

**PIONEER ELECTRIC COOPERATIVE, INC.
MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES**

May 30, 2024

CALL TO ORDER

The regular meeting of the Pioneer Electric Cooperative, Inc. (“Pioneer Electric” or “Cooperative”), Board of Trustees (“Board” or “Trustees”) was held in-person on Thursday, May 30, 2024, at the Cooperative’s headquarters in Ulysses, Kansas. The meeting convened at 8:30 a.m.

Present at the regular meeting were Board President Michael Brewer, Vice President Jeffrey Moyer, Secretary-Treasurer John Jury, Assistant Secretary-Treasurer David Light, and Trustees Alfred Alexander, James Bell, Charles Milburn, Lori Deyoe, Mark Goehring, and Board Counsel Paul Kitzke. Also present at the Board meeting were Lindsay A. Campbell, Chief Executive Officer (“CEO”) and Clint Meier, Vice President of Engineering and Operations. Executive Vice President, Assistant CEO and CFO, Chantry C. Scott was absent and excused. Also in attendance for the full meeting was Pioneer Electric’s Michelle Brungardt, Executive Assistant; Tolan Seger, Manager of Safety and Compliance. In partial attendance was Sherry Easton, Manager of Accounting; Ryan Wilken, Manager of Information and Technology; Timothy Ochoa, Information and Technology Specialist. Board President Michael Brewer called the meeting to order.

INVOCATION & PLEDGE OF ALLEGIANCE

The meeting opened with an invocation and the Pledge of Allegiance.

PUBLIC – INTRODUCTION OF GUESTS

None.

APPROVAL OF MEETING AGENDA AS PUBLISHED OR AMENDED

A motion was made and seconded to approve the meeting agenda as published or amended.

Motion carried.

CONSENT AGENDA

- 1. Approval of April 26, 2024, Regular Board Meeting Minutes**
- 2. Approval of April 26, 2024, Executive Meeting Minutes**
- 3. Approval of New & Reactivated Memberships**
- 4. Approval of Deactivated Memberships**
- 5. Approval of April 2024 Estate Retirement Applications**
- 6. Approval of April 2024 General Fund Checks & Transactions**
- 7. Approval of April 2024 Board Expense Reports**
- 8. Approval of April CEO Expense Report**

After reviewing and discussing expense reports and General Fund Checks, a motion was made and seconded to approve the Consent Agenda. Motion carried.

AUDIT PRESENTATION BY FORVIS VIA CONFERENCE CALL

Brady Scheer, Forvis LLP, Partner, remotely presented to the Board via Online Microsoft Office Teams, Pioneer Electric’s consolidated financial audit report for the year ending December 31, 2023. The auditor advised that their review revealed that Pioneer Electric was in compliance with all financial covenants and Generally Accepted Accounting Principles (GAAP), maintains very good internal controls and reviews, has protected liquid assets very well, and that there were no material adjustments required as a result of the audit.

KEC MEETING UPDATE

Board Trustees Michael Brewer and James Bell and Pioneer’s CEO, Lindsay A. Campbell, attended KEC’s quarterly meeting in Wichita, KS. on May 1st and 2nd. The group reported that the meeting went well sharing that KEC’s CEO, Lee Tafanelli, had his evaluation and that he is doing a phenomenal job. They also had a debriefing on the Legislative Conference that many of them had just attended in Washington, D.C. KEC also presented their board with the recommended program OnBoard, that will take place of BoardPaq, which will be retired at the end of this year.

SUNFLOWER ELECTRIC UPDATE

CEO, Lindsay A. Campbell, updated the Board on Sunflower Electric Power Corporation (“Sunflower”) activities for the month of April. CEO Campbell shared updates on power supply and the EPA’s new Greenhouse Gas Emission Rules. Additionally, CEO Campbell reported on transmission policy updates and matters in the current 205 FERC Filing.

CHIEF EXECUTIVE OFFICER’S REPORT

1. Finance & Accounting Update

a. Financial & Operating/Capital Budget Report

Due to the absence of Chantry C. Scott, Executive Vice President, Assistant CEO & CFO, Sherry Easton, Manager of Accounting, shared with the Board the preliminary financial reports for April 2024. After review and discussion, a motion was made and seconded to approve the preliminary and unaudited financial report. Motion carried.

2. Engineering & Operations

Clint Meier, Vice President of Engineering and Operations, elected to stand on a majority of the Engineering and Operations monthly written report as published for review in the Chief Executive Officer's report posted on BoardPaq.

3. Energy Services

a. Update on Aged Balances & Disconnects for Non-Payment

Anita Wendt, Vice President of Energy Services, shared with the Board the month-to-date Pioneer Electric and Southern Pioneer April Aged Balance Reports, identifying the number of accounts delinquent and total dollar amount of arrearages by revenue class. A comparison from 2023 was also included revealing that aged balances for Pioneer Electric and Southern Pioneer are less in comparison to the previous year. VP Wendt also reported on the total number of disconnects for non-pay for each of Pioneer Electric and Southern Pioneer's billing cycles. Overall, the disconnect and accounts receivable process are continuing to go well for both companies, and Energy Services is continuing to promote all the ways to pay online, over the phone and with auto pay.

b. Company "In the News" Report

Anita Wendt, Vice President of Energy Services, discussed recent happenings, scholarship winners, upcoming events, and Facebook statistics at Pioneer Electric and Southern Pioneer.

c. Nominating Committee Information

Anita Wendt, Vice President of Energy Services, shared with the board the timeline for the upcoming Annual Meeting in September. She advised that the Nominating

Committee Meeting will be held on July 10th at Pioneer Electric from 9 a.m. to noon. Nominees will be posted at the co-op office any time prior to August 14th. She also mentioned that all Petition Nominations must be received by July 20th to be included on the ballot.

4. Regulatory and Legislative

Lindsay A. Campbell, CEO, advised she would stand on the written Regulatory and Legislative Report as published on BoardPaq.

a. Southern Pioneer's KCC Rate Design Docket No. 24-SPEE-415-TAR

Lindsay A. Campbell, CEO, updated the Board on Southern Pioneer's Application filed on November 30, 2023, seeking to update rate design to address cross-class and intra-class subsidizations and to modernize its rates and tariffs to better serve its customers' needs and demands as they have evolved with changes in the industry. Southern Pioneer participated in a settlement conference with all parties on May 9th at the KCC. As a result of settlement discussions, the parties have agreed to a unanimous settlement of all issues except for the issue of the three-part residential rate design and the requested increases to the customer charges. Therefore, an evidentiary hearing on these outstanding issues will be held on June 4th at the KCC.

5. Corporate Services and Energy Solutions

No report.

6. Administration

Lindsay A. Campbell, CEO, advised that she would stand on the majority of the written Administrative Report as published on BoardPaq.

GENERAL COUNSEL'S REPORT

None.

MATTERS REQUIRING BOARD ACTION

1. Approval of Audit as presented by FORVIS

Sherry Easton, Manager of Accounting, asked for Board approval of Pioneer Electric's audit report for the year ending December 31, 2023, as presented by Brady Scheer with Forvis, LLP, previously during the meeting. After review and discussion, a motion was made and seconded to accept the Audit Report as presented by Forvis, LLP. Motion Carried.

2. Resolution Authorizing Allocation of Operating Margins, Other Capital Credits and Patronage Dividends, and Generation and Transmission Capital Credits and Transfer of Non-Operating Margins to Permanent Equity

Sherry Easton, Manager of Accounting, reviewed with the Board the Resolution Authorizing Allocation of Operating Margins, Other Capital Credits and Patronage Dividends, Generation and Transmission Capital Credits and Transfer of Non-Operating Margins to Permanent Equity. After review and discussion, a motion was made and seconded to approve the Resolution Authorizing Allocation of Operating Margins, Other Capital Credits and Patronage Dividends, Generation and Transmission Capital Credits and Transfer of Non-Operating Margins to Permanent Equity. Motion carried.

Resolution Authorizing Allocation of Operating Margins, Other Capital Credits and Patronage Dividends, and Generation and Transmission Capital Credits and Transfer of Non-Operating Margins to Permanent Equity

WHEREAS, pursuant to Pioneer Electric Cooperative, Inc.'s, ("Pioneer Electric" or "Cooperative") approved Bylaws (Article VII, Section 2, Pages 13 – 15) and Board adopted Policy No. 43, the Board of Trustees is therein solely empowered to allocate Operating Margins, Other Capital Credits and Patronage Dividends and Generation and Transmission Capital Credits; and

WHEREAS, pursuant to the Pioneer Electric's, approved Bylaws (Article VII, Section 2, Pages 13 – 15) and Board adopted Policy No. 43, the Board of Trustees is therein solely empowered to transfer and retain non-operating margins as permanent equity; and

WHEREAS, the Board of Trustees of Pioneer Electric has reviewed its Statement of Operations as of December 31, 2023, and \$1,115,311.44 has been credited to Operating Margins, \$625,472.47 has been credited to Other Capital Credits and Patronage Dividends, \$2,441,200.48 has been credited to Generation and Transmission Capital Credits and \$4,308,800.44 has been credited to Non-Operating Margins; and

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees in accordance with Pioneer Electric's Bylaws and Policy hereby authorizes the allocation of Operating Margins, Other Capital Credits and Patronage Dividends and Generation and Transmission Capital Credits to the patrons; and

BE IT FURTHER RESOLVED, the Board of Trustees in accordance with Pioneer Electric's Bylaws and Policy hereby authorizes the transfer of Non-Operating Margins to permanent equity of the Cooperative.

3. Approval of By-Law changes

After review and discussion, a motion was made and seconded to approve the By-Law changes. Motion carried.

4. CEO and Executive Assistant Offices

CEO Lindsay Campbell asked the board for their permission to refresh and redecorate the CEO and Executive Assistant's offices. She advised that they were on the list to do but had been put on hold until knowing the CEO position outcome. After discussion, a motion was made and seconded to approve the refresh and redecoration of the CEO and Executive Assistant office within reasonable limits. Motion carried.

OTHER BUSINESS

1. **Meet the CEO – Chamber Coffee**
2. **ACES & CFC Forum – June 17-19, 2024**
3. **NRECA Legal Seminar 64**
4. **CoBank Energy Directors Conference – July 17-19, 2024**
5. **NRECA Summer School for Directors – July 19-23, 2023**
6. **PECI Summer Strategy Session – July 31, 2024, at 8:30 a.m. to be held at Pioneer Electric Cooperative**
7. **KEC Summer Meeting – August 3-5, 2024, Overland Park, KS**
8. **CoBank 2024 Energy & Water Executive Forum – August 27-29, 2024**
9. **Pioneer Electric/Pioneer Communications Annual Meeting – Grant County Civic Center – September 3, 2024 at 6:00 p.m.**
10. **NRECA Region 7 & 9 Meeting – September 24-26, 2024**
11. **Board Photo’s – October 23, 2024 at 7:30 a.m. at Pioneer Electric**
12. **Community Health Fair – Grant County Civic Center – Saturday, October 26, 2024 – 7:00 a.m. to 11:00 a.m.**

EXECUTIVE SESSION

A motion was made and seconded to go into Executive Session at 1:40 p.m. Motion carried.

A motion was made and seconded to come out of Executive Session at 2:12 p.m. Motion carried.


ADJOURNMENT

A motion was made and seconded to adjourn the meeting at 2:12 p.m. Motion carried.



John Jury, Secretary-Treasurer

APPROVED:



Michael Brewer, President