

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, May 27, 2025, 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	Justin Rueb
Eric Poss	Bob Bledsoe	Wayne Parrish

Also present were General Manager David Churchwell, Chief Financial Officer Bo Randolph, Member Services/IT Specialist George Ehlers, Operations Manager Darren Fox, 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 of Directors on April 22, 2025.

Next Meeting Date: Without objection, the date for the next regular meeting of the Board was confirmed for June 24, 2025, at 4:00 p.m. in Stratton, Colorado.

Public Comments: Mr. Kevin Kelso of Kelso Lynch, P.C., P.A. joined the meeting at 3:00 p.m. via videoconference to review the 2024 Audit Report. Mr. Kelso reviewed, among other things, the topics of materiality, compliance with debt requirements, auditors report, and a comprehensive review of the financial statements included in the report. Mr. Kelso left the meeting at 4:12 p.m.

Disbursements Report: The Disbursements Report of the Association for April 2025 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: None.

Operational Policies: Up for review were Policy #438, Bloodborne Pathogen Exposure Plan; Policy #503, Vandalism Reward; Policy #504, Donations and Contributions; and Policy #505, Member Complaints and Related Matters. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That Policies #438, #503, #504, and #505 are approved as presented.”

2024 Financial Audit: After review and discussion the following resolution was unanimously approved:

“BE IT RESOLVED: That the audit for the fiscal year ending December 31, 2024, conducted by Kelso Lynch, P.C., P.A. is hereby accepted by the Board of Directors as presented.”

Two-Year Audit Agreement: Mr. Churchwell presented a two-year audit agreement with Kelso Lynch, P.C., P.A.. After discussion, the following resolution was unanimously approved:

“BE IT RESOLVED: That K.C. Electric will engage Kelso Lynch, P.C. P.A. for the audit of the financial statements of K.C. Electric Association for the years ending December 31, 2025, and 2026.”

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 \$109,450.60.”

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

“BE IT RESOLVED: That the Inventory of Work Orders #501 in the amount of \$145,758.48 is hereby approved.”

General Manager’s Report: Mr. Churchwell reported on the following: the most recent Tri-State Board meeting, ECMG meeting, annual meeting preparations, FERC activities, and discussed policy 517 and 405.

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

- a. Mr. Randolph presented a slideshow of the financial report for April 2025 and discussed unclaimed capital credits, and estate capital credit retirements.
- b. Mr. Fox 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. Fox discussed maintenance and construction projects completed in the past month. Reject pole replacements from last year have been completed, and we suffered some pole damage during the recent wind storms.
- d. Mr. Ehlers referenced his reports in the Board packet which summarized the activities of Member Services and IT for the past month. Annual meeting preparations are being finalized, and NISC and High Point Networks continue to progress on our MFA project.

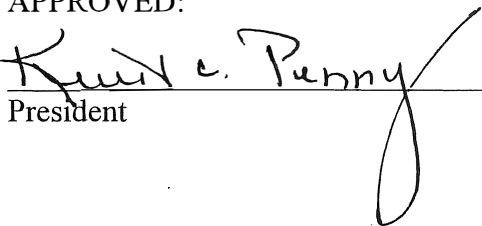
CREA Report: Mr. Parrish referenced his report in the packet and discussed the 2025 legislative session, associate memberships, new headquarters building and CREA’s search for a new Executive Director. The CREA board will be meeting in Holyoke later this week.

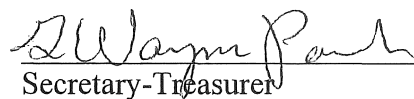
WUE Report: Mr. Parrish referenced his report in the packet and reported that sales continue to be at record levels, WUE recently sent out capital credit checks, and lead times for some material is back to pre-covid levels.

Tri-State G&T Report: Mr. Bledsoe referenced his report in the packet and discussed Tri-State’s upcoming board meeting.

Adjournment: Mr. Penny declared the meeting adjourned at approximately 6:42 p.m.

APPROVED:

  
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President

  
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Secretary-Treasurer