

ANNUAL REPORT *Inside*



The Sedgwick County Electric
Cooperative Association, Inc.

DOORS OPEN AT 6:15 P.M.
THE COTILLION | 11120 W. KELLOGG, WICHITA, KANSAS

LOOK FOR YOUR REGISTRATION CARD
ON THE BACK COVER

Join us for our

ANNUAL MEETING

Tuesday, April 7, 2026

Kansas
COUNTRYLiving



EMPLOYEES

The day-to-day operation of Sedgwick County Electric Cooperative is handled by the employees listed below.

Scott Ayres

CEO/General Manager

Kyle Pipkin

Line Superintendent

Lora Alloway

Office Manager

Jo Luehrs

Executive Assistant

Andy Riggs

IT Manager

Cindy Kill

Member Services Director

Ashton Ryder

Accountant

Jennifer Krehbiel

Billing Specialist

Julie Griffin

Billing/Accounting Assistant

Amy Dockers

Accounting Assistant

Tim Rosenhagen

Staking Engineer

Scott Leis

Assistant Staking Engineer/Warehouseman

Mark Hansen

Foreman

Tommy Hill

Foreman

Braden Harp

Journeyman Lineman

Shane Gleeson

Journeyman Lineman

Ean Anders

Apprentice Lineman

Tagen Kippes

Apprentice Lineman

Kade Wahlers

Apprentice Lineman

Blake Stucky

Apprentice Lineman

Josh Wood

Equipment Operator/Groundman

Robert Lacy

Serviceman

COVER PHOTO BY ALFALFA ELECTRIC COOPERATIVE, CHELSEY GUFFY

Board of Directors



CLINT DEVORE
Territory 5

PRESIDENT



CINDY FOSTER
Territory 1

VICE PRESIDENT



REX SMITH
Territory 3

SECRETARY/TREASURER



JOSEPH BAALMANN
Territory 7

DIRECTOR



JOSEPH GASSMANN
Territory 4

DIRECTOR



EUGENE SCHEER
Territory 6

DIRECTOR



STEPHANIE SEILER
Territory 8

DIRECTOR



ALAN SMARSH
Territory 2

DIRECTOR



STAN THEIS
Territory 9

DIRECTOR



SCOTT AYRES

CEO/GENERAL MANAGER



DANIELLE DAVEY

GENERAL COUNSEL

SEDGWICK COUNTY ELECTRIC EMPLOYEES



BACK ROW (FROM LEFT): Andy Riggs, Tim Rosenhagen, Scott Leis, Kyle Pipkin, Mark Hansen, Blake Stucky, Robert Lacy, Tommy Hill, Josh Wood, Braden Harp, Shane Gleeson, Tagen Kippes, Kade Wahlers, Ean Anders and Scott Ayres. **FRONT ROW (FROM LEFT):** Cindy Kill, Amy Dockers, Ashton Ryder, Lora Alloway, Jennifer Krehbiel, Julie Griffin and Jo Luehrs.

JOIN US FOR OUR ANNUAL Meeting



The Sedgwick County Electric
Cooperative Association, Inc.

Tuesday, April 7, 2026

DOORS OPEN AT 6:15 P.M.

THE COTILLION | 11120 W. KELLOGG, WICHITA, KANSAS

FROM THE CEO/GENERAL MANAGER

2026 CEO Report



Scott Ayres

Please accept our invitation to attend the 88th Annual Meeting of The Sedgwick County Electric Cooperative Association, Inc. The meeting and meal are free for co-op members and will be held Tuesday, April 7, 2026, at The Cotillion. Registration will begin at 6:15 p.m., dinner will be served at 6:30 p.m. Our formal meeting will be short and there will be plenty of prizes given away, along with a \$10 bill credit and registration gift for attending.

Your co-op completed 2025 in good financial standing and looks forward to serving your energy needs for many years to come. Your co-op finished the year with margins totaling \$1,844,993. This was above the \$576,063 margins in 2024 and enough to meet our mortgage requirements. This good financial position allowed the board of directors to approve the general retirement of 100% of the capital credits from the 2008 patronage totaling approximately \$326,186. These capital credits were applied to your March electricity bill. We attribute this strong financial position to a supportive board of directors, committed and talented staff, and loyal financial/business partners. We are blessed and privileged to serve you, our member-owners. As a member-owned co-op, Sedgwick County Electric Cooperative is committed to providing safe, reliable, innovative energy solutions for you, our member-owners.

Quality service starts with the infrastructure that carries electricity to the homes, farms, and businesses that are vital to the success of our communities. Upgrading and maintaining infrastructure is important. Our comprehensive construction work plan calls for more than \$4 million in infrastructure upgrades in the next three years. Upgrades include increasing the capacity of existing overhead and underground distribution lines, constructing new lines in areas with accelerated growth, and replacing older distribution poles and aging overhead and underground conductors. The largest project we completed

YOU'RE A CO-OP MEMBER-OWNER

Being part of an electric cooperative is unique. Why? Because cooperatives are not typical businesses. There are nearly 900 electric co-ops in the U.S., and each is slightly different because they are designed to serve the needs of the local community. Sedgwick County Electric was formed as a non-profit in 1937 by farmers and ranchers to serve the community. More than **88 YEARS** later we are still committed to serving and improving the communities we power.

in 2025 was the replacement of our metering technology. Upgraded meters are more accurate in detecting issues more quickly, so linemen can find outages more precisely and allow the co-op to be more efficient in restoration.

On behalf of myself and the entire board of directors, I would like to thank all the employees and members of Sedgwick County Electric Cooperative for your support and commitment to making Sedgwick County Electric a co-op we can all be proud of.

While continuing our commitment to improved reliability, your co-op board and management remain mindful of the need to maintain reasonable rates. We continually scrutinize our operations of the co-op to hold the line on costs, while closely monitoring issues and legislation at both the state and national levels that could adversely affect our ability to keep costs low for our members.

We continue to deal with the effects of inflation, transmission costs, and the increasing cost to maintain reliability. Sedgwick County Electric's cost to provide service has increased as a result. Materials to construct and maintain our infrastructure, in some cases, have doubled.

I would also like to thank you, our members, for your ongoing support in the past year. Your support through letters, emails, posts on social media, and on the phone were appreciated by the employees who worked hard to bring you the best service possible. Co-op members — our member-owners — are the key to our success.

Sedgwick County Electric has so much to be proud of as an electric provider. The co-op has a strong record for providing

Continued on page 12B ▶

2026 CEO Report

Continued from page 12A ▶

reliable power, is a consistent supporter of the communities we serve, and exemplifies the co-op principles in its daily operations. Our service territory is attractive to families and new businesses — providing the perfect framework for a powerful future.

Change is a constant force at today's co-op. We are focused on providing your co-op with the tools you need to help navigate change in its many forms. The use of smart household appliances, artificial intelligence, sensors and communications, and drones is poised to create significant disruption to the existing business model and our lives. It is also critical that we continue to serve all members in our growing communities as this transition moves ahead. We are facing unprecedented shifts in the foundational aspects of our business model. These shifts are a combination of market realities and accelerating technologies.

Amid this change, the focus of your electric co-op remains unchanged. Our priority is reliably keeping the lights on at a cost local families and businesses can afford. Our goal is to help members save money without sacrificing comfort or convenience. The focus on reliability and resiliency of the electric grid that affordably keeps the lights on is the cornerstone of American energy security and the national economy. We need to make smart investments and develop robust programs that will serve our members in this changing future. Our strategy to address these challenges includes education and communication of the cooperative difference. We value transparency at Sedgwick County Electric.

I look forward to working with the board of directors and employees to lead our co-op into the future. Look for me in your community and reach out to share your questions and insights. Together, we will grow this co-op to continue powering your quality of life. We're not just a utility; we are an energy partner.

If you have questions, please call or stop by.

Financial Report

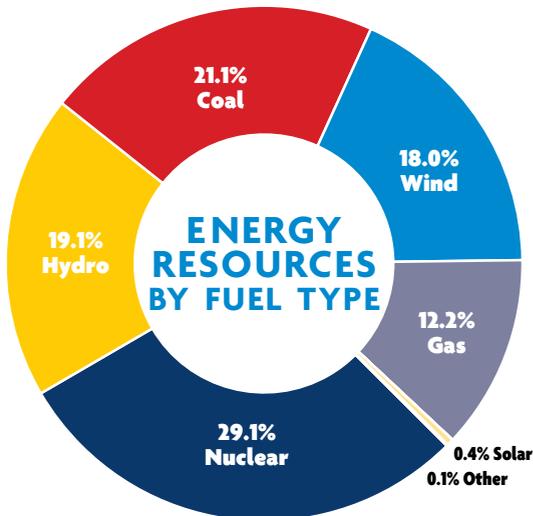
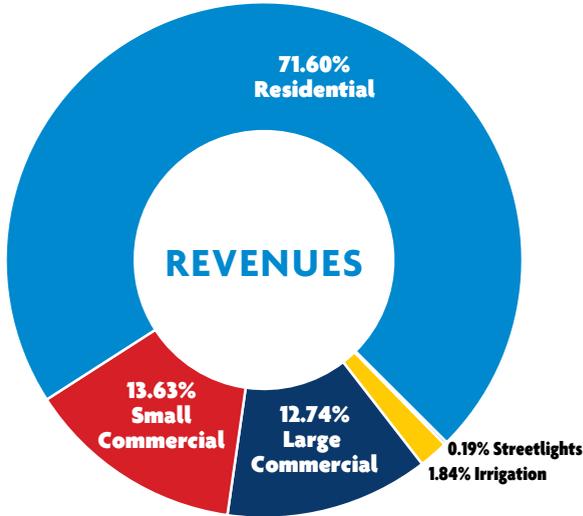
BALANCE SHEET AS OF DEC. 31, 2025

ASSETS	2025	2024	2023
Lines, Buildings, and Operating Equipment	\$46,187,909	\$46,921,668	\$41,112,374
Less Accumulated Provision for Depreciation	\$20,054,095	\$19,899,870	\$18,547,779
Net Value of Plant	\$26,133,814	\$27,021,798	\$22,564,595
Cash	\$226,520	\$136,240	\$178,146
Investments	\$-	\$-	\$-
Long-Term Investments in Associated Org.	\$352,103	\$391,153	\$391,153
Patronage Capital — KEPCo & Others	\$7,069,715	\$6,707,235	\$6,612,480
Accounts Receivable	\$1,850,733	\$1,565,166	\$1,731,426
Material & Supplies	\$1,634,955	\$1,806,349	\$2,154,389
Prepayments — Power Bill, Insurance, & Others	\$4,738,319	\$3,630,577	\$2,493,458
Deferred Debits — Prepaid Pension & Others	\$860,748	\$954,979	\$1,043,480
TOTAL NET ASSETS	\$42,866,907	\$42,213,497	\$37,169,127
LIABILITIES			
Long-Term Debt	\$15,324,575	\$15,879,304	\$12,378,546
Consumer Deposits & Accrued Liabilities	\$945,073	\$924,832	\$848,159
Accounts Payable	\$450,222	\$1,210,775	\$926,471
Deferred Credits	\$2,239,525	\$1,641,969	\$416,848
TOTAL LIABILITIES	\$18,959,395	\$19,656,880	\$14,570,024
MEMBER EQUITY			
Patronage Capital & Other Equities	\$18,183,467	\$16,647,539	\$16,733,645
Patronage Capital from KEPCo	\$5,724,045	\$5,909,078	\$5,865,458
TOTAL MEMBER EQUITY	\$23,907,512	\$22,556,617	\$22,599,103
TOTAL LIABILITIES AND MEMBER EQUITY	\$42,866,907	\$42,213,497	\$37,169,127

OPERATING STATEMENT FOR YEAR-ENDING DEC. 31, 2025

	2025	2024	2023
OPERATING REVENUE	\$21,347,837	\$19,645,747	\$19,698,746
Purchase Power Cost	\$13,589,835	\$13,092,242	\$12,684,766
Operation and Maintenance Expenses	\$2,091,040	\$2,051,979	\$1,833,040
Consumer Accounting, Sales, Administrative and General Expenses	\$2,140,893	\$1,908,219	\$1,926,273
Depreciation	\$1,619,417	\$1,754,701	\$1,422,162
Taxes (Included in Operations & Maintenance)	\$-	\$-	\$-
Interest Expenses and Misc. Deductions	\$702,403	\$598,919	\$522,842
TOTAL COST OF SERVICE	\$20,143,588	\$19,406,060	\$18,389,083
OPERATING MARGINS	\$1,204,249	\$239,687	\$1,309,663
O-TIER (1.10 REQUIRED)	2.81	1.42	3.69
Non-Operating Margins	\$490,377	\$251,381	\$227,657
G&T Capital Credits	\$150,367	\$84,995	\$195,657
TOTAL MARGINS	\$1,844,993	\$576,063	\$1,732,977

2025 FACTS & FIGURES



156,982,974

TOTAL kWh SALES

\$14,898,486

TOTAL CAPITAL CREDITS PAID TO MEMBERS

\$46,187,909

PLANT INVESTMENT

\$326,186

2008 CAPITAL CREDITS PAID TO MEMBERS THIS YEAR

\$380,398

PROPERTY TAXES EXPENSED

13.53¢

AVERAGE PRICE PER kWh SOLD

8.24¢

POWER COST PER kWh PURCHASED

8,530

ENERGIZED METERS

1,222

kWh/RESIDENTIAL MEMBER PER MONTH

5.47

HOURS OF INTERRUPTION PER MEMBER

68
CENTS

For every dollar you spend on electricity 68 cents goes toward the cost of wholesale power.

32
CENTS

Consumer Accounts, Admin. & General (11 cents), Operations & Maintenance (10 cents), Depreciation (8 cents) and Interest (3 cents).



YOUR ENERGY DOLLAR

APRIL 8, 2025

THE SEDGWICK COUNTY ELECTRIC COOPERATIVE ASSOCIATION, INC.

87th Annual Meeting Minutes

The 87th Annual Meeting of The Sedgwick County Electric Cooperative Association, Inc. was held at The Cotillion in Wichita, Kansas, on April 8, 2025. President Clint DeVore called the meeting to order at 7:01 p.m.

Father McKinney gave the invocation and President DeVore welcomed the directors, members, and special guests.

There were 293 registered members (50 members constitute a quorum). A meal was served to 550 members and guests prior to the official meeting.

President DeVore recognized the men and women in the armed forces and first responders. He also introduced The Sedgwick County Electric Cooperative Board of Directors, Attorney Danielle Davey, special guests and General Manager/CEO Scott Ayres.

President DeVore reported that the secretary had in their possession the official notice and proof of mailing of the notice. It was moved and seconded that these documents be accepted and omit reading. Motion carried.

President DeVore requested that the minutes of the 86th Annual Meeting be approved as printed in the notice and omit reading. A motion was made and seconded to omit reading and accept the 86th Annual Meeting minutes as printed in the notice. Motion carried.

Manager Ayres reported that the cooperative completed the year 2024 in a strong financial position. He stated that 100% of capital credits from 2007 were returned to the membership and margins meet the financial requirements of our lenders. He stated the cooperative continues to offer some of the most competitive electric rates in

Kansas and is in good financial position to fund our construction, maintenance, and operational needs. With the continued growth of new homes and businesses, energy sales remained steady through 2024.

Manager Ayres called upon Attorney Danielle Davey to read the names of those running for the position of director as follows: Territory 7, Joseph Baalman; Territory 8, Stephanie Seiler and Virgil Albert; and Territory 9, Stan Theis. Attorney Davey asked whether any candidate would like to address the membership prior to the casting of ballots. Stephanie Seiler and Virgil Albert addressed the membership. Attorney Davey reviewed the rules of voting per the bylaws of the cooperative. Votes were cast by the membership. The assigned voting tellers and employees collected and tallied the ballots.

Manager Ayres called upon Lee Tafanelli, CEO of the Kansas Electric Cooperatives, Inc. (KEC) to speak to the membership.

Manager Ayres called upon Kevin Noblet, Executive Vice President & CEO of Kansas Electric Power Cooperative (KEPCo) to speak to the membership.

Manager Ayres announced the 2025 Youth Tour program winners. Emerie Van Voorhis of Sedgwick High School, daughter of Clinton Brown and Nikki McKee, will attend the Electric Cooperative Youth Tour in Washington, D.C., and receive a \$500 scholarship. Maximus Miller of Cheney High School, son of Nathan and Erin Miller, will attend the Cooperative Youth Leadership Camp near Steamboat Springs, Colorado,

and receive a \$500 scholarship. Sedgwick County Electric awarded two additional \$500 scholarships to Edyn Stolz of Andale High School, daughter of Jay and Megan Stolz, and Levi Brownell of Goddard High School, son of Craig and Virginia Brownell.

Manager Ayres called upon the 2024 Youth Tour program winners Noah Dietz and Clare Munn to speak to the membership about their cooperative-sponsored trips.

Manager Ayres called upon Attorney Davey to announce the director's election results. Those elected for a three-year term were: Territory 7, Joseph Baalman; Territory 8, Stephanie Seiler; and Territory 9, Stan Theis.

President DeVore asked if there was any unfinished business; there was none. He then called for any new business. There being no new business, President DeVore declared the 87th Annual Meeting officially adjourned at 7:48 p.m.

Manager Ayres thanked those present for attending. He distributed years of service recognition gifts to the directors and employees and thanked them for their service to the cooperative: Director Cindy Foster for 25 years; Director Joe Baalman for five years; Assistant Staking Engineer Scott Leis for five years; and Executive Assistant Jo Luehrs for five years. He shared that this past year our employees achieved two safety awards — No Lost Time and Certificate of Achievement for Safety — and thanked the employees for working together safely. He introduced the employees and drew for prizes.

REX SMITH, SECRETARY-TREASURER

RECEIVE A \$10 BILL CREDIT FOR ATTENDING!

REGISTRATION

Ticket

BRING THIS TICKET WITH YOU TO THE
ANNUAL MEETING
TUESDAY, APRIL 7, 2026
TO BE ENTERED IN A DRAWING FOR

\$100 Cash

2026 BOARD OF DIRECTORS

Candidates

TERRITORY 1



CINDY FOSTER
Incumbent

MEMBER SINCE: 1995
CO-OP
AFFILIATION:
Vice President of

The Sedgwick County Electric Cooperative Association, Inc. and Sedgwick County Electric board representative for Kansas Electric Cooperatives, Inc.

OCCUPATION: Retired

OTHER AFFILIATIONS: Former business owner and teacher. Supervising judge for annual elections in Sedgwick County. Attends Pathway Church and works in the Care Portal ministry for Wichita and surrounding areas.

EDUCATION: Graduate of Halstead High School, graduate of Wichita State University with an Associate of Science in Secretarial Training and Bachelor of Arts in Education. NRECA Credentialed Cooperative Director Certificate, Board Leadership Certificate, and Director Gold Credential.

"I have been on the board for many years. One of the privileges in my life! We are in some of the most exciting but challenging times within our industry. Many new technologies ahead of us. I will do my best to represent you, our members, with the decisions I make on your behalf. I was just recently elected to represent our co-op on the Kansas Electric Cooperatives Board of Directors for a six-year term and would very much like to be able to fulfill this endeavor."

TERRITORY 2



ALAN SMARSH
Incumbent

MEMBER SINCE: 1983
CO-OP
AFFILIATION:
Director of The Sedgwick County

Electric Cooperative Association, Inc.

OCCUPATION: Sales Representative for ABC Supply Company.

OTHER AFFILIATIONS: Member of St. Marks Catholic Church and former board member.
EDUCATION: Graduate of Andale High School, NRECA Credentialed Cooperative Director Certificate, Board Leadership Certificate, and Director Gold Credential.

"I am running for reelection to continue helping our members receive reliable electricity at a fair rate."

TERRITORY 3



REX SMITH
Incumbent

MEMBER SINCE: 1976
CO-OP
AFFILIATION:
Director of The

Sedgwick County Electric Cooperative Association, Inc.

OCCUPATION: President of Kansas Safety Training Center, Inc.

OTHER AFFILIATIONS: Member of St. Cecilia Church, former Knights of Columbus field agent, former Derby Chamber of Commerce member, former Optimist Club member, former Wichita Advertising Club member, Knights of Columbus fraternal insurance counselor and served in the

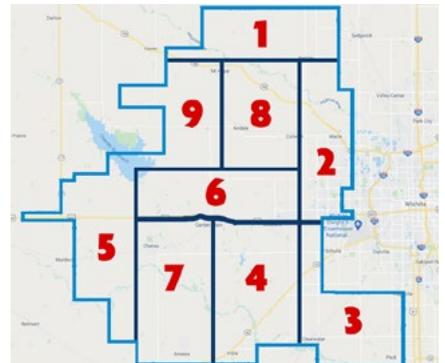
Army Reserve for six years.

EDUCATION: Graduate of Clearwater High School, attended Emporia State University, attended Kansas Midwestern School of Broadcasting, completed Dale Carnegie course. NRECA Credentialed Cooperative Director Certificate, Board Leadership Certificate, and Director Gold Credential.

"There are a lot of issues facing co-ops today such as solar and wind generation, electric vehicles and keeping the lights on, which all take experienced directors to make good decisions. Our co-op is facing all of these issues and preparing for the future. Thank you for your support."

TERRITORY MAP

- ▶ **TERRITORY 1**
North of 109th Street N. (Irish Creek Road)
- ▶ **TERRITORY 2**
South of 109th Street N., North of US 54, East of 167th Street W.
- ▶ **TERRITORY 3**
East of 167th Street W., South of US 54



↑ BRING THE REGISTRATION CARD ABOVE WITH YOU TO THE ANNUAL MEETING. ↑

NOTICE OF 2026

ANNUAL Meeting



The Sedgwick County Electric
Cooperative Association, Inc.

Tuesday, April 7, 2026

DOORS OPEN AT 6:15 P.M.

THE COTILLION | 11120 W. KELLOGG, WICHITA, KANSAS

The 88th Annual Meeting of The Sedgwick County Electric Cooperative Association, Inc. will be held at The Cotillion, 11120 W. Kellogg, Wichita, Kansas, on **TUESDAY, APRIL 7, 2026**. Doors open at 6:15 p.m.; catered meal following registration. Business meeting will begin at 7 p.m.

- ▶ Existence of a quorum
- ▶ Notice of the mailing and meeting report
- ▶ Minutes of the 2025 Annual Meeting of the members
- ▶ Election of directors (candidates are listed in this notice)
- ▶ CEO report
- ▶ Special guest speakers
- ▶ Youth Tour and scholarship recipients
- ▶ Unfinished business
- ▶ New business
- ▶ Adjournment

REX SMITH, SECRETARY-TREASURER

MISSION STATEMENT

Sedgwick County Electric Cooperative is committed to providing safe, reliable, innovative energy solutions for you, our member-owners.

QUORUM NEEDED. Under Article III, Section 3.04 of the bylaws of Sedgwick County Electric Cooperative, a meeting can be held if 50 members are present. Be sure to attend so business can be conducted.

YOUR MEMBERSHIP is on record with the cooperative as this notice has been addressed. According to bylaw provisions, only members can register.

SPECIAL NOTE Acting under Article IV, Section 4.02 of the bylaws which reads: *“Members of the Board of Directors shall be elected by the members of the Cooperative from nine (9) Director Territories and shall serve for a term of three (3) years, or until their successors shall have been elected. The Cooperative shall stagger Director Terms by dividing the total number of authorized Directors into groups of three (3) and Members must annually elect three (3) Directors. The Cooperative members shall elect Directors by a plurality of the votes cast, and the Cooperative members may not vote for write-in candidates, by proxy, and there shall be no nominations from the floor at the Annual Meeting. Members of the Board of Directors shall be elected by ballot and from the members of the Cooperative. The individual presiding at the Annual Meeting shall announce the results of the election.”*

CAPITAL CREDIT REFUNDS totaling **\$326,186.13** have been distributed to members who received service from the cooperative in 2008.

ATTENDANCE PRIZES will be drawn after the close of the business meeting. **YOU MUST BE PRESENT TO WIN.**