Kaw Valley Electric Cooperative, Inc. Jerry Manning-General Manager

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Legal Counsel

LIEC & KAW VALLEY ALLIANCE UPDATE

Consolidating Services & Systems Integrations

This month's update regarding our working alliance with Leavenworth-Jefferson Electric Cooperative (LJEC) is more of a thank you to three longtime employees who have recently retired.

JOHN BURTON and VAUGHN KIRK-LAND with Kaw Valley (see page 16-C for details) and BOB FUNK with LJEC have all retired.

Burton served the members of Kaw Valley for 34 years; working as crew leader as well as resident historian for the cooperative.

Kirkland's tenure with Kaw Valley extended over a 24-year period. He saw tremendous growth at Kaw Valley and was instrumental in improving the reliability and keeping Kaw Valley's system updated.

Funk retired in January after

25-years at LJEC. He saw tremendous growth during his tenure at LJEC. He was proud to be involved in matters such as refinancing projects that saved the coop a substantial amount of money.

With Kirkland and Funk's retirements the engineering and accounting departments at both coops have been consolidated.

These long-time employees deserve our thanks. Without them, our cooperatives would not be in the position to serve you as well as we do. Please make sure to thank them if you see them out and about!

Systems Integration

JOSEPH FRIDLINGTON, LJEC's Technology Administrator, has been working

Continued on page 16-B ▶

Kaw Valley Annual Meeting is April 1

The Kaw Valley Electric Cooperative Annual Meeting will be held on Wednesday, April 1, 2015. Registration will begin at 5 p.m. with the meeting beginning promptly at 6:30 p.m. The meeting will be held at the cooperative's headquarters located at 1100 SW Auburn Road in Topeka.

This is your chance to catch up on the business of your cooperative from the previous year and to also learn about new programs and services coming to Kaw Valley. In addition, there will be discussion on the newly announced alliance and potential cooperative consolidation.

Watch for your March issue of Kansas Country Living magazine. It will have detailed information about the upcoming board election. Your ballot booklet will also be mailed at the beginning of March. Watch for both and make sure to vote!

| | April 2015 | | | | | | | | | | |
|----|------------|----|----|----|----|----|--|--|--|--|--|
| S | M | Т | W | U | F | S | | | | | |
| | <u> </u> | | 1 | 2 | 3 | 4 | | | | | |
| 5 | 6 | 7 | 8 | 9 | 10 | 11 | | | | | |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 | | | | | |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 | | | | | |
| 26 | 27 | 28 | 29 | 30 | | | | | | | |

Systems Integrations

Continued from page 16-A ▶

with both cooperatives to integrate IT systems. As the alliance moves forward (with a potential consolidation in the future) it is important that IT systems at both cooperatives mirror each other to allow for more efficient transfer (and sharing) of information.

Additional systems at both cooperatives are being mirrored to assist in an easy transition, should the membership vote to consolidate the two cooperatives in April 2016.

- ► Accounting Practices
- ▶ Board Reporting
- ► Inventory Tracking
- ► Mapping Systems
- ▶ New OSHA Compliance Rules
- ▶ Outage Reporting

In future articles, we will begin outlining the savings that both cooperatives are realizing since the working alliance was formed. We'll also examine potential long-term savings with not only the working alliance but also the possible consolidation.

You are encouraged to contact Kaw Valley with any questions regarding the alliance and/or potential consolidation. Contact Kevin Gregg at 800-794-2011, 785-478-3444 or email kevin.gregg@kve.coop.

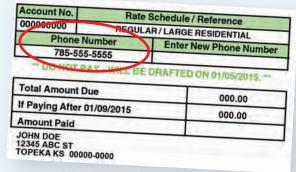
Help Us Serve You Better!

Kaw Valley Needs Your Updated Contact Information

There are times when Kaw Valley needs to get in touch with you. Reasons typically include service problems, billing questions, or safety issues. But perhaps the most important reason we would contact you, from your perspective, would be regarding planned outages.

We do our best to keep planned outages to a minimum and do try to contact members when those outages are going to occur. Unfortunately, there are times when the contact information we have on file is outdated. Keeping an updated phone number and/or email address is very important for you and for the cooperative as it allows us to communicate valuable information in case of an outage or emergency.

In the future, Kaw Valley will be able to notify members of unplanned outages, their scope and



You can find the phone number we have on file at the bottom left hand side of your monthly bill.

> their estimated duration. But for now, if there is a substantial outage, we do our best to post information on our website at www.kve.coop or our Facebook page.

The contact information you provide to Kaw Valley is confidential. We do not sell or share our members' information with other organizations unless it is a subcontractor providing services for Kaw Valley (such as a member survey).

Update your contact information by calling Kaw Valley member services at 800-794-2011 or email Corey at Corey.Calvert@kve.coop.

Paying Our Share—2014 Kaw Valley Property Tax Review

Kaw Valley received its 2014 tax bills from the counties in which the cooperative owns and maintains property (line and infrastructure). The cooperative saw a drop in this year's taxes, due to the Kansas Department of Revenue changing their methodology of appraising electric cooperatives versus other utilities.

Through payment of property taxes, rural electric cooperatives share the cost of the state's educational system, highways and city and county facilities such as roads, libraries, parks and hospitals.

Paying our share of taxes is one way Kaw Valley and nearly 1,000 other rural electric cooperatives help build a stronger America.

Kaw Valley strives to maintain

our rates while facing increases such as these. Material prices throughout all aspects of the cooperative business continue to rise.

If you have any questions contact us at 800-794-2011 or 785-478-3444.

| County | 2010 | 2011 | 2012 | 2013 | 2014 | 5 Yr % change |
|--------------|------------|------------|------------|------------|------------|------------------|
| Douglas | 95,446.48 | 96,032.88 | 95,518.58 | 102,062.26 | 98,209.12 | 2.90% |
| Jackson | 52,340.48 | 53,800.54 | 51,917.60 | 54,193.32 | 49,497.92 | -5.40% |
| Osage | 124,104.02 | 129,925.32 | 134,473.84 | 140,812.74 | 127,018.76 | 2.30% |
| Pottawatomie | 2,044.28 | 1,991.50 | 1,856.50 | 1,901.84 | 1,749.33 | -14.40% |
| Shawnee | 303,679.48 | 319,864.15 | 319,028.78 | 342,037.38 | 314,448.73 | 3.50% |
| Wabaunsee | 36,031.90 | 38,819.42 | 37,805.78 | 38,338.00 | 36,166.68 | 0.40% |
| Total | 613,646.64 | 640,433.81 | 640,601.08 | 679,345.54 | 627,090.54 | 2.20 % |

Kaw Valley Congratulates 3 Recent Retirees

The new year brought three retirements at Kaw Valley Electric.

JOE CONLEY retired from the Board of Trustees of Kaw Valley Electric after a remarkable 50-year run.

Conley, who resides near Delia, began his term in 1965. He was a voting delegate for Kaw Valley on the Kansas Electric Cooperatives, Inc., board and regularly attends National Rural Electric Cooperative Association (NRECA) meetings on behalf of the membership.

He attained the NRECA Credentialed Cooperative Director and Board Leadership Certificates and has attended many educational courses in his 50 years to remain informed of cooperative business practices.

The Board of Trustees selected his son, BILL CON-**LEY**, to fill the remainder of his term, which expires in April.

JOHN BURTON, Crew Leader, retired January 3, 2015. He has worked for Kaw Valley since 1981.

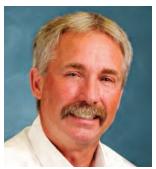
Through his tenure, he has become somewhat of a historian for the cooperative. He is normally our ambassador at the door of the annual meeting and remembers many details from various outages and storms through his long career. Burton has been a teacher to



Joe Conley, Trustee



John Burton, Crew Leader



Vaughn Kirkland, Manager of Engineering

many lineman both at Kaw Valley and at several training classes around the state in his 34 years.

VAUGHN KIRKLAND,

Manager of Engineering for Kaw Valley, retired in December 2014.

Kirkland made his career working in the cooperative business, beginning his work for cooperatives at CMS Electric Cooperative in Meade. He began working at Kaw Valley March 5, 1990, as Director of Engineering Services and worked his way up to become manager of his department.

Our electrical system has seen dramatic improvements during Kirkland's tenure which is a

testament to his expertise and commitment to the membership.

Congratulations to our retirees. The staff, trustees and members of the cooperative wish you all the very best.

Hallgren & Shaver Promoted to Apprentice 2

Kaw Valley feels it is important to recognize the hard work our apprentices do as they advance through the program. On December 31, 2014, KYLE **HALLGREN** and **BRYCE SHAVER** both were promoted to Apprentice 2.

Linemen at Kaw Valley Electric are required to complete a comprehensive training program before they reach the level of journeyman. Beginning with an apprenticeship, each new lineman will complete a four-year training program to gain the knowledge and experience necessary to perform highly specialized work on electrical transmission and distribution lines.



Kyle Hallgren



Bryce Shaver

Kaw Valley has had great success recruiting apprentice linemen who are ready to graduate from the Manhattan Area Technical College (MATC). When we consider hiring for a new line department position due to a pending retirement or other vacancy, we talk with staff at MATC and go visit the college to see prospective employees first hand.

We look at safety, performance, work ethic and speak with their instructors to determine if they would be a good fit for our organization. If someone is offered a position, they begin work at Kaw Valley as an Apprentice 1 and begin our Merchant's Power Line Program. It is an intensive four-year program requiring book work, testing and on the job instruction to ensure graduates of the program are prepared for anything they may face when working as a journeyman lineman.

Congratulations to both on all of their hard work and success. It is truly a team effort as they are being trained by those who have completed the program before them and are learning the safest and most effective ways to do the highly specialized work that will be required of them throughout their career.

Energy Efficiency Tip of the Month

Did you know that 90 percent of the energy used to operate a washing machine comes from using hot water? A simple switch from hot to cold can save a great deal of energy! Also, consider air drying or even line drying to save even more household energy.

Co-op Present at Topeka Farm Show



Gov. Brownback and his folks stopped by the booth Kaw Valley shared with four other electric cooperatives at the Topeka Farm Show.

Five electric co-ops joined forces to sponsor a booth at the Topeka Farm Show Jan. 6-8.

Kaw Valley along with fellow co-ops, Bluestem, Brown-Atchison, LJEC, and Lyon-Coffey Electric used the opportunity to interact with members and the public.

More than 300 exhibitors participated in the event which drew nearly 30,000 attendees at the Kansas Expocentre in Topeka. One of those visitors was Governor Sam Brownback. He attended the event with his parents who are members of Heartland.

The co-ops' booth featured energy efficiency tips and the importance of attic insulation. This year's drawing winner was



CHARLES FOSTER, a Kaw Valley member, who won an electric grill.

Charles Foster's sister, Terry, dropped by Kaw Valley to pick up the electric grill he won at this year's Farm Show.

Attention High School Juniors Win an All-Expense-Paid Trip!

Kaw Valley Electric is proud to sponsor an all-expense paid trip to Washington, D.C., for two high school juniors whose parent(s)/ guardian(s) are members of Kaw Valley.

Kaw Valley partners with our statewide organization, Kansas Electric Cooperatives, and students from other Kansas electric cooperatives join approximately 1,600 students from other electric cooperatives around the country for a week full of activities in our nation's capital.

Entry forms and contest rules can be found at www.kve.coop. The application and student profile must be returned to be eligible. Trip information will also be distributed to school counselors in January.

Applications/profiles can be mailed to the Kaw Valley's office (PO Box 750640, Topeka, KS 66675), faxed to 785-478-1088, or emailed to Denise Peterson at denise.peterson@kve. coop.



Zach Taylor (left) and Caleb Lovejoy pose in front of the U.S. Capitol during the 2014 Electric Cooperative Youth Tour. This year's tour is June 11-18, 2015.

Scan this Code to Learn More **About this Amazing Trip!**



The deadline to submit applications is 5 p.m. on February 24, 2015.



Students from Kansas will join more than 1,600 youth to attend the Electric Co-op Youth Tour June 11-18, 2015.