



Kansas
COUNTRYLiving



You are invited to

ANNUAL MEETING

TUESDAY, APRIL 4

WELLINGTON HIGH SCHOOL

*Receive a \$10
Bill Credit*
FIND YOUR TICKET
INSIDE THE BACK COVER



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

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



5:30-7 p.m.

Registration & Dinner



7 p.m.

Business Meeting



RSVP by March 27

cashas@sucocoop.com

888-326-3356

Official
ANNUAL MEETING
NOTICE
TUESDAY, APRIL 4
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 4, 2023, 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 7 p.m.
- Your board of directors urges each member of the cooperative to attend.

JEFF SWANSON, SECRETARY/TREASURER



5:30-7 p.m.
Registration & Dinner



7 p.m.
Business Meeting



RSVP by March 27
cashas@sucocoop.com
888-326-3356

PRESIDENT'S REPORT

Join us on April 4



John Schon

On behalf of the Board of Directors of Sumner-Cowley Electric, I would like to invite you to your cooperative annual meeting to celebrate the co-op difference and the **POWER OF MEMBERSHIP!**

Whether it's the business of Sumner-Cowley Electric or one of our many associated organizations, your board of directors takes every issue, concern or decision very seriously because we understand who we represent, and why we represent the membership. In all our activities,

doing the right thing is at the heart of each decision. We appreciate the confidence you place in us to guide our cooperative into the future.

Financial State of Your Cooperative

Sumner-Cowley ended the year with a margin of \$785,278*, of which \$598,835* reflects the operating margin with the balance of \$186,443* comprising interest income and capital credit allocations from our power supplier, Kansas Electric Power Cooperative, (KEPCo) and other cooperative organizations conducting business with Sumner-Cowley. As a result of the 2022 margin, all required financial ratios and obligations were achieved.

Capital Credits – The Cooperative Difference

BECOMING A MEMBER — The moment you start receiving electric service from Sumner-Cowley, you become a member and an owner of the cooperative. As a member, you have unique privileges, one of

Continued on page C3 ▶

*UNAUDITED FIGURES AS OF THE PRINT DATE OF THIS PUBLICATION

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

REGISTRATION CARD & DRAWING TICKET

BRING THIS TICKET WITH YOU
TO THE ANNUAL MEETING

Receive a \$10
Bill Credit

PRESIDENT'S REPORT *Continued from page C2* ▶

which is economic participation. A portion of each electric bill you pay goes toward the cooperative's operation and infrastructure, which you have an ownership stake in. By actively engaging and participating with the cooperative, you will always have a voice in our operation.

ALLOCATION OF CAPITAL CREDITS — Every spring, Sumner-Cowley Electric looks at the prior year and any funds remaining after all expenses have been paid are allocated to members based on your prior year electric consumption — the more power you use, the larger your allocation will be. The allocation is not a check, but a representation of your ownership in the cooperative, i.e. the amount of money you have invested into the electric system based on your electric consumption.

RETIREMENT OF CAPITAL CREDITS — Annually, the board of directors carefully assesses the financial condition of the cooperative and determines the amount of capital credits eligible for retirement. If the board decides a retirement is feasible, the money is paid out, or “retired,” on the member's account. This year, the board approved a total of \$502,152 in capital credit retirements, of which \$145,342 included early and estate retirements, and \$356,810 in general retirement.

There is no better demonstration of the cooperative difference than receiving money back on your investment in the utility. Your investment (in the form of your utility payment) not only makes you an owner but ensures the resiliency of our system and the reliability of your power.

This year marks the 85th anniversary of our cooperative. We are reminded of the nine original board members: Peter Landwehr, Harold Koger, B.D. Hutchison, Bert Higbee, Geo. E. McGinn, H.C. Swanson, Louis Ratley, Mrs. Paul Bossi and Mrs. H.R. Wenrich and the vision they had for electrifying rural Kansas. Providing power in their homes and rural businesses meant not only an improved quality of life for themselves, but it ensured a positive outlook for generations. Look how far we've come!

I look forward to seeing you all at the annual meeting of your cooperative!

**COOPERATIVELY YOURS,
JOHN SCHON
BOARD PRESIDENT**

the POWER of Membership

More than electricity — 3 kinds of power make SCEC possible

What's something you can get, give and have all at the same time?

If you're the member of an electricity co-op, the answer is ... **POWER.**

Sure, you get the electrical kind of power, but getting doesn't happen without giving and having!

YOU GIVE THE CO-OP POWER — you make it possible for the co-op to do our job — just by being a member-owner of Sumner-Cowley Electric Cooperative.

That's essentially what SCEC's founders did when they banded together to make cooperative electricity viable, reliable and affordable for rural families and businesses in our communities. Their initiative fueled the cooperative and we continue to benefit from it today. We are sustained through the co-op's consumer-members' participation and our investment in infrastructure.

To keep the organization strong and healthy, it's important to recognize **YOU ALSO HAVE POWER.**

Unlike consumers of other utilities, Sumner-Cowley Electric Cooperative consumer-members not only own but also control their power. Control, in this case, isn't the same as day-to-day management, but it's no less important. As consumer-members, you have the responsibility to elect informed directors you're confident will set direction and faithfully oversee the cooperative's obligations and legal responsibilities. And like any responsible consumer-member, it's important you know the business of the cooperative and help ensure it's meeting its objectives. You help put the best people in charge by voting for your elected board of trustees, while staying informed.

When you do your part — when you help power up the cooperative and use your own power to ensure it's well managed — your family and your business will continue to get the electrical power you need, when you need it, for years and generations to come.

REMEMBER: YOU'VE GOT THE POWER.



BRING YOUR
TICKET AND WIN!

ACCOUNT NUMBER



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

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

You are invited to
**ANNUAL
MEETING**

TUESDAY, APRIL 4

WELLINGTON HIGH SCHOOL

the
POWER
of Membership



*Scan to Learn More About the
Kansas Sun Power Program*

You are invited to ANNUAL MEETING

TUESDAY, APRIL 4

WELLINGTON HIGH SCHOOL



5:30-7 p.m.

Registration & Dinner



7 p.m.

Business Meeting



RSVP by March 27

cashas@sucooop.com

888-326-3356

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

Richard Mitchell
Director of Operations

Stacy Wiley
Director of Finance

Jill Turek
Member Services

CEO MESSAGE

Sumner-Cowley Highlights

This year makes for 85 years of cooperative power at Sumner-Cowley Electric! The cooperative principles have played an integral part in that longevity. They guide everything we do, from being an active member of our communities to the democratic member control that distinguishes cooperatives from so many other businesses.

It's been quite a year for your electric cooperative! A year for embracing innovation with the installation of the Miller Substation solar field in partnership with Today's Power, an Arkansas Electric Cooperative. A year of data gathering and analysis with our system sectionalizing study, creating a work plan and completing a cost-of-service study. And a year of flexibility as we navigate the ever-shifting supply chain to obtain the materials and supplies needed by the cooperative.

At Sumner-Cowley Electric Cooperative, we know our members put a lot of trust in us to be responsible with their money. We bear this trust in mind each time we purchase new equipment or invest in upgrades for our infrastructure.

The same is true when we determine rates for the electric service our



Coni Adams

Sumner-Cowley Electric Cooperative wants to be our members' trusted and preferred energy and rural quality of life partner.

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.



Continued on page 12C ▶

Receive a \$10 Bill Credit

FIND YOUR TICKET ON THE INSIDE BACK COVER

Balance Sheet

FOR YEAR-ENDING DEC. 31, 2022

ASSETS AND OTHER DEBITS

	Current Year 2022	Prior Year 2021
Total Utility Plant	\$34,610,213	\$33,924,738
Accum. Provision for Depreciation	(\$6,874,874)	(\$6,157,293)
Net Utility Plant	\$27,735,339	\$27,767,444

Investments in Associated Organizations	\$4,764,135	\$4,681,880
Investments in Economic Development Projects	\$400,000	\$500,000
Other Investments	\$286	\$286
Total Investments	\$5,164,421	\$5,182,166

Cash	\$1,588,227	\$1,117,908
Accounts Receivable	\$1,240,635	\$1,046,983
Material and Supplies	\$492,069	\$305,012
Prepayments	\$46,823	\$92,721
Other Current and Accrued Assets	\$5,805	\$4,706
Total Current and Accrued Assets	\$3,373,559	\$2,567,329

Other Deferred Debits	\$4,986	20,106
TOTAL ASSETS & OTHER DEBITS	\$36,278,305	\$35,537,046

LIABILITIES & OWNER'S EQUITY

Debt	\$10,842,587	\$10,252,565
Short-Term Notes Payable	\$0	\$350,000
Accounts Payable	\$672,706	\$525,597
Member Deposits	\$524,602	\$504,144
Deferred Credits	\$4,462	\$3,347
Other Accrued Liabilities	\$447,740	\$485,738
Total Liabilities	\$12,492,097	\$12,121,392

Memberships	\$82,860	\$82,055
Patronage Capital-Assigned	\$20,404,748	\$20,281,041
Patronage Capital-Unassigned	\$785,278	\$668,857
Other Margins and Equities	\$2,513,322	\$2,383,699
Total Owner's Equity	\$23,786,208	\$23,415,653

TOTAL LIABILITIES & OWNER'S EQUITY	\$36,278,305	\$35,537,046
---	---------------------	---------------------

2022 FINANCIAL STATEMENTS CURRENTLY BEING AUDITED BY KELSO LYNCH, P.C., P.A.

Income Statement

FOR YEAR-ENDING DEC. 31, 2022

REVENUE

Operating Revenue	\$13,189,563	\$11,958,210
-------------------	--------------	--------------

EXPENSES

Power Production Expense	\$93,980	\$73,776
Cost of Purchased Power	\$6,945,396	\$6,146,179
Operations & Maintenance	\$1,989,141	\$1,967,769
Consumer Expenses	\$570,517	\$519,086
Administrative & General	\$1,231,713	\$1,079,400
Depreciation	\$1,256,646	\$1,177,672
Interest on Long-Term Debt	\$494,364	\$491,301
Other Deductions	\$8,971	\$7,003
Total Operating Expenses	\$12,590,728	\$11,462,186

Operating Margin Before Capital Credits	\$598,835	\$496,024
---	-----------	-----------

G and T and other Capital Credits	\$114,803	\$105,106
-----------------------------------	-----------	-----------

Operating Margin	\$713,638	\$601,130
------------------	-----------	-----------

Non-Operating Margins	\$71,640	\$67,727
-----------------------	----------	----------

NET MARGIN

\$785,278 **\$668,857**

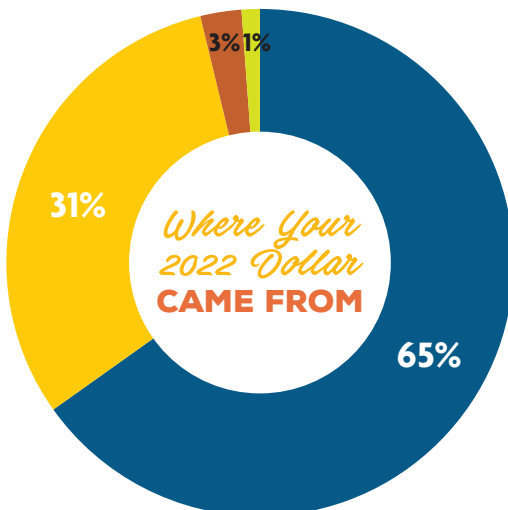
2022 FINANCIAL STATEMENTS CURRENTLY BEING AUDITED BY KELSO LYNCH, P.C., P.A.

Property Taxes Paid

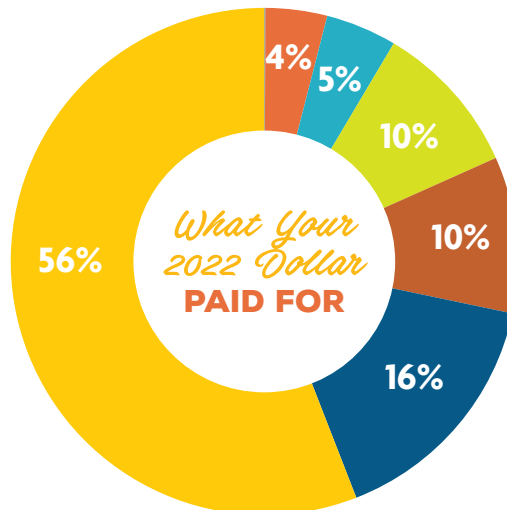
BY YOUR COOPERATIVE IN 2022

Butler County	\$268	Kingman County	\$23,574
Cowley County	\$113,112	Sedgwick County	\$4,931
Harper County	\$24,644	Sumner County	\$378,342

TOTAL \$544,871



- Residential
- Commercial
- Irrigation
- Other



- Cost of Power
- Oper. & Maint.
- Depreciation
- Admin & General
- Consumer Exp.
- Interest
- 0% Other Deductions

2022 Highlights *Continued from page 12A* ▶

members depend on. As a not-for-profit utility, we never charge more than is needed to maintain and operate our electric system responsibly. Remaining funds are returned to members in the form of capital credits — cash back over time. As a co-op member, you can trust that when we adjust

“At Sumner-Cowley Electric Cooperative, we know our members put a lot of trust in us to be responsible with their money.”

rates, we will only do so with a good reason — to cover the key components essential to keeping the power flowing to our 4,500-plus meters across five counties.

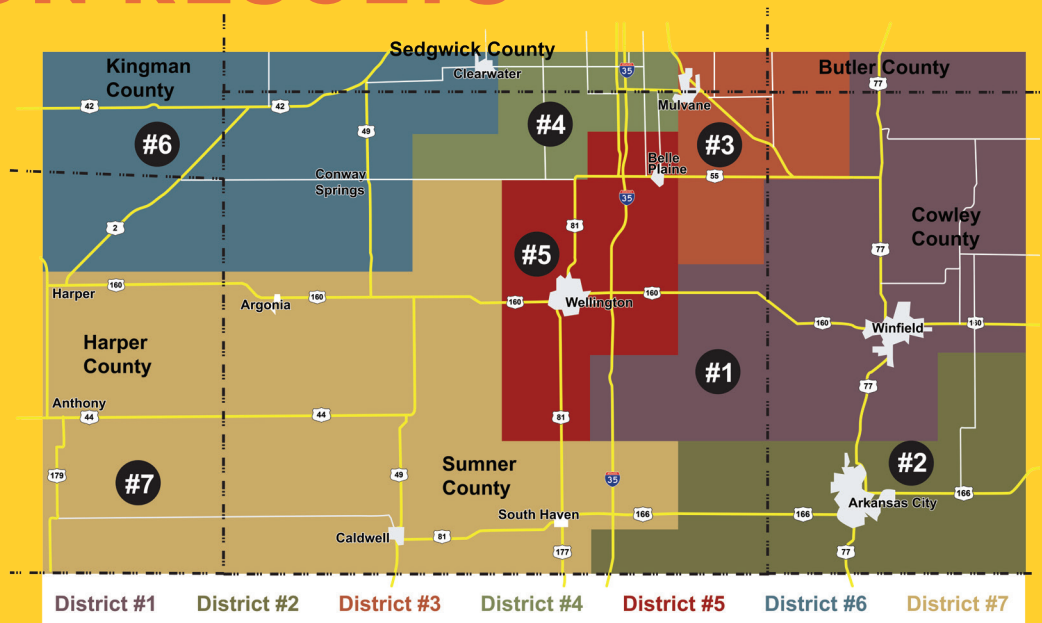
Sumner-Cowley Electric Cooperative wants to be our members’ trusted and preferred energy and rural quality of life partner. I believe we are walking in that mission today, and I’m proud to say we will continue in that direction for years to come.

COOPERATIVELY YOURS,
CONI ADAMS

CEO SUMNER-COWLEY ELECTRIC COOPERATIVE

Board of Directors ELECTION RESULTS

Sumner-Cowley Electric Cooperative is a democratically controlled, not-for-profit electric cooperative governed by seven directors elected by and from the members of their respective voting districts to serve a three-year term in office. In 2023, District 3 was up for election. The incumbent below ran unopposed. The incumbent is therefore deemed elected pursuant to the Sumner-Cowley bylaws.



District 3



John Beard

JOHN BEARD has served two terms on the Sumner-Cowley Board of Directors. He and his wife, Abby, are raising their beautiful little girl in the rural Udall area. After earning his associate degree at Butler Community College, Beard returned to his roots to continue as the fifth-generation farmer in his family. His grandfather, Gene Beard, retired from the SCEC Board of Directors in 2017 after proudly serving for 18 years. Beard was happy to fill that seat, and continue representing co-op members, friends and family.

During his six years as a director, Beard has earned his Credentialed Cooperative Director certificate, his Board Leadership certificate, and his Director Gold credential. Aside from his full-time farming operation and his position on Sumner-Cowley’s Board of Directors, he also serves on the Two Rivers Co-op Board and the Cowley County Rural Water District No. 7 Board.

Celebrating 85 YEARS

Sumner-Cowley Electric Cooperative is celebrating its 85th year of providing reliable energy to rural communities across Sumner and Cowley counties. The vision and efforts of our original board of directors in 1938 to those serving the membership today have propelled Sumner-Cowley Electric Cooperative in the future, advancing technology and electrification from promoting the extension of electric lines in rural areas to the introduction of solar generation. The commitment to providing safe, affordable and reliable electricity to our members has made the cooperative a leader in energy services, and has improved the standard of living for all members. Sumner-Cowley Electric Cooperative — **THE POWER OF MEMBERSHIP!**



Original board of directors (from left) Bert Higbee, Geo. E. McGinn, Peter Landwehr, Clarence Webber (Manager), B.D. Hutchison, Harold Koger, , H.C. Swanson and Louis Ratley. Not pictured: Mrs. Paul Bossi and Mrs. H.R. Wenrich.



Your 2023 Sumner-Cowley Electric Board of Directors. Back row, from left: Gabe Schlickau, Keith Leddy, John Beard and James McMullin. Front row, from left: Jeff Swanson, John Schon and Craig Knudsen.



Left: Miller Substation construction was completed in 1951 for a grand total of \$28,473.

Above: Miller Substation in 2023 embraces innovation with the installation of a solar field in partnership with Today's Power, Inc.