



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been scheduled for January 22, 2024, 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
 - a. Salman (Peach Grove Farm) vs Lane-Scott Electric Cooperative.
6. Sunflower EPC Report
7. KEC Report
8. General Managers Report
9. Old Business
10. New Business
 - a. Mike Lewis, CFC presentation
 - b. Strategic Plan Update
11. Safety Program Report
12. Executive Session (if requested).
13. Adjourn

Upcoming Events:

Sunflower CEO Selection Meeting	Hays	January 31
KEC Winter Conference	Topeka	Feb. 3-6
Sunflower Board of Trustees meeting	Hays	Feb 21
Sunflower CEO Selection Meeting	Hays	Feb 22-23
LSEC Board of Trustees meeting	Dighton	Feb 26
Sunflower CEO Selection Meeting	Hays	Feb 28 - Mar 1

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**MINUTES OF THE REGULAR DECEMBER 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, December 18, 2023, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 6:52 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Harold Hoss, Randy Evans, Eric Doll, Susan Nuss, Chad Griffith, James Jordan and Craig Ramsey. Also present were Richard McLeon IV, Diana Kuhlman, and Joseph D. Gasper, Attorney. Rad Roehl was absent.

HUMAN RESOURCES

Diana Kuhlman, Human Resources Specialist, presented an update on her section as follows:

- In the past, HR has been a part time position but with the hiring of a receptionist in the past year, this has allowed Diana to transition to a full time HR position.
- There was a focus on leadership activities in 2023. The Rainmaker leadership program was begun with 14 employees in late spring and will be complete in February. This program is designed to train leaders for supervisory positions.
- The Myers & Briggs personality assessments were performed, and this has helped employees to learn communication and relationship techniques for the different types of personalities.
- The job descriptions have been updated and are continuously being analyzed and updated as necessary.
- The electronic employee evaluation system has been implemented on a trial run basis and will be updated for 2024.
- Diana is learning the new HR program through NISC which will allow for more paperless documentation.
- She began assisting Manager McLeon with the annual Wage and Salary proposal.
- Diana started the HR certification program in September and hopes to complete it in the spring.
- Work will continue updating job descriptions and cross training.

- The staff will have a field trip day with the linemen in the spring. This helps build relationships as well as giving office staff a better understanding of the linemen's work.
- An annual review of the benefits package and possible modifications will take place.
- The employee handbook has been completed.
- Diana addressed a question on drug testing answering that three DOT and two non-DOT drug tests are performed randomly every month.

Diana left the meeting upon completion of her presentation.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on November 27, 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 on 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.

- President Jennison had no additions to the written report.

KEC REPORT

A written KEC report was included in the board packet. Craig Ramsey, KEC representative, had the following additions:

- The Net Generation working group has come up with a rider for members.
- Ty Masterson, President of the Senate, expressed that parental school choice, elimination of tax on social security and a flat tax will be issues up for discussion in the next session.
- Midwest Energy has raised the question of how to address the issue of wind generation utilizing existing transmission for free.
- Ransomware continues to be a cyber security concern.
- KEC is trying to establish relationships with urban legislators. They have requested knowledge of any ties of urban legislators to rural areas.
- The new articles of incorporation and amended bylaws were approved.

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 12.27 cents. The wholesale power cost was lower contributing to the lower rate.
- C&I remains the largest revenue source.
- The year-to-date outage statistics remain good. Approximately half of the outage hours are out of LSEC control.
- A meeting is scheduled with JP Metzler, consultant for RMA Engineering, regarding the Dighton wholesale power contract RFP.
- Data has started to be sent to Guernsey for the 2024 COSS.
- Total YTD revenue is down at \$16,477,044 and the YTD cost of purchased power is down at \$9,571,866. LSEC YTD Distribution revenue is \$6,905,329 which is \$784,470 (10.2%) below YTD 2022.
- YTD Operating margins increased to (\$ 32,276) while total Margins increased to \$1,059,546 on the strength of non-operating margins and G&T Capital Credits.
- TIER is 1.97, OPTIER of 0.97, DSC 1.21, ODSC 1.07 and MDSC 1.18. Equity as % of assets is 39.80%, General Funds Level 12.42% and the current ratio is 1.87 with cash on hand of \$6,917,846.
- Pole testing and replacement continues. The remaining 2023 change out poles are in Ness City and will be replaced with iron poles.
- The di-electric testing on the trucks was conducted with all passing.
- Updates on the WindMil model continue.
- The WesKan project is stalled due to easement issues.
- The Conine Farms project is awaiting contracts and easements.
- LSEC will be taking applications for the CoBank Sharing Success Grants. The deadline is April 1, 2024.
- The SmartHub software is being updated for a different look but with the same capabilities.

- The Christmas gift certificate program is still in place.
- The military care packages have been sent.
- Retail services margins of \$20,742 for the month and \$92,914 YTD.
- The silent auction sheet was available for review.

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. POLICY 505

- *A motion to approve the amendments to Policy 505 as presented to the board was made and duly seconded. The board discussed the issue of pregnancy coming out of sick leave and how it could affect a new employee. Manager McLeon reported that it is a gap, and that staff is looking at making some further HR changes in this area. Upon completion of the discussion, the motion passed.*

2. POLICY 202

- *A motion to approve the changes to Policy 202 regarding board meetings time and place, was made, duly seconded, and carried.*

3. NRECA and NRTC Delegates

- President Jennison appointed Craig Ramsey as the NRECA voting delegate and Randy Evans as the alternate voting delegate at the NRECA PowerXchange.
- President Jennison appointed Randy Evans as the NRTC voting delegate and Craig Ramsey as the alternate delegate at the NRECA PowerXchange.

4. 2024 BOARD MEETING SCHEDULE

- The 2024 Trustee Board Meeting schedule was presented to the board for discussion. There were no changes.

EXECUTIVE SESSION

A motion to enter executive session to discuss personnel matters was made, duly seconded, and carried at 8:13 p.m. The board came out of executive session at 8:19 p.m.

ADJOURNMENT

A motion to adjourn the meeting was made, seconded, and carried at 8:20 p.m., on Monday, December 18, 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
3181 12/06/2023	WIRE	168	ONLINE INFORMATION SERVICES, INC	Online Information Svcs	43.50
3182 12/07/2023	WIRE	1267	AFLAC	AFLAC	1,837.31
3183 12/08/2023	WIRE	468	U.S. BANK	US Bank	40,833.75
50941 12/08/2023	CHK	5	ADELE W. CHRISTY TRUST	Estate	92.19
50942 12/08/2023	CHK	5	GAIL PECK	Estate	78.86
50943 12/08/2023	CHK	5	ELVERN D. BORELL ESTATE	Estate	9,905.74
50944 12/08/2023	CHK	5	LOUISE BAKER	Estate	483.16
50945 12/08/2023	CHK	5	ESTATE OF DANIEL E. FRICK	Estate	187.29
50946 12/08/2023	CHK	5	CLINTON E FRANCE	Estate	885.88
50947 12/08/2023	CHK	5	TRACY J FRANCE	Estate	885.88
50948 12/08/2023	CHK	5	HEATH E FRANCE	Estate	885.88
50949 12/08/2023	CHK	5	MARVALEE GARRISON	Estate	553.42
50950 12/08/2023	CHK	5	KERR MARK	Estate	83.28
50951 12/08/2023	CHK	5	KEENAN GLORIA	Estate	83.36
50952 12/08/2023	CHK	5	MARY ANN MING	Estate	642.86
50953 12/08/2023	CHK	5	CAROL OYLER	Estate	167.13
50954 12/08/2023	CHK	5	BEVERLY ROEMER	Estate	642.86
50955 12/08/2023	CHK	5	DORIS J SCOTT	Estate	440.51
50956 12/08/2023	CHK	5	CHRISTINA FAULKNER	Estate	308.79
50957 12/08/2023	CHK	5	WITTHUHN FAMILY TRUST	Estate	65.44
50958 12/08/2023	CHK	5	MARY H YORK	Estate	477.72
50959 12/08/2023	CHK	5	DAREN D YORK	Estate	477.72
50960 12/08/2023	CHK	5	DENISE L YORK	Estate	477.74
50961 12/08/2023	CHK	5	SUSAN ZORDEL	Estate	885.14
50962 12/08/2023	CHK	5	DANA Y SHAY	Estate	477.72
3184 12/11/2023	WIRE	18	CITY OF DIGHTON	City of Dighton	1,486.43

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
3185 12/12/2023	WIRE	124	GOLDEN BELT TELEPHONE	GBTA	303.36
3186 12/12/2023	WIRE	1160	S&T TELEPHONE COOP ASSN.	S&T	867.74
3187 12/14/2023	WIRE	265	HASLER - POSTAGE ACH	Hasler Postage	250.00
50963 12/15/2023	CHK	1	FIRST NATIONAL BANK	Christmas Bonus	8,075.00
50964 12/15/2023	CHK	1	NESS CITY CHAMBER	Christmas- Liz & Wanda	100.00
50965 12/15/2023	CHK	1	NESS CITY ROTARY CLUB	Sept/ Oct/ Nov Meals- Every Rotarian	134.00
50966 12/15/2023	CHK	1	SCOTT COUNTY INDOOR ARENA	Arena sign advertising	200.00
50967 12/15/2023	CHK	1	TRIPLE CROWN OPERATING LLC	Refund of deposit	612.25
50968 12/15/2023	CHK	24	FINNEY COUNTY TREASURER	Property Tax	25,810.21
50969 12/15/2023	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	56,500.00
50970 12/15/2023	CHK	28	GOVE COUNTY TREASURER	Property Tax	5,866.12
50971 12/15/2023	CHK	33	HODGEMAN COUNTY TREASURER	Property Taxes	16,809.65
50972 12/15/2023	CHK	40	KANSAS ELECTRIC COOPERATIVES	KEC Dues/ LCS Dues	7,616.07
50973 12/15/2023	CHK	46	LANE COUNTY TREASURER	Property Taxes	139,030.21
50974 12/15/2023	CHK	50	LOGAN COUNTY TREASURER	Property Taxes	503.10
50975 12/15/2023	CHK	56	NESS COUNTY TREASURER	Property Taxes	113,446.98
50976 12/15/2023	CHK	68	SCOTT COUNTY TREASURER	Property Taxes	37,181.50
50977 12/15/2023	CHK	105	CITY OF NESS CITY	Monthly water invoice	46.89
50978 12/15/2023	CHK	117	NESS CITY FARM & FEED	Monthly invoice	39.58
50979 12/15/2023	CHK	167	RUSH COUNTY TREASURER	Property Taxes	15,338.75
50980 12/15/2023	CHK	172	TYNDALE COMPANY, INC.	Clothing allowance-Jenkinson/ Bradstreet	1,021.03
50981 12/15/2023	CHK	184	JOHNSTONE SUPPLY	Motor unit heater	298.52
50982 12/15/2023	CHK	220	LANDIS+GYR TECHNOLOGY, INC	Monthly flat fee- Nov	922.61
50983 12/15/2023	CHK	269	ANIXTER INC	Monthly invoice	413.60
50984 12/15/2023	CHK	279	IT1 SOURCE LLC	Training room	3,439.42
50985 12/15/2023	CHK	304	STECKLINE COMMUNICATIONS INC	Advertisment	200.00

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
50986 12/15/2023	CHK	361	ANN M JENNINGS	Safety demo meal	173.67
50987 12/15/2023	CHK	366	DIANA KUHLMAN	Ground beef for safety demo meal	48.00
50988 12/15/2023	CHK	385	PIONEER COMMUNICATIONS	Telephone directory	436.92
50989 12/15/2023	CHK	395	DOLLAR GENERAL - REGIONS 410526	Monthly invoice	130.82
50990 12/15/2023	CHK	406	RICHARD MCLEON	KEC board meeting per diem	96.00
50991 12/15/2023	CHK	493	SCOTT CITY ACE HARDWARE	Monthly invoice	103.90
50992 12/15/2023	CHK	494	UTILITY ASSET MANAGEMENT INC.	Pole Inspections	26,910.33
50993 12/15/2023	CHK	528	DAVID N HESKETT DC LLC	DOT physicals	960.00
50994 12/15/2023	CHK	545	CIRCLE C COUNTRY SUPPLY	Monthly invoice	808.23
50995 12/15/2023	CHK	557	KATIE RIFFLE	Supplies from dollar general	86.86
50996 12/15/2023	CHK	558	COME AND GET IT	Meat for Christmas Social	475.00
50997 12/15/2023	CHK	562	RESENHOUSE	Monthly invoice	1,371.50
50998 12/15/2023	CHK	569	FAUROT HEATING AND COOLING INC	Two furnaces installed	26,517.98
50999 12/15/2023	CHK	578	L&R LAWN CARE & SUPPLY	Monthly invoice	13.01
51000 12/15/2023	CHK	648	MERCHANT JT&S	Book 1 tuition- Taylor Cable	550.00
51001 12/15/2023	CHK	773	BRETZ, INC.	Dispose of 7 tires truck #201	84.00
51002 12/15/2023	CHK	803	ALTEC INDUSTRIES, INC	Monthly invoice	1,010.47
51003 12/15/2023	CHK	903	NISC	Monthly invoices	13,575.77
51004 12/15/2023	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Gloves tested	970.98
51005 12/15/2023	CHK	1248	COMPLIANCE ONE	Monthly alcohol and substance testing	394.80
51006 12/15/2023	CHK	9999	AJ GARCIA	INACTIVE REFUND	28.23
3188 12/19/2023	WIRE	1229	SCHABEN SANITATION	Waste Connection	673.73
3189 12/26/2023	WIRE	101	ATMOS ENERGY	Atmos	175.73
3191 12/26/2023	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales Tax	18,236.21
51007 12/26/2023	CHK	9	CHAD RUPP	Clothing Allowance and part-Demo Trailer	204.13
51008 12/26/2023	CHK	15	ERIC DOLL	Dec Board Mtg	395.85

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
51009 12/26/2023	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	60,500.00
51010 12/26/2023	CHK	30	HAROLD HOSS	December Board Mtg	389.30
51011 12/26/2023	CHK	55	NESS COUNTY NEWS	Subscription	55.00
51012 12/26/2023	CHK	63	RICHARD JENNISON	Dec Board Mtg	367.03
51013 12/26/2023	CHK	79	POSTMASTER	Postage -Newsletter	119.56
51014 12/26/2023	CHK	105	CITY OF NESS CITY	Franchise Fee	4,365.82
51015 12/26/2023	CHK	122	MYRON SEIB	Clothing Allowance	839.32
51016 12/26/2023	CHK	135	CITY OF BAZINE	Franchise Fee	1,374.69
51017 12/26/2023	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance-Chad Rupp	693.32
51018 12/26/2023	CHK	179	RAD ROEHL	Kec Mtg	350.00
51019 12/26/2023	CHK	198	OTIS ELEVATOR COMPANY	Maintenance service 1/1/24-3/31/24	158.03
51020 12/26/2023	CHK	202	CHAD GRIFFITH	Dec Board Mtg	399.13
51021 12/26/2023	CHK	360	SAUBER MFG. CO	Trailer #305	2,243.87
51022 12/26/2023	CHK	450	RANDALL G EVANS	Dec Board Mtg	350.66
51023 12/26/2023	CHK	466	D&S MACHINE & WELDING INC	Nitrogen-Substation	46.83
51024 12/26/2023	CHK	494	UTILITY ASSET MANAGEMENT INC.	Pole Inspections	18,262.07
51025 12/26/2023	CHK	520	CENTURY BUSINESS TECHNOLOGIES, I	Copier Contract	55.46
51026 12/26/2023	CHK	537	CONSTELLATION NEWENERGY-GAS DI	Monthly Invoice	233.25
51027 12/26/2023	CHK	563	JOCELYN WALKER	Clothing Allowance	73.07
51028 12/26/2023	CHK	568	SUSAN NUSS	December Board Mtg	444.32
51029 12/26/2023	CHK	570	JAMES W JORDAN	Dec Board Mtg	391.92
51030 12/26/2023	CHK	576	NESS COUNTY REGISTER OF DEEDS	Filing of Ness Co Easements	987.00
51031 12/26/2023	CHK	578	L&R LAWN CARE & SUPPLY	Monthly Invoice	77.56
51032 12/26/2023	CHK	1215	POWER SYSTEM ENGINEERING, INC.	2023 Planning Schedule	5,887.50
51033 12/26/2023	CHK	1228	BENJAMIN L MANN	Clothing Allowance	155.50
51034 12/26/2023	CHK	1293	DAL HAWKINSON	Clothing Allowance	305.53

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
51035 12/26/2023	CHK	1299	DEANNE DECHANT	Cookies for Board Mtg	72.00
51036 12/26/2023	CHK	1300	CRAIG RAMSEY	Kec Mtg & Dec Board Mtg	1,499.84
3190 12/27/2023	WIRE	1290	WEX BANK	WEX	72.73
3192 12/28/2023	WIRE	183	HIBU INC	HIBU	11.00
3193 12/29/2023	WIRE	1239	CULLIGAN OF DODGE CITY	Culligan	143.77
3194 01/02/2024	WIRE	1187	MIDWEST ENERGY	Monthly gas	138.20
3195 01/02/2024	WIRE	59	NRECA	Quarterly 401K pension plan	1,267.00
3196 01/02/2024	WIRE	530	SNAP-ON CREDIT LLC	Software subscription	50.72
3201 01/02/2024	WIRE	265	HASLER - POSTAGE ACH	Monthly postage	50.00
51037 01/02/2024	CHK	40	KANSAS ELECTRIC COOPERATIVES	Subscriptions-Monthly Invoice	2,569.20
51038 01/02/2024	CHK	73	STANION WHOLESALE ELEC CO INC	Monthly Invoice	19,753.53
51039 01/02/2024	CHK	107	CINTAS CORPORATION #449	Monthly Invoice-Dighton	404.03
51040 01/02/2024	CHK	160	SHULL OIL COMPANY	Monthly Fuel Invoice	6,126.04
51041 01/02/2024	CHK	392	TRUCK CENTER COMPANIES	Parts #112	288.14
51042 01/02/2024	CHK	1285	TIFCO INDUSTRIES	Monthly Invoice	215.94
3197 01/03/2024	WIRE	44	NEX-TECH WIRELESS, LLC	Monthly phone	1,020.54
3198 01/05/2024	WIRE	168	ONLINE INFORMATION SERVICES, INC	Utility exchange, skip tracing, busi rep	60.49
3199 01/08/2024	WIRE	468	U.S. BANK	Monthly invoice	12,950.61
3200 01/08/2024	WIRE	1267	AFLAC	Monthly policy invoice	1,837.31
3202 01/08/2024	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RS	60,198.85
3203 01/08/2024	WIRE	62	NRECA GROUP BENEFITS TRUST	January Group 1 Insurance	3,351.02
3204 01/08/2024	WIRE	180	NRECA	Jan Group 1 Ins Admin Fee	257.59
51043 01/09/2024	CHK	1	C.H. GUERNSEY & CO	Seminar fee	795.00
51044 01/09/2024	CHK	1	SCOTT CITY AREA C/C	SCC Membership Dues	550.00
51045 01/09/2024	CHK	20	BASIN ELECTRIC POWER COOP	Monitoring fees for December 2023	2,120.85
51046 01/09/2024	CHK	23	FEDERATED RURAL ELECTRIC	2nd annual premium	157,292.00

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
51047 01/09/2024	CHK	46	LANE COUNTY TREASURER	Fleet renewal	11,936.75
51048 01/09/2024	CHK	105	CITY OF NESS CITY	Dec Postage and pay Station	616.74
51049 01/09/2024	CHK	107	CINTAS CORPORATION #449	Monthly Invoice-Ness City	80.58
51050 01/09/2024	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance-Terhune	1,008.02
51051 01/09/2024	CHK	187	S&W SUPPLY DIVISION	Monthly Invoice	94.97
51052 01/09/2024	CHK	220	LANDIS+GYR TECHNOLOGY, INC	December Saas	922.61
51053 01/09/2024	CHK	269	ANIXTER INC	Monthly Invoice	2,699.48
51054 01/09/2024	CHK	395	DOLLAR GENERAL - REGIONS 410526	Monthly Invoice	20.73
51055 01/09/2024	CHK	511	AXIO GLOBAL, INC	360 Assesment Platform	882.00
51056 01/09/2024	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Locate Fee	37.20
51057 01/09/2024	CHK	1225	CINTAS CORPORATION	Monthly Invoice	416.60
51058 01/09/2024	CHK	1251	TECHLINE, LTD	Monthly Invoice	632.02
51059 01/09/2024	CHK	1303	LANE COUNTY IMPLEMENT, INC	Monthly Invoice	933.10

Total Payments for Bank Account - 2 : (143) 985,351.21

Total Voids for Bank Account - 2 : (0) 0.00

Total for Bank Account - 2 : (143) 985,351.21

Grand Total for Payments : (143) 985,351.21

Grand Total for Voids : (0) 0.00

Grand Total : (143) 985,351.21



... energy done right

SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING SUMMARY DECEMBER 14–15, 2023

DECEMBER 14, 2023

Michael Keyser, CEO of National Renewables Cooperative Organization (NRCO), was the guest speaker for the annual educational presentation prior to the December Board meeting. Michael's presentation, "The Clean Energy Transition," focused on how the shift to carbon-free resources by 2030 will impact the grid and electric rates. He specifically spoke to the challenges and costs surrounding solar, wind and battery storage. Michael also explained the current state of emerging technologies: advanced geothermal, small modular nuclear, fusion, green hydrogen, long-duration storage, and carbon capture and storage. NRCO's analyses show increasing electric rates even as energy charges decrease.

DECEMBER 15, 2023

CURRENT ACTIVITIES

The 2024 December Board meeting is December 12–13, 2024, at the Intercontinental Hotel in Kansas City, MO.

PRESIDENT'S REPORT

Generation, Power Supply, and Market Affairs

Metering Issue

A problematic meter at North Dodge was tested and passed on January 24. Shortly after this test, the meter began failing intermittently, which staff did not discover until later. The May meter data was questioned by Victory in June, but the load profile graphs did not show an obvious problem due to the intermittent nature of the problem. The meter continued to fail intermittently during the months of June and July and then failed on a more consistent basis in August and September. As the problem became more evident, staff worked with Victory to review retail meters in Victory's MDM system to trace the problem, which was ultimately identified to be Sunflower's meter at North Dodge. Cost corrections will be applied to the November invoice disseminated in December. Processes are in place to monitor all meters, but Members are encouraged to contact Sunflower if they experience inconsistencies.

ISDA Resolution Update

Board action: The Sunflower Board reauthorized key staff to enter into agreements for financial hedging instruments (ISDA Agreements) that reduce the risk to Sunflower by participation in the wholesale energy market for power and natural gas.

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Boot Hill Solar Update

The Ford County Commission was originally scheduled to consider the Boot Hill Solar permit for final approval during its December 18 meeting. However, Alluvial is still negotiating agreements, and the Commission doesn't want to act on the permit until those agreements are finalized. As a result, action on the permit has been postponed to the commission meeting scheduled for January 16. A special Sunflower Board meeting may need to be scheduled for approval of agreements prior to January 16.

Clifton 1 Update

Clifton 1, a 70 MW unit, experienced significant cracking and foreign object impact damage in the first and second stage diaphragm and vanes, which were discovered during a recent borescope inspection. Maintaining this unit's capacity is essential for the system, but this model of Westinghouse combustion turbine is obsolete, and replacement parts are not available. Repair work, which will cost approximately \$1.3M with completion in January, is underway, but the repairs are not expected last more than two years.

Clifton 1 was originally slated for retirement/replacement in 2028, but staff are considering moving that retirement/replacement date earlier. Cimarron River 1 was originally slated for retirement/replacement in 2026, and staff is looking at swapping the schedule for these two units.

1898 & Co. is conducting a technology feasibility study to help determine what type(s) of gas-fired resource can replace these units and drive the associated schedule. The study is being conducted in phases and will evolve into a detailed cost and schedule estimate. Sunflower staff project the soonest Clifton 1 could be replaced is late 2026.

Transmission Planning and Policy

Monthly Transmission Engineering Board Update

Sunflower's dashboard for monthly reporting by transmission engineering will include the value of all Sunflower projects, Member projects, and third-party projects. Development of the dashboard continues.

Resource Adequacy Requirement

On November 30, the Federal Energy Regulatory Commission (FERC) rejected the Southwest Power Pool's (SPP) winter season resource adequacy requirement (RAR), stating the RAR does not contain any requirement for when the resources included in a Load Responsibility Entity's (LRE) workbook are expected to be available. FERC said in future filings SPP should take appropriate steps to ensure resources included in LREs' resource adequacy workbooks for the winter season are expected to be available, just as in the summer season.

SPP reviews the Planning Reserve Margin (PRM) every three years and is currently working on the PRM for 2026. The PRM, which is currently 15%, is based on factors such as loss of load forecasts, renewables, underperformance, increased load, generation retirements, and extreme weather forecasts. Currently, to meet the PRM standard, utilities are limited to one day per decade during which they can't meet capacity. Due to the ramifications of storms Uri and Elliott, elected officials in many states are pushing for the criteria to be one day per 20 years.

1898 & Co. GRIP Review

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1898 staff reviewed the Department of Energy (DOE) Grid Resilience and Innovation Partnerships (GRIP) Program: the monies available, program objectives, eligible project types, and timeline. The DOE makes awards, which requires cost matching by the winners, to one entity per state in each round of applications. Winning applications (totaling \$3.5B) from Round 1 have been identified, and the DOE delivered feedback. Review of feedback on Victory's Round 1 application and other solicited advice show preferred projects are those that have a wide impact, cannot be funded without the program award, meet justice criteria, and are replicable.

In Round 2 (with awards totaling \$3.9B with a \$250K cap), Sunflower will pursue building resiliency and reliability around critical loads supporting the food and agriculture industry in the territory. Sunflower identified a transmission project in the Dodge City area that supports several critical theme-related loads. To increase the breadth of the application, Sunflower and 1898 are inviting key Member staff (line and ops staff) to a standing Monday 8 a.m. call to assess projects in Members' territories that support the food and ag industry. The timeframe for Round 2 submissions is short, so the goal is to choose projects before Christmas and define the total budget of the projects by January 5. 1898 and Sunflower staff will then develop the concept paper due January 12, with the full application submitted by January 17. Round 2 awards are anticipated in winter 2024-25.

Corporate Services

Communication Meeting

Sunflower will host a meeting with Member CEOs and their communication staff to discuss Sunflower's communication focus and Member needs. The meeting will be held on January 16 in the Hays office; an MS Teams option will also be available.

Technology Services

Macro Wireless System

Sunflower's macro wireless system now spans half of the state and has capacity for Members' telecommunication needs.

Financial Services

November Financials

November financials will be uploaded to BoardPaq when available.

November New York Mercantile Exchange (NYMEX) gas prices per MMBtu decreased approximately \$1.00 compared to October's price. However, due to hedging products in place for the winter, the ECA may be reflected higher on billing.

System Backbone Project

In 2020, the Board approved the non-zonal transmission rider to recover costs for member transmission projects not included in the transmission formula rate (TFR) and not directly assigned. There is approximately \$6.7M in project costs being recovered through Sunflower's non-zonal rider, and each year, staff calculates the revenue requirement for these projects and seeks Board approval prior to recovery. Staff requested approval of the proposed system backbone revenue requirement and continued use of the non-zonal transmission rider for the recovery of the costs in 2024.

Board action: The Sunflower Board approved the requested revenue requirement as presented.

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Patronage Retirement 2024

Staff presented the final 2024 patronage retirement recommendation. Written unanimous consent will be circulated for completion in January, with the anticipated cash patronage retirement on January 8.

Board action: The Sunflower Board approved the 2024 patronage retirement figures as presented.

Legal

Staff updated the Board on Rubart Station water rights and the contract for water rights between Wheatland and the City of Garden City. Prior to January 2, legal counsel will file for a water right extension at RTS to preserve development flexibility. Wheatland is scheduled to receive a formal proposal from the City of Garden City, and the proposal will be brought to the Board in January.

Kansas Electric Cooperatives

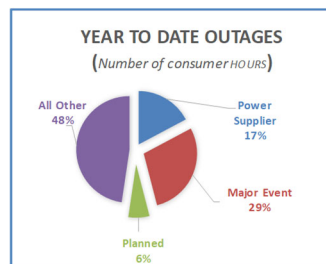
The KEC winter meeting is scheduled for February 3–5 in Topeka and meeting topics will focus on matters that may arise during the 2024 legislative session.

Sunflower Electric Power Corp. - December 2023, Member Billing Summary									
WHM - MEMBER REVENUE	Lane-Scott	Pioneer	Southern Pioneer	Prairie Land	Victory	Western	Wheatland	Total	
Demand Coincident Peak, kW	19,325	104,065	95,654	70,350	101,768	43,610	99,000	533,772	
Wholesale Energy Usage, kWh	13,880,050	73,644,038	65,114,119	47,805,297	65,805,446	29,362,600	60,826,637	356,438,187	
RTP Marginal Usage, kWh			1,804		(3,663)			(1,859)	
Coincident Peak Load Ratio Share, %	3.60%	19.50%	17.90%	13.20%	19.10%	8.20%	18.50%	100.00%	
Coincident Load Factor, %	96.50%	95.10%	91.50%	91.30%	86.90%	90.50%	82.60%	89.80%	
Metering Points	10	26	25	28	23	25	34	171	
Demand Rate, \$/kW	9.13	9.15	9.13	9.13	9.13	9.13	9.13	9.13	
Demand Charge, \$	176,437.25	952,064.06	873,321.02	642,295.50	929,141.84	398,159.30	903,870.00	4,875,288.97	
Energy Rate, ¢/kWh	0.6571	0.6621	0.6571	0.6571	0.6571	0.6571	0.6571	0.6581	
Energy Charge, \$	91,205.81	487,611.07	427,864.88	314,128.61	432,407.59	192,941.64	399,691.83	2,345,851.43	
RTP Marginal Usage Charge, \$			93.78		490.11			583.89	
HLF Rider Net Charge, \$	7,486.66	369.43	(65,909.62)	25,785.34	(2,343.31)	15,837.69	18,773.75	-	
EDR Rider Net Charge, \$	976.58	1,590.68	4,581.34	3,363.51	(16,857.70)	2,065.91	4,279.67	-	
ECA Rate (ECA-02), ¢/kWh	1.9770	1.9770	1.9770	1.9770	1.9770	1.9770	1.9770	1.9770	
ECA Charge, \$	274,408.59	1,455,942.63	1,287,306.13	945,110.72	1,300,973.67	580,498.60	1,202,542.61	7,046,782.96	
Meter Rate, \$/Meter	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00	
Meter Charge, \$	1,050.00	2,730.00	2,625.00	2,940.00	2,415.00	2,625.00	3,570.00	17,955.00	
Schedule 1	1,153.42	6,048.08	5,897.64	4,008.76	5,975.09	2,580.43	6,779.82	32,443.24	
Schedule 11 Regional	25,493.88	133,679.69	130,354.56	88,604.87	132,066.30	57,034.89	149,853.15	717,087.34	
Schedule 11 Zonal	45,220.76	237,119.58	231,221.51	157,166.36	234,257.78	101,167.86	265,807.90	1,271,961.75	
Schedule 12	1,212.27	6,356.65	6,198.53	4,213.28	6,279.93	2,712.09	7,125.72	34,098.47	
Schedule 1a	3,581.54	18,780.17	18,313.03	12,447.77	18,553.51	8,012.62	21,052.31	100,740.95	
Schedule 9 SEPC	65,889.81	345,499.78	336,905.88	229,002.35	341,329.93	147,408.64	387,300.66	1,853,337.05	
Msc. Transmission	939.53	4,957.25	4,803.94	3,265.25	4,866.95	2,101.93	5,522.46	26,457.31	
Transmission Charge, \$	143,491.21	752,441.20	733,695.09	498,708.64	743,329.49	321,018.46	843,442.02	4,036,126.11	
Billing Adjustments, \$		(108,022.33)			(5,247.86)			(113,270.19)	
ECIR Credit, \$			(8,506.80)					(8,506.80)	
Community Solar Adjustments, \$		501.74			80.15		408.76	990.65	
Net Charges, \$ *	695,056.10	3,545,228.48	3,255,070.83	2,432,332.32	3,384,388.98	1,513,146.60	3,376,578.64	18,201,802.03	
3-2-1 Credits, \$		(9,534.71)	(193.36)	(13,660.27)	(2,751.47)			(26,139.81)	
Total Charges, \$	695,056.10	3,535,693.77	3,254,877.47	2,418,672.05	3,381,637.51	1,513,146.60	3,376,578.64	18,175,662.22	
Average all-in ¢/kWh	5.008	4.801	4.999	5.059	5.139	5.153	5.551	5.099	
Non-Member energy charges:			<div>⬇️</div> <div>⬆️</div> <div>➡️</div> <div>⬆️</div> <div>⬆️</div>	Basis for Changes from Previous Month					
Non-Member energy charges:		\$		\$/kWh	<div>1. Holcomb Capacity Factor was 39.7% for the month.</div> <div>2. Smoky Hills #1 WF Capacity Factor was 25.8% for the month.</div> <div>3. Shooting Star capacity factor was 23.1% for the month.</div> <div>4. Smoky Hills #2 WFCapacity Factor was 26.2% for the month</div> <div>5. Johson Corner Solar Capacity Factor was 13.3% for the month</div>				
10 West Cities		717,573.73		0.0487					
4 East Cities		88,526.18		0.0546					
KEPCo		128,610.14							
KMEA - EMP2 (Local Access)		75,831.77							
KMEA - City of Meade - (Local Access)		9,246.40							
AP & NH other contracted services		449,636.77							
KPP - OATT, L.A.C. & MA Charges		17,551.70							
Note:			<div>⬆️ = Increase</div> <div>⬆️</div> <div>⬇️ = Decrease</div> <div>➡️ = Little Effect</div>						
* Victory and So. Pioneer numbers do not include the full requirement cities.									
8-Jan-24									

9. General Manager's Report

A. Rates and Reliability Dashboard

Rate Summary - Dec	current month (\$/kWh)	ytd average (\$/kWh)	ytd avg dist rev. /kWh	demand charge	monthly charge
Residential	0.1197	0.1350	0.065	-	28.00
Residential - Seasonal	0.2161	0.2477	0.178	-	28.00
Irrigation	0.0786	0.0918	0.022	hp charge	-
C&I 1000kVa or less	0.1005	0.1157	0.046	-	28.00
C&I over 1000 kVa	0.0859	0.0986	0.029	12.80-13.00	65-100
Public Street and Lighting	0.1450	0.1557	0.086	-	varies
Other Sales to Public Authorities	0.1252	0.1459	0.076	-	-
Sales for Resale - Other	0.0596	0.0681	(0.002)	2.80	150.00
average	0.1163	0.1323	0.0625		



Form 7 Part O, Dec-23

1	Residential Sales
2	Residential Seasonal
3	Irrigation Sales
4	C&I 1000 kVa or less
5	C&I over 1000 kVa
6	Public Street and Lighting
7	Other Sales to Public Authorities
8	Sales for Resale - RUS Borrowers
9	Sales for Resale - Other

meters	kWh	\$s	\$/kWh
2,227	1,902,929	227,813	0.1197
1,108	197,509	42,685	0.2161
337	49,117	3,860	0.0786
1,830	4,510,276	453,476	0.1005
178	6,466,469	555,259	0.0859
13	31,954	4,634	0.1450
47	37,366	4,679	0.1252
0	0	0	
1	724,169	43,137	0.0596
5,741	13,919,789	1,335,543	0.1163

Dec-23	meters	kWh	\$\$s	ratio
Residential Sales	38.8%	13.7%	17.1%	1.25
Residential Seasonal	19.3%	1.4%	3.2%	2.25
Irrigation Sales	5.9%	0.4%	0.3%	0.82
C&I 1000 kVa or less	31.9%	32.4%	34.0%	1.05
C&I over 1000 kVa	3.1%	46.5%	41.6%	0.89
Public Street and Lighting	0.2%	0.2%	0.3%	1.51
Other Sales to Public Authorities	0.8%	0.3%	0.4%	1.31
Sales for Resale - RUS Borrowers	0.0%	0.0%	0.0%	
Sales for Resale - Other	0.0%	5.2%	3.2%	0.62

- B. Reliability Report. We had an outstanding year for reliability. Our ASAI was the highest of the ten years I've been tracking and the SAIDI, SAIFI, and CIADI are the lowest in the four years that I've tracked. There are multiple reasons for the improvement including mild weather, but faster response times and a hardened system certainly helps.

2023 number of customer interruptions

metric	2020	2021	2022	2023	measures
SAIDI	2.45	8.19	3.36	1.64	Interruption DURATION / average for every member (hrs)
SAIFI	1.16	2.56	1.33	1.01	Interruption FREQUENCY / Average # of Interruptions per customer
CAIDI	2.10	3.20	2.53	1.61	Customer Avg Interruption Duration Index - IF you are out, how long (hrs).
ASAI	99.97%	99.91%	99.96%	99.98%	Service Availability

Average System Availability Index											
8760 hours per year											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Meters (average)	5845	5885	5908	5919	5887	5856	5829	5796	5798	5789	
Members current											5772
ASAI:	99.95%	99.96%	99.97%	99.96%	99.92%	99.97%	99.95%	99.97%	99.91%	99.96%	99.98%
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Avg. No. Meters	5881	5889	5928	5910	5863	5849	5829	5796	5798	5789	5772
SAIDI	4.10	4.66	2.33	3.85	6.73	2.79	4.30	2.45	8.19	3.36	1.64
SAIFI								1.16	2.56	1.33	1.01
CAIDI								2.10	3.20	2.53	1.61
ASAI	99.90%	99.90%	99.64%	99.93%	99.92%	99.97%	99.95%	99.97%	99.91%	99.96%	99.98%
											avg.
											5868

- C. City of Dighton. I met with J.P. Metzler (RMA Engineering) to discuss the City of Dighton Wholesale power contract Request for Proposal. The city has tasked J.P. with putting together an RFP for Sunflower and KMEA to prepare, then defend in a presentation to the council. The Lane-Scott portion will be added onto whomever the city chooses, so we can be generally agnostic to the process. However, J.P. has allowed me to share his draft with Sunflower and they are helping him develop the RFP. In a fair deck, Sunflower will have the advantage.
- D. 2023 Preliminary Kilowatt-hour sales. Total kWh sales were down 0.32% from last year but up 2.39% over the 5-year average. Irrigation had the biggest drop at -28.27% while C&I over 1000kVa had the biggest increases at 8.84%.

YTD Sales Summary (kWh)

	2017	2018	2019	2020	2021	2022	2023	5 year average	Δ from last yr
Residential - 440.10	22,960,460	24,701,066	24,196,666	24,225,256	23,771,689	25,225,258	23,646,439	24,213,062	-6.26%
Residential - Seasonal	1,853,346	2,039,375	2,093,679	2,101,908	2,090,993	2,261,159	2,147,984	2,139,145	-5.01%
Irrigation	8,134,522	7,879,987	7,221,785	9,174,142	8,381,199	12,342,520	8,852,968	9,194,523	-28.27%
C&I 1000 kVa or less	52,018,673	52,942,381	52,598,388	47,133,206	49,159,049	51,537,166	50,684,964	50,222,555	-1.65%
C&I Over 1000kVa	44,232,730	56,451,769	73,111,587	64,477,905	68,365,457	68,155,981	74,181,624	69,658,511	8.84%
Public Street and Lighting	442,027	441,548	440,152	430,912	431,352	430,233	392,548	425,039	-8.76%
Other Sales to Public Authorities	333,842	364,261	364,795	337,825	364,378	419,507	410,637	379,428	-2.11%
Sales for Resale - Other	9,592,032	9,814,443	8,272,195	10,357,280	9,517,922	9,821,906	9,335,382	9,460,937	-4.95%
Total Sales	139,567,632	154,634,830	168,299,247	158,238,434	162,082,039	170,193,730	169,652,546	165,693,199	
compared to YTD last year		10.80%	8.84%	-5.98%	2.43%	5.00%	-0.32%		
compared to YTD average	-15.77%	-6.67%	1.57%	-4.50%	-2.18%	2.72%	2.39%		

- E. Cost of Service Study. Work on the COSS is well under way. The last COSS of 6.43% was implemented in 2022 using 2020 as the base year. Since January 1, 2020 through November 2023, inflation has increased 19.06% (BLS.gov). The current study is using 2023 as the base year. Following the schedule format that we used in 2022 and based on current information, I anticipate the following schedule:

January		COSS by Guernsey
February		Draft rates for review
March	25	Guernsey at Board Meeting
April	1	Billing stuffer with Notice of LSEC Public Meetings and LSEC Special Meeting (Mar. 25) to approve the new rates
	11	Public Meeting in Ness City (6:30-7:30)
	12	Public Meeting in Dighton (6:30-7:30)
		Open meeting info provided to Board (Special meeting?)
	25	Trustees Special Meeting to approve rates (Open Meeting to Members)
	25	Trustees Regular Board Meeting
May	1	New rates apply
June	1	First billing on new rates

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

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

1) Accounting and Finance.

- Total YTD revenue finished at \$17,836,488 producing a YTD Distribution revenue of \$7,490,163 which is \$784,470 which is \$34,642 or 0.46% below the five-year average. YTD revenue was 3,077,758 or 14.7% below last year.
- Total YTD expenses were \$14,517,981 or \$2,645,976 or 15.4% below last year. This figure includes wholesale power cost. If you exclude the wholesale power cost, 2023 controllable expenses are \$4,171,505, down from 2022 by \$89,444 or 2.1% despite inflationary pressures.
- YTD Operating margins increased to \$116,379 while Total Margins increased to \$1,240,343.
- Key Metrics are:
 - Our Financial Metrics remain marginal:
 - TIER – 2.02 (1.25 min.)
 - OPTIER – 1.10 (1.10 min)
 - DSC – 1.23 (1.25 min)
 - ODSC – 1.10 (1.10 min)
 - MDSC – 1.21 (1.35 min)
 - However, our financial strength remains very good.
 - Equity as a % of Assets – 39.98%
 - Equity as a % of Capitalization – 43.15%
 - Cash Balance - \$6,753,549
 - General Funds Level – 12.11%
 - Current Ratio – 1.89
 - Cash to Debt Ratio – 20.08%

2) Operations Report. (Kasey / Dal)

- Maintenance
 - Trim trees at Stan Fulmer's.
 - Retired connects for Golden Belt, Penndennis fire station, and Robert Drees irrigation.
 - Retired 12 spans of 3-phase line at Lane Co Feeders.
 - Changed out bad regulator in the Ness City 115 substation.
 - Updated meter loops in Bazine.
 - Hung new control loops in McCracken for Christmas lights.
 - Installed cover-up in Brownell for road construction.
 - New Connects. Built new single-phase connects for Chad Reinert's new shop, Abercrombie Oil in Dighton, and for H-D Oil Service in Bazine.
 - Pole Change Outs
 - Changed out 8, 3 phase poles north of Healy.
 - Changed out 1, 3 phase pole in Ransom.
 - Changed out 1, 3phase pole west for Danny Baker's.
 - Changed out 1 street light pole in Healy.
 - Change out 4 single-phase poles north of Shields on the county line.
 - Engineering Coordinator (Nate)
 - Easement filings: Ongoing, Ness County 6 of 30 sections filed or in process.
- MISC:
- 1st quarter CIAC updated pricing: Completed. Overhead line came down +/- 20% on avg. due to conductor pricing, Underground up +/- 20% also due to conductor.
 - Year-end reports for Finance Dept: working Substation asset revamp.

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

- Youth Tour and Adventure Camp promotion is in swing. AMJ is making the rounds to local High Schools to talk with students.
- SmartHub: the upgrade is on schedule for January 2024.
- Pay Ahead Power (Prepaid) promotion begins in February.

4) Retail Services / Warehouse Report. (Scott)

- Retail Non-operating margins = -\$14,078 (Dec) and \$78,836 YTD.
- Generac. No new sales in December, but got five units installed.
- Electrician / HVAC services.
 - YTD – Electricians: \$107,840.07; HVAC: -\$35,709.92.
- Materials. We in good shape going into winter. Inventory Turns are increasing:
 - Line Material – 0.55
 - Resale Materials – 1.1

Respectfully submitted,

Richard McLeon, M.B.A.
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 December 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.

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	20,914,246	17,836,488	22,723,482	1,359,444
2. Power Production Expense				
3. Cost of Purchased Power	12,903,008	10,346,476	14,309,650	774,610
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	1,095,418	694,779	1,072,385	(87,816)
7. Distribution Expense - Maintenance	1,133,982	1,062,244	1,397,122	50,628
8. Customer Accounts Expense	256,927	258,175	272,125	20,214
9. Customer Service and Informational Expense	59,232	69,604	62,963	5,511
10. Sales Expense	74,714	104,865	71,589	12,605
11. Administrative and General Expense	1,640,676	1,981,838	1,701,203	166,662
12. Total Operation & Maintenance Expense (2 thru 11)	17,163,957	14,517,981	18,887,037	942,414
13. Depreciation and Amortization Expense	1,888,036	1,955,181	2,163,407	167,548
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,282,652	1,216,985	1,251,794	100,059
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	269	5,374	350	428
19. Other Deductions	16,024	24,588	26,530	339
20. Total Cost of Electric Service (12 thru 19)	20,350,938	17,720,109	22,329,118	1,210,788
21. Patronage Capital & Operating Margins (1 minus 20)	563,308	116,379	394,364	148,656
22. Non Operating Margins - Interest	132,043	400,256	70,000	42,258
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	140,733	78,836	65,000	(14,078)
26. Generation and Transmission Capital Credits	684,641	612,391		
27. Other Capital Credits and Patronage Dividends	50,306	32,481	83,807	3,961
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	1,571,031	1,240,343	613,171	180,797

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 December 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	70	28	5. Miles Transmission		
2. Services Retired	53	55	6. Miles Distribution – Overhead	2,038.10	2,038.10
3. Total Services in Place	6,071	6,046	7. Miles Distribution - Underground	8.73	8.73
4. Idle Services (Exclude Seasonals)	276	305	8. Total Miles Energized (5 + 6 + 7)	2,046.83	2,046.83
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	62,979,837		30. Memberships	0	
2. Construction Work in Progress	1,113,182		31. Patronage Capital	23,325,388	
3. Total Utility Plant (1 + 2)	64,093,019		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	21,947,366		33. Operating Margins - Current Year	116,379	
5. Net Utility Plant (3 - 4)	42,145,653		34. Non-Operating Margins	2,595,731	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	330,573	
7. Investments in Subsidiary Companies	248,755		36. Total Margins & Equities (30 thru 35)	26,368,071	
8. Invest. in Assoc. Org. - Patronage Capital	12,901,446		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	31,325,298	
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)	3,977,215	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	566,581	
14. Total Other Property & Investments (6 thru 13)	13,823,121		43. Total Long-Term Debt (37 thru 41 - 42)	34,735,932	
15. Cash - General Funds	156,966		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	6,596,459		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	1,062,997	
20. Accounts Receivable - Sales of Energy (Net)	1,194,318		49. Consumers Deposits	106,856	
21. Accounts Receivable - Other (Net)	216,274		50. Current Maturities Long-Term Debt	2,035,969	
22. Renewable Energy Credits	0		51. Current Maturities Long-Term Debt - Economic Development	0	
23. Materials and Supplies - Electric & Other	703,772		52. Current Maturities Capital Leases	0	
24. Prepayments	155,582		53. Other Current and Accrued Liabilities	1,641,004	
25. Other Current and Accrued Assets	136,417		54. Total Current & Accrued Liabilities (47 thru 53)	4,846,826	
26. Total Current and Accrued Assets (15 thru 25)	9,159,913		55. Regulatory Liabilities	0	
27. Regulatory Assets	0		56. Other Deferred Credits	0	
28. Other Deferred Debits	822,142		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	65,950,829	
29. Total Assets and Other Debits (5+14+26 thru 28)	65,950,829				

Formulas

Dec-23

RUS = 7 CFR § 1710.114

Equity - % of Assets **39.98%**

YTD	Margin + Equities - C36	26,368,071
YTD	Total Assets - C29	65,950,829

Distribution Equity **25.39%**

YTD	Margin + Equities - C36	26,368,071
YTD	Total Assets - C29	65,950,829
YTD	Patronage Capital - C8	12,901,446

Equity - % of Capitalization **43.15%**

YTD	Current Equity - C36	26,368,071
YTD	Current LT Debt - C43	34,735,932

Current Ratio **1.89**

YTD	TI. C & A Assets - C26	9,159,913
YTD	TI C & A Liabilities - C54	4,846,826

General Funds Level **12.11%**

YTD	Non Utility Property - C6	-
YTD	Invest in Assoc, Other GF - C9	445,462
YTD	Other Invest. - C12	5,501
YTD	Special Funds - C13	-
YTD	Cash Gen. Funds - C15	156,966
YTD	Temporary Investments - C18	6,596,459
YTD	Prepayments Unapplied - C42	556,581
YTD	Total Utility Plant - C3	64,093,019

Cash to Debt **20.08%**

YTD	Cash Gen. Funds - C15	156,966
YTD	Temporary Investments - C18	6,596,459
	CFC CTC's - Stat Report	221,958
YTD	Current LT Debt - C43	34,735,932

Financial Reporting Ratios

TIER RUS = 1.25 **2.02**

YTD	Net Income - A29	1,240,343
YTD	Interest on LT Debt- A16	1,216,985

DSC RUS = 1.25 **1.23**

	Depreciation - A13	1,955,181
	Interest on LT Debt- A16	1,216,985
	Pat. Cap. or Margins - A29	1,240,343
YE	Prin. & Int. Pymts - N, d Total	3,573,232

MDSC CFC - 1.35 **1.21**

	Depreciation - A13	1,955,181
	Interest on LT Debt- A16	1,216,985
	Operating Income - A21	116,379
	Non-Op Margins - Int - A22*	400,256
	Patronage Capital - C8	12,901,446
	Pat Cap Cash Calc	644,872
	Prin. & Int. Pymts - N, d Total	3,573,232
	LT Lease Calculation*	-
	if C44 > 0.02 C36	-

Operating TIER RUS - 1.1 **1.10**

YTD	Operating Income - A21	116,379
	Interest on LT Debt- A16	1,216,985

Operating DSC RUS = 1.1 **1.10**

	Operating Income - A21	116,379
	Depreciation - A13	1,955,181
	Interest on LT Debt- A16	1,216,985
	Patron. Refund from G&T, other - A26+A27	612,391
		32,481
YE	Prin. & Int. Pymts - N, d Total	3,573,232
	Interest on LT Debt- A16	1,216,985
	LT Debt - other - C40	3,977,215
	sum A16+C40	5,194,200

10. b. Strategic Plan Update

The Cooperative made good progress on the Boards Strategic Plan During the 4th quarter of 2023. Our overall completion rate increased by 12% from 49% in October 2023 to 61% on December 31, 2023. Our biggest individual gains came from:

- Replacing all collectors nearing life end: 10% to 100%
- Installation of ASP Trustgrid: 15% to 100%
- Cooper Regulator Training: 20% to 100%

Item 1. Safety. Safety is an ongoing concern that is moving along well. We are 77% completed with listed items, but will be updating specific items like adding the KEC On-Site Regulatory Report 2024 later this year. Chris has done a great job with this part-time duty.

2023-2025 Strategic Plan Updates		2023			2024				2025				last period changes
This Strategic Plan approved by the LSEC Board of Trustees February 6, 2023.		Feb	July	Oct	Jan	Apr	July	Nov	Jan	Apr	July	Nov	
1	Demonstrate leadership in employee and public safety.	42	67	75	77	0	0	0	0	0	0	0	3
A	Continuously review options for safety improvement.	CT	52	75	83	92							8
	1 KEC On-Site Regulatory Report 2022		75	100	100	100							0
	2 KEC On-Site Regulatory Report 2023		0	25	50	75							25
	3 RESAP/Supervisor Self-Assessment 2022		80	100	100	100							0
B	Explore improved field communication technology.	CT	23	65	85	85							0
	1 Antennae installation at both towers.		82	99	100	100							0
	2 Sonic Walls installed.	CB	0	99	99	100							1
	3 Radios installed and training completed.		0	50	100	100							0
	4 Evaluate area coverage.		10	10	40	40							0
C	Develop improved record keeping.	CT	60	63	65	67							2
	1 SafetyAmp electronic safety inspection forms		65	69	75	80							5
	2 SDS Program - review and explore digital options		75	80	80	80							0
	3 OSHA SHARP Program Recommendations		40	40	40	40							0
D	Safety Program Continuous Improvement	CT	33	65	65	67							2
	1 Safety Demo Trailer.	CT	40	95	95	96							1
	2 Evaluate process for data analytics review.		25	35	35	37							2

Item 2. Cyber security. CyberSecurity is another area that is an ongoing concern. We are 50% completed with listed items, but items like security upgrades are always changing. Carrie does a great job as a one-person show but gets distracted by other daily IT duties and concerns such as printer installs, PC software updates, printer issues, etc. Her primary goal for 2024 is to conduct the advanced cyber audit (Item 2. E.) by the end of 2024.

2	Identify, assess, and mitigate cyber security risks.		17	31	36	50	0	0	0	0	0	0	0	14
A	Research and implement cybersecurity mitigation strategies.	CB	19	67	79	80								0
	1 Domain/GIS Server Security upgrades		50	85	95	98								3
	2 Veeam Backup		95	100	100	100								0
	3 Domain Server Replacement Backup		0	90	100	100								0
	4 NRECA Cyber Goals Program		0	35	35	35								0
	5 MicroSoft Email Impersonations, Employee Email Account Reviews, and Security Permissions Reviewed		0	100	100	100								0
	6 Insight VM - Vulnerability Management Transition		0	100	100	100								0
	7 Federated Insurance Wire Transfer Procedure	RM	0	20	100	100								0
	8 Identity an Access Management (2-stage or DUO-type) system		5	5	5	5								0
B	Identify and make necessary investments in hardware, software, and facilities.	CB	30	35	35	50								15
C	Establish a cybersecurity training and awareness regimen for employees and members.	CB	20	35	45	100								55
D	Develop a comprehensive policy.	RM	10	15	15	15								0
E	Conduct an advanced audit.	CB	5	5	5	5								0

Item 3. Rate Options. This item is tied to the current Cost-of-Service Study being conducted by Guernsey. Staff involved in gathering the COSS data are Kathy, Jocelyn, Rebecca, Diana, and Richard. Most of this item will be completed in the 1st quarter of 2024.

3	Evaluate advanced rate options for the future.		5	9	18	36	0	0	0	0	0	0	0	19
A	Analyze formulary rate structure.	RM	2	3	5	38								33
	1 Identify metric to use		4	5	10	50								40
	2 Identify level		0	0	0	25								25
B	Develop 3-part rate options.	RM	7	15	30	35								5
	1 Assure MDM system is gathering / collecting data.	NB	14	20	20	30								10
	2 Evaluate 2024 Sunflower bifurcated rate structure.	RM	0	10	40	40								0

Item 4. Succession Planning. We have made pretty good strides in Staff training and development. We are near completion on developing job descriptions and education options (Item 4. A.) as well as developing emergency, interim, and long-term plans for CEO and staff (Item 4. B.) and evaluating board processes (Item 4. C.).

I am constantly challenging and evaluating staff and am developing an informal plan for succession in each section. A piece of that is our expanded supervisory and management training program where some employees have stepped up while others have stepped back. This involves “soft skills” like communication, conflict management, planning and scheduling, and emotional intelligence.

The other piece is technical training which varies based on supervisory level and staffing within each section. For example, Ann Marie needs detailed expertise in all areas of her section while an Operations Manager needs overall knowledge and expertise, but the specifics and details lie with the Linemen and engineering staff.

4	Develop a comprehensive succession plan for the Board, CEO, and staff.		31	53	71	83	0	0	0	0	0	0	0	12
A	Develop job descriptions, education options for employees.	DK	16	55	77	93								16
	1 Review and update all employee job descriptions	RM	10	90	100	100								0
	2 Implement Leadership training for all supervisors	RM	0	15	100	100								0
	3 Implement Myers-Briggs and Emotional Intelligence training for all employees.	DK	0	100	100	100								0
	4 Consolidate all training records with HR	DK	0	100	100	100								0
	5 Substation Technician Apprenticeship program	CT	0	15	50	50								0
	6 Cooper Regulator Training Program	BM	0	0	20	100								80
	7 Lineman Apprenticeship Program	CT	65	75	100	100								0
	8 Staking Certification Program	DH	67	100	100	100								0
	9 SHRM HR Certification program	DK	0	0	25	85								60
B	Develop emergency, interim, and long-term plans for CEO and staff.	RM	58	60	60	83								23
	1 CEO Plan		100	100	100	100								0
	2 Staff Plan		15	20	20	65								45
C	Evaluate appropriate human resource needs for the cooperative.	RM	22	33	68	73								5
	1 Review and update all work flow processes for efficiency.	all	15	25	40	40								0
	2 Review employee benefits package and options	DK	10	15	80	80								0
	3 Review potential retirement impacts	RM	40	60	85	100								15
D	Evaluate board nomination process, term options and election process as appropriate.	AMJ	30	65	78	83								5
	1 Implementation of electronic voting process	AMJ	20	95	100	100								0
	2 Board candidate application process	RM	70	100	100	100								0
	3 Research Board term options	RM	0	0	35	50								15

Item 5. Technology. This is a hard area to keep ahead of and we will be evaluating and updating specific items as needed. Most of the data analytics have been completed while AMI utilization and DER items are moving forward at a slower pace.

5	Enhance operational excellence by implementing appropriate technology options and processes.		12	35	45	58	0	0	0	0	0	0	0	12
A	Evaluate and implement processes for data analytics for decision making.	CB	21	53	73	87								15
	1 Mobile Radio Firewalls	CB	25	100	100	100								0
	2 Mosaic - GM Dashboard	CB	50	50	50	50								0
	3 AppSuite cause codes review	CB	100	100	100	100								0
	4 Work Management Suite	CB	5	50	98	98								0
	5 HR iVue Connect	CB	5	60	98	98								0
	6 AppSuite Document Vault	CB	5	25	40	100								60
	7 ASP Trustgrid	CB	5	10	15	100								85
	8 InTunes - MSoft mobile mgmt and device security	CB	0	0	95	98								3
	9 Employee review / evaluation program	DK	0	40	40	40								0
	10 Review data analytics/forecasting for Wage/Salary tables	DK	10	90	90	90								0
B	Analyze options for AMI utilization in the future.	DH	8	17	17	37								20
	1 Connecting primary fiber to most collectors.		0	0	0	10								10
	2 Establish an annual meter (%) exchange program.		0	10	10	10								0
	3 Utilizing our distributed automation system.		20	25	25	25								0
	4 Better synchronization between AMI and MDM.		20	40	40	40								0
	5 Replacing all collectors nearing life end.		0	10	10	100								90
C	Develop analysis and options around emerging technologies such as DER and Electric Vehicles.	RM	9	36	46	49								3
	1 Review Tariff for Line Extension gaps.	RM	15	80	100	100								0
	2 Analyze MDM system for ability to "mine" demand information.	NB	0	20	20	30								10
	3 Explore EV charging and DER installation options.	SB	10	20	35	35								0
	4 Explore Generac PowerCell technology and training	SB	10	25	30	30								0

SAFETY PROGRAM

SAFETY PROJECTS COMPLETED AS OF December 2023

- Rubber gloves changed out. Sleeves changed out.
- Testing and adjusting digital truck inspections, designing facility inspection sheet.
- Ann Jennings's submitted report:
 - Electrical Safety Demo & Training invitation-KCL newsletter, social media.
 - Christmas Light Safety -social media.
 - What to do if involved in an accident with a downed power line-social media.
 - Beware of scam calls-social media.
 - Space Heater Safety-social media.
- Diana Kuhlman submitted reports:
 - KEC Loss Control, Safety and Compliance System Monthly Statistical Report.
 - Compliance One drug and alcohol monthly roster report.
 - In house CDL certification were completed.
 - First aid and CPR Training.
- In house safety: Reviewed and discussed sections 6,7,8,9, and 10 of LSEC safety manual.

SAFETY PROJECTS IN PROGRESS AS OF November 2023

1. SDS Program products updates and documentation improvements.
2. SafetyAmp software inspection form templates deployed, and most forms being created.
3. FCC radios: Will start testing the system for dead spots in coverage with new radio settings. Looking into future tower locations and availability on surrounding towers.
4. Demo trailer hardware in process of being installed. Transformers received and installed on trailer from Solomon Corp.
5. RESAP Onsite Observation.
 - 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.
 - Working with Richard and Joe Gasper on 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
December 27th,2023

Chris Terhune called the meeting to order at 9:03am.

Minutes were read: Leighton Ayers made a motion to approve the November 9th minutes and Dellon Shelton seconded. Minutes were read and approved as printed.

Present: Chad Rupp, Chris Terhune, Myron Seib, Leighton Ayers, Dellon Shelton, Blake McVicker, Taylor Cable, Nate Burns, Scott Briand, Micheal Pollock, Kathy Lewis, Ann Marie Jennings, Diana Kuhlman, and Jocelyn Walker

Absent: Richard McLeon, Kasey Jenkinson, Ben Mann, Dal Hawkinson, Kevin Bradstreet, Kalo Mann, Mark McCulloch, Carrie Borell, Rebecca Campbell, Katie Riffle

Guest: None

Truck report of inspections:

105	Taylor Cable	OK
110	Blake McVicker	OK
112	Leighton Ayers	OK
117	Chris Terhune	OK
123	Micheal Pollock	OK
132	Taylor Cable	OK
135	Nate Burns	OK
136	Leighton Ayers	OK
143	Scott Briand	OK
144	Micheal Pollock	OK
145	Nate Burns	OK
150	Taylor Cable	OK
173	Chad Rupp	OK
191	Michael Pollock	OK
193	Myron Seib	OK
200	Leighton Ayers	OK
201	Dellon Shelton	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

LANE-SCOTT ELECTRICT COOPERATIVE, INC.
SAFETY COUNCIL COMMITTEE MEETING
December 27, 2023

Leighton Ayers called the meeting to order at 1:06pm.

Minutes were read: Chris Terhune made a motion to approve the October 20th minutes and Carrie Borell seconded. Minutes were read and approved.

Present: Chris Terhune, Leighton Ayers, and Carrie Borell

Old Business:

- ◆ Demo trailer padmount delivered and installed.
- ◆ Chris will follow up on substation contractor guide amendment to be updated.
- ◆ Chris Terhune: RESAP On-Site Observation Corrective Actions Reviewed
 - Employees can accomplish routine procedures and substation switching protocols. Chris will follow up with Ben Mann and Dal Hawkinson.

In Progress – Switching and backfeed procedures for Twin Springs substation and all substations with critical load supply.

- ◆ Reviewing options for Otis Elevator quote for elevator upgrade requirements.
- ◆ Richard McLeon is reviewing the option for policy 524 Section C item 3 concerning the replacement dollar amount for damaged cost to be amended to the discretion of the supervisor. This would accommodate the year-to-year unknown inflation cost of materials and regular operating items for example a damaged tire from normal wear and tear of operating use which would be over that dollar amount.
- ◆ KEC training schedule topics were posted and updated on company calendar.
- ◆ First Responder Safety Demonstrations completed November 12th in Dighton and November 13th in Ness City. Chris Terhune will contact Farm Bureau about their K-6th safety day and a spray equipment farm agricultural safety day in 2024.
- ◆ Chris Terhune: Taylor Cable is starting book 1 tests 1, 2, and 3 are completed in the Dennis Merchant Program. J&R was unable to provide a quote for the elevator fire alarm communication because they are not licensed. Chris Terhune will contact Fire Alarm Specialist about their quote. This will make an automated call to emergency dispatch services if a fire was detected using a radio communicator. Chris will check to see if the call can be routed to our SRS Basin dispatch services. Ann Marie Jennings set up a silent auction to sell equipment that is to be disposed of. Chris Terhune will follow up with Eldridge Fencing will be fixing the walk thru gates. Chris Terhune will follow up with Dal Hawkinson and Richard McLeon concerning the radio tower options to improve signal range were discussed.

New Business:

- ◆ Safety program 2024 budget report was discussed.
- ◆ Reviewed Safety Improvement Goals for 2024. Chris Terhune will follow up with Richard McLeon for approval and submission to the NRECA RESAP program. Items suggested for 20224 follow up are: 1. Safety Communications/Awareness Activities, 2. Other: Digital Conversion Inspection Forms, 3. Overhead and Underground Lines, Equipment, etc.

Meeting adjourned

Chris Terhune
Safety Coordinator

Carrie Borell
Safety Compliance Administrator

Warehouse	Scott Briand	OK
Pole Yard & Transformer Dock	Scott Briand	OK
Office	Diana Kuhlman	OK

Personal Tools: All Passed

Gloves Monthly Test Results: Rejected: #85 ozone, #137 snag, #74 snag.

Line Hoses Annual Test Results: N/A

Sleeves Quarterly Test Results: Rejected: #132 snag.

Substation and Regulator Report:

- ♦ Leighton Ayers: Sub. Checks are completed for the month. Dighton HI. Heaters were replaced. Ness 34.5: Nitrogen bottle hoses were replumbed. Replaced regulator.
- ♦ **PCB Report:** None to Report

Line Clearance: City of Ness City.

Accident and Near Misses: Nothing to report currently.

Old Business:

- ♦ Chris Terhune: Solomon Corp. Delivered pad mount transformer and pole mount for demo trailer.

New Business:

- ♦ Ann Marie Jennings: LSEC is again sponsoring sophomore or junior high school students to attend the Electric Cooperative Youth Tour and Cooperative Youth Leadership Camp. The deadline to apply is Feb. 1st. Organizations from our service territory or organizations who serve our members can again apply for our Sharing Success Grants. We will be awarding up to four \$1,000 grants. The Deadline to apply is April 1st. Applications can be submitted for our Continuing Education Scholarships. We will be giving six \$1500 scholarships to high school seniors, graduates, or students already pursuing higher education. The deadline is also April 1st. SmartHub will be getting a facelift. Functionally won't be changing much, but it will look different, and it's supposed to be more user friendly.
- ♦ Diana Kuhlman: Last 5 classes with Bruce Tulgan for Rain Maker Training are accessible for completion. There will be a Zoom meeting with Bruce on January 11th and a final on February 7th. Planning underway for office personal to spend a day out in the field with the line personal. Dates will be released later.
- ♦ Kath Lewis: If you take something out of the supply closet and it's the last one, please notify Katie so it can be replaced.
- ♦ Scott Briand: Yearend inventory, please count all retail items that are on your trucks.
- ♦ Chris Terhune: Reviewed the KEC Safety Summary's accidents and near misses, and upcoming schools. Reviewed LSE Safety Manual Sections: 6,7,8,9, and 10.

Meeting adjourned.

Chris Terhune
Safety Coordinator

Carrie Borell
Safety Administrator