



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been set for November 2, 2020 at 7:00 p.m.

Proposed Agenda (revised):

1. Call to Order
2. Reading and Approval of Minutes
3. Presentation of Check Register
4. Presidents Report
5. Attorneys Report
6. Sunflower EPC Report
7. KEC Report
8. General Managers Report
9. Old Business
10. New Business
 - a. CFC 2019 KTRA
 - b. 2020-2029 LSEC Financial Forecast
 - c. 2020 LSEC Budget
 - d. LSEC 2019 IRS Form 990 and 990-T
 - e. Estate Capital Credit Additional Retirements
11. Safety Report
12. Executive Session – if requested
13. Adjourn

Upcoming Events:

| | | |
|-------------------------------|-----------|-------------|
| LSEC Board Meeting | Nov 2 | Dighton, KS |
| LSEC / CFC Strategic Planning | Nov 5 | Dighton, KS |
| Sunflower Board | Nov 20 | Hays, KS |
| Thanksgiving Holiday | Nov 26-27 | |

**MINUTES OF THE REGULAR OCTOBER 2020
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, October 5, 2020, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 6:57 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Rad Roehl, Harold Hoss, Randy Evans, Richard Sorem, Paul Seib Jr. and Craig Ramsey. Also present Richard McLeon IV and Joseph Gasper, Attorney. Eric Doll and Chad Griffith were absent.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on September 14, 2020. *Hearing no corrections, President Jennison declared the minutes stand approved as printed.*

CASH DISBURSEMENTS

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

There were no questions regarding the checks.

PRESIDENT'S REPORT

President Jennison had no current items to report.

ATTORNEY'S REPORT

Attorney Gasper reported he had been in contact with Anne Badgette, an attorney specializing in labor law, to draft a new drug and alcohol policy.

REPORT OF SUNFLOWER DELEGATE

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

Paul Seib Jr., Lane-Scott's delegate to Sunflower, also reported the following:

- The member conference will tentatively be in March 2021.
- It is still on schedule to pay patronage at the end of the year.
- A review of the PPP indicates that some may have to be paid back, but there is still hope that none will need to be repaid.

KEC REPORT

Trustee Hoss reported that there had been no KEC meeting. A loss control and safety virtual meeting will be Wednesday and a regular meeting will be in Wichita on Thursday.

MANAGER'S REPORT

Manager McLeon commented on the following matters:

- The credit card statements were presented to the Trustees for review.
- The strategic plan update was included in the board packet. Safety is 90% complete, Technology 85% complete, Financial 95% complete, Communications 100% complete and Succession Plan is 50% complete. The strategic planning will be held November 5 beginning at 8:30 a.m.
- Line clearance reviews and raising of the line has been a priority. There have been 131 poles replaced to raise lines for clearance. Each truck has a line clearance standard card in it showing the recommended clearances.
- The safety numbers from OSHA and workmans comp modifier are good.
- The review of licenses showed that the MDMS system was not being utilized so the subscription was dropped saving \$300 per month.
- The SCADA system is being primarily focused on the metering side as that is the most useful for the coop at this time.
- The Hineman tower has been repaired and a new 5 year lease has been entered into.
- Cybersecurity training is being done with all employees. Backup protocols have been established and are being done.
- A ten year financial forecast has been completed. An equity management plan is being developed and a cost of service study is being budgeted for 2022.
- The member surveys have been completed. The completed survey showed an overall satisfaction of 92%. The full analysis of the survey was included in the board packet.
- Work continues on training for succession planning.
- August showed a \$124,412 gain in total margins and a \$140,766 gain in operating margins. Sales remain under the three year average but expense controls have helped to minimize losses and have helped to get back in the black. The residential rate is 11.4 cents ytd.

- LSEC is \$335,996 under budget on operating margins and lower sales revenues account for a net loss (after power costs) of \$308,818.
- OPCO, LLC made a payment of \$5,000 on their outstanding bill.
- Resale shows a loss of \$19,538 for the month. Three generators have been paid for in the amount of \$42,000 and they will be delivered and installed in a few weeks. Five generators have been sold this year.
- CFC will be paying capital credits of about \$13,000 to LSEC.

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

A question from a prior meeting about an abandoned line from Trustee Sorem was answered. The line in question is not energized and is not LSEC line.

NEW BUSINESS

1. Capital Credit Allocation

- Manager McLeon reviewed the bylaws and board policy provisions regarding capital credit allocation with the board.
- The 2019 year-end operating margins were \$704,901, G&T capital credits of \$983,794, other capital credit and patronage dividends of \$60,703, and non-operating margins of \$296,438. Staff recommended allocating operating margins in the amount of \$764,901 and G&T capital credits in the amount of \$983,794 (allocated separately) and to retain the non-operating margins of \$296,438.
- A question was raised about Sunflower capital credits if they are paid out. The auditor is reviewing how that will be handled but it will likely have to be retired to members.
- *A motion to not allocate and retire 2019 non-operating margins in the amount of \$296,438 was made, duly seconded and carried.*
- *A motion to allocate 2019 operating margins as capital credits in the amount of \$764,901 was made, duly seconded and carried.*
- *A motion to allocate 2019 G&T capital credits as capital credits in the amount of \$983,794 was made, duly seconded and carried.*

2. Estate Retirement

- *A motion to approve payment of Estate capital credits in the amount of \$11,952.14 as requested and submitted in the board packet, was made, duly seconded and carried.*

3. Youth Tour

- The board discussed the recommendation to approve sending of two students to the NRECA youth tour and two students to the youth leadership camp.
- *A motion to approve funding the sending of two students to the NRECA Electric Cooperative Youth Tour and two students to the Cooperative Youth Leadership Camp at a budgeted cost of \$10,600 was made, duly seconded and carried.*

4. One Card Program

- Manager McLeon reviewed the One Card program through CFC and US Bank. This program generally pays back rebates for coops spending more than \$5,000 per year. The purchases of generators could be placed on the card and a rebate received. Staff requests approval of the resolution authorizing the general manager to execute the program agreement.
- *A motion to approve the following resolution authorizing the general manager to execute the agreement for the One Card Program was made, duly seconded and carried.*

RESOLVED, that the Cooperative establish or continue its participation in a corporate credit card program under the terms, conditions and provisions of the One Card Program Reimbursement Agreement (the "Agreement"), and to reimburse CFC, together with interest, for any amounts that CFC is required to pay U.S. BANK on behalf of the Cooperative pursuant to the terms of the Agreement; and,

RESOLVED, that the General Manager of the Cooperative be and is hereby authorized to execute the Agreement on behalf of the Cooperative, to execute any future amendments to said Agreement as such individual may deem appropriate, and to execute such further documents as may be necessary or appropriate in order to comply with CFC's or U.S. Bank's requirements; and,

RESOLVED, that it is the intent of the Board that upon execution and delivery of the Agreement to CFC, and when executed by CFC, the Agreement shall constitute a valid and binding agreement between CFC and the Cooperative, enforceable in accordance with its terms; and

RESOLVED, that the appropriate officers are authorized to take all other actions they deem advisable to carry out the purpose of these resolutions.

5. Wage and Salary

- Manager McLeon reviewed the wage and salary plan as contained in the board packet with the board.
- Staff recommended the approval of the 2021 wage and salary package of approximately \$2,209,918 as presented to the board. This is a 2.3% increase for all employees other than the general manager and a projected 2.25% increase for the 4th quarter of 2021.
- *A motion to approve the 2021 wage and salary plan as presented in the total amount of approximately \$2,209,918 was made, duly seconded and carried.*

The board discussed the employee reassignment and Manager McLeon reported that the reassignments have gone well.

A report by a trustee of guy wires going to the edge of the road on some places will be investigated once the locations are determined.

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 8:24 p.m., on Monday, October 5, 2020.

10/26/2020 10:01:54 am

Payroll/Labor Check Register

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Pay Date: 09/01/2020 To 09/30/2020

| Empl | Name | Pay Date | Dir Dep/Check | Gross Pay | Other Pay | Hours | Advances | Deductions/ ER Taxes | Txbl Benefits/ ER PTO | Taxes/ ER Benefits | Net Pay | Type |
|---------------------|--------------------|------------|---------------|---------------|-----------|----------|----------|-------------------------|--------------------------|-----------------------|---------------|------|
| | | | 5232 | | | | | 256.49 | 0.00 | 2,238.40 | 100.00 | DD |
| | | | | | | | | | | | 25.00 | DD |
| | | | | | | | | | | | 25.00 | DD |
| | | | | | | | | | | | 25.00 | DD |
| | | | | | | | | | | | 1,950.88 | DD |
| 85 | CHAD A RUPP | 09/29/2020 | 5233 | 3,635.28 | 0.00 | 88.00 | 0.00 | 516.33 | 21.67 | 741.80 | 2,377.15 | DD |
| | | | | | | | | 270.14 | 0.00 | 2,367.11 | | |
| 89 | CHRIS R TERHUNE | 09/29/2020 | 5234 | 4,812.63 | 0.00 | 107.00 | 0.00 | 477.15 | 15.83 | 1,539.32 | 2,796.16 | DD |
| | | | | | | | | 363.59 | 0.00 | 2,330.76 | | |
| 91 | LARRY D KRAFT | 09/29/2020 | 5235 | 3,635.28 | 0.00 | 88.00 | 0.00 | 449.02 | 40.01 | 703.02 | 2,483.24 | DD |
| | | | | | | | | 275.39 | 0.00 | 2,367.11 | | |
| 93 | MYRON E SEIB | 09/29/2020 | 5236 | 3,635.28 | 0.00 | 88.00 | 0.00 | 628.60 | 26.58 | 659.19 | 2,347.49 | DD |
| | | | | | | | | 274.35 | 0.00 | 2,367.11 | | |
| 99 | KEVIN A BRADSTREET | 09/29/2020 | 5237 | 3,635.28 | 0.00 | 88.00 | 0.00 | 419.42 | 17.16 | 1,024.95 | 2,190.91 | DD |
| | | | | | | | | 279.41 | 0.00 | 1,435.00 | | |
| 108 | MARK R MCCULLOCH | 09/29/2020 | 5238 | 2,971.76 | 0.00 | 88.00 | 0.00 | 937.55 | 19.78 | 685.55 | 1,348.66 | DD |
| | | | | | | | | 227.03 | 0.00 | 1,387.57 | | |
| 117 | LEIGHTON J AYERS | 09/29/2020 | | 3,883.14 | 0.00 | 91.00 | 0.00 | 653.59 | 11.73 | 810.11 | 2,419.44 | |
| | | | 5239 | | | | | 292.18 | 0.00 | 2,367.11 | 150.00 | DD |
| | | | | | | | | | | | 2,269.44 | DD |
| 129 | STACEY L FOOS | 09/29/2020 | 5240 | 123.28 | 0.00 | 8.00 | 0.00 | 0.00 | 0.00 | 9.43 | 113.85 | DD |
| | | | | | | | | 10.30 | 0.00 | 0.00 | | |
| 130 | ANN MARIE JENNINGS | 09/29/2020 | 5241 | 1,982.64 | 0.00 | 88.00 | 0.00 | 254.38 | 6.67 | 367.12 | 1,361.14 | DD |
| | | | | | | | | 141.61 | 0.00 | 1,499.88 | | |
| 131 | DIANA KUHLMAN | 09/29/2020 | 5242 | 1,912.25 | 0.00 | 88.00 | 0.00 | 338.06 | 4.83 | 295.89 | 1,278.30 | DD |
| | | | | | | | | 142.75 | 0.00 | 1,184.67 | | |
| 132 | DELLON SHELTON | 09/29/2020 | 5243 | 3,044.15 | 0.00 | 107.00 | 0.00 | 114.97 | 1.30 | 860.13 | 2,069.05 | DD |
| | | | | | | | | 232.98 | 0.00 | 208.60 | | |
| Grand Total: | | | | \$ 160,570.33 | \$ 0.00 | 3,980.75 | \$ 0.00 | \$ 21,057.80 | \$ 1,042.20 | \$ 37,636.57 | \$ 101,875.96 | |
| | | | | | | | | \$ 10,968.55 | \$ 0.00 | \$ 86,237.12 | | |

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Payroll/Labor Check Register

Page 2

Pay Date: 09/01/2020 To 09/30/2020

| Empl | Name | Pay Date | Dir Dep/Check | Gross Pay | Other Pay | Hours | Advances | Deductions/ ER Taxes | Txbl Benefits/ ER PTO | Taxes/ ER Benefits | Net Pay | Type |
|------|--------------------|------------|---------------|-----------|-----------|-------|----------|----------------------------|--------------------------|--------------------------------|--|----------------------|
| 108 | MARK R MCCULLOCH | 09/14/2020 | 5215 | 2,971.76 | 0.00 | 88.00 | 0.00 | 279.41 937.55 227.02 | 0.00 19.78 0.00 | 1,435.00 685.54 1,387.57 | 1,348.67 | DD |
| 117 | LEIGHTON J AYERS | 09/14/2020 | 5216 | 3,821.18 | 0.00 | 91.00 | 0.00 | 653.59 287.43 | 11.73 0.00 | 794.40 2,367.11 | 2,373.19 150.00 2,223.19 | DD DD DD |
| 129 | STACEY L FOOS | 09/14/2020 | 5217 | 104.02 | 0.00 | 6.75 | 0.00 | 0.00 8.69 | 0.00 0.00 | 7.96 0.00 | 96.06 | DD |
| 130 | ANN MARIE JENNINGS | 09/14/2020 | 5218 | 1,982.64 | 0.00 | 88.00 | 0.00 | 254.38 141.61 | 6.67 0.00 | 367.12 1,499.88 | 1,361.14 | DD |
| 131 | DIANA KUHLMAN | 09/14/2020 | 5219 | 1,912.24 | 0.00 | 88.00 | 0.00 | 338.06 142.73 | 4.83 0.00 | 295.87 1,184.67 | 1,278.31 | DD |
| 132 | DELLON SHELTON | 09/14/2020 | 5220 | 2,299.44 | 0.00 | 88.00 | 0.00 | 114.97 176.01 | 1.30 0.00 | 596.87 208.60 | 1,587.60 | DD |
| 5 | KATHERINE E LEWIS | 09/29/2020 | 5221 | 4,958.76 | 0.00 | 88.00 | 0.00 | 692.27 368.52 | 33.00 0.00 | 1,283.08 2,916.03 | 2,983.41 985.00 625.00 1,373.41 | DD DD DD DD |
| 17 | DAVID L HOWARD | 09/29/2020 | 5222 | 4,136.00 | 0.00 | 88.00 | 0.00 | 476.06 315.53 | 37.00 0.00 | 1,229.67 2,141.41 | 2,430.27 | DD |
| 21 | CARRIE M BORELL | 09/29/2020 | 5223 | 2,322.32 | 0.00 | 88.00 | 0.00 | 310.19 172.71 | 10.93 0.00 | 390.07 1,827.42 | 1,622.06 | DD |
| 22 | REBECCA L CAMPBELL | 09/29/2020 | 5224 | 2,172.72 | 0.00 | 88.00 | 0.00 | 365.52 157.29 | 5.50 0.00 | 392.25 1,767.97 | 1,414.95 300.00 1,114.95 | DD DD DD |
| 26 | RICHARD A MCLEON | 09/29/2020 | 5225 | 9,375.00 | 0.00 | 88.00 | 0.00 | 337.02 137.53 | 109.64 0.00 | 2,735.20 3,245.72 | 6,302.78 | DD |
| 34 | KALO M MANN | 09/29/2020 | 5226 | 3,308.80 | 0.00 | 88.00 | 0.00 | 699.91 252.60 | 44.32 0.00 | 734.89 1,772.52 | 1,874.00 | DD |
| 35 | NATHAN A BURNS | 09/29/2020 | 5227 | 3,173.28 | 0.00 | 88.00 | 0.00 | 33.85 243.80 | 37.47 0.00 | 845.36 2,089.97 | 2,294.07 | DD |
| 50 | KASEY R JENKINSON | 09/29/2020 | 5228 | 3,766.40 | 0.00 | 88.00 | 0.00 | 667.50 283.56 | 15.73 0.00 | 781.06 2,419.07 | 2,317.84 | DD |
| 55 | BENJAMIN L MANN | 09/29/2020 | 5229 | 3,766.40 | 0.00 | 88.00 | 0.00 | 648.76 287.48 | 15.48 0.00 | 714.55 1,781.78 | 2,403.09 | DD |
| 74 | DAL S HAWKINSON | 09/29/2020 | 5230 | 3,883.14 | 0.00 | 91.00 | 0.00 | 512.31 291.69 | 5.49 0.00 | 869.06 2,367.11 | 2,501.77 | DD |
| 81 | DEANNE R SHULL | 09/29/2020 | 5231 | 1,790.80 | 0.00 | 88.00 | 0.00 | 297.78 135.58 | 34.17 0.00 | 337.31 1,001.87 | 1,155.71 | DD |
| 84 | MICHAEL S POLLOCK | 09/29/2020 | | 3,421.60 | 0.00 | 89.50 | 0.00 | 711.42 | 6.81 | 584.30 | 2,125.88 | |

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Payroll/Labor Check Register

Page 1

Pay Date: 09/01/2020 To 09/30/2020

| Empl | Name | Pay Date | Dir Dep/Check | Gross Pay | Other Pay | Hours | Advances | Deductions/ ER Taxes | Txbl Benefits/ ER PTO | Taxes/ ER Benefits | Net Pay | Type |
|------|--------------------|------------|---------------|-----------|-----------|--------|----------|-------------------------|--------------------------|-----------------------|----------|------|
| 5 | KATHERINE E LEWIS | 09/14/2020 | | 4,958.76 | 0.00 | 88.00 | 0.00 | 692.27 | 33.00 | 1,283.07 | 2,983.42 | |
| | | | 5198 | | | | | 368.51 | 0.00 | 2,916.03 | 985.00 | DD |
| | | | | | | | | | | | 625.00 | DD |
| | | | | | | | | | | | 1,373.42 | DD |
| 17 | DAVID L HOWARD | 09/14/2020 | 5199 | 3,880.80 | 0.00 | 88.00 | 0.00 | 450.54 | 37.00 | 1,134.36 | 2,295.90 | DD |
| | | | | | | | | 296.02 | 0.00 | 2,128.65 | | |
| 21 | CARRIE M BORELL | 09/14/2020 | 5200 | 2,322.32 | 0.00 | 88.00 | 0.00 | 310.19 | 10.93 | 390.07 | 1,622.06 | DD |
| | | | | | | | | 172.71 | 0.00 | 1,827.42 | | |
| 22 | REBECCA L CAMPBELL | 09/14/2020 | | 2,172.72 | 0.00 | 88.00 | 0.00 | 365.52 | 5.50 | 392.27 | 1,414.93 | |
| | | | 5201 | | | | | 157.31 | 0.00 | 1,767.97 | 300.00 | DD |
| | | | | | | | | | | | 1,114.93 | DD |
| 26 | RICHARD A MCLEON | 09/14/2020 | 5202 | 9,375.00 | 0.00 | 88.00 | 0.00 | 337.02 | 109.64 | 2,735.20 | 6,302.78 | DD |
| | | | | | | | | 137.53 | 0.00 | 3,245.72 | | |
| 34 | KALO M MANN | 09/14/2020 | 5203 | 3,365.20 | 0.00 | 89.00 | 0.00 | 699.91 | 44.32 | 749.18 | 1,916.11 | DD |
| | | | | | | | | 256.90 | 0.00 | 1,772.52 | | |
| 35 | NATHAN A BURNS | 09/14/2020 | 5204 | 4,803.13 | 0.00 | 88.00 | 0.00 | 33.85 | 37.47 | 1,439.82 | 3,329.46 | DD |
| | | | | | | | | 368.48 | 0.00 | 2,171.47 | | |
| 50 | KASEY R JENKINSON | 09/14/2020 | 5205 | 4,151.60 | 0.00 | 94.00 | 0.00 | 667.50 | 15.73 | 878.69 | 2,605.41 | DD |
| | | | | | | | | 313.01 | 0.00 | 2,419.07 | | |
| 55 | BENJAMIN L MANN | 09/14/2020 | 5206 | 4,344.20 | 0.00 | 97.00 | 0.00 | 648.76 | 15.48 | 861.03 | 2,834.41 | DD |
| | | | | | | | | 331.69 | 0.00 | 1,781.78 | | |
| 74 | DAL S HAWKINSON | 09/14/2020 | 5207 | 3,821.18 | 0.00 | 91.00 | 0.00 | 512.31 | 5.49 | 847.17 | 2,461.70 | DD |
| | | | | | | | | 286.97 | 0.00 | 2,367.11 | | |
| 81 | DEANNE R SHULL | 09/14/2020 | 5208 | 1,790.80 | 0.00 | 88.00 | 0.00 | 297.78 | 34.17 | 337.32 | 1,155.70 | DD |
| | | | | | | | | 135.59 | 0.00 | 1,001.87 | | |
| 84 | MICHAEL S POLLOCK | 09/14/2020 | | 3,421.60 | 0.00 | 89.50 | 0.00 | 711.42 | 6.81 | 584.31 | 2,125.87 | |
| | | | 5209 | | | | | 256.50 | 0.00 | 2,238.40 | 100.00 | DD |
| | | | | | | | | | | | 25.00 | DD |
| | | | | | | | | | | | 25.00 | DD |
| | | | | | | | | | | | 25.00 | DD |
| | | | | | | | | | | | 1,950.87 | DD |
| 85 | CHAD A RUPP | 09/14/2020 | 5210 | 3,635.28 | 0.00 | 88.00 | 0.00 | 516.33 | 21.67 | 741.82 | 2,377.13 | DD |
| | | | | | | | | 270.16 | 0.00 | 2,367.11 | | |
| 89 | CHRIS R TERHUNE | 09/14/2020 | 5211 | 3,635.29 | 0.00 | 88.00 | 0.00 | 477.15 | 15.83 | 1,102.52 | 2,055.62 | DD |
| | | | | | | | | 273.53 | 0.00 | 2,330.76 | | |
| 91 | LARRY D KRAFT | 09/14/2020 | 5212 | 3,821.18 | 0.00 | 91.00 | 0.00 | 449.02 | 40.01 | 750.13 | 2,622.03 | DD |
| | | | | | | | | 289.59 | 0.00 | 2,367.11 | | |
| 93 | MYRON E SEIB | 09/14/2020 | 5213 | 4,998.52 | 0.00 | 110.00 | 0.00 | 628.60 | 26.58 | 1,043.59 | 3,326.33 | DD |
| | | | | | | | | 378.64 | 0.00 | 2,367.11 | | |
| 99 | KEVIN A BRADSTREET | 09/14/2020 | 5214 | 3,635.28 | 0.00 | 88.00 | 0.00 | 419.42 | 17.16 | 1,024.95 | 2,190.91 | DD |

10/12/2020 3:13:03 PM

Accounts Payable Check Register

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09/11/2020 To 10/12/2020

Bank Account: 2 - FIRST STATE BANK

| Check / Tran Date | Pmt Type | Vendor | Vendor Name | Reference | Amount |
|---------------------------------------|-------------|--------|---------------|---------------------------|------------------|
| 46222 10/12/2020 | CHK | 1263 | RICHARD SOREM | October Board Meeting | 399.45 |
| 46223 10/12/2020 | CHK | 1299 | DEANNE SHULL | Cookies for Board Meeting | 72.00 |
| 46224 10/12/2020 | CHK | 1300 | CRAIG RAMSEY | October Board Meeting | 378.75 |
| Total Payments for Bank Account - 2 : | | | | | (123) 340,543.87 |
| Total Voids for Bank Account - 2 : | | | | | (0) 0.00 |
| Total for Bank Account - 2 : | | | | | (123) 340,543.87 |
| Grand Total for Payments : | | | | | (123) 340,543.87 |
| Grand Total for Voids : | | | | | (0) 0.00 |
| Grand Total : | | | | | (123) 340,543.87 |

10/12/2020 3:13:03 PM

Accounts Payable Check Register

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09/11/2020 To 10/12/2020

Bank Account: 2 - FIRST STATE BANK

| Check / Tran Date | Pmt Type | Vendor | Vendor Name | Reference | Amount |
|----------------------|-------------|--------|----------------------------------|----------------------------|-----------|
| 46192 10/12/2020 | CHK | 172 | TYNDALE COMPANY, INC. | Clothing Allowance-Dellon | 34.39 |
| 46193 10/12/2020 | CHK | 179 | RAD ROEHL | October Board Meeting | 360.35 |
| 46194 10/12/2020 | CHK | 184 | JOHNSTONE SUPPLY | Monthly Invoice | 2,222.04 |
| 46195 10/12/2020 | CHK | 187 | S&W SUPPLY DIVISION | Monthly Invoice | 36.00 |
| 46196 10/12/2020 | CHK | 269 | ANIXTER INC | Monthly Invoice | 979.21 |
| 46197 10/12/2020 | CHK | 289 | EMEDCO INC | Monthly Invoice | 172.52 |
| 46198 10/12/2020 | CHK | 293 | CHAMBLESS ROOFING INC | Roof Repair | 5,967.00 |
| 46199 10/12/2020 | CHK | 304 | STECKLINE COMMUNICATIONS INC | Monthly Invoice | 100.00 |
| 46200 10/12/2020 | CHK | 306 | BORDER STATES INDUSTRIES INC | Monthly Invoice | 2,251.86 |
| 46201 10/12/2020 | CHK | 346 | HYSPECO, INC. | Monthly Invoice | 254.80 |
| 46202 10/12/2020 | CHK | 387 | WESTERN FUEL & SUPPLY | Monthly Fuel Invoice | 129.91 |
| 46203 10/12/2020 | CHK | 395 | DOLLAR GENERAL - REGIONS 410526 | Supplies | 89.23 |
| 46204 10/12/2020 | CHK | 406 | RICHARD MCLEON | Mileage to Sunflower Mtg | 102.35 |
| 46205 10/12/2020 | CHK | 413 | MERIDIAN ANALYTICAL LABS, LLC | Hydrocarbon | 14.75 |
| 46206 10/12/2020 | CHK | 443 | BROOKS BROTHERS TRAILERS | Trailer #702 | 20,545.00 |
| 46207 10/12/2020 | CHK | 444 | HAYS CAR & TRUCK ALIGNMENT, INC. | Truck #173, 150, 174 | 1,500.63 |
| 46208 10/12/2020 | CHK | 450 | RANDALL G EVANS | October Board Meeting | 350.58 |
| 46209 10/12/2020 | CHK | 452 | DAVIS AG-A/C SERVICE LLC | Oil Change #123 | 138.98 |
| 46210 10/12/2020 | CHK | 454 | OCONNER COMPANY | Monthly Invoice | 4,312.68 |
| 46211 10/12/2020 | CHK | 459 | YESTERDAYS BODY SHOP | Truck #191-Mirror Lens | 68.30 |
| 46212 10/12/2020 | CHK | 463 | REIF WELDING & CONSTRUCTION LLC | Crane for AC at Courthouse | 935.00 |
| 46213 10/12/2020 | CHK | 506 | K&J FOODS | Monthly Invoice | 178.91 |
| 46214 10/12/2020 | CHK | 1016 | KANSAS ONE-CALL SYSTEM INC | Locate Fee | 45.60 |
| 46215 10/12/2020 | CHK | 1169 | WASHER SPECIALTIES CO. | Monthly Invoice | 138.79 |
| 46216 10/12/2020 | CHK | 1171 | MARCONI APPLIANCE PTS CO B 177 | Monthly Invoice | 151.97 |
| 46217 10/12/2020 | CHK | 1172 | WESTERN SUPPLY COMPANY | Monthly Invoice | 133.61 |
| 46218 10/12/2020 | CHK | 1197 | GARDEN CITY WHOLESALE SUPPLY | Monthly Invoice | 5,778.12 |
| 46219 10/12/2020 | CHK | 1213 | NRECA GROUP ADMIN | FSA Fees | 15.00 |
| 46220 10/12/2020 | CHK | 1225 | CINTAS CORPORATION | Monthly Invoice-Dighton | 85.56 |
| 46221 10/12/2020 | CHK | 1251 | TECHLINE, LTD | Monthly Invoice | 4,436.14 |

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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 |
|----------------------|-------------|--------|----------------------------------|--|-----------|
| 46169 10/01/2020 | CHK | 107 | CINTAS CORPORATION #449 | Monthly Invoice - Dighton | 191.03 |
| 46170 10/01/2020 | CHK | 172 | TYNDALE COMPANY, INC. | Clothing Allow-Bradstreet, Mann& Shelton | 405.64 |
| 46171 10/01/2020 | CHK | 175 | CBC LAWN CARE | Lawn Care | 417.18 |
| 46172 10/01/2020 | CHK | 259 | FIRE ALARM SPECIALIST, INC | Annual Testing & Maintenance | 120.00 |
| 46173 10/01/2020 | CHK | 312 | DODGE CITY CONCRETE INC | Concrete Repair at Ness City | 951.55 |
| 46174 10/01/2020 | CHK | 456 | GENERAC POWER SYSTEMS | Smart Switch | 309.90 |
| 46175 10/01/2020 | CHK | 1237 | SNYDER RADIO SERVICE, INC. | Maintenance and replace radios | 2,048.62 |
| 46176 10/01/2020 | CHK | 1243 | TRI-CENTRAL OFFICE SUP-HAYS | Supplies | 65.20 |
| 2208 10/02/2020 | WIRE | 274 | VERIZON WIRELESS | Monthly Invoice | 313.74 |
| 2212 10/05/2020 | WIRE | 1224 | NRECA RETIREMENT & SECURITY | NRECA RS - Group Insurance | 35,733.87 |
| 2209 10/06/2020 | WIRE | 168 | ONLINE INFORMATION SERVICES, INC | Utility Exchange Rpt | 51.60 |
| 2213 10/06/2020 | WIRE | 62 | NRECA GROUP BENEFITS TRUST | NRECA Group 1 - October Group Insurance | 2,586.16 |
| 2214 10/06/2020 | WIRE | 180 | NRECA | NRECA Grp 1 Adm Fee-Oct Grp Ins Adm Fe | 208.09 |
| 2210 10/07/2020 | WIRE | 1267 | AFLAC | Monthly Premiums | 473.54 |
| 2211 10/09/2020 | WIRE | 18 | CITY OF DIGHTON | Monthly Invoice | 2,252.88 |
| 46177 10/12/2020 | CHK | 14 | OFFICE SOLUTIONS, INC | Monthly Invoice | 56.42 |
| 46178 10/12/2020 | CHK | 30 | HAROLD HOSS | October Board Meeting | 384.50 |
| 46179 10/12/2020 | CHK | 32 | WESCO RECEIVABLES INC | Monthly Invoice | 2,515.04 |
| 46180 10/12/2020 | CHK | 34 | AMERICAN SAFETY UTILITY CORP | Monthly Invoice | 342.59 |
| 46181 10/12/2020 | CHK | 40 | KANSAS ELECTRIC COOPERATIVES | KEC Dues | 6,482.55 |
| 46182 10/12/2020 | CHK | 45 | BUMPER TO BUMPER OF DIGHTON | Monthly Invoice | 289.48 |
| 46183 10/12/2020 | CHK | 55 | NESS COUNTY NEWS | Advertising | 149.20 |
| 46184 10/12/2020 | CHK | 60 | PAUL SEIB JR | October Board Meeting | 387.95 |
| 46185 10/12/2020 | CHK | 63 | RICHARD JENNISON | October Board Meeting | 364.95 |
| 46186 10/12/2020 | CHK | 74 | WEBER REFRIGERATION & HEATING I | Blower Motors | 755.00 |
| 46187 10/12/2020 | CHK | 96 | STEPHENS LUMBER - DIGHTON | Monthly Invoice | 128.14 |
| 46188 10/12/2020 | CHK | 104 | HOME OIL CO | Monthly Fuel Invoice | 492.70 |
| 46189 10/12/2020 | CHK | 117 | NESS CITY FARM & FEED | Monthly Invoice | 172.39 |
| 46190 10/12/2020 | CHK | 146 | REBECCA CAMPBELL | Clothing Allowance | 50.00 |
| 46191 10/12/2020 | CHK | 151 | KNIGHTS OF COLUMBUS | Donation-Tootsie Roll Drive | 100.00 |

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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 |
|----------------------|-------------|--------|----------------------------------|----------------------------------|-----------|
| 2205 09/28/2020 | WIRE | 1290 | WEX BANK | Monthly Fuel Invoice | 421.41 |
| 46141 09/28/2020 | CHK | 1 | RAMON SANCHEZ | Tree trimming | 275.00 |
| 46142 09/28/2020 | CHK | 1 | USD 303 | Yearbook Ad | 200.00 |
| 46143 09/28/2020 | CHK | 40 | KANSAS ELECTRIC COOPERATIVES | By Laws Booklet, Monthly Invoice | 2,599.96 |
| 46144 09/28/2020 | CHK | 105 | CITY OF NESS CITY | Franchise Fee | 6,666.95 |
| 46145 09/28/2020 | CHK | 135 | CITY OF BAZINE | Franchise Fee | 1,905.21 |
| 46146 09/28/2020 | CHK | 160 | SHULL OIL COMPANY | Monthly Fuel Invoice | 4,289.13 |
| 46147 09/28/2020 | CHK | 198 | OTIS ELEVATOR COMPANY | Elevator Maintenance | 138.37 |
| 46148 09/28/2020 | CHK | 253 | FARM CREDIT LEASING SERVICES COR | Truck Lease Payments | 9,548.69 |
| 46149 09/28/2020 | CHK | 357 | ZOHO CORPORATION #4926 | License Fee-Software | 898.70 |
| 46150 09/28/2020 | CHK | 429 | IT1 CONSULTING LLC | Microsoft 365 | 22.78 |
| 46151 09/28/2020 | CHK | 456 | GENERAC POWER SYSTEMS | Generator | 4,690.00 |
| 46152 09/28/2020 | CHK | 461 | INSIDE INFORMATION, INC. | Member Satisfaction Survey | 7,250.00 |
| 46153 09/28/2020 | CHK | 462 | 176 KEYS DUELINGPIANOS SHOW | Xmas Party | 1,245.00 |
| 46154 09/28/2020 | CHK | 803 | ALTEC INDUSTRIES, INC | Parts for #117 | 470.84 |
| 46155 09/28/2020 | CHK | 1225 | CINTAS CORPORATION | Monthly Invoice- Dighton | 117.80 |
| 46156 09/28/2020 | CHK | 1244 | PROTECTIVE EQUIPMENT TESTING | Monthly Invoice | 1,303.50 |
| 46157 09/28/2020 | CHK | 1285 | TIFCO INDUSTRIES | Monthly Invoice | 92.68 |
| 46158 09/28/2020 | CHK | 1293 | DAL HAWKINSON | Clothing Allowance-Dal Hawkinson | 23.32 |
| 46159 09/28/2020 | CHK | 9999 | EDUARDO J CASTILLO | INACTIVE REFUND | 212.34 |
| 46160 09/28/2020 | CHK | 9999 | CARLY DERR-COLLAZO | INACTIVE REFUND | 206.66 |
| 46161 09/28/2020 | CHK | 9999 | WILLIAM L JONES | INACTIVE REFUND | 16.53 |
| 46162 09/28/2020 | CHK | 9999 | TANDY KRAFT | INACTIVE REFUND | 171.31 |
| 46163 09/28/2020 | CHK | 9999 | ISRAEL LOZANO | INACTIVE REFUND | 157.36 |
| 46164 09/28/2020 | CHK | 9999 | JASMINE MORRISON | INACTIVE REFUND | 378.17 |
| 46165 09/28/2020 | CHK | 9999 | MARY SLAGLE | INACTIVE REFUND | 483.35 |
| 2206 09/29/2020 | WIRE | 1187 | MIDWEST ENERGY | Monthly Invoice | 57.06 |
| 46166 10/01/2020 | CHK | 25 | LANE-SCOTT ELECTRIC COOPERATIVE, | Payroll Transfer | 50,500.00 |
| 46167 10/01/2020 | CHK | 73 | STANION WHOLESALE ELEC CO INC | Monthly Invoice | 30,941.75 |
| 46168 10/01/2020 | CHK | 79 | POSTMASTER | Postage-Newsletter | 104.32 |

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Bank Account: 2 - FIRST STATE BANK

| Check / Tran Date | Pmt Type | Vendor | Vendor Name | Reference | Amount |
|----------------------|-------------|--------|----------------------------------|-----------------------------------|-----------|
| 2196 09/11/2020 | WIRE | 1160 | S&T TELEPHONE COOP ASSN. | Monthly Invoice | 879.76 |
| 2195 09/14/2020 | WIRE | 124 | GOLDEN BELT TELEPHONE | Monthly Invoice | 187.36 |
| 46122 09/16/2020 | CHK | 15 | ERIC DOLL | September Board Meeting | 390.25 |
| 46123 09/16/2020 | CHK | 25 | LANE-SCOTT ELECTRIC COOPERATIVE, | Payroll Transfer | 51,500.00 |
| 46124 09/16/2020 | CHK | 30 | HAROLD HOSS | September Board Meeting | 384.50 |
| 46125 09/16/2020 | CHK | 34 | AMERICAN SAFETY UTILITY CORP | Clothing Allowance-Leighton Ayers | 64.25 |
| 46126 09/16/2020 | CHK | 48 | JOY PECK | Land Lease - Substation | 75.00 |
| 46127 09/16/2020 | CHK | 51 | MONA L PECK | Land Lease - Substation | 75.00 |
| 46128 09/16/2020 | CHK | 60 | PAUL SEIB JR | September Board Meeting | 387.95 |
| 46129 09/16/2020 | CHK | 63 | RICHARD JENNISON | September Board Meeting | 364.95 |
| 46130 09/16/2020 | CHK | 105 | CITY OF NESS CITY | Monthly Invoice | 25.78 |
| 46131 09/16/2020 | CHK | 179 | RAD ROEHL | September Board Meeting | 360.35 |
| 46132 09/16/2020 | CHK | 202 | CHAD GRIFFITH | September Board Meeting | 393.13 |
| 46133 09/16/2020 | CHK | 304 | STECKLINE COMMUNICATIONS INC | Advertising | 100.00 |
| 46134 09/16/2020 | CHK | 383 | HUXFORD POLE AND TIMBER CO INC | Poles | 11,885.96 |
| 46135 09/16/2020 | CHK | 429 | IT1 CONSULTING LLC | Microsoft 365 software | 11.39 |
| 46136 09/16/2020 | CHK | 450 | RANDALL G EVANS | September Board meeting | 350.58 |
| 46137 09/16/2020 | CHK | 903 | NISC | Monthly Invoice | 12,756.46 |
| 46138 09/16/2020 | CHK | 1263 | RICHARD SOREM | September Board Meeting | 399.45 |
| 46139 09/16/2020 | CHK | 1299 | DEANNE SHULL | Cookies for Board meeting | 72.00 |
| 46140 09/16/2020 | CHK | 1300 | CRAIG RAMSEY | September Board Meeting | 378.75 |
| 2207 09/17/2020 | WIRE | 265 | HASLER - POSTAGE ACH | Postage | 250.00 |
| 2197 09/18/2020 | WIRE | 274 | VERIZON WIRELESS | Monthly Invoice | 675.03 |
| 2198 09/18/2020 | WIRE | 1229 | SCHABEN SANITATION | Monthly Invoice | 452.03 |
| 2199 09/21/2020 | WIRE | 1271 | CARDMEMBER SERVICE | Monthly Invoice | 1,193.84 |
| 2200 09/22/2020 | WIRE | 1239 | CULLIGAN OF DODGE CITY | Monthly Invoice | 95.70 |
| 2202 09/22/2020 | WIRE | 121 | FED-EX | Monthly Invoice | 113.43 |
| 2201 09/24/2020 | WIRE | 101 | ATMOS ENERGY | Monthly Invoice | 47.95 |
| 2203 09/25/2020 | WIRE | 263 | KS DEPT OF REVENUE - SALES TAX | Sales Tax | 20,080.66 |
| 2204 09/25/2020 | WIRE | 264 | KS DEPT OF REVENUE - USE TAX | Use Tax | 24.78 |

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 <div style="text-align: right;">KS0042</div> |
| | PERIOD ENDED September 2020 |
| INSTRUCTIONS - See help in the online application. | BORROWER NAME <div style="text-align: right;">The Lane-Scott Electric Cooperative, Inc.</div> |

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

CERTIFICATION

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

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

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

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

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

 DATE

| PART A. STATEMENT OF OPERATIONS | | | | |
|--|------------------|------------------|---------------|------------|
| ITEM | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital | 13,869,822 | 12,609,082 | 13,713,424 | 1,503,006 |
| 2. Power Production Expense | | | | |
| 3. Cost of Purchased Power | 8,022,209 | 7,264,886 | 8,180,625 | 764,483 |
| 4. Transmission Expense | 5,119 | 1,592 | 5,620 | 150 |
| 5. Regional Market Expense | | | | |
| 6. Distribution Expense - Operation | 967,597 | 1,071,509 | 1,035,029 | 139,743 |
| 7. Distribution Expense - Maintenance | 502,331 | 632,129 | 551,504 | 86,572 |
| 8. Customer Accounts Expense | 160,655 | 148,662 | 169,827 | 16,926 |
| 9. Customer Service and Informational Expense | 23,177 | 31,337 | 24,604 | 4,004 |
| 10. Sales Expense | 41,224 | 46,967 | 56,354 | 12,239 |
| 11. Administrative and General Expense | 1,082,748 | 961,097 | 1,038,528 | 92,541 |
| 12. Total Operation & Maintenance Expense (2 thru 11) | 10,805,060 | 10,158,179 | 11,062,091 | 1,116,658 |
| 13. Depreciation and Amortization Expense | 1,169,371 | 1,231,551 | 1,209,884 | 139,227 |
| 14. Tax Expense - Property & Gross Receipts | | | | |
| 15. Tax Expense - Other | | | | |
| 16. Interest on Long-Term Debt | 937,187 | 1,001,987 | 964,117 | 113,082 |
| 17. Interest Charged to Construction - Credit | | | | |
| 18. Interest Expense - Other | 2,585 | 1,486 | 2,725 | 162 |
| 19. Other Deductions | 8,832 | 6,808 | 11,905 | 100 |
| 20. Total Cost of Electric Service (12 thru 19) | 12,923,035 | 12,400,011 | 13,250,722 | 1,369,229 |
| 21. Patronage Capital & Operating Margins (1 minus 20) | 946,787 | 209,071 | 462,702 | 133,777 |
| 22. Non Operating Margins - Interest | 190,114 | 189,535 | 31,273 | 54,831 |
| 23. Allowance for Funds Used During Construction | | | | |
| 24. Income (Loss) from Equity Investments | | | | |
| 25. Non Operating Margins - Other | 52,438 | (58,099) | 45,000 | (15,926) |
| 26. Generation and Transmission Capital Credits | 4 | | | |
| 27. Other Capital Credits and Patronage Dividends | 45,910 | 43,756 | 50,000 | 25,557 |
| 28. Extraordinary Items | | | | |
| 29. Patronage Capital or Margins (21 thru 28) | 1,235,253 | 384,263 | 588,975 | 198,239 |

| UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION | | | BORROWER DESIGNATION KS0042 | | |
|---|------------------|------------------|--|------------------|------------------|
| INSTRUCTIONS - See help in the online application. | | | PERIOD ENDED September 2020 | | |
| 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 | 43 | 44 | 5. Miles Transmission | | |
| 2. Services Retired | 17 | 49 | 6. Miles Distribution – Overhead | 2,035.31 | 2,036.59 |
| 3. Total Services in Place | 6,051 | 6,034 | 7. Miles Distribution - Underground | 7.15 | 7.53 |
| 4. Idle Services (Exclude Seasonals) | 225 | 244 | 8. Total Miles Energized (5 + 6 + 7) | 2,042.46 | 2,044.12 |
| PART C. BALANCE SHEET | | | | | |
| ASSETS AND OTHER DEBITS | | | LIABILITIES AND OTHER CREDITS | | |
| 1. Total Utility Plant in Service | 57,834,258 | | 30. Memberships | 0 | |
| 2. Construction Work in Progress | 502,527 | | 31. Patronage Capital | 21,511,691 | |
| 3. Total Utility Plant (1 + 2) | 58,336,785 | | 32. Operating Margins - Prior Years | 0 | |
| 4. Accum. Provision for Depreciation and Amort. | 17,522,901 | | 33. Operating Margins - Current Year | 209,072 | |
| 5. Net Utility Plant (3 - 4) | 40,813,884 | | 34. Non-Operating Margins | 175,191 | |
| 6. Non-Utility Property (Net) | 0 | | 35. Other Margins and Equities | 138,242 | |
| 7. Investments in Subsidiary Companies | 255,405 | | 36. Total Margins & Equities (30 thru 35) | 22,034,196 | |
| 8. Invest. in Assoc. Org. - Patronage Capital | 10,817,807 | | 37. Long-Term Debt - RUS (Net) | 0 | |
| 9. Invest. in Assoc. Org. - Other - General Funds | 445,461 | | 38. Long-Term Debt - FFB - RUS Guaranteed | 34,114,894 | |
| 10. Invest. in Assoc. Org. - Other - Nongeneral Funds | 221,958 | | 39. Long-Term Debt - Other - RUS Guaranteed | 0 | |
| 11. Investments in Economic Development Projects | 0 | | 40. Long-Term Debt Other (Net) | 5,930,384 | |
| 12. Other Investments | 5,501 | | 41. Long-Term Debt - RUS - Econ. Devel. (Net) | 150,400 | |
| 13. Special Funds | 0 | | 42. Payments – Unapplied | 4,168,125 | |
| 14. Total Other Property & Investments (6 thru 13) | 11,746,132 | | 43. Total Long-Term Debt (37 thru 41 - 42) | 36,027,553 | |
| 15. Cash - General Funds | 242,739 | | 44. Obligations Under Capital Leases - Noncurrent | 246,596 | |
| 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) | 246,596 | |
| 18. Temporary Investments | 6,266,025 | | 47. Notes Payable | 0 | |
| 19. Notes Receivable (Net) | 0 | | 48. Accounts Payable | 922,158 | |
| 20. Accounts Receivable - Sales of Energy (Net) | 1,336,795 | | 49. Consumers Deposits | 118,319 | |
| 21. Accounts Receivable - Other (Net) | 201,939 | | | | |
| 22. Renewable Energy Credits | 0 | | 50. Current Maturities Long-Term Debt | 1,394,424 | |
| 23. Materials and Supplies - Electric & Other | 307,364 | | 51. Current Maturities Long-Term Debt - Economic Development | 0 | |
| 24. Prepayments | 60,275 | | 52. Current Maturities Capital Leases | 89,529 | |
| 25. Other Current and Accrued Assets | 55,664 | | 53. Other Current and Accrued Liabilities | 815,661 | |
| 26. Total Current and Accrued Assets (15 thru 25) | 8,470,926 | | 54. Total Current & Accrued Liabilities (47 thru 53) | 3,340,091 | |
| 27. Regulatory Assets | 0 | | 55. Regulatory Liabilities | 0 | |
| 28. Other Deferred Debits | 617,494 | | 56. Other Deferred Credits | 0 | |
| 29. Total Assets and Other Debits (5+14+26 thru 28) | 61,648,436 | | 57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56) | 61,648,436 | |
| | | | | | |
| | | | | | |

LANE-SCOTT ELECTRIC ENERGY SALES STATISTICS FOR SEPTEMBER 2020

| CLASS OF SERVICE | NO. RECEIVING SERVICE | | kWh SOLD | | AMOUNT BILLED | | Y.T.D AVERAGE | | SALE PRICE PER kWh Y.T.D. |
|-------------------------------|-----------------------|------------|------------|-------------|---------------|--------------|---------------|-------------|---------------------------|
| | Y.T.D. AVG. | THIS MONTH | THIS MONTH | Y.T.D. | THIS MONTH | Y.T.D. | kWh USED | AMOUNT | |
| Residential Sales | 2,232 | 2,229 | 2,015,333 | 18,799,939 | \$243,413 | \$2,148,155 | 936 | \$106.95 | 11.43 |
| Residential Sales-Seasonal | 51 | 53 | 12,837 | 108,548 | \$2,522 | \$20,932 | | | |
| Irrigation Sales | 334 | 333 | 582,664 | 8,214,824 | \$53,873 | \$737,322 | | | |
| Small Commercial | 1,838 | 1,832 | 3,713,580 | 34,624,283 | \$412,665 | \$3,594,234 | 2,093 | \$217.31 | 10.38 |
| Large Commercial | 185 | 187 | 2,468,273 | 24,114,326 | \$296,529 | \$2,719,683 | 14,466 | \$1,631.48 | 11.28 |
| Public Street Lighting | 13 | 13 | 35,906 | 323,154 | \$4,668 | \$40,449 | | | |
| Public Building Sales | 44 | 49 | 26,233 | 251,597 | \$3,929 | \$36,095 | | | |
| Non-Domestic | 1,059 | 1,060 | 149,657 | 1,476,068 | \$30,691 | \$279,053 | | | |
| City of Dighton | 1 | 1 | 726,704 | 8,233,124 | \$59,400 | \$590,633 | 914,792 | \$65,625.91 | 7.17 |
| Idle Services on rate 90 | 30 | 29 | 0 | 0 | \$0 | \$1,859 | | | |
| Large Industrial | 3 | 3 | 2,223,250 | 24,639,530 | \$208,589 | \$1,953,920 | 912,575 | \$72,367.40 | 7.93 |
| Irrigation Horsepower Charges | 0 | 0 | | | \$0 | \$264,332 | | | |
| Total Energy Sales | 5,789 | 5,789 | 11,954,437 | 120,785,393 | \$1,316,278 | \$12,386,666 | | | 10.26 |
| Other Electric Revenue | | | | | \$186,728 | \$222,416 | | | |
| Total | | | | | \$1,503,006 | \$12,609,082 | | | |

SUBSTATION DATA

| Substation | (NCP)KW | kWh Purchased | Cost Per kWh | kWh Sold | Line Loss | Load Factor-P | Load Factor-S |
|----------------------------|---------|---------------|--------------|------------|-----------|---------------|---------------|
| Beeler-Sub 3 | 5,196 | 3,014,381 | | 2,380,262 | 21.04% | 80.57% | 63.62% |
| Dighton-Sub 1 - 7200 | 1,959 | 871,443 | | 1,339,520 | -53.71% | 61.78% | 94.97% |
| Dighton-Sub 2 - 14400 | 4,143 | 1,858,322 | | 1,798,441 | 3.22% | 62.30% | 60.29% |
| Manning-Sub 4 | 5,439 | 2,817,148 | | 2,436,545 | 13.51% | 71.94% | 62.22% |
| LS Seaboard-Sub 5 | 165 | 75,227 | | 74,102 | 1.50% | 63.32% | 62.38% |
| Twin Springs Lo 7.6-Sub 7 | 204 | 76,905 | | 81,205 | -5.59% | 52.36% | 55.29% |
| Twin Springs Hi 14.1-Sub 8 | 283 | 118,456 | | 114,013 | 3.75% | 58.14% | 55.95% |
| City of Dighton | 2,127 | 647,780 | 7.9100 | 647,780 | 0.00% | 42.30% | 42.30% |
| City of Dighton - WAPA | 136 | 78,924 | 3.3200 | 78,924 | 0.00% | 80.60% | 80.60% |
| Alexander 115 | 1,766 | 827,844 | | 839,792 | -1.44% | 65.11% | 66.05% |
| Ness City 115 | 4,296 | 1,582,450 | | 2,163,853 | -36.74% | 51.16% | 69.96% |
| Total | 25,714 | 11,968,880 | 6.3200 | 11,954,437 | 0.12% | 64.65% | 64.57% |

RUS/CFC LOAN FUND TRANSACTIONS

MISC.

OTHER STATISTICS

| | | | | Y.T.D | M.T.D. |
|---------------------------------|---------------|-------------------------------|-------------|----------------------------|-------------|
| Gross Obligation to RUS | \$ 54,111,889 | General Fund Balance | \$28,742 | Miles Energized | 2044.12 |
| Pymts Applied Against Principal | \$ 19,153,447 | MMDA Investments | \$211,736 | Density | 2.83 |
| Net Obligation to RUS | \$ 34,958,442 | Cash Available at Month End | \$240,478 | kWh Purchased | 126,013,285 |
| CFC Line of Credit | \$ - | | | kWh Sold (Inc. Office Use) | 119,240,282 |
| CoBank Line of Credit | \$ - | CFC Investments - CP, SN, MTN | \$6,054,288 | Percent of Line Loss | 5.37% |
| CFC Note #9004-RUS refinance | \$ 5,969,824 | CFC CTC's | \$221,958 | Idle Services | 244 |
| CFC Note #9006-RS Prepymt | \$ 511,435 | | | Oper. Revenue Per kWh Sold | 10.57 |
| | | | | Expense Per kWh Sold | 10.40 |
| | | | | Income Per Mile | 735.28 |
| | | | | Expense Per Mile | 669.84 |

ACCOUNT AGING

| | Current | 30-89 Days | 90 Plus |
|--------------------------------|-------------|------------|----------|
| Irrigation Accounts Receivable | \$40,275 | \$494 | |
| Electric Accounts Receivable | \$1,228,820 | \$25,492 | \$16,037 |
| Retail Accounts Receivable | \$61,694 | \$5,629 | \$2,105 |

2020-Line 25 - Non-Operating Margins

| | | January | February | March | April | May | June | July | August | September | October | November | December | TOTAL | |
|----------------------------|--------|---------------|--------------|--------------|--------------|---------------|-------------|--------------|---------------|---------------|------------|--------------|--------------|---------------|--------|
| Rev.-Electrician & Mat. | 415.1 | \$15,472.59 | \$30,072.11 | \$22,131.12 | \$16,256.87 | \$17,444.15 | \$43,910.78 | \$26,119.47 | \$48,194.82 | \$23,654.32 | | | | \$243,256.23 | 415.1 |
| Exp.-Electrician & Mat. | 416.1 | \$25,241.80 | \$31,472.18 | \$26,525.09 | \$19,061.30 | \$26,780.14 | \$37,634.53 | \$30,617.76 | \$60,759.19 | \$41,616.06 | | | | \$299,708.05 | 416.1 |
| | | (\$9,769.21) | (\$1,400.07) | (\$4,393.97) | (\$2,804.43) | (\$9,335.99) | \$6,276.25 | (\$4,498.29) | (\$12,564.37) | (\$17,961.74) | \$0.00 | \$0.00 | \$0.00 | (\$56,451.82) | |
| Rev.-Appliance Repair | 415.2 | \$11,413.72 | \$6,562.93 | \$14,607.11 | \$6,185.77 | \$16,155.53 | \$23,010.39 | \$28,874.65 | \$8,799.94 | \$29,278.25 | | | | \$144,888.29 | 415.2 |
| Exp.-Appliance Repair | 416.2 | \$13,809.81 | \$13,167.26 | \$18,849.37 | \$10,369.45 | \$22,385.60 | \$23,411.48 | \$24,260.11 | \$17,130.44 | \$26,971.23 | | | | \$170,354.75 | 416.2 |
| | | (\$2,396.09) | (\$6,604.33) | (\$4,242.26) | (\$4,183.68) | (\$6,230.07) | (\$401.09) | \$4,614.54 | (\$8,330.50) | \$2,307.02 | \$0.00 | \$0.00 | \$0.00 | (\$25,466.46) | |
| Rev.-Member Damages | 415.3 | \$1,641.57 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$1,056.66 | \$3,324.93 | \$0.00 | | | | \$6,023.16 | 415.3 |
| Exp.-Member Damages | 416.3 | \$1,785.22 | \$0.00 | \$0.00 | \$1,424.56 | \$0.00 | \$0.00 | \$960.07 | \$2,090.79 | \$374.40 | | | | \$6,635.04 | 416.3 |
| | | (\$143.65) | \$0.00 | \$0.00 | (\$1,424.56) | \$0.00 | \$0.00 | \$96.59 | \$1,234.14 | (\$374.40) | \$0.00 | \$0.00 | \$0.00 | (\$611.88) | |
| Finance Charges | 415.5 | \$213.65 | \$215.01 | \$127.41 | \$67.63 | \$51.75 | \$30.29 | (\$7.35) | \$122.55 | \$103.22 | | | | \$924.16 | 415.5 |
| MARGIN-Resale | | (\$12,095.30) | (\$7,789.39) | (\$8,508.82) | (\$8,345.04) | (\$15,514.31) | \$5,905.45 | \$205.49 | (\$19,538.18) | (\$15,925.90) | \$0.00 | \$0.00 | \$0.00 | (\$81,606.00) | |
| 2010-2019 (less 2013) avg: | | (\$6,716.41) | (\$1,979.83) | (\$394.96) | (\$2,093.74) | \$1,375.71 | \$8,307.97 | (\$5,201.07) | \$2,708.80 | \$1,250.54 | \$3,217.63 | (\$1,997.01) | (\$4,867.14) | (\$6,389.52) | |
| Rev.-City of Dighton | 417.0 | \$12,437.50 | \$12,437.50 | \$12,437.50 | \$12,437.50 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$49,750.00 | 417.0 |
| Exp.-Sup. & Engineering | 417.1 | \$935.28 | \$621.24 | \$1,445.09 | \$1,932.46 | \$994.82 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$5,928.89 | 417.1 |
| Exp.-Material | 417.11 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 417.11 |
| Exp.-Overhead Lines | 417.2 | \$4,111.99 | \$2,515.62 | \$2,590.92 | \$3,796.54 | \$779.19 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$13,794.26 | 417.2 |
| Exp.-Cons. Accts. | 417.3 | \$894.56 | \$1,039.11 | \$58.08 | \$341.90 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$2,333.65 | 417.3 |
| Exp.-Line Patrol | 417.4 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 417.4 |
| Exp.-Street Lights | 417.5 | \$1,717.99 | \$299.41 | \$1,767.97 | \$845.40 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$4,630.77 | 417.5 |
| Exp.-Meter Reading | 417.6 | \$810.02 | \$934.38 | \$732.35 | \$838.67 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$3,315.42 | 417.6 |
| Exp.-Tree Trimming | 417.7 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 417.7 |
| Exp.-Trans. & Meters | 417.8 | \$0.00 | \$72.66 | \$1,496.82 | \$321.61 | \$147.96 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$2,039.05 | 417.8 |
| Exp.-Misc. | 417.9 | \$115.54 | \$614.97 | \$150.55 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$881.06 | 417.9 |
| Exp.-Contract | 417.12 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 417.12 |
| Total Expenses | | \$8,585.38 | \$6,097.39 | \$8,241.78 | \$8,076.58 | \$1,921.97 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$32,923.10 | |
| MARGIN-City | | \$3,852.12 | \$6,340.11 | \$4,195.72 | \$4,360.92 | (\$1,921.97) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$16,826.90 | |
| Misc. Income | 421.0 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | (\$900.00) | \$0.00 | \$0.00 | \$0.00 | | | | (\$900.00) | 421.0 |
| Gain on Disposal | 421.1 | \$0.00 | \$356.00 | \$0.00 | \$0.00 | \$17,500.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | | | \$17,856.00 | 421.1 |
| Loss on Disposal | 421.2 | \$0.00 | \$152.00 | (\$686.21) | \$0.00 | (\$9,741.98) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | | | | (\$10,276.19) | 421.2 |
| NET NON-OP MARGIN | | (\$8,243.18) | (\$941.28) | (\$4,999.31) | (\$3,984.12) | (\$9,678.26) | \$5,005.45 | \$205.49 | (\$19,538.18) | (\$15,925.90) | \$0.00 | \$0.00 | \$0.00 | (\$58,099.29) | |

| | Current Month | | | | YTD Total | | | |
|---------|---------------|----------------|-------------|--------------------|--------------|----------------|-------------|--------------------|
| | Billed Hours | Unbilled Hours | Hourly Rate | Total Unbilled Rev | Billed Hours | Unbilled Hours | Hourly Rate | Total Unbilled Rev |
| Kalo | 127.5 | 49.5 | \$ 85.00 | \$ 4,207.50 | 996.5 | 592 | \$ 85.00 | \$ 50,320.00 |
| Michael | 125 | 54 | \$ 85.00 | \$ 4,590.00 | 1060.5 | 515.5 | \$ 85.00 | \$ 43,817.50 |
| Mark | 141 | 35 | \$ 85.00 | \$ 2,975.00 | 1182.5 | 390.5 | \$ 85.00 | \$ 33,192.50 |
| | 393.5 | 138.5 | | \$ 11,772.50 | 3239.5 | 1498 | | \$ 127,330.00 |

LANE-SCOTT ELECTRIC
RESALE OPEN BALANCE (60-90 days)
as of 10/26/2020

| NAME | CURRENT AMOUNT DUE | ACTION TAKEN | LAST PAYMENT | |
|----------------------|--------------------|--------------|--------------|--------|
| | | | | |
| | | | | |
| Black Dog Restaurant | \$ 1,923.35 | pmt | \$ 150.00 | 5-Oct |
| Kalo Mann | \$ - | Paid | \$ 50.36 | 5-Oct |
| John Sanchez | \$ 244.13 | Payments | \$ 100.00 | 15-Oct |
| Greg Anderson | \$ - | paid | \$ 31.18 | 12-Oct |
| Healy USD 468 | \$ 2,812.32 | | | |
| Vernon McBee | \$ 59.10 | Payments | \$ 100.00 | 7-Oct |
| Steve Neeley | \$ 1,318.04 | Payments | \$ 1,300.00 | 5-Oct |
| Wesley Bunch | \$ 113.42 | Payments | \$ 50.00 | 12-Oct |
| Manuel Castillo | \$ 286.64 | Payments | \$ 50.00 | 29-Sep |
| | | | | |
| | | | | |
| . | \$ 6,757.00 | | \$ 1,831.54 | |

Operations Report

PET did dielectric and stress testing of our digger and bucket trucks.

Federated Insurance inspected our facilities, trucks and crew visit.

KDOT inspections of trucks and trailers.

KEC tested hot sticks and layout arms.

Replaced poles for clearance and wind storm damage along with outages, refusing lines and transformers.

Worked on truck maintenance and repairs.

Facilities and grounds maintenance.

Patrolling and line maintenance.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Transformer Losses 1995-2020

[illegible]



SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING SUMMARY

October 16, 2020

SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING

CURRENT ACTIVITIES

Sunflower Members' Conference

The second Sunflower Members' Conference will be a virtual conference due to restrictions triggered by COVID-19. A virtual platform will increase the number of breakout sessions, allow more people to participate, allow outside speakers to be a part of the conference, provide scheduling flexibility, and allow for one more general session. When staff surveyed Member CEOs regarding possible 2020 dates, none of the proposed dates worked for all Members. In a follow-up survey, Members chose February 4 as the preferred date.

Demarcation Update

Staff reviewed the Demarcation Project, the objective of which is to determine clear ownership, cost responsibility, and O&M demarcations. In Phase 1, staff identified the Federal Energy Regulatory Commission's (FERC) functional boundaries differentiating assets that function as transmission and those that do not. Next, Phase 2 will entail determining ownership, cost, and O&M responsibility of assets; and Phase 3 will entail formal, legal documentation. Staff recommended forming a committee representing all Members with cross-functional capabilities to identify expectations and limitations. Financial and accounting staff will also need to weigh in on the project. The Phase 2 target completion date is the fourth quarter of 2021; Phase 3, the fourth quarter of 2022 unless completed concurrent with Phase 2.

ICARE2020/STRATEGY

To prepare for the strategic planning session at the December Board, staff also reviewed objectives, implemented initiatives, and measures related to the Financial perspective of the Strategy Map: mitigate increases in cost, flexible rate structure, realize financial synergies from the merger, increase revenue from wholesale and retail load, and establish optimal equity.

The December Board meeting will be an "open mic" format with participants addressing the strategic topics of their choice to give Sunflower direction. Discussion will also include Members' strategic plans and how those might feed into Sunflower's strategic plan. Topics identified thus far are community solar initiatives, behind-the-meter generation, micro grids, and Member self-supply objectives.

Due to the impacts of COVID-19, the 2020 December strategic planning and Board meetings will be held in Hays instead of Kansas City. The 2021 and 2022 December meetings are slated to return to Kansas City.

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PRESIDENT'S REPORT

Transmission Policy and Planning

SPP conducted its annual Integrated Transmission Planning (ITP) Study to maintain system reliability and decrease system congestion. Trends show a decrease in the rate of load growth, a decline in projects approved for reliability, an increase in generator retirements, growth in renewable resources, an increase in projects approved for economics, and more stakeholder debate over rising transmission costs and equity of allocation of those costs. Sunflower will evaluate new strategic initiatives to address risks associated with SPP's future proposed solutions to trends, including increasing focus on projects outside of Sunflower's zone and convincing SPP to reduce congestion to an acceptable level instead of zero-level congestion.

The FERC zonal placement docket involves the attempt by Tri-County and GridLiance to place new and existing upgraded facilities into Southwest Public Service's (SPS) Zone 11, resulting in a 97% cost shift to zone 11 customers of both the existing and new facilities. The projects have been challenged, and the evidentiary hearing began on August 31 and concluded on September 11. Post-hearing briefs will be filed on October 17 and November 24, with an initial decision expected near the beginning of February.

Technology Services

Staff called the Board's attention to the President's Report pages 24-26, which discusses Robotic Process Automation (RPA). RPA is an emerging technical strategy that automates manually performed business processes and workflows, creating efficiency and effectiveness with improved speed and quality. The technology is currently being applied to two projects to determine if it will be beneficial to the company. More information will be presented to the Board in December.

External Affairs and Member Services

To support P6- Build and Maintain Constructive Relationships, Sunflower disseminated its second survey to non-Member stakeholders. Though the number of responses decreased, marks for Sunflower remained good. The results are available in BoardPaq.

Corporate Services

Western Fuels recently solicited coal bids from five mines. Having refrained from purchasing coal last spring due to the pandemic, staff recommended that the Board approve two contracts to cover 2021-23.

Board action: The Sunflower Board approved the coal contracts as presented.

Financials

Overall Member loads were down 10.61% from budget for the month and 5.09% year-to-date. Large industrial loads were down 15.88% from budget for the month and 6.50% year-to-date. Year-to-date operating expenses were down from budget by \$7.83 million.

Transmission margins were down \$10.7 million year-to-date. An \$11 million (\$5.5 million in June, \$5.5 million in September) accrual was made due to the estimated Transmission Formula Rate Settlement and the 2020 Transmission Formula Rate True-Up. The total estimated Transmission Formula Rate True-up for 2020 is \$11 million, \$5.9 million for the Formula Rate Settlement and \$5.1 million for the 2020 Transmission Formula Rate True-Up.

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WHM Non-Zonal Transmission Rider

In November 2017, the Board voted to socialize costs for the non-Transmission Formula Rate (TFR) portions of the System Backbone Project through Member rates. If the non-TFR cost is not recovered through a transmission charge, it will be included in power supply rates. Since this is a charge for transmission facilities, staff recommended recovering the non-TFR costs by creating a Rider to the WHM tariff. This allows the charge to be billed to the Members using a transmission load ratio share as opposed to a power supply load ratio share. Costs, which are included in next year's budget, would be moved out of power supply and recovered under the Rider, effective January 1, 2021.

Board action: The Sunflower Board approved the proposed method for calculating the project's annual revenue requirement and the Non-Zonal Transmission Rider effective January 1, 2021.

Board action: The Sunflower Board approved KPMG for 2020 audit services as presented.

Paycheck Protection Program (PPP) Loan

Sunflower entered into the PPP loan agreement for \$10 million on April 22, 2020, and is currently being held in a restricted cash account. The \$10 million must be fully allocated within a 24-week timeframe. To meet the PPP loan forgiveness criteria, the loan must be applied to specific expenses, such as payroll for at-risk jobs. Since Power Supply is the most impacted area because of decreasing load and margins due to COVID-19, the PPP funds are being applied to Power Supply payroll to best support employee retention. For the month, Member MWh sales were down 10.6% from budget, and Member non-energy cost adjustments were down 11.5%.

This month's allocation covers payroll from September 1 through October 6, representing five weeks of the 24-week timeframe. October 7 is the deadline for allocating the PPP loan, at which time Sunflower will submit the application for loan forgiveness. Staff will bring the application to the Board for approval prior to submitting it to the lender. The lender will then have 60 days to review the application, and the Small Business Administration will have 90 days.

Board action: The Sunflower Board approved allocating \$2,043,691 from the PPP restricted cash to the generation FERC accounts payroll (50000-55400).

Voting Delegates for the Western Fuels Annual Meeting

Board action: The Sunflower Board elected Stuart Lowry and Jana Horsfall as the voting delegates for the virtual Western Fuels Annual Meeting on Oct. 22.

Richard McLeon

From: Kansas Electric Cooperatives, Inc. <kec@kselectric.ccsend.com> on behalf of Kansas Electric Cooperatives, Inc. <sread@kec.org>
Sent: Friday, October 9, 2020 1:31 PM
To: Richard McLeon
Subject: October KEC Board of Trustees Meeting Summary

Follow Up Flag: Follow up
Flag Status: Flagged



KEC Board Meeting Summary

Oct. 8, 2020, in Wichita

To: KEC Trustees,
Alternate Trustees
and Member System
Managers

From: Shana Read,
Director of Education
and Training

Upcoming KEC Meetings

Dec. 2-3, 2020
KEC Board Meeting
Marriott, Wichita

Jan. 23-26, 2021
KEC Annual Meeting
Capitol Plaza,
Topeka

KEC App

[View the
instructions for
the KEC App](#)

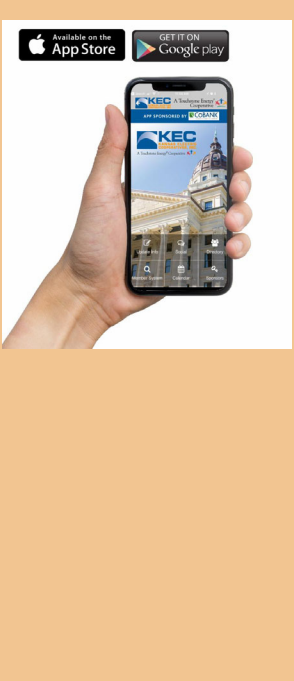
Meeting Summary

In official action at the October Board Meeting, the KEC Board of Trustees:

1. Ratified several updates to the KEC Committee Assignments.
2. Authorized a one-year contract with the Topeka accounting firm of BT&Co. to conduct KEC's audit and prepare the association's 2020 tax returns.
3. As recommended by the Budget and Operations Committee, approved the 2021 salary and benefits budget for KEC.
4. Approved an advocacy framework process within the joint oversight of the Legislative and Regulatory Review and Tax committees.
5. Approved the slate of KEC Board of Trustee meetings for 2021.
6. Approved staff to accept advertising in *Kansas Country Living* featuring the medicinal benefits of CBD oils or related products, but not ads promoting Tetrahydrocannabinol (THC).
7. Accepted revisions to KEC Policy Bulletin 6 and KEC Policy Bulletin 7 as presented.
8. Received proposed Bylaws recommendations for action at the December board meeting.

President Terry Hobbs appointed Shane Laws, Victory; Jim Christopher, DSO; and Shawn Potts, Flint Hills; as the Nominating Committee for the KEC Officer elections in 2021.

The KEC standing committees met prior to the board meeting to review the departmental activities and preliminary budgets for 2021. The KEC Trustees heard department reports from KEC Staff and committee reports from the



following: The **Budget & Operations Committee** reviewed the 2021 salary and benefits budget for KEC. The **Communications Committee** met virtually, received activity reports and reviewed proposed budget items from the Communications Department. The committee also approved an advertising policy recommendation regarding CBD oils. The **Executive Committee** met in person and discussed options for the KEC 2021 Annual Meeting. The **Legislative Committee** and the **Regulatory Review and Tax Committee** met jointly in a virtual meeting and discussed potential legislative issues for 2021 and approved a recommendation for formalizing a member-driven, strategic advocacy framework. The **LCS&C Committee** met virtually and reviewed the proposed budget and department activities. The **Policies and Bylaws Committee** met virtually to review proposed updates to the KEC Bylaws and KEC Policy Bulletins 6 and 7 and approved recommending those changes to the board.

During the hybrid KEC Board Meeting, the Board also heard reports from Pat Morse, Kansas representative to the NRECA Board, and Steve Epperson, CoBank Board Member.

Next Meeting

The next meeting of the KEC Board of Trustees will be Dec. 2-3, 2020, currently scheduled to be held at the Wichita Marriott.

Kansas Touchstone Energy Meeting

All KEC member-cooperatives are invited to attend the hybrid Kansas Touchstone Energy annual meeting on Oct. 22. If you would like to attend in person at Butler's headquarters in El Dorado, or if you'd like to attend virtually, please contact [Shana Read](#), 785-228-4620 for details.

KEC's Co-op Attorney Virtual CLE

Cooperative attorneys, staff, and trustees are invited to virtually attend the annual KCE Co-op Attorney CLE in October. To learn more about the topics, schedule, and CLE credit, please contact [Carol Dorr](#) at 785-228-4614 or [Leslie Kaufman](#) at 785-228-4628.



Kansas Electric Cooperatives, Inc. | PO Box 4267, Topeka, KS 66604

[Unsubscribe richard.mcleon@lanescott.coop](mailto:unsubscribe.richard.mcleon@lanescott.coop)

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Rural Power

INSIDE

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- 3 | Butler seeks CEO as longtime leader plans retirement

Please send
your news
announcements to
ruralpower@kec.org.

Co-op leadership hosts virtual meetings with Kansas elected officials

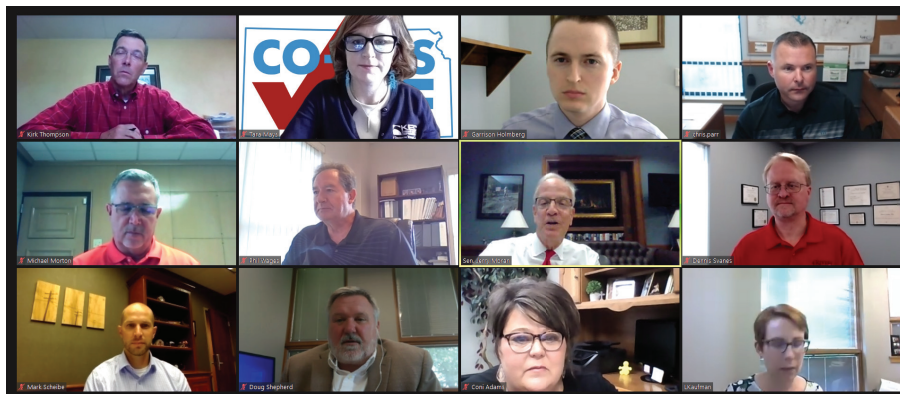
The 2020 September DC Fly-in did not happen as originally planned, but important policy conversations continued nonetheless. Visits with Senators **PAT ROBERTS** and **JERRY MORAN**, and Representatives **RON ESTES**, **STEVE WATKINS**, and **SHARICE DAVIDS**

were held virtually through a series of September meetings.

"While we look forward to being back in DC in person very soon, we were grateful for the opportunity to hold virtual visits with our delegation," said **TARA MAYS**, KEC's director of government relations.

Cooperative representatives used the visits to learn more about discussions happening in the nation's capital.

Co-op leadership shared with the delegation on a variety of issues including COVID response



Kansas electric cooperative officials meet via Zoom with Sen. Jerry Moran on Sept. 22 as part of the series of Congressional virtual visits.

efforts to protect co-op employees and communities, broadband deployment, ways USDA Rural Economic Development Loan and Grant Program (REDLG) funds are being used in communities around Kansas to better serve rural Kansans in the area of health, and the need for RUS loan repricing (Flexible Financing for Rural America Act HR 7483/S 4152).

The discussions occurred at a critical time when congress may need to move quickly on any additional relief packages that would come before the completion of the 116th Congress.

KEC Auxiliary launches scholarship program for youth alumni

The KEC Auxiliary is now accepting applications for its inaugural scholarship program. For the first time, the KEC Auxiliary is offering two \$1,000 scholarships to current college students who participated in either the Electric Cooperative Youth Tour to Washington, D.C., or the Cooperative Youth Leadership Camp in Colorado.

Applicants must have been sponsored by a KEC member-cooperative for one of the youth programs, and they must have completed at least one semester at an accredited university, college, or trade school as a full-time student at the time of application.

"Kansas electric cooperatives are committed to encouraging and empowering the scholastic development of youth throughout our state," said **JOYCE BLANKA**, KEC Auxiliary chairperson. "The students who are selected

for the KEC youth programs are among the best and brightest. The scholarships we award are just one of the many ways cooperatives support our local communities. Offering assistance to our youth is making an important contribution to everyone's future."

Eligible students must complete the online application and submit a short video that focuses on one of the Seven Cooperative Principles and how his or her life has been impacted by KEC's youth programs. Recipients of the scholarship will be awarded during the KEC Annual Meeting in January 2021.

Deadline to apply is Dec. 31. Applications and complete eligibility requirements are now online at <https://www.kec.coop/form/kec-auxiliary-scholarship>. For additional information, contact Carol Dorr at cdorr@kec.org.



A Touchstone Energy® Cooperative
PO Box 4267
Topeka, KS 66604-0267
www.kec.coop



Join Kansas Electric Cooperatives
Facebook page

Kansas Cooperative Council seeks Hall of Fame nominations

Nominations are now being accepted for the Kansas Cooperative Hall of Fame.

The program was established in 1999 to honor individuals in Kansas who have been instrumental in developing and spreading the cooperative philosophy. To date, 49 cooperators from all types of cooperatives have been inducted to this elite group, including 10 electric co-op representatives.

The Hall of Fame is important for recognizing the contributions of co-op pioneers and honoring those who have gone "above and beyond the call" in advancing the cooperative movement.

To download the nomination form, visit www.kansasco-op.coop. Application deadline is Dec. 1.

KEC offers virtual CLE

KEC is offering the annual Co-op Attorney CLE virtually on Friday, Oct. 23 and Tuesday, Oct. 27.

Six sessions will be presented via a live webinar broadcast over those two days. KEC has been approved for a total of six CLE hours for those attending all sessions.

The cost to register for both days, which includes six courses, is \$80. To register or for additional information, contact Carol Dorr at cdorr@kec.org or Leslie Kaufman at lkaufman@kec.org. Deadline to register is Oct. 16.

jobmarket

KEC helps to promote co-op careers by listing openings on the careers section of the KEC website. Visit www.kec.coop/careers to learn more about the following positions.

- ▶ KEC seeks an Administrative Assistant - Receptionist.
- ▶ Sunflower has multiple openings.
- ▶ Wheatland has multiple openings.

Send your open position listings to ruralpower@kec.org. Positions will be posted on the website for one month, unless otherwise directed by the co-op.

co-opcalendar

OCTOBER

- 16 **Sunflower Board of Directors Meeting.** Sunflower Headquarters, Hays, and via teleconference, 8:30 a.m.
- 22 **KEPCo Board of Trustees Meeting.** virtually only, 10 a.m.
- 22 **Kansas Touchstone Energy Annual Meeting.** Butler Headquarters, El Dorado, and virtually
- 22-23 **Kansas Accountants Club.** Senior Center, El Dorado
- 23 **KEC's Co-op Attorney Virtual CLE.** 8:50 a.m.-3:20 p.m.
- 27 **KEC's Co-op Attorney Virtual CLE.** 11 a.m.-2:20 p.m.
- 29 **MDM Meeting.** KEPCo Headquarters, Topeka, 10 a.m.

NOVEMBER

- 12 **MDM Meeting.** KEPCo Headquarters, Topeka, 10 a.m.
- 18-19 **Rural Electric Statewide Managers Assoc. (RESMA) Virtual Meeting**
- 18-19 **KEPCo Annual and Board of Trustees Meeting.** KEPCo Headquarters, Topeka, TBD
- 20 **Sunflower Board of Directors Meeting.** Sunflower Headquarters, Hays, and via teleconference, 7:30 a.m.
- 26-27 **Thanksgiving.** KEC Office closed

DECEMBER

- 2-3 **KEC Board of Trustees Meeting.** Wichita Marriott Hotel and virtually, 12:30 p.m.
- 11 **Sunflower Board of Directors Meeting.** Intercontinental Hotel, 401 Ward Pkwy, Kansas City, MO, 8 a.m. (time and location subject to change)
- 16-17 **KEPCo Board of Trustees Meeting.** KEPCo Headquarters, Topeka, TBD
- 24-25 **Christmas.** KEC Office closed

upcomingtraining

Accountant's Association plans October meeting

The Kansas REC Accountant's Association Annual Meeting is scheduled for Oct. 21-23 in El Dorado. Members will have the option to attend this meeting in person or virtually.

A pre-meeting social will be held on the evening of Oct. 21. The meeting will be held at the El Dorado Senior Center, 210 E 2nd Ave., 8 a.m.-4:30 p.m. on Oct. 22, and 8 a.m.-noon on Oct. 23.

Topics will include NRECA, CFC, and CoBank updates; sales and property tax; current rate designs trends; audits; the Outreach Program; and canine companions. There will also be a round table discussion. Each session will also be available on Zoom.

For more information, call Sarah Madden, Butler office manager and Accountant's Association president, at 316-321-9600.

Kansas Touchstone Energy to hold hybrid meeting

The Touchstone Energy Annual Membership Meeting will be held at Butler Electric Cooperative on Thurs., Oct. 22, from 10 a.m.-1 p.m. There will also be a virtual attendance option. Lunch will be provided for those who attend in person.

JANA ADAMS, Touchstone Energy's new executive director, will report virtually on the national program activities.

The Kansas Touchstone Energy Executive Council will discuss statewide activities, set the 2021 dues assessment, and hold officer elections. Members up for re-election include

LINDA TOMLINSON, CMS; **STEVE FOSS**, FreeState; and **KEVIN HEPTIG**, Bluestem.

There is a vacancy for a trustee position. If you are interested in running for a council position, please contact Bruce Mueller, chairperson of the Touchstone Energy Executive Council.

This meeting will follow recommended safety protocols, and masks are encouraged. Seating will be spaced to allow for six feet between attendees. Virtual attendees will be emailed a link to join the meeting.

Please RSVP your attendance preference to Shana Read, KEC, at sread@kec.org.

Members reject proposed consolidation between Doniphan and Nemaha-Marshall

A proposed consolidation between Doniphan and Nemaha-Marshall electric cooperatives has been rejected by co-op members.

After completing an in-depth strategic planning process, the Boards of Trustees for each cooperative had unanimously approved submitting the proposed consolidation to their respective members. The proposed consolidation plan was reviewed extensively with co-op members and employees during special meetings.

The Oct. 1 vote was held in-person at both Doniphan and Nemaha-Marshall, as well as by mail at Nemaha-Marshall.

The first vote was held in the morning at Nemaha-Marshall where the membership approved the consolidation. Out of the 489 ballots cast, those

in favor exceeded the 326 required for approval. The second vote was held in the evening at Doniphan where the members rejected the consolidation.

"We are disappointed with the outcome. The Boards of Trustees have worked diligently on this issue. However, these are member owned and member driven electric cooperatives. The members have spoken with this vote," said **DAN O'BRIEN**, Doniphan's general manager.

"Our organization appreciates the work by both Boards of Trustees, the consultants, and key employees who have worked to develop this proposal," said **KATHLEEN O'BRIEN**, Nemaha-Marshall's general manager. "Going forward, we will continue to provide our members with best-in-class electric service."

Butler seeks CEO as longtime leader plans retirement

Butler Electric Cooperative's Board of Trustees has announced that CEO **DALE SHORT** will retire in February 2021 after 31 years of service to cooperative members.

"We have some very big shoes to fill," said Gerald Staab, board president. "Dale has left his mark not only on our cooperative, but on the



Butler CEO Dale Short announces his planned retirement for Feb. 2021 after 31 years of co-op service.

larger cooperative world in Kansas and nationally."

Short joined Butler in 1989 and became general manager and CEO in 2000. In addition to his CEO duties, he is president of the board of directors of the Kansas Electric Power Co. (KEPCo), and serves as District 7 representative to the National Rural Telecommunications Cooperative (NRTC) Board of Directors.

Butler has retained the services of CarterBaldwin Executive Search to conduct a national search. To apply or for more information, please email ButlerCEO@carterbaldwin.com.

KMSDA holds Fall 2020 meeting virtually

The Kansas Member Services Directors Association (KMSDA) 2020 Fall meeting was offered online Sept. 22-23.

Topics of the virtual event included governance communications and reputation management by **STEPHEN BELL**, NRECA; hot topic legal issues by **TIM DAVIS**, Constangy Brooks, Smith & Prophete LLP; a program resource review by **ANNE HARVEY**, Touchstone Energy; best practices for launching Operation Round Up by **SARAH FARLEE**,

FreeState; and updates by KEC, KEPCo, and Sunflower staff.

In addition, **CARRIE KIMBERLIN**, KEC, pre-recorded Adobe InDesign, Illustrator, and PhotoShop tips and tricks prior to the meeting, and hosted a live Q&A session.

Recordings and resources from this meeting can be found on the members only side of the KEC website. The next KMSDA meeting will be scheduled in the spring of 2021.

KEC promotes National Voter Registration Day

To promote National Voter Registration Day (NRVD) on Sept. 22, Kansas Electric Cooperatives joined other associations and local election officials to host a virtual meeting.

KEC partnered with the Kansas Cooperative Council and Heartland Credit Union Association. They were joined by Kansas Secretary of State **SCOTT SCHWAB** and Shawnee county election official **ANDREW HOWELL** to provide statewide information on how to get registered, how ballots can be cast in Kansas this year, and how people can get certified to work the election. The discussion was livestreamed on KEC's Facebook page.

In addition to the virtual event, KEC's **LESLIE KAUFMAN** and **TARA MAYS** were the Sept. 22 guests on Ag Issues – WIBW 580 Radio's show. The 6 a.m. broadcast was hosted by **GREG AKAGI**. Topics discussed included NRVD, response to the pandemic, RUS repricing legislation, the Low Income Energy Assistance Program (LIEAP), and the importance of completing the census.

To round out the day, NRECA hosted a virtual National Voter Registration Day Dance Party for youth program alumni. The event reached 400 youth in 16 states with information on how to register to vote.

KEC held online IT Summit

The online 2020 KEC IT Summit was Sept. 29 through Oct. 1.

Topics included incident response planning by **DONOVAN FARROW** of Alias Forensics; cybersecurity capabilities and resources of the Department of Homeland Security by **GEOFF JENISTA** of Department of Homeland Security; emerging technologies in the modern workplace by **BEATRICE BACIU** and **GEOFF HOPKINS** of RSM; Microsoft licensing, Microsoft 365 products, and benefits of software assurance by **KRISTOFER PARKER** of ConvergeOne; remote working tips by **TIFFANY JERVIS** of Sunflower; and a round table discussion. Recordings and resources from this meeting can be found on the members only side of the KEC website.

8. General Manager's Report

A. Rates and Reliability Dashboard

1) Rates.

| | current month (\$/kWh) | year to date (\$/kWh) |
|-----------------------------------|------------------------|-----------------------|
| Residential | 0.1208 | 0.1143 |
| Residential - Seasonal | 0.2044 | 0.1905 |
| Irrigation | 0.0925 | 0.0898 |
| C&I 1000kVa or less | 0.1111 | 0.1051 |
| C&I over 1000 kVA | 0.1077 | 0.0959 |
| Public Street and Lighting | 0.1300 | 0.1252 |
| Other Sales to Public Authorities | 0.1498 | 0.1435 |
| Sales for Resale - Other | 0.0817 | 0.0717 |
| Total Sales price per kWh: | 0.1070 | 0.1007 |

2) Reliability.

| September 2020 | | |
|----------------|--------|--|
| SAIDI | 2.25 | Interruption DURATION / average for every member (hrs) |
| SAIFI | 1.01 | Interruption FREQUENCY / Average # of Interruptions per customer |
| CAIDI | 2.24 | Customer Average Interruption Duration Index - IF you are out, how long to expect (hrs). |
| ASAI | 99.97% | Service Availability |

B. Administration

- 1) Strategic Plan. CFC will be at the St. Theresa Catholic Church Parish Hall in Dighton at 8:30 am November 5, 2020 for a Strategic Planning Workshop that will last all day.
- 2) NRECA Virtual Regional Meeting. The Virtual Regional was held the week of October 12th. Much of the message was based on NRECA's focus on Diversity. I attended a break-out session on new technology that was largely based on microgrids and battery storage. The Region 7 business meeting was focused on Resolutions while the CFC Regional meeting elected a new Nominating Committee.
- 3) The Credit Card records are available for the Boards review.
- 4) Mileage Log. Vehicle #105 has been turned in to a pool vehicle and will no longer be used for any personal mileage.

C. Information Technology / Cybersecurity highlights

- 1) Carrie has begun tackling upgrades and changes to our company File Storage Drivers. Many files are named after employees that are no longer here, so we are renaming them to functional areas (i.e., "Operations" instead of "Jodi").
- 2) We are also reviewing file sharing to identify who needs access to which files rather than having an open Share drive.

D. Operations.

- 1) PET did dielectric and stress testing of our digger and bucket trucks.
- 2) Federated Insurance inspected our facilities, trucks, and crew visit.
- 3) KDOT inspections of trucks and trailers.

- 4) KEC tested hot sticks and layout arms.
- 5) Replaced poles for clearance and wind storm damage along with outages, refusing lines and transformers.
- 6) Worked on truck maintenance and repairs.
- 7) Facilities and grounds maintenance.
- 8) Patrolling and line maintenance.

E. Member Services

- 1) CoBank Sharing Success Program. This program matches Cooperative donations to local nonprofits. Ann Marie applied (and successfully received) grants matching our donations to the Lane and Ness County Food banks (\$300.00 each), Dighton High School Kid Wind (\$900.00), and DHS Electrathon (\$500.00).
- 2) Military Care packages. Ann Marie has been notified of 14 active service members from our service area and we will be sending out care packages to them in December. If anyone would like to donate, the deadline is November 16th.

F. Finance.

- 1) September posted a \$198,239 gain in Total Margins and a \$133,777 gain in Operating margins.
- 2) Budget. We are \$253,631 under budget on Operating Margins (Part a, Line 21) and \$204,712 under budget on Total Margins. Lower sales revenues account for a net loss (after power costs) \$303,486.
- 3) Billing Past Due (current - Oct)
 - a. 30 day – \$ 2,393.19
 - b. 60 day – 1,350.10
 - c. 90 day – 14,784.68 (\$13,329.8 is with OPCO, LLC.)

G. Non-Operating Margins. Our year to date Non-Operating margins [Form 7, Part A, Lines 22(b) + Line 25(b) + Line 27(b)] is \$175,192.

- 1) Retail Services. Initial figures posted a \$15,654.72 loss in September. Much of this is from Generac's that were purchased but will not be delivered or installed until late November or December.
 - a. Resale Hours. Billable hours were down due to required training attended.
 - b. Outstanding Balances. The total 60-90 day past due balance is \$6,757.00.
 - i. 30 day - \$ 1,536.03
 - ii. 60 day - 3,794.16 (Healy USD - \$2,073.81, Steve Neely - \$1,318.04)
 - iii. 90 day - 2,126.24 (Black Dog – 1,923.35)
 - c. Generac. We have sold six units and have another three estimates waiting.
- 2) Interest earned. We earned \$54,831 in interest for a year to date total of \$189,535.
- 3) Other Capital Credits and Patronage Dividends. CFC paid \$25,557 in capital credits.

Respectfully submitted,

Richard McLeon, MBA
General Manager

10. New Business

10. a. CFC 2019 KTRA

CFC published the 2019 Key Trend Ratio Analysis on September 30, 2020. The CFC Executive Summary lists the 11 most considered Ratios on the top. It then lists our highs and lows by category. Whether it is good to be high or low depends on the ratio. Most feel that there is safety in the middle of the pack of your power Supplier.

Our Ratios show:

1. We have built a lot of Utility Plant.
2. We financed that construction and we used government money to do it.
3. Our growth in number of members is low. BUT
4. We made good gains in kWh growth in 2017-2019. While
5. Our kWh sales were below average in Large Commercial, Public Authorities, and Residential.
6. Our write-offs are very good.
7. Sunflower is allocating a lot of dollars but hasn't been retiring them.

Lane Scott Electric scored in the top 10% of the nation in 10 ratios. This means our scores are among the highest:

1. Financial Ratios
 - a. Ratio 21 – LT Debt per Consumer (\$): \$5,611.13 – 69 of 809
 - b. Ratio 25 – LT Interest paid as a % of Revenue: 7.39%, 74 of 809
2. Revenue & Margin Ratios
 - a. Ratio 54 – Assoc Org. Capital Credits per kWh sold: 6.21, 45 of 766
 - b. Ratio 55 – Assoc Org Cap. Credits /consumer: \$179.01, 56 of 766
3. Fixed Expense Ratios
 - a. Ratio 92 – LT Interest Cost as a % of TUP: 2.31, 47 of 809
 - b. Ratio 93 – LT Interest Cost per Consumer: \$225.67, 55 of 809
4. Growth Ratios
 - a. Ratio 114 – Annual growth in kWh Sold: 8.84, 28 of 815
 - b. Ratio 116 – Annual Growth in TUP Dollars: 8.48%, 67 of 815
 - c. Ratio 119 – Annual Growth in Total Capitalization: 13.2%, 48 of 815
5. Plant Ratios
 - a. Ratio 128 – Distribution Plant per employee: \$2,372,371.05, 58 of 816

We also scored in the bottom 10% of the nation in 10 ratios. This means our scores are among the lowest:

1. Financial Ratios
 - a. Ratio 17 – Distribution Equity: 23.06%, 744 of 816
 - b. Ratio 22 – Non-Government Debt as a % of total LT Debt: 19.38%, 655 of 795
 - c. Ratio 24 – Annual Capital Credits Retired per Total Equity: 0.14%, 684 of 700
2. Revenue & Margin Ratios

10. New Business

- a. Ratio 59 – Amount Written-off as a % of Operating Rev: \$0.01, 707 of 766
- 3. Sales Ratios
 - a. Ratio 65 – Avg Large Comm kWh use/month: 32,407.80, 684 of 716
 - b. Ratio 68 – Avg Sales to Public Authorities kWh use/month: 620.75, 279 of 293
 - c. Ratio 69 – Residential kWh sold per total kWh Sold: 14.36%, 781 of 816
- 4. Controllable Expenses Ratios
 - a. Ratio 80 – Consumer Accounting exp per total kWh Sold: 1.32 mils, 736 of 816
- 5. Growth Ratios
 - a. Ratio 115 – Annual Growth in No of Consumers: -0.29, 759 of 815
- 6. Plant Ratios
 - a. Ratio 142 – System Average Duration Index (SAIDI): 0.00, 740 of 816

2019 KEY RATIO TREND ANALYSIS (KRTA)
EXECUTIVE SUMMARY
THE LANE-SCOTT ELECTRIC COOPERATIVE, INC.
KS042

09/30/2020

| RATIO CATEGORIES | SYSTEM VALUE | U.S. MEDIAN | STATE KS MEDIAN | CONSUMER SIZE (4,000 – 5,999) MEDIAN |
|---|-----------------|----------------|-----------------------|--|
| FINANCIAL RATIOS | | | | |
| 11 MDSC (2 OF 3 YEAR HIGH AVERAGE) | 1.67 | 2.00 | 1.78 | 1.91 |
| 7 TIER (2 OF 3 YEAR HIGH AVERAGE) | 2.54 | 2.90 | 2.48 | 2.99 |
| 23 BLENDED INTEREST RATE (%) | 4.09 | 3.98 | 3.80 | 3.94 |
| 16 EQUITY AS A % OF ASSETS | 37.81 | 45.61 | 42.78 | 46.80 |
| 24 ANNUAL CAPITAL CREDITS RETIRED PER TOTAL EQUITY (%) | 0.14 | 2.66 | 2.12 | 2.94 |
| REVENUE & EXPENSE RATIOS | | | | |
| 89 POWER COST PER TOTAL KWH SOLD (MILLS) | 62.24 | 70.65 | 76.24 | 65.28 |
| 103 TOTAL OPERATING EXPENSES PER TOTAL KWH SOLD (MILLS) | 22.07 | 25.33 | 30.96 | 28.92 |
| 36 ELECTRIC REVENUE PER KWH SOLD (MILLS) | 104.56 | 112.67 | 134.25 | 117.04 |
| GROWTH RATIOS | | | | |
| 115 ANNUAL GROWTH IN NUMBER OF CONSUMERS (%) | -0.29 | 0.58 | 0.17 | 0.27 |
| 114 ANNUAL GROWTH IN KWH SOLD (%) | 8.84 | -1.32 | -1.24 | -0.42 |
| PLANT RATIO | | | | |
| 123 TUP INVESTMENT PER CONSUMER (\$) | 9,756.12 | 6,572.72 | 7,833.80 | 8,335.23 |

| HIGHS & LOWS BY RATIO CATEGORIES | # OF RATIOS IN TOP 10% OF U.S. | # OF RATIOS IN LOW 10% OF U.S. |
|--------------------------------------|-----------------------------------|-----------------------------------|
| BASE GROUP (RATIOS 1-5) | 0 | 0 |
| FINANCIAL (RATIOS 6-32) | 2 | 3 |
| REVENUE & MARGINS (RATIOS 33-59) | 2 | 1 |
| SALES (RATIOS 60-76) | 0 | 3 |
| CONTROLLABLE EXPENSES (RATIOS 77-87) | 0 | 1 |
| FIXED EXPENSES (RATIOS 88-102) | 2 | 0 |
| TOTAL EXPENSES (RATIOS 103-107) | 0 | 0 |
| EMPLOYEES (RATIOS 108-113) | 0 | 0 |
| GROWTH (RATIOS 114-121) | 3 | 1 |
| PLANT (RATIOS 122-145) | 1 | 1 |



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CFC KRTA

**The Lane-Scott Electric Cooperative, Inc.
KS042**

09/30/2020

PRODUCED BY: NRUCFC
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2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|-----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| BASE GROUP (RATIOS 1-5) | | | | | | | | | | | | | | | | |
| RATIO 1 --- AVERAGE TOTAL CONSUMERS SERVED | | | | | | | | | | | | | | | | |
| 2015 | 5,921 | 14,007 | 811 | 639 | 7,075 | 27 | 18 | 5,157 | 88 | 8 | 18,277 | 6 | 6 | 11,923 | 95 | 72 |
| 2016 | 6,051 | 14,310 | 809 | 632 | 7,132 | 27 | 17 | 7,320 | 101 | 98 | 18,259 | 6 | 6 | 18,914 | 159 | 134 |
| 2017 | 5,876 | 14,362 | 813 | 649 | 6,957 | 26 | 17 | 5,137 | 85 | 14 | 18,136 | 6 | 6 | 16,676 | 175 | 138 |
| 2018 | 5,852 | 14,457 | 814 | 651 | 7,028 | 26 | 17 | 5,112 | 79 | 10 | 18,136 | 6 | 6 | 15,603 | 230 | 195 |
| 2019 | 5,835 | 14,610 | 816 | 656 | 7,101 | 26 | 17 | 5,089 | 79 | 11 | 18,177 | 6 | 6 | 15,715 | 153 | 124 |
| RATIO 2 --- TOTAL KWH SOLD (1,000) | | | | | | | | | | | | | | | | |
| 2015 | 148,378 | 298,933 | 811 | 601 | 124,742 | 27 | 10 | 106,560 | 88 | 25 | 640,715 | 6 | 6 | 258,607 | 95 | 68 |
| 2016 | 140,099 | 304,803 | 809 | 617 | 125,170 | 27 | 11 | 153,341 | 101 | 60 | 650,748 | 6 | 6 | 373,697 | 159 | 129 |
| 2017 | 139,568 | 308,821 | 813 | 619 | 122,027 | 26 | 11 | 112,227 | 85 | 27 | 641,239 | 6 | 6 | 309,158 | 175 | 134 |
| 2018 | 154,635 | 329,946 | 814 | 606 | 131,653 | 26 | 11 | 112,458 | 79 | 23 | 679,419 | 6 | 6 | 329,108 | 230 | 176 |
| 2019 | 168,299 | 322,149 | 816 | 592 | 129,374 | 26 | 11 | 111,719 | 79 | 23 | 672,263 | 6 | 6 | 347,036 | 153 | 113 |
| RATIO 3 --- TOTAL UTILITY PLANT (1,000) | | | | | | | | | | | | | | | | |
| 2015 | 47,456.32 | 81,534.62 | 811 | 602 | 47,456.32 | 27 | 14 | 36,694.14 | 88 | 21 | 147,717.71 | 6 | 6 | 78,344.80 | 95 | 72 |
| 2016 | 49,074.61 | 85,508.06 | 809 | 610 | 49,074.61 | 27 | 14 | 52,921.86 | 101 | 64 | 152,938.88 | 6 | 6 | 103,745.79 | 159 | 125 |
| 2017 | 49,647.13 | 88,619.70 | 813 | 614 | 50,670.60 | 26 | 14 | 39,704.61 | 85 | 23 | 160,841.19 | 6 | 6 | 95,955.56 | 175 | 135 |
| 2018 | 52,475.26 | 91,752.01 | 814 | 610 | 53,100.17 | 26 | 14 | 41,436.67 | 79 | 19 | 163,843.12 | 6 | 6 | 89,417.39 | 230 | 176 |
| 2019 | 56,926.97 | 96,871.66 | 816 | 595 | 56,265.23 | 26 | 13 | 43,179.06 | 79 | 17 | 167,483.12 | 6 | 6 | 102,649.57 | 153 | 118 |
| RATIO 4 --- TOTAL NUMBER OF EMPLOYEES (FULL TIME ONLY) | | | | | | | | | | | | | | | | |
| 2015 | 23 | 47 | 811 | 646 | 32 | 27 | 17 | 21 | 88 | 27 | 70 | 6 | 6 | 42 | 95 | 74 |
| 2016 | 22 | 47 | 809 | 665 | 30 | 27 | 17 | 28 | 101 | 88 | 69 | 6 | 6 | 57 | 159 | 136 |
| 2017 | 22 | 47 | 813 | 666 | 30 | 26 | 16 | 22 | 85 | 37 | 69 | 6 | 6 | 48 | 175 | 144 |
| 2018 | 22 | 47 | 814 | 669 | 30 | 26 | 16 | 21 | 79 | 35 | 71 | 6 | 6 | 46 | 230 | 204 |
| 2019 | 21 | 48 | 816 | 683 | 29 | 26 | 17 | 21 | 79 | 38 | 71 | 6 | 6 | 48 | 153 | 129 |
| RATIO 5 --- TOTAL MILES OF LINE | | | | | | | | | | | | | | | | |
| 2015 | 2,067 | 2,626 | 810 | 515 | 2,125 | 27 | 16 | 1,706 | 87 | 28 | 4,031 | 6 | 6 | 2,314 | 95 | 52 |
| 2016 | 2,042 | 2,646 | 808 | 522 | 2,161 | 27 | 17 | 1,959 | 101 | 47 | 4,039 | 6 | 6 | 3,091 | 159 | 115 |
| 2017 | 2,042 | 2,651 | 812 | 524 | 2,491 | 26 | 18 | 1,716 | 85 | 29 | 4,045 | 6 | 6 | 2,904 | 175 | 120 |
| 2018 | 2,042 | 2,641 | 814 | 522 | 2,494 | 26 | 18 | 1,706 | 79 | 26 | 4,049 | 6 | 6 | 2,657 | 230 | 161 |
| 2019 | 2,044 | 2,644 | 816 | 524 | 2,534 | 26 | 18 | 1,736 | 79 | 28 | 4,052 | 6 | 6 | 2,772 | 153 | 101 |
| FINANCIAL (RATIOS 6-32) | | | | | | | | | | | | | | | | |
| RATIO 6 --- TIER | | | | | | | | | | | | | | | | |
| 2015 | 2.51 | 2.48 | 811 | 398 | 2.33 | 27 | 10 | 2.70 | 88 | 52 | 2.52 | 6 | 4 | 2.37 | 95 | 43 |
| 2016 | 2.65 | 2.62 | 809 | 398 | 2.11 | 27 | 8 | 2.54 | 101 | 43 | 2.93 | 6 | 4 | 2.58 | 159 | 77 |
| 2017 | 2.53 | 2.57 | 813 | 423 | 2.28 | 26 | 11 | 2.73 | 85 | 51 | 2.65 | 6 | 5 | 2.63 | 175 | 94 |
| 2018 | 2.11 | 2.80 | 814 | 656 | 2.42 | 26 | 21 | 2.81 | 79 | 67 | 2.69 | 6 | 5 | 2.73 | 230 | 188 |
| 2019 | 2.55 | 2.64 | 816 | 442 | 2.33 | 26 | 11 | 2.64 | 79 | 44 | 2.92 | 6 | 5 | 2.73 | 153 | 89 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 7 --- TIER (2 OF 3 YEAR HIGH AVERAGE) | | | | | | | | | | | | | | | | |
| 2015 | 3.14 | 2.76 | 811 | 300 | 2.84 | 27 | 9 | 2.95 | 88 | 39 | 3.49 | 6 | 5 | 2.62 | 95 | 38 |
| 2016 | 3.12 | 2.79 | 809 | 309 | 2.79 | 27 | 8 | 2.80 | 101 | 43 | 3.38 | 6 | 4 | 2.81 | 159 | 60 |
| 2017 | 2.59 | 2.77 | 813 | 470 | 2.51 | 26 | 12 | 2.86 | 85 | 52 | 2.75 | 6 | 4 | 2.75 | 175 | 102 |
| 2018 | 2.59 | 2.87 | 814 | 510 | 2.57 | 26 | 13 | 3.04 | 79 | 52 | 2.88 | 6 | 5 | 2.80 | 230 | 141 |
| 2019 | 2.54 | 2.90 | 816 | 536 | 2.48 | 26 | 13 | 2.99 | 79 | 55 | 2.87 | 6 | 5 | 2.93 | 153 | 105 |
| RATIO 8 --- OTIER | | | | | | | | | | | | | | | | |
| 2015 | 1.29 | 1.88 | 811 | 679 | 1.70 | 27 | 21 | 2.10 | 88 | 80 | 1.40 | 6 | 4 | 1.90 | 95 | 78 |
| 2016 | 1.60 | 1.94 | 809 | 542 | 1.60 | 27 | 14 | 1.91 | 101 | 71 | 1.50 | 6 | 2 | 1.88 | 159 | 109 |
| 2017 | 1.93 | 1.94 | 813 | 408 | 1.82 | 26 | 11 | 2.06 | 85 | 50 | 1.94 | 6 | 4 | 1.93 | 175 | 88 |
| 2018 | 1.85 | 2.17 | 814 | 544 | 2.02 | 26 | 19 | 2.34 | 79 | 59 | 2.08 | 6 | 5 | 2.11 | 230 | 148 |
| 2019 | 1.55 | 2.03 | 816 | 643 | 1.72 | 26 | 18 | 2.13 | 79 | 64 | 1.60 | 6 | 4 | 2.09 | 153 | 122 |
| RATIO 9 --- OTIER (2 OF 3 YEAR HIGH AVERAGE) | | | | | | | | | | | | | | | | |
| 2015 | 1.67 | 2.07 | 811 | 626 | 1.99 | 27 | 20 | 2.40 | 88 | 74 | 1.82 | 6 | 5 | 2.00 | 95 | 74 |
| 2016 | 1.61 | 2.10 | 809 | 637 | 1.98 | 27 | 20 | 2.18 | 101 | 80 | 1.67 | 6 | 4 | 2.06 | 159 | 127 |
| 2017 | 1.77 | 2.07 | 813 | 551 | 1.96 | 26 | 18 | 2.26 | 85 | 60 | 1.76 | 6 | 3 | 2.05 | 175 | 119 |
| 2018 | 1.89 | 2.23 | 814 | 547 | 2.04 | 26 | 16 | 2.42 | 79 | 56 | 2.00 | 6 | 4 | 2.17 | 230 | 152 |
| 2019 | 1.89 | 2.24 | 816 | 557 | 2.00 | 26 | 15 | 2.40 | 79 | 57 | 2.08 | 6 | 4 | 2.25 | 153 | 109 |
| RATIO 10 --- MODIFIED DSC (MDSC) | | | | | | | | | | | | | | | | |
| 2015 | 1.13 | 1.82 | 811 | 791 | 1.74 | 27 | 25 | 1.79 | 88 | 88 | 1.63 | 6 | 6 | 1.78 | 95 | 93 |
| 2016 | 1.48 | 1.83 | 809 | 650 | 1.51 | 27 | 17 | 1.80 | 101 | 78 | 1.64 | 6 | 4 | 1.88 | 159 | 129 |
| 2017 | 1.67 | 1.82 | 813 | 511 | 1.65 | 26 | 13 | 1.79 | 85 | 51 | 1.64 | 6 | 3 | 1.79 | 175 | 111 |
| 2018 | 1.66 | 1.92 | 814 | 569 | 1.75 | 26 | 17 | 1.85 | 79 | 56 | 1.80 | 6 | 5 | 1.89 | 230 | 163 |
| 2019 | 1.51 | 1.91 | 816 | 652 | 1.70 | 26 | 18 | 1.84 | 79 | 64 | 1.61 | 6 | 5 | 1.96 | 153 | 125 |
| RATIO 11 --- MDSC (2 OF 3 YEAR HIGH AVERAGE) | | | | | | | | | | | | | | | | |
| 2015 | 2.49 | 1.94 | 811 | 198 | 1.88 | 27 | 5 | 1.95 | 88 | 25 | 2.29 | 6 | 3 | 1.97 | 95 | 29 |
| 2016 | 1.44 | 1.94 | 809 | 734 | 1.76 | 27 | 25 | 1.93 | 101 | 89 | 1.85 | 6 | 6 | 2.01 | 159 | 148 |
| 2017 | 1.58 | 1.95 | 813 | 654 | 1.67 | 26 | 17 | 1.89 | 85 | 66 | 1.78 | 6 | 4 | 1.94 | 175 | 148 |
| 2018 | 1.67 | 1.96 | 814 | 592 | 1.76 | 26 | 16 | 1.94 | 79 | 57 | 1.79 | 6 | 5 | 1.93 | 230 | 166 |
| 2019 | 1.67 | 2.00 | 816 | 611 | 1.78 | 26 | 17 | 1.91 | 79 | 61 | 1.77 | 6 | 5 | 2.08 | 153 | 116 |
| RATIO 12 --- DEBT SERVICE COVERAGE (DSC) | | | | | | | | | | | | | | | | |
| 2015 | 1.64 | 2.02 | 811 | 641 | 1.90 | 27 | 20 | 2.03 | 88 | 70 | 1.82 | 6 | 5 | 1.96 | 95 | 78 |
| 2016 | 2.00 | 2.06 | 809 | 442 | 1.86 | 27 | 10 | 2.02 | 101 | 54 | 2.23 | 6 | 5 | 2.12 | 159 | 92 |
| 2017 | 1.95 | 2.04 | 813 | 458 | 1.78 | 26 | 9 | 2.03 | 85 | 48 | 2.01 | 6 | 4 | 2.06 | 175 | 99 |
| 2018 | 1.68 | 2.14 | 814 | 657 | 1.88 | 26 | 20 | 2.03 | 79 | 64 | 2.06 | 6 | 5 | 2.09 | 230 | 189 |
| 2019 | 1.93 | 2.11 | 816 | 493 | 1.93 | 26 | 13 | 2.04 | 79 | 46 | 2.12 | 6 | 5 | 2.14 | 153 | 101 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 13 --- DSC (2 OF 3 YEAR HIGH AVERAGE) | | | | | | | | | | | | | | | | |
| 2015 | 2.46 | 2.18 | 811 | 291 | 2.13 | 27 | 7 | 2.13 | 88 | 29 | 2.87 | 6 | 5 | 2.17 | 95 | 39 |
| 2016 | 2.21 | 2.18 | 809 | 388 | 2.06 | 27 | 9 | 2.21 | 101 | 51 | 2.58 | 6 | 5 | 2.24 | 159 | 83 |
| 2017 | 1.97 | 2.17 | 813 | 502 | 1.89 | 26 | 11 | 2.08 | 85 | 52 | 2.11 | 6 | 4 | 2.24 | 175 | 106 |
| 2018 | 1.97 | 2.22 | 814 | 526 | 1.92 | 26 | 12 | 2.10 | 79 | 51 | 2.11 | 6 | 5 | 2.13 | 230 | 144 |
| 2019 | 1.94 | 2.21 | 816 | 562 | 1.96 | 26 | 14 | 2.12 | 79 | 55 | 2.15 | 6 | 5 | 2.24 | 153 | 112 |
| RATIO 14 --- ODSC | | | | | | | | | | | | | | | | |
| 2015 | 1.11 | 1.73 | 811 | 781 | 1.66 | 27 | 24 | 1.73 | 88 | 88 | 1.43 | 6 | 6 | 1.72 | 95 | 93 |
| 2016 | 1.46 | 1.75 | 809 | 600 | 1.48 | 27 | 16 | 1.74 | 101 | 72 | 1.50 | 6 | 4 | 1.78 | 159 | 124 |
| 2017 | 1.64 | 1.74 | 813 | 471 | 1.59 | 26 | 11 | 1.72 | 85 | 47 | 1.62 | 6 | 3 | 1.73 | 175 | 99 |
| 2018 | 1.55 | 1.85 | 814 | 583 | 1.70 | 26 | 20 | 1.77 | 79 | 60 | 1.74 | 6 | 5 | 1.80 | 230 | 161 |
| 2019 | 1.41 | 1.81 | 816 | 658 | 1.58 | 26 | 20 | 1.76 | 79 | 66 | 1.56 | 6 | 5 | 1.86 | 153 | 127 |
| RATIO 15 --- ODSC (2 OF 3 YEAR HIGH AVERAGE) | | | | | | | | | | | | | | | | |
| 2015 | 1.68 | 1.84 | 811 | 524 | 1.77 | 27 | 19 | 1.78 | 88 | 55 | 1.74 | 6 | 5 | 1.83 | 95 | 63 |
| 2016 | 1.44 | 1.84 | 809 | 690 | 1.70 | 27 | 24 | 1.87 | 101 | 86 | 1.65 | 6 | 6 | 1.88 | 159 | 142 |
| 2017 | 1.55 | 1.85 | 813 | 612 | 1.58 | 26 | 16 | 1.82 | 85 | 62 | 1.57 | 6 | 4 | 1.85 | 175 | 135 |
| 2018 | 1.60 | 1.88 | 814 | 597 | 1.65 | 26 | 17 | 1.87 | 79 | 58 | 1.64 | 6 | 5 | 1.86 | 230 | 166 |
| 2019 | 1.60 | 1.90 | 816 | 604 | 1.71 | 26 | 18 | 1.84 | 79 | 61 | 1.73 | 6 | 5 | 1.92 | 153 | 114 |
| RATIO 16 --- EQUITY AS A % OF ASSETS | | | | | | | | | | | | | | | | |
| 2015 | 29.71 | 44.23 | 811 | 744 | 44.70 | 27 | 22 | 46.03 | 88 | 80 | 32.12 | 6 | 4 | 43.15 | 95 | 91 |
| 2016 | 31.60 | 44.83 | 809 | 732 | 43.35 | 27 | 21 | 44.68 | 101 | 95 | 34.35 | 6 | 4 | 44.48 | 159 | 151 |
| 2017 | 34.43 | 45.27 | 813 | 689 | 42.79 | 26 | 20 | 43.74 | 85 | 68 | 36.48 | 6 | 4 | 44.05 | 175 | 159 |
| 2018 | 36.81 | 45.62 | 814 | 652 | 43.72 | 26 | 19 | 45.87 | 79 | 63 | 38.44 | 6 | 4 | 45.93 | 230 | 194 |
| 2019 | 37.81 | 45.61 | 816 | 619 | 42.78 | 26 | 18 | 46.80 | 79 | 60 | 39.93 | 6 | 4 | 44.25 | 153 | 121 |
| RATIO 17 --- DISTRIBUTION EQUITY (EXCLUDES EQUITY IN ASSOC. ORG'S PATRONAGE CAPITAL) | | | | | | | | | | | | | | | | |
| 2015 | 15.21 | 36.38 | 811 | 803 | 35.54 | 27 | 25 | 36.63 | 88 | 87 | 24.41 | 6 | 4 | 34.86 | 95 | 95 |
| 2016 | 16.25 | 36.41 | 809 | 795 | 34.63 | 27 | 23 | 36.41 | 101 | 99 | 23.92 | 6 | 4 | 36.52 | 159 | 158 |
| 2017 | 18.87 | 36.73 | 813 | 776 | 34.81 | 26 | 22 | 35.95 | 85 | 83 | 23.15 | 6 | 4 | 36.19 | 175 | 170 |
| 2018 | 21.84 | 37.60 | 814 | 755 | 35.92 | 26 | 22 | 38.53 | 79 | 76 | 25.53 | 6 | 4 | 36.94 | 230 | 218 |
| 2019 | 23.06 | 37.45 | 816 | 744 | 36.16 | 26 | 20 | 39.53 | 79 | 75 | 26.93 | 6 | 4 | 37.48 | 153 | 141 |
| RATIO 18 --- EQUITY AS A % OF TOTAL CAPITALIZATION | | | | | | | | | | | | | | | | |
| 2015 | 31.64 | 50.19 | 811 | 765 | 48.23 | 27 | 23 | 50.14 | 88 | 83 | 35.26 | 6 | 4 | 47.62 | 95 | 92 |
| 2016 | 33.54 | 50.80 | 809 | 755 | 47.04 | 27 | 22 | 50.43 | 101 | 96 | 37.25 | 6 | 5 | 51.05 | 159 | 156 |
| 2017 | 36.66 | 51.82 | 813 | 735 | 46.87 | 26 | 20 | 48.57 | 85 | 76 | 40.15 | 6 | 4 | 51.44 | 175 | 168 |
| 2018 | 39.36 | 52.45 | 814 | 697 | 47.60 | 26 | 19 | 50.28 | 79 | 64 | 41.75 | 6 | 4 | 52.14 | 230 | 202 |
| 2019 | 40.29 | 52.55 | 816 | 680 | 48.15 | 26 | 18 | 51.45 | 79 | 64 | 42.62 | 6 | 4 | 50.30 | 153 | 133 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 19 --- LONG TERM DEBT AS A % OF TOTAL ASSETS | | | | | | | | | | | | | | | | |
| 2015 | 64.20 | 43.71 | 805 | 26 | 47.71 | 27 | 4 | 45.50 | 88 | 4 | 57.03 | 6 | 2 | 46.80 | 95 | 2 |
| 2016 | 62.63 | 43.16 | 803 | 32 | 48.45 | 27 | 5 | 44.64 | 99 | 5 | 55.09 | 6 | 2 | 42.21 | 157 | 3 |
| 2017 | 59.49 | 42.12 | 808 | 43 | 49.21 | 26 | 5 | 46.17 | 85 | 6 | 52.01 | 6 | 2 | 42.64 | 175 | 6 |
| 2018 | 56.72 | 41.37 | 807 | 72 | 48.72 | 26 | 7 | 45.61 | 77 | 12 | 52.56 | 6 | 2 | 41.96 | 228 | 14 |
| 2019 | 56.03 | 41.65 | 809 | 93 | 47.62 | 26 | 8 | 45.06 | 77 | 13 | 52.57 | 6 | 2 | 43.17 | 153 | 15 |
| RATIO 20 --- LONG TERM DEBT PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 205.00 | 116.60 | 805 | 103 | 162.63 | 27 | 7 | 143.72 | 88 | 19 | 146.43 | 6 | 2 | 122.26 | 95 | 13 |
| 2016 | 226.19 | 121.14 | 803 | 80 | 192.75 | 27 | 8 | 146.11 | 99 | 15 | 146.44 | 6 | 2 | 119.87 | 157 | 8 |
| 2017 | 219.71 | 120.95 | 808 | 105 | 190.61 | 26 | 11 | 159.89 | 85 | 18 | 145.20 | 6 | 2 | 116.61 | 175 | 15 |
| 2018 | 189.96 | 115.12 | 807 | 142 | 187.34 | 26 | 12 | 153.88 | 77 | 23 | 136.37 | 6 | 2 | 114.05 | 228 | 32 |
| 2019 | 194.54 | 120.56 | 809 | 165 | 198.92 | 26 | 15 | 158.47 | 77 | 24 | 144.20 | 6 | 2 | 120.81 | 153 | 25 |
| RATIO 21 --- LONG TERM DEBT PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 5,137.22 | 2,361.73 | 805 | 55 | 3,216.63 | 27 | 7 | 2,917.60 | 88 | 7 | 4,794.24 | 6 | 3 | 2,554.34 | 95 | 7 |
| 2016 | 5,236.92 | 2,420.17 | 803 | 58 | 3,201.11 | 27 | 6 | 2,720.99 | 99 | 11 | 4,720.34 | 6 | 2 | 2,310.36 | 157 | 10 |
| 2017 | 5,218.48 | 2,439.14 | 808 | 64 | 3,427.45 | 26 | 7 | 2,912.21 | 85 | 12 | 4,655.10 | 6 | 2 | 2,345.82 | 175 | 11 |
| 2018 | 5,019.63 | 2,436.25 | 807 | 77 | 3,679.60 | 26 | 7 | 3,216.86 | 77 | 13 | 4,468.03 | 6 | 2 | 2,383.90 | 228 | 9 |
| 2019 | 5,611.13 | 2,531.61 | 809 | 69 | 3,675.95 | 26 | 7 | 3,186.73 | 77 | 13 | 4,513.10 | 6 | 2 | 2,478.64 | 153 | 16 |
| RATIO 22 --- NON-GOVERNMENT DEBT AS A % OF TOTAL LONG TERM DEBT | | | | | | | | | | | | | | | | |
| 2015 | 27.99 | 58.26 | 796 | 549 | 69.34 | 26 | 20 | 75.57 | 88 | 62 | 63.99 | 6 | 4 | 64.60 | 94 | 67 |
| 2016 | 25.19 | 59.10 | 791 | 625 | 58.98 | 25 | 19 | 58.33 | 97 | 77 | 62.60 | 6 | 4 | 57.40 | 153 | 125 |
| 2017 | 24.25 | 60.64 | 798 | 641 | 48.10 | 25 | 19 | 87.77 | 85 | 69 | 62.12 | 6 | 4 | 57.87 | 172 | 136 |
| 2018 | 23.42 | 58.88 | 797 | 636 | 44.25 | 25 | 19 | 81.58 | 77 | 64 | 61.71 | 6 | 4 | 52.51 | 226 | 184 |
| 2019 | 19.38 | 56.46 | 795 | 655 | 41.61 | 25 | 21 | 77.43 | 77 | 65 | 60.63 | 6 | 5 | 52.61 | 152 | 121 |
| RATIO 23 --- BLENDED INTEREST RATE (%) | | | | | | | | | | | | | | | | |
| 2015 | 3.69 | 4.13 | 804 | 595 | 3.96 | 27 | 20 | 3.99 | 88 | 56 | 3.80 | 6 | 4 | 4.05 | 94 | 69 |
| 2016 | 3.71 | 4.06 | 801 | 555 | 3.84 | 27 | 18 | 3.95 | 99 | 69 | 3.78 | 6 | 4 | 4.08 | 156 | 114 |
| 2017 | 3.63 | 3.96 | 807 | 561 | 3.80 | 26 | 19 | 3.88 | 85 | 57 | 3.69 | 6 | 5 | 3.94 | 174 | 119 |
| 2018 | 3.90 | 3.98 | 808 | 446 | 3.86 | 26 | 13 | 3.88 | 79 | 39 | 3.83 | 6 | 3 | 4.00 | 229 | 131 |
| 2019 | 4.09 | 3.98 | 809 | 348 | 3.80 | 26 | 9 | 3.94 | 77 | 28 | 3.95 | 6 | 3 | 3.92 | 153 | 62 |
| RATIO 24 --- ANNUAL CAPITAL CREDITS RETIRED PER TOTAL EQUITY (%) | | | | | | | | | | | | | | | | |
| 2015 | 0.18 | 2.40 | 684 | 660 | 1.57 | 27 | 26 | 2.58 | 72 | 68 | 0.80 | 6 | 5 | 1.93 | 78 | 73 |
| 2016 | 0.28 | 2.31 | 690 | 667 | 1.34 | 27 | 25 | 2.45 | 89 | 87 | 0.78 | 6 | 4 | 2.28 | 138 | 136 |
| 2017 | 0.16 | 2.38 | 694 | 678 | 1.96 | 26 | 26 | 2.51 | 73 | 72 | 0.97 | 6 | 6 | 2.30 | 150 | 149 |
| 2018 | 0.12 | 2.54 | 702 | 686 | 2.03 | 26 | 26 | 2.81 | 67 | 66 | 1.85 | 6 | 6 | 2.55 | 202 | 200 |
| 2019 | 0.14 | 2.66 | 700 | 684 | 2.12 | 26 | 26 | 2.94 | 67 | 66 | 1.86 | 6 | 6 | 2.48 | 137 | 133 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 25 --- LONG-TERM INTEREST AS A % OF REVENUE | | | | | | | | | | | | | | | | |
| 2015 | 7.11 | 4.33 | 805 | 100 | 5.41 | 27 | 3 | 4.57 | 88 | 19 | 5.66 | 6 | 1 | 4.67 | 94 | 12 |
| 2016 | 7.23 | 4.37 | 801 | 83 | 5.47 | 27 | 4 | 5.04 | 99 | 12 | 5.85 | 6 | 1 | 4.40 | 156 | 15 |
| 2017 | 6.95 | 4.23 | 807 | 91 | 5.52 | 26 | 6 | 4.96 | 85 | 16 | 5.60 | 6 | 2 | 4.27 | 174 | 15 |
| 2018 | 6.81 | 4.17 | 808 | 101 | 5.26 | 26 | 8 | 4.79 | 79 | 15 | 5.34 | 6 | 2 | 4.18 | 229 | 28 |
| 2019 | 7.39 | 4.30 | 809 | 74 | 5.63 | 26 | 8 | 5.32 | 77 | 11 | 5.82 | 6 | 2 | 4.47 | 153 | 9 |
| RATIO 26 --- CUMULATIVE PATRONAGE CAPITAL RETIRED AS A % OF TOTAL PATRONAGE CAPITAL | | | | | | | | | | | | | | | | |
| 2015 | 13.94 | 26.18 | 704 | 582 | 21.85 | 26 | 16 | 31.48 | 71 | 58 | 12.41 | 6 | 3 | 22.19 | 78 | 61 |
| 2016 | 12.70 | 26.76 | 704 | 608 | 21.33 | 26 | 19 | 27.82 | 90 | 77 | 11.72 | 6 | 3 | 26.15 | 134 | 118 |
| 2017 | 11.71 | 27.04 | 709 | 639 | 20.81 | 26 | 21 | 31.75 | 72 | 65 | 11.64 | 6 | 3 | 26.53 | 146 | 133 |
| 2018 | 11.09 | 27.13 | 710 | 647 | 21.16 | 26 | 22 | 30.45 | 66 | 60 | 11.98 | 6 | 4 | 27.85 | 205 | 192 |
| 2019 | 9.83 | 27.99 | 708 | 659 | 22.88 | 26 | 23 | 30.52 | 67 | 63 | 12.08 | 6 | 5 | 26.80 | 137 | 129 |
| RATIO 27 --- RATE OF RETURN ON EQUITY (%) | | | | | | | | | | | | | | | | |
| 2015 | 12.65 | 5.96 | 811 | 36 | 5.22 | 27 | 2 | 6.34 | 88 | 5 | 9.38 | 6 | 2 | 6.27 | 95 | 2 |
| 2016 | 12.26 | 6.22 | 809 | 46 | 5.34 | 27 | 3 | 6.18 | 101 | 6 | 11.85 | 6 | 3 | 6.22 | 159 | 6 |
| 2017 | 10.06 | 5.87 | 813 | 80 | 6.05 | 26 | 4 | 6.82 | 85 | 9 | 9.83 | 6 | 3 | 5.91 | 175 | 15 |
| 2018 | 7.04 | 6.51 | 814 | 344 | 6.30 | 26 | 9 | 6.57 | 79 | 33 | 7.42 | 6 | 4 | 6.76 | 230 | 103 |
| 2019 | 9.26 | 5.99 | 816 | 99 | 6.08 | 26 | 3 | 6.01 | 79 | 8 | 7.79 | 6 | 2 | 6.33 | 153 | 22 |
| RATIO 28 --- RATE OF RETURN ON TOTAL CAPITALIZATION (%) | | | | | | | | | | | | | | | | |
| 2015 | 6.65 | 5.12 | 811 | 140 | 4.75 | 27 | 6 | 5.28 | 88 | 21 | 6.60 | 6 | 3 | 5.14 | 95 | 12 |
| 2016 | 6.61 | 5.17 | 809 | 142 | 4.75 | 27 | 4 | 5.20 | 101 | 17 | 6.49 | 6 | 3 | 5.25 | 159 | 27 |
| 2017 | 6.10 | 5.02 | 813 | 188 | 4.82 | 26 | 6 | 5.36 | 85 | 23 | 6.81 | 6 | 5 | 5.00 | 175 | 41 |
| 2018 | 5.27 | 5.36 | 814 | 425 | 5.02 | 26 | 11 | 5.32 | 79 | 42 | 5.83 | 6 | 5 | 5.54 | 230 | 127 |
| 2019 | 6.13 | 5.00 | 816 | 188 | 4.98 | 26 | 4 | 5.02 | 79 | 18 | 6.10 | 6 | 3 | 5.14 | 153 | 41 |
| RATIO 29 --- CURRENT RATIO | | | | | | | | | | | | | | | | |
| 2015 | 1.32 | 1.24 | 811 | 365 | 1.23 | 27 | 11 | 1.29 | 88 | 44 | 1.14 | 6 | 3 | 1.30 | 95 | 45 |
| 2016 | 1.58 | 1.22 | 809 | 241 | 1.33 | 27 | 10 | 1.41 | 101 | 41 | 1.16 | 6 | 2 | 1.24 | 159 | 50 |
| 2017 | 1.77 | 1.17 | 813 | 188 | 1.09 | 26 | 6 | 1.25 | 85 | 21 | 0.87 | 6 | 1 | 1.05 | 175 | 34 |
| 2018 | 1.06 | 1.24 | 814 | 488 | 1.10 | 26 | 14 | 1.32 | 79 | 53 | 1.02 | 6 | 3 | 1.10 | 230 | 125 |
| 2019 | 1.59 | 1.20 | 816 | 267 | 1.20 | 26 | 9 | 1.44 | 79 | 31 | 0.94 | 6 | 2 | 1.09 | 153 | 52 |
| RATIO 30 --- GENERAL FUNDS PER TUP (%) | | | | | | | | | | | | | | | | |
| 2015 | 3.35 | 4.05 | 811 | 464 | 4.47 | 27 | 16 | 4.79 | 88 | 56 | 7.00 | 6 | 6 | 3.85 | 95 | 53 |
| 2016 | 4.63 | 3.95 | 809 | 363 | 4.63 | 27 | 14 | 4.63 | 101 | 52 | 6.09 | 6 | 6 | 4.23 | 159 | 73 |
| 2017 | 6.47 | 3.93 | 813 | 235 | 3.80 | 26 | 7 | 4.70 | 85 | 30 | 6.38 | 6 | 3 | 3.97 | 175 | 45 |
| 2018 | 2.52 | 4.02 | 814 | 547 | 2.84 | 26 | 17 | 4.35 | 79 | 60 | 3.54 | 6 | 5 | 3.75 | 230 | 151 |
| 2019 | 6.07 | 4.06 | 816 | 276 | 3.58 | 26 | 10 | 5.02 | 79 | 30 | 6.61 | 6 | 4 | 3.87 | 153 | 56 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 31 --- PLANT REVENUE RATIO (PRR) ONE YEAR | | | | | | | | | | | | | | | | |
| 2015 | 7.46 | 6.89 | 811 | 258 | 7.10 | 27 | 10 | 7.03 | 88 | 33 | 7.55 | 6 | 4 | 7.10 | 95 | 33 |
| 2016 | 7.57 | 6.95 | 809 | 251 | 7.51 | 27 | 13 | 6.82 | 101 | 36 | 7.61 | 6 | 4 | 7.02 | 159 | 50 |
| 2017 | 7.03 | 7.10 | 813 | 425 | 7.29 | 26 | 17 | 7.21 | 85 | 48 | 7.34 | 6 | 5 | 7.13 | 175 | 90 |
| 2018 | 7.39 | 6.90 | 814 | 260 | 7.13 | 26 | 7 | 7.12 | 79 | 30 | 7.21 | 6 | 2 | 6.86 | 230 | 63 |
| 2019 | 7.74 | 7.10 | 816 | 238 | 7.36 | 26 | 8 | 7.29 | 79 | 33 | 7.44 | 6 | 2 | 7.08 | 153 | 48 |
| RATIO 32 --- INVESTMENT IN SUBSIDIARIES TO TOTAL ASSETS (%) | | | | | | | | | | | | | | | | |
| 2015 | 0.41 | 0.49 | 234 | 128 | 1.76 | 6 | 4 | 0.62 | 15 | 9 | 1.76 | 2 | 2 | 0.39 | 30 | 15 |
| 2016 | 0.42 | 0.44 | 232 | 119 | 2.74 | 5 | 4 | 0.51 | 27 | 15 | 2.68 | 2 | 2 | 0.64 | 44 | 24 |
| 2017 | 0.43 | 0.48 | 230 | 121 | 3.25 | 5 | 4 | 0.15 | 18 | 8 | 3.65 | 2 | 2 | 0.39 | 53 | 26 |
| 2018 | 0.44 | 0.46 | 239 | 122 | 3.80 | 5 | 4 | 0.31 | 18 | 9 | 4.60 | 2 | 2 | 0.34 | 63 | 28 |
| 2019 | 0.42 | 0.50 | 242 | 127 | 2.44 | 5 | 4 | 0.49 | 16 | 9 | 5.65 | 2 | 2 | 0.42 | 51 | 27 |
| REVENUE & MARGINS (RATIOS 33-59) | | | | | | | | | | | | | | | | |
| RATIO 33 --- TOTAL OPERATING REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 111.91 | 112.29 | 811 | 415 | 137.99 | 27 | 22 | 117.98 | 88 | 53 | 107.33 | 6 | 2 | 112.30 | 95 | 50 |
| 2016 | 117.52 | 112.77 | 809 | 336 | 141.89 | 27 | 22 | 116.22 | 101 | 49 | 106.57 | 6 | 2 | 112.21 | 159 | 62 |
| 2017 | 120.28 | 115.16 | 813 | 334 | 137.59 | 26 | 21 | 120.63 | 85 | 44 | 107.43 | 6 | 2 | 114.27 | 175 | 70 |
| 2018 | 115.13 | 113.82 | 814 | 381 | 139.10 | 26 | 21 | 118.58 | 79 | 46 | 107.34 | 6 | 2 | 113.62 | 230 | 107 |
| 2019 | 105.93 | 115.05 | 816 | 548 | 134.92 | 26 | 22 | 118.43 | 79 | 59 | 100.67 | 6 | 2 | 114.42 | 153 | 105 |
| RATIO 34 --- TOTAL OPERATING REVENUE PER TUP INVESTMENT (CENTS) | | | | | | | | | | | | | | | | |
| 2015 | 34.99 | 39.17 | 811 | 538 | 36.89 | 27 | 17 | 33.16 | 88 | 40 | 41.42 | 6 | 5 | 37.37 | 95 | 61 |
| 2016 | 33.55 | 37.90 | 809 | 547 | 34.44 | 27 | 16 | 35.61 | 101 | 65 | 40.13 | 6 | 5 | 39.87 | 159 | 117 |
| 2017 | 33.81 | 36.80 | 813 | 518 | 33.74 | 26 | 13 | 32.73 | 85 | 36 | 38.84 | 6 | 5 | 38.49 | 175 | 121 |
| 2018 | 33.93 | 37.49 | 814 | 532 | 33.97 | 26 | 14 | 32.26 | 79 | 33 | 40.04 | 6 | 5 | 37.18 | 230 | 162 |
| 2019 | 31.32 | 35.98 | 816 | 572 | 31.80 | 26 | 15 | 30.68 | 79 | 34 | 35.31 | 6 | 5 | 35.07 | 153 | 106 |
| RATIO 35 --- TOTAL OPERATING REVENUE PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 2,804.46 | 2,272.11 | 811 | 198 | 2,324.81 | 27 | 9 | 2,548.16 | 88 | 32 | 3,011.76 | 6 | 5 | 2,321.34 | 95 | 29 |
| 2016 | 2,721.02 | 2,260.18 | 809 | 217 | 2,381.81 | 27 | 8 | 2,427.84 | 101 | 36 | 3,116.05 | 6 | 5 | 2,268.02 | 159 | 34 |
| 2017 | 2,856.82 | 2,275.95 | 813 | 197 | 2,363.69 | 26 | 8 | 2,639.85 | 85 | 31 | 3,081.62 | 6 | 5 | 2,230.09 | 175 | 38 |
| 2018 | 3,042.13 | 2,386.87 | 814 | 188 | 2,506.50 | 26 | 8 | 2,690.42 | 79 | 31 | 3,180.38 | 6 | 5 | 2,338.21 | 230 | 38 |
| 2019 | 3,055.20 | 2,375.11 | 816 | 183 | 2,448.01 | 26 | 6 | 2,711.32 | 79 | 31 | 2,989.48 | 6 | 3 | 2,345.98 | 153 | 35 |
| RATIO 36 --- ELECTRIC REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 111.70 | 110.76 | 811 | 390 | 137.45 | 27 | 20 | 117.62 | 88 | 52 | 105.52 | 6 | 1 | 110.76 | 95 | 45 |
| 2016 | 117.34 | 111.02 | 809 | 303 | 139.85 | 27 | 21 | 115.37 | 101 | 45 | 104.63 | 6 | 2 | 108.93 | 159 | 55 |
| 2017 | 120.14 | 112.81 | 813 | 300 | 137.14 | 26 | 20 | 119.64 | 85 | 41 | 104.89 | 6 | 2 | 112.50 | 175 | 63 |
| 2018 | 114.51 | 112.14 | 814 | 360 | 138.63 | 26 | 20 | 117.90 | 79 | 46 | 104.77 | 6 | 2 | 112.14 | 230 | 103 |
| 2019 | 104.56 | 112.67 | 816 | 542 | 134.25 | 26 | 21 | 117.04 | 79 | 59 | 97.97 | 6 | 2 | 111.67 | 153 | 105 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 37 --- ELECTRIC REVENUE PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 2,799.18 | 2,237.78 | 811 | 187 | 2,197.18 | 27 | 7 | 2,510.44 | 88 | 30 | 2,890.58 | 6 | 4 | 2,290.31 | 95 | 26 |
| 2016 | 2,716.71 | 2,227.65 | 809 | 213 | 2,244.66 | 27 | 7 | 2,394.13 | 101 | 36 | 2,986.89 | 6 | 5 | 2,239.52 | 159 | 32 |
| 2017 | 2,853.56 | 2,224.71 | 813 | 189 | 2,336.76 | 26 | 8 | 2,617.64 | 85 | 31 | 2,966.88 | 6 | 5 | 2,182.20 | 175 | 35 |
| 2018 | 3,025.95 | 2,351.53 | 814 | 180 | 2,479.16 | 26 | 7 | 2,682.57 | 79 | 30 | 3,075.04 | 6 | 4 | 2,314.95 | 230 | 36 |
| 2019 | 3,015.80 | 2,328.06 | 816 | 183 | 2,381.08 | 26 | 6 | 2,679.52 | 79 | 31 | 2,904.71 | 6 | 3 | 2,316.96 | 153 | 34 |
| RATIO 38 --- RESIDENTIAL REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 118.60 | 121.98 | 811 | 450 | 142.62 | 27 | 25 | 124.03 | 88 | 56 | 119.20 | 6 | 4 | 121.46 | 95 | 52 |
| 2016 | 121.58 | 121.46 | 809 | 402 | 144.03 | 27 | 24 | 125.95 | 101 | 62 | 121.26 | 6 | 3 | 120.93 | 159 | 77 |
| 2017 | 126.93 | 124.89 | 813 | 371 | 145.79 | 26 | 22 | 129.22 | 85 | 51 | 125.51 | 6 | 3 | 124.11 | 175 | 73 |
| 2018 | 122.01 | 123.04 | 814 | 422 | 147.34 | 26 | 23 | 127.53 | 79 | 55 | 125.85 | 6 | 4 | 123.47 | 230 | 121 |
| 2019 | 117.90 | 124.08 | 816 | 497 | 144.89 | 26 | 24 | 126.59 | 79 | 60 | 119.87 | 6 | 4 | 122.19 | 153 | 87 |
| RATIO 39 --- NON-RESIDENTIAL REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 109.34 | 98.10 | 810 | 239 | 119.86 | 27 | 16 | 103.22 | 88 | 38 | 100.31 | 6 | 1 | 97.22 | 95 | 30 |
| 2016 | 115.27 | 97.64 | 809 | 182 | 122.52 | 27 | 17 | 104.69 | 101 | 30 | 99.44 | 6 | 1 | 94.55 | 159 | 28 |
| 2017 | 117.33 | 98.66 | 813 | 175 | 122.21 | 26 | 16 | 106.22 | 85 | 30 | 99.53 | 6 | 1 | 98.76 | 175 | 33 |
| 2018 | 111.71 | 98.29 | 814 | 223 | 122.30 | 26 | 17 | 106.56 | 79 | 33 | 98.67 | 6 | 1 | 97.30 | 230 | 58 |
| 2019 | 100.98 | 99.55 | 816 | 380 | 116.44 | 26 | 21 | 105.73 | 79 | 45 | 92.07 | 6 | 2 | 96.56 | 153 | 61 |
| RATIO 40 --- SEASONAL REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 186.04 | 184.63 | 277 | 136 | 240.61 | 14 | 10 | 210.92 | 40 | 27 | 198.10 | 4 | 3 | 173.13 | 33 | 16 |
| 2016 | 199.44 | 189.36 | 276 | 117 | 273.72 | 14 | 11 | 203.49 | 47 | 25 | 206.73 | 4 | 3 | 192.81 | 52 | 23 |
| 2017 | 209.99 | 191.89 | 272 | 112 | 228.56 | 13 | 9 | 221.89 | 39 | 24 | 209.79 | 4 | 2 | 206.52 | 64 | 30 |
| 2018 | 199.86 | 185.79 | 267 | 111 | 237.09 | 13 | 9 | 201.75 | 34 | 18 | 214.04 | 4 | 3 | 188.96 | 78 | 36 |
| 2019 | 193.37 | 191.16 | 263 | 126 | 233.12 | 12 | 9 | 201.25 | 37 | 23 | 209.46 | 4 | 3 | 199.22 | 50 | 27 |
| RATIO 41 --- IRRIGATION REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 116.40 | 137.96 | 411 | 294 | 144.77 | 18 | 14 | 154.82 | 53 | 43 | 111.08 | 6 | 2 | 141.80 | 55 | 41 |
| 2016 | 123.28 | 134.51 | 416 | 270 | 155.94 | 18 | 14 | 144.96 | 62 | 43 | 119.72 | 6 | 2 | 132.98 | 79 | 53 |
| 2017 | 134.02 | 137.91 | 416 | 221 | 146.87 | 18 | 13 | 138.90 | 55 | 34 | 119.83 | 6 | 2 | 138.89 | 99 | 55 |
| 2018 | 129.17 | 145.13 | 422 | 266 | 157.81 | 18 | 13 | 173.81 | 50 | 37 | 121.14 | 6 | 2 | 153.18 | 113 | 77 |
| 2019 | 129.63 | 151.13 | 423 | 283 | 168.75 | 18 | 13 | 175.44 | 51 | 39 | 119.32 | 6 | 2 | 150.24 | 91 | 64 |
| RATIO 42 --- SMALL COMMERCIAL REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 112.75 | 110.09 | 810 | 359 | 132.71 | 27 | 23 | 110.92 | 88 | 43 | 111.59 | 6 | 3 | 108.90 | 95 | 36 |
| 2016 | 113.86 | 110.47 | 809 | 344 | 132.88 | 27 | 23 | 112.14 | 101 | 48 | 111.00 | 6 | 3 | 107.42 | 159 | 55 |
| 2017 | 112.28 | 111.97 | 813 | 398 | 137.38 | 26 | 23 | 117.58 | 85 | 49 | 112.61 | 6 | 4 | 112.18 | 175 | 87 |
| 2018 | 110.59 | 111.95 | 813 | 439 | 138.86 | 26 | 23 | 117.09 | 79 | 52 | 112.08 | 6 | 4 | 111.79 | 230 | 122 |
| 2019 | 105.73 | 112.22 | 815 | 518 | 133.65 | 26 | 22 | 117.03 | 79 | 55 | 104.27 | 6 | 3 | 110.05 | 152 | 88 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 43 --- LARGE COMMERCIAL REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 111.11 | 79.20 | 703 | 62 | 89.29 | 20 | 4 | 79.61 | 68 | 11 | 83.99 | 5 | 1 | 77.15 | 82 | 6 |
| 2016 | 122.10 | 79.57 | 704 | 48 | 98.82 | 19 | 4 | 81.84 | 84 | 9 | 84.09 | 5 | 1 | 76.23 | 139 | 5 |
| 2017 | 128.11 | 80.19 | 706 | 41 | 95.10 | 18 | 4 | 90.80 | 66 | 5 | 84.97 | 5 | 1 | 80.11 | 152 | 7 |
| 2018 | 115.64 | 79.88 | 713 | 66 | 90.93 | 19 | 5 | 86.27 | 62 | 7 | 80.07 | 5 | 1 | 79.97 | 205 | 18 |
| 2019 | 97.44 | 79.90 | 716 | 147 | 86.45 | 19 | 7 | 88.43 | 62 | 20 | 75.76 | 5 | 1 | 79.93 | 131 | 25 |
| RATIO 44 --- SALES FOR RESALE REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 76.83 | 75.02 | 115 | 54 | 73.48 | 6 | 1 | 78.99 | 21 | 12 | 73.48 | 4 | 1 | 77.53 | 15 | 9 |
| 2016 | 81.07 | 74.04 | 116 | 32 | 76.36 | 6 | 1 | 76.86 | 20 | 9 | 76.36 | 4 | 1 | 68.85 | 20 | 2 |
| 2017 | 79.17 | 77.34 | 120 | 56 | 74.71 | 6 | 2 | 78.32 | 20 | 9 | 74.71 | 4 | 1 | 76.17 | 28 | 12 |
| 2018 | 78.78 | 76.05 | 120 | 52 | 72.58 | 6 | 2 | 72.55 | 22 | 10 | 72.58 | 4 | 1 | 77.66 | 40 | 19 |
| 2019 | 73.74 | 73.60 | 119 | 59 | 69.66 | 5 | 1 | 70.28 | 22 | 9 | 69.99 | 4 | 1 | 69.30 | 25 | 10 |
| RATIO 45 --- STREET & HIGHWAY LIGHTING REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 136.08 | 160.83 | 597 | 396 | 166.24 | 21 | 18 | 148.48 | 66 | 43 | 180.02 | 6 | 6 | 168.12 | 72 | 48 |
| 2016 | 134.33 | 164.73 | 592 | 404 | 177.14 | 20 | 17 | 152.67 | 70 | 50 | 186.35 | 6 | 6 | 166.63 | 125 | 87 |
| 2017 | 133.45 | 169.35 | 596 | 436 | 190.05 | 20 | 19 | 154.84 | 64 | 48 | 185.10 | 6 | 6 | 177.88 | 133 | 102 |
| 2018 | 132.05 | 176.87 | 592 | 451 | 178.84 | 20 | 19 | 170.80 | 57 | 45 | 175.10 | 6 | 6 | 180.08 | 164 | 127 |
| 2019 | 127.25 | 179.63 | 592 | 475 | 184.79 | 20 | 18 | 173.07 | 55 | 45 | 184.79 | 6 | 6 | 182.38 | 117 | 94 |
| RATIO 46 --- OTHER SALES TO PUBLIC AUTHORITIES REVENUE PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 126.05 | 116.65 | 294 | 115 | 148.25 | 16 | 13 | 113.91 | 36 | 16 | 121.61 | 4 | 1 | 126.05 | 37 | 19 |
| 2016 | 130.45 | 118.76 | 295 | 101 | 149.61 | 16 | 14 | 123.01 | 32 | 14 | 128.69 | 4 | 2 | 116.45 | 61 | 22 |
| 2017 | 144.49 | 122.14 | 295 | 71 | 148.49 | 15 | 11 | 122.00 | 34 | 10 | 130.37 | 4 | 1 | 124.68 | 66 | 16 |
| 2018 | 150.01 | 119.83 | 297 | 50 | 149.76 | 15 | 7 | 120.41 | 36 | 8 | 132.54 | 4 | 1 | 120.41 | 88 | 11 |
| 2019 | 143.88 | 120.86 | 296 | 69 | 144.40 | 15 | 9 | 120.58 | 35 | 10 | 123.76 | 4 | 1 | 121.15 | 61 | 13 |
| RATIO 47 --- OPERATING MARGINS PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 2.21 | 3.54 | 811 | 550 | 4.11 | 27 | 19 | 4.28 | 88 | 67 | 1.97 | 6 | 3 | 4.48 | 95 | 65 |
| 2016 | 4.99 | 3.83 | 809 | 299 | 4.48 | 27 | 12 | 4.34 | 101 | 44 | 2.50 | 6 | 2 | 3.57 | 159 | 52 |
| 2017 | 5.92 | 3.67 | 813 | 231 | 5.70 | 26 | 12 | 5.29 | 85 | 39 | 4.28 | 6 | 1 | 3.68 | 175 | 48 |
| 2018 | 4.39 | 4.50 | 814 | 421 | 6.72 | 26 | 19 | 6.05 | 79 | 48 | 4.29 | 6 | 2 | 4.32 | 230 | 110 |
| 2019 | 4.18 | 3.87 | 816 | 378 | 4.90 | 26 | 17 | 4.91 | 79 | 46 | 3.58 | 6 | 3 | 4.21 | 153 | 78 |
| RATIO 48 --- OPERATING MARGINS PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 55.39 | 77.52 | 811 | 504 | 67.20 | 27 | 17 | 99.82 | 88 | 72 | 74.81 | 6 | 4 | 86.91 | 95 | 62 |
| 2016 | 115.64 | 73.41 | 809 | 247 | 66.04 | 27 | 7 | 81.39 | 101 | 39 | 78.01 | 6 | 2 | 72.00 | 159 | 51 |
| 2017 | 140.50 | 74.33 | 813 | 188 | 97.85 | 26 | 9 | 126.79 | 85 | 37 | 118.60 | 6 | 3 | 74.96 | 175 | 36 |
| 2018 | 116.10 | 97.57 | 814 | 335 | 115.00 | 26 | 13 | 136.12 | 79 | 48 | 122.88 | 6 | 4 | 94.07 | 230 | 85 |
| 2019 | 120.69 | 83.66 | 816 | 258 | 91.15 | 26 | 11 | 120.69 | 79 | 40 | 98.67 | 6 | 3 | 92.84 | 153 | 55 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 49 --- NON-OPERATING MARGINS PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 4.53 | 0.55 | 811 | 30 | 0.76 | 27 | 1 | 0.50 | 88 | 5 | 0.76 | 6 | 1 | 0.53 | 95 | 4 |
| 2016 | 0.29 | 0.58 | 809 | 542 | 0.75 | 27 | 24 | 0.56 | 101 | 69 | 4.02 | 6 | 5 | 0.60 | 159 | 108 |
| 2017 | 0.43 | 0.67 | 811 | 511 | 0.82 | 25 | 17 | 0.65 | 85 | 56 | 0.67 | 6 | 4 | 0.55 | 175 | 101 |
| 2018 | 1.38 | 0.72 | 812 | 244 | 1.01 | 26 | 10 | 0.76 | 79 | 25 | 0.87 | 6 | 3 | 0.74 | 230 | 66 |
| 2019 | 1.76 | 0.78 | 814 | 201 | 0.86 | 26 | 9 | 0.82 | 79 | 20 | 1.09 | 6 | 3 | 0.82 | 153 | 43 |
| RATIO 50 --- NON-OPERATING MARGINS PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 113.42 | 12.58 | 811 | 18 | 15.23 | 27 | 2 | 11.04 | 88 | 5 | 23.52 | 6 | 2 | 10.97 | 95 | 4 |
| 2016 | 6.79 | 13.30 | 809 | 531 | 12.02 | 27 | 23 | 13.65 | 101 | 71 | 99.24 | 6 | 6 | 13.04 | 159 | 104 |
| 2017 | 10.30 | 14.88 | 811 | 487 | 11.65 | 25 | 15 | 17.71 | 85 | 55 | 21.24 | 6 | 4 | 12.71 | 175 | 98 |
| 2018 | 36.42 | 16.89 | 812 | 199 | 15.73 | 26 | 6 | 21.95 | 79 | 23 | 24.68 | 6 | 3 | 15.47 | 230 | 54 |
| 2019 | 50.80 | 17.85 | 814 | 130 | 15.31 | 26 | 5 | 19.90 | 79 | 19 | 32.80 | 6 | 3 | 19.27 | 153 | 31 |
| RATIO 51 --- TOTAL MARGINS LESS ALLOCATIONS PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 6.74 | 4.53 | 811 | 224 | 5.13 | 27 | 12 | 5.74 | 88 | 39 | 5.00 | 6 | 2 | 4.87 | 95 | 28 |
| 2016 | 5.29 | 4.86 | 809 | 352 | 5.85 | 27 | 19 | 5.33 | 101 | 53 | 6.44 | 6 | 6 | 4.68 | 159 | 63 |
| 2017 | 6.35 | 4.75 | 813 | 273 | 6.38 | 26 | 14 | 5.97 | 85 | 40 | 5.73 | 6 | 2 | 4.67 | 175 | 56 |
| 2018 | 5.77 | 5.63 | 814 | 393 | 8.95 | 26 | 22 | 7.41 | 79 | 48 | 5.96 | 6 | 4 | 5.60 | 230 | 108 |
| 2019 | 5.95 | 4.96 | 816 | 330 | 7.30 | 26 | 19 | 6.47 | 79 | 44 | 5.96 | 6 | 4 | 5.36 | 153 | 69 |
| RATIO 52 --- TOTAL MARGINS LESS ALLOCATIONS PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 168.81 | 93.78 | 811 | 161 | 98.98 | 27 | 8 | 125.94 | 88 | 28 | 141.50 | 6 | 3 | 106.48 | 95 | 24 |
| 2016 | 122.44 | 96.25 | 809 | 284 | 113.10 | 27 | 11 | 103.29 | 101 | 39 | 189.80 | 6 | 6 | 92.88 | 159 | 50 |
| 2017 | 150.80 | 94.69 | 813 | 223 | 121.78 | 26 | 10 | 138.89 | 85 | 39 | 156.05 | 6 | 4 | 94.22 | 175 | 40 |
| 2018 | 152.52 | 120.87 | 814 | 291 | 152.16 | 26 | 13 | 173.26 | 79 | 45 | 156.88 | 6 | 4 | 114.63 | 230 | 74 |
| 2019 | 171.49 | 107.67 | 816 | 200 | 133.52 | 26 | 9 | 138.04 | 79 | 31 | 162.91 | 6 | 3 | 126.40 | 153 | 44 |
| RATIO 53 --- INCOME (LOSS) FROM EQUITY INVESTMENTS PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | -11.18 | 1.24 | 233 | 218 | 1.24 | 5 | 4 | 1.46 | 16 | 15 | 54.67 | 2 | 2 | 1.09 | 29 | 29 |
| 2016 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2017 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2018 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2019 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| RATIO 54 --- ASSOCIATED ORGANIZATION'S CAPITAL CREDITS PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 5.26 | 2.71 | 768 | 84 | 2.75 | 27 | 4 | 2.51 | 87 | 11 | 5.74 | 6 | 4 | 2.78 | 91 | 10 |
| 2016 | 8.70 | 2.71 | 765 | 15 | 2.12 | 27 | 3 | 3.13 | 100 | 2 | 7.46 | 6 | 3 | 2.69 | 147 | 2 |
| 2017 | 6.45 | 2.94 | 763 | 28 | 2.30 | 24 | 4 | 3.34 | 83 | 5 | 7.39 | 6 | 4 | 3.40 | 166 | 4 |
| 2018 | 2.90 | 2.64 | 764 | 356 | 2.28 | 26 | 7 | 3.15 | 76 | 41 | 3.72 | 6 | 5 | 2.88 | 217 | 108 |
| 2019 | 6.21 | 2.81 | 766 | 45 | 2.26 | 26 | 2 | 3.15 | 76 | 7 | 5.64 | 6 | 2 | 2.77 | 147 | 8 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 55 --- ASSOCIATED ORGANIZATION'S CAPITAL CREDITS PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 131.84 | 50.07 | 768 | 86 | 44.96 | 27 | 4 | 52.74 | 87 | 13 | 143.10 | 6 | 4 | 48.94 | 91 | 14 |
| 2016 | 201.41 | 51.28 | 765 | 47 | 34.32 | 27 | 3 | 61.06 | 100 | 6 | 177.25 | 6 | 3 | 50.74 | 147 | 6 |
| 2017 | 153.12 | 53.64 | 763 | 69 | 38.16 | 24 | 4 | 73.06 | 83 | 10 | 179.36 | 6 | 4 | 60.68 | 166 | 17 |
| 2018 | 76.76 | 52.05 | 764 | 250 | 40.21 | 26 | 6 | 66.45 | 76 | 36 | 129.78 | 6 | 5 | 53.64 | 217 | 70 |
| 2019 | 179.01 | 54.47 | 766 | 56 | 37.06 | 26 | 4 | 69.12 | 76 | 6 | 183.92 | 6 | 4 | 53.48 | 147 | 13 |
| RATIO 56 --- TOTAL MARGINS PER KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 12.00 | 7.27 | 811 | 135 | 9.04 | 27 | 9 | 8.45 | 88 | 24 | 10.65 | 6 | 3 | 6.81 | 95 | 20 |
| 2016 | 13.99 | 7.74 | 809 | 93 | 8.50 | 27 | 6 | 8.78 | 101 | 14 | 13.71 | 6 | 3 | 7.77 | 159 | 14 |
| 2017 | 12.80 | 7.78 | 813 | 118 | 9.96 | 26 | 6 | 10.07 | 85 | 23 | 11.53 | 6 | 3 | 8.35 | 175 | 18 |
| 2018 | 8.68 | 8.51 | 814 | 395 | 10.85 | 26 | 20 | 11.00 | 79 | 49 | 9.32 | 6 | 4 | 8.67 | 230 | 115 |
| 2019 | 12.15 | 8.10 | 816 | 168 | 9.94 | 26 | 9 | 9.22 | 79 | 26 | 10.74 | 6 | 2 | 8.20 | 153 | 32 |
| RATIO 57 --- TOTAL MARGINS PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 300.65 | 150.99 | 811 | 108 | 159.53 | 27 | 7 | 194.97 | 88 | 22 | 259.32 | 6 | 3 | 165.67 | 95 | 15 |
| 2016 | 323.84 | 153.57 | 809 | 100 | 129.50 | 27 | 4 | 168.75 | 101 | 21 | 326.92 | 6 | 4 | 157.99 | 159 | 18 |
| 2017 | 303.92 | 151.93 | 813 | 119 | 157.91 | 26 | 4 | 229.61 | 85 | 24 | 317.16 | 6 | 4 | 157.07 | 175 | 25 |
| 2018 | 229.28 | 173.47 | 814 | 270 | 204.67 | 26 | 9 | 240.82 | 79 | 44 | 267.28 | 6 | 4 | 166.89 | 230 | 69 |
| 2019 | 350.49 | 165.25 | 816 | 103 | 178.89 | 26 | 4 | 224.89 | 79 | 16 | 309.84 | 6 | 3 | 182.38 | 153 | 24 |
| RATIO 58 --- A/R OVER 60 DAYS AS A % OF OPERATING REVENUE | | | | | | | | | | | | | | | | |
| 2015 | 0.13 | 0.11 | 795 | 363 | 0.10 | 27 | 12 | 0.11 | 87 | 40 | 0.17 | 6 | 5 | 0.09 | 92 | 34 |
| 2016 | 0.10 | 0.11 | 797 | 434 | 0.09 | 27 | 13 | 0.10 | 100 | 53 | 0.13 | 6 | 4 | 0.12 | 158 | 90 |
| 2017 | 0.05 | 0.10 | 800 | 580 | 0.08 | 26 | 18 | 0.09 | 83 | 57 | 0.10 | 6 | 5 | 0.11 | 171 | 124 |
| 2018 | 0.07 | 0.10 | 800 | 481 | 0.07 | 26 | 12 | 0.10 | 77 | 47 | 0.14 | 6 | 5 | 0.09 | 229 | 135 |
| 2019 | 0.09 | 0.09 | 803 | 405 | 0.06 | 26 | 10 | 0.09 | 77 | 39 | 0.08 | 6 | 3 | 0.09 | 151 | 76 |
| RATIO 59 --- AMOUNT WRITTEN OFF AS A % OF OPERATING REVENUE | | | | | | | | | | | | | | | | |
| 2015 | 0.03 | 0.12 | 774 | 697 | 0.08 | 25 | 21 | 0.07 | 85 | 69 | 0.08 | 6 | 6 | 0.10 | 91 | 78 |
| 2016 | 0.03 | 0.10 | 776 | 668 | 0.08 | 25 | 21 | 0.07 | 98 | 79 | 0.15 | 6 | 6 | 0.10 | 155 | 134 |
| 2017 | 0.01 | 0.09 | 780 | 742 | 0.06 | 26 | 26 | 0.05 | 80 | 78 | 0.05 | 6 | 6 | 0.09 | 168 | 163 |
| 2018 | 0.03 | 0.09 | 772 | 654 | 0.05 | 24 | 19 | 0.05 | 75 | 55 | 0.04 | 5 | 4 | 0.08 | 226 | 194 |
| 2019 | 0.01 | 0.09 | 766 | 707 | 0.05 | 23 | 21 | 0.05 | 72 | 65 | 0.06 | 5 | 5 | 0.08 | 145 | 135 |
| SALES (RATIOS 60-76) | | | | | | | | | | | | | | | | |
| RATIO 60 --- TOTAL MWH SOLD PER MILE OF LINE | | | | | | | | | | | | | | | | |
| 2015 | 71.79 | 117.25 | 810 | 639 | 51.38 | 27 | 11 | 70.60 | 87 | 43 | 132.64 | 6 | 6 | 117.09 | 95 | 72 |
| 2016 | 68.62 | 117.99 | 808 | 650 | 47.67 | 27 | 11 | 86.93 | 101 | 72 | 132.60 | 6 | 6 | 121.25 | 159 | 136 |
| 2017 | 68.35 | 118.00 | 812 | 656 | 46.27 | 26 | 10 | 70.42 | 85 | 48 | 130.83 | 6 | 6 | 114.55 | 175 | 144 |
| 2018 | 75.71 | 126.47 | 814 | 640 | 49.03 | 26 | 10 | 78.04 | 79 | 41 | 135.59 | 6 | 6 | 117.36 | 230 | 177 |
| 2019 | 82.33 | 125.40 | 816 | 611 | 50.73 | 26 | 9 | 73.68 | 79 | 33 | 131.28 | 6 | 6 | 123.62 | 153 | 111 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|------------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 61 --- AVERAGE RESIDENTIAL USAGE KWH PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 897.71 | 1,161.02 | 811 | 692 | 963.13 | 27 | 19 | 1,179.70 | 88 | 75 | 853.46 | 6 | 2 | 1,182.69 | 95 | 83 |
| 2016 | 864.64 | 1,145.27 | 809 | 706 | 962.85 | 27 | 20 | 1,115.06 | 101 | 88 | 846.13 | 6 | 2 | 1,192.26 | 159 | 147 |
| 2017 | 839.92 | 1,106.59 | 813 | 710 | 925.33 | 26 | 19 | 1,156.10 | 85 | 74 | 825.70 | 6 | 2 | 1,153.22 | 175 | 163 |
| 2018 | 913.63 | 1,206.10 | 814 | 701 | 1,021.90 | 26 | 19 | 1,227.82 | 79 | 68 | 880.21 | 6 | 2 | 1,209.51 | 230 | 208 |
| 2019 | 901.80 | 1,174.88 | 816 | 700 | 983.30 | 26 | 19 | 1,192.52 | 79 | 70 | 852.77 | 6 | 2 | 1,194.71 | 153 | 134 |
| RATIO 62 --- AVERAGE SEASONAL KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 143.97 | 298.79 | 276 | 249 | 160.62 | 14 | 10 | 250.94 | 40 | 34 | 145.05 | 4 | 3 | 355.27 | 33 | 28 |
| 2016 | 123.07 | 308.06 | 276 | 254 | 162.03 | 14 | 11 | 246.18 | 47 | 43 | 141.58 | 4 | 3 | 315.34 | 52 | 49 |
| 2017 | 137.50 | 317.39 | 271 | 250 | 169.01 | 13 | 11 | 274.25 | 39 | 35 | 148.58 | 4 | 3 | 302.86 | 64 | 58 |
| 2018 | 148.66 | 348.51 | 267 | 241 | 182.69 | 13 | 10 | 325.50 | 34 | 29 | 161.80 | 4 | 3 | 359.22 | 78 | 73 |
| 2019 | 152.80 | 350.79 | 263 | 236 | 182.67 | 12 | 9 | 323.30 | 37 | 32 | 163.26 | 4 | 3 | 325.20 | 50 | 47 |
| RATIO 63 --- AVERAGE IRRIGATION KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 2,083.84 | 1,676.28 | 411 | 168 | 1,847.74 | 18 | 8 | 2,042.74 | 53 | 24 | 2,246.76 | 6 | 4 | 1,909.65 | 55 | 27 |
| 2016 | 1,993.41 | 1,923.61 | 415 | 194 | 1,626.66 | 18 | 7 | 1,988.24 | 62 | 31 | 2,079.38 | 6 | 4 | 1,806.09 | 78 | 34 |
| 2017 | 2,035.79 | 1,944.24 | 416 | 201 | 1,809.39 | 18 | 8 | 2,106.96 | 55 | 30 | 2,081.96 | 6 | 4 | 1,769.57 | 99 | 44 |
| 2018 | 1,977.91 | 1,748.10 | 422 | 183 | 1,494.09 | 18 | 6 | 1,788.58 | 50 | 21 | 1,851.97 | 6 | 3 | 1,715.69 | 113 | 46 |
| 2019 | 1,807.31 | 1,542.07 | 423 | 181 | 1,262.58 | 18 | 6 | 1,554.35 | 51 | 21 | 1,674.69 | 6 | 3 | 1,538.89 | 91 | 43 |
| RATIO 64 --- AVERAGE SMALL COMMERCIAL KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 2,039.06 | 3,391.24 | 810 | 665 | 2,311.75 | 27 | 16 | 3,212.50 | 88 | 73 | 2,601.71 | 6 | 5 | 3,480.81 | 95 | 77 |
| 2016 | 2,088.05 | 3,404.76 | 809 | 659 | 2,616.80 | 27 | 17 | 3,693.15 | 101 | 82 | 2,962.65 | 6 | 6 | 3,519.53 | 159 | 141 |
| 2017 | 2,297.25 | 3,354.60 | 813 | 611 | 2,329.62 | 26 | 15 | 3,583.96 | 85 | 65 | 2,622.89 | 6 | 5 | 3,532.07 | 175 | 139 |
| 2018 | 2,360.53 | 3,420.01 | 813 | 609 | 2,369.09 | 26 | 14 | 3,251.52 | 79 | 60 | 2,719.15 | 6 | 5 | 3,479.32 | 230 | 179 |
| 2019 | 2,350.22 | 3,328.78 | 815 | 601 | 2,376.26 | 26 | 14 | 3,261.16 | 79 | 58 | 2,733.53 | 6 | 5 | 3,709.23 | 152 | 123 |
| RATIO 65 --- AVERAGE LARGE COMMERCIAL KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 12,877.35 | 462,562.68 | 703 | 693 | 242,958.33 | 20 | 20 | 294,541.67 | 68 | 66 | 592,359.13 | 5 | 5 | 358,783.33 | 82 | 81 |
| 2016 | 13,412.74 | 448,833.33 | 703 | 695 | 233,583.33 | 19 | 18 | 335,491.42 | 84 | 83 | 619,099.59 | 5 | 5 | 630,638.89 | 139 | 139 |
| 2017 | 20,478.24 | 440,934.58 | 706 | 690 | 301,515.63 | 18 | 18 | 289,652.37 | 66 | 63 | 640,719.51 | 5 | 5 | 518,124.20 | 152 | 149 |
| 2018 | 25,847.99 | 451,301.59 | 713 | 690 | 283,763.89 | 19 | 18 | 312,145.83 | 62 | 60 | 652,128.97 | 5 | 5 | 519,410.26 | 205 | 203 |
| 2019 | 32,407.80 | 451,674.32 | 716 | 684 | 233,468.75 | 19 | 18 | 289,000.00 | 62 | 56 | 647,133.72 | 5 | 5 | 543,567.71 | 131 | 127 |
| RATIO 66 --- AVERAGE STREET & HIGHWAY LIGHTING KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 1,284.48 | 1,435.28 | 590 | 308 | 1,170.02 | 20 | 10 | 1,331.23 | 66 | 34 | 1,615.21 | 6 | 5 | 1,486.15 | 70 | 40 |
| 2016 | 1,324.40 | 1,398.10 | 586 | 302 | 1,370.11 | 20 | 11 | 944.92 | 69 | 27 | 1,626.47 | 6 | 5 | 1,352.68 | 124 | 63 |
| 2017 | 1,473.33 | 1,358.54 | 588 | 285 | 1,148.94 | 20 | 9 | 1,473.33 | 63 | 32 | 1,687.42 | 6 | 5 | 1,113.59 | 133 | 57 |
| 2018 | 1,601.45 | 1,266.67 | 587 | 256 | 1,264.68 | 19 | 8 | 1,183.01 | 57 | 20 | 1,791.87 | 6 | 4 | 1,125.00 | 163 | 68 |
| 2019 | 1,746.03 | 1,231.13 | 584 | 235 | 1,479.65 | 19 | 8 | 911.06 | 54 | 17 | 1,874.62 | 6 | 4 | 1,102.78 | 115 | 43 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|------------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 67 --- AVERAGE SALES FOR RESALE KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 859,916.67 | 361,416.67 | 112 | 37 | 1,314,078.13 | 6 | 5 | 361,500.00 | 21 | 8 | 1,455,048.61 | 4 | 4 | 745,166.67 | 15 | 7 |
| 2016 | 820,416.67 | 363,750.00 | 113 | 38 | 1,307,515.63 | 6 | 5 | 189,687.50 | 20 | 4 | 1,459,236.11 | 4 | 4 | 746,500.00 | 19 | 9 |
| 2017 | 799,333.33 | 355,444.44 | 116 | 38 | 1,285,328.13 | 6 | 5 | 625,743.06 | 20 | 8 | 1,422,180.56 | 4 | 4 | 733,666.67 | 27 | 13 |
| 2018 | 817,833.33 | 395,395.83 | 114 | 38 | 1,328,473.96 | 6 | 5 | 641,958.33 | 21 | 8 | 1,488,388.89 | 4 | 4 | 300,500.00 | 39 | 11 |
| 2019 | 689,333.33 | 378,416.67 | 114 | 45 | 1,405,666.67 | 5 | 5 | 636,250.00 | 21 | 10 | 1,380,375.00 | 4 | 4 | 662,791.67 | 26 | 13 |
| RATIO 68 --- AVERAGE SALES TO PUBLIC AUTHORITIES KWH USAGE PER MONTH | | | | | | | | | | | | | | | | |
| 2015 | 780.00 | 2,189.61 | 293 | 273 | 1,216.22 | 16 | 15 | 1,943.18 | 36 | 33 | 1,533.89 | 4 | 4 | 1,401.74 | 37 | 33 |
| 2016 | 704.25 | 2,145.83 | 293 | 272 | 1,276.14 | 16 | 15 | 1,373.99 | 32 | 29 | 1,974.71 | 4 | 4 | 2,196.92 | 60 | 57 |
| 2017 | 568.03 | 2,087.46 | 293 | 277 | 1,232.79 | 15 | 14 | 2,183.14 | 34 | 31 | 1,705.05 | 4 | 4 | 2,000.00 | 65 | 62 |
| 2018 | 619.05 | 2,260.23 | 295 | 279 | 1,355.77 | 15 | 14 | 2,326.30 | 36 | 33 | 1,729.63 | 4 | 4 | 2,061.41 | 88 | 85 |
| 2019 | 620.75 | 2,218.75 | 293 | 279 | 1,353.45 | 15 | 14 | 2,035.98 | 34 | 33 | 1,783.91 | 4 | 4 | 2,135.35 | 59 | 56 |
| RATIO 69 --- RESIDENTIAL KWH SOLD PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 17.21 | 58.83 | 811 | 761 | 56.05 | 27 | 23 | 50.01 | 88 | 81 | 18.58 | 6 | 4 | 56.21 | 95 | 89 |
| 2016 | 17.31 | 58.34 | 809 | 762 | 57.44 | 27 | 24 | 51.88 | 101 | 90 | 18.55 | 6 | 4 | 57.98 | 159 | 155 |
| 2017 | 16.45 | 57.47 | 813 | 765 | 54.25 | 26 | 23 | 48.38 | 85 | 77 | 17.88 | 6 | 4 | 58.61 | 175 | 172 |
| 2018 | 15.97 | 58.66 | 814 | 769 | 56.78 | 26 | 24 | 50.23 | 79 | 70 | 18.07 | 6 | 5 | 62.90 | 230 | 222 |
| 2019 | 14.38 | 58.63 | 816 | 781 | 57.23 | 26 | 24 | 50.29 | 79 | 74 | 17.97 | 6 | 5 | 59.53 | 153 | 148 |
| RATIO 70 --- SEASONAL KWH SOLD PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 1.00 | 1.45 | 277 | 162 | 0.91 | 14 | 7 | 1.67 | 40 | 26 | 0.91 | 4 | 2 | 1.70 | 33 | 23 |
| 2016 | 1.16 | 1.50 | 276 | 154 | 1.02 | 14 | 6 | 2.12 | 47 | 32 | 1.02 | 4 | 1 | 1.42 | 52 | 30 |
| 2017 | 1.33 | 1.55 | 272 | 147 | 1.24 | 13 | 5 | 1.78 | 39 | 25 | 1.06 | 4 | 1 | 1.60 | 64 | 37 |
| 2018 | 1.32 | 1.57 | 267 | 143 | 1.17 | 13 | 6 | 1.80 | 34 | 23 | 1.06 | 4 | 1 | 1.63 | 78 | 44 |
| 2019 | 1.24 | 1.69 | 263 | 145 | 1.21 | 12 | 6 | 1.93 | 37 | 25 | 1.09 | 4 | 1 | 2.37 | 50 | 33 |
| RATIO 71 --- IRRIGATION KWH SOLD PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 5.51 | 1.44 | 411 | 117 | 3.74 | 18 | 6 | 4.65 | 53 | 24 | 5.19 | 6 | 3 | 1.87 | 55 | 17 |
| 2016 | 5.62 | 1.62 | 416 | 127 | 3.39 | 18 | 6 | 2.83 | 62 | 26 | 4.95 | 6 | 3 | 1.57 | 79 | 21 |
| 2017 | 5.83 | 1.52 | 416 | 124 | 3.96 | 18 | 6 | 4.88 | 55 | 27 | 5.12 | 6 | 3 | 1.28 | 99 | 25 |
| 2018 | 5.10 | 1.40 | 422 | 122 | 2.87 | 18 | 6 | 2.50 | 50 | 23 | 4.54 | 6 | 3 | 1.02 | 113 | 33 |
| 2019 | 4.29 | 1.11 | 423 | 126 | 2.37 | 18 | 6 | 2.49 | 51 | 25 | 3.99 | 6 | 3 | 1.01 | 91 | 25 |
| RATIO 72 --- SMALL COMMERCIAL KWH SOLD PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 31.84 | 18.13 | 810 | 94 | 28.22 | 27 | 10 | 17.39 | 88 | 11 | 32.86 | 6 | 4 | 17.54 | 95 | 14 |
| 2016 | 34.14 | 18.32 | 809 | 69 | 30.44 | 27 | 9 | 19.29 | 101 | 14 | 34.86 | 6 | 4 | 19.01 | 159 | 13 |
| 2017 | 37.27 | 18.55 | 813 | 55 | 29.51 | 26 | 5 | 19.11 | 85 | 6 | 33.62 | 6 | 2 | 18.15 | 175 | 9 |
| 2018 | 34.24 | 18.11 | 813 | 65 | 28.58 | 26 | 8 | 18.57 | 79 | 6 | 32.39 | 6 | 3 | 17.16 | 230 | 9 |
| 2019 | 31.25 | 18.47 | 815 | 95 | 28.66 | 26 | 8 | 18.71 | 79 | 8 | 31.21 | 6 | 3 | 19.56 | 152 | 22 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 73 --- LARGE COMMERCIAL KWH SOLD PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 36.87 | 15.84 | 703 | 129 | 17.53 | 20 | 6 | 21.17 | 68 | 22 | 39.59 | 5 | 4 | 17.56 | 82 | 13 |
| 2016 | 34.12 | 15.70 | 704 | 145 | 18.56 | 19 | 4 | 16.56 | 84 | 21 | 34.12 | 5 | 3 | 16.67 | 139 | 22 |
| 2017 | 31.69 | 16.79 | 706 | 172 | 19.98 | 18 | 5 | 19.60 | 66 | 23 | 34.92 | 5 | 4 | 17.59 | 152 | 37 |
| 2018 | 36.51 | 15.77 | 713 | 140 | 23.16 | 19 | 4 | 21.90 | 62 | 20 | 36.51 | 5 | 3 | 14.40 | 205 | 33 |
| 2019 | 43.44 | 16.42 | 716 | 96 | 22.58 | 19 | 3 | 21.12 | 62 | 16 | 40.56 | 5 | 2 | 14.47 | 131 | 13 |
| RATIO 74 --- STREET & HIGHWAY LIGHTING KWH SOLD PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 0.30 | 0.12 | 598 | 139 | 0.13 | 21 | 6 | 0.19 | 67 | 20 | 0.29 | 6 | 3 | 0.17 | 72 | 16 |
| 2016 | 0.32 | 0.12 | 592 | 131 | 0.12 | 20 | 5 | 0.09 | 70 | 15 | 0.30 | 6 | 3 | 0.14 | 125 | 33 |
| 2017 | 0.32 | 0.12 | 596 | 133 | 0.12 | 20 | 5 | 0.16 | 64 | 20 | 0.29 | 6 | 3 | 0.15 | 133 | 30 |
| 2018 | 0.29 | 0.11 | 592 | 133 | 0.15 | 20 | 6 | 0.13 | 57 | 18 | 0.28 | 6 | 3 | 0.12 | 164 | 40 |
| 2019 | 0.26 | 0.11 | 592 | 147 | 0.16 | 20 | 7 | 0.12 | 55 | 16 | 0.26 | 6 | 4 | 0.09 | 117 | 28 |
| RATIO 75 --- SALES FOR RESALE PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 6.95 | 2.53 | 115 | 32 | 6.97 | 6 | 4 | 4.60 | 21 | 9 | 6.78 | 4 | 2 | 3.17 | 15 | 6 |
| 2016 | 7.03 | 2.59 | 116 | 31 | 7.14 | 6 | 4 | 2.16 | 20 | 4 | 6.98 | 4 | 2 | 6.02 | 20 | 8 |
| 2017 | 6.87 | 2.51 | 121 | 32 | 6.99 | 6 | 4 | 5.94 | 20 | 9 | 6.74 | 4 | 2 | 4.09 | 29 | 10 |
| 2018 | 6.35 | 2.47 | 121 | 38 | 6.53 | 6 | 4 | 4.73 | 22 | 10 | 6.53 | 4 | 3 | 2.84 | 40 | 12 |
| 2019 | 4.92 | 2.84 | 120 | 44 | 6.65 | 5 | 4 | 4.77 | 22 | 10 | 5.78 | 4 | 3 | 3.54 | 26 | 11 |
| RATIO 76 --- SALES TO PUBLIC AUTHORITIES PER TOTAL KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | 0.32 | 1.02 | 295 | 234 | 0.65 | 16 | 14 | 0.91 | 36 | 28 | 0.44 | 4 | 3 | 0.74 | 37 | 29 |
| 2016 | 0.31 | 1.03 | 295 | 236 | 1.02 | 16 | 14 | 0.62 | 32 | 26 | 0.54 | 4 | 3 | 1.20 | 61 | 52 |
| 2017 | 0.24 | 1.01 | 295 | 246 | 0.99 | 15 | 13 | 0.90 | 34 | 28 | 0.51 | 4 | 3 | 1.08 | 66 | 55 |
| 2018 | 0.24 | 1.02 | 297 | 251 | 0.94 | 15 | 13 | 0.90 | 36 | 29 | 0.46 | 4 | 3 | 0.92 | 88 | 76 |
| 2019 | 0.22 | 1.06 | 296 | 252 | 0.96 | 15 | 13 | 0.91 | 35 | 28 | 0.36 | 4 | 3 | 0.91 | 61 | 52 |
| CONTROLLABLE EXPENSES (RATIOS 77-87) | | | | | | | | | | | | | | | | |
| RATIO 77 --- O & M EXPENSES PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 12.16 | 12.17 | 811 | 408 | 17.12 | 27 | 19 | 12.71 | 88 | 53 | 10.33 | 6 | 1 | 12.17 | 95 | 49 |
| 2016 | 10.73 | 12.56 | 809 | 528 | 16.44 | 27 | 23 | 13.02 | 101 | 70 | 9.90 | 6 | 3 | 11.53 | 159 | 103 |
| 2017 | 13.93 | 12.77 | 813 | 342 | 17.23 | 26 | 16 | 13.69 | 85 | 41 | 10.33 | 6 | 1 | 12.48 | 175 | 63 |
| 2018 | 13.47 | 12.57 | 814 | 349 | 17.72 | 26 | 16 | 14.65 | 79 | 44 | 10.74 | 6 | 1 | 12.73 | 230 | 104 |
| 2019 | 11.86 | 13.35 | 816 | 498 | 17.11 | 26 | 20 | 15.00 | 79 | 56 | 10.81 | 6 | 2 | 12.74 | 153 | 92 |
| RATIO 78 --- O & M EXPENSES PER DOLLARS OF TUP (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 38.03 | 42.23 | 811 | 522 | 43.84 | 27 | 19 | 38.08 | 88 | 45 | 39.98 | 6 | 4 | 38.98 | 95 | 53 |
| 2016 | 30.64 | 42.14 | 809 | 677 | 41.85 | 27 | 25 | 41.68 | 101 | 82 | 37.70 | 6 | 5 | 41.47 | 159 | 134 |
| 2017 | 39.17 | 41.36 | 813 | 469 | 38.98 | 26 | 13 | 38.15 | 85 | 40 | 37.42 | 6 | 2 | 40.79 | 175 | 97 |
| 2018 | 39.70 | 41.56 | 814 | 466 | 40.17 | 26 | 14 | 39.11 | 79 | 34 | 39.61 | 6 | 3 | 42.92 | 230 | 138 |
| 2019 | 35.07 | 42.57 | 816 | 588 | 42.17 | 26 | 17 | 37.89 | 79 | 51 | 37.89 | 6 | 4 | 41.05 | 153 | 105 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 79 --- O & M EXPENSES PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 304.80 | 253.22 | 811 | 226 | 299.07 | 27 | 11 | 287.91 | 88 | 38 | 303.00 | 6 | 3 | 245.95 | 95 | 22 |
| 2016 | 248.52 | 259.31 | 809 | 448 | 281.27 | 27 | 19 | 283.42 | 101 | 69 | 279.67 | 6 | 5 | 244.30 | 159 | 78 |
| 2017 | 330.97 | 263.70 | 813 | 203 | 307.35 | 26 | 10 | 327.76 | 85 | 42 | 313.72 | 6 | 3 | 250.41 | 175 | 32 |
| 2018 | 355.96 | 278.18 | 814 | 171 | 311.26 | 26 | 10 | 343.66 | 79 | 34 | 332.19 | 6 | 3 | 271.23 | 230 | 41 |
| 2019 | 342.13 | 286.23 | 816 | 239 | 323.64 | 26 | 9 | 351.52 | 79 | 44 | 326.06 | 6 | 2 | 288.37 | 153 | 43 |
| RATIO 80 --- CONSUMER ACCOUNTING EXPENSES PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 1.55 | 2.94 | 811 | 701 | 3.05 | 27 | 24 | 2.71 | 88 | 69 | 1.73 | 6 | 4 | 2.88 | 95 | 82 |
| 2016 | 1.70 | 2.88 | 809 | 677 | 2.95 | 27 | 24 | 2.95 | 101 | 85 | 1.87 | 6 | 4 | 2.58 | 159 | 132 |
| 2017 | 1.53 | 2.92 | 813 | 696 | 2.83 | 26 | 23 | 2.60 | 85 | 72 | 1.43 | 6 | 3 | 2.80 | 175 | 151 |
| 2018 | 1.33 | 2.77 | 814 | 718 | 2.76 | 26 | 23 | 2.42 | 79 | 66 | 1.30 | 6 | 3 | 2.75 | 230 | 204 |
| 2019 | 1.32 | 2.81 | 816 | 736 | 2.81 | 26 | 24 | 2.56 | 79 | 69 | 1.41 | 6 | 4 | 2.86 | 153 | 138 |
| RATIO 81 --- CONSUMER ACCOUNTING EXPENSES PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 38.88 | 60.02 | 811 | 726 | 57.06 | 27 | 23 | 58.92 | 88 | 78 | 48.50 | 6 | 6 | 60.66 | 95 | 88 |
| 2016 | 39.33 | 58.88 | 809 | 708 | 50.08 | 27 | 22 | 58.51 | 101 | 95 | 44.70 | 6 | 4 | 56.36 | 159 | 131 |
| 2017 | 36.44 | 58.67 | 813 | 730 | 45.27 | 26 | 25 | 59.70 | 85 | 77 | 43.01 | 6 | 6 | 58.09 | 175 | 157 |
| 2018 | 35.20 | 58.95 | 814 | 736 | 47.45 | 26 | 25 | 58.74 | 79 | 74 | 43.13 | 6 | 6 | 56.33 | 230 | 211 |
| 2019 | 38.02 | 58.61 | 816 | 722 | 50.39 | 26 | 26 | 59.34 | 79 | 74 | 45.46 | 6 | 6 | 58.29 | 153 | 133 |
| RATIO 82 --- CUSTOMER SALES AND SERVICE PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 1.15 | 0.92 | 798 | 317 | 0.98 | 25 | 11 | 1.17 | 88 | 46 | 0.70 | 6 | 2 | 0.92 | 93 | 37 |
| 2016 | 1.22 | 0.93 | 798 | 288 | 1.00 | 25 | 7 | 1.15 | 100 | 46 | 0.71 | 6 | 1 | 0.94 | 159 | 62 |
| 2017 | 1.18 | 0.95 | 799 | 314 | 1.04 | 24 | 8 | 1.19 | 84 | 43 | 0.73 | 6 | 2 | 0.97 | 175 | 72 |
| 2018 | 0.74 | 0.91 | 800 | 470 | 0.96 | 24 | 15 | 1.15 | 78 | 54 | 0.67 | 6 | 2 | 0.95 | 229 | 138 |
| 2019 | 0.51 | 0.93 | 801 | 594 | 0.92 | 24 | 22 | 1.15 | 78 | 62 | 0.68 | 6 | 6 | 1.09 | 152 | 120 |
| RATIO 83 --- CUSTOMER SALES AND SERVICE PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 28.89 | 19.60 | 798 | 247 | 18.12 | 25 | 4 | 27.20 | 88 | 41 | 26.20 | 6 | 2 | 20.62 | 93 | 32 |
| 2016 | 28.13 | 19.82 | 798 | 261 | 18.57 | 25 | 5 | 27.26 | 100 | 49 | 25.90 | 6 | 3 | 19.72 | 159 | 54 |
| 2017 | 28.04 | 19.57 | 799 | 260 | 19.98 | 24 | 5 | 27.17 | 84 | 40 | 24.83 | 6 | 3 | 20.20 | 175 | 73 |
| 2018 | 19.63 | 19.65 | 800 | 401 | 18.70 | 24 | 10 | 28.57 | 78 | 48 | 20.35 | 6 | 4 | 18.95 | 229 | 111 |
| 2019 | 14.64 | 20.12 | 801 | 523 | 18.06 | 24 | 16 | 27.74 | 78 | 57 | 25.17 | 6 | 5 | 23.53 | 152 | 109 |
| RATIO 84 --- A & G EXPENSES PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 8.06 | 6.66 | 811 | 278 | 9.70 | 27 | 16 | 7.97 | 88 | 44 | 5.59 | 6 | 2 | 6.39 | 95 | 35 |
| 2016 | 8.55 | 6.84 | 809 | 252 | 9.31 | 27 | 19 | 7.98 | 101 | 45 | 5.84 | 6 | 2 | 6.49 | 159 | 48 |
| 2017 | 8.87 | 7.04 | 813 | 260 | 9.44 | 26 | 15 | 8.42 | 85 | 41 | 6.28 | 6 | 2 | 6.76 | 175 | 52 |
| 2018 | 8.22 | 6.95 | 814 | 294 | 9.14 | 26 | 15 | 8.70 | 79 | 44 | 6.42 | 6 | 2 | 6.59 | 230 | 74 |
| 2019 | 8.38 | 7.27 | 816 | 315 | 10.14 | 26 | 17 | 9.13 | 79 | 47 | 6.80 | 6 | 2 | 7.12 | 153 | 54 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 85 --- A & G EXPENSES PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 201.91 | 137.23 | 811 | 162 | 161.54 | 27 | 6 | 184.08 | 88 | 34 | 179.68 | 6 | 2 | 144.86 | 95 | 17 |
| 2016 | 198.02 | 140.41 | 809 | 187 | 161.90 | 27 | 7 | 173.86 | 101 | 25 | 183.33 | 6 | 2 | 130.07 | 159 | 34 |
| 2017 | 210.67 | 143.47 | 813 | 163 | 167.79 | 26 | 7 | 202.70 | 85 | 33 | 188.43 | 6 | 2 | 140.09 | 175 | 34 |
| 2018 | 217.18 | 148.85 | 814 | 176 | 166.76 | 26 | 9 | 209.83 | 79 | 37 | 206.63 | 6 | 3 | 136.93 | 230 | 31 |
| 2019 | 241.82 | 154.99 | 816 | 141 | 187.11 | 26 | 6 | 212.01 | 79 | 29 | 213.44 | 6 | 2 | 148.41 | 153 | 28 |
| RATIO 86 --- TOTAL CONTROLLABLE EXPENSES PER TOTAL KWH SOLD (MILLS) (SAME AS RATIO #103) | | | | | | | | | | | | | | | | |
| 2015 | 22.92 | 23.16 | 811 | 417 | 31.98 | 27 | 19 | 25.49 | 88 | 55 | 19.16 | 6 | 2 | 22.41 | 95 | 46 |
| 2016 | 22.20 | 23.56 | 809 | 464 | 31.36 | 27 | 22 | 26.60 | 101 | 65 | 20.15 | 6 | 2 | 22.77 | 159 | 89 |
| 2017 | 25.52 | 24.38 | 813 | 373 | 29.81 | 26 | 17 | 26.82 | 85 | 47 | 20.39 | 6 | 1 | 23.58 | 175 | 74 |
| 2018 | 23.76 | 23.80 | 814 | 411 | 28.39 | 26 | 19 | 27.46 | 79 | 53 | 20.66 | 6 | 1 | 23.79 | 230 | 116 |
| 2019 | 22.07 | 25.33 | 816 | 509 | 30.96 | 26 | 20 | 28.92 | 79 | 59 | 21.36 | 6 | 2 | 24.87 | 153 | 97 |
| RATIO 87 --- TOTAL CONTROLLABLE EXPENSES PER CONSUMER (\$) (SAME AS RATIO #104) | | | | | | | | | | | | | | | | |
| 2015 | 574.48 | 482.46 | 811 | 224 | 562.63 | 27 | 11 | 552.79 | 88 | 41 | 571.37 | 6 | 3 | 476.46 | 95 | 28 |
| 2016 | 514.00 | 494.06 | 809 | 343 | 514.68 | 27 | 15 | 544.19 | 101 | 62 | 555.41 | 6 | 4 | 466.57 | 159 | 58 |
| 2017 | 606.11 | 496.01 | 813 | 221 | 552.61 | 26 | 8 | 610.75 | 85 | 45 | 589.83 | 6 | 3 | 467.34 | 175 | 43 |
| 2018 | 627.97 | 514.50 | 814 | 216 | 582.70 | 26 | 9 | 638.73 | 79 | 43 | 609.43 | 6 | 3 | 491.87 | 230 | 44 |
| 2019 | 636.61 | 530.23 | 816 | 234 | 604.56 | 26 | 7 | 643.36 | 79 | 41 | 605.84 | 6 | 2 | 527.49 | 153 | 42 |
| FIXED EXPENSES (RATIOS 88-102) | | | | | | | | | | | | | | | | |
| RATIO 88 --- POWER COST PER KWH PURCHASED (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 64.86 | 68.38 | 809 | 464 | 73.32 | 27 | 25 | 63.62 | 88 | 41 | 66.70 | 6 | 5 | 66.47 | 95 | 51 |
| 2016 | 66.82 | 66.91 | 807 | 406 | 77.09 | 27 | 25 | 63.81 | 101 | 46 | 67.05 | 6 | 4 | 67.22 | 159 | 84 |
| 2017 | 64.76 | 68.53 | 811 | 469 | 74.10 | 26 | 23 | 64.45 | 85 | 42 | 65.77 | 6 | 4 | 68.47 | 175 | 108 |
| 2018 | 65.11 | 68.24 | 812 | 458 | 74.23 | 26 | 23 | 63.42 | 79 | 36 | 66.68 | 6 | 5 | 67.85 | 229 | 129 |
| 2019 | 58.08 | 66.93 | 815 | 569 | 70.48 | 26 | 23 | 61.93 | 79 | 44 | 57.74 | 6 | 3 | 65.23 | 153 | 108 |
| RATIO 89 --- POWER COST PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 69.06 | 71.48 | 811 | 456 | 78.66 | 27 | 25 | 67.93 | 88 | 43 | 70.26 | 6 | 5 | 71.40 | 95 | 53 |
| 2016 | 71.23 | 70.43 | 809 | 392 | 84.42 | 27 | 23 | 68.42 | 101 | 46 | 70.41 | 6 | 3 | 71.29 | 159 | 81 |
| 2017 | 69.69 | 72.41 | 813 | 447 | 79.70 | 26 | 22 | 68.31 | 85 | 42 | 69.37 | 6 | 3 | 72.84 | 175 | 102 |
| 2018 | 69.24 | 71.26 | 814 | 446 | 80.39 | 26 | 23 | 66.23 | 79 | 37 | 70.03 | 6 | 4 | 71.26 | 230 | 125 |
| 2019 | 62.24 | 70.65 | 816 | 557 | 76.24 | 26 | 23 | 65.28 | 79 | 45 | 61.57 | 6 | 3 | 69.41 | 153 | 103 |
| RATIO 90 --- POWER COST AS A % OF REVENUE | | | | | | | | | | | | | | | | |
| 2015 | 61.71 | 62.11 | 811 | 421 | 59.50 | 27 | 8 | 58.45 | 88 | 31 | 65.89 | 6 | 5 | 62.19 | 95 | 50 |
| 2016 | 60.61 | 61.48 | 809 | 436 | 59.47 | 27 | 10 | 60.03 | 101 | 46 | 65.15 | 6 | 5 | 62.39 | 159 | 93 |
| 2017 | 57.94 | 61.30 | 813 | 523 | 57.60 | 26 | 10 | 57.94 | 85 | 43 | 65.20 | 6 | 5 | 62.69 | 175 | 125 |
| 2018 | 60.14 | 60.63 | 814 | 420 | 57.72 | 26 | 6 | 57.18 | 79 | 33 | 65.22 | 6 | 5 | 60.37 | 230 | 116 |
| 2019 | 58.76 | 59.75 | 816 | 449 | 55.18 | 26 | 7 | 55.91 | 79 | 35 | 61.93 | 6 | 5 | 59.61 | 153 | 83 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 91 --- LONG-TERM INTEREST COST PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 7.95 | 4.97 | 805 | 140 | 6.68 | 27 | 9 | 5.51 | 88 | 24 | 5.87 | 6 | 1 | 5.33 | 94 | 13 |
| 2016 | 8.50 | 5.00 | 801 | 112 | 7.44 | 27 | 9 | 5.93 | 99 | 23 | 5.98 | 6 | 2 | 4.85 | 156 | 18 |
| 2017 | 8.36 | 4.97 | 807 | 119 | 8.01 | 26 | 12 | 6.28 | 85 | 21 | 5.95 | 6 | 2 | 4.88 | 174 | 16 |
| 2018 | 7.84 | 4.78 | 808 | 130 | 7.57 | 26 | 12 | 5.99 | 79 | 23 | 5.73 | 6 | 2 | 4.88 | 229 | 32 |
| 2019 | 7.82 | 4.95 | 809 | 150 | 7.42 | 26 | 12 | 6.40 | 77 | 25 | 5.71 | 6 | 2 | 4.96 | 153 | 20 |
| RATIO 92 --- LONG-TERM INTEREST COST AS A % OF TUP | | | | | | | | | | | | | | | | |
| 2015 | 2.49 | 1.74 | 805 | 62 | 1.91 | 27 | 4 | 1.69 | 88 | 4 | 2.31 | 6 | 3 | 1.78 | 94 | 5 |
| 2016 | 2.43 | 1.69 | 801 | 52 | 1.87 | 27 | 4 | 1.84 | 99 | 8 | 2.28 | 6 | 3 | 1.75 | 156 | 5 |
| 2017 | 2.35 | 1.64 | 807 | 47 | 1.79 | 26 | 4 | 1.71 | 85 | 3 | 2.27 | 6 | 3 | 1.69 | 174 | 5 |
| 2018 | 2.31 | 1.62 | 808 | 51 | 1.77 | 26 | 3 | 1.64 | 79 | 4 | 2.21 | 6 | 2 | 1.66 | 229 | 18 |
| 2019 | 2.31 | 1.60 | 809 | 47 | 1.72 | 26 | 3 | 1.64 | 77 | 4 | 2.15 | 6 | 1 | 1.65 | 153 | 7 |
| RATIO 93 --- LONG-TERM INTEREST COST PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 199.26 | 101.01 | 805 | 63 | 127.69 | 27 | 5 | 122.02 | 88 | 10 | 195.62 | 6 | 2 | 110.76 | 94 | 10 |
| 2016 | 196.74 | 101.43 | 801 | 64 | 127.52 | 27 | 7 | 116.28 | 99 | 11 | 201.16 | 6 | 4 | 97.28 | 156 | 12 |
| 2017 | 198.63 | 99.18 | 807 | 64 | 126.97 | 26 | 6 | 134.48 | 85 | 10 | 197.93 | 6 | 3 | 95.21 | 174 | 11 |
| 2018 | 207.05 | 101.30 | 808 | 64 | 128.74 | 26 | 6 | 134.10 | 79 | 10 | 198.42 | 6 | 3 | 100.95 | 229 | 10 |
| 2019 | 225.67 | 102.78 | 809 | 55 | 137.91 | 26 | 6 | 134.39 | 77 | 10 | 203.83 | 6 | 2 | 102.02 | 153 | 12 |
| RATIO 94 --- DEPRECIATION EXPENSE PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 9.70 | 8.46 | 811 | 294 | 10.78 | 27 | 17 | 9.59 | 88 | 44 | 6.88 | 6 | 2 | 8.77 | 95 | 39 |
| 2016 | 10.52 | 8.82 | 809 | 255 | 11.99 | 27 | 20 | 9.87 | 101 | 40 | 6.97 | 6 | 2 | 8.70 | 159 | 41 |
| 2017 | 10.72 | 9.29 | 813 | 271 | 12.62 | 26 | 19 | 10.45 | 85 | 39 | 7.31 | 6 | 2 | 9.09 | 175 | 51 |
| 2018 | 9.81 | 9.09 | 814 | 332 | 12.40 | 26 | 20 | 10.49 | 79 | 47 | 7.19 | 6 | 2 | 8.96 | 230 | 90 |
| 2019 | 9.50 | 9.49 | 816 | 405 | 12.68 | 26 | 21 | 11.26 | 79 | 55 | 7.70 | 6 | 2 | 9.65 | 153 | 81 |
| RATIO 95 --- DEPRECIATION EXPENSE AS A % OF TUP | | | | | | | | | | | | | | | | |
| 2015 | 3.03 | 2.94 | 811 | 319 | 2.81 | 27 | 8 | 2.78 | 88 | 26 | 2.94 | 6 | 3 | 2.90 | 95 | 39 |
| 2016 | 3.00 | 2.96 | 809 | 362 | 2.81 | 27 | 8 | 2.92 | 101 | 44 | 2.89 | 6 | 3 | 2.99 | 159 | 77 |
| 2017 | 3.01 | 2.96 | 813 | 356 | 2.84 | 26 | 8 | 2.83 | 85 | 23 | 2.88 | 6 | 3 | 3.01 | 175 | 88 |
| 2018 | 2.89 | 2.96 | 814 | 479 | 2.81 | 26 | 10 | 2.86 | 79 | 38 | 2.82 | 6 | 3 | 2.99 | 230 | 150 |
| 2019 | 2.81 | 2.94 | 816 | 549 | 2.81 | 26 | 14 | 2.85 | 79 | 44 | 2.79 | 6 | 3 | 2.97 | 153 | 108 |
| RATIO 96 --- DEPRECIATION EXPENSE PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 243.11 | 172.04 | 811 | 138 | 189.94 | 27 | 5 | 199.92 | 88 | 26 | 228.85 | 6 | 3 | 179.68 | 95 | 20 |
| 2016 | 243.55 | 178.28 | 809 | 154 | 190.21 | 27 | 5 | 208.19 | 101 | 30 | 230.32 | 6 | 3 | 173.72 | 159 | 26 |
| 2017 | 254.67 | 183.77 | 813 | 163 | 207.41 | 26 | 6 | 225.39 | 85 | 32 | 239.87 | 6 | 3 | 182.94 | 175 | 33 |
| 2018 | 259.28 | 189.99 | 814 | 167 | 208.70 | 26 | 6 | 230.74 | 79 | 33 | 246.74 | 6 | 3 | 178.43 | 230 | 33 |
| 2019 | 274.12 | 197.34 | 816 | 156 | 221.10 | 26 | 8 | 236.38 | 79 | 27 | 257.34 | 6 | 3 | 200.02 | 153 | 29 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 97 --- ACCUMULATIVE DEPRECIATION AS A % OF PLANT IN SERVICE | | | | | | | | | | | | | | | | |
| 2015 | 28.75 | 32.25 | 811 | 550 | 28.75 | 27 | 14 | 33.95 | 88 | 66 | 30.87 | 6 | 5 | 29.14 | 95 | 49 |
| 2016 | 28.15 | 32.49 | 809 | 573 | 28.15 | 27 | 14 | 31.95 | 101 | 67 | 31.53 | 6 | 5 | 31.30 | 159 | 110 |
| 2017 | 29.42 | 33.07 | 812 | 551 | 29.72 | 26 | 14 | 34.36 | 85 | 65 | 30.45 | 6 | 5 | 31.28 | 175 | 112 |
| 2018 | 29.54 | 33.22 | 814 | 559 | 29.80 | 26 | 14 | 34.35 | 79 | 60 | 30.55 | 6 | 5 | 32.25 | 230 | 147 |
| 2019 | 30.68 | 33.75 | 816 | 523 | 30.48 | 26 | 12 | 34.54 | 79 | 58 | 30.64 | 6 | 3 | 31.53 | 153 | 85 |
| RATIO 101 --- TOTAL FIXED EXPENSES PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 86.78 | 85.70 | 811 | 387 | 97.86 | 27 | 20 | 85.22 | 88 | 41 | 84.57 | 6 | 2 | 85.68 | 95 | 43 |
| 2016 | 90.33 | 85.40 | 809 | 294 | 102.45 | 27 | 21 | 86.05 | 101 | 42 | 83.68 | 6 | 2 | 85.51 | 159 | 54 |
| 2017 | 88.84 | 87.09 | 813 | 374 | 102.98 | 26 | 21 | 84.77 | 85 | 39 | 84.26 | 6 | 2 | 88.06 | 175 | 81 |
| 2018 | 86.97 | 85.72 | 814 | 383 | 101.73 | 26 | 21 | 84.66 | 79 | 37 | 84.17 | 6 | 2 | 86.04 | 230 | 108 |
| 2019 | 79.67 | 85.84 | 816 | 527 | 97.85 | 26 | 22 | 83.71 | 79 | 52 | 75.38 | 6 | 2 | 85.13 | 153 | 100 |
| RATIO 102 --- TOTAL FIXED EXPENSES PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 2,174.59 | 1,713.92 | 811 | 191 | 1,743.56 | 27 | 8 | 1,852.41 | 88 | 29 | 2,325.39 | 6 | 5 | 1,750.49 | 95 | 26 |
| 2016 | 2,091.37 | 1,695.63 | 809 | 217 | 1,784.16 | 27 | 9 | 1,808.91 | 101 | 36 | 2,398.86 | 6 | 6 | 1,730.82 | 159 | 40 |
| 2017 | 2,110.21 | 1,693.11 | 813 | 219 | 1,737.17 | 26 | 8 | 1,871.06 | 85 | 34 | 2,400.68 | 6 | 5 | 1,703.36 | 175 | 44 |
| 2018 | 2,298.06 | 1,774.49 | 814 | 194 | 1,859.80 | 26 | 8 | 1,912.36 | 79 | 31 | 2,499.36 | 6 | 5 | 1,730.37 | 230 | 41 |
| 2019 | 2,297.91 | 1,741.54 | 816 | 186 | 1,761.32 | 26 | 7 | 1,855.97 | 79 | 31 | 2,327.22 | 6 | 4 | 1,682.20 | 153 | 34 |
| TOTAL EXPENSES (RATIOS 103-107) | | | | | | | | | | | | | | | | |
| RATIO 103 --- TOTAL OPERATING EXPENSES PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 22.92 | 23.16 | 811 | 417 | 31.98 | 27 | 19 | 25.49 | 88 | 55 | 19.16 | 6 | 2 | 22.41 | 95 | 46 |
| 2016 | 22.20 | 23.56 | 809 | 464 | 31.36 | 27 | 22 | 26.60 | 101 | 65 | 20.15 | 6 | 2 | 22.77 | 159 | 89 |
| 2017 | 25.52 | 24.38 | 813 | 373 | 29.81 | 26 | 17 | 26.82 | 85 | 47 | 20.39 | 6 | 1 | 23.58 | 175 | 74 |
| 2018 | 23.76 | 23.80 | 814 | 411 | 28.39 | 26 | 19 | 27.46 | 79 | 53 | 20.66 | 6 | 1 | 23.79 | 230 | 116 |
| 2019 | 22.07 | 25.33 | 816 | 509 | 30.96 | 26 | 20 | 28.92 | 79 | 59 | 21.36 | 6 | 2 | 24.87 | 153 | 97 |
| RATIO 104 --- TOTAL OPERATING EXPENSES PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 574.48 | 482.46 | 811 | 224 | 562.63 | 27 | 11 | 552.79 | 88 | 41 | 571.37 | 6 | 3 | 476.46 | 95 | 28 |
| 2016 | 514.00 | 494.06 | 809 | 343 | 514.68 | 27 | 15 | 544.19 | 101 | 62 | 555.41 | 6 | 4 | 466.57 | 159 | 58 |
| 2017 | 606.11 | 496.01 | 813 | 221 | 552.61 | 26 | 8 | 610.75 | 85 | 45 | 589.83 | 6 | 3 | 467.34 | 175 | 43 |
| 2018 | 627.97 | 514.50 | 814 | 216 | 582.70 | 26 | 9 | 638.73 | 79 | 43 | 609.43 | 6 | 3 | 491.87 | 230 | 44 |
| 2019 | 636.61 | 530.23 | 816 | 234 | 604.56 | 26 | 7 | 643.36 | 79 | 41 | 605.84 | 6 | 2 | 527.49 | 153 | 42 |
| RATIO 105 --- TOTAL COST OF SERVICE (MINUS POWER COSTS) PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 40.64 | 37.95 | 811 | 346 | 50.22 | 27 | 20 | 41.94 | 88 | 47 | 30.93 | 6 | 2 | 37.62 | 95 | 40 |
| 2016 | 41.30 | 38.50 | 809 | 350 | 53.19 | 27 | 22 | 43.98 | 101 | 56 | 32.19 | 6 | 2 | 37.57 | 159 | 65 |
| 2017 | 44.67 | 40.16 | 813 | 314 | 54.78 | 26 | 20 | 44.67 | 85 | 43 | 33.04 | 6 | 2 | 38.39 | 175 | 58 |
| 2018 | 41.50 | 39.12 | 814 | 367 | 54.70 | 26 | 21 | 46.53 | 79 | 47 | 33.06 | 6 | 2 | 38.77 | 230 | 100 |
| 2019 | 39.50 | 41.30 | 816 | 446 | 57.24 | 26 | 21 | 46.51 | 79 | 54 | 34.40 | 6 | 2 | 40.99 | 153 | 84 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 106 --- TOTAL COST OF ELECTRIC SERVICE PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 109.70 | 109.04 | 811 | 396 | 127.11 | 27 | 21 | 111.28 | 88 | 48 | 101.66 | 6 | 2 | 108.13 | 95 | 45 |
| 2016 | 112.53 | 108.55 | 809 | 342 | 135.11 | 27 | 23 | 112.53 | 101 | 51 | 101.63 | 6 | 2 | 108.01 | 159 | 63 |
| 2017 | 114.36 | 110.94 | 813 | 361 | 132.13 | 26 | 21 | 114.36 | 85 | 43 | 103.09 | 6 | 2 | 110.21 | 175 | 74 |
| 2018 | 110.73 | 109.15 | 814 | 374 | 130.68 | 26 | 22 | 113.41 | 79 | 45 | 103.06 | 6 | 2 | 109.15 | 230 | 106 |
| 2019 | 101.74 | 110.22 | 816 | 551 | 129.06 | 26 | 22 | 113.76 | 79 | 61 | 96.74 | 6 | 2 | 109.20 | 153 | 105 |
| RATIO 107 --- TOTAL COST OF ELECTRIC SERVICE PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 2,749.07 | 2,188.72 | 811 | 184 | 2,288.36 | 27 | 8 | 2,389.39 | 88 | 29 | 2,908.96 | 6 | 5 | 2,248.68 | 95 | 26 |
| 2016 | 2,605.37 | 2,188.66 | 809 | 220 | 2,315.77 | 27 | 8 | 2,315.77 | 101 | 38 | 2,995.83 | 6 | 5 | 2,215.79 | 159 | 37 |
| 2017 | 2,716.32 | 2,200.65 | 813 | 203 | 2,273.05 | 26 | 8 | 2,516.49 | 85 | 31 | 2,994.14 | 6 | 5 | 2,136.43 | 175 | 41 |
| 2018 | 2,926.03 | 2,294.79 | 814 | 186 | 2,350.05 | 26 | 7 | 2,597.73 | 79 | 30 | 3,115.23 | 6 | 5 | 2,250.09 | 230 | 36 |
| 2019 | 2,934.52 | 2,277.56 | 816 | 182 | 2,266.42 | 26 | 7 | 2,500.66 | 79 | 31 | 2,944.77 | 6 | 4 | 2,219.44 | 153 | 32 |
| EMPLOYEES (RATIOS 108-113) | | | | | | | | | | | | | | | | |
| RATIO 108 --- AVERAGE WAGE RATE PER HOUR (\$) | | | | | | | | | | | | | | | | |
| 2015 | 36.18 | 34.35 | 810 | 267 | 34.69 | 27 | 12 | 34.57 | 87 | 31 | 37.28 | 6 | 5 | 34.78 | 95 | 30 |
| 2016 | 37.99 | 35.19 | 808 | 233 | 35.65 | 27 | 9 | 35.66 | 101 | 32 | 38.04 | 6 | 4 | 34.82 | 159 | 45 |
| 2017 | 38.57 | 36.37 | 811 | 278 | 37.48 | 26 | 12 | 36.34 | 84 | 29 | 39.97 | 6 | 5 | 35.66 | 175 | 50 |
| 2018 | 40.37 | 37.58 | 813 | 248 | 37.75 | 26 | 9 | 37.80 | 78 | 26 | 40.19 | 6 | 3 | 37.62 | 230 | 63 |
| 2019 | 40.06 | 38.63 | 815 | 327 | 38.87 | 26 | 11 | 38.60 | 78 | 31 | 41.70 | 6 | 5 | 38.62 | 153 | 55 |
| RATIO 109 --- TOTAL WAGES PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 12.56 | 11.95 | 810 | 369 | 15.57 | 27 | 19 | 14.28 | 87 | 54 | 11.67 | 6 | 2 | 11.94 | 95 | 42 |
| 2016 | 13.78 | 12.17 | 808 | 309 | 17.23 | 27 | 20 | 14.24 | 101 | 55 | 11.67 | 6 | 2 | 11.78 | 159 | 52 |
| 2017 | 13.63 | 12.74 | 812 | 360 | 17.22 | 26 | 19 | 14.16 | 84 | 49 | 12.59 | 6 | 2 | 12.54 | 175 | 69 |
| 2018 | 12.21 | 12.38 | 813 | 420 | 16.87 | 26 | 20 | 14.63 | 78 | 54 | 12.13 | 6 | 2 | 12.40 | 230 | 120 |
| 2019 | 11.31 | 13.25 | 815 | 508 | 17.26 | 26 | 23 | 15.67 | 78 | 62 | 12.02 | 6 | 4 | 12.76 | 153 | 94 |
| RATIO 110 --- TOTAL WAGES PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 314.66 | 243.75 | 810 | 204 | 297.91 | 27 | 9 | 299.98 | 87 | 33 | 314.61 | 6 | 3 | 259.72 | 95 | 27 |
| 2016 | 319.04 | 252.62 | 808 | 216 | 294.37 | 27 | 9 | 300.20 | 101 | 42 | 318.95 | 6 | 3 | 240.40 | 159 | 36 |
| 2017 | 323.66 | 259.39 | 812 | 228 | 312.43 | 26 | 11 | 326.64 | 84 | 45 | 334.64 | 6 | 4 | 245.30 | 175 | 42 |
| 2018 | 322.68 | 268.66 | 813 | 250 | 313.56 | 26 | 10 | 340.83 | 78 | 47 | 320.67 | 6 | 3 | 253.22 | 230 | 58 |
| 2019 | 326.25 | 273.23 | 815 | 259 | 322.61 | 26 | 13 | 357.77 | 78 | 49 | 339.56 | 6 | 5 | 276.12 | 153 | 48 |
| RATIO 111 --- OVERTIME HOURS/TOTAL HOURS (%) | | | | | | | | | | | | | | | | |
| 2015 | 3.67 | 4.52 | 810 | 534 | 4.01 | 27 | 15 | 3.41 | 88 | 36 | 3.88 | 6 | 4 | 4.51 | 95 | 61 |
| 2016 | 4.75 | 4.56 | 808 | 386 | 3.08 | 27 | 5 | 3.46 | 101 | 27 | 4.24 | 6 | 2 | 4.91 | 159 | 84 |
| 2017 | 3.79 | 4.76 | 811 | 542 | 3.89 | 26 | 14 | 3.47 | 85 | 35 | 5.58 | 6 | 5 | 4.95 | 175 | 122 |
| 2018 | 3.79 | 4.96 | 813 | 555 | 2.81 | 26 | 10 | 3.52 | 79 | 37 | 3.44 | 6 | 3 | 5.17 | 230 | 165 |
| 2019 | 3.74 | 4.82 | 815 | 565 | 3.67 | 26 | 13 | 3.59 | 79 | 39 | 3.41 | 6 | 3 | 4.72 | 153 | 105 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 112 --- CAPITALIZED PAYROLL / TOTAL PAYROLL (%) | | | | | | | | | | | | | | | | |
| 2015 | 22.66 | 21.58 | 808 | 355 | 29.30 | 27 | 24 | 22.22 | 86 | 40 | 25.45 | 6 | 5 | 22.94 | 95 | 50 |
| 2016 | 26.67 | 21.93 | 805 | 202 | 28.66 | 27 | 18 | 21.01 | 101 | 24 | 27.32 | 6 | 4 | 23.29 | 159 | 52 |
| 2017 | 22.13 | 22.01 | 809 | 394 | 29.10 | 26 | 23 | 21.73 | 84 | 38 | 30.65 | 6 | 6 | 23.74 | 175 | 105 |
| 2018 | 21.59 | 21.54 | 809 | 404 | 26.30 | 26 | 21 | 21.62 | 78 | 40 | 26.30 | 6 | 5 | 23.49 | 230 | 141 |
| 2019 | 22.41 | 21.73 | 810 | 375 | 24.74 | 26 | 18 | 22.30 | 78 | 39 | 23.51 | 6 | 4 | 22.92 | 153 | 81 |
| RATIO 113 --- AVERAGE CONSUMERS PER EMPLOYEE | | | | | | | | | | | | | | | | |
| 2015 | 257.43 | 306.46 | 811 | 528 | 249.76 | 27 | 12 | 247.58 | 88 | 37 | 253.33 | 6 | 3 | 294.76 | 95 | 59 |
| 2016 | 275.05 | 305.62 | 809 | 491 | 257.19 | 27 | 11 | 259.73 | 101 | 42 | 263.27 | 6 | 3 | 323.41 | 159 | 104 |
| 2017 | 267.09 | 307.64 | 813 | 521 | 256.26 | 26 | 12 | 248.65 | 85 | 32 | 259.45 | 6 | 3 | 331.08 | 175 | 121 |
| 2018 | 266.00 | 308.88 | 814 | 534 | 251.65 | 26 | 12 | 240.55 | 79 | 28 | 253.37 | 6 | 3 | 318.71 | 230 | 166 |
| 2019 | 277.86 | 306.04 | 816 | 491 | 259.96 | 26 | 8 | 239.88 | 79 | 23 | 259.56 | 6 | 2 | 313.80 | 153 | 93 |
| GROWTH (RATIOS 114-121) | | | | | | | | | | | | | | | | |
| RATIO 114 --- ANNUAL GROWTH IN KWH SOLD (%) | | | | | | | | | | | | | | | | |
| 2015 | -4.66 | -1.91 | 811 | 626 | -4.18 | 27 | 17 | -3.24 | 88 | 56 | -2.24 | 6 | 6 | -2.06 | 95 | 76 |
| 2016 | -5.58 | 0.48 | 806 | 742 | -0.83 | 27 | 21 | 0.63 | 101 | 93 | -0.36 | 6 | 6 | 0.71 | 159 | 150 |
| 2017 | -0.38 | -1.02 | 808 | 361 | -2.08 | 25 | 10 | -0.03 | 85 | 49 | -1.38 | 6 | 3 | -1.02 | 175 | 78 |
| 2018 | 10.80 | 6.49 | 810 | 149 | 6.10 | 26 | 2 | 4.23 | 78 | 6 | 3.64 | 6 | 1 | 7.06 | 230 | 48 |
| 2019 | 8.84 | -1.32 | 815 | 28 | -1.24 | 26 | 3 | -0.42 | 79 | 4 | -1.09 | 6 | 1 | -1.06 | 153 | 4 |
| RATIO 115 --- ANNUAL GROWTH IN NUMBER OF CONSUMERS (%) | | | | | | | | | | | | | | | | |
| 2015 | 0.83 | 0.56 | 811 | 292 | 0.35 | 27 | 4 | 0.54 | 88 | 30 | 0.13 | 6 | 1 | 0.70 | 95 | 39 |
| 2016 | 2.20 | 0.62 | 806 | 69 | 0.19 | 27 | 2 | 0.44 | 101 | 4 | -0.44 | 6 | 1 | 0.72 | 159 | 14 |
| 2017 | -2.89 | 0.64 | 808 | 802 | -0.09 | 25 | 25 | 0.25 | 85 | 84 | -0.52 | 6 | 6 | 0.64 | 175 | 174 |
| 2018 | -0.41 | 0.60 | 810 | 773 | 0.01 | 26 | 20 | 0.30 | 78 | 74 | -0.04 | 6 | 5 | 0.64 | 230 | 221 |
| 2019 | -0.29 | 0.58 | 815 | 759 | 0.17 | 26 | 21 | 0.27 | 79 | 70 | 0.10 | 6 | 5 | 0.63 | 153 | 147 |
| RATIO 116 --- ANNUAL GROWTH IN TUP DOLLARS (%) | | | | | | | | | | | | | | | | |
| 2015 | 3.15 | 3.76 | 811 | 522 | 4.49 | 27 | 18 | 4.09 | 88 | 59 | 4.48 | 6 | 5 | 5.31 | 95 | 83 |
| 2016 | 3.41 | 3.57 | 806 | 437 | 4.07 | 27 | 18 | 3.38 | 101 | 49 | 3.79 | 6 | 5 | 4.11 | 159 | 113 |
| 2017 | 1.17 | 3.47 | 808 | 760 | 3.23 | 25 | 23 | 3.16 | 85 | 75 | 3.35 | 6 | 6 | 4.29 | 175 | 169 |
| 2018 | 5.70 | 3.58 | 810 | 137 | 3.34 | 26 | 2 | 3.28 | 78 | 11 | 3.86 | 6 | 1 | 3.30 | 230 | 12 |
| 2019 | 8.48 | 3.69 | 815 | 67 | 2.92 | 26 | 2 | 3.59 | 79 | 4 | 2.40 | 6 | 1 | 4.35 | 153 | 6 |
| RATIO 117 --- CONST. W.I.P. TO PLANT ADDITIONS (%) | | | | | | | | | | | | | | | | |
| 2015 | 4.08 | 23.34 | 803 | 715 | 19.37 | 27 | 21 | 20.49 | 86 | 75 | 32.40 | 6 | 5 | 22.04 | 94 | 85 |
| 2016 | 27.29 | 23.76 | 805 | 364 | 22.76 | 26 | 12 | 14.12 | 100 | 34 | 31.87 | 6 | 4 | 26.89 | 159 | 76 |
| 2017 | 18.01 | 25.75 | 808 | 492 | 17.60 | 26 | 13 | 18.58 | 84 | 44 | 22.48 | 6 | 5 | 29.86 | 175 | 115 |
| 2018 | 10.25 | 27.29 | 807 | 610 | 10.25 | 25 | 13 | 22.63 | 78 | 48 | 30.81 | 6 | 5 | 21.71 | 226 | 164 |
| 2019 | 120.53 | 28.44 | 810 | 93 | 15.47 | 25 | 2 | 23.31 | 78 | 10 | 31.62 | 6 | 1 | 33.51 | 152 | 14 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 118 --- NET NEW SERVICES TO TOTAL SERVICES (%) | | | | | | | | | | | | | | | | |
| 2015 | -0.96 | 0.60 | 806 | 768 | 0.20 | 27 | 24 | 0.36 | 86 | 82 | -0.11 | 6 | 5 | 0.61 | 95 | 91 |
| 2016 | -6.90 | 0.60 | 801 | 793 | 0.26 | 26 | 26 | 0.40 | 100 | 99 | -0.24 | 6 | 6 | 0.71 | 159 | 158 |
| 2017 | 0.67 | 0.66 | 803 | 394 | 0.18 | 26 | 8 | 0.36 | 82 | 21 | 0.12 | 6 | 2 | 0.67 | 174 | 87 |
| 2018 | -1.20 | 0.66 | 804 | 780 | 0.37 | 26 | 26 | 0.42 | 76 | 71 | 0.34 | 6 | 6 | 0.66 | 229 | 227 |
| 2019 | 0.22 | 0.68 | 808 | 656 | 0.24 | 26 | 14 | 0.45 | 77 | 59 | 0.30 | 6 | 4 | 0.77 | 151 | 133 |
| RATIO 119 --- ANNUAL GROWTH IN TOTAL CAPITALIZATION (%) | | | | | | | | | | | | | | | | |
| 2015 | 1.92 | 3.19 | 811 | 514 | 6.13 | 27 | 21 | 3.18 | 88 | 57 | 7.34 | 6 | 6 | 4.42 | 95 | 70 |
| 2016 | 7.16 | 3.06 | 806 | 138 | 3.52 | 27 | 8 | 3.12 | 101 | 14 | 6.60 | 6 | 3 | 3.50 | 159 | 21 |
| 2017 | 1.54 | 2.65 | 808 | 487 | 2.68 | 25 | 15 | 2.71 | 85 | 50 | 2.79 | 6 | 5 | 3.08 | 175 | 118 |
| 2018 | 0.06 | 3.26 | 810 | 678 | 2.38 | 26 | 20 | 3.37 | 78 | 64 | 2.11 | 6 | 6 | 3.10 | 230 | 191 |
| 2019 | 13.20 | 3.14 | 815 | 48 | 4.17 | 26 | 2 | 2.68 | 79 | 3 | 3.74 | 6 | 1 | 3.63 | 153 | 5 |
| RATIO 120 --- 2 YR. COMPOUND GROWTH IN TOTAL CAPITALIZATION (%) | | | | | | | | | | | | | | | | |
| 2015 | 5.87 | 3.54 | 809 | 194 | 5.07 | 27 | 12 | 3.48 | 88 | 23 | 8.29 | 6 | 6 | 4.67 | 95 | 30 |
| 2016 | 4.51 | 3.31 | 805 | 280 | 5.29 | 27 | 18 | 3.30 | 101 | 29 | 6.20 | 6 | 6 | 3.95 | 159 | 62 |
| 2017 | 4.31 | 2.99 | 804 | 260 | 4.26 | 25 | 12 | 3.08 | 84 | 32 | 4.52 | 6 | 4 | 3.44 | 175 | 63 |
| 2018 | 0.79 | 3.16 | 806 | 648 | 2.84 | 25 | 18 | 2.83 | 78 | 65 | 2.93 | 6 | 6 | 2.86 | 229 | 185 |
| 2019 | 6.43 | 3.50 | 810 | 161 | 3.58 | 26 | 3 | 3.36 | 78 | 14 | 3.69 | 6 | 1 | 4.06 | 153 | 29 |
| RATIO 121 --- 5 YR. COMPOUND GROWTH IN TOTAL CAPITALIZATION (%) | | | | | | | | | | | | | | | | |
| 2015 | 16.65 | 4.33 | 805 | 10 | 6.75 | 27 | 1 | 4.67 | 86 | 1 | 11.66 | 6 | 1 | 5.36 | 95 | 1 |
| 2016 | 13.57 | 4.07 | 799 | 19 | 6.94 | 27 | 1 | 4.24 | 101 | 3 | 11.91 | 6 | 1 | 4.54 | 159 | 1 |
| 2017 | 12.90 | 3.74 | 798 | 20 | 6.30 | 25 | 2 | 3.75 | 84 | 1 | 8.05 | 6 | 1 | 4.35 | 175 | 1 |
| 2018 | 4.06 | 3.37 | 798 | 302 | 4.72 | 25 | 15 | 3.43 | 77 | 26 | 5.51 | 6 | 5 | 2.83 | 229 | 47 |
| 2019 | 4.67 | 3.46 | 801 | 248 | 4.67 | 25 | 13 | 3.73 | 77 | 21 | 4.81 | 6 | 5 | 4.00 | 153 | 57 |
| PLANT (RATIOS 122-145) | | | | | | | | | | | | | | | | |
| RATIO 122 --- TUP INVESTMENTS PER TOTAL KWH SOLD (CENTS) | | | | | | | | | | | | | | | | |
| 2015 | 31.98 | 28.78 | 811 | 316 | 38.86 | 27 | 20 | 34.99 | 88 | 51 | 26.08 | 6 | 2 | 29.83 | 95 | 38 |
| 2016 | 35.03 | 29.97 | 809 | 265 | 41.56 | 27 | 19 | 34.15 | 101 | 43 | 26.66 | 6 | 2 | 29.13 | 159 | 46 |
| 2017 | 35.57 | 31.15 | 813 | 301 | 43.66 | 26 | 19 | 37.07 | 85 | 45 | 27.84 | 6 | 2 | 30.32 | 175 | 58 |
| 2018 | 33.93 | 30.31 | 814 | 319 | 42.17 | 26 | 21 | 37.36 | 79 | 48 | 26.86 | 6 | 2 | 30.27 | 230 | 86 |
| 2019 | 33.82 | 32.00 | 816 | 368 | 43.91 | 26 | 21 | 40.49 | 79 | 53 | 28.52 | 6 | 2 | 32.43 | 153 | 72 |
| RATIO 123 --- TUP INVESTMENT PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 8,014.92 | 5,720.11 | 811 | 169 | 6,817.58 | 27 | 7 | 7,377.37 | 88 | 33 | 7,787.80 | 6 | 3 | 6,022.74 | 95 | 24 |
| 2016 | 8,110.17 | 5,883.31 | 809 | 179 | 7,216.05 | 27 | 7 | 7,015.34 | 101 | 36 | 7,969.54 | 6 | 3 | 5,674.91 | 159 | 28 |
| 2017 | 8,449.14 | 6,089.47 | 813 | 173 | 7,384.48 | 26 | 7 | 7,925.39 | 85 | 36 | 8,335.74 | 6 | 3 | 5,983.29 | 175 | 37 |
| 2018 | 8,967.07 | 6,310.00 | 814 | 159 | 7,617.21 | 26 | 7 | 8,058.31 | 79 | 31 | 8,729.91 | 6 | 3 | 5,930.41 | 230 | 28 |
| 2019 | 9,756.12 | 6,572.72 | 816 | 140 | 7,833.80 | 26 | 8 | 8,335.23 | 79 | 28 | 9,225.80 | 6 | 3 | 6,621.61 | 153 | 27 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|--------------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 124 --- TUP INVESTMENT PER MILE OF LINE (\$) | | | | | | | | | | | | | | | | |
| 2015 | 22,960.15 | 33,467.28 | 810 | 639 | 21,052.36 | 27 | 13 | 24,160.54 | 87 | 49 | 30,177.82 | 6 | 5 | 30,942.00 | 95 | 75 |
| 2016 | 24,038.04 | 34,264.35 | 808 | 632 | 22,300.52 | 27 | 13 | 26,876.13 | 101 | 66 | 31,153.38 | 6 | 5 | 33,685.13 | 159 | 132 |
| 2017 | 24,314.90 | 35,733.99 | 812 | 645 | 22,156.90 | 26 | 12 | 25,464.44 | 85 | 49 | 32,478.05 | 6 | 5 | 32,852.42 | 175 | 139 |
| 2018 | 25,692.19 | 37,133.24 | 814 | 640 | 22,926.64 | 26 | 12 | 26,655.52 | 79 | 46 | 32,792.95 | 6 | 5 | 34,888.99 | 230 | 175 |
| 2019 | 27,849.14 | 38,497.70 | 816 | 615 | 23,832.31 | 26 | 11 | 27,242.30 | 79 | 37 | 33,790.29 | 6 | 4 | 35,760.70 | 153 | 112 |
| RATIO 125 --- AVERAGE CONSUMERS PER MILE | | | | | | | | | | | | | | | | |
| 2015 | 2.86 | 6.00 | 810 | 675 | 3.15 | 27 | 19 | 2.96 | 87 | 48 | 3.90 | 6 | 6 | 5.64 | 95 | 76 |
| 2016 | 2.96 | 6.03 | 808 | 662 | 3.14 | 27 | 17 | 3.83 | 101 | 68 | 3.85 | 6 | 6 | 6.44 | 159 | 133 |
| 2017 | 2.88 | 6.08 | 812 | 682 | 3.11 | 26 | 18 | 2.93 | 85 | 46 | 3.81 | 6 | 6 | 5.95 | 175 | 144 |
| 2018 | 2.87 | 6.14 | 814 | 685 | 3.07 | 26 | 18 | 2.93 | 79 | 43 | 3.80 | 6 | 6 | 5.91 | 230 | 202 |
| 2019 | 2.85 | 6.17 | 816 | 686 | 3.02 | 26 | 18 | 2.88 | 79 | 41 | 3.79 | 6 | 6 | 6.03 | 153 | 126 |
| RATIO 126 --- DISTRIBUTION PLANT PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 294.36 | 239.74 | 811 | 227 | 312.70 | 27 | 15 | 282.84 | 88 | 40 | 179.28 | 6 | 1 | 244.52 | 95 | 25 |
| 2016 | 319.24 | 246.72 | 808 | 188 | 339.41 | 27 | 16 | 273.07 | 101 | 33 | 179.95 | 6 | 1 | 244.72 | 158 | 28 |
| 2017 | 326.78 | 258.23 | 813 | 205 | 359.16 | 26 | 15 | 298.18 | 85 | 40 | 194.69 | 6 | 1 | 257.22 | 175 | 37 |
| 2018 | 311.68 | 250.69 | 814 | 221 | 350.20 | 26 | 17 | 308.47 | 79 | 39 | 189.31 | 6 | 1 | 261.68 | 230 | 62 |
| 2019 | 296.02 | 260.60 | 816 | 309 | 350.04 | 26 | 20 | 329.97 | 79 | 50 | 201.09 | 6 | 2 | 265.49 | 153 | 55 |
| RATIO 127 --- DISTRIBUTION PLANT PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 7,376.66 | 4,747.36 | 811 | 90 | 5,273.55 | 27 | 3 | 5,982.81 | 88 | 23 | 5,694.91 | 6 | 1 | 4,935.05 | 95 | 14 |
| 2016 | 7,391.37 | 4,898.87 | 808 | 107 | 5,438.22 | 27 | 4 | 5,652.96 | 101 | 19 | 5,924.58 | 6 | 2 | 4,829.25 | 158 | 15 |
| 2017 | 7,761.80 | 5,062.78 | 813 | 98 | 5,588.72 | 26 | 4 | 6,559.89 | 85 | 27 | 6,205.50 | 6 | 2 | 5,097.60 | 175 | 18 |
| 2018 | 8,236.02 | 5,199.99 | 814 | 93 | 5,768.85 | 26 | 3 | 6,734.24 | 79 | 23 | 6,371.52 | 6 | 1 | 5,007.59 | 230 | 14 |
| 2019 | 8,538.10 | 5,339.29 | 816 | 90 | 5,881.81 | 26 | 4 | 7,027.90 | 79 | 22 | 6,646.91 | 6 | 1 | 5,422.89 | 153 | 22 |
| RATIO 128 --- DISTRIBUTION PLANT PER EMPLOYEE (\$) | | | | | | | | | | | | | | | | |
| 2015 | 1,899,008.22 | 1,478,032.25 | 811 | 117 | 1,328,351.40 | 27 | 4 | 1,462,935.35 | 88 | 16 | 1,507,340.83 | 6 | 1 | 1,525,343.84 | 95 | 15 |
| 2016 | 2,032,961.55 | 1,524,640.94 | 808 | 89 | 1,394,313.87 | 27 | 4 | 1,513,788.40 | 101 | 11 | 1,497,382.44 | 6 | 1 | 1,590,568.04 | 158 | 21 |
| 2017 | 2,073,107.00 | 1,579,940.50 | 813 | 100 | 1,421,767.26 | 26 | 4 | 1,579,940.50 | 85 | 14 | 1,546,802.93 | 6 | 1 | 1,619,321.35 | 175 | 22 |
| 2018 | 2,190,782.45 | 1,633,464.59 | 814 | 88 | 1,459,893.50 | 26 | 3 | 1,617,670.36 | 79 | 12 | 1,589,977.01 | 6 | 1 | 1,710,765.48 | 230 | 26 |
| 2019 | 2,372,371.05 | 1,686,502.31 | 816 | 58 | 1,538,852.65 | 26 | 3 | 1,739,131.19 | 79 | 10 | 1,705,565.73 | 6 | 1 | 1,678,564.28 | 153 | 13 |
| RATIO 129 --- GENERAL PLANT PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 16.69 | 19.25 | 807 | 479 | 23.35 | 27 | 17 | 23.53 | 87 | 70 | 14.67 | 6 | 2 | 20.47 | 95 | 63 |
| 2016 | 16.69 | 19.57 | 805 | 498 | 24.79 | 27 | 18 | 22.75 | 101 | 76 | 15.01 | 6 | 2 | 19.31 | 158 | 94 |
| 2017 | 15.72 | 20.76 | 809 | 561 | 26.50 | 26 | 19 | 24.84 | 85 | 74 | 15.58 | 6 | 3 | 20.58 | 175 | 116 |
| 2018 | 15.56 | 19.90 | 811 | 549 | 26.49 | 26 | 19 | 25.19 | 79 | 69 | 15.19 | 6 | 3 | 19.63 | 230 | 156 |
| 2019 | 12.98 | 21.39 | 813 | 656 | 24.78 | 26 | 24 | 25.00 | 79 | 69 | 14.87 | 6 | 5 | 21.81 | 153 | 130 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|------------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 130 --- GENERAL PLANT PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 418.20 | 394.85 | 807 | 373 | 418.20 | 27 | 14 | 531.78 | 87 | 65 | 415.21 | 6 | 3 | 420.18 | 95 | 49 |
| 2016 | 386.33 | 418.53 | 805 | 440 | 451.06 | 27 | 21 | 511.01 | 101 | 81 | 422.37 | 6 | 5 | 400.71 | 158 | 84 |
| 2017 | 373.45 | 431.97 | 809 | 482 | 447.46 | 26 | 22 | 571.27 | 85 | 77 | 442.40 | 6 | 6 | 402.08 | 175 | 99 |
| 2018 | 411.29 | 442.99 | 811 | 444 | 467.89 | 26 | 19 | 590.10 | 79 | 66 | 472.52 | 6 | 5 | 387.64 | 230 | 109 |
| 2019 | 374.49 | 458.55 | 813 | 516 | 488.23 | 26 | 21 | 609.30 | 79 | 70 | 499.42 | 6 | 6 | 469.39 | 153 | 100 |
| RATIO 131 --- GENERAL PLANT PER EMPLOYEE (\$) | | | | | | | | | | | | | | | | |
| 2015 | 107,658.00 | 114,097.02 | 807 | 468 | 102,737.28 | 27 | 12 | 132,370.42 | 87 | 62 | 108,635.60 | 6 | 4 | 122,830.50 | 95 | 60 |
| 2016 | 106,259.50 | 119,026.00 | 805 | 526 | 109,448.20 | 27 | 17 | 127,975.70 | 101 | 73 | 108,142.68 | 6 | 5 | 123,707.23 | 158 | 111 |
| 2017 | 99,744.27 | 123,266.16 | 809 | 623 | 111,676.48 | 26 | 22 | 139,067.20 | 85 | 74 | 109,789.81 | 6 | 6 | 121,455.65 | 175 | 134 |
| 2018 | 109,402.09 | 128,395.25 | 811 | 580 | 115,484.03 | 26 | 17 | 140,718.09 | 79 | 60 | 110,729.60 | 6 | 4 | 127,436.77 | 230 | 168 |
| 2019 | 104,054.29 | 133,461.84 | 813 | 648 | 119,064.62 | 26 | 20 | 140,954.81 | 79 | 67 | 117,195.90 | 6 | 6 | 141,731.35 | 153 | 126 |
| RATIO 132 --- HEADQUARTERS PLANT PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 16.95 | 10.00 | 761 | 178 | 10.76 | 26 | 4 | 9.42 | 81 | 19 | 10.06 | 6 | 1 | 10.88 | 88 | 22 |
| 2016 | 17.95 | 10.52 | 758 | 184 | 10.94 | 26 | 6 | 11.23 | 96 | 29 | 10.40 | 6 | 1 | 10.42 | 146 | 33 |
| 2017 | 18.02 | 11.19 | 759 | 203 | 11.51 | 25 | 7 | 10.38 | 77 | 23 | 10.84 | 6 | 1 | 10.77 | 164 | 37 |
| 2018 | 16.31 | 10.99 | 758 | 234 | 13.62 | 25 | 10 | 10.51 | 70 | 23 | 10.62 | 6 | 1 | 10.66 | 217 | 55 |
| 2019 | 16.40 | 11.92 | 763 | 254 | 14.43 | 25 | 10 | 10.59 | 72 | 22 | 11.09 | 6 | 1 | 12.44 | 142 | 46 |
| RATIO 133 --- HEADQUARTERS PLANT PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 424.71 | 217.97 | 761 | 127 | 224.26 | 26 | 5 | 200.49 | 81 | 15 | 321.50 | 6 | 2 | 244.73 | 88 | 17 |
| 2016 | 415.58 | 231.25 | 758 | 150 | 253.12 | 26 | 6 | 262.65 | 96 | 30 | 326.63 | 6 | 2 | 236.30 | 146 | 26 |
| 2017 | 427.96 | 241.95 | 759 | 161 | 260.96 | 25 | 7 | 251.78 | 77 | 19 | 332.39 | 6 | 2 | 236.65 | 164 | 31 |
| 2018 | 430.90 | 255.22 | 758 | 174 | 304.21 | 25 | 10 | 263.65 | 70 | 19 | 338.06 | 6 | 2 | 230.72 | 217 | 33 |
| 2019 | 472.96 | 264.68 | 763 | 167 | 308.74 | 25 | 10 | 263.83 | 72 | 18 | 339.58 | 6 | 2 | 274.17 | 142 | 34 |
| RATIO 134 --- HEADQUARTERS PLANT PER EMPLOYEE (\$) | | | | | | | | | | | | | | | | |
| 2015 | 109,334.26 | 62,853.94 | 761 | 169 | 57,196.05 | 26 | 5 | 46,295.67 | 81 | 14 | 88,479.14 | 6 | 2 | 65,143.91 | 88 | 24 |
| 2016 | 114,304.00 | 68,114.77 | 758 | 180 | 65,407.00 | 26 | 6 | 67,573.14 | 96 | 28 | 88,121.05 | 6 | 2 | 72,202.20 | 146 | 35 |
| 2017 | 114,304.00 | 71,468.92 | 759 | 198 | 68,150.51 | 25 | 7 | 53,832.88 | 77 | 17 | 86,903.90 | 6 | 2 | 68,587.98 | 164 | 39 |
| 2018 | 114,618.68 | 77,077.82 | 758 | 218 | 91,455.20 | 25 | 10 | 64,074.88 | 70 | 17 | 88,639.56 | 6 | 2 | 75,330.39 | 217 | 56 |
| 2019 | 131,413.95 | 81,868.45 | 763 | 184 | 92,877.96 | 25 | 9 | 63,201.06 | 72 | 15 | 91,142.60 | 6 | 2 | 83,716.92 | 142 | 39 |
| RATIO 135 --- TRANSMISSION PLANT PER TOTAL KWH SOLD (MILLS) | | | | | | | | | | | | | | | | |
| 2015 | 8.82 | 14.16 | 409 | 255 | 10.70 | 24 | 15 | 20.83 | 46 | 36 | 23.65 | 6 | 5 | 11.75 | 52 | 32 |
| 2016 | 9.16 | 14.39 | 409 | 251 | 11.49 | 24 | 14 | 15.36 | 51 | 31 | 24.45 | 6 | 5 | 9.54 | 75 | 39 |
| 2017 | 9.20 | 14.86 | 409 | 252 | 12.38 | 23 | 14 | 24.21 | 47 | 37 | 24.05 | 6 | 5 | 11.34 | 82 | 44 |
| 2018 | 7.95 | 14.41 | 408 | 263 | 12.52 | 23 | 14 | 24.60 | 43 | 37 | 23.49 | 6 | 5 | 10.38 | 105 | 60 |
| 2019 | 7.30 | 14.97 | 409 | 276 | 12.84 | 23 | 14 | 26.23 | 43 | 38 | 25.26 | 6 | 5 | 20.20 | 75 | 54 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|--|--------------|-----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 136 --- TRANSMISSION PLANT PER CONSUMER (\$) | | | | | | | | | | | | | | | | |
| 2015 | 221.11 | 297.38 | 409 | 237 | 219.75 | 24 | 12 | 565.86 | 46 | 33 | 680.75 | 6 | 6 | 245.63 | 52 | 27 |
| 2016 | 212.15 | 299.06 | 409 | 240 | 214.31 | 24 | 13 | 325.76 | 51 | 34 | 685.96 | 6 | 6 | 250.52 | 75 | 39 |
| 2017 | 218.47 | 306.60 | 409 | 239 | 221.32 | 23 | 13 | 662.43 | 47 | 35 | 673.39 | 6 | 6 | 210.04 | 82 | 40 |
| 2018 | 210.02 | 322.44 | 408 | 243 | 221.47 | 23 | 13 | 624.92 | 43 | 33 | 682.46 | 6 | 6 | 200.09 | 105 | 52 |
| 2019 | 210.63 | 347.91 | 409 | 247 | 221.27 | 23 | 13 | 615.22 | 43 | 33 | 703.11 | 6 | 6 | 386.64 | 75 | 48 |
| RATIO 137 --- TRANSMISSION PLANT PER EMPLOYEE (\$) | | | | | | | | | | | | | | | | |
| 2015 | 56,920.61 | 82,892.23 | 409 | 249 | 57,870.26 | 24 | 13 | 121,636.26 | 46 | 35 | 153,250.21 | 6 | 6 | 62,747.38 | 52 | 28 |
| 2016 | 58,351.45 | 81,518.22 | 409 | 248 | 65,638.78 | 24 | 13 | 83,411.62 | 51 | 33 | 158,817.80 | 6 | 6 | 58,763.13 | 75 | 39 |
| 2017 | 58,351.45 | 85,891.69 | 409 | 249 | 58,351.45 | 23 | 12 | 132,215.79 | 47 | 36 | 155,657.86 | 6 | 6 | 64,055.68 | 82 | 45 |
| 2018 | 55,865.86 | 94,686.03 | 408 | 254 | 55,865.86 | 23 | 12 | 140,920.68 | 43 | 34 | 147,686.90 | 6 | 6 | 66,140.59 | 105 | 60 |
| 2019 | 58,526.14 | 98,257.62 | 409 | 255 | 58,526.14 | 23 | 12 | 129,745.04 | 43 | 35 | 154,210.40 | 6 | 6 | 117,771.18 | 75 | 50 |
| RATIO 138 --- IDLE SERVICES TO TOTAL SERVICE (%) | | | | | | | | | | | | | | | | |
| 2015 | 8.06 | 7.44 | 789 | 362 | 6.84 | 26 | 10 | 5.80 | 82 | 30 | 5.47 | 6 | 2 | 7.56 | 92 | 40 |
| 2016 | 2.15 | 7.34 | 789 | 671 | 6.33 | 26 | 24 | 6.10 | 98 | 82 | 3.02 | 6 | 6 | 6.85 | 154 | 133 |
| 2017 | 3.62 | 7.08 | 789 | 573 | 6.63 | 25 | 19 | 4.89 | 81 | 50 | 3.30 | 6 | 3 | 7.05 | 170 | 122 |
| 2018 | 2.81 | 6.99 | 791 | 613 | 6.52 | 25 | 19 | 4.90 | 75 | 53 | 2.96 | 6 | 4 | 7.04 | 225 | 177 |
| 2019 | 3.77 | 6.83 | 793 | 566 | 4.89 | 25 | 17 | 5.49 | 75 | 49 | 3.66 | 6 | 2 | 6.12 | 149 | 103 |
| RATIO 139 --- LINE LOSS (%) | | | | | | | | | | | | | | | | |
| 2015 | 6.04 | 5.11 | 808 | 261 | 6.25 | 26 | 16 | 5.55 | 88 | 39 | 4.77 | 6 | 2 | 5.20 | 95 | 34 |
| 2016 | 6.14 | 5.53 | 806 | 320 | 6.92 | 27 | 16 | 6.08 | 101 | 49 | 3.38 | 6 | 1 | 5.35 | 158 | 53 |
| 2017 | 7.03 | 5.48 | 810 | 184 | 6.81 | 26 | 9 | 6.06 | 85 | 30 | 4.73 | 6 | 1 | 5.34 | 175 | 44 |
| 2018 | 5.92 | 4.88 | 811 | 239 | 6.10 | 26 | 15 | 5.70 | 79 | 36 | 4.16 | 6 | 1 | 4.89 | 229 | 63 |
| 2019 | 6.63 | 5.04 | 814 | 166 | 6.33 | 26 | 12 | 5.92 | 79 | 27 | 4.67 | 6 | 1 | 4.85 | 153 | 36 |
| RATIO 140 --- SYSTEM AVG. INTERRUPTION DURATION INDEX (SAIDI) - POWER SUPPLIER | | | | | | | | | | | | | | | | |
| 2015 | 0.00 | 11.80 | 811 | 701 | 52.60 | 27 | 26 | 14.26 | 88 | 71 | 12.26 | 6 | 5 | 8.77 | 95 | 82 |
| 2016 | 0.00 | 12.96 | 809 | 710 | 44.23 | 27 | 26 | 26.03 | 101 | 89 | 4.79 | 6 | 5 | 8.80 | 159 | 142 |
| 2017 | 33.60 | 10.06 | 813 | 216 | 26.50 | 26 | 13 | 12.70 | 85 | 32 | 5.16 | 6 | 1 | 11.52 | 175 | 47 |
| 2018 | 0.00 | 10.86 | 814 | 705 | 44.27 | 26 | 25 | 23.67 | 79 | 68 | 8.58 | 6 | 6 | 10.55 | 230 | 205 |
| 2019 | 96.00 | 11.52 | 816 | 97 | 64.72 | 26 | 10 | 22.59 | 79 | 16 | 11.34 | 6 | 1 | 15.72 | 153 | 18 |
| RATIO 141 --- SYSTEM AVG. INTERRUPTION DURATION INDEX (SAIDI) - EXTREME STORM | | | | | | | | | | | | | | | | |
| 2015 | 0.00 | 22.20 | 811 | 625 | 28.59 | 27 | 24 | 5.65 | 88 | 65 | 34.20 | 6 | 6 | 16.20 | 95 | 75 |
| 2016 | 0.00 | 33.00 | 809 | 658 | 6.60 | 27 | 25 | 22.11 | 101 | 80 | 32.85 | 6 | 6 | 35.10 | 159 | 132 |
| 2017 | 0.00 | 39.88 | 813 | 657 | 40.38 | 26 | 24 | 12.21 | 85 | 66 | 492.89 | 6 | 6 | 48.30 | 175 | 143 |
| 2018 | 0.00 | 30.31 | 814 | 656 | 14.78 | 26 | 24 | 52.33 | 79 | 62 | 33.13 | 6 | 6 | 25.54 | 230 | 189 |
| 2019 | 0.00 | 38.20 | 816 | 683 | 29.82 | 26 | 25 | 19.18 | 79 | 67 | 61.80 | 6 | 6 | 32.95 | 153 | 128 |

2019 Key Ratio Trend Analysis (KRTA)
The Lane-Scott Electric Cooperative, Inc. (KS042)

| Year | System Value | US Total | | | State Grouping | | | Consumer Size | | | Major Current Power Supplier | | | Plant Growth (2014-2019) | | |
|---|--------------|----------|-----|------|----------------|-----|------|---------------|-----|------|------------------------------|-----|------|--------------------------|-----|------|
| | | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank | Median | NBR | Rank |
| RATIO 142 --- SYSTEM AVG. INTERRUPTION DURATION INDEX (SAIDI) - PREARRANGED | | | | | | | | | | | | | | | | |
| 2015 | 0.60 | 2.73 | 811 | 572 | 3.40 | 27 | 22 | 2.18 | 88 | 56 | 5.84 | 6 | 5 | 3.61 | 95 | 70 |
| 2016 | 0.60 | 2.69 | 809 | 573 | 1.00 | 27 | 16 | 1.80 | 101 | 67 | 8.84 | 6 | 5 | 4.59 | 159 | 123 |
| 2017 | 43.20 | 3.02 | 813 | 48 | 2.70 | 26 | 2 | 2.65 | 85 | 9 | 17.58 | 6 | 2 | 2.91 | 175 | 9 |
| 2018 | 0.00 | 3.61 | 814 | 734 | 3.16 | 26 | 26 | 3.27 | 79 | 66 | 13.92 | 6 | 6 | 4.49 | 230 | 210 |
| 2019 | 0.00 | 4.20 | 816 | 740 | 5.76 | 26 | 26 | 4.40 | 79 | 66 | 8.35 | 6 | 6 | 4.07 | 153 | 140 |
| RATIO 143 --- SYSTEM AVG. INTERRUPTION DURATION INDEX (SAIDI) - ALL OTHER | | | | | | | | | | | | | | | | |
| 2015 | 139.20 | 99.78 | 811 | 262 | 104.20 | 27 | 9 | 72.67 | 88 | 14 | 133.00 | 6 | 3 | 78.97 | 95 | 21 |
| 2016 | 230.40 | 103.00 | 809 | 118 | 113.00 | 27 | 3 | 87.00 | 101 | 16 | 117.09 | 6 | 1 | 105.10 | 159 | 18 |
| 2017 | 328.20 | 96.36 | 813 | 56 | 95.19 | 26 | 3 | 70.44 | 85 | 5 | 188.62 | 6 | 2 | 96.00 | 175 | 8 |
| 2018 | 167.40 | 102.37 | 814 | 233 | 130.47 | 26 | 9 | 90.41 | 79 | 17 | 171.26 | 6 | 4 | 101.04 | 230 | 58 |
| 2019 | 162.00 | 108.86 | 816 | 236 | 125.65 | 26 | 8 | 88.08 | 79 | 20 | 152.65 | 6 | 3 | 94.02 | 153 | 47 |
| RATIO 144 --- SYSTEM AVG. INTERRUPTION DURATION INDEX (SAIDI) - TOTAL | | | | | | | | | | | | | | | | |
| 2015 | 139.80 | 194.60 | 811 | 524 | 270.99 | 27 | 25 | 149.68 | 88 | 48 | 203.86 | 6 | 5 | 151.10 | 95 | 52 |
| 2016 | 231.00 | 205.00 | 809 | 366 | 257.12 | 27 | 17 | 197.03 | 101 | 44 | 236.29 | 6 | 4 | 192.13 | 159 | 74 |
| 2017 | 405.00 | 207.48 | 813 | 218 | 305.68 | 26 | 10 | 153.76 | 85 | 18 | 674.77 | 6 | 5 | 216.21 | 175 | 51 |
| 2018 | 167.40 | 228.44 | 814 | 502 | 230.88 | 26 | 19 | 238.10 | 79 | 52 | 279.88 | 6 | 5 | 213.93 | 230 | 139 |
| 2019 | 258.00 | 209.25 | 816 | 357 | 298.63 | 26 | 14 | 196.09 | 79 | 34 | 234.61 | 6 | 3 | 196.82 | 153 | 65 |
| RATIO 145 --- AVG. SERVICE AVAILABILITY INDEX (ASAI) - TOTAL (%) | | | | | | | | | | | | | | | | |
| 2015 | 99.97 | 99.96 | 811 | 288 | 99.95 | 27 | 3 | 99.97 | 88 | 41 | 99.96 | 6 | 2 | 99.97 | 95 | 44 |
| 2016 | 99.96 | 99.96 | 809 | 444 | 99.95 | 27 | 11 | 99.96 | 101 | 58 | 99.96 | 6 | 3 | 99.96 | 159 | 86 |
| 2017 | 99.92 | 99.96 | 813 | 596 | 99.94 | 26 | 17 | 99.97 | 85 | 68 | 99.87 | 6 | 2 | 99.96 | 175 | 125 |
| 2018 | 99.97 | 99.96 | 814 | 311 | 99.96 | 26 | 7 | 99.95 | 79 | 28 | 99.95 | 6 | 2 | 99.96 | 230 | 91 |
| 2019 | 99.95 | 99.96 | 816 | 460 | 99.94 | 26 | 13 | 99.96 | 79 | 46 | 99.96 | 6 | 4 | 99.96 | 153 | 89 |

10. b. Financial Forecast

Executive Summary

The 2021-2029 Financial Forecast was prepared using the CFC Compass Software and with their consultation and assistance. This was a difficult Forecast to prepare since the pandemic of 2020 and related issues led to an approximate \$1 million sales loss. Forecasts are normally built upon each preceding year.

The Forecast projects slow, but adequate growth over the next 10 years. The rapid expansion of utility plant over the past decade allows us to slow plant growth to match our anticipated growth rate of 1.0-1.2%. The arrival of Philips 66 will be in addition to this and will significantly enhance our plant and revenues. However, Philips will be paying for their load ratio share of the Liberty substation (about \$2.4MM) so this will not significantly affect our cash position.

We are very strong in our cash reserves and, by controlling expenses, should be able to continue normal operations, reduce long-term debt, maintain reliability, and limit rate adjustments to match inflation rates.

The Financial Forecast was prepared to meet the following goals:

1. Maintain system reliability.
2. Minimize rate adjustments.
3. Improve Equity by limiting new debt and paying down existing debt.
4. Maintain a base TIER of 1.9.
5. Begin paying Capital Credits again.
6. Preserve Cash on hand.

The Financial Forecast assumes:

1. Growth rates will resume at pre-2020 rates. Energy Sales figures were taken from the LSEC 2020 Load Forecast Study.
2. System Losses will remain around 5.0%. They are a little higher initially, but drop once P66 comes on line.
3. The Cooperative will preform a Cost of Service Study and a Construction Work Plan study in 2021 for a combined expense of \$100,000.00. This includes an Environmental Study (\$20,000) which the RUS requires but CFC does not.
4. The Philips 66 / Liberty Substation will begin construction in 2021.
5. Inflation will maintain at 2.0%.
6. Interest rates will gradually increase but stay low. RUS / FFB rates range from 1.33% (2021) to 1.73% (2029). CFC rates range from 3.06% (2021) to 3.5853% (2029). These numbers were provided by either the RUS or by CFC.
7. The Cushion of Credit account will be applied to RUS / FFB debt at \$750,000 per year from 2022 to 2026. The balance of the account will be paid or retained in 2027. Form 325D.
8. New LT borrowing will be limited to a maximum of \$250,000 per year, the rest will come out of cash. Form 325J.

10. New Business

9. Capital Credits will be paid beginning in 2022 at \$339,048 and steadily rise to about \$1MM per year in 2027.
10. The Cost of Purchased Power will steadily rise. Form 325K. These numbers were provided by Sunflower along with their Capital Credit projections.

The 2021-2029 Financial Forecast (Form 325A) produces:

1. An average TIER of 2.16, OTIER of 1.73 – above RUS requirements.
2. Average DSC of 1.60, ODSC of 1.54 – above RUS requirements.
3. Equity of 45.13%.
4. A reduction of Annual Revenue of 1.29%.
5. An average rate of return on rate base of 3.81%.
6. A rate increase of 0.67% in 2028.

This forecast was prepared with the assistance of:

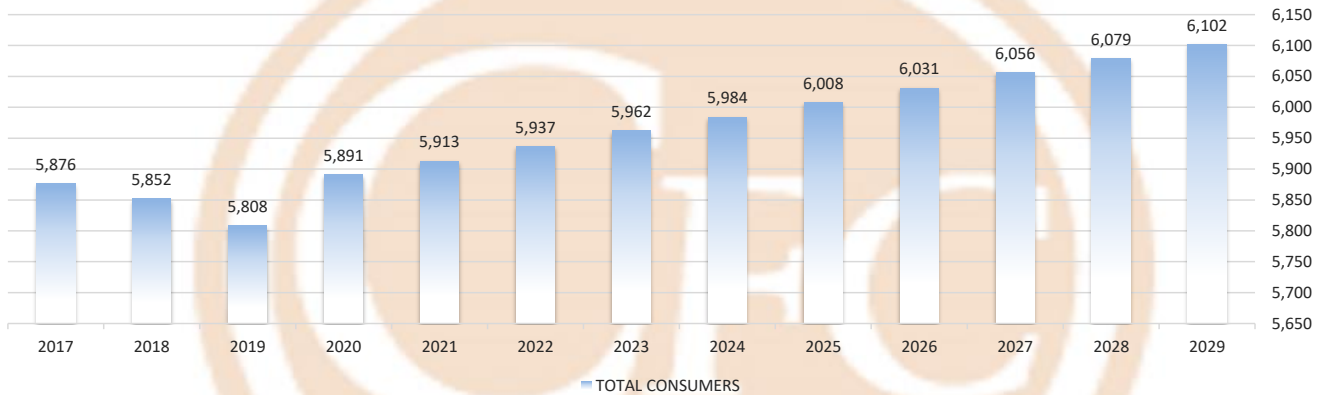
- Kathy Lewis
- Mile Lewis – CFC (with back-up from Marcelo at CFC, Virginia office)
- Sunflower EPCorp Finance staff
- Patrice Klein – RUS
- Various consultants for COSS and CWP budget cost numbers.

This Financial Forecast is very conservative because of the number of unknown variables facing Lane-Scott in the 2021 to 2029 period. Factors like the economy, the Presidential election, the development of microgrids, distributed generation, wholesale or retail wheeling, population shift, and others could be either positive or negative for us. Therefore, this Forecast was prepared with the bae assumption that we will focus on our core business: rates and reliability.

Staff requests that the Board approve the 2021-2029 Lane-Scott Electric Cooperative, Inc. Financial Forecast.

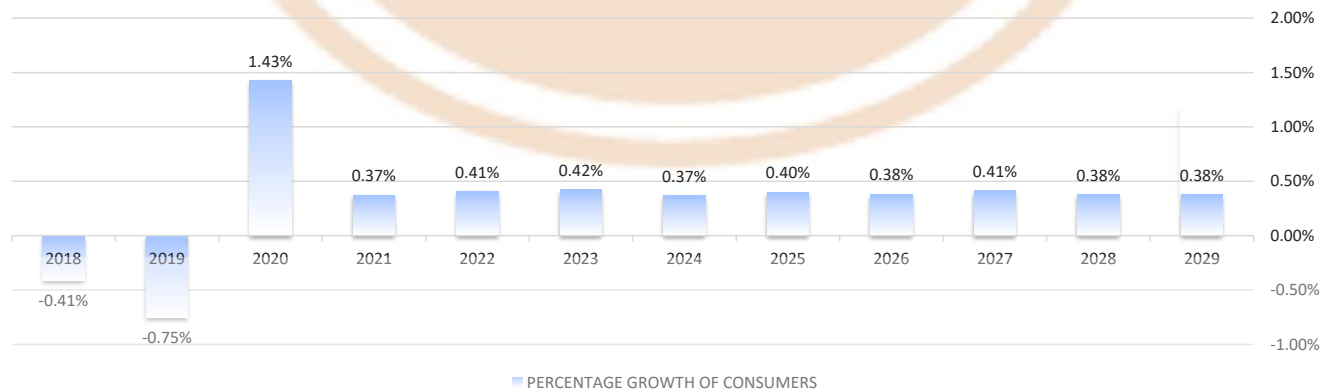
KS042 The Lane-Scott Electric Cooperative, Inc.

Growth in Number of Consumers



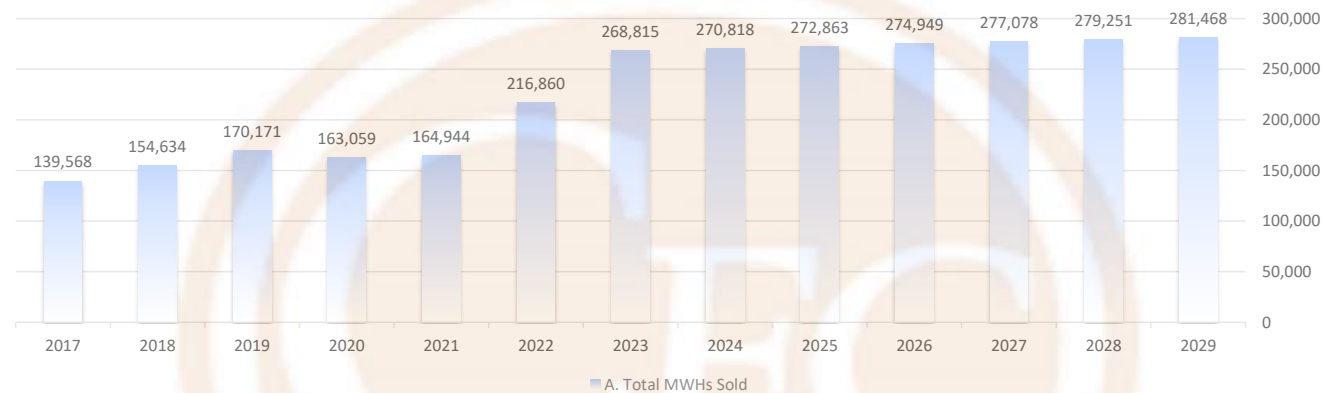
KS042 The Lane-Scott Electric Cooperative, Inc.

Percentage Growth of Consumers



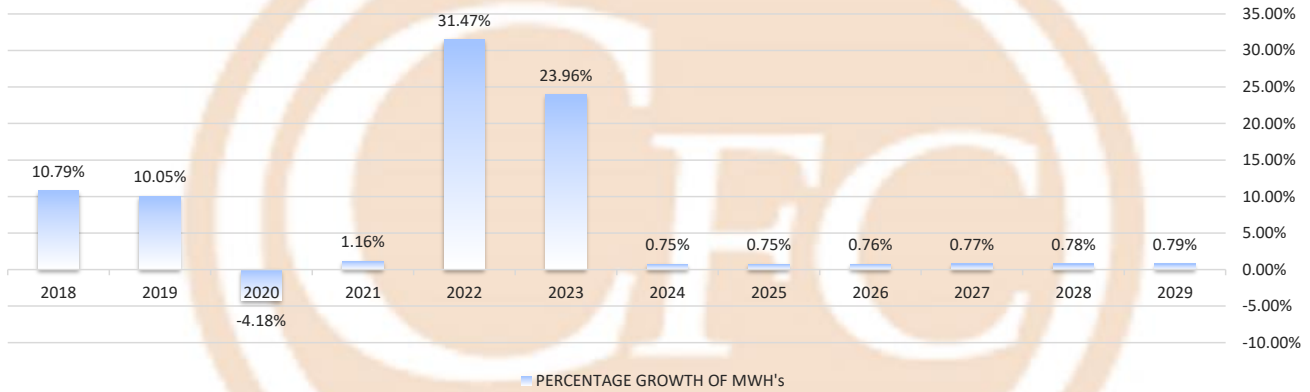
KS042 The Lane-Scott Electric Cooperative, Inc.

Growth in MWH Sales



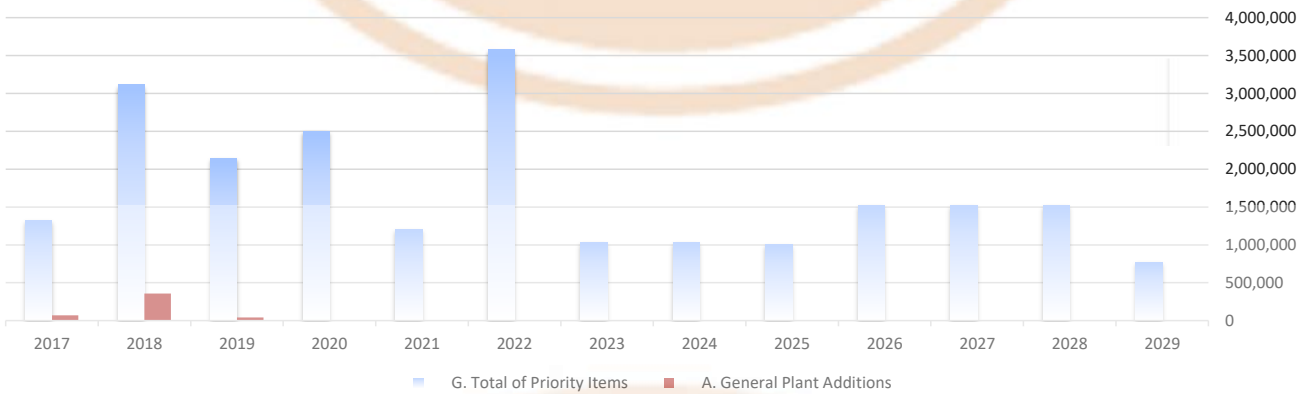
KS042 The Lane-Scott Electric Cooperative, Inc.

Percentage Growth in MWH Sales



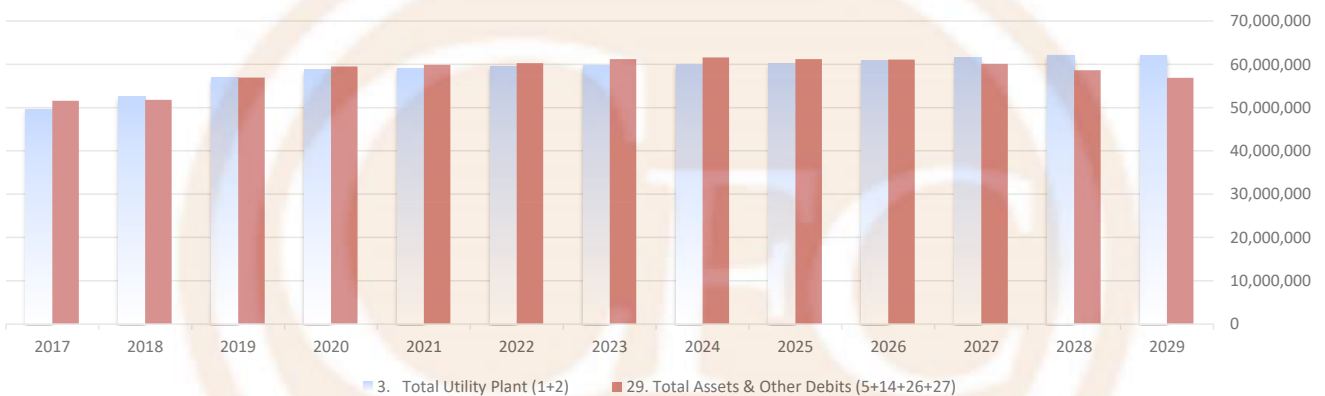
KS042 The Lane-Scott Electric Cooperative, Inc.

Capital investments



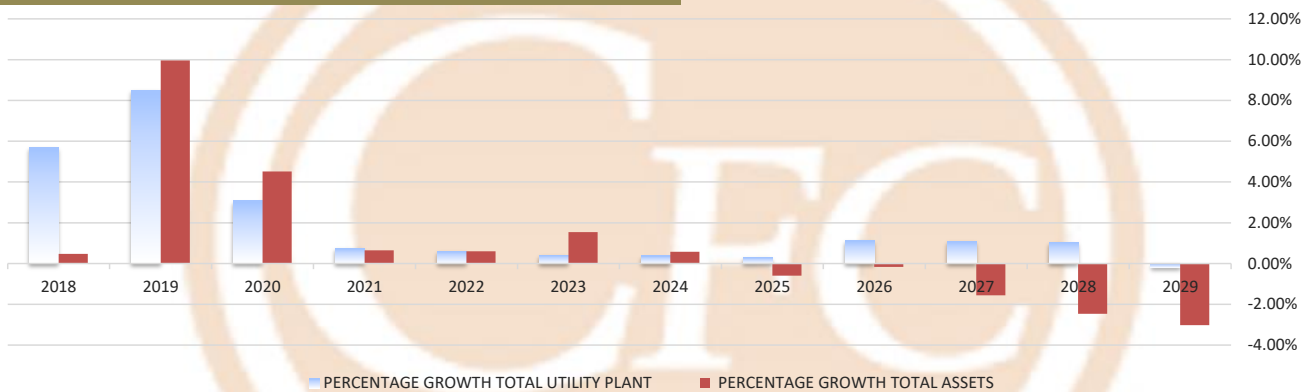
KS042 The Lane-Scott Electric Cooperative, Inc.

Total Utility Plant and Assets



KS042 The Lane-Scott Electric Cooperative, Inc.

Percentage Change Utility Plant and Assets



KS042 The Lane-Scott Electric Cooperative, Inc.

Projected Annual New Debt



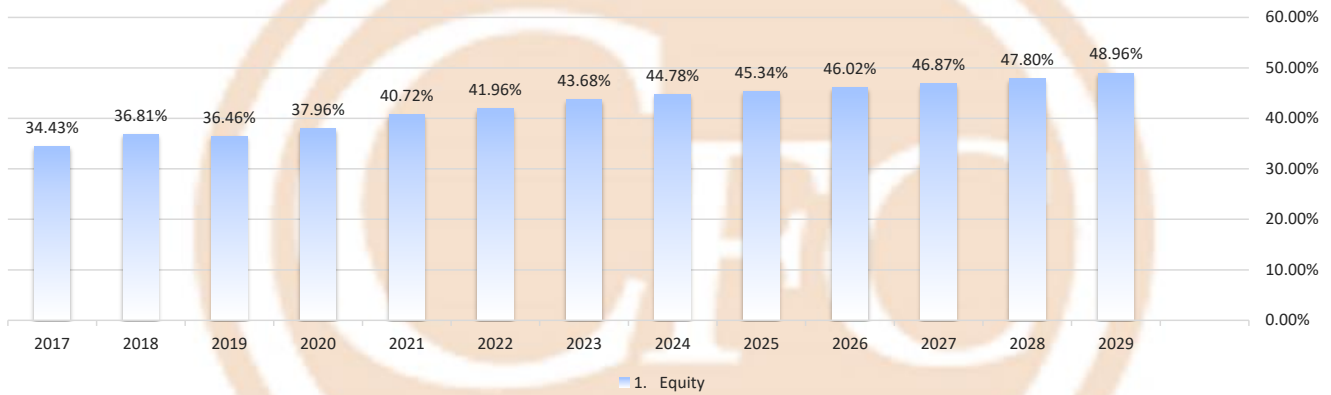
KS042 The Lane-Scott Electric Cooperative, Inc.

TIER and MDSC ratios



KS042 The Lane-Scott Electric Cooperative, Inc.

Equity



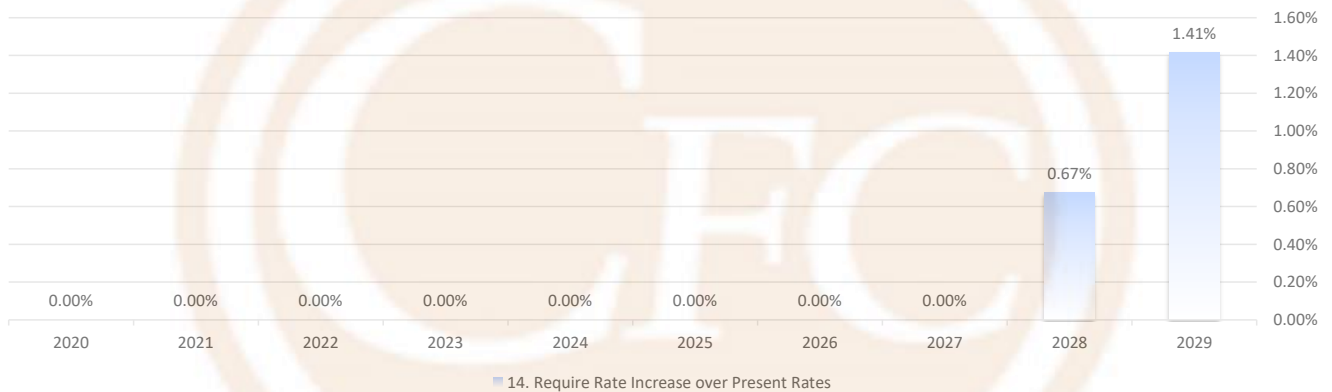
KS042 The Lane-Scott Electric Cooperative, Inc.

ADDITIONAL REVENUE needed



KS042 The Lane-Scott Electric Cooperative, Inc.

Required rate increase over present rates



| FINANCIAL FORECAST - RATIOS - RUS FORM 325 A KS042 | | | | | The Lane-Scott Electric Cooperative, Inc. | | | | | | | | | | 10/22/2020 |
|--|--|--------------------|--------------------|--------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------|
| | | | | | Base 2020 RAMc | | | | | | | | | | |
| ITEM | | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 | |
| Ratios with Additional Revenue | | | | | | | | | | | | | | | |
| 1. Equity | | 34.43% | 36.81% | 36.46% | 37.96% | 40.72% | 41.96% | 43.68% | 44.78% | 45.34% | 46.02% | 46.87% | 47.80% | 48.96% | |
| 2. Debt Service Coverage (DSC) | | 1.95 | 1.68 | 0.00 | 2.03 | 1.81 | 1.58 | 1.92 | 1.82 | 1.64 | 1.76 | 1.70 | 1.65 | 1.65 | |
| 3. Times Interest Earned Ratio (TIER) | | 2.53 | 2.11 | 2.37 | 2.46 | 2.46 | 2.03 | 2.66 | 2.32 | 1.92 | 2.21 | 2.06 | 1.90 | 1.90 | |
| Revenue Comparison | | | | | | | | | | | | | | | |
| 4. Average Revenue per MWH | | \$120.14 | \$114.51 | \$103.89 | \$103.37 | \$103.39 | \$90.67 | \$82.87 | \$83.03 | \$83.19 | \$86.28 | \$87.58 | \$89.18 | \$90.83 | |
| 5. Increase in Average Revenue (Annual) | | | | | -0.50% | 0.01% | -12.30% | -8.61% | 0.20% | 0.20% | 3.71% | 1.51% | 1.82% | 1.86% | |
| 6. Total Utility Plant per MWH Sold | | \$355.72 | \$339.35 | \$334.53 | \$359.86 | \$358.41 | \$274.24 | \$222.14 | \$221.34 | \$220.34 | \$221.14 | \$221.84 | \$222.43 | \$220.24 | |
| Ratios to Total Utility Plant | | | | | | | | | | | | | | | |
| 7. Net General Funds | | | | 5.28% | 7.55% | 8.53% | 10.18% | 12.87% | 14.97% | 16.13% | 16.93% | 16.39% | 15.18% | 14.97% | |
| 8. Depreciation and Amortization Reserve | | 29.26% | 29.34% | 29.10% | 30.09% | 31.84% | 33.73% | 35.80% | 38.00% | 40.36% | 42.51% | 44.78% | 47.18% | 50.32% | |
| Ratios to Consumers | | | | | | | | | | | | | | | |
| 9. Operations and Maintenance Expense | | \$332.87 | \$357.26 | \$346.03 | \$326.18 | \$290.84 | \$292.56 | \$294.24 | \$295.99 | \$297.65 | \$299.41 | \$301.06 | \$302.82 | \$304.60 | |
| 10. Administrative and General Expense + Other Deductions | | \$212.15 | \$219.04 | \$244.54 | \$198.62 | \$203.37 | \$208.16 | \$213.04 | \$218.15 | \$223.31 | \$228.63 | \$234.01 | \$239.59 | \$245.32 | |
| Rate Information | | | | | | | | | | | | | | | |
| 11. Plant Revenue Ratio | | 7.02 | 7.39 | 7.78 | 8.46 | 8.75 | 9.08 | 8.26 | 8.47 | 8.85 | 8.38 | 8.62 | 8.78 | 8.75 | |
| 12. Rate of Return on Rate Base/1000 = 104% Net Utility Plant/1000 | | 5.46% | 4.90% | 4.70% | 4.53% | 4.37% | 3.62% | 5.04% | 4.42% | 3.39% | 4.28% | 3.57% | 2.99% | 2.64% | |
| 13. Rate Base/1000 = 104% Net Utility Plant/1000 | | \$36,528 | \$38,560 | \$41,973 | \$42,660 | \$41,908 | \$40,990 | \$39,873 | \$38,654 | \$37,294 | \$36,357 | \$35,300 | \$34,119 | \$32,028 | |
| 14. Require Rate Increase over Present Rates | | | | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.67% | 1.41% | |
| Modified Ratios | | | | | | | | | | | | | | | |
| 15. Modified Debt Service Coverage (MDSC) | | 1.67 | 1.66 | 0.00 | 1.82 | 1.62 | 1.49 | 1.76 | 1.71 | 1.55 | 1.67 | 1.58 | 1.52 | 1.49 | |
| 16. Modified Times Interest Earned Ratio (MTIER) | | 1.70 | 1.70 | 1.79 | 1.74 | 1.71 | 1.48 | 1.97 | 1.72 | 1.33 | 1.59 | 1.35 | 1.14 | 1.01 | |
| 17. Operating Times Interest Earned Ratio (OTIER) | | 1.93 | 1.85 | 0.00 | 1.85 | 1.82 | 1.60 | 2.11 | 1.91 | 1.57 | 1.91 | 1.70 | 1.52 | 1.41 | |
| 18. Operating Debt Service Coverage Ratio (ODSC) | | 1.64 | 1.55 | 0.00 | 1.71 | 1.52 | 1.39 | 1.67 | 1.64 | 1.49 | 1.64 | 1.56 | 1.51 | 1.48 | |

| PRO FORMA BALANCE SHEET - RUS FORM 325 B | | | | | | | | | | | | | 10/22/2020 |
|---|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | | Base 2020 RAMc |
| | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| ASSETS AND OTHER DEBITS | | | | | | | | | | | | | |
| 1. Total Utility Plant in Service | 49,365,927 | 52,119,499 | 54,002,874 | 58,678,553 | 59,117,104 | 59,472,113 | 59,714,662 | 59,942,063 | 60,123,094 | 60,802,745 | 61,465,989 | 62,112,498 | 61,991,938 |
| 2. Construction Work in Progress | 281,204 | 355,770 | 2,924,100 | | | | | | | | | | |
| 3. Total Utility Plant (1+2) | 49,647,131 | 52,475,269 | 56,926,974 | 58,678,553 | 59,117,104 | 59,472,113 | 59,714,662 | 59,942,063 | 60,123,094 | 60,802,745 | 61,465,989 | 62,112,498 | 61,991,938 |
| 4. Accum. Provision for Depreciation and Amort | 14,524,412 | 15,398,228 | 16,568,059 | 17,659,004 | 18,821,193 | 20,058,522 | 21,375,089 | 22,775,202 | 24,263,394 | 25,844,429 | 27,523,320 | 29,305,333 | 31,196,011 |
| 5. Net Utility Plant (3-4) | 35,122,719 | 37,077,041 | 40,358,915 | 41,019,549 | 40,295,910 | 39,413,590 | 38,339,574 | 37,166,861 | 35,859,700 | 34,958,316 | 33,942,670 | 32,807,165 | 30,795,927 |
| 6. Nonutility Property - Net | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7. Investment in Subsidiary Companies | 221,993 | 230,130 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 | 244,067 |
| 8. Invest. in Assoc. Org. - Patronage Capital | 9,886,798 | 9,915,857 | 10,590,811 | 11,077,597 | 11,572,109 | 11,799,695 | 12,174,106 | 12,412,768 | 12,620,986 | 12,832,051 | 13,111,575 | 13,411,101 | 13,792,423 |
| 9. Invest. in Assoc. Org. - Other - General Funds | 22,422 | 22,422 | (4,323) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Invest in Assoc. Org. - Other - Nongeneral Funds | 222,420 | 222,259 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 | 221,958 |
| 11. Investments in Economic Development Projects | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Other Investments | 5,501 | 5,501 | 5,501 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13. Special Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Total Other Property & Investments (6 thru 13) | 10,359,134 | 10,396,169 | 11,058,014 | 11,543,622 | 12,038,134 | 12,265,720 | 12,640,131 | 12,878,793 | 13,087,011 | 13,298,076 | 13,577,600 | 13,877,126 | 14,258,448 |
| 15. Cash-General Funds | 346,937 | 320,432 | 330,624 | 4,427,442 | 5,040,558 | 6,056,363 | 7,682,355 | 8,970,686 | 9,700,283 | 10,291,531 | 10,071,749 | 9,428,080 | 9,282,420 |
| 16. Cash-Construction Funds-Trustee | 100 | 100 | 100 | | | | | | | | | | |
| 17. Special Deposits | 25 | 25 | 25 | | | | | | | | | | |
| 18. Temporary Investments | 2,837,440 | 974,573 | 2,672,836 | | | | | | | | | | |
| 19. Notes Receivable - Net | 0 | 0 | 0 | | | | | | | | | | |
| 20. Accounts Receivable - Net Sales of Energy | 1,263,085 | 1,557,344 | 1,287,284 | | | | | | | | | | |
| 21. Accounts Receivable - Net Other | 129,695 | 128,086 | 103,317 | | | | | | | | | | |
| 22. Renewable Energy Credits | 0 | 0 | 0 | | | | | | | | | | |
| 23. Materials & Supplies - Electric and Other | 393,723 | 374,002 | 341,360 | | | | | | | | | | |
| 24. Prepayments | 0 | 11,388 | 11,056 | | | | | | | | | | |
| 25. Other Current & Accrued Assets | 5,235 | 3,141 | 5,268 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 | 2,527,194 |
| 26. Total Current & Accrued Assets (15 thru 25) | 4,976,240 | 3,369,091 | 4,751,870 | 6,954,636 | 7,567,752 | 8,583,557 | 10,209,549 | 11,497,880 | 12,227,477 | 12,818,725 | 12,598,943 | 11,955,274 | 11,809,614 |
| 27. Regulatory Assets | 0 | 0 | 0 | | | | | | | | | | |
| 28. Deferred Debits | 1,089,817 | 948,413 | 778,909 | | | | | | | | | | |
| 29. Total Assets & Other Debits (5+14+26+27) | 51,547,910 | 51,790,714 | 56,947,708 | 59,517,807 | 59,901,797 | 60,262,867 | 61,189,253 | 61,543,534 | 61,174,188 | 61,075,117 | 60,119,213 | 58,639,565 | 56,863,989 |
| LIABILITIES AND OTHER CREDITS | | | | | | | | | | | | | |
| 30. Memberships | 0 | 0 | 0 | | | | | | | | | | |
| 31. Patronage Capital | 15,821,323 | 17,582,418 | 18,893,545 | 22,590,715 | 24,393,935 | 25,283,857 | 26,724,687 | 27,561,498 | 27,737,440 | 28,108,632 | 28,178,613 | 28,031,447 | 27,841,168 |
| 32. Operating Margins - Prior Years | 0 | 0 | 0 | | | | | | | | | | |
| 33. Operating Margins - Current Year | 825,550 | 679,436 | 706,606 | | | | | | | | | | |
| 34. Non-Operating Margins | 960,257 | 662,335 | 1,021,721 | | | | | | | | | | |
| 35. Other Margins & Equities | 139,471 | 139,132 | 139,152 | | | | | | | | | | |
| 36. Total Margins & Equities (29 thru 34) | 17,746,601 | 19,063,321 | 20,761,024 | 22,590,715 | 24,393,935 | 25,283,857 | 26,724,687 | 27,561,498 | 27,737,440 | 28,108,632 | 28,178,613 | 28,031,447 | 27,841,168 |
| Long-Term Debt CFC (Net) | 7,434,944 | 6,879,191 | 6,345,436 | 5,722,349 | 5,179,368 | 4,741,788 | 4,363,000 | 3,967,714 | 3,554,640 | 3,136,288 | 2,699,266 | 2,242,380 | 1,747,072 |
| Long-Term Debt RUS (Net) | 0 | 0 | 0 | 35,091,056 | 34,151,058 | 33,378,052 | 32,554,354 | 31,692,727 | 30,788,200 | 29,962,634 | 29,099,780 | 28,192,127 | 27,066,852 |
| Long-Term Debt RUS - Econ. Devel. (Net) | 150,400 | 150,400 | 150,400 | | | | | | | | | | |
| Long-Term Debt FFB - RUS - Guaranteed | 23,078,459 | 26,166,528 | 30,261,045 | | | | | | | | | | |
| Long-Term Debt - Other RUS Guaranteed | 0 | 0 | 0 | | | | | | | | | | |
| Long-Term Debt RUS - Unapplied (Cushion) | 0 | 3,821,245 | 4,015,919 | 4,015,919 | 4,015,919 | 3,265,919 | 2,515,919 | 1,765,919 | 1,015,919 | 265,919 | 15,919 | 15,919 | 15,919 |
| Long-Term Debt - Other (Net) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 43. Total Long-Term Debt minus Unapplied | 30,663,803 | 29,374,874 | 32,740,962 | 36,797,486 | 35,314,507 | 34,853,921 | 34,401,435 | 33,894,522 | 33,326,922 | 32,833,003 | 31,783,127 | 30,418,588 | 28,798,005 |
| 44. Obligations Under Capital Leases - Non current | 318,223 | 180,427 | 275,686 | | | | | | | | | | |
| 45. Accumulated Operating Provisions - Asset Retirement Obligations | 0 | 0 | 0 | | | | | | | | | | |
| 46. Total Other Noncurrent Liabilities (39+40) | 318,223 | 180,427 | 275,686 | | | | | | | | | | |
| 47. Notes Payable | 0 | 0 | 0 | | | | | | | | | | |
| 48. Accounts Payable | 946,277 | 1,176,985 | 1,097,300 | | | | | | | | | | |
| 49. Consumers Deposits | 118,512 | 125,592 | 112,413 | | | | | | | | | | |
| 50. Current Maturities Long-Term Debt | 1,024,821 | 1,116,092 | 1,227,181 | 1,391,730 | 1,482,978 | 1,442,763 | 1,409,416 | 1,462,982 | 1,515,061 | 1,569,079 | 1,624,040 | 1,687,685 | 1,755,193 |
| 51. Current Maturities Long-Term Debt-Economic Dev. | 0 | 0 | 0 | | | | | | | | | | |
| 52. Current Maturities Capital Leases | 137,796 | 137,796 | 131,744 | | | | | | | | | | |
| 53. Other Current & Accrued Liabilities | 591,877 | 615,627 | 601,398 | (1,262,124) | (1,289,624) | (1,317,674) | (1,346,285) | (1,375,468) | (1,405,235) | (1,435,597) | (1,466,567) | (1,498,155) | (1,530,376) |
| 54. Total Current & Accrued Liabilities (42 thru 48) | 2,819,283 | 3,172,092 | 3,170,036 | 129,606 | 193,354 | 125,090 | 63,132 | 87,514 | 109,826 | 133,482 | 157,473 | 189,530 | 224,817 |
| 55. Regulatory Liabilities | 0 | 0 | 0 | | | | | | | | | | |
| 56. Deferred Credits | 0 | 0 | 0 | | | | | | | | | | |
| 57. Total Liabilities & Other Credits (35+38+41+49+50) | 51,547,910 | 51,790,714 | 56,947,708 | 59,517,807 | 59,901,797 | 60,262,867 | 61,189,253 | 61,543,534 | 61,174,188 | 61,075,117 | 60,119,213 | 58,639,565 | 56,863,989 |

| STATEMENT OF OPERATIONS - RUS FORM 325 C | | | | | | | | | | | | | 10/22/2020 |
|--|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| The Lane-Scott Electric Cooperative, Inc. | | | | | | | | | | | | | Base 2020 RAMc |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| A1. Additional Revenue to meet Drivers Goals | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 166,289 | 356,525 |
| 1. Operating Revenue and Patronage Capital | 16,786,658 | 17,802,551 | 17,781,223 | 16,856,165 | 17,053,549 | 19,662,577 | 22,275,758 | 22,485,584 | 22,699,741 | 23,721,647 | 24,267,030 | 24,736,440 | 25,210,591 |
| 2. Power Production Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Cost of Purchased Power | 9,715,189 | 10,698,587 | 10,467,955 | 9,922,716 | 10,301,102 | 13,114,928 | 15,050,119 | 15,406,416 | 15,905,992 | 16,468,578 | 17,133,436 | 17,826,913 | 18,478,932 |
| C. Operating Revenue less Cost of Power | 7,071,469 | 7,103,964 | 7,313,268 | 6,933,449 | 6,752,447 | 6,547,649 | 7,225,639 | 7,079,168 | 6,793,749 | 7,253,069 | 7,133,594 | 7,075,816 | 7,088,184 |
| 4. Transmission Expense | 11,182 | 7,585 | 6,366 | 2,130 | 69,731 | 70,426 | 71,102 | 71,205 | 71,313 | 71,572 | 71,693 | 71,818 | 71,949 |
| 5. Regional Market Operations Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Distribution Expense - Operation | 1,318,249 | 1,335,652 | 1,315,720 | 1,192,003 | 950,000 | 959,500 | 969,095 | 978,786 | 988,574 | 998,460 | 1,008,444 | 1,018,529 | 1,028,714 |
| 7. Distribution Expense - Maintenance | 626,505 | 747,446 | 687,659 | 727,409 | 700,000 | 707,000 | 714,070 | 721,211 | 728,423 | 735,707 | 743,064 | 750,495 | 758,000 |
| 8. Consumer Accounts Expense | 214,121 | 205,976 | 221,834 | 175,580 | 180,408 | 185,370 | 190,467 | 195,705 | 201,087 | 206,617 | 212,299 | 218,137 | 224,136 |
| 9. Customer Service and Informational Expense | 27,439 | 33,716 | 32,354 | 36,443 | 37,445 | 38,381 | 39,340 | 40,324 | 41,332 | 42,365 | 43,425 | 44,510 | 45,623 |
| 10. Sales Expense | 137,315 | 81,169 | 55,317 | 46,303 | 47,576 | 48,884 | 50,229 | 51,610 | 53,029 | 54,488 | 55,986 | 57,526 | 59,107 |
| 11. Administrative and General Expense | 1,237,887 | 1,270,909 | 1,405,953 | 1,158,068 | 1,189,915 | 1,222,638 | 1,256,260 | 1,290,807 | 1,326,304 | 1,362,778 | 1,400,254 | 1,438,761 | 1,478,327 |
| 12. Total Operation & Maintenance Expense (2 thru 11) | 13,287,887 | 14,381,040 | 14,193,158 | 13,260,651 | 13,476,177 | 16,347,126 | 18,340,683 | 18,756,064 | 19,316,055 | 19,940,564 | 20,668,601 | 21,426,688 | 22,144,788 |
| 13. Depreciation & Amortization Expense | 1,496,428 | 1,517,330 | 1,599,510 | 1,647,495 | 1,729,870 | 1,816,364 | 1,907,182 | 2,002,541 | 2,102,668 | 2,207,801 | 2,318,191 | 2,434,101 | 2,555,806 |
| 14. Tax Expense - Property & Gross Receipts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Tax Expense - Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16. Interest on Long-Term Debt | 1,167,132 | 1,211,651 | 1,264,245 | 1,272,711 | 1,238,422 | 1,196,134 | 1,153,880 | 1,117,379 | 1,073,842 | 1,032,637 | 990,630 | 949,586 | 899,690 |
| 17. Interest Charged to Construction (Credit) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18. Interest Expense - Other | 954 | 2,163 | 3,355 | 2,500 | 2,513 | 2,525 | 2,538 | 2,550 | 2,563 | 2,576 | 2,589 | 2,602 | 2,615 |
| 19. Other Deductions | 8,707 | 10,931 | 14,349 | 12,000 | 12,600 | 13,230 | 13,892 | 14,586 | 15,315 | 16,081 | 16,885 | 17,729 | 18,616 |
| 20. Total Cost of Electric Service (12 thru 19) | 15,961,108 | 17,123,115 | 17,074,617 | 16,195,358 | 16,459,582 | 19,375,379 | 21,418,174 | 21,893,120 | 22,510,443 | 23,199,659 | 23,996,896 | 24,830,706 | 25,621,515 |
| 21. Patronage Capital & Operating Margins (1 minus 20) | 825,550 | 679,436 | 706,606 | 660,807 | 593,967 | 287,198 | 857,584 | 592,464 | 189,298 | 521,988 | 270,134 | 72,022 | (54,398) |
| 22. Non Operating Margins - Interest | 39,032 | 195,137 | 256,084 | 261,098 | 261,098 | 261,098 | 236,098 | 186,098 | 136,098 | 61,098 | 46,098 | 31,098 | 31,098 |
| 23. Allowance for Funds Used During Construction | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 24. Income (Loss) from Equity Investments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25. Non Operating Margins - Other | 21,510 | 17,999 | 40,353 | 25,000 | 27,500 | 28,050 | 28,611 | 29,183 | 29,767 | 30,362 | 30,969 | 31,589 | 32,221 |
| 26. Generation & Transmission Capital Credits | 834,684 | 378,396 | 664,581 | 829,590 | 836,849 | 569,275 | 715,241 | 579,296 | 548,108 | 550,266 | 618,044 | 637,481 | 718,643 |
| 27. CFC & Other Capital Credits & Patronage Dividends | 65,031 | 70,803 | 60,703 | 83,796 | 83,807 | 83,349 | 82,925 | 82,893 | 82,799 | 82,715 | 82,584 | 82,437 | 82,157 |
| 28. Extraordinary Items | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29. Patronage Capital or Margins (21 thru 28) | 1,785,807 | 1,341,771 | 1,728,327 | 1,860,291 | 1,803,220 | 1,228,970 | 1,920,459 | 1,469,933 | 986,070 | 1,246,429 | 1,047,829 | 854,628 | 809,721 |
| 2. Cash Basis | | | | | | | | | | | | | |
| A. Cash from Operations before Debt Service | | | | 3,842,112 | 3,823,357 | 3,560,793 | 4,154,744 | 3,898,481 | 3,501,906 | 3,823,524 | 3,625,053 | 3,486,807 | 3,432,195 |
| B. Total Debt Service | | | | 2,349,678 | 2,630,153 | 2,679,112 | 2,596,644 | 2,526,795 | 2,536,825 | 2,547,698 | 2,559,709 | 2,573,626 | 2,587,375 |
| C. Cash Margins After Debt Service | | | | 1,492,434 | 1,193,205 | 881,682 | 1,558,100 | 1,371,686 | 965,081 | 1,275,826 | 1,065,344 | 913,181 | 844,820 |

| | | | | | | | | | | | |
|--|--|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|------------|
| 1. Summary of General Funds | | | | | | | | | | | |
| A. Net General Funds Beginning of Year | | 3,004,738 | 4,427,442 | 5,040,558 | 6,056,363 | 7,682,355 | 8,970,686 | 9,700,283 | 10,291,531 | 10,071,749 | 9,428,080 |
| B. Cash Margins After Debt Service | | 1,492,434 | 1,193,205 | 881,682 | 1,558,100 | 1,371,686 | 965,081 | 1,275,826 | 1,065,344 | 913,181 | 844,820 |
| C. Other Proceeds and changes in current assets or liabilities | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Sale of Excludable Items | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Reimbursement of General Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Refund of Generation and Transmission Capital Credits | | 414,250 | 414,250 | 414,250 | 414,250 | 414,250 | 414,250 | 414,250 | 414,250 | 414,250 | 414,250 |
| G. Uses of Cushion of Credit Account | | 0 | 0 | 750,000 | 750,000 | 750,000 | 750,000 | 750,000 | 250,000 | 0 | 0 |
| H. Refund of CFC Capital Credits | | 12,350 | 11,893 | 10,788 | 9,505 | 9,277 | 8,439 | 7,666 | 6,853 | 6,143 | 5,228 |
| I. Refund of Capital Term Certificates | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Total General Funds Available | | 4,923,771 | 6,046,790 | 7,097,278 | 8,788,218 | 10,227,568 | 11,108,457 | 12,148,025 | 12,027,979 | 11,405,323 | 10,692,378 |
| 3. Proposed Uses of General Funds | | | | | | | | | | | |
| A. Purchase of Excludable Items | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Capital Credits Retirements | | 30,600 | 0 | 339,048 | 479,629 | 633,122 | 810,128 | 875,237 | 977,848 | 1,001,793 | 1,000,000 |
| C. General Funds Invested in Plant | | 465,729 | 1,006,232 | 701,867 | 626,235 | 623,759 | 598,046 | 981,257 | 978,382 | 975,450 | 409,959 |
| D. Purchase of Capital Term Certificates | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Purchase of Member Capital Securities | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Other Uses of General Funds | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Additions to Cushion of Credit Account | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| H. Additional Principal Payments | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. Total Proposed Uses of General Funds | | 496,329 | 1,006,232 | 1,040,915 | 1,105,863 | 1,256,881 | 1,408,174 | 1,856,494 | 1,956,230 | 1,977,243 | 1,409,959 |
| 5. Net General Funds - End of Year | | 4,427,442 | 5,040,558 | 6,056,363 | 7,682,355 | 8,970,686 | 9,700,283 | 10,291,531 | 10,071,749 | 9,428,080 | 9,282,420 |

| DETERMINATION OF LOAD - RUS FORM 325 E | | | | | | | | | | | | 10/22/2020 | |
|--|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | Base 2020 RAMc | |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| 1. Number of Consumers | | | | | | | | | | | | | |
| A. Residential | 2,278 | 2,253 | 2,225 | 2,228 | 2,209 | 2,189 | 2,170 | 2,150 | 2,131 | 2,112 | 2,092 | 2,073 | 2,053 |
| B. Residential - Seasonal | 1,123 | 1,143 | 1,141 | 1,194 | 1,236 | 1,279 | 1,322 | 1,364 | 1,407 | 1,449 | 1,492 | 1,535 | 1,577 |
| C. Irrigation | 333 | 332 | 334 | 337 | 337 | 338 | 339 | 341 | 342 | 343 | 345 | 346 | 347 |
| D. Comm. and Ind. 1000 kVA or Less | 1,887 | 1,869 | 1,856 | 1,881 | 1,880 | 1,880 | 1,879 | 1,878 | 1,877 | 1,876 | 1,876 | 1,875 | 1,874 |
| E. Comm. and Ind. Over 1000 kVA | 180 | 182 | 189 | 189 | 189 | 189 | 190 | 190 | 190 | 190 | 190 | 190 | 191 |
| F. Public Street Lights & Highway Lighting | 25 | 23 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| G. Other Sales to Public Authority | 49 | 49 | 49 | 48 | 48 | 48 | 48 | 47 | 47 | 47 | 47 | 46 | 46 |
| H. Sales for Resales - RUS Borrowers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| I. Sales for Resales - Other | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| J. Other 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| K. Other 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| L. Other 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| M. Mercury Vapor Lights | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL CONSUMERS | 5,876 | 5,852 | 5,808 | 5,891 | 5,913 | 5,937 | 5,962 | 5,984 | 6,008 | 6,031 | 6,056 | 6,079 | 6,102 |
| 2. Average Monthly KWH Usage per Consumer | | | | | | | | | | | | | |
| A. Residential | 840 | 914 | 906 | 897 | 906 | 915 | 924 | 934 | 944 | 953 | 964 | 974 | 985 |
| B. Residential - Seasonal | 138 | 149 | 153 | 143 | 140 | 137 | 134 | 132 | 130 | 127 | 125 | 123 | 121 |
| C. Irrigation | 2,036 | 1,978 | 1,802 | 2,006 | 2,007 | 2,002 | 1,997 | 1,987 | 1,982 | 1,978 | 1,967 | 1,963 | 1,958 |
| D. Comm. and Ind. 1000 kVA or Less | 2,297 | 2,361 | 2,362 | 2,075 | 2,130 | 2,184 | 2,241 | 2,300 | 2,360 | 2,422 | 2,484 | 2,549 | 2,615 |
| E. Comm. and Ind. Over 1000 kVA | 20,478 | 25,848 | 32,236 | 29,873 | 30,172 | 52,516 | 74,469 | 74,775 | 75,084 | 75,397 | 75,712 | 76,031 | 75,953 |
| F. Public Street Lights & Highway Lighting | 1,473 | 1,601 | 2,821 | 2,763 | 2,758 | 2,753 | 2,748 | 2,742 | 2,737 | 2,732 | 2,727 | 2,722 | 2,716 |
| G. Other Sales to Public Authority | 568 | 619 | 620 | 551 | 528 | 506 | 485 | 474 | 454 | 435 | 417 | 409 | 392 |
| H. Sales for Resales - RUS Borrowers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| I. Sales for Resales - Other | 799,333 | 817,833 | 845,322 | 1,131,081 | 1,127,801 | 1,124,531 | 1,121,269 | 1,118,018 | 1,114,775 | 1,111,543 | 1,108,319 | 1,105,105 | 1,101,900 |
| J. Other 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| K. Other 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| L. Other 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| M. Mercury Vapor Lights | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Annual Power Requirements in MWHs | | | | | | | | | | | | | |
| A. Residential | 22,960 | 24,701 | 24,197 | 23,977 | 24,009 | 24,040 | 24,071 | 24,102 | 24,134 | 24,165 | 24,197 | 24,228 | 24,259 |
| B. Residential - Seasonal | 1,853 | 2,039 | 2,094 | 2,055 | 2,081 | 2,107 | 2,133 | 2,160 | 2,187 | 2,214 | 2,242 | 2,270 | 2,298 |
| C. Irrigation | 8,135 | 7,880 | 7,222 | 8,110 | 8,115 | 8,120 | 8,125 | 8,130 | 8,135 | 8,139 | 8,144 | 8,149 | 8,154 |
| D. Comm. and Ind. 1000 kVA or Less | 52,019 | 52,942 | 52,598 | 46,843 | 48,042 | 49,272 | 50,534 | 51,827 | 53,154 | 54,515 | 55,910 | 57,342 | 58,810 |
| E. Comm. and Ind. Over 1000 kVA | 44,233 | 56,452 | 73,112 | 67,752 | 68,429 | 119,106 | 169,789 | 170,487 | 171,192 | 171,905 | 172,624 | 173,350 | 174,084 |
| F. Public Street Lights & Highway Lighting | 442 | 442 | 440 | 431 | 430 | 429 | 429 | 428 | 427 | 426 | 425 | 425 | 424 |
| G. Other Sales to Public Authority | 334 | 364 | 365 | 317 | 304 | 291 | 279 | 267 | 256 | 246 | 235 | 226 | 216 |
| H. Sales for Resales - RUS Borrowers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| I. Sales for Resales - Other | 9,592 | 9,814 | 10,144 | 13,573 | 13,534 | 13,494 | 13,455 | 13,416 | 13,377 | 13,339 | 13,300 | 13,261 | 13,223 |
| J. Other 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| K. Other 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| L. Other 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| M. Mercury Vapor Lights | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| DETERMINATION OF LOAD - RUS FORM 325 E | | | | | | | | | | | | | 10/22/2020 |
|--|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | | Base 2020 RAMc |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| 4. Annual Power Requirements in MWHs | | | | | | | | | | | | | |
| A. Total MWHs Sold | 139,568 | 154,634 | 170,171 | 163,059 | 164,944 | 216,860 | 268,815 | 270,818 | 272,863 | 274,949 | 277,078 | 279,251 | 281,468 |
| A1. Total MWHs Sold (No Line Loss) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. System own Use | 66 | 72 | 83 | 75 | 76 | 77 | 78 | 78 | 79 | 80 | 81 | 82 | 82 |
| C. System Loss Percentage (%) | 7.03% | 5.92% | 5.59% | 5.50% | 5.50% | 5.50% | 4.58% | 4.58% | 4.58% | 4.58% | 4.58% | 4.58% | 4.58% |
| C1. System Loss Percentage (MWHs) | 10,556 | 9,736 | 10,090 | 9,495 | 9,604 | 12,626 | 12,892 | 12,988 | 13,086 | 13,186 | 13,288 | 13,392 | 13,499 |
| D. Total MWHs Purchased | 150,190 | 164,442 | 180,344 | 172,629 | 174,625 | 229,563 | 281,785 | 283,885 | 286,028 | 288,215 | 290,446 | 292,724 | 295,049 |
| E. Total MWH's Generated | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total MWH's Purchased and Generated | 150,190 | 164,442 | 180,344 | 172,629 | 174,625 | 229,563 | 281,785 | 283,885 | 286,028 | 288,215 | 290,446 | 292,724 | 295,049 |



| DETERMINATION OF OPERATING REVENUE - RUS FORM 325 F | | | | | | | | | | | | | 10/22/2020 |
|---|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | | Base 2020 RAMc |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| 1 Residential | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 22,960 | 24,701 | 24,197 | 23,977 | 24,009 | 24,040 | 24,071 | 24,102 | 24,134 | 24,165 | 24,197 | 24,228 | 24,259 |
| B. Average Revenue per MWH Sold | 126.93 | 122.01 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 | 117.90 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 2,278 | 2,253 | 2,225 | 2,228 | 2,209 | 2,189 | 2,170 | 2,150 | 2,131 | 2,112 | 2,092 | 2,073 | 2,053 |
| E. Annual Revenue less FlowThru Adjustment | \$ 2,914,311 | \$ 3,013,673 | \$ 2,852,725 | \$ 2,826,883 | \$ 2,830,558 | \$ 2,834,237 | \$ 2,837,922 | \$ 2,841,611 | \$ 2,845,305 | \$ 2,849,004 | \$ 2,852,708 | \$ 2,856,416 | \$ 2,860,130 |
| 2 Residential - Seasonal | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 1,853 | 2,039 | 2,094 | 2,055 | 2,081 | 2,107 | 2,133 | 2,160 | 2,187 | 2,214 | 2,242 | 2,270 | 2,298 |
| B. Average Revenue per MWH Sold | 209.99 | 199.86 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 | 193.40 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 1,123 | 1,143 | 1,141 | 1,194 | 1,236 | 1,279 | 1,322 | 1,364 | 1,407 | 1,449 | 1,492 | 1,535 | 1,577 |
| E. Annual Revenue less FlowThru Adjustment | \$ 389,118 | \$ 407,514 | \$ 404,910 | \$ 397,482 | \$ 402,451 | \$ 407,482 | \$ 412,575 | \$ 417,732 | \$ 422,954 | \$ 428,241 | \$ 433,594 | \$ 439,014 | \$ 444,501 |
| 3 Irrigation | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 8,135 | 7,880 | 7,222 | 8,110 | 8,115 | 8,120 | 8,125 | 8,130 | 8,135 | 8,139 | 8,144 | 8,149 | 8,154 |
| B. Average Revenue per MWH Sold | 134.02 | 129.17 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 | 129.63 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 333 | 332 | 334 | 337 | 337 | 338 | 339 | 341 | 342 | 343 | 345 | 346 | 347 |
| E. Annual Revenue less FlowThru Adjustment | \$ 1,090,272 | \$ 1,017,830 | \$ 936,183 | \$ 1,051,359 | \$ 1,051,990 | \$ 1,052,621 | \$ 1,053,252 | \$ 1,053,884 | \$ 1,054,517 | \$ 1,055,149 | \$ 1,055,782 | \$ 1,056,416 | \$ 1,057,050 |
| 4 Comm. and Ind. 1000 kVA or Less | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 52,019 | 52,942 | 52,598 | 46,843 | 48,042 | 49,272 | 50,534 | 51,827 | 53,154 | 54,515 | 55,910 | 57,342 | 58,810 |
| B. Average Revenue per MWH Sold | 112.28 | 110.59 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 | 105.73 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 1,887 | 1,869 | 1,856 | 1,881 | 1,880 | 1,880 | 1,879 | 1,878 | 1,877 | 1,876 | 1,876 | 1,875 | 1,874 |
| E. Annual Revenue less FlowThru Adjustment | \$ 5,840,567 | \$ 5,854,660 | \$ 5,561,123 | \$ 4,952,644 | \$ 5,079,431 | \$ 5,209,465 | \$ 5,342,827 | \$ 5,479,604 | \$ 5,619,881 | \$ 5,763,750 | \$ 5,911,302 | \$ 6,062,632 | \$ 6,217,835 |
| 5 Comm. and Ind. Over 1000 kVA | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 44,233 | 56,452 | 73,112 | 67,752 | 68,429 | 119,106 | 169,789 | 170,487 | 171,192 | 171,905 | 172,624 | 173,350 | 174,084 |
| B. Average Revenue per MWH Sold | 128.11 | 115.64 | 97.44 | 97.44 | 97.44 | 76.75 | 68.42 | 68.54 | 68.66 | 73.45 | 75.42 | 76.90 | 78.38 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 180 | 182 | 189 | 189 | 189 | 189 | 190 | 190 | 190 | 190 | 190 | 190 | 191 |
| E. Annual Revenue less FlowThru Adjustment | \$ 5,666,618 | \$ 6,528,043 | \$ 7,123,779 | \$ 6,601,514 | \$ 6,667,529 | \$ 9,141,788 | \$ 11,616,719 | \$ 11,684,732 | \$ 11,753,424 | \$ 12,626,131 | \$ 13,018,488 | \$ 13,330,954 | \$ 13,644,147 |
| 6 Public Street Lights & Highway Lighting | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 442 | 442 | 440 | 431 | 430 | 429 | 429 | 428 | 427 | 426 | 425 | 425 | 424 |
| B. Average Revenue per MWH Sold | 133.45 | 132.05 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 | 127.20 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 25 | 23 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| E. Annual Revenue less FlowThru Adjustment | \$ 58,983 | \$ 58,367 | \$ 55,988 | \$ 54,835 | \$ 54,731 | \$ 54,627 | \$ 54,523 | \$ 54,419 | \$ 54,316 | \$ 54,213 | \$ 54,110 | \$ 54,007 | \$ 53,904 |
| 7 Other Sales to Public Authority | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 334 | 364 | 365 | 317 | 304 | 291 | 279 | 267 | 256 | 246 | 235 | 226 | 216 |
| B. Average Revenue per MWH Sold | 144.49 | 150.01 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 | 143.97 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 49 | 49 | 49 | 48 | 48 | 48 | 48 | 47 | 47 | 47 | 47 | 46 | 46 |
| E. Annual Revenue less FlowThru Adjustment | \$ 48,261 | \$ 54,605 | \$ 52,518 | \$ 45,657 | \$ 43,753 | \$ 41,928 | \$ 40,180 | \$ 38,504 | \$ 36,899 | \$ 35,360 | \$ 33,886 | \$ 32,472 | \$ 31,118 |
| 8 Sales for Resales - RUS Borrowers | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Average Revenue per MWH Sold | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Annual Revenue less FlowThru Adjustment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 Sales for Resales - Other | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 9,592 | 9,814 | 10,144 | 13,573 | 13,534 | 13,494 | 13,455 | 13,416 | 13,377 | 13,339 | 13,300 | 13,261 | 13,223 |
| B. Average Revenue per MWH Sold | 79.17 | 78.78 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 | 68.21 |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| E. Annual Revenue less FlowThru Adjustment | \$ 759,405 | \$ 773,173 | \$ 691,896 | \$ 925,791 | \$ 923,106 | \$ 920,429 | \$ 917,760 | \$ 915,098 | \$ 912,445 | \$ 909,799 | \$ 907,160 | \$ 904,529 | \$ 901,906 |

| DETERMINATION OF OPERATING REVENUE - RUS FORM 325 F | | | | | | | | | | | | | 10/22/2020 |
|---|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | | Base 2020 RAMc |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| 10 Other 1 | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Average Revenue per MWH Sold | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Annual Revenue less FlowThru Adjustment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 Other 2 | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Average Revenue per MWH Sold | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Annual Revenue less FlowThru Adjustment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 Other 3 | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Average Revenue per MWH Sold | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Annual Revenue less FlowThru Adjustment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 Mercury Vapor Lights | | | | | | | | | | | | | |
| A. Total Annual MWHs Sold | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Average Revenue per MWH Sold | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C. Fixed Monthly Charge per Consumer | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. Average Number of Consumers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Annual Revenue less FlowThru Adjustment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 Flow Through Adjustments | | | | | | | | | | | | | |
| A. MWHs Sold Subject to Adjustment 1 | 139,568 | 154,634 | 170,171 | 163,059 | 164,944 | 216,860 | 268,815 | 270,818 | 272,863 | 274,949 | 277,078 | 279,251 | 281,468 |
| B. Flow Through Adjustment 1 per MWH | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C. Revenue From Adjustment 1 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| D. MWHs Sold Subject to Adjustment 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Flow Through Adjustment 2 per MWH | - | - | - | - | - | - | - | - | - | - | - | - | - |
| F. Revenue From Adjustment 2 | - | - | - | - | - | - | - | - | - | - | - | - | - |
| G. Total Revenue From Adjustments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15. Revenue from Sale of Electric Energy | \$ 16,767,535 | \$ 17,707,865 | \$ 17,679,122 | \$ 16,856,165 | \$ 17,053,549 | \$ 19,662,577 | \$ 22,275,758 | \$ 22,485,584 | \$ 22,699,741 | \$ 23,721,647 | \$ 24,267,030 | \$ 24,736,440 | \$ 25,210,591 |
| 16. Other Operating Revenue | \$ 19,124 | \$ 94,686 | \$ 184,012 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17. Total Operating Revenue | \$ 16,786,659 | \$ 17,802,551 | \$ 17,863,134 | \$ 16,856,165 | \$ 17,053,549 | \$ 19,662,577 | \$ 22,275,758 | \$ 22,485,584 | \$ 22,699,741 | \$ 23,721,647 | \$ 24,267,030 | \$ 24,736,440 | \$ 25,210,591 |

| PLANT INVESTMENTS & LOAN REQUIREMENTS - RUS FORM 325 G | | | | | | | | | | | | | 10/22/2020 |
|--|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | | Base 2020 RAMc |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| 1. A. Total Utility Plant (Beginning of Year) | 49,074,611 | 49,647,131 | 52,475,269 | 56,926,974 | 58,678,553 | 59,117,104 | 59,472,113 | 59,714,662 | 59,942,063 | 60,123,094 | 60,802,745 | 61,465,989 | 62,112,498 |
| B. Plant Additions and Replacements | 1,561,494 | 3,471,915 | 2,425,936 | 2,508,129 | 1,210,232 | 3,582,611 | 1,041,245 | 1,042,070 | 1,011,993 | 1,527,233 | 1,527,778 | 1,528,333 | 778,900 |
| C. Construction Work in Progress | 281,204 | 355,770 | 2,924,100 | | | | | | | | | | |
| D. Contributions in Aid of Construction | 0 | 0 | 0 | 200,000 | 204,000 | 2,648,568 | 208,080 | 212,242 | 216,486 | 220,816 | 225,232 | 229,737 | 234,332 |
| E. Retirements | 654,935 | 718,343 | 556,550 | 556,550 | 567,681 | 579,035 | 590,615 | 602,428 | 614,476 | 626,766 | 639,301 | 652,087 | 665,129 |
| F. Total Utility Plant (End of Year) | 49,647,131 | 52,475,269 | 56,926,974 | 58,678,553 | 59,117,104 | 59,472,113 | 59,714,662 | 59,942,063 | 60,123,094 | 60,802,745 | 61,465,989 | 62,112,498 | 61,991,938 |
| | | | | | | | | | | | | | |
| 2. Analysis of Priority Funds | | | | | | | | | | | | | |
| A. Distribution | 1,323,373 | 3,108,423 | 2,004,915 | 2,500,000 | 1,200,000 | 3,542,175 | 1,000,000 | 1,000,000 | 1,000,000 | 1,500,000 | 1,500,000 | 1,500,000 | 750,000 |
| B. Headquarters | 0 | 6,923 | 133,196 | 3,000 | 5,000 | 20,100 | 20,502 | 20,912 | 6,330 | 6,457 | 6,586 | 6,718 | 6,852 |
| C. Other Needs - Loan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Generation and Transmission | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Warehouse | 0 | 0 | 0 | 0 | 0 | 15,000 | 15,300 | 15,606 | 0 | 15,000 | 15,300 | 15,606 | 15,918 |
| F. Reimbursement of General Funds | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Total of Priority Items | 1,323,373 | 3,115,346 | 2,138,111 | 2,503,000 | 1,205,000 | 3,577,275 | 1,035,802 | 1,036,518 | 1,006,330 | 1,521,457 | 1,521,886 | 1,522,324 | 772,770 |
| LESS: H. Contribution in Aid of Construction | | | | 200,000 | 204,000 | 2,648,568 | 208,080 | 212,242 | 216,486 | 220,816 | 225,232 | 229,737 | 234,332 |
| I. General Funds Invested in Plant | | | | 460,600 | 1,001,000 | 696,530 | 620,792 | 618,207 | 592,383 | 975,481 | 972,490 | 969,440 | 403,829 |
| J. Loan Funds Required for Priority Items | | | | 1,842,400 | 0 | 232,177 | 206,931 | 206,069 | 197,461 | 325,160 | 324,163 | 323,147 | 134,610 |
| K1. Prior RUS Loan Funds Required | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| K2. Prior CFC Loan Funds Required | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| L. New Joint Loans Funds Required | | | | 1,842,400 | 0 | 232,177 | 206,931 | 206,069 | 197,461 | 325,160 | 324,163 | 323,147 | 134,610 |
| M. New Loans From RUS | | | | 1,842,400 | 0 | 208,959 | 186,237 | 185,462 | 177,715 | 292,644 | 291,747 | 290,832 | 121,149 |
| N. New Loans From CFC | | | | 0 | 0 | 23,218 | 20,693 | 20,607 | 19,746 | 32,516 | 32,416 | 32,315 | 13,461 |
| O. New Loans From NCSC | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| P. New Loans From FARMER MAC | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Q. New Loans From Other Sources | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Analysis of Non-Priority Funds | | | | | | | | | | | | | |
| A. General Plant Additions | 71,427 | 356,569 | 43,404 | 5,129 | 5,232 | 5,336 | 5,443 | 5,552 | 5,663 | 5,776 | 5,892 | 6,010 | 6,130 |
| B. Other Needs - General Funds | 166,694 | 0 | 244,421 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Total Non-Priority Funds Required | | | | 5,129 | 5,232 | 5,336 | 5,443 | 5,552 | 5,663 | 5,776 | 5,892 | 6,010 | 6,130 |
| 4. Analysis of General Funds Invested in Plant | | | | | | | | | | | | | |
| A. General Funds Invested in Plant - Non-Priority | | | | 5,129 | 5,232 | 5,336 | 5,443 | 5,552 | 5,663 | 5,776 | 5,892 | 6,010 | 6,130 |
| B. General Funds Invested in Plant - Priority | | | | 460,600 | 1,001,000 | 696,530 | 620,792 | 618,207 | 592,383 | 975,481 | 972,490 | 969,440 | 403,829 |
| C. Total General Funds Invested in Plant | | | | 465,729 | 1,006,232 | 701,867 | 626,235 | 623,759 | 598,046 | 981,257 | 978,382 | 975,450 | 409,959 |
| 5. Plant Investment Summary | | | | | | | | | | | | | |
| A. New Loans From RUS | | | | 1,842,400 | 0 | 208,959 | 186,237 | 185,462 | 177,715 | 292,644 | 291,747 | 290,832 | 121,149 |
| B. New Loans From CFC | | | | 0 | 0 | 23,218 | 20,693 | 20,607 | 19,746 | 32,516 | 32,416 | 32,315 | 13,461 |
| C. New Loans From NCSC | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. New Loans From FARMER MAC | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Loan Funds Required - Others | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Total New Loans Required From Others | | | | 0 | 0 | 23,218 | 20,693 | 20,607 | 19,746 | 32,516 | 32,416 | 32,315 | 13,461 |

| DETERMINATION OF DEBT AND DEBT SERVICE - RUS FORM 325 H | | | | | | | | | | The Lane-Scott Electric Cooperative, Inc. | | | | 10/22/2020 |
|---|--|-----------|--------------------|------------------------|-----------|-----------|-----------|-----------|-----------|---|-----------|-----------|-----------|------------|
| KS042 | | | | | | | | | | Base 2020 RAMc | | | | |
| Note Information | | | | Future | Future | Future | Future | Future | Future | Future | Future | Future | Future | |
| | | | | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | |
| 1-1 | | | | | | | | | | | | | | |
| 1. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 3,399,765 | 3,325,392 | 3,247,491 | 3,166,310 | 3,081,712 | 2,993,913 | 2,902,058 | 2,806,336 | 2,706,585 | 2,602,952 |
| | B. Original Amount / Payments per Year | 3,399,765 | 4 | F. Plus Interest | 140,133 | 136,604 | 133,325 | 129,907 | 126,707 | 122,650 | 118,784 | 114,754 | 110,872 | 106,193 |
| | C. Amort. Period / Deferral | 26.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 214,506 | 214,506 | 214,506 | 214,506 | 214,506 | 214,506 | 214,506 | 214,506 | 214,506 | 214,506 |
| | E. Interest Rate / Loan Type | 4.15600% | Level Debt Service | J. Balance End of year | 3,325,392 | 3,247,491 | 3,166,310 | 3,081,712 | 2,993,913 | 2,902,058 | 2,806,336 | 2,706,585 | 2,602,952 | 2,494,639 |
| 1-2 | | | | | | | | | | | | | | |
| 2. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 747,997 | 729,967 | 711,229 | 691,831 | 671,750 | 651,028 | 629,510 | 607,235 | 584,176 | 560,361 |
| | B. Original Amount / Payments per Year | 747,997 | 4 | F. Plus Interest | 25,832 | 25,124 | 24,464 | 23,781 | 23,140 | 22,344 | 21,587 | 20,802 | 20,047 | 19,152 |
| | C. Amort. Period / Deferral | 26.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 43,862 | 43,862 | 43,862 | 43,862 | 43,862 | 43,862 | 43,862 | 43,862 | 43,862 | 43,862 |
| | E. Interest Rate / Loan Type | 3.48500% | Level Debt Service | J. Balance End of year | 729,967 | 711,229 | 691,831 | 671,750 | 651,028 | 629,510 | 607,235 | 584,176 | 560,361 | 535,651 |
| 1-3 | | | | | | | | | | | | | | |
| 3. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 945,081 | 924,668 | 903,265 | 880,942 | 857,658 | 833,477 | 808,153 | 781,741 | 754,193 | 725,551 |
| | B. Original Amount / Payments per Year | 945,081 | 4 | F. Plus Interest | 39,774 | 38,784 | 37,864 | 36,904 | 36,006 | 34,863 | 33,775 | 32,639 | 31,545 | 30,224 |
| | C. Amort. Period / Deferral | 26.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 60,187 | 60,187 | 60,187 | 60,187 | 60,187 | 60,187 | 60,187 | 60,187 | 60,187 | 60,187 |
| | E. Interest Rate / Loan Type | 4.24300% | Level Debt Service | J. Balance End of year | 924,668 | 903,265 | 880,942 | 857,658 | 833,477 | 808,153 | 781,741 | 754,193 | 725,551 | 695,588 |
| 1-4 | | | | | | | | | | | | | | |
| 4. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 2,686,710 | 2,615,736 | 2,542,520 | 2,467,211 | 2,389,749 | 2,310,260 | 2,228,310 | 2,144,016 | 2,057,312 | 1,968,292 |
| | B. Original Amount / Payments per Year | 2,686,710 | 4 | F. Plus Interest | 75,466 | 73,224 | 71,130 | 68,977 | 66,951 | 64,489 | 62,145 | 59,735 | 57,419 | 54,710 |
| | C. Amort. Period / Deferral | 26.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 146,439 | 146,439 | 146,439 | 146,439 | 146,439 | 146,439 | 146,439 | 146,439 | 146,439 | 146,439 |
| | E. Interest Rate / Loan Type | 2.83700% | Level Debt Service | J. Balance End of year | 2,615,736 | 2,542,520 | 2,467,211 | 2,389,749 | 2,310,260 | 2,228,310 | 2,144,016 | 2,057,312 | 1,968,292 | 1,876,563 |
| 1-5 | | | | | | | | | | | | | | |
| 5. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 550,550 | 535,886 | 520,769 | 505,229 | 489,254 | 472,869 | 455,988 | 438,634 | 420,795 | 402,489 |
| | B. Original Amount / Payments per Year | 550,550 | 4 | F. Plus Interest | 15,141 | 14,688 | 14,265 | 13,830 | 13,421 | 12,924 | 12,452 | 11,966 | 11,499 | 10,954 |
| | C. Amort. Period / Deferral | 26.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 29,805 | 29,805 | 29,805 | 29,805 | 29,805 | 29,805 | 29,805 | 29,805 | 29,805 | 29,805 |
| | E. Interest Rate / Loan Type | 2.77800% | Level Debt Service | J. Balance End of year | 535,886 | 520,769 | 505,229 | 489,254 | 472,869 | 455,988 | 438,634 | 420,795 | 402,489 | 383,638 |

| The Lane-Scott Electric Cooperative, Inc. | | | | | | | | | | | | | 10/22/2020 | |
|---|--|-----------|--------------------|------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|
| Base 2020 RAMc | | | | | | | | | | | | | | |
| Note Information | | | | Future | Future | Future | Future | Future | Future | Future | Future | Future | | |
| | | | | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | |
| 2-1 | | | | | | | | | | | | | | |
| 6. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 5,608,072 | 5,474,661 | 5,335,863 | 5,192,048 | 5,043,034 | 4,889,139 | 4,729,173 | 4,563,425 | 4,391,684 | 4,214,176 |
| | B. Original Amount / Payments per Year | 5,608,072 | 4 | F. Plus Interest | 198,808 | 193,422 | 188,404 | 183,205 | 178,324 | 172,254 | 166,471 | 160,479 | 154,711 | 147,853 |
| | C. Amort. Period / Deferral | 26.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 332,220 | 332,220 | 332,220 | 332,220 | 332,220 | 332,220 | 332,220 | 332,220 | 332,220 | 332,220 |
| | E. Interest Rate / Loan Type | 3.57700% | Level Debt Service | J. Balance End of year | 5,474,661 | 5,335,863 | 5,192,048 | 5,043,034 | 4,889,139 | 4,729,173 | 4,563,425 | 4,391,684 | 4,214,176 | 4,029,809 |
| 2-2 | | | | | | | | | | | | | | |
| 7. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 3,018,411 | 2,957,567 | 2,894,221 | 2,828,584 | 2,760,574 | 2,690,383 | 2,617,377 | 2,541,732 | 2,463,352 | 2,382,386 |
| | B. Original Amount / Payments per Year | 3,018,411 | 4 | F. Plus Interest | 107,150 | 104,648 | 102,358 | 99,985 | 97,803 | 94,988 | 92,349 | 89,614 | 87,028 | 83,854 |
| | C. Amort. Period / Deferral | 28.90 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 167,994 | 167,994 | 167,994 | 167,994 | 167,994 | 167,994 | 167,994 | 167,994 | 167,994 | 167,994 |
| | E. Interest Rate / Loan Type | 3.57700% | Level Debt Service | J. Balance End of year | 2,957,567 | 2,894,221 | 2,828,584 | 2,760,574 | 2,690,383 | 2,617,377 | 2,541,732 | 2,463,352 | 2,382,386 | 2,298,246 |
| 2-3 | | | | | | | | | | | | | | |
| 8. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 2,293,385 | 2,241,892 | 2,188,705 | 2,133,961 | 2,077,614 | 2,019,786 | 1,960,096 | 1,898,659 | 1,835,423 | 1,770,485 |
| | B. Original Amount / Payments per Year | 2,293,385 | 4 | F. Plus Interest | 66,038 | 64,344 | 62,787 | 61,184 | 59,703 | 57,842 | 56,094 | 54,296 | 52,593 | 50,543 |
| | C. Amort. Period / Deferral | 28.90 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 117,531 | 117,531 | 117,531 | 117,531 | 117,531 | 117,531 | 117,531 | 117,531 | 117,531 | 117,531 |
| | E. Interest Rate / Loan Type | 2.90400% | Level Debt Service | J. Balance End of year | 2,241,892 | 2,188,705 | 2,133,961 | 2,077,614 | 2,019,786 | 1,960,096 | 1,898,659 | 1,835,423 | 1,770,485 | 1,703,497 |
| 2-4 | | | | | | | | | | | | | | |
| 9. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 897,360 | 876,514 | 855,036 | 832,977 | 810,321 | 787,112 | 763,214 | 738,669 | 713,459 | 687,620 |
| | B. Original Amount / Payments per Year | 897,360 | 4 | F. Plus Interest | 23,910 | 23,279 | 22,697 | 22,100 | 21,547 | 20,858 | 20,211 | 19,546 | 18,917 | 18,164 |
| | C. Amort. Period / Deferral | 28.90 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 44,756 | 44,756 | 44,756 | 44,756 | 44,756 | 44,756 | 44,756 | 44,756 | 44,756 | 44,756 |
| | E. Interest Rate / Loan Type | 2.68800% | Level Debt Service | J. Balance End of year | 876,514 | 855,036 | 832,977 | 810,321 | 787,112 | 763,214 | 738,669 | 713,459 | 687,620 | 661,028 |
| 2-5 | | | | | | | | | | | | | | |
| 10. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 1,179,923 | 1,151,137 | 1,121,596 | 1,091,358 | 1,060,408 | 1,028,798 | 996,373 | 963,184 | 929,212 | 894,500 |
| | B. Original Amount / Payments per Year | 1,179,923 | 4 | F. Plus Interest | 27,392 | 26,637 | 25,940 | 25,228 | 24,567 | 23,753 | 22,989 | 22,206 | 21,466 | 20,587 |
| | C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 56,178 | 56,178 | 56,178 | 56,178 | 56,178 | 56,178 | 56,178 | 56,178 | 56,178 | 56,178 |
| | E. Interest Rate / Loan Type | 2.34300% | Level Debt Service | J. Balance End of year | 1,151,137 | 1,121,596 | 1,091,358 | 1,060,408 | 1,028,798 | 996,373 | 963,184 | 929,212 | 894,500 | 858,910 |
| 2-6 | | | | | | | | | | | | | | |
| 11. | A. Year/ Month | 2019 | 12 | E. Balance Beginning | 905,717 | 882,740 | 859,228 | 835,222 | 810,712 | 785,734 | 760,185 | 734,098 | 707,464 | 680,311 |
| | B. Original Amount / Payments per Year | 905,717 | 4 | F. Plus Interest | 18,749 | 18,214 | 17,720 | 17,216 | 16,748 | 16,176 | 15,639 | 15,091 | 14,573 | 13,962 |
| | C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | |
| | D. Amortization Type | Quarterly | | I. Less Payments | 41,726 | 41,726 | 41,726 | 41,726 | 41,726 | 41,726 | 41,726 | 41,726 | 41,726 | 41,726 |
| | E. Interest Rate / Loan Type | 2.09000% | Level Debt Service | J. Balance End of year | 882,740 | 859,228 | 835,222 | 810,712 | 785,734 | 760,185 | 734,098 | 707,464 | 680,311 | 652,547 |

| DETERMINATION OF DEBT AND DEBT SERVICE - RUS FORM 325 H KS042 | | | | The Lane-Scott Electric Cooperative, Inc. | | | | | | | | | | 10/22/2020 |
|--|-----------|--------------------|------------------------|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------|
| | | | | Base 2020 RAMc | | | | | | | | | | |
| Note Information | | | | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 | |
| 2-7 | | | | | | | | | | | | | | |
| 12. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 676,391 | 661,413 | 645,932 | 629,989 | 613,570 | 596,712 | 579,301 | 561,369 | 542,903 | 523,931 | |
| B. Original Amount / Payments per Year | 676,391 | 4 | F. Plus Interest | 19,848 | 19,345 | 18,883 | 18,407 | 17,968 | 17,415 | 16,895 | 16,360 | 15,854 | 15,243 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 34,826 | 34,826 | 34,826 | 34,826 | 34,826 | 34,826 | 34,826 | 34,826 | 34,826 | 34,826 | |
| E. Interest Rate / Loan Type | 2.95900% | Level Debt Service | J. Balance End of year | 661,413 | 645,932 | 629,989 | 613,570 | 596,712 | 579,301 | 561,369 | 542,903 | 523,931 | 504,348 | |
| 2-8 | | | | | | | | | | | | | | |
| 13. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 2,830,994 | 2,769,462 | 2,705,778 | 2,640,118 | 2,572,420 | 2,502,843 | 2,430,885 | 2,356,695 | 2,280,202 | 2,201,532 | |
| B. Original Amount / Payments per Year | 2,830,994 | 4 | F. Plus Interest | 86,370 | 84,217 | 82,241 | 80,203 | 78,324 | 75,944 | 73,711 | 71,409 | 69,231 | 66,594 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 147,901 | 147,901 | 147,901 | 147,901 | 147,901 | 147,901 | 147,901 | 147,901 | 147,901 | 147,901 | |
| E. Interest Rate / Loan Type | 3.07600% | Level Debt Service | J. Balance End of year | 2,769,462 | 2,705,778 | 2,640,118 | 2,572,420 | 2,502,843 | 2,430,885 | 2,356,695 | 2,280,202 | 2,201,532 | 2,120,224 | |
| 2-9 | | | | | | | | | | | | | | |
| 14. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 970,486 | 948,215 | 925,257 | 901,667 | 877,426 | 852,585 | 826,992 | 800,695 | 773,673 | 745,966 | |
| B. Original Amount / Payments per Year | 970,486 | 4 | F. Plus Interest | 26,304 | 25,617 | 24,984 | 24,335 | 23,734 | 22,983 | 22,278 | 21,553 | 20,868 | 20,046 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 48,575 | 48,575 | 48,575 | 48,575 | 48,575 | 48,575 | 48,575 | 48,575 | 48,575 | 48,575 | |
| E. Interest Rate / Loan Type | 2.73400% | Level Debt Service | J. Balance End of year | 948,215 | 925,257 | 901,667 | 877,426 | 852,585 | 826,992 | 800,695 | 773,673 | 745,966 | 717,437 | |
| 2-10 | | | | | | | | | | | | | | |
| 15. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 2,437,612 | 2,378,097 | 2,317,024 | 2,254,514 | 2,190,534 | 2,125,192 | 2,058,170 | 1,989,572 | 1,919,361 | 1,847,623 | |
| B. Original Amount / Payments per Year | 2,437,612 | 4 | F. Plus Interest | 56,468 | 54,910 | 53,474 | 52,003 | 50,641 | 48,962 | 47,385 | 45,772 | 44,245 | 42,433 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 115,983 | 115,983 | 115,983 | 115,983 | 115,983 | 115,983 | 115,983 | 115,983 | 115,983 | 115,983 | |
| E. Interest Rate / Loan Type | 2.33800% | Level Debt Service | J. Balance End of year | 2,378,097 | 2,317,024 | 2,254,514 | 2,190,534 | 2,125,192 | 2,058,170 | 1,989,572 | 1,919,361 | 1,847,623 | 1,774,072 | |
| 2-11 | | | | | | | | | | | | | | |
| 16. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 1,285,829 | 1,252,968 | 1,219,360 | 1,185,062 | 1,150,061 | 1,114,406 | 1,077,955 | 1,040,755 | 1,002,793 | 964,108 | |
| B. Original Amount / Payments per Year | 1,285,829 | 4 | F. Plus Interest | 26,004 | 25,257 | 24,568 | 23,864 | 23,211 | 22,414 | 21,666 | 20,903 | 20,180 | 19,330 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 58,865 | 58,865 | 58,865 | 58,865 | 58,865 | 58,865 | 58,865 | 58,865 | 58,865 | 58,865 | |
| E. Interest Rate / Loan Type | 2.04200% | Level Debt Service | J. Balance End of year | 1,252,968 | 1,219,360 | 1,185,062 | 1,150,061 | 1,114,406 | 1,077,955 | 1,040,755 | 1,002,793 | 964,108 | 924,572 | |
| 2-12 | | | | | | | | | | | | | | |
| 17. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 3,987,431 | 3,869,854 | 3,750,874 | 3,630,596 | 3,509,005 | 3,386,192 | 3,261,933 | 3,136,318 | 3,009,332 | 2,881,051 | |
| B. Original Amount / Payments per Year | 3,987,431 | 4 | F. Plus Interest | 42,981 | 41,578 | 40,279 | 38,967 | 37,745 | 36,299 | 34,943 | 33,572 | 32,276 | 30,786 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 160,558 | 160,558 | 160,558 | 160,558 | 160,558 | 160,558 | 160,558 | 160,558 | 160,558 | 160,558 | |
| E. Interest Rate / Loan Type | 1.09000% | Level Debt Service | J. Balance End of year | 3,869,854 | 3,750,874 | 3,630,596 | 3,509,005 | 3,386,192 | 3,261,933 | 3,136,318 | 3,009,332 | 2,881,051 | 2,751,279 | |

| DETERMINATION OF DEBT AND DEBT SERVICE - RUS FORM 325 H KS042 | | | | | | | | | | | | | The Lane-Scott Electric Cooperative, Inc. | 10/22/2020 |
|--|-----------|--------------------|------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|---|------------|
| | | | | | | | | | | | | | Base 2020 RAMc | |
| Note Information | | | | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 | |
| 2-13 | | | | | | | | | | | | | | |
| 18. A. Year/ Month | 2019 | 12 | E. Balance Beginning | 536,730 | 520,707 | 504,508 | 488,146 | 471,618 | 454,938 | 438,076 | 421,045 | 403,842 | 386,477 | |
| B. Original Amount / Payments per Year | 536,730 | 4 | F. Plus Interest | 5,339 | 5,163 | 5,000 | 4,835 | 4,681 | 4,500 | 4,331 | 4,159 | 3,997 | 3,811 | |
| C. Amort. Period / Deferral | 29.00 | 0.00 | | | | | | | | | | | | |
| D. Amortization Type | Quarterly | | I. Less Payments | 21,362 | 21,362 | 21,362 | 21,362 | 21,362 | 21,362 | 21,362 | 21,362 | 21,362 | 21,362 | |
| E. Interest Rate / Loan Type | 1.00600% | Level Debt Service | J. Balance End of year | 520,707 | 504,508 | 488,146 | 471,618 | 454,938 | 438,076 | 421,045 | 403,842 | 386,477 | 368,926 | |
| Subtotal Debt and Debt Service - RUS | | | | | | | | | | | | | | |
| A. Debt - First of Year | | | | 34,958,442 | 34,116,877 | 33,248,656 | 32,355,764 | 31,437,420 | 30,495,367 | 29,523,750 | 28,524,180 | 27,495,762 | 26,439,811 | |
| B. New Funds - Advanced | | | | | | | | | | | | | | |
| C. Interest Expense | | | | 1,001,709 | 975,054 | 950,382 | 924,930 | 901,220 | 871,658 | 843,703 | 814,857 | 787,323 | 754,437 | |
| D. Debt Payments | | | | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | |
| E. Debt - End of Year | | | | 34,116,877 | 33,248,656 | 32,355,764 | 31,437,420 | 30,495,367 | 29,523,750 | 28,524,180 | 27,495,762 | 26,439,811 | 25,350,973 | |

| ITEM | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 1. Debt and Debt Service - RUS Existing Loans | | | | | | | | | | |
| A. Debt First of Year | 34,958,442 | 34,116,877 | 33,248,656 | 32,355,764 | 31,437,420 | 30,495,367 | 29,523,750 | 28,524,180 | 27,495,762 | 26,439,811 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 1,001,709 | 975,054 | 950,382 | 924,930 | 901,220 | 871,658 | 843,703 | 814,857 | 787,323 | 754,437 |
| D. Principal Payments | 841,565 | 868,221 | 892,892 | 918,344 | 942,054 | 971,616 | 999,571 | 1,028,417 | 1,055,952 | 1,088,837 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 | 1,843,274 |
| G. Debt End of Year | 34,116,877 | 33,248,656 | 32,355,764 | 31,437,420 | 30,495,367 | 29,523,750 | 28,524,180 | 27,495,762 | 26,439,811 | 25,350,973 |
| 2. Debt and Debt Service - RUS Unadvanced Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 3. Debt and Debt Service - RUS New Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 1,842,400 | 1,842,400 | 2,004,253 | 2,126,869 | 2,244,450 | 2,346,692 | 2,556,665 | 2,758,619 | 2,950,801 |
| B. Loan Funds Advanced | 1,842,400 | 0 | 208,959 | 186,237 | 185,462 | 177,715 | 292,644 | 291,747 | 290,832 | 121,149 |
| C. Interest | 17,719 | 23,518 | 24,817 | 26,825 | 28,776 | 30,514 | 33,170 | 36,729 | 40,417 | 42,399 |
| D. Principal Payments | 0 | 0 | 47,106 | 63,621 | 67,881 | 75,473 | 82,671 | 89,793 | 98,650 | 109,647 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 17,719 | 23,518 | 71,923 | 90,447 | 96,658 | 105,987 | 115,841 | 126,522 | 139,067 | 152,046 |
| G. Debt End of Year | 1,842,400 | 1,842,400 | 2,004,253 | 2,126,869 | 2,244,450 | 2,346,692 | 2,556,665 | 2,758,619 | 2,950,801 | 2,962,303 |
| 4. Debt and Debt Service - CFC Existing Loans | | | | | | | | | | |
| A. Debt First of Year | 6,481,260 | 6,245,858 | 5,722,349 | 5,179,602 | 4,719,496 | 4,321,142 | 3,906,821 | 3,476,140 | 3,028,115 | 2,562,229 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 261,270 | 247,393 | 227,479 | 207,383 | 191,527 | 174,741 | 157,550 | 139,331 | 120,603 | 100,401 |
| D. Less Discounts | 7,987 | 7,543 | 6,879 | 6,216 | 5,692 | 5,185 | 4,659 | 4,112 | 3,542 | 2,950 |
| D. Principal Payments | 235,401 | 523,510 | 542,746 | 460,107 | 398,354 | 414,321 | 430,682 | 448,025 | 465,886 | 485,073 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 488,685 | 763,360 | 763,346 | 661,274 | 584,189 | 583,876 | 583,572 | 583,244 | 582,947 | 582,523 |
| G. Debt End of Year | 6,245,858 | 5,722,349 | 5,179,602 | 4,719,496 | 4,321,142 | 3,906,821 | 3,476,140 | 3,028,115 | 2,562,229 | 2,077,156 |

| ITEM | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 5. Debt and Debt Service - CFC Unadvanced Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Less Discounts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. Debt and Debt Service - CFC New Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 22,984 | 42,985 | 62,464 | 80,638 | 111,017 | 140,589 | 169,351 |
| B. Loan Funds Advanced | 0 | 0 | 23,218 | 20,693 | 20,607 | 19,746 | 32,516 | 32,416 | 32,315 | 13,461 |
| C. Interest | 0 | 0 | 363 | 1,040 | 1,679 | 2,294 | 3,113 | 4,140 | 5,175 | 5,840 |
| D. Less Discounts | 0 | 0 | 29 | 83 | 132 | 179 | 240 | 316 | 389 | 436 |
| D. Principal Payments | 0 | 0 | 234 | 691 | 1,128 | 1,572 | 2,138 | 2,844 | 3,552 | 4,128 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 568 | 1,649 | 2,675 | 3,687 | 5,011 | 6,669 | 8,338 | 9,531 |
| G. Debt End of Year | 0 | 0 | 22,984 | 42,985 | 62,464 | 80,638 | 111,017 | 140,589 | 169,351 | 178,684 |
| 7. Debt and Debt Service - NCSC Existing Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 8. Debt and Debt Service - NCSC New Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| ITEM | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 9. Debt and Debt Service - Farmer Mac Existing Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. Debt and Debt Service - Farmer Mac New Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11. Debt and Debt Service - Other Existing Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Debt and Debt Service - Other New Loans | | | | | | | | | | |
| A. Debt First of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Loan Funds Advanced | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| C. Interest | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| D. Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| G. Debt End of Year | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| ITEM | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 13. Debt and Debt Service - Total Loans | | | | | | | | | | |
| A. Debt First of Year | 41,439,702 | 42,205,135 | 40,813,405 | 39,562,603 | 38,326,770 | 37,123,423 | 35,857,902 | 34,668,001 | 33,423,086 | 32,122,192 |
| B. Loan Funds Advanced | 1,842,400 | 0 | 232,177 | 206,931 | 206,069 | 197,461 | 325,160 | 324,163 | 323,147 | 134,610 |
| C. Interest | 1,280,698 | 1,245,965 | 1,203,041 | 1,160,179 | 1,123,203 | 1,079,207 | 1,037,536 | 995,057 | 953,517 | 903,076 |
| D. Less Discounts | 7,987 | 7,543 | 6,908 | 6,298 | 5,824 | 5,365 | 4,899 | 4,427 | 3,931 | 3,386 |
| D. Principal Payments | 1,076,967 | 1,391,730 | 1,482,978 | 1,442,763 | 1,409,416 | 1,462,982 | 1,515,061 | 1,569,079 | 1,624,040 | 1,687,685 |
| E. Additional Principal Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| F. Total Payments | 2,349,678 | 2,630,153 | 2,679,112 | 2,596,644 | 2,526,795 | 2,536,825 | 2,547,698 | 2,559,709 | 2,573,626 | 2,587,375 |
| G. Debt End of Year | 42,205,135 | 40,813,405 | 39,562,603 | 38,326,770 | 37,123,423 | 35,857,902 | 34,668,001 | 33,423,086 | 32,122,192 | 30,569,117 |



| DETERMINATION OF OPERATING EXPENSES - RUS FORM 325 K | | | | | | | | | | | | | 10/22/2020 |
|--|--------------------|--------------------|--------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| KS042 | | | | | | | | | | | | | Base 2020 RAMc |
| ITEM | Historical 2017 | Historical 2018 | Historical 2019 | Future 2020 | Future 2021 | Future 2022 | Future 2023 | Future 2024 | Future 2025 | Future 2026 | Future 2027 | Future 2028 | Future 2029 |
| 1. A. Total MWHs Required | 150,190 | 164,442 | 180,344 | 172,629 | 174,625 | 229,563 | 281,785 | 283,885 | 286,028 | 288,215 | 290,446 | 292,724 | 295,049 |
| B. Cost per MWH Purchased | 64.69 | 65.06 | 58.04 | 57.48 | 58.99 | 57.13 | 53.41 | 54.27 | 55.61 | 57.14 | 58.99 | 60.90 | 62.63 |
| C. Flow Through Adjustment - MWH | | | | | | | | | | | | | |
| D. Cost of Purchased Power | 9,715,189 | 10,698,587 | 10,467,955 | 9,922,716 | 10,301,102 | 13,114,928 | 15,050,119 | 15,406,416 | 15,905,992 | 16,468,578 | 17,133,436 | 17,826,913 | 18,478,932 |
| 2. A. Consumer Accounts Expense | 378,875 | 320,861 | 309,505 | 258,325 | 265,429 | 272,635 | 280,036 | 287,639 | 295,448 | 303,470 | 311,709 | 320,173 | 328,866 |
| B. Cost per Consumer Served | 64.48 | 54.83 | 53.29 | 43.85 | 44.89 | 45.92 | 46.97 | 48.07 | 49.18 | 50.32 | 51.47 | 52.67 | 53.89 |
| C. Average Number of Consumers | 5,876 | 5,852 | 5,808 | 5,891 | 5,913 | 5,937 | 5,962 | 5,984 | 6,008 | 6,031 | 6,056 | 6,079 | 6,102 |
| 3. A. Operations and Maintenance Expense | 1,955,936 | 2,090,683 | 2,009,745 | 1,921,542 | 1,719,731 | 1,736,926 | 1,754,267 | 1,771,202 | 1,788,310 | 1,805,739 | 1,823,201 | 1,840,841 | 1,858,663 |
| B. Ratio to Total Utility Plant | 3.94 | 3.98 | 3.53 | 3.27 | 2.91 | 2.92 | 2.94 | 2.95 | 2.97 | 2.97 | 2.97 | 2.96 | 3.00 |
| 4. A. Administration and General Expense | 1,237,887 | 1,270,909 | 1,405,953 | 1,158,068 | 1,189,915 | 1,222,638 | 1,256,260 | 1,290,807 | 1,326,304 | 1,362,778 | 1,400,254 | 1,438,761 | 1,478,327 |
| B. Ratio to Total Utility Plant | 2.49 | 2.42 | 2.47 | 1.97 | 2.01 | 2.06 | 2.10 | 2.15 | 2.21 | 2.24 | 2.28 | 2.32 | 2.38 |
| 5. A. Depreciation & Amortization Expense | 1,496,428 | 1,517,330 | 1,599,510 | 1,647,495 | 1,729,870 | 1,816,364 | 1,907,182 | 2,002,541 | 2,102,668 | 2,207,801 | 2,318,191 | 2,434,101 | 2,555,806 |
| B. Ratio to Total Utility Plant | 3.01 | 2.89 | 2.81 | 2.81 | 2.93 | 3.05 | 3.19 | 3.34 | 3.50 | 3.63 | 3.77 | 3.92 | 4.12 |
| 6. A. Tax Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| B. Ratio to Total Utility Plant | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. A. Discount on Debt | | | | 7,987 | 7,543 | 6,936 | 6,381 | 5,956 | 5,544 | 5,140 | 4,743 | 4,320 | 3,823 |
| 8. A. Total Utility Plant | 49,647,131 | 52,475,269 | 56,926,974 | 58,678,553 | 59,117,104 | 59,472,113 | 59,714,662 | 59,942,063 | 60,123,094 | 60,802,745 | 61,465,989 | 62,112,498 | 61,991,938 |

10. New Business

10. c. LSEC 2021 Budget

Executive Summary

The 2021 Budget is taken directly from the first year of the Financial Forecast but presented in more detail here. It was prepared assuming that the Cooperative will continue operating in generally the same manner as in 2020. While we are hopeful that sales will recover from the pandemic and that we can return to normal operations, this budget is very conservative on expenses and focuses the crew on maintaining our existing system.

Financial Budget

The 2020 Financial Budget balances at \$59,901,797. This is an increase of \$383,990 (0.15%) from 2020. Operating Revenues are projected to increase \$197,384 (1.17%) to \$17,053,549. This is a decrease of \$1,231,090 from the 2019 Budget and reflects the impact of the pandemic on the Cooperative.

The Financial Budget projects Revenues of \$17,053,549, a year-end Operating Margin of \$593,967 (3.48%), and a year-end Patronage Capital or Margin of \$1,802,3220. Operations and Maintenance expenses are decreased by about 10% to reflect a constriction in construction projects.

Critical Financial Ratios (Form 325 of the Financial Forecast) produced by this budget are:

- TIER - 2.46 and OTIER - 1.82.
- DSC – 1.81 and ODSC – 1.52.
- Equity as a Percent of Assets - 40.72%.

Capital Budget

The Capital Budget came to \$803,530. Notable items include:

| | | |
|---|----|---------|
| 1. Vehicles - Bucket Truck | \$ | 145,370 |
| 2. Line Construction (outside the existing CWP) | | 100,000 |
| 3. Access Control Entry Locks and Cameras | | 60,000 |
| 4. Construction Work Plan | | 60,000 |
| 5. Cost of Service Study | | 40,000 |
| 6. NISC - CyberSecurity Package | | 8,000 |
| 7. Arcing Demonstration | | 5,000 |
| 8. Office Signage | | 5,000 |

Items 6 through 8 are brought forward from the 2020 Budget.

10. New Business

Donation Budget

The requested Donation Budget is \$4,965 which Ann Marie has roughly broken out (less NRECA International Foundation) according to the County Breakout of: Ness 36%, Lane 46%, Scott 8%, Hodgeman, 5%, Rush 5%.

Budget changes are:

- Lane County 4-H Council for prize donations, \$100.00.
- Lane County Livestock Auction increased \$50.00 to \$150.00.
- NRECA International Foundation to support rural electrification efforts in third world nations, \$1000.00.
- Ness County Livestock Auction, \$200.00.
- Ness City Relay for Life, \$50.00.
- KCRE Golf Tournament, \$125.00.
- Old Settlers Sponsorship, \$500.00 (not in 2021 Budget)

The net increase is \$1,025.00.

Staff Involved in the creation of this Budget:

- | | |
|----------------------|------------------|
| • Kathy Lewis | • Dave Howard |
| • Ann Marie Jennings | • Carrie Borrell |
| • Marl McCulloch | • Chris Terhune |
| • Michael Pollock | • Nate Burns |
| • Kalo Mann | |

Staff requests that the Board approve the 2021 Lane-Scott Electric Cooperative, Inc. Budget.

CONFIDENTIAL

2021 Financial and Capital Budget

presented to the Board of Trustees

November 2, 2020



prepared by: Richard McLeon, MBA
General Manager

Executive Summary

This Budget was prepared assuming that the Cooperative will continue operating in generally the same manner as in 2020. While we are hopeful that sales will recover from the pandemic and that we can return to normal operations, this budget is very conservative on expenses and focuses the crew on maintaining our existing system.

Financial Budget

The 2020 Financial Budget balances at \$59,901,797. This is an increase of \$383,990 (0.15%) from 2020. Operating Revenues are projected to increase \$197,384 (1.17%) to \$17,053,549. This is a decrease of \$1,231,090 from the 2019 Budget.

The Financial Budget projects revenues of \$17,053,549, a year-end Operating Margin of \$593,967, and a year-end Patronage Capital or Margin of \$1,802,3220.

Critical Financial Ratios produced by this budget are: TIER - 2.46, OTIER - 1.48, ODSC - 3.45, Equity - 40.72.

Capital Budget

The Work Plan Budget is estimated at \$738,000 for 2021. Assuming we choose an FFB Loan, so there are no loan draws expected in 2021.

The Capital Budget came to \$803,530. Notable items include:

| | | | |
|---|--|----|---------|
| 1 | Vehicles - Bucket Truck | \$ | 145,370 |
| 2 | Line Construction (outside the existing CWP) | | 100,000 |
| 3 | Access Control Entry Locks and Cameras | | 60,000 |
| 4 | Construction Work Plan | | 60,000 |
| 5 | Cost of Service Study | | 40,000 |
| 6 | NISC - CyberSecurity Package | | 8,000 |
| 7 | Arcing Demonstration | | 5,000 |
| 8 | Office Signage | | 5,000 |

Donation Budget

The requested Donation Budget is \$4,965 which Ann Marie has roughly broken out (less NRECA International Foundation) according to the County Breakout of: Ness 36%, Lane 46%, Scott 8%, Hodgeman, 5%, Rush 5%.

Staff Involved in the creation of this Budget are:

Kathy Lewis
Ann Marie Jennings
Mark McCulloch
Michael Pollock
Kalo Mann

Dave Howard
Carrie Borrell
Chris Turhune
Nate Burns

2021 Budget Assumptions

The 2021 Budget was assembled using the following assumptions:

- 1 The Budget was prepared assuming that the weather and the Cooperative will continue operations in essentially same manner as in 2020. The 2021 Budget focuses the crew on maintaining our system and making improvements to Ness City and some surrounding towns.
- 2 Sunflower Wholesale Power Costs and Capital Credit allocations and distributions were provided by Sunflower.
- 3 Employee expenses will be consistent with those presented in the Wage and Salary Plan.
- 4 The Financial Forecast provided the basis of the 2021 Budget.
- 5 Non-furniture items costing under \$2,500 each are expensed.
- 6 Magellan will add a second pumping unit to the Dighton station west of town. Also, Philips 66 is planning to begin construction in 2021 with limited power usage.
- 7 A Construction Work Plan (CWP) and a Cost of Service Study (COSS) are budgeted for 2021. It is my goal to bring a CWP proposal to the Board in February 2021 and be ready to begin construction in the third quarter. The COSS would begin once the CWP is substantially completed.
- 8 There is \$50,000 budgeted for misc. legal fees. This is intended for Bylaws, Rules and Regulations, and various policies (HR, Capital Credit, Equity, etc.)

Capital Budget items.

Capital budget items are conditional expenditures based on cash flow and availability. All capital expenditures have to be approved by me prior to being ordered.

Work Plan Budget.

The Work Plan Budget is my best estimate of current work that needs to be completed. This will probably change once the actual CWP is in place.

Future Budget Items

Long-Range Plan. Our current LRP ends in 2022. However, the RUS has dropped this requirement and CFC does not require one. I do not intend to renew the LRP.

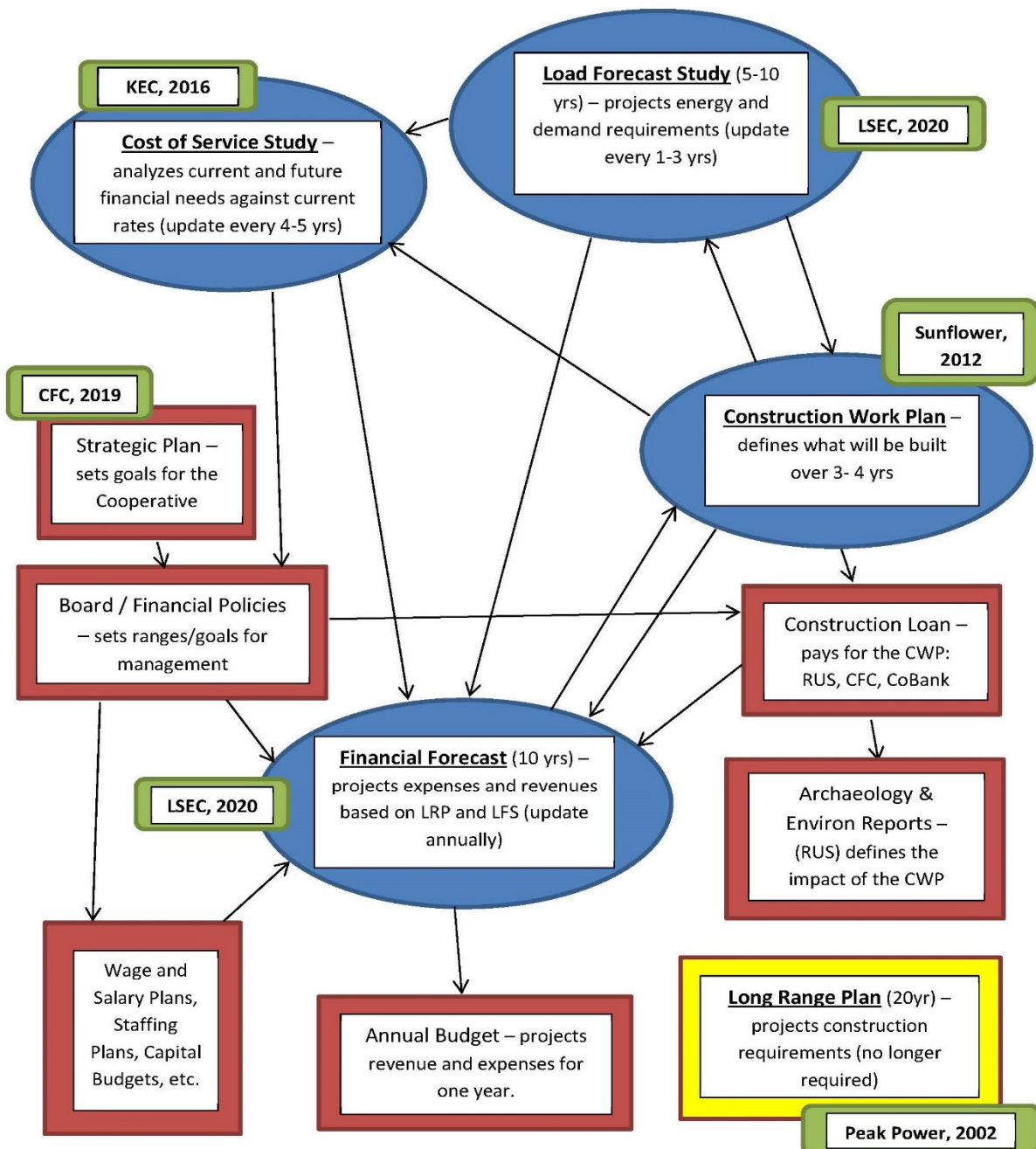
North Materials yard. We will begin developing this yard under the next CWP once we have a long-range site use plan developed.

Ness City Office. Very much like the Materials yard, we will develop a long-range site use plan.

Forecasting and Planning

This graphic represents the four major planning and forecasting tools (blue) we use as electric cooperatives. The green boxes show when LSEC last completed the necessary study. The red boxes identify the critical components of completing each.

Electric Cooperative Forecasting and Planning Tools



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Donation Budget

Donations & Sponsorships

County Breakout: Ness 36%, Lane 46%, Scott 8%, Hodgeman, 5%, Rush 5% (excludes the \$1,000.00 to NRECA International)

| | | amount | |
|----|---|----------|----------|
| a | Pheasants Forever | 250.00 | |
| b | SCAAC: Scott County Indoor Arena Signage | 200.00 | |
| c | Dighton Lions Club Calendar | 30.00 | |
| d | Utica May Day Sponsor | 250.00 | |
| e | Dighton Electrathon Team | 500.00 | |
| f | Dighton Eco Devo Summer Kickoff Sponsorship | 200.00 | |
| g | Wildwest Catbackers | 100.00 | |
| h | Lane County Livestock Auction | 150.00 | increase |
| i | Ness County Livestock Auction | 200.00 | new |
| j | Hodgeman County Livestock Auction | 100.00 | |
| k | Lane County Amusement Association / Annual Meeting Donation | 100.00 | |
| l | Lane County 4-H Council - Prize Donations | 100.00 | new |
| m | Lane County Rodeo Sponsor | 150.00 | |
| n | McCracken Rodeo Sponsor | 260.00 | |
| o | Western Plains Sports Sponsorships | 200.00 | |
| p | Sacred Heart PTO Softball Sponsor | 25.00 | |
| q | Hodgeman County Fire Department Donation | 50.00 | |
| r | Bazine American Legion | 100.00 | |
| s | Ness City After Prom | 50.00 | |
| t | Western Plain After Prom | 50.00 | |
| u | Lane County Historical Society | 25.00 | |
| v | Ness Fair BBQ Contest Donation | 50.00 | |
| w | Brownell Labor Day Donation | 50.00 | |
| x | Ness City Fun Run | 100.00 | |
| y | Sacred Heart School Fall Festival Donation | 100.00 | |
| z | Octoberfest Prize Donation | 50.00 | |
| aa | Memorial Donations (based on 3 per year) | 150.00 | |
| ab | Ness City Relay for Life | 50.00 | new |
| ac | Coop Cares Golf Tournament - Victory and Wheatland Electric | 200.00 | |
| ad | KCRE Golf Tournament Hole Sponsorship | 125.00 | new |
| ac | NRECA International Foundation | 1,000.00 | new |
| | | 4,965.00 | |

Capital Budget items

These are extraordinary expenses that will be capitalized and depreciated.

| | carry-over | # | 2020 Budget |
|--|------------|---|-------------|
| 1 Corporate | | | |
| a Arcing Demonstration | yes | | 5,000 |
| b Cost of Service Study | | | 40,000 |
| c Construction Work Plan | | | 60,000 |
| 2 Technology | | | |
| a Wireless Access Point Network replacements | | | 8,500 |
| b Printers | yes - 2 | 3 | 9,800 |
| c Server Rack and Accessories | | 1 | 6,000 |
| d NISC Cybersecurity Package | yes | | 8,000 |
| e Accesss Control Entry Locks and Cameras | | | 60,000 |
| g Board Room PC / Projector / Screen replacement | yes | | 2,500 |
| 3 Financial and Human Resources | | | |
| 4 Member Services | | | |
| Dighton Office Sign | yes | | 5,000 |
| 5 Operations | | | |
| a Vehicles - Service Bucket Truck (174) | | | 145,370 |
| b Line Construction (outside CWP) | | | 100,000 |
| c Shop Tools and Equipment | | | 10,000 |
| Wire Trailer Assembly | | | 1,500 |
| Transformers | | | 50,000 |
| Tree Trimming | | | 100,000 |
| Pole Testing | | | 150,000 |
| 6 Engineering | | | |
| a AMI Meters 2S SD | | | 39,360 |
| b GPS Collector (for staking) | yes | | 2,500 |
| Total: | | | \$ 803,530 |

Construction Work Plan Budget items

These items are expected to be included in the next Construction Work Plan.

| <i>Project number</i> | <i>WO number</i> | <i>location</i> | <i>description</i> | 2021 Budget |
|---------------------------|----------------------|-----------------|---------------------------------------|-------------|
| 1 | | | Development of North Yard | 50,000 |
| 2 | | | Pole Replacements | 150,000 |
| 3 | | | New Connects | 30,000 |
| 4 | | | Concrete for Ness City | 8,000 |
| 5 | | | Misc construction | 450,000 |
| 6 | | | Dighton Substations low-side metering | 50,000 |
| | | | | \$ 738,000 |

2021 Budget Workbook

| PART A. STATEMENT OF OPERATIONS | | | | | |
|---|------------|------------|---------------|----------------|----------|
| Item | 2018 | 2019 | 2020 pro-rata | 2021 (from FF) | % change |
| 1 Operating Revenue and Patronage Capital | 17,802,551 | 17,781,223 | 16,856,165 | 17,053,549 | 1.17% |
| 2 Power Production Expense | - | - | - | - | |
| 3 Cost of Purchased Power | 10,698,587 | 10,467,955 | 9,922,716 | 10,301,102 | 3.81% |
| 4 Transmission Expense | 7,585 | 6,366 | 2,130 | 69,731 | 3173.76% |
| 5 Regional Market Expense | - | - | - | - | |
| net revenue: | 7,096,379 | 7,306,902 | 6,931,319 | 6,682,716 | -3.59% |
| 6 Distribution Expense - Operation | 1,335,652 | 1,315,720 | 1,192,003 | 950,000 | -20.30% |
| 7 Distribution Expense - Maintenance | 747,446 | 687,659 | 727,409 | 700,000 | -3.77% |
| 8 Customer Accounts Expense | 205,976 | 221,834 | 175,580 | 180,408 | 2.75% |
| 9 Customer Service and Informational Expense | 33,716 | 32,354 | 36,443 | 37,445 | 2.75% |
| 10 Sales Expense | 81,169 | 55,317 | 46,303 | 47,576 | 2.75% |
| 11 Administrative and General Expense | 1,270,909 | 1,405,953 | 1,158,068 | 1,189,915 | 2.75% |
| total controllable expenses: | 3,674,868 | 3,718,837 | 3,335,806 | 3,105,344 | -6.91% |
| 12 Total Operation & Maintenance Expense (2 thru 11) | 14,381,040 | 14,193,158 | 13,260,652 | 13,476,177 | 1.63% |
| 13 Depreciation and Amortization Expense | 1,517,330 | 1,599,510 | 1,647,495 | 1,729,870 | 5.00% |
| 14 Tax Expense - Property & Gross Receipts | - | - | - | - | |
| 15 Tax Expense - Other | - | - | - | - | |
| 16 Interest on Long-Term Debt | 1,211,651 | 1,264,245 | 1,267,000 | 1,238,422 | -2.26% |
| 17 Interest Charged to Construction - Credit | - | - | - | - | |
| 18 Interest Expense - Other | 2,163 | 3,355 | 2,500 | 2,513 | 0.52% |
| 19 Other Deductions | 10,931 | 14,349 | 12,000 | 12,600 | 5.00% |
| 20 Total Cost of Electric Service (12 thru 19) | 17,123,115 | 17,074,617 | 16,189,647 | 16,459,582 | 1.67% |
| 21 Patronage Capital & Operating Margins (1 minus 20) | 679,436 | 706,606 | 666,518 | 593,967 | -10.89% |
| 22 Non Operating Margins - Interest | 195,137 | 256,084 | 261,098 | 261,098 | 0.00% |
| 23 Allowance for Funds Used During Construction | - | - | - | - | |
| 24 Income (Loss) from Equity Investments | - | - | - | - | |
| 25 Non Operating Margins - Other | 17,999 | 40,353 | 25,000 | 27,500 | 10.00% |
| 26 Generation and Transmission Capital Credits | 378,396 | 664,581 | 829,590 | 836,849 | 0.88% |
| 27 Other Capital Credits and Patronage Dividends | 70,803 | 60,703 | 83,057 | 83,807 | 0.90% |
| 28 Extraordinary Items | - | - | - | - | |
| 29 Patronage Capital or Margins (21 thru 28) | 1,341,771 | 1,728,327 | 1,865,263 | 1,803,221 | -3.33% |

2021 Budget Workbook

| RUS Form 7 PART C. BALANCE SHEET | | | |
|--|-------------------|---|-------------------|
| Projected Year End 2021 | | | |
| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
| 1 Total Utility Plant in Service | 59,117,104 | 30 Memberships | - |
| 2 Construction Work in Progress | - | 31 Patronage Capital | 23,371,670 |
| 3 Total Utility Plant (1 + 2) | 59,117,104 | 32 Operating Margins - Prior Years | - |
| 4 Accum. Provision for Depreciation and Amort. | 18,821,193 | 33 Operating Margins - Current Year | 593,967 |
| 5 Net Utility Plant (3 - 4) | 40,295,911 | 34 Non-Operating Margins | 288,598 |
| 6 Non-Utility Property (Net) | - | 35 Other Margins and Equities | 139,700 |
| 7 Investments in Subsidiary Companies | 244,067 | 36 Total Margins & Equities (30 thru 35) | 24,393,935 |
| 8 Invest. in Assoc. Org. - Patronage Capital | 11,572,109 | 37 Long-Term Debt - RUS (Net) | - |
| 9 Invest. in Assoc. Org. - Other - General Funds | - | 38 Long-Term Debt - FFB - RUS Guaranteed | 34,151,058 |
| 10 Invest. in Assoc. Org. - Other - Nongeneral Funds | 221,958 | 39 Long-Term Debt - Other - RUS Guaranteed | - |
| 11 Investments in Economic Development Projects | - | 40 Long-Term Debt Other (Net) | 5,179,368 |
| 12 Other Investments | - | 41 Long-Term Debt - RUS - Econ. Devel. (Net) | - |
| 13 Special Funds | - | 42 Payments – Unapplied | 4,015,919 |
| 14 Total Other Property & Investments (6 thru 13) | 12,038,134 | 43 Total Long-Term Debt (37 thru 41 - 42) | 35,314,507 |
| 15 Cash - General Funds | 5,040,558 | 44 Obligations Under Capital Leases - Noncurrent | - |
| 16 Cash - Construction Funds - Trustee | 100 | 45 Accumulated Operating Provisions and Asset Retirement Obligations | - |
| 17 Special Deposits | 25 | 46 Total Other Noncurrent Liabilities (44 + 45) | - |
| 18 Temporary Investments | 818,253 | 47 Notes Payable | - |
| 19 Notes Receivable (Net) | - | 48 Accounts Payable | - |
| 20 Accounts Receivable - Sales of Energy (Net) | 1,258,000 | 49 Consumers Deposits | - |
| 21 Accounts Receivable - Other (Net) | 132,000 | 50 Current Maturities Long-Term Debt | 1,482,978 |
| 22 Renewable Energy Credits | - | 51 Current Maturities Long-Term Debt - Economic Development | - |
| 23 Materials and Supplies - Electric & Other | 309,816 | 52 Current Maturities Capital Leases | - |
| 24 Prepayments | 5,000 | 53 Other Current and Accrued Liabilities | (1,289,623) |
| 25 Other Current and Accrued Assets | 4,000 | 54 Total Current & Accrued Liabilities (47 thru 53) | 193,355 |
| 26 Total Current and Accrued Assets (15 thru 25) | 7,567,752 | 55 Regulatory Liabilities | - |
| 27 Regulatory Assets | - | 56 Other Deferred Credits | - |
| 28 Other Deferred Debits | - | | |
| 29 Total Assets and Other Debits (5+14+26 thru 28) | 59,901,797 | 57 Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56) | 59,901,797 |

Note:

Compiled from Report 325B in Financial Forecast

Financial Ratios - 2020 Budget Statement and Year End 2020 Balance Sheet

| | | | |
|--|---------------|--------------------------------|---------------|
| <u>Equity - % of Assets</u> | <u>40.72%</u> | <u>General Funds Level</u> | <u>16.70%</u> |
| Margin + Equities - C36 | 24,393,935 | Non Utility Property - C6 | - |
| Total Assets - C29 | 59,901,797 | Invest in Assoc, Other GF - C9 | - |
| | | Other Invest. - C12 | - |
| <u>Distribution Equity</u> | <u>26.53%</u> | Special Funds - C13 | - |
| Margin + Equities - C36 | 24,393,935 | Cash Gen. Funds - C15 | 5,040,558 |
| Total Assets - C29 | 59,901,797 | Temporary Investments - C18 | 818,253 |
| Patronage Capital - C8 | 11,572,109 | Prepayments Unapplied - C42 | 4,015,919 |
| | | Total Utility Plant - C3 | 59,117,104 |
| <u>TIER</u> | <u>2.46</u> | <u>Operating TIER</u> | <u>1.48</u> |
| Net Income - A29 | 1,803,221 | Operating Income - A21 | 593,967 |
| Interest on LT Debt- A16 | 1,238,422 | Interest on LT Debt- A16 | 1,238,422 |
| <u>Operating DSC</u> | <u>3.45</u> | | |
| Operating Income - A21 | 593,967 | | |
| Depreciation - A13 | 1,729,870 | | |
| Interest on LT Debt- A16 | 1,238,422 | | |
| Patron. Refund from G&T, other - A26+A27 | 836,849 | | |
| | 83,807 | | |
| Prin. & Int. Pymts - N, d Total | 1,300,000 | | |
| Interest on LT Debt- A16 | 1,238,422 | | |
| LT Debt - other Variance - C40 | 5,179,368 | | |
| | 6,417,790 | | |

2021 Cash Budget and Work plan Summary

Accrual Basis

| <i>item</i> | 2019 | YE 2020 (estimated) | 2021 Budget |
|---|-------------|------------------------|-------------|
| 1 Operating Revenue | 17,781,223 | 16,856,165 | 17,053,549 |
| less Operating Expenses | | | |
| 3 Cost of Power | 10,467,955 | 9,922,716 | 10,301,102 |
| Transmission Expense | 6,366 | 2,130 | 69,731 |
| 6 Operations | 1,315,720 | 1,192,003 | 950,000 |
| 7 Maintenance | 687,659 | 727,409 | 700,000 |
| 8 Consumer Accounting | 221,834 | 175,580 | 180,408 |
| 9 Customer Service & Information | 32,354 | 36,443 | 37,445 |
| 10 Sales Expense | 55,317 | 46,303 | 47,576 |
| 11 Administration & General | 1,405,953 | 1,158,068 | 1,189,915 |
| 13 Depreciation | 1,599,510 | 1,647,495 | 1,729,870 |
| 16 Long-Term Debt Interest Expense | 1,264,245 | 1,267,000 | 1,238,422 |
| 18 Other Interest Expense | 3,355 | 2,500 | 2,513 |
| 19 Other Deductions | 14,349 | 12,000 | 12,600 |
| 20 Total Operating Expense | 17,074,617 | 16,189,647 | 16,459,582 |
| Controllable Expenses | 3,718,837 | 3,335,806 | 3,105,344 |
| 21 Operating Margins | 706,606 | 666,518 | 593,967 |
| Adds: | | | |
| 22 Non-Operating Margins - Interest Income | 256,084 | 261,098 | 261,098 |
| 25 Non-Operating Margins - Other | 40,353 | 25,000 | 27,500 |
| 26 G&T Capital Credits | 664,581 | 829,590 | 836,849 |
| 27 Other Capital Credits & Patronage Dividends | 60,703 | 83,057 | 83,807 |
| 29 Net Margins | 1,728,327 | 1,865,263 | 1,803,221 |
| ADD: Depreciation | 1,599,510 | 1,647,495 | 1,729,870 |
| Cash Investments on Hand January 1st | 1,472,490 | 3,363,873 | 6,500,000 |
| F7,I Capital Credits paid to LSEC | 14,530 | 14,750 | 14,750 |
| LESS: Capital Credit Allocations from G&T, etc. | (664,581) | (829,590) | (836,849) |
| F7, N Principal Payments on Long-term debt | (1,296,364) | (1,046,722) | (1,145,716) |
| F7,I LSEC Patronage Capital Retirements | (30,645) | (61,448) | (237,462) |
| New Capitalized Items: | (766,986) | (295,834) | (803,530) |
| Net Cash Available before Distribution Plant Additions | 2,056,281 | 4,657,787 | 7,024,284 |
| Less: Work Plan Budget | 3,270,318 | 1,690,249 | 738,000 |
| Less: Capital Budget | 408,000 | 812,683 | 803,530 |
| Add: Cash advance from CWP Loans YTD | 3,100,863 | 1,690,249 | - |
| Net Cash Available After Plant Additions | 1,886,826 | 4,657,787 | 5,482,754 |
| | | | |
| Additional Cash Required from LT Loans for min. General Fund Balance of \$2.4 MM | 343,719 | - | - |
| | | | |
| QAD Estimated Rate of Return on Rate Base: | 3.97% | 3.95% | 3.48% |
| | | | |

10. New Business

10. d. LSEC 2019 IRS Form 990 and 990-T

We received an e-mail from Kevin Burns at Bolinger, Segars, Gilbert & Moss in mid-October asking for Staff and the Board to review the draft version of the IRS Form 990 before they file it in November.

Kathy and I have reviewed it and we find no discrepancies.

Staff requests that the Board approve the 2019 LSEC Form 990 and 990-T Draft.

Form **990**
(Rev. January 2020)
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2019

Open to Public Inspection

- ▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2019 calendar year, or tax year beginning and ending

| | | | |
|--|--|---|--|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization LANE-SCOTT ELECTRIC COOPERATIVE, INC. | | D Employer identification number 48-0526038 |
| | Doing business as | | E Telephone number (620) 397-5327 |
| | Number and street (or P.O. box if mail is not delivered to street address) | Room/suite | |
| | P.O. BOX 758 | | |
| | City or town, state or province, country, and ZIP or foreign postal code DIGHTON, KS 67839 | | G Gross receipts \$ 19,854,845. |
| F Name and address of principal officer: RICHARD MCLEON SAME AS C ABOVE | | H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶ | |
| I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) (12) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | | | |
| J Website: ▶ WWW.LANESCOTT.COM | | | |
| K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ | | L Year of formation: 1941 M State of legal domicile: KS | |

Part I Summary

| | | | |
|---|---|----------------------------------|---------------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: TO PROVIDE QUALITY AND RELIABLE ELECTRIC SERVICE TO MEMBERS AT COST ON A COOPERATIVE BASIS. | | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| | 3 Number of voting members of the governing body (Part VI, line 1a) | 3 | 9 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 9 |
| | 5 Total number of individuals employed in calendar year 2019 (Part V, line 2a) | 5 | 25 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 0 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 632,480. |
| b Net unrelated business taxable income from Form 990-T, line 39 | 7b | 0. | |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | Prior Year | Current Year |
| | 9 Program service revenue (Part VIII, line 2g) | 0. | 0. |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 18,251,751. | 18,946,367. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 204,968. | 267,432. |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 644,833. | 632,480. |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 19,101,552. | 19,846,279. |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0. | 13,414. |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 1,341,772. | 2,485,175. |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 569,155. | 1,859,096. |
| | b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0. | 0. | 0. |
| | 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 17,190,625. | 15,928,634. |
| | 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 19,101,552. | 20,286,319. |
| Net Assets or Fund Balances | 19 Revenue less expenses. Subtract line 18 from line 12 | 0. | -440,040. |
| | 20 Total assets (Part X, line 16) | Beginning of Current Year | End of Year |
| | 21 Total liabilities (Part X, line 26) | 51,895,309. | 58,436,499. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 32,831,987. | 36,343,955. |
| | | 19,063,322. | 22,092,544. |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

| | | | |
|-------------------------------|---|---------------------------------|--|
| Sign Here | Signature of officer | | Date |
| | RICHARD MCLEON, GENERAL MANAGER Type or print name and title | | |
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date |
| | WILLIAM M. MILLER | WILLIAM M. MILLER | 10/13/20 |
| | Firm's name ▶ BOLINGER, SEGARS, GILBERT AND MOSS LLP | Firm's EIN ▶ 75-0882037 | Check <input checked="" type="checkbox"/> if self-employed |
| | Firm's address ▶ 8215 NASHVILLE AVENUE LUBBOCK, TX 79423 | Phone no. (806) 747-3806 | |

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ No

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐**1** Briefly describe the organization's mission:

TO PROVIDE RELIABLE AND EFFICIENT ELECTRIC SERVICE AT THE LOWEST POSSIBLE COST, AND IMPROVE THE COMMUNITIES IN WHICH THEY LIVE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$)
PROVIDING ELECTRIC ENERGY TO OUR MEMBERS ON A COOPERATIVE BASIS THROUGH THE ALLOCATION OF PATRONAGE CAPITAL. THERE WERE 5,808 ACTIVE SERVICES AT YEAR.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶

Part IV Checklist of Required Schedules

| | Yes | No |
|---|-----|----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | | X |
| 2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? | | X |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | | X |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | N/A | |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> | | X |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> | | X |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | | X |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | | X |
| 9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | | X |
| 10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i> | | X |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | X | |
| b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> | | X |
| c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> | X | |
| d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> | | X |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> | X | |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> | | X |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | | X |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> | | X |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> | | X |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> | | X |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> | | X |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | | X |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | | X |
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> | | X |
| b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | | |
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> | | X |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|--|-----|----|
| 22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III | | X |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J | X | |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a | | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | |
| 25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I | N/A | |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I | N/A | |
| 26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II | | X |
| 27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III | | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions, for applicable filing thresholds, conditions, and exceptions): | | |
| a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV | | X |
| b A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV | | X |
| c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M | | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M | | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II | | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 | | X |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? | | X |
| b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 | | |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 | N/A | |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI | | X |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? | X | |

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

| | Yes | No |
|---|-----|----|
| 1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 45 | |
| b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 0 | |
| c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | |

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

| | | Yes | No |
|--|------------------------|-----|----|
| 2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a 25 | | |
| b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | 2b | X | |
| Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) | | | |
| 3a Did the organization have unrelated business gross income of \$1,000 or more during the year? | 3a | X | |
| b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O | 3b | X | |
| 4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | 4a | | X |
| b If "Yes," enter the name of the foreign country | | | |
| See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). | | | |
| 5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | 5a | | X |
| b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | 5b | | X |
| c If "Yes" to line 5a or 5b, did the organization file Form 8886-T? | 5c | | |
| 6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | 6a | | X |
| b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | 6b | | |
| 7 Organizations that may receive deductible contributions under section 170(c). | 7 N/A | | |
| a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | 7a | | |
| b If "Yes," did the organization notify the donor of the value of the goods or services provided? | 7b | | |
| c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | 7c | | |
| d If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | |
| e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | 7e | | |
| f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | 7f | | |
| g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | 7g | N/A | |
| h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | 7h | N/A | |
| 8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? | 8 N/A | | |
| 9 Sponsoring organizations maintaining donor advised funds. | | | |
| a Did the sponsoring organization make any taxable distributions under section 4966? | 9a N/A | | |
| b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? | 9b N/A | | |
| 10 Section 501(c)(7) organizations. Enter: | | | |
| a Initiation fees and capital contributions included on Part VIII, line 12 | 10a N/A | | |
| b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | |
| 11 Section 501(c)(12) organizations. Enter: | | | |
| a Gross income from members or shareholders | 11a 16,949,407. | | |
| b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b 1,932,533. | | |
| 12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | 12a | | |
| b If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b N/A | | |
| 13 Section 501(c)(29) qualified nonprofit health insurance issuers. | | | |
| a Is the organization licensed to issue qualified health plans in more than one state? | 13a N/A | | |
| Note: See the instructions for additional information the organization must report on Schedule O. | | | |
| b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | | |
| c Enter the amount of reserves on hand | 13c | | |
| 14a Did the organization receive any payments for indoor tanning services during the tax year? | 14a | | X |
| b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O | 14b | | |
| 15 Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? | 15 | | X |
| If "Yes," see instructions and file Form 4720, Schedule N. | | | |
| 16 Is the organization an educational institution subject to the section 4968 excise tax on net investment income? | 16 | | X |
| If "Yes," complete Form 4720, Schedule O. | | | |

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

☒**Section A. Governing Body and Management**

| | 1a | 1b | 2 | 3 | 4 | 5 | 6 | 7a | 7b | 8a | 8b | 9 | Yes | No |
|--|----|----|---|---|---|---|---|----|----|----|----|---|-----|----|
| 1a Enter the number of voting members of the governing body at the end of the tax year | 9 | | | | | | | | | | | | | |
| If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain on Schedule O. | | | | | | | | | | | | | | |
| b Enter the number of voting members included on line 1a, above, who are independent | | 9 | | | | | | | | | | | | |
| 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | | 2 | | | | | | | | | | X | |
| 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? | | | | 3 | | | | | | | | | | X |
| 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | | | | 4 | | | | | | | | | X |
| 5 Did the organization become aware during the year of a significant diversion of the organization's assets? | | | | | | 5 | | | | | | | | X |
| 6 Did the organization have members or stockholders? | | | | | | | 6 | | | | | | X | |
| 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | | | | | | | 7a | | | | | X | |
| b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | | | | | | | | 7b | | | | X | |
| 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | | | | | | | | | | | | | |
| a The governing body? | | | | | | | | | | 8a | | | X | |
| b Each committee with authority to act on behalf of the governing body? | | | | | | | | | | | 8b | | | X |
| 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O | | | | | | | | | | | | 9 | | X |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | 10a | 10b | 11a | 11b | 12a | 12b | 12c | 13 | 14 | 15a | 15b | 16a | 16b | Yes | No |
|---|-----|-----|-----|-----|-----|-----|-----|----|----|-----|-----|-----|-----|-----|----|
| 10a Did the organization have local chapters, branches, or affiliates? | 10a | | | | | | | | | | | | | | X |
| b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | 10b | | | | | | | | | | | | | |
| 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | | | 11a | | | | | | | | | | | X | |
| b Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | | | | | | | | | | | | | | |
| 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 | | | | | 12a | | | | | | | | | X | |
| b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | | | | | | 12b | | | | | | | | X | |
| c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done | | | | | | | 12c | | | | | | | | X |
| 13 Did the organization have a written whistleblower policy? | | | | | | | | 13 | | | | | | X | |
| 14 Did the organization have a written document retention and destruction policy? | | | | | | | | | 14 | | | | | | X |
| 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | | | | | | | | | | | | | | |
| a The organization's CEO, Executive Director, or top management official | | | | | | | | | | 15a | | | | X | |
| b Other officers or key employees of the organization | | | | | | | | | | | 15b | | | X | |
| If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | | | | | | | | | | | | | | | |
| 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | | | | | | | | | | | | 16a | | | X |
| b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | | | | | | | | | | | | | 16b | | |

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain on Schedule O)

19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records **KATHERINE E. LEWIS, FINANCE MANAGER - 620-397-5327**
P.O. BOX 758, DIGHTON, KS 67839

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

☒**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
 - List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
 - List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
 - List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
 - List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.
- See instructions for the order in which to list the persons above.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|---|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) KATHERINE E. LEWIS FINANCE MANAGER | 47.00 | | | X | | | | 121,729. | 0. | 123,082. |
| (2) NATHAN BURNS OPERATIONS MANAGER | 48.00 | | | | X | | | 112,385. | 0. | 87,687. |
| (3) DAVID HOWARD GENERAL FOREMAN | 43.00 | | | | X | | | 101,203. | 0. | 72,445. |
| (4) RICHARD MCLEON GENERAL MANAGER | 52.00 | | | X | | | | 119,368. | 0. | 46,690. |
| (5) EDWIN J. WILTSE GENERAL MANAGER (JAN-AUG) | 48.00 | | | X | | | | 126,421. | 0. | 18,951. |
| (6) HAROLD HOSS TRUSTEE | 4.90 | X | | | | | | 11,050. | 0. | 0. |
| (7) CRAIG RAMSEY VICE PRESIDENT | 4.30 | X | | X | | | | 10,850. | 0. | 0. |
| (8) PAUL SEIB, JR. SECRETARY | 3.90 | X | | X | | | | 9,850. | 0. | 0. |
| (9) RICHARD JENNISON PRESIDENT | 3.70 | X | | X | | | | 9,100. | 0. | 0. |
| (10) ED GOUGH TRUSTEE | 4.50 | X | | | | | | 6,800. | 0. | 0. |
| (11) RAD ROEHL TRUSTEE | 2.30 | X | | | | | | 6,450. | 0. | 0. |
| (12) ERIC DOLL TREASURER | 2.50 | X | | X | | | | 6,100. | 0. | 0. |
| (13) CHAD GRIFFITH TRUSTEE | 1.40 | X | | | | | | 6,100. | 0. | 0. |
| (14) RICHARD SOREM TRUSTEE | 1.80 | X | | | | | | 5,750. | 0. | 0. |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☒

| | | | | (A) | (B) | (C) | (D) |
|---|---|----------------------|---------------------------|---------------|------------------------------------|----------------------------|--|
| | | | | Total revenue | Related or exempt function revenue | Unrelated business revenue | Revenue excluded from tax under sections 512 - 514 |
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) | 1e | | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | | | | | |
| | g Noncash contributions included in lines 1a-1f | 1g | \$ | | | | |
| | h Total. Add lines 1a-1f | | | | | | |
| Program Service Revenue | 2 a SALES OF ELECTRICITY | Business Code | 221000 | 16,893,178. | 16,893,178. | | |
| | b PATRONAGE DIVIDENDS | | 221000 | 1,044,497. | 1,044,497. | | |
| | c SALES FOR RESALE | | 221000 | 985,566. | 985,566. | | |
| | d SERVICE FEES | | 221000 | 23,126. | 23,126. | | |
| | e | | | | | | |
| | f All other program service revenue | | | | | | |
| | g Total. Add lines 2a-2f | | | 18,946,367. | | | |
| | 3 Investment income (including dividends, interest, and other similar amounts) | | | 256,084. | | | 256,084. |
| 4 Income from investment of tax-exempt bond proceeds | | | | | | | |
| 5 Royalties | | | | | | | |
| Other Revenue | 6 a Gross rents | 6a | (i) Real (ii) Personal | | | | |
| | b Less: rental expenses | 6b | | 2,720. | | | |
| | c Rental income or (loss) | 6c | | 0. | | | |
| | d Net rental income or (loss) | | | 2,720. | | 2,720. | |
| | 7 a Gross amount from sales of assets other than inventory | 7a | (i) Securities (ii) Other | | | | |
| | b Less: cost or other basis and sales expenses | 7b | | 19,914. | | | |
| | c Gain or (loss) | 7c | | 8,566. | | | |
| | d Net gain or (loss) | | | 11,348. | | | 11,348. |
| | 8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 | 8a | | | | | |
| | b Less: direct expenses | 8b | | | | | |
| | c Net income or (loss) from fundraising events | | | | | | |
| | 9 a Gross income from gaming activities. See Part IV, line 19 | 9a | | | | | |
| | b Less: direct expenses | 9b | | | | | |
| | c Net income or (loss) from gaming activities | | | | | | |
| 10 a Gross sales of inventory, less returns and allowances | 10a | | | | | | |
| b Less: cost of goods sold | 10b | | | | | | |
| c Net income or (loss) from sales of inventory | | | | | | | |
| Miscellaneous Revenue | 11 a ELECTRICIAN/HVAC SERVICE | Business Code | 221000 | 629,760. | | 629,760. | |
| | b | | | | | | |
| | c | | | | | | |
| | d All other revenue | | | | | | |
| | e Total. Add lines 11a-11d | | | 629,760. | | | |
| | 12 Total revenue. See instructions | | | 19,846,279. | 18,946,367. | 632,480. | 267,432. |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX ☒ X

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 | 13,414. | | | |
| 2 Grants and other assistance to domestic individuals. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | 2,485,175. | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 628,291. | | | |
| 6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 732,435. | | | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 257,076. | | | |
| 9 Other employee benefits | 165,680. | | | |
| 10 Payroll taxes | 75,614. | | | |
| 11 Fees for services (nonemployees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.) | | | | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | | | | |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | | | | |
| 17 Travel | | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | 1,320,115. | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 1,599,510. | | | |
| 23 Insurance | | | | |
| 24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a PURCHASED POWER | 10,467,955. | | | |
| b DISTRIBUTION EXP. | 1,210,203. | | | |
| c ELECTRICIAN/HVAC EXP. | 678,236. | | | |
| d ADMIN & GENERAL EXP. | 516,081. | | | |
| e All other expenses | 136,534. | | | |
| 25 Total functional expenses. Add lines 1 through 24e | 20,286,319. | | | |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. | | | | |

Check here ☐ if following SOP 98-2 (ASC 958-720)

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☒ X

| | | (A) Beginning of year | | (B) End of year |
|--|--|--------------------------|-------------|--------------------|
| Assets | 1 Cash - non-interest-bearing | 320,557. | 1 | 330,748. |
| | 2 Savings and temporary cash investments | 974,573. | 2 | 2,672,836. |
| | 3 Pledges and grants receivable, net | | 3 | |
| | 4 Accounts receivable, net | 1,790,024. | 4 | 1,390,602. |
| | 5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 5 | |
| | 6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) | | 6 | |
| | 7 Notes and loans receivable, net | | 7 | |
| | 8 Inventories for sale or use | 374,002. | 8 | 341,360. |
| | 9 Prepaid expenses and deferred charges | 962,941. | 9 | 778,320. |
| | 10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 58,124,066. | | |
| | b Less: accumulated depreciation | 10b 17,765,151. | 10c | 40,358,915. |
| | 11 Investments - publicly traded securities | | 11 | |
| | 12 Investments - other securities. See Part IV, line 11 | | 12 | |
| | 13 Investments - program-related. See Part IV, line 11 | 10,396,170. | 13 | 12,113,712. |
| | 14 Intangible assets | | 14 | |
| | 15 Other assets. See Part IV, line 11 | 0. | 15 | 450,006. |
| 16 Total assets. Add lines 1 through 15 (must equal line 33) | 51,895,309. | 16 | 58,436,499. | |
| Liabilities | 17 Accounts payable and accrued expenses | 1,378,089. | 17 | 1,261,382. |
| | 18 Grants payable | | 18 | |
| | 19 Deferred revenue | 104,594. | 19 | |
| | 20 Tax-exempt bond liabilities | | 20 | |
| | 21 Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 22 | |
| | 23 Secured mortgages and notes payable to unrelated third parties | 30,809,189. | 23 | 34,428,088. |
| | 24 Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 540,115. | 25 | 654,485. |
| | 26 Total liabilities. Add lines 17 through 25 | 32,831,987. | 26 | 36,343,955. |
| Net Assets or Fund Balances | Organizations that follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 27, 28, 32, and 33. | | | |
| | 27 Net assets without donor restrictions | | 27 | |
| | 28 Net assets with donor restrictions | | 28 | |
| | Organizations that do not follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 29 through 33. | | | |
| | 29 Capital stock or trust principal, or current funds | 0. | 29 | 0. |
| | 30 Paid-in or capital surplus, or land, building, or equipment fund | 0. | 30 | 0. |
| | 31 Retained earnings, endowment, accumulated income, or other funds | 19,063,322. | 31 | 22,092,544. |
| | 32 Total net assets or fund balances | 19,063,322. | 32 | 22,092,544. |
| 33 Total liabilities and net assets/fund balances | 51,895,309. | 33 | 58,436,499. | |

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response or note to any line in this Part XI ☒

| | | | |
|-----------|--|-----------|-------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 19,846,279. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 20,286,319. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | -440,040. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A)) | 4 | 19,063,322. |
| 5 | Net unrealized gains (losses) on investments | 5 | |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | 1,014,713. |
| 9 | Other changes in net assets or fund balances (explain on Schedule O) | 9 | 2,454,549. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B)) | 10 | 22,092,544. |

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line in this Part XII ☒

| | Yes | No |
|---|-----|----|
| 1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | |
| 2a Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | X |
| b Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | X | |
| c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O. | X | |
| 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____ | | X |
| b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____ | | |

Form 990 (2019)

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2019

Open to Public Inspection

Name of the organization

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Employer identification number

48-0526038

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|------------------------------|------------------------------|
| 1 Total number at end of year | | |
| 2 Aggregate value of contributions to (during year) | | |
| 3 Aggregate value of grants from (during year) | | |
| 4 Aggregate value at end of year | | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

| | |
|---|---|
| <input type="checkbox"/> Preservation of land for public use (for example, recreation or education) | <input type="checkbox"/> Preservation of a historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of a certified historic structure |
| <input type="checkbox"/> Preservation of open space | |

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1

(ii) Assets included in Form 990, Part X

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1

b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange program
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

| | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
 b Permanent endowment %
 c Term endowment %

The percentages on lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) Unrelated organizations
 (ii) Related organizations

| | Yes | No |
|--------|-----|----|
| 3a(i) | | |
| 3a(ii) | | |
| 3b | | |

b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? ☐

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | 79,836. | | 79,836. |
| b Buildings | | 3,490,010. | 1,152,545. | 2,337,465. |
| c Leasehold improvements | | | | |
| d Equipment | | 53,370,836. | 16,612,606. | 36,758,230. |
| e Other | | 1,183,384. | | 1,183,384. |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) | | | | 40,358,915. |

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) Financial derivatives | | |
| (2) Closely held equity interests | | |
| (3) Other | | |
| (A) | | |
| (B) | | |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶ | | |

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) PATRONAGE | | |
| (2) CAPITAL-SUNFLOWER | 10,300,247. | COST |
| (3) PATRONAGE CAPITAL-KEC | 20,430. | COST |
| (4) PATRONAGE CAPITAL-NISC | 61,707. | COST |
| (5) PATRONAGE CAPITAL-S&T TEL | 102,255. | COST |
| (6) PATRONAGE CAPITAL-GB TEL | 27,323. | COST |
| (7) PATRONAGE | | |
| (8) CAPITAL-FEDERATED | 179,399. | COST |
| (9) PATRONAGE CAPITAL-COBANK | 20,346. | COST |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ | 12,113,712. | |

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ | |

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) CONSUMER DEPOSITS | 112,413. |
| (3) ACCRUED OPERATING TAXES | 421,450. |
| (4) POWER COST ADJUSTMENT - | |
| (5) OVERCOLLECTED | 120,622. |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ | 654,485. |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII... ☒

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | |
|----------|--|-----------|-------------|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 | 19,168,043. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | |
| a | Net unrealized gains (losses) on investments | 2a | |
| b | Donated services and use of facilities | 2b | |
| c | Recoveries of prior year grants | 2c | |
| d | Other (Describe in Part XIII.) | 2d | |
| e | Add lines 2a through 2d | 2e | 0. |
| 3 | Subtract line 2e from line 1 | 3 | 19,168,043. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIII.) | 4b | 678,236. |
| c | Add lines 4a and 4b | 4c | 678,236. |
| 5 | Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.) | 5 | 19,846,279. |

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

| | | | |
|----------|---|-----------|-------------|
| 1 | Total expenses and losses per audited financial statements | 1 | 17,122,908. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | |
| a | Donated services and use of facilities | 2a | |
| b | Prior year adjustments | 2b | |
| c | Other losses | 2c | |
| d | Other (Describe in Part XIII.) | 2d | |
| e | Add lines 2a through 2d | 2e | 0. |
| 3 | Subtract line 2e from line 1 | 3 | 17,122,908. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | |
| b | Other (Describe in Part XIII.) | 4b | 3,163,411. |
| c | Add lines 4a and 4b | 4c | 3,163,411. |
| 5 | Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.) | 5 | 20,286,319. |

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART X, LINE 2:

THE COOPERATIVE UTILIZES THE "UNCERTAIN TAX POSITIONS" PROVISIONS OF ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA. THE PRIMARY TAX POSITION OF THE COOPERATIVE IS ITS FILING STATUS AS A TAX EXEMPT ENTITY. THE COOPERATIVE DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT THEIR TAX POSITIONS WILL BE SUSTAINED UPON EXAMINATION BY THE INTERNAL REVENUE SERVICE (IRS) AND THAT ALL TAX BENEFITS ARE LIKELY TO BE REALIZED UPON SETTLEMENT WITH TAXING AUTHORITIES.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

NON-OPERATING EXPENSES RECLASSIFIED TO PART IX, LINE 24 678,236.

Part XIII Supplemental Information (continued)

PART XII, LINE 4B - OTHER ADJUSTMENTS:

| | |
|---|------------|
| PATRONAGE CAPITAL ALLOCATED OR TO BE ALLOCATED | 2,485,175. |
| NON-OPERATING EXPENSES RECLASSIFIED TO PART IX, LINE 24 | 678,236. |
| TOTAL TO SCHEDULE D, PART XII, LINE 4B | 3,163,411. |

PART VIII:

THE AMOUNT OF OTHER ASSETS ON FORM 990, PAGE 11, PART X, LINE 15 DOES NOT EQUAL OR EXCEED 5% OF THE TOTAL ASSETS ON FORM 990, PAGE 11, PART X, LINE 16, COLUMN B. CONSEQUENTLY, IN ACCORDANCE WITH IRS INSTRUCTIONS, SCHEDULE D, PART IX HAS BEEN LEFT BLANK.

PART XII, LINE 4B:

FOR THE AUDITED FINANCIAL STATEMENTS, THE AMOUNT OF PATRONAGE DIVIDENDS ALLOCATED OR TO BE ALLOCATED TO THE MEMBERS IS REPORTED AS AN INCREASE IN EQUITY AND NOT AS AN EXPENSE. THEREFORE, NET INCOME PER THE AUDITED FINANCIAL STATEMENTS IS REPORTED GROSS OF THE AMOUNT OF PATRONAGE DIVIDENDS THAT ARE EITHER ALLOCATED OR TO BE ALLOCATED AT THE TIME THE AUDITED FINANCIAL STATEMENTS ARE PREPARED. HOWEVER, BECAUSE THE ALLOCATION OF PATRONAGE DIVIDENDS IS ONE ASPECT OF HOW THE COOPERATIVE FULFILLS ITS TAX EXEMPT PURPOSE OF OPERATING ON A COOPERATIVE BASIS, THE AMOUNT OF PATRONAGE DIVIDENDS EITHER ALLOCATED OR TO BE ALLOCATED TO THE MEMBERS IS REPORTED ON FORM 990, PART IX, LINE 4 AS "BENEFITS PAID TO MEMBERS". PATRONAGE DIVIDENDS ARE ALLOCATED ON A PATRONAGE BASIS AND DONE SO PURSUANT TO A PRE-EXISTING OBLIGATION AS PROVIDED FOR IN THE "NON-PROFIT OPERATION" ARTICLE OF THE COOPERATIVE'S BYLAWS.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Employer identification number

48-0526038

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☐ First-class or charter travel

☐ Housing allowance or residence for personal use

☒ Travel for companions

☐ Payments for business use of personal residence

☐ Tax indemnification and gross-up payments

☐ Health or social club dues or initiation fees

☐ Discretionary spending account

☐ Personal services (such as maid, chauffeur, chef)

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

1b

Yes

No

X

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

2

Yes

No

X

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

☐ Compensation committee

☐ Written employment contract

☐ Independent compensation consultant

☐ Compensation survey or study

☐ Form 990 of other organizations

☒ Approval by the board or compensation committee

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

a Receive a severance payment or change-of-control payment?

4a

Yes

No

X

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4b

Yes

No

X

c Participate in, or receive payment from, an equity-based compensation arrangement?

4c

Yes

No

X

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

5a

Yes

No

b Any related organization?

5b

Yes

No

If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

6a

Yes

No

b Any related organization?

6b

Yes

No

If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III

7

Yes

No

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

8

Yes

No

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

9

Yes

No

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2019

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that aren't listed on Form 990, Part VII.

Note: The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation in column (B) reported as deferred on prior Form 990 |
|---|------|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| (1) KATHERINE E. LEWIS FINANCE MANAGER | (i) | 113,055. | 5,150. | 3,524. | 97,527. | 25,555. | 244,811. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (2) NATHAN BURNS OPERATIONS MANAGER | (i) | 109,171. | 150. | 3,064. | 71,711. | 15,976. | 200,072. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (3) DAVID HOWARD GENERAL FOREMAN | (i) | 100,182. | 150. | 871. | 56,723. | 15,722. | 173,648. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (4) RICHARD MCLEON GENERAL MANAGER | (i) | 115,500. | 0. | 3,868. | 29,929. | 16,761. | 166,058. | 0. |
| | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A:

TRAVEL FOR COMPANIONS - PURSUANT TO APPLICABLE TRAVEL POLICIES, THE COOPERATIVE WILL REIMBURSE TRUSTEES THE COST OF HIS/HER SPOUSE TO ACCOMPANY HIM/HER ON OFFICIAL BUSINESS OF THE COOPERATIVE. REIMBURSABLE COSTS INCLUDE TRAVEL AND MEAL ALLOWANCES. THE COOPERATIVE WILL ALSO REIMBURSE AN EMPLOYEE FOR TRANSPORTATION AND LODGING COSTS OF HIS/HER SPOUSE FOR APPROVED TRAVEL. DURING THE YEAR, 4 INDIVIDUALS REPORTED ON FORM 990, PART VII - JENNISON, HOSS, RAMSEY, WILTSE - RECEIVED THIS BENEFIT. SINCE THE COOPERATIVE CONSIDERS THE REIMBURSEMENT TO BE CONSISTENT TO A BONA FIDE BUSINESS PURPOSE, SUCH REIMBURSEMENTS WERE TREATED AS EXPENSES EXCLUDED FROM THE REPORTABLE COMPENSATION OF EACH.

PART II, COLUMN C:

INCLUDED IN THIS AMOUNT IS THE INCREASE IN ACTUARIAL VALUE OF BENEFITS PAYABLE UNDER A DEFINED BENEFIT RETIREMENT PLAN. THE CONTRIBUTION RATE FOR PARTICIPANTS IN THE NRECA R&S DEFINED BENEFIT PENSION PLAN ARE THE SAME FOR ALL INDIVIDUALS IN THIS MULTI-EMPLOYER PLAN. THE CHANGE IN ACTUARIAL VALUE FOR EACH PARTICIPANT, HOWEVER, VARIES WITH AGE. IN OTHER WORDS, THE OLDER A PLAN PARTICIPANT IS, THE GREATER THE INCREASE

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

IN THAT INDIVIDUAL'S CHANGE IN ACTUARIAL VALUE, ALL OTHER THINGS BEING
EQUAL. BECAUSE THIS RELATES TO A MULTI-EMPLOYER PLAN, CASH
CONTRIBUTIONS TO THE PLAN IN LIEU OF THE ACTUARIAL INCREASE ARE
EXPENSED IN THE FINANCIAL STATEMENTS.

KATHERINE E. LEWIS:

| | |
|--|-----------|
| ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN | \$ 91,696 |
| EMPLOYER CONTRIBUTION TO 401(K) PLAN | 5,831 |
| TOTAL REPORTED IN COLUMN C | \$ 97,527 |

| | |
|--|-----------|
| LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN | (91,696) |
| ADD: CASH CONTRIBUTION TO DEFINED BENEFIT PLAN | 50,085 |
| EXPENSE TO THE COOPERATIVE | \$ 55,916 |

NATHAN BURNS:

| | |
|--|-----------|
| ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN | \$ 66,214 |
| EMPLOYER CONTRIBUTION TO 401(K) PLAN | 5,497 |
| TOTAL REPORTED IN COLUMN C | \$ 71,711 |

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (66,214)

ADD: CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 47,215

EXPENSE TO THE COOPERATIVE \$ 52,712

DAVID HOWARD:

ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 52,211

EMPLOYER CONTRIBUTION TO 401(K) PLAN 4,512

TOTAL REPORTED IN COLUMN C \$ 56,723

LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (52,211)

ADD: CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 38,603

EXPENSE TO THE COOPERATIVE \$ 43,115

RICHARD MCLEON:

ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN \$ 26,134

EMPLOYER CONTRIBUTION TO 401(K) PLAN 3,795

TOTAL REPORTED IN COLUMN C \$ 29,929

LESS: ACTUARIAL INCREASE IN DEFINED BENEFIT PLAN (26,134)

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

ADD: CASH CONTRIBUTION TO DEFINED BENEFIT PLAN 45,911

EXPENSE TO THE COOPERATIVE \$ 49,706

DRAFT

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2019

Open to Public
Inspection

Name of the organization

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Employer identification number

48-0526038

FORM 990, PART VI, SECTION A, LINE 2:

RICHARD MCLEON (GM) AND PAUL SEIB, JR. (TRUSTEE) SERVED ON THE BOARD OF
SUNFLOWER ELECTRIC POWER CORPORATION AT THE REQUEST OF AND FOR THE BENEFIT
OF THE COOPERATIVE.

FORM 990, PART VI, SECTION A, LINE 6:

THE COOPERATIVE WAS FORMED BY THE MEMBERS TO PROVIDE ELECTRIC SERVICE AT
COST ON A COOPERATIVE BASIS.

FORM 990, PART VI, SECTION A, LINE 7A:

THE MEMBERS OF THE COOPERATIVE VOTE ON THE BOARD OF TRUSTEES. ELECTIONS ARE
DONE ON A ONE MEMBER ONE VOTE BASIS.

FORM 990, PART VI, SECTION A, LINE 7B:

THE FOLLOWING ACTS REQUIRE APPROVAL OF THE MEMBERS OF THE COOPERATIVE:

1. DISSOLUTION/LIQUIDATION OF THE COOPERATIVE
2. MERGER OR CONSOLIDATION OF THE COOPERATIVE WITH ANOTHER ORGANIZATION
3. DISPOSAL OF A SUBSTANTIAL PORTION OF THE COOPERATIVE'S ASSETS
4. AMENDMENT TO THE ARTICLES OF INCORPORATION
5. AMENDMENT TO THE BYLAWS

FORM 990, PART VI, SECTION A, LINE 8B:

THE COOPERATIVE HAS NO COMMITTEES WITH AUTHORITY TO ACT ON BEHALF OF THE
GOVERNING BODY. THEREFORE, AND PURSUANT TO FORM 990 INSTRUCTIONS, THE
QUESTION HAS BEEN ANSWERED "NO".

Name of the organization

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

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FORM 990, PART VI, SECTION B, LINE 11B:

MANAGEMENT PRESENTED A COPY OF THE FORM 990 TO THE BOARD FOR DISCUSSION AND REVIEW PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 15:

THE BOARD OF TRUSTEES UTILIZE AN ANNUAL PERFORMANCE APPRAISAL WHEN DETERMINING THE COMPENSATION OF THE GENERAL MANAGER.

THE BOARD AND THE GENERAL MANAGER UTILIZE A COMPENSATION SURVEY WHEN DETERMINING THE COMPENSATION OF THE COOPERATIVE'S OTHER EMPLOYEES MEETING THE DEFINITION OF OFFICER AND KEY EMPLOYEES, IF ANY. THE SURVEY INCLUDES SALARIES FROM SIMILARLY SITUATED COOPERATIVES THROUGHOUT KANSAS AND THE NATION.

FORM 990, PART VI, SECTION C, LINE 19:

THE COOPERATIVE WILL PROVIDE A COMPLETE COPY OF ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND AUDITED FINANCIAL STATEMENTS TO ANY MEMBER WHO REQUESTS A COPY OF ANY SUCH DOCUMENT. ADDITIONALLY, THE COOPERATIVE PROVIDES A SUMMARIZED COPY OF ITS BALANCE SHEET AND INCOME STATEMENT TO THE MEMBERS OF THE COOPERATIVE WITH THE ANNUAL REPORT. FINALLY, A CURRENT COPY OF THE BYLAWS CAN BE FOUND ON THE COOPERATIVE'S WEBSITE.

FORM 990. PART VII, COLUMN F:

IN ORDER TO PROVIDE RETIREMENT BENEFITS TO ITS EMPLOYEES, THE COOPERATIVE HAS ESTABLISHED A DEFINED CONTRIBUTION PLAN UNDER SECTION 401(K) OF THE INTERNAL REVENUE CODE. EMPLOYER CONTRIBUTIONS TO THE PLAN ARE MADE PURSUANT TO THE PLAN DOCUMENT. ADDITIONALLY, THE COOPERATIVE PARTICIPATES IN A MULTI-EMPLOYER DEFINED BENEFIT PLAN. CONTRIBUTIONS TO

Name of the organization

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

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THIS PLAN ARE BASED ON THE FULL FUNDING LIMITATION OF SUCH PLAN.

EMPLOYER CONTRIBUTIONS FOR BOTH PLANS ARE AVAILABLE TO PARTICIPATING EMPLOYEES, INCLUDING OFFICERS AND HIGHLY COMPENSATED EMPLOYEES, MEETING THE ELIGIBILITY REQUIREMENTS OF SUCH PLANS.

THE COOPERATIVE ALSO PROVIDES HEALTH, DENTAL, VISION AND LIFE INSURANCE TO ALL ELIGIBLE EMPLOYEES THROUGH A QUALIFIED PLAN. THE AMOUNTS REPORTED ON PART VII, COLUMN (F) FOR THE OFFICERS AND HIGHLY COMPENSATED EMPLOYEES IS COMPRISED OF ACTUARIAL INCREASE IN THE DEFINED BENEFIT PLAN, THE TOTAL AMOUNT CONTRIBUTED BY THE COOPERATIVE TO THE DEFINED CONTRIBUTION PLAN AND INSURANCE PAID ON BEHALF OF AND FOR THEIR BENEFIT.

FORM 990. PART VIII, LINE 2:

PATRONAGE DIVIDENDS RESULT FROM THE PURCHASE OF WHOLESALE POWER FROM A GENERATION & TRANSMISSION COOPERATIVE. PATRONAGE DIVIDENDS ALSO RESULT FROM THE PAYMENT OF INTEREST FROM COOPERATIVE BANKS AND THE PURCHASE OF SUPPLIES AND SERVICES FROM OTHER COOPERATIVE ORGANIZATIONS. THE EXPENSES ASSOCIATED WITH PURCHASES FROM AND PAYMENTS TO SUCH COOPERATIVE ORGANIZATIONS ARE A DIRECT COMPONENT OF COST OF THE ELECTRIC SERVICE PROVIDED BY THE COOPERATIVE TO ITS MEMBERS.

FORM 990, PART IX:

THE ACCOUNTING RECORDS OF THE COOPERATIVE ARE MAINTAINED IN ACCORDANCE WITH THE RURAL UTILITIES SERVICE (RUS) UNIFORM SYSTEM OF ACCOUNTS (USOA) AS PRESCRIBED FOR RUS ELECTRIC BORROWERS. THE USOA DOES NOT RECORD EXPENSES IN THE GENERAL EXPENSE CATEGORIES PROVIDED ON PART IX LINES 1-23. THE COOPERATIVE SEPARATELY REPORTS SALARIES AND WAGES,

Name of the organization

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EMPLOYEE BENEFITS AND PAYROLL TAXES THAT ARE ALLOCATED IN ACCORDANCE WITH THEIR ACCOUNTING SYSTEM, BUT OTHER EXPENSES THAT ARE DESCRIBED IN LINES 1-23 ARE REPORTED ON LINE 24 UNDER THE EXPENSE CATEGORIES REQUIRED BY THE USOA.

ON THE 2019 FORM 990, PART I, LINE 15, THE COOPERATIVE SEPARATELY STATED SALARIES AND WAGES, EMPLOYEE BENEFITS, AND PAYROLL TAXES THAT ARE ALLOCATED IN ACCORDANCE WITH THEIR ACCOUNTING SYSTEM. ON THE 2018 RETURN THE COOPERATIVE DID NOT SEPARATELY STATE THESE EXPENSES. THE 2018 RETURN IS COMPLETE AND ACCURATE, BUT THE COOPERATIVE BELIEVES BY SEPARATELY STATING THESE EXPENSES ON THE 2019 RETURN A READER OF THE FORM 990 WILL BE MORE INFORMED. FUTURE YEARS RETURNS FILED BY THE COOPERATIVE WILL SEPARATELY STATE SALARIES AND WAGES, EMPLOYEE BENEFITS, AND PAYROLL TAXES, MAKING THE COMPARISON ON PAGE 1 MORE MEANINGFUL.

FORM 990, PART IX, LINE 1:

ALL GRANTS, SPONSORSHIPS, AND/OR DONATIONS ARE MADE TO NON-PROFIT AND CIVIC ORGANIZATIONS THAT ARE LOCATED IN THE COOPERATIVE'S SERVICE AREA, AND ARE INTENDED TO IMPROVE THE COMMUNITIES IN WHICH OUR MEMBERS RESIDE. EACH GRANT, SPONSORSHIP, AND/OR DONATION MADE DURING THE YEAR WAS BELOW THE REPORTING THRESHOLD OF SCHEDULE I, PART II.

FORM 990, PART IX, LINE 4:

PURSUANT TO THE FORM 990 INSTRUCTIONS, THE AMOUNT OF PATRONAGE DIVIDENDS PAID TO THE MEMBERS (HEREINAFTER REFERRED TO AS "PATRONS") SHOULD BE REPORTED ON PART IX, LINE 4. THE PHRASE "PATRONAGE DIVIDENDS

Name of the organization

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PAID" REFERS TO THE PROCESS, SUBSEQUENT TO YEAR-END, BY WHICH THE COOPERATIVE ALLOCATES PATRONAGE CAPITAL TO AND, THEREFORE, OPERATES AT COST WITH ITS PATRONS.

THE COOPERATIVE'S TAX EXEMPT PURPOSE IS TO PROVIDE ELECTRICITY TO ITS PATRONS AND TO DO SO ON A COOPERATIVE BASIS. TAX LAW DEFINES "OPERATING ON A COOPERATIVE BASIS" AS SUBORDINATION OF CAPITAL, DEMOCRATIC CONTROL, AND OPERATION AT COST. THE COOPERATIVE OPERATES AT COST THROUGH THE ALLOCATION OF TRUE PATRONAGE DIVIDENDS (ALSO REFERRED TO AS ALLOCATIONS OF PATRONAGE CAPITAL) TO ITS PATRONS. PATRONAGE DIVIDENDS ARE CONSIDERED PAID IF THE ALLOCATION IS MADE (1) PURSUANT TO A PRE-EXISTING OBLIGATION, (2) FROM THE MARGINS PRODUCED FROM THE TRANSACTIONS DONE WITH OR FOR PATRONS, AND (3) IN A FAIR AND EQUITABLE MANNER ON THE BASIS OF PATRONAGE (I.E. PURCHASES). ADDITIONALLY, THE ALLOCATION OF PATRONAGE DIVIDENDS SHOULD BE MADE WITHIN A REASONABLE TIME PERIOD AFTER THE CLOSE OF THE COOPERATIVE'S CALENDAR TAX YEAR-END OF DECEMBER 31. EACH ONE OF THESE REQUIREMENTS FOR A TRUE PATRONAGE DIVIDEND IS PROVIDED FOR IN THE NON-PROFIT OPERATION ARTICLE OF THE COOPERATIVE'S BYLAWS.

THE AMOUNT REPORTED ON PART IX, LINE 4 REPRESENTS THE AMOUNT OF PATRONAGE CAPITAL THAT IS EITHER ALLOCATED OR TO BE ALLOCATED TO THE PATRONS RESULTING FROM THEIR PURCHASE OF ELECTRICITY FROM THE COOPERATIVE FOR THE 2019 CALENDAR YEAR. BECAUSE PATRONAGE DIVIDENDS ARE THE PROCESS BY WHICH THE COOPERATIVE OPERATES AT COST WITH ITS PATRONS AND THEREBY A KEY COMPONENT TO ACCOMPLISHING ITS EXEMPT PURPOSE, THE COOPERATIVE HAS REPORTED SUCH AMOUNTS AS AN EXPENSE FOR FORM 990 REPORTING. PATRONAGE DIVIDENDS ARE NOT AN EXPENSE FOR FINANCIAL

Name of the organization

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STATEMENTS PREPARED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, HOWEVER.

FORM 990. PART IX, LINES 5-7:

SALARIES AND WAGES ARE ALLOCATED TO ASSET, LIABILITY, AND EXPENSE ACCOUNTS BASED ON THE ACCOUNTING SYSTEM DESCRIBED ABOVE. THE FOLLOWING SCHEDULE RECONCILES AMOUNTS REPORTED ON LINES 5-7 TO TOTAL WAGES ACCRUED AND/OR PAID:

| | |
|--|--------------|
| TOTAL PER LINES 5-7 | \$ 1,360,726 |
| LESS: DIRECTORS FEES REPORTED ON FORM 1099-MISC | (72,050) |
| LESS: EMPLOYEE OFFICER BENEFITS INCLUDED IN LINE 5 | (188,723) |
| PLUS: SALARIES AND WAGES CAPITALIZED DIRECTLY TO PLANT | 477,525 |
| PLUS: SALARIES AND WAGES CAPITALIZED/EXPENSED INDIRECTLY THROUGH CLEARING AND OTHER ACCOUNTS | 326,186 |
| TOTAL WAGES ACCRUED AND/OR PAID | \$ 1,903,664 |

FORM 990. PART IX, LINE 24:

ADMINISTRATIVE & GENERAL EXPENSE IS COMPRISED OF THE FOLLOWING:

| | |
|---------------------------------|------------|
| ADMINISTRATIVE & GENERAL | \$ 640,239 |
| OFFICE SUPPLIES | 55,759 |
| OUTSIDE SERVICES | 59,640 |
| EMPLOYEE EDUCATION AND TRAINING | 185,433 |
| EMPLOYEE PENSIONS AND BENEFITS | 3,040 |
| DIRECTORS | 91,015 |
| ANNUAL MEETING | 151,553 |
| CAPITAL CREDITS | 12,477 |

| | |
|---------------------------------------|--------------------------------|
| Name of the organization | Employer identification number |
| LANE-SCOTT ELECTRIC COOPERATIVE, INC. | 48-0526038 |

| | |
|---|--------------|
| DUES TO ASSOCIATED ORGANIZATIONS | 65,874 |
| MISCELLANEOUS GENERAL | 28,460 |
| REGULATORY COMMISSION | 1,037 |
| MAINTENANCE OF GENERAL PLANT | 116,510 |
| TOTAL ADMIN & GENERAL EXP PER FINANCIAL STATEMENTS | \$ 1,411,037 |
| LESS: RECLASS OF DIRECTOR FEES TO PART IX, LINE 5 | (72,050) |
| LESS: RECLASS OF LABOR TO PART IX, LINES 5 & 7 | (506,511) |
| LESS: RECLASS OF BENEFITS TO PART IX, LINES 8-10 | (316,395) |
| TOTAL ADMIN & GENERAL EXPENSE PER FORM 990, PART IX | \$ 516,081 |

FORM 990, PART IX, LINE 24E:

OTHER EXPENSES IS COMPRISED OF THE FOLLOWING:

| | |
|--|------------|
| OTHER DEDUCTIONS | \$ 935 |
| TRANSMISSION | 3,325 |
| SALES | 2,244 |
| CONSUMER ACCOUNTS | 102,018 |
| CUSTOMER SERVICE AND INFORMATION | 28,012 |
| TOTAL OTHER EXPENSES PER FORM 990, PART IX | \$ 136,534 |

FORM 990, PART X, LINES 1 & 2:

THE COOPERATIVE PREVIOUSLY INCLUDED TEMPORARY INVESTMENTS AS COMPONENTS OF CASH ON LINE 1 OF PART X. HOWEVER, FOR THE 2019 CALENDAR YEAR, THE COOPERATIVE BEGAN REPORTING THESE AMOUNTS ON LINE 2. TO INCREASE CONSISTENCY, TEMPORARY INVESTMENTS IN THE AMOUNT OF \$974,573 FOR THE 2018 CALENDAR YEAR HAVE BEEN RECLASSED FROM LINE 1 TO LINE 2.

Name of the organization

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FORM 990, PART X, LINES 17 & 25:

THE COOPERATIVE PREVIOUSLY INCLUDED CONSUMER DEPOSITS AND ACCRUED OPERATING TAXES AS COMPONENTS OF ACCOUNTS PAYABLE ON LINE 17 OF PART X. HOWEVER, FOR THE 2019 CALENDAR YEAR, THE COOPERATIVE BEGAN REPORTING THESE AMOUNTS ON LINE 25. TO INCREASE CONSISTENCY, CONSUMER DEPOSITS AND ACCRUED OPERATING TAXES IN THE AMOUNT OF \$540,115 FOR THE 2018 CALENDAR YEAR HAVE BEEN RECLASSIFIED FROM LINE 17 TO LINE 25.

FORM 990, PART XI, LINE 8:

DURING 2019, THE COOPERATIVE CHANGED ITS METHOD OF REVENUE RECOGNITION TO ACCRUE REVENUE EARNED, BUT NOT YET BILLED AT THE END OF EACH PERIOD. THE COOPERATIVE BELIEVES THAT THE NEW REVENUE RECOGNITION METHOD MORE ACCURATELY REFLECTS PERIODIC RESULTS OF OPERATIONS AND ITS ACCRUED REVENUE POSITION AT YEAR END.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

| | |
|--|------------|
| PATRONAGE CAPITAL ALLOCATED OR TO BE ALLOCATED | 2,485,175. |
| PATRONAGE CAPITAL RETIRED - TOTAL | -30,645. |
| DONATED CAPITAL | 19. |
| TOTAL TO FORM 990, PART XI, LINE 9 | 2,454,549. |

FORM 990. PART XII, LINE 2C:

THE BOARD AS A WHOLE IS RESPONSIBLE FOR OVERSEEING THE FINANCIAL STATEMENT AUDIT AND SELECTING THE INDEPENDENT FINANCIAL STATEMENT AUDITOR. PROCEDURAL CHANGES DID NOT OCCUR DURING THE YEAR.

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No. 1545-0047

2019

Department of the Treasury
Internal Revenue Service

For calendar year 2019 or other tax year beginning _____, and ending _____

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for
501(c)(3) Organizations Only

| | | | | | |
|---|--|--|--|--|--|
| A <input type="checkbox"/> Check box if address changed | | Print or Type | Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) LANE-SCOTT ELECTRIC COOPERATIVE, INC. | | D Employer identification number (Employees' trust, see instructions.) 48-0526038 |
| B Exempt under section <input checked="" type="checkbox"/> 501(c)(12) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a) | | | Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 758 | | E Unrelated business activity code (See instructions.) 900002 |
| | | | City or town, state or province, country, and ZIP or foreign postal code DIGHTON, KS 67839 | | |
| C Book value of all assets at end of year 58,436,499. | | | F Group exemption number (See instructions.) ▶ | | |
| | | G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust | | | |

H Enter the number of the organization's unrelated trades or businesses. ▶ **2** Describe the only (or first) unrelated trade or business here ▶ **TOWER RENTAL**. If only one, complete Parts I-V. If more than one, describe the first in the blank space at the end of the previous sentence, complete Parts I and II, complete a Schedule M for each additional trade or business, then complete Parts III-V.

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ ☐ Yes ☒ No
If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ **KATHERINE E. LEWIS, FINANCE MANAGER** Telephone number ▶ **620-397-5327**

| Part I Unrelated Trade or Business Income | | (A) Income | (B) Expenses | (C) Net |
|---|----|------------|--------------|---------|
| 1a Gross receipts or sales | | | | |
| b Less returns and allowances | | | | |
| c Balance | 1c | | | |
| 2 Cost of goods sold (Schedule A, line 7) | 2 | | | |
| 3 Gross profit. Subtract line 2 from line 1c | 3 | | | |
| 4a Capital gain net income (attach Schedule D) | 4a | | | |
| b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | 4b | | | |
| c Capital loss deduction for trusts | 4c | | | |
| 5 Income (loss) from a partnership or an S corporation (attach statement) | 5 | | | |
| 6 Rent income (Schedule C) | 6 | 2,720. | 1,947. | 773. |
| 7 Unrelated debt-financed income (Schedule E) | 7 | | | |
| 8 Interest, annuities, royalties, and rents from a controlled organization (Schedule F) | 8 | | | |
| 9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | 9 | | | |
| 10 Exploited exempt activity income (Schedule I) | 10 | | | |
| 11 Advertising income (Schedule J) | 11 | | | |
| 12 Other income (See instructions; attach schedule) | 12 | | | |
| 13 Total. Combine lines 3 through 12 | 13 | 2,720. | 1,947. | 773. |

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Deductions must be directly connected with the unrelated business income.)

| | | |
|---|-----|------|
| 14 Compensation of officers, directors, and trustees (Schedule K) | 14 | |
| 15 Salaries and wages | 15 | |
| 16 Repairs and maintenance | 16 | |
| 17 Bad debts | 17 | |
| 18 Interest (attach schedule) (see instructions) | 18 | |
| 19 Taxes and licenses | 19 | |
| 20 Depreciation (attach Form 4562) | 20 | |
| 21 Less depreciation claimed on Schedule A and elsewhere on return | 21a | |
| 22 Depletion | 22 | |
| 23 Contributions to deferred compensation plans | 23 | |
| 24 Employee benefit programs | 24 | |
| 25 Excess exempt expenses (Schedule I) | 25 | |
| 26 Excess readership costs (Schedule J) | 26 | |
| 27 Other deductions (attach schedule) | 27 | |
| 28 Total deductions. Add lines 14 through 27 | 28 | 0. |
| 29 Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13 | 29 | 773. |
| 30 Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) | 30 | 0. |
| 31 Unrelated business taxable income. Subtract line 30 from line 29 | 31 | 773. |

Part III Total Unrelated Business Taxable Income

| | | | |
|----|---|----|--------|
| 32 | Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions) | 32 | 773. |
| 33 | Amounts paid for disallowed fringes | 33 | |
| 34 | Charitable contributions (see instructions for limitation rules) | 34 | 0. |
| 35 | Total unrelated business taxable income before pre-2018 NOLs and specific deduction. Subtract line 34 from the sum of lines 32 and 33 | 35 | 773. |
| 36 | Deduction for net operating loss arising in tax years beginning before January 1, 2018 (see instructions) | 36 | |
| 37 | Total of unrelated business taxable income before specific deduction. Subtract line 36 from line 35 | 37 | 773. |
| 38 | Specific deduction (Generally \$1,000, but see line 38 instructions for exceptions) | 38 | 1,000. |
| 39 | Unrelated business taxable income. Subtract line 38 from line 37. If line 38 is greater than line 37, enter the smaller of zero or line 37 | 39 | 0. |

Part IV Tax Computation

| | | | |
|----|--|----|----|
| 40 | Organizations Taxable as Corporations. Multiply line 39 by 21% (0.21) | 40 | 0. |
| 41 | Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 39 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041) | 41 | |
| 42 | Proxy tax. See instructions | 42 | |
| 43 | Alternative minimum tax (trusts only) | 43 | |
| 44 | Tax on Noncompliant Facility Income. See instructions | 44 | |
| 45 | Total. Add lines 42, 43, and 44 to line 40 or 41, whichever applies | 45 | 0. |

Part V Tax and Payments

| | | | |
|-----|--|-----|----|
| 46a | Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) | 46a | |
| b | Other credits (see instructions) | 46b | |
| c | General business credit. Attach Form 3800 | 46c | |
| d | Credit for prior year minimum tax (attach Form 8801 or 8827) | 46d | |
| e | Total credits. Add lines 46a through 46d | 46e | |
| 47 | Subtract line 46e from line 45 | 47 | 0. |
| 48 | Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule) | 48 | |
| 49 | Total tax. Add lines 47 and 48 (see instructions) | 49 | 0. |
| 50 | 2019 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 3 | 50 | 0. |
| 51a | Payments: A 2018 overpayment credited to 2019 | 51a | |
| b | 2019 estimated tax payments | 51b | |
| c | Tax deposited with Form 8868 | 51c | |
| d | Foreign organizations: Tax paid or withheld at source (see instructions) | 51d | |
| e | Backup withholding (see instructions) | 51e | |
| f | Credit for small employer health insurance premiums (attach Form 8941) | 51f | |
| g | Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other | 51g | |
| 52 | Total payments. Add lines 51a through 51g | 52 | |
| 53 | Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/> | 53 | |
| 54 | Tax due. If line 52 is less than the total of lines 49, 50, and 53, enter amount owed | 54 | |
| 55 | Overpayment. If line 52 is larger than the total of lines 49, 50, and 53, enter amount overpaid | 55 | |
| 56 | Enter the amount of line 55 you want: Credited to 2020 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/> | 56 | |

Part VI Statements Regarding Certain Activities and Other Information (see instructions)

| | | | |
|----|--|-----|----|
| 57 | At any time during the 2019 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here | Yes | No |
| 58 | During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file. | | X |
| 59 | Enter the amount of tax-exempt interest received or accrued during the tax year \$ | | |

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ **GENERAL MANAGER**
Title _____

May the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No

| | | | | | |
|-------------------------------|---|---------------------------------|----------|--|-----------|
| Paid Preparer Use Only | Print/Type preparer's name | Preparer's signature | Date | Check <input checked="" type="checkbox"/> if self-employed | PTIN |
| | WILLIAM M. MILLER | WILLIAM M. MILLER | 10/13/20 | | P00439459 |
| | Firm's name BOLINGER, SEGARS, GILBERT AND MOSS LLP | Firm's EIN 75-0882037 | | | |
| | Firm's address 8215 NASHVILLE AVENUE LUBBOCK, TX 79423 | Phone no. (806) 747-3806 | | | |

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **▶ N/A**

| | | | | | |
|---|-----------|--|---|----------|--------|
| 1 Inventory at beginning of year | 1 | | 6 Inventory at end of year | 6 | |
| 2 Purchases | 2 | | 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 | 7 | |
| 3 Cost of labor | 3 | | | | |
| 4a Additional section 263A costs (attach schedule) | 4a | | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | | Yes No |
| b Other costs (attach schedule) | 4b | | | | |
| 5 Total. Add lines 1 through 4b | 5 | | | | |

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property**(1) TOWER RENT**

| | | |
|--|--|--|
| 2. Rent received or accrued | | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) SEE STATEMENT 1 |
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | |
| (1) | 2,720. | 1,947. |
| (2) | | |
| (3) | | |
| (4) | | |
| Total | 0. | 2,720. |
| (c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) | | (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ... |
| 2,720. | | 1,947. |

Schedule E - Unrelated Debt-Financed Income (see instructions)

| | | | | |
|--|--|--|---|--|
| 1. Description of debt-financed property | | 2. Gross income from or allocable to debt-financed property | 3. Deductions directly connected with or allocable to debt-financed property | |
| | | | (a) Straight line depreciation (attach schedule) | (b) Other deductions (attach schedule) |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5. Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6. Column 4 divided by column 5 | 7. Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| Totals | | | Enter here and on page 1, Part I, line 7, column (A). 0. | Enter here and on page 1, Part I, line 7, column (B). 0. |
| Total dividends-received deductions included in column 8 | | | 0. | 0. |

Form **990-T** (2019)

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

| 1. Name of controlled organization | 2. Employer identification number | Exempt Controlled Organizations | | | |
|------------------------------------|-----------------------------------|---|-------------------------------------|---|--|
| | | 3. Net unrelated income (loss) (see instructions) | 4. Total of specified payments made | 5. Part of column 4 that is included in the controlling organization's gross income | 6. Deductions directly connected with income in column 5 |
| (1) | | | | | |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |

Nonexempt Controlled Organizations

| 7. Taxable income | 8. Net unrelated income (loss) (see instructions) | 9. Total of specified payments made | 10. Part of column 9 that is included in the controlling organization's gross income | 11. Deductions directly connected with income in column 10 |
|---------------------|---|-------------------------------------|--|--|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| | | | Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). | Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). |
| Totals | | | 0. | 0. |

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization

(see instructions)

| 1. Description of income | 2. Amount of income | 3. Deductions directly connected (attach schedule) | 4. Set-asides (attach schedule) | 5. Total deductions and set-asides (col. 3 plus col. 4) |
|--------------------------|---------------------|---|---------------------------------|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| | | Enter here and on page 1, Part I, line 9, column (A). | | Enter here and on page 1, Part I, line 9, column (B). |
| Totals | | 0. | | 0. |

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions)

| 1. Description of exploited activity | 2. Gross unrelated business income from trade or business | 3. Expenses directly connected with production of unrelated business income | 4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. | 5. Gross income from activity that is not unrelated business income | 6. Expenses attributable to column 5 | 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|--------------------------------------|---|---|--|---|--------------------------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| | | Enter here and on page 1, Part I, line 10, col. (A). | Enter here and on page 1, Part I, line 10, col. (B). | | | Enter here and on page 1, Part II, line 25. |
| Totals | | 0. | 0. | | | 0. |

Schedule J - Advertising Income (see instructions)**Part I Income From Periodicals Reported on a Consolidated Basis**

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|-----------------------------|-----------------------------|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals (carry to Part II, line (5)) | | 0. | 0. | | | 0. |

Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|---|---|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals from Part I | 0. | 0. | | | | 0. |
| Totals, Part II (lines 1-5) | Enter here and on page 1, Part I, line 11, col. (A). 0. | Enter here and on page 1, Part I, line 11, col. (B). 0. | | | | Enter here and on page 1, Part II, line 26. 0. |

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

| 1. Name | 2. Title | 3. Percent of time devoted to business | 4. Compensation attributable to unrelated business |
|--|----------|--|--|
| (1) | | % | |
| (2) | | % | |
| (3) | | % | |
| (4) | | % | |
| Total. Enter here and on page 1, Part II, line 14 | | | 0. |

Form **990-T** (2019)

FORM 990-T

DEDUCTIONS CONNECTED WITH RENTAL INCOME

STATEMENT

1

| DESCRIPTION | ACTIVITY NUMBER | AMOUNT | TOTAL |
|---|--------------------|--------|--------|
| TOWER MAINTENANCE | | 1,947. | |
| - SUBTOTAL - | 1 | | 1,947. |
| TOTAL TO FORM 990-T, SCHEDULE C, COLUMN 3 | | | 1,947. |

DRAFT

SCHEDULE M
(Form 990-T)

Department of the Treasury
Internal Revenue Service

**Unrelated Business Taxable Income from an
Unrelated Trade or Business**

For calendar year 2019 or other tax year beginning _____, and ending _____.

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

ENTITY

1

OMB No. 1545-0047

2019

Open to Public Inspection for
501(c)(3) Organizations Only

Name of the organization

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Employer identification number

48-0526038

Unrelated Business Activity Code (see instructions) ▶ 221000

Describe the unrelated trade or business ▶ ELECTRICIAN/HVAC SERVICE

| Part I Unrelated Trade or Business Income | | (A) Income | (B) Expenses | (C) Net |
|---|---|------------|--------------|----------|
| 1 a | Gross receipts or sales 629,760. | | | |
| b | Less returns and allowances | | | |
| c | Balance ▶ | 1 c | 629,760. | |
| 2 | Cost of goods sold (Schedule A, line 7) | 2 | | |
| 3 | Gross profit. Subtract line 2 from line 1 c | 3 | 629,760. | 629,760. |
| 4 a | Capital gain net income (attach Schedule D) | 4 a | | |
| b | Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | 4 b | | |
| c | Capital loss deduction for trusts | 4 c | | |
| 5 | Income (loss) from a partnership or an S corporation (attach statement) | 5 | | |
| 6 | Rent income (Schedule C) | 6 | | |
| 7 | Unrelated debt-financed income (Schedule E) | 7 | | |
| 8 | Interest, annuities, royalties, and rents from a controlled organization (Schedule F) | 8 | | |
| 9 | Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | 9 | | |
| 10 | Exploited exempt activity income (Schedule I) | 10 | | |
| 11 | Advertising income (Schedule J) | 11 | | |
| 12 | Other income (See instructions; attach schedule) | 12 | | |
| 13 | Total. Combine lines 3 through 12 | 13 | 629,760. | 629,760. |

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.) (Deductions must be directly connected with the unrelated business income.)

| | | | |
|----|--|------|----------|
| 14 | Compensation of officers, directors, and trustees (Schedule K) | 14 | |
| 15 | Salaries and wages | 15 | 308,096. |
| 16 | Repairs and maintenance | 16 | 297,285. |
| 17 | Bad debts | 17 | |
| 18 | Interest (attach schedule) (see instructions) | 18 | |
| 19 | Taxes and licenses | 19 | |
| 20 | Depreciation (attach Form 4562) | 20 | |
| 21 | Less depreciation claimed on Schedule A and elsewhere on return | 21 a | |
| 22 | Depletion | 22 | |
| 23 | Contributions to deferred compensation plans | 23 | |
| 24 | Employee benefit programs | 24 | 17,810. |
| 25 | Excess exempt expenses (Schedule I) | 25 | |
| 26 | Excess readership costs (Schedule J) | 26 | |
| 27 | Other deductions (attach schedule) SEE STATEMENT 2 | 27 | 55,045. |
| 28 | Total deductions. Add lines 14 through 27 | 28 | 678,236. |
| 29 | Unrelated business taxable income before net operating loss deduction. Subtract line 28 from line 13 | 29 | -48,476. |
| 30 | Deduction for net operating loss arising in tax years beginning on or after January 1, 2018 (see instructions) | 30 | 0. |
| 31 | Unrelated business taxable income. Subtract line 30 from line 29 | 31 | -48,476. |

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule M (Form 990-T) 2019

FORM 990-T (M)

OTHER DEDUCTIONS

STATEMENT

2

| DESCRIPTION | AMOUNT |
|---------------------------------------|---------|
| ADMIN & GENERAL EXPENSE | 6,562. |
| INSURANCE EXPENSE | 5,076. |
| TRANSPORTATION EXPENSE | 41,037. |
| TAXES | 32. |
| MISCELLANEOUS EXPENSE | 1,108. |
| UTILITIES EXPENSE | 1,230. |
| TOTAL TO SCHEDULE M, PART II, LINE 27 | 55,045. |

DRAFT

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

48-0526038

Schedule A - Cost of Goods Sold. Enter method of inventory valuation **N/A**

| | | | | | |
|---|-----------|--|---|------------|-----------|
| 1 Inventory at beginning of year | 1 | | 6 Inventory at end of year | 6 | |
| 2 Purchases | 2 | | 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2 | 7 | |
| 3 Cost of labor | 3 | | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | Yes | No |
| 4a Additional section 263A costs (attach schedule) | 4a | | | | |
| b Other costs (attach schedule) | 4b | | | | |
| 5 Total. Add lines 1 through 4b | 5 | | | | X |

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

| |
|-----|
| (1) |
| (2) |
| (3) |
| (4) |

2. Rent received or accrued

| | | |
|--|--|--|
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total | 0. | Total |

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A)**(b) Total deductions.**

Enter here and on page 1, Part I, line 6, column (B)

0.

0.

Schedule E - Unrelated Debt-Financed Income (see instructions)

| | | | | |
|--|--|--|---|--|
| 1. Description of debt-financed property | | 2. Gross income from or allocable to debt-financed property | 3. Deductions directly connected with or allocable to debt-financed property | |
| | | | (a) Straight line depreciation (attach schedule) | (b) Other deductions (attach schedule) |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5. Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6. Column 4 divided by column 5 | 7. Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| Totals | | | Enter here and on page 1, Part I, line 7, column (A). | Enter here and on page 1, Part I, line 7, column (B). |
| | | | 0. | 0. |
| Total dividends-received deductions included in column 8 | | | | 0. |

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-0047

► **File a separate application for each return.**
 ► **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

| | | |
|--|--|---|
| Type or print File by the due date for filing your return. See instructions. | Name of exempt organization or other filer, see instructions. LANE-SCOTT ELECTRIC COOPERATIVE, INC. | Taxpayer identification number (TIN) 48-0526038 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 758 | |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. DIGHTON, KS 67839 | |

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 1

| Application Is For | Return Code | Application Is For | Return Code |
|--|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ | 01 | Form 990-T (corporation) | 07 |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 4720 (individual) | 03 | Form 4720 (other than individual) | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

KATHERINE E. LEWIS, FINANCE MANAGER

- The books are in the care of ► **P.O. BOX 758 - DIGHTON, KS 67839**
Telephone No. ► **620-397-5327** Fax No. ► _____
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and TINs of all members the extension is for.

- 1 I request an automatic 6-month extension of time until **NOVEMBER 16, 2020**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ► ☒ calendar year **2019** or
 ► ☐ tax year beginning _____, and ending _____.

- 2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

| | | | |
|---|-----------|----|-----------|
| 3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 3a | \$ | 0. |
| b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. | 3b | \$ | 0. |
| c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. | 3c | \$ | 0. |

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

10. New Business

10. e. Estate Capital Credit Additional Retirements

Last month the Board approved Capital Credit allocations for 2019 as well as Estate Capital Credit Allocations. Once the 2019 Allocations were apportioned, we discovered that certain Estates had additional Capital Credits allocated that needed to be paid.

The final list of these additional allocations will not be finalized by NISC until Monday. We will post that information once we receive it.

I apologize for the oversight and inconvenience. Next year we will present 2020 Allocations to the Board as soon as we have the Audited Year End Form 7.

Staff requests that the Board approve the Estate Capital Credit Additional Allocations.



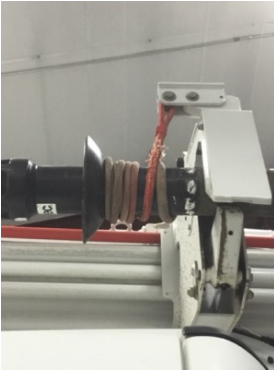
Bm Bd

Bruce Baker, CLCP
913-335-5276

LANE-SCOTT

Thursday, October 15, 2020

6 Issues Identified



ISSUE 1

Assigned To Try 112

Recommend inspecting auger rope for possible fraying.



ISSUE 2

Assigned To Try 112

Recommend replacing tongs. They do not have the required WLL tag and are considered to be skidding tongs. They are not designed for lifting material overhead.



ISSUE 3

Assigned To Trk 136

Recommend replacing the strap on the pole bunk due to fraying.



ISSUE 4

Assigned To Truck Facility

Recommend battery charger have “No Smoking” and “Eye Protection Required” labels as required under battery charging station guidelines.



ISSUE 5

Assigned To Pole Yard

Recommend removing leaking equipment to enclosed secondary containment storage per EPA requirements.



ISSUE 6

Assigned To Pole Yard

Recommend removing leaking equipment to enclosed secondary containment storage per EPA requirements.

**Kansas Electric Cooperatives, Inc.
Annual Ground Test Results**

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory (NR) Needs Repaired (D) Discarded (V) Visual Rejection (Did Not Test)

| Ground Identification | | | | | | 1 st Test | | REMARKS | 2 nd Test | |
|-----------------------|------|-----|--------|------|----------------------|----------------------|------------------|--------------|----------------------|------------------|
| Co-op | Unit | Grd | Length | Size | Threshold Resistance | Test Resistance | (S) (NR) (D) (V) | | Test Resistance | (S) (NR) (D) (V) |
| 42 | 110 | 01 | 8' | #2 | 1.633 | 1.369 | S | | | |
| | | 02 | 10' | #2 | 1.961 | 1.675 | S | | | |
| | | 03 | 10' | #2 | 1.961 | 1.715 | S | | | |
| | | 04 | 30' | #2 | 5.243 | 4.725 | S | Truck Ground | | |
| | | 05 | 10' | #2 | 1.961 | 1.583 | S | | | |
| | | 06 | 10' | #2 | 1.961 | 1.711 | S | | | |
| | | 07 | 10' | #2 | 1.961 | 1.872 | S | | | |
| | | 08 | 10' | #2 | 1.961 | 1.561 | S | | | |
| | | 09 | 10' | #2 | 1.961 | 1.569 | S | | | |
| | | | | | | | | | | |
| 42 | 112 | 02 | 8' | #2 | 1.633 | 1.431 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.479 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.538 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.270 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.525 | S | | | |
| | | 07 | 8' | #2 | 1.633 | 1.460 | S | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

Instructor 

**Kansas Electric Cooperatives, Inc.
Annual Ground Test Results**

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory

(NR) Needs Repaired

(D) Discarded

(V) Visual Rejection (Did Not Test)

| Ground Identification | | | | | | 1 st Test | | REMARKS | 2 nd Test | |
|-----------------------|------|-----|--------|------|----------------------|----------------------|------------------|--------------|----------------------|------------------|
| Co-op | Unit | Grd | Length | Size | Threshold Resistance | Test Resistance | (S) (NR) (D) (V) | | Test Resistance | (S) (NR) (D) (V) |
| 42 | 117 | 01 | 8' | #2 | 1.633 | 1.399 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.475 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.622 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.504 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.372 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.363 | S | | | |
| | | 10 | 45' | #2 | 7.705 | 7.308 | S | Truck Ground | | |
| | | | | | | | | | | |
| 42 | 124 | 01 | 8' | #2 | 1.633 | 1.485 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.583 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.524 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.267 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.539 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.320 | S | | | |
| | | 10 | 63' | #2 | 10.639 | 9.940 | S | Truck Ground | | |

Instructor

Bruce L. McButter

**Kansas Electric Cooperatives, Inc.
Annual Ground Test Results**

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory

(NR) Needs Repaired

(D) Discarded

(V) Visual Rejection (Did Not Test)

| Ground Identification | | | | | | 1 st Test | | REMARKS | 2 nd Test | |
|-----------------------|------|-----|--------|------|----------------------|----------------------|------------------|--------------|----------------------|------------------|
| Co-op | Unit | Grd | Length | Size | Threshold Resistance | Test Resistance | (S) (NR) (D) (V) | | Test Resistance | (S) (NR) (D) (V) |
| 42 | 127 | 01 | 8' | #2 | 1.633 | 1.302 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.479 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.536 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.527 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.327 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.423 | S | | | |
| | | 07 | 10' | #2 | 1.961 | 1.777 | S | | | |
| | | 08 | 10' | #2 | 1.961 | 1.871 | S | | | |
| | | 09 | 50' | 1/0 | 5.481 | 4.975 | S | Truck Ground | | |
| | | | | | | | | | | |
| 42 | 132 | 01 | 10' | #2 | 1.961 | 1.779 | S | | | |
| | | 02 | 10' | #2 | 1.961 | 1.776 | S | | | |
| | | 03 | 10' | #2 | 1.961 | 1.750 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.449 | S | | | |

Instructor

Bruce A. McAntee

**Kansas Electric Cooperatives, Inc.
Annual Ground Test Results**

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory

(NR) Needs Repaired

(D) Discarded

(V) Visual Rejection (Did Not Test)

| Ground Identification | | | | | | 1 st Test | | REMARKS | 2 nd Test | |
|-----------------------|------|-----|--------|------|----------------------|----------------------|------------------|--------------|----------------------|------------------|
| Co-op | Unit | Grd | Length | Size | Threshold Resistance | Test Resistance | (S) (NR) (D) (V) | | Test Resistance | (S) (NR) (D) (V) |
| 42 | 136 | 01 | 8' | #2 | 1.633 | 1.195 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.374 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.215 | S | | | |
| | | 04 | 10' | #2 | 1.961 | 1.879 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.183 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.369 | S | | | |
| | | 10 | 60' | 1/0 | 6.494 | 6.111 | S | Truck Ground | | |
| | | | | | | | | | | |
| 42 | 150 | 01 | 6' | #2 | 1.305 | 1.217 | S | | | |
| | | 02 | 6' | #2 | 1.305 | 1.275 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.588 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.412 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.315 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.528 | S | | | |
| | | 10 | 50' | #2 | 8.526 | 8.001 | S | Truck Ground | | |

Instructor

Bruce A. McButter

**Kansas Electric Cooperatives, Inc.
Annual Ground Test Results**

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory

(NR) Needs Repaired

(D) Discarded

(V) Visual Rejection (Did Not Test)

| Ground Identification | | | | | | 1 st Test | | REMARKS | 2 nd Test | |
|-----------------------|------|-----|--------|------|----------------------|----------------------|------------------|----------------------------|----------------------|------------------|
| Co-op | Unit | Grd | Length | Size | Threshold Resistance | Test Resistance | (S) (NR) (D) (V) | | Test Resistance | (S) (NR) (D) (V) |
| 42 | 173 | 01 | 8' | #2 | 1.633 | 1.479 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.435 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.584 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.197 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.291 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.311 | S | | | |
| | | 07 | 8' | #2 | 1.633 | 1.459 | S | | | |
| | | 08 | 8' | #2 | 1.633 | 1.440 | S | | | |
| | | 10 | 50' | 1/0 | 5.481 | 6.092 | NR | Truck Ground/ Cleaned Ends | 5.111 | S |
| | | | | | | | | | | |
| 42 | 174 | 01 | 8' | #2 | 1.633 | 1.601 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.422 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.608 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.372 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.505 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.276 | S | | | |
| | | 07 | 50' | #2 | 8.526 | 8.021 | S | Truck Ground | | |

Instructor

Bruce A. McButter

**Kansas Electric Cooperatives, Inc.
Annual Ground Test Results**

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory

(NR) Needs Repaired

(D) Discarded

(V) Visual Rejection (Did Not Test)

| Ground Identification | | | | | | 1 st Test | | REMARKS | 2 nd Test | |
|-----------------------|------|-----|--------|------|----------------------|----------------------|------------------|--------------|----------------------|------------------|
| Co-op | Unit | Grd | Length | Size | Threshold Resistance | Test Resistance | (S) (NR) (D) (V) | | Test Resistance | (S) (NR) (D) (V) |
| 42 | 191 | 01 | 8' | #2 | 1.633 | 1.401 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.330 | S | | | |
| | | 03 | 10' | #2 | 1.961 | 1.603 | S | | | |
| | | 04 | 6' | #2 | 1.305 | 1.012 | S | | | |
| | | 05 | 10' | #2 | 1.961 | 1.482 | S | | | |
| | | | | | | | | | | |
| 42 | 193 | 01 | 8' | #2 | 1.633 | 1.497 | S | | | |
| | | 02 | 10' | #2 | 1.961 | 1.822 | S | | | |
| | | 03 | 8' | #2 | 1.633 | 1.539 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.612 | S | | | |
| | | 05 | 8' | #2 | 1.633 | 1.574 | S | | | |
| | | 06 | 33' | #2 | 5.725 | 5.036 | S | Truck Ground | | |
| | | 07 | 10' | #2 | 1.961 | 1.686 | S | | | |
| | | | | | | | | | | |
| 42 | 304 | 01 | 8' | #2 | 1.633 | 1.470 | S | | | |
| | | 02 | 8' | #2 | 1.633 | 1.933 | NR | Cleaned Ends | 1.511 | S |
| | | 03 | 8' | #2 | 1.633 | 1.612 | S | | | |
| | | 04 | 8' | #2 | 1.633 | 1.628 | S | | | |
| | | 05 | 12' | #2 | 2.289 | 1.959 | S | | | |
| | | 06 | 8' | #2 | 1.633 | 1.573 | S | | | |

Instructor

Bruce A. McIntee

Kansas Electric Cooperatives, Inc. Annual Ground Test Results

System: Lane-Scott **Date:** September 22, 2020

Condition Key (S) Satisfactory

(NR) Needs Repaired

(D) Discarded

(V) Visual Rejection (Did Not Test)

[illegible]

Instructor

Bruce L. McArthur

INSIDE

- 1, 4 Educating the Public at Every Opportunity will Save Lives
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- 3 Accidents & Upcoming Events
- 5-8 Safe Transportation of Leaking Transformers

SAFETY SUMMARY

Safety Summary is published monthly by the Loss Control, Safety & Compliance Department at Kansas Electric Cooperatives, Inc., Topeka, Kansas.

EDITOR: Larry Detwiler,
Director, Loss Control, Safety & Compliance

LOSS CONTROL, SAFETY & COMPLIANCE COMMITTEE

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Gene Scheer, Sedgwick County
Adam Myers, Twin Valley
Randy Quint, Victory
Tom Ruth, Western
Bruce Mueller, Wheatland

KEC STAFF LIAISONS

Larry Detwiler
Lee Tafanelli

Educating the Public at Every Opportunity will Save Lives

BY BRUCE L. MCANTEE, LOSS CONTROL, SAFETY AND COMPLIANCE INSTRUCTOR

When conducting safety meetings, I make it a point to begin with a discussion on accidents and near misses. I often ask how many the result of what appear to be near misses or accidents caused by the public.

Throughout my years working for the cooperatives, my experience has been that many farm accidents I've responded to involve the vehicle operator standing alongside the accident scene saying, "I saw the big ball of fire so I knew the line was de-energized." Though the line may have been dead, the reality is, the vehicle operators were just lucky.

Accidents caused by the public come in many ways, and maintaining safety is the hard part. Presenting demo trailers to the public over the years has had a significant impact on what could have happened from carelessness and/or bad decisions. As they say, bad decisions with good intentions are still bad decisions.

Last summer I had a discussion with an

out-of-state safety coordinator who was describing a car accident that involved a utility pole.

Many safety and rescue responders arrived at the scene to include EMS, firefighters and the sheriff's department. When the linemen arrived, the wires were so low that they were hanging "head high." Knowing the line was still energized, the linemen immediately tried to evacuate the scene. Unfortunately, the linemen were met with some resistance from the firefighters who were insistent on assisting the victim without considering the danger. The linemen eventually persuaded the sheriff to assist with clearing the accident



Bruce McAntee



Pioneer Electric Cooperative's Safety Demonstration

Continued on page 4 ▶

SAFETY SUMMARY

Accident Summary July 2020

| | No Lost Time | Lost Time | Days Lost | Employees | | Hours Worked | Vehicles Used | Miles Driven | Vehicle Accidents |
|------------------|--------------|-----------|-----------|------------|-----------|----------------|---------------|----------------|-------------------|
| | | | | Full-time | Part-time | | | | |
| 4 Rivers | 1 | 0 | 0 | 45 | 0 | 7,398 | 33 | 49,873 | 0 |
| Ark Valley | 0 | 0 | 0 | 15 | 0 | 2,289 | 13 | 15,528 | 0 |
| Bluestem | 0 | 0 | 0 | 31 | 2 | 6,412 | 29 | 29,624 | 0 |
| Brown-Atchison | 0 | 0 | 0 | 11 | 1 | 1,899 | 8 | 6,675 | 0 |
| Butler | 0 | 0 | 0 | 44 | 4 | 7,889 | 16 | 24,788 | 0 |
| Caney Valley | 0 | 0 | 0 | 18 | 0 | 3,307 | 16 | 11,254 | 0 |
| CMS | 2 | 0 | 0 | 33 | 2 | 5,576 | 22 | 32,775 | 1 |
| DSO | NO REPORT | | | | | | | | |
| Doniphan | 0 | 0 | 0 | 7 | 0 | 1,224 | 5 | 3,729 | 0 |
| Flint Hills | 0 | 0 | 0 | 21 | 2 | 3,928 | 18 | 14,380 | 0 |
| FreeState | 0 | 2 | 8 | 79 | 2 | 12,755 | 46 | 49,833 | 0 |
| Heartland | 0 | 0 | 0 | 42 | 1 | 8,495 | 28 | 45,352 | 1 |
| KEC | 0 | 0 | 0 | 15 | 1 | 3,197 | 6 | 15,376 | 0 |
| KEPCo | 0 | 0 | 0 | 24 | 0 | 3,917 | 9 | 10,208 | 0 |
| Lane-Scott | 0 | 0 | 0 | 22 | 1 | 5,606 | 21 | 17,764 | 0 |
| Nemaha-Marshall | 0 | 0 | 0 | 14 | 3 | 2,885 | 12 | 12,459 | 0 |
| Ninnescah | 0 | 0 | 0 | 18 | 0 | 3,479 | 12 | 13,575 | 0 |
| Pioneer | 0 | 0 | 0 | 70 | 0 | 13,562 | 46 | 51,092 | 0 |
| Prairie Land | 3 | 0 | 4* | 84 | 1 | 13,831 | 63 | 75,543 | 0 |
| Rolling Hills | 1 | 0 | 0 | 39 | 6 | 7,308 | 41 | 58,086 | 0 |
| Sedgwick County | 0 | 0 | 0 | 19 | 0 | 3,033 | 16 | 9,522 | 0 |
| Southern Pioneer | NO REPORT | | | | | | | | |
| Sumner-Cowley | NO REPORT | | | | | | | | |
| Twin Valley | 0 | 0 | 0 | 13 | 1 | 2,198 | 12 | 12,538 | 0 |
| Victory | 0 | 0 | 0 | 71 | 0 | 13,265 | 41 | 40,303 | 0 |
| Western | 0 | 0 | 0 | 56 | 3 | 10,895 | 41 | 44,991 | 0 |
| Wheatland | 0 | 0 | 0 | 133 | 2 | 23,408 | 104 | NA | 1 |
| Total | 7 | 2 | 8 | 924 | 32 | 167,756 | 658 | 645,268 | 3 |

*Accident Previously Reported +Reflects Cumulative Lost Time

Accident Reports *July 2020*

July 2020

4 RIVERS, LEBO

No accident form submitted.

Lost time: No

July 2020

ROLLING HILLS, BELOIT

No accident form submitted.

Lost time: No

July 3, 2020

PRAIRIE LAND, NORTON

Lineman

Injury: Possible hernia.

Cause: Cooperative employee was throwing debris from storm damage.

Lost time: (No/TBD)

July 9, 2020

PRAIRIE LAND, ST. FRANCIS

Lineman

Injury: Muscle strain in lower back.

Cause: Cooperative employee reached for a tree limb from the cooperative's aerial device.

Lost time: No

July 13, 2020

CMS, MEADE

Near Miss: Cooperative employees were in the process of changing out a three-phase distribution structure.

While pulling neutral down, conductor contacted road phase and opened up three-phase reclosure. Protective device was on one-shot and alternate settings.

Lost time: No

July 16, 2020

HEARTLAND, GIRARD

Vehicle accident: Cooperative employee was pulling into a driveway with a cooperative vehicle, hit tree stump with passenger side door trying to avoid tree stump on driver's side.

Lost time: No

July 23, 2020

CMS, COLDWATER

Vehicle accident: Cooperative employee was pulling cooperative's digger-derrick into cooperative's warehouse. Warehouse door was not all the way up and lower portion of pole claws caught door.

Lost time: No

July 27, 2020

WHEATLAND, GARDEN CITY

Vehicle accident: Cooperative employee was backing away from the G&T's plant office and backed into railing for wheelchair ramp.

Lost time: No

UPCOMING EVENTS

EVENTS BELOW ARE
POSTPONED UNTIL 2021

**Safety Coordinators/Material
Managers Meeting (Wichita)**

KEC Hot Line School (Pratt)

**KEC Hot Line School
(Manhattan)**

**Line Supervisors Meeting
(Wichita)**

**Transformer Workshop
(Topeka)**

Metering Workshop (Topeka)



SAFETY SUMMARY

Educating the Public at Every Opportunity will Save Lives *Continued from page 1*



Pioneer Electric Cooperative's Safety Demonstration

scene while another lineman was on the phone requesting additional support. The linemen recognized help was necessary to de-energize the line so everyone could do their job safely.

The cooperative that had responded to the accident presented a demo trailer of the dangers of electricity to that same fire department the following week. After the presentation, the firefighters approached the lineman and said, "thank you for saving our lives" and not allowing us to be a second victim. We should always remember that we are the professionals in the field and the scene isn't safe until we make it safe!

On another occasion, I was conducting a safety meeting and the operations manager informed me that he had his crews out searching for splices on conductors at road crossings and field entrances to try and raise the wire up. This was an excellent example of trying to recognize the hazards, which is a major part of the process to avoid potential accidents.

It is an ongoing challenge to keep the public safe but we must never stop. We all have stories to share, horrific

pictures we've seen, so let's pass the information on to the public and for our own safety — so EVERYONE can go home safe!

How do we adopt a 24/7 safety culture? The challenges we face can and will be frustrating but keep the information flowing. Hazards and dangers do not stop when the work day ends. Continue sharing the demo trailers and educating people at every opportunity. We must educate the public so they can understand the dangers of electricity. Sharing the "do's and don'ts" while applying our knowledge saves lives!



KEC's Loss Control, Safety and Compliance staff record unsafe practices across the state as part of KEC's public service announcement campaign "Deadliest Safety Catch."

Safe Transportation of Leaking Transformers

Preserve the environment and avoid legal woes by choosing a containment option that meets regulatory requirements. **BY PATRICK F. MCATARIAN**

"Back in the day, we put leaking pots in a trash bag, and we were good to go!"

For hundreds of Incident Prevention readers, that remark isn't totally unheard of. And in reality, it's not far off from what some do when leaking transformers are transported or stored prior to reclamation or disposal. However, that will not save a utility from the fines and reclamation actions it could face if transportation or environmental regulatory authorities get involved.

Utilities fall under numerous environmental regulations, including the Toxic Substances Control Act of 1976. Since the 1970s, public demand for environmental safety also has led to numerous additional requirements. The problem is that the various agencies, with their overlapping environmental requirements, don't specifically or clearly detail the issues that utilities face with aerial and padmount transformers and other line equipment that are insulated with a variety of fluids or oils. Individual states also may have regulations that exceed federal standards, potentially increasing utility exposures. What is clear is that if you dump oil, no matter what kind it is, you will face fines and reclamation costs far beyond what the cost of compliance would have been.

Ultimately, utilities must be concerned about the greatest exposure to environmental enforcement, and that is field-employed transformers and switchgear that contain chemicals. Transportation and storage of fluid-insulated apparatus are covered by numerous U.S. Environmental Protection Agency standards, including the Resource Conservation and Recovery Act, as well as standards from the U.S. Department of Transportation and the Pipeline and Hazardous Materials Safety Administration. But even more important than regulations may be your customers' impressions of your environmental stewardship. These days, the public has become more sensitive to environmental risk exposures. Oil dripping from trucks or apparatus impacts the public perception of a utility.

Still, public perception notwithstanding, no utility wants to even accidentally contaminate the environment. And certainly, no utility wants to be faced with cleaning up a miles-long trail of transformer oil, especially when the fine for contamination can be over \$37,000 a day for an unremediated condition.

An Industry Scenario

CONSIDER THIS SCENARIO: A utility plans a contractor-executed retrofit and upgrade that requires replacing more than 100 transformers. Most of the transformers are over 40 years old. They have been surveyed, and all of them are less than action level for polychlorinated biphenyls — or PCBs — but many of the transformers are leaking. The contractor uses heavy black plastic trash bags to contain several leaking transformers in a load of 20 transformers; they are then put on a stakebody truck for transport back to the utility's yard. During transport, the transformers cut through the bags on the checker-plate deck, and a visible oil drip catches the attention of a member of the public, who reports it to the authorities. The contractor gets shut down, and the city, county and state environmental agencies, as well as federal transportation enforcement, get involved with the utility's lawyers. The utility is compelled to hire a specialty legal firm to help them with environmental law.

Once the contractor is back up and running, they decide to abandon the heavy black plastic trash bags and start using an overstock of leftover fertilizer transport bags since they are made with heavy material, are rated for a ton of weight, are waterproof and have lifting straps sewn onto them. Plus, a salesman the contractor talked to said they would work just fine. The problem is that intent, advice and remedy do not always meet regulatory requirements. That's why the state's transportation enforcement eventually stopped another transformer load and put the contractor out of service — again. The enforcement agent ticketed the driver for load violations, explaining that the fertilizer transport bags — known as flexible intermediate bulk containers, or FIBCs — are noncompliant for transporting transformers on two counts: they are not rated for liquids and they cannot be used with a package (transformer) inside them. Unfortunately, nobody at the utility knew that, and the contractor sought cheap advice from a poorly informed source. This project will now cost hundreds of thousands more than planned, and that doesn't take into account the public relations and political issues generated by the TV news story that opened with a close-up of oil on the public street right outside the utility's yard.

This entire situation started with a box of trash bags

Continued on page 6 ►

SAFETY SUMMARY

Transformer containment bags allow complete access to the transformer manufacturer's engineered lifting lugs, contain leaks, ensure regulatory compliance, and minimize risk to employees, the environment and the public.



Continued on page 7 ▶

Safe Transportation of Leaking Transformers *Continued from page 6*

purchased at the local home store. The contractor went from simply purchasing trash bags to repurposing equipment as the method to solve a problem. And it's true that repurposing works well on television remodeling shows. Who wouldn't want an old farmhouse door repurposed as a rustic table? But with OSHA and other regulatory agencies, the manufacturer's application and design purpose, which is listed on equipment labels and instructions, means that repurposing can be a violation of law and even a hazard to employees.

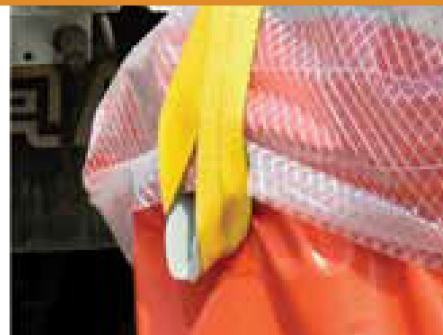
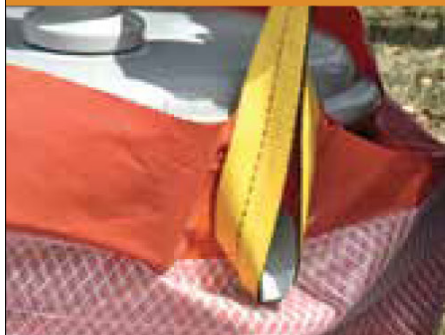
While the scenario above is not exact, every element of the story is. Andax Industries sees these things happen every year. There are many utilities that understand the requirements for safely handling leaking transformers and have employed the use of transformer containment bags for many years. But there also are those that call us, already in a bind, having found themselves at the mercy of enforcement and desperate to become compliant as soon as possible — after the damage has already been done.

About FIBCs

In some segments of industry, including utilities, FIBCs have been employed as a means to lift and move transformers being removed from service. The issue is that these products are not rated, designed, tested or approved for use with utility transformers. FIBCs are designed for granular/flowable materials. You may be familiar with this type of bulk packaging; it can be used to hold contaminated soils from a spill site or perhaps as a bulk packaging solution for bulk fertilizers or a shipment of grass seed at a project site. When used properly — for their intended purpose — FIBCs are a great packaging solution. And for contaminated soils and other approved applications, they can and do meet U.S. DOT requirements for transportation.



By using a regulatory-compliant product that complements your line crews' work methods, you won't be violating your team's safety training or government regulations.



As with all things, however, there are caveats; the phrase "for their intended purpose" is one of the caveats here. FIBCs are designed, tested and rated for use with flowable materials.

Continued on page 8

Safe Transportation of Leaking Transformers *Continued from page 7* ▶

Utility and contractor employers are charged by OSHA, the U.S. DOT and other regulatory agencies to understand and comply with many standards — and that means research. Let's say you are told by a supplier that you can use an FIBC as a form of fluid containment, or that you can safely lift a transformer in an FIBC; that doesn't make doing so appropriate or legal. As we are always being reminded, those agencies that enforce those laws don't approach equipment vendors when something goes wrong on a job site; they go directly to the employer. That's because employers are expected to consult with regulatory agency documents and manufacturer design data that establish both the use and limits of specialty-purpose equipment.

There are three primary reasons FIBCs should not be used to move transformers, whether they're leaking or not:

- ▶ FIBCs are designed, manufactured, tested and certified for flowable materials — and a transformer is not a flowable material.
- ▶ Transportation rules prohibit using FIBCs with inner packaging, which occurs when an FIBC is used to transport a transformer.
- ▶ FIBCs may well be waterproof, but they are not permitted for use in the containment or transport of liquids.

Don't Stop at Seeking Advice

The utility industry has a lengthy safety and environmental history, and many procedures are familiar to workers because they have been in place for such a long time. As environmental rules have evolved, the industry has worked to acquire new levels of knowledge and experience to meet the sometimes-confusing expectations of regulatory agencies. This is where the employer, typically depending on safety personnel, must do the required research to develop compliant methods for issues like

environmental protection and OSHA compliance.

It's OK to seek the advice of vendors and manufacturers of industry tooling and equipment. That's what we do — provide solutions. Often that means fabrication of new tools, equipment and methods to meet employers' needs. But don't stop at seeking advice. Ask your vendor representatives which agencies regulate the topic and request documentation of the vendor's development, application and compliance data. That's not the end of it, though. If you are an employer, you also must familiarize yourself with the regulatory standards, examine vendor documents and judge compliance for yourself. After all, you are the one who is responsible for your company's regulatory compliance and the safety of your employees and the environment, not a vendor's sales representative.

A Compliant Solution

So, how should a line crew safely lift, move and store a utility transformer? One solution is to use a transformer containment bag, which allows complete access to the transformer manufacturer's engineered lifting lugs, contains leaks, ensures regulatory compliance, and minimizes risk to employees, the environment and the public. By using a regulatory-compliant product that complements your line crews' work methods, you won't be violating your team's safety training or government regulations. And while there are other manufacturers out there, Andax has been making transformer containment bags for 27 years and happens to think they are the best. Our recommendation is to do your research, know the rules and requirements, and then contact us to find out more.

PATRICK F. MCATARIAN is the general manager of Andax Industries. Reach him at pmc@andax.com.



**HAVE A SAFE AND HAPPY
Halloween!**

SAFETY PROGRAM

SAFETY PROJECTS COMPLETED AS OF OCTOBER 2020

1. Chris Terhune created a form to record when OCR Lock Out and Tag Out procedures are done and a PCB Log form to record transportation and retainment procedures.
2. Updated Kansas One Call email listing.
3. Updated SRS dispatch procedures.
4. Updated SRS email notifications.
5. Updated SRS 2021 holiday call schedule.
6. Updated SRS lineman standby list.
7. KEC safety meeting topics was concerning maintenance, care and testing of hot line tools, safety attitude, and safety summary review. October safety minutes are included in packet.
8. Chris Terhune submitted safety program and FR clothing budget report.

SAFETY PROJECTS IN PROGRESS AS OF OCTOBER 2020

1. Emergency Response Plan, Disaster Recovery Plan, Emergency Restoration Plan binders' project.

Board Meeting Report



NRECA Board of Directors Fall 2020 Meeting

September 21-23, 2020 – Virtual

Curtis Wynn (North Carolina), President

Chris Christensen (Montana), Vice President

Tony Anderson (Michigan), Secretary-Treasurer



CEO'S REPORT

CEO **Jim Matheson** reported on steps NRECA has taken to support its members affected by recent natural disasters, including increased communication support with media and co-op consumer-members, and health plan concessions for members in those affected areas. He remarked on NRECA's meaningful relationship with the Electricity Subsector Coordinating Council (ESCC) during these events and the benefit of coordination with federal partners to provide needed equipment for co-ops. Matheson also commended the thousands of co-op personnel responding to the disasters. Briefing the board on NRECA's operations to support its employees and members during the pandemic, he reported on ways NRECA has sustained membership value and identified opportunities to create new value for members. As examples, he highlighted how RE Advisors* and NRECA PIRC consultants have successfully transitioned to virtual meetings with members, and national media coverage of COVID impacts on cooperatives that is supporting NRECA's advocacy efforts. Matheson noted there will be no dues increase or health plan premium increase for members in 2021. Matheson also introduced **Jana Adams** as the new executive director of Touchstone Energy®.

**RE Advisors Corporation is a separate legal entity.*



ACTIONS

- ◆ Adopted a resolution to establish the Diversity Champion Award, which recognizes co-op leaders who promote diversity, equity and inclusion within their cooperatives
- ◆ Adopted a resolution to accept the 2019 auditor's report
- ◆ Approved new, non-voting affiliate members: CoastConnect, LLC (Mississippi); Delta Fiber, LLC (Mississippi); TriCoLink, Inc. (South Carolina); Wide Open Utility Service, LLC (Kentucky); Arizona Power Authority (Arizona)



KEY ISSUES

Regional & Annual Meetings

Tracey Steiner, senior vice president of education and training, reviewed the details of NRECA's Online Regional Week, which had 2,125 total registrants as of Oct. 5, and more than 200 registrants from each region for the resolutions committee meetings. She noted that voting delegates will receive additional login information for the business meetings and recommended that participants explore the online platform in advance of the meetings. Regarding NRECA's 2021 rebranded annual meeting, PowerXchange, Steiner noted new opportunities for NRECA members that will be presented by moving the event online, including a lack of physical space constraints and greater ability to connect members with common interests. She noted the 2021 PowerXchange will have a greater emphasis on participant engagement via small group discussions and idea sharing opportunities, in addition to conducting the business of NRECA's annual meeting.

NRECA Budget & COVID-19 Financial Considerations

Jim Matheson presented information on the financial impact of the pandemic to NRECA. He reported that NRECA identified areas of business risk and acted to reduce expenses. Thanks to these actions and NRECA's pandemic event insurance, the association expects to meet or exceed its financial targets for the year. He noted the pandemic event insurance will not be available in 2021. NRECA's final proposed budget for 2021 will be presented at the December board meeting.

National Grassroots Advocacy

Jim Matheson and **Louis Finkel**, senior vice president of government relations, presented an overview of NRECA's plan to overhaul the national grassroots advocacy strategy, with plans to engage co-op employees and consumer-members across the country to take action on legislative issues that impact co-ops and rural communities. Matheson reviewed NRECA's current grassroots capacity, noting participation rates are low and that NRECA's strategic approach and engagement platforms are outdated. NRECA's pilot of different technology platforms, with an emphasis on social media engagement, during COVID-related advocacy efforts this summer proved successful in increasing participation. With those results in mind, Finkel outlined NRECA's grassroots strategy going forward. Steps include modernizing program infrastructure, advocate research and recruitment, message testing and, ultimately, more frequent communications with and targeted activations among the advocate community. NRECA will develop the new program during the next 18 months.

U.S. Government Grants & Contracts

Veneicia Lockhart, senior vice president of finance, **Jim Spiers**, senior vice president of business and technology strategies, and **Dan Waddle**, senior vice president of NRECA International, reviewed various types of U.S. government funding, the processes for applying for and securing grants and contracts, compliance requirements and quality control processes. Two NRECA board controlled charitable entities receive U.S. government funding—NRECA International and NRECA Research. Through Aug. 31, 2020, NRECA International received \$5.5 million (61% of its revenue) in U.S. government funding, and NRECA Research received \$3.3 million (46% of its revenue). NRECA receives funding from the U.S. Department of Defense, Department of Energy and national laboratories.

Cybersecurity Defense in Depth

Sherry McCarthy, vice president and chief information security officer, and **Cynthia Hsu**, principal for cybersecurity solutions, reported on cybersecurity strategy at NRECA and resources for its members. McCarthy reviewed the NRECA defense-in-depth model, which takes a risk-based, comprehensive approach to ensure security controls at the administrative, physical and technical levels to protect NRECA's network and stay ahead of threats. Hsu reported on NRECA's Rural Cooperative Cybersecurity Capabilities Program (RC3), noting that 742 cooperatives have participated in at least one RC3 offering since 2017. RC3 offerings include educational summits and training discounts, tabletop exercises to test co-op cybersecurity capabilities and an online self-assessment license program. The deadline for participation in the latter program is Oct. 16. Hsu also reported on NRECA's upcoming Cybersecurity Exercises for Electric Communities (CyberSEEC) [event](#) (Oct. 29), which is a free virtual exercise that allows co-ops to test their cybersecurity incident response process. Hsu reviewed accomplishments of NRECA's Essence™ Projects and announced the receipt of a \$6 million grant from the Department of Energy to expand Essence and deploy a revolutionary cyber monitoring tool to member co-ops. Lastly, Hsu previewed NRECA's upcoming cybersecurity research topics, including supply chain, distributed energy resources, hydropower and Department of Defense requirements.

Fiduciary Duties of the Board

Rich Meyer, NRECA senior vice president and general counsel, reviewed the board's fiduciary duties and governance, distinguished management from Board oversight, and explained how the duty of board members differs from the duty of those elected as representatives. He encouraged board members to self-assess whether they are carrying out their fiduciary duties to the best of their abilities and renew their commitments as fiduciaries of NRECA.

NRECA Board Committee Responsibilities

Board committee chairs each reported on how their committees contribute to the governance of NRECA, how their committee responsibilities align with the strategic plan, and a description of the topics on which they advise, monitor and make recommendations to the full board.



COMMITTEE REPORTS

Administrative – Kelley Smith (Florida), Chair

The committee reviewed NRECA’s preparedness in managing risks associated with the COVID-19 pandemic with a defined and tested business continuity plan and event cancellation insurance that covered communal diseases (which is typically an exclusion on the policy). The group discussed NRECA’s National Discount Program and its ability to provide significant benefits to cooperatives and their employees, with more than \$4 million in realized savings for co-ops for the six-month period ended June 30. In addition, the committee met with NRECA’s external auditors to review final audit results for the period ending Dec. 31, 2019. [View committee report.](#)

Business & Technology Strategies – Meera Kohler (Alaska), Chair

The committee reviewed NRECA’s cybersecurity projects, noting that more than 480 cooperatives are using the Self-Assessment Online License Program from the Rural Cooperative Cybersecurity Capabilities Program (RC3). Federal funding for RC3 will end in December. Discussing the increase in electrical contacts by cooperatives this year, the committee received a report on phase two of the Commitment to Zero Contacts initiative, which will identify additional co-op resources and actions to address this concerning trend. Lastly, the committee reported on the economic and financial impacts of COVID-19 for the electric cooperative community, noting that the expansion of BTS service and product offerings will enable cooperatives to position for future funding opportunities and deploy offerings that have value to their consumer-members. [View committee report.](#)

Education, Communication, & Marketing – Kevin Doddridge (Mississippi), Chair

The committee discussed NRECA’s response to the pandemic regarding its education and training programs, including considerations such as member feedback that informs how to offer content during this time. NRECA has canceled some in-person events, shifting to online platforms, and continues to negotiate cancellation damages and file event cancellation insurance claims for the programs covered under NRECA’s insurance policy. The association is planning for resuming certain in-person events in 2021 with health and safety protocols and procedures in place. Relating to communications, the committee discussed the collaborative strategies between NRECA and Touchstone Energy that are providing added value to NRECA members, such as the monthly “Power Hour” webinar and planned communications on beneficial electrification. The committee heard a report on new research that shows high marks from consumer-members for co-op engagement and providing new services during the pandemic. [View committee report.](#)

Government Relations – Marion Denger (Iowa), Chair

The committee discussed electric cooperative broadband deployment and policy considerations, as well as the need for NRECA to remain a strong voice for its members on broadband matters. They also discussed the likely scenarios of how climate change and other environmental issues could play out after the presidential election, including greater business certainty during a second Trump term. A Biden Administration likely would be characterized by steady pressure on coal-fired generation, increased regulation, implementation of a net-zero climate plan, and the prospect of wholesale changes on many environmental regulatory matters. Lastly, the group received an update on NRECA’s online youth programs, their reach and potential moving forward. [View committee report.](#)

Insurance & Financial Services – Steve Walter (Washington), Chair

The committee reviewed and approved the trust financial reports, investment and asset performance, compliance and legal matters, and audit activities related to the administration of the benefit plans. It also reviewed materials and recommendations related to the hiring of certain investment management firms for a variety of asset classes and allocation strategies in both the RS Plan and the 401(k) Pension Plan. Lastly, the committee approved adding Private Credit as a new alternative investment class within the RS Plan investment portfolio. To engage in this new asset class, the committee approved an investment in the Deerpath Capital V credit fund for the RS Plan, with an initial commitment of up to \$35 million. [View committee report.](#)



SPECIAL GUESTS

Ballast Research Update

Michael Gottlieb, president and general counsel of Ballast Research, reported on recent findings regarding NRECA's reputation among policymakers in Washington, D.C. Survey results indicate NRECA has the best reputation among major energy associations, according to policymakers. Results indicate NRECA has strong and improving lobbying, communication and senior leadership engagement with policy leaders, and there is strong awareness of whom NRECA represents. NRECA also is notable for its bipartisanship, according to results. Gottlieb also discussed an opportunity for growth is in the area of grassroots engagement. NRECA ranked 25th out of 40 in its effectiveness of mobilizing individual stakeholders such as co-op employees and consumer-members. These findings informed the strategy to retool NRECA's grassroots advocacy strategy as previously outlined in the report.

EPRI Update

Mike Howard, CEO of the Electric Power Research Institute (EPRI), discussed his view of the most significant energy industry changes over the last several years, including the focus on cleaner energy, the digital transformation that has become critical for the industry, and the increased importance of reliability, resiliency and affordability. EPRI is researching ways to integrate solutions for each of these challenges, which will be crucial for some utilities that wish to move to net zero carbon emissions by 2050 and for managing increasing distributed energy resources. Howard noted that this transition will require electric utilities to think broadly about bulk storage, and distribution co-ops will have to incorporate digital technologies within their systems at a faster pace. He commented on EPRI's low carbon research initiative to help the industry drive toward net zero carbon emissions by 2050, noting there are significant technical and affordability challenges inherent to the effort.

U.S. Department of Energy

Bruce Walker, assistant secretary of the U.S. Department of Energy Office of Electricity, reported on DOE's focus on protecting against cyber and physical threats to the grid and its partnership with the Department of Defense to identify critical defense infrastructure during that process. Although threats to energy infrastructure from extreme weather events and cyber and physical attacks continue to evolve, DOE is working with a comprehensive resilience modeling system for the North American energy sector to advance existing capabilities to model, simulate and assess the behavior of electric power systems. Walker also commented on DOE's appreciation for its partnership with NRECA and its members.

CoBank Update

Tom Halverson, president and CEO of CoBank, reviewed U.S. fiscal trends, including growth in the federal deficit, and the implications of those trends for the rural economy. He reported there is medium-term downward pressure on federal programs that support agriculture and other rural industries. Halverson said this points to an increased need for rural grassroots engagement across industries since federal resources could become more scarce.

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IT/COMPLIANCE DEPARTMENT

IT/COMPLIANCE PROJECTS COMPLETED AS OF OCTOBER 2020

1. Domain monthly disk cleaner.
2. Daily backup and alert review.
3. User VPN Tunnel reprogramming from Firewall ISP upgrade.
4. Retail laptop set up hard drive failure. Spare laptop located and set up for training.
5. Operations Office 365 upgrade.
6. Lineman iPad set up.
7. Mapping printer set up on network.
8. Trustee iPad updates.
9. Submitted IT and Cybersecurity 2021 budget report.
10. Printer scanning issues troubleshooting.
11. Outlook Office 365 licenses amended and credit memo applying to fees due.
12. S&T phone button programming.
13. Time entry GL number added to ESS time entry options.
14. Verifone credit card machine syncing issues.
15. NISC Thrive virtual webinar on future software implementations and future upgrades.
16. Asset and networking inventory update.
17. Finance APC UPS battery backup unit battery issues.

IT/COMPLIANCE PROJECTS IN PROGRESS AS OF OCTOBER 2020

1. Credit card replacement machine programming for testing.
2. Share drive file and folder archiving and user drive partitioning.
3. Data management forwarding DMZ server security programming.
4. One Drive-Sharepoint data sharing criteria.
5. Converting RESAP inspection forms to mobile form fillable forms, process for record retention storage, testing, and company employee access options.
6. SmartHub test company module.
7. IVR Call Capture calling and Messenger planned outage OMS integration.
8. Document Vault integration with AppSuite.
9. SmartHub outage notification set up.
10. AppSuite outage activity type enhancement.

CYBERSECURITY - IT DEPARTMENT

CYBERSECURITY/IT PROJECTS COMPLETED AS OF OCTOBER 2020

1. ASP iVue server monthly patching and updates.
2. AppSuite 1.71 software upgrade and security setting updates.
3. SmartHub Web 12.4.0 software upgrade and security setting updates.
4. KIOSK monthly patching and updates.
5. Secure Payment Gateway 1.24 patch 10 update.
6. AppSuite Mapview TPK imagery file monthly update.
7. US Payment KIOSK security patch, monthly patching and updates.
8. Windows updates.
9. Operations and domain server daily backups and notifications.
10. KEC IT Summit webinar topics were on cybersecurity incident response planning and tabletop exercise, Homeland Security cybersecurity programs, device and data security management, Microsoft licensing requirements, remote office securities and software options. Ended with a roundtable discussion of COVID tech issues and planned improvements, remote management software, Microsoft Office 365 software applications, vulnerability scanning, patching and updates, and shared resources.
11. Axio 360 webinar on the new NIST CSF assessment enhancement that can be added in addition to the RC3 assessment. The help sections provide detail information on the NIST CSF and NERC CIP cybersecurity guidelines and regulations.
12. Manage Engine Desktop Central software management distribution database server SSL certificate programmed. Firewall ports programmed.
13. ISP WAN Public IP addressing transition completed on firewall.

CYBERSECURITY/IT PROJECTS IN PROGRESS AS OF OCTOBER 2020

1. Veritas 21.1 security software update.
2. Researching scam email handling, reporting of processes, and security policies.
3. iVue 2.49 software upgrades and security setting updates.
4. Information Technology Cybersecurity mobile device policies and procedures.
5. Office 365 Outlook email security options being reviewed.
6. Manage Engine Desktop Central NAT settings programming error and SSL error, DMZ gateway server access control security implementation. Virtual DMZ management training.
7. Cyber Detect and Scan project implementation requirement follow ups. Postponed due to COVID financials.
8. VEEAM cloud base backup project options were reviewed. Postponed due to COVID financials.
9. Homeland Security protective security advisor assessment for the safety program and discussed combining cybersecurity review at that time as well. Postponed due to COVID traveling restrictions for Homeland Security.

1. Co-Bank Sharing Success Donations: We were allowed to submit applications for three matched donations of \$250 or more. Typically, the minimum is \$500, but they lowered it this year due to COVID-19. All three of our applications were approved:
 - a. \$1400 DHS (\$900 KidWind & \$500 Electrathon), \$300 UMC of Ransom food bank, and \$300 Lane Co. Food Bank.
2. Working on Military Active Duty Packages and Information Request: I have been notified of 14 active in our service territory. Working on getting their information. They will be recognized in the December *Country Living Magazine* and care packages will go out.

If anyone would like to donate non-perishable items or monetary donations to purchase items for care packages, the deadline is Nov. 16th.

3. Member Brochure is done! This will go out to new members, to hand out at the annual meeting, etc.
4. Continue to send monthly new member emails, newsletter, social media posts, 3.0 website design.
5. The new website is getting close to being done and should be done if not live by the next board meeting.
6. Trunk or Treat – We decorated a bucket truck and handed out candy.
7. I participated in the Dighton Elementary School 6th grade interviews, representing Lane-Scott. Community members are asked to participate to interview 6th graders in a mock-interviews.
8. Thanksgiving Giveaway: Giving away 3 \$100 local grocery store gift certificates to 3 nominated families in our service territory. Deadline is November 18th.

Lane-Scott Electric

Giving Thanks Giveaway

Thanksgiving is a time to be thankful for the blessings in our lives. We understand for many, providing a Thanksgiving meal can be a strain.

We would like to offer a helping hand this Thanksgiving to a few families in our service territory by giving away three *\$100 grocery certificates* to our local grocery stores.



To Enter:

- Mail the nominee's information to Lane-Scott at PO Box 758, Dighton, KS 67839
- Enter on-line at [www.lanescott.coop/content/Thanksgiving Giveaway](http://www.lanescott.coop/content/Thanksgiving%20Giveaway)
- Call our office at 620-397-5327 or 800-407-2217

Deadline: November 18th

To enter or nominate someone anonymously, the recipients name, mailing address and phone number is required.