

WHITE RIVER VALLEY ELECTRIC COOPERATIVE, INC.

August 23, 2024

Annual Meeting Minutes

The **85th Annual Meeting** of Members of White River Valley Electric Cooperative, Inc. ("WRVEC" or the "Cooperative") was held virtually from the Cooperative's Headquarters in Branson, Missouri on Friday, August 23, 2024.

Board Legal Counsel, Attorney Christiaan Horton, advised that WRVEC's bylaws set forth quorum requirements for annual member meetings. Based on the total number of Cooperative members, approximately four hundred (400) members are needed to establish a quorum for the annual meeting. Horton stated quorum is set by the number of qualified, voting members, and with 1965 votes cast in this year's election, the quorum requirement was met. Horton expressed a sincere thank you from the Board of Directors for member participation in the voting process. He then called the 85th Annual Meeting of Members of White River Valley Electric Cooperative to order.

Vice President/Chief Growth Officer Cassie Cunningham stated White River Valley Electric Cooperative was established eighty-five years ago to distribute electricity to homes and businesses in Christian, Douglas, Ozark, Taney, and Stone counties. Cunningham explained that electric cooperatives across the county abide by seven core principles that guide cooperative decision-making and governance. She also reported that the co-op business model can help all members feel connected with shared confidence that White River Valley Electric remains a mission-oriented organization with a drive to deliver safe, reliable, and affordable power to its members. Throughout the virtual meeting, all core principles of electric cooperatives were highlighted as the minutes below reflect. The first principal is **Open and Voluntary Membership**: membership is open to all people who can reasonably use cooperative services and stand willing to accept the responsibilities of membership, regardless of race, religion, gender, or economic circumstances.

Next, President Jenny Whorton addressed the membership. She began by acknowledging that the Cooperative has evolved and witnessed many changes in 85 years. When White River was founded back in 1939, many members rolled up their sleeves and donated vehicles and tools to help make electricity a reality for the rural areas of the Ozarks. Eighty-five years later, members are still an integral part of what makes the Cooperative thrive in its mission.

Whorton reminded everyone that the Cooperative's Board of Directors spends a large amount of time learning the complexities of the electric utility business so they can administer the fiscal responsibilities of the Cooperative. As part of the fiscal responsibility, the Board ensures all members can be connected to a reliable and affordable electric distribution system. When the costs of providing electric service exceed what the Cooperative collects in rate revenue, rate increases must be considered. Whorton

confirmed these decisions are made after considerable study and input from many within and outside of the cooperative (like professional engineers that assist with electric cost of service studies). She stated rates had been adjusted in April of 2024, and the Board was forced to initiate another rate increase expected in January of 2025 as the cost of power continues to rise. She confirmed the Board has continued to manage the costs it can control, keeping the total increase over recent years to less than fifteen percent. Whorton stated the Board carefully reviews financial and operational data and collaborates with staff and professional advisors in making these significant decisions with the aim to minimize the financial impact to cooperative members.

Whorton stated the Cooperative was able to achieve the **return of \$2.46 million dollars in paid capital credits to the membership in 2024** and that the Board will continue to evaluate efficient and effective processes to lower incremental costs to keep rates low and to allow for continued capital credit retirements.

Next Cassie Cunningham advised that throughout the virtual meeting, members can submit questions for the executive team to address in real time. Cunningham also stated that as a “thank you” to all those who participated in the voting process, a \$10 bill credit will be applied to their account within the next two billing cycles. Also, to help celebrate 85 years of the Cooperative, voters were entered into a drawing for one of ten \$850 bill credits. Lucky winners would be announced throughout the meeting and one additional \$850 bill credit would be given to one of the members who joined the live broadcast.

Cunningham said the Cooperative remains member focused, and that meeting member’s needs always come first. Participating in the democratic process by voting in the election, joining in on the live Annual Meeting broadcast and submitting feedback through the Member Alliance Program are ways members can make their voice heard. The next founding principle was then highlighted, **Democratic Member Control**: cooperatives are democratic organizations controlled by their members, who actively participate in setting policies, and making decisions. Representatives (Directors) are elected among the membership and are accountable to them. Members have equal voting rights (one member, one vote).

Cunningham acknowledged that WRVEC is truly fortunate to have so many qualified employees and strategic partners working together behind the scenes to keep the membership connected with best-in-class service. Many members have inquired about grid reliability and power supply. Associated Electric Cooperative (“AECI”), our wholesale power provider, uses a mix of resources including coal, wind, natural gas, and renewable energy sources like hydropower and wind to provide an economical and reliable wholesale power supply to co-ops like White River. AECI typically uses the lowest-cost resources first to serve member needs, then looks for opportunities to purchase power at costs that are lower than it can generate such power. This energy portfolio is key in meeting demand and power contracts are in place to cover 100% of the Cooperative’s energy needs, 100% of the time and for years to come. This is accomplished by resource management and forecasting for the future. She stated we furthermore foster working relationships and educational opportunities with state and federal legislators to keep them

The first part of the paper discusses the importance of the study of the history of the United States. It is argued that a knowledge of the past is essential for a full understanding of the present. The author then goes on to discuss the various factors that have shaped the development of the United States, including the role of the government, the economy, and the culture.

In the second part of the paper, the author discusses the role of the government in the development of the United States. It is argued that the government has played a crucial role in shaping the country's history, and that it continues to play a significant role in the present.

The third part of the paper discusses the role of the economy in the development of the United States. It is argued that the economy has been a major factor in the country's growth, and that it continues to be a key element in its development.

The fourth part of the paper discusses the role of the culture in the development of the United States. It is argued that the culture has been a major factor in the country's identity, and that it continues to be a key element in its development.

The fifth part of the paper discusses the role of the future in the development of the United States. It is argued that the future is a key element in the country's development, and that it is essential to have a clear vision of the future in order to achieve success.

advised of industry events that could affect our members, and the co-op. Cunningham then introduced a video regarding the proposed regulations from the Environmental Protection Agency that could be harmful to the delivery of reliable and affordable electric power.

Next CEO Hamon assumed the podium. He thanked the membership for attending the 85th Annual Meeting. He acknowledged that the Cooperative experienced a challenging year--from devastating storms in July to a severely cold January that caused peaking conditions. Between the start of fiber construction to the Environmental Protection Agency's (EPA's) new clean air regulations, increased costs, and rate adjustments, the Cooperative has had a remarkably busy year. But no matter what happened, the Cooperative has worked hard to ensure the membership has had reliable and affordable power to sustain their daily lives.

Hamon acknowledged the powerful storms that rolled through the Theodosia area last July producing devastation to the area, preventing our crews from accessing many areas for days due to the large trees crossing the pathways to homes and businesses. He thanked the residents of the area for being patient as well as kind to the linemen as they purchased and prepared meals for them while repairs were underway. He also mentioned the record cold temperatures in January which placed a huge demand on the system, affecting the reliability and impacting members' bills.

Hamon then touched on the excitement surrounding the Cooperative's fiber project, reporting that last June White River Connect started hanging fiber throughout the Ozarks. As of the date of Annual Meeting, Connect constructed over 1,850 miles of the over 4,000-mile fiber project by either burying or hanging the fiber; connecting over eight hundred (800) customers to date. He reminded the membership that this construction process has several phases before a customer can be connected with service including: design, inspection, make-ready or upgrades to poles, long haul and middle mile fiber installation, equipment hut construction, head-in server build-out, fiber drops, and finally in-home installation. Everyone is excited to see the changes that high-speed internet may bring to our communities, healthcare, schools, and the impact on livelihoods for all those in White River's service area.

Next Hamon spent time speaking about the new EPA regulations. The United States currently has around four hundred (400) heavily regulated coal-fired power plants which have proven dependable and are getting cleaner every day. China on the other hand has over 3,500 coal-fired power plants with less stringent environmental controls and is constructing more every day. With all the premature closings of existing coal plants, the reliability of the power grid is starting to weaken as evidenced by many areas experiencing rolling blackouts and increasing threats of power disruption. Fortunately, Associated Electric has been able to prevent rolling blackouts from affecting WRVEC and its members in light of all these pressures; however, new regulations from the EPA will eventually cause even more power plant closings which will cause significant price increases in the cost of power across the country. Hamon indicated that over twenty-two large electric cooperative generators and several investor-owned power companies have

filed lawsuits against the EPA to challenge their legal mandates and those cases are ongoing.

Hamon touched on how over the past couple of years, the costs of goods like gas and milk have continued to rise and costs facing the electric utility industry are no different. Vital materials to the Cooperative such as trucks, poles, wire, and transformers have increased as much as 40% in just the past two years. Hamon advised that electric rates would be adjusted again effective January 1, 2025, to address these costs pressures and the growing electric demands of our service area.

In closing, Hamon thanked the Board of Directors for their tireless efforts to serve the membership. He also thanked the employees because they are the heartbeat of White River Valley Electric Cooperative--showing up in rain, snow, ice, and excessive heat to keep the lights on for everyone. Lastly, he thanked the membership for joining the meeting and for a wonderful 85 years of continued support.

The next Cooperative Principal was then highlighted--**Member's Economic Participation**: members contribute equitably to, and democratically control, the capital of their cooperative. At least part of the capital remains the common property of the cooperative. Members allocate surpluses for any or all of the following purposes: developing the cooperative; setting up reserves; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Next to the podium was Lyle Rowland, Board Secretary/Treasurer. Rowland thanked everyone for joining the virtual meeting and reminded everyone that meeting minutes, officer reports, and financials for the Cooperative are published well in advance of the meeting so members remain well-informed about the business of their Cooperative. He confirmed all financial records and statements had been examined by the Board of Directors and that a fully favorable annual, independent audit of the Cooperative's finances had been performed by FORVIS, a certified public accounting firm. The auditors found no discrepancies, and all the Cooperative's books and records of account remain in conformity with sound accounting principles.

Rowland then reminded the members that they could view the 2023 financials in several places: in the official meeting notice in the July 2024 Current Times pages of the *Rural Missouri*, the Member's Only portal in SmarHub, and on the annual meeting page of the WRVEC website. Highlights on financial performance of the Cooperative were also distributed in the 2023 Annual Report which was published in July of 2024.

Rowland stated equity management is just one of the Board's goals. Directors focus on this goal by reviewing corporate costs and WRVEC's overall financials to make sure they align with the strategic plan. He stated WRVEC is returning capital to the members, just like we did this year in the amount of \$2.46 million, while also continually investing in the Cooperative's system to deliver the most reliable, affordable electric service.

The next Cooperative Principal highlighted was **Autonomy and Independence**: cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control as well as their unique identity.

Next, Cunningham stated members of the Cooperative are the deciding forces behind new policies and decisions; the Cooperative is run without the influences of wider government policy or outside organizations. She stated we want local people to support local initiatives to encourage local growth. Cunningham also spoke about this year's member surveys, and Member Appreciation Days, which are events providing the opportunity for members to meet the local staff serving the various Districts, as well as the Board and other WRVEC employees.

The next Cooperative Principal highlighted was **Education, Training, and Information**: Education and training for members, elected representatives (directors), CEOs, and employees help them effectively contribute to the development of their cooperatives. Communications about the nature and benefits of cooperatives, particularly with the general public and opinion leaders, help boost cooperative understanding.

Next the panel of Cooperative Vice-Presidents heading the various departments answered questions that had been received during the virtual meeting. Questions included: employment opportunities, future rates, right-of-way matters, outages, cybersecurity, system planning, and inquiries about White River Connect.

The last two Cooperative Principals were highlighted--**Cooperation Among Cooperatives** states: working together through local, national, regional, and international structures, cooperatives improve services, bolster local economies, and deal more effectively with social and community needs. Finally, **Concern for Community**: cooperatives work for the sustainable development of their communities through policies supported by the membership.

Attorney Horton resumed the podium to inform the membership about the Director election process, the call for Board of Director candidates in the May issue of the *Rural Missouri*, and board of director qualifications, commitment, compensation, and the nominating process.

Horton recognized the Nominating Committee and acknowledged all their hard work in the board candidate nomination and selection process. The official Nominating Committee Minutes were published in the July issue of *Rural Missouri*. Horton summarized the Minutes of the 2024 Nominating Committee, which included the final slate of candidates for the board of director seats up for election this year. He then introduced Chris Massman from the Association of Missouri Electric Cooperatives ("AMEC"), who explained the voting process for this year's election and the safeguards that were put in place to ensure the voting process was secure and the results trustworthy.

Massman stated the 2024 election was once again held online and with the option to request an absentee ballot. Online voting was open from August 5th to August 16th, and he was excited to announce there was a particularly good turnout this year.

Before voting, members were required to verify their identity using the following two (2) data points: their membership number, and a unique pin number. Once these identifiers were confirmed, members were able to gain access to the ballot on the secure website or given the opportunity to request an absentee ballot. Absentee ballots were printed on a watermarked paper making them impossible to duplicate and each came with instructions requiring their return in a marked envelope specifically provided for that purpose. All ballots returned were received within the election rules and were properly authenticated.

Also, to ensure that each member was only allowed one (1) vote, AMEC used a digital membership database that electronically marked each member record once the member voted online or made a request for an absentee ballot. All absentee ballot requests received by phone were checked against the database and marked before the request was honored. Once voting closed, all votes cast were compiled from all sources (online, and mail-in ballots) and yielded the following tabulated results:

Total online votes: 1,921 Total absentee votes: 44 Overall total votes cast: 1,965

District “B” Taney County

James “Jim” Burns - 1305

Keith Hock - 350

Andrew Lambert - 225

District “C” Christian County

Joey Glenn - 1,236

Martin Smith - 610

District “D” Douglas County

Neal Crum – 1,821

Attorney Horton then reviewed the voting certification provided by AMEC and thanked Mr. Massman and his team for their assistance with the Cooperative’s electronic voting process. As Legal Counsel to the Board, Horton attested to the election process and the verified results.

The 85th Annual Meeting of Members was then adjourned SINE DIE.

CERTIFICATION

As Secretary of the Board of Directors of the Cooperative, I have prepared these Minutes within the constitution of my office and declare them to be the official Minutes of the 2024 White River Valley Electric Cooperative's Annual Meeting of Members held on the 23rd day of August 2024.


Jim Kyle – Board Secretary 11/21/2024
date

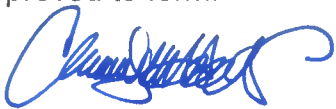
ATTESTATION

As President of the Board of Directors of the Cooperative, I have reviewed these official Minutes of the 2024 White River Valley Electric Cooperative's Annual Meeting of Members held on the 23rd day of August 2024, attesting them as to form and substance, and declaring them the official minutes of said meeting.


Neal Crum – Board President 11/21/2024
date

APPROVAL AS TO FORM

As Legal Counsel to the Board of Directors of the Cooperative, I have reviewed these official Minutes of the 2024 White River Valley Electric Cooperative's Annual Meeting of Members held on the 23rd day of August 2024, along with the Certification of the Board Secretary and Attestation of the Board President and find them to be so declared and approved to form.


Christiaan Horton – Board Legal Counsel 11.21.2024
date

