

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 Stratton, Colorado on Tuesday, April 24<sup>th</sup>, 2018 at the hour of 4:00 p.m. The meeting was called to order by President Kevin Penny. The following Members were present and constituted a quorum:

Kevin Penny	Terry Tagtmeyer	Marvin Thaller
Dan Mills	Dave Ritchey	Jim Michal
Wayne Parrish	Luanna Naugle	Bob Bledsoe

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

Approval of Minutes: It was unanimously approved to accept the minutes for the regular meeting of the Board of Directors on March 27, 2018.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for May 22, 2018 at 4:00 p.m. in Hugo, Colorado.

Public Comments: Kevin Kelso, of Kevin S. Kelso, CPA, P.C., P.A. joined the meeting via teleconference to review the 2017 Audit Report. Mr. Kelso reviewed, among other things, the topics of materiality, compliance with debt requirements, auditor's report, and a comprehensive review of the financial statements included in the report.

Disbursements Report: The Disbursements Report of the Association for March 2018 was reviewed and, after the Board had an opportunity to review and ask questions, President Penny declared the Disbursements Report as an informational item requiring no Board action.

Emergency Items:

CFCe-Pay/Paying Agent Service Board Resolution: Mr. Churchwell reviewed the CFCe-Pay/Paying Agent Board Resolution. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the CFCe-Pay/Paying Agent Board Resolution is hereby approved as presented.”

Operational Policies: Up for review were Policy #407, Confidentiality of Personnel Files and Employee Rights; Policy #408, Military Leave of Absence; Policy #411, Temporary Assignment; and Policy #517, Acceptance of Credit Card Payments. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #407, #408, #411, and #517 are approved as presented.”

2017 Financial Audit: After discussion the following resolution was unanimously approved:

“BE IT RESOLVED: That the audit for the fiscal year ending December 31, 2017 conducted by Kevin S. Kelso, CPA, P.C., P.A. is hereby accepted by the Board of Directors as presented.”

CARE 527 Contribution: Mr. Churchwell presented a letter from CARE requesting the Board to consider donating to the CARE 527 membership account. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That the Association will donate \$3,000 to the CARE 527 membership account for 2018 and will annually review CARE 527 contributions.”

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

“BE IT RESOLVED: That the Special Equipment Summary is hereby approved in the amount of \$3,042.38.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, Tri-State Annual meeting, MWTG, TOU rates, CREA legislative issues work session, and estate capital credit retirements.

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

- a. Mr. Randolph presented a slideshow of the financial report for March 2018.
- b. Mr. Norris reported there were no First Report of Injury and no Near Misses in the past month. A recap was given of the safety meetings held in Stratton and Hugo.
- c. Mr. Norris discussed maintenance and construction projects completed in March, and discussed adverse weather conditions that caused recent outages on our system. Mr. Norris also discussed the CRE Operations and Engineering meeting that K.C. recently hosted.
- d. Mr. Ehlers referenced reports in the Board packet which summarized activities of Member Services and IT for March. Mr. Ehlers continues to work on the final details for our June Annual Meeting.

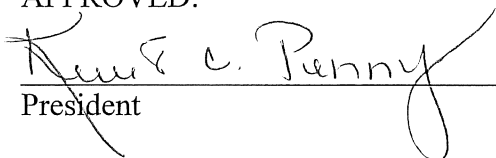
CREA Report: Mr. Mills referenced his report in the packet and reported that two candidates for Colorado attorney general spoke to the CREA Board.

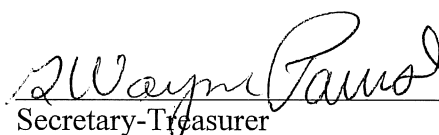
WUE Report: Mr. Mills referenced his report in the packet and reported that sales remain strong and are ahead of budget.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and reported that Bill Wright from SECPA resigned from the Tri-State Board but will continue to serve on his local Board.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 7:15 p.m.

APPROVED:

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary-Treasurer