

## 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, November 14, 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	Alex Fulsom	Dan Hubert
Steve Warburton	Chris Kelly	Charles McMillan

Others present for the meeting were Allen A. Zadorozny, Manager, Paul Buck, Attorney, Craig Lampson, Montana Johnson, and Kitty Sweaney, and guests Desiree and Corby Bliss and Wade Bliss. Fulsom and Buck participated via Zoom. 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.

The Bliss family questioned the Board regarding an estimate they received to re-install a service on the south end of Cedar Vale. The service, originally built in 1984, had not been used since 2013, and was removed in March 2020. Counsel Buck noted that the Bliss's were not the owner of record, and we would need consent from the owner prior to installing anything. They asked the board to reconsider the charges to install service, and left the meeting at approximately 7:30 p.m. The Board discussed the situation at length; but it was the consensus that the cooperative continues to follow the line extension policy put in place several years ago, as not to show favoritism to any members.

Consideration was given for requests for changes to the Agenda or for any executive sessions. There being none, it was moved by Barry Speer, seconded by Steve Clark, and unanimously carried, to approve the Agenda.

The next order of business was review of the minutes of the regular board meeting of October 10, 2023. It was moved by Steve Warburton, seconded by Dan Hubert, 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 Clark, second by Stephanie Ollenborger, it was unanimously carried to approve the new members as presented:

The Board reviewed the September expenditures.

One old account in the amount of \$319.46 was presented for consideration. It was moved by Dan Hubert, seconded by Barry Speer, and unanimously carried, to turn this account over for collection as presented.

The Board then reviewed the Operations, Loss Control & Safety Report, including accidents, new consumers' line extensions, outages, safety meeting minutes, and transportation. Discussion was held on the spare substation transformer jointly owned by Caney Valley, 4Rivers Electric, and Sedgwick County Electric. Caney Valley is talking with the others about purchasing this for sole ownership. Staff is still awaiting results

on the transformer that failed in the Grenola sub a few months ago. It was then moved by Steve Clark, seconded by Dan Hubert, and unanimously carried, to approve the safety meeting minutes as presented. Staff noted that we received the new truck from Kline's, and new #4 should be delivered in the next couple of weeks.

Counsel Buck did not have a report at this time.

Allen Zadorozny reviewed the September financial statements. Margins for the month came in at \$236,309, bringing year-to-date margins to \$101,558. This is below a year ago, but above budget at this time. The long-term debt-to-assets ratio dropped slightly to 45.3%. Expenses outside of power costs were about the same, or slightly less, than budget. Zadorozny compared revenues and expenses to budget and the previous two years, as well as sales by class of meters. Meters billed were 5,208, slightly more than a couple months ago. He reviewed the cash receipts and payments. Clapp asked about payroll comparisons since the last two employees retired. Staff will gather this information and report back. Zadorozny also reviewed the September power bill and right-of-way clearing expenses.

In his Manager's Report, Zadorozny presented the 2024 projected capital asset expenditures, revenues and expenses. After some discussion, and information on how the solar farm costs of power are expected to impact the financials, the Board was asked to review this further with possible consideration and approval at the December meeting.

Policies #208-211 were presented, with suggested changes made to #208 and #209. It was moved by Steve Clark, seconded by Steve Warburton, and unanimously carried, to approve #208-Depreciation Rates with the changes suggested by staff. It was moved by Barry Speer, seconded to Dan Hubert, and unanimously carried, to approve #209-Membership and Deposits with the changes suggested by staff. There being no suggested changes by either the staff or Board, #210-Purchases of Equipment and #211-Petty Cash, were noted as reviewed with no changes.

Chris Kelly did not have a KEC report. The next meeting is December 6-7 in Wichita.

Dan Hubert reported on the KEPCo meeting held October 18-19. Colleen Wells reported a large MSA return due to a high amount of gain. Mark Doljac noted KEPCo placed 32<sup>nd</sup> in cost of power, and Iatan II is still down for maintenance, but should be up and running by December 6<sup>th</sup>. Hubert also reported that a trustee with Sumner-Cowley continues to ask him about having discussions on a possible merger. However, after discussion, it was the consensus of the Board that Caney Valley has no interest at this time.

Upcoming meetings include the KEPCo Board Meeting in Mayetta Nov. 15-16, the KEC Board Meeting Dec. 6-7 in Wichita, the KEC Winter Conference in Topeka Feb. 3-5, and the NRECA Annual Meeting in San Antonio Feb. 28-March 7.

Manager Zadorozny reported that he and Charles McMillan attended the KEC District I meeting held October 31 in Cheney.

The following September 2023 Inventory of Work Orders was presented for consideration: #899 for \$64,266.85. It was moved by Steve Warburton, seconded by Stephanie Ollenborger, and unanimously carried, to approve this Work Order as presented.

There being no further business to come before the trustees, it was moved by Alex Fulsom, seconded by Steve Warburton, and unanimously carried, to adjourn the meeting at 9:29 p.m.

ATTEST:

/S/ Stephanie Ollenborger, Secretary

/S/ Chris Kelly, President