



To: **Board of Trustees and Attorney**

A regular meeting of the Board of Trustees has been scheduled for April 5, 2021 at 7:00 p.m.

Proposed Agenda:

1. Call to Order
2. Reading and Approval of Minutes
3. Presentation of Check Register
4. Presidents Report
5. Attorneys Report
6. Sunflower EPC Report
7. KEC Report
8. General Managers Report
9. Old Business
 - a. Policy 524 – Drug and Alcohol-Free Workplace
 - b. Board Succession planning - Bylaws
10. New Business
 - a. Strategic Plan Update
 - b. Nominating Committee Approval
 - c. SEPC Delegate and Alternate
 - d. Capital Credit Estates
 - e. GM Evaluation
11. Safety Report
12. Executive Session – if requested
13. Adjourn

Upcoming Events:

Sunflower Board	April 21	Hays, KS
LSEC Board Meeting	May 3	Dighton, KS
KEC Board Meeting	May 5-6	Wichita, KS

**MINUTES OF THE REGULAR FEBRUARY 2021
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, February 1, 2021, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 7:00 p.m. In addition to President Richard Jennison, the other trustees in attendance were: Rad Roehl, Harold Hoss, Eric Doll, Chad Griffith, Paul Seib Jr. and Craig Ramsey. Also present Richard McLeon IV and Joseph Gasper, Attorney. Randy Evans and Richard Sorem attended the meeting remotely by telephone.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on January 11, 2021. *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 had no current items to report.

REPORT OF SUNFLOWER DELEGATE

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

Paul Seib Jr., Lane-Scott's delegate to Sunflower, added to the written report:

- The offices at Great Bend have been remodeled and there will be adequate room there since some employees are now working from home.
- There is a new wind tower design that allows it to be laid down when necessary. A prototype is being built south of Concordia.
- Sunflower has completed the PPP paperwork and submitted to Commerce Bank for their review and submission to SBA. There is still a question as to forgiveness on the loan that will be determined.

KEC REPORT

Trustee Hoss reported that the KEC annual meeting was held January 26 virtually. A copy of the written report was included in the board packet.

Manager McLeon added that the dates of the March and October meetings have been changed.

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 cents/kWh and 11.4 cents for the residential year. 99.97% service availability for the year is a good number.
- Trustees are requested to get their form 990 to Diana so they may be sent to the auditor.
- Nothing has been heard from Phillips 66. With the new administration, there has been an increase in oil production which will likely help the local producers.
- Manager McLeon has scheduled to meet with Senator Straub, Representative Lee-Hahn and Representative Minnix on February 4.
- Manager McLeon is scheduling a meeting with Dighton City Attorney Pike to discuss City issues.
- Discussion continues with Federated regarding safety training for the City of Ness City.
- Monitoring of the network should be in place by year end that will allow attempts to breach the system to be detected. Carrie has applied to the NRECA IT Mentor program which would give her access to an experienced IT professional.
- There were two new oil connects.
- Guernsey has made numerous data requests for the new work plan. The current maps are being updated for a better Windmil export.

- A line was damaged in Ness County due to a building being moved. The movers normally contact LSEC but failed to do so and did damage some line.
- Ann Marie is working on the signage for the headquarter building.
- December posted a \$134,942 loss in Total Margins and a \$201,654 loss in Operating Margins. Year-to-date Operating Margins are a loss of \$97,131 while Total Margins finished at \$664,371.
- OPTIER will be below the RUS requirements and RUS has recommended a narrative be prepared to explain why. Manager McLeon has prepared the narrative.
- The operating margins were down due to operating revenues being down \$1,659,373 (9.3%) mostly due to Commercial and Industrial sales which were down. The C&I loss accounts for 97% of the revenue loss and is related to COVID-19 shutdowns and the related drop in oil prices.
- The kWh sales were below average in April, October, November and December and the dollar sales were below average in most months which drives home the need for a cost of service study.
- Less power was purchased due to decreased demand. Net distribution revenues were \$6,946,350 compared to \$7,352,787 for the prior year.
- Controllable expenses were up \$298,574 mainly due to an increase in O&M expenses related to closing the 2012-2020 Work Plan.
- Depreciation expense was up \$50,522 due to the merger of MKEC and LSEC.
- Expenses will need to be controlled in the future. LSEC is still in strong cash position and a cost of service study is planned. Controlling the controllable expenses and the likely increase in oil activity will help in the future.
- OPCO, LLC continues to make payments on its past due account.
- Non-operating losses totaled \$17,623 with the resale showing a year-to-date loss of \$88,824. Resale was affected by COVID-19 and Kalo's injury.
- Re-sale will be having a strategic planning session after Dee's retirement to discuss plans going forward.

RECEIPT OF MANAGER'S REPORT

The board received the Manager's report as indicated herein, and there were no follow-up questions.

SAFETY REPORT

A safety report was included in the board packet.

OLD BUSINESS

The new policy 524 has not been received from outside counsel.

Attorney Gasper discussed proposals for bylaw changes including filling vacant trustee positions, written ballots, floor nominations, tie votes, virtual meetings and joint memberships. The board requested Attorney Gasper to draft proposed bylaw changes based on the discussion for review at a future meeting.

NEW BUSINESS

1. Tower Lease agreement

- Manager McLeon discussed a new non-exclusive antenna site lease agreement which would allow the Lane County Emergency Management to lease space on the Hineman tower for a communications tower. The existing lease terminates June 1, 2021. The Hineman tower lease expires April, 2025. LSEC offered a 4 year lease with a 1 year renewal at a rate of \$500 per year to LCEM. Staff requests the board to approve the non-exclusive antenna site lease agreement as presented.
- *A motion to approve Non-Exclusive Antenna Site Lease Agreement between LSEC and the Lane County Emergency Management for a space on the Hineman tower as presented in the board packet, was made, duly seconded and carried.*

2. Property Tax Summary

- Manager McLeon presented the property tax summary as contained in the board packet.
- LSEC paid \$891,461 in property taxes in 2020 which is a 7.9% increase. This is recovered by a property tax adjustment which is a pass through on the monthly billing.
- LSEC uses Marks-Nelson to assist with valuation who splits savings 50/50 with KEC. The 2020 LSEC cost share was \$212.05 but KEC refunded a portion of their fees back to LSEC of which LSEC received \$1,588.

3. Write Off

- Uncollectable accounts totaling \$1,071.90 were presented to the board to be written off. The board asked if these were uncollectible and it was indicated these appear to be uncollectible.
- *A motion to approve the write-offs in the amount of \$1,071.90 as presented to the board was made, duly seconded and carried.*

4. Irrigation Report

- A report of the Irrigation usage was contained in the packet.
- LSEC has 332 irrigators in 2020 with 7,911.3 rated horsepower. Actual horsepower used was 6,844.4 and hp billed was 7,564.
- The number of irrigators and billed horsepower has been growing steadily since 2008. Since 2016, the revenues have remained flat at about \$1,000,000 per year mainly due to the lowering cost of wholesale power.

5. Scholarship Committee

Staff requested input of the board with regards to a scholarship committee. Staff options are a committee of trustees or a committee of employees, community members and trustees. Currently the youth tours have been selected by a committee of employees. The board discussed the various options.

A motion to have the scholarships selected by a committee of employees consistent with historical selection of the youth tour recipients was made, duly seconded and carried.

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 8:26 p.m., on Monday, February 1, 2021.

**MINUTES OF THE REGULAR MARCH 2021
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, March 1, 2021, in the offices of the cooperative at 410 South High Street, Dighton, Kansas. President Richard Jennison called the meeting to order at 6:53 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, Kathy Lewis, Ann Marie Jennings, Rebecca Campbell, and Joseph Gasper, Attorney.

With no objection, the board moved to new business and discussed winter storm Uri and the annual meeting. After the annual meeting discussion, Kathy Lewis, Ann Marie Jennings, and Rebecca Campbell left the meeting.

MINUTES OF PRIOR MEETING

President Jennison called for action on the minutes of the prior meeting held on February 1, 2021. *A correction was made to the seventh bullet point on page 7 changing the language from net distribution expenses to net distribution revenues, President Jennison declared the minutes stand approved as corrected.*

CASH DISBURSEMENTS

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

There were no questions regarding the checks.

PRESIDENT'S REPORT

President Jennison had no current items to report.

ATTORNEY'S REPORT

Attorney Gasper had no current items to report.

REPORT OF SUNFLOWER DELEGATE

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

Paul Seib Jr., Lane-Scott's delegate to Sunflower, added to the written report:

- Four meeting were held during and after the storm to address the difficult situation.
- Sunflower is evaluating a mitigation plan and the possibility of hedging fuel costs to lessen risk.

KEC REPORT

Trustee Hoss reported that there was no KEC meeting since the prior board meeting. The next KEC meeting will be Thursday in Salina.

MANAGER'S REPORT

Manager McLeon commented on the following matters:

- The credit card statements were presented to the Trustees for review.
- Winter Storm Uri dominated the month of February.
- Phillips 66 has indicated they will have a decision by the end of March.
- Manager McLeon has had good meetings with Dale Pike regarding the City of Dighton. Dighton has indicated the desire to serve Dollar General but does not wish to serve the other meters in their service area that LSEC is serving. Discussion regarding the lease of the substation continues as well.
- Federated has declined to assist with the Ness City safety training.
- The overall monthly rate is 9.58 cents/kWh and 11.2 cents for the residential. Service availability is at 99.99%.
- January posted a \$232,846 gain in total margins and a \$242,681 gain in Operating margins. This is above the 10-year average of \$31,382 in Total margins and -\$49,124 in Operating margins.
- TIER is 1.45; OTIER is 1.58 with Equity as a % of assets at 36.68%.
- Non-operating margins were -\$12,639.67 for the month. The retail services department had a loss of \$16,987 for January.
- OPCO LLC remains the large past due account of \$3,512.

RECEIPT OF MANAGER'S REPORT

The board received the Manager's report as indicated herein, and there were no follow-up questions.

SAFETY REPORT

A safety report was included in the board packet.

OLD BUSINESS

The new policy 524 has not been received from outside counsel.

Attorney Gasper discussed written bylaw changes with the board and will prepare a resolution for the proposed changes for board approval.

NEW BUSINESS

1. Winter Storm Uri

Manager McLeon, Kathy Lewis, Ann Marie Jennings and Rebecca Campbell discussed the storm and its affects as follows:

- Winter Storm Uri was an extreme winter weather event between February 13-17 with extreme cold across the Midwest. Notification was received on February 9 to begin for the storm and work began at that time.
- The extreme cold affected the controls on natural gas pipelines causing freezing and shutting down wells and pipelines. Various electric generation units were also affected by the cold and lack of natural gas. The Holcomb unit was taken offline due to ice in the cooling tower. Texas had a sleet storm that affected many of their wind generation units and decreased the wind generation. The price of natural gas rose substantially due to the decreased production and increased demand.
- KWh sales were down for the month of February due to conservation and SPP and SEPC load sheds but the wholesale cost of fuel increased during the month.
- SPP managed the generation and transmission during the storm and ordered various shutdowns to maintain the stability of the grid system.
- LSEC had two events. February 15, a thermal overload on the 115 kV line north of Highway 96 resulted in a load shed. The second event was February 16 and was a SPP ordered shed affecting Ness City, Alexander, and Twin Springs.
- SPP returned to normal operations on February 20.
- The normal fuel mix for SPP is 24% renewable and 24% natural gas. Both were adversely affected by weatherization issues which limited their output. After renewables shut down, market forces moved to natural gas which stressed supply along with freezing pumps which further limited supply. The market price of natural increased up to 1000x normal pricing.

At one time, ACES reported that no natural gas was available in western Kansas at any price.

- LSEC budgeted \$693,397 for wholesale electricity for the month. The actual estimated cost from Sunflower is \$3,972,086. This actual cost may change as the final numbers are trued up.
- Three issues to be addressed are 1. How to pay Sunflower; 2. How to maintain liquidity, and 3. How are members to be billed.
- Kathy has determined that LSEC can afford to pay \$972,086 out of cash which leaves approximately \$3 million to be paid. CoBank and CFC were both contacted regarding the lines of credit and potential for intermediate term lending options. CoBank offered a 7-year fixed at 2.03% and CFC was restricted to the line of credit. It appears the CoBank loan is the better offer. There may not be any additional document requirements from CoBank other than the loan documents and attorney opinion. The board discussed the options and time to repay the loan and its impact on current and future member's repayment of the loan as well as how it affects different rate classes. Staff recommends the board approve the CoBank loan for \$3,000,000 authorizing the attorney opinion and restating the General Manager may execute the loan documents.
- *A motion to approve the CoBank loan in the amount of \$3,000,000, authorize the attorney opinion and restate the authorization for the General Manager to execute the loan documents was made, duly seconded and carried.*
- The CoBank note is expected to add \$32,194 per month or \$396,326 annually. LSEC has \$4,210,034 in the RUS cushion of credit and these funds can be used to apply \$386,326 to the normal RUS payments which would free cash to pay the CoBank note. Meetings with First National Bank of Dighton regarding a PPP loan indicates that LSEC can get close to \$620,000 which is 2.5 months of payroll. The PPP may be forgiven but if it is not, the interest on the 1-year loan is 1%. Staff recommends approval the corporate authorization resolution for the PPP application with the First National Bank of Dighton, Kansas.
- *A motion to approve the corporate authorization resolution for the Payroll Protection Plan Application with the First National Bank of Dighton, Kansas as contained in the board packet, was made, duly seconded and carried.*
- The City of Dighton billing is not included in the ECA calculation as their billing is calculated separately based on Sunflower billings.
- Normally the increase in wholesale power cost would be passed to the members by the ECA. This would result in an increase of approximately 6x the member's normal power bill for the month. The board was presented with sample bills to demonstrate the effect it would have on member's bills. The tariff requires the ECA to be passed on within 12 months and LSEC is required to treat members equitably.

- Randy Robbins, auditor has discussed that many cooperatives are following a strategy to pay the budgeted power bill and book the excess amount as a regulatory asset which will move that amount to the balance sheet and pulls it out of the monthly member billing. The debt then would be recaptured through the ECA or blended into overall debts, spread across LSEC, and recaptured in the cost-of-service study. The excess amount would be approximately \$3,278,689 after the payment of \$693,397 paid out of cash.
- Sunflower assisted with a regulatory asset tariff amendment. The calculation of the charge is $(R + (R \times I)) / M = \text{Regulatory Asset Rider Amount}$. The LSEC calculation for 84 months would result in \$33,933.11 per month which would be a \$0.003038 adder to the ECA. The rider creates a framework that can be calculated for various repayment periods.
- The board discussed time frames to recapture the repayment and how to spread the cost to members on the system without having significant increases for members. Various options were discussed from billing the whole amount and setting up payment plans where necessary to having the repayment over time with up to a seven-year recovery.
- *A motion to approve the term of the ECA to be 42 months to recover the fuel costs from Winter Storm Uri and for the term of the loan from CoBank to be 42 months was made, duly seconded and carried.*
- *A motion to approve the February 2021 Regulatory Asset Rider to the LSEC Tariff was made, duly seconded and carried.*
- Manage McLeon expressed gratitude to Kathy Lewis, Rebecca Campbell, and Ann Marie Jennings for their hard work on the issues arising from the winter storm.

2. Annual Meeting Caterer

- John Ross Catering bid the annual meeting at \$13.50 per plate with the option to have homemade ice cream for an additional \$2.50-\$2.75 per plate.
- The annual meeting gift will be a multi-tool.
- *A motion to approve John Ross Catering to provide the annual meeting meal and to include ice cream was made, duly seconded and carried.*

3. Board Calendar

- The board reviewed the 2nd quarter calendar as presented in the board packet.

ADJOURNMENT

A motion to adjourn the meeting was made, seconded and carried at 9:28 p.m., on Monday, March 1, 2021.

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Accounts Payable Check Register

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02/11/2021 To 03/10/2021

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
2337 02/11/2021	WIRE	1160	S&T TELEPHONE COOP ASSN.	Monthly Invoice	920.76
2336 02/12/2021	WIRE	124	GOLDEN BELT TELEPHONE	Monthly Invoice	186.87
46723 02/12/2021	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	52,500.00
46724 02/12/2021	CHK	46	LANE COUNTY TREASURER	Registrations	253.25
46725 02/12/2021	CHK	105	CITY OF NESS CITY	Monthly Invoice	38.23
46726 02/12/2021	CHK	220	LANDIS+GYR TECHNOLOGY, INC	Replacment Collector for AMI Systems	6,674.92
46727 02/12/2021	CHK	373	KANSASLAND TIRE CO. INC OF HAYS	Tires for #117 & #173	3,482.58
46728 02/12/2021	CHK	406	RICHARD MCLEON	Rotary & Pioneer Mtg Expense	165.76
46729 02/12/2021	CHK	903	NISC	Monthly Invoice	2,573.40
2338 02/18/2021	WIRE	274	VERIZON WIRELESS	Monthly Invoice	679.67
2339 02/18/2021	WIRE	1229	SCHABEN SANITATION	Monthly Invoice	585.28
2341 02/22/2021	WIRE	101	ATMOS ENERGY	Monthly Invoice	146.08
2342 02/25/2021	WIRE	1290	WEX BANK	Monthly Invoice	62.48
2343 02/25/2021	WIRE	263	KS DEPT OF REVENUE - SALES TAX	Sales Tax	20,525.00
2344 02/25/2021	WIRE	264	KS DEPT OF REVENUE - USE TAX	Use Tax	35.75
2340 02/26/2021	WIRE	1239	CULLIGAN OF DODGE CITY	Monthly Invoice	107.96
46730 02/26/2021	CHK	1	CHURCH OF THE HOLY CROSS	Memorial for Scott father in law	50.00
46731 02/26/2021	CHK	1	DOLLAR\ATS PROCESSING SERVICES, L	Kalo Mtg Exp	65.50
46732 02/26/2021	CHK	14	OFFICE SOLUTIONS, INC	Office Supplies	113.73
46733 02/26/2021	CHK	25	LANE-SCOTT ELECTRIC COOPERATIVE,	Payroll Transfer	49,500.00
46734 02/26/2021	CHK	40	KANSAS ELECTRIC COOPERATIVES	Touchstone dues and business cards	639.50
46735 02/26/2021	CHK	79	POSTMASTER	Postage Newsletter	102.69
46736 02/26/2021	CHK	105	CITY OF NESS CITY	Franchise Fees	4,795.70
46737 02/26/2021	CHK	107	CINTAS CORPORATION #449	Monthly Invoice	245.59
46738 02/26/2021	CHK	135	CITY OF BAZINE	Franchise Fees	1,406.87
46739 02/26/2021	CHK	160	SHULL OIL COMPANY	Monthly Fuel Invoice	4,337.62

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Accounts Payable Check Register

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02/11/2021 To 03/10/2021

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46740 02/26/2021	CHK	220	LANDIS+GYR TECHNOLOGY, INC	SaaS Feb Monthly Fee	802.33
46741 02/26/2021	CHK	253	FARM CREDIT LEASING SERVICES COR	Truck Lease Payments	9,548.69
46742 02/26/2021	CHK	439	BOLINGER, SEGARS, GILBERT & MOSS,	Audit Financial Statements	5,000.00
46743 02/26/2021	CHK	442	QUADIENT INC.	Postage Machine	328.70
46744 02/26/2021	CHK	467	DIGHTON CHIROPRACTIC	Dr. Bennett Visits	200.00
46745 02/26/2021	CHK	471	CHANCE ZIMMERMAN	Pit Cleaning	250.00
46746 02/26/2021	CHK	472	C.H. GUERSNEY & COMPANY	Professional Fees	1,988.75
46747 02/26/2021	CHK	803	ALTEC INDUSTRIES, INC	Truck # 112	5,693.67
46748 02/26/2021	CHK	1030	THE SCOTT COUNTY RECORD	Advertising	46.33
46749 02/26/2021	CHK	1225	CINTAS CORPORATION	Monthly Invoice-Dighton	217.38
2345 03/02/2021	WIRE	1187	MIDWEST ENERGY	Monthly Invoice	833.10
2346 03/03/2021	WIRE	274	VERIZON WIRELESS	Monthly Invoice	314.24
2347 03/05/2021	WIRE	168	ONLINE INFORMATION SERVICES, INC	Monthly Invoice	40.80
2351 03/08/2021	WIRE	265	HASLER - POSTAGE ACH	Postage	1,250.00
2353 03/08/2021	WIRE	62	NRECA GROUP BENEFITS TRUST	NRECA Group 1 - March Group Ins	2,668.49
2354 03/08/2021	WIRE	180	NRECA	NRECA Gr 1 Adm Fee-March Gr Ins Adm Fee	221.84
2348 03/09/2021	WIRE	1267	AFLAC	Premiums	523.44
2350 03/09/2021	WIRE	468	U.S. BANK	Monthly Invoice	7,738.78
2352 03/09/2021	WIRE	1224	NRECA RETIREMENT & SECURITY	NRECA RS-Group Ins	50,025.27
2349 03/10/2021	WIRE	18	CITY OF DIGHTON	Monthly Invoice	1,598.99
46750 03/10/2021	CHK	1	NESS CITY AFTER PROM COMMITTEE	Donation	50.00
46751 03/10/2021	CHK	1	WESTERN PLAINS POST PROM	Post Prom Donation	50.00
46752 03/10/2021	CHK	14	OFFICE SOLUTIONS, INC	Copier Contract	287.69
46753 03/10/2021	CHK	15	ERIC DOLL	March Board Meeting	389.20
46754 03/10/2021	CHK	30	HAROLD HOSS	March Board Meeting and KEC Meeting	733.60
46755 03/10/2021	CHK	32	WESCO RECEIVABLES INC	Monthly Invoice	23,618.48

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Accounts Payable Check Register

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02/11/2021 To 03/10/2021

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46756 03/10/2021	CHK	40	KANSAS ELECTRIC COOPERATIVES	Dues	6,695.11
46757 03/10/2021	CHK	45	BUMPER TO BUMPER OF DIGHTON	Monthly Invoice	132.68
46758 03/10/2021	CHK	55	NESS COUNTY NEWS	Advertising	264.80
46759 03/10/2021	CHK	60	PAUL SEIB JR	March Board Meeting	386.96
46760 03/10/2021	CHK	63	RICHARD JENNISON	March Board Meeting	364.56
46761 03/10/2021	CHK	73	STANION WHOLESALE ELEC CO INC	Monthly Invoice	16,579.57
46762 03/10/2021	CHK	74	WEBER REFRIGERATION & HEATING I	Ignition control kit	796.06
46763 03/10/2021	CHK	79	POSTMASTER	Annual Bulk Permit Fee	245.00
46764 03/10/2021	CHK	96	STEPHENS LUMBER - DIGHTON	Monthly Invoice	5.69
46765 03/10/2021	CHK	104	HOME OIL CO	Monthly Fuel Invoice	365.20
46766 03/10/2021	CHK	105	CITY OF NESS CITY	February Pay Station and Postage	614.15
46767 03/10/2021	CHK	107	CINTAS CORPORATION #449	Monthly Invoice-Ness City	71.56
46768 03/10/2021	CHK	117	NESS CITY FARM & FEED	Monthly Invoice	163.05
46769 03/10/2021	CHK	146	REBECCA CAMPBELL	Clothing Allowance	99.95
46770 03/10/2021	CHK	172	TYNDALE COMPANY, INC.	Clothing Allowance-Ben Mann	211.79
46771 03/10/2021	CHK	179	RAD ROEHL	March Baord Meeting	360.08
46772 03/10/2021	CHK	181	BAKER DISTRIBUTING CO	Compressor	541.90
46773 03/10/2021	CHK	182	G.E.M.S. INC	Capacitors	49.62
46774 03/10/2021	CHK	184	JOHNSTONE SUPPLY	Monthly Invoice	960.46
46775 03/10/2021	CHK	187	S&W SUPPLY DIVISION	Monthly Invoice	43.24
46776 03/10/2021	CHK	202	CHAD GRIFFITH	March Board Meeting	392.00
46777 03/10/2021	CHK	238	ILLINOIS MUTUAL	Premiums	306.40
46778 03/10/2021	CHK	248	CENTRAL PUMP & SUPPLY	Heat Lamp and tape	97.68
46779 03/10/2021	CHK	272	LEWIS AUTOMOTIVE GROUP INC	Truck #117	359.96
46780 03/10/2021	CHK	304	STECKLINE COMMUNICATIONS INC	Advertising	200.00
46781 03/10/2021	CHK	306	BORDER STATES INDUSTRIES INC	Monthly Invoice	1,020.17

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Accounts Payable Check Register

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02/11/2021 To 03/10/2021

Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46782 03/10/2021	CHK	368	COUNTRY FEEDS	Thermal Harness	102.18
46783 03/10/2021	CHK	376	LUTZ AND COMPANY	Clothing Allowance-Kevin Bradstreet	662.55
46784 03/10/2021	CHK	380	GRAINGER	Monthly Invoice	257.92
46785 03/10/2021	CHK	383	HUXFORD POLE AND TIMBER CO INC	Poles	13,679.30
46786 03/10/2021	CHK	387	WESTERN FUEL & SUPPLY	Monthly Fuel Invoice	323.88
46787 03/10/2021	CHK	392	TRUCK CENTER COMPANIES	Parts	7.53
46788 03/10/2021	CHK	395	DOLLAR GENERAL - REGIONS 410526	Supplies	113.95
46789 03/10/2021	CHK	427	DIGHTON HERALD LLC	Advertising	248.00
46790 03/10/2021	CHK	450	RANDALL G EVANS	March Board Meeting	350.56
46791 03/10/2021	CHK	484	FLATLANDS GARAGE LLC	Tire Repair	59.99
46792 03/10/2021	CHK	506	K&J FOODS	Supplies	448.43
46793 03/10/2021	CHK	745	GOVE COUNTY ADVOCATE	Advertising	71.50
46794 03/10/2021	CHK	773	BRETZ, INC.	Monthly Invoice	179.03
46795 03/10/2021	CHK	803	ALTEC INDUSTRIES, INC	Supplies	172.54
46796 03/10/2021	CHK	903	NISC	Monthly Invoice	8,651.46
46797 03/10/2021	CHK	1016	KANSAS ONE-CALL SYSTEM INC	Locate Fees	87.60
46798 03/10/2021	CHK	1030	THE SCOTT COUNTY RECORD	Advertising	213.40
46799 03/10/2021	CHK	1169	WASHER SPECIALTIES CO.	Monthly Invoice	888.98
46800 03/10/2021	CHK	1172	WESTERN SUPPLY COMPANY	Monthly Invoice	1,178.33
46801 03/10/2021	CHK	1197	GARDEN CITY WHOLESALE SUPPLY	Monthly Invoice	6,656.28
46802 03/10/2021	CHK	1243	TRI-CENTRAL OFFICE SUP-HAYS	Supplies & Richard Chair	811.97
46803 03/10/2021	CHK	1248	COMPLIANCE ONE	Drug & Alcohol Testing	260.75
46804 03/10/2021	CHK	1251	TECHLINE, LTD	Monthly Invoice	1,015.38
46805 03/10/2021	CHK	1263	RICHARD SOREM	March Board Meeting	398.16
46806 03/10/2021	CHK	1285	TIFCO INDUSTRIES	Monthly Invoice	333.69
46807 03/10/2021	CHK	1299	DEANNE SHULL	Cookies for Board Meeting	72.00

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Accounts Payable Check Register

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Bank Account: 2 - FIRST STATE BANK

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
46808 03/10/2021	CHK	1300	CRAIG RAMSEY	March Baord Meeting	378.00
46809 03/10/2021	CHK	1303	LANE COUNTY IMPLEMENT, INC	Generator parts	188.79
Total Payments for Bank Account - 2 :					(106) 333,754.75
Total Voids for Bank Account - 2 :					(0) 0.00
Total for Bank Account - 2 :					(106) 333,754.75
Grand Total for Payments :					(106) 333,754.75
Grand Total for Voids :					(0) 0.00
Grand Total :					(106) 333,754.75

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Payroll/Labor Check Register

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Pay Date: 02/01/2021 To 02/28/2021

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
5	KATHERINE E LEWIS	02/11/2021	5403	5,072.81	0.00	80.00	0.00	618.25 408.41	41.46 0.00	1,520.77 2,707.16	2,933.79 985.00 625.00 1,323.79	DD DD DD
17	DAVID L HOWARD	02/11/2021	5404	4,583.34	0.00	80.00	0.00	591.35 394.66	224.88 0.00	1,471.90 2,045.29	2,520.09	DD
21	CARRIE M BORELL	02/11/2021	5405	2,318.40	0.00	80.00	0.00	311.93 199.37	11.88 0.00	387.20 1,986.55	1,619.27	DD
22	REBECCA L CAMPBELL	02/11/2021	5406	2,080.00	0.00	80.00	0.00	357.78 173.63	5.96 0.00	366.71 1,880.93	1,355.51 450.00 905.51	DD DD
26	RICHARD A MCLEON	02/11/2021	5407	9,375.00	0.00	80.00	0.00	443.82 727.35	132.91 0.00	3,321.86 3,329.76	5,609.32	DD
34	KALO M MANN	02/11/2021	5408	3,288.33	0.00	85.00	0.00	688.68 275.18	98.03 0.00	741.32 1,860.72	1,858.33	DD
35	NATHAN A BURNS	02/11/2021	5409	2,884.80	0.00	80.00	0.00	349.79 244.99	18.95 0.00	733.50 1,581.99	1,801.51	DD
50	KASEY R JENKINSON	02/11/2021	5410	3,568.07	0.00	81.00	0.00	678.67 289.28	16.13 0.00	758.17 2,511.88	2,131.23	DD
55	BENJAMIN L MANN	02/11/2021	5411	3,894.52	0.00	87.00	0.00	649.81 320.58	15.88 0.00	851.60 1,856.00	2,393.11	DD
74	DAL S HAWKINSON	02/11/2021	5412	3,943.63	0.00	91.00	0.00	483.91 319.41	5.67 0.00	886.65 2,457.64	2,573.07	DD
81	DEANNE R SHULL	02/11/2021	5413	6,431.30	0.00	308.90	0.00	255.99 591.13	571.40 0.00	2,177.88 1,343.45	3,997.43	DD
84	MICHAEL S POLLOCK	02/11/2021	5414	3,550.87	0.00	89.00	0.00	676.07 290.69	6.29 0.00	618.88 2,323.17	2,255.92 100.00 25.00 25.00 25.00 2,080.92	DD DD DD DD DD
85	CHAD A RUPP	02/11/2021	5415	3,380.80	0.00	80.00	0.00	479.04 276.32	46.22 0.00	694.02 2,457.64	2,207.74	DD
89	CHRIS R TERHUNE	02/11/2021	5416	4,004.14	0.00	90.50	0.00	528.24 325.14	14.82 0.00	1,232.23 2,457.64	2,243.67	DD
91	LARRY D KRAFT	02/11/2021	5417	3,708.07	0.00	86.00	0.00	425.73 303.76	41.33 0.00	719.62 2,457.64	2,562.72	DD
93	MYRON E SEIB	02/11/2021	5418	3,380.80	0.00	80.00	0.00	592.72 274.72	26.89 0.00	597.13 2,457.64	2,190.95	DD
99	KEVIN A BRADSTREET	02/11/2021	5419	3,380.80	0.00	80.00	0.00	413.67	17.64	924.34	2,042.79	DD

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Payroll/Labor Check Register

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Pay Date: 02/01/2021 To 02/28/2021

Empl	Name	Pay Date	Dir Dep/Check	Gross Pay	Other Pay	Hours	Advances	Deductions/ ER Taxes	Txbl Benefits/ ER PTO	Taxes/ ER Benefits	Net Pay	Type
108	MARK R MCCULLOCH	02/11/2021	5420	3,370.32	0.00	90.00	0.00	278.57 916.05 280.35	0.00 21.93 0.00	1,499.21 809.82 1,588.15	1,644.45	DD
117	LEIGHTON J AYERS	02/11/2021	5421	3,943.63	0.00	91.00	0.00	360.17 319.94	12.05 0.00	875.74 2,356.22	2,707.72 150.00 2,557.72	DD DD
129	STACEY L FOOS	02/11/2021	5422	90.68	0.00	5.75	0.00	0.00 8.04	0.00 0.00	6.94 0.00	83.74	DD
130	ANN MARIE JENNINGS	02/11/2021	5423	1,933.60	0.00	80.00	0.00	255.34 159.43	8.07 0.00	352.88 1,537.31	1,325.38	DD
131	DIANA KUHLMAN	02/11/2021	5424	1,908.80	0.00	80.00	0.00	339.01 165.22	10.75 0.00	294.60 1,221.10	1,275.19	DD
132	DELLON SHELTON	02/11/2021	5425	2,492.58	0.00	89.50	0.00	131.45 218.14	1.55 0.00	653.46 942.56	1,707.67	DD
134	SCOTT A BRIAND	02/11/2021	5426	1,520.00	0.00	80.00	0.00	155.42 121.04	3.00 0.00	188.59 1,916.86	1,175.99	DD
5	KATHERINE E LEWIS	02/25/2021	5427	5,072.81	0.00	80.00	0.00	533.29 384.42	41.46 0.00	1,520.78 2,707.16	3,018.74 985.00 625.00 1,408.74	DD DD DD
17	DAVID L HOWARD	02/25/2021	5428	4,583.34	0.00	80.00	0.00	591.35 370.70	224.88 0.00	1,471.89 2,045.29	2,520.10	DD
21	CARRIE M BORELL	02/25/2021	5429	2,644.43	0.00	87.50	0.00	311.93 214.18	11.88 0.00	468.36 1,986.55	1,864.14	DD
22	REBECCA L CAMPBELL	02/25/2021	5430	2,080.00	0.00	80.00	0.00	357.78 168.53	5.96 0.00	366.69 1,880.93	1,355.53 450.00 905.53	DD DD
26	RICHARD A MCLEON	02/25/2021	5431	9,375.00	0.00	80.00	0.00	443.82 727.36	132.91 0.00	3,321.87 3,329.76	5,609.31	DD
34	KALO M MANN	02/25/2021	5432	3,935.46	0.00	93.00	0.00	552.35 326.68	98.03 0.00	914.90 1,860.72	2,468.21	DD
35	NATHAN A BURNS	02/25/2021	5433	2,884.80	0.00	80.00	0.00	349.79 237.53	18.95 0.00	733.50 1,581.99	1,801.51	DD
50	KASEY R JENKINSON	02/25/2021	5434	4,027.76	0.00	89.00	0.00	678.67 321.67	16.13 0.00	874.71 2,511.88	2,474.38	DD
55	BENJAMIN L MANN	02/25/2021	5435	3,502.40	0.00	80.00	0.00	649.81 284.06	15.88 0.00	752.15 1,856.00	2,100.44	DD
74	DAL S HAWKINSON	02/25/2021	5436	3,380.80	0.00	80.00	0.00	483.91 269.48	5.67 0.00	687.69 2,457.64	2,209.20	DD
84	MICHAEL S POLLOCK	02/25/2021		3,629.23	0.00	92.00	0.00	676.07	6.29	638.73	2,314.43	

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Payroll/Labor Check Register

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Pay Date: 02/01/2021 To 02/28/2021

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
			5437					293.52	0.00	2,323.17	100.00	DD
											25.00	DD
											25.00	DD
											25.00	DD
											2,139.43	DD
85	CHAD A RUPP	02/25/2021	5438	4,109.34	0.00	93.50	0.00	479.04	46.22	880.04	2,750.26	DD
								332.42	0.00	2,457.64		
89	CHRIS R TERHUNE	02/25/2021	5439	3,615.46	0.00	85.00	0.00	528.24	14.82	1,066.30	2,020.92	DD
								288.81	0.00	2,457.64		
91	LARRY D KRAFT	02/25/2021	5440	3,380.80	0.00	80.00	0.00	425.73	41.33	636.67	2,318.40	DD
								275.91	0.00	2,457.64		
93	MYRON E SEIB	02/25/2021	5441	3,930.18	0.00	90.00	0.00	592.72	26.89	736.37	2,601.09	DD
								317.34	0.00	2,457.64		
99	KEVIN A BRADSTREET	02/25/2021	5442	4,109.34	0.00	93.50	0.00	413.67	17.64	1,188.71	2,506.96	DD
								333.76	0.00	1,499.21		
108	MARK R MCCULLOCH	02/25/2021	5443	3,279.72	0.00	88.00	0.00	916.05	21.93	777.79	1,585.88	DD
								270.36	0.00	1,588.15		
117	LEIGHTON J AYERS	02/25/2021		3,380.80	0.00	80.00	0.00	360.17	12.05	733.06	2,287.57	
			5444					269.85	0.00	2,356.22	150.00	DD
											2,137.57	DD
129	STACEY L FOOS	02/25/2021	5445	63.08	0.00	4.00	0.00	0.00	0.00	4.82	58.26	DD
								5.58	0.00	0.00		
130	ANN MARIE JENNINGS	02/25/2021	5446	2,549.94	0.00	96.00	0.00	255.34	8.07	509.13	1,785.47	DD
								209.03	0.00	1,537.31		
131	DIANA KUHLMAN	02/25/2021	5447	1,908.80	0.00	80.00	0.00	339.01	10.75	294.59	1,275.20	DD
								162.41	0.00	1,221.10		
132	DELLON SHELTON	02/25/2021	5448	2,286.83	0.00	85.00	0.00	131.45	1.55	580.72	1,574.66	DD
								186.76	0.00	942.56		
134	SCOTT A BRIAND	02/25/2021	5449	1,520.00	0.00	80.00	0.00	155.42	3.00	188.59	1,175.99	DD
								121.02	0.00	1,916.86		
Grand Total:				\$ 163,355.61	\$ 0.00	4,031.15	\$ 0.00	\$ 20,928.50	\$ 2,135.98	\$ 40,533.87	\$ 101,893.24	
								\$ 13,336.73	\$ 0.00	\$ 92,209.57		

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**Payroll/Labor
Check Register**

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Pay Date: 02/01/2021 To 02/28/2021**PARAMETERS ENTERED:**

Pay Date: 02/01/2021 To 02/28/2021
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 February 2021
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	2,702,197	2,348,837	2,842,247	1,100,952
2. Power Production Expense				
3. Cost of Purchased Power	1,454,341	1,415,326	1,716,843	826,260
4. Transmission Expense	467	566	11,622	358
5. Regional Market Expense				
6. Distribution Expense - Operation	237,505	189,187	158,333	82,399
7. Distribution Expense - Maintenance	116,963	179,071	116,666	120,466
8. Customer Accounts Expense	28,073	35,470	30,068	21,139
9. Customer Service and Informational Expense	2,357	15,792	6,241	9,959
10. Sales Expense	10,721	8,509	7,929	3,868
11. Administrative and General Expense	259,745	251,802	198,318	108,569
12. Total Operation & Maintenance Expense (2 thru 11)	2,110,172	2,095,723	2,246,020	1,173,018
13. Depreciation and Amortization Expense	263,165	305,253	288,311	152,713
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	215,212	220,116	206,403	111,802
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	324	26	419	13
19. Other Deductions	2,242	1,790	2,100	508
20. Total Cost of Electric Service (12 thru 19)	2,591,115	2,622,908	2,743,253	1,438,054
21. Patronage Capital & Operating Margins (1 minus 20)	111,082	(274,071)	98,994	(337,102)
22. Non Operating Margins - Interest	10,871	5,530	43,516	2,725
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	(9,184)	(25,796)	4,583	(8,808)
26. Generation and Transmission Capital Credits				
27. Other Capital Credits and Patronage Dividends		1,812		1,812
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	112,769	(292,525)	147,093	(341,373)

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 February 2021		
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	9	7	5. Miles Transmission		
2. Services Retired	8	5	6. Miles Distribution – Overhead	2,036.59	2,035.37
3. Total Services in Place	6,042	6,044	7. Miles Distribution - Underground	7.53	7.66
4. Idle Services (Exclude Seasonals)	239	245	8. Total Miles Energized (5 + 6 + 7)	2,044.12	2,043.03
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	58,256,013		30. Memberships	0	
2. Construction Work in Progress	249,636		31. Patronage Capital	21,201,952	
3. Total Utility Plant (1 + 2)	58,505,649		32. Operating Margins - Prior Years	150,664	
4. Accum. Provision for Depreciation and Amort.	18,207,121		33. Operating Margins - Current Year	(274,070)	
5. Net Utility Plant (3 - 4)	40,298,528		34. Non-Operating Margins	1,039,485	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	136,615	
7. Investments in Subsidiary Companies	255,405		36. Total Margins & Equities (30 thru 35)	22,254,646	
8. Invest. in Assoc. Org. - Patronage Capital	11,067,377		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	33,906,778	
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)	5,647,353	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	4,210,034	
14. Total Other Property & Investments (6 thru 13)	11,995,702		43. Total Long-Term Debt (37 thru 41 - 42)	35,344,097	
15. Cash - General Funds	62,162		44. Obligations Under Capital Leases - Noncurrent	220,605	
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)	220,605	
18. Temporary Investments	6,660,592		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	4,156,776	
20. Accounts Receivable - Sales of Energy (Net)	1,231,784		49. Consumers Deposits	119,778	
21. Accounts Receivable - Other (Net)	170,165				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	1,403,758	
23. Materials and Supplies - Electric & Other	335,462		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	101,672		52. Current Maturities Capital Leases	72,556	
25. Other Current and Accrued Assets	217,427		53. Other Current and Accrued Liabilities	1,249,913	
26. Total Current and Accrued Assets (15 thru 25)	8,779,389		54. Total Current & Accrued Liabilities (47 thru 53)	7,002,781	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	3,748,510		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	64,822,129		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	64,822,129	

LANE-SCOTT ELECTRIC ENERGY SALES STATISTICS FOR FEBRUARY 2021

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	2,230	2,230	2,094,532	4,120,025	\$257,550	\$484,423	924	\$108.62	11.76
Residential Sales-Seasonal	49	49	10,282	18,616	\$2,218	\$4,149			
Irrigation Sales	332	332	19,507	46,819	\$1,868	\$4,160			
Small Commercial	1,849	1,851	3,348,978	7,582,875	\$388,107	\$816,466	2,051	\$220.85	10.77
Large Commercial	178	178	2,527,559	5,533,837	\$310,252	\$621,205	15,544	\$1,744.96	11.23
Public Street Lighting	13	13	35,946	71,892	\$4,794	\$9,161			
Public Building Sales	49	49	38,476	70,244	\$5,050	\$9,043			
Non-Domestic	1,056	1,055	203,800	367,935	\$36,636	\$67,308			
City of Dighton	1	1	717,353	1,454,269	\$47,060	\$82,993	727,135	\$41,496.50	5.71
Idle Services on rate 90	38	38	0	0	\$0	\$0			
Large Industrial	3	3	2,081,400	5,036,050	\$213,678	\$435,857	839,342	\$72,642.83	8.65
Irrigation Horsepower Charges	0	0		0		\$0			
Total Energy Sales	5,798	5,799	11,077,833	24,302,562	\$1,267,213	\$2,534,765			10.43
Other Electric Revenue					(\$166,261)	(\$185,928)			
Total					\$1,100,952	\$2,348,837			

SUBSTATION DATA

Substation	(NCP)KW	kWh Purchased	Cost Per kWh	kWh Sold	Line Loss	Load Factor-P	Load Factor-S
Beeler-Sub 3	5,895	3,071,114		2,379,810	22.51%	77.53%	60.07%
Dighton-Sub 1 - 7200	1,512	787,034		1,058,789	-34.53%	77.46%	104.20%
Dighton-Sub 2 - 14400	4,035	1,936,449		1,898,052	1.98%	71.42%	70.00%
Manning-Sub 4	4,976	2,377,154		1,868,725	21.39%	71.09%	55.89%
LS Seaboard-Sub 5	201	97,484		93,696	3.89%	72.17%	69.37%
Twin Springs Lo 7.6-Sub 7	171	73,614		65,347	11.23%	64.06%	56.87%
Twin Springs Hi 14.1-Sub 8	354	145,638		133,757	8.16%	61.22%	56.23%
City of Dighton	1,322	643,924	6.2900	643,924	0.00%	72.48%	72.48%
City of Dighton - WAPA	138	73,429	3.3000	73,429	0.00%	79.18%	79.18%
Alexander 115	1,561	794,847		745,846	6.16%	75.77%	71.10%
Ness City 115	3,606	1,761,492		2,116,458	-20.15%	72.69%	87.34%
Total	23,771	11,762,179	5.9400	11,077,833	5.82%	73.63%	69.35%

RUS/CFC LOAN FUND TRANSACTIONS

MISC.

OTHER STATISTICS

				Y.T.D	M.T.D.
Gross Obligation to RUS	\$ 54,111,889	General Fund Balance	\$61,892	Miles Energized	2043.03
Pymts Applied Against Principal	\$ 19,362,371	MMDA Investments	\$225,689	Density	2.84
Net Obligation to RUS	\$ 34,749,518	Cash Available at Month End	\$287,581	kWh Purchased	25,815,682
CFC Line of Credit	\$ -			kWh Sold (Inc. Office Use)	11,086,716
CoBank Line of Credit	\$ -	CFC Investments - CP, SN, MTN	\$6,434,903	Percent of Line Loss	5.80%
CFC Note #9004-RUS refinance	\$ 5,786,214	CFC CTC's	\$221,958	Idle Services	245
CFC Note #9006-RS Prepymt	\$ 422,157			Oper. Revenue Per kWh Sold	9.66
				Expense Per kWh Sold	10.79
				Income Per Mile	538.88
				Expense Per Mile	703.88

ACCOUNT AGING

	Current	30-89 Days	90 Plus
Irrigation Accounts Receivable	(\$50,098)		
Electric Accounts Receivable	\$1,173,890	\$12,979	\$5,637
Retail Accounts Receivable	\$53,458	\$857	\$2,037

2021-Line 25 - Non-Operating Margins

		January	February	March	April	May	June	July	August	September	October	November	December	TOTAL	
Rev.-Electrician & Mat.	415.1	\$21,979.30	\$33,725.96											\$55,705.26	415.1
Exp.-Electrician & Mat.	416.1/11	\$37,455.59	\$33,719.44											\$71,175.03	416.1
		(\$15,476.29)	\$6.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$15,469.77)	
Rev.-Appliance Repair	415.2	\$18,124.45	\$16,601.00											\$34,725.45	415.2
Exp.-Appliance Repair	416.2/21	\$21,949.19	\$25,503.00											\$47,452.19	416.2
		(\$3,824.74)	(\$8,902.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$12,726.74)	
Rev.-Member Damages	415.3	\$3,088.75	\$0.00											\$3,088.75	415.3
Exp.-Member Damages	416.3	\$893.06	\$0.00											\$893.06	416.3
		\$2,195.69	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,195.69	
Finance Charges	415.5	\$117.64	\$87.85											\$205.49	415.5
MARGIN-Retail		(\$16,987.70)	(\$8,807.63)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$25,795.33)	
Misc. Income	421.0	\$0.00	\$0.00											\$0.00	421.0
Gain on Disposal	421.1	\$0.00	\$0.00											\$0.00	421.1
Loss on Disposal	421.2	\$0.00	\$0.00											\$0.00	421.2
NET NON-OP MARGIN		(\$16,987.70)	(\$8,807.63)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$25,795.33)	

	Current Month				YTD Total			
	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev	Billed Hours	Unbilled Hours	Hourly Rate	Total Unbilled Rev
Kalo	120.5	57.5	\$ 85.00	\$ 4,887.50	255	99	\$ 85.00	\$ 8,415.00
Michael	135.75	45.25	\$ 85.00	\$ 3,846.25	267.25	83.75	\$ 85.00	\$ 7,118.75
Mark	147	31	\$ 85.00	\$ 2,635.00	282	73	\$ 85.00	\$ 6,205.00
	403.25	133.75		\$ 11,368.75	804.25	255.75		\$ 21,738.75

75.09%

75.87%

LANE-SCOTT ELECTRIC
RESALE OPEN BALANCE (60-90 days)
as of 03/25/2021

NAME	CURRENT AMOUNT DUE	ACTION TAKEN	LAST PAYMENT	
Black Dog Restaurant	\$ 1,726.46	called		28-Jan
Miken Farms	\$ 524.30			
Araceli Navarro-Perez	\$ 219.87	called		
.	\$ 2,470.63		\$ -	

Operations Report - February

The crew focused on maintenance items.

Maintenance

- Pole and x-arm replacements in Finney, Lane, Ness, and Scott counties.
- Line maintenance set new anchors, changed out insulators and x-arm braces.
- Retired single phase connects in Lane, Ness, and Scott counties.
- Back-fed 34.5 line from Ness to open Alexander sub for Midwest Energy.
- Repaired Dighton and Alexander AML collectors. Changed out non-responsive meters.

Inspections

- Maintenance log inspections of underground installations, ct/pt metering, and DG interconnections.
- Monthly substation inspections and maintenance.

Storms

- Worked thunderstorm outages changing out bad transformers, meter loops and meters.

Member assistance

- Covered up three phase line in McCracken for elevator demolition.

Other operations

- Changed our OCR's for upcoming rework.
- Identified potential projects for the Construction Work Plan

David Howard
Operations Manager

OUTAGE STATISTICS February 2021

CATEGORY	OCCURRENCES			TOTAL OUTAGE HRS.			# of Meters
	14.4 KVA	7.6 KVA	Total	14.4 KVA	7.6 KVA	Total	
PHASE FLOATER			0			0	
BIRDS & ANIMALS			0			0	
TREES			0			0	
LIGHTNING\RAIN\WIND			0			0	
ICE & WIND		3	3		6	6	203
SNOW & WIND			0			0	
OCR OR FUSE FAILURE			0			0	
TRANSFORMER FAILURE			0			0	
BROKEN JUMPER	2		2	2.5		3	590
PEOPLE CAUSED			0			0	
BROKEN POLE			0			0	
POWER SUPPLY			0			12	
SCHEDULED							
MAJOR EVENT	7			12			11439
UNKNOWN			0			0	
TOTALS	9	3	12	14.5	6	21	12232

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	2021			
	25,081	14,179	25			



SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING SUMMARY

SUNFLOWER ELECTRIC POWER CORPORATION SPECIAL BOARD MEETING – FEB. 18, 2021

The February Board meeting scheduled for Feb. 17 was postponed to allow time for Members and Sunflower staff to respond to the Southwest Power Pool's Energy Emergency Alerts that were necessitated by the historic Polar Vortex weather pattern.

Feb. 18, the Board conducted a special meeting virtually to discuss impacts of the Cold Weather Event and take necessary Board actions.

Adrienne Clair, Sunflower's Federal Energy Regulatory Commission (FERC) counsel, participated in the call to gain an understanding of the impact of the Cold Weather Event on the Sunflower system.

Operations & Power Supply (below in italics)

The Holcomb unit was removed from service on Feb. 9 to repair the bottom ash conveyor and returned to service within 15 hours on Feb. 10.

Feb. 10, to prepare for the imminent Polar Vortex weather pattern, SPP issued start commands for GB3 and FD4 with instructions that the units be capable of dispatch by early Monday morning (February 15). Sunflower immediately developed startup plans for both units and anticipated a start order for the S2 unit later in the week. The starts were accomplished in unprecedented cold weather conditions and with reduced staffing (in 2015 staff at GB3 and FD4 were reduced to decrease fixed costs since Sunflower was assured that the two units would not run simultaneously).

Feb. 11, cold weather conditions impacted Rubart Station's gas supply, resulting in methane levels well below engine tolerance. The entire facility was placed under a fuel quality forced outage.

Feb. 12, SPP issued the expected start command for S2.

Feb. 13, startup teams representing diverse functional groups were dispatched to Great Bend and Dodge City mid-afternoon to avoid traveling in predicted severe weather conditions.

Feb. 14, S2 was placed into service, and crews were mobilized to Rubart Station to attempt low-quality fuel operation.

The SPP issued an Energy Emergency Alert 1, an alert level that generally does not elicit an appeal for energy conservation. However, the extreme weather conditions across its 14-state region led to tightening electric supplies and prompted them to preemptively ask electric utilities to issue public appeals for conservation over the next several days. The request was effective at 12:01 a.m.

Feb. 15, S2, S4, S5, CL1, FD4, and all 12 Rubart engines were in service at the beginning of the peak period. S2, S4, S5, and CL1 were under SPP's automatic governor control (AGC). FD4 and all 12 Rubart units were controlled manually by Sunflower due to operating limitations (turbine expansion limits for FD4 and low-quality fuel limits at RTS). RTS units were fixed at 5 MW (60 MW total) at approximately 3:30 a.m. and remained in that state until removed from service Wednesday, February 17, at 9 a.m.

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Startup efforts continued at GB3 but made little progress.

The natural gas fuel supply was severely constrained. To conserve fuel, FD4 was set at minimum load to reserve the maximum fuel supply to RTS which is more fuel efficient. Similarly, S4 and S5 were set to minimum load to maximize fuel supply for S2, which is more fuel efficient than the gas turbines.

Forward gas pricing for Tuesday exceeded \$400 per mmBtu at CLS and exceeded \$330 per mmBtu at all other locations, so Sunflower removed S4 and S5 from service and made them unavailable to the market to protect highly constrained gas supply for S2 operation.

CL1 remained in service.

By 7:22 a.m. on Monday, Feb. 15, the SPP issued an Energy Emergency Alert 2, the second of three phases, which called for even more conservation efforts due to the extreme weather conditions tightening supplies of energy generation and natural gas.

In an effort to help avoid scheduled interruptions of energy that could occur if an Energy Emergency Alert 3 were issued, KEC and its members distributed information to print and broadcast media and increased social media messaging urging conservation and offering tips on conserving energy.

Less than 3 hours later at 10:08 a.m., the SPP declared an EEA Level 3 when it was forced to begin relying on required reserve energy. At 12:10 p.m. on Feb. 15 after exhausting reserves, the SPP directed its member utilities to implement controlled, temporary interruptions of service. This was done on a load/ratio share basis, and Sunflower was directed to shed 14 MW. The load shed ended at 1:15. By 2 p.m. on Feb. 15, the SPP returned to EEA Level 2

Feb. 16, Gas supplies become even more critical as forward gas pricing for Wednesday exceeded \$520 per mmBtu at GCS, exceeded \$760 per mmBtu at CRS, and exceeded \$1,000 per mmBtu at all other locations.

CL1, S2 and FD4 continued to operate mostly at minimum load under SPP control. All 12 RTS engines continued to operate in manual at a fixed 60 MW station output.

Startup efforts at GB3 were suspended.

ACES reported no gas was available for purchase at any price at any Sunflower location. ACES reported several gas purchases by other utilities above \$1,000 per mmBtu and at least one gas purchase at \$1,250 per mmBtu.

At 6:15 a.m., the SPP declared an EEA Level 3, lasting until 11:30 a.m. Once again, SPP member utilities were directed to implement controlled, temporary interruptions of service. Sunflower was directed to shed two 30 MW blocks of load, the first from 6:46 a.m. to 10:07 a.m. and the second block from 7:18 a.m. to 9:40 a.m.

At 6:28 p.m., the SPP issued an EEA Level 2 asking consumers to conserve as the evening peak demand could pose a threat; there was enough generating capacity to meet system-wide demand, but the SPP was taking steps to mitigate the risk of interruptions. The alert lasted until 1:15 p.m. on Feb. 17.

Feb. 17, With no fuel available to operate Sunflower gas generation, operations coordinated a simultaneous trip of all system gas generation at precisely 9 a.m. (coinciding with the gas operating day period) to avoid consumption of penalty gas at potential pricing in the \$10,000 per mmBtu range. All gas units were placed under fuel availability outage at that time.

Between 1:15 p.m. on Wednesday and 10:59 p.m. on Thursday, the SPP moved twice between EEA Levels 1 and 2. Level 1 ended at 9:30 a.m. on Feb. 18.

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Feb. 18, S2,S4, S5, CL1, FD4 and all 12 Rubart units were available to run, but natural gas could not be obtained.

An Alert Level 1 was issued at 6:25 p.m. and ended at 9:20 a.m. on Feb. 19.

Feb. 19, Natural gas prices began to improve, and Sunflower lifted outages on S2, S4, S5 and FD4 in real time for reliability. Natural gas could not be obtained for CL1, and Rubart units were placed under restrictions with extended start times, manual control, and fixed 5 MW per unit output. HL1 continued to operate at full load around the clock.

Feb. 20, Gas quality returned to normal at Rubart Station, and all restrictions were lifted.

Finance

A shortage of natural gas caused the price to range from \$4.15 per mmBtu on Feb. 10 to \$999 per mmBtu on Feb. 17 and 18. By Feb. 14, with cost at \$339 per mmBtu, Sunflower staff recognized a likely impending liquidity shortfall to pay February invoices. Staff contacted CFC on Sunday, Feb. 15 to seek a line of credit. The CFC Board called a special boarding meeting on Tuesday to approve the transaction for Sunflower and other G&Ts impacted by the Cold Weather Event.

Board action: The Sunflower Board approved the 1-year, \$100 million bilateral line of credit with CFC as presented.

NRECA Annual Meeting

The Board selected Tom Ruth as delegate and Stuart Lowry as alternate for the 2021 NRECA Annual Meeting.

SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING, FEB. 22

The Board and staff revisited the Cold Weather Event, focusing specifically on possible cost impacts. Sunflower and our Members are financially strong and have adequate credit to cover the significant and unexpected costs. Discussion was held on ways to help ease the financial burden on end-users.

The Board will reconvene on Thursday, Feb. 25, to further discuss cost implications and possible solutions.

CURRENT ACTIVITIES

The Strategy Performance Analysis has been updated and is available on BoardPaq.

CFC Key Performance Indicators will be presented at the April Board meeting.

Work on the Sunflower Renewable Energy Program continues. The marketing plan and collateral are currently being developed and will be presented to the Members for their input. The brand will be developed to promote three areas of renewable energy: Sunflower's current renewable portfolio, Sunflower's Renewable Energy Rider, and Community Solar.

PRESIDENT'S REPORT

Generation

A Sunflower employee experienced burn injuries when setting up to install anti-galloping devices near Rubart Station. Emergency services transported the injured worker to the Ulysses hospital and then to the Via Christi burn unit in Wichita. The employee was discharged the following morning. OSHA's review is ongoing.

Power Supply & Delivery

Amendments were made to the Smoky Hill 1 & 2 Power Purchase Agreements due to Enel's repowering a portion of the turbines. The amendments ensure that Sunflower is not allocated more energy than it would otherwise be allocated had the repowering not been completed; that Sunflower is not exposed to cost exposure associated with the Production Tax Credits triggered by the repowering; describe modified operating procedures to allow the windfarms to transfer to Dispatchable Variable Energy Resource (DVER) status (to implement curtailments more efficiently); and release claims from previous disputes by Enel against Sunflower. The Board will be asked to approve the amendments at the March Board meeting.

Work continues on the Russell Solar Project, which has the potential to offset NTC transmission projects. Staff are currently inspecting the land lease, coordinating with Invenergy on the easement for the Grain Belt High Voltage Direct Current (HVDC) line; initiating a Union Pacific Railroad easement; and negotiating surface use waivers. The waiver requires mineral owners to cease further development activities for exploration or production of oil and gas or other minerals that may interfere with Sunflower's project and allow for quiet titling action in their name. Sunflower will pay the mineral owners \$20,000 now and an additional \$20,000 within 36 months.

Board action: The Sunflower Board approved payment as presented to the mineral owners on Sunflower's leased land for the Russell Solar Project.

The Public Utility Regulatory Policies Act of 1978 ("PURPA") created certain rights for Qualifying Facilities (QFs) and obligations for electric utilities (QFs are cogeneration facilities or qualifying small power production facilities [biomass, waste, or renewable resources] 80 MW or less). Under PURPA, electric utilities must purchase any energy and capacity made available from a QF; sell to any QF; and must interconnect any QF. In 2018, Sunflower, on behalf of itself and its Members, received exemptions for obligation to QFs >20MW. A recent FERC order lowers the exemption to 5MW as long as the QF has nondiscriminatory access to organized markets and the utility obtains a waiver from FERC.

Board action: The Board authorized Sunflower, on behalf of itself and its Members, to make the requisite filings to terminate the obligation to purchase electric energy from QFs with a capacity between 5 MWs and 20 MWs.

Transmission Policy and Planning

The initial efforts to establish uniform local planning criteria were not successful because the criteria were deemed unfair by FERC. The Agency stated that the proposal was discriminatory against transmission owners who are not the largest TO in the area. Current negotiations with other entities on new criteria continue.

Financials

Overall Member loads were down 3.56% from budget for the month. Large industrial loads were up 1.13% from budget for the month. Year-to-date operating expenses were down 23.32% from budget for the month.

Long-Range Plan

The long-range plan, discussed at the January Board meeting, was approved. The ten-year projection predicts rate increases in later years largely from inflation with minimal load growth.

Board action: The Sunflower Board approved the long-range plan as presented.

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Sunflower 2019 True-Up Transition Plan

As part of the merger settlement, a transition plan to address the 2019 transmission formula rate (TFR) true-ups was agreed upon by Sunflower and intervening parties. The transition plan calculates the difference between what parties were billed through the merged TFR against what they would have been billed through the stand-alone formulas to determine a net payment or refund. In April, customers will be issued a bill or payment for the final determined adjustment.

SUNFLOWER ELECTRIC POWER CORPORATION SPECIAL BOARD MEETING – FEB. 25, 2021

The Board reconvened to discuss the cost impacts of and possible solutions to the February Cold Weather Event.

Timeline on Recovery

The current cost estimate of the Cold Weather Event is \$92 million, with some uncertainty remaining around the make-whole process and pipeline costs.

Sunflower will bill for February service on March 8, 2021, (sixth business day following the close of month) and will include invoices from SPP through February 23. Other February days will be settled daily and estimates used for the last three days of the month on Member billing (normal).

ECA numbers are anticipated to be calculated by March 5, 2021. It could be 45-120 days, or longer, before make-whole payments that are part of the ECA calculation are received from SPP.

Cost Recovery Options

The Board discussed possible methods to cost recovery, such as isolating February charges based on February determinants, creating regulatory assets and holding unbilled costs for recovery, and implementing patronage retirement or rate/margin reductions.

The Board also discussed Sunflower's ability to carry Member balances and how to approach municipal and customer-owned generation and load reductions.

Power Supply Portfolio

The Board reviewed the Company's current energy hedge methodology and targets. The board developed the energy hedge position based on performance of Holcomb Station and the fixed price wind resources under contract. During the Cold Weather Event Holcomb Station effectively hedged approximately 66% of the Company's market exposure. In a typical February the wind resources would hedge an additional approximate amount of 15% of the market energy exposure. However, in this event wind was down and many of the wind resources were unable to operate due to cold weather conditions. In future discussion, the Board will look at how Sunflower's generation portfolio performed, evaluate the value of the energy hedge provided by the current power supply portfolio, and determine if securing additional hedge positions is warranted.



SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING SUMMARY

SUNFLOWER ELECTRIC POWER CORPORATION SPECIAL BOARD MEETING – MARCH 1, 2021

On March 3, the Board discussed and approved a Regulatory Asset Rider to amortize costs associated with increased ECA from the winter storm event Feb. 13-19.

SUNFLOWER ELECTRIC POWER CORPORATION BOARD MEETING – MARCH 17, 2021

CURRENT ACTIVITIES

Cold Weather Event

The Southwest Power Pool (SPP) has created a Comprehensive Review Steering Committee to analyze the February Cold Weather event, and the Kansas Corporation Commission has scheduled seven company-specific dockets focusing on the February Cold Weather Event. Sunflower will provide supporting information to the responses filed by Southern Pioneer, who is fully regulated by the KCC.

For voluntary load reduction and customer generation during the event there is currently no known market mechanism for compensation, but it did help to avoid extended planned load sheds. In nine regions nationwide, SPP had the second highest increase in power prices behind ERCOT for the month. SPP's February average power prices were 2,855% higher than January 2021 and 3,143% higher than February 2020.

Sunflower and Member staff will meet to vote on Kansas Electric Power Cooperatives (KEPCo) participation in Kansas Electrical Cooperative Health Insurance Trust (KECHIT). KEPCo's eligibility is tied to membership in Sunflower, which is conditioned on its power supply agreement that expires in December 2021. At year-end, KEPCo will be ineligible to participate in KECHIT.

Merger of Sunflower and Mid-Kansas

The strategic objective to Realize Financial Synergies from the Merger closed in January. One synergy identified was the risk mitigation achieved by resource and load diversity, a benefit that was underscored during the February Cold Weather Event. Absent the merger of Sunflower and Mid-Kansas, most of the costs of the event would have fallen on Mid-Kansas customers. The rate impact would have been two times greater on legacy Mid-Kansas customers if not for the merger and subsequent sharing of HLS revenues.

ACES 2021 Members' Conference

The ACES 2021 Members' Conference is scheduled June 3-4, 2021 at the Indianapolis Marriott Downtown, 350 W. Maryland Street, Indianapolis. There will also be a virtual option. As in the past, Sunflower will sponsor two people from each Member and will reimburse Members for lodging, travel, and meals. Registration is free and can be done through the event's website (<http://membersconference.acespower.com>). Members are asked to let Diane Lewis know their two Sunflower sponsored attendees no later than March 26. Diane is also available to assist with registration, and Sunflower's Travel Team can assist with securing lodging and travel.

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June 2021 Board Meeting

Due to a conflict with the 2021 CFC Forum, the June Sunflower Board Meeting was rescheduled to June 18.

PRESIDENT'S REPORT

Generation

HLS had a bottom ash chain conveyer issue, so the unit was taken offline for repairs on Feb. 9 to make it available for the forecasted Polar Vortex. The repairs took less than 15 hours, and HLS operated well through the entire event. RTS and the large gas units were successfully placed in service during frigid conditions.

The 345 kV transformer is in Dodge City and being moved to Spearville Substation later this week.

Power Supply & Delivery

The Board continued a review of modeling in support of an Integrated Resource Plan. The IRP is an economic analysis used to plan for future power supply based on known costs and incorporating various future scenarios. The Board also discussed the significant benefit Sunflower resources played in insulating Member loads from even higher power prices.

Scout Energy Partners failed to meet qualifications for its special energy rate, missing the non-coincident peak load factor during the Cold Weather Event. Staff recommended waiving the energy qualification for Scout Energy Partners during the month of February.

Board action: The Sunflower Board approved a waiver for Scout Energy Partners energy qualification during the February Cold Weather Event.

Rich Macke, Power System Engineering, discussed the Distribution Wheeling Rate, which is designed to charge the cost of providing use of a Member distribution system to “wheel” across one utility’s distribution to an off-taker. This can occur when merchant wind, solar, and/or other distributed energy resources request interconnection with Member distribution grids to facilitate the physical and economic aspects of Distributed Energy Resources (such as BarberWind interconnecting with Prairie Land to transmit energy to Sunflower). Having a standard approach used by Sunflower’s Members will ensure consistency.

The model uses a similar format as the 34.5kV Formula-Based Rate: allocate total system costs to portion of system providing distribution wheeling service; determine system revenue requirement for distribution wheeling service, whether for capacity or consumer; convert to cost per kW; and implement determined method of billing customer.

Transmission Policy and Planning

The Southwest Power Pool’s (SPPs) filing with the Federal Energy Regulatory Commission (FERC) for the Cost Allocation Waiver is scheduled on or prior to April 9, 2021, with FERC’s Order anticipated by June 10, 2021. Sunflower has developed 17 pages of comments in support of SPP for submission to FERC. To proactively prepare for a possible approval by FERC, Sunflower staff are also developing documentation for nine projects eligible for compensation.

Sunflower’s locational marginal pricing has been lower than the average, which may cause a challenge when presenting Sunflower’s case for a Cost Allocation Waiver. However, the LMP will levelize as more transmission buildout continues. In addition, Sunflower incurs costs for generation assets necessary for capacity that are not included in the LMP.

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Sunflower staff continue to work with Member staff to schedule meetings during which to discuss the 34.5 kV system.

Technology Services

Oracle Fusion provides required software upgrades/updates each quarter to enable enhanced functionality and security. Proper prevalidation testing is a requirement with each Oracle Fusion quarterly release to avoid negative impacts to user functionality. Currently, Sunflower business subject matter experts (SMEs) are completing the manual, prevalidation testing prior to each quarterly release, which is requiring more time and labor with each quarterly release. OpKey has been selected as a cloud-based technical solution to automate manual testing. Next steps include expanding testing automation across Oracle Fusion.

Member Services & External Affairs

The Dodge City Business Park became the first industrial site to be certified, and the data center site is close to being certified.

Several businesses in Finney County have inquired about the possible development of the north part of the HLS property. Sunflower staff will begin analyses to provide to the Board to determine whether they support development of the HLS property.

Corporate Services

The Organization-Wide Survey Newsletter is available to the Board and Sunflower staff.

Executive Benefit Restoration Plan

Sunflower readopted the Executive Benefit Restoration (EBR) Plan to update the existing deferred compensation plan deferring compensation for certain employees, to be effective on March 17, 2021.

Board action: The Sunflower Board approved the update to the Executive Benefit Restoration Plan as presented.

Financials

Overall Member loads were down 3.15% from budget for the month and 3.29% year to date. Large industrial loads were up 7.35% from budget for the month and 2.94% year to date. Year-to-date operating expenses were down 16.47% from budget for the month and 20.07% year to date. The Cold Weather Event caused an increase in the ECA of \$276.22/MWh over budget for the month and was the primary contributor to the increase in the average member rate of \$278.12/MWh.

Regulatory Asset Rider/Municipal Buildings

On March 1-2, staff met with the Members that have wholesale cities to discuss how to handle the costs associated with the February 2021 winter weather event. Some of the Members requested that Sunflower create a regulatory asset to allow costs for certain cities to be amortized over a period of time with interest.

A Regulatory Asset Rider is necessary to amortize the costs. The rider was designed to allow the amortization periods to be customized for each individual customer based on preference. Ongoing legislative efforts may allow cities to finance the costs from the state at a lower interest rate.

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Board action: The Sunflower Board approved the Regulatory Asset Rider for the purpose of amortizing costs incurred during the February 2021 winter weather event for specified wholesale cities.

Legal

Revisions were made to the following Board policies: 100 – Non-Discrimination and Assurance Against Harassment; 117 – Code of Conduct; 119 – Drug and Alcohol Abuse; and 123 – Confidential Information. Policy 122 – Whistleblowers was recently developed.

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

Board Members expressed their gratitude and thanks to the many staff members who supported the Members' mission during and after the February Cold Weather Event.

The Sunflower annual meeting in May will be a hybrid meeting hosted in the Sunflower's Hays Office. The Board supported restarting the Managers' Meeting the day prior to the Board Meeting, with the next one occurring on April 20 from 3–5 p.m.

The meeting concluded with discussion on how soon Sunflower may resume full in-person meetings. The Sunflower Business Continuity Committee, which will continue to follow recommended guidelines, is optimistic that some pandemic restrictions may be lifted near the beginning of summer.

KEC March Board Meeting Summary

March 11, 2021, held virtually and in Wichita, KS

In official action, the KEC Board of Trustees

1. Ratified the President's Board Committee assignments.
2. Accepted the audit report for the year ended December 31, 2020.
3. Approved KEC staff forming an Ad Hoc Working Group of members' in-house regulatory counsels and specialists to develop a strategy and bring back a recommendation to the Regulatory Review & Tax and Legislative committees for advancing legislation in 2022, as recommended by the Regulatory Review & Tax Committee.
4. Directed KEC staff to pursue action at the Kansas Corporation Commission to update Kansas Administrative Regulation's under the wiring stringing regulations to reference the current version of the National Electric Safety Code, as recommended by the Regulatory Review & Tax Committee.
5. Approved revisions, as presented by the Policies & Bylaws Committee, to KEC Policy Bulletin No. 36 – Establishing Procedures for KEC Board Decision Making.

KEC Board Meeting Summary

Six of the KEC standing committees met virtually in the days prior to the board meeting. On Tuesday, March 9, **Policies & Bylaws Committee** met to review recommended changes to Policy Bulletin No. 36 – Establishing Procedures for KEC Board Decision Making. **Regulatory Review and Tax Committee** reviewed several KCC dockets including the KCC order in the Westar (Evergy) rate case docket related to distributed generation (DG) rates. The committee also heard updates on the KDHE air quality fees, property tax issues, capitalization rate studies, and the status of the Property Valuation Division (PVD) annual rendition software. The **Legislative Committee** met to hear an update on current legislative issues including action following Winter Storm Uri, the Statewide Energy Plan Task Force, and KDHE's air quality fees. There was also discussion on the postponed KEC *Day at the Capitol*. On Wednesday, March 10, the inaugural **Cybersecurity Committee** heard a presentation from the Kansas Intelligence Fusion Center and an overview of NRECA's Rural Cooperative Cybersecurity Capabilities (RC3) program. **Loss Control, Safety and Compliance Committee** discussed pricing for the Virtual Oil Spill Workshop, on-site regulatory compliance visits, and best practices for the workers' compensation program. There was also discussion about the LCS&C Department's role in accident investigation. Lastly, the **Communications Committee** reviewed high-level results of the KEC Member Communications Survey. There was also a discussion regarding advertising in *Kansas Country Living*, including the potential of accepting solar vendor advertising.



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On Thursday, March 11, the **Executive Committee** met in person to review general association activities, the KEC Annual Meeting evaluations, and other matters.

The KEC Board of Trustees heard department reports from KEC staff and committee reports from the following: Executive; Cybersecurity; Regulatory Review & Tax; Loss Control, Safety & Compliance; Communications; Legislative; and Policies & Bylaws. Karen Linn, Managing Director, BT&Co., P.A., gave an audit report.

THANK YOU TO OUR MEETING SPONSORS

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ITC Great Plains
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Power System Engineering, Inc.

BASIC

Bolinger, Segars, Gilbert & Moss, LLP
Innovative Systems, LLC
TWN Communications
WaterFurnace

8. General Manager's Report

A. Rates and Reliability Dashboard – February 2020

Rate Summary

	current month (\$/kWh)	year to date (\$/kWh)
Residential	0.1230	0.1176
Residential - Seasonal	0.1815	0.1849
Irrigation	0.0958	0.0889
C&I 1000kVa or less	0.1159	0.1077
C&I over 1000 kVA	0.1137	0.1000
Public Street and Lighting	0.1334	0.1274
Other Sales to Public Authorities	0.1313	0.1287
Sales for Resale - Other	0.0656	0.0571
Total Sales price per kWh:	0.1144	0.1051

February 2021		
SAIDI	0.00	Interruption DURATION / average for every member (hrs)
SAIFI	2.18	Interruption FREQUENCY / Average # of Interruptions per customer
CAIDI	0.00	Customer Average Interruption Duration Index - IF you are out, how long to expect (hrs).
ASAI	100.0%	Service Availability

B. Administration

1) Winter Storm Uri update.

a. Payment to Sunflower.

- The current February wholesale power cost was \$4,023,888.07 with the “excess” amount calculated at \$3,284,128.44.
- A 3.5-year loan (Single Advance Term Promissory Note) for \$3,000,000 was secured from CoBank at a simple annual fixed rate of 1.55%.
- The remaining total balance of \$1,023,888.07 was paid out of cash.

b. Cash flow. An SBA Payroll Protection Program Loan of \$619,088 was secured through First National Bank of Dighton to assure cash flow.

c. Member wholesale power cost recapture. We had two options to recover the “excess” amount: 1. using the Regulatory Asset ECA rider that the Board approved in March or 2. using a deferred asset “Miscellaneous Charges’ adder. Immediately after the March Board meeting, we began working with NISC on programming the RA ECA.

NISC presented the “Miscellaneous Charge” option that gives us the flexibility to apply “excess” charges to only those members that used power during February and to allow LSEC members the option of paying their total balance up front or paying it out. We decided to go with the NISC option after speaking with many members that wanted those options. Members leaving the system will have their specific charges applied to their Final Bill. This will likely increase our 2021 Write-Offs, but new Members and those not using energy during February will not be charged for the February 2021 event. The April billing

will have the assumption that there will be a 3.5-year payback. Anyone wanting to pay it off earlier needs to contact us and we will set it up.

- d. Ann Marie has contacted our key accounts and explained the coming billing and their options. She has also prepared a communications plan to educate all our members.
- 2) The 2020 End of Year Report is included in your Board Packet. Items of note:
 - a. The Year End Form 7 is the certified, but Unaudited copy.
 - b. SmartHub participation is up to 12.5% of all members.
 - c. 2020 saw revenue drops related to low C&I activity from COVID-19.
 - d. LSEC had over \$6MM in cash on hand at the end of 2020.
 - e. Kilowatt-hour sales are flat, and Revenues are decreasing largely because Wholesale Power Costs continue to decrease. Our Distribution margin is shrinking while inflation and operating costs increase.
- 3) Audit. The On-Site portion of the Audit was completed 3/26.
- 4) Philips 66. They have postponed again, this time to the end of May. This is not entirely a bad thing since it gives us time to complete the CWP engineering analysis and gets closer to the cost-of-service study where the new rate will be included.
- 5) The Credit Card records are available for the Boards review.

C. Information Technology / Cybersecurity highlights

- 1) Carrie attended the NRECA KnowBe4 Cybersecurity training.
- 2) She performed various maintenance and software updates including the ASP iVue server, Verifone credit card payment system, Vertitas Backup, AppSuite, Payment Gateway, and MapView, and
- 3) Researched a MicroSoft Exchange server breach and confirmed out server file integrity.

D. Operations highlights

- 1) Maintenance items performed included:
 - a. Pole and x-arm replacements in Finney, Lane, Ness, and Scott counties.
 - b. Line maintenance set new anchors, changed out insulators, and x-arm braces.
 - c. Repaired Dighton and Alexander AMI collectors. Changed out non-responsive meters.
 - d. Maintenance log inspections of underground installations, ct/pt metering, and DG interconnections.
 - e. Monthly substation inspections and maintenance.
- 2) The Crew also worked thunderstorm outages changing out bad transformers, meter loops, and meters,
- 3) Retired single phase connects in Lane, Ness, and Scott counties,
- 4) Covered up three phase line in McCracken for elevator demolition, and
- 5) Changed our Oil Circuit Reclosers (OCR's) for an upcoming rework.

E. Member Services highlights

Member Services has been consumed the Crisis Communications Plan, Annual Meeting preparations, and Winter Storm Uri. Other items Ann Marie has worked on included:

- 1) Scholarship applications – 40 have been received so far!
- 2) Ness City and Retail signs have been ordered.
- 3) Preparation of an April billing insert on Farm Safety.

F. Finance overview.

- 1) February posted a \$341,373 loss in Total Margins and a \$337,102 loss in Operating margins. This is due to Winter Storm Uri member conservation and higher costs. Kilowatt-hour sales were down 13.15% compared to February 2020 while the overall cost of power was up 18.36%. That dropped our Distribution margin by \$295,060.
- 2) Financial Ratios (Year to Date):
 - a. Equity as a % of Assets – 34.33%
 - b. Distribution Equity – 20.81%
 - c. General Funds Level – 19.46%
- 3) Billing Past Due (current – March 26, 2021)
 - a. 30 day – \$3,126.39
 - b. 60 day – 622.04
 - c. 90 day – 7,039.63 (\$3,512.69 is with OPCO, LLC.)

G. Non-Operating Margins.

- 1) Our year-to-date Non-Operating margins [Form 7, Part A, Lines 22(b) + Line 25(b) + Line 27(b)] is a \$23,984 loss.
- 2) Retail Services. Initial figures posted a \$8,807.63 loss in February. Scott has prepared a Warehouse Report for the Board. This will be a monthly report.
 - a. Resale Hours (YTD). Billable hours represent 75.87% of total hours.
 - b. Outstanding Balances. (current – March 26, 2021)
 - i. 30-60 day -\$ 0.00
 - ii. 60-90 day - 524.30
 - iii. Over 90 day – 1,946.33 (Black Dog – 1,726.46)
- 3) Interest earned (YTD) – \$5,530.
- 4) Generac. Three generators on order. There are 12 estimates out and another six estimates in progress.

Respectfully submitted,

Richard McLeon, MBA
General Manager



End of Year Reports

2020

Presented to the Board of Trustees on April 5, 2021.

The End of Year Reports is a collection of proprietary data that is critical to measuring the performance of Lane-Scott Electric Cooperative. This data is provided to the members of the Board of Trustees, the Cooperatives' Attorney, and certain key Staff Members.

Section	item	page
1	Year End Form 7 - Unaudited	
2	Members and Meters	1
	SmartHub	2
3	Safety	
	OSHA and Workmand Comp data	1
	Safety Council	2
4	Summary of Major incomes	1
5	Summary of Major Expenses	1
6	Statement of Operations and Balance Sheet	
	Statement of Operations	1
	Balance Sheet	2-3
	General Cash Requirements	4
	Letters of Credit	5
7	Wholesale Power	
	Sunflower and Mid-Kansas	1
	Wheatland and Average	2
	WPC graph	3
	Consolidated WPC	4
	WPC statistics	5
8	Energy Sales	
	Residential & Seasonal	1
	Irrigation & C&I under 1000kVa	2
	C&I over 1000kVa & Public Street and Highway Lighting	3
	Sales to Other Public Authority & City of Dighton	4
	Total Sales	5-6
9	Financial Analysis	
	Financial Ratios	1
	Blended Interest Rates	1
	Rate of Return on Rate Base	1
	Graphs	2
10	Payroll	
	Payroll statistics	1
	Fire-Resistant Clothing Budget	1
	Graphs	2
11	Long Term Debt	
	RUS & CFC	1
	FFB & RUS - Economic Dvelopment	2
	Farm Credit Services & RUS Cushion of Credit	3
	Long-Term Debts	4
	Graphs	5
12	Line Loss	

Section	item	page
13	Member Deposits	
14	Write-offs	
15	Taxes	
	Appraised Property Value	1
	Property Taxes	1
16	Irrigation True-Up	
17	Capital Credits	
	Total Retirements & Summary	1
	Total Distribution CC Retirements to Members	2
	LSEC Distribution CC Retirements to Members	3
	MKEC Distribution CC Retirements to Members	4
	G&T Total Capital Credit Retirements	5
	Sunflower and MKEC	5
18	Capital Credit Payment Plan	
19	Operations	
	Miles of Line	1
	Outage Hours per meterr	1
	Contribution in Aid of Construction	2
	Outage Statistics	3
20	Vehicles	
21	Materials	
22	Annual Meeting	

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 December 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.

Richard McLeon

3/25/2021
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	17,827,108	16,415,529	18,284,639	1,388,213
2. Power Production Expense				
3. Cost of Purchased Power	10,467,955	9,219,252	10,907,543	743,907
4. Transmission Expense	6,366	2,133	7,493	257
5. Regional Market Expense				
6. Distribution Expense - Operation	1,308,661	1,474,902	1,380,044	126,210
7. Distribution Expense - Maintenance	687,659	931,974	735,342	92,202
8. Customer Accounts Expense	221,835	211,622	226,437	20,166
9. Customer Service and Informational Expense	30,105	47,090	32,806	6,163
10. Sales Expense	55,317	61,443	75,139	3,777
11. Administrative and General Expense	1,411,038	1,286,157	1,384,710	97,075
12. Total Operation & Maintenance Expense (2 thru 11)	14,188,936	13,234,573	14,749,514	1,089,757
13. Depreciation and Amortization Expense	1,599,510	1,650,032	1,613,186	139,796
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other				
16. Interest on Long-Term Debt	1,316,760	1,337,470	1,285,495	110,848
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	3,355	1,971	3,633	162
19. Other Deductions	14,349	40,819	15,873	1,785
20. Total Cost of Electric Service (12 thru 19)	17,122,910	16,264,865	17,667,701	1,342,348
21. Patronage Capital & Operating Margins (1 minus 20)	704,198	150,664	616,938	45,865
22. Non Operating Margins - Interest	256,085	240,316	41,698	44,889
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other	40,353	(65,313)	60,000	17,890
26. Generation and Transmission Capital Credits	983,794	538,534		
27. Other Capital Credits and Patronage Dividends	60,703	47,965	73,127	4,209
28. Extraordinary Items				
29. Patronage Capital or Margins (21 thru 28)	2,045,133	912,166	791,763	112,853

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION KS0042		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 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	54	55	5. Miles Transmission		
2. Services Retired	41	51	6. Miles Distribution – Overhead	2,036.59	2,035.37
3. Total Services in Place	6,040	6,045	7. Miles Distribution - Underground	7.53	7.66
4. Idle Services (Exclude Seasonals)	228	246	8. Total Miles Energized (5 + 6 + 7)	2,044.12	2,043.03
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	58,108,127		30. Memberships	0	
2. Construction Work in Progress	284,441		31. Patronage Capital	21,201,952	
3. Total Utility Plant (1 + 2)	58,392,568		32. Operating Margins - Prior Years	0	
4. Accum. Provision for Depreciation and Amort.	17,927,950		33. Operating Margins - Current Year	150,664	
5. Net Utility Plant (3 - 4)	40,464,618		34. Non-Operating Margins	1,057,939	
6. Non-Utility Property (Net)	0		35. Other Margins and Equities	136,614	
7. Investments in Subsidiary Companies	255,405		36. Total Margins & Equities (30 thru 35)	22,547,169	
8. Invest. in Assoc. Org. - Patronage Capital	11,360,458		37. Long-Term Debt - RUS (Net)	0	
9. Invest. in Assoc. Org. - Other - General Funds	445,461		38. Long-Term Debt - FFB - RUS Guaranteed	33,906,778	
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)	5,745,003	
12. Other Investments	5,501		41. Long-Term Debt - RUS - Econ. Devel. (Net)	0	
13. Special Funds	0		42. Payments – Unapplied	4,210,034	
14. Total Other Property & Investments (6 thru 13)	12,288,783		43. Total Long-Term Debt (37 thru 41 - 42)	35,441,747	
15. Cash - General Funds	115,401		44. Obligations Under Capital Leases - Noncurrent	232,665	
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)	232,665	
18. Temporary Investments	5,974,610		47. Notes Payable	0	
19. Notes Receivable (Net)	0		48. Accounts Payable	830,964	
20. Accounts Receivable - Sales of Energy (Net)	1,183,826		49. Consumers Deposits	121,550	
21. Accounts Receivable - Other (Net)	236,952				
22. Renewable Energy Credits	0		50. Current Maturities Long-Term Debt	1,443,173	
23. Materials and Supplies - Electric & Other	328,131		51. Current Maturities Long-Term Debt - Economic Development	0	
24. Prepayments	(1,093)		52. Current Maturities Capital Leases	77,748	
25. Other Current and Accrued Assets	259,737		53. Other Current and Accrued Liabilities	734,456	
26. Total Current and Accrued Assets (15 thru 25)	8,097,689		54. Total Current & Accrued Liabilities (47 thru 53)	3,207,891	
27. Regulatory Assets	0		55. Regulatory Liabilities	0	
28. Other Deferred Debits	578,382		56. Other Deferred Credits	0	
29. Total Assets and Other Debits (5+14+26 thru 28)	61,429,472		57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	61,429,472	

<div>UNITED STATES DEPARTMENT OF AGRICULTURE</div> <div>RURAL UTILITIES SERVICE</div> <div>FINANCIAL AND OPERATING REPORT</div> <div>ELECTRIC DISTRIBUTION</div>	<div>BORROWER DESIGNATION</div> <div>KS0042</div>
<div>INSTRUCTIONS - See help in the online application.</div>	<div>PERIOD ENDED</div> <div>December 2020</div>
<div>PART D. NOTES TO FINANCIAL STATEMENTS</div>	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION	BORROWER DESIGNATION KS0042
INSTRUCTIONS - See help in the online application.	PERIOD ENDED December 2020
PART D. CERTIFICATION LOAN DEFAULT NOTES	

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE				BORROWER DESIGNATION KS0042			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION				PERIOD ENDED December 2020			
INSTRUCTIONS - See help in the online application.							
PART E. CHANGES IN UTILITY PLANT							
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFERS (d)	BALANCE END OF YEAR (e)		
1. Distribution Plant	49,819,792	4,301,842	285,301	(21,587)	53,814,746		
2. General Plant	2,185,140	608,733	196,982	7,058	2,603,949		
3. Headquarters Plant	2,759,693				2,759,693		
4. Intangibles	494				494		
5. Transmission Plant	1,229,049				1,229,049		
6. Regional Transmission and Market Operation Plant							
7. All Other Utility Plant	(1,991,294)			(308,510)	(2,299,804)		
8. Total Utility Plant in Service (1 thru 7)	54,002,874	4,910,575	482,283	(323,039)	58,108,127		
9. Construction Work in Progress	2,924,100	(2,639,659)			284,441		
10. Total Utility Plant (8 + 9)	56,926,974	2,270,916	482,283	(323,039)	58,392,568		
PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	199,062	269,975	23,990	320,623	2,458	2,955	172,901
2. Other	142,298	99,913		8,504	76,567	(1,910)	155,230
PART G. SERVICE INTERRUPTIONS							
ITEM	AVERAGE MINUTES PER CONSUMER BY CAUSE					TOTAL (e)	
	POWER SUPPLIER (a)	MAJOR EVENT (b)	PLANNED (c)	ALL OTHER (d)			
1. Present Year	12.000			135.000	147.000		
2. Five-Year Average	28.320		8.760	204.840	241.920		
PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS							
1. Number of Full Time Employees	22	4. Payroll - Expensed				1,087,093	
2. Employee - Hours Worked - Regular Time	46,474	5. Payroll - Capitalized				439,102	
3. Employee - Hours Worked - Overtime	1,874	6. Payroll - Other				454,028	
PART I. PATRONAGE CAPITAL							
ITEM	DESCRIPTION			THIS YEAR (a)	CUMULATIVE (b)		
1. Capital Credits - Distributions	a. General Retirements				1,510,684		
	b. Special Retirements			176,771	1,074,715		
	c. Total Retirements (a + b)			176,771	2,585,399		
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power			383,982			
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System			13,731			
	c. Total Cash Received (a + b)			397,713			
PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE							
1. Amount Due Over 60 Days	\$	14,107	2. Amount Written Off During Year	\$	3,082		
ENERGY EFFICIENCY AND CONSERVATION LOAN PROGRAM							
1. Anticipated Loan Delinquency %				4. Anticipated Loan Default %			
2. Actual Loan Delinquency %				5. Actual Loan Default %			
3. Total Loan Delinquency Dollars YTD	\$				6. Total Loan Default Dollars YTD		\$

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION					BORROWER DESIGNATION KS0042				
INSTRUCTIONS - See help in the online application					PERIOD ENDED December 2020				
PART K. kWh PURCHASED AND TOTAL COST									
No	ITEM	SUPPLIER CODE	RENEWABLE ENERGY PROGRAM NAME	RENEWABLE FUEL TYPE	kWh PURCHASED	TOTAL COST	AVERAGE COST (Cents/kWh)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Wheatland Electric Coop, Inc (KS0051)	20510				6,000	0.00		
2	Sunflower Electric Power Corp (KS0053)	18315			164,012,270	9,213,252	5.62	3,045,479	2,181,123
	Total				164,012,270	9,219,252	5.62	3,045,479	2,181,123

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION KS0042	
INSTRUCTIONS - See help in the online application		PERIOD ENDED December 2020	
PART K. kWh PURCHASED AND TOTAL COST			
No	Comments		
1			
2			

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION KS0042	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2020	
PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
1	Hineman	Radio Tower Site	750
2	Peck	Substation Site	150
3	Farm Credit Leasing "CL"	Trucks	149,533
	TOTAL		150,433

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		BORROWER DESIGNATION KS0042	
INSTRUCTIONS - See help in the online application.		PERIOD ENDED December 2020	
PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 7/14/2020	2. Total Number of Members 2,651	3. Number of Members Present at Meeting 85	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 87	6. Total Number of Board Members 9	7. Total Amount of Fees and Expenses for Board Members \$ 76,460	8. Does Manager Have Written Contract? Y

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION KS0042		
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 2020		
PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)				
2	National Rural Utilities Cooperative Finance Corporation	5,745,003	272,600	535,910	808,510
3	CoBank, ACB				
4	Federal Financing Bank	33,906,778	1,054,248	758,282	1,812,530
5	RUS - Economic Development Loans				
6	Payments Unapplied	4,210,034			
7	Principal Payments Received from Ultimate Recipients of IRP Loans				
8	Principal Payments Received from Ultimate Recipients of REDL Loans				
9	Principal Payments Received from Ultimate Recipients of EE Loans				
10	Farm Credit Services	232,665	13,632	149,533	163,165
	TOTAL	35,674,412	1,340,480	1,443,725	2,784,205

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION KS0042		
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION		PERIOD ENDED December 2020		
INSTRUCTIONS - See help in the online application.				
PART O. POWER REQUIREMENTS DATABASE - ANNUAL SUMMARY				
CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	2,230	2,231	
	b. kWh Sold			24,225,256
	c. Revenue			2,763,689
2. Residential Sales - Seasonal	a. No. Consumers Served	1,144	1,142	
	b. kWh Sold			2,101,908
	c. Revenue			397,092
3. Irrigation Sales	a. No. Consumers Served	332	333	
	b. kWh Sold			9,174,142
	c. Revenue			1,083,575
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,836	1,837	
	b. kWh Sold			47,133,206
	c. Revenue			4,838,951
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	191	189	
	b. kWh Sold			64,477,905
	c. Revenue			6,189,529
6. Public Street & Highway Lighting	a. No. Consumers Served	13	13	
	b. kWh Sold			430,912
	c. Revenue			53,329
7. Other Sales to Public Authorities	a. No. Consumers Served	49	49	
	b. kWh Sold			337,825
	c. Revenue			47,970
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served	1	1	
	b. kWh Sold			10,357,280
	c. Revenue			716,274
10. Total No. of Consumers (lines 1a thru 9a)		5,796	5,795	
11. Total kWh Sold (lines 1b thru 9b)				158,238,434
12. Total Revenue Received From Sales of Electric Energy (lines 1c thru 9c)				16,090,409
13. Transmission Revenue				
14. Other Electric Revenue				325,121
15. kWh - Own Use				79,156
16. Total kWh Purchased				164,012,270
17. Total kWh Generated				
18. Cost of Purchases and Generation				9,221,385
19. Interchange - kWh - Net				
20. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident <input type="checkbox"/>				29,572

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION			BORROWER DESIGNATION KS0042			
INSTRUCTIONS - See help in the online application.			PERIOD ENDED December 2020			
PART P. ENERGY EFFICIENCY PROGRAMS						
CLASSIFICATION	ADDED THIS YEAR			TOTAL TO DATE		
	No. of Consumers <i>(a)</i>	Amount Invested <i>(b)</i>	Estimated MMBTU Savings <i>(c)</i>	No. of Consumers <i>(d)</i>	Amount Invested <i>(e)</i>	Estimated MMBTU Savings <i>(f)</i>
1. Residential Sales (excluding seasonal)						
2. Residential Sales - Seasonal						
3. Irrigation Sales						
4. Comm. and Ind. 1000 KVA or Less						
5. Comm. and Ind. Over 1000 KVA						
6. Public Street and Highway Lighting						
7. Other Sales to Public Authorities						
8. Sales for Resale – RUS Borrowers						
9. Sales for Resale – Other						
10. Total						

<p>UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE</p> <p>FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS</p>	<p>BORROWER DESIGNATION KS0042</p> <p>PERIOD ENDED December 2020</p>
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INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.

PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)

No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
2	Investments in Associated Organizations				
	Patronage Capital-Rural Data Processing	2,643			
	Patronage Capital-Kansas Electric Coop	20,430			
	Patronage Capital-NiSC	63,433		1,726	
	Patronage Capital-Garden City Coop	4,067		(9)	X
	Patronage Capital-S & T Telephone Coop Assn	102,255			X
	Midwest Energy	794		(26)	X
	Patronage Capital-NRUCFC		210,354	11,827	X
	NRUCFC-Capital Term Certificates		221,958		
	Membership-NRUCFC		1,000		
	Membership-NRECA	10			
	Membership-Midwest ACA	25			
	Membership-Sunflower Electric Power Corp.	100			
	Membership-NiSC	50			
	Membership-KEC	10			
	Membership-S & T Telephone Coop Assn	5			
	Common Stock-Federated Rural Electric Ins.	150,966		7,572	
	Membership-SEP Corporation	1,000			
	Sunflower Electric Power Corp.	303,000			
	Building & Land Fund-KEC	19,222			
	Membership-NRTC	1,000			
	Golden Belt Telephone	27,241		(82)	X
	Sunflower Electric Power Corp	5,363			
	Patronage Capital - Co-Bank		20,346		
	Patronage Capital-Sunflower Electric Power Corp		10,146,436	154,553	
	Patronage Capital-HLS-Federated Rural Electric Ins	35,516		(489)	
	Patronage Capital-HLS-S&T Telephone Coop Assn	7,401			X
	Patronage Capital-HLS-Pioneer Electric	52			
	Patronage Capital-HLS-Lane-Scott Electric	971			X
	Patronage Capital-HLS-New-Mac Electric	471			
	Patronage Capital-HLS-Intercounty Electric	130			
	Patronage Capital-HLS-Midwest Energy	346			
	Patronage Capital-HLS-Webster Electric	77			
	Patronage Capital-HLS-Barry Electric	87			
	MKEC - G&T Patronage Capital		513,484		
	MKEC LLC	423,039			
	Totals	1,169,704	11,113,578	175,072	
4	Other Investments				
	Lane County Area Development Corp	5,000			X
	Garden City Coop	500			X
	Beeler Coop	1			X
	Totals	5,501			
6	Cash - General				
	First National Bank-Dighton, Ks		1,245		
	First State Bank-Healy, Ks	13,887	100,000		
	Working Funds	270			
	First State Bank-Healy, Ks.-Revolving Loan Fund				
	Totals	14,157	101,245		
7	Special Deposits				
	City of Dighton-Meter Deposit	25			

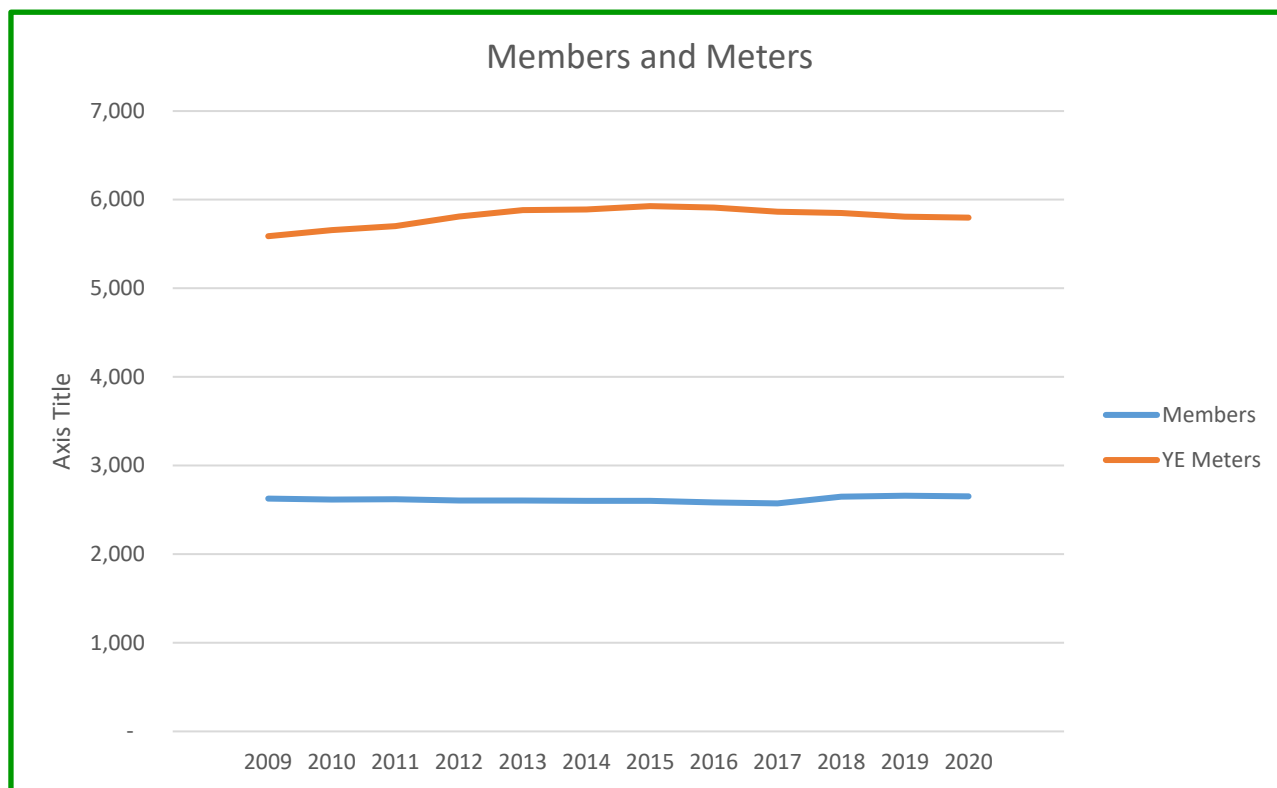
UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION KS0042	
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December 2020	
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.			
PART Q. SECTION I. INVESTMENTS (See Instructions for definitions of Income or Loss)			
	Totals	25	
8	Temporary Investments		
	First National Bank-Dighton, Ks		59,587
	First State Bank-Healy, Ks		14,113
	NRUCFC Commercial Paper		5,900,910
	Totals		5,974,610
9	Accounts and Notes Receivable - NET		
	Accts Rec-Resale & Electrician Service	103,215	
	Accts Rec-Contributions in aid of construction	133,737	
	Totals	236,952	
11	TOTAL INVESTMENTS (1 thru 10)	1,426,339	17,189,433 175,072

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION KS0042			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December 2020			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
PART Q. SECTION II. LOAN GUARANTEES					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	TOTAL				
	TOTAL (Included Loan Guarantees Only)				

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE		BORROWER DESIGNATION KS0042			
FINANCIAL AND OPERATING REPORT ELECTRIC DISTRIBUTION INVESTMENTS, LOAN GUARANTEES AND LOANS		PERIOD ENDED December 2020			
INSTRUCTIONS - Reporting of investments is required by 7 CFR 1717, Subpart N. Investment categories reported on this Part correspond to Balance Sheet items in Part C. Identify all investments in Rural Development with an 'X' in column (e). Both 'Included' and 'Excluded' Investments must be reported. See help in the online application.					
SECTION III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT [Total of Included Investments (Section I, 11b) and Loan Guarantees - Loan Balance (Section II, 5d) to Total Utility Plant (Line 3, Part C) of this report]					2.44 %
SECTION IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors	2/15/2021	3,136	436	X
2	Energy Resources Conservation Loans				
	TOTAL		3,136	436	

Membership

year	Members			YE Meters			meters per mile
	F7, M2	change	Δ%	F7, 0 10a	change	Δ%	
2009	2,626			5,587			2.13
2010	2,615	(11)	-0.42%	5,656	69	1.24%	2.16
10 year 2011	2,618	3	0.11%	5,700	44	0.78%	2.18
2012	2,604	(14)	-0.53%	5,809	109	1.91%	2.23
2013	2,605	1	0.04%	5,881	72	1.24%	2.26
2014	2,600	(5)	-0.19%	5,889	8	0.14%	2.27
2015	2,600	-	0.00%	5,928	39	0.66%	2.28
5 year 2016	2,583	(17)	-0.65%	5,910	(18)	-0.30%	2.29
2017	2,572	(11)	-0.43%	5,863	(47)	-0.80%	2.28
2018	2,647	75	2.92%	5,849	(14)	-0.24%	2.21
2019	2,659	12	0.45%	5,808	(41)	-0.70%	2.18
2020	2,651	(8)	-0.30%	5,796	(12)	-0.21%	2.19
10 year average:	2,614	4		5,843	14		2.24
5 year average:	2,622	10		5,845	(26)		2.23



SmartHub participation

year	Meters	SmartHub	%
2019	5,808	644	11.1%
2020	5,796	727	12.5%

begin

Safety

year	OSHA				Workmans Comp Experience Modifier
	Recordable Incident Rate	DART - days away, restricted, transferred duties	Severity Rate	Lost Work Days Rate - days away from work	
2012					0.87
2013	17.22	-	-	-	0.84
2014	21.83	4.37	-	4.37	1.05
2015	13.20	-	-	-	1.08
2016	-	-	-	-	1.06
2017	4.66	4.66	46.60	4.66	0.79
2018	4.95	-	-	-	0.79
2019	-	-	-	-	0.85
2020	data will be available in spring 2021				0.85
averages	8.84	1.29	6.66	1.29	0.91

3 year	3.20	1.56	15.59	1.56	0.83
6 year	10.53	1.50	74.45	1.50	0.90
8 year	7.51	1.07	53.12	1.07	0.91

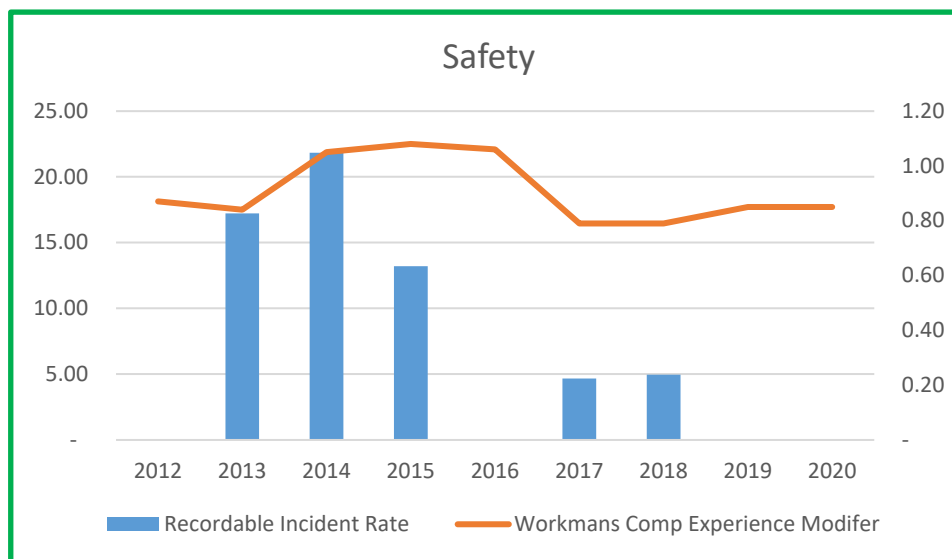
note: 3, 6, and 8 year data is from Federated and does not always match table averages.

RIR = (Deaths + Cases of Days Away + Cases of Job Transfers + Cases of Other) * 200,000 / Total Hours Worked

DART = (cases of Days Away + Cases of Job Transfer)*200,000 / Total Hours Worked

SR = Number of Days Away * 200,000 / Total Hours Worked

LDA = (Deaths + Cases of Days Away) * 200,000 / Total Hours Worked



Safety Council

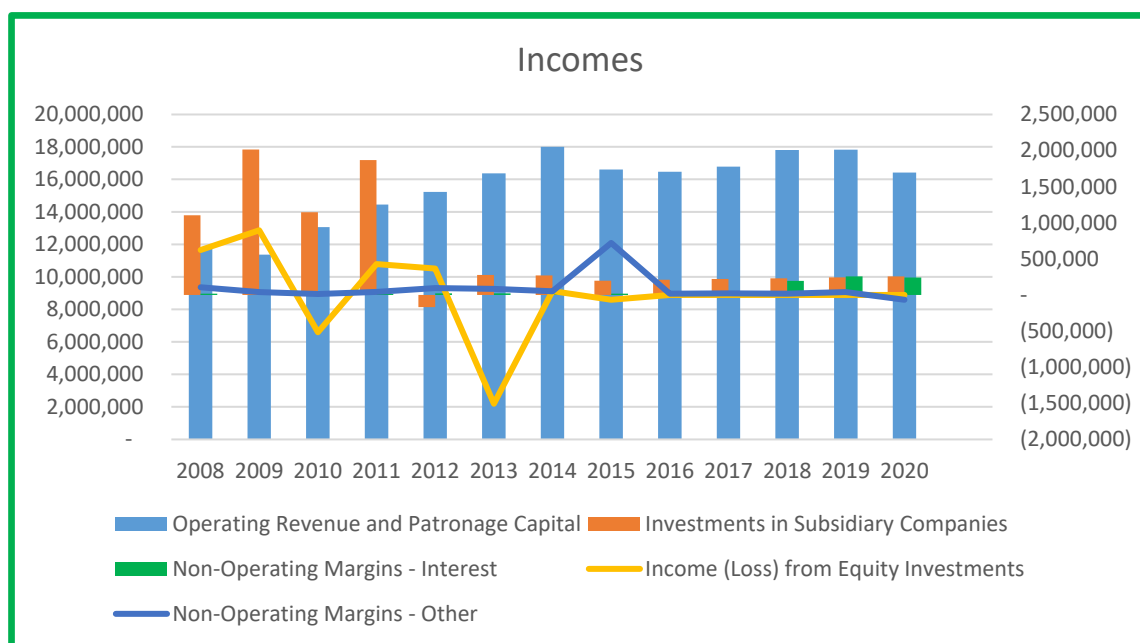
year	Safety Coordinator	President	Vice President	Secretary	Safety Compliance Administrator
2011	David Howard	Kasey Jenkinson	Ben Mann	Kathy Ballew	Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell Carrie Borrell
2012	David Howard	Kasey Jenkinson	Ben Mann	Carrie Borell	
2013	David Howard	Kasey Jenkinson	Ben Mann	Carrie Borell	
2014	David Howard	Kasey Jenkinson	Ben Mann	Carrie Borell	
2015	Henry Morrow	Ben Mann	Carrie Borell	Henry Morrow	
2016	Chris Terhune	Carrie Borell	Henry Morrow	Chris Terhune	
2017	Chris Terhune	Henry Morrow	Chris Terhune	Carrie Borell	
2018	Chris Terhune	Chris Terhune	Carrie Borell	Leighton Ayers	
2019	Chris Terhune	Carrie Borell	Leighton Ayers	Chris Terhune	
2020	Chris Terhune	Leighton Ayers	Chris Terhune	Carrie Borell	

note: Employee Policy 508 (amended January 9, 2017) identifies the Safety Coordinator and Safety Compliance Administrator positions are appointed by the General Manager. The third position is elected by all employees.

Major Incomes

year	Operating Revenue and Patronage Capital	Investments in Subsidiary Companies	Non-Operating Margins - Interest	Income (Loss) from Equity Investments	Non-Operating Margins - Other	Total
	YEF7 Part A, 1	YEF7, C 7	YEF7, A 22	YEF7, A 24	YEF7, A 25	
2008	11,812,653	1,102,505	17,977	622,934	105,371	13,661,440
2009	11,369,139	2,013,342	14,740	896,370	39,401	14,332,992
2010	13,057,889	1,144,283	14,599	(517,319)	12,928	13,712,380
2011	14,446,759	1,866,948	13,872	428,018	42,276	16,797,873
2012	15,223,186	(168,793)	22,376	365,591	95,071	15,537,431
2013	16,371,981	276,137	21,526	(1,505,139)	84,380	15,248,885
2014	18,005,804	270,152	15,192	53,579	50,805	18,395,532
2015	16,605,232	196,234	17,445	(66,212)	720,312	17,473,011
2016	16,464,867	210,451	23,317	-	17,783	16,716,418
2017	16,786,658	221,993	39,032	-	21,510	17,069,193
2018	17,802,551	230,130	195,137	-	17,999	18,245,817
2019	17,827,108	244,067	256,085	-	40,353	18,367,613
2020	16,415,529	255,405	240,316	-	(65,313)	16,845,937
10 yr average:	16,594,968	360,272	84,430	(72,416)	102,518	17,069,771
5 yr average:	17,059,343	232,409	150,777	-	6,466	17,448,996
5-year Growth Rate:	-0.06%	4.27%	186.13%		-93.46%	0.15%

notes: 2018 Non-Operating Margins: Begin investment in RUS Cushion of Credit.
2020 Non-Operating Margins - Other: Generac purchases not recived into inventory.



Major Expenses

year	Operating Revenue and Patronage Capital	Wholesale Power & Trans cost	Net Revenue: (Operating Revenue less Cost of Wholesale Power)	Wholesale power as a % of Revenue	Payroll		Debt Service		Depreciation and Amortization (non-cash)		Consumer Price Index (% change, Dec-Dec)
	YEF7 Part A, 1	YEF7, A, 3+4			YEF7 H, 4+5+6	% of Net Rev.	YEF7 N, (d)	% of Net Rev.	YEF7, A, 13	% of Rev.	
2008	11,812,653	8,015,511	3,797,142	67.86%	1,641,435	43.23%	725,425	19.10%	722,422	19.03%	0.10
2009	11,369,139	7,343,325	4,025,814	64.59%	1,672,584	41.55%	1,112,809	27.64%	794,970	19.75%	2.70
2010	13,057,889	8,492,759	4,565,130	65.04%	1,668,170	36.54%	1,677,509	36.75%	813,571	17.82%	1.50
2011	14,446,759	9,183,381	5,263,378	63.57%	1,741,103	33.08%	1,309,502	24.88%	958,300	18.21%	3.00
2012	15,223,186	9,888,818	5,334,368	64.96%	1,688,428	31.65%	10,077,459	188.92%	1,113,616	20.88%	1.70
2013	16,371,981	10,593,398	5,778,583	64.70%	1,816,556	31.44%	1,269,380	21.97%	1,196,962	20.71%	1.50
2014	18,005,804	11,688,793	6,317,011	64.92%	1,830,042	28.97%	2,421,853	38.34%	1,373,925	21.75%	0.80
2015	16,605,232	10,246,789	6,358,443	61.71%	1,863,088	29.30%	2,682,323	42.19%	1,439,471	22.64%	0.70
2016	16,464,867	9,978,762	6,486,105	60.61%	1,930,483	29.76%	2,315,276	35.70%	1,473,729	22.72%	2.10
2017	16,786,658	9,726,371	7,060,287	57.94%	1,901,842	26.94%	2,283,481	32.34%	1,496,428	21.20%	2.10
2018	17,802,551	10,706,172	7,096,379	60.14%	1,888,300	26.61%	2,418,556	34.08%	1,517,330	21.38%	1.90
2019	17,827,108	10,474,321	7,352,787	58.76%	1,903,667	25.89%	2,570,606	34.96%	1,599,510	21.75%	1.80
2020	16,415,529	9,221,385	7,194,144	56.17%	1,980,223	27.53%	2,784,205	38.70%	1,650,032	22.94%	1.40
10 yr average:	16,594,968	10,170,819	6,424,149	61.3%	1,854,373	29.1%	3,013,264	49.2%	1,381,930	21.4%	1.70
5 yr average:	17,059,343	10,021,402	7,037,940	58.7%	1,920,903	27.3%	2,474,425	35.2%	1,547,406	22.0%	1.86
5-year Growth Rate:	-0.06%	-1.52%	2.18%		0.52%		4.05%		2.39%		-6.67%

notes:

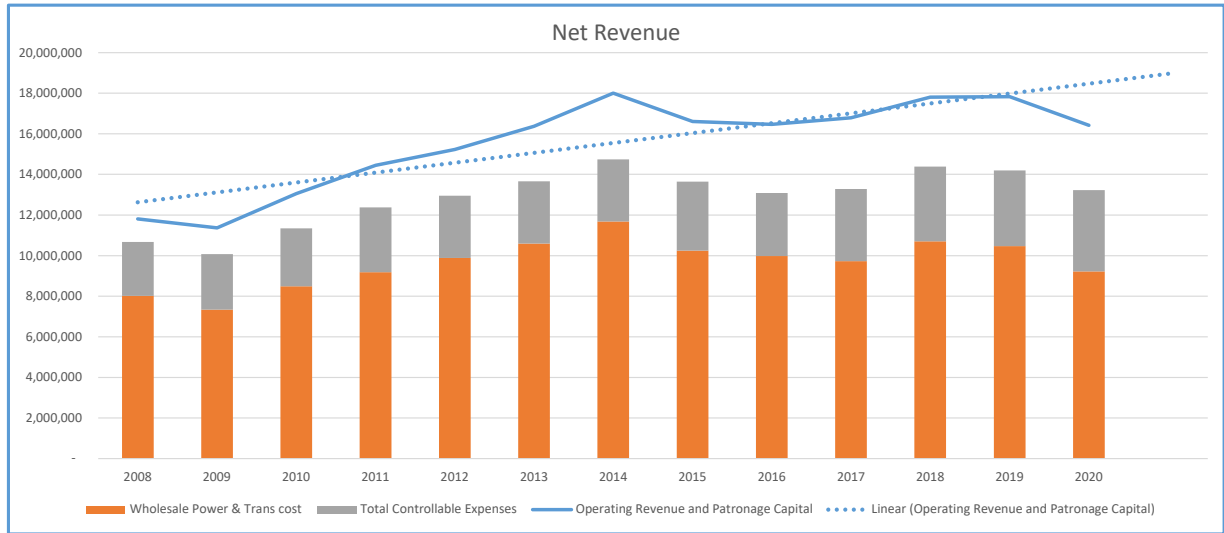
- 2012 Debt Service: Aquilla purchase bad debts.
2020 Operating Revenue: COVID-19; loss attributed to C&I accounts.

Controllable Expenses These are the six areas where we have direct monthly control of expenses.

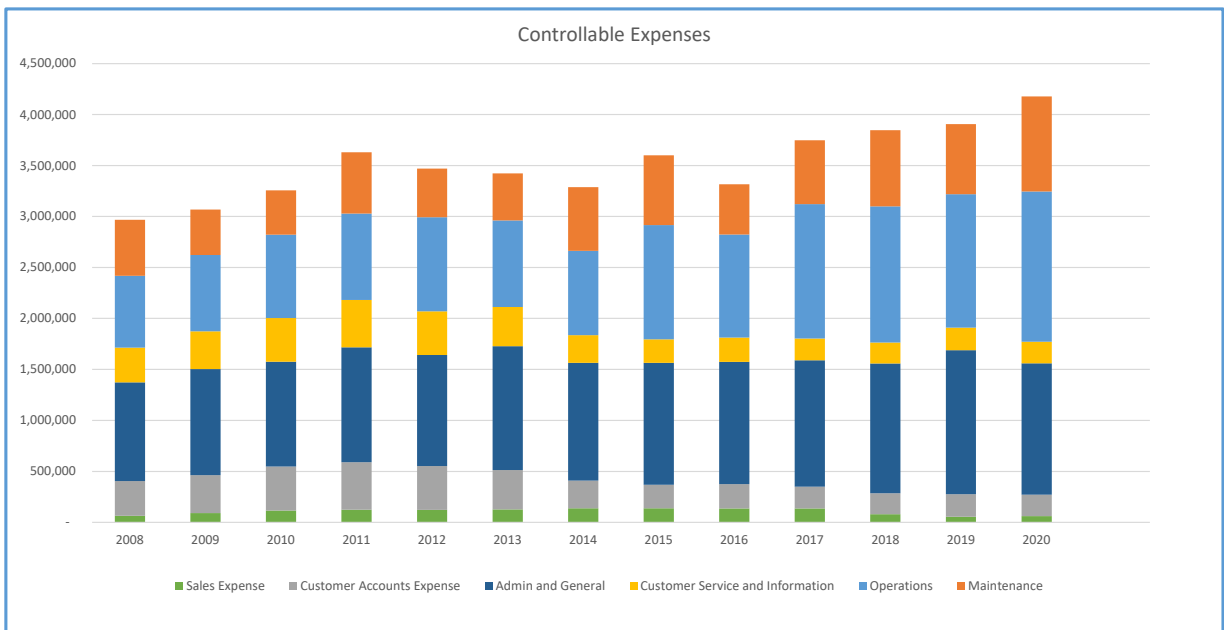
year	Distribution Expense		Customer Accounts Expense	Customer Service and Information	Sales Expense	Admin and General	Controllable Expense total		Net Revenue
	Operations	Maintenance							
	YEF7 Part A 6	YEF7 Part A 7	YEF7, A 8	YEF7, A 9	YEF7, A 10	YEF7, A 11	dollars	Δ%	Δ%
2008	705,737	549,448	340,415	34,135	65,744	966,476	2,661,955		
2009	749,129	445,424	370,864	33,634	92,622	1,038,804	2,730,477	2.6%	6.0%
2010	817,044	434,147	428,731	24,482	117,944	1,028,951	2,851,299	4.4%	13.4%
2011	847,318	600,870	465,020	33,641	124,329	1,126,698	3,197,876	12.2%	15.3%
2012	921,788	478,658	428,125	26,780	123,791	1,089,961	3,069,103	-4.0%	1.3%
2013	849,454	461,989	384,297	28,698	128,825	1,214,460	3,067,723	0.0%	8.3%
2014	826,555	624,239	272,628	32,288	138,419	1,152,864	3,046,993	-0.7%	9.3%
2015	1,120,051	684,691	230,195	31,962	139,116	1,195,508	3,401,523	11.6%	0.7%
2016	1,010,944	492,823	237,995	32,648	137,585	1,198,220	3,110,215	-8.6%	2.0%
2017	1,318,249	626,505	214,121	27,439	137,315	1,237,887	3,561,516	14.5%	8.9%
2018	1,335,652	747,446	205,976	33,716	81,169	1,270,909	3,674,868	3.2%	0.5%
2019	1,308,661	687,659	221,835	30,105	55,317	1,411,038	3,714,615	1.1%	3.6%
2020	1,474,902	931,974	211,622	47,090	61,443	1,286,157	4,013,188	8.0%	-2.2%
10 yr average:	1,101,357	633,685	287,181	32,437	112,731	1,218,370	3,385,762	3.7%	4.8%
5 yr average:	1,289,682	697,281	218,310	34,200	94,566	1,280,842	3,614,880	3.6%	2.6%
5-year Growth Rate:	9.18%	17.82%	-2.22%	8.85%	-11.07%	1.47%	5.81%		

notes:

- 2020 Construction Work Plan 2012-2020 ties directly to O&M expenses and there was a push to complete the CWP before the loan draws ended.



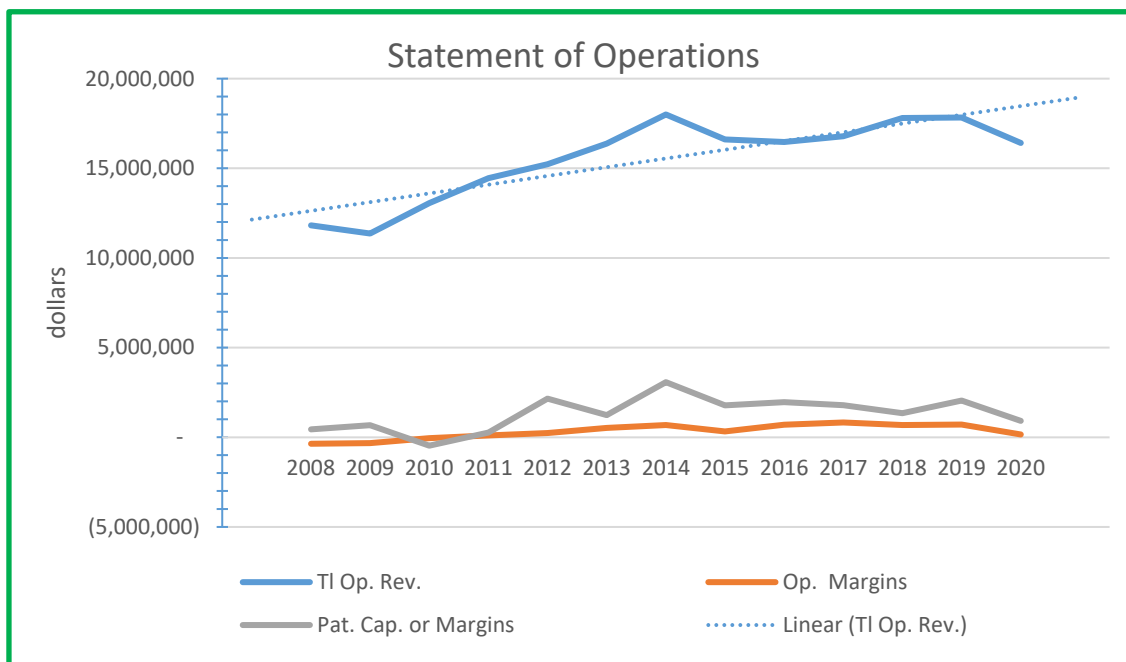
This graph illustrates the relationship of Total Operating Revenue (blue line) to Wholesale Power and Transmission costs (bars). The linear trendline for Revenues (blue dotted line) is growing faster than G&T and Controllable expenses.



The Controllable expenses graph shows those expenses that we have immediate control of in daily operations. The graph breaks down Controllable Expenses into its' six components and identifies Maintenance and Operations as the fastest growing areas.

Statement of Operations

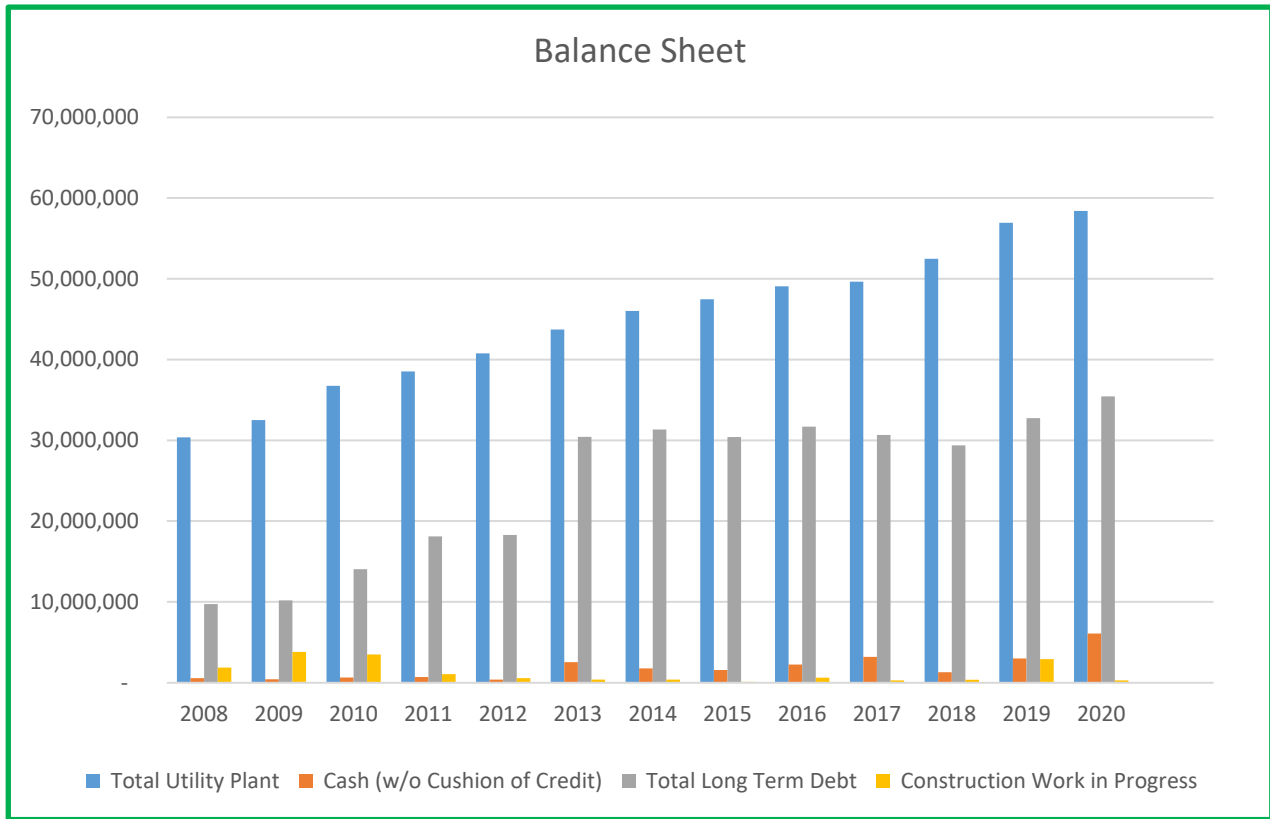
year	TI Op. Rev.	Op. Margins	Op Margins:TI	Pat. Cap. or Margins
	F7A, 1	F7A, 21	Margins	F7A, 29
2008	11,812,653	(362,579)	-3.07%	439,545
2009	11,369,139	(327,227)	-2.88%	670,098
2010	13,057,889	(52,624)	-0.40%	(469,921)
10 year 2011	14,446,759	101,209	0.70%	262,268
2012	15,223,186	234,239	1.54%	2,155,186
2013	16,371,981	518,454	3.17%	1,232,846
2014	18,005,804	682,698	3.79%	3,072,060
2015	16,605,232	327,982	1.98%	1,780,147
5 year 2016	16,464,867	699,763	4.25%	1,959,582
2017	16,786,658	825,550	4.92%	1,785,807
2018	17,802,551	679,436	3.82%	1,341,771
2019	17,827,108	704,198	3.95%	2,045,133
2020	16,415,529	150,664	0.92%	912,166
10 year average:	16,594,968	492,419	2.90%	1,654,697
5 year average:	17,059,343	611,922	3.57%	1,608,892



Balance Sheet

year	Total Utility Plant		Construction Work in Progress	Cash (w/o Cushion of Credit)
	F7, C3	change	F7, C2	F7, C 15+16+17+18
2008	30,361,485		1,861,353	548,898
2009	32,501,548	2,140,063	3,813,272	412,092
2010	36,750,114	4,248,566	3,497,697	634,585
10 year 2011	38,533,365	1,783,251	1,043,970	703,617
2012	40,768,184	2,234,819	560,991	385,108
2013	43,722,618	2,954,434	380,320	2,544,660
2014	46,007,936	2,285,318	383,172	1,773,726
2015	47,456,324	1,448,388	107,943	1,561,617
5 year 2016	49,074,611	1,618,287	615,243	2,244,159
2017	49,647,131	572,520	281,204	3,184,502
2018	52,475,269	2,828,138	355,770	1,295,130
2019	56,926,974	4,451,705	2,924,100	3,003,585
2020	58,392,568	1,465,594	284,441	6,090,136
10 year average:	48,300,498	2,164,245	693,715	2,278,624
5 year average:	53,303,311	2,187,249	892,152	3,163,502

year	Total Margins and Equities	Total Long Term Debt	Total Assets and Other debits
	F7, C36	F7, C43	F7, 29
2008		9,738,897	
2009	7,132,634	10,182,203	28,314,168
2010	6,546,902	14,049,954	31,047,491
10 year 2011	7,125,716	18,113,444	32,228,748
2012	8,134,563	18,282,353	34,159,916
2013	9,258,822	30,419,110	43,069,677
2014	12,320,775	31,334,088	46,489,628
2015	14,076,132	30,417,473	47,381,151
5 year 2016	15,989,590	31,688,624	50,597,874
2017	17,746,601	30,663,803	51,547,910
2018	19,063,321	29,374,874	51,790,714
2019	22,092,543	32,740,962	58,436,497
2020	22,547,169	35,441,747	61,429,472
10 year average:	14,835,523	28,847,648	47,713,159
5 year average:	19,487,845	31,982,002	54,760,493



This graph shows that our utility plant is growing faster than our debt.

General Cash Requirement

There are two general schools of thought about how much cash a Cooperative should have on

- 1 The RUS suggestion: Eight percent (8%) of Total Utility Plant.
- 2 Modified: 2 mos. power bill + 1 yr interest payments + 2 mos. payroll

RUS Suggestion

year	TUP	8%	LSEC Cash on hand	difference
2009	32,501,548	2,600,124	412,092	(2,188,032)
2010	36,750,114	2,940,009	634,585	(2,305,424)
10 year 2011	38,533,365	3,082,669	703,617	(2,379,052)
2012	40,768,184	3,261,455	385,108	(2,876,347)
2013	43,722,618	3,497,809	2,544,660	(953,149)
2014	46,007,936	3,680,635	1,773,726	(1,906,909)
2015	47,456,324	3,796,506	1,561,617	(2,234,889)
5 year 2016	49,074,611	3,925,969	2,244,159	(1,681,810)
2017	49,647,131	3,971,770	3,184,502	(787,268)
2018	52,475,269	4,198,022	1,295,130	(2,902,892)
2019	56,926,974	4,554,158	3,003,585	(1,550,573)
2020	58,392,568	4,671,405	6,090,136	1,418,731
10 year average:	47,250,463	3,780,037	2,129,166	(1,650,871)
5 year average:	53,303,311	4,264,265	3,163,502	(1,100,762)

Modified

year	two months power bill	one year interest pymts	two months payroll	total	difference to Cash on Hand
2009	1,223,888	525,892	278,764	2,028,544	(1,616,452)
2010	1,415,460	668,600	278,028	2,362,088	(1,727,503)
10 year 2011	1,530,564	755,020	290,184	2,575,767	(1,872,150)
2012	1,648,136	732,750	281,405	2,662,291	(2,277,183)
2013	1,765,566	727,355	302,759	2,795,681	(251,021)
2014	1,948,132	1,181,441	305,007	3,434,580	(1,660,854)
2015	1,707,798	1,190,787	310,515	3,209,099	(1,647,482)
5 year 2016	1,663,127	1,204,368	321,747	3,189,242	(945,083)
2017	1,621,062	1,175,961	316,974	3,113,996	70,506
2018	1,784,362	1,220,122	314,717	3,319,201	(2,024,071)
2019	1,745,720	1,273,185	317,278	3,336,183	(332,598)
2020	1,536,898	1,340,480	330,037	3,207,415	2,882,721
10 year average:	1,695,137	1,080,147	309,062	3,084,346	(805,722)
5 year average:	1,670,234	1,242,823	320,151	3,233,207	(69,705)
year	two months power bill	1yr interest pymts	two months payroll	total	difference
2020	1,536,898	291,685	330,037	2,158,620	3,931,516

* application of Cushion of Credit

Letters of Credit

<i>year</i>	CoBank	NRUCFC	NCSC	total
2008	-	8,000,000	750,000	8,750,000
2009	-	8,000,000	750,000	8,750,000
2010	-	8,000,000	-	8,000,000
10 year 2011	4,000,000	13,000,000	-	17,000,000
2012	4,000,000	7,000,000	-	11,000,000
2013	1,000,000	2,000,000	-	3,000,000
2014	1,000,000	2,000,000	-	3,000,000
2015	1,000,000	2,000,000	-	3,000,000
5 year 2016	1,000,000	2,000,000	-	3,000,000
2017	1,000,000	2,000,000	-	3,000,000
2018	1,000,000	2,000,000	-	3,000,000
2019	1,000,000	4,000,000	-	5,000,000
2020	1,000,000	4,000,000	-	5,000,000

Wholesale Power Costs

Sunflower Electric Cooperative, Inc. (KS0053)

year	kWh Purchased		Total cost		Average cost/kWh	
	F7, K 1e	Δ%	F7, K 1f	Δ%	F7, K 1g	Δ%
2009	130,987,897		7,336,998		5.60	
2010	139,219,745	6.3%	8,474,304	15.5%	6.09	8.7%
10 year 2011	146,646,033	5.3%	9,156,901	8.1%	6.24	2.6%
2012	150,645,772	2.7%	9,870,010	7.8%	6.55	4.9%
2013	153,625,822	2.0%	10,582,848	7.2%	6.89	5.1%
2014	165,576,757	7.8%	11,673,641	10.3%	7.05	2.3%
2015	116,253,896	-29.8%	7,350,246	-37.0%	6.32	-10.3%
5 year 2016	108,820,364	-6.4%	7,228,920	-1.7%	6.64	5.1%
2017	110,961,381	2.0%	7,056,376	-2.4%	6.36	-4.3%
2018	127,882,493	15.2%	8,104,970	14.9%	6.34	-0.3%
2019	146,755,207	14.8%	8,557,112	5.6%	5.83	-8.0%
2020	164,012,270	11.8%	9,213,252	7.7%	5.62	-3.7%
10 year average:	139,118,000		8,879,428		6.38	
5 year average:	131,686,343		8,032,126		6.16	
5-year Growth Rate:	10.14%		5.49%		-3.09%	

Mid-Kansas Electric Company, LLC (KS)

year	kWh Purchased		Total cost		Average cost/kWh	
	F7, K 1e	Δ%	F7, K 1f	Δ%	F7, K 1g	Δ%
2014						
2015	41,741,147		2,891,019		6.93	
5 year 2016	40,519,853	-2.9%	2,726,667	-5.7%	6.73	-2.8%
2017	39,228,540	-3.2%	2,652,813	-2.7%	6.76	0.5%
2018	36,559,539	-6.8%	2,587,617	-2.5%	7.08	4.7%
2019	33,588,583	-8.1%	1,904,843	-26.4%	5.67	-19.9%
2020						
5 year average:	38,327,532		2,552,592		6.63	
5-year Growth	-3.91%		-6.82%		-3.62%	

note: 2019 MKEC was merged into Sunflower on December 31, 2019.

Wheatland Electric Cooperative (KS0051)

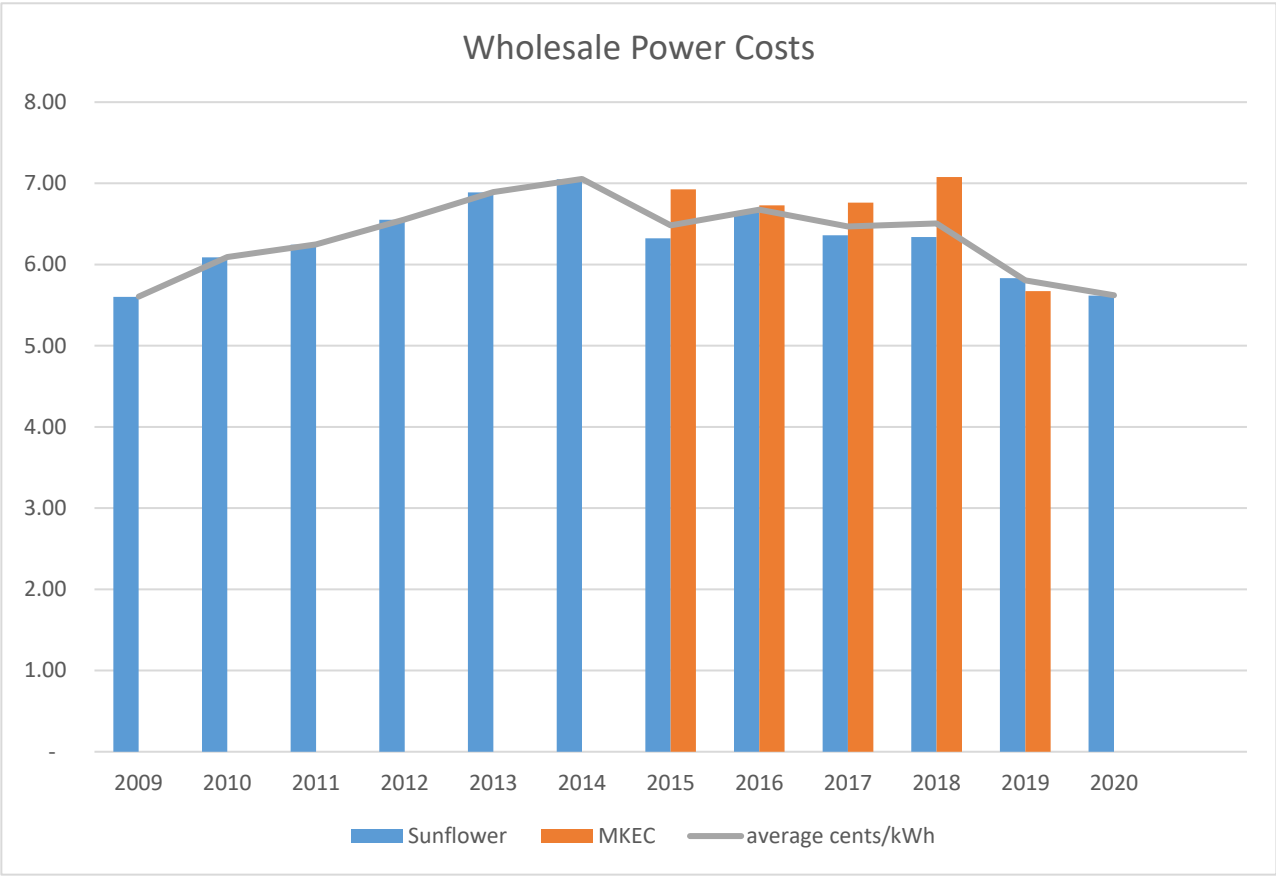
year	kWh Purchased		Total cost		Average cost/kWh	
	F7, K 1c	Δ%	F7, K 1d	Δ%	F7, K 1e	Δ%
2009	-	0.0%	6,000		-	
2010	-	0.0%	6,000	0.0%	-	0.0%
10 year 2011	-	0.0%	6,000	0.0%	-	0.0%
2012	-	0.0%	6,000	0.0%	-	0.0%
2013	-	0.0%	6,000	0.0%	-	0.0%
2014	-	0.0%	6,000	0.0%	-	0.0%
2015	-	0.0%	-	-100.0%	-	0.0%
5 year 2016	-	0.0%	12,000		-	0.0%
2017	-	0.0%	6,000	-50.0%	-	0.0%
2018	-	0.0%	6,000	0.0%	-	0.0%
2019	-	0.0%	6,000	0.0%	-	0.0%
2020	-	0.0%	6,000	0.0%	-	0.0%

LSEC pays Wheatland \$6,000.00 per year for a circuit out of their Scott City Substation. This contract was established in 2000 and has an annual evergreen clause. Energy is billed through SEPC.

Average WPC

year	kWh Purchased		Total cost		Average cost/kWh	
	F7, K total e	Δ%	F7, K total f	Δ%	F7, K tlg	Δ%
2009	130,987,897		7,342,998		5.606	
2010	139,219,745	6.3%	8,480,304	15.5%	6.091	8.7%
10 year 2011	146,646,033	5.3%	9,162,901	8.0%	6.248	2.6%
2012	150,645,772	2.7%	9,876,010	7.8%	6.556	4.9%
2013	153,625,822	2.0%	10,588,848	7.2%	6.893	5.1%
2014	165,576,757	7.8%	11,679,641	10.3%	7.054	2.3%
2015	157,995,043	-4.6%	10,241,265	-12.3%	6.482	-8.1%
5 year 2016	149,340,217	-5.5%	9,967,587	-2.7%	6.674	3.0%
2017	150,189,921	0.6%	9,715,189	-2.5%	6.469	-3.1%
2018	164,442,032	9.5%	10,698,587	10.1%	6.506	0.6%
2019	180,343,790	9.7%	10,467,955	-2.2%	5.804	-10.8%
2020	164,012,270	-9.1%	9,219,252	-11.9%	5.621	-3.2%
10 year average:	158,281,766		10,161,724		6.43	
5 year average:	161,665,646		10,013,714		6.21	

5-year Growth Rate:	1.96%	-1.50%	-3.16%
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Consolidated WPC

year	Sunflower		Mid-Kansas		Total	
	kWh	\$\$s	kWh	\$\$s	kWh	\$\$s
2009	130,987,897	7,336,998			130,987,897	7,336,998
2010	139,219,745	8,474,304			139,219,745	8,474,304
10 year 2011	146,646,033	9,156,901			146,646,033	9,156,901
2012	150,645,772	9,870,010			150,645,772	9,870,010
2013	153,625,822	10,582,848			153,625,822	10,582,848
2014	165,576,757	11,673,641			165,576,757	11,673,641
2015	116,253,896	7,350,246	41,741,147	2,891,019	157,995,043	10,241,265
5 year 2016	108,820,364	7,228,920	40,519,853	2,726,667	149,340,217	9,955,587
2017	110,961,381	7,056,376	39,228,540	2,652,813	150,189,921	9,709,189
2018	127,882,493	8,104,970	36,559,539	2,587,617	164,442,032	10,692,587
2019	146,755,207	8,557,112	33,588,583	1,904,843	180,343,790	10,461,955
2020	164,012,270	9,213,252			164,012,270	9,213,252
5-year Growth Rate:	10.14%	5.49%			1.96%	-1.49%

Consolidated percentages

year	Sunflower		Mid-Kansas	
	kWh	\$\$s	kWh	\$\$s
2009	100%	100%		
2010	100%	100%		
10 year 2011	100%	100%		
2012	100%	100%		
2013	100%	100%		
2014	100%	100%		
2015	74%	72%	26%	28%
5 year 2016	73%	73%	27%	27%
2017	74%	73%	26%	27%
2018	78%	76%	22%	24%
2019	81%	82%	19%	18%
2020	100%	100%		

note: MKEC was merged into Sunflower on December 31, 2019.

Wholesale Power Cost statistics

<i>year</i>	<i>TI Cost purchased power</i>	<i>Cost per consumer</i>	<i>Cost perTotal Utility Plant</i>	<i>Cost per mile energized</i>
2009	7,342,998	2,796	0.23	3,639
2010	8,480,304	3,243	0.23	4,167
10 year 2011	9,162,901	3,500	0.24	4,496
2012	9,876,010	3,793	0.24	4,817
2013	10,588,848	4,065	0.24	5,129
2014	11,679,641	4,492	0.25	5,654
2015	10,241,265	3,939	0.22	4,955
5 year 2016	9,967,587	3,859	0.20	4,882
2017	9,715,189	3,777	0.20	4,758
2018	10,698,587	4,042	0.20	5,238
2019	10,467,955	3,937	0.18	5,121
2020	9,219,252	3,478	0.16	4,463
10 year average:	10,008,867	3,829	0.22	4,880
5 year average:	10,051,639	3,839	0.19	4,903

5-year Growth Rate:	-1.50%	-1.98%	-4.45%	-1.72%
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Sales / Power Requirements

Residential

year	YE Members Serviced	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O1aa	F7, O1bc	F7, O1cc			
2009	2,429	23,828,133	2,364,440	0.0992	973.42	817.5
2010	2,394	25,816,294	2,770,427	0.1073	1,157.24	898.6
10 year 2011	2,382	26,163,815	2,911,830	0.1113	1,222.43	915.3
2012	2,390	25,689,838	2,822,756	0.1099	1,181.07	895.7
2013	2,401	25,719,268	3,049,183	0.1186	1,269.96	892.7
2014	2,382	25,773,703	3,172,901	0.1231	1,332.03	901.7
2015	2,359	25,530,504	3,027,880	0.1186	1,283.54	901.9
5 year 2016	2,310	24,248,180	2,947,963	0.1216	1,276.17	874.8
2017	2,268	22,960,460	2,914,311	0.1269	1,284.97	843.6
2018	2,251	24,701,066	3,013,673	0.1220	1,338.82	914.4
2019	2,225	24,196,666	2,852,725	0.1179	1,282.12	906.2
2020	2,230	24,225,256	2,763,689	0.1141	1,239.32	905.3
10 year average:	2,320	24,920,876	2,947,691	0.1184	1,271	895
5 year average:	2,257	24,066,326	2,898,472	0.1205	1,284	889
5-year Growth Rate:	-0.69%	-0.02%	-1.25%	-1.23%	-0.58%	0.70%

Residential - Seasonal

year	YE Members Serviced	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O2aa	F7, O2bc	F7, O2cc			
2009	773	1,860,800	277,329	0.1490	358.77	200.6
2010	813	1,539,507	263,562	0.1712	324.18	157.8
10 year 2011	821	1,564,650	276,188	0.1765	336.40	158.8
2012	832	1,513,603	284,211	0.1878	341.60	151.6
2013	833	1,567,380	294,278	0.1878	353.27	156.8
2014	847	1,549,260	288,146	0.1860	340.20	152.4
2015	863	1,483,540	276,088	0.1861	319.92	143.3
5 year 2016	1,118	1,623,349	323,696	0.1994	289.53	121.0
2017	1,132	1,853,346	389,118	0.2100	343.74	136.4
2018	1,142	2,039,375	407,514	0.1998	356.84	148.8
2019	1,141	2,093,679	404,910	0.1934	354.87	152.9
2020	1,144	2,101,908	397,092	0.1889	347.11	153.1
10 year average:	987	1,739,009	334,124	0.1916	338	148
5 year average:	1,135	1,942,331	384,466	0.1983	338	142
5-year Growth Rate:	0.47%	5.90%	4.53%	-1.05%	3.98%	5.31%

Irrigation

year	YE Members Served	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O3aa	F7, O3bc	F7, O3cc			
2009	304	7,162,095	693,623	0.0968	2,281.65	1,963.3
2010	310	7,601,957	805,252	0.1059	2,597.59	2,043.5
10 year 2011	318	10,822,646	1,163,640	0.1075	3,659.25	2,836.1
2012	319	11,138,105	1,264,718	0.1135	3,964.63	2,909.6
2013	320	8,370,258	1,051,779	0.1257	3,286.81	2,179.8
2014	322	8,796,187	1,062,323	0.1208	3,299.14	2,276.4
2015	328	8,177,412	951,813	0.1164	2,901.87	2,077.6
5 year 2016	331	7,869,704	970,203	0.1233	2,931.13	1,981.3
2017	333	8,134,522	1,090,272	0.1340	3,274.09	2,035.7
2018	332	7,879,987	1,017,830	0.1292	3,065.75	1,977.9
2019	333	7,221,785	936,183	0.1296	2,811.36	1,807.25
2020	332	9,174,142	1,083,575	0.1181	3,263.78	2,302.75
10 year average:	327	8,758,475	1,059,234	0.1218	3,246	2,238
5 year average:	332	8,056,028	1,019,613	0.1268	3,069	2,021
5-year Growth Rate:	0.06%	3.32%	2.34%	-0.84%	2.27%	3.24%

Commercial and Industrial Under 1000kVa

year	YE Members Served	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O4aa	F7, O4bc	F7, O4cc			
2009	1,704	39,230,972	3,820,393	0.0974	2,242	1,919
2010	1,757	41,497,830	4,262,818	0.1027	2,426	1,968
10 year 2011	1,820	44,204,909	4,740,353	0.1072	2,605	2,024
2012	1,871	46,610,683	5,263,034	0.1129	2,813	2,076
2013	1,932	48,832,624	5,714,222	0.1170	2,958	2,106
2014	1,930	49,748,211	5,839,560	0.1174	3,026	2,148
2015	1,942	47,249,392	5,327,256	0.1127	2,743	2,028
5 year 2016	1,876	47,833,352	5,446,191	0.1139	2,903	2,125
2017	1,877	52,018,673	5,840,567	0.1123	3,112	2,309
2018	1,862	52,942,381	5,854,660	0.1106	3,144	2,369
2019	1,856	52,598,388	5,561,123	0.1057	2,996	2,362
2020	1,836	47,133,206	4,838,951	0.1027	2,636	2,139
10 year average:	1,880	48,917,182	5,442,592	0.1112	2,893	2,169
5 year average:	1,861	50,505,200	5,508,298	0.1090	2,958	2,261
5-year Growth Rate:	-0.43%	-0.29%	-2.23%	-1.97%	-1.84%	0.14%

Commercial and Industrial Over 1000kVa

year	YE Members Serviced	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O5aa	F7, O5bc	F7, O5cc			
2009	292	36,821,205	3,374,707	0.0917	11,557	10,508
2010	299	40,325,704	4,048,590	0.1004	13,540	11,239
10 year 2011	303	41,245,457	4,376,476	0.1061	14,444	11,344
2012	318	42,374,438	4,621,338	0.1091	14,533	11,104
2013	318	47,179,171	5,375,207	0.1139	16,903	12,364
2014	329	58,572,731	6,596,728	0.1126	20,051	14,836
2015	357	54,703,255	6,078,261	0.1111	17,026	12,769
5 year 2016	197	47,803,166	5,836,685	0.1221	29,628	20,221
2017	180	44,232,730	5,666,618	0.1281	31,481	20,478
2018	189	56,451,769	6,528,043	0.1156	34,540	24,891
2019	189	73,111,587	7,123,779	0.0974	37,692	32,236
2020	191	64,477,905	6,189,529	0.0960	32,406	28,132
10 year average:	257	53,015,221	5,839,266	0.1112	24,870	18,837
5 year average:	189	57,215,431	6,268,931	0.1119	33,149	25,192
5-year Growth Rate:	-0.61%	6.98%	1.21%	-4.28%	1.88%	7.82%

Public Street and Highway Lighting

year	YE Members Serviced	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O6aa	F7, O6bc	F7, O6cc			
2009	32	449,357	70,679	0.1573	2,209	1,170
2010	31	448,596	57,687	0.1286	1,861	1,206
10 year 2011	30	448,767	57,928	0.1291	1,931	1,247
2012	29	448,050	54,759	0.1222	1,888	1,288
2013	28	447,334	59,082	0.1321	2,110	1,331
2014	30	448,431	63,634	0.1419	2,121	1,246
2015	28	446,571	60,826	0.1362	2,172	1,329
5 year 2016	27	444,547	59,776	0.1345	2,214	1,372
2017	23	442,027	58,983	0.1334	2,564	1,602
2018	23	441,548	58,367	0.1322	2,538	1,600
2019	13	440,152	55,988	0.1272	4,307	2,821
2020	13	430,912	53,329	0.1238	4,102	2,762
10 year average:	24	443,834	58,267	0.1313	2,595	1,660
5 year average:	20	439,837	57,289	0.1302	3,145	2,031
5-year Growth Rate:	-10.37%	-0.61%	-2.16%	-1.59%	17.06%	20.26%

Other Sales to Public Authority

year	YE Members Served	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O7aa	F7, O7bc	F7, O7cc			
2009	52	554,502	53,648	0.0967	1,032	889
2010	51	584,474	64,102	0.1097	1,257	955
10 year 2011	51	585,771	67,902	0.1159	1,331	957
2012	49	(48,715)	10,257	-0.2106	209	(83)
2013	48	456,825	58,106	0.1272	1,211	793
2014	48	459,223	60,451	0.1316	1,259	797
2015	50	468,252	58,992	0.1260	1,180	780
5 year 2016	50	430,922	56,226	0.1305	1,125	718
2017	49	333,842	48,261	0.1446	985	568
2018	49	364,261	54,605	0.1499	1,114	619
2019	49	364,795	52,518	0.1440	1,072	620
2020	49	337,825	47,970	0.1420	979	575
10 year average:	49	375,300	51,529	0.1001	1,047	635
5 year average:	49	366,329	51,916	0.1422	1,055	620
5-year Growth Rate:	-0.40%	-4.32%	-2.94%	1.77%	-2.59%	-4.00%

Sales for Resale - The City of Dighton

year	YE Members Served	kWh sold	revenue	revenue per kWh (\$s)	revenue per member per year	kWh per month
	F7, O9aa	F7, O9bc	F7, O9cc			
2009	1	10,475,172	685,283	0.0654	685,283	872,931
2010	1	10,796,258	755,858	0.0700	755,858	899,688
10 year 2011	1	10,789,106	792,870	0.0735	792,870	899,092
2012	1	10,574,038	874,683	0.0827	874,683	881,170
2013	1	10,359,299	885,620	0.0855	885,620	863,275
2014	1	10,279,430	888,616	0.0864	888,616	856,619
2015	1	10,319,452	792,813	0.0768	792,813	859,954
5 year 2016	1	9,845,300	798,092	0.0811	798,092	820,442
2017	1	9,592,032	759,405	0.0792	759,405	799,336
2018	1	9,814,443	773,173	0.0788	773,173	817,870
2019*	1	10,143,859	691,896	0.0682	691,896	845,322
2020*	1	10,357,280	716,274	0.0692	716,274	863,107
10 year average:	1	10,207,424	797,344	0.07813	797,344	850,619
5 year average:	1	9,950,583	747,768	0.07528	747,768	829,215
5-year Growth Rate:	0.00%	1.04%	-2.05%	-2.94%	-2.05%	1.04%

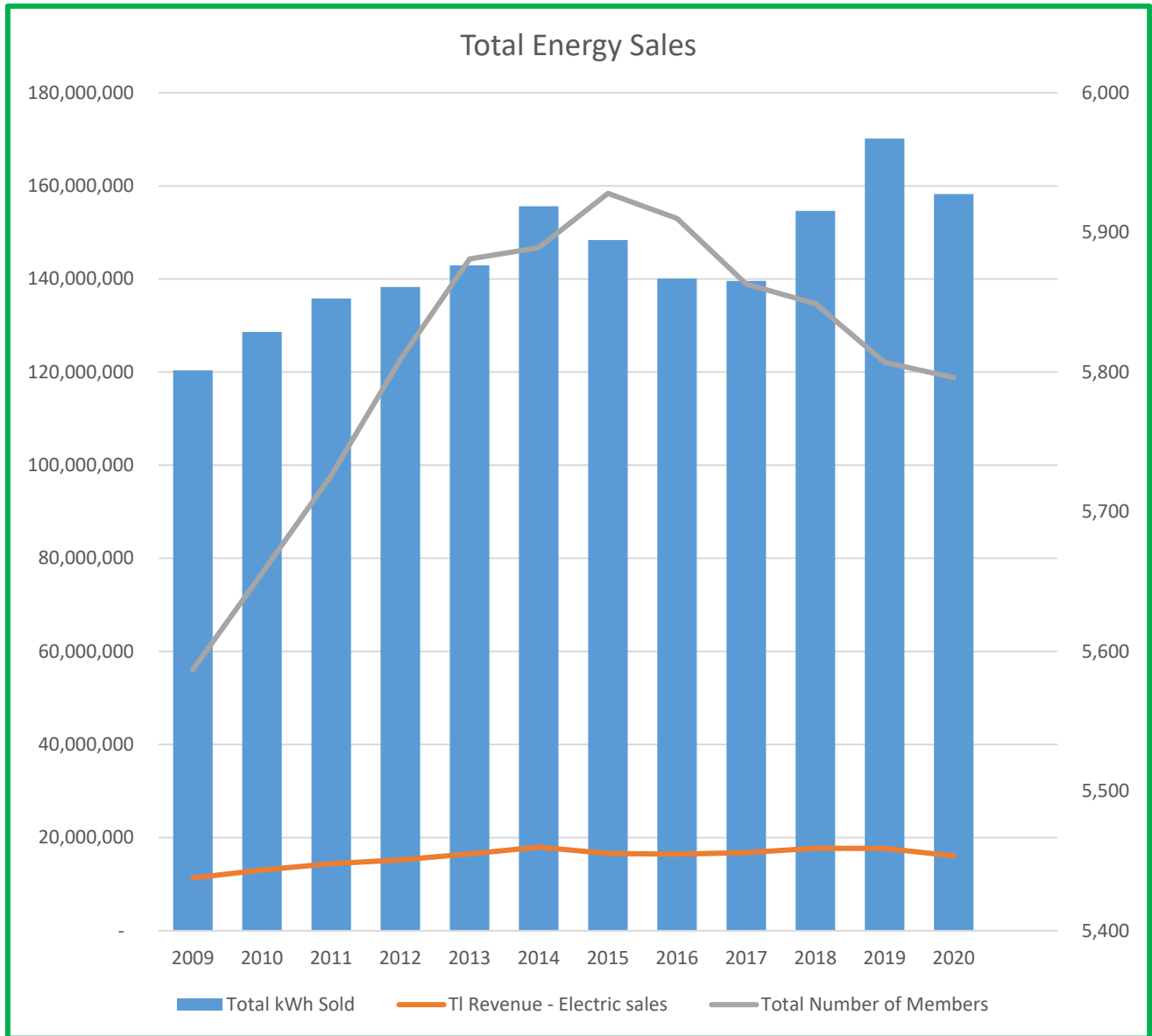
note: 2019-20 adjusted for SEPC metering error

Total Sales

year	Total Number of Members	Total kWh Sold	TI Revenue - Electric sales	revenue per kWh (\$s)	Other Electric Revenue	Peak (CP)
	F7, O10	F7, O11	F7, O12		F7, O14	F7, O20
2009	5,587	120,382,236	11,340,102	0.0942	29,035	25,666
2010	5,656	128,610,620	13,028,296	0.1013	29,592	27,775
10 year 2011	5,726	135,825,121	14,387,187	0.1059	29,537	28,015
2012	5,809	138,300,040	15,195,756	0.1099	27,429	28,983
2013	5,881	142,932,159	16,487,477	0.1154	26,106	28,672
2014	5,889	155,627,176	17,972,359	0.1155	33,445	28,907
2015	5,928	148,378,378	16,573,929	0.1117	31,301	28,275
5 year 2016	5,910	140,098,520	16,438,832	0.1173	26,035	27,714
2017	5,863	139,567,632	16,767,535	0.1201	19,124	28,543
2018	5,849	154,634,830	17,707,865	0.1145	94,686	31,298
2019	5,807	170,170,911	17,679,122	0.1039	184,012	31,828
2020	5,796	158,238,434	16,090,409	0.1017	325,121	29,572
10 year average:	5,846	148,377,320	16,530,047	0.1116	79,680	29,181
5 year average:	5,845	152,542,065	16,936,753	0.1115	129,796	29,791
5-year Growth Rate:	-0.39%	2.59%	-0.42%	-2.67%	229.76%	1.34%

Total Sales

year	Residential	Residential Seasonal	Irrigation	Small Comm	Large Comm	PA & Resale
	% revenue	% revenue	% revenue	% revenue	% revenue	% revenue
2009	20.9%	2.4%	6.1%	33.7%	29.8%	7.1%
2010	21.3%	2.0%	6.2%	32.7%	31.1%	6.7%
10 year 2011	20.2%	1.9%	8.1%	32.9%	30.4%	6.4%
2012	18.6%	1.9%	8.3%	34.6%	30.4%	6.2%
2013	18.5%	1.8%	6.4%	34.7%	32.6%	6.1%
2014	17.7%	1.6%	5.9%	32.5%	36.7%	5.6%
2015	18.3%	1.7%	5.7%	32.1%	36.7%	5.5%
5 year 2016	17.9%	2.0%	5.9%	33.1%	35.5%	5.6%
2017	17.4%	2.3%	6.5%	34.8%	33.8%	5.2%
2018	17.0%	2.3%	5.7%	33.1%	36.9%	5.0%
2019	16.1%	2.3%	5.3%	31.5%	40.3%	4.5%
2020	17.2%	2.5%	6.7%	30.1%	38.5%	5.1%
10 year average:	17.89%	2.02%	6.46%	32.94%	35.17%	5.51%
5 year average:	17.13%	2.27%	6.04%	32.51%	36.99%	5.07%



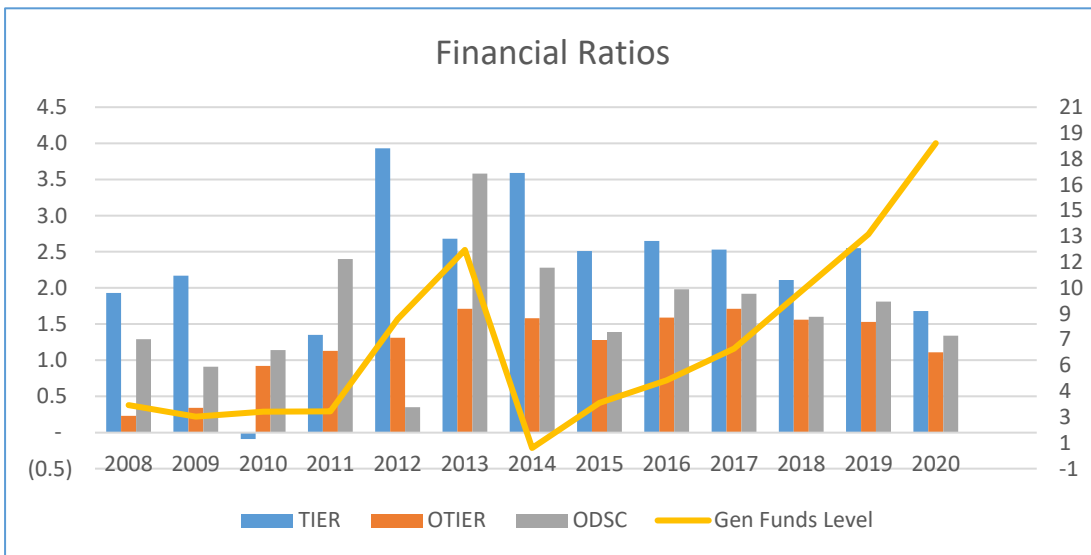
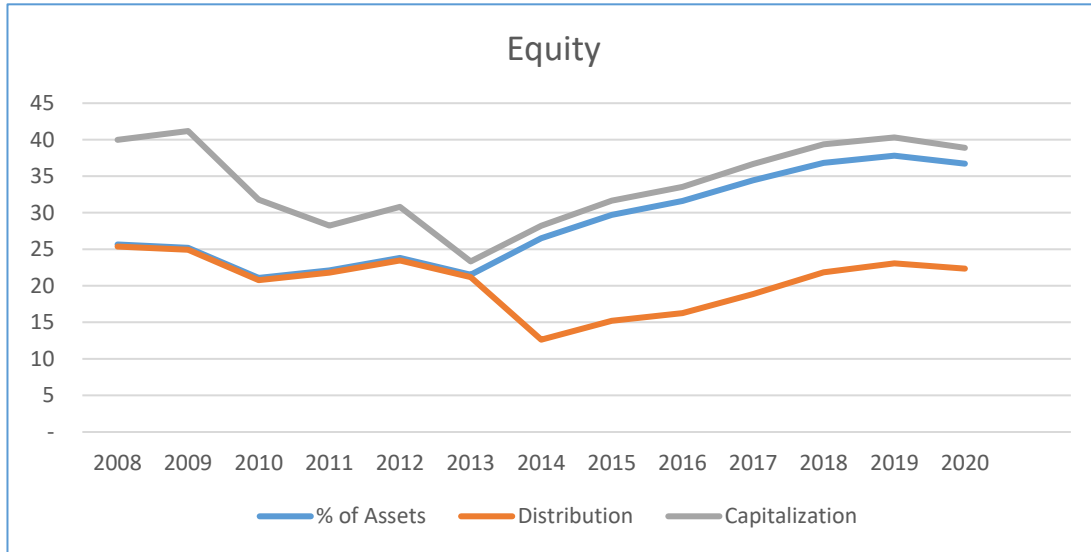
Financial Analysis

Ratio Analysis							
year	Equity			General Financial			
	% of Assets	Distribution	Capitalization	TIER	OTIER	ODSC	Gen Funds Level
2008	25.64	25.37	39.97	1.93	0.23	1.29	3.19
2009	25.19	24.92	41.19	2.17	0.34	0.91	2.52
2010	21.09	20.77	31.79	(0.09)	0.92	1.14	2.81
2011	22.11	21.79	28.23	1.35	1.13	2.40	2.83
10 year 2012	23.81	23.47	30.79	3.93	1.31	0.35	8.19
2013	21.50	21.18	23.33	2.68	1.71	3.58	12.21
2014	26.50	12.64	28.22	3.59	1.58	2.28	0.70
2015	29.71	15.21	31.64	2.51	1.28	1.39	3.32
2016	31.60	16.25	33.54	2.65	1.59	1.98	4.63
5 year 2017	34.43	18.87	36.66	2.53	1.71	1.92	6.47
2018	36.81	21.84	39.36	2.11	1.56	1.60	9.80
2019	37.81	23.06	40.29	2.55	1.53	1.81	13.12
2020	36.70	22.34	38.88	1.68	1.11	1.34	18.41
10 year average:	30.10	19.67	33.09	2.56	1.45	1.87	7.97
5 year average:	35.47	20.47	37.75	2.30	1.50	1.73	10.49

notes: 2014 Investment in Assoc Org - Patronage Capital jumped from \$172,877 in 2013 to \$7,377,227. This drove Dist. Equity down.

year	Blended Interest Rate paid	Rate of Return on Rate Base	KCC 12-822 Deposit Interest Rate	Current Ratio
2008		1.67%	3.15%	0.20
2009	4.93%	-2.16%	1.00%	0.46
2010	4.93%	5.32%	0.50%	0.43
10 year 2011	4.80%	3.49%	0.50%	0.49
2012	3.77%	-4.23%	0.12%	0.43
2013	3.66%	2.63%	0.18%	1.46
2014	3.63%	-1.47%	0.13%	1.47
2015	3.63%	0.19%	0.13%	1.32
5 year 2016	3.55%	1.77%	0.51%	1.58
2017	3.55%	2.90%	0.82%	1.77
2018	3.50%	3.28%	1.62%	1.06
2019	3.34%	1.70%	2.72%	1.59
2020	3.09%	1.88%	1.60%	2.52
10 year average:	3.65%	1.21%	0.83%	1.37
5 year average:	3.41%	2.30%	1.45%	1.70

note: The Blended Interest rate includes FFB, CFC, and CoBank vehicle notes.

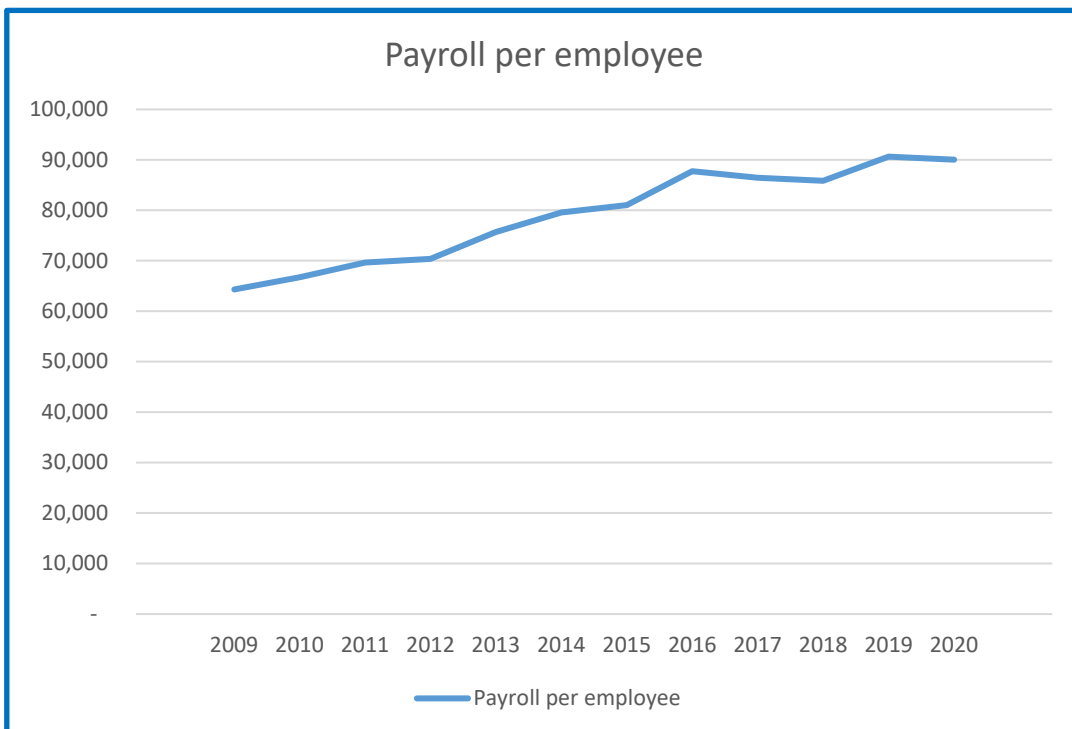
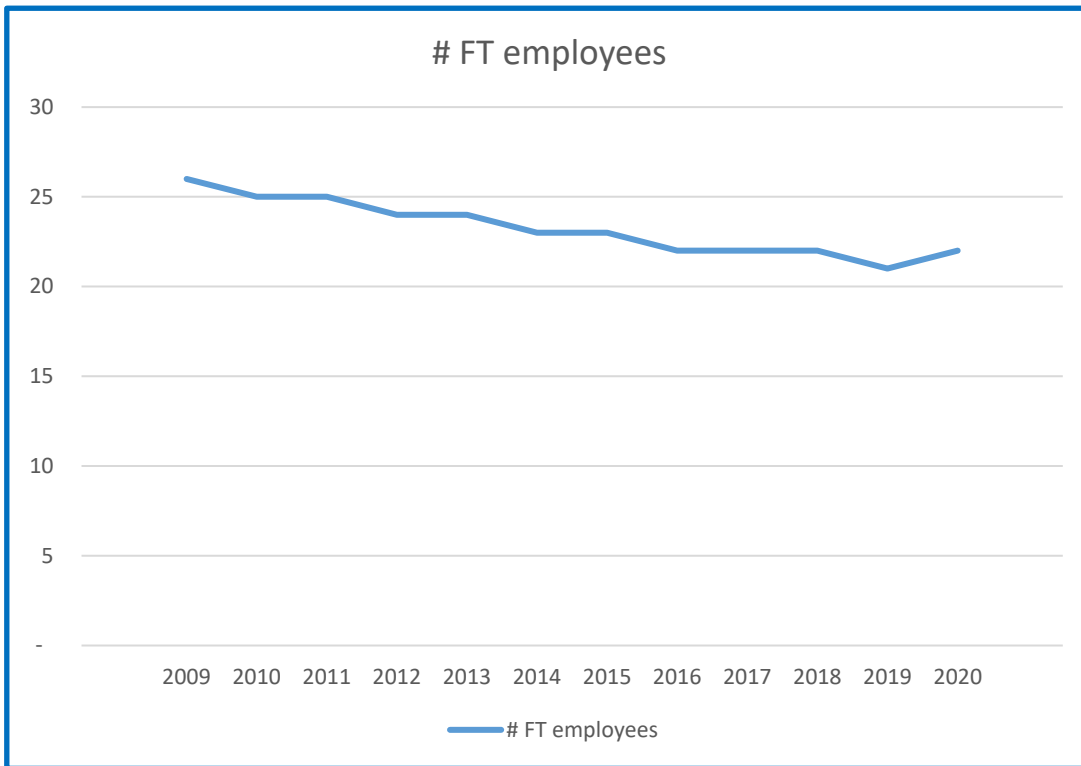


Payroll

year	# FT employees	Total Payroll		Payroll per employee		Overtime hours	
	F7, H1	F7, H4+5+6	Δ%	dollars	Δ%	F7, H3	Δ%
2009	26	1,672,584		64,330		2,568	
2010	25	1,668,170	-0.3%	66,727	3.7%	1,779	-30.7%
10 year 2011	25	1,741,103	4.4%	69,644	4.4%	1,941	9.1%
2012	24	1,688,428	-3.0%	70,351	1.0%	1,804	-7.1%
2013	24	1,816,556	7.6%	75,690	7.6%	1,496	-17.1%
2014	23	1,830,042	0.7%	79,567	5.1%	1,783	19.2%
2015	23	1,863,088	1.8%	81,004	1.8%	1,888	5.9%
5 year 2016	22	1,930,483	3.6%	87,749	8.3%	2,413	27.8%
2017	22	1,901,842	-1.5%	86,447	-1.5%	1,867	-22.6%
2018	22	1,888,300	-0.7%	85,832	-0.7%	1,772	-5.1%
2019	21	1,903,667	0.8%	90,651	5.6%	1,776	0.2%
2020	22	1,980,223	4.0%	90,010	-0.7%	1,874	5.5%
10 year avg:	23	1,854,373		81,695		1,861	
5 year avg:	22	1,920,903		88,138		1,940	

FR Clothing Allowance Budget

year	jeans (3x)	Shirts (3x)	Sweat Shirts (3x)	Outer Wear (1x)	Gloves (12x)	Total per employee
5 year 2016						
2017	205.89	191.52	156.08	225.59	240.00	1,019.08
2018	202.90	195.12	179.06	279.99		857.07
2019	273.81	236.64	177.55	254.95	100.00	1,042.95
2020	317.99	253.65	259.05	-	240.00	1,070.69
5 year avg:	250	219	193	190	193	997



Long Term Debt

Rural Utilities Service (excludes RUS Econ Dev loans)

year	Total Debt (year end)		Interest paid	Principle paid	Total paid	
	F7, N1a	Δ%	F7, N1b	F7, N1c	F7, N1d	Δ%
2009	9,266,038		474,526	251,732	726,258	
2010	9,026,572	-2.6%	464,205	245,601	709,806	-2.3%
2011	8,789,324	-2.6%	453,910	240,590	694,500	-2.2%
2012	-	-100.0%	203,979	9,017,177	9,221,156	1227.7%
2013	-	-	-	13,091	13,091	-99.9%
2014	The RUS has not offered direct loans since 2012.					

National Rural Utilities Cooperative Finance Corporation (CFC)

year	Total Debt		Interest paid	Principle paid	Total paid	
	F7, N2a	Δ%	F7, N2b	F7, N2c	F7, N2d	Δ%
2009	765,783		51,366	335,185	386,551	
2010	-		35,268	763,308	798,576	106.6%
2011	-		6,694	279,911	286,605	-64.1%
2012	8,598,954		158,903	170,529	329,432	14.9%
2013	11,371,570	32.2%	356,816	367,562	724,378	119.9%
2014	9,915,001	-12.8%	426,802	1,075,981	1,502,783	107.5%
2015	8,513,677	-14.1%	386,663	1,171,941	1,558,604	3.7%
2016	7,983,217	-6.2%	348,000	597,013	945,013	-39.4%
2017	7,434,944	-6.9%	329,464	530,458	859,922	-9.0%
2018	6,879,191	-7.5%	311,099	548,272	859,371	-0.1%
2019	6,345,436	-7.8%	291,685	553,599	845,284	-1.6%
2020	5,745,003	-9.5%	272,600	535,910	808,510	-4.4%
10 year average:	7,278,699		288,873	583,118	871,990	
5 year average:	6,877,558		310,570	553,050	863,620	

Federal Financing Bank

year	Total Debt		Interest paid	Principle paid	Total paid	
	F7, N4a	Δ%	F7, N4b	F7, N4c	F7, N4d	Δ%
2009	-	-	-	-	-	-
2010	4,873,000	-	169,127	-	169,127	-
10 year 2011	9,173,738	88.3%	294,416	33,981	328,397	94.2%
2012	9,533,017	3.9%	369,868	157,003	526,871	60.4%
2013	18,897,158	98.2%	370,539	161,305	531,844	0.9%
2014	21,268,705	12.5%	754,639	164,431	919,070	72.8%
2015	21,753,414	2.3%	797,233	281,981	1,079,214	17.4%
5 year 2016	23,555,007	8.3%	844,881	437,889	1,282,770	18.9%
2017	23,078,459	-2.0%	839,018	470,467	1,309,485	2.1%
2018	26,166,528	13.4%	903,796	517,593	1,421,389	8.5%
2019	30,261,045	15.6%	972,849	587,550	1,560,399	9.8%
2020	33,906,778	12.0%	1,054,248	758,282	1,812,530	16.2%
10 year average:	21,759,385		720,149	357,048	1,077,197	
5 year average:	27,393,563		922,958	554,356	1,477,315	

RUS - EconDev Loans

year	Total Debt	
	F7, N5a	Δ%
2009	150,382	
2010	150,382	0.0%
10 year 2011	150,382	0.0%
2012	150,382	0.0%
2013	150,382	0.0%
2014	150,382	0.0%
2015	150,382	0.0%
5 year 2016	150,400	0.0%
2017	150,400	0.0%
2018	150,400	0.0%
2019	150,400	0.0%
2020	-	
10 year average:	137,856	
5 year average:	150,393	

These funds are from the USDA Rural Economic Development Loan and Grant Program.

note: 2016 was a correction to the proper amount.

note: Funds were returned to the USDA in 2020.

Farm Credit Services (CoBank truck leasing)

year	Total Debt		Interest paid	Principle paid	Total paid	
	F7, N10a	Δ%		F7, N10c	F7, N10d	Δ%
2014	-	0.0%	-	-	-	0.0%
2015	203,842	0.0%	6,891	44,505	51,396	0.0%
5 year 2016	279,060	36.9%	11,487	87,493	98,980	92.6%
2017	318,223	14.0%	7,479	114,074	121,553	22.8%
2018	180,427	-43.3%	5,227	137,796	143,023	17.7%
2019	338,939	87.9%	8,651	156,272	164,923	15.3%
2020	232,665	-31.4%	13,632	149,533	163,165	-1.1%
10 year average:	221,879		7,624	98,525	106,148	
5 year average:	269,863		9,295	129,034	138,329	

Payments Unapplied / Cushion of Credit account (applies against RUS / FFB loans only)

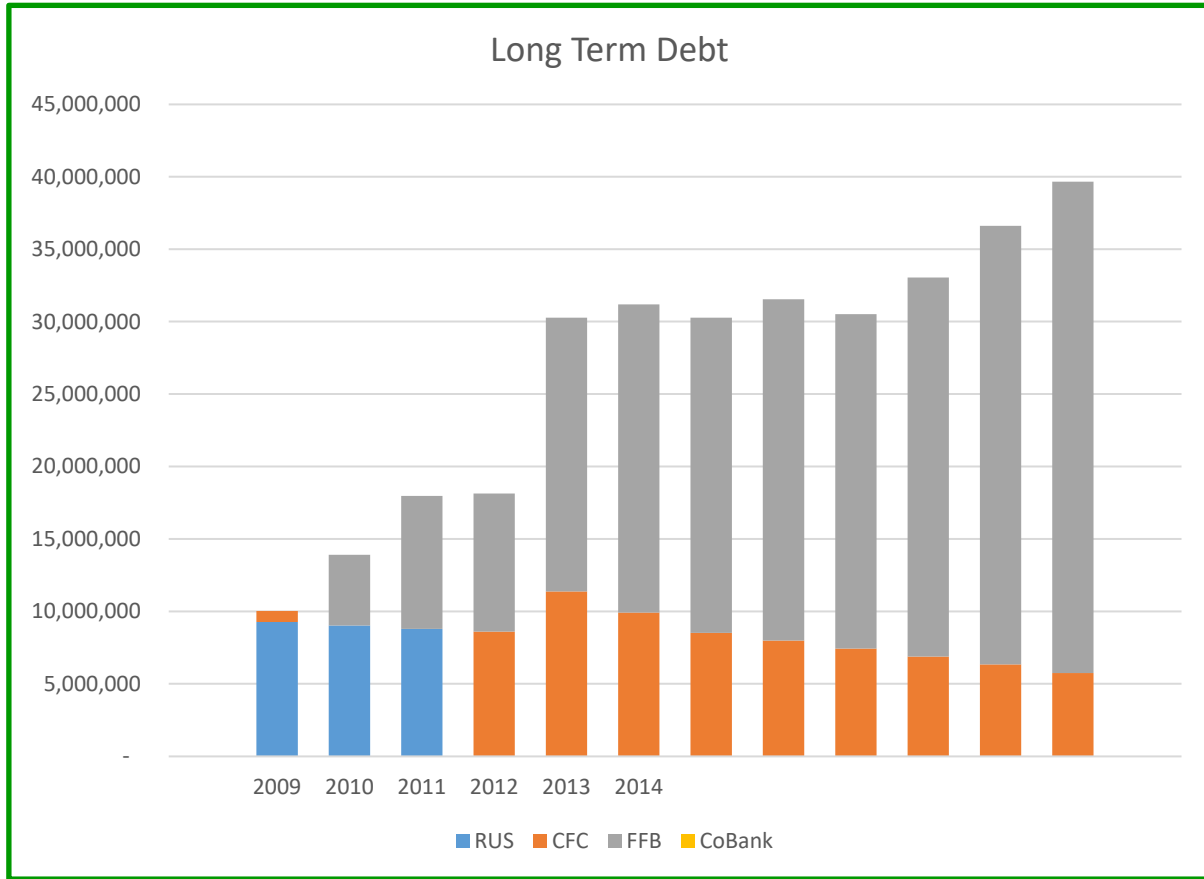
year	Total Amount	% of FFB debt
	F7, N6a or C42	
10 year 2012	-	
2013	-	
2014	-	
2015	-	
5 year 2016	-	
2017	-	
2018	3,821,245	14.6%
2019	4,015,919	13.3%
2020	4,210,034	12.4%
10 year average:	1,338,578	
5 year average:	2,409,440	

note: The Agriculture Improvement Act of 2018 (Section 6503) amended the program to stop deposits into the Cushion of Credit account. The interest rate was changed from 5.0% to the following:

end of fiscal year	percent paid
2020	5.0%
2021	4.0%
2022	1-year Treasury Rate
thereafter	1-year Treasury Rate

Total Long-Term Debt

year	Total Debt		Interest paid	Principle paid	Total paid		Blended Interest Rate
	dollars	Δ%			dollars	Δ%	
2009	10,182,203		525,892	586,917	1,112,809		4.93%
2010	14,049,954	38.0%	668,600	1,008,909	1,677,509	50.7%	4.93%
10 year 2011	18,113,444	28.9%	755,020	554,482	1,309,502	-21.9%	4.80%
2012	18,282,353	0.9%	732,750	9,344,709	10,077,459	669.6%	3.77%
2013	30,419,110	66.4%	727,355	541,958	1,269,313	-87.4%	3.66%
2014	31,334,088	3.0%	1,181,441	1,240,412	2,421,853	90.8%	3.63%
2015	30,621,315	-2.3%	1,190,787	1,498,427	2,689,214	11.0%	3.63%
5 year 2016	31,967,684	4.4%	1,204,368	1,122,395	2,326,763	-13.5%	3.55%
2017	30,982,026	-3.1%	1,175,961	1,114,999	2,290,960	-1.5%	3.55%
2018	33,376,546	7.7%	1,220,122	1,203,661	2,423,783	5.8%	3.50%
2019	37,095,820	11.1%	1,273,185	1,297,421	2,570,606	6.1%	3.34%
2020	39,884,446	7.5%	1,340,480	1,443,725	2,784,205	8.3%	3.09%
10 year average:	30,207,683		1,080,147	1,936,219	3,016,366		3.65%
5 year average:	34,661,304		1,242,823	1,236,440	2,479,263		3.41%



Line Losses

year	Total kWh purchased (YEF7, K, e)	Total kWh cost \$ (YEF7, K, f)	Avg Cost per kWh	Total kWh Sales + Own Use (YEF7, O, 11+15)	TI Sales Rev \$ (YEF7, O, 12)	Avg Rev per kWh	Avg Margin per kWh	Line Loss (%)	Line Loss (\$)
2009	130,987,897	7,342,998	0.056059	120,467,847	11,340,102	0.0941338	0.0380752	8.03%	400,554
2010	139,219,745	8,480,304	0.060913	128,700,536	13,028,296	0.1012295	0.0403165	7.56%	424,097
10 year 2011	146,646,033	9,162,901	0.062483	135,919,568	14,387,187	0.1058507	0.0433676	7.31%	465,181
2012	150,645,772	9,876,010	0.065558	138,389,339	15,195,756	0.1098044	0.0442466	8.14%	542,305
2013	153,625,822	10,588,848	0.068926	143,027,739	16,487,477	0.1152747	0.0463485	6.90%	491,205
2014	165,576,757	11,679,641	0.070539	155,420,003	17,972,359	0.1156374	0.0450982	6.13%	458,052
2015	157,995,043	10,241,265	0.06482	148,460,164	16,573,929	0.1116389	0.0468187	6.03%	446,411
5 year 2016	149,340,217	9,967,587	0.066744	140,172,604	16,438,832	0.1172756	0.0505315	6.14%	463,253
2017	150,189,921	9,715,189	0.064686	139,634,125	16,767,535	0.1200819	0.0553959	7.03%	584,748
2018	164,442,032	10,698,587	0.06506	154,706,521	17,707,865	0.114461	0.0494011	5.92%	480,945
2019	180,343,790	10,467,955	0.058044	168,382,692	17,597,211	0.1045072	0.0464628	6.63%	555,746
2020	164,012,270	9,219,252	0.056211	158,317,590	16,090,409	0.1016337	0.045423	3.47%	258,669
10 year average:	158,281,766	10,161,724	0.06431	148,243,035	16,521,856	0.11162	0.04731	6.37%	474,651
5 year average:	161,665,646	10,013,714	0.06215	152,242,706	16,920,370	0.11159	0.04944	5.84%	468,672

Member Deposits

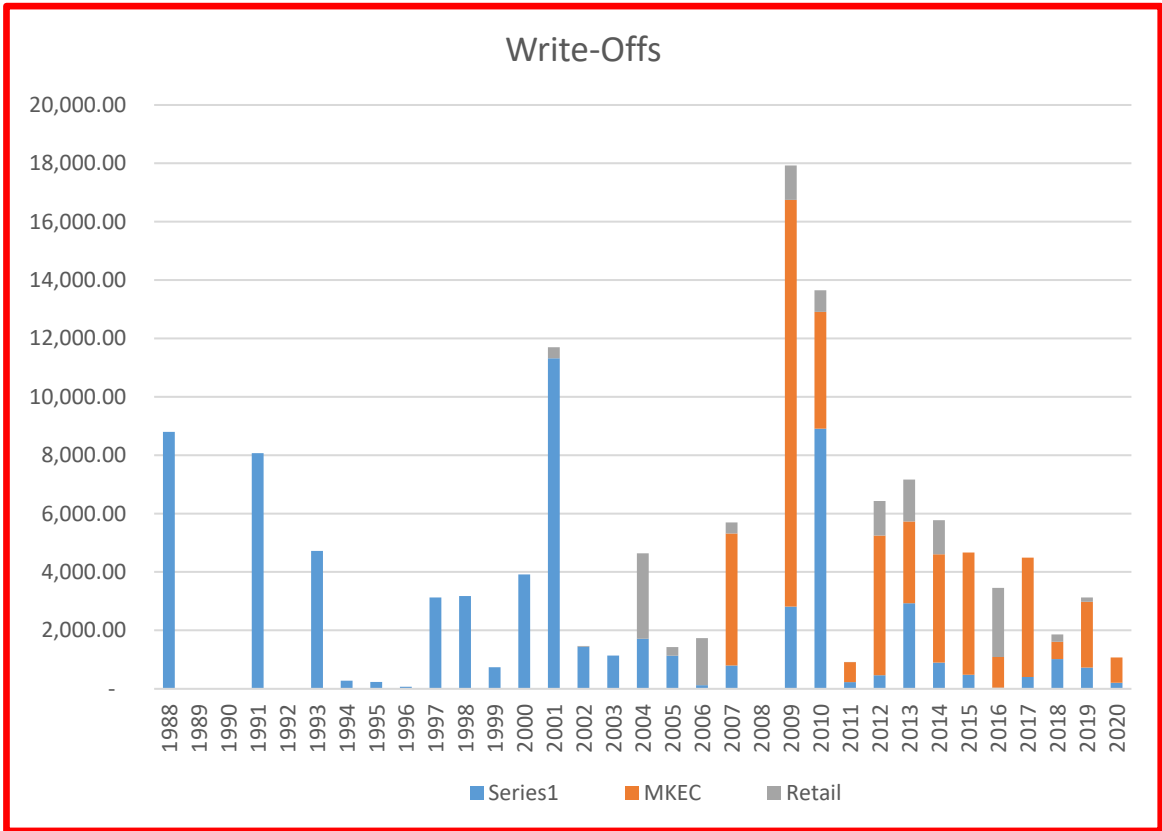
Each December the KCC sets this interest rate for the upcoming calendar year to reflect the prevailing interest rates on short-term, risk-free investments. The orders setting the interest rate can be viewed under Docket No. 98-GIMX-348-GIV.

LSEC Year-end Member Deposits (YEF7 C. 48 or 49)	year paid	KCC interest rate	Interest paid	bad debt write-offs	net gain/loss on deposits
1985	-	1986	7.00%	-	-
1986	3,528	1987	6.00%	212	(3,428)
1987	5,605	1988	6.50%	364	(3,559)
1988	6,330	1989	7.00%	443	5,887
1989	5,548	1990	7.00%	388	5,160
1990	8,397	1991	7.00%	588	3,577
1991	6,593	1992	5.00%	330	6,264
1992	10,208	1993	4.00%	408	5,137
1993	12,120	1994	3.50%	424	11,696
1994	14,527	1995	6.85%	995	13,025
1995	15,633	1996	5.40%	844	14,789
1996	18,162	1997	5.40%	981	14,052
1997	24,081	1998	5.70%	1,373	19,719
1998	25,038	1999	4.60%	1,152	23,148
1999	28,523	2000	5.90%	1,683	22,927
2000	29,704	2001	6.00%	1,782	16,605
2001	38,738	2002	2.00%	775	36,529
2002	42,062	2003	1.50%	631	40,295
2003	43,639	2004	1.50%	655	41,274
2004	43,168	2005	2.60%	1,122	40,918
2005	67,288	2006	4.40%	2,961	64,205
2006	60,253	2007	4.90%	2,952	56,503
2007	106,702	2008	3.15%	3,361	98,948
2008	127,307	2009	1.00%	1,273	126,013
2009	118,727	2010	0.50%	594	101,389
2010	124,967	2011	0.50%	625	111,433
2011	120,367	2012	0.12%	144	119,314
2012	108,389	2013	0.18%	195	102,949
2013	103,904	2014	0.13%	135	98,042
2014	107,268	2015	0.13%	139	102,683
2015	102,588	2016	0.51%	523	97,363
2016	116,713	2017	0.82%	957	114,651
2017	118,512	2018	1.62%	1,920	112,004
2018	125,592	2019	2.72%	3,416	120,836
2019	112,413	2020	1.60%	1,799	106,720
2020	121,550	2021	0.13%	158	118,593

Write-Offs

year	LSEC	MKEC	Retail	Total	total electric revenues YEF7 A.1	Write-offs as a %	
	dollars	dollars	dollars	dollars		of rev.	of non-op margins
1988	8,800.19			8,800.19	5,280,079	0.17%	0.00%
1989	-			-	4,901,375	0.00%	0.00%
1990	-			-	5,013,960	0.00%	0.00%
1991	8,071.86			8,071.86	5,118,377	0.16%	0.00%
1992	-			-	5,109,588	0.00%	0.00%
1993	4,721.76			4,721.76	5,663,593	0.08%	0.00%
1994	274.95			274.95	5,580,101	0.00%	0.00%
1995	231.80			231.80	5,561,110	0.00%	0.00%
1996	67.86			67.86	5,338,287	0.00%	0.00%
1997	3,126.29			3,126.29	5,757,738	0.05%	0.00%
1998	3,175.54			3,175.54	5,470,190	0.06%	0.00%
1999	737.91			737.91	5,286,357	0.01%	0.00%
2000	3,913.14			3,913.14	5,341,064	0.07%	0.00%
2001	11,317.30		380.84	11,698.14	5,651,601	0.20%	0.64%
2002	1,434.45		29.65	1,464.10	6,100,028	0.02%	2.06%
2003	1,136.24		-	1,136.24	6,006,954	0.02%	0.00%
2004	1,710.11		2,930.84	4,640.95	6,088,114	0.03%	5.19%
2005	1,127.71		296.25	1,423.96	6,187,957	0.02%	0.30%
2006	121.51		1,613.42	1,734.93	6,885,147	0.00%	2.17%
2007	798.19	4,521.29	378.64	5,698.12	9,393,434	0.06%	0.41%
2008	-	20.67	-	20.67	11,812,653	0.00%	0.00%
2009	2,812.11	13,932.37	1,182.39	17,926.87	11,369,139	0.15%	3.00%
2010	8,906.94	4,001.70	740.12	13,648.76	13,057,889	0.10%	5.72%
2011	228.22	681.18	5.62	915.02	14,387,187	0.01%	0.01%
2012	464.07	4,780.47	1,188.62	6,433.16	15,195,756	0.03%	1.25%
2013	2,926.89	2,800.24	1,437.56	7,164.69	16,487,477	0.03%	1.70%
2014	891.96	3,712.46	1,166.77	5,771.19	17,972,359	0.03%	2.30%
2015	475.54	4,191.77	-	4,667.31	16,573,929	0.03%	0.00%
2016	33.61	1,055.44	2,363.26	3,452.31	16,438,832	0.01%	13.29%
2017	402.89	4,086.63	-	4,489.52	16,767,535	0.03%	0.00%
2018	1,015.35	589.46	252.64	1,857.45	17,707,865	0.01%	1.40%
2019	726.02	2,250.77	146.78	3,123.57	17,827,108	0.02%	0.36%
2020	205.52	866.38	-	1,071.90	16,415,529	0.007%	0.00%
10 yr avg:	737	2,501	656	3,894.61	16,577,358	0.020%	2.03%
5 yr avg:	477	1,770	553	2,798.95	17,031,374	0.013%	3.01%

notes: 2009 Aquila Bad Debt Write-Off



Appraised Property Value Determinant (PVD)

year	PVD	TUP	% Δ
		F7, C3	
2009		32,501,548	
2010	8,000,000	36,750,114	21.8%
10 year 2011	8,000,000	38,533,365	20.8%
2012	9,150,000	40,768,184	22.4%
2013	10,500,000	43,722,618	24.0%
2014	10,450,000	46,007,936	22.7%
2015	12,600,000	47,456,324	26.6%
5 year 2016	11,200,000	49,074,611	22.8%
2017	12,500,000	49,647,131	25.2%
2018	14,400,000	52,475,269	27.4%
2019	15,100,000	56,926,974	26.5%
2020	16,400,000	58,392,568	28.1%
10 year avg:	12,030,000	48,300,498	24.65%
5 year avg:	13,920,000	53,303,311	26.01%

Property Taxes

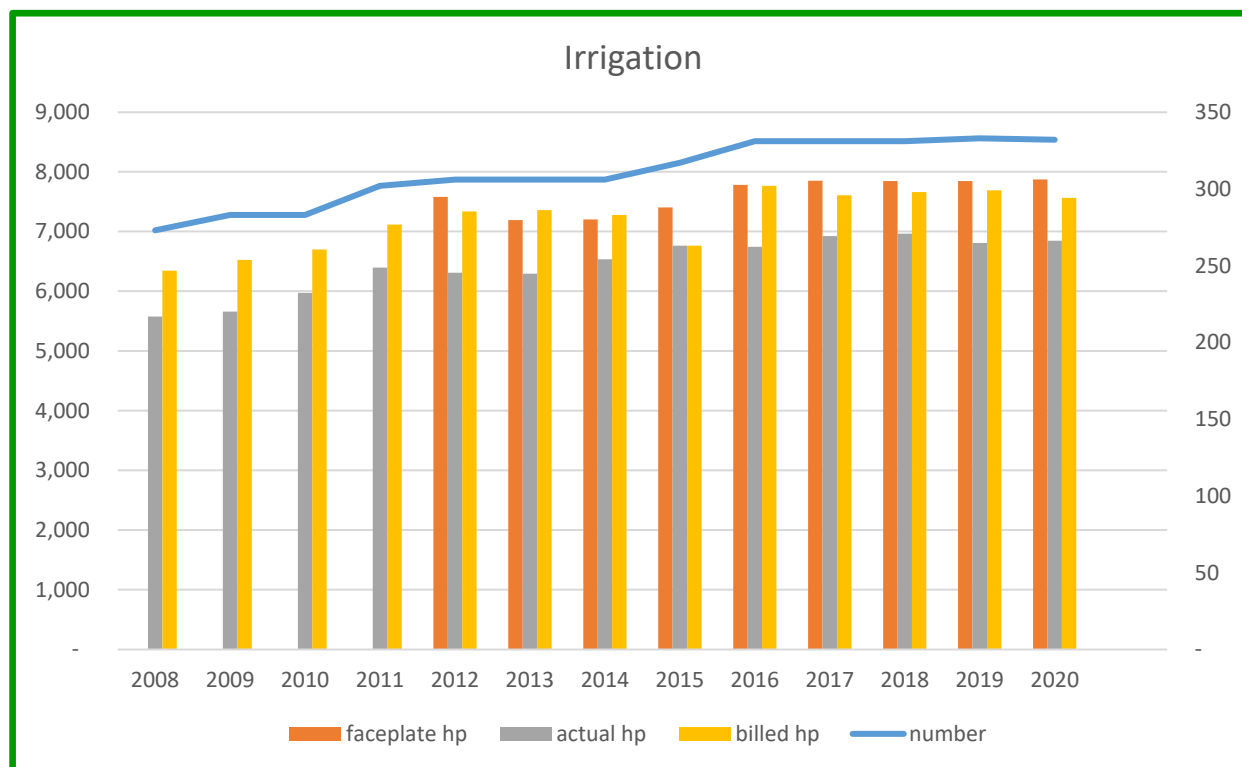
county	2016	2017	2018	2019	2020	5 year change
Finney	21,323	23,902	27,362	29,163	63,666	42,343
Gove	10,835	11,019	12,122	11,890	12,744	1,910
Hodgen	26,703	31,301	37,331	38,465	40,731	14,028
Lane	265,678	299,234	325,427	325,103	333,702	68,024
Logan	844	911	1,018	1,083	1,127	283
Ness						
LSEC	117,235	125,571	146,567	156,732	331,063	
MKEC	114,821	121,795	140,835	160,685		
	232,055	247,365	287,402	317,417	331,063	213,828
Scott	64,432	73,344	85,890	86,616	87,294	22,862
Rush	13,534	16,720	19,220	20,682	21,134	7,600
Total	635,404	703,798	795,771	830,419	891,461	256,057
		10.8%	13.1%	4.4%	7.4%	28.7%

Irrigation

year	LSEC				MKEC				Total			
	no.	faceplate hp	actual hp	billed hp	no.	faceplate hp	actual hp	billed hp	no.	faceplate hp	actual hp	billed hp
2008	273		5,574	6,344					273	-	5,574	6,344
2009	283		5,657	6,525					283	-	5,657	6,525
2010	283		5,973	6,697					283	-	5,973	6,697
2011	302		6,396	7,117					302	-	6,396	7,117
2012	306	7,580	6,309	7,337					306	7,580	6,309	7,337
2013	306	7,190	6,294	7,357					306	7,190	6,294	7,357
2014	306	7,203	6,534	7,276					306	7,203	6,534	7,276
2015	317	7,402	6,763	6,763					317	7,402	6,763	6,763
2016	320	7,575	6,614	7,560	11	205	129	205	331	7,780	6,743	7,765
2017	322	7,668	6,761	7,442	9	183	161	165	331	7,851	6,922	7,607
2018	322	7,663	6,806	7,495	9	183	158	165	331	7,846	6,964	7,660
2019	324	7,663	6,699	7,513	9	183	110	178	333	7,846	6,808	7,691
2020	332	7,871	6,844	7,564					332	7,871	6,844	7,564
10yr. avg	316	7,535	6,602	7,342	10	189	140	178	320	6,857	6,658	7,414
5yr avg.	324	7,688	6,745	7,515	10	189	140	178	332	7,839	6,856	7,657

notes: Actual horsepower is calculated as: peak demand ÷ 0.746

Billed Horsepower is calculated according to Rate Schedule IS-16



Capital Credits - Total

year		General Retirements	Special Retirements	Received from G&T*	Received from Lenders
		F7, I 1a	F7, I 1b	F7, I 2a	F7, I 2b
10 year	2009	-	21,732	-	14,468
	2010	-	23,954	-	20,249
	2011	-	23,505	-	14,807
	2012	-	22,637	-	6,652
	2013	-	62,576	-	17,762
5 year	2014	-	29,037	-	50,546
	2015	-	25,063	-	18,247
	2016	-	44,909	-	16,194
	2017	-	28,824	247,221	15,782
	2018	-	23,733	331,400	15,204
	2019	-	30,645	-	14,530
	2020	-	176,771	383,982	13,731
10 year average:		-	46,770	96,260	18,346
5 year average:		-	60,976	192,521	15,088

*note:

In 2017, 2018 and 2020 Sunflower / Mid Kansas paid dividends to LSEC. These were reported as Patronage Capital retirements on the YE Form 7 but that may not be the case. We are seeking a judgment from our BSGM as to whether these should be considered Patronage Capital or non-operating income.

Capital Credit Summary.

Distribution					
Lane-Scott Electric Cooperative, Inc.			MKEC		
allocated	retired	unretired amount	allocated	retired	unretired amount
10,345,531	2,462,249	7,883,282	1,725,457	10,624	1,714,833
	24%	76%		0.62%	99.38%

G&T							
MKEC G&T				Sunflower G&T			
allocated	retired by MKEC	retired by LSEC	unretired amount	allocated	retired by G&T	retired by LSEC	unretired amount
963,269	-	-	963,269	10,570,504	-	-	10,570,504

Total Distribution Capital Credit Retirements to Members

year	Lane-Scott Electric Cooperative, Inc.		
	allocated	retired	unretired amount
1961	27,590	27,590	-
1962	22,392	22,392	-
1963	54,390	54,390	-
1964	44,420	44,420	-
1965	36,359	36,359	-
1966	49,433	49,433	-
1967	41,455	41,455	-
1968	67,415	67,415	-
1969	44,783	44,783	-
1970	90,011	90,011	-
1971	81,216	81,216	-
1972	78,969	78,969	-
1973	81,130	81,130	-
1974	17,963	17,963	-
1975	-	-	-
1976	8,656	8,656	-
1977	61,592	61,592	-
1978	48,965	48,965	-
1979	24,621	24,621	-
1980	111,577	111,577	-
1981	79,659	79,659	-
1982	25,721	25,721	-
1983	62,830	62,830	-
1984	229,545	229,545	-
1985	126,508	126,508	-
1986	131,283	131,283	-
1987	54,055	54,055	-
1988	152,942	124,627	28,316
1989	-	-	-
1990	-	-	-
1991	-	-	-
1992	-	-	-
1993	195,407	46,094	149,313
1994	136,050	32,941	103,109
1995	19,540	4,635	14,905
1996	-	-	-

year	Lane-Scott Electric Cooperative, Inc.		
	allocated	retired	unretired amount
1997	101,027	22,461	78,566
1998	438,890	90,328	348,562
1999	865,737	78,560	787,177
2000	552,138	45,576	506,562
2001	586,850	46,071	540,779
2002	894,931	71,327	823,604
2003	-	-	-
2004	445,392	27,965	417,427
2005	654,896	39,506	615,390
2006	249,907	14,509	235,398
2007	957,875	51,083	906,792
2008	761,198	31,507	729,692
2009	813,194	31,182	782,012
2010	-	-	-
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	374,016	4,514	369,502
2017	440,186	1,944	438,242
2018	963,372	3,576	959,795
2019	764,902	1,929	762,973
Lane-Scott Electric Cooperative, Inc.			
	allocated	retired	unretired amount
<i>totals</i>	12,070,988	2,472,873	9,598,116
		20.49%	79.51%

LSEC Distribution Capital Credit Retirements to Members

as of: 12/31/2020

year	Lane-Scott Electric Cooperative, Inc.		
	allocated	retired	unretired amount
1961	27,590	27,590	-
1962	22,392	22,392	-
1963	54,390	54,390	-
1964	44,420	44,420	-
1965	36,359	36,359	-
1966	49,433	49,433	-
1967	41,455	41,455	-
1968	67,415	67,415	-
1969	44,783	44,783	-
1970	90,011	90,011	-
1971	81,216	81,216	-
1972	78,969	78,969	-
1973	81,130	81,130	-
1974	17,963	17,963	-
1975	-	-	-
1976	8,656	8,656	-
1977	61,592	61,592	-
1978	48,965	48,965	-
1979	24,621	24,621	-
1980	111,577	111,577	-
1981	79,659	79,659	-
1982	25,721	25,721	-
1983	62,830	62,830	-
1984	229,545	229,545	-
1985	126,508	126,508	-
1986	131,283	131,283	-
1987	54,055	54,055	-
1988	152,942	124,627	28,316
1989	-	-	-
1990	-	-	-
1991	-	-	-
1992	-	-	-
1993	195,407	46,094	149,313
1994	136,050	32,941	103,109
1995	19,540	4,635	14,905
1996	-	-	-

year	Lane-Scott Electric Cooperative, Inc.		
	allocated	retired	unretired amount
1997	101,027	22,461	78,566
1998	438,890	90,328	348,562
1999	865,737	78,560	787,177
2000	552,138	45,576	506,562
2001	586,850	46,071	540,779
2002	894,931	71,327	823,604
2003	-	-	-
2004	445,392	27,965	417,427
2005	654,896	39,506	615,390
2006	249,907	14,509	235,398
2007	957,875	51,083	906,792
2008	761,198	31,507	729,692
2009	813,194	31,182	782,012
2010	-	-	-
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017	300,583	658	299,925
2018	462,498	661	461,837
2019	53,938	21	53,917
2020			
Lane-Scott Electric Cooperative, Inc.			
	allocated	retired	unretired amount
<i>totals</i>	10,345,531	2,462,249	7,883,282
		23.80%	76.20%

MKEC Distribution Capital Credit Retirements to Members

as of: 12/31/2020

year	MKEC		
	allocated	retired	unretired amount
2006			
2007	-	-	-
2008	-	-	-
2009	-	-	-
2010	-	-	-
2011	-	-	-
2012	-	-	-
2013	-	-	-
2014	-	-	-
2015	-	-	-
2016	374,016	4,514	369,502
2017	139,603	1,286	138,317
2018	500,874	2,915	497,959
2019	710,964	1,908	709,056
2020			
totals	1,725,457	10,624	1,714,833
		0.62%	99.38%

G&T Capital Credit Retirements

as of: 12/31/2020

year	Total G&T			
	allocated	retired by SEPC	retired by LSEC	unretired amount
2010	-	-	-	-
2011	1,254,464	-	-	1,254,464
2012	1,397,098	-	-	1,397,098
2013	1,985,150	-	-	1,985,150
2014	2,044,950	-	-	2,044,950
2015	794,168	-	-	794,168
2016	1,124,584	-	-	1,124,584
2017	1,409,548	-	-	1,409,548
2018	540,020	-	-	540,020
2019	983,791	-	-	983,791
2020	-	-	-	-
<i>totals</i>	11,533,773	-	-	11,533,773
		0.00%	0.00%	100.00%

year	Sunflower EPC				MKEC G&T			
	allocated	retired by SEPC	retired by LSEC	unretired amount	allocated	retired	retired by LSEC	unretired amount
2010	-	-	-	-	-	-	-	-
2011	1,254,464	-	-	1,254,464	-	-	-	-
2012	1,397,098	-	-	1,397,098	-	-	-	-
2013	1,985,150	-	-	1,985,150	-	-	-	-
2014	2,044,950	-	-	2,044,950	-	-	-	-
2015	794,168	-	-	794,168	-	-	-	-
2016	1,124,584	-	-	1,124,584	-	-	-	-
2017	834,684	-	-	834,684	574,864	-	-	574,864
2018	378,400	-	-	378,400	161,619	-	-	161,619
2019	757,005	-	-	757,005	226,785	-	-	226,785
2020								
<i>totals</i>	10,570,504	-	-	10,570,504	963,269	-	-	963,269
		0.00%	0.00%	100.00%		0.00%	0.00%	100.00%

Capital Credit Retirement Study

1. G&T Capital Credits will be paid the year following their retirement to LSEC.
2. Distribution Capital Credits will be planned according to the following schedule.

note: Unretired amount as of 12/31/2020. Balances will decrease with Special Estate retirements.

year	previous year Op Rev (Fin Forecast)	percent to retire	amount to retire	Retirement year	unretired amount	retirement amount	remaining balance	rotation
2021	\$ 16,415,529	1.39%	\$ 227,628.62	1988	28,315.62	28,315.62	-	33
				1993	149,313.00	149,313.00	-	28
				1994	103,108.70	50,000.00	53,108.70	27
				227,628.62				
2022	\$ 15,372,720	1.60%	\$ 246,579.87	1994	53,108.70	53,108.70	-	28
				1995	14,904.75	14,904.75	-	27
				1997	78,566.42	78,566.42	-	25
				1998	348,562.04	100,000.00	248,562.04	24
246,579.87								
2023	\$ 20,726,100	1.78%	\$ 368,562.04	1998	248,562.04	248,562.04	-	25
				1999	787,177.14	120,000.00	667,177.14	24
				368,562.04				
2024	\$ 25,929,634	1.93%	\$ 500,000.00	1999	667,177.14	500,000.00	167,177.14	25
				500,000.00				
2025	\$ 26,727,162	2.89%	\$ 773,739.12	1999	167,177.14	167,177.14	-	26
				2000	506,561.98	506,561.98	-	25
				2001	540,779.20	100,000.00	440,779.20	24
773,739.12								
2026	\$ 27,555,737	3.05%	\$ 840,779.20	2001	440,779.20	440,779.20	-	25
				2002	823,604.18	400,000.00	423,604.18	24
840,779.20								
2027	\$ 29,533,254	3.52%	\$ 1,041,031.10	2002	423,604.18	423,604.18	-	25
				2004	417,426.92	417,426.92	-	23
				2005	615,390.37	200,000.00	415,390.37	22
1,041,031.10								
2028	\$ 30,483,446	3.45%	\$ 1,050,788.13	2005	415,390.37	415,390.37	-	23
				2006	235,397.76	235,397.76	-	22
				2007	906,791.58	400,000.00	506,791.58	21
1,050,788.13								
Totals:	\$ 192,743,582	2.62%	\$ 5,049,108					

Operations

year	Total Miles of Line		Miles overhead	Miles underground	Miles transmission	members/ mile
	F7 B8	Δ%	F7 B6	F7 B7	F7 B5	
2008	2,010		2,005	5.0	-	
2009	2,018	0.41%	2,013	5.1	-	2.77
2010	2,035	0.85%	2,030	5.1	-	2.78
10 years 2011	2,038	0.14%	2,033	5.1	-	2.81
2012	2,050	0.60%	2,045	5.3	-	2.83
2013	2,064	0.70%	2,059	5.8	-	2.85
2014	2,066	0.07%	2,060	6.1	-	2.85
2015	2,067	0.05%	2,061	6.1	-	2.87
5 years 2016	2,042	-1.23%	2,035	6.6	-	2.89
2017	2,042	0.01%	2,035	7.0	-	2.87
2018	2,042	0.03%	2,035	7.2	-	2.86
2019	2,044	0.08%	2,037	7.5	-	2.84
2020	2,044	0.00%	2,037	7.5	-	2.84
10 year change:	6.33		3.86	2.47	0.00	0.03
5 year change:	2.58		1.66	0.92	0.00	(0.06)

Outage hours per meter / year

year	Power Supplier	Major Event	Planned	all other	TOTAL	number of occurrences
	F7, G (a)	F7, G (b)	F7, G (c)	F7, G (d)	F7, G (e)	
2008	913.20	-	19.20	281.40	1,213.80	98
2009	32.40	-	1.80	135.00	169.20	103
10 years 2010	20.40	-	-	144.60	165.00	94
10 years 2011	243.00	-	1.20	176.40	420.60	80
2012	-	-	12.00	183.60	195.60	74
2013	54.60	-	42.60	117.60	214.80	82
2014	133.80	-	1.80	144.60	280.20	72
2015	-	-	0.60	139.20	139.80	64
5 years 2016	-	-	0.60	230.40	231.00	65
2017	33.60	-	43.20	328.20	405.00	70
2018	-	-	-	167.40	167.40	49
2019	96.00	-	-	162.00	258.00	63
2020	12.00	58.50	-	76.40	146.90	49
AVG	118.38	4.50	9.46	175.91	308.25	74.08

Major Event: RUS 1730A-119 dated 03/24/09 defines as:
 Interruption: A loss of electricity for any period longer than 5 minutes.
 Major Event: See IEEE 1366-2003, Generally a multi-day event.

IEEE Standard

3.11: An event exceeding the reasonable design and operational limits of the electric power system.

3.12: Major Event Day: A day when the daily system SAIDI exceeds a threshold value.

Contribution in Aid of Construction recieved

year	LSEC	MKEC	Total
10 years 2011			
2012			
2013	834,553	113,568	948,121
2014	439,591	112,620	552,210
2015	1,690,156	99,921	1,790,078
5 years 2016	822,605	42,198	864,803
2017	201,349	18,396	219,745
2018	142,357	21,318	163,675
2019	166,455	42,444	208,899
2020	160,617		160,617
10 year average:	557,210	64,352	613,518
5 year average:	298,677	44,855	323,548

Tree Trimming / Right of Way and Pole Inspection

year	Tree Trimming	Poole Inspection	Total
5 years 2016	45,512		45,512
2017	82,813		82,813
2018	71,516		71,516
2019	27,771		27,771
2020	131,042		131,042
10 year average:	71,731	#DIV/0!	71,731
5 year average:	71,731	#DIV/0!	71,731

Outage Statistics

year	SAIDI	SAIFI	CAIDI	ASAI
2009	5.9			
2010	9.0			
10 years 2011	15.3			
2012	7.2			
2013	4.1			
2014	4.7			99.95
2015	2.3			99.97
5 years 2016	3.9			99.96
2017	6.7			99.92
2018	2.8			99.97
2019	4.3			99.95
2020	2.5	1.16	2.1	99.97
Averages: 10-year	5.4			99.96
5-year	4.0	1.2	2.1	99.95

note:

LSEC was not recording the number of meters experiencing outages. Therefore, the SAIFI or CAIDI could not be calculated. We begin tracking these metrics in 2020.

Industry Standard Metrics measured are:

SAIDI System Average Interruption Duration Index (total interruption duration/# members)

SAIDI indicates the total duration of interruptions for the average customer across the electric system during a predefined period of time such as a month or a year. It is commonly measured in minutes or hours of interruption. As an example, a SAIDI of 100 means the average customer on the electric system over a period of a year would experience a total of 100 minutes of power interruption.

According to IEEE Standard 1366-1998 the median value for North American utilities is approximately 1.50 hours.

$$\text{SAIDI} = \frac{\text{sum of all customer interruption durations}}{\text{number of customers served}}$$

SAIFI System Avg. Interruption Frequency Index (avg interruptions/# of members)

SAIFI indicates how often the average customer experiences a sustained interruption over a predefined period of time, typically a year. As an example a SAIFI of 1.00 means the average customer over a year would experience one single outage.

According to IEEE Standard 1366-1998 the median value for North American utilities is approximately 1.10 interruptions per customer.

$$\text{SAIFI} = \frac{\text{total number of customer interruptions}}{\text{total number of customers served}}$$

CAIDI Customer Average Interruption Duration Index (total interruption duration/total # interruptions)

CAIDI gives the average outage duration that any given customer would experience. CAIDI can also be viewed as the average restoration time.

According to IEEE Standard 1366-1998 the median value for North American utilities is approximately 1.36 hours

$$\text{CAIDI} = \frac{\text{sum of all customer interruption durations}}{\text{total number of customer interruptions}} \quad \text{or} \quad \frac{\text{SAIDI}}{\text{SAIFI}}$$

ASAI Average System Availability Index (hours available / hours service demanded)

ASAI is sometimes called the service reliability index. It is a measure of the percentage of time the electric system is available for the members.

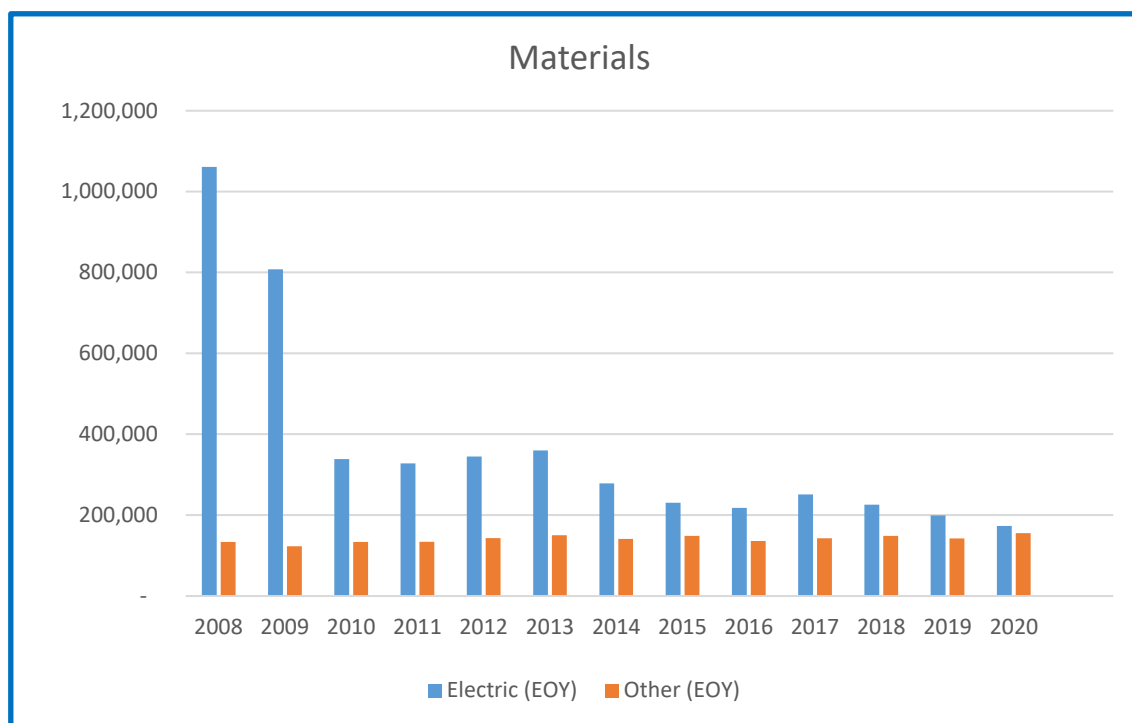
$$\text{ASAI} = \frac{1 + (1 - \text{SAIDI})}{8760 \text{ hours per year}}$$

Vehicles

year	number of vehicles	total expense	miles driven	cost/mile (\$)	gallons of gas	miles per gallon
2017	22	510,028.85	200,912.50	2.54	30,313.77	6.63
2018	21	495,018.41	200,889.50	2.46	28,270.38	7.11
2019	23	527,860.66	185,847.50	2.84	27,969.42	6.64
2020	21	629,739.34	208,162.20	3.03	26,842.85	7.75
4 year average:	21.75		198,952.93	2.72	28,349.11	7.03

Materials

year	Electric (EOY)	Δ%	Other (EOY)	Δ%	Salvage	Electric Sold	Other Sold
	F7, F, 1g		F&, F, 2g		F&, F, 1c	F&, F, 1e	F&, F, 2e
2008	1,060,853		133,514				
2009	807,713	-23.9%	122,847	-8.0%	115,109	17,505	127,363
2010	338,213	-58.1%	133,234	8.5%	41,845	9,364	69,260
10 year 2011	327,553	-3.2%	133,987	0.6%	10,181	9,227	72,788
2012	344,856	5.3%	142,998	6.7%	7,603	16,601	81,296
2013	359,695	4.3%	150,086	5.0%	14,294	13,719	89,919
2014	278,190	-22.7%	140,762	-6.2%	11,670	15,876	88,708
2015	230,389	-17.2%	148,441	5.5%	15,000	14,873	77,483
5 year 2016	217,668	-5.5%	135,708	-8.6%	14,954	24,883	77,622
2017	251,012	15.3%	142,711	5.2%	20,545	14,059	70,983
2018	225,456	-10.2%	148,546	4.1%	15,276	12,608	59,115
2019	199,062	-11.7%	142,298	-4.2%	4,582	7,363	64,522
2020	172,901	-13.1%	155,230	9.1%	23,990	2,458	(1,910)
10 year average:	260,678		144,077		13,810	13,167	68,053
5 year average:	213,220		144,899		15,869	12,274	54,066



Annual Meeting data

year	Number present	No. ballots by proxy or mail	Total number of Members	Annual Meeting expense	Board Members Fees and Expenses	Percent members voting
	F7, M3	F7, M5	F7, M2		F7, M7	
2009	158	-	2,626		100,099	6.02%
2010	171	-	2,615		110,880	6.54%
10 year 2011	162	-	2,618		87,477	6.19%
2012	178	-	2,604	22,242	112,306	6.84%
2013	139	-	2,605	22,706	89,916	5.34%
2014	145	-	2,600	23,964	81,860	5.58%
2015	160	-	2,600	31,539	80,018	6.15%
5 year 2016	146	-	2,583	27,176	82,728	5.65%
2017	145	-	2,572	28,490	79,642	5.64%
2018	145	-	2,647	35,612	91,811	5.48%
2019	157	-	2,659	35,632	91,015	5.90%
2020	85	87	2,651	41,877	76,460	3.21%
COVID-19						
10 year average:	146	9	2,614	29,915	87,323	5.6%
5 year average:	136	17	2,622	33,757	84,331	5.2%

Specific Annual Meeting expenses:

Expense	2014	2015	2016	2017	2018	2019	2020
Member Gifts	\$ 5,180.00	\$ 6,944.23	\$ 4,466.93	\$ 4,757.48	\$ 7,697.87	\$ 8,451.06	\$ 4,315.73
Meal	4,163.78	5,353.43	5,669.13	5,669.13	5,153.75	5,370.75	7,375.47
Tent Rental	623.00	690.00	600.00	600.00	600.00	600.00	1,000.00
Labor	8,753.33	13,219.49	12,656.06	12,650.11	16,049.35	13,734.56	18,439.00
Advertising	897.65	388.00	414.10	493.27	704.66	837.74	1,793.31
Transportation	81.75	29.11	61.29	174.51	215.72	317.05	476.00
Energy Gift Certs	400.00	400.00	350.00	-	-	400.00	400.00
Brochure	3,864.89	3,951.90	2,958.59	3,697.19	4,189.38	4,617.48	5,525.41
LSEC Shirts	-	562.38	-	70.13	-	218.16	-
Service Awards	-	-	-	378.66	-	-	1,064.03
Misc.: Binders, EMS, Ballot counters	-	-	-	-	-	-	472.07
Nominating Committee	-	-	-	-	1,001.11	1,085.25	1,015.86
Total	\$ 23,964	\$ 31,539	\$ 27,176	\$ 28,490	\$ 35,612	\$ 35,632	\$ 41,877

Trustee terms

<i>year</i>	Finney-Hodgeman	Lane-Gove	Logan-Scott	Ness-Rush
2017	Richard Sorem	Ed Gough		Paul Seib, Jr.
2018		Richard Jennison	Craig Ramsey	Harold Hoss
2019	Eric Doll	Rad Roehl	Chad Griffiths	
2020	Richard Sorem	Randy Evans		Paul Seib, Jr.
2021		Richard Jennison	Craig Ramsey	Harold Hoss
2022	Eric Doll	Rad Roehl	Chad Griffiths	

Members by Trustee District

<i>year</i>	Finney-Hodgeman	Lane-Gove	Logan-Scott	Ness-Rush
2020	177	520	238	1769

The following are proposed changes to the Lane-Scott Electric Cooperative Inc., bylaws to be submitted to the membership at the year 2021 Annual Meeting.

Amendments to Article III.

Section 5. Voting. Each member shall be entitled to only one vote. All questions shall be decided by a vote of a majority of the members voting thereon in person, except as otherwise provided by law, the articles of incorporation or these bylaws. Individuals voting on behalf of non-natural person members must present evidence satisfactory to the Cooperative that the individual is duly authorized to vote for the non-natural person member. The board of trustees may allow for voting by Members by in-person voting, voice vote, member written vote or electronic means. The board of trustees shall authorize a means of electronic voting only if the board of trustees is satisfied that such means includes functionality designed to prevent duplicate and unauthorized balloting.

Section 8. Member Action by Written Ballot or Mail Ballot. Members may act by written ballot as provided in this Bylaw.

- A. Member Written Ballot. Members may vote on any action that may be taken at any Member meeting, including election of trustees, without a Member Meeting by the Cooperative by delivering a written ballot ("Member Written Ballot") to every Member entitled to vote on the matter. If:
 - 1. The number of completed Member Written Ballots timely received by the cooperative equals or exceeds the member Quorum; and
 - 2. The number of votes favoring a proposed action equals or exceeds the number of votes required to approve the action at the Member Meeting at which the total number of votes cast equaled the number of votes cast by Member Written Ballots timely received by the Cooperative then the action is valid.
 - 3. Any material soliciting approval of any action by Member Written Ballot must:
 - (a) Contain, or be accompanied by, a copy or summary of each proposed action, and if a trustee election is being held, a list of trustee nominees in alphabetical order along with blank spaces for additional nominees;
 - (b) Indicate the number of responses needed to meet the Member Quorum;
 - (c) For all proposed actions other than election of directors, state the percentage of approvals necessary to approve the action, and
 - (d) Specify the time by which the Cooperative must receive the completed Member Written Ballot.

Section 10 is a new section.

Section 10. Virtual Meetings. During emergencies or conditions that make meeting in person difficult or impossible, the board of trustees is authorized to designate that a meeting of the Members may be held by virtual, electronic or other non in-person means ("Virtual Meeting"). The virtual meeting must allow for participation of all members in attendance. Any action taken at the Virtual Meeting shall have

the same force and effect as action taken by in-person meetings or by member's written ballot. Quorum requirements for a virtual meeting shall be the same requirement for an in-person meeting.

Amendments to Article IV.

Section 2. Election and Tenure. At the annual meeting, three (3) trustees shall be elected to succeed those trustees whose terms have expired, for a period of three (3) years or until their successors shall have qualified. If an election of trustees shall not have been held on the day designated herein at the annual meeting or any adjournment thereof, the board of trustees shall cause an election to be held at a special meeting of the members as soon thereafter as conveniently may be held; trustees shall be elected by a plurality vote of the members. The election of trustees may be held by voice vote, mail-in ballot, written ballot or electronic ballot at the discretion of the board of trustees. In the event of a tie election, the winner of the election shall be determined by the flip of a coin.

Section 4. Nominations. It shall be the duty of the board of trustees to appoint, not less than thirty (30) days nor more than one hundred twenty (120) days before the date of a meeting of the members at which trustees are to be elected, a committee on nominations consisting of not less than five (5) nor more than eleven (11) members who shall be selected from different sections of the service area so as to insure equitable representation. No member of the board of trustees may serve on such committee. The committee, keeping in mind the principle of geographical representation, shall prepare and post at the principal office of the Cooperative at least twenty (20) days before the meeting, a list of nominations for trustees, but any fifteen (15) or more members acting together may make other nominations by petition not less than forty five (45) days prior to the meeting and the Secretary shall post such nominations at the same place where the list of nominations made by the committee is posted. The Secretary shall be responsible for mailing with the notice of meeting or separately, but at least ten (10) days before the date of the meeting, a statement of the number of trustees to be elected and the names and addresses of the candidates, specifying separately the nominations made by the Committee on Nominations and also the nominations made by petition, if any. Failure to comply with any of the provisions of this section shall not affect in any manner whatsoever the validity of any election of trustees. Provided further that in keeping with the principle of geographical representation on the board of trustees so nominated and elected, said trustees shall reside in and be residents of the various counties as follows: Lane and Gove Counties – three (3) trustees; Scott and Logan Counties – two (2) trustees; Ness and Rush Counties – two (2) trustees; Finney and Hodgeman Counties – two (2) trustees.

Section 6. Vacancies. Subject to the provisions of these bylaws with respect to the filling of vacancies caused by the removal of trustees, the remaining trustees shall have the option to fill the vacancy by an affirmative vote of a majority of the remaining trustees for the unexpired portion of the term of the trustee in respect of whom the vacancy occurs or the remaining trustees may upon a majority vote of the remaining trustees, choose to leave the vacancy unfilled until the next annual meeting or special meeting of the Members at which time the Members may elect a trustee for the unexpired term of the trustee in respect of whom the vacancy occurs.

\Article V.

Section 9 is a new section.

Section 9. Virtual Meetings.

During emergencies or conditions that make meeting in person difficult or impossible, the board of trustees is authorized to designate that a meeting of the trustees may be held by virtual, electronic or other non in-person means ("Virtual Meeting"). The virtual meeting must allow for participation of all trustees in attendance. Any action taken at the Virtual Meeting shall have the same force and effect as action taken by in-person meetings. Quorum requirements for a virtual meeting shall be the same requirement for an in-person meeting.

RESOLUTION

WHEREAS, the Board of Trustees of Lane-Scott Electric Cooperative, Inc. has determined it advisable to amend the bylaws of the Cooperative, last amended on July 10, 2007;

BE IT RESOLVED, the Trustees of Lane-Scott Electric Cooperative, Inc. do hereby recommend the adoption of the attached bylaws and propose the same to the members of the cooperative for adoption at the next annual meeting of the members, pursuant to Kansas Statutes Annotated § 17-4608;

BE IT FURTHER RESOLVED the Secretary of the cooperative give notice of the amendment by attaching a copy of the proposed Bylaws to the notice of the annual meeting.

Paul Seib, Jr., Secretary
Lane-Scott Electric Cooperative, Inc.

9. Old Business

9. a. Board Policy 524

The Drug and Alcohol-Free Workplace Policy revision is under development.

9. b. Succession Planning

A Board of Trustee Succession Plan is under development along with accompanying proposed Bylaw amendments.

New Business

10. a. Strategic Plan Update

April 5, 2021

The Board of Trustees and General Manager of Lane-Scott Electric Cooperative met on November 5, 2020 in a Strategic Planning session that was facilitated by CFC's Lindy LaChance and Mike Lewis. The goal was to achieve consensus on the strategic goals Lane-Scott EC will focus on during the next three years and to develop an implementation plan for those objectives (listed below).

Number	Strategic Goals	completion
1	Demonstrate leadership in employee and public safety. <ul style="list-style-type: none">Fully implement KEC Safety Accreditation.Explore improved field communication technology.Develop improved record keeping.Ensure free flow of information via whistleblower policy.	30%
2	Identify, assess, and mitigate cyber security risks. <ul style="list-style-type: none">Research and implement cybersecurity mitigation strategies.Identify and make necessary investments in hardware, software, and facilities.Establish a cybersecurity training and awareness regimen for employees and members.	35%
3	Complete and evaluate the results of a cost-of-service study. <ul style="list-style-type: none">Line extension policy impact.Rate structure and level impact.Prepaid metering assessment.Streamline security lighting program.	5%
4	Assess and complete all remaining elements of the 2019 Strategic Plan. <ul style="list-style-type: none">Review existing plan progress.Evaluate remaining goals for continued relevance.Complete all incomplete goals and objectives.	95%

Action Items:

- Present the strategic plan to the board at the January 2021 board meeting. The Board of Trustees met in regular session on January 11, 2021 and approved the Strategic Plan as presented. The Board also approved that the Strategic Plan would serve as the basis of the General Managers evaluation.
- Provide updates to the board on a quarterly basis. This is the first quarterly update.

Implementation and Overview.

Lane-Scott has limited staff and financial resources. This requires me to prioritize the primary Strategic Goals based on their immediate focus on risk, rates, and reliability. We are working on all of them but have dedicated the most effort as follows:

- **Goal 1: Demonstrate leadership in employee and public safety.** 30% complete.

Safety is an area where we will never be “done”. This strategic goal was divided into four critical areas which the Safety Council used as the basis for the 2021 Safety Program.

- A. Fully implement the KEC Safety Accreditation. We are looking at this from two sides: first is the actual RE / KEC Safety Accreditation Program (RESAP) administration, second is the LSEC Safety Program which is the implementation basis for the RESAP.
 - i. RESAP / Annual Supervisory Inspections and improvements. Correcting deficiencies identified on various KEC and Federated Insurance inspections – 90% completed.
 - ii. Lane-Scott Safety Program.
 - a. Employee
 - 1. Research and implement OSHA Emergency Action Plan (EAP) and the RUS electric program loan Emergency Response Plan (ERP) – done.
 - 2. Update / Develop Lane-Scott EAP and Direct Response Plan (DRP) – 25% completed
 - 3. Review and implement Fire, Fire Extinguisher, Tornado, and General Evacuation Procedures and Drills – implemented.
 - 4. New Employee Safety Training – implemented.
 - b. Public Safety
 - 1. Demonstration (Arching) Trailer – 10%
 - 2. Storm Restoration Guide for Visiting Crew Booklet – completed.
 - 3. Public Safety demonstrations and Training – 5%
- B. Explore improved field communication technology. This item will be researched in the 2021 Construction Work Plan along with aging metering system concerns – 5% completed.
- C. Develop improved record keeping – 20% complete.
 - i. Electronic form templates are being created and tested for safety briefings, maintenance inspections, etc. – 10%
 - ii. Updates to SRS outage reason codes and ticket reporting – completed.
 - iii. We are considering the hire of a part-time / seasonal employee to move documents to the iVue Document Vault (if the financials allow).
- D. Ensure free flow of information via whistleblower policy. 60% complete.
 - i. Board Whistleblower policy updated and implemented – completed.
 - ii. Discuss with employees at Safety meetings – completed.
 - iii. We are planning an all-employee survey this year to measure employee satisfaction.

Goal 2: Identify, assess, and mitigate cyber security risks. 35% complete.

Cybersecurity is another area where we will never be “done”. This strategic goal was divided into three critical areas which Carrie has used as the basis for a Cybersecurity Strategic Plan.

- A. Research and mitigate cybersecurity mitigation strategies. This is by far the most widespread item. To date she has accomplished the following:
 - i. Research
 - A. Office 365 Email Quarantine Security Policy and Rules.
 - B. Company One Drive and Company Share Point secure form storage.
 - C. new NACHA regulations requirements.
 - D. Hot Spot and Mobile VPN options.
 - E. PhishER software integration with KnowBe4 software program.
 - F. Microsoft Exchange server breach.
 - ii. LSEC IT training attended
 - A. Participation in the NRECA IT Mentor Expectation and Cybersecurity Goals Conference Call – 26%
 - B. Microsoft virtual conference on software features, upgrades, and securities.
 - C. KEC IT Summit committee webinar to on cybersecurity awareness topics.
 - D. Sunflower Member Conference webinar cybersecurity session.
 - iii. Monthly checks
 - A. Review Desktop Central Security Management and Risk Mitigation.
 - B. Review Office 365 Threat Management and Risk Mitigation.
 - C. Implemented Software and Device Updates, Patching, and Upgrades.
 - iv. Implement
 - A. Office 365 Aggressive Spam Email Operating Policy – 100%.
 - B. Cyber Detect Incident and Response Hyper-V programming – 25%
 - C. Domain drive partitioning for secure access – 25%
 - D. Security System and Networking implementation plan – 5%.
 - E. Mobile VPN and firewall programming – 50%
 - F. Domain drive partitioning secure access and record retentions – 50%
 - v. Other
 - A. Laptop critical vulnerabilities resolved.
- B. Identify and make necessary investments in hardware, software, and facilities.
 - i. Sonicwall TZ500 Firewall Software and Maintenance Annual Renewal – done.
 - ii. Crystal Report Pro Software Upgrade – done.
- C. Establish a cybersecurity training and awareness regimen for employees and members.
 - i. New employee cybersecurity fundamentals training – done.
 - ii. IT Department “Updates on Modernized Ransomware Awareness” Webinar – done.
 - iii. KnowBe4 employee individual clickers cybersecurity training – in progress.

Goal 3: Complete and evaluate the results of a cost-of-service study. 5% complete.

The Cost-of-service Study (COSS) strategic goal is divided into four critical areas:

- A. Line extension policy impact.
- B. Rate structure and level impact.
- C. Prepaid metering assessment.
- D. Streamline security lighting program.

The Cost-of-Service Study is scheduled for the third quarter of 2021. We have begun preparations as follows:

- Assemble a Tariff document. The components of the Tariff are currently scattered between Board Policies, Operating Policies, Rules and Regulations, and Rate Sheets. I am consolidating these into a single, comprehensive document.
- Line Extension Policy. Nate and I are reviewing our current line extension policy and gathering data for options.
- Rate analysis. Rebecca and I have begun identifying and documenting areas of concern which include items B, C, and D above.
- Construction Work Plan. Much of the operations load data used in the CWP can be applied to the COSS for C&I rates so we are saving files for the COSS. This is mainly demand information.
- COSS training. Kathy and Rebecca will be attending a virtual COSS training class offered by Guernsey. This will give them insight into how rates are designed and what data is required.

- **Goal 4: Assess and complete the remaining elements of the 2019 Strategic Plan.** 95% complete

The 2019 Strategic Plan identified the following 3-year goals:

Number	Primary Strategic Goals	Completion
1	Continuous improvement of the safety program, to include construction height requirements review.	100%
2	Craft a long-term comprehensive technology plan focused on maximizing utilization, resource requirements, and the outage management system.	100%
3	Develop a financial plan to include a long-term forecast, equity management plan, rates (formulary and decoupling) and capital credits (discounting).	95%
4	Create a comprehensive member communication / engagement plan to include social media, information content and outage notification.	100%
5	Implement a succession plan for key employees (accounting and operations management) and board members (potential nominating committee utilization for appointments) to include education and development focus.	80%

- **Goal 1:** Continuous improvement of the safety program, to include construction height requirements review - **100% complete within the scope of this item.**

This Strategic Goal was divided into three areas:

- A. Benchmarking. This was established using OSHA and Workman's Compensation data.
 - B. Safety Strategic Plan. This plan was created and is reviewed monthly.
 - C. Line Clearances. Operations employees were trained on clearances and provided Line Clearance materials. A Work Order was established to track reported deficiencies and remediation and a member communications campaign was established.
- **Goal 2:** Craft a long-term comprehensive technology plan focused on maximizing utilization, resource requirements, and the outage management system – **100% complete within the scope of this item.**

This Strategic Goal was divided into four areas:

- A. NISC Maximization. A series of virtual meeting was accomplished across LSEC with NISC. These meeting identified strengths and weaknesses in our application of the existing iVue system.

- B. SCADA implementation and integration. We worked with Landis & Gyr and NISC to integrate limited automation and information flow. This allowed us to launch an on-line Outage Map on our website and has given us much better outage management information.
 - C. CyberSecurity. A Comprehensive plan was developed as required. Cyber Security has moved forward into the 2020 Strategic Plan.
 - D. Hineman Tower. The tower has been inspected and a \$57,800 investment made in repairs. The lease contract has been renewed to April 1, 2025.
- **Goal 3:** Develop a financial plan to include a long-term forecast, equity management plan, rates (formulary and decoupling) and capital credits (discounting) - **95% complete within the scope of this item.**

This Strategic Goal was divided into six areas:

- A. Depreciation study – completed.
 - B. Equity management study – completed.
 - C. Capital Credits Plan
 - i. Rotation. A payment plan was created and presented to the Board in the End of Year report. This was carried forward into the Financial Forecast – completed.
 - ii. Discounted. **90% complete** - a discounted plan is under development.
 - D. Financial Forecast – completed.
 - E. Construction Work plan and Loan – carried forward to 2020 Strategic Plan.
 - F. Rates – carried forward to 2020 Strategic Plan.
- **Goal 4:** Create a comprehensive member communication / engagement plan to include social media, information content and outage notification – **100% complete within the scope of this item.**

This Strategic Goal was divided into three areas:

- A. Key Accounts Program. The database has been created and can be updated monthly. We have used this database to contact them on several issues.
 - B. Retail Wheeling legislation. Relationships have been developed with KEC as well as KS and US legislators. Retail wheeling issues are monitored and there is currently no credible push for Retail Wheeling in Kansas.
 - C. Member Survey. Two member surveys were accomplished by LSEC.
- **Goal 5:** Implement a succession plan for key employees (accounting and operations management) and board members (potential nominating committee utilization for appointments) to include education and development focus – **80% complete within the scope of this item.**

This Strategic Goal was divided into two areas:

A. Employees

- i. Wage and Salary Plan. Wages and Benefit reviews are ongoing. Our goal is to remain competitive to assure we can attract and retain high quality employees – completed.
- ii. Training. Training opportunities are being identified and offered grow employee skill sets – ongoing.
- iii. Retirement tracking. All employee retirements are projected and tracked. This allows planning time to identify and develop potential key employees – completed.

B. Board of Trustees

- i. Trustee applicant process. A process to ensure Board applicants are properly vetted according to the Bylaws has been developed and implemented. This process precedes sending applicants to the Nominating Committee for consideration – completed.
- ii. Bylaw's amendment. The Board is considering a few Bylaws amendments related to filling vacancies, election, and nomination of Trustees – **60% completed.**

New Business

10. b. Nominating Committee approval

These members have been contacted by the Cooperative and have agreed to serve on the 2021 LSEC Nominating Committee, if selected by the Board.

NOMINATING COMMITTEE 2021

<u>Name</u>	<u>Phone</u>	<u>Mileage</u>	<u>Counties</u>
JAY SCHMALZRIED	620-397-3173	0	Lane/Gove
DAN WEHKAMP	620-335-0040	72	Finney/Hodgeman
DOUG VIEUX	620-357-5396	41	Finney/Hodgeman
LEX BUSH	620-397-3002	18	Lane/Gove
RANDY SCHEUERMAN	620-874-5274	52	Logan/Scott
JOHN BEATON	620-872-3956	52.4	Logan/Scott
LANE COPELAND	785-798-2418	75	Ness/Rush
BEN CRAMER	620-397-3268	20	Lane/Gove
KENNEY SCHLEGEL	785-798-3543	64	Ness/Rush
9 Total			

The Committee normally receives \$100.00 per meeting plus mileage at the standard IRS rate for their service. They are scheduled to meet on June 7, 2021 at 6:30pm and notification letters must be mailed by April 30, 2021.

TRUSTEE NOMINATION TERM 2021			
County Trustees			
Finney -Hodgeman	Lane-Gove	Logan-Scott	Ness-Rush
	Richard Jennison	Craig Ramsey	Harold Hoss

Staff requests the Trustees input and approval of the 2021 Nominating Committee at a compensation level of \$100.00 per meeting plus mileage.

New Business

10. c. Sunflower EPC Annual Meeting Delegate and Alternate

The Sunflower Electric Power Corporation and Sunflower Electric Holdings, Inc. will hold their Annual Meeting of Members on Wednesday, May 19, 2021. These will be hybrid meetings with only Sunflower Directors, Attorney, CEO, and a few staff present.

Currently, Mr. Paul Seib, Jr. is the Lane-Scott Delegate to both Annual Meetings and Richard McLeon is the Alternate Delegate.

We request that the Board re-appoint Mr. Paul Seib, Jr as the Delegate and Richard McLeon as the Alternate Delegate to each of these meetings.

CERTIFICATION OF DELEGATE AND ALTERNATE DELEGATE

ANNUAL MEETING OF MEMBERS
OF
SUNFLOWER ELECTRIC POWER CORPORATION

Wednesday, May 19, 2021

MEMBER SYSTEM NAME: Lane-Scott Electric Cooperative, Inc.

Name of **DELEGATE**:

ADDRESS:

EMAIL:

Name of **ALTERNATE**:

ADDRESS:

EMAIL:

This certifies that the above named persons have been duly authorized to represent this Member System as Delegate and Alternate Delegate for the Annual Meeting of Members of Sunflower Electric Power Corporation, to be held Wednesday, May 19, 2021 and such other meetings of Members called by the Corporation.

Date

Title:

PLEASE RETURN THIS CERTIFICATION TO:

Brent A. Mitchell
Sunflower Electric Power Corporation
PO Box 1020
Hays, KS 67601-1020
dlewis@sunflower.net

CERTIFICATION OF DELEGATE AND ALTERNATE DELEGATE

ANNUAL MEETING OF MEMBERS
OF
SUNFLOWER ELECTRIC HOLDINGS, INC.

Wednesday, May 19, 2021

MEMBER SYSTEM NAME: Lane-Scott Electric Cooperative, Inc.

Name of **DELEGATE**: _____

ADDRESS: _____

EMAIL: _____

Name of **ALTERNATE**: _____

ADDRESS: _____

EMAIL: _____

This certifies that the above named persons have been duly authorized to represent this Member System as Delegate and Alternate Delegate for the Annual Meeting of Members of Sunflower Electric Holdings, Inc., to be held Wednesday, May 19, 2021 and such other meetings of Members called by the Corporation.

Date

Secretary:

PLEASE RETURN THIS CERTIFICATION TO:

Brent A. Mitchell
Board Counsel
Sunflower Electric Holdings, Inc.
PO Box 1020
Hays, KS 67601-1020
dlewis@sunflower.net

New Business

10. d. Capital Credits - Estates

Board Policy 113, 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 April, staff presents a total of \$16,709.93 in Estate Liquidation requests 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 LIQUIDATION REQUESTS SUBMITTED FOR BOARD APPROVAL APRIL 2021							
Last Name	First Name	Cust No.	ELEC-COOP	ELEC-MKEC	Total ELEC Amount	Form W-9	G&T
Babcock	Elsie M.	20513	\$ -	\$ 146.93	\$ 146.93	N/A	\$ 88.86
Bentley	Mildred E.	20772	\$ 12.61	\$ -	\$ 12.61	N/A	\$ 42.03
Bentley	Saralee	191102	\$ 12.44	\$ -	\$ 12.44	N/A	\$ 54.43
Busby	LeRoy T.	20500	\$ -	\$ 117.23	\$ 117.23	N/A	\$ 115.51
Curtis	Greg D.	30512	\$ -	\$ 201.59	\$ 201.59	N/A	\$ 126.71
Gilbert	Clifford B.	70268	\$ -	\$ 542.82	\$ 542.82	N/A	\$ 312.67
Haflich	Bernard D.	80169	\$ 3,394.11	\$ -	\$ 3,394.11	Received	\$ 794.18
Hall	Keith H.	80437	\$ -	\$ 1,050.02	\$ 1,050.02	Received	\$ 629.74
Horacek Living Trust	John C.	80512	\$ -	\$ 407.36	\$ 407.36	N/A	\$ 235.65
House	Robert K.	80521	\$ -	\$ 340.64	\$ 340.64	N/A	\$ 222.95
Huslig	LeVerne N.	80181	\$ 738.60	\$ -	\$ 738.60	Received	\$ 1,106.70
James Trust	Dorthea M.	100124	\$ 400.98	\$ -	\$ 400.98	N/A	\$ 605.02
Jones	William L.	100188	\$ -	\$ 17.31	\$ 17.31	N/A	\$ 7.96
Kelch	LaVonne	110110	\$ 223.35	\$ -	\$ 223.35	N/A	\$ -
McCoy	Larry D.	130530	\$ 204.71	\$ -	\$ 204.71	N/A	\$ 775.70
McDonald	Shirley M.	130631	\$ -	\$ 581.88	\$ 581.88	N/A	\$ 373.38
Metzker	Robert F.	13245	\$ 143.08	\$ -	\$ 143.08	N/A	\$ -
Michaelis	Bessie M.	130476	\$ -	\$ 250.81	\$ 250.81	N/A	\$ 151.40
Pinkston	Marvin G.	160041	\$ 1,948.83	\$ -	\$ 1,948.83	Received	\$ 159.14
Roths	Norbert J.	180396	\$ -	\$ 381.40	\$ 381.40	N/A	\$ 210.68
Rumford	Fred K.	18183	\$ 1,101.45	\$ -	\$ 1,101.45	Received	\$ -
Schaben	Carol J.	191002	\$ -	\$ 88.98	\$ 88.98	N/A	\$ 78.35
Slagle	Bradley J.	190378	\$ 2,608.13	\$ -	\$ 2,608.13	Received	\$ 2,121.07
Stieben	Clyde W.	190892	\$ -	\$ 660.07	\$ 660.07	Received	\$ 369.39
Tillitson	Melba E.	200159	\$ -	\$ 257.27	\$ 257.27	N/A	\$ 153.13
Witthuhn	Verlyn F.	230457	\$ -	\$ 571.24	\$ 571.24	N/A	\$ 322.51
Wierman	H. Roberta	230431	\$ -	\$ 199.97	\$ 199.97	N/A	\$ 112.14
Wilson	Meagan R.	230567	\$ -	\$ 52.33	\$ 52.33	N/A	\$ 29.85
Wittman	Melvin L.	230460	\$ -	\$ 53.79	\$ 53.79	N/A	\$ -
Total LSEC Coop Pay Outs					<u>\$ 16,709.93</u>		

Staff requests that the Board approve the above Special Retirements.

New Business

10. e. General Manager Evaluation

June 1, 2021 marks the end of my second year as General Manager of the Lane-Scott Electric Cooperative, Inc. Mr. Ken Holmes facilitated the CEO/GM first year evaluation using the "LSEC GM CEO Eval Form for DIST G&T first year" document on May 18th of last year. This document will be handed out to Trustees at the April Board meeting.

I will also provide the Board with a narrative report on the accomplishment of goals and the 2021 NRECA Compensation System Distribution for CEO / GM salaries in Kansas.

LANE-SCOTT ELECTRIC COOPERATIVE, INC.

SAFETY MEETING

March 10, 2021

Chris Terhune called the meeting to order at 9:07am.

Minutes were read: Dal Hawkinson made a motion to approve the February 10th minutes and Chad Rupp seconded. Minutes were read and approved as printed.

Present: David Howard, Nate Burns, Kasey Jenkinson, Ben Mann, Dal Hawkinson, Chad Rupp, Chris Terhune, Larry Kraft, Myron Seib, Kevin Bradstreet, Leighton Ayers, Dellon Shelton, Scott Briand, Kalo Mann, Michael Pollock, Mark McCulloch, Carrie Borell, Ann Marie Jennings, and Diana Kuhlman

Absent: Richard McLeon, Kathy Lewis, and Rebecca Campbell

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	Radio not working.
132	Kevin Bradstreet	OK
135	Nate Burns	OK
136	Dellon Shelton	OK
143	Michael Pollock	OK
144	Kalo Mann	Need tires
145	David Howard	OK
150	Kasey Jenkinson	Rock chip in windshield
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	Kevin Bradstreet	OK
505	Kevin Bradstreet	OK
508	Kevin Bradstreet	OK
509	Kevin Bradstreet	OK
513	Kevin Bradstreet	OK
516	Kevin Bradstreet	OK
700	Kevin Bradstreet	Wiring issue that Michael is fixing.
701	Kevin Bradstreet	OK
702	Kevin Bradstreet	OK
512	Scott Briand	OK
514	Scott Briand	OK

Warehouse, building, and pole yard inspections:

Ness City Warehouse	Myron Seib	OK
Ness Pole Yard & Transformer Dock	Myron Seib	OK
Warehouse	Scott Briand	OK
Pole Yard & Transformer Dock	Scott Briand	OK

Personal Tools: All Passed

Gloves Monthly Test Results: #91 and #99 rejected for ozone damage.

Substation and Regulator Report: Ben Mann had nothing to report. Chris Terhune reported the West City sub bypass and Manning sub switch bypass needed to be planned to be done. Weed spraying of substations will need scheduled to do.

PCB Report: None to report

Line Clearance: Lane and Hodgeman. Myron Seib discussed some areas in Ness that needed the tree trimmers to work on. Nate Burns reported that Ness and Bazine would be included in Solida tree trimming rotation this year.

Accident and Near Misses: Larry Kraft reported a feed truck ran a sign and hit another vehicle. The vehicle went between two of our poles. There was no damage to the poles.

Old Business:

- ◆ Chris Terhune reported the demonstration trailer build with Ferris Manufacturing is on hold. SRS provided outage codes to use when reporting outages to them to ensure that the outage reason is documented in their reports to Lane-Scott. Retail will need copies of the codes.
- ◆ Michael Pollock is scheduled to do Generac training in July.
- ◆ Nate Burns reported Lane County Feeders meeting last month to go over the new feed mill installation plans was postponed and instead he will be meeting with them tomorrow.

New Business:

- ◆ Chris Terhune reported the Ness gate opener mother board burned up and Eldridge Fencing will be repairing it.
- ◆ Nate Burns reported on work plan project to address City Substation OCRs, and Ransom switches. If any other need added to the long-term work plan let him know so it can be included in the data request for analysis.
- ◆ Myron Seib reported the high school superintendent wanted to continue the project to take out the old platform and replace it with a padmount.
- ◆ Diana Kuhlman reported that Black McVicker, a 4th year apprentice, will be starting March 22.
- ◆ Larry Detweiler with KEC discussed NESC overhead requirements, accident reports, oil spill response schooling and EPA requirements, and safety summary. Discussed PPE, first aid kit latex glove deterioration and replacement awareness, SDS sheets, and exposure control plan. Safety leadership, involvement, and improvements were discussed.

Meeting adjourned

Chris Terhune
Safety Coordinator

Carrie Borell
Safety Secretary

SAFETY PROGRAM

SAFETY PROJECTS COMPLETED AS OF MARCH 2021

1. Ann Jennings member safety awareness publishes to either KCL newsletter, social media, and/or the Lane Scott Electric website concerning.
 - Irrigation Farm Safety
 - Overloaded Power Strips
 - 811 Dig Safe
 - Farm Safety (Overhead clearance with extensions, spring planting, Life is Measured in Feet and call LSEC with overhead issues.)
 - Spring storm/downed lines
 - Irrigation Equipment safety
 - Farm Safety
2. Diana Kuhlman submitted reports:
 - KEC Loss Control, Safety and Compliance System Monthly Statistical Report.
 - Federated No Loss Time Award Report
 - CDL medical certification reports.
3. KEC March safety meeting topics was concerning safety summary, NESC overhead requirements. March safety minutes are included in the board packet.

SAFETY PROJECTS IN PROGRESS AS OF MARCH 2021

1. Emergency Action Plan (EAP) binder.
2. Disaster Recovery Plan (DRP binder).

CYBERSECURITY - IT DEPARTMENT

CYBERSECURITY/IT PROJECTS COMPLETED AS OF MARCH 2021

1. KnowBe4 cybersecurity training campaign webinar.
2. ASP iVue server monthly patching and updates.
3. Verifone credit card payment machine VHQ version 3.14.02 on NA US2 server software upgrade.
4. Office 365 threat management daily review and risk mitigation.
5. Desktop Central security management daily review and risk mitigation.
6. Researched Microsoft release on exchange server breach. Confirmed our exchange server file integrity was okay.
7. Veritas Backup Exec upgraded to 21.2.
8. Mobile VPN and firewall programming.
9. Payment Gateway 1.24 patch 12 maintenance update.
10. US Payment KIOSK monthly server patching.
11. Operations and domain server backups and alert warning daily review.
12. AppSuite Mapview TPK imagery and data file monthly update.
13. AppSuite version upgrade to 1.75.0.
14. Researched Microsoft Exchange server breach.

CYBERSECURITY/IT PROJECTS IN PROGRESS AS OF MARCH 2021

1. Cyber Detect Hyper-V server programming.
2. Verifone MX925 replacement device ordered.

IT/COMPLIANCE DEPARTMENT

IT/COMPLIANCE PROJECTS COMPLETED AS OF MARCH 2021

1. NRECA IT Mentoring Program webinar on program scheduled projects, expectations, and IT/Cybersecurity goal considerations.
2. NRECA IT Mentee webinar was to meet other mentees involved in the program to establish additional IT contacts and resources to have when working on projects.
3. TriState mentor webinars will be every two weeks. March biweekly 1st webinar topics: Physical security and networking project overview, data center room project overview, and IT/Cybersecurity policy and procedure project overview. 2nd webinar topics: TriState, NRECA, and Federated IT/Cybersecurity policies and procedure templates. Met IT/Cybersecurity departments and was given an overview of their procedures, equipment, and software that is used.
4. S&T Telephone troubleshooted and resolved issues of dropped calls.
5. Desktop Central server RAM installation to expand the hard drive for the Cyber Detect and Cyber Scan Hyper-V server installations.
6. Desktop Central Gateway server port connection reprogrammed. Brown out caused file corruption from harsh shut down and reprogramming was required to initiate software performance. Patch management down also and reprogrammed scan deployments. Manually updated critical patches on all devices.
7. Microsoft Conference webinar on Microsoft software features, enhancements, upgrades, and securities.
8. Microsoft Patch Tuesday webinars are on updates implemented and cyber security vulnerabilities.
9. Dashboard outage management module reporting graphs overview availability.
10. KEC IT Summit committee webinar on 2021 agenda and date scheduling.
11. Document Vault security permissions reviewed and updated.
12. Resolved engineering computer critical security updates unable to install and hard drive security scanner not operating from compatibility issues. Reset BIOS and reinstalled scanner.
13. Resolved labeler compatibility issue with new Microsoft update.
14. Resolved iPad charging issue and updated OS.
15. Updated Command Center security permissions.
16. Miscellaneous charge set up for winter event separate line on bill print.
17. New employee security and permissions set up.
18. Microsoft licensing review and amendments.
19. Trustee laptop set up.
20. Troubleshooting employee software and device issues.

IT/COMPLIANCE PROJECTS IN PROGRESS AS OF MARCH 2021

1. Domain drive partitioning programming.
2. Ivue bill printer software conversion from DOC1 software to Print Net software and billing is testing integration compatibility.
3. Payment arrangement record retention purging procedures.
4. Dashboard customized reporting programming options.

1. Annual Meeting:
 - a. Nominating Committee List for approval (included in packet)
 - b. Gift ordered from JF Beaver and confirmed with John Ross.
2. Crisis Communication Plan is FINISHED!
3. \$1500 Scholarship Application period closed April 1 – As of 3.29.21 we had 30 applications.
4. Sharing Success Program: Letters were sent out to non-profits, schools, churches, and gov't organizations in our service area. It will be advertised heavily on all our communication channels through June 1. Online form application form available on LSEC website, and printable pdf.
5. LSEC – Radio commercial running 4/12-5/2, “Human Connections_Making Life Easier”
6. LIEAP Application Period has been extended until the end of May 28 and criteria has changed. Included in monthly e-blast, social media, SmartHub alert message, and on website.
7. Ness City Building sign and small resale signs have been ordered.
8. April Farm Safety Bill Insert
9. Winter Weather Event
 - a. After last board meeting, letters were mailed to all members, e-mails, social media, bill print message, and short alert message on Smarthub.
 - b. Additional correspondence regarding payment options to be sent out after the bill design is finalized.
 - c. Direct calls to Top 25-50 key accounts with options to pay at once, or set up a shorter payment plan.
10. Attended KMSDA virtual meeting
11. Normal monthly KCL, social media posts, website updates, new member e-mail series, newsletter e-blast