

Record of Minutes

Colorado 31 Larimer

Poudre Valley Rural Electric Association, Inc.

April 29, 2008

President Keith D. Croonquist called the meeting to order at 8:58 a.m. All directors were present except director Diehl. Also attending were CEO Gaskill, Finance / Corporate Services Manager Johnson, Member Services Manager Jensen, Operations Manager Stanton, Engineering Services Manager Byrne and Attorney Starr and Attorney Westbrook. Guests Steve Szabo and Kevin Markey were also in attendance.

There being no further business to come before the March 25, 2008, meeting of the board, upon motion duly made, seconded and carried, the meeting was adjourned.

President Croonquist called the regular April board meeting to order.

Changes to the agenda were made by President Croonquist to add as item 20D residential solar electric information and add a discussion of potential resolutions for honor to Howard Barnes, Ron Schott and J. M. Shafer upon their retirements. (09:02)

President Croonquist asked for comment from the public. Mr. Markey made brief comments about use of nuclear energy in power production. (09:07) Mr. Szabo made brief comments about CFL's and the Boulder County sustainable energy plan. Mr. Markey left the room at the end of his presentation. (09:09)

Upon motion duly made, seconded and carried, the following matters were adopted unanimously by the board:

1. Minutes of the March 25, 2008, board meeting.
2. Work Order Form 219 (#773-03-08) in the amount of \$232,586.66.
3. Construction contracts for April 2008, on the list given to the board prior to the meeting were approved. (09:12)

CEO Gaskill distributed additional documents received since the board packet had been mailed. He described various matters covered in the materials including the new organizational chart of the association. (09:14)

Manager Johnson gave a verbal and PowerPoint® report on various financial matters. Questions were asked by the board and answered by Manager

Johnson and CEO Gaskill. Upon motion duly made, seconded and carried the March financial report was accepted. (09:41)

CEO Gaskill gave his CEO report by printed slides from his PowerPoint® presentation that had been sent to the board prior to the meeting, and then he gave a verbal update to the slides. He outlined current employee matters including new hires and job offers, resignations, and other information about employees at the association, Tri-State matters, CREA matters, NRECA matters, Moblesource update and the recent employee meeting. (09:59)

Manager Stanton gave his report by printed slides from his PowerPoint® presentation that had been sent to the board prior to the meeting. (10:00).

Manager Byrne gave his report by printed slides from his PowerPoint® presentation that had been sent to the board prior to the meeting, and then he gave a verbal update to the slides. (10:25)

Manager Jensen gave his report by printed slides from his PowerPoint® presentation that had been sent to the board prior to the meeting, and then he gave a verbal update to the slides. A lengthy discussion ensued about the arrangements for the annual meeting of members. At the end of the presentation Mr. Szabo left the board room. (10:50)

Upon motion duly made, seconded and carried the management reports were accepted. At this time Roger Schmidt of Schmidt & Company LLC, the association's auditing firm, entered the board room.

Mr. Schmidt made a presentation of the audit of the association's financial records for the 2007 fiscal year. He generally reviewed the contents of the audit and noted that there are no questions or problems with the financial records of the association and the audit letter was a "clean" report. The report had been reviewed with the audit committee of the board prior to the meeting. Upon motion duly made, seconded and carried the 2007 audit report was accepted. Mr. Schmidt discussed the new IRS Form 990. At the conclusion of his report Mr. Schmidt left the board room. (11:23)

The written safety report of April 8, 2008, was sent to the board prior to the meeting. CEO Gaskill reviewed the contents of the report. Upon motion duly made, seconded and carried, the safety report was accepted. (11:38)

Attorneys Westbrook and Starr did not have any matters for the legal report. (11:38)

President Croonquist reported on the status of WUESC. A written report on WUESC had been distributed prior to the meeting. (11:43)

Director Park reported on the status of CREA. A written report on CREA had been delivered to the board prior to the meeting. (11:53)

Director Hansen reported on the latest board meeting of Tri-State. A written report on Tri-State had been distributed prior to the meeting. (12:09)

At this time the regular luncheon break was taken. Messrs Owen and Jordal of Wells Fargo joined the board for lunch. Director Michie left the board room at this time. (12:55)

Messrs Todd Owen and Randy Jordal of Wells Fargo entered the board room and gave a written and verbal presentation about the investments of the association. The board asked questions about the investments and Messrs Owen and Jordal responded. (13:20) Director Johnson discussed use of investment funds in lieu of short term borrowing. The subject will be discussed at the Strategic Planning Retreat of the board to be held in June. (13:24)

President Croonquist and director Park reported on the action of the Board Policy Review Committee. A meeting was held on April 14 and a draft of possible changes was delivered to the board prior to the meeting. Discussion ensued about the proposed changes and about other additions to the board policies. (13:28)

CEO Gaskill and Manager Johnson presented an amendment to the 2008 Capital and Operating Budget (written list presented at the meeting) for various items. Discussion ensued about the items in the change in the Operating Budget. Manager Johnson presented the changes to the Capital expenditure portion of the 2008 Budget. Upon motion duly made, seconded and carried the amendments proposed by management to the Capital and Operating Budget were approved. (13:46)

Upon motion duly made, seconded and carried the account resolutions for the various bank accounts of the association to reflect the persons who should be authorized for withdrawals under Board Policy 104 were approved as detailed by CEO Gaskill. (13:54)

CEO Gaskill presented a request for \$500 to the NRECA International Foundation (same as in past years). Upon motion duly made, seconded and carried a donation of \$500 to the Foundation was approved. (13:58)

CEO Gaskill presented a request for a contribution to the Larimer County Fair & Rodeo Queen Education Fund. No action was taken. (14:02)

Director Johnson and President Croonquist reported on their attendance at the NRECA Directors Conference. Board members reported on the Tri-State Annual Member Meeting. (14:24)

The board discussed arrangements for various upcoming meetings and events. (14:35)

CEO Gaskill reported on the status of the Town of Berthoud regarding a franchise and a strategic planning retreat to be held in June. A Strategic Planning meeting of the board was set on June 19 starting at 9 a.m. at the board room. (14:48) [At this time Attorney Westbrook left the board room. (14:38)]

CEO Gaskill distributed information on the association's residential solar electric matching grant program. He discussed the program and the efforts of staff to assemble the information and program. (14:56)

CEO Gaskill will develop a form of resolutions regarding the retirements of Messrs Schott, Shafer and Barnes. (14:57) CEO Gaskill gave an update on the Lyons High School demonstration solar project. (15:00)

Each of the board members reported on the contents of their respective board billing sheets. Upon motion duly made, seconded and carried, the reports were approved. Upon motion duly made, seconded and carried, the CEO's expense report was approved. (15:08)

Business cards for the board of directors were discussed; and the business cards will be available from the association for cost to be reimbursed by the director. The association's credit cards distributed among the board members was discussed. A donation to Circle A Arena was discussed. At this time director Anderson left the board room. (15:18)

There being no further business to come before the meeting, upon motion duly made, seconded and carried, the meeting was recessed until the regular board meeting on May 27, 2008, at 9:00 A.M. at the association's headquarters. [15:19]

Thaine J. Michie – Secretary

ATTEST:

Keith D. Croonquist – President

NOTE: The 2008 board meeting dates have been set as follows: May 27, 2008, Strategic Planning June 19, 2008, June 24, 2008, July 29, 2008, August 26, 2008, September 25, 2008, October 28, 2008, November 25, 2008 and December 23, 2008. The annual meeting of members for 2009 will tentatively be Saturday, March 14, 2009.