

www.4riverselectric.com
620-364-2116 or 800-748-7395

Northern District
2731 Milo Terr.
Lebo, KS 66856

Southern District
9346 Jewell Rd.
Fredonia, KS 66736

Payment Center
2501 W. 18th Ave., Ste. B
Emporia, KS 66801

4 RIVERS ELECTRIC COOPERATIVE, INC.

2022 ANNUAL REPORT

4 Rivers Electric Cooperative, Inc.

Board of Trustees

Michael Springer
President

Robert Harkrader
Vice President

Gene Huston
Secretary

Larry Felts
Treasurer

Tom Ayers
Trustee

Randall Bunnell
Trustee

Robert Converse
Trustee

Loren Dickens
Trustee

Nick Frankenbery
Trustee

Stacy Heins
Trustee

David Kunkel
Trustee

Warren Schmidt
Trustee

Sandy Smith
Trustee

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



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FROM THE BOARD PRESIDENT

2022 President's Report



Michael Springer

Your annual meeting of 4 Rivers Electric Cooperative will be held March 27 at the Lyon County Fairgrounds Anderson Building in Emporia. This is your opportunity to come together with your fellow cooperative member-owners and staff to hear the state of the cooperative. This year, we will have informational booths set up prior to the meeting to answer questions on varying topics. We will also have our linemen exhibiting power

line safety demonstrations prior to the meeting, weather-permitting. Registration and dinner will begin at 5:30 p.m. with the meeting commencing at 7 p.m. The outcome of the trustee election will be announced at the meeting. This year's election begins the post-consolidation reduction of the board size. We will be losing two trustee seats from the board this year. Currently, we have 13 trustees on the board and will be at 11 after this annual meeting. After next year's election, our board will be down to nine trustees representing our service territory. The board size reduction was part of the pledge

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Official Notice of Annual Meeting

MARCH 1, 2023 | GENE HUSTON, SECRETARY 4 RIVERS BOARD OF TRUSTEES

The 2023 Annual Meeting of the Members of 4 Rivers Electric Cooperative, Inc. will be held at held at Lyon County Fairgrounds in the Anderson Building, 2700 W. Highway 50, Emporia, Kansas, on Monday, March 27, 2023. 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.

MEETING AGENDA

- ▶ Call to Order
- ▶ Verification of Quorum
- ▶ Consideration of Official Notice of Meeting
- ▶ Action on 2022 Annual Meeting Minutes
- ▶ Cooperative Reports
- ▶ Guest Speaker
- ▶ Trustee Election Results
- ▶ Other Business
- ▶ Adjournment

FINANCIAL REPORTS

Statement of Operations

YEARS ENDED DEC. 31, 2021 AND 2022

	2022	2021
OPERATING REVENUE	\$27,804,755	\$26,296,297
OPERATING EXPENSES		
Cost of Power	13,544,886	12,941,126
Power Production	185,114	145,582
Operating & Maintenance	4,525,589	4,487,193
Customer Service	817,003	812,693
Administrative & General	2,724,733	2,595,740
Depreciation	2,839,895	2,781,810
Interest	1,339,728	1,363,386
Other	5,752	4,053
Total Operating Expenses	25,982,700	25,131,583
OTHER COOPERATIVE CAPITAL CREDITS	286,872	260,050
NET OPERATING MARGIN	2,108,927	1,424,764
OTHER INCOME	119,772	1,409,275
NET MARGIN	2,228,699	2,834,039

Balance Sheet

DEC. 31, 2021 AND 2022

	2022	2021
ASSETS		
Net Utility Plant	\$62,872,016	\$62,337,493
Other Property and Investments	10,705,055	10,364,150
CURRENT ASSETS		
Cash and Equivalents	1,918,603	1,595,747
Accounts Receivable	2,663,495	2,207,811
Materials and Supplies	292,670	196,913
Other	149,023	183,332
Total Current Assets	5,023,791	4,183,803
Deferred Debits	27,985	174,514
Total Assets	78,628,847	77,059,960
EQUITIES AND LIABILITIES		
EQUITIES		
Patronage Capital	35,555,483	34,562,077
Other Equities	3,107,963	2,435,615
Total Equities	38,663,446	36,997,692
LONG-TERM DEBT	34,546,831	34,851,716
CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	1,688,000	1,582,000
Accounts Payable	1,261,500	1,150,382
Other Current Liabilities	2,251,595	2,224,625
Total Current Liabilities	5,201,095	4,957,007
DEFERRED CREDITS	217,475	253,545
Total Equities and Liabilities	78,628,847	77,059,960

2022 President's Report Continued from page 12A ▶

made to the membership during the consolidation process. While we will miss having the experienced input from those trustees, we need the 4 Rivers Board of Trustees to be properly sized as the cooperative moves forward.

As part of our strategic plan, a cost-of-service study was performed. With the results of that study, the board of trustees reviewed tariffs. Due to publication deadlines, I am writing this article prior to the rate hearing scheduled on Feb. 20. The purpose of the proposed changes is to better match our revenues to our costs for more fair and equitable rates. Last spring, the net metering and parallel generation rider tariffs

were updated, and the board updated the rules and regulations to clarify and update language. While these tasks may not sound very exciting, it is an important part of the role and duties of your board of trustees.

One of the more rewarding duties of the board is retiring capital credits. Last fall, we retired almost \$740,000 to the current and former member-owners.

Your board of trustees takes its role as your regulatory body very seriously. I have been honored to serve as the board president and hope to see you in Emporia at our annual meeting.

FROM THE MANAGER

2022 Manager's Report



Dennis Svanes

On March 27, we will have our annual meeting of the membership in Emporia. As I reflect on all that we accomplished this past year, I must thank our employees. They are the reason we are able to do what we do. Our linemen work in the extreme heat and humidity of the summer, during thunderstorms, ice storms, and extreme windstorms to restore power to you, our member-

owners. The employees who aren't working the power lines are supporting the linemen during the extreme events and work with all of you when you have needs or questions of your cooperative.

Many of our employees will be at the annual meeting. You will have the opportunity to visit with them if you have questions on the how, what, and why of supplying power to you.

Another important aspect of what we do involves other cooperatives. A key part of cooperative principles is Cooperation Among Cooperatives. Our billing, accounting and engineering software vendor is a cooperative; our lending banks are cooperatives; our insurance company is a cooperative; and our power supplier is a cooperative. While challenged with many things this year, we have been working with our neighboring cooperatives to deal with supply chain issues, especially lower volume materials with very long lead times. Working with our cooperative neighbors is just part of what we do.

To further mitigate some of the supply chain issues, we are working with suppliers on long-term planning and



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

ordering materials well in advance in order to have them when needed. Our board of trustees has been proactive in approving orders for our large trucks many years prior to when they are needed due to very long lead times. For perspective, we are expecting delivery of a digger truck this spring which was ordered in July 2020.

I hope you can join us in Emporia for our annual meeting. The Chicken House in Olpe is catering the meal. Our guest speaker is Suzanne Lane, executive vice president and CEO of our power supplier, Kansas Electric Power Cooperative (KEPCo). She will discuss power supply issues impacting our cooperative. We have a gift for registered members and will draw for door prizes that evening. Please RSVP if you are planning to attend to help us plan the meeting space and meals accordingly.

LIEAP Application Deadline: March 31



The Low-Income Energy Assistance Program (LIEAP) is a federally funded program that helps keep families safe and healthy by assisting eligible households with a portion of their home energy costs by providing a once-per-year benefit.

The 2023 LIEAP application period is open; applications must be received online or in a Kansas Department for Children and Families (DCF) office by March 31 to be considered for eligibility. For more information, call 800-432-0043 or visit www.dcf.ks.gov.

SCHOLARSHIP OPPORTUNITIES

DEADLINE IS **APRIL 3, 2023**

4 Rivers Electric Cooperative, Inc. may fund up to two lineman scholarships annually for tuition, fees, books, tools and supplies not to exceed \$5,000 for each scholarship up to one year at an electrical lineworker school. Eligible applicants for the scholarship must be high school graduates from any high school or home school program or have attained their GED within the cooperative's service territory. Find more at www.4riverselectric.com.

2022 Minutes of Annual Meeting of Members

MARCH 28, 2022 | MEMORIAL HALL IN INDEPENDENCE, KANSAS

Call to Order

The 4 Rivers Electric Cooperative, Inc. Annual Meeting of Members was called to order at 7 p.m. by President Michael Springer, who presided. Trustee Randy Bunnell led the invocation, thereafter, followed by the National Anthem. Trustee Robert Converse then led the members with the Pledge of Allegiance. Four rounds of prizes were given away during the meeting.

Approval of Agenda

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

Secretary's Report

Secretary Gene Huston declared there were 91 registered members in attendance and that quorum was met. Secretary Huston reported the official notice of the annual meeting of members was mailed to all members and published in the *Kansas Country Living* magazine.

MOTION: Secretary Huston asked for a motion to waive the reading of the annual meeting notice. A motion was made and seconded to waive the reading of the 2021 annual meeting notice. This motion passed.

Secretary Huston stated the minutes of the 2021 annual meeting were mailed to all members and handed out at the registration desk.

MOTION: Secretary Huston asked for a motion to approve the 2021 minutes. A motion was made to approve the 2021 minutes and seconded. This motion passed.

Introduction of Trustees and Acknowledgment of Guests

President Springer introduced the trustees to the member audience and special guests in attendance namely Major General Lee Tafanelli, CEO of Kansas Electric Cooperatives, Inc. (KEC), and Colleen Wells, senior vice president & CFO of Kansas Electric Power Cooperative, Inc.

Treasurer's Report

Treasurer Larry Felts gave the treasurer's report. He mentioned some of the milestones accomplished in the last year and noted 2021 was a good year for the cooperative. The revenue for the year was \$26.3 million. This was higher than forecasted by 1.8% and above 2020 by 6%. 2020 was much lower due to the impacts of the pandemic. He noted that the cooperative did receive a payroll protection loan in 2020 which was forgiven in 2021, and the cooperative retired \$1.3 million in capital credits through general and estate retirements. Treasurer Felts noted the cooperative received a clean audit report from the audit firm Eide Bailly LLP.

President's Report

President Springer gave the president's report emphasizing the cooperative's mission statement of Serving and Caring and how the cooperative meets that mission. President Springer also reported that the board of trustees had re-districted the cooperative and will be reducing the size of the board to nine trustees.

General Manager's Report

Dennis Svanes, general manager/CEO, reported on events of 2021 including the February winter storm with rolling blackouts, replacement of a substation transformer, mutual aid provided for a cooperative in western Kansas,

and supply chain issues. Mr. Svanes then spoke about the success of the consolidation of the two cooperatives both financially and from the synergies gained. He also spoke about current and future projects being worked on including maintenance and work plan projects.

Keynote

Major General Lee Tafanelli spoke about the role of KEC working with cooperatives within the state of Kansas for the past 81 years. Mr. Tafanelli stated that KEC is an advocate for electric cooperatives with goals to educate, inform, influence and control costs.

Election Results

President Springer called on Tim Larson to announce the election results. Mr. Larson stated a total of 595 ballots were cast. In District North 2, David Kunkel, who was unopposed, received 228 votes and is declared the winner of District North 2. In District North 3, Stacy Heins, who was unopposed, received 194 votes and is declared the winner of District North 3. In District South 2, Carol Wehmeyer received 75 votes, and Loren Dickens received 98 votes. Loren Dickens is declared the winner of District South 2.

President Springer recognized Trustee Carol Wehmeyer for her service to the board and to the membership.

Adjournment

President Springer called for any new business from the membership. He thanked the members attending the meeting.

President Springer declared the 2022 Annual Meeting of 4 Rivers Electric Cooperative, Inc. adjourned at 8:01 p.m.

RECORDED BY BRIAN SUMNER