

MINUTES OF REGULAR MONTHLY MEETING  
OF  
THE BOARD OF DIRECTORS OF K.C. ELECTRIC ASSOCIATION

A regular meeting of the Board of Directors of K.C. Electric Association was held in Hugo, Colorado on Tuesday, November 22, 2022, at the hour of 3:00 p.m. The meeting was called to order by President Kevin Penny. The following Members were present and constituted a quorum:

|                 |             |               |
|-----------------|-------------|---------------|
| Kevin Penny     | Dan Mills   | Dave Ritchey  |
| Terry Tagtmeyer | Jerry Allen | Wayne Parrish |
| Eric Poss       | Jim Michal  |               |

Bob Bledsoe joined the meeting at 4:05 p.m. and participated via teleconference.

Also present were General Manager David Churchwell, Operations Manager Paul Norris, Member Service/IT Specialist George Ehlers, Chief Financial Officer Bo Randolph, and Attorney Jeff Cure.

Approval of Agenda: It was unanimously approved to accept the agenda as presented.

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board on October 25, 2022.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for December 15, 2022, at 3:00 p.m. in Stratton, Colorado.

Public Comments: None

Disbursements Report: The Disbursements Report of the Association for October 2022 was reviewed and, after the Board had an opportunity to review and ask questions, Mr. Penny declared the Disbursements Report an informational item requiring no Board action.

Emergency Items: None

Operational Policies: Up for review were Policy #200, Director Search and Selection to Fill Unexpired Term; and Policy #431 Employee Clothing. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #200, and #431 are approved as presented.”

Uncollectable Account Write-Offs: Mr. Churchwell presented the uncollectable account write-offs. After Discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the uncollectable account write-offs in the amount of \$1,109.29 are approved as presented.”

Amend Revenue Deferral Plan: Mr. Churchwell reviewed K.C.’s 2021 revenue deferral plan and presented an amended revenue deferral plan for 2022. After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2022 revenue deferral plan is hereby approved as presented.”

Revenue Deferral Plan Resolution: Mr. Churchwell presented Board Resolution 2022 - #002, Amend Revenue Deferral Plan. After review and discussion, the following resolution was unanimously approved:

“BE IS RESOLVED: That Board Resolution 2022 - #002, Amend Revenue Deferral Plan, is approved as presented.”

Special Equipment Summary: After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the Special Equipment Summary in the amount of \$97,548.11 is hereby approved.”

Inventory of Work Orders: After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the Inventory of Work Order #476 in the amount of \$198,608.64 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board and Rate Committee meetings, FERC activity, CREA fall meeting, resource adequacy legislation, and well retirements in the south fork focus zone.

Staff Reports: The staff made the following reports and answered Board questions:

- a. Mr. Randolph presented the financial report for October 2022, discussed capital credit checks, and gave an update on the 2023 budget.
- b. Mr. Norris reported there were no First Reports of Injury and no Near Misses in October. A recap was given for the safety meetings held in Stratton and Hugo, and Paul gave an update on our 2022 Safety Improvement Plan. A safety committee meeting was held, and a committee has been formed to review our safety manual and work procedures.
- c. Mr. Norris reported on maintenance and construction projects the line crews have been working on the past month including the voltage conversion in Hugo. Our contract tree trimmer has completed their work on our system for 2022.
- d. Mr. Ehlers referenced his report in the Board packet which summarized activities of Member Services and IT for October. Mr. Ehlers will be sending scholarship and youth tour applications to the high schools in our service territory. Significant progress has been made on the communication portion of our new SCADA system.

CREA Report: Mr. Mills referenced his report in the packet and reported on the recent CREA board meeting including a reorganization of their officers. Mr. Mills also discussed the recent CREA fall meeting and Energy Innovations Summit.

WUE Report: Mr. Mills referenced his report in the packet and noted that WUE sales continue to be strong and ahead of budget.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed the upcoming Tri-State board meeting. The Tri-State 2023 operating and capital budget will be approved in December.

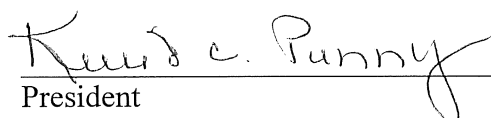
Executive Session: At 5:28 p.m. it was unanimously approved to enter Executive Session to discuss 2023 salaries and wages. Mr. Churchwell and Mr. Cure were included in the Executive Session. The Board exited Executive Session at 6:27 p.m.

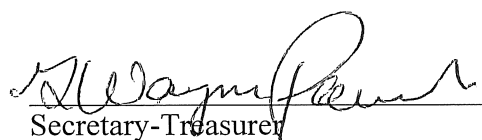
2023 Salaries and Wages: After Executive Session the following resolution was unanimously approved:

“BE IT RESOLVED: That the salary and wage increases presented by the General Manager are hereby approved.”

Adjournment: Mr. Penny declared the meeting adjourned at approximately 6:30 p.m.

APPROVED:

  
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President

  
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Secretary-Treasurer