

2017

# Annual Report

April 25, 2018 | WILLIAM CARPENTER 4-H BUILDING  
608 FAIRGROUND ROAD IN SCOTT CITY

Report of



# MEETING AGENDA

WILLIAM CARPENTER 4-H BUILDING  
608 FAIRGROUND ROAD IN SCOTT CITY

Invocation & Lunch | 11:30 a.m.

Presentation of Colors

Pledge of Allegiance

National Anthem

Annual Meeting Call to Order

**WILLIAM BARNES** | President

Recognition of Trustees/Spouses

**WILLIAM BARNES** | President

Recognition of Special Guests

**BRUCE W. MUELLER** | General Manager

Declaration of Quorum

**WILLIAM BARNES** | President

Official Notice | Affidavit of Mailing

**JIM MCVAY** | General Counsel

Financial Report (Treasurer's Report)

**RADONA SMYTHE** | Director of Finance

Annual Summary

Youth Trip Winners

**TREY GREBE** | Assistant General Manager

Scholarship Awards

**BRUCE W. MUELLER** | General Manager

Service Awards

**WILLIAM BARNES** | President

Old Business

**WILLIAM BARNES** | President

New Business

**WILLIAM BARNES** | President

**JIM MCVAY** | General Counsel

Grand Prize Drawing

**WILLIAM BARNES** | President

Adjournment



## TRUSTEE NOMINEES

The following members have been nominated by the nominating committee for the position of Wheatland Electric Cooperative trustee:

### DISTRICT 3



**MIKE THON**  
1607 Rd 14  
Tribune, KS 67879

### DISTRICT 6



**DAN BONINE**  
3901 19th St.  
Great Bend, KS 67530

### DISTRICT 7



**MARK ARNOLD**  
203 S Market St.  
Caldwell, KS 67022

## PROPOSED BYLAW AMENDMENTS

The Wheatland Board of Trustees has recommended the following amendments regarding payment of capital credits to estates to the Wheatland Electric Bylaws:

**1 ARTICLE 7, SECTION 2, 7TH PARAGRAPH –** Notwithstanding any other provisions of these bylaws, the board of trustees, at its discretion, shall have the power at any time upon the death of any member (who was a natural person), if the legal representative of his estate or a legal successor if no estate, shall request in writing that the capital credited to any such deceased member be retired prior to the time such capital would otherwise be retired under the provisions of these bylaws, to retire capital credited to any such deceased member or legal successor, immediately upon such terms and conditions as the board of trustees, acting under policies of general application, and the legal representatives of such person's estate or such legal

successor, shall agree upon; provided, however, that the financial condition of the Cooperative will not be impaired thereby. The board of trustees acting under policies of general application shall determine the method upon which a legal successor must show his status as the legal successor of the decedent.

**2 ARTICLE 7, SECTION 2 –** Other procedural changes: All instances of the word "patron" have been changed to "member."

**3 ARTICLE 7, SECTION 2, PARAGRAPH 2 –** Correction of typographical error: The word "it" has been changed to "if."





# FINANCIALS

## OPERATING STATEMENT

for year ending 12/31/2017 (unaudited)

Income	
Electric Revenues	\$95,900,930
Water and Broadband Revenues	5,585,562
Interest Income	708,204
Income from Equity Investments	849,934
Capital Credits from Other Cooperatives*	5,743,337*
Non-Operating Income (Other)	(435,609)
<b>Total Income</b>	<b>\$108,352,358</b>
Expenses	
Purchased Power/Cost of Sales	\$56,463,727
Operations & Maintenance	10,393,965
Administrative & General	7,654,953
Depreciation	11,118,725
Total Interest	8,853,998
Taxes	5,098,521
Other	104,030
<b>Total Expenses</b>	<b>\$99,687,919</b>
<b>Total Margins</b>	<b>\$8,664,439</b>

(\* ) Of this amount \$4,506,018 is a non-cash allocation of margins from Sunflower Electric Power Corporation for the year of 2017.

## BALANCE SHEET

as of December 31, 2017 (unaudited)

Assets	
Cash & Short-Term Investments	\$5,694,563
Memberships and Other Investments	85,431,364
Notes Receivable	5,921,170
Accounts Receivable	11,297,371
Materials and Supplies	3,014,566
Other Current and Accrued Assets	335,087
Deferred Charges	4,596,444
Plant Assets (All Operations)	366,927,940
Accumulated Depreciation	(101,254,219)
<b>Total Assets</b>	<b>\$381,964,286</b>
Liabilities	
Principal Owed on Long-Term Debt	\$215,881,731
Interest Payable on Long-Term Debt (in 2018)	658,086
Notes Payable	39,483,652
Accounts Payable	5,884,540
Property Taxes Payable (due in 2018)	1,985,611
Consumer Deposits	659,194
Other Liabilities/Deferred Credits	4,264,421
<b>Total Liabilities</b>	<b>\$268,817,235</b>
Equities	
2017 Operating Margin	\$1,899,759
2017 Non-Operating Margin	6,764,680
Prior Years Margins	103,469,582
Other Equities	1,013,030
<b>Total Equities</b>	<b>\$113,147,051</b>
<b>Total Liabilities and Equity</b>	<b>\$381,964,286</b>

## PROPERTY TAXES

Wheatland Electric will pay a total of \$3,778,940 in property taxes for 2017. These amounts were assessed against assets such as electric lines, poles, buildings, trucks and water and broadband-related equipment owned by Wheatland. As a not-for-profit cooperative, Wheatland is exempt from income tax. At right is a listing of property taxes assessed by county for 2017.

County	Amount	County	Amount
Finney	\$1,228,241	Kingman	\$100,888
Barton	450,661	Gray	35,955
Harper	415,502	Reno	5,186
Kearny	368,387	Wallace	2,956
Scott	270,797	Logan	2,106
Hamilton	265,794	Sedgwick	1,616
Greeley	223,021	Lane	201
Wichita	222,289	Haskell	67
Sumner	185,232	Seward	41

Total 2017 Property Taxes Paid (18 counties) \$3,778,940



# COMMUNITY



Central Kansas Christian Academy students helped deliver 5,700 pounds of food to the Barton County Food bank. CKCA was the winner of the inaugural Cram the Van School Challenge sponsored by Hiss-Sherman Wealth Management.



The Cram the Van Fall Finale was held at the Spencer Flight & Education Center, where attendees could participate in a candy drop, Young Eagle airplane rides, pumpkin decorating, hay rides and other fall activities.



Students from the Conway Springs High School helped to collect more than 4,332 pounds of donations and \$1,964 to the local Mission Mart food bank.



General Manager Bruce Mueller helps deliver 2,180 pounds in donations to Hope's Closet, the local food bank in Scott City.

## CRAM THE VAN

Concern for community is the seventh Cooperative Principle, and it is one that all employees of Wheatland Electric value year-round. Wheatland Electric members help us give back, too. Through our 2017 Cram the Van food drive, you helped us collect almost 10 tons of food (19,332 lbs.) for our local food banks. All donations stayed in the communities in which they were collected. Over the past four years, more than 21 tons have been donated thanks to Wheatland members.

2014 6,615 lbs.

2015 7,081 lbs.

2016 9,363 lbs.

2017 19,332 lbs.

**Total** 42,391 lbs.

## YOUTH TOUR WINNERS

Each year, Wheatland sponsors four local youth to attend all-expense-paid trips of a lifetime. Two will attend the Electric Cooperative Youth Tour to Washington, D.C., from June 7-14, 2018, and two will travel to Steamboat Springs, Colorado, for the Cooperative Youth Leadership Camp from July 13-19, 2018. Congratulations to this year's winners!

### WASHINGTON, D.C.

### STEAMBOAT SPRINGS, CO



**CADE  
DVORAK**

South Haven High School



**SEBASTIAN  
TORRES**

Greeley Co. High School



**BRANT  
COTTA**

Argonia High School



**SAMMIE  
STRNAD**

Caldwell High School

## SCHOLARSHIP WINNERS | 2018

Wheatland awards up to \$13,000 in scholarships, each year, to seniors graduating from one of the 13 high schools in our service territory.

**TREVOR PIERCE** | Argonia High School

**JUSTIN BROWN** | Caldwell High School

**HUNTER SMITH** | Chaparral High School

**MAKENNA BEESLEY** | Conway Springs High School

**LAUREN MILLER** | Great Bend High School

**ARELY YANEZ** | Greeley County High School

**KYLE HAMMOND** | Holcomb High School

**PAYTON GARRISON** | Norwich High School

**DEXTER GOODEN** | Scott Community High School

**KENDALL RAY** | South Haven High School

**MACEY DEWEESE** | Syracuse High School

**MARELI SALAZAR** | Wichita County High School



Touchstone Energy<sup>®</sup>  
Cooperatives

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GARDEN CITY  
COOP  
DEERFIELD

SPR A  
CON R



## 2017 ANNUAL MEETING MINUTES

The 2017 Annual Meeting of the members of Wheatland Electric Cooperative, Inc. (Wheatland or Cooperative) was held on April 19, 2017, in the Wichita County Community Building at 506 E. M Street in Leoti, Kansas, at 12:30 p.m. CDT. The meeting was held pursuant to notice provided each member of the Cooperative. Charles Ayers presented an invocation prior to the luncheon that began at 11:30 a.m.

Woody Barnes, Board President, served as Chairman throughout the meeting. The Chairman called to order the 69th Annual Meeting and welcomed all members. Chairman Barnes introduced the Officers and Trustees of the Cooperative. Bruce Mueller, General Manager, introduced special guests in attendance.

Chairman Barnes announced there were 89 members present in person at the meeting and 54 members present by proxy. Those members present by proxy were reported by overhead projection. The Cooperative membership exceeds 1,000, and therefore, 50 members or more present constitutes a quorum. A quorum was announced by Chairman Barnes.

Chairman Barnes presented that the official Notice of Annual Meeting, the Affidavit of Mailing, and the Certificate of Membership would be read to the members present. Motion was made by members from the floor, seconded and passed by unanimous vote to waive the formal reading of the Official Notice of the Annual Meeting, the Affidavit of Mailing and the Certificate of Membership.

Jim McVay, legal counsel for the Cooperative, summarized the Official Notice of the Annual Meeting, the Affidavit of Mailing, and the Certificate of Membership.

The 2016 Annual Meeting minutes were provided to the members when registering at the meeting. Chairman Barnes presented that the 2016 Annual Meeting minutes would be read to the membership. Motion was made from the floor to dispense with the reading of the 2016 minutes and to approve them as presented; it was seconded, and approved by unanimous vote. The reading of the previous minutes was waived. There were no additions or corrections to the minutes and they were approved.

Radona Smythe, Director of Finance, presented the Treasurer's Report, which was also published in the April issue of *Kansas Country Living* magazine and was mailed to each of the members, along with the official Notice of Meeting. Chairman Barnes asked the members if there were questions relative to the report. Chairman Barnes announced he would entertain a motion to accept the report as mailed to each of the members of the Cooperative. Upon motion made, seconded, and passed by unanimous vote, the Treasurer's Report was approved.

Chairman Barnes introduced Stuart Lowry, President & CEO of Sunflower Electric Power Corporation, to provide a special presentation to the membership. Mr. Lowry explained Sunflower's relationship with Wheatland and the Southwest Power Pool's integrated market. Mr. Lowry explained that it was Sunflower's goal to provide power at the lowest possible rate. Mr. Lowry also presented on the consequence of wind power on transmission in the Southwest Power Pool.

Mr. Mueller made a special presentation to the members. Mr. Mueller presented on Wheatland Electric highlights for 2016. He discussed the automated metering infrastructure (AMI) deployment, and the combining (east and west) of Wheatland's rules and regulations. He explained the rate adjustment that was implemented in 2016. Mr. Mueller also explained that there would be a \$750,000 capital credits payment provided to the members in 2017 based on the 2016 financial performance of the company.

Shawn Powelson, Manager of Member Services & Corporate Communications, gave a special presentation on the Youth Tour and scholarship programs offered by Wheatland. Mr. Powelson announced the Cooperative's winners for the Youth Tour as follows:

- ▶ **PAYTON GARRISON**, Norwich – Washington, D.C., Electric Cooperative Youth Tour
- ▶ **ARELY YANEZ**, Tribune – Washington, D.C., Electric Cooperative Youth Tour
- ▶ **JUSTIN BROWN**, Caldwell – Steamboat Springs, Colorado, Cooperative Youth Leadership Camp
- ▶ **ROSSIEL REYES**, Caldwell – Steamboat Springs, Colorado, Cooperative Youth Leadership Camp



Proof

The 2017 scholarship recipients were introduced. Mr. Mueller presented certificates to the students attending the meeting. The 2017 recipients were announced as follows:

- ▶ **COURTNEY LARSON**, Argonia
- ▶ **LYDIA STEWART**, Caldwell
- ▶ **BRE AKIU**, Conway Springs
- ▶ **ASHTIN HEATH**, Great Bend
- ▶ **MORGAN CROCKETT**, Greeley County/Tribune
- ▶ **SIDNIE MATHES**, Harper
- ▶ **MEGAN ROTH**, Holcomb
- ▶ **ABBY FISCHER**, Leoti
- ▶ **ERIN HALL**, Norwich
- ▶ **KYLEE TROUT**, Scott City
- ▶ **REINA SEAL**, Syracuse

Service awards were then presented by Chairman Barnes and Mr. Mueller to employees as follows:

<b>35 YEARS</b> Terry Rebel	<b>20 YEARS</b> Wes Campbell	<b>10 YEARS</b> Pam Brungardt Amy Jones Jake Jones Lisa Loeppke Shawn Ryan Joe Thomeczek Brad Thyne Quintin Wheeler	<b>5 YEARS</b> Brandon Barrett Lewis Brown Cody Ellis Jordan Habiger Bruce Mueller Beth Nelson Shawn Powelson Heather Rufenacht Nathan Shrock
<b>30 YEARS</b> Eilene Jacobs	<b>15 YEARS</b> Ben Hahn Tuan Herrell Gearold Leverett Andy Pivonka Tyson Ryff		
<b>25 YEARS</b> Mark Kircher			

Chairman Barnes then inquired whether there was any old business to come before the meeting. There was no old business to come before the meeting.

Chairman Barnes then called for new business. There was no new business announced from the floor. Chairman Barnes announced an item of new business was the election of Wheatland Trustees. Mr. McVay read the Nomination Committee Affidavit. The Nominating Committee was composed of Ed Cupp, Milan Reimer, Dale Wetzell, Marvin Graber, Robert Buerkle, Matt Hoisington and Kim Miller. The Nominating Committee placed into nomination and selected the following candidates: Katie Eisenhour, District 1; Vic Case, District 2; Stacey Addison-Howland, District 4; and, John Kleysteuber, District 5. All nominations were made by motion, seconded and passed by unanimous vote. The members were told that additional Trustee candidates could be nominated from the floor. The qualifications for the Office of Trustee were read to the members verbatim from the Wheatland Bylaws.

Thereafter, Mr. McVay and Chairman Barnes asked for nominations from the floor. After waiting more than one minute, there were no nominations from the floor. Motion was made, seconded and passed by unanimous vote to close the floor nomination process. Because there were no nominations from the floor, there was a discussion from the floor to dispense with the casting and counting of ballots of Trustees and to approve the full slate of candidates selected by the Committee on Nominations. On motion made, seconded and passed by unanimous vote, there was no casting and counting of ballots for Trustees and the nominations made by the Committee on Nominations were approved by unanimous vote of the membership.

Chairman Barnes asked for and found there was no additional new business to be presented at the meeting. Chairman Barnes asked for a motion to adjourn the meeting. A motion was made, seconded and carried at 2:10 p.m. CDT.

**RESPECTFULLY SUBMITTED,  
JAMES M. MCVAY, GENERAL COUNSEL**





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## SERVICE AWARDS

*\* indicates Wheatland Trustee*

### 35 YEARS

Rick Klaus  
Phillip Shelley

### 30 YEARS

Marcia Matthies

### 20 YEARS

Jevin Kasselman

### 15 YEARS

Josh Holt  
Michael Ille  
Pam Murphy  
Perry Smith

### 10 YEARS

Paul Aguiniga  
Dan Bonine\*  
Mark Douglas  
Steve Gerard  
Steve Hageberg  
Jillane Koochel

Lucy Martinez  
Eric Newberry  
Neil O'Connell  
Clay Shelton  
Jim Welker

### 5 YEARS

Kreyton Demel  
Katie Eisenhour\*  
Tyler Gehring  
Chris Oliver  
Robert Osterberg  
Chris Schurle  
Justin Skelton

## BOARD OF TRUSTEES



PRESIDENT

**William Barnes**



VICE PRESIDENT

**Wes Campbell**



SECRETARY

**Stacey Addison-Howland**



TREASURER

**Dan Bonine**



TRUSTEE

**Mark Arnold**



TRUSTEE

**Vic Case**



TRUSTEE

**Katie Eisenhour**



TRUSTEE

**Robert Hiss**



TRUSTEE

**John Kleysteuber**



TRUSTEE

**Mike Thon**

## WHEATLAND MANAGEMENT

▶ **BRUCE W. MUELLER**

General Manager

▶ **JEVIN KASSELMAN**

Director of Broadband & Information Technology

▶ **RADONA SMYTHE**

Director of Finance & Accounting

▶ **PAM MURPHY**

Executive Assistant

▶ **TREY GREBE**

Assistant General Manager

▶ **BARBARA KIRK**

Director of Human Resources

▶ **QUINTEN WHEELER**

Manager of Safety & Compliance

▶ **RHEI THURMAN**

Executive Assistant

▶ **JIM MCVAY**

General Counsel

▶ **PHILLIP SHELLEY**

Director of Operations

▶ **LUKE WEST**

Director of Corporate Services & Water Division

▶ **PAM BRUNGARDT**

Director of Consumer Services





## CO-OP HISTORY

In 1948, nine visionary Western Kansas residents decided to take matters into their own hands and form an electric cooperative. They were tired of being left behind by the big for-profit power companies that didn't want to spend the money to connect rural America to the grid. And so, Wheatland Electric Cooperative was born. Wheatland Electric is proud to "Deliver Energy for Life" to more than 20,000 Kansas homes and businesses with a total of approximately 32,000 meters. We care because we're not just a company. We're a cooperative. We're owned by the people we serve in 14 different Kansas counties and parts of two counties in Colorado. It takes more than 100,000 poles and nearly 4,500 miles of power lines, spanning approximately 4,600 square miles, to distribute electricity to our members.

Today that same up-by-the-bootstraps attitude lives on at Wheatland. When internet service providers failed to provide Western Kansas residents with fast, reliable broadband service, we started our own—now serving more than 3,000 members. When Wheatland became aware that quality water was scarce in the Garden City area, it founded Wheatland Water to ensure a reliable supply. And after Great Bend, Harper, and the surrounding area residents suffered with poor service for years, Wheatland was one of the co-ops that stepped up to take over for the investor-owned power company there and restore reliable power.





# SERVICE AREA

## WHEATLAND OFFICES

### SCOTT CITY-MAIN

101 Main Street  
PO Box 230  
Scott City, KS 67871  
620-872-5885

### GARDEN CITY

2005 W. Fulton  
PO Box 973  
Garden City, KS 67846  
620-275-0261

### GREAT BEND

2300 Broadway  
PO Box 1446  
Great Bend, KS 67530  
620-793-4223

### HARPER

906 Central  
PO Box 247  
Harper, KS 67058  
620-896-7090

### LEOTI

N. Hwy 25  
PO Box 966  
Leoti, KS 67861  
620-375-2632

### SYRACUSE

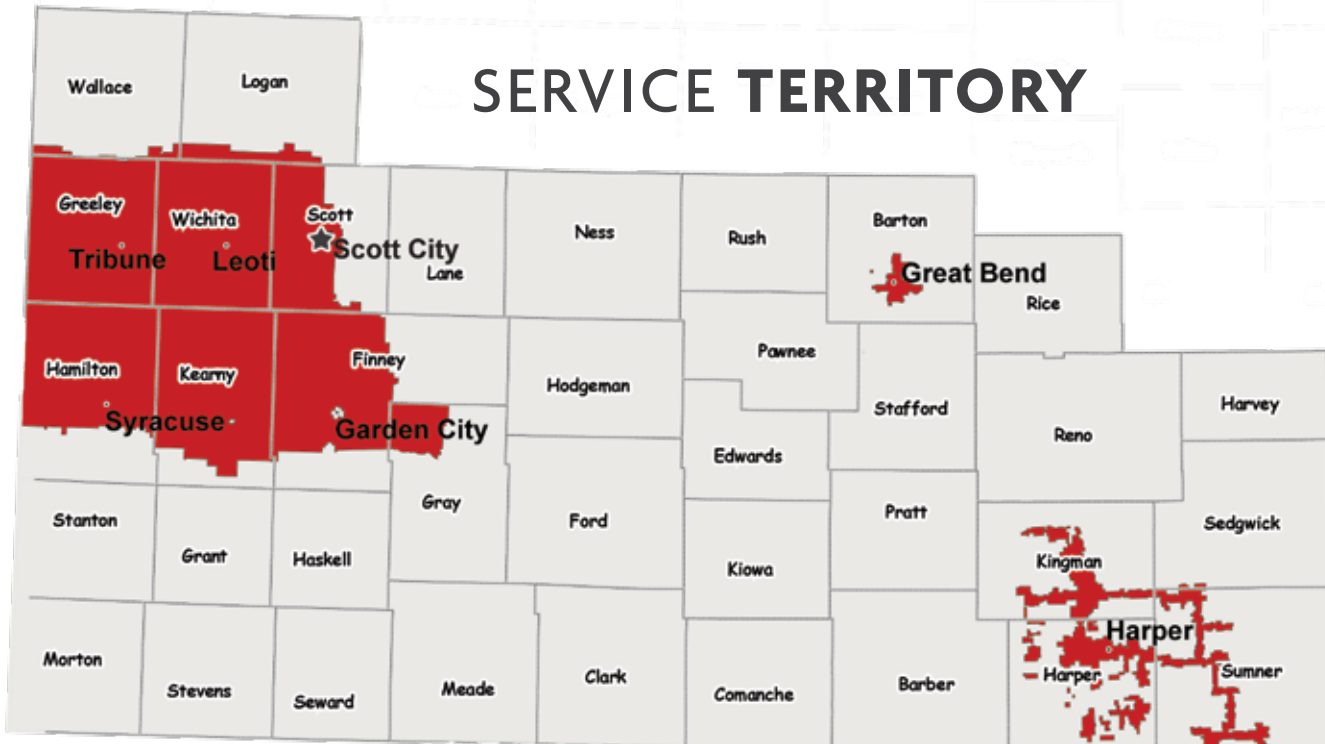
206 1/2 N Main  
PO Box 1010  
Syracuse, KS 67878  
620-384-5171

### TRIBUNE

310 Broadway  
PO Box 490  
Tribune, KS 67879  
620-376-4231

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## SERVICE TERRITORY



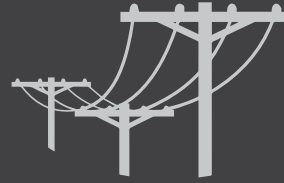
 Wheatland Electric Cooperative Territory

 Cooperative Headquarters

# YOUR COOPERATIVE



**141**  
**Employees**



**4,633**  
**Miles of Line**



**32,712**  
**Meters**

Visit us at [www.weci.net](http://www.weci.net) or “like” Wheatland Electric on Facebook

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