

BOARD AUDIT COMMITTEE MEETING MINUTES

The Board Audit Committee (“the Committee”) met at the office of the Cooperative at 5496 North U.S. Highway 85, Sedalia, Colorado 80135, at 9:00 a.m., on January 21, 2026.

Present were Committee Members Jim Anest, Ron Kilgore, and Mike Sperry. Board President, Tim White, Chief Financial Officer Laurie Burkhart, Chief Executive Officer Pam Feuerstein, Controller Emily Meek, Executive Assistant to the Chief Financial Officer Karen Sauls, and General Counsel Anne Zellner Sherwood were also in attendance.

The meeting was called to order.

1. Appointment of Chair

Upon motion by Mr. Kilgore, seconded by Mr. Sperry, the Committee unanimously appointed Mr. Anest as Interim Chair. The formal annual appointment for this Committee Chair will take place in May.

2. Approval of Minutes

The Minutes from October 22, 2025, and December 15, 2025, were reviewed.

Upon motion by Mr. Kilgore, seconded by Mr. Sperry, the Committee unanimously approved the October 22, 2025, and December 15, 2025, meeting minutes, as presented. Mr. Sperry abstained from approving as he was not present during these meetings.

3. Committee Planning

Discussion was had regarding the plan for this Committee’s new structure. This included conversation on the prioritization of internal controls for risks such as cybersecurity, wildfire mitigation, payroll, and procurement. It was agreed that independent external experts should be brought in to discuss risk modeling and to perform audits.

4. Quarterly Oversight Report

The Quarterly Oversight Report was reviewed. The Committee recommended that future Red Flag Reports be directed to the General Counsel rather than the CEO and the People Operations Director. An additional option will be implemented to allow reports to be routed to the Board President when appropriate.

5. CFO Report

Ms. Burkhart reviewed the CFO Report, which included discussion of obtaining pricing proposals from Baker Tilly for the employee benefit plan audits and Bolinger Segar Gilbert & Moss (BSGM) for tax preparation services, CPI closeout logistics, initiating a new bank RFP, the recent New York Life loan agreement, and the annual PPA credit assurance terms.

6. Other Business

It was determined that Board Policy 102 should be updated to reflect the recent changes to the Committee. Management will draft redlines and present to the Board for approval.

The Committee requested a comprehensive list of companywide risks that require corresponding internal controls. An annual internal audit plan should be developed, and an RFP will be initiated to engage qualified professionals to perform the internal audits.

7. Action Items

Ms. Zellner Sherwood to engage external experts to develop baseline and scope for wildfire risk modeling.

Ms. Feuerstein to contact external experts to present on cybersecurity and wildfire mitigation.

Ms. Zeller Sherwood to update the matrix for receiving Red Flag Reports to include herself and the Board President (when appropriate).

Ms. Burkhart to initiate an RFP for potential new banking services.

Management to redline Board Policy 102 to reflect recent changes to the Committee.

Ms. Burkhart to initiate an RFP for an internal controls review.

8. Executive Session

Mr. Anest called for an executive session to discuss confidential matters. Upon motion by Kilgore, seconded by Sperry, and carried unanimously, the Committee approved an executive session. The Committee convened an executive session at 9:55 a.m. with Ms. Burkhart, Ms. Feuerstein, Ms. Meek, and Ms. Anne Zellner Sherwood.

The next meeting will be held on March 25, 2026.