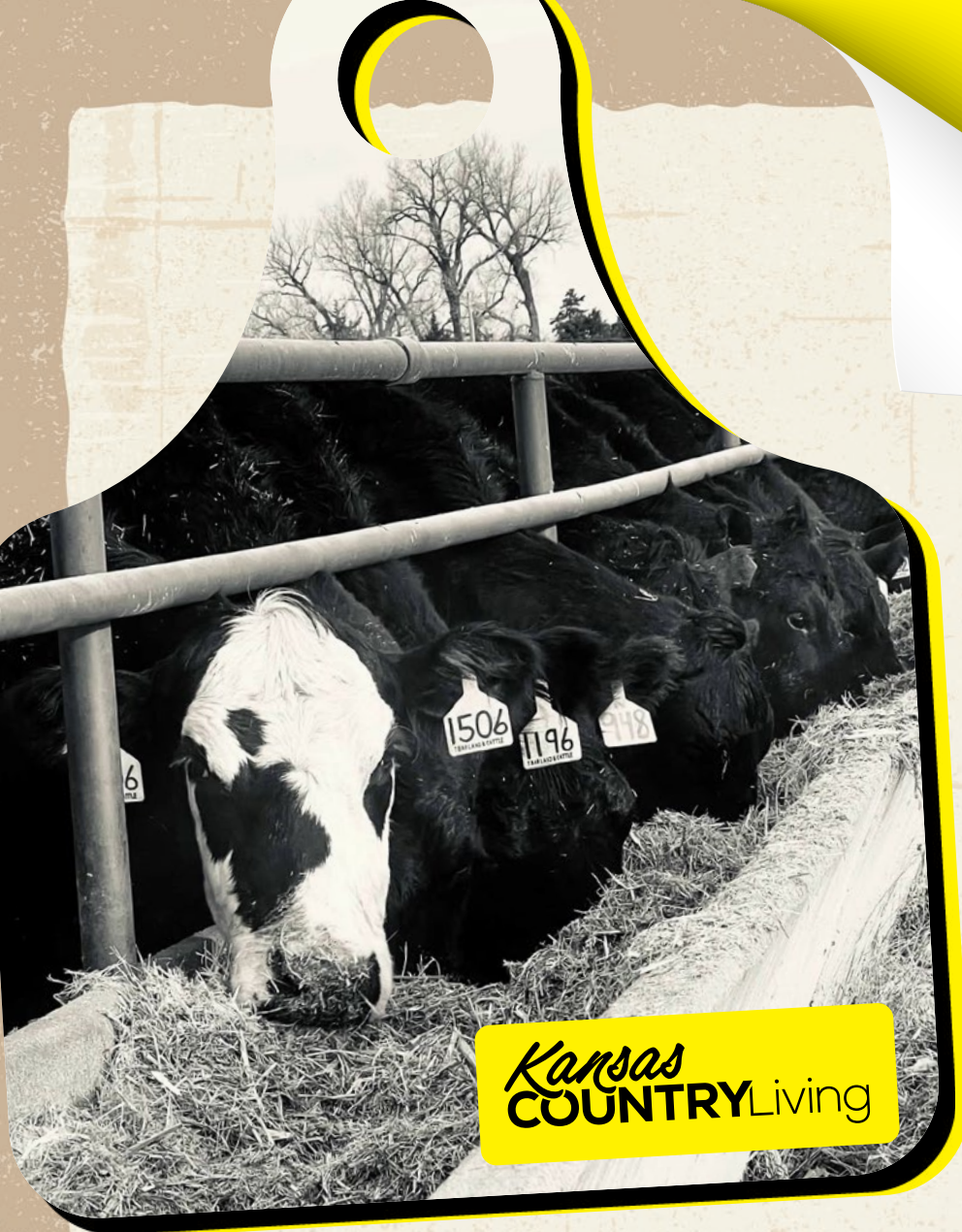
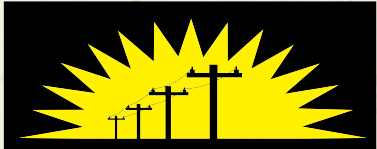


2023  
**ANNUAL  
REPORT**  
*Inside*



*Kansas*  
**COUNTRY**Living



**Sumner-Cowley  
Electric Co-op., Inc**

**TUESDAY,  
APRIL 16**

**WELLINGTON  
HIGH SCHOOL**

# *Annual Meeting*



5:30-6:45 p.m.  
**Registration  
& Dinner**



6:45 p.m.  
**Business  
Meeting**



RSVP by April 8  
[cashas@sucocoop.com](mailto:cashas@sucocoop.com)  
**888-326-3356**

● **RURAL FOR A REASON** ●

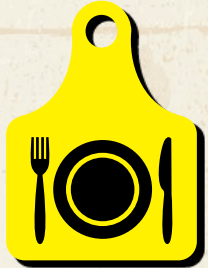


*Official*  
**ANNUAL MEETING**  
**NOTICE**  
**TUESDAY, APRIL 16**  
WELLINGTON HIGH SCHOOL

The members of the Sumner-Cowley Electric Cooperative are hereby given notice that the regular Annual Meeting of the Members of Sumner-Cowley Electric Cooperative, Inc. will be held Tuesday, April 16, 2024, in the Wellington High School auditorium, 1700 E. 16th St. (Highway 160) in Wellington, Kansas, for the purpose of:

- ▶ Reports of officers, directors and committees.
  - ▶ To announce the director election results.
  - ▶ Transacting other business that may properly come before the meeting. Dinner will be served beginning at 5:30 p.m. Members may begin registration at 5:30 p.m. The business meeting will begin at 6:45 p.m.
- Your board of directors urges each member of the cooperative to attend.

**JEFF SWANSON, SECRETARY/TREASURER**



5:30-  
6:45 p.m.

**Registration & Dinner**



6:45 p.m.

**Business Meeting**



RSVP by  
April 8

**cashas@sucocoop.com**  
**888-326-3356**

**PRESIDENT'S REPORT**

## Join us on April 16



**John Schon**

As members of our cooperative community, we have the power to shape its future and ensure its success. One significant path for contribution is by running for the board of

directors. This call to action isn't just about filling positions; it's a rallying cry for diversity, knowledge and a commitment to service.

Diversity serves as the cornerstone of progress. Our cooperative thrives when it mirrors the varied perspectives, experiences and backgrounds of its members. Currently, our board comprises a farmer/rancher, agricultural lender, retired communication executive, retired military/flight foreman, agricultural chemical sales representative, insurance/financial services agent, and a manager of a rural water district. Each of these seven members brings a unique perspective and set of skills to the table. When the board represents a spectrum of voices, decisions become more inclusive, responsive and equitable. By running for the board, you bring your distinctive viewpoint to the table, enhancing our ability to navigate challenges and seize opportunities.

Moreover, serving on the board is a profound act of service. It entails

a commitment to the cooperative principles of democratic control and member participation. As a director, you'll have the chance to advocate for the interests of our service territory, ensuring that decisions align with our values and priorities. Your service will directly impact the lives of fellow members, fostering a sense of belonging and empowerment.

Sumner-Cowley Electric offers the most member-friendly path to being placed on the ballot. If the district in which you reside is up for election, simply

*Continued on page 12A ▶*

## 7 Co-op Principles

- 1 Voluntary & Open Membership
- 2 Democratic Member Control
- 3 Members' Economic Participation
- 4 Autonomy & Independence
- 5 Education, Training & Information
- 6 Cooperation Among Cooperatives
- 7 Concern for Community

**TUESDAY, APRIL 16**  
**WELLINGTON HIGH SCHOOL**

# Annual Meeting



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**Sumner-Cowley  
Electric Co-op., Inc**

## RURAL FOR A REASON

### SUMNER-COWLEY ELECTRIC CO-OP, INC.

#### BOARD OF DIRECTORS

**John Schon**  
President, District 7

**Keith Leddy**  
Vice President, District 4

**Jeff Swanson**  
Secretary-Treasurer, District 2

**John Beard**  
Director, District 3

**Craig Knudsen**  
Director, District 1

**Jim McMullin**  
Director, District 5

**Gabe Schlickau**  
Director, District 6

#### STAFF

**Coni Adams**  
CEO

**Jordan Creed**  
Director of Operations

**Stacy Wiley**  
Director of Finance

**Abbi Jo Moulton**  
Member Services/  
Communications Specialist

## Join us on April 16 *Continued from page C2*

request a petition and have it signed by five members within your district. Turn it in by the last business day of January, and you're all set! However, even with this ease, there hasn't been a contested election in 11 years!

So, what keeps you from running for the board of directors? Is it a fear of the time commitment? It may not be as substantial as you think! Our board of directors meets on the fourth Wednesday of each month at 1 p.m. Other opportunities include meetings and training sessions with our statewide service organization, Kansas Electric Cooperatives, Inc., or our national trade organization, the National Rural Electric Cooperative Association, a couple of times per year. We also have the chance to engage with local, state and federal elected officials to help them understand how their decisions affect Kansans and our rural way of life.

Do you feel apprehensive about your lack of knowledge about the utility industry? Cooperative Principle No. 5

states the commitment to education, training and information, a commitment honored by Sumner-Cowley Electric. Cooperatives provide education and training for members, elected representatives, managers and employees so they can contribute effectively to the development of their cooperative. This means that you will have training opportunities to learn about the electric industry, director duties and responsibilities, and the cooperative business model.

Therefore, I urge you to consider this call to service. Whether you're a seasoned member or new to our cooperative, your voice matters. Step forward with confidence, knowing that your knowledge, and commitment to service will strengthen our cooperative and improve the lives of its members. Together, let's shape a future that embodies the true spirit of cooperation. Run for the Sumner-Cowley Board of Directors and be the change you wish to see in our cooperative community.

### LIKE US ON FACEBOOK

Join us on Facebook for updates from Sumner-Cowley Electric. Simply search for Sumner-Cowley Electric Cooperative and click the "like" button.



*Receive a \$10 Bill Credit*

FIND YOUR TICKET ON THE INSIDE BACK COVER

# Photo Contest Entries



Shelbie Fitch



Natalie Francis

Thank you to all SCEC members who participated in our photo contest. We received 20 photo submissions representing our **“RURAL FOR A REASON”** theme, some of which are featured here. These photos celebrate the resilience, strength and integrity found in rural areas.

**“RURAL FOR A REASON”** personifies the selfless, community-minded, entrepreneurial spirit that resonates across rural America. Rural communities are and always have been a place where neighbors know each other and work together for the benefit of the community. There is an unmatched sense of belonging in small communities. Neighbors often know each other well, creating a supportive network that extends beyond immediate family. As a cooperative, one of SCEC’s guiding principles is Concern for Community. With this principle in mind, SCEC strives to support the local communities we serve and promote the cooperative spirit among our members.

A huge thank you to our SCEC members who participated: **JERIKA FRANCIS** (featured on the cover), **ERIN BOHANNON, MELANIE CHITWOOD, LEXI MADISON, STACIE GILLILAND, GREG DIXON, SHELBBIE FITCH, KEELA BLAKE, NATALIE FRANCIS, MADISON FRANCIS** and **JANET HILL.**



Keela Blake



Stacie Gilliland



Madison Francis



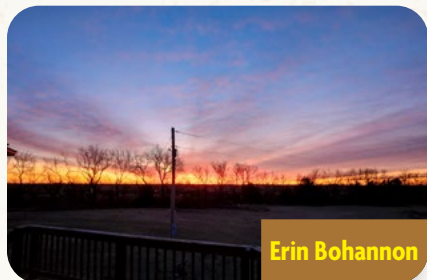
Lexi Madison



Greg Dixon



Melanie Chitwood



Erin Bohannon



Greg Dixon



Janet Hill



Keela Blake

## Board of Directors ELECTION RESULTS

In the heart of rural south-central Kansas, a crucial process unfolds every year that shapes the direction of the rural electric future — the election of directors for the Sumner-Cowley Electric Cooperative.

As a member of this cooperative, you have the unique opportunity to influence the leadership that guides the organization, ensuring that it aligns with the needs and aspirations of its membership.

The election of directors is more than just a routine event; it is a cornerstone of democratic governance within the cooperative structure. These directors play a pivotal role in making decisions that impact not only the day-to-day operations of the cooperative but also its long-term vision and commitment to delivering reliable and affordable electricity to its members.

Pursuant Bylaw IV Section 4: “The open petition period of the Sumner-Cowley Electric Cooperative closed on the last day of business in January (Jan. 31, 2024).”

Accordingly, Section 2 of the same bylaw provides that “if the number of qualified candidates nominated by petition for election as a director in each district is equal to the number of vacancies in each district, then the election of directors shall automatically be dispensed with, and the nominees shall be deemed elected.”

Districts 4, 6 and 7 each had one petition submitted for election. Therefore, the election is complete and **KEITH LEDDY**, District 4; **GABE SCHLICKAU**, District 6; and **JOHN SCHON**, District 7; have been reelected to serve three-year terms.

### DISTRICT 4

**KEITH LEDDY** was originally elected to the board in 2012 and will enter his fifth term. He currently serves as board vice president. Leddy has obtained his Credentialed Cooperative Director and Board Leadership certificates and has also earned his Director Gold Credential for continued director training. He and his wife, Michelle, live in the rural Conway Springs area.



### DISTRICT 7

**JOHN SCHON** was elected to the board in 2003 and will enter his eighth term. He currently serves as board president. He has earned his Credentialed Cooperative Director and Board Leadership certificates, and received his Director Gold Credential for continued cooperative education. Schon and his wife, Tommie, live in the rural Argonia area.



### DISTRICT 6

**GABE SCHLICKAU** has served two terms on the board. He and his wife, Emily, reside near Danville with their two children, Harry, 14, and Lena, 12. They are active in the local schools and youth sports activities. He is a longtime volunteer of the Harper County Fair Board and 4-H program. Schlickau is employed by CoBank, where he works with agribusiness throughout the state to meet their credit and banking needs. He is an advocate for agriculture, rural development and the importance of the cooperative business model for our quality of life in south-central Kansas.



# FINANCIAL REPORT

## INCOME STATEMENT

FOR YEAR-ENDING DEC. 31, 2023	CURRENT YEAR 2023	PRIOR YEAR 2022
<b>REVENUE</b>		
Operating Revenue	\$12,398,554	\$13,189,563
<b>EXPENSES</b>		
Power Production Expense	\$63,720	\$93,980
Cost of Purchased Power	\$6,109,290	\$6,945,396
Operations & Maintenance	\$2,087,137	\$1,989,141
Consumer Expenses	\$589,360	\$570,517
Administrative & General	\$1,330,440	\$1,231,713
Depreciation	\$1,289,286	\$1,256,646
Interest on Long-Term Debt	\$468,302	\$494,364
Other Deductions	\$32,665	\$8,971
Total Operating Expenses	\$11,970,200	\$12,590,728
Operating Margin Before Capital Credits	\$428,354	\$598,835
G&T and other Capital Credits	\$146,695	\$114,803
Operating Margin	\$575,049	\$713,638
Non-Operating Margins	\$114,779	\$71,640
<b>NET MARGIN</b>	<b>\$689,828</b>	<b>\$785,278</b>

2023 FINANCIAL STATEMENTS AUDITED BY KELSO LYNCH, P.C., P.A.

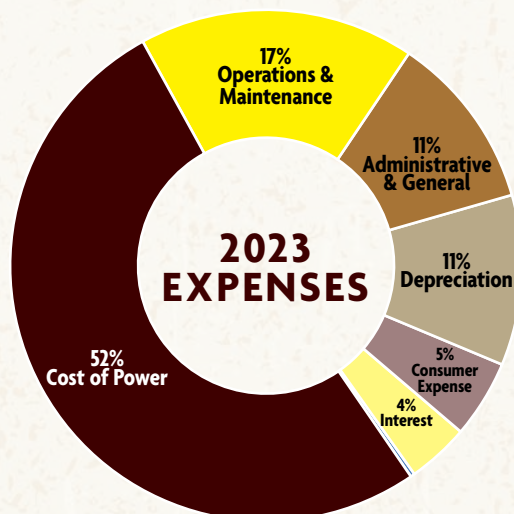
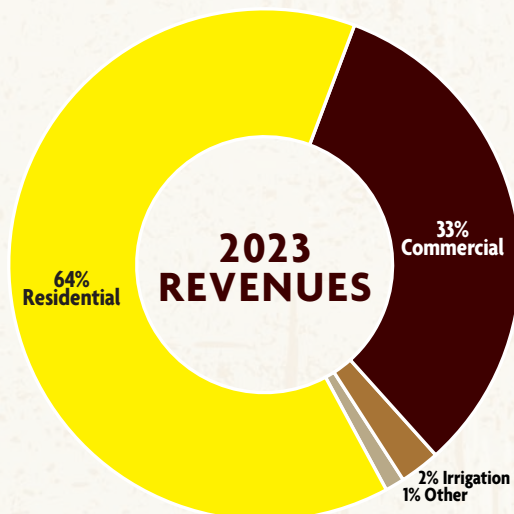
## PROPERTY TAXES PAID

BY YOUR COOPERATIVE IN 2023			
Butler County	\$212	Kingman County	\$19,212
Cowley County	\$89,277	Sedgwick County	\$4,022
Harper County	\$20,968	Sumner County	\$312,235
<b>TOTAL \$445,926</b>			

## BALANCE SHEET

FOR YEAR-ENDING DEC. 31, 2023	CURRENT YEAR 2023	PRIOR YEAR 2022
<b>ASSETS AND OTHER DEBITS</b>		
Total Utility Plant	\$35,633,635	\$34,610,213
Accumulated Provision for Depreciation	(\$7,565,453)	(\$6,874,874)
Net Utility Plant	\$28,068,182	\$27,735,339
Investments in Associated Organizations	\$4,873,900	\$4,764,135
Investments in Economic Development Projects	\$300,000	\$400,000
Other Investments	\$286	\$286
Total Investments	\$5,174,186	\$5,164,421
Cash	\$1,207,063	\$1,025,858
Temporary Investments	\$1,567,487	\$562,369
Accounts Receivable	\$731,179	\$1,240,635
Material and Supplies	\$464,862	\$492,069
Prepayments	\$27,181	\$46,823
Other Current and Accrued Assets	\$7,206	\$5,805
Total Current and Accrued Assets	\$4,004,978	\$3,373,559
Other Deferred Debits	\$0	\$4,986
<b>TOTAL ASSETS &amp; OTHER DEBITS</b>	<b>\$37,247,346</b>	<b>\$36,278,305</b>
<b>LIABILITIES &amp; OWNER'S EQUITY</b>		
Debt	\$11,585,455	\$10,842,587
Short-Term Notes Payable	\$0	\$0
Accounts Payable	\$568,653	\$672,706
Member Deposits	\$535,175	\$524,602
Deferred Credits	\$254,413	\$4,462
Other Accrued Liabilities	\$379,306	\$447,740
Total Liabilities	\$13,323,002	\$12,492,097
Memberships	\$83,300	\$82,860
Patronage Capital-Assigned	\$20,471,819	\$20,404,748
Patronage Capital-Unassigned	\$689,828	\$785,278
Other Margins and Equities	\$2,679,397	\$2,513,322
Total Owner's Equity	\$23,924,344	\$23,786,208
<b>TOTAL LIABILITIES &amp; OWNER'S EQUITY</b>	<b>\$37,247,346</b>	<b>\$36,278,305</b>

2023 FINANCIAL STATEMENTS AUDITED BY KELSO LYNCH, P.C., P.A.



**REGISTRATION CARD &  
DRAWING TICKET**BRING THIS TICKET WITH YOU  
TO THE ANNUAL MEETING*Receive a \$10  
Bill Credit*

## CEO MESSAGE

**Sumner-Cowley Electric Cooperative:  
A Year of Success and Sustainability**

Coni Adams

“Looking ahead, SCEC remains steadfast in our commitment to serving our members with excellence, innovation and integrity.”

As we reflect on the achievements of Sumner-Cowley Electric Cooperative (SCEC) in the past year, it's evident that 2023 was marked by resilience, innovation and a steadfast commitment to our members and the electric service territory we serve. Through strategic partnerships, prudent financial management, and a relentless pursuit of efficiency, SCEC has continued to deliver reliable, affordable and sustainable electricity to our members while embracing the challenges of a rapidly evolving energy landscape.

One of the cornerstones of our success these past two years is our solar power purchase agreement (PPA) with Today's Power, which has yielded significant financial savings. By harnessing the power of the sun, SCEC has not only reduced our carbon footprint, but also offset \$147,353.99 in energy costs, providing long-term benefits for both our cooperative and our members. This renewable investment had a payback period of just under two years and will provide you with 20-plus years of future savings. Overall, 67% of the energy purchased through our wholesale power contract with Kansas Electric Power Cooperative, our generation and transmission cooperative, in the last 12 months, came from non-greenhouse gas emitting resources (nuclear, hydro, wind and solar) and was rounded out nicely by reliable clean coal from the Iatan II Generating Station in Weston, Missouri.

In addition to our solar initiatives, SCEC has, over the last several years, implemented innovative peak shaving strategies utilizing diesel powered generators, further optimizing our energy resources and driving substantial cost savings. Through these efforts, we've not only enhanced the reliability of our electric grid but also saved just over \$294,000 in operational expenses this year alone.

SCEC remains committed to returning value to

our members, as evidenced by the retirement of \$662,610.55 in capital credits this past year. Over its lifetime, SCEC has retired \$7,444,444.14 back to our members. These retirements not only represent the cooperative principle of member ownership but also provide tangible benefits to our members, reinforcing the strength of our cooperative business model.

Moreover, SCEC has proactively managed our operational costs, resulting in significant refunds to our members in the final quarter of 2023. These refunds were prompted by labor costs coming in below budget and a lower than budgeted cost of purchased power. By optimizing our resources and processes, we've been able to pass on these savings directly to our members, further enhancing the value proposition of cooperative membership.

SCEC has successfully leveraged opportunities to reduce our tax burden, resulting in property tax savings that directly benefit our members. By effectively managing our fiscal responsibilities, we've ensured that our cooperative remains financially robust while delivering maximum value to our members.

Looking ahead, SCEC remains steadfast in our commitment to serving our members with excellence, innovation and integrity. As we continue to navigate the opportunities and challenges of the evolving energy landscape, we remain focused on delivering reliable, affordable and sustainable electricity to our members while upholding the cooperative principles that have guided us for decades.

In closing, I want to express my sincere gratitude to our members, employees and partners for their unwavering support and dedication. Together, we've achieved success that will help ensure we continue lighting the way to the future.

**COOPERATIVELY YOURS, CONI ADAMS, CEO**

Receive a \$10  
Bill Credit

BRING YOUR  
TICKET AND WIN!

ACCOUNT NUMBER

## RURAL FOR A REASON



**Sumner-Cowley  
Electric Co-op., Inc.**

*Building on our past. Lighting the way to the future.*



**BACK ROW FROM LEFT:** Jennifer Lintecum, Mitch McComb, Jordan Creed, Coni Adams, Dale Miller, Leah Drouhard and Danny Clark.  
**FRONT ROW FROM LEFT:** Abbi Jo Moulton, Cayenne Wagoner, Casha Short, Erin Struble and Stacy Wiley.

*Your Co-op Staff*

**WORK** HERE  
**LIVE** HERE  
**SERVE** HERE

The employees of Sumner-Cowley Electric boast more than 86 years collectively serving our members and living in the communities we serve. Our close connection to these communities ensures us a first-hand perspective on member priorities. As a utility cooperative our mission is to provide safe, reliable and affordable electricity to our members. But as a cooperative we are also motivated by service.

Sumner-Cowley Electric Cooperative is a reflection of our regional area. We take pride in helping to make our corner of Kansas a better place. Join your cooperative staff on April 16 at Wellington High School for the 2024 Sumner-Cowley Electric Annual Meeting.