



MEMORANDUM

Date: July 1, 2026
To: LES Administrative Board, Emeka Anyanwu
From: Bryan Willnerd, Scott Benson
Subject: Lincoln Electric System Claims Report for the six-month period ending June 30, 2026

Background

LES Policy 511 (*Claims Processing*) requires that all claim resolutions shall be reported to the Administrative Board semi-annually. Additionally, the Claims Policy allows the Chief Executive Officer (or designee) to approve the settlement of all claims under \$25,000. Claim payments exceeding \$25,000 are subject to ratification by the Administrative Board.

Six-Month Claim Activity

Total claim activity for the six-month period ending June 30, 2026, is as follows (*details outlined in the attached Exhibits A & B*):

	# Claims	\$ Amount
Total Claims Paid	7	\$39,337
Total Claims Denied	3	Claim \$'s Not Provided
Total Claims Processed	10	\$39,337

LES Claim Ratification

For the six-month period ending June 30, 2026, LES incurred no single claim greater than \$25,000, therefore no paid claims require ratification by the Board.

Five-Year Claim Activity

Total claim activity for the five-year period ending June 30, 2026, is outlined below.

Annual Total Claims Paid:

	# of Claims	\$ Amount
2022	4	\$10,826
2023	15	\$42,644
2024	10	\$53,105
2025	18	\$53,247
2026 (<i>January thru June</i>)	7	\$39,337
Total Claims Paid	54	\$266,122



MEMORANDUM

Annual Total Claims Denied:

	# of Claims	\$ Amount
2022	8	\$46,120
2023	9	\$3,548
2024	7	\$33,801
2025	9	\$264,622
2026 (January thru June)	3	\$0
Total Claims Denied	36	\$348,091

Update on Lawsuit Claims

There are currently no pending lawsuits against LES.

Prepared By:

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Exhibits: Six-Month Period Ending June 30, 2026

Exhibit A - Paid Claims:

	Claimant	Description of Claim	The Claim Was Paid Because...	Amount Paid
1	Ace Electric	Damage to private underground lighting.	LES damaged private underground lighting.	\$1,986.00
2	Max Westerholt	Damage to interior caused by failed sewer line from LES work.	LES work caused sewer line failure resulting in interior damage.	\$4,432.35
3	Cesar Gomez	Vehicle damage.	LES damaged the vehicle while performing overhead work.	\$2,413.13
4	Daniel Young	Roof damage.	Low hanging LES service drop caused roof damage due to rubbing.	\$435.50
5	Foundation for Educational Services	Flooded vault caused water damage to customer property.	The responsibility for the vault's maintenance was unclear. Ongoing maintenance of the vault will be the responsibility of the customer.	\$5,000.00
6	Windstream	Damage to underground facilities.	An LES-initiated project damaged underground facilities.	\$1,211.41
7	Wade and Kristin Fornander	Private sewer line was damaged, resulting in sewer backup.	LES could not locate the customer acknowledgement form from 2017 where the customer releases LES from liability on a customer-initiated underground conversion project.	\$23,859.00
Total Amount in Claims Paid				\$39,337.39



Exhibit B - Denied Claims:

	Claimant	Description of Claim	The Claim Was Denied Because...	Amount Denied
1	Jordan Gomez	Claimant struck an LES guy wire, damaging their vehicle.	The LES guy wire was properly marked.	Undisclosed
2	Rose Medina	Damage to a paver patio settling after LES worked in the area in 2022.	Statute of limitations had expired.	Undisclosed
3	Linda Bettinger	Damage to underground sprinklers from underground conversion.	Customer signed the acknowledgement form for the initiated project, waiving LES liability.	Undisclosed
Total Amount in Claims Denied				Undisclosed