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2024 ANNUAL REPORT

4 RIVERS ELECTRIC COOPERATIVE, INC.

BOARD OF TRUSTEES *Serving and Caring*

Larry Felts
President, District 3

Stacy Heins
Vice President, District 2

Warren Schmidt
Secretary, District 2

Loren Dickens
Treasurer, District 3

Tom Ayers
Trustee, District 3

Randall Bunnel
Trustee, District 2

Robert Converse
Trustee, District 1

Gene Huston
Trustee, District 1

David Kunkel
Trustee, District 1

4 Rivers Electric Cooperative, Inc. is an equal opportunity employer and provider.

LIKE US ON FACEBOOK

4RiversElectricCooperativeInc



FROM THE BOARD PRESIDENT

President's Report



Larry Felts
Board President

On behalf of the 4 Rivers Electric Cooperative Board of Trustees, I cordially invite you to our Annual Meeting of Members on **MONDAY, MARCH 24, 2025**, at Burlington

High School. Registration and dinner will begin at 5:30 p.m. with the formal meeting commencing at 7 p.m.

This annual event provides a valuable opportunity for us to gather together and hear updates on the current state of our cooperative. Prior to the meeting, take time to explore and engage at our interactive booths and safety demonstrations.

As your regulatory board, the board of trustees actively works on your behalf, and the past year has been busy and exciting. In November, we held a rate hearing and approved tariff updates, including adding the new Lightning Shield meter socket surge protection device, made by **EMP SHIELD**, a Burlington-based company. We are thrilled to partner with this local business to bring cutting-edge technology to our members.

Additionally, 4 Rivers secured a \$2 million USDA Rural Economic Development Loan for **SECURED SEMICONDUCTOR MANUFACTURING**, a company currently constructing a new plant near New Strawn, helping to create jobs and bolster our local economy.

In keeping with our commitment to sound financial management, we retired \$724,000 in general capital credits to current and former member-owners and an additional \$254,000 in estate capital credits retirements, putting money back in the hands of our members — our owners.

As your neighbors and fellow member-owners, the board of trustees is committed to serving your best interests. We're honored by the trust you place in us and strive to make decisions that strengthen our cooperative and our communities.

I encourage you to join us on March 24 for your chance to be part of the conversation, connect with others, and stay informed about the future of 4 Rivers. We look forward to seeing you there!

JOIN US
MARCH 24
MEETING
AT 7 P.M.
BURLINGTON
HIGH SCHOOL

AGENDA

- ▶ Call to Order
- ▶ Verification of Quorum
- ▶ Consideration of Official Notice of Meeting
- ▶ Action on 2024 Annual Meeting Minutes
- ▶ Cooperative Reports
- ▶ Guest Speaker
- ▶ Trustee Election Results
- ▶ Other Business
- ▶ Adjournment

MARCH 1, 2025

Official Notice of Annual Meeting

FROM: WARREN SCHMIDT, SECRETARY 4 RIVERS BOARD OF TRUSTEES

The 2025 Annual Meeting of Members for 4 Rivers Electric Cooperative, Inc. will be held at Burlington High School, 830 Cross Street in Burlington, Kansas, on **MONDAY, MARCH 24, 2025**. The meeting will begin at 7 p.m., with an evening meal and registration beginning at 5:30 p.m. Annual meetings are an important part of 4 Rivers Electric Cooperative and give you, the members, the opportunity to participate in cooperative business.

FINANCIAL REPORTS

BY THE NUMBERS

13.9
MILLION Kilowatt-hours (kWh) — 13,986,811 to be exact — were sold in 2024.

12,496 Service locations in portions of 16 counties: Anderson, Chase, Coffey, Elk, Franklin, Greenwood, Labette, Linn, Lyon, Montgomery, Morris, Neosho, Osage, Wabaunsee, Wilson and Woodson counties.

966 The average kilowatt-hours a 4 Rivers residential member uses each month.

\$16.97
MILLION Total capital credits retired.

\$714,880 Capital credits retired in 2024.

\$605,000 Capital credits allocated in 2024.

44% Wholesale power percentage of 4 Rivers' operations costs.

\$102
MILLION Plant investment in poles, wires, etc. 2024.

\$2
MILLION In economic development loans made in 2024.

\$951,000 Property taxes paid in 2024.

COMPARATIVE OPERATING STATEMENT

	2023	2024
OPERATING REVENUES	27,971,603	28,585,745
Less: Cost of Purchasing/Generating power	12,290,481	12,645,106
GROSS MARGIN	15,681,122	15,940,640
Less: Departmental Operating Expenses	9,078,246	9,700,437
Less: Depreciation, Interest and Taxes	4,037,521	4,018,921
OPERATING MARGINS	2,565,355	2,221,282
Plus: Other Income	265,927	1,299,229
Plus Capital Credits Allocations	338,792	224,670
NET MARGINS	\$3,170,074	\$3,745,181

BALANCE SHEET

ASSETS — WHAT 4 RIVERS OWNS

LONG TERM ASSETS

	2023	2024
Net Plant Investment (poles, wires, etc.)	64,990,304	66,766,796
Investments/Patronage in Other Organizations	11,055,142	11,729,980

CURRENT ASSETS

Cash in Bank Accounts & Investments	2,662,372	4,358,414
Receivables — Amounts owed to 4 Rivers	2,261,348	2,780,771
Materials, Supplies and Prepayments	430,455	453,829
Other Assets	18,278	33,763

TOTAL ASSETS — WHAT 4 RIVERS OWNS **\$81,417,899** **\$86,123,552**

LIABILITIES — WHAT 4 RIVERS OWES

Current and Accrued Liabilities	3,640,223	3,784,728
Long-Term Obligations	36,533,142	37,882,059
Deferred Credits	-	288,115
Total Liabilities	40,173,365	41,954,901
Total Equity — 4 Rivers Member Ownership	41,244,534	44,168,651

TOTAL LIABILITIES/EQUITY — WHAT 4 RIVERS OWES **\$81,417,899** **\$86,123,552**

FROM THE MANAGER

Manager's Report



Dennis Svanes
Manager

On behalf of the entire team at 4 Rivers Electric Cooperative, I extend our sincere gratitude to you, our valued members, for your continued trust and support. We also express our deep appreciation to the board of trustees for their guidance and dedication to serving you, our member-owners.

Our mission, "Serving and Caring," guides every action we take. We are committed to serving our members, our communities, and our employees. We are committed to caring for our members, our communities and our employees. We welcome our newest members to the cooperative and are proud to serve you.

Safety is paramount at 4 Rivers. We continually cultivate a strong safety culture among our employees, implementing rigorous training programs and consistently emphasizing safe work practices. We extend this commitment beyond our workforce. We actively engage within our communities, offering safety training to various groups, including fire departments, county employees, businesses and youth organizations. Please contact us if you are interested in having us do a safety demonstration for your group.

We are pleased to report that the cooperative remains in a strong financial position. This allows us to continue investing in our infrastructure, ensuring reliability of our electric grid for years to come.

Maintaining a reliable system is a top priority.



Look for the annual meeting registration card and RSVP postcard in the center of this issue of *Kansas Country Living*!

In the past year, our right-of-way (ROW) program included trimming 523 miles of trees and applying 290 miles of growth inhibitor to manage vegetation and minimize outages. We also have a rigorous pole testing program. In 2024, we inspected 5,195 poles and replaced 483 of those.

I want to express my sincere appreciation to our dedicated employees. They work tirelessly, often in challenging weather conditions, to ensure you, our members, have reliable power. I am honored to work alongside such a remarkable team.

I encourage you to join us for our annual meeting in Burlington. The Chicken House in Olpe will be catering the meal. Registered members will receive a gift, and door prizes will be drawn during the meeting. Information booths will be available to address questions and concerns. Please RSVP via postcard, online or by phone to assist us in planning for the meeting.

SCHOLARSHIP OPPORTUNITIES

SCHOLARSHIP APPLICATION DEADLINE IS **APRIL 7, 2025**

4 Rivers Electric Cooperative, Inc. may fund up to two lineworker scholarships annually for tuition, fees, books, tools and supplies not to exceed \$5,000 for each scholarship for up to one year at an electrical lineworker school. Eligible candidates for the scholarship must be high school graduates from any high school or a homeschool program or have attained their GED within the cooperative's service territory. Check out our website for further details on this awesome opportunity!

Minutes of 2024 Annual Meeting of Members

The Annual Meeting of Members of 4 Rivers Electric Cooperative, Inc. was held March 25, 2024, at the Fredonia High School in Fredonia, Kansas.

CALL TO ORDER

The 4 Rivers Electric Cooperative, Inc. Annual Meeting of Members was called to order at 7 p.m. by President Larry Felts, who presided. Trustee Gene Huston led the invocation, followed by the National Anthem sung by Shelby Smith of the Fredonia High School Select Singers. Trustee Stacy Heins then led the Pledge of Allegiance. Three rounds of prizes were awarded during the meeting.

APPROVAL OF AGENDA

MOTION: President Felts asked for a motion to approve the agenda. It was moved and seconded that the agenda be approved as presented in the meeting booklet. This motion carried.

APPOINTMENTS

President Felts appointed General Counsel Tim Larson as parliamentarian and Staff Assistant Brian Sumner as recording secretary for the meeting.

SECRETARY REPORT

Secretary Warren Schmidt declared a quorum with 87 registered members in attendance. Secretary Schmidt reported the official notice of the annual meeting of members was published in the March 2024 *Kansas Country Living* magazine and mailed to all members.

MOTION: President Felts asked for a motion to approve the 2023 minutes. A motion was made to approve the 2023 minutes. This motion was seconded and passed.

INTRODUCTION OF TRUSTEES

President Felts introduced current and former trustees to the member audience.

YOUTH PROGRAMS

President Felts stated that we are dedicated to the communities we serve by investing in the younger generation by providing educational, leadership and team building opportunities. President Felts congratulated Eli Ervin and Marisa Ghramm for being selected for the Cooperative Youth Leadership Camp. President Felts congratulated Brody Anderson and Dergan True for being selected for the Electric Cooperative Youth Tour. Lastly, President Felts congratulated Braden Blaufuss and Grant Helton for receiving the linemen scholarships.

TREASURER REPORT

Treasurer Loren Dickens reported 2023 was a good year for the cooperative. Revenue for the year was just under \$28 million — 0.5% higher than forecasted. The cooperative retired \$950,000 in capital credits to our members in 2023. Accounting firm Eide Bailly, hired by the board of trustees to conduct the annual audit, gave the cooperative a clean report.

GENERAL MANAGER/CEO REPORT

General Manager/CEO Dennis Svanes introduced employees, caterer Londa Tindle, FCCLA servers, and special guests, including Kansas Representative Doug Blex who said a few words. Mr. Svanes emphasized safety, operational efficiencies, and trustee elections under the three-district structure. He highlighted the board's focus areas — financial oversight, cybersecurity and safety — and discussed system improvements from the four-year work plan.

KEYNOTE

As the keynote speaker, Mr. Svanes spoke about the benefits of using SmartHub, the cooperative's web and mobile app that allows members to monitor outages, report issues, pay bills, and track usage. Mr. Svanes encouraged all members to use SmartHub.

ELECTION RESULTS

President Felts called on Tim Larson to announce the election results for the three districts. In District 1, **GENE HUSTON**, unopposed, received 273 votes and was declared the winner. In District 2, **WARREN SCHMIDT**, unopposed, received 284 votes and was declared the winner. In District 3, **LARRY FELTS**, unopposed, received 267 votes and was declared the winner. Mr. Larson noted that more than eight hundred votes were cast by mail.

Trustees Nick Frankenbery and Michael Springer, who are concluding their service on the board, were recognized for their contributions to the cooperative.

ADJOURNMENT

President Felts called for any new business from the membership. With no new business, he thanked the members for attending the meeting.

MOTION: President Felts asked for a motion to adjourn. A motion was made, seconded and carried to adjourn.

President Felts declared the 2024 Annual Meeting of 4 Rivers Electric Cooperative, Inc. adjourned at 7:53 p.m. and asked that everyone drive safely home.

RECORDED BY BRIAN SUMNER