

REA ENERGY COOPERATIVE, INC.
SUMMARY MINUTES OF REGULAR BOARD MEETING
August 24, 2021

The regular meeting of the Board of Directors of REA Energy Cooperative, Inc. (the “Cooperative”) was held Tuesday, August 24, 2021, in the Team Building room of the Cooperative’s headquarters office located at 75 Airport Rd, Indiana, Pennsylvania.

Call to Order

Board Chairman called the meeting to order at 5:15 p.m. An invocation was given and the Board recited the Pledge of Allegiance.

Roll Call

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

Reading of Rochdale Principle#3

The Cooperative’s President & CEO read aloud the Rochdale Principle #3.

Approval of Minutes

A motion was made and seconded to approve the minutes of the July 27, 2021 regular board meeting. Motion carried.

Additions to Agenda

There were no additions to the Agenda.

Executive Session

Board Chairman called for an Executive Session at 5:16 p.m.

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

Financial Analyst was dismissed from the meeting at 6:52 p.m.

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

Executive Session ended at 6:57 p.m.

New Business

Annual Meeting Preparation Date

The Cooperative’s President & CEO spoke about the Annual Meeting and preparation for the meeting on Thursday, September 16th.

Compensation Committee Date

The Cooperative’s President & CEO spoke about the annual presentation by the Executive Committee on compensation of the Board and employees. A salary study is done

and discussion is held on standards and possible salary adjustments.

Policy Committee Date

A Board of Director reminded the Board if there are any policies they would like reviewed or suggestions on policy changes, Directors are to contact any member of the Policy Committee. The next Policy Committee meeting will be held in September. Date yet to be determined.

September Board Meeting

Due to schedule conflicts, the Cooperative's President & CEO requested the September Board Meeting be moved from Tuesday, September 28th to Tuesday, September 21st.

A motion was made and seconded to move September's Board Meeting to Tuesday, September 21st. Motion carried.

Treasury Borrowing

The Cooperative's President & CEO spoke about Capital Credits. He presented the amount of money to be allocated and spoke about low interest rates currently available for loans. He answered questions from the Board.

A motion was made and seconded to table Capital Credit allocation until the next Board meeting. Motion carried.

A motion was made and seconded to give the Cooperative's President & CEO approval to borrow \$4.5 million dollars. Motion carried.

CFC Director

The Cooperative's President & CEO provided candidate profiles for CFC Director.

A motion was made and seconded to approve voting for candidate Thomas Bailey for District 1 CFC Director and Barbara Hampton for At-Large Director candidate. Motion carried.

KRTA

The Cooperative's President & CEO shared KRTA reports with the Board of Directors.

Pre-approve next year's trucks

The Cooperative's President & CEO told the Board a Budget presentation will be given at October's Board Meeting. Three truck vendors are experiencing delays in supplies and manufacturing due to Covid, truck orders for 2022 need submitted earlier than normal. The Cooperative's President & CEO asked the Board for approval to send out bids early.

A motion was made and seconded to give pre-approval of truck orders for the line crew. Motion carried.

Internal Training for Board

The Cooperative's President & CEO will send an invitation to determine dates for trainings. He wants to take Directors to Eaton for a tour, but that facility is still closed. Tours of the Cooperative's substations and facilities will be given. Also, Boardable training and harassment training will take place soon.

Legal Update

The Cooperative's Attorney worked on a Right-of-Way matter. The case was withdrawn. He continues to work on reviewing Broadband contracts.

Board Chairman declared a brief break at 7:25 p.m.

The meeting reconvened at 7:36 p.m.

President & CEO Report

The Cooperative's President & CEO told the Board there will be an arch flash study done at the Cooperative. He spoke about the delay in fiberglass coverings. The Cooperative has increased inventory to try to prepare for more delays in the supply chain.

He gave an update on outages due to recent storms. In addition, our power supplier has been the cause of a lot of outages. They have shut off half the county for maintenance. Calls have been made to our power supplier as well as Allegheny to try to address the problem.

Employee Day will be Thursday, September 9th. The High Voltage Demonstration will be given at the Indiana County Fair this year. An update on remodeling work at the Indiana office was also given.

The Cooperative's President & CEO announced the resignation of one of the Cooperative's Staking Engineer. He is looking to change one of the Staking Engineer positions to a supervisory position.

A motion was made and seconded to approve changing a Staking Engineer position to Supervisor of Staking Engineers. Motion carried.

Discussion continued on filling vacant job positions. New employees will be required to have the Covid-19 vaccination. Discussion was also held on requirements of current employees and the Covid-19 vaccination. The President & CEO answered questions from the Board.

Continuing Business

Memberships

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

Secretary/Treasurer Report

The Secretary/Treasurer's Report was reviewed.

Facilities Update & Status

As part of a disaster recovery plan, the back dock at the Ebensburg office will be changed to accommodate large trucks for deliveries. This work is scheduled to be completed

by the end of 2021. The President & CEO answered a few 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 29, 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:

Thank you note from member

NRECA letter

Thank you from Ox Hill Fair

Adjourn

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

Board Chairman adjourned the meeting at 8:01 p.m.