Chair

NOTE: The 2017 Board meeting dates have been set as follows: May 30, 2017, June 22, 2017, July 27, 2017, August 29, 2017, September 26, 2017, October 24, 2017, November 28, 2017, and December 21, 2017.