
MINUTES OF MEETING
San Luis Valley Rural Electric Cooperative, Inc.
Regular Meeting of the Board of Directors
April 30, 2024

The regular Board of Director's Meeting of San Luis Valley Rural Electric Cooperative, Inc. was held on Tuesday, April 30, 2024 at the headquarters office located in Monte Vista, Colorado. Directors present were Keenan Anderson (president), Stephen Valdez (vice-president), Wade Lockhart (secretary), Carol Lee Dugan (arrived at 9:35), Kim Wakasugi, Scott Wolfe and Creede Hargraves. Also present were Tyler Denning (corporate attorney), Eric Eriksen (chief executive officer), JoAn Waudby (chief financial officer), Carol Silva (human resources specialist), Stacy Valdez (customer service/billing manager), Terry Daley (engineer), Shawn McKibbon (chief operations officer), Jennifer Alonzo (marketing/communications manager), and Michelle Trujillo (human resources officer/assistant corporate secretary).

Call to Order

Keenan Anderson called the meeting to order at 9:32 AM and led the Pledge of Allegiance.

Stephen Valdez and Wade Lockhart were recognized for achieving the Board Leadership Credential through NRECA.

Welcome of Guest(s)

Tammy Totzke of Forvis joined our meeting via Zoom to present the 2024 Audit Report. Totzke began her report outlining the processes followed and the responsibilities of both SLVREC management and the auditors. She then reviewed and discussed the combined report for San Luis Valley REC and Cielo which encompass the balance sheets as of December 31, 2023 and 2022, and the related statements of margins and patronage capital and cash flows for the years then ended, and the related notes to the financial statements. She followed the same review and discussion process for the same time period for the San Luis Valley REC Energy Foundation.

Executive Session

Motion was made to enter into executive session at 10:14 a.m. for the discussion of the 2024 Audit Report.

Motion was made to convene public session at 10:34 a.m. with no action taken.

Break: 10:34 a.m.

Reconvene: 10: 41 a.m.

Member Communication

Mail was circulated among the board members.

Approval of Consent Agenda

Motion was made, seconded and unanimously carried by those present to approve the consent agenda as presented. The consent agenda included the meeting agenda and the March 28, 2024 board meeting minutes.

Management Reports

CEO/Executive Report: CEO Eric Eriksen reviewed the submitted report. He provided more details on the LSSI Program, timeframe expectations of the upcoming cost of service study, Climate Shield Network Cooperative Grant process, and the Electrify and Save program announcement from Governor Polis at the Capitol. Discussion was held regarding the actual energy audit portion of the Electrify and Save program.

Safety Report: Michelle Trujillo reviewed the submitted safety report and it stood as presented.

Reliability Report: Terry Daley reviewed the submitted report and further discussion was held regarding outage analysis and reporting dashboards, grant funding status updates and the open position for a new staking engineer.

Cyber Security: Ross Coombs reviewed the cyber report and it stood as presented.

Human Resources: Michelle Trujillo reviewed the submitted report and it stood as presented.

Marketing: Eric Eriksen reviewed the submitted report in Jennifer Alonzo's absence and provided more information about the marketing data for the Electrify and Save program associated with our current marketing efforts.

Member Services: Stacy Valdez reviewed the submitted report and further discussion was held regarding the net metering application process, annual refunds and the change for 2025 buy-back rate.

Operations: Shawn McKibbon reviewed the operations report that included photos from job sites he took while doing crew visits. Eric Eriksen commented that our construction line crews do the majority of our work without the use of contractors.

Financial Report: JoAn Waudby reviewed the submitted report. She talked about the mild winter weather impacting sales and operating margins, higher mills and extra demand changes with the Tri-State on-peak rate FERC circumstance, expenses are under budget at this point and some irrigation has been in use at the end of April which could cause low load factor impacting the Tri-State bill. She also reported that REC is contemplating switching operating bank accounts to a bigger industry known bank that provides specific services that are not offered by the current bank.

Lunch: 12:09 p.m.

Reconvene: 1:14 p.m.

Approval of Board Policies

Motion was made, seconded, and unanimously carried by those present to approve the following Board Policies:

BP 1-011	Independent Advisors
BP 1-012	Board Meeting Member Communications
BP 2-001	Unity of Control

Approval of Metering Tariff

After discussion, a motion was made, seconded and unanimously carried by those present to approve the metering tariff as presented.

Agreements for Purchase of Power

The current list of Agreements for Purchase of Power was reviewed and discussed. (Copy attached hereto and made a part hereof.)

ATTORNEY'S REPORT

Corporate Attorney – Tyler Denning

Denning reviewed the submitted report and it stood as presented.

BOARD COMMITTEE REPORTS:

Colorado Rural Electric Association – Stephen Valdez

Valdez reviewed the submitted report and advocated for 100% participation in the Colorado Advocates for Rural Electrification (CARE) non-partisan Political Action Committee (PAC). Brief discussion was held regarding the sponsorship for the Power Student Challenge for kids to compete in a solar fair. Then provided a brief update on the legislative conference in Washington DC including a presentation by Dr. Gattie regarding climate change and dispatchable energy.

Western United – Stephen Valdez

Valdez reviewed the submitted report and briefly talked about recent lower sales in Colorado but the backlog went up and this can all be attributed to the supply chain for transformers. The overall performance is still good with margins exceeding the prior year.

Tri-State – Scott Wolfe

Wolfe reviewed the submitted report and provided a brief overview of the Tri-State annual meeting and briefly talked about the withdrawal of the Northwest Rural Public Power District from Tri-State.

Creede Hargraves discussed the Tri-State contract committee and San Luis Valley REC's involvement.

NRECA Resolution Committee – Creede Hargraves

Hargraves reported that the resolution committee will start meeting again in June and asked the board members to reach out to him with their thoughts as soon as possible so that he can bring them forward.

Unfinished Business

None

New Business

None

Future Dates:

The next regular scheduled meeting of the Board of Directors was set for Tuesday, May 28, 2024 at 9:30 AM.

Board Comments:

None

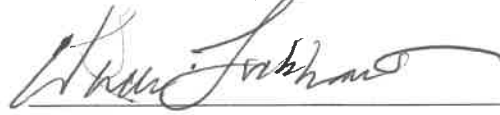
Motion to Adjourn

Motion was made, seconded and unanimously carried by those present to adjourn the meeting at 2:01 PM.

SEAL



Keenan Anderson, President



Wade Lockhart, Corporate Secretary



Michelle Trujillo, Recording Secretary