

## 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, December 9, 2025, at Cedar Vale, State of Kansas, at 6:30 p.m.

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

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

Chris Kelly  
Steve Clark  
Barry Speer

Stephanie Ollenborger  
Dan Hubert  
Steve Warburton

Trey Clapp  
Jack Newcomb  
Alex Fulsom

Others present for the meeting were Allen A. Zadorozny, Manager, Montana Johnson, Line Superintendent, and Joni Hubert. Paul Buck, Attorney, participated via Zoom. Chairman Kelly declared the meeting duly organized for the dispatch of such business as might come before it. Alex Fulsom offered a prayer and Chris Kelly opened with the flag salute.

Consideration was given for requests for changes to the Agenda or for any additional executive sessions. There were none.

The next order of business was review of the minutes of the regular board meeting of November 11, 2025. It was moved by Steve Warburton, seconded by Alex Fulsom, 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 Stephanie Ollenborger, it was unanimously carried to approve the new members as presented.

The Board then reviewed the October expenditures. It was moved by Steve Clark, seconded by Barry Speer, and unanimously carried, to approve the expenses as presented.

Old accounts in the total amount of \$650.74 were presented for consideration. It was moved by Dan Hubert, seconded by Alex Fulsom, and unanimously carried, to turn these over for collections as presented.

The Board then reviewed the Operations, Loss Control & Safety Report, including accidents, new consumers line extensions, outages, safety meeting minutes, and transportation. After review, it was moved by Barry Speer, seconded by Stephanie Ollenborger, and unanimously carried, to approve the safety meeting minutes as presented.

Discussion was held on the Mulcher. It was just brought back and today when the crews went to using it the fluid already turned back to being milky. When Montana talked to the repair men about it, they stated they think it is condensation from the attachments creating the issue. Montana has scheduled for it to be taken back to Bartlesville.

Counsel Buck had nothing to report at this time.

Allen Zadorozny reviewed the October financial statements. The margin for October was a positive \$39,120.72. Year-to-date margin is -\$59,071.45 where last year was a positive \$107,565.28. This is partially due to the cooler summer and the stormy weather which means more overtime wages and equipment costs. When looking at the October Long-Term Debt to Assets ratio, if consideration for the Line of Credit of \$700,000 is added in, it would be at 46.3%. The Total Margins Projected was \$121,957 with the actual at \$29,121; which left the Total Margins \$80,521 under what was projected. The Year-to-Date Expenses Less Power Costs is over by \$45,191 which is a little more than 1%. Meters being billed for October was 5,138 and we know November is 8 meters less at 5,130. Right of Way Clearing Expenses are currently at \$291,182.83 for the year which is under the \$305,188.00 that was budgeted.

Allen presented year-to-date operations expenses, meters declining from September to October by 15 meters, and projections with the rate increase for the 2026 TIER.

Allen addressed the RUS-FFB Loan processing. On November 20, 2025 RUS sent instructions and documents needed to be completed to close the loan. After talking to Ivet, RUS representative, she informed Allen that she can initiate the extension for the 90-day deadline; which we will need more than likely due to the 40+ days of the government shutdown. We will notify the board if we need to schedule a special meeting.

Discussion was then held on the purchase of a Mobile Substation. Caney Valley Electric co-owned this 5,000KVA transformer mounted on a trailer with Radiant Electric, Lyon-Coffey Electric, and Sedgewick

County Electric since the early 1990's; which could be used for emergency conditions. During the recent years, it was determined that the back-up purpose was not compatible for the other electric companies; which lead to them agreeing to transfer the ownership to Caney Valley upon receiving payment of their pro-rated shares after it had been inspected, tested, and market value had been accessed.

The board then discussed the new KEPCo Representative as Dan Hubert will be hitting the term limit and will not be eligible to re-run this election period. Jack Newcomb volunteered to be the new KEPCo Representative.

The Scholarship and Leadership Camp Committee was then decided. Due to Bylaws, the Nominating Committee can not be chosen until the January meeting as we are still outside of the 90-day range at this meeting.

Proposed changes to Policy #303 -Interconnection of Distributed Resources were presented for consideration. After discussion, it was moved by Jack Newcomb, seconded by Barry Speer, and unanimously carried, to approve the revisions to Policy #303 as presented.

Chris Kelly noted that the Winter Conference is coming up. It was discussed that anyone wanting to attend could let Joni know to get signed up.

Dan Hubert reported on the KEPCo board meeting held November 20<sup>th</sup> and 21<sup>st</sup> in Salina and KEPCo had a 50-year celebration. Wolf Creek completed the refueling on November 16<sup>th</sup>. Even with the extra 3 days, 45 days instead of the predicted 42, overall, they are happy with the process of how it went. Iatan II is getting back up and running and there has been change in the management. Mark Dojack stated with the warmer temperatures they are seeing lower sales. KEPCo is wanting to invest some money. They are looking at buying new transmission as transmission prices are some of the biggest costs and they currently have an opportunity which looks good on paper. The next meeting will be in a week or two and will be attended through Zoom. The January meeting will be in person.

The following October 2025 Inventory of Work Order was presented for consideration: #624 for \$96,792.65. It was moved by Steve Warburton, seconded by Barry Speer, and unanimously carried, to approve this Work Order as presented.

Discussion was then held on Main Street Lights in Sedan. A local sedan consumer had talked to Dan Hubert about the fact that the street lights, without the added Christmas lights, are too dim in the evenings when customers or business owners are coming and going. It was stated that the City of Sedan is responsible for the lights, but Caney Valley takes care of them.

There being no further business to come before the Board, it was moved by Alex Fulsom, and seconded by Trey Clapp, and unanimously carried, to adjourn the meeting at 7:50 p.m.

ATTEST:

/s/ Chris Kelly, President

/s/ Stephanie Ollenborger, Secretary