

MINUTES OF THE BOARD MEETING  
OF THE BOARD OF DIRECTORS  
OF  
FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.

February 28, 2022

The meeting of the Fall River Rural Electric Cooperative, Inc. Board of Directors was held on Monday, February 28, 2022, virtually and at the main office of Fall River Rural Electric in Ashton, Idaho. Having determined a quorum was present, President Draper called the meeting to order at 10:00 a.m. Executive Assistant Angie Haws recorded the minutes. The invocation was given by Anna Lindstedt. The Pledge of Allegiance was recited.

ATTENDING OFFICERS

President Dede Draper, Vice President Georg Behrens, Secretary/Treasurer Jodi Stiehl

DIRECTORS PRESENT

Husk Crowther, Jay Hanson, Brent Robson, Doug Schmier, Jeff Keay, and Anna Lindstedt

DIRECTORS ABSENT

None

OTHERS

CEO/General Manager Bryan Case, Attorney Hyrum Erickson, HR Manager Clint Washburn, Manager of IT Shannon Hill, Operations Assistant Suzelle Burch, and Executive Assistant Angie Haws.

APPROVAL OF AGENDA

**Director Robson made a motion to approve the agenda as presented. Director Schmier seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

APPROVAL OF MINUTES

**Director Schmier made a motion to approve the January 24, 2022, Board Meeting Minutes as presented. Director Behrens seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

MEMBER COMMENTS

OWNER REBATE COMMENT

CEO Case stated there have been several members that have personally thanked the Cooperative for the Instant Owner Rebate. A few of the notes were included in the board packet. The board discussed member concerns about planned outages, and demand as well as other positive member comments on cooperative solar, the recent rate decrease, and the business success of FR Electric and Propane.

FINANCIAL & STATISTICAL REPORT

DECEMBER 31, 2021, FINAL FINANCIAL REPORTS

CEO Case reviewed the year-end financial statements. He stated the main difference between the preliminary financial statements presented in last month's board meeting and the final financial statement is the posting of investment income for Fall River Propane. In addition, a corrected meter reading from BPA was received prior to the audit but after the

preliminary financial statements were presented to the board. This reduced the accrual we had estimated on power costs.

#### JANUARY 31, 2022, FINANCIAL REPORTS

CEO Case reported on the financials for January stating the net margins YTD were \$607K which were \$89K better than budgeted.

Cooperative equity is 49.6% and the annualized growth rate was 3.7% with 51 new services connected in January. We paid \$589K in principal payments on long-term debt. The instant owner rebates were credited to bills in February which will mean lower than normal cash collections next month. Expensed labor and overhead were within 1% of budget in January.

#### RECAP OF FIELD AUDIT

DeCoria & Company, PC conducted the annual financial audit this year. CEO Case reported the audit went well. There was only one audit adjustment with net margins impact of \$2K on propane. The adjustment was related to fixed assets and making the entry will help Propane with their reconciliation of beginning balances for next year. Other adjustments were reclassifications on the balance sheet and did not affect net margins.

#### AUDIT ADJUSTMENTS FOR 2021

Included in the board packet.

#### PROPANE 2021 YEAR END FINANCIALS

CEO Case reported the net income was \$378K which includes the PPP loan-to-grant conversion. The net income less the PPP grant exceeded the budgeted net margin by over \$11K.

#### COOPERATIVE BUSINESS

##### STRATEGIC DISCUSSION

##### TERMS FOR POWER AND TRANSMISSION

Included in the board packet.

##### PNGC POST 2028 BOARD EXPECTATIONS

Included in the board packet.

##### BPA POST 2028 BOARD EXPECTATIONS

Included in the board packet.

##### STEVE GOREHAM

Link included in the board packet.

##### BATTERY, WAVE & WIND GENERATION

Link included in the board packet.

#### DIRECTOR TRAINING QUESTIONS AND DISCUSSION

#### ANNA LINDSTEDT TRAINING RECAP

Director Lindstedt shared highlights from courses attended and the board engaged in discussion on the topics of Board Culture: Impact on Effectiveness, Governance Challenges of the Evolving Distribution Cooperative, and The Evolution of Electric Cooperative Power Supply.

#### JODI STIEHL TRAINING RECAP

Director Stiehl shared highlights from courses attended and the board engaged in discussion on the topics of Rules and Procedures for Effective Board Meetings, Increasing Influence and Building Board Consensus, and Communicating the New Energy Landscape. Other resource material was also provided for additional courses attended.

#### NRECA

##### DIRECTOR GOLD-DEDE DRAPER AND DOUG SCHMIER

CEO Case presented certificates of achievement to President Draper and Past President Schmier for their accomplishment of completing NRECA's Director Gold program.

##### BOARD LEADERSHIP-BRENT "HUSK" CROWTHER

CEO Case presented Director Crowther a certificate of achievement for his accomplishment of completing the Board Leadership requirements.

#### FRREC ANNUAL MEETING PREP

##### NOMINATING COMMITTEE & COMMITTEE MEETING DATE

Included in the board packet.

**Director Schmier made a motion to approve the Nominating Committee members as discussed, Director Crowther seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### FLOORPLAN FOR ENERGY EXPO 2022

Included in the board packet.

#### BPA FINANCIAL REFRESH

Included in the board packet.

#### BPA B2H TRANSMISSION ANNOUNCEMENT

CEO Case referenced the agreement between Idaho Power, PacifiCorp and the Bonneville Power Administration's non-binding agreement that clarifies and updates roles and responsibilities for the Boardman to Hemingway transmission line. This line would deliver 1K MW of reliable, affordable power in each direction between the Pacific Northwest and Mountain west and is anticipated to come online in 2026.

#### NCSC BOARD SEAT DISTRICT 4

Included in the board packet.

#### NRECA 2022 ANNUAL MEETING RESOLUTIONS

Link included in board packet

#### CRC VOTING DELEGATE AND ALTERNATE

**Director Crowther made a motion to approve the CRC voting delegate as Bryan Case and alternate voting delegate as Georg Behrens. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### FALL RIVER FACTS AND FIGURES

Handed out at the board meeting and mailed out.

#### COOPERATIVE REPORTS

Director Lindstedt reported on a member question regarding potential drought conditions.

Director Schmier reported the Policy Committee meeting will take place next month. He also reported that the NWPPA meeting will be in Jackson next month.

President Draper reported on the NWPPA seminar.

Vice President Behrens reported he attended the ICUA meeting. He was invited to speak at the rotary club meeting in Driggs and reported on that experience.

Secretary Treasurer Stiehl reported she will attend the MECA Spring Meeting in April and will sit in on the CFC meeting and will attend the NRECA meeting virtually.

#### CONSENT AGENDA

**Director Robson made a motion to approve the consent agenda. Secretary Stiehl seconded the motion which included expense vouchers, new memberships, purchase of power agreements, check register, safety report, and discounted patronage capital refunds report.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE

#### EXECUTIVE SESSION

**Vice President Behrens made a motion to go into Executive Session at 1:22 p.m. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

**Director Robson made a motion to go out of Executive Session at 2:30 p.m. and Director Crowther seconded.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

**Director Crowther made a motion to pursue employee housing potential as discussed in executive session. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE.

#### MANAGEMENT DISCUSSION ITEMS

UPDATE ON PPC MEMBERSHIP THROUGH PNGC AND TRANSITION TO DIRECT FALL RIVER MEMBERSHIP PAID FOR BY PNGC  
Included in the board packet.

INSURANCE REVIEW FEDERATED  
Included in the board packet.

EV LEVEL CHARGING STATION GRANT PURSUIT AND UPDATE – CLINT WASHBURN

HR manager Clint Washburn reported on the progress of FR's grant pursuit for an EV charging station. Washburn reviewed the considerations given regarding location, grant funding, and cost of the potential charging station. Once the outcome of grant funding is known, the board will be updated.

FEDERAL GRANT OPPORTUNITIES FOR FR AND MEMBERS  
EV SCHOOL BUS GRANT PRESENTATION WITH EPA  
Included in the board packet.

MECA SCHOLARSHIP FALL RIVER APPLICANT FORWARDED  
Included in the board packet.

BUILD THE BRAND COMMITTEE SUMMARY

CEO Case noted as part of Fall River's work plan a new Build the Brand Committee has been organized. The committee is comprised of FR Electric and FR Propane staff and will meet on a quarterly basis. The committee has been tasked to generate ideas to build the brand internally and externally while also recognizing staff members who achieve excellence in this area.

MEMBER SERVICES HAS CREATED A NEW LANDING PAGE FOR 'BLINK'  
EDUCATION

Link included in the board packet.

HYDRO FACILITIES UPDATE

Island Park and Buffalo hydros generated a total of 655,997 kWh in January. This amounts to 1.6% of all the kWh billed by PNGC in January, and 1.6% of all kWh sold and used by Fall River in January.

Felt hydro produced 1,484,000 kWh in January. When this is included with Island Park and Buffalo, it amounts to 5.1% of all the kWh billed by PNGC in January, and 5.2% of all kWh sold and used by Fall River in January.

ISLAND PARK

Island Park hydro produced 589,298 kWh during the month of January.

BUFFALO

Buffalo hydro produced 66,699 kWh during the month of January.

FELT

Felt hydro produced 1,484,000 kWh during the month of January.

CHESTER

Chester hydro did not run during the month of January. The plant has been shut down since the 19<sup>th</sup> of December due to too much ice in the intake.

#### STATE LEGISLATIVE UPDATES

##### ICUA

Included in the board packet.

##### WREA

Included in the board packet.

#### ICUA YOUTH RALLY A GO FOR 2022 JULY 11<sup>TH</sup> THROUGH THE 16<sup>TH</sup>

CEO Case reported that the 2022 Youth Rally is on schedule to be an in-person event to be held at the College of Idaho.

#### RIVERPARTNERS QUARTERLY UPDATE AND PRO-SNAKE RIVER DAMS CAMPAIGN

Included in the board packet.

#### DONATIONS

Included in the board packet.

#### FALL RIVER'S MANAGEMENT REPORT

Included in the board packet.

#### REPORTS

##### EXECUTIVE COMMITTEE

Nothing to report.

##### ADMINISTRATIVE COMMITTEE

Chairman Key stated the committee met this morning and made assignments for the scholarships and recommendations will be brought to the board in April. The committee discussed the amount of the scholarships in dollars and number awarded, the responsibility of committee oversight regarding donations and want to let the board know that the committee is following through on that assignment.

##### ENGINEERING & OPERATIONS COMMITTEE

Nothing to report.

##### FINANCE COMMITTEE

Nothing to report.

##### POLICY COMMITTEE

Chairman Schmier reported the committee will meet again March 28, 2022.

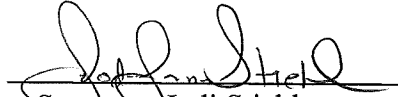
##### ATTORNEY REPORT

Nothing to report.

ADJOURNMENT

There being no further business, **Vice President Behrens made a motion to adjourn. Director Robson seconded the motion.** A voice vote was taken; THE MOTION CARRIED BY UNANIMOUS VOTE. The meeting was adjourned at 3:21 p.m.

DATE APPROVED: March 28, 2022



Secretary Jodi Stiehl