

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
January 25, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, January 25, 2022, via teleconference and via Zoom. A few employees and two Directors attended in-person in the Boardroom at the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:22 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney, Network and Systems Manager and Executive Assistant.

Reading of Cooperative’s Core Values

The Cooperative’s President & CEO read aloud number one of the Cooperative’s Core Values.

Approval of Minutes

A motion was made and seconded to approve the minutes of the December 14, 2021 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the Agenda.

New Business

Budget Update / Change

The Cooperative’s President & CEO announced the amount for vehicle costs was lowered on the Budget because the Digger Derrick truck ordered for this year will not be available until 2023. Although there will be a year-long delay for delivery, the price for the Digger Derrick will be held. The Cooperative’s President & CEO also told the Board there are two Ford F-150s with mechanical troubles. Those will be replaced by two Ford Rangers. He spoke about supply issues and the difficulty of finding new vehicles that are available now. He answered questions from the Board.

NRECA PowerXchange & Annual Meeting Attendees

The Cooperative’s President & CEO spoke about the NRECA PowerXchange and Annual Meeting. He told the Board a third Director requested to attend. According to policy, when there are more than two Directors traveling out of state, approval from the Board is needed.

A motion was made and seconded to approve the third Director to attend the NRECA PowerXchange in Nashville. Motion carried.

Condemnation Washington Substation

The Cooperative's President & CEO reviewed information about a Substation rebuild. There is need for more space at the substation and the owner of the adjacent property is asking for a very large sum of money. The Cooperative's President & CEO will talk with the property owner and try to negotiate a lower price. If they don't want to negotiate, condemnation proceedings may be needed. The Cooperative's attorney explained the condemnation process and costs. The Cooperative's President & CEO and the attorney answered questions from the Board of Directors.

A motion was made and seconded to approve the condemnation process if negotiations aren't successful. Motion carried.

NISC Update

The Cooperative's President & CEO announced the change over to the NISC system started last week. He is happy with the initial start. Major changes will take place in August. There will be weekly meetings with staff to help with the transition.

Legal Update

The Cooperative's attorney told the Board a Right-of-Way issue with a lumber company is concluded. All necessary documents are signed. He is still working on another case that is in Westmoreland County. The secretary for the judge said a decision should be made any day now. Lastly, the Cooperative's attorney has been working on revisions to an agreement dealing with broadband. He will keep the Cooperative's President & CEO and the Board up to date. He answered a few questions.

President & CEO Report

The Cooperative's President & CEO told the Board about recent retirements and one more upcoming retirement at the end of April. He will be looking for a new staking engineer and purchasing assistant. Another engineer may be hired to assist in the Engineering department.

The Cooperative continues to work through issues with the supply chain delays. Besides delays with new trucks for the line department, parts to make repairs to vehicles has been difficult. Transformer inventory has been a problem also. One order that was placed in December 2020 just arrived this week.

Discussion of future rate increases, for the transmission part of the wholesale power bill, was held. The Cooperative will do their best to educate the members. The Cooperative's President & CEO spoke about the increase in Covid cases at both the Indiana and Ebensburg offices. He answered questions about protocols the Cooperative is following for Covid.

White Township is waiting on one more permit to schedule the sewage line project. They

think it will begin this summer. The Policy Committee will schedule a date to meet to review some policies. Lastly, the Cooperative's President & CEO answered questions about the new meter installation. The 4-year project is scheduled to start the first or second week of March.

The Cooperative's Network and Systems Manager was dismissed from the meeting at 5:57 p.m.

Executive Session

Board Chairman called for an Executive Session at 5:57 p.m.

A motion was made and seconded to go into Executive Session. Motion carried.

A motion was made and seconded to come out of Executive Session. Motion carried. Executive Session ended at 6:03 p.m.

Continuing Business

Memberships

A motion was made and seconded to accept 85 new members for the month of December 2021. Motion carried.

Secretary/Treasurer Report

The Secretary/Treasurer's Report was reviewed.

Transmission and Generation Discussion

The Cooperative's President & CEO spoke about the CEO & Allegheny Meeting and the announcement of a 30 million dollar increase in costs. He gave a detailed explanation on why there will be this increase and that will affect rates at the Cooperative. He talked about generation, transmission and distribution. The Cooperative's kilowatt performance will dictate how costs will be allocated. Our High 5 Peak demands will determine the allocated transmission charges among the Pennsylvania Electric Cooperatives.

A communications effort will take place for members, to educate them before transmission costs go up. Other electric utility customers will also see an increase in their electric bills. These higher costs will be going up yearly. The Cooperative's President & CEO wants to make it clear that this rate change is not on REA Energy or Allegheny's part, but from the transmission side of our industry. He spoke with Allegheny about making our power supplier more accountable with better reliability now that they are increasing costs. Discussion continued and the Cooperative's President & CEO answered questions from the Board of Directors.

Reports

The following were reviewed by the Board of Directors:

PREA Report

A Board of Director spoke about the January 20th PREA meeting. It was held via Zoom. PREA/Allegheny President & CEO Frank Betley announced his retirement. He will retire in July 2022. Other topics were discussed and dates of upcoming meetings were announced.

Allegheny Electric Cooperative Report

Another Director spoke about the increase in residential solar power installations. He also talked about Committee assignments, the Nuclear Decommissioning Trust Fund and a pre-audit report. Dates of upcoming Allegheny meetings were announced.

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of November 23, 2021 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:

NISC Membership Certificate

Board Complaint

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:29 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
March 1, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, March 1, 2022, immediately following the REA Energy Services regular Board Meeting via Zoom and in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:32 p.m.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #2.

Approval of Minutes

A motion was made and seconded to approve the minutes of the January 25, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the Agenda.

New Business

Annual Meeting Discussion

The Cooperative’s President & CEO told the Board that last year’s Annual Meeting was held online only and many members commented that they liked the shorter format. He asked the Board for their opinion on having a guest speaker at this year’s Annual Meeting. All Board of Directors were okay with not having a guest speaker this year.

Annual Identify Theft & Red Flag Policy

The Cooperative’s President & CEO explained Policy I-1. He told the Board there was no identity theft or red flag issues in 2021.

Policy C-31

One Board of Director spoke about recent policy reviews. The Policy Committee reviewed policies on Escheats, community services and disconnects. Changes were submitted to the Cooperative’s President & CEO. The proposed changes have been presented and all Directors are asked to review the updated policy C-31. Any questions or suggested changes are to be given to the Cooperative’s Communications and Marketing Manager or the Cooperative’s

President & CEO. A vote will be held at the next Board meeting.

Disconnect Policy

The Cooperative's President & CEO spoke about the disconnect process. Starting April 1st, delinquent accounts will be up for disconnect for non-payment. The number of delinquent accounts are down from previous years. The Cooperative's President & CEO answered questions from Directors.

NISC Update

The Cooperative's President & CEO announced the conversion to the new NISC operating system is underway. Conversion will start with the financial piece and all should be fully converted by the end of the year.

New Website Design

The Cooperative's President & CEO introduced the new website for the Cooperative. NRTC helped with the design and some of the artwork. NRTC is a service offered through Touchstone.

Union Contract

The Cooperative's President & CEO spoke about upcoming talks with the Union about the contract. He also talked about the different levels of workers in the Line department. He answered questions from the Board.

Legal Update

The Cooperative's attorney reviewed the terms of the proposed contract and will give a copy to the Board of Directors for review. The Cooperative's President & CEO will have the Financial Analyst look over the numbers on financial reports to double check amounts and will attend a future Board meeting to present an updated report. The Cooperative's attorney answered questions from Directors.

Board Chairman declared a brief break at 6:16 p.m. The meeting reconvened at 6:29 p.m.

President & CEO Report

The Cooperative's President & CEO told the Board about the new Fleetio program now being used to help manage the Cooperative's vehicles. It will also be utilized with tracking work locations, and even help to track when employees have been in and out of flagged areas for spotted lantern flies. A few employees are trained on inspecting vehicles and detecting spotted lantern flies.

The Cooperative's President & CEO announced the reclaiming of the Cooperative's Right-of-Way is complete and we are now in the maintenance phase. Cost for Right-of-Way cutting will be down. Work has increased to change out condemned poles. The Cooperative's President & CEO added that he is meeting with the property owners of the land next to one of our substations. There will be a Career Day on May 11th, 2022 at the Indiana office. Also, the

State Police will come to the Indiana office to give a presentation to linemen and engineers on how to identify a meth lab and what steps to take if they come across a meth lab. Lastly, the Cooperative's President & CEO told the Board the property at the Indiana office will be surveyed soon for the township sewage project which is to begin in June.

Continuing Business

Memberships

A motion was made and seconded to accept 49 new members for the month of January 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary/Treasurer's report was reviewed.

Pandemic Update

The Cooperative's President & CEO gave an update on the impact of Covid-19 at the Cooperative. The mask requirement will be relaxed and the Cooperative will continue to follow the CDC guidelines.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of December 14, 2021 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:

Capital Credits letter

Thank you note

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:45 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
March 29, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, March 29, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:09 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney, Financial Analyst and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #3.

Approval of Minutes

A motion was made and seconded to approve the minutes of the March 1, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the Agenda.

Special Presentations

Equity Target

The Cooperative’s Financial Analyst gave a presentation on Equity and detailed the ways in which funds are acquired at the Cooperative. He talked about having a range and finding a good balance for funds. The Cooperative’s President & CEO added comments about using Strategic Planning to build equity and spoke about the expenses the Cooperative has.

The Cooperative’s Financial Analyst reviewed KRTAs from 2016 thru 2020. He explained the Cooperative’s numbers and spoke about having targets based on year goals or equity goals with the primary objective to keep the Cooperative in a safe level for paying Capital Credits and covering overall costs. He presented his forecast models with goals based on equity targets instead of year targets.

The Cooperative’s President & CEO answered a question about retiring Capital Credits and he spoke about the increase in transmission charges coming from First Energy and the difficulty for distribution to absorb the cost. The Cooperative’s Financial Analyst continued with his presentation by reviewing cash balances, the current RUS loan and different ways to react to changes to equity when money amounts change. There was discussion on having a policy on

equity. The intent is to manage equity and being good stewards to keep things balanced.

The yearly budget is presented in October with more of a focus on Tier. The Cooperative's Financial Analyst will continue to give financial forecasts and review KRTAs. Financial training and education will be provided to the Board. The Cooperative's President & CEO again asked the Board to consider creating an Equity Policy and recommended having a decision by the end of May.

The Cooperative's Financial Analyst was dismissed from the meeting at 6:05 p.m.

New Business

Conflict of Interest

Board Chairman reminded Directors to review the Policies on Conflict of Interest, fill out the forms and give the forms to the Cooperative's Executive Assistant.

Latest Organizational Chart

The Cooperative's President & CEO reviewed the organizational chart. With the many changes to personnel, the chart was updated to include the promotions and new hires.

Policy Committee dates

After a short discussion, the Policy Committee members decided to meet on Tuesday, April 12th at 10:00 a.m. This meeting can be attended via Zoom or in-person in the Boardroom at the Indiana office.

Escheats Committee dates

The Escheats Committee chose the date of Thursday, April 28th at 10:00 a.m. for their next meeting. They will meet either via Zoom or in-person in the Boardroom in the Indiana office.

Legal Update

The Cooperative's attorney announced the paperwork for the RUS loan has been reviewed and the loan approved. The Cooperative will have up to April 2027 to draw down funds. The Cooperative's Financial Analyst has pulled out the signature pages for the Chairman of the Board and Board Secretary to sign. These documents were reviewed at the regular Board meeting and the documents have been made available for review for all Directors.

The Cooperative's Attorney also spoke about a Broadband project and answered questions from the Board.

President & CEO Report

The Cooperative's President and CEO talked about a recent presentation given by the Pennsylvania State Police at the Cooperative for outside employees. There was another

presentation given by PREA about the spotted lanternfly. All employees have received training and permits have been received. He continued with discussion on a 5-year equipment plan. He also announced PREA's political event will take place when no politicians are in session so no one from REA Energy will be attending the event. The Cooperative's President & CEO spoke about changes taking place at Allegheny Cooperative and PREA. Lastly, he said three Directors on the Board for REA Energy are up for reelection.

Board Chairman declared a brief break at 6:30 p.m. The meeting reconvened at 6:44 p.m.

Continuing Business

Acquisition Meeting minutes

Board of Directors reviewed the minutes from the Acquisition meeting on Thursday, March 24th. These minutes are for review and will be up for approval next month.

Memberships

A motion was made and seconded to accept 42 new members for the month of February 2022. Motion carried.

Policy C-31

The Cooperative's President & CEO briefly reviewed Policy C-31. He highlighted that the policy strives to be sure the organization requesting funds has a civic and sustained purpose and offers access to the public. He answered questions from Directors.

A motion was made and seconded to approve Policy C-31. Motion carried.

Secretary / Treasurer's Report

The Secretary/Treasurer's Report was reviewed.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of January 25, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

Audit Committee

The Cooperative's President & CEO and the Audit Committee members chose Friday, April 15th for their next meeting. Directors on the Audit Committee can attend in-person in the Boardroom at the Indiana office or via Zoom.

RUS Loan

A motion was made and seconded to approve the RUS loan. Motion carried.

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:57 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
April 26, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, April 26, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:10 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney, Accounting & Finance Manager and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #4.

Approval of Minutes

A motion was made and seconded to approve the minutes of the March 29, 2022 regular Board meeting. Motion carried.

A motion was made and seconded to approve the minutes of the March 24, 2022 Acquisition Board meeting. Motion carried.

A motion was made and seconded to approve the minutes of the April 11, 2022 Audit Committee Meeting minutes. Motion carried.

Additions to Agenda

There were no additions to the Agenda.

New Business

Form 990 Review

The Board of Directors of REA Energy reviewed the Form 990. The Cooperative’s Accounting & Finance Manager gave a presentation to the Board. She explained the difference between the Form 7 and Form 990. She also gave a summary of the categories throughout the Form 990. She answered a few questions from Directors.

Draft REA Financials Statement

The Cooperative’s Accounting & Finance Manager spoke about the Audit Committee meeting held on April 11th with the Cooperative’s auditors. She reviewed reports from that meeting and answered questions from the Board of Directors.

Draft REA Governance Letter

The Cooperative's Accounting & Finance Manager continued her presentation and talked about the Governance letter in which the Cooperative's accounting practices were reviewed.

Draft REA Management Letter

The Cooperative's Accounting & Finance Manager ended her report by presenting the Management letter and discussion continued about closing out Work Order and fiscal trainings.

A motion was made and seconded to approve the 2021 Audit. All Board of Directors voted yes to approve the Audit. Motion carried.

The Cooperative's Accounting & Finance Manager was dismissed from the meeting at 5:35 p.m.

Policy Committee Report

The Cooperative's President & CEO said the Policy Committee met on April 12th and he briefly reviewed changes to seven policies. He asked the Board to look over these policies, and if there are any questions or suggested changes, contact him or the Communications Supervisor before the Board meeting in May.

PREA Legislative Event

The Cooperative's President & CEO announced PREA has limited attendance at their next Legislative Event in Harrisburg on May 23rd. Cooperatives can only send up to four Directors. They hope by next year's event all Directors can attend.

Legal Update

The Cooperative's attorney spoke about broadband. He updated the Board on the status of purchasing the piece of property next to the Washington Substation. Lastly, he talked about the RUS loan. All necessary documentation has been completed and submitted. The RUS loan has been approved. The Cooperative's attorney answered a few questions from the Board.

President & CEO Report

The Cooperative's President & CEO announced another retirement from the Cooperative and a new staking engineer has been hired at REA Energy. He reminded those Board of Directors up for reelection to submit paperwork by June 17th. He updated the Board on supply chain issues and announced padmount transformers are still unavailable. He answered questions from the Board.

Continuing Business

Memberships

A motion was made and seconded to accept 49 new members for the month of March 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary / Treasurer's report was presented and reviewed.

PREA Board Meeting Report

A summary of topics discussed at the last PREA Board meeting was given and upcoming events were announced.

Allegheny Board Meeting Report

Topics covered at the last Allegheny Board meeting were presented.

Broadband Update

The Cooperative's President & CEO updated the Board on the Allegheny Broadband Initiative. He also talked about crypto technology. He will continue to reach out to other Cooperatives and work with the Cooperative's on how best to share the information about Broadband to members. Discussion continued.

Strategic Planning

The Cooperative's President & CEO spoke briefly about some topics covered at last year's Strategic Planning session. He suggested the Board meet to evaluate the work accomplished from last year and what areas still need improvement. He answered some questions from the Board.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of March 1, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

A letter from a Member was reviewed.

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:46 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
May 24, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, May 24, 2022, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:31 p.m.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #5.

Approval of Minutes

A motion was made and seconded to approve the minutes of the April 26, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the Agenda.

New Business

Policy changes

The eight updated policies presented at last month’s Board meeting were reviewed and no there were no comments suggested changes.

A motion was made and seconded to approve the changes to Polices B-11, B-41, C-2, C-4, C-25, D-20, D-37 & D-40. Motion carried.

Escheats Committee Report

The Cooperative’s President & CEO spoke about the two requests made by a local trout nursery. He previously approved a donation, but the organization asked for a second donation after costs for their project increased. The second request also came in the middle of the escheats policy change. Cooperative employees researched this organization and found that they qualified for 50% of their request. The findings were presented to the Escheats Committee who reviewed the information and discussed the benefits of the various programs this organization offers to the public.

A motion was made and seconded to approve the additional funds requested by the trout

nursery. A vote was taken, all Directors voted yes. Motion carried.

The request for funds from an area fire company were reviewed. This was found to be for a new building to house equipment. It was not recommended to donate money at this time.

A motion was made and seconded to not give the funds requested by a local fire company. All Directors voted yes on the motion. Motion carried.

Supply Chain Update

The Cooperative's President & CEO spoke about supply chain issues still affecting the Cooperative. He said whenever possible, any reusable materials and equipment is recycled to help with low supplies. He also updated the Board on trucks that were ordered for Line Department and the expected delivery dates. He answered questions about how much fuel is being used at the Cooperative and how he is handling the higher cost of fuel.

Personnel Update

The Cooperative's President & CEO announced the retirement of the Cooperative's Engineer, one linemen in the Ebensburg District was fired and the Cooperative's GIS and Security Specialist is resigning. A new GIS and Data Specialist will be hired as soon as possible.

Strategic Planning Meeting

The Cooperative's President and CEO clarified the date for the Strategic Planning Meeting. It will be held on Wednesday, July 20th. He will send out surveys to Directors and will give more details about the upcoming meeting.

Board Chairman declared a brief break at 6:04 p.m. The meeting reconvened at 6:19 p.m.

Union Negotiations

The Cooperative's President & CEO told the Board about the 5-year extension to the Union contract with the Line Department. Voting takes place on Wednesday, May 25th. He answered questions from the Board.

Credentials and Election Committee meeting

The next Credentials and Election Committee meeting will be held at the Indiana office on Wednesday, June 22nd at 3:00 p.m.

Legal Update

The Cooperative's attorney gave an update on the purchase of a broadband company. He answered questions from the Board. He also told the Board he has not received word from the owner of the property at the Washington Substation that the Cooperative wants to purchase. He will keep the Cooperative's President & CEO and the Board updated. Lastly, the Cooperative's attorney said a resolution is needed to name the Cooperative's President & CEO the President of In the Stix.

A motion was made and seconded to pass the resolution to name the Cooperative's President & CEO the President of In the Stix. Motion carried.

President & CEO Report

The Cooperative's President & CEO told the Board that Federated is increasing the cost for cybersecurity insurance. He and the IT department are looking into what we need to do to comply with Federated's requirements. He announced there are no challengers, so far, for the Board of Directors who are up for re-election. He spoke about the upcoming RUS audit. He also spoke about the PREA and Allegheny hiring process for their new President & CEO. Lastly, the Cooperative's President & CEO said with interest rates expected to increase, he will have Cooperative's Financial Analyst attend the June 21st Board meeting and give a financials presentation. Depending on the report, the Cooperative may want to get more money while interest rates are lower. The Cooperative's President & CEO answered questions from the Board of Directors.

Continuing Business

Memberships

A motion was made and seconded to accept 56 new members for the month of April 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary and Treasurer's report was reviewed.

Broadband Update

The Cooperative's President & CEO will meet with the Finance Department of In The Stix about joint venture. He spoke about two streams of revenue from fiber and services from In The Stix. He will present the information he gains from the meeting at future Board meetings.

Pandemic Update

The Cooperative's President & CEO gave an update on the impact of Covid-19 at the Cooperative.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of March 29, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

A letter from a Member was reviewed.

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried. Board Chairman adjourned the meeting at 7:16 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
June 21, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, June 21, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:05 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney, Financial Analyst and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #6.

Approval of Minutes

A motion was made and seconded to approve the minutes of the May 24, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the agenda.

New Business

In the Stix

Representatives from In The Stix were present at the beginning of the meeting and were introduced to the Board. Each Board of Director introduced themselves and said which township they represent at the Cooperative. The representatives from In the Stix gave a summary of themselves and the history of In The Stix. Some conversation took place and the Cooperative’s President & CEO thanked the representatives for coming to the meeting.
Board of Directors.

The representatives from In The Stix were dismissed from the meeting at 5:12 p.m.

District Elections Update

The Cooperative’s President and CEO announced that there were no other candidates running for Board of Director in Districts 7, 8 or 9, so there are no elections this year. Directors from Districts 7, 8 & 9 are re-elected for their districts.

Annual Meeting

The Cooperative's President and CEO said this year there will be no guest speaker at the Annual Meeting. The meeting will be a town hall format with a question and answer session. The meeting will begin at 5:30 instead of at 6:30. A live stream of the meeting will be made available this year. Members who attend in-person will receive a gift and a chance at door prizes. Members who register to attend online will receive a \$10 credit to their electric bill. He answered some questions from the Board.

Credentials and Election Committee Meeting

A Credentials and Elections Committee Meeting will be held at the Cooperative's Indiana office in the Boardroom at 3:00 p.m. on Wednesday, June 22nd.

In the Stix Board Appointment

The Cooperative's President and CEO sent an email to the Board of Directors to notify them to contact the Chairman of the Board if they would like to serve on the Board for In The Stix.

A motion was made and seconded to approve appointing five Board of Directors to the Board of In the Stix. Motion carried.

The Cooperative's President & CEO explained the next steps to become an LLC. An operating agreement is needed, and Bylaws need established, followed by setting up audits and grant writing. He will be the Manager for the newly appointed Board for In The Stix will get the corporate structure in place. He answered questions from the Board.

Special Presentations

Loan & Debt Presentation

The Cooperative's Financial Analyst presented information about Broadband partnering and financing. He defined joint venture and gave examples of other companies with joint ventures. He reviewed REA's resources, AECOM resources, engineering and construction costs. He also presented a Joint Venture Agreement Summary. The Cooperative's Financial Analyst answered questions about time frame of work and other questions about contracts and broadband. Discussion continued about revenue, financial goals, risks and service territory. A lengthy discussion was held on loans and interest rates. Current cash balance and RUS loan interest rates were presented. The Cooperative's Financial Analyst recommended pulling money down with the low 3.4% rate because two rate increases are possible by the end of the year. He answered questions from the Board.

A motion was made and seconded to approve borrowing ten million dollars from RUS. Motion carried.

The Cooperative's Financial Analyst was dismissed from the meeting at 6:53 p.m.

Board Chairman declared a brief break at 6:53 p.m. The meeting reconvened at 7:13 p.m.

Legal Update

An assistant to the Cooperative's Attorney reviewed the operating agreement draft for ITX. He announced the easement has been finalized with a local lumber company. Lastly, he will attend the Credentials and Elections meeting at the Cooperative office on Wednesday, June 22nd.

President & CEO Report

The Cooperative's President & CEO met with a representative from Federated and they explained the 8% increase for coverage is due to increased cyber security costs. He gave an update on changes taking place with the switchover to the NISC operating system.

He also spoke about the water heater program. Rheem manufactures the water heaters used in the water heater program. Rheem is no longer making 75 gallon tanks. Eligible members will be given 50 gallon tanks. If they want an 85 gallon tank, members will have to pay the difference. The President & CEO spoke about the increase in costs for trucks and other line department equipment. He told the Board there will be interviews held on Monday, June 27th for Frank Betley's replacement. Pennsylvania Cooperative CEO's are to vote to rank the possible candidates. Lastly, the Cooperative's President & CEO announced the Employee Day at the Cooperative will be held October 20th and reviewed dates of other upcoming meetings.

Continuing Business

Secretary / Treasurer's Report

The Secretary and Treasurer's report was reviewed by the Board.

Memberships

A motion was made and seconded to accept 41 new members for the month of May 2022. Motion carried.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of April 26, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:30 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY of MINUTES OF REGULAR BOARD MEETING
July 26, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, July 26, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:06 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney, Financial Analyst and Executive Assistant. One Director attended virtually via Zoom.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #7.

Approval of Minutes

A motion was made and seconded to approve the minutes of the June 21, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the agenda.

Special Presentation

Equity Review

The Cooperative’s Financial Analyst gave a review of current Cash Flow, Capital Spending and Capital Credit payouts. He spoke about the different ranges to operate the Cooperative in with the current distribution equity. Discussion continued on what would be a good percentage range to keep the Cooperative. A recommendation was made to create an Equity Policy to establish a recommended range and what actions should be taken if costs get out of that range. The Cooperative’s Financial Analyst and the President & CEO answered questions from the Directors.

A motion was made and seconded to approve setting the equity range at 39 percent to 46.5 percent. Motion carried.

The Cooperative’s Financial Analyst finished his presentation by giving an overview of the second quarter financial reports for 2022. He answered some questions from Directors.

The Cooperative’s Financial Analyst was dismissed from the meeting at 5:30 p.m.

New Business

Budget change

The Cooperative's President & CEO updated the Board about the status of equipment ordered for the Line Department. The original equipment budget for this year approved the purchase of a Ford F350, a Backyard machine, Digger Derrick and a 55' Boom truck. The Digger Derrick and 55' Boom truck are not available and have been put on back order. Those may be ready for 2024. In the meantime, the dealership with the Ford F350 notified the Cooperative that another F350 was available. The Cooperative's President & CEO and the Cooperative's Purchasing Manager decided to buy the second F350. Because the bigger trucks are unavailable, even though the second F350 was purchased, they stayed under budget.

Personnel Update

The Cooperative's President & CEO spoke about the number of linemen the Cooperative currently have and which apprentice linemen will be graduating from the apprentice program soon. One lineman from Local 126 has interviewed to work in the Ebensburg District shop. Two more linemen from another utility company may interview as well.

Key Ratio Trend Analysis (KRTA)

The Cooperative's President & CEO asked Directors to review the KRTA report and to let him know which ratios they want presented at September or October's Board meeting.

NRECA Pension and 401k Plans

A motion was made and seconded to approve the NRECA Pension and 401k plans. Motion carried.

September Board Meeting

Due to scheduling conflicts, the September Board Meeting needs to be moved. A motion was made and seconded to move September's Board meeting from Tuesday, September 27th to Tuesday, September 20th. Motion carried.

Legal Update

The Cooperative's attorney announced the ITX operating agreement has been drafted. It will be finalized soon. He also updated the Board on the attempt to purchase additional property around Washington Substation. He answered questions from the Board.

President & CEO Report

The Cooperative's President & CEO reviewed a few topics discussed at the Strategic Planning Session. He announced the RUS audit was completed last month. He talked about the rate increase from one of the Cooperative's contractors and what the auditors said about that. That contractor will continue to work on the Cooperative's property until January.

The Cooperative's President & CEO also talked about a 5-year purchase agreement for trucks. He is looking to write a letter of intent that is non-binding. He wants to be put on the ordering schedule with truck vendors because the wait time for new trucks is still very long. He

told the Board the new operating system, NISC is going live September 19th.

Training is underway for all employees. He said there may be a delay in response to members' requests and questions until employees learn the new system. Lastly, the Cooperative's President & CEO pointed out that there are more member falling behind on their electric bills. He answered questions about the Members Sharing with Members program and Match assistance.

Continuing Business

Memberships

A motion was made and seconded to accept 68 new members for the month of June 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary and Treasurer's report was reviewed.

PREA Board Report

A Director gave a recap of the last PREA Board meeting. He announced Steve Brame has been hired as the new CEO of PREA. He also highlighted the dates of upcoming events and meetings.

Allegheny Board Report

Another Director told the Board of future Allegheny meetings. He spoke about increased costs in the transmission rate and what's being done to help ease that increase.

ITX Update

The Cooperative's President & CEO asked the Directors who are serving on the Board for ITX to plan meeting on Monday, August 22nd at 4:00 p.m. in the Board Room at the Indiana office, to go over the operating agreement draft.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of May 24, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

Thank you notes from members were received and reviewed by Board of Directors.

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:30 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY MINUTES OF REGULAR BOARD MEETING
August 23, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, August 23, 2022, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:23 p.m.

Roll Call

All Board of Directors were present including the Cooperative’s President & CEO, the Cooperative’s attorney, Accounting and Finance Manager and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #8.

Approval of Minutes

A motion was made and seconded to approve the minutes of the July 26, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the agenda.

Special Presentation

RUS Audit

The Cooperative’s Accounting and Finance Manager gave an overview of the last RUS Audit and spoke about the report. All RUS construction fund receipts were properly accounted for, and all disbursements were for proper loan program purposes. She spoke about the change in rates with a contractor, which management was not aware. This was due to a former supervisor, who retired, had approved the increase and didn’t communicate the change to others. In the future, engineering and accounting will compare invoice rates and contract rates. There will also be multiple signatures required for price increases. The Accounting and Finance Manager also spoke about the status of loan funds and answered questions from the Board.

The Accounting and Finance Manager was dismissed from the meeting at 5:40 p.m.

New Business

ACRE

The Cooperative’s President & CEO spoke about ACRE and upcoming meetings with PREA staff. He reminded the Board that monetary donations are important but more so are the number of people supporting ACRE.

Annual Meeting Preparation Date

The Cooperative's President & CEO explained the format of this year's Annual Meeting on September 15th. He spoke about topics that will be highlighted at the meeting. This year members can either attend in-person at the Kovalchick Convention and Athletic Center or attend online. He answered questions from the Board.

Compensation Committee Date

There will be a Compensation Committee meeting on September 22nd at 3:00 p.m. It will be held in the Board Room in the Indiana office.

Policy Committee Date

There will be a Policy Committee meeting on September 22nd, starting at 1:00 p.m. Directors on that committee can either attend in-person or online, via Zoom.

KRTA Terms

The Cooperative's President & CEO reminded the Board that the KRTA reports are available for review on the Boardable program.

Employee Update

The Cooperative's President & CEO gave an update on new employees hired recently at the Cooperative. The newest linemen hired will work in the Ebensburg district. There is a new GIS employee and two linemen from another utility will be coming to work at the Indiana office. An apprentice lineman has graduated the apprentice program. Another apprentice will be completing his training and testing in September. With a possible retirement in the REA Services department, the Cooperative's President & CEO is looking to hire one or two new load techs. He answered questions from the Board.

ITX Update

The Cooperative's President & CEO gave an update on ITX. The first ITX board meeting was held on Monday, August 22nd. He announced those who were appointed to the Chairman, Vice-Chairman and Secretary and Treasurer positions. The Cooperative's President & CEO is working with ITX employees on the Ring design and grant writing. He spoke about possible funds and grant applications.

Wreaths for Veterans

A letter from the Daughters of Union Veterans of the Civil War was received and they asked for a donation for Wreaths Across America. There was some discussion about this and it was unclear where these wreaths would be laid. More information is needed so this item was tabled for later.

Legal Update

The Cooperative's attorney was recently contacted by the attorney of the property owners of the Washington substation. They talked about the offer to purchase the piece of property at the substation or the condemnation of the property. That attorney will be talking with his client. The Cooperative's attorney called the Indiana County Planning office. There is no minimum lot size

for subdivisions in the county. The Planning office will review drawings of the property and if approved a deed will be written up. The Cooperative's attorney answered a few questions from Directors.

President & CEO Report

The Cooperative's President & CEO spoke about upcoming meetings with representatives from PREA for ACRE contributions, CCD courses for Board members and the upcoming Annual Meeting. He also told the Board about a program being created at a local high school in Indiana County. He and the Cooperative's HR Administrator met with administration at the school about sponsoring part of the STEAM Academy. The Cooperative would work with educators to create a pre-apprentice program for electrical contracting and line work.

The Cooperative's President & CEO gave an update on the switch over to NISC. The Finance portion of the program will go live on September 19th. Both offices will be closed on September 27th for training. The Member Services portion will be next with the Engineering portion being the final piece to go live.

Continuing Business

Memberships

A motion was made and seconded to accept 62 new members for the month of July 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary and Treasurer's report was reviewed.

Pandemic Update

The Cooperative's President & CEO said there will be no more Covid updates unless the CDC recommends restrictions or other guidelines. Currently the CDC said there are no masks required.

Facilities Update & Status

The Cooperative's President & CEO talked about possible remodeling in the SCADA room at the Indiana office and adding a conference room in the billing department. He will be getting estimates for the possible changes. The township sewage project is scheduled to begin in September. Lastly, he told the Board about an accident with a delivery truck hitting the roof over the gas pumps behind the Indiana office. The gas pumps, roof and computer system were all damaged. The Cooperative will look into getting new equipment and a decision will be made on whether or not to have new pumps installed. All trucks now have cards to get fuel at local gas stations.

NISC Update

The Cooperative's President & CEO told the Board about the change over to NISC. There is a lot of work for staff during this time. Extra effort is needed with this conversion. There are weekly meetings, trainings and jobs are changing a bit. Discuss continued and he answered questions from the Board.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of June 21, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:

NRECA letter

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 6:50 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY MINUTES OF REGULAR BOARD MEETING
September 20, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, September 20, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:01 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors present including the Cooperative’s President & CEO, the Cooperative’s Financial Analyst and Executive Assistant. The Cooperative’s attorney attended virtually via Zoom.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #9.

Approval of Minutes

A motion was made and seconded to approve the minutes of the August 23, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the agenda.

Special Presentation

AEC Rates

The Cooperative’s Financial Analyst reviewed the Allegheny Electric Cooperative budget. He presented the projected expenses, especially in the cost of purchased power. The Cooperative’s President & CEO also spoke about increased costs and changes in the WASP agreement. Other topics discussed were operating revenue, patronage capital, long term debt, non-operating margins and Tier goals. A forecasted budget for 2023 was given. With the preliminary budget, there will need to be an increase in the Cooperative’s monthly service charge and an approximate 15% rate increase. In two years, Cooperatives across Pennsylvania could see another increase in costs.

Different revenue scenarios were presented and the Cooperative’s Financial Analyst answered questions from the Board of Directors. Discussion continued about how to handle cost and rate increases. With the current timeline of events, members could see a rate increase in January or February 2023. The President & CEO and the Financial Analyst answered questions from the Directors.

The Financial Analyst was dismissed from the meeting at 6:07 p.m.

New Business

Establish Committees

The Chairman of the Board asked the Directors to review the current committees and if any Director wants to join a committee or leave a committee they are to contact him. The Board decided to keep the committees as they are.

Thanksgiving Choice

The Chairman of the Board reminded the Directors to turn in their forms for the Thanksgiving Choice.

ITX Board Meeting Summary

The Secretary and Treasurer of the Board gave a summary of the ITX Board meeting held on August 26th at the Indiana office. He announced which Board of Directors were appointed as Chairman, Vice-Chairman and Secretary Treasurer. The Cooperative's President & CEO spoke about network updates, grant writing for funding and holding ITX Board meetings quarterly. He answered questions from Directors.

Change Policy and Compensation Committee Dates

There will be a Policy Committee meeting Tuesday, October 4th at 1:00 p.m. via Zoom to go over the new Equity Policy. Also, there will be a Compensation Committee meeting on Tuesday, October 4th at 3:00 p.m., via Zoom.

Move October's Board Meeting

Due to a conflict with schedules, the October regular Board meeting needs to be moved. The Board reviewed what days they have available.

A motion was made and seconded to move October's regular Board meeting from October 25 to Tuesday, November 1st. Motion carried.

Legal Update

The Cooperative's Attorney told the Board about the case being held in Westmoreland County court dealing with a right of way issue. The judge in that case still hasn't made any ruling. The Cooperative's Attorney sent a letter to the judge and is waiting for word from the court. He also updated the Board on the purchase of property at the Washington Substation. Survey of the property is being done soon and then the acquisition will be finalized. The Cooperative's Attorney answered a few questions from the Board.

President & CEO Report

The Cooperative's President & CEO spoke about employees who attended NRECA's Safety Summit and their response to what they learned. All linemen recently attended chainsaw safety through PennLines training. He updated the Board about the gas pumps status, repair costs and new fleet fueling procedures. He reminded the Directors that costs for materials have gone up as well as shipping delays. In addition, an aluminum factory is being shut down for the winter months, so conductor production will be impacted further.

The Cooperative's President & CEO announced that the Youth Tour will take place next year. There was a good response in ACRE contributions. All managers and supervisors contributed this year. He talked about the upcoming Employee Day and activities employees will participate in to help with a local cancer treatment center. The Cooperative's President & CEO finished his report by talking about grant writing for broadband funding.

Continuing Business

Memberships

A motion was made and seconded to accept 84 new members for the month of August 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary / Treasurer's report was reviewed.

Annual Meeting Follow-up

The Cooperative's President & CEO received positive feedback about the Annual Meeting except the sound quality. Next year, they will have handheld microphones like the one used by the Communications Supervisor. Members said they could hear her fine.

Co-Op Month

The Cooperative's President & CEO announced that October is Cooperative Month. A small gift will be available to members who stop by the office.

Allegheny Board Meeting Report

Information from the Allegheny Board meeting was presented. That meeting was held on Thursday, September 1st, via Zoom. Bylaws and policies were updated to cover requirements of remote meetings. Also, the budget was reviewed.

PREA Board Meeting Report

A Board of Director gave a summary of the PREA Board meeting, also held Thursday, September 1st via Zoom. There were revisions made to bylaws and policies. The design of PennLines was reviewed. A presentation of the general election preview in Pennsylvania was given and the Annual Meeting for PREA is scheduled to take place in Hershey in November.

Reports

The following were reviewed by the Board of Directors:

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of July 26, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:

Watts New Newsletter

Note from Steve Brame

Thank you note from member

Thank you – Forest Hills School District

Thank you – Interfaith Community Food Pantry

Letter from ERMCO

ACRE Endorsement Letters

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:08 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY MINUTES OF REGULAR BOARD MEETING
November 1, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, November 1, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:19 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

Eight Board of Directors were present with one being absent. Also in attendance were the Cooperative’s President & CEO, Attorney, HR Administrator, Financial Analyst and Executive Assistant.

Reading Coop Core Values

The Cooperative’s President & CEO read aloud Coop Core Value #10.

Approval of Minutes

A motion was made and seconded to approve the minutes of the September 20, 2022 regular Board meeting. Motion carried.

Additions to Agenda

There were no additions to the agenda.

Special Presentation

Draft Budget

The Cooperative’s Financial Analyst presented the preliminary budget for 2023. He reviewed the Operating Revenue, Cost of Power, projected rate increase from Allegheny, Maintenance Expenses and other items. He highlighted interest rates, income and Non-Operating Margins as well. The Cooperative’s rate increase will be taking effect in February. He answered questions from the Board and continued his presentation by reviewing the Balance Sheet, Cash Flow statement, Operating Margins and Depreciation.

Discussion continued about insurance money received for damage to the gas pumps at the Indiana office. Management is looking to get a natural gas generator installed at the Indiana office. The Cooperative’s President & CEO spoke about the cost of trucks increasing significantly. He answered a few questions from the Board. He also asked the Directors to review the proposed budget and any questions should be directed to him or the Cooperative’s Financial Analyst. There will be an agenda item at next month’s Board meeting for budget approval.

Rate Study

The Cooperative's Financial Analyst told the Board that the full rate study from CFC won't be available until February 2024. He used the last rate study as a model in his calculations. Final numbers from Allegheny are expected next week. Using estimated charges from Allegheny, the Cooperative's Financial Analyst looked at kilowatt usage, fixed charges and revenue and came up with a likely increase in rates at 14.99%. He will have a more definite percentage after the final numbers from Allegheny are received. He answered questions from Directors.

The Cooperative's President & CEO spoke about the G&T cost increase as well as cost for equipment, poles and conductors. He said the Cooperative has prepared the best they could for this increase. The Cooperative may have to change the structure of bills also to include the G&T costs separate from REA's distribution costs. Discussion continued about the average usage and what other Pennsylvania Cooperatives charge for their fixed rate.

A motion was made and seconded to approve the rate increase with the ability to move it up or down depending on Allegheny's final numbers. All Board of Directors voted yes to the motion except one, who voted no. Motion carried.

The Cooperative's Financial Analyst was dismissed from the meeting at 6:07 p.m.

Compensation Committee Report

The Cooperative's HR Administrator spoke about the 2023 Salary Plan. She pulled data from NRECA and compensation studies. She looked at job categories and compared those with other Cooperatives. REA Energy is a little on the low side in each job category. The Cooperative's President & CEO is seeking approval for an Executive Assistant position who would be focused on grant writing. He said there is a lot of funding out there and the Cooperative could use the help in the grant writing process. He answered questions from Directors.

The Cooperative's HR Administrator continued speaking about the proposed pay adjustments. She requested a pool of money for pay adjustments and potential bonuses based on performance appraisals, storm work and the new Executive Assistant position.

A motion was made and seconded to approve the request for pool of money as discussed. Motion carried.

The Cooperative's HR Administrator was dismissed from the meeting at 6:28 p.m.

Board Chairman declared a brief break at 6:29 p.m. The meeting reconvened at 6:39 p.m.

Executive Session

Board Chairman called for an Executive Session at 6:40 p.m.

A motion was made and seconded to go into Executive Session. Motion carried.

The Cooperative's Attorney and Executive Assistant were excused from the meeting at 6:40 p.m.

The Cooperative's President & CEO was excused from the meeting at 7:13 p.m. The Cooperative's President & CEO returned to the meeting at 7:28 p.m.

A motion was made and seconded to adjourn the Executive Session. Motion carried.

Executive Session ended at 7:44 p.m.

The Cooperative's Attorney and Executive Assistant returned to the meeting at 7:44 p.m.

A motion was made and seconded to approve the decisions made in Executive Session. Motion carried.

New Business

2023 Annual Meeting Date

The Board of Directors and the Cooperative's President & CEO checked their schedules and chose Thursday, September 21st, 2023 for next year's Annual Meeting. If the venue is unavailable on September 21st, the meeting will be held on Thursday, September 14th, 2023.

2023 Area Meetings

The Cooperative's President & CEO spoke about past costs for the Area Meetings and how the cost for food has increased significantly. Other ideas were discussed. After much consideration, the Board agreed to cancel the Area Meetings.

A motion was made and seconded to approve not having Area Meetings anymore. Motion carried.

Policy A-6

The Cooperative's President & CEO gave an overview of the Equity Management policy. The main concern was setting the percentage level. Having a set range in the policy may not be the best because of uncertainties of possible future shortages or other pandemics. The policy committee decided that the percentage range will be determined during the budget process. Each year the Board will validate the range. Directors were asked to review Policy A-6. It will be an Action item on the agenda at next month's Board meeting.

Staffing & Organization Changes

The Cooperative's President & CEO told the Board that there could be as many as five employees retiring next year. He briefly spoke about management always working to recruit qualified employees and keep each department well-staffed.

PREA / AEC Winter Meeting format

The Cooperative's President & CEO gave a summary of events for the upcoming PREA/AEC Winter meeting. He gave recommendations on attire for the various days. He answered a few questions.

Christmas Choice

Board Chairman reminded the Board to turn in their Christmas Choice form if they haven't done so already.

Move December's Board Meeting

Due to a conflict with schedules, the December regular Board meeting needs to be moved. The Board reviewed what days they are available.

A motion was made and seconded to move December's regular Board meeting from Tuesday, December 27 to Tuesday, December 20. Motion carried.

CoBank Credit Agreement

The Cooperative's President & CEO spoke about the revolving line of credit the Cooperative keeps with CoBank. The two-million-dollar credit, that the Cooperative has never used, is up for renewal. He asked the Board if they want to renew that revolving credit.

A motion was made and seconded to accept the revolving line of credit from CoBank. Motion carried.

Non-metered service

The Cooperative's President & CEO spoke about a non-metered service with In the Stix. This short distance, small electric service is for a small receiver that uses about 24watts per day. He is considering creating non-metered accounts and calculate what the monthly fee will be. He answered questions from the Directors.

Tree Trimming

The Cooperative's President & CEO said the tree contractors are finishing up this year's scheduled trimming. They will be moved to the Kenwood Substation and start sooner than expected. This will be better for the Cooperative since the costs from cutting Kenwood Substation will be put on this year's margins. Discussion continued on rising costs for tree trimming.

Legal Update

The Board of Directors were given a summary of work completed by the Cooperative's attorney in the last month. He attended the CEO and Attorney Conference, with the Cooperative's President & CEO, in State College on October 25th and 26th. He said attending this meeting was very beneficial. He updated the Board on the Washington Substation property Agreement of Sale. REA Energy will have to go through a subdivision process with the county and have the land surveyed. Lastly, the Cooperative's attorney gave an update on a Right-of-Way case. He will keep the Board informed on further actions.

President & CEO Report

The Cooperative's President & CEO gave a summary of topics discussed at the CEO meeting in State College. He then talked about an employee in REA Services retiring soon and that a job posting will be sent out. He continued to review topics such as Differed Revenue, rate increases and healthcare costs. He will keep working to get more funding through grants for broadband. Of course, with more grants, we can build a more robust ring network. The Cooperative's President & CEO and the HR Administrator will continue to work on a pre-apprenticeship program at the River Valley School District. During the Employee Day, gift bags were put together for cancer patients and those will be taken to the hospital next week.

The Cooperative's President & CEO also told the Board we will have a PR push about the new NISC system with automated calls, links on website and Facebook. We may also need to change the bill format, considering including the demand charge. The Cooperative's President & CEO answered questions from the Board and discussion continued about electric vehicles and their demand on the electric grid.

Continuing Business

Memberships

A motion was made and seconded to accept 76 new members for the month of September 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary and Treasurer's report was reviewed by the Board.

Committees 2023

The list of committees was reviewed.

A motion was made and seconded to approve the Committees as presented. Motion carried.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of August 23, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

ACRE Corner article was reviewed.

A letter from a Member was reviewed.

One Director told the Board about the Christmas Auction that will be at the Winter Meeting in Hershey. He encouraged the Board to consider donating an item to be auctioned off.

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried. Board Chairman adjourned the meeting at 8:30 p.m.

REA ENERGY COOPERATIVE, INC.
MINUTES OF REGULAR BOARD MEETING
November 29, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, November 29, 2022, immediately following the REA Energy Services regular Board Meeting in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:12 p.m.

Roll Call

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, Attorney, Financial Analyst and Executive Assistant.

Reading Coop Vision Statement

The Cooperative’s President & CEO read aloud the Cooperative’s Vision Statement.

Approval of Minutes

A motion was made and seconded to approve the minutes of the November 1, 2022 regular Board meeting. Motion carried.

Additions to Agenda

One Director requested adding discussion about moving the regular Board meetings to an earlier time during the winter months. That was added under New Business.

A motion was made and seconded to approve the agenda as amended. Motion carried.

Special Presentation

Final Budget

The Cooperative’s Financial Analyst asked if there are any questions from the preliminary budget. Most of the figures stayed the same. He highlighted the changes that did occur on the Power Cost sheet. He reviewed the Income Statement and talked about how the rate change is the same as what was projected last month. He answered questions from the Board of Directors.

A motion was made and seconded to pass the budget for 2023. Motion carried. The Cooperative’s Financial Analyst was dismissed from the meeting at 5:21 p.m.

Legal Update

The Cooperative’s attorney told the Board of Directors the final drawings for the Washington Substation project was given over for signature. He also talked about a Right-of-Way case. There is a meeting planned between Cooperative representatives, the property owner

and his attorney in mid-December. The Cooperative's attorney will keep the Board informed of these items.

President & CEO Report

The Cooperative's President & CEO said end-of-year evaluations are beginning soon. There are a few upcoming retirements and he spoke about filling a Load Tech position. He answered some questions from the Board.

He announced there will be a board meeting for ITX on Friday, December 2nd at the Indiana office and the Operating agreement will need finalized. He spoke about a cell tower in Somerset County the Cooperative now owns with the purchase of ITX. AT&T wants to rent space on that tower. Discussion continued about other broadband opportunities.

The Cooperative's President & CEO also gave an update on work completed in the Indiana office and warehouse areas. It looks like the sewage project near the Indiana office is scheduled to start in December and should be complete by January 2024.

New Business

Bad Debt Write-offs

The Cooperative's President & CEO reviewed the bad debt write-offs and explained the amount is a new low. He gave credit to the good work completed by the Billing department. He answered a couple questions.

A motion was made and seconded to approve the writing off of bad debt. Motion carried.

Load Limiting Policy Review

The Cooperative's President & CEO explained the Load Limiting process and answered questions from the Board of Directors.

PA/NJ Community Network Christmas Auction

A Board of Director thanked those who contributed to the Pennsylvania and New Jersey Community Network Christmas Auction. He reviewed what items were donated and what amount was raised. He encouraged the Board to continue to participate in this event. Half the proceeds went to the Ronald McDonald house and the other half went to Make-a- Wish foundation.

New starting time

A Board of Director asked about moving the Board meetings to an earlier time just for the winter months. With the shorter days and possible poor road conditions, he asked if the meetings could start at 4:30 p.m. instead of 5:30 p.m. Because of work schedules for a couple of directors it was determined the earlier start time wasn't feasible.

Continuing Business

Policy A-6

The Cooperative's President & CEO reviewed the slight change to Policy A-6. Discussion continued about having this reviewed at the Strategic Planning sessions. It doesn't need changed yearly, but should be reviewed yearly.

A motion was made and seconded to approve the changes to Policy A-6. Motion carried.

Facilities Update

The Cooperative's President & CEO spoke about the construction completed recently in the Indiana office. New walls were built in the Scada room along with new desks for the computers and equipment in that room. New cement was laid in the garage area as well. The other side of the garage will be refurbished next year. That new concrete work is in the budget. The fuel tanks at the Indiana office will be removed and a new generator will be purchased to power the entire Indiana office.

Grant Update

The Cooperative's President & CEO told the Board of Directors about grant money possibilities for Broadband. The first comes from Indiana County and the County Commissioners. The second is Federal grant money. He and the cooperative's HR Administrator are working on the job description for a grant writer. That job may be posted as soon as December. He will keep the Board informed and answered a couple of questions from Directors.

Board Chairman declared a brief break at 6:19 p.m. The meeting reconvened at 6:31 p.m.

NISC Update

The Cooperative's President & CEO gave an update on the NISC conversion. He spoke about virtual and on-site training employees have been attending. Information about the new system will be posted on the Cooperative's website, Facebook page and mailings will be sent. Members will also be informed about new online payment changes and the rate increase.

PREA Board Report

A Board of Director gave a review of the PREA Board meeting held on November 9th in Hershey, PA. He spoke about upcoming leadership courses being offered, LIHEAP information and the importance of good governance and transparency at the Cooperative.

Allegheny Report

A Board of Director gave a summary of the Allegheny meeting, also held in Hershey on November 9th. There was much discussion on rates, gas prices and G&T costs. Fifty percent of differed revenue will be used to help with costs increases. It was approved to have a rate study done and to send capital credits to all Cooperatives.

Memberships

A motion was made and seconded to accept 56 new members for the month of October 2022. Motion carried.

Secretary / Treasurer's Report

A Board of Director reviewed the Secretary / Treasurer's report.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of September 20, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:

Thank you card from Member
Christmas Lunch information

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried. Board Chairman adjourned the meeting at 6:56 p.m.

REA ENERGY COOPERATIVE, INC.
SUMMARY MINUTES OF REGULAR BOARD MEETING
December 20, 2022

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, December 20, 2022, in the boardroom of the Cooperative’s headquarters office located at 75 Airport Road in Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 4:55 p.m. A Director gave the invocation and led the Board in the Pledge of Allegiance.

Roll Call

All Board of Directors were present. Also in attendance were the Cooperative’s President & CEO, Safety & Right of Way Manager, Communications and Marketing Manager and Executive Assistant. The Cooperative’s attorney, attended via Zoom.

Reading Cooperative Mission Statement

The Cooperative’s President & CEO read aloud the Cooperative’s Mission Statement.

Approval of Minutes

A motion was made and seconded to approve the minutes of the November 29, 2022 regular Board meeting. Motion carried.

Additions to Agenda

Board Chairman requested to add to the agenda an announcement before Special Presentations.

A motion was made and seconded to approve the agenda as amended. Motion carried.

Special Presentation

Director Training completion

Board Chairman congratulated two other Directors on completing their CCD training through NRECA.

NISC Communications & Update

The Cooperative’s Communications and Marketing Manager talked about the new NISC system and how the payment options for monthly bills are changing. She told the Board about letters and emails being sent to members. There have also been information posted on the Cooperative’s website and Facebook pages about the change over to NISC. Members are encouraged to sign up on the new MyREAEnergy website or app to pay their electric bill. The new SmartHub system was also presented.

The Communications and Marketing Manager was dismissed from the meeting at 5:34 p.m.

Safety Update

The Cooperative's Safety & Right of Way Manager presented safety data from 2013 to present. He spoke about safety issues, loss of time injuries, safety improvements, and OSHA recordables. He also talked about how REA Energy compares to other cooperatives both nationally and regionally and reviewed ways the Cooperative continues to maintain safe work practices and improve on safety. He answered questions from the Board.

The Safety & Right of Way Manager was dismissed from the meeting at 6:27 p.m.

Unmetered Rate

The Cooperative's President & CEO spoke about broadband infrastructure and the type of equipment on a few Cooperative poles. He explained how the repeaters work and that they would be unmetered services. He presented a report on yard light usage versus repeater usage. He recommended charging the same rate as we do for yard lights. The rate would be for only up to 150 watts. If higher than 150 watts, the repeater may need to be metered. The Cooperative's President & CEO answered a few questions.

A motion was made and seconded to approve the unmetered rate as presented at \$15.95 to amplify internet signals. Motion carried.

Legal Update

The Cooperative's attorney presented the solicitor's reports. He discussed working with Cooperative employees to resolve a right-of-way dispute. He also continues to work on the Washington Substation project. He answered questions from Board of Directors.

President & CEO Report

The Cooperative's President & CEO spoke about net metering accounts and the need to change what we charge. He will continue to research and keep the Board informed. He also talked about grant money and the work being done to try to secure funds to expand broadband service. Discussion continued on funding sources.

The Cooperative's President & CEO announced there are interviews taking place for a new Load Tech and an advertisement for an engineer will be posted soon. He also announced the River Valley Stem Academy is receiving national attention for their programs. ICTC has interest in working with the Cooperative on a HVAC and possibly a Linemen training program as well.

Board Chairman declared a brief break at 7:02 p.m. The meeting reconvened at 7:10 p.m.

New Business

NRECA Voting Delegate

The Cooperative's President & CEO asked the Board who they want to appoint as primary voting delegate and secondary voting delegate for the NRECA Annual Meeting.

A motion was made and seconded to appoint specific Board of Directors as primary delegate and secondary delegate.

ITX Board Report

A recap of the ITX Board Meeting was given by a Board of Director. He explained the terms of the Board positions. An update was given on company growth and the amount of miles of fiber lines currently in place. The next ITX Board meeting will be in February.

Contractor Extension

The Cooperative's President & CEO announced there will be an extension with the Cooperative's contractor. In the last RUS audit, although the Cooperative was below the threshold, he wanted to bring the contractor cost increase to the Board's attention. The increase is at 7.5%.

Audit Engagement Letter

The Cooperative's President & CEO provided a copy of the audit engagement letter.

A motion was made and seconded to approve the Audit Engagement Letter. Motion carried.

Holiday Greeting from the Board

The Board was given a final draft of the holiday greeting to be given to Cooperative employees. There were no changes needed and the letter was approved.

Continuing Business

Memberships

A motion was made and seconded to accept 55 new members for the month of November 2022. Motion carried.

Secretary / Treasurer's Report

The Secretary and Treasurer's report was reviewed.

Reports

The Board heard and discussed various business and activity reports.

A motion was made and seconded to approve the Summary minutes of November 1, 2022 Board meeting. Motion carried.

A motion was made and seconded to approve the reports as presented. Motion carried.

Miscellaneous

The following were reviewed by the Board of Directors:

CFC One Care Report

ERMCO

Capital Credits letter

Thank you letter from IRMC

Adjourn

A motion was made and seconded to adjourn the meeting. Motion carried.

Board Chairman adjourned the meeting at 7:26 p.m.