



To: **Board of Trustees and Attorney**

A meeting of the Board of Trustees has been scheduled for September 25, 2023, at 7:00 p.m.

Proposed Agenda:

1. Call to Order
2. Reading and Approval of Minutes
3. Presentation of Check Registers
4. Presidents Report
5. Attorneys Report
6. Sunflower EPC Report
7. KEC Report
8. General Managers Report
9. Old Business
10. New Business
 - a. Load Forecast Study
 - b. Youth Tour and Colorado Leadership Camp
 - c. CFC Delegate designation
 - d. 2024 Wage and Salary (emailed separately)
11. Safety Program Report
12. Executive Session (if requested)
13. Adjourn

Upcoming Events:

NRECA Regional Meeting	Omaha, NE	Sep 26-27
KEC Board Meeting	Wichita	Oct 4-5
Sunflower Board Meeting	Hays	Oct 18
LSEC Board of Trustees meeting	Dighton	Oct 23

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**MINUTES OF THE REGULAR AUGUST 2023
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, August 7, 2023, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 6:56 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Rad Roehl, Harold Hoss, Randy Evans, Eric Doll, Susan Nuss, Chad Griffith, James Jordan. and Craig Ramsey. Also present Richard McLeon IV and Joseph D. Gasper, Attorney.

REORGANIZATION AND ELECTION OF OFFICERS

President, Jennison asked Attorney Gasper to chair the meeting for the election of officers. Attorney Gasper called for nominations for president to serve until the next election of officers following the annual meeting in year 2024.

Richard Jennison was nominated to serve as President. The nomination was seconded and it was moved that nominations cease and that a unanimous ballot be cast for Richard Jennison to serve as President. The motion was duly seconded and carried.

Craig Ramsey was nominated to serve as Vice-President. The nomination was seconded and it was moved that nominations cease and that a unanimous ballot be cast for Craig Ramsey to serve as Vice-President. The motion was duly seconded and carried.

Harold Hoss was nominated to serve as Secretary. The nomination was seconded and it was moved that nominations cease and that a unanimous ballot be cast for Harold Hoss to serve as Secretary. The motion was duly seconded and carried.

Eric Doll was nominated to serve as Treasurer. The nomination was seconded and it was moved that nominations cease and that a unanimous ballot be cast for Eric Doll to serve as Treasurer. The motion was duly seconded and carried.

Attorney Gasper called for action on the time and place for the monthly meeting. The board discussed moving the date of the meeting to the last Monday

of the month. *A motion to change the monthly board meeting and time to 7:00 p.m. on the last Monday of each month was made, duly seconded and carried.*

The board discussed Trustee compensation levels. *A motion to increase the subsistence compensation to \$150 per day and to keep the other compensation levels the same was made, duly seconded and carried.*

A motion to appoint Richard Jennison and Manager McLeon as the Sunflower delegates and Randy Evans and Kathy Lewis as the alternate Sunflower delegate was made. The motion was seconded and carried.

A motion to appoint Craig Ramsey as the KEC delegate and Manager McLeon as the alternate KEC delegate was made. The motion was seconded and carried.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on July 10, 2023. *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.

The next board meeting is August 16 and the plant tour is August 30.

KEC REPORT

Craig Ramsey, KEC representative, reported the following items:

- The summer meeting was held, and the training sessions were informative.
- KEC has been filing the incorrect tax forms for several years and they will begin filing the correct tax form this year.
- Pat Norris was re-elected as the NRECA director.
- LSEC received a safety achievement award.

MANAGER'S REPORT

Manager McLeon commented on the following matters:

- The credit card statements were presented to the Trustees for review.
- The monthly overall rate is 9.76 cents. Wholesale power has been lower recently.
- There was a glitch with the mailing of ballots for the vote at the annual meeting. This was related to the member list did not include some members who do not receive the Country Living magazine. Twenty-five members did not receive a ballot and an analysis of the votes indicate that it would not have had an impact on the outcome of the election. This will be corrected for future years.
- The first iron poles have been installed on the system. These poles will be placed at strategic locations to help break up the “domino” effect of poles going down in a storm. These will also be used in places where pole replacement is difficult.
- Contractors still are unavailable at a satisfactory price for pole replacement.
- The boring contractor has completed the current project and will be used more in the future.
- Manager McLeon has discussed a COSS with Justin at Guernsey and he is working on a price estimate, but it is expected to be around \$35,000-\$40,000. This study will be based on the 2023 numbers. This COSS will have to evaluate the potential Sunflower bifurcated rate structure and analyze how LSEC can structure rates to not be negatively affected. LSEC has been collecting demand data on all meters for the last year to obtain data.
- The FCC radios have been installed and testing for dead spots will begin in August.
- RESAP Onsite Observation completed, and staff is working on correcting deficiencies.
- Public education increased during harvest season and preparing for school start programs.
- The 2023 Member Satisfaction Survey produced a ACSI score of 89 (same as the 2020 Survey) and a CAPS score of 93.

- Of the 251 members surveyed (95% Confidence Interval) only 4 people (1.59%) expressed an interest in behind the meter solar power. 96% said they had no plans of purchasing an electric vehicle with the remaining 4% interested “sometime in the future.”
- KECHIT is exploring (at BCBS of Kansas’ prompting) two major initiatives. The first is limiting the insurance option to age 65 for all participants. The second is having KECHIT become self-insured. There are major issues with both initiatives. The first could have negative impacts on an employee turning 65 with dependents that are younger. Also, some retirees like to keep the more expensive coop policy because it is familiar or represents an active tie back to the coop. The second option is worrisome because lineman work is dangerous, and Sunflower is not likely collectively big enough to handle a few major claims.
- The reliability numbers remain good. LSEC is seeing more planned outages due to pole change outs.
- Through June had \$24,103 in year-to-date Patronage Capital. The monthly operating ratios continue to be weather (kWh sales) and inflation (cost) dependent. However, the financial integrity remains strong with \$7,353,195 in cash position (a \$220,738 increase).
- Year to date revenue is \$989,566 (10.5%) below last year with year-to-date wholesale power expense is \$1,133,387 (19.1%) below last year.
- Retail services non-operating margins total \$38,394.23 for the y.t.d.
- It is expected to have all accounting functions transitioned to Jocelyn by the end of the year.

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. AUDITOR ENGAGEMENT LETTER.

- *A motion to approve the audit engagement letter in the amount of \$27,000.00 with Bolinger, Segars Gilbert & Moss, LLP for the audit of the 2023 business year was made, duly seconded and carried.*

2. FIRST STATE BANK OF DIGHTON

- *A motion to approve the resolution naming Richard A. McLeon IV, Katherine E. Lewis and Jocelyn Walker, independently, to act as signatories on checks and drafts drawn on accounts held by Lane-Scott Electric Cooperative, Inc. at the First National Bank of Dighton, Kansas was made, duly seconded and carried.*

3. FIRST NATIONAL BANK OF HEALY

- *A motion to approve the resolution naming Richard A. McLeon IV, Katherine E. Lewis and Jocelyn Walker, independently, to act as signatories on checks and drafts drawn on accounts held by Lane-Scott Electric Cooperative, Inc. at the First State Bank of Healy, Kansas was made, duly seconded and carried.*

4. RUS RESOLUTION

- *A motion to approve the resolution authorizing Richard A. McLeon IV, General Manager/CEO, Richard Jennison President, and Harold Hoss, Secretary, be authorized to sign RUS Form Number 595, Financial Requirement and Expenditure Statement and also authorizing Richard A. McLeon IV, General Manager/CEO, Richard Jennison President, and Harold Hoss, Secretary be authorized to sign Advance Request for Federal Financing Bank, was made, duly seconded and carried.*

5. COBANK RESOLUTION

- *A motion to approve the resolution of incumbency naming Richard Jennison, President, Craig Ramsey, Vice-President, Eric Doll, Treasurer, Harold Hoss, Secretary and Richard A. McLeon IV, Manager/CEO to CoBank was made, duly seconded and carried.*

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 8:52 p.m., on Monday, August 7, 2023.

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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
50493 08/03/2023	CHK	5	RONDA FREEMYER	Check Rewrite	279.52
50494 08/03/2023	CHK	5	WILLIAM R CHOAT	Check Rewrite	279.52
3101 08/04/2023	WIRE	168	ONLINE INFORMATION SERVICES, INC	Monthly invoice	55.80
3102 08/07/2023	WIRE	468	U.S. BANK	Monthly card statement	29,536.83
3118 08/07/2023	WIRE	1224	NRECA RETIREMENT & SECURITY	RS contribution	56,550.85
3119 08/07/2023	WIRE	62	NRECA GROUP BENEFITS TRUST	Group Insurance	2,879.69
3120 08/07/2023	WIRE	180	NRECA	Group Admin Fee	246.15
3103 08/09/2023	WIRE	1267	AFLAC	Monthly policy invoice	1,072.78
50495 08/09/2023	CHK	1	GDS ASSOCIATES INC.	Online training	165.00
50496 08/09/2023	CHK	1	THE RUSH COUNTY NEWS	Annual meeting Ad	296.00
50497 08/09/2023	CHK	15	ERIC DOLL	Aug Board Meeting	395.85
50498 08/09/2023	CHK	20	BASIN ELECTRIC POWER COOP	Monthly invoice	2,125.41
50499 08/09/2023	CHK	30	HAROLD HOSS	Aug Board Meeting	389.30
50500 08/09/2023	CHK	40	KANSAS ELECTRIC COOPERATIVES	Subscriptions	5,456.00
50501 08/09/2023	CHK	45	BUMPER TO BUMPER OF DIGHTON	Monthly invoice	277.14
50502 08/09/2023	CHK	55	NESS COUNTY NEWS	Monthly invoice	122.40
50503 08/09/2023	CHK	63	RICHARD JENNISON	Aug Board meeting	367.03
50504 08/09/2023	CHK	105	CITY OF NESS CITY	Pay station/ Monthly postage	614.52
50505 08/09/2023	CHK	145	BUMPER TO BUMPER OF NESS CITY	Monthly invoice	135.46
50506 08/09/2023	CHK	179	RAD ROEHL	Aug Board Meeting	361.79
50507 08/09/2023	CHK	184	JOHNSTONE SUPPLY	Monthly invoice	2,641.10
50508 08/09/2023	CHK	187	S&W SUPPLY DIVISION	Monthly invoice	218.01
50509 08/09/2023	CHK	202	CHAD GRIFFITH	Aug Board Meeting	399.13
50510 08/09/2023	CHK	238	ILLINOIS MUTUAL	Monthly policy invoice	153.20
50511 08/09/2023	CHK	261	LOCKE SUPPLY CO	Monthly invoice	214.17
50512 08/09/2023	CHK	272	LEWIS AUTOMOTIVE GROUP INC	Parts	1,110.09

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
50513 08/09/2023	CHK	304	STECKLINE COMMUNICATIONS INC	Ads	200.00
50514 08/09/2023	CHK	306	BORDER STATES INDUSTRIES INC	Monthly invoice	11,787.63
50515 08/09/2023	CHK	380	GRAINGER	Monthly invoice	85.68
50516 08/09/2023	CHK	395	DOLLAR GENERAL - REGIONS 410526	Monthly invoice	101.16
50517 08/09/2023	CHK	406	RICHARD MCLEON	KEC Summer Meeting- Overland Park	515.66
50518 08/09/2023	CHK	427	DIGHTON HERALD LLC	Monthly invoice	185.00
50519 08/09/2023	CHK	450	RANDALL G EVANS	Aug Board Meeting	350.66
50520 08/09/2023	CHK	461	INSIDE INFORMATION, INC.	Member survey	8,900.00
50521 08/09/2023	CHK	516	WESTERN KANSAS BROADCAST CENT	Monthly invoice	656.00
50522 08/09/2023	CHK	517	UNITED RENTALS INC.	Rental for fairgrounds	4,480.78
50523 08/09/2023	CHK	520	CENTURY BUSINESS TECHNOLOGIES, I	Contract	93.37
50524 08/09/2023	CHK	532	AMERICAN DIGITAL SECURITY	Security system	212.07
50525 08/09/2023	CHK	562	RESENHOUSE	Monthly invoice	2,456.24
50526 08/09/2023	CHK	570	JAMES W JORDAN	Orientation/ Aug Board Meeting	783.84
50527 08/09/2023	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Monthly invoice	68.40
50528 08/09/2023	CHK	1030	THE SCOTT COUNTY RECORD	Monthly invoice	156.40
50529 08/09/2023	CHK	1172	WESTERN SUPPLY COMPANY	Monthly invoice	774.60
50530 08/09/2023	CHK	1230	NORTHWESTERN PRINTERS, INC.	Letterhead	390.85
50531 08/09/2023	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly invoice	1,343.22
50532 08/09/2023	CHK	1248	COMPLIANCE ONE	Monthly invoice	356.40
50533 08/09/2023	CHK	1251	TECHLINE, LTD	Monthly invoice	1,845.87
50534 08/09/2023	CHK	1254	EAGLE RADIO	Monthly invoice	464.00
50535 08/09/2023	CHK	1299	DEANNE DECHANT	Cookies for Aug Board meeting	72.00
50536 08/09/2023	CHK	1300	CRAIG RAMSEY	KEC meeting/ Aug board meeting	2,678.43
3104 08/10/2023	WIRE	18	CITY OF DIGHTON	Monthly invoice	2,042.31
3106 08/11/2023	WIRE	1160	S&T TELEPHONE COOP ASSN.	Monthly invoice- phone	871.08

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
3105 08/14/2023	WIRE	124	GOLDEN BELT TELEPHONE	Monthly invoice- phone	303.91
50537 08/16/2023	CHK	1	TWIN VALLEY ELECTRIC COOPERATIVE	Lane Scott El- Ben Mann/ Kasey Jenkinson	100.00
50538 08/16/2023	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll transfer	63,000.00
50539 08/16/2023	CHK	27	GARDEN CITY TELEGRAM	Annual meeting advertisement	200.00
50540 08/16/2023	CHK	37	JETMORE REPUBLICAN	Annual meeting ad	80.00
50541 08/16/2023	CHK	40	KANSAS ELECTRIC COOPERATIVES	Dues	7,616.07
50542 08/16/2023	CHK	59	NRECA	NRECA membership dues	8,706.00
50543 08/16/2023	CHK	104	HOME OIL CO	Monthly invoice	612.55
50544 08/16/2023	CHK	122	MYRON SEIB	Candy for Bazine parade	63.43
50545 08/16/2023	CHK	126	CARRIE BORELL	SMBP training- Wichita	352.00
50546 08/16/2023	CHK	220	LANDIS+GYR TECHNOLOGY, INC	Monthly flat fee- July 2023	922.61
50547 08/16/2023	CHK	234	ELECTRICOMM, INC.	Regulator repairs	6,050.65
50548 08/16/2023	CHK	356	BOSSELMAN ENERGY, INC.	Monthly invoice	209.00
50549 08/16/2023	CHK	366	DIANA KUHLMAN	Meeting expense- Interact	60.47
50550 08/16/2023	CHK	380	GRAINGER	Monthly invoice	43.06
50551 08/16/2023	CHK	387	WESTERN FUEL & SUPPLY	Monthly invoice	600.08
50552 08/16/2023	CHK	479	CASE BECKMAN	Monthly invoice- mowing	470.00
50553 08/16/2023	CHK	553	NORTHWEST LINEMAN COLLEGE	STCP- Module 2- Ben Mann	751.00
50554 08/16/2023	CHK	568	SUSAN NUSS	Orientation/ Board meeting- August	849.34
50555 08/16/2023	CHK	790	SUNBELT SOLOMON	Monthly invoice	9,699.31
50556 08/16/2023	CHK	803	ALTEC INDUSTRIES, INC	Monthly invoice	616.56
50557 08/16/2023	CHK	860	KANSAS LINE SUPERVISORS ASSOC	Dues x2 people	200.00VOID
50558 08/16/2023	CHK	1215	POWER SYSTEM ENGINEERING, INC.	Monthly invoice	2,865.00
50559 08/16/2023	CHK	1306	KCRE	2023 KCRE Golf Box Sponsorship	175.00
3107 08/18/2023	WIRE	1229	SCHABEN SANITATION	Monthly invoice- trash	673.73
3109 08/23/2023	WIRE	101	ATMOS ENERGY	Monthly invoice- natural gas	90.26

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
3108 08/25/2023	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly invoice- water bottles	164.38
3110 08/25/2023	WIRE	1290	WEX BANK	Monthly invoice- fuel	348.27
3117 08/25/2023	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales tax	22,196.14
50560 08/28/2023	CHK	1	DIGHTON HIGH SCHOOL	2023-24 Sports Ads- Full year	100.00
50561 08/28/2023	CHK	1	DIGHTON HIGH SCHOOL	Electrathon Sponsor Donation 2023-24	500.00
50562 08/28/2023	CHK	1	NRECA INTERNATIONAL	Donation	1,000.00
50563 08/28/2023	CHK	40	KANSAS ELECTRIC COOPERATIVES	Annual Report- print and mail	8,063.71
50564 08/28/2023	CHK	79	POSTMASTER	Marketing mail	119.56
50565 08/28/2023	CHK	105	CITY OF NESS CITY	Franchise Fee	6,851.69
50566 08/28/2023	CHK	117	NESS CITY FARM & FEED	Monthly invoice	1,130.61
50567 08/28/2023	CHK	135	CITY OF BAZINE	Franchise Fee	2,131.63
50568 08/28/2023	CHK	269	ANIXTER INC	Monthly invoice	207,653.28
50569 08/28/2023	CHK	361	ANN M JENNINGS	Lane Co. Parade Candy	71.03
50570 08/28/2023	CHK	473	SCOTT BRIAND	Clothing Allowance	78.51
50571 08/28/2023	CHK	506	K&J FOODS	Monthly invoice	36.93
50572 08/28/2023	CHK	572	DIAMOND COMMUNICATIONS SOLUTI	2023 Election	2,709.12
50573 08/28/2023	CHK	745	GOVE COUNTY ADVOCATE	Ads for Annual meeting	96.00
50574 08/28/2023	CHK	803	ALTEC INDUSTRIES, INC	Monthly invoice	895.75
50575 08/28/2023	CHK	903	NISC	Monthly invoices	12,554.27
50576 08/28/2023	CHK	1215	POWER SYSTEM ENGINEERING, INC.	Monthly invoice	195.00
50577 08/28/2023	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly invoice	545.11
50578 08/28/2023	CHK	1248	COMPLIANCE ONE	Monthly invoice	378.35
50579 08/28/2023	CHK	1285	TIFCO INDUSTRIES	Monthly invoice	327.04
50580 08/28/2023	CHK	9999	TOM STOECKLEIN	INACTIVE REFUND	357.56
50581 08/28/2023	CHK	9999	GUILLERMO VALLEJO	INACTIVE REFUND	205.80
3111 08/29/2023	WIRE	1187	MIDWEST ENERGY	Monthly invoice- gas	60.82

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
3112 08/29/2023	WIRE	183	HIBU INC	Monthly invoice- advertising	10.00
3113 09/01/2023	WIRE	530	SNAP-ON CREDIT LLC	Monthly invoice- subscription	50.72
3114 09/01/2023	WIRE	44	NEX-TECH WIRELESS, LLC	Monthly invoice	1,038.50
50582 09/01/2023	CHK	23	FEDERATED RURAL ELECTRIC	Railroad protective liability	350.00
50583 09/01/2023	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll transfer	63,500.00
50584 09/01/2023	CHK	40	KANSAS ELECTRIC COOPERATIVES	Development program- Carrie	2,950.00
50585 09/01/2023	CHK	105	CITY OF NESS CITY	Monthly invoice	47.13
50586 09/01/2023	CHK	150	CHRIS TERHUNE	Safety Round Table Expenses	341.75
50587 09/01/2023	CHK	160	SHULL OIL COMPANY	Monthly invoice	9,821.04
50588 09/01/2023	CHK	311	ELDRIDGE FENCING INC	Twin beam photo eye- North pole yard	211.66
50589 09/01/2023	CHK	317	JOHN DEERE FINANCIAL	Monthly invoice	81.83
50590 09/01/2023	CHK	452	DAVIS AG-A/C SERVICE LLC	Parts for truck #117	991.41
50591 09/01/2023	CHK	520	CENTURY BUSINESS TECHNOLOGIES, I	Copier contracts	278.82
50592 09/01/2023	CHK	1293	DAL HAWKINSON	Clothing allowence	530.29
3115 09/06/2023	WIRE	468	U.S. BANK	Monthly invoice- credit card	29,385.06
3116 09/07/2023	WIRE	1267	AFLAC	Monthly policy invoice	1,072.78
50593 09/08/2023	CHK	1	COLORADO SCHOOL OF MINES	Scholarship	1,500.00
50594 09/08/2023	CHK	1	NESS CITY ROTARY CLUB	Every Rotarian and July meals	42.00
50595 09/08/2023	CHK	40	KANSAS ELECTRIC COOPERATIVES	KCL subscriptions	2,413.10
50596 09/08/2023	CHK	55	NESS COUNTY NEWS	Buisness ad	100.00
50597 09/08/2023	CHK	59	NRECA	Subscription to National Benefits Survey	495.00
50598 09/08/2023	CHK	73	STANION WHOLESALE ELEC CO INC	Monthly invoice	36,451.36
50599 09/08/2023	CHK	105	CITY OF NESS CITY	August Pay Station and Postage	617.70
50600 09/08/2023	CHK	136	NATHAN BURNS	Landis & Gyr Meeting	147.50
50601 09/08/2023	CHK	150	CHRIS TERHUNE	Lodging for Safety Round Table	242.97
50602 09/08/2023	CHK	184	JOHNSTONE SUPPLY	Monthly invoice	2,946.77

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
50603 09/08/2023	CHK	198	OTIS ELEVATOR COMPANY	Logistics and fuel impact fee/ contract	108.50
50604 09/08/2023	CHK	220	LANDIS+GYR TECHNOLOGY, INC	Monthly Flat Fee- Aug	922.61
50605 09/08/2023	CHK	238	ILLINOIS MUTUAL	Life insurance monthly invoice	153.20
50606 09/08/2023	CHK	248	CENTRAL PUMP & SUPPLY	PVC Cement	29.92
50607 09/08/2023	CHK	359	WEBBER-GROSS WELDING, LLC	Stand for meter	309.77
50608 09/08/2023	CHK	406	RICHARD MCLEON	KEC/ NRECA meeting per diems	248.50
50609 09/08/2023	CHK	459	YESTERDAYS BODY SHOP	New windshields for Buick/ 16 Ram	802.91
50610 09/08/2023	CHK	479	CASE BECKMAN	Mowing	350.00
50611 09/08/2023	CHK	537	CONSTELLATION NEWENERGY-GAS DI	Monthly utilities	8.40
50612 09/08/2023	CHK	559	RAINMAKER THINKING, INC.	Training by Bruce Tulgan	20,000.00
50613 09/08/2023	CHK	562	RESENHOUSE	Monthly invoice	15,205.57
50614 09/08/2023	CHK	903	NISC	License Renewal	3,146.50
50615 09/08/2023	CHK	1172	WESTERN SUPPLY COMPANY	Monthly invoice	3,375.51
50616 09/08/2023	CHK	1225	CINTAS CORPORATION	First Aid restock	369.40
50617 09/08/2023	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly invoice	940.24
50618 09/08/2023	CHK	1293	DAL HAWKINSON	Landis & Gyr Meeting	147.50
50619 09/08/2023	CHK	1303	LANE COUNTY IMPLEMENT, INC	Monthly invoice- Battery	217.00
50620 09/11/2023	CHK	155	KEVIN BRADSTREET	State Fair	88.50
50621 09/11/2023	CHK	1293	DAL HAWKINSON	State Fair	88.50

Total Payments for Bank Account - 2 : (148) 724,224.90
Total Voids for Bank Account - 2 : (1) 200.00
Total for Bank Account - 2 : (149) 724,424.90

Grand Total for Payments : (148) 724,224.90
Grand Total for Voids : (1) 200.00
Grand Total : (149) 724,424.90



... energy done right

SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING SUMMARY AUGUST 16, 2023

Richard Jennison, representative for Lane-Scott Electric Cooperative, was seated as director on the Sunflower Board; Randy Evans, representative for Lane-Scott Electric Cooperative, was seated as alternate director; Lindsay Campbell, representative for Pioneer Electric Cooperative and Southern Pioneer Electric Company, was seated as interim director; and Chantry Scott, representative for Pioneer Electric Cooperative and Southern Pioneer Electric Company, was seated as alternate director.

Current Activities

Sunflower 2023 Rate Study

The Sunflower Board voted to bifurcate Sunflower's demand charge and add a non-coincident peak (NCP) demand charge beginning January 1, 2024. Many options were considered, including an \$8, \$6, and \$4 coincident demand charge with the remainder recovered through the NCP demand charge. The Board approved the \$8 CP (coincident peak) demand charge and the additional NCP charge effective January 1, 2024.

Board Action: The Sunflower Board approved the implementation of a bifurcated demand charge effective January 1, 2024.

Review of April Off-site Strategy Meeting

At the April meeting, Sunflower and Member staff identified risks pertaining to Sunflower and Members: attracting and retaining load, implications of cost structures, loss of load, industry disruptors, and retail choice legislation.

Sunflower staff integrated risk into business cases and Project Approval Committee contracts; compiled Sunflower's top 10 corporate risks; and are working on a potential enterprise strategy management program to evaluate risk.

Resource planning work included studies on maintaining generation while investigating replacement options to come online when HL1 and natural gas units are retired. Staff are also budgeting for new generation to meet SPP's increased reserve capacity requirement. Next steps include completing the Demand Response (DR) study and implementing DR programs; solar, storage, and microgrid options; submitting a New ERA Letter of Intent; and continuing to evaluate generation retirement scenarios.

Discussion at the April meeting resulted in the following focus areas for transmission in the Sunflower zone: working with SPP on transmission planning generation interconnections; addressing strategies for the Mid-Kansas 34.5 kV system; continuing to pursue opportunities associated with the C2 cost allocation waiver; addressing aging infrastructure/generation retirements; pursuing opportunities

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associated with the Inflation Reduction Act of 2022; remaining engaged with FERC Order 1000 and Kansas ROFR; and investigating emerging technologies.

Using the recent value gap survey, the next steps include determining critical issues on which to focus and defining success; removing unnecessary roadblocks; and seeking process efficiencies.

The next off-site strategy meeting is scheduled for November 8-9 at Wheatland's Great Bend office.

Operations

August 16, 2023, marked the 40th anniversary of the operation of Holcomb Station.

Generation: HL1 experienced a tube failure, which was repaired quickly.

SPP continues to exercise gas-steam units aggressively. In 2020 and 2021, SPP issued three reliability unit commit (RUC) starts each year. In 2022, the number of RUC starts jumped to 18, but the longest continuous RUC run was approximately 48 hours. In 2023, SPP has issued 35 RUC start orders with more than four months remaining in the year, and the FD4 unit has been in service for more than 1,300 hours.

Prior to 2023, Sunflower's 20 fossil fuel, dispatchable generating units never operated simultaneously. In 2023, all 20 of these units operated simultaneously on three occasions for more than 17 hours combined.

After Sunflower joined SPP's Integrated Market in 2014, 13.5 positions were eliminated at GBS and FDS. Thus, fewer staff are shouldering generation operations. Due to the way SPP is dispatching GB3, even when the unit is not running, staff are required to keep the oil systems in service. To illustrate the staffing challenges, one employee worked 36 days straight before getting a day off.

Transmission: Staff completed multiple storm restorations across the system. Including damage caused by the June 30 storm, the transmission team replaced 58 transmission structures over a 20-day period and replaced 44 structures in a one-week span. Much of the work was performed in harsh conditions.

Environmental: Sunflower environmental staff supported numerous site inspections and routine data submittals and continue to monitor anti-fossil fuel federal policy efforts.

Power Supply & Delivery

Sunflower staff are coordinating with ACES and Prairie Land on a pilot study for registering a load as a Dispatchable Demand Response Resource for participation in the SPP Integrated Marketplace ancillary services market.

Engineering and procurement work is progressing on the Sunflower Electric Solar @ Russell project. Staff continue to meet with Alluvial regarding the shared facility agreement for the Fort Dodge Solar Project. Costs are trending upward.

Energy Cost Adjustments (ECAs) are increasing but are still lower than last summer. This is due to the increased reliance on more natural gas units across the SPP region. The average delivered price to the fleet for July was approximately \$2.615/MMBtu, up \$.177/MMBtu from last month and down \$4.838/MMBtu from last year.

In July, the Board approved rate incentives for 42 MW of potential new cryptocurrency mining loads for two entities. During the last month, one company notified Victory of its desire to increase load by 15 MW, and Sunflower and Victory staff worked on how to accommodate the load addition request.

Board Action 1: The Sunflower Board approved the use of property owned by Sunflower around the Fort Dodge and North Fort Dodge substations and the Fort Dodge generation facilities for the cryptocurrency mining load.

Board Action 2: The Sunflower Board approved the special contract and rate considerations as presented.

Corporate Services

Year to date, the Sunflower purchasing team quantified savings of \$627,520.

Financial Services

July Financials

Overall Member loads were down 7.64% from budget for the month and down 2.85% from budget year to date. The July Member rate was \$15/MWh, favorable to budget; the year-to-date Member rate was \$13/MWh, favorable to budget. Large industrial loads were up .96% from budget for the month and down 0.03% from budget year to date. Year-to-date operating expenses were down 7.59% from budget for the month and down 8.03% from budget year to date.

Staff explained the new financial reporting template found in BoardPaq. The report on each metric shows a four-year monthly and year-to-date comparisons, as well as changes from prior years and comparisons to budget.

Load forecast

Staff presented the 2023 load forecast, which considers current customer load and projected new loads and expansions. The forecast shows an increase in total energy sales through 2026, and the transmission load ratio remains consistent.

Board action: The Sunflower Board approved the 2023 load forecast as presented.

2024-2026 Budget

Staff presented the 2024-26 budget, which shows a Member rate decrease in 2024 followed by projected increases in 2025 and 2026. Staff will discuss the budget with each Member prior to the September Board meeting, at which time the Board will be asked to approve the budget.

The Sunflower Board approved the following appointments:

ACES

Directors: Steve Epperson and Corey Linville

Alternates: Wes Campbell and Richard Jennison

NRCO

Director: Corey Linville

Alternate: Steve Epperson

Western Fuels Association

Director: Steve Epperson

1st Alternate: Wes Campbell

2nd Alternate: Tracy Davis

CFC

The CFC District 7 meeting will be held on Wednesday, Sept. 27, in Omaha, Neb.

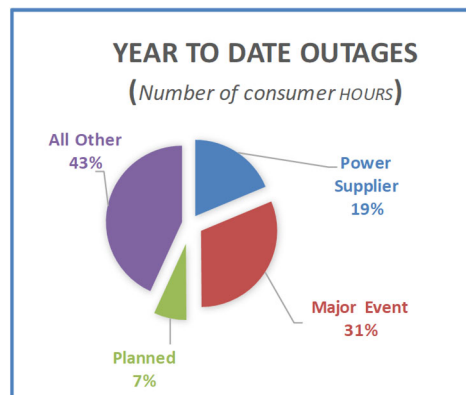
Delegate: Shane Laws

Alternate: Tom Ruth

9. General Manager's Report

A. Rates and Reliability Dashboard

Rate Summary - Aug	current month (\$/kWh)	ytd average (\$/kWh)	ytd '17-22 avg. (\$/kWh)
Residential	0.1265	0.1357	0.1233
Residential - Seasonal	0.2379	0.2510	0.2048
Irrigation	0.0977	0.0942	0.0911
C&I 1000kVa or less	0.1218	0.1181	0.1111
C&I over 1000 kVA	0.0998	0.1008	0.1112
Public Street and Lighting	0.1653	0.1563	0.1326
Other Sales to Public Authorities	0.1450	0.1455	0.1452
Sales for Resale - Other	0.0775	0.0688	0.0806
Total Sales price per kWh:	0.1098	0.1107	0.1103



Aug-23	meters	kWh	\$\$s	ratio
<i>Residential Sales</i>	38.5%	17.0%	19.5%	1.15
<i>Residential Seasonal</i>	19.4%	1.1%	2.5%	2.17
<i>Irrigation Sales</i>	5.8%	12.4%	11.0%	0.89
<i>C&I 1000 kVa or less</i>	32.0%	25.0%	27.7%	1.11
<i>C&I over 1000 kVa</i>	3.1%	37.3%	33.9%	0.91
<i>Public Street and Lighting</i>	0.2%	0.2%	0.3%	1.51
<i>Other Sales to Public Authorities</i>	0.8%	0.2%	0.3%	1.32
<i>Sales for Resale - RUS Borrowers</i>	0.0%	0.0%	0.0%	
<i>Sales for Resale - Other</i>	0.0%	6.8%	4.8%	0.71

- YTD Kilowatt per hour sales are 1.43% below 2022, but 7.23% above 2018—2022 average.
- Wholesale Power costs per kWh continue to be below average. The year-to-date cost at 15.0% below 2022 and almost 30% below 2018-2022 averages. This is mainly driven by a lower cost of gas.
- YTD sales are 3.09% below last year, but 7.98% above the 2019-2022 average.

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

C. Departments / Sections (full reports are in the Supplemental file)

1) Accounting and Finance. A hot August helped regain some sales, but not enough to cover inflation driven operating expenses. However, our financial integrity remains strong with \$6,863,230 in cash position.

- Year to date revenue is \$2,089,825 (14.9%) below last year with year-to-date wholesale power expense is \$2,234,115 (23.8%) below last year. The net effect is our year to date distribution revenue is \$4,787,693 compared to \$4,643,402 last year. That's \$144,291 (or 3%) above last year helping offset inflationary pressures.
- Key Metrics are:
 - YTD OP margins – (\$344,389). YTD Patronage Margins – (\$21,141).
 - Cash Balance - \$6,863,230.
 - General Funds Level – 13.17%
 - Current Ratio – 1.75
 - Cash to Debt Ratio – 20.35%

2) Operations Report. (Kasey / Chris / Ben / Dal)

- Maintenance
 - Replaced bad arrester on Larry Haye's transformer.
 - Changed out bad transformer at Darwin Whipple's shed, Davis lease, and Allen James's irrigation.
 - Trimmed trees at Richard Johnson's in Utica and Randy Brenner's in Ness City.
 - Fixed secondary connections at Eric Easey's in Ness City.
 - Fixed bad connection on junction pole by Clyde Suttons.
 - Cover up line at Brookover Feeders for Midwest Well Service to work on water well.
 - Fix floaters on the Grigston circuit, East Mantina 3 phase & on the Lake Rd in Finney Co.
 - Repaired underground riser hit by implement north of Ness City.
 - Changed out bad step-up transformer on the Hartman 3 phase.
- New Connects
 - Built new single phase connect for Joe Gerstner Oil, Rodenberg lease.
 - Built new single phase connect for Sharp Brothers Seed in Healy.
 - Bored in new primary undergrounds and set new single phase pad mount transformers at the Ness City airport and Michael Wehkamp's new shed.
- Pole Change Out's
 - Changed out 1 meter pole at John Byrd's.
 - Changed out bad lift pole at Tanner Rider's.
 - Changed out 1, 3 phase junction pole and 1, 3 phase inline pole at D&S Machine in Ness City.
 - Changed out 1, 3 phase inline pole and 1, 3 phase junction pole in Bazine.
 - Changed out 18, 3 phase inline poles, 2-3phase junction poles and 3 iron poles on the Ransom to Utica line.
 - Change out 3 single phase poles on the Rufenacht tap.
 - Changed out 1 single phase pole south of Grigston.

3) Engineering. (Dal, Ben, and Nate)

- Maintenance
 - Monthly sub checks.
 - Replaced batteries in the Manning and Beeler subs.
 - Replace broken insulator on regulator bypass in the Ransom sub.
- New Projects
 - PSE WindMil model data collection: In process – Ongoing 80%
 - Weskan grain facility Scott Co.: In Process - RR Xing permit has been granted, developing easements and contract.
 - Meter inventory updates and re-programing: In Process – Ongoing 70%
 - 2022 FEMA projects: Ongoing, data is still being requested occasionally 95%??
 - NISC workflow: Training Completed, Testing In process.
 - 2022 pole testing replacements: In process 85% Developing contractor packages for Ness City structures.
 - 2023 Pole testing data delivery: Completed est. start September 2023.
 - ArcFlash study: Study Completed and approved.
 - SPCC plan: Plan Completed, Ongoing tabletop exercise scheduled for Sept.
 - CWP Utica Autotransformer station: In process transformer pads in site preparation scheduled week of 9/15/2023

4) Communications / Member Services Report. (Ann Marie)

- Working on Trustee updated photos and biographies.
- Google Analytics interface upgraded.
- Social Media Back to School Contest. The campaign reached 2,111 people with 222 interactions.

5) Retail Services / Warehouse Report. (Scott)

- Retail Non-operating margins = \$10,400.95 (Aug) and \$61,563.08 YTD.
- Generac. We sold another four units in July, and we are getting more calls from Ness County.
- Electrician / HVAC services.
 - YTD – Electricians: \$75,479.92; HVAC: (\$15,712.05)
 - Electrician demand remains high, and Lane County Feeders continues to keep us busy. Kalo is in rehab for his shoulder and we expect him out for another 2 months.
 - Mark focused on service work and had his prostate cancer surgery last week. We expect him out for at least a month.
- Materials. We are in good shape for the first time in almost two years.

Respectfully submitted,

Richard McLeon, MBA
General Manager / CEO

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 FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION KS0042
	PERIOD ENDED July 2023
	BORROWER NAME The Lane-Scott Electric Cooperative, Inc.

INSTRUCTIONS - See help in the online application.

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

8/18/2023

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	11,533,126	10,111,273	13,255,368	1,677,051
2. Power Production Expense				
3. Cost of Purchased Power	7,675,650	5,984,843	8,347,297	1,181,756
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	456,148	605,810	625,555	54,223
7. Distribution Expense - Maintenance	701,751	641,272	814,989	125,172
8. Customer Accounts Expense	140,866	155,484	158,739	21,186
9. Customer Service and Informational Expense	34,371	38,191	36,729	4,800
10. Sales Expense	36,814	63,988	41,762	15,199
11. Administrative and General Expense	920,010	1,148,191	992,369	183,595
12. Total Operation & Maintenance Expense (2 thru 11)	9,965,610	8,637,779	11,017,440	1,585,931
13. Depreciation and Amortization Expense	1,091,988	1,133,308	1,261,988	162,574
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	744,144	708,914	730,212	103,708
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	164	3,194	203	445
19. Other Deductions	10,770	18,388	15,477	5,657
20. Total Cost of Electric Service (12 thru 19)	11,812,676	10,501,583	13,025,320	1,858,315
21. Patronage Capital & Operating Margins (1 minus 20)	(279,550)	(390,310)	230,048	(181,264)
22. Non Operating Margins - Interest	34,710	220,767	40,831	32,796
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	76,346	51,162	37,919	14,794
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	24,069	8,810	20,000	
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	(144,425)	(109,571)	328,798	(133,674)

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 July 2023		
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	47	13	5. Miles Transmission		
2. Services Retired	46	35	6. Miles Distribution – Overhead	2,038.73	2,038.10
3. Total Services in Place	6,054	6,051	7. Miles Distribution - Underground	7.66	8.73
4. Idle Services (Exclude Seasonals)	273	287	8. Total Miles Energized (5 + 6 + 7)	2,046.39	2,046.83
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	61,566,273		30. Memberships	0	
2. Construction Work in Progress	1,353,294		31. Patronage Capital	23,794,200	
3. Total Utility Plant (1 + 2)	62,919,567		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	21,440,814		33. Operating Margins - Current Year	(390,310)	
5. Net Utility Plant (3 - 4)	41,478,753		34. Non-Operating Margins	1,752,507	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	276,756	
7. Investments in Subsidiary Companies	239,416		36. Total Margins & Equities (30 thru 35)	25,433,153	
8. Invest. in Assoc. Org. - Patronage Capital	12,291,170		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	31,574,894	
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)	4,325,010	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	1,042,316	
14. Total Other Property & Investments (6 thru 13)	13,203,506		43. Total Long-Term Debt (37 thru 41 - 42)	34,857,588	
15. Cash - General Funds	52,966		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	7,161,404		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	1,328,762	
20. Accounts Receivable - Sales of Energy (Net)	1,509,252		49. Consumers Deposits	111,551	
21. Accounts Receivable - Other (Net)	264,476				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	2,238,261	
23. Materials and Supplies - Electric & Other	536,213		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	58,471		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	128,380		53. Other Current and Accrued Liabilities	1,695,816	
26. Total Current and Accrued Assets (15 thru 25)	9,711,287		54. Total Current & Accrued Liabilities (47 thru 53)	5,374,390	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	1,271,585		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	65,665,131		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	65,665,131	

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UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION <div style="text-align: right;">KS0042</div>
	PERIOD ENDED August 2023
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)

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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)

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☐ 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.

 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	14,028,939	11,939,114	15,148,992	1,827,842
2. Power Production Expense				
3. Cost of Purchased Power	9,385,537	7,151,422	9,539,768	1,166,579
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	561,901	641,627	714,920	35,818
7. Distribution Expense - Maintenance	810,176	744,579	931,416	103,306
8. Customer Accounts Expense	161,980	175,241	181,416	19,757
9. Customer Service and Informational Expense	40,579	43,837	41,976	5,646
10. Sales Expense	41,414	70,692	47,728	6,705
11. Administrative and General Expense	1,058,222	1,322,338	1,134,136	174,147
12. Total Operation & Maintenance Expense (2 thru 11)	12,059,809	10,149,736	12,591,360	1,511,958
13. Depreciation and Amortization Expense	1,250,126	1,296,896	1,442,272	163,587
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	851,354	812,533	834,528	103,619
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	185	3,638	232	444
19. Other Deductions	12,310	20,700	17,688	2,313
20. Total Cost of Electric Service (12 thru 19)	14,173,784	12,283,503	14,886,080	1,781,921
21. Patronage Capital & Operating Margins (1 minus 20)	(144,845)	(344,389)	262,912	45,921
22. Non Operating Margins - Interest	45,138	252,875	46,664	32,108
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	109,645	61,563	43,336	10,401
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends	24,069	8,810	20,000	
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	34,007	(21,141)	372,912	88,430

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 August 2023		
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	56	16	5. Miles Transmission		
2. Services Retired	46	35	6. Miles Distribution – Overhead	2,038.73	2,038.10
3. Total Services in Place	6,063	6,054	7. Miles Distribution - Underground	7.66	8.73
4. Idle Services (Exclude Seasonals)	273	290	8. Total Miles Energized (5 + 6 + 7)	2,046.39	2,046.83
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	61,746,180		30. Memberships	0	
2. Construction Work in Progress	1,492,573		31. Patronage Capital	23,794,200	
3. Total Utility Plant (1 + 2)	63,238,753		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	21,598,285		33. Operating Margins - Current Year	(344,390)	
5. Net Utility Plant (3 - 4)	41,640,468		34. Non-Operating Margins	1,795,016	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	276,198	
7. Investments in Subsidiary Companies	239,416		36. Total Margins & Equities (30 thru 35)	25,521,024	
8. Invest. in Assoc. Org. - Patronage Capital	12,284,966		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	31,574,894	
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)	4,151,667	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	1,042,316	
14. Total Other Property & Investments (6 thru 13)	13,197,302		43. Total Long-Term Debt (37 thru 41 - 42)	34,684,245	
15. Cash - General Funds	82,338		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	6,755,260		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	1,324,131	
20. Accounts Receivable - Sales of Energy (Net)	1,868,803		49. Consumers Deposits	108,991	
21. Accounts Receivable - Other (Net)	224,151				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	2,239,843	
23. Materials and Supplies - Electric & Other	630,530		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	47,672		52. Current Maturities Capital Leases	0	
25. Other Current and Accrued Assets	108,821		53. Other Current and Accrued Liabilities	1,878,058	
26. Total Current and Accrued Assets (15 thru 25)	9,717,700		54. Total Current & Accrued Liabilities (47 thru 53)	5,551,023	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	1,200,822		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	65,756,292		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	65,756,292	



2024 Load Forecast Study

presented to the Board of Trustees on September 25, 2023

Summary:

This Load Forecast Study projects an overall change from 2024 through 2033 of:

Overall KWh Sales:		1.50%
Residential	-0.46%	
Residential - Seasonal	1.92%	
Irrigation	0.63%	
C&I Under 1000kVa	1.09%	
C&I over 1000kVa	2.65%	
Public Street & Highway	-0.51%	
Other Sales - Public Authority	-3.10%	
Sales for Resale - Dighton	-0.84%	
Revenue:		2.66%
Sunflower CP Demand:		0.92%
LSEC NCP Demand:		1.00%

note: The May 2023 Sunflower LFS projects our overall kWh sales increase at 0.16% total from 2024 to 2033.

prepared by: Richard A. McLeon, IV MBA
General Manager

Methodology and Assumptions:

- 1 Actual kWh sales and operating revenues from 2009 through 2022 is used as the basis for the Laod Forecast Study. The use of fourteen (14) years historical data normalizes variations in sales and revenues due to weather and market conditions. This data is taken from Part O of the audited Year Ebd RUS Form 7 for each revenue class.
- 2 Data is projected to 2033 (10 years).
- 3 Usage and revenue per kWh for 2023 is based on actual YTD figures and factored forward to year end based on historical figures.
- 4 Baseline "kWh sold" and "YE Served" data for years 2023 to 2033 were calculated using a simple linear regression and factored for known market conditions.
- 5 Revenue for 2024 is calculated assuming the minimum increase required to meet 2023 financial metrics based on year end projections. Modified Debt Service Coverage is the most difficult metric for us to meet, therefore it is used as the baseline. These numbers are:

metric	minimum value	% increase required to meet minimum
TIER	1.25	1.45
OTIER	1.10	4.40
DSC	1.25	2.50
ODSC	1.10	3.30
MDSC	1.35	5.10

- 6 Revenue for 2025 to 2033 assumes an annual inflation rate of:

3.00%

- 7 Increases in revenue solely reflect adjustments to LSEC retail rates. No assumptions or adjustments to revenue were made regarding Sunflower Electric Power Corporation wholesale rates, taxes, or franchise fees.
- 8 Demand is calculated from Non-Coincident Peak data as reported on the Year End Form 7. Demand is projected using simple, linear regression.
- 9 These numbers will transfer to the 2024-2033 Financial Forecast and 2024 Financial Budget.
- 10 A Cost of Service Study is anticipated in 2024. This will adjust revenues and generate a new Financial Forecast.

year	Residential				Residential - Seasonal			
	YE Served	kWh sold	rev. / kWh	revenue	YE Served	kWh sold	rev. / kWh	revenue
2009	2,429	23,828,133	0.0992289	2,364,440	773	1,860,800	0.1490375	277,329
2010	2,394	25,816,294	0.1073131	2,770,427	813	1,539,507	0.1711990	263,562
2011	2,382	26,163,815	0.1112923	2,911,830	821	1,564,650	0.1765174	276,188
2012	2,390	25,689,838	0.1098783	2,822,756	832	1,513,603	0.1877712	284,211
2013	2,401	25,719,268	0.1185564	3,049,183	833	1,567,380	0.1877515	294,278
2014	2,382	25,773,703	0.1231061	3,172,901	847	1,549,260	0.1859894	288,146
2015	2,359	25,530,504	0.1185985	3,027,880	863	1,483,540	0.1861008	276,088
2016	2,310	24,248,180	0.1215746	2,947,963	1,118	1,623,349	0.1994001	323,696
2017	2,268	22,960,460	0.1269274	2,914,311	1,132	1,853,346	0.2099543	389,118
2018	2,251	24,701,066	0.1220058	3,013,673	1,142	2,039,375	0.1998230	407,514
2019	2,225	24,196,666	0.1178974	2,852,725	1,141	2,093,679	0.1933964	404,910
2020	2,230	24,225,256	0.1140830	2,763,689	1,144	2,101,908	0.1889198	397,092
2021	2,221	23,771,689	0.1283951	3,052,169	1,143	2,090,993	0.2047903	428,215
2022	2,227	25,224,988	0.1354092	3,415,695	1,128	2,261,159	0.2349260	531,205
2023	2,184	23,472,476	0.1352781	3,175,311	1,244	2,072,410	0.2568715	532,343
2024	2,166	23,790,704	0.1402755	3,337,252	1,279	2,178,103	0.2568715	559,492
2025	2,148	23,670,729	0.1452160	3,437,369	1,314	2,252,698	0.2558165	576,277
2026	2,130	23,550,754	0.1503345	3,540,490	1,349	2,301,476	0.2579065	593,566
2027	2,112	23,430,779	0.1556374	3,646,705	1,384	2,350,254	0.2601304	611,373
2028	2,094	23,310,804	0.1611316	3,756,106	1,419	2,399,033	0.2624865	629,714
2029	2,076	23,190,829	0.1668241	3,868,790	1,455	2,447,811	0.2649735	648,605
2030	2,058	23,070,854	0.1727224	3,984,853	1,490	2,496,590	0.2675903	668,063
2031	2,040	22,950,879	0.1788341	4,104,399	1,525	2,545,368	0.2703362	688,105
2032	2,022	22,830,904	0.1851670	4,227,531	1,560	2,594,147	0.2732106	708,748
2033	2,004	22,710,929	0.1917296	4,354,357	1,595	2,642,925	0.2762132	730,011
Growth rates								
2009-2021	-0.62%	0.40%	2.19%	2.56%	2.59%	1.59%	3.21%	5.24%
2024-2033	-0.78%	-0.46%	3.12%	2.66%	2.20%	1.92%	0.73%	2.66%

Table Legend:

Historical data
last current actual data
projections

year	Irrigation				C&I Under 1000kVA			
	YE Served	kWh sold	rev. / kWh	revenue	YE Served	kWh sold	rev. / kWh	revenue
2009	304	7,162,095	0.0968464	693,623	1,704	39,230,972	0.0973821	3,820,393
2010	310	7,601,957	0.1059269	805,252	1,757	41,497,830	0.1027239	4,262,818
2011	318	10,822,646	0.1075190	1,163,640	1,820	44,204,909	0.1072359	4,740,353
2012	319	11,138,105	0.1135488	1,264,718	1,871	46,610,683	0.1129148	5,263,034
2013	320	8,370,258	0.1256567	1,051,779	1,932	48,832,624	0.1170165	5,714,222
2014	322	8,796,187	0.1207709	1,062,323	1,930	49,748,211	0.1173823	5,839,560
2015	328	8,177,412	0.1163954	951,813	1,942	47,249,392	0.1127476	5,327,256
2016	331	7,869,704	0.1232833	970,203	1,876	47,833,352	0.1138576	5,446,191
2017	333	8,134,522	0.1340302	1,090,272	1,877	52,018,673	0.1122783	5,840,567
2018	332	7,879,987	0.1291665	1,017,830	1,862	52,942,381	0.1105855	5,854,660
2019	334	7,221,785	0.1296332	936,183	1,856	52,598,388	0.1057280	5,561,123
2020	332	9,174,142	0.1181119	1,083,575	1,836	47,133,206	0.1057280	4,838,951
2021	333	8,381,209	0.1251273	1,048,718	1,856	49,159,049	0.1168697	5,745,205
2022	339	12,342,520	0.1222713	1,509,136	1,859	51,537,166	0.1207996	6,225,668
2023	337	9,436,002	0.1214491	1,145,994	1,846	51,085,810	0.1195256	6,106,063
2024	340	9,376,102	0.1284585	1,204,440	1,848	53,613,193	0.1196995	6,417,472
2025	345	9,443,877	0.1313627	1,240,573	1,845	54,300,820	0.1217292	6,609,996
2026	349	9,511,652	0.1343395	1,277,790	1,843	54,988,447	0.1238132	6,808,296
2027	352	9,579,426	0.1373907	1,316,124	1,837	55,676,074	0.1259526	7,012,545
2028	354	9,647,201	0.1405182	1,355,607	1,834	56,363,701	0.1281485	7,222,922
2029	356	9,714,976	0.1437240	1,396,276	1,831	57,051,329	0.1304020	7,439,609
2030	358	9,782,751	0.1470102	1,438,164	1,828	57,738,956	0.1327145	7,662,797
2031	361	9,850,526	0.1503787	1,481,309	1,825	58,426,583	0.1350872	7,892,681
2032	363	9,918,301	0.1538316	1,525,748	1,822	59,114,210	0.1375213	8,129,462
2033	365	9,986,076	0.1573712	1,571,521	1,819	59,801,837	0.1400182	8,373,346
Growth rates								
2009-2022	0.77%	4.21%	1.52%	5.57%	0.60%	1.84%	1.51%	3.23%
2024-2033	0.71%	0.63%	2.03%	2.66%	-0.16%	1.09%	1.57%	2.66%

Table Legend:

Historical data
last current actual data
projections

year	C&I Over 1000kVA				Public Street & Highway			
	YE Served	kWh sold	rev. / kWh	revenue	YE Served	kWh sold	rev. / kWh	revenue
2009	292	36,821,205	0.0916512	3,374,707	32	449,357	0.1572892	70,679
2010	299	40,325,704	0.1003973	4,048,590	31	448,596	0.1285945	57,687
2011	303	41,245,457	0.1061081	4,376,476	30	448,767	0.1290826	57,928
2012	318	42,374,438	0.1090596	4,621,338	29	448,050	0.1222163	54,759
2013	318	47,179,171	0.1139318	5,375,207	28	447,334	0.1320758	59,082
2014	329	58,572,731	0.1126246	6,596,728	30	448,431	0.1419037	63,634
2015	357	54,703,255	0.1111133	6,078,261	28	446,571	0.1362068	60,826
2016	197	47,803,166	0.1220983	5,836,685	27	444,547	0.1344650	59,776
2017	180	44,232,730	0.1281092	5,666,618	23	442,027	0.1334376	58,983
2018	189	56,451,769	0.1156393	6,528,043	23	441,548	0.1321872	58,367
2019	189	73,111,587	0.0974371	7,123,779	13	440,152	0.1272015	55,988
2020	191	64,477,905	0.0959946	6,189,529	13	430,912	0.1237584	53,329
2021	177	68,365,457	0.0959946	7,714,065	13	431,352	0.1237584	58,086
2022	180	68,155,981	0.1114226	7,594,117	13	430,233	0.1491494	64,169
2023	178	73,544,412	0.1083170	7,966,110	13	400,433	0.1432238	57,352
2024	178	74,809,363	0.1119162	8,372,382	13	421,369	0.1430491	60,277
2025	178	77,349,159	0.1114886	8,623,553	13	419,055	0.1481544	62,085
2026	178	79,888,954	0.1111826	8,882,260	13	416,740	0.1534467	63,947
2027	178	82,428,750	0.1109895	9,148,728	13	414,425	0.1589328	65,866
2028	178	84,968,545	0.1109021	9,423,189	13	412,110	0.1646203	67,842
2029	179	87,508,341	0.1109138	9,705,885	14	409,796	0.1705167	69,877
2030	179	90,048,137	0.1110191	9,997,062	14	407,481	0.1766299	71,973
2031	179	92,587,932	0.1112129	10,296,973	14	405,166	0.1829681	74,133
2032	179	95,127,728	0.1114910	10,605,883	14	402,851	0.1895400	76,356
2033	179	97,667,524	0.1118495	10,924,059	14	400,537	0.1963545	78,647
Growth rates								
2009-2022	-3.18%	4.21%	1.31%	5.20%	-5.71%	-0.31%	-0.43%	-0.78%
2024-2033	0.06%	2.65%	-0.01%	2.66%	0.74%	-0.51%	3.17%	2.66%

Table Legend:

Historical data
last current actual data
projections

year	Other Sales - Public Auth.				Sales for Resale			
	YE Served	kWh sold	rev. / kWh	revenue	YE Served	kWh sold	rev. / kWh	revenue
2009	52	554,502	0.0967499	53,648	1	10,475,172	0.0654	685,283
2010	51	584,474	0.1096747	64,102	1	10,796,258	0.0700	755,858
2011	51	585,771	0.1159190	67,902	1	10,789,106	0.0735	792,870
2012	49	(48,715)	(0.2105512)	10,257	1	10,574,038	0.0827	874,683
2013	48	456,825	0.1271953	58,106	1	10,359,299	0.0855	885,620
2014	48	459,223	0.1316376	60,451	1	10,279,430	0.0864	888,616
2015	50	468,252	0.1259834	58,992	1	10,319,452	0.0768	792,813
2016	50	430,922	0.1304784	56,226	1	9,845,300	0.0811	798,092
2017	49	333,842	0.1445624	48,261	1	9,592,032	0.0792	759,405
2018	49	364,261	0.1499062	54,605	1	9,814,443	0.0788	773,173
2019	49	364,795	0.1439658	52,518	1	10,143,859	0.0682	691,896
2020	49	337,825	0.1419966	47,970	1	10,357,280	0.0692	716,274
2021	48	364,378	0.1419966	52,199	1	9,157,922	0.0692	873,957
2022	48	419,507	0.1464982	61,457	1	9,821,906	0.0813	798,913
2023	48	333,069	0.1847906	61,548	1	9,528,649	0.0634086	604,198
2024	48	323,422	0.2000078	64,687	1	9,443,654	0.0672422	635,012
2025	47	313,775	0.2123415	66,628	1	9,358,660	0.0698885	654,062
2026	47	304,129	0.2256490	68,626	1	9,273,665	0.0726449	673,684
2027	47	294,482	0.2400321	70,685	1	9,188,671	0.0755163	693,895
2028	47	284,836	0.2556062	72,806	1	9,103,677	0.0785080	714,712
2029	47	275,189	0.2725034	74,990	1	9,018,682	0.0816253	736,153
2030	46	265,542	0.2908750	77,240	1	8,933,688	0.0848740	758,238
2031	46	255,896	0.3108955	79,557	1	8,848,693	0.0882599	780,985
2032	46	246,249	0.3327669	81,943	1	8,763,699	0.0917894	804,414
2033	46	236,602	0.3567244	84,402	1	8,678,704	0.0954689	828,547
Growth rates								
2009-2022	-0.58%	-2.38%	3.33%	1.05%	0.00%	-0.46%	1.49%	1.02%
2024-2033	-0.40%	-3.10%	5.81%	2.66%	0.00%	-0.84%	3.50%	2.66%

Table Legend:

Historical data
last current actual data
projections

year	Total				
	YE Served	kWh sold	%Δ	revenue	%Δ
2009	5,587	120,382,236		11,340,102	
2010	5,656	128,610,620	6.8%	13,028,296	14.9%
2011	5,726	135,825,121	5.6%	14,387,187	10.4%
2012	5,809	138,300,040	1.8%	15,195,756	5.6%
2013	5,881	142,932,159	3.3%	16,487,477	8.5%
2014	5,889	155,627,176	8.9%	17,972,359	9.0%
2015	5,928	148,378,378	-4.7%	16,573,929	-7.8%
2016	5,910	140,098,520	-5.6%	16,438,832	-0.8%
2017	5,863	139,567,632	-0.4%	16,767,535	2.0%
2018	5,849	154,634,830	10.8%	17,707,865	5.6%
2019	5,808	170,170,911	10.0%	17,679,122	-0.2%
2020	5,796	158,238,434	-7.0%	16,090,409	-9.0%
2021	5,792	161,722,049	2.2%	18,972,614	17.9%
2022	5,795	170,193,460	5.2%	20,200,360	6.5%
2023	5,851	169,873,261	-0.2%	19,648,919	-2.7%
2024	5,873	173,955,910	2.4%	20,651,014	5.1%
2025	5,892	177,108,772	1.8%	21,270,544	3.0%
2026	5,911	180,235,817	1.8%	21,908,660	3.0%
2027	5,924	183,362,862	1.7%	22,565,920	3.0%
2028	5,940	186,489,908	1.7%	23,242,898	3.0%
2029	5,958	189,616,953	1.7%	23,940,185	3.0%
2030	5,974	192,743,998	1.6%	24,658,390	3.0%
2031	5,990	195,871,044	1.6%	25,398,142	3.0%
2032	6,006	198,998,089	1.6%	26,160,086	3.0%
2033	6,023	202,125,134	1.6%	26,944,889	3.0%
Growth rates					
2009-2022	0.26%	2.41%		3.87%	
2024-2033	0.25%	1.50%		2.66%	

Table Legend:

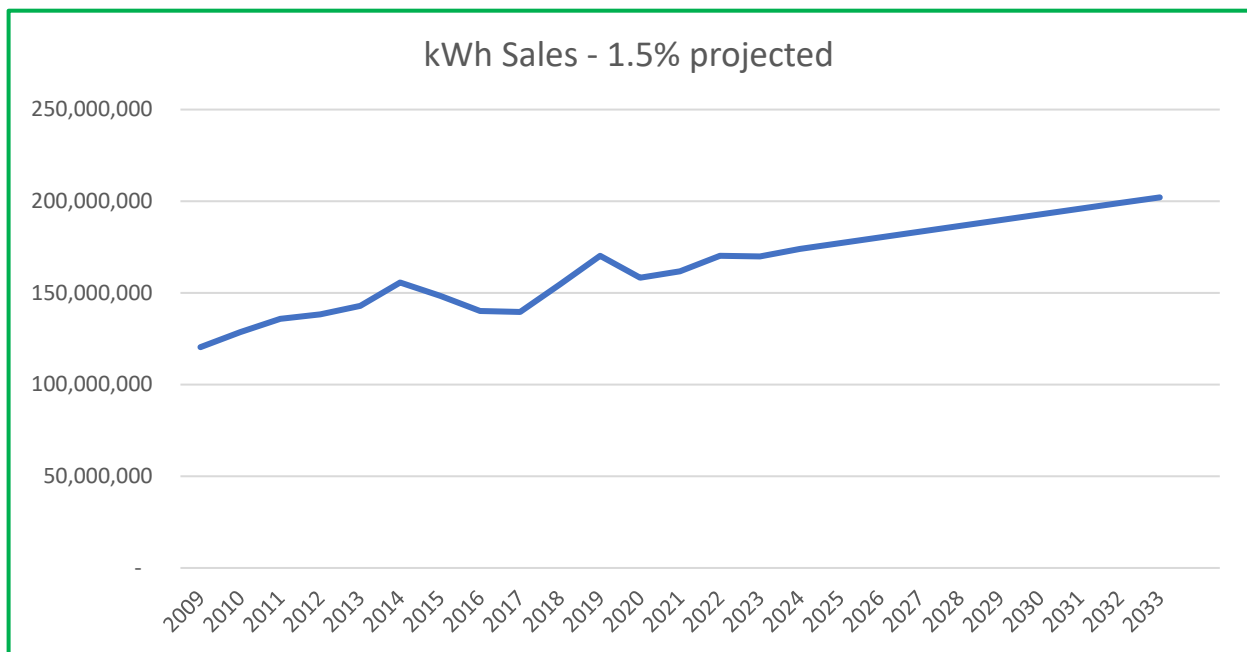
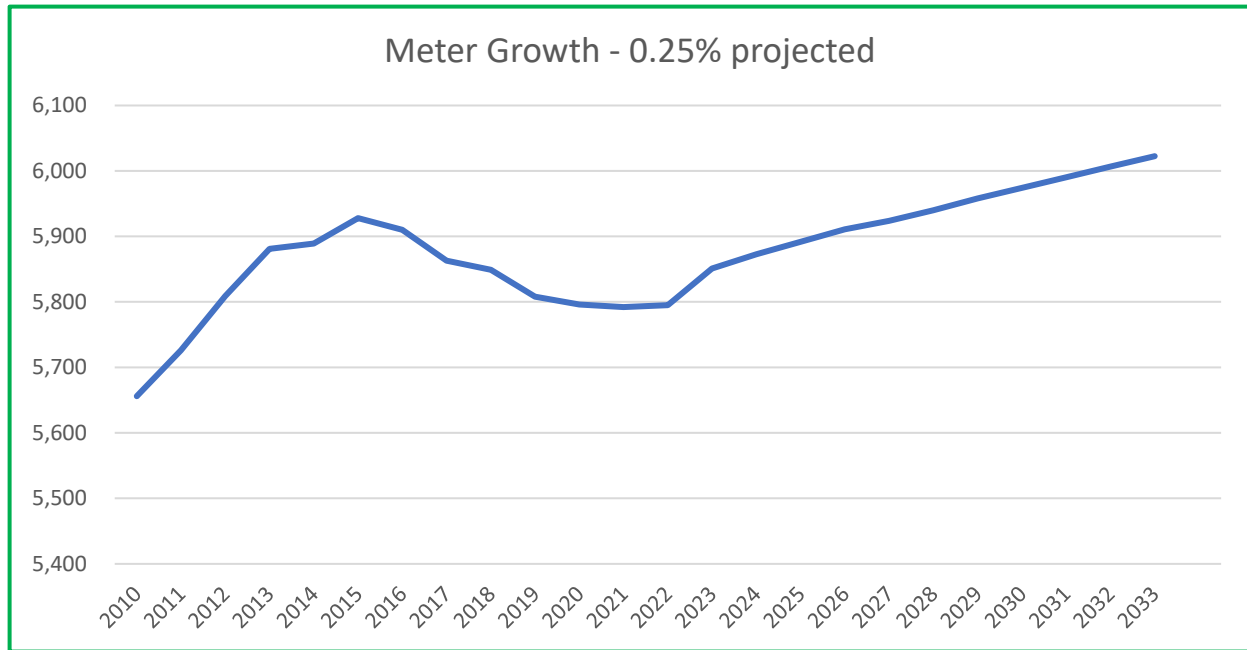
Historical data
last current actual data
projections

year	Demand				
	YE Served	Sunflower CP	%Δ	LSEC NCP	%Δ
2009	5,587	25,196		25,666	
2010	5,656	27,482	9.1%	27,775	8.2%
2011	5,726	27,821	1.2%	28,015	0.9%
2012	5,809	29,153	4.8%	28,983	3.5%
2013	5,881	27,089	-7.1%	28,672	-1.1%
2014	5,889	29,575	9.2%	28,907	0.8%
2015	5,928	29,229	-1.2%	28,275	-2.2%
2016	5,910	27,714	-5.2%	27,714	-2.0%
2017	5,863	29,518	6.5%	27,543	-0.6%
2018	5,849	26,082	-11.6%	31,298	13.6%
2019	5,808	31,887	22.3%	31,828	1.7%
2020	5,796	29,354	-7.9%	29,572	-7.1%
2021	5,792	29,120	-0.8%	32,358	9.4%
2022	5,795	31,646	8.7%	31,865	-1.5%
2023	5,851	31,340	-1.0%	32,035	0.5%
2024	5,873	31,678	1.1%	32,416	1.2%
2025	5,892	32,017	1.1%	32,797	1.2%
2026	5,911	32,355	1.1%	33,178	1.2%
2027	5,924	32,694	1.0%	33,559	1.1%
2028	5,940	33,032	1.0%	33,940	1.1%
2029	5,958	33,371	1.0%	34,321	1.1%
2030	5,974	33,709	1.0%	34,703	1.1%
2031	5,990	34,048	1.0%	35,084	1.1%
2032	6,006	34,386	1.0%	35,465	1.1%
2033	6,023	34,725	1.0%	35,846	1.1%
Growth rates					
2009-2022	0.26%	1.61%		31.09%	
2024-2033	0.25%	0.92%		1.00%	

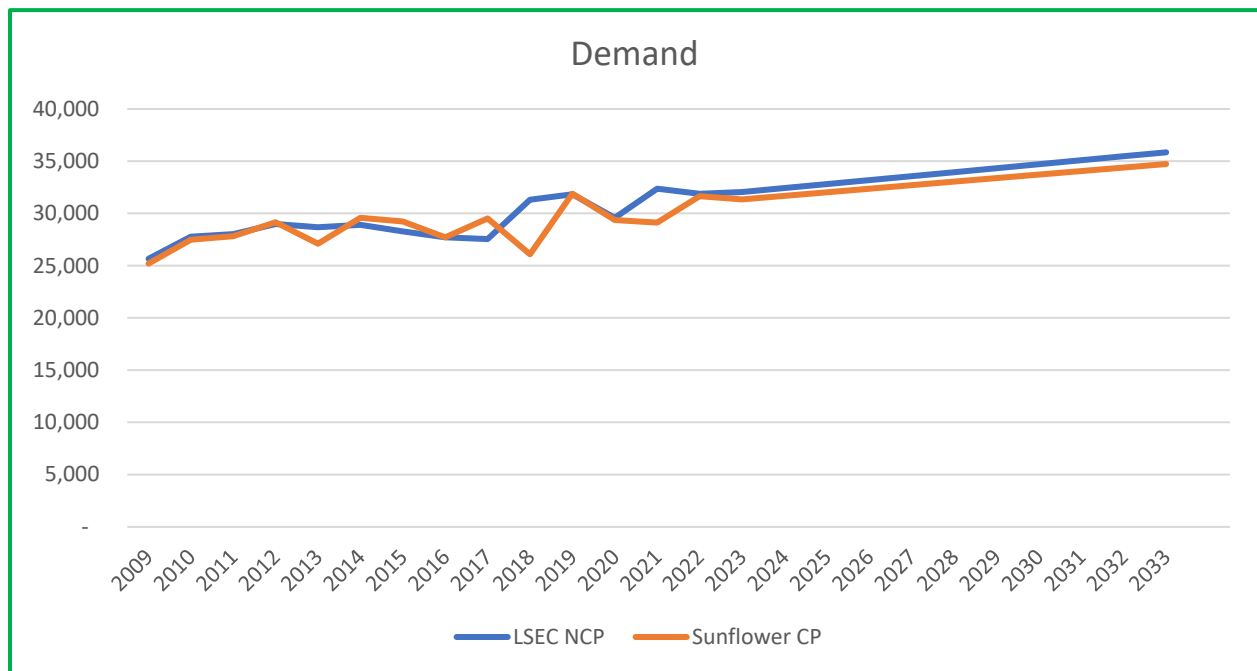
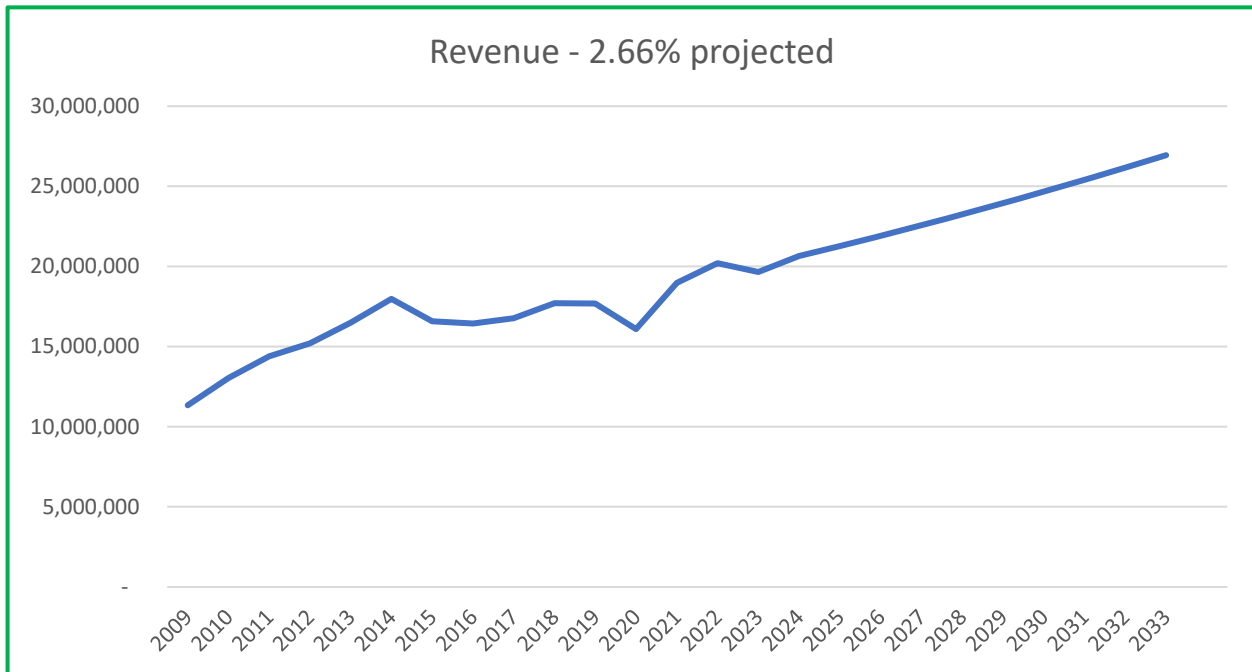
Table Legend:

Historical data
last current actual data
projections

Graphs



Graphs - continued



10. b. 2024 Youth Tour and Colorado Youth Experience

Staff proposes that the cooperative reinstate the Youth Tour and Leadership Camp for 2024. Ann Marie spoke with Shana at KEC and she said more than likely we could regain our 4 positions. There are spaces for DC, but she won't know about camp until October 25th.

- These opportunities specifically promote and educate students about the cooperative model. Even if we are only reaching 4 students in our cooperative territory a year, those students are more likely to be involved in cooperative leadership in the future, and more likely to be advocates for coops.
- Staff has received several phone calls from students/parents of students interested in attending next year.
- One of our local ag co-ops stepped in last year and interested students were able to participate through them. In fact, in 2023 every camp seat not claimed by an electric co-op was immediately taken by either electric cooperatives out of Oklahoma or ag co-ops in Kansas.
- Travel/Covid concerns have subsided.
- Both students who attended the previous Youth Leadership Camp had similar comments, that it was too bad we weren't still offering it, they had learned a lot and really enjoyed it.
- Glenn English (NRECA) Scholarships are available to students who attend youth tour. Each year they award 4 \$1,000 scholarships and 1 \$10,000 scholarship.

The estimated cost of the trips for 2024 are:

- Cooperative Youth Tour: \$3,675 each = \$7,350 for 2
- Cooperative Youth Leadership Camp: \$1,800 each = \$3,600 for 2
- Total estimated cost = \$10,950.

Staff requests that the Board approve LSEC participation in the 2024 Youth Tour and Colorado Leadership Experience at an estimated cost of \$10,950.

10. c. 2023 CFC Delegate Designation

The National Rural Utilities Cooperative Finance Corporation (CFC) will conduct a District business meeting in conjunction with the 2023 NRECA Regional Meeting in Omaha, NE. The meeting will be held Wednesday, September 27 and the 2024 Nominating Committee will be elected. Lee Tafarielli is seeking re-election to represent Kansas.

GM/CEO Richard McLeon will be representing Lane-Scott Electric Cooperative at the NRECA Regional meeting.

Staff requests that the Board approve Richard McLeon as the LSEC Delegate to the 2023 CFC District 7 meeting in Omaha, Nebraska.

10. d. 2024 Wage and Salary

The 2024 Wage and Salary proposal will be sent separately via e-mail from Richard to maintain confidentiality.

SAFETY PROGRAM

SAFETY PROJECTS COMPLETED AS OF August 2023

- Rubber gloves changed out.
- Hot line tools tested. 7-hole jib attachment replaced.
- Ann Jennings's submitted report:
 - Pole Top Rescue Article, "Life Saving Skills in Practice" article, facebook & Instagram.
 - Summer Storm Tips video: Facebook & Instagram.
 - Safety Tips for the Dorm Room: Facebook & Instagram.
 - National 811 Day: Facebook & Instagram.
 - School Bus Safety: Facebook & Instagram.
- Diana Kuhlman submitted reports:
 - KEC Loss Control, Safety and Compliance System Monthly Statistical Report.
 - Compliance One drug and alcohol monthly roster report.
- KEC Maintenance care & testing of hotline tools. Admin. Stress management.

SAFETY PROJECTS IN PROGRESS AS OF August 2023

1. SDS Program products updates and documentation improvements.
2. Safety Amp software inspection form templates being tested.
3. FCC radios are installed and testing for dead zones will begin in future months.
4. Demo trailer hardware in process of being installed. Transformer sent to Solomon Corp. for repair. Calling and emailing for updates weekly. Should receive soon.
5. RESAP Onsite Observation
 - Nate Burns is working on arc hazard assessment study.
 - Nate Burns will be doing a SPCC table top exercise in September.
 - Circuits are being identified.
 - The switching procedure for Twin Springs Sub. is in progress.
 - URD cables being identified and labeled.
 - Pad mount and switch cabinet signage in progress of being updated.
 - Written Traffic Control Plan in Process.
 - Will be completing a legal document for James Bergen to sign for legal responsibility for grain bin by overhead power lines. Signage will be added to grain bin to designate "NON-LOADING SIDE" of grain bin.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

SAFETY MEETING

August 15th, 2023

Chris Terhune called the meeting to order at 9:08am.

Minutes were read: Dal Hawkinson made a motion to approve the July 12th minutes and Dellon Shelton seconded. Minutes were read and approved as printed.

Present: Kasey Jenkinson Ben Mann, Dal Hawkinson, Chad Rupp Chris Terhune, Myron Seib Kevin Bradstreet, Leighton Ayers, Dellon Shelton, Blake McVicker, Taylor Cable, Scott Briand, Mark McCulloch Kathy Lewis, Carrie Borell, Ann Marie Jennings, Diana Kuhlman, Katie Riffle, and Jocelyn Walker

Absent: Richard McLeon, Nate Burns, Kalo Mann, Micheal Pollock, Rebecca Campbell

Guest: None

Truck report of inspections:

105	Dellon Shelton	Needs Windshield
110	Blake McVicker	OK
112	Leighton Ayers	OK
117	Chris Terhune	OK
123	Mark McCulloch	OK
132	Taylor Cable	OK
135	Nate Burns	OK
136	Kevin Bradstreet	OK
143	Scott Briand	OK
144	Micheal Pollock	OK
145	Taylor Cable	Needs Windshield
150	Kasey Jenkinson	OK
173	Chad Rupp	OK
191	Michael Pollock	OK
193	Myron Seib	Left front turn signal not working, and brake booster going out.
200	Ben Mann	OK
201	Dal Hawkinson	OK
304	Myron Seib	OK
305	Myron Seib	OK

Trailer and Equipment report of inspections:

502	Myron Seib	OK
507	Chris Terhune	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	OK
Ness Pole Yard & Transformer Dock	Myron Seib	OK
Warehouse	Scott Briand	OK

Pole Yard & Transformer Dock
Office

Scott Briand OK
Diana Kuhlman OK

Personal Tools: All Passed

Gloves Monthly Test Results: All Passed

Line Hoses Annual Test Results: N/A

Sleeves Quarterly Test Results: N/A

Substation and Regulator Report:

- ♦ Ben Mann: Sunflower will be working on alarm repairs to Alexander Substation. New relays installed in pumps at Twin Springs. Batteries for substation will be here in 8 weeks. Changed out batteries in Manning Substation.
- ♦ **PCB Report:** None to Report

Line Clearance: Ness City, South laird road. Solida will be working on our system soon for right-a-way clearance.

Accident and Near Misses: Bob Eitel hit a pole in Scott County. Silage truck tipped over and hit a junction pole in Ness County. Bill Maughlin hit a C-8 and broke it in half in southeast Lane County. Ness County airport URD was caught by equipment.

Old Business:

- ♦ Chris Terhune: Still waiting for transformers to return from being reworked at Solomon Corp.

New Business:

- ♦ Mikey Goddard: Talked about Commit to Zero 2.0 need to fill out surveys sent to certain employees. September 7th will be the KEC onsite observation discussion. Mark Chaplin will start on October 1st for KEC, Mark will be covering the east side of the state. Leslie Coffman is looking for golf teams for an ACRE tournament.
- ♦ Carrie Borell: Finishing up work management to have it live, HR is all but completed as well. Ivue Connect will be utilized for time entry, training has been done by employees, short cuts on computers will be added. Microsoft InTunes will help implement security on all devices, working with assets, and will change the way you log-in. More information will be coming soon. Email log-in will change as well.
- ♦ Ann Marie Jennings: Annual Meeting went well, Served 399 people. Susan Nuss was elected for the LSE board representing Hodgeman, Finney County. James Jordan was elected for the LSE board representing Ness, Rush Counties.
- ♦ Diana Kuhlman: Downloading all policy and manuals on Ivue Connect. Thursday meeting on leadership training review at 9:00. Rainmaker training will be due by the end of the month. Supervisors will be getting evaluation notices for employees.
- ♦ Kasey Jenkinson: Iron poles have been received. Several are set on Utica 3 phase.
- ♦ Myron Seib: Trouble with iPads syncing, Carrie will resolve this issue.
- ♦ Chris Terhune: North pole yard mother board has been replaced.
- ♦ Mikey Goddard discussed and Tested Maintenance, Care & Testing of Hot Line Tools. Admin. Discussed Stress Management.

Meeting adjourned.

Chris Terhune
Safety Coordinator

Carrie Borell
Safety Administrator