



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been scheduled for June 22, 2026, 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. Attorney's Report
6. Sunflower EPC Report
7. KEC Report
8. General Managers Report
9. Old Business
10. New Business
 - a. Purchasing and Warehouse Report – Scott Briand
 - b. Board Policy 401. Managers' Use of Company Car review
 - c. Board Policy 402. NRECA Business Travel Insurance for the Manager review
 - d. Dighton Office Roof Repair
 - e. Lane-Scott Tower Sites
 - f. Additional Capital Credit Estate Retirements
11. Safety Program Report
12. Executive Session (is not requested).
13. Adjourn

Upcoming Events:

Office Closed – Independence Day		July 4
LSEC Annual Meeting	Dighton	July 14
Sunflower Board Meeting	Hays	July 15
LSEC Board of Trustees	Dighton	July 27

**MINUTES OF THE REGULAR MAY 2026
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, May 18, 2026, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 7:00 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Gary Shapland, Gerome Copeland, Randall Evans, Randy Evans, Shelly Turner, James Jordan and Craig Ramsey. Also present Richard McLeon IV, Dal Hawkinson and Joseph D. Gasper, Attorney. Susan Nuss was absent.

OPERATIONS REPORT

Dal Hawkinson presented an Operations report. Highlights of his report are as follows:

- The OneOk Beeler project is fully operational. They are waiting on the Scott City project to be completed to begin pumping fluid. LSEC has completed their portion of the Scott City project, but OneOk is still working on their side to complete the project. It is expected to begin full operation in June.
- The tree trimming is being conducted in the Alexander and Ness City area. There is \$75,000 budgeted for tree trimming.
- Utility Asset Management has completed the pole testing. 4,260 poles were tested and approximately 75 were rejected. They use an ultrasonic testing method which is non-invasive to the pole. The ultrasonic is cheaper than the invasive method. GIS data is being provided by the tester that can be implemented in the mapping software.
- Tallgrass has inquired about a 28 MW pumping load on an existing pipeline. A power study requested has been submitted to SPP on the project. They are looking at an August 2028 completion date. This project would require new transmission and a substation.
- Major Operations projects are typically presented through Capital Budgets, Construction Work Plan (CWP) and the Long Range Plan (LRP). The LRP expired in 2022 and due to COVID issues, it was difficult to conduct a new LRP, so construction projects were conducted with funds from operating revenues and aid to construction contributions.
- LSEC contracted with Finley Engineering in July 2025 to prepare an LRP to be completed March 2026. This LRP will not be completed until

September, and delivery is expected in the fourth quarter of 2026. A one-year CWP has been prepared including the 2026 approved capital budget projects.

- These two projects are the McCracken radio tower and the Recloser replacement in the Ness City Sub.
- Reliability projects include purchasing land for a new Shallow Water Sub, starting phase 1 of the Manning to Shallow Water tie line, and the Ransom Sub upgrades.
- The building facility plan addressed facilities issues with the Ness City and Dighton buildings that need to be repaired or replaced.
- The Dighton headquarter has a leaking roof and the estimate to install a new TPO roof, flashing and downspouts is \$104,500 from Diamond Roofing. There is land available in the Ness City industrial park that may be an option to build a new building in the Ness City area.
- The board discussed the CWP with the total estimated cost of \$647,080. It was recommended that a second bid be obtained for the facility roof replacement.
- *A motion to approve the 2026 Construction Work Plan, with the instruction to obtain a second roof bid, was made, duly seconded and carried.*

Dal left the meeting after his presentation.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on April 27, 2026. *Hearing no corrections to the printed minutes, the minutes were 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

Craig Ramsey, KEC representative, reported that KEC is developing AI use policies for both employees and board members. The summer meeting is August 1 & 2 in Overland Park.

MANAGER'S REPORT

Manager McLeon commented on the following matters:

- The credit card statements were available for review.
- Total Operating Revenues are up 4.59% at \$6,695,714 YTD. This includes kWh sales, fees, and Wholesale power costs of \$3,249,895. Wholesale power costs are up 8.23% YTD. The Operating Revenues look great but Operating Margins are \$902,645 YTD.
- Reliability remains high. LSEC had 1 hour of “All Other” outages affecting 75 meters.
- No major safety incidents were reported.
- The cost of purchased power graph shows it to be a little above average.
- ASAI is 99.99%.
- Manager expenses totaled \$682.06 and there were no *per diem* requests.
- Manager McLeon discussed the board direction regarding the four requested documents that LSEC does not have for the manager search and whether the documents are truly needed. The board agreed that the delegation of authority policy should take care of necessary items.
- Operating Margin is \$186,996 with \$902,645 YTD.
- Total Margin is \$196,872 with \$1,032,951 YTD.
- The Cash Balance is \$7,259,903.
- Equity as a percentage of Assets is 43.77% and as a percentage of Capitalization is 46.56%.
- IT is working on reviewing cybersecurity data management regulatory requirements.
- The member satisfaction response rate has been low so it may require telephone calls to gather information.
- Monica Jordan, Emma Petersillie, Taegin Liggett, Callie Cramer, Kamryn Anderson and Jessa York were continuing education scholarship recipients.

- Camp Lakeside, Lane County Improvement District, Producers with a Purpose, and Lane County 4H were awarded CoBank Sharing Success Grants.
- Three new Generacs were installed and three new bids were prepared.

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. Estate Capital Credits

- *A motion to approve the payment of estate capital credits in the total amount of \$18,517.60 as presented was made, duly seconded and carried.*

2. General Manager/CEO Evaluation

- The board discussed streamlining the evaluation process with regards to the documentation.
- *A motion to enter executive session to discuss the GM/CEO evaluation was made, duly seconded and carried at 8:30 p.m. The board came out of executive session at 9:06 p.m.*
- *A motion to approve the salary of the GM/CEO at \$280,000 annually was made, duly seconded and carried.*

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 9:10 p.m., on Monday, May 18, 2026.

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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
54175 5/14/26	CHK	1	CAMP LAKESIDE	CoBank Sharing Success Grant	500.00
54176 5/14/26	CHK	1	LANE COUNTY IMPROVEMENT DISTRI	CoBank Sharing Success Grant	500.00
54177 5/14/26	CHK	1	MCCRACKEN RODEO	Rodeo Sponsorship	260.00
54178 5/14/26	CHK	1	NESS COUNTY FARM BUREAU	CoBank Sharing Success Grant	500.00
54179 5/14/26	CHK	1	WALNUT CREEK EXTENSION DIST.	financial contribution for 4-h youth pro	200.00
54180 5/14/26	CHK	1	WASHBURN UNIVERSITY	Continuing Eduation Scholarship	1,500.00
54181 5/14/26	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	64,000.00
54182 5/14/26	CHK	37	JETMORE REPUBLICAN	Advertising	60.00
54183 5/14/26	CHK	45	BUMPER TO BUMPER OF DIGHTON	Monthly Bill	305.04
				Monthly Bill	116.73
				Monthly Bill	85.59
Total for Check/Tran - 54183:					507.36
54184 5/14/26	CHK	117	NESS CITY FARM & FEED	Monthly Bill	136.16
				Monthly Bill	60.85
				Monthly Bill	125.70
Total for Check/Tran - 54184:					322.71
54185 5/14/26	CHK	134	SOLIDA TREE SERVICE, INC.	Tree Trimming Bazine/Alexander	6,057.06
54186 5/14/26	CHK	145	BUMPER TO BUMPER OF NESS CITY	Parts	325.07
54187 5/14/26	CHK	269	ANIXTER INC	LINE MAT.	380.84
				LINE MAT.	42.31
				Dellon - Clothing Allowance	252.26
				Blake - Clothing Allowance	504.53
Total for Check/Tran - 54187:					1,179.94
54188 5/14/26	CHK	336	TECH PRODUCTS, INC.	5881	1,484.84

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
54189 5/14/26	CHK	380	GRAINGER	Safety Glasses, Pliers	69.28
				Safety Glasses, Pliers	197.64
Total for Check/Tran - 54189:					266.92
54190 5/14/26	CHK	383	HUXFORD POLE AND TIMBER CO INC	LINE MATERIAL	23,357.88
54191 5/14/26	CHK	387	WESTERN FUEL & SUPPLY	Monthly Fuel Bill	734.85
				Monthly Fuel Bill	138.00
Total for Check/Tran - 54191:					872.85
54192 5/14/26	CHK	423	SCOTT CITY AUTOMOTIVE	Parts	344.43
54193 5/14/26	CHK	427	DIGHTON HERALD LLC	Advertising	100.00
				Advertising	60.00
Total for Check/Tran - 54193:					160.00
54194 5/14/26	CHK	498	BLAKE MCVICKER	Fuse Holders	26.07
54195 5/14/26	CHK	554	KELLER ELECTRIC LLC	Lane County Feeders Work	2,495.00
54196 5/14/26	CHK	572	DIAMOND COMMUNICATIONS SOLUTI	Election Ballot Business Reply Advance	300.00
54197 5/14/26	CHK	608	J & J FUEL SERVICE, LLC	Monthly Fuel Bill	1,976.69
				Monthly Fuel Bill	252.45
Total for Check/Tran - 54197:					2,229.14
54198 5/14/26	CHK	619	UNITED TELEPHONE ASSOCIATION, IN	Monthly Bill	69.38
54199 5/14/26	CHK	622	CENTRAL POWER SYSTEMS AND SERVIN	New transfer case in tk#:150	23,172.31
54200 5/14/26	CHK	646	NESS CITY ROTARY CLUB	April Meals/Dues	17.50
54201 5/14/26	CHK	745	GOVE COUNTY ADVOCATE	Advertising	100.10
54202 5/14/26	CHK	903	NISC	April 2026 Print Services	2,035.98
				April 2026 Print Services	347.40
				April 2026 Recurring	868.00
				April 2026 Recurring	1,941.90

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				April 2026 Recurring	1,172.58
				April 2026 Recurring	5,825.71
				April 2026 Recurring	485.48
				April 2026 Recurring	1,456.43
				April 2026 MISC	229.71
				April 2026 MISC	375.00
				Total for Check/Tran - 54202:	14,738.19
54203 5/14/26	CHK	998	LANE COUNTY 4-H COUNCIL	CoBank Sharing Success Grant	500.00
54204 5/14/26	CHK	1030	THE SCOTT COUNTY RECORD	Ads	115.00
54205 5/14/26	CHK	1139	LANE COUNTY HOSPITAL	Isabella Mcney drug test/screening	205.00
54206 5/14/26	CHK	1225	CINTAS CORPORATION	First Aid Restock	236.23
54207 5/14/26	CHK	1234	JF BEAVER	Embroidered Hats	910.15
54208 5/14/26	CHK	1243	TRI-CENTRAL OFFICE SUP-HAYS	Lillie & Bella Name Plates	49.89
3960 5/15/26	WIRE	62	NRECA GROUP BENEFITS TRUST	NRECA GROUP INSURANCE	314.42
				NRECA GROUP INSURANCE	1,075.61
				Total for Check/Tran - 3960:	1,390.03
3961 5/15/26	WIRE	609	STATE TAX	STATE PAYROLL TAX	4,533.30
3962 5/15/26	WIRE	610	FEDERAL PAYROLL TAX	FEDERAL PAYROLL TAX	10,986.63
3963 5/15/26	WIRE	611	FEDERAL UNEMPLOYMENT	FEDERAL UNEMPLOYMENT TAX	11.62
3964 5/15/26	WIRE	613	FICA-SOCIAL SECURITY	FICA SOCIAL SECURITY	12,142.90
3965 5/15/26	WIRE	614	MEDICARE	FICA MEDICARE	2,839.82
3966 5/15/26	WIRE	1157	NRECA 401(K) PENSION PLAN	NRECA 401K ROTH CONTRIBUTION	7,014.48
				NRECA 401(k) PENSION PLAN	4,103.88
				401(k) CONTRIBUTION PAYMENT fje.602	2,971.94
				NRECA-401(K) LOAN #2	96.50

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 3966:					14,186.80
3967 5/15/26	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RETIREMENT & SECURITY	31,426.80
3970 5/19/26	WIRE	1229	NORTHEND DISPOSAL	Monthly Trash Bill	561.42
3975 5/19/26	WIRE	595	JMS ADVISORY GROUP	Annual Compliance Services	2,000.00
54209 5/26/26	CHK	1	CHERRYROAD MEDIA, INC	Help Wanted Ad - IT	86.50
54210 5/26/26	CHK	20	BASIN ELECTRIC POWER COOP	Dispatch & alarm monitoring fees	2,485.75
54211 5/26/26	CHK	40	KANSAS ELECTRIC COOPERATIVES	Cruical Conversations - Diana Kuhlman	1,000.00
54212 5/26/26	CHK	63	RICHARD JENNISON	Meeting Expense	368.85
54213 5/26/26	CHK	79	POSTMASTER	Newsletter postage	139.78
54214 5/26/26	CHK	105	CITY OF NESS CITY	Monthly Bill	28.41
				Monthly Bill	34.72
				Franchise Fee	4,582.84
Total for Check/Tran - 54214:					4,645.97
54215 5/26/26	CHK	107	CINTAS CORPORATION #449	Mats	99.02
54216 5/26/26	CHK	134	SOLIDA TREE SERVICE, INC.	Tree Cutting - Bazine	5,135.00
54217 5/26/26	CHK	135	CITY OF BAZINE	Franchise Fee	1,811.48
54218 5/26/26	CHK	160	SHULL OIL COMPANY	Monthly Fuel Bill	4,408.27
				Monthly Fuel Bill	3,603.26
				Monthly Fuel Bill	266.80
Total for Check/Tran - 54218:					8,278.33
54219 5/26/26	CHK	198	OTIS ELEVATOR COMPANY	Logistics and Fuel Impact Fee	191.63
54220 5/26/26	CHK	220	LANDIS+GYR TECHNOLOGY, INC	CC Saas Monthly Flat Fee	1,850.00
54221 5/26/26	CHK	366	DIANA KUHLMAN	Supplies - Utensels	42.09

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
54222 5/26/26	CHK	380	GRAINGER	Float Kit	273.93
54223 5/26/26	CHK	406	RICHARD MCLEON	KEC Board Meeting - Salina	398.84
54224 5/26/26	CHK	439	BOLINGER, SEGARS, GILBERT & MOSS, Audit for 2025		4,000.00
54225 5/26/26	CHK	450	RANDALL G EVANS	May Board Meeting	350.73
54226 5/26/26	CHK	494	UTILITY ASSET MANAGEMENT INC.	Pole Inspections 2025	65,327.15
54227 5/26/26	CHK	537	CONSTELLATION NEWENERGY-GAS DI	Monthly Bill	7.12
				Monthly Bill	4.98
				Monthly Bill	7.12
				Monthly Bill	16.38
Total for Check/Tran - 54227:					35.60
54228 5/26/26	CHK	563	JOCELYN SHULL	Uber - Coop compass	117.48
54229 5/26/26	CHK	570	JAMES W JORDAN	May Board Meeting	398.58
54230 5/26/26	CHK	588	GEROME L COPELAND	May Board Meeting	402.20
54231 5/26/26	CHK	623	SHELLY TURNER	Meeting Expense	373.20
54232 5/26/26	CHK	624	RANDY J EVANS	Meeting Expense	389.15
54233 5/26/26	CHK	625	GARY SHAPLAND	Meeting Expense	350.73
54234 5/26/26	CHK	634	FINLEY ENGINEERING COMPANY, INC.	Scott Park & Manning Sectionalizing Stud	12,816.00
54235 5/26/26	CHK	635	LILLIE KOEHN	Money Order Fees	6.15
54236 5/26/26	CHK	639	NEBRASKA RURAL ELECTRIC ASSOCIATION	Staking Tech Certification	1,060.00
54237 5/26/26	CHK	641	UNDERGROUND VAULTS & STORAGE I	Shredding	55.00
54238 5/26/26	CHK	1225	CINTAS CORPORATION	Monthly Bill	269.39
54239 5/26/26	CHK	1285	TIFCO INDUSTRIES	Towels	401.06
				Towels	44.56

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 54239:					445.62
54240 5/26/26	CHK	1300	CRAIG RAMSEY	Meeting Expense	1,689.92
3971 5/28/26	WIRE	101	ATMOS ENERGY	Monthly Bill	115.45
				Monthly Bill	20.37
Total for Check/Tran - 3971:					135.82
3987 5/28/26	WIRE	183	HIBU INC	Monthly Advertising Fee	21.00
3988 5/28/26	WIRE	265	HASLER - POSTAGE ACH	Postage	50.00
				Postage	125.00
				Postage	75.00
Total for Check/Tran - 3988:					250.00
3976 5/29/26	WIRE	62	NRECA GROUP BENEFITS TRUST	NRECA GROUP INSURANCE	314.42
				NRECA GROUP INSURANCE	1,075.61
Total for Check/Tran - 3976:					1,390.03
3977 5/29/26	WIRE	609	STATE TAX	STATE PAYROLL TAX	4,994.11
3978 5/29/26	WIRE	610	FEDERAL PAYROLL TAX	FEDERAL PAYROLL TAX	12,767.85
3979 5/29/26	WIRE	611	FEDERAL UNEMPLOYMENT	FEDERAL UNEMPLOYMENT TAX	12.93
3980 5/29/26	WIRE	613	FICA-SOCIAL SECURITY	FICA SOCIAL SECURITY	13,207.70
3981 5/29/26	WIRE	614	MEDICARE	FICA MEDICARE	3,088.92
3982 5/29/26	WIRE	1157	NRECA 401(K) PENSION PLAN	NRECA 401K ROTH CONTRIBUTION	7,339.13
				NRECA 401(k) PENSION PLAN	4,347.61
				401(k) CONTRIBUTION PAYMENT fje.602	3,185.16
				NRECA-401(K) LOAN #4	163.78
				NRECA-401(K) LOAN #2	96.50
Total for Check/Tran - 3982:					15,132.18
3983 5/29/26	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RETIREMENT & SECURITY	31,426.80

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
3984 5/29/26	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly Water Delivery	125.34
54241 5/29/26	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	69,000.00
3985 6/1/26	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales Tax	22,470.16
3986 6/1/26	WIRE	1187	MIDWEST ENERGY	Monthly Utilty Bill	15.36
				Monthly Utilty Bill	10.75
				Monthly Utilty Bill	15.36
				Monthly Utilty Bill	35.33
Total for Check/Tran - 3986:					76.80
3989 6/1/26	WIRE	586	NETWORK COMPUTING SOLUTIONS	Monthly Bill	6,213.34
3992 6/2/26	WIRE	44	NEX-TECH WIRELESS, LLC	Monthly Phone Bill	31.30
				Monthly Phone Bill	92.52
				Monthly Phone Bill	159.12
				Monthly Phone Bill	1,055.93
				Monthly Phone Bill	82.67
Total for Check/Tran - 3992:					1,421.54
54242 6/2/26	CHK	5	GARY ANTENEN	Check Rewrite	49.67 VOID
54243 6/2/26	CHK	1	BEREXCO LLC	Sales Tax Refund	164.04
54244 6/2/26	CHK	1	NESS COUNTY FAIRBOARD	Fair Banner - Sponsorship	150.00
54245 6/2/26	CHK	5	KYLE ANTENEN	Check Rewrite	16.51
54246 6/2/26	CHK	5	KARMA LAMPING	Check Rewrite	16.57
54247 6/2/26	CHK	5	KIM MAPLES	Check Rewrite	16.59
54248 6/2/26	CHK	5	SHAD A STANLEY	Check Rewrite	62.94
54249 6/2/26	CHK	40	KANSAS ELECTRIC COOPERATIVES	KCL Subscriptions/centerspread	2,673.74
54250 6/2/26	CHK	46	LANE COUNTY TREASURER	Title Fees/Registrations	67.75

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
54251 6/2/26	CHK	55	NESS COUNTY NEWS	Advertising	156.75
				Advertising	114.50
Total for Check/Tran - 54251:					271.25
54252 6/2/26	CHK	73	STANION WHOLESALE ELEC CO INC	LINE MAT.	362.29
				LINE MAT.	40.25
				LINE MAT.	473.61
				LINE MAT.	52.62
				LINE MAT.	624.99
				LINE MAT.	69.45
				RETAIL	204.47
				RETAIL	987.61
				ELEC EXP	94.23
				LINE MAT.	1,516.64
				LINE MAT.	168.51
				TOOLS	283.00
				ELEC EXP	-356.57
				ELEC EXP	408.69
				ELEC EXP	685.55
				ELEC EXP	1,093.39
				TOOLS	95.66
				RETAIL	2,619.98
				ELEC EXP	84.93
				RETAIL	10.23
				RETAIL	47.90
				RETAIL	166.13
				ELEC EXP	650.56
				LINE MATERIAL	726.52
				LINE MAT.	379.91
				LINE MAT.	42.21
				LINE MATERIAL	152.80

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				LINE MAT.	370.75
				LINE MAT.	41.19
				LINE MAT.	202.17
				LINE MAT.	22.47
				LINE MAT.	266.58
				LINE MAT.	29.62
				LINE MAT.	168.15
				LINE MAT.	18.67
				LINE MAT.	1,130.21
				LINE MAT.	125.57
				RETAIL	1,832.68
				RETAIL	138.90
				RETAIL	178.28
				LINE MATERIAL	270.11
				LINE MAT.	310.10
				LINE MAT.	34.44
				LINE MAT.	1,632.65
				CITY STREET LIGHTS	2,472.43
				LINE MAT.	181.40
				RETAIL	18.64
				LINE MATERIAL	135.06
				LINE MAT.	22.01
				LINE MAT.	2.44
				LINE MATERIAL	683.51
				LINE MAT	301.28
				LINE MAT.	33.48
				LINE MAT.	448.64
				LINE MAT.	49.84
				RETAIL	1,225.46
				LINE MAT.	87.33
				ELEC EXP	35.73

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				LINE MAT.	9.70
				RETAIL	57.55
				RETAIL	236.73
				LINE MAT.	1,518.61
				LINE MAT.	168.74
				RETAIL	675.37
				RETAIL	558.80
				RETAIL	210.67
				RETAIL	156.82
				LINE MATERIAL	187.23
				LINE MAT.	1,025.03
				LINE MAT.	113.88
				LINE MATERIAL	1,361.66
				LINE MT.	109.35
				LINE MAT.	3,617.72
				LINE MAT.	414.11
				RETAIL	1,791.67
				ELEC EXP	-896.62
				ELEC EXP	892.14
				ELEC EXP	110.41
				LINE MAT.	331.02
				LINE MAT.	36.79
				ELEC EXP	421.13
				ELEC EXP	45.37
				LINE MATERIAL	151.88
				line mat.	289.42
				LINE MAT.	955.20
				LINE MAT.	138.29
				RETAIL	828.91
				RETAIL	1,492.48
				RETAIL	1,273.08

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Accounts Payable Check Register

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05/14/2026 To 06/12/2026

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				LINE MATERIAL	4,263.79
				LINE MAT.	2,132.54
				LINE MAT.	236.96
Total for Check/Tran - 54252:					49,071.78
54253 6/2/26	CHK	122	MYRON SEIB	Blades	66.58
54254 6/2/26	CHK	134	SOLIDA TREE SERVICE, INC.	Tree trimming Bazine & Ness City Tree Trimming - Ness City	6,040.00 6,040.00
Total for Check/Tran - 54254:					12,080.00
54255 6/2/26	CHK	187	S&W SUPPLY DIVISION	Parts Parts	142.64 128.36
Total for Check/Tran - 54255:					271.00
54256 6/2/26	CHK	218	SPENCER PEST CONTROL	Structural and rodent control	135.63
54257 6/2/26	CHK	269	ANIXTER INC	LINE MAT. LINE MAT. LINE MAT. LINE MAT. LINE MAT. LINE MAT. Dellon - Clothing Allowance Tad - Clothing Allowance LINE MAT. LINE MAT.	334.23 37.14 194.62 21.62 417.80 46.42 252.26 84.20 316.00 35.11
Total for Check/Tran - 54257:					1,739.40
54258 6/2/26	CHK	306	BORDER STATES INDUSTRIES INC	LINE MAT. LINE MAT. LINE MAT. LINE MAT. LINE MAT.	146.48 16.27 98.62 50.19 10.96

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Accounts Payable Check Register

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05/14/2026 To 06/12/2026

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				LINE MAT	5.58
				LINE MAT.	47.85
				LINE MAT.	5.32
				LINE MAT.	2,094.23
				LINE MAT.	232.69
				LINE MAT.	641.51
				LINE MAT.	71.27
				LINE MAT.	602.74
				LINE MAT.	66.97
				LINE MAT.	541.40
				LINE MAT.	60.16
Total for Check/Tran - 54258:					4,692.24
54259 6/2/26	CHK	380	GRAINGER	Shelving for Morton	895.16
				Brass Valves	180.47
				Linemans Pliers	70.83
Total for Check/Tran - 54259:					1,146.46
54260 6/2/26	CHK	391	ULINE	Bins for Shelving	424.66
54261 6/2/26	CHK	392	TRUCK CENTER COMPANIES	Parts	221.78
54262 6/2/26	CHK	442	QUADIENT INC.	Hasler Postage	85.95
				Hasler Postage	343.80
				Hasler Postage	231.41
Total for Check/Tran - 54262:					661.16
54263 6/2/26	CHK	445	ROADRUNNER AUTOGLASS & WINDSH	Windsheild new/repaired	516.25
54264 6/2/26	CHK	520	CENTURY BUSINESS TECHNOLOGIES, I	Printer A3073	750.51
				Printer N1117	166.76
Total for Check/Tran - 54264:					917.27
54265 6/2/26	CHK	562	RESENHOUSE	ELEC EXP	176.50
				ELEC EXP	288.46

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Accounts Payable Check Register

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05/14/2026 To 06/12/2026

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				ELEC EXP	224.66
				ELEC EXP	123.00
				ELEC EXP	106.80
				ELEC EXP	570.39
				ELEC EXP	3,057.60
				Total for Check/Tran - 54265:	<u>4,547.41</u>
54266 6/2/26	CHK	635	LILLIE KOEHN	Mailed Package	9.95
54267 6/2/26	CHK	638	RESCO	Membership Fees	500.00
54268 6/2/26	CHK	773	BRETZ, INC.	Monthly Bill	226.25
				Monthly Bill	170.00
				Total for Check/Tran - 54268:	<u>396.25</u>
54269 6/2/26	CHK	790	SUNBELT SOLOMON	PADMOUNT	3,227.88
54270 6/2/26	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Regular Locate Fee	19.95
54271 6/2/26	CHK	1251	TECHLINE, LTD	TOOLS	273.21
				LINE MATERIAL	1,496.11
				LINE MATERIAL	8,963.94
				LINE MAT.	478.49
				LINE MAT.	53.17
				LINE MATERIAL	1,393.46
				Total for Check/Tran - 54271:	<u>12,658.38</u>
3990 6/5/26	WIRE	468	U.S. BANK	RETAIL	1,631.62
				ELEC EXP	408.15
				RETAIL	7,718.16
				RETAIL	1,151.91
				Monthly CC Bill	80.00
				Monthly CC Bill	1,755.40
				Monthly CC Bill	108.36
				Monthly CC Bill	76.80

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Accounts Payable Check Register

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05/14/2026 To 06/12/2026

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				Monthly CC Bill	94.96
				Monthly CC Bill	30.13
				Monthly CC Bill	842.58
				Monthly CC Bill	195.06
				Monthly CC Bill	4,657.60
				Monthly CC Bill	956.20
				Monthly CC Bill	86.62
				Monthly CC Bill	362.27
Total for Check/Tran - 3990:					20,155.82
3991 6/8/26	WIRE	1267	AFLAC	Insurance	1,810.87
3993 6/8/26	WIRE	168	ONLINE INFORMATION SERVICES, INC	Monthly Bill	51.60
54272 6/9/26	CHK	107	CINTAS CORPORATION #449	Mats	453.78
54273 6/9/26	CHK	134	SOLIDA TREE SERVICE, INC.	Tree Trimming Ness City	5,146.32
54274 6/9/26	CHK	150	CHRIS TERHUNE	Clothing Allowance - Boots	194.80
54275 6/9/26	CHK	238	ILLINOIS MUTUAL	Insurance Premium	54.24
54276 6/9/26	CHK	383	HUXFORD POLE AND TIMBER CO INC	LINE MATERIAL	23,075.78
54277 6/9/26	CHK	387	WESTERN FUEL & SUPPLY	Monthly Fuel Bill	789.96
54278 6/9/26	CHK	395	DOLLAR GENERAL - REGIONS 410526	Supplies	101.40
54279 6/9/26	CHK	439	BOLINGER, SEGARS, GILBERT & MOSS,	Audit	1,500.00
54280 6/9/26	CHK	473	SCOTT BRIAND	Clothing Allowance - Jeans	106.58
54281 6/9/26	CHK	479	CASE BECKMAN	May Mowing	475.00
				April Mowing - Ness	70.00
				April Mowing - Dighton	365.00
Total for Check/Tran - 54281:					910.00

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Accounts Payable Check Register

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05/14/2026 To 06/12/2026

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
54282 6/9/26	CHK	484	FLATLANDS GARAGE LLC	Tires for #703	149.73
54283 6/9/26	CHK	493	SCOTT CITY ACE HARDWARE	Parts	85.00
54284 6/9/26	CHK	578	L&R LAWN CARE & SUPPLY	Monthly Bill Monthly Bill	80.03 95.99
Total for Check/Tran - 54284:					176.02
54285 6/9/26	CHK	599	MITCH'S TRASH SERVICE	May Trash	75.00
54286 6/9/26	CHK	608	J & J FUEL SERVICE, LLC	Monthly Fuel Bill Monthly Fuel Bill	1,555.88 334.16
Total for Check/Tran - 54286:					1,890.04
54287 6/9/26	CHK	619	UNITED TELEPHONE ASSOCIATION, IN	Monthly Bill	65.00
54288 6/9/26	CHK	647	STROBEL DOOR & REPAIR, INC	Service on doors	1,785.91
54289 6/9/26	CHK	903	NISC	March 2026 Print Services March 2026 Print Services	2,036.38 417.72
Total for Check/Tran - 54289:					2,454.10
54290 6/9/26	CHK	1160	S&T TELEPHONE COOP ASSN.	Monthly Bill	264.82
54291 6/9/26	CHK	1225	CINTAS CORPORATION	Ness city first aid restock	146.32
54292 6/9/26	CHK	1248	COMPLIANCE ONE	Monthly Drug/Alochol Testing	405.60
54293 6/9/26	CHK	1282	MIDWEST ELECTRIC TRANSFORMER S	TRANSFORMERS	9,374.40
54294 6/9/26	CHK	1293	DAL HAWKINSON	Clothing Allowance - Boots	168.18
54295 6/9/26	CHK	1303	LANE COUNTY IMPLEMENT, INC	Parts	49.96

Total Payments for Bank Account - 2 :	(149)	692,455.58
Total Voids for Bank Account - 2 :	(1)	49.67
Total for Bank Account - 2 :	(150)	692,505.25

IN THE DISTRICT COURT OF LANE COUNTY, KANSAS

**LANE COUNTY BOARD OF COUNTY
COMMISSIONERS,**

Plaintiff

vs.

Case No. LE-2026-CV-000004

Sharp Bros. Seed Company, et.al.

Defendants.

ANSWER

COMES NOW Defendant, Lane-Scott Electric Cooperative, Inc., and for its Answer to the Plaintiff's Petition states as follows:

1. Defendant admits the allegations contained in paragraph 1.
2. Defendant is without sufficient knowledge of allegations in paragraphs 2-4 of Plaintiff's Petition to either admit or deny them. Therefore, the same are denied.

WHEREFORE, the Defendant asks and prays that the prayer of the Plaintiff's Petition be denied and that this Defendant recover its costs and for such other and further relief as to the Court deems just and proper.

/s/ Joseph D Gasper

Joseph D. Gasper #21763

Gasper Law Office

419 Main St., PO Box 251

Stockton, Kansas 67669

785-415-2052

gasperlaw@ymail.com

Attorneys for Defendant

CERTIFICATE OF SERVICE

JOSEPH D. GASPER hereby certifies that he filed a true and correct copy of the above and foregoing Answer with the Clerk of the District Court of Lane County, Kansas, and that a copy was sent via e-filing properly addressed to

Jacob T. Gayer #28438
145 S. Lane/PO Box 22
Dighton, KS

all on this 17th day of June, 2026.

/s/ Joseph D. Gasper
JOSEPH D. GASPER



Board Meeting Summary

May 20, 2026

PRESIDENT'S REPORT

Transmission Planning and Policy

Elm Creek to Tobias Project

An update was provided on the Elm Creek to Tobias transmission project, which SPP awarded to ITC. The project includes construction of a new 85-mile, 345 kV transmission line with an estimated in-service date of Dec. 1, 2028.

The project was selected through the regional planning process to address reliability needs identified through winter weather modeling and is intended to strengthen system performance under extreme weather conditions. Discussion highlighted the project's role in addressing identified voltage concerns within the target area and supporting long-term grid reliability.

The presentation also included an overview of the bid evaluation and scoring process used during project selection, providing additional context on how proposals were assessed and awarded.

SPP 2026 ITP – Potential 765 kV Solutions

An update was provided on potential 765 kV transmission solutions being evaluated through the SPP 2026 Integrated Transmission Planning (ITP) process. Discussions highlighted expectations that significant projected load growth across the region will continue driving long-term transmission expansion needs, including the potential buildout of a broader 765 kV transmission backbone. Also, several broader industry trends are expected to influence future planning considerations, including continued renewable generation growth, additional natural gas generation development, and implementation of a more consolidated planning approach.

There are complexities associated with planning and developing potential 765 kV projects, including estimated project costs, procurement and bidding considerations, coordination with experienced industry partners, and the importance of early planning and engineering engagement to address technical, design, and infrastructure requirements. Overall, the scale of future transmission opportunities and the significant planning considerations necessary to support long-term reliability and anticipated growth across the region.

Scott Park Project Complete

The Scott Park Project, which was developed in coordination with Lane-Scott, included construction of a new substation and transmission infrastructure to support system needs. The project was completed ahead of schedule and under budget, representing a successful outcome through coordinated planning and execution. All internal engineering, procurement, and construction was completed by Sunflower's engineering, substation, and line personnel.

Financial Services

April Financials

Overall, Member loads were up 2.2% from budget for the month and down 0.41% from budget year to date. Large industrial loads were down 3.59% from budget for the month and down 2% from budget year to date. Operation and maintenance expenses were down 2.89% from budget for the month and down 6.19% from budget year to date. Year-to-date Member kWh sales are 0% under budget estimates and down 1% over the prior year.

Member Solutions and Communications

Affordability Campaign

The affordability campaign continues progressing through a collaborative development process with Sunflower and member cooperative communicators focused on alignment, messaging, and shared ownership. Since the April campaign kickoff, key milestones have included a board introduction and approval, member feedback collection, and two working sessions centered on content development and campaign structure. Recent discussions focused on refining Part 1 of the Behind the Cost of Power series and reviewing supporting visual concepts. The kickoff article, Understanding the Cooperative Difference, is designed to establish the foundation for the yearlong campaign by acknowledging cost concerns, introducing key industry factors affecting wholesale power, and reinforcing the value of the cooperative model. Beginning in mid-June, recurring Sunflower and member working sessions will be held approximately every three weeks to maintain alignment and continue refining content, messaging, and implementation plans as the campaign moves toward the July launch.

Large Load Impact Assessment

Member Solutions continues gathering insights from G&T and distribution cooperatives to better understand the broad organizational impacts associated with serving large electric loads. Discussions are focused on identifying lessons learned, operational realities, workforce implications, communication needs, and overall system impacts.

The assessment explores several key areas, including organizational strain, staffing and talent considerations, public and member engagement, infrastructure and operational challenges, and practical advice from utilities that have already navigated similar experiences.

To date, complete responses have been received from five utilities, with responses pending from three additional organizations. Conversations and meetings remain underway with six others. As participation expands, the effort will continue building a broader understanding of both anticipated and unforeseen impacts, helping identify common themes and considerations that may inform future planning and decision-making.

KANSAS ELECTRIC COOPERATIVES REPORT

Upcoming Events

Legislative Strategy

Reagan McCloud, director of government relations, provided an update on KEC's legislative strategy and preparations for the upcoming election season and next legislative session, with all Kansas House of Representative districts and statewide elected offices on the ballot this year. Discussion highlighted the successful passage of Southern Pioneer legislation and emphasized the value of proactive off-season engagement. KEC shared that it is taking a more active and aggressive approach to addressing emerging policy issues by increasing involvement in stakeholder groups and committees. Other updates included legislative activity surrounding landowner rights, utility lineworker protections, and KEC's continued focus on representing electric cooperatives and advancing initiatives supporting long-term interests.

2026 KEC Summer Meeting

The KEC Summer Meeting is scheduled for Aug. 1-3 in Overland Park, Kan. The schedule features keynote speaker Dr. Frank Luntz, one of the country's most sought-after communication experts. Also, Mike Partin, NRECA Board President, and Ashley Slater, NRECA Vice President of Regulatory Affairs, will share timely updates and perspectives on the issues shaping our industry. Director courses will include 901.1 Basic Parliamentary Procedure for Directors, 2640.1 Financial Decision Making, 926.1 Navigating in the Era of Uncertainty, and 958.1 Succession Planning: Developing the Purpose-Driven Organization.

OTHER BUSINESS

NCSC Annual Meeting

The NCSC Annual Meeting will be held in Chula Vista, Calif., on June 25, 2026.

Board Action: The Sunflower Board voted to elect Bruce Mueller and Jeff Moyer as the voting delegate and alternate

delegate, respectively, at the NCSC annual meeting.

CFC Annual Meeting

The CFC Annual Meeting will be held in Chula Vista, Calif., on June 25, 2026.

Board Action: The Sunflower Board voted to elect Bruce Mueller and Jeff Moyer as the voting delegate and alternate delegate, respectively, at the CFC annual meeting.

Sunflower Electric Power Corporation Annual Meeting Summary

May 20, 2026

Voting Delegates and Alternate Delegates

The following delegates represented Member cooperatives as voting delegates and alternate delegates. The meeting quorum was met.

Member Cooperative	Delegate	Alternate Delegate
Lane-Scott Electric Cooperative	Richard Jennison	Richard McLeon
Pioneer Electric Cooperative	Mike Brewer	Lindsay Campbell
Prairie Land Electric Cooperative	Sandy Benoit	Ronald Griffith
The Victory Electric Cooperative	Kenny Wehkamp	Cedric Drewes
Western Cooperative Electric	Nick Zerr	Nolan Numrich
Wheatland Electric Cooperative	John Sulluivan	Stacey Addison-Howland

Election of Board Directors and Alternate Directors

Elections were held for company officials.

Member Cooperative	Directors	Alternate Directors
Lane-Scott Electric Cooperative	Richard McLeon	Dal Hawkinson
Pioneer Electric Cooperative	Lindsay Campbell	Chantry Scott
Prairie Land Electric Cooperative	Kirk Girard	Alisha Stark
The Victory Electric Cooperative	Shane Laws	Angela Unruh
Western Cooperative Electric	Nolan Numrich	Stacey Malsam
Wheatland Electric Cooperative	Bruce Mueller	Jim McVey

Sunflower Executive Team Update

The Sunflower executive team presented information on their respective department's 2023 accomplishments:

- **Power Supply and Delivery:** Completion of Russell Solar; construction and upcoming completion of Boot Hill Solar; Clifton replacement; Fort Dodge synchronous condenser project; increased RUC trend; and generation maintenance outages.
- **Transmission Policy and Planning:** Savings from reducing reliance on contractors, for a total savings nearing \$10 million; FERC C1 cost allocation; 2025 SPP ITP; Holcomb to Sidney project; large loads and navigating SPP large load policies; and the NERC audit
- **Financial Services:** Implementation of a \$75 million bilateral line of credit; long range plan buildout to support the Fitch credit analysis; Fitch credit rating of A+; private placement of \$175 million in July to support capital expansion; clean audit report; implementation of Monday.com; integration of risk management into ESM to link strategy and risk in a single location; cost of service and rate design study; and revisions to the parallel generation statute.
- **Legal:** Clifton turbine and EPC negotiations; processed member 34.5 kV FBR renewal applications at the KCC; closed the \$175 million private placement and indenture filing; helped negotiate the contracts (loan agreement) for private placement; finalizing ROW acquisition protocols necessary for the siting docket on Holcomb to Sidney;

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May 2026 Board Meeting Summary

supported large load process and all contracts associated with the process, and backfilled 40% of department.

- **Technology Services:** Maximized systems uptime; software and platform upgrades and modernization; multiple EMS/SCADA platform hardware and software upgrades; Oracle product roadmap releases; cybersecurity technical enhancements; and completion of the 2025 CIP audit.
- **Safety and Supply Chain:** 2025 Safety performance; new procurement procedures; long range facilities plan; and the introduction of a fuel card program.
- **Member Solutions and Communications:** Development of Sunflower’s Large Load Interconnection Program; member education and training initiative; introduction of both an internal and member communications project request forms; crisis communications training; crisis communication plan updates; creation of a media response plan; launch of a new website.
- **Human Resources:** Total headcount additions; hired 32 employees and promoted 44 employees; redesigned performance appraisal system; supported 123 employees giving back with 1,372 hours of community service leave; reassessed and redesigned the training and talent Development function; developed a succession management process; designed and facilitated dozens of trainings, workshops, and leadership development sessions; and conducted Gallup Q12 employee engagement survey.

Sunflower Electric Holdings, Inc., Annual Meeting Summary

May 20, 2026

Voting Delegates and Alternate Delegates

The following delegates represented Member cooperatives as voting delegates and alternate delegates. The meeting quorum was met.

Member Cooperative	Delegate	Alternate Delegate
Lane-Scott Electric Cooperative	Richard Jennison	Richard McLeon
Pioneer Electric Cooperative	Mike Brewer	Lindsay Campbell
Prairie Land Electric Cooperative	Ron Griffith	Sandy Benoit
The Victory Electric Cooperative	Kenny Wehkamp	Cedric Drewes
Western Cooperative Electric	Nick Zerr	Nolan Numrich
Wheatland Electric Cooperative	John Sullivan	Stacy Addison-Howland



Election of Board Directors and Alternate Directors

Elections were held for company officials.

Member Cooperative	Directors	Alternate Directors
Prairie Land Electric Cooperative	Kirk Girard	Sandy Benoit
Wheatland Electric Cooperative	Josh Young	Bruce Mueller
Western Cooperative Electric	Nick Zerr	Nolan Numrich

Sunflower Electric Power Corp. - May 2026, Member Billing Summary								
WHM - MEMBER REVENUE	Lane-Scott	Pioneer	Southern Pioneer	Prairie Land	Victory	Western	Wheatland	Total
Demand Coincident Peak, kW	22,977	125,751	122,403	98,848	145,891	53,657	135,659	705,186
Demand NCP, kW	23,492	119,316	125,590	106,846	150,870	58,815	138,851	723,780
Wholesale Energy Usage, kWh	14,013,537	87,790,051	63,157,607	50,881,921	77,780,843	34,320,676	68,885,847	396,830,482
RTP Marginal Usage, kWh					(59,259)			(59,259)
Coincident Peak Load Ratio Share, %	3.30%	17.80%	17.40%	14.00%	20.70%	7.60%	19.20%	100.00%
Coincident Load Factor, %	82.00%	93.80%	69.40%	69.20%	71.70%	86.00%	68.30%	75.60%
Metering Points	10	27	25	28	24	26	34	174
CP Demand Rate, \$/kW	8.14	8.25	8.14	8.14	8.14	8.14	8.14	8.16
NCP Demand Rate, \$/kW	3.54	3.54	3.54	3.54	3.54	3.54	3.54	3.54
CP Demand Charge, \$	187,032.78	1,037,740.78	996,360.42	804,622.72	1,187,552.74	436,767.98	1,104,264.26	5,754,341.68
NCP Demand Charge, \$	83,161.68	422,378.64	444,588.60	378,234.84	534,079.80	208,205.10	491,532.54	2,562,181.20
Demand Charge, \$	270,194.46	1,460,119.42	1,440,949.02	1,182,857.56	1,721,632.54	644,973.08	1,595,796.80	8,316,522.88
Energy Rate, ¢/kWh	0.7437	0.7310	0.7437	0.7437	0.7437	0.7437	0.7437	0.7409
Energy Charge, \$	104,218.67	641,778.32	469,703.12	378,408.85	578,456.13	255,242.87	512,304.04	2,940,112.00
RTP Marginal Usage Charge, \$			-		(2,926.52)			(2,926.52)
HLF Rider Net Charge, \$	6,445.84	20,133.61	(57,306.78)	6,134.34	(8,336.48)	15,786.55	17,142.91	-
EDR Rider Net Charge, \$	2,553.72	5,553.11	11,509.35	7,992.98	(46,416.68)	6,254.33	12,553.21	-
ECA Rate (ECA-02), ¢/kWh	1.9040	1.9040	1.9040	1.9040	1.9040	1.9040	1.9040	1.9040
ECA Charge, \$	266,817.74	1,671,522.57	1,202,520.84	968,791.78	1,480,947.25	653,465.67	1,311,586.53	7,555,652.38
Meter Rate, \$/Meter	105.00	105.00	105.00	105.00	105.00	105.00	105.00	105.00
Meter Charge, \$	1,050.00	2,835.00	2,625.00	2,940.00	2,520.00	2,730.00	3,570.00	18,270.00
Schedule 1	3,361.86	18,721.35	16,814.88	14,186.58	23,194.07	8,304.75	19,849.76	104,433.25
Schedule 11 Regional	32,190.77	179,262.48	161,007.39	135,840.63	222,090.06	79,520.44	190,067.28	999,979.05
Schedule 11 Zonal	26,882.10	149,699.83	134,455.24	113,438.80	185,464.60	66,406.51	158,722.78	835,069.86
Schedule 12	1,496.22	8,332.07	7,483.58	6,313.84	10,322.69	3,696.09	8,834.28	46,478.77
Schedule 1a	4,972.10	27,688.39	24,868.76	20,981.57	34,303.42	12,282.51	29,357.27	154,454.02
Schedule 9 SEPC	101,632.22	565,964.83	508,330.14	428,874.03	701,179.42	251,060.74	600,077.58	3,157,118.96
Msc. Transmission	596.24	2,961.93	2,982.30	2,516.15	4,113.69	1,472.98	3,520.58	18,163.87
Transmission Charge, \$	171,131.51	952,630.88	855,942.29	722,151.60	1,180,667.95	422,744.02	1,010,429.53	5,315,697.78
Billing Adjustments, \$ (LRR Rider, PGS)		(62,697.51)	(322.18)	(11.10)	(12,984.43)		-	(76,015.22)
ECIR Credit, \$			(14,856.09)					(14,856.09)
Community Solar Adjustments, \$		66.47	9.32	12.84	7.87		250.75	347.25
Net Charges, \$ *	822,411.94	4,691,941.87	3,910,773.89	3,269,278.85	4,893,567.63	2,001,196.52	4,463,633.77	24,052,804.46
3-2-1 Credits, \$		(10,357.16)	(154.66)	(11,882.30)	(2,090.66)			(24,484.78)
Total Charges, \$	822,411.94	4,681,584.71	3,910,619.23	3,257,396.55	4,891,476.97	2,001,196.52	4,463,633.77	24,028,319.68
Average all-in ¢/kWh	5.869	5.333	6.192	6.402	6.294	5.831	6.480	6.056
Non-Member energy charges:			Basis for Changes from Previous Month					
Non-Member energy charges:	\$	\$/kWh						
10 West Cities	809,361.78	0.0604						
4 East Cities	112,939.33	0.0740						
KEPCo	165,527.54							
KMEA - EMP2 (Local Access)	97,788.02							
KMEA - City of Meade - (Local Access)	19,485.50							
AP & NH other contracted services	312,035.76							
KPP - OATT, L.A.C. & MA Charges	24,324.77							
Note:								

- ↑ 1. Holcomb Capacity Factor was 3.2% for the month. **On Outage mostly**
- ↑ 2. Smoky Hills #1 WF Capacity Factor was 33.6% for the month.
- 3. Shooting Star capacity factor was 23.1% for the month.
- ↑ 4. Smoky Hills #2 WFCapacity Factor was 32.8% for the month
- ↓ 5. Johson Corner Solar Capacity Factor was 28.6% for the month
- 6. Boot Hill Solar Capacity Factor was 22.4% for the month
- ↓ 7. Sunflower Solar @ Russell Capacity Factor was 27.2% for month

↑ = Increase ↓ = Decrease → = Little Effect

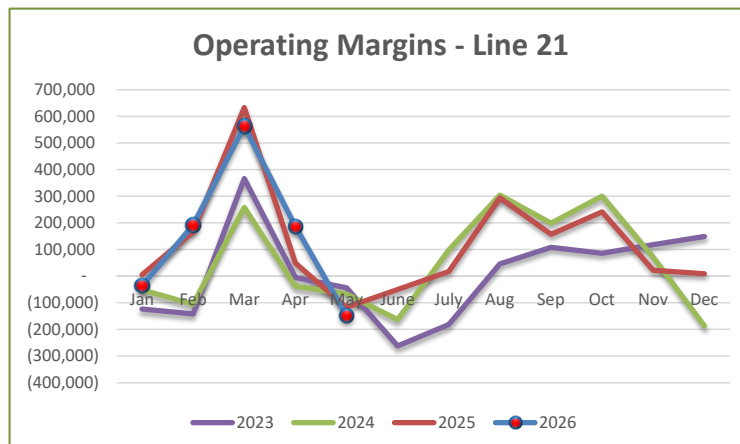
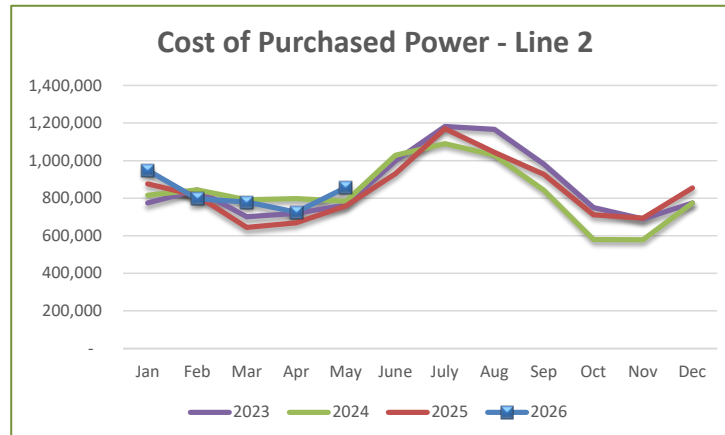
* Victory and So. Pioneer numbers do not include the full requirement cities.

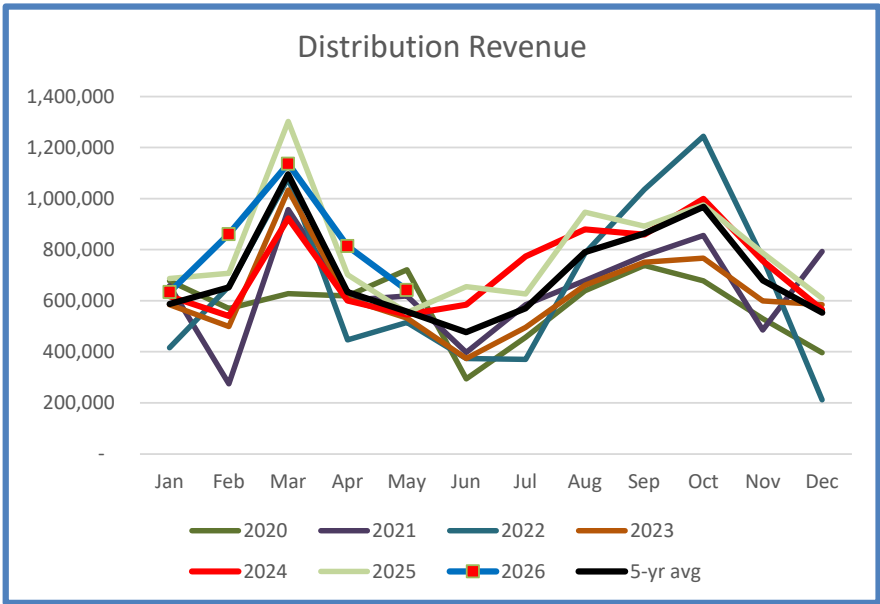
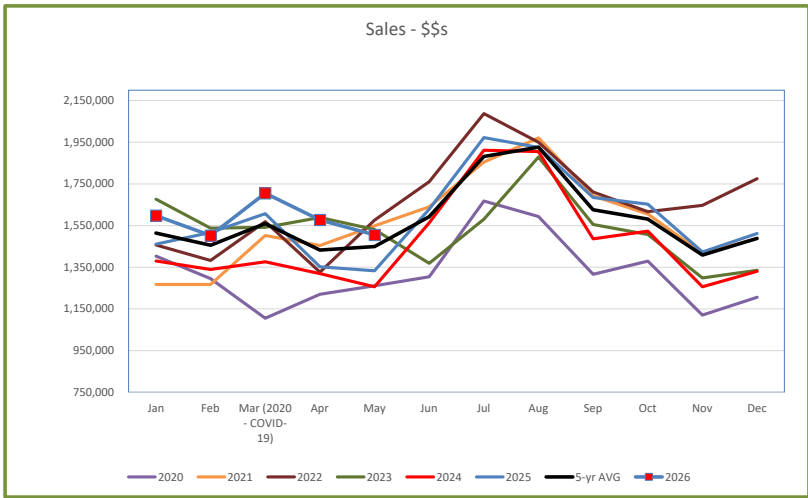
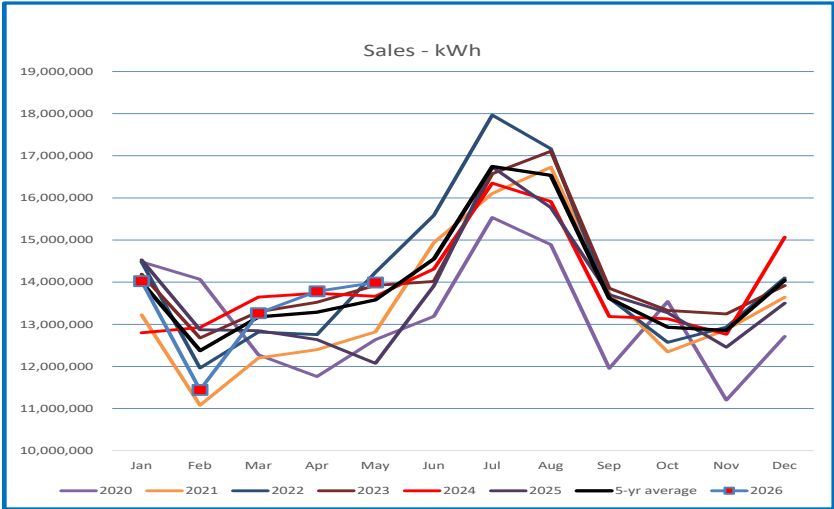
8. General Manager / C.E.O. Report

Rates, Reliability, and Safety Dashboard

Executive Summary: We continue in solid condition through May 2026.

1. Total Operating Revenues (OR, Line 1) are up 4.45% at \$8,194,778 YTD. This includes kWh sales, fees, and \$4,107,486 in Wholesale power costs (which are up 9.2% YTD). Therefore, our distribution margin is \$4,087,292 YTD or 49.9% compared to \$4,081,147 YTD or 52.0% last year.
2. The bottom line is that controllable expenses are up \$84,841 YTD from last year, driving Operating Margins down \$105,750 (or 12.3%) to \$754,756 YTD.
3. Reliability remains high. We had 4 hours of “All Other” outages affecting 118 meters and 3 hours of scheduled outages affecting 123 meters.
4. Safety. No major incidents reported.





metric	2021	2022	2023	2024	2025	2026	measures
SAIDI	8.19	3.36	1.64	6.67	2.95	0.00	Interruption DURATION / average for every member (hrs)
SAIFI	2.56	1.33	1.02	1.10	1.09	0.18	Interruption FREQUENCY / Average # of Interruptions per customer
CAIDI	3.20	2.53	5.60	6.07	2.71	0.03	Customer Avg Interruption Duration Index - IF you are out, how long (hrs).
ASAI	99.91%	99.96%	99.94%	99.92%	99.97%	99.99%	Average Service Availability Index

- Credit Card records. (available for the Boards review.)
- General Manager Expense Report.
June 3-5, KEC Managers Meetings, Wichita, KS – \$918.49
- General Manager Per Diem Requests. None.
- Manager Succession.
I am currently working on the following:
 - Holmes Executive Search. They listed 7 specific documents (*plus others, as needed*) under Scope of Work in the Search Proposal. We do not have the following 4 documents.
 - Delegation of Authority policy
 - Existing or New Board Policies for review.
 - Board Policies 401 to 407 relating specifically to the General Manager.
- NRECA Regional Meeting. Registration is open for the 2026 NRECA Region 7 & 9 Meeting. The meeting is October 5-7 in Salt Lake City.

Departments / Sections. (Notable items are below. Full reports for all sections are posted in Call to Order).

- All Staff are developing their 2026 Projects as well as maintaining current technical and supervisory training programs.

1) Accounting and Finance.

- Operating Margin = \$147,891 loss with \$754,756 YTD.
- Total Margin = \$119,892 loss with \$913,061 YTD.
- Cash Balance – \$7,024,271.
- Rolling 12-month Metrics remain very good:
 - TIER – 2.67 (1.25 min.), OPTIER – 2.32 (1.1 min.), DSC – 2.70 (1.25 min.), ODSC – 2.50 (1.1 min.), MDSC – 2.61 (1.35 min.)
 - Equity as a % of Assets – 43.99% and as a % of Capitalization – 46.79%
 - Current Ratio – 2.57%
 - Cash to Debt Ratio – 20.86%

2) Operations Report (Dal).

- Projects. We have been focusing on maintenance and engineering projects.
 - Scott Park. We are energizing the member side.
 - Pole-Change-outs
 - Twelve single-phase (1Ø) poles
 - Five two or V-phase poles.
 - Eleven three-phase (3Ø) poles
 - New Construction
 - Built a new single-phase connect for Galen Walker in Utica.

- Set a new transformer pole and built a single-phase connect for Jonathan Heytens.
- Inspections.
 - UAM has completed the 2026 Pole Testing program.
 - Continue working the bi-annual regulator inspections
 - Set eight new anchors for clearance.

3) IT and CyberSecurity (Carrie).

Besides normal duties, Carrie has been focusing on the Disaster Recovery Plan.

- The previous Disaster Recovery Plan combined all three plans into one. This has is the second of three emergency plans. Separating the plans out ensures a structured and effective response to different types of incidents to address specific needs and overall business continuity. Enhance the overall preparedness and efficiency. Along with meeting different requirements of regulation and compliance criteria. It includes:
 - Focused Response in Restoration and Business Continuity of essential business functions during and after a disaster.
- Enhanced Preparedness. Uses tailored strategies and improved overall readiness and specialized protocols to address unique challenges posed by different scenarios.
- Improved Efficiency. The DRP uses a structured approach helps streamline recovery efforts, reducing confusion during a crisis and clearly defined roles and responsibilities within each plan facilitate quicker decision-making and actions.

The Three plans that present comprehensive disaster coverage are:

- Emergency Action Plan (OSHA) – Focuses on preparedness
- Disaster Recovery Plan (IT, business continuity)– Access and Recover systems
- Emergency Response Plan – (RUS and other government agencies such as OSHA)
- Respond and Restore effectively

4) Communications (Ann Marie).

- Annual Meeting. The **Annual Report Certificate of Mailing Form** needs to be signed by the Board Secretary.
- Member Satisfaction Survey. Inside Information was not getting a good response from email survey requests alone. They have sent postcards and will be calling members directly. They are not charging us extra for this service, as the manager said he should have realized with our small residential numbers we would need to incorporate both survey options as we have done in the past.

Respectfully submitted,

Richard McLeon, M.B.A., M.Sc.
General Manager / CEO

The Lane-Scott Electric Cooperative, Inc. Expense Report

Employee Richard McLeon
 Purpose of Trip KEC Managers Meeting, Wichita

Section 1

DATE		Sun ___ / ___	Mon ___ / ___	Tues ___ / ___	Wed 3-Jun	Thurs 4-Jun	Fri 5-Jun	Sat ___ / ___	TOTAL
Mile./Personal Veh.					210	22	210		
Mileage Rate		0.725	0.725	0.725	0.725	0.725	0.725	0.725	
Total Mileage Exp.		\$0.00	\$0.00	\$0.00	\$152.25	\$15.95	\$152.25	\$0.00	\$320.45
									0
Gas/Oil	Co.								0.00
	Emp.								0.00
Car Rental	Co.								0.00
	Emp.								0.00
Taxi/Limo	Co.								0.00
	Emp.								0.00
Tolls/Parking	Co.								0.00
	Emp.								0.00
Airfare	Co.								0.00
	Emp.								0.00
Lodging	Co.						488.66		488.66
	Emp.								0.00
Breakfast	Co.								0.00
	Emp.								0.00
Lunch	Co.								0.00
	Emp.				17.13		51.54		68.67
Dinner	Co.								0.00
	Emp.				21.77	18.94			40.71
Phone	Co.								0.00
	Emp.								0.00
Misc.	Co.								0.00
	Emp.								0.00
TOTAL EXPENSES		\$0.00	\$0.00	\$0.00	\$191.15	\$34.89	\$692.45	\$0.00	\$918.49

Section 2

Reimbursement	Total Expense from Section 1	\$918.49
Summary	Less: Company Credit Card	488.66
	Less: Other	0.00
	Less: Other	0.00
	Net due to Employee	\$429.83

Section 3

Expense Allocation	
Acct. #	Amount
Total	

All expenses on this report were actually incurred by me while performing company business.

Presented to LSEC Board of Trustees: 6/22/2026

GM / CEO

Board President

June 2026 - KEC Managers Conference, Wichita, KS

3-Jun		Lunch - Louies	
	total		25.28
	tax	8.74%	2.21
	subtotal		28.19
	tip		6.00
	total		34.19
split	meal		12.99
	tax		1.14
	tip		3.00
	total		17.13
Dinner - Saltgrass			
	total		44.49
	tax	8.25%	3.67
	subtotal		48.16
	tip		10.00
	total		58.16
split	meal		15.50
	tax		1.28
	tip		5.00
	total		21.77

4-Jun		Dinner - Meddys	
	total		28.33
	tax	7.48%	2.12
	subtotal		30.45
	tip		5.66
	total		36.11
split	meal		14.99
	tax		1.12
	tip		2.83
	total		18.94

5-Jun		late lunch - Med. Grill	
	total		66.87
	food tax:	6.18%	4.13
	liquor tax:		1.19
	subtotal		72.19
	tip		15.00
	total		87.19
split	appitizer		6.50
	meal		27.98
	desert		7.00
			41.48
	tax		2.56
	tip		7.50
	total		51.54

3-Jun	38.90
4-Jun	18.94
5-Jun	51.54
	<u>\$ 109.38</u>

Louie's Bar & Grill
917 South Pennsylvania Avenue
Ness City, KS
United States, 67560
Tel: +1 7857986612
Printed June 3, 2026 at 1:54 PM

Louie's Bar & Grill
917 South Pennsylvania Avenue
Ness City, KS
United States, 67560
Tel: +1 7857986612
Printed June 3, 2026 at 1:53 PM

Order Number: 110839

Type: Authorize
Date/Time: 6/3/26 1:54 PM
Server: Admin POS

Card Number: XXXXXXXXXXXX4793
Account Type: Visa
TranID #: 1736045774
Entry: Contactless
Response Code: 00
Approval Code: 313045
Terminal ID: 0003
Merchant ID: 4445063819320

VISA CREDIT
A0000000031010

APPROVED - THANK YOU

Subtotal: \$28.19

Tip: 6.00
Total: \$34.19

June 3, 2026 at 1:53 PM

Table: 1, 1 guest
Party Name: 11
Tax 3 #:
Server: Kayla

Cheeseburger	\$12.99
Reuben	\$12.99
<hr/>	
Food Total	\$25.98
Sub Total	\$25.98
Sales Tax 8.5%	\$2.21
Total	\$28.19

Thank You
Please Come Again!

Tip Guide:
15%=\$4.23 18%=\$5.07 20%=\$5.64

Printed from iPad using TouchBistro Pro

Tip Guide:
15%=\$4.23 18%=\$5.07 20%=\$5.64

Important - retain this copy for your records

*** CUSTOMER COPY ***

Saltgrass Steakhouse
2624 Greenwich Court
Wichita, KS 67226

Server: Ramon DOB: 06/03/2026
07:41 PM 06/03/2026
Table 70/1 3/30049

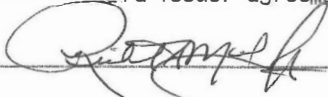
Sale

Visa 7340042
Card #*****4793
Card Entry Method: CHIP
***** EMV PURCHASE *****
App Label: VISA CREDIT
Mode: Issuer
AID: a0000000031010
TVR: 8000008000
TSI: 6800
IAD: 0601120360a000
ARC: 00

Approval: 913083

Amount: \$48.16
+ Tip: 10.⁰⁰
= Balance Due: 58.16

I agree to pay the above
total amount according to the
card issuer agreement.

X 

A suggested gratuity of 15% - 20%
is customary. The amount of
gratuity is always discretionary.

Guest Copy
(REPRINT)

Saltgrass Steakhouse
2624 Greenwich Court
Wichita, KS 67226

Server: Ramon 06/03/2026
Table 70/1 7:38 PM
Guests: 0 30049
Order Type: DINE IN
Area: Restaurant

The Sampler Sm 30.99
Dft 12 Shiner Bock 5.25
Dft 22 Shiner Bock 8.25

3 Items

Subtotal 44.49
Tax 8.25% 3.67

Total 48.16

Balance Due \$48.16

A suggested gratuity of 15% - 20%
is customary. The amount of
gratuity is always discretionary.



Meddys
RESTAURANT
2300 N Greenwich
Wichita KS 67226

Meddys
Greenwich
2300 N Greenwich
Wichita KS 67226

Server: Reg 3 06/04/2026
35/1 6:41 PM
Guests: 3 30144

Server: Reg 3 DOB: 06/04/2026
06:41 PM 06/04/2026
35/1 3/30144

Succulent Chicken 10.85
ShawarmaBaa 12.49
Half Spanish Eggplant 4.99

06/04/2026 18:41:54
MID: 087700 TID: 001 SEQ: 036037

PURCHASE - APPROVED
VISA CREDIT Entry Method: Chip
CARD #: XXXXXXXXXXXX4793
AUTH CODE: 814024 RRN: 991366

Thank you for choosing Meddys!
Please feel free to email us directly at
guestsupport@meddys.com
with any questions, comments
or concerns.
We value your feedback!

Mode: Issuer
AID: A0000000031010
TUR: 8000008000
IAD: 06011203A0A000
TSI: 6800 ARC: 00
TC: 9EF041106B453841
Purchase: \$30.45
Tip: \$5.66
Total: USD\$ 36.11

Subtotal 28.33
Tax (7.50%) 2.12
Total 30.45

VISA #XXXXXXXXXXXX4793 30.45
Tip 5.66
Total 36.11

RICHARD A MCLEON

Auth:814024
Balance Due 0.00

Thanks for coming in!
Guestsupport@meddys.com
www.meddys.com

--- Check Closed ---

Merchant Copy

Mediterranean Grill
335 S Town East Mall
Wichita, KS 67207
(316) 651-5599

Mediterranean Grill
335 S Town East Mall
Wichita, KS 67207
(316) 651-5599

Date/Time: 2026-06-05 04:53 PM
Order Number: 216121
Account Type: CREDIT
EDC Trans ID: 580136810
Server: Nicole
Table: 12
POS: 1

PURCHASE: APPROVAL

Entry Mode: Swiped
Card Number: XXXX4793
Card Expire: XX/XX
Card Type: Visa
Cardholder: RICHARD A MCLEON
Approval Code: 615035
Ref Number: 5216

PURCHASE: \$72.19

Gratuity: 15.00

Total: \$ 87.19

Card Member Acknowledges Receipt Of
Goods And/Or Services In The Amount
Of The Total Shown Here On And Agrees
To Perform The Obligations Set Forth
By Card Members Agreement With Issuer

Signature: 

Server: Nicole

Station: 2

Order #: 216121 Dine In
Table: 12 Guests: 2

1 Med Combo Platter 12.99
Serve First
2 Lamb Kebab 27.98
w/ hummus
2 Call Drink 11.90
1 Tuxedo Bomb 7.00
1 Lemon Raspberry Drop 7.00

SUB TOTAL: 66.87
Tax 1: 4.13
Liquor tax: 1.19

TOTAL: \$72.19

>> Ticket #: 53 <<
6/5/2026 04:10 PM

THANK YOU!





WICHITA MARRIOTT

GUEST FOLIO

515	MCLEON/RICHARD/MR	185.00	06/05/26	11:57	27550
ROOM	NAME	RATE	DEPART	TIME	ACCT#
NSDB	PO BOX 670		06/03/26	17:04	
TYPE	DIGHTON KS 67839		ARRIVE	TIME	
16					
ROOM		PASSPORT:			
CLERK	ADDRESS	VSXXXXXXXXXXXX5708			MBV#: XXXXX9804
		PAYMENT			

DATE	REFERENCES	CHARGES	CREDITS	BALANCES DUE
06/03	ROOM	515, 1	234.00	
06/03	SALE TAX	515, 1	17.55	
06/03	OCCUP TX	515, 1	14.04	
06/03	TRSM FEE	515, 1	6.44	
06/03	FEE SLTX	515, 1	.48	
06/03	FEE OCTX	515, 1	.39	
06/04	ROOM	515, 1	185.00	
06/04	SALE TAX	515, 1	13.88	
06/04	OCCUP TX	515, 1	11.10	
06/04	TRSM FEE	515, 1	5.09	
06/04	FEE SLTX	515, 1	.38	
06/04	FEE OCTX	515, 1	.31	
06/05	CCARD-VS			
	PAYMENT RECEIVED BY VISA	XXXXXXXXXXXX5708	488.66	
				.00
===== EXP. REPORT SUMMARY =====				
06/03	ROOM&TAX		272.90	
06/04	ROOM&TAX		215.76	

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WICHITA MARRIOTT
 9100 CORPORATE HILLS
 WICHITA KS 67207
 (316) 651-0333

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Signature X

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 May 2026

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 (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	7,842,566	8,194,778	9,586,641	1,499,064
2. Power Production Expense				
3. Cost of Purchased Power	3,761,419	4,107,486	5,400,175	857,462
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	427,337	536,494	559,177	178,569
7. Distribution Expense - Maintenance	461,212	511,623	571,031	124,156
8. Customer Accounts Expense	105,441	94,434	127,900	23,803
9. Customer Service and Informational Expense	32,892	30,508	41,400	4,698
10. Sales Expense	38,598	61,419	51,685	9,295
11. Administrative and General Expense	813,436	727,365	910,731	172,266
12. Total Operation & Maintenance Expense (2 thru 11)	5,640,335	6,069,329	7,662,099	1,370,249
13. Depreciation and Amortization Expense	861,931	874,346	993,741	176,601
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	466,744	447,701	452,772	89,733
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	3,193	2,683	2,308	556
19. Other Deductions	9,857	45,963	8,811	9,816
20. Total Cost of Electric Service (12 thru 19)	6,982,060	7,440,022	9,119,731	1,646,955
21. Patronage Capital & Operating Margins (1 minus 20)	860,506	754,756	466,910	(147,891)
22. Non Operating Margins - Interest	104,863	64,606	107,528	11,606
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(12,735)	74,871	39,980	16,393
26. Generation and Transmission Capital Credits	232,170			
27. Other Capital Credits and Patronage Dividends	25,696	18,828	10,000	
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	1,210,500	913,061	624,418	(119,892)

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION

KS0042

PERIOD ENDED

May 2026

INSTRUCTIONS - See help in the online application.

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	16	16	5. Miles Transmission		
2. Services Retired	3	22	6. Miles Distribution – Overhead	2,030.02	2,031.40
3. Total Services in Place	6,077	6,091	7. Miles Distribution - Underground	9.17	9.61
4. Idle Services (Exclude Seasonals)	356	420	8. Total Miles Energized (5 + 6 + 7)	2,039.19	2,041.01

PART C. BALANCE SHEET

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	66,914,836	30. Memberships	0
2. Construction Work in Progress	1,031,675	31. Patronage Capital	25,972,563
3. Total Utility Plant (1 + 2)	67,946,511	32. Operating Margins - Prior Years	0
4. Accum. Provision for Depreciation and Amort.	25,599,603	33. Operating Margins - Current Year	754,755
5. Net Utility Plant (3 - 4)	42,346,908	34. Non-Operating Margins	2,859,636
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	298,021
7. Investments in Subsidiary Companies	255,487	36. Total Margins & Equities (30 thru 35)	29,884,975
8. Invest. in Assoc. Org. - Patronage Capital	12,728,203	37. Long-Term Debt - RUS (Net)	0
9. Invest. in Assoc. Org. - Other - General Funds	445,961	38. Long-Term Debt - FFB - RUS Guaranteed	28,604,156
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)	3,258,780
12. Other Investments	5,501	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	0	42. Payments – Unapplied	0
14. Total Other Property & Investments (6 thru 13)	13,657,110	43. Total Long-Term Debt (37 thru 41 - 42)	31,862,936
15. Cash - General Funds	379,711	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	6,422,477	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	997,777
20. Accounts Receivable - Sales of Energy (Net)	1,476,999	49. Consumers Deposits	190,242
21. Accounts Receivable - Other (Net)	97,541	50. Current Maturities Long-Term Debt	1,669,683
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	704,610	52. Current Maturities Capital Leases	0
24. Prepayments	106,938	53. Other Current and Accrued Liabilities	794,118
25. Other Current and Accrued Assets	30,303	54. Total Current & Accrued Liabilities (47 thru 53)	3,651,820
26. Total Current and Accrued Assets (15 thru 25)	9,218,704	55. Regulatory Liabilities	0
27. Regulatory Assets	0	56. Other Deferred Credits	0
28. Other Deferred Debits	177,009	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	65,399,731
29. Total Assets and Other Debits (5+14+26 thru 28)	65,399,731		

Formulas - 12-month rolling average

May-26

RUS = 7 CFR § 1710.114

Equity - % of Assets **43.99%**

Margin + Equities - C36	28,696,738
Total Assets - C29	65,234,354

Distribution Equity **30.38%**

Margin + Equities - C36	28,696,738
Total Assets - C29	65,234,354
Patronage Capital - C8	12,752,247

Equity - % of Capitalization **46.79%**

Current Equity - C36	28,696,738
Current LT Debt - C43	32,629,383

Current Ratio **2.57**

TI, C & A Assets - C26	9,294,040
TI C & A Liabilities - C54	3,613,209

General Funds Level **10.50%**

Non Utility Property - C6	-
Invest in Assoc, Other GF - C9	445,503
Other Invest. - C12	5,501
Special Funds - C13	-
Cash Gen. Funds - C15	155,998
Temporary Investments - C18	6,427,284
Prepayments Unapplied - C42	-
Total Utility Plant - C3	66,970,140

Cash to Debt **20.86%**

Cash Gen. Funds - C15	155,998
Temporary Investments - C18	6,427,284
CFC CTC's - Stat Report	221,958
Current LT Debt - C43	32,629,383

Financial Reporting Ratios

TIER RUS = 1.25 **2.67**

Net Income - A29	152,890
Interest on LT Debt- A16	91,383

DSC RUS = 1.25 **2.70**

Depreciation - A13	173,440
Interest on LT Debt- A16	91,383
Pat. Cap. or Margins - A29	152,890
Prin. & Int. Pymts - N, d Total	154,826

MDSC CFC - 1.35 **2.61**

Depreciation - A13	173,440
Interest on LT Debt- A16	91,383
Operating Income - A21	120,898
Non-Op Margins - Int - A22*	17,192
Patronage Capital - C8	12,752,247
Pat Cap Cash Calc	1,943
Prin. & Int. Pymts - N, d Total	154,826
LT Lease Calculation*	-
if C44 > 0.02 C36	-

Operating TIER RUS - 1.1 **2.32**

Operating Income - A21	120,898
Interest on LT Debt- A16	91,383

Operating DSC RUS = 1.1 **2.50**

Operating Income - A21	120,898
Depreciation - A13	173,440
Interest on LT Debt- A16	91,383
Patron. Refund from G&T, other - A26+A27	1,943
Prin. & Int. Pymts - N, d Total	154,826
Interest on LT Debt- A16	91,383
LT Debt - other - C40	3,851,238
sum A16+C40	3,942,621

Operations Report May 2026

- Maintenance
 - Refused transformers and side taps system wide.
 - Worked locate tickets system wide.
 - Repaired a few member lights.
 - Retired connects for Barracuda Operating, Shakespeare Oil and Weston Kraus.
 - Worked on bi-annual regulator inspections.
 - Repaired a guy wire at Kalo Mann's.
 - Raised lines for Matt McMillen's house move.
 - Updated meter loops for Aloysius Ohmes, Camp Lakeside and Tom Mullville.
 - Set 8 new anchors for clearance improvements at Conine Farms.
 - Changed out 3 OCR's on the Zanobia 3-phase. Converted the Healy OCR's to Electronic.
 - Energized 3 circuits out of the new Scott Park substation.
 - Changed out bad meters.
 - Changed out a bad transformer at the Alamota elevator.
 - Repaired broken jumpers on the McBee 3-phase, Mark Anderson's and Gary Lamoree's.
 - Replaced a bad insulator on the east Mantina 3-phase.
 - Repaired a burn down on the north 4-mile Rd circuit.
 - Monthly KEC safety meeting.
- Pole Change Outs
 - Changed out 5, 3-phase poles north of Dighton.
 - Changed out 2, 3-phase poles on the Hineman 3-phase.
 - Changed out 3, single phase poles on the McNair tap.
 - Changed out 3, V-phase poles by Cottonwood Corrals.
 - Changed out 4, 3-phase poles by the Dighton pole yard and the Fairgrounds.
 - Changed out 9, single phase poles on the south Dighon, Beef Belt and Rose taps.
- New Connects
 - Built a new single-phase connect for Galen Walker in Utica.
 - Set a new transformer pole and built a single-phase connect for Jonathan Heytens.
- Engineering
 - Worked on meters and collectors in Command Center.
 - Built new evacuation maps for the DRP.
 - Made several projects as-built in the mapping system.
 - Inspected and mowed the Dighton tower.
 - Filed easements in Lane and Ness counties.
 - Built staking sheets and called in locates on 2026 red tagged poles.
 - Met with Camp Lakeside about a new service for two new cabins.
 - Adjusted the flow direction in the mapping system for the new Scott Park substation.
 - Downloaded the 2026 pole testing data into shape files to be entered in the map.
 - Worked with NISC on disconnect issues for heat pump meters.

Substation NCP and CP from Sunflower Determinants

NCP KW			2026												NCP % capacity (kW/kVa)
Substation	Recorder ID	Substation capacity (kVa)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Beeler	SF02 BEELER	28000	7,177	7,844	7,481	8,028	7,287								28.7%
Dighton 14400	SF02 DIGH14400	28000	5,229	5,133	7,901	5,065	5,229								28.2%
Dighton 7200	SF02 DIGH7200	22400	2,620	2,290	2,521	2,804	2,732								12.5%
Manning	SF02 MANNING	25000	5,561	4,706	5,128	5,734	5,221								22.9%
Manning B	SF02 MANNINGB	7500	-	-	-	-	-								0.0%
Scott Park	SF02ONEOKSC				5	2	1,392								
LS Seaboard	SF02 SEABOARD	billing	340	336	548	671	612								
Twin Springs 14000	SF02 TSPRGS14	11300	337	256	238	233	290								3.0%
Twin Springs 7200	SF02 TSPRGS72	11300	166	133	281	282	349								3.1%
Dighton WAPA	SFWP DIGHTON	billing	154	137	135	153	152								
Dighton - West	SF02 DIGHTCTYW	1500	469	400	417	420	631								42.1%
Dighton - North	SF02 DIGHTCTYN	1500	446	423	397	403	506								33.7%
Dighton - South	SF02 DIGHTCTYS	1500	622	429	507	511	763								50.9%
City of Dighton	SFS2 DIGHCTY	billing	1,332	1,110	1,151	1,136	1,723								
Alexander 115 Sub	MK02 ALEXAN	20000	1,601	1,265	-	2,776	1,549								13.9%
Ness City 115 Sub	MK02 NESS115	20000	3,384	3,544	3,748	3,728	4,090								20.5%
LSEC Billing NCP	time		12:00	14:00	11:00	16:00	14:00								
	date		1/17	2/20	3/26	4/13	5/15								
Non-Coincidental Peak last year:		178000	29,438	28,006	30,458	31,946	32,526	0	0	0	0	0	0	0	18.3%
			29,012	29,081	27,803	27,278	27,611	38,230	46,111	38,369	39,878	31,952	24,004	25,216	

CP KW			2026												CP % capacity (kW/kVa)
Substation	Recorder ID	Substation capacity (kVa)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Beeler	SF02 BEELER	28000	5,216	5,994	6,508	5,378	7,229								25.8%
Dighton 14400	SF02 DIGH14400	28000	4,660	3,962	4,707	4,770	4,689								17.0%
Dighton 7200	SF02 DIGH7200	22400	2,284	2,071	2,345	2,532	2,383								11.3%
Manning	SF02 MANNING	25000	4,561	4,121	4,268	5,542	3,903								22.2%
Manning B	SF02 MANNINGB	7500	-	-	-	-	-								0.0%
Scott Park	SF02ONEOKSC				1	1	830								
LS Seaboard	SF02 SEABOARD	billing	285	261	189	201	524								
Twin Springs 14000	SF02 TSPRGS14	11300	310	223	226	220	232								2.7%
Twin Springs 7200	SF02 TSPRGS72	11300	149	97	215	259	298								2.6%
Alexander 115 Sub	MK02 ALEXAN	20000	1,480	1,208	-	1,046	1,311								7.4%
Ness City 115 Sub	MK02 NESS115	20000	2,913	2,153	3,748	2,513	3,128								18.7%
Sunflower System CP	time		13:00	8:00	18:00	16:00	16:00								
	date		1/23	2/5	3/25	4/21	5/15								
Sum of CP last year:		173500	21,858	20,090	22,207	22,462	24,527	0	0	0	0	0	0	0	14.1%
			23,406	22,125	20,003	21,921	21,864	28,397	29,851	28,514	26,330	24,440	20,661	20,748	

City of Dighton NCP			2026												NCP % capacity (kW/kVa)
Substation	Recorder ID	Substation capacity (kVa)	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Dighton WAPA	SFWP DIGHTON	billing	154	137	135	153	152	-	-	-	-	-	152	-	
Dighton - West	SF02 DIGHTCTYW	1500	469	400	417	420	631	-	-	-	-	-	-	-	42.1%
Dighton - North	SF02 DIGHTCTYN	1500	446	423	397	403	506	-	-	-	-	-	-	-	33.7%
Dighton - South	SF02 DIGHTCTYS	1500	622	429	507	511	763	-	-	-	-	-	-	-	50.9%
City of Dighton	SFS2 DIGHCTY	billing	1,332	1,110	1,151	1,136	1,723	-	-	-	-	-	-	-	
Non-Coincidental Peak last year:		4500	1,537	1,252	1,321	1,334	1,900	0	0	0	0	0	0	0	42.2%
			1,495	1,500	1,213	1,283	1,561	2,522	2,841	2,841	2,099	1,720	1,027	1,187	

Sunflower Billing Summary		capacity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
City of Dighton @ 2% Subtract from WHM	CPKW		1,486	983	1,285	1,265	1,550								
Demand 1	CPKW		178000	20,372	19,107	20,922	21,197	22,977	0	0	0	0	0	0	12.9%
Demand 2 NCP			178000	21,801	21,785	24,413	23,927	23,492							13.7%
Energy purchased			13,693,641	12,234,954	13,626,904	14,194,107	14,013,537								

2026

Maintenance Inspection Log - to be completed monthly and copy submitted to Richard before the monthly Board meeting.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1 Overhead lines												
<i>number/miles</i>	4,321	4,139	3,351	3,785	3,689							
<i>cost</i>	\$57,664.00	\$37,282.00	\$33,703.00	\$40,896.00	\$48,027.00							
2 Underground lines												
<i>number/miles</i>	1458	20	105	308	120							
<i>cost</i>	\$1,115.00	\$491.00	\$1,751.00	\$6,718.00	\$1,890.00							
3 Poles												
<i>number inspected</i>	0	0	0	0	4260							
<i>cost</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$69,726.50							
4 Right-of-way												
<i>miles inspected</i>	55	0	61	74	182							
<i>cost</i>	\$1,080.00	\$0.00	\$1,011.00	\$635.00	\$20,291.00							
5 Substations												
<i>number inspected</i>	15	15	15	15	16							
<i>which ones?</i>	All	All	All	All	All							
<i>cost</i>	\$3,763.00	\$1,602.00	\$699.87	\$3,920.00	\$3,839.00							
6 DG Interconnections												
<i>number inspected</i>	6	8	0	0	3							
<i>cost</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00							
7 CT:PT Metering												
<i>number inspected</i>	0	0	0	0	0							
<i>cost</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00							
8 Line Clearances												
<i>miles inspected</i>	615	60	45	0	0							
<i>cost</i>	\$2,000.00	\$467.00	\$1,208.00	\$0.00	\$0.00							

CYBERSECURITY & INFORMATION TECHNOLOGY

EXECUTIVE SUMMARY

Disaster Recovery Plan

- Creating the Company Disaster Recovery Plan. This is the second of three emergency plans. The previous Disaster Recovery Plan combined all three plans into one. Separating the plans out ensures a structured and effective response to different types of incidents to address specific needs and overall business continuity. Enhance the overall preparedness and efficiency. Along with meeting different requirements of regulation and compliance criteria. Provides:
 1. Focused Response
 - a. Restoration
 - b. Business Continuity of essential business functions during and after
 2. Enhanced Preparedness
 - a. Tailored strategies and improved overall readiness
 - b. Specialized protocols to address unique challenges posed by different scenarios.
 3. Improved Efficiency
 - a. Structured approach helps streamline recovery efforts, reducing confusion during a crisis.
 - b. Clearly defined roles and responsibilities within each plan facilitate quicker decision-making and actions.
 4. Comprehensive Coverage
 - a. EAP – Preparedness
 - b. DRP – Access and Recover systems
 - c. ERP – Respond and Restore effectively

Cybersecurity

- Creating Company Disaster Recovery Plan
- Review Emergency Action Plan Annual Review amendments prepared to present at the June safety meeting.
- Research AI Policies, Securities, Tools, and Conditions. Following NISC AI platform.
- KEC Cyber & IT Group Meeting

Information Technology

- Information Technology department workload analyzed and assessed workload demands for additional department personnel support.
- New Employee Equipment and Set Up
- S&T Telephone programming issue.
- Meter command message coding issue.
- Mosaic training schedule and building site platform.
- Rainmaker Training
- Miscellaneous User Technical Assistance

Communications & Member Service Board Report – June 2026

1. Annual Meeting
 - Annual Report - Mailed to All Members June 8.
 - **BOARD ACTION NEEDED:** Annual Report Certificate of Mailing Form to be signed by board secretary.
 - Online Election Voting Website went live June 8.
 - LSEC website homepage banner directing members to the Trustee Election webpage.
 - Trustee Election Webpage updated candidate biographies and QR codes and links to voting.
 - SmartHub “Vote Now” button activated and pop-up banner after logging into SmartHub with voting instructions.
 - Radio spot has been recorded and will run June 24 – July 14.
 - Special Invitations are being mailed out.
 - I will be working on a printed program to hand out to members attending the business meeting.

2. Member Satisfaction Survey: Inside Information was not getting a good response from email survey requests alone. They have sent postcards and will be calling members directly. They are not charging us extra for this service, as the manager said he should have realized with our small residential numbers we would need to incorporate both survey options as we have done in the past.

3. CoBank: I will be meeting with the recipients to award our \$500 half and taking pictures. CoBank mails their \$500 directly to the winners.

4. Lane-Scott Electric Mission Statement is now hanging in the lobby!

5. Youth Tour June 13-19.

6. Sunflower Affordability Campaign: Sunflower has put together a campaign that will be printed in the KCL over the next year, running every other month. They offered to pay for all cooperative’s additional pages to print the articles and graphics. Lane-Scott will not be participating in the campaign. The content topics as released on June 8 are as follows:

Part 1: Understanding the Cooperative Difference (*July KCL in production*)

Introductory article establishing the cooperative structure and relationship, campaign framework, and key cost drivers.

Part 2: Maintaining and Expanding Transmission Infrastructure (September)

This segment focuses on replacing and upgrading aging electric transmission infrastructure and the need for long-term investment.

Part 3: Aging Generation Assets and the Future of Power Supply (November)

Explores the challenges of maintaining and replacing aging generation resources, meeting growing electricity demand, and the need for long-term investment.

Part 4: The Role of Regional Power Markets and System Growth (January 2027)

Evaluates how regional markets, policy decisions, and emerging energy demands influence electric costs.

Part 5: Supply Chain Pressures Across the Electric Industry (March 2027)

Examines ongoing supply chain challenges affecting equipment, materials, and project timelines.

Part 6: The Cooperative Advantage (May 2027)

Brings the series together, emphasizing how the cooperative model prioritizes members' long-term interests amid rising costs.

7. Monthly KCL, social media posts, website updates, new member e-mail series, newsletter e-blast, chamber communications, sponsorship/donation requests, communication plan updates, spending report.

June Board Meeting – Human Resources Report-May Duties

1. Zoom meeting with Bruce Tulgan covering “27 Challenges Managers Face”.
2. Onboarded Logan Seifried
3. Create new job descriptions and update others as needed.
4. Worked on Record Retention schedule.
5. Updated employees Group Term Life Benefits
6. Audited the transformer and meter exchanges for the Ad Valorem report.
7. Covered for Cindy for 2 weeks in the Billing Department, transfers, DQ’s, Ach’s, new connects, disconnects, prenotes, etc.

Other Job Duties:

1. Completed the end of month Labor Distribution Report
2. Completed & Submitted Sales and Use Tax
3. Completed and submitted the Compliance One and No Time Lost reports.
4. Submitted the annual No Time Lost Award information.
5. Normal monthly duties, employee assistance, customer service, payroll, FLSA reports, payroll taxes, 401(k) distributions, Health Insurance, Group Insurance, and RS distributions.
6. Scheduled training and reservations for employees and directors.
7. Sent out evaluations to employees with an anniversary hire date in June and their supervisors.
8. Completed the 2027 payroll schedule.

May Warehouse Report

Total Inventory Dollars on Hand for May:

Line Material--\$404,626

Inventory Turns—1.395

Resale Material--\$192,616

Inventory Turns—0.920

Generac Update:

A total of three generators were sold and ordered in May. We hope to install these in June when all the components arrive. There were a few service calls after some storms went through the area. We have a lull in yearly services for a couple of months then they will ramp back up.

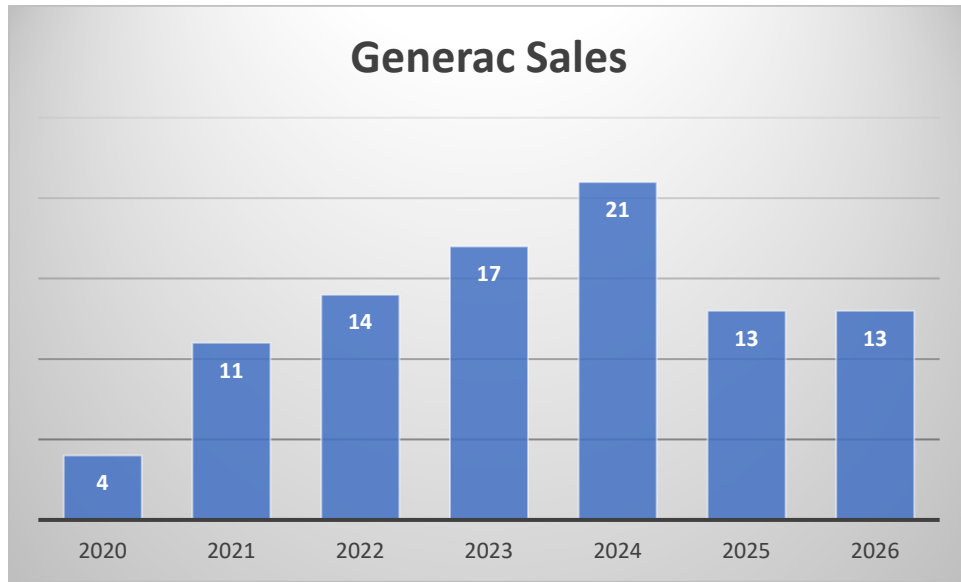
Electrician Update:

Once again, May was a very busy month. Michael was able to complete several smaller jobs which helped clean up the job list. Additionally, he is staying ahead of the construction at Lane County Feeders. Multiple estimates were completed that will be followed up on in June.

Line Material:

There have been no big changes on the line side in regard to material. Transformer quotes have been sent out to our vendors. This is more of a price and lead time check as we have decent stock as of the end of May. We continue to send out material for quotes, looking for savings in bulk buys or guarantees.

Generac Sales 2020-2026 (YTD)



SALES REVENUE			
Year	Gross Sales	COGS	Revenue
2020	\$19,577.39	\$18,556.40	\$1,020.99
2021	\$45,240.43	\$42,611.57	\$2,628.39
2022	\$119,183.43	\$107,471.45	\$12,086.42
2023	\$140,455.47	\$118,503.49	\$22,701.98
2024	\$136,178.72	\$115,715.74	\$20,475.73
2025	\$88,138.72	\$74,251.37	\$15,357.35
2026 (YTD)	\$103,289.89	\$87,061.99	\$16,227.90
Totals	\$652,064.05	\$564,172.01	\$90,498.76

- Sold 93 since 2020
- 145 on Annual Service List

Retail Margins



Excludes Labor, Direct Sales, & Generac

- **\$515,177 in Gross Non-Operating Margin for 2025**

10. b. Board Policy 401 Manager's Use of Company Vehicle Review

This policy is presented for review in conjunction with the pending GM/CEO succession search. From the Manager perspective, I propose that this policy have minor non-substantiative updates.

Background

LSEC Unit #105 (Buick Enclave) was the Manager's vehicle. Our increased participation in employee training, NRECA, KEC, and other industry functions generated a need for a company pooled vehicle, so I surrendered Unit #105 to the employee pool.

The Board approved \$50,000 for a new GM company vehicle in the 2026 Capital Budget. My thinking was that I could secure a GM vehicle which would become the next pool vehicle and the new GM could trade in the Buick on a vehicle for their use. I have not yet purchased this vehicle.

Please review this policy and update if necessary.

**THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: ~~February 4, 2013~~ June 22, 2026

Policy No.: 401

SUBJECT: Manager's Use of Company Vehicle

POLICY:

It shall be the policy of **The** Lane-Scott Electric Cooperative to purchase a vehicle for the use of the manager consistent with the duties of the Manager. The primary use of the vehicle shall be business related use. The Manager shall be allowed to utilize the vehicle for personal use within 100 miles of the City of Dighton, Kansas including commuting between the Manager's residence and the Lane-Scott office. Any use of the company vehicle outside of this 100-mile radius must be primarily business related and not solely for personal use.

~~The Manager shall log all miles driven in the company vehicle and prepare a written report to be included in the monthly board packet for the Board of Trustees meeting.~~

All mileage relating to the personal use of the Manager, including traveling to and from his residence, is a fringe benefit and shall be reported as taxable income consistent with IRS guidelines.

ATTESTED _____ date _____
Secretary

Date Reviewed: ~~October 1, 2018~~ June 22, 2026

Supersedes Date:

Revisions: February 04, 2013
July 26, 1993
February 24, 1992
March 20, 1972
October 1, 1966

(seal)

**THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: June 22, 2026

Policy No.: 401

SUBJECT: Manager's Use of Company Vehicle

POLICY:

It shall be the policy of The Lane-Scott Electric Cooperative to purchase a vehicle for the use of the manager consistent with the duties of the General Manager/CEO (hereinafter referred to as the "manager").

The primary use of the vehicle shall be business related use. The manager shall be allowed to utilize the vehicle for personal use within 100 miles of the City of Dighton, Kansas, including commuting between the manager's residence and the Lane-Scott office. Any use of the company vehicle outside of this 100-mile radius must be primarily business related and not solely for personal use.

All mileage relating to the personal use of the manager, including traveling to and from his residence, is a fringe benefit and shall be reported as taxable income consistent with IRS guidelines.

ATTESTED: _____
Secretary

date: _____

Date Reviewed: June 22, 2026

Revisions: February 4, 2013
July 26, 1993
February 24, 1992
March 20, 1972
October 1, 1966

(seal)

10. c. Board Policy 402 NRECA Business travel accident insurance for the Manager Review

This policy is presented for review in conjunction with the pending GM/CEO succession search. From the Manager perspective, I propose that this policy have minor non-substantiative updates.

Please review this policy and update if necessary.

**THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: June 22, 2026

Policy No.: 402

SUBJECT: NRECA business travel accident insurance for the Manager.

POLICY:

The **General Manager/CEO** shall be covered by NRECA's business travel accident insurance **at the Cooperative's expense.**

ATTESTED: _____ **date:** _____
Secretary

Date Reviewed: June 22, 2026

Revisions: September 7, 2010
July 26, 1993
October 1979
August 1974
January 1967

(seal)

**THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY**

Dated: June 22, 2026

Policy No.: 402

SUBJECT: NRECA business travel accident insurance for the Manager.

POLICY:

The General Manager/CEO shall be covered by NRECA's business travel accident insurance at the Cooperative's expense.

ATTESTED: _____ date: _____
Secretary

Date Reviewed: June 22, 2026

Revisions: September 7, 2010
July 26, 1993
October 1979
August 1974
January 1967

(seal)

10. e. Dighton Office Roof Repair

We have secured two bids for the repair of the Dighton Office roof. The bid request was to remove the existing roof, install a new roofing and re-locate downspouts that are located near entry ways.

The first bid is from Diamond Roofing in Garden City. They propose a 60 Mil TPO Roof Recover for \$106,900 total. We have been told that Diamond Roofing has been acquired by a larger roofing contractor and that their service has diminished as a result.

The second bid is from D.V. Douglas Roofing, Inc. They propose installing a new 60 Mil TPO roof for \$124,080.00. Douglas Roofing has been in business since 1955.

Dal has prepared the following pages to explain and present the two bids.

After meeting with both Contractors, staff recommends that the Board approve the higher, Douglas Roofing bid.



DIGHTON FACILITY ROOF BIDS



Dal Hawkinson

THE LANE-SCOTT ELECTRIC COOPERATIVE INC 410 S High Dighton KS

At the last board meeting, there was a motion to get a second bid to replace the roof on the Dighton office, that was quoted by Diamond Roofing. D.V. Douglas Roofing project manager, John Minet, evaluated the condition of the roof and submitted a bid of \$124,080.00. This bid came in at \$19,580 more than the bid from Diamond Roofing at \$104,500. After talking with both contractors about the scope of work being done, I found that the lower bid from Diamond Roofing included removing existing penetrations that are not in use anymore, then overlaying a new TPO membrane over the existing TPO that has been patched many times. Diamond Roofing uses aluminum bars to attach the TPO to the bottom of the parapet wall like it was before. The bid we received from D.V. Douglas included removing the same penetrations. The cost difference in this bid is removing all of the existing TPO membrane, and replacing it with new TPO membrane. In addition to the new TPO, D.V. Douglas will fur out parapet walls to allow the TPO material to be laid under the new coping metal on top of the parapet wall. This eliminates the need for aluminum bars and caulk joints.

Staff recommends spending the extra \$19,580 with D.V. Douglas for a better roof, with less potential for leaks in the future.



June 2, 2026

To Lane Scott Electric:

Install new TPO roof at main office building, Dighton location

We hereby submit to provide material, labor, tools and equipment to install new TPO and Metal for Lane Scott Electric located in Dighton, KS.

Section TPO Roof

- Roof system including wall, curb and penetration flashings
 - Remove all unused pipe and curb penetrations as marked by LSE
 - Patch roof deck as needed after removal
 - Remove existing TPO membrane
 - Fur out parapet wall at bracing for louvers as required
 - Install 2x and plywood at top of concrete parapet areas to prep for coping installation
 - Mechanically thru fasten 1/2" high density cover board
 - Install 60mil TPO adhered membrane
- Provide owner with Contractor's 2-year Workmanship Warranty
- Provide owner with Manufacturer's 20-year System Warranty

Section Sheet Metal Flashing and Trim

- 24g perimeter coping metal
 - Replace existing and add new areas
- 24g counter flashings
- 24g box guttering
- 24g collector heads
- TPO cladded scuppers
- 24g downspout

Base Bid

Labor, material, insurance and clean up\$ 124,080.00

Since 1955

D.V. Douglass Roofing, Inc.

Serving Western Kansas

Exclusions:

Installation of structural decking or any connection assemblies not specifically called out above.
Accepting the physical properties or attachment of structural decking and/or its moisture content.
Any and all vapor and moisture barriers, weather barriers, sheet waterproofing, or fluid-applied waterproofing and patching thereof.
Any expansion joint assemblies not associated with the above work.

John Minet
Project Manager DV Douglass Roofing

Should you have any questions regarding the above scope of work or exclusions herein, I am available at your convenience to discuss at (620) 276-7474, or via email at john@dvdouglassroofing.com. Thank you for your consideration of DV Douglass Roofing.

John Minet

DV Douglass Roofing Authorized Signature

To indicate acceptance of this proposal please sign and date below:

Accepted by: _____ **Date:** _____

April 30, 2026
Dan Hawkinson
405 High St
Dighton Ks 67839
620-397-3039



We hereby submit to provide material, labor, tools and equipment to recover Lane Scott Electric Roof

Lane Scott Electric 60 Mil TPO Roof Recover

Scope of Work:

- Set up site safety at roof edge.
- Tear off all flashings including membrane, metal coping, slip metal, scuppers, and pipe boots.
- Remove penetrations that are not in use anymore.
- Patch decking and iso to match existing roof system.
- Install ½” high density cover board over the existing insulation.
- Adhere the new roof system utilizing TPO bonding adhesive at a rate specified by the manufacturer.
 - New 60 mil TPO membrane.
 - Fasten field TPO membrane to bottom of parapet wall.
 - Adhere wall flashings and terminate membrane with aluminum bar fastened 6” on center.
 - Adhere new flashings to existing penetrations.
 - Hot air weld seams, wall flashings and penetration flashing details per manufacturer’s specifications.
 - Apply cut edge sealant.
- Install new caulk joint and cap
- Install new collector heads, gutters, and downspouts.
- Provide the owner with our Contractor’s 2-year workmanship warranty.
- Provide the owner with the Manufacturer’s 20-year standard warranty.

Labor, material, insurance and clean up associated to this proposal for the sum of.....\$ 104,500.00

- **Add to provide and install metal edge.....\$2,400.00**

Exclusions:

- Sales tax, if this is an exempt project, the certificate must be provided and accepted by the state, or taxes will be charged.

Brandon Adams
Superintendent Diamond Roofing

Should you have any questions regarding the above scope of work or exclusions herein, I am available at your convenience to discuss at (620) 255-3839, or via email at badams@diamond-roofing.com. Thank you for your consideration of Diamond Roofing.

Southwest Kansas Region:
100 McArtor Road, P.O. Box 37
Dodge City, KS 67801
Phone: 620-225-2622

Western Region:
1630 East Fulton
Garden City, KS 67846
Phone: 620-315-4241

Flint Hills Region:
9300 East US Highway 24
Manhattan, KS 66502
Phone: 785-537-8008



Diamond Roofing Authorized Signature

To indicate acceptance of this proposal please sign and date below:

Accepted by: _____ Date: _____

Southwest Kansas Region:
100 McArtor Road, P.O. Box 37
Dodge City, KS 67801
Phone: 620-225-2622

Western Region:
1630 East Fulton
Garden City, KS 67846
Phone: 620-315-4241

Flint Hills Region:
9300 East US Highway 24
Manhattan, KS 66502
Phone: 785-537-8008

10. e. Lane Scott Tower Sites

The Cooperative has had the addition of Radio tower sites in our capital budget and Work Plans for several years. We are currently on three towers:

- Hineman Tower (south of Dighton). We own this tower and supporting structures but lease the land the tower sits upon. Our contract with the Hineman family was renewed April 1, 2025, for seven years at \$1,000.00 per year.
- Ness County Tower. We lease space on this tower for \$600.00 per year. This is a five-year contract from January 1, 2022, through December 31, 2026. This lease also has a 1-year evergreen. **This contract needs to be renewed.**
- Sunflower Tower. This tower is located at our Twin Springs Substation. We are on the tower without written agreement or charge and are not allowed to climb the tower.

Communications towers are critical to the operation of the Cooperative. We utilize the towers for radio communications and automatic meter data collection. Future needs include the application of supervisory control and data acquisition (SCADA) and potential revenue sources from tower space leasing.

We recognized years ago that we had potential risks associated with each tower because we did not control our own destiny related to this critical infrastructure. To remedy this, we conducted propagation studies and identified the need for several communications towers and proposed starting with a tower investment in the McCrackin area and another tower at the Scott Park Substation site.

The 2026 Board approved Budget includes \$125,000 for a “Radio Tower in the McCrackin area”. This item was carried forward to the 2026 Construction Work Plan which the Board approved on May 18, 2026.

We have identified an area within the propagation study and approached the landowner about a possible sale. He has indicated that he would be interested in helping the cooperative with the sale of a tower site. Our lease contracts have values of up to \$1,000 per year. Twenty years’ worth of renewals would be \$20,000.

Staff requests that the Board authorize attorney Joseph Gasper to negotiate with the landowner for the purchase of up to 1 acre for a tower site. Staff further requests that the Board authorize Mr. Gasper to re-negotiate the Ness County Tower lease.

10. f. Additional Capital Credit Estate Retirements

The estates listed were approved for retirement at the May 2026 board meeting. However, these allocations were identified after the board meeting last month. Therefore, the estates received this allocation but they were not included in the May Report due to a coding error.

Accounting apologizes for their error, has reviewed their process, and believes that this type of error can and will be prevented for future estate retirements.

This additional retirement will not impede the financial position of the Cooperative and is in accordance with the LSEC Bylaws.

June 2026 Capital Credit Estate Additional Retirements							
Last Name	First Name	Cust No.	Unretired ELEC-COOP	Ret Hist Unclaimed	Total ELEC Amount	Form W-9	Unretired G&T
Borger	Rodney	20582	\$ 91.35		\$ 91.35	-	\$ 46.56
Jewell	Alma	100219	\$ 88.16		\$ 88.16	-	\$ 44.93
Kleweno	Marian	110211	\$ 76.39		\$ 76.39	-	\$ 38.93
Marcus	Coline	130713	\$ 46.66		\$ 46.66	-	\$ 23.78
Schaffer	Marie	190952	\$ 60.16		\$ 60.16	-	\$ 30.66
Scheurman	Randall	190454	\$ 145.84		\$ 145.84	-	\$ 74.33
Shupe	Boyd	190248	\$ 65.79		\$ 65.79	-	\$ 33.53
Surface	Ron	190930	\$ 77.17		\$ 77.17	-	\$ 39.33
Total Elec Coop Credits to be Retired:					\$ 651.52		

**** These retirements are additional capital credits that were allocated to the members from 2025.

Staff requests that the Board approve the June 2026 Capital Credit Estate Additional Retirements in the amount of \$651.52.

SAFETY PROGRAM

- **Safety Monthly Summary:** Working with Carrie on Emergency Response Plan, Safety Council Walk thru is 90 percent completed. Disaster Recovery Plan is in proofing stage. Hoping to have completed soon.
- Safety Demo was a success, for the Farm Bureau Ag Day. Grades K-6 attended with 5-demos conducted.

SAFETY PROJECTS COMPLETED AS OF May 2026

1. Rubber gloves changed out.
2. KEC Safety Meeting: NESC Underground requirements. Admin. Professional conduct. Ann Jennings's submitted report:
 1. Plant Trees Safely & Call 811- KCL Magazine & Social Media.
 2. Work Safely Near Utility Lines: Look Up & Dig Safely – KCL Magazine & Social Media.
 3. Social Media:
 - Extension Cord Safety: They are for Temporary use; they should never be a permanent fix.
 - Lightning Safety for Outdoor Workers.
 - Lightning Safety Video.
 - Don't Post on Utility Poles.
 - Beat the Heat: OSHA heat index app to assess worksite risk.
 - Tip to Avoid Scams: Multi-factor authentication.

Diana Kuhlman submitted reports:

- Attended Monthly Safety Meeting.
- Coordinate Monthly Drug Testing.
- Submitted No- Time Loss Report to Federated and KEC.

SAFETY PROJECTS IN PROGRESS AS OF May 2026

1. Completed SafetyAmp Inspection digital form: Completed right of way permits, and overlength permits.
2. FCC radios: Looking into locations and options for tower development.
3. Safety Council Yearly Walk through items being repaired. 90% completed.
4. RESAP Onsite Observation.
 - Sub Station Circuits are being identified.
 - URD cables being identified and labeled. In Progress.
 - Pad mount and switch cabinet signage in progress of being updated.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
SAFETY MEETING
May 28th, 2026

Dal Hawkinson called the meeting to order at 9:25 a.m.

Minutes were read: Minutes were reviewed. Dal Hawkinson made a motion to approve April 29th, 2026, minutes. Bailey Wells seconded the motion.

Present: Richard McLeon, Kasey Jenkinson, Ben Mann, Dal Hawkinson, Chris Terhune, Kevin Bradstreet, Bailey Wells, Nate Burns, Scott Briand, Michael Pollock, Carrie Borell, Ann Jennings, Diana Kuhlman, and Jocelyn Shull.

Absent: Chad Rupp, Myron Seib, Dellon Shelton, Blake McVicker, Taylor Cable, Tad Eubanks, Cindy Fuentes-Ummel, Lillie Koehn, and Isabella McNey.

Guest:

Truck report of inspections:

105	Logan Seifried	OK
110	Dellon Shelton	OK
112	Taylor Cable	OK
123	Micheal pollock	OK
132	Bailey Wells	OK
136	Taylor Cable	OK
143	Micheal Pollock	OK
145	Dal Hawkinson	OK
150	Kevin Bradstreet	OK
191	Micheal Pollock	OK
200	Ben Mann	OK
201	Blake McVicker	Estimate for rear bin door repair.
305	Dellon Shelton	OK
2401	Myron Seib	OK
2402	Chris Terhune	Cracked Windshield.
2501	Nate Burns	OK
2502	Chad Rupp	OK
2503	Bailey Wells	OK

Trailer and Equipment report for inspections:

502	Blake McVicker	OK
507	Blake McVicker	OK
515	Blake McVicker	OK
504	Blake McVicker	OK
505	Chris Terhune	OK
508	Chris Terhune	OK
509	Chris Terhune	OK
513	Chris Terhune	OK
516	Chris Terhune	OK
517	Chris Terhune	OK
518	Scott Briand	OK
519	Scott Briand	OK
700	Chris Terhune	OK
701	Chris Terhune	OK
702	Chris Terhune	OK
703	Chris Terhune	OK
512	Myron Seib	OK
514	Scott Briand	OK

Warehouse, building, and pole yard inspections:

Ness City Warehouse	Blake McVicker	OK
Ness Pole Yard & Transformer Dock Warehouse	Blake McVicker	OK
Pole Yard & Transformer Dock	Scott Briand	OK
Office	Scott Briand	OK
	Diana Kuhlman	OK

Personal Tools: All Passed

Gloves Monthly Test Results: N/A

Line Hoses Annual Test Results: N/A

Blankets Annual Test Results: N/A

Sleeves Quarterly Test Results: N/A

Substation and Regulator Report: Switched load to Scott Park Substation. Replaced regulator in McCracken Substation from raccoon getting into the bushings.

PCB Report: None to Report

Line Clearance: Solida is trimming trees in Ness City; they will be moving across the system east of Ness. Camp Lake Side.

Accident and Near Misses: Pheasant flew out of road ditch and struck the right-side window of truck #2402; windshield was cracked. The windshield was replaced.

Good Catch Report: N/A.

Old Business: Nothing to report.

New Business:

- ♦ Richard McLeon: Discussed why it is important to have our disaster plans separated into three different books. Discussed construction work plan and how that impacts the cooperative from financials and how things are prioritized through the process. Also discussed how it is broken down by years and how it impacts the cooperative with budgets. Professional and Technical training was discussed and how developing all employees can help build a strong platform for Lane Scott Electric's future.
- ♦ Dal Hawkinson: Solida tree trimmers are working in Ness City. 2026 pole testing is completed. LSE only had 74 rejected poles out of 4,260 tested, with a 1.76 percent rejection rate. Summer hours for the line department will start Monday June 1st, 2026. The new hours will be from 7:00am to 3:30pm. Tallgrass selected a new location southwest of Healy near the Plains Pump Station, with a load projection of 28meg. Sunflower has started the load study. The board approved the 2026 construction plan. Working with Diamond roofing and D.V. Douglas on Dighton office roof repairs.
- ♦ Carrie Borell: Email notifications were sent to employees on server upgrades. June 10-12 will be the final stages; a plan is in place to do a roll back to previous design if there are issues with the mapping and AppSuite transition. Communication from all employees would be greatly appreciated if they had issues. Meridian is merging with NISC. Enhancements to mapping will be one of the biggest changes. Disaster Recovery Plan is in progress.
- ♦ Ann Jennings: Annual report is done and mailed out. Member satisfaction survey is in process. Trustee elections are beginning for members to be able to vote online, by mail-in ballot, or in person.
- ♦ Diana Kuhlman: Employee evaluations are going out. Please update job duties and titles, and return them to HR.
- ♦ Chris Terhune: Strobel Door and Repair will be setting up yearly maintenance for LSE'S overhead doors. The gates at the north pole yard are having trouble closing with the left gate mother board needing repaired.
- ♦ KEC: Tolan Seger covered safety summary, NESC underground requirements and discussed professional conduct with admin.

Meeting adjourned.