

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, March 12, 2024, 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. Montana Johnson, Systems Operations Manager, recorded the minutes thereof.

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

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

Others present for the meeting were Allen A. Zadorozny, Manager, Craig Lampson, and Montana Johnson. Clapp and McMillan participated via Zoom. Chairman Kelly declared the meeting duly organized for the dispatch of such business as might come before it, and opened with the flag salute. Clapp offered the prayer.

Consideration was given for requests for changes to the Agenda or for any executive sessions. Allen Zadorozny asked to add an executive session regarding an unpaid oil company billing, and renting of cooperative property. These were added after item #14.

The next order of business was review of the minutes of the regular board meeting of February 13, 2024. It was moved by Steve Warburton, seconded by Barry Speer, and unanimously carried, that the minutes be approved as mailed.

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

The Board then reviewed the January expenditures.

Old accounts in the total amount of \$633.41 were presented for consideration. After discussion, it was moved by Dan Hubert, seconded by Alex Fulsom, and unanimously carried, to turn these old accounts over for collection as presented.

The Board then reviewed the Operations, Loss Control & Safety Report, including new consumers' line extensions, outages, safety meeting minutes, and transportation. It was moved by Dan Hubert, seconded by Stephanie Ollenborger, and unanimously carried, to approve the safety meeting minutes as presented.

As Counsel Buck is out of town, there was not an attorney's report.

Alex Fulsom left the meeting at this time for approximately 30 minutes.

Allen Zadorozny reviewed the January 2024 financial statements. Due to fewer sales of kilowatt hours for the month, and a high power bill, margins for the month came in at a loss of \$103,122.26. Margins for February should look much better. Meters billed in January were 5,178, much lower than 5,240 last January.

The debt-to-assets ratio dropped slightly to 45.0% from 45.1% in December. We are scheduled to take delivery of a digger truck and bucket truck this month, and may need to access loan funds to cover the cost.

In his Manager's report, Zadorozny discussed how small and large commercial accounts are billed. He also reported on a member's solar account and how he doesn't use any kilowatt hours. He noted how capital credits are prorated to members each year based on the margins to total electric bill revenue ratio. Large variances on the long-term debt-to-assets ratio from 1994 to 2023 were presented. Utility plant values and debt amounts drive the comparisons. He reported on the cooperative's ratios vs other cooperatives across the state.

The cooperative's annual meeting will be this Thursday, March 14. Zadorozny noted that Lee Tafarielli with KEC and Suzanne Lane with KEPCo will both be here and plan to speak to the members. Marla Ware will stand in for Paul Buck, who is out of town. Steve Clark suggested that more recognition be given to the linemen during the meeting. He also indicated he would like to speak for a few minutes, and will discuss a couple ideas with Zadorozny prior to the meeting. It was also suggested that we provide some type of transportation to the front door of the school for members who may have difficulty walking from their vehicles.

The Board reviewed several policies. Policies #300-Standby Power Service and #301-Master Metering were reviewed with no changes. Policies #303-Interconnection of Distributed Resources and #304-Consumers' Costs for Line Extensions had several changes suggested by staff. After review, it was moved by Steve Clark, seconded by Steve Warburton, and unanimously carried, to approve Policies #303 and #304 with the changes suggested.

Chris Kelly did not have a KEC report this month.

Dan Hubert reported on the last KEPCo board meeting. There were high electric sales for the month, and still around \$.07/kWh on the rates. Mark Barbee oversees the process of hedging rates. Wolf Creek ran at full power for the month, and Iatan II is having problems and needs maintenance this summer. A cost-of-service study is underway to evaluate the status of the current rates. The next board meeting is next week in Topeka.

The following January 2024 Inventory of Work Orders was presented for consideration: #903 for \$37,948.24. It was moved by Steve Warburton, seconded by Alex Fulsom, and unanimously carried, to approve this Work Order as presented.

At 8:00 p.m., it was moved by Dan Hubert, seconded by Steve Clark, and unanimously carried, to go into executive session for a period of 20 minutes, with the Board and staff present, to discuss a matter under attorney/client privilege regarding an old, unpaid oil company bill. The board returned to regular session at 8:20 p.m.

At 8:20 p.m., it was moved by Stephanie Ollenborger, seconded by Trey Clapp, and unanimously carried, to go into executive session for a period of 10 minutes, to discuss a matter under attorney/client privilege regarding cooperative property rental, with all board and staff present. The board returned to regular session at 8:27 p.m. upon motion by Barry Speer, seconded by Steve Clark, which was unanimously carried.

There being no further business to come before the trustees, it was moved by Alex Fulsom, seconded by Barry Speer, and unanimously carried, to adjourn at 8:28 p.m.

ATTEST:

/S/ President, Chris Kelly

/S/ Secretary, Stephanie Ollenborger