

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 28, 2023, 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	Bob Bledsoe	Jim Michal

Also present were General Manager David Churchwell, Operations Manager Darren Fox, 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 24, 2023.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for December 14, 2023, at 3:00 p.m. in Stratton, Colorado.

Public Comments: President Penny presented Mr. Allen with his NRECA Credentialed Cooperative Director certificate.

Disbursements Report: The Disbursements Report of the Association for October 2023 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: Mr. Churchwell presented a quote to replace one of the overhead doors in the Flagler shop. After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That management is hereby authorized to contract with CHASCO Construction to purchase and install a 12’x13’6” overhead door for the Flagler shop.”

Operational Policies: Up for review were Policy #104, Check Signing; Policy #105 Construction Loan Fund Document Signatures; and Policy #400, Nature of Employment. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #104, #105, and #400 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 \$4,911.63 are approved as presented.”

2024 Rates: Mr. Churchwell presented proposed electric rate adjustments for 2024 which have been discussed during previous Board of Director meetings. After extensive discussions, the following resolution was approved:

“BE IT RESOLVED: That the proposed electric rate adjustments are approved as presented with an implementation date of February 1, 2024.”

Amend Revenue Deferral Plan: Mr. Churchwell reviewed K.C.’s 2022 revenue deferral plan and presented an amended revenue deferral plan for 2023. After review and discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2023 revenue deferral plan is approved as presented.”

Revenue Deferral Plan Resolution: Mr. Churchwell presented Board Resolution 2023 - #001, Amend Revenue Deferral Plan. After review and discussion, the following resolution was unanimously approved:

“BE IS RESOLVED: That Board Resolution 2023 - #001, 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 \$22,714.04 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 #487 in the amount of \$17,632.61 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board and CEO meetings, FERC activity, personnel changes, Lincoln County proposed road clearance changes, Hugo land donation, TS irrigation data request, and gave an update on grant applications.

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

- a. Mr. Randolph presented the financial report for October 2023, discussed interest rates, the Tri-State power bill, and gave an update on the 2024 budget.
- b. Mr. Fox 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 CREA hosted a grounding class in Stratton that was attended by K.C. and SECPA employees.
- c. Mr. Fox reported on maintenance and construction projects the line crews have been working on the past month and discussed transformer issues at the Huppert-Shutte substation. Mr. Fox gave the board an update on our radio communication system upgrades.
- d. Mr. Ehlers referred to his report in the Board packet which summarized activities of Member Services and IT for October. Scholarship information has been sent to all the high schools in our service territory. Mr. Ehlers discussed cyber security training he will be attending.

CREA Report: Mr. Parrish referenced his report in the packet and reported on the recent CREA Energy Innovation summit and Fall meeting.

WUE Report: Mr. Parrish referenced his report in the packet and noted that WUE sales continue to be strong but are below budget. The WUE board president from Sangre De Cristo Electric Association recently passed away.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed the upcoming Tri-State board meeting. Tri-State will be forming a committee in 2024 to review the wholesale electric service contract, each member system will have one representative on this committee.

Executive Session: At 5:28 p.m. it was unanimously approved to enter Executive Session to discuss Tri-State and 2024 salaries and wages. Mr. Churchwell and Mr. Cure were included in the Executive Session. The Board exited Executive Session at 6:55 p.m.

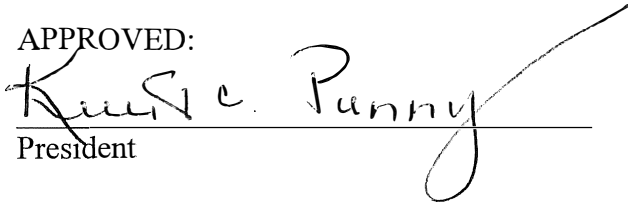
2024 Salaries and Wages: After Executive Session the following resolution was unanimously approved:

“BE IT RESOLVED: That the 2024 salary and wage increases presented by the General Manager are hereby approved.”

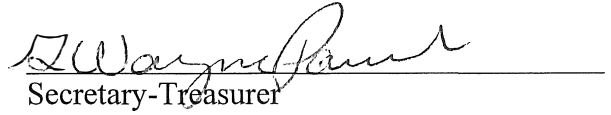
Other Business: Mr. Bledsoe acknowledged his appreciation for all of K.C.'s employees and the hard work they do for the Association.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:02 p.m.

APPROVED:



President



Secretary-Treasurer