



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been scheduled for December 6, 2021, at 7:00 p.m.

Proposed Agenda:

1. Call to Order
2. Reading and Approval of Minutes
3. Presentation of Check Register
4. Presidents Report
5. Attorneys Report
6. Sunflower EPC Report
7. KEC Report
8. General Managers Report
9. Old Business
10. New Business
  - a. KEC Annual Meeting attendees
  - b. Rate implementation Schedule
  - c. Christmas Bonus
  - d. 2022 LSEC Calendar
  - e. Capital Credit Special Retirement
11. Safety Report
12. Executive Session
13. Adjourn

Upcoming Events:

LSEC Board Meeting	Dighton	December 6
Sunflower Board meeting	Kansas City, MO	December 9-10 (Virtual)
LSEC Christmas Party	St. Theresa, Dighton	December 18
LSEC Board Meeting	Dighton	January 10
KEC Annual Meeting	Topeka, KS	January 22-24

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**MINUTES OF THE REGULAR NOVEMBER 2021  
MEETING OF THE BOARD OF TRUSTEES  
OF THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.**

**CALL TO ORDER**

A regular meeting of the Board of Trustees of the Lane-Scott Electric Cooperative, Inc., was held on Monday, November 1, 2021, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 6:59 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Rad Roehl, Harold Hoss, Randy Evans, Eric Doll, Richard Sorem, Chad Griffith, Paul Seib Jr. and Craig Ramsey. Also present were Richard McLeon IV, Justin Proctor of Guernsey, and Joseph Gasper, Attorney.

**COST OF SERVICE STUDY**

Justin Proctor with Guernsey presented the Cost-of-Service Study to the board. Highlights of his presentation are as follows:

- A primary consideration of a COSS is that it be defensible, so the COSS was prepared to meet state regulatory requirements, have reproducible results and under the same process as if LSEC was under KCC regulation.
- The board must balance the needs of the members of the coop.
- The COSS analyzes if a rate increase is needed, how each class is performing, how to recover the costs from classes, and rate design.
- The test year was the twelve-month period ending December 31, 2020. Due to Covid and the winter storm, adjustments were made to account for these events.
- The test year showed about \$16 million in operating revenue and an operating deficiency of \$127,000. Net margins after adjustments were \$351,000.
- The key drivers are operating expenses, plant additions, meeting of lender requirements, maintaining of cash reserves and payment of capital credits.
- The analysis shows that an increase of revenue of \$1,050,000 would be required which would result in an OTIER of 1.59, TIER of 2.06 and 1.55 DSC.
- The second step is to define the revenue class requirements and allocate facilities to each rate class.
- The rate classes are analyzed based on their performance and expenses. A cost allocation summary was reviewed showing the cost allocations among the classes and their rates of return.

- The third step is to determine the individual revenue requirement per class.
- A review of the existing rates of return as compared to the proposed rates of return was presented. A review of the proposed rates by class was presented.
- A question was raised on the certainty of using 2020 as a base year due to COVID. Justin answered that he was confident in the adjustments to account for these issues.

## **MINUTES OF PRIOR MEETING**

President Jennison called for action on the minutes of the prior meeting held on October 4, 2021. *Hearing no corrections to the minutes, President Jennison declared the minutes stand approved as printed.*

## **CASH DISBURSEMENTS**

President Jennison called for questions regarding the check list for the month.

There were no questions regarding the checks.

## **PRESIDENT'S REPORT**

President Jennison had no current items to report.

## **ATTORNEY'S REPORT**

Attorney Gasper had no current items to report.

## **REPORT OF SUNFLOWER DELEGATE**

A copy of the Sunflower report was included in the board packet and emailed to the trustees.

Trustee Seib had no additions to the report.

## **KEC REPORT**

Trustee Hoss reported the KEC meeting was held October 12 & 13.

Ark Valley is leaving KEC in part because of their concern over the safety program and the cost. The other members feel the safety program is in good shape.

## **MANAGER'S REPORT**

Manager McLeon commented on the following matters:

- The credit card statements were presented to the Trustees for review.
- The City of Dighton has had three special meetings with Sunflower regarding the special rate. Sunflower has agreed to a 10-year offering to begin in December 2024 but with the lower rate to begin after the signing of the agreement. The decision on the rate has not been approved by the Council.
- Cash reserves are at \$6.8 million.

## **RECEIPT OF MANAGER'S REPORT**

*The board received the Manager's report as indicated herein, and there were no follow-up questions.*

## **SAFETY REPORT**

A safety report was included in the board packet.

## **OLD BUSINESS**

There was no old business before the board.

## **NEW BUSINESS**

1. Rate Implementation Schedule
  - The board discussed the timing of a rate implementation schedule with public meetings and having the rate implemented for the March 2022 billing period.
  - The board accepted the revenue requirement of an increase of \$1,050,000 and discussed the rate structure.
  - The board discussed the increase of customer charges on the various classes.
  - The board directed Justin Proctor to prepare the rate structure with the customer charges as discussed.

## 2. 2022 Budget

- Manager McLeon discussed the proposed 2022 Budget.
- The budget was prepared assuming the COSS increased revenue in the rate.
- The focus is on the work plan and maintenance of the system.
- The capital budget totals \$571,388 with the Construction work plan budget of \$1,973,437. The proposed budget meets the financial covenants.
- This Budget reduces Cash by \$2,544,825 to \$4,256,959 which is well above our General Funds required balance of \$2,400,000.
- Inflation is unknown and is a concern over the next year.
- The capital budget items are subject to cash flow and must be approved by the General Manager prior to purchase.
- The donation budget totals \$6,085.
- Net cash after the plant additions is estimated at \$4,195,861.
- *A motion to approve the 2022 LSEC Budget as presented to the board was made, duly seconded, and carried.*

## EXECUTIVE SESSION

*A motion to enter executive session was made, duly seconded, and carried at 9:50 p.m. The board came out of executive session at 10:0 p.m.*

## ADJOURNMENT

*A motion to adjourn the meeting was made, seconded and carried at 10:00 p.m., on Monday, November 1, 2021.*

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# Accounts Payable Check Register

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2556 10/06/2021	WIRE	62	NRECA GROUP BENEFITS TRUST	NRECA Gr1 - Oct Group Ins	2,490.11
2557 10/06/2021	WIRE	180	NRECA	NRECA Grp 1 Adm Fee-Oct Grp Ins Adm Fee	206.96
2539 10/07/2021	WIRE	168	ONLINE INFORMATION SERVICES, INC	Utility Exchange Report	85.54
2541 10/07/2021	WIRE	1267	AFLAC	Monthly Premiums	465.84
2555 10/07/2021	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RS- Group Ins	44,594.10
2540 10/08/2021	WIRE	468	U.S. BANK	Monthly Credit Card Statement	10,165.75
2553 10/08/2021	WIRE	265	HASLER - POSTAGE ACH	Postage	250.00
47584 10/11/2021	CHK	1	HEALY PUBLIC SCHOOLS	Yearbook Ad	125.00
47585 10/11/2021	CHK	15	ERIC DOLL	Oct Board Meeting	389.20
47586 10/11/2021	CHK	20	BASIN ELECTRIC POWER COOP	September Dispatch Fees	2,129.75
47587 10/11/2021	CHK	30	HAROLD HOSS	Oct Board Meeting	383.60
47588 10/11/2021	CHK	40	KANSAS ELECTRIC COOPERATIVES	Hotline School-Dellon and Blake	1,010.00
47589 10/11/2021	CHK	45	BUMPER TO BUMPER OF DIGHTON	Monthly Invoice	689.25
47590 10/11/2021	CHK	55	NESS COUNTY NEWS	Advertising	151.50
47591 10/11/2021	CHK	60	PAUL SEIB JR	Oct Board Meeting	386.96
47592 10/11/2021	CHK	63	RICHARD JENNISON	Oct Board Meeting	364.56
47593 10/11/2021	CHK	96	STEPHENS LUMBER - DIGHTON	Monthly Invoice	117.85
47594 10/11/2021	CHK	104	HOME OIL CO	Monthly Fuel Invoice	830.20
47595 10/11/2021	CHK	105	CITY OF NESS CITY	Sep Pay Station and Postage	617.48
47596 10/11/2021	CHK	117	NESS CITY FARM & FEED	Monthly Invoice	22.61
47597 10/11/2021	CHK	146	REBECCA CAMPBELL	Clothing Allowance	111.67
47598 10/11/2021	CHK	150	CHRIS TERHUNE	Meal for Federated walk thru	28.02
47599 10/11/2021	CHK	151	KNIGHTS OF COLUMBUS	Donation	100.00
47600 10/11/2021	CHK	164	FAIRBANK EQUIPMENT INC.	Monthly Invoice	636.91
47601 10/11/2021	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance-Kasey Jenkinson	1,420.25
47602 10/11/2021	CHK	179	RAD ROEHL	Oct Board Meeting	360.08

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
47603 10/11/2021	CHK	187	S&W SUPPLY DIVISION	Monthly Invoice	100.13
47604 10/11/2021	CHK	220	LANDIS+GYR TECHNOLOGY, INC	SaaS Monthly Fee-September	802.33
47605 10/11/2021	CHK	238	ILLINOIS MUTUAL	Premiums	153.20
47606 10/11/2021	CHK	278	GLOBAL EQUIPMENT COMPANY INC	Digital Crane Scale	519.66
47607 10/11/2021	CHK	279	IT1 SOURCE LLC	Iphone accessories-Lineman, GM and Retai	5,901.99
47608 10/11/2021	CHK	304	STECKLINE COMMUNICATIONS INC	Advertising	200.00
47609 10/11/2021	CHK	366	DIANA KUHLMAN	Per Diem-Acct Assoc Mtg in Topeka	147.50
47610 10/11/2021	CHK	380	GRAINGER	Monthly Invoice	45.12
47611 10/11/2021	CHK	387	WESTERN FUEL & SUPPLY	Monthly Fuel Invoice	160.65
47612 10/11/2021	CHK	427	DIGHTON HERALD LLC	Advertising	420.00
47613 10/11/2021	CHK	429	IT1 CONSULTING LLC	Software	223.07
47614 10/11/2021	CHK	445	ROADRUNNER AUTOGLASS & WINDSH	Winshield and repair #136, 144 & 173	761.28
47615 10/11/2021	CHK	450	RANDALL G EVANS	Oct Board Meeting	350.56
47616 10/11/2021	CHK	473	SCOTT BRIAND	Scott Briand-Clothing Allowance	96.73
47617 10/11/2021	CHK	715	KATHERINE E LEWIS	Per Diem-Acct Assoc Mtg in Topeka	147.50
47618 10/11/2021	CHK	903	NISC	Monthly Invoice	9,770.06
47619 10/11/2021	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Locate Fee	112.80
47620 10/11/2021	CHK	1169	WASHER SPECIALTIES CO.	Monthly Invoice	781.78
47621 10/11/2021	CHK	1172	WESTERN SUPPLY COMPANY	Monthly Invoice	553.01
47622 10/11/2021	CHK	1248	COMPLIANCE ONE	Drug and Alcohol Testing	353.50
47623 10/11/2021	CHK	1263	RICHARD SOREM	Oct Board Meeting	398.16
47624 10/11/2021	CHK	1293	DAL HAWKINSON	Clothing Allowance-Dal Hawkinson	148.52
47625 10/11/2021	CHK	1300	CRAIG RAMSEY	Oct Board Meeting	378.00
47626 10/11/2021	CHK	1303	LANE COUNTY IMPLEMENT, INC	Monthly Invoice	426.41
2542 10/12/2021	WIRE	18	CITY OF DIGHTON	Monthly Invoice	2,366.08
2543 10/12/2021	WIRE	124	GOLDEN BELT TELEPHONE	Monthly Invoice	190.00



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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2544 10/13/2021	WIRE	1160	S&T TELEPHONE COOP ASSN.	Monthly Invoice	830.47
2545 10/15/2021	WIRE	59	NRECA	2nd & 3rd 401k Pension Plan Expense	2,697.00
47627 10/18/2021	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	54,500.00
47628 10/18/2021	CHK	37	JETMORE REPUBLICAN	Care Pkg Advertising	32.00
47629 10/18/2021	CHK	40	KANSAS ELECTRIC COOPERATIVES	Monthly Invoice-Dues	6,695.11
47630 10/18/2021	CHK	105	CITY OF NESS CITY	Monthly Invoice	30.78
47631 10/18/2021	CHK	169	AMERICAN ELECTRIC-GARDEN CITY	Monthly Invoice	7,964.67
47632 10/18/2021	CHK	279	IT1 SOURCE LLC	Monthly Invoice-Software	2,147.51
47633 10/18/2021	CHK	361	ANN M JENNINGS	Per Diem-KMSDA Mtg	160.00VOID
47634 10/18/2021	CHK	406	RICHARD MCLEON	Mileage for KEC Mtg in Wichita	268.49
47635 10/18/2021	CHK	715	KATHERINE E LEWIS	Acct Assoc Meeting Expense	370.72
47636 10/18/2021	CHK	745	GOVE COUNTY ADVOCATE	Advertising	92.50
47637 10/18/2021	CHK	803	ALTEC INDUSTRIES, INC	Part for Truck #112	332.23
47638 10/18/2021	CHK	903	NISC	Monthly Invoice	2,029.95
2547 10/19/2021	WIRE	1229	SCHABEN SANITATION	Monthly Invoice	491.43
47639 10/19/2021	CHK	5	JOHN D DAUBERT	Cap. Cr. Estate Retirement	106.73
47640 10/19/2021	CHK	5	MARY ANN PAVLU	Cap. Cr. Estate Retirement	47.71
47641 10/19/2021	CHK	5	ROBERT BRACKNEY	Cap. Cr. Estate Retirement	66.45
47642 10/19/2021	CHK	5	LESLIE DIEMER	Cap. Cr. Estate Retirement	462.34
47643 10/19/2021	CHK	5	ILA FRITZLER	Cap. Cr. Estate Retirement	1,817.15
47644 10/19/2021	CHK	5	ESTATE OF JONATHAN FRANCIS FLAX	Cap. Cr. Estate Retirement	516.39
47645 10/19/2021	CHK	5	RICK D GROSE	Cap. Cr. Estate Retirement	121.04
47646 10/19/2021	CHK	5	ELLEN BURNS	Cap. Cr. Estate Retirement	70.60
47647 10/19/2021	CHK	5	LORA HOUK	Cap. Cr. Estate Retirement	66.45
47648 10/19/2021	CHK	5	LARRY HOGSETT	Cap. Cr. Estate Retirement	145.97
47649 10/19/2021	CHK	5	CHRISTINE HEALZER	Cap. Cr. Estate Retirement	124.95

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
47650 10/19/2021	CHK	5	VICKI HERRMAN	Cap. Cr. Estate Retirement	124.95
47651 10/19/2021	CHK	5	VON JOHNSTON	Cap. Cr. Estate Retirement	795.44
47652 10/19/2021	CHK	5	JAMES JOHNSTON	Cap. Cr. Estate Retirement	795.45
47653 10/19/2021	CHK	5	VON JOHNSTON	Cap. Cr. Estate Retirement	586.26
47654 10/19/2021	CHK	5	JAMES JOHNSTON	Cap. Cr. Estate Retirement	586.26
47655 10/19/2021	CHK	5	LARRY KRAFT	Cap. Cr. Estate Retirement	366.12
47656 10/19/2021	CHK	5	ELIZABETH KNOLL	Cap. Cr. Estate Retirement	124.95
47657 10/19/2021	CHK	5	RHONDA LARANCE	Cap. Cr. Estate Retirement	66.43
47658 10/19/2021	CHK	5	DENISE CORSAIR	Cap. Cr. Estate Retirement	302.14
47659 10/19/2021	CHK	5	MARILYN MISNER	Cap. Cr. Estate Retirement	145.97
47660 10/19/2021	CHK	5	DAN MOOMAW	Cap. Cr. Estate Retirement	586.33
47661 10/19/2021	CHK	5	MITCH MOOMAW	Cap. Cr. Estate Retirement	586.29
47662 10/19/2021	CHK	5	MICHAEL MUNSCH	Cap. Cr. Estate Retirement	124.95
47663 10/19/2021	CHK	5	CLINTON W STIAWALT	Cap. Cr. Estate Retirement	513.26
47664 10/19/2021	CHK	5	FLOYD E SCHUCKMAN	Cap. Cr. Estate Retirement	540.57VOID
47665 10/19/2021	CHK	5	CHARLOTTE J SEHL	Cap. Cr. Estate Retirement	2,229.62
47666 10/19/2021	CHK	5	IND. OF TRUST OF L JOANNE STENZEL	Cap. Cr. Estate Retirement	452.30
47667 10/19/2021	CHK	5	PAMELA STUM	Cap. Cr. Estate Retirement	66.45
47668 10/19/2021	CHK	5	KIM R SHAW	Cap. Cr. Estate Retirement	121.04
47669 10/19/2021	CHK	5	KRISTI L SUPPES	Cap. Cr. Estate Retirement	121.06
47670 10/19/2021	CHK	5	CAROLYN SCHLUCK	Cap. Cr. Estate Retirement	145.95
47671 10/19/2021	CHK	5	ELSIE BETH SPEER	Cap. Cr. Estate Retirement	586.28
47672 10/19/2021	CHK	5	DAVE TILLITSON	Cap. Cr. Estate Retirement	70.60
47673 10/19/2021	CHK	5	JOHN TILLITSON	Cap. Cr. Estate Retirement	70.60
47674 10/19/2021	CHK	5	LARRY TILLITSON	Cap. Cr. Estate Retirement	70.60
47675 10/19/2021	CHK	5	ROBERT TILLITSON	Cap. Cr. Estate Retirement	70.60

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
47676 10/19/2021	CHK	5	CELIA WELLS	Cap. Cr. Estate Retirement	586.33
47677 10/19/2021	CHK	9999	KANSAS DCF	INACTIVE REFUND	468.86
2546 10/20/2021	WIRE	274	VERIZON WIRELESS	Monthly Invoice	700.88
2554 10/20/2021	WIRE	265	HASLER - POSTAGE ACH	Postage	250.00
2551 10/25/2021	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales Tax	21,489.59
2552 10/25/2021	WIRE	264	KS DEPT OF REVENUE - USE TAX	Use Tax	18.49
2549 10/26/2021	WIRE	101	ATMOS ENERGY	Monthly Invoice	50.10
47678 10/26/2021	CHK	1	SACRED HEART SCHOOL	Mike Pavlu Memorial	50.00
47679 10/26/2021	CHK	1	THE RUSH COUNTY NEWS	Advertising	31.50
47680 10/26/2021	CHK	40	KANSAS ELECTRIC COOPERATIVES	Monthly Invoice	2,319.00
47681 10/26/2021	CHK	105	CITY OF NESS CITY	Franchise Fee	6,667.69
47682 10/26/2021	CHK	107	CINTAS CORPORATION #449	Monthly Invoice	93.83
47683 10/26/2021	CHK	135	CITY OF BAZINE	Franchise Fee	1,821.63
47684 10/26/2021	CHK	160	SHULL OIL COMPANY	Monthly Fuel Invoice	6,835.01
47685 10/26/2021	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance-Mark & Leighton	2,289.40
47686 10/26/2021	CHK	191	COOPER POWER SYSTEMS LLC	2-3 Phase Reclosers	78,753.64
47687 10/26/2021	CHK	224	CARTMILL ENTERPRISES	North Lot Construction	41,760.00
47688 10/26/2021	CHK	225	KANSAS STATE TREASURER	2019, 2020 & 2021 unclaimed property	421.70
47689 10/26/2021	CHK	226	KANSAS CORPORATION COMMISSION	Qtrly Assesment	225.22
47690 10/26/2021	CHK	361	ANN M JENNINGS	Halloween Supplies-Trunk or Treat	96.46
47691 10/26/2021	CHK	406	RICHARD MCLEON	Mileage for Sunflower Mtg	147.11
47692 10/26/2021	CHK	429	IT1 CONSULTING LLC	Software	234.46
47693 10/26/2021	CHK	472	C.H. GUERSNEY & COMPANY	COSS	12,283.75
47694 10/26/2021	CHK	494	UTILITY ASSET MANAGEMENT INC.	Pole Testing	3,933.00
47695 10/26/2021	CHK	501	HRDL, INC.	Software 10/8/21-10/7/22	2,388.00
47696 10/26/2021	CHK	1192	LANE COUNTY HEALTH DEPT	Hearing Tests	180.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
47697 10/26/2021	CHK	1225	CINTAS CORPORATION	Monthly Invoice-Ness City	87.78
47698 10/26/2021	CHK	9999	LAURIE BIEKER	INACTIVE REFUND	77.95
47699 10/26/2021	CHK	9999	ZIMMER TIRE & AUTOMOTIVE	INACTIVE REFUND	124.22
2550 10/27/2021	WIRE	1290	WEX BANK	Monthly Fuel Invoice	251.42
2548 10/29/2021	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly Invoice	116.10
47700 10/29/2021	CHK	5	JANET FAROH	Cap Cr Estate Retirement corr	180.19
47701 10/29/2021	CHK	5	PAM MCCOY	Cap Cr Estate Retirement corr	180.19
47702 10/29/2021	CHK	5	WAYNE SCHUCKMAN	Cap Cr Estate Retirement corr	180.19
47703 10/31/2021	CHK	1	VICTORY ELECTRIC COOPERATIVE AS	Scott City Dairy Transformer change out	17,198.51
47704 10/31/2021	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Pyroll Transfer	50,500.00
47705 10/31/2021	CHK	73	STANION WHOLESALE ELEC CO INC	Monthly Invoice	98,193.27
47706 10/31/2021	CHK	79	POSTMASTER	Postage for Newsletters	99.43
47707 10/31/2021	CHK	107	CINTAS CORPORATION #449	Monthly Invoice-Dighton	311.50
47708 10/31/2021	CHK	126	CARRIE BORELL	Meeting expense-MIC & IT Summitt	1,570.83
47709 10/31/2021	CHK	146	REBECCA CAMPBELL	Clothing Allowance-Rebecca Campbell	38.38
47710 10/31/2021	CHK	164	FAIRBANK EQUIPMENT INC.	Monthly Invoice	106.98
47711 10/31/2021	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance-Bradstreet & Jenkinso	1,057.86
47712 10/31/2021	CHK	182	G.E.M.S. INC	Monthly Invoice	225.78
47713 10/31/2021	CHK	184	JOHNSTONE SUPPLY	Monthly Invoice	870.28
47714 10/31/2021	CHK	234	ELECTRICOMM, INC.	Transformer Oil Samples	5,626.81
47715 10/31/2021	CHK	245	WESTERN COOPERATIVE ELECTRIC	Mutual Aid	35,764.88
47716 10/31/2021	CHK	269	ANIXTER INC	Monthly Invoice	290.04
47717 10/31/2021	CHK	306	BORDER STATES INDUSTRIES INC	Monthly Invoice	44,637.38
47718 10/31/2021	CHK	380	GRAINGER	Monthly Invoice	175.61
47719 10/31/2021	CHK	406	RICHARD MCLEON	Mileage-Line inspections& Western Electr	85.12
47720 10/31/2021	CHK	417	SUNFLOWER ELECTRIC POWER COOP	Wellness Letter	90.13

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
47721 10/31/2021	CHK	467	DIGHTON CHIROPRACTIC	Dr. Bennett-Wellness Program	200.00
47722 10/31/2021	CHK	481	CARTMILL FLORAL & CREATIONS	Cookies for Board Mtg	70.31
47723 10/31/2021	CHK	497	COMPLIANCE SIGNS, LLC	Compliance Signs	321.71
47724 10/31/2021	CHK	502	SILVERADO ELECTRIC INC	Crystal Blackburn electrical exp	687.63
47725 10/31/2021	CHK	506	K&J FOODS	Monthly Invoice	193.68
47726 10/31/2021	CHK	803	ALTEC INDUSTRIES, INC	Parts #112, #136	278.36
47727 10/31/2021	CHK	1243	TRI-CENTRAL OFFICE SUP-HAYS	Monthly Invoice	157.90
47728 10/31/2021	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly Invoice	431.01
47729 10/31/2021	CHK	1251	TECHLINE, LTD	Monthly Invoice	14,959.66
47730 10/31/2021	CHK	1285	TIFCO INDUSTRIES	Monthly Invoice	168.36
2558 11/01/2021	WIRE	1187	MIDWEST ENERGY	Monthly Invoice	69.42
<b>Total Payments for Bank Account - 2 :</b>					(165) 645,054.29
<b>Total Voids for Bank Account - 2 :</b>					(2) 700.57
<b>Total for Bank Account - 2 :</b>					(167) 645,754.86
<b>Grand Total for Payments :</b>					(165) 645,054.29
<b>Grand Total for Voids :</b>					(2) 700.57
<b>Grand Total :</b>					(167) 645,754.86

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# Payroll/Labor Check Register

Page 1

Pay Date: 10/01/2021 To 10/31/2021

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
5	KATHERINE E LEWIS	10/14/2021		5,161.57	0.00	88.00	0.00	614.90	43.32	1,610.33	2,936.34	
			5774					390.66	0.00	2,822.67	1,135.00	DD
											175.00	DD
											1,626.34	DD
21	CARRIE M BORELL	10/14/2021	5775	2,800.64	0.00	88.00	0.00	374.27	12.76	502.87	1,923.50	DD
								208.20	0.00	2,184.84		
22	REBECCA L CAMPBELL	10/14/2021		2,486.74	0.00	89.00	0.00	412.03	7.84	465.51	1,609.20	
			5776					180.25	0.00	2,073.35	450.00	DD
											1,159.20	DD
26	RICHARD A MCLEON	10/14/2021	5777	9,583.33	0.00	88.00	0.00	350.07	118.33	2,240.10	6,993.16	DD
								140.67	0.00	3,498.04		
34	KALO M MANN	10/14/2021	5778	3,730.62	0.00	96.00	0.00	561.92	98.03	849.82	2,318.88	DD
								288.13	0.00	1,978.81		
35	NATHAN A BURNS	10/14/2021	5779	3,233.28	0.00	88.00	0.00	354.25	19.41	854.07	2,024.96	DD
								246.60	0.00	1,654.40		
50	KASEY R JENKINSON	10/14/2021	5780	4,085.44	0.00	88.00	0.00	756.93	18.23	878.90	2,449.61	DD
								306.90	0.00	2,715.21		
55	BENJAMIN L MANN	10/14/2021	5781	4,488.04	0.00	94.00	0.00	654.27	18.98	1,059.72	2,774.05	DD
								342.56	0.00	1,940.14		
74	DAL S HAWKINSON	10/14/2021	5782	5,874.62	0.00	104.00	0.00	546.76	5.85	1,596.48	3,731.38	DD
								442.83	0.00	2,652.12		
84	MICHAEL S POLLOCK	10/14/2021		3,876.28	0.00	97.50	0.00	720.96	7.29	751.32	2,404.00	
			5783					290.07	0.00	2,512.73	100.00	DD
											25.00	DD
											25.00	DD
											25.00	DD
											2,229.00	DD
85	CHAD A RUPP	10/14/2021	5784	3,786.88	0.00	88.00	0.00	525.36	47.27	792.47	2,469.05	DD
								286.28	0.00	2,652.12		
89	CHRIS R TERHUNE	10/14/2021	5785	5,584.42	0.00	101.00	0.00	582.97	17.52	1,792.01	3,209.44	DD
								421.51	0.00	2,652.12		
93	MYRON E SEIB	10/14/2021	5786	5,019.44	0.00	108.00	0.00	667.75	28.55	1,034.35	3,317.34	DD
								379.16	0.00	2,652.12		
99	KEVIN A BRADSTREET	10/14/2021	5787	3,786.88	0.00	88.00	0.00	458.34	18.37	1,067.35	2,261.19	DD
								289.43	0.00	1,519.51		
108	MARK R MCCULLOCH	10/14/2021	5788	3,636.11	0.00	95.00	0.00	1,124.98	23.22	887.65	1,623.48	DD
								277.72	0.00	1,663.92		
117	LEIGHTON J AYERS	10/14/2021		4,479.45	0.00	98.00	0.00	382.41	13.61	1,031.83	3,065.21	
			5789					336.68	0.00	2,538.52	150.00	DD
											2,915.21	DD

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# Payroll/Labor Check Register

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Pay Date: 10/01/2021 To 10/31/2021

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
129	STACEY L FOOS	10/14/2021	5790	76.95	0.00	4.75	0.00	0.00	0.00	5.90	71.05	DD
								6.82	0.00	0.00		
130	ANN MARIE JENNINGS	10/14/2021	5791	2,308.56	0.00	88.00	0.00	288.21	8.49	443.29	1,577.06	DD
								165.45	0.00	1,730.24		
131	DIANA KUHLMAN	10/14/2021	5792	2,314.08	0.00	88.00	0.00	409.37	13.33	382.19	1,522.52	DD
								173.29	0.00	1,359.45		
132	DELLON SHELTON	10/14/2021	5793	3,050.95	0.00	101.00	0.00	154.99	1.78	848.17	2,047.79	DD
								231.32	0.00	1,016.63		
134	SCOTT A BRIAND	10/14/2021	5794	1,873.60	0.00	88.00	0.00	94.33	-1.60	283.70	1,495.57	DD
								136.18	0.00	1,155.07		
135	BLAKE MCVICKER	10/14/2021	5795	3,999.14	0.00	100.00	0.00	264.19	3.83	1,085.23	2,649.72	DD
								304.00	0.00	1,129.49		
5	KATHERINE E LEWIS	10/28/2021		5,161.57	0.00	80.00	0.00	614.90	43.32	1,610.34	2,936.33	
			5796					390.67	0.00	2,822.67	1,135.00	DD
											175.00	DD
											1,626.33	DD
21	CARRIE M BORELL	10/28/2021	5797	3,074.53	0.00	90.50	0.00	351.09	12.76	571.07	2,152.37	DD
								229.16	0.00	2,173.25		
22	REBECCA L CAMPBELL	10/28/2021		2,236.80	0.00	80.00	0.00	389.15	7.84	402.17	1,445.48	
			5798					161.15	0.00	2,062.95	450.00	DD
											995.48	DD
26	RICHARD A MCLEON	10/28/2021	5799	9,583.33	0.00	80.00	0.00	400.07	118.33	2,224.53	6,958.73	DD
								139.95	0.00	3,498.04		
34	KALO M MANN	10/28/2021	5800	3,346.02	0.00	87.00	0.00	561.92	98.03	752.33	2,031.77	DD
								258.71	0.00	1,978.81		
35	NATHAN A BURNS	10/28/2021	5801	2,944.80	0.00	80.00	0.00	354.25	19.41	752.12	1,838.43	DD
								224.55	0.00	1,639.98		
50	KASEY R JENKINSON	10/28/2021	5802	4,809.07	0.00	96.00	0.00	718.40	18.23	1,128.65	2,962.02	DD
								362.26	0.00	2,697.70		
55	BENJAMIN L MANN	10/28/2021	5803	3,735.20	0.00	80.00	0.00	654.27	18.98	809.64	2,271.29	DD
								284.99	0.00	1,922.63		
74	DAL S HAWKINSON	10/28/2021	5804	3,448.80	0.00	80.00	0.00	506.19	5.85	705.62	2,236.99	DD
								257.26	0.00	2,635.22		
84	MICHAEL S POLLOCK	10/28/2021		3,192.18	0.00	83.00	0.00	690.19	7.29	577.88	1,924.11	
			5805					237.73	0.00	2,497.35	100.00	DD
											25.00	DD
											25.00	DD
											25.00	DD
											1,749.11	DD
85	CHAD A RUPP	10/28/2021	5806	4,686.75	0.00	99.00	0.00	491.55	47.27	1,078.35	3,116.85	DD

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# Payroll/Labor Check Register

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Pay Date: 10/01/2021 To 10/31/2021

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
89	CHRIS R TERHUNE	10/28/2021	5807	4,121.09	0.00	91.00	0.00	355.13	0.00	2,635.22		
								549.16	17.52	1,245.47	2,326.46	DD
								309.58	0.00	2,635.22		
93	MYRON E SEIB	10/28/2021	5808	3,739.79	0.00	84.50	0.00	617.04	28.55	682.54	2,440.21	DD
								281.24	0.00	2,635.22		
99	KEVIN A BRADSTREET	10/28/2021	5809	4,734.50	0.00	100.00	0.00	421.15	18.37	1,421.29	2,892.06	DD
								361.93	0.00	1,502.61		
108	MARK R MCCULLOCH	10/28/2021	5810	3,879.97	0.00	94.50	0.00	1,090.19	23.22	983.50	1,806.28	DD
								296.38	0.00	1,649.42		
117	LEIGHTON J AYERS	10/28/2021		4,440.33	0.00	96.00	0.00	375.65	13.61	1,019.89	3,044.79	
			5811					333.70	0.00	2,531.76	150.00	DD
											2,894.79	DD
129	STACEY L FOOS	10/28/2021	5812	93.15	0.00	5.75	0.00	0.00	0.00	7.12	86.03	DD
								8.24	0.00	0.00		
130	ANN MARIE JENNINGS	10/28/2021	5813	2,115.20	0.00	80.00	0.00	278.54	8.49	394.25	1,442.41	DD
								150.64	0.00	1,720.57		
131	DIANA KUHLMAN	10/28/2021	5814	2,123.20	0.00	80.00	0.00	380.74	13.33	339.59	1,402.87	DD
								158.68	0.00	1,349.91		
132	DELLON SHELTON	10/28/2021	5815	2,670.23	0.00	89.00	0.00	143.79	1.78	713.58	1,812.86	DD
								202.19	0.00	1,005.43		
134	SCOTT A BRIAND	10/28/2021	5816	1,721.60	0.00	80.00	0.00	94.33	-1.60	248.22	1,379.05	DD
								124.56	0.00	1,155.07		
135	BLAKE MCVICKER	10/28/2021	5817	3,146.06	0.00	81.50	0.00	334.99	3.83	783.68	2,027.39	DD
								238.75	0.00	1,114.49		
<b>Grand Total:</b>				\$ 164,241.19	\$ 0.00	3,786.00	\$ 0.00	\$ 20,316.82	\$ 1,048.82	\$ 38,915.09	\$ 105,009.28	
								\$ 11,212.16	\$ 0.00	\$ 87,965.02		





## SUNFLOWER ELECTRIC POWER CORPORATION SPECIAL BOARD MEETING – NOVEMBER 22, 2021

### CURRENT ACTIVITIES

#### *Electronic Payment for Board of Directors*

The benefits and process for making electronic payments to Board members for monthly Board per diems were discussed. The program would be more reliable, economical, convenient, and secure than the current process.

**Board action:** The Sunflower Board approved electronic payments for Board per diems.

#### *Sunflower and Member Project Interaction*

An abbreviated process map for Sunflower and Member interaction on Member projects includes four phases: Member confirms scope; Member reviews options; Member clarifies scope details; Member reviews proposal of scope/cost changes; and Member authorizes the proposal. Over a period of months, the Board will be asked to discuss points within the process requiring Sunflower and Member alignment and agreement, including the estimation process, scoping details, and construction standards.

#### *January Board Dinner—Sunflower Leadership Pipeline*

The Board of Directors is invited to a dinner to recognize the 2020 and 2021 Sunflower Leadership Pipeline participants. The program offers staff who are interested in managerial or executive positions the opportunity to apply for and engage in training that is focused on leadership competencies. The dinner will be held at the Smoky Hill Country Club at 6 p.m. on Tuesday, Jan. 18.

#### *December Board Meeting*

The December Strategy Session and monthly Board of Directors meetings are scheduled for Dec. 9 –10. The Strategy session will begin at 1 p.m. followed by dinner at 6 p.m. The Board meeting will begin at 8 a.m. and will adjourn at noon. Both sessions will be held at the InterContinental Hotel, Kansas City, MO. Masks are required indoors, unless sitting to eat or drink.

Current topics on the agenda for the December strategy session include time-of-use rates/vehicle charging opportunities—PSE/Rich Macke; vehicle charging/business case scenarios—Burns & McDonnell; and a joint strategic initiative between Sunflower and Members, Wholesale to Retail. Rich Macke will also discuss the 2022 rate study, specifically what needs studied if Members choose a three-part rate. The Board also discussed Sunflower's company policy on the purchase of alcohol.

**Board action:** The Board approved a waiver of the company policy prohibiting the purchase of alcohol for the Board Christmas dinner on Dec. 9.

### ICARE

#### *Data Center Predevelopment Consideration*

Predevelopment measures were discussed for data centers, which would be a good load addition because they range between 20 MW – 500 MW with a 95% load factor. A 2020 report (BBRE) stated total data center inventory was forecast to grow by 13.8% in 2021. Sunflower staff have identified areas in the service territory that could best support a hyperscale data

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center, with Caldwell and Great Bend being the most suitable, particularly Caldwell. In June 2020 a three-year option was secured for property in Caldwell. To improve competitiveness of the site, our consultant has suggested Sunflower pursue ways to decrease the amount of time to provide needed electric infrastructure and consider some form of cost sharing for the investment required. Staff developed four options with varying costs and timelines for providing electric infrastructure. The benefits and risks of each option were discussed, after which time the Board tabled the subject for a future date.

#### *Integrated Resource Planning Update*

Conclusions from the 2020-21 Integrated Resource Planning (IRP) study were presented to the Board in August. Based on the study, ongoing work has included studying the impacts if generation assets were to be retired; analyzing continued O&M costs for existing generation resources; and evaluating hedging strategies around owned-generation assets.

ACES completed several updates to the IRP modeling that included further analyses of Holcomb Station transmission; O&M cost estimates for existing generation resources; gas-fired unit retirements, and hedging strategies in relation to generation retirements. Analyses around possible generation fleet scenarios will continue.

The current IRP shows that Sunflower generation assets continue to meet Sunflower's capacity obligations but also shows that current practices (assuming generation could operate indefinitely) cannot continue indefinitely. Thus, staff are developing a life-cycle plan that complements the IRP. Staff have recommended a three-part approach to asset retirement, which includes the retirement of S3 and CR2 and a 10-year resource plan. Board action on both will be requested in January.

### **PRESIDENT'S REPORT**

#### *Transmission Policy and NERC Compliance*

Staff presented information on the available load serving capability across the transmission system and the Local Planning changes identified for each Member. Design standards will be published on Dec .1, and Sunflower staff will then meet with Members to determine an open, transparent, least-cost design process. Staff are hoping to have the process finalized and approved by the end of 2022.

Revisions to SPP Holistic Integrated Tariff Team (HITT) C2 Byway Waiver Process are progressing well and will likely be filed with FERC the first quarter of 2022.

#### *Technology Services*

Service Management is a key technical performance indicator that highlights incident, change, and compliance management activities within Sunflower's Technology Services organization, measuring service management in Business Supports Systems, CIP, Generation/Transmission Systems, Infrastructure Services, and Telecommunications.

When staff need assistance, they submit a help desk "ticket" to Technology Services, and each ticket is assigned to a TS staff member who completes and closes the ticket. This approach drives identification and quick resolution of significant issues, changes, and/or compliance activity as well as those causing internal, end-user problems. It also helps identify root causes and prevent reoccurrence of systemic problems. In October, TS staff received 149 tickets. Further discussion focused on the processes Sunflower has in place to respond to cyberattacks should they occur.

#### *Corporate Services*

Revisions were made to Board Policy 113, pertaining to 12-hour rotating shift workers and the

way employees who are not working a five, eight-hour day schedule must alter their schedule during weeks with holidays.

**Board action:** The Sunflower Board approved revisions to Policy 113.

Sunflower staff continue to monitor proposed federal COVID mandates and are preparing for standards should they be implemented.

#### *Financials*

Overall Member loads were down 3.93% from budget for the month and down 2.47% year to date. Large industrial loads were down 5.71% from budget for the month and 4.54% from budget year to date. Year-to-date operating expenses were down 15.63% from budget, a large portion due to the \$10 million Paycheck Protection Plan (PPP) loan forgiveness. Storm Uri caused an increase in the ECA of \$276.22/MWh over budget for the month of February and was the primary contributor to the increase in the year-to-date average Member rate of \$85.44/MWh.

#### *2022-2024 Patronage Projection*

The Board has discussed and supported a January 2022 regular patronage retirement based on 70% Sunflower and 30% Mid-Kansas allocation. However, Members have indicated that going forward they may prefer a long-term patronage retirement plan. Staff presented five options that addressed various issues, particularly the challenge of the Sunflower/Mid-Kansas equity split. The Board will continue the discussion in December.

#### **KEC**

KEC staff continue to monitor and keep its members abreast of issues in the state legislature, such as COVID vaccine mandates, redistricting, and unemployment benefits. KEC is also focused on monitoring issues at the federal level, including the recent infrastructure law. KEC, as well as NRECA, CFC and CoBank, will assist co-ops in finding subject matter experts and funding opportunities.

#### **WESTERN FUELS ASSOCIATION**

A summary of the WFA October 28, 2021, board meeting is available on BoardPaq.

**Chief Executive Officer's Report**  
**Lee Tafanelli**  
**December 2, 2021**

I hope everyone had a safe and enjoyable Thanksgiving holiday and were able to spend it with friends and family. This time of year gives us an opportunity to be thankful for all of our blessings, for the family we love and the friends that we cherish.

**KEC Budget**

We will be hearing a recommendation from the Budget and Operations Committee on the 2022 KEC budget and dues assessment today. I appreciate the work by the committee and the membership to review the proposed budget — and the efforts of Mindi Pfannenstiel in putting together this year's budget. The staff worked hard to find ways to manage the budget without jeopardizing programs or services while minimizing the impact to assessments as a result of departure of Ark Valley Electric Cooperatives from KEC membership.

**District Meetings**

I thoroughly enjoyed the district meetings this year. It was nice to get together with each of the districts and discuss issues of importance to our cooperatives. We are always interested in hearing your feedback from our 2021 District Meetings and suggestions for future meetings. I believe the agenda was thought provoking and informative. To those who were able to attend, thank you very much for your attendance and participation. The presentations have been posted to the Members Only site and if there are any questions, please let us know.

**Co-ops Vote Events**

Leslie will go over the Co-ops Vote event highlights for the year but let me say thanks to Leslie and our staff and our cooperatives for their outstanding effort to make these events a success. These events are an important opportunity for us to communicate with state and local elected leaders about issues of importance to our electric cooperatives.

**KEC Annual Meeting**

We are well into preparations for the KEC Annual Meeting, scheduled for Jan. 22-24, 2022, in Topeka at the Hotel Topeka (formerly known as the Capitol Plaza). The event will include two days of directors training, a day of programming, and will conclude with a legislative reception. We are excited to get back to an in-person annual meeting. This promises to be an excellent event and we hope that you will make plans to attend.

**Electric Vehicles**

VW Settlement Funds - KDOT issued their Request for Proposal to award approximately \$2 million from the Volkswagen Environmental Mitigation Trust Fund for electric vehicle charging stations. They prioritized 12 locations along the I-70, I-35 and I-135/US-81 highway corridors. The grants will reimburse up to 80% of eligible costs. RFP responses are due December 15, 2021, with project selections announced on January 14, 2022.

SPARK Regional Meetings - The Strengthening People and Revitalizing Kansas (SPARK) Executive Committee is overseeing the statewide distribution of federal coronavirus relief funds allocated to Kansas through the American Rescue Plan Act (ARPA) of March 2021. They have created four advisory panels to focus on four main topics: Health and Education, Economic Revitalization, Connectivity, and Efficiency and Modernization. In order to inform them of Kansans' priorities and to make recommendations to the State Finance Council, they recently held regional meetings to gather information and feedback from Kansans. We arranged for Trey Grebe, assistance general manager of Wheatland Electric, to provide testimony regarding additional funding for electric vehicle infrastructure. The VW funds will be a good start, but many more public charging stations will be needed to complete a robust charging network. A final regional meeting will be held virtually on Dec. 10. For more information, please contact Doug Shepherd.

### **Communications**

In BoardPac, the Communications Department's report notes that the 2022 KEC Annual Meeting sponsorship campaign had generated more than \$38,500. That number is now nearly \$42,000, which is well above the budgeted number. These sponsorship and advertising funds help offset the cost of our meetings.

In preparation for the expected increase in fuel costs this winter, Comms staff included an article in the December issue of Kansas Country Living noting the expected increases to prepare co-op consumer-members for higher bills and offering suggestions for keeping heating costs down. This article along with the efficiency tips, infographics and social media posts are available for the co-ops to download and use and needed in your member communications.

To celebrate the 70<sup>th</sup> anniversary of Kansas Country living, staff will roll out a new flag for the magazine and will launch its digital companion, kconline, in January.

### **Loss Control, Safety & Compliance**

The Loss Control Safety & Compliance department conducted the Transformer and Metering Workshops, Nov. 16-19, Hotel Topeka. The transformer workshop had 52 participants from 17 member cooperatives and other utilities. The metering workshop had 60 participants from 21 member cooperatives and other utilities. Both workshops were conducted over a day and half.

### **Safety**

There have been no lost time accidents or injuries reported by KEC staff.

### **Broadband**

The Director of the Kansas Office of Broadband Development reached out to us recently to learn about the role electric cooperatives might have in broadband expansion in Kansas. Recognizing that there will be an influx of federal funding, they are working with a consultant to help identify investment priorities. Understanding that each cooperative is in a unique situation regarding their interest or involvement in offering broadband, their consultant is interested in understanding these differences in order to design effective grant programs. We will be arranging three separate groups of cooperatives for them to visit: 1) cooperatives currently offering broadband, 2) cooperatives that may have an interest in offering broadband or partnering with a third party and

3) cooperatives that for one reason or another have no interest in the broadband business. If you would like to participate in one of these calls, please contact Doug Shepherd.

### **Youth Programs**

KEC staff attended the NRECA Youth Tour Directors Meeting on Nov. 8-10. Meeting topics focused on the discussion of health and safety protocols and what a 2022 youth program would look like in response to the pandemic and social unrest. After careful consideration of the challenges, uncertainties and the risks, I have concluded that we not participate in the Washington, D.C., Youth Tour program this year. Instead, we are going ahead with plans to participate with the following in-person events for 2022.

#### **Kansas Electric Youth (KEY) Leadership Conference**

- June TBD, 2022 – Topeka Cooperative Youth Leadership Camp
  - July 15-21, 2022, Steamboat Springs, Colorado

We appreciate your support – and value your participation in KEC activities. As always, let us know how we can be of assistance. On behalf of the entire KEC staff, I want to wish you and your families a very Merry Christmas and a safe and joyous holiday season.

### **Future NRECA PowerXchange Annual Meeting Dates**

2022 – Nashville – March 3-9

- CFC will host a financial workshop for directors Feb. 15-16, 2022, at the Hyatt Regency in Wichita.

### **Other Meetings**

I attended Wheatland's Open House and board meeting, Pioneer's board meeting, MDM meetings, KEC District Meetings, Caney Valley's safety meeting, KEPCo's Annual Meeting and participated in conference calls with Rural Electric Statewide Managers Association (RESMA).

**Quote of the Day** - A good hockey player skates to where the puck is. A great hockey player skates to where the puck is going to be. – Wayne Gretsky.

# House of Capper & Capper Cooperative Park

Mary McCurry,  
Chairwoman, Kansas  
Fairgrounds Foundation

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Brandi Miller,  
President/CEO, Kansas  
Cooperative Council



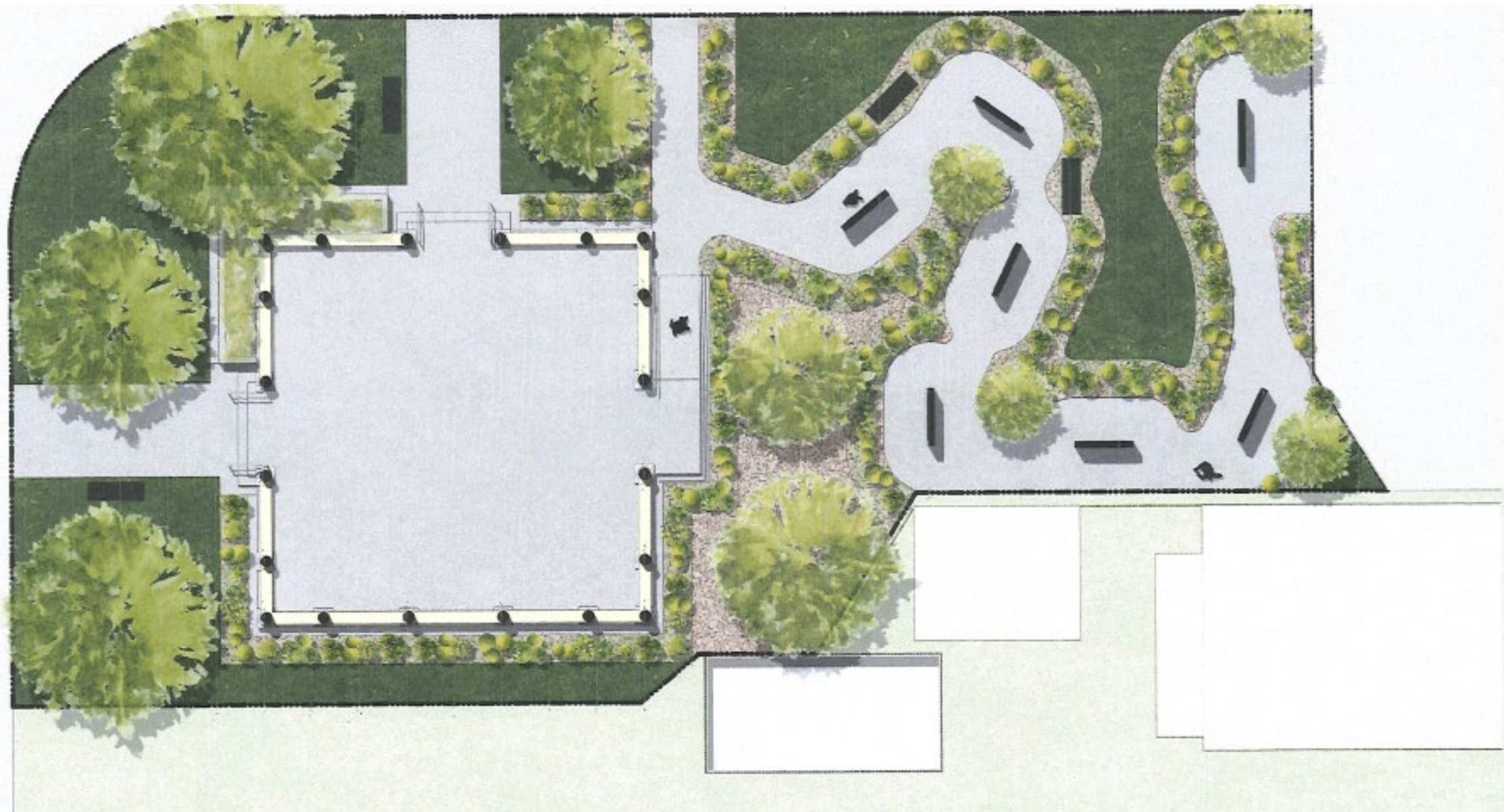


# House of Capper History

- ▶ A covered veranda originally donated by former United States Senator and Governor of Kansas, Arthur Capper
- ▶ Funds donated in 1913 - building competed in 1916
- ▶ One of the oldest existing buildings on the fairgrounds
- ▶ Multi-use space including Professional Arts Building, bandstand and space used to the launch multiple political candidacy announcements
- ▶ Located in high traffic area













# Partnership Goals



To create a tribute to the work of former Kansas Governor and US Senator, Arthur Capper.



To raise the funds needed to rebuild the House of Capper, create a new educational space that recognizes the history of cooperatives as well as a create an endowed maintenance fund for the project.



To complete the Capper Project and dedicate it with a celebration at the 2022 Kansas State Fair. 2022 marks the 100 year anniversary of the signing of the Caper Volstead Act.



ESTIMATED TOTAL PROJECT BUDGET IS \$797,750.



# Giving Options

## Cooperative Tribute Wall Challenge Contribution:

We want to support the Capper Project with a Tribute Wall Challenge Contribution. Please note our intended contribution level below.

<b>GIFT AMOUNT</b>	\$ _____	\$100,000+	Builder
	\$ _____	\$75,000 to \$99,999	Founder
	\$ _____	\$50,000 to \$74,999	Provider
	\$ _____	\$25,000 to \$49,999	Benefactor

## PILLAR OF SUPPORT

We want to support the Capper Project with a Pillar of Support contribution. Please note our intended contribution level below.

<b>GIFT AMOUNT</b>	\$ _____	\$10,000 - \$23,999	Pillar of Support
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## COLLABORATION

We want to support the Capper Project with a Collaboration contribution. Please note our intended contribution level below.

<b>GIFT AMOUNT</b>	\$ _____	\$5,000 to \$9,999	Patron
	\$ _____	\$1,000 to \$4,999	Upholder

## PAVE THE WAY TO THE COOPERATION

We want to help pave the pathway to cooperation for the Capper Project. Please note our intended contribution level below.

☐ \$1000

☐ \$500

☐ \$250

## 8. General Manager's Report

### A. Rates and Reliability Dashboard

#### Rate Summary - Oct 2021

	current month (\$/kWh)	year to date (\$/kWh)	ytd 2020 avg. (\$/kWh)	
Residential	0.1534	0.1277	10.1%	0.1148
Residential - Seasonal	0.2290	0.2039	6.2%	0.1911
Irrigation	0.1019	0.0913	6.3%	0.0856
C&I 1000kVa or less	0.1357	0.1162	9.2%	0.1055
C&I over 1000 kVA	0.1257	0.1136	14.7%	0.0970
Public Street and Lighting	0.1465	0.1337	6.4%	0.1252
Other Sales to Public Authorities	0.1720	0.1424	-1.6%	0.1447
Sales for Resale - Other	0.0730	0.1031	32.2%	0.0699
Total Sales price per kWh:	0.1301	0.1168	13.8%	0.1007

October 2021			
SAIDI	3.55	Interruption DURATION / average for every member (hrs)	
SAIFI	2.29	Interruption FREQUENCY / Average # of Interruptions per customer	
CAIDI	1.55	Customer Average Interruption Duration Index - IF you are out, how long to expect (hrs).	
ASAI	99.96%	Service Availability	

- B. Budget. We are performing much better than budgeted through October. The 2021 Budget was conservatively prepared using industry estimates for post COVID-19 expenses and revenues. Operating revenues are \$1.7 MM above budget and despite the highest inflation in 30 years, Operating Margins are about \$300k above budget.

Due to offsets from higher-than-expected losses in Non-Operating Margins and lower interest earnings in the Cushion of Credit Account, Operating Margin levels do not carry forward, but Patronage Capital remains above Budget by \$83,017 ( $\pm 10.4\%$ ).

- C. Construction Work Plan. The CWP is getting off to a slow start due to material shortages and supply chain disruptions. There is \$914,387 scheduled for 2021 and I expect we will spend about half of that.
- City of Dighton Substation metering upgrades will be largely completed by the end of the year.
  - Server Room and Headquarters construction has begun.
- D. City of Dighton.
- There has been no action by the city on the proposed Wholesale Power Agreement. Sunflower will take the offer off the table near the end of December.
  - There has been discussion regarding the city questioning the LSEC ownership of the three Dighton Substations. We are compiling our records for internal review.
  - The Dighton West substation is on Peck leased land through 2027. However, the KMEA influence on Dighton may cause them to try to purchase the land from under us and then evict us from the property. So, I have reached out to Joy Peck asking if they have any interest in selling LSEC the existing Dighton-West substation site to a

total of one (1) acre. She deferred to Mona Peck who has indicated that they are interested and will send me her attorneys contact information.

E. The Credit Card records are available for the Boards review.

F. Operations Report

- 1) New Construction and maintenance continues to be steady.
- 2) Accidents.
  - a. Contractors working on sewer line in Bazine hit a single-phase pole.
  - b. Unknown truck or implement tore down wires and broke the top of dead-end pole to Garden City Coop water well. They are not using this connect and said we can retire it.
- 3) Training.
  - a. Ben, Kasey, Kevin, and Dal completed 10-hour OSHA training.
  - b. Blake and Dellon attended the KEC transformer and meter training.

G. Operating Margins

- 1) October Income Statement.
  - a. Total Operating Margins are \$256,486.15 with \$806,866.31 YTD. This produces a OPTIER of 1.72.
  - b. Total Margins are \$240,215.15 with \$879,801.79 year to date. This gives a 1.79 TIER.
  - c. Billing Past Due (current – Nov. 29, 2021)
    - i. 30 day – \$ 555.55
    - ii. 60 day – 833.22
    - iii. 90 day – 9,542.05
- 2) Balance Sheet.
  - a. Cash Balances remain strong at \$6,428,644.
  - b. Equity as a percent of Capitalization is 38.03%.
  - c. General Funds level is steady at 18.78%.

H. Non-Operating Margins

- 1) Our year-to-date Non-Operating margins [Form 7, Part A, Lines 22(b) + Line 25(b) + Line 27(b)] is a \$75,936 gain.
- 2) Retail Services.
  - a. A \$18,770.17 loss in October with a YTD loss of \$106,450.03. Please refer to Scotts Warehouse Report on Retail for an explanation.
  - b. Resale Hours (YTD). Billable hours represent 73.88% of total hours.
  - c. We currently have \$129,284 in Inventory which has been paid and is waiting for delivery and install. This will offset losses and produce an average net margin of \$39,250.
  - d. Outstanding Balances. (As of Nov 29, 2021)
    - i. 30-60 day - \$ 2,639.75
    - ii. 60-90 day - \$ 341.07

- iii. Over 90 day - \$ 10,414.36
  - a. Making payments - \$1,436.26
  - b. Transfer to electric - \$2,423.22
  - c. Sent to collections - \$5,650.20
- 3) Interest earned (YTD) – \$154,801
- 4) Other capital Credits and patronage Dividends (YTD) – \$44,305

I. Member Services

- 1) Overhead Line Safety Demonstrations were held 11/16 in Dighton & 11/17 in Ness City. Quinten Wheeler with Wheatland brought their safety demo trailer. There were approximately 8 first responders who attended the Dighton demo and near 30 in Ness City.
- 2) Christmas Gift Certificates: We are offering people the opportunity to purchase the gift of electricity as Christmas gifts. The recipient must be a Lane-Scott Electric member, and their account will be credited for the purchased gift certificate amount.
- 3) The furnace filter sale continues through December for 25% off furnace filters.
- 4) Military Care Packages were mailed out to 12 active military soldiers

J. Warehouse /Retail Report

- 1) Materials continue to be a major concern. New pole-mount transformers are almost impossible to get within any decent time frame. Many factories aren't quoting and the ones that do give at lead time of 8 months or more. Poles are not as bad but do not deliver as quick as before. Typical lead time on them is 2-3 weeks. Fortunately, most of the "bread & butter" items have not been difficult to locate. Generac. Three units were sold in November bringing our total of eleven units ordered and waiting on delivery. Lead time has moved out to 38-40 weeks.
- 2) We are promoting another furnace filter sale November – December for 25% off furnace filters at the retail store. The discount is also being given by filters needed during Mark's season checks.
- 3) Electricians. Multiple quotes were given in the month of November, ranging from generators to complete house wiring. Several smaller jobs were completed, and we still are receiving several calls from members needing work done. The big project remains Lane County Feeders. We will bill out 6400' of underground to them this month making roughly \$3,000 on the wire alone.
- 4) HVAC. Mark quoted and won three furnaces this month and two of the three arrived and have been installed. Occasionally, finding parts on the HVAC side has been difficult. Certain brands of furnaces and even some gas valves are getting harder to find. We are still receiving service calls for furnaces even with the temperatures being mild. Mark has been able to get some of his season checks done as well.

Respectfully submitted,

Richard McLeon, MBA  
General Manager



According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  <b>FINANCIAL AND OPERATING REPORT</b> <b>ELECTRIC DISTRIBUTION</b>	BORROWER DESIGNATION <div style="text-align: right;">KS0042</div>
	PERIOD ENDED <span style="float: right;">October 2021</span>
INSTRUCTIONS - See help in the online application.	BORROWER NAME <div style="text-align: right;">The Lane-Scott Electric Cooperative, Inc.</div>

This information is analyzed and used to determine the submitter’s financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

**CERTIFICATION**

**We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.**

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

**ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII**  
*(check one of the following)*

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Richard McLeon  


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11/15/2021  
 DATE

PART A. STATEMENT OF OPERATIONS				
ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	13,898,118	15,948,438	14,211,234	1,692,407
2. Power Production Expense				
3. Cost of Purchased Power	7,876,096	9,544,251	8,584,217	836,332
4. Transmission Expense	1,729			
5. Regional Market Expense				
6. Distribution Expense - Operation	1,217,690	741,258	849,772	85,286
7. Distribution Expense - Maintenance	718,646	910,171	583,331	99,949
8. Customer Accounts Expense	175,170	151,320	150,339	15,321
9. Customer Service and Informational Expense	34,679	55,762	31,204	8,589
10. Sales Expense	52,600	40,247	39,647	5,213
11. Administrative and General Expense	1,071,817	1,038,004	991,592	117,791
12. Total Operation & Maintenance Expense (2 thru 11)	11,148,427	12,481,013	11,230,102	1,168,481
13. Depreciation and Amortization Expense	1,370,911	1,534,496	1,441,553	154,120
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,113,907	1,112,620	1,032,014	113,208
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	1,647	121	2,094	12
19. Other Deductions	35,733	16,322	10,500	100
20. Total Cost of Electric Service (12 thru 19)	13,670,625	15,144,572	13,716,263	1,435,921
21. Patronage Capital & Operating Margins (1 minus 20)	227,493	803,866	494,971	256,486
22. Non Operating Margins - Interest	192,536	154,801	217,581	2,499
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(70,031)	(123,170)	22,916	(18,770)
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	43,756	44,305	61,269	
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	393,754	879,802	796,737	240,215

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE  FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION  KS0042		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED  October 2021		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	46	49	5. Miles Transmission		
2. Services Retired	50	41	6. Miles Distribution – Overhead	2,036.59	2,035.37
3. Total Services in Place	6,035	6,050	7. Miles Distribution - Underground	7.53	7.66
4. Idle Services (Exclude Seasonals)	239	252	8. Total Miles Energized (5 + 6 + 7)	2,044.12	2,043.03
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	58,628,702		30. Memberships	0	
2. Construction Work in Progress	558,445		31. Patronage Capital	21,693,768	
3. Total Utility Plant (1 + 2)	59,187,147		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	19,138,427		33. Operating Margins - Current Year	803,866	
5. Net Utility Plant (3 - 4)	40,048,720		34. Non-Operating Margins	617,236	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	128,790	
7. Investments in Subsidiary Companies	230,144		36. Total Margins & Equities (30 thru 35)	23,243,660	
8. Invest. in Assoc. Org. - Patronage Capital	10,935,588		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	33,258,342	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	221,958		39. Long-Term Debt - Other - RUS Guaranteed	0	
11. Investments in Economic Development Projects	0		40. Long-Term Debt Other (Net)	6,678,553	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	4,337,250	
14. Total Other Property & Investments (6 thru 13)	11,838,652		43. Total Long-Term Debt (37 thru 41 - 42)	35,599,645	
15. Cash - General Funds	(174,225)		44. Obligations Under Capital Leases - Noncurrent	0	
16. Cash - Construction Funds - Trustee	100		45. Accumulated Operating Provisions and Asset Retirement Obligations	0	
17. Special Deposits	25		46. Total Other Noncurrent Liabilities (44 + 45)	0	
18. Temporary Investments	6,355,155		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	900,299	
20. Accounts Receivable - Sales of Energy (Net)	1,603,014		49. Consumers Deposits	113,837	
21. Accounts Receivable - Other (Net)	302,897				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	2,275,707	
23. Materials and Supplies - Electric & Other	415,662		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	21,047		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	23,865		53. Other Current and Accrued Liabilities	1,354,184	
26. Total Current and Accrued Assets (15 thru 25)	8,547,540		54. Total Current & Accrued Liabilities (47 thru 53)	4,644,027	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	3,052,420		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	63,487,332		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	63,487,332	

**10. a. KEC 2022 Annual Meeting**

The KEC Annual Meeting is scheduled for January 22-24 at the Hotel Topeka (formerly the Capital Plaza) in Topeka, KS. The scheduling form is attached.

Important Deadlines:

- **Dec. 31, 2021** – Cut-off date for Hotel Topeka at City Center Reservations. Cancellation is 48 hours prior to 4 p.m. check-in. The room block rate covers January 21 through January 24, 2022.
- **Jan. 7, 2022** – Registration deadline.
- **Jan. 14, 2022** – Registration cancellation deadline

Other items to consider:

- Director training includes one CCD and three BLC classes (one is new).
- The meeting ends at 3:45pm on Monday but KEC is scheduling a Legislative Reception for Monday night. I will invite our state legislators.
- The New Theatre and Restaurant is presenting “A tribute to Johnny and June and the comedy of Minnie Pearl”.

**We would like to know as soon as possible who plans to attend so that Diana can make reservations.**

## 2022 KEC ANNUAL MEETING

COOPERATIVE NAME: \_\_\_\_\_

### **Manager/Trustees/Employees Commitment**

## Spouses/Guest Commitment

[illegible]

#### **10. b. Rate Implementation Schedule.**

After much deliberation, schedule coordination, and reviewing the KEC and KCC recommendations for implementing a rate change, we are proposing the following schedule. The big change from last month is that it pushes billing out one month. We feel this is necessary to “dot all the I’s and cross all the t’s” within the NISC mailer insert schedule. We do not intend to publish notice in the Kansas Country Living magazine because we want to restrict invitations to the public meetings to only members.

- January
  - 3 – Billing stuffer with Notice of LSEC Public Meetings and LSEC Special Meeting (Feb. 7) to approve the new rates
  - 10 – Trustees Regular Board Meeting
  - 12 – Public Meeting in Ness City (6:30-7:30)
  - 13 – Public Meeting in Dighton (6:30-7:30)
- February
  - 7 – Trustees Special Meeting to approve rates (Open Meeting to Members)
  - 7 – Trustees Regular Board Meeting
  - 19 – last date to hold Open Meetings for March usage (KS 66-104d)
- March 1 – New rates apply
- April 1 – First billing on new rates

## **10. c. Christmas Bonus**

Lane-Scott EC has presented taxable Christmas Gifts to employees for many years. Last year the Board awarded \$150.00 per full-time employee and \$50.00 for part-time employees.

The Cooperative currently has 20 Full time employees (excluding the General Manager) and 1 Part-time employees (Stacy).

Once again, the employees have done a great job under difficult conditions, and I would like to reward them with a Christmas Bonus of \$150.00 for full-time and \$50.00 for part-time employees. This comes to a total of \$3,050.00  $[(20 \times \$150.00) + \$50.00]$ .

**Staff requests that the Board approve a total Christmas Bonus of \$150.00 to Full-time employees and \$50.00 to part-time employees.**

# Lane-Scott Electric Cooperative, Inc. 2022 Board Meeting Schedule (proposed)

(based on known calendars as of November 5, 2021)

<u>January</u>	10	LSEC Board of Trustees meeting	change from 1/3 - holidays
	12	Public Meeting on Rate proposal, Ness City	
	13	Public Meeting on Rate proposal, Dighton	
	19	Sunflower EPC Board, Hays	
	22-24	KEC Annual Meeting, Topeka	
<u>February</u>	7	LSEC Board of Trustees meeting, Special - Open	
	7	LSEC Board of Trustees meeting	
	16	Sunflower EPC Board, Hays	
<u>March</u>	2-3	KEC Board Meeting, Salina	change from 3/7 - NRECA
	6-9	NRECA, Annual Meeting, Nashville, TN	
	14	LSEC Board of Trustees meeting	
	16	Sunflower EPC Board, Hays	
<u>April</u>	4	LSEC Board of Trustees meeting	
	15	Office Closed – Good Friday	
	20	Sunflower EPC Board, Hays	
<u>May</u>	2	LSEC Board of Trustees meeting GM Evaluation	
	11-12	KEC Board Meeting, Wichita	
	18	Sunflower Annual & Board, Holcolm	
	30	Office Closed – Memorial Day	
<u>June</u>	6	LSEC Board of Trustees meeting	
	6	Nominating Committee meeting	
	15	Sunflower EPC Board, Hays	
<u>July</u>	4	Office Closed – 4 <sup>th</sup> of July	change - Holiday conflict
	11	LSEC Board of Trustees meeting	
	19	LSEC Annual Meeting	
	20	Sunflower EPC Board, Hays	
	30-31	KEC Summer Meeting, location tbd	
<u>August</u>	1	KEC Summer Meeting	change - KEC conflict
	8	LSEC Board of Trustees meeting	
	17	Sunflower EPC Board, Hays	
<u>September</u>	5	Office Closed – Labor Day	change - Labor Day conflict
	12	LSEC Board of Trustees meeting	
	21	Sunflower EPC Board, Hays	
	27-29	NRECA Regional Meeting, Portland, OR	
<u>October</u>	3	LSEC Board of Trustees meeting	
	5-6	KEC Board Meeting, Wichita	
	19	Sunflower EPC Board, Hays	
<u>November</u>	7	LSEC Board of Trustees meeting	
	16	Sunflower EPC Board, Hays	
	24-25	Office Closed - Thanksgiving	
<u>December</u>	5	LSEC Board of Trustees meeting	
	7-8	KEC Board Meeting, Wichita	
	tbd	Sunflower EPC Board, KC, MO	
	17	Christmas Party	
	26	Office Closed - Christmas	

## 10. e. Capital Credits - Estates

Board Policy 113. Consumers Capital Credits, Expectation G. Special Capital Credit Retirements, provides the Cooperative the opportunity to make special retirements for a variety of reasons, among them Estate Liquidations. The policy states that these retirements will be made twice annually, in April and October upon the approval of the Board of Trustees.

This past October, the Board approved a retirement of \$14,382.58 in Estate Liquidations. The Board also amended Board Policy 113 to change Estate retirements to June and December. This retirement request reflects distribution liquidation requests received since October.

CAPITAL CREDIT LIQUIDATION REQUESTS SUBMITTED FOR BOARD APPROVAL DECEMBER 2021							
Last Name	First Name	Cust No.	ELEC-COOP	ELEC-MKEC	Total ELEC Amount	Form W-9	G&T
Borell	Lon R	2376	\$ 741.19	\$ -	\$ 741.19	Received	\$ -
Conine	Elsie M	30268	\$ 1,026.78	\$ -	\$ 1,026.78	Received	\$ 906.60
Dowell	Raymond	40062	\$ 1,676.74	\$ -	\$ 1,676.74	Received	\$ 946.35
Gillett	Richard L	70073	\$ 1,899.31	\$ -	\$ 1,899.31	Received	\$ 1,089.87
Heinz	Bryce L	8338	\$ 1,787.34	\$ -	\$ 1,787.34	Received	\$ -
Huck Farms	Larry L	80214	\$ 9,291.25	\$ -	\$ 9,291.25	Received	\$ 8,843.40
Huseman	William A	80222	\$ 2,649.96	\$ -	\$ 2,649.96	Received	\$ 2,774.04
Johnson	James P	100027	\$ 3,700.04	\$ -	\$ 3,700.04	Received	\$ 3,617.40
Lutters	James N	120226	\$ -	\$ 671.02	\$ 671.02	Received	\$ 366.77
Pavlu	Paul D	160104	\$ 3,040.19	\$ -	\$ 3,040.19	Received	\$ 3,663.52
Popp	Otto G	160047	\$ 1,758.72	\$ -	\$ 1,758.72	N/A	\$ 112.76
Sowers	Byron D	190655	\$ 942.79	\$ -	\$ 942.79	Received	\$ 906.85
von Schriltz	Elaine	220102	\$ 77.36	\$ -	\$ 77.36	N/A	\$ 202.26
von Schriltz	Kaye D	220012	\$ 1,865.53	\$ -	\$ 1,865.53	N/A	\$ 866.49
Wasinger	Kenneth E	230390	\$ -	\$ 424.23	\$ 424.23	N/A	\$ 269.11
Total LSEC Coop Pay Outs					<u>\$ 31,552.45</u>		

Staff requests that the Board approve the above Special Retirement of \$31,552.45.



## **SAFETY PROGRAM**

### **SAFETY PROJECTS COMPLETED AS OF NOVEMBER 2021**

1. KEC On-Site Regulatory Visit:
  - Dighton & Ness Warehouse – Mechanical jumpers dielectrically tested.
  - Retail Building – Flammable storage cabinet unblocked, and flammable materials stored properly.
  - Ness Old Power Plant – Broken windows replaced and signage on walk-in door removed. Live-line tools stripped, re-glossed, waxed, and dielectrically tested.
  - Administrative Building – First-aid kit unblocked.
  - Truck #110 – Traffic signs added.
2. Ann Jennings's member safety awareness publishes to either KCL newsletter, social media, and/or the Lane Scott Electric website concerning:
  - Travel Safety
  - Outage Safety Reminders
  - Christmas Light Safety
3. Mobile Radio Service applied for FCC radio frequency.
4. OSHA Sharp Program Application for consultation inspection.
5. Nate Burns updated the building evacuation maps and they have been posted.
6. Overline line demonstration in Dighton November 16 and Ness November 17.
7. OSHA 10 Hour training completed by Richard McLeon, Kasey Jenkinson, Ben Mann, Dal Hawkinson, and Kevin Bradstreet.
8. Diana Kuhlman submitted reports:
  - KEC Loss Control, Safety and Compliance System Monthly Statistical Report.
  - Compliance One drug and alcohol monthly roster report.
9. KEC November safety meeting topics: Safety summary, hearing conservation program and decibel testing of equipment, accident investigation, administrative: safety attitudes. November 10<sup>th</sup> safety minutes are included in the board packet.
10. October 25<sup>th</sup> safety council meeting minutes are included in the board packet.

### **SAFETY PROJECTS IN PROGRESS AS OF NOVEMBER 2021**

1. Safety Amp software creating inspection form templates.
2. RESAP/Self-Assessment/Annual Supervisor Inspection improvements **in progress**:
  - Truck #173 – upper boom chipped (Working with Brady at Altec to fix.)
  - Warehouse - Live Line tools re-glossed.
  - Meter Room – PPE cleaned and/or replaced.
3. RESAP/Self-Assessment/Annual Supervisor Inspection improvements in **work plan**:
  - Bazine Substation – center switch beside regulators needs changed out.
  - Dighton City West Substation – needs switch bypass on north side of substation.
  - Ness City Substation – arrestors blown and need replaced.
  - Ransom Substation – arrestors blown and needs replaced.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.  
SAFETY MEETING  
November 10, 2021

Chris Terhune called the meeting to order at 9:05am.

**Minutes were read:** Dal Hawkinson made a motion to approve the October 21st minutes and Dellon Shelton seconded. Minutes were read and approved as printed.

**Present:** Kasey Jenkinson, Ben Mann, Dal Hawkinson, Chad Rupp, Chris Terhune, Kevin Bradstreet, Leighton Ayers, Dellon Shelton, Blake McVicker, Nate Burns, Scott Briand, Kathy Lewis, Carrie Borell, Rebecca Campbell, Ann Marie Jennings, and Diana Kuhlman

**Absent:** Richard McLeon, Myron Seib, Kalo Mann, Michael Pollock, and Mark McCulloch

**Guest:** None

**Truck report of inspections:**

105	Dellon Shelton	OK
110	Blake McVicker	OK
112	Leighton Ayers	OK
117	Chris Terhune	OK
123	Mark McCulloch	OK
132	Kevin Bradstreet	OK
135	Nate Burns	OK
136	Dellon Shelton	OK
143	Michael Pollock	N/A
144	Kalo Mann	OK
145	Chris Terhune	OK
150	Kasey Jenkinson	OK
173	Chad Rupp	OK
174	Dal Hawkinson	OK
191	Kalo Mann	OK
193	Myron Seib	OK
200	Ben Mann	OK
304	Myron Seib	OK
305	Myron Seib	OK

**Trailer and Equipment report of inspections:**

502	Myron Seib	OK
507	Myron Seib	OK
515	Myron Seib	OK
504	Chris Terhune	OK
505	Chris Terhune	OK
508	Chris Terhune	OK
509	Chris Terhune	OK
513	Chris Terhune	OK
516	Chris Terhune	OK
700	Chris Terhune	OK
701	Chris Terhune	OK
702	Chris Terhune	OK
512	Scott Briand	OK
514	Scott Briand	OK

**Warehouse, building, and pole yard inspections:**

Ness City Warehouse	Myron Seib	Termites in reels and wall in southwest warehouse.
Ness Pole Yard & Transformer Dock	Myron Seib	OK
Warehouse	Scott Briand	OK
Pole Yard & Transformer Dock	Scott Briand	OK
Office	Diana Kuhlman	OK

**Personal Tools:** All Passed

**Gloves Monthly Test Results:** All Passed

**Substation and Regulator Report:** Fixed pumps in Twin Spring containment. Relay is bad.

**PCB Report:** None to Report

**Line Clearance:** Ness City, Cathouse, Yorks, and southern Ness

**Accident and Near Misses:** Chad Rupp reported Mayer Specialist Services backed in pole in Bazine. Ben Mann reported Trevor Nash was cleaning pipe casing and blew the poly pipe out of trench over the power lines.

**Old Business:**

- ◆ Dal Hawkinson: Collectors are working.
- ◆ Chris Terhune: North lot remaining items to do is rock spreading, pouring concrete under lean to and containment berm. Items can be moved to building. Overhead line demonstrations November 16 in Dighton and November 17 in Ness.
- ◆ Carrie Borell: Ann Marie Jennings needs RSVPs for safety demo by Friday November 12<sup>th</sup> for food count and military care package items by Monday November 15<sup>th</sup>.

**New Business:**

- ◆ Chris Terhune: OSHA 10-hour General Industry training has been completed by Richard McLeon, Kasey Jenkinson, Ben Mann, Dal Hawkinson, and Kevin Bradstreet. Myron Seib will be doing his later. Hot arms have been sent in. KEC annual hot stick test results showed all passed. Lane Scott Safety Manual amendments will be reviewed at the December in house safety meeting and new books will be provided to replace the KEC unrevised safety manuals. Company Christmas party will be December 18<sup>th</sup>.
- ◆ Bruce McAntee discussed hearing conservation program and decibel testing of equipment, accident investigation, administrative safety attitudes.
- ◆ Reviewed safety summary. Dellon Shelton read "Time to Work Safe" article.

Meeting adjourned.

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Chris Terhune  
Safety Coordinator

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Carrie Borell  
Safety Secretary

LANE-SCOTT ELECTRICT COOPERATIVE, INC.  
SAFETY COUNCIL COMMITTEE MEETING  
October 25, 2021

Chris Terhune called the meeting to order at 8:24am.

**Minutes were read:** Chris Terhune made a motion to approve the July 13th minutes with corrections and Richard McLeon seconded. Minutes were read and approved with corrections. Leighton Ayers approved the August 19<sup>th</sup> follow up meeting minutes and Chris Terhune seconded. Minutes were read and approved.

**Present:** Richard McLeon, Chris Terhune, Leighton Ayers, and Carrie Borell

**Absent:**

**Old Business:**

- ◆ Chris Terhune:
  - Truck 110 traffic signs were purchased.
  - Truck 112 sign case is replaced.
  - Truck 173 chip repair delayed due from Altec scheduling. Reviewing other options for another company to do the repairs.
  - Overlength annual permits are completed and in trucks.
  - Highway permits will be done in December to have them active January 1, 2022.
  - Switch west of Healy was fixed.
  - Ness City building window pane replacements and cement slurry on concrete floor are in progress.
  - Nate Burns is working on the city substation.
  - OSHA 10hr training still needs done by Kasey Jenkinson, Ben Mann, Myron Seib and Kevin Bradstreet.
- ◆ Carrie Borell:
  - OSHA VPP Sharp program application was submitted, and an email was received that the application was forward on to another area.
  - SafetyAmp inspection software was purchased and training on creating form templates have been started. Estimated three to four week timeframe for training.
  - Substation wildlife cover ups were discussed.

**New Business:**

- ◆ Chris Terhune:
  - Truck PETS test and DOT inspections are scheduled to be done.
  - Federated Insurance will be coming to do Accident and Investigation Training on December 17th.
  - Safety Summit meeting topics discussed concerning EMS and hospital information to be included on the tailgate sheets.
  - Budget items were submitted for review.
  - Retail scaffold inspections and recertification requirements discussed.
  - RESAP/Annual Self-Assessment walk through needs scheduled for this year.
- ◆ Safety budget report was reported and reviewed.

Meeting adjourned

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Chris Terhune  
Safety Coordinator

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Carrie Borell  
Secretary