

## REGULAR BOARD OF TRUSTEES MEETING

The regular monthly meeting of the Board of Trustees of The Caney Valley Electric Cooperative Association, Inc., was held Tuesday, May 9, 2023, at Cedar Vale, State of Kansas, at 7:00 p.m.

The meeting was called to order by President, Chris Kelly, who acted as chairman and presided at the meeting. Kitty Sweaney, Accounting & HR Manager, recorded the minutes thereof.

Upon calling the roll, the following Trustees reported as present:

Trey Clapp	Stephanie Ollenborger	Steve Clark
Barry Speer		Dan Hubert
Steve Warburton	Chris Kelly	Charles McMillan

Others present for the meeting were Allen A. Zadorozny, Manager, Craig Lampson, Montana Johnson, and Kitty Sweaney. Chairman Kelly declared the meeting duly organized for the dispatch of such business as might come before it. Trey Clapp offered a prayer and Kelly led the flag salute.

Consideration was given for requests for changes to the Agenda or for any executive sessions. Allen Zadorozny asked to add a review of a possible residential solar installations article after agenda item #14.

The next order of business was review of the minutes of the regular board meeting of April 12, 2023. It was moved by Dan Hubert, seconded by Steve Warburton, and unanimously carried, that the minutes be approved as mailed.

The Board then considered the new membership list. After review and on motion by Steve Warburton, second by Steve Clark, it was unanimously carried to approve the new members as presented.

The Board reviewed the March expenditures.

Old accounts were presented for consideration, and it was noted that one had been paid. It was then moved by Barry Speer, seconded by Dan Hubert, and unanimously carried, to turn these over for collection as presented, in the total amount of \$2,249.23.

The Board reviewed the Operations, Loss Control and Safety Report, including accidents, new consumers' line extensions, outages, safety meeting minutes and transportation. It was moved by Steve Warburton, seconded by Barry Speer, and unanimously carries, to approve the safety meeting minutes as presented.

Paul Buck is out of town this week, and had nothing to report.

Allen Zadorozny reviewed the March financial statements. There was a loss of \$5,540 for the month. Revenues were down due to selling over 400,000 fewer kilowatt hours than a year ago. Also, the capital credits received from CFC, Meridian and CoBank were down compared to a year ago. The cooperative still has just slightly under \$3,000,000 in cash at the end of March. The long-term debt-to-assets ratio dropped slightly to 45.9% from 46.1% last month. Zadorozny compared March revenues and expenses against budget and the previous two years, and noted that TIER is projected at 1.41 with actual figures to date. Meters billed dropped

to 5,233, down from 5,249 in February, and April is down even further. Cash receipts and expenditures were reviewed, as well as the KEPCo power bill and right-of-way clearing expenses.

In his Manager's report, Zadorozny advised that documents were received to extend the RUS-FFB AE8 Loan to access funds until September 29, 2025. There is still \$1,680,000 available to draw down on that loan. After discussion, it was moved by Steve Clark, seconded by Dan Hubert, and unanimously carried, to approve the Agreement Modifying Future Advance Promissory Note for Caney Valley's "AE8" loan to extend the advance period to September 29, 2025.

Discussion was held on contributing to the Emmett Kelly Museum for repairs to the ceiling and walls, and applying to CoBank for matching funds. A suggestion was made to consider donating to the Chautauqua County Animal Shelter as they are also in need of funds. No action was taken on either suggestion at this time.

Allen Zadorozny gave an update on the solar generation project at Sedan. Today's Power has stated they plan to be on site by mid-summer. Discussion was held on the maintenance of the land. The Board was informed that the responsibility for that will fall on Today's Power.

As suggested by several entities be done annually, the Board considered the cooperative's financial condition and ability to make a general retirement of capital credits. Management's recommendation was that this not be done this year, but advised that we continue to pay out capital credits to estates of deceased members. After discussion, it was moved by Trey Clapp, seconded by Stephanie Ollenborger, and unanimously carried, that a general retirement of capital credits not be done at this time.

As the NRECA Director Election will be taking place at the KEC Summer Board Meeting in July, it is necessary to elect a voting delegate and alternate. After discussion, it was moved by Trey Clapp, seconded by Dan Hubert, and unanimously carried, that Chris Kelly be authorized as the voting delegate with Allen Zadorozny as alternate.

Zadorozny then read and reviewed a proposed article to include in the *Kansas Country Living* magazine on residential solar generation. Craig Lampson noted that we removed the application for solar generation from our website, in order to have members contact us for that and so that staff can meet with them to determine the correct sizing of any units they plan to install. It was the consensus that this was a good article and would be beneficial to include in the magazine.

There was no KEC report. The next meeting is in Wichita this Thursday.

Dan Hubert reported on the most recent KEPCo meeting. He noted that there was lower electric demand for March; natural gas was 53% lower; property taxes dropped 9.92%; Wolf Creek ran at 100% with Iatan II still mostly on standby. The next meeting is scheduled for next week.

Chris Kelly presented information regarding banks and FDIC insurance, and noted that banks are only allowed to pledge assets for deposits made by public entities such as schools, cities, and county organizations.

The following Inventory of Work Orders for March 2023 was presented for consideration: #893 for \$137,781.81. It was moved by Dan Hubert, seconded by Steve Warburton, and unanimously carried, to approve this Work Order as presented.

The Sedan school is having an awards ceremony this Friday, and the Board was asked if anyone could represent Caney Valley Electric to make scholarship presentations. Chris Kelly advised that he could do so, and Dan Hubert offered to do it if Kelly is unable.

There being no further business to come before the trustees, it was moved by Steve Warburton, seconded by Trey Clapp, and unanimously carried, to adjourn the meeting at 8:41 p.m.

ATTEST:

/S/ Chris Kelly, President

/S/ Stephanie Ollenborger, Secretary