

**MINUTES OF REGULAR BOARD MEETING  
OF  
HOLY CROSS ENERGY**

**JULY 19, 2023**

A regular meeting of the Board of Directors of Holy Cross Electric Association, Inc., a/k/a Holy Cross Energy (hereinafter called “Holy Cross”), a Colorado cooperative association, was held at the main office at 3799 Highway 82 in Garfield County, Glenwood Springs, CO, on July 19, 2023, at 9:14 a.m. The meeting was held on WebEx with Board members and staff appearing electronically. Notice of the meeting was given in accordance with Colorado law and the bylaws of Holy Cross.

Agenda Item 1: Roll Call. Chair David C. Munk called the meeting to order and reported that all seven Directors were present, Robert H. Gardner, Kristen N. Bertuglia, David C. Munk, Adam Quinton, Keith E. Klesner, Alexander DeGolia, and Linn Brooks. Staff attending included Bryan J. Hannegan, President and Chief Executive Officer; David Bleakley, Vice President – Engineering; Cody O’Neil, Vice President—Operations; Sam Whelan, Vice President—Finance; Jenna Weatherred, Vice President—Member and Community Relations; and Trina Zagar-Brown, Vice President—Business Services. Also attending was General Legal Counsel Randolph W. Starr, Jonathan Perez, Amy Hausman, and Betsey Seymour. No others were on the web meeting.

Agenda Item 2: Adjourn Previous Board Meeting. Chair Munk adjourned the meeting of the Board of Directors originally convened on June 21, 2023, and then continued to today’s meeting. [09:14]

Agenda Item 3: Public Comment. Chair Munk asked for comments of members of the public present. No members of the public were present in person or on the web. [09:14]

Agenda Item 4: Employee Recognition.  
June Service Recognition:

Preston Seymour, Purchasing Agent in Glenwood Springs, is celebrating 10 years of service.

Charlie Kimmel, Mechanic in Glenwood Springs, is celebrating 5 years of service.

Mike Steiner, Key Accounts Specialist in Glenwood Springs, is celebrating 5 years of service.

Recent New Hires, Promotions and Departures:

Alex Revilla Serrano joined us on June 12, 2023, as a Member Services Representative I in Glenwood Springs.

Meghan Sartain joined us on June 12, 2023, as a Member Services Representative I in Glenwood Springs.

Charlie Almquist transferred from the Warehouse Person to a Utility Worker II in Gypsum, effective July 1, 2023. [09:18]

Agenda Item 5: Consent Calendar. The following informational items were presented to the Board in the form of written reports and memoranda:

- a. Minutes of June 21, 2023, Regular Meeting
- b. Treasurer’s Report
- c. Safety Committee Minutes

- d. Diversity, Equity, and Inclusion Committee Minutes
- e. Power Supply Report
- f. System Reliability Report
- g. Community Energy Systems Report
- h. Member Participation Report
- i. Legislative and Regulatory Report
- j. Attorney's Report
- k. Board Committee Reports
  - i. Communications
  - ii. Finance
  - iii. Governance
  - iv. Strategic Issues
- k. Directors' Reports
  - i. Western United Electric Supply Corporation
  - ii. Colorado Rural Electric Association
  - iii. National Rural Electric Cooperative Association
  - iv. National Rural Utilities Cooperative Finance Corporation
  - v. Federated Rural Electric Insurance Exchange

Questions posed by Board members were answered by staff members. Upon motion duly made, seconded, put to a vote and unanimously carried, it was

**RESOLVED**, that the items on the Consent Calendar be approved as presented. [09:57]

Agenda Item 6: Staff Reports. The Staff Reports were delivered to the Board members prior to the meeting. Questions from Board members were answered by staff members. [10:08]

Agenda Item 7: Old Business.

- a. NRECA Resolutions. Discussion ensued about action by NRECA on its resolutions. Board members were asked if any changes in Holy Cross's position on any of the resolutions was needed based on changes in the wording of certain resolutions. No action was taken. [10:18]

Agenda Item 8: New Business.

- a. Bank Account Authorizations. Vice President Whelan made a verbal and visual presentation. After the presentation was concluded and questions posed by board members were answered, upon motion duly made, seconded, put to a vote and unanimously carried, it was **RESOLVED**, that the officers and employees of Holy Cross Energy designated in the Board Memorandum entitled "Bank Account Signatory Authorization" dated July 19, 2023, be authorized, within the limitations set out in that Memorandum, to draw, sign and deliver, in the name of Holy Cross Energy, checks or drafts against the funds of Holy Cross Energy on deposit in its bank accounts as so described in that Memorandum. [10:20]
- b. 2022 Financial Audit Report. The audit of Holy Cross's financial records for the fiscal year ended April 30, 2023, was presented to the Finance Committee that met with the auditor. As outlined in Article V, Section 5.8 of the Holy Cross Electric Association Bylaws, the Board of Directors shall have an audit committee that is directly responsible for overseeing the work of any registered public account firm employed by the Cooperative. Further outlined in Section 2.4.10 of Holy Cross Corporate Policy 4.1, "Functions of the Board of Directors", one of the functions the Board of Directors is "reviewing the annual financial audit and management letter with the auditor present and directing such remedial action as may be necessary." The work of Holy Cross's independent auditor has been completed and a final

report was presented by the auditor via conference call to the Holy Cross Finance Committee (acting as the Board Audit Committee) at its meeting on July 11, 2023. The auditor's report and supporting materials was provided to the Board.

Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

**RESOLVED** that the independent audit of the financial statements of Holy Cross for the fiscal year ended April 30, 2023, be accepted, and staff will publish the statement on the Holy Cross website. [10:25]

- d. IRS Form 990 Approval. Vice President Whelan made a verbal and visual presentation about the IRS Form 990. To maintain nonprofit status with the IRS, Holy Cross is required to file an informational return called the Form 990. The draft Form 990 for 2022 has been completed by Holy Cross's audit firm Kelso Lynch, P.C., P.A. The Board was given a copy of the draft. This Form 990 is public information and can be requested from the IRS. To facilitate access by members and the public, Holy Cross will continue to post this information on its website. Mr. Whelan responded to questions from Board members. Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

**RESOLVED**, that Holy Cross staff be directed to file the 2022 IRS Form 990 and staff will publish the filed Form on the Holy Cross website, and a change in the reporting on time of directors will be made before filing. [10:29] A break was taken. [10:29-10:48]

- d. Diversity, Equity, and Inclusion Plan. Vice President Zagar-Brown introduced Amy Hausman who provided an update to the Board of Directors on current and planned activities related to the Association's Diversity, Equity, and Inclusion (DEI) plan. Holy Cross was built by, represents, and belongs to the diverse communities and members we serve. We embrace our distinct backgrounds, cultures and perspectives that make our electric cooperative strong, innovative, and positioned to best serve the needs of our members and employees. In 2021, Holy Cross employees formed a Diversity, Equity, and Inclusion (DEI) Committee based upon a "grassroots" model which works to identify ways to increase the diversity of our workforce, foster a culture which encourages equity and inclusion, and better serve our diverse members and communities.

Following considerable research, listening, and consultation with several internal and external experts, the DEI Committee adopted definitions of diversity, equity, and inclusion as follows:

- Diversity is the recognition that a team, a workplace, a community, or a society benefit when it is made up of people with differing worldviews, ideas, and experiences.
- Equity is the process of ensuring that procedures and programs are impartial, fair, and provide equal possible outcomes for every individual.
- Inclusion is a workplace culture that is welcoming to ALL people regardless of race, ethnicity, sex, gender identity, age, abilities, or religion and everyone is valued, respected and able to reach their full potential.

The DEI Committee developed a Vision for Holy Cross regarding DEI that aspires to foster a diverse and equitable environment where all feel welcomed, included, represented, and valued. Holy Cross's 2023 revisions to its Strategic Plan added a DEI-focused strategic Objective 6.3, "Strive to recruit, retain, and develop a workforce that reflects the diversity and talents of the communities HCE serves", and the Board of Directors subsequently approved a 2023 Diversity Equity and Inclusion (DEI) Work Plan intended to carry out activities in

support of this strategic Objective 6.3. During the discussion Director DeGolia left the meeting. Amy Hausman left the meeting. [11:28]

- e. SEPA Executive Mission Lesson Learned. Vice President Zagar-Brown provided the Board with a verbal and visual review of lessons learned by staff from the 2023 Smart Electric Power Alliance (SEPA) Executive Mission to Denmark. [12:03] A break was taken. [12:03-13:01] Director DeGolia rejoined the meeting.

Agenda Item 7: Old Business. [continued]

- b. August Retreat Agenda. President and CEO Hannegan reviewed the proposed agenda for the board retreat. [13:20]
- c. RMI Directorship. President and CEO Hannegan reported on his ascendancy to the board of trustees of the Rocky Mountain Institute. [13:29]

Agenda Item 9: Executive Session. Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

**RESOLVED** that the Board enter executive session to consider documents or testimony given in confidence generally relating to net metering rate design potential litigation. All staff members remained in the Board room.

No action was taken by the Board to make final policy decisions or adopt or approve any resolution, rule, regulation, or formal action, any contract, or any action calling for the payment of money. Direction to negotiators was given.

Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

**RESOLVED** that the Board exit executive session. [14:42]

Agenda Item 10: Items for Future Agendas. Discussion about the items on the list ensued. The October Board meeting will be at the Cooley Mesa facility. [14:45]

Agenda Item 11: Continuation of Board Meeting. Chair Munk continued the meeting until **Wednesday, August 23, 2023, at 9:00 a.m.** The next meeting will be held in person in executive session at the Colorado Mountain College Morgridge Commons in Glenwood Springs for a strategic planning meeting. Comments of members of the public will be permitted at the commencement of the meeting prior to entering executive session. [14:45]



Secretary – Alexander DeGolia

APPROVED:



Chair – David C. Munk

2023 Holy Cross REA Board Meeting Schedule [Third Wednesday of each month]
August 23, 2023 (strategic planning)—in person
September 20, 2023—WebEx
October 18, 2023—in person—Cooley Mesa? Or WebEx?
November 15, 2023—WebEx
December 20, 2023—in person—Glenwood

EARLY TENTATIVE 2024 BOARD MEETING SCHEDULE

2024 Holy Cross REA Board Meeting Schedule [Third Wednesday of each month]
January 17, 2024—WebEx
February 21, 2024—in person
March 20, 2024—WebEx
April 17, 2024—WebEx
May 15, 2024—WebEx
The Annual Meeting of Members will be held on June ??, 2024, at ???
June 19, 2024—in person
July 17, 2024—WebEx
August 21, 2024 (strategic planning)—in person
September 18, 2024—WebEx
October 16, 2024—WebEx / in person ?
November 20, 2024—WebEx
December 18, 2024—in person