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Lane-Scott Electric Cooperative, Inc.
P. O. Box 758
Dighton, KS 67839-0758

This is your registration card.
Please bring it to the Annual Meeting.

OFFICIAL NOTICE of Annual Meeting

The Annual Meeting of the members of the Lane-Scott Electric Cooperative, Inc. will be held at the Lane County Fairgrounds, Tuesday, July 13, 2010, in Dighton. The events will begin at 6:30 p.m. with a meal catered by Stan Hoss, with the business meeting to follow.

The election of three trustees, approval of the minutes of the 2009 Annual Meeting, the Treasurer's report and Manager's report are all on the agenda.

The committee on nominations, appointed by the Board of Trustees, has nominated the following members as candidates for the offices of trustees. Eric Doll, representing Finney and Hodgeman Counties; Rad Roehl, representing Lane and Gove Counties and Bruce Wilkens, representing Scott and Logan Counties.

Other nominations may be made by petition or from the floor at the meeting. Of the persons nominated, and any other nominations made by petition, or from the floor, it will be necessary to elect three trustees to succeed the persons whose terms expire at the meeting.



**Lane-
Scott**

Electric Cooperative

A Touchstone Energy®
Cooperative 

**2009
Annual Report**

**Official Notice
of 60th
Annual Meeting**

**Tuesday,
July 13, 2010**

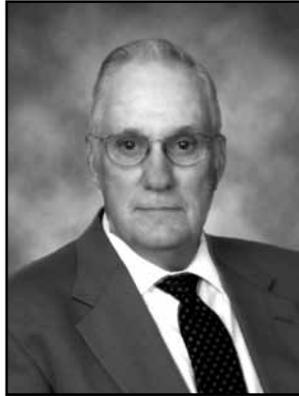
**6:30 p.m. Dinner
7:30 p.m. Annual Meeting
Lane County Fairgrounds
Dighton, KS**



In Memoriam

Larry V. Jasper

*Former Member of
Lane-Scott Board of Trustees*



Larry V Jasper passed away August 19, 2009 at his home in Dighton, Kansas. Larry was a member of the Lane-Scott Electric Cooperative Board of Trustees serving from 1979 to 2009, and serving as President of the board for twenty three years.

Larry was raised on the family farm in Lane County, the son of Ross and Mary Edith Jasper. He graduated from Dighton High School in 1957 and attended Washburn University. On June 13, 1959 Larry married Virginia Heath. Larry was very active in the community serving many years on the USD 482 school board. He was involved in 4-H as a youth and with his children. Larry was a member of the St. Theresa Catholic Church, Knights of Columbus #3210, and the 4th Degree Knights of Columbus. He also served on the Board of Directors for Lane County Feeders.

Larry is survived by his wife, Virginia, and five children. Barbara Jasper of Dighton, Kansas, Brenda Jasper of Wichita, Kansas, David and Kerry Jasper of Turpin, Oklahoma, Mary Cay Avis of Meade, Kansas, and Frank Jasper of Dighton, Kansas, and three grandsons, Skyler Avis, Austin Jasper, and Ross Jasper.

Larry was a dedicated Trustee and family man and will be missed by friends as well as the Lane-Scott Electric family.

This is your

Registration Card

BRING THIS CARD TO THE ANNUAL MEETING

Visit us on the web at www.lanescott.coop

The 7 Co-op Principles

Like cooperatives throughout Kansas and the nation, Lane-Scott Electric Co-operative is special because it is owned by the consumers it serves and because it is guided by a set of seven principles that reflect the best interests of those consumer/owners:

- 1. Voluntary and Open Membership**
- 2. Democratic Member Control**
- 3. Members' Economic Participation**
- 4. Autonomy and Independence**
- 5. Education, Training, and Information**
- 6. Cooperation Among Cooperatives**
- 7. Concern for Community**

Junior Board



Heather Applegarth



Sarah Mulville



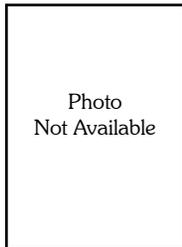
C. J. Shaffer



Catherine Huck



John Clarke



Austin Vieux



Alyssa Scheuerman



Adria Doll

The Junior Board of Trustees is an educational program to encourage youth in our community to learn about cooperatives. This includes field trips and boardroom discussions on the operation and organization of cooperatives in general with emphasis on electrical cooperatives. The Board meets four times a year. Visit our website to learn more – www.lane-scott.com.

The current members of the Junior Board are shown above. Parents of the board members and the counties they represent are:

- Representing Lane and Gove Counties – Heather Applegarth – Brad and Tonya Applegarth;
- Representing Lane and Gove Counties – Sarah Mulville – Tom and Roxie Mulville;
- Representing Lane and Gove Counties – C. J. Shaffer – Darrel and Stephanie Shaffer;
- Representing Scott and Logan Counties – Catherine Huck – Lance and Irene Huck;
- Representing Ness and Rush Counties – John Clarke – Jerry and Jane Clark;
- Representing Finney and Hodgeman Counties – Austin Vieux – Doug and Melody Vieux;
- Representing Scott and Logan Counties – Alyssa Scheuerman – Randy and Cindy Scheuerman;
- Representing Finney and Hodgeman Counties – Adria Doll – Eric and Shelly Doll.

Program

Annual Meeting Agenda

- 6:30 p.m. Dinner catered by Stan Hoss
- 7:30 p.m. Call to Order President Dick Jennison
 - Early Bird Prize Drawing
 - Introduction of Guests
 - Report on Quorum
 - Approval of Minutes of 2009 Annual Meeting
 - Treasurer’s Report
 - 2009 Steamboat Springs Youth Tour Report, Jared Stieben and Chase Rein
 - 2010 Washington D.C. Youth Tour Report, John Clarke and Sarah Mulville
 - Manager’s Report, Earl Steffens
 - Dighton High School ElectroRally Award
 - Guest Speaker – L. Earl Watkins, President and Chief Executive Officer, Sunflower Electric Power Corporation
 - Drawing for Door Prizes
 - Junior Board of Trustees
 - Election of Trustees
 - Unfinished Business
 - New Business

Visit our website at www.lanescott.coop

Report To Members



**Richard Jennison
President**

Message From The President And The General Manager



**Earl N. Steffens
General Manager**

On behalf of the Trustees and employees of Lane-Scott Electric Cooperative and High Line Services, LLC we would like to extend a special invitation for you to attend the 60th annual meeting of your cooperative.

In 2009, Lane-Scott Electric Cooperative, Inc. saw some very good things happen to our cooperative. I am sure you have all noticed the amount of new line that has gone up in all areas of the cooperative. We made great strides in 2009 in completing construction from our 12-30-06 ice storm. We have now completed approximately 350 miles of the 376 miles that need to be repaired or replaced. Lane-Scott has had three construction crews in addition to our own crews working full or part time to get this accomplished. It is our goal to have all the FEMA work completed by September of 2010; if we don't have any large storms come through our territory. This has been a tremendous undertaking for our cooperative, but once completed will give Lane-Scott a greatly improved system. Our 2009-2012 construction work plan includes all the FEMA activity as well as our normal maintenance and construction to keep our system reliable for our members. One area of the construction work plan is improved projects. These projects consist of major tie lines that will help us back feed from one substation to another in case of major outages. These are now in progress and should be completed by September, 2010.

Safety is never taken for granted at Lane-Scott. Our employees have a regular scheduled monthly safety meeting with instruction from the Kansas Electric Cooperatives, Inc. (KEC). This year our employees received a certificate for "No Lost Time Accidents" of 511,699 hours worked without a lost time accident. The safety of our employees and our members is always on our minds as we do the work necessary to keep the lights on for your home and business as well as bringing our employees home safely each night to their families.

The Aquila acquisition took place on April 1, 2007, and we've now had a little over three years of getting to know each other. I feel both the Lane-Scott native system and the new MKEC territory are coming together nicely. The next phase to take place is for MKEC to take the necessary steps to have all the members officially spun down to Lane-Scott from MKEC and Lane-Scott to proceed with a deregulation vote of the MKEC members. It is our goal to have the deregulation process completed by September of 2011 and after that to bring the rates of all Lane-Scott members together. Lane-Scott appreciates the opportunity to visit with each of the city councils in our area during the year, this has proven to be a good method of communication to discuss any issues there might be.

Growth in 2009 was very good at Lane-Scott. We installed 129 new services with the majority of these being oil wells or irrigation, both new and converted from other energy sources to electric. Our linemen and office staff have been extremely busy getting

Youth Tour

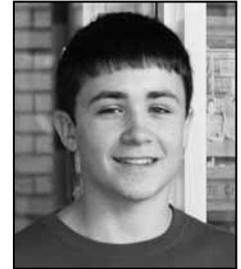
Washington, D.C. Youth Tour



Kyle Grose and Matraca Mann (above) stopped for a Kodak moment during the Youth Tour to Washington, D.C. in June of 2009. John Clarke and Sarah Mulville represented Lane-Scott at this year's 2010 Youth Tour to Washington, D.C.



Sarah Mulville



John Clarke

Cooperative Youth Leadership Camp



Chase Rein and Jared Stieben (above) posed in the Rocky Mountains for a photo during last year's Cooperative Youth Leadership Camp in Steamboat Springs, CO. Morgan Lawrence and Kate Hagans will represent Lane-Scott at this year's 2010 camp.



Kate Hagans



Morgan Lawrence

Guest Speaker

L. Earl Watkins, Jr.

President and Chief Executive Officer
Sunflower Electric Power Corporation



L. Earl Watkins, Jr.

L. Earl Watkins, Jr., was selected to be Sunflower's president and CEO in June 2004. He is the fourth person to hold this position since the cooperative was formed in 1957. For more than twenty-four years, he served as general counsel for Sunflower. This provided him with invaluable experience in a wide range of legal services, including union negotiations and elections, electric and gas utility regulation, utility financing, and human resources administration.

Earl was admitted to practice law in Kansas in 1973 after earning his Juris Doctorate degree from the University of Kansas in 1973. Earl began his civilian career following his four-year service in the United States Air Force Judge Advocate Corps in 1973-1977. He was in private practice from the time he left the Air Force until November 2001 when he became Sunflower's Executive Vice President and General Counsel.

Earl is keenly focused on continuing the development of Sunflower's culture which is based on its 'TRAITS' of trustworthiness, respect and dignity, accountability, integrity, technical competence, and servant leadership.

He believes the consistent application of these values enables Sunflower to always reach the "best answer" in each decision as Sunflower continues to live its mission statement of providing reliable, long-term power supply and transmission services to its Member-Owners.

Earl has been married to his wife, Karen, for 40 years. They have three married daughters and 9 grandchildren.

these new services in place in addition to keeping up with the FEMA activity.

Lane-Scott and the City of Dighton continue to work together on both the operations and maintenance agreements for the city's electrical system and the purchase of wholesale power. This relationship has had many positive benefits for both entities.

Financially Lane-Scott showed a bottom line margin of \$577,950 which produced a TIER (Times Interest Earned Ratio) of 2.16. We need a minimum TIER of 1.25 to meet the financial covenants of our lenders. The margins for the company came from our resale department, city contracts, interest earned, High Line Services, LLC and other patronage capital credits. Our electric side showed a loss of \$327,227. This was due mainly to the cost of power from Sunflower Electric Power Cooperation, our G&T and lower than normal kilowatt sales. This is a great time to emphasize the need for the Holcomb Power Plant in Western Kansas and with the energy bill allowing the air permit for Holcomb, we are on our way to getting this accomplished. Without the base load generation resources of coal, all the solar, wind or other renewables will not help us maintain the low cost of energy in the future.

High Line Services, LLC had a good year financially. High Line Services, LLC has three crews working for Victory Electric in Dodge City and two crews working at Lane-Scott Electric. These are FEMA contracts that will be completed later this year and with that High Line Services, LLC is looking for and bidding work in various areas of the region. The margins for High Line Services, LLC were \$804,222. High Line Services has "No Lost Time Accidents" for 87,000 hours worked without any lost time. High Line Services also added a full time safety coordinator and full time mechanic to help with our fleet of trucks.

Sunflower Electric Power Corporation continues to be a valuable partner for us. Sunflower is where we buy our power from, but it also provides expertise in many areas that benefit Lane-Scott and its members, such as economic development, the Aquila acquisition, youth activities and assistance with anything we need. Sunflower has also been working tirelessly to get the Holcomb Power Plant to become a reality. Lane-Scott and our members appreciate their efforts.

Lane-Scott is committed to the improvement of all the communities we serve. This is done either with volunteer work, monetary donations or just being there to help when we are needed. Community and youth activities are vital to the success of our communities, and we work hard to help out in both areas. In 2002, Lane-Scott Electric started a Junior Board of Trustees. The activities this year included a visit to the Cimarron River Station, which is a gas fired generation facility with a large helium plant next to it. We have two Junior Trustees leaving us this year, Adria Doll representing Hodgeman and Finney Counties and Heather Applegarth of Healy representing Lane and Gove counties. Lane-Scott takes an active role in supporting our young people, as we realize that our youth is our future. Lane-Scott is sponsoring two youth to Washington D.C. and two youth to Steamboat Springs, CO. These trips help our youth learn about how our federal government works in Washington D.C. along with all the history behind it. In Steamboat Springs they learn how the cooperative system operates and its many advantages for its members. Lane-Scott's website www.lanescott.coop is a good way to review what your cooperative is about and we encourage you to look at it and use it for your energy efficiency needs.

In closing, 2009 was an eventful, interesting and challenging year. By our Trustees, quality Lane-Scott employees, Sunflower Electric, KEC (our statewide association), RUS and CFC, Peak Power, our members, and the local communities working together, we met the tests in the past and stand ready to meet all future challenges. Lane-Scott is excited about 2010 and looks forward to working with all of you in the future.

Lane-Scott Employees

<u>EMPLOYEE</u>	<u>JOB TITLE</u>
Earl N. Steffens	General Manager
Dow Morris	Assistant Manager
Kathy Lewis	Manager of Financial Services
Jodi Marsteller.....	Administrative Assistant
Rebecca Campbell	Billing Clerk
Kathy Ballew	Billing Clerk
Carrie Borell.....	Customer Service Representative
Bob Venters	Resale Manager/Member Services
Kalo Mann	Master Electrician
Mark McCulloch	Hvac Technician
Michael Pollock	Apprentice Electrician
Mary Heath.....	Administrative Assistant
Vic Torson	Manager of Electrical Operations
David Howard	Construction Foreman
Nathan Burns.....	Maintenance Foreman
Kasey Jenkinson	Crew Chief
Ben Mann	Crew Chief
Henry Morrow	Journeyman Lineman
Dal Hawkinson	Journeyman Lineman
Chad Rupp	Journeyman Lineman
Larry Kraft	Journeyman Lineman
Myron Seib	Journeyman Lineman
Chris Terhune.....	Apprentice Lineman
Mark Lewis	Apprentice Lineman
Deanne Shull.....	Warehouse Clerk
Kevin Bradstreet	Meter Reader
Erik Steffens	Summer Help
Bob Kennemer	Part Time-Maintenance Engineer
Kayla Chavarria	Part Time-Custodian
Brittany Burns	Part Time-Custodian

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by drawing. The winners were: Ronald Conner, Robert Dague, Tracey Hagans, Max Oyler, Marvin Knopp, Anthony Ivey, Charles Harmison, Terry Harrold, Guy Reed, Roger Yost, Eunice Blakely, Brian Brooks, David Scott, Schwartz Family Farms, Joyce Shull, Dennis Williams, Ted Wancura, Edwin Habiger, Howard Richards, Calvin Ehmke, Mark Flax, Kenneth York, Omah Penka, Kenneth Schlegel, Lane Copeland, Bonnie Donecker, Beaton Farms, Inc., JLD Farms, Dorothy Herman, Ellen Burns and Neil McWhirter.

**Visit Lane-Scott's
New & Improved
Website at:
www.lanescott.coop**

- Pay Your Monthly Bill online.
- Check Our Many Energy Saving Features
- Try Our Online Energy Calculators
- Learn about Our Youth Programs
- Read Our Monthly Newsletters
- See Our Special Section Called "Kids Corner"



**Energy conservation is everyone's responsibility,
contact Lane-Scott Electric
for ways to conserve your energy needs.**

(continued from page 11)

- o approximately 285 miles of line have been rebuilt to date;
- o the goal is to have the project completed by July, 2010;
- High Lines Services, a construction subsidiary, was formed in October 2002, has experienced its third consecutive profitable year and brings economic development to the area;
- The next step in the Aquila acquisition is to spin down the assets and to combine the two systems;
- There were 179 new services added in 2008 with the largest growth in the oil load;
- Lane-Scott is fortunate to have relatively low cost coal energy from Sunflower to provide base load energy service; and,
- Lane-Scott received safety accreditation with 452,169 hours without a lost-time accident.

President Jasper then called for additional registrations. There were no additional registrations.

Manager Steffens introduced the guest speaker, Earl Watkins of Sunflower Electric and asked him to speak. Earl Watkins reminded Lane-Scott members that as members they also own an interest in Sunflower Electric Power Corporation assets that include coal generating capacity of 173 MW at Jeffrey Energy Center which is 8% of its capacity and 362 MW at Holcomb, gas generating capacity of 600 MW, 50 MW of wind energy in Gray County plus 50 MW at Smoky Hills Wind Farm, with 25 MW to be added this year. The contract for power from Jeffrey Energy Center continues through 2019. Sunflower has 2,400 miles of high voltage lines. The goal is to continue to have coal as base load generation supplemented by wind with the ability to peak with natural gas generation. The Sunflower and MKEC load and revenues are similar to the previous year.

Forty percent of Sunflower's costs are from the purchase of fuel. MKEC rates are likely to increase after the first of the year.

The Holcomb expansion is looking positive as an agreement has been reached with Governor Parkinson. Hopefully construction may begin within 18 months to two years. Sunflower is working on transmission expansion from Spearville to Nebraska which would open up Western Kansas to export wind generation.

Manager Steffens recognized Junior Board of Trustees member Shane McNair.

Attorney Gasper presided over the election of trustees. The members of the nominating committee met and submitted names of three individuals as nominees for three trustee positions: Richard Jennison, representing Lane County and Gove County; Craig Ramsey, representing Scott County and Logan County; and, Harold Hoss, representing Rush County and Ness County. President Jasper called for additional nominations from the floor. There were no additional nominations. On motion duly made, seconded and carried the nominations ceased and a unanimous ballot was cast for the named nominees.

President Jasper called for unfinished business. There was no unfinished business. President Jasper called for new business. There was no new business.

There being no new business, President Jasper called for a motion to adjourn. By motion duly made, seconded and carried the meeting was adjourned at 8:26 o'clock p.m. on July 14, 2009.

At various times during the meeting, attendance prizes were given away to members

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Nominating Committee Report

Report of Nominating Committee

The Lane-Scott Electric Cooperative, Inc.

June 14, 2010

A meeting of the Nominating Committee was held on Monday, June 14, 2010, commencing at 6:30 p.m. in the offices of the cooperative at 410 South High Street, Dighton, Kansas. Members of the Nominating Committee present were Alan James, Joe Cramer, and Robert Scheib representing Lane and Gove Counties; Randy Scheuerman and John Beaton representing Scott and Logan Counties; Kenneth Schlegel and Lane Copeland representing Rush and Ness Counties; and Marvin Bohling and Grover Whipple representing Finney and Hodgeman Counties. Also attending were Joseph Gasper, Attorney, and Earl Steffens, General Manager.

By vote the Committee nominated the following individuals:

Rad Roehl for the position of Trustee representing Lane and Gove Counties

Bruce Wilkens for the position of Trustee representing Scott and Logan Counties.

Eric Doll for the position of Trustee representing Finney and Hogeman Counties.

Lane-Scott Electric Cooperative

Has Electricians as well as Heating and Air Conditioning personnel on staff for all of your residential, agricultural and commercial needs. We give free estimates on all jobs. If we can assist you in any way with your needs call 620-397-5327 or 800-407-2217 or stop by our office at 410 South High for any questions or needs that you might have.

Members' Financial Report

Statement of Operations

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Operating Revenue	\$9,393,434	\$11,812,653	\$11,369,139
Wholesale Cost of Power	\$6,048,804	\$8,015,571	\$7,342,998
System Operations & Maintenance Exp.	\$896,403	\$1,255,125	\$1,194,880
Consumer Billing & Service Expense	\$396,578	\$440,294	\$497,120
Administrative & General Expense	\$822,834	\$966,476	\$1,038,804
Total Operations & Maint. Exp.	\$8,164,619	\$10,677,466	\$10,073,802
Depreciation Expense	\$558,790	\$772,422	\$794,970
Interest on Long Term Debt	\$624,982	\$710,885	\$819,916
Other Deductions	\$13,873	\$14,459	\$7,678
Total Cost of Electric Service	\$9,362,264	\$12,175,232	\$11,696,366
Operating Margins	\$31,170	(\$362,579)	(\$327,227)
Non-Operating Margins Interest	\$33,772	\$17,977	\$14,740
Income From Equity Investments	\$595,535	\$622,934	\$804,222
Margins Other	\$92,387	\$105,371	\$39,401
Other Capital Credits & Dividends	\$46,414	\$55,842	\$46,814
Patronage Capital Or Margins	\$799,278	\$439,545	\$577,950

Property Taxes Paid By County

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Finney	\$13,053	\$13,231	\$12,889	\$13,878
Gove	\$5,844	\$6,507	\$7,342	\$7,051
Hodgeman	\$16,918	\$19,807	\$21,380	\$19,478
Lane	\$135,470	\$134,485	\$146,157	\$140,768
Logan	\$568	\$598	\$515	\$571
Ness	\$51,764	\$58,857	\$144,623	\$151,879
Scott	\$36,873	\$37,534	\$40,308	\$37,980
Rush	--	--	\$13,726	\$13,352
TOTALS	\$260,489	\$271,019	\$386,941	\$384,957

Minutes of 2009 Annual Meeting

The Lane-Scott Electric Cooperative, Inc.

The year 2009 annual meeting of the members of Lane-Scott Electric Cooperative, Inc. was held on Tuesday, July 14, 2009, at the Lane County Fair Grounds in Dighton, Lane County, Kansas. The meeting commenced at 7:30 o'clock p.m., pursuant to notice mailed to all members in accordance with the bylaws of the cooperative.

The meeting was called to order by President Larry Jasper. President Jasper welcomed those in attendance and introduced guests including: Alan Westfall and Jim Barnett of Stanion Electric; Larry Powell, Kansas Representative Dist. 117; Don Hineman, Kansas Representative Dist. 118; Sunflower Electric Power Corporation was represented by Earl Watkins, CEO, Clare Gustin, Cindy Hertle and Abby McGreevy; Jim Cornett of Garden City Wholesale and Stuart Lowry of KEC.

President Jasper next introduced the members of the Board of Trustees, the manager and legal counsel.

Secretary Seib certified notice of the annual meeting was mailed to members at each members address as it appears on the records of the cooperative and reported 153 members were in attendance, constituting a quorum.

President Jasper referred the members to the printed minutes of the 2008 Annual Meeting appearing in the notice of the annual meeting. On motion duly made, seconded and carried, the reading of the minutes of the 2008 Annual Meeting was waived and the minutes were approved as printed.

President Jasper next referred the members to the Treasurer's Report appearing in the notice of the annual meeting. On motion duly made, seconded and carried, the reading of the Treasurer's Report was waived and the report appearing in the notice of the annual meeting was approved as printed.

President Jasper next called for the employees of the cooperative to stand and be recognized. President Jasper introduced the new employees: Mark Lewis, Michael Cox, Kathy Ballew and Marcus Goebel. President Jasper commemorated Nate Burns and Kalo Mann with a watch for fifteen years of employment with Lane-Scott.

Matraca Mann and Kyle Grose presented reports about their Steamboat Springs Youth Tour in 2008. Matraca Mann and Kyle Grose presented reports about their Washington DC Youth Tour in 2008.

Manager, Earl Steffens, presented his report, emphasizing:

- Lane-Scott is owned by and benefits its members;
- Employees work to serve the members, with the goal to provide service to the customer at the end of the line as good as the first customer;
- Competitive electric rates, the Country Living Magazine, the Youth Member Board, Youth Scholarships and sponsored youth programs including the electric car competition, 4-H and FFA, plus economic development opportunities including loans for a fire truck to the City of Dighton and Hometown Grocery in Healy;
- Annual challenges included:
 - o work continues on the rebuilding of the line damaged by the ice storm;

(continued on page 12)

Board Candidates

■ **Rad Roehl** was appointed to the Lane-Scott board of Trustees in October of 2009 to fill the position of the late Larry Jasper. He represents Lane and Gove counties.

Roehl is a graduate of Dighton High School and Kansas State University with a Bachelor of Science Degree in agriculture. He and his wife Kathryn are lifelong residents of Lane County and have three grown sons. They farm in the surrounding area.

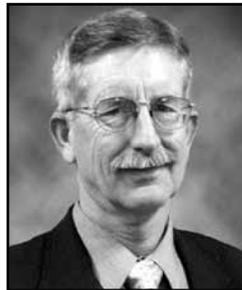


Rad Roehl

■ **Bruce Wilkens** is the incumbent director serving Scott and Logan Counties.

He is a life long resident of Scott County. He and his wife, Jonny Bill, have three grown children, Carrie, Tamara, and Courtney. The Wilkens have a dryland and irrigated farming operation in Scott County where they raise wheat, milo, and corn.

Wilkens has been a member of the Lane-Scott Board since November 1982. He is currently a member of Scott County Pheasants Forever and attends the Scott City United Methodist Church. He has also served as a board member for both Scott Co-op Association and Kansas Wheat Commission.



Bruce Wilkens

■ **Eric Doll** is the incumbent director serving Finney and Hodgeman counties.

Doll is a life long resident of Finney County. He is a graduate of Garden City High School and Fort Hays State University. He and his wife, Shelly, have three children.

He has been a member of the Lane-Scott Board of Trustees since 1995. He is the owner/operator of Doll Land & Cattle, Inc.

Doll is a former director for the Kansas Cattle-men's Association, and he has previously served as a member of the Finney County Farm Bureau board.



Eric Doll

Members' Financial Report

Balance Sheet

	<u>2007</u>	<u>2008</u>	<u>2009</u>
ASSETS			
Total Cost of Our System	\$29,698,101	\$30,361,485	\$32,789,053
Less: Depreciation	(\$11,747,307)	(\$12,272,610)	(\$12,264,322)
NET VALUE OF OUR PLANT	\$17,950,794	\$18,088,875	\$20,524,731
Cash & Temporary Investments	\$276,832	\$548,898	\$412,092
Investments in Associated Organizations	\$1,619,985	\$1,835,863	\$2,653,600
Owed to Us for Electricity & Misc. Service	\$2,613,838	\$3,296,389	\$3,393,947
Expenses Paid in Advance	\$72,019	(7,954)	\$0
Value of Materials on Hand	\$978,692	\$1,197,127	\$933,320
Misc. Deferred Debits	\$277,869	\$331,477	\$304,330
TOTAL ASSETS	\$23,790,029	\$25,290,675	\$28,222,020
LIABILITIES			
Long-Term Loans Owed to REA & CFC	\$9,458,263	\$9,992,870	\$10,767,771
Notes Payable	\$5,333,414	\$7,408,913	\$8,694,694
What We Owe for Insur., Taxes, Supplies, etc.	\$648,879	\$918,088	\$1,242,343
Consumer Deposits	\$106,702	\$127,307	\$118,727
Other Current & Accrued Liabilities	\$362,874	\$358,636	\$357,999
Misc. Deferred Credits	\$1,792,166	\$0	\$0
TOTAL LIABILITIES	\$17,702,298	\$18,805,814	\$21,181,534
NET WORTH			
Patronage Capital Credits	\$5,149,437	\$6,065,591	\$6,805,054
Other Equities	\$938,294	\$419,270	\$235,432
TOTAL VALUE OF OUR EQUITY	\$6,087,731	\$6,484,861	\$7,104,486
TOTAL LIABILITIES & EQUITY	\$23,790,029	\$25,290,675	\$28,222,020
OUR SYSTEM EQUITY	25.6%	25.6%	24.9%
T.I.E.R. (REA Minimum = 1.50)	2.77	1.93	2.16
% OF DEPRECIATED PLANT IN SERVICE	39.6%	\$40.4%	37.4%

Your Neighbors Serving as Your Cooperative's Trustees



Ed Gough
Trustee
Lane & Gove Counties



Dick Jennison
President
Lane & Gove Counties



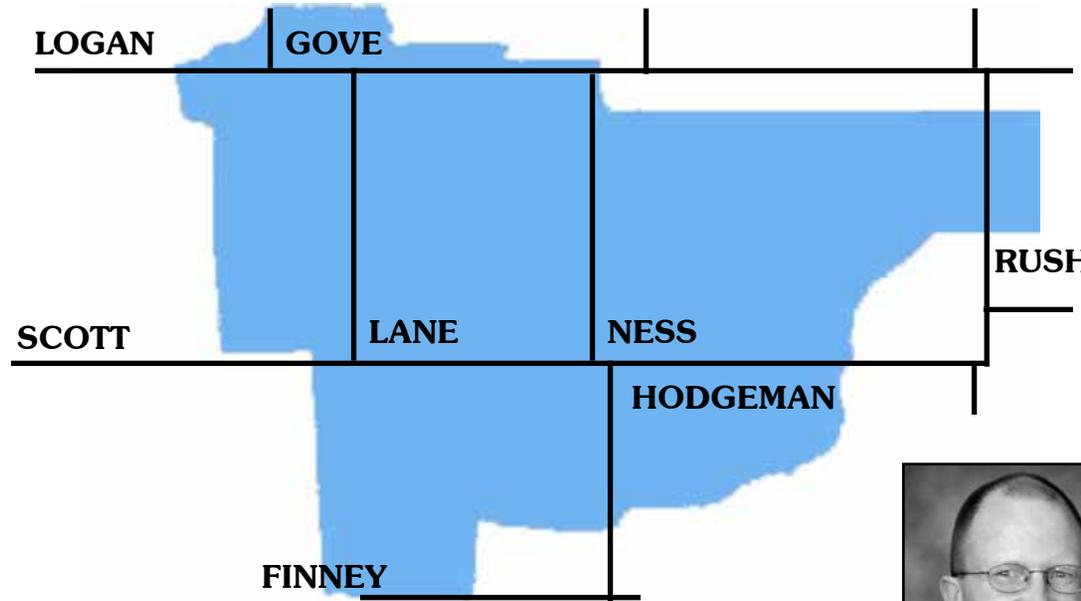
Bruce Wilkens
Trustee
Scott & Logan Counties



Rad Roehl
Trustee
Lane & Gove Counties



Craig Ramsey
Vice President
Scott & Logan Counties



Paul Seib, Jr.
Secretary
Rush & Ness Counties

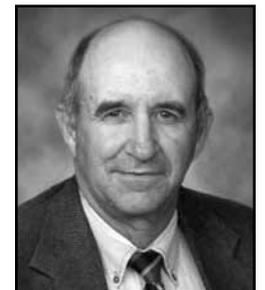


Eric Doll
Treasurer
Finney & Hodgeman Counties

Lane-Scott provides electrical power to more than 6,200 services in the Western Kansas Counties of Lane, Scott, Gove, Ness, Finney, Logan, Hodgeman and Rush.



Dick Sorem
Trustee
Finney & Hodgeman Counties



Harold Hoss
Trustee
Rush & Ness Counties