



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been set for December 7, 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. Policy 502 – Hours of Operation and Compensation
 - b. Policy 524 – Drug and Alcohol-Free Workplace
 - c. Policy 525 – Whistleblower
 - d. Policy 533 – Cellular Phones
 - e. Christmas Bonus
 - f. LSEC Special Estate Retirements
 - g. KEC Annual Meeting voting delegates
 - h. Board Meeting 2021 1st Quarter Schedule
11. Safety Report
12. Executive Session – if requested
13. Adjourn

Upcoming Events:

Sunflower Board	Dec 10-11	Hays, KS
LSEC Christmas Party	Dec 19	Dighton, KS
Christmas Holiday	Dec 25	
New Years Holiday	Jan. 1	
LSEC Board Meeting	Jan 4 or (11?)	Dighton, KS

**MINUTES OF THE REGULAR NOVEMBER 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, November 2, 2020, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 6:56 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Rad Roehl, Harold Hoss, Randy Evans, Eric Doll, Richard Sorem, Chad Griffith, Paul Seib Jr. and Craig Ramsey. Also present Richard McLeon IV and Joseph Gasper, Attorney.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on October 5, 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 and Manager McLeon attended the virtual KEC CLE and that it was informative on current legal matters.

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:

- Next Air is purchasing Grid Alliance.

Manager McLeon added the following:

- Sunflower is having a strategic planning in December and Stuart has asked for topics from members. Manager McLeon requested the Trustees let him know if there are any topics they would like discussed.
- The change in the non-zonal transmission rider in January should be revenue neutral to LSEC. The transmission cost should increase but the power cost should decrease.

KEC REPORT

Trustee Hoss reported that there had been a KEC meeting on October 7&8. A written report of the meeting was included in the board packet.

Manager McLeon added that the Doniphan members rejected the proposed merger of Doniphan and Nemaha-Marshall Cooperatives.

MANAGER'S REPORT

Manager McLeon commented on the following matters:

- The credit card statements were presented to the Trustees for review.
- The rates and reliability are good. The overall rate is 10.7 cents/kWh and 11.5 cents for the residential year-to-date. 99.97% service availability for the year-to-date is a good number.
- The strategic planning session will be November 5 at the Catholic Church hall in Dighton. It is being held there for more room to spread out attendees.
- The NRECA virtual meeting focused on diversity and had a breakout session on microgrids and battery storage.
- Carrie is working on upgrades and changes to the company file storage drivers. This upgrade includes renaming files by functional areas rather than employee names.
- PET performed dielectric and stress testing on the digger and bucket trucks.
- Federated performed an inspection of the facilities, trucks and crew visits.
- A KDOT inspection of the trucks and trailers was performed.
- KEC tested the hot sticks and layout arms.
- Ann Marie has applied for and received a CoBank grant matching funds donated to the Lane and Ness County food banks in the amount of \$300 each. She has also been notified of 14 active duty service members from the LSEC service territory and care packages will be sent to each of them in December.

- September posted a \$198,239 gain in Total Margins and a \$133,777 gain in Operating Margins.
- LSEC remains \$253,631 under budget on Operating Margins and \$204,712 on Total Margins. The sales revenues are expected to be down approximately \$1 million from last year.
- The 90 day past due is primarily with OPCO, LLC, who is making payments.
- The year-to-date Non-Operating Margins are \$175,192 with retail services posting a loss of \$15,654 for September. Much of the loss is due to the purchase of generators that have not yet been delivered.
- The larger outstanding balances are on payment plans.
- The board discussed the profitability of retail services and how to account for overhead in the financials so that a more accurate assessment of the profitability can be made.
- Interest earned of \$54,831 for September and \$189,535 for the year-to-date.
- CFC paid \$25,557 in capital credits.

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.
- A new lockout procedure was put into place which requires documentation.
- The Federated report was good. There were some wear & tear items that need addressing. The transformer storage containment needs to be addressed.
- The KEC ground testing showed that two needed repaired. These two were cleaned, retested and passed.

OLD BUSINESS

There was no old business before the board.

NEW BUSINESS

1. KTRA Analysis
 - Manager McLeon reviewed the 2019 CFC Key Trend Ratio Analysis with the board.

- The ratios show that LSEC has built a lot of Utility Plant financed with government money.
- The growth in number of members is low but the kWh growth in 2017-2019 was good but the kWh sales were below average for large commercial, public authorities and residential.
- LSEC write-offs are very good.
- Sunflower is allocating a lot of dollars but not retiring them.
- TIER is better than the state average.
- The full analysis is contained in the board packet.

2. Financial Forecast

- The 2021-2029 financial forecast was prepared using the CFC Compass Software and CFC's assistance. The forecast was difficult to prepare due to the \$1 million sales loss for the year due to the pandemic.
- The forecast projects slow, but adequate growth for the next 10 years. The increase in plant growth has allowed slowing of additional plant which will match the anticipated growth. Phillips 66 will enhance plant and revenues when it comes online.
- Cash reserves remain strong and with controlling expenses can expect to continue the normal operations, reduce long-term debt, maintain reliability and limit rate adjustments.
- The goals for the forecast are to maintain system reliability, minimize rate adjustments, improving equity by limiting new debt and paying down existing debt, maintain a TIER of 1.9, begin paying capital credits again, and preserve cash on hand.
- The forecast assumes pre 2020 growth rates and Phillips will begin construction in 2021. A cost of service study and construction work plan will be performed in 2021, the cushion of credit will be applied to RUS/FFB debt from 2022 to 2026, new long-term borrowing will be limited to \$250,000/year, capital credits will begin being paid in 2022, the cost of purchased power will rise steadily are all additional assumptions.
- The projections show an average TIER of 1.73, average ODSC of 1.54, equity of 45.13%, a reduction of annual revenue of 1.29%, an average rate of return on rate base of 3.81% and a rate increase of .67% in 2028.
- A question of whether any assumptions with changes to the City of Dighton. Manager McLeon answered that he did not since a change would still provide revenue for LSEC.
- *A motion to approve the 2021-2029 LSEC Financial Forecast as presented to the Board was made, duly seconded and carried.*

3. 2021 Budget

- The 2021 budget is taken from the first year of the financial forecast with the assumption of continuing operation in generally the same manner as in 2020. The budget is conservative due to the pandemic and it focuses on maintenance of the existing system.
- The budget balances at \$59,901,797 a 0.15% increase from 2020. Operating revenues project to increase \$197,384 to \$17,053,549 and reflects the pandemic impact. The year-end operating margin projects at \$593,967 and a year-end patronage capital of \$1,802,320.
- Operations and maintenance expenses are decreased by 10% to reflect a decrease in construction projects.
- The projected TIER is 2.46, OTIER is 1.46, DSC is 1.81, ODSC is 1.52 and equity as a percent of assets is 40.72%.
- The capital budget totals \$803,530 with some items being carried forward from the 2020 budget.
- The donation budget totals \$4,965 which is a net increase of \$1,025. The changes to the donation budget are included in the packet. The board discussed the donations and the differences in the counties. A point was made that these donations have all been solicited by the groups being donated to.
- The goal is to increase the cash position for next year.
- A question if any additional construction will be required on the twin springs project will be needed. Manager McLeon answered that all of the old CWP projects have been completed. There may be improvements identified in a new CWP, but at this time no additional projects are anticipated.
- *A motion to approve the 2021 LSEC budget as presented to the Board was made, duly seconded and carried.*

4. Form 990

A draft Form 990 was included in the board packet for Trustee review prior to filing in November with a request from the auditor for any changes or discussion.

5. Board Discussions

- A Trustee raised the question regarding the allocation of G&T capital credits as they have been allocated but not paid by Sunflower. The issue is whether these should be allocated since no money has been received. The board discussed the issue. Manager McLeon added that if these are not allocated then you would have to go back and allocate based on the usage

of the year of allocation and that LSEC is following the cooperative standard. There was no further discussion on the matter.

- A question on the line extension price as compared to Wheatland was made as a member had indicated to a Trustee that Wheatland was about one-half of the price for line extensions. Manager McLeon was not familiar with the Wheatland line extension cost but he will look into it. Additionally, the cost of service study will look at line extension costs as well.
- A question on the Smarthub only showing daily usage rather than hourly usage was raised. Manager McLeon indicated that the hourly data is collected and that he will look into the issue.

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 8:54 p.m., on Monday, November 2, 2020.

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2221 10/13/2020	WIRE	124	GOLDEN BELT TELEPHONE	Monthly Invoice	188.18
2222 10/14/2020	WIRE	1160	S&T TELEPHONE COOP ASSN.	Monthly Invoice	992.00
2226 10/14/2020	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly Invoice	75.68
46225 10/14/2020	CHK	5	GEORGE ARMANTROUT	Previously Unclaimed Cap Cr	31.74
46226 10/14/2020	CHK	5	BEN CARPENTER	Previously Unclaimed Cap Cr	24.66
46227 10/14/2020	CHK	5	FLORENCE DAUBERT	Previously Unclaimed Cap Cr	26.20
46228 10/14/2020	CHK	5	DAN DENISTON	Previously Unclaimed Cap Cr	77.35
46229 10/14/2020	CHK	5	JOHN FOUST	Previously Unclaimed Cap Cr	25.49
46230 10/14/2020	CHK	5	GARY HUFF	Previously Unclaimed Cap Cr	178.85
46231 10/14/2020	CHK	5	HAL HOSS	Previously Unclaimed Cap Cr	70.37
46232 10/14/2020	CHK	5	RICHARD LEET	Previously Unclaimed Cap Cr	21.85
46233 10/14/2020	CHK	5	EARL MCVICKER	Previously Unclaimed Cap Cr	13.40
46234 10/14/2020	CHK	5	LOREN STENZEL	Previously Unclaimed Cap Cr	95.92
46235 10/14/2020	CHK	5	BEELEER STREET LIGHTS	Previously Unclaimed Cap Cr	79.28
46236 10/14/2020	CHK	5	KENT D BORELL	Previously Unclaimed Cap Cr	20.12
46237 10/14/2020	CHK	5	SHERI WADE	Previously Unclaimed Cap Cr	43.69
46238 10/14/2020	CHK	5	BRAD DINGES	Previously Unclaimed Cap Cr	54.43
46239 10/14/2020	CHK	5	EDEN TOWNSHIP	Previously Unclaimed Cap Cr	118.06
46240 10/14/2020	CHK	5	FRED GOODMAN	Previously Unclaimed Cap Cr	83.39
46241 10/14/2020	CHK	5	LEWIS MACHINE & MANUFACTURING	Previously Unclaimed Cap Cr	46.35
46242 10/14/2020	CHK	5	TERRY PENKA	Previously Unclaimed Cap Cr	42.64
2220 10/16/2020	WIRE	59	NRECA	NRECA Qtrly 401(k) Employer Expense	1,583.25
46243 10/16/2020	CHK	20	BASIN ELECTRIC POWER COOP	Dispatch & Alarm Monitoring Fee-Septembe	2,128.24
46244 10/16/2020	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	53,000.00
46245 10/16/2020	CHK	105	CITY OF NESS CITY	Monthly Invoice	26.24
46246 10/16/2020	CHK	107	CINTAS CORPORATION #449	Monthly Invoice - Dighton	71.56
46247 10/16/2020	CHK	247	DUMLER'S WEST SIDE INC	Tire repair #507	173.44
46248 10/16/2020	CHK	356	BOSSELMAN ENERGY, INC.	Monthly Invoice-Ness Generator	463.98
46249 10/16/2020	CHK	361	ANN M JENNINGS	Clothing Allowance	250.00
46250 10/16/2020	CHK	445	ROADRUNNER AUTOGLASS & WINDSH	Windshield Repair	806.59

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46251 10/16/2020	CHK	456	GENERAC POWER SYSTEMS	Generator & Heater Kit	5,064.80
46252 10/16/2020	CHK	803	ALTEC INDUSTRIES, INC	Truck #136	3,327.63
46253 10/16/2020	CHK	903	NISC	Monthly Invoice	11,165.06
46254 10/19/2020	CHK	177	MARK MCCULLOCH	PER DIEM, OCT 21-24, PHILADELPHIA, PA	192.50
2223 10/20/2020	WIRE	274	VERIZON WIRELESS	Monthly Invoice	675.03
2224 10/20/2020	WIRE	1229	SCHABEN SANITATION	Monthly Invoice	452.03
2225 10/21/2020	WIRE	1271	CARDMEMBER SERVICE	Monthly Invoice	2,824.19
2228 10/21/2020	WIRE	121	FED-EX	Monthly Invoice	120.36
46255 10/21/2020	CHK	5	SHANE A HOWARD	Cap Cr Estate Retirement	880.14
46256 10/21/2020	CHK	5	LYLE AND MARY DAVISON LIVING TR	Cap Cr Estate Retirement	1,018.65
46257 10/21/2020	CHK	5	RUBY DUNHAM	Cap Cr Estate Retirement	2,965.11
46258 10/21/2020	CHK	5	MANON DOLL-MCGHEE	Cap Cr Estate Retirement	48.82
46259 10/21/2020	CHK	5	GEORGE DOLL	Cap Cr Estate Retirement	48.81
46260 10/21/2020	CHK	5	GABRIEL DOLL	Cap Cr Estate Retirement	48.80
46261 10/21/2020	CHK	5	AMY ENGELBERT	Cap Cr Estate Retirement	65.78
46262 10/21/2020	CHK	5	JANIS FOOS	Cap Cr Estate Retirement	1,192.06
46263 10/21/2020	CHK	5	MARTINA MARIE HOLMES ESTATE	Cap Cr Estate Retirement	229.29
46264 10/21/2020	CHK	5	JOSEPHINE M JONES	Cap Cr Estate Retirement	228.38
46265 10/21/2020	CHK	5	KIMBERLY KENDALL	Cap Cr Estate Retirement	65.77
46266 10/21/2020	CHK	5	VALERIE KLITZKE	Cap Cr Estate Retirement	65.78
46267 10/21/2020	CHK	5	VICKY MURPHY	Cap Cr Estate Retirement	72.33
46268 10/21/2020	CHK	5	JOHN MARTIN	Cap Cr Estate Retirement	72.35
46269 10/21/2020	CHK	5	MARTHA NEIDHART	Cap Cr Estate Retirement	72.33
46270 10/21/2020	CHK	5	PATRICIA PFAFF	Cap Cr Estate Retirement	244.87
46271 10/21/2020	CHK	5	LARRY OR CONNIE STIEBEN	Cap Cr Estate Retirement	47.35
46272 10/21/2020	CHK	5	STEPHANIE J RIDER	Cap Cr Estate Retirement	1,612.50
46273 10/21/2020	CHK	5	RALPH D ROTHE	Cap Cr Estate Retirement	400.04
46274 10/21/2020	CHK	5	GREGORY T STRONG ESTATE	Cap Cr Estate Retirement	2,387.85
46275 10/21/2020	CHK	5	JOANNA TOMPKINS	Cap Cr Estate Retirement	72.33
46276 10/21/2020	CHK	5	MYRA K SHAW	Cap Cr Estate Retirement	112.80

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2227 10/23/2020	WIRE	101	ATMOS ENERGY	Monthly Invoice	47.74
2231 10/26/2020	WIRE	265	HASLER - POSTAGE ACH	Postage	250.00
2233 10/26/2020	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales Tax	16,354.12
2234 10/26/2020	WIRE	264	KS DEPT OF REVENUE - USE TAX	Use Tax	74.76
46277 10/26/2020	CHK	1	ST. THERESA CHURCH	Bldg rent for Strategic Planning Mtg	250.00
46278 10/26/2020	CHK	40	KANSAS ELECTRIC COOPERATIVES	Member Brochure & Youth Program	1,051.37
46279 10/26/2020	CHK	105	CITY OF NESS CITY	September pay station and postage	6,097.89
46280 10/26/2020	CHK	107	CINTAS CORPORATION #449	Monthly Invoice - Dighton	71.56
46281 10/26/2020	CHK	135	CITY OF BAZINE	Franchise Fee	1,580.68
46282 10/26/2020	CHK	150	CHRIS TERHUNE	Clothing Allowance	250.00
46283 10/26/2020	CHK	160	SHULL OIL COMPANY	Monthly Fuel Invoice	3,597.10
46284 10/26/2020	CHK	172	TYNDALE COMPANY, INC.	Mark Mcculloch - clothing allowance	174.79
46285 10/26/2020	CHK	226	KANSAS CORPORATION COMMISSION	Qtrly Assesment	170.49
46286 10/26/2020	CHK	253	FARM CREDIT LEASING SERVICES COR	Truck Lease Payments	9,548.69
46287 10/26/2020	CHK	803	ALTEC INDUSTRIES, INC	Parts Truck #117	378.91
2229 10/27/2020	WIRE	1290	WEX BANK	Monthly Invoice	143.94
46288 10/27/2020	CHK	1	BARBARA A JONES	REISSUE CHECK FOR INACTIVE REFUND	16.53
2230 10/28/2020	WIRE	1187	MIDWEST ENERGY	Monthly Invoice	88.00
2232 10/30/2020	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly Invoice	163.30
46289 10/30/2020	CHK	46	LANE COUNTY TREASURER	Tag for Trailer #702	35.00
46290 10/30/2020	CHK	46	LANE COUNTY TREASURER	Sales Tax Trailer #702	1,680.33
46291 11/02/2020	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	51,000.00
46292 11/02/2020	CHK	40	KANSAS ELECTRIC COOPERATIVES	Monthly Invoice	2,218.54
46293 11/02/2020	CHK	73	STANION WHOLESALE ELEC CO INC	Monthly Invoice	9,043.70
46294 11/02/2020	CHK	79	POSTMASTER	Postage-Newsletter	104.32
46295 11/02/2020	CHK	107	CINTAS CORPORATION #449	Monthly Invoice - Dighton	245.59
46296 11/02/2020	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance - Bradstreet	80.90
46297 11/02/2020	CHK	218	SPENCER PEST CONTROL	Pest Control	108.50
46298 11/02/2020	CHK	243	WELL WATCH LLC	Annual DOT Inspections	1,871.74
46299 11/02/2020	CHK	317	JOHN DEERE FINANCIAL	Chain Saw parts	9.18

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46300 11/02/2020	CHK	380	GRAINGER	Monthly Invoice	1,303.68
46301 11/02/2020	CHK	383	HUXFORD POLE AND TIMBER CO INC	Poles	12,202.11
46302 11/02/2020	CHK	654	LANE COUNTY PUBLIC WORKS	Landfill	21.00
46303 11/02/2020	CHK	1197	GARDEN CITY WHOLESALE SUPPLY	Monthly Invoice	3,517.37
46304 11/02/2020	CHK	1225	CINTAS CORPORATION	Monthly Invoice-Dighton	150.12
46305 11/02/2020	CHK	1243	TRI-CENTRAL OFFICE SUP-HAYS	Supplies	80.83
46306 11/02/2020	CHK	1299	DEANNE SHULL	Cookies for Board Mtg	72.00
2236 11/03/2020	WIRE	274	VERIZON WIRELESS	Monthly Invoice	313.74
2239 11/04/2020	WIRE	384	UPS	Monthly Invoice	36.34
2240 11/06/2020	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RS-Group Ins	35,733.87
2241 11/06/2020	WIRE	62	NRECA GROUP BENEFITS TRUST	NRECA Gr 1 - November Group Ins	2,586.16
2242 11/06/2020	WIRE	180	NRECA	NRECA Gr 1 Admin Fee-Nov Gr Ins Adm Fee	208.09
2238 11/09/2020	WIRE	1267	AFLAC	Monthly Invoice	473.54
2235 11/10/2020	WIRE	18	CITY OF DIGHTON	Monthly Invoice	1,920.22
2237 11/10/2020	WIRE	168	ONLINE INFORMATION SERVICES, INC	Monthly Invoice	133.96
46307 11/10/2020	CHK	1	NESS CITY ROTARY CLUB	Monthly Invoice	104.00
46308 11/10/2020	CHK	14	OFFICE SOLUTIONS, INC	Monthly Invoice	56.42
46309 11/10/2020	CHK	15	ERIC DOLL	Strategic Planning Mtg	780.50
46310 11/10/2020	CHK	30	HAROLD HOSS	Strategic Planning Mtg	1,687.50
46311 11/10/2020	CHK	32	WESCO RECEIVABLES INC	Monthly Invoice	1,449.73
46312 11/10/2020	CHK	40	KANSAS ELECTRIC COOPERATIVES	Monthly Invoice	6,642.55
46313 11/10/2020	CHK	45	BUMPER TO BUMPER OF DIGHTON	Monthly Invoice	1,098.06
46314 11/10/2020	CHK	55	NESS COUNTY NEWS	Advertising	199.60
46315 11/10/2020	CHK	60	PAUL SEIB JR	Strategic Planning Mtg	775.90
46316 11/10/2020	CHK	63	RICHARD JENNISON	November Board Mtg	729.90
46317 11/10/2020	CHK	74	WEBER REFRIGERATION & HEATING I	Monthly Invoice	2,727.00
46318 11/10/2020	CHK	96	STEPHENS LUMBER - DIGHTON	Monthly Invoice	212.26
46319 11/10/2020	CHK	103	S&T COMMUNICATIONS LLC	Labor on Phone System	130.20
46320 11/10/2020	CHK	104	HOME OIL CO	Monthly Fuel Invoice	415.15
46321 11/10/2020	CHK	105	CITY OF NESS CITY	October Postage and Pay Station	615.95

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46322 11/10/2020	CHK	117	NESS CITY FARM & FEED	Monthly Invoice	41.21
46323 11/10/2020	CHK	169	AMERICAN ELECTRIC-GARDEN CITY	CEU Registratation	90.00
46324 11/10/2020	CHK	172	TYNDALE COMPANY, INC.	Clothing-Rupp, Pollock, Bradstreet,Kraft	1,757.66
46325 11/10/2020	CHK	179	RAD ROEHL	Strategic Planning Mtg	720.70
46326 11/10/2020	CHK	182	G.E.M.S. INC	Monthly Invoice	220.31
46327 11/10/2020	CHK	184	JOHNSTONE SUPPLY	Monthly Invoice	1,234.70
46328 11/10/2020	CHK	194	POST ROCK	Advertising	150.00
46329 11/10/2020	CHK	202	CHAD GRIFFITH	November Board Mtg	393.13
46330 11/10/2020	CHK	234	ELECTRICOMM, INC.	Transformer Oil-Substation	5,482.51
46331 11/10/2020	CHK	238	ILLINOIS MUTUAL	Premiums	136.38
46332 11/10/2020	CHK	261	LOCKE SUPPLY CO	Monthly Invoice	2,769.78
46333 11/10/2020	CHK	272	LEWIS AUTOMOTIVE GROUP INC	Monthly Invoice	1,292.98
46334 11/10/2020	CHK	279	IT1 SOURCE LLC	Adobe Renewal	2,222.11
46335 11/10/2020	CHK	304	STECKLINE COMMUNICATIONS INC	Advertising	100.00
46336 11/10/2020	CHK	306	BORDER STATES INDUSTRIES INC	Monthly Invoice	715.39
46337 11/10/2020	CHK	329	SOUTHWIND BROADCASTING	Advertising	480.00
46338 11/10/2020	CHK	380	GRAINGER	Monthly Invoice	26.60
46339 11/10/2020	CHK	387	WESTERN FUEL & SUPPLY	Monthly Fuel Invoice	102.38
46340 11/10/2020	CHK	406	RICHARD MCLEON	Clothing Allowance	99.79
46341 11/10/2020	CHK	427	DIGHTON HERALD LLC	Advertising	32.00
46342 11/10/2020	CHK	450	RANDALL G EVANS	November Board Mtg	701.16
46343 11/10/2020	CHK	453	SCOTT CO HARDWARE	Monthly Invoice	28.43
46344 11/10/2020	CHK	456	GENERAC POWER SYSTEMS	Generator	4,863.78
46345 11/10/2020	CHK	506	K&J FOODS	Monthly Invoice	425.92
46346 11/10/2020	CHK	773	BRETZ'S INC	Monthly Invoice	430.43
46347 11/10/2020	CHK	903	NISC	Monthly Invoice	9,255.78
46348 11/10/2020	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Locate Fee	49.20
46349 11/10/2020	CHK	1030	THE SCOTT COUNTY RECORD	Advertising	150.00
46350 11/10/2020	CHK	1160	S&T TELEPHONE COOP ASSN.	Advertising	293.52
46351 11/10/2020	CHK	1169	WASHER SPECIALTIES CO.	Monthly Invoice	233.68

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46352 11/10/2020	CHK	1172	WESTERN SUPPLY COMPANY	Monthly Invoice	1,222.54
46353 11/10/2020	CHK	1213	NRECA GROUP ADMIN	FSA REA #17042	15.00
46354 11/10/2020	CHK	1230	NORTHWESTERN PRINTERS, INC.	Envelopes	279.99
46355 11/10/2020	CHK	1244	PROTECTIVE EQUIPMENT TESTING	Monthly Invoice	643.81
46356 11/10/2020	CHK	1251	TECHLINE, LTD	Monthly Invoice	5,910.96
46357 11/10/2020	CHK	1254	EAGLE RADIO	Advertising	285.00
46358 11/10/2020	CHK	1263	RICHARD SOREM	November Board Mtg	399.45
46359 11/10/2020	CHK	1285	TIFCO INDUSTRIES	Monthly Invoice	97.37
46360 11/10/2020	CHK	1292	COMFORT PRODUCTS DISTRIBUTING L	Monthly Invoice	96.37
46361 11/10/2020	CHK	1299	DEANNE SHULL	Cookies and rolls for Strategic Plan Mtg	102.00
46362 11/10/2020	CHK	1300	CRAIG RAMSEY	November Board Mtg	378.75
Total Payments for Bank Account - 2 :					(161) 323,602.88
Total Voids for Bank Account - 2 :					(0) 0.00
Total for Bank Account - 2 :					(161) 323,602.88
Grand Total for Payments :					(161) 323,602.88
Grand Total for Voids :					(0) 0.00
Grand Total :					(161) 323,602.88

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Pay Date: 10/01/2020 To 10/29/2020

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
17	DAVID L HOWARD	10/14/2020	5244	4,222.40	0.00	88.00	0.00	484.70	42.81	1,264.11	2,473.59	DD
21	CARRIE M BORELL	10/14/2020	5245	2,572.99	0.00	89.00	0.00	322.59	0.00	2,145.73	1,789.32	DD
22	REBECCA L CAMPBELL	10/14/2020		3,777.52	0.00	88.00	0.00	330.91	12.01	452.76	1,837.78	
			5246					191.97	0.00	1,799.50	2,600.97	
								377.05	7.18	799.50	300.00	DD
								280.20	0.00	1,773.21	2,300.97	DD
26	RICHARD A MCLEON	10/14/2020	5247	9,375.00	0.00	88.00	0.00	337.02	163.80	2,758.03	6,279.95	DD
34	KALO M MANN	10/14/2020	5248	3,377.60	0.00	88.00	0.00	138.31	0.00	3,245.72	1,924.82	DD
35	NATHAN A BURNS	10/14/2020	5249	3,173.28	0.00	88.00	0.00	699.91	46.45	752.87	2,300.30	DD
50	KASEY R JENKINSON	10/14/2020	5250	4,173.15	0.00	92.00	0.00	258.03	0.00	1,772.52	2,300.30	DD
55	BENJAMIN L MANN	10/14/2020	5251	4,041.81	0.00	91.00	0.00	33.85	19.85	839.13	2,300.30	DD
74	DAL S HAWKINSON	10/14/2020	5252	3,711.28	0.00	88.00	0.00	242.45	0.00	2,089.97	2,300.30	DD
81	DEANNE R SHULL	10/14/2020	5253	1,828.40	0.00	88.00	0.00	675.34	16.41	882.94	2,614.87	DD
84	MICHAEL S POLLOCK	10/14/2020		3,377.60	0.00	88.00	0.00	314.72	0.00	2,422.99	2,614.87	DD
			5254					648.76	17.16	784.79	2,608.26	DD
								308.68	0.00	1,785.70	2,608.26	DD
								521.43	5.67	808.37	2,381.48	DD
								278.56	0.00	2,370.91	2,381.48	DD
								301.54	36.08	346.66	1,180.20	DD
								138.60	0.00	1,003.75	1,180.20	DD
								718.30	7.08	572.12	2,087.18	
								253.15	0.00	2,241.84	100.00	DD
											25.00	DD
											25.00	DD
											25.00	DD
											1,912.18	DD
85	CHAD A RUPP	10/14/2020	5255	3,943.71	0.00	91.00	0.00	556.73	22.35	820.17	2,566.81	DD
89	CHRIS R TERHUNE	10/14/2020	5256	3,711.28	0.00	88.00	0.00	293.80	0.00	2,370.91	2,566.81	DD
91	LARRY D KRAFT	10/14/2020	5257	3,711.28	0.00	88.00	0.00	483.23	18.03	1,130.16	2,097.89	DD
93	MYRON E SEIB	10/14/2020	5258	3,964.84	0.00	91.00	0.00	279.51	0.00	2,333.80	2,097.89	DD
99	KEVIN A BRADSTREET	10/14/2020	5259	3,943.71	0.00	91.00	0.00	456.62	42.33	722.86	2,531.80	DD
108	MARK R MCCULLOCH	10/14/2020	5260	3,278.08	0.00	90.00	0.00	281.36	0.00	2,370.91	2,531.80	DD
117	LEIGHTON J AYERS	10/14/2020		4,028.23	0.00	92.00	0.00	640.00	28.84	741.97	2,582.87	DD
								299.74	0.00	2,370.91	2,582.87	DD
								427.78	17.87	1,139.03	2,376.90	DD
								303.07	0.00	1,438.80	2,376.90	DD
								957.31	21.93	789.12	1,531.65	DD
								250.63	0.00	1,397.45	1,531.65	DD
								661.19	13.27	845.93	2,521.11	

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Pay Date: 10/01/2020 To 10/29/2020

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
			5261					303.39	0.00	2,370.91	150.00	DD
											2,371.11	DD
129	STACEY L FOOS	10/14/2020	5262	110.39	0.00	7.00	0.00	0.00	0.00	8.45	101.94	DD
								9.22	0.00	0.00		
130	ANN MARIE JENNINGS	10/14/2020	5263	2,113.84	0.00	88.00	0.00	260.94	10.05	401.25	1,451.65	DD
								151.92	0.00	1,506.44		
131	DIANA KUHLMAN	10/14/2020	5264	2,082.64	0.00	88.00	0.00	363.62	5.75	334.12	1,384.90	DD
								155.84	0.00	1,193.19		
132	DELLON SHELTON	10/14/2020	5265	2,347.44	0.00	88.00	0.00	117.37	1.75	614.00	1,616.07	DD
								179.71	0.00	211.00		
17	DAVID L HOWARD	10/29/2020	5266	4,231.04	0.00	88.00	0.00	485.56	42.81	1,267.33	2,478.15	DD
								323.24	0.00	2,146.16		
21	CARRIE M BORELL	10/29/2020	5267	2,550.24	0.00	88.00	0.00	332.98	12.01	447.10	1,770.16	DD
								190.23	0.00	1,838.81		
22	REBECCA L CAMPBELL	10/29/2020		2,327.00	0.00	89.00	0.00	378.20	7.18	431.79	1,517.01	
			5268					169.23	0.00	1,773.73	300.00	DD
											1,217.01	DD
26	RICHARD A MCLEON	10/29/2020	5269	9,375.00	0.00	88.00	0.00	337.02	163.80	2,758.03	6,279.95	DD
								138.31	0.00	3,245.72		
34	KALO M MANN	10/29/2020	5270	3,586.40	0.00	91.50	0.00	699.91	46.45	805.80	2,080.69	DD
								273.99	0.00	1,772.52		
35	NATHAN A BURNS	10/29/2020	5271	3,173.28	0.00	88.00	0.00	33.85	19.85	839.12	2,300.31	DD
								242.44	0.00	2,089.97		
50	KASEY R JENKINSON	10/29/2020	5272	3,852.64	0.00	88.00	0.00	676.12	16.41	801.56	2,374.96	DD
								290.20	0.00	2,423.38		
55	BENJAMIN L MANN	10/29/2020	5273	4,640.68	0.00	98.00	0.00	648.76	17.16	956.05	3,035.87	DD
								354.50	0.00	1,786.09		
74	DAL S HAWKINSON	10/29/2020	5274	4,067.53	0.00	93.50	0.00	522.35	5.67	934.31	2,610.87	DD
								305.82	0.00	2,371.29		
81	DEANNE R SHULL	10/29/2020	5275	1,832.16	0.00	88.00	0.00	301.92	36.08	347.54	1,182.70	DD
								138.88	0.00	1,003.94		
84	MICHAEL S POLLOCK	10/29/2020		3,384.48	0.00	88.00	0.00	718.99	7.08	573.72	2,091.77	
			5276					253.67	0.00	2,242.18	100.00	DD
											25.00	DD
											25.00	DD
											25.00	DD
											1,916.77	DD
85	CHAD A RUPP	10/29/2020	5277	3,718.88	0.00	88.00	0.00	557.49	22.35	763.16	2,398.23	DD
								276.59	0.00	2,371.29		
89	CHRIS R TERHUNE	10/29/2020	5278	3,718.88	0.00	88.00	0.00	483.84	18.03	1,132.84	2,102.20	DD

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Pay Date: 10/01/2020 To 10/29/2020

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
91	LARRY D KRAFT	10/29/2020	5279	3,718.88	0.00	88.00	0.00	280.09 457.38 281.95	0.00 42.33 0.00	2,334.11 724.79 2,371.29	2,536.71	DD
93	MYRON E SEIB	10/29/2020	5280	3,718.88	0.00	88.00	0.00	641.14 280.91	28.84 0.00	679.47 2,371.29	2,398.27	DD
99	KEVIN A BRADSTREET	10/29/2020	5281	3,718.88	0.00	88.00	0.00	428.62 285.86	17.87 0.00	1,055.05 1,439.18	2,235.21	DD
108	MARK R MCCULLOCH	10/29/2020	5282	3,297.84	0.00	90.00	0.00	959.28 252.13	21.93 0.00	795.55 1,398.44	1,543.01	DD
117	LEIGHTON J AYERS	10/29/2020	5283	4,004.14	0.00	92.50	0.00	661.95 301.55	13.27 0.00	839.69 2,371.29	2,502.50 150.00	DD
											2,352.50	DD
129	STACEY L FOOS	10/29/2020	5284	114.33	0.00	7.25	0.00	0.00 9.54	0.00 0.00	8.74 0.00	105.59	DD
130	ANN MARIE JENNINGS	10/29/2020	5285	2,126.96	0.00	88.00	0.00	261.60 152.91	10.05 0.00	404.57 1,507.10	1,460.79	DD
131	DIANA KUHLMAN	10/29/2020	5286	2,099.68	0.00	88.00	0.00	366.17 157.14	5.75 0.00	337.92 1,194.04	1,395.59	DD
132	DELLON SHELTON	10/29/2020	5287	2,352.24	0.00	88.00	0.00	117.61 180.07	1.75 0.00	615.69 211.24	1,618.94	DD
5	KATHERINE E LEWIS	10/14/2020	11476	5,072.81	0.00	88.00	0.00	703.67 377.38	34.92 0.00	1,322.48 2,921.73	3,046.66	Chk
5	KATHERINE E LEWIS	10/14/2020	11477	1,500.00	0.00	0.00	0.00	0.00 114.75	0.00 0.00	413.10 0.00	1,086.90	Chk
5	KATHERINE E LEWIS	10/29/2020	11478	5,072.81	0.00	88.00	0.00	703.67 377.38	34.92 0.00	1,322.48 2,921.73	3,046.66	Chk
Grand Total:				\$ 164,122.13	\$ 0.00	3,935.75	\$ 0.00	\$ 21,531.68 \$ 11,244.21	\$ 1,183.18 \$ 0.00	\$ 38,386.22 \$ 86,360.96	\$ 104,204.23	

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**Payroll/Labor
Check Register**

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Pay Date: 10/01/2020 To 10/29/2020**PARAMETERS ENTERED:**

Pay Date: 10/01/2020 To 10/29/2020
Check/Direct Deposit: All
Employee: All
Journal: 0
Division: All
Format: Summary By Check
Sort By: Check/Direct Deposit

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 October 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	15,006,995	13,898,118	15,237,138	1,289,036
2. Power Production Expense				
3. Cost of Purchased Power	8,802,774	7,876,096	9,089,583	611,210
4. Transmission Expense	6,025	1,729	6,244	137
5. Regional Market Expense				
6. Distribution Expense - Operation	1,070,173	1,217,690	1,150,032	146,182
7. Distribution Expense - Maintenance	576,327	718,646	612,783	86,516
8. Customer Accounts Expense	181,368	175,170	188,697	26,508
9. Customer Service and Informational Expense	25,812	34,679	27,338	3,342
10. Sales Expense	45,579	52,600	62,616	5,633
11. Administrative and General Expense	1,197,804	1,071,817	1,153,920	110,720
12. Total Operation & Maintenance Expense (2 thru 11)	11,905,862	11,148,427	12,291,213	990,248
13. Depreciation and Amortization Expense	1,310,025	1,370,911	1,344,316	139,361
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,044,562	1,113,907	1,071,241	111,920
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	2,842	1,647	3,028	161
19. Other Deductions	11,315	35,733	13,227	28,924
20. Total Cost of Electric Service (12 thru 19)	14,274,606	13,670,625	14,723,025	1,270,614
21. Patronage Capital & Operating Margins (1 minus 20)	732,389	227,493	514,113	18,422
22. Non Operating Margins - Interest	195,384	192,536	34,748	3,001
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	48,741	(70,031)	50,000	(11,932)
26. Generation and Transmission Capital Credits	4			
27. Other Capital Credits and Patronage Dividends	49,767	43,756	57,709	
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	1,026,285	393,754	656,570	9,491

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION KS0042		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED October 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	48	46	5. Miles Transmission		
2. Services Retired	18	50	6. Miles Distribution – Overhead	2,035.31	2,036.59
3. Total Services in Place	6,055	6,035	7. Miles Distribution - Underground	7.15	7.53
4. Idle Services (Exclude Seasonals)	230	239	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	57,863,510		30. Memberships	0	
2. Construction Work in Progress	535,433		31. Patronage Capital	21,203,882	
3. Total Utility Plant (1 + 2)	58,398,943		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	17,685,557		33. Operating Margins - Current Year	227,493	
5. Net Utility Plant (3 - 4)	40,713,386		34. Non-Operating Margins	462,698	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	136,700	
7. Investments in Subsidiary Companies	255,405		36. Total Margins & Equities (30 thru 35)	22,030,773	
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	445,462		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)	0	
13. Special Funds	0		42. Payments – Unapplied	4,168,125	
14. Total Other Property & Investments (6 thru 13)	11,746,133		43. Total Long-Term Debt (37 thru 41 - 42)	35,877,153	
15. Cash - General Funds	29,230		44. Obligations Under Capital Leases - Noncurrent	241,429	
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)	241,429	
18. Temporary Investments	6,545,551		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	761,225	
20. Accounts Receivable - Sales of Energy (Net)	1,382,982		49. Consumers Deposits	120,964	
21. Accounts Receivable - Other (Net)	202,276				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	1,394,424	
23. Materials and Supplies - Electric & Other	315,655		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	39,818		52. Current Maturities Capital Leases	86,147	
25. Other Current and Accrued Assets	37,092		53. Other Current and Accrued Liabilities	1,100,155	
26. Total Current and Accrued Assets (15 thru 25)	8,552,729		54. Total Current & Accrued Liabilities (47 thru 53)	3,462,915	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	600,022		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	61,612,270		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	61,612,270	

LANE-SCOTT ELECTRIC ENERGY SALES STATISTICS FOR OCTOBER 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	2,232	1,836,729	20,636,668	\$219,350	\$2,367,505	925	\$106.08	11.47
Residential Sales-Seasonal	51	51	10,237	118,785	\$2,205	\$23,137			
Irrigation Sales	334	333	647,930	8,862,754	\$57,243	\$794,565			
Small Commercial	1,837	1,830	4,470,169	39,094,452	\$469,073	\$4,063,307	2,128	\$221.19	10.39
Large Commercial	185	187	3,467,958	27,582,284	\$354,154	\$3,073,837	14,877	\$1,657.95	11.14
Public Street Lighting	13	13	35,906	359,060	\$4,520	\$44,969			
Public Building Sales	44	49	31,429	283,026	\$4,335	\$40,430			
Non-Domestic	1,059	1,059	177,802	1,653,870	\$32,741	\$311,794			
City of Dighton	1	1	710,180	8,943,304	\$43,765	\$634,398	894,330	\$63,439.82	7.09
Idle Services on rate 90	31	37	0	0	\$0	\$1,859			
Large Industrial	3	3	2,152,460	26,791,990	\$191,805	\$2,145,725	893,066	\$71,524.16	8.01
Irrigation Horsepower Charges	0	0		0		\$264,332			
Total Energy Sales	5,790	5,795	13,540,800	134,326,193	\$1,379,191	\$13,765,857			10.25
Other Electric Revenue					(\$90,155)	\$132,261			
Total					\$1,289,036	\$13,898,118			

SUBSTATION DATA

Substation	(NCP)KW	kWh Purchased	Cost Per kWh	kWh Sold	Line Loss	Load Factor-P	Load Factor-S
Beeler-Sub 3	5,712	3,467,148		3,060,506	11.73%	81.59%	72.02%
Dighton-Sub 1 - 7200	1,961	1,061,038		1,570,415	-48.01%	72.72%	107.64%
Dighton-Sub 2 - 14400	4,040	1,429,729		1,777,725	-24.34%	47.57%	59.14%
Manning-Sub 4	5,216	3,075,487		2,906,157	5.51%	79.25%	74.89%
LS Seaboard-Sub 5	180	82,318		90,149	-9.51%	61.47%	67.32%
Twin Springs Lo 7.6-Sub 7	296	119,473		121,931	-2.06%	54.25%	55.37%
Twin Springs Hi 14.1-Sub 8	279	113,480		116,581	-2.73%	54.67%	56.16%
City of Dighton	1,451	622,790	5.8700	622,789	0.00%	57.69%	57.69%
City of Dighton - WAPA	147	87,391	3.0200	87,391	0.00%	79.91%	79.91%
Alexander 115	1,564	845,985		909,885	-7.55%	72.70%	78.19%
Ness City 115	3,291	1,567,233		2,277,271	-45.31%	64.01%	93.01%
Total	24,137	12,472,072	4.8600	13,540,800	-8.57%	69.45%	75.40%

RUS/CFC LOAN FUND TRANSACTIONS

MISC.

OTHER STATISTICS

				Y.T.D	M.T.D.
Gross Obligation to RUS	\$ 54,111,889	General Fund Balance	\$28,960	Miles Energized	2044.12
Pymts Applied Against Principal	\$ 19,153,447	MMDA Investments	\$170,056	Density	2.83
Net Obligation to RUS	\$ 34,958,442	Cash Available at Month End	\$199,016	kWh Purchased	138,485,357
CFC Line of Credit	\$ -			kWh Sold (Inc. Office Use)	132,787,874
CoBank Line of Credit	\$ -	CFC Investments - CP, SN, MTN	\$6,375,494	Percent of Line Loss	4.11%
CFC Note #9004-RUS refinance	\$ 5,969,824	CFC CTC's	\$221,958	Idle Services	239
CFC Note #9006-RS Prepymt	\$ 511,435			Oper. Revenue Per kWh Sold	10.47
				Expense Per kWh Sold	10.30
				Income Per Mile	630.61
				Expense Per Mile	621.59

ACCOUNT AGING

	Current	30-89 Days	90 Plus
Irrigation Accounts Receivable	\$47,755	\$28	
Electric Accounts Receivable	\$1,284,401	\$12,199	\$14,809
Retail Accounts Receivable	\$68,855	\$4,569	\$2,149

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	\$36,771.82			\$280,028.05	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	\$48,316.57			\$348,024.62	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)	(\$11,544.75)	\$0.00	\$0.00	(\$67,996.57)	
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	\$23,494.48			\$168,382.77	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	\$23,748.24			\$194,102.99	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	(\$253.76)	\$0.00	\$0.00	(\$25,720.22)	
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	\$268.75			\$6,291.91	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	\$517.02			\$7,152.06	416.3
		(\$143.65)	\$0.00	\$0.00	(\$1,424.56)	\$0.00	\$0.00	\$96.59	\$1,234.14	(\$374.40)	(\$248.27)	\$0.00	\$0.00	(\$860.15)	
Finance Charges	415.5	\$213.65	\$215.01	\$127.41	\$67.63	\$51.75	\$30.29	(\$7.35)	\$122.55	\$103.22	\$110.17			\$1,034.33	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)	(\$11,936.61)	\$0.00	\$0.00	(\$93,542.61)	
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	\$5.01			(\$894.99)	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	\$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	\$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)	(\$11,931.60)	\$0.00	\$0.00	(\$70,030.89)	

Kalo Michael Mark	Current Month				YTD Total			
	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev
	139.5	40	\$ 85.00	\$ 3,400.00	1136	632	\$ 85.00	\$ 53,720.00
	136	40	\$ 85.00	\$ 3,400.00	1196.5	555.5	\$ 85.00	\$ 47,217.50
	137	43	\$ 85.00	\$ 3,655.00	1319.5	433.5	\$ 85.00	\$ 36,847.50
	412.5	123		\$ 10,455.00	3652	1621		\$ 137,785.00

LANE-SCOTT ELECTRIC
RESALE OPEN BALANCE (60-90 days)
as of 11/30/2020

NAME	CURRENT AMOUNT DUE	ACTION TAKEN	LAST PAYMENT	
Black Dog Restaurant	\$ 1,945.54	pmt	\$ 150.00	5-Oct
Steve C Boone	\$ 19.09		\$ -	
John Sanchez	\$ 155.46	Payments	\$ 100.00	15-Oct
Healy USD 468	\$ -	Paid	\$ 2,993.77	11-Nov
Vernon McBee	\$ 400.00	Payments	\$ 177.12	19-Nov
Steve Neeley	\$ 718.04	Payments	\$ 600.00	26-Oct
Wesley Bunch	\$ 64.29	Payments	\$ 50.00	10-Nov
Manuel Castillo	\$ 286.64	Payments	\$ 50.00	29-Sep
Bible Fellowship Church	\$ 209.05	Payments	\$ 101.79	12-Nov
Araceli Navarro-Perez	\$ 207.75			
.	\$ 4,005.86		\$ 4,222.68	

OUTAGE STATISTICS October 2020

CATEGORY	OCCURRENCES			TOTAL OUTAGE HRS.			# of Meters
	14.4 KVA	7.6 KVA	Total	14.4 KVA	7.6 KVA	Total	
PHASE FLOATER	2		2	289		289	
BIRDS & ANIMALS			0			0	
TREES			0			0	
LIGHTNING\RAIN\WIND	1		1	179		179	75
ICE & WIND			0			0	
SNOW & WIND			0			0	
OCR OR FUSE FAILURE			0			0	
TRANSFORMER FAILURE			0			0	
BROKEN JUMPER			0			0	
PEOPLE CAUSED		1	1		5	5	
BROKEN POLE			0			0	
POWER SUPPLY			0			0	
SCHEDULED			0			0	
UNKNOWN			0			0	
TOTALS	3	1	4	468	5	473	75

ANNUAL CONSUMER OUTAGE HOURS

TOTALS	2013	2014	2015	2016	2017	2018
	22,012	27,418	13,498	19,195	39,638	16,319
	2019	2020				
	25,081	13,545				

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

Transformer Losses 1995-2020

[illegible]

Richard McLeon

From: Nate Burns
Sent: Friday, November 20, 2020 1:34 PM
To: Richard McLeon
Subject: Engineering update

Follow Up Flag: Flag for follow up
Flag Status: Flagged

We have staked in three new oil wells in Lane county. The crew has completed the connects for two of them and the third may be completed by months end. We also staked in a heavy-up for new grain storage in Brownell and a meter loop relocate in McCracken. I have been working on the contract for the Scott Park underground 3ph extension to the campground and hope to have a contract and easements ready to send by early next week. We also staked in a truck rack addition for the Plains pipeline location NW of Ness city. We are waiting on the contract and payment to order transformers for that project. Landis & Gyr upgraded our version of Command Center (their head-end software) so I have been upgrading the radios in all of our field equipment and meters. Two and sometimes three files must be upgraded in each radio, this will be an ongoing project which I hope to have completed by years end. With inquiries being slower I have been updating mapping data for a mile in all directions as new connects come in. This to will be an ongoing project. I am also still working on the substation asset clean-up/reallocation project. I have completed Twin Springs so Kathy can get it into the system.

Thanks

Nate Burns

(620) 397-5327 O
(620) 397-8063 C (best)



SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING SUMMARY

November 20, 2020

SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING

Senator Jerry Moran was a guest visitor to the November Board meeting. Senator Moran discussed some of the issues he anticipates seeing in the next Congressional session and how strategies may change under a Biden Administration.

CURRENT ACTIVITIES

Sunflower Members' Conference

The second Sunflower Members' Conference is scheduled for Feb. 4 from 9 a.m. to 3 p.m. The virtual conference will have three general sessions and two breakout sessions with four repeated topics presented in each breakout. A survey for Member feedback on topics was sent on Nov. 20, and Members are encouraged to share the survey with their board and staff. Registration will open once the topics are finalized.

Description of Sunflower Membership

Sunflower's membership consists of the following classes:

- Class A Members—Six
- Class B Members—One (Southern Pioneer)
- Class C Members—One (KEPCo through end of 2021)

Prior to the merger Southern Pioneer was listed as a member of Mid-Kansas but not Sunflower. Now, however, Southern Pioneer is a Class B Member of Sunflower. Per the Board's direction, the membership of Sunflower will be messaged in the following way:

Sunflower Electric Power Corporation is owned and governed by six member distribution cooperatives: Lane-Scott Electric Cooperative, Inc.; Pioneer Electric Cooperative, Inc.; Prairie Land Electric Cooperative, Inc.; The Victory Electric Cooperative Assn., Inc.; Western Cooperative Electric Assn., Inc.; and Wheatland Electric Cooperative, Inc. Southern Pioneer Electric Company is also a not-for-profit member of Sunflower.

ICARE2020/STRATEGY

To prepare for the strategy session at the December Board meeting, staff reviewed objectives, implemented initiatives, and measures related to the Member and Stakeholder perspective of the Strategy Map: provides needed services at stable, affordable costs; manages market complexity and industry dynamics; works seamlessly with Members and stakeholders in meeting their needs; and builds only needed infrastructure. This perspective represents the paramount goals of the strategic plan.

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After 2020, the strategic vision will be multi-themed: rates, risk, and success of Members. This approach to the vision statement will assist in linking a wider spectrum of the work done at Sunflower to the strategy. The aim is to build individual performance assessments around the three-themed vision statement.

Due to the impacts of COVID-19, the 2020 December strategic planning and Board meeting will be held in Hays instead of Kansas City.

Thursday December 10

- Noon—Lunch (Sunflower headquarters)
- 1 p.m.—Strategy Session (approximate finish at 5 p.m.)
Discussion will include Members' strategic plans and how those might feed into Sunflower's strategic plan. Other topics identified thus far are community solar initiatives, behind-the-meter generation, micro grids, battery storage, and Member self-supply objectives
- 6 p.m.—Dinner for meeting attendees (Gellas)

Friday December 11

- 7:30 a.m.—Breakfast (Sunflower headquarters)
- 8 a.m.—Sunflower Board of Directors Meeting
- Noon—Lunch and meeting adjournment

PRESIDENT'S REPORT

Operations

A short, scheduled outage was held at Holcomb Station in October. Due to COVID, an inspector was not available to examine the unit at the conclusion of the spring outage, so a follow-up outage was taken for the verification necessary for the State to issue an annual operational license.

Transmission Policy and Planning

The C2-Waiver for the reallocation of transmission costs was approved by the SPP board in October. SPP staff then met with FERC to discuss issues including retro-active rate reallocation. Sunflower's stance is that both unpaid tariffs for completed projects, as well as tariffs for future projects, should be considered for the C2-Waiver. The SPP will file the C2-Waiver process with FERC on November 30, and the Commission has 60 days to make a decision.

The Burns & McDonnell study on power quality issues around Dodge City is focused on voltage, hot-line switching safety, and system protection. These issues emerged in 2014 after the implementation of the SPP Integrated Marketplace, which resulted in Fort Dodge Station running less. The study is expected to be complete by year's end.

The Grain Belt Express (GBE) is a 600-megawatt DC line proposed by Invenergy. The purpose of the line is to transmit approximately 4,000 megawatts of new wind energy to the east. The line, a two-phase project expected to be completed by 2024, may begin at Spearville, giving Victory the right to serve the distribution load. The total expected load is 11–28 megawatts.

Technology Services

The Garden City Ovation Project was completed during the second week of November. The Ovation Evergreen process entails an upgrade of Sunflower's Distributed Control System

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(DCS), including both hardware and software. These upgrades are completed in each generation facility on a five-year recurring cycle.

External Affairs and Member Services

The culmination of the Sunflower Electric Economic Development's mock Request for Information (RFI) training was a mock, virtual site tour with Ady, our consultant; one of Ady's clients; three of our Members' communities; and Sunflower. The client has requested more information from each community.

Wheatland and Sunflower hosted consultants for an on-site visit to the proposed economic development site in Caldwell, KS. No fatal flaws were found concerning the site, and the consultants have asked for more information. Prior to the visit, Sunflower was pursuing a certification up to 50 megawatts but are now evaluating a 100 megawatts certification.

Financials

Overall Member loads were down 2.84% from budget for the month and 4.88% year-to-date. Large industrial loads were down 18% from budget for the month and 7.76% year-to-date. Year-to-date operating expenses were down from budget by \$7.01 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.

2020 financial reports will be available in January. Although some information will not be available until later, the January report will give a solid overview of the year.

Patronage

The Sunflower Board agreed to proceed with a distribution of patronage with timing of distribution and methodology to be determined at a later date.

Section 167(j) Tax Election

Tax Cuts and Jobs Act of 2017 (TCJA) modified Section 167(j) regulations to limit deductibility of interest, but for "excepted trade or business." Excepted entities include certain regulated utilities, and cooperatives fall under the definition since their rates are regulated by their boards of directors. Interest must be allocated between excepted and non-excepted activities and the limitation applied to non-excepted activities, and the regulation will take effect in 2021. Since all of Sunflower's activities are utility activities and are regulated either by the KCC, FERC, or the Board of Directors, staff recommended passing a resolution that would preserve interest deductibility for our excepted trade or business activities. Administrative overhead to comply with the new regulations will be reduced as allocations and limitation tracking complexities will be reduced.

Board action: The Sunflower Board approved the resolution as presented.

KEC Membership Meeting Voting Delegate/Alternate

Delegate: Shane Laws

Alternate: Kirk Girard

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KEC Board Meeting Summary

Dec. 3, 2020, held virtually

Meeting Summary

In official action at the **KEC Special Meeting of the Members** which immediately preceded the December Board Meeting, the membership:

1. Approved the proposed amendments to KEC's Bylaws.

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

1. Directed KEC to conduct only necessary business as outlined by the KEC Bylaws at a virtual KEC Annual Meeting in January 2021. The educational portions and guest speakers that traditionally occur in conjunction with the Annual Business Meeting will now be scheduled during the KEC Summer Meeting.
2. Directed KEC to cancel the out-of-state youth programs for 2021, and to instead offer either an in-state or virtual leadership summer program.
3. Adopted the 2021 KEC Budget and dues assessments as recommended by the KEC Budget and Operations Committee.
4. Accepted revisions to KEC Policy Bulletin No. 24 as recommended by the KEC Policies and Bylaws Committee.
5. Rescinded KEC Policy Bulletin No. 27 as recommended by the KEC Policies and Bylaws Committee.
6. Elected Lee Tafanelli as KEC's voting delegate and John Blackwell as alternate to the NRECA and NRTC 2021 annual meetings.

During the December Board Meeting, the Board heard committee reports from the following: Executive, Nominating, Policies and Bylaws, Legislative, and Budget and Operations. All meetings were held virtually.

The **Budget & Operations Committee** reviewed the KEC Budget and dues assessments for KEC. The **Executive Committee** discussed options for the KEC 2021 Annual Meeting and the KEC youth programs. The **Legislative Committee** reviewed the status of the Advocacy Visioning Framework and the State Energy Plan discussions. The committee heard a KCRE update, a post-election update, and discussed potential legislative issues. The **Policies and Bylaws Committee** reviewed proposed updates to KEC Policy Bulletin 24 and approved recommending those changes to the board. The committee also recommended rescinding KEC Policy Bulletin 27 as it is specific to the former Apparatus Testing Department and is no longer applicable.

The **Nominating Committee** recommended the following slate of KEC officers for 2021: **Terry Hobbs**, Western, as President; **Teresa Miller**, Ninnescah, as Vice

President; **Kirk Thompson**, CMS, as Secretary; and **Jim Christopher**, DSO, as Treasurer.

The KEC Board of Trustees heard department reports from KEC staff. Detailed reports can be reviewed in BoardPaq. Highlights include: **Loss Control, Safety and Compliance** finalized its safety meeting dates, on-site regulatory compliance visits, workshops and safety observation dates for 2021. The department also organized the mutual aid efforts of 16 Kansas cooperatives following the early Oklahoma winter storm on Oct. 29. **Communications** highlighted some of its recent public relations work on behalf of the member cooperatives. Despite the pandemic, *Kansas Country Living* advertising averaged 24% per issue in 2020. The magazine is also planning to launch its website at the beginning of the year. **Education and Training** is organizing a series of directors workshops the week of Feb. 8. Bryan Singletary will facilitate the brand new *971.1 Governance Challenges of the Evolving Distribution Cooperative* at Victory, DSO, 4 Rivers, as well as a virtual class. **Management Consulting** devoted a considerable amount of time drafting testimony to be submitted in the Westar DG remand docket at the KCC. **Government Relations** provided a brief update on potential USDA secretary candidates and upcoming state legislative leadership elections.

Well Wishes

President Terry Hobbs also congratulated **Chuck Look**, Prairie Land, on his upcoming retirement at the end of the month. Well-wishes were also expressed to **Bob Hall**, KEC, for his service as he plans to retire by March 1, 2021. And to **Tara Mays**, KEC, as she has accepted a position with the Kansas Hospital Association. Her last day at KEC is Dec. 4, 2020.

RuralPower

INSIDE

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- 3 | **Lane-Scott joins high school work-study program**
- 4 | **Kansas linemen aid Oklahoma co-ops following early ice storm**

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

Kansas co-ops join forces to provide rate stability with solar power

Using the sixth cooperative principle of cooperation among cooperatives, 12 cooperatives in Kansas are joining to make a small investment for the next 25 years or more in the harvesting of sunshine. Participating electric cooperatives will be able to procure low-up-front-cost solar energy to serve their membership through the Kansas Cooperative Sun Power Program and reduce their peak demand.

Under their unique cooperative programming, the Kansas Cooperative Sun Power Program is a series of solar farms developed by Today's Power, Inc. (TPI)'s to harvest renewable energy in the state for participating electric cooperatives. This 25-year program has attracted the best possible long-term pricing and will result in the construction of more than 20 Megawatts (MW) of solar power spread out across more than 800 miles of the sunflower state.

This opportunity began when the wholesale power contract between all participating cooperatives and KEPCo was recently modified to provide Kansas electric cooperatives with the ability to self-procure up to 15% of peak demand, with 5% of that amount specifically allowing for the addition of solar.

Proving that utility scale solar provides more cost-effective ways to benefit all consumer-member of the cooperatives, TPI was chosen to be the developer and energy partner for this venture through extensive research undertaken by participating cooperatives and a comprehensive Request For Proposals (RFP) process administered by GDS & Associates.

Owned by electric cooperatives, TPI was created to provide solar facilities to Arkansas' electric cooperatives that could otherwise not utilize federal tax incentives. Fellow cooperatives in neighboring states quickly learned of TPI's program and wanted a "known business partner" to provide their solar system.



Pictured from left: Mike Morton, Bluestem; Ben Whiteside, Butler; Mark Scheibe, Heartland; Scott Ayres, Sedgwick County; Tim Powers, DSO; Michael Henderson, Today's Power, Inc.; Dennis Svanes, 4 Rivers; Jackie Holmberg, Ark Valley; Angie Erickson, Twin Valley; Teresa Miller, Ninnecah; and Steve Foss, FreeState. Not pictured are Dale Short, Butler; Coni Adams, Sumner-Cowley; and Kirk Thompson, CMS.

TPI has constructed solar arrays for 15 of the 17 electric cooperatives of Arkansas as well as cooperatives and cooperative organizations in Oklahoma and Tennessee.

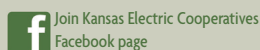
All systems installed will be sized in the 1 MW range. Each system is contracted through a 25-year Power Purchase Agreement with additional 5-year options. Cooperatives will simply be responsible for the purchase of electricity generated from the solar farms and will have low-upfront costs associated with the development of renewable solar energy.

This method of generation makes it possible for these cooperatives to increase the production of renewable energy year-round and to reduce peak demand. The reduction of peak demand will enable each cooperative to provide financial stability to its members while also reducing their carbon footprint. This is just another way electric cooperatives in Kansas are helping support local businesses, industries, and individuals with the resources they need to grow as efficient, responsible, and successful contributors to our communities.

Currently, these projects are in the engineering process and construction will take place in phases beginning in 2021 and running to 2022. Individual projects for participating cooperatives will be announced as initiated and completed.



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PO Box 4267
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www.kec.coop



Doniphan's board names Don Hellwig as interim manager

The Doniphan Board of Trustees has named Don Hellwig as its interim general manager. Hellwig took his new position at the co-op on Nov. 2.

Hellwig has served electric cooperatives since 1978 when he was elected to the Board of Trustees of Twin Valley Electric Cooperative. He became the general manager for Twin Valley from 1986 to 1996, and then was named general manager & CEO of DSO Electric Cooperative from 1997 to 2015.

Since his retirement, he has served as interim CEO of Macon Electric Cooperative in Macon, MO, and of Sedgwick County Electric Cooperative. He also served as a senior consultant to Bluestem Energy Solutions, headquartered in Omaha, NE.

Hellwig replaces Dan O'Brien who served as the general manager since January of 2020.

KCC Hall of Fame nomination deadline approaching

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

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.

- ▶ FreeState seeks a tree crew/groundsman.
- ▶ KEPCo seeks an administrative assistant - receptionist.
- ▶ Sunflower 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

NOVEMBER

- 20 **Sunflower Board of Directors Meeting**, Sunflower Headquarters, Hays, and via teleconference, 8:30 a.m.
- 26-27 **Thanksgiving**, KEC office closed

DECEMBER

- 2 **KEC Committee Meetings**, virtual, Policies and Bylaws at 9 a.m., Legislative at 1 p.m.
- 3 **KEC Special Meeting of the Members**, virtual, 9:30 a.m.
- 3 **KEC Board of Trustees Meeting**, virtual, immediately following the KEC Special Meeting of the Members
- 11 **Sunflower Board of Directors Meeting**, Sunflower Headquarters, Hays, and via Microsoft Teams, 8 a.m.
- 17 **KEPCo Board of Trustees Meeting**, virtual, 8:30 a.m.
- 24-25 **Christmas**, KEC office closed

KEC Auxiliary launches scholarship for youth alumni

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

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.

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 eligibility requirements are online at <https://www.kec.coop/form/kec-auxiliary-scholarship>. For additional information, contact Carol Dorr at cdorr@kec.org.

upcomingtraining

New directors Board Leadership course set for February

KEC is hosting a series of training locations for a newly-developed directors course, Feb. 8-11.

BRYAN SINGLETARY will facilitate the brand new *971.1 Governance Challenges of the Evolving Distribution Cooperative*. This course will be taught at Victory's headquarters in Dodge City on Feb. 8, DSO's headquarters in Solomon on Feb. 9, and at 4 Rivers' headquarters in Lebo on Feb. 10. In addition, a virtual option is available on Feb. 11.

The co-op marketplace is changing faster today than at any time since our foundational period. Distribution co-ops' relationship with their members are transforming due to changing member preferences, new business models, new technologies and third-party applications. This course focuses on how these changes call for different ways of thinking, data collection and

analysis at the board level if boards are to fulfill their oversight responsibilities and strategic vision.

Participants will learn to recognize the drivers of the changing industry landscape, and they will discuss how the evolving energy landscape impacts governance and the way a board performs its oversight function. Attendees will also envision where directors see their co-op in 5-7 years, and they will identify specific data necessary to inform a recommended course of action.

Cost to attend the one-day training is \$300 per person. Seating is limited, and safety protocols will be followed. If an in-person training is deemed unsafe as we near the training dates, all courses may be offered virtually.

Registration will be emailed to each cooperative. For more information, contact Shana Read at sread@kec.org.

Lane-Scott joins high school work-study program

Lane-Scott has joined other local businesses to take part in Dighton High School's work-study program. This program gives juniors and seniors the opportunity to learn hands-on job skills as part of their class schedule.

Joining the Lane-Scott staff this semester is **ELI RUPP**, a senior at Dighton High School. Rupp will be working with **MARK MCCULLOCH**, Lane-Scott's master HVAC technician, where he will learn about ductwork, gas piping, basic electrical tasks, troubleshooting, and servicing furnace and air conditioner units. Upon graduating, Rupp's intent is to enter the HVAC



Eli Rupp shadows Lane-Scott's HVAC department through Dighton High School's work-study program.

Certification Program at Hutchinson Community College.

To be considered for the program, students are required to complete a detailed application and interview by a panel of community members and administrators. Upon completion of the program, an exit interview is conducted, evaluations

are given by the place of work, and students complete a final reflection project as part of their grade. Students not only gain essential skills during this process, they get to experience an industry of interest prior to continuing their education after graduation.

Pioneer brings annual Safety Fest to local students—in a bag

Unable to host Safety Fest in-person, Pioneer Electric joined other community partners to bring the event to local elementary students in the form of Safety Fest—in a bag.

Nearly 800 students were gifted the annual Safety Fest backpack, containing a variety of materials all with the theme of safety. Each bag contained a mask, water bottle, ear buds, lanyard, hand sanitizer and many other gifts from community donors.

The Grant County Junior Leadership class assisted with stuffing and delivering the backpacks.

"We brought Safety Fest to them,"



Rae Gorman, manager of energy services, shows preschool students contents of the Safety Fest backpacks.

said **ALYSSA HAMMOND**, communications specialist for Pioneer Electric. "This project was something that we were passionate about making happen. We wanted to ensure the kids still received the items that they normally would if Safety Fest had been held in person."

Kansas Touchstone Energy holds hybrid meeting

The Touchstone Energy Annual Membership Meeting was held at Butler Electric Cooperative on Oct. 22.

Touchstone Energy's **JANA ADAMS** and **ANNE HARVEY** reported virtually on the national program activities. **SHANA READ**, KEC, presented the state program review and **NIKKI PFANNENSTIEL**, Sunflower, gave an ElectroRally update.

The Kansas Touchstone Energy Executive Council approved the 2021 budget and set the 2021 dues assessment. The Council

also re-elected **LINDA TOMLINSON**, CMS; **STEVE FOSS**, FreeState; and **KEVIN HEPTIG**, Bluestem; and appointed **CINDY FOSTER**, Sedgwick County, to fill the vacant Trustee position.

Officers **BRUCE MUELLER**, Chairperson; **STEVE FOSS**, Vice Chairperson; and **TRAVIS GRIFFIN**, Secretary/Treasurer; were also re-elected.

The national Touchstone Energy Business Meeting and Elections will be held online and are scheduled for Thursday, Dec. 10 at 2 p.m.

Despite pandemic, Wheatland's members show generosity

Since 2014, Wheatland's "Cram the Van" food drive program has collected more than 47 tons (95,527 lbs.) of food donations, all of which have all been delivered to the local food banks in the communities in which they were donated. Now that the program is in its seventh year, co-op staff was unsure how the campaign would be received during a pandemic.

"We find ourselves humbled and in awe of the generosity of the communities we serve," said **ALLI CONINE**, Wheatland's manager of member services & corporate communications. "Amid a public health pandemic and with so much uncertainty and so many challenges, we knew we needed to act, even if things looked different this year."

Co-op staff drove the red van, which is the largest vehicle in their fleet, across the co-op's communities to grill hamburgers and to collect non-perishable food items. Staff set up a drive-thru style collection and distribution system.

Donations for this year's community food drive will be accepted through the end of November. The cooperative is also accepting monetary donations to benefit local food banks online.

insympathy

Delbert E. Tyler

Delbert E. Tyler, former general manager of Ark Valley, died on Oct. 28. Tyler served the co-op from 1980 until 1993. Memorials may be sent to Jones-Walker & Son Funeral Home, 1209 Live Oak, Commerce, TX 75428.

Max Lowrey

Max Lowrey, retired Sumner-Cowley board member and former KEC Board President, died on Oct. 31. Lowrey was elected to fill the seat previously held by his father, and he served his co-op from 1988 to 2018. He served as the Sumner-Cowley board president from 1999 to 2014, and as the KEC board president from 2006 to 2008.

Memorial services were conducted Nov. 17 in Argonia Cemetery, Argonia, KS. Memorials may be sent to Ebersole Mortuary, 219 W. Spring Ave., Conway Springs, KS 67031.

Kansas linemen aid Oklahoma co-ops following early ice storm

Electric cooperatives across Kansas traveled to Oklahoma to restore power after an abnormally early ice storm crippled large portions of the state. The mix of freezing rain combined with high winds led to a large ice storm which first struck on Oct. 25 and downed electric co-op lines serving more than 76,000 consumer-members in central and western Oklahoma.

Muddy roads and strong winds challenged the electric cooperative crews, contractors, and mutual aid crews from across Kansas, Missouri, Arkansas, and Oklahoma. Kansas co-ops that sent aid included 68 line workers from: **4RIVERS ELECTRIC COOPERATIVE**, Lebo; **ARK VALLEY ELECTRIC COOPERATIVE**, South Hutchinson; **BUTLER ELECTRIC COOPERATIVE**, El Dorado; **DSO ELECTRIC COOPERATIVE**, Solomon; **FLINT HILLS RURAL ELECTRIC COOPERATIVE**, Council Grove; **FREESTATE ELECTRIC COOPERATIVE, INC.**, Topeka; **HEARTLAND RURAL ELECTRIC COOPERATIVE**, Girard; **LANE-SCOTT ELECTRIC COOPERATIVE**, Dighton; **NINNESCAH RURAL ELECTRIC COOPERATIVE**, Pratt; **PIONEER ELECTRIC COOPERATIVE**, Ulysses; **ROLLING HILLS ELECTRIC COOPERATIVE**, Beloit; **SOUTHERN PIONEER ELECTRIC COMPANY**, Liberal; **TWIN VALLEY ELECTRIC COOPERATIVE**, Altamont; **VICTORY ELECTRIC COOPERATIVE**, Dodge City; and **WESTERN COOPERA-**

TIVE ELECTRIC, WaKeeney.

“Linemen feel the need to help other cooperatives around the state and nation because they know it may be them who needs the help the next time,” Stacey Marston, KEC instructor of loss control, safety, and compliance, said. “Long lasting friendships are made while the crews are working extended hours to get to co-op consumer-



Photo courtesy of Oklahoma's Electric Cooperatives.

Mutual aid crews from cooperatives across Arkansas, Kansas, Missouri, and Oklahoma assist the restoration of downed lines when a significant portion of Oklahoma experienced a historic early season ice storm on Oct. 25. At its peak, Oklahoma's co-ops reported more than 76,300 outages. Pictured are crews from Southeastern Electric Cooperative, Durant, OK, providing assistance to Southwest Rural Electric Assoc. in Tipton, OK.



Photo courtesy of Oklahoma's Electric Cooperatives.

On Oct. 26, an emergency declaration for 47 Oklahoma counties was issued due to severe winter weather, freezing rain, and ice accumulations. Heavy ice caused trees to snap, and high winds caused galloping lines in areas where power lines are already coated in thick layers of ice.

power restored members and stay in touch even after the storms have passed and the restoration is complete.”

The Kansas crews deployed between Oct. 28-30. They worked seven-day, extended hour shifts until power was restored to all residential accounts on Nov. 10 for the Oklahoma co-op members served by

Central Electric Cooperative, Cimarron Electric Cooperative, CKenergy Electric Cooperative, Northfork Electric Cooperative, and Rural Electric Cooperative. These cooperatives reported more than 4,000 downed poles. However the largest problems across the state was the downed power lines due to ice-covered tree limbs and leaves, and extensive mud, which slowed access to the affected areas. Western Farmers Electric Cooperative, a generation and transmission electric cooperative and the power supplier for 17 rural distribution electric cooperatives in Oklahoma, reported 173 downed or heavily damaged transmission structures.

The Kansas crews were equipped with 23 bucket trucks, 14 digger trucks, pole trailers, foreman pickup trucks, and additional equipment.

The damaging storm is considered historic due to its early fall timeline.

PSE launches free, monthly webinar series for Kansas electric cooperatives

In response to the current pandemic, Power System Engineering (PSE) has adapted its cooperative-driven training from in-person to online. PSE has launched a monthly, one-hour live interactive webinar series for Kansas cooperatives. This online training, which is held on Tuesdays from 11 a.m. to noon, is free of charge.

The first webinar was held on Oct. 6 and focused on Residential Demand Charges, and the second was held Nov. 3 and focused on Distributed Generation Rates. The next session will be Dec. 15 and will focus on Power/Energy Cost Adjustments. Topics will include calculation options, treatment of unique purchases, relationship of wholesale

vs retail PCA/ECA, application to unique customers, true-up of over/under collection, roll-up, and transparency.

Future topics will include time-of-use rates, the evolving electric industry, electric vehicle rates and programs, customer segmentation/subscription and/or life-style rates, and mergers and acquisitions.

After each Microsoft Teams webinar, links to the slides and a recording of the presentation are made available. To be added to the training list, or if you have any questions, please contact PSE's Elena Larson at 785-224-3065 or email larsone@powersystem.org, or Rich Macke at 612-817-3462 or email macker@powersystem.org.

8. General Manager's Report

A. Rates and Reliability Dashboard – October 2020

1) Rates.

	current month (\$/kWh)	year to date (\$/kWh)
Residential	0.1194	0.1147
Residential - Seasonal	0.1858	0.1900
Irrigation	0.0883	0.0897
C&I 1000kVa or less	0.1049	0.1051
C&I over 1000 kVA	0.0971	0.0960
Public Street and Lighting	0.1259	0.1252
Other Sales to Public Authorities	0.1379	0.1428
Sales for Resale - Other	0.0616	0.0709
Total Sales price per kWh:	0.1101	0.1008

2) Reliability.

October 2020		
SAIDI	2.34	Interruption DURATION / average for every member (hrs)
SAIFI	1.06	Interruption FREQUENCY / Average # of Interruptions per customer
CAIDI	2.21	Customer Average Interruption Duration Index - IF you are out, how long to expect (hrs).
ASAI	99.97%	Service Availability

B. Administration

- 1) Compliance One. We are revising our Drug and Alcohol testing procedure due to recent events. We currently test 3 DOT and 2 non-DOT employees for drugs at random quarterly. Two employees are randomly required to undergo an alcohol test. Starting January1 we will be randomly testing 2 DOT and 1 Non-DOT employee monthly for Drugs and alcohol monthly. This comes to 72 tests per year and we have directed Compliance One to assure that 100% of employees are tested annually. This will cost \$3,564.00 per year (an increase of \$2,178).
- 2) 2021 ACRE / KCRE enrolment forms are available. We would like to renew our 100% Board participation in both. Please complete your forms and leave them for Diana.
- 3) The Credit Card records are available for the Boards review.

C. Information Technology / Cybersecurity highlights

- 1) Much of the month was directed toward WebEx and work-at-home connectivity issues related to COVID and NRECA Retirement planning.
- 2) The Verifone MX925 that we use to process credit card and electronic payments is dying. Carrie found a patch but we will replace next year.

D. Operations.

- 1) Ben, Chad, Kevin and Dellon worked ice storm restoration at CK Energy in Binger Oklahoma.
- 2) Changed out clearance poles and broken anchors in Finney, Ness, and Lane counties.

- 3) Terminated new underground transformer and riser pole at Lane County Feeders.
- 4) Changed out nonresponsive meters and repaired router/collector modem in Alexander substation.
- 5) Built new oil well connects and retired line to water well in Lane County.
- 6) Repaired and replaced consumer lights.
- 7) RESAP walk thru and safety meeting.
- 8) Substation inspections, refusing, outages, patrolling and line maintenance.
- 9) Two employee Covid-19 cases.

E. Member Services

- 1) CoBank Sharing Success Program. Checks were delivered before Thanksgiving.
- 2) Military Care packages. The packages will be mailed the week of the Board Meeting.
- 3) Thanksgiving Giveaway. The \$100 winners were: Verda Ochs – Arnold, Patrick Zippitelli – Ness City, Morgan Jones – Dighton.
- 4) Website: We are live with our new ADA compliant website.

F. Finance.

- 1) October posted a \$9,491 gain in Total Margins and a \$18,422 gain in Operating margins.
- 2) Budget. We are \$286,620 under budget on Operating Margins (Part a, Line 21) and \$262,816 under budget on Total Margins.
- 3) Billing Past Due (current – Nov.)
 - a. 30 day – \$ 1,213.08
 - b. 60 day – 1,306.12
 - c. 90 day – 12,666.51 (\$10,329.81 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 \$166,261.

- 1) Retail Services. Initial figures posted a \$11,936.61 loss in October. Much of this is from Generac's that were purchased but will not be installed and billed until late November or December.
 - a. Resale Hours. Billable hours were at 77%. Year to date is 69.3%.
 - b. Outstanding Balances. The total 60-90 day past due balance is \$3,521.71.
 - i. 30 day - \$ 4,394.38
 - ii. 60 day - 647.65
 - iii. 90 day - 2,874.06 (Black Dog – 1,945.54, Steve Neely – 718.04)
 - c. Generac. We have sold seven units. One has been received, three are being shipped, and have another five estimates waiting.
- 2) Interest earned. We earned \$3,001 in Non-Operating interest.

Respectfully submitted,

Richard McLeon, MBA
General Manager

10. a. Board Policy 502 Hours of Work and Compensation

The review of this policy started with the crews request for Standby-time compensation. This is a normal compensation that is paid to cooperative employees for being “on-Call” and staying within Call-out time of the office on what would normally be their off-time.

I hoped that this would be a simple amendment, but the more I looked at the existing policies 502.1 and 502.2 the more confused I got. Kathy and I set down to work it out and after an hour, neither of us understood the policies. Then I started polling Linemen and got different responses from different people on how to report their overtime. That was when we knew we had a problem. Most of the confusion came from, “I was told to report it this way” comments. I assured them that no one is in trouble, we are just trying to clarify the Policy.

After several meetings with employees, the proposed Board Policy 502 is the product. Key provisions are:

1. It consolidates BP 502.1 and BP 502.2 into a single standard for all employees for when overtime is paid and what that rate will be.
2. It adds a provision for double time on Cooperative Holidays.
3. It adds a provision for On-Call / Standby Compensation that is:
 - a. One hour regular on weekdays
 - b. Two hours regular rate on week-end days and holidays
4. It removes the Call-out compensation of two hours for in town calls and three hours for out of town calls. These are consolidated into a single 3-hour block.
5. It removes the meal compensation / reimbursement provision.

This policy brings us more closely in-line with the On-Call and Call-out provisions of our neighboring Cooperatives and their Unions. It also removes the Policy disparity between the Crew and everyone else.

We request that the Board approve the revised Board Policy 502 Hours of Work and Compensation.

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 7, 2010

Policy No.: 502.1

Supersedes Date: March 24, 2006
January 20, 1997
December 18, 1995
November 27, 1995
April 26, 1993
August 27, 1973

SUBJECT: Hours of Work - Operations Dept. Line Personnel

OBJECTIVE:

- A. To define the work week and set forth working and office hours for Lane-Scott Electric Cooperative, Inc., specifically the Operations Department Line Personnel.
- B. To set forth the condition for which extra compensation is paid for hours worked.

POLICY:

The work week is defined as that period commencing at 12:01 A.M. on each Monday and ending at 12:00 midnight each Sunday.

The regular office hours of Lane-Scott Electric Cooperative shall be from 8:00 A.M. to 5:00 P.M., Monday through Friday.

The scheduled working hours for all outside employees shall be 8:00 A.M. to 4:30 P.M., Monday through Friday, excluding a thirty (30) minute lunch break.

Overtime Compensation

Employees who are included under the overtime rate provisions of the Fair Labor Standards Act, as amended shall be compensated at their regular hourly rate for the first forty (40) hours worked during any consecutive seven (7) days commencing on 12:01 A.M. of the first day and ending at 12:00 midnight of the seventh (7) day.

Work performed in excess of forty (40) hours per week shall be overtime and shall be paid at the rate of one and one-half (1 1/2) times the employee's regular rate of pay.

---Policy 502.1---
Page 2

Work performed in excess of 8 (eight) hours per day shall receive overtime and shall be paid at the rate of one and one-half (1 ½) times the employee's regular rate of pay. Provided they meet the weekly minimum of 40 (forty) hours of regular time.

Work performed in excess of 16 (sixteen) hours per day shall receive overtime and shall be paid at the rate of two (2) times the employees' regular rate of pay.

If an employee is finishing a project and works over the regular 8 (eight) hour work day they shall be compensated at the respective overtime rate to the nearest 15 minute time interval.

If an employee is called for special duty other than regular scheduled work hours, they shall be compensated for a minimum of two (2) hours within the respective city limits and three (3) hours outside the city limits of the respective cities. The compensation is to be at the respective overtime rate.

All calls originating within the city limits of Dighton or Ness City and completed within the two-hour period, shall be charged out at two (2) hours at the overtime rate.

All calls originating outside the city limits of Dighton or Ness City but requiring more than three hours to complete, shall be charged out at the amount of time required to complete the call, at the overtime rate.

All calls originating two or more hours apart, inside the city limits of Dighton or Ness City shall be charged out at two hours each, plus any overtime over the two hours required to complete the call at the respective overtime rate.

All calls originating three or more hours apart, outside the city limits of Dighton or Ness City shall be charged out at three hours each, plus any overtime over the three hours required to complete the call at the respective overtime rate.

On all calls originating within one hour of the beginning of the normal working day and extending into the normal work day, the time worked prior to the normal starting time shall be paid for at one and one-half (1 ½) times the employees regular rate, the balance thereof to form and constitute a part of the normal working day.

---Policy 502.1---

Page 3

Two (2) times regular hourly rate shall be paid for work performed on Sunday.

Employees that are called out for standby and then get called out the second time within the same original call out period will not start a new call out period but if it extends over the original call out period will be compensated for the total hours worked.

When employees are required to work outside the regular scheduled hours of the normal work week, provided the employee is called out before 6:30 A.M. and works continuously past 8:00 A.M. or works continuously from 4:30 P.M. past 6:30 P.M., the employee shall be entitled to meal compensation not to exceed ten dollars.

An employee is entitled to meal compensation on Saturdays, Sundays and holidays provided they work a minimum of four hours, two hours before and two hours after regularly scheduled mealtime. Regular scheduled mealtime shall mean 8:00 A.M., 12:00 Noon and 6:00 P.M. Other compensations may be considered at the discretion of the General Manager in cases of extreme weather conditions or other emergencies.

ATTESTED _____
Secretary

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

Dated: March 24, 2003

Policy No: 502.2

Superseded Dates: December 18, 1995
April 26, 1993
August 27, 1973

SUBJECT: Hours of Work - Office Personnel, Member Services Department
(including outside Electricians) and part-time Help.

OBJECTIVE:

- (A) To define the work week and set forth working and office hours for Lane-Scott Electric Cooperative, Inc.
- (B) To set forth the condition for which extra compensation is paid for hours worked as overtime to employees covered under the compensation provision of the Fair Labor Standards Act, as amended.

POLICY:

The work week is defined as that period commencing at 12:01 A.M. on each Monday and ending at 12:00 midnight each Sunday.

The regular office hours of Lane-Scott Electric Cooperative shall be from 8:00 to 5:00 P.M., Monday through Friday.

Scheduled working hours for all inside employees as outlined above shall be from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding a one hour lunch break. The scheduled working hours for all outside employees as outlined above, (Electricians, etc.) shall be 8:00 A.M. to 4:30 P.M., Monday through Friday, excluding a thirty (30) minute lunch break

Overtime Compensation

Employees who are included under the overtime rate provisions of the Fair Labor Standards Act, as amended shall be compensated at their regular hourly rate for the first forty (40) hours worked during any consecutive seven (7) days commencing on 12:01 A.M. of the first day and ending at 12:00 midnight of the seventh (7) day.

---POLICY 502.2---

Page 2

Work performed in excess of forty (40) hours per week shall be overtime and shall be paid at the rate of one and one-half times the employees' regular rate of pay.

If an employee is called for special duty other than regular scheduled work hours they shall be compensated for a minimum of one (1) hour per call out. The compensation is to be at the respective overtime rate.

On all calls originating within two hours of the beginning of the normal working day and extending into the normal work day, the time worked prior to the normal starting time shall be paid for at one and one-half (1 1/2) times the employees regular rate, the balance thereof to form and constitute a part of the normal working day.

Two (2) times the regular hourly rate shall be paid for work performed on Sunday.

When employees are required to work outside the regular scheduled hours of the normal work week, provided the employee is called out before 6:30 A.M. and works continuously past 8:00 A.M. or works continuously from 4:30 P.M., past 6:30 P.M., the employee shall be entitled to meal compensation.

An employee is entitled to meal compensation on Saturdays, Sundays and holidays provided they work a minimum of four hours, two hours before and two hours after regularly scheduled meal time. Regular scheduled meal time shall mean 7:00 A.M., 12:00 Noon and 6:00 P.M. Other compensations may be considered at the discretion of the General Manager in cases of extreme weather conditions or other emergencies.

ATTESTED _____

Secretary

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

Dated: January 01, 2021

Policy No: 502

SUBJECT: Hours of Work and Compensation

I. OBJECTIVE:

- A. To define the work week and set forth working hours for the Lane-Scott Electric Cooperative, Inc.
- B. To set forth the condition for which extra compensation is paid for hours worked.

II. POLICY:

The work week is defined as that period commencing at 12:01 A.M. on each Monday and ending at 12:00 midnight each Sunday.

- A. The scheduled working hours for all outside employees shall be 8:00 A.M. to 4:30 P.M., Monday through Friday, excluding a thirty (30) minute lunch break.
- B. Scheduled working hours for all inside employees as outlined above shall be from 8:00 A.M. to 5:00 P.M., Monday through Friday, excluding a one-hour lunch break.
- C. Hours reported will be actual hours worked or on stand-by as defined by this policy.
- D. On-Call / Standby working periods are as defined in Board Policy 503.

III. Overtime Compensation Rate:

Employees who are included under the overtime rate provisions of the Fair Labor Standards Act, as amended shall be compensated at their regular hourly rate for the first forty (40) hours worked during any consecutive seven (7) days commencing on 12:01 A.M. of the first day and ending at 12:00 midnight of the seventh (7) day.

- A. Work performed more than forty (40) hours per week shall be overtime and shall be paid at the rate of one and one-half ($1 \frac{1}{2}$) times the employee's regular rate of pay.
- B. Work performed more than eight (8) hours per day shall receive overtime and shall be paid at the rate of one and one-half ($1 \frac{1}{2}$) times the employee's regular rate of pay, provided they meet the weekly minimum of forty (40) hours of regular time.
- C. Two (2) times regular hourly rate shall be paid for actual work performed on Sunday and cooperative holidays.

IV. On-Call / Standby Compensation Hours:

Employees On-Call / Standby that are not called into service shall be compensated at a rate of:

- A. One (1) hour at their regular rate of pay for weekdays (Monday-Friday), and
- B. Two (2) hours at their regular rate of pay for weekends and cooperative holidays (except the Floating Holiday).

V. Call-out Compensation Hours

- A. If an employee is called-out or called-in for special duty other than regular scheduled work hours shall be compensated at the higher rate of:
 - 1. Total three (3) hour block minimums for all calls originating three or more hours apart. These blocks shall be charged out at a minimum of three (3) hours each or,
 - 2. Actual time worked.
- B. Other compensations may be considered at the discretion of the General Manager in cases of extreme weather conditions or other emergencies.

VI. Responsibility:

The General Manager shall ensure that this policy is implemented. All Supervisors are expected to serve as role models for proper compliance with the provisions of this Policy and to review timesheets for accuracy. It is ultimately the responsibility of all employees to comply with this policy. Violations of this policy including the fraudulent entry of time worked will be subject to discipline up to and including termination.

ATTESTED: _____ date _____
Secretary

Seal

Revisions: This Policy is a revision and consolidation of Board Policies 502.1 Hours of Work – Operations Dept Line Personnel and 502.2 Hours of Work – Office Personnel, Member Services Department (including outside Electricians) and part-time Help.

10. New Business

10. d. Board Policy 524 Drug and Alcohol-Free Workplace

Joe Gasper will be presenting the revised Board Policy 524 Drug and Alcohol-Free Workplace for the Boards consideration.

We request that the Board approve the revised Board Policy 524 Drug and Alcohol-Free Workplace.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
POLICY

Dated: July 12, 2010

Policy No.: 524

Supersedes Date: February 25, 2002
May 22, 1995

SUBJECT: Drug and Alcohol-Free Workplace

OBJECTIVE:

- A. To establish a policy to ensure cooperative employees are provided a safe, drug and alcohol-free workplace and to promote a high standard of employee health.
- B. To carry out the cooperative's responsibility to serve the public safely and efficiently.
- C. To comply with the Drug-Free Workplace Act of 1988.

NOTE:

This policy works in conjunction with the policies included in the Alcohol & Drug Testing Policy & Procedures Federal Motor Carriers Safety Administration Book.

DEFINITION:

Controlled drugs or substances shall be defined as any controlled substance as set forth by any Federal and/or State Statute, except lawful use for medical reasons.

Any suspected controlled substance found in the possession of an employee shall be given to local law enforcement officials. Once such substance has been tested by the State of Kansas those test results shall be considered conclusive for purposes of this policy.

For purposes of this policy, use shall include off-duty use that results in the controlled drug or alcohol remaining in the employee's body or blood during on-duty periods.

POLICY:

- A. In keeping with the intent of the cooperative to provide to its employees a safe, drug and alcohol-free workplace, the

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cooperative expressly prohibits the manufacture, distribution, dispensation, possession or use of any drugs, alcohol, or any controlled substance while on Lane-Scott property, in Lane-Scott vehicles or on duty. Outside contractors will be required to acknowledge this Policy and to insure that their employees who are present in the Lane-Scott workplace or while providing services for Lane-Scott are drug and alcohol free.

- B. Employees will be subject to discipline, up to and including discharge, for the use of alcohol or a controlled substance during working hours or while on cooperative property.
- C. Any employee whom the employer has a reasonable or probable cause to believe has sold controlled substances or possessed controlled substances, with the intent to sell during working hours or while on cooperative property, will be discharged and all information regarding such incidents will be turned over to the proper law enforcement officials.
- D. Off-the-job drug or alcohol use that could adversely affect an employee's job performance or that could jeopardize the safety of other employees, the public or cooperative equipment, is proper cause for disciplinary action up to and including discharge.
- E. It is the Cooperative's intent to aid any employee who is abusing drugs or alcohol on the following basis:
 - 1. Any employee who is found to have such use or abuse problems may be given the opportunity to retain his or her employment, if they satisfactorily complete the requirements outlined by the "DOT and Non-DOT Drug and Alcohol Guidelines for Employee Failing or Refusing a Drug Test, Failing an Alcohol Test With 0.04 Result or Higher or Refusing an Alcohol Test" An employee will only be given one opportunity at rehabilitation. Subsequent job related use or abuse of drugs or alcohol will result in immediate discharge. As a condition of continued employment, the General Manager may require terms which ensure they are no longer using or abusing drugs or alcohol, including but not limited to transfer or reassignment of position or duties.

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2. Any employee whom the employer has reasonable or probable cause to believe has sold controlled substances in the workplace or possessed controlled substances with the intent to sell will not be given the opportunity to rehabilitate even if he or she has problems with drug abuse but will be discharged.
- F. Employees undergoing prescribed medical treatment with a controlled substance must report this treatment to their supervisor. The use of controlled substances, as part of a prescribed medical treatment program is not grounds for disciplinary action, although it is important for the cooperative to know such use is occurring.
- G. Supervisors may require an employee to submit to a physical examination when it appears that the employee's motor or reasoning skills are impaired. A drug and alcohol screen may be a part of such an examination. Such examinations will be arranged through the General Manager, or the Program Coordinator who will notify other appropriate personnel to ensure a proper basis for such an examination exists.
- H. Employees will be required to comply with and submit to any drug and/or alcohol testing program that is now or may be required by any Federal or State regulation or statute, or as required by company policy. Non-compliance will result in immediate discharge.
- I. Compliance with the Drug and Alcohol-Free Workplace Policy is a condition of employment. Employees shall be required to sign a statement acknowledging their receipt of such policy and evidencing their willingness to comply. Employees who are convicted of any criminal drug statute for a violation occurring in the workplace shall notify the General Manager of the conviction within five days. Failure to notify the General Manager of such conviction will result in discharge.
- J. The following documents are adopted as part of this policy:
1. DOT (CDL) & Non-DOT Drug and Alcohol Guidelines for Employee Failing or Refusing a Drug or Alcohol Test

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2. DOT (CDL) & Non-DOT Drug and Alcohol Guidelines for Program Coordinator
3. DOT (CDL) & Non-DOT Drug and Alcohol Guidelines for Supervisor of Employee Failing or Refusing a Drug or Alcohol Test
4. Mandatory Referral and Release of Information Form
5. DOT (CDL) & Non-DOT Drug & Alcohol Employee Return to Work Release by SAP Representative
6. DOT (CDL) & Non-DOT Drug and Alcohol Guidelines for Employee Assistance Program (EAP) Representative
7. Drug and Alcohol testing program consisting of the paragraphs numbered 1 through 10.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
DOT (CDL) & NON-DOT DRUG AND ALCOHOL GUIDELINES
for
EMPLOYEE FAILING OR REFUSING DRUG OR ALCOHOL TEST

1. Employee is contacted by the medical review officer (MRO) with a confirmed positive drug test or notified by tester of failed alcohol test.
2. Employee contacts Program Coordinator as soon as possible (before the end of the work day).
3. Employee meets with supervisor and Program Coordinator. In the case of a confirmed alcohol test result of 0.02 or higher but less than 0.04, the employee must be removed from duty for a minimum of 24 hours and will be driven home from work. No other action is required.
4. In the case of a positive drug test or a failed alcohol test when the test result is 0.04 or higher the employee signs Mandatory Referral and Release of Information form. Employee contacts the Support Line (800-999-1196) within 48 hours and EAP sets up an appointment with a Substance Abuse Professional (SAP).
5. The employee will be driven home from work. The employee is off work until the SAP releases them to return to work and they successfully pass a drug and/or alcohol test. Paid leave may be used during this time if it is available. If paid leave is not available, the leave will be taken without pay.
6. Refusal by the employee to fully cooperate with a mandatory referral or with any education or treatment program recommended by the SAP shall be grounds for discharge.
7. The employee initiates contact and meets with the employee assistance program for initial evaluation to determine if treatment is required. If referred to a treatment facility, and prior to returning to work, the employee must:
 - A. Sign all treatment goals, agreements, and information releases provided by the SAP and the treatment facility.
 - B. Be enrolled and actively participating in the scheduled treatment program.
 - C. Receive a negative drug and/or alcohol test result. Testing will be coordinated by the SAP.
 - D. Payment of all charges may be required and is the responsibility of the employee. The employee may file these claims with their health insurance for payment or reimbursement. If employee has not met their health insurance deductible they may be asked to pay this at the treatment center before the initial evaluation.

Employee Signature

Date

Copy to: Program Coordinator File
 Employee

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
DOT (CDL) & NON-DOT DRUG AND ALCOHOL GUIDELINES
for
PROGRAM COORDINATOR

1. Medical review officer (MRO) notifies Mental Health Consortium. Mental Health Consortium contacts Program Coordinator with a positive test result.
2. Program Coordinator notifies employee assistance program (EAP).
3. Employee makes contact with Program Coordinator as soon as possible upon receiving notice from the MRO.

OR

Program Coordinator makes contact with employee after receiving the positive test result.

4. Program Coordinator meets with supervisor and employee to notify employee they will not be able to return to work until the necessary steps are taken as outlined. Employee signs Mandatory Referral and Release of Information form. Employee may use paid leave, if available.
5. EAP notifies Program Coordinator that employee has completed the necessary steps to return to work. Program Coordinator lets supervisor know the date employee will be returning to work.

OR

EAP notifies Program Coordinator that employee is not complying with the treatment plan. Disciplinary procedures begin.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
DOT (CDL) & NOT-DOT DRUG AND ALCOHOL GUIDELINES
for
SUPERVISOR OF EMPLOYEE FAILING OR REFUSING DRUG OR
ALCOHOL TEST

1. Program Coordinator notifies supervisor of employee testing positive.
2. Program Coordinator, supervisor, and employee meet as soon as possible to notify employee of the following:
 - A. Arrangements will be made to drive employee home.
 - B. Employee will be notified that he/she is not to return to work until they have a return to work release from the SAP.
 - C. Paid leave may be taken, if it is available, for up to five days in order to meet with the SAP for evaluation, begin treatment if required, and schedule follow-up testing. Consideration for additional paid leave may be given if circumstances warrant, or the process is prolonged. If no paid leave is available, the employee will take leave without pay.
3. Supervisor removes employee from on-call duty, if applicable.
4. Program Coordinator notifies supervisor that employee has taken the necessary steps and the date the employee will be returning to work.

**MANDATORY REFERRAL AND
RELEASE OF INFORMATION**

As an employee of Lane-Scott Electric Cooperative, Inc., I understand that I have been referred to the Lane-Scott Electric Cooperative, Inc. Employee Assistance Program (EAP), Support Line (800-999-1196). I understand that I must:

[] Contact the EAP counselor within 48 hours of time designated below.

A signed copy of this form will be presented to the Mental Health Consortium as notification that I am a referral from Lane-Scott Electric Cooperative, Inc. This form will serve as notice that information may be released to the Designated Employee Representative (Program Coordinator) of Lane-Scott. Only information regarding my notification of the SAP; confirmation of a face-to-face assessment; confirmation of admittance, including date and estimated length of stay to an appropriate treatment program; confirmation of attendance at all scheduled treatment appointments; successful completion of the treatment program; or drug and/or alcohol test results may be released to the Designated Employee Representative.

I understand that if I do not follow the directions checked above and provide confirmation of attendance and completion, I will be subject to discharge of employment with Lane-Scott Electric Cooperative, Inc.

Likewise, I understand that if I am required to submit to a drug and/or alcohol test and fail to do so, I will be subject to discharge of employment with Lane-Scott Electric Cooperative, Inc.

Name of Employee _____

Social Security Number _____

Signature of Employee _____

Date _____

Referring Supervisor _____

Date _____

Designated Employee Representative

Date

Time

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
DOT (CDL) & NOT-DOT DRUG AND ALCOHOL
EMPLOYEE RETURN TO WORK RELEASE
by SAP REPRESENTATIVE**

After having received a positive drug or alcohol test of 0.04 or higher and prior to the Lane-Scott employee returning to work, the following criteria must be met. Please indicate what steps have been taken and upon completion mail to Program Coordinator marked **confidential**.

1. ☐ Information release signed by employee to SAP and Lane-Scott Program Coordinator.
2. ☐ Written summary of evaluation from SAP representative.
3. ☐ The employee has received a negative drug/alcohol screen result.

AND if treatment is deemed necessary:

1. ☐ Information release between treatment facility, SAP representative and Lane-Scott Program Coordinator, signed by employee.
2. ☐ Treatment goals signed by employee at treatment facility.
3. ☐ Employee enrolled and actively participating in treatment program. The SAP representative shall coordinate with the treatment facility the recommended treatment, the scheduled session, and the attendance of the employee. The treatment facility must notify the SAP representative if the employee fails to comply with the treatment program.

The employee has up to five work days to complete the above requirements. Paid leave may be taken if available. If not available, the leave will be taken without pay. The cooperation of all parties involved is vital. The responsibility to initiate and complete this program remains with the employee. Failure to comply with the SAP's recommended actions will result in termination.

SAP Representative

Date

Copy to: Employee
 EAP
 Treatment Center (if applicable)
 Program Coordinator File

LANE-SCOTT ELECTRIC COOPERATIVE, INC.
DOT (CDL) & NON-DOT DRUG AND ALCOHOL GUIDELINES
for
EMPLOYEE ASSISTANCE PROGRAM REPRESENTATIVE

1. Program Coordinator notifies Employee Assistance Program (EAP) with information that an employee has tested positive and will be in contact with EAP.
2. Employee contacts EAP and EAP schedules an appointment with SAP.
3. SAP conducts an evaluation and outlines the recommendations for a treatment program if it is deemed necessary, and acquires:
 - A. Release of information between SAP and Program Coordinator is signed by employee. A copy is sent to the Program Coordinator.
 - B. Written treatment plan is signed by the employee. A copy is sent to the Program Coordinator.
 - C. Schedules employee for a follow-up drug and/or alcohol test(s) as required for return to work. A negative result must be obtained prior to return to work.
 - D. Set up a frequent drug and/or alcohol test schedule.
 - E. Refer employee for treatment, if necessary.
 - F. Employee signs release of information between EAP and the treatment facility.
 - G. EAP/SAP communicates with Program Coordinator after the requirements outlined above have been satisfied and the employee is able to return to work. EAP/SAP will advise the Program Coordinator if the employee should not be placed in a safety sensitive position.

OR

EAP/SAP communicates with Program Coordinator that the employee is not in compliance with the program requirements.

**LANE-SCOTT ELECTRIC COOPERATIVE, INC.
DRUG AND ALCOHOL TESTING PROGRAM**

1. EMPLOYEE ASSISTANCE PROGRAM (EAP)

Lane-Scott Electric Cooperative will offer an employee assistance program to all employees. Employees seeking counseling, evaluation and or treatment for substance abuse can contact the Program Coordinator who will in turn help the employee receive the proper assistance.

2. TESTING CRITERIA

All substance screening will include alcohol (ethanol, but not by way of limitation) and the following drugs; Amphetamines (to include methamphetamines, but not by way of limitation); opiates (to include morphine, heroin and codeine, but not by way limitation); cannabinoids (to include marijuana and hashish, but not by way of limitation); cocaine (to include benzoylecgonine, but not by way of limitation); and phencyclidine (to include PCP and angel dust, but not by way of limitation).

3. NEW EMPLOYEE TESTING

Substance testing is required as a condition of employment for each new employee. Refusal to submit to testing or a positive test for the named substances will result in the termination of employment. Positive results from the test will be communicated to the applicant by the Consortium's Medical Review Officer (MRO) with notification to the Lane-Scott Program Coordinator.

4. REASONABLE SUSPICION TESTING

If circumstances create a reasonable suspicion that an individual may be impaired due to the use of drugs or alcohol, the substance testing procedure will be followed to ensure the safety of the individual and co-workers, and to maximize the privacy of the employee involved, consistent with the Drug and Alcohol Policy.

Reasonable suspicion or evidence requiring an employee to submit to a substance test will be deemed to exist when an employee displays physical or physiological symptoms or reactions commonly attributed to the use of the previously named substances. An employee demonstrating uncharacteristic actions, behavior, or physical appearance indicative of substance abuse, or involved in an accident or incident will create reasonable suspicion that will result in substance testing.

Upon reasonable suspicion, an inquiry will be conducted to determine the facts of the situation, incident or accident. Two Lane-Scott employees, with at least one being a Designated Employer Representative (DER) who has received training from an EAP provider in substance abuse symptoms, will participate in the inquiry. The results of this inquiry will either substantiate or dismiss any suspicion of substance abuse or impairment of the employee due to substance abuse. Employees having had the relevant EAP training who participate in

inquiries in accordance with this policy shall be deemed to be acting within the course and scope of their employment with Lane-Scott for liability purposes.

5. **RANDOM TESTING**

The random substance test selection process will be conducted by The Consortium. They will utilize a computer program to select a number unique to each employee.

All specimens collected will be submitted to a National Institute of Drug Abuse (NIDA) certified laboratory for testing.

Positive laboratory test results will be reported by the laboratory to the MRO. The MRO will contact the employee to discuss the test results and gather additional facts that may mitigate the existence of a positive test, such as prescription medication taken as therapeutically recommended. The MRO will then verify the information with the prescribing physician and, if it is confirmed that the prescription drug was taken as prescribed, the MRO will change the record to show a “false” positive result. If communications with the physician disclose the drug identified in the test was not prescribed for the employee, or that such drug was not taken as prescribed causing the presence of higher levels of the drug in the patient’s system than intended by the physician, a positive test will be confirmed. If the MRO is unable to contact the employee, the MRO will notify the Program Coordinator of the immediate need for the employee to consult with the MRO.

Positive test results will be reported to the Program Coordinator. The Program Coordinator will notify the employee’s immediate supervisor of other management representatives on a need-to-know basis in situations when safety on the job may be compromised.

An employee who tests positive may request in writing a retest of the same sample with 72 hours of a confirmed positive test. If desired by the employee, the retest may be performed by another NIDA certified laboratory. Lane-Scott will be responsible for all costs associated with the retest. Lane-Scott will require the employee to reimburse them for the costs of the retest if the result is positive.

Any employee who submits to a substance test in compliance with this policy is entitled to receive the specific laboratory results of such test upon written request to the Program Coordinator.

6. **POST-TREATMENT TESTING**

An employee who completes all requirements of an EAP-approved treatment plan will be subject to a post-treatment testing program. The post-treatment testing is in addition to the random testing program and is requirement for continued employment.

The 12-month post treatment follow-up will be developed by the EAP for each individual. Testing positive during the follow-up program will result in termination.

7. **DISCIPLINARY ACTION**

Discharge from employment will result when:

- An employee refuses the required tests;
- There is evidence of willful interference with or contamination of any test;
- Upon receiving a positive test, an employee refuses treatment. An employee will receive up to three days disciplinary suspension, without pay, to reconsider the option for treatment;
- An employee does not comply with the written treatment as recommended by the EAP/SAP and required by Lane-Scott.
- An employee, over any period of time, receives a second positive test.

8. **DRIVING REQUIREMENTS**

In the event an employee required to maintain a CDL or Class "C" driver license to perform the duties and requirements of his or her position, suffers restriction, forfeiture, cancellation or suspension of such license due to a drug or alcohol violation, reasonable accommodation for an employee's inability to perform required duties will be made for a maximum of 90 days, the following guidelines will apply:

- If a non-safety sensitive position is available for which the employee meets qualifications, the employee will be given consideration for transfer to the vacant position. The applicable rate of pay for the new position will apply.
- If a non-safety sensitive position is not available, discharge will result.

The same guidelines will apply to an employee refusing to submit to testing for drugs or alcohol when required by law enforcement officials and as a result suffers restriction, forfeiture, cancellation or suspension of the employee's driver license for a period exceeding 90 days.

9. **VEHICLE ACCIDENTS**

In the event of a vehicle accident on Lane-Scott time or in a Lane-Scott vehicle, the driver must contact his or her immediate supervisor or appropriate management person as soon as practical. If conditions or circumstances

surrounding the accident or situation warrant, the driver and passengers who are Lane-Scott employees will be required to submit to substance testing.

10. **ADDITIONAL DEFINITIONS OF TERMS USED IN DRUG AND ALCOHOL TESTING PROGRAM**

CDL is an acronym for commercial driver license that is required by the U. S. Department of Transportation for persons operating commercial vehicles in excess of 26,600 pounds.

CLASS “C” DRIVER LICENSE is the license required to legally operate a motor vehicle on public highways.

DER is an acronym for Designated Employer Representative. A DER is an employee authorized by the employer to take immediate action(s) to remove employees from safety-sensitive duties, or cause employees to be removed from these covered duties, and to make required decisions in the testing and evaluation processes. The DER also receives test results and other communications for the employer.

DRUG is a chemical substance that produces physical, mental, emotional and/or behavioral changes that also affect the user’s perception, judgment and/or social well-being.

DRUG ABUSE is the use of a drug for other than medical reasons, which results in impaired physical, mental, emotional, or social well-being of the user.

EAP is an acronym for Employee Assistance Program, which is available to those in need of help with drug and/or alcohol problems.

MRO is an acronym for Medical Review Officer. An MRO is a licensed medical professional that reviews and evaluates laboratory test results.

NIDA is an acronym for National Institute of Drug Abuse. An agency created to enforce the Drug Free Workplace Act of 1988, NIDA certification attests to the fact that testing protocol methodologies and chain-of-custody procedures meet the most rigorous standards in the industry.

PROGRAM COORDINATOR is the designated Lane-Scott employee responsible for coordinating the Drug and Alcohol Policy and Procedures, and for communicating with the NIDA certified laboratory, the MRO, the EAP, the SAP and the General Manager when needed.

SAP is an acronym for Substance Abuse Professional.

10. New Business

10. c. Board Policy 525 Whistleblower

A revised Whistleblower Policy is attached for the Boards consideration. This is an update from the September 26, 2005.

This update clarifies the policy and is designed to make it easier for an employee to report concerns regarding violations. Basically:

1. Assurances are provided against retaliation
2. the employee reports the concern to their supervisor. If the Supervisor is the problem, they report to the General Manager. If the GM or a Trustee is the problem, they report to the Board President or Cooperative Attorney. Any Trustee, vendor, member, or third-party reports concerns to the GM, Board President, or Cooperative Attorney as appropriate.
3. Handling of reported concerns and follow-up are addressed.

Staff requests that the Board approve the revised Board Policy 525 Whistleblower.

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: September 26, 2005

Policy No: 525

Supersedes Date: No previous policy.

SUBJECT: Lane-Scott Electric Cooperative, Inc. Whistleblower Policy

OBJECTIVE:

To give employees an avenue to share pertinent information with their supervisor or superior, general manager or board president without repercussion.

POLICY:

Part I-Internal Conflict Procedure

Misunderstandings or conflicts can arise in any organization and should be resolved before serious problems develop. Most incidents will resolve themselves naturally. Should a situation persist that you believe is detrimental to you or the Cooperative, however, the Cooperative encourages free discussion with your immediate supervisor or the general manager. These individuals will try to work out a satisfactory solution to the problem. If practical concerns preclude you from discussing the matter with your supervisor or the general manager, or if you feel that a previously reported problem has not been adequately addressed by your supervisor or the general manager, you may discuss the problem with the President of the Board of Trustees. It is hereby the policy of the Cooperative that no employee will be penalized for using this open-door policy.

Part II-Unlawful Activity by Cooperative

It is hereby the policy of Lane Scott Electric Cooperative, Inc. to abide by all applicable federal, state and local laws, rules and regulations and to have all of its employees do the same. Every employee has the responsibility to assist in implementing this policy. It is the responsibility of the Cooperative to correct or prevent such violations as a legal obligation as well as a practical necessity. A violation can taint the credibility of the entire Cooperative and subject it to adverse publicity and distrust by its members and the general public, as well as government regulators.

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Usually a violation of this policy should be reported to an employee's immediate supervisor or the general manager in writing and signed by the employee. If this is not practical, or if that action is taken but does not correct the perceived violation, a written statement, signed and dated, should be made by the employee to the President of the Board of Trustees with the specific information the employee knows, so that an investigation may be undertaken. It is important each employee seek to resolve any problem within the Cooperative channels prior to reporting it to the Board of Trustees.

There will be no retaliation by Lane Scott Electric Cooperative, Inc. or any of its employees against any employee who makes a good faith report pursuant to this policy; even if a subsequent investigation of the claim shows that there has not been a violation.

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: January 1, 2021

Policy No: 525

Supersedes Date: September 26, 2005

SUBJECT: Lane-Scott Electric Cooperative, Inc. Whistleblower Policy

I. OBJECTIVE:

To ensure that the Lane-Scott Electric Cooperative, Inc. maintains an effective, easy-to-use mechanism for employees to raise concerns regarding potentially unlawful or unethical behavior within the organization and that ensures protection against retaliation for the whistleblower.

II. POLICY:

It is Cooperative's policy that no retaliation shall occur against any employee who internally reports a concern about potentially unlawful or unethical conduct ("Whistleblower"). Each employee has an obligation to report in accordance with this Whistleblower Policy: (a) questionable or improper accounting or auditing practices, (b) suspected unlawful conduct, and (c) violations or suspected violations of Cooperative policy (collectively referred to as "Concerns" from this point forward).

A. No Retaliation

This policy is intended to encourage and enable employees to raise Concerns for prompt internal investigation and appropriate action. **No employee who in good faith reports a Concern shall be subject to retaliation in any form for making a report.** An employee who retaliates against someone who has made a good faith report about a Concern is subject of discipline up to and including termination of employment.

B. Reporting Concerns

1. In most cases, employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the Whistleblower continues to have reasonable grounds to believe the Concern is valid and/or the supervisor is not responsive, the Whistleblower should then report the Concern to the General Manager.

If the supervisor is a subject of the Concern, or if the Whistleblower is uncomfortable speaking with his or her supervisor for any reasons, the Whistleblower should report his or her Concern to the General Manager.

If the General Manager or a Trustee is the subject of the Concern, the Concern should be reported to the Board President or the Cooperative Attorney.

2. Any member of the Board of Trustees, Cooperative member, vendor, supplier, or any third party may make a good faith report of a Concern to the General Manager or Cooperative's attorney. Reports should preferably be in writing and include all relevant information known, including names of Cooperative employees believed to be involved, dates, etc.

C. Handling of Reported Concerns

1. Investigation Procedure: All Concerns will be dealt with promptly and in a manner intended to protect confidentiality, consistent with the need to conduct a full and fair investigation.
 - a. Concerns Not Involving the General Manager: Following a preliminary assessment and investigation, if the General Manager believes the Concern warrants further investigation, and/or the suspected violation is not addressed in Board Policy, then Cooperative's attorney and the Board President shall be contacted. The results of any further investigation shall be reported to the Board, as appropriate.
 - b. Concerns Involving the General Manager: If the General Manager or a Board Trustee is the subject of Concern, the Board President or Cooperative Attorney who initially received the Concern shall conduct a preliminary assessment. If the preliminary assessment reveals that Concern warrants further investigation, then the Co-op Attorney shall report the Concern directly to the Board President and prepare a preliminary report for the Board of Trustees. The Board President will then report to the full Board and engage the Cooperative's attorney to further investigate the Concern and report back to the Board on the results of the investigation for appropriate follow-up action and conclusion.
2. Follow-Up with Whistleblower. The Whistleblower may be informed of the progress and/or outcome of the investigation unless: (1) the Whistleblower indicates his or her preference not to be informed, (2) this would be detrimental to the Whistleblower, Cooperative or the investigation, or (3) there are other, sound reasons not to inform the Whistleblower. The individual responsible for investigating the Concern is also responsible for determining whether follow-up with the Whistleblower would be detrimental or whether other reasons exist not to inform the Whistleblower. The individual is also responsible for informing the Whistleblower if the Concern has been settled or closed.
3. Cooperation. All employees are required to cooperate in the investigation of Concerns, which may include steps such as personal interviews and

requests for and review of documents. Employees must not discuss the investigation, including any interviewed or document requests, with anyone unless specifically instructed that they may do so.

D. Acting in Good Faith

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information provided in a reported Concern indicates a violation of law, accounting or audit standards, or Cooperative policy. The act of making allegations that prove to be unsubstantiated, or which are made maliciously, recklessly, or with knowledge of their falsity, will be viewed as a serious disciplinary offense.

E. Confidentiality and Access

Reports of Concerns, and any investigations regarding Concerns, shall be kept confidential to the extent possible and lawful, consistent with the need to conduct an adequate investigation.

Employees shall be given ready access to contact information for the Board President, Cooperative Attorney, and General Manager.

III. Responsibility:

The General Manager shall ensure that this policy is implemented. It is with the responsibility of all trustees, officers, and employees to comply with this policy and report Concerns in accordance with this policy. The Board shall review this policy periodically.

ATTESTED: _____ date _____
Secretary

Seal

10. New Business

10. d. Board Policy 533 – Cellular Phones

A review of the 2012 Board Policy 533 Cellular Phone Usage shows that the Policy simply states that LSEC will:

“Comply with Federal DOT Regulations that restrict hand-held mobile telephones by drivers of commercial mobile vehicles.”

This does not address Company provided cellular phones, personal phone usage, or cybersecurity. Safety is addressed to the extent it is in the Federal DOT Regulations. After reviewing the Board Policy, we suggest replacing the existing policy with the attached Board Policy 533 Cellular Phones.

This proposed Policy addresses:

1. Cooperative Owned Cellular Phones. How we determine who gets one, their usage, responsibility for damages and replacement. We have 17 employees with Cooperative Cell phones. Our current Cell phone plan offers: Unlimited talk for \$16.55 per month and limited text and data. This averages about \$7.93 per month. Employees exceeding text and data limits for personal use would be billed the overcharge.

All 17 phone are eligible for upgrade. An iPhone SE would cost \$440.00 with case while an iPhone 11 costs \$810.00 with case.
2. Reimbursement for Personal Cellular Phone Usage. Some Cooperatives offer this option to limit cell phone expenses. This is like a vehicle use allowance. We would compensate employees an amount close to the avoided cost of our phone plan. The real savings would be in not buying the phones.
3. CyberSecurity. Software to access the LSEC system is not allowed on personal phones. A review of phone use shows that anyone needing remote access either a) has a LSEC iPad, or b) has access to the VPN. Also, personal software is not allowed on Cooperative Owned cell phones.
4. Safety issues. We refer to Federal DOT Regulations, discourage talking while driving, make hands-free equipment available, and tell employees that any traffic violations or liability resulting from phone use is the employee's responsibility.

Authorization Forms and specific dollar amounts would be addressed in Operating Procedures (also attached).

10. New Business

This is primarily designed to reduce phone expenses from replacing phones. This can cost LSEC up to \$10,000 whenever upgrades are required. Employees selecting personal use must understand that they are giving people their personal phone number.

Staff requests that the Board approve the revised Board Policy 533 Cellular Phones.

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

Dated: January 9, 2012

Policy No.: 533

SUBJECT: Cellular Phone Usage

OBJECTIVE:

Comply with Federal DOT Regulations that restrict hand-held mobile telephones by drivers of commercial mobile vehicles.

POLICY:

Follow Federal DOT Regulations
And
2012 Revised KEC Safety Manual

ATTESTED _____
Secretary

LANE-SCOTT ELECTRIC COOPERATIVE, INC. POLICY

Dated: January 01, 2021

Policy No. 533

Supersedes: January 9, 2012

SUBJECT: Cellular Phones

- I. OBJECTIVE:** To establish guidelines for the safe and acceptable use of cellular phones in the workplace.

II. PROCEDURE:

A. Cooperative Provided Cellular Phones

1. Where job or business needs demand immediate access to an employee, the company may issue a cellular phone for work-related communications at the company's discretion.
2. LSEC will provide a cellular phone plan appropriate for normal work-related requirements. These minutes are intended to be used for company business. However, LSEC recognizes that employees will occasionally use their cell phone for personal use. Employees will pay a flat monthly rate for normal personal use.
3. Employees who are provided with a cellular phone are expected to protect the equipment from loss, damage, or theft. Upon resignation or termination of employment, or at any time upon request, the employee may be asked to produce the phone for return or inspection. Employees unable to present the phone in good working condition within the requested time (i.e. 24 hours) will be expected to bear the cost of a replacement.
4. Employees who separate from employment with outstanding debts for equipment loss or unauthorized charges will be considered to have left employment on unsatisfactory terms and may be subject to legal action for recovery of the loss including recovery of costs from their final pay check.
5. Issued cellular phones are the property of LSEC. All data, usage information, records and contents of the phone, along with the physical phone are the property of LSEC and subject to review by LSEC. Any private usage and information contained on the phone shall be subject to disclosure to LSEC.

B. Reimbursement for Personal Cellular Phone Usage

- C. When job demands require a company cellular phone, and at the request of the employee, the General Manager may authorize LSEC to reimburse the employee a flat monthly rate for cellular phone expenses. Monthly rates will be determined annually by the General Manager and set in Operating Procedure.

D. Personal Cellular Phones

1. While at work, employees are expected to exercise discretion in the use of personal cellular phones. Excessive personal calls during the workday can interfere with employee productivity and be distracting to others. The frequency and length of personal calls should be kept to a minimum. Employees are therefore asked to make personal calls during non-work time when possible, and to ensure that friends and family members are aware of this procedure. Flexibility will be provided in circumstances demanding immediate attention.
2. LSEC will not be liable for the loss or destruction of personal cellular phones brought into the workplace.
3. Employees shall not access social media accounts during the workday unless it is for cooperative business.

E. CyberSecurity.

CyberSecurity Standards as determined by LSEC IT and approved by the General Manager will be followed by any employee desiring to access the Cooperatives' internal computing systems.

Company software will not be installed on personal phones without the prior written approval of the General Manager. Likewise, personal software will not be installed on Cooperative phones without written approval of the General Manager.

F. Safety Issues for Cellular Phone Use

1. Employees are required to follow Federal DOT Regulations regarding cellular phone use and are neither required nor expected to use a cellular phone while driving and are prohibited from cellular phone usage where prohibited by Federal DOT Regulations.

2. Employees who use a cellular phone for business use while driving are expected to act with safety as top priority. Safety must come before any other concerns. Employees shall comply with all traffic laws and regulations regarding cellular phone usage while driving.
3. Hands-free equipment will be provided upon request to all employees whose job functions require regular driving.
4. Employees who are charged with traffic violations or subjected to personal liability resulting from the use of a cellular phone while driving are solely responsible for all liabilities that result from such actions.

G. Appropriate Use Guidelines

Employees using cellular phones should be considerate of others and follow appropriate etiquette guidelines in their cell phone usage. Use of company-provided cellular phones for the purpose of engaging in any type of harassment or obscenity, or for any unlawful or unethical purpose is strictly prohibited. This policy also applies to personal cellular phones used by employees on company premises or during work hours.

III. RESPONSIBILITY:

Management staff is expected to serve as role models for proper compliance with the provisions of this Policy. Supervisors are encouraged to regularly remind employees of their responsibilities in connection with this Policy and to occasionally review cellular phone bills to ensure compliance with this procedure. Violations of this policy or illegal use of company-provided cellular phones will be subject to discipline up to and including termination.

ATTESTED: _____ date _____
Secretary

Seal

10. New Business

10. e. Christmas Bonus

Lane-Scott EC has presented taxable Christmas Gifts to employees for many years. Last year the Board increased the Bonus from \$100.00 to \$150.00 per full-time employee and from \$25.00 to \$50.00 for part-time employees.

The Cooperative currently has 21 Full time employees (excluding the General Manager) and 1 Part-time employees (Stacy).

Once again, the employees have done a great job under difficult conditions and I would like to reward them with a Christmas Bonus of \$150.00 for full-time and \$50.00 for part-time employees. This comes to a total of \$3,200.00 $[(21 \times \$150.00) + \$50.00]$.

Staff requests that the Board approve a total Christmas Bonus of \$3,200.00.

New Business

10. f. Capital Credits - Estates

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

This October, the Board approved a retirement of \$11,952.14 in Estate Liquidations. The Board also approved the 2019 LSEC Distribution allocation at the same meeting. The approved Estate retirements did not have the 2019 allocations calculated at that time. Today's retirement request represents that additional retirement of 2019 allocations for the Boards consideration. Staff warrants that these accounts are eligible for the special retirement of distribution allocations. G&T allocations will be held until such time as the G&T retires them.

CAPITAL CREDIT ADDITIONAL LIQUIDATION REQUESTS SUBMITTED FOR BOARD APPROVAL NOVEMBER 2020							
**ADDITIONAL AMOUNTS TO APPROVE FOR ALLOCATION OF 2019 COOP-LS, 2019 COOP-MK & 2019 G&T-LS & 2017, 2018 & 2019 G&T- MKEC							
Last Name	First Name	Cust No.	ELEC-COOP	ELEC-MKEC	Total ELEC Amount	Form W-9	G&T
Foos	Merle D	60134	\$ 10.37	\$ -	\$ 10.37	Received	\$ 145.47
Franklin	Beverly A	60305	\$ -	\$ 110.97	\$ 110.97	N/A	\$ 188.78
Holmes	Martina	80501	\$ -	\$ 98.21	\$ 98.21	N/A	\$ 195.01
Pfaff	Leon J	160342	\$ -	\$ 155.77	\$ 155.77	N/A	\$ 234.01
Rothe	Ralph D	180393	\$ -	\$ 251.60	\$ 251.60	N/A	\$ 337.47
Strong	Gregory T	190595	\$ 8.27	\$ -	\$ 8.27	Received	\$ 116.04
Weaver	Mary L	230398	\$ -	\$ 49.35	\$ 49.35	N/A	\$ 109.90
Edwards	Verla J	50127	\$ -	\$ 80.11	\$ 80.11	N/A	\$ 25.55
Gillaspie	Karen	70271	\$ -	\$ 67.30	\$ 67.30	N/A	\$ 21.47
Hemel	Ronald D	80474	\$ -	\$ 111.87	\$ 111.87	N/A	\$ 35.68
Johnson Rev Trust	Daniel & Elaine	100218	\$ -	\$ 183.56	\$ 183.56	N/A	\$ 58.55
Marshall	Dale	130416	\$ -	\$ 93.02	\$ 93.02	N/A	\$ 29.67
Parker Living Trust	Arlan D	160172	\$ 2.37	\$ 374.51	\$ 376.88	Received	\$ 152.61
Slagle	J Vyrl	190844	\$ -	\$ 77.07	\$ 77.07	N/A	\$ 24.58
Smith	Donna	190849	\$ -	\$ 46.81	\$ 46.81	N/A	\$ -
Stutz	W.R.	190922	\$ -	\$ 189.87	\$ 189.87	N/A	\$ 60.57
Tillitson	Jennie	200154	\$ -	\$ 65.03	\$ 65.03	N/A	\$ 20.74
Total LSEC Coop Pay Outs					<u>\$ 1,976.06</u>		

Staff requests that the Board approve the above, additional Special Retirement of \$1,976.06.

10. New Business

10. g. KEC Annual Meeting Voting Delegates

The KEC Annual Meeting is scheduled for January 23-26, 2021 in Topeka, KS. As of November 19, 2020, we are still scheduled for an “in-person” meeting. That is subject to change at any time. We will get registration information out to you as soon as we know what they are doing.

Our current Voting Delegate is Mr. Harold Hoss with Richard McLeon as the Alternate.

NO action is needed if the Board does not wish to change Voting Delegates.

SAFETY PROGRAM

SAFETY PROJECTS COMPLETED AS OF NOVEMBER 2020

1. Fire Alarm Specialist annual elevator and fire alarm inspection and testing. Elevator phone was not working. Contacted S&T to resolve the issue.
2. Annual supervisor inspections.
3. RESAP annual self-assessment/annual supervisor inspection walk thru. An annual supervisor inspection and an annual RESAP self-assessment is required. Safety council performs these two processes at the same time during the walk thru.
4. KEC On-Site Regulatory Visit walk thru projects completed.
 - Regulated Storage Facility – leaking/weeping electrical equipment in secondary containment have documented monthly inspections.
 - South Shop – rubber goods shelving was installed, and existing designated aisles/walkways are remarked. Existing hazard recognition signage at bench grinder are replaced to meet current regulation/standard (i.e. pictograms).
 - Resale – designated aisles/walkways established and visibly marked (i.e. painted). Removed materials stored in aisles to limit tripping hazard. Existing hazard recognition signage at workbench area is replaced to meet current regulation/standard (i.e. pictograms).
 - Underground Facility (Dighton) – protective device (fuse cutouts) at underground (URD) riser installation meets appropriate standards and guidelines (i.e. load break type).
 - Main – remarked designated aisles/walkways. All flammable materials stored in appropriate locations in an approved flammable storage cabinet.
 - Auxiliary (old power plant) – concrete floor where aerial device (large) is being parked.
5. Federate Insurance Assessment walk thru projects completed.
 - Truck #112 - frayed auger rope was replaced. Skidding tongs were replaced with tongs designed for lifting material overhead.
 - Truck #136 - replaced frayed strap on pole bunk.
 - Truck Facility – “No Smoking” and “Eye Protection Required” mounted according to battery charging station guidelines.
 - Pole Yard – removed leaking equipment to secondary containment storage area.
6. Diana Kuhlman submitted the KEC Loss Control, Safety and Compliance System Monthly Statistical Report.
7. Diana Kuhlman submitted CDL annual license review reports.
8. SRS 2021 standby list.
9. Ann Jennings member safety awareness post on Facebook, Instagram, newsletter and website concerning:
 - Driving in foggy weather safety tip shared from Lane County Kansas Sheriff Office
 - Hunting Safety notice
 - Several farming and harvest
 - Fire prevention/home cooking
10. In-House safety meeting topics was concerning Federated Insurance Walk Through Report, KEC On-Site Regulatory Visit Report, KEC Supervisor Responsibilities &

Liabilities Video, Cyber Security Fundamentals video, and safety summary review. November safety minutes are included in board packet.

11. Safety council minutes concerning progress on projects are included in the board packet.

SAFETY PROJECTS IN PROGRESS AS OF NOVEMBER 2020

1. Storm Restoration Guide for Visiting Crew booklet has been typed for review. System area information that needs added is in progress of being confirmed and any existing system information from 2020 amendments will be updated on the booklet at that time for a draft review.
2. Contacted neighboring cooperatives concerning their emergency response plan, disaster recovery plan, and emergency restoration plans for possible templates for separating existing plan into three individual binders. These will be reviewed to see if we are following the best local practices as well.
3. KEC On-Site Regulatory Visit walk thru project completion planned for 2021.
 - Pole Yard and Outside Storage (Dighton) – Concrete poured to store electrical equipment (i.e. voltage regulators, transformers) to limit equipment from rusting and potential oil spill or tripping over.

Part of this was done this year in 2020 budget and the remaining part will be completed next year using 2021 budget.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

SAFETY MEETING

November 18, 2020

Chris Terhune called the meeting to order at 9:30am.

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

Present: Kasey Jenkinson, Ben Mann, Chad Rupp, Chris Terhune, Larry Kraft, Myron Seib, Leighton Ayers, Dellon Shelton, Dee Shull, and Carrie Borell

WebEx: Richard McLeon, David Howard, Dal Hawkinson, Kevin Bradstreet, Nate Burns, Kalo Mann, Michael Pollock, Mark McCulloch, Kathy Lewis, Rebecca Campbell, Ann Marie Jennings, and Diana Kuhlman

Absent:

Truck report of inspections:

105	Dellon Shelton	OK
110	Myron Seib	OK
112	Leighton Ayers	OK
117	Chris Terhune	OK
123	Mark McCulloch	OK
124	Michael Pollock	OK
132	Kevin Bradstreet	OK
135	Nate Burns	OK
136	Dellon Shelton	OK
143	Michael Pollock	Dent in corner
144	Michael Pollock	OK
145	David Howard	OK
150	Kasey Jenkinson	OK
173	Chad Rupp	OK
174	Dal Hawkinson	OK
191	Myron Seib	OK
193	Myron Seib	OK
200	Ben Mann	OK
304	Myron Seib	OK
305	Myron Seib	OK

Trailer and Equipment report of inspections:

502	Myron Seib	OK
507	Myron Seib	OK
515	Myron Seib	OK
504	Chris Terhune & Kevin Bradstreet	OK
505	Chris Terhune & Kevin Bradstreet	OK
508	Chris Terhune & Kevin Bradstreet	OK
509	Chris Terhune & Kevin Bradstreet	OK
513	Chris Terhune & Kevin Bradstreet	OK
516	Chris Terhune & Kevin Bradstreet	OK
700	Chris Terhune & Kevin Bradstreet	OK
701	Chris Terhune & Kevin Bradstreet	OK
512	Dee Shull	OK
514	Dee Shull	OK

Warehouse, building, and pole yard inspections:

Ness City Warehouse	Myron Seib	OK
Ness Pole Yard & Transformer Dock	Myron Seib	OK
Warehouse	Dee Shull	OK
Pole Yard & Transformer Dock	Dee Shull	OK

Personal Tools: All Passed

Gloves Monthly Test Results: #91 rejected for voltage and ozone.

Blankets Bi-Annual Test Results: All Passed

Substation and Regulator Report: Ben Mann reported Twin Springs sub circuit switches factory heater is not working. Installed two heaters and working Richard McLeon on getting two spare heaters.

PCB Report: Chris Terhune reported 1 PCB in containment and discussed transportation removal. David Howard reported the company will be bringing a load of regulators and was going to pick up the PCB containment. He will follow up on expected time frame for this to happen.

Line Clearance: Bill Clifton, Healy, Calvin Ehmke, and Ness City

Accident and Near Misses: Kevin Bradstreet reported he was in truck #112 pulling phases up and backed up hitting truck #143 in the right rear quarter panel with the cap stand sticking out of the digger truck. David Howard reported Rush County Road Department tore down the wire at John Georges. Myron Seib reported an unknown person tore down wire at Donnie Hoss.

Old Business: Nothing to discuss.

New Business:

- ◆ Richard McLeon discussed employee compensations, policy 502 standby list amendments, and COVID procedures. Dee Shull's upcoming retirement warehouse job replacement process and hiring of a ground maintenance personnel was discussed.
- ◆ Dee Shull discussed Wesco merger and area representative changes.
- ◆ Ann Jennings reported December 7 will be the deadline for the servicemen holiday care packages.
- ◆ Chris Terhune discussed the KEC On-Site Regulatory Compliance Visit report and Federated Insurance Assessment walk thru report.
- ◆ Viewed KEC Supervisor Responsibilities & Liabilities video.
- ◆ Cybersecurity training viewed KnowBe4 Cyber Security Fundamentals video.
- ◆ Reviewed safety summary.

Meeting adjourned

Chris Terhune
Safety Coordinator

Carrie Borell
Safety Secretary

LANE-SCOTT ELECTRICT COOPERATIVE, INC.
SAFETY COUNCIL COMMITTEE MEETING
November 18, 2020

Leighton Ayers called the meeting to order at 1:07 pm.

Minutes were read: Chris Terhune made a motion to approve the August minutes and Richard McLeon seconded. Minutes were read and approved as printed.

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

Absent:

Old Business:

- ◆ Richard McLeon would like the emergency response/disaster recovery plans to be split out into three individual plans consisting of the emergency response plan, disaster recovery plan, and the emergency restoration plan. Carrie Borell reached out to three of our neighboring cooperatives to get their plans to assist with templates and to review if Lane-Scott processes are consistent with the local best practices of other cooperatives.

New Business:

- ◆ Safety council 2020 budget report was reviewed and approved. Retail requested hammer? to be reviewed for purchase. It was agreed hammer? was not considered a safety item. Richard McLeon took the quote and will work with retail on it.
- ◆ Carrie Borell discussed annual RESAP Self-Assessment/annual supervisor inspection walk thru that had to be rescheduled once due to COVID and then again because we were short of lineman that was involved in disaster restoration assistance. It was agreed safety council would do the 2020 RESAP self-assessment November 23 and 24.
- ◆ Carrie Borell discussed the KEC 2020 RESAP visit was rescheduled to be done in 2021 due to COVID pandemic.
- ◆ Carrie Borell discussed the RESAP safety improvement plan that is due by December 31, 2020. This plan is reviewed yearly with three areas to focus improvement on. Once this is determined those areas of improvement are incorporated into our company safety improvement goals for employee involvement. It was agreed the following RESAP safety improvement goals were:
 1. Pole yard and outside storage areas continued improvements.
 2. Overhead and underground lines, equipment, etc. continued improvement.
 - Inspections on URD and regulators
 - Outside source inspections for CT and PT.
 3. Incident Investigation
 - KEC does annual training.
 - Richard McLeon discussed employee training by a third party like Federated or a Statewide training company within depth training and mock drill would be beneficial.
 - Incidents investigations require a committee to review the incident and this would increase employee knowledge, involvement, and commitment to safety awareness.

Meeting adjourned

Chris Terhune
Safety Coordinator

Carrie Borell
Secretary

CYBERSECURITY - IT DEPARTMENT

CYBERSECURITY/IT PROJECTS COMPLETED AS OF NOVEMBER 2020

1. ASP iVue server monthly patching and updates.
2. AppSuite 1.72 software upgrade and security setting updates.
3. Verifone server 3.14.01 software upgrade
4. Operations and domain server daily backups and alert notification review.
5. Domain monthly disk cleaner.
6. KIOSK monthly patching and updates.
7. US Payment KIOSK monthly maintenance and a code fix to the latest release.
8. Windows updates.
9. Office 365 security & compliance quarantine review and regular procedure implemented.
10. SmartHub Web 12.5.0 software upgrade and security setting updates.
11. AppSuite Mapview TPK imagery file monthly update.
12. Asset and networking updated.
13. Network drive file and folder archiving
14. User security permissions amended.
15. Coop Webbuilder 3.0 SSL https certificate transition from old to new site. Requested a security audit and to check security of links, images, recaptcha, Google Analytics, and susceptible areas for vulnerabilities. Confirmed site sits behind a firewall and received a listing of cybersecurity features in place on website. Signed up for notifications for patching, updates, upgrades, and security awareness information.
16. Manage Engine Desktop Central programming to ensure device management is done securely to prevent threat intrusion and network hacking. Implemented a secure gateway communication connection and SSL certificate site security. NAT programming, internal DNS mapping, external DNS mapping, DMZ gateway server firewall access control security implementation, and SSL integration to software server. Participated in virtual DMZ management training.
17. October was Cybersecurity Awareness month. I worked with Ann Jennings on a "Cybersecurity Awareness – More Important Than Ever" article concerning member awareness for the newsletter insert. Ann Jennings also posted cybersecurity tip Facebook posts.
18. Payment Card Industry Data Security Standard Compliance yearly system assessment validating security compliance.
19. Veritas Backup Exec 21.1 security software update on GIS and Domain servers.
20. Office 365 Outlook email security amendments to reduce vulnerability risk on international traffic to reduces risk of hacking from other country domains and macro documents exclusion. Macro word document files are a high-risk file that is extremely susceptible to malicious malware coding.

CYBERSECURITY/IT PROJECTS IN PROGRESS AS OF NOVEMBER 2020

1. Cyber Detect virtual server options and programming.
2. iVue 2.49 upgrade reviewing of security settings and enhancements.

IT/COMPLIANCE DEPARTMENT

IT/COMPLIANCE PROJECTS COMPLETED AS OF NOVEMBER 2020

1. Trustee strategic planning display performance and testing.
2. NRECA Retirement Planning seminar WebEx set up, testing, and one on one individual WebEx set up.
3. NRECA benefits log in issues resolved.
4. Verizon bill information updated, and device inventory reviewed.
5. COVID round two preparations and testing of equipment.
6. Coop Webbuilder web form email notification issues resolved.
7. Data management forwarding DMZ server security programming.
8. Verifone MX925 consistent syncing issues. Replaced with a P200 loaner machine for testing. This will get us by until a permanent replacement can be purchased in 2021. Verifone announced this year the MX925 end of life will be reached in 2021 and will no longer be PCI Compliant and a replacement will be mandatory by the end of 2021.
9. NRECA IT Mentoring Program informational overview webinar on program expectations. This is an opportunity for new coop employees or for experienced coop employees taking on a new job role to learn new ideas and best practices from experienced coop employees. It is designed to help foster collaboration and cooperation among cooperatives and exposes participants to new ideas and approaches in the organizational development and workforce development area. Assist IT to grow and expand in their roles and help organizations develop a strong IT department by broadening their experience, communication skills, learn another coops programs, communicate coop values, create teamwork across coops, share knowledge, and enhance skills. Mentee applications will begin January 2021, February 2021 mentoring pair assignments will be announced, and if selected mentoring will officially begin March 2021 through September 2021.
10. Share drive file and folder archiving.

IT/COMPLIANCE PROJECTS IN PROGRESS AS OF NOVEMBER 2020

1. Document Vault integration with AppSuite.
2. Electronic form options in iVue.

1. Richard and I delivered co-bank sharing checks.
2. Website went live! Hopefully all the kinks are worked out.
3. Youth Tour information ready to be distributed to the schools. Applications can now be done online.
4. Care packages will be sent to active military this next week.
5. E-Newsletter emails being sent differently using links from the website. It should be a lot cleaner than just sending the pdf of the KEC newsletter.
6. December radio – 4 weeks of a winter weather/outage safety message airing on 12 stations.
7. Thanksgiving Giveaway. There were 50 eligible nominees. Recipients were randomly selected and the winners of the \$100 local grocery store certificates were: Verda Ochs – Arnold, Patrick Zippitelli – Ness City, Morgan Jones – Dighton.
8. Website: Please look around! You should've all gotten an email from me and one directing you to login and change your password. To access to the trustee page you will need to go to: <https://lanescott.coopwebbuilder3.com/user/login> . I would suggest saving this to your favorites for easy access. To view the website minus the trustee page, just go to www.lanescott.coop as normal.